U.S. COMMODITY FUTURES TRADING COMMISSION
Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581
www.cftc.gov

FOIA Office

May 18, 2022

Cerissa Cafasso
American Oversight
1030 15th Street, NW
Suite B255
Washington, DC 20005

RE: 22-00081-FOIA

Dear Ms. Cafasso:

This is in response to your request dated April 12, 2022, under the Freedom of Information Act ("FOIA") seeking access to:

> 1. All email communications (including emails, email attachments, complete email chains, calendar invitations, and calendar invitation attachments) sent or received by any of the agency officials listed below containing any of the following key terms: Key Terms: a. "Thomas Clerk" b. "Clerk World" c. "Ginni Thomas" d. "Justice Thomas" e. "Clarence Thomas" f. Clanton g. Groundswell h. "Liberty Consulting" i. "CNP Action" j. "Council for National Policy" k. "Conservative Action Project" l. "United in Purpose" m. UIP n. Ziklag o. "Third Century Group"
>
> 2. All email communications (including emails, email attachments, complete email chains, calendar invitations, and calendar invitation attachments) and text messages or messages on messaging platforms (such as Slack, GChat or Google Hangouts, Lync, Skype, Twitter direct messages, Facebook messages, WhatsApp, Signal, Telegram, or Parler) between (a) the agency officials listed below or any person communicating on their behalf, such as schedulers or assistants, and (b) Virginia "Ginni" Thomas or any person communicating on her behalf, including but not limited to Crystal Clanton, communications from an email address ending in @libertyinc.co, or a phone number with the last four digits 8983.
>
> Agency Official(s)[:]
> a) Heath Tarbert.

In accordance with the FOIA and agency policy, we have searched our records, as of April 12, 2022, the date we received your request in our FOIA office.

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We are granting partial access to and are attaching copies of the accessible records. Some pages are exempt in full, and portions of the remaining pages fall within the exemptions to the FOIA's disclosure requirements, as explained below. The Commission considers the foreseeable harm standard when reviewing records and applying FOIA exemptions. We have conducted a segregability analysis and have segregated any non-exempt portions of the records from the exempt portions, which are redacted.

Some responsive records contain staff analyses, opinions, and recommendations. Those portions are deliberative and pre-decisional and are an integral part of the agency's decision-making process. They are exempt from the FOIA's disclosure requirements by FOIA Exemption 5. 5 U.S.C. § 552(b)(5); *see NLRB v. Sears, Roebuck & Co.,* 421 U.S. 132 (1975).

Some responsive records contain personal information, which is exempt from release under FOIA Exemption 6 because individuals' right to privacy outweighs the general public's interest in seeing personal identifying information. 5 U.S.C. § 552(b)(6); *see also The Lakin Law Firm v. FTC,* 352 F.3d 1122 (7th Cir. 2003).

Additionally, 3 pages were referred to the Department of State for processing and direct response to you. To check the status of your request, you may contact the Department of State FOIA Requester Service Center (FRSC) via telephone at: (202) 261-8484.

If you have any questions about the way we handled your request, or about our FOIA regulations or procedures, please contact Bridget McFarland at 202-418-5319, or Jonathan Van Doren, our FOIA Public Liaison, at 202-418-5505.

Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, Room 2510, 8601 Adelphi Road, College Park, Maryland 20740-6001, email at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769.

If you are not satisfied with this response to your request, you may appeal by writing to Freedom of Information Act Appeal, Office of the General Counsel, Commodity Futures Trading Commission, Three Lafayette Centre, 8th Floor, 1155 21st Street, N.W., Washington, D.C. 20581, within 90 days of the date of this letter. Please enclose a copy of your original request and a copy of this response.

Sincerely,

Rosemary B. Killoy
Assistant General Counsel

AMERICAN OVERSIGHT

To: Benedict, Melissa[MBenedict@CFTC.gov]
From: Tarbert, Heath P.[/O=CFTC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=F1937A8EF6D145D6ADC3BC3059CDE54A-TARBERT, HEATH]
Sent: Fri 8/30/2019 7:48:31 PM (UTC)
Subject: Re: [EXTERNAL] Fwd: [ThomasClerkWorld] Christmas Party - Friday, Dec 13th after CT's conference

Let's double book for now.(b)(6) may just go to the party or I'll go late. Many thanks.

On: 30 August 2019 15:46,
"Benedict, Melissa" <MBenedict@CFTC.gov> wrote:

The FSOC Meeting is on Dec 13 from 1 – 2:30 PM. Will you send someone in your place?

Kind Regards,
Melissa

Melissa Benedict
Executive Assistant to Chairman Tarbert
Tel:+1-202-418-6055 (Direct)
Email: MBenedict@CFTC.gov

From: Tarbert, Heath P.
Sent: Friday, August 30, 2019 3:23 PM
To: Benedict, Melissa
Subject: Fwd: [EXTERNAL] Fwd: [ThomasClerkWorld] Christmas Party - Friday, Dec 13th after CT's conference

For outlook pls. Just the Xmas party on the 13th.

From: "HPT" (b)(6)
Subject: [EXTERNAL] Fwd: [ThomasClerkWorld] Christmas Party - Friday, Dec 13th after CT's conference
Date: 30 August 2019 15:07
To: "Tarbert, Heath P." <(b)(6)

Sent from my iPhone
Begin forwarded message:

> **From:** Kate Tarbert (b)(6)
> **Date:** August 30, 2019 at 8:41:36 AM EDT
> **To:** Heath Tarbert (b)(6) >
> **Subject: Fwd: [ThomasClerkWorld] Christmas Party - Friday, Dec 13th after CT's conference**
>
> Let's plan to go this year for sure. (b)(6)
>
> Sent from my iPhone
> Begin forwarded message:
>
> > **From:** Ginni <vthomas@libertyinc.co>
> > **Date:** August 30, 2019 at 8:38:52 AM EDT
> > **To:** Thomas Clerk World <thomasclerkworld@googlegroups.com>

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Subject: [ThomasClerkWorld] Christmas Party - Friday, Dec 13th after CT's conference

Mark your calendars and pay the chambers later for attending the next awesome Christmas party for 2019!

Friday, December 13th after his conference ends (so could be 12:30 or 1 start - TBD)

If anyone is interested in joining us for Wreaths Across America, we can't take everyone, but maybe 15 of the families this year! RSVP if you want in for **Saturday, Dec 14th** when we meet up around 7:30 am near Pentagon Mall and caravan in. Usually done by 11:00 am. There is a Wreaths Across America website too for more info, in general. We are just getting a slightly different treatment for this huge open to the public event, as many of you know.

Cheers, Ginni

Ginni Thomas
888-900-7611
Liberty Consulting / vthomas@libertyinc.co

--
You received this message because you are subscribed to the Google Groups "Thomas Clerk World" group.
To unsubscribe from this group and stop receiving emails from it, send an email to thomasclerkworld+unsubscribe@googlegroups.com.

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To: Benedict, Melissa[MBenedict@CFTC.gov]
From: Kadel Jr., Eric J.[Kadelej@sullcrom.com]
Sent: Thur 2/20/2020 12:34:29 AM (UTC)
Subject: [EXTERNAL] RE: Fwd: Clerks' Luncheons - This Friday, February 21

OK

From: Benedict, Melissa <MBenedict@CFTC.gov>
Sent: Wednesday, February 19, 2020 5:47 PM
To: Kadel Jr., Eric J. <Kadelej@sullcrom.com>
Subject: [EXTERNAL] RE: Fwd: Clerks' Luncheons - This Friday, February 21

Dear Eric,

I am contacting you on behalf of Chairman Heath Tarbert. He is unable to attend the Clerks' Luncheon on Friday, February 21 due to a prior commitment at that time. However, he can tentatively confirm attendance at the March 20, April 17, and May 1 luncheons.

Kind Regards,
Melissa

CFTC
cftc.gov

Melissa Benedict
Executive Assistant, Office of the Chairman
Commodity Futures Trading Commission
202-418-6055
mbenedict@cftc.gov

From: HPT [mailto (b)(6)
Sent: Wednesday, February 19, 2020 12:26 PM
To: Benedict, Melissa
Subject: [EXTERNAL] Fwd: Clerks' Luncheons - This Friday, February 21

For the calendar for days in which I am likely to make it. Many thanks.

Sent from my iPhone
Begin forwarded message:

From: "Kadel Jr., Eric J." <Kadelej@sullcrom.com>
Date: February 19, 2020 at 9:39:04 AM EST
To: "Adam Conrad (b)(6) " <(b)(6) >, "Adam K. Mortara (adam.mortara@bartlit-beck.com)" <adam.mortara@bartlit-beck.com>, "Alex M. Azar II (b)(6) '(b)(6) , "Allison Jones (OT10)"(b)(6) ', "Allyson Ho (b)(6) ' (b)(6) "Allyson N. Ho (aho@gibsondunn.com)" <aho@gibsondunn.com>, "Andrew Ferguson " (b)(6) "Andrew Pinson (b)(6) (b)(6) ', "Andrew Pinson (aapinson@me.com)" <aapinson@me.com>, "Ann Scarlett (ascarlet@slu.edu)" <ascarlet@slu.edu>, "Arthur Long (along@gibsondunn.com)" <along@gibsondunn.com>, "Ashley E. Johnson (ajohnson@gibsondunn.com)" <ajohnson@gibsondunn.com>, "Austin Raynor (b)(6) ' (b)(6) ', "Bo Rutledge (borut@uga.edu)" <borut@uga.edu>, "Bradbury, Steven (OST) (Steven.Bradbury@dot.gov)" <Steven.Bradbury@dot.gov>, "Brandt Leibe (b)(6) '

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(b)(6) , "Cullen, Brendan P." <CULLENB@sullcrom.com>, "Brian D. Schmalzbach (b)(6) , Brian Lea <blea@jonesday.com>, Brian Morrissey (b)(6) , "Brinton Lucas (b)(6) "C. Kevin Marshall (b)(6) , "C. Kevin Marshall (ckmarshall@jonesday.com)" <ckmarshall@jonesday.com>, "Caleb Nelson (cen2d@virginia.edu)" <cen2d@virginia.edu>, "Cam Norris (b)(6) , "cam@consovoymccarthy.com" <cam@consovoymccarthy.com>, "Carl Nichols (b)(6) "Carrie Severino (b)(6) , "Chantel L Febus (cfebus@proskauer.com)" <cfebus@proskauer.com>, "Chantel L. Febus (b)(6) , "Chris Landau (b)(6) Christopher Mills <(b)(6) "Claire Evans ((b)(6) "Craig Primis (cprimis@kirkland.com)" <cprimis@kirkland.com>, "Dan Himmelfarb (dhimmelfarb@mayerbrown.com)" <dhimmelfarb@mayerbrown.com>, "David Bragdon ((b)(6) David Morrell <(b)(6) . "David Stras (david_stras@ca8.uscourts.gov)" <david_stras@ca8.uscourts.gov>, "(b)(6) (b)(6) , "Elbert Lin (OT10)"(b)(6) , Emin Toro <(b)(6) (b)(6) "Eric D. Miller (Eric_Miller@ca9.uscourts.gov)" <Eric_Miller@ca9.uscourts.gov>, "Eric Grant (eric@eric-grant.com)" <eric@eric-grant.com>, "Eric McArthur (b)(6) , "Eric Nelson (enelson@foleylaw.com)" <enelson@foleylaw.com>, "Erik S. Jaffe (jaffe@esjpc.com)" <jaffe@esjpc.com>, "Evans, Claire" <CEvans@wileyrein.com>, "Gilbert Dickey(b)(6) "Greg Maggs (gmaggs@law.gwu.edu)" <gmaggs@law.gwu.edu>, "Greg Miller (b)(6) (b)(6) Gregory Katsas <(b)(6) . "Gregory Katsas (b)(6) "Haley (Nix) Proctor (hproctor@cooperkirk.com)" <hproctor@cooperkirk.com>, (b)(6) "Hannah Smith (hcsmith@alumni.princeton.edu)" <hcsmith@alumni.princeton.edu>, "Heath P. Tarbert (b)(6) . "Helgi C. Walker (b)(6) " (b)(6) . "Helgi C. Walker (hwalker@gibsondunn.com)" <hwalker@gibsondunn.com>, "Henry Whitaker ((b)(6) , "Isaac J. Lidsky (ilidsky@odcbuilds.com)" <ilidsky@odcbuilds.com>, "Jacob Spencer ((b)(6) "James C. Ho (jamescho@stanfordalumni.org)" <jamescho@stanfordalumni.org>, "James Gauch (jegauch@jonesday.com)" <jegauch@jonesday.com>, "Janet Galeria (b)(6) "Janet Galeria (JGaleria@USChamber.com)" <JGaleria@USChamber.com>, "Jeff Wall ((b)(6) " (b)(6) , Jennifer Dickey (b)(6) , "Jennifer Koester Hardy (b)(6) , "Jim Chen (chenjame@law.msu.edu)" <chenjame@law.msu.edu>, "jmascott@law.gwu.edu" <jmascott@law.gwu.edu>, "John D. Adams ((b)(6) , "John Eastman (jeastman@chapman.edu)" <jeastman@chapman.edu>, "John Eisenberg (b)(6) , "John Hughes (john.hughes@bartlit-beck.com)" <john.hughes@bartlit-beck.com>, "John Wood (b)(6) , "John Yoo (yoo@law.berkeley.edu)" <yoo@law.berkeley.edu>, "Jon Cohn (jcohn@sidley.com)" <jcohn@sidley.com>, "Jon Urick (b)(6) , "Judge Allison H. Eid (Allison_Eid@ca10.uscourts.gov)" <Allison_Eid@ca10.uscourts.gov>, "Karl E. Tilleman (karl.tilleman@dentons.com)" <karl.tilleman@dentons.com>, "Kasdin Mitchell(b)(6) , "Katherine Crawford Yarger (b)(6) , "Kathryn Comerford Todd (b)(6) (b)(6) Kathryn Kimball <(b)(6) "Kenton Skarin (b)(6) "Kristen Silverberg (b)(6) (b)(6) , Laura Ingraham (b)(6) "Laurie Finneran Calder (b)(6) "Laurie Gallancy Mullig (gallancy@mindspring.com)" <gallancy@mindspring.com>, "Leonard Leo (leonard.leo@mindspring.com)" <leonard.leo@mindspring.com>, "Leonard Leo (lleo@fed-soc.org)" <lleo@fed-soc.org>, Liam Hardy (b)(6) , Madeline Lansky <(b)(6) , "Marah McLeod (b)(6) "Margaret A. Ryan - U.S. Court of Appeals - Armed Forces (margaret.ryan@armfor.uscourts.gov)" <margaret.ryan@armfor.uscourts.gov>, "Margaret A. Ryan (b)(6) "Marisa Maleck (b)(6) (b)(6) "Matthew A. Fitzgerald (mfitzgerald@mcguirewoods.com)" <mfitzgerald@mcguirewoods.com>, "Matthew B. Nicholson (mnicholson@wc.com)" <mnicholson@wc.com>, "Matthew Berry (b)(6) , Matthew Nicholson

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(b)(6) ', "McGimsey, Diane L." <mcgimseyd@sullcrom.com>,
(b)(6) . Michelle Stratton (b)(6) ,
"Mike Lee (b)(6) >, "mpaoletta@mac.com" <mpaoletta@mac.com>, "Neomi J.
Rao (b)(6) , "Nicole Stelle Garnett (Nicole.Garnett.5@nd.edu)"
<Nicole.Garnett.5@nd.edu>, "Pat Philbin (b)(6) "Patrick
Strawbridge (patrick@consovoymccarthy.com)" <patrick@consovoymccarthy.com>,
"patrick.odaniel@nortonrosefulbright.com" <patrick.odaniel@nortonrosefulbright.com>, "Rachel Brand
(b)(6) , "Rebekah Perry Ricketts (b)(6) "
(b)(6) . "Richard
Corn (OT03)" (b)(6) "Richard W. Garnett (Rick.Garnett.4@nd.edu)" <Rick.Garnett.4@nd.edu>,
"Rob Dunn (b)(6) "Robert Dunn - Gibson, Dunn & Crutcher
(rdunn@gibsondunn.com)" <rdunn@gibsondunn.com>, "Robert Leider (leider@aya.yale.edu)"
<leider@aya.yale.edu>, "Robert N. Stander - Jones Day (rstander@jonesday.com)" <rstander@jonesday.com>,
"Robert Stander (b)(6) , Russell Balikian
<(b)(6) , S Ma <(b)(6) "Saikrishna Prakash (sp5mm@virginia.edu)"
<sp5mm@virginia.edu>, "Sanford (Sandy) I. Weisburst (sandyweisburst@quinnemanuel.com)"
<sandyweisburst@quinnemanuel.com>, "Sarah Miller Harris (smmiller@alumni.princeton.edu)"
<smmiller@alumni.princeton.edu>, "Scott G. Stewart (b)(6) ' <(b)(6)
"Stephanie Coleman (sac@austin.rr.com)" <sac@austin.rr.com>, "Stephen F. Smith (ssmith31@nd.edu)"
<ssmith31@nd.edu>, "Stephen R. McAllister (stever@ku.edu)" <stever@ku.edu>, "Steven T. Cottreau
(steve@cottreau.com)" <steve@cottreau.com>, "steven.bradbury@verizon.net" <steven.bradbury@verizon.net>,
"Taylor Meehan (b)(6) "Thomas R. Lee
(b)(6) , "Tyler Green (trgreen@pm.me)" <trgreen@pm.me>,
"Victoria Dorfman (vdorfman@JonesDay.com)" <vdorfman@JonesDay.com>, Virginia Thomas
<vthomas@libertyinc.co>, "Wendy Long (b)(6) "Will
Peterson (OT10)" (b)(6) , William Consovoy <will@consovoymccarthy.com>, "William Consovoy
(b)(6) .

Cc: Shean Kelly Makel <skellymakel@supremecourt.gov>
Subject: Clerks' Luncheons - This Friday, February 21

Hello everyone:

I've heard from a few of you, but can I ask for final RSVPs by end of day today for the Clerks' Luncheon on Friday, February 21, at Capital Grille @ 12:00 noon. Please see below our remaining schedule for OT 2019 – please note that the June date has moved from the previously announced 6/5 to 6/4.

February 21 – Capital Grille @12:00 pm
March 20 – Morton's @1:00 pm
April 17 – Morton's @12:00 pm
May 1 – Capital Grille (time TBD)
June 4 - Morton's @ 12:30 pm

Thanks,
Eric

Eric J. Kadel, Jr.
Sullivan & Cromwell LLP | 1700 New York Avenue, NW |
Suite 700 | Washington, D.C. 20006-5215
T: (202) 956-7640 | F: (202) 956-6952
kadelej@sullcrom.com | http://www.sullcrom.com

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**This is an external message from: prvs=31163d729=MBenedict@cftc.gov **

AMERICAN OVERSIGHT

To: Mersinger, Summer[SMersinger@CFTC.gov]
From: Benedict, Melissa[/O=CFTC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=F23BFAF857ED4BEC877B0E3EA19A550C-BENEDICT, MELISSA]
Sent: Mon 7/13/2020 11:49:54 PM (UTC)
Subject: RE: [EXTERNAL] RE: RE: RE: COP Meeting

Jaime will be calling in from the following number (b)(6)
Charlie will be calling in from (b)(6)
Heath will be calling in from (b)(6)

Kind Regards,
Melissa

Melissa Benedict
Executive Assistant, Office of Chairman Tarbert
Commodity Futures Trading Commission
202-247-7660
mbenedict@cftc.gov

From: Mersinger, Summer
Sent: Monday, July 13, 2020 4:37 PM
To: Benedict, Melissa
Subject: FW: [EXTERNAL] RE: RE: RE: COP Meeting

See below. Do you know who all will be calling in?

Summer Mersinger
Director, Office of Legislative and Intergovernmental Affairs

From: Valeria Zavala [mailto:valeriaz@fb.org]
Sent: Monday, July 13, 2020 4:25 PM
To: Mersinger, Summer
Subject: [EXTERNAL] RE: RE: RE: COP Meeting

Yes of course, he is scheduled to speak on Wednesday. You can use the same link, can you give me the numbers that will be calling in? Especially his so we let him in as soon as we see the number?

Valeria

From: Mersinger, Summer <SMersinger@CFTC.gov>
Sent: Monday, July 13, 2020 2:33 PM
To: Valeria Zavala <valeriaz@fb.org>
Subject: RE: RE: RE: COP Meeting

Hi Valeria –
Quick question, is there a line or a way for the Chairman's staff to listen in during his speaking time tomorrow?

AMERICAN OVERSIGHT

Thanks so much!

Summer Mersinger
Director, Office of Legislative and Intergovernmental Affairs

From: Valeria Zavala [mailto:valeriaz@fb.org]
Sent: Monday, July 13, 2020 12:19 PM
To: Mersinger, Summer
Subject: [EXTERNAL] RE: RE: COP Meeting

Thank you!

Valeria

From: Mersinger, Summer <SMersinger@CFTC.gov>
Sent: Monday, July 13, 2020 12:18 PM
To: Valeria Zavala <valeriaz@fb.org>
Subject: RE: RE: COP Meeting

Hi Valeria – Here is the one from our website, but I'm checking with our public affairs team to see if we have something shorter for you.

Dr. Heath P. Tarbert is Chairman and Chief Executive of the Commodity Futures Trading Commission. He was nominated for a term expiring on April 13, 2024 and took office on July 15, 2019. The mission of the CFTC is to promote the integrity, resilience, and vibrancy of the U.S. derivatives markets through sound regulation. The agency's approximately 700 personnel based in Chicago, Kansas City, New York, and Washington, DC also work to ensure U.S. commodities and derivatives markets are free of fraud and manipulation. Chairman Tarbert also serves as a voting member of the Financial Stability Oversight Council (FSOC), as a Vice Chair of the International Organization of Securities Commissions (IOSCO) Board, and as a member of the President's Working Group on Financial Markets.

Chairman Tarbert has extensive experience in financial services law and has served in senior leadership roles in the public and private sector. Most recently, he served as Assistant Secretary for International Markets and subsequently as acting Under Secretary for International Affairs at the U.S. Department of the Treasury. In these roles, Chairman Tarbert served as the G-7/G-20 Deputy Finance Minister, a member of the Financial Stability Board, and the co-chair of both the US-EU Financial Regulatory Forum and the US-UK Financial Regulatory Working Group. Prior to his service at the Treasury Department, Chairman Tarbert was head of the bank regulatory practice of Allen & Overy LLP, a leading global law firm.

Other Public Service

Policy Chair, U.S. Committee on Foreign Investment in the United States (CFIUS) (2017-2019)
U.S. Executive Director, World Bank Group (2017-2018)
Special Counsel, U.S. Senate Committee on Banking, Housing, and Urban Affairs (2009-2010)
Associate Counsel to the President of the United States, The White House (2008-2009)
Law Clerk, Chambers of Honorable Clarence Thomas, Associate Justice of the Supreme Court of the United States (2007-2008)
Attorney-Advisor, Office of Legal Counsel, U.S. Department of Justice (2006-2007)
Law Clerk, Chambers of Honorable Douglas H. Ginsburg, U.S. Court of Appeals for the District of Columbia Circuit (2005-2006)
Public Service Awards

Alexander Hamilton Award, U.S. Department of the Treasury (2019)
Outstanding Public Service Award, U.S. Department of Defense (2019)

Select Professional Certifications

Chartered Financial Analyst (CFA)
Certified Public Accountant (CPA)

Select Professional Affiliations

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Elected Member, American Law Institute (2017-Present)
Life Fellow, American Bar Foundation (2016-Present)
Board of Advisors, Review of Securities and Commodities Regulation (2015-2017)
Legal Advisor, Systemic Risk Council (2015-2017)
Chairman, Subcommittee on Systemically Important Financial Institutions, Banking Law Committee, American Bar Association (2014-2017)
Senior Fellow, Harvard Law School Program on International Financial Systems (2013-2017)
Board of Editors, Banking Law Journal (2011-2017)
Life Member, National Eagle Scout Association (1991-Present)

Education

DPhil, Comparative Law, Oxford University (2005)
SJD, Financial Regulation, University of Pennsylvania (2002)
JD, magna cum laude, University of Pennsylvania (2001)
BS, summa cum laude, Mount St. Mary's University (1998)

Summer Mersinger
Director, Office of Legislative and Intergovernmental Affairs

From: Valeria Zavala [mailto:valeriaz@fb.org]
Sent: Monday, July 13, 2020 11:56 AM
To: Mersinger, Summer
Subject: [EXTERNAL] RE: COP Meeting

HI Summer,

Can you please share a short bio for Dr. Tarbert?

Thank you!

Valeria

From: Mersinger, Summer <SMersinger@CFTC.gov>
Sent: Friday, July 10, 2020 8:33 PM
To: Valeria Zavala <valeriaz@fb.org>
Cc: Wright, Ann <AWright@CFTC.gov>; Blakey, Darryl <DBlakey@CFTC.gov>
Subject: RE: COP Meeting

Thanks Valeria!

Summer Mersinger
Director, Office of Legislative and Intergovernmental Affairs

From: Valeria Zavala [mailto:valeriaz@fb.org]
Sent: Friday, July 10, 2020 6:01 PM
To: Mersinger, Summer
Cc: Wright, Ann; Blakey, Darryl
Subject: [EXTERNAL] COP Meeting

Hi Summer,

Attached is a draft agenda for our COP meeting next week. We thank Dr. Tarbert for his flexibility to present during our meeting. The White House is aware that Dr. Tarbert is planning on joining the call with the President, as soon as I have the link for that first part of the meeting I will share it with you.

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Here is the link for Dr. Tarbert to join the second part of the meeting. We would ask him to call in at least 10 minutes before 11:30 am to make sure he has no problems logging in.

INVITE LINK FOR JULY 15

President Duvall will be introducing Dr. Tarbert, and I understand he will have some slides. He will have complete control over them, but if you would like our help with that let me know. He is scheduled to present from 11.30 am to 12 pm.

I also attached a list of all farm bureau presidents registered to attend; they will be joined by their administrators and National Affair Coordinators from their state.

Press is not invited, this is a private event and it will not be recorded.

Please let me know if you have any questions. My cellphone in case you need it for next week is(b)(6)

I hope you have a nice weekend and see you all next week.

Valeria

From: Williams, Timothy G <timothy_williams@ios.doi.gov>
Sent: Friday, July 10, 2020 11:11 AM
To: Ryan Yates <ryany@fb.org>; Valeria Zavala <valeriaz@fb.org>
Subject: RE: [EXTERNAL] RE: Virtual meeting

Hi Valeria great to meet you. So I am putting the event memo together for the Secretary and will be "staffing" him for the event. I think you have working with Leila (Scheduling) as well. Could you provide the time he will be speaking and the allotted time?

Tim Williams

From: Ryan Yates <ryany@fb.org>
Sent: Friday, July 10, 2020 11:01 AM
To: Williams, Timothy G <timothy_williams@ios.doi.gov>; Valeria Zavala <valeriaz@fb.org>
Subject: [EXTERNAL] RE: Virtual meeting

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Hi Tim –

I'm connecting you with Valeria Zavala who is managing the agenda for next week's Council of Presidents meeting.

Thanks,

Ryan

From: Williams, Timothy G <timothy_williams@ios.doi.gov>
Sent: Friday, July 10, 2020 10:41 AM
To: Ryan Yates <ryany@fb.org>
Subject: Virtual meeting

Can you give me a call on my cell at your convenience?(b)(6)

AMERICAN OVERSIGHT

Tim Williams
Director
Intergovernmental & External Affairs
Office of the Secretary
U.S. Department of the Interior
PH: (202) 706-4982

Valeria

From: Mersinger, Summer <SMersinger@CFTC.gov>
Sent: Thursday, July 9, 2020 5:23 PM
To: John Newton <jnewton@fb.org>
Cc: Wright, Ann <AWright@CFTC.gov>; Blakey, Darryl <DBlakey@CFTC.gov>; Valeria Zavala <valeriaz@fb.org>
Subject: RE: Re: Re: topics for next week

Unfortunately the 14th won't work because he has another speaking commitment that morning, but he can do 10:30 am on the 15th is that will work for you.

Summer Mersinger
Director, Office of Legislative and Intergovernmental Affairs

From: John Newton [mailto:jnewton@fb.org]
Sent: Thursday, July 9, 2020 4:32 PM
To: Mersinger, Summer
Cc: Wright, Ann; Blakey, Darryl; Valeria Zavala
Subject: [EXTERNAL] Re: Re: topics for next week

Summer –

There was a mix-up with USDA Secretary Perdue on scheduling. Is it possible Dr. Tarbert could provide remarks:

Tuesday July 14th at 10 am (preferred)
Wednesday July 15th at 10:30 (a half hour later).

Sorry for any inconvenience,

JN

From: "Mersinger, Summer" <SMersinger@CFTC.gov>
Date: Thursday, July 9, 2020 at 3:48 PM
To: John Newton <jnewton@fb.org>
Cc: "Wright, Ann" <AWright@CFTC.gov>, "Blakey, Darryl" <DBlakey@CFTC.gov>
Subject: RE: Re: topics for next week

Thanks John! This is very helpful. Another quick question, what do you anticipate for most of the participants' attire? Will they be business casual or in full suits or right off the tractor?

I'll see what he has up his sleeve for new impressions….

Summer Mersinger
Director, Office of Legislative and Intergovernmental Affairs

From: John Newton [mailto:jnewton@fb.org]
Sent: Wednesday, July 8, 2020 3:04 PM
To: Mersinger, Summer
Cc: Wright, Ann; Blakey, Darryl

CFTC OVERSIGHT

Subject: [EXTERNAL] Re: topics for next week

Hi Summer –

I believe items of interest would be:

- Ongoing CFTC initiatives in response to COVID-19
- Discussion of increased monitoring efforts in agricultural futures markets
- Any other agricultural-related issues CFTC is working on

Impersonations are also welcome *

JN

From: "Mersinger, Summer" <SMersinger@CFTC.gov>
Date: Tuesday, July 7, 2020 at 5:32 PM
To: John Newton <jnewton@fb.org>
Cc: "Wright, Ann" <AWright@CFTC.gov>, "Blakey, Darryl" <DBlakey@CFTC.gov>
Subject: topics for next week

Hey John –

I hope you are doing well and enjoyed the 4th. Wanted to check in with you regarding the Chairman speaking to your conference next week. Sounds like we are all set with the technical aspects of the virtual meeting and we are starting to prepare talking points. Any particular topics the Chairman should plan to hit on during his time? Any topics he should avoid?

Thanks for your help!

Summer Mersinger
Director, Office of Legislative and Intergovernmental Affairs
Commodity Futures Trading Commission
O: 202-418-6074
C: 202-322-9877
smersinger@cftc.gov

AMERICAN OVERSIGHT

To: Tarbert, Heath P.(b)(6)
From: Benedict, Melissa[/O=CFTC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=F23BFAF857ED4BEC877B0E3EA19A550C-BENEDICT, MELISSA]
Sent: Fri 12/13/2019 2:54:41 PM (UTC)
Subject: Justice Thomas

Dear Heath,

Justice Thomas' office called today to confirm your attendance at the Christmas party and also to get your updated contact details. Two weeks ago, Justice Thomas called and left a message on number (b)(6) but never heard back from you. He will talk to you at the party. I gave his assistant your current work cell in case they need it in the future.

Kind Regards,
Melissa

Melissa Benedict
Executive Assistant to Chairman Tarbert
U.S. Commodity Futures Trading Commission
1155 21st Street N.W., Washington, DC 20581
Tel:+1-202-418-6055 (Direct)
Tel:+1-202-418-5030 (Main)
Email: MBenedict@CFTC.gov

AMERICAN OVERSIGHT

To: Rosenberg, Anna[ARosenberg@CFTC.gov]
From: Benedict, Melissa[/O=CFTC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=F23BFAF857ED4BEC877B0E3EA19A550C-BENEDICT, MELISSA]
Sent: Wed 11/20/2019 10:11:51 PM (UTC)
Subject: RE: [EXTERNAL] Thank you for registering for the screening and reception for "Created Equal, Clarence Thomas in His Own Words."

Thanks!

From: Rosenberg, Anna
Sent: Wednesday, November 20, 2019 4:22 PM
To: Benedict, Melissa
Subject: FW: [EXTERNAL] Thank you for registering for the screening and reception for "Created Equal, Clarence Thomas in His Own Words."

Please see details for event below.

From: Kaitlynn Samalis [mailto:info@heritage.org]
Sent: Wednesday, November 20, 2019 1:29 PM
To: Tarbert, Heath (Chairman)
Subject: [EXTERNAL] Thank you for registering for the screening and reception for "Created Equal, Clarence Thomas in His Own Words."

Dear Heath,

Thank you for registering for the "Created Equal: Clarence Thomas in His Own Words," screening and reception. This event is taking place at The Heritage Foundation, and the event details are below:

- When: Tuesday, December 10th, 2019 | 5:00 p.m. Reception | 6:00 p.m. Movie Screening
- Where: The Heritage Foundation 214 Massachusetts Avenue, NE Washington, D.C. 20002

If you have any questions, please reply to this email or give me a call at (b)(6)

Thanks again for the RSVP, and we look forward to seeing you soon!

Kind regards,

Kaitlynn Samalis

AMERICAN OVERSIGHT

To: Benedict, Melissa[MBenedict@CFTC.gov]
From: (b)(6)
Sent: Wed 11/20/2019 5:15:38 PM (UTC)
Subject: [EXTERNAL] Fwd: [ThomasClerkWorld] CT Clerk Family & Friends Screening of Created Equal

Pls rsvp and put on outlook

Sent from my iPhone

Begin forwarded message:

From: Kate Tarbert <(b)(6)
Date: November 19, 2019 at 4:28:30 PM EST
To: Heath Tarbert (b)(6) >
Subject: Fwd: [ThomasClerkWorld] CT Clerk Family & Friends Screening of Created Equal

(b)(6)

Sent from my iPhone

Begin forwarded message:

From: Helgi Walker <(b)(6)
Date: November 19, 2019 at 3:57:48 PM EST
To: Thomas Clerk World <thomasclerkworld@googlegroups.com>
Subject: [ThomasClerkWorld] CT Clerk Family & Friends Screening of Created Equal

~ Special Reception and Screening ~

Created Equal

Clarence Thomas in His Own Words

AMERICAN OVERSIGHT

TUESDAY, DECEMBER 10
5:00 P.M. Reception | 6:00 P.M. Screening

The Heritage Foundation | Washington, DC

Please rsvp to attend here.

Hosted by The Heritage Foundation, Carrie Severino, and Helgi Walker

We are pleased to offer a private screening, for friends and former clerks, of the new documentary film, *Created Equal: Clarence Thomas in His Own Words.* This two-hour documentary, produced by Manifold Productions, Inc. focuses on telling extraordinary story of Justice Thomas' life. With unprecedented access, including drawing on over 30 hours of unscripted interviews, the film takes the viewer through his complex and remarkable life, from childhood poverty to the High Court. With unflinching honesty, and sometimes painful recollections, *Created Equal* is a deeply moving portrayal of personal resilience and moral courage. The trailer can be found: here. We hope you can join us for this special evening with friends!

214 Massachusetts Avenue, NE | Washington, D.C. 20002 | **(800) 546-2843**

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Please see our website athttps://www.gibsondunn.com/ for information regarding the firm and/or our privacy policy.

AMERICAN OVERSIGHT

You received this message because you are subscribed to the Google Groups "Thomas Clerk World" group.
To unsubscribe from this group and stop receiving emails from it, send an email to thomasclerkworld+unsubscribe@googlegroups.com.

AMERICAN OVERSIGHT

To: Klima, Jaime[JKlima@CFTC.gov]; Thornton, Charlie[cthornton@CFTC.gov]
From: Heath.Tarbert@treasury.gov[Heath.Tarbert@treasury.gov]
Sent: Sun 6/9/2019 2:12:49 AM (UTC)
Subject: [EXTERNAL] Fwd: DC-events & opps!

(b)(5)

From: Heath Tarbert
Date: June 3, 2019 at 7:52:31 PM GMT+9
To: Tarbert, Heath
Subject: Fwd: DC-events & opps!

Sent from my iPhone

Begin forwarded message:

From: Peter Redpath (b)(6)
Date: June 2, 2019 at 11:40:20 PM EDT
To: Peter Redpath (b)(6)
Subject: DC-events & opps!

Interning in DC this summer?
Get trained!:
Television Workshop, Introduction to Techniques
Television Workshop, On-Camera
Debate Workshop
Public Speaking Workshop
Public Speaking Workshop, Advanced
Conservative Intern Workshop
Comprehensive Online Activist School
Online Activist School: Social Media
Blogging Workshop
Online Activist School: Digital Marketing
Data Visualization Training
Youth Leadership School
Career Skills Workshop
Future Candidate School
Campaign Management School
Written Communications
Need more info?:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.leadershipinstitute.org/training

***

In this week's episode Elizabeth Slattery chats with D.C. Circuit Judge Patricia Millett about her record-breaking career in the Solicitor General's Office, how she got into Tae Kwon Do, and what it was like watching her former colleague Brett Kavanaugh endure a brutal Supreme Court confirmation.

AMERICAN OVERSIGHT

You can subscribe to SCOTUS 101 on iTunes, Spotify, Soundcloud, Google Play, Stitcher, or online. Please leave us a **5-star review** if you enjoy listening!

Have a question, comment, or idea for future episodes? Feel free to drop us a line at SCOTUS101@heritage.org. You can also follow us on Twitter @SCOTUS101 for updates.

***

3 job openings at The Federalist Society:

Assistant Director, Development

Assistant Director, Faculty Division

Director of Human Resources

Apply:

https://hyperlink.services.treasury.gov/agency.do?origin=https://fedsoc.org/jobs

***

The Heritage Foundation offers 60 plus paid internships every spring, summer, and fall; and our program attracts young conservative leaders of the highest caliber. Heritage Foundation interns get to work directly with our prestigious analysts and policy makers, and many will have the opportunity for original research and writing. We train, equip, and develop tomorrow's young conservative leaders during their time at Heritage through educational programs like First Principles lectures, policy briefings, mentorship, research, and social gatherings with prominent Heritage fellows. This is definitely not an internship where you're fetching coffee or making copies. Interns are working alongside researchers, attending outreach meetings, and communicating policy.

Heritage is looking for rising juniors, seniors, and graduate students interested in experiencing DC first hand for the 2019 fall internship program. You can find a full list of the 60 plus open roles online at https://hyperlink.services.treasury.gov/agency.do?origin=www.heritage.org/internships. Interested applicants should apply by June 3rd by filling out our online application. They will also need to submit 2 letters of recommendation and an official school transcript by the deadline. International students must also submit work authorization.

**

How would you like to help start conservative and libertarian campus groups, help them put on awesome activism events, and get paid for it?

The Leadership Institute is looking for conservative and libertarian activists to be Field Representatives for the upcoming fall semester.

If you're selected for the LI Field Representative program, you will travel to college campuses within your assigned region to organize, train, and inspire students to promote and defend conservative principles on their campuses.

LI Field Representatives help students start conservative student organizations or publications on campus and provide them with the skills they need to help their groups succeed.

The benefits of being a Field Representative are:

• Base salary of $14,000 (for 3-4 months of work)

• Opportunity for a $3,000 performance bonus at the end of the semester

• Training in youth organization, mobilization, and activism before being deployed to their assigned region

• Networking opportunities for future employment

Training will begin the week of July 22, 2019. If you think you have what it takes, apply today at ConservativeJobs.com. Last year we had more than 1,200 inquiries into the program.

Apply:

https://hyperlink.services.treasury.gov/agency.do?origin=https://www.conservativejobs.com/JobSeeker/jobdetail.cfm?JobID=OTAwMzZBNkZBODM4RjE0NDQ4NkQ5NTRDN0UzNTNEOTg%3D&utm_source=drip&utm_medium=email&utm_campaign=clp&utm_content=may2019_field_rep&__s=jxbqwqtnozhpwsobbssc

***

AMERICAN OVERSIGHT

Cato Institute
presents
When All Else Fails: The Ethics of Resistance to State Injustice
featuring
Jason Brennan
Robert J. and Elizabeth Flanagan Family Professor of Strategy, Economics, Ethics, and Public Policy
McDonough School of Business,
and Professor of Philosophy, Georgetown University
and
Jeremy A. Rabkin
Professor of Law at the Antonin Scalia Law School, George Mason University
Moderated by
Jason Kuznicki
Editor
Cato Books and Cato Unbound
Monday, June 3rd, 2019
Noon
Cato Institute
1000 Massachusetts Ave., N.W.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.cato.org/events/when-all-else-fails?utm_campaign=Upcoming%20at%20Cato&utm_source=hs_email&utm_medium=email&utm_content=73246104&_hsenc=p2ANqtz--BOG8wmz5Kdg042EkyC-SsPr-YelMeN3XCCmFluZaeXp7bUn0_SUllZxrSyqNK4lNY3Ugqbs8vuPgKEEcacuzyUIamzQ&_hsmi=73246104

When is it appropriate to resist the agents of the state? For many, the answer may be (all too) easy: never. But the United States itself was founded on one such act of resistance, and libertarians have always been deeply skeptical that the agents of the state enjoy any special status in moral philosophy. May an individual legitimately resist state agents? In what cases is such resistance allowed? What methods may be used, and to what ends? In his book When All Else Fails: The Ethics of Resistance to State Injustice, philosopher Jason Brennan argues that sometimes, individuals have not only a right to resist unjust state actions but even an obligation to do so.

***

Alexandria Theology on Tap
presents
To Love One Another Is to See the Face of God
featuring
Beth Gilles-Whitehead
Monday, June 3rd, 2019
6:30 p.m. - 9:00 p.m.
Murphy's Grand Irish Pub, Old Town
713 King St.
Alexandria, VA
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.facebook.com/events/360652421464379

All young adults (21-39) are invited to Theology on Tap in the heart of Old Town, Alexandria at Murphy's Grand Irish Pub, Old Town, every first Monday of the Month. The talk begins at 7:30 pm & ends with Q&A at 8:30 pm. Arrive early to get a seat and enjoy a great meal! This event is

AMERICAN OVERSIGHT

cosponsored by The Basilica of Saint Mary and the Diocese of Arlington Office of Youth Ministry.

***

The Heritage Foundation
presents
Confronting the National Debt:
Discussing Solutions found in Heritage's Blueprint for Balance
featuring
Romina Boccia
Director, Grover M. Hermann
Center for the Federal Budget,
The Heritage Foundation
Justin Bogie
Senior Policy Analyst in Fiscal Affairs,
Grover M. Hermann
Center for the Federal Budget,
The Heritage Foundation
Marc Goldwein
Senior Vice President and Senior Policy Director,
Committee for a Responsible Federal Budget
Moderated by
Genevieve Wood
Senior Advisor and Spokesperson,
The Heritage Foundation
Tuesday, June 4th, 2019
Noon
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/debt/event/confronting-the-national-debt?mkt_tok=eyJpIjoiTWpsbE5EYzRNelZsTnpNMiIsInQiOiI4VXhjSmVuQ2N2MkhLNENITTN4b3hiYWwybmhBK3Q5bFcrdlJxaVZMUUV3MHh5R1wvMlRsWTFzNFJrXC8wTFJUeTEzcjE3dGxYVzhIOEtTemRUOUNjQTFOZFRQdUFzUVNNb2piWTR5Tm9NXC9UVXZINWpnZGVscVRwXC9zZzd1TbklLU2oifQ%3D%3D

America's fiscal future is in peril. At $67,000 for every American, the $22 trillion national debt is larger than what the typical American household earns in a year. At the same time that federal debt is growing rapidly, politicians on both sides of the political aisle are making grand promises for new spending. It's as if Washington's elite think that the debt does not matter. A high and rising national debt exposes America to significant dangers and imposes steep costs on families, workers, and businesses. The sooner we act to correct course, the more sensible reform options we have available to avoid severe austerity measures.

Join the Heritage Foundation for an enlightening panel discussion on why you should care about the national debt by discovering how debt impacts America's economy and our financial future.

The Blueprint for Balance: A Federal Budget for Fiscal Year 2020 is The Heritage Foundation's budget proposal to guide Congress in its constitutional exercise of the power of the purse. Specifically, the Blueprint: balances the budget in 10 years on a static basis; balances the budget in six years on a dynamic basis; reduces spending by $10.8 trillion over 10 years; reduces deficits by $9.9 trillion over 10 years; and much more.

***

AMERICAN OVERSIGHT

Leadership Institute's Wednesday Wake-Up Club Breakfast

featuring
Rep. Mark Meadows (NC-11)
Chair, House Freedom Caucus?
Wednesday, June 5th, 2019
7:30 a.m. - 9:00 a.m.
Leadership Institute
1101 N. Highland St.
Arlington, VA
RSVP (Cost: $15):
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.leadershipinstitute.org/training/school.cfm?schoolID=40367&utm_source=drip&utm_medium=email&utm_campaign=events&utm_content=june2019_wwcb_mark_meadows
Rep. Meadows has developed a reputation on Capitol Hill as a principled conservative with a unique ability to communicate, negotiate, and find consensus among members with differing opinions. He champions causes supporting fiscal responsibility, government accountability, and a pro-growth economy.
***
The Federalist Society
presents
American Law Institute:
Unbiased Analyzer or Agenda Driver?
featuring
John Fund
National Affairs Columnist
National Review
Fox News Analyst
Victor E. Schwartz
Partner
Shook, Hardy & Bacon LLP
Hon. Seth P. Waxman
Partner
WilmerHale
Former U.S. Solicitor Genera
Edward Whelan
President
Ethics and Public Policy Center
Moderated by:
Hon. Susan G. Braden (Ret.)
Chief Judge
U.S. Court of Federal Claims
Wednesday, June 5th, 2019
Noon - 2:00 p.m.
National Press Club
529 14th St., N.W.
13th Floor
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://fedsoc.org/events/ali-unbiased-analyzer-or-agenda-driver
The American Law Institute (ALI) is a well-respected, nearly century-old body of jurists and legal practitioners that produces documents called "Restatements," which have traditionally distilled and

AMERICAN OVERSIGHT

clearly restated the opinions of a majority of state courts on difficult questions of common law. But recently, some in the legal community have raised concern that ALI is putting out problematic Restatements that are more aspirational in nature and that run counter to its mission; others claim that ALI is simply interpreting the law. Meanwhile, states are considering and passing laws that would prevent judges from referring to certain ALI Restatements when deciding cases.

Join us for a lively panel discussion on ALI, and whether it should still be considered a trusted institution.

***

The Heritage Foundation
presents
Liberty in the Things of God:
The Christian Origins of Religious Freedom
Featuring
Robert Louis Wilken
William R. Kenan, Jr., Emeritus Professor History of Christianity
University of Virginia
Hosted by
Ryan T. Anderson, Ph.D.
William E. Simon Senior Research Fellow,
DeVos Center on Religion and Civil Society,
The Heritage Foundation
Wednesday, June 5th, 2019
Noon
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, DC
RSVP:

https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/religious-liberty/event/liberty-the-things-god-the-christian-origins-religious-freedom?mkt_tok=eyJpIjoiTkdKak5XTmxOMlF3WmpCaSIsInQiOiJJaWpCQXNjKzk1a1dKbWRrTkltOE1MMHFTZnQ3cWQ5OVpLZ0hZNXJxUHRVQ2dzcnVjRDVqWGozM21obDgwTnp0SW90b2dTbnpuSFJsY3lXTUVzXC9jUHNsQ1JLRFlPbUtndjJEVkI1c2s2b2NyV2lVKzE4VlpLR3M5bktUVzZkY0wifQ%3D%3D

In a recent Washington Post op-ed, Robert Kagan wrote, "Only with the advent of Enlightenment liberalism did people begin to believe that the individual conscience, as well as the individual's body, should be inviolate and protected from the intrusions of state and church." It is widely thought, as Kagan assumes, that religious freedom is the work of the Enlightenment. Only with the decline of religious faith and the end of the religious wars engendered by the Reformation did liberty of conscience gain a foothold in the emerging secular states of Europe. Or so the story goes.

Liberty in the Things of God tells a different story. The origins of modern notions of liberty of conscience and religious freedom are to be found in Christian writers from the early centuries (e.g. Tertullian of Carthage and Lactantius), medieval churchmen and theologians, and Christian thinkers in the 16th and 17th centuries. Three features of this tradition of thinking are distinctive: religious faith cannot be coerced; conscience is a form of spiritual knowledge that mandates action; the realm of statecraft and the realm of religion are distinct and must be kept separate.

Please join us for a conversation with Robert Louis Wilken about the Christian origins of religious freedom.

***

Hoover Institution
presents
How to Fix Congress--And Why

AMERICAN OVERSIGHT

featuring
Rep. Mike Gallagher (R-WI)
Wednesday, June 5th, 2019
12:30 p.m.
Hoover Institution
1399 New York Ave., N.W.
Suite 500
Washington, DC
RSVP:
Please email hooverdc@stanford.edu with the guest name, organization, and email address if you would like to attend.

The Constitution's authors expected Congress to be the first branch of our federal government. But today it serves less as a deliberative body legislating on matters of national importance, and more as ombudsman for the administrative state-a platform for cable television appearances.

"How did an institution that was once admired around the world become so toothless?" This was the question posed by Rep. Mike Gallagher, in a widely read article last November in The Atlantic. "I have come to believe that the problem is not the people," he explained. "The problem is a defective process and a power structure that, whichever party is in charge, funnels all power to leadership and stifles debate and initiative within the ranks."

To explore these questions and the path to reform, the Hoover Institution is honored to welcome Rep. Gallagher for a conversation on how to fix Congress-and why. He will be interviewed by Hoover Institution research fellow Adam White.

***

Cato Institute
presents
The Imagery of Freedom
featuring
Harriet Lesser
Curator, Freedom: Art as the Messenger
Curator, Strathmore; Former Director of Exhibitions, VisArts, Rockville, Maryland
Former Director of Exhibitions, Charles Sumner School Museum & Archives, Washington, DC;
Exhibition Artist in the United States and Overseas
Adah Rose Bitterbaum
Owner, Adah Rose Gallery
Moderated by
Caleb O. Brown
Cato Daily Podcast host
Director of Multimedia, Cato Institute
Wednesday, June 5th, 2019
6:30 p.m.-8:00 p.m.
Cato Institute
1000 Massachusetts Ave., N.W.
Washington, DC
Register:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.cato.org/freedom-art-as-the-messenger/events/imagery-freedom

Using eagles and flags to rainbows and abstract art, many people have expressed ideas about freedom in art. Are there commonalities among these representations? Do these representations reflect competing values? When do images make a stronger impression than words? What makes some images clichés and some unique and attention-getting successes? Join us to hear a discussion of these questions and more.

AMERICAN OVERSIGHT

***

CIC
presents
Cooking with the Saints
featuring Authors
Alexandra Greeley
&
Fernando Flores
Thursday, June 6th, 2019
6:00 p.m.
CIC
1501 K St., N.W.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.cicdc.org/th_event/cooking-with-the-saints

For the Love of Food, the Church, and Her Saints!

From traditional Cottage Pie on St. Patrick's Day to Basque Lamb Stew on the feast of St. Ignatius Loyola, the delicious recipes in this unique cookbook will excite your senses, awaken in you greater love for the saints, and bring Catholic festivity into your home.

Join the CIC as Alexandra Greeley, a professional chef and author of thirty-five cookbooks, and Fernando Flores, a world traveler and aficionado of all things relating to food and faith, take you on a journey of gastronomic delight and spiritual enrichment with the help of the Saints.

Book signing and tasting to follow the event.

***

Cato Institute
presents
Of Dogs & Men
featuring
Michael Ozias
Director, Of Dogs & Men
Patrick Reasonover
Producer, Of Dogs & Men
Moderated by
Clark Neily
Vice President for Criminal Justice
Cato Institute
Thursday, June 6th, 2019
6:00 p.m. - 8:15 p.m.
Cato Institute
1000 Massachusetts Ave., N.W.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.cato.org/events/of-dogs-and-men?utm_campaign=Upcoming%20at%20Cato&utm_source=hs_email&utm_medium=email&utm_content=73246104&_hsenc=p2ANqtz-_B0G8wmz5Kdg042EkyC_SsPr_YelMeN3XCCmFluZaeXp7bUn0_SUllZxrSyqNK4lNY3Ugqbs8vuPgKEEcacuzyUlamzQ&_hsmi=73246104

The U.S. Department of Justice estimates that police officers shoot and kill more than 10,000 pet dogs in the United States every year. From SWAT raids to standard calls for service and police visits

AMERICAN OVERSIGHT

to wrong addresses, officers are often too quick to use lethal force against family pets, despite the fact that no police officer has ever been killed in the line of duty by a dog.

In the award-winning documentary Of Dogs and Men, director Michael Ozias and producer Patrick Reasonover delve into the culture of violence against dogs by police officers. Of Dogs and Men provides firsthand accounts of families and individuals who have suffered the loss of a dog killed during a confrontation with law enforcement.

The powerful film takes audiences on a journey with pet owners in pursuit of policy change in the legal system. The stories told in Of Dogs and Men have prompted cooperation and best-practices guidelines from law enforcement organizations such as the National Sheriffs' Association.

Of Dogs and Men was chosen as part of the official selection at both the Anthem and the Austin film festivals and was awarded the Honorable Mention Audience Award at the Austin Film Festival. Victoria Stillwell, host of Animal Planet's Its Me or the Dog, has said, "Every person who has a dog should watch this film. It could be the difference between life and death."

Please join us Thursday, June 6, for a screening of the award-winning documentary Of Dogs and Men and a post-movie discussion with director Michael Ozias and producer Patrick Reasonover, moderated by Clark Neily, Vice President for Criminal Justice, Cato Institute.

***

The Heritage Foundation
presents
Responding to the Crisis in Xinjiang
featuring
Ambassador Sam Brownback
Ambassador-at-Large, International Religious Freedom Office, U.S. Department of State
Nury Turkel
Chairman, Uyghur Human Rights Project
Adrian Zenz
Independent Researcher
Olivia Enos
Policy Analyst, Asian Studies Center
Moderated by
Walter Lohman
Director, Asian Studies Center
The Heritage Foundation
Friday, June 7th, 2019
10:30 a.m.
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/asia/event/responding-the-crisis-xinjiang

Thirty years after Tiananmen Square, human rights abuses continue to proliferate in China. Hundreds of thousands, possibly as many as 3 million, Muslim Uighurs are currently held by the Chinese government in political reeducation facilities. Individuals inside these facilities are subject to indoctrination, forced labor, torture, and in some cases, even death. Collectivization of this population was achieved through the Chinese government's rapid deployment of large-scale surveillance technology – technology that poses a severe threat to people inside and outside of China. The crisis in Xinjiang is both a human rights and national security threat that merits a strong response from the U.S. government. While the U.S. and the international community has been quick to condemn the Chinese government's actions, it has been slow to craft a strategy that holds accountable those in China responsible for the abuses.

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Please join us for a discussion on next steps to respond to the crisis in Xinjiang

***

Conservative Women's Network

presents

Lessons from the Buckley Legacy

featuring

Lindsay Craig

President, National Review Institute

Friday, June 7th, 2019

Noon

The Heritage Foundation

214 Massachusetts Ave., N.E.

Washington DC

RSVP:

https://hyperlink.services.treasury.gov/agency.do?origin=https://docs.google.com/forms/d/e/1FAIpQLSdeevHMFKVJaJdjW1paqFo1FPCn8EYMJ6H2_qRPrGS6IryKOA/viewform

***

The Heritage Foundation

presents

The Divine Plan: John Paul II, Ronald Reagan, and the Dramatic End of the Cold War

featuring Authors

Paul Kengor

Ph.D.

Paul Kengor, Ph.D.

&

Robert Orlando

Hosted by

Lee Edwards, Ph.D.

Distinguished Fellow in Conservative Thought

The Heritage Foundation

Monday, June 10th, 2019

Noon

The Heritage Foundation

214 Massachusetts Ave., N.E.

Washington, DC

RSVP:

https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/conservatism/event/the divine plan john paul ii ronald reagan and the dramatic end the cold war

In this riveting book, bestselling author Paul Kengor and writer-director Robert Orlando show what it took to end the Cold War: leaders who refused to accept that hundreds of millions must suffer under totalitarian Communism. And no leaders proved more important than the pope and the president.

Two men who seemed to have little in common developed an extraordinary bond—including a spiritual bond between the Catholic pope and Protestant president. And their shared core convictions drove them to confront Communism.

To tell the full story of the dramatic closing act of the Cold War, Kengor and Orlando draw on their exhaustive research and exclusive interviews with more than a dozen experts, including well-known historians Douglas Brinkley, H. W. Brands, Anne Applebaum, Stephen Kotkin, John O'Sullivan, and Craig Shirley; the leading biographer of John Paul II, George Weigel; close Reagan advisers Richard V. Allen and James Rosebush; and Cardinal Timothy Dolan and Bishop Robert Barron.

You can't understand Pope John Paul II and President Ronald Reagan—or how the Cold War came

AMERICAN OVERSIGHT

to such a swift and peaceful end—without understanding how much faith they put in the Divine Plan.

***

CIC
presents
On Faith: Lessons from an American Believer
featuring Co-Editors
Christopher J. Scalia
&
Ed Whelan
Monday, June 10th, 2019
6:00 p.m.
CIC
1501 K St., N.W.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.cicdc.org/th_event/on_faith_lessons-from-an-american-believer

On Faith is an inspiring collection of the late Supreme Court justice Antonin Scalia's reflections on his own faith, on the challenges that religious believers face in modern America, and on the religious freedoms protected by the Constitution. Featuring a personal introduction by Justice Scalia's son Father Paul Scalia, this volume will enrich every reader's understanding of the legendary justice. Antonin Scalia reflected deeply on matters of religion and shared his insights with many audiences over the course of his remarkable career. As a Supreme Court justice for three decades, he vigorously defended the American constitutional tradition of allowing religion a prominent place in the public square. As a man of faith, he recognized the special challenges of living a distinctively religious life in modern America, and he inspired other believers to meet those challenges.

This volume contains Justice Scalia's incisive thoughts on these matters, laced with his characteristic wit. It includes outstanding speeches featured in Scalia Speaks and also draws from his Supreme Court opinions and his articles. In addition to the introduction by Fr. Scalia, other highlights include Fr. Scalia's beautiful homily at his father's funeral Mass and reminiscences from various friends and law clerks whose lives were influenced by Antonin Scalia's faith.

Mr. Scalia and Mr. Whelan previously co-edited Scalia Speaks: Reflections on Law, Faith, and Life Well Lived (Crown Forum, 2017), a New York Times bestselling collection of Justice Scalia's speeches. You can watch their talk on this book at the CIC here.

Book signing and reception to follow lecture.

***

Theology on Tap-Arlington (Clarendon)
presents
Faith in the Workplace
featuring
Buchi Akpati
Monday, June 10th, 2019
6:30 p.m. - 8:30 p.m.
O'Sullivan's Irish Pub
3207 Washington Blvd, Arlington, Virginia 22201
featuring
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.facebook.com/events/300123144263945

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Clarendon TOT is held on the second Monday of each month at O'Sullivan's Irish Pub located at

3207 Washington Blvd., in Arlington, VA, across from St. Charles Borromeo.
All adults (ages 21-39) single and married of all faith backgrounds are invited.
Food and drinks are served starting at 6:30pm, then the talk begins at 7:30 pm & ends with Q&A.

***

Washington D.C. Premiere of Christians in the Mirror
Monday, June 10th, 2019
7:00 p.m. - 10:00 p.m.
The Miracle Theatre
535 8th St., S.E.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.facebook.com/events/2412729188760437

Christians in the Mirror: Stories of Courage and Faith in the Face of Persecution From Syria, Iraq, Sudan, India and Egypt

Christians in the Mirror is a documentary that reveals the intense suffering of persecuted Christians in the Middle East, Africa, Asia and beyond. Their faith and fortitude in the midst of torture and tragedy all the more underscore their inspiring witness of love. Many of us Christians in the West are focused on prosperity and convenience, often unaware or indifferent to our brothers' and sisters' plight in the universal church. This documentary is a provocation for Christians to look into their "Christian mirror" as a disciple of Christ and to see whom is reflected back.

All religious minorities, especially Christians, in the Middle East and Africa are targets of violent Islamic radicals, whose ideology seeks to annihilate. Political and religious sectarian violence threaten Christians, suffering for their faith through marginalization, persecution, loss of homeland and churches and families, or even their own martyrdom. Persecuted Christians seek greater solidarity and support from Western churches, who are a source of hope for them.

"If one part suffers, every part suffers with it." (1 Cor 12:26) Christians in the Mirror deepens the existential reality that when members of the body of Christ are left to wither, the whole body suffers fragmentation. The Christian faith persecuted in one region affects the universal church; every Christian by extension is suffering it, realized or not. The greatest suffering is one that is not even known, one of identity that rests at the core of our faith.

***

Cato Institute
presents
Peering Beyond the DMZ: Understanding North Korea behind the Headlines
featuring
Heidi Linton
Executive Director, Christian Friends of Korea
Randall Spadoni
North Korea Program Director and Senior Regional Advisor for East Asia, World Vision
and
Daniel Jasper
Public Education and Advocacy Coordinator for Asia
American Friends Service Committee
Moderated by
Doug Bandow
Senior Fellow
Cato Institute
Tuesday, June 11th, 2019
Noon - 1:30 p.m.
Cato Institute

AMERICAN OVERSIGHT

1000 Massachusetts Ave., N.W.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.cato.org/events/peering-beyond-the-dmz?utm_campaign=Upcoming%20at%20Cato&utm_source=hs_email&utm_medium=email&utm_content=73246104&_hsenc=p2ANqtz--BOG8wmz5Kdg042EkyC-SsPr-YelMcN3XCCmFluZaeXp7bUn0_SUllZxrSyqNK4lNY3Ugqbs8vuPgKEEcacuzyUIamzQ&_hsmi=73246104

Negotiations between Washington and Pyongyang over North Korea's nuclear weapons program are at an impasse, and tensions are rising. And while neither side appears to want a war, the path to a diplomatic solution remains unclear. What is obvious, however, is that most U.S. policymakers have little understanding of what the Democratic People's Republic of Korea (DPRK) is or how it operates, a fact that limits America's ability to peacefully resolve the crisis.

Heidi Linton, Randall Spadoni, and Daniel Jasper, by contrast, have firsthand knowledge of the DPRK. Their organizations maintain long-term aid programs in North Korea, and all three have spent time there as part of humanitarian missions, including trips to parts of the country closed to most visitors.

Join us as Linton, Spadoni, and Jasper offer their insights into the "Hermit Kingdom."

***

AEI
presents
The Conservative Sensibility
featuring
George Will
Author
&
Robert Doar
AEI
Tuesday, June 11th, 2019
5:30 p.m. - 6:30 p.m.
AEI
1789 Massachusetts Ave., N.W.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.aei.org/events/the-conservative-sensibility-george-will-in-conversation-with-robert-doar

In a conversation with incoming AEI President Robert Doar, syndicated columnist George Will discusses his new book, "The Conservative Sensibility" (Hachette Books, June 2019). The Pulitzer Prize winner, bestselling author, and television regular explains in his latest work that the history and true meaning of American conservatism are under threat, both from progressives and from within the Republican Party.

Dr. Will notes that conservatism has become untethered from the philosophy of the American founding. In addition to the destructive trends in family life and higher education seen today, America has become an administrative state with semiautonomous executive agencies wielding unaccountable power, while Congress has failed in its duty to exercise its legislative powers. Dr. Will takes readers back to the founders' vision — to their beliefs in natural rights, limited government, religious freedom, and human virtue and dignity, which ushered in two centuries of American prosperity — and reminds us that it is time to reverse America's political fortunes.

***

Theology on Tap-DC

AMERICAN OVERSIGHT

presents
Resisting the Throwaway Culture
featuring
Charlie Camosy
Tuesday, June 11th, 2019
6:00 p.m. - 8:00 p.m.
Buffalo Billiards
1330 19th St., N.W.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.facebook.com/events/306464083363187

All young professionals (21-late 30s) are invited to our monthly DCCatholic Theology on Tap at Buffalo Billiards in Dupont Circle to explore the role of faith in our daily lives. Grab a drink and hear straight talk and honest answers to your questions about faith, love, work and other real life experiences. All are welcome, Catholic or not! Bring your friends and meet other young professionals for Happy Hour specials from 6-7pm with a talk and Q/A to follow from 7-8pm.

#totdc
+Must have valid 21+ ID to enter
Theology on Tap features:
+Dynamic talk on the topic of faith
+Street parking available starting at 6:30pm
+Free Pool/Darts
+Happy Hour Specials from 6-7pm
+Food and Drink Specials all night!

Learn more at DCCatholic-Young Adult Ministry in the Archdiocese of Washington | https://hyperlink.services.treasury.gov/agency.do?origin=www.adw.org/tot or email Jonathan Lewis at DCCatholic@adw.org

***

RightNOW Women PAC Summer on Tap: Enjoy beer, cider, snacks, and networking
featuring
Sen. Joni Ernst (R-Iowa)
Wednesday, June 12th, 2019
6:00 p.m. - 8:00 p.m.
Heineken USA
820 First St., N.E.
Suite 700
Washington, DC
RSVP ($35 for a single ticket: 39 and younger & $75 for a single ticket: 40 and over):
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.rightnowwomen.org/2019_june_summer_on_tap_event?utm_campaign=2019_june_event_invite_1&utm_medium=email&utm_source=rightnowwomen

***

The Heritage Foundation
presents
Demanding that Agencies Comply with the Law:
OMB's New Interpretation of the Congressional Review Act
featuring
Wayne Crews
Vice President for Policy and a Senior Fellow,
Competitive Enterprise Institute

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Todd Gaziano
Chief of Legal Policy and Strategic Research and
Director of the Center for the Separation of Powers
Pacific Legal Foundation
Margaret Tahyar
Partner, Davis Polk & Wardwell LLP
Hosted by
Paul J. Larkin, Jr.
Rumpel Senior Legal Research Fellow
The Heritage Foundation
Thursday, June 13th, 2019
Noon
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/government-regulation/event/demanding-agencies-comply-the-law-ombs-new-interpretation-the

Congress passed the Congressional Review Act in 1996 to prevent agency rules from going into effect before Congress had the opportunity to expeditiously review and nullify ones that it deemed unwise. None of the three Presidents since then—Bill Clinton, George W. Bush, and Barack Obama—used the CRA to rein in the administrative state. President Donald Trump has. In April 2019, the White House Office of Management and Budget issued a memorandum reading the CRA broadly for executive and independent agencies alike. This panel will discuss the potential effect that the OMB Memorandum might have on the regulatory state.

***

The Heritage Foundation
presents
The Take Care Act: Removing Restrictions from the President's Removal Power
featuring
The Honorable Mike Lee (R-UT)
United States Senate
Hosted by
John Malcolm
Vice President, Institute for Constitutional Government
The Heritage Foundation
Tuesday, June 18th, 2019
Noon
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/government-regulation/event/the-take-care-act-removing-restrictions-the-presidents-removal-power

While the Constitution is silent on the President's removal power, the First Congress concluded that Article II's vesting of executive power necessarily meant that the President must have plenary authority to remove executive branch officers. As James Madison asserted, "If the Constitution has invested all executive power in the President… the Legislature has no right to diminish or modify his executive authority." Unfortunately, the modern administrative state has continued to give rise to a "headless" fourth branch of government that exerts immense control over vast swaths of American life. The power to remove subordinates is the key means by which the President can direct how

AMERICAN OVERSIGHT

executive authority is exercised. Without it, he is in many instances powerless to ensure faithful execution of the laws.

A new bill, The Take Care Act, introduced by Senator Mike Lee (R-UT), aims to address this problem. It will eliminate all existing restrictions on the President's power to remove upper-level executive branch officers, and fully restore the original understanding of the President's power to take care that the laws are faithfully executed. Join us for an address by the Senator, as he unveils this important new legislation.

***

CIC

presents

The Soul of an American President: The Untold Story of Dwight D. Eisenhower's Faith

featuring Author

Alan Sears

Founder, Alliance Defending Freedom

Tuesday, June 18th, 2019

6:00 p.m.

CIC

1501 K St., N.W.

Washington, DC

RSVP:

https://hyperlink.services.treasury.gov/agency.do?origin=https://www.cicdc.org/th_event/thesoulofanamericanpresident

While there have been many biographies of Dwight D. Eisenhower that focus on his military career or the time of his presidency, none clearly explores the important role faith played both in his personal life and in his public policy. This despite the fact that he is the only US president to be baptized as a Christian while in office.

The book invites you on a journey that is unique in American history and is essential to understanding one of the most consequential, admired, and complex Americans of the 20th Century. The story begins in abject poverty in rural Texas, then travels through Kansas, West Point, two World Wars, and down Pennsylvania Avenue. This is the untold story of a man whose growing faith sustained him through the loss of a young son, marital difficulties, depression, career disappointments, and being witness to some of the worst atrocities humankind has devised. A man whose faith was based in his own sincere personal conviction, not out of a sense of political expediency or social obligation.

You've met Dwight Eisenhower the soldier and Dwight Eisenhower the president. Now meet Dwight Eisenhower the man of faith.

Reception and book signing to follow the event.

***

FRC

presents

Religious Freedom & Sports

featuring

Jennifer Bryson

Foudner, Let All Play

Family Research Council

801 G St., N.W.

Washington, DC

Wednesday, June 19th, 2019

Noon (Lunch will be provided)

RSVP:

https://hyperlink.services.treasury.gov/agency.do?origin=https://www.frc.org/events/religious-

AMERICAN OVERSIGHT

freedom-and-sports

In 2017 and 2018 the U.S. men's and women's soccer teams required players to wear an LGBT rainbow on the national U.S.A. jersey. A Christian player declined to wear the jersey and thus did not play. Using soccer as a case study, Dr. Jennifer Bryson, the founder of Let All Play, will discuss the religious freedom issues at stake in the management of U.S. and international sports. She will also examine the manner in which the politicization of sports threatens America's civic fabric.

Jennifer S. Bryson is the founder of Let All Play, a sports advocacy project. She is author of the 2019 report "Let All Play: Yes to Soccer, No to Politics" about the use of political symbols, such as the LGBT rainbow, on uniforms in international soccer. She wrote the current international CitizenGO petition to FIFA against use of political symbols in soccer. She worked previously at the Religious Freedom Institute in Washington, D.C. She has a B.A. from Stanford, an M.A. and a Ph.D. from Yale, and she is currently studying international sports law.

***

2019 NeW (Network of Enlightened Women) National Conference
Thursday, June 20th - Friday, June 21st, 2018
Washington, DC
More details & Register:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.tfaforms.com/4718514?fbclid=IwAR3mULIsIimHDe7zShUVS9vF2vXKJ_LGClXaixgXheEUu3zlEhVH_KPS9u0

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The Heritage Foundation
presents
The SEC, Entrepreneurship, FinTech and the Economy
featuring
Hester Peirce
Commissioner, Securities and Exchange Commission
Hosted by
David R. Burton
Senior Fellow in Economic Policy
The Heritage Foundation
Tuesday, June 25th, 2019
Noon
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/markets-and-finance/event/the-sec-entrepreneurship-fintech-and-the-economy

SEC Commissioner Hester Peirce has been a leading advocate for improving the regulatory environment for entrepreneurs seeking to raise capital and for reasonable regulation of emerging financial technology. Please join us for an extended conversation with Commissioner Peirce on a wide range of topics, followed by audience questions and answers. Topics for discussion will include the proper role for regulators in financial markets, the impact of the securities law on entrepreneurs, financial innovation or FinTech, alternative currencies, private capital markets and Regulation D, Regulation A, crowdfunding, the decline in both the number of public companies and of initial public offerings, the role of self-regulatory organizations, the SEC regulatory agenda and reforms at the SEC.

***

AEI
presents

AMERICAN OVERSIGHT

What do we tell our children?: The health risks and policy problems of cannabis legalization

featuring
Alex Berenson
Author
Jonathan Caulkins
Carnegie Mellon University
Robert DuPont
Institute for Behavior and Health
Moderated by:
Sally Satel
AEI
Friday, June 28th, 2019
9:00 a.m. - 10:30 a.m.
AEI, Auditorium
1789 Massachusetts Avenue NW
Washington, DC 20036
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.aei.org/events/what-do-we-tell-our-children-the-health-risks-and-policy-problems-of-cannabis-legalization

In his recent book, "Tell Your Children: The Truth About Marijuana, Mental Illness, and Violence" (Simon and Schuster, 2019), Alex Berenson examines the potential health risks of cannabis use. Most pointedly, he argues that cannabis can cause increased levels of psychosis and violence and that evidence of such risks has been largely covered up or ignored.

Not all researchers and drug policy experts agree with Mr. Berenson, though. As the movement to legalize cannabis gains steam in the US, policymakers at every level must pay close attention to the open debate over the risks of cannabis usage.

Join AEI as Mr. Berenson presents his findings and an expert panel of physicians and drug policy experts weigh in on what challenges legalization might present for public policy and public health.

***

The Heritage Foundation
presents
Supreme Court Review of the 2018-2019 Term
featuring
Panel I:
Shay Dvoretzky
Jones Day
Andy Pincus
Mayer Brown
Kannon Shanmugam
Paul Weiss
John Malcolm
The Heritage Foundation (Moderator)
Panel II:
Jess Bravin
The Wall Street Journal
Adam Liptak
The New York Times
Richard Wolf
USA Today
Elizabeth Slattery
The Heritage Foundation (Moderator)
Thursday, July 11th, 2019

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11:00 a.m. - 1:00 p.m.
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/courts/event/supreme-court-review-the-2018-2019-term

The Supreme Court's 2018-2019 term will soon be over, but the need for serious analysis has just begun. Did the High Court get the big cases right? What will the Court's ruling in The American Legion v. American Humanist Association mean for the future of religion in the public square? How will Rucho v. Common Cause and Benisek v. Lamone, the partisan gerrymandering cases, impact the next election cycle? Will the ruling in Kisor v. Wilkie rein in administrative agencies? How have Justice Gorsuch and Justice Kavanaugh changed the balance of the Court, and have any broader themes of the Roberts Court emerged this term?

Please join us as our distinguished panels of practitioners and journalists discuss these cases and more from the 2018-2019 term.

***

The Heritage Foundation
presents
Justice on Trial: The Kavanaugh Confirmation and the Future of the Supreme Court
featuring Authors
Carrie Severino
&
Mollie Hemingway
Moderated by
Thomas Jipping
Deputy Director, Center for Legal and Judicial Studies
The Heritage Foundation
Tuesday, July 16th, 2019
11:00 a.m. - 1:00 p.m.
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, DC
RSVP:
https://hyperlink.services.treasury.gov/agency.do?origin=https://www.heritage.org/courts/event/justice-trial-the-kavanaugh-confirmation-and-the-future-the-supreme-court

Justice on Trial: The Kavanaugh Confirmation and the Future of the Supreme Court reveals what really happened during last year's confirmation, including never-before-released details of every aspect of the process. Exciting new stories include: Justice Kennedy's retirement, how Kavanaugh was chosen, how his explosive opening statement to the committee was composed, what Melania Trump really thought of Christine Blasey Ford, the coordination between Democrats and the anti-Kavanaugh forces on the Left, and the behind-the-scenes chaos between Senators Flake and Coons as they hammered out the FBI investigation. They also weave in the stories of major confirmation battles of recent decades, illustrating what we have learned from fights over nominees like Robert Bork and Clarence Thomas to help get nominees like Brett Kavanaugh across the finish line.

Mollie and Carrie are two insiders with unparalleled access to the major players in this national drama. They have conducted over one hundred interviews, spanning hundreds of hours, and speaking with President Trump, several Supreme Court justices, dozens of senators, and all the key figures in this battle. Join us for a discussion of their highly-anticipated book, which promises to be the definitive account of this historic event.

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Get trained!:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.leadershipinstitute.org/training

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Prospera LLC:
Strategy consulting, organizational evaluation, non-profit due diligence, crisis management, and interim executive management to mission-driven organizations and philanthropists.

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Center for Shared Services (Free Market jobs):
https://hyperlink.services.treasury.gov/agency.do?origin=http://the-css.org/job-board

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America's Future Foundation's Job Board:
https://hyperlink.services.treasury.gov/agency.do?origin=http://americasfuture.jobthread.com

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Conservative Jobs:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.conservativejobs.com

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Talent Market:
https://hyperlink.services.treasury.gov/agency.do?origin=http://talentmarket.org/about/leadership

***

Institute for Humane Studies job board:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.libertyguide.com

***

Heritage Foundation Job Bank:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.heritage.org/about/job-bank

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Links to almost conservative/libertarian non-profit organization in the world:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.policyexperts.org/organizations/organizations.cfm

***

Christian Legal Society's job board:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.clsnet.org/page.aspx?pid=433

***

Politico's job board:
https://hyperlink.services.treasury.gov/agency.do?origin=http://jobs.politico.com/home/home.cfm?site_id=8599

***

Roll Call's job listings:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.rejobs.com/home/index.cfm?site_id=11641

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DO GREAT THINGS!
ISI graduate school fellowships:
Apply:
https://hyperlink.services.treasury.gov/agency.do?origin=http://home.isi.org/programs/fellowships

***

Networking 101:
https://hyperlink.services.treasury.gov/agency.do?origin=http://americansforcommunityandculture/author/peterredpath

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Amanda Jayne Events provides event planning and consulting services to non-profits and businesses, and wedding and special event planning to individuals.
Find out more at:
amandajayneevents.com

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Ceterus, Inc. handles back office tasks for free market non-profits and businesses including accounting, reporting, invoicing, bill payment, and payroll. We are familiar with the free-market community and compliance issues surrounding c(3)'s, c(4)'s, and other issues unique to policy organizations.
For more information, check out https://hyperlink.services.treasury.gov/agency.do?origin=www.ceterusinc.com or email Denise Chaykun at denisec@ceterusinc.com

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Student Free Press Association Fellowships:
https://hyperlink.services.treasury.gov/agency.do?origin=http://studentfreepress.net/#fellows_3_2

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American Philanthropic, LLC, offers strategic consulting and management, development, and communications services for philanthropies and nonprofit organizations.. Services include strategic and development planning, prospect research, writing (grant writing and direct mail), design, and more. Learn more at:
https://hyperlink.services.treasury.gov/agency.do?origin=www.americanphilanthropic.com

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Could donor research and analytics propel your organization to the next step in raising more money? Outsource your research needs to Advanced Step Research, LLC. Call Robin at 571-353-8017.

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Television Workshop, Introduction to Techniques
Television Workshop, On-Camera
Debate Workshop
Public Speaking Workshop
Public Speaking Workshop, Advanced
Conservative Intern Workshop
Comprehensive Online Activist School
Online Activist School: Social Media
Blogging Workshop
Online Activist School: Digital Marketing
Data Visualization Training
Youth Leadership School
Career Skills Workshop
Future Candidate School
Campaign Management School
Written Communications
Need more info?:
https://hyperlink.services.treasury.gov/agency.do?origin=http://www.leadershipinstitute.org/traini

AMERICAN OVERSIGHT

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Research Fellow and Staff Attorney Job Opening

Napa Legal Institute (NLI) is seeking to hire a full-time Research Fellow and Staff Attorney to join its team. As the Institute's first full-time attorney, this is a unique opportunity for self-starters eager to protect and advance the missions of nonprofits aligned with the Catholic faith.

NLI was officially launched in February 2019 to support religious freedom and freedom of conscience by providing legal, professional, educational, and spiritual resources for nonprofit religious organizations, legal professionals, and students aligned with the Catholic faith. NLI's programs and activities focus on corporate, tax, philanthropic, and other non-litigation legal and financial issues. Working collaboratively with NLI's President and Executive Director, the Napa Institute, and other apostolates, all NLI Team Members are pivotal to supporting and advancing this purpose.

Title: Research Fellow and Attorney Start Date: Negotiable Supervisor: Executive Director Location: Washington, D.C. / Irvine, CA / Napa, CA (depending on candidate)

FLSA Status: Exempt Salary

Schedule: 40 hours per week

Compensation: Salary commensurate with experience

NLI also offers medical, dental, and vision insurance, 401(k), discretionary bonus, and a faithful Catholic working environment

Summary Description:

Responding to Christ's call to all the faithful to work in his vineyard (cf. Christifideles Laici para. 3), all NLI Team Members are expected to: • Be practicing Catholics who are in communion with the Roman Pontiff and faithful to the Magisterium of the Catholic Church • Exhibit the uprightness of life proper to a Christian in accordance with Catholic moral teaching • Regularly participate in the Church's sacramental life • Work collaboratively with other NLI leadership, Napa Institute leadership and staff, and representatives of other organizations working at the forefront of religious freedom and freedom conscience

As NLI's first fulltime Research Fellow and Staff Attorney, you will be central to drafting and editing content in NLI's startup stage of development. Responsibilities will include generating white papers and other related materials that can be readily shared with NLI's growing constituency. Additionally, you will play a key role in supporting the development and implementation of NLI's Napa Legal League, a nationwide network of allied attorneys,

accountants, and nonprofit professionals dedicated to supporting Catholic culture-building through pro-bono and low-bono services.

Essential Responsibilities

• Perform factual and legal research and analysis • Take the lead on drafting white papers and sample documents for NLI's online library • Assist in developing content for quarterly webinars, periodic in-person seminars, and online publications. • Draft and review contracts, compliance forms, employment agreements, and a wide variety of legal correspondence • Review content generated by and participate in expanding Napa Legal League's Working Groups • Work collaboratively with NLI's President and Executive Director on publication schedules, strategy, structure, and systems to implement NLI's programs • Handle special projects assigned by the President or Executive Director

Required Skills • Excellent organizational skills • Excellent analytical and writing skills • Excellent problem-solving skills • Strong entrepreneurial spirit and creativity • Meticulous, detail-oriented approach to legal documents • Strong ability to self-direct with limited supervision • Ability to work collaboratively and motivate others • Ability to prioritize projects and achieve deadline goals • Ability to handle sensitive, confidential information

Required Education and Experience

• Juris Doctor degree • Bar admission in at least one state • 3-5 years of prior associate-level

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experience in corporate, transactional, nonprofit, and/or tax law • Up-to-date understanding of issues germane to corporate, tax, and transactional legal matters

To apply for this position, please send a one-page cover letter, two or three writing samples, and a resume or CV enclosed in a zip file to info@napalegalinstitute.org, with the subject line: NLI Attorney Application. The applicant's cover letter should detail legal writing and research experience. Writing samples can include a diverse sampling of individually-authored op-eds, memos, or legal work.

***

It is the mark of an educated mind to be able to entertain a thought without accepting it. – Aristotle

***

If you're no longer interested in receiving emails about upcoming DC-area events & opportunities, please send an email with "Unsubscribe" in the subject line to Peter.Redpath@gmail.com

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Dr. Heath P. Tarbert
[Photo]

Dr. Heath P. Tarbert is Chairman [and Chief Executive Officer] of the U.S. Commodity Futures Trading Commission ("CFTC" or "Commission"). He was sworn in on July 15, 2019. Dr. Tarbert was nominated by President Donald J. Trump for a term expiring on April 13, 2024. He was approved unanimously by the Senate Agriculture Committee before being confirmed by the U.S. Senate by a vote of 85-9. As the CFTC's chief executive officer, Chairman Tarbert is responsible for leading the Commission's work to regulate and police futures, swaps, and options markets, which see hundreds of trillions of dollars in activity each year.

Chairman Tarbert has more than a decade of experience in financial services law. Prior to leading the CFTC, he served in senior positions in two administrations, most recently as Acting Under Secretary for International Affairs and Assistant Secretary for International Markets at the U.S. Department of the Treasury under President Trump. From 2014 to 2017, Chairman Tarbert was a partner at the international law firm of Allen & Overy LLP. His previous experience also includes serving as Associate White House Counsel to President George W. Bush, where he provided legal advice regarding the administration's response to the 2008 financial crisis, and as a law clerk to U.S. Supreme Court Justice Clarence Thomas.

Chairman Tarbert was born and raised in Baltimore, Maryland. He holds a bachelor's degree from Mount St. Mary's University, law and doctor of juridical science degrees from the University of Pennsylvania, and a doctorate degree from Oxford University, where he was a Thouron Scholar. He lives in Washington, D.C. with his wife and two children.

AMERICAN OVERSIGHT

To: Klima, Jaime[JKlima@CFTC.gov]
From: Anna Palmer and Jake Sherman[politicoplaybook@politico.com]
Sent: Sun 11/17/2019 4:45:42 PM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: Pelosi noncommittal on impeachment vote timing

View in browser

ANNA PALMER JAKE SHERMAN

Presented by

DRIVING THE DAY

Speaker **NANCY PELOSI** spoke this morning with **MARGARET BRENNAN** on **CBS NEWS' "FACE THE NATION"** about everything from Trump's tweets to when the inquiry will be finished to whether the government will shutdown. While all signs indicated that Democrats would move in mid-December to vote on impeachment, Pelosi was noncommittal and said "maybe they have more hearings" and that she has to work with all six chairmen to decide how Democrats will proceed.

THE HIGHLIGHTS:

-- ON WITNESS INTIMIDATION: BRENNAN: "Do you think that was witness intimidation in your book?" **PELOSI:** "I haven't had a lot of time to pay attention to the president's tweets and the legal implications of them. I just think that was totally wrong and inappropriate and typical of the president."

-- ON WHEN IMPEACHMENT WILL BE WRAPPED UP: BRENNAN: "Do you expect that to be wrapped up before the end of the year?" **PELOSI:** "I have no idea. Again, I ..." **BRENNAN:** "No timetable for that?" **PELOSI:** "No, I mean, it is self-evident that we have open hearings for the next week. I don't know if there are any beyond that. Then we're out for Thanksgiving. Doesn't mean depositions couldn't be taken during that time. And then when we come back by then, maybe a decision or maybe they have more hearings. And then I have six committees who have been working on all of this, and those six chairmen have been very involved in what the, how we will proceed."

-- ON TRUMP INNOCENCE: BRENNAN: "Well, you point out factually, right, that vote has not taken place to proceed necessarily with impeachment. But do you think you'll go through all of this and not vote to impeach the president?" **PELOSI:** "The fact [is] if the president has information that demonstrates his innocence in all of this, which we haven't seen. ... If he has information that is exculpatory, that means ex, taking away, culpable, blame, then we look forward to seeing it."

-- ON A GOVERNMENT SHUTDOWN: BRENNAN: "Are you confident you can avoid one?" **PELOSI:** "Well, let us hope left to their own devices, the appropriators can avoid that." **BRENNAN:** "Does that mean Democrats will provide funding for the border wall?" **PELOSI:** "No, no. That's-we have well over a trillion dollars worth of decisions to make. I don't know why we would go to that. The president hasn't built any new wall in a whole term of office. I think that his comments about the wall are really an

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applause line at a rally, but they're not anything that he's serious about."

BRENNAN spoke with **REP. JIM JORDAN** (R-Ohio) after the Pelosi interview: **BRENNAN**: "As you heard from the speaker in that interview, she argues that the aid to Ukraine was only released because of the whistleblower. What reason were you given that the aid to Ukraine ... was eventually released?

JORDAN: "Because President Zelensky met five times with senior U.S. officials. One, of course, was the phone call with President Trump. And then four meetings, actually face to face meetings, with U.S. senators, ambassadors, with Vice President Pence. And in each of those meetings, never was it talked about linking the security assistance dollars to any type of investigations.

"But what did happen in those meetings is they all became convinced Zelensky's the real deal. Remember, we're talking about Ukraine. One of the three most corrupt countries on the planet. And we're talking about the hard earned tax dollars of the American people. So, they became convinced that this media star, this new guy to politics, his party just won an overwhelming majority in their parliament, was the real deal. And he was legit and he was worth the risk ... and they said we'll release the aid."

ABOUT LAST NIGHT ... ALEX ISENSTADT: "Louisiana delivers Trump a black eye": "President Donald Trump campaigned hard in three conservative Southern states this fall, aiming for a string of gubernatorial wins that would demonstrate his political strength heading into impeachment and his own reelection effort. The plan backfired in dramatic fashion.

"The latest black eye came on Saturday, when Trump's favored candidate in Louisiana, multimillionaire businessman Eddie Rispone, went down to defeat. The president went all-in, visiting the state three times, most recently on Thursday. Earlier this month, Kentucky Gov. Matt Bevin lost reelection after a similar presidential effort on his behalf. Of the candidates Trump backed, only Tate Reeves in Mississippi won.

"The losses raise questions about Trump's standing as he heads into what will be a grueling 2020 campaign. By throwing himself into the three contests — each in states that Trump won by double-digits in 2016 — the president had hoped to gain a modicum of political momentum at a perilous moment of his presidency.

"Those close to the president argue that he can't be faulted for the Kentucky and Louisiana outcomes. Bevin was one of the country's least popular governors, while Rispone was a relatively unknown political newcomer who was facing a popular incumbent in Democratic Gov. John Bel Edwards. While the president can help, they contend, he can't always be expected to pull flawed candidates over the finish line." POLITICO ... ***More from Daniel Strauss***

-- CHRIS WALLACE spoke with House Minority Whip **STEVE SCALISE** (R-La.) on **FOX NEWS' "FOX NEWS SUNDAY"** about the Republican loss: **WALLACE**: "You had an election yesterday in Louisiana and the Democratic governor, John Bel Edwards, was reelected. President Trump was in there campaigning hard, multiple times, and said look, if Eddie Rispone, the Republican doesn't win it's going to make me,

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Trump, look bad because I don't have any coattails. Does it make him look bad?

SCALISE: "What he said was he'd be made to look bad whether he came in the state or not. Eddie Rispone made up about a 22-point disadvantage over the last month because of President Trump's involvement. So, Eddie Rispone was at about 27 in the primary. He ended up at 49. So clearly President Trump's involvement made a big difference at helping close that massive gap and look, the governor's polling showed he was above 50 before President Trump first started getting involved. That forced a runoff."

Good Sunday morning. NEW ... THE PRESIDENT'S WEEK AHEAD: TUESDAY: The president will hold a Cabinet meeting and have lunch with VP Mike Pence. **WEDNESDAY**: Trump will visit the Apple manufacturing plant in Austin. **THURSDAY:** Trump and First Lady Melania Trump will present the National Medal of Arts and the National Humanities Medal. **FRIDAY**: The president will participate in the NCAA Collegiate National Champions Day.

TRUMP BECOMES A BIDEN DEFENDER? -- @realPresidentTrump at 9:58 a.m.: "Mr. Chairman, Joe Biden may be Sleepy and Very Slow, but he is not a "rabid dog." He is actually somewhat better than that, but I am the only one who can get you where you have to be. You should act quickly, get the deal done. See you soon!"

SUNDAY BEST ... CHUCK TODD spoke with **SEN. CHRIS MURPHY** on **NBC'S "MEET THE PRESS"** about impeachment: **MURPHY:** "And if there were no consequences, then the message would be clear, that this president, and any other president, can use the power of the oval office in order to try to advance themselves politically or financially, and so I think Representative Schiff is right. If you don't use impeachment for this type of offense, then I am not sure what you use it for."

-- MURPHY also spoke to **JAKE TAPPER** on **CNN'S "STATE OF THE UNION"** about Ambassador Gordon Sonland: "Mr. Sondland has to decide whether his primary loyalty is to America or whether his primary loyalty is to the president of the United States because it seems clear that he was in fact talking pretty regularly, potentially, with the president directly. And if that were the case then he needs to explain that. Ultimately this is about his legacy. And if it comes out that he misled the committee in his initial testimony or outright lied there are real consequences for him down the line."

-- TAPPER also interviewed **REP. MIKE TURNER** (R-Ohio): **TAPPER:** "Does it concern you at all that a witness found what President Trump tweeted to be intimidating?" **TURNER**: "Well, I mean, Jake, I think, along with most people, I find the president's tweets generally unfortunate. ... It's certainly not impeachable, and it's certainly not criminal, and it's certainly not witness intimidation. It certainly wasn't trying to prevent her or would it have prevented her from testifying. She was actually in the process of testifying."

-- ON FOX NEWS: **"Steve Scalise: Trump's military pardons boost troop morale,"** by Evan Semones: "House Minority Whip Steve Scalise on Sunday voiced his support for President Donald Trump's pardons of two Army officers who were accused of war crimes, arguing the move boosts morale in the military."

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A message from the Stop The HIT Coalition:

The Health Insurance Tax will take a toll on hardworking Americans by increasing health care costs by $500 a year per family, with more than half the total cost falling on those making less than $50,000. Congress needs to act now to Stop The Health Insurance Tax. Learn more.

THE LATEST ON IMPEACHMENT ...

-- "Pence aide testified that Trump's efforts to pressure Ukraine were 'inappropriate'," by Andrew Desiderio and Melanie Zanona: "A top national security aide to Vice President Mike Pence told House impeachment investigators that President Donald Trump's efforts to pressure Ukraine to investigate his political opponents were 'unusual and inappropriate,' and 'shed some light on possible other motivations' for the president's order to freeze military aid to the U.S. ally.

"Jennifer Williams, who serves as Pence's special adviser for Europe and Russia, told investigators in early November that she took notes while she listened in on Trump's July 25 phone call with Ukrainian President Volodymyr Zelensky from the White House Situation Room, adding that she viewed Trump's requests for investigations as politically motivated." POLITICO

-- "Sondland said he was acting on Trump's orders, aide told investigators," by Kyle Cheney and Blake Hounshell: "Tim Morrison, a top White House national security aide, told impeachment investigators that Gordon Sondland — a U.S. ambassador at the center of the Ukraine scandal imperiling Donald Trump's presidency — claimed to be acting on Trump's orders, and in fact was regularly in touch with him.

"Though other impeachment witnesses have suggested Sondland has overstating his relationship with the president, Morrison said he was repeatedly able to confirm that the envoy did speak directly with the Trump. 'Every time you went to check to see whether he had, in fact, talked to the president, you found that he had talked to the president?' one lawmaker wondered, according to a transcript of Morrison's testimony released Saturday. 'Yes,' Morrison replied.

"Sondland's direct access to Trump is a crucial aspect of the House's impeachment inquiry. Officially the U.S. ambassador to the European Union, he played an unofficial role in channeling and conveying the president's demands of Ukrainian leaders." POLITICO

-- "Bolton and Trump Met Privately Over Withheld Aid, White House Official Testified," by NYT's Nick Fandos and Sheryl Gay Stolberg

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ON THE GROUND: "In a battleground town, sharp divisions over impeachment but few changed

minds," by WaPo's Griff Witte in Nazareth, Pa.

THE PRESIDENT'S DEFENDERS: "Giuliani: Democratic investigation 'a travesty'," by David Cohen: "Rudy Giuliani, President Donald Trump's personal attorney, tweeted early Sunday that the House investigation into President Donald Trump is 'a travesty.' After 3 witnesses no evidence has been presented of any offense. The first two permanent diplomats had no direct knowledge just overhearing things. The third one had no knowledge not even hearsay. This is a travesty,' he tweeted." POLITICO

-- GEORGE STEPHANOPOLOUS spoke with **REP. CHRIS STEWART** (R-Utah) on **ABC'S "THIS WEEK": STEPHANOPOLOUS:** "The evidence is building about the campaign to trade military aid and a White House meeting to investigations directly to President Trump. It's tied directly now to President Trump, isn't it?"

STEWART: "I disagree with you, George. I don't think the evidence is building at all. And I'm being sincere in this, I think the evidence is crumbling. I think the Democrats know they're in trouble on this, which is why we keep moving the goalposts. We went from some supposed quid pro quo, and as you said tying these investigations to withholding military aid, but we know that didn't happen.

"And now Mrs. Pelosi comes and says, well, we're going to impeach and remove the president for bribery, but, you know, we didn't play this clip where I asked the ambassador if you have any evidence at all the president committed bribery or was involved with that. She said no. Do you have any evidence at all that the president did anything criminal or illegal? And the answer is no. And, again, I think the longer this hearing goes on I think the less the American are going to support impeachment, I think the evidence just doesn't support it."

-- NYT'S CATIE EDMONSON: "Some of the nation's leading conservative groups — the Club For Growth, FreedomWorks, Citizens United, and Tea Party Patriots — have locked arms to serve as an unofficial war room for the president during the impeachment inquiry, the third such proceeding in modern history, but the first of the social media age.

"The coalition of more than 100 organizations, including traditional conservative fund-raisers and public relations firms, is banking on a coordinated divide-and-conquer strategy that seeks to harness its grass-roots networks' outrage — and raise money crucial to its own survival." NYT

HMM -- "Trump Went for a Medical Checkup That Was Not on His Public Schedule," by NYT's Neil Vigdor: "President Trump underwent a two-hour doctor's examination on Saturday at Walter Reed National Military Medical Center, which the White House said was part of a routine annual physical and included lab work. The appointment was not on the president's schedule, in contrast to a previous physical that Mr. Trump had in February, also at Walter Reed outside Washington.

"In a statement, Stephanie Grisham, the White House press secretary, said Mr. Trump, 73, was taking advantage of a free weekend to begin portions of his annual physical, and was anticipating a busy schedule in 2020. She did not specify what types of tests Mr. Trump had.

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'The president remains healthy and energetic without complaints, as demonstrated by his repeated vigorous rally performances in front of thousands of Americans several times a week,' Ms. Grisham said." NYT

KNOWING DON JR. -- "Don Jr. is on a mission to recruit Trump culture warriors," by Tina Nguyen

A message from the Stop The HIT Coalition:

Americans want Congress to improve health care affordability -raising taxes on their health care isn't what they have in mind. Learn more.

2020 WATCH ...

-- "CBS News Battleground Tracker: Buttigieg rises in Iowa and New Hampshire, Biden back atop delegate hunt," by Anthony Salvanto, Jennifer De Pinto, Kabir Khanna and Fred Backus: "The Democratic nomination race remains unsettled because many voters are conflicted between what they want and whether they think can win. Some candidates who generate excitement are also seen as risky. Progressive policies are popular but might be too liberal to win swing voters. And while voters say they are satisfied with their current selection of candidates, very few have actually settled on one.

"So, across the early primary and caucus states through Super Tuesday, voters' top pick continues to swing back and forth between Joe Biden and Elizabeth Warren, with neither able to break away." CBS

-- "Iowa Poll: Pete Buttigieg rockets to the top of the 2020 field as a clear front-runner," Des Moines Register's Brianne Pfannenstiel: "Pete Buttigieg has rocketed to the top of the latest Des Moines Register/CNN/Mediacom Iowa Poll in the latest reshuffling of the top tier of 2020 Democratic presidential candidates.

"Since September, Buttigieg has risen 16 percentage points among Iowa's likely Democratic caucusgoers, with 25% now saying he is their first choice for president. For the first time in the Register's Iowa Poll, he bests rivals Joe Biden, Bernie Sanders and Elizabeth Warren, who are now clustered in competition for second place and about 10 percentage points behind the South Bend, Indiana, mayor.

"Warren, a U.S. senator from Massachusetts, led the September Iowa Poll, when 22% said she was their first choice. In this poll, her support slips to 16%. Former Vice President Biden, who led the Register's first three Iowa Polls of the 2020 caucus cycle, has continued to slide, falling 5 percentage points to 15%. Sanders, a U.S. senator from Vermont, also garners 15% — a 4 percentage point rise." Des Moines Register

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-- **"Patrick's first win: Not getting booed at California's Democratic convention,"** by David Siders in Long Beach, Calif.

-- **"AP Interview: Steyer's fortune fuels underdog 2020 campaign,"** by Steve Peoples

TRUMP'S SUNDAY -- The president has nothing on his public schedule.

Cannabis: The Essential Guide. Cannabis industry professionals are learning how to navigate a confusing patchwork of state and federal laws, policies and regulations. Get up to speed on everything you need to know about cannabis policy in the new report from POLITICO Pro.

PLAYBOOK READS

PHOTO DU JOUR: Havana, Cuba, celebrates 500th anniversary on Saturday — a milestone event that has sparked reflection in the country as it faces increasingly tense relations with the U.S. and serious economic challenges. Ramon Espinosa/AP Photo

BRYAN BENDER, WES MORGAN and **DANIEL LIPPMAN: "Trump's 'West Point Mafia' Faces a Loyalty Test":** "On May 28, 1986, newly commissioned 2nd Lt. Michael Pompeo stood at attention in Michie Stadium at the U.S. Military Academy at West Point, first in his class. The career he was about to launch would take him from commanding a tank platoon in Germany to a seat in Congress, and ultimately to the right hand of President Donald Trump as secretary of State.

"Also on the field that day was classmate Mark Esper, who this July landed right next to Pompeo in Trump's Cabinet, confirmed as secretary of Defense. Their West Point classmates Ulrich Brechbuhl and Brian Bulatao also hold senior State Department posts as Pompeo's top lieutenants, while at the other end of the National Mall, inside the Capitol, classmate Rep. Mark Green of Tennessee has emerged as one of Trump's leading defenders on the House Committee on Oversight and Reform.

"Thanks in part to Trump's fixation on appointing current and former military officers to key posts, and in part to his tendency to take advice from a small circle of advisers, the West Point class of 1986 has grown into a profoundly influential cohort in American foreign and military policy. In the annals of the military service academies, its rise to the top puts it on a par with the class of 1915, which bred the commanders of World War II and a U.S. president.

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"The link that brought them into Trumpworld is David Urban, the lobbyist, CNN commentator and Trump confidant—and another member of the West Point class of '86—whose support of his fellow cadets helped Pompeo and Esper land their Cabinet posts." POLITICO

WASHINGTON INC. -- "'Barbarians' go to war with Warren," by Zachary Warmbrodt

The private equity industry, under attack from Sen. Elizabeth Warren, is defending itself with the Popeyes chicken sandwich.

"The industry is touting the fast food craze as a success attributable to private equity-backed Popeyes as it tries to ward off a bipartisan Capitol Hill assault led by Warren, including legislation that would increase the firms' liability for the companies they take over. The industry is also facing two congressional probes and a House hearing this week as lawmakers raise concerns about its impact on workers and consumers.

"Private equity's lobbying arm is trying to make the case that the iconic Wall Street industry — once dubbed 'Barbarians at the Gate' from a bestselling book for its no-holds-barred corporate raids — is good for America and that it is everywhere, including in fast food.

"The industry is running ads and op-eds touting private equity-backed jobs in Iowa and Ohio and pouring tens of thousands of dollars in contributions into the election campaigns of Warren's rivals in the Democratic primary." POLITICO

-- "How FedEx Cut Its Tax Bill to $0," by NYT's Jim Tankersley, Peter Eavis and Ben Casselman

MEDIAWATCH -- "In Prime Time, Two Versions of Impeachment for a Divided Nation," by NYT's Michael M. Grynbaum

-- NBC's **Hallie Jackson** announced on "Sunday TODAY with WIllie Geist" that she and **Frank Thorp,** NBC News Capitol Hill producer and reporter, are expecting a baby girl in April. "Frank and I have had some incredible adventures together, but I predict parenthood will be our happiest, craziest one yet. And it's a bonus that we both cover Washington politics, since it means we're already used to sleepless nights and lots of crying," Jackson said. ***Pic***

A message from the Stop The HIT Coalition:

It's time for Congress to Stop The Health Insurance Tax. Learn More.

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BONUS GREAT WEEKEND READS, curated by Daniel Lippman (@dlippman)

-- **"'Absolutely No Mercy': Leaked Files Expose How China Organized Mass Detentions of Muslims,"** by NYT's Austin Ramzy and Chris Buckley in Hong Kong: "More than 400 pages of internal Chinese documents provide an unprecedented inside look at the crackdown on ethnic minorities in the Xinjiang region." NYT

-- **"The Strange Life and Mysterious Death of a Virtuoso Coder,"** by Brendan Koerner in Wired: "Jerold Haas was on the brink of blockchain riches. Then his body was found in the woods of southern Ohio." Wired

-- **"Is Olana 19th Century America's Greatest Work of Visual Art?"** by The Daily Beast's Malcolm Jones: "Wandering through Olana, inside and out, you grow more aware with each step that you've never experienced a place quite like this." Daily Beast

-- **"The Power of Boundaries,"** by Sara Eckel in Psychology Today: "Sharing personal information brings people together and helps them like one another more. But in an age of self-disclosure, how do you know when you've gone too far—or when someone else has ulterior motives?" Psychology Today (h/t Longreads.com)

-- **"Stop Trying to Raise Successful Kids,"** by Adam Grant and Allison Sweet Grant in The Atlantic's December issue: "And start raising kind ones." Atlantic

-- **"The great American tax haven: why the super-rich love South Dakota,"** by Oliver Bullough in The Guardian -- per TheBrowser.com's description: "Eye-opening account of how South Dakota has turned itself into the world's top tax haven for super-rich individuals. The state government has legalised and deregulated perpetual trusts; it levies no taxes on incomes, or estates, or capital gains; there are no disclosure or reporting requirements; even if there were, America does not share information with foreign tax authorities; and everybody in South Dakota seems positively pleased to be prospering at the expense of other countries' tax revenues." Guardian

-- **"Flint's Children Suffer in Class After Years of Drinking the Lead-Poisoned Water,"** by NYT's Erica Green: "The city's schools, stretched even before the lead crisis, are struggling with demands for individualized education programs and behavioral interventions for children with high lead exposure." NYT

-- **"How I Learned to Stop Worrying and Love the Elite"** -- Washingtonian: "Joel Stein, the legendary humor writer, has launched a second life as a champion of America's aristocrats. It all started on Election night. Seriously." Washingtonian

-- **"The Disrupter**: Award-winning chef and restaurateur Spike Gjerde '85 seeks to subvert the American industrial food system," by Dale Keiger in Middlebury Magazine: "Gjerde has staked his livelihood on fostering a food community that doesn't ruin the soil, doesn't needlessly pump carbon into the atmosphere, and doesn't breed flavor and nutrients out of food in favor of durability so it can be shipped 3,000 miles." Middlebury Magazine

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-- **"The Final Frontier,"** by Michael Chabon in The New Yorker: "I love Mr. Spock because he reminds me of you, I told my father. For the first time that night, I considered the possibility that he was going to survive it." New Yorker

-- **"The Everything Town in the Middle of Nowhere,"** by The Verge's Josh Dzieza: "How the tiny town of Roundup, Montana, became a hub in Amazon's supply chain." The Verge (h/t Longform.org)

-- **"Can Marriage Counseling Save America?"** by Andrew Ferguson in The Atlantic's December issue: "Borrowing techniques from couples therapy to bring liberals and conservatives back together." Atlantic

WOMEN RULE SUMMIT 2019 - It's been a landmark year, but there's still work to do. More women are serving in elected office, leading top corporations and rising to the top of their respective fields. As we prepare to what's next in 2020, how will women continue to harness this momentum and propel this generational shift forward? At the Women Rule Summit on Dec. 10, POLITICO will explore the possibilities with a full day of empowering discussions and networking with inspiring, game-changing women. **Request an invite today**.

PLAYBOOKERS

Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

SPOTTED: Roger Stone at Da Hong Pao on Saturday night. ... Justice Clarence Thomas at the University of Nebraska's Devaney Center in Lincoln on Saturday night to watch the Nebraska Cornhuskers volleyball team take on the Iowa Hawkeyes.

SPOTTED at the Trump hotel Friday celebrating Chad Wolf's swearing-in as acting DHS secretary: Hope Wolf, Chris Krebs, Sean Doocey, Dan Kaniewski, Anne Marie Hoffman, Tyler Houlton, Molly Harper, Dan Roehl, Matt Green, Tom Craig, Jana and John Murphy, Michael Bars and Cherie Short, Hannah Hummelberg, Emily Scala and Adam Stahl.

SPOTTED at a book party for Kathryn Jean Lopez's "A Year with the Mystics" (***$9.98 on Amazon***) at Barry Jackson's home Friday night: Ramesh and April Ponnuru, Emily Lampkin, Fred Barnes, Adam Laxalt, Peggy Noonan, Maria Dino, Kathryn Lehman, Jeanne Mancini, Erin DeLullo, and Brian and Ashley McGuire.

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TRANSITIONS -- Josh Goldstein will be director of media and policy communications at S&P Global. He

previously was communications director at the AFL-CIO. ... **James Davis** has launched Touchdown Strategies, a communications firm. He most recently was president of Stand Together and is an RNC and DOD alum. PRWeek ... ***Background from POLITICO last month***

WELCOME TO THE WORLD -- Ryan Taylor, VP of public affairs at Forbes Tate Partners, and **Bevin Taylor,** director of federal government relations at the Tennessee Valley Authority, welcomed Charlotte Azby Taylor on Friday afternoon. She came in at 7 lbs, 12 oz and 20.5 inches.

BIRTHDAYS: John Boehner is 7-0 ... Sen. Jim Inhofe (R-Okla.) is 85 ... Sen. Pat Toomey (R-Pa.) is 58 ... U.S. Ambassador to China Terry Branstad is 73 ... Howard Dean is 71 ... POLITICO's Helena Bottemiller Evich ... Jarrod Agen, VP for communications at Lockheed Martin, is 42 ... Noah Oppenheim, NBC News president ... Susan Rice is 55 (h/t Ben Chang) ... Pennsylvania Gov. Tom Wolf is 71 ... Charmaine Yoest, VP of the Institute for Family, Community and Opportunity at the Heritage Foundation ... Fox News' Chris Stirewalt ... PhRMA's Paul Lindsay ... Arielle Mueller, press secretary for Sen. Mitt Romney (R-Utah) ... Brian Jones, partner at Black Rock Group ... Halie Soifer, executive director of the Jewish Democratic Council of America, is 41 ... Denver Peacock ... Rick Dunham is 63 ... MSNBC's Lily Corvo ...

... **Felicia Schwartz,** WSJ Israel/Palestinian Territories correspondent ... Howard Fineman is 71 ... Suzan G. LeVine is 5-0 ... Mike Ricci, communications director for Maryland Gov. Larry Hogan ... Sarah Gibbens ... Quartz's Chase Purdy ... Jeff Watters of the Ocean Conservancy ... Isaac Baker, partner at AKPD ... Linda Moore, president and CEO of TechNet ... Diana Aviv (h/ts Jon Haber) ... Harry Jaffe ... Lea Anne Foster ... Ralph Posner ... Martin Fackler ... Chris Sloan ... Kellie Boyle of Boyle Public Affairs ... Lucas Fleischer ... Erika Compart ... Kara Harner (h/ts Tom and Sarah Fanning) ... Marty Reiser ... Russ Grote ... Michele Tasoff ... Alex Gallo ... Greg Croft ... Carly Montoya ... David Kurtz ... Andrew Hinkebein ... Mike DeFilippis ... Ada Waelder ... Mike Maloof ... Allison Hayward ... Michael Ostrolenk is 49 ... Gordon Whiting ... Lorne Michaels is 75

A message from the Stop The HIT Coalition:

The Health Insurance Tax (HIT) hurts tens of millions of Americans, including seniors, working families and 28.8 million small businesses and their 56.8 million employees. Unless Congress suspends the Health Insurance Tax, families will face the return of a $500 tax on their coverage, driving up health care costs even further. Americans want Congress to lower health care costs - raising taxes on their health care isn't what they have in mind. It's time for Congress to Stop The Health Insurance Tax. Learn more.

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To: Klima, Jaime[JKlima@CFTC.gov]
From: Anna Palmer and Jake Sherman[politicoplaybook@politico.com]
Sent: Wed 11/6/2019 11:04:14 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: Trump's GOP walloped

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JAKE SHERMAN ANNA PALMER

Presented by

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DRIVING THE DAY

WHERE WE ARE ... DEMOCRATS captured control of the Virginia House of Delegates and state Senate, the first time they've controlled the entire government "in a generation," per the WaPo.

-- NYT'S JONATHAN MARTIN: "For the first time since 1993, Democrats control both chambers in the legislature and the governor's office -- allowing them to redraw the state's legislative boundaries after next year's census.

"Linking Republican incumbents to the unpopular president and criticizing them for opposing gun control measures in the aftermath of a mass shooting in Virginia Beach in May, Democratic challengers built their victory with strong showings in suburbs stretching from outside Washington to Richmond and Hampton Roads. In Fairfax County, the state's largest jurisdiction, the last remaining Republican lawmaker was defeated." NYT

DEMOCRATS APPEAR TO HAVE TOPPLED the unpopular sitting Republican governor of Kentucky one day after a visit from President **DONALD TRUMP.** Democrat **ANDY BESHEAR** leads Republican Gov. **MATT BEVIN** by more than 5,000 votes, according to Steve Shepard, who is in Lexington for us. POLITICO

REPUBLICANS, THOUGH, had success throughout the rest of the state. Senate Majority Leader **MITCH MCCONNELL'S** former legal counsel, Daniel Cameron, was elected attorney general -- the first black person to be elected to that office. Lexington Herald-Leader

PENNSYLVANIA -- a state key to **TRUMP'S** re-election prospects -- is turning toward Democrats in a historic fashion.

-- PHILLY INQUIRER: "The blue wave crashed down on Pennsylvania again, as voters from Philly to Delaware County turned left," by Julia Terruso: "The political forces that shaped last year's midterm

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elections showed no signs of abating Tuesday, as voters turned on Republicans and establishment Democrats alike in races from Philadelphia and Scranton to the suburbs of Delaware and Chester Counties. ...

"Locally, Democrats will hold all five seats on the Delaware County Council, a Republican stronghold since the Civil War, and also assumed a majority on the legislative body in Chester County. In Bucks County, Democrats also held a late lead for control of the board of commissioners in a close race." Inquirer

HOW DOES THIS ALL affect **TRUMP'S** political fortunes? Do Republicans take a look at Tuesday night's electoral results and rethink whether they want to stick with the president on impeachment? (For the most part, we doubt Rs will ditch Trump.) Will it affect Trump's 2020 campaign strategy or his governing posture? Will the president look, in any way, to try to partner with Democrats on something popular, or will he continue his current posture, which is he's being impeached for doing nothing wrong, and there's nothing really the two parties can work on?

THERE ARE TWO WAYS FOR REPUBLICANS TO LOOK AT TUESDAY NIGHT. One way: We won the Mississippi governor race, we won almost the entire slate of races in Kentucky and Bevin lost because he was unpopular. All of that's true -- but just part of the story. The other way to look at it is: Pennsylvania is slipping away, Virginia is gone and Kentucky -- a state **TRUMP** won by nearly 30 points in 2016 -- has elected a Democrat in a race where impeachment was center stage.

HERE'S HOW TRUMP CAST the Kentucky race in his rally for Bevin earlier this week: "If you win, they are going to make it like, ho hum. And if you lose, they are going to say Trump suffered the greatest defeat in the history of the world. You can't let that happen to me!"

-- AND HERE'S WHAT HE SAID TUESDAY NIGHT: @realDonaldTrump at 11:37 p.m.: "#ElectionNight Won 5 out of 6 elections in Kentucky, including 5 great candidates that I spoke for and introduced last night. @MattBevin picked up at least 15 points in last days, but perhaps not enough (Fake News will blame Trump!). Winning in Mississippi Governor race!"

... at 11:51 p.m.: "Congratulations to @tatereeves on winning Governor of the Great State of Mississippi. Our big Rally on Friday night moved the numbers from a tie to a big WIN. Great reaction under pressure Tate!"

FWIW: TRUMP won Mississippi by 17 points in 2016.

THE STEP BACK ... WAPO'S BOB COSTA: "[T]he Kentucky defeat has sparked concern among the party's donors and many longtime GOP leaders who are worried that the nonstop twists of the House impeachment inquiry and Trump's growing fury are making it increasingly difficult for Republicans to make a clear and compelling case to voters." WaPo

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-- AP'S STEVE PEOPLES in New York: "It's difficult to draw sweeping conclusions from state elections,

each with their own unique quirks and personalities. But there's little doubt Tuesday's outcome is a warning to Republicans across the nation a year out from the 2020 election and a year after the 2018 midterms: The suburbs are still moving in the wrong direction." AP

AND YET ... NEW POLITICO/MORNING CONSULT POLL: "Poll: Majority expects Trump to win in 2020," by Caitlin Oprysko: "With less than a year to go before the 2020 election, a majority of registered voters say they think it's at least somewhat likely that President Donald Trump will secure a second term in the White House, a new poll has found, with almost a third of voters saying the president will be top of mind when casting their vote next November.

"According to a POLITICO/Morning Consult survey released on Wednesday, 56 percent of voters expect the president to be reelected next year, including 85 percent of Republicans and 51 percent of independents. By comparison, more than a third of Democrats (35 percent) say the same." POLITICO

Good Wednesday morning.

IMPEACHMENT ... IN THE EARLY DAYS OF POLITICO, our co-founders John Harris and Jim VandeHei often asked us to try to report as if we were putting our sources on truth serum. What would they say if they couldn't lie?

SO AFTER TUESDAY'S BOMBSHELL transcript release -- **GORDON SONDLAND** and **KURT VOLKER** -- we buzzed our top House Republican sources and challenged them to tell us what they were actually thinking about **TRUMP'S** standing at the moment.

-- THEY UNDERSTAND TRUMP IS IN DEEP TROUBLE. "Without a doubt," one House Republican told us, this is the biggest political pickle **TRUMP** has been in. That's why Republicans are taking the highly unusual step of putting Rep. **JIM JORDAN** (R-Ohio) on the Intelligence Committee to defend the president: He needs reinforcements, and fast. (We hear it will just be Jordan that gets a slot on that panel.)

-- THEIR STRATEGY IS TO OBFUSCATE. Republicans understand that they "have a tough set of facts," as one told us, and they are going to try to muddy the waters and distract from the obviously troubling testimony delivered by every witness Democrats have called. Watch for small-ball answers trying to pick apart the credibility of certain witnesses when it comes to whether they extrapolated or had firsthand information on what they were testifying about.

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-- THEY'RE READY TO THROW SONDLAND UNDER THE BUS. This was, perhaps, the most surprising to us. Conventional wisdom held that **SONDLAND** was going to be the strongest ally for **TRUMP** -- a donor whose $1 million to the Trump inaugural fund should have made him a loyal figure. But Republicans are starting to turn on him. Lawmakers we spoke with called him a lackey, a chest-thumper and a rube. Of course, perhaps that's because he turned on the president. But there is no love lost for Sondland at all.

-- THEY STILL, TO THIS DAY, QUESTION THE QUID PRO QUO. The cornerstone of Republicans' defense of **TRUMP** is that, despite testimony indicating otherwise, there is no actual evidence of a quid pro quo. There is talk that the president wanted to hold up aid in exchange for a statement laying out an investigation into the **BIDEN** family. But, as several lawmakers told us, the aid was restored without the statement.

WE ASKED OUR SOURCES this simple question: If **TRUMP** is so concerned about corruption, can you point to other places in the world where he's withheld aid in exchange for cleaning up government, or was the Biden example unique? No one can, but people point out that he frequently has threatened to cut off aid.

-- THE PUBLIC WITNESS THE GOP FEARS: Bill Taylor is the unanimous No. 1.

HEAR NO EVIL, SAY NO EVIL ... SEN. LINDSEY GRAHAM, via CBS: "I've written the whole process off ... I think this is a bunch of B.S." ***Marianne LeVine on Graham***

INTERESTING TEXT ... TAYLOR in a text to **VOLKER** in May, presumably after he was asked to go to Kyiv: "I'm really struggling with the decision whether to go [to Ukraine]. Can anyone hope to succeed with the Giuliani-Biden issue swirling for the next 18 months? Can [Mike Pompeo] offer any reassurance on this issue"

A message from the American Investment Council:

Private equity is a driving force for economic growth and opportunity across America - supporting millions of jobs, good wages, and investing in local communities.

HAPPENING TODAY ... AP'S MATTHEW LEE: "AP sources: State Dept. worried about defending ambassador": "The State Department's third-ranking official is expected to tell Congress that political considerations were behind the agency's refusal to deliver a robust defense of the former U.S. ambassador to Ukraine.

"People familiar with the matter say the highest-ranking career diplomat in the department, David

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Hale, plans to tell congressional impeachment investigators on Wednesday that Secretary of State Mike Pompeo and other senior officials determined that defending Ambassador Marie Yovanovitch would hurt the effort to free up U.S. military assistance to Ukraine.

"Hale will also say that the State Department worried about the reaction from Trump's personal attorney, Rudy Giuliani, also one of the strongest advocates for removing the ambassador. ... Hale is expected to shed more light on why the State Department did not step up to defend its top envoy in Kyiv. According to the people familiar with the matter, he will say he tried to distance himself and the department from the matter by removing himself from email chains about Yovanovitch." AP

SMART STORY ... WAPO'S ROBERT BARNES and **SEUNG MIN KIM: "Senate impeachment trial to test chief justice who has tangled with Trump":** "The trial would be an unfamiliar moment in the spotlight for Roberts, 64, whose evocation of the judge as impartial umpire drew praise at his 2005 confirmation hearing. His nomination by President George W. Bush capped off a career as a Republican operative in the White House, a lawyer with many appearances before the Supreme Court and an appellate judge.

"Trump's impeachment proceedings would be the first trial over which Roberts has ever presided. It provides the potential for a confrontation with a president who has already antagonized him, even as the chief justice has tried to distance himself and the court from partisan politics.

"'I think [the chief justice] is going to be very uncomfortable with it,' said Carter G. Phillips, a longtime Washington lawyer who is among the most prolific practitioners before the Supreme Court. 'He will look the part and will act the part, but I'm sure he'd rather not have the part.'" WaPo

JUICY ... VANITY FAIR'S JOE POMPEO: "The Mask Will Probably Fall': In a Warning, New Trump Scandals -- And Clues to the Identity of Anonymous"

TRUMP'S WEDNESDAY -- The president will give a speech on federal judicial confirmation milestones at 3 p.m. in the East Room. Trump will leave the White House at 4:10 p.m. en route to Monroe, La., where he will deliver remarks at a campaign rally at 7 p.m. Central time at the Monroe Civic Center. Afterward, he will return to Washington.

365 days and counting. We are officially one year away from Election Day 2020. Are you ready for the most important election of our lifetime? POLITICO Pro is gearing up by adding more news, more tools, better technology, all in one platform that is designed just for you. Learn more about how Pro gives you an edge in 2020 and beyond.

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PHOTO DU JOUR: Demonstrators clash with a police water cannon during an anti-government protest in Santiago, Chile, on Tuesday, Nov. 5. | Esteban Felix/AP Photo

THE LATEST ON ROGER STONE, via Darren Samuelsohn and Josh Gerstein: "Day 2 of the Roger Stone trial starts at 9:30 a.m. with more jury selection. Judge Amy Berman Jackson got the pool of people down to 34 by the end of the day Tuesday -- and she expects to get it across the finish line to start today. Then it'll be time for opening arguments from DOJ and Stone's attorneys.

"Looking forward to hearing the Stone opener in particular as they really haven't articulated in public what his defense will be at the trial. DOJ prosecutors said they could be done with their side of the case by the middle of next week. Stone's lawyers have said they'd need three to four days." ***More on how Stone's gag order has effectively kept Stone silent***

WILD TALE FROM BEN SCHRECKINGER -- "'A little help from the vice president': How Joe Biden, his younger brother Frank, a lobbyist and an oil heiress got Congress to ban the slaughter of horses for meat." POLITICO

MUCK READ -- "How Mike Pence's Office Meddled in Foreign Aid to Reroute Money to Favored Christian Groups," by ProPublica's Yeganeh Torbati: "Officials at USAID warned that favoring Christian groups in Iraq could be unconstitutional and inflame religious tensions. When one colleague lost her job, they said she had been 'Penced.'" ProPublica

HEADS UP -- "Trump OKs wider Syria oil mission, raising legal questions," by AP's Lolita Baldor: "President Donald Trump has approved an expanded military mission to secure an expanse of oil fields across eastern Syria, raising a number of difficult legal questions about whether U.S. troops can launch strikes against Syrian, Russian or other forces if they threaten the oil, U.S. officials said.

"The decision, coming after a meeting Friday between Trump and his defense leaders, locks hundreds of U.S. troops into a more complicated presence in Syria, despite the president's vow to get America out of the war. Under the new plan, troops would protect a large swath of land controlled by Syrian Kurdish fighters that stretches nearly 90 miles (150 kilometers) from Deir el-Zour to al-Hassakeh, but its exact size is still being determined.

"Officials said many details still have to be worked out. But, Trump's decision hands commanders a victory in their push to remain in the country to prevent any resurgence of the Islamic State group, counter Iran and partner with the Kurds, who battled IS alongside the U.S. for several years. But it also forces lawyers in the Pentagon to craft orders for the troops that could see them firing on Syrian government or Russian fighters trying to take back oil facilities that sit within the sovereign nation of Syria." AP

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HAPPENING TODAY -- "In Major Nuclear Step, Iran to Resume Enrichment at Underground Site," by WSJ's Laurence Norman in Brussels and Aresu Eqbali in Tehran: "Iran plans to start enriching uranium at an underground facility Wednesday, Tehran officials said, in a significant step away from its commitments under the 2015 nuclear deal that could raise pressure on Europe to take action.

"A 15-year ban on any enrichment of uranium at the Fordow nuclear plant was one of the central achievements of the deal. Enriched uranium can be used as fuel for a nuclear weapon.

"The site, buried deep within a mountain, is considered impregnable to most conventional weapons, presenting a major hurdle to any military effort aimed at stopping Iran from building a nuclear weapon. Iran says its nuclear program has always been for peaceful purposes. The latest step is the most dramatic yet by Iran away from the 2015 accord." WSJ

A message from the American Investment Council:

Private equity is making a positive impact - investing in America, supporting jobs, and strengthening the retirements of public sector workers. Learn more.

VALLEY TALK -- "Concerns about Facebook's political ad policy brought to Zuckerberg's dinner table," by CNN's Brian Fung: "Steak, scallops and the future of American democracy were among the items on the menu at one of Mark Zuckerberg's homes on Monday night as the Facebook CEO hosted a dinner for American civil rights leaders.

"Flanked by Facebook COO Sheryl Sandberg and Facebook exec Nick Clegg, Zuckerberg met face-to-face at his Bay Area home with some of the company's most ardent critics to hear their concerns about how the company tackles hate speech and its policy of not fact-checking ads from politicians.

"Civil rights representatives agreed not to disclose specifics of what the Facebook executives and other attendees said at the meeting, Farhana Khera, the executive director of Muslim Advocates, who attended the dinner, told CNN. But a number of them raised concerns about Facebook's policy of allowing politicians to run false ads, said Khera and Vanita Gupta, the CEO of the Leadership Conference on Civil and Human Rights, who also was in attendance." CNN

MEDIAWATCH -- MICHAEL CALDERONE: "Media outlets reject Rand Paul's demand that they identify Trump's whistleblower": "Major news organizations have not identified the whistleblower whose claims about Trump pressuring Ukraine to investigate the Bidens have been largely corroborated and even expanded upon by officials testifying in the impeachment inquiry — and they're not buckling to demands from Trump and his allies to expose the individual." POLITICO

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-- DEAN BAQUET to WaPo's Paul Farhi: "I'm not convinced his identity is important at this point, or at least important enough to put him at any risk, or to unmask someone who doesn't want to be identified. Pretty much everything has now been discussed or confirmed on the record, multiple times, by others in the administration. So I'm not sure I see the point of unmasking someone who wants to remain anonymous." WaPo

-- NPR'S DAVID FOLKENFLIK: "ABC News Defends Its Epstein Coverage After Leaked Video Of Anchor"

WOMEN RULE SUMMIT 2019 - It's been a landmark year, but there's still work to do. More women are serving in elected office, leading top corporations and rising to the top of their respective fields. As we prepare to what's next in 2020, how will women continue to harness this momentum and propel this generational shift forward? At the Women Rule Summit on Dec. 10, POLITICO will explore the possibilities with a full day of empowering discussions and networking with inspiring, game-changing women. **Request an invite today.**

PLAYBOOKERS

Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

TRANSITIONS -- Giovanna Gray Lockhart is now chief strategy officer at The Riveter. She was most recently at The Wing and is a Kirsten Gillibrand alum. ... **Josh Hurvitz** is now a partner at government relations firm NVG. He previously was VP for public policy at Time Warner and WarnerMedia.

SPOTTED at a screening Tuesday night at the National Archives of "Created Equal," a documentary about Justice Clarence Thomas: Justice Samuel Alito and Martha-Ann Alito, D.C. Circuit Court Judge Neomi Rao, Leonard Leo, Carrie and Roger Severino, Rachel Semmel, Hugo Gurdon, Kevin Daley, Emily Jashinsky, Byron York, Greg Mueller, Keith Appell and Ryan Lovelace.

BIRTHDAY OF THE DAY: Ruth Messinger, global ambassador for the American Jewish World Service, is 79. **How she thinks the Trump presidency is going:** "I worry that the U.S. is losing our role as a human rights leader, especially for the populations that American Jewish World Service works alongside. The lack of a thoughtful response from our State Department to almost any human rights issue, the constant threats to foreign aid and to immigrant populations -- all are damaging our status in the world." **Playbook Q&A**

BIRTHDAYS: Rep. John Carter (R-Texas) is 78 ... Arne Duncan, managing partner of Emerson Collective and former Education secretary, is 55 (hat tip: Devon Spurgeon) ... Sidney Blumenthal is 71 ... Dan Senor

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CFTC-22-0351-A-000061

is 48 ... Eric Schulze ... Rob Jesmer, partner at FP1 Strategies and PLUS Communications ... POLITICO's Louis Nelson is 31 ... Marlon Bateman is 31 ... Social Security Administration Commissioner Andrew Saul is 73 ... former Rep. Dan Donovan (R-N.Y.) is 63 ... Andrew Snow ... Ana Estes ... Katie Rosborough ... American Red Cross' Eric Mondero ... Alison Patch of APCO Worldwide ... Bob Grand ... Ashley Lewis, press secretary for Senate Banking Committee Democrats ... Rachel Weiss, director of external affairs at UnitedHealth Group (h/t husband Adam) ... Julia Bennett ...

... **Whitney Mitchell Brennan,** communications director for Sen. Kirsten Gillibrand (D-N.Y.) ... Blair Gremillion, senior media analyst at America Rising, is 27 (h/t Christian Martinez) ... Alan Dechert ... Arun Chaudhary, creative director at Revolution Messaging, is 44 ... Catherine Crier is 65 ... Mychal Denzel Smith ... Matt Kirk ... JoJo Sears ... Rick Nussio ... Sheila Walter ... Scott Anderson ... LaCreda Drummond-Mondon ... Ramesh de Silva ... Ian Braun ... NPR's Eric Deggans ... USCIS' Diana Banister ... Keaton Bedell ... Christopher Joshua Arndt ... Ben Wrobel ... Julia Moseley ... Gray Brooks ... NBC's Gresham Striegel ... ABC's Trish Turner ... CNBC's Angelica LaVito ... Chris Fitzgerald ... Andrew Weinberg ... Suzanne Granville (h/t Teresa Vilmain) ... Ira Fishman (h/t Jon Haber)

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U.S. COMMODITY FUTURES TRADING COMMISSION
Ensuring the Integrity of the Futures & Swaps Markets

Daily News Clips

Tuesday, July 16, 2019

CFTC Mentions

The Fence Post: Tarbert Sworn in as CFTC Chairman. "Heath Tarbert was sworn in as chairman of the Commodity Futures Trading Commission today for a term that extends until April 13, 2024."

S&P Global: Tarbert Moves from Treasury to Lead US CFTC, Stresses Watchdog Role. "The leadership of the US Commodity Futures Trading Commission officially changed hands Monday, with Heath Tarbert moving from the Treasury Department to replace Christopher Giancarlo as chairman of the derivatives regulator."

Crowdinsider: Dr. Heath P. Tarbert Takes Over at CFTC as Chair. "Dr. Heath P. Tarbert was sworn in today as the 14th Chairman of the Commodity Futures Trading Commission (CFTC) replacing J. Christopher Giancarlo."

MondoVisione: CME Group Congratulates CFTC Chairman Heath Tarbert. "CME Group today released the following statement on the swearing in of Commodity Futures Trading Commission (CFTC) Chairman Heath Tarbert:.."

Coindesk: Another Crypto Company Wants to Offer Bitcoin Derivatives in the US. "In a press release on Friday, the company said it's reached an "agreement in principle" to acquire designated contract market (DCM) and swaps execution facility (SEF) registrations with the U.S. Commodity Futures Trading Commission (CFTC) from a firm called trueEX."

Cointelegraph: TrueDigital Plans to Launch CFTC-Regulated Crypto Derivatives Exchange. "Per the release, trueDigital has concluded an agreement in principle to acquire the Designated Contract Market (DCM) and Swaps Execution Facility registrations of United States Commodity Futures Trading Commission (CFTC)-regulated exchange trueEX LLC. The deal thus is subject to CFTC approval."

Top News

WSJ: Fed's Williams Calls for More Urgency in Replacing Libor
POLITICO Pro: Mnuchin Voices 'Serious Concerns' About Facebook Currency
POLITICO Pro: SEC Warns LIBOR Transition Poses Risk For Those Unprepared
POLITICO Pro: Facebook Executive Promises to Take Time with Libra
Risk.Net: Swaps Counterparties Spooked By Emir Position Pairing

Full Text

CFTC Mentions

The Fence Post: Tarbert Sworn in as CFTC Chairman
The Hagstrom Report

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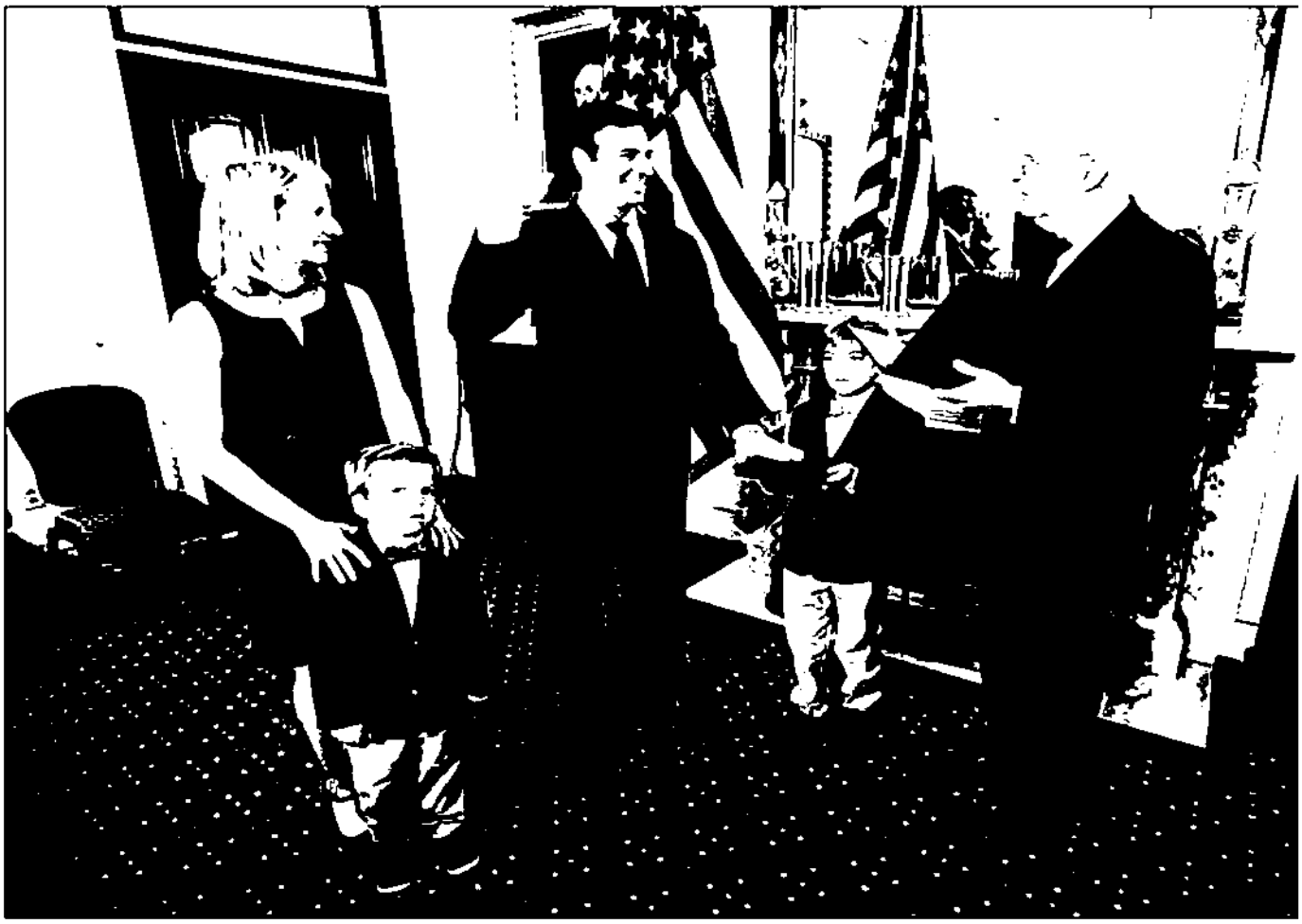

Heath Tarbert was sworn in as chairman of the Commodity Futures Trading Commission today for a term that extends until April 13, 2024.

“America’s futures, swaps, and options markets are the global standard,” Tarbert said in a news release.

“Their integrity is essential to the economic security of every American, particularly our farmers and ranchers. I look forward to working with each commissioner and the talented staff at the CFTC to ensure our derivatives markets remain vibrant and wrongdoers are held accountable,” Tarbert said.

“At its core, the CFTC is a guardian of the American free-enterprise system. Opportunities and threats await us, and we will be ready. Whether it be unfinished business or the unwritten future, now is the time to act, and I intend to hit the ground running.”

Most recently, Tarbert served as Treasury assistant secretary for international markets and subsequently as Treasury acting undersecretary for international affairs.

As Tarbert was sworn in, advocates for cryptocurrencies are searching for clues about his views on alternative currencies, Cointelegraph reported.

S&P Global: Tarbert Moves from Treasury to Lead US CFTC, Stresses Watchdog Role
By Maya Weber

HIGHLIGHTS

- Final Giancarlo actions tackled crossborder issues
- Position limits rule awaits new chairman

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Washington — The leadership of the US Commodity Futures Trading Commission officially changed hands Monday, with Heath Tarbert moving from the Treasury Department to replace Christopher Giancarlo as chairman of the derivatives regulator.

Register Now As he assumed the helm Monday, Tarbert emphasized the commission's market watchdog role, saying he looked forward to working to "ensure our derivatives markets remain vibrant and wrongdoers are held accountable." "At its core, the CFTC is a guardian of the American free-enterprise system," he said in a statement released by the agency. "Opportunities and threats await us, and we will be ready."

Harbert takes over as some long-pending rules affecting energy derivatives trading continue to hang in the balance, including a regulation on speculative position limits in 25 physical commodity futures and swaps markets. Also of interest to energy companies are pending regulations setting capital requirements for swap dealers and proposed rules on swap data reporting.

REGULATORY CHALLENGES

Prior chairmen and commissioners have promised to advance the position limits regulation, which stems from the Dodd-Frank Act financial reforms that followed the 2008 financial collapse. A regulation published in 2011 was struck down in court the following year, and former Chairman Timothy Massad faced opposition from Republican lawmakers to moving ahead with a final rule at the tail end of the Obama administration and instead released a "re-proposal."

Giancarlo in late May told lawmakers he intended to release a revised position limits proposal before he left the agency, but regulations addressing cross-border issues and other matters appeared to dominate the agenda in the final weeks.

Among those, the CFTC at its commissioners open meeting July 11 voted on proposals that would allow non-US clearinghouses to apply for an exemption from registration with the CFTC or to use alternative compliance through their home country requirements.

Action on a proposed position limits rule is seen as possible in the fall.

TARBERT BACKGROUND

Tarbert, whose term runs through 2024, comes to the CFTC after focusing on international markets at the Treasury Department. With a long list of credentials and background working for both Democrats and Republicans, he won Senate confirmation by a vote of 84-9. His prior roles include positions as legal adviser to President Barack Obama on the response to the financial crisis in 2008 and 2009; law clerk for Supreme Court Justice Clarence Thomas; and special counsel to the Senate Banking, Housing and Urban Affairs Committee during negotiations leading up to the Dodd-Frank A ct. In the private sector, he worked for the law firm of Allen & Overy, as well as Weil, Gotshal & Manges.

Tarbert's views on rules of interest to energy sector interests are generally not well known. Clamor around CFTC impacts to the sector appeared to ease in the last two years as some matters affecting energy industry end users were addressed and other pending rules stayed on the backburner.

Under Giancarlo's term at the CFTC, "I think they've been very aware of the commercial end user issue and we've appreciated that focus," said Sharon Royka Theodore, Electric Power Supply Association senior director of regulatory affairs.

Jenny Fordham, senior vice president of government affairs at the Natural Gas Supply Association, said her group is looking forward to working with Tarbert. Among NGSA's top priorities are getting the hedge exemption right in the position limits rule and having limits that are "appropriately set," she said. An overarching priority is addressing how market liquidity and counterparty diversification are affected by a number of rules and lingering uncertainties that can create a barrier to market entry, Fordham added.

Crowdinsider: Dr. Heath P. Tarbert Takes Over at CFTC as Chair
By JD Alois

Dr. Heath P. Tarbert was sworn in today as the 14th Chairman of the Commodity Futures Trading Commission (CFTC) replacing J. Christopher Giancarlo.

AMERICAN OVERSIGHT

Tarbert was nominated by President Trump for a term expiring on April 13, 2024.

Tarbert picks up the baton from Giancarlo, a staunch supporter of Fintech innovation, at a crucial time of change in the financial services industry.

Tarbert gave praise to Giancarlo's tenure:

> "Chris deserves great credit for his hard work and service leading the CFTC. Thanks to his efforts, this Commission is positioned better to tackle the challenges we face today and into the future."

Tarbert added:

> "America's futures, swaps, and options markets are the global standard. Their integrity is essential to the economic security of every American, particularly our farmers and ranchers. I look forward to working with each Commissioner and the talented staff at the CFTC to ensure our derivatives markets remain vibrant and wrongdoers are held accountable. At its core, the CFTC is a guardian of the American free-enterprise system. Opportunities and threats await us, and we will be ready. Whether it be unfinished business or the unwritten future, now is the time to act, and I intend to hit the ground running."

Chairman Tarbert most recently served as Assistant Secretary for International Markets and subsequently as acting Under Secretary for International Affairs at the U.S. Department of the Treasury.

Tarbert also served as the G-7/G20 Deputy Finance Minister, a member of the Financial Stability Board, and the co-chair of both the US-EU Financial Regulatory Forum and the US-UK Financial Regulatory Working Group.

Prior to his service at the Treasury Department, Tarbert was head of the bank regulatory practice of Allen & Overy LLP, a global law firm.

MondoVisione: CME Group Congratulates CFTC Chairman Heath Tarbert

CME Group today released the following statement on the swearing in of Commodity Futures Trading Commission (CFTC) Chairman Heath Tarbert:

"CME Group congratulates Dr. Tarbert as he is sworn in today as CFTC Chairman, following his strong bipartisan confirmation last month. His experience and accomplishments in the international arena in his role as Acting Under Secretary for International Affairs at the U.S. Department of the Treasury position him extraordinarily well to lead the agency. We look forward to working with the new Chairman and Commissioners Behnam, Berkovitz, Quintenz and Stump to address cross-border regulatory challenges and ensure the continued growth and integrity of U.S. derivatives markets.

"We also thank the agency's outgoing Chairman J. Christopher Giancarlo for his leadership on the many issues facing the U.S. derivatives markets throughout his tenure at the Commission, especially on the critical cross-border challenges facing the U.S. markets."

Coindesk: Another Crypto Company Wants to Offer Bitcoin Derivatives in the US
By Daniel Palmer

Institutional digital assets platform trueDigital Holdings has announced plans to offer bitcoin derivatives for U.S. investors.

In a press release on Friday, the company said it's reached an "agreement in principle" to acquire designated contract market (DCM) and swaps execution facility (SEF) registrations with the U.S. Commodity Futures Trading Commission (CFTC) from a firm called trueEX.

The deal is pending approval from the CFTC, the firm said.

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If the bid is successful, the aim is to launch a "fully-regulated" cryptocurrency derivatives exchange that would list

trueDigital's bitcoin physically deliverable swaps, which the firm states "have been self-certified with the CFTC."

Going forward, the company plans to add additional crypto derivatives.

TrueDigital CEO Thomas Kim said:

> "A trueDigital owned and operated regulated exchange is the natural step in our evolution toward achieving our goals. Adding the exchange to our ecosystem delivers a complete end-to-end offering, currently unavailable today, that encompasses tokenization, payments, market data and settlement for the benefit of our clients and partners."

With the move, trueDigital would become one of very few entities offering regulated crypto derivatives in the U.S. If the deal goes through, its main rival would be LedgerX, which launched a bitcoin derivative offering in October 2017.

TrueDigital has previously launched an OTC reference rate for bitcoin and ether.

It has also teamed up with Signature Bank to launch a blockchain-based digital payments platform. The effort received approval from the New York State Department of Financial Services to offer services within the state last December.

Cointelegraph: TrueDigital Plans to Launch CFTC-Regulated Crypto Derivatives Exchange
By Ana Alexandre

New York-based financial technology firm trueDigital Holdings LLC is aiming to acquire the registrations of trueEX LLC in a bid to launch a fully-regulated crypto derivatives exchange, according to a press release published on July 12.

Per the release, trueDigital has concluded an agreement in principle to acquire the Designated Contract Market (DCM) and Swaps Execution Facility registrations of United States Commodity Futures Trading Commission (CFTC)-regulated exchange trueEX LLC. The deal thus is subject to CFTC approval.

Upon approval, trueDigital will roll out a crypto derivatives exchange fully-regulated by the CFTC, where it will list physically-deliverable Bitcoin derivatives for institutional investors.

TrueDigital CEO Thomas Kim said that "adding the exchange to our ecosystem delivers a complete end-to-end offering, currently unavailable today, that encompasses tokenization, payments, market data and settlement for the benefit of our clients and partners."

Earlier in July, Chicago-based crypto exchange ErisX procured a derivatives clearing organization (DCO) license from the CFTC within its plans to make digital asset futures contracts available for trade on its regulated derivatives market later this year via its new DCO.

In late June, the CFTC also approved the application of LedgerX LLC for designation as a contract market. "LedgerX has requested that the CFTC amend its order of registration as a DCO, which limits LedgerX to clearing swaps, to allow it to clear futures listed on its DCM," the official announcement read.

Top News

WSJ: Fed's Williams Calls for More Urgency in Replacing Libor
New York Fed president tells financial firms to pick up pace on adopting new SOFR benchmark
By Michael S. Derby

NEW YORK—Federal Reserve Bank of New York President John Williams said Monday financial firms need to stop dragging their collective feet and transition to a new reference interest-rate system to replace the scandal-plagued London interbank offered rate regime.

"I don't always sense urgency among market participants on this issue" of replacing what's called Libor, Mr. Williams said a speech delivered at a conference held by the Securities Industry and Financial Markets Association.

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"Tellingly, contracts referencing U.S. dollar Libor, without robust fallback language, continue to be written," he said. While

there remain some issues with the new system of rates, Mr. Williams said "don't wait for term rates to get your house in order. Engage with this issue now and understand what it means for your operations."

Mr. Williams' remarks addressed the effort the Fed and the financial industry have been involved in to create a new, more reliable system of reference interest rates that are critical to overall market functionality.

His speech zeroed in on what's called the Secured Overnight Financing Rate, or SOFR. This overnight rate, published daily by the New York Fed and based off Treasury bond borrowing costs, is aimed at creating a more reliable system of interest rates for financial transactions. It is supposed to replace Libor, a long-running system that has suffered from a series of scandals in which it was manipulated.

One issue with moving to SOFR for some firms is that it doesn't offer longer-term rates given that it is focused on overnight borrowing costs, the central bank chief noted. But Mr. Williams doesn't see that as an impediment as a so-called "term" structure with rates that apply to longer-term borrowing will develop over time. He also said a lot of what Libor does offer right now for markets isn't even really needed for "the vast majority" of securities offerings.

Libor will continue to exist with some consistency through 2021 but after that the banks that contribute to creating the rate system will no longer be required to participate. It raises big questions what Libor will represent after that date.

Speaking at the same event as Mr. Williams, Andrew Bailey, chief executive officer of U.K. regulator the Financial Conduct Authority, said that starting in 2022, Libor could become unpredictable and problematic for those still inclined to use it.

In 2022 and beyond, "even if [Libor] did get published, it wouldn't be the same thing," Mr. Bailey said. "The future, if you are still on Libor, will be more uncertain than ever."

Mr. Williams said "I want to emphasize that the industry must not wait for a SOFR term rate to transition away from Libor." He added, "we need a mind-set shift where firms realize that every new U.S. dollar Libor contract written digs a deeper hole that will be harder to climb out of."

Mr. Williams didn't comment on monetary policy or the economic outlook in his remarks. He spoke last Thursday in a speech that signaled he was joining with his colleagues in support of a move toward lower short-term interest rates.

POLITICO Pro: Mnuchin Voices 'Serious Concerns' About Facebook Currency
By Victoria Guida

Treasury Secretary Steven Mnuchin today became the latest U.S. government official to voice reservations about Facebook's planned Libra digital currency, saying the company must comply with the same anti-money laundering regulations that govern financial institutions.

"The Treasury Department has expressed very serious concerns that Libra could be misused by money launderers and terrorist financiers," Mnuchin said in a press briefing at the White House, adding that virtual currencies have been "exploited to support billions of dollars of illicit activities."

He said there would be more enforcement actions coming related to cryptocurrency from his department's Financial Crimes Enforcement Network, or FinCEN.

The Financial Stability Oversight Council, a body consisting of top regulators, has a working group that has met multiple times on issues related to cryptocurrencies, Mnuchin said. He and Federal Reserve Chairman Jerome Powell have discussed concerns about Libra specifically, he added.

President Donald Trump in tweets last week bashed Libra, saying it will have "little standing or dependability." He said he is "not a fan of Bitcoin and other cryptocurrencies, which are not money, and whose value is highly volatile and based on thin air."

"We have only one real currency in the USA, and it is stronger than ever, both dependable and reliable," Trump wrote.

That statement was surprising since it came against a backdrop of the president's campaign to pressure the Fed to lower rates to weaken the dollar and make U.S. exports more competitive.

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Mnuchin did not comment on the strength of the dollar but said the administration takes "very seriously the role of the U.S. dollar as the world's reserve currency."

POLITICO Pro: SEC Warns LIBOR Transition Poses Risk For Those Unprepared
By Victoria Guida

The Securities and Exchange Commission today warned that market participants could suffer a "significant impact" if they are unprepared to transition away from LIBOR, in the latest warning about the probable termination of the benchmark rate.

The SEC urged companies and investors to quickly determine their exposure to LIBOR under existing financial contracts or else face the consequences.

"The expected discontinuation of LIBOR could have a significant impact on the financial markets and may present a material risk for certain market participants, including public companies, investment advisers, investment companies, and broker-dealers," SEC staff said in a statement.

"The risks associated with this discontinuation and transition will be exacerbated if the work necessary to effect an orderly transition to an alternative reference rate is not completed in a timely manner," they added.

The London InterBank Offered Rate, known as a "reference rate," is commonly used to determine the payoff for a financial contract. But the volume of transactions used to determine LIBOR, which is supposed to reflect the average interest rate that a top bank would be charged by another bank, has dwindled. The rate also became infamous in 2012 after it was revealed that some banks had been colluding to manipulate it.

Thanks to these shortcomings, the Financial Conduct Authority, the independent U.K. body that regulates financial firms, has not committed that LIBOR will be published past the end of 2021.

The SEC noted in its statement that many existing contracts did not contain a fallback in the event that LIBOR disappears, which could lead to disagreements. In other cases, "the adjustment may be inconsistent with expectations of the affected parties," such as a floating-rate contract converting to a fixed-rate contract.

"There are rarely quick fixes to these types of issues," staff added, "and the Commission staff encourages market participants to focus on them now to avoid business and market disruptions after 2021," when LIBOR will likely cease to be published.

The statement also urged market participants to consider referencing an alternative rate in future contracts, such as the Secured Overnight Financing Rate, which was selected by the Alternative Reference Rates Committee as the official replacement for U.S. dollar LIBOR.

Federal Reserve Vice Chairman Randal Quarles last month urged financial market participants to begin transitioning away from LIBOR "in earnest." And the ARRC, a group of private market participants convened by the Fed, on Thursday released a white paper outlining options for using SOFR in adjustable-rate mortgages.

POLITICO Pro: Facebook Executive Promises to Take Time with Libra
By Zachary Warmbrodt

A top Facebook executive overseeing the company's foray into digital currency will pledge to lawmakers Tuesday that "we know we need to take the time to get this right," as the social media giant faces mounting concerns from policymakers including calls for a delay.

"I want to be clear: Facebook will not offer the Libra digital currency until we have fully addressed regulatory concerns and received appropriate approvals," said David Marcus, who heads Facebook's Calibra financial services subsidiary, in written testimony submitted to the Senate Banking Committee.

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Marcus will testify before Senate Banking on Tuesday followed by the House Financial Services Committee on

Wednesday.

"I believe that if America does not lead innovation in the digital currency and payments area, others will," he said. "If we fail to act, we could soon see a digital currency controlled by others whose values are dramatically different."

Risk.Net: Swaps Counterparties Spooked By Emir Position Pairing
Stumble on voluntary position reporting could undermine push to reform ETD regime
By Samuel Wilkes

Swaps counterparties are struggling to pair their positions under European regulatory reporting rules, and the industry now fears the problems could undermine future lobbying efforts for reform of the current regime.

"Firms are really concerned that there is going to be inconsistency; it could lead us [into] similar problems that we currently battle with [on] transaction reporting," says an industry source.

Since 2014, European Union firms have had to report their swaps transactions to trade repositories under the European Market Infrastructure Regulation (Emir). Unlike US legislation, the EU requires both counterparties of a trade to report the swap, known as dual-sided reporting. The practice allows regulators to verify reported information is correct. Repositories are responsible for pairing up reports that have the same unique codes representing a single transaction, and then matching key details.

Swaps market participants have long complained that dual-sided reporting is cumbersome and unreliable, and have advocated either a switch to single-sided reporting, or to position reporting. They argue position reporting is more useful to regulators, because it provides a direct snapshot of each firm's exposure to the market and counterparty risk of the positions themselves.

Revisions to Emir agreed by lawmakers in February did not change the regime. However, disappointed market participants still hope to promote position reporting as a possible alternative method when Emir next comes up for review.

In particular, there is an active campaign to persuade legislators to drop trade-level reporting and only require position-level reporting for exchange-traded derivatives (ETDs). The Futures Industry Association released a position paper advocating for the rule change on June 27.

Steer from Esma

Market participants are already allowed to submit reports of open positions they have with their counterparties, but these must be on top of the normal mandatory trade reports. The option of position reporting was set out in a Q&A published by the European Securities and Markets Authority in May last year.

However, the Q&A stressed the importance of firms reporting consistently – which sources say has been interpreted as a nod to the need for pairing the two halves of a position between the two counterparties.

Trade repositories don't currently reconcile position reports, but two sources – including a source at a trade repository – say regulators are now turning up the pressure for pairing to begin as soon as possible.

The source at the repository says swap counterparties are not yet ready for pairing, and preparations have been delayed because the potential consequences of the UK's departure from the EU are keeping repositories and dealers busy.

European regulators have been the strongest advocates of dual-sided reporting, and therefore the main obstacle to any reform. At a public hearing on the Emir review in May 2016, Esma chair Steven Maijoor insisted dual-sided reporting was the best way to ensure reliable information, because it offers regulators the opportunity to identify errors if the two reports do not match. As a result, market participants fear that a stumble over pairing position reports could be pounced on by regulators as a reason to oppose industry lobbying.

Esma did not respond to questions raised by Risk.net for this piece.

Too many cooks

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Position-level reports will mostly be used for exchange-traded derivatives, because reporting for contracts cleared

through central counterparties must use valuations made by CCPs – a requirement that came into effect in November 2017 in a review of Emir's reporting fields by Esma. Firms had to report their own mark-to-market values of their derivatives before the change.

Information on the value of cleared derivatives is only made available by central counterparties (CCPs) in the form of end-of-day positions, thereby driving the industry's desire to switch away from trade reporting for these instruments.

The difficulty anticipated for pairing position-level reports is the reconciliation of unique transaction identifiers (UTIs) that need to be generated for each trade.

"There is a real concern because one of the points with respect to position level reports is the generation of the UTI," says an industry source. "Reporting firms need to obtain that position-level UTI from the CCP. However, there is an inconsistent generation process for generating UTIs. There is not an easy way for reporting firms to actually digest or ingest or simply obtain that UTI."

The trade repository source says some CCPs use algorithms to generate UTIs and insert them into firms' reports, whereas others don't, meaning counterparties have to manually pick out the UTIs from CCP reports and insert them into their own Emir reports.

"At the moment both sides use a UTI but it is not necessarily the same one," says David Nowell, a senior regulatory reporting specialist at consultancy Kaizen Reporting. "They haven't got that infrastructure or the systems in place to make sure they are currently using the same one."

A further issue is that clients of clearing members do not receive UTIs from their clearing members in time. As Emir requires firms to submit reports no later than the following working day after the conclusion, modification or termination of a trade, clients tend to use dummy UTIs in their reports. As the dummy UTI is different to the UTI used by the clearing member, the positions do not match.

"There are issues where you see people don't have the UTI in time," says the repository source. "People are worried about the timely reporting on a T+1 basis. Generally what will happen is that people will report the things on time but they may use a dummy UTI."

More at stake

The industry has prioritised ETDs in the push for position reporting to replace trade reporting, because firms trade hundreds of the same ETD contracts each day that can cancel each other out. Hence, according to lobbyists, Emir's original objective of allowing regulators to track systemic risk is better served in the ETD market by assessing end-of-day positions. Dropping trade-level reporting for such a high-volume market would also significantly reduce the compliance burden placed on banks.

Successful pairing of positions could strengthen their argument for legislators to abandon trade reporting, as position reporting would then meet Esma's test of being able to check the data by making sure the reports from each counterparty can be paired up.

The bar for position reporting to outperform trade reporting may not be very high, especially for ETDs. In 2014, one repository estimated pairing rates for over-the-counter derivatives stood at about one-third of trades and just 3% for ETDs.

A freedom of information request by Risk.net found that as of February 2019, 86% of trade reports were successfully paired while only 40% of trades were fully matched on their details. However, these figures were not broken down between exchange-traded and OTC derivatives.

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http://cftcnet/Commission/Clips-and-Resources/Pages/default.aspx

This inbox is unattended; please do not reply to this email. Please contact the CFTC Office of External Affairs at 202-418-5080 with any questions.

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From: CFTCPressOffice[/O=CFTC/OU=WASHINGTON, DC/CN=RECIPIENTS/CN=CFTCPRESSOFFICE]
Sent: Mon 7/15/2019 12:48:13 PM (UTC)
Subject: Daily News Clips: July 15, 2019

U.S. COMMODITY FUTURES TRADING COMMISSION
Ensuring the Integrity of the Futures & Swaps Markets

Daily News Clips

Monday, July 15, 2019

CFTC Mentions

CoinTelegraph: CFTC's New Chairman: Who Is Heath Tarbert, What He Thinks of Crypto? "July 15 will mark the first day in the office for the United States Commodity Futures Trading Commission's (CFTC) new chairman, Heath Tarbert. As the crypto community is bidding farewell to the regulator's outgoing head, J. Christopher Giancarlo, his successor's stance on digital assets remains unknown.."

Politico Morning Money: First in MM: New at the CFTC. "New CFTC Chairman Heath Tarbert plans to name Jaime Klima, currently chief counsel at the SEC, as his new chief of staff."

Regulation Asia: CFTC Eases Foreign Clearinghouse Access to US Customers. "The CFTC (Commodity Futures Trading Commission) has voted to accept two proposals which ease access for foreign clearing houses to US customers."

Top News

Bloomberg: Oil Trades Near $60 on Storm Disruption as Glut Concerns Linger

Full Text

CFTC Mentions

CoinTelegraph: CFTC's New Chairman: Who Is Heath Tarbert, What He Thinks of Crypto? By: Kirill Bryanov

July 15 will mark the first day in the office for the United States Commodity Futures Trading Commission's (CFTC) new chairman, Heath Tarbert. As the crypto community is bidding farewell to the regulator's outgoing head, J. Christopher Giancarlo, his successor's stance on digital assets remains unknown. Turning to Tarbert's record as a civil servant and attorney in the financial markets field could shed some light on the direction that the agency might take under his leadership.

Giancarlo's five-year tenure saw the rise of cryptocurrency derivatives as an object of regulatory oversight. Widely regarded as the crypto industry's ally, "Crypto Dad" superintended the historic launch of regulated Bitcoin futures and advocated for a "do no harm" approach to blockchain regulation in his testimony before the U.S. Congress. At the same time, as some observers have pointed out, Giancarlo has stepped up enforcement efforts, turning the CFTC into an agency with teeth.

The news of President Donald Trump nominating Tarbert, a senior official in the Treasury Department, to serve as the new head of the CFTC emerged in December 2018. On June 5, 2019, the Senate voted to confirm his appointment by a wide margin, 84-9. Although Giancarlo's tenure expired in April 2019, he agreed to stay until mid-July to oversee the agency's transition to new leadership. In a statement, the outgoing chairman offered praise to his heritor, calling him highly qualified to continue transforming the agency "into a 21st Century regulator for today's digital markets."

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Heath Tarbert: background and early career

A native of Baltimore, MD, Heath Tarbert received his bachelor's degree in accounting and international business from Mount St. Mary, a Catholic liberal arts university located in his home state. He then spent four years in law school at the Ivy League University of Pennsylvania, consecutively earning his Juris Doctor and Doctor of Juridical Science. Tarbert then received the Thouron Award, a prestigious postgraduate scholarship that allowed him to pursue yet another advanced degree: a Ph.D. in comparative law from Oxford.

Having sealed this illustrious scholarly record, Tarbert began his industry career with a series of junior positions at law firms and clerkships in the judicial branch of the U.S. government. Between 2007 and 2008, he worked for the conservative Supreme Court Justice Clarence Thomas. This appointment likely played a significant role in Tarbert's subsequent return to public service in the wake of Trump's accession to the White House. According to one estimate, about 20% of Thomas office's alumni have landed either political appointments or judicial nominations since early 2017, earning their former boss the informal status of "the Trump administration's legal godfather."

Upon concluding his clerkship with Justice Thomas, Heath Tarbert went on to serve as Associate Counsel to the President of the United States in the last months of the George W. Bush administration before leaving for the private sector early into Barack Obama's first term, with a short stop as Special Counsel to the Senate Banking Committee. Tarbert worked for the international law firm Weil, Gotshal & Manges LLP and then Allen & Overy LLP, where he spearheaded the global financial regulatory practice.

Tarbert also served on the board of advisors for the the journal "Review of Securities and Commodities Regulation." During his years in the private sector, he co-authored two articles that appeared in the journal "The Review of Banking & Financial Services." Both are on the subject of the Volcker Rule, a regulation that restricts banks' ability to use customers' deposits to make certain kinds of speculative investments.

Comeback under Trump

In April 2017, President Trump announced his intent to nominate Tarbert to fill the position of Assistant Secretary of the Treasury for International Markets and Development. In October, the nominee was sworn in. In 2017 and 2018, Tarbert served as acting U.S. executive director on the board of the World Bank Group, negotiating global institutional reforms. In April 2019, Tarbert was promoted to acting under secretary for international affairs.

Throughout his term with the Treasury, Tarbert represented the U.S. in several major international organizations in the area of financial markets regulation, such as the Financial Stability Board. He also led U.S. delegations at the G-7 and G-20 Finance Ministers' and Central Bank Governors' Deputies meetings. As policy chair of the Committee on Foreign Investment in the United States (CFIUS), Tarbert championed the Foreign Investment Risk Review Modernization Act, a bill aimed at strengthening regulation of foreign investment in the U.S. so as to better protect national security.

The latter aspect of Tarbert's Treasury career has been arguably the most publicly visible. As the CFIUS policy chair, he promoted the heightened review of foreign investments before the U.S. Senate Committee on Banking, Housing and Urban Affairs and the U.S. House Energy and Commerce Subcommittee on Digital Commerce and Consumer Protection, during which time he called for tighter standards for protecting the nation's technological edge:

"Today, the acquisition of a Silicon Valley start-up may raise just as serious concerns from a national security perspective as the acquisition of a defense or aerospace company, CFIUS's traditional area of focus."

The bill enjoyed bipartisan support and was passed by the U.S. Congress in August 2018.

One practical manifestation of this turn toward curbing foreign powers' attempts to get a hold of the U.S-sourced technology has been the Trump administration's standoff with China. Tarbert was at the helm of this effort as well: It was him who announced in April 2018 that the government was considering invoking the International Emergency Economic Powers Act to give Trump the power to limit Chinese investment in sensitive sectors of the U.S. economy.

Domestically, following his nomination as the CFTC chairman, Tarbert managed to muster support from across the industry that is perhaps the most dependent on the health of derivatives markets: the agricultural sector. In the buildup to the confirmation vote, many agricultural groups appeared as signatories on a letter to the U.S. Senate endorsing Tarbert for the regulator's leadership. Particularly, the petition noted Tarbert's willingness to walk the extra mile to learn the ins and outs of a brand new industry and its use of derivatives products.

Views on fintech

The new CFTC boss is inheriting a lot of work in progress: the impact of Brexit on international financial markets, another round in the fight for U.S. financial sovereignty in the face of the European Union seeking to impose new regulations on international swaps clearing houses and much more. The crypto derivatives agenda, which emerged as a major concern

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for the agency during Giancarlo's term, is not going anywhere, either. Some matters — for example, Bakkt's continued attempts to get regulatory clearance for its cryptocurrency futures platform — will require prompt decisions. What will these decisions look like? The evidence of where Heath Tarbert's might stand on digital assets is piecemeal and scant.

Given his enormous experience with international financial regulation, there is no way Tarbert would not realize the importance of digital technologies to derivatives markets. However, every such attestation available is accompanied by the usual cautious acknowledgement of both "opportunities and risks." In a statement before the U.S. Senate Committee on Agriculture, Nutrition and Forestry in March 2019, he said:

"We should acknowledge that our derivatives markets have recently been transformed by digital technologies that present opportunities as well as risks. The CFTC must remain committed to promulgating regulations that allow technological innovations to flourish, but also protect our markets and consumers from harm."

In June, commenting on the new U.S-United Kingdom Financial Innovation Partnership, Tarbert observed that "technology is the future of financial services and innovation drives growth."

Granted, these stock declarations are far from a ringing endorsement of fintech's role in the area of the CFTC's oversight. However, signs of formal acknowledgement are better than no signs at all. The takeaway from Tarbert's history of fighting for U.S. national technological security is also rather ambiguous: His determination to assist domestic blockchain innovators could lead him to rid them of unnecessary regulatory hurdles, but at the same time, the cross-border nature of digital assets may trigger security concerns.

Some experts argue that the personal opinions of the CFTC chair might not be of immense importance to the crypto industry. Andrew Bull, a founding partner of BullBlockchainLaw, told Cointelegraph:

"Giancarlo is favorable towards the crypto industry, but this has not really impacted how the industry functions. In other words, the compliance requirements have not changed much as applied to crypto even though he was favorable to the industry. Anyways, the agency is not nearly as involved in the crypto industry as the SEC is, but has stated through guidance that crypto based derivatives without a doubt fall under the Act. Therefore, my conclusion is that not much will change, especially due to the lack of activity the CFTC actually has in the space."

Regardless of personal factors, the CFTC holds great systemic importance for the blockchain sector's development. Antoni Trenchev, co-founder and managing partner at Nexo, attested:

"Any major move of the CFTC is a milestone in the financialization of the digital assets sector. [...] A firm but business-friendly regulatory framework paves the way for the institutional players in the crypto space and we already see this happening with Fidelity providing custodial services, traditional banking institutions such as Nomura, Goldman Sachs and J.P. Morgan are exploring offerings in the same direction. A regulated and above all liquid derivative market is a great signal with a permanent impact to retail and institutional investors that technology and cryptocurrencies built on blockchain are maturing into an asset class worth exploring."

After all, the agency's regulatory powers are vast. The CFTC has identified digital currencies as commodities in 2015, and now it has full jurisdiction over crypto derivatives and other financial products subject to the Commodity Exchange Act. These include futures, options and derivatives contracts, as well as any crypto-based trading platform that utilizes margins, leverages or financing.

Although the spot markets (in which commodities are traded in cash) underlying these instruments are outside of the commission's purview, the CFTC has the authority to intervene if it believes fraud or manipulation are involved, which renders the scope very broad. The hope is that, as he takes the reins of the regulatory agency that is immensely important for the blockchain sector, Heath Tarbert would act so as to earn the honorable title of "Crypto Dad" as well, despite what President Trump may have to say.

Politico Morning Money: First in MM: New at the CFTC
By: Ben White and Aubree Eliza Weaver

New CFTC Chairman Heath Tarbert plans to name Jaime Klima, currently chief counsel at the SEC, as his new chief of staff. Via SEC chair Jay Clayton: "Jaime's judgment, pragmatism, and character made her an invaluable member of my leadership team."

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Via Tarbert: "Jaime is whip smart, a financial regulatory expert, and has impeccable judgment. I'm thrilled to have her

aboard as we work to keep our derivatives markets vibrant while holding wrongdoers accountable."

Regulation Asia: CFTC Eases Foreign Clearinghouse Access to US Customers
By: Manesh Samtani

An alternative compliance regime will be provided for non-US DCOs registered with the CFTC, while exempt DCOs will be allowed to offer clearing through foreign intermediaries.

The CFTC (Commodity Futures Trading Commission) has voted to accept two proposals which ease access for foreign clearing houses to US customers.

The proposals stemmed from a white paper published by outgoing CFTC Chairman J Christopher Giancarlo in October 2018, in which he advocated for a risk-based approach to cross-border swaps regulation by giving deference to comparable non-US regulatory frameworks.

Alternative compliance for non-US DCOs

At a 11 July open meeting, the CFTC Commissioners voted unanimously to approve a proposed rule to create an optional alternative compliance regime for non-US DCOs (derivatives clearing organisations) that wish to clear swaps for US persons through FCMs (futures commission merchants) and do not pose substantial risk to the US financial system.

Under the alternative compliance route, the CFTC will permit eligible non-US DCOs to comply with the legal requirements from their home jurisdictions in lieu of complying with the corresponding DCO core principles in the Commodity Exchange Act. These non-US DCOs would still be required to comply with the CFTC's requirements around customer protection and swaps data reporting.

Currently the CFTC oversees 10 US DCOs and six non-US DCOs, including SGX DC (Singapore Exchange Derivatives Clearing), which along with other currently exempted Asian DCOs could benefit from the alternative compliance regime.

The proposal "would reduce the degree to which CFTC-registered foreign [DCOs] are subject to duplicative regulation by the CFTC and their home country regulator," said CFTC Commissioner Brian Quintenz. "The proposal recognises that foreign regulators have a substantial interest and expertise in supervising DCOs located in their home jurisdictions."

He noted that the proposal "contrasts starkly" with the recent ESMA (European Securities and Markets Authority) proposal to determine the systemic importance of a foreign DCO to the EU, which it plans to use to apply additional oversight on overseas clearing houses.

"I hope that, through its consultative process, ESMA decides to revise its criteria and ultimately adopts a predictable, transparent, and appropriately calibrated threshold regime for such an important and extraterritorial regulatory determination," Quintenz said.

Exemption from DCO registration

At the meeting, the Commissioners also voted three-to-two in favour of codifying the policies and procedures the CFTC already follows with respect to granting exemptions from registration as a DCO, on the basis of "comparable, comprehensive supervision and regulation" by a home country regulator.

However, under the proposal, exempt DCOs would be allowed to only clear swaps for US customers through foreign intermediaries that are not registered as FCMs. To facilitate this, the CFTC will also permit non-US persons, without registering as an FCM, to accept funds from US persons to margin swaps cleared at an exempt DCO.

To be eligible, exempt DCOs are would be required to make disclosures to their US customers clarifying that the bankruptcy protections afforded to FCMs under US law would no longer apply, while also providing a comparison of the bankruptcy protections that are available under the DCO's home country regulatory regime.

Quintenz said the proposal "will provide greater choice and flexibility to market participants, … with increased access to foreign markets and an enhanced ability to hedge their risk."

Two other Commissioners, Rostin Behnam and Dan Berkovitz, opposed the proposal, saying it would put US FCMs at a competitive disadvantage against non-US intermediaries, and that it would create risks for US customers and the US financial system as a whole.

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Last public meeting

Under both proposals, non-US DCOs would be able to offer customer clearing, but in different ways, Giancarlo said.

"Exempt DCOs would be able to offer customer clearing to US eligible contract participants through non-US intermediaries operating in their markets, while fully registered DCOs subject to alternative compliance would be able to permit customer clearing through US FCMs. In both cases, in terms of regulatory oversight of the DCO, the CFTC would defer to the primary regulator or regulators of the DCO."

The 11 July open meeting was the last under Giancarlo's leadership. He is due to step down on Monday (15 July).

Two other proposals that stemmed from the October white paper include amendments to regulations governing the offer and sale of foreign futures and options to US customers – which have already been unanimously approved – and a proposal concerning the registration and regulation of swap dealers and major swap participants, which is still under consideration.

Top News

Bloomberg: Oil Trades Near $60 on Storm Disruption as Glut Concerns Linger
By: Saket Sundria and Alex Longley

Oil traded near $60 a barrel after a storm shut almost three-quarters of U.S. Gulf of Mexico crude production, even as lingering demand concerns continue to dent the outlook.

Futures rose 0.2% in New York. About 73% of crude output in the Gulf of Mexico was halted as of Sunday but some producers are preparing to return workers to offshore platforms as storm Barry weakens after making landfall. The shutdown countered the impact of China's economy slowing to a three-decade low in the second quarter amid a prolonged trade dispute with the U.S.

WTI stuck near psychologically key marker
Crude has gained this month because of shrinking U.S. stockpiles and rising tensions in the Middle East. The U.K. and its allies are considering beefing up their military presence in the Persian Gulf to deal with the threat to shipping posed by Iran. Still, there are concerns over the longer term outlook for the oil market with OPEC warning of a glut in 2020 while the IEA pointed to a surprise increase in global inventories in the first half of this year.

"The basic message is that the second half of this year will see some depletion in global oil inventories but this will be followed by a dismal 2020," PVM Oil Associates analyst Tamas Varga wrote in a report.

West Texas Intermediate for August delivery added 12 cents to $60.33 a barrel on the New York Mercantile Exchange as of 10:47 a.m. London time. Brent for September settlement was 24 cents higher at $66.96 a barrel on the ICE Futures Europe Exchange. The benchmark crude traded at a premium of $6.53 to WTI for the same month.

Exxon Mobil Corp. and Chevron Corp. are among companies returning workers to their offshore platforms and restarting output in the Gulf of Mexico following storm Barry. The region accounts for 16% of total American crude oil production and under 3% of natural gas production, according to the Department of Energy.

See also: World's Top Crude Processor Succumbs to Asia's Refining Slump

The International Energy Agency said Friday that production cuts by OPEC and its allies failed to prevent the return of a surplus in the first half of 2019 as supply exceeded demand at a rate of 900,000 barrels a day. China's gross domestic product rose 6.2% in the second quarter from a year earlier, below the 6.4% expansion in the first quarter.

CFTC Daily News Clips Prepared by Michael Katz

You can access today's CFTC Daily News Clips at:
http://cftcnet/Commission/Clips-and-Resources/Documents/todaysnc.pdf

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COMMODITY FUTURES TRADING COMMISSION

Daily News Clips

Friday, January 15, 2021

CFTC Mentions

Reuters: U.S. shale producers lock in future sales as oil prices rise to one-year high. "They hit a five-month high in mid-December, according to the U.S. Commodity Futures Trading Commission."

Top News

WSJ: WSJ Survey: U.S. Economic Growth Will Exceed 4% in 2021
PoliticoPro: Farmers denounce new rule dealing with 'grain glitch'
FT: Bitcoin securities trading surges as investors seek crypto exposure
CoinDesk: (Opinion) What Crypto Can Expect From Gary Gensler at the SEC

Full Text

CFTC Mentions

Reuters: U.S. shale producers lock in future sales as oil prices rise to one-year high
By Devika Krishna Kumar, Jennifer Hiller

U.S. shale producers are taking advantage of the oil market's rally to levels not seen in nearly a year by locking in prices for future sales, sources familiar with the matter said.

U.S. crude futures this month jumped above $50 a barrel to the highest since February. The rally has sparked optimism among shale companies, but after a bracing year of pandemic-induced demand destruction, they are not ready to ramp up production. Instead, they are using futures markets to lock in higher sale prices.

Shale producers buy and sell contracts in the futures and options markets in a process known as hedging to secure cash flows for later-dated sales.

U.S. oil production peaked at nearly 13 million barrels per day in late 2019, but is now around 11 million bpd after the coronavirus lockdowns crushed fuel demand and oil prices. Output is not expected to rise much in 2021, but those that hedged now are guaranteed sales of barrels at more than $50 even if prices drop again.

"There's a lot of hedging going on," said Chris Wright, chief executive of Liberty Oilfield Services, the second-biggest fracking company in North America. "At the prices available today, producers with good acreage can do pretty well."

Producers' short positions in U.S. crude futures and options, an indication of hedging activity, have been rising since autumn. They hit a five-month high in mid-December, according to the U.S. Commodity Futures Trading Commission. [CFTC/]

In 2020, 46 North American exploration and production companies declared bankruptcy, according to energy law firm Haynes and Boone, while others merged to reduce debt. Investors had already been pressuring shale companies to curb spending and boost returns even before the pandemic.

DEFENDING OVERSIGHT

"Producers locked in a certain amount of wells at a certain price and hedging at $50 makes you look like a rockstar. This

year will be about free cash flow," one executive at a U.S. shale producer said, on condition of anonymity.

Producers that are hedging are likely locking in about 15% to 20% of production at a time, said Tom Petrie, chairman at energy investment bank Petrie Partners.

Some companies are holding off because they anticipate prices to rise further, perhaps to $60 or $65. Global benchmark Brent crude, which also hit 11-month highs this week near $57, could rise to $65 per barrel by summer 2021, Goldman Sachs said this week.

"Some of them (producers) are pretty torn between hedging at a level they would have killed for six months ago and their perpetually optimistic nature," said Steve Sinos, vice president at consultancy Mercatus Energy, which advises corporations on hedging.

Average 2021 U.S. crude prices have climbed above $52, also their highest since February.

Signs of increased hedging activity can also be seen in U.S. crude futures time spreads. The premium for U.S. crude for delivery in December 2021 has climbed to more than $2.80 a barrel over those for delivery in December 2022 this week, a signal that producers are selling the later-dated contract to fund their hedges for 2021, dealers said.

Top News

WSJ: WSJ Survey: U.S. Economic Growth Will Exceed 4% in 2021
Covid-19 vaccinations and additional government aid boost 2021 forecast by economists
By Harriet Torry and Anthony DeBarros

The U.S. economy will grow 4.3% this year, as the country exits the grip of the coronavirus pandemic, economists forecast in a Wall Street Journal survey.

Economists raised their growth prediction for 2021 U.S. gross domestic product in the January survey, saying vaccinations and the prospect of additional financial relief from Washington for individuals and businesses brightened economic prospects. The latest 2021 growth prediction, measured from the fourth quarter of the prior year, was a sharp increase from the 3.7% growth forecast for 2021 in last month's survey.

Growth this year is expected to follow a contraction of 2.5% in 2020, when the pandemic hit, according to the survey. The Commerce Department will release fourth quarter and 2020 growth estimates on Jan. 28.

Economists in this month's survey were nearly unanimous in their view that U.S. vaccination efforts will be positive for the economy. Around two-thirds of economists said Covid-19 vaccines will boost growth substantially this year, while just over a third expect vaccines will increase growth modestly.

"No vaccine, no recovery," Joseph Brusuelas, chief economist at RSM US LLP, said. "The discovery of a vaccine will likely unleash over $1 trillion in excess savings that will satiate pent up demand."

The labor market is also expected to benefit from Covid-19 vaccinations. Some 44% of economists said that administering shots will boost the labor-market outlook modestly this year, while 49% said it would give jobs a substantial boost.

"We expect a surge in economic activity and hiring by the second half of 2021 following mass vaccinations, with the recovery particularly strong in the services sector," said Leo Feler, a senior economist at the Anderson School of Management at the University of California, Los Angeles.

Still, 85.7% of economists said the pace of vaccine distribution is currently proceeding too slowly, and economists' forecasts suggest they don't expect the impact of vaccine rollout to be felt until later in the year.

In the first quarter, economists on average expected GDP will advance at a 2.2% annual rate, a slowdown from their expectation of 4.3% growth in the fourth quarter of 2020. However, they see GDP growth jumping to a 4.9% annual rate in the second quarter and 5.2% in the third quarter.

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Democrats will soon control the White House and both chambers of Congress and are preparing a new coronavirus aid package to follow the roughly $900 billion plan that was signed into law in December. President-elect Joe Biden will be

inaugurated on Jan. 20. Democrats already control the House and won a narrow Senate majority through recent wins of two Senate seat runoffs.

While economists expected such stimulus and spending to be a boon for the economy this year and next, they also expect tax increases under the incoming Biden administration.

Some 92% of forecasters said tax increases were either somewhat or very likely. However, a number of economists said they didn't expect such increases to be enacted until 2022 or later, as the pandemic response will take priority for now.

The Journal surveyed 68 economists from Jan. 8-12, though not every economist answered every question.

PoliticoPro: Farmers denounce new rule dealing with 'grain glitch'
By Brian Faler

Farmers are blasting a tax regulation issued Thursday, accusing the Trump administration of imposing a last-minute tax increase on them.

They say a 181-page final rule dealing with the so-called "grain glitch" will end up costing many farmers who work in cooperatives.

"It's baffling why, as this administration is heading out the door, that they are going to issue a reg that imposes such a significant tax on farmers," said Lisa Van Doren, vice president for legislative affairs at the National Council of Farming Cooperatives.

A Treasury spokesperson did not respond to a request for comment.

The two sides have been at loggerheads over the issue for months. It's a somewhat surprising dispute because Trump has been eager to win the support of farmers throughout his administration, sending them billions in subsidies during his trade war with China. And rural areas overwhelmingly backed Trump in his presidential campaigns.

The dispute has to do with the details of a fix Congress approved in 2018 addressing the grain glitch, which arose from provisions in the Tax Cuts and Jobs Act that gave farmers in cooperatives an advantage over other farmers.

The NCFC complains the final regulations issued Thursday, like a previous draft of the rule, will substantially reduce the value of a new 20 percent business deduction for farmers in cooperatives. The dispute centers on how to treat so-called nonpatronage income, which arises from cooperatives doing business with non-members.

FT: Bitcoin securities trading surges as investors seek crypto exposure
German exchange traded product garners volumes matching those of popular European funds
By Steve Johnson

Investors have raced to buy and sell bitcoin-linked securities on both sides of the Atlantic, with one German exchange traded product garnering trading volumes matching Europe's most popular funds.

BTCetc Bitcoin Exchange Traded Crypto (BTCE) has recorded average daily trading amounting to €57m in the first 11 days of January, according to data from Deutsche Börse.

A similar trend has taken hold on Wall Street. Grayscale's Bitcoin Trust, which like its German counterpart tracks the price of the digital currency, has posted average daily turnover of almost $1bn in the first two weeks of this year, amounting to more than nine-times the average in 2020, Bloomberg data show. Its assets under management have boomed to $23bn from $17bn at the end of December and $2bn at the start of 2020.

The sharp rise in trading in the securities highlights how investors are increasingly looking to gain exposure to or bet against cryptocurrencies on traditional markets rather than buying the digital currencies outright.

The trading surge in BTCE this year — a sharp pick-up on the €15.5m daily average in December, the previous record — comes following a tenfold rise in the price of bitcoin since March to a peak of $42,000 earlier this month, before it gave

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back some gains.

Stephan Kraus, head of Deutsche Börse's ETF segment, said the structure of the BTCE exchange traded note, which eased the regulatory concerns and counterparty risk involved in trading bitcoin, had "increased the appeal of cryptocurrency investments for institutional investors", which can trade without needing to set up specialised digital infrastructure or use an "unregulated crypto platform".

Deutsche Börse's trading data show a number of trades above €30,000, which the group said were unlikely to be from day traders or other retail investors.

Bradley Duke, co-founder and chief executive of ETC Group, the issuer of BTCE, said he thought institutional investors were starting to buy the cryptocurrency as a "safe haven".

"Bitcoin has always had a retail groundswell, people who have an interest in technology, and it was seen as a 'wild west' investment. That has really changed in the last six months," he said.

"Coronavirus has played a part in that. It's starting to look like an attractive alternative to currencies that may be devalued by the stimulus packages. The packages are needed but there are real concerns they may set inflationary forces in play."

Still, the cryptocurrency market has remained dominated by retail traders and more speculative firms including hedge funds, as opposed to traditional money managers such as pension funds, which remain nervous about bitcoin's intense price swings.

The UK's Financial Conduct Authority has banned the sale of cryptocurrency-related derivatives, including exchange traded notes, to retail investors. It also this week renewed its warning that anyone investing in crypto assets "should be prepared to lose all their money".

Christine Lagarde, president of the European Central Bank, on Wednesday called for global regulation of cryptocurrencies to help combat their use in "totally reprehensible money laundering activity".

Also on Wednesday, ETC Group listed similar exchange traded notes denominated in dollars, sterling and Swiss francs on SIX, the Swiss exchange, with Mr Duke saying more products would be launched "in the next few weeks" based on other cryptocurrencies and a basket of cryptos.

Continental Europe has seen a flurry of similar launches, with VanEck and 21Shares also offering bitcoin ETNs on Deutsche Börse. The Swiss exchange now lists 34 crypto exchange traded products from six issuers.

CoinDesk: (Opinion) What Crypto Can Expect From Gary Gensler at the SEC
A ex-CFTC official on how Biden's putative pick for SEC head might approach the office and the crypto-related issues before it.
By Jeff Bandman

This week, reports emerged that Gary Gensler, the former chairman of the Commodity Future Trading Commission (CFTC) is set to be President-elect Joe Biden's choice to take over the Securities and Exchange Commission (SEC). This is good news for the digital assets industry. From my experience with Gensler, whether the subject is digital assets, swaps or market structure, I can attest that he is thoughtful and broad-minded about the future of crypto-assets and that he understands the role enlightened regulators can play in boosting innovation. I can also promise he will not simply be a cheerleader.

Comprehension
First of all, he gets it. He has clearly devoted himself immersively to understanding the space on many levels– technology, policy, economics and otherwise. He has testified on digital currencies policy and regulation before Congress, taught blockchain and digital currencies at MIT Sloan School of Management, and participated in numerous public and private discussions in the U.S. and internationally (some of which I've participated in and had exchange of views). He will step into the job shovel-ready, as well-informed and engaged with digital assets as one could possibly hope for the chair of a U.S. financial regulator to be.

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Market structure
I think it is highly likely that he will make market structure a high priority. Unlike previous SEC chairs, who had

enforcement or M&A backgrounds, Gensler's background is in markets and financial technology as well as policy.

Arriving at the CFTC in 2009 following the financial crisis, he led major reform of the over-the-counter (OTC) derivatives market under the 2009 G20 Pittsburgh accord, and he helped draft the Dodd-Frank Wall Street Reform and Consumer Protection Act, which reorganized the financial system. The CFTC passed over 65 rules in response to its Dodd-Frank mandate.

The industry was not always happy with the outcomes, to put it mildly. There were plenty of complaints that the CFTC's reforms would irreparably harm the swaps market.

However, the U.S. swaps market remains broadly speaking vibrant, liquid and trusted, and performed with efficiency and resilience even in March 2020, at the height of the COVID-19 pandemic. This will reinforce his conviction that investors and other stakeholders trust well-regulated markets.

Gensler was mindful of the hold enjoyed by swaps market incumbents, and sought to enable challengers and insurgents (within a strong regulatory framework). In crypto, the "incumbents" are a largely different population, but these dynamics could be repeated.

Gensler will have strong mandates and expectations from the progressive side of the aisle. Accordingly, we can expect strong focus on investor protection to balance out promotion of capital formation using crypto-assets, and a need to ensure crypto does not become a side-door or back-door to circumvent regulatory frameworks.

I expect we will see much greater clarity on market structure and infrastructure for crypto assets– the regulatory clarity that will promote adoption and investor confidence – and I would be shocked if there are not things that make the industry howl.

ETFs

Under Gensler, I think we will see the SEC green-light retail bitcoin exchange-traded funds (ETF) finally. I anticipate he will review closely, and be persuaded by, data regarding the underlying liquidity of the spot market and the integrity of selected source marketplaces where price discovery and formation are occurring.

The outlook could evolve from "I don't want anything bad to happen on my watch" to "how can these be offered safely to American investors"? Oversight of the underlying spot market could involve a greater role for the SEC as well.

The role of the Strategic Hub for Innovation and Financial Technology (or FinHub) could also be enhanced. This office, overseen by Valerie A. Szczepanik, was recently elevated to report directly to the SEC Chair (thus aligning it with LabCFTC's 2019 elevation). Chair Gensler may use FinHub not just for engagement but to drive stronger convergence of development and execution of policy across internal silos.

International cooperation

How will things play out internationally?

During Chair Gensler's CFTC tenure (ending in 2014), relationships with other national regulators were strained, to put it mildly. International regulators with long memories have already asked me about this, worried that Gensler tried to impose the U.S. approach to swaps on other jurisdictions, and that we might expect more of the same.

I don't think international conflict will be a hallmark of his approach to crypto regulation. I believe we can expect strong international collaboration and cooperation. Crypto-assets regulation is very different than the international swaps market.

First of all, the Biden Administration is widely expected to embrace multilateralism with regard to international policy and engagement. For the SEC Chair to take a different approach would strike a markedly different tone.

Second, the CFTC under Chair Gensler's leadership was either the first jurisdiction, or among the first jurisdictions, to adopt OTC reforms after the financial crisis. Much of the international friction arose because the U.S. went first, and CFTC rules, guidance and interpretations were given extraterritorial effect to fill a vacuum and deter regulatory arbitrage. Recent CFTC rule-makings on cross-border issues have referred to changed circumstances now that other G20 and non-G20 jurisdictions have largely (though not completely) implemented the 2009 Pittsburgh reforms (the SEC being among the last to do so, having completed its framework for security-based swaps trading just last month).

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The global landscape of crypto-assets regulation in 2021 is far different from OTC swaps circa 2011. Although there is

not a one-size-fits-all approach by any means, many jurisdictions have implemented rigorous and innovative crypto-assets regulatory frameworks already. Others, such as the EU, have comprehensive proposals under consideration.

Moreover, there are numerous international workstreams under the aegis of the FSB, BIS, FATF, G7, G20, OECD, IMF, CPMI, IOSCO and others. Although gaps and differences remain, as does potential for regulatory arbitrage in the global digital finance landscape, Chair Gensler will not encounter the regulatory vacuum he found in swaps. That said, we should not expect the SEC to be reticent to promote its perspective on international regulatory framework, or to be reluctant to advocate greater harmonization.

Nor does he have a clear statutory mandate for action with regard to crypto-assets from Congress that he did under Dodd-Frank because Congress has not adopted any crypto-assets legislation. In the absence of legislation or other oversight, he may well have considerable latitude.

Spot markets

Here's a major unanswered question. Will Gensler seek, and obtain, a mandate from Congress for the SEC to regulate and supervise the spot (or cash) market for crypto-assets that are not securities, and to oversee the markets that offer trading?

Currently there is no U.S. federal regulator that supervises trading of crypto-assets like bitcoin and Ethereum that have been deemed not to be securities. The CFTC has enforcement authority. For example, if there is fraud or manipulation in the spot market that causes distortions (or worse) in the derivatives markets that it does directly regulate. But that is not the same as regulatory or supervisory authority.

FinCEN, at the Treasury Department, has authority from an AML/BSA perspective, but again these do not equate to supervision for market integrity, business conduct and safety and soundness. The SEC and CFTC do that for their respective regulated exchanges and other markets. This leaves a major regulatory gap in the US federal framework.

Will Gensler seek this type of authority from Congress? Will Congress grant it and provide the necessary resources? Will that be the "price of admission" for retail bitcoin ETFs? If this happens, it won't be overnight.

Outlook

Having shaped the structure of the global swaps market, Gensler will likely embrace the opportunity to drive the regulatory structure of the crypto-assets market.

Of course, an SEC Chair cannot act unilaterally. He will need votes from his fellow Commissioners and support from other stakeholders to execute his vision or agenda. Non-crypto priorities may take precedence, starting with the pandemic as well as other policy initiatives of the new administration that will demand resources and attention. That said, Gensler has demonstrated his ability to drive an independent agency to execute on multiple fronts simultaneously.

Like everything else in crypto, this should be interesting, unpredictable and full of twists and turns. The regulatory certainty the industry gets may not be the exact flavor it seeks.

[*Jeff Bandman is Founder and Principal of Bandman Advisors and a former senior CFTC official.*]

CFTC Daily News Clips Prepared by Donna Faulk-White

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Sent: Fri 12/11/2020 2:41:40 PM (UTC)
Subject: Daily News Clips: December 11, 2020

COMMODITY FUTURES TRADING COMMISSION

Daily News Clips

Friday, December 11, 2020

CFTC Mentions

Reuters: UPDATED: Exclusive: U.S. Commodity Futures Trading Commission chair to resign early next year. "Heath Tarbert will resign as chair of the U.S. derivatives market regulator early next year when Democratic President-elect Joe Biden designates an acting agency head, ensuring a "smooth transition," he told Reuters in an exclusive interview."

Politico Pro: CFTC's Tarbert to resign chairmanship in early 2021. "CFTC Chair Heath Tarbert will resign his position as head of the commission early next year, according to a statement posted online on Thursday."

WSJ: CFTC Chairman Heath Tarbert to Resign, Remain at the Derivatives Regulator. "The Commodity Futures Trading Commission said Thursday that Heath Tarbert will resign as chairman, the latest Trump appointee to announce plans to step aside as President-elect Joe Biden prepares to enter the White House on Jan. 20. A person familiar with Mr. Tarbert's plans said he would retain his seat until he decides on his next move. His term expires in 2024."

Bloomberg: CFTC's Tarbert Says He'll Step Down as Chairman Early in 2021. "Heath Tarbert, a Republican lawyer who has led the U.S. Commodity Futures Trading Commission Chairman since last year, is planning to step down in January, he said in a statement Thursday."

Law360: CFTC's Tarbert To Step Down as Chairman In 2021. "Commodity Futures Trading Commission head Heath Tarbert announced Thursday that he will be resigning from the role of chairman early next year, though he said he plans to remain a commissioner at the agency."

CoinDesk: Crypto-Friendly CFTC Chairman Tarbert Intends to Resign 'Early Next Year'. "Commodity Futures Trading Commission (CFTC) Chairman Heath Tarbert announced Thursday he would resign early in 2021."

The Block Crypto: CFTC Chairman Heath Tarbert Announces Plan to Depart 'Early Next Year'. "Commodity Futures Trading Commission (CFTC) chairman Heath Tarbert says he intends to resign his position early next year."

Cointelegraph: CFTC Chairman Tarbert announces resignation, confirms that Ether is a commodity. "In a public statement on Thursday, Chairman Heath Tarbert announced that he will be leaving the Commodity Futures Trading Commission early next year."

Pensions & Investments: Tarbert To Step Down as CFTC Chairman. "Heath P. Tarbert will step down as chairman of the Commodity Futures Trading Commission early next year. … "Leading the men and women of the CFTC these last 17 months has been an extraordinary privilege but, like all good things, it must come to an end," he said in a statement Thursday."

Law360: Names to Watch as Biden Mulls Next SEC and CFTC Leaders. "As President-elect Joe Biden's transition team continues to stock the incoming administration with new government agency leaders, several names are being tossed around as potential successors to the outgoing heads of the U.S. Securities and Exchange Commission and the Commodity Futures Trading Commission."

The Trade: US Authorities Urged to Investigate 'Illegal' Changes to CME Market Data Fee Policies. "EDI has called on the CFTC, House of Representatives, and the US Senate to investigate fee changes at CME Group that would increase costs each year for the firm."

AMERICAN OVERSIGHT

WSJ: Brent Crude Rises Above $50 as Oil's Turnaround Continues. "With U.S. stocks recently hitting records and bond yields near all-time lows, some investors are increasing their exposure to commodities and shares of producers, which remain well below recent peaks. Hedge funds and other speculative investors have lifted net bets on higher U.S. crude prices in four consecutive weeks through Dec. 1, Commodity Futures Trading Commission data show, signaling more optimism filtering through the market."

Top News

WSJ: U.S. Stock Futures Dip Amid Talk of Disruptive Brexit
FT: Banks Lead European Stocks Lower As UK-EU Trade Concerns Mount
WSJ: Metals Markets Steel for Price Rises as Australia Pushes to Save Cultural Sites
FT: Pound Slides as Brussels Warns 'No Deal' Is Most Likely Brexit Outcome
Risk.Net: Cross-Currency Swaps Will Use RFRs on Both Legs, says JP Exec
MLex: Brexit Disruption to Financial Services Can't Be Ruled Out, BOE's Bailey Says
WSJ: SEC Enforcement Chief to Depart as Regulator Prepares for Turnover
CoinDesk: SEC Enforcement Director to Step Down by End of Year
BNN Bloomberg: Yellen Gets a Shot to Throw Treasury's Clout into Climate Fight.

Full Text

CFTC Mentions

Reuters: Exclusive: U.S. Commodity Futures Trading Commission chair to resign early next year
By Michelle Price

Heath Tarbert will resign as chair of the U.S. derivatives market regulator early next year when Democratic President-elect Joe Biden designates an acting agency head, ensuring a "smooth transition," he told Reuters in an exclusive interview.

A former corporate attorney and senior Treasury Department official, Tarbert was nominated by President Donald Trump to be both chair and one of five commissioners at the Commodity Futures Trading Commission (CFTC), taking office in July 2019.

Commissioners are political appointees, with a maximum of three from the same party allowed at any time. The chair serves at the president's discretion, but commissioners are independent.

Tarbert, a Republican, said he wants to return to the private sector. While he will resign as chair, he expects to stay on as a commissioner after Biden takes office on Jan. 20 while he finalizes his plans.

"It's important to have a smooth handover and a smooth transition," said Tarbert. "It's obviously been a tremendous adventure and - I think - successful time in government ... but I would like to return to the private sector in some relevant leadership role," he said.

Tarbert, 44, did not speculate on his replacement. Washington analysts say Democratic commissioners Rostin Behnam and Dan Berkovitz are the front-runners, and would likely take a tougher stance on the industry.

During his tenure at the CFTC, which began policing the over-the-counter derivatives or "swaps" market after it nearly toppled the financial system in 2008, Tarbert has led an unusually active rule-making agenda, said lawyers.

The agency has finalized 40 rules and proposed 21 more, according to data provided by the agency, while juggling practical and regulatory challenges created by the COVID-19 pandemic.

"Heath is a talented negotiator. During his time at Treasury as well as at the CFTC, he has been effective in enacting critical policies," Treasury Secretary Steven Mnuchin told Reuters in a statement.

Several of the completed rules stemmed from the 2008 financial crisis, including big, contentious changes such as limits on speculative physical commodities positions and capital requirements for non-bank swap dealers.

AMERICAN INVESTIGATIVE

Some have been criticized by consumer advocates and Democrats for being too weak, while lawyers say others were rushed, resulting in problematic holes and snags.

“There's always a tension between getting stuff done, getting it done in a timely fashion, and getting it absolutely perfect,” said Tarbert.

Generally speaking, however, Tarbert has avoided the partisan scrapping and pro-industry accusations that have dogged other Trump regulators, with 87% of his votes passing on a bipartisan basis, according to agency data.

“He did everything he could to bring consensus to the agency, but sometimes it’s impossible,” said Sheila Bair, the former chair of the Federal Deposit Insurance Corporation who has worked closely with Tarbert.

Tarbert’s enforcement record has also surprised lawyers. In 2020, the agency imposed $1.33 billion in penalties, the third year-on-year increase, with a record 113 actions.

Notable cases include a landmark $920 million market manipulation settlement with JPMorgan Chase & Co , and the agency’s first corruption-based fraud action against Houston-based Vitol Inc. [L1N2IJ2B1] [L4N2GQ3S0]

“I think that busts the myth that Republicans are soft on Wall Street,” said Tarbert. Institutions should be treated “like adults” with reasonable regulation and supervision, he said. “There is no flexibility when people wantonly break the rules.”

Politico Pro: CFTC's Tarbert to resign chairmanship in early 2021
By Kellie Mejdrich

CFTC Chair Heath Tarbert will resign his position as head of the commission early next year, according to a statement posted online on Thursday.

Tarbert was confirmed by the Senate in June 2019 for a term expiring on April 13, 2024. But he was expected to leave following President-elect Joe Biden’s transition. SEC Chair Jay Clayton has already announced an early departure by the end of the year. Both announcements give Biden an earlier start on naming successors to lead the independent agencies.

Reuters reported Thursday that Tarbert said he would resign as chair in 2021 when Biden names an interim agency head but that he expects to stay on as a commissioner after the new president takes office while he finalizes his plans and to ensure a smooth transition.

After he resigns the chairmanship, he’ll complete plans to return to the private sector, the CFTC said, confirming the Reuters report. "It’s important to have a smooth handover and a smooth transition," he told Reuters.

In a statement, Tarbert said the CFTC’s bipartisanship helped break through the gridlock between Republicans and Democrats in Washington.

"The partisan divisions in Washington may run deep, but the Commission’s historically collegial atmosphere has continued uninterrupted," he said.

Tarbert highlighted the following during his tenure:

— A record number of open meetings held during his chairmanship; Tarbert said the 20 open meetings under his tenure were more than all the open meetings in the previous seven years combined.

— The CFTC concluded negotiations between the European Union and the U.K. related to cross-border swaps regulation.

—Tarbert declared Ether was a commodity and therefore subject to the agency's rules in October 2019.

— More than 1,000 new products were self-certified under the agency's rules for trading.

AMERICAN OVERSIGHT

— The commission finished work on 40 final rules and advanced 21 proposals, with "nearly 90 percent of them on a bipartisan basis," Tarbert said.

WSJ: CFTC Chairman Heath Tarbert to Resign, Remain at the Derivatives Regulator
Republicans could retain control of the commission until 2022, despite transfer of power in the White House
By Paul Kiernan

The head of the nation's derivatives regulator will step down from his leadership role while remaining a commissioner, leaving control of the five-person panel in Republican hands, at least for now.

The Commodity Futures Trading Commission said Thursday that Heath Tarbert will resign as chairman, the latest Trump appointee to announce plans to step aside as President-elect Joe Biden prepares to enter the White House on Jan. 20. A person familiar with Mr. Tarbert's plans said he would retain his seat until he decides on his next move. His term expires in 2024.

That means Republicans will keep their 3-2 majority at the CFTC, possibly until 2022.

Republican commissioner Brian Quintenz hasn't said when he plans to depart and is legally allowed to remain in the role until Jan. 3, 2022, according to a CFTC official.

Mr. Biden will likely appoint one of the commission's two sitting Democrats— Dan Berkovitz or Rostin Behnam —as acting chairman while the Senate mulls an eventual nominee. But a Democratic chairman's ability to pass tougher rules on banks, clearinghouses or derivatives traders would be held in check by the need to get at least one Republican vote.

The fifth commissioner, Republican Dawn DeBerry Stump, has a term that expires in April 2022.

The CFTC isn't expected to play as central a role as it did the last time a Democrat entered the White House. During President Obama's first term, financial regulators were tasked with implementing the massive Dodd-Frank financial reform, which focused heavily on making derivatives markets less risky to the financial system.

Bloomberg: CFTC's Tarbert Says He'll Step Down as Chairman Early in 2021
By Lydia Beyoud and Benjamin Bain

- Tarbert has led the U.S. derivatives regulator since mid-2019
- Former law firm partner didn't say what he plans to do next

AMERICAN OVERSIGHT

Heath Tarbert, a Republican lawyer who has led the U.S. Commodity Futures Trading Commission Chairman since last

year, is planning to step down in January, he said in a statement Thursday.

Tarbert, 44, joined the nation's main derivatives regulator in July 2019 after serving as a senior official in President Donald Trump's Treasury Department. He said in the statement that his time at the agency had been "an extraordinary privilege." He didn't say what he plans to do next.

A former partner at law firm Allen & Overy, Tarbert as CFTC chief tried to raise the agency's profile and highlight the role derivatives play in the economy. The regulator has levied significant fines against Wall Street firms accused of wrongdoing, including joining other federal agencies in a record $920 million settlement with JPMorgan Chase & Co. in September to resolve spoofing allegations.

Tarbert will step aside after pushing through a flurry of policy changes in the past year. Some of those regulations, such as limits on hedge funds' bets in oil futures and a pared-back approach to policing overseas swaps trades, were opposed by the commission's Democrats as being too deferential to industry.

It's common for a CFTC chairman to step down shortly after a presidential election. Once the head of the agency relinquishes that role, one of the other commissioners is installed as the acting leader until a permanent replacement is appointed by the president and confirmed by the Senate.

The acting chairman role historically has been filled by a member of the new president's party. Dan Berkovitz and Rostin Behnam are the two Democrats now serving on the five-member commission and both are seen as candidates for the permanent role.

In a letter to staff announcing his plans obtained by Bloomberg, Tarbert said that his office has been in touch with the incoming administration and that he was "committed to facilitating a smooth transition."

Reuters reported on Tarbert's plans earlier Thursday.

CFTC spokeswoman Rachel Millard confirmed that Tarbert plans to stay at the agency as a commissioner for a short time after stepping down when President-elect Joe Biden is inaugurated while he decides what to do next.

Law360: CFTC's Tarbert To Step Down as Chairman In 2021
By Dean Seal

Commodity Futures Trading Commission head Heath Tarbert announced Thursday that he will be resigning from the role of chairman early next year, though he said he plans to remain a commissioner at the agency.

Appointed to lead the derivatives regulator in 2019, Tarbert said in a statement that he would be stepping down in early 2021, presumably before President-elect Joe Biden takes office and formally nominates a successor.

"I am immensely proud of the agency's accomplishments in our pursuit to be the global standard for sound derivatives regulation," Tarbert said in the statement.

While he will no longer chair the CFTC, Tarbert told Reuters in an exclusive interview on Thursday morning that he plans to retain his seat as one of the CFTC's three Republican commissioners for the time being. His term is currently set to expire in 2024.

The agency's two Democratic commissioners, Dan Berkovitz and Rostin Behnam, are considered front-runners to replace Harbert as chairman, but should all three Republicans choose to stay with the regulator, the agency could remain under Republican control until 2022, when Republican Commissioner Brian Quintenz's term expires.

Tarbert is among several agency heads appointed by President Donald Trump who have announced plans to step aside before the Biden administration takes over in January. Jay Clayton, chairman of the U.S. Securities and Exchange Commission, announced similar intentions last month.

The chairmen's resignations come in tandem with the departures of their top enforcers. SEC enforcement chief Stephanie Avakian also announced on Thursday that she will be leaving the securities regulator at the end of the month, and CFTC enforcement director James McDonald left the agency in October.

AMERICAN OVERSIGHT

Tarbert is leaving the CFTC's helm after a record-breaking fiscal year for the agency's enforcement division.

In its annual enforcement report from early December, the CFTC said it'd brought a historic 113 actions and wrangled more than $1.3 billion in civil monetary relief, with a big boost coming from a landmark $920 million spoofing settlement with JPMorgan Chase & Co. reached on Sept. 29, the day before the CFTC's fiscal year ended.

During his time as chair, Tarbert also oversaw a busy regulatory agenda, which included the finalization of revisions to the Volcker Rule's proprietary trading ban, the closing of a loophole that allowed "bad actors" to manage people's money, the expansion of anonymity protections for counterparties who trade on swap execution facilities, and, recently, the approval of rules to mitigate market disruptions caused by electronic trading anomalies.

Tarbert has also advocated for the establishment of regulatory guidance for digital assets and cryptocurrency.

President Trump nominated Tarbert to replace outgoing CFTC Chairman J. Christopher Giancarlo in late 2018, while Tarbert was still the assistant secretary for international markets at the U.S. Department of the Treasury.

Prior to joining the Treasury Department, Tarbert was a partner in Allen & Overy LLP's U.S. bank regulatory group. He also served as special counsel to the Senate Banking Committee from August 2009 to March 2010, assistant counsel to former President George W. Bush from August 2008 to January 2009, and clerk to Justice Clarence Thomas from July 2007 to July 2008.

CoinDesk: Crypto-Friendly CFTC Chairman Tarbert Intends to Resign 'Early Next Year'
Nikhilesh De

Commodity Futures Trading Commission (CFTC) Chairman Heath Tarbert announced Thursday he would resign early in 2021.

The crypto-friendly regulator took office last year, and has overseen an expansion of regulated crypto products in the derivatives space, including ether futures contracts and bitcoin (BTC, -3.00%) options products. In a public statement, he noted that ether was declared a commodity under his tenure.

Tarbert has said in various public statements that he sees the potential for much of the financial system to build on top of blockchain platforms, like Ethereum.

"With the agenda I laid out last year now complete, the Commission can fully turn its focus to the unwritten future," he said in Thursday's announcement.

"A majority of our work has taken place in the midst of COVID-19, a global pandemic that is testing the strength of our markets and our ability to adapt. Amid historic volatility, the CFTC has provided a steady hand and watchful eye while our markets act as shock absorbers. There is no doubt in my mind this has been the CFTC's 'finest hour' during our celebrated 45-year history," he said.

Tarbert did not provide a specific timeline for his departure, but he will leave as President-elect Joe Biden takes office after unseating incumbent President Donald Trump. Biden is already set to name a new Securities and Exchange Commission (SEC) chairperson after current one, Jay Clayton, announced he would depart at the end of 2020.

Biden may also name a new head for the Office of the Comptroller of the Currency. Currently, the seat is filled by Acting Comptroller Brian Brooks, who has been nominated to serve a full five-year term with the agency.

The Block Crypto: CFTC Chairman Heath Tarbert Announces Plan to Depart 'Early Next Year'
By Aislinn Keely

Commodity Futures Trading Commission (CFTC) chairman Heath Tarbert says he intends to resign his position early next year.

AMERICAN INVESTIGATIVE

Tarbert firmed up cryto regulation during his tenure by asserting that ether is a commodity and falls under the CFTC's purview. Tarbert's term was set to expire in 2024, which also coincided with the deadline for the CFTC's holistic

framework for crypto assets.

Tarbert began serving as the CFTC's top official in July 2019. In his announcement, he said he was humbled by the bipartisan support fo his leadership and agenda across Congress.

With the transition into president-elect Joe Biden's administration, other key regulators have announced their departures including Securities Exchange Commission chairman Jay Clayton and the agency's Director of the Division of Corporation Finance Bill Hinman, who also made significant remarks on Ethereum during his tenure.

With Tarbert's exit, that opens the door for Biden to choose a new chairperson of the SEC.

In his statement, Tarbert thanked his fellow commissioners for what he says was a productive 17 months in office, and referred to the agency's COVID-19 response as the CFTC's "finest hour."

A finalized date of departure was not included in the email, nor any window into transition plans.

Cointelegraph: CFTC Chairman Tarbert announces resignation, confirms that Ether is a commodity.
Over the course of his 18-month term, Tarbert has been a consistent advocate for principles-based regulation of crypto.
By Kollen Post

In a public statement on Thursday, Chairman Heath Tarbert announced that he will be leaving the Commodity Futures Trading Commission early next year.

In listing accomplishments over the course of his term, Tarbert included that "We have promoted responsible fintech innovation and declared Ether a commodity."

This tracks with Tarbert's broader interest in the crypto markets and earlier statements affirming that Bitcoin (BTC) and Ether (ETH) should not face regulation as securities.

Tarbert, who joined the CFTC in 2019, has been a noted voice for sound crypto regulation at the federal level. He joins a laundry list of appointed regulators who are leaving their posts to make way for a new administration. Tarbert's colleague, Commissioner Brian Quintenz, is also poised to depart soon.

There is no word yet on President-elect Joe Biden's preferences for leadership at the CFTC or the related Securities and Exchange Commission, though he has made Tarbert's predecessor, Gary Gensler, a leader of his financial team.

Pensions & Investments: Tarbert To Step Down as CFTC Chairman
By Brian Croce

Heath P. Tarbert will step down as chairman of the Commodity Futures Trading Commission early next year.

"Leading the men and women of the CFTC these last 17 months has been an extraordinary privilege but, like all good things, it must come to an end," he said in a statement Thursday.

Mr. Tarbert, who previously served as acting undersecretary for international affairs at the Treasury Department, started his five-year term as chairman in July 2019, but is stepping down as Democrats prepare to take over White House. He did not indicate what he plans to do after leaving the CFTC.

During his tenure, the commission advanced 40 final rules and 21 proposals — nearly 90% of them on a bipartisan basis, according Mr. Tarbert's statement. "The partisan divisions in Washington may run deep, but the commission's historically collegial atmosphere has continued uninterrupted," he said.

Mr. Tarbert added that the COVID-19 pandemic is testing the "strength of our markets and our ability to adapt. Amid historic volatility, the CFTC has provided a steady hand and watchful eye while our markets act as shock absorbers. There is no doubt in my mind this has been the CFTC's 'finest hour' during our celebrated 45-year history."

AMERICAN OVERSIGHT

The CFTC consists of five commissioners appointed by the president, with the advice and consent of the Senate, to

serve staggered five-year terms. No more than three commissioners at any one time can be from the same political party. The president — with Senate consent — also designates one of the commissioners to serve as chair.

The commission currently has two Democrats — Rostin Behnam and Dan M. Berkovitz — with President-elect Joe Biden set to take office Jan. 20.

Law360: Names to Watch as Biden Mulls Next SEC and CFTC Leaders
By Dean Seal and Tom Zanki

As President-elect Joe Biden's transition team continues to stock the incoming administration with new government agency leaders, several names are being tossed around as potential successors to the outgoing heads of the U.S. Securities and Exchange Commission and the Commodity Futures Trading Commission.

SEC Chairman Jay Clayton announced last month that he would follow in the footsteps of his predecessors during presidential transitions and resign from the securities regulator by the end of the year. CFTC Chairman Heath Tarbert made a similar announcement on Thursday, stating that he would leave the derivatives regulator in early 2021.

Here, Law360 takes a look at some of the possible contenders to replace the departing chairmen.

SEC

Preet Bharara
Former U.S. Attorney for the Southern District of New York

Bharara, who served as the top federal prosecutor for the Southern District of New York until President Donald Trump fired him in 2017, is now also known as a Twitter personality and host of the weekly podcast "Stay Tuned With Preet."

Appointed by former President Barack Obama in 2009, Bharara quickly made a name for himself as an unusually charismatic prosecutor who was unafraid to take on hedge fund billionaires and bigwigs in public office. While chastised for the cases he didn't bring — namely against the big bank executives whose corner offices weren't far from his own — Bharara's tenure at the top of the Southern District of New York was marked by daring and ambitious cases that have left a big mark on public life.

Two months into his presidency, Trump fired Bharara after the powerful prosecutor refused to resign his post, as he and 45 other U.S. attorneys appointed by Obama were ordered to do. The move stunned the legal community and the media, particularly given that Trump had previously asked him to stay in office.

Following his firing, Bharara joined the New York University School of Law as a distinguished scholar in residence and has maintained a vocal online presence ever since.

AMERICAN OVERSIGHT

Gary Gensler
Former Chairman of the CFTC

Known for his hard-line approach to regulation under the Obama administration, Gensler remade the once-sleepy CFTC into one of the most aggressive financial regulators in Washington when he served as chairman between 2009 and 2014.

Gensler took a particularly tough stance in negotiations over a new regime for policing the derivatives market in the wake of the 2008 financial crisis. Swaps dealers started facing more scrutiny as a result of his efforts, with the often-complex transactions becoming subject to central clearing and the CFTC rolling out new trading platforms called swap execution facilities.

While it clashed with the industry and other agencies, the CFTC was one of the few financial regulators able to complete most of the key rules mandated by the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act by the time Gensler prepared to depart the agency in late 2013.

Currently a professor at the MIT Sloan School of Management, Gensler was tapped by Biden last month to lead his transition team's review of the government's financial regulators, including the SEC, CFTC and Federal Reserve.

Allison Herren Lee
SEC Commissioner

Appointed by Trump and confirmed by the Senate in 2019, Lee is one of the SEC's two Democratic commissioners and is expected to serve as acting chair of the agency once Clayton leaves at the end of the year.

Lee worked at the SEC in various roles from 2005 to 2018, including as senior counsel to the enforcement division's complex financial instruments unit and, from 2013 to 2015, as counsel to Commissioner Kara Stein, whose seat she later filled.

Prior to joining the SEC, Lee clerked for a Colorado Supreme Court judge and later worked at Denver-based law firm Sherman & Howard LLC. Her current term as commissioner is set to expire in June 2024.

AMERICAN OVERSIGHT

Kara Stein
Former SEC Commissioner

Stein was a progressive voice on the commission who pushed for strong investor protections and a sweeping modernization of the securities regulator from 2013 until her departure in 2019. She notably offered the sole dissent to the SEC's then-proposed, now-enacted Regulation Best Interest and frequently favored strong corporate penalties.

Prior to joining the SEC, Stein was a top aide to Sen. Jack Reed, D-R.I., when he was chairman of a Senate securities and insurance subcommittee, and helped draft key provisions of the Dodd-Frank Act.

After her five and a half years at the SEC came to a close, Stein took positions on the faculty of multiple law schools, including Harvard Law School and the University of Pennsylvania Law School.

Robert Jackson Jr.
Former SEC Commissioner

Jackson announced in January that he would step down from the commission within the month in order to teach at New York University School of Law. Appointed by Trump in 2018, Jackson was a frequent and vocal critic of deregulatory actions that he considered a threat to investor protection.

During his tenure, Jackson dissented on many votes and gave several speeches focused on shareholder rights. Notably, he opposed a landmark SEC rule passed last June defining the relationship between stockbrokers and their clients, echoing criticisms made by his then-fellow commissioner Stein.

Prior to joining the SEC, Jackson was a senior policy adviser at the U.S. Department of the Treasury who helped develop executive compensation rules for major corporations in the wake of the financial crisis. He went on to join the faculty of Columbia Law School.

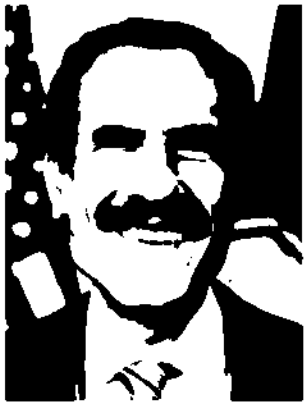
AMERICAN OVERSIGHT

Valerie Caproni
U.S. District Judge for the Southern District of New York

By the time she was appointed to the judgeship by Obama in 2013, Judge Caproni had already built a lengthy career in and out of public service. After clerking for Judge Phyllis Kravitch in the Eleventh Circuit as a recent law school grad, Judge Caproni was an associate at Cravath Swaine & Moore LLP before becoming an assistant U.S. Attorney in New York's Eastern District.

She left a top position in the office's criminal division in 1998 to become regional director of the SEC's Pacific Regional Office, based in California, where she pushed for stronger cooperation between the regulator and federal prosecutors. After a stint at Simpson Thacher & Bartlett LLP, she was named in 2003 as general counsel of the FBI, where she served until 2011.

CFTC



Dan Berkovitz
CFTC Commissioner

Berkovitz's history with the CFTC dates back to the Obama administration, when he served as the agency's general counsel from 2009 to 2013. He was also the CFTC's deputy representative to the Financial Stability Oversight Council, a division created by Dodd-Frank in order to identify and respond to risks threatening the nation's financial stability.

Berkovitz is now serving a five-year term as CFTC commissioner that expires in 2023. He has often criticized deregulatory actions he views as favoring large banks, including his dissent from a 2019 rule to ease rules on swaps trading.

Before joining the CFTC, Berkovitz was a partner and co-chair of the futures and derivatives practice at WilmerHale. A former Georgetown University Law Center adjunct professor, Berkovitz was also vice chair of the American Bar Association Committee on Futures and Derivatives.

AMERICAN OVERSIGHT

Rostin Behnam
CFTC Commissioner

Behnam is the senior Democrat on the CFTC, serving a term that expires in 2021.

Before joining the CFTC in 2017, Behnam served as senior counsel to Sen. Debbie Stabenow, D-Mich. He advised Stabenow on implementing Dodd-Frank, including matters affecting the Treasury Department, U.S. prudential regulators, and the SEC. Behnam was also Stabenow's lead adviser during the investigation of MF Global following its 2011 bankruptcy.

Since joining the CFTC, Behnam has delved into environmental matters. He sponsored a September report that provided recommendations to mitigate risks to financial markets posed by climate change, a stated focus of the Biden administration. Behnam also serves on the CFTC's Market Risk Advisory Committee, which advises the agency on market structures and risks across clearinghouses, exchanges, intermediaries, market makers and end-users.

Chris Brummer
Georgetown Law Professor

Brummer was previously nominated to serve on the CFTC by Obama. But after receiving approval from the Senate Agriculture Committee in September 2016, his nomination stalled and was later pulled by Trump.

Brummer, a former Cravath Swaine & Moore LLP attorney who is the faculty director at Georgetown's Institute of International Economic Law, lectures on financial regulation. He serves on the CFTC's Subcommittee on Virtual Currencies and the Consultative Working Group for the European Securities and Markets Authority's Financial Innovation Standing Committee.

AMERICAN OVERSIGHT

De'Ana H. Dow
Partner and General Counsel at Capitol Counsel LLC

Dow, an experienced CFTC counsel and adviser, has worked since 2012 at lobbying firm Capitol Counsel, which influences government legislation and regulation on financial markets. She was also managing director at derivatives exchange CME Group Inc. and was a senior vice president and chief legislative counsel for commodity futures exchange the New York Mercantile Exchange.

The Georgetown University Law Center graduate also worked in several capacities at the CFTC from 1980 to 2002. She served as counsel to former Chairman William Rainer under the Clinton administration and special adviser to former Chairman James Newsome under the George W. Bush administration.

The Trade: US Authorities Urged to Investigate 'Illegal' Changes to CME Market Data Fee Policies
EDI has called on the CFTC, House of Representatives, and the US Senate to investigate fee changes at CME Group that would increase costs each year for the firm.
By Annabel Smith

Data distributor Exchange Data International (EDI) has urged regulators in the US to investigate derivatives exchange CME Group's proposed changes to its data fee policies.

Under the changes to fees, CME Group intends to charge redistributors like EDI a total of $120,000 per year from 2021 for redistribution of data across each of its four markets.

EDI said the changes meant CME would also be able to charge for data that was already available in the public domain, including historical prices for commodities such as corn, crude oil, and gold. EDI referred to this practice as a 'clear misuse of power'.

The data provider added that by asking redistributors to list their end clients CME Group could also charge end-users, which would negatively impact small and mid-size data vendors or cut them out of the market altogether.

The Commodity Futures Trading Commission (CFTC), the head of committees of the US House of Representatives, and the US Senate are among those that EDI has written to requesting an investigation into the fees changes by CME.

"CME Group regularly reviews its market data policies and pricing to ensure costs are aligned with the value of services our market data customers receive and expect," CME told The TRADE in response to the development.

"Vendors who are licensed to redistribute our historical data are free to give it away at no charge, price it as they see fit, or even distribute as part of a service they offer. This policy has not changed; the difference going forward is that vendors will be required to pay CME Group a redistribution fee to do so."

The issue of market data fee changes has caused an ongoing and growing divide between exchanges and the investment banks, broker-dealers, and trading firms that consume their data.

AMERICAN OVERSIGHT

In June, US exchanges Nasdaq and the New York Stock Exchange (NYSE) managed to successfully appeal a

controversial ruling in 2018 from the Securities and Exchanges Commission (SEC) that said they had failed to justify an increase in data fees.

EDI chief executive, Jonathan Bloch, added CME Groups proposed changes were an example of 'monopolistic' behaviours from exchanges that would put unfair financial pressure on vendors already struggling because of the pandemic.

"The CME's actions have not received much scrutiny from the regulators, certainly when compared to the regulation of fees imposed by the securities exchanges," said Bloch.

"As a result, the cost of obtaining data from the commodities exchanges will be exponentially higher. This is clearly anti-competitive, anti-trust, and according to our legal advisors, illegal. This must not be allowed to happen."

WSJ: Brent Crude Rises Above $50 as Oil's Turnaround Continues

Thursday's advance continues a monthslong rebound from oil's April lows around $19 a barrel during global economic shutdowns

By Amrith Ramkumar

Brent crude prices topped $50 a barrel for the first time since early March on Thursday, the latest milestone in a remarkable oil-market recovery fueled by supply curtailments and drivers returning to the road.

The global gauge of oil prices advanced 2.8% to $50.25 a barrel, continuing a monthslong rebound from its April lows around $19 during global economic shutdowns. While Brent started the year above $65, its recent rally shows how hopes for coronavirus-vaccine distribution and economic-stimulus programs are helping to heal global energy markets.

Oil has risen in tandem with stocks and other commodities in recent weeks, part of a broad market rally fueled by investors' anticipation for a 2021 global economic resurgence. Buoyant demand from China also is boosting oil prices after the world's largest commodity consumer largely contained the pandemic.

Traders are now hoping that travel picks up in the U.S. and Europe next year, boosting energy consumption while large suppliers in the Organization of the Petroleum Exporting Countries remain disciplined with production cuts.

OPEC and allies including Russia agreed to modest output increases last week, instilling faith that the group won't bring back supply too quickly and adding momentum to the oil-price rally. Recent gains come despite a recent surge in coronavirus cases around the world and data showing a drop-off in U.S. fuel demand, showing how investors are looking past those concerns and instead focusing on vaccine hopes.

"It's been that inflection point that turned everything," said Rebecca Babin, senior energy trader at CIBC Private Wealth Management. Upbeat vaccine trial results are pushing traders to buy when prices fall, a reversal from earlier in the year, she said.

U.S. crude futures added 2.8% to $46.78 a barrel Thursday, also extending their recent advance.

AMERICAN OVERSIGHT

The gains are a boon for beleaguered energy producers who have been among the sectors hardest hit by the coronavirus and been forced to slash jobs and drilling activity. The S&P 500 energy sector advanced Wednesday, lifted by companies including Exxon Mobil Corp. and Chevron Corp. Even with a roughly 35% rally since the end of September, the sector is still down more than 30% in 2020.

With U.S. stocks recently hitting records and bond yields near all-time lows, some investors are increasing their exposure to commodities and shares of producers, which remain well below recent peaks. Hedge funds and other speculative investors have lifted net bets on higher U.S. crude prices in four consecutive weeks through Dec. 1, Commodity Futures Trading Commission data show, signaling more optimism filtering through the market.

Many analysts remain wary of more volatility ahead, particularly after recent data indicating an uptick in U.S. gasoline consumption is fading. Government data released Wednesday showed a big rise in U.S. inventories as gasoline demand crumbled to its lowest level since May last week, the latest figure showing that the domestic economic recovery is slowing.

Yet oil still surged on Thursday, the latest sign that rosy demand figures from Asian consumers are offsetting weakness in other parts of the world.

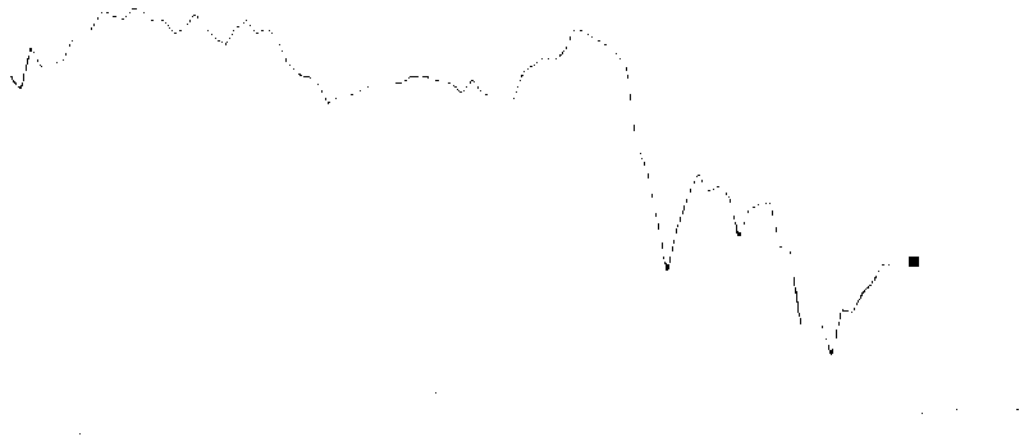
"That demand is just better than we thought it would be," Ms. Babin said.

Top News

WSJ: U.S. Stock Futures Dip Amid Talk of Disruptive Brexit
Investors watch Brexit talks closely after U.K. Prime Minister Boris Johnson warned last-ditch negotiations could fail
By Will Horner

AMERICAN OVERSIGHT

U.S. stock futures



U.S. stock futures and European indexes slipped Friday as politicians signaled an increased likelihood of a disruptive break between the U.K. and European Union.

Futures tied to the S&P 500 fell 0.9% while Dow Jones Industrial Average futures declined 0.8%. Nasdaq-100 futures fell 0.9%. The moves suggest that both the S&P 500 and the Dow were on course for a third consecutive daily decline. All three indexes are on track to end the week lower.

In premarket trading, Disney was up 7%. The entertainment giant said Thursday world-wide subscriber count for its flagship streaming service Disney+ could triple to 260 million by 2024.

In Europe, the Stoxx Europe 600 fell 1.4% after U.K. Prime Minister Boris Johnson said there was a "strong possibility" that efforts to reach a last-minute deal on trade with the EU would fail. European Commission President Ursula von der Leyen cautioned Friday that "positions remain apart on fundamental issues." The British pound fell 0.9% against the dollar to $1.3181.

"We've been thinking for a long time that these comments are a negotiating tactic and that it is important for both sides to get a deal," said Seema Shah, chief strategist at Principal Global Advisors. "But we've seen concerns starting to creep in this week that if the gap is too wide between the two sides then maybe it can't be breached."

The U.K.'s current commercial and trading ties with the EU expire on Jan 1. Intensive talks are meant to take place this weekend. If a deal can't be struck, both sides are preparing for significant border disruption affecting trade worth close to $900 billion a year. A hard split between the U.K. and EU could pile on pain to a global economy that has already been reeling this year under the stress of Covid-19.

While negotiations would likely go down to the wire, investors are largely betting on a last-minute compromise, said Altaf Kassam, head of investment strategy at State Street Global Advisors in Europe.

"We do think that politicians are economically pragmatic and a last-minute save is on the card," he said.

U.K. banks, seen as most exposed, led losses among European financials. NatWest Group fell 6.1%, Barclays was down 4.5% and Lloyds Banking Group was 4.6% lower.

Also weighing on markets: U.S. talks on a Covid-19 relief package faced fresh setbacks. After signs of progress amid a bipartisan push for a roughly $900 billion stimulus deal, Senate Republicans suggested Thursday that they couldn't accept some aspects of the proposals.

Investors have largely priced in a stimulus deal, said Jeff Mills, chief investment officer of Bryn Mawr Trust, meaning negative news could have more of an impact than positive news.

"There is a nontrivial chance that we get a deal in the coming weeks," said Mr. Mills. "If it doesn't come by late January, when the new congress is sworn in, then I think we could see markets starting to get a bit nervous."

AMERICAN OVERSIGHT

Despite lingering concerns about weak growth, stimulus talks and the pandemic, investors are betting that widespread

rollout of Covid-19 vaccines could be well under way by next year.

Vaccines are "giving markets the possibility to look through the negative noise," said Ms. Shah. "A lot of investors are looking through to a six month horizon where they can see things getting back to normal."

A Food and Drug Administration panel Thursday recommended approving a Covid-19 vaccine developed by Pfizer and BioNTech, paving the way for the FDA to grant emergency-use authorization as early as Friday.

In Europe, shares of Ericsson fell 6.7% after filing a lawsuit against Samsung alleging the South Korean company had violated contractual commitments and warned that legal costs could cost it up to 1.5 billion Swedish kronor, equivalent to $177.2 million, a quarter. Shares of Rolls-Royce Holdings fell 8.3% after the engine maker warned that it continued to suffer from reduced air travel.

Investors later in the day will parse figures from University of Michigan consumer confidence survey, for clues on whether positive news on Covid-19 vaccines has lifted sentiment. The data are due at 10 a.m. ET. Economists expect the university's consumer confidence index to fall to 75.5 from 77.0 in October.

Data from the Bureau of Labor Statistics on the cost of goods sold by producers last month will also be released at 8:30 a.m. ET. The Producer Price Index is forecast to have risen by a modest 0.1% in November.

In Asia, stocks were mostly lower with the Nikkei 225 closing down 0.4% and the Shanghai Composite Index ending the day down 0.8%.

FT: Banks Lead European Stocks Lower As UK-EU Trade Concerns Mount
British lenders fall more than 5% as leaders warn 'no deal' likely
By Naomi Rovnick

European stocks fell further on Friday after strong warnings from EU and UK leaders that trade talks might fail to produce an agreement, with London-listed bank and travel-related shares bearing the brunt of the selling.

The Stoxx 600 was down 1.2 per cent by lunchtime in London after European Commission president Ursula von der Leyen told EU leaders that a no-deal outcome was the most probable scenario from the trade talks. This followed a similar statement from UK prime minister Boris Johnson on Thursday evening, after last-minute discussions between Westminster and Brussels stumbled on disagreements about competition laws and fishing rights.

The FTSE 350 index of bank shares fell 2.7 per cent. Lloyds and NatWest, two retail banking groups with a large domestic bias, suffered heavy sell-offs. NatWest's 7 per cent fall put it on track for its worst day of trading since June, while Lloyds' 5 per cent drop was its deepest since July.

Meanwhile, aeroplane engine maker Rolls-Royce dropped 7 per cent and British Airways owner IAG lost 4 per cent of its value.

AMERICAN OVERSIGHT

Gilt yields heading for biggest weekly drop since March

Markets were potentially overreacting, said Peter Westaway, chief European economist at Vanguard, because there was "little upside" for the UK economy if a trade deal were to be agreed.

"The deal that is being discussed would be a bare bones trading arrangement," he said. "We are going into a much less harmonious world whatever happens."

The pound fell 0.8 per cent against the dollar, taking its drop for the week to 1.9 per cent, heading for its worst performance since September. The week's political developments have driven the currency's implied one-month volatility to its highest since March's market tumult.

The pound's weakness softened the fall of the UK's FTSE 100 — which is stacked with dollar earners — to 1 per cent, and Germany's Xetra Dax fell 1.7 per cent.

Most analysts and investors still believe some form of deal can be reached before the Brexit transition period expires at the end of the month. "Our base case remains that a deal is more likely than not," strategists at Credit Suisse said.

"Market expectations are around 60-40 that there will be a deal," said Jason Borbora-Sheen, multi-asset portfolio manager at fund manager Ninety One.

"The way this wrangling plays out is either very last minute or with extended deadlines. It's in no one's interest to storm off, so I think it will ultimately resolve itself."

Piling the pressure on the pound and UK lenders were remarks made by Andrew Bailey, Bank of England governor, that it was undertaking "extensive work" on how to implement negative interest rates. Mr Bailey made the comments following the BoE's release of its latest financial stability report.

The prospect of another UK rate cut prompted a further rally in British government debt, sending the yield on UK 10-year sovereign bonds down 0.04 percentage points to 0.16 per cent. Gilts are on track for their best weekly performance since March.

Brent crude slipped 0.2 per cent by Friday lunchtime, after the international oil benchmark on Thursday rose above $50 for the first time since March, supported by progress on coronavirus vaccines.

Futures markets signalled the S&P 500 would fall 0.7 per cent when New York opens for trade later in the day.

WSJ: Metals Markets Steel for Price Rises as Australia Pushes to Save Cultural Sites

Delays to mining projects in Western Australia could push commodity prices higher and exacerbate shortages

By Rhiannon Hoyle

CFTC OVERSIGHT

Rio Tinto RIO 2.20% PLC's destruction of two ancient caves in Australia to expand an iron-ore mine could have ramifications for global commodity markets if local lawmakers intensify scrutiny of mining activities that threaten heritage sites.

Among the most controversial recommendations made by a federal-government inquiry into the destruction of the rock shelters at Juukan Gorge in Western Australia in May is a moratorium on expansions of existing mines or new pits that encroach on sites of cultural or historical significance. Even if lawmakers opt for a less hard-line approach, experts warn of potential delays to production and higher costs that could affect supply of key raw materials such as iron ore, used to make steel.

None of the recommendations handed down by the inquiry in its interim report on Wednesday are binding, but miners risk inflaming tensions with some investors who feel the industry needs to show greater sensitivity to environmental and cultural issues if they don't accept them. They also face sensitive negotiations with indigenous groups that are the traditional owners of the land.

Metals prices have been rallying as China's economy bounces back strongly and other major markets recover from the coronavirus crisis. Copper prices have risen to their highest level in almost eight years. Iron ore is one of the best-performing assets this year, fetching $150.75 a metric ton on Wednesday, its highest price since early 2013.

China's unexpectedly strong appetite for these commodities has raised concerns over whether there is enough supply, with many analysts predicting market deficits for iron ore and copper through at least the middle of next year.

Delays to mining projects in Western Australia, where companies dig up metals including copper and gold, could push commodity prices higher and exacerbate shortages already worsened by pandemic-driven disruptions to operations elsewhere. Iron ore is considered to be most at risk because Australia accounts for more than half of the world's trade in the commodity by sea.

"This could be a watershed moment for the Western Australia mining industry and could impact Western Australia iron-ore production, and possibly other commodities, in 2021 and beyond," Goldman Sachs said.

Already there are tensions between miners and some investors following the report into the loss of the Juukan caves, which contained a trove of artifacts that indicated they had been occupied by humans more than 46,000 years ago.

Fortescue Metals Ltd. , the world's fourth-largest iron-ore exporter by volume, rejected the idea of a voluntary moratorium on new heritage consents. "We do not believe that this is either a feasible or practical solution," Elizabeth Gaines, Fortescue's chief executive, said.

Fortescue said it had worked with indigenous groups to protect and avoid nearly 6,000 heritage sites threatened by its mining activities.

Miners must balance the need to replace the ore that they unearth with respecting the interests of indigenous groups. Fortescue pointed out that the iron-ore industry has been a pillar of Australia's economy as it emerges from a first recession in 29 years.

"A moratorium would unnecessarily stall mining, infrastructure and other activities for an unknown and possibly extended period," said Tania Constable, chief executive of Minerals Council of Australia, an industry group.

Still, many investors feel the industry needs to do more, and have pushed for leadership changes when standards fall short. Rio Tinto Chief Executive Jean-Sébastien Jacques and two other executives were ousted after several investors criticized the company's initial response to the caves' destruction because no one had been held accountable.

Hesta, an Australian pension fund for health-care workers, said it strongly supports the recommendation that companies with existing heritage approvals, known as Section 18 permissions, suspend related works until they can verify consent by traditional landowners.

"The inescapable findings of the inquiry are that Aboriginal heritage sites remain vulnerable to destruction," said Debby Blakey, Hesta's chief executive. "It would be unacceptable to investors that boards of mining companies are not actively and transparently seeking to understand their exposure to this risk."

Kim Christie, an iron-ore analyst at Wood Mackenzie, said a near-term squeeze on commodities supply from Australia isn't likely. The final report from the inquiry won't be completed until next year. Still, there is a risk of higher mining costs

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and delays to expansions or new mines later as miners sharpen their focus on heritage issues and consultation with traditional owners, she said.

"Certainly moving forward if there is going to be that greater level of tightness [in supply] it could support prices higher than we otherwise would have thought," Ms. Christie said.

Scrutiny will especially fall on Rio Tinto. A moratorium on new heritage consents could affect up to 12 projects that Rio Tinto has planned over the next five or so years to maintain its iron-ore production at current rates, Goldman Sachs said. That means there is a risk that Rio Tinto won't ship 327 million tons of iron ore next year as the bank had earlier forecast.

Rio Tinto said it is reassessing its mining operations in places with identified heritage sites that could be affected over the coming two years.

"I think Rio Tinto would rather forgo a few tons than their reputation," said Ms. Christie, of Wood Mackenzie.

FT: Pound Slides as Brussels Warns 'No Deal' Is Most Likely Brexit Outcome
Sterling on track for worst performance since September as European Commission president offers gloomy assessment
By Jim Brunsden and Naomi Rovnick

The pound dropped on Friday as Brussels told EU leaders that no-deal appears to be the most likely outcome of trade talks with the UK, echoing a warning from Boris Johnson.

Sterling slipped 0.6 per cent against the dollar to $1.3216, taking its loss this week to 1.6 per cent — putting the currency on track for its worst performance since September.

The slide came as Ursula von der Leyen, European Commission president, told an EU summit on Friday that there was a "higher probability" that talks would fail rather than succeed, although she did not want to give a percentage, according to people briefed on the presentation.

Her gloomy assessment in Brussels echoed a warning on Thursday from UK prime minister Mr Johnson that there was a "strong possibility" talks would fail because Brussels wanted to keep the country "locked in the EU's orbit".

Mr Johnson's visit to the Belgian capital earlier this week failed to yield a breakthrough. Although both sides have given negotiators until Sunday to try to engineer a breakthrough, one ally of Mr Johnson said: "They aren't moving at all. It's screwed."

Failure in the trade negotiations would bring with it economic upheaval, including the introduction of tariffs on EU-UK trade after the end of the Brexit transition period on December 31, which would strike an especially hard blow to agriculture.

But it is an outcome that both sides say they are prepared to accept if a compromise cannot be found on the central sticking point of how to ensure fair competition between companies.

The EU has insisted that any deal must guarantee a "level playing field" that endures over time. It has proposed that either side should be allowed to reduce access to its market if EU and UK rules in areas such as environmental law diverge to a point where companies are placed at a competitive disadvantage.

But Mr Johnson has said the plans amount to an attempt by Brussels to force the UK to continue to follow its regulations.

"They've brought back the idea of equivalence between the UK and the EU," the prime minister said in a Downing Street TV clip on Thursday. "Basically that means that whatever new laws they brought in we would have to follow, or else face punishment, sanctions, tariffs, whatever," he added.

An EU official said that Ms von der Leyen made clear at the summit that the situation was difficult and that the "main obstacles remain". The commission president was debriefing leaders on her Wednesday dinner with Mr Johnson, an encounter that it had been hoped would give talks fresh momentum.

She said that negotiations would resume today in Brussels between EU chief negotiator Michel Barnier and his UK counterpart, David Frost.

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Trade experts insist that, despite the dire warnings from both sides, there is in principal a compromise zone to be explored between Britain's position — a willingness to pledge not to water down regulatory standards as they stand at the end of its Brexit transition period — and the EU's quest to future-proof any trade deal.

The consensus among market analysts and investors remains that some form of deal can still be sealed.

Sterling could suffer further if a deal is not agreed, said Mark Haefele, chief investment officer at UBS Global Wealth Management. "But next week remains in play, and our base case is that a deal will be reached," he added.

EU leaders devoted only a few minutes to Brexit at their meeting, with no discussion after Ms von der Leyen's presentation. French president Emmanuel Macron, German chancellor Angela Merkel and other heads of government spent the entire night debating the bloc's future climate policy after Poland raised objections to new targets.

The summit, which began on Thursday, is the leaders' last scheduled meeting of 2020, with issues including eurozone reform, the EU budget and future relations with Turkey also on the agenda.

Risk.Net: Cross-Currency Swaps Will Use RFRs on Both Legs, says JP Exec
Despite slow start, all-RFR swaps will become the market standard within a year, according to Tom Prickett Ben St.
By Ben St.

Clair Intercontinental Exchange (Ice) View more Cross-currency swap markets have yet to embrace alternative risk-free rates (RFRs), such as the US secured overnight financing rate (SOFR), but these overnight benchmarks will become the standard on both legs of a trade by the end of next year, according to a senior JP Morgan rates trader.

Months after the first RFR-linked cross-currency swaps were stuck across various currency pairs, reported volumes remain sparse, with the majority of volume still transacted using Libor rates on both legs of the trade.

"So far, cross-currency markets have not really changed. You are still transacting 99% Libor/Libor swaps," said Tom Prickett, co-head of rates trading for Europe, the Middle East and Africa at JP Morgan, speaking at Risk.net's Libor Telethon on December 8.

Only 21 cross-currency swaps referencing SOFR – totalling less than $1 billion in notional – have been reported to the Depository Trust & Clearing Corporation's (DTCC) trade repository, which captures trades involving at least one US-regulated firm.

The first recorded trade hit the market in November 2019 and involved a cross between SOFR and the euro short-term rate (€STR), Europe's RFR. Since then, SOFR-based cross-currency swaps have been recorded against a number of overnight rates, including Sonia; the Canadian overnight repo rate average; and the Hong Kong Dollar Overnight Index Average. A SOFR versus fixed trade was also struck in April, where the fixed leg was denominated in onshore renminbi.

The first recorded Ibor-versus-SOFR cross-currency trade was struck in December 2019, using Australia's Bank Bill Swap Rate.

But despite the slow start, JP Morgan's Prickett is optimistic the market will move to using RFRs for cross-currency swaps, starting with the interdealer broker market, which he said already has screens displaying quotes for RFR-linked crosses.

Despite the disjointed timetable of benchmark reform across some jurisdictions, Prickett said there was little interest in the interdealer market to trade cross-currency swaps referencing Libor on one leg and an RFR on the other, and that the market will coalesce around using RFR rates on both legs of a cross-currency swap.

Ice Benchmark Administration, which oversees the Libor fixings in London, announced in November that it would consult on the planned cessation of sterling, euro, Swiss franc, Japanese yen and one-week and two-month US dollar Libor fixings at the end of 2021. The remaining five US dollar settings, however, would continue to be published for an additional 18 months, the consultation proposes.

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While certain US dollar Libor tenors have a short reprieve, regulators are clear that market participants should not enter new positions referencing the benchmark after 2021, meaning the market will have to transition over to SOFR in the

meantime.

For swaps with euro legs, Prickett said that while Euribor is staying around in the medium term, €STR will most likely end up being the standard benchmark.

"It seems very clear to me that [an RFR versus RFR swap] will be the standard product that is traded in the brokers, even when you have a currency like euros where there's still an existing Ibor that is the most liquid product in the interest rate swap market," he said.

As the interbank market becomes comfortable with trading RFR cross-currency basis swaps, the products will become "the standard cross-currency risk management tool by the end of next year", said Prickett, especially as debt issuance linked to these alternative rates increases, along with client demand to cross-currency swap exposures back to their home currencies.

For legacy trades, the possibility that Libor fixings in different currencies and tenors would cease publication at separate times had already been a point of concern for cross-currency swap traders. Different cessation announcements will lead to differences in fallback periods and situations where the fallback spread – a median difference between the designated risk-free rate and Libor – is known for one leg and not for the other.

Speaking on the Libor telethon, the Financial Conduct Authority's director of markets and wholesale policy, Edwin Schooling Latter, said the regulator could officially announce that all Libor currencies and tenors will cease – including the lagging US dollar tenors – at the same time, triggering all the fallbacks at once. But he did not say explicitly that this was the plan.

If the cessation announcements for the remaining US dollar Libor tenors are delayed, this could create issues in the cross-currency swap market, given a vast majority of the market's $26 trillion notional includes a US dollar leg, according to data of outstanding nationals published by the Bank for International Settlements.

Elsewhere, Prickett said trading in the underlying SOFR swaps market also has a way to go, even if "meaningful progress" has been made. The recent discounting switch, which saw CME and LCH change the rate used for valuing future cashflows and calculating interest on cash collateral from federal funds to SOFR in mid-October, was another milestone for the transition.

The market initially saw a surge of trading after the switch, but the growth rate has fallen since. Volumes have remained elevated, though – the week ending December 6 saw $42 billion in notional traded, compared with $26 billion the week ending the Sunday before the discounting switch, according to data from DTCC.

Activity in the interdealer market has focused mainly on fed-funds/SOFR basis swaps, he said. "You can generally hedge whatever you need to particularly up to 10 years," said Prickett, but liquidity further along the curve can be more challenging.

"I think the big bang was a point that we all hoped would really see a bit of a step-change in usage, and probably it's fair to say that didn't happen," he added.

MLex: Brexit Disruption to Financial Services Can't Be Ruled Out, BOE's Bailey Says
By Fiona Maxwell

Financial services may see some disruption from next year after the UK's Brexit transition period expires, Bank of England Governor Andrew Bailey acknowledged today, but he ruled out risks to financial stability arising.

Bailey told a press conference today that "I can't give you assurance" that there won't be disruption for customers transactions across borders as he questioned how large an impact there would be from Brussels not granting EU member states access to London's markets.

"London is a global financial center — it has been for a long time and will continue to be so. I would have thought it would be in the best interest of people in the EU to have access to that global financial center — but they have to decide that."

Bailey's comments came as officials in the UK and EU have warned of wider political negotiations of failing to reach an agreement on a trade deal (see here).

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In the financial-services world, the UK has told parties that if they depend on access to the bloc's financial system then "we're not going to put any roadblocks in your way to ensure you've got continuity," Bailey said.

But the EU has not reciprocated, with just two access arrangements put in place from Jan. 1, or equivalence decisions which deem the UK's rulebook as stringent as Brussels legislation.

"The EU haven't matched us in that respect. What I can't say to citizens and the rest of the EU is that if you've got that sort of arrangement and you've been depending on it, if you've got an insurance contract in London, if you're making a payment to an institution in the UK, I can't give assurance there won't be some form of disruption because we're not in control of that end of it," Bailey said.

"I don't want to overdramatize this because it's not about financial stability really. But it is about the access of people to financial services that they quite reasonably depended on and relied on," he added.

Bailey stopped short of predicting how the markets might respond to Brexit in whatever form it comes from January, but noted the BOE's response to market disruption at the height of the Covid-19 shock in March.

"I'm not predicting that will happen again, but I'm using it as a benchmark. What has the Bank of England got in its armory? The answer is a lot. We will use our tools as we did in March, should we be in that situation," Bailey said. "We have a very substantial array of responses we can make. Of course in any situation like that we'll put them to work."

— Derivatives —

Should no trade deal be agreed between the UK and EU, that would be "not news" for the BOE in terms of the preparations it has been making for the last three years, said Jon Cunliffe, a deputy governor.

Although "you can never be entirely sure what will happen in markets," the BOE has "looked closely where the disruptions might come and do they rise to the level of financial stability and the evidence we have is that they don't," Cunliffe added.

While financial stability risks can be ruled out from any form of Brexit, market disruption may still arise, particularly given the lack of equivalence arrangements offered to the UK from Brussels.

One such area raised as a concern by the BOE is a regulatory obligation for some derivatives users to trade on a platform. Absent an equivalence decision, some institutions will be subject to duplicative and conflicting obligations, and trading in some circumstances may be forced to move to the US (see here).

In a report from the BOE's Financial Policy Committee today, officials noted the 200 billion pounds of derivatives trading that is caught up by the trading obligation (see here), with Cunliffe acknowledging the impact the lack of equivalence could have particularly for the branches of EU banks located in the UK who are subject both to the UK and EU's Derivatives Trading Obligations.

"For that subset, as things stand they won't be able to trade in the EU but also won't be able to trade in the UK and they will have to use third-country jurisdictions, particularly the US [platforms] which have been recognized by the UK and EU. The disruption is really primarily in that area," Cunliffe said.

Financial institutions have been preparing this disruption, he said. "But the question is whether that will work smoothly if things continue and the approach continues in that sense."

WSJ: SEC Enforcement Chief to Depart as Regulator Prepares for Turnover
Fines rose during Stephanie Avakian's tenure; move will allow Biden to put stamp on agency
By Dave Michaels

The Securities and Exchange Commission's top enforcement official will step down this month after four years in the role, a move that allows the incoming Biden administration to put its own stamp on Wall Street policing.

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Stephanie Avakian, who joined the SEC as its second-ranking enforcement official during the Obama administration and took the top job in 2017, will exit from the agency by the end of December, she said. She will be succeeded on an acting

basis by Marc Berger, a former federal prosecutor in Manhattan and former head of the SEC's New York office.

Ms. Avakian and her former co-director, Steven Peikin, who stepped down in August, oversaw a program that ramped up fines for conduct that harmed individual investors, including hundreds of cases against investment advisers who picked costly mutual funds when cheaper ones were available.

The SEC also brought dozens of enforcement actions during her tenure against startups that raised money by selling new cryptocurrencies while skirting investor-protection laws. The SEC's crackdown on digital coins chilled the nascent industry and prompted a backlash from parts of Silicon Valley, but regulators were largely successful in court battles with cryptocurrency developers.

SEC enforcement fines rose during Ms. Avakian's tenure, despite initial concerns that a Republican-led SEC would water down enforcement. A handful of cases with outsize fines, such as a $200 million agreement announced Wednesday with General Electric Co. , typically accounted for a high share of annual penalties, showing how an emphasis on certain types of investigations can influence the SEC's statistics.

The median fine in market-regulatory enforcement cases rose to $435,000 in 2019, the second-highest level in the past 20 years, according to the Committee on Capital Markets Regulation, a research organization based in Cambridge, Mass. That measure includes fines imposed by the Commodity Futures Trading Commission, a smaller agency that polices derivatives markets.

SEC Chairman Jay Clayton has said he will step down by the end of the year. Former SEC commissioners Kara Stein and Robert Jackson Jr., as well as former CFTC Chairman Gary Gensler, are seen as possible successors under the Biden administration.

The Biden administration is expected to put additional focus on Wall Street businesses such as private equity and more scrutiny on how companies disclose their future costs and other risks related to climate change. But the agency's enforcement program brings many of the same types of cases from year to year, given the high volume of cases regulators settle and the tens of thousands of tips they get annually.

During Ms. Avakian's tenure, the SEC quickly resolved a major enforcement action against Tesla Inc. and its chief executive, Elon Musk, which each paid $20 million to settle claims that Mr. Musk misled investors about taking Tesla private.

The SEC sued Tesla and Mr. Musk within two months of Mr. Musk's tweets about going private, and the case was settled weeks after the lawsuit was filed. Under the agreement, Mr. Musk also agreed to step down as Tesla's chairman and limit his use of Twitter.

The Tesla investigation and court case proceeded at warp speed for the SEC, which typically takes years to wrap up investigations. Another significant case, a probe of German luxury car maker BMW AG's U.S. sales volumes, was finished in 10 months.

SEC investigations still take, on average, about two years from start to finish, according to agency figures.

Ms. Avakian, who also worked at the SEC earlier in her legal career, said she stressed the need to speed up investigations and settlement negotiations. Enforcement attorneys were urged to move fast by insisting on fines that reflect what they think a case merits, instead of engaging in drawn-out negotiations, she said in an interview.

"This enables us to credibly say, 'If you don't come to the table on these terms, we are going to move forward against you' " with a lawsuit, Ms. Avakian said.

Mr. Peikin left the SEC in August and returned to his former law firm, Sullivan & Cromwell LLP. Ms. Avakian said she hasn't interviewed for any other jobs and doesn't know yet what she will do next.

CoinDesk: SEC Enforcement Director to Step Down by End of Year
By Danny Nelson

AMERICAN INVESTIGATOR

Stephanie Avakian, the U.S. Securities and Exchange Commission (SEC) enforcement director who led investigations since 2017, including during the entirety of SEC's initial coin offering (ICO) crackdown, plans to leave the agency this

year.

SEC said Thursday that Avakian created the Cyber Unit responsible for managing crypto-related securities violations, especially the ICO projects that attempt to raise capital without filing.

A CoinDesk review of SEC enforcement filings shows the regulator initiated at least 46 actions against ICOs during Avakian's tenure as director.

Avakian took over the Enforcement Division in June 2017. She had previously served as deputy enforcement director from June 2014.

BNN Bloomberg: Yellen Gets a Shot to Throw Treasury's Clout into Climate Fight
By Saleha Mohsin and Jennifer A. Dlouhy

Janet Yellen has promised to make fighting climate change a priority as Treasury secretary, spurring hope among activists she will put the issue at the center of U.S. economic policy for the first time.

Yellen, President-elect Joe Biden's nominee to lead the Treasury Department, has already endorsed a tax on carbon dioxide emissions and urged countries to set up independent councils that can pursue aggressive climate policies without political interference.

Advocates are appealing for her to go even further if confirmed, seizing her role as one of the most powerful people in finance to wield fiscal policy in the campaign against global warming. Some have outlined plans for how Yellen could trigger tighter regulation of oil and gas company finances under the Dodd-Frank Act -- even going so far as to require them to sell off fossil fuel assets.

"Yellen will have the power to help move trillions of dollars out of fossil fuels and trillions more into renewables," said Jamie Henn, director of the non-profit advocacy group Fossil Free Media. "She could do more for the Green New Deal than nearly any other cabinet position."

Yellen declined to be interviewed for this article. Biden's transition team said the incoming administration intends to turn the threat of climate change into a way to bolster the economy and create jobs.

Yellen's Treasury Department is expected to play a central role in that effort by helping shape stimulus spending to pull the U.S. out of recession and fulfill Biden's promise to invest as much as $2 trillion on clean energy.

Both Biden and Yellen's ambitions for big clean-energy spending could be constrained by Congress, where Republicans will hold at least 50 seats in the Senate. Conservatives have assailed congressional Democrats' ambitions for a wave of spending to propel clean power and energy efficiency, including through expanded tax cuts and investments, as a socialist wish list.

Clinton Administration

Yellen's interest in addressing climate change dates to her time in the Clinton administration, when she was the head of the Council of Economic Advisers. And she doesn't mince words about the threat.

"It will have absolutely devastating consequences for humanity if we don't address it, and time is running out to take the steps that are necessary," she said in an October interview with Bloomberg News.

Climate change is already affecting energy investments, raising the risk that oil, gas and coal reserves will lose value or be barred from development as governments clamp down on the greenhouse gas emissions generated by burning fossil fuels. Even non-energy investments in commercial buildings and real estate are at greater peril with the encroachment of rising seas and more intense storms fueled by climate change.

Yellen "understands the critical links between the country's economic health and climate change," said Andrew Steer, president of the World Resources Institute. As Treasury chief, "Yellen would have strong authority to bring climate risks and opportunities more centrally into U.S. economic and financial systems."

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Progressive Democrats argue that enlisting the Treasury Department in the battle against climate change is consistent

with Biden's plan to take a whole-of-government approach to the issue.

"The private sector won't take this seriously unless the government takes a stand," said Rhiana Gunn-Wright of the Roosevelt Institute.

Congressional Role

Critics of the approach say Congress -- not the Treasury Department -- should take the lead in addressing climate change and the financial risks it poses.

"Significant new policy, like that addressing climate, shouldn't be set by financial policy or any other statute that was never intended to address such a major issue," said Kyle Isakower, a senior vice president at the American Council for Capital Formation, a free-market think tank. With legislation specifically designed to address the risks of climate change, "financial policy can play an appropriate role."

Any aggressive moves would invite conflict with the U.S. oil and gas industry, which is already bracing for the Biden administration to tighten environmental mandates on drilling and block development on federal lands.

Some options, such as greater capital holding requirements for banks that have fossil investments, are "a terrible idea," said Norbert Michel, director of Heritage Foundation's Center for Data Analysis.

"If we are going to talk about a climate disaster where the Earth burns up, a bank holding an extra 2% capital or not lending to certain companies isn't going to change that," Michel said.

The Treasury Department can have global influence by charting new climate finance strategies through the Group of 20, the International Monetary Fund and the World Bank. Financing can be directed toward emissions-lowering projects overseas, with the Treasury encouraging the phaseout of fossil fuels subsidies as well as increased funding focused on closing coal plants.

Yellen in October joined former Bank of England Governor Mark Carney in urging governments to establish climate change councils empowered to confront the problem. The G30 Working Group led by Yellen and Carney emphasized that the scale of the challenge "means that carbon prices alone are not enough," and must be buttressed by investments in low-carbon infrastructure and clean energy research.

Yellen can start by simply addressing the issue -- making the case to American workers and businesses that climate policies "can spur economic growth, ensure strong employment and resilient financial markets," Duke University's Tim Profeta and former White House officials Joseph Aldy and Himamauli Das wrote in a 24-page memo for the Biden-Harris transition.

"The secretary of the Treasury and the Treasury Department are crucial to the success of the administration's efforts to move the U.S. and global economy to a low-carbon trajectory and to protect the economy from climate change shocks," the three wrote in their blueprint for the agency.

Activists say one key platform Yellen will have is as head of the Financial Stability Oversight Council, which brings together the Fed, Securities and Exchange Commission, the Commodity Futures Trading Commission and other agencies. The panel can direct individual agencies and regulators to better address specific risks, such as global warming.

FSOC is "supposed to be a mechanism to force financial regulators to do their job" and address "emerging risks" and get "the entire financial system to focus on those, to regulate them better," said Graham Steele, director of Stanford University's Corporations and Society Initiative.

As Treasury chief, Yellen could push the council to develop recommendations for climate-focused financial regulatory reform and regulations. She also could encourage the FSOC to label oil and gas companies as non-bank systemically important financial institutions, or SIFIs, a designation that would trigger enhanced regulation and supervision by the Fed.

The Dodd-Frank Act requires the Fed to craft "enhanced prudential standards" for any designated non-bank SIFIs, and the council has the authority to recommend what the standards should be.

Applying such a designation could allow the Fed to require stress testing on the oil and gas industry -- with company portfolios evaluated under scenarios involving strict greenhouse gas emissions limits or rapid global temperature change.

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The Fed could use the findings to set capital limits and restrict fossil fuel investments on the basis of their prospective risks to financial security.

The idea has gotten a boost from corporate watchdogs and environmental activists, including the Evergreen Action group founded by former aides to Washington State Governor Jay Inslee's presidential campaign.

"The Treasury Department has the power to disentangle our financial system from fossil fuel investments which put us all at risk, make substantive green investments and stabilize our financial system," Evergreen Action said in a policy memo.

The Federal Reserve Bank is taking steps to address the issue, with a Federal Reserve Bank of San Francisco conference last year, and in November, the Fed's first-ever declaration that climate change poses a risk to financial stability.

Yellen, a former Fed chair who understands that governments and companies prefer certainty, said in the Bloomberg News interview that a "predictable path" is the best course.

It's "not saying we need to tear down every power plant that still uses coal," she said. "But when new power plants are built the incentives need to be there to do something that's emits fewer greenhouse gases."

CFTC Daily News Clips Prepared by Antoinette Turner and Donna Faulk-White

You can access today's CFTC Daily News Clips at:
http://cftcnet/Commission/Clips-and-Resources/Documents/todaysnc.pdf

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This inbox is unattended; please do not reply to this email. Please contact the CFTC Office of Public Affairs at 202-418-5080 with any questions.

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To: Woodall III, Samuel R.[WoodallS@sullcrom.com]
From: Woodall III, Samuel R.[WoodallS@sullcrom.com]
Sent: Sun 12/20/2020 1:39:20 PM (UTC)
Subject: [EXTERNAL] FW: S&C Financial Services Digest

Please find below this (very long) week's ***S&C Financial Services Digest***. This edition does not include the stimulus package compromise that was reportedly reached overnight; that legislative text should be out later today. It does include several new ***S&C client publications*** addressing, among other topics, "***COVID-19 Vaccine Policies—What Employers Should Know***: U.S. Legal Considerations Regarding Implementing a COVID-19 Vaccine Policy"; the "***Anti-Money Laundering Act of 2020***: New Legislation to Implement Comprehensive Modernization and Reform of the US AML/CFT Regime"; ***California's OSHA COVID-19 regs***; the ***CFTC's new electronic trading risk principles***; ***Nasdaq's proposed board diversity requirements***; and the ***SEC's new rule on fund valuation***.

As noted below, the S&C Digest Team is going to take a well-deserved break for the holidays. We'll be back on Jan. 8.

Sam

View as a Web Page

December 19, 2020

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Fed extends USD swap lines, FIMA repo facility

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Prepared in our Washington, D.C. office, S&C Financial Services Digest is a weekly summary of key regulatory, legislative, and legal developments affecting the financial services industry.

Our Coronavirus Resource Page is continuously updated with the latest legal analysis, memos, and podcasts related to COVID-19.

A note to our readers: In light of the upcoming holidays, S&C Financial Services Digest will not be published next week, absent any noteworthy developments. We will resume publication on Jan. 8, 2021.

CORONAVIRUS RESPONSE

The **Fed** released the results of its second round of 2020 ***stress tests***, concluding that all of the 33 banks subject to the Fed's ***capital plan rule*** would "maintain strong capital levels" under two hypothetical scenarios featuring "severe global downturns with substantial stress in financial markets that serve to capture a broad set of severe but plausible risks." In June, the Board released the results of the released the results of the ***Dodd-Frank Act stress tests*** (DFAST) and "***sensitivity analyses***" which indicated that the banking sector was "sufficiently capitalized and could continue

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13(3) facilities

House Dems' lttr to Treasury on CARES Act 13(3) facilities

AGENCIES

Fed affirms CCyB at 0%

Dr. Christopher Waller sworn in as Fed Governor

FDIC open mtg (brokered deposits, ILCs, etc.)

FDIC final brokered deposits rule

FDIC final ILC rule

Interagency "computer-security incident" notice proposal

Updated CRA asset thresholds, lending data

Fed Gov. Brainard on climate change risks

OCC preemption interpretive lttr

OCC proposed rule on SAR exemptions

OCC Q3 2020 trading/derivatives activities rpt

OCC Q3 2020 mortgage metrics rpt

FinCEN proposal on CVC/digital asset reporting requirements

CFPB rpt on small business lending data collection

lending to businesses and households during a severe recession." However, due to "material uncertainty" regarding the "trajectory of the economic recovery and its effects on the financial health of banking organizations," the Board required the firms to resubmit their ***capital plans*** and limited capital distributions in the third and fourth quarters. The Fed observes that, while net income declined in 2020, firms reduced net common capital distributions and retained more of that income, and finds that the Board's capital distribution restrictions, "[c]ombined with firms' voluntary capital distribution reductions, . . . helped to maintain, and slightly increase, aggregate capital levels during a year in which firms also built loss absorbing capacity by more than doubling loan-loss reserves." Although the Fed reports that projected losses under both new hypothetical scenarios exceed $600 billion (approximately $79 billion higher than in the June 2020 stress test under the "severely adverse" scenario), it concludes that the "large reserve buildup during the first half of the year helped cushion some of the increase in losses, and all firms remain above their minimum risk-based capital requirements." In particular, the Fed's model projections for the "severely adverse" scenario are characterized by "severe decline in global economic activity accompanied by financial market distress" and include: (1) aggregate losses over the projection horizon of $629 billion, including $514 billion in accrual loan portfolio losses; (2) $95 billion in "trading and counterparty losses" at the 13 firms with "substantial trading, processing, or custodial operations"; and (3) aggregate projected pre-provision net revenue of $371 billion. Notwithstanding general improvements in macroeconomic and financial conditions since June 2020, the Fed notes that, because "future economic conditions and the ultimate path of the current recovery remain uncertain," it is extending its limits on capital distributions into Q1 2021, "with certain modifications." Specifically, the Board is authorizing each U.S. bank holding company (BHC) to: (1) pay common ***stock dividends*** and make ***share repurchases*** that, "in the aggregate, do not exceed an amount equal to the average of the firm's net income for the four preceding calendar quarters" (provided that the firm does not increase the amount of its common stock dividends to be larger than the level paid in Q2 2020); (2) "make share repurchases that equal the amount of share issuances related to expensed employee compensation"; and (3) "redeem and make scheduled payments on additional tier 1 and tier 2 capital instruments." In addition, a BHC may pay common stock dividends of one cent per share if its average net income for the four preceding quarters does not exceed one cent per share. The Board's authorization is "modified" for ***U.S. intermediate holding companies of foreign banks*** due to their "unique payout behavior" where a firm's U.S. operations "tend to pay a lump sum to the parent foreign bank at the end of the year, instead of quarterly payments." Notably, "as a result of a capital plan resubmission, the Board may elect to recalculate" a firm's ***stress capital buffer*** (SCB) and must provide notice of whether the firm's SCB will be recalculated "within 75 calendar days after the date on which the capital plan is resubmitted, unless the Board provides notice to the firm that it is extending the time period." In light of the "uncertainty about future economic conditions and the ultimate path of the current recovery," the Board is extending the time period to notify firms whether their SCBs will be recalculated until March 31, 2021. Return to Top

On Friday, **President Trump** signed and the **House** and **Senate** passed [illegible] Res. 101

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CFPB final FDCPA rule

DOL final investment advice fiduciary exemption

SEC final resource extraction disclosure rule

SEC "clearing agency" exemption

SEC 2020 NRSRO rpts

SEC renames OCIE to Division of Examinations

SEC SBS Joint Venture

GAO rpt on leveraged lending

Fed, Treasury rpt on int'l insurance regulation/supervision

FHFA proposes GSE liquidity requirements

WHITE HOUSE

"Holding Foreign Companies Accountable Act" enacted

INTERNATIONAL

FSB monitoring rpt on non bank financial intermediation

IAIS 2020 Global Insurance Market rpt

THE WEEK AHEAD

(the "Further Additional Continuing Appropriations Act, 2021"), a resolution extending federal government funding through Dec. 20, 2020. Prior to the Senate's passage of the resolution, Majority Leader McConnell (R-KY) commented that, although "both sides of the aisle are firmly committed to finalizing another major pandemic rescue package for the American people," negotiators "have not yet reached a final agreement" and said "all sides feel [they are] making good progress on a major [COVID-19] relief bill that would travel with [a] full year appropriations measure." On Thursday, Leader McConnell discussed the ongoing bipartisan, bicameral negotiations relating to the ***"Phase IV" economic stimulus package*** and reported that, "in broad strokes," negotiators have "been discussing": (1) a "targeted second round" of the **SBA**'s ***Paycheck Protection Program***; (2) "many tens of billions of dollars for distributing vaccines, COVID testing, and equipping safe schools"; (3) "extending important ***unemployment programs***"; (4) "more ***direct impact payments*** for individuals, plus [a] bonus for families with children"; and (5) "repurpos[ing] more than $400 billion in unspent funds which [**Congress**] already allocated in the *CARES Act*."

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Speaking at a press conference following the release of the **Federal Open Market Committee** statement and accompanying economic projections, **Fed** Chair Powell discussed, among other topics, the economic outlook in light of the ***COVID-19 pandemic*** and ***climate change***. Observing that the Fed's emergency lending facilities "serve as a backstop to key credit markets and have helped to restore the flow of credit from private lenders through normal channels" and that the Fed has "deployed these lending powers to an unprecedented extent, enabled in large part by financial backing and support from **Congress** and the **Treasury**," Chair Powell stressed that, although *CARES Act* funds "will not be available to support new loans or new purchases of assets" after Dec. 31, Treasury "could authorize support for emerging lending facilities, if needed, through the ***Exchange Stabilization Fund***." Asked whether the Fed would consider establishing additional "facilities, if that became necessary, without Treasury backing," he replied that the Fed "[has] the authorities [it has]" and "will use them if they're needed and if the law permits [it] to do so," but emphasized that the Board "do[es] not have any plans for the future about this." Observing that the "***fiscal policy actions*** . . . taken thus far have made a critical difference to families, businesses, and communities across the country," he cautioned that "[i]t will take a while to get back to the levels of economic activity and employment that prevailed at the beginning of this year" and that "it may take continued support from both monetary and fiscal policy to achieve that." He added that, "with the expiration of . . . some of the unemployment benefits [and] the expiration of eviction moratoriums with the virus spreading the way it is, there's a need for households and businesses to have fiscal support" and said "that is widely understood." Asked about the Fed's decision to join the **Network of Central Banks and Supervisors for the Greening of the Financial System** (NFGS), Chair Powell commented that, while Congress "hasn't explicitly assigned [the Fed] or other financial regulators a role" with respect to mitigating ***climate risks*** directly, "one of [the Board's] jobs is to regulate and supervise banks and to look after the stability of the financial system," as well as to ensure "institutions will be resilient against the many risks that they face," and said

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COMINGS AND GOINGS

RECENTLY-INTRODUCED LEGISLATION

RECENT S&C PUBLICATIONS

"climate change is an emerging risk to financial institutions, the financial system, and the economy." Asked whether the ***Treasury market*** can, in the long-run, "operate smoothly without some sort of active Fed presence" given the "size of government . . . borrowing" and "different regulatory changes in the financial sector," Chair Powell said he doesn't "think it's at all a foregone conclusion that there needs to be a permanent Fed presence" and that it's "not something [the Fed is] planning on or intending." He stressed, however, that regulators "need to be thoughtful about the structure of the Treasury market, and look at ways to make sure that the capacity is there for it to be handled by the private sector," noting that "this should be handled by the private sector and can be" and that "there may be a central clearing angle that would . . . net a lot of risk." Return to Top

The **Fed** announced the extension of its ***temporary U.S. dollar liquidity swap lines*** and the temporary repurchase agreement facility for foreign and international monetary authorities (***FIMA repo facility***) through Sept. 30, 2021. Return to Top

Rep. Shalala (D-FL) and **Congressional Oversight Commission** Commissioner Ramamurti sent a letter to Acting **Treasury** Inspector General Delmar requesting that his office "investigate the Treasury Department's process for deciding to terminate the ***emergency lending programs*** established under Section 4003" of the ***CARES Act*** and expressing concern that the agency's "decision to terminate the programs may have preceded a comprehensive legal analysis of the CARES Act's requirements." Specifically, they urge the office to "investigate the timeline and process surrounding the Treasury Department's determination that the CARES Act legally required it to terminate the emergency lending programs, including, but not limited to, when Secretary Mnuchin first requested legal advice on the matter, whether his decision to terminate the programs preceded that advice, and whether and why other Treasury Department officials believed the CARES Act programs could lawfully be extended into 2021." Return to Top

House Select Subcommittee on the Coronavirus Crisis Chairman Clyburn (D-SC) and **House Financial Services Committee** Chairwoman Waters (D-CA) sent a letter to **Treasury** Secretary Mnuchin requesting that he extend the ***Main Street Lending Program*** (MSLP) and ***Municipal Liquidity Facility*** (MLF) and "rescind[] [his] request to the **Fed** to return ***CARES Act*** funds that have already been invested in these lending facilities, consistent with [his] authority." Noting that Secretary Mnuchin has "stated that the CARES Act requires [the Treasury Secretary] to end the Fed lending facilities supported by the CARES Act by the end of 2020, and to request the return of all unused CARES Act funds," the lawmakers assert that a "new legal analysis" issued by the **Congressional Research Service** (CRS) "directly contradicts [his] claim." Specifically, they cite a CRS analysis finding that Section 4029(a) of the CARES Act "appears to establish only the expiration date for the Treasury Secretary's authority to make new investments of CARES Act funds" in the facilities' special purpose vehicles (SPVs) and "does not appear to impose any limitations on the Secretary's discretion to extend the operation of SPVs in which the Secretary has invested CARES Act funds" before Dec. 31, 2020. Accordingly, they urge Secretary Mnuchin to extend the MSLP and the MLF and request that he produce (1) all "legal opinions, memoranda, analyses, and guidance" and (2) all "documents and communications, including

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communications with the White House," regarding his "decision to terminate the emergency lending facilities" on Dec. 31, 2020, or his "request to the Fed to return CARES Act funds." Return to Top

AGENCIES

The **Fed** unanimously voted to affirm the countercyclical capital buffer (CCyB) at the current level of 0%. In making this determination, the Board: (1) "followed the framework detailed in the Board's policy statement for setting the CCyB for private-sector credit exposures located in the United States"; and (2) consulted with the **FDIC** and **OCC**. Return to Top

Dr. Christopher J. Waller was sworn in as a **Fed** Governor. Return to Top

The **FDIC** held an open meeting at which it approved, by a vote of 3 to 1 (Director Gruenberg dissenting), final rules that: (1) impose conditions and commitments with respect to transactions "result[ing] in an insured ***industrial bank*** or ***industrial loan company*** becoming a subsidiary of a company that is not subject to consolidated supervision" by the **Fed**; and (2) revise the FDIC's regulations governing ***brokered deposits***. The FDIC also unanimously voted to issue: (1) a proposed rule, to be issued jointly with the Fed and **OCC**, that would require banking organizations to "promptly notify their primary federal regulator whenever they experience a ***computer-security incident*** that they believe in good faith could materially disrupt, degrade, or impair their operations or may threaten the financial stability of the United States"; (2) a proposed rule that would permit the FDIC, in conjunction with **FinCEN**, to "issue case-by-case exemptions" from ***suspicious activity report filing requirements*** to firms that "develop innovative solutions to meet Bank Secrecy Act requirements more efficiently and effectively"; and (3) a final rule amending the FDIC's debt collection procedures to "include provisions for the collection of delinquent ***civil money penalties***." In addition, the FDIC unanimously approved final rules rescinding and removing transferred regulations governing: (1) the supervision and governance of ***state savings associations*** (SSAs)"; (2) certain "nondiscrimination requirements for [SSAs]" and expanding the applicability of FDIC regulation part 338 entitled "Fair Housing" to SSAs; (3) certain activities of subordinate organizations of SSAs; and (4) prompt corrective action (PCA) directives and enforcement at SSAs and amending sections of existing FDIC regulations regarding the "issuance and review of orders pursuant to the [PCA] provisions of the Federal Deposit Insurance Act to [clarify] that such rules apply to all insured depository institutions for which the FDIC is the appropriate Federal banking agency." More on certain of these rulemakings below. Return to Top

The **FDIC** adopted, by a vote of 3 to 1 (Director Gruenberg dissenting), a final rule to revise its regulations governing ***brokered deposits*** promulgated pursuant to ***Section 29 of the Federal Deposit Insurance Act*** by: (1) creating a "new framework for analyzing certain provisions of the '***deposit broker***' definition, including 'facilitating' and 'primary purpose'"; (2) narrowing the definition of "deposit broker" by providing that a third party that places, or facilitates the placement of, deposits exclusively with one

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insured depository institution (IDI) would not be engaged in the business of placing, or facilitating the placement of, deposits; (3) expanding the availability of the "primary purpose" exception by including several bright-line tests for business relationships that qualify for the exception; and (4) establishing an application process for entities that seek a primary purpose exception but do not meet one of the "designated exceptions." The final rule differs from the FDIC's Dec. 2019 proposed rule in a number of key respects. Among other changes, the final rule: (1) includes 11 business relationships that qualify for the primary purpose exception that were not included in the proposal; and (2) eliminates the proposed application process with respect to specific business relationships that qualify for the primary purpose exception. In addition, with respect to ***interest rate restrictions***, the final rule amends the FDIC's methodology for calculating the ***national rate***, the ***national rate cap***, and the ***local market rate cap***. Specifically, the final rule defines: (1) the "national rate" as the weighted average of rates paid by all IDIs and credit unions on a given deposit product (for which data are available) based on each institution's market share of domestic deposits; and (2) the "national rate cap" as the higher of (i) the national rate plus 75 basis points or (ii) for maturity deposits, 120% of the current yield on similar maturity U.S. Treasury obligations and, for nonmaturity deposits, the federal funds rate plus 75 basis points. The final rule will become effective on April 1, 2021, with an extended compliance date of Jan. 1, 2022. Return to Top

The **FDIC** approved, by a vote of 3 to 1 (Director Gruenberg dissenting), a final rule that requires certain conditions and commitments for each deposit insurance application approval, non-objection to a change in control notice, or merger application approval that would result in an insured ***industrial bank*** or ***industrial loan company*** (ILC) becoming a subsidiary of a company that is not subject to consolidated supervision by the **Fed** (a "Covered Company"). The final rule is intended to "codify the FDIC's current supervisory processes and policies with respect to industrial banks," "ensure the safe and sound operation of these institutions," and "provide the necessary transparency regarding the FDIC's supervisory practices." The final rule is "largely consistent" with the FDIC's March 2020 proposal, but makes several "substantive changes" in response to public comment. In contrast to the proposal, the final rule: (1) requires compliance by covered entities on or after the effective date of the rule; (2) mandates "additional reporting by Covered Companies regarding systems for protecting the security, confidentiality, and integrity of consumer and nonpublic personal information"; (3) raises the "threshold regarding the limitation of a Covered Company's representation on the board of a subsidiary industrial bank" from 25%, as proposed, to less than 50%; and (4) "modifies the restrictions on industrial bank subsidiaries concerning the appointment of directors and senior executive officers to apply to the industrial bank only during the first three years after becoming a subsidiary of a Covered Company." The final rule requires a Covered Company to enter into one or more written agreements with the FDIC and the proposed subsidiary industrial bank prior to the industrial bank becoming a subsidiary of a Covered Company. Such written agreements would require a Covered Company to make commitments to: (1) maintain the industrial bank's capital and liquidity "at such levels as deemed appropriate and take such other action to provide the industrial bank with a

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resource for additional capital or liquidity"; (2) consent to the examination of the Covered Company and its subsidiaries; (3) execute a tax allocation agreement; and (4) in certain circumstances, "provide, adopt, and implement a contingency plan that sets forth strategies for recovery actions and the orderly disposition of the industrial bank without the need for a receiver or conservator." The final rule also prohibits an industrial bank controlled by a Covered Company from engaging in certain activities without prior FDIC approval, which include: (1) making a "material change" to its ***business plan***; (2) adding or replacing a member of its board of directors, board of managers, or a managing member within three years after becoming a subsidiary of such Covered Company; and (3) entering into "any contract for services material to the operations of the industrial bank (for example, loan servicing function) with such Covered Company or any subsidiary thereof." Notably, an industrial bank that, on or before the final rule's effective date, is a subsidiary of a Covered Company (a grandfathered industrial bank) is "generally not subject to the [final] rule." However, a grandfathered industrial bank and its parent company will be subject to the final rule if: (1) the parent company "acquired control of the grandfathered industrial bank pursuant to a change in bank control transaction that closes after the effective date of the final rule"; or (2) the grandfathered industrial bank is the "surviving institution in a merger transaction that closes after the effective date of the final rule." The final rule will become effective April 1, 2021. Return to Top

The **Fed**, **FDIC**, and **OCC** issued a proposed rule that would require: (1) a banking organization to notify its primary federal regulator within 36 hours of when it believes "in good faith" that a "***computer-security incident***" that rises to the level of a "notification incident" has occurred; and (2) a ***bank service provider*** of a service described under the ***Bank Service Company Act*** (BSCA) to "notify at least two individuals at affected banking organization customers immediately after experiencing a computer-security incident that it believes in good faith could disrupt, degrade, or impair services provided subject to the BSCA for four or more hours." The proposed rule would define a "notification incident" as a "computer-security incident" that a banking organization "believes in good faith could materially disrupt, degrade, or impair": (1) the "ability of the banking organization to carry out banking operations, activities, or processes, or deliver banking products and services to a material portion of its customer base, in the ordinary course of business"; (2) "any business line of a banking organization, including associated operations, services, functions and support, and would result in a material loss of revenue, profit, or franchise value"; or (3) "those operations of a banking organization, including associated services, functions and support, as applicable, the failure or discontinuance of which would pose a threat to the financial stability of the United States." Noting that they "do not expect that a banking organization would typically be able to determine that a notification incident has occurred immediately upon becoming aware of a computer-security incident," the agencies instead "anticipate that a banking organization would take a reasonable amount of time to determine that it has experienced a notification incident" and clarify that only once the organization "has made such a determination would the requirement to report within 36 hours begin." Notably, because the proposed notification requirement is intended to "serve as an early alert to a banking organization's primary

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federal regulator about a notification incident" and not intended to include an assessment of the incident, "no specific information is required for the notice." A firm's notice could be provided through "any form of written or oral communication, including through any technological means," to a "designated point of contact identified by the banking organization's primary federal regulator (*e.g.*, an examiner-in-charge, local supervisory office, or a cyber-incident operations center)." Comments on the proposal will be due 90 days following its publication in the *Federal Register*. Return to Top

The **Fed**, **FDIC**, and **OCC** announced the annual adjustment to the asset-size thresholds used to define "small bank" and "intermediate small bank" under the ***Community Reinvestment Act*** (CRA) regulations as a result of the 1.29% increase in the CPI-W for the period ending in Nov. 2020. In addition, the agencies announced the availability of 2019 small business, small farm, and community development lending data reported by certain commercial banks and savings associations, pursuant to the CRA. Return to Top

Speaking at the Center for American Progress, **Fed** Governor Brainard discussed the implications of ***climate change*** and the "transition to a sustainable economy" for the financial system and ***financial stability***, cautioning that a "lack of clarity about true exposures to specific climate risks for physical and financial assets, coupled with uncertainty about the size and timing of these risks, creates vulnerabilities to abrupt repricing events." Specifically, she reported that the Fed is "improving [its] understanding of climate risks and their impact on financial stability through staff research and engagement with other central banks on topics like ***climate scenario analysis***," which she said is "distinct from established ***regulatory stress tests*** at banks" in part because of the "different nature of climate-related risks relative to financial and economic downturns and the significantly longer planning horizon." Further, she explained that climate scenario analysis "identifies climate-related physical and transition risk factors facing financial firms, formulates appropriate stresses of those risk factors under different scenarios, and measures their effects on individual firms and the financial system as a whole." Although she acknowledged that the "transmission channels through which climate risks affect banks are increasingly apparent," Governor Brainard observed that the "quantification of those risks remains challenging," noting that, to date, "measurement efforts have been hampered by data gaps and methodological hurdles, many of which are unique to climate change and contribute to elevated uncertainty in estimates of climate-related risks." In addition, she stressed that climate change "poses distinct modelling challenges" because (1) the "decades over which climate risks are projected to materialize far exceed a bank's typical risk management and planning time horizon" and (2) "financial risk models are often backward-looking and extrapolate historical trends" and "predicators of future outcomes" with respect to such risks. Accordingly, she concluded that "[n]ew tools and forward-looking approaches will be required" and underscored the importance of, over time, "develop[ing] a framework for evaluating how banks are taking into account climate-related risk in their modelling and management of credit, market, liquidity, and operational risk." Return to Top

The **OCC** issued an interpretive letter (1) outlining how it interprets the "business of banking" requirements and three standards codified in 12 U.S.C. 25b under which federal law

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may preempt a "[s]tate consumer financial law" and (2) summarizing the agency's "framework for compliance with these standards and requirements." Return to Top

The **OCC** issued a proposed rule that would amend the agency's ***suspicious activity report*** (SAR) regulations to permit the OCC to "issue exemptions from the requirements of those regulations" and, therefore, "grant relief to national banks or federal savings associations that develop innovative solutions intended to meet ***Bank Secrecy Act*** requirements more efficiently and effectively." A national bank would be required to submit its request for an exemption to the OCC in writing, and "[i]n reviewing such requests, the OCC would consider whether the exemption is consistent with safe and sound banking, and any other appropriate factors, such as any outstanding supervisory concerns related to BSA/AML, including informal and formal enforcement actions." For "exemption requests from the OCC's SAR regulation that would also require an exemption from **FinCEN**'s SAR regulation, a national bank and federal savings association would need to seek an exemption" from both agencies. Comments on the proposed rule will be due 30 days following its publication in the *Federal Register.* Return to Top

The **OCC** released its quarterly report examining the Q3 2020 ***trading and derivatives activities*** of U.S. commercial banks and federal savings associations and finding that: (1) trading revenue was $9.0 billion ($5.7 billion, or 38.9% less than the previous quarter); (2) although four large banks held 87.3% of the "total banking industry notional amount of derivatives, a total of 1,371 insured U.S. commercial banks and savings associations held derivatives" at the end of Q3 2020; (3) derivative contracts "remained concentrated" in ***interest rate products***, which represented 72.7% of total derivative notional amounts; and (4) the "percentage of centrally cleared derivatives transactions decreased quarter-over-quarter" to 38.9% in Q3 2020. Return to Top

The **OCC** issued its quarterly *Mortgage Metrics Report* presenting data on "first-lien residential ***mortgage loans serviced by seven national banks*** with large mortgage-servicing portfolios" in Q3 2020 and finding that: (1) 92.5% of mortgages included in the report were "current and performing" at the end of the quarter, compared to 96.4% a year earlier; (2) the percentage of "seriously delinquent mortgages" (*i.e.* "mortgages that are 60 or more days past due and all mortgages held by bankrupt borrowers whose payments are 30 or more days past due") was 5.8% in Q3 2020, compared to 6.8% in the prior quarter and 1.5% a year ago; (3) servicers initiated 369 new foreclosures during Q3 2020, a 48.2% increase from the previous quarter and a 98.3% decrease from a year ago; and (4) servicers completed 14,097 mortgage modifications in the quarter, and 40.8% of the modifications "reduced borrowers' monthly payments." Return to Top

FinCEN issued a notice of proposed rulemaking that would require banks and money service businesses (MSBs) to "submit reports, keep records, and verify the identity of customers" in relation to transactions involving ***convertible virtual currency*** (CVC) or ***digital assets*** with legal tender status (legal tender digital assets or LTDA) held in (1) CVC/LTDA wallets not hosted by a financial institution (*i.e.* "***unhosted wallets***") or (2) "wallets hosted in a jurisdiction identified by FinCEN." Specifically, the proposal would

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require banks and MSBs to: (1) file a report with FinCEN "containing certain information related to a customer's CVC or LTDA transaction and counterparty," including name and physical address, and "verify the identity of their customer, if a counterparty to the transaction is using an unhosted or otherwise covered wallet and the transaction is greater than $10,000" (or the transaction is "one of multiple CVC transactions involving such counterparty wallets and the customer flowing through the bank or MSB within a 24-hour period that aggregate to value in or value out of greater than $10,000"); and (2) maintain records of a "customer's CVC or LTDA transaction and counterparty, including verifying the identity of their customer, if a counterparty is using an unhosted or otherwise covered wallet and the transaction is greater than $3,000." Comments on the proposal are due by Jan. 4, 2021. Return to Top

The **CFPB** released a report presenting the findings of its Small Business Review Panel regarding the Bureau's ***small business lending data collection rulemaking*** mandated by ***Section 1071 of the Dodd-Frank Act***. In addition to summarizing the CFPB's proposals under consideration (which were detailed in the Bureau's Sept. 2020 outline), the report details the panel's findings and recommendations relating to, among other topics: (1) the "number and type of small entities likely impacted by the proposals under consideration"; (2) "projected compliance requirements of all aspects of the proposals under consideration"; and (3) "alternatives to the proposals under consideration that may accomplish the stated objectives of the Bureau's rulemaking and that may minimize the economic impact on small entities of the proposals under consideration." Notably, the Bureau finds that the small entity representatives selected to advise the panel: (1) "were generally supportive of the Bureau's statutory mission to enact rules under Section 1071" and stated that such a rulemaking is "necessary to better understand the small business lending market"; and (2) requested that the Bureau, among other measures, "issue implementation and guidance materials specifically to assist small financial institutions in complying with an eventual Section 1071 rule" and "consider providing sample disclosure language." Return to Top

The **CFPB** issued a final rule revising Regulation F, which implements the ***Fair Debt Collection Practices Act***, by: (1) clarifying the "information that a debt collector must provide to a consumer at the outset of debt collection communications" and providing a "model validation notice containing such information"; and (2) addressing "consumer protection concerns" related to "passive collections" (*i.e.* the practice of "furnishing information about a debt to a ***consumer reporting agency*** before communicating with the consumer about the debt") and time-barred debt. Specifically, the final rule requires debt collectors to, among other measures: (1) provide, at the outset of collection communications, "detailed disclosures about the consumer's debt and rights in debt collection, along with information to help consumers respond"; and (2) "take specific steps to disclose the existence of a debt to consumers, orally, in writing, or electronically, before reporting information about the debt to a consumer reporting agency." The final rule, which follows the Bureau's Nov. 2020 final rule "regarding debt collection communications," also prohibits debt collectors from "bringing or threatening to bring a legal action against a consumer to collect a time-barred debt." The final rule will become effective on Nov. 30, 2021. Return to Top

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DOL issued a final exemption for ***investment advice fiduciaries*** from certain

prohibited transaction restrictions of the ***Employee Retirement Income Security Act*** (ERISA) and the Internal Revenue Code of 1986 (the Code) that "align[s] with [the advice] standards of other regulators," including the **SEC**'s ***Regulation Best Interest***. Specifically, the final exemption, which is based on an "existing temporary policy" adopted after the **5th Circuit Court of Appeals** vacated DOL's 2016 ***Fiduciary Rule***, would permit investment advice fiduciaries under both ERISA and the Code to: (1) receive a "wide variety of payments that would otherwise violate the prohibited transaction rules," including "commissions, 12b-1 fees, trailing commissions, sales loads, mark-ups and mark-downs, and revenue sharing payments from investment providers or third parties"; and (2) engage in principal transactions that would otherwise violate the prohibited transaction provisions. The exemption's relief extends to "prohibited transactions arising as a result of investment advice to roll over assets" from an employee benefit plan (Plan) to an individual retirement account or annuity (IRA). The final exemption is available to registered investment advisers, broker-dealers, banks, and insurance companies (Financial Institutions) and their individual employees, agents, and representatives (Investment Professionals) that provide fiduciary investment advice to Plan participants and beneficiaries, IRA owners, and Plan and IRA fiduciaries (Retirement Investors). The exemption is conditioned on the Investment Professional and Financial Institution providing advice in accordance with the "***Impartial Conduct Standards***," which consist of three components: (1) a "best interest standard"; (2) a "reasonable compensation standard"; and (3) a "requirement to make no misleading statements about investment transactions and other relevant matters." The exemption also requires Financial Institutions to, among other measures: (1) "acknowledge in writing their and their Investment Professionals' fiduciary status under Title I and the Code, as applicable, when providing investment advice to the Retirement Investor"; (2) "describe in writing the services to be provided and the Financial Institutions' and Investment Professionals' material conflicts of interest"; and (3) "adopt policies and procedures prudently designed to ensure compliance with the Impartial Conduct Standards and conduct a retrospective review of compliance." Notably, the exemption does not create additional private rights of action for Retirement Investors. In addition, the release implements the 5th Circuit's order vacating the 2016 Fiduciary Rule by reinstating DOL's "interpretation of the five-part test of investment advice fiduciary status" for purposes of the exemption. In adopting the exemption, DOL incorporated a "number of important changes" to its July 2020 proposed exemption. Specifically, in contrast to the proposal, the final exemption: (1) narrows the proposed recordkeeping requirements to "allow only [DOL] and [**Treasury**] to obtain access to a Financial Institution's records as opposed to plan fiduciaries and other Retirement Investors"; (2) revises the disclosure requirements to "include written disclosure to Retirement Investors of the reasons that a rollover recommendation was in their best interest"; (3) modifies the "retrospective review provision" to "provide that certification can be made by any Senior Executive Officer, as defined in the exemption, rather than requiring certification by the chief executive officer (or equivalent officer)" as proposed; and (4) adds a "self-correction provision" under which Financial Institutions will be able to correct certain violations of the exemption. The exemption will become effective 60 days following its publication in the *Federal Register*, allowing the incoming administration to potentially delay its

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effective date. Return to Top

The **SEC** adopted, by a vote of 3 to 2 (Commissioners Lee and Crenshaw dissenting), a final rule and form amendment requiring "***resource extraction issuers***" (and any subsidiary or entity "controlled" by such an issuer) to annually furnish a Form SD that includes information about payments related to the ***commercial development of oil, natural gas, or minerals*** that are made to a foreign government or the U.S. federal government. The final rules are the third time the SEC has attempted to implement ***Section 1504 of the Dodd-Frank Act***, which added ***Section 13(q) to the Exchange Act*** and directed the Commission to issue rules requiring such disclosures, including information on the type and total amount of payments made for each project and to each government. Rules adopted in Aug. 2012 were vacated by the **U.S. District Court for the District of Columbia**. A second set of rules adopted in June 2016 was subsequently disapproved by a joint resolution of **Congress** in Feb. 2017 pursuant to the ***Congressional Review Act***, which bars an agency from issuing a new rule that is "substantially the same" as the disapproved rule or reissuing the same rule in "substantially the same form." The Commission is now adopting, "largely as proposed," its Dec. 2019 re-proposed rules that sought to "achieve an appropriate balance between implementing the statute as required by Congress and addressing the concerns expressed by commenters and members of Congress" about the rules' potential adverse competitive effects. Although "certain elements of the final rules remain unchanged" from the 2016 rules, the final release incorporates several key changes. Most notably, the new rules revise the definition of "project" to require disclosure at the "national and major subnational political jurisdiction, as opposed to the contract-level disclosure as required by the disapproved rule." In addition, the final rules, among other measures: (1) require public disclosure of company-specific, project-level payment information; (2) add two new conditional exemptions for "situations in which a foreign law or a pre-existing contract prohibits the required disclosure"; (3) define "control" to "exclude entities or operations in which an issuer has a proportionate interest"; (4) "limit the liability for the required disclosure by deeming the payment information to be furnished to, but not filed with, the Commission"; and (5) add a conditional exemption for ***smaller reporting companies*** and ***emerging growth companies*** and include "transitional relief for issuers that have recently completed their U.S. initial public offerings." The final rules do not provide an exemption for ***foreign private issuers***, but allow issuers to meet the prescribed requirements, in certain circumstances, by providing disclosures that comply with a foreign jurisdiction's reporting regime if the SEC has determined that the alternative reporting regime requires disclosure that satisfies the "transparency objectives of Section 13(q)," similar to a provision in the 2016 rules. In conjunction with the release, the Commission also issued, by a vote of 3 to 2 (Commissioners Lee and Crenshaw dissenting), an order recognizing the resource extraction payment disclosure requirements of the European Union, the United Kingdom, Norway, and Canada as acceptable alternative reporting regimes. Rule 13(q)(1) will become effective 60 days after publication in the *Federal Register*. Following a two-year transition period, an issuer will be required annually to submit Form SD no later than 270 days following the end of its most recently completed fiscal year. Return to Top

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The **SEC** unanimously voted to adopt new Exchange Act Rule 17Ad-24, which exempts certain activities of ***security-based swap execution facilities*** (SBSEFs) and ***security-based swap dealers*** (SBSDs) from "triggering the requirement also to register as a ***clearing agency***, in line with similar exemptions for broker-dealers and national securities exchanges." Specifically, new Rule 17Ad-24 exempts from the definition of "clearing agency" in Section 3(a)(23) of the Exchange Act certain activities of a registered SBSD, a registered SBSEF, and a person engaging in dealing activity in SBSs that is "eligible for an exception from registration as a security-based swap dealer because the quantity of dealing activity is *de minimis*." The final rule will become effective 60 days following its publication in the *Federal Register*. Return to Top

The **SEC** released two staff reports on ***national recognized statistical rating organizations*** (NRSROs) which: (1) summarize the examinations of each NRSRO conducted by SEC staff; and (2) detail the "state of competition, transparency, and conflicts of interest among the firms." Among other findings, the reports conclude that "most NRSROs": (1) "have continued to refine, as needed, and maintain, as appropriate, their policies, procedures, and controls related to NRSRO rules and the Staff's recommendations from Section 15E examinations"; and (2) generally "continue to improve their compliance monitoring and internal audit functions." Return to Top

SEC Chairman Clayton and Commissioners Peirce, Roisman, Lee, and Crenshaw issued a statement announcing that the Commission's Office of Compliance Inspections and Examinations (OCIE) has been renamed the "***Division of Examinations***" to "better reflect" its "overall role at the Commission" and "important contributions" in "promot[ing] a strong culture of compliance within the financial services industry." Return to Top

The **SEC** announced the establishment of the ***Security-Based Swaps Joint Venture***, a "collaborative venture among several SEC divisions and offices that will be responsible for coordinating functions related to the regulation of security-based swaps (SBS) and oversight of certain entities that will be required to register with the SEC." Return to Top

GAO published a study examining: (1) the "extent to which financial institutions are exposed to ***leveraged lending*** activities"; (2) financial regulators' "assessments of the potential risks to financial stability stemming from ***leveraged lending activities*** before and after the ***COVID-19 shock***"; and (3) the "extent to which **FSOC** has established approaches for identifying, monitoring, and mitigating potential risks to financial stability arising from broad-based market activities such as leveraged lending." Observing that, "[p]rior to the economic shock associated with [COVID-19], demand for leveraged loans had steadily increased," which "shift[ed] the negotiating power in borrowers' favor and result[ed] in weaker investment protections for lenders," GAO notes that "[t]hese developments had raised concerns that an economic downturn could set the stage for increased leveraged loan default rates and that stress in the leveraged loan markets could disrupt other markets." Despite these concerns, GAO concludes that, although "loans suffered record downgrades and increased defaults" following the COVID-19 shock, the "highest-rated CLO securities remained resilient"

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and that "regulators monitoring the effects of the pandemic . . . had not found that leveraged lending presented significant threats to financial stability" as of Sept. 2020. Specifically, the regulators' assessments indicated that: (1) "leveraged lending activities had not contributed significantly to the distress of any large financial entity whose failure could threaten financial stability" and that the leveraged lending exposures of large banks, insurers, and other investors "appeared manageable"; (2) "[m]utual funds experienced redemptions by investors but were able to meet them in part by selling leveraged loan holdings," which "may have put downward pressure on already-distressed loan prices," but "did not pose a potential threat to financial stability"; and (3) "[p]resent-day CLO securities appear to pose less of a risk to financial stability than did similar securities during the 2007–2009 financial crisis." Nevertheless, GAO stresses that, because "FSOC does not conduct tabletop or similar scenario-based exercises," it is "missing an opportunity to enhance preparedness and test members' coordinated response to financial stability risks." Accordingly, GAO recommends that the **Treasury** Secretary, as FSOC Chair, "conduct scenario-based exercises intended to evaluate capabilities for responding to crises." Noting that "FSOC does not generally have clear authority to address broader risks that are not specific to a particular financial entity, such as risks from leveraged lending," GAO also reiterates its 2016 recommendation that **Congress** "consider legislative changes to align FSOC's authorities with its mission," which the agency maintains "would help FSOC respond to risks from activities that involve many regulators, such as leveraged lending." Return to Top

The **Fed** and **Treasury** published a report, pursuant to the ***Economic Growth, Regulatory Relief, and Consumer Protection Act***, detailing the agencies' efforts "with respect to ***global insurance regulatory or supervisory forums***" in 2019 and emphasizing that they will "continue to advocate for insurance regulatory and supervisory standards that are appropriate for the United States and . . . report to **Congress** on their efforts." The report notes that, "[i]n their international engagement on insurance issues, Treasury and the [Fed] work to promote the interests of U.S. consumers and the well-being of U.S. insurance markets," including by "coordinat[ing] closely with each other and with the other members" of the U.S. delegation to the **IAIS** (Team USA). Specifically, the report highlights that Team USA members participate in (1) the ***International Capital Standard*** (ICS) and Comparability Task Force, which "provides strategic steering on the further improvement of the ICS and oversight of the comparability assessment" and will "determine whether the [***aggregation method***] can be recognized as an alternative implementation of the ICS," (2) the Policy Development Committee, and (3) "the subcommittees involved in ICS development, monitoring, and the data collection exercises." Return to Top

FHFA issued a proposed rule that would establish four quantitative ***liquidity requirements*** for **Fannie Mae** and **Freddie Mac** (the Enterprises) that "address the short, intermediate and long-term liquidity needs of the Enterprises." In addition to requiring daily reporting to FHFA of the "Enterprises' liquidity positions and other information, as well as monthly disclosures to the public," the proposed rule would establish two "cash-flow based requirements," (1) a short term (30-day) requirement "substantially similar" to the U.S. banking regulator's ***liquidity coverage ratio*** and (2)

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an intermediate-term (365-day) liquidity requirement designed to "promote intermediate-term management of liquidity risks and to encourage an appropriate amount of longer-term funding to reduce debt rollover risks." The 30-day condition would require the Enterprises to "maintain a liquidity portfolio" consisting of ***high quality liquid assets*** (HQLA) large enough to cover the sum of: (1) the "highest cumulative daily net cash outflows over 30 calendar days under certain specified stressed market assumptions"; and (2) an excess requirement in the amount of $10 billion. The 365-day requirement is "substantially similar to the 30-day requirement and based on similar stressed assumptions, except that certain stressed assumptions last 365 days." Under this requirement, the Enterprises would be required to maintain a "portfolio of [HQLAs], together with mortgage-backed securities (MBS) eligible to be pledged as collateral to the Fixed Income Clearing Corporation (FICC) (subject to a haircut), large enough to cover the worst daily cumulative net cash outflow over 365 calendar days under those stress assumptions" (FHFA does not propose to include an excess requirement in connection with the 365-day requirement). The proposal would also impose two long-term liquidity and funding standards under which the Enterprises would be required to maintain ratios of: (1) "long-term unsecured debt to less-liquid assets" exceeding 120%; and (2) the "spread duration of unsecured debt to the spread duration of retained portfolio assets" exceeding 60%. Because the Enterprises do not have access to the **Fed**'s Discount Window or a "stable customer deposit base," FHFA proposes to define HQLAs as: (1) cash held in a Fed account; (2) U.S. **Treasury** securities; (3) short-term secured loans through U.S. Treasury repurchase agreements that clear through the FICC or are offered by the **Federal Reserve Bank of New York**; and (4) a "limited amount of unsecured overnight deposits with eligible U.S. banks." Finally, the proposal would establish a supervisory framework to address Enterprise liquidity shortfalls and "non-compliance with the minimum liquidity requirements when an Enterprise's 30-day liquidity coverage metric falls below the $10 billion excess requirement or any of the other three liquidity and funding requirements." The proposed rule, once finalized, would be effective as of Sept. 2021. Comments on the proposal will be due 60 days following its publication in the *Federal Register*. _Return to Top

WHITE HOUSE

President Trump signed S. 945 (the "***Holding Foreign Companies Accountable Act***"), legislation that prohibits the "securities of a company from being listed on any of the U.S. securities exchanges if the company has failed to comply with the **Public Company Accounting Oversight Board**'s (PCAOB) audits for three years in a row." Following the President's action, **SEC** Chairman Clayton issued a statement noting that, prior to the Act's enactment, Commission "staff were finalizing recommendations for proposed rules regarding enhanced listing standards for U.S. securities exchanges and auditor qualifications for the Commission's consideration." Due to the "substantial overlap between the staff's proposal and the Act," he has "directed the staff to consider providing a single consolidated proposal for the Commission's consideration on issues related to the PCAOB's access to audit work papers, exchange listing standards, and trading prohibitions." Further, he has asked the staff to "consider

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additional issues relating to the Act's implementation," including "how the Act's disclosure requirements can be implemented expeditiously and how any actual or perceived uncertainty can be addressed in a manner consistent with congressional intent as well as investor protection and the fair and orderly operation of our markets."
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INTERNATIONAL

The **FSB** published the results of its tenth annual exercise to "assess global trends and risks in ***non-bank financial intermediation***" (NBFI), with a particular focus on "those parts of NBFI that may pose bank-like financial stability risks and/or involve regulatory arbitrage" (the so-called narrow measure of NBFI). Among other conclusions, the report finds that, as of end-2019: (1) the "narrow measure" of NBFI was $57.1 trillion in 2019, an annual increase of 11.1% and equivalent to 14.2% of total global financial assets; (2) ***collective investment vehicles*** with "features that make them susceptible to runs" grew by 13.5%, accounting for 72.9% of the narrow measure; (3) securitization-based credit intermediation increased by 2.5% to represent 8.4% of the narrow measure, as "increases in assets of [structured finance vehicles], which include [collateralized loan obligations], offset a decrease in assets of Chinese trust companies"; (4) intermediation of market activities dependent on short-term funding grew by 5.4%, representing 8.2% of the narrow measure; and (5) loan provision that is "typically dependent on short-term funding" grew by 6.1% in 2019, accounting for 6.8% of the narrow measure. Although the report is "based on end-2019 data and therefore predates the COVID-19 pandemic," it also includes two case studies analyzing the "impact of the COVID-19 shock on the NBFI sector in general and on ***money market funds*** specifically." Return to Top

The **IAIS** published its 2020 Global Insurance Market Report discussing the impact of COVID-19 on the "***global insurance sector*** from a supervisory perspective" and finding that, "despite the considerable volatility in financial markets during the first half of the year, the global insurance sector has remained both financially and operationally resilient, aided by supervisory measures providing operational relief and by monetary and fiscal support measures in financial markets in certain regions." Specifically, the report observes that: (1) the "most significant prudential impact on the insurance sector was on solvency and profitability, primarily through losses on the asset side," but that "solvency ratios generally remained well above jurisdictional requirements"; (2) with regard to liability, the "results vary greatly, depending on the business model"; and (3) the impact on liquidity "has been limited, raising no immediate concern on the sector's ability to fulfill obligations at this point." The IAIS cautions, however, that "[v]ulnerabilities remain" given "uncertainties about the duration and impact" of the pandemic, including the "potential for decreasing credit quality of insurers' fixed-income portfolios and the impact of the deepened low yield environment," and notes that it "will continue to actively monitor and assess how the insurance sector is affected." Return to Top

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THE WEEK AHEAD

Capitol Hill:

The **House** and **Senate** are scheduled to be in session.

Agencies:

The **SEC** will hold an open meeting to consider whether to: (1) authorize the execution of a Memorandum of Understanding and related documents with the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) concerning "consultation, cooperation and the exchange of information related to the supervision and oversight of certain cross-border over-the-counter derivatives entities in connection with the use of substituted compliance by such entities"; (2) issue an order, pursuant to Exchange Act Rule 3a71-6, granting "conditional substituted compliance in connection with certain Exchange Act requirements related to risk control (but not including nonbank capital and margin requirements), internal supervision and compliance, counterparty protection, and books and records, in response to an application by BaFin"; (3) issue a notice, pursuant to Exchange Act Rule 0-13, seeking public comment on an "application made by a foreign financial regulatory authority, pursuant to Exchange Act Rule 3a71-6, for a substituted compliance determination, and on a proposed order providing for the conditional availability of substituted compliance in connection with the application"; and (4) approve a proposed rule change by New York Stock Exchange LLC to amend "Chapter One of the Listed Company Manual to modify the provisions relating to direct listings." **(Dec. 21)**

Comment Deadlines:

None.

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COMINGS AND GOINGS

The **SEC** announced that Division of Trading and Markets Director Redfearn "will conclude his tenure as Director by the end of the year after leading the Division for over three years." Upon Mr. Redfearn's departure, Christian Sabella, currently a deputy director of the Division, will assume the role of Acting Director.

The **CFTC** announced that Jaime L. Klima, the Commission's Chief of Staff and Chief Operating Officer, will depart the agency next month.

The **Fed** announced: (1) five new members of its Community Advisory Council; and (2) the members of its Community Depository Institutions Advisory Council and the president of the Council for 2021.

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RECENTLY-INTRODUCED LEGISLATION

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S. 5032 (a bill to "amend title 28, United States Code, to modify venue requirements

relating to bankruptcy proceedings"), introduced by Sen. Cornyn (R-TX) on Dec. 16, 2020. STATUS: Referred to the **Senate Judiciary Committee**.

H.R. 8952 (a bill to "amend the Commodity Exchange Act to modify the **Commodity Futures Trading Commission** Customer Protection Fund"), introduced by Rep. Axne (D-IA) on Dec. 14, 2020. STATUS: Referred to the **House Agriculture Committee**.

H.R. 8982 (a bill to "amend the Federal Reserve Act to require the **Federal Open Market Committee** to establish interest rates on balances maintained at a **Federal Reserve Bank** by depository institutions"), introduced by Rep. Hill (R-AR) on Dec. 16, 2020. STATUS: Referred to the **House Financial Services Committee**.

H.R. 8983 (a bill to "amend the Sarbanes-Oxley Act of 2002 to exclude the audits of privately held, non-custody brokers and dealers that are in good standing from certain requirements under title I of that Act"), introduced by Rep. Hill (R-AR) on Dec. 16, 2020. STATUS: Referred to the **House Financial Services Committee**.

H.R. 8984 (a bill to "ensure that the operations of the Board of Governors of the **Federal Reserve System** remain independent from the credit policy of the United States"), introduced by Rep. Hill (R-AR) on Dec. 16, 2020. STATUS: Referred to the **House Financial Services Committee**.

H.R. 8985 (a bill to "amend the Internal Revenue Code of 1986 to make an exception to the 100 shareholder S corporation limitation in the case of shareholders whose shares were acquired through certain crowd-funding or small public offerings"), introduced by Rep. Hill (R-AR) on Dec. 16, 2020. STATUS: Referred to the **House Ways and Means Committee**.

H.R. 8989 (a bill to "require the **Securities and Exchange Commission** to conduct a study on the feasibility, benefits, and costs of using a distributed ledger system in the post-trade clearing and settlement process"), introduced by Rep. Lynch (D-MA) on Dec. 16, 2020. STATUS: Referred to the **House Financial Services Committee**.

H.R. 8990 (a bill to "amend the Employee Retirement Income Security Act of 1974 to permit default investment arrangements in annuities"), introduced by Rep. Norcross (D-NJ) on Dec. 16, 2020. STATUS: Referred to the **House Education and Labor Committee**.

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RECENT S&C PUBLICATIONS

COVID-19 Vaccine Policies – What Employers Should Know: U.S. Legal Considerations Regarding Implementing a COVID-19 Vaccine Policy, Including the EEOC's Recent Guidance [PUBLISHED: Dec. 18, 2020]

Anti-Money Laundering Act of 2020: New Legislation to Implement Comprehensive Modernization and Reform of the US AML/CFT Regime [PUBLISHED: Dec. 17, 2020]

COVID-19 Pandemic—California's OSHA Adopts Temporary, Emergency COVID-19

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Regulations [UPDATED: Dec. 17, 2020]

CFTC Electronic Trading Rules: CFTC Adopts Final Rule on Electronic Trading Risk Principles [PUBLISHED: Dec. 16, 2020]

Nasdaq Proposes Board Diversity Requirements: Proposed Rule Would Require Companies to Maintain at Least Two Diverse Directors or Explain Why They Do Not Meet That Standard [PUBLISHED: Dec. 14, 2020]

SEC Adopts New Rule to Modernize Fund Valuation Framework [PUBLISHED: Dec. 14, 2020]

Court Rules That College Admission Slots Are Not "Property" Under the Federal Mail and Wire Fraud Statutes: Massachusetts District Court Interprets Wire Fraud Statute More Narrowly Following Supreme Court's *Kelly* Decision [PUBLISHED: Dec. 8, 2020]

Delaware Court Issues Important COVID-Related M&A Opinion [PUBLISHED: Dec. 4, 2020]

SEC Proposes to Extend Participation in Compensatory Offerings to "Platform Workers" Under Rule 701 and Form S-8 [PUBLISHED: Dec. 3, 2020]

Renewables Update—Key Considerations for Renewables Transactions [PUBLISHED: Dec. 3, 2020]

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To: Woodall III, Samuel R.[WoodallS@sullcrom.com]
From: Woodall III, Samuel R.[WoodallS@sullcrom.com]
Sent: Sun 10/11/2020 12:49:47 PM (UTC)
Subject: [EXTERNAL] S&C Financial Services Digest

Please find below your Sunday morning edition of this week's ***S&C Financial Services Digest***.

Sam

View as a Web Page

October 10, 2020

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Simplified forgiveness process for small PPP loans

New PPP FAQ

Fed Chair on economic outlook

Fed rpt on emergency lending facilities

SEC staff rpt on interconnections in U.S. credit mkts

Sen. Warren lttrs on stress tests, "sensitivity analyses"

AGENCIES

Prepared in our Washington, D.C. office, S&C Financial Services Digest is a weekly summary of key regulatory, legislative, and legal developments affecting the financial services industry.

Our Coronavirus Resource Page is continuously updated with the latest legal analysis, memos, and podcasts related to COVID-19.

CORONAVIRUS RESPONSE

The **SBA**, in consultation with **Treasury**, released a "simpler" ***Paycheck Protection Program*** (PPP) loan forgiveness application (SBA Form 3508S) and related instructions for loans of $50,000 or less that "requires fewer calculations and less documentation for eligible borrowers" than the full-length or "EZ" forgiveness applications (SBA Form 3508 and SBA Form 3508EZ). Eligible borrowers using SBA Form 3508S are: (1) "exempt from reductions in loan forgiveness amounts based on reductions in full-time equivalent . . . employees or in salaries or wages"; and (2) not required to "show the calculations used to determine their loan forgiveness amount." However, the SBA "may request information and documents to review those calculations as part of its loan review process." A borrower that, together with its affiliates, received PPP loans totaling $2 million or more may not utilize the new form. The agencies note that SBA Form 3508S is intended to "strike[] an appropriate balance between the need for simplification in the forgiveness process with the responsibility to protect the integrity of the program and safeguard taxpayer funds." In conjunction with the release of the simplified forgiveness application,

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CFPB policy statement on early consent order termination

CFPB rpt on college credit card agreements

SEC adopts rule, amendments on "fund of funds" arrangements

SEC proposes "finders" registration exemption

New Form CRS FAQs

SEC Chairman on FY 2020 enforcement/ rulemaking activities, etc.

CFTC final amendments to Form CPO-PQR

ISDA announces launch of IBOR Fallbacks Supplement, Protocol

CIP Rule exemption for insurance premium finance loans

DOJ cryptocurrency "enforcement framework"

Treasury RFI on FIO study of IAIS' ICS

Deputy Treasury Secretary on cryptocurrency, sanctions, etc.

CAPITOL HILL

Bipartisan Senate ltr on taxpayer GSE ownership interest

the SBA and Treasury issued an interim final rule (IFR) revising previously-issued IFRs governing loan forgiveness and review procedures and providing additional guidance on: (1) "lender responsibilities with respect to the review of borrower documentation of eligible costs for forgiveness in excess of a borrower's PPP loan amount" for loans of all sizes; and (2) the forgiveness and loan review processes for PPP loans of $50,000 or less. The IFR clarifies that, whether a borrower submits SBA Form 3508, 3508EZ, 3508S, or a lender's equivalent form, a lender "should confirm receipt of the documentation the borrower is required to submit to aid in verifying payroll and nonpayroll costs, and, if applicable (for SBA Form 3508, 3508EZ, or lender's equivalent form), confirm the borrower's calculations" on the borrower's loan forgiveness application, "up to the amount required to reach the requested [f]orgiveness [a]mount." Comments on the IFR will be due 30 days following its publication in the *Federal Register*. In addition, the SBA announced that it "began approving PPP forgiveness applications and remitting forgiveness payments to PPP lenders" on Oct. 2, 2020 and "will continue to process all PPP forgiveness applications in an expeditious manner." Return to Top

The **SBA**, in consultation with **Treasury**, issued a new ***PPP*** FAQ clarifying that: (1) the extension of the deferral period for borrower payments of principal, interest, and fees provided by the PPP Flexibility Act of 2020 "automatically applies to all PPP loans"; (2) lenders are required to "give immediate effect to the statutory extension and should notify borrowers of the change to the deferral period" and that the SBA "does not require a formal modification to the promissory note"; and (3) a modification of a promissory note to "reflect the required statutory deferral period under the Flexibility Act will have no effect on the SBA's guarantee of a PPP loan." Return to Top

Speaking at the National Association for Business Economics Virtual Annual Meeting, **Fed** Chair Powell provided an "assessment of the response to the economic fallout" of the ***COVID-19 pandemic***, concluding that "fiscal and monetary policy actions have so far supported a strong but incomplete recovery in demand and have for now substantially muted the normal recessionary dynamics that occur in a downturn." Observing that the "recovery has progressed more quickly than generally expected," Chair Powell cautioned that there is a "risk that the rapid initial gains from reopening may transition to a longer than expected slog back to full recovery as some segments struggle with the pandemic's continued fallout." Specifically, he argued that the "risks of policy intervention are still asymmetric" and warned that "[t]oo little support would lead to a weak recovery, creating unnecessary hardship for households and businesses." He stressed, moreover, that the "risks of overdoing it seem, for now, to be smaller," arguing that, "[e]ven if

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Rep. Womack appointed House Approps FSGGS Ranking Member

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BIS rpt on central bank digital currencies

FSB rpt on use of RegTech. SupTech

FSB, IMF progress rpt on G20 data initiative

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policy actions ultimately prove to be greater than needed, they will not go to waste" and emphasizing that the "recovery will be stronger and move faster if monetary policy and fiscal policy continue to work side by side to provide support to the economy until it is clearly out of the woods." In addition, Chair Powell warned that a "prolonged slowing in the pace of improvement over time could trigger typical recessionary dynamics" and that a "long period of unnecessarily slow progress could continue to exacerbate existing disparities in our economy," which he said "would be tragic, especially in light of our country's progress on these issues in the years leading up to the pandemic." _Return to Top

The **Fed** submitted a report to **Congress** on the **Primary Dealer Credit Facility** (PDCF), the **Commercial Paper Funding Facility** (CPFF), the **Money Market Mutual Fund Liquidity Facility** (MMLF), the **Primary Market Corporate Credit Facility** (PMCCF), the **Secondary Market Corporate Credit Facility** (SMCCF), the **Term Asset-Backed Securities Loan Facility** (TALF), the **Municipal Liquidity Facility** (MLF), the **PPP Liquidity Facility** (PPPLF), and the **Main Street Lending Program** (MSLP). Among other metrics, the report notes that, as of Sept. 30, 2020: (1) the total outstanding amount of **Federal Reserve Bank of New York** (FRBNY) loans under the PDCF was $233,000,000 (down from $243,000,000 on Aug. 31); (2) the outstanding amount of FRBNY loans to the CPFF's special purpose vehicle (SPV) was S29,909,533 (unchanged from Aug. 31); (3) the total outstanding amount of **Federal Reserve Bank of Boston** (FRBB) loans under the MMLF was $7,131,905,624 (down from $9,708,856,450 on Aug. 31); (4) the total outstanding amount of FRBNY loans under the PMCCF and SMCCF was S12,874,501,572 (up from S12,470,176,517 on Aug. 31), with all loans extended under the SMCCF; (5) the total outstanding amount of FRBNY loans to the TALF's SPV was $3,206,645,041 (up from $2,639,177,058 on Aug. 31); (6) the total outstanding amount of FRBNY loans to the MLF's SPV was S1,650,720,000 (unchanged from Aug. 31); (7) the total outstanding amount of all advances under the PPPLF was $67,573,003,014 (down from $68,205,588,517 on Aug. 31); and (8) the total outstanding amount of FRBB loans to the MSLP's SPV was $2,195,078,482 (up from $1,072,475,936 on Aug. 31). In addition, the Fed published transaction-specific disclosures for the MSLP, SMCCF, TALF, MLF, and PPPLF. _Return to Top

The **SEC** published a staff report examining the "interconnections among the various U.S. credit markets" and analyzing the "extent to which [they] contributed to or mitigated risk, including systemic risk, during the recent period of market stress during and following the COVID-19 global economic shock of March 2020." Specifically, the report: (1) "identifies approximately $54 trillion of credit issued and outstanding

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in the U.S. financial system at the end of 2019" and "broadly traces the flow of approximately $52 trillion of that credit through various intermediaries and prior holders to the ultimate holders of the credit at that time"; and (2) examines "interconnections across six key U.S. credit markets," which account for more than $40 trillion in outstanding credit. Among other observations, the report concludes that: (1) ***banks and the banking system*** "have been resilient to the COVID-19 shock to date notwithstanding their exposure to several trillions of dollars of residential and commercial mortgages and leveraged loans to corporations"; (2) the "combination of the [**Fed**'s] intervention and the **CARES Act** . . . was extremely important in stabilizing prices" and "sustaining economic activity," which, "in turn[,] added stability to the credit markets"; and (3) the ability of ***intermediaries***, such as market makers, to "absorb significant, rapid shifts in investor sentiment (*e.g.*, a 'dash for cash') is limited in absolute terms and may become more limited as spreads widen and volatility increases during periods of stress and uncertainty." Notably, the report suggests that "[o]ne area worthy of greater focus is the relationships among, and the varying stresses in, the ***cash, futures, and repo markets in U.S. Treasuries*** in March 2020," observing that, as the U.S. Treasury market "came under stress, and as short-term repo liquidity deteriorated and pricing increased, the economics of [hedge funds'] ***cash-futures basis trades*** worsened and trades were unwound," which "resulted in more outright sales of U.S. Treasuries [and] add[ed] further stress," including "constraints on continued dealer intermediation due to volume and pricing dynamics." Noting that "dealers had already expanded their Treasury inventories in response to the general shift to liquidity," the report finds that dealers' "ability to conduct additional market-making activities in response to the unwinding of these trades was constrained." The SEC stresses that the report "should not be viewed as making or endorsing any particular policy recommendation" and notes that, instead, it is intended to "inform and assist in the framing of policy discussions by providing an evidentiary understanding . . . of the U.S. credit-based financial system and certain of the observed market stresses in the system." In conjunction with the report's release, the SEC announced that it will hold a roundtable on Oct. 14 to "discuss the interconnections within our capital markets and the impact of the COVID-19 economic shock." Return to Top

Senator Warren (D-MA) sent letters to the 14 largest firms subject to the **Fed**'s ***2020 stress tests*** raising concerns that the results of the June 2020 "***sensitivity analyses***" do not "contain the transparency needed to provide the American people with confidence that [the] financial system will continue to function during this ongoing and unprecedented pandemic" and requesting that each firm "provide

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additional information about [its] preparedness for the continued economic fallout from COVID-19." Although she describes the Fed's decision to publicly release the results of its forthcoming round of stress tests "on a bank-level basis" by the end of the year as "a welcome step," Sen. Warren expresses concern that the Fed is "making decisions today based on the information from the first round of stress tests" and argues that "families and businesses should not have to wait for up to three additional months for basic transparency about our banking system." Accordingly, she asks whether the "results of the Fed's COVID-19 first round of sensitivity analyses [were] provided to [each] institution" and, if so, requests "copies of all results." Further, she requests information on, among other topics: (1) whether each firm has "received any communications from the Fed regarding the findings of the current round of sensitivity analyses"; (2) the "economic scenarios [the firms] have . . . accounted for in [their] internal capital planning models since March 1, 2020," including the "values of individual macroeconomic variables used in these scenarios"; and (3) the impact of such economic scenarios on the firms' capital levels, including their ***common equity tier 1 capital ratios***. Return to Top

AGENCIES

The **CFPB** issued a policy statement establishing a process by which an entity subject to an ***administrative consent order*** (Consent Order) "may apply for early termination" of the typical five-year term of CFPB Consent Orders, and outlining the "standards that the Bureau intends to use when evaluating applications." Acknowledging that "there may be exceptional circumstances when early termination of a Consent Order against an entity is appropriate and can be accomplished in a manner that minimizes the risk of new violations of law or harm to consumers," the Bureau's policy statement is designed to "facilitate such early terminations" and "provide[] entities with an incentive to fully and promptly comply with Bureau Consent Orders." In particular, the Bureau intends in its discretion to grant applications for early termination of Consent Orders if it determines that an entity meets certain threshold eligibility criteria (detailed below) and has: (1) "complied with the terms and conditions of the Consent Order"; and (2) a "satisfactory" compliance position in the "institutional product line . . . or compliance area (*e.g.*, fair lending) for which the Order was issued." Under the policy statement, the Bureau will only consider applications from entities, not natural persons. Court orders are excluded from the policy. Entities may apply for early termination after the later of at least six months after all compliance and redress plans have been fully implemented, or a year after the Consent Order is

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entered. Further, entities are not eligible for early termination when (1) the Consent Order "imposes a ban on participating in a certain industry," (2) the Consent Order "involves violations of an earlier Bureau Order," or (3) "there has been . . . criminal action related to the violations found in the Consent Order." Upon an entity's application, the Bureau intends to, "[i]f it has not already done so, . . . expeditiously review the entity's compliance with the Consent Order and conduct follow-up work as needed to determine the entity's compliance" and generally "complete this compliance review within six months of receiving an application that the Bureau determines is complete." In addition, the policy statement emphasizes that, while Bureau staff will "review applications and make recommendations to the Director," the "sole authority to terminate a Consent Order remains with the Bureau's Director and the termination decision is at their discretion." The policy statement became applicable on Oct. 8, 2020. Return to Top

The **CFPB** released a report on "agreements between credit card issuers and institutions of higher education or certain organizations affiliated with such institutions in connection with the issuance of ***credit cards***" and finding that: (1) in 2019, the "number of [such] agreements and open accounts pursuant to agreements continues to contract," a trend that "appears poised to continue into 2020"; and (2) agreements with "alumni associations continue to represent the large majority of agreements, accounts, and payments by issuers." Return to Top

The **SEC** unanimously voted to adopt new Investment Company Act rule 12d1-4 and related amendments intended to "streamline and enhance" the regulatory framework for "***fund of funds***" arrangements by allowing a fund, subject to certain conditions, to acquire the shares of another fund in excess of the limits prescribed in section 12(d)(1) of the Investment Company Act without obtaining an individual exemptive order. The final rule was adopted nearly two years after it was originally proposed and includes "several modifications designed to increase the workability of the rule's requirements, while enhancing protections for investors in fund of funds arrangements." Notably, in a departure from the proposal, the Commission did not adopt the proposed redemption limits that would have prohibited an acquiring fund that acquires more than 3% of an acquired fund's outstanding shares from redeeming more than 3% of the acquired fund's total outstanding shares in any 30-day period. As proposed, the final rule will not permit private funds and unregistered investment companies, such as foreign funds, to rely on the rule as acquiring funds. The SEC also declined to act on commenters' requests that it address the disclosure of acquired fund fees and expenses in its rulemaking, noting that it is considering modifications to the disclosure regime for such expenses as part of its separate Investor Experience Proposal.

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Although rule 12d1-4 "contains elements" from the Commission's current exemptive orders allowing fund of funds arrangements, it is "tailored to enhance investor protections while providing funds with flexibility to meet their investment objectives in an efficient manner." For a fund to rely on rule 12d1-4, it must comply with certain conditions designed to "limit the acquiring funds' undue influence over the acquired funds, limit duplicative fees for acquiring fund investors, limit the creation of complex fund structures, and ultimately encourage effective oversight of fund of funds structures." Specifically, rule 12d1-4: (1) prohibits an acquiring fund from controlling an acquired fund (except in limited circumstances); (2) requires an acquiring fund and its "advisory group" to use "mirror voting" if it holds more than 25% of an acquired open-end fund or unit investment trust (UIT) "due to a decrease in the outstanding securities of the acquired fund" and if it holds more than 10% of a closed-end fund, "with the ability to use pass-through voting when acquiring funds are the only shareholders of an acquired fund"; and (3) generally bars funds from creating three-tier fund of funds structures. In response to concerns raised by commenters relating to investments to equitize cash and the use of central funds, the final rule permits an acquired fund to invest up to 10% of its assets in other funds (including private funds) without restriction. In lieu of adopting the proposed redemption limits, while still "address[ing] concerns that an acquiring fund could exert undue influence over an acquired fund or charge duplicative fees and expenses," rule 12d1-4 requires that: (1) "certain evaluations and findings be made before the acquiring fund invests in an acquired fund," which "differ depending upon whether a fund is the acquiring or acquired fund and whether it is a management company, [UIT], or a separate account funding variable insurance contracts"; and (2) funds that do not share the same investment adviser "enter into a fund of funds investment agreement memorializing the terms of the arrangement." In connection with the adoption of new rule 12d1-4, the Commission is also rescinding: (1) rule 12d1-2, which allows funds that "primarily invest in funds within the same fund group to invest in unaffiliated funds and non-fund assets"; and (2) certain exemptive orders permitting fund of funds arrangements. The SEC also adopted proposed amendments to rule 12d1-1 to allow funds that primarily invest in funds within the same fund group to continue to invest in unaffiliated money market funds. In addition, with respect to reporting requirements, the SEC is amending Form N-CEN to require funds to report "whether they relied on rule 12d1-4 or the statutory exception in section 12(d)(1)(G) of the Investment Company Act during the applicable reporting period." The final rule will become effective 60 days following its publication in the *Federal Register*. However, to "facilitate a transition period," the compliance date for the amendments to Form N-CEN will be 425 days after publication. The rescission of rule 12d1-2 and the SEC's

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exemptive orders will be effective one year from the effective date of the rule. Return to Top

The **SEC** issued, by a vote 3 to 2 (Commissioners Lee and Crenshaw dissenting), a proposed exemptive order that would grant a conditional exemption from the ***broker registration requirements*** of Section 15(a) of the Exchange Act for natural persons who "assist issuers with raising capital in private markets from accredited investors" (so-called "***Finders***"). Citing concerns that "regulatory uncertainty associated with playing even a limited role in a capital raise" may have resulted in individuals "potentially . . . engaging in unregistered brokerage activity, or alternatively, not serving the market," the proposed exemption would "provide clarity to investors and issuers" and "establish clear lanes for both registered broker activity and limited activity by [F]inders that would be exempt from registration." Specifically, the Commission is proposing to exempt two "classes" of Finders, "Tier I Finders" and "Tier II Finders," based on the types of activities in which they would be permitted to engage and "with conditions tailored to the scope of their activities." Under the proposed order, a Tier I Finder would be limited to providing contact information of potential investors in connection with only one capital raising transaction within a 12 month period and "could not have any contact with a potential investor about the issuer." A Tier II Finder would be permitted to engage in "solicitation-related activities on behalf of an issuer" that are limited to: (1) "identifying, screening, and contacting" potential investors; (2) distributing issuer offering materials to investors; (3) discussing issuer information included in any offering materials, "provided that the Tier II Finder does not provide advice as to the valuation or advisability of the investment"; and (4) "arranging or participating in meetings with the issuer and investor." The proposed exemption for both Tier I and Tier II Finders would be available only where: (1) the issuer is not required to file reports under Section 13 or Section 15(d) of the Exchange Act; (2) the issuer is seeking to conduct the securities offering in reliance on an applicable exemption from registration under the Securities Act; (3) the Finder does not engage in general solicitation; (4) the potential investor is an "***accredited investor***" as defined in Rule 501 of Regulation D or the Finder "has a reasonable belief" that the potential investor is an "accredited investor"; (5) the Finder provides services under a written agreement with the issuer that "includes a description of the services provided and associated compensation"; (6) the Finder is not an "associated person" of a broker-dealer; and (7) the Finder is not subject to a statutory disqualification, as defined in Section 3(a)(39) of the Exchange Act, at the time of their participation. Further, Tier I and Tier II Finders would not be permitted to, among other measures: (1) "be involved in structuring the transaction or negotiating the terms of

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the offering"; (2) "perform any independent analysis of the sale"; or (3) engage in any "due diligence" activities. Due to the potential ability of Tier II Finders to "participate in a wider range of activity" and "engage in more offerings with issuers and investors," the Commission is also proposing "heightened requirements" for Tier II Finders including a requirement to provide "appropriate disclosures of the Tier II Finder's role and compensation" prior to or at the time of the solicitation, receipt of a written acknowledgment from the investor of the required disclosures prior to or at the time of any investment, and other conditions. Comments on the proposed exemptive order will be due 30 days following its publication in the ***Federal Register***. Return to Top

The staff of the **SEC**'s Divisions of Investment Management and Trading and Markets published new FAQs on Item 4 of **Form CRS**, which presents information on whether or not a firm or its financial professionals have a reportable ***disciplinary history***. Chairman Clayton, Investment Management Division Director Blass, and Trading and Markets Division Director Redfearn also issued a joint statement highlighting the updated staff FAQs and stressing that the Commission "remain[s] committed to providing feedback and assistance so that firms can produce relationship summaries that meet the Commission's goals of reducing retail investor confusion in the marketplace for brokerage and investment advisory services and otherwise enhancing the quality and transparency of retail investors' relationships with their financial professionals." Return to Top

Addressing the annual "**SEC** Speaks" program, Chairman Clayton discussed the Commission's FY 2020 operations and activities, reporting that, although the ***COVID-19 pandemic*** "significantly impacted *how* [the Commission] do[es] [its] work, it did not negatively impact the work itself" and that the "planned oversight, examination, rulemaking, and enforcement work continued with vigor, rigor and transparency." In addition to presenting statistics on the SEC's enforcement, oversight, and rulemaking activity, he highlighted the Commission's "external engagement with domestic and international regulatory partners focusing on market and systemic risks," including the **FSOC** and the **President's Working Group on Financial Markets** (PWG). In particular, he commented that the PWG has "worked collaboratively during this time of market stress, both in connection with regulatory responses to COVID-19, as well as in formulating a series of recommendations focused on the risks of ***investing in emerging markets***, including China." Noting that the PWG has recommended, among other measures, the establishment of "***enhanced listing standards at U.S. exchanges*** that would require as a condition to initial and continued exchange listing, sufficient **PCAOB** access to audit workpapers," Chairman Clayton reported that he has "directed Commission staff to actively consider the PWG recommendations,"

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which are intended to "strengthen protections for investors and promote the integrity of our capital markets" by: (1) "leveling the playing field for all companies listed on U.S exchanges"; and (2) "improving disclosure regarding, and consideration by fiduciaries and other market professionals of, the risks of investing in emerging markets, including China." _Return to Top

The **CFTC** unanimously approved amendments to Commission Regulation 4.27 and ***Form CPO-PQR***, which govern and implement the collection of data from certain ***commodity pool operators*** (CPOs). The final rule, among other measures: (1) amends the information in existing Schedule A of Form CPO-PQR to (i) solicit ***Legal Entity Identifiers*** (LEIs) for CPOs and their operated pools that have them and (ii) eliminate "questions regarding pool auditors and marketers"; (2) removes the "pool-specific reporting requirements in existing Schedules B and C of Form CPO-PQR," other than the pool schedule of investments (*i.e.* question 6 of Schedule B); and (3) implements certain conforming changes due to the rescission of Schedules B and C, including the "elimination of all existing reporting thresholds." Under the final rule, CPOs are permitted to file the **National Futures Association**'s Form PQR instead of the revised Form CPO-PQR; however, as proposed, the Commission eliminated the "ability of dually registered CPO-investment advisers filing . . . ***Form PF*** to file such form in lieu of the [r]evised [f]orm." The Commission adopted its May 2020 proposal "largely as proposed," with certain modifications in response to public comment, which include revising Form CPO-PQR's Instruction 3 to "remove all references" to ***parallel managed accounts*** and ***parallel pools*** to "focus[] solely on reporting information concerning pools in a ***Master-Feeder Arrangement***." The final rule will become effective 30 days following its publication in the *Federal Register*, although reporting CPOs will not be required to file the revised form with respect to their operated pools until Q1 2021 (the filing deadline for that reporting period is 60 days after the quarter-end, or May 30, 2021). In addition, CFTC Chairman Tarbert and **Office of Financial Research** (OFR) Director Falaschetti signed a memorandum of understanding that: (1) "establishes a framework" for the CFTC to share information and data reported on Form CPO-PQR with OFR; and (2) "confirms both agencies' commitment to working together to fulfill their statutory and regulatory mandates." _Return to Top

The **ISDA** Board of Directors issued a statement announcing the Oct. 23, 2020 launch of the ***IBOR* Fallbacks Supplement** to the 2006 ISDA Definitions and the ***ISDA 2020 IBOR* Fallbacks Protocol**. The supplement and the amendments made by the protocol will take effect on Jan. 25, 2021, and derivatives contracts "existing as of this date will incorporate the new fallbacks if both counterparties have adhered to the

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protocol or otherwise bilaterally agreed to include the new fallbacks in their contracts." In addition, on this date, "all new derivatives contracts that incorporate the 2006 ISDA Definitions and reference one of the covered IBORs will contain the new fallbacks." The protocol will "remain open for adherence after this effective date." Following ISDA's announcement, the **Alternative Reference Rates Committee** issued a statement "encourag[ing] market participants to adhere to the Protocol before it takes effect, and for those dealers and market participants with significant derivatives exposures to do so during the two-week escrow period" ahead of the Oct. 23 launch date. The **Fed** also published a Supervision and Regulation (SR) letter noting that the Protocol "provides an efficient mechanism to amend a large number of derivatives contracts with many counterparties" and stressing that examiners should (1) "alert supervised firms to announcement of the Protocol" and (2) "encourage those that are active in the derivatives market — particularly those with large ***LIBOR denominated derivatives exposures*** — to give strong consideration to adhering to the Protocol." Similarly, the **FSB** issued a statement "strongly encourag[ing] widespread and early adherence to the Protocol" by affected financial and non-financial firms. Return to Top

The **Fed**, **FDIC**, **OCC**, and **NCUA**, with the concurrence of **FinCEN**, issued an order granting an exemption from the requirements of the ***customer identification program (CIP) rules*** for "loans extended by banks and their subsidiaries to all customers to facilitate the purchase of property and casualty insurance policies" (premium finance lending). The order, which supersedes the agencies' Sept. 2018 order that granted such an exemption only to loans extended to commercial customers, stresses that banks "engaging in premium finance lending must continue to comply with all other regulatory requirements," including the regulations implementing the ***Bank Secrecy Act*** that mandate the filing of ***suspicious activity reports***. Return to Top

DOJ released a report, produced by the Attorney General's Cyber-Digital Task Force, outlining the Department's "enforcement framework" relating to ***cryptocurrency*** and providing a "comprehensive overview of the emerging threats and enforcement challenges associated with the increasing prevalence and use of cryptocurrency." Notably, the report presents a "detailed threat overview" and identifies the "three categories into which most illicit uses of cryptocurrency typically fall": (1) financial transactions "associated with the commission of crimes"; (2) ***money laundering*** and the "shielding of legitimate activity from tax, reporting, or other legal requirements"; and (3) "crimes, such as theft, directly implicating the cryptocurrency marketplace itself." In addition to detailing the "important relationships that the [DOJ] has built with regulatory and enforcement

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partners both within the [U.S.] government and around the world," including the **SEC**, the **CFTC**, and **Treasury,** the report also examines the "ongoing challenges the government faces in cryptocurrency enforcement," particularly with respect to business models "employed by certain cryptocurrency exchanges, platforms, kiosks, and casinos" and to activities that "may facilitate criminal activity." Return to Top

Treasury's Federal Insurance Office (FIO) issued a request for information (RFI) on a "future study by FIO (FIO Study) to evaluate the potential effects of the [**IAIS**'s] ***insurance capital standard*** (ICS) on U.S. insurance markets, U.S. consumers, and U.S. insurers" and "how U.S. insurers operating overseas may be affected by the potential implementation of the ICS in other jurisdictions." In particular, the RFI solicits public input on, among other topics: (1) whether the ICS "could create regulatory capital arbitrage opportunities or have procyclical effects, leading to increased volatility in U.S. insurance markets"; (2) how the "FIO Study [should] consider the potential effects of implementing the [***aggregation method***] in U.S. insurance markets as compared to implementing the ICS"; (3) whether the FIO study should "consider the potential impact upon U.S. insurance markets if ***credit rating agencie***s were to accept the ICS as a global standard"; and (4) the information that "should be considered in evaluating the impact of ICS implementation on the various business lines and the cost and availability of different product types in the U.S. insurance market." Comments on the RFI are due by Jan. 15, 2021. Return to Top

Speaking at the Atlantic Council Geoeconomics Center, **Treasury** Deputy Secretary Muzinich discussed the response to the ***COVID-19 pandemic*** in both the United States and Europe and identified "several [t]ransatlantic policy areas where cooperation based on shared values is essential," including investment security, ***cryptocurrency***, and ***sanctions***. Noting that, prior to the pandemic, the "United States and many of [its] European partners were already collaborating on investment security," he commented that the "pandemic has only increased the sense of urgency," observing that there "has been a recent groundswell of action by [the United States'] transatlantic partners to either establish or update their investment review regimes" and reporting that "[m]any have reached out to [Treasury] to benefit from [its] expertise given [its] work through **CFIUS**." Deputy Secretary Muzinich also stressed that "cooperation is critical" with respect to cryptocurrency, cautioning that "digital currencies can potentially be used to evade existing legal frameworks," including "those governing anti-money laundering" (AML) and "the countering of terrorist financing." He emphasized, moreover, that, "even if [regulators] could be assured that the private sector is complying with the letter and spirit of AML laws, there are important remaining concerns that government must consider, such as a

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digital currency's potential effects on the monetary base and financial stability." Although he acknowledged that the "speed and cost advantages of ***stablecoins*** are clear," he argued that, "depending on their structure, [they] can shift some functions traditionally performed by government to the private sector" and said "policymakers on both sides of the Atlantic must continue to work together to take a very hard look at these issues." With respect to sanctions, he noted that, "[t]hrough the hard work of both the United States and Europe at the **Financial Action Task Force**, virtually all countries are subject to a rigorous peer review that examines their ability to prevent ***money laundering*** and terrorist financing," but observed that the pandemic "has tested the global financial environment, creating conditions ripe for money laundering, corruption, and fraud," and reiterated Treasury's commitment to "ensuring that bad actors do not take advantage of this pandemic to enrich themselves." Return to Top

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Senators Warner (D-VA) and Rounds (R-SD) sent a letter to **Treasury** Secretary Mnuchin and **FHFA** Director Calabria seeking to "better understand the Administration's intentions with respect to the treatment of the taxpayers' ownership interest in **Fannie Mae** and **Freddie Mac**." Noting that taxpayers have "invested approximately $222 billion to keep GSEs solvent coming out of the Great Recession and committed to purchasing an additional $254 billion as a backstop going forward," the senators stress the importance of "honoring the taxpayers' ownership interest in the GSEs in future administrative actions" and argue that, if the "ownership interest of the taxpayers is to be reduced, they must be paid a fair market value for whatever interests they are giving up." Accordingly, they request information on: (1) what the officials consider to be "a fair rate of return . . . for taxpayers if taxpayer ownership interest is reduced"; and (2) whether such compensation will be "sufficient given the taxpayers' support over the last decade." Return to Top

The **House Republican Steering Committee** appointed Rep. Womack (R-AR) to serve as Ranking Minority Member on the **House Appropriations** Financial Services and General Government Subcommittee, following the resignation of Rep. Graves (R-GA). Return to Top

INTERNATIONAL

The **BIS** and seven central banks, including the **Fed**, published a report examining the "feasibility of publicly available" ***central bank digital currencies*** (CBDCs) in "helping central banks deliver their public

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policy objectives" and highlighting certain "CBDC design and technology considerations." Noting that "CBDC issuance and design are sovereign decisions to be made by each jurisdiction," the report "does not give an opinion on whether to issue" a CBDC and, instead, outlines the "common principles and the key features a CBDC and supporting infrastructure would need in order to contribute" to such policy objectives. Specifically, the principles emphasize that: (1) a central bank "should not compromise monetary or ***financial stability*** by issuing a CBDC"; (2) a CBDC "would need to coexist with and complement existing forms of money"; and (3) a CBDC "should promote innovation and efficiency." Although it acknowledges the "possible adverse impact of a CBDC on bank funding and financial intermediation, including the potential for destabilizing runs into central bank money," the report stresses that "[a]ny decision to launch a CBDC would depend on an informed judgment that these risks can be managed" and concludes that a CBDC "robustly meeting these criteria" and "delivering the features set out by [the] group could be an important instrument for central banks to deliver their public policy objectives." The group of central banks pledges to "continue to work actively and collaboratively on CBDC, further exploring the practical implications of the core features" outlined in the report. Return to Top

The **FSB** released a report addressing the "use of supervisory (***SupTech***) and regulatory (***RegTech***) technology by FSB members and regulated institutions" and the associated "opportunities, risks and challenges" and finding that "SupTech and RegTech tools could have important benefits for ***financial stability***." In particular, for authorities, the report concludes that the use of SupTech "could improve oversight, surveillance and analytical capabilities, and generate real-time indicators of risk to support forward looking, judgement based, supervision and policymaking." With respect to regulated institutions, it finds that the use of RegTech could "improve compliance outcomes, enhance risk management capabilities and generate new insights into the business for improved decision-making." The report also includes the results of a survey of FSB members, which found that: (1) most respondents "had a SupTech, innovation or data strategy in place, with the use of such strategies growing significantly since 2016"; and (2) the "growth in SupTech strategies could be explained by both supply and demand side drivers." Notwithstanding the opportunities and benefits of SupTech and RegTech, the report notes that "authorities are vigilant to possible risks that could arise from the use of such technologies," including cyber risk, reputational risk, data quality issues, and "over reliance on SupTech tools." Finally, the report identifies "areas which might benefit from further exploration and consideration by authorities," including: (1) the "importance of senior management buy in"; (2) "collaborations both between authorities, but also with

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technology vendors and regulated institutions"; and (3) the "importance of effective governance frameworks for the use of SupTech and RegTech." Return to Top

The **FSB** and **IMF** published their fifth progress report on the implementation of the second phase of the **G20** Data Initiative (DGI-2), which finds that: (1) participating economies "continued to make progress despite the challenges that the COVID-19 pandemic poses to the compilation of many key statistics and data"; (2) "many participating economies support maintaining an organized international collaboration process" to "continue addressing data needs beyond 2021"; and (3) the ***COVID-19 pandemic*** "has increased policymakers' needs to obtain more granular, relevant, and reliable data." Noting that "[e]merging data needs may include statistics to assess the economic impact" of, among other developments, the COVID-19 pandemic, "***climate change*** and sustainable economic development and finance," and "***fintech*** and ***financial stability data issues***," the report concludes that a "new possible organized international collaboration could help address such new data needs" and suggests that the "general framework of a possible new mandate should be considered and defined in the course of 2021," allowing for a "presentation of the transition toward a new framework in the sixth progress report of the DGI-2." Return to Top

THE WEEK AHEAD

Capitol Hill:

The **House** and **Senate** are scheduled to meet in *pro forma* sessions.

Agencies:

The **SEC** will hold a "Roundtable on Interconnectedness and Risk in U.S. Credit Markets." (**Oct. 14**)

The **FDIC** will hold the inaugural meeting of its Advisory Committee of State Regulators. (**Oct. 14**)

The **CFTC** will hold an open meeting to consider final rules on: (1) "Margin Requirements for Uncleared Swaps for Swap Dealers and Major Swap Participants (Phase VI Compliance Date Extension)"; (2) "Exemption from Registration for Certain Foreign Intermediaries"; and (3) "Position Limits for Derivatives." (**Oct. 15**)

The **FDIC** will hold its 10th Annual Consumer Research Symposium. (**Oct. 16**)

Comment Deadlines:

None.

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COMINGS AND GOINGS

The **CFTC** announced that Division of Enforcement Director James McDonald departed the Commission on Oct. 8, 2020.

The **SEC** announced that Nichola L. Timmons has been named Chief of the newly-formed Office of Bankruptcy, Collections, Distributions, and Receiverships in the Division of Enforcement.

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RECENTLY-INTRODUCED LEGISLATION

H.R. 8536 (a bill to "amend the Fair Credit Reporting Act to delay the reporting of medical debt by consumer reporting agencies"), introduced by Rep. Gallagher (R-WI) on Oct. 6, 2020. STATUS: Referred to the **House Financial Services Committee**.

H.R. 8537 (a bill to "direct the Administrator of the **Small Business Administration** to modify any caps on emergency EIDL advances to certain veterans service organizations"), introduced by Rep. Golden (D-ME) on Oct. 6, 2020. STATUS: Referred to the **House Small Business Committee**.

H.R. 8540 (a bill to "require the Secretaries of **Housing and Urban Development**, **Agriculture**, and **Health and Human Services** to conduct a study of how housing design can help prevent the spread of communicable diseases"), introduced by Rep. Katko (R-NY) on Oct. 6, 2020. STATUS: Referred to the **House Financial Services Committee**.

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RECENT S&C PUBLICATIONS

Treasury Department Issues Advisories on Ransomware Attacks: FinCEN and OFAC Advisories Highlight Risks Associated With Ransomware Payments as Well as "Red Flags" and Reporting Requirements for Ransomware Attacks [PUBLISHED: Oct. 2, 2020]

California Expands Board Diversity Requirements: New Minimum Requirements Build Upon Existing Law Mandating Female Representation [PUBLISHED: Oct. 1, 2020]

DOJ and SEC Continue Insider Trading Enforcement: DOJ and SEC Bring Insider Trading Charges Against Index Manager [PUBLISHED: Oct. 1, 2020]

Federal Reserve Releases Frequently Asked Questions on Final Rule for Determining

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"Control" [PUBLISHED: Sept. 30, 2020]

SEC Enhances Whistleblower Program: New Rules Aim to "Properly Award Whistleblowers to the Maximum Extent Appropriate" [PUBLISHED: Sept. 30, 2020]

SEC Modernizes Shareholder Proposal Requirements: New Rule Finalizes More Stringent Minimum Shareholding and Resubmission Requirements for Shareholder Proposals and Will Be Effective for 2022 Proxy Season [PUBLISHED: Sept. 30, 2020]

Proposed Amendments to HSR Rules Would Impact Hostile Acquirers, Activist Investors, Investment Funds and MLPs [PUBLISHED: Sept. 29, 2020]

Hydrogen—Recent Developments in Hydrogen Projects: Hydrogen Series – Part 2 [PUBLISHED: Sept. 28, 2020]

Recent Trends in Governance Documents [PUBLISHED: Sept. 28, 2020]

SEC Finalizes Rules Updating Statistical Disclosure Requirements for Banking Registrants [PUBLISHED: Sept. 25, 2020]

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Click here to access S&C's Consumer Financial Services Group.

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To: Klima, Jaime[JKlima@CFTC.gov]
From: Anna Palmer and Jake Sherman[politicoplaybook@email.politico.com]
Sent: Tue 10/6/2020 10:01:02 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: Trump's closing argument

View in browser

JAKE SHERMAN ANNA PALMER

Presented by Facebook

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DRIVING THE DAY

HOW CAN YOU SAY you support masks, if the Covid-stricken president of the United States walks into the White House and takes off his mask publicly before filming a video without said mask -- even if he was standing far away from everyone?

HOW CAN YOU SAY you trust scientists, and then tell scientists their standards are too onerous?

HOW CAN YOU SAY Covid is not a big deal as your doctors say when you're not yet out of the woods less than a week after you get the virus?

HOW CAN YOU SAY don't let Covid "dominate" your life -- as President **DONALD TRUMP** did in a video Monday night -- when you've just left a hospital in which you were pumped with experimental medicine that almost no one can get, under the care of a team of world-class physicians in a hospital wing that's for you and you alone?

CNN'S JAKE TAPPER on the **TRUMP VIDEO:** "I would like to know who at the White House watched this and said, 'Yes, that's great, he caught the virus to lead, this is a winning message, post it.'"

N.Y. POST: "FACE OFF" ... NYT: "LEAVING HOSPITAL, TRUMP MINIMIZES VIRUS RISK" -- with an **ANNA MONEYMAKER** photo of **TRUMP** taking his mask off.

NYT'S MAGGIE HABERMAN and **ANNIE KARNI,** with a Political Memo bug: **"Trump's Campaign Saw an Opportunity. He Undermined It":** "On Friday, even as President Trump had trouble getting enough oxygen and aides prepared to move him to the nation's top military hospital, some of his campaign advisers saw a potential opportunity.

"**If Mr. Trump recovered quickly from his bout** with the coronavirus and then appeared sympathetic to the public in how he talked about his own experience and that of millions of other Americans, he could

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have something of a political reset. The health crisis, one campaign official said, was a setback in a re-election campaign that polls have shown him losing for months, but also a chance to demonstrate a new stance toward the virus that might win over some voters.

"And the president could use that to show from now until the second presidential debate, scheduled for Oct. 15, that the disease is serious but can be combated, and that he was ready to re-enter the campaign.

"While that was the hope, it was severely undermined over the last few days by the president's own behavior — no more so than Monday when he tweeted to the nation 'Don't be afraid of Covid. Don't let it dominate your life!' without acknowledging that, as president, he gets far better care than the average citizen. His comments signaled a far likelier reality: that the erratic handling of his illness by Mr. Trump and his aides will remind voters of his administration's failures and efforts to play down the deadly pandemic for six months."

A message from Facebook:

How Facebook is preparing for the US 2020 election
— Launched new Voting Information Center
— More than tripled our safety and security teams to 35,000 people
— Implemented 5-step political ad verification
— Expanded efforts to fight voting misinformation
Learn about these efforts and more

HAPPY TUESDAY. We have some personal news. (Is that how this goes?)

AFTER FOUR YEARS at the helm of Playbook, and 11 years for **JAKE** and nine for **ANNA** at POLITICO, we've decided it's time for a new adventure. We'll pass the baton and leave POLITICO at the end of this year.

WHEN WE TOOK OVER in July 2016, we knew we were taking over a unique platform -- but we didn't quite understand how special it was. Playbookers hail from all over the planet, come from all walks of life and have been waking up every morning, rain or shine, holiday, weekday or weekend, to the POLITICO Playbook for 13 years.

WE'RE REALLY PROUD of what we've all been able to do here: Playbook readership has tripled since 2016, we created a popular audio briefing and afternoon edition, hosted events across the country and in D.C. with governors, the vice president, senators, members of the House and nearly every congressional leader. Tax reform. Impeachment. The midterms. USMCA, which was, as you've heard, the president's top legislative priority. The wall. The shutdown. Infrastructure weeks (plural). Two presidential elections. And Covid.

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WE'RE VERY GRATEFUL that you have come along for the ride. And what a wild ride it's been -- more than 1,500 Playbooks, dozens of events and a best-selling book.

POLITICO is a massive newsroom filled with loads of talented journalists -- a crew we've been very proud to have been a part of. But, as a smart man once said, this has all been wonderful, now I'm on my way. Thanks to Robert Allbritton, Carrie Budoff Brown, John Harris, Matt Kaminski and Patrick Steel. Most of all, our gut check and terrific editor Blake Hounshell, John Bresnahan and the Hill team and our intrepid Playbookers Eli Okun and Garrett Ross.

WHAT'S NEXT? Playbook has grown significantly over the last four years, and we have no doubt that will continue. As for us -- Anna and Jake -- we're excited to take on a new challenge and we'll have more to say about our next steps soon enough. But first, we have an election to cover, a post-election to report on, a lame duck to help navigate and leadership elections to get in the middle of. Buckle up, it's going to be a hell of a ride. ***Read the note to staff from Matt and Carrie here***

AND NOW back to our regular programming. ... **28 DAYS** until Election Day -- four weeks from today.

NEW: SPEAKER NANCY PELOSI told House Democratic leaders on a conference call Monday evening that her negotiations with Treasury Secretary **STEVEN MNUCHIN** were going "very slowly," according to sources on the call. **MNUCHIN** and **PELOSI** are scheduled to speak again today.

HAPPENING THIS MORNING: JAKE and **ANNA** will interview House Democratic Whip **JIM CLYBURN** (D-S.C.) and former A.G. **ERIC HOLDER** at **9 A.M.** in the latest Playbook Interview. ***Watch***

MARKET WATCH ... WSJ: "U.S. Stocks Close Higher on Signs of Muted Political Risk," by Anna Isaac and Logan Moore

FIRST IN PLAYBOOK ... THE LINCOLN PROJECT is launching a $1 million digital ad campaign in Texas focusing on Trump's "encouragement of violence, extremism, and white supremacist organizations as well as the malice he has shown in both his initial response" to the coronavirus and "his blatant disregard for others when he knowingly exposed countless people to the virus after he knew he was infected." Some ads will be released in Spanish and they will run for a week, with the potential to continue through November. ***The three ads***

-- NEW ... DETROIT NEWS/LOCAL 4 POLL OF MICHIGAN: BIDEN 48, TRUMP 39. (h/t Chad Livengood)

GOP DIGS IN ... WAPO'S BOB COSTA: "Republican recalcitrance about the virus persists even as GOP faces growing turmoil": "Widespread Republican recalcitrance about federal health guidelines showed few signs of waning on Monday, even as the party faces growing turmoil following President Trump's hospitalization and as more White House aides test positive for the novel coronavirus.

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"**White House press secretary Kayleigh McEnany** and at least two of her deputies have now contracted

the virus, further derailing the functioning of a West Wing plunged into crisis and adding to a long list of top Republicans who have been infected. But many Republicans continue to dismiss calls for alarm — and for changes to the party's message on the virus and its operations.

"Sen. Ron Johnson (R-Wis.), who tested positive last week, said in an interview with a conservative talk-show host that there is 'a level of unjustifiable hysteria' about a virus that has killed nearly 210,000 Americans and asked, 'Why do we think we actually can stop the progression of a contagious disease?'" WaPo

-- "A U.S. senator kept taking off his mask on a Delta flight, raising questions about safety oversight," by WaPo's Michael Laris and Lori Aratani: "The chairman of the Senate committee that oversees airlines and U.S. transportation policy had his mask off for extended periods on a Delta flight to Mississippi on Thursday night, according to another passenger, and the company said he had to be reminded twice by a flight attendant to follow the airline's mask requirement.

"The next day, the Trump administration rejected a union petition calling for a federal mandate requiring masks be worn on planes, trains and buses, saying the Department of Transportation 'embraces the notion that there should be no more regulations than necessary.'"

UP NEXT ... THE VP DEBATE ... CHRIS CADELAGO: "Harris preps to take on Pence": "Harris' tone toward the laid-up president is expected to mirror Biden's of late, according to aides and allies. The Democratic presidential contender and Harris have wished the president a speedy recovery. Their campaign pulled negative TV ads and implored staff to refrain from piling on to reporters and on social media, though as Trump emerged from the hospital late Monday, Biden suggested he would not let him off the hook for not wearing a mask and flaunting social distancing protocols.

"The grim circumstances don't change Harris' overarching objective: to methodically yolk Pence to the Trump administration's months of failures to contain the virus, zeroing in on his role as chair of the White House Coronavirus Task Force. The legal threat to the Affordable Care Act — clarified by the battle over the late Supreme Court Justice Ruth Bader Ginsburg's seat — will be another focal point for Harris. And after Justices Clarence Thomas and Samuel Alito lamented Monday the 'ruinous consequences for religious liberty' of the court's decision that granted marriage rights — and signaled that the ruling should be reconsidered — the VP contenders' sharply divergent records on same-sex marriage are likely to surface.

"Harris' aides view Pence as a far more polished and disciplined orator than the president. Unlike with Trump, they say, when Pence says something untrue it is packaged in language that makes it harder to spot and counter in real time. But Harris will attempt to pin him down on Trump's stewardship of the sputtering economy and explosive remarks on race and groups tied to white supremacy."

CNN'S MANU RAJU on the trail with **LINDSEY GRAHAM** in South Carolina, with **ALEX ROGERS** and **ALI ZASLAV: "Graham, vulnerable in South Carolina, tells liberals: 'We're gonna kick your ass'"** ...
The piece that aired on CNN

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THE FIGHT FOR FLORIDA …

-- AP'S WILL WEISSERT and **BILL BARROW** in Miami: "The Democratic presidential nominee made his second trip to Florida in a little over two weeks on Monday. His visit to Miami was designed to encroach on some of Trump's turf, even swinging through Little Havana, a typically conservative area known for its staunch opposition to the communist government that Fidel Castro installed in Cuba."

-- SABRINA RODRÍGUEZ and **MARC CAPUTO** in Miami: **"Biden mounts late fight for Miami"**: "After months of dire warnings that Donald Trump is making gains in this liberal bastion, Joe Biden is finally listening to South Florida Democrats. For much of the campaign, Miami Democrats have been sounding the alarm at Biden's relatively tepid support among Democratic-leaning, non-Cuban Hispanic voters here and throughout Florida. The problem was compounded by Trump's outsized support among Cuban Americans.

"Without a big winning margin and high turnout in populous Miami-Dade County, Biden would have little chance of winning the state. So over the past two months, Biden's campaign responded by embarking on a hiring spree in South Florida, giving more local-press interviews and, in combination with outside groups, pouring $23 million into TV commercials in the Miami media market, according to data from the tracking firm Advertising Analytics.

"Ad Analytics data show that Biden's campaign significantly outspent Trump in Spanish-language television ads in Florida over the last five weeks — spending a total of $3.1 million to Trump's $2 million — and is blanketing African American newspapers and Jamaican and Haitian radio stations with ads." POLITICO

-- "Florida voter registration system crashes on last day for filing," by Gary Fineout

TRUMP'S TUESDAY -- The president has no public events.

ON THE TRAIL -- JOE BIDEN will attend a virtual fundraiser in the afternoon. Afterward, he will travel to Gettysburg, Pa., to deliver a campaign speech.

-- WHAT BIDEN WILL SAY, per an aide: "Biden will call on Americans to come together. He'll highlight the need for people to work together and to reach across the aisle in order to address the crises we face. He'll remind voters that we are in a battle for the soul of the nation -- but it's a battle that we've won again and again throughout American history, and that we can and will come together and win again."

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JOIN TODAY - A PLAYBOOK INTERVIEW WITH REP. JAMES CLYBURN & ERIC HOLDER : The way that Americans are voting in this year's presidential election is changing. What ballot access problems are Black and minority voters facing? Join Playbook authors Jake Sherman and Anna Palmer today at 9 a.m. ET for an interview with House Majority Whip James Clyburn and former Attorney General Eric Holder on mail-in voting, the Black Lives Matter movement, and what Democratic priorities should be in the next Congress. REGISTER HERE.

PLAYBOOK READS

PHOTO DU JOUR: Displaced civilians fleeing the fresh war in Nagorno-Karabakh – which has killed more than 200 people already – board a bus Monday in Goris, Armenia. | Brendan Hoffman/Getty Images

ACB WATCH -- "'I'll go in a moon suit': Covid outbreak leaves GOP unfazed in SCOTUS fight," by Marianne LeVine: "Senate Republicans are still moving forward with confirming Amy Coney Barrett to the Supreme Court — and they're making no apologies for it. Senate Republicans, in statements and interviews Monday, defended their decision not to slow down their timeline for Barrett's confirmation even as the coronavirus rips through Washington. ...

"The majority of Republicans want to see Barrett confirmed before the Nov. 3 election and not a single GOP senator suggested Monday that the coronavirus cases in the Senate would throw them off track. 'I don't think anything's changed, I think Senator Schumer wants to vote in February, most of my Republican colleagues want to vote Thursday,' said Sen. John Kennedy (R-La.), a member of the Senate Judiciary Committee, who plans to attend the hearing in person. 'I figure we'll meet in the middle and vote some time before the election.' ...

"[Sen. Ron] Johnson (R-Wis.), who revealed Saturday he has coronavirus and will stay isolated until his doctor gives him the all-clear, said in an interview with The Ross Kaminsky Show that he would do whatever it takes to vote for Barrett, even with a positive diagnosis. 'If we have to go in and vote, I've already told leadership I'll go in a moon suit,' said Johnson, who canceled his in-state events to prevent having to go into self-quarantine before the vote. 'I would certainly try to find a way, making sure that everybody was safe ... where there's a will there's a way.'"

BIG SCOTUS MOVES LAST NIGHT ... JOSH GERSTEIN: "The murky legal concept that could swing the election" ... ***More from Zach Montellaro on the South Carolina decision***

NYT'S ANA SWANSON: "Top China Critic Becomes Its Defender": "For decades, Robert E. Lighthizer, the United States trade representative, was reliably one of Washington's toughest critics when it came to China and its trade practices.

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"But since brokering a trade deal with Beijing in January, he has become one of China's biggest defenders within the administration, emerging as an obstacle to lawmakers and other top White House officials who want to punish China over its treatment of ethnic Muslims and begin trade talks with Taiwan.

"Over the past several months, Mr. Lighthizer has pushed back on several proposed policy measures that rankled Beijing, arguing those efforts could disrupt the U.S.-China trade pact that he and President Trump spent more than two years trying to forge, according to several former government officials and other people familiar with the conversations. Mr. Lighthizer has also curtailed his public criticisms of China, instead touting Beijing's efforts to uphold the trade pact and live up to its end of the deal."

A message from Facebook:

Facebook tripled safety and security teams to 35,000 people

Facebook has made major investments in new teams and technology to help secure its platforms and provide transparency during the US 2020 election.

Learn more about our progress

SWAMP READ -- **"IRS Investigating NRA's Wayne LaPierre for Possible Tax Fraud,"** by WSJ's Mark Maremont and Aruna Viswanatha: "The Internal Revenue Service is investigating longtime National Rifle Association CEO Wayne LaPierre for possible criminal tax fraud related to his personal taxes, according to people familiar with the matter.

"Mr. LaPierre was paid $2.2 million by the NRA in 2018, the most recent year available, the nonprofit group's public filings show. His total reported pay from 2014 to 2018 was $11.2 million.

"In August, he was charged in a civil suit by New York Attorney General Letitia James with taking millions of dollars of allegedly undisclosed compensation from the NRA and its vendors, in the form of free yacht trips, private jet flights for his family, exotic safaris and other benefits.

"Asked at a news conference announcing the lawsuit whether she believed Mr. LaPierre had evaded personal taxes, Ms. James declined to comment but said she was referring the matter to the IRS."

BEYOND THE BELTWAY -- "'It is not acceptable': Cuomo, de Blasio at odds as Covid surges in New York," by David Giambusso, Sally Goldenberg and Amanda Eisenberg in New York: "New York City is reliving some of the nightmares it endured earlier this spring as coronavirus cases begin to surge, and once again Gov. Andrew Cuomo and Mayor Bill de Blasio are pointing fingers and offering conflicting guidance.

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"The latest outbreaks have sparked fears of a second wave in America's biggest city, once the national epicenter of the Covid-19 outbreak. Nine zip codes with large Orthodox Jewish communities have formed the nucleus of rising cases, and city officials have warned for weeks that it's begun to spread to surrounding neighborhoods — a Pandora's Box that could send the city back to the days of overflowing morgues and war-zone hospitals." POLITICO

MEDIAWATCH -- "L.A. Times Editor Norman Pearlstine to step down," by LAT's Meg James: "Los Angeles Times Executive Editor Norman Pearlstine announced that he would soon step down and that the paper was launching a search for a new top editor. Pearlstine, who celebrated his 78th birthday over the weekend, made the announcement Monday morning during a meeting with top editors and then in a note to staff members. ...

"In his two years at the top, Pearlstine stabilized a newsroom that had been battered by years of layoffs, cost-cutting and mismanagement under its former owner Tribune Publishing ... He led a dramatic hiring spree, replenishing the paper's beleaguered ranks, recruiting top editors and working to improve technology used to generate a larger audience for its journalism. But Pearlstine's efforts became overshadowed in the last six months by a series of controversies."

-- Jeffrey Gedmin, Francis Fukuyama and **Adam Keiper** have started a new magazine called American Purpose, which aims to support liberal democracy in the U.S. and abroad and also offer writing and criticism on history, biography, arts and culture and science and technology. ***Release***

HAPPENING WEDNESDAY - A WOMEN RULE ROUNDTABLE ON THE VP DEBATE : In the wake of a contentious and highly criticized first debate, the attention turns to Vice President Mike Pence and Senator Kamala Harris who are set to square off on Oct. 7. Join Women Rule editorial director Anna Palmer for a virtual roundtable discussion with Maya Harris, Christine Pelosi and Jennifer Palmieri on how Sen. Kamala Harris has prepared for the big night and whether the VP debate will revert to political norms. REGISTER HERE.

PLAYBOOKERS

Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

TRANSITION -- Jasmine Cooper is now VP of internal diversity, equity and inclusion at the American Bankers Association. She previously was senior manager of diversity, inclusion and corporate social responsibility at Steptoe & Johnson.

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BIRTHDAY OF THE DAY: Emily Davis, VP of congressional and public affairs at the Millennium

Challenge Corporation. **A fun fact about her:** "During college, I underwent third-party aptitude testing and learned that my color differentiation aptitude is considered extraordinary. Among the careers best for my aptitudes, I was informed that I could be an excellent … tattoo artist. I instead opted to join the D.C. circus of politics and policy, but if anyone wants to know if something is black or navy, just ask me!" **Playbook Q&A**

BIRTHDAYS: House Minority Whip Steve Scalise (R-La.) is 55 … Rep. Lloyd Doggett (D-Texas) is 74 … Rep. Brian Higgins (D-N.Y.) is 61 … WSJ's Eliza Collins … Jonathan Alter is 63 … Artur Orkisz, president of American Polish Forum and senior adviser for congressional affairs and public diplomacy at the Polish Embassy, is 42 … Ben Kenney … The Daily Beast's Will O'Connor … Adam Sneed … U.S. Chamber of Commerce's Evan Williams and Patrick O'Connor … Ashley O'Sullivan … Aric Newhouse, NAM's SVP of policy and government relations … TIAA's David Nason … Darrell West is 66 … Stephanie Genco of Forbes Tate Partners … CBC's Alex Panetta … Nicole Venable (h/t Heather Podesta) … Kathleen Connery Dawe, COS for Sen. Angus King (I-Maine) … Ruby Mellen … Ansley Lacitis, comms director/deputy COS for Sen. Maria Cantwell (D-Wash.) … Moshe Lion is 59 …

… **Kristen Gentile**, COS for Sen. Bob Casey (D-Pa.) … David A. Andelman is 76 … Tracy Sefl, Democratic comms consultant … Sara Rogers … Brenda Wood (h/ts Teresa Vilmain) … Tara DiJulio, senior director of global corporate comms at GE … Haley Guion … Jen Rokala … Miles Radcliffe-Trenner … BBC's Rowan Bridge is 48 … Llewellyn King is 81 … Gerry Adams is 72 … POLITICO's Cara Collins … Mollie Glick is 41 … Taylor Kiland … Tucker Martin … Brett Gerson … Jeff Ostermayer … Lynette Gilliam … Ted Osthelder … Kevin Rader is 52 … Lauren Whittington … WaPo's Amy Gardner … George Onuorah … Veronica Wong … Jonathan Wilcox … Megan Humphries … Debora Murray … Carlos Diaz Barriga … Steve Grand … Megan Piwowar … Robert Stacy McCain is 61 … Anjani Nadadur … GOP pollster Wes Anderson … Nolan Treadway … Brenda Larsen Becker … Tony Marcano … Matt Brock … Doug McPherson

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From: Anna Palmer and Jake Sherman[politicoplaybook@email.politico.com]
Sent: Mon 9/21/2020 9:48:52 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: Inside the court fight

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DRIVING THE DAY

HAPPY MONDAY … 43 DAYS until Election Day.

THE WHITE HOUSE is considering nominating the following women for the Supreme Court, according to a source with knowledge of the process:

-- AMY CONEY BARRETT, the 7th Circuit appeals judge from Indiana. She is a clear favorite at the moment. ***More from Ben Schreckinger*** … ***NYT's Elizabeth Dias and Adam Liptak on the conservative love for Barrett***

-- KATE TODD, the White House deputy counsel who helps vet federal judges. She was a clerk for Justice **CLARENCE THOMAS.**

-- BARBARA LAGOA, the federal appeals judge from Florida. There seems to be a lot of outside energy around **LAGOA,** and that energy isn't exactly matched in some corners of the White House. ***More from Gary Fineout, Marc Caputo and Matt Dixon about how she could clinch Florida for President Donald Trump***

-- ALLISON RUSHING, a federal judge from North Carolina who formerly worked at Williams and Connolly.

EXPECT A NOMINATION announcement this week -- **PETER BAKER** and **MAGGIE HABERMAN** wrote on A1 of the NYT that it could come as soon as Tuesday. Driving this process: White House chief of staff **MARK MEADOWS** and White House counsel **PAT CIPOLLONE. ALSO THIS WEEK:** government funding on the floor of the House, and maybe -- just maybe! -- new Covid relief talks?!

FOR THOSE COUNTING AT HOME … ANDREW DESIDERIO and **NOLAN MCCASKILL**: "On Sunday, [Senate Majority Leader Mitch] McConnell (R-Ky.) won the support of Sen. Lamar Alexander (R-Tenn.),

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who is retiring and was viewed as a potential swing vote as McConnell seeks to confirm Ginsburg's replacement as soon as possible.

"'No one should be surprised that a Republican Senate majority would vote on a Republican president's Supreme Court nomination, even during a presidential election year,' Alexander said in a statement. 'The Constitution gives senators the power to do it. The voters who elected them expect it.'

"Sen. Roy Blunt (R-Mo.), a member of McConnell's leadership team, also backed the majority leader over the weekend, as did Sen. Rob Portman (R-Ohio), a moderate." POLITICO

WATCH THE SWARM: The person every reporter will be looking to talk to today is Sen. **MITT ROMNEY** (R-Utah). He has not yet weighed in on whether Trump's nominee should get a vote this year.

HERE'S A QUESTION WORTH PONDERING: Does the Supreme Court fight make Covid relief more or less likely? We can argue it either way. ***More likely:*** Everyone's eyes are somewhere else, so **MEADOWS**/Treasury Secretary **STEVEN MNUCHIN** can quietly approach the Democrats. ***Less likely:*** A Supreme Court vacancy is all-consuming. It sucks up all the oxygen, especially so close to the election.

REMEMBER: 9 DAYS until the government shuts down.

Good Monday morning.

BATTLE FOR THE SENATE … SABATO'S CRYSTAL BALL is moving Sen. **SUSAN COLLINS'** (R-Maine) race to lean Democrat and Sen. **LINDSEY GRAHAM'S** (R-S.C.) from likely Republican to lean Republican.

A message from Amazon:

Retail is a thriving, competitive, and highly-fragmented market where both buyers and small sellers have more choices than ever before. At Amazon, we welcome this competition. It sharpens our focus, feeds our creativity, and fuels our drive to innovate for customers. Learn more.

WSJ: **"Biden Leads Trump Among Latino Voters, Poll Shows,"** by Tarini Parti and Madeline Ngo: "Democratic presidential nominee Joe Biden holds a significant lead over President Trump among registered Latino voters, garnering 62% of support, compared with Mr. Trump's 26%, according to a new Wall Street Journal/NBC/Telemundo poll.

"The survey finds Mr. Trump's support among Latinos to be roughly in line with his standing in 2016. Former Secretary of State Hillary Clinton won 66% of the Latino vote, exit polls found that year, while Mr. Trump received 28%. About 12% of Latino voters remain undecided this year, the new survey finds."

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-- DETROIT FREE PRESS: "Kamala Harris to visit Michigan on Tuesday," by Nisa Khan: "U.S. Sen. Kamala Harris, the Democratic vice presidential nominee, will be visiting Detroit and Flint on Tuesday."

WORRYING TRENDLINE FOR TRUMP … DAVID SIDERS: "'It's a big, big swing': Trump loses ground with white voters": "Donald Trump is making modest inroads with Latinos. Polls suggest he's pulling slightly more Black support than in 2016. But Trump is tilting at the margins with those groups. His bigger problem is the demographic that sent him to the White House — white voters, whose embrace of Trump appears to be slipping in critical, predominantly white swing states.

"In Minnesota, where the contest between Trump and Joe Biden had seemed to tighten in recent weeks — and where both candidates stumped on Friday — a CBS News/YouGov survey last week had Trump running 2 percentage points behind Biden with white voters, after carrying them by 7 points in 2016. Even among white voters without college degrees — Trump's base — the president was far short of the margin he put up against Hillary Clinton there.

"It's the same story in Wisconsin, where Trump won non-college educated white women by 16 percentage points four years ago but is now losing them by 9 percentage points, according to an ABC News/Washington Post poll. In Pennsylvania, Biden has now pulled even with Trump among white voters, according to an NBC News/Marist Poll. In 2016, white voters cast over 80 percent of the vote in each of the three states, according to exit polls." POLITICO

SMART STORY … BIDEN OUT OF STEP? -- "Liberals want blood. Joe Biden is sticking with bipartisanship," by Christopher Cadelago: "Liberals are furious. And they want Joe Biden to channel their angst and calm their nerves by advocating for every tactical maneuver available to stall Donald Trump's coming Supreme Court nomination in the Senate.

"Joe Biden did something else on Sunday, using his first extended remarks about the future of the high court since the death of Ruth Bader Ginsburg to strike notes that have formed the basis of his campaign: Respect for precedent, appeals to reason, bipartisanship, devotion to checks and balances.

"In imploring a handful of Republican senators who control the fate of Trump's third nomination in four years to defy the president, Biden again landed squarely on the themes even many Democrats ridiculed as archaic, possibly naive — right until his party rewarded him with the nomination.

"So, it's not surprising that Biden skipped over progressive wish-list items like court packing, something he said more than a year ago would cause Democrats to "rue that day." While some Democrats want him to embrace and advocate court reforms more broadly, privately, one official said he saw the speech as designed to address the moment, rather than moments that still might come." POLITICO

CULTURE WARS ARE BACK -- "Abortion Was Back-Burnered in the Presidential Race. Not Anymore," by NYT's Lisa Lerer and Elizabeth Dias: "For months, abortion has been relegated to a back burner in the presidential campaign, eclipsed by a worldwide pandemic, an economic crisis and protests over racial justice. But the death of Justice Ginsburg and the looming confirmation battle to replace her

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could force the candidates to discuss a volatile issue six weeks before Election Day that carries significant political risks for both sides, even as it energizes portions of their bases.

"Mainstream views on abortion are more moderate than those of the activists on either wing, with most Americans saying that abortions should be legal with some restrictions. An all-out fight over abortion could further alienate the more moderate suburban voters both sides are competing for. Democrats especially must navigate their own divisions over how far to push an issue that Mr. Biden has long found personally uncomfortable." NYT

-- "From elation to apprehension: The right wrangles over a Court litmus test," by Gabby Orr

A message from Amazon:

Sizing up Amazon. Read how Amazon compares with other U.S. companies

A HEADLINE NO ONE PREDICTED -- "Biden takes huge cash lead over Trump while outspending him 2-to-1," by Elena Schneider: "For the first time this election, Joe Biden is sitting on the biggest pile of cash — and he's vastly outspending President Donald Trump, too. Biden is entering the final stretch of the general election with $141 million more in the bank than Trump, a stunning reversal of fortunes from last spring, when Trump held a hefty financial edge as the nearly broke Biden emerged from the Democratic nominating contest.

"Biden and the Democratic National Committee, along with their affiliated joint-fundraising groups, have $466 million in the bank, according to a Biden campaign official, after raising a record-shattering $365 million last month. Trump and the Republican National Committee, meanwhile, are sitting on $325 million in the bank, Trump campaign spokesman Tim Murtaugh said." POLITICO

TRUMP'S MONDAY -- The president will leave the White House at 3 p.m. en route to Dayton, Ohio. He will arrive at the Dayton International Airport at 4:40 p.m. and give a speech at 5 p.m. Trump will depart at 6:05 p.m. en route to Swanton, Ohio. He will arrive at the Toledo Express Airport at 6:50 p.m. and give a speech at 7 p.m. Trump will depart at 8:25 p.m. and travel back to Washington. The president will arrive at the White House at 10 p.m.

ON THE TRAIL ... BIDEN will travel to Manitowoc, Wis., to deliver remarks.

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JOIN US FOR POLITICO'S AI SUMMIT - WHAT'S NEXT FOR ARTIFICAL INTELLIGENCE?: Artificial intelligence is changing the world we live in, and the coronavirus pandemic has served as a testing ground

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for AI's potential. But challenges remain. Join POLITICO on Oct. 15 for our 3rd AI Summit, where we will virtually convene policymakers, federal officials, technologists, private-sector executives, scientists and advocates to explore the future of AI as the world tries to recover from the pandemic and as the U.S. deals with social unrest and a presidential election. Register here.

PLAYBOOK READS

PHOTO DU JOUR: Thousands of pro-democracy protesters rally in Bangkok, Thailand, on Sunday, holding up a three-finger salute. | Allison Joyce/Getty Images

BEN SMITH'S MEDIA EQUATION COLUMN: "Jeff Zucker Helped Create Donald Trump. That Show May Be Ending.": "[T]he story of Mr. Trump and Mr. Zucker is a kind of Frankenstein tale for the late television age, about a brilliant TV executive who lost control of his creation. And it illustrates the extent to which this American moment is still shaped not by the hard logic of politics or the fragmented reality of new media, but by the ineluctable power of TV."

FOR YOUR RADAR -- "AP sources: Woman accused of sending ricin letter arrested," by Michael Balsamo, Eric Tucker and Colleen Long: "A woman suspected of sending an envelope containing the poison ricin, which was addressed to White House, has been arrested at the New York-Canada border, three law enforcement officials told The Associated Press.

"The letter had been intercepted earlier this week before it reached the White House. The woman was taken into custody by U.S. Customs and Border Protection officers at the Peace Bridge border crossing near Buffalo and is expected to face federal charges, the officials said Sunday. Her name was not immediately released.

"The letter addressed to the White House appeared to have originated in Canada, the Royal Canadian Mounted Police have said. It was intercepted at a government facility that screens mail addressed to the White House and President Donald Trump and a preliminary investigation indicated it tested positive for ricin, according to the officials."

A message from Amazon:

Building a single store. Learn how we partnered with independent sellers to build the Amazon store.

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BUSINESS BURST -- "TikTok Deal Faces Questions Over Security, Ownership," by WSJ's John McKinnon, Alex Leary and Kate Davidson: "An emerging deal to make China's popular TikTok app a U.S.-based company stands to reshape the social-media landscape, even as questions persisted Sunday over security concerns and ownership of the new company.

"The deal — approved in concept by President Trump this weekend, but pending final approval by the companies involved—would create an online power that could challenge Facebook Inc.'s dominance in social media and become a template for partnerships with other Chinese-owned apps.

"The plan calls for Oracle Corp. and Walmart Inc. to form partnerships with TikTok's owner, ByteDance Ltd. of Beijing, to become a new U.S.-based company called TikTok Global. The Commerce Department said it would delay for one week a ban on U.S. downloads and updates for the TikTok app that was set to take effect at 11:59 p.m. Sunday while the new deal for TikTok is finalized by the companies and investors involved." WSJ

-- "TikTok Deal Exposes a Security Gap, and a Missing China Strategy," by NYT's David Sanger: "But it is far from clear from the details released so far that Mr. Trump's deal resolves the deeper TikTok security problem — which has less to do with who owns the company and more with who writes the code and the algorithms. The code and algorithms are the magic sauce that Beijing now says, citing its own national security concerns, may not be exported to a foreign adversary.

"And the deal certainly doesn't resolve the broader problem in the expanding technology wars between Washington and Beijing: how the United States government should deal with the foreign apps that are now, for the first time, becoming deeply embedded on the screens of Americans' smartphones, and thus in the daily fabric of American digital life."

The Texas Tribune Festival. At-home edition: We're proud supporters of the 2020 Texas Tribune Festival . Where else could you hear from Hillary Clinton, Dr. Anthony Fauci, Ted Cruz and Willie Nelson at one event? Join attendees from across the country to hear from and talk with politicians, activists, advocates, lawmakers, and media icons about today's biggest news. Stream TribFest, happening just weeks before the 2020 presidential election, from wherever you are. **Learn more and buy tickets today** HERE.

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Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

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IN MEMORIAM -- "Former PepsiCo CEO Donald Kendall has died," by CNN's Rob McLean: "Former

PepsiCo CEO Donald Kendall has died. He was 99. PepsiCo confirmed his death on a memorial page, which indicates he served as the CEO of both Pepsi-Cola and PepsiCo for 23 years. The company said he retired in 1986, but was 'a trusted advisor and advocate for PepsiCo leaders, serving the company a total of 39 years during his extraordinary life.'"

TRANSITION -- Charlie Sykes is joining the Lincoln Project.

BIRTHDAY OF THE DAY: Mike Walsh, COS at the Department of Commerce. **A fun fact about him:** "Since joining the Department of Commerce, I've run hundreds of miles in 20 countries across five continents and only once did I help a colleague assist a kangaroo that was drowning in a lake." **Playbook Q&A**

BIRTHDAYS: Rep. Pramila Jayapal (D-Wash.) is 55 ... Rep. David Trone (D-Md.) is 65 ... NYT Executive Editor Dean Baquet is 64 ... White House photographer Shealah Craighead ... Brianna Keilar, anchor of "CNN Right Now," is 4-0 (h/t Catherine Valentine) ... Maggie Dougherty ... Samantha Power (h/ts Ben Chang) ... Cass Sunstein ... Dan Turrentine ... POLITICO's Karey Van Hall ... Jessica Andrews ... Reuters' Alexandra Alper ... Anna Greenberg, managing partner at Greenberg Quinlan Rosner (h/t Jon Haber) ... Bill Lipton ... Paul Wells (h/ts Teresa Vilmain) ... Franklin Zyriek ... Georgette Kerr, EVP and co-founder of Plurus Strategies, is 32 (h/t David Leiter) ... John McKechnie ... Erin Graefe Dorton, managing director at Prime Policy Group ... Toula Vlahou ...

... **Brian Roehrkasse,** VP of comms at Facebook ... Beacon Media's Ian Russell ... Lydia Stuckey ... Rodney Whitlock, VP at McDermott+Consulting, is 55 ... Melanie Steele ... former CIA Director James Woolsey is 79 ... Jonathan Robinson ... Ashley Tate-Gilmore is 37 ... John Celock ... former Kentucky Gov. Steve Beshear is 76 ... Kiki Burger, account director at Sunshine Sachs (h/t husband Tim) ... Andrew Mahaleris is 26 ... NBC News PR's Dom Cuce ... Joel Epstein ... Kelly Lindner ... Charles Garrison ... Justin Reilly ... Zeke Turner ... Tess Mahoney ... Patricia Summers Edwards ... Elizabeth Wiebe ... Laurel Ruza ... Monica Carmean ... Mark Watson ... Matt Thorn ... Sarah Sibley ... Mike Veselik ... Soren Dorius ... former Australian PM Kevin Rudd is 63

A message from Amazon:

Amazon is investing $18 billion in 2020 on tools, services, programs, and people to help small and medium-sized businesses reach more customers worldwide. Learn how we're empowering independent sellers to grow and thrive.

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Sent: Fri 8/21/2020 9:55:04 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: Republicans have a lot to live up to

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EVEN IF YOU'RE A REPUBLICAN, you have to admit that the Democratic convention -- which nominated **JOE BIDEN** on Thursday night -- was a technical success. The Dems programmed a four-night television show, pulling feeds and videos from all across the country, without a major hitch. That's a feat in and of itself -- even if the content itself didn't appeal to you.

REPUBLICANS have a lot to live up to, in that respect. Their convention -- which kicks off Monday -- already seems much different. The **TRUMP CAMPAIGN** has invited most GOP lawmakers to the White House lawn to watch the president's speech in the middle of a pandemic. They've filed a request to light fireworks on the National Mall. The Democratic convention was all about party unity and trying to defeat President **DONALD TRUMP.** Unity doesn't appear to be a priority for Republicans -- the White House left some of the president's Capitol Hill enemies off the invite list. The GOP affair next week will be aimed at highlighting what the president has done in his first term -- putting center stage everyday people affected by what the Republicans consider to be policy victories.

CNN'S KAITLAN COLLINS and **KEVIN LIPTAK** had a bunch of the convention details in this story. Some elements of next week still appear to be a work in progress. On Thursday, a representative for **MITCH MCCONNELL** said the Senate majority leader would not be participating in the event. But hours later, his staff said he would be submitting a taped video message.

NEW: BILL STEPIEN, Trump's campaign manager, will join us for a virtual interview **TUESDAY** morning on "**PLUG IN WITH PLAYBOOK**" to talk about the convention, Trump's reelection bid and much more. The show will kick off at 9 a.m. ***Register to watch***

ABOUT LAST NIGHT … NATASHA KORECKI and **CHRIS CADELAGO** in Wilmington, Del.: **"Biden just made it a lot harder for Republicans to tag him 'Slow Joe'":** "In a campaign riddled with verbal gaffes and setbacks, where his cognitive abilities were questioned and his debate performances criticized, Joe Biden stepped up to the lectern and delivered the biggest speech of his life without a hitch. That in and

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of itself was no small feat for Biden, known for veering off script or tripping on his words in a way that party Democrats worried could play into the caricature put forward by Donald Trump and Republicans.

"But the Democratic nominee appeared at ease as he struck somber notes about the coronavirus pandemic, at once grieving with those who lost loved ones and promising he would take decisive action if elected in November.

"'Look, I understand. I understand how hard it is to have any hope right now. On this summer night let me take a moment to speak to those of you who have lost the most. I have some idea how it feels to lose someone you love,' Biden said. 'I know that deep black hole that opens up in the middle of your chest and you feel like you're being sucked into it. I know how mean, cruel, and unfair life can be sometimes.'"

NYT LEDEALL ... ALEX BURNS and **KATIE GLUECK:** "The party has offered Mr. Biden, 77, less as a traditional partisan standard-bearer than as a comforting national healer, capable of restoring normalcy and calm to the United States and returning its federal government to working order. He has campaigned as an apostle of personal decency and political conciliation, and as a transitional figure who would take on some of the worst American crises -- not just the coronavirus outbreak but also economic inequality, climate change and gun violence -- before handing off power to another generation."

HOW IT PLAYED ... FRONTS: NYT, banner headline: **"BIDEN VOWS TO GUIDE U.S. OUT OF 'DARKNESS'"** ... **N.Y. POST: "AVERAGE JOE:** Biden clears the (low) bar, Dems exhale with relief" ... **WSJ: "Biden Makes Case to Oust Trump"** ... **WAPO: "Biden calls for hopefulness"**

FROM 30,000 FEET ... DAVID SIDERS: "Biden finally has his big moment": "For more than a decade, Joe Biden had been defined by association — to the president he worked for and, in its contrast, to the one he is trying to unseat. On Thursday, Biden set himself apart from them both. Biden, accepting the Democratic Party's nomination for president on the convention's final night, expanded on the searing indictment delivered Wednesday by former President Barack Obama and offered his own blistering criticism of President Donald Trump.

"And in a campaign that has served almost singularly as a referendum on Trump, he cast his candidacy as an affirmative alternative — a 'path of hope and light.' 'We can choose a path of becoming angrier, less hopeful, more divided, a path of shadow and suspicion,' Biden said. 'Or we can choose a different path and together take this chance to heal, to reform, to unite.'" ***Steven Shepard with the top takeaways***

A1, NYT ... JONATHAN MARTIN and **SHANE GOLDMACHER,** with a News Analysis bug: **"Biden Leaves Convention With a Clear Mission: Stop Trump":** "[L]ooming over Mr. Biden's long-sought presidential nomination was the ever-present shadow of another man who's poised to dominate the final 10 weeks of the campaign and use his considerable megaphone to drown out Mr. Biden's pitch: Donald J. Trump.

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"The president, who spent the day attacking Mr. Biden in the swing state of Pennsylvania, has been

the greatest unifying force at the Democratic convention, given that loathing him is the one thing that everyone in the fractious party can agree on.

"Mr. Biden and the Democrats spent the week prosecuting arguments against him on Covid-19, unemployment, health care, child care, climate change, foreign policy and his fundamental fitness for the presidency — attacks that only presaged a fall campaign that, even when it features Mr. Biden, will be aimed entirely at drawing contrasts with Mr. Trump.

"'**He'll wake up every day** believing the job is all about him, never about you,' Mr. Biden said on Thursday night. 'Is that the America you want for you, your family, your children? I see a different America.'"

Good Friday morning.

A message from the American Investment Council:

Whether your child is learning from home or returning to the classroom, private equity-backed companies are helping to create a safer and more accessible educational experience this fall. Back to school will look different this year, but we're in this together.

VP MIKE PENCE will appear on ABC's "Good Morning America," "Fox and Friends," CNN, CBS and "Mornings with Maria" this morning.

DRIVING TODAY: Postmaster General **LOUIS DEJOY** will testify in front of Senate Homeland at 9 a.m.
More from Marianne LeVine and Daniel Lippman

-- BIDEN, JILL BIDEN, KAMALA HARRIS and **DOUG EMHOFF** will attend a virtual fundraiser.

DEPT. OF CURTAIN MEASURING ... DAVID SIDERS: "Biden is already forming a government. Here's what his Cabinet could look like."

L.A. TIMES: "Kamala Harris' husband, Doug Emhoff, could also make history": "It's been an unlikely journey for the 55-year-old Los Angeles entertainment lawyer, who now finds himself in the inner circle of a presidential campaign. Emhoff, who lives in Brentwood, has seen his national profile swell, complete with his own fan club, the #DougHive — women who are thrilled by the novelty of a man comfortably taking a back seat in politics.

"He has more than 250,000 followers on Twitter, where he identifies himself as: 'Dad, @KamalaHarris hubby, lawyer, wannabe golfer, advocate for justice and equality.' His posts, sometimes addressed to the #KHive, can tend toward the goofy."

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ABC: **"Donald Trump to host funeral for brother Robert Trump at White House"**: "President Donald Trump will have family and friends join him Friday at the White House for a funeral service for his brother, Robert Trump, who died last Friday. Robert Trump's body will also be driven to the White House from New York for the ceremony, according to sources familiar with the arrangements, which are expected to remain private."

SCOOP -- "Trump Cabinet officials voted in 2018 White House meeting to separate migrant children, say officials," by NBC's Julia Ainsley and Jacob Soboroff: "In early May 2018, after weeks of phone calls and private meetings, 11 of the president's most senior advisers were called to the White House Situation Room, where they were asked, by a show-of-hands vote, to decide the fate of thousands of migrant parents and their children, according to two officials who were there.

"President Donald Trump's senior adviser Stephen Miller led the meeting, and, according to the two officials, he was angry at what he saw as defiance by Homeland Security Secretary Kirstjen Nielsen. It had been nearly a month since Jeff Sessions, then the attorney general, had launched the Trump administration's 'zero tolerance' policy, announcing that every immigrant who crossed the U.S. border illegally would be prosecuted, including parents with small children.

"But so far, U.S. border agents had not begun separating parents from their children to put the plan into action, and Miller, the architect of the administration's crackdown on undocumented immigrants, was furious about the delay." NBC

LATEST MEMBER TO CONTRACT COVID -- "Sen. Bill Cassidy tests positive for coronavirus," by Andrew Desiderio: "Sen. Bill Cassidy tested positive for the coronavirus, his office said in a statement Thursday. The Louisiana Republican, who is a medical doctor, was tested for the virus after he learned he had been in contact with an individual who tested positive. 'I am strictly following the direction of our medical experts and strongly encourage others to do the same,' Cassidy said in a statement.

"According to his office, Cassidy will quarantine for 14 days, as the Centers for Disease Control and Prevention recommends, and is 'notifying those with whom he may have come into contact.' His office didn't say whether the senator, 62, has symptoms, and if so, their severity."

A message from the American Investment Council:

Private equity-backed companies are providing digital textbooks and software to support remote learning and partnering with individual schools to help them safely reopen. Learn more.

TRUMP'S FRIDAY -- The president will leave the White House at 10:45 a.m. en route to the Ritz-Carlton in Pentagon City. He will deliver remarks at the 2020 Council for National Policy meeting at 11:00 a.m.

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Afterward, he will return to the White House.

TV TONIGHT -- PBS' "Washington Week" with Bob Costa: Yamiche Alcindor, Molly Ball, Hallie Jackson and Philip Rucker.

SUNDAY SO FAR ...

FOX **"Fox News Sunday":** Sen. Chris Coons (D-Del.) ... White House chief of staff Mark Meadows. **Panel:** Karl Rove, Susan Page and Juan Williams.

Gray TV **"Full Court Press with Greta Van Susteren":** House Minority Leader Kevin McCarthy ... Kellyanne Conway.

CBS **"Face the Nation":** James Comey ... RNC Chair Ronna McDaniel ... L.A. Mayor Eric Garcetti ... Scott Gottlieb.

ABC **"This Week":** Kate Bedingfield. **Panel:** Chris Christie, Rahm Emanuel, Leah Wright Rigueur and Barbara Comstock.

Sinclair **"America This Week with Eric Bolling":** Anthony Scaramucci ... Austan Goolsbee ... Olivia Nuzzi ... Marc Lamont Hill ... Jose Aristimuño.

NBC **"Meet the Press": Panel:** Kristen Welker, Gerald Seib and Scott Walker.

INTRODUCING POLITICO MINUTES: An unprecedented campaign season demands an unconventional approach to news coverage. POLITICO Minutes is a new, interactive content experience that reveals the top takeaways you need to know in an easy-to-digest, swipeable format delivered straight to your inbox. Get a breakdown of what's been learned so far, why it matters, and what to watch for going forward. Sign up for POLITICO Minutes, launching at the 2020 Conventions.

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PHOTO DU JOUR: Presicent Donald Trump holds a pizza during a surprise visit to Arcaro and Genel restaurant after speak ng at a campaign event on Thursday, Aug. 20, in O d Forge, Pa. Evan Vucci/AP Photo

PLAYBOOK METRO SECTION -- "Former Virginia governor Terry McAuliffe files paperwork to form campaign committee, but has not yet decided to seek a comeback, aide says," by WaPo's Gregory Schneider in Richmond: "Former governor Terry McAuliffe has filed paperwork with the Virginia elections office to create a campaign committee to run for governor in 2021, but the Democrat's spokesman said that it's a technicality and that there's no candidacy. Yet.

"'Governor McAuliffe is making no decisions on 2021 until after we defeat Donald Trump and his hateful ideology. This represents a paperwork change suggested by our accountant and lawyer,' spokesman Brennan Bilberry said via text message.

"The state paperwork — filed Wednesday and first reported by the Virginia Public Access Project — converts McAuliffe's existing political action committee, Common Good Virginia, into a candidate committee called Virginians for Common Good." WaPo

FOR YOUR RADAR -- "U.S. Allies Reject Trump Administration Bid to Reinstate Iran Sanctions, Opening Diplomatic Rift," by WSJ's Courtney McBride: "The U.S.'s closest allies on Thursday rebuked the Trump administration over its effort to reinstate international sanctions on Iran, opening a rift in the United Nations Security Council over the handling of Tehran's nuclear program and its regional ambitions.

"The U.K., France and Germany said the U.S. lacked standing to restore the measures, having withdrawn from the 2015 nuclear deal to which those nations were party, along with China and Russia, and with which Iran remains largely in compliance. Any actions taken based on the U.S. maneuver would be 'devoid of any legal effect,' the countries wrote." WSJ

AP: "Former sailor details misconduct by SEALs pulled from Iraq," by James LaPorta and Julie Watson with a San Diego dateline

A message from the American Investment Council:

Learn how private equity-backed companies are helping make learning safer and more accessible this school year.

NAVALNY UPDATE -- "Authorities are blocking Kremlin critic Navalny's evacuation from Russia, allies say," by Miles Herszenhorn: "A German ambulance plane stands ready to fly critically ill Kremlin

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opponent Alexei Navalny from Siberia to Berlin for treatment but doctors say he cannot be moved. Supporters of Navalny, who has been in a coma since Thursday morning after an alleged poisoning attack, accuse Russian authorities of trying to prevent his evacuation."

BANNON PLEADS NOT GUILTY … AP: "At his hearing, Bannon appeared by video with his hands cuffed in front of him and a white mask covering most of his face. He rocked back and forth on a chair in a holding cell with his lawyers on the telephone. The magistrate judge approved Bannon's release on $5 million bail, secured by $1.75 million in assets.

"When he emerged from the courthouse, Bannon tore off his mask, smiled and waved to news cameras. As he went to a waiting vehicle, he shouted, 'This entire fiasco is to stop people who want to build the wall.'" AP … ***The court drawing, via Reuters***

MEDIAWATCH -- "Washington Post managing editor Emilio Garcia-Ruiz named editor in chief of San Francisco Chronicle," by WaPo's Paul Farhi: "Garcia-Ruiz, 58, has been a managing editor at The Post since 2013, one of four currently under Executive Editor Martin Baron, and has been with the news organization for more than 20 years. … Garcia-Ruiz helped build The Post's digital offerings, including an expansion of its video-news team, managing a new audio operation, and helping to introduce new publications."

-- Betty Nevins, senior production manager for "Meet the Press," is leaving NBC News after 35 years. She's worked for the show for approximately 20 years, and previously was an NBC pool production manager for special programming.

BECOME A CHINA WATCHER: The fate of U.S.-China communication is hanging in the balance. Now that the White House has issued an ambiguous future ban on "transactions" involving WeChat, what's next? The decisions made in Washington and Beijing will shape our future for decades to come. Join the conversation and gain expert insight from informed and influential voices in government, business, law, tech, and academia. China Watcher is as much of a platform as it is a newsletter. Subscribe today.

PLAYBOOKERS

Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

BIRTHDAY OF THE DAY: Ben Howard, VP at the Duberstein Group and a Trump White House alum. **What he's been reading:** "I'm picking two because I'm in between books. I just finished 'Astrophysics for People in a Hurry' by Neil deGrasse Tyson, and I just started 'Hug Your Customers.' I'll add an article for good measure, since I think its message is important now more than ever: 'Why Being Kind Helps You,

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Too--Especially Now.'" **Playbook Q&A**

BIRTHDAYS: Josie Sherman is 1 ... Sen. Jon Tester (D-Mont.) is 64 ... Steve Case, chair/CEO of Revolution and the Case Foundation and co-founder of AOL, is 62 ... Peter Hamby, host of Snapchat's "Good Luck America" and a Vanity Fair contributor ... NBC News correspondent Harry Smith is 69 ... Arkansas Lt. Gov. Tim Griffin is 52 (h/t George Little) ... Elizabeth Stoltz ... Brian Parks of Locust Street Group ... Puja Murgai ... Ryan McCormack, deputy chief of staff at the Ex-Im Bank ... Joe Minges ... The Atlantic's Elaine Godfrey ... Stephen Neuman, Midwest region pod director for the Biden campaign (h/t Mitchell Rivard) ... Hunter Lipscomb ... Katie Brown of G2G Consulting ... Thomas Bradbury, policy analyst at the American Conservative Union, is 25 (h/t Jake Loft) ... Rubén Olmos, president of Global Nexus ... Mary Ann Naylor ... Manuel Roig-Franzia, WaPo feature reporter ... Jana Winter ... NBC's Pamela Engel ...

... **Tericka Lambert,** digital content director at When We All Vote ... Amelia Penniman, associate director at Bully Pulpit Interactive ... POLITICO's Ian Jenkins ... Robert Wells ... Ken Mehlman, member and global head of public affairs at KKR and co-head of KKR Global Impact ... Greg Bell ... Vianovo's Mike Shannon ... David Beavers ... Ilana Rovner is 82 ... Margaret Chan, former director-general of the WHO, is 73 ... Cheyne Worley ... Reuben Jeffery III ... Joan Kirchner Carr ... Marguerite Biagi ... Alisa Maso ... Sarah Rusciano ... Joe Mathieu ... CNN's Cameron Hough ... Lindsay Fisher ... Heather Hunter ... David Heifetz, political consultant at the National Immigration Law Center ... Sergey Brin is 47 ... Francine McMahon ... Abel Maldonado is 53 ... Paul Harstad ... Larry Martin (h/ts Teresa Vilmain) ... Lamont Black ... Jack Kelly ... Tom Houck ... Adam Dubitsky ... Rachel Hirschberg Light ... Katherine Perez ... Bruce Evans

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Subject: Daily News Clips: July 17, 2020

COMMODITY FUTURES TRADING COMMISSION

Daily News Clips

Friday, July 17, 2020

CFTC Mentions

National Journal: Where Regulators 'Behave Like Adults'. "CFTC Chairman Heath Tarbert talks about increasing diversity, overcoming partisanship, and doing an international job from a home office."

Law360: CFTC Says Fla. Precious Metals Co. Ran Ponzi Scheme. "The Commodity Futures Trading Commission on Thursday sued a now-defunct company that claimed to invest in leveraged precious metals, accusing it of swindling customers out of nearly $900,000 in a Ponzi-style scheme in which company executives pocketed the money."

Bloomberg Law: CFTC Charges Florida Men with Precious Metals Ponzi Scheme. "The Commodity Futures Trading Commission charged three Florida men and their company, the Alista Group, for allegedly engaging in a precious metals trading Ponzi scheme."

FT: UK Probes Lawyer Linked to Binary Options Scandal. "Israeli lawyer under investigation for possible money laundering. …His April 2016 opinion issued to the parent entity of Yukom, a UK-registered holding company called WSB Investment Ltd, was dated two days after the US Commodity Futures Trading Commission had warned the public that BinaryBook had not registered with the agency despite conducting activities that appeared to require registration."

Top News

FT: S&P 500 Set to Test Ending Week Positive for 2020
WSJ: Stocks End Lower as Economic Concerns Flare Up
FT: US 30-Year Mortgage Rate Falls Below 3% for First Time
FT: Beneath the Headlines of Opec's Production Increase
Risk.Net: LME Distressed at Severity of Esma Stress Tests
MLex: LSE-Refinitiv EU Merger Review Clock Stopped
FT: Bullish US Options Trading Suggests Caution 'Thrown Aside'
Reuters: Exclusive: Natixis Plans Shake-Up to Focus on Greener Lending
Risk.Net: Leaked Doc: EU Bans Initial Margin Haircuts to Resolve CCPs
S&P Global Platts: Vitol, Trafigura Agree First JKM LNG Derivative Contract on Platts eWindow
Bloomberg Law: 2020 Uncertainty to Slow Release of IRS Crypto Broker Rules
FT: FBI Launches Investigation into Twitter Hack
WSJ: FBI Investigates Twitter Hack Amid Broader Concerns About Platform's Security
Reuters: FBI Says It Is Investigating Hack of High-Profile Twitter Accounts
Bloomberg: Bitcoin Enthusiasts Face Bigger Problems Than Twitter Scam

Full Text

CFTC Mentions

National Journal: Where Regulators 'Behave Like Adults'
CFTC Chairman Heath Tarbert talks about increasing diversity, overcoming partisanship, and doing an international job from a home office.
By Jerry Hagstrom

AMERICAN OVERSIGHT

Heath Tarbert was sworn in one year ago Wednesday as the chairman of the Commodity Futures Trading Commission. Like many heads of federal agencies, he's gotten quite a bit more than he bargained for during that time, as he's tried to navigate derivatives regulation, as well as commission leadership, in the midst of the coronavirus pandemic.

For starters, it means working from his home in Northwest D.C., beginning at 7 a.m. and ending at 9 p.m.—and being grateful for all the work he did in his first months on the job to get himself up to speed.

In a telephone interview on Tuesday, Tarbert said the CFTC has been telecommuting "nearly 100 percent" since mid-March, conducting meetings over the phone and online. That system, he said, has allowed the agency to continue to protect the integrity of financial markets and sanction firms and individuals for fraudulent activities—even though Tarbert says he always worries about potential volatility and defaults on contracts.

"During a crisis period, more communication is better than less," Tarbert said, noting that he has increased the number of meetings he holds with agency staff and the other four commissioners.

His day is so long, he said, because he needs to keep in touch with the other financial regulators in the U.S. government and with his counterparts overseas.

In some ways, he said, his efficiency has increased because there "are fewer distractions in the office," he doesn't need to commute, and he doesn't need "to fly to Basel," the Swiss city where so many international banking standard-setting meetings take place.

Tarbert said he believes the agency's 700 longtime employees and 300 contractors have adjusted well to a new routine but, for new hires who have started working without ever being in the office, as well as for summer interns, "it's tough."

It would have been easy to cancel the summer-internship program, he said, but these college students had already lost so much he didn't want them to lose the internships too.

Before his presidential appointment to the CFTC, Tarbert was acting Treasury undersecretary for international affairs; a special counsel on the Senate Banking, Housing, and Urban Affairs Committee in 2009-10 when the Dodd-Frank Act was written; and a law clerk for Supreme Court Justice Clarence Thomas.

But chairing the CFTC, he said, "has been the most rewarding 12 months in my career. I've done a lot of unique and cool things."

That started with spending the first 100 days in office "making sure I got an understanding of what was going on."

Too many political appointees in Washington "take the 'ready, fire, aim' approach without taking the time to figure out what is going on," he said.

To avoid that mistake, he wrote a mission statement saying that the agency wants to protect the integrity of the futures markets without under-regulation or overregulation, and offering a statement of core values that includes "valuing diverse skill sets and backgrounds to achieve our mission"—an important point in a field that has been very white and very male.

Tarbert said he determined that even though the United States is going through "one of the most divisive political environments" and the commission by law has a mix of Republican and Democratic commissioners, "we are a technical agency" that should not be divisive on policy.

The CFTC, he said, should fulfill voters' expectation that officials in Washington "behave like adults."

When he was a Supreme Court clerk, he said, he observed each justice had his or her own views on cases that did not follow partisan lines, and he has aspired to "follow the values of the judiciary."

Financial futures dominate the industry, with cybersecurity and cryptocurrencies the hot issues. But Tarbert, a Baltimore native, visited farms, feedlots, and grain elevators in the Midwest because, he said, "the futures industry grew up through ag. If these markets aren't working for farmers and ranchers, they aren't working."

Tarbert had to cancel this year's CFTC ag meeting in Kansas City, but overall he has held 12 public meetings in the past year, more than the commission held in the last six years combined.

AMERICAN OVERSIGHT

In the early weeks of the pandemic, ranchers were upset by market volatility and high consumer prices, so Tarbert

appointed a Livestock Market Task Force and a liaison with the Agriculture Department.

He also convinced the White House and appropriators to increase the budget to implement the Dodd-Frank Act.

The CFTC's Democratic commissioners have agreed with the Republicans on most of the 18 rules that have been issued this year, but they said Tarbert's proposed rule on limiting positions in the derivatives market to comply with the Dodd-Frank Act was not strict enough. The issue has vexed the commission for 10 years.

Tarbert said he's now going through public comments on position limits and talking with his fellow commissioners. Even if the Democratic commissioners don't vote for the final rule, he said, they will have been consulted.

Law360: CFTC Says Fla. Precious Metals Co. Ran Ponzi Scheme
By Clark Mindock

The Commodity Futures Trading Commission on Thursday sued a now-defunct company that claimed to invest in leveraged precious metals, accusing it of swindling customers out of nearly $900,000 in a Ponzi-style scheme in which company executives pocketed the money.

The commission said in a Florida federal court complaint that Alista Group LLC and three men running the company set up an aggressive campaign that involved cold-calling potential customers and encouraging them to invest in leveraged precious metals. That effort brought in $890,500 from 19 customers, according to the complaint.

But instead of investing that money in customer accounts, the Alista trio set up accounts in the name of the company, the CFTC says. The agency alleges that Marvin W. Courson III, Christopher A. Kertatos and Luis M. Pineda Palacios used some of the money to pay interest charges, fees and personal expenses including food and entertainment and would sell off holdings to pay customers who wanted to cash out.

During the period Alista operated, from 2016 until the end of 2017, the company was banned from trading with a California-based precious metal dealer and then set up an account in the Cayman Islands with a straw account in the name of a French individual who had contributed no money to the funds himself, according to the complaint.

"In connection with this activity, Alista, Courson, and Kertatos defrauded these retail customers by misappropriating their funds to, among other things, speculate in precious metals for Alista's own account, pay Alista's business expenses, and make Ponzi-style payments to customers who sought to cash out some of their purported holdings," the complaint said.

In a statement, the CFTC said Courson and Kertatos "defrauded these customers by misappropriating their funds to speculate in precious metals for Alista's own account, paid Alista's business expenses, and made Ponzi-style payments to customers who attempted to cash out some of their purported holdings."

Kertatos and Palacios are accused of defrauding Alista customers by using bank accounts under their personal control to accept funds from those customers and then misappropriate the money for personal use or for expenses unrelated to leveraged precious metal transactions.

According to the complaint, Alista was registered in Georgia in 2016 but did much of its business from offices in Florida. During the first nine months that it operated, the company had little success. The company then began aggressively cold-calling potential customers.

The complaint details several instances in which funds were allegedly misallocated, including in mid-2017, when the company took nearly $240,000 of customer funds and leveraged precious metals in the company's name instead of in customers' names. Later in 2017, the complaint alleges, holdings were sold off to pay off a customer who wanted to withdraw and some of the proceeds were used for business and personal expenses of individuals at the company.

The commission is seeking to force the company to return funds to the customers who have been allegedly defrauded, to ban the company from future trading and to impose a civil penalty.

The complaint said that Courson was sentenced in 2009 to 94 months in prison following a guilty plea on charges of conspiracy to distribute cocaine. Kertatos was sentenced to 42 months in 2011 after a guilty plea for conspiring to commit mail fraud.

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The commission is represented by Alan I. Edelman and Alison B. Wilson with the Commodities Futures Trading Commission division of enforcement.

Counsel for the defendants was not immediately available.

The case is the Commodity Futures Trading Commission v. The Alista Group LLC et al., case number 2:20-cv-00503, in the U.S. District Court for the Middle District of Florida.

Bloomberg Law: CFTC Charges Florida Men with Precious Metals Ponzi Scheme
By Lydia Beyoud

- **COURT**: M.D. Fla.
- **TRACK DOCKET**: No. 2:20-cv-00503
- **COMPANY INFO**: Alista Group, LLC

The Commodity Futures Trading Commission charged three Florida men and their company, the Alista Group, for allegedly engaging in a precious metals trading Ponzi scheme.

Marvin Courson III, Christopher Kertatos and Luis Pineda Palacios enticed customers into nearly $900,000 worth of illegal, off-exchange leveraged precious metals trades, the CFTC alleged in a complaint filed Thursday in the U.S. District Court for the Middle District of Florida.

Leveraged precious metals transactions generally refer to customers paying only a portion of the cost of the commodity, with the remainder financed by a broker-dealer. Price changes in the commodity can result in major wins or losses for the customers, potentially causing them to owe more than they initially deposited in their account.

The men used customer funds for personal and business expenses and to make Ponzi-type payments to customers who wanted to cash out, the CFTC said.

Kertatos was previously convicted for mail fraud related to a $1.6 million scam involving precious metals trading, according to the complaint.

The men never opened leveraged precious metals accounts on behalf of their customers, except for two transactions, the CFTC said. They instead used customer funds for their own leveraged precious metals trading, it said.

The men used a precious metals dealer in the Cayman Islands after a U.S. dealer closed their account after becoming aware the Alista Group was operating as a broker dealer.

The company eventually had to liquidate all the funds it held to pay more than $480,000 in margin calls owed to the U.S. precious metals dealer.

Causes of Action: Fraud by misappropriation in connection with retail commodity transactions, illegal off-exchange financed transactions

Relief: Injunctive relief, equitable relief, restitution, civil monetary penalties.

Response: Attorneys for the defendants weren't listed on the docket and couldn't be identified for comment.

The case is CFTC v. The Alista Group, LLC, M.D. Fla., No. 20-cv-00503, complaint filed 7/16/20.

FT: UK Probes Lawyer Linked to Binary Options Scandal
Israeli lawyer under investigation for possible money laundering
By Kadhim Shubber and Jane Croft

AMERICAN
CONSTITUTION

An Israeli lawyer linked to a high-profile binary options fraud scheme is under investigation in the UK for possible money laundering and conspiracy to defraud, the Financial Times can reveal.

Moshe Strugano, 50, had provided a legal opinion used by the operators of the websites BinaryBook and BigOption to underpin the sale to US investors of risky financial products called binary options, which have been the target of a global crackdown by regulators.

Last year, the former chief executive of a company behind those websites was sentenced to 22 years in prison for defrauding US and other investors. US prosecutors said the scheme "targeted and defrauded thousands of victims" including retirees and military veterans.

Mr Strugano was arrested in early 2019 by City of London police and released on bail, according to UK court records and a person familiar with the matter. A police spokesperson said their investigation was ongoing.

"The City of London police is currently conducting a number of enquiries to assist with the Crown Prosecution Service's decision on charging advice for a number of individuals who are under investigation in this case," the spokesperson told the Financial Times.

Mr Strugano had been arrested on suspicion of money laundering and conspiracy to defraud, according to a public court listing at London's Westminster Magistrates' Court, and released on police bail without charge, pending further enquiries.

Further details of the suspected offences under investigation and the identities of any other suspects were not available. Earlier this month, the Crown Prosecution Service said no charges had been brought but declined to comment further.

The US takedown of BinaryBook and BigOption resulted in the convictions of six individuals and indictments against a further 15 people. Mr Strugano was not charged or accused of wrongdoing in that case.

Binary options allowed investors to wager on whether stocks or other assets would go up or down over a fixed period. Regulators in the US, Europe and Israel have sought to stamp out the products, likening them to unregulated gambling and warning of the risks of fraud.

US prosecutors said investors bought more than $100m worth of binary options through BinaryBook and BigOption after they were misled about the expected returns and their ability to withdraw funds from their accounts.

Lee Elbaz, the former chief executive of Yukom Communications, an Israeli sales and marketing company at the centre of the scheme, was convicted at trial last summer in Maryland and sentenced to 22 years in prison.

Part of the defence case was that Elbaz had relied on legal opinions indicating that BinaryBook and BigOption were lawfully selling to investors in the US. One of those opinions was from Mr Strugano, though the document was ultimately not introduced at trial.

His April 2016 opinion issued to the parent entity of Yukom, a UK-registered holding company called WSB Investment Ltd, was dated two days after the US Commodity Futures Trading Commission had warned the public that BinaryBook had not registered with the agency despite conducting activities that appeared to require registration.

Mr Strugano had claimed online that he was joining Elbaz's defence team last year, though he did not appear on the federal court docket. Elbaz has appealled against her sentence and her conviction.

Mr Strugano's personal website says he got his law degree from the University of East London before working for JPMorgan and then for an unnamed private investment company. It adds he is "committed to help others and to do his part for the environment".

His Tel Aviv-based law firm, Moshe Strugano & Co, "specialises in registering and establishing companies around the world" as well as obtaining permits for binary options firms, according to its website.

Mr Strugano and a US lawyer who has represented him did not respond to messages seeking a comment.

Top News

FT: S&P 500 Set to Test Ending Week Positive for 2020

European stocks waver as investors seek clues on eventual shape of €750bn pandemic recovery fund

By Harry Dempsey and Hudson Lockett

AMERICAN INTERNATIONAL

US stock futures rose on Friday signalling Wall Street could return to positive territory for the year, while European equities wavered as investors focused on a vital EU summit for a €750bn pandemic recovery fund.

Futures markets tipped the S&P 500 to gain 0.5 per cent when trading begins on Wall Street. The benchmark stock index, which is on track for its third consecutive weekly gain, briefly turned positive for the year earlier this week. However, it failed to hold on to those year-to-date gains as a mixed bag of earnings rolled in and coronavirus cases continued to rise.

The continent-wide benchmark Stoxx 600 was up 0.2 per cent in early afternoon trading, putting the index on course to grind out a third consecutive week of gains. London's FTSE 100 was up 0.6 per cent, after prime minister Boris Johnson urged workers to return to offices in a push for normality by November.

"Amid low summer liquidity, the uneven recovery and the persistent fears of a second wave of infections could keep volatility elevated after the strong second-quarter rally," said Emmanuel Cau, head of European equity strategy at Barclays.

He added that "all eyes are now fixed on the EU summit" over the next two days for clues on how the 27 member states resolve their differences to work towards an agreement on a coronavirus recovery fund for the bloc, alongside a renewed EU budget for 2021-27.

"We expect the recovery fund to be watered down," warned strategists at ABN Amro, with the proposed split of €500bn for grants and €250bn for loans likely to be skewed towards becoming more evenly balanced.

Mark Rutte, prime minister of the Netherlands, told a Dutch broadcaster that he was "not optimistic" before the talks. He added that the Netherlands, one of the so-called frugal four, will stick to its position that countries receiving support must sign up to economic reforms.

Salman Baig, investment manager at Swiss asset manager Unigestion, said the comments were a "bit of jawboning" and more fiscal support was likely given low borrowing costs. "When we look at the fundamentals, governments still need to support the economy," he said.

He forecast that global equity markets would push higher in a "staircase" pattern, as opposed to a straight line.

The euro rose 0.4 per cent against the dollar to $1.1427. The yield on 10-year German Bunds, a haven asset for the region, was steady on Friday. Yields rise as bond prices fall.

Spreads between Bunds and other European bonds, a key measure of risk in the region, have tightened since the proposal by France and Germany for a recovery fund in May, suggesting a lower level of perceived risk.

"We judge that about half of the spread tightening across the eurozone will be reversed, given our expectation that the recovery fund will be watered down," said strategists at ABN Amro.

Chinese stocks swung between gains and losses on Friday as state media sought to reassure investors on the outlook for onshore equities following their worst fall in five months.

China's CSI 300 index of Shanghai and Shenzhen-listed stocks reversed course multiple times throughout the session to close up 0.6 per cent.

Elsewhere in the region, Hong Kong's Hang Seng index closed up 0.5 per cent and Australia's S&P/ASX 200 rose 0.4 per cent, while Japan's benchmark Topix index fell 0.3 per cent.

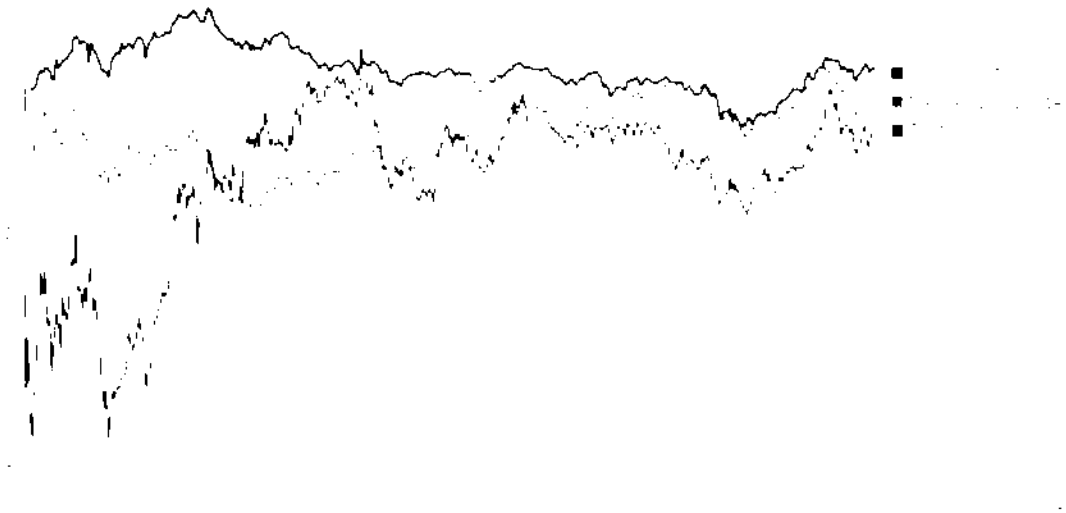
Oil prices fell with Brent crude, the international benchmark, off 0.7 per cent at $43.06 a barrel.

WSJ: Stocks End Lower as Economic Concerns Flare Up

Chinese stocks drop by most in five months as retail sector's slow recovery suggests a choppy rebound

By Caitlin Ostroff and Paul Vigna

AMERICAN OVERSIGHT



U.S. stocks fell Thursday, while Chinese stocks suffered their biggest drop in more than five months, on fresh concerns about rising coronavirus infections and the global economy's faltering recovery from the pandemic.

The Dow Jones Industrial Average lost 135.39 points, or 0.5%, to 26734.71, snapping a four-session winning streak. The S&P 500 dropped 10.99 points, or 0.3%, to 3215.57. The Nasdaq Composite fell 76.66 points, or 0.7%, to 10473.83.

After surging in April and May, the stock market's rally has slowed in recent weeks. The Nasdaq has hit new records, but the S&P 500 has been moving sideways as signs of a nascent economic recovery have been undercut by the expansion of the pandemic in the U.S.

"It's just a tug of war," said Esty Dwek, a strategist at Natixis Investment Managers. "None of these risks look like they will entirely derail the recovery or rally, but you have to get over these hurdles to get the next leg up, and right now we still have a few of these hurdles to pass."

Unless the pandemic forces a renewed total lockdown, Ms. Dwek says she expects the markets and economy to keep moving forward. "We're on our way to recovery," she said, "it's just not a straight line up."

Fresh figures on U.S. jobless claims showed that 1.3 million Americans filed for unemployment in the week ended July 11. The weekly tally of new unemployment claims by laid-off workers has slowly trended downward in recent weeks, but remain at historically high levels.

"The key issue now is concern about a new wave of infections and the potential impact on the economic recovery," said Andrew Hunter, senior U.S. economist at Capital Economics.

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U.S. retail sales for June rose 7.5%, more than economists expected, but investors are growing increasingly concerned that further recovery could be stymied by the surge in infections. Some states are closing restaurants, bars and stores to slow its spread, and that's likely to dampen consumer spending, a crucial driver of the U.S. economy.

Among individual stocks, Norwegian Cruise Line tumbled 16% to $15.61 after the company said it is looking to raise $925 million in debt and $250 million in an underwritten public offering of shares because its sailings have been canceled due to the coronavirus pandemic, drying up revenue.

Shares of Bank of America fell 2.7% to $23.93 after it reported its profit tumbled 52% in the second quarter after the bank set aside billions of dollars to prepare for soured loans.

Morgan Stanley shares rose 2.5% to $52.64 after reporting second-quarter earnings rose 45%, setting a record for the firm and topping the expectations of Wall Street analysts.

Twitter's shares fell 1.1% to $35.28 after the social-media company was hit with a widespread attack that allowed hackers to take over an array of accounts including those of celebrities, politicians and billionaires.

And shares of Dell Technologies rose 12% to $59.10 after the company said it is considering a potential spinoff of its 81% equity ownership interest in VMware.

In bond markets, the yield on the 10-year Treasury fell to 0.611%, from 0.629% Wednesday.

Across Asia, most major equity benchmarks ended the day down. Hong Kong's Hang Seng Index retreated 2% to 24970.69, while Japan's Nikkei 225 lost about 0.8% to 22770.36.

The Shanghai Composite Index retreated 4.5% to 3210.10 in its steepest drop since February. Data on Thursday showed pockets of weakness, especially in China's retail sector, even as the world's second-largest economy returned to growth. Meanwhile, the pan-continental Stoxx Europe 600 declined 0.5%.

Data on China's retail sector showed it is recovering more slowly than expected, with sales falling 1.8% in June from a year earlier. Economists had projected 0.3% growth.

Investors also said moves in stock indexes world-wide are likely outsize due to lower trading volumes.

"We're entering a period in the summer where liquidity tends to diminish," said Yuko Takano, a portfolio manager at Newton Investment Management. Ms. Takano said she is focusing on corporate earnings over the next few weeks to assess how corporations have fared and expects economic data to remain choppy.

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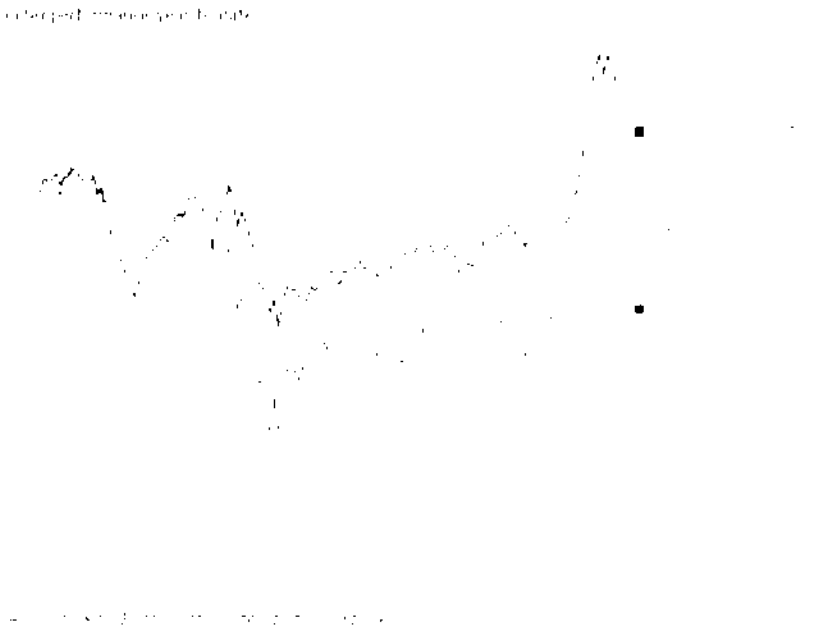

FT: US 30-Year Mortgage Rate Falls Below 3% for First Time
Historic low stokes refinancing boom and props up housing market confidence
By Mamta Badkar and Robert Armstrong

The average interest rate on a 30-year fixed-rate mortgage in the US has fallen below 3 per cent for the first time ever, mortgage finance company Freddie Mac said on Thursday.

The historic figure reflects how policy responses to the coronavirus pandemic have brought down borrowing costs, helping drive a recovery in the US housing market even as other parts of the economy face a more uncertain recovery.

The fresh low of 2.98 per cent — below anything on records dating back to 1971 — was down from 3.03 per cent the previous week.

Doug Duncan, chief economist at Freddie Mac's sister company, Fannie Mae, said that given the big drop in US Treasury yields, mortgage rates had more room to fall. "A two-and-three-quarters [per cent] mortgage is possible next year," he said.

The reason rates have not fallen faster is that the demand for mortgage refinancing has overwhelmed the ability of lenders to originate new loans, according to Mr Duncan.

"There is no point in lowering prices to gain business you can't close anyway," he said.

The availability of long-term fixed rate mortgages in the US is underpinned by the activities of Fannie Mae and Freddie Mac, which parcel them into bonds for sale to investors, providing them with a government guarantee that can make them as attractive as US Treasuries.

Walt Schmidt, head of mortgage strategy at FHN Financial, agreed that rates could go lower, but pointed out that the average mortgage rate obscures an unusually wide range of rates available, depending on individual borrower's credit history.

"There have been a lot of borrowers who have gotten two-handle [under 3 per cent] mortgages for a couple of months now," Mr Schmidt said. "It is like past crises, in that those who don't need financing can get it, and those that need it cannot."

Mortgage lenders are very leery of borrowers with credit blemishes, fearing that they could go into payment forbearance after securing a new mortgage. Recent federal legislation designed to ease the economic effects of coronavirus forces lenders to give customers payment holidays if they are struggling.

HOUSE OVERSIGHT

The latest mortgage rate figures on Thursday came alongside data that showed US homebuilder confidence in July had returned to levels seen before the pandemic hit.

The National Association of Home Builders' housing market index climbed to 72 in July from 58 the previous month. That exceeded economists' forecasts for a reading of 60, according to a Reuters survey, and matched its reading in March.

"Builders are seeing strong traffic and lots of interest in new construction as existing home inventory remains lean," said NAHB Chairman Chuck Fowke. "Low interest rates are also fuelling demand, and we expect housing to lead an overall economic recovery," he added.

Economists have pointed out that one of the reasons the housing market has recovered quickly is because pandemic-driven job losses have disproportionately affected younger renters as opposed to would-be homebuyers.

Moreover, lower mortgage rates have made home purchases more attractive for those who have held on to their jobs.

FT: Beneath the Headlines of Opec's Production Increase
Your latest energy news: Opec+ eases oil cuts, what Joe Biden's energy plan was missing, forecasters' view of the market
By Derek Brower and Myles McCormick

Opec+ believes the oil market is heading back towards balance. Saudi Arabia and Russia, the group's leaders, decided yesterday to stick with the plan to start raising oil production a bit, phasing out the deep cuts that have helped prop up crude prices at around $40 a barrel.

Our first note looks beyond yesterday's news to ask whether an even faster termination of the cuts is becoming more likely. Our second looks ahead, too, at Joe Biden's energy plan — and explains why the Democratic presidential challenger is eschewing discussion of American oil and gas (production of which soared while he and President Obama were running the country).

Our monthly agency monitor, meanwhile, gives a snapshot of the main forecasters' view of the oil market, and also notes the rise of US net petroleum imports.

Just how much longer will Opec+ stick with its extreme cuts?

"The market must always look at what is beneath the headline," said Abdulaziz bin Salman, Saudi Arabia's energy minister, at the Opec+ joint ministerial monitoring committee meeting yesterday, "as well as our friends in the media."

Indeed. Let's start with the cartel's production from August. In line with the tapering plan agreed months ago, Opec+'s production cuts will now ease from 9.7m to 7.7m barrels a day.

That remains a huge cut — on its own, far bigger than cuts in previous years. But the change means a 2m b/d increase in supply, right? No, said Prince Abdulaziz, because Iraq, Nigeria and other quota-busters will continue to "compensate" for earlier under-compliance, with extra cuts. So the reductions will in practice be closer to 8.1m b/d.

The market will have two problems with this. First, both countries have a terrible record of compliance with Opec cuts. How much discipline will they show when the rest of the group begins lifting output?

The second is how Saudi Arabia would impose discipline. Its established method of doing so — by threatening to open the taps to punish quota cheats — is now defunct. Donald Trump, the orchestrator of Opec+'s historic deal in April, would not allow it. Iraq, Nigeria, and everyone else knows this.

So what comes next?

"The market is very close to balance," said Alexander Novak, Russia's energy minister. To the cartel's credit, this is an incredible outcome given the state of the market a few months ago.

But it will take unusual discipline for the group's producers to maintain compliance. As the late, great Opec commentator Robert Mabro liked to say, Opec is like a teabag — it only works in hot water. That water was scalding in April, but is cooling.

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Look further ahead and things become less clear. Opec+ is supposed to increase production again at the start of 2021, adding another 2m b/d. But market conditions will be different by then. Opec's own forecasters, for example, think that between the second and fourth quarters this year, demand for its crude will rise by almost 13m b/d. It produced 22m b/d last month, but the so-called call on Opec will rise to more than 30m b/d by year-end and remain around that level through 2021.

Looking ahead, this means one of three things:

1. Opec+ will keep cutting as planned through 2021, leaving the market about 6m b/d short. Crude stocks would fall — a sound objective. But any price rise would revive non-Opec production (like that in the US).

2. As prices rise, Opec+'s own cuts will end so that the cartel — not its rivals — is able to capture the market share.

3. It is possible that Opec — typically focused on price and short-term outcomes — still doubts its own forecasts.

In short, something does not add up. Looking beneath yesterday's headlines, it seems increasingly plausible that having brought the market to balance so quickly, Opec+'s cuts will end far sooner than its current long-term plan envisages.

(Derek Brower)

What about the oil, Joe?

Joe Biden's energy plan, unveiled on Tuesday, is ambitious. If elected president, he promises to pump $2tn into a programme that would markedly accelerate the transition to clean energy and create millions of jobs in the process.

But one thing was missing. The former vice-president made almost no mention of his plans for the oil and gas sector — a pretty core element of any energy platform. Don't forget, the US is both the world's largest oil and gas producer and by far its biggest market.

Instead, Mr Biden's main focus was jobs — jobs in manufacturing turbines, jobs in retrofitting lighting, jobs in installing charging stations. Electricians, engineers, longshoremen, shipbuilders, iron workers and welders all got a look in.

In fact, Mr Biden mentioned jobs 19 times. The word oil, on the other hand, featured twice — once in relation to irresponsible executives; the other on how much crude would be taken out of the equation by electric vehicles. (He also mentioned creating another 250,000 jobs to clean up abandoned wells.)

This was deliberate. To beat Donald Trump in November, Mr Biden needs to convince a broad church of voters to back him — from Pennsylvania roughnecks to California climate activists: groups whose views on oil and gas (and especially fracking) could not be further apart. The solution has been to avoid big public statements on the issue.

Walking this tightrope has been tricky. During the primaries — when the aim was to win voters from Bernie Sanders — Mr Biden vowed there would be "no ability for the oil industry to continue to drill" and "no new fracking". That risked doing damage in key swing states like Pennsylvania, where he needs shale workers' support. Last week, he said fracking would not be "on the chopping block".

The Trump camp wants to paint Mr Biden as "beholden to the radical socialist ideology" of leftwing Democrats like Mr Sanders and Alexandria Ocasio-Cortez, a New York congresswoman and "Green New Deal" proponent, and claims he would sacrifice millions of oil and gas jobs.

For now at least, Mr Biden has largely managed to avoid tackling the oil and gas question head on — and with it the risk of alienating either wing of his party. Surrogates have tried to calm the nerves of oil and gas workers, assuring them that a drastic overhaul of the sector is not on the cards.

That has not been enough to convince some in the sector who have already made their mind up. In a survey last month by the University of Houston and the Texas Oil and Gas Association, three out of four oil and gas workers said the election of Mr Biden was the greatest threat to their company's well being over the next 12 months — a bigger challenge

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than oversupply, crippled demand or a coronavirus resurgence.

Underlining the vitriol with which Mr Biden's plan to deal with climate change is viewed in oil heartlands, one columnist wrote in the Galveston News yesterday that his presidency would see the US "destroyed from within".

> "Climate change would be the No. 1 priority and if a basic income doesn't shut down the economy, then climate change legislation will," wrote Ray Holbrook.
>
> *(Myles McCormick)*

Oil producers fret over threat to growth from a Biden presidency

Data Drill

The US has secured energy independence again — sort of. American crude production tanked in recent months as producers shut wells during the worst phase of the price crash. As a result, after six months in which it was a net exporter of oil for the first time in decades, the country returned to being a net importer. But with prices up and wells coming back online, that could flip once again: last week, the US exported 75,000 barrels a day more than it imported.

Energy independent: the US is a net exporter again .. barely

Power Points

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- The transition from oil to cleaner fuels will happen more quickly than previously thought, says FT columnist Nick Butler.

• Investors are tilting towards clean energy producers. It is another trend that is accelerating the energy transition, argues Alice Ross.

• Japan's environment minister said Tokyo's pledge to end support for coal-fired power generation around the world was a "turning point" for the country's climate strategy.

• The FT's Leslie Hook reports on new start-ups trying to crack technology to suck CO2 from the atmosphere.

• The Dakota Access Pipeline can continue operating in the short term while a legal challenge to its recent suspension is prepared and examined.

• The US has threatened to impose sanctions on any companies helping Russia to build the Nord Stream 2 gas pipeline, Demetri Sevastopulo, Henry Foy and David Sheppard report.

Endnote

The three main oil-market forecasting authorities — the International Energy Agency, Opec's secretariat, and the Energy Information Administration — released their latest monthly assessments. Here is our regular snapshot on what matters and what changed.

	Demand 2020	Revision vs previous month	Change vs 2019	Non-Opec Supply 2020*	Revision vs previous month	Change vs 2019
IEA						
Opec						
EIA						

(Figures in million barrels a day)
*Includes Opec NGLs

Risk.Net: LME Distressed at Severity of Esma Stress Tests
Watchdog's simulated price shocks said to be unprecedented in metals markets
By Costas Mourselas

The London Metal Exchange is understood to have been left frustrated by its failing grade in the European Securities and Markets Authority's clearing house stress test this week, after the watchdog subjected its default resources to price shocks that were up to three times more severe than the worst one-day falls on record in key base metal markets.

On July 13, Esma released the results of a stress test for Europe's largest central counterparties, which simulated two scenarios: a large price shock along with the default of each CCP's two largest clearing members, and, separately, a price shock accompanied by the default of the single set of two clearing members, which would collectively cause the biggest drain on financial resources at each CCP.

The tests were conducted on the basis of participants' balance sheets as of December 2018 and March 2019. The second stress test found LME Clear would incur €712 million in losses, exceeding its €446 million default fund by €266 million – an amount that would have to be met by cash calls to its clearing members. LME was the only CCP in the test to exceed its default resources.

CFTC-22-0351-A-000190

Risk.net understands Esma's shock was considerably in excess of the hypothetical stress scenarios the LME uses to size its default fund. The test envisaged the bourse's aluminium, copper, nickel, lead, tin and zinc contracts all falling to a considerably larger degree than any have previously on the same day.

It is understood that aluminium prices, for instance, were shocked by -14%. The biggest one-day move for aluminium was a drop of -4.3%, in the immediate aftermath of the default of Lehman Brothers; its biggest two-day move is just under -12%.

The stress test comes amid scrutiny of futures and options clearing house margin models, as Covid-19 ravaged markets in March and April. Multiple clearing banks and some CCPs have suggested the procyclicality demonstrated in some clearers' models during the March market rout mean margin floors need to be set higher, with lengthier margin periods of risk.

Commodity clearers in particular often counter that margining on the basis of more than two days' worth of price moves would force margins higher to such a degree that smaller producers and consumers would be locked out of markets, damaging liquidity and price discovery.

Under the European Market Infrastructure Regulation, CCPs are required to set initial margin on the basis of two-days' worth of net price moves, close to close, on the assumption that it will take two days to close out a defaulter's portfolio.

In a statement, an LME spokesperson drew attention to this apparent disparity.

"LME Clear has been designed from the outset to manage risk in the exchange-traded metal derivative markets, and our systems are designed to take into account the distinct characteristics of those markets," the statement reads.

"The nature of these markets and our historical and hypothetical scenarios lead us to the conclusion a two-day price shock is the appropriate test for exchange-traded metal derivatives – consistent with Emir requirements for CCPs clearing futures business. The Esma stress exercises are designed with a five-day price shock in mind. As such we remain confident that our financial resources and default waterfall processes are fully adequate and appropriate for the markets we clear."

Extreme price dislocations are not unheard of in commodity markets, however. During the Covid lockdown-induced selloff that engulfed markets in March, the LME's copper contract saw successive days of heavy selling, with falls of as much as -9% on March 18. Aluminium, zinc, tin and lead prices all saw intraday price drops of more than -4% the following day.

Conversely, idiosyncratic factors affecting the supply dynamics of a market can have a pronounced effect on individual contracts. LME Nickel prices rocketed by more than 10% in April 2018, when Russian producers were hit by a fresh round of US economic sanctions.

As of end-March 2020, LME Clear had prefunded default resources, beyond initial margin, of $862 million, up from $472 million the same quarter a year ago.

Covid-strength stresses

Esma's report on its stress tests suggested all the scenarios used were of "comparable severity" to the market stresses experienced amid the Covid-19 market scare in March and April, with only "limited exceptions".

"The scenarios can be used to assess the resiliency of CCPs under hypothetical extreme but plausible market movements," says the report.

Fabrizio Planta, the head of markets and data reporting at Esma, said at a July 13 press briefing that the LME's lead regulator – the Bank of England – "reacted immediately" upon being notified of the failure, after Esma had informed the LME's college of supervisors.

"We will certainly analyse if… this would require certain changes to their margin models," he said. "It's too early to say."

In the wake of an unprecedented number of margin breaches among global CCPs, some market participants have questioned whether or not liquidity and concentration add-ons are appropriately calibrated across global CCPs.

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In response to a question from Risk.net at the July 13 press conference, Planta suggested Esma was looking into

liquidity risk add-ons and their current application across the Union.

“Certainly, additional guidance is needed and is something that is in our work pipeline,” he said.

Esma did not respond to a request for comment in time for publication.

MLex: LSE-Refinitiv EU Merger Review Clock Stopped
By Natalie McNelis

The EU review of LSE’s bid to take over financial data provider Refinitiv has been suspended, according to an update published on the European Commission's website today.

The clock has been stopped since July 13, says the update. Before the suspension, the Brussels-based regulator had until Oct. 27 to decide on the transaction.

The EU opened a phase II probe into the deal on June 22 (see here). It said it was concerned about trading and clearing of various financial instruments and financial data products, specifically electronic trading of European government bonds, trading and clearing of interest-rate derivatives, consolidated real-time data feeds, and index licensing.

LSE is acquiring Refinitiv in an all-share transaction from Blackstone and Thomson Reuters. After the deal, the original shareholders will hold an about 37 percent stake in LSE and less than 30 percent of total LSE voting rights.

The commission's case file number is M.9564.

FT: Bullish US Options Trading Suggests Caution ‘Thrown Aside’
Data show rising volumes of rights to buy stocks, rather than sell
By Eric Platt

Traders are betting that US stocks will continue to climb, in a sign that the euphoria that has lifted the benchmark S&P 500 more than 40 per cent from its March low has not fully abated.

Trading of US equity call options, which offer investors the chance to benefit from a rally in stocks, has in recent weeks far exceeded the volume of put options, which protect investors from a slide in the market, according to exchange group Cboe Global Markets.

On Wednesday the divergence between the two came very close to levels last seen in June — the widest point in six years. The closely followed equity put/call ratio sank to just 0.38, more than 40 per cent below its average over the past five years.

A boom in derivatives trading in recent months has accompanied a rally in US stocks that has pulled the technology-heavy Nasdaq Composite to new highs and put the S&P 500 within 5.2 per cent of its record. Those gains have created unease, with many investors struggling to reconcile rapidly rising valuations with the severity of the Covid-19 crisis.

“It seems like some of the caution is getting thrown aside,” said Chris Dillon, an investment specialist with T Rowe Price. “The market has been very good at getting ahead of the sudden stop” in the economy and the “the sheer scale” of the impact of the pandemic, he added.

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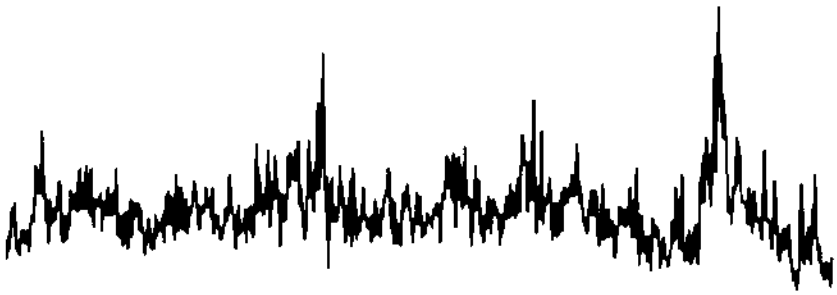
Traders are positioned for US stocks to rise



The rise in trading activity has been boosted by retail investors who have turned to options to make bets on the direction of both the overall market and individual companies such as electric car group Tesla, iPhone maker Apple and the bankrupt car hire group Hertz. Options trade at fractions of the cost of the corresponding stock, which can be attractive to retail investors or day traders.

"There is no question that the retail trading public has gotten back involved," said Jurrien Timmer, director of global macro at Fidelity. "When you're buying options you have to assume part of that is speculative."

Options trading has surged this year

Analysts often monitor the put/call ratio as an index of sentiment, with extreme high or low readings seen as clues to possible turns in the market. The June low in the ratio coincided with a high in the S&P 500, which the market has only recently risen back towards, noted Steve Sosnick, the chief investment strategist of Interactive Brokers.

One good reason for higher call volumes is a series of market-boosting interventions from the Federal Reserve, he said, and a conviction among investors that the central bank would act again if prices were to slide.

"If you have people speculating on further gains and faith that the Fed obviates your need to hedge, you end up with a put/call ratio like we have now," said Mr Sosnick.

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Reuters: Exclusive: Natixis Plans Shake-Up to Focus On Greener Lending

By Dmitry Zhdannikov and Julia Payne

French bank Natixis (CNAT.PA) will merge its commodities and infrastructure operations to focus on clean energy in a restructuring sources said was accelerated by a series of loss-making loans to oil traders.

The move by one of the most active banks in commodities lending highlights the struggles of businesses connected to a sector grappling with an oil price collapse, rising bankruptcies and growing pressure to switch attention to greener fuels.

"We are currently working on the creation of an Infrastructure & Energy Transition group in line with the Green Weighting Factor we have been implementing since the end of 2019," a Natixis spokeswoman said on Thursday.

Natixis became the first European bank to introduce internal financial penalties last year through its Green Weighting Factor on deals that are not environmentally friendly.

Dominique Fraisse, the bank's global head of energy and natural resources, left the company recently to pursue other opportunities, the spokeswoman said.

The restructuring will result in some of the 140 people from Fraisse's energy and natural resources team joining 100 people from the infrastructure unit, said three sources familiar with the restructuring. The remaining energy team employees will be part of a different division focused on short and medium-term trade finance, one of the sources said.

Some jobs will be lost, the sources said, adding that it was too early to say how many people the new division will employ.

The decision to restructure was made before the coronavirus crisis but the plan was pushed forward after the bank booked a loss in the first quarter, the sources said.

Along with many of its peers, Natixis was hit by a series of defaults by Asian traders this year and the struggling U.S. shale oil and gas industry, they added.

Natixis declined to comment on how restructuring will affect the existing workforce or on specific trading losses.

The bank set aside 193 million euros ($220.6 million) in provisions for the first quarter and also made provisions in the previous quarter to cover loans made to U.S. natural gas companies.

In its first quarter results, Natixis identified increased risk of fraud and poor performance of loans to Asian companies after the collapse in oil prices.

Natixis was also among lenders to Singapore-based oil trader Hin Leong, which went bust in April.

The bank also has credit outstanding with Asian agricultural trader Agritrade and oil traders ZenRock and Hontop Energy.

Natixis is also part of a consortium of banks behind a Glencore oil pre-payment deal with Congo Republic, which has defaulted on the loan for more than a year.

Risk.Net: Leaked Doc: EU Bans Initial Margin Haircuts to Resolve CCPs
Council will ban resolution authorities from dipping into clearing members' initial margin
By Samuel Wilkes

Leaked documents seen by Risk.net reveal European Union legislators will forbid resolution authorities from being able to raid clearing members' initial margin accounts if a central counterparty (CCP) runs into financial trouble. Banks have long complained the tool would incentivise a dash for the exit as soon as clearers see signs of stress at a clearing house, to reduce their potential exposure to initial margin haircutting.

"[Initial margin haircutting] would incentivise runs on a CCP," says Michael Voisin, a partner and global practice head for capital markets at law firm Linklaters. "The feeling is that if people sense that their initial margin is at risk, they will start closing out their positions rapidly at times of increased risk so as to create a return obligation for the excess initial margin, and so reduce liquidity in the market."

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On June 23, the Council of the EU, European Parliament and European Commission reached a political agreement on procedures for resolving a CCP in crisis, known as the CCP recovery and resolution regulation.

A controversial topic surrounding the framework has been whether resolution authorities should be allowed to apply haircuts on initial margin contributions that clearing members and end-users commit. Going into trilogue negotiations, the Council and Parliament had taken opposing stances on the matter.

The Council wanted to ban the tool. The parliament, however, proposed that resolution authorities should have all possible tools on the table. Proponents of initial margin haircutting say resolution authorities need as many resources as possible to cover shortfalls in cash at ailing CCPs quickly.

Documents seen by Risk.net, however, reveal the Council has held firm on the tool's use and the final text will bar resolution authorities from being able to write down or haircut clearing members' initial margin.

"The list of resolution tools will be closed, as proposed by the Council," states a note written by the Croatian presidency of the Council on June 23. "This will also mean that IMH and IM write down will not be used in resolution."

A separate leaked document created on June 30 sets out all three legislatures' proposals before the trilogues and the final compromise text in four separate columns.

The column showing the final compromise mirrors the Council's text on the treatment of initial margin in resolution.

First, it strikes out the provision within the Commission and Parliament's proposals that state resolution authorities can use "any other resolution tool" that meets the objectives of resolution and adheres to a series of defined principles.

That means authorities can only use the tools specified in the legislation.

The final compromise also adds initial margin to a list of liabilities resolution authorities are explicitly not allowed to write down.

Race to the exit

Clearing members are relieved at the exclusion of both IM haircutting and a tool known as forced allocation, which would allocate contracts from a member in default to a member not in default on a mandatory basis.

"The closed list of resolution tools doesn't include initial margin haircutting or the writedown of initial margin, and there's also no forced loss allocation," says Ulrich Karl, head of clearing services at the International Swaps and Derivatives Association. "This means all the tools that are very procyclical and provide very unhelpful incentives for participants to stay with the CCP and support the default management process are out now. So that is a positive outcome."

Karl adds that forced allocation could have a negative impact on clearing members, because the resolution authority may allocate positions to members who don't have expertise in managing those specific contracts. Some clearing members may only focus on certain derivatives instruments, or indeed may avoid clearing exposures they consider too risky.

"Forced allocation is likely unequitable, as it becomes a question of who the resolution authority thinks this position should get allocated to and so who gets the hit," says Karl. "This can provide wrong incentives, as these positions could also be allocated to a member that was prudently not trading the positions."

The threat of initial margin haircutting had clearing members fearing there would be a rush to the exit during a stress event, as clearers close their positions to reduce the amount of initial margin that could be exposed to losses. This could have a second order effect that puts the CCP in deeper trouble as it effectively experiences a run on margin.

Linklaters' Voisin says a dash for the exits also disincentivises clearing members from bidding for a defaulting member's positions. Auctions occur in the earlier stages of a CCP's processes for managing member defaults, with other members invited to purchase the defaulter's positions. The advantage for members is that if suitable buyers are found for the defaulter's portfolio, the CCP is less likely to use other members' default fund contributions.

If clearing members choose to cut exposure to the CCP during a stress event, notes Voisin, that could mean they also have less incentive for participating in auctions, because the risks posed to each member if the auction fails will become smaller.

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Philosophical implications

Nathaniel Lalone, a partner at law firm Katten Muchin Rosenmann, says if resolution authorities had the powers to dip into IM, it fundamentally changes the nature of this collateral.

Initial margin is posted by clearing members and end-users to partly cover payments they need to make to counterparties in the event of their own default.

"Superficially, going after initial margin may seem like a very tempting solution for resolution authorities, but the basic legal construct of clearing is that initial margin supports the clearing member's own portfolio and is not exposed to the losses of other clearing members," says Lalone. "Haircutting initial margin would seriously weaken this principle of bankruptcy-remoteness and would be not just a material, but a fundamental, change in the legal construct of how clearing works."

Kay Swinburne, formerly a member of the European Parliament and now vice-president of financial services at consultancy KPMG, agrees IM should not be viewed as a pot of money to prop up a CCP. She had argued in favour of banning initial margin haircutting while she was a co-rapporteur responsible for steering the CCP recovery and resolution regulation through the parliament before the European elections in May 2019.

"It's not a loose pool of money. It belongs to investors [end-users] who effectively have committed that margin," she says.

Capital gains

The bankruptcy-remote status mentioned by Lalone is important for banks who are either clearing members or end-users, because it means they avoid having to calculate a counterparty credit risk capital charge on their posted initial margin.

The Basel Committee on Banking Supervision's standards on capital requirements for bank exposures to central counterparties allow banks to assign zero counterparty risk to their margin if it is bankruptcy-remote. This treatment is included in current rules, and in the forthcoming Basel standards that member jurisdictions are meant to implement by January 2022.

The same provision is held within the EU bank capital laws, known as the Capital Requirements Regulation.

But not all forms of initial margin are bankruptcy-remote. If resolution authorities fail to recapitalise or resolve a CCP and it goes into bankruptcy proceedings, collateral posted as cash is still fair game for the courts to use to cover losses.

"A lot of initial margin is given by way of securities and is insolvency-remote and therefore has a very favourable risk weighting attached to it because it's not treated as creating exposure to a CCP," says Linklaters' Voisin. "Whereas if it could be haircut, then it would need to carry a greater risk weighting and that would have negative regulatory capital implications for the banks."

Generally, securities posted as collateral are bankruptcy-remote because they are held by a third-party custodian. Cash collateral, however, is held by the CCP and invested by it into securities, which is why it can be tapped by a bankruptcy court as part of the general insolvency estate.

"One of the consequences of insolvency is precisely initial margin haircutting for anybody who put up cash margin, because in an insolvency all senior creditors are treated pari passu," says Simon Gleeson, a partner at law firm Clifford Chance. "Initial margin creditors are no different from any other sort of creditor, so in a funny sort of way initial margin haircutting is actually the default setting once everything else has failed."

This is why the majority of collateral posted is in the form of securities. Analysis by Risk Quantum found the most popular form of collateral posted at the largest 10 CCPs were sovereign bonds, which made up 48% of initial margin held by those CCPs on average at the end of September 2019.

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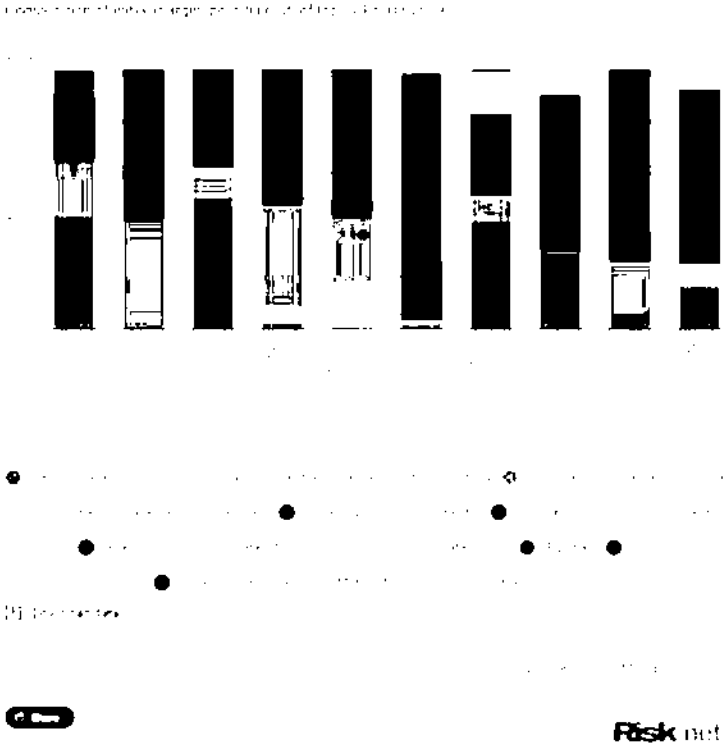

Risk.net

If the CCP recovery and resolution regulation works as intended, no CCP should ever get to the point of being insolvent, as resolution authorities try to do everything they can to avoid that scenario.

S&P Global Platts: Vitol, Trafigura Agree First JKM LNG Derivative Contract on Platts eWindow
By Kenneth Foo

LNG trading firms Vitol and Trafigura have agreed the first LNG derivative spot deal on the Platts Editorial Window, or eWindow, on July 16, after the online data-entry platform was launched for the Asia LNG derivatives market last month.

Trafigura submitted an offer of 25 lots for the October JKM contract at $3.05/MMBtu, which was traded by Vitol. There were also four offers and two bids for the September and October contracts submitted by Glencore, BP and Vitol on the same day.
Three out of the four physical cargo bids and offers published during the MOC process on the day were made on a JKM-linked basis.

The Platts eWindow, which was launched on June 26, is an online data-entry and communications tool which brings greater speed, transparency and efficiency to the Market on Close (MOC) price assessment processes.

The tool's compatibility with Intercontinental Exchange (ICE) technology allows users to execute trades on the ICE platform without leaving the Platts MOC environment.

The first LNG derivative eWindow trade follows significant growth in JKM-linked bids, offers and trades in the spot market, as well as a robust increase in JKM LNG derivatives volumes cleared on financial exchanges over the past two years.

JKM LNG derivative trading volumes cleared on ICE and the Chicago Mercantile Exchange (CME) in the first half of the year rose 83% year on year to 78.8 million mt, or 409,875 lots, according to exchange and broker data.

Open interest at the end of June also hit a record monthly high, with 94,734 lots recorded.

JKM derivatives cleared on ICE made up 96% of total open interest. Last year was a record trading year for LNG derivatives, with 107 million mt cleared on both exchanges.

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Bloomberg Law: 2020 Uncertainty to Slow Release of IRS Crypto Broker Rules

By Allyson Versprille

Events of 2020 have forced Treasury to push back its timeline for rules on reporting obligations of brokers who facilitate cryptocurrency sales, according to a Treasury official.

The coronavirus pandemic and the resulting longer-than-usual filing season are among the oddities of 2020 impacting the department. Treasury is working on proposed regulations (RIN: 1545-BP71) dealing with the reporting requirements of crypto brokers under tax code Section 6045. The code section requires brokers to file information returns with the IRS showing the gross proceeds from sales of certain securities and commodities.

- The government's regulatory agenda originally had the guidance slated for a June release.
- Given "how uncertain everything else is this year, we really can't make any predictions" on timing, said Erika Nijenhuis, senior counsel at the Treasury Department. She spoke on an American Bar Association webcast Thursday.
- Issuing guidance on congressional relief packages are among the ways IRS and Treasury have had to adjust to respond to the pandemic.
- The agency may address classification issues in the broker reporting rules that it eventually releases, said Pamela Lew, IRS associate chief counsel (Financial Institutions and Products).
- The IRS classifies convertible virtual currencies that can be substituted for cash as currency for federal tax purposes, but other agencies identify them as securities or commodities. The current Section 6045 rules only apply to sales of securities and commodities.
- To contact the reporter

FT: FBI Launches Investigation into Twitter Hack
Social media company faces questions over security of its platform
By Hannah Murphy and Kadhim

The FBI and New York state have launched investigations into Wednesday's unprecedented hack of Twitter, as the social media company faced widespread concern over its security practices ahead of the US presidential election.

A spokesperson at the FBI's San Francisco division confirmed that the agency was investigating the hack, in which attackers hijacked the official accounts of Apple, Uber, Joe Biden, Elon Musk, Kim Kardashian and hundreds of others to solicit more than $100,000 in bitcoin.

"At this time, the accounts appear to have been compromised in order to perpetuate cryptocurrency fraud," the FBI spokesperson said.

Twitter said on Thursday it believed 130 accounts were targeted, with hackers able to gain control of a "small subset" of those accounts.

Separately, Andrew Cuomo, New York governor, said he had ordered a "full investigation" into the incident through the New York Department of Financial Services "and any other relevant state agency".

"The Twitter hack and widespread takeover of verified Twitter accounts is deeply troubling and raises concerns about the cyber security of our communications systems, which are critical as we approach the upcoming presidential election," he said in a statement.

Chainalysis, a blockchain analysis company used by governments and financial institutions, said it had been contacted by a number of federal law enforcement agencies about the incident but would share no further details.

The probes come as Twitter faces mounting questions over how attackers were able to control the accounts and whether other data — such as users' personal messages — were accessed.

Several hours after the hack, Twitter said that it had detected a "co-ordinated social engineering attack" that had "successfully targeted some of our employees with access to internal systems and tools".

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The company would not say on Thursday whether employees or contractors were tricked into handing over access to the administrative systems, or whether they co-operated with hackers.

In a further update, it added that it had "no evidence that attackers accessed passwords", and that it was "taking aggressive steps to secure our systems while our investigations are ongoing", as well as "assessing longer-term steps".

Two former employees, speaking to the Financial Times on condition of anonymity, said the number of people with access to the admin tools was in the hundreds. "The access is too broadly offered to Twitter engineers," said one former senior executive.

Twitter refused to comment.

Lawmakers on Capitol Hill also raised questions over whether Twitter has security vulnerabilities.

The Senate intelligence committee asked Twitter for information about the hack. "The ability of bad actors to take over prominent accounts, even fleetingly, signals a worrisome vulnerability in this media environment," said Senator Mark Warner, the committee's most senior Democrat.

Ed Markey, another Democratic senator, said: "Imagine if the bad actors that hacked Twitter had a different intent, to use powerful voices to spread disinformation to interfere with our elections or disrupt the stock market."

Soon after the hacking took place, Josh Hawley, a Republican senator from Missouri, published a letter to Jack Dorsey, Twitter's chief executive, urging the company to contact the FBI and the US Department of Justice. "A successful attack on your system's servers represents a threat to all of your users' privacy and data security," he said.

The White House said on Thursday that it had been in "constant contact" with Twitter since the hack, adding that President Donald Trump's account was "secure and not jeopardised" during the attack.

WSJ: FBI Investigates Twitter Hack Amid Broader Concerns About Platform's Security
Severity of attack raises alarms among U.S. lawmakers, administration officials
By Robert McMillan and Dustin Volz

The Federal Bureau of Investigation launched a probe into the widespread hack of Twitter Inc. TWTR -1.09% that occurred Wednesday, amid growing concerns that the vulnerability of the company's systems could pose broader risks to international security.

Lawmakers and security experts on Thursday said the attack, in which hackers commandeered numerous Twitter accounts, including for prominent figures such as Joe Biden and Bill Gates, pointed to an especially worrisome vulnerability heading into the U.S. presidential election, given Twitter's importance as a platform for political discussion.

The hack lasted for hours, and security experts saw it as both severe and unusual. It exposed what they said was the problem of even midlevel company insiders' access to Twitter data in ways that enable hackers to obtain such information or gain control of user accounts.

Security experts believe the attack might have focused on the company's internal account-reset systems, which are used to help users regain access to their accounts after losing their phones or forgetting their passwords.

The attack allowed hackers to take over an array of accounts—others included those of Elon Musk, Kanye West, Barack Obama, and Apple Inc.—and post bogus messages requesting money be sent to cryptocurrency accounts. Twitter said about 130 accounts were targeted and that it was assessing whether those users' nonpublic data was compromised.

The FBI said Thursday in announcing its probe that "at this time, the accounts appear to have been compromised in order to perpetuate cryptocurrency fraud." The agency said Twitter is cooperating with the investigation.

Separately, New York Gov. Andrew Cuomo said Thursday the state's Department of Financial Services would investigate the attack.

Twitter, which has some 166 million users, has said only that the hackers used "social engineering" techniques, where employees are tricked into clicking a link, divulging information or otherwise aiding outsiders. The company hasn't said specifically how the attackers penetrated its internal systems and tools or how long they had access to them. The hackers might have accessed information or engaged in other malicious activity, Twitter said, adding that it has "taken

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significant steps to limit access to internal systems" while it investigates the incident. On Thursday the company said it didn't believe user passwords were compromised.

Twitter was still grappling with the fallout more than 24 hours after the first attack began, with some users still unable to access accounts that the company locked protectively. The company also disabled the function of being able to download personal data from the platform.

Benjamin Block, director of rapid response for the Democratic Congressional Campaign Committee, said lockouts were an issue for "dozens" of candidates. "Twitter owes these campaigns an explanation of what occurred and what the company will do to keep their platform secure going forward," he said. Twitter said it was working with account owners to restore access.

A U.S. official said the disruption could have national-security implications, given Twitter's role in public discourse and government messaging. The platform is among President Trump's favored means of communication, and federal and local agencies use it to share information about natural disasters and other emergencies, including the coronavirus pandemic.

White House press secretary Kayleigh McEnany said Thursday that Mr. Trump's Twitter account hadn't been jeopardized in the hack.

Whatever access the attackers gained by targeting Twitter employees gave them extraordinary power over the platform. The hackers appeared to be not only capable of posting tweets from virtually any account but were likely able to view private direct messages between accounts, experts said.

The attack isn't the first high-profile incident in which Twitter's internal systems were compromised. In 2017, Mr. Trump's account was deactivated for 11 minutes when a customer-support employee erroneously disabled it during the employee's last day working at Twitter, the company said at the time.

And late last year, federal prosecutors charged two former Twitter employees and a Saudi Arabian national with spying on some users of the platform who criticized Riyadh and providing that information to kingdom officials. One of them had used employee credentials to obtain email addresses, birth dates and other information about people who had published posts critical of the Saudi royal family, prosecutors said.

Twitter in 2011 agreed to a settlement with the Federal Trade Commission over a hack of its systems in 2009 that regulators said put users' privacy at risk. The company faces potential fines for violations of that agreement.

The hackers in Wednesday's attack posted messages from some of Twitter's most popular accounts, asking money to be sent to cryptocurrency accounts. The attackers received at least 510 payments worth $121,000 in response to the scam, according to blockchain analysis company Chainalysis Inc.

Allison Nixon, chief research officer at cyber services company Unit 221b, said she was contacted by the FBI on Wednesday in connection with the Twitter hack. Chainalysis said it has been contacted by several federal law-enforcement agencies about the matter.

The extensiveness and nature of the attack raised alarms in Washington, where officials and lawmakers expressed concern that such a vulnerability could be used by malicious actors—and potentially a foreign government—for a range of activity that could be far more damaging than a bitcoin scam.

A Pew Research Center report released Thursday found U.S. lawmakers have increased their use of social-media platforms such as Twitter and Facebook Inc. in recent years. The typical member of Congress now has nearly three times as many followers on Twitter and tweets roughly twice as often as in 2016, Pew said.

"We're just now getting to an understanding of how critical [social-media platforms] are to how our nation operates," said Neil Jenkins, a former U.S. cybersecurity official and chief analytic officer at Cyber Threat Alliance, a nonprofit that works to improve sharing of cyber-threat data.

Mr. Jenkins, who worked to counter Russian interference in the 2016 election, said Wednesday's attack showed federal agencies' limited abilities to protect private companies that provide vital services from disruptive hacks. He warned that a well-timed attack on Twitter during the 2020 election could be especially calamitous, adding that state and local election officials rely on the platform to push back on disinformation and share reliable information with voters.

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U.S. officials at the Cybersecurity and Infrastructure Security Agency were also in communication with Twitter about the hack, an administration official said. And the Senate Intelligence Committee, which has investigated how foreign governments weaponize social media to achieve geopolitical aims, has asked Twitter for a briefing about the disruption, according to an aide to Sen. Mark Warner of Virginia, the top Democrat on the panel.

"Social-media platforms have become central to political leaders communicating with constituents, media personalities interacting with their fans and brands engaging with their customers," Mr. Warner said in a statement. "The ability of bad actors to take over prominent accounts, even fleetingly, signals a worrisome vulnerability in this media environment."

For others, the hack renewed longstanding concerns about Twitter's security posture. Sen. Ron Wyden (D., Ore.), also a member of the intelligence panel, said he met with Twitter Chief Executive Jack Dorsey nearly two years ago and pressed the company to make the its platform's private direct messages end-to-end encrypted—meaning it would be extremely difficult for a hacker or government agency to intercept and read them. Twitter direct messages remain unencrypted.

Though it couldn't be learned whether the hackers gained access to direct messages in Wednesday's breach, the vulnerability isn't present on competing platforms, which Mr. Wyden described as an inexcusable security shortcoming. "If hackers gained access to users' DMs, this breach could have a breathtaking impact for years to come," he said.

Reuters: FBI Says It Is Investigating Hack of High-Profile Twitter Accounts
By Sarah N. Lynch

The FBI's San Francisco office said on Thursday it has launched an investigation after hackers accessed Twitter's internal systems to hijack accounts for high-profile people such as U.S. presidential candidate Joe Biden, reality TV star Kim Kardashian, former U.S. President Barack Obama and billionaire Elon Musk and used them to solicit digital currency.

"At this time, the accounts appear to have been compromised in order to perpetuate cryptocurrency fraud," the FBI said in its statement.

"We advise the public not to fall victim to this scam by sending cryptocurrency or money in relation to this incident. As this investigation is ongoing, we will not be making further comment at this time."

Bloomberg: Bitcoin Enthusiasts Face Bigger Problems Than Twitter Scam
By Vildana Hajric

- GTI trend gauge triggers first Bitcoin sell signal since June
- Bitcoin implicated in apparent effort to promote Twitter scam

A Twitter hack this week featured Bitcoin in one of its most high-profile scams. But technical indicators suggest that could be just the start of problems for investors in the largest cryptocurrency.

Bitcoin fell as much as 1.9% in Thursday's session to trade as low as $9,037 in New York -- just points away from testing the critical $9,000 support level. In addition, the GTI Vera Convergence Divergence Indicator, which measures up and down shifts, triggered a new sell signal, the first since early June, when the coin failed to breach $10,000.

"A break below $9,000 would raise a yellow warning flag on Bitcoin," said Matt Maley, chief market strategist for Miller Tabak + Co. A subsequent drop below the mid-May low of $8,636 would signify a red flag, he said.

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Bitcoin's retreat follows news that Twitter accounts of some of the most prominent U.S. political and business leaders -- including Barack Obama, Joe Biden, Jeff Bezos and Warren Buffett -- were hacked Wednesday in an apparent effort to promote a scam involving the cryptocurrency.

The accounts sent out tweets promising to double the money of anyone sending funds via Bitcoin within 30 minutes, prompting the popular crypto exchange Coinbase Inc. to block its users from sending money to the address. The hack duped people into sending at least $120,000 worth of Bitcoin to an anonymous online wallet, and more than half of that total has already been spirited to other accounts, Bloomberg News reported.

"Yesterday's Twitter hack was a great reminder of how vulnerable cryptocurrency traders are to hacking incidents," said Edward Moya, senior market analyst at Oanda. "Malicious activity has always been a concern for Bitcoin and those concerns are not going away anytime soon."

To others, though, the event is another example of how blockchain technology -- the digital ledger that underpins cryptocurrencies -- could help bolster security for a company like Twitter. "Because of this technology, social media could undergo a major structural change to make this insecurity and impermanence, more permanent and tamper proof," said Keld van Schreven, co-founder and managing director of KR1 Plc.

CFTC Daily News Clips Prepared by Antoinette Turner

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From: Anna Palmer and Jake Sherman[politicoplaybook@politico.com]
Sent: Fri 7/3/2020 1:11:39 PM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: POLITICO Playbook: Happy Fourth (Observed)

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DRIVING THE DAY

HAPPY JULY FOURTH (OBSERVED). THE PRESIDENT is off to South Dakota today for fireworks and a speech. The **ARGUS LEADER** front: "Trump to speak at Mount Rushmore" with a photo of a "Trump Shop" -- a guy selling Trump 2020 gear. The **AMERICAN NEWS** of Aberdeen, S.D. has a photo of the president, and an explanation of how to watch him speak.

A SNEAK PEEK at **TRUMP'S** stage, via CNN's **BETSY KLEIN**. "7,500 spectators expected with no social distancing" ... NBC's **CRAIG MELVIN** asked Surgeon General **JEROME ADAMS** about attending large-scale gatherings. Generally speaking, he punted. *The 2-minute clip*

-- MEANWHILE: "'Sitting on Millions of Dollars' and Dying to Blow It: Not This July 4

As many as 80 percent of the holiday fireworks displays in large cities and small towns have been canceled because of the pandemic," by NYT's Julie Creswell

FRONTS: N.Y. POST has a picture of Ghislaine Maxwell: **"Now keep her alive!"** ... **NYT** ... **WSJ** ... **WAPO**, with this headline in the lower left: **"FedEx calls on Redskins to change their name"**

THE TRUMP-WORLD-IS-A-MESS BEAT ...

ALEX ISENSTADT: "The week that shook the Trump campaign": "When Donald Trump had dinner with Home Depot cofounder Bernie Marcus at the White House Saturday night, word of the get-together quickly reverberated across the president's political sphere. The 91-year-old billionaire is a longtime backer of former White House chief strategist Steve Bannon, and Trump operatives were suspicious that a move was afoot to bring the smashmouth populist back into the fold.

"Few seriously believe Bannon will return — while Trump has praised his recent TV appearances, there is still deep anger within the president's inner circle over Bannon's post-White House mocking of first daughter Ivanka Trump. But the post-meeting jitters illustrate how Trump's political team is suddenly gripped by uncertainty: With the election just four months away and Trump conceding privately that he's behind, his advisers have spent the past week racing to get on track.

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"Most notably, Trump son-in-law Jared Kushner asserted further control over the campaign, a move that led to the abrupt demotion of one of Trump's longest-serving political aides. The internal moves, however, did little to assuage skeptics who say Trump's problems can only be fixed by the candidate himself. Namely, they say, Trump needs a message and to show some discipline in delivering it." POLITICO

-- NYT, A1 ... **MAGGIE HABERMAN, JONATHAN MARTIN** and **ALEX BURNS**: **"Why June Was Such a Terrible Month for Trump"**: "In an interview, Mr. Kushner, whose influence in the administration is exceeded only by Mr. Trump, said his strategy amounted to letting the president dictate his own re-election.

"'He's really the campaign manager at the end of the day,' Mr. Kushner said, adding: 'Our job is to present him with data, give him ideas, help him structure. And then when he makes decisions on where he wants to go, the campaign was designed to be like a custom suit for him.'"

TIGHT! ... Sen. **SUSAN COLLINS** (R-Maine) and her Dem opponent, **SARA GIDEON,** are neck and neck in the money race. **COLLINS** has $5 million on hand, and **GIDEON** has $5.49 million.

YOU CAN RUN, BUT YOU CAN'T HIDE ... WAPO'S CAROL LEONNIG and **JOSH DAWSEY**: **"Secret Service agents preparing for Pence Arizona trip contracted coronavirus"**: "Vice President Pence's trip to Arizona this week had to be postponed by a day after several Secret Service agents who helped organize the visit either tested positive for the coronavirus or were showing symptoms of being infected.

"Pence was scheduled to go to Phoenix on Tuesday but went on Wednesday instead so that healthy agents could be deployed for his visit, according to two senior administration officials who spoke on the condition of anonymity to describe private details of the trip."

REALLY, REALLY BAD NEWS ... AP/FT. LAUDERDALE: "Confirmed coronavirus cases are rising in 40 of 50 states," by Jake Coyle and Terry Spencer: "Four U.S. states — Arizona, California, Florida and Texas — reported a combined 25,000 new confirmed coronavirus cases Thursday as the infection curve rose in 40 of the 50 states heading into the July Fourth holiday weekend.

"With the number of daily confirmed coronavirus cases nationwide climbing past 50,000, an alarming 36 states saw an increase in the percentage of tests coming back positive for the virus. 'What we've seen is a very disturbing week,' Dr. Anthony Fauci, the government's top infectious-disease expert,

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said in a livestream with the American Medical Association.

"In a major retreat that illustrated how dire things have become in Texas, Republican Gov. Greg Abbott ordered the wearing of masks across most of the state after refusing until recently to let even local governments impose such rules." AP

THE HOLLYWOOD REPORTER spoke with **HILLARY CLINTON** : "We wouldn't have been able to stop the pandemic at our borders the way that Trump claimed in the beginning, but we sure could have done a better job saving lives, modeling better, more responsible behavior. I don't think we necessarily should have had as deep an economic assault on livelihoods and jobs as we have. So I know I would have done a better job."

UP NEXT? ... HEATHER CAYGLE, MARIANNE LEVINE and **SARAH FERRIS: "Congress stares down funding cliff for coronavirus aid":** "As the U.S. enters its sixth month of grappling with the coronavirus pandemic — with cases soaring and unemployment claims hovering in the millions — Congress is again facing a double-barreled dilemma: how to address both the health and economic catastrophes threatening the country.

"And in typical Congress fashion, lawmakers have teed up a crunch time crisis this month, giving themselves just a few weeks to wrangle together a massive bipartisan coronavirus relief deal and ship it to President Donald Trump. The month of July, which was already crowded with a slate of must-pass spending and defense bills, now brings even higher stakes, with the two parties still far apart on how Washington should approach the twin emergencies just four months before the presidential election.

"Speaker Nancy Pelosi (D-Calif.) said 'of course' Thursday when asked whether Congress can pull a massive relief bill together in the coming weeks. 'First of all, I'm not leaving for two weeks,' Pelosi told reporters of the upcoming Independence Day holiday. 'They've made their overtures,' she added of Republicans. 'They also have said publicly 'this or that' should be in the next bill. So we anticipate we will have a bill.'" POLITICO

HAPPENING TODAY ... JOE BIDEN will participate in the National Education Association's virtual representative assembly.

Good Friday morning.

SPOTTED: Sen. Rand Paul (R-Ky.) riding the bus Thursday at DCA without a mask. Paul recovered from Covid and skips a mask in the Capitol, too. *Pic* ... Sens. Dick Durbin (D-Ill.), Jerry Moran (R-Kan.) and Chuck Grassley (R-Iowa) at DCA outside of Gate 31, bound for Chicago O'Hare on Thursday. Moran was kneeling on the floor organizing papers. *Pic*

KNOWING SYMONE SANDERS ... NYT'S MARK LEIBOVICH: "Symone Sanders Bet on Biden, and Herself": "As one might divine, Ms. Sanders has always had a desire to be seen, heard and generally in the

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CFTC-22-0351-A-000205

middle of things. For many years, she imagined she'd have to play some other character in order to achieve that; to fashion some kind of safe persona or schtick and, if need be, sacrifice part of her genuine self in order to accommodate the cookie-cutter norms of Talking Head World. She also figured she'd have to wait around and pay years of dues before she could unleash her full charismatic arsenal upon the staid conventions of TV political gab.

"As things turned out, Ms. Sanders did not have to wait long at all to play herself on TV; nor would she have to cultivate some latter-day incarnation of Donna Burns. She has become, for a host of reasons, a critical of-the-moment character in this presidential race. At 30, Ms. Sanders is the youngest member of Mr. Biden's inner circle, the highest-ranking African-American person on his campaign staff and the most prominent alumnus of a Bernie Sanders presidential campaign.

A message from Humana:

Humana is waiving copays for primary care and outpatient behavioral health visits -- including telehealth -- for Medicare Advantage members through 2020. Learn More

"All of which has positioned her as a key conduit between Biden World and four Democratic constituencies that the former vice president desperately needs: young voters, Black voters, female voters and supporters who were loyal to Mr. Sanders, the Vermont senator whose 2016 presidential campaign Symone Sanders (no relation) worked on as national press secretary, at the age of 25." NYT

SCOTUS WATCH -- "Supreme Court says Alabama does not have to loosen ballot restrictions because of virus," by WaPo's Robert Barnes and Elise Viebeck: "The Supreme Court on Thursday night said Alabama does not have to abide for now with lower-court decisions that made it easier to cast a mail-in ballot in a state that has seen a spike in coronavirus outbreaks.

"The vote was 5 to 4, with the court's conservatives in the majority. Neither the majority nor the four justices who noted their dissent — Ruth Bader Ginsburg, Stephen G. Breyer, Sonia Sotomayor and Elena Kagan — supplied the reasoning for their votes in the short emergency order.

"But in an earlier case from Wisconsin involving a judge's accommodations for voters who feared voting in person because of the novel coronavirus, the justices in the majority — Chief Justice John G. Roberts Jr. and Justices Clarence Thomas, Samuel A. Alito Jr., Neil M. Gorsuch and Brett M. Kavanaugh — said it violated the court's precedent about making changes to the voting process too close to an election."

MARY TRUMP LATEST -- "A day after her potentially explosive book gets go-ahead, Mary Trump asks court to lift restraining order against her," by WaPo's Michael Kranish

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2024 WATCH -- "Tucker Carlson in 2024? Republicans see a frontrunner," by Alex Thompson: "Tucker Carlson's audience is booming — and so is chatter that the popular Fox News host will parlay his TV perch into a run for president in 2024.

"Republican strategists, conservative commentators and former Trump campaign and administration officials are buzzing about Carlson as the next-generation leader of Donald Trump's movement — with many believing he would be an immediate frontrunner in a Republican primary. 'He's a talented communicator with a massive platform. I think if he runs he'd be formidable,' said Luke Thompson, a Republican strategist who worked for Jeb Bush's Super PAC in 2016.

"While practically every Republican eyeing a 2024 presidential run is professing loyalty to Trump the person, Carlson has become perhaps the highest-profile proponent of "Trumpism" — a blend of anti-immigrant nationalism, economic populism, and America First isolationism that he articulates unapologetically and with some snark. At the same time, he's shown a rare willingness among Republicans to bluntly criticize Trump when he believes the president is straying from that ideology." POLITICO

TRUMP'S FRIDAY -- The president and first lady Melania Trump will leave the White House at 4:45 p.m. en route to Ellsworth Air Force Base. They will arrive at 6:45 p.m. (MDT) and leave for Keystone, S.D. They will arrive at Mt. Rushmore Landing Zone at 7:30 p.m. They will travel to the amphitheater in Keystone and participate in the fireworks celebration at 8:10 p.m. The two will depart at 9:55 p.m. and travel back to Washington. They will arrive at the White House at 4:25 a.m.

PLAYBOOK READS

WINNERS PLAY THE LONG GAME : With so much going on in the present, it is more important than ever to look ahead to how society will thrive in the future. "The Long Game" is a newsletter designed for executives, investors and policymakers leading that conversation. Engage with the sharpest minds on our biggest challenges, from pandemics to environmental justice, climate change to renewable energy, inequality and the future of work. Subscribe today for a nuanced look at these issues and possible solutions. Subscribe today.

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PHOTO DU JOUR: An aerial view from a drone as residents wait in line for the drive-thru Covid-19 testing center at the Ellis Davis Field House on July 2[illegible] in Dallas. | Tom Pennington/Getty Images

TV TONIGHT -- PBS' "Washington Week" with Bob Costa: Ayesha Rascoe, Weijia Jiang, Peter Baker and Jonathan Swan.

SUNDAY SO FAR ...

Fox News **"Fox News Sunday":** Ashish Jha. **Panel:** Jason Chaffetz, Susan Page and Charles Hurt. **Power Player:** The U.S. Army Old Guard's Presidential Salute Battery

NBC **"Meet the Press": Panel:** Peter Alexander, Jeh Johnson and Danielle Pletka.

CBS **"Face the Nation":** Houston Mayor Sylvester Turner ... John Bolton ... Miami-Dade Mayor Carlos Gimenez ... Scott Gottlieb ... Stephen Kaufer

CNN **"State of the Union":** Sen. Tammy Duckworth (D-Ill.) ... Sen. Joni Ernst (R-Iowa)

Sinclair **"America This Week with Eric Bolling":** President Donald Trump ... Sen. Mike Lee (R-Utah) ... Roger Stone ... Raz Simone. **Panel:** Ameshia Cross and Sebastian Gorka.

Gray TV **"Full Court Press with Greta Van Susteren":** Sen. Martha McSally (R-Ariz.) ... Sen. Tammy Duckworth (D-Ill.) ... Rep. Mikie Sherrill (D-N.J.).

ONLY THE BEST PEOPLE ... FOREIGN POLICY: "White House Directed Hiring of Conspiracy Theorist Over Pentagon Objections," by Jack Detsch and Robbie Gramer: "The White House directed Defense Department officials to hire a former National Security Council staffer fired for circulating a conspiratorial memo and known for Islamophobic tweets, people familiar with the matter told Foreign Policy. The move is part of an aggressive push to staff the Pentagon with figures loyal to U.S. President Donald Trump and with connections to ousted former National Security Advisor Michael Flynn that has been met with resistance across the river."

THE LATEST IN HONG KONG -- "Hong Kong Security Law Stuns International Business: 'It Turns Out It Is Really Bad'" by WSJ's John Lyons and Frances Yoon in Hong Kong: "As China drew up a new security law for Hong Kong last month, its top Foreign Ministry official in the city gathered international business groups and diplomats to deliver a message from Beijing: Don't panic.

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"The law would target only a small group of radicals and wouldn't impede the free market ethos behind Hong Kong's rise as a global business hub, the official said. But now that businesspeople are finally seeing the law, there is much to cause concern.

"While no one expects the giant money flows coursing through Hong Kong to cease anytime soon, the law sets in motion fundamental changes that threaten to erode the city's special role as a gateway connecting Western finance and know-how with China Inc.

"'Businesses were kind of waiting and laying their bets to see how bad it would be, and then it turns out it is really bad,' said Christopher Hughes, a London School of Economics professor of international relations who focuses on Chinese foreign policy. 'I wouldn't be surprised if changes happen faster than you think.'"

MEDIAWATCH -- **"Reuters Plans Paywall for Certain Articles,"** by The Information's Tom Dotan

POLITICO Magazine Justice Reform: The Prison Conditions Issue, presented by Verizon: The Covid-19 pandemic has highlighted the difference between "inside" and the rest of society. With crowding, inadequate funding and inconsistent medical care, prisons have become hotbeds of the outbreak — with a heavy cost also paid on the outside. POLITICO Magazine's second Justice Reform package looks at movements to improve prisons and how the epidemic has affected them. READ THE FULL ISSUE.

PLAYBOOKERS

Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

SPOTTED at a Zoom birthday party for Washington Post columnist Jonathan Capehart hosted by his husband Nick Schmit, with a pre-recorded video from Speaker Nancy Pelosi: his mother Margaret Capehart, Valerie Jarrett, Andrea Mitchell and Alan Greenspan, Susan Rice and Ian Cameron, Kathleen Sebelius, Darren Walker, Hilary Rosen, Andrea and Michael Steele, Ann Walker Marchant, Broderick Johnson and Michele Norris ...

... **Laura Jarrett, Elise Jordan, Chris Jansing**, Tamron Hall, Jordan Roth and Richie Jackson, Joe Paulsen and Samantha Tubman, Audrey and Danny Meyer, Adrienne Elrod, Fred Hiatt and Pooh Shapiro, Maria Teresa Kumar, Jeremy Bernard, Karine Jean-Pierre, Joe Versace, Courtney O'Donnell, Pete

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Selfridge and Parita Shah, Robyn and Jeremy Bash, Adrienne Arsht, Joy Reid, Marc Adelman, Karen Finney, April Ryan, Katherine O'Hearn, Kirk and Crystal Wagar.

TRANSITIONS -- Virginia Boney is now deputy director of policy and strategic planning at the Commerce Department. She most recently was a senior adviser at the VA, and is an NSC/WH legislative affairs alum. ... **Will Turner** is starting as legislative director for Rep. Mike Garcia (R-Calif.). He previously was legislative assistant for Rep. Robert Aderholt (R-Ala.).

BIRTHDAY OF THE DAY: Kristen Morgante, COO and partner at Purple Strategies. **A trend she thinks doesn't get enough attention:** "I'm not sure it's a trend, but the trend line on maternal mortality in the United States is disturbing, especially for Black women. Last year, we lost my 31-year-old cousin during childbirth to an amniotic fluid embolism, a condition with absolutely no warning signs and I was shocked to learn that the maternal mortality rate in the U.S. is one of the highest on record for a developed country." **Playbook Q&A**

BIRTHDAYS: Sen. Lamar Alexander (R-Tenn.) is 8-0 ... Rep. Glenn Grothman (R-Wis.) is 65 ... Lally Weymouth ... Dave Barry is 73 ... Julian Assange is 49 ... Don "Stew" Stewart ... Rick Powell, vice chairman of Teneo ... Dave Carney ... Rick Sanchez ... Peter Sherman, SVP of PAC services at DDC Advocacy (h/t Jon Haber) ... Nick Baldick, managing partner of Hilltop Public Solutions ... AFP's Shaun Tandon ... POLITICO's Allie Bice and Heidi Vogt ... James Lightbourn ... Cameron Morabito is 27 ... Barbara Lee, president and founder of the Barbara Lee Family Foundation (h/t Teresa Vilmain) ... PBS NewsHour's Julia Griffin ...

... **Gloria Allred** is 79 ... Andrew Peek ... Rina Shah ... Scott Hatch ... Suzanne Palmieri ... Lara Sisselman ... CNN's Lindy Royce-Bartlett ... Chris Welch ... Adam Goldberg, co-founder and partner at Trident DMG, is 51 ... Connor Sallet ... Maya Serkin ... Austin Fielding ... Patrick Stranix ... Mariana Quevedo Vallejo ... Alicia Criscuolo ... Charlotte Brown, account director at the Brunswick Group ... Ian Martinez ... Kate McCarty ... Washington Examiner's Naomi Lim ... Mary Yatrousis ... Brigham McCown ... Jay Oliver Sax ... Scot Faulkner ... Mari-Lynn Evans ... Sandra Lee is 54

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From: Anna Palmer and Jake Sherman[politicoplaybook@politico.com]
Sent: Tue 6/23/2020 10:02:53 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: Doug Jones' new ad, and Dems readying to block police reform

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ANNA PALMER JAKE SHERMAN

Presented by

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DRIVING THE DAY

NEW … PLAYBOOK SNEAK PEEK: Sen. **DOUG JONES** (D-Ala.) is going up on statewide television with his first TV ad: a new 30-second, straight-to-camera TV spot about racial justice. **JONES'** most recent polling has him in a tight race with **TOMMY TUBERVILLE,** the likely GOP candidate.

-- SCRIPT: "As he lay dying, George Floyd cried for his mama and pleaded for his life: 'I can't breathe.' As we witnessed his death together, the world changed. Across Alabama, folks are struggling with seeing this injustice and inequality and wanting to see that end. We cannot let this moment pass. The road to racial justice has taken far too long -- but it's a journey that we must make, and we must make it together. Come join me. I'm Doug Jones and I approve this message." ***The spot***

DEMS GETTING READY TO BLOCK POLICE OVERHAUL … THE QUESTION LINGERING for the past week was whether Senate Minority Leader **CHUCK SCHUMER** would agree to allow a debate on the GOP police reform bill, authored by Sen. **TIM SCOTT** (R-S.C.). **DEMOCRATS** don't much like the bill, but **SCHUMER** has left open the possibility that he may allow for a debate and amendment process in the hopes of getting a deal. Speaker **NANCY PELOSI** signaled she wanted the Senate to take it up, so the two chambers could enter into formal negotiations.

-- BUT NOW, Democrats' body language indicates they are going to block debate, which, in Republicans' view, hands them a talking point on a silver platter.

-- BURGESS EVERETT reported Monday night that Senate Democrats were "strongly signaling they will filibuster Republicans' police reform bill later this week absent more concessions from Senate Majority Leader Mitch McConnell."

-- SEVERAL SENATE DEMOCRATS flagged Monday evening that the NAACP Legal Defense Fund urged Dems to oppose the bill Wednesday.

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-- ON MONDAY AT AROUND 6 P.M., SEN. DICK DURBIN (D-Ill.), the party's whip, told a small clutch of us reporters in the Capitol that "there's no clarity" on what **MCCONNELL** is offering -- in other words, Democrats want a commitment on how many amendments they would get to offer if they did agree to debate, and they are not getting it.

-- DURBIN said he has faced "similar offers" from **MCCONNELL** in the past, most notably when Democrats voted against debating the CARES Act -- the large-scale Covid-19 stimulus bill. "The best thing that happened was we didn't accept his offer, we demanded a bipartisan approach to it," **DURBIN** said, referring to the negotiations between the White House and Senate Democrats.

-- BUT, BUT, BUT … POLICE REFORM isn't the CARES Act. The White House and Senate Republicans are not inclined to jump into a bipartisan negotiation with Democrats if they block this bill from debate. The administration privately says it feels confident in its position on police reform, especially after the executive order it issued. So if Democrats block debate, this process probably comes to a screeching halt.

-- REPUBLICANS in the administration and on the Hill are ready to scream from the hilltops that it was Democrats who blocked police reform on the Senate floor. **EXPECT MCCONNELL** to use his post-GOP lunch news conference to wallop Democrats for blocking this. Expect **DEMS** to say **MCCONNELL** is offering them a take-it-or-leave-it proposition that they cannot accept, and they should sit down to negotiate a compromise.

-- THE HOUSE will vote Thursday on its police overhaul, and Republicans say they believe as many as a dozen of their lawmakers may vote with Democrats to pass the bill. **TRUMP** opposes the House bill, and the Senate will have nothing to do with it. Sure, it's better for the GOP to stand unified against the Dem legislation, but it would seem laughably nonsensical for Republicans to expend any effort to whip their troops against it. (In fact, there's an argument that it's helpful for some moderate Republicans to have something to vote on.)

WHAT SENATE REPUBLICANS WILL HAVE TO ANSWER FOR TODAY … TRUMP accused former President **BARACK OBAMA** of "treason" in an interview with CBN's **DAVID BRODY.** ***1:49 clip***

FRONTS: NYT, with this headline the day **TRUMP** flies to Arizona: **"Flip Arizona? Biden Backers See a Chance,"** by Jennifer Medina in Phoenix … **N.Y. POST** … **WSJ**

DRIVING TODAY … SPLIT SCREEN between the White House's reality, which has **THE PRESIDENT** in Arizona, visiting the border and a church in Phoenix. … **ON THE HILL,** officials will talk the coronavirus: **HOUSE ENERGY AND COMMERCE** has **ANTHONY FAUCI**, HHS' **BRETT GIROIR**, FDA's **STEPHEN HAHN** and CDC's **ROBERT REDFIELD** at 11 a.m. ***Testimony packet***

-- NEW YORK and **KENTUCKY** are holding primaries today. ***Nine things to watch***

Good Tuesday morning. MLB OWNERS voted to impose a season after talks with the players union broke down. ***ESPN on what you need to know***

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ICYMI -- We held a virtual Playbook Interview on Monday morning with **BURGESS** and **HEATHER CAYGLE** to talk about covering Congress during a pandemic, the latest on police reform and the outlook for a coronavirus relief package. ***Watch***

A message from PhRMA:

America's biopharmaceutical companies are sharing manufacturing capabilities with each other so that once a treatment or vaccine is ready, they can get it to millions of people fast. And there's no slowing down. America's biopharmaceutical companies will continue working day and night until they beat coronavirus. More.

FOX NEWS' SEAN HANNITY will hold a one-hour town hall with **TRUMP** on Thursday at 9 p.m. at the Green Bay Austin Straubel International Airport in Green Bay, Wis.

ARIZONA REPUBLIC: "Expect crowd to wear masks at Trump speech at Dream City Church in Phoenix, organizer says," by Andrew Oxford, Ronald Hansen and Maria Polletta: "Organizers said they expect President Donald Trump's speech Tuesday in Phoenix to draw more than 3,000 mostly young attendees who will comply with the city's new mask ordinance.

"The visit will be the president's third trip to Arizona in five months, as he seeks a return to normal for a presidential campaign overshadowed by crises in recent months. But that is a task complicated by the ongoing coronavirus pandemic, particularly in a state where the number of people hospitalized with the disease has reached new highs in recent days and public health authorities are urging the public to avoid large gatherings.

"Gov. Doug Ducey, a Republican, will be on hand for Trump's appearance in Phoenix and also will participate in an earlier event in Southern Arizona, according to the Governor's Office."

KYLE CHENEY: "House Judiciary panel preparing to subpoena Barr": "The House Judiciary Committee is preparing a subpoena to obtain Attorney General William Barr's testimony July 2, Chairman Jerrold Nadler said Monday night. 'We have begun the process to issue that subpoena,' Nadler said on MSNBC, confirming an Axios report that a subpoena was being teed up.

"It's a reversal for the panel after Nadler (D-N.Y.) indicated earlier this month that a subpoena — which Barr is sure to contest — would not be worth the House's time. 'I am not going to spend months litigating a subpoena with an Attorney General who has already spent years resisting the courts and legitimate congressional oversight,' Nadler said June 2.

"Barr has yet to testify before the House Judiciary Committee since taking his post early last year. ... Nadler (D-N.Y.) and Speaker Nancy Pelosi discussed the idea over the weekend and decided 'to be ready' in case Barr declined to show up to testify before the panel, according to Democratic sources familiar with

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their conversation. Pelosi informed her leadership team Monday night, saying on a private call that Nadler's panel was 'starting down the path' of subpoenaing Barr if necessary, according to Democratic sources. Nadler later confirmed the news." POLITICO

CORONAVIRUS RAGING …

-- NYT, A1: "Bars, Strip Clubs and Churches: U.S. Virus Outbreaks Enter Unwieldy Phase," by Sarah Mervosh in Pittsburgh, Mitch Smith in Chicago and Lucy Tompkins: "After months of lockdown in which outbreaks of the coronavirus often centered in nursing homes, prisons and meatpacking plants, the nation is entering a new and uncertain phase of the pandemic. New Covid-19 clusters have been found in a Pentecostal church in Oregon, a strip club in Wisconsin and in every imaginable place in between.

"In Baton Rouge, La., at least 100 people tested positive for the virus after visiting bars in the Tigerland nightlife district, popular among Louisiana State University students. At a Christian summer camp near Colorado Springs, at least 11 employees fell ill just before the season's opening, leading the camp to cancel overnight stays for the first time in 63 years.

"And in Las Vegas, just weeks after casinos reopened, a handful of employees from casinos, restaurants and hotels have tested positive, and frightened workers on Monday begged guests to wear masks in a news conference conducted over video.

"The newly emerging clusters — which vary in size from a handful of cases to hundreds and have cropped up in large cities as well as small towns — reflect the unpredictable course of the coronavirus. They also underscore risks that experts say are likely to persist as long as states try to reopen economies and Americans venture back into public without a vaccine."

-- IN FLORIDA: "'Government itself can't solve this problem': Florida officials alarmed as virus rages," by Arek Sarkissian in Tallahassee and Caitlin Oprysko: "Top Republican politicians and the state official leading Florida's response to the pandemic urged businesses and residents — particularly young people — to stay vigilant about social distancing, leaving the fight in the hands of some of the same people who helped fuel the latest uptick in cases.

"'If we don't step up and take responsibility, government itself can't solve this problem,' Jared Moskowitz, the state Division of Emergency Management director, said in an interview." POLITICO

WATCH THIS SPACE -- "Trump aides consider a CDC overhaul as virus cases surge," by Nancy Cook and Adam Cancryn: "White House officials are putting a target on the Centers for Disease Control and Prevention, positioning the agency as a coronavirus scapegoat as cases surge in many states and the U.S. falls behind other nations that are taming the pandemic.

"Trump administration aides in recent weeks have seriously discussed launching an in-depth evaluation of the agency to chart what they view as its missteps in responding to the pandemic including an early failure to deploy working test kits, according to four senior administration officials. Part of that

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audit would include examining more closely the state-by-state death toll to tally only the Americans who died directly of Covid-19 rather than other factors. About 120,000 people in the U.S. have died of the coronavirus so far, according to the CDC's official count.

"Aides have also discussed narrowing the mission of the agency or trying to embed more political appointees within it, according to interviews with 10 current and former senior administration officials and Republicans close to the White House. One official said the overall goal would be to make the CDC nimble and more responsive." POLITICO

BIG PRIMARY DAY ... THE LEFT'S REVENGE? -- "Bernie flexes muscle in Tuesday's primaries," by Holly Otterbein: "Bernie Sanders has raised more than $750,000 for congressional and local candidates in Tuesday's primaries, his aides told POLITICO. The Vermont senator's team also texted more than 120,000 of his supporters to promote the progressives he endorsed in races in New York and Kentucky. His staffers said videos boosting the contenders have received more than 1 million views on social media."

-- "Booker's late surge imperils McGrath in unpredictable Kentucky Senate race," by James Arkin: "Charles Booker's late surge in Kentucky is threatening to prematurely end the campaign of one of the Democratic Party's top recruits on Tuesday: former fighter pilot Amy McGrath. But he's still an underdog to pull the major upset.

"Booker's burst in the final stretch of the primary came after McGrath spent nearly a year running what essentially amounted to a general election campaign against Majority Leader Mitch McConnell, blanketing the state with advertisements and raising record sums of money from small-dollar donors eager to topple the GOP leader. She has both outraised and outspent McConnell so far and has the national party's support, a superior campaign infrastructure and almost bottomless war chest to help fend Booker off.

"If McGrath wins — most Democrats tracking the race closely think she remains the favorite — it will be another bitter defeat for the left wing of the party, which is also seeking victories in several House primaries Tuesday. Progressives failed to mount serious challenges to the party establishment in most Senate races in recent cycles and lost in the party's presidential primary. If Booker manages to pull it off, it would be the first primary defeat for a candidate backed by the Democratic Senatorial Campaign Committee in a decade." POLITICO

-- "Left looks to build bloc of AOCs in New York primary," by Zach Montellaro, Sarah Ferris and Ally Mutnick

DETROIT FREE PRESS: "Sources: U-M to withdraw from hosting October presidential debate"

TRUMP'S MIND IS ON HIS MIND, via **WAPO'S ASHLEY PARKER** and **JOSH DAWSEY**: "The early June meeting in the Cabinet Room was intended as a general update on President Trump's reelection campaign, but the president had other topics on his mind.

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"Trump had taken a cognitive screening test as part of his 2018 physical, and now, more than two years later, he brought up the 10-minute exam. He waxed on about how he'd dazzled the proctors with his stellar performance, according to two people familiar with his comments. He walked the room of about two dozen White House and reelection officials through some of the questions he said he'd aced, such as being able to repeat five words in order.

"At the time, the Montreal Cognitive Assessment -- which includes animal pictures and other simple queries aimed at detecting mild cognitive impairment such as dementia — was intended to quell questions about Trump's mental fitness. But in recalling it, Trump said he thought presumptive Democratic nominee Joe Biden would never be able to pass it and suggested challenging him to take the test, said the people familiar with Trump's comments, who spoke on the condition of anonymity to share private details."

A message from PhRMA:

See how biopharmaceutical companies are working together to get people what they need during this pandemic.

TRUMP'S TUESDAY -- The president will leave the White House at 9 a.m. en route to Yuma, Ariz. He will arrive at 10:55 a.m. MST and depart for the U.S. Border Patrol Yuma Station. Trump will participate in a border security roundtable briefing at 11:20 a.m. He will depart at 12:10 p.m. en route to San Luis, Ariz. Trump will commemorate the 200th mile of the new border wall at 12:40 p.m.

TRUMP WILL DEPART at 1:15 p.m. and travel to Phoenix. Trump will travel to the Dream City Church and deliver an address to young Americans at 3:40 p.m. Afterward, he will travel back to Washington, arriving at the White House at 12:25 a.m.

GO BEYOND OUR BORDERS FROM YOUR HOME: The coronavirus pandemic continues to devastate parts of the world, and a vaccine remains out of reach. Our Global Translations newsletter, presented by Bank of America, focuses on impactful global news, trends and decisions layered with critical contextual analysis from the world's sharpest minds. From how the world is reckoning with systemic racism to how different countries are combating the latest Covid-19 spikes, Global Translations offers a unique perspective that you won't find anywhere else. SUBSCRIBE HERE.

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PHOTO DU JOUR: Protesters try to topple a statue of Andrew Jackson in Lafayette Square on Monday. | Drew Angerer/Getty Images

OH BOY -- "Barring a landslide, what's probably not coming on Nov. 3? A result in the race for the White House," by WaPo's Amy Gardner: "If voters remain reluctant to cast ballots in person, November is likely to bring an even more massive wave of voting by mail than what has swept across the country during primary season. That, in turn, means that a close race between President Trump and former vice president Joe Biden, the presumptive Democratic nominee, in a pivotal state could take days, even weeks, to resolve, election officials across the country are warning."

PLAYBOOK METRO SECTION -- "Police thwart attempt by protesters to topple statue of Andrew Jackson near White House," by WaPo's Fredrick Kunkle, Susan Svrluga and Justin Jouvenal: "Protesters attempted to topple a bronze statue of former president Andrew Jackson in a park next to the White House on Monday night but were thwarted when police intervened.

"The scene unfolded dramatically as hundreds of demonstrators protesting police brutality locked arms around the statue in Lafayette Square shortly before 8 p.m., while chanting, 'Hey, hey, ho, ho, Andrew Jackson's got to go.' Inside the metal pickets surrounding the statue, a smaller group — some clad in black with goggles, helmets and gas masks — scaled the statue and draped ropes around the seventh president astride a horse. Someone scrawled 'killer' in black on the pedestal below.

"But then, U.S. Park Police officers in riot gear approached from the west and clashed with the protesters, swinging batons and releasing pepper spray as they moved the protesters back." WaPo

A message from PhRMA:

America's biopharmaceutical companies will continue working day and night until they beat coronavirus. Because science is how we get back to normal. More.

BEYOND THE BELTWAY -- "Seattle will move to dismantle protest zone, mayor says," by AP's Gene Johnson in Seattle: "Faced with growing pressure to crack down on an 'occupied' protest zone following two weekend shootings, Seattle's mayor said Monday that officials will move to wind down the blocks-long span of city streets taken over two weeks ago that President Donald Trump asserted is run by 'anarchists.'

"Mayor Jenny Durkan said the violence was distracting from changes sought by thousands of peaceful protesters opposing racial inequity and police brutality. She said at a news conference that the city is working with the community to bring the 'Capitol Hill Occupied Protest' zone, or CHOP, to an end and

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that police soon would move back into a precinct building they had largely abandoned in the area."

SPY GAMES -- "The C.I.A.'s Business Is Secrets, but It Is Recruiting Spies in the Open," by NYT's Julian Barnes: "The C.I.A. has recruited at Ivy League schools, through Hollywood-produced television programs and even by judging school science fairs. But the current era needs a modern recruiting drive, and on Monday, the C.I.A. unveiled its first television advertisement, which is aimed at streaming platforms like Hulu. The slick, advertising-agency-produced spot has the feel of clips from the television program 'Homeland' — with a dollop of patriotism.

"By some measures, the C.I.A. has little need for recruiting drives. Every year, thousands of applicants compete for hundreds of spots, according to current and former officials. In 2019, the agency had its best recruiting year in a decade. And traditionally it has been easier for the government to recruit during recessions.

"But Gina Haspel, the C.I.A. director, has made recruitment a priority for her secretive agency, which has to compete against Silicon Valley for the sharpest minds as it increasingly focuses on hacking and other digital spying tools. And the agency still must work at bringing in recruiting classes that reflect the diversity of the United States." NYT

IN MEMORIAM -- L.A. TIMES: "Steve Bing, philanthropist and film producer, dies after fall from building," by Anousha Sakoui and Richard Winton: "Steve Bing, philanthropist, film producer and prominent Democratic political donor whose producing credits include 'The Polar Express' and 'Get Carter,' died Monday. Bing, 55, fell to his death from a high-rise building in Century City, according to a law enforcement source who was not authorized to comment. Foul play is not suspected."

JOIN TOMORROW 1 p.m. EDT - THE SPEED OF SCIENCE POST-COVID-19: What does the future of science in a post-Covid-19 world look like? What lessons can we learn to accelerate medical research outside of the coronavirus? How can newly developed drugs and vaccines be distributed equitably? What can we do to minimize misinformation from flawed or inaccurate scientific studies published during a public health emergency? Join Patrick Steel, CEO of POLITICO, and Alexander Hardy, CEO of Genentech, for this critical and timely discussion. REGISTER HERE.

PLAYBOOKERS

Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

FIRST IN PLAYBOOK -- Rachel Winer is now SVP of digital at ROKK Solutions. She previously led the digital paid media practice for Ketchum North America.

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CFTC-22-0351-A-000249

TRANSITION -- Stephanie Sutton is now director of external affairs at Global Ties U.S. She previously was an SVP at Edelman and is a State Department alum.

WELCOME TO THE WORLD -- Lydia Mulvany, an editor at Bloomberg News, and **Riccardo Reati,** VP of digital transformation at Zurich North America, on Thursday welcomed Ludovica Reati, who came in at 8 lbs, 5 oz and joins big sister Valentina. ***Pic***

-- Michelle Strucke, senior policy manager for aid and development finance at Oxfam, and **Zaki Barzinji,** director of state and local government affairs at HPE and an Obama White House alum, on Thursday welcomed Amedeo Azadi Barzinji, who joins big sister Zoon. ***Pic*** ... ***Another pic***

BIRTHWEEK (was Thursday): National security adviser Robert O'Brien turned 54

BIRTHDAY OF THE DAY: Steven Cheung, senior comms adviser for the Trump reelect. **A trend he thinks doesn't get enough attention:** "The flattening of technological advancement, especially with hardware like transistors on computer chips. Engineers are getting closer to a real-world limit of how small transistors can be made, and there will be a point where it's physically impossible to make them smaller, faster and more efficient." **Playbook Q&A**

BIRTHDAYS: Justice Clarence Thomas is 72 ... Sylvia Burwell, president of AU, is 55 ... Chasten Buttigieg is 31 ... WaPo's Philip Bump (h/t David Graham) ... Adam Boehler, CEO of the U.S. International Development Finance Corporation ... Suzanne Clark, president of the U.S. Chamber ... Kaelan Dorr, senior adviser for public affairs at Treasury ... Aaron Cutler, partner at Hogan Lovells ... Paul Tewes ... Greg Hale is 45 (h/ts Teresa Vilmain) ... Facebook's Amber Moon ... Robert Palladino ... J.P. Fielder ... Jeremy Katz, president and COO of D1 Capital Partners ... Robert Kaplan, CNAS senior fellow and senior adviser at Eurasia Group ... Judy Lemons ... POLITICO Europe's Kate Day, Etienne Bauvir and Ali Walker ...

... **Louisa Tavlas Atkinson,** VP of comms at the Niskanen Center ... Verizon CEO Hans Vestberg ... POLITICO's Ryan Kohl ... former Rep. Baron Hill (D-Ind.) is 67 ... former Rep. Bob Dold (R-Ill.) is 51 ... former Rep. Cresent Hardy (R-Nev.) is 63 ... Nick Weinstein ... Atanu Chakravarty ... Adam Lerner ... Bradley Engle ... Rick Reynolds ... Steven Stombres, partner at Harbinger Strategies ... Ryan Woodbury ... political consultant Joe Duffy ... Emma Whitestone of Blueprint Interactive ... Sivan Ya'ari is 42 ... Jerry Speyer is 8-0 ... Patrick Morris ... Brian Pomper is 31 ... Caitlin Dorman ... Marc Leder ... Bronagh Finnegan ... Tom Frechette ... Tina Karalekas ... Robin Strongin ... Andrew Roos ... Tom Blair ... Chris Spanos (h/t Jon Haber)

A message from PhRMA:

America's biopharmaceutical companies are sharing their knowledge and resources more than ever before to speed up the development of new medicines to fight COVID-19. They're working with doctors and hospitals on **over 1,100 clinical trials.**

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And there's no slowing down. America's biopharmaceutical companies will continue working day and night until they beat coronavirus. Because science is how we get back to normal.

See how biopharmaceutical companies are working together to get people what they need during this pandemic.

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Sent: Wed 6/17/2020 10:12:42 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: McConnell speeds up police bill, challenging Democrats

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JAKE SHERMAN ANNA PALMER

Presented by

Listen to today's Audio Briefing

DRIVING THE DAY

DEPT. OF NEW URGENCY … AT 9:30 this morning, Senate Majority Leader **MITCH MCCONNELL** and Sen. **TIM SCOTT** (R-S.C.) will hold a news conference where, barring some last-second, bizarre change of plan, the pair will announce that the Senate will consider police reform legislation ***next week***.

YES, YOU READ THAT RIGHT: The Senate is clearing floor space for **SCOTT'S** police bill **139 DAYS** before Election Day.

THIS REPRESENTS a new sense of urgency for the Republican leadership in the Senate, which, as recently as earlier this week, was saying that this would not get done until after July Fourth. The GOP leadership believes it has its membership in line behind the legislation, and we've not really heard any significant dissent yet. ***More from Marianne LeVine about what's in the GOP bill***

SO HERE'S THE QUESTION NOW: What will Democrats do?

MCCONNELL will need 60 votes to bring this bill up, so he needs Senate Minority Leader **CHUCK SCHUMER** and Democrats to cooperate.

THE DEMOCRATS had leadership and caucus conference calls Tuesday, and they didn't discuss strategy because they had not seen the bill. That's the position they are maintaining: that they can't make a play call until they see legislative text. They'll see the bill today, and will have to consider what they want to do.

HERE'S WHAT WE KNOW: Democrats have made it clear they believe that President **DONALD TRUMP'S** executive order is weak, and many have preemptively pegged **SCOTT'S** bill as not going far enough.

BUT THEIR NEXT STEP is a bit trickier. Can they refuse **MCCONNELL** the ability to consider **SCOTT'S** bill, handing the GOP a convenient talking point that it was the Democrats who blocked police reform in

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the Senate? That seems risky, given the national climate.

DEMOCRATS COULD allow the chamber to debate **SCOTT'S** bill, and try to amend it. This would be the legislative process working. Democrats could force some tough votes for the GOP, and vice versa. There is a narrow, treacherous and uncertain path to a deal that could move a bill through the Senate.

THE WHITE HOUSE -- which oftentimes sees the legislative process as cumbersome, obtuse and unnecessary -- will need to be engaged. Expect **MARK MEADOWS** to be on Capitol Hill throughout this phase.

AND THAT BRINGS US TO …

… THE BIG EVENT TODAY: THE HOUSE will mark up its police bill in Judiciary this morning. The hearing will take place in the CVC at 10 a.m. Unlike the Senate, the bill's passage is basically a foregone conclusion in the House. But there are landmines here as well. Democrats are under tremendous pressure from their base to produce. Furthermore, Dems are hoping and working to pick up some moderate GOP votes when they bring the bill to the floor.

SOMETHING TO WATCH FOR: HEATHER CAYGLE scooped Tuesday night that the House will require masks in committee hearings. Lots of Republicans are skipping face coverings in the Capitol, so let's see how they respond to this directive.

WHITE HOUSE MEMO … NYT'S PETER BAKER: "Trump Dismisses Criticism of Law Enforcement (Unless It's His)": "Mr. Trump is the 'president of law and order,' as he calls himself, except when it comes to himself or his friends. He has little patience for criticism of law enforcement, unless it is his. If the police shove a 75-year-old peaceful protester to the ground, cracking his head, it must be the protester's fault. If the police prosecute one of his friends for tax fraud or perjury, it must be that the officers are corrupt."

NEW … Former President **GEORGE W. BUSH** will be the special guest at a virtual NRSC fundraiser June 30 for Sens. **THOM TILLIS** (N.C.), **CORY GARDNER** (Colo.), **MARTHA MCSALLY** (Ariz.) and **SUSAN COLLINS** (Maine). For $25,000, you can get a "roundtable" with **BUSH** and the senators. ***The invitation***

Good Wednesday morning.

A message from PhRMA:

America's biopharmaceutical companies are sharing their knowledge and resources more than ever before to speed up the development of new medicines to fight COVID-19. They're working with doctors and hospitals on **over 1,100 clinical trials**. Because science is how we get back to normal. More.

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FRONTS: NYT, with the administration suing **JOHN BOLTON** on the lower right-hand side of the page, by Maggie Haberman and Katie Benner ... **WAPO** ... **WSJ** ... **N.Y. POST**

USTR ROBERT LIGHTHIZER is on the Hill today at Senate Finance at 3 p.m. ... **SEAN HANNITY** has an interview with the president that will air tonight at 9 p.m. on Fox News.

WHAT THEY'RE READING IN PALM BEACH -- "Trump golf club asks Palm Beach County for rent relief," by the Palm Beach Post's Christine Stapleton: "President Donald Trump's golf club in West Palm Beach has asked Palm Beach County to defer some of the $88,338 monthly rent it pays to lease public land for the president's the private golf club, citing hardships caused by the coronavirus pandemic.

"In a June 5 letter to the county, the club's finance director, Ed Raymundo, cited the 'significant impact' caused by [the] county's order shutting parks and golf courses during the pandemic. The March 25 order coincided with the 'busiest part of our season,' Raymundo wrote.

"The county and its Department of Airports, which both hold leases on Trump's 27-hole golf club on airport property, have taken no action on the club's request for rent relief, according to county officials. The club has paid rent through June."

MORE FROM BURGESS EVERETT and **JOHN BRESNAHAN** on **MCCONNELL** and the **GOP LEADERSHIP**: "The esteem for McConnell is so high among Republicans that those who could eventually replace him have no issue with him staying on as long as he wants. And that makes McConnell's hold on leadership rock solid.

"'**Mitch McConnell will be our leader as long as he's still interested** in the job,' said Sen. John Cornyn (R-Texas). 'After he leaves that position, I would be interested in succeeding him.' 'The leader's made it clear that he wants to continue to serve and he enjoys great confidence in the conference,' said Senate Majority Whip John Thune (R-S.D.). 'My expectation is that, irrespective of what happens in November, he'll continue to lead the Republican Conference.'"

MORE STATUES COMING DOWN ... "California to remove Columbus statue from state Capitol after 137 years," by Colby Bermel in Sacramento

THE LATEST ON THE CORONAVIRUS ...

-- NYT: "Florida, Texas and Arizona all set records for the most cases they have reported in a single day": "The virus continued its steady spread across the Sun Belt on Tuesday, with state officials in Arizona, Florida and Texas all reporting their largest one-day increases in new cases yet. Florida reported 2,783 new cases, Texas 2,622, and Arizona 2,392.

"The new daily highs came as all three states have increased testing and moved swiftly to ease social distancing restrictions and allow more businesses to reopen. They were among 20 states that have seen the number of newly reported cases grow over the last two weeks, according to a New York Times

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database." ***The database***

-- WSJ: "Fauci Warns of Coronavirus Resurgence if States Don't Adhere to Safety Guidelines," by Stephanie Armour: "Anthony Fauci, the U.S. government's top infectious-disease expert, warned the nation risks a resurgence of coronavirus infections should states fail to remain vigilant as they reopen their economies.

"'**When I look at the TV and I see pictures of people** congregating at bars when the location they are indicates they shouldn't be doing that, that's very risky,' Dr. Fauci said in an interview Tuesday. 'People keep talking about a second wave,' he added. 'We're still in a first wave.'"

-- AP: "Flights canceled as Beijing's new outbreak raises concerns," by Ken Moritsugu and Rod McGuirk in Beijing: "More than 60% of commercial flights in and out of Beijing have been canceled as the Chinese capital raised its alert level Wednesday against a new coronavirus outbreak and other nations confront rising numbers of illnesses and deaths.

"The virus prevention and control situation in Beijing was described as 'extremely grave' at a meeting of Beijing's Communist Party Standing Committee led by the city's top official, Party Secretary Cai Qi."

TULSA LATEST -- "Judge denies Oklahoma residents' bid to block Trump's rally because of coronavirus fears," by WaPo's DeNeen Brown, Annie Gowen and Joshua Partlow: "A Tulsa judge on Tuesday denied an effort by city residents and business owners to block President Trump from holding an indoor campaign rally this weekend that some fear could further the spread of the coronavirus.

"The lawsuit in the district court of Tulsa County sought a temporary injunction against the company that manages the 19,000-seat venue, the BOK Center, 'to protect against a substantial, imminent, and deadly risk to the community,' according to a copy of the complaint. Judge Rebecca Nightingale denied the request." WaPo

A message from PhRMA:

See how biopharmaceutical companies are working together to get people what they need during this pandemic.

TRUMP'S BOLTON COUNTEROFFENSIVE -- "Trump launches the tell-all playbook on Bolton: lawsuits and Twitter threats," by Meridith McGraw and Natasha Bertrand: "The latest White House staffing drama is now playing out over the pages of a book.

"With ex-national security adviser John Bolton's tell-all tentatively set for release next week, White

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House aides are anxiously waiting to see what, if any, damning information is contained between the covers. In the meantime, they've activated the typical Trump team playbook for ex-staffers who decide to spill the administration's innerworkings in print: lawsuits, character assassination on Twitter and presidential haranguing.

"On Tuesday night, the Justice Department sued Bolton to delay the publication of his memoirs, claiming the 592-page tome contains classified information, a charge Bolton's lawyer has denied. It's a suit that seems unlikely to actually block the book from coming out — early copies have already been distributed, and the publisher, Simon & Schuster, was not named in the suit. But the move escalates the monthslong cat-and-mouse game between Bolton and the White House, with each side accusing the other of not acting in good faith." POLITICO

YIKES -- "Nebraska Democrats renounce their Senate pick over comments," by AP's Grant Schulte in Omaha, Neb.: "The Nebraska Democratic Party called on its U.S. Senate nominee to drop out of the race Tuesday after he made sexually repugnant comments about a campaign staffer in a group text with her and other staffers. The party said its state executive committee voted unanimously on Monday evening to withdraw all of its resources from Chris Janicek's campaign.

"Janicek, the owner of an Omaha cupcake bakery, is challenging Republican Sen. Ben Sasse, who is seeking a second term. ... The text messages, which were obtained by The Associated Press, were from a group chat involving Janicek and five other people, including the female staffer. At one point, he wrote that he had argued with her and then asked whether the campaign should spend money on 'getting her laid.' 'It will probably take three guys,' he wrote, before describing in graphic detail an imagined group sex scene involving the female staffer." AP

GOOD NEWS FOR LOEFFLER -- "Senate Ethics Committee drops probe of Loeffler stock trades," by Marianne LeVine: "The Senate Ethics Committee has ended its investigation into Sen. Kelly Loeffler's stock trades, according to a letter sent Tuesday to the Georgia Republican. The news comes three weeks after Loeffler's office said the Justice Department had also dropped its probe into her stock trades."

HOLLY OTTERBEIN: "'We just need a win': The left unites to take down Eliot Engel"

TRUMP'S WEDNESDAY -- The president will announce the "PREVENTS Task Force Roadmap" at 2 p.m. in the Rose Garden.

JOIN TODAY AT 4 p.m. ET - WOMEN AND COVID-19, SMALL BUSINESS OWNERS IN CRISIS PART III: WOMEN RULE INTERVIEW WITH PADMA LAKSHMI: The coronavirus pandemic has transformed the food industry and the experience of dining out, potentially forever. Join Women Rule editorial director Anna Palmer for a virtual interview with Padma Lakshmi, host of "Top Chef", to discuss the inspiration behind her new series, 'Taste The Nation', as well as the devastating impact of COVID-19 on women chefs

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and restaurant owners, and how food has the power to connect Americans to their community. REGISTER HERE.

PLAYBOOK READS

PHOTO DU JOUR: Demonstrators burn items during a protest in Paris to demand better pay and more investment in France's public hospital system on Tuesday, June 16. Thibault Camus/AP Photo

VERY SAD NEWS ... LEXINGTON HERALD LEADER: "Carol Barr, wife of U.S. Rep Andy Barr of Lexington, dies unexpectedly at age 39," by Daniel Desrochers: "Eleanor Carol Leavell Barr, the wife of U.S. Rep. Andy Barr, died unexpectedly in the family's home Tuesday, according to Barr's office. She was 39. 'During this tragic time, we respectfully ask for privacy for Congressman Barr and his family to grieve Mrs. Barr being called home to heaven,' Barr's Chief of Staff Mary Rosado said. 'Congressman Barr may release a more detailed statement at a later date, but right now is solely focused on being a father to his two beautiful daughters.'"

LITTLE ROCKET MAN -- "North Korea says it's sending soldiers to joint border sites," by AP's Hyung-Jin Kim and Kim Tong-Hyung in Seoul, South Korea: "North Korea said Wednesday that it will send soldiers to now-shuttered inter-Korean cooperation sites in its territory and reinstall guard posts and resume military exercises at front-line areas, nullifying tension-reducing deals reached with South Korea just two years ago.

"The announcement is the latest in a series [of] provocations North Korea has taken in what experts believe are calculated moves to apply pressure on Seoul and Washington amid stalled nuclear negotiations. On Tuesday, the North destroyed an empty inter-Korean liaison office in its territory." AP

NEW POLITICO/MORNING CONSULT POLL -- "Poll: Trump voters want to protect Dreamers ," by Anita Kumar: "A majority of Trump voters want to protect so-called Dreamers from deportation, according to a new poll, putting pressure on President Donald Trump to shield immigrants who were brought to the country illegally as children.

"The same trend holds across all Republicans, according to the findings from the latest POLITICO/Morning Consult poll. In fact, the poll indicates that wide swaths of registered voters support Dreamers regardless of gender, education, income, ethnicity, religion and ideology. That includes 68 percent of Republicans, 71 percent of conservatives and 64 percent of those who approve of the job Trump is doing. Even 69 percent of those who voted for Trump in 2016 — when he vowed to deport Dreamers — say they should be protected.

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"The findings highlight a looming political challenge for Trump as he runs for a second term, partly to make good on his promises to immigration hard-liners while looking to appeal to Hispanics and slicing into the advantage Democrats have with them." POLITICO

-- WSJ EDITORIAL BOARD: "Trump's Immigration Choice: He may ban the foreign guest workers the recovery needs."

A message from PhRMA:

America's biopharmaceutical companies will continue working day and night until they beat coronavirus. Because science is how we get back to normal. More.

NATASHA BERTRAND: "House subcommittee demands answers on Pompeo CIA board": "A Democratic chairman in charge of national security oversight is seeking answers from the CIA about whether Mike Pompeo used an outside advisory board to 'curry favor for his political ambitions' while leading the agency.

"Rep. Stephen Lynch (D-Mass.), who heads the House Oversight Committee's national security subpanel, sent a letter, obtained by POLITICO, to the CIA requesting information about the advisory board. In the letter, dated Tuesday, Lynch cites a previous POLITICO report that detailed Pompeo's undisclosed board of external advisers, as well as concerns in the agency that the board was inappropriately weighted toward wealthy individuals and well-connected political figures."

FOR YOUR RADAR -- "Polish leader may visit White House as Trump pushes troop shift in Europe," by Daniel Lippman, Lara Seligman, Zosia Wanat and Nahal Toosi: "President Donald Trump may soon be welcoming foreign leaders to the White House again after a pause due to the coronavirus pandemic, and his aides are in talks to host the president of Poland, U.S. and Polish officials said.

"A visit by Poland's Andrzej Duda, if finalized, is likely to coincide with Trump's plans to announce an increase in the number of U.S. troops stationed in Poland. But it also comes at a sensitive time for Duda, who is up for reelection on June 28." POLITICO

MAYA KING: "How 'Defund the Police' went from moonshot to mainstream"

-- "An Older Generation of Civil-Rights Activists Sees Hope, Lessons in Today's Protests," by WSJ's Lee Hawkins and Melissa Korn: "Many of the activists of America's earlier civil-rights movement are watching the unfolding protests—spurred by the killing of George Floyd in Minneapolis on May 25 and reignited by the shooting of Rayshard Brooks in Atlanta this past weekend—with hopefulness and amazement. ... However, the movement feels more fractured now, older civil rights activists say, as

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protests are organized by students, civil-rights groups, community-based organizations and others on social media."

Protect Yourself and Others From Coronavirus: Even if you don't have symptoms, you could spread the coronavirus. Practice these physical distancing and hygiene tips to keep yourself and your loved ones safe: Stay 6 feet away from others in public; wash your hands often for 20+ seconds; disinfect frequently touched surfaces like cellphones and light switches; and wear a cloth face covering when out in public. Together, we can slow the spread. Visit coronavirus.gov to learn more.

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Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

MEDIAWATCH -- Shefali Luthra will join The 19th as a health care reporter. She is currently a health care reporter for Kaiser Health News.

TRANSITIONS -- Taylor Griffin is joining Spotify's comms team in New York. She previously was press secretary for Speaker Nancy Pelosi. ... **Ryan Walker** will be director of government relations for Heritage Action. He currently is deputy chief of staff and legislative director for Rep. Mark Walker (R-N.C.). ...

... **Austin Laufersweiler** is now press secretary for the Partnership for Public Service. He previously was comms director for Rep. Andy Levin (D-Mich.), and is a Jason Kander, Claire McCaskill and Edelman alum. ... **L.D. Platt** is launching Cobalt Technical Solutions, a new business strategy and public affairs firm, with partner Drew Platt. He most recently was with UnitedHealth Group and is a GOP Hill veteran.

BIRTHDAY OF THE DAY: Chris Bedford, senior editor at The Federalist. **A trend he thinks doesn't get enough attention:** "How quickly America's senior Christian leaders have abandoned their duties and surrendered authority to civil leaders. I've never seen anything like it, and I don't know how this generation of leadership will ever wrest it back. That and Joe Biden." **Playbook Q&A**

BIRTHDAYS: HHS Secretary Alex Azar is 53 ... Rep. Marcy Kaptur (D-Ohio) is 74 ... Rep. Scott Peters (D-Calif.) is 62 ... Rep. Brad Wenstrup (R-Ohio) is 62 ... Newt Gingrich is 77 ... Matt Canter, partner at Global Strategy Group (h/t Erin Billings) ... Matt Miller, partner at Vianovo ... Alex Weprin ... Jon Leibowitz, a partner at Davis Polk & Wardwell and former FTC chair ... Diane Blagman of Greenberg Traurig (h/ts Jon Haber) ... Maxwell Nunes ... CNBC's Christina Wilkie ... CNN's Allie Malloy ... Jordan Wells, military legislative assistant for Sen. Gary Peters (D-Mich.), is 3-0 (h/t Ben Goodman) ... Kent Lassman ... Paul Steinhauser ... former Pennsylvania Gov. Tom Corbett is 71 ... Scott Thuman ... Jennifer Myers ... The Spectator's Dominic Green is 5-0 (h/t Matt McDonald) ... David Feinman is 41 ... Craig Roberts ... Gabe

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Horwitz ... Laura Gordon ... Chris Garcia ...

... **Desiree Barnes** ... Jessica Boulanger, EVP of public affairs at Business Roundtable ... Tory Burch (h/t Dina Powell McCormick) ... John Dimos ... Rose Gault ... June Shih, director of university comms at NYU Shanghai ... Chad Clanton is 49 ... Michael McLendon ... POLITICO's Simmi Bhuller ... Maxime Schlee ... John Hamlin ... Samuel Garrett-Pate ... Katie Lingle ... Boris Abreu ... Katie Grant ... Will Sommer ... Nate Thomas ... Szabolcs Panyi is 34 ... Rebecca Zisser ... CBS' Nicole Domenica Sganga ... Lee Newton Rhodes is 62 ... Bloomberg's Kerri Chyka ... Emily Adams ... PBS NewsHour's Jaywon Choe ... Michael Grisso ... Linda Chavez ... Miro Korenha ... Joyce Johnson ... Rob Johnson (h/ts Teresa Vilmain) ... Chris Jennings ... Melissa Sabatine ... Jeffrey Grimshaw ... Priscilla Jones Stanzel ... Robert Becker is 52 ... Janice Lachance ... Katie Koenen Wright ... David Dolkart

A message from PhRMA:

America's biopharmaceutical companies are sharing their knowledge and resources more than ever before to speed up the development of new medicines to fight COVID-19. They're working with doctors and hospitals on **over 1,100 clinical trials**.

And there's no slowing down. America's biopharmaceutical companies will continue working day and night until they beat coronavirus. Because science is how we get back to normal.

See how biopharmaceutical companies are working together to get people what they need during this pandemic.

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Sent: Wed 5/20/2020 10:05:43 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: Bringing back Obama

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JAKE SHERMAN ANNA PALMER

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DRIVING THE DAY

IN RECENT DAYS, President **DONALD TRUMP** and his administration have reinjected **BARACK OBAMA** into the political fray. Privately around town, some Republicans have wondered about the wisdom of doing that, since polls consistently show that **OBAMA** is one of the best-liked people in public life.

-- ERIC SCHMELTZER, a progressive PR consultant, paid $4,500 out of his own pocket to commission a poll looking at who would win in a head-to-head contest: **TRUMP** or **OBAMA.** PPP did the poll, and it showed **OBAMA** would beat **TRUMP,** 54-43. Of course, a poll like this is mostly a novelty since **OBAMA** can't run again. But it does serve to highlight the dicey nature of elevating the former president. ***The crosstabs***

SENATE GOP FOLLOWS THE LEADER … BURGESS EVERETT and **ANDREW DESIDERIO**: "In the days to come and with [Mitch] McConnell's public blessing, GOP committee chairmen plan to follow Trump's lead and approve a series of subpoenas for documents and testimony that could hit some of Trump's favorite targets, including Hunter Biden and dozens of Obama administration officials.

"It's all part of the last stage of the GOP's evolution during Trump's first term: an apparent end to public disagreements for the next six months until the party is past the election. 'I just think that everybody realizes that our fortunes sort of rise or fall together,' said Sen. John Thune (R-S.D.), the party whip. 'One thing we have to do is to make sure that we are united on our agenda and make sure that there's not separation between the White House and Republicans in Congress.'" POLITICO

NEW: REP. ERIC SWALWELL (D-Calif.) is planning to use the national fundraising base he built to launch **REMEDY PAC**, a committee that is aiming to register new voters, expand the House Democratic majority and win Senate seats.

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-- WHAT'S BEHIND THE MOVE: THIS IS SWALWELL'S first big political play since his short-lived

presidential bid. It's an attempt to use his network of national donors to get young Democrats to Washington. And it's a sign of early jockeying for power in the next wave of leadership in Washington.

-- THE COMMITTEE is launching with a dramatic, direct-to-camera ad with a Covid-19 victim's daughter talking as it depicts **TRUMP** playing golf, partying, spending time at his Florida resort and holding political rallies as the coronavirus spread throughout the United States. The video ends with a montage of people who died due to Covid-19, with the message on the screen: "They can't vote. Will you?" Eleven Films did the spot. A shorter version of the ad will air on TV next week -- details have not yet been finalized. ***The 1:40 clip***

-- SWALWELL is supporting: Al Gross (Alaska Senate), Teresa Tomlinson (Georgia Senate), Sen. Doug Jones (D-Ala.), Jaime Harrison (South Carolina Senate), Ammar Campa-Najjar (Duncan Hunter's old seat in California), Brynne Kennedy (CA-04), Qasim Rashid (VA-01) and Reps. Sharice Davids (Kan.), Kendra Horn (Okla.) and Lucy McBath (Ga.).

THE POMPEO CORNER ... NBC: "Pompeo's elite taxpayer-funded dinners raise new concerns," by Josh Lederman, Laura Strickler and Dan De Luce: "As federal workers file out of the State Department at the end of a Washington workday, an elite group is often just arriving in the marbled, flag-lined lobby: Billionaire CEOs, Supreme Court justices, political heavyweights and ambassadors arrive in evening attire as they're escorted by private elevator to dinner with Secretary of State Mike Pompeo.

"Until the coronavirus shut them down in March, the gatherings were known as 'Madison Dinners' — elaborate, unpublicized affairs that Pompeo and his wife, Susan Pompeo, began in 2018 and held regularly in the historic Diplomatic Reception Rooms on the government's dime.

State Department officials involved in the dinners said they had raised concerns internally that the events were essentially using federal resources to cultivate a donor and supporter base for Pompeo's political ambitions — complete with extensive contact information that gets sent back to Susan Pompeo's personal email address. The officials and others who attended discussed the dinners on condition of anonymity." NBC

-- NYT'S EDWARD WONG and **DAVID SANGER: "Pompeo Declined Interview Request From Inspector General About Saudi Arms Sales"**: "Secretary of State Mike Pompeo declined an interview request for the State Department inspector general's inquiry into whether the Trump administration acted illegally in declaring an 'emergency' to bypass a congressional freeze on arms sales to Saudi Arabia and the United Arab Emirates, according to three people with knowledge of his actions.

"Mr. Pompeo chose instead to answer written questions from investigators working for the inspector general, Steve A. Linick, who was fired by President Trump on Friday. That indicates that the secretary of state was aware of Mr. Linick's investigation and the specific lines of questioning about Mr. Pompeo's decision last year to resume the sales of bombs and other weapons, which had been stalled since 2017. Saudi Arabia has led Persian Gulf nations in an air war in Yemen that has resulted in large numbers of civilian deaths."

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-- MCCLATCHY'S MICHAEL WILNER and **BRYAN LOWRY:** **"Pompeo's treatment of closest aide from Kansas was a subject of fired IG's inquiry"**

WAPO, A1: NICK MIROFF: **"Trump's preferred construction firm lands $1.3 billion border wall contract, the biggest so far"** : "A North Dakota construction firm that has received backing from President Trump has now secured the largest border wall contract ever awarded, a $1.3 billion deal to build 42 miles of black-painted fencing through the rugged mountains of southern Arizona.

"The company that won the contract, Fisher Sand and Gravel, has been repeatedly lauded by the president in White House meetings with border officials and military commanders, the result of a long and personalized marketing pitch to Trump and ardent supporters of his barrier project.

"After its initial bids for border contracts were passed over, the company and its CEO, Tommy Fisher, cut a direct path to the president by praising him on cable news, donating to his Republican allies and cultivating ties to former Trump adviser Stephen K. Bannon, GOP Senate candidate Kris Kobach and other conservative figures in Trump's orbit.

"Fisher's first and only other major border contract, for $400 million, is under review by the Defense Department inspector general after Democratic lawmakers raised concerns about improper White House influence on the procurement process. The inspector general's office confirmed Tuesday that the audit is ongoing."

Good Wednesday morning.

A message from Blue Cross Blue Shield Association:

Maintaining access to affordable health insurance is critical, especially today. See our proposals to ensure Americans stay covered, providing security when they need it most.

WE ARE SEEING AN UNMISTAKABLE DESIRE from across society to move to the next phase of the coronavirus. The president wants to hold rallies, Trump allies are pushing reopening, the government is creeping back to life, universities are planning their reopenings, and retailers are ending their hazard pay.

GABBY ORR: **"'A moonshot mission': Trump campaign eyes a return to megarallies":** "Before the end of this month, the Trump campaign hopes to organize a series of virtual events featuring the president, who has eschewed the digital campaign trail while others involved with his reelection court voters and train supporters during nightly live streams and online briefings.

"The president's 2020 team is also keeping a close eye on regional reopenings, where modified campaign activities could soon be permitted, according to three people involved with the discussions. Some White House allies have encouraged the campaign to prioritize its plan for restarting rallies, worried

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that the optics and purpose of Trump's official travel — during which the president has sent mixed messages about his administration's response to the pandemic while surrounded by aides in face masks — is too morbid and lacks the showmanship his core base adores."

-- AP: "Trump allies lining up doctors to prescribe rapid reopening," by Michael Biesecker and Jason Dearen: "Republican political operatives are recruiting 'extremely pro-Trump' doctors to go on television to prescribe reviving the U.S. economy as quickly as possible, without waiting to meet safety benchmarks proposed by the federal Centers for Disease Control and Prevention to slow the spread of the new coronavirus.

"The plan was discussed in a May 11 conference call with a senior staffer for the Trump reelection campaign organized by CNP Action, an affiliate of the GOP-aligned Council for National Policy. A leaked recording of the hourlong call was provided to The Associated Press by the Center for Media and Democracy, a progressive watchdog group." AP

LAT: "Justice Department warns California coronavirus rules may violate religious freedoms," by Matthew Ormseth and Alex Wigglesworth: "In a three-page letter to the governor, Eric S. Dreiband, an assistant attorney general and the head of the Justice Department's civil rights division, said Newsom had shown 'unequal treatment of faith communities' in restricting their abilities to gather and ultimately reopen.

"'Simply put, there is no pandemic exception to the U.S. Constitution and its Bill of Rights,' Dreiband wrote. Newsom's office had no comment beyond confirming that it had received the letter."

WSJ: "Retailers Phase Out Coronavirus Hazard Pay for Essential Workers," by Jaewon Kang and Sharon Terlep: "Some of the biggest U.S. retailers are ending the extra pay they gave to front-line workers as coronavirus-related costs pile up and the ranks of jobless Americans surge, tipping the labor market in employers' favor.

"Amazon.com Inc., Kroger Co. and Rite Aid Corp. are among the major companies that have ended or plan to stop paying higher wages for tens of thousands of workers in stores and warehouses and on the road. Workers and unions are pushing back, saying they still face extra risk at work."

UNIVERSITIES ... BOSTON GLOBE: "BC intends to hold classes on campus, as other colleges wrestle with decisions on fall semester," by Laura Krantz and Deirdre Fernandes. ... **NYT: "College Calendars in the Pandemic: No Fall Break and Home by Thanksgiving"** ... **TEXAS TRIBUNE: "Budget cuts at UT-Austin will likely bring furloughs and layoffs, campus leaders say"**

IRS BACK TO WORK ... AARON LORENZO: "IRS recalling more employees starting June 1": "The IRS is requiring some of its workforce to get back to their jobs after having been evacuated at the end of March due to the coronavirus pandemic, IRS Commissioner Chuck Rettig said Tuesday.

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"The first phase will begin with non-teleworking employees in three states — Texas, Utah and

Kentucky — who've been told to report to work June 1. They're needed for work that can't be done remotely, Rettig said in an email to employees Tuesday. He called the mandatory recall a first phase, which followed a request for volunteers over recent weeks as the IRS began slowly starting to resume more normal operations under federal and local health and safety guidelines." POLITICO

NEW ... AMERICAN FUTURE FUND, a conservative political group run by **NICK RYAN,** has a new poll that has Rep. **STEVE KING** (R-Iowa) down 2 points to **RANDY FEENSTRA**, his Republican challenger, 41-39. The 400-person survey was conducted by Public Opinion Strategies. American Future Fund is supporting Feenstra. The primary is June 2.

TRUMP'S WEDNESDAY: THE PRESIDENT will hold a conference call with the "national Hispanic community" at 12:30 p.m. At 4 p.m., he will meet with the governors of Arkansas and Kansas.

-- KAYLEIGH MCENANY will brief at 3 p.m.

BUILDING A SUSTAINABLE FUTURE: A DIFFERENT KIND OF NEWSLETTER: "The Long Game," presented by Morgan Stanley, explores the convergence of private sector leaders, political actors and NGO/Academic experts on the key sustainability issues of our time. Engage with the sharpest minds from the worlds of finance, technology, energy, agriculture and government around our biggest challenges, from pandemics to plastics, from climate change to land use, from inequality to the future of work. Searching for a nuanced look at these issues and solutions? Subscribe today.

PLAYBOOK READS

PHOTO DU JOUR: A man douses a fire in a house that was damaged in a gun battle in Srinagar, Indian-controlled Kashmir, where government forces killed two rebels and shut down cellphone and mobile internet services during anti-India protests on Tuesday, May 19. Dar Yasin/AP Photo

NYT, A1: "Iran Quietly Lowers the Temperature With U.S.," by Alissa Rubin in Baghdad and Farnaz Fassihi: "After years of increasing tensions that nearly led to war, Iran has moderated its approach to the West, shifting from a policy of provocation to one of limited cooperation. The change reflects an effort to

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avoid direct confrontation with the United States that the Iranians say could benefit President Trump in the November election.

"Nowhere is the shift more evident than in Iraq, where Iran has backed a pro-American prime minister and ordered its proxy militias to cease their rocket attacks on American forces. The Americans, while publicly dismissive of any change in Iranian posture, have quietly reciprocated in modest and indirect ways. ...

"'Pressure works,' Brian Hook, the State Department's special representative for Iran policy, said Tuesday. 'For over three years we have contained and countered Iran through deterrence and diplomacy. The regime is also broke because of our sanctions. Iran's leaders today face a choice: either negotiate with President Trump or manage economic collapse.'"

NEW POLITICO/MORNING CONSULT POLL -- "Anti-China sentiment is on the rise," by Marc Caputo: "Anti-China sentiment is rising in the United States, according to a new poll that reflects the foreign country's role as the point of origin of the coronavirus and the millions of dollars in negative ads spent by President Donald Trump, former Vice President Joe Biden and their allies as each paints the other as weak on the U.S.-China relationship.

"Since January, the percentage of U.S. voters who say China is an 'enemy' has risen 11 percentage points to 31 percent, while the percentage of voters who say China is either an ally or friend has fallen 9 points to a combined 23 percent, a new POLITICO/Morning Consult poll shows. The 30 percent who say China is unfriendly but not an enemy has held about constant in the past five months.

"For all the negativity, U.S. voters, by a 28-point margin, favor working with China to respond to the coronavirus instead of confronting the country aggressively." POLITICO

-- "Asian American doctors and nurses are fighting racism and the coronavirus," by WaPo's Tracy Jan

BETSY WOODRUFF SWAN: "Trump administration declassifies full Susan Rice email sent on Inauguration Day": "On the day of President Donald Trump's inauguration, outgoing national security adviser Susan Rice sent herself an email that has since drawn intense scrutiny from Republicans.

"Now the full text of the email has been declassified, and POLITICO reviewed it. It says that then-FBI Director James Comey worried about sharing classified information with the Trump team due to incoming national security adviser Michael Flynn's frequent conversations with the Russian ambassador, but that Comey had no knowledge of Flynn sharing classified information with the envoy." POLITICO ... ***The***

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email ... ***Rice's response***

NYT'S SHANE GOLDMACHER: "Biden Calls Out 'Anti-Semitism' on the Left and Criticizes Israeli Policies"

TAMPA BAY TIMES: "Update: Florida Health Department manager told to delete coronavirus data forced to resign, she says," by Langston Taylor: "One day before a top Florida Department of Health data manager lost her role maintaining the state's COVID-19 data, she objected to the removal of records showing people had symptoms or positive tests before the cases were announced, according to internal emails obtained by the Tampa Bay Times. On Tuesday, a spokeswoman for Gov. Ron DeSantis said she had been fired."

LAT: "California leased 15,000 hotel rooms to help homeless people. Half now sit empty," by Doug Smith and Benjamin Oreskes

HOW WASHINGTON WORKS -- "Generic Drugmaker Gets Contract to Make Covid-19 Medicines in U.S.," by WSJ's Jared Hopkins and Rebecca Ballhaus: "A new generic drugmaker said it was awarded $354 million in federal funding to make prescription drugs and their raw ingredients in the U.S., including some medicines used to treat patients infected with Covid-19.

"Privately held Phlow Corp., a Richmond, Va.-based company incorporated earlier this year, said the funding will support manufacture that began recently of more than a dozen generic prescription drugs in short supply that are used to treat Covid-19 patients. ... In late March, the company hired two lobbying firms with experience representing pharmaceutical and biomedical firms, according to lobbying records, paying them $30,000 in the first quarter.

"The company's pitch to the administration, a person familiar with the matter said, focused on an America-centric message that appealed to officials like [White House trade adviser Peter] Navarro, who has pushed for the U.S. to become less reliant on countries including China. Mr. Navarro said he wasn't involved in the procurement process. 'That project is just so congruent with the Trump strategy and policy...that it's about the easiest lift imaginable,' he said.

"Phlow hadn't manufactured or shipped any prescription drugs, Dr. Edwards said, before receiving a $6 million contract in April to ship to the U.S. Strategic National Stockpile more than 1.6 million doses of five generic drugs used to treat Covid-19 patients." WSJ

BEYOND THE BELTWAY -- "Gov. Whitmer: Downtown Midland could be under 9 feet of water by Wednesday," by the Detroit Free Press' Angie Jackson and Todd Spangler: "Urging residents to evacuate and saying downtown Midland could be under 9 feet of water by Wednesday afternoon, Gov. Gretchen Whitmer late Tuesday declared a state of emergency for Midland County after the Edenville and Sanford dams breached. ... Whitmer said parts of the city of Midland, the village of Sanford, Edenville Township and Dow Chemical had been or were being evacuated ...

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"Whitmer said at a 10 p.m. briefing Tuesday that state officials expected the worst over the next 12-15 hours with as much as 9 feet of water in downtown Midland, the largest city in the area with about 40,000 residents and the home to Dow Chemical."

POLITICO Magazine Justice Reform: The Decarceration Issue, presented by Verizon: Over the past decade, the longstanding challenge of criminal-justice reform has emerged into the spotlight with a new twist: Republicans and Democrats alike are on board. But if both parties want to lower the incarceration rate, why are our jail and prison populations still so large? The latest series from POLITICO Magazine works to answer this important question and take a deeper look into what it will take to make progress in the policy and politics of justice reform. READ THE FULL ISSUE.

PLAYBOOKERS

Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

NEC ARRIVAL LOUNGE -- Katie Donnell is now a director for international economic policy at the National Economic Council. She previously was special assistant to the secretary at the State Department, and is a Paul Ryan alum.

TRANSITIONS -- Gordon Hensley is now a senior public affairs adviser at HHS. He is a Scott Walker, Bob Corker and NRSC alum. ... **Chelsea Bacher** is joining BGR Group as associate general counsel. She previously was legislative director for Rep. Tom Rice (R-S.C.). **Philipp Clarke** is moving up to become Rice's LD. ... **Lisa Gilbert** is now the EVP of Public Citizen. She previously was VP of legislative affairs.

WELCOME TO THE WORLD -- Brooke Sours, SVP at Firehouse Strategies, and **David Sours,** chief of staff to Rep. Drew Ferguson (R-Ga.), welcomed Sloane Rebecca Sours on May 10. She came in at 8 lbs, 15 oz. ***Pic*** ... ***Another pic***

BIRTHDAY OF THE DAY: Cassie Smedile, RNC deputy comms director. **How she got her start:** "I followed my older brother Jack to an internship with the National Association of Manufacturers in the summer of 2005 and absolutely loved the experience and the city. After graduating from college, I followed the same brother to Capitol Hill to work in then-Republican Whip Roy Blunt's office as a staff assistant. That job ignited my love for the People's House and led to a 10-year career on the Hill before moving to the RNC in 2017. Although I eventually figured out how to find a job in an office Jack hadn't previously worked, he did help my fiance and me score a great apartment ... we now live across the street from each other." **Playbook Q&A**

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BIRTHDAYS: Sen. Mike Crapo (R-Idaho) is 69 ... Rep. Mark Walker (R-N.C.) is 51 ... Cindy McCain is 66

... Jon Meacham is 51 ... Delaware Gov. John Carney is 64 ... Craig Melvin is 41 ... Phil Elliott of Time ... Christina Bellantoni, a USC professor and director of the Annenberg Media Center, is 41 (h/t Ben Chang) ... George Condon ... Marie Royce, assistant secretary of State for education and culture (h/t Janet Donovan) ... Phil Alongi ... Ron Reagan is 62 ... former Rep. Nick Rahall (D-W.Va.) is 71 ... former Rep. Harold Ford Sr. (D-Tenn.) is 75 ... Tom McGeveran ... Wally Adeyemo, president of the Obama Foundation ... American Airlines' Stacy Day ... WaPo's Amber Phillips ... Davey Ahearn ... USA Today's Rebecca Morin ... Gabriel Muller ... former New York Gov. David Paterson is 66 ... POLITICO's Jen Scott, Eric Busch, Shaw Newman and Casey Arbaugh ... Walter Isaacson, Tulane professor and author, is 68 ...

... **Margery Kraus,** founder and executive chairman of APCO Worldwide ... Bill Pierce ... Alex Gambal ... Jessica González-Rojas ... Sarah Tyree, VP at CoBank ... Michael Oren is 65 ... WSJ's Chad Day ... Gil Kaufman ... Michael Law, founder and CEO of Summit Strategy Group and founding partner of Ibex Partners ... Katie Lewallen ... Sarah Fetter ... Bhav Tibrewal ... Rebecca Eichmann ... Mia Phillips ... Hannah Cheney ... Henry Goldman ... Andy Newbold ... Ami Copeland ... Aylon Berger ... Lauren Wolman ... Kori Anderson ... PJ Hoffman ... Sara Severs ... Andrew Harrison ... Ryan Kuresman ... Adrianna Tomasello ... Rosiland Jordan ... Jacob Daniels ... Brian Darling ... Kathy Giles ... Marie Robey Wood ... Sarah Gilbert Fox ... Caitlin Kestermann ... Amy Leveton ... Matt Solberg ... Melissa Mulliken ... Allison Goldberg ... Ethan Rosenzweig ... Pete D'Alessandro (h/t Teresa Vilmain) ... Dan Abrams is 54

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Sent: Mon 5/18/2020 10:02:02 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: Welcome to coronavirus limbo

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JAKE SHERMAN ANNA PALMER

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DRIVING THE DAY

AND NOW WE WAIT.

-- THE HOUSE passed $3 trillion in stimulus money, but the Senate is in no rush to start working on another package.

-- A VACCINE is in development, but we won't know more until later this fall.

-- THE PRESIDENTIAL CAMPAIGN seems like it's slogging through mud. There are no public events and no in-person fundraisers, and the conventions are scheduled for later this summer. (**REID EPSTEIN** reports in the **NYT** that Democratic delegates don't even want to go to the convention.)

-- STATES AROUND THE COUNTRY are beginning to reopen. Leaders are left guessing whether there will be a spike in Covid-19 cases.

-- MUCH OF THE WORLD IS WORKING FROM HOME, and major companies have said workers may come back to the office after Labor Day ... or not. It's far too soon to predict when life could return to normal.

OUR WORLD BEFORE AND DURING this coronavirus crisis has been quickly shifting, and filled with twists and turns. But suddenly, it feels like we're in a state of suspended animation.

ALEX ISENSTADT: "Swing-state Republicans warn Trump needs to get the pandemic right — or else": "Interviews with nearly a dozen former governors, members of Congress, and other current and former party leaders revealed widespread apprehension about Trump's standing six months out from the election.

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"Many fret that Trump's hopes are now hitched to the pandemic; others point to demographic changes

in once-reliably red states and to the challenge of running against a hard-to-define Democratic opponent who appeals to a wide swath of voters. The concerns give voice to an assortment of recent battleground state polling showing Trump struggling against Biden.

"There are certain to be plenty of momentum shifts before the election, especially in such a volatile political environment. Trump enjoys a vast resource advantage and his campaign has only begun going after Biden with sustained advertising — an effort that isn't yet fully reflected in public polls, his advisers said. This past week, the campaign circulated a memo to supporters saying that Trump had closed a once-substantial national gap. And throughout 2016, many Republicans thought he wouldn't win. But that hasn't quelled GOP fears, even in some traditionally friendly states." POLITICO

WAPO'S ASHLEY PARKER and **PHIL RUCKER: "In next phase of pandemic, Trump appears poised to let others take the lead"**: "President Trump has proclaimed the latest phase of pandemic response the 'transition to greatness.' But Trump appears poised to preside over the eventual transition more as a salesman and marketer than a decider.

"Many consequential actions are being done by others. The nation's governors are overseeing their states' plans to reopen their economies. Business leaders are making their own choices about how their employees can safely and responsibly return to work. Treasury officials are negotiating with Congress the details of financial stimulus packages. And scientists and public health officials are leading the race for a vaccine.

"The United States under Trump has also retreated from its historic position of global leadership, declining, for instance, to participate in a coronavirus summit with other nations earlier this month."

WSJ PAGE ONE: "Coronavirus Vaccine Front-Runners Emerge, Rollouts Weighed," by Peter Loftus: "Governments and drugmakers are weighing how to roll out coronavirus vaccines, including reserving the first batches for health-care workers, as several shots race to early leads.

"Of more than 100 vaccines in development globally, at least eight have started testing in humans, including candidates from Moderna Inc.and Pfizer Inc. At the same time, pharmaceutical giants like Johnson & Johnson, AstraZeneca PLC and Sanofi SA are building capacity to make hundreds of millions of doses of their own or their partners' vaccines. The efforts are part of a larger rush, including at the White House, to line up funding for accelerated testing and expanded manufacturing capacity, all to make doses available in the U.S. starting as soon as this fall."

Good Monday morning.

A message from Blue Cross Blue Shield Association:

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WHAT THEY'RE READING IN FOGGY BOTTOM … NYT, A1: "Inspector General's Firing Puts Pompeo's Use of Taxpayer Funds Under Scrutiny," by Edward Wong: "Secretary of State Mike Pompeo swatted away questions about his use of government resources again and again last year.

"In January, news reports cited unnamed diplomats complaining about his wife, Susan, traveling with him across the Middle East during a partial government shutdown. In the summer, members of Congress began examining a whistle-blower complaint accusing Mr. Pompeo of asking diplomatic security agents to run errands like picking up restaurant takeout meals and retrieving the family dog, Sherman, from a groomer.

"And in October, a Democratic senator called for a special counsel to investigate his use of State Department aircraft and funds for frequent visits to Kansas, where he was reported to be considering a Senate run.

"In each case, Mr. Pompeo or other department officials denied wrongdoing, and the secretary moved on unscathed. But his record is now coming under fresh scrutiny after President Trump told Congress on Friday night that he was firing the State Department inspector general — at Mr. Pompeo's private urging, a White House official said."

JAY POWELL SPEAKS -- "Fed's Powell warns unemployment could reach Depression-level 25 percent," by Victoria Guida: "Federal Reserve Chair Jerome Powell on Sunday warned that the nation's unemployment rate could soar to 25 percent during the worst of the coronavirus crisis, though he said the economy should recover more quickly than during the Great Depression, when joblessness last reached those levels.

"'Those numbers sound about right for what the peak may be,' Powell said on CBS' '60 Minutes' after reporter Scott Pelley asked whether unemployment could reach 20 percent or even 25 percent. ... 'This economy will recover,' he said. 'We'll get through this. It may take a while. ... It could stretch through the end of next year. We really don't know.'

"The central bank has taken extraordinary measures to rescue the economy since the pandemic began sweeping through the country — slashing interest rates to zero, rolling out trillions of dollars in lending programs for financial markets, and taking the unprecedented step of bailing out state and city governments.

"'There's really no limit to what we can do with these lending programs,' Powell said. 'There's a lot more we can do to support the economy, and we're committed to doing everything we can as long as we need to.'" ***Full interview***

BUT … BLOOMBERG: "Stocks Rise With U.S. Futures; Gold, Oil Advance," by Todd White

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WAPO/ALPHARETTA, GA.: "'This feels *great*': A preview from Georgia about how America might

reemerge from the coronavirus: Eating, drinking, touching and throwing caution to the wind," by Stephanie McCrummen

MEANWHILE … IN THE WEST WING, via **NANCY COOK:** "Trump's own top staffers are increasingly working from home. The White House has started to schedule more meetings by teleconference after two staffers tested positive for Covid-19, including one of the president's military valets. Aides are now required to wear face masks around the White House, and in-person meetings, if they occur at all, are held in the largest conference rooms possible. Even the White House mess, where staffers grab lunch and coffee, has shut down and is open only through the take-out window.

"The most prominent office in America — with all of the testing, resources and doctors it needs — is still struggling to keep its employees and leaders safe, even as more than a dozen states reopen businesses, restaurants, parks and beaches. The White House's struggles and its ongoing revision of its health measures offer a window into the myriad challenges that thousands of companies and employers face as they consider bringing back non-essential workers."

ALSO FROM NANCY COOK … WILL BEN HOWARD RETURN?: "Top officials including Meadows are now searching for a new director of legislative affairs since the current one, Eric Ueland, is in discussions with the State Department about a top political position.

"Meadows is eyeing for that legislative affairs role Ben Howard, a vice president at the Duberstein Group who previously worked for Trump White House twice -- first as a special assistant to the president and later as the deputy director for legislative affairs. Howard's specialty on the Hill is knowing the House and working with Republicans to pass major legislation like the 2017 tax bill and the USMCA, and the president has always appreciated Howard, who he jokingly has called in front of congressional lawmakers 'that young, brilliant guy who everyone likes.' Both Howard and the White House press office declined to comment."

THE BIG PICTURE -- AP'S JONATHAN LEMIRE and **BILL BARROW: "2016 repeat? Trump revives Clinton playbook to battle Biden":** "Trump and his allies are dusting off the playbook that helped defeat Hillary Clinton, reviving it in recent days as they try to frame 2020 as an election between a dishonest establishment politician and a political outsider being targeted for taking on the system. This time, however, the so-called outsider is the sitting president of the United States." AP

ALEX THOMPSON: "Progressives thought they'd overtaken the Democratic Party. Now they're in despair": "The abrupt reversal of fortune has prompted introspection among many left-wing activists, who only three months ago were confident that the future of the Democratic Party was theirs. Interviews with more than 15 left-wing leaders — including grass-roots organizers, down-ballot candidates and

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former aides to Sanders and Sen. Elizabeth Warren — revealed strife over what went wrong and what to do next.

"Some asserted that Sanders' and other challengers' losses were just the result of campaign missteps and that their ideas remain popular. They argued that progressives still are on track to take over the party in the coming years and are looking to other down-ballot races this year to make a mark.

"But others were less sanguine about the left's future, after their losses this year and in the 2018 midterms. Several pointed to progressives' failure to make serious inroads with older black voters, the most loyal base of the Democratic primary. And some said they fear the Democratic Party is drifting away from the more class-based politics they are advocating for, as national Democrats increasingly target wealthier, more educated suburban voters to make up for losses in rural areas."

TRUMP'S MONDAY -- The president will participate in a roundtable with restaurant executives and industry leaders at 2 p.m. in the State Dining Room. He and first lady Melania Trump will participate in a video teleconference with governors on the coronavirus at 4 p.m. in the Situation Room.

JOIN TOMORROW – HOW DO WE STRATEGICALLY REOPEN THE ECONOMY? Join chief economic correspondent Ben White tomorrow at 9 a.m. EDT for a virtual conversation with Rep. Andy Kim (D-N.J.), to discuss his work on the newly launched House Select Committee on the Coronavirus Crisis and whether he believes that the fiscal response so far has been enough. Should there be more transparency on how stimulus dollars are being spent? What more does Congress need to do to keep the economy afloat? Have questions? Submit yours by tweeting it to @POLITICOLive using #AskPOLITICO. REGISTER HERE.

PLAYBOOK READS

PHOTO DU JOUR: A supporter of Brazilian President Jair Bolsonaro protests against the Supreme Court and Brazil's National Congress in support of Bolsonaro's open-the-economy drive in Brasilia, Brazil, on Sunday, May 17. | Andre Borges/AP Photo

NYT'S BEN SMITH on **RONAN FARROW: "Is Ronan Farrow Too Good to Be True?"**

THE PRESIDENT OF THE UNITED STATES, after watching HHS whistleblower Rick Bright on CBS' "60 Minutes": "This whole Whistleblower racket needs to be looked at very closely, it is causing great injustice & harm. I hope you are listening @SenSusanCollins I also hope that Shari Redstone will take a look at her

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poorly performing gang. She knows how to make things right!"

-- SHARI REDSTONE is the chair of ViacomCBS.

WAITING ON UNEMPLOYMENT BENEFITS -- "Millions in U.S. Are On Edge, Waiting for Jobless Benefits," by Bloomberg's Shawn Donnan, Reade Pickert and Catarina Saraiva: "Millions of Americans who are owed tens of billions of dollars in unemployment benefits are still waiting to receive the help they have been promised two months after the Covid-19 pandemic unleashed a historic wave of layoffs.

"Even as job losses continue to mount, states that have ramped up staffing and deployed new computer systems are struggling to handle a surge that has seen 36.5 million people -- about one in five American workers -- file for unemployment since mid-March.

"The result is that a key element of the U.S.'s unprecedented fiscal response is running into problems that highlight the difficulty of getting money to people who need it to weather the crisis. The delayed payments also help explain why frustration is growing with state lockdowns and clashing with fresh warnings from public health officials that a pandemic that has claimed more than 85,000 lives in the U.S. remains a major risk." Bloomberg

ACROSS THE POND -- "Hungary's rule by decree could end in June, PM's chief of staff says," by Lili Bayer

KNIVES OUT FOR REDFIELD … SCOTT GOTTLIEB in the **WSJ**: **"Cut Through the Fog of Coronavirus War":** "The Centers for Disease Control and Prevention made its first definitive statement last week describing a rare but disturbing condition in children related to Covid-19. Doctors in the U.K. first reported in April a spike in previously healthy children presenting with features similar to another rare condition, Kawasaki disease, whose symptoms include rash and fever and, later in its progression, inflammation of blood vessels.

"This is a reminder of how much we don't know about Covid-19. We've learned a lot over the past two months as Covid-19 became an epidemic, with 1.5 million Americans diagnosed and more than 90,000 dead. New insights have translated into improved care. This knowledge is saving lives and will be especially useful if infections flare up again.

"Yet such data on patients isn't being streamlined and shared with the public quickly. There are shortcomings in our ability to access the electronic systems designed to help glean facts from clinical data. CDC hasn't been filling its traditional role of promptly publishing medical findings that may help doctors care for patients. Instead, a lot of this information is being passed around social media, by email or even through word of mouth. It's trial and error on a global scale."

-- WAPO: "White House tensions with CDC spill into public view as top Trump adviser criticizes agency response," by Felicia Sonmez and Darryl Fears

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RBG FOR THE RIGHT? -- "Passed By for Decades, Clarence Thomas Is a New Symbol of the Trump Era," by NYT's Nicholas Casey: "Justice Thomas, the Supreme Court's most conservative member, is catching up in his own way at age 71. After 28 years of rarely speaking from the bench, Justice Thomas is newly in the public eye (or ear) as he regularly asks questions during oral arguments that are being conducted by conference call and broadcast live during the pandemic.

"He was the subject of a recent book, 'The Enigma of Clarence Thomas,' which led to a flurry of articles and book reviews on his life and legal thought. A new biographical documentary, made by the conservative filmmaker Michael Pack, airs Monday on PBS. For the project, the justice spoke to filmmakers for 30 hours — an astounding feat for a jurist who once went 10 years without asking a question from the bench.

"'He would have never said, "Gee whiz, I should be an icon,"' said Helgi Walker, a lawyer at the firm Gibson Dunn who clerked for Justice Thomas in 1995 and 1996. 'But life is long, and it's amazing how things can turn out sometimes.'" NYT

BUSINESS BURST -- "Grubhub Rebuffs Uber's Latest Offer as Merger Talks Continue," by WSJ's Cara Lombardo: "Uber Technologies Inc. and Grubhub Inc. continued their merger discussions over the weekend, with the companies' chief executives trying to hash out the price of a deal that would reshape the meal-delivery business.

"Grubhub Chief Executive Matt Maloney spoke to Uber Chief Dara Khosrowshahi Sunday and indicated that Uber's latest offer of 1.9 of its shares for each Grubhub share is too low, according to people familiar with the matter. Mr. Khosrowshahi said he might be able increase the offer to 1.925 Uber shares, but that is still well below the price Grubhub had been seeking.

"There is no guarantee the companies will manage to reach agreement on a price, and once they do there are still other items to be negotiated for a deal that would combine Grubhub with Uber's food-delivery unit, Uber Eats. An agreement—should there be one—is still unlikely in the next few days, the people said." WSJ

POLITICO Magazine Justice Reform: The Decarceration Issue, presented by Verizon: Over the past decade, the longstanding challenge of criminal-justice reform has emerged into the spotlight with a new twist: Republicans and Democrats alike are on board. But if both parties want to lower the incarceration rate, why are our jail and prison populations still so large? The latest series from POLITICO Magazine works to answer this important question and take a deeper look into what it will take to make progress in the policy and politics of justice reform. READ THE FULL ISSUE.

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WHITE HOUSE CHANGES -- Meghan Burris is leaving the White House, where she was special assistant to the president and director of media affairs. She starts today as director of public affairs at the Commerce Department. **John Horstman** has moved up to become White House director of media affairs.

NSC ARRIVAL LOUNGE -- Adrielle Churchill has been hired as the NSC's senior director for legislative affairs. She most recently has been director of congressional and strategic outreach in the office of the undersecretary of Defense for research and engineering, and is a Steve Womack alum.

BIRTHDAY OF THE DAY: Farah Melendez, political director at the Democratic Attorneys General Association. **What she's reading during social distancing:** "'For Colored Girls Who Have Considered Politics,' the memoir of Yolanda Caraway, Minyon Moore, Leah D. Daughtry, Donna Brazile and Veronica Chambers. As a first-generation American who is new to politics, I didn't have any mentors in the industry when I got started, so their experiences are really inspiring to me." **Playbook Q&A**

BIRTHDAYS: Sen. Tom Udall (D-N.M.) is 72 ... Matt Yglesias ... White House's Anthony Cruz is 27 ... Ezra Cohen-Watnick is 34 ... NBC's Josh Lederman ... Tim Chapman ... Heather Swift ... Clyde Haberman is 75 (h/t daughter Maggie) ... Vox's Libby Nelson ... Querry Robinson ... POLITICO's Cristiano Lima, Bryan Bender, Simona Lightfoot, Felicia Figueiredo and Blake Turner ... Alex Witt, director of audience development at the Center for American Progress ... Gary Kopff ... Abby Sugrue ... Snap's Sofia Rose Gross ... Robin (Roberts) Winchell ... Apple's Fay Sliger ... Dana Singiser ... Peter Watkins (h/t Blain Rethmeier) ... Jason Meininger ... AP's Meg Kinnard ... Nate Denny ...

... **Erik Smith**, founding partner and CEO of Seven Letter (h/ts Tim Burger and Jon Haber) ... Rokk Solutions' Ryan Hughes (h/t the Rokk team) ... Jennifer Foley Lisaius ... Matt Gorman of Gorman Strategy Group (h/ts Richard Goodstein and Fred Graefe) ... Julie Percha ... John Pouland (h/t Randy White) ... Pete Boogard of FWD.us ... Nate Garvis ... Caitlyn Reuss ... Darla Marburger ... Jonathan Broder ... Eric Trager ... GMMB SVP Liz Oxhorn ... Taylor West ... Judy Boullet ... Sam Graham-Felsen ... Caitlin Manaois ... Pat Ewing ... Brenda Kole (h/ts Teresa Vilmain) ... Kari (Lacosta) Ida ... Katie Young ... Eliza Krigman ... Gaelle Louisgene ... Teddy Nykiel ... Ariel Min ... Elsa Rinta-Kanto

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2020-05-06 10:35:00.498 GMT

By Bloomberg News

(Bloomberg) -- China's leaders are considering the option of not setting a numerical target for economic growth this year. The European Union's executive arm warned that the bloc is facing the deepest economic downturn in its history, threatening the future of the euro.

President Donald Trump said Americans should begin returning to their everyday lives even if it leads to more sickness and death. Beijing fired back at U.S. Secretary of State Michael Pompeo, saying he has no evidence to back up claims that Covid-19 escaped from a lab in Wuhan.

Germany is set to allow restaurants to reopen, one of the

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steps under discussion in a meeting between Chancellor Angela Merkel and state leaders later on Wednesday. Spain reported an increase in new fatalities before a vote to extend a state of emergency beyond May 9.

Key Developments

* Virus Tracker: cases pass 3.6 million; deaths top 256,000
* Russia adds more than 10,000 cases for fourth straight day
* Lawsuits against China escalate blame game with U.S.
* Layoffs start turning permanent across America
* Work-from-resort: How Ken Griffin stayed on top of markets
* Covid-19 research groups are being attacked by hackers

Subscribe to a daily update on the virus from Bloomberg's Prognosis team here. Click VRUS on the terminal for news and data on the coronavirus. See this QuickTake on unanswered questions about the virus.

Heathrow Trials Technology to Cut Virus Risk (6:15 a.m. NY)

London Heathrow airport is set to trial health screening technologies to reduce the risk from the coronavirus. Trials will begin in the next two weeks in Terminal 2 and will include UV sanitation to quickly sanitize security trays, facial recognition thermal screening technology to accurately track temperatures and contactless security procedures.
Data will be shared with government and the travel sector, with the goal of jump-starting an international standard for health screening.

Germany Prepares to Open Restaurants (6:08 a.m. NY)

The country's 16 states will allow restairants to open to customers as long as the businesses make sanitary provisions, allow for sufficient distancing between patrons and take steps to protect their staff from coronavirus infection, according to a person familiar with the discussions.
The openings are expected to be phased in starting on Saturday with states setting their own pace depending on local conditions. The move is one of the steps under discussion in a meeting on Wednesday between Chancellor Angela Merkel and state leaders. Germany is considering taking its biggest steps yet toward normality as the outbreak slows.

U.K. Approves 69,000 Loans (6:01 am. NY)

U.K. banks approved more than 69,000 state-backed loans on the first day of a program designed to help cash-strapped small

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businesses survive the lockdown. The loans are worth more than 2 billion pounds ($2.5 billion) in total, the Treasury said. More than 130,000 applications were received on Monday and lenders are attempting to process them as quickly as possible.

China May Drop Numerical Growth Target (5:53 p.m. HK)

China's leaders are considering the option of not setting a numerical target for economic growth this year given the uncertainty caused by the global coronavirus pandemic, according to people familiar with the matter. What may instead be unveiled at the National People's Congress later this month is a description of the goal for gross domestic product growth, one of the people said. Last year the target was a range of 6% to 6.5%.

A final decision hasn't been made on how to characterize the target, the people said, who asked not to be identified discussing confidential policy deliberations. The government work report, which usually contains the GDP target, is typically revised repeatedly in the lead up to the conference.

The world's second-largest economy is on track for its worst performance in the post-Mao era, as the impact of shutdowns to curb the disease outbreak at home is compounded by a slump in global demand as the pandemic spreads. That has left the leadership with the choice of setting an unpalatably low growth target, an unrealistically high one, or skipping it altogether.

Iran New Cases Rise Again (5:40 p.m. HK)

Iran's total coronavirus cases surpassed 100,000 after the country's daily tally of infections rose for a fourth day, with 1,680 new cases overnight. The total number of fatalities reached 6,418 with 78 more deaths in the past 24 hours.

Taiwan Urges WHO to Let It Join Key Meeting (5:18 p.m. HK)

Taiwan urged the World Health Organization to allow it to rejoin a key global health assembly later this month despite objections from China, as Taipei pushes for more inclusion in international bodies.

Taiwan needs a seat at the WHO's annual decision-making meeting, the World Health Assembly, on May 18 to allow it access to firsthand information about the spread of the pandemic, Health Minister Chen Shih-chung said at a briefing in Taipei Wednesday.

Taiwan's successful handling of the outbreak -- and rising global concern about China's initial response to it -- has led

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to a groundswell of support for the island's participation in this month's assembly. The U.S. has publicly backed Taiwan's inclusion and, according to a Fox News report, is seeking support from major European nations too.

Belgium Revises Up Death Toll (5:15 p.m. HK)

Belgium reported 339 additional deaths from the pandemic, up from 97 the prior day, for a total of 8,339. The surge in fatalities is a result of revisions, as 229 hospital deaths from March 24 through May 4 were added to the tally. None of those were cases confirmed by a diagnostic test for the virus, but 71 could be confirmed by a CT scan. The remaining fatalities are suspected cases based on medical interpretation of symptoms displayed.

Euro-Area Survival at Risk (5 p.m. HK)

The European Union is facing the deepest economic downturn in its history, which threatens the very future of the euro currency if the crisis is badly handled, the bloc's executive arm warned. The euro-region economy is set to shrink 7.7% this year, sending unemployment and public debt levels surging, after governments put in place drastic measures to limit the spread of the coronavirus, the European Commission said.
Officials warned that the crisis risks widening the gulf between northern and southern euro nations and pushing the bloc to the breaking point because of differing exposures to the tourism industry and governments' capacity to support businesses and households.

Spain Deaths Rise Before Emergency Vote (5 p.m. HK)

The number of fatalities rose by 244 to 25,857 in the 24 hours through Wednesday, the most in four days and compared with an increase of 185 on Tuesday, according to Health Ministry data. Infections rose by 685 to 220,325 after the previous day's gain of 867. The total number of cases was adjusted to reflect changes in data for the Madrid region.
Prime Minister Pedro Sanchez is asking parliament on Wednesday for permission to extend a state of emergency beyond May 9, even after a steady drop in the number of infections and new cases over the past month.

U.K. Statisticians Tackle Data Gaps With Tweaks (4:40 p.m. HK)

Britain's Office for National Statistics is battling to collect accurate inflation data during the lockdown. About one

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in five of the items usually used to calculate consumer-price inflation are currently unavailable, meaning the indexes that are used to set everything from mortgage and pension payments to some gilt yields will likely be more volatile, the ONS said. It will temporarily suspend its House Price Index.
Statisticians usually rely on a network of people across the country visiting stores each month to collect about 80% of prices included, but shutdowns, social distancing and shortages have all meant that they have had to reconsider. Instead, prices will be gathered online or by phone and over a longer period.

Recession Deepens in Europe's South (4:20 p.m. HK)

Italy and Spain, the two European countries most severely hit by the coronavirus, are suffering even deeper slumps after record contractions in the first quarter. Lockdowns that shut hotels and restaurants meant companies experienced unprecedented declines in output and new orders in April.
In Italy, the euro area's third-largest economy and also one of the region's most indebted, a PMI for services dropped to 10.8 in April. Spain saw its gauges slumping to 7.1, with hotels, restaurants and transport providers particularly badly affected. For the euro area as a whole, the reading was 13.6.
With virus infections slowing, both countries have started to ease some lockdown rules. The political wear and tear is starting to show as leaders try to maintain control amid pressure to let people get back to work and tensions within coalitions. Italian Prime Minister Giuseppe Conte is facing speculation about how long he can survive after he was forced to apologize for delays in delivering aid. In Madrid, Pedro Sanchez faces a vote in parliament to extend his emergency powers Wednesday afternoon.

China Rejects U.S. Claims (3:54 p.m. HK)

China fired back at U.S. Secretary of State Michael Pompeo, saying he has no evidence to back up claims that Covid-19 escaped from a lab in the central city of Wuhan. The U.S. attacks on China are part of a strategy by President Donald Trump's Republican Party ahead of an election later this year, Chinese foreign ministry spokesperson Hua Chunying told reporters in Beijing on Wednesday. She said any discussion about the origin of the virus should be handled by scientists and not politicians.
Pompeo on Sunday claimed there is "enormous evidence" that the virus escaped from a high-security virology laboratory near the first known outbreak in Wuhan. He has advanced the theory despite Chinese denials and a lack of consensus among U.S.

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intelligence agencies examining the virus's origins.

Russian Cases Top 10,000 Again (3:50 p.m. HK)

The number of confirmed cases in Russia rose by 10,559 to total 165,929. This is the fourth straight day the country has added more than 10,000 cases, though the growth in total number of cases has slowed to 6.8%. Total fatalities rose to 1,537 after 86 more died.

Singapore Steps Up Worker Dorm Inspections (3:45 p.m. HK)

Singapore has stepped up inspections of housing facilities for foreign migrant workers as it continues to struggle with a gulf-like divide between how coronavirus is hitting the city-state, with the vast majority of cases connected to worker dormitories. The health ministry reported 788 new cases of Covid-19 as of noon on May 6, taking the total number of cases nationwide above 20,000.

Ocado Revenue Soars; ITV Furloughs Staff (3:10 p.m. HK)

Ocado Group Plc's retail revenue rose more than 40% in the second quarter as the U.K. online grocer's sales were boosted by home shopping during the Covid-19 lockdown. The company suspended financial guidance for the year, saying uncertainty around the pandemic made it impossible to predict near-term sales trends. Earlier, Novo Nordisk A/S also reported surging sales as patients snapped up medicines ahead of lockdowns. Separately, ITV Plc said it will furlough 800 staff, representing about 15% of its workforce, mostly from production arm ITV Studios, after the lockdown blew a hole in its summer schedule and sent advertising, which normally accounts for about half of the company's revenue, tumbling. It has also "taken action" on board and management pay.

France to Test Antipsychotic (3:01 p.m. HK)

France's Sainte-Anne hospital will test the antipsychotic medicine chlorpromazine as a treatment for the coronavirus after noticing that only 3% of psychiatric patients had been sickened, compared with 19% of hospital personnel who weren't taking the drug, Le Parisien reported. Chlorpromazine will be tested on 40 patients with severe forms of Covid-19. Results of the study will be available in a month and may lead to broader clinical tests.

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German Factory Orders Slump (2:17 p.m. HK)

German factories saw demand collapse in March, when measures to contain the coronavirus brought the economy to a sudden halt. Orders fell 15.6% from the previous month, the most since data collection started in 1991 and more than economists predicted. While all sectors were affected, investment goods plunged heavily. The Economy Ministry warned of big declines in production due to the virus.
The larger-than-consensus drop in German factory orders for March illustrates the scale of shutdowns in the euro-area's biggest economy, writes Bloomberg Economist Jamie Rush.

UniCredit Posts $2.9 Billion Loss (1:27 p.m. HK)

UniCredit SpA reported the second loss in a row as provisions related to the coronavirus added to the pain of one off costs for job cuts and the writedown of its Turkish unit.
The net loss totaled 2.71 billion euros ($2.94 billion), as loan-loss provisions climbed to 1.26 billion euros, the Milan-based bank said on Wednesday.

Credit Agricole Sees Provision Surge (1 pm HK)

Credit Agricole SA is setting aside almost three times the amount it booked a year ago to cover souring loans because of the impact of the coronavirus, the latest lender to try and estimate the damage to its balance sheet from the outbreak.
Provisions in the first three months of the year jumped to 621 million euros ($673 million) from 225 million euros a year earlier to take account of the worsening economic environment, the bank said in a statement on Wednesday.

China Urges U.S. to End 'Blame Game' (12:18 p.m. HK)

China's ambassador to Washington called for an end to the "blame game" over the coronavirus, in the country's most high-profile response since U.S. President Donald Trump escalated his criticism of Beijing.
Ambassador Cui Tiankai said in a column published in the Washington Post that allegations blaming China for the outbreak's spread risked "decoupling" the world's two largest economies. Increased suspicions also threatened to hurt U.S.-China cooperation to fight the disease and restart the global economy.
"It is time to end the blame game," Cui said. "It is time to focus on the disease and rebuild trust between our two countries."

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--With assistance from Arsalan Shahla and Adveith Nair.

This message was secured by **ZixCorp**(R).

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To: Klima, Jaime[JKlima@CFTC.gov]
From: Anna Palmer and Jake Sherman[politicoplaybook@politico.com]
Sent: Mon 1/27/2020 11:03:02 AM (UTC)
Subject: [EXTERNAL] POLITICO Playbook: What Bolton means for impeachment

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JAKE SHERMAN ANNA PALMER

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DRIVING THE DAY

MAGGIE HABERMAN and **MIKE SCHMIDT'S** monster scoop in the NYT on Sunday night -- that **JOHN BOLTON** has written in a draft of his book that President **DONALD TRUMP** ordered aid to Ukraine held until it investigated the Bidens -- reminds the United States Senate and the American people of a reality that was, until now, easy to forget: **BOLTON** is going to tell his story, it's just a question of what medium it appears in first -- a book, a television segment or a sworn testimony. ***His lawyer's letter to the White House, noting officials there have had the book since Dec. 30***

IN SOME WAYS, THERE'S NOTHING NEW here. The revelation confirms what nearly two dozen associates and employees of **TRUMP** told House investigators. The only people who say the opposite are the president and his associates.

BUT LET'S BE PERFECTLY CLEAR HERE: MAGGIE and **MIKE'S** story is as bad as can be for **TRUMP. BOLTON** is now contradicting the president's claim that he did not tie the aid to investigating **JOE BIDEN**, and he is a direct eyewitness. It comes at the absolute worst time for this White House: as the Senate is days away from deciding whether to call witnesses in the impeachment trial.

BOLTON IS DANGEROUS because he's unmoored from **TRUMP.** He clearly does not care what the president's orbit thinks of him. His 528-page book is titled, "The Room Where It Happened," with the words contained inside an oval (hint, hint). It is scheduled for release March 17 and, conveniently enough, is now available for pre-order on Amazon.

REPUBLICANS have done a good job during this process projecting confidence in their mastery of the situation, and their ability to deliver for the president.

BUT AS OF LATE SUNDAY, our GOP sources said they could not predict what was going to happen now with witnesses, and the Republican Conference lunch today will be key in determining the state of play. In

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other words, these top-level sources were allowing that things may have changed. We have yet to see if Republicans will brush off this new development, or whether it will push enough of them to vote for witnesses.

BOLTON IS NOT LEV PARNAS or one of these other characters who has sprouted up in the Trump era. He's a through-and-through conservative who was so far to the right that George W. Bush had to wait for recess to make him his U.N. envoy. He's known to members of the Senate. Not calling him to speak would be spurning one of their own in favor of **TRUMP,** whom many of them see as an interloper.

HERE'S THE DILEMMA FOR REPUBLICANS NOW: If you're one of the Republicans who were already uncomfortable with this president, how do you vote to *not* call Bolton after seeing this? Remember: **BOLTON** is publishing an entire book, and so far we know only what he's said on Ukraine -- not everything else he's seen.

A REMINDER OF THE TIMELINE: TRUMP'S attorneys are in the middle of their defense of the president. **SENATORS** then will have a chance to question both sides for a few days -- Democrats are sure to use this opportunity to force the president's team to address **BOLTON**. And after that, at some point later this week, we anticipate a vote on whether to allow witnesses and new documents.

THE TWEETS ... TRUMP responded at 12:18 a.m.: "I NEVER told John Bolton that the aid to Ukraine was tied to investigations into Democrats, including the Bidens. In fact, he never complained about this at the time of his very public termination. If John Bolton said this, it was only to sell a book. With that being said, the... ...transcripts of my calls with President Zelensky are all the proof that is needed, in addition to the fact that President Zelensky & the Foreign Minister of Ukraine said there was no pressure and no problems. Additionally, I met with President Zelensky at the United Nations... ...(Democrats said I never met) and released the military aid to Ukraine without any conditions or investigations - and far ahead of schedule. I also allowed Ukraine to purchase Javelin anti-tank missiles. My Administration has done far more than the previous Administration."

THE HOUSE MANAGERS' STATEMENT: "There can be no doubt now that Mr. Bolton directly contradicts the heart of the President's defense and therefore must be called as a witness at the impeachment trial of President Trump.

"SENATORS SHOULD INSIST that Mr. Bolton be called as a witness, and provide his notes and other relevant documents. The Senate trial must seek the full truth and Mr. Bolton has vital information to provide. There is no defensible reason to wait until his book is published, when the information he has to offer is critical to the most important decision Senators must now make — whether to convict the President of impeachable offenses."

MEANWHILE ... NANCY COOK: "President Donald Trump is already itching to broadcast the series finale of his impeachment. In recent days, he and top White House aides have been considering how he should celebrate his presumed acquittal by the Republican-controlled Senate and whether he should deliver a rare Oval Office address to mark the occasion, according to three senior administration officials."

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SECRETARY OF STATE MIKE POMPEO is going to Ukraine this week, Nahal Toosi reminds in this story, just days after reportedly saying, "Do you think Americans care about Ukraine?"

TOP-ED ... BILL TAYLOR in the **NYT: "Yes, Secretary Pompeo, Americans Should Care About Ukraine"**

NEW ... MUCH INK WAS SPILLED -- in this newsletter, and elsewhere -- about the massive fundraising by the **CONGRESSIONAL LEADERSHIP FUND** and **AMERICAN ACTION NETWORK** last cycle when the GOP was in the majority. But here's a bit of a shock: The combined groups -- the main House GOP outside orgs -- pulled in a combined $68 million in 2019, their largest haul ever in an off year. This is so unexpected because House Republicans are in the minority, and conventional wisdom holds that they don't have a pathway out.

-- NOTABLY: CLF has **$28 million** on hand -- the most it has ever had going into an election year and twice as much as ever before. They raised **$32.6 million** last year. The combined groups have raised $2 million more than their previous record.

-- CONSIDER THIS: CLF/AAN had tax reform to raise off last cycle. That they are raising more money now, during a presidential cycle, is notable, and illustrates that donors believe Republicans have a decent chance of putting up a fight to win back the House. With the DCCC and Dem candidates mopping the floors with the NRCC and GOP candidates, CLF and AAN's cash will be critical for the party.

Good Monday morning. CHIEF JUSTICE JOHN ROBERTS turns 65 today.

L.A. TIMES' BILL PLASCHKE ON KOBE: "Kobe Bryant is gone, and those are the hardest words I've ever had to write for this newspaper, and I still don't believe them as I'm writing them. I'm still crying, and go ahead, let it out. Don't be embarrassed, cry with me, weep and wail and shout into the streets, fill a suddenly empty Los Angeles with your pain. ...

"Kobe does not die. Not now. Kobe lives into his golden years, lives long enough to see his statues erected outside Staples Center and his jerseys inducted into the Basketball Hall of Fame. He lives long enough to sit courtside at Staples when he's stooped and gray, keeping alive the memories of two decades of greatness with a wink, maybe even fooling everyone one last time by retiring in a community next to

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Shaq."

JARED'S BIG MOMENT! ... NETANYAHU TO THE W.H. ... NYT'S MARK LANDLER: "Trump's Mideast Plan Is Seen Mainly as an Election Lift for Netanyahu": "The Israeli leader will return to the White House for meetings Monday and Tuesday, and Mr. Trump is expected at last to lay out the details of that long-awaited plan. Mr. Netanyahu said Sunday he hoped to 'make history' on the visit. ...

"'For him to do this in the middle of an Israeli election, without any Palestinian participation and with no intention to follow up with any of the participants, shows this is not a peace plan at all,' said Martin S. Indyk, who served as special envoy for Israeli-Palestinian negotiations under President Barack Obama. 'It is a farce from start to finish.'" NYT

SEVEN DAYS TO IOWA ... BOSTON GLOBE: "'Our phone rings from 7 in the morning until 10 at night.' Life in Iowa's political bombardment zone," by Dugan Arnett in Waverly, Iowa

WAPO: "Bernie Sanders faces barrage of attacks from rivals as polls point to surge in early-voting states," by Chelsea Janes and Sean Sullivan in West Des Moines: "Sen. Bernie Sanders faced a sudden barrage of attacks from his rivals Sunday amid signs that he was surging in the critical early-voting states of Iowa and New Hampshire and closing the gap nationally with the race's longtime polling leader, Joe Biden.

"Sanders's rise, with only days left before the Feb. 3 caucuses here, prompted urgent warnings from competing campaigns that the party is in jeopardy of nominating a self-identified democratic socialist whose far-left views would turn off the broad swath of voters required to defeat President Trump in the November general election.

"'Bernie Sanders could be the nominee,' the campaign of Pete Buttigieg declared in an ominous-sounding fundraising message to supporters Saturday. A pointed text message followed on Sunday: 'We risk nominating a candidate who cannot beat Donald Trump in November. And that's a risk we can't take.'"

-- FOR THE RECORD: Here's a private plane that landed at DCA from Sioux City, Iowa, at 1 a.m.

ELENA SCHNEIDER in Des Moines: **"Buttigieg takes his case to Fox News before Iowa":** "Pete Buttigieg shot into 2020 contention with a viral town hall last March. On Sunday, he turned back to that setting for one final pre-Iowa caucuses boost — this time on Fox News, seeking an audience of disaffected moderates and 'future former Republicans' to pitch on electability.

"Buttigieg, who is vying with Joe Biden, Bernie Sanders and Elizabeth Warren for a win in the caucuses, isn't expecting to draw in many Iowa Republicans with his appearance on Fox News Sunday night. But the platform jibed with Buttigieg's closing message in the state: that the 38-year-old ex-mayor is best positioned to bring the party together to defeat President Donald Trump in November.

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"'This network is known for having a lot more conservative viewers, but I don't think you have to be a Democrat to see what is wrong with this president,' Buttigieg said, when asked about how he would appeal to Republican voters in the general election. 'If you're having trouble looking your kids in the eye and explaining this presidency to them, you have a choice.'"

BLOOMBERG IN FLORIDA -- "Mike Bloomberg pitches himself to Jewish Americans, in a presidential race with two very different Jewish candidates," by WaPo's Julie Zauzmer

A message from Google:

Learn how Google provides tools and trainings to help people across the U.S. grow their businesses at grow.google/small-biz.

THE PRESIDENT'S MONDAY -- At 11 a.m., **TRUMP** is scheduled to welcome Israeli PM **BENJAMIN NETANYAHU** to the White House. They will meet at 11:10 a.m. At 12:30 p.m., **TRUMP** will meet separately with Netanyahu's chief political rival, Benny Gantz. At 1:15 p.m, **TRUMP** will have lunch with the VP. At 3:30 p.m., **THE PRESIDENT** will participate in the swearing-in of Jovita Carranza as administrator of the SBA.

SUPPORT SPECIAL OLYMPICS DC: Get "Freezin' for a Reason" on Saturday, February 1st with Special Olympics DC. POLITICO is proud to support the "Polar Plunge," an annual benefit to raise funds for more than 1,800 Special Olympics DC athletes. Proceeds provide sports, health, and inclusion programs that benefit both children and adults with intellectual disabilities in the District. Visit here to register.

PLAYBOOK READS

PHOTO DU JOUR: Jonathan Van Ness, of the Netflix series "Queer Eye," introduces Elizabeth Warren during a campaign rally at The NewBo City Market in Cedar Rapids, Iowa, on Sunday, Jan. 26. | Scott Olson/Getty Images

CORONAVIRUS UPDATE ... AP/BEIJING: "China on Monday expanded sweeping efforts to contain a viral disease by extending the Lunar New Year holiday to keep the public at home and avoid spreading infection as the death toll rose to 80.

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"Hong Kong announced it would bar entry to visitors from the province at the center of the outbreak following a warning the virus's ability to spread was growing. Travel agencies were ordered to cancel group tours nationwide, adding to the rising economic cost.

"Increasingly drastic anti-disease efforts began with the Jan. 22 suspension of plane, train and bus links to Wuhan, a city of 11 million people in central China where the virus was first detected last month. That lockdown has expanded to a total of 17 cities with more than 50 million people in the most far-reaching disease-control measures ever imposed." AP

-- ARIZONA REPUBLIC: "First case of novel coronavirus reaches Arizona, 5th person in U.S. infected"

BEZOS VS. MBS -- "Saudi Prince Courted Amazon's Bezos Before Bitter Split," by WSJ's Justin Scheck in New York, Bradley Hope in London and Summer Said in Dubai: "Through much of 2018, Amazon.com founder Jeff Bezos and tech-savvy Saudi Crown Prince Mohammed bin Salman seemed to be hitting it off.

"Texting over WhatsApp about a plan for Amazon to build a huge data center in Saudi Arabia, the men forged a cordial and mutually beneficial relationship. 'It is very important for me, my friend, that you come to Saudi during the future investment Forum and we announce this $2.8B Vision 2030 partnership,' the prince messaged Mr. Bezos on Sept. 9, 2018, according to a review of texts by The Wall Street Journal and people familiar with the situation.

"Amazon stood to gain broader access to the Middle Eastern market. Prince Mohammed could be aided in his efforts to reform the Saudi economy as well as burnish his personal brand. Now, one of the world's richest men and one of the most powerful princes are archenemies, each accusing the other of betrayal." WSJ

A message from Google:

Google provides tools to help small businesses grow. Learn more.

WATCH THIS SPACE ... AP/BAGHDAD: "Nighttime rocket attack on U.S. Embassy in Baghdad injured 1": "A nighttime rocket attack on the U.S. Embassy in Baghdad injured at least one embassy personnel member, staffers there said Monday. The two staff members, who spoke on condition of anonymity because they were not authorized to brief the media, did not specify the injured person's nationality or the severity of their wounds. They said the rocket slammed into a restaurant inside the embassy compound." AP

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MEANWHILE, IN TEHRAN -- **"Iran's Rouhani calls for unity, accuses Trump of exploiting rift,"** by Reuters' Parisa Hafezi in Dubai

MEDIAWATCH ... HAPPENING THIS MORNING ... POLITICO founder and publisher Robert Allbritton will announce the launch of "AgencyIQ," a significant new POLITICO business line and product focused on tracking and interpreting federal regulatory agencies through research, technology and news.

NEW ... THE UNIVERSITY OF SOUTHERN CALIFORNIA is launching a 50-state Election Cybersecurity Initiative, supported by Google. The goal is to educate campaigns, election workers, elected officials and the public about how to secure U.S. elections. Their events will focus on how to prevent cyberattacks, identify disinformation and misinformation, and respond to crises when they arise. The initiative is being run by executive director Adam Clayton Powell III, and Charlie Baker alum Justin P. Griffin serves as managing director. ***More details***

GO GLOBAL IN 2020: Led by POLITICO's man about town Ryan Heath, the new "Global Translations" newsletter is a weekly guide through the global news maze and connects readers to others who think and act beyond their own country's borders. At launch, the newsletter will feature three main sections: Game changing developments & power plays with a spotlight on global news impacting policy and markets; a "Sustainability Spotlight," that unpacks the latest sustainability trends including interviews with CEOs and Chief Sustainability Officers; and "Institutionalized," featuring updates from a community of global power players setting and influencing the agenda. SUBSCRIBE TODAY.

PLAYBOOKERS

Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

SPOTTED: Sen. Michael Bennet (D-Colo.) on Sunday at the Works Cafe in downtown Concord, N.H., and later on an American Airlines flight from Manchester to DCA. ... Sen. Cindy Hyde-Smith (R-Miss.) grocery shopping at the H Street NE Giant on Sunday afternoon.

TRANSITIONS -- Eve Tahmincioglu is now communications director at the Economic Policy Institute. She previously was executive editor and digital director for Directors & Boards, Private Company Director and Family Business, and is an NBC alum. ... **Brennan Murray** is now a public policy senior associate at VIPKid. He previously was a senior associate at McLarty Associates China.

BIRTHDAY OF THE DAY: Heather Nauert, senior fellow at the Hudson Institute and former State Department spokesperson and acting undersecretary for public affairs. **A trend she thinks doesn't get enough attention:** "College students buying fake IDs from China that look exactly like real IDs, but what's

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shocking is that some copies are so good that they can even fool police scanner technology! (Just ask your teenager!)" **Playbook Q&A**

BIRTHDAYS: WaPo's Holly Bailey ... Meredith Kelly, partner at Sena Kozar Strategies ... Howard Mortman, C-SPAN's comms director, is 53 ... Ben Kramer ... Raul Juste Lores ... Jess Wood ... Chelsea Patterson Sobolik ... Jessica Fink, VP at Groundswell Communications ... Kitty Bartels Di Martino ... Circle's Jared Favole is 37 ... Keith Olbermann is 61 ... Erin Lindsay of Precision Strategies ... Emily Skor, CEO of Growth Energy (h/t Leigh Claffey) ... CFR's Kayla Ermanni ... Jamal Ware ... Nomiki Konst ... CAP's Matt Lee-Ashley ... Connie Partoyan, president of Targeted Victory (h/t Blake Waggoner) ... Matthew Simon, COS for Rep. Debbie Lesko (R-Ariz.) ... Ben Owens, legislative assistant for Rep. Ann Kirkpatrick (D-Ariz.), is 25 (h/ts Henry Marcel and dad Steve) ... Heath Clayton ...

... **Jay Hein**, president of Sagamore Institute ... Akin Gump's Josh Teitelbaum (h/t wife Emily) ... John Miyasato ... Carter Wood ... former Rep. Marilyn Musgrave (R-Colo.) is 71 ... former Rep. Zack Space (D-Ohio) is 59 ... former Rep. Dick Ottinger (D-N.Y.) is 91 ... former Rep. John Mica (R-Fla.) is 77 ... Jake Goldman ... Morry Cater ... Jessica DiRocco ... Nick Swezey ... Jennifer Bogdan, Rhode Island Gov. Gina Raimondo's communications director, is 34 ... Julia Kimani Burnham ... Brian Harvey Hogue ... Seth Green is 4-0 ... Swetha Ramakrishnan ... Peter Long ... Kurt Hauptman ... Scott Backer ... Judy Shapleigh ... Christina Ciammaichelli ... Nathaniel DiRenzo ... Rick Ridder (h/t Teresa Vilmain) ... Kendall Bianchi ... Roxane Philson, ONE Campaign's chief marketing officer ... Saul Carlin ... Will Rusche, COS at Vigilant

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Subject: [EXTERNAL] POLITICO Playbook: Good poll news for Trump

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JAKE SHERMAN ANNA PALMER

Presented by

DRIVING THE DAY

A COUPLE OF THINGS THAT DON'T REALLY MATTER, BUT COULD BE KIND OF FUN ... TODAY is 02/02/2020 -- a palindrome . ... Punxsutawney Phil didn't see his shadow -- but who cares, because a rodent doesn't determine the change in seasons.

TRUMP HAS STRENGTHENED ... NEW NBC/WSJ POLL, by WSJ's Aaron Zitner : "The poll ... found some signs that the president's political standing has strengthened in recent months, due largely to a more energized Republican Party base.

"Mr. Trump's job approval in the January poll stood at 46%, with 51% disapproving, in line with results throughout the Trump presidency. But the share who 'strongly approve' of his job performance hit its highest mark, at 36%. Approval among independents rose to its highest level since the summer. A separate measure found that while half the country holds a negative overall view of Mr. Trump, 43% of voters view him favorably -- the largest share since his first month in office." WSJ

TABLE SETTER ... NYT, A1 ... JONATHAN MARTIN and **ALEX BURNS: "Democratic Candidates Focus on All-Consuming Hunger to Unseat Trump"**: "After a long campaign of ideological clashes, policy debates and talk of a grand reckoning on the direction of the Democratic Party, the presidential primaries starting on Monday will be shaped by a less lofty but increasingly urgent matter: determining the best candidate to defeat an incumbent who has already proved to be a political survivor.

"With Republicans ready to acquit President Trump of two impeachment charges next week, the nation's political table has been set for 2020: Congress will not remove him from office, despite the wishes of many liberals, leaving the fate of Mr. Trump to the November general election and the candidate nominated by Democrats in the coming months.

"From the liberal left to the moderate middle, the major presidential contenders are now honing or recalibrating their final appeals before Iowa's caucuses to make the case that they represent the party's best chance to overcome Mr. Trump's well-funded re-election operation and win back the White House this fall. ...

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"John Norris, who has caucused here every four years since 1976 and is a leading supporter of Ms. Warren, said his fellow Iowa Democrats feel a burden heavier than any he can recall. 'It's Trump,' said Mr. Norris. 'We saw it a little bit in '04 — it was we got to stop George W., Iraq war — but this is that on steroids.'" NYT

WAPO'S JENNA JOHNSON in Des Moines: **"Sanders's caucus target: Latino voters usually overlooked in mostly white Iowa":** "Although Latinos make up just 6 percent of Iowa's population — the vast majority of the state's residents are white — they have more than doubled in number over the past two decades. There are more than 50,000 registered Latino voters in the state, plus thousands more who are eligible, making them a potential force in caucuses that campaigns expect to draw up to 240,000 voters.

"Sanders's operation has done far more than his competitors in seeking the support of those voters, having belatedly realized in his 2016 campaign the growing heft of Iowa's Latino voters -- and their attraction to him."

-- FRONT PAGE of the Charlotte Observer: **"Latinos may shape 2020 NC races -- if they vote" ...** ***The story***

BIG NEWS ... "Des Moines Register poll scrapped after apparent mishap," by Steven Shepard and Elena Schneider in Des Moines: "The widely anticipated Des Moines Register/CNN/Mediacom poll of likely Iowa Democratic caucus-goers was scrapped shortly before it was set to be released Saturday night after complaints from Pete Buttigieg's campaign about how it was conducted.

"The stunning announcement by the media sponsors and West Des Moines-based pollster Selzer & Co. means the results of the historically accurate survey won't be released before Monday caucuses. The decision left the campaign and political media universe, which has descended on Des Moines, dumbfounded.

"Buttigieg's campaign raised serious concerns about the poll with CNN and the Register, a source familiar with the situation said. Lis Smith, a senior adviser to Buttigieg's campaign, confirmed on Twitter that the former South Bend (Ind.) mayor's campaign had been in touch with the media outlets about the issues and hailed their decision to withhold the results.

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"'Our campaign received a report from a recipient of the Iowa Poll call, raising concerns that not

every candidate was named by the interviewer when asked who they support,' Smith tweeted. 'We shared this with the organizations behind the poll, who conducted an internal investigation and determined not to release it. We applaud CNN and the Des Moines Register for their integrity.'"

CAUCUS FRONTS ... **Sioux City Journal:** "Hoops or Caucus" bug ... **"Game changer:** Caucus prompts schools to rethink plans" ... **The Courier** (Ankeny, Iowa)**: "Caucus crunch time"** ... **Star Tribune: "'WE BETTER NOT SCREW THIS UP:** Senator's closing spring comes with warning for party" ... **The Gazette** (Cedar Rapids): "Picking a favorite still elusive for some Democrats" ...

... **Quad-City Times:** Photos of Elizabeth Warren and Amy Klobuchar ... "Dems make final pitch" ... **Des Moines Register:** "10 QUESTIONS THE IOWA CAUCUSES WILL ANSWER AS THE CYCLE ENDS"

-- THE REGISTER'S 10 QUESTIONS: "Who will win? ... What will 'winning' look like? ... Where will candidates win? ... How many 'tickets' will there be out of Iowa? ... Is the ground game still king? ... Is 'Klomentum' real? ... What does 'electability' look like? ... Will the satellite caucuses be successful? ... Will the new rules streamline caucus night or create new hiccups? ... Will Iowa keep its caucuses and stay first?"

ONTO MANCHESTER ... CHRIS WALLACE spoke to **SEN. AMY KLOBUCHAR** (D-Minn.) on **"FOX NEWS SUNDAY"**: "I think we have to do well here, there's been a lot going having been gone the last few weeks that I didn't expect to have happen. But I'm going to New Hampshire no matter what. There's a debate, I'm on the debate stage. I've got the endorsements of every major paper in New Hampshire, including The Union Leader. ... So of course I'm going there, we have a strong operation there -- and then going beyond."

TRUTH TALK from **PETE BUTTIGIEG** to **CHUCK TODD**: **TODD: "**Do you reconsider your candidacy if you don't finish in the top three?" **BUTTIGIEG:** "I'll let others set the goalposts. But, look, let's face it. I need to have a good finish here in Iowa. We know it, and we're working very hard to do that."

GEORGE STEPHANOPOULOS to **ANDREW YANG** on **ABC'S "THIS WEEK": STEPHANOPOULOS**: "But, you know, the Iowa caucuses, as you know, have a pretty unique way of voting. You're actually going to see four different results coming out of tomorrow night. The first round, the second round after realignment, and any candidate who doesn't get 15 percent in a certain precinct, your supporters have a chance then to go and back someone else on the second ballot. Where do you expect most of your supporters to go in those precincts where you don't get 15 percent? And are you going to encourage them towards a particular candidate?

YANG: "Well, first, we plan to exceed 15 percent in a vast majority of locations. And as to what our supporters might do if we don't reach that threshold in a particular place, we have a very, very diverse group of supporters. I can't speak for where they would head. I do have a sense that many of them have supported Bernie in the past, but many of them supported President Trump, and they might just leave. So, there are a whole range of possibilities and I can't speak to the minds of literally thousands of Iowans."

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... AND BEYOND: FRONT PAGE OF THE DALLAS MORNING NEWS: "Biden widens his lead in Texas," by Robert T. Garrett: "Former vice president Joe Biden has stretched his lead in Texas in the Democratic presidential fight, buoyed by gains among Hispanics, a new Dallas Morning News-University of Texas at Tyler poll has found.

"Vermont Sen. Bernie Sanders has the most enthusiastic backing of any of the major Democratic presidential contenders, according to the poll. However, among Texas Democrats and independents who lean Democratic, Sanders is running further behind Biden than he did in two statewide polls by UT-Tyler last fall.

"Biden now leads Sanders, 35% to 18%. In the East Texas university's September and November polls, the front-running Biden bested Sanders by only 9 percentage points." DMN ... ***Front Page***

A message from Google:

Learn how Google provides tools and trainings to help people across the U.S. grow their businesses at grow.google/small-biz.

Good Sunday morning.

SUPER BOWL STUFF: SEAN HANNITY will interview the president before the big game. The game -- between the San Francisco 49ers and Kansas City Chiefs -- begins at 6:30 p.m. in Miami.

EARLY CLIP ... TRUMP complained to Hannity that **MIKE BLOOMBERG** is short and wants to stand on a box at the Democratic debate. ***The clip, via CNN's Brian Stelter***

-- FRONT PAGE of the Miami Herald is an homage to Don Shula and the "NFL's greatest team of all time"

IF YOU ARE INTO THIS KIND OF STUFF ... The Chiefs are one-point favorites. Las Vegas says the Super Bowl MVP will thank his teammates first (+140). A bettor can get +1200 if the player thanks his coaches or owners first -- that would be wager $100 to win $1,200. Bet the coin toss.

SNEAK PEEK ... THE PRESIDENT'S WEEK AHEAD ... Monday: THE PRESIDENT will have lunch with VP Mike Pence. **Tuesday: THE PRESIDENT** will deliver the State of the Union at the Capitol. **Wednesday: THE PRESIDENT** will have lunch with Defense Secretary **MARK ESPER. Thursday: TRUMP** will speak at the National Prayer Breakfast, and will participate in a swearing in of new ambassadors. He is scheduled to have lunch with Secretary of State **MIKE POMPEO** and then he will meet with the president of Kenya. **Friday: THE PRESIDENT** will travel to Charlotte to speak at the North Carolina Opportunity Now summit.

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TICK TOCK ... WAPO'S SEUNG MIN KIM and **RACHAEL BADE:** **"Inside the Senate trial: McConnell stops rebel push in GOP for witnesses"**

NYT Q-HED ... PETER BAKER on **A1: "While Stained in History, Trump Will Emerge From Trial Triumphant and Unshackled"**: "With the end of the impeachment trial now in sight and acquittal assured, a triumphant Mr. Trump emerges from the biggest test of his presidency emboldened, ready to claim exoneration and take his case of grievance, persecution and resentment to the campaign trail.

"The president's Democratic adversaries rolled out the biggest constitutional weapon they had and failed to defeat him, or even to force a full trial with witnesses testifying to the allegations against him. Now Mr. Trump, who has said that the Constitution 'allows me to do whatever I want' and pushed so many boundaries that curtailed past presidents, has little reason to fear the legislative branch nor any inclination to reach out in conciliation." NYT

ERNST: TRUMP WILL CHANGE NOW ... On **"STATE OF THE UNION"** with **CNN'S JAKE TAPPER: TAPPER:** Assuming President Trump is acquitted on Wednesday, and assuming you're going to go to acquit him..." **ERNST:** "Right." **TAPPER**: "Yes. Are you confident that he won't do this again, that he won't try to get another foreign country to look into a political opponent, whether it's Elizabeth Warren or Pete Buttigieg or someone else?

ERNST: "I think that he knows now that, if he is trying to do certain things, whether it's ferreting out corruption there, in Afghanistan, whatever it is, he needs to go through the proper channels." **TAPPER:** "Mm-hmm." **ERNST**: "So, again, using the DOJ and other international organizations to get to that corruption."

MAUREEN DOWD: "I feel like I have spent my career watching the same depressing dynamic that unspooled Friday night: Democrats trying, sometimes ineptly, to play fair and Republicans ruthlessly trying to win.

"I watched it with the Anita Hill-Clarence Thomas hearings. I watched it in the 2000 recount with Bush versus Gore. I watched it with the push by W., Dick Cheney and Donald Rumsfeld to go to war in Iraq. I watched it with the pantomime of Merrick Garland.

"Democrats are warning Republicans that they will be judged harshly by history. But in the meantime, the triumphant Republicans get to make history. And a lot of the history that Republicans have made is frightening: the endless, futile wars, the obliviousness to climate change, the stamp on the judiciary."

CHUCK TODD got **SEN. LAMAR ALEXANDER** (R-Tenn.) on **NBC'S "MEET THE PRESS": TODD:** "You're comfortable acquitting him before he says something of regret? Would that not, would that not help make your acquittal vote more comfortable?"

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ALEXANDER: " I wasn't asked to decide -- assess his level of regret. I was asked, 'Did he, did he make a

phone call? And did he, at least in part, hold up aid in order to influence an investigation of Joe Biden?' I concluded yes. So I don't need to assess his level of regret. What I hope he would do is when he makes his State of the Union address, that he puts this completely behind him, never mentions it, and talks about what he thinks he's done for the country and where we're headed. He's got a pretty good story to tell if he'll focus on it."

LAURA BARRON-LOPEZ in Columbia, S.C.: **"Black voters love Ayanna Pressley. But convincing them to back Elizabeth Warren isn't easy.":** "Just 6 percent of African Americans in the state support her, according to a January Fox News poll. Warren's policy-heavy candidacy has yet to resonate with black Americans who are broadly wary of government and the racial biases that exist within it. ...

"Pressley has taken the image of Warren as a wonkish Harvard Law professor and tried to turn it on its head. Often surrogates put their candidate on a pedestal: Joe Biden as the only candidate equipped to be president 'on Day One,' or Sanders as the leader of a political revolution."

L.A. TIMES: "2 California bases picked as possible coronavirus quarantine sites," by Alex Wigglesworth: "The Defense Department said Saturday it has agreed to house up to 1,000 people who may need to be quarantined upon arrival from overseas travel because of the coronavirus and that two of the four facilities selected are in California.

"Travis Air Force Base in Solano County and Marine Corps Air Station Miramar in San Diego County are the two California sites that were selected, Lt. Col. Chris Mitchell, a Pentagon spokesman, said in a statement. The others are Lackland Air Force Base in Texas and the 168th Regiment Regional Training Institute in Colorado.

ATLANTA JOURNAL CONSTITUTION front page: **"Wild race for Senate is just the beginning:** Georgia voters may want to buckle their seat belts for this ride"

THE PRESIDENT'S SUNDAY -- AT 6:05 P.M., the president will leave Mar-a-Lago for Trump International Golf Club in West Palm Beach for a Super Bowl party. He is scheduled to watch the FAU marching band perform. At 8:35 p.m., he is scheduled to leave the club for the airport to fly back to D.C. He's expected at Andrews at 10:55 p.m. and at the White House at 11:15 p.m.

INTRODUCING PROTOCOL: The newest media company by the publisher of POLITICO - focused on the people, power, and politics of technology - launches this Wednesday, February 5. Protocol is launching with one goal in mind: to equip decision-makers in tech, business and public policy with the news and analysis they need to navigate a world in constant change. Sign up for the daily newsletter and learn more at www.protocol.com.

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PHOTO DU JOUR: People wear face masks as they walk through the terminal at Wuhan Tianhe International Airport in China as they prepare to board an evacuation flight for EU nationals late Saturday. Arek Rataj/AP Photo

THE FIRST EXCERPT from Lachlan Markey and Asawain Suebsaeng's new book, via The Daily Beast.

CORRECTION ... DANIEL'S Weekend Reads on Saturday included a three-month-old Reason article about Jonathan Kaiman that was included in error. Columbia Journalism Review and other outlets have written about this piece, and Felicia Sonmez wrote Reason requesting a correction. ***Read that letter***

BONUS GREAT WEEKEND READS, curated by Daniel Lippman (@dlippman):

-- "The Woman Shaking up the Diamond Industry," by Ed Caesar in The New Yorker: "Eira Thomas's company has used radical new methods to find some of the biggest uncut gems in history." New Yorker

-- "'Angels' in Hell: The Culture of Misogyny Inside Victoria's Secret," by NYT's Jessica Silver-Greenberg, Katherine Rosman, Sapna Maheshwari and James Stewart: "A Times investigation found widespread bullying and harassment of employees and models. The company expresses 'regret.'" NYT

-- "The Lucrative, Largely Unregulated, and Widely Misunderstood World of Vaping," by Amanda Chicago Lewis in The California Sunday Magazine: "As medical researchers scramble to find the source of a fatal lung disease and officials seek to ban the sale of vape pens, our correspondent set out to separate reality from hysteria." California Sunday Magazine

-- "The Voyage to the End of Ice," by Shannon Hall in Quanta Magazine: "Whenever it happens, the transformation will affect the entire planet. An increasingly dark Arctic Ocean will amplify warming in the Arctic. An ice-free Arctic will likely scramble weather patterns across the globe. Depending on the physics of ice, many of these effects could happen as soon as this decade." Quanta (h/t TheBrowser.com)

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-- **"Her Uighur Parents Were Model Chinese Citizens. It Didn't Matter,"** by Sarah Topol in the NYT Magazine: "When Zulhumar Isaac's parents disappeared amid a wave of detentions of ethnic minorities, she had to play a perilous game with the state to get them back." NYT Magazine

-- **"Ari Emanuel, WME, and the Great Hollywood IPO That Wasn't,"** by Richard Rushfield in Vanity Fair's Hollywood issue: "The entertainment industry's reigning super-agent planned to put his firm—and the very power structure of Hollywood—on the line with an audacious, now scuttled public offering. With that future on hold and the likes of Netflix and Disney commanding more ground by the day, what's an ambitious modern macher to do?" Vanity Fair

-- **"Mark Cuban Once Crashed the NBA's Party. Now He Hosts It,"** by Katie Baker in The Ringer: "It's been 20 years since the tech billionaire bought the Dallas Mavericks, a timeline that has seen the 61-year-old evolve from a disrupting force into one of the league's most formidable constants." Ringer (h/t Longform.org)

-- **"The pod delusion,"** by Matt Labash in The Spectator: "Why I hate all podcasts — even the ones I like." Spectator

-- **"They Shut Down the City,"** by Xiaoyu Lu and Allen Young in China Channel: "On January 23, the day before Chinese New Year's Eve, Wuhan locked down. Nobody was allowed out. My family cancelled plans to visit our ancestors in the cemetery. [Now] my neighbourhood is nearly deserted. I sleep unusually well. I read old books and make long-term plans. Neighbours remind us to stock up on food, and tell us of those with high fevers who are being sent to the hospital. They're afraid they might be taken too." China Channel (h/t TheBrowser.com)

-- **"This Sculpture Holds a Decades-Old C.I.A. Mystery. And Now, Another Clue,"** by NYT's John Schwartz and Jonathan Corum: "Kryptos, a sculpture in a courtyard at the headquarters of the Central Intelligence Agency in Langley, Va., holds an encrypted message that has not fully yielded to attempts to crack it. ... Three of the four passages of the sculpture have been decrypted ... But after nearly three decades, one brief passage remains uncracked. And that has been a source of delight and consternation to thousands of people around the world." NYT

GLOBAL TRANSLATIONS IS HERE: Our new "Global Translations" newsletter, a weekly guide that connects readers to others who think and act beyond their own country's borders, is finally here. Led by POLITICO's man about town Ryan Heath, it is already generating a ton of buzz and being read by the most powerful influencers around the globe. SUBSCRIBE TODAY.

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Send tips to Eli Okun and Garrett Ross at politicoplaybook@politico.com.

TRANSITIONS -- Michael Beckerman will be VP of U.S. public policy at TikTok. He previously was the founding president of the Internet Association. Axios ... **Sandeep Mathrani** will be CEO of WeWork. He previously was CEO of Brookfield Property Partners' retail group. WSJ

BIRTHDAYS: Sen. John Cornyn (R-Texas) is 68 ... Rep. Jack Bergman (R-Mich.) is 73 ... The Atlantic's McKay Coppins ... Ellen Malcolm, founder and board chair of EMILY's List (h/ts Jon Haber and Teresa Vilmain) ... Gabriella Uli, executive assistant to the White House Cabinet secretary ... Drew Walker, assistant director of the White House Visitors Office ... NBC's Carrie Dann ... The New Yorker's Michael Luo ... Teddy Downey, CEO and executive editor of the Capitol Forum ... The Hill's Reid Wilson ... Paul Bedard ... Andy Hemming, senior consultant at Red Flag, is 34 (h/t Blain Rethmeier) ... Caroline Frattaroli ... Nika Nour ... Robin Gilchrist ... Barry Diller is 78 ... Dan Knight, senior manager of business communications and marketing at Koch Industries ... Aaron Keyak, managing partner and co-founder of Bluelight Strategies ... Anita Ford ... Emily Howell ...

... **Heather Smith,** comms director for Rep. Debbie Lesko (R-Ariz.) (h/ts Gavin Proffitt and Scott Bennett) ... Adrienne Lee Benson ... Mark Tercek ... Sam Schifrin, national security adviser for Rep. David Price (D-N.C.), is 31 ... Patrick Hayden of the North American Export Grain Association ... L.A. Times' Ben Oreskes ... Avery Pierson, legislative correspondent for Sen. Rob Portman (R-Ohio) (h/t Emily Saleme) ... Howard Rubenstein is 88 ... Bobby Whithorne, director of North America comms at GoFundMe ... RGA's Amanda Kitchen O'Malley ... Jen Duck ... Sean Evins, government and politics outreach manager at Facebook, is 34 ... Ben Lacy ... Clare Randt ... Mina Sharif ... Haley Ast ... Fred McClure ... Traci Kraus ... Jonathan Mudd ... Sally Albright ... Ahmir Rashid ... David Pakman is 36 ... Lance Khazei ... Victorino "Vic" Matus ... Jonathan Lachman

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COMMODITY FUTURES TRADING COMMISSION

Daily News Clips

Monday, February 01, 2021

CFTC Mentions

Bloomberg: **Silver Spikes Past $30 as Retail Investors Swarm Biggest Target**. "Yet silver differs in important ways from stocks like GameStop. For one, the scope for a short squeeze in silver is far less obvious: money managers have had a net-long position on the metal since mid-2019, futures and options data from the Commodity Futures Trading Commission show."

Reuters: **Sterling Strengthens on Vaccine Optimism, Approaches 3-Year High**. "Weekly CFTC futures data showed that the net long position on the pound shrank in the week to Jan 26, although speculators were still overall bullish on the currency."

Zero Hedge: **Silver Futures Soar 8%, Rise Above $29 As Reddit Hordes Pile In**. "It was the one print everyone was waiting for, and here it is: silver futures opened up 7%, surging from $27/oz to a high of $29.095 following a weekend of speculation that the next big squeeze on WSB's radar is silver. And whether that's true or not, may no longer matter in a world where - as described below - there is virtually no physical silver to be purchased."

Reuters: **Oil Gains Despite Patchy Vaccine Rollouts, New Coronavirus Variants**. "Speculators reduced their net long positions in U.S. crude futures and options for the week to Jan. 26, the U.S. Commodity Futures Trading Commission (CFTC) said."

Reuters: **Dollar Advances as Investors Shy Away from Risk**. "The dollar edged higher against a basket of currencies on Monday, as a burst of volatility in stock markets around the globe sapped investors' appetite for riskier currencies. … Despite the dollar's recent rebound - the dollar index is up about 1.3% since early January - analysts expect a broad dollar decline during 2021. The net speculative short position on the dollar grew to its largest in 10 years in the week to Jan. 19, according to weekly futures data from CFTC released on Friday."

Reuters: **Speculators Cut Bullish Bets on ICE Sugar, Coffee, Other Soft Commodities**. "Speculators across the soft commodities markets cut bullish net long positions on the Intercontinental Exchange (ICE) in the latest week, according to a weekly report from the Commodities Futures Trading Commission."

Reuters: **Column: Funds' Bullish Corn Bets Backed by Colossal U.S. Sales to China**. "Through Jan. 26, money managers increased their net long in CBOT corn futures and options to 364,229 contracts from 349,495 a week earlier, according to data from the U.S. Commodity Futures Trading Commission."

Top News

FT: **Silver Price Hits Eight-Year High as Retail Traders Take Aim**
WSJ: **Silver Prices Rise After Online Attention**
Zero Hedge: **REPOST: Silver Abuse in the 1990's**
WSJ: **Markets Look Like They're in a Bubble. What Do Investors Do Now?**
FT: **US Shale Oil: Can A Leaner Industry Ever Lure Back Investors?**
FT: **China Oil Futures Hit Record Levels**
FT: **GameStop Curbs Put Clearing Houses Under the Spotlight**
WSJ: **Why Did Robinhood Ground GameStop? Look at Clearing**
Bloomberg: **Q&A: Why Robinhood and Other Brokerages Restricted Trading This Week**

WEB SUN OVERSIGHT

Reuters: **Analysis: To the Brink and Back on GameStop - Wall Street vs Reddit**
WSJ: **GameStop Frenzy Puts Spotlight on Trading Giant Citadel Securities**
FT: **GameStop Mania: Why Reddit Traders Are Unlikely to Face Prosecution**
Bloomberg Law: **LSE's Schwimmer Expects EU to Give Clearing Equivalence to U.K.**
Bloomberg Law: **LSE's Refinitiv Bid Faces Tough EU Probe on Data, Trading**
FT: **Buffered ETF Popularity Surges but Regulatory Hurdle Threatens**
WSJ: **SEC to Review Brokers' Restrictions on GameStop, AMC Trading**
FT: **Robinhood's Bid To 'Democratise Finance' Collides with Wall St Reality**
WSJ **Robinhood Needed $3 Billion to Shore Up Volatile Trading in GameStop, Other Stocks**

Full Text

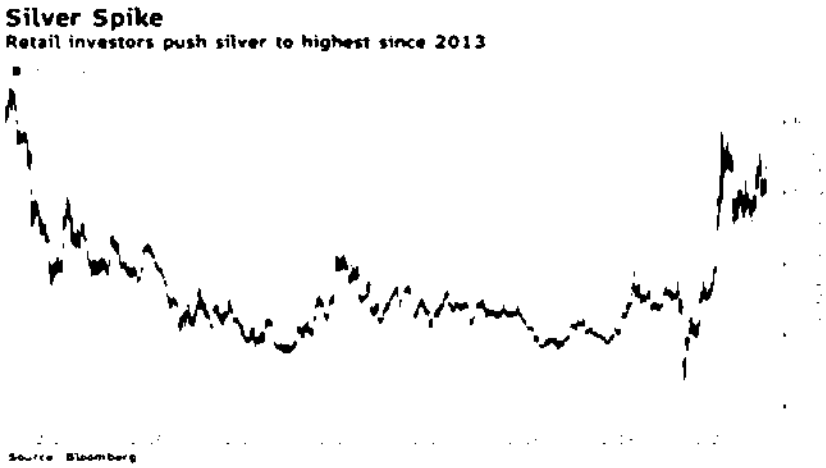
CFTC Mentions

Bloomberg: **Silver Spikes Past $30 as Retail Investors Swarm Biggest Target**
By Jake Lloyd-Smith and Eddie Spence

- Rally follows jump in demand over weekend for bars and coins
- The momentum rests with smaller investors right now, OCBC says

Silver broke above $30 an ounce as the precious metal took center stage in the retail investor frenzy sweeping through markets.

Most-active futures jumped as much as 13% to $30.35 an ounce on the Comex, the highest in eight years. That followed a weekend buying binge that overwhelmed online sellers of silver coins and bars from the U.S. to Australia. BlackRock Inc.'s iShares Silver Trust, the largest exchange-traded product tracking the metal, recorded an unprecedented $944 million net inflow on Friday.



Like the buying stampede in GameStop Corp. and other small-cap stocks that has captivated the financial world in recent weeks, silver's advance can be traced to Reddit's WallStreetBets forum. One post last week declared the metal "THE BIGGEST SHORT IN THE WORLD" and encouraged traders to pile into the iShares trust as a way to stick it to big banks.

Yet silver differs in important ways from stocks like GameStop. For one, the scope for a short squeeze in silver is far less obvious: money managers have had a net-long position on the metal since mid-2019, futures and options data from the Commodity Futures Trading Commission show.

The market for silver is also by some measures much deeper than those for smaller stocks like GameStop. The bricks-and-mortar video game retailer had a market capitalization of about $1.4 billion in mid-January, before the Reddit frenzy sent the company's value soaring more than 16-fold. By contrast, London vaults held 1.08 billion ounces of silver at the end of November, according to LBMA data. That's worth almost $32 billion at current prices

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What's more, it's unclear how long retail investors will stick to the silver trade. Already some prominent members of the WallStreetBets forum have advised against it, with some noting that Ken Griffin's Citadel Advisors LLC, a favorite bogeyman of the Reddit crowd, is listed as one of the biggest shareholders of the iShares silver trust.

Whether or not the rally fizzles, it could have ramifications beyond what has typically been a relatively niche corner of the commodities world. As the first high-profile target of the retail frenzy to start trading on Monday, silver may help set the tone this week for managers trying to gauge how Reddit-fueled volatility will impact their risk models and potentially cascade from one asset to the next.

Momentum Trade

"Last week's events have shown it to be unwise to doubt the purchasing power of retail investors, and this has been sufficiently demonstrated again on the silver market," said Howie Lee, an economist at Oversea-Chinese Banking Corp. "They may find it a bit harder to squeeze the silver market than they did with GameStop -- the former is much bigger and more liquid -- but the momentum looks like it rests with them at the moment."

Early trading pointed to more gains for SLV on Monday. The ETF was up about 9% in the pre-market session, on huge volumes. As of 7:03 a.m. in New York 5.4 million shares had changed hands, about eight times the second most-traded fund.

Futures were trading 11% higher on the Comex, after rising more than 5% last week. Spot silver climbed to as high as $30.1003 an ounce. Other precious metals also advanced. Spot gold rose 0.9%, while platinum jumped 4.1%.

The buying frenzy also fed into mining shares. Mexican silver miner Fresnillo Plc surged as much as 21% in London trading. China Silver Group Ltd. rose as much as 63% in Hong Kong, while Australia's Silver Mines Ltd. gained as much as 49%.

The calls to buy silver began appearing on WallStreetBets as early as Wednesday, when the mania surrounding GameStop reached a fever pitch. Some of the posts touched on a similar David-vs-Goliath theme that has inspired individual investors to take on short-selling hedge funds: "Any short squeeze in silver paper shorts would be EPIC. We know billion (sic) banks are manipulating gold and silver to cover real inflation."

But that narrative isn't as straightforward as the one surrounding GameStop, one of the most-shorted stocks in the U.S. before it began surging this month.

Silver has performed well over the past year, rallying more than 60% on a weaker dollar and hopes for an end to the pandemic. It has also attracted bullish commentary from some of the biggest Wall Street banks. Goldman Sachs Group Inc. described silver as the "preferred precious metal" in a Jan. 27 research note that had a price target of $30 an ounce. Net-bullish bets by money managers rose to a three-week high in the week to Jan. 26, according to CFTC data compiled by Bloomberg.

Short-term forward rates on the London silver market flattened on Monday, indicating strong demand for the metal in coming weeks.

"I can envisage a scenario where maybe a hedge fund has purchased maybe a short-term tactical long position, so the upside could be a combination of several factors now," said Philip Newman, managing director at consultancy Metals Focus.

Locking Up

Still, that hasn't stopped some retail investors from piling in. By Sunday, sellers of physical silver including Apmex -- often called the Walmart of precious metals products in North America -- said they were unable to process orders until Asian markets opened because of record demand. "It's been nuts," said John Feeney, business development manager at Guardian Vaults in Sydney.

Ken Lewis, Apmex's chief executive officer, said the decision to temporarily suspend silver sales was unprecedented in the company's history and that it may take longer then usual to fill orders going forward.

"As we evaluate the markets, it is difficult to know where silver's price and demand will go in the coming day and weeks," Lewis said, adding that his firm is "locking up any metal we can find in the marketplace."

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Reuters: Sterling Strengthens on Vaccine Optimism, Approaches 3-Year High
By Elizabeth Howcroft

- Graphic: World FX rates in 2020 tmsnrt.rs/2egbfVh
- Graphic: Trade-weighted sterling since Brexit vote tmsnrt.rs/2hwV9Hv

The British pound rose back towards its recent three-year high on Monday, boosted by a combination of heightened global risk appetite and optimism about the UK's vaccine rollout.

Riskier currencies gained against the dollar, which edged lower as global market sentiment was lifted by an equity rally in the Asian session.

The pound strengthened even more than other "risk" currencies such as the Australian dollar and Norwegian crown.

After a row between Britain and the European Union over vaccine supplies, EU officials said on Saturday that it had been a mistake to invoke Northern Ireland Brexit emergency powers.

The UK said it expected its supply of COVID-19 shots would not be interrupted. Official data on Sunday showed that nearly 9 million people in the UK have been given their first dose of a vaccine.

In early London trading, the pound rose to $1.3758 - just shy of the three-year high of $1.3759 it reached on Wednesday last week. At 0902 GMT, it was at $1.3715, up 0.2% on the day .

Versus the euro it was up around 0.5% at 88.14 pence per euro, having hit its strongest since May 2020 earlier in the session.

Market participants are focusing on the Bank of England's meeting on Thursday this week, at which the bank is set to publish the findings of a consultation on what negative rates would mean for banks' operations.

Lee Hardman, currency analyst at MUFG, said in a note to clients that the argument in favour of another imminent easing of monetary policy has been dampened by the last-minute Brexit trade deal, the resilience of the UK economy at the end of last year, and the relatively fast rollout of vaccines in the UK.

"However, the tougher third lockdown is expected to deliver a larger negative hit to growth at the start of this year," he added.

Most economists polled by Reuters think the BoE is unlikely to cut rates below zero this year.

"The most bullish potential outcome for the pound would be if the BoE leaves the key policy rate unchanged, and the consultation with lenders further dampens speculation over negative rates in the near term," MUFG's Hardman said.

"It could open the door to further GBP gains, lifting cable closer to 1.4000 and EUR/GBP towards the mid-0.8000's."

Weekly CFTC futures data showed that the net long position on the pound shrank in the week to Jan 26, although speculators were still overall bullish on the currency.

Zero Hedge: Silver Futures Soar 8%, Rise Above $29 As Reddit Hordes Pile In
By Tyler Durden

Update (1800ET): It was the one print everyone was waiting for, and here it is: silver futures opened up 7%, surging from $27/oz to a high of $29.095 following a weekend of speculation that the next big squeeze on WSB's radar is silver. And whether that's true or not, may no longer matter in a world where - as described below - there is virtually no physical silver to be purchased.

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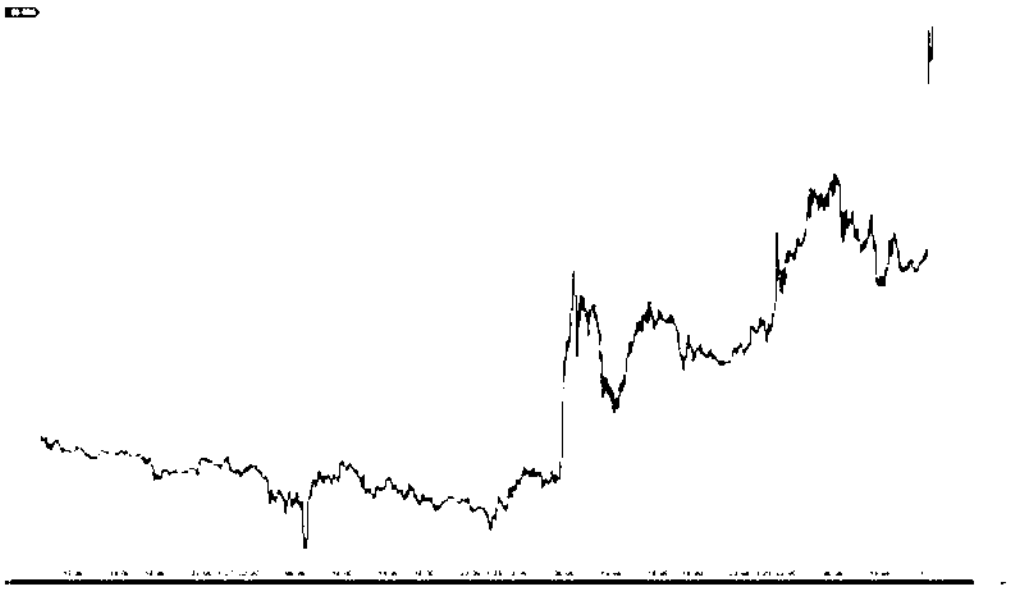
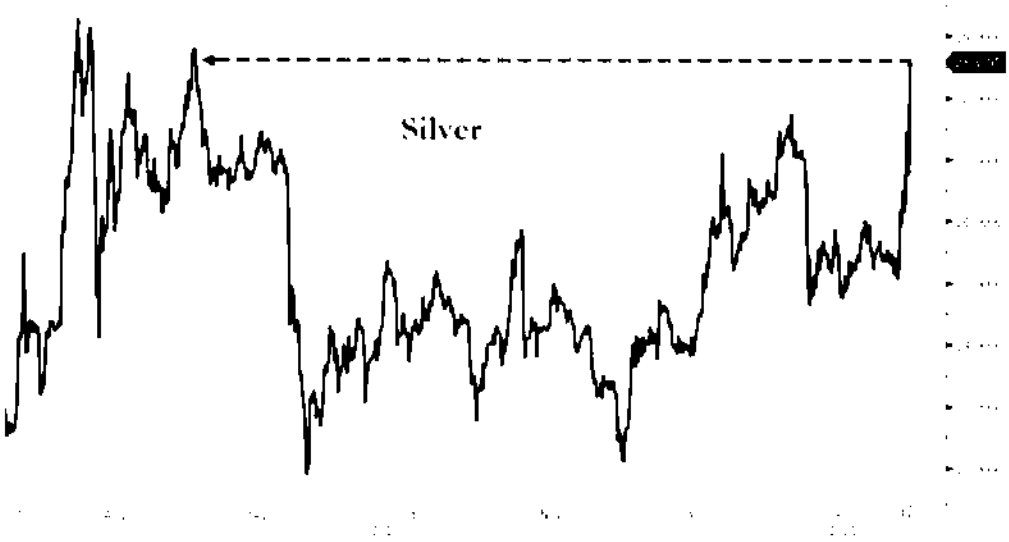


Spot Silver is back to its highest since the August/Sept cycle highs...



Gold futs managed very modest gains...

And silver's dramatic outperformance has pushed the gold/silver ratio to its lowest since 2014...

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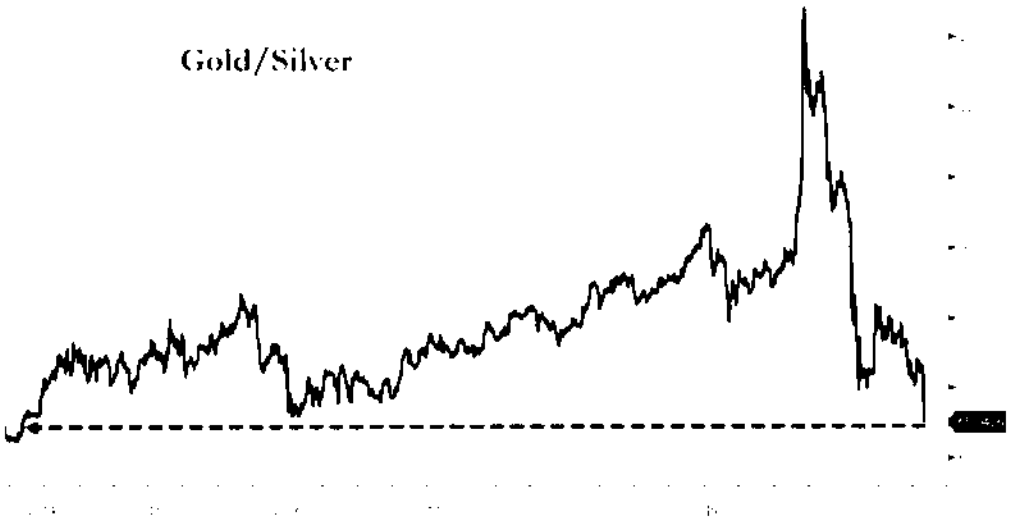
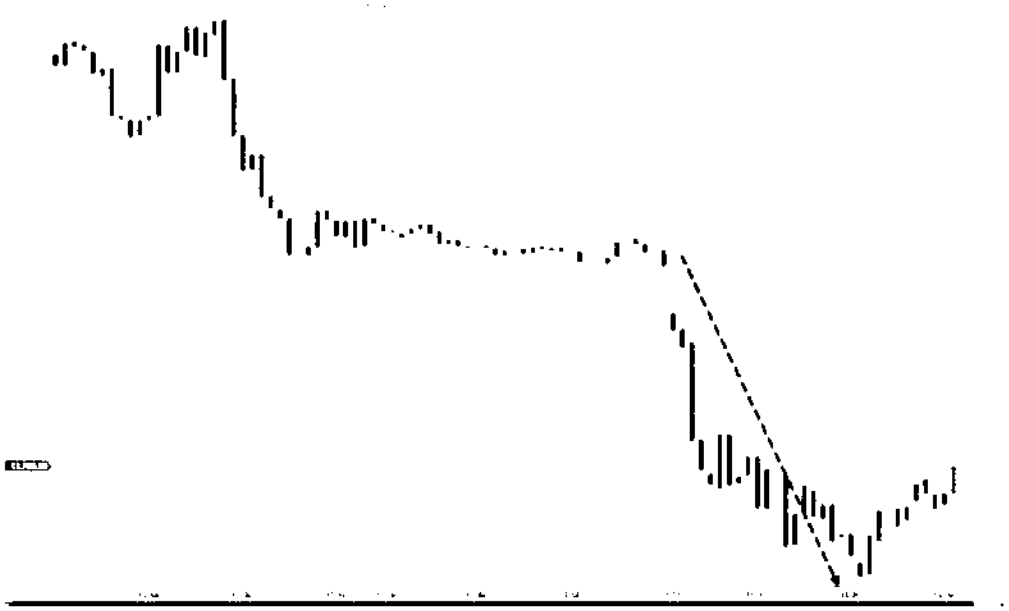


Silver miners are also getting the love: Australian silver stocks including Argent Minerals and Boab Metals rise more than 20%.

US Equity futures are taking a hit (all down around 1%)...



So as silver approaches $30, keep an eye on major price slams, emerging either out of central banks who desperately need to keep precious metals lower, or the **BIS itself,** whose Benoit Gilson will have a busy day tomorrow.

* * *

Update (1100ET): For some background on just how unprecedented this weekend's action in silver markets is, Tyler Wall, the CEO of SD Bullion writes the following (emphasis ours):

In the 24 hours proceeding Friday market close, SD Bullion **sold nearly 10x the number of silver ounces that we normally would sell in an entire weekend** leading to Sunday market open.

In a normal market, we **normally can find at least one supplier/source willing to sell some ounces** over the weekend if we exceed our long position (the number of ounces we predict we will sell over the weekend).

However, **everyone we talk to is afraid of a gap up at Sunday night market open.**

This is about ready to get really interesting as there was very **little inventory left from suppliers/mints going into Friday close.**

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Our direct AP supplier informed us after close on Friday that **the "US Mint will be on allocation for the remainder of**

Type 1" (Current Silver Eagle Design).

Our sales for the month of January exceeded any one month last year during the heart of the pandemic. **It was an all-time record month in our company history.**

And, perhaps most importantly, as QTR tweets so succinctly, ***"this is a red pill moment for many, and it's beautiful."***

Additionally, there are also signs of a notable regime shift, as Bloomberg points out, investors are holding onto silver they own, rather than trying to take profits.

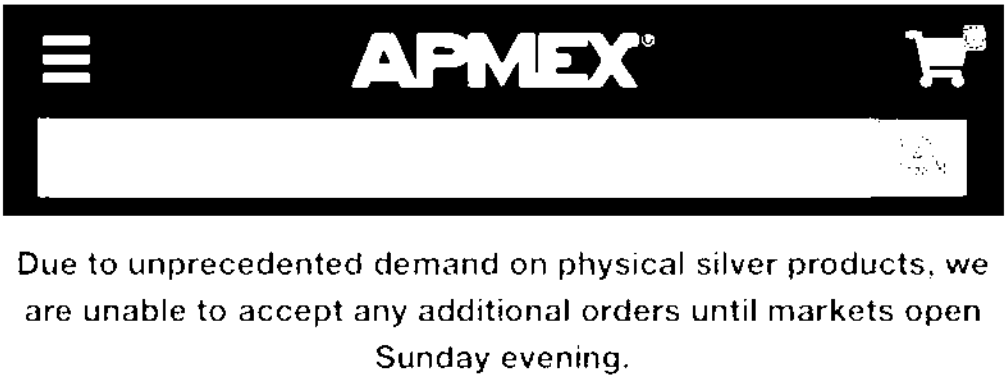
"Now we're seeing nothing, no single offer, which is scary," Peter Thomas, senior vice president at Zaner Group, said by phone from Chicago.

"Whatever we sell, people are holding it. There's no inflow of metal at all."

* * *

Update (1030ET): It would appear the run on silver has begun. With the market closed, traders have rushed to secure some exposure to silver ahead of what WSB suggests could be "the world's biggest short squeeze" and that has left bullion dealers

As we noted below, **the premium for physical silver had soared late Friday and into Saturday** (after the massive flows into SLV), but as Sunday rolled around, **bullion dealers are now facing massive shortages of physical coins.**



Source: APMEX

Source: JMBullion

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Source: SDBullion

And as one investor noted, the shortages are widespread...

We can only imagine where SLV will open after this.

* * *

While all eyes have been focused on GameStop and a handful of other heavily-shorted stocks as they exploded higher under continuous fire from WallStreetBets traders igniting a short-squeeze coinciding with a gamma-squeeze, the last few days saw another asset suddenly get in the crosshairs of the 'Reddit-Raiders' - Silver.

On Thursday, we asked ***"Is The Reddit Rebellion About To Descend On The Precious Metals Market?"***... One WallStreetBets user (jjalj30) posted the following last night:

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Silver Bullion Market is one of the most manipulated on earth. Any short squeeze in silver paper shorts would be EPIC. We know billion banks are manipulating gold and silver to cover real inflation.

Both the industrial case and monetary case, debt printing has never been more favorable for the No. 1 inflation hedge Silver.

Inflation adjusted Silver should be at 1000$ instead of 25$. Link to post removed by mods.

Why not squeeze $SLV to real physical price.

Think about the Gainz. If you don't care about the gains, think about the banks like JP MORGAN you'd be destroying along the way.

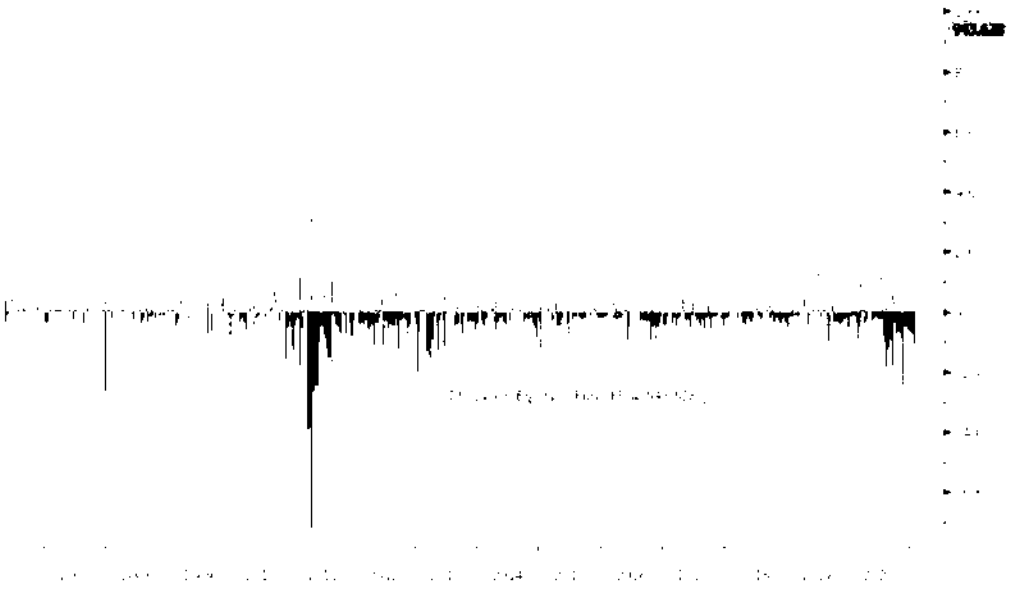
...

Tldr- Corner the market. GV thinks its possible to squeeze $SLV, FUCK AFTER SEEING $AG AND $GME EVEN I THINK WE CAN DO IT. BUY $SLV GO ALL IN TH GAINZ WILL BE UNLIMITED. DEMAND PHYSICAL IF YOU CAN. FUCK THE BANKS.

Disclaimer: This is not Financial advice. I am not a financial services professional. This is my personal opinion and speculation as an uneducated and uninformed person.

...and judging by the unprecedented flows into the Silver ETF (SLV) they just got started...

SLV saw inflows of almost one billion dollars on Friday, almost double the previous record inflow for this 15 year-old ETF.



Source: Bloomberg

Which helped prompt a **spike in SLV off Wednesday's lows of over 11%** (and note that every surge in price was mimicked by gold, but gold was instantly monkey-hammered lower after the spike).

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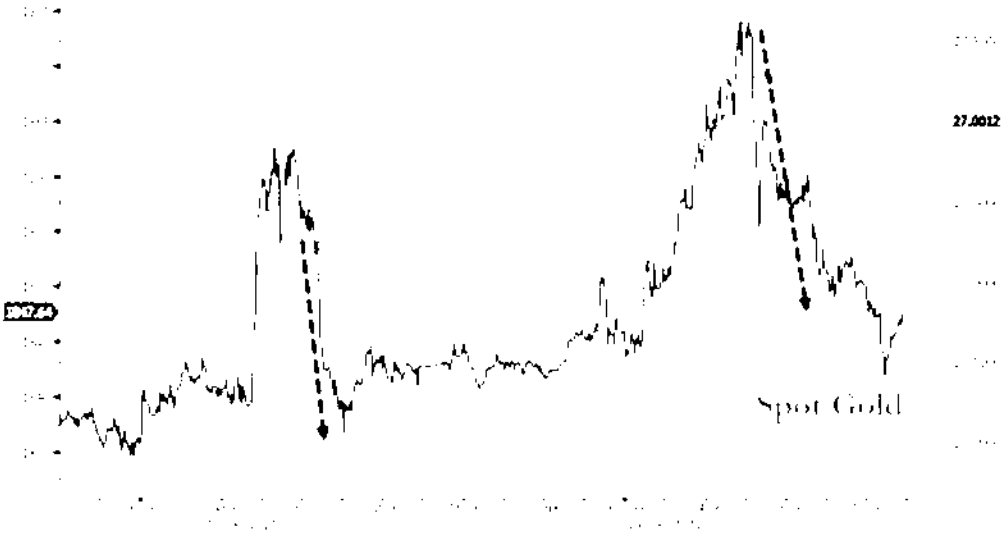
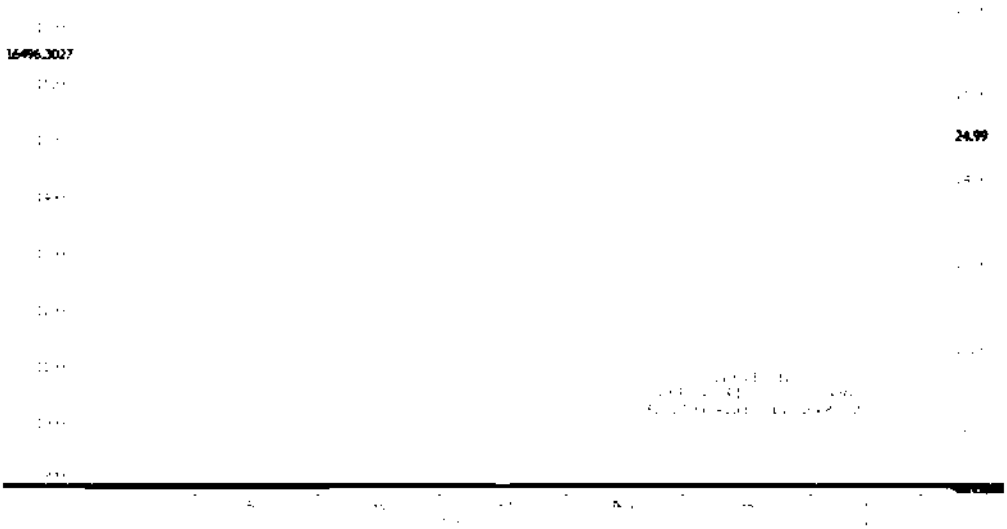


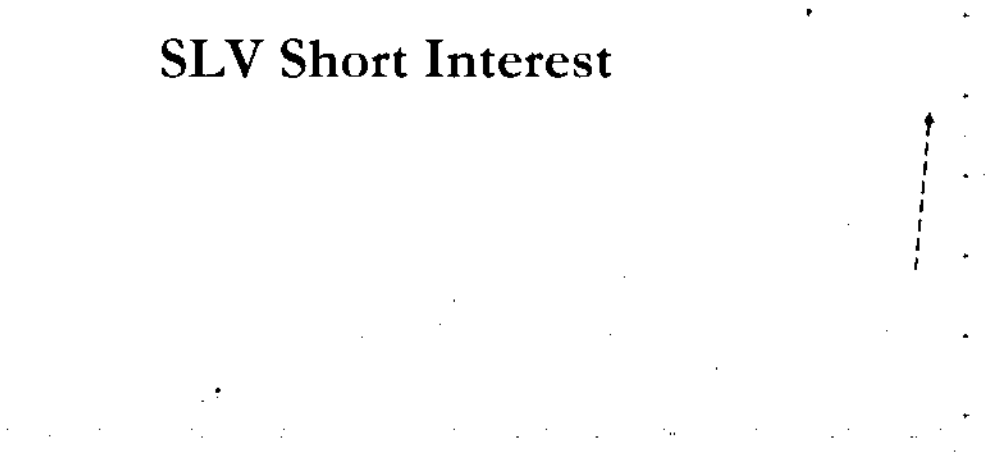
Source: Bloomberg

And judging by the asset flow, SLV has room to run here...



Source: Bloomberg

Just as short-interest in the ETF has been building...



Source: Bloomberg

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This surge came after Reddit user 'TheHappyHawaiian' posted the following thesis on buying silver noting that ***"the worlds biggest short squeeze is possible and we can make history."***

'TheHappyHawaiian' cites two reasons to buy - The Short Squeeze and Fundamentals.

The short squeeze:

Buy SLV shares (or PSLV shares) and SLV call options to force physical delivery of silver to the SLV vaults.

The silver futures market has oscillated between having roughly 100-1 and 500-1 ratio of paper traded silver to physical silver, but lets call it 250-1 for now. This means that for every 250 ounces in open interest in the futures market, only 1 actually gets delivered. Most traders would rather settle with cash rather than take delivery of thousands of ounces of silver and have to figure out to store and transport it in the future.

The people naked shorting silver via the futures markets are a couple of large banks and making them pay dearly for their over leveraged naked shorts would be incredible. It's not Melvin capital on the other side of this trade, its JP Morgan. **Time to get some payback for the bailouts and manipulation they've done for decades (look up silver manipulation fines that JPM has paid over the years).**

The way the squeeze could occur is by forcing a much higher percentage of the futures contracts to actually deliver physical silver. There is very little silver in the COMEX vaults or available to actually be use to deliver, and if they have to start buying en masse on the open market they will drive the price massively higher. There is no way to magically create more physical silver in the world that is ready to be delivered. With a stock you can eventually just issue more shares if the price rises too much, but this simply isn't the case here. The futures market is kind of the wild west of the financial world. Real commodities are being traded, and if you are short, you literally have to deliver thousands of ounces of silver per contract if the holder on the other side demands it. If you remember oil going negative back in May, that was possible because futures are allowed to trade to their true value. They aren't halted and that's what will make this so fun when the true squeeze happens.

Edit for more detail: let's say there's one futures seller who gets unlucky and gets the buyer who actually wants to take delivery. He doesn't have the silver and realizes it's all of a sudden damn difficult to find some physical silver. He throws up his hands and just goes long a matching number of futures contracts and will demand actual delivery on those. Problem solved because he has now matched the demanding buyer with a new seller. The issue is that the new seller has the same issue and does the exact same thing. This is how the cascade effect of a meltup occurs. All the naked shorts trying to offload their position to someone who actually has some silver. My goal is to ensure that I have the silver and won't sell to them until silver is at a far higher price due to the desperation.

The silver market is much larger than GME in terms of notional value, but there is very little physical silver actually readily available (think about the difference between total shares and the shares in the active float for a stock), and the paper silver trading hands in the futures market is hundreds of times larger than what is available. Thus when they are forced to actually deliver physical silver it will create a massive short squeeze where an absurd amount of silver will be sought after (to fulfill their contractually obligated delivery) with very little available to actually buy. They are naked shorting silver and will have to cover all at once and the float as a percentage of the total silver stock globally is truly miniscule.

The fundamentals:

The current gold to silver ratio is 73-1. Meaning the price of gold per ounce is 73 times the price of silver. Naturally occurring silver is only 18.75 times as common as gold, so this ratio of 73-1 is quite high. Until the early 20th century, silver prices were pegged at a 15-1 ratio to gold in the US because this ratio was relatively known even then. In terms of current production, the ratio is even lower at 8-1. Meaning the world is only producing 8 ounces of silver for each newly produced ounce of gold.

Global industry has been able to get away with producing so little new silver for so long because governments have dumped silver on the market for 80 years, but now their silver vaults are empty. At the end of WW2 government vaults globally contained 10 billion ounces of silver, but as we moved to fiat currency and away from precious metal backed currencies, the amount held by governments has decreased to only 0.24 billion ounces as they dumped their supply into the market. But this dumping is done now as their remaining supply is basically nil.

This 0.24 billion ounces represents only 8% of the total supply of only 3 billion ounces stored as investment globally. This means that 92% of that gold is held privately by institutions and by millions of boomer gold and silver bugs who have been sitting on meager gains for decades. These boomers aren't going to sell no matter what because they see their silver cache as part of their doomsday prepper supplies. It's locked away in bunkers they built 500 miles from their house. Also, with silver at $23 an ounce currently, this means all of the worlds investment grade silver only has a total

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market cap of $70 billion. For comparison the investment grade gold in the world is worth roughly $6 trillion. This is because most of the silver produced each year actually gets used, as I have mentioned. $70 billion sounds like a lot, but we don't have to buy all that much for the price to go up a lot.

**If the squeeze happens, it would be like 40 years worth of their gains in 4 months **

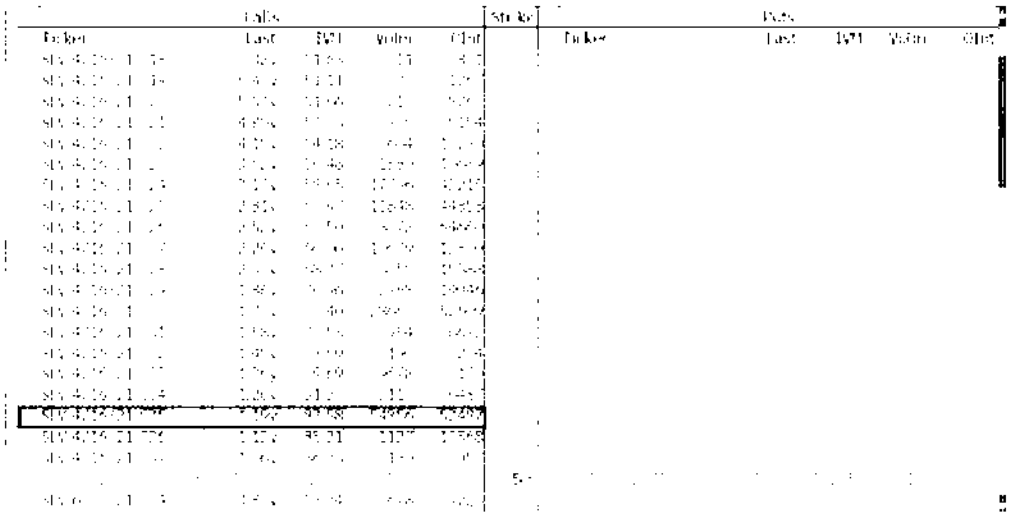
The reason that only 8 ounces of silver are produced for every 1 ounce of gold in today's world is because there aren't really any good naturally occurring silver deposits left in the world. Silver is more common than gold in the earth's crust, but it is spread very thin. Thus nearly every ounce of silver produces is actually a byproduct of mining for other metals such as gold or copper. This means that even as the silver price skyrockets, it wont be easy to increase the supply of silver being produced. Even if new mines were to be constructed, it could take years to come online.

Finally, most of this newly created silver supply each year is used for productive purposes rather than kept for investment. It is used in electronics, solar panels, and jewelry for the most part. This demand wont go away if the silver price rises, so the short sellers will be trying to get their hands on a very small slice of newly minted silver. The solar market is also growing quickly and political pressure to increase solar and electric vehicles could provide more industrial demand.

The other part of the story is the faster moving piece and that is the inflation and currency debasement fear portion. The government and the fed are printing money like crazy debasing the value of the dollar, so investors look for real assets like precious metals to hide out in, driving demand for silver. The $1.9 trillion stimulus passing in a month or two could be a good catalyst. All this money combined with the reopening of the economy could cause some solid inflation to occur, and once inflation starts it often feeds on itself.

What to buy:

I will be putting **50% directly into SLV shares, and 50% into the $35 strike SLV calls expiring 4/16**.



This way the SLV purchase creates a groundswell into silver immediately that then **rockets through a gamma squeeze as SLV approaches $35.**

Price target of $75 for SLV by end of April if the short squeeze happens.

Edit: for the part of your purchases going into shares, some people recommend PSLV because they think SLV might start lying about having the silver in their vault. Or that the custodian will be double counting, ie claiming that the same silver belongs to multiple people (banking on the fact that people wont all try to get their silver at once). So if you buy SLV shares and calls, that's great. But I think it could be prudent for us to buy options in SLV (no options on PSLV) and shares in PSLV. It all depends on how paranoid you want to be. There is a lot of paranoia in the precious metals world.

Alternate options:

- **buying physical silver;** this also works but you pay a premium to buy and sell so its less efficient and you take fewer silver ounces off of the market because of the premium you pay
- **going long futures for February or March;** if you are a rich bastard and can actually take physical delivery of 1000s of ounces of silver by all means do so. But if you simply settle for cash you are actually part of the problem. We

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need actual physical delivery, which is what SLV demands and is why SLV is the way to go unless you are going to take delivery

- **miners**; I don't recommend buying miners as part of this trade. Miners will absolutely go up if SLV goes up, but buying them doesn't create the squeeze in the actual silver market. Furthermore, most silver miners only derive 30-50% of their revenue from silver anyways, so eventually SLV will outperform them as it gets high enough (and each marginal SLV dollar only increases miner profits by a smaller and smaller percentage)

Details on SLV physical settlement:

When SLV issues shares, the custodian is forced to true up their vaults with the proportional amount of silver daily. From the SLV prospectus:

"An investment in Shares is: Backed by silver held by the Custodian on behalf of the Trust. The Shares are backed by the assets of the Trust. The Trustee's arrangements with the Custodian contemplate that at the end of each business day there can be in the Trust account maintained by the Custodian no more than 1,100 ounces of silver in an unallocated form. The bulk of the Trust's silver holdings is represented by physical silver, identified on the Custodian's or, if applicable, sub-custodian's, books in allocated and unallocated accounts on behalf of the Trust and is held by the Custodian in London, New York and other locations that may be authorized in the future."

'TheHappyHawaiian" ends with a call to (financial) arms:

Join me brothers. Lets take silver to the moon and take on the biggest and baddest manipulators in the world.

Please post rocket emojis in the comments as desired.

Disclaimer: do your own research, make your own decisions, everything here is a guess and hypothetical and nothing is guaranteed, not a financial advisor, I have ADHD and maybe other things too.

Bear case: silver does tend to sell off if the broader market plunges so it's not immune to broad market sell off. It's also the most manipulated market in the world so we are facing some tough competition on the short side

Interestingly, 'TheHappyHawaiian' dropped this update on 1/29:

Due to the manipulation and collusion of citadel, hedge funds, and brokers to change the rules and rig the game in their favor. Who likely knew ahead of time and bought puts right before and calls at the bottom, GME is too important to abandon still. **SLV is still my next play but GME needs to go to $1000 and these people need to go to jail.**

However, judging by the **massive physical premiums for silver** we are seeing this weekend at APMEX...

... JM Bullion...

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... and SD Bullion.

...there are more than a few who are already rotating to SLV from GME.

Reuters: Oil Gains Despite Patchy Vaccine Rollouts, New Coronavirus Variants
By Aaron Sheldrick

Oil prices rose on Monday after a weak start, adding to the gains of the last three months, although patchy coronavirus vaccine rollouts, new infections and the discovery of new variants are casting a shadow over the demand outlook.

Brent crude futures were up 53 cents, or 1%, at $55.57 a barrel by 0756 GMT, while U.S. West Texas Intermediate (WTI) gained 41 cents, or 0.8%, to $52.61. Both benchmarks gained nearly 8% in January.

Oil prices have been boosted by vaccination programmes getting underway in hard-hit countries and output cuts by major producers like Saudi Arabia. But euphoria over a possible end to the pandemic has been undermined by the slow pace of vaccinations and the rise of new variants of the coronavirus.

Still, with more vaccines proving successful in trials and infections falling in some areas, demand for oil and fuel is likely to pick up as more of the world's population gets inoculated against COVID-19.

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"Our base-case remains for a demand-led rebalancing of the oil market, with the logistical challenges of vaccination likely transient and evidence of still elevated vaccine efficacy," Goldman Sachs said in a new report, while noting that the rally of recent weeks had paused.

Oil prices are expected to remain around current levels for most of this year before a recovery gains ground towards the end of 2021, a Reuters poll showed late on Friday.

U.S. oil and gas drillers are gearing up for a pick-up in demand and as higher prices make new wells profitable again, adding rigs for a sixth month in a row in January. [RIG/U]

U.S. output is rising and was above 11 million barrels per day in November for the first time since April, according to the Energy Information Administration.

Speculators reduced their net long positions in U.S. crude futures and options for the week to Jan. 26, the U.S. Commodity Futures Trading Commission (CFTC) said.

Reuters: Dollar Advances as Investors Shy Away from Risk
By Saqib Iqbal Ahmed

The dollar edged higher against a basket of currencies on Monday, as a burst of volatility in stock markets around the globe sapped investors' appetite for riskier currencies.

Concerns over the timing and size of additional U.S. fiscal stimulus sent major U.S. stock indexes briefly more than 1% lower before they recovered to trade little changed on the day.

The sharp move in stock markets soured FX traders' appetite for risk, Karl Schamotta, chief market strategist at Cambridge Global Payments in Toronto, said.

"Your high beta currencies - currencies that are highly correlated with equity markets and global risk appetites - are tumbling in synchrony with equity indexes," Schamotta said.

Market sentiment turned more cautious at the end of last week as European economic data showed that lockdown restrictions to limit the spread of the coronavirus hurt business activity.

The U.S. Dollar Currency Index was 0.19% higher at 90.396, after rising as high as 90.523, its strongest since Jan. 20.

The euro was down around 0.28% against the dollar. German business morale slumped to a six-month low in January as a second wave of COVID-19 halted a recovery in Europe's largest economy, which will stagnate in the first quarter, the Ifo economic institute said on Monday.

The Australian dollar - seen as a liquid proxy for risk - was 0.16% lower against the dollar.

U.S. stocks have scaled new highs in recent sessions even as concerns about the pandemic-hit economy remain. Investors are trying to gauge whether officials in U.S. President Joe Biden's administration could head off Republican concerns that his $1.9 trillion pandemic relief proposal was too expensive.

Despite the dollar's recent rebound - the dollar index is up about 1.3% since early January - analysts expect a broad dollar decline during 2021. The net speculative short position on the dollar grew to its largest in 10 years in the week to Jan. 19, according to weekly futures data from CFTC released on Friday.

The U.S. Federal Reserve meets on Wednesday and Chair Jerome Powell is expected to signal that he has no plans to wind back the Fed's massive stimulus any time soon - news which could push the dollar down further.

Sterling strengthened on Monday against the weaker euro as Britain's COVID-19 vaccine rollout over the weekend offered support to the British currency.

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Reuters: Speculators Cut Bullish Bets on ICE Sugar, Coffee, Other Soft Commodities

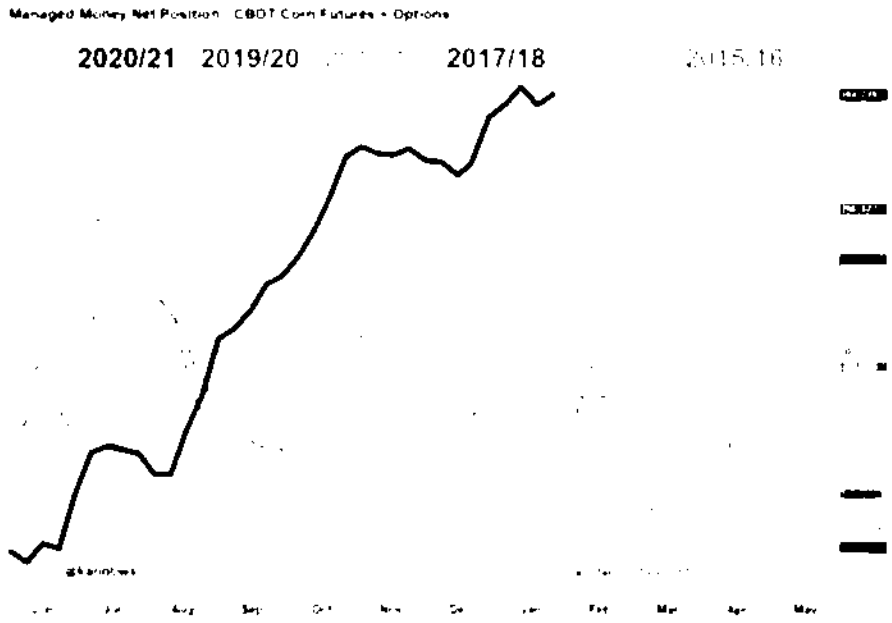
By Jessica Resnick-Ault

Speculators across the soft commodities markets cut bullish net long positions on the Intercontinental Exchange (ICE) in the latest week, according to a weekly report from the Commodities Futures Trading Commission.

Speculators trimmed their net long positions on cocoa, cotton, sugar and coffee futures, according to the report.

Reuters: Column: Funds' Bullish Corn Bets Backed by Colossal U.S. Sales to China
By Karen Braun

Speculators' bullishness in Chicago corn paused a couple weeks ago with futures trading at more than seven-year highs, but an incredible run of U.S. corn sales to China last week may have refreshed investor optimism.



Farmer Roger Hadley loads harvested corn kernels from his John Deere combine (bottom) into his truck and trailer in this aerial photograph taken over Woodburn, Indiana, U.S., October 16, 2020. REUTERS/Bing Guan
The week ended Jan. 26 was very volatile for CBOT corn futures and included a historic plunge in prices followed by a strong rebound, and the most-active contract finished the period up 1.2%.

Through Jan. 26, money managers increased their net long in CBOT corn futures and options to 364,229 contracts from 349,495 a week earlier, according to data from the U.S. Commodity Futures Trading Commission.

The addition of new longs was the bigger driver, but the move marked the sixth consecutive week that money managers covered short corn positions. The number of outright shorts dwindled to 33,220 contracts as of Jan. 26, the fewest since November 2012.

Other reportable traders executed their largest corn selling week in nearly three years, reducing their net long by about 25,000 contracts to 168,757 from the previous week's all-time record long. Index traders also reduced corn positions through Jan. 26.

The U.S. Department of Agriculture on Friday confirmed that China booked 2.1 million tonnes of U.S. corn, the largest-ever single sale to the Asian country. That brought China's four-day buying total to 5.85 million tonnes, more corn than the United States has ever shipped to China in an entire marketing year.

CBOT corn futures on Friday hit $5.53-3/4 per bushel, the most-active contract's highest since June 2013. The contract rose 2.8% over the last three sessions, and commodity funds were pegged to have bought 40,000 corn futures during that period.

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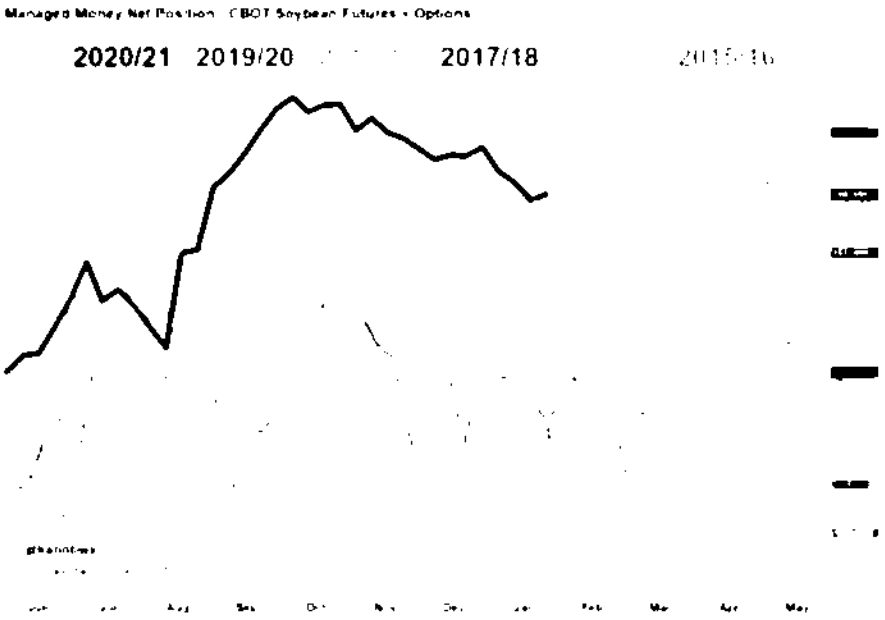
If that figure is true, money managers ended last week's trading with a corn net long above 400,000 contracts for the first

time in a decade.

SOYBEANS AND PRODUCTS

Most-active soybean futures are still at eight-year highs for the time of year, though they have recently traded well off the highs notched in mid-January. Speculators are also notably less bullish toward the oilseed than they were four months ago.

Soybean futures also went on a rollercoaster ride in the week ended Jan. 26, finishing the period down 1.1%. But money managers slightly extended their net long in CBOT soybean futures and options to 156,590 contracts from 151,898 a week earlier.



Prices were largely unchanged over the last three sessions and funds are not expected to have adjusted their views, though soybean traders last week were watching harvest delays in Brazil and some new-crop U.S. soybean sales to China.

Money managers trimmed their net long in soybean meal futures and options for the fourth consecutive week through Jan. 26, reducing it by just over 3,000 contracts to 74,590. Futures fell 1.3% between Wednesday and Friday, and funds are expected to have shed some more meal length.

Soybean oil futures surged more than 5% through Jan. 26, and money managers boosted their net long to 107,334 futures and options contracts from 90,699 a week earlier. That marks their most bullish ever end to January, slightly above the same points in 2017 and 2020.

Soyoil futures rose another 1.6% over the last three sessions, hitting 45.58 cents per pound on Friday, the most-active contract's highest since July 2013.

WHEAT

Wheat prices have somewhat followed moves in corn recently as higher corn prices could ultimately increase wheat feeding, though market watchers have also been focused on the supply situation in top exporter Russia, which formally approved a higher wheat export tax on Tuesday.

Chicago wheat futures were down 1% in the week ended Jan. 26, but money managers bumped up their net long by less than 1,000 futures and options contracts to 21,275 contracts. Prices fell fractionally in the subsequent three sessions.

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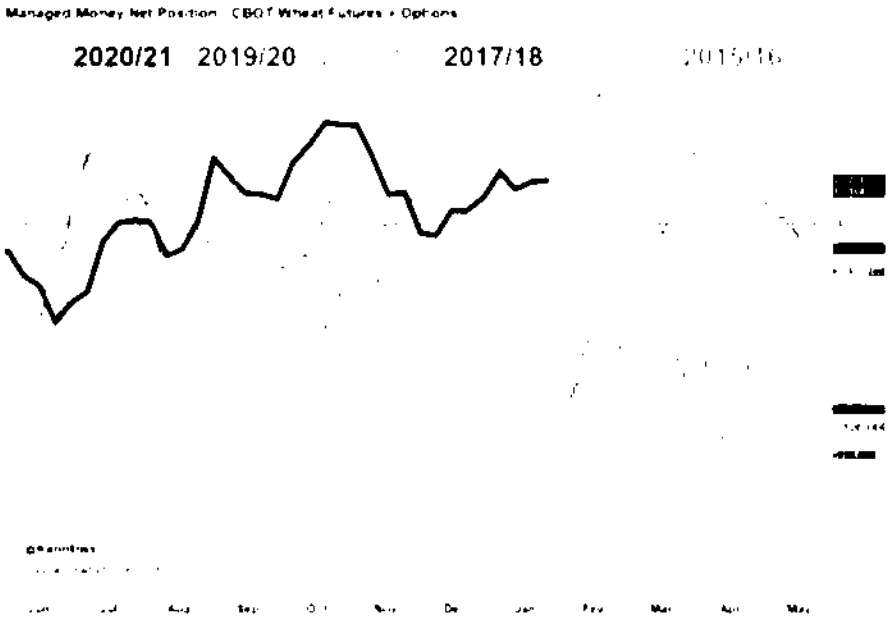

Money managers continued to increase bullishness in Kansas City wheat futures and options through Jan. 26, adding more than 2,000 contracts on the week, resulting in a net long of 60,239 contracts. That is funds' most optimistic stance since August 2018 and it is their most bullish ever for the time of year.

Funds continued their buying streak in Minneapolis wheat through Jan. 26, increasing their net long by more than 1,000 futures and options contracts on the week to 14,659 contracts. That is their biggest net long in spring wheat since June 2017.

The opinions expressed here are those of the author, a market analyst for Reuters.

Top News

WSJ: Silver Prices Rise After Online Attention
Sunday night's rally comes after silver prices gained more than 5% last week
By Sebastian Pellejero

Silver prices rallied to start the trading week Sunday, fueled by a wave of fresh enthusiasm from online traders.

Most actively traded silver futures rose as much 8% from Friday's close before paring gains slightly to recently trade up 7% at $28.80 a troy ounce. Sunday night's rally comes after silver prices gained more than 5% last week.

Silver has rallied in recent trading sessions after users on Reddit's WallStreetBets forum posted about executing a "short squeeze" similar to ones credited with fueling recent gains in other stocks popular on the internet. Outsize attention from day traders has powered significant gains in stocks such as GameStop Corp. GME 67.87% , captivating Wall Street as individual investors take on hedge funds that are betting on prices to fall.

Attention from day traders is the latest driver for silver prices, which have traded in a range since notching a record performance in 2020, finishing the year up 47%. Silver benefited from a booming rally in precious metals that sent prices on everything from gold to palladium to record highs. Investors tend to buy precious metals such as silver when they are nervous about holding riskier assets such as stocks or corporate bonds.

Even the physical metal, which is used in everything from electronics to jewelry, is starting to see a notable uptick in demand as a result of Redditors' attention. Retail silver marketplaces including Money Metals and APMEX Inc., among others, had notices on their websites Sunday saying they were unable to process new orders until global markets opened because of unprecedented demand for the metal.

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FT: Silver Price Hits Eight-Year High as Retail Traders Take Aim
ETF attracts almost $1bn of inflows after call to arms on Reddit discussion board

By Henry Sanderson

Silver prices raced to the highest level since 2013 after retail traders targeted the silver market following their successful attack against short sellers of games retailer GameStop.

Prices for silver rose as much as 11 per cent to $30 per ounce in early trading on Monday in London. That followed a 6 per cent jump last week and a rally in the shares of some miners of the precious metal.

The world's largest silver-backed exchange traded fund, the iShares Silver Trust, recorded almost $1bn in inflows on Friday, according to data from BlackRock, the fund's sponsor. The jolt of investments came after a user in Reddit's r/WallStreetBets forum urged people to buy shares and options to put a squeeze on banks.

"It's a fool's errand, it's financial anarchy; somebody is going to get hurt," said Ross Norman, a veteran precious metals trader.

Last week, the user TheHappyHawaiian said buying shares in the ETF would "force physical delivery of silver" into the fund's vaults, thereby causing a "short squeeze" on the market, pushing up the silver price.

The user wrote on the forum that it would be "incredible" to make large banks active in the futures market "pay dearly" for what he alleged were bets that the silver price will fall. The rallying call echoed that of other r/WallStreetBets users who last week cheered their success in triggering large losses at Melvin Capital and other hedge funds.

The 37.05m increase in the number of shares of the iShares Silver Trust on Friday was the biggest one-day rise since the ETF started trading in April 2006, data from BlackRock showed. The ETF is backed by physical silver held in vaults, meaning it needs to purchase the precious metal when it receives new investments.

Silver ETF attracts record new investments

The attempted "short squeeze" was reminiscent of a similar effort by oil barons William Herbert Hunt and Nelson Bunker Hunt, known as the Hunt brothers, who in 1979-80 bought billions of dollars worth of silver in an attempt to corner the market. They were later sanctioned for market manipulation and went bankrupt after the silver price collapsed in an event dubbed "Silver Thursday."

In 1998, Warren Buffett's Berkshire Hathaway drove silver prices up 90 per cent to a 10-year high after he quietly accumulated a huge position in the silver market.

Analysts said it would be more difficult for retail investors to influence the silver price as opposed to that of a single equity, given the large off-exchange market for the precious metal, where banks trade on behalf of clients.

"We are confident that the influence of retail investors on silver will not last all that long," analysts at Commerzbank said.

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Around $6bn worth of silver traded hands in the silver market in November, according to the latest statistics from the London Bullion Market Association. London's vaults hold around 33,475 tonnes of silver, valued at $23.8bn, they said in

January.

Mr Norman said the Reddit forum's targeting of large banks was misplaced, since the lenders used futures contracts to hedge their physical holdings of silver, meaning they were not speculating on the price falling.

"There is a misnomer here that banks are constantly running short positions, but from a price perspective they are neutral, they have a long and a short that cancels each other out," he said.

Zero Hedge: **REPOST: Silver Abuse in the 1990's**
By Vince Lanci

A Walkthrough of Silver Abuse from the 1990's Until Now

Summary

Submitted by Vince Lanci "If you are bullish gold, buy silver" is an axiom I'm fond of repeating. This axiom is a positive one for Silver people, but actually has its roots in cynicism and manipulation years ago.

Silver is more volatile, which is why in the short term it over-reacts relative to Gold. We now believe that Silver is the better investment going forward because there are big forces with too much to lose if it does not keep a reliable ratio with Gold. You must stomach the higher volatility. We simply believe the "rule" no longer applies to Silver only as a function of its higher volatility. We believe it applies in the long term as an investment now. First let's look at the phrase's cynical roots in the context of how Bullion Dealers used to (and some still) operate:

The 1990's: Buy Silver if you are Bullish Gold - *and don't need your money*: The root for this axiom is not in a love for Silver. It is how Bullion Banks herded clients into metals. In the 90's, Silver was a broken market. PM investors hated it. Every day we heard the demoralizing stories while Swiss Bank shoved Calls down our throats hedging their LATAM producer business.

Losers trade Silver:

- Hunt Bros were robbed. The Comex will cry foul and the Gov't will force liquidation- *no argument. they did it again to Buffet in 1997*
- Silver is a waste product of nickel production now- *Yup, pour acid on mined nickel and out pops Silver. Leech mining* **[EDIT- no more- VBL]**
- Film is dead- there is no use for Silver anymore.- *Yup. I remember looking at potential Silver uses like it replacing chlorine in swimming pools, rationalizing my long call position.. not good*

Silver Was a Roach Motel: The result is Silver had a wider bid-offer on a huge contract not suited for retail. And finally, it had non-continuous liquidity, aka markets that flaked from 1 cent wide to 10 cents wide for no apparent reason. This last part killed me.

Silver was indeed a roach motel in the 90's. If J. Aron (GS) owned the Gold mkt, Republic and HSBC owned the Silver market.**[EDIT- Pre JPM getting the Bear Stearns physical, which was itself inherited from Bache, who took it from Hunts I believe- VBL]** And good luck getting an exit price when you needed one. For energy traders: Ever have to trade Heating Oil without Morgan Stanley or BP involved? Same idea.

But George Soros and PhiBro (based on info and evidence at the time) changed that in 1994. Even though their short squeeze was aborted, it became apparent that Silver shorts were too complacent. Then in 1997 Warren Buffet and PhiBro capitalized on the concept. More on that below.

The Mechanics of Silver Manipulation- Short Con

1. When Gold rallies it did so from origin interest or from Banks releasing recommendations to its "special" clients
2. Silver could lag in early stages of any Gold rally, as it did often in the 90's.
3. Post a Gold rally, Bullion banks still had precious metals demand on its books, and they were likely short Gold
4. The Banks would often say, " Silver is the better value here, we like it and are long"
5. And that was the end of the rally

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How Does Buying Silver Kill Gold Rallies? Think of Silver as the cheapest means at the time to get PM exposure. As hedge fund money allocated to Gold, Silver was left behind initially. What follows was witnessed almost monthly. We watched from our option trading pits as the real life events that determined RSI and stochastics played out in front of us. Here is how it used to play out typically:

1. Big Money Funds Buy Gold
   - Origin Order Flow Buys Weakness: So the Paul Tudor Jones' of the world would get long Gold and some of that flow was handled by the Bullion arms of US Banks
   - Information would leak. Sometimes by the buyer, sometimes by the Bank, usually by both
   - Gold rallied before (Banks buy) during (Tudor buys), and after (see #2 below) the order is filled
2. Tier 2 Funds Enter
   - Either Banks would get a call from the tag-along funds or the banks would call them with a "tip"- *"pssst, Tudor is buying"*
   - The Chesapeakes would buy less than Tudor. And the execution was likely less than perfect- *but they beat the vwap!*
   - Banks also start to sell some of their own longs to the Tier 2 Players to lock in their flow trading profits
3. Momo funds enter
   - At this point, momentum signals would go off and trend chasing funds would start to buy strength, enter Trout and others.
   - But during these days Gold priced supply, not demand. Which means there were no trends, just price discovery for readily available supply to hit the market
4. The Kiss of Death- Buy Silver
   - Now you have all sorts of undercapitalized over-leveraged players looking to get in
   - They can't afford to buy Gold to get proper exposure for their capital
   - The Banks oblige them: "*Buy silver, it is undervalued on a relative basis*"
   - phone clerks used to snicker and announce to the floor *"Trout is buying, game over"*
   - And that was the top. For there was no retail to sell to.

Silver Educates a Reluctant Chartist: So when a colleague at JPM used to say, Buy Silver if you are bullish Gold, he was right. But he always followed it with, **"But it's a quick trade, don't take it home."** So I started watching the RSI and Stochastics as a non-believer in technical analysis. One of the traders I worked with, Gregg Salzman, was a big contributor to learning charts. The result was a begrudging respect for technical analysis as a confirmation of the monthly tragedy we witnessed in Silver.

And the JPM guy was right. In fact, Silver itself was an RSI non-confirmation signal of Gold's overbought status at the time. Less money invested, moved more than Gold that day. And a sign that any fund that had PM money to invest was done allocating. Next up, Banks gunned the stop-loss orders below left by their clients. Tudor? He was long gone by then.

Short Silver becomes a crowded trade

At some point the pendulum had swung too far the other way. Miners were hedging production not yet mined to stay in business. They relied on the ability to borrow above ground Silver in HSBC, Republic etc vaults to make delivery if they had to. Funds did not take delivery, instead always rolling to the next month and getting killed on the contango. During this time I took delivery a few times to see if the contango would snap. It usually didn't until after my FCM forced me to retender. It did start to work later on. **But the Silver prophets were George Soros, and Warren Buffet.**

Why Did Soros and Buffet Play Silver and not Gold?

1. Central Banks did not own Silver
2. In 1994, it was widely held that Soros started his accumulation in Gold and was told "stop" by the Fed- so he turned to Silver with PhiBro
3. Warren Buffet after rescuing PhiBro and its parent company in 1994 makes his own play on Silver. Based from what we saw on Silver miners sloppy cash flow mgt. The Gov't requested he not take delivery. He obliged, lending the miners who did not have Silver to deliver back to them at a 40% cost for a year based on the backwardation.

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Today: Buy Silver if you are Bullish Gold

Because Gold will be:

1. Confiscated where it can be.-When China Confiscates Gold- Get Silver like JPM
2. Taxed where possible.- LATAM countries
3. So-called Physical ETFs flaking on requests for bullion as in the Xetra-Gold fund case.- *do you want a free toaster instead?*
4. Prohibited from being stored in JPM safety deposit boxes- *a CYA in case a Gold count is taken?*
    - *as of April 2015, JPMorgan Chase sent a letter to all renters of safe deposit boxes, specifying a new agreement that they must sign if they wish to continue to rent a safe deposit box. It includes this key phrase: "Contents of the box: You agree not to store any cash or coins other than those found to have a collectible value."*
5. Silver will not be Confiscated **[EDIT- But Comex is not obligated to deliver- VBL]**
    - And the major longs in Silver will do what they can to keep a stable ratio between the 2 metals so that if Gold ever becomes Gov't domain only, and a ratio is fixed for Silver at that time, (or not), the data will back it up.

Related Articles

- A Former NYMEX Trader Explains "The Mechanics Of Silver Manipulation- ZH archived
- Exclusive: Second Whistle Blower Describes Silver Manipulation- ZH archived

WSJ: Markets Look Like They're in a Bubble. What Do Investors Do Now?
Investors see some classic signs of froth, but they are uncertain whether a downfall looms
By Michael Wursthorn and Akane Otani

For once, everyone seems to agree: Much of the market looks like it's in a bubble.

Shares of unprofitable companies like GameStop Corp. GME 67.87% and AMC Entertainment Holdings Inc. AMC 53.65% are rising at a breakneck pace, propelled by a growing army of individual investors. Options activity is surging, bitcoin prices are near records and businesses are rushing to opportunistically sell stock through a flurry of initial public offerings, listings of blank-check companies and follow-on share sales.

To many, valuations look stretched as they hover at levels similar to the highflying days of 2000. That said, high valuations alone don't necessarily mean the rally is near its end, investors say. History has shown that markets have often been able to climb far longer than thought possible, be it the dot-com boom in the late 1990s or the dizzying rise in Japanese stocks in the 1980s.

And recently, the broader stock market has been on the decline. The S&P 500 dropped 3.3% last week, though it remains up 66% from its March low. The bubblelike behavior there has mostly been contained to a handful of individual stocks, not larger indexes.

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An even bigger issue arguing against a marketwide bubble is simple math. With interest rates at rock bottom and further stimulus on the table, many investors are being handsomely rewarded by putting their money into riskier, higher-yielding assets. What's more, in many cases earnings have held up or been robust, despite a global pandemic.

That combination of factors has helped push investor optimism. Bullishness on stocks among money managers is at a three-year high, according to a recent Bank of America survey of 194 money managers who oversee $561 billion in assets. Meanwhile, the average share of cash in portfolios—typically a safeguard against market turmoil—is at the lowest level since May 2013.

Nonetheless, investors are trying to identify what could cause bubbles among individual stocks to pop and whether any of the bursts will spread to the wider market. Next week, investors will get a look at fresh data on the manufacturing sector, earnings from Amazon.com Inc. AMZN -0.97% and Google parent Alphabet Inc. GOOG -1.47% and the January employment report.

"You know, this one has checked off all the boxes from a history book," said Jeremy Grantham, co-founder of Boston money manager Grantham, Mayo, Van Otterloo & Co., who predicted the market crashes of 2000 and 2008. Mr. Grantham has been calling the current market overheated since last year.

But even he concedes the timing of a market top is difficult.

"We know each bubble is a little bit different and, with the help of new trading platforms and the internet, it could set more records," he said.

Mr. Grantham isn't alone in his worries. Nearly 90% of some 627 market professionals think some financial markets are in a bubble, according to a recent Deutsche Bank survey. Meanwhile, Google searches for the term "stock market bubble" reached an all-time high in January.

Jerry Braakman, chief investment officer of First American Trust, says his company, concerned about stretched valuations in the U.S., has been gradually shifting more money into stocks elsewhere.

Lately, "the market has not been correlated to the macro picture," he said.

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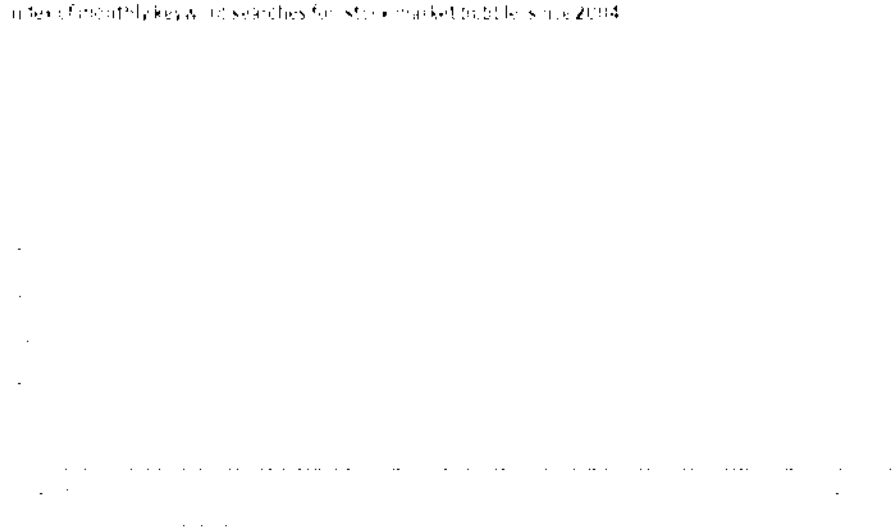
New Year Anxieties



While the moves of some stocks and assets have been jarring, analysts and investors say they aren't surprised by the freewheeling, speculative activity in the financial markets.

A super-accommodative Federal Reserve, low interest rates and, more recently, optimism on the coronavirus vaccine and economy have underpinned much of the buying by investors during the past 11 months. Many Americans built up their savings during the pandemic—and stand to gain even more if Congress follows through on another stimulus package. And the prospect of low returns in most other assets has driven investors to buy stocks more aggressively.

Add to that, more individual investors are trading than ever before. Those investors threw their weight around last year by shocking Wall Street veterans with a rash of irrational stock picks, including Hertz Global Holdings Inc., HTZGQ 7.36% which spiked nearly 900% from its low to its high in the wake of filing for bankruptcy protection.

This year's encores have been even more stunning. On Wednesday alone, 24.5 billion shares and 57.1 million options contracts changed hands, a record driven by individual investors, according to Rich Repetto, a managing director in Piper Sandler & Co. GameStop shares more than doubled that day, briefly giving shares of the beleaguered videogame retailer a more than 1,700% gain since the year's start.

"This is merely one example of what's becoming dozens of dozens," Mr. Grantham said. Other retail darlings include AMC, which jumped more than 300% Wednesday, and BlackBerry Ltd. , whose stock the same day notched its biggest gain in more than 17 years.

Companies are rushing to get in on the action.

Companies have raised $13.4 billion through 24 IPOs so far this year, a 300% jump in listings from the same period last year, according to Renaissance Capital data. Blank-check companies continued to flood the market, with 91 gathering about $25 billion, nearly a third of the value raised throughout all of last year, according to SPACinsider.com. And there have been 111 offerings of additional shares by U.S.-listed companies, doubling the number from the same period a year earlier, Dealogic data show.

Usually, such frenzied activity would lead big money managers to pull back from stocks. But many argue that shares of GameStop, AMC and other highflying stocks represent their own bubbles—and don't pose a threat to the entire financial ecosystem. Analysts at Goldman Sachs Group Inc. GS -1.40% say the run-up in unprofitable stocks, which they say make up about 5% of the overall market, poses little risk of contagion.

"These stocks don't make up the bulk of the stock market," said Samantha McLemore, a portfolio manager at $3.5 billion money-manager Miller Value Partners. "There are so many areas of the market that we're finding attractively valued."

At first glance, investors' go-to for measuring valuations, price-to-earnings ratios, suggests the market looks expensive.

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The S&P 500 currently trades at 22 times projected earnings during the next 12 months, not far off from the 25 times the index traded at in 2000, just before the dot-com crash, according to FactSet.

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But that's only part of the picture. That level looks less concerning once low interest rates and earnings, which are expected to grow, are factored in, several investors and analysts said.

One simple explanation for why investors haven't pulled back more?

"We've seen it in the past—if you think you have a bubble and sell too soon, that can be a very costly trade," said Mr. Braakman of First American Trust.

FT: **US Shale Oil: Can A Leaner Industry Ever Lure Back Investors?**
Producers are consolidating after a tough year but recent higher oil prices are already testing their discipline
By Derek Brower and Myles McCormick

Smaller, slower and more profitable. These are the watchwords for Chesapeake Energy as it emerges from bankruptcy. Free of the colossal liabilities that sank it as the pandemic slashed global energy demand last year, the company has also abandoned the growth-at-all-costs strategy that made it a pioneer of the shale revolution — and poster child of the sector's debt-fuelled excess.

Chesapeake's market value will be a fraction of the $35bn it boasted more than a decade ago, back when its controversial founder, the late Aubrey McClendon, was America's best-paid chief executive and his company poured money into everything from Oklahoma real estate to an NBA arena. The new Chesapeake pledges to spend less than it brings in and return the excess to shareholders.

Outside the US oil and gas industry, this wouldn't sound radical. Within the business, it is a departure. The only feature that matched shale's disruptive rise in the past 15 years — more than doubling US oil and gas production and sharply reducing dependence on foreign oil supplies — was the industry's unmatched knack for destroying investors' money, as hundreds of billions of dollars were spent with little return. Wall Street reacted by dumping its stocks, making the sector one of the S&P 500's smallest. When the worst oil crash in decades struck last year, operators were forced to slash capital expenditure, sack tens of thousands of workers, idle rigs and cut production. Chesapeake's Chapter 11 filing was just the most high-profile of scores of bankruptcies.

Now, promise shale executives, a more resilient industry is emerging from the ashes that aims to woo investors. Like the reincarnated Chesapeake, it will be smaller — some analysts believe the sector will be reduced to just 10 dominant shale producers. Production increases will be modest, and financed from cash flow. And activity will focus on fewer prolific shale fields, mainly in Texas. Oil operators that feared new US president Joe Biden's ambition to launch a green energy revolution would stymie the industry's drilling and slow production growth, now promise to do both themselves.

US oil production boomed over the past 10 years

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"I do believe we have a lot of proving to do to get investors back," says Vicki Hollub, head of Occidental Petroleum, which 18 months ago racked up $50bn in debt buying a rival producer in a deal now considered one of the most reckless

gambles in the shale patch's short history.

Cash flow and earnings growth must be the new priorities, Ms Hollub says. "I believe that the watershed moment is here and our industry will, I don't think, ever be the way we have been in the past."

Can the industry's new pitch be trusted? Some investors remain sceptical, remembering how past promises of capital discipline crumbled when oil prices rose. "Give an oilman a dollar and he'll drill a well," runs the old industry adage. In an era when environmental concerns are already deterring investment in fossil fuels, and long-term growth in oil demand is no longer assured, shale executives know they cannot risk breaking more promises.

"Why should investors trust it?" asks Matt Gallagher, who headed Parsley Energy, a shale producer acquired by larger operator Pioneer Natural Resources last year. "They shouldn't."

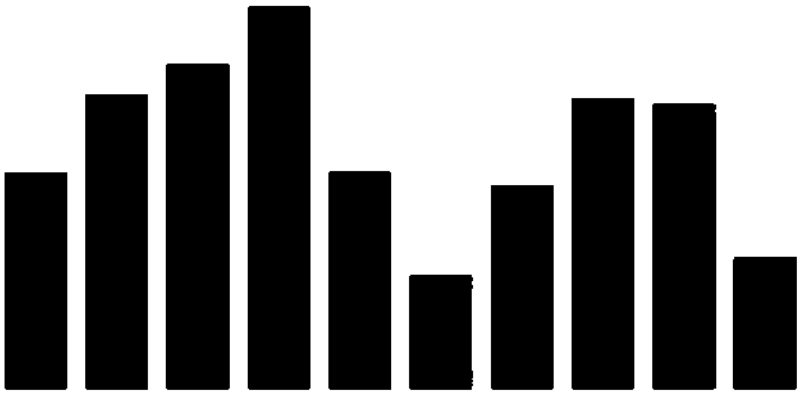
Early warning signs

After years of growth, shale's cash-intensive business model was running on fumes even before Saudi Arabia's price war with Russia and the coronavirus pandemic crashed the oil market last year. The sector's defining feature is the fast decline of each shale well's production, where output can drop by 80 per cent after just a year. To offset the loss, another must be drilled. Then another, to offset that well's loss.

"In a shale play if you stop running, you will fly off the back of the treadmill," says Raoul LeBlanc, vice-president of energy at consultancy IHS Markit and former head of strategic planning at Anadarko Petroleum, the company bought by Occidental in 2019. "Just to stay still, you've got to do a lot of drilling."

Operators drilled more than 14,000 shale wells in 2019, according to Rystad, an energy research company. It helped the US hit record-high oil output near 13m barrels a day, a level unmatched even by Saudi Arabia and Russia, the world's next biggest producers.

Shale industry capex tanked in 2020



That was a rise from 5m b/d just eight years earlier — a surge that sparked booms from Texas to North Dakota and helped drag the US economy out of the mire of the global financial crisis, adding one percentage point to GDP between 2010 and 2015, according to the Federal Reserve Bank of Dallas. But it required huge infusions of cash offered at basement interest rates. Rystad says the sector spent around $400bn capital in those years, but by 2019 free cash flow arrived only once, in 2016.

"The fundamental problem with the shale model over the past decade has been the pursuit of growth over return on capital employed or returning capital to shareholders," says Ben Dell, managing partner at Kimmeridge, a private equity firm that has built up an activist position in the sector.

Investors that rushed to finance shale's recovery from the 2014-15 price crash — an earlier Saudi price war to capture market share — were fleeing by 2019. As capital markets began to close for shale companies, operators were forced to trim spending plans, reducing new drilling activity. With profits still absent and growth prospects diminishing, the shale

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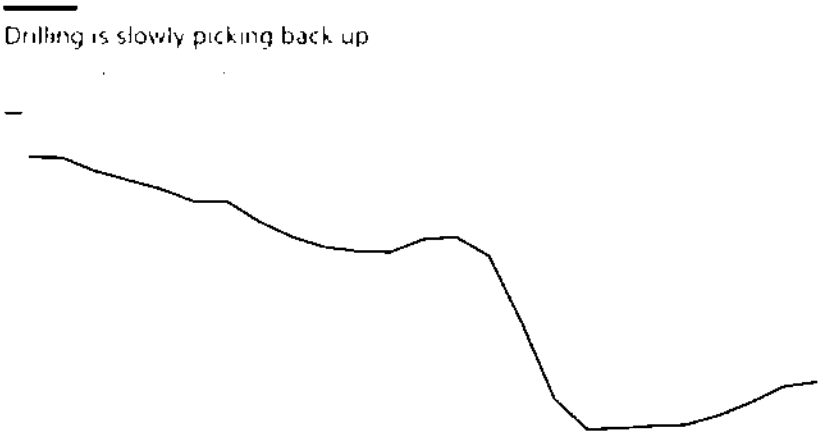
patch entered 2020 in distress.

A reputation for flagrant corporate misgovernance and excess — from colossal executive bonuses earned by hitting oil output growth targets, not profits, to flashy office developments and rumours of company-funded hunting trips — didn't help.

Then came last year's price crash, including the symbolic moment in April when West Texas Intermediate, the country's benchmark crude contract, traded below zero for the first time. "Covid hits, oil prices collapse, everyone has to cut their capex, valuations crash," says Aaron DeCoste, an equity analyst at Boston Partners, an institutional investor. "And it's effectively reset the entire industry."

Just a few shale companies showed they could survive the collapse last year in relative health, says Mr Gallagher. From Chesapeake to scores of smaller producers, the distress was acute, with more than 100 operators and service providers, with $102bn in debt, going under, according to a Rystad analysis from law firm Haynes and Boone.

"The ones that went wrong went way wrong," Mr Gallagher says. "What's going on now is people are finding religion about the models that work."



M&A rush

One tenet of the new shale "religion" is that scale is critical to survival — but of operators, not the overall sector. The mergers and acquisitions to achieve adequate size, coupled with the consolidation of weakened companies, will continue to shrink the number of producers.

Lee Maginniss, managing director at Alvarez & Marsal, an advisory firm involved in oil industry restructuring, says subscale producers will face "intense" pressure. From around 500 exploration and production companies in the US before the crash, 50 may survive, he says. Other analysts say just 10 or so dominant public shale companies will be left to run the best plays.

M&A activity is brisk, with $52bn worth of deals done in the US oil sector last year, according to Enverus, a data provider. Chevron moved first, buying Noble Energy in July. ConocoPhillips bought Concho Resources. Devon Energy merged with WPX Energy. Heavy debt, battered balance sheets and weak equity valuations meant that stocks, not cash, were the currency in each deal.

Pierre Breber, Chevron's chief financial officer, expects the consolidation wave to continue. "You need to have bigger players, stronger players, more disciplined management teams, stronger balances sheets," he says. Scott Sheffield, Pioneer's chief executive, says only companies with market capitalisation above $10bn will remain attractive to a value-focused investor base.

AMERICAN OVERSIGHT

Scale will also allow them to compete with ExxonMobil and Chevron, US majors which have built up commanding shale positions. Between them they intend to produce about 2m b/d from the Permian Basin later this decade — almost a fifth

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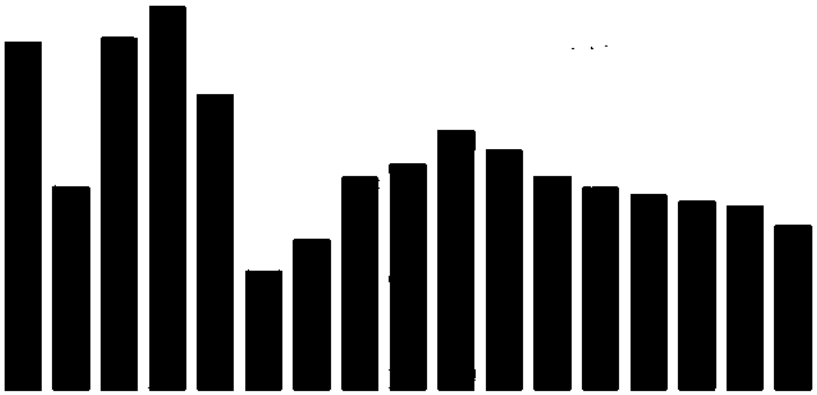
of total current US crude production.

Most of the M&A activity has occurred in that shale oilfield, the world's most prolific, where operators will concentrate on the rich layers of oil-bearing rocks in the Delaware and Midland Basins of New Mexico and Texas. Gas-focused players, such as the revamped Chesapeake, are likely to stick to their best assets. Other shale fields, even the Bakken of North Dakota that sparked the shale oil rush a decade ago, will lose out.

"The heydays of the Bakken, [Texas's] Eagle Ford, [Nebraska's] Niobrara, the Scoop Stack play in Oklahoma, are all over," says Mr Sheffield, referring to other shale fields in the US.

The number of shale wells drilled is about to rise again



Capping output

But the main feature of the post-crash shale patch will be an era of tepid growth — if it expands at all. Rick Muncrief, chief executive of Devon, says his company can now break even at $30 a barrel or less, well below the $50-plus for oil in recent weeks. Yet Devon will hold its rig count flat this year, only drilling a few wells to meet the lease terms of some acreage.

"From publicly traded companies you'll see a very measured response," says Mr Muncrief. US oil production is likely to fall by 200,000-300,000 b/d as a result, he believes, remaining around 11m b/d — well below the record highs set before last year's crash.

"Are people going to return to growth? Is US shale going to grow? The answer is no," says Mr Sheffield. "Don't anticipate a big ramp up in drilling, people are not going to go back to the old ways."

Even if oil prices hit $100, Mr Sheffield says his company would only increase output by 5 per cent a year — less than half the rate of average annual growth in total shale production between 2008 and the beginning of last year.

AMERICAN OVERSIGHT

US shale companies are beginning to live within their means

Analysts say this will be enforced by the market, which has punished excessive supply growth — even before the pandemic hit last year — reducing oil and gas's share of the S&P 500 almost to a footnote.

"The reason why energy is down to 2 per cent of the S&P 500 is because of that behaviour," says Mr Breber. Until the world has fully recovered, it will not need shale producers to increase oil supply, he says.

So far, operators are holding the line. Rystad says third-quarter capital spending by the 39 main shale operators it covers was $3.6bn beneath cash flows from operations, allowing a record 89 per cent of operators to balance their budgets. If the discipline sticks, dividend- and value-focused investors could be lured back.

"I see attractive fundamentals that I haven't seen for 20 years," says Mr DeCoste, referring to the cheap valuations of some operators, juxtaposed with expectations for higher oil prices. But he is cautious about the new capital discipline pledges: "It takes years to build your reputation and moments to destroy it."

Prisoner's dilemma

Despite the wave of consolidation, other analysts and investors remain unconvinced by shale's new mantra and more mature outlook, saying operators will be unable to resist another supply surge if the recent price rally continues. "Gordon Gekko once said 'greed is good'," says one adviser to shale operators. "In the oil patch that means 'growth is good'."

Chief executives are just "giving the audience what it wants to hear," says Art Berman, a consultant and shale sceptic. Forgoing growth is "absolutely antithetical to the DNA of oil companies in general, but shale companies in particular".

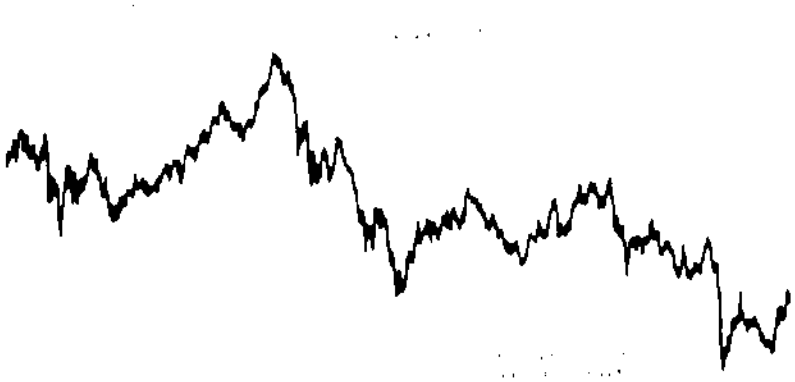
Investors will be hesitant to take operators' pledges on faith alone, says Ms Hollub. "It's going to be a 'show me' situation with them."

Higher prices in recent weeks are already testing operators' resolve. The weekly horizontal rig count hit 338 in mid-January, more than 60 per cent above its low in August. Private operators, which account for about 15 per cent of onshore US oil production, have led the resurgence, taking advantage of falling costs caused by the drop in demand for oilfield services from publicly listed companies.

"We can drill cheaper," says Wil VanLoh, head of Quantum Energy Partners, a large private equity shale investor, referring to his portfolio companies. "By definition, private capital is growth capital . . . we out-drill our cash flow until the time we get to positive free cash flow."

AMERICAN OVERSIGHT

Investors have fled the US shale patch in recent years



It is the kind of message that public company bosses, insisting they will not be drawn into another competitive drilling binge, do not want to hear — especially as some analysts project more oil price increases. Goldman Sachs predicts Brent, the international benchmark, will rise to $65 a barrel by mid-year.

Rystad's head of shale research, Artem Abramov, says he expects 2021 to "become the best year for the industry from the perspective of free cash flow generation". It may even allow for profitability — and new production growth, testing operators' promises to investors.

At an average WTI price of just $52 a barrel this year — around the current price — the shale operators Rystad covers would rake in almost $41bn from operations. After capex commitments, debt payments and more than $4bn returned to shareholders, they would still have $8bn of net cash in hand. The question is what they do with it.

"I think they lose discipline and they probably bring on too much growth, and damage the market again — like they did every year in the past," says Mr LeBlanc. "They're in a prisoner's dilemma. They never have discipline as a group, because they're all competing with each other."

FT: China Oil Futures Hit Record Levels

Beijing eyes Rmb-denominated markets that seek to challenge dollar's dominance

By Thomas Hale

Activity in China's oil futures market has risen to record levels as the country seeks to develop the role of its currency in a trade dominated by the US dollar.

Open interest in oil futures on the Shanghai International Energy Exchange (INE), a measure of the total number of contracts outstanding, leapt to a daily average of 118,249 in 2020 — four times higher than in 2019. Trading volumes climbed more than 20 per cent year on year.

A rise in trading and positions in the contracts, which were launched in 2018, forms part of a longer-term push by Beijing to establish renminbi-denominated markets that ultimately seek to challenge the dollar's dominance.

The new market "has done well beyond a lot of people's expectations, including mine", said Jian Yang, research director at the JPMorgan Center for Commodities at University of Colorado Denver. He added that the market could provide "potentially huge opportunities for promoting global usage" of the renminbi.

China is the world's largest importer of crude oil — a role that has intensified thanks to the country's swift economic recovery from the coronavirus crisis. Last year it imported a record 542m tonnes of crude oil, up 7 per cent from 2019.

But its oil futures market, which is vital for allowing investors to hedge against or speculate on price movements, is still dwarfed by dollar-denominated international benchmarks.

AMERICAN OVERSIGHT

Renminbi oil futures traded on the Shanghai Stock Exchange launched in 2018, followed by contracts for copper in November last year that sought to rival London's dominance in metals trading.

The establishment of its own commodities contracts has been a slow-burn priority in China for the past decade, but has gathered pace alongside financial market liberalisation policies pursued last year as foreign capital rushed to the country in the midst of the pandemic.

Last year, overseas purchases of Chinese bonds and stocks through Hong Kong programmes amounted to about Rmb1tn. In November, China increased foreign investor access to futures markets on the mainland, as part of reforms to its tightly controlled financial system.

Michal Meidan and Adil Imsirovic at the Oxford Institute for Energy Studies noted in a recent paper that the INE contract was still "far from being a benchmark".

But they added that a near collapse in global oil markets last year had boosted the Chinese market's appeal as increases in storage capacity encouraged established foreign traders to deliver more into China.

"As liberalisation of the Chinese energy market continues, delivered oil market in China will grow in importance and the role of the INE contract will increase with it," they wrote.

Tom Reed, vice-president at Argus Media, said that some international hedge funds were exploring participating in the Chinese oil futures market. He suggested that the increase in activity was likely to be driven primarily by speculation, including by the country's retail traders.

"It's a financial market, but not in the sense that Brent is," he said. "It's somewhere for people to put their money and try to make profits from short-term [movements]".

FT: GameStop Curbs Put Clearing Houses Under the Spotlight
Volatility prompts firms with crucial settlement role to increase collateral demands
By Philip Stafford and Joe Rennison

The crucial role played by clearing houses in financial markets has been thrust into the spotlight after contentious moves by US brokers such as Robinhood and Charles Schwab to restrict retail investors' bets on stocks at the heart of the Reddit-fuelled trading boom.

Customers reacted angrily on Thursday as brokers moved to stop them opening new positions in certain red-hot stocks, accusing them of unfair treatment or even a Wall Street establishment plot. But the brokers gave a more mundane explanation: the extra volatility in share prices meant they had to hold more capital at the institutions that clear their trades.

What do clearing houses do?

These unobtrusive venues normally sit in the background of daily market activity but they can become the centre of attention during periods of volatility when they require more cash — or "margin" — from their members to ensure that deals are honoured as customers expect.

An equities trade that has been executed can take up to two days to be legally settled, creating a risk of it failing if either side of the trade defaults. A clearing house stands between the two sides to manage the risk to the market if that happens.

Each day members of the clearing house, which range from small brokers like Robinhood to big Wall Street banks such as JPMorgan and Citigroup, are required to put up margin as insurance for their trades.

The amount is calculated by the clearing house and is based on the amount of trading carried out by each member, as well as the volatility of the individual securities traded. Margin is generally collected at the start of the trading day, although there can be intraday calls in frenzied periods, in an attempt to protect the wider market from sudden trade failures.

AMERICAN OVERSIGHT

The clearing member often has limited time to make up the shortfall and the margin typically has to be an asset that is highly liquid, such as cash, US government bonds or shares. In the middle of the market volatility last March, one US bank was required to find $9.6bn of margin for derivatives trades within an hour.

How do brokers such as Robinhood fit into this?

In common with rivals such as Schwab and ETrade, Robinhood clears its own trades and is a member of the main US equities clearing house, run by DTCC.

While self-clearing saves on the fees that would otherwise go to another clearing broker, it also means Robinhood takes on the risk that an executed trade does not settle, and needs to have more cash on hand to cover shortfalls. It also faces higher costs if the clearing house raises margin requirements in volatile periods to protect against a member default.

"The extreme volatility is a big factor behind this," said Andy Nybo, managing director at Burton-Taylor International Consulting. "They need to make sure they are able to meet cash requirements, whether it is for clearing or to investors that are owed money due to trading activity."

As Robinhood said in a blog post on Thursday, the requirements "can be substantial in the current environment." It declined to comment further.

Between Wednesday and Thursday, the margin call from DTCC across the US equities market rose from $26bn to $33.5bn, the clearing house confirmed.

DTCC said the frenzied trading in shares such as GameStop and AMC Entertainment "generated substantial risk exposures at firms that clear these trades . . . particularly if the clearing member or its clients are predominantly on one side of the market."

How did brokers respond?

Safety mechanisms built into the market's infrastructure across Wall Street led to periodic halts in trading activity on Thursday. In order to ensure they had enough money to cover margin and capital requirements, Robinhood and others such as Schwab and TD Ameritrade raised margin for trading on some of the names at the heart of the volatility, which required more cash be set aside after each trade.

This limited its margin needs from escalating further. By allowing users to close positions, it was still permitting trades that would reduce its immediate need for cash.

Robinhood also raised the margin requirements for customers that had not paid for the total value of their trading up front, having cut its margin requirements in December in an attempt to drive more trading activity. That meant some customers suddenly needed to come up with cash to cover trades.

Behind the scenes, Robinhood moved to raise a fresh $1bn in capital from its existing investors, which it announced ahead of trading on Friday. The company said the fundraising was a "strong sign of confidence from investors that will help us continue to further serve our customers".

Anthony Denier, chief executive of Webull, another company that was forced to restrict trading in some shares, said in an interview with Yahoo Finance that its clearing firm "simply could not afford" the cost of entering into new trades.

"This has nothing to do with a decision or some sort of closed, cigar smoke filled room of Wall Street firms getting together to the dismay of the retail trader," he said.

WSJ: Why Did Robinhood Ground GameStop? Look at Clearing
Frenzied trading in GameStop and other stocks highlights role of clearinghouses
By Telis Demos

When some online brokers including Robinhood Markets Inc. and Webull Financial LLC moved this week to restrict trading in GameStop Corp. GME 67.87% , AMC Entertainment Holdings Inc. AMC 53.65% and other stocks, fueled by Reddit's WallStreetBets forum, they did so in part because of obligations with clearinghouses that help ensure trading across the market isn't disrupted by defaults. Here's how it works.

OVERSIGHT
INVESTIGATION

What is a clearinghouse?

Consider the basics of trading: Buyers and sellers must agree on a price. The buyer then must pay the seller, and ownership must be formally transferred.

Enter clearinghouses. The clearinghouse collects and distributes payments and transfers ownership. So traders are free to focus just on price, and to take the best price in the market regardless of who is offering it. Neither side has to worry about the other's ability to pay.

For stocks in the U.S., the main clearinghouse is National Securities Clearing Corp., which is part of a larger clearing organization that operates in other markets, called Depository Trust & Clearing Corp.

Clearinghouses serve to mutualize risk. Members keep cash or collateral such as Treasury securities at the clearinghouse to cover their own activities and the obligations of other members should they fail. The clearinghouse might ask the members to post more of this money, often known as margin, if they are making riskier trades. The aim is to ensure that no individual member's failure causes the whole system to collapse.

How does the financial crisis figure in this?

In response to the 2008 collapse of broker-dealer Lehman Brothers Holdings Inc., lawmakers writing the Dodd-Frank Act sought to beef up supervision of clearinghouses and to push more trading into clearinghouses. The focus was primarily on so-called over-the-counter derivatives, like credit-default swaps, that didn't have a central marketplace. The reforms also affected some longstanding clearinghouses, including National Securities Clearing Corp., by designating them as systemically important financial market utilities, which subjected them to greater regulatory scrutiny.

Why would a clearinghouse have to increase requirements?

As noted earlier, margin requirements often rise with risk. A sharp rise in the price of any security raises the prospect that it will decline just as fast, potentially adding to the risk of those trading and holding as collateral these securities.

A challenge in the stock market is that settlement is not instant. The system allows two days after the day a trade happens until the shares and money must change hands, known as "T+2" settlement. Over those two days, the risk that a party might be unable to complete a trade can, in rare circumstances, change dramatically based on market conditions.

One such circumstance might be when the price of a security is extraordinarily volatile. In that case, the seller is exposed to increased risk that in the event of a failure of a buyer to pay up, the security they would be stuck still owning is worth dramatically less. The extraordinary volatility of a stock like GameStop would increase such a concern.

Another is the risk that a party suddenly owes an outsize amount of cash. In a normal market, any clearing member likely has a mostly balanced book of buys and sells, meaning they are both paying and receiving cash. And often many of their own customers' trades cancel each other, meaning they have no net obligation to the clearinghouse. But when a firm has a huge imbalance of buy orders, its obligation to pay cash skyrockets. This may have been the case this week, when there was much demand for just one or two stocks.

So who decides it's time to increase margin requirements?

How a clearinghouse judges these risks, and therefore when it makes demands for more upfront funds, is typically formulaic. Margins can be based on equations such as value-at-risk. Exactly how the formula works, and who is responsible for losses in what order, are important elements. In the case of National Securities Clearing Corp., losses would be covered by the defaulting member's funds before the clearinghouse's own funds or other members' funds would be used.

A broker like Robinhood would also have to make decisions about its own capital, and how much it was willing or able to tie up in settlement. A broker may face separate obligations for capital levels, like with the SEC. Other brokers also clear via another intermediary—like Apex Clearing, through which WeBull clears—that is a member. These intermediaries may have their own risk controls they apply to their clients.

AMERICAN OVERSIGHT

By Michael P. Regan

The rarely discussed role that clearing firms play in settling stock trades is at the heart of what caused Robinhood and other brokerages to restrict trading of some companies this week.

Larry Tabb, head of market-structure research at Bloomberg Intelligence, explains how the process works in a Q&A below.

Question: So what is the most important thing to understand here?

Tabb: The settlement process -- cash and securities officially change hands two days after a trade. During those two days, a lot of things can happen. The problem is, what happens when a trading counterparty and/or a firm cannot afford to pay for the securities they bought? If that occurred, and if the clearinghouse didn't guarantee the other side of the trade, then the client would either not receive securities or not get paid, and the trade would have to be broken.

That is very bad. Not necessarily for a retail client buying 100 shares or so, but what if it was a big fund or a major player, like Robinhood or let's say Lehman Brothers?

So if Lehman were to default (which it did) on all of its trades, then all of the folks on the other side of Lehman's trades would send in their securities to Lehman, but wouldn't get paid. Then the brokers who didn't get paid wouldn't be able to afford to pay for the securities that they bought. So you would have cascading failures.

So to ensure this doesn't happen, they have clearinghouses. The clearinghouse takes the other side of the trade and guarantees settlement even if someone like Lehman goes bust. To do that, they have a waterfall of capital. First there is the securities in the client's account (which support the broker and not the clearinghouse), then the margin provided by the broker , then there is capital provided by the clearing member, then there are IOUs by the big brokers to fund the clearinghouse, then there are central banks.

Question: Can you explain how high-flying stocks like GameStop and AMC make clearing firms require more margin collateral?

Tabb: So the amount of margin needed is determined by the riskiness of the securities that are bought. Most securities' value stays pretty stable. However, given the volatility of these names and their overvalue, the problem is: Who knows what they are worth? And given that two-day lag, the clearinghouse can't guarantee that the buyers will pay for their securities nor the sellers will come up with the securities to deliver.

Question: So if I'm a Robinhood customer, and I buy shares of GameStop or AMC or any of these wild Reddit stocks, what would prevent my counterparty from being able to deliver? I'm guessing if it's a super-high short interest, the brokerage on the other side may struggle to find the stock to deliver?

Tabb: Yup. And the problem is, if I am a hedge fund and I am short GME at $30, I have to buy it back at $500 or pay some astronomical fee to borrow it.

Question: So firms like Citadel Securities, which execute trades for brokerages like Robinhood, have nothing to do with this?

Tabb: No.

Question: So a clearing firm somewhere got concerned, and called Robinhood and said this has all gotten out of hand, we need more money in your account?

Tabb: So Depository Trust & Clearing Corp. -- actually National Securities Clearing Corp., which is owned by DTCC -- upped the capital that is needed to guarantee those trades. Now the broker can't guarantee those trades with the clients' cash -- a la MF Global -- the broker needs to pledge their own capital. And given the massive trading in GameStop, AMC, the amount of capital was really substantial. And Robinhood and a few others just didn't have the capital. So Robinhood needed to borrow $1 billion to cover their clients' settlement.

AMERICAN
FREEDOM

Reuters: Analysis: To the Brink and Back on GameStop - Wall Street vs Reddit
By Svea Herbst-Bayliss and Maiya Keidan

On three hours of sleep a night and with no time to eat, one New York-based hedge fund manager overseeing billions in assets called last week the most stressful of his life.

"Nothing was making sense anymore," he said, as he watched the stock of GameStop Corp soar, while he bet it would fall.

Wednesday was the worst. Fueled by chatter on Reddit and other social media to take on Wall Street, investors used venues like online trading app Robinhood to bid up the brick-and-mortar retailer. GameStop surged 135%, on its way to gaining more than 1,500% in January without any change in its business outlook. Hedge funds scrambled. By this point trading had become so unpredictable across all sectors that funds were forced to dump their winning stocks to balance out their portfolios.

"It's time to cut out," the manager said he told his team. "Let's live for another day."

The experience of this manager and a handful of others interviewed by Reuters over the last days, who all requested anonymity for fear of personal threats from retail investors, is a keyhole into a week of losses on Wall Street they say was far worse for them than last year's historic pandemic sparked sell-off.

As a new week of trading begins, it remains to be seen how long the Reddit-fueled rally in traditionally unloved stocks will last.

More immediately, it could mean more market losses if hedge funds have to keep selling to meet redemptions or right their portfolios. Longer term, they may have to shift strategies to find their footing and turn the tide to their advantage.

"What is not clear as yet is whether this disruption will evolve into a market accident," said Mohamed El-Erian, chief economic advisor of Allianz.

CROWDED TRADE

The extent of losses has exposed a big weakness on Wall Street. Analytics firm S3 said GameStop short sellers had mark-to-market losses of nearly $20 billion so far this year.

Several hedge fund managers said the idea to short GameStop had long been a favorite at exclusive "idea dinners", where fund managers swap their best trades.

Managers also noted traders, many of whom who work at multi-strategy funds that employ pods of portfolio managers, traders and analysts, often know each other well and may compare notes.Gabe Plotkin's Melvin Capital, one of the funds gored most by GameStop's gains, took a $2.75 billion bailout from his one-time mentor Steve Cohen and Citadel's Ken Griffin. The funds involved have taken a dent: Cohen's Point72 Asset Management lost roughly 15% in January partly because of its investment in Melvin. Melvin's assets slid during the month from around $12.5 billion to $8 billion, a source familiar with the situation said.

Maplelane Capital, another fund that bet against GameStop, had lost roughly 45% in January, a person familiar with the fund's returns said. Even Viking Global Investors, one of the world's best-performing hedge funds, was off some 7%, people familiar with the returns said.

Representatives for Plotkin, Cohen and Griffin declined to comment.

"Being short consensus stocks is just bad business," said Dinakar Singh, a former Goldman Sachs trader who now runs hedge fund Axon Capital and was not short the stock. "It is great while it is working but when it isn't anymore one guy's problem triggers everyone's headache. It becomes a circular disaster."

INVESTING 'INSANITY'

Fund managers said the week's experience is changing the way they do business. Citron's Andrew Left, who ignited the retail trading frenzy by publicly detailing GameStop's issues, acknowledged defeat by Friday. He had covered his positions, taken a loss, and said he will stop publishing short-seller reports, a strategy that earned him millions and made him a prominent name in the industry.

AMERICAN OVERSIGHT

Hedge funds will also be much more cautious about having short positions going forward for fear of becoming a

"mindless target", said one former hedge fund manager, adding that "kind of defeats the purpose of hedge funds." Traditionally hedge funds promised investors a cushion against market declines by being able to sell short and make money when stocks drop.

Funds are also less likely to use trading strategies such as put options, a kind of derivative that has to be disclosed and that Melvin and Maplelane used, the managers said.

At the same time, though, one thing will not change: Wall Street thinking of new ways to make money again.

Already the tide started to turn somewhat late in the week for hedge funds as Robinhood and other some online brokerages used by millions of retail investors restricted trading in the stock.

Many hedge funds still remain on the other side of the GameStop trade, with the number of shares shorted having dropped only 8% during the week as firms like Melvin covered positions. One New York-based banker said his clients were looking for other possible targets of retail trading frenzy and positioning themselves ahead of it to make money if the eye of Reddit turned that way. "People have spent all week running their screens on other situations that might fit this criteria," the banker said. "You're going to see more of it."

"This isn't investing, this is insanity," said Kyle Bass, founder, Hayman Capital Management LP. "A month, two months from now, I will be flabbergasted if GameStop isn't below $100."

WSJ: GameStop Frenzy Puts Spotlight on Trading Giant Citadel Securities
Firm owned by hedge-fund billionaire Ken Griffin executes orders for Robinhood customers
By Alexander Osipovich

Small investors banding together online to pump up stocks like GameStop Corp. say they are defying Wall Street. But one of the biggest players in global markets stands to benefit from their frenetic trading.

Citadel Securities, the electronic-trading firm owned by hedge-fund billionaire Ken Griffin, has played a quiet but critical role in the frenzy of the last two weeks.

The firm—an affiliate of Mr. Griffin's hedge fund, Citadel—executes orders placed by customers of Robinhood Markets Inc., TD Ameritrade and other online brokerages that have enjoyed surging volumes during the coronavirus pandemic.

Citadel Securities makes money by selling stocks or options for slightly more than it's willing to buy them. The difference is often just a fraction of a penny per share. But repeated millions of times a day, it adds up to serious money.

Last year, net trading revenue at Citadel Securities was $6.7 billion, almost double the previous high in 2018, a person familiar with the matter said.

Among the forces propelling that growth was an influx of newbie traders, many stuck at home due to Covid-19 lockdowns. Lured by easy-to-use trading apps and an industry shift toward zero-commission trades, individual investors opened more than 10 million new brokerage accounts in 2020, JMP Securities estimates.

Meanwhile, a thriving subculture of day traders grew in corners of the internet like Reddit's WallStreetBets forum, setting the stage for last week's manic trading in GameStop, AMC Entertainment Holdings Inc. and several other popular stocks.

"This is the market that Ken Griffin and Citadel Securities have been waiting for," said Christopher Nagy, a former TD Ameritrade executive who is now a director of Healthy Markets Association, an investor group. "The last time the environment was this good for retail market-makers was back in the dot-com bubble."

The firm drew scrutiny last week when its majority owner, Mr. Griffin, participated in a $2.75 billion emergency cash infusion into Melvin Capital Management, a short seller that was facing steep losses due to the huge rally in GameStop's stock.

Announced Monday, the deal meant Citadel, the hedge-fund firm, was propping up a fund that had bet against GameStop stock, while Citadel Securities had been profiting from the order flow of small investors placing bullish bets on GameStop.

AMERICAN OVERSIGHT

Citadel Securities says it's separately managed from the hedge-fund side of Mr. Griffin's business. The firm also released data showing that during the past week, retail orders pouring into its systems for GameStop were roughly balanced between buyers and sellers, casting doubt on the popular narrative that small investors drove the stock to its record close of $347.51 on Wednesday.

The data showed that 29% of GameStop trading volume Monday through Thursday was handled by Citadel Securities, underlining its huge role in the market for stocks popular with individual investors. Overall, about 41% of U.S. retail stock-trading volume goes through Citadel Securities, while the next-biggest player in the business, Virtu Financial Inc., has a market share of around 32%, the firms say.

"We witnessed an extraordinary level of retail trading last week," a Citadel Securities spokesperson said. "At many times over the course of the week, the large brokerage firms depended upon our capabilities to handle the deluge of orders."

Citadel Securities also accounts for a large chunk of trading volume on public markets like the New York Stock Exchange as well as in options, futures, Treasurys and many markets overseas. Founded in 2002, the firm became a dominant player in electronic trading due to its technological prowess, quantitative skills and a hard-driving company culture. Rivals say it has grown increasingly tough to compete with Citadel Securities' scale and efficiency.

"They're really trying to take an Amazon approach to trading, where they try to squeeze out everyone else who's not on their scale," said Scott Knudsen, a former executive at rival trading firm IMC Financial Markets who now leads Cove Markets, a cryptocurrency-trading startup.

Citadel Securities' retail business has repeatedly drawn controversy. Like Virtu and other market makers, Citadel Securities pays brokerages for the right to trade against individual investors' orders. During the first three quarters of 2020, the firm made over $700 million in such payments to major online brokerages, according to Piper Sandler.

Critics say this practice, called payment for order flow, skews brokers' incentives so they seek to maximize revenues rather than ensure customers get the best price. The practice is banned in some overseas markets, like the U.K. Earlier this month, former U.S. Sen. Carl Levin published an op-ed piece in the Financial Times urging the incoming Biden administration to ban payment for order flow, calling it "a conflicted practice that siphons billions out of U.S. investors' funds each year."

Brokers and trading firms, including Citadel Securities, say payment for order flow benefits investors, because they get a better deal than if the orders were sent to the NYSE or the Nasdaq Stock Market. Citadel Securities says it saved individual investors a total of $1.3 billion last year by executing their orders at better prices than those available on exchanges.

The argument is that, in fact, both sides win: Citadel Securities can offer individual investors better prices on stocks than it would on an exchange, because it knows it's trading against a player too small to move the market. In contrast, when Citadel Securities trades on an exchange, it may end up trading with a fund manager that is driving a stock up or down with institutional-size purchases or sales—a situation that could result in losses for Citadel Securities.

Still, regulatory penalties have fueled suspicion about the firm's handing of individual investors' orders. In 2017, Citadel Securities paid $22.6 million to settle Securities and Exchange Commission charges that it misled customers about providing the best price on investors' trades. Last year, the firm paid $700,000 to resolve claims by the Financial Industry Regulatory Authority that it traded ahead of customer orders in over-the-counter securities. In both cases, Citadel Securities didn't admit wrongdoing.

FT: **GameStop Mania: Why Reddit Traders Are Unlikely to Face Prosecution**
Regulators would need to find evidence of deception to prove market manipulation, say lawyers
By Kiran Stacey

Last week's stock market turmoil sparked a probe by US financial regulators into whether market manipulation was involved, but lawyers doubt it will lead to prosecutions.

The Securities and Exchange Commission announced on Friday it was looking into what happened when users of Reddit chat rooms drove shares in a handful of companies — including the games retailer GameStop — dramatically higher.

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But while retail investors succeeded in squeezing large institutional investors, experts do not believe their actions are

likely to amount to market manipulation.

“If someone has been posting on a subreddit [messaging board] that they are very enthusiastic and are acquiring shares in a company, and all the while they are selling, then you have a potential violation,” said Joseph Grundfest, a Stanford professor and former commissioner at the SEC.

“But if in all of the tweets and postings there is no misrepresentation, then you could well find that there are no violations in law.”

Last week’s market frenzy has presented regulators with an unusual challenge. While speculation has driven rushes on stocks before, it is rare for retail investors to buy in such numbers that they squeeze out large institutions that have bet against those companies.

The buying spree targeted companies against which institutional investors had taken out short positions, betting on their decline.

Retail investors discussed how, if they bought in enough numbers, they could force short sellers to buy shares to stem their losses, thereby adding fuel to the rally. Traders egged each other on over Reddit message boards, repeating a mantra borrowed from Disney series The Mandalorian: “This is the way”.

Regulators are worried this co-ordinated activity has created a bubble which is likely to burst, potentially causing ruinous losses for some retail investors. Allison Herren Lee, the acting chair of the SEC, said in a joint statement with three other commissioners on Friday: “Extreme stock price volatility has the potential to expose investors to rapid and severe losses and undermine market confidence.”

But if the SEC wants to take enforcement action against any of the market participants, legal experts say they will have a difficult case to prove.

The Securities Exchange Act of 1934 makes it illegal to use “any manipulative device or contrivance” in buying or selling regulated shares.

But manipulation, say legal scholars, is a term of art. “Manipulation is like what [Supreme Court justice] Potter Stewart said about obscenity,” said Todd Henderson, a law professor at the University of Chicago. “You know it when you see it.”

Most commonly, regulators have interpreted manipulative trades to involve deception: whether lying about a company’s performance, or the true owner of a share, or a trader’s true opinion about a company.

And while Reddit users appear to have co-ordinated to help drive up shares in companies whose underlying performance might not have merited it, it is unclear whether they deceived anyone in doing so.

“If you are telling people to buy a company in bad faith, that is manipulation,” said John Coffee, a professor at Columbia Law School and a former legal adviser to the New York Stock Exchange. “But these people are true believers; there is nothing illegal about making wildly optimistic statements.”

The SEC rarely brings manipulation cases at all — they accounted for just 5 per cent of enforcement actions in 2019-2020 — and almost never in cases where they are not alleging deception.

One case that might prove a precedent is the 2001 SEC action against Jonathan Lebed, the New Jersey teenager who made hundreds of thousands of dollars buying stocks in thinly traded companies before hyping them on internet message boards. But Mr Lebed was accused of deception: regulators said he used dozens of different online aliases to create the illusion of widespread interest in those stocks.

Even if regulators do decide that manipulation might have occurred last week, many experts believe they are unlikely to act against day traders who do not have significant individual market power. They point out that Gary Gensler, Joe Biden’s nominee to head the SEC, made his name in the Obama era as a financial regulator who was tough on Wall Street, and is unlikely to prioritise prosecuting retail traders.

“Even if the SEC decides something was wrong here, the decision over whether to go after Joe Bag o’Donuts is a political one,” said Mr Henderson.

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The SEC is not only looking into the traders who bought stock last week however: it is also probing the brokerages that

enabled the trades, before placing temporary curbs on them, triggering sudden share price drops.

The trading restrictions put in place by online brokerages such as Robinhood attracted the ire of politicians from across the political spectrum, from the progressive congresswoman Alexandria Ocasio-Cortez, to the conservative senator Ted Cruz. Some online commentators even accused the brokerages of being part of a Wall Street plot to protect certain hedge funds whose losses were mounting.

Robinhood, however, said it was required to act because of the extreme volatility in the markets, referring to SEC rules which force brokerages to hold a certain amount of capital as a ratio of outstanding trades. Given the unprecedented volume of trading occurring at the time, legal experts believe the company might have breached these net capital requirements had it not acted to stem the flow of trades and raise capital.

If enforcement action is unlikely, many believe last week's volatility could trigger a shake-up of rules that were largely written in the era before commission-free trading and widespread use of internet message boards.

"We saw what happened when social media arrived at the US Capitol," said Jill Fisch, professor of business law at the University of Pennsylvania, referring to the mob attack in Washington DC earlier this month. "Now we are seeing what happens when social media arrives in capital markets, and regulators will have to respond."

Bloomberg Law: LSE's Schwimmer Expects EU to Give Clearing Equivalence to U.K.
By Viren Vaghela

- CEO's view is at odds with EU-based politicians, officials
- London bourse completed its $27 billion Refinitiv deal Friday

London Stock Exchange Group Plc's chief said he expects the British capital to remain Europe's center for clearing trades, despite warnings from Brussels officials and governments on the continent.

David Schwimmer said LSE's LCH unit, which cleared $1.1 quadrillion of swaps last year, remains a critical element of the European Union's financial infrastructure even after Brexit. Given the prospect of business bleeding to New York instead of Frankfurt, he's hopeful that the EU will extend access approval beyond June 2022, when a temporary transition arrangement expires.

"In the past few years, we have seen repeated decisions of temporary recognition, recognizing the importance of LCH," he said in an interview Friday after the LSE announced the completion of its blockbuster deal for Refinitiv. "We look forward to working with EU authorities to get permanent recognition."

EU politicians have been vocal in demanding that companies shift euro clearing out of London and into the 27-nation bloc. They have achieved some success, with Eurex in Frankfurt increasing its share of euro clearing to 19%. But business may be moving to the U.S., which has had EU equivalence recognition since 2016.

The potential trickle to New York strengthens the U.K.'s chances of securing its own agreement. Schwimmer said that the trillions in derivatives trading that has moved to the U.S. from London this year was "an unintended consequence," and it's "not in the EU's interest."

Finance Center

He said LSE was comfortable about staying based in London given the city's position as a global financial center, with "a practical and effective regulatory regime and a critical mass of expertise."

Schwimmer also addressed the government's potential revamp of stock-listing requirements, which comes as some observers complain that technology IPOs are passing London by. The review should enable London to maintain high standards of corporate governance while addressing changes to the market and the desires of companies listing stock, he said.

The "free float" requirement that a quarter of a London-listed company's stock be in the public's hands is too high, Schwimmer said. "Many other markets take a very different approach."

AMERICAN OVERSIGHT

He also said investors and companies are interested in LSE-listed special purpose acquisition companies. SPACs have seen a boom across the Atlantic, and some observers also want looser rules for those blank-check companies.

Refinitiv Integration

As the Refinitiv deal was finally completed Friday, Schwimmer said that he's now turning his mind to integrating his signature acquisition. The $27 billion transaction, which gained EU approval this month, gives LSE global scale amid surging demand for data and analytics.

The sealed deal marks a departure from a series of failed transactions involving major stock exchanges. In 2017, a tentative plan to combine LSE and Deutsche Boerse AG aimed to create a European champion but was vetoed by regulators for diminishing competition.

LSE-Refinitiv will be a trading powerhouse across fixed income, currencies, equities and derivatives. It will generate about 70% of revenues from data, up from LSE's current 40%, according to Bloomberg Intelligence. The parent company of Bloomberg News competes with Refinitiv to provide financial news, data and information.

The deal's completion comes at the end of a frantic week for markets. Retail traders in the U.S., often young and active on social media and new mobile-trading platforms, have sparked mammoth share-price spikes. Schwimmer said market regulators will need to study the current episode.

"Sometimes it's positive disruption, sometimes negative disruption created by new technology and new social forces," Schwimmer said.

Bloomberg Law: LSE's Refinitiv Bid Faces Tough EU Probe on Data, Trading
By Aoife White and Stephanie Bodoni

London Stock Exchange Group Plc faces an extended European Union probe into its planned $27 billion takeover of data provider Refinitiv as regulators raised a raft of competition concerns over the tie-up.

The European Commission set a deadline of Oct. 27 to rule on the deal, flagging potential issues ranging from the companies' combined control of financial data and the effect the deal could have on trading and clearing of bonds and derivatives.

Regulators also cited in an emailed statement concerns over "a very large combined market share" in the electronic trading of European government bonds on LSE's MTS and Refinitiv's Tradeweb.

"If I was David Schwimmer I'd be thinking this is the worst possible outcome," said Niki Beattie, founder at Market Structure Partners, referring to the LSE chief executive officer. "LSE might have been hoping the EC might have gone after one element but they have gone after three." Merger officials have "hit every aspect of what this deal is about. It is also not clear what could be given up" to easily satisfy regulators "as the entities are inter-related," Beattie said.

The closely watched deal review could set a precedent for future mergers as exchange groups seek to diversify business models away from volatile trading revenues and into lucrative data and subscription services. Scrutiny of the deal comes as EU Competition Commission Margrethe Vestager has expressed concerns about how some companies can amass data and become gatekeepers for an industry.

The EU said in Monday's statement it will also scrutinize trading and clearing of interest-rate derivatives, consolidated real-time datafeeds and desktop solutions as well as index licensing citing the possibility that rivals could be shut out from accessing important Refinitiv data.

'Competitive Terms'

"It is key for a well functioning financial market to ensure that market participants continue to have access to financial market infrastructure and financial data products on competitive terms," Vestager said in the statement. She said the probe will assess whether combining the activities of LSE and Refinitiv "would negatively affect competition in these markets."

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LSE said it "continues to engage constructively" with the commission and remains "committed to closing the transaction

in 2020."

Schwimmer has previously refused to discuss potential divestments and said in February that he didn't expect Borsa Italiana's important position in the group to change. Borsa Italiana owns the MTS bond platform.

The EU frequently demands the sale of overlapping businesses to prevent a merged entity from becoming too powerful and has been unafraid of wielding its ultimate threat to veto deals. While longer scrutiny raises raise the potential risk of blocking a deal, it can also be beneficial by allowing companies to argue for fewer concessions, or to hammer out more complicated divestments or changes to licensing or distribution.

The EU said its initial investigation shows LSE and Refinitiv seem to be close competitors on government-bond trading, particularly between dealers and investors. It could be difficult for a new trading venue to start up and attract enough clients to rival existing platforms.

Regulators flagged high barriers to entry for interest-rate derivative trading and clearing, where customers rarely switch trading venues or clearing houses. The EU said it will investigate "the competitive dynamics in trading and clearing of exchange-traded funds and foreign exchange instruments."

The EU also has "preliminary concerns" that rivals for consolidated real-time data feeds and desktop services could be shut out from accessing LSE's input data.

Refinitiv offers products including the Eikon terminals, the FXall platform and trading execution system Redi. Bloomberg LP, the parent of Bloomberg News, competes with Refinitiv to provide financial news, data and information.

(Updates with analyst comment in eighth paragraph)

FT: **Buffered ETF Popularity Surges but Regulatory Hurdle Threatens**
The products reduce risk, but there are calls to 'bundle' them with leveraged and inverse ETPs
By Steve Johnson

Risk-reducing buffered ETFs that aim to take some of the danger out of investing in stock markets enjoyed a banner year in 2020 with a surge in the number of launches and assets under management.

However, a push by a grouping of the exchange traded fund industry's biggest players could potentially derail the fast-growing sector by stripping funds of their designation as ETFs.

Buffered, or defined outcome, ETFs provide investors with a degree of downside protection if the stock market falls. In return, investors give up some of the potential gains, only receiving the return of the underlying index up to a fixed, preset cap if it rises over the contract period.

The most recent monthly edition of the Innovator S&P 500 Power Buffer ETF (PJAN), for example, launched on January 2, protected investors against the first 15 per cent of any loss over the subsequent 12 months, in return for any gains being capped at 9.75 per cent. The cap and protection change every time the ETF resets.

Buffered funds enjoyed a breakthrough year in 2020, with 65 launches (up from the previous record of 19 in 2019) accounting for more than 20 per cent of all ETF debuts in the US, according to data from FactSet.

Early movers such as Innovator ETF, First Trust, Pacer and TrueShares have been joined by an insurance company arm — Allianz Investment Management — for the first time, which has been managing similar strategies in an insurance wrapper for decades.

Total buffered ETF assets have surged from $300m to $5bn in the past 12 months, according to Allianz.

John Southard, co-founder and chief investment officer of Innovator Capital Management, the early industry leader with about $3.5bn of assets in defined outcome ETFs, said take-up was driven in part by extremely low bond yields.

"It's for the investor who says 'I want to stay invested in the market but I want some downside buffer in place. Maybe I'm late in my investing cycle. I'm withdrawing money from my retirement account, so I can't afford a big downdraft'," said Mr Southard, who with Bruce Bond, chief executive, co-founded PowerShares, which later became Invesco's ETF arm.

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Yet the tried and tested formula of a 60/40 portfolio of equities and bonds has become less attractive as "bond yields are so low, people don't want 40 per cent of their portfolio in something yielding 1-2 per cent so advisers are having to look for alternatives", said Mr Southard. Amid record high markets, investors "scared" of a market crash are also potential buyers, he said.

Johan Grahn, vice-president, portfolio management at Allianz IM said it had seen a "tremendous reception to the ETFs", since the rollout of its initial buffered fund in June heralded the German insurance company's first-ever foray into ETFs.

"We have many decades of managing these strategies for the insurance side of the business," said Mr Grahn. "We manage $150bn of risk around the world and a lot of the underlying structures are the same as for the ETFs.

"We are now taking some of that expertise that we have built up over time and building that into an ETF."

Mr Grahn said defined outcome ETFs were "solving an age-old problem in a very elegant way" in that it allowed a "de-risking of equity exposure", and their arrival was "a function of the ETF market evolving".

"The market really earned its spurs in 2020. These strategies held up really well in [the market sell-off] in March. That was a gift to the industry," said Mr Grahn, whose ETFs have so far attracted $135m of assets.

So far, buffered ETFs are only available in the US.

Mr Southard said Innovator had preliminary discussions about launching products in Europe but, given the bank-dominated distribution model in parts of the continent, had decided to focus on the US.

Thus far, most products are based on US equity indices, although Innovator has three further ETFs linked, respectively, to developed market equities ex-US, emerging markets and US investment grade bonds.

Further growth could be slowed, however, if a grouping of the ETF industry's most powerful players gets its way.

The asset managers have proposed that buffered ETFs should lose the "ETF" designation, and instead be called exchange traded instruments, a move that could slow their take-up in an investor community that has become familiar with the ETF label.

The consortium of BlackRock, State Street, Vanguard, Charles Schwab, Fidelity Investments and Invesco, which between them control more than 90 per cent of the US ETF market, wrote to US regulators last year calling for "clearer identification and categorisation of exchange traded products".

Specifically, it argued that "certain ETPs with complex structures and/or certain embedded risks" should be categorised as exchange traded notes (ETNs) commodities (ETCs) or instruments (ETIs) rather than as ETFs.

"Investors need to know with one click what type of instrument they are buying," said Anna Paglia, global head of ETFs and indexed strategies at Invesco.

"ETFs were created as plain vanilla types of vehicles to get exposure to market returns, but the market has evolved dramatically. Right now we have a variety of instruments that go by the name ETFs."

However buffered ETF providers are unhappy that, under the proposals, the vehicles would be rebranded as ETIs alongside leveraged and inverse ETFs, which use derivatives to increase risk, rather than reduce it.

Mr Grahn pointed out the products would be harder to market "if you have to put a different label on it and explain it".

"We don't want to be unfairly put in a category that would create confusion," said Mr Southard. "Just because we have options in our portfolios does not mean we have additional risk. In fact we are lower risk."

WSJ: SEC to Review Brokers' Restrictions on GameStop, AMC Trading

Securities regulators say they are on the lookout for potentially manipulative trading

By Dave Michaels

AMERICAN OVERSIGHT

Securities regulators said Friday they plan to closely review the actions of some brokerage firms that restricted investors' ability to trade volatile stocks such as GameStop Corp. GME 67.87% this week.

The Securities and Exchange Commission's statement on Friday is the clearest indication yet that regulators are examining potential misconduct around the trading mania that swamped stocks such as GameStop, AMC Entertainment Holdings Inc. AMC 53.65% and Novavax Inc. NVAX 64.87% Robinhood Markets Inc. restricted investors' ability to purchase shares in GameStop and 12 other companies on Thursday as it dealt with the impact on its financial requirements of a surge in trading.

Robinhood raised $1 billion to shore up its ability to clear and execute trades in those popular and volatile stocks, which the broker on Friday allowed clients to resume trading.

Regulators also said they are on the lookout for potentially manipulative trading. This week's sharp price swings have been aided by bullish individual traders communicating on websites such as Reddit's WallStreetBets about which shares to buy. Traders drove up demand for stocks that other investors such as hedge funds had bet against, resulting in a "short squeeze" that ramped up the prices of GameStop more than 10-fold.

"We will act to protect retail investors when the facts demonstrate abusive or manipulative trading activity that is prohibited by the federal securities laws," the SEC said in a statement issued by its four commissioners. "Market participants should be careful to avoid such activity."

Some securities lawyers say the commentary and coordination apparent on WallStreetBets could be grounds for a market-manipulation case. The SEC has declined to say whether it has opened a formal enforcement investigation of this week's trading. Manipulation cases are generally difficult for the SEC to bring because they require showing that stock promoters or traders misled the market through statements or the pattern of their transactions.

The SEC's statement also said it wants public input about the "structure and operation" of markets. Some commentators have questioned why novice investors are able to trade using borrowed money or purchase options contracts that allow them to speculate more cheaply than buying shares.

The surge of retail participation through platforms such as Robinhood's has also revealed the market's strong dependence on high-speed trading firms, which execute many orders for the retail brokers. Brokers that route investors' orders to Susquehanna International Group LLP and Wolverine Trading LLC had difficulty connecting to the firms on Wednesday and routed their trades elsewhere, people familiar with the matter said.

FT: **Robinhood's Bid To 'Democratise Finance' Collides with Wall St Reality**
An urgent dash for cash and a rebuke from loyal users highlight strains for online broker
Miles Kruppa, Madison Darbyshire and Philip Stafford

Robinhood's ambition to "democratise finance" is set for one of its biggest tests after a week of chaotic trading that pushed it to seek an urgent injection of $1bn and infuriated many of its most loyal clients.

The tumult has exposed the competing priorities the popular trading app faces between pleasing its users and the realities of operating in the heavily regulated financial industry.

The battle between individual investors and Wall Street hedge funds that reached a peak last Thursday sent shockwaves through the Silicon Valley company that has come to exemplify the new breed of organised groups of day traders with access to sophisticated tools.

Frenetic trading in shares such as GameStop and AMC rippled across the US brokerage industry, causing a cascade of equities and options trading curbs that drew the ire of many individual investors who felt the platforms were limiting their success, and the scrutiny of Wall Street's top regulator.

Many brokers faced a sudden surge in requests for cash from clearing houses — important institutions in the financial system that ensure trades are settled in an orderly manner and prevent the failure of one company to make good on its commitments from threatening the broader securities trading market.

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The demands were particularly acute for Robinhood. Named after the legendary outlaw in English folklore, the California-based broker has claimed to trace its ambitions to "democratise finance" to the Occupy Wall Street movement in 2011.

Chief executive Vlad Tenev revealed late on Sunday California time that the National Securities Clearing Corporation, an equities clearing house, had requested margin deposits of about $3bn at 3am Pacific time on Thursday. He described that amount as "an order of magnitude more than what it typically is". Later, the NSCC reduced the demand to $700m, Mr Tenev said on social media app Clubhouse.

"I think the one thing that is maybe not clear to people is Robinhood is a participant in the financial system," Mr Tenev said. "We have to work with all of these counterparties."

The NSCC could not immediately be reached for comment outside business hours in the US, but said last week it did not comment on requirements of individual members.

Ribbit Capital, one of Robinhood's early investors, stepped forward on Thursday to lead a new round of convertible debt financing. Iconiq Capital, another existing investor, joined Ribbit, and the two firms together wired more than $500m to the company, said people familiar with the financing. Robinhood simultaneously drew down more than $500m from credit lines with major banks, underscoring the group's abrupt and significant need for cash.

One person close to the company said it satisfied the demands from the clearing house before the cash from investors was delivered to its account.

By late in the day on Thursday, Robinhood revealed it had commitments from existing investors to inject more than $1bn to fortify the group's balance sheet. The investors have the option of converting their debt investment into equity at either a valuation for the company of about $30bn or a 30 per cent discount to an eventual initial public offering price, whichever is lower, said people familiar with the fundraising.

The deal represented a relatively low-risk bet on the future of Robinhood, though it could prove costly to the company if it undershoots its targeted valuation in an IPO. Private investors most recently valued Robinhood at $11.7bn last year.

Robinhood said the investment was a "strong sign of confidence from investors that will help us continue to further serve our customers".

'You can only be disruptive to a point'

Robinhood's cash crunch and the dealmaking that ensued illustrate the difficult balancing act facing the company, which has come to fame through its pledge to liberate individuals from commissions commonly charged by established rivals.

"Robinhood has taken a 'move fast and break things' approach to financial services, but financial services is a highly regulated industry where you can't break things," said Brennan Hawken, an analyst at UBS.

Robinhood's decision last week to restrict trading on certain popular shares, without initially providing detailed information on what had happened behind the scenes, triggered an avalanche of criticism from investors.

Many retail investors on r/WallStreetBets said they felt betrayed by Robinhood's decision. Investors took to the channel to co-ordinate mass "reviewing", where users gave Robinhood one-star reviews in major app stores, as well as to promote new competitors in commission-free trading, such as Public and WeBull.

The backlash is part, analysts say, a failure of messaging, creating expectations of disruption that were undermined when Robinhood had to act like an established brokerage.

"We would be at least as worried by the reputational damage as we would feel short-term excitement by the trading volumes and the publicity," said James Anderson, manager of Baillie Gifford's Scottish Mortgage Investment Trust, and early backer of fast-growing tech companies such as Tesla and Amazon.

Larry Tabb, head of market structure at Bloomberg Intelligence, added: "You can only be disruptive to a certain point, because at the end of the day, you're one side of a trade."

Mr Tenev acknowledged last week that the firm was caught off-guard by the "lightning-fast" speed with which social media spread information and created such an intense jolt of trading.

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Robinhood may struggle to hold on to its outsider identity as it is forced to play by the rules, industry participants say.

"In the late 90s you couldn't throw a stone without hitting a new online brokerage," said Mr Tabb. "What happened to these guys is they eventually realised the market is bigger than traders . . . They all got gobbled up. Now they look like traditional financial conglomerates."

WSJ Robinhood Needed $3 Billion to Shore Up Volatile Trading in GameStop, Other Stocks
CEO Vlad Tenev explained in an interview alongside Tesla boss Elon Musk why the brokerage blocked users from trading
By Anna Hirtenstein

Robinhood Markets Inc. blocked trading of volatile stocks such as GameStop GME 67.87% last week after a clearinghouse asked for $3 billion to back up the trades, the trading app's chief executive said in an interview posted online.

Robinhood and other brokers experienced a deluge of demand from users to invest in a handful of popular stocks and options contracts. Wild moves in the value of those stocks and options prompted clearinghouses that process and settle trades to demand increased cash collateral to insulate themselves from possible losses.

"The request was around $3 billion, which is, you know, about an order of magnitude more than what it typically is," Robinhood Chief Executive Vlad Tenev said. He spoke Sunday night in an interview alongside Tesla boss Elon Musk on a live stream of Clubhouse, an invitation-only social networking app popular in Silicon Valley.

A Robinhood spokesman didn't immediately respond to a request for comment about the online interview.

Robinhood blocked trading in more than a dozen stocks and related options on Thursday. It loosened restrictions Friday but still allowed only limited trading. Mr. Tenev said the trading app will be able to further relax the "stringent position limits" on the securities on Monday after last week's capital raise.

In a post on its website Sunday, the popular online brokerage said it narrowed the list of limited stocks down to eight. But there were still some limits to trading. For GameStop, the most tightly-restricted stock, users could just buy one share and five option contracts.

Robinhood clears trades through the National Securities Clearing Corporation, a subsidiary of the Depository Trust & Clearing Corporation, which is owned by a consortium of banks, broker-dealer firms and other financial institutions.

By restricting users from trading the most volatile stocks, the company was able to lower its deposit bill to the DTCC by $700 million, which it then paid, Mr. Tenev said. On Thursday, Robinhood raised over $1 billion from investors. It also borrowed $500 million from banks last week.

Robinhood is a popular avenue for individual investors on Reddit's WallStreetBets forum to buy and sell stocks, particularly as it doesn't charge transaction fees. Robinhood came under fire for its restrictions on trading last week, attracting attention from lawmakers such as Alexandria Ocasio-Cortez and Ted Cruz who tweeted against the move.

In the online interview, Mr. Musk, questioned the motive behind Robinhood retail trading limits, asking whether hedge funds had pressured the company or wielded influence at the DTCC.

"I don't have any reason to believe that, then you're getting into conspiracy theories," Mr. Tenev responded.

Citing confidentiality rules, a DTCC spokeswoman declined to comment directly about Robinhood's margin requirement.

"Certain securities, including GME, AMC and others, have experienced extreme volatility that have generated substantial risk exposures at firms that clear these trades at NSCC," she said in an emailed statement.

"Margin requirements protect the entire industry against defaults and systemic risk in volatile markets," the spokeswoman said, declining to comment on Robinhood's margin requirement.

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This inbox is unattended; please do not reply to this email. Please contact the CFTC Office of Public Affairs at 202-418-5080 with any questions.

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Organizer:	Tarbert, Heath (Chairman)[Chairman@CFTC.gov]
From:	Benedict, Melissa[/o=CFTC/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=f23bfaf857ed4bec877b0e3ea19a550c-Benedict, Melissa]
Location:	The Heritage Foundation, 214 Massachusetts Avenue, NE Washington, D.C. 20002
Importance:	Normal
Subject:	PERSONAL: "Created Equal: Clarence Thomas in His Own Words" | 5:00 p.m. Reception | 6:00 p.m. Movie Screening
Categories:	Yellow category
Start Time:	Tue 12/10/2019 10:00:00 PM (UTC)
End Time:	Wed 12/11/2019 1:00:00 AM (UTC)

[EXTERNAL] Thank you for registering for the screening and reception for "Created Equal, Clarence Thomas in His Own Words."

Hosted by The Heritage Foundation, Carrie Severino, and Helgi Walker

/e are pleased to offer a private screening, for friends and former clerks, of the new ocumentary film, *Created Equal: Clarence Thomas in His Own Words*. This two-hour ocumentary, produced by Manifold Productions, Inc. focuses on telling extraordinary story f Justice Thomas' life. With unprecedented access, including drawing on over 30 hours of nscripted interviews, the film takes the viewer through his complex and remarkable life, om childhood poverty to the High Court. With unflinching honesty, and sometimes painful ecollections, *Created Equal* is a deeply moving portrayal of personal resilience and moral ourage. The trailer can be found: here. We hope you can join us for this special evening with iends!

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To: Tarbert, Heath (Chairman)[Chairman@CFTC.gov]
From: Kaitlynn Samalis[info@heritage.org]
Sent: Wed 11/20/2019 6:29:12 PM (UTC)
Subject: [EXTERNAL] Thank you for registering for the screening and reception for "Created Equal, Clarence Thomas in His Own Words."

Dear Heath,

Thank you for registering for the "Created Equal: Clarence Thomas in His Own Words," screening and reception. This event is taking place at The Heritage Foundation, and the event details are below:

- When: Tuesday, December 10th, 2019 | 5:00 p.m. Reception | 6:00 p.m. Movie Screening
- Where: The Heritage Foundation 214 Massachusetts Avenue, NE Washington, D.C. 20002

If you have any questions, please reply to this email or give me a call at (b)(6)

Thanks again for the RSVP, and we look forward to seeing you soon!

Kind regards,

Kaitlynn Samalis

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CFTC-22-0351-A-000328

To: joseph.kearney@marquette.edu[joseph.kearney@marquette.edu]
From: Tarbert, Heath (Chairman)[/O=CFTC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=28E27D6E122C4A9CBC3E9ACC90B0091A-CHAIRMAN]
Sent: Tue 7/7/2020 6:22:04 PM (UTC)
Subject: RE: Request for Short Phone Call

Dean Kearney—I forgot to include my cell. (b)(6) Many thanks in advance. Heath

From: Tarbert, Heath (Chairman)
Sent: Monday, July 6, 2020 11:16 AM
To: joseph.kearney@marquette.edu
Subject: Request for Short Phone Call

Dean Kearney,

Greetings from the CFTC. It is great to see someone of your background leading one of the nation's top Catholic law schools. Earlier in my career, I clerked for Justice Thomas (b)(6) I was wondering if you happen to have 10-15 minutes at some point this week for a brief conversation of a personal nature.

Thanks for considering my request.

Heath

Heath P. Tarbert
Chairman & Chief Executive
Commodity Futures Trading Commission
202-418-5030
chairman@cftc.gov

AMERICAN OVERSIGHT

From: CFTC Press Office[/O=CFTC/OU=Washington, DC/cn=Recipients/cn=CFTCPressOffice]
Sent: Tue 7/30/2019 1:05:09 PM (UTC)
Subject: Daily News Clips: July 30, 2019

U.S. COMMODITY FUTURES TRADING COMMISSION

Ensuring the Integrity of the Futures & Swaps Markets

Daily News Clips

Tuesday, July 30, 2019

CFTC Mentions

POLITICO Pro: Tarbert Wants CFTC to Revive Less-Stringent Oversight. "New CFTC Chairman Heath Tarbert said today that his agency, the nation's primary derivatives regulator, should return to "principles-based" oversight that would entail a more flexible attitude to policing financial markets."

Coinspeaker: Bakkt to Launch Its Bitcoin Futures Exchange in Q3 2019. "The long-awaited launch of the cryptocurrency exchange subsidiary by the Intercontinental Exchange (ICE) Bakkt, could happen in Q3. … The futures contracts will be cleared by ICE Clear U.S. and will be compliant with CFTC regulations."

Cointelegraph: US Commodity Futures Trading Commission Rehires Advisor From Coinbase. "The United States Commodity Futures Trading Commission (CFTC) has announced that it is hiring Andrew L. Ridenour as senior counsel to the chairman. Up until recently, Ridenour worked at the major cryptocurrency exchange Coinbase."

Top News

FT: Deutsche Bank Sets Deadline for Equity Derivatives Sale
MLex: Facebook Privacy Settlement with FTC Challenged by Privacy Group
POLITICO Pro: Fed, FDIC Extend Living Will Deadline for Roughly 100 Banks
WSJ: More Exchanges Add 'Speed Bumps,' Defying High-Frequency Traders
FT: G7 Crypto Opposition Masks Warmer Stance for Wholesale Markets
FT: London Stock Exchange Deal is Signpost for City
Risk.Net: SGX's Koh Defends Clearing Methods Post-Nasdaq
FT: 'China's Nasdaq': Shanghai's New Tech Trading Venue Explained

Full Text

CFTC Mentions

POLITICO Pro: Tarbert Wants CFTC to Revive Less-Stringent Oversight

By Zachary Warmbrodt

New CFTC Chairman Heath Tarbert said today that his agency, the nation's primary derivatives regulator, should return to "principles-based" oversight that would entail a more flexible attitude to policing financial markets.

In a Fox Business op-ed, Tarbert said the CFTC had traditionally taken the less-stringent approach. In his view, that allowed U.S. derivatives markets to evolve to meet the demands of the economy while enabling the agency to respond to major developments.

"Reinvigorating our historical principles-based approach, where appropriate, will help our markets remain fair, innovative, and vibrant," he said.

Tarbert's op-ed is a change of tack from the way the CFTC took on regulation of derivatives trading after the 2008 financial crisis and the enactment of the 2010 Dodd-Frank law. The landmark law led to the imposition of dozens of new rules on off-exchange swaps that had helped fuel the Wall Street meltdown.

"Today the CFTC and the derivatives markets are at a crossroads," Tarbert said. "More than a decade after the financial crisis, the agency is still working to implement Dodd-Frank, which established a framework for regulating swaps. But we must not allow our response to the last crisis to plant the seeds of the next, nor let it smother innovative technologies. Instead of taking the 'ready, fire, aim' approach all too common in Washington, I am building the CFTC's agenda with an open mind."

Tarbert said in the op-ed that it will be a top priority of his to resist foreign regulatory creep into American clearinghouses after Brexit.

Another priority will be finishing a Dodd-Frank rule intended to limit derivatives speculation in certain commodity markets. "The trick will be making sure these rules do not strip those markets of the flexibility needed to perform their fundamental risk-management functions," he said.

Coinspeaker: Bakkt to Launch Its Bitcoin Futures Exchange in Q3 2019

By Staff

Bitcoin futures contracts platform Bakkt is determined to launch its services in the third quarter of this year and gaining approval from the NYDFS would allow it to operate as a limited-purpose firm.

The long-awaited launch of the cryptocurrency exchange subsidiary by the Intercontinental Exchange (ICE) Bakkt, could happen in Q3.

AMERICAN OVERSIGHT

The Bitcoin futures contracts platform is however still waiting for the approval of the New York Department of Financial

Services (NYDFS) in order to operate their so-called Bakkt Warehouse, which would allow Bakkt to work as a limited-purpose trust company.
If it's approved, Bakkt Warehouse should serve as a qualified Bitcoin custodian that supports its physically delivered futures.
One trading executive, who requested to remain anonymous said that the future is different from the warehouse, but the product depends on the warehouse.
In the document published in May this year, the company said they had provided the regulated infrastructure for traders to deliver and receive Bitcoin for dollars in standardized settlement cycles. The futures contracts will be cleared by ICE Clear U.S. and will be compliant with CFTC regulations.
And while Bakkt is finally near its platform launch, there are some people in the industry that are saying there are some issues that might get in the way.
Some of them think that the company's move is too risky, claiming that the guaranty fund set by the company is too small to cover positions at risk. ICE will only reportedly contribute $35 million to start the fund for losses related to Bitcoin contracts.
Ricky Li, co-founder of trading firm Altonomy says that while guaranty funds are usually required and administered by a state as a safeguard for if insurers are unable to pay policyholders, what Bakkt does isn't normal practice in the clearing risk management system.
He compared the size of Bakkt's funds, which have around $400 million in open positions at risk with its $35 million guaranty fund. Bakkt, however, seems to acknowledge this inflated risk, because, in the materials provided by ICE, it explains that there are plans to increase the guaranty fund over time, after the launch.
They agree that it was low, but not "alarmingly" so and that the plan is still good enough to attract traders like themselves. Li compared it with other popular exchanges like BMX for which he said, has minimal transparency for their consumer protections.
Let's not forget that last week Bakkt's Bitcoin Futures launched the user acceptance tests. The mission is to support the development of trusted infrastructure for securely transacting in the new market for digital assets. From the company, they said this launch ushers in a new standard for accessing crypto markets.
Bakkt itself hasn't had an easy way to the top. First time the launch was due last November. Then, problems getting the project past regulators showed up and the launch suffered further delays in January that was also delayed. The United States Commodity Futures Trading Commission reportedly caused delays by conducting an investigation regarding regulatory compliance and potential market impact.
One thing is however sure. Bakkt will draw resources from some big companies with knowledge in fields of risk management and technology to create a federally regulated platform. Once investors feel at ease trading in regulated environment volatility should smoothen.
Also, by providing a qualified custodian for cryptocurrencies, Bakkt could enable various institutional investors to make investments in the crypto asset class.

Cointelegraph: US Commodity Futures Trading Commission Rehires Advisor From Coinbase

By Max Boddy

The United States Commodity Futures Trading Commission (CFTC) has announced that it is hiring Andrew L. Ridenour as senior counsel to the chairman. Up until recently, Ridenour worked at the major cryptocurrency exchange Coinbase.
CFTC Chairman Tarbert unveiled Ridenour and others as new hires on July 17, commenting that the "counsel and expertise of my team will be essential to our efforts to keep our derivatives markets vibrant and hold wrongdoers accountable."

Who is Andrew Ridenour?

According to Ridenour's LinkedIn profile, he worked at the CFTC for 9 years as special counsel at the Division of Market Oversight and senior trial attorney. Ridenour then took a hiatus from the government to work for the crypto exchange Coinbase as counsel for institutional products for a little over a year and a half, before returning to the CFTC.
While at Coinbase, Ridenour apparently developed legal structures and business plans for the exchange's trading and custodial services. Now rejoining the CFTC, he will reportedly offer legal and policy counsel to the chairman pertaining to the futures and derivatives markets.
Ridenour holds postgraduate degrees in both law and international relations, with a J.D. from Tulane University Law School as well as an M.A. from Tulane University.

New chairman, new regime?

As previously reported by Cointelegraph, Heath Tarbert was sworn in as the CFTC's chair just two weeks ago. His predecessor, J. Christopher Giancarlo — AKA the "Crypto Dad" — was regarded as a pro-cryptocurrency regulator. Tarbert's views on cryptocurrency, on the other hand, are more unknown as of yet.
Tarbet holds a Ph.D. in comparative law from Oxford and has worked for Supreme Court Justice Clarence Thomas. Talbert has also worked as Assistant Secretary of the Treasury for International Markets and Development under President Trump, as well as for the secretary for international affairs.

Top News

FT: Deutsche Bank Sets Deadline for Equity Derivatives Sale

Co-head of German lender's bad bank expects bids in September as it seeks to dispose of assets

AMERICAN MESSENGER

By Laura Noonan, Stephen Morris and Olaf Storbeck

Deutsche Bank has set a September deadline for bids on the vast portfolio of equity derivatives it is selling, as the struggling lender looks to expedite a key part of its ambitious restructuring.

The derivatives are among the assets earmarked for disposal in Deutsche's bad bank, which it is relying on to free €10bn to help foot the bill for the overhaul as well fund investments in technology, compliance and control functions.

The so-called capital release unit, or CRU — the second non-core unit Deutsche has created since the financial crisis — stands in contrast to traditional "bad banks" which have often been used for defaulting property loans and other toxic assets. Alongside equity derivatives, Deutsche's CRU includes cash equities that it is looking to offload as well as interest-rate trades with poor returns.

"We've had a huge amount of interest, people saying they want to be part of the auction process, and expect to start getting firm bids in September," Ashley Wilson, the co-head of the CRU told the Financial Times in his first public comments since taking the role. The bank will begin auctioning the equity derivatives portfolio in the middle of next month.

The bank has wound down almost all of its cash equities positions, Mr Wilson added, despite only announcing it would close the trading business three weeks ago. The business is one of the casualties of Deutsche chief executive Christian Sewing's effort to refocus the struggling lender on its German retail operations and banking services to corporate Europe.

The cash equities business has already been "de-risked" after the bank exited block positions with its clients and eliminated its central risk books, which it uses to offset risks both for customers and itself. French rival BNP Paribas is in talks to buy Deutsche's prime broking business, as well as its electronic equities platform.

"Right now, we've been focused on de-risking and selling the equities portfolio," Mr Wilson said.

A senior investment banker at rival to Deutsche Bank said there was "a lot of appetite" for the German lender's assets, with international banks, private equity firms and hedge funds all considering the portfolio. "Quite a few people who are very well funded are looking for yield," he added. "The big question obviously will be the price."

However, any sales of equity derivatives will probably take months to complete as buyers must complete the arduous process of taking over individual client accounts. Deutsche has said that it plans to sell or run down 60 per cent of the CRU holdings by the end of 2019, but has not given timetables for specific assets.

Mr Wilson's division, which he co-heads with Louise Kitchen, also has around €80bn of fixed-income assets. Mr Wilson said those assets had been "categorised and prioritised and we are close to completing the de-risking strategy for each asset class".

A former Deutsche executive said the volume of fixed-income assets was "a shock" since "there is literally nothing left from before the financial crisis, these are positions the bank created in the last three or four years", adding this suggested that Deutsche was "still doing really risky, toxic deals post-crisis".

Bankers at rival firms said fixed-income assets are harder to offload because they are typically more complex and require agreement from more parties. At the same time, the capital rules that have made these fixed-income assets less appealing for Deutsche also render them less attractive to potential bidders.

The CRU is staffed by thousands of employees from Deutsche's equities division, who now have the task of unwinding the business they sought to build up.

So far only a few hundred employees from the equities division have been let go in London and New York, with bigger waves of lay-offs expected to come in "tranches" as the bank offloads portfolios. Those looking for new jobs are required to declare talks with potential employers and to recuse themselves from deals with those counterparties.

Risk.Net: Basis Swaps Spike Amid US Rates Chatter

Budgetary wrangling and talk of Fed cuts spark Libor-OIS basis shift

By Ben St Clair

Traded volumes of US dollar basis swaps surged to nine-month highs in July as firms reacted to rising uncertainty in the rates market, with one dealer said to have traded upwards of $30 billion in swaps alone.

Strategists point to recent statements from officials at the US Federal Reserve and news of a debt ceiling compromise as contributing factors to the widening basis between Libor and overnight index swap rates, which led to a subsequent surge in swap trading, but disagree on their relative significance.

"The path of Fed policy is no doubt influencing the story. But I think that the bigger and more persistent driver here are expectations for tighter overall US dollar funding conditions, higher general collateral repo rates and how that spills over into Libor," says Mark Cabana, head of US rates strategy at BofA Securities.

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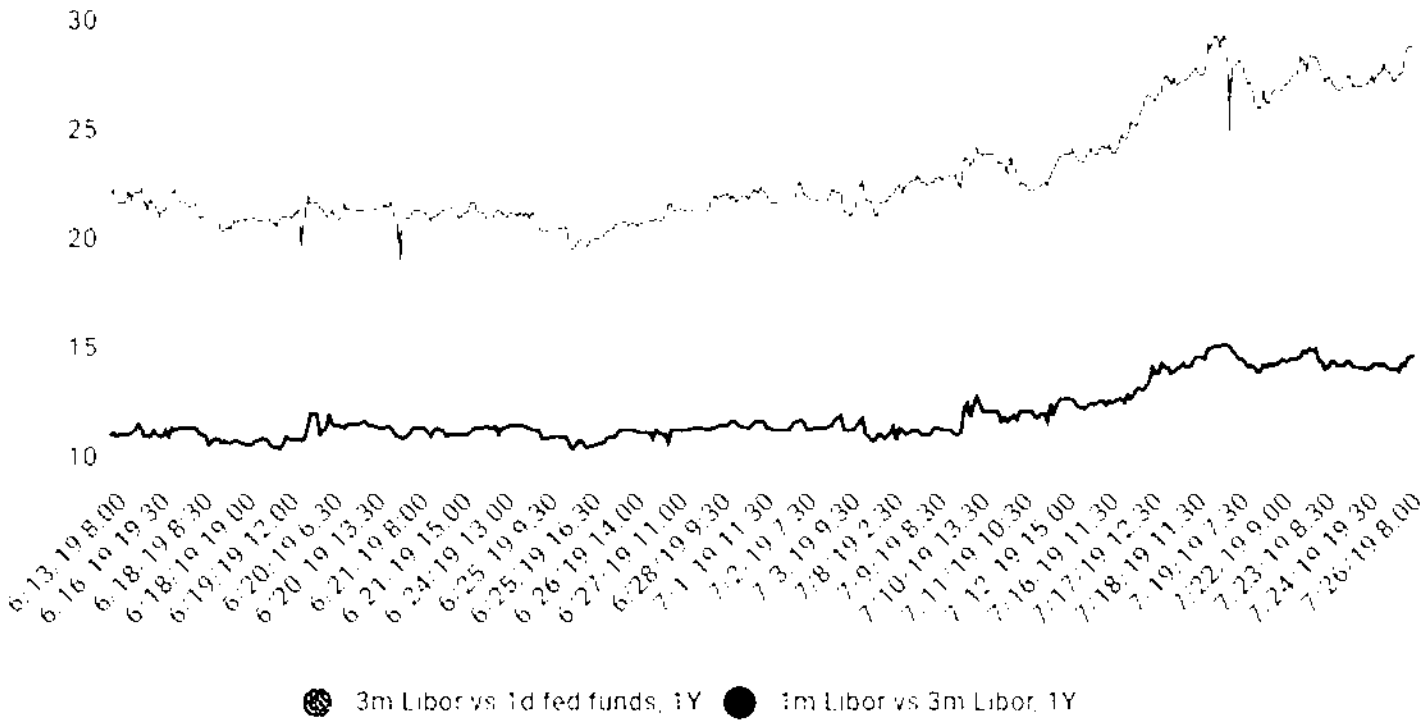
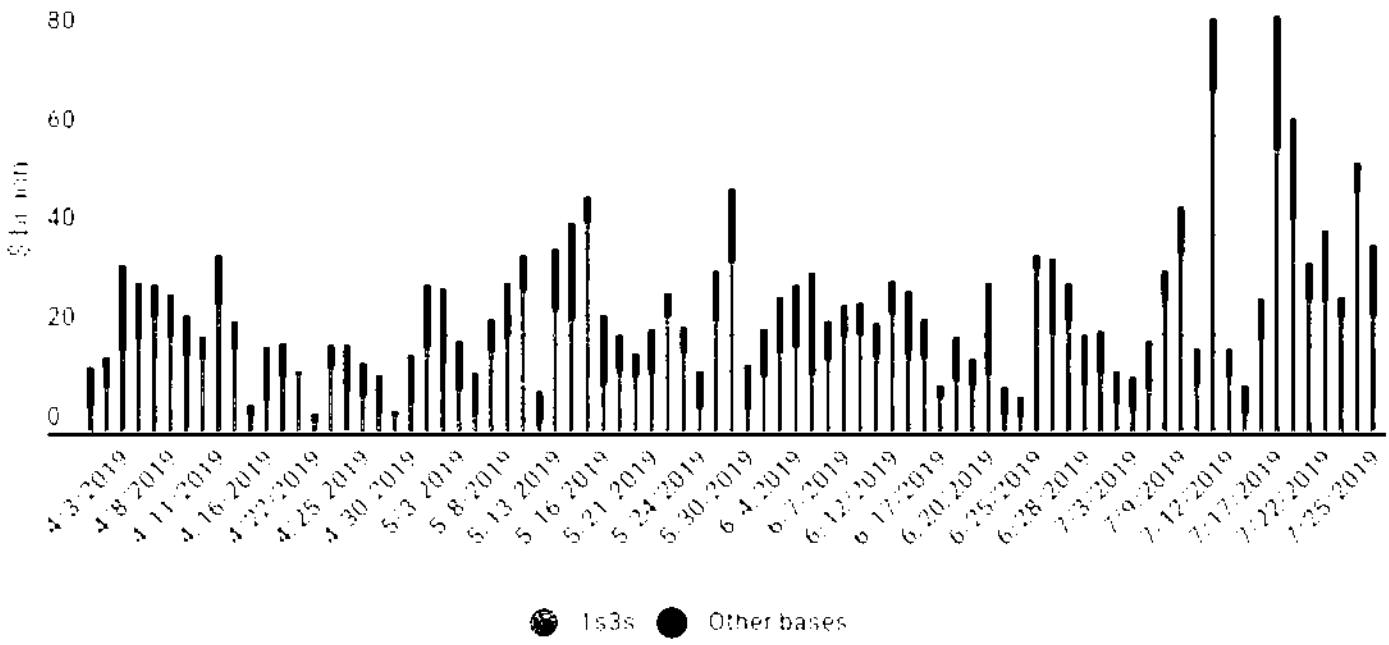
1s3s and Libor-OIS spreads



Source: Bloomberg

USD basis swaps – traded notional



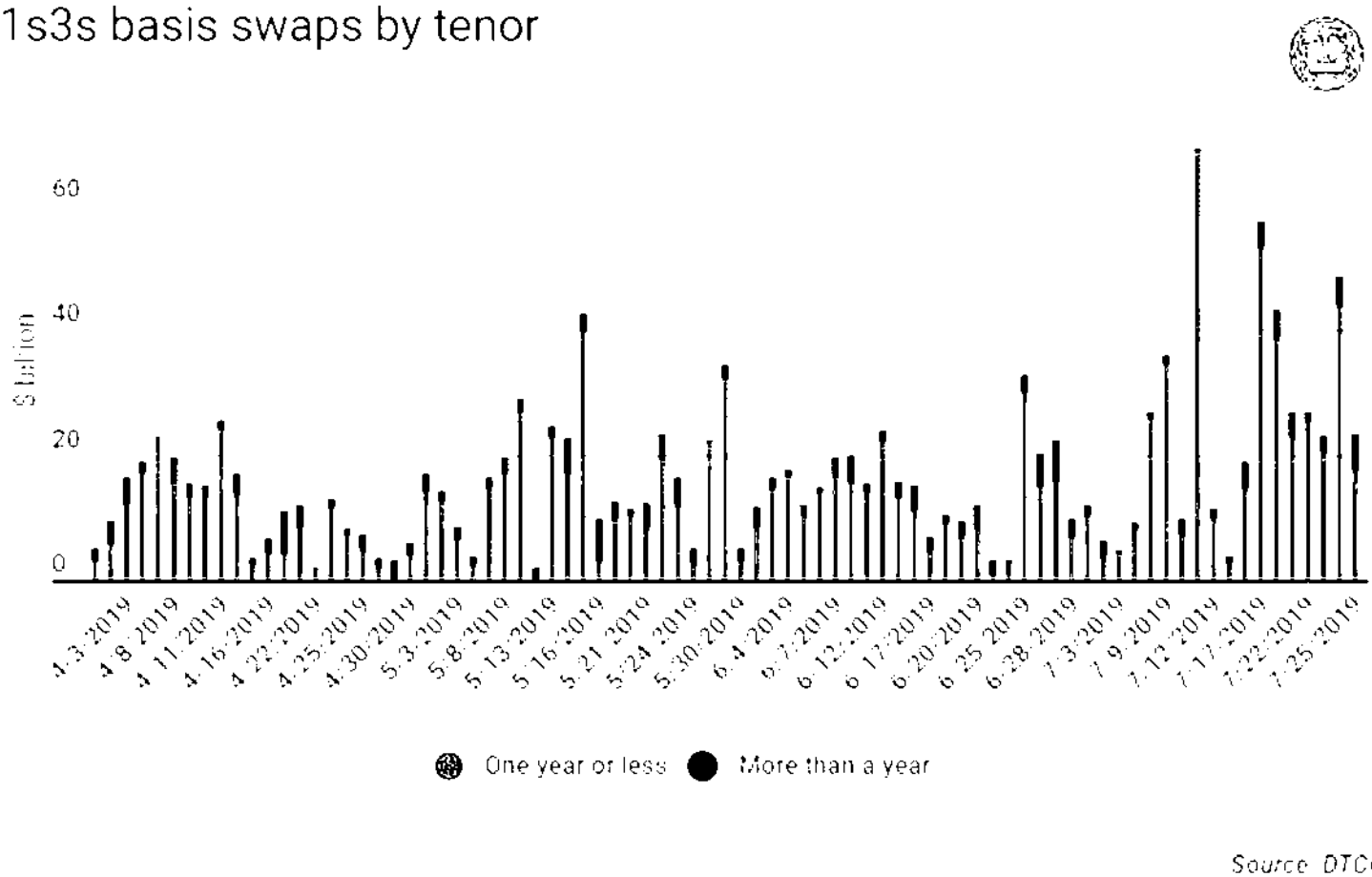
Source: DTCC

More than $80 billion of basis swaps were traded on July 11 and again on July 17, followed by $64 billion on July 18, compared to daily average volumes of $27 billion in 2019 to date. Traders use basis swaps to hedge floating rate exposure in different tenors or for speculative reasons.

As has been the case on average this year, more than half of the volumes were seen in the one-month/three-month Libor basis swap market, also known as 1s3s swaps. The 1s3s basis peaked just short of 16 basis points on July 18, from

CFTC OVERSIGHT
CFTC 22-0351-AU000333

roughly 12bp just over a week earlier.
Observers say this basis market moved because it is correlated with the forward rate agreement/overnight index swap (FRA-OIS) spread, which represents the difference between short-dated Libor and overnight funding rates. This spread widened as well.
The over-the-counter 1s3s trades are attractive to banks looking to hedge cashflows and liability offsets, as well as hedge funds speculating on the shape of the Libor curve.
The increases in daily volume are the result of more speculative trading, as market participants bet on where the basis will end up, strategists believe.
Traders looking to use 1s3s for hedging generally prefer longer dated swaps, says Praveen Korapaty, chief interest rates strategist at Goldman Sachs. "They're usually looking at a five-year basis swap, a 10-year basis swap, or something along those lines. Activity at the very front end is probably dominated by fast money accounts."
Trading on high volume days – July 11, 17 and 18 – saw a higher proportion of shorter-dated 1s3s swaps than the average day this year.



Source: DTCC

A surge in notional volumes could also reflect the fact that taking risk on short-dated swaps requires a higher notional to match an equivalent longer-dated swap's DV01, or the dollar value of a one point move in interest rates.

Cutting comments

The cause of the widening is a source of debate. Some believe dovish comments on July 18 by New York Fed president John Williams played a contributing role. Expectations of a deeper rate cut would put downward pressure on short-term rates while Treasury issuance keeps Libor high and widens the basis, says Subadra Rajappa, head of US rates strategy at Societe Generale.
Goldman's Korapaty agrees, saying talk of Fed cuts has been more of a factor driving recent spread volatility: "Some of the more recent volatility in the [Libor-OIS] spread has been the result of shifting perception of the timing and scale of Fed rate cuts," he says.
In any case, the 1s3s basis is moving in the wrong direction if Fed rate cuts are the whole story behind the surge of basis swaps, says BofA's Cabana. If rates were expected to move down in the coming months, the one-month rate would fall less than the three-month, leading to a tighter basis. "The [1s3s] basis should be negative or moving lower to reflect expectations for cuts in the future," he says.
A senior swaps trader at a large dealer claims a single bank was responsible for $25 billion–$30 billion of one day's 1s3s swap trading in anticipation of increased short-term Treasury issuance on the back of an agreement to raise the US debt ceiling. The Fed statements had "nothing to do with it. This is just the Treasuries," the trader says.
An increase in short-term Treasury issuance would crowd the market for collateral, pushing repo rates and Libor higher,

MEGAN OVERSIGHT
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according to Rajappa. A wider FRA-OIS and 1s3s basis would follow.
"Supply is coming, and the market is already preparing for it. It's pricing that type of pressure," says Cabana.
Korapaty believes any recent movement in the Libor-OIS spread is more influenced by the prospect of a rate cut than by increased supply of US Treasuries.
"Libor-OIS could see widening as a result of a sharp ramp-up in bill supply following the debt limit deal, but that's a story that hasn't seen quite the same swings that the Fed rate cut story has seen," he says.

Raise the volume

The first jump in traded notional of US dollar basis swaps – $83.9 billion on July 11, according to data from the Depository Trust & Clearing Corporation, nearly five times higher than the previous day – occurred on a day between two key market-moving events.
The previous day saw Fed chairman Jerome Powell's first day of congressional testimony, and the following day saw the release of Treasury secretary Steven Mnuchin's letter to congressional leaders notifying them the government could run out of money in early September, putting pressure on lawmakers to make a deal before heading into their summer recess.
The July 11 volume jump followed a roughly 16% widening in the 1s3s basis the day before.
A week later, on July 17 and 18, volumes jumped again to $84.2 billion and $63.7 billion, respectively. Each day came with its own set of news, and a double-digit per cent widening of the 1s3s basis.
On July 17, House speaker Nancy Pelosi said she wanted a vote on government spending and the debt ceiling before Congress recessed. The next day Treasury secretary Mnuchin said the Trump administration and congressional leaders had reached an agreement on a budget deal that would cover another two years of borrowing.
The July 18 speech by the New York Fed's Williams briefly raised investor bets for a 50 basis point cut in the Fed's target rate, according to the CME's FedWatch Tool. The New York Fed later backtracked on William's comments, saying they were not related to potential policy actions at the Fed's upcoming meeting.
Swap volumes last week declined slightly, and the 1s3s basis stands at roughly 15bp. The Fed's upcoming meeting takes place on July 30 and 31.

POLITICO Pro: Fed, FDIC Extend Living Will Deadline for Roughly 100 Banks

By Victoria Guida
The Federal Reserve and FDIC announced today that they are extending the living will filing deadline for about 100 foreign and domestic banks while they work to finalize a proposal that would set a new schedule for resolution plans.
Barclays, Credit Suisse, Deutsche Bank and UBS will not have to file another full living will — under which they plan out how they would break up in the event of bankruptcy — until July 1, 2021. But they will have to submit limited plans by July 1 of next year "describing how they have addressed the shortcomings identified in December 2018 and providing updates concerning certain resolution projects."
The agencies also said 82 foreign banks had satisfactory living wills and won't have to file again until July 1, 2021, an extension also given to 15 domestic banks. "This extension will mitigate uncertainty around the banks' filing requirements while the agencies' April proposal to revise the resolution plan rule remains pending," they said in a press release.
The regulators requested more specific information in the next resolution plans from HSBC, BNP Paribas, Royal Bank of Canada, Banco Bilbao Vizcaya Argentaria, Bank of Montreal, Santander and TD Bank.

WSJ: More Exchanges Add 'Speed Bumps,' Defying High-Frequency Traders

Over a dozen financial markets are expected to have speed bumps or similar features by 2020
By Alexander Osipovich
High-frequency trading firms are hitting a growing number of "speed bumps" around the world—the latest blow to a business that has struggled in recent years.
Exchanges on both sides of the Atlantic are increasingly embracing the mechanisms, which impose a split-second delay before executing trades.
By 2020, more than a dozen markets in stocks, futures and currencies from Toronto to New York to Moscow will slow trading via speed bumps or similar features, if all of the currently planned launches occur. Five years ago, only a few markets had speed bumps.
Supporters say speed bumps can help thwart ultrafast strategies that hurt investors. Critics, including many electronic-trading firms, say they make markets unnecessarily complex and unfairly favor certain market participants.

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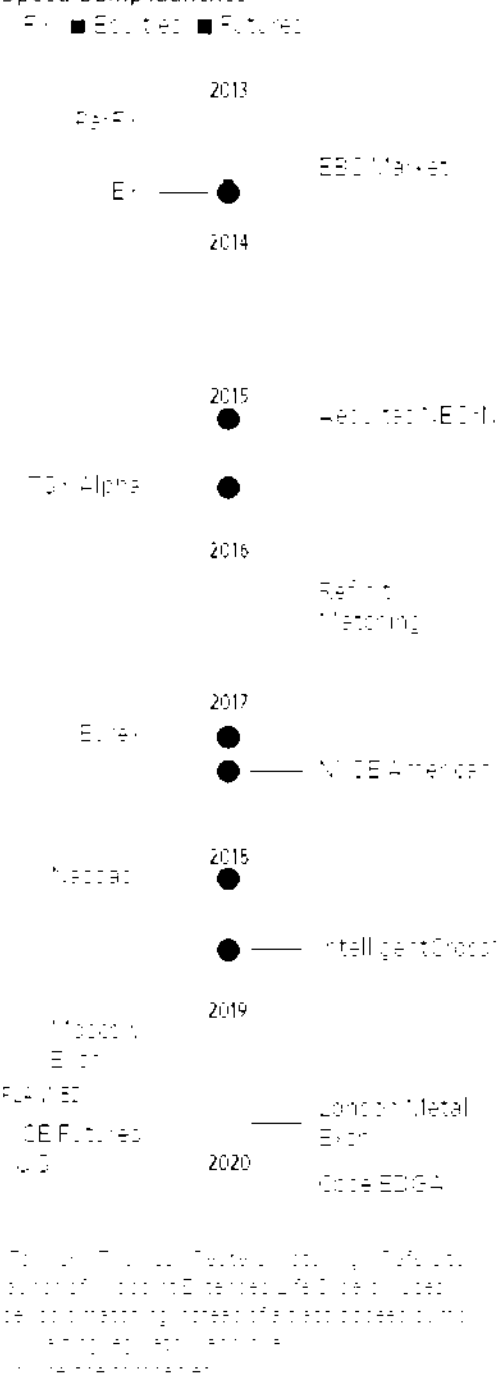
Taking a Pause

Marketers' efforts to make trading slower have had mixed results since the first speed bump launched in 2013.



By trying to blunt the impact of ultrafast trading, exchanges are defying high-speed trading giants that account for a huge portion of their volume, in a bid to appeal to more-traditional clients. Financial institutions such as banks and pension funds have long complained that high-frequency trading, or HFT, eats into their profits.

"It's finally boiled to the point where the exchanges started paying attention to what their clients are saying," said Roman Ginis, founder of IntelligentCross LLC, a startup U.S. stock-trading platform.

HFT firms make money through rapid-fire trading of stocks, futures and other assets. The industry is controversial, due to negative depictions in works such as Michael Lewis's book "Flash Boys." The traders say such portrayals are unfair and that HFT benefits investors.

The industry has consolidated in recent years as mounting costs for technology and market data have squeezed profits. Research firm Tabb Group estimates HFT firms' revenues from U.S. equities trading were $1.8 billion last year, down from $5.7 billion in 2010. Exact numbers are difficult to obtain because most HFT firms are private.

Among the exchanges set to debut their first speed bumps are the London Metal Exchange, which plans to add an eight-millisecond delay to gold and silver futures later this year. Chicago-based Cboe Global Markets Inc. CBOE -0.63% hopes to add a speed bump on its EDGA stock exchange in 2020, if it wins regulatory approval.

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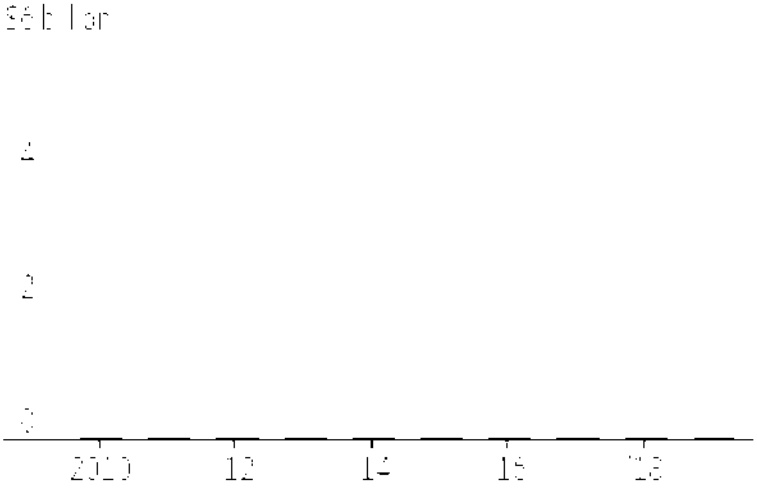
CFTC 22-0351-A-000336

Slowing down

High-frecuency trad ng was most prof tab e in the years r ght after the financial cr sis, thanks to volat le markets.

Estimated HFT revenues from U.S. stocks trading



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LME, Cboe and other markets adopting speed bumps say they want to neutralize “latency arbitrage,” a strategy in which a fast trader takes advantage of a moving price before other traders can react.

Suppose an investor has posted a quote to sell shares of Ford Motor Co. at $10.00, and the price is about to tick up to $10.01. An HFT firm might buy Ford shares from that investor just before the price rises, then immediately sell them, earning a one-cent-a-share profit. Such firms use sophisticated algorithms and fast data-transmission networks to forecast small price changes and act on them quickly.

A speed bump could help that investor. Cboe’s proposal would force the HFT firm to wait four milliseconds before buying the Ford shares. But the same delay wouldn’t apply if the investor sent Cboe an electronic message canceling his or her $10.00 sell order. That gives the investor a brief window of time to avoid being picked off by the faster trade.

Most of the latest speed-bump plans have a similar, “asymmetrical” design, meaning they don’t apply equally to all trades. Such speed bumps are typically meant to favor market participants that publicly quote prices on an exchange, rather than those that try to buy or sell using those prices.

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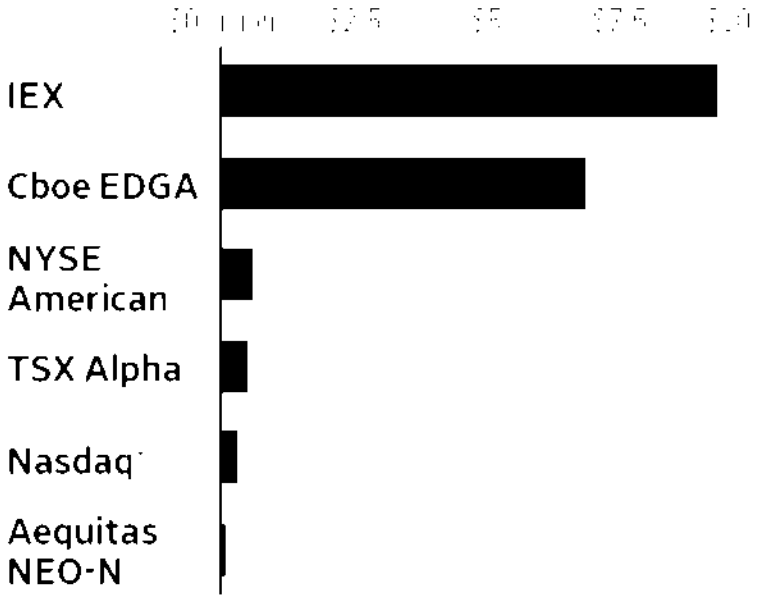
Speed Limits

Though smaller than its U.S. rivals, IEX is the biggest stock exchange covered by a speed bump

Average daily trading volume



In many cases, the new speed bumps cover small, thinly traded markets, and they could help exchanges juice trading volumes by encouraging traders to post more quotes.

LME's and Cboe's planned speed bumps are asymmetrical. Atlanta-based exchange giant Intercontinental Exchange Inc. ICE -1.57% won approval for such a speed bump on its U.S. futures market in May. Eurex, the derivatives arm of Germany's Deutsche Börse AG, has deployed asymmetrical speed bumps on some markets since 2017, and Moscow Exchange , MOEX +1.22% in Russia, added such a speed bump to a dollar-ruble foreign-exchange market in April.

The proliferation of such speed bumps is troubling, because it means investors can't be certain of the prices they see on exchanges, said Jamil Nazarali, global head of business development at electronic-trading giant Citadel Securities. "The big risk is that you're going to see a lot of phantom liquidity, which will harm execution quality for both retail and institutional investors," he said.

Proponents say asymmetrical speed bumps could help end a costly, futile race in which HFT firms seek to build ever-faster technology—such as microwave networks and even lasers—to shave nanoseconds off the time they take to execute trades.

"Anti-latency arbitrage mechanisms are here to stay," said Matt Clarke, who oversees European client relationships for U.K.-based XTX Markets, one of the few high-speed trading firms that support the speed-bump trend.

"They're a natural reaction to the destructive speed race, so we are seeing them proliferate in multiple asset classes across the world," he added.

The evidence is mixed on whether speed bumps help investors. Last year, a Securities and Exchange Commission economist released a study that found the speed bump on IEX Group Inc., the startup exchange featured in "Flash Boys," had reduced costs for investors. But some market experts have criticized the study.

FT: G7 Crypto Opposition Masks Warmer Stance for Wholesale Markets

Regulatory fears over digital assets are narrow, focusing on consumer protection

By Philip Stafford

It started with Donald Trump, who last week lashed out at cryptocurrencies and bitcoin, saying they are "not money" and he is not a "fan".

Now, finance ministers from the rest of the G7 group of major economies find themselves in the unusual position of

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agreeing with the US president. On Thursday they expressed unease about the use of digital assets for money laundering, tax evasion and drug trafficking.
Crypto-enthusiasts — not typically keen on government intervention at the best of times — could be forgiven for thinking that regulators are seeking to stamp out the growth of digital assets in a war on innovation.
But regulators' high-profile concerns are relatively narrow. They focus on Facebook's proposed Libra project and other crypto coins, as part of a focus on consumer protection.
In wholesale markets, institutions wanting to trade crypto-related assets are receiving rather different signals. They believe watchdogs are getting more comfortable with this new world.
In the past month the UK approved its first asset manager that specialises in cryptocurrencies, while LedgerX won US approval to trade bitcoin futures and swaps that are settled in the digital currency.
This is a critical change. It means customers will be paid in cryptocurrency when the contract expires, in the same way that buyers of commodity future take physical delivery of oil and foodstuffs. Other exchanges have applied for similar treatment for crypto and hope to win approval.
Optimists believe this support will herald the arrival of fund managers and banks into the crypto market. After all, bitcoin's recent sharp price moves offers traders some rare and welcome volatility in an otherwise listless market.
Some will no doubt test the water. But the problem remains finding someone to trade them on behalf of the customer. By law, funds have to keep securities with a qualified custodian, and that broker must be able to prove it can keep the assets safe from, for example, hackers.
But a crypto asset is not necessarily a security, legally-speaking. It is just a string of numbers and letters. It can be difficult to recover lost or stolen assets, or even to prove possession or control.
Annette Nazareth, a partner at law firm Davis Polk, and a former SEC Commissioner, notes that for banks, trading crypto assets is a legal grey area. Without showing they can meet the rules, they cannot be approved for this activity, she said.
Last week, US regulators suggested they would be more comfortable with brokers just arranging deals and not holding the digital securities.
"For the most part, [that] statement doesn't resolve these uncertainties," said Ms Nazareth.
Despite the somewhat more constructive approach in wholesale markets, national authorities are still keen to know who watches the watchmen.

MLex: Facebook Privacy Settlement with FTC Challenged by Privacy Group

By Mike Swift

Facebook's $5 billion privacy settlement with the Federal Trade Commission will face a court challenge from privacy advocates, who today took the first steps to argue that a federal judge in Washington should reject the proposed agreement as inadequate.
The Electronic Privacy Information Center, which is already suing the FTC in federal court to get more access to records involving enforcement records against Facebook, today filed a motion in US District Court for the District of Columbia, asking a judge to schedule a series of written briefings on EPIC's argument that the proposed settlement falls short of protecting the privacy of Facebook users.
"The public needs to be heard before this settlement is finalized," said Marc Rotenberg, EPIC's president. "There are simply too many questions about this deal and whether the FTC has actually safeguarded the privacy interests of Facebook users."
The proposed settlement, EPIC said in the filing (see here), "fails to safeguard the interests of Facebook users. The proposed Consent Decree, now before this Court, also directly implicates the rights of EPIC and others who have helped establish the underlying legal authority that is the basis for this settlement, who have routinely filed privacy complaints with the FTC alleging violations of the Consent Order, who have complaints currently pending before the Commission, and who have worked for more than a decade to protect the interests of Facebook users."
The FTC's settlement with Facebook of allegations that the social media giant violated a 2012 consent decree was hit with a wave of criticism as soon as it was unveiled Wednesday (see here). The settlement was approved along party lines, with the FTC's three Republicans supporting it,and its two Democrats issuing strongly-worded dissents.
The judge who will decide whether to approve the proposed settlement in federal court for the District of Columbia was chosen Thursday: US District Judge Timothy J. Kelly. Appointed to the federal bench by President Donald Trump in September 2017, Kelly is a former assistant US attorney who prosecuted a variety of offenses, including violent crime, drug trafficking, and white-collar offenses.
Kelly was the chief counsel for national security and the senior crime counsel to the US Senate Judiciary Committee from 2013 to 2017.
In his short time on the federal bench, Kelly has already gotten significant media attention. After the White House last year revoked the press credential for Jim Acosta, CNN's chief White House correspondent, Kelly ordered the administration to restore Acosta's press credential.
Facebook will also have to get approval from a federal judge in San Francisco for its $100 million settlement of charges by the US Securities and Exchange Commission (see here). The SEC says Facebook violated securities laws by describing the misuse of user data as a hypothetical risk for two years when it had in fact already happened through the Cambridge Analytica privacy leak.
That SEC case will be heard by US District Judge James Donato, who has extensive experience hearing privacy cases

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involving Facebook. An initial hearing in that case is scheduled for late October.
Donato is also presiding over a lawsuit that alleges Facebook's use of facial recognition technology violated the Illinois Biometric Information Privacy Act. Donato's ruling that approved class-action status for that suit is being challenged by Facebook at the US Court of Appeals for the Ninth Circuit (see here).
The FTC's previous high settlement in a privacy case before this week's Facebook settement, a $22.5 million penalty against Google, was challenged by the advocacy group Consumer Watchdog in 2012 (see here).
Consumer Watchdog's lawyer, Gary Reback, said at the time that the Google settlement was "so markedly deficient that it fails to meet the relevant legal standards of 'adequacy' and furthering 'the public interest,'" in part because the FTC failed to get a permanent injunction on Google's behavior, and because the fine was too small (see here).
Ultimately, however, the Google settlement was approved by US District Judge Susan Illston, who ruled (see here) that the settlement was "substantively fair, adequate, and reasonable."
Consumer Watchdog doesn't plan to file a challenge to either Facebook settlement, the group's president, Jaimie Court, told MLex.

FT: London Stock Exchange Deal is Signpost for City

Plan to buy Refinitiv is logical and instructive for the Square Mile
By the editorial board
The London Stock Exchange may be days away from doubling in size via the acquisition of Refinitiv, the data spin-off from Thomson Reuters. Over the weekend the LSE confirmed a Financial Times report that the two groups are in advanced talks.
If a deal comes to fruition, it would seal yet another permutation of the potential combinations that trading platforms have explored in recent years. But alongside the microcosmic rejigging of market structures, the LSE's chosen way forward — under the leadership of American chief executive David Schwimmer and American chairman Don Robert — may also signpost the future of the City of London.
The $27bn purchase would turbo-charge the LSE's move away from its original core business of facilitating the trading of shares. That cash equities business has become increasingly low margin, amid stiffer competition, technology advances and a deepening trend for companies to be owned privately rather via stock exchange listings.
Buying Refinitiv consolidates the LSE's shift into data services begun under previous chief executive Xavier Rolet. It also further broadens the LSE's asset class profile across fixed-income and interest rate products and services.
Most symbolically, it strengthens the group's standing in other parts of the world, particularly North America and Asia. If Boris Johnson were looking for a touchstone for global Britain, the new prime minister could scarcely have found a better one.
It is all a radical change of direction from two years ago, when a merger between the LSE and Frankfurt-based Deutsche Börse was on the cards.
The then chief executives of the two exchange groups had conceived that deal before the UK's 2016 Brexit referendum, but bravely continued to push it even after the vote. They spun a valid line that even if political ties were to be cut, a combined exchanges business could act as a valuable economic bridge, maximising continental Europe's access to capital.
But in the spring of 2017 the putative deal was blocked by the European Commission, nominally on antitrust grounds. Concerns expressed about likely market dominance in derivatives may have been a convenient excuse to scotch a deal made unacceptable by the politics of Brexit.
Regardless of the merits of that merger — or the corporate fallout of it having been blocked — Europe's capital markets may have suffered more. Easier access to the City of London's capital could have brought substance to the rhetoric of the EU's proposed capital markets union, Brexit notwithstanding. Without the deal, and without evidence of alternative impetus, CMU risks being a white elephant.
For the City, the darkening cloud of a no-deal Brexit causes logical concern among financiers. It could severely disrupt the ability of UK-based banks, insurers and asset managers to service clients across the EU — business that is estimated to account for about a fifth of the City's overall revenue.
Thanks to far-sighted thinking by managers, and resolute direction from the Bank of England, the City is probably as well prepared as it could be for a hard Brexit, having established bridgeheads across the continent that should allow business to be continued, albeit less efficiently and at a higher cost.
But Brexiters have long urged businesspeople to focus less on the disruption of leaving the EU and more on the opportunity to boost business with the rest of the world. For 300-plus years the London Stock Exchange has been a key cog in the City of London machine. The City should indeed take note of its outward-looking reinvention.

Risk.Net: SGX's Koh Defends Clearing Methods Post-Nasdaq

Existing tools still work, despite external scrutiny on default management, says risk chief
By Aileen Chuang
Agnes Koh, the chief risk officer at Singapore Exchange (SGX), understands the public scrutiny of derivatives clearing houses in the wake of the damaging default at Nasdaq last year. But she also believes her company and many of its peers have curbed risk on their own, and warns against overly prescriptive regulation that could hinder clearing houses in managing future defaults.
AMERICAN PRESIDENT

Koh argues that existing tools such as liquidating brokers to resolve a default event will continue to work well for futures

clearers.
“The regulators have set their minds and hearts on ensuring there are harmonised risk standards across CCPs,” says Koh. “There are already existing CCP risk practices – and the guidance makes it very clear to all, especially for those participants who are new to the clearing ecosystem.”
Since the Einar Aas default, some banks have voiced concerns over the clearing of certain products at central counterparties (CCPs). Regulators, meanwhile, have pushed CCPs to tighten standards around everything from membership requirements to margin adequacy – and, most prominently, to review practices around the sale of portfolios from defaulting members.
SGX was already in the midst of a two-year review of its margin methodology at the time of the Nasdaq loss, with the broad aim of improving responsiveness to changes in volatility and reducing procyclicality. The review culminated in a raft of changes to the clearing house’s model, which it announced in March.
In parallel, SGX has revised its default auction rules for risky and concentrated products, following a consultation that ended 12 months ago. The exchange announced its new procedures in July, featuring mandatory auctions for certain instruments.
The initiatives add to a sense that SGX and other exchanges are wary of regulators imposing unnecessary rules on the clearing process when CCPs are already addressing any deficiencies themselves. Global standard-setters released a discussion paper on changes to CCP auctions in June.
Koh, a former regulator and 14-year veteran of the exchange, is not shy of pushing global supervisors to take local market dynamics into account when setting standards: in 2016, she issued a rallying call to fellow Asia-Pacific jurisdictions to lobby against “irrelevant” elements of the Fundamental Review of the Trading Book that risked damaging liquidity in younger capital markets.

If it ain’t broke

Existing default management practices, if executed correctly, can insulate CCPs and their members from harmful losses, Koh insists. She uses the Lehman Brothers collapse in 2008 as an example. Lehman’s Singapore entity did not itself default, as it had sufficient collateral to meet its financial obligation to SGX’s clearing houses; but the CCP took pre-emptive measures that included imposing additional margin requirements and porting customers’ positions to other clearing members, enabling it to execute an orderly wind-down of Lehman’s remaining positions.
“We worked closely with our liquidating brokers to complete the liquidation process,” Koh says. “Both our clearing houses did not suffer any financial loss from the fallout, and we were able to return excess collateral to the liquidators of Lehman.”
The use of liquidating brokers as a first measure to dispose of portfolios works well for exchange-traded derivatives with robust liquidity, Koh argues. But it is important for CCPs to retain the flexibility to call on a range of weapons in response to default.
“We need to remind the industry that a CCP can work with many tools, depending on the kind of products that you’ve listed and the complexity in the market and members,” Koh says. “For example, in the listed market, where the instrument is very liquid and with efficient price discovery, the use of liquidating brokers, which have worked in the past, will continue to work in the future.”
As part of recent changes to its default management rules, SGX has proposed mandatory auctions for products that have non-linear risks or enjoy cross-product margin offsets and strong portfolio effect.
“It’s more efficient to liquidate them as a whole, rather than breaking them into individual products and liquidating them separately,” says Koh.
The mandatory auction will be limited to non-defaulting clearing members that have open cleared positions in the contracts that constitute the auction portfolio at the time of the relevant default event. But those clearing members may involve their customers in pricing the auction portfolio, SGX says.
If the bourse doesn’t want to pursue a mandatory auction, it also has the option of other recovery tools, such as liquidating a defaulted portfolio in the open market. This may take the form of a voluntary auction where a broader range of bidders, from inside and outside the clearing member pool, are invited to participate.
“This mode of liquidation may be particularly suitable for liquid outright futures contracts with linear risk, which may attract interested parties from both members and non-members to bid for,” says Koh.
Not all cleared markets are liquid, though. Some are dominated by a few large directional players, which means that any auction process may have only a handful of prospective participants. There is talk that some futures products are simply not fit for clearing.
Koh has sympathy for the concerns, but believes regulators should treat each market on its own merits and resist issuing blanket diktats.
“There are differences in the product, market structure and membership among the various CCPs,” she says. “It’s highly unlikely that we will have a one-size-fits-all approach. That’s why I think workshops could be a discovery process for the industry.”
Koh is actively involved in industry workshops and conversations with regulators. She is currently an executive committee member of CCP12, a global association for central counterparties. Koh worked for the Monetary Authority of Singapore for 11 years until 1998, steering investment of the central bank’s foreign reserves and developing a framework for investment in new asset classes. She later joined a management consultancy, providing accounting and tax services

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to small and medium-sized enterprises.

Marginal gains

The other looming issue exercising banks in futures markets is margin coverage. Even before the Nasdaq episode, dealers were concerned at the steep rise in margin breaches – instances in which models do not fully capture a sharp price move in the underlying, necessitating a top-up from the client.

The market's largest futures clearers, CME Group and Ice, are in the throes of updating their legacy Span models to ones based on value-at-risk, which promise greater accuracy. SGX, which licenses the Span framework from CME, has pre-empted those changes by tweaking its current margin model to give more weight to recent volatility so that base margins are more responsive to the prevailing volatility regime, Koh says.

While still using Span model outputs, the CCP has amended the input parameters, ditching the previous standard deviation approach that gave equal weight to all price observations during the previous year when setting margin requirements, and adopting volatility scaling so that margins are more sufficiently responsive to the prevailing volatility regime.

SGX then backstops this with an anti-procyclicality floor, ensuring margins cannot dip lower than those that would be arrived at using a 10-year lookback, even during benign periods of low volatility. "The 10-year lookback means that, should there be a sudden catastrophe or unexpected event, there won't be a shocking spike in margin requirement and imposing liquidity constraints on our members," says Koh.

The changes, which will apply to SGX's entire suite of listed derivatives, in effect leave the bourse with something akin to a Span 1.5 model. With CME set to roll out Span 2.0 in the first half of 2020, exchanges including SGX may ultimately have to move away from the existing version. Koh declines to comment on the timeline of any change, but says SGX will keep evaluating the necessary improvement.

Margin models and default processes are not the only area of change for SGX. Last November, the exchange surprised rates users by revealing plans to shut its swaps clearing business. Clearing of interest rate swaps denominated in Singapore dollars is mandatory, and with rivals LCH and CME only clearing the shorter end of the curve, that risked leaving in the lurch some clients that were trading longer-dated swaps: SGX was the only CCP offering clearing of Malaysian ringgit swaps and Singapore dollar swaps with a maturity of more than 15 years.

In response to market demand, LCH extended clearing for Singapore dollar swaps out to 21 years. SGX began a de-clearing process with IHS Markit and clearing members on the trades of Singapore dollar swaps and Thai baht and ringgit non-deliverable interest rate swaps before it hit the April deadline. The exchange then executed "trade compression and subsequent re-clearing of some positions to LCH", Koh says.

SGX is refocusing its franchise on clearing over-the-counter foreign exchange futures, it says – a sounder long-term bet, with Singapore the world's third-largest forex trading hub after London and New York.

Biography – Agnes Koh

2014–present: Chief risk officer, SGX
2005–present: Senior vice-president and head of clearing risk unit, SGX
2002–2005: Director, SolidTrack Mgt
1987–1998: Assistant director of portfolio management, Monetary Authority of Singapore

FT: 'China's Nasdaq': Shanghai's New Tech Trading Venue Explained

Beijing hopes Star will take business from Hong Kong and New York

By Hudson Lockett

More than 140 technology and science companies across China have signed up to list their stocks on a new facility run by the Shanghai Stock Exchange. On Monday, the first batch of 25 will begin trading on the new venue, the Star Market. The idea behind Star — billed as China's answer to Nasdaq — is to encourage investment in domestic tech innovators, ensuring they have the resources to develop.

But previous attempts by China to convince the country's top tech talent to sell shares at home have fallen short. Beijing hopes that reforms to how companies list and trade — along with the clear backing of President Xi Jinping — could help Star take business from New York and also Hong Kong at a time when China and the US are engaged in a tussle for technological supremacy.

What is different this time?

Unlike the main boards at the Shanghai and Shenzhen exchanges, stocks will not require government approval to be listed. One marketing company has already withdrawn its application, according to the SSE, which said the business was unable to answer questions to the exchange's satisfaction.

The Star market also permits companies to list before they make any money, and to issue dual-class shares that preserve founders' control over operations. Investors, for their part, will be allowed to short-sell individual stocks for the first time in mainland China.

And, unlike the country's other bourses, the new market has no limit on the ratio of a share price to a company's earnings at the time of listing. Since 2014, the China Securities Regulatory Commission has tried to deter aggressive pricing of initial public offerings by applying an unofficial cap of 23 times historic earnings.

The impact of the new listings regime is clear from the pricing of the 25 companies that start trading on Monday. These have an average price-to-earnings ratio of more than 53, according to an analysis by the Financial Times, compared with less than 14 for shares on Shanghai's main board. That suggests investors are willing to take advantage of the greater

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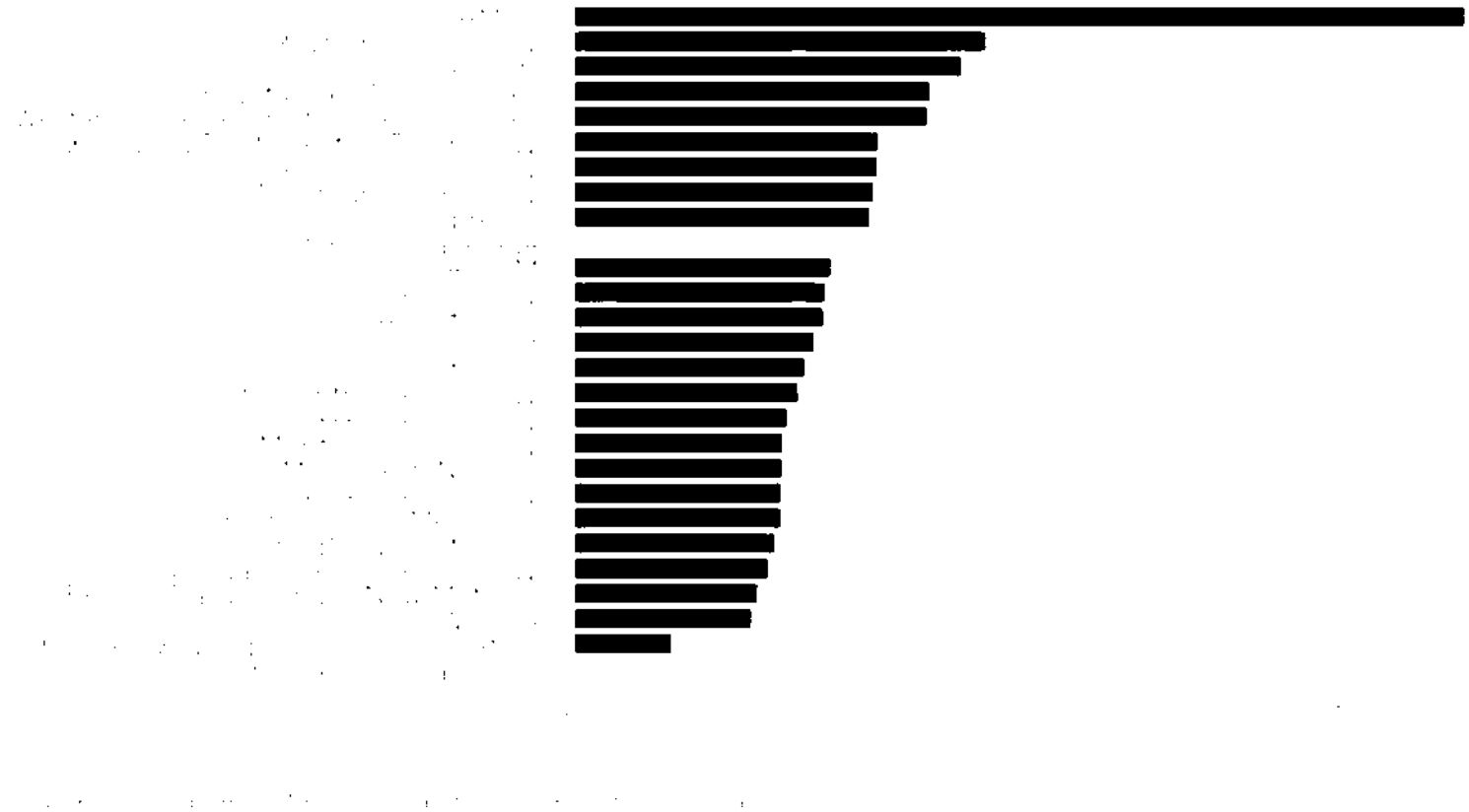
leeway in pricing IPOs on the Star market.

Shanghai's 'Star' tech board lets valuations off the leash



Which companies are listing?

The new system — as well as vocal encouragement from Beijing — has spurred more than 140 companies to apply to list on the board with the aim of raising a combined Rmb128.8bn ($18.7bn), according to local media. That would surpass total IPO fundraising on Shanghai's main exchange last year by $7bn. The first 25 to list have already raised Rmb37bn, with a median fundraising target of Rmb876m.

None of the companies debuting on Monday is particularly well-known outside China. However, state-run China Railway Signal & Communication — the biggest listing of the batch at Rmb10.5bn — made global headlines in 2011, when its equipment was partly blamed for a deadly high-speed train crash near Wenzhou. Most of the others manufacture electronics or specialised equipment.

Other IPOs in the first batch include chipmaker Montage (Rmb2.3bn) and Ronbay, a battery materials supplier (Rmb1.6bn).

The lack of any restrictions on P/E ratios will be likely to focus investors' attention on companies with the highest ratios, and whether they pop on the first day — as many stocks elsewhere in China do. These include semiconductor equipment maker AMEC (a P/E of 170.8), electronics producer Raytron (79) and software maker ArcSoft (74.4).

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China's new board seeks to keep tech talent close to home

What will happen when trading starts?

The Star market's debut week, in particular, holds the potential for far greater price swings than those seen elsewhere in China because, for the first five days after listing, Star stocks are not subject to any limit on daily price moves.

After then, so-called "circuit breaker" rules will kick in, suspending trading of a stock for 10 minutes if it rises or falls 30 per cent from its opening price, then for another 10 minutes if it moves another 60 per cent in either direction.

Given that the new market has Mr Xi's personal backing, however, analysts are expecting initial trading to be buoyant. And more state support for the Star board is on the way. Last week, a spokesperson for China's state asset regulator said: "We strongly advocate and support" the listing of central state-owned enterprises on the Star market."

CFTC Daily News Clips Prepared by Antoinette Turner

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TO: THE SECRETARY AND SENIOR STAFF
DATE: WEDNESDAY, FEBRUARY 3, 2021 6:00 AM EST

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Treasury in the News

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Biden, Yellen Urge Senate Dems To "Go Big" On COVID-19 Relief.

USA Today (2/2, Wu, 12.7M) reports President Biden "told a group of 10 Republican senators their roughly $600 billion counteroffer on a COVID-19 stimulus package was 'way too small,' top Senate Democratic leaders said Tuesday following a virtual meeting with Biden and Treasury Secretary Janet Yellen." Senate Majority Leader Chuck Schumer said following a meeting of Senate Democrats that Biden "said that he told Senate Republicans that the $600 billion that they proposed is way too small." Biden and Yellen "found their proposal insufficient to address the COVID-19 pandemic, Schumer said, though he noted Biden told Democrats he was open to 'some modifications' on the relief bill." Schumer said Yellen "specifically noted" the GOP plan excluded expansions of the Child and Earned Income Tax Credits, and thus "didn't do enough to help."

The New York Times (2/2, Broadwater, Tankersley, 20.6M) reports Biden and Yellen "met virtually with Senate Democrats at their lunch on Tuesday afternoon," during which they "spoke about the need for Congress to respond boldly and quickly," according to Schumer. Schumer said Biden "was very strong in emphasizing the need for a big bold package," and that although Biden "said he told Republicans he was willing to make some modifications to his proposal, he and Ms. Yellen told the group that if the Senate embraced the Republican plan, 'we'd be mired in the Covid crisis for years,' according to Mr. Schumer."

The AP (2/2, Mascaro, Boak) reports, "both Biden and Yellen recalled the lessons of the government response to the 2009 financial crisis, which some have since said was inadequate as conditions worsened." The Washington Post (2/2, Werner, Stein, Kim, 10.52M) reports Yellen, during the call, "emphasized the need for a robust relief package at an unsettled moment for the economy, which has begun shedding more jobs – and for the pandemic, as new coronavirus variants emerge." Schumer said of the GOP plan, "I think it is [Biden's] belief, it is Secretary Yellen's belief, it is our belief, that if we did a package that small, we'd be mired in the covid crisis for years."

Politico (2/2, Levine, Everett, 6.73M) reports Yellen "answered questions from senators and encouraged the caucus to pursue a large stimulus." Senate Democrats "said afterward that the call with Biden and Yellen was positive and vowed that the Senate would move swiftly on coronavirus relief, with or without Republican buy-in." Senate Finance Chair Ron Wyden said, "We've really gotta get this bill out early on." President Biden "and Janet Yellen are interested in a bipartisan package and talk about it. But they make clear the American people want something that really helps them." Axios (2/2, Treene, 1.26M) reports Yellen "emphasized Biden's insistence on ensuring they didn't underestimate the money needed to keep the economy in check, and then took several questions, which resulted in the meeting descending into chaos," according to a source on the call.

Reuters (2/2, Lawder) reports Yellen said in a statement following the call Tuesday that new CBO growth forecasts showed the US "desperately" needs Congress to pass Biden's relief package. Yellen said, "Last year, the economy shrunk more than any other since the end of World War II. With the growth that the CBO projects, it will be years before the country reaches full employment again."

The Wall Street Journal (2/2, Duehren, Subscription Publication, 8.41M) and The Hill (2/2, Carney, 5.69M) also report.

Yellen Holds "Warm & Productive" Call With IMF Head.

Reuters (2/2, Shalal) reports Treasury Secretary Janet Yellen and IMF Managing Director Kristalina Georgieva "agreed on Tuesday on the need for multilateral solutions to address debt vulnerabilities and other issues facing the global economy, the Treasury Department said." Yellen's call with Georgieva "was the latest in a series of initial calls with top global finance officials after taking office last week." Treasury's statement said, "Secretary Yellen conveyed her intention to work closely with the IMF on the priorities of continuing to respond effectively to the COVID-19 pandemic, re-invigorating economic growth to support a strong global recovery, fighting inequality, and forcefully addressing the threat of climate change." Georgieva described the call in a tweet as "warm & productive."

Yellen Emphasizes Climate Change Threat In Call With World Bank Head.

Reuters (2/2, Shalal) reports Treasury Secretary Janet Yellen and World Bank President David Malpass, in a call on Tuesday, "stressed the need to coordinate in responding the global pandemic, improving vaccine access for the poorest countries, and combating climate change, Treasury said." During the call, Yellen "emphasized that climate change is an existential threat to our environment and global economy and urged robust support to low-income countries," according to a Treasury Department statement, which added that Yellen "highlighted the need to work closely to help countries reduce debt vulnerabilities and improve debt sustainability and transparency."

Yellen Pressing Urgency Of Climate Change With Finance Ministers Worldwide.

CBS News (2/2, Ewall-Wice, 5.39M) reports Treasury Secretary Janet Yellen "is giving climate change a prominent role in her talks with her counterparts around the world, signaling a significant shift by the Biden administration to prioritize addressing climate change not just from the White House but also at the agency." Yellen "has spoken to the finance ministers of Italy, Japan, Canada, France, Germany and the United Kingdom since being sworn in less than a week ago, according to statements provided by the Treasury Department regarding those talks." In each one of those calls, "'forcefully addressing the threat of climate change' has been discussed as one of Yellen's top priorities and tackling climate change has been a topic of conversation, according to those statements."

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Yellen Lauds Partnership, Pledges Further Engagement In Call With Mexican Finance Minister.

Reuters (2/2, Shalal) reports Treasury Secretary Janet Yellen "spoke on Tuesday with Mexican Finance Minister Arturo Herrera and

underscored her desire to maintain close U.S.-Mexico coordination on economic and security issues, the Treasury Department said in a statement." Yellen "told Herrera that Mexico could be a strong partner in working on key priorities, including responding to the COVID-19 pandemic, supporting a robust economic recovery, fighting inequality, and addressing the threat of climate change." Yellen also "told Herrera she looked forward to further engagement on shared interests, including combating illicit finance and facilitating economic development in Central America, Treasury said."

Reuters (2/2, Daniel) also reports Yellen and Herrera discussed "the need for an international agreement on taxing the digital economy, Mexico's finance ministry said."

Rights Groups Press Yellen, Blinken To Reverse Last-Minute Sanctions Relief For Israeli Mining Tycoon.

Reuters (2/2, Shalal) reports, "Nearly 30 Congolese and international human rights groups and several U.S. lawmakers have called on the Biden administration to reverse a last-minute move by the Trump administration to ease sanctions against Israeli mining magnate Dan Gertler." The Treasury Department "imposed the sanctions in December 2017 and June 2018, accusing Gertler of using his friendship with Democratic Republic of Congo's former President Joseph Kabila to win sweetheart mining deals worth more than a billion dollars," but the Trump administration "eased the sanctions in a secret action in its last week in office, a license granted by the Treasury Department showed." In a joint letter to Treasury Secretary Janet Yellen and Secretary of State Antony Blinken, human rights groups "urged" them to "reverse course, arguing that the Trump administration's move undermined U.S. anti-corruption efforts and set a dangerous precedent undercutting the Global Magnitsky sanctions program."

GameStop Trading Prompts Yellen To Call Meeting With SEC, Fed.

Politico (2/2, Guida, 6.73M) reports that Treasury Secretary Janet Yellen "will meet with key financial regulatory agencies to scrutinize recent price surges in GameStop stock and other companies, the latest move by policymakers to respond to market maneuvers tied to a group of investors on Reddit." The meeting, "which will take place as soon as Thursday, will focus on findings from the Securities and Exchange Commission, according to a Treasury official. It will also include the Federal Reserve, the New York Fed and the Commodity Futures Trading Commission, which oversees derivatives." Politico adds, "The frenzy in a range of stocks has increasingly drawn in policymakers, particularly after brokerage Robinhood Financial suddenly limited trading in GameStop, AMC Entertainment and other stocks, citing demands from a clearinghouse for $3 billion to back up trades as it continued to rack up purchase orders from its customers."

Reuters (2/2, Lawder, Hunnicutt), The Washington Post (2/2, Stein, Siegel, 10.52M), and The Wall Street Journal (2/2, Davidson, Subscription Publication, 8.41M) also report.

Treasury Bringing In Officials To Focus On International Affairs.

Reuters (2/2, Shalal, Lawder) reports economist and former IMF and Treasury official David Lipton "will return to government service as a senior adviser to Treasury Secretary Janet Yellen, six sources familiar with the matter said." Lipton "will focus on the U.S. role within the Group of Seven advanced economies and the larger Group of 20 economies in a temporary role, several sources said on condition of anonymity." Bringing Lipton to Treasury "to guide international matters will free Yellen to focus on the U.S. economy and work to ensure passage of President Joe Biden's $1.9 trillion rescue plan, which has run into resistance from Republicans in Congress, the sources said."

Bloomberg (2/2, Mohsin, 3.57M) reports Yellen "is eyeing former Treasury official Marisa Lago, who now works for New York Mayor Bill de Blasio, and Heidi Crebo-Rediker, a former chief economist at the State Department, for undersecretary of international affairs at the Treasury, according to people familiar with the matter. The role requires Senate approval."

Eisinger: Biden Needs More Than "Aggressive Appointments" To Undo Corporate-Friendly Policies.

In an op-ed for The New York Times (2/2, 20.6M), Jesse Eisinger of ProPublica writes that some of President Biden's appointees and nominees "are among the most aggressive financial and corporate regulators of recent years," including Treasury Secretary Janet Yellen, who has "has generated tempered optimism" as "a late convert to the cause of aggressive financial regulation." However, "it's only a start. Persuading Mr. Biden, an avowed lifelong moderate, to reverse decades of corporate-friendly stances, even among Democratic administrations, will require more than a few aggressive appointments."

Treasury Grant News

Pittsburgh, Allegheny County To Establish Treasury-Funded Covid-19 Emergency Rent Assistance Program.

The Pittsburgh (PA) Business Times (2/2, Schooley, 850K) reports the City of Pittsburgh and Allegheny County, Pennsylvania "issued a joint announcement today introducing a new Covid-19 emergency rental assistance program, working in conjunction with affordable housing nonprofit ACTION Housing and Dollar Energy." A press release "from the administration of Mayor Bill Peduto said a proposal for the city to establish the new rental assistance program was slated to be introduced to City Council today as a measure to help meet the ongoing needs

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of those facing financial crisis from the Covid-19 pandemic." The program "is expected to use federal funding available through the Consolidated Appropriations Act signed into law on Dec. 27." Allegheny County "received $27 million and the city $8.9 million in U.S. Treasury grants from the new legislation, according to an announcement, with the funding expected to be used to assist households having trouble paying rent and utilities due to the pandemic."

COVID-19 News

White House Announces Push To Distribute COVID Vaccines To Pharmacies.

ABC World News Tonight (2/2, story 3, 2:45, Muir, 8.01M) reported on the "new push to send vaccines to pharmacies across the nation. The White House [is] now directing one million doses to be sent to 6,500 pharmacies." ABC's Eva Pilgrim said the White House announcing shipments of vaccines "will begin going straight to select pharmacies starting next week." White House COVID coordinator Jeffrey Zients: "This pharmacy program will expand access in neighborhoods across the country, so you can make an appointment and get your shot conveniently and quickly."

Gabe Gutierrez said on NBC Nightly News (2/2, story 4, 1:45, Holt, 6.35M), "Across the country, from Georgia to California, frustration over the rollout is reaching the White House, which today announced details of its pharmacy vaccination program. By next week, February 11, the government says it will deliver one million doses to 6,500 retail pharmacies nationwide, eventually expanding to 40,000." Walgreens Chief Medical Officer Kevin Ban: "We have all of the infrastructure, all of the connection in community to be able to help those people who have been hard hit by the pandemic." Gutierrez: "Andy Slavitt is a senior COVID-19 adviser to the White House who says he's concerned providers are holding back second doses." Slavitt: "I think that's a function of what happens in a shortage. People hoard. If they are holding back second doses that were intended as first doses, they don't need to do that."

The AP (2/2, Alonso-Zaldivar) reports Zients "announced the moves on a call with the nation's governors Tuesday morning and then detailed them to the public in an afternoon news conference." The Washington Post (2/2, Schemm, Cunningham, 10.52M) reports Zients "cautioned that supply constraints will limit the early availability of shots in drugstores. He said the administration wanted to target supplies to pharmacies serving 'socially vulnerable communities.'" Politico (2/2, Lim, 6.73M) reports that the new pharmacy initiative "is separate from an ongoing federal program to have Walgreens and CVS vaccinate residents of long-term care facilities."

The Wall Street Journal (2/2, Parti, Armour, Subscription Publication, 8.41M) reports the Administration also announced plans to boost supplies of Moderna and Pfizer vaccines sent to states for the next three weeks and purchase enough additional doses to vaccinate most of the US population by the end of summer. The AP (2/2, Alonso-Zaldivar) reports the Administration "is allowing state and local governments to receive additional federal dollars to cover previously incurred expenses relating to the pandemic." The New York Times (2/2, LaFraniere, Weiland, Robbins, 20.6M) says the announcements "were clearly intended to show that Mr. Biden was making rapid strides on the vaccine front amid huge frustration in the country over tight supplies and a chaotic, cobbled-together system for administrating the available shots."

Asked on MSNBC (2/2, Hayes, 2.69M) about issues with the vaccine rollout, NIAID Director Fauci said, "Overwhelmingly, if you look at the entire country, the supply does not at this point meet the demand. So if you get on the phone with mayors and governors, the biggest complaint is we need more vaccine." Fauci continued, "We will be doing better as we get into February and March and April. ... We will be getting more, but right now, we need to get more vaccine in the hands of the administrators who are going to be administering the vaccine."

Pfizer Expects To Supply US With 200M Vaccine Doses Months Early. CNBC (2/2, Lovelace, 7.34M) reports on its website that Pfizer intends to "deliver 200 million doses of its coronavirus vaccine to the U.S. by May, earlier than its initial forecast of July, according to slides published Tuesday by the company ahead of its fourth-quarter earnings call." Pfizer "also said it can potentially deliver 2 billion doses globally by the end of this year now that health-care providers can extract an additional sixth dose of the vaccine from the vials."

Moderna Asks FDA To Allow It To Overcome Vial Shortage. The New York Times (2/2, Zimmer, 20.6M) reports that the FDA "could decide within a few weeks how much more vaccine Moderna, the developer of one of the two federally authorized Covid-19 vaccines, can put into its vials. Moderna says it can raise the number of doses per vial from 10 to as much as 15." Moderna "has already been ramping up production of its vaccine, only to find a bottleneck in the bottling, capping and labeling process. With F.D.A. approval, more doses could start going into each bottle quickly."

CDC Seeks To Accelerate Efforts To Detect COVID Variants.

On NBC Nightly News (2/2, story 5, 1:15, Holt, 6.35M), Miguel Almaguer reported the CDC "is hoping to analyze 6,000 COVID samples a week, a race to track down dangerous and potentially deadlier variants of the virus." Almaguer added, "With the UK strain already detected in a majority of states, researchers fear if the South African and Brazilian variants are more resilient to vaccines, the death toll could climb to 600,000 in three months."

In an op-ed for the Washington Post (2/2, 10.52M), Ashish K. Jha, Dean of the Brown University School of Public Health, writes that the new strains of the coronavirus are "a powerful reminder that we must remain vigilant in fighting the virus, even as vaccines promise an end to the pandemic. And they are a warning that if the world doesn't bring the virus under control everywhere, this nightmarish pandemic could continue for years longer than it needs to."

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Northeast Vaccine Sites Resume Rollout After Snowstorm.

The AP (2/2) reports, "Coronavirus vaccination sites across the Northeast ramped back up Tuesday after a two-day snowstorm that also shut down public transport, closed schools and stranded travelers with canceled flights." Officials "said that since vaccine supplies were thin to begin with, they didn't anticipate having big problems getting caught up on distribution after a day or two of cancelled appointments." As of Tuesday, some vaccination sites in New York City "remained closed, but others, including those run by the public hospital system, were open," and in Massachusetts, "a Boston site that was supposed to open Monday for residents ages 75 and older did not." In Connecticut, "efforts are under way to provide vaccinations by the end of the week to" 10,000 people whose appointments were canceled Monday, and New Jersey's "six megasites for COVID-19 vaccines were still closed" on Tuesday.

Health Officials Say Wealthy Citizens Taking Up Vaccine In Poor Neighborhoods.

The New York Times (2/2, A1, Goodnough, Hoffman, 20.6M) reports, "Although low-income communities of color have been hit hardest by Covid-19, health officials in many cities say that people from wealthier, largely white neighborhoods have been flooding vaccination appointment systems and taking an outsized share of the limited supply." Residents of "underserved neighborhoods have been tripped up by a confluence of obstacles," including hard-to-navigate websites and phone lines, lack of transportation and time off, and vaccine hesitance. Several "cities are trying to rectify inequities" in distribution, but have faced obstacles, including "fear that singling out neighborhoods for priority access could invite lawsuits alleging race preference." Additionally, the ability "to address inequities depends on how much control they have over their own vaccine allocations and whether their political leadership aligns with that of supervising county or state authorities."

Nationwide Push For Schools To Reopen Intensifies.

The AP (2/2, Kunzelman, Ramer) reports, "Pressure is building on school systems around the U.S. to reopen classrooms to students who have been learning online for nearly a year, pitting politicians against teachers who have yet to be vaccinated against COVID-19." Even as "some communities maintain that online classes remain the safest option for everyone," parents, politicians, and administrators "have complained that...children's education is suffering from sitting at home in front of their computers and that the isolation is damaging them emotionally." They have also "argued...that reopening schools would enable parents to go back to work." The CDC has found that there is little evidence of transmission when schools observe public health measures. However, "many teachers have balked at returning without getting vaccinated first against the scourge that has killed over 440,000 Americans."

WPost Analysis: Cardona Won Education Nomination Through Push To Reopen Schools. The Washington Post (2/2, Meckler, Anderson, 10.52M) reports that Education Secretary-designate Cardona last summer pushed districts in Connecticut "hard to return to five days a week," and "saw all but one school district in his state adopt some flavor of in-person education in the fall" despite "noisy protests" from teachers and nationwide online learning. The Post says, "That record helped pluck the 45-year-old schools commissioner out of seemingly nowhere to become President Biden's nominee," as the President has named opening schools as one of his top priorities. Cardona, who "faces a Senate confirmation hearing Wednesday," has the support of both large teachers unions in his state, with leaders "saying he maintained productive and cordial relationships" during discussions about reopening despite disagreements.

WSJournal: Biden Is Absent On Reopening Schools. The Wall Street Journal (2/2, Subscription Publication, 8.41M) editorializes that the Biden Administration's pledge to follow the science is being undermined in regard to schools reopening, arguing that the President is absent in supporting local government officials battling teachers unions that have resisted calls to return to in-person learning despite data that suggests it is safe to do so.

States Look To Reallocate Unused Doses From Nursing Homes.

The New York Times (2/2, Fausset, 20.6M) reports that a number of states, including Maine, Michigan, Minnesota, Missouri, Ohio, and Oklahoma, are shifting supplies from the Pharmacy Partnership for Long-Term Care Program after discovering "a big logistical problem." The federal program allocated "thousands of precious doses...for nursing home patients that [were] not using them all," leaving "tens of thousands of doses...sitting untouched in freezers." The Times says the shift is "a telling example of how chaotic the inoculation effort in the U.S. has been so far," in part due to "a formula that turned out to significantly overestimate how many shots would be needed for long-term care facilities." Distribution also saw trouble with "a considerable number of residents" and staff "turning down" vaccinations.

Anti-Vaccine, Anti-Mask Activists Find Converging Ideologies.

The Wall Street Journal (2/2, A1, Pulliam, McKay, Maher, Subscription Publication, 8.41M) reports that anti-vaccine and anti-mask activists are combining efforts to protest for what they call "health freedom," signaling mistrust in government and pharmaceutical companies. Officials are increasingly concerned that the groups, including state lawmakers, are spreading misinformation and impeding efforts to get the COVID pandemic under control.

LAPD Warns Of Arrests After Anti-Vaccine Protest At Dodger Stadium. The Los Angeles Times (2/2, Rector, 3.37M) reports that "days after anti-vaccination and far-right protesters disrupted operations at one of the nation's largest COVID-19 vaccination sites at Dodger Stadium, Los Angeles Police Chief Michel Moore on Tuesday said any such protests in the future would be met with quick arrests." Moore said that demonstrations will be restricted to an area near the entrance in order to respect the protesters' First Amendment rights while continuing operations at the site without interruption. The pledge follows "outrage from local officials who demanded that no incident like the

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one over the weekend be allowed to happen again."

Cuomo Set To Open Restaurants Despite Worsening Case Counts.

The New York Times (2/2, Keefe, 20.6M) reports that on Friday, New York Gov. Andrew Cuomo (D) indicated that New York City "could reopen indoor dining on Feb. 14, typically a busy day for the restaurant industry." According to the Times, "As the governor spoke, average per-capita case counts in New York City were 64 percent higher than when he announced an indefinite ban on indoor dining in December." The Times says "the decision to reopen indoor dining came amid growing criticism of the governor for scorning the expertise of public health officials over the advice of the business lobby."

WPost Criticizes Michigan Restaurants For Ignoring Restrictions.

An editorial in the Washington Post (2/2, 10.52M) says more than 60 restaurants in Michigan are openly ignoring pandemic restrictions. The restaurants "formed Stand Up Michigan, a group that held rallies against pandemic restrictions." The Post says Stand Up Michigan "has taken the defense of rights too far. Personal freedom does not mean the right to endanger others. ... It is absolute madness to encourage the kind of behavior – indoor dining at restaurants – that will spread the disease and lead to sickness and death."

Russian Vaccine Found To Be 91.6% Effective.

The New York Times (2/2, Kramer, 20.6M) reports Russia "cleared a hurdle in its vaccine rollout on Monday with the publication in the respected British medical journal The Lancet of late-stage trial results showing that the country's Sputnik V vaccine is safe and highly effective." The Times says that while Russia "drew criticism from Western experts when it approved the vaccine for emergency use in August – before late-stage trials had even begun – and started vaccinations that month," the peer-reviewed article "cleared those doubts. It showed the vaccine had an impressive efficacy rate of 91.6 percent against the virus and was completely protective against severe forms of Covid-19." According to Reuters (2/2, Ivanova), "Experts said the Phase III trial results meant the world had another effective weapon to fight the deadly pandemic and justified to some extent Moscow's decision to roll out the vaccine before final data had been released." Reuters says the results from the Gamaleya Institute in Moscow "were in line with efficacy data reported at earlier stages of the trial, which has been running in Moscow since September."

CNN (2/2, Rahim, 89.21M) reports on its website that the findings "are based on data gathered from 19,866 participants, of which around three-quarters (14,964) received two doses of the vaccine and a quarter (4,902) were given a placebo. Sixteen cases of symptomatic Covid-19 were confirmed in the vaccine group 21 days after participants received the first vaccine dose. Sixty two cases were found in the placebo group – equating to an efficacy of 91.6%." Politico Europe (2/2, Martuscelli, 15K) reports the Sputnik V vaccine "is based on an adenoviral vector, which involves using a modified version of the common cold to induce cells to produce the spike protein found on the coronavirus." Politico adds the Russian vaccine "is distinguished from Oxford/AstraZeneca's shot – which is based on similar technology – because it uses two different viruses in each shot."

The Wall Street Journal (2/2, Kantchev, Subscription Publication, 8.41M) says the "peer-reviewed study" is "handing Moscow a geopolitical coup and a potential slice of the multibillion-dollar vaccine market as it seeks to promote the Covid-19 shot abroad and curb the pandemic at home." The Journal also says the "the endorsement of Sputnik V presents a significant victory for Russian President Vladimir Putin in the global vaccination race, providing a vote of confidence in the capability of Russian science and medicine and helping to deflect some of the criticism Moscow encountered for its fast-tracked development of the vaccine and lack of published trial data."

However, NIAID Director Fauci said on MSNBC (2/2, Hayes, 2.69M), "It's really very good news about the success of the Russian trial, which showed more than a 90% efficacy. That's exactly what you want. You want to get the virus suppressed throughout the world, because when you're dealing with a pandemic, if there's a good degree of infection and spread in any part of the world, it's always a threat to where you are."

Mexico Poised To Approve Russian Vaccine. The AP (2/2, Delgado) reports Mexico is "on the verge of approving the Russian COVID-19 vaccine Sputnik V following the publication of early results of an advanced study, Mexican officials said Tuesday."

France Declines To Administer AstraZeneca Vaccine To People Over 65.

The AP (2/2) reports France "will only administer the AstraZeneca coronavirus vaccine to people under age 65, President Emmanuel Macron said Tuesday after the government's health advisory body cited a lack of sufficient data about its effectiveness in older people." According to the AP, the decision "could shake up the French vaccination strategy, because the country has prioritized nursing home residents and people over 75," and because France "had counted on the AstraZeneca vaccine for a large part of its upcoming inoculations, until the company announced delays affecting countries around Europe and the world."

UK Officials Identify Presence Of South African Variant.

The New York Times (2/2, Kwai, 20.6M) reports that "painfully aware of the dangers posed by mutations of the coronavirus after a variant fueled a surge in deaths this winter," the UK "has sounded a full-scale alarm over the detection of another variant, this one first registered in South Africa." The Times adds that in "one of the largest concerted testing efforts in the country since the outbreak of the pandemic, the

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British authorities dispatched mobile units and began testing for 80,000 residents living in areas where the variant had been detected," and "as of Monday, health officials had identified 105 cases of the variant in Britain, including in London, with 11 of them not linked to international travel." According to the Washington Post (2/2, Achenbach, Booth, 10.52M), "The worrisome mutation, at a site on the virus RNA called E484K, has drawn close scrutiny from infectious-disease experts, who have given it the nickname 'Eeek.'" The Wall Street Journal (2/2, Steinhauser, Sugden, Subscription Publication, 8.41M) reports vaccines appear to be less effective than this variant and as a result could make it more difficult to overcome the pandemic.

Portuguese Hospitals Struggling Amid Spike In COVID Patients, Deaths.

The New York Times (2/2, Minder, 20.6M) reports hospitals in Portugal are "overwhelmed," as the country "is in the grips of its worst crisis of the pandemic." According to the Times, Portugal "has recorded 12,757 total coronavirus-related deaths, 5,576 of those in the last month alone," and the country has "the highest death rate in Europe." The Times adds hospitals are "being forced to turn away critically ill patients," and "those who do show up at hospitals in Lisbon are finding a system on the brink, with scores of people lining up outside and waiting for treatment in ambulances."

African Countries Confront Increasing Deaths Amid Struggle To Obtain Vaccines.

An AP (2/2, Meldrum, Mutsaka) article headlined "African Countries Scramble To Bury Virus Dead, Get Vaccines" highlights that South Africa has begun turning shipping containers into "overflow mortuaries," even as "some other African nations are now looking to China for the next wave of vaccine doses."

Leading National News

Senate Opens Debate On Budget Resolution 50-49 As Biden Seeks "Big, Bold Package."

The CBS Evening News (2/2, story 5, 0:55, O'Donnell, 4.87M) reported President Biden "is signaling he does not intend to negotiate the terms of his COVID relief bill. He came out of Monday's nearly-two-hour meeting with Senate Republicans determined to go big." CBS' Ed O'Keefe said the President is "pushing ahead with his nearly $2 trillion COVID relief plan, telling Senate Democrats in a lunchtime call that the Republican counteroffer, $600 billion, isn't enough for this crisis. ... Democrats are trying to fast-track the President's proposal, with or without Republican support." Senate Minority Leader McConnell, "who once used the same tools to push through a $1.5 trillion tax cut, criticized the Democrats." McConnell: "They've chosen a totally partisan path. I think that's unfortunate."

White House Communications Director Kate Bedingfield said on CNN (2/2, 3.06M), "President Biden's hope is that we are still going to get Republican support for this package. What he is unwilling to do, though, is to slow the process down, or to put forward a package that he doesn't believe meets the needs of the moment or the needs of this crisis." Asked about the possibility of targeting stimulus checks, Bedingfield said the President "has signaled that he is open to looking at tailoring the checks, but he strongly believes that these $1,400 checks...need to get out the door to the people who need them."

Reuters (2/2) reports the Senate "voted on Tuesday to open debate on a budget resolution, starting a process that would allow Democrats to pass [Biden's] proposed $1.9 trillion coronavirus aid bill without Republican support." Bloomberg (2/2, Wasson, 3.57M) reports, "With a 50-49 vote Tuesday, the Senate opened debate on a budget resolution for the 2021 fiscal year, a maneuver that would clear the way for the president's relief plan to pass in the chamber with a simple majority rather than the 60-vote threshold for most legislation." The vote was along party lines, with Sen. Pat Toomey (R-PA) absent due to the snowstorm.

The Washington Post (2/2, Stein, Werner, 10.52M) reports that the White House is "open to narrowing eligibility for the next round of stimulus payments but not lowering those payments below $1,400 per person." However, White House Press Secretary Jen Psaki indicated that Biden is "wary of limiting the income thresholds on the payments too dramatically."

CNN (2/2, Hoffman, Foran, Nobles, 89.21M) reports on its website that Schumer said Biden told Senate Democrats "that he wants a 'big, bold package' on Covid-19 relief and that he told Senate Republicans that their $600 billion proposal is 'way too small.' It was a point [Psaki] reiterated during her briefing – there are certain 'bottom lines' that Biden wants to be in the next round of Covid-19 relief, including direct payments reaching more Americans than what the Republican proposal would include." Psaki said, "His view is that at this point in our country, when one in seven American families don't have enough food to eat, we need to make sure people get the relief they need and are not left behind."

CNBC (2/2, Pramuk, 7.34M) reports on its website, "Democrats have contended they need to inject more money into the health and economic response as soon as possible." Fox News (2/2, Dorman, 23.99M) reports on its website that from the left, Rep. Rashida Tlaib (D-MI) "is taking aim at President Biden's White House, suggesting officials are needlessly stalling coronavirus relief for Americans." She tweeted, "Quit messing around and send people the survivor checks we promised them."

Sen. Jon Tester (D-MT) said on CNN (2/2, 1.99M), "I think it would be great to have a bipartisan bill to get through. I think that would be the best of all worlds. It would show that Congress can work. On the other side of the coin, I think it is also very important that we get a bill that moves the economy forward. If it can only be done with Democrats, so be it. But the bottom line is, it has to be done."

In his New York Times (2/2, 20.6M) column, Jamelle Bouie says the Republican proposal "is just the Biden plan except worse – less comprehensive, less ambitious, less generous. And there's no rhyme or reason to these cuts; it's just stinginess for stinginess's sake." Paul

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Waldman writes in the Washington Post (2/2, 10.52M) that Biden should "call the Republicans on their bluff. If they care so much about fairness that they don't want to see families with incomes over $100,000 get a stimulus check, he should agree to that demand, but only if they'll boost the minimum wage to $11."

Manchin Votes To Move Forward Via Reconciliation. The New York Times (2/2, Fandos, Haberman, 20.6M) reports that on Tuesday, Sen. Joe Manchin (D-WV) "said he would vote to move forward with the budget process." Fox News (2/2, 23.99M) says on its website that Manchin "bowed to immense pressure Tuesday and announced he would vote in favor" of the budget resolution, "but would continue to fight for bipartisanship in the process of negotiations." Manchin told reporters, "The resolution I'm going to support – this process. I only support this if it's an open process. But it is urgent. This is the only way we can get a bipartisan package."

Roll Call (2/2, Krawzak, 130K) reports Manchin "has expressed concern about the size of the additional $1,400 rebate checks in Biden's plan, for instance, and on Tuesday he said he would support a higher minimum wage, perhaps $11 per hour, but not the $15 hourly wage Democrats have promised." Marc Thiessen writes in the Washington Post (2/2, 10.52M) that Biden "needs every Democrat plus Vice President Harris to ram through his bill without any GOP support," which means Manchin "has veto power. Now is the moment to exercise that power and prod Biden to live up to his rhetoric about unity and cooperation."

Romney Says GOP Must Be "Consistent" In Arguments About Spending. In an interview with the Salt Lake (UT) Tribune (2/2, 284K), Sen. Mitt Romney (R-UT) said, "When we had a Republican president and House and Senate, we kept on spending massively and adding almost a trillion dollars a year to the national debt. Now we say this is outrageous adding so much to the debt? They say we did the same thing when we were in charge. It does show that you have to be consistent in your arguments."

White House Officials Hope Biden's Executive Actions Will Build Momentum For COVID Relief Package. Politico (2/2, Korecki, Caputo, 6.73M) reports Biden has "institut[ed] a record 45 executive actions that fulfill campaign promises on everything from climate change to racial equity to immigration, undo a number of Donald Trump's policies, and have shaped the news cycle along the way." Politico says White House aides are so firm in their belief that the actions have "helped build momentum for the president as he tries to sell a historic $1.9 trillion 'rescue' package" that "officials and allies are now practically daring Republicans to fight them, convinced that the public is firmly on the side of quick action." However, there is "a broad sense among Republicans that Biden and Democrats will fall out of favor with voters."

Vanden Heuvel: Biden Has Declared "The Era Of Small Government" Over. Katrina Vanden Heuvel writes in the Washington Post (2/2, 10.52M) that in Biden's first 10 days, he "has demonstrated that he intends to be a transformative, not a transitional president – launching initiatives that go beyond those of the Obama era. At long last, a Democratic president is declaring that the era of small government is over." Biden, she adds, "is essentially announcing that the Washington consensus – one that favors deregulation, austerity and pro-corporate trade policies – is bankrupt."

Study: Nearly $18B In Jobless Benefits Were Not Distributed Due To State, Federal Delays.

The Hill (2/2, Elis, 5.69M) reports according to a new study from the "left-leaning group" the Century Foundation, "almost $18 billion in unemployment aid was not distributed last month due to delays at the state and federal level, including former President Trump's decision to wait a week to sign a massive coronavirus relief measure." The analysis "determined that a combination of factors at various levels of government has prevented crucial aid from being delivered to jobless Americans. Part of that was due to inaction by Trump, the study said." Although the Labor Department "moved furiously to ensure that states could continue the benefits despite the lapse, the Century Foundation's analysis found extensive state-level delays in resuming benefits, as well as implementing new ones."

More Women Lost Jobs Than Men During COVID Recession.

The CBS Evening News (2/2, story 7, 2:05, O'Donnell, 4.87M) reported the recession caused by COVID "is the first in which more women have lost jobs than men." According to experts, "the true unemployment rate for women in America at the end of 2020 was 30%." CBS' Adriana Diaz added, "Women held a majority of service jobs lost in the pandemic, and due to the demands of schooling, this fall, four times as many women left the workforce as men." In December, "156,000 jobs were lost, all of them from women."

Warren To Join Senate Finance Committee.

The Hill (2/2, Lane, 5.69M) reports Sen. Elizabeth Warren (D-MA) will become a member of the Senate Finance Committee, "which has jurisdiction over taxes, trade policy, health insurance, Social Security and safety net programs." The Hill says the position will give Warren "a prominent platform to push forward progressive proposals on tax policy and health care."

Roll Call (2/2, Lesniewski, 130K) says Warren, who is "known for her aggressive oversight of Wall Street and financial institutions, will remain a member of the Banking Committee." Warren said in a statement, "I look forward to being a progressive voice at the table to secure meaningful relief and lasting economic security for struggling families, including as an aggressive advocate for accomplishing much of our agenda through the budget reconciliation process." Warren also said she would advocate for "a wealth tax on fortunes over $50 million to fund needed investments for working families."

Bezos Stepping Down As Amazon's Chief Executive.

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The AP (2/2, Pisani) reports Amazon founder Jeff Bezos is stepping down as the company's CEO. In a blog post to employees, Bezos "said

he plans to focus on new products and early initiatives being developed at Amazon." Bezos also "said he'll have more time for side projects: his space exploration company Blue Origin; the newspaper he owns, The Washington Post; and his charities." Bloomberg (2/2, Soper, Day, 3.57M) says Bezos "will step down from his post in the third quarter of 2021," and Reuters (2/2, Dastin, Rana) that he will be replaced by current cloud computing head Andy Jassy. The Seattle Times (2/2, Khashimova Long, 1.19M) reports Bezos "will transition to the role of executive chair of Amazon's board of directors." The Washington Post (2/2, Greene, Romm, 10.52M) calls the transition "the most radical shake-up in Amazon's corporate ranks in its nearly 30-year history."

USA Today (2/2, Guynn, Tyko, 12.7M) reports Bezos' "surprise announcement came as Amazon reported record fourth-quarter sales that topped $100 billion for the first time." The Wall Street Journal (2/2, Herrera, Subscription Publication, 8.41M) says the company reported $125.5 billion in fourth-quarter sales and net income of $7.2 billion. NBC Nightly News (2/2, lead story, 2:20, Holt, 6.35M) led with the story, and the CBS Evening News (2/2, story 8, 0:15, O'Donnell, 4.87M) and ABC World News Tonight (2/2, story 6, 1:35, Muir, 8.01M) provided similar coverage, along with the New York Times (2/2, Weise, 20.6M), Axios (2/2, Chen, 1.26M), and a website story from CNN (2/2, Duffy, 89.21M).

Exxon, BP Report 2020 Losses.

The AP (2/2) reports Exxon Mobil and BP "reported staggering losses for 2020 on Tuesday as the pandemic crushed energy demand and undercut oil prices." Exxon reported "the largest losses in its history – nearly $20.1 billion for the fourth quarter, including more than $19 billion to write down the value of company assets. For the full year, it lost $22.4 billion." While BP reports a fourth quarter profit of $825 million, it "still lost $18.1 billion in 2020." The results follow Chevron's report last week "that it lost $5.5 billion last year." The Wall Street Journal (2/2, Matthews, McFarlane, Subscription Publication, 8.41M) provides similar coverage.

The New York Times (2/2, Krauss, 20.6M) says "such painful years could become more commonplace as growing concerns about climate change, tighter regulations, and the rise of electric cars and trucks force a reckoning for an industry that has dominated the global economy over much of the last century."

Leonhardt: Economy Performs Better Under Democrats.

In a piece for the New York Times (2/2, 20.6M), David Leonhardt writes that there has been "a stark pattern in the United States for nearly a century. The economy has grown significantly faster under Democratic presidents than Republican ones." In part, this "surely involves coincidence," but "the pattern is so strong and long-lasting that coincidence alone is unlikely to be the only explanation." Leonhardt adds, "The pattern holds regardless of which party is running Congress. ... Over the last four decades, in fact, Republican presidents have run up larger deficits than Democrats." Leonhardt argues there is "one broad possibility with a good amount of supporting evidence: Democrats have been more willing to heed economic and historical lessons about what policies actually strengthen the economy, while Republicans have often clung to theories that they want to believe. ... Democrats, in short, have been more pragmatic."

Professor: GM's Clean Energy Pledge Will Have Broad Economic Impact.

In an op-ed for the New York Times (2/2, 20.6M), Jody Freeman, an environmental law professor at Harvard Law School, writes that the repercussions of GM's announcement "that it will stop making gas-powered cars, trucks and sport utility vehicles by 2035 and become carbon neutral by 2040" will "ripple broadly across the economy, accelerating the transition to a broader electric future powered by renewable energy." Freeman calls the move "a sea change" that "puts pressure on other auto companies, like Ford and Toyota, to make equally ambitious public commitments." In addition, it "may push the Biden administration to be equally daring when setting greenhouse gas and fuel efficiency standards for cars and truck, which Mr. Biden has promised to strengthen. It may also encourage the European Commission, now revising its 2030 standards, to aim higher."

Biden Reinstates Tariffs On UAE Aluminum.

The New York Times (2/2, Swanson, 20.6M) reports President Biden on Monday "reinstated tariffs on aluminum exported from the United Arab Emirates...reversing President Donald J. Trump's decision to lift them on his last day in office." It was "one of Mr. Biden's first significant moves on trade and suggests that his administration may be inclined to maintain the type of hefty tariffs Mr. Trump imposed on foreign metals to protect domestic industry." The Times says "that position found favor with unions and progressive Democrats, but disappointed industries and businesses that have argued the tariffs raise costs."

Senators Call On White House To Address Auto Chip Shortage.

Reuters (2/2, Shepardson) reports Senate Majority Leader Schumer, Sen. John Cornyn (R-TX), and 13 other senators on Tuesday "urged the White House to work with Congress to address the global semiconductor shortage that is hampering auto manufacturing." Reuters says automakers have been "shutting assembly lines due to problems in the delivery of semiconductors, which have been exacerbated in some cases by the former Trump administration's actions against key Chinese chip factories."

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Senate Confirms Mayorkas As DHS Secretary On 56-43 Vote.

The Washington Post (2/2, Miroff, 10.52M) reports the Senate on Tuesday in a 56-43 vote confirmed Alejandro Mayorkas as DHS secretary, "ending what has been the most contentious confirmation process of Biden's cabinet picks." The Post adds Mayorkas "is the son of Jewish refugees from Cuba who goes by the nickname 'Ali,'" and the New York Times (2/2, Fandos, Haberman, 20.6M) emphasizes that he is "the first Latino and the first immigrant to hold that job." The Times highlights that Sens. Shelley Moore Capito (R-WV), Susan Collins (R-ME), Lisa Murkowski (R-AK), Rob Portman (R-OH), Mitt Romney (R-UT), and Dan Sullivan (R-AK) "voted with all the Democrats to confirm Mr. Mayorkas," who was "a former deputy secretary of homeland security as well as a former director of the department's legal immigration agency, Citizenship and Immigration Services," but the AP (2/2, Fox) reports the vote was "the narrowest margin yet for a Biden Cabinet nominee." According to the AP, "Biden's team had hoped to have Mayorkas confirmed by Jan. 20," but Sen. Josh Hawley (R-MO) had "placed a hold before the inauguration, forcing a delay in the confirmation vote."

The Hill (2/2, Beitsch, 5.69M) reports Hawley, "a possible 2024 GOP presidential candidate who objected to the Electoral College results," had "objected to Mayorkas over his statement that he would support Biden's efforts to stall construction of the border wall that was President Trump's signature issue." According to The Hill, "Hawley's decision to push back a vote on Mayorkas was controversial, angering not just Democrats but former DHS secretaries on both sides of the aisle who saw swift confirmation as critical while the U.S. is confronting several emergencies."

In addition, Bloomberg (2/2, Courtney, 3.57M) reports Senate Minority Leader McConnell "opposed Mayorkas' confirmation, saying he doesn't deserve a role in government after he turned U.S. Citizenship and Immigration Services into an 'unethical favor factory.'" Bloomberg says McConnell was referencing a 2015 DHS Inspector General's report that "faulted Mayorkas' heavy-handed approach while serving as the head of USCIS to visas for politically connected people including then-Senate Majority Leader Harry Reid (D-Nev.) and Hillary Clinton's brother, Anthony Rodham."

However, the Los Angeles Times (2/2, O'Toole, 3.37M) reports that Senate Majority Leader Schumer described Mayorkas' nomination as "history-making" and said his qualifications were "unassailable," while Roll Call (2/2, DeChalus, 130K) reports incoming Senate Homeland Security and Governmental Affairs Chairman Gary Peters "said Mayorkas couldn't come on board soon enough." The Wall Street Journal (2/2, Hackman, Mann, Subscription Publication, 8.41M) says his confirmation "ends nearly two years during which DHS has gone without a confirmed secretary or deputy secretary, a period marked by rapid personnel turnover and actions including the agency's intervention in protests last year in Portland, Ore."

Meanwhile, Politico (2/2, Rodríguez, 6.73M) says Mayorkas "is expected to get to work immediately, after attending an event at the White House on Tuesday afternoon where President Joe Biden signed three immigration-related executive orders." Politico adds Vice President Harris "did a ceremonial swearing-in for Mayorkas directly afterward." Fox News (2/2, Shaw, 23.99M) reports on its website that Mayorkas "takes control of the department at a time when it faces the challenge of the continued threat of violence in the wake of the Jan. 6 riots in Washington D.C., as well as the implementation of sweeping immigration changes by the Biden administration."

USA Today (2/2, Wu, Behrmann, 12.7M) also reports that as DHS secretary, Mayorkas "will lead a task force on family separation, focused largely on reuniting migrant parents and their children." Axios (2/2, Perano, 1.26M) reports Mayorkas will "further be tasked with addressing the SolarWinds cyberattack on the U.S., which intelligence says was conducted by Russian operatives."

Senate Confirms Buttigieg As Transportation Secretary On 86-13 Vote.

The New York Times (2/2, Verma, 20.6M) reports the Senate on Tuesday in an 86-13 vote "confirmed Pete Buttigieg, a former mayor of South Bend, Ind., and a 2020 Democratic presidential candidate, to be transportation secretary, putting in place the official who will help oversee President Biden's overhaul of the nation's infrastructure." The Times adds the vote "made Mr. Buttigieg, 39, the nation's first openly gay cabinet secretary to be confirmed by the upper chamber and Mr. Biden's youngest cabinet member." USA Today (2/2, Wu, Behrmann, 12.7M) reports incoming Senate Commerce, Science and Transportation Chair Maria Cantwell "praised him Tuesday as a 'young, energetic mayor' who could 'help us usher in a new era of transportation.'"

In addition, Politico (2/2, Snyder, Mintz, Beasley, 6.73M) highlights that in contrast to "after four years of leadership under former President Donald Trump's Transportation Secretary Elaine Chao, a Washington, D.C., insider who was notoriously unavailable to reporters," Buttigieg brings his "political celebrity and legion of super fans to a mammoth agency that's not used to headlines – unless they're jokes about 'Infrastructure Week.'" The Washington Post (2/2, Laris, Duncan, 10.52M) says that since Inauguration Day, Buttigieg has been in "a media blitz that offers a view into his role as transportation secretary and efforts to advance the Biden administration's broader agenda." The Post adds Buttigieg "has taken the new administration's broader message to people who might miss it," and, "in the process, he's seeking to expand views of what it means to be transportation secretary – a job Biden says will have an outsize role in pushing his priorities but one that comes with sharp limits on formal powers."

The AP (2/2, Yen) reports that Buttigieg "takes over a Transportation Department with 55,000 employees and a budget of tens of billions dollars." The AP adds he has "pledged to quickly get to work promoting safety and restoring consumer trust in America's transportation networks as airlines, buses, city subway systems and Amtrak reel from plummeting ridership in the coronavirus pandemic." He is also "expected to play an important role in promoting Biden's sweeping green initiatives, helping to oversee stronger automotive fuel economy standards to reduce greenhouse gas emissions and support the president's push later this year on a $2 trillion climate and infrastructure plan." CNBC (2/2, Josephs, 7.34M) reports on its website that under Buttigieg, DOT "could become a driving force behind the adoption of emerging technologies, specifically autonomous and electric vehicles."

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However, Roll Call (2/2, Wehrman, 130K) labels Buttigieg as "an anomaly and a lingering sign of partisan strife: Of the other secretaries of Transportation dating back to the Carter administration, only Trump's nominee, Elaine Chao, received any opposing votes. Six senators voted against her in 2017."

Civil Rights Groups, Black Farmers Critical Of USDA Nominee Vilsack.

A Washington Post (2/2, Reiley, 10.52M) article titled "With Hunger Surging And Farms In Crisis, Biden's Controversial USDA Nominee Lays Out His Plans" says that if confirmed as secretary of agriculture, Tom Vilsack "will reprise his role in a political and economic landscape vastly different from that during his eight years in the same job during the Obama administration." The Post adds that while Vilsack "is expected to enjoy a smooth confirmation process with broad bipartisan support, he has come under criticism from civil rights groups and Black farmers who say he didn't go far enough last time to eradicate long-standing racial discrimination in farming and at the department."

Environmentalists Reportedly Concerned About Regan's Willingness To Work With Republicans.

The New York Times (2/2, Friedman, 20.6M) reports that Michael Regan's "willingness to reach across the aisle helped secure his nomination to be the next administrator of the Environmental Protection Agency," and "on Wednesday, Mr. Regan will testify before the Senate Committee on Environment and Public Works for his first test of whether he can win over Republicans in Washington as well." However, according to the Times, "environmental activists say a consensus approach is precisely what the E.P.A. doesn't need." The Times adds, "The next E.P.A. administrator must complete major new regulations on power plants, automobile tailpipes, mercury emissions and waterways – and be willing to anger Republicans in the process."

Senate To Hold Tanden Confirmation Hearing Next Week.

Politico (2/2, Emma, 6.73M) reports the Senate Homeland Security and Governmental Affairs Committee has scheduled its first confirmation hearing for Neera Tanden for next Tuesday, where senators will "press the nominee on her plans for leading the Office of Management and Budget," though the Senate Budget Committee "has yet to schedule a confirmation hearing." Politico says that while the President and CEO of the Center for American Progress "is expected to face an easier path to confirmation now that Democrats hold a narrow majority in the Senate, she will likely field tough questions from Republicans and a more partisan vote than some of Biden's other nominees, like Treasury Secretary Janet Yellen, whose nomination sailed through the upper chamber with bipartisan support."

Biden Considers Rahm Emanuel For Ambassador Role, Sources Say.

NBC News (2/2, Lederman, Lee, 4.91M) reports on its website that President Biden "is considering former Chicago Mayor Rahm Emanuel for a high-profile ambassadorship, potentially to China, three people with knowledge of the discussions said," or to Japan, but Fox News (2/2, Singman, 23.99M) reports on its website that when asked about the report, the National Security Council "told Fox News that they do not have any personnel announcements to make at this point." According to Fox News, there has been "speculation around Biden appointing Emanuel to some sort of role in his Cabinet or his administration for months."

Austin Dismisses DOD Advisory Boards, Including Controversial Trump Appointees.

The Washington Post (2/2, Ryan, Lamothe, 10.52M) reports Defense Secretary Austin on Tuesday "suspended the work of dozens of Pentagon advisory boards and asked hundreds of appointees to step down in what officials described as partly an effort to counteract a flurry of appointments that took place in the Trump administration's final days." The Post adds Pentagon spokesman John Kirby "said that the work of more than 40 boards would be halted over the next five months while Austin conducts a 'zero-based review,' which also seeks to optimize the bodies' work."

Politico (2/2, Seligman, 6.73M) says the announcement, which was "first reported by The Wall Street Journal (2/2, Youssef, Subscription Publication, 8.41M), affects only members who were appointed by the defense secretary, or one of the civilian or military leaders of the armed services, not to those appointed by the president or Congress." According to Politico, "The ousting comes just days after Austin halted the in-processing of new members, effectively preventing a number of...Trump's acolytes, who were still completing paperwork and undergoing security checks, from actually serving on the panels."

The AP (2/2, Baldor) says Austin's action "essentially purg[es] several dozen who were appointed last-minute under the Trump administration." According to the AP, former Acting Defense Secretary Christopher Miller had "removed a number of longtime members from several defense policy, health, science and business boards and replaced many with loyalists of former President Donald Trump," and now "more than 30 of those replacements will...be forced to resign, including former GOP House Speaker Newt Gingrich, retired Brig. Gen. Anthony Tata and former Trump campaign manager Corey Lewandowski." However, Reuters (2/2, Ali) reports the review "does not affect at least two well-known Trump aides: Sean Spicer, a former White House spokesman who was appointed to the Naval Academy Board of Visitors, and Kellyanne Conway, a senior Trump aide who was appointed to the Air Force Academy Board of Visitors."

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FBI Investigating After Two Agents Killed, Three Others Shot While Serving Warrant In Florida.

Norah O'Donnell opened the CBS Evening News (2/2, lead story, 3:00, 4.87M) by reporting on a "bloody shoot-out in a quiet neighborhood north of Miami," that has left "two veteran FBI agents...dead and three others...shot after they were ambushed outside of an apartment complex in sunrise, Florida. The shooter, who was being investigated on child pornography charges, reportedly used a doorbell video camera to watch the agents approach his home before blasting gunfire through his unopened front door." O'Donnell added the shooter "is dead after a standoff that shut down traffic and locked down parts of the city and the entire FBI is reeling, trying to figure out how a routine operation turned into a horrible massacre." Manuel Bojorquez continued that President Biden "expressed his condolences to the families of those agents on this, one of the deadliest days for the FBI in decades."

On NBC Nightly News (2/2, story 2, 1:35, Holt, 6.35M), Sam Brock reported Tuesday "is now the deadliest day for the FBI since 9/11 and the first time that two FBI agents have been killed in the line of duty in more than 30 years, since south Florida in 1986," while Reuters (2/2, Lynch, Hosenball, Chiacu) highlights that the last fatal shooting of an FBI agent on duty "was on Nov. 19, 2008, which also unfolded during the execution of a warrant."

On ABC World News Tonight (2/2, lead story, 2:50, Muir, 8.01M), Victor Oquendo said sources "tell us there is no such thing as executing a safe warrant. When you enter a home, a hallway can create a bottleneck. Law enforcement describes that as a fatal tunnel." The New York Times (2/2, Diaz, Goldman, 20.6M) reports a law enforcement official "said it appeared [the suspect] killed himself before agents were able to arrest him." According to the Times, "His identity was not released until his family could be notified of his death."

Law enforcement sources told the Miami Herald (2/2, Neal, Rabin, Weaver, Ovalle, 647K) that the gunman "is believed to have monitored the approach of the agents with a doorbell camera and ambushed them through the unopened door with a hail of bullets from an assault-style rifle." CNN (2/2, Campbell, Levenson, Flores, Weisfeldt, 89.21M) reports on its website that the FBI "said its Inspection Division is investigating the shooting."

Meanwhile, the AP (2/2, Spencer, Balsamo) reports FBI Director Wray has "identified the two slain agents as Daniel Alfin and Laura Schwartzenberger, both of whom specialized in investigating crimes against children." The AP adds that Schwartzenberger, 43, "had been an agent with the FBI since December 2005 and worked in the Miami field office on a squad of agents handling violent crimes against children, according to court records," while Alfin, 36, "who also investigated child exploitation cases, had previously worked at FBI headquarters handling major cases involving violent crimes against children, according to court records."

The Washington Post (2/2, A1, Zapotosky, Firozi, 10.52M) reports Wray in a statement said Alfin and Schwartzenberger "exemplified heroism today in defense of their country. The FBI will always honor their ultimate sacrifice and will be forever grateful for their bravery. We continue to stand by our FBI Family, and the families of these Special Agents, in the days to come, bringing every resource we can to get through this together." The Wall Street Journal (2/2, Gurman, Campo-Flores, Subscription Publication, 8.41M) provides similar coverage.

The Hill (2/2, Chalfant, 5.69M) reports the President said, "I can only imagine how these families are feeling today." Biden continued, "One of the things when you're in a combat zone of the military or you're an FBI agent or a police officer, every family ... dreads the possibility of a call, receiving that phone call." He added, "My heart aches for the families." According to the President, "They put their lives on the line and it's a hell of a price to pay."

Fox News (2/2, Rambaran, 23.99M) reports on its website that lawmakers "also offered their condolences." Sen. Marco Rubio (R-FL) said, "Our prayers are with their families and the three agents who were injured in the cowardly attack." Rubio added, "It serves as yet another reminder that the courageous members of our law enforcement community put their lives on the line every day to make our communities safer from the type of sick, depraved people who would exploit and prey on our children."

Manhattan DA Considers Prosecuting Bannon For Border Wall Fundraising Scheme.

The Washington Post (2/2, Jacobs, 10.52M) reports the Manhattan District Attorney's Office "is weighing whether to bring a state court case against Stephen K. Bannon, who was indicted on federal fraud charges for his role in a fundraising scheme to build a border wall but received a last-minute pardon from President Donald Trump, according to people familiar with the matter." According to the Times, Bannon "and three others were charged by federal prosecutors in Manhattan with falsely claiming that they would not take compensation as part of their 'We Build the Wall' fundraising campaign to underwrite part of the construction of a wall on the U.S.-Mexico border. The three others charged with Bannon were not pardoned by Trump."

New Port Richey, Florida, Police Charged Only BLM Activists After Clash With Proud Boys.

The Washington Post (2/2, Craig, 10.52M) reports that when local Black Lives Matter activists "started marching through the small, coastal town of New Port Richey, Fla., last summer – shouting slogans through bullhorns demanding racial justice – it took only a few days for the Proud Boys and other counterprotesters to show up and confront them," and police subsequently "started enforcing the town's rarely used noise ordinance, which essentially forbids disturbances louder than a close conversation between two people. But only the Black Lives Matter protesters were cited." The Post says police last month "dropped the citations," but "not before the Tampa-suburb became another front in the national debate over whether authorities treat left-wing protesters too harshly while cozying up to far-right extremists."

Six Arrestees Recount "Abuse By Officer Who Knelt On George Floyd."

Under the headline "'Don't Kill Me': Others Tell Of Abuse By Officer Who Knelt On George Floyd," the New York Times (2/2, A1, Lartey,

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Vansickle, 20.6M) reports that in "interviews with The Marshall Project, three people who were arrested by" Minneapolis police officer Derek Chauvin "and a witness in a fourth incident described him as an unusually rough officer who was quick to use force and callous about their pain." According to the Times, "The interviews provide new insight into the history of a police officer whose handling of Mr. Floyd's arrest, captured on video, was seen around the world and sparked months of protests in dozens of cities."

Football Team Faces Protests After Addition Of Officer In Tamir Rice Shooting.

The New York Times (2/2, Eligon, 20.6M) reports the involvement of Timothy Loehmann, the white police officer who fatally shot 12-year-old Tamir Rice in 2014, with the Cleveland Warriors has prompted protests against the team this week by fellow players and the community. However, according to the Times, "Loehmann is still trying to regain his job as a Cleveland police officer – he is currently appealing his firing in state court," and his lawyer, Henry Hilow, "said it was unfair for people to criticize Loehmann for being on the football team."

Education Department Orders Navient To Repay $22.3M To Government.

The New York Times (2/2, Cowley, 20.6M) reports that Acting Education Secretary Zais has ordered Navient, the federal loan servicing arm of Sallie Mae, to repay $22.3 million after a 2009 investigation by the department's inspector general found that the company overcharged the government for student loan subsidies. The overpayments "were brought to light when an Education Department whistle-blower raised alarms during President George W. Bush's administration about a tactic multiple student loan financiers had adopted to manipulate a subsidy program intended to incentivize lending." The Times says, "The unpaid debt has long been a sore point for progressive lawmakers like" Sen. Elizabeth Warren (D-MA), "who frequently have blasted the department for leaving the money uncollected."

Media Analyses: Biden's Immigration Orders Disappoint Migrant Advocates.

ABC World News Tonight (2/2, story 5, 0:50, Muir, 8.01M) reported that "President Biden [is] taking new executive action tonight. This time, rolling back Trump Administration immigration policies," including the "family separation policy." The President is "creating a task force to reunite migrant children with their parents." ABC's Mary Bruce added, "Some advocates are critical of the President, saying he's not doing enough here, but Biden says by creating this task force, he's just taking the first step to try and undo what he calls the, quote, 'moral and national shame' caused by the previous Administration."

On the CBS Evening News (2/2, story 6, 1:05, O'Donnell, 4.87M), Ed O'Keefe reported that President Biden "is trying to reverse some of the former President's most controversial decisions regarding immigration." New executive orders signed Tuesday "seek to reunite about 600 children separated from their parents under President Trump's zero-tolerance border crackdown," and "to reverse the Trump-era policy requiring thousands of asylum seekers to stay in Mexico as their cases are processed." However, O'Keefe added, "The White House said today the changes are not an invitation for migrants to start heading towards the US border." The majority "of the changes set in motion by the President today...will be overseen by" DHS Secretary Mayorkas, who "is the first immigrant to oversee the department responsible for most immigration policy."

The Washington Post (2/2, Miroff, Kim, Sacchetti, 10.52M) reports, "President Biden signed executive actions Tuesday ordering the review and potential reversal of the Trump administration's deterrent policies along the Mexico border and the barriers it created to legal immigration, calling his predecessor's actions 'very counterproductive to our security.'" Biden's orders "also create an interagency task force to reunite families separated by former president Donald Trump's 'zero tolerance' border crackdown." However, according to the Post, "senior administration officials...acknowledge that some of Trump's border control measures will remain in place for the time being in a sign of their concern about a new migration wave building in the middle of the pandemic."

The New York Post (2/2, Nelson, 7.45M) reports that President Biden said, "There's a lot of talk, with good reason, about the number of executive orders that I signed. I'm not making new law, I'm eliminating bad policy." The President said, "We're going to work to undo the moral and national shame of the previous administration that literally – not figuratively – ripped children from the arms of their families and mothers and fathers at the border, and with no plan, none whatsoever to reunify children."

Bloomberg (2/2, Fabian, Wingrove, 3.57M) reports that the remaining Trump policies are "a signal that the Biden administration is taking a cautious approach out of concern about inducing a surge in migration during the coronavirus pandemic." White House Press Secretary Jen Psaki said Tuesday, "This is not the time to come to the United States," as the Administration "needs some time" to set up a "humane" immigration system.

White House Communications Director Kate Bedingfield said on CNN (2/2, 3.06M), "The President today signed an executive order directing the...Secretary of the Department of Homeland Security to chair up this task force, to work to move quickly to begin...to undertake this daunting task of returning these children to their families. You know, there are approximately 600 to 700 children who need, desperately, need to be reunited with their families. We are moving as quickly as possible and we'll use every lever available to us to make this happen. This is all part of President Biden's commitment to restore humanity and humane values to our immigration policy."

Asked on MSNBC. . (2/2, 2.22M) about criticism that the orders fail to address families that have already been reunited outside the US, White House Deputy Communications Director Pili Tobar said, "We want to make sure that we address the harms that were done to these families, and this is why this task force is going to be working on looking at all of the options that are available and making recommendations to the President and to the Administration about what are the things that we can do. We expect them to give often their report back to the

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President in order for us to be able to make those determinations and to work across agencies and throughout the entire government to figure out what that will look like."

USA Today (2/2, Morin, 12.7M) reports that the task force created by the order will be led by Mayorkas and "will work to identify the children and parents or guardians who were separated at the border, facilitate and enable reunification of children with their families, and then provide a report to the president on recommendations to ensure that the federal government does not have policies in place that separate families, senior administration officials said." As of December, "there are still at least 628 parents who were separated from their children at the border that are still missing." The directives also "create a framework to address the underlying causes of migration" and reestablish "an Obama-era task force called the Task Force on New Americans to help integrate immigrants."

The New York Times (2/2, Shear, Kanno-Youngs, 20.6M) says the orders "help satisfy promises that Mr. Biden made on the campaign trail to reverse Mr. Trump's immigration agenda. But they also underscore the difficulty that the new president faces in unraveling scores of individual policies and regulations." The Times reports that, according to senior Administration officials, "most of Mr. Biden's directives...would not make immediate changes. Rather, they are intended to give officials at the Department of Homeland Security, the Justice Department and the State Department time to evaluate how best to undo the policies." The Times says that is "likely to disappoint advocates for migrants, who are eager for action that will help people immediately."

Reuters (2/2, Hesson, Holland) reports that Biden "mandated a review of the Migrant Protection Protocols (MPP), a Trump program that ordered 65,000 asylum seekers to wait in Mexico for their U.S. court hearings." According to Reuters, "The Biden administration has already stopped adding people to the program but has not yet outlined how it will process the claims of those already enrolled. 'I can't tell you exactly how long it will take to put in an alternative to that policy,' a senior administration official told reporters on Monday in response to a question about processing MPP enrollees."

The AP (2/2, Spagat) reports that the announcement brings "to nine the number of executive actions on immigration" the President has taken, though "details were thin" and the White House "warned that" an overhaul of previous policies "will take time, which may cause grumbling among some pro-immigration advocates." However, the AP goes on to report that the move demonstrates "that, just as Trump remade immigration policies from the White House, Biden can undo them with the stroke of a pen."

Likewise, Politico (2/2, Rodríguez, 6.73M) reports that "Administration officials' description of the task force falls short of what immigrant advocates and human rights groups have been urging the Biden administration to do." According to Politico, the ACLU "has called on the Biden administration to allow families to settle in the U.S., be given some type of legal status and offer funds for basic needs and medical care."

The New York Daily News (2/2, Sommerfeldt, 2.51M) reports that "while pleased that Biden took action to undo Trump's policies, lawyers who worked on family separation cases suggested he didn't go far enough." ACLU attorney Lee Gelernt said, "All 5,500-plus separated families need immediate action – they cannot wait 120 days for a task force to make recommendations. These families deserve citizenship, care and resources."

The Washington Post (2/2, Sieff, 10.52M) reports that the ACLU "says it's likely that at least 1,000...families remain separated – parents scattered mostly across Central America and children living with relatives in the United States." However, "because of poor government record keeping, it remains unclear how many parents were deported without their children and where they are currently living – a major challenge facing any reunion effort."

CNN (2/2, Alvarez, 89.21M) reports on its website, "The orders signed Tuesday largely direct reviews of policies and do not have an immediate impact, concerning immigration advocates and attorneys scrambling for answers on the future of migrants subject to Trump-era policies." FWD.us VP of Advocacy Alida Garcia said there is "frustration around the urgency that exists for service providers to have clarity in their ability to advise people in life or death situations," and added, "We hope to hear more hard logistics soon."

CNBC (2/2, Clark, 7.34M) reports on its website that a "senior Administration official" said, "President Trump was so focused on the wall he did nothing to address the root causes of why are people are coming to our southern border – it was a limited, wasteful and naive strategy, and it failed. People continue to migrate to the United States – even today – because of it. President Biden's approach is to deal with immigration comprehensively, fairly and humanely."

Fox News (2/2, Shaw, 23.99M) reports on its website that "the dramatic changes – on top of a slew of orders in Biden's first week...face stiff Republican opposition."

Tobar: Administration Is Committed To Ending Deportations. Asked on MSNBC [illegible] (2/2, 2.22M) about criticism of ongoing deportations, Tobar said, "We made a commitment to stop deportations for the first 100 days. Obviously, we're seeing that this is still in motion and that...there's a pause on that at the time being, but our commitment is there. We are also trying to work with our champions in Congress. We sent a bill to Congress on day one, just like President Biden promised, and we're looking forward to working with Senate and the Congress to make sure that we can pass a bill that restores our immigration to a place of humanity, of decency, of justice, and also of order."

Fox News Report: Border Patrol Agents See Rise In Migrants At The Border. Fox News (2/2, Shaw, 23.99M) reports on its website that "the number of migrants along parts of the U.S.-Mexico border is increasing as they await what they hope are dramatic liberalizations in border security and immigration policy from President Biden – who has already taken significant action to reverse Trump-era policies." According to Fox, "Border Patrol agents from California to Texas told Fox News that they are seeing steady increases in apprehensions, especially among Central American families and unaccompanied children in their sectors – specifically the Rio Grande Valley

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and Tucson, Ariz., sectors." Fox adds, "One agent in Texas told Fox News that in three out of the last seven days, there were at least 800 arrests in their sector, up from about 450 a day just a few months ago."

Advocates May Propose Presidential Pardon For Undocumented Migrants. USA Today (2/2, Wagner, 12.7M) reports that as the President's "executive orders are not permanent, and the White House already has begun tamping down hopes for passage of an omnibus reform measure," some advocacy groups are "looking at an untested fallback plan: a mass presidential pardon for at least some of the estimated 11 million" undocumented people in the US. The League of United Latin American Citizens president Domingo Garcia said, "We believe this is a viable option if the Senate fails to act on comprehensive immigration reform." USA Today says, "It is unclear how Biden would respond" to such a proposal and, "moreover, not all immigrant-rights advocates want to pursue that controversial path while there is a chance Congress could act."

Cornyn Backs Texas Coalition To Grant Dreamers Legal Status. The Dallas Morning News (2/2, Benning, 772K) reports that the Texas Opportunity Coalition, a business group that launched Tuesday with backing from Sen. John Cornyn (R-TX), "is urging Congress to pass legislation that would provide permanent legal status to 'Dreamers.'" Cornyn said, "After years of being yanked around from court ruling to court ruling...these young men and women deserve certainty to be able to plan their future. The only way to do that is through legislation." The coalition is "hoping to capitalize on Joe Biden's ascent to the presidency and Democrats' control of the House and Senate. But their push is bipartisan, a nod to the tricky dynamics of getting immigration legislation passed," with a sole focus on DACA recipients.

San Francisco Chronicle Analysis: "Waiting Game" For Those Impacted By Muslim Travel Ban. The San Francisco Chronicle (2/2, Moench, 2.44M) reports that President Biden's "action on the first day of his presidency unraveled one of Trump's earliest and most contentious policies, which triggered chaos at airports and legal challenges all the way to the Supreme Court." The travel ban "from an evolving list of up to seven countries at a time" during the four years of Trump's presidency drew support from those who "argued that the ban protected the U.S. from terrorist attacks by foreign nationals, while its opponents argued it discriminated against Muslims and separated families trying to immigrate." While "those families are now rejoicing...lifting the ban is not a magic wand that opens borders, with an already arduous immigration system now backlogged with years of applications. For many, it's still a waiting game."

WPost: Biden Should Phase Out For-Profit Migrant Detention Centers. The Washington Post (2/2, 10.52M) editorializes that President Biden's announcement that "he would phase out federal contracts for privately run prisons" delivers "on half a campaign pledge but omit[s] the other, more difficult half – to also scrap privately operated migrant detention centers." The Post says the "administration's wavering has disappointed immigrant advocates, who have rightly called attention to substandard and occasionally appalling conditions" in such centers, and argues that "the president's instincts on the campaign trail were right and should remain the administration's goal: For-profit detention facilities, where pre-pandemic problems have burgeoned into humanitarian danger zones during the covid-19 era, should be phased out."

Bidens Pay Tribute To Sicknick At Capitol.

The AP (2/2) reports, "Slain Capitol Police Officer Brian Sicknick lay in honor Tuesday night in the U.S. Capitol, allowing his colleagues and the lawmakers he protected to pay their respects and to remember the violent attack on Congress that took his life." The President and First Lady "traveled to the Capitol to pay tribute to Sicknick shortly after the ceremony began Tuesday night, briefly placing his hand on the urn in the center of the Capitol Rotunda, saying a prayer and sadly shaking his head as he observed a memorial wreath nearby." Senate Majority Leader Schumer, House Speaker Pelosi, "and a handful of other congressional leaders also paid their respects."

The New York Times (2/2, Rogers, 20.6M) reports, "On Tuesday around 9:30 p.m., Mr. Sicknick's remains were delivered to a silent Capitol on a cold and windy evening. Officers from Mr. Sicknick's unit, some on mountain bikes, lined up near the steps outside." The memorial "was not open to the public, but police officers and lawmakers are scheduled to be given the opportunity to pay their respects before Mr. Sicknick is buried at Arlington National Cemetery." USA Today (2/2, Santucci, 12.7M) reports, "A viewing period for Capitol Police officers will last through the night. Members of Congress will be able to pay their respects beginning on Wednesday at 7 a.m., and congressional leaders will speak at a ceremony later Wednesday morning."

The Washington Post (2/2, Duggan, Flynn, 10.52M) reports Sicknick is "the fifth deceased person not a public official or military leader to lie in the Rotunda. Congress approved the honor for the Rev. Billy Graham in 2018; civil rights hero Rosa Parks in 2005; and two other members of the Capitol police force, officer Jacob Chestnut and detective John Gibson, who were killed in 1998 by a gunman in the building."

House Approves Fines For Lawmakers Who Refuse To Use Metal Detectors.

The New York Times (2/2, Edmondson, 20.6M) reports that the House of Representatives "voted on Tuesday night to begin fining lawmakers who refused to pass through metal detectors before walking onto the House floor, the latest move in a series of security measures taken after the deadly Jan. 6 riot at the Capitol." The proposal, "tucked in a procedural package of rules, will fine lawmakers who bypass the metal detectors installed outside the House floor $5,000 for a first offense and $10,000 for a second offense, with the amounts deducted directly from their salaries." The passage of the provision "infuriated many Republicans, who have argued that the measure is overly onerous and infantilizing for members of Congress to endure."

The Washington Post (2/2, Sonmez, 10.52M) reports, "The measure passed on a 216-to-210 vote, with all but three Democrats present voting in favor and all Republicans present voting 'no.'" House Rules Chairman Jim McGovern "defended the move in an impassioned floor speech in which he blasted the 'elitist mentality' of those who have ignored the screening procedures." McGovern said, "Some are acting as

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though by being elected to Congress, they have been anointed to some sort of special club – one that gets to pick and choose what rules to follow."

Capitol Riot Investigation Boosts Focus On Rioters Who Assaulted Police.

Citing interviews and court filings, the Wall Street Journal (2/2, Viswanatha, Ailworth, Subscription Publication, 8.41M) reports that investigators into the Capitol siege on January 6 are increasingly focused on identifying and charging rioters who assaulted or obstructed police officers using evidence from body camera footage, subpoenas, and search warrants. Authorities say at least 139 officers were assaulted during the riot, including 81 Capitol Police and 58 Metropolitan Police Department officers.

The Baltimore Sun (2/2, Fenton, 629K) reports that a search warrant for David Blair, who was "arrested at the U.S. Capitol on Jan. 6," reveals that "he swung a Confederate flag attached to a lacrosse stick at police officers." The FBI "says body camera footage shows Blair positioning himself between police and other protesters on the west lawn," and struck one "officer in the chest with his lacrosse stick." Police recovered Blair's bag, which "contained a knife" and tape. Blair said he carried the knife because he was "worried about Antifa and other people trying to jump me," and "said [the tape] was used to affix the flag to his lacrosse stick."

In an op-ed for the Washington Post (2/2, 10.52M), Richard B. Zabel, who oversaw terrorism prosecutions as deputy US attorney in the Southern District of New York from 2011 to 2015, writes that the US "faces a rising threat of violent extremism yet has no law targeting the problem." Currently, "a prosecutor cannot charge a defendant with domestic terrorism alone. Instead, prosecutors have to use other available statutes, such as firearms or assault statutes." Zabel adds that "the definition of domestic terrorism is too narrow, even if it were to carry criminal penalties." The definition "excludes common tools of terrorism such as criminal threats, non-life-threatening physical assaults, damage to property and other acts intended to intimidate or coerce," all of which "were on brazen display on Jan. 6" during the US Capitol riot. Congress, he argues, "needs to stand up."

NYTimes Analysis: Prosecutors Weigh Possibility Of Felony Murder Charges. The New York Times (2/2, Dewan, 20.6M) reports that since the attack on the Capitol on January 6, many "have been saying that the rioters have blood on their hands," leading to debate over felony murder charges. The limited provision, which "has raised a host of legal and moral questions about complicity and fairness," enables prosecutors to hold "a person who commits a crime responsible for any deaths that result." The Acting Attorney for the District of Columbia Michael Sherwin "has said that felony murder charges are among those under consideration in the sprawling federal investigation." However, the rule, which has been abolished in many other countries, "has been used in the United States in ways that have been widely decried," and any use in cases surrounding the riot "will be highly dependent on the facts that emerge and what prosecutors think a jury will accept."

Ginni Thomas Apologizes To SCOTUS Clerks After Riot. The Washington Post (2/2, Barnes, 10.52M) reports that "conservative political activist Virginia Thomas told her husband Justice Clarence Thomas's former law clerks that she was sorry for a rift that developed among them after her election advocacy of President Donald Trump and endorsement of the Jan. 6 rally in D.C. that resulted in violence and death at the Capitol." Thomas wrote to the Thomas Clerk World email list, "I owe you all an apology. I have likely imposed on you my lifetime passions." She continued, "Let's pledge to not let politics divide THIS family, and learn to speak more gently and knowingly across the divide." Multiple "former clerks, who spoke on the condition of anonymity because the listserv is private, verified the dispute in what is normally an affable setting."

The New York Times (2/2, Liptak, 20.6M) reports, "The former clerks, like many Republicans, were deeply split over whether Mr. Trump's efforts to overturn the election were legitimate." Thomas "has been an enthusiastic proponent of Mr. Trump and expressed support for the Jan. 6 rally in the days leading up to it," though "she has expressed no public views supporting Mr. Trump's false claims that the election was stolen." USA Today (2/2, Fritze, 12.7M) reports that Thomas' "apology comes at a time of reckoning for conservatives, who must decide whether to continue to embrace Trump or return to a more traditional Republican approach to politics," a debate that "is playing out visibly in the House of Representatives."

January 6 Rally Organizers Plan MAGA Tour Targeting Republican Lawmakers. ABC News (2/2, Steakin, 2.44M) reports on its website that organizers for "March for Trump," one of the groups behind "the Jan. 6 Trump rally that led to the deadly storming of the Capitol," are preparing "another series of events across the country, along with a recruiting effort to attract 2022 primary challengers against Republicans who they say 'betrayed' former President Donald Trump." March for Trump organizer Dustin Stockton "posted late last week" on the platform Subtack "that he's launching a cross-country 'MAGA Sellout' tour" from February to May, especially "targeting Republicans who voted to impeach" Trump, including Reps. Liz Cheney (R-WY), Adam Kinzinger (R-IL), and Tom Rice (R-SC).

Judge Delays Guantánamo Arraignments Amid Pandemic.

The New York Times (2/2, Rosenberg, 20.6M) reports that on Tuesday, Col. Charles Pritchard, a military judge, "indefinitely postponed the arraignment of three prisoners at Guantánamo Bay who were scheduled to make their first court appearance in 17 years of detention, finding that the coronavirus pandemic made it too risky to travel to the Navy base." An "Indonesian prisoner known as Hambali, who has been held since 2003 as a former leader of a Southeast Asian extremist group, and two accused accomplices were scheduled to appear at the war court on Feb. 22." Pritchard is the latest military judge "to postpone a proceeding as too risky in nearly a year of cancellations over the coronavirus," and "suggested" in a seven-page order "that traveling to the base might not be safe until fall."

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Video Shows Greene Saying "Idiot" Parkland Survivor Is "Trained" Like "A Dog."

NBC News (2/2, 4.91M) reports on its website that "a previously unreported video" shows Rep. Marjorie Taylor Greene (R-GA) "mock[ing] a Parkland shooting survivor as an 'idiot' who 'only talks when he is scripted' in a 2019 interview with a Georgia gun group." In an April 2019 interview with Georgia Gun Owners, Inc. Greene said of David Hogg, "He is very trained. He's like a dog. He's completely trained." Greene also "gleefully recounted her encounters with the teenage Hogg." She said, "I confronted David Hogg twice and he ran away from me," and she "bemoaned the ability of Hogg and other gun safety advocates to meet with lawmakers during a trip to the Capitol."

Greene Liked Facebook Post Suggesting She Use Assault Rifle To "Clean House" In Congress. The New York Daily News (2/2, Sommerfeldt, 2.51M) reports Greene "indicated support on Facebook last year for using her assault rifle to 'clean house' on Capitol Hill." On January 20, 2020, Greene posted a photo of herself "firing an MK18 assault rifle in a wooded area." A Facebook user named Barry Wallace commented, "If she will do that in Washington, now that is how you clean house. If she does that their (sic) will be no pond to drain in Washington." Greene "liked Wallace's comment in response." The Daily News says the post adds to "a tranche of disturbing social media posts for which the Georgia Republican is facing calls to be expelled from Congress."

GOP Senators "Pile On" After McConnell Criticizes Greene. CNN (2/2, Zaslav, Raju, 89.21M) reports on its website that Republican senators "are losing patience" with Greene. After Senate Minority Leader McConnell "issued a rare and strong rebuke against the controversial Georgia lawmaker," calling "looney lies and conspiracy theories" a "cancer" to the GOP, Republican senators "piled on." Sen. Mitt Romney (R-UT) said, "I think our party has to make it very clear that she does not represent us in any way. ... Our big tent is not large enough to both accommodate conservatives and kooks." Sen. Kevin Cramer (R-ND) "went as far to say Tuesday that he'd have a 'hard time' supporting Greene staying on the House Education and Labor Committee after she sided with the notion that the 2018 Parkland massacre was a "false flag" operation." Cramer said, "Personally I'd have a hard time supporting, for example, her positions on the school shootings being staged and being on the Education Committee. ... Real authority has moral authority." The Hill (2/2, Carney, 5.69M) also reports on Romney's comments.

A Washington Post (2/2, 10.52M) editorial says McConnell's statement "was reassuring: At least there is a battle over the soul of the Republican Party." The Post adds that McConnell "is nothing if not shrewd, and presumably his statement also reflects a calculation that Ms. Greene and her type of politics are bad for the Republican Party. That provides some hope – however slim – that this once-proud party might return to its senses."

Greene responded to the criticism in a tweet Tuesday. She wrote, "Too bad a few Republican Senators are obsessing over me, instead of preparing to defend President Trump from the rabid radical left. Focus on ending the witch hunt. Do your job!"

Republicans To Discuss Greene, Cheney In Private Meeting Wednesday. The New York Times (2/2, Edmondson, 20.6M) says Republicans "face a turning point on Wednesday as House leaders confront dueling calls to punish two members: one for spreading conspiracy theories and endorsing political violence, and the other for voting to impeach former President Donald J. Trump." While Trump critics want to "strip [Greene] of her committee assignments for endorsing false claims, bigoted language and violent behavior, including calling for the execution of top Democrats," Trump "loyalists want to strip" Rep. Liz Cheney (R-WY) of her leadership post "as payback for her vote to impeach." The Times says their fates, "which are expected to be discussed at a private meeting among Republicans on Wednesday, are now a proxy battle for the party's future, prompting a clash among its top leadership."

The Washington Post (2/2, DeBonis, Kane, 10.52M) says House Republicans are "facing pressure to swiftly remove" Greene from two House committees. House Minority Leader McCarthy is "at the center of the pressure." McCarthy, who "has maintained his position as the top House Republican leader by hewing closely to Trump and an evolving GOP electorate that eagerly embraced the former president's hard-edge populism while casting aside much of the party's conservative orthodoxy," is "well-positioned to succeed [House Speaker] Pelosi...in the upcoming midterm elections, but he is now facing an intraparty crisis following the Capitol riot – one that some Republicans say has been exacerbated by McCarthy's own vacillations in the four weeks since."

A Wall Street Journal (2/2, Subscription Publication, 8.41M) editorial says if House Republicans choose to punish Cheney but remain silent about Greene, they deserve to remain in the minority.

DCCC Ads Tie Republicans To Greene And QAnon. The New York Times (2/2, Epstein, 20.6M) reports that "as Republicans splinter over how to deal with" Greene, "Democrats are seizing on the infighting to make her the avatar for an array of G.O.P. lawmakers." On Tuesday, the DCCC "began a $500,000 advertising campaign on television and online tying eight House Republicans," including McCarthy, "to Ms. Greene and QAnon, an effort to force them to make a public affirmation about Ms. Greene." The Times adds, "Like the Republican ads that flooded the airwaves last year featuring grainy images" of Rep. Alexandria Ocasio-Cortez (D-NY), the Democratic ads feature Greene and Rep. Lauren Boebert (R-CO), "who has also expressed support for QAnon, as much as the candidates they are attacking."

Ocasio-Cortez Says Capitol Riot Compounded Previous Trauma From Sexual Assault.

The New York Times (2/2, Glueck, 20.6M) reports Rep. Alexandria Ocasio-Cortez (D-NY) revealed Monday that "she was a sexual assault survivor, a disclosure she made during a strikingly personal and harrowing recounting of her experiences during the pro-Trump riot at the U.S. Capitol last month." During an Instagram Live appearance, Ocasio-Cortez said, "I'm a survivor of sexual assault. ... And I haven't told many people that in my life. But when we go through trauma, trauma compounds on each other."

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NBC Nightly News (2/2, story 7, 1:25, 6.35M) reported Ocasio-Cortez "shar[ed] a harrowing and emotional account of what happened to her during the Capitol riot. ... Afraid rioters were coming after her, she hid in a bathroom inside her private office." Ocasio-Cortez: "And I'm

like this. And the door hinge is right here. And I just hear, 'Where is she? Where is she?' I mean, I thought I was going to die."

USA Today (2/2, Dastagir, 12.7M) reports that following "her harrowing account of how she hid from a violent mob on Jan. 6, Ocasio-Cortez received an outpouring of support from colleagues and other survivors who saw themselves in her story. But some critics derided her and claimed she was weaponizing trauma for political gain." According to trauma experts, her "reaction is normal and expected, and her account aligns with what science shows happens to a mind and body under extreme forms of stress."

Robin Givhan writes in the Washington Post (2/2, 10.52M) that Ocasio-Cortez "had the tone of someone who had been told more than once that her concerns were an overreaction and that her fears about her safety were unfounded – which is to say that her voice rang with the exasperation that's familiar to so many women and people of color. She was the very definition of a rattled and shellshocked citizen, someone who had been through an acute trauma but one that had been brewing for a long time."

House Managers And Trump Defense Team File Briefs For Impeachment Trial.

All three broadcast networks covered the filing of briefs from both the House managers and the defense team in former President Donald Trump's impeachment trial, set to begin next Tuesday. On ABC World News Tonight (2/2, story 4, 2:45, 8.01M), David Muir said House Democrats "will argue the former president was, quote, 'singularly responsible for the deadly Capitol siege.'" ABC's Rachel Scott said Trump's lawyers say Trump "did nothing wrong, claiming when he told this to his supporters..." Trump: "We fight like hell. And if you don't fight like hell, you're not going to have a country anymore." Scott: "...that he was talking 'about the need to fight for election security in general.' They say the First Amendment entitles Trump to 'express his belief that the election results were suspect,' claiming there is 'insufficient evidence' to prove him wrong. This is not true. There have been multiple audits and recounts, and judges rejected more than 60 lawsuits."

Kris Van Cleave said on the CBS Evening News (2/2, story 2, 2:25, O'Donnell, 4.87M) that Democrats call Trump "'singularly responsible' for inciting the assault on the Capitol January 6, while Mr. Trump's legal team argues his remarks that day are protected by the First Amendment. ... Trump's team also plans to argue his second impeachment trial is unconstitutional, since he's no longer president, a view not shared by most legal experts. His lawyers also plan to reference Mr. Trump's debunked claim of a stolen election, a move criticized even by Senate Republican jurors." Sen. Lindsey Graham (R-SC): "That's not a winning argument." Van Cleave: "Still, after 45 Republicans voted to dismiss the trial in a test vote last week, some Democrats see conviction as virtually impossible." NBC Nightly News (2/2, story 6, 1:55, Holt, 6.35M) similarly summarized the two sides' positions.

The AP (2/2, Tucker, Jalonick) says "the dueling filings offer the first public glimpse of the arguments that will be presented to the Senate beginning next week. The impeachment trial represents a remarkable reckoning with the violence in the Capitol last month, which the senators witnessed firsthand, and with Trump's presidency overall. Held in the very chamber where the insurrectionists stood on Jan. 6, it will pit Democratic demands for a final measure of accountability against the desire of many Republicans to turn the page and move on."

The New York Times (2/2, Fandos, Haberman, 20.6M) reports, "In an 80-page brief filed on Tuesday, the managers outlined the arguments they planned to make" next week," spinning a vivid narrative of a harrowing day when lawmakers were forced to flee as a violent pro-Trump mob breached the Capitol." In Trump's "own shorter filing, specked with typos and stripped of the former president's usual bombast, his lawyers flatly denied that he had incited the attack and repeatedly argued that the Senate 'lacks jurisdiction' to try a former president." USA Today (2/2, Jansen, 12.7M) reports, "Trump's team argues in the 14-page Tuesday filing that remarks Trump made about the election were protected by free speech and denied he played any part in inciting the deadly attack" at the Capitol.

The Washington Post (2/2, Gardner, Demirjian, 10.52M) reports, "The House's nine impeachment managers...argued that [Trump] is guilty of high crimes and misdemeanors, the threshold for conviction laid out in the Constitution, primarily because he used the powers of his office to advance his personal political interests at the expense of the nation." While Trump's attorneys "stopped short of embracing his baseless claims that the election was rigged, they defended his right to argue that massive fraud led to his defeat." The Wall Street Journal (2/2, Ballhaus, Hughes, Subscription Publication, 8.41M) reports that Senate Democrats "were watching to see whether the impeachment managers planned to focus solely on Mr. Trump's speech on the Ellipse the day of the attack or to argue that his remarks were part of a larger effort to stir up an angry mob."

Politico (2/2, Desiderio, 6.73M) reports that Trump's lawyers, Bruce Castor and David Schoen, "advanced the former president's false claims that the election results were 'suspect,' asserting that Trump has a First Amendment right to express that view. 'Insufficient evidence exists upon which a reasonable jurist could conclude that the 45th president's statements were accurate or not, and he therefore denies they were false,' Castor and Schoen wrote, adding that Trump 'denies' it is false to say he won the election 'in a landslide.'" The New York Daily News (2/2, Goldiner, 2.51M) notes that "Trump's legal team embarrassingly misspelled the word 'United' – you know, as in United States Senate – on the first page of their impeachment defense brief."

In an op-ed for the New York Times (2/2, 20.6M), Bob Bauer, who served as White House counsel to President Barack Obama, says the Republican argument "that a president can escape the consequences of egregious, impeachable conduct, and in particular disqualification from future office, so long as the Senate runs out of time to try the case before" a president's term ends "wholly misconstrues the text, history and structure of the Constitution's impeachment clause." Republican senators "are effectively seeking to establish a 'loophole' in the critical constitutional mechanism for holding presidents accountable for high crimes and misdemeanors."

Ruth Marcus writes in the Washington Post (2/2, 10.52M) that while Trump "will be acquitted because not enough Republicans will vote to make up the two-thirds majority needed for conviction," that "disappointing reality does not mean that this will be a waste of time or even counterproductive. To the contrary...the magnitude of Trump's misconduct requires that the Senate proceed regardless of the outcome."

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Marcus argues that "dropping the matter" would "represent an enormous collective shrug at Trump's abuses."

Jennifer Rubin writes in the Washington Post (2/2, 10.52M) that the impeachment trial "is necessary to remind the country of the Big Lie that Republicans embraced and the horrendous violence that ensued. It is necessary to force Republicans to make a choice: Support sedition, or support the Constitution." Rubin argues, "The vast majority of Republicans will refuse to convict because it would mean acknowledging their own complicity in riling up the MAGA base." Reuters (2/2), Bloomberg (2/2, Niquette, House, 3.57M), the Los Angeles Times (2/2, 3.37M), Axios (2/2, Perano, 1.26M), The Hill (2/2, Easley, 5.69M), and the CNN (2/2, Herb, Raju, 89.21M) website also have reports.

Kaine Drops Censure Effort, Citing Lack Of Support. USA Today (2/2, Elbeshbishi, 12.7M) reports, "After floating the idea last week of filing a motion to censure" Trump, Sen. Tim Kaine (D-VA) said Tuesday that he will not do so "due to the lack of support from his colleagues." Kaine said, "We don't have enough support on the Republican side because they don't want to bar Trump from running from office and I don't have enough support on the Democratic side because for most of my colleagues, it's impeachment or nothing." However, Fox News (2/2, Barrabi, 23.99M) reports on its website that Senate Majority Leader Schumer "left open the possibility Tuesday that Democrats could move to censure" Trump if he is not convicted. Schumer told reporters, "I think [Trump] should be tried. I hope he will vote to be convicted. Anything past that is something we can discuss, but he deserves conviction, nothing less."

Wyoming Republicans Angry Over Cheney's Impeachment Vote. The Washington Post (2/2, Samuels, 10.52M) reports that Rep. Liz Cheney (R-WY), "a star of the Republican Party widely seen as a potential future House speaker," has "suddenly emerged as a vivid example of something completely different – a traditional Republican who may no longer have a home in a party dominated by Trump and the far right." The Post adds, "No matter that she voted with [President] Trump more than 90 percent of the time," her "reputation has boiled down to a simple question: whether she is for Trump or against Trump. And, as far as many people [in Wyoming] are concerned, with her Jan. 13 impeachment vote, Cheney staked her claim."

Study: US Cities Undercounting Greenhouse Gas Emissions.

The New York Times (2/2, Schwartz, 20.6M) reports a study published Tuesday in the journal Nature Communications says US cities are undercounting the amount of greenhouse gasses they emit. The Times says the "average error is nearly 20 percent," according to the study. The researchers "suggested that if that error was consistent across all American cities, the resulting annual missed emissions would be nearly one-quarter higher than those of the entire state of California." The Times says since hundreds of US cities "have pledged to greatly reduce their greenhouse gas emissions, accurate measurement is an essential element of knowing where they stand and whether they are making progress toward meeting their goals," but "there is not yet a consistent way for them to measure the amount of carbon dioxide or to gauge any reductions. The new research shows that voluntary efforts by cities to measure those emissions are inconsistent and flawed."

MSNBC Leads Cable News Networks In Prime-Time, With Fox Third.

The AP (2/2, Bauder) reports, "Several programs on MSNBC and CNN had their most-watched months ever in January," Nielsen said Monday. For the weekday prime-time schedule, "MSNBC averaged 3.31 million viewers, CNN had 3.12 million and Fox News Channel had 2.89 million. Fox has been the top-rated cable news network for 19 years, and this represented the first month it finished third to its rivals since 1999."

WPost Analysis: Hannity "Working Through A Process." The Washington Post (2/2, Ellison, Barr, 10.52M) has a feature on the role of Sean Hannity at Fox, writing that since President Donald Trump lost his reelection bid, Hannity "seems to have been working through a process, live and on camera. ... For a few weeks, it manifested as the denial shared by his fellow believers in the ex-president's unsupported claims of election fraud." After President Biden was sworn in, Hannity "pivoted to the next stage – anger. ... More recently, he has displayed something closer to depression, as he engages his viewers in a session of public mourning."

Politico CEO To Leave Company.

The New York Times (2/2, Robertson, 20.6M) reports Politico CEO Patrick Steel "said on Tuesday that he will leave the company this summer. In an email to the staff, Mr. Steel, a former investment banker who was a special assistant to President Bill Clinton, said he had decided it was 'the right time to start the next chapter of my career.'" Steel became CEO in 2017.

Nevada Democrats Push For First-In-The-Nation Primary.

The AP (2/2) reports Nevada Democrats are making an effort to move their state to first in the presidential primary season "as early as 2024 – a timeline that reflects doubts that [President] Biden will seek a second term and early preparation for the possibility of a competitive nomination fight." The "behind-the-scenes lobbying, led by former Senate Majority Leader Harry Reid, seeks to capitalize on the party's discontent with Iowa's and New Hampshire's performances last year." The state is also considering switching from a caucus to a primary.

Progressive PAC Takes Aim At Manchin And Sinema, Up For Reelection In 2024.

Politico (2/2, Barron-Lopez, Otterbein, 6.73M) reports the "progressives" at the No Excuses PAC "are starting a search for candidates to challenge incumbent Democrats they say are standing in the way of ambitious action to end the coronavirus pandemic and revive the

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economy," primarily Sens. Joe Manchin (D-WV) and Kyrsten Sinema (D-AZ), "who aren't up for reelection until 2024." The New York Times (2/2, Medina, 20.6M) reports Arizona Democrats are expressing frustration with Sinema's moderate stance, as well as that of new Sen. Mark Kelly (D-AZ), and "are eager for their senators not just to embrace the middle, but also to adopt the policies the left is pressing for as well."

North Carolina Democrats Prepare For Crowded Senate Primary.

Under the headline "North Carolina Dems Brace For A Messy Senate Primary," Politico (2/2, Arkin, 6.73M) previews the open-seat 2022 race in that state, where state Sen. Jeff Jackson "entered the race last week with a splashy video promising a 100-county grassroots campaign and dismissing an agenda 'imported from D.C. or donors,' a not-so-subtle dig at the unsuccessful 2020 campaign." State Sen. Sydney Batch, former state Supreme Court Chief Justice Cheri Beasley, ex-DOT Secretary Anthony Foxx, Charlotte Mayor Vi Lyles, ex-state Sen. Erica Smith, and Attorney General Josh Stein are seen as other possible contenders.

Republican Bartos Planning Pennsylvania Senate Run.

The Philadelphia Inquirer (2/2, Tamari) reports Republican real estate developer Jeff Bartos, a 2018 candidate for lieutenant governor, "is taking steps toward a run for U.S. Senate, signaling that he is likely to formally join the race in the coming weeks." Bartos said in an interview, "I am very seriously considering a run for the Senate. We're taking the next steps towards making it official." Sen. Pat Toomey (R-PA) is retiring.

Poll Shows Decline In Newsom's Popularity, But Skepticism About Recall Election.

The Los Angeles Times (2/2, Wilson, Luna, 3.37M) reports a UC Berkeley Institute of Governmental Studies shows California Gov. Gavin Newsom (D) has suffered a drop in popularity, "driven largely by dissatisfaction over the state's response to the COVID-19 pandemic and adding fuel to a Republican-led recall campaign." The poll "found that just 31% of those surveyed thought that Newsom and other state government leaders have done an excellent or good job handing the pandemic, while 23% said they have done a fair job, and 43% called it a poor job." However, the San Francisco Chronicle (2/2, Gardiner, 2.44M) reports the poll found that backers of the recall "still have an uphill climb. ... A total of 45% of registered voters who responded said they opposed a recall, versus 36% who would vote to remove the governor and 19% who were undecided." Fox News (2/2, McFall, 23.99M) reports on its website, "California Republicans say they have so far collected 1.3 million signatures, just shy of the 1.5 million needed by mid-March to prompt a mid-year election."

Schiff Reportedly Seeking Appointment As California AG.

Axios (2/2, Nichols, Goba, 1.26M) reports Rep. Adam Schiff (D-CA) "is quietly lobbying" California Gov. Gavin Newsom (D) "and his allies to appoint him California's next attorney general, according to people familiar with the matter." The job is being vacated by HHS Secretary-designate Becerra. Axios says if Newsom "selects Schiff, chair of the House Intelligence Committee and a confidant of Speaker Nancy Pelosi, House Democrats would lose a powerful party voice in the U.S. House and temporarily give up a seat in their slim 221-211 majority." But Pelosi "has given her approval to Schiff's bid, a clear sign she thinks she can manage without him, according to people familiar with the matter."

WPost Analysis: Dr. Biden Made Clear She Plans "To Make A Mark."

A Washington Post (2/2, McCarthy, Yuan, 10.52M) analysis says that within "two-and-a-half days on the job," the First Lady "made it clear that she intends to make a mark. And quickly." Dr. Biden has not only "long acted as her husband's conscience and confidant," playing an instrumental role in "his selection" of Vice President Harris, but has "indicated that she will also be proactive in her role as an avatar of the administration," as well as "her own priorities." Dr. Biden, who is also the "only first lady to hold a paying job outside the White House during her tenure," clearly defined "her main issues – military families, education and cancer resources" before arriving in the White House, "and in the early weeks of the administration, she's reinforced her interest in those issues with visible gestures."

Financial International News

Central Banks Take Rare Step Of Flagging Currency Sales In Advance.

The Financial Times (2/2, Szalay, Subscription Publication, 1.48M) reports, "Several central banks have ventured into unusual territory in the opening weeks of this year, announcing currency sales in advance as they..."

IMF May Not Recoup $350M Emergency Aid Package Sent To Myanmar Days Before Coup.

Reuters (2/2, Lawder) reports the IMF last week "sent $350 million in cash to the Myanmar government, part of a no-strings-attached emergency aid package to help the country battle the coronavirus pandemic," days before "military leaders seized power and detained elected leader Aung San Suu Kyi and other elected officials, in what the U.S. State Department said on Tuesday constituted a coup." There seems to be "little the IMF can do to claw back the funds, part of rapid-disbursing COVID-19 financing programs with almost no conditions and approved by the IMF board on Jan. 13, sources familiar with the payments and international finance explained." An IMF spokesperson said in an email, "We are following the unfolding developments closely. We are deeply concerned about the impact of events on the economy

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and on the people of Myanmar."

World Bank Suspends $100M Education Aid Payment To DRC Over Fraud, Corruption.

Bloomberg (2/2, Kavanagh, 3.57M) reports the World Bank "has suspended a $100 million payment to support the Democratic Republic of Congo's education system amid an investigation into fraud and misuse of public funds in the sector." The Bank "was set to make the initial payment on its four-year $800 million program in December, to expand access to schooling throughout the country," but "decided to postpone the disbursement after an investigation by Congo's Inspector General of Finances 'revealed a number of shortcomings and alleged cases of fraud and corruption in connection with the use of public funds in the sector, as well as weaknesses in internal controls,'" according to a World Bank statement Monday.

Leading International News

Administration Says Burma Military Takeover Was A Coup, Will Review US Aid.

The Washington Post (2/2, Hudson, 10.52M) reports that the Biden Administration has concluded that the military takeover of Burma "constituted a military coup d'etat, triggering a review of U.S. assistance to the country, according to State Department officials." The Post says the determination "represents the strongest move President Biden has taken since the military rolled through Myanmar's capital Monday." On its website, CNN (2/2, Hansler, 89.21M) reports in a call with reporters, "a state Department officials" said, "After careful review of the facts and circumstances, we have assessed that Aung San Suu Kyi, the leader of Burma's ruling party, and Win Myint, the duly elected head of government, were deposed in a military coup on February 1. ... We continue to call on the Burmese military leadership to release them and all other detained civil society and political leaders immediately and unconditionally."

Politico (2/2, Toosi, Seligman, 6.73M) says as a result of the designation, the US "will move to end the little direct financial aid it offers the country's government, State Department officials said. They added that U.S. assistance that goes directly to Myanmar's people, including civil society or persecuted Rohingya refugees, will continue, but that the U.S. will be undertaking a broader review of its aid to the country."

The Wall Street Journal (2/2, Mandhana, Strobel, Solomon, Subscription Publication, 8.41M) reports that the transition from military rule to democracy in Burma was hailed as a strategic victory for the US, but Reuters (2/2, Pamuk, Lewis) calls the coup "a significant blow for the Biden administration and its effort to forge a robust Asia-Pacific policy to stand up to China."

Reuters (2/2) reports that Suu Kyi's party, the National League for Democracy, "called on Tuesday for her immediate release." Her "whereabouts remained unknown more than 24 hours after her arrest in a military takeover that derailed Myanmar's tentative progress towards full democracy." The AP (2/2) reports that as of Tuesday, "hundreds of members of Myanmar's Parliament were under house arrest...confined to their government housing complex and guarded by soldiers." A detained lawmaker "said he and about 400 others spent a sleepless night, worried they might be taken away, but were otherwise OK. ... He said Suu Kyi was not being held with them."

A New York Times (2/2, Beech, 20.6M) analysis says Burma "presented a facade of democracy to the world," but "the generals who had ruled the country for nearly half a century still dominated the economy and the halls of power." By "reasserting their command, the generals have ripped apart a prized project: a carefully constructed political system decades in the making that allowed them to camouflage their fists behind a veneer of democracy." The Washington Post (2/2, Mahtani, 10.52M) says the military leaders "appeared to have a plan for their coup. ... But a day after ousting the civilian government," they "have not made clear what comes next."

Biden Not Rushing To Engage With China.

Reuters (2/2, Brunnstrom, Lewis) reports the Biden Administration indicated Tuesday that "it is in no hurry to engage with China and would do so once it was in 'lockstep' with allies and partners." During a briefing, White House Press Secretary Jen Psaki said "she could not say when a call might take place between Chinese President Xi Jinping and President Joe Biden, who has spoken to many world leaders since taking office on Jan. 20." With the confirmation of Secretary of State Blinken, she added, "there are additional layers to engage with the Chinese." Reuters adds Psaki "and State Department spokesman Ned Price said speaking to allies and partners came first."

Chinese Activist Disappeared While Trying To Fly To US.

The New York Times (2/2, 20.6M) reports that "after learning that his wife had cancer, Yang Maodong, a prominent democracy activist in China, rushed to get a visa and air ticket to join her in the United States. But Mr. Yang never landed there." According to the Times, "Border inspection officers at Pudong International Airport in Shanghai stopped him from joining a flight to San Francisco last week," and "calls to his phone over recent days have not been answered." The Times adds that Yang 's case "may become an early sign of how Beijing and the Biden administration handle contentious human rights issues."

Prominent Cleric Killed In Kabul Bombing.

The AP (2/2, Faiez) reports that "a prominent cleric and his driver were killed in an explosion from a bomb stuck to their car, one of a series of bombings around Kabul on Tuesday that also wounded seven people." According to the AP, "The first bomb was attached to a military vehicle in central Kabul and wounded two military personnel. ... An hour later, the second bomb, in the northern part of the city, killed two people, including cleric Mohammad Atef, and wounded two others." The AP says Atef "headed the central council of Jamiat-e-Eslah of

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Afghanistan, an Islamist nonprofit organization based."

AEI's Schieber: North Korea Stepping Up Efforts To Block Flow Of Outside Information.

In an op-ed for the Washington Post (2/2, 10.52M), Olivia Schieber of the American Enterprise Institute writes that as "life in North Korea looks likely to get even worse in the months ahead, the regime is doubling down on its efforts to prevent the flow of outside information into the country." Last year, North Korea "passed a slew of new laws to rein in what it calls 'reactionary ideology and culture.'" Schieber adds, "The regime has cause for concern. A 2019 study of 200 defectors showed that more than 90 percent had watched foreign or South Korean media before they defected." While the US and South Korea "are favored scapegoats for North Korea's woes," as North Korean leader Kim Jong-un's admission during last month's party congress that "his country is in crisis" and "the ruthless crackdown on information make clear, the power Kim fears most is his people's."

Navalny Sentenced To More Than 2 1/2 Years In Prison.

The AP (2/2, Litvinova, Isachenkov) reports a court in Moscow "ordered Russian opposition leader Alexei Navalny to prison for more than 2 1/2 years, finding that he violated the terms of his probation while recuperating in Germany from nerve-agent poisoning." The New York Times (2/2, Troianovski, 20.6M) says the decision is likely to send Navalny "for a lengthy term in a far-flung penal colony for the first time." While "the decision to send him to prison removes his direct voice from Russia's political landscape," it "could energize his supporters and further rally Russian opposition to [Russian President Vladimir] Putin around the figure of Mr. Navalny."

The Washington Post (2/2, Khurshudyan, Dixon, 10.52M) says Navalny "again accused Putin of ordering the nerve agent attack that nearly killed him in August and rejected the case against him – alleged probation violations – as political retribution less than three weeks after he returned to Russia." In "an emotional address to the court, Navalny said Putin would be remembered in history as a 'Vladimir the poisoner.'" Reuters (2/2, Tsvetkova, Osborn) reports Navalny supporters, "on hearing the ruling, encouraged people to gather in central Moscow though riot police had already taken up position. The Moscow metro shut down three central stations. Reuters reporters saw hundreds of protesters and the police detain some of them." Axios (2/2, Lawler, 1.26M) provides similar coverage.

The Wall Street Journal (2/2, Subscription Publication, 8.41M) reports Secretary of State Blinken said the US was "deeply concerned" by the sentence. Politico Europe (2/2, 15K) reports that "more than a dozen Western diplomats also attended Tuesday's hearing – which was open to the media but closed to film crews and photographers." Russia's Foreign Ministry "slammed their presence as an attempt at interfering with Russia's domestic affairs." ABC World News Tonight (2/2, story 7, 1:20, Muir, 8.01M) provided similar coverage.

A New York Times (2/2, 20.6M) editorial says while the ruling "would appear to be a clear victory for Mr. Putin," in "this David v. Goliath saga, the 44-year-old Mr. Navalny has succeeded through raw courage and perseverance in putting Mr. Putin on the defensive. The imprisonment was Mr. Navalny's move. Mr. Putin had tried for years to give him only brief sentences to avoid making him a martyr." By voluntarily returning to Russia, "and then releasing a devastating YouTube video showing the obscenely opulent palace Mr. Putin was building himself on the Black Sea, Mr. Navalny left the president little choice but to dispatch him to a labor camp, and thus transform him into a powerful symbol of resistance."

In an editorial, the Washington Post (2/2, 10.52M) calls on Western democracies to do "what they can to help this unprecedented challenge to Mr. Putin's autocracy survive and grow." While "the United States and many European capitals have been rhetorically supportive of Mr. Navalny," the "Biden administration and European Union should follow up with sanctions against the Russian officials involved in the latest repression – and they should heed the pleas of Mr. Navalny for action to expose and freeze the illicit assets held by Mr. Putin and his cronies outside Russia." Likewise, a Wall Street Journal (2/2, Subscription Publication, 8.41M) editorial calls for tougher Western sanctions. The Journal also warns Putin could launch an "external provocation" to draw attention away from Russia's domestic situation.

Italy's President Expected To Ask Draghi To Form Unity Government.

Reuters (2/2, Balmer, Amante) reports that it appears Italian President Sergio Mattarella will "ask former European Central Bank chief Mario Draghi to form a government of national unity to tackle the twin coronavirus and economic crises battering the country." Mattarella "summoned Draghi for talks on Wednesday...after hearing that efforts to salvage the collapsed coalition of Prime Minister Giuseppe Conte had failed." Mattarella told reporters, "I have a duty to appeal to all political forces [to support] a high-profile government." The New York Times (2/2, 20.6M) says "news of Mr. Draghi's entrance into the arena delighted some of Italy's most pro-European politicians and those critical of Mr. Conte's lack of experience." But the Wall Street Journal (2/2, Subscription Publication, 8.41M) says it is unclear if a majority in Italy's parliament would back Draghi as prime minister, even if he indicates an interest in the position.

Iran Agrees To Free Crew From Seized South Korean Vessel.

The New York Times (2/2, Choe, Fassihi, 20.6M) reports that the governments of Iran and South Korea on Tuesday announced that Iran agreed to free the 19 crew members of the Hankuk Chemi, a South Korea-flagged ship that the Islamic Revolutionary Guards Corps took into custody on January 4. The move "appeared to be the first significant gesture by the Iranians to de-escalate the problem," and "may also have been intended to send an indirect signal to the Biden administration, which has indicated it wants to avoid a further deterioration in relations with Iran after they worsened sharply under" former President Donald Trump. In exchange, South Korea "said it had pledged speedy action to

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address Iran's complaints about its inability to access $7 billion in Iranian money that has been frozen in South Korean banks because of American sanctions reimposed by Mr. Trump."

Housing

AEI: Use Of Appraisal Waivers Skyrockets Amid Pandemic.

National Mortgage News (2/2, Sinnock) reports that the use of appraisal waivers has "soared in the current low-rate environment, according to the American Enterprise Institute's latest analysis of government-sponsored enterprise data." Almost 46% of loans now have one, according to Tobias Peter, director of research at AEI's housing center. He explained, "In the low interest-rate environment we have seen this hockey-stick phenomenon where waivers have become much more prevalent." NMN reports, "Over the past several months, the gap between waiver use rates at Fannie Mae and Freddie Mac has narrowed, said Peter, who noted that Fannie originally had a lead because it has a first mover advantage. In November, however, Freddie's share was 48% and Fannie's was 46%."

Biden Administration Planning To Release Puerto Rico Aid.

HousingWire (2/2, 7K) reports the Biden Administration "has begun making plans to release $1.3 billion in aid that Puerto Rico can use to protect against future climate disasters, alongside the removal of various spending restrictions Housing and Urban Development originally put in place by the Trump administration following Hurricane Maria in 2017, the New York Times reported." Administration officials reportedly "intend to ease the limits that HUD, under the Trump administration, placed on $4.9 billion in aid on the morning of Jan. 20, prior to Trump leaving office. Officials told the Times this is the first step toward addressing racial inequality through climate change policies."

Urban Institute: Renting May Now Be A Better Financial Option Than Buying.

DS News (2/2, Babb) reports that although buying has historically "been a better investment than renting," this "may no longer be the case – one of several highlights from the Urban Institute's Housing Finance Policy Center." DS News says renting "may be more economical than buying, and the rates of growth for the highest- and lowest-priced homes are converging – a few key takeaways from the Urban Institute's Housing Finance Policy Center, authored by several research fellows."

Servicer Valon Raises $50M In Series A Funding.

Mortgage Professional America (2/2, Kitai) reports Valon, a servicing firm, "has closed $50 million in series A funding, while also obtaining approval from Fannie Mae to service its government sponsored home loans." CEO Andrew Wang is now "setting lofty goals and taking on big players as Valon prepares for its next stage of growth," challenging "the dominance of Black Knight by developing his proprietary technology and proving its efficacy within Valon's own servicing operations." HousingWire (2/2, 7K) provides additional coverage.

Analysis: Biden Administration Faces An Uphill Battle To Close Racial Homeownership Gaps.

In a paywalled analysis, American Banker (2/2, Berry, Subscription Publication, 27K) says, "Decades after redlining and housing discrimination were outlawed, nonwhite Americans still own their homes at far lower rates than white Americans." American Banker says "most homebuyers don't understand" the differences between FHA loans, VA loans, and GSE conventional loans, or their relative costs, and the "policies that end up steering minority borrowers away from conventional loans and toward costlier loans were largely a byproduct of the housing bubble and policies put in place by the Obama administration in its wake." According to the piece, "If the Biden administration wants to make the American Dream as real for nonwhite Americans as it has been for white Americans, it has its work cut out for it. But a significant part of closing that disparity of experience means finding sustainable ways to make homeownership more available and more profitable for nonwhite borrowers – and banks."

Markets

10-Year Yield Ticks Up Again.

MarketWatch (1/27, 2.64M) reports the 10-year Treasury yield rose to 1.115 percent.

Dollar Stays Flat.

Reuters (2/3, Buckland) reports, "The dollar traded near a two-month high versus the euro on Wednesday as investors looked to a widening disparity between the strength of the U.S. and Europe's pandemic recoveries." The dollar "was little changed at $1.2043 per euro in the Asian session, after strengthening to $1.20115 overnight for the first time since Dec. 1." The broader dollar index "was mostly flat at 91.046 after rising to a two-month high of 91.283 in the previous session." The US currency "was little changed at 104.985 yen after gaining to 105.17 overnight for the first time since Nov. 12."

Gold Edges Higher.

Reuters (2/2) reports spot gold on Wednesday "rose 0.1% to $1,839.16 per ounce. U.S. gold futures added 0.4% to $1,840.90."

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Oil Rises.

Reuters (2/3, Zhang) reports, "Oil prices rose on Wednesday after hitting their highest in about a year in the previous session, boosted by an unexpected draw in U.S. crude and gasoline stocks, fuelling demand recovery hopes as OPEC+ forecasts the market will be in deficit in 2021." US West Texas Intermediate crude futures "climbed 39 cents, or 0.71%, to $55.15 a barrel at 0744 GMT, for a third straight day of gains." Brent crude futures "rose 47 cents, or 0.82%, to $57.93 a barrel, for a fourth day of gains after hitting $58.05 on Tuesday, the highest since January last year."

Cybersecurity

Chinese Hackers Reportedly Tapped SolarWinds To Spy On US Payroll Agency.

Reuters (2/2, Bing, Stubbs, Satter, Menn) reports suspected Chinese hackers "exploited a flaw in software made by SolarWinds Corp to help break into US government computers last year," five people familiar with the matter told Reuters, "marking a new twist in a sprawling cybersecurity breach." Two people briefed on the case "said FBI investigators recently found that the National Finance Center, a federal payroll agency inside the US Department of Agriculture, was among the affected organizations, raising fears that data on thousands of government employees may have been compromised." Reuters was not able "to establish how many organizations were compromised by the suspected Chinese operation." Bloomberg (2/2, 3.57M) reports suspected Chinese hackers "broke into US government computers last year by exploiting a flaw in software made by SolarWinds Corp." The suspected Chinese hackers "exploited a different flaw in SolarWinds's software than alleged Russian hackers used in a sprawling cyber-attack against the US government and private companies that was revealed in December." The Hill (2/2, Castronuovo, 5.69M) reports a USDA spokesman initially "told Reuters that it had 'notified all customers (including individuals and organizations) whose data has been affected by the SolarWinds Orion Code Compromise.'" In a follow-up statement, the agency "said that the NFC was not hacked and that 'there was no data breach related to Solar Winds' at the agency." The Chinese foreign ministry "told the outlet that any reported cyberattack was a 'complex technical issue.'"

FireEye CEO Discusses SolarWinds Hack Campaign. Bloomberg (2/3, 3.57M) reports FireEye Inc Chief Executive Officer Kevin Mandia "discusses the company's fourth-quarter earnings with record revenue and what he has learned since discovering they were a victim in the sprawling SolarWinds espionage." He "speaks with Emily Chang on 'Bloomberg Technology.'"

Hackers Increase Healthcare-Related Attacks.

The Wall Street Journal (2/2, Rundle, Subscription Publication, 8.41M) reports that hackers are expanding their efforts to steal information from healthcare-related institutions, and according to data from the US Department of Health and Human Services, more than 1 million people each month are affected by healthcare-related data breaches.

Sources Report On Efforts To Steal Information On Vaccine Programs.

Business Insider (2/2, Prothero, 2.74M) reports European and US intelligence officials "told Insider spies, hackers, criminals, and even economic analysts around the world are scrambling to access and steal information on various COVID-19 vaccine programs, with the most concerning activity being the theft of data from vaccine supply chains." An intelligence official for a NATO member state, "It's a mix of non-state actors – hackers trying to install ransomware on critical supply chains and maybe some of the more sophisticated terror groups probing for weaknesses – and state-backed intelligence services gobbling up all the information that can be found." The source said, "The state actions are directed very clearly at vaccine supply chain information — some of which is open source, some not — and it's basically everyone spying on each other."

Defense Deputy Secretary Nominee Seeks Cyber Strategy Clarification.

C4ISR & Networks (2/2, Pomerleau) reports that, "while largely agreeing with the Defense Department's more proactive approach to cyberspace in the last few years, President Joe Biden's nominee for the No. 2 spot at the Pentagon has key questions about the defend forward concept." Kathleen Hicks at her deputy defense secretary confirmation hearing February 2 before the Senate Armed Services Committee, said, "I am supportive of the approach. I think, if confirmed, what I would like to understand better is exactly how the authorities are being executed, what kind of oversight is involved, how we are consulting with allies and partners, whose systems we might operate on." The DOD's 2018 cybersecurity strategy "charges US Cyber Command to defend forward in cyberspace by getting as close to adversaries as possible to see what they're planning, so the department can take action or inform others to prepare." Hicks "recognized that the US has been forced to become more forward leaning in its posture."

Opinion: The Government Needs To Improve Oversight Of Internet-Of-Things.

In a commentary in the Washington Post (2/2, 10.52M), Bruce Schneier writes, "large and small appliances, cars, medical devices, toys and...exercise machines are all computers at their core, and they're all...vulnerable." Every one of those devices "is a potential security risk, and all of those people are potential national security targets." He argues, "Regulations that force manufacturers to provide better security for all of us are the only way to do that. We need minimum security standards for computers of all kinds. The Cyberdefect." And I'm more worried about the political activists, journalists, human rights workers and oppressed minorities around the world who don't have the money

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or expertise to secure their technology, or the information that would give them the ability to make informed choices on which technologies to choose."

Legislators Seek Information On NSA Actions To Prevent Supply Chain Attacks.

Gov Info Security (2/2) reports that, "in light of the recent SolarWinds supply chain hack on government agencies and others, 10 Democratic lawmakers are asking the NSA to explain why it apparently did not take action after the 2012 Juniper Networks supply chain hack to help prevent similar attacks." In a recent letter to NSA, the lawmakers state, "The American people have a right to know why NSA did not act after the Juniper hack to protect the government from the serious threat posed by supply chain hacks. A similar supply chain hack was used in the recent SolarWinds breach, in which several government agencies were compromised with malware snuck into the company's software updates."

TFI/Sanctions

Biden's Options Limited In Responding To Myanmar Takeover.

Reuters (2/2, Lewis, Pamuk, Psaledakis) reports President Biden, "facing his first major international crisis after Myanmar's military seized power, could impose a new program of sanctions, cut aid or target generals and the companies they run to pressure for a return to democracy." How the Administration responds "will be an early test of Biden's dual pledges to re-center human rights in U.S. foreign policy and work more closely with allies." Biden "could establish a fresh sanctions program against Myanmar with an executive order that would declare a national emergency regarding developments in the country," but experts say the US "has limited leverage over the generals that seized power, who have ties to powerful local companies but few overseas interests that could be impacted by financial sanctions."

Commentary: US Must Ramp Up Sanctions Of Kremlin Elite's "Entire Upper Ranks."

In an op-ed for The Hill (2/2, 5.69M), Stephen Nix and Joshua Solomon say the Russian people "have embarked on one of the largest battles against kleptocracy, or the rule of thieves. They want their government to stop plundering their wealth and using it to hold onto power by any means." The writers argue that while the Treasury Department "has a sanctions program that has frozen the assets of several dozen Kremlin officials and prevented them from traveling to the United States," and Congress "has banned anonymous shell companies," these measures "are insufficient in this fight." The authors say the US "must dramatically increase its targeted sanctions program to include the entire upper ranks for the Kremlin elite, including top government officials, the heads of major corporations, and the leaders of the numerous Russian regions. Sanctions must also include the families and primary business associates of these individuals, in whose names the illicit wealth from such corruption are often registered."

Federal Reserve

Fed Makes Headway With FedNow Payments Service; Aims For 2023 Release.

American Banker (2/2, Lang, Subscription Publication, 27K) reports the Fed has made substantial headway with its real-time payments system FedNow. The Fed has also narrowed its launch timetable to 2023. Kenneth Montgomery, first vice president and chief operating officer at the Federal Reserve Bank of Boston, said, "In the 15 months we've been at this, we have made considerable progress and achievements in terms of getting the product to market, and all during a pandemic."

NYTimes Analysis: Fed Has Poor Record Of Building A Diverse Workforce.

The New York Times (2/2, Smialek, 20.6M) reports in an analysis that while the Federal Reserve "dedicates research and attention to racial economic outcomes and publicly champions inclusion, it has had a poor record of building a work force that looks like the population it is meant to serve. ... When it comes to employing Black economists in particular, the central bank still falls short." While officials have argued that "Ph.D. economists are heavily white and Asian," a Times "analysis suggests the issue goes even beyond that. Black people are less represented within the Fed than in the field as a whole. Only two of the 417 economists, or 0.5 percent, on staff at the Fed's board in Washington were Black, as of data the Fed provided last month. Black people make up 13 percent of America's population and 3 to 4 percent of the U.S. citizens and permanent residents who graduate as Ph.D. economists each year."

Kashkari Says COVID-19 Vaccination Key To Reviving MN Economy.

The AP (2/2, Karnowski) reports Minneapolis Fed President Neel Kashkari "said Tuesday that getting Minnesotans vaccinated against the coronavirus will be key to reviving the state's economy." Kashkari "told a legislative hearing that the country and state have made progress toward putting people back to work amid the pandemic." Kashkari said, "We just need as many Americans and as many Minnesotans as possible to be vaccinated so that we can have confidence and we can restore much of the economy back to the way it was. ... But it's really critical right now that the virus is in charge of the economy, and the sooner we can get the vast majority of Minnesotans and the vast majority of Americans vaccinated, the sooner we'll be able to get back to normal."

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Kaplan Says No Systemic Concerns Amid GameStop Frenzy.

Reuters (2/2, Saphir) reports Dallas Fed President Robert Kaplan "said Tuesday that while the Fed's massive bond-buying program is creating plenty of liquidity in financial markets, there are no signs of broad market instability at present." Kaplan said during a CNBC interview, "I don't see anything right now systemic," though he "did not comment on GameStop directly, and instead addressed the broader question of how Fed policy affects financial markets." Kaplan said, "Some of the current situation you are seeing – one of the factors – is there is a lot of liquidity, and some of that relates to Fed purchases of $80 billion of Treasuries and $40 billion of mortgage-backed securities every month: I think it's wise for us to acknowledge that."

CNBC (2/2, Cox, 7.34M) and New York Magazine (2/2, Dugan, 1.3M) also report.

Office of the Comptroller of the Currency

President Still Expected To Nominate Barr To OCC.

CoinDesk (2/2, De, 49K) reports, "We're still waiting on confirmation hearings and votes for most of President Biden's nominees for financial regulatory positions." The President "has yet to officially confirm that Chris Brummer will be nominated to lead the Commodity Futures Trading Commission or that Michael Barr will be nominated to lead the Office of the Comptroller of the Currency."

Olen Advocates For Biden To Name Baradaran To Helm OCC. In her Washington Post (2/2, 10.52M) column, Helaine Olen says the US "faces an overdue reckoning with how we've treated non-White Americans, such as the fact that for every dollar a White family with children possesses, a Black family with children has just 1 cent, while Hispanic families with children have 8 cents." Olen adds the Office of the Comptroller of the Currency "is well positioned to help change this reality, as it implements and enforces laws on everything from fair housing to credit access in low- and moderate-income neighborhoods. And there is a perfect candidate to lead the agency: Mehrsa Baradaran." A law professor at the University of California at Irvine, Baradaran "has spent her career explaining how financial injustice happens, why it persists and how to fix it. She understands that financial inclusion is central to the story of how people get ahead in America – and how financial exclusion keeps all too many down."

Banks Rush Into Crypto-Custody Space After OCC Guidance.

Forbes (2/2, 10.33M) reports the OCC last July "published a letter stating that banks would now be permitted to provide custody services for crypto assets. It's no surprise that financial institutions, preparing for a day when digital asset ownership is common, are rushing into the crypto-custody business."

Separately, Forbes (2/2, Bambrough, 10.33M) reports, "The stablecoin market was set alight" by the OCC "when it said it would allow the use of stablecoins for bank payments." CoinDesk (2/2, 49K) similarly reports that the growth in the stablecoin space "has corresponded with increased attention from regulators." CoinDesk adds, "We can expect continued regulatory interest and activity in this area from around the world."

Citi's Fraser Creates New Operating Team To Address Concerns Raised By Regulators.

Bloomberg (2/2, Surane, 3.57M) reports Citigroup incoming CEO Jane Fraser "created a new global operating team aimed at improving accountability among its top executives, as the firm continues to address a litany of concerns raised by regulators last year." The bank "was dinged last year by both the Federal Reserve and the Office of the Comptroller of the Currency for failings with its technology infrastructure and internal controls." Citi "has vowed to rectify the problems regulators laid out, with Fraser leading much of the remediation effort."

Reuters (2/2) provides similar coverage.

Bureau of Engraving and Printing

US Mint Struggles To Meet Demand For Silver, Gold Coins.

Reuters (2/2, Kumar) reports the US Mint "said on Tuesday it was unable to meet surging demand for its gold and silver bullion coins in 2020 and through January, due partly to pandemic-driven demand and plant capacity issues." The Mint "had limited distribution of its silver coins to suppliers as it is currently changing the designs for its American Eagle Gold and Silver Bullion Coins." The Mint in 2021 "has a limited window to produce its current gold and silver coins, with redesigned coins expected to debut in the summer. It is limiting distribution of its gold, silver and platinum coins to specific dealers because of heavy demand, and a limited number of suppliers of metals, it said in a statement."

Bloomberg (2/2, Li, 3.57M) also reports.

Editorial Wrap-Up

New York Times.

"Aleksei Navalny Is Resisting Putin, And Winning." The New York Times (2/2, 20.6M) says while the ruling by a court in Moscow putting Russian opposition leader Alexei Navalny in prison for more than 2 1/2 years "would appear to be a clear victory" for Russian President Vladimir Putin, in "this David v. Goliath saga, the 44-year-old Mr. Navalny has succeeded through raw courage and perseverance in putting Mr. Putin on the defensive. The imprisonment was Mr. Navalny's move. Mr. Putin had tried for years to give him only brief sentences to avoid making him a martyr." By voluntarily returning to Russia, "and then releasing a devastating YouTube video showing the obscenely opulent palace Mr. Putin was building himself on the Black Sea, Mr. Navalny left the president little choice but to dispatch him to a labor camp, and

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thus transform him into a powerful symbol of resistance."

Washington Post.

"The GOP Is Having A Reckoning, And McConnell Seems To Be On The Right Side." The Washington Post (2/2, 10.52M) says Senate Minority Leader McConnell's statement of rebuke against Rep. Marjorie Taylor Greene (R-GA) "was reassuring: At least there is a battle over the soul of the Republican Party." The Post adds that McConnell "is nothing if not shrewd, and presumably his statement also reflects a calculation that Ms. Greene and her type of politics are bad for the Republican Party. That provides some hope – however slim – that this once-proud party might return to its senses."

"Navalny's Fiery Indictment Of The 'Small Man In A Bunker' Could Rattle Putin's Autocracy." The Washington Post (2/2, 10.52M) calls on Western democracies to do "what they can to help" Alexei Navalny's "unprecedented challenge" to Russian President Vladimir Putin's "autocracy survive and grow." While "the United States and many European capitals have been rhetorically supportive of Mr. Navalny," the "Biden administration and European Union should follow up with sanctions against the Russian officials involved in the latest repression – and they should heed the pleas of Mr. Navalny for action to expose and freeze the illicit assets held by Mr. Putin and his cronies outside Russia."

"It's Good Biden Is Ending For-Profit Federal Prisons. Detained Immigrants Deserve No Less." The Washington Post (2/2, 10.52M) editorializes that President Biden's announcement that "he would phase out federal contracts for privately run prisons" delivers "on half a campaign pledge but omit[s] the other, more difficult half – to also scrap privately operated migrant detention centers." The Post says the "administration's wavering has disappointed immigrant advocates, who have rightly called attention to substandard and occasionally appalling conditions" in such centers, and argues that "the president's instincts on the campaign trail were right and should remain the administration's goal: For-profit detention facilities, where pre-pandemic problems have burgeoned into humanitarian danger zones during the covid-19 era, should be phased out."

"Some Michigan Restaurateurs Are Ignoring Pandemic Restrictions. They're Putting Everyone At Risk." The Washington Post (2/2, 10.52M) says more than 60 restaurants in Michigan are openly ignoring pandemic restrictions. The restaurants "formed Stand Up Michigan, a group that held rallies against pandemic restrictions." The Post says Stand Up Michigan "has taken the defense of rights too far. Personal freedom does not mean the right to endanger others. ... It is absolute madness to encourage the kind of behavior – indoor dining at restaurants – that will spread the disease and lead to sickness and death."

Wall Street Journal.

"House Republican Reckoning." The Wall Street Journal (2/2, Subscription Publication, 8.41M) says if House Republicans choose to punish Rep. Liz Cheney (R-WY), but remain silent about Rep. Marjorie Taylor Greene (R-GA), they deserve to remain in the minority.

"Where's Biden On Opening Schools?" The Wall Street Journal (2/2, Subscription Publication, 8.41M) editorializes that the Biden Administration's pledge to follow the science is being undermined in regard to schools reopening, arguing that the President is absent in supporting local government officials battling teachers unions that have resisted calls to return to in-person learning despite data that suggests it is safe to do so.

"Alexei Navalny's Cause." The Wall Street Journal (2/2, Subscription Publication, 8.41M) calls for tougher Western sanctions against Russia for imprisoning opposition leader Alexei Navalny. The Journal also warns Russian President Vladimir Putin could launch an "external provocation" to draw attention away from Russia's domestic situation.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Jeff Bezos To Step Down As Amazon CEO; Andy Jassy To Take Over
GameStop Mania Hits A Wall Of Tighter Trading Terms
Coup Puts Myanmar At The Center Of US-China Clash
Trump, House Democrats Lay Out Impeachment Trial Strategies
The Hottest Job Market? Snow Shoveling
Vaccine Skeptics Join Forces With Antimask Advocates

New York Times:

Impeachment Case Argues Trump Was 'Singularly Responsible' For Capitol Riot
The Wealthy Are Getting More Vaccinations, Even In Poorer Neighborhoods
Russian Activist Navalny Sentenced To More Than 2 Years In Prison
Under Pressure To Rebuke Their Own, GOP Leaders Face A Critical Test
Jeff Bezos To Step Down As Amazon CEO
'Don't Kill Me': Others Tell Of Abuse By Officer Who Knelt On George Floyd

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Washington Post:
'Holding The Line' Gets Harder As GameStop Tanks
Two FBI Agents Killed While Serving Warrant In Florida
Biden Moves To Undo Key Trump Immigration Policies
Citing 'Betrayal,' Democrats Outline Case Against Trump
As Rift Grows, GOP Senators Blast 'Nutty' House Member

Financial Times:
Russian Activist Navalny Sentenced To 3½ Years In Jail
Big Oil Hit By Record Losses From Pandemic And Clean Fuel
Five Politicians And Financiers Jostle For Position In OECD Race
Germany To Beef Up Financial Regulator In Wake Of Wirecard Scandal

Washington Times:
'Like A Loaded Cannon': Trump Lit Fuse Of Capitol Riot, Democrats Charge
'It's About To Get Ugly': Capitol Invaders Aided Feds With Facebook Posts, Analysis Finds
Pandemic Politics: Cuomo, Newsom Under Fire For Coronavirus Response
Democrats Weaponize 'QAnon Cult' Against Republicans: 'No American Will Be Safe'
Biden's Vow To Champion Global Human Rights Tested By Twin Crises
Biden's Just-Confirmed Homeland Security Secretary Begins Dismantling Trump Policies

Story Lineup From Last Night's Network News:
ABC: FBI-Shooting; Nor'easter; Vaccines; Impeachment; Biden-Immigration; Amazon-Bezos; Alexei Navalny; SpaceX-Test Flight Ends In Explosion; Super Bowl; UK-WWII Vet Dies.
CBS: FBI-Shooting; Impeachment; Vaccines; Nor'easter; Biden-COVID Relief; Biden-Immigration; COVID-Recession; Amazon-Bezos; UK-WWII Vet Dies; Book Club Support.
NBC: Amazon-Bezos; FBI-Shooting; Nor'easter; Vaccines; COVID; Impeachment; AOC-Capitol Siege; UK-WWII Vet Dies; New York-Child Pepper Sprayed; Hunger Crisis; Groundhog Day.

Network TV At A Glance:
FBI-Shooting – 7 minutes, 25 seconds
Impeachment – 7 minutes, 5 seconds
Vaccines – 6 minutes, 50 seconds
Amazon-Bezos – 4 minutes, 10 seconds

Last Laughs

Late Night Political Humor.

Trevor Noah: "Until the pandemic is actually over, Americans will need more help getting through it. And the big question of what that help will look like is dominating Washington, DC right now. ... I get why Democrats and Republicans are having trouble agreeing. This is a difference of $1.3 trillion. How do you compromise when you're that far apart? It's like deciding what's for dinner. You want something nice, but your date wants to eat out of a gas station trash can. You can't compromise and eat out of a nice trash can."

Trevor Noah: "Let's move to the second most talked about Instagram video from last night...the post by Representative Alexandria Ocasio-Cortez, who gave a harrowing account of her personal experience during the Capitol attack. ... I mean, AOC and other members of Congress literally thought that they were going to die. On a Wednesday afternoon, no less. Nobody should die in the middle of the week. That means you went to work on Monday and Tuesday for nothing."

Trevor Noah: "To everyone who was saying how scared could [Ocasio-Cortez] really have been, think about how terrified you get when someone knocks on the bathroom door when there isn't even a riot. 'Someone's in here! Oh, God, now they're going to know that I pooped.'"

Jimmy Kimmel: "I don't get Groundhog Day. Last year's festivities shattered records, crowd-wise. Forty thousand people showed up, double the number from the year before, which I don't understand at all. If I wanted to see a fat roden[illegible] Mar-a-Lago."

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Jimmy Kimmel: "House Democrats are saying that if Republicans don't strip [Rep. Marjorie Taylor] Greene of her committee assignments, they will. ... Greene is, of course, now trying to make money off her terribleness. She tweeted, 'Democrats are trying to expel me from Congress. Help me raise $50,000 today and send a message.' What message? 'I am crazy and careless with money'?"

Jimmy Kimmel: "Greene says she has spoken to Donald Trump on the phone and has his full support. They are even planning to get together soon. Oh-oh, look out, Melania, she's coming for your guy."

Jimmy Kimmel: "Donald Trump's new lawyers today released their response to the impeachment charges they will defend him against in the Senate next week. And this is great. On the very first page of their first legal filing, they wrote, 'To the honorable members of the Unites States Senate.' They misspelled 'United States.' And we're off!"

Jimmy Kimmel: "You know how much Ivanka and Jared made last year? Jared and Ivanka reported a combined income for 2020 of between $23 million and $121 million. Which raises a number of important questions, like, for what?"

Jimmy Kimmel: "You know Trump doesn't like this, right? You know, the only thing more embarrassing than losing the election is having his son-in-law make more money than he does."

Stephen Colbert: "There's big news today from the business world and the regular world, too, because Amazon announced that their CEO, Jeff Bezos, will be stepping down. Before leaving office, he will be cocooned in bubble wrap and put in a box eight times his size. ... I'm just impressed that the company that delivers my dog food and Nespresso pods had a more peaceful transfer of power than the United States government."

Stephen Colbert: "Speaking of [the US government], I've seen my shadow, and I predict we're going to have two more weeks of impeachment."

Stephen Colbert: "The disgraced former President's team argued that 'he cannot be convicted by the Senate because he is no longer in office.' So, okay, once you leave a job, you're immune from prosecution? 'Cannibalism? Nice try, your honor, but I don't even work at White Castle anymore.'"

Stephen Colbert: "House managers, like Eric Swalwell, have said that they're going to use news footage of the riot to prove their case. [Trump's lawyer David] Schoen believes that's a bad idea – for America. ... Yes, healing comes from not providing any evidence. As it says in the Hippocratic oath, 'First, snitches get stitches.'"

Stephen Colbert: "Schoen's not the only one who wants an evidence-free trial. So does South Carolina Senator...Lindsey Graham. ... You can always tell who the good guys are. 'Make sure there are no witnesses.'"

Stephen Colbert: "There's this little fringe group in the [GOP] who believes it's wrong to attack the Capitol building. And they're focusing their anger on Georgia Representative...Marjorie Taylor Greene. Greene's a public backer of QAnon. She's claimed that mass shootings, including school shootings, were staged, and she has supported the execution of Democratic leaders. So, a moderate Republican."

Stephen Colbert: "Yesterday, Greene's views inspired a strong reaction from Senate Minority Leader...Mitch McConnell. McConnell released a statement saying that the baseless conspiracy theories Greene supports 'are cancer for the Republican party and our country.' Yes, it's cancer, but I will point out that five years ago, the GOP found a suspicious lump and then nominated the tumor for President."

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Stephen Colbert: "There is so much division in the Republican party, they really need a man of true integrity to unite them. Unfortunately, all they've got is House Minority Leader...Kevin McCarthy. McCarthy has resisted calls from Democrats to kick Greene off her House committees. Instead, he's promising to have a 'conversation' with her about the mounting controversies sometime this week. Well, that should be productive. As McCarthy proved with his recent trip to Mar-a-Lago, he knows how to put his foot down. And his knee down, then his other knee down, so he can smooch some crazy butt."

Stephen Colbert: "McConnell's not the only one upset with the conspiracy wing of the GOP. Yesterday, we found out that roughly 60 to 70 former Bush officials have decided to leave the party, and as one put it, 'The Republican party as I knew it no longer exists.' Yes, it's unrecognizable. We just had a Republican President who told over 30,000 lies about serious subjects like election fraud and a global pandemic. The previous Republican President only told lies about small stuff like weapons of mass destruction and government-sanctioned torture."

Stephen Colbert: "Now, we've all been doing this job for a while now, and we've seen a lot of evidence that this kind of behavior from Republicans was coming. Take former Bush adviser...Karl Rove. Back when Rove was in the White House, he sarcastically referred to his critics as 'the reality-based community,' and claimed that people like him 'create our own reality.' ... Now, when Rove said that, we all saw where this was headed. Because if that Republican administration could get away with creating their own little space-time continuum with the magic of make-believe, it just goes to figure that it was only a matter time before everybody else did it. ... So when it comes to crazy conspiracy theories, you can't put the genie back in the bottle, and not just because those same Republicans 13 years ago were fine with rumors that the genie is a secret Muslim. Remember 'secret Muslim'? That was 2007, along with 'Obama was born in Kenya' and the 'terrorist fist bump,' now known as the only way we're allowed to touch each other."

Stephen Colbert: "So, if crazy conspiracy theories are, in fact, a cancer on the Republican party, people like Mitch McConnell and Karl Rove have spent the last 20 years selling cigarettes to their base."

Jimmy Fallon: "Well, guys, it must be Groundhog Day because we are living through Trump's impeachment again. That's right, today House Democrats filed a brief saying Trump's singularly responsible for the Capitol riots."

Jimmy Fallon: "Some good news today. The Biden Administration made a big announcement regarding vaccine distribution. ... After Trump, Biden looks like a genius for being like, 'I have an idea! All the places that give flu shots, they should give vaccine shots!' Thanks, professor! Wow! Amazing. Yeah, it sounds like a smart idea, although CVS already shelved the vaccine to make room for the Halloween decorations."

Seth Meyers: "After meeting with President Biden for almost two hours about the coronavirus relief package, Republican Senator Shelley Moore Capito told reporters that Biden, quote, 'seemed really happy to be in the game of negotiating. Also, it was kind of weird for a President to hold a two-hour meeting and not once mention the electoral map.'"

Seth Meyers: "Senate Minority Leader Mitch McConnell said yesterday that freshman Representative Marjorie Taylor Greene's looney lies are a, quote, 'cancer to the GOP.' The key is to make the lies believable, like 'you can live for eight months on $600.'"

Seth Meyers: "Congresswoman Marjorie Taylor Greene responded yesterday to Senate Minority Leader Mitch McConnell criticizing her views as cancer and said, quote, 'The real cancer for the Republican party is weak Republicans who only know how to lose gracefully.' Well, at least they can agree that whatever the cancer is, no one should be able to afford the treatment."

James Corden: "Today was the deadline for Trump to file. Trump is no longer President, and lawyers will be arguing that the trial is unconstitutional. I'm going to use this the next time a cop pulls me over. I'm gonna be like, 'Well, I'm no longer speeding. I was, but I'm not now. Therefore, this ticket is unconstitutional.'"

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James Corden: "This all comes after Trump's previous legal team quit over the weekend. And according to new reports, it was more than just a difference in approach. Trump and his lawyers also had disagreements over how much he was going to pay them. That does not sound like the Donald Trump I know. There was a disagreement over money. The lawyers wanted $3 million, whereas Trump wanted to pay them nothing and then make fun of them on cable news."

James Corden: "President Biden is now looking into revoking Trump's access to intelligence briefings, a courtesy traditionally given to ex-presidents. Revoking Donald Trump's access to intelligence briefings. That's like revoking a dolphin's access to an Xbox."

James Corden: "By the way, Trump famously skipped intelligence briefings when he was President of the United States. So this would be like if I got fired from this job and people were like, 'Sorry, James, you can no longer go into Stu's office.' And I would be like, 'Right. Who's Stu?'"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Biden — Receives the President's Daily Brief.
- Vice President Harris — Receives the President's Daily Brief.

***US Senate*:**

- Senate Committee on Foreign Relations Business Meeting

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Senate committee votes on commerce secretary nominee – Executive Session, with agenda including the nomination of Gina Raimondo to be Secretary of Commerce, 'Rules Governing the Senate Committee on Commerce, Science, and Transportation', and 'Budget Resolution for the Senate Committee on Commerce, Science, and Transportation'

Location: Rm 325, Russell Senate Office Building, Washington, DC; 10:00 AM

- Senate committee considers education secretary nominee – Nominations hearing considers Miguel Cardona to be Secretary of Education

Location: Rm 430, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Senate committee votes on energy secretary nominee, holds hearing on addressing climate change – Business Meeting, to consider the nomination of Jennifer Granholm to be Secretary of Energy

Location: Rm G50, Dirksen Senate Office Bldg, Washington, DC; 10:00 AM

- Senate Small Business Committee considers SBA administrator nominee – Nominations hearing considers Isabella Casillas Guzman to be Small Business Administration Administrator * Then-President-elect Joe Biden nominated the former SBA administrator's deputy chief of staff last month

Location: Rm 301, Russell Senate Office Building, Washington, DC; 10:30 AM

- Senate Environment Committee considers EPA administrator nominee – Nominations hearing considers Michael Regan to be Environmental Protection Agency Administrator

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; *2:00 PM*

- Late U.S. Capitol police officer continues lying in honor on Capitol Hill – Late U.S. Capitol Police Officer Brian Sicknick continues lying in honor in the U.S. Capitol Rotunda, following his 7 Jan death from injuries sustained during the attack on the U.S. Capitol the previous day * Viewing period for members of the U.S. Capitol Police continued overnight, with Members of Congress invited to attend between 7:00 AM – 9:00 AM EST today. Congressional Tribute held at 10:30 AM (invited guests only). Ceremonial departure occurs at 12:00 PM EST, ahead of his interment at Arlington National Cemetery

Location: Rotunda, U.S. Capitol, Washington, DC

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***US House*:**

- House Committee on Homeland Security virtual organizational meeting; *10:00 AM*
- House Commerce subcommittee hearing on increasing COVID-19 vaccinations (virtual) – Health Subcommittee remote hearing on 'Road to Recovery: Ramping Up COVID-19 Vaccines, Testing, and Medical Supply Chain', held via Cisco Webex, with testimony from former FDA Acting Chief Scientist / former National Security Council Director for Medical and Biodefense Preparedness Luciana Borio; former U.S. Strategic National Stockpile Director Greg Burel; former Secretary of Health and Human Services / former Utah Governor Michael Leavitt; and Robert Wood Johnson Foundation Executive Vice President Julie Morita; *11:00 AM*
- House Armed Services Committee hybrid organizational meeting – House Armed Services Committee Organizational Meeting for the 117th Congress * Held via WebEx and in Rm 2118, Rayburn House Office Building; *11:00 AM*
- Press Briefing by White House COVID-19 Response Team and public health officials; *11:00 AM*
- House Financial Services Committee hybrid organizational meeting – House Committee on Financial Services hybrid organizational meeting, with agenda including 'Resolutions appointing Majority and Minority members to subcommittees' and 'A resolution to adopt rules of the Committee on Financial Services pursuant to clause 2 of the Rule XI of the House of Representatives' * Held virtually and in Rm 2128, Rayburn House Office Building; *11:00 AM*
- House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 447 – National Apprenticeship Act of 2021' and legislation related to a budget resolution

Location: U.S. Capitol, Washington, DC; 1:00 PM

- Press Briefing by Press Secretary Jen Psaki; *1:30 PM*
- House Committee on Foreign Affairs virtual organizational meeting, held via Cisco Webex; *2:00 PM*
- House Rules Committee hearing (virtual) – Virtual hearing on 'H. Res. 72 – Removing a certain Member from certain standing committees of the House of Representatives', held via Cisco WebEx; *3:00 PM*
- Late U.S. Capitol police officer continues lying in honor on Capitol Hill – Late U.S. Capitol Police Officer Brian Sicknick continues lying in honor in the U.S. Capitol Rotunda, following his 7 Jan death from injuries sustained during the attack on the U.S. Capitol the previous day * Viewing period for members of the U.S. Capitol Police continued overnight, with Members of Congress invited to attend between 7:00 AM – 9:00 AM EST today. Congressional Tribute held at 10:30 AM (invited guests only). Ceremonial departure occurs at 12:00 PM EST, ahead of his interment at Arlington National Cemetery

Location: Rotunda, U.S. Capitol, Washington, DC

***Cabinet Officers*:**

- No public schedules released.

***Visitors*:**

- No visitors scheduled.

***General Events*:**

- Department of the Treasury quarterly refunding announcement – Department of the Treasury quarterly refunding announcement, outlining its funding needs for the next two quarters, including which securities will be offered and the dates of their announcement, auction, and settlement; 8:30 AM
- POLITICO Live discussion on 'Women, Work, Care and COVID-19' (virtual) – 'An Unequal Burden: Women, Work, Care and COVID-19' POLITICO Live 'Women Rule virtual event, on women, work and caregiving during coronavirus (COVID-19). Panel features Democratic Rep. Joyce Beatty, Bipartisan Policy Center Fellow Maggie Cordish, National Employment Law Project Executive Director Rebecca Dixon, and RAND Corporation economist Kathryn Anne Edwards; *10:00 AM*
- Dem Rep. Sean Casten discusses President Biden's 'future agenda' (virtual) – 'The Biden Administration's Future Agenda' New America Future Tense online event, with Democratic Rep. Sean Casten, Center for Global Development Senior Fellow Charles Kenny, and New America Open Technology Institute Director Sarah Morris; *12:00 PM*
- Washington Post Live conversation with U.N. Secretary General Guterres (virtual) – Washington Post Live virtual conversation with United Nations Secretary General Antonio Guterres on coronavirus (COVID-19) vaccine rollout, geopolitical stability and how the U.N. is encouraging countries to work together to face 'the most intractable problems of our time'; *1:30 PM*
- West Virginia Gov. Justice discusses state's vaccine rollout (virtual) – U.S. Chamber of Commerce holds 'Path Forward: Navigating the Return to Work' event with West Virginia Governor Jim Justice, who discusses 'the unique approach his state has taken on the coronavirus (COVID-19) vaccine rollout, which has allowed it to constantly rank as either the number one or number two state in the

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nation for vaccine doses administered per capita'; *2:00 PM*

• Brookings Institution discussion on improving Medicaid (virtual) – 'How can the Biden administration improve the Medicaid program?' online discussion hosted by Brookings Institution, with featured speakers including former Lieutenant Governor of Alaska Valerie Nurr'araaluk Davidson, Massachusetts Executive Office of Health and Human Services Assistant Secretary for MassHealth Dan Tsai, Community Oriented Correctional Health Services Chief Executive Officer Vikki Wachino and Center on Budget and Policy Priorities Director of Medicaid Eligibility and Enrollment Jennifer Wagner; *2:00 PM*

• Washington FPC briefing on 'Addressing Racial Inequality in the Justice System' (virtual) – Washington Foreign Press Center On-The-Record Virtual Press Briefing on 'Understanding America: Addressing Racial Inequality in the Justice System', featuring Equal Justice Initiative founder/Executive Director Bryan Stevenson * Part of the FPC 'Understanding America: Black History Month Series', which explores topics including racial inequality in the justice system, resiliency in the Black business community, voting rights and political leadership, and African American representation on screen; *2:00 PM*

• Late U.S. Capitol police officer continues lying in honor on Capitol Hill – Late U.S. Capitol Police Officer Brian Sicknick continues lying in honor in the U.S. Capitol Rotunda, following his 7 Jan death from injuries sustained during the attack on the U.S. Capitol the previous day * Viewing period for members of the U.S. Capitol Police continued overnight, with Members of Congress invited to attend between 7:00 AM – 9:00 AM EST today. Congressional Tribute held at 10:30 AM (invited guests only). Ceremonial departure occurs at 12:00 PM EST, ahead of his interment at Arlington National Cemetery

Location: Rotunda, U.S. Capitol, Washington, DC

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, FEBRUARY 23, 2021 6:00 AM EST

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Treasury in the News

Yellen: Biden Rescue Plan Will Be A Success If Jobless Rate Returns To Pre-Pandemic Level.

Reuters (2/22, Lawder) reports that says that during a New York Times Dealbook online event on Monday, Treasury Secretary Janet Yellen "said...she will judge the success of President Joe Biden's coronavirus stimulus plan by how quickly it returns the economy to pre-pandemic levels of unemployment." Yellen said, "Success to me would be if we could get back to pre-pandemic levels of unemployment and see the re-employment of those who have lost jobs in the service sector, particularly – I would also consider them a measure of success." The unemployment rate "is 6.3%, compared with 3.5% before the pandemic – a level widely viewed as effectively full employment. But Yellen said that because 4 million people have dropped out of the labor force...the effective unemployment rate is close to 10%." Reuters says Yellen "also played down the increased debt levels that would be incurred."

The New York Times (2/22, Karaian, 20.6M) quotes Yellen as saying, "Of course, a key job for a Treasury secretary is to make sure our country is on a sound fiscal course. If you don't spend what is necessary to get the economy quickly back on track, that has a fiscal cost as well. ... I think we have more fiscal space than we used to because of the interest rate environment, and I think we should consider using it."

Bloomberg (2/22, Miller, 3.57M) reports Yellen and Fed Chairman Powell "appear wary of signs of froth in financial markets, even as they press ahead with economic stimulus measures that are elevating the euphoria." Last week, Yellen told CNBC there "may be sectors where we should be very careful," when she was "asked about possible speculative sizzle." Her comments "came a day after publication of minutes of the Fed's Jan. 26-27 policy meeting at which staff characterized the risks to financial stability as notable – an assessment Powell shares, according to a central bank official familiar with the matter." But, "Yellen spoke out in favor of President Joe Biden's $1.9 trillion fiscal aid package again on Monday," and Powell "is expected to reaffirm his commitment to an ultra-easy monetary policy when he testifies to the Senate Banking Committee on Tuesday."

The Hill (2/22, Jagoda, 5.69M), Newsweek (2/22, Villarreal, 2.67M), and CNN (2/22, Tappe, Hoffman, 89.21M) also report.

Top Economic Officials Cite An Unemployment Rate That Is Higher Than The Official Figure. The New York Times (2/22, Smialek, 20.6M) reports while the official unemployment rate "has declined sharply after rocketing up last year...top government economic officials are increasingly citing a different figure – one that puts the jobless rate at nearly 10 percent, well above its official 6.3 percent reading and roughly matching its 2009 peak." The "emphasis on an alternative statistic, espoused by leaders including" Yellen and Powell, "underlines both the very unusual nature of the coronavirus shock and a long-running shift in the way that economists think about weakness in the labor market." The Times says, "Top economic officials are adding labor force dropouts and workers who are misclassified to the share of people who are actively searching for work."

Yellen Warns Bitcoin Is Inefficient & Speculative, Signals Support For Digital Dollar Research.

CNBC (2/22, Cox, 7.34M) reports that in an interview at the New York Times' DealBook conference, Treasury Secretary Janet Yellen said, "I don't think that bitcoin…is widely used as a transaction mechanism. To the extent it is used I fear it's often for illicit finance. It's an extremely inefficient way of conducting transactions, and the amount of energy that's consumed in processing those transactions is staggering." Yellen added the cryptocurrency is a "highly speculative asset and you know I think people should be aware it can be extremely volatile and I do worry about potential losses that investors can suffer."

However, Bloomberg (2/22, Condon, 3.57M) reports Yellen, during the conference, also "signaled the Biden administration supports research into the viability of a digital dollar, a shift from the lack of enthusiasm shown for the concept under her predecessor, Steven Mnuchin. Yellen said it "makes sense for central banks to be looking at" issuing sovereign digital currencies. Yellen "said a digital version of the dollar could help address hurdles to financial inclusion in the U.S. among low-income households," adding, "Too many Americans don't have access to easy payments systems and banking accounts, and I think this is something that a digital dollar, a central bank digital

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currency, could help with. It could result in faster, safer and cheaper payments, which I think are important goals."

MarketWatch (2/22, Bartash, 2.64M) also reports.

Yellen: Treasury Could Facilitate Climate Stress Tests For Banks And Insurers.

The Wall Street Journal (2/22, Davidson, Subscription Publication, 8.41M) reports Treasury Secretary Janet Yellen told the New York Times DealBook conference Monday that it may be possible for the Treasury to facilitate climate stress tests for banks and insurers, "though the tests likely wouldn't impose capital requirements or limit dividend payouts as existing stress tests do." Yellen "said the tests would be carried out by the Federal Reserve and other financial regulators and not the Treasury. But she said the Treasury, which helps shape regulatory policy toward U.S. financial firms, may be able to facilitate the tests." Yellen said, "I think it's not envisioned that this would have the same status in terms of limiting payouts and capital requirements. ... But I think they would be very revealing both to regulators and to the firms themselves in terms of managing their own risks."

Yellen Says Biden Supports 28% Corporate Tax, Open To Capital Gains Tax Increase.

Bloomberg (2/22, Mohsin, Condon, 3.57M) reports Treasury Secretary Janet Yellen "said President Joe Biden favors boosting taxes on companies, and signaled openness to considering raising rates on capital gains, while steering clear of a wealth levy." Yellen said during a New York Times conference, "A wealth tax has been discussed but is not something President Biden" supports, adding that implementing such a tax would have significant problems and that the Administration plans to push for an increase in the corporate tax to 28%. Yellen "also said that a hike in the capital-gains tax might be something 'worth considering.' Asked about a financial-transactions tax, she said, 'One would have to examine closely what effect it would have' on ordinary investors."

Yellen Says Market For 100-Year T-Bill Would Be "Very Tiny."

Bloomberg (2/22, Mohsin, 3.57M) reports Treasury Secretary Janet Yellen "said that the market appetite for 100-year U.S. government bonds would likely be tiny, while stopping short of ruling out consideration of such a security." Yellen said during a New York Times event Monday, "Issuing longer-term securities certainly seems to make some sense," but it's something Treasury "could look at again." However, Yellen added, "the market for that is very tiny," referring to the 100-year bill.

Biden Touts Changes To PPP Intended To Benefit Small Business, And Minority-Owned Businesses.

The Washington Post (2/22, Gregg, 10.52M) reports that on Monday, the Treasury Department "announced...that it will make targeted changes to its Paycheck Protection Program pandemic relief loans in an attempt to direct more funding toward the smallest of small businesses." The Post says that "among other changes to the loan program, businesses with more than 20 employees will be shut out of the PPP for a two-week period starting Wednesday." On Monday, President Biden "criticized the PPP's early rollout for privileging those with banking connections at the expense of the smallest borrowers." Biden said the new rules are meant to ensure the program "looks out for mom-and-pop businesses even more than it already has." The Post adds that Biden "did not say whether his administration would seek additional funding for the PPP."

Politico (2/22, Warmbrodt, 6.73M) quotes Biden as saying, "One of the things I've heard again and again from small business owners...is that knowing about support is one thing, getting it is another." Politico says Monday's announcement "marks Biden's first major move to put his stamp on the program and reflects his pledge to make economic equity a top priority."

Reuters (2/22) reports Administration officials have "said there are still many minority and very small firms in low-income areas that have not been able to receive aid," so "the program will...set aside $1 billion for businesses without employees in low- and moderate-income areas, which are 70% owned by women and people of color." According to Reuters, "The changes aim to make it easier for firms with no employees – sole proprietors, independent contractors, and self-employed people such as house cleaners and personal care providers – that could not qualify previously because of business cost deductions."

However, the New York Times (2/22, Cowley, Tankersley, 20.6M) says "the changes risk throwing an already turbulent program into chaos as banks and other lenders try to accommodate the last-minute shifts. With just five weeks to go before March 31, when the latest iteration of the program is scheduled to end, lenders were left scrambling to adapt to new rules that won't even be fully explained to them until later this month." The Hill (2/22, Chalfant, 5.69M) provides similar coverage.

Treasury's IG Warns Law Enforcement Agencies May Need Warrants To Use GPS Data Pulled From Mobile Apps.

The Wall Street Journal (2/22, Tau, Subscription Publication, 8.41M) reports a new Treasury Department IG report warns that law-enforcement agencies may need to obtain a warrant before tapping cellphone GPS data pulled from mobile apps. The Treasury IG for Tax Administration indicated a landmark 2018 Supreme Court case might complicate that ability to track suspects through location data without a warrant. The report recommended stricter controls on data usage.

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The Hill (2/22, Rodrigo, 5.69M) reports that, according to a new Treasury Department watchdog report, law enforcement agencies "may

be on shaky legal ground when purchasing cell phone location data without a warrant." The agency's inspector general "said in the report reviewing the Internal Revenue Service's use of a commercial platform, Venntel, to track devices that a 2018 Supreme Court case may block warrantless tracking using data from apps." The Carpenter v. United States case "holds that warrants must be obtained by law enforcement to get data from wireless carriers, and many government lawyers have argued that it does not apply to GPS data taken from apps." The watchdog's report, "which came at the request of Sens. Ron Wyden (D-OR) and Elizabeth Warren (D-MA), suggests that that interpretation is flawed."

Adeyemo Says Treasury Should Work With Congress And Allies Against Economic Rivals.

Reuters (2/22, Shalal, Alper) reports Deputy Treasury Secretary-designate Wally Adeyemo, in testimony prepared for his confirmation hearing before the Senate Finance Committee, says the department "should work with Congress and use its tools to respond to authoritarian governments and combat unfair economic practices in China and elsewhere," and also calls on the US "to work closely with allies to 'confront those that threaten our economic and national security.'"

The New York Times (2/22, Rappeport, 20.6M) also reports.

COVID-19 News

FDA Outlines Fast Path For New Vaccines, Booster Shots To Cover New Virus Variants.

Bloomberg (2/22, Langreth, Cortez, 3.57M) reports, "Drugmakers won't have to perform massive trials for new vaccines or booster shots developed to combat worrisome new variants of the coronavirus," the FDA said in documents released on Monday. The agency "said immunizations that protect against the variants could receive clearance based on so-called immunogenicity studies, where researchers vaccinate people and then conduct laboratory tests to measure the strength of their immune response."

The New York Times (2/22, Landler, Castle, 20.6M) says the recommendations, "which call for small trials more like what's required for annual flu vaccines, would greatly accelerate the review process at a time when scientists are increasingly anxious about how the variants might slow or reverse progress made against the virus." Reuters (2/22, Erman), the Washington Post (2/22, Cunningham, Schemm, Shammas, Thebault, 10.52M), and the Wall Street Journal (2/22, Burton, Subscription Publication, 8.41M) also have reports.

J&J Says It Should Have Enough Doses For More Than 20M By End Of March.

The Hill (2/22, Sullivan, 5.69M) reports Johnson & Johnson said Monday that it "plans to have enough doses of its vaccine for more than 20 million Americans by the end of March" if its vaccine is authorized by the FDA. The Hill says and FDA advisory committee "is meeting Friday to consider the application, and emergency authorization could come soon after." Politico (2/22, Owermohle, 6.73M) also reports.

Pfizer Expects To Deliver More Than 13M Doses Per Week By Mid-March.

Reuters (2/22, O'Donnell) reports Pfizer "expects to deliver more than 13 million doses of its COVID-19 vaccine per week to the United States by the middle of March, more than doubling its shipments from early February," Chief Business Officer John Young "said in prepared testimony ahead of a Tuesday congressional hearing." Young "added that Pfizer is...prepared to provide a total of 300 million shots to the United States by the end of July and has raised global production expectations for 2021 to at least 2 billion doses."

Politico Analysis: Effort To Get More Minorities Vaccinated Off To Slow Start.

Politico (2/22, Kenen, Ehley, 6.73M) says "the race to vaccinate as many people as possible while more contagious coronavirus variants march across America is colliding with lagging efforts to steer shots to people of color and underserved communities bearing the brunt of the pandemic." Though the Administration "has prioritized equitable vaccine distribution, putting that goal into practice is difficult," and "so far, the efforts aren't necessarily translating into huge numbers of vaccinations in hard-to-reach populations that, by definition, are hard to reach." The share of first doses "going to white Americans has increased slightly since the first month of inoculations, from 60.4 percent to 63.7 percent," but "the share of doses to Black Americans has also risen slightly, from 5.4 percent to 6.3 percent." However, "it fell for Latinos from 11.5 percent to 8.8 percent."

Health Workers Frustrated That Vaccine Half-Doses Must Be Thrown Away.

Lester Holt said on NBC Nightly News (2/22, story 9, 2:30, 6.17M) that "as Americans struggle to get the COVID vaccine, health workers are frustrated by thousands of potential doses thrown away." NBC's Catie Beck: "Shots go into arms 4,000 times a day at the INOVA vaccine clinic in Fairfax, Virginia. ... But while the clinic's pharmacy team hustles to keep up with demand, they are flagging a flaw in the process. ... Residual vaccine left in vials and forced to be thrown out." While "a single vial of Pfizer vaccine used here yields six full doses...pharmacists say there is often a half-dose left, which under FDA rules cannot be used." INOVA Health System Chief Pharmacy Officer Melanie Massiah-White: "It is huge for such a scarce resource. It is significant. Currently, we are just throwing those out at the end of the day."

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Most Governors Have Chosen To Not Yet Get Vaccinated.

Bloomberg (2/22, 3.57M) reports that while "nine Republican and nine Democratic governors have received at least one" COVID vaccine

dose, according to a Bloomberg count, "at least 28 governors have held off, saying they plan to wait to avoid the appearance of using the power of their office to cut the line." Some of those who have chosen to get vaccinated "said they were trying to encourage others to follow in a bid to combat high hesitancy rates."

"Politicized Fights" Over COVID Rage At State Level.

The New York Times (2/22, A1, Gabriel, 20.6M) reports, "In state Capitols, the politicized fights" over COVID "are boiling over. State lawmakers across the country, most of them Republicans, are moving aggressively to strip the powers of governors, often Democrats, who have taken on extraordinary authority to limit the spread of the virus for nearly a year." Legislatures "in more than 30 states are trying to restrict the power of governors to act unilaterally." In response, governors say "a pandemic cannot be fought by committee. They say that the same Republicans who politicized the science of the pandemic last year...should not be trusted with public health."

Vaccine Produced In Baltimore Mostly Going Out Of State.

The Washington Post (2/22, Jamison, 10.52M) reports that in Baltimore, Emergent BioSolutions "is manufacturing almost all of the yet-to-be approved Johnson & Johnson and AstraZeneca coronavirus vaccines for the U.S. population – an anticipated hundreds of millions of doses in the coming months." But "in a sign of the complexities in a global supply chain that is struggling beneath the weight of demand, most of those doses will not go to residents of this city, or even the state of Maryland."

Chicago Teachers And School Staff May Be Required To Report Vaccination Status.

The Chicago Sun-Times (2/22, 970K) reports, "Current and newly hired Chicago Public Schools teachers and staff could be required to let the district know if they've received a COVID-19 vaccination under a new policy proposed by officials Monday." The new rule "also would allow officials to mandate COVID-19 vaccination as a condition of employment. But CPS said it wouldn't immediately use that authority if the policy is approved."

Los Angeles School District To Resume Some Services Next Week.

The Los Angeles Times (2/22, Blume, 3.37M) reports Los Angeles Unified School District Superintendent Austin Beutner announced Monday that Los Angeles schools "will resume some services next week for a small percentage of students with special needs." Beutner said, "In anticipation of a more complete reopening of schools in April, we will begin next week to offer child care, one-on-one and small group instruction, services for students with special needs and a return to athletic conditioning."

Cuomo Says NYC Movie Theaters Will Be Allowed To Reopen On March 5.

The New York Times (2/22, Gold, 20.6M) reports New York Gov. Andrew Cuomo (D) said Monday that New York City movie theaters in "will be permitted to open for the first time in nearly a year on March 5. ... The theaters will only be permitted to operate at 25 percent of their maximum capacity, with no more than 50 people per screening." In addition, the New York Daily News (2/22, Slattery, 2.51M) reports, "moviegoers will have to wear masks, socially distance and sit in assigned seats, and the venues must meet the state's air filtration standards, the same rules that apply to theaters upstate that reopened in the fall."

Some Women Concerned COVID Vaccines Can Cause Miscarriage Or Infertility Due To Online Rumors.

The Washington Post (2/22, A1, Cha, 10.52M) reports many women are concerned about the safety of the coronavirus vaccines because of online rumors that the vaccines can cause miscarriage or infertility. For example, Niharika Sathe, a 34-year-old internal medicine physician in New Jersey, heard about the rumor from a friend while she was early in her pregnancy, but after "scrutinizing information from the American College of Obstetricians and Gynecologists" and others, she concluded "the rumor had no basis in fact, and both she and her friend wound up getting the vaccine."

Howard University Surgeon: Many Skipping Preventive Care Appointments During Pandemic.

In an op-ed for the New York Times (2/22, 20.6M), Wayne A.I. Frederick, President of Howard University and a professor of surgery at Howard University School of Medicine, that according to a study published in the Journal of the National Medical Association in December, 43% of Americans "have missed preventive care appointments during the pandemic." Frederick adds that "we are already seeing the measurable effects of skipped appointments: This week the [CDC] reported that in the first six months of 2020, life expectancy in the United States fell on average by one year."

WHO's Tedros Urges Rich Nations Not To Hoard Vaccine Doses.

The AP (2/22, Moulson, Keaten) reports World Health Organization Director-General Tedros Adhanom Ghebreyesus on Monday "pleaded with rich countries...to check before ordering additional COVID-19 vaccine shots for themselves whether that undermines efforts to get vaccine shots to poorer nations." Tedros "thanked the G-7 countries for their 'significant' pledges," but after speaking with German President

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Frank-Walter Steinmeier on Monday, he "said some rich countries' approaches to manufacturers to secure more vaccines are 'affecting the deals with COVAX, and even the amount that was allocated for COVAX was reduced because of this.'"

New COVID Cases Down In Worst Hotspots Worldwide.

The New York Times (2/22, McCann, Leatherby, Holder, 20.6M) reports that a month after "the pandemic looked bleak," there has been "a surprisingly fast, if partial, turnaround. New cases have declined to half their peak globally, driven largely by steady improvements in some of the same places that weathered devastating outbreaks this winter." The Times concedes cases "are an imperfect measure, and uneven records and testing mask the scope of outbreaks, especially in parts of Africa, Latin America and South Asia," but "fewer patients are showing up at hospitals in many countries with the highest rates of infection, giving experts confidence that the decline is real." However, the Times adds, "The positive signs come with a number of caveats and risks," including the appearance of "more contagious variants" and that the declines come from "just six countries with enormous epidemics."

UK Studies Show Vaccines Have Contributed To Sharp Drop In Hospitalizations; Government Reveals Plan To Reopen.

The AP (2/22, Kirka) reports, "Two U.K. studies released Monday showed that COVID-19 vaccination programs are contributing to a sharp drop in hospitalizations." The AP says preliminary results of a study in Scotland "found that the Pfizer-BioNTech vaccine reduced hospital admissions by up to 85% four weeks after the first dose, while the Oxford-AstraZeneca shot cut admissions by up to 94%," and preliminary data from a study of healthcare workers in England "showed that the Pfizer vaccine reduced the risk of catching COVID-19 by 70% after one dose, a figure that rose to 85% after the second." UK Health Secretary Matt Hancock said that the new studies show "that the jab protects you, and protects those around you."

Bloomberg (2/22, Paton, 3.57M) says the studies "highlight the significant impact the inoculations are already having in countries with the most advanced campaigns to protect their populations." Bloomberg adds the vaccine "also shows high levels of protection against the variant, called B.1.1.7, first identified in southeast England, officials said."

Meanwhile, the New York Times (2/22, Mueller, 20.6M) reports the findings "reinforced and went beyond studies out of Israel, which has also reported that the vaccine developed by Pfizer and BioNTech offered significant protection from the virus in real-world settings, and not only in the clinical trials held last year." In addition, Politico Europe (2/22, Collis, 15K) says the findings come as the UK "plans to lift lockdown restrictions – in place since before Christmas – including letting all children return to school on March 8, and allowing groups of up to six people meet outdoors starting on March 29."

The Washington Post (2/22, Booth, Adam, 10.52M) reports Prime Minister Boris Johnson on Monday "outlined detailed plans in Parliament, telling lawmakers that there would be four stages, with a minimum of five weeks between each stage." The AP (2/22, Lawless, Kirka) reports Johnson "said the government's plan would move the country 'cautiously but irreversibly' out of lockdown," with June 21 scheduled to kick off "the final stage of the plan, in which all legal limits on social contact are removed and nightclubs can reopen after 15 months of closure." The New York Times (2/22, Landler, Castle, 20.6M) reports that by pursuing the "phased approach," Johnson is seeking to "avoid the mistakes of last year, when he often imposed restrictions too late and lifted them too early. In the process he tested the public's patience with abrupt reversals, mixed messages and serial lockdowns – none of which spared Britain from the highest death toll in Europe." The Wall Street Journal (2/22, A1, Colchester, Douglas, Subscription Publication, 8.41M) provides similar coverage.

Many Elementary Schools In Germany Return To In-Person Learning.

The AP (2/22, Jordans) reports, "Elementary students in more than half of Germany's 16 states returned to school Monday after more than two months at home, the first major relaxation of the country's pandemic measures since before Christmas." Additionally, kindergartens "reopened their doors for pre-school children, giving much-anticipated relief to stressed parents trying to juggle working from home and childcare during the lockdown." This latest "move was agreed at a meeting between German Chancellor Angela Merkel and state governors two weeks ago."

France's Contracts With Consulting Firms For Vaccine Strategy Raise Questions.

The New York Times (2/22, Alderman, 20.6M) reports, "As France raced to complete a complex blueprint in December for vaccinating its population against the coronavirus, the government quietly issued millions of euros in contracts to the consulting giant McKinsey & Company." These deals, "which were not initially disclosed to the public, were intended to help ensure that millions of tiny vaccine vials would make their way quickly to distribution points for nursing homes, health care providers and the elderly." Despite this spending, "within weeks, France's vaccination campaign was being derided for being far too slow," and "McKinsey has become a magnet for controversy in a country where an elite civil service is expected to manage public affairs, and private sector involvement is viewed with wariness."

Bulgaria Confronts Long Lines After Announcing Open Vaccine Availability.

The New York Times (2/22, Dzhambazova, 20.6M) reports that while Bulgaria initially had a low vaccination rate, Prime Minister Boiko Borisov subsequently "called for 'green corridors' allowing anyone who wanted a vaccination to get one, regardless of whether they were in a

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priority group under the country's vaccination plan." According to the Times, while the Bulgarian government hoped the program would "administer around 10,000 shots per day, he said," the reaction "appears to be better than expected: The lines evoked the period of communist rule, when people would spend hours waiting to get basic supplies like oil or meat." The Times adds, "Since Friday, 30,000 people received their first vaccination, according to data provided by the health ministry. In comparison, around 120,000 total doses have been administered since vaccination campaign began in December."

Gaza Strip Starts Vaccination Drive.

The AP (2/22, Akram) reports, "The Hamas-ruled Gaza Strip began its coronavirus vaccination drive on Monday following the arrival of the first vaccines to the blockaded coastal area." Initially, "former health ministers and several medical workers were inoculated with Russia's Sputnik V jabs in front of dozens of cameras." Next, "medical workers and patients with chronic diseases are to start receiving injections on Tuesday." The Gaza Strip "has received just 22,000 doses of vaccines, a tiny fraction of what is needed to immunize the strip's 2 million people, including some 1.4 million people over age 18."

WPost: US Should Declassify Intelligence On Pre-Pandemic Wuhan Illnesses.

In an editorial, the Washington Post (2/22, 10.52M) writes that the US "possesses classified intelligence information about illnesses in the autumn of 2019, before the global pandemic, at the Wuhan Institute of Virology...which was carrying out research on bat coronaviruses very similar in genetic makeup to the pandemic virus." The Post says, "The intelligence should be declassified, and soon." The Post concludes, "Full transparency is needed from China, but also from the United States. ... The truth matters, and the United States should not hide any relevant evidence."

Leading National News

Biden, Marking 500K COVID Deaths, Says "We Will Get Through This."

Norah O'Donnell opened the CBS Evening News (2/22, lead story, 4:05, 4.77M) with "the kind of news few ever thought possible – news which somehow, no matter how many times we say it, is still so hard to comprehend. ... More than half a million Americans have now been killed by the coronavirus, 500,000 Americans taken by a virus we didn't even know existed a little over a year ago. Tonight, President Biden led the nation in a candlelight vigil, paying tribute to those who are gone. Above him at the White House, the flag now flies at half-staff for a country which has endured great loss on the battlefield during natural disasters and to violence, tonight still feels different, the weight to have the grief felt by Americans of all walks of life is crushing."

On ABC World News Tonight (2/22, lead story, 4:40, 8.08M), David Muir said, "We all mark that painful and sobering number, 500,000 American lives now lost to the coronavirus. President Biden just moments ago saying we must remember each person and the life they lived, noting more Americans have died in a single year in this pandemic than in World War I, World War II, and the Vietnam War combined. Tonight, a nation mourns, bells tolling at the Washington National Cathedral. ... That's the equivalent of nearly the entire city of Atlanta gone – more lives lost than those who live in Kansas City or Oakland or Miami or Minneapolis."

Miguel Almaguer said on NBC Nightly News (2/22, lead story, 2:35, Holt, 6.18M), "The President, with the enormity of the death toll on his shoulders, paused to remember the half million Americans who have lost their lives to the virus. Grandparents and mothers and fathers and even children, more fatalities from the yearlong pandemic than the number of Americans who died on the battlefield in World War I, World War II, and Vietnam combined." President Biden: "The people we lost were extraordinary. They spanned generations. Just like that, so many of them took their final breath alone in America."

The AP (2/22) reports, "With sunset remarks and a national moment of silence," the President "confronted head-on the country's once-unimaginable loss – half a million Americans in the COVID-19 pandemic – as he tried to strike a balance between mourning and hope. Addressing the 'grim, heartbreaking milestone' directly and publicly, Biden stepped to a lectern in the White House Cross Hall, unhooked his face mask and delivered an emotion-filled eulogy for more than 500,000 Americans he said he felt he knew. ... A president whose own life has been marked by family tragedy, Biden spoke in deeply personal terms, referencing his own losses as he tried to comfort the huge number of Americans whose lives have been forever changed by the pandemic." CNN (2/22, Vazquez, 89.21M) reports on its website that the President "also expressed optimism, telling Americans: 'We will get through this, I promise you.'"

The New York Times (2/22, Sanger, Stolberg, 20.6M) reports the President "urged the nation on Monday night to 'resist becoming numb to the sorrow' that the novel coronavirus had inflicted, marking the staggering milestone of more than a half-million Americans dead from the pandemic in a solemn ceremony at the White House. The country passed the grim toll around 5 p.m., and bells began tolling at the National Cathedral, resounding across a capital with flags lowered to half-staff. About an hour later, Mr. Biden appeared in the Cross Hall of the White House and pulled a card from his jacket pocket that he said was updated each day with the number of those infected – and those who died – from Covid-19."

USA Today (2/22, Morin, 12.7M) reports Vice President Harris, Dr. Biden, and Doug Emhoff "were also present during the remarks and moment of silence." The Washington Post (2/22, Cunningham, Schemm, 10.52M) says the event "recalled scenes from almost exactly a month ago, on the eve of Biden's inauguration, when he and Harris convened a vigil for coronavirus victims at the Lincoln Memorial." Reuters (2/22, Mason), Bloomberg (2/22, 3.57M), Axios (2/22, Chen, 1.26M), Politico (2/22, Din, 6.73M), The Hill (2/22, Chalfant, 5.69M), and the Fox

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News (2/22, Lea, 23.99M) website are among the other outlets covering the ceremony.

The Wall Street Journal (2/22, Lucey, Restuccia, Subscription Publication, 8.41M) reports that "while the daily tally of new cases is down sharply from peak levels reached earlier this year, it is still elevated compared with totals in the late summer and early autumn." The AP (2/22, Deslatte, Webber) reports that "despite the rollout of vaccines since mid-December, a closely watched model from the University of Washington projects more than 589,000 dead by June 1." The New York Times (2/22, Tompkins, Bosman, Pietsch, 20.6M) reports that the US "accounts for about 20 percent of the world's known Covid deaths, but makes up just 4.25 percent of the global population."

The Los Angeles Times (2/22, King, Lee, Kaleem, 3.37M) says "the toll is hard to fathom. ... Last month, based on average 24-hour fatality counts, it was as if the terror attacks of Sept. 11, 2001, had happened every single day. Recorded U.S. deaths from COVID-19 are about one-fifth of the world's nearly 2.5 million known fatalities, twice as many as in Brazil, the next-hardest-hit country. California alone accounts for almost 50,000 deaths, about 10% of the country's total."

The San Francisco Chronicle (2/22, Vaziri, 2.44M) reports, "From the first confirmed fatality in Santa Clara County on Feb. 6, and the early days of the emergence of coronavirus infections, it took until the end of May before the country recorded its first 100,000 deaths. The pandemic has since swept across the world and the U.S., stressing the nation's health care system, rattling its economy and rewriting the rules of everyday society. The death toll reached 400,000 on Jan. 19, meaning the last 100,000 deaths occurred in just over a month." The New York Daily News (2/22, Wilkinson, Matthews, 2.51M) reports, "The deadliest single day was Jan. 12, when 4,401 Americans died, according to the data. Approximately 1 in every 656 people in the U.S. has now died from the disease." USA Today (2/22, Ortiz, Miller, Aspegren, 12.7M) and the Atlanta Journal-Constitution (2/22, 1.46M) are among the other newspapers marking the milestone.

Gallup Poll: 67% Approve Of Biden's Handling Of Pandemic. A Gallup poll (2/3-2/18) finds that 67% of Americans approve of Biden's handling of the pandemic. Eugene Robinson writes in the Washington Post (2/22, 10.52M) that even as we reach the "unspeakable milestone" of 500,000 deaths from COVID, "there is unambiguous good news in the fight against the virus. It is possible, finally, to imagine a day when this devastating pandemic is brought to an end." Robinson adds that "we now have serious, competent leadership that believes in science, not conspiracy theories."

Deese: Long-Term Damage To Labor Market A Greater Threat Than Inflation.

Bloomberg (2/22, Dmitrieva, Ferro, 3.57M) reports NEC Director Deese said in an interview with Bloomberg TV Monday that while inflation is a risk, the greater danger is long-term damage to the labor market. Deese said, "We take very seriously the economic risks that are out there, we spend a lot of time thinking about them, a lot of time worrying about them." Deese said inflation is "a risk that we're keeping our eye on and it's something to consider. ... As we assess and balance these risks, we believe that the risks of further scarring in the labor market – the risks of further extending this economic pain – outweigh the risks of doing too much" with relief spending. Bloomberg TV will air the full interview Tuesday morning.

House Budget Committee Approves Biden's Rescue Plan.

The New York Times (2/22, Benner, Savage, 20.6M) reports that on Monday, Democrats on the House Budget Committee approved President Biden's $1.9 trillion American Rescue Plan "on a nearly party-line vote, bringing the pandemic aid plan closer to passage later this week." Rep. Lloyd Doggett (D-TX) "joined Republicans on Monday in voting against advancing it," but "a spokeswoman later said that Mr. Doggett, who joined the session remotely right after his plane landed in Washington, misunderstood the vote and supports the legislation." USA Today (2/22, Wu, Hayes, 12.7M) says the measure "now heads to the House Rules Committee for consideration later in the week where it is also expected to win approval before heading to the full floor for consideration." House Majority Leader Hoyer "has told lawmakers to expect the House to vote on it later in the week."

Reuters (2/22) reports Senate Majority Leader Schumer "said later that efforts in the House and Senate have kept the bill on track to be approved by both chambers and sent to Biden for his signature before federal unemployment benefits expire on March 14." Bloomberg (2/22, 3.57M) reports that "this will be the first real test for Democrats' full control of government since former President Donald Trump's impeachment trial, with implications for the rest of Biden's agenda and the pandemic-battered economy."

The Wall Street Journal (2/22, Peterson, Duehren, Subscription Publication, 8.41M) says the bill "has already started a messy fight in the Senate, where Democrats are divided over whether to include a provision that would gradually raise the minimum wage to $15 an hour over four years," but to the AP (2/22, Fram), Democratic leaders "have a potent dynamic on their side as Congress preps for its first votes on the party's $1.9 trillion COVID-19 relief bill: Would any Democrat dare cast the vote that scuttles...Biden's leadoff initiative?" While "internal Democratic disputes remain over issues like raising the minimum wage, how much aid to funnel to struggling state and local governments and whether to extend emergency unemployment benefits for an extra month," Democrats "across the party's spectrum show little indication they're willing to embarrass Biden with a high-profile defeat a month into his presidency." NBC Nightly News (2/22, story 2, 1:00, Holt, 6.18M), and the CNN (2/22, Grayer, 89.21M) and Fox Business (2/22, Lea, 3.06M) websites, provide similar coverage.

In an editorial, the Washington Post (2/22, 10.52M) says that amid growing concerns about the bill's cost, Biden "has challenged his critics," asking, "What would they have me cut?" The Post says, "The first trim should be to Mr. Biden's proposed $1,400 direct payments, the current House version of which would cost $422 billion. ... That's a lot of money to shower on the non-poor." The Post adds that it is "increasingly clear that the pandemic reduced states and local governments' revenue far less than initially feared, especially considering federal aid they have already received. ... Yet the House bill contemplates $510 billion in new aid." The Post argues that given the

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"investments he hopes to begin making later this year in infrastructure, climate research and other high-priority needs," when Biden asks, "What would they have me cut?" he "should listen with an open mind to good-faith answers to that question."

California Lawmakers Approve $7.6B COVID Relief Package. Under "a $7.6-billion COVID-19 economic relief package approved" by the California legislature Monday, the Los Angeles Times (2/22, McGreevy, 3.37M) reports, "Californians who qualify for a $600 state stimulus payment could see the money arrive as soon as a month after filing their tax returns." The plan also includes "more than $2.1 billion in grants and fee waivers for small businesses. Those companies can soon apply for the grants, followed by an approval process that state officials estimate would take 45 days."

Democrats Discuss Alternative Means To Secure Minimum Wage Increase.

Politico (2/22, Emma, Lorenzo, 6.73M) reports that Democrats are "scrambling to piece together a backup plan that could save their minimum wage hike from getting tossed out of President Joe Biden's $1.9 trillion relief package and win over moderates wary of the proposal." Politico says the proposed increase is "running into strong headwinds from two influential Senate Democratic centrists," Sens. Joe Manchin (D-WV) and Kyrsten Sinema (D-AZ), so Democrats are "discussing the possibility of capping the increase at less than $15 an hour, to possibly $11 or $12," although "progressives aren't yet ready to ditch the $15 figure." Politico says progressives are "pushing the possibility of a small business tax relief plan that could be paired with the minimum wage increase in order to alleviate any burdens on businesses required to increase their pay."

US Factories Have Not Kept Pace With Rebound in Consumer Demand.

The Wall Street Journal (2/22, Tita, Hufford, Subscription Publication, 8.41M) reports while US manufacturers "aced the shutdown of their factories and warehouses last spring in response to Covid-19," they were "unprepared for the sharp rebound in consumer demand that began just weeks later and never let up." According to federal data, "consumer spending on long-lasting goods in the U.S. rose 6.4% last year but domestic production of those goods fell 8.4%." The result, the Journal adds, was "shortages and higher prices."

Black Americans Lag Behind Whites In Financial Preparedness For Retirement.

The Wall Street Journal (2/22, Tergesen, Gillers, Subscription Publication, 8.41M) reports that many Black Americans are further behind than whites on preparing financially for retirement. According to data from academic and government sources, the economic turmoil caused by the pandemic further widened the retirement preparedness gap between Blacks and white. In particular, the data show that many Black Americans are hindered in saving for retirement by several factors, including lower levels of intergenerational wealth, higher student debt burdens, and lower rates of homeownership rates compared to white Americans.

Some Nations Considering Wealth Tax To Cover Pandemic-Caused Recession

The Washington Post (2/22, Laje, Faiola, 10.52M) reports that some are now arguing countries should tax its wealthiest citizens to pay for the economic cots of the pandemic. So far, Argentina, "saddled with crippling debt exacerbated by the pandemic, adopted a one-time special levy on the rich in December, demanding up to 3.5 percent of the total net worth of citizens who hold at least $3.4 million of assets." Similarly "in December, struggling Bolivia passed a longer-term wealth tax hitting anyone with more than $4.3 million." Meanwhile, in Britain, which is "confronting its largest budget deficit on record, an independent Wealth Tax Commission has recommended a one-time levy that could affect people with as little as 250,000 pounds – $346,000."

WSJournal Sees Increasing "Ideological Censorship" By Tech Firms.

A Wall Street Journal (2/22, Subscription Publication, 8.41M) editorial decries what it sees as growing "ideological censorship" by tech firms. As an example, the Journal cites Amazon's removal of a book by conservative scholar Ryan Anderson. The Journal adds that Reps. Anna Eshoo (D-CA) and Jerry McNerney (D-CA) wrote to the CEOs of Amazon, Apple, Google and cable television companies to "demand...more ideological censorship." To the Journal, "Corporate media censorship...is accelerating. And government is right alongside, pushing for censorship with increasing force."

Biden WTO Delegation Backs Trump's Stance On Hong Kong And China.

Bloomberg (2/22, 3.57M) reports that the Biden Administration has "dashed hopes for a softer approach to the World Trade Organization by pursuing a pair of his predecessor's strategies that critics say risk undermining the international trading system." According to Bloomberg, "The U.S. delegation to the WTO, in a statement...backed the Trump administration's decision to label Hong Kong exports as 'Made in China' and said the WTO had no right to mediate the matter because the organization's rules permit countries to take any action to protect their 'essential security interests.'" Bloomberg says that "prior to 2016, WTO members generally steered clear of defending their trade actions on the basis of national security because doing so could encourage other nations to pursue protectionist policies that have little or nothing to do with hostile threats."

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Garland Tells Senators He Will Not Be "The President's Lawyer," Vows Focus On Capitol Riot.

All three broadcast networks covered the Senate Judiciary Committee confirmation hearing for Attorney General-designate Garland. David Muir said on ABC World News Tonight (2/22, story 6, 1:00, 8.08M) that Garland "said, 'I am not the President's lawyer, I'm the United States' lawyer.' And if confirmed, he revealed his top priority will be to investigate the Capitol riots." ABC's Rachel Scott: "He called that attack on Capitol Hill heinous, saying that he would prosecute the white supremacists and others who stormed the Capitol on January 6."

Norah O'Donnell said on the CBS Evening News (2/22, story 6, 2:00, 4.77M) that Garland "appears to be on his way to Senate confirmation." CBS' Kris Van Cleave: "Nearly five years after being nominated to the US Supreme Court, Merrick Garland finally got his Senate confirmation hearing today for attorney general. ... He'd take over a department beset by low morale and under fire by Democrats for decisions made during the Trump Administration, and from Republicans for its investigation of the Trump Administration." Sen. Ted Cruz (R-TX): "You do not view your role as attorney general as being Joe Biden's wingman." Garland: "I'm not the President's lawyer. I am the United States' lawyer." Van Cleave: "After a summer of social unrest following the killing of George Floyd by a white police officer, Garland said civil rights enforcement will be a priority." Garland: "There's no question that there is disparate treatment in our justice system."

Pete Williams said on NBC Nightly News (2/22, story 5, 1:25, Holt, 6.17M), "Garland says the siege at the Capitol shows that violent extremism is more of a threat now than it was 26 years ago when the Oklahoma City federal building was bombed, and Garland led that federal prosecution. He says the Capitol investigation will range beyond the actual rioters. ... Garland pledged to make sure the White House and politics don't interfere with investigations, including the special council's inquiry into the FBI's investigation of the Trump campaign and the tax investigation of the President's son, Hunter." Garland: "I would not have taken this job if I thought that politics would have any influence over prosecutions and investigations."

The AP (2/22, Balsamo, Tucker, Jalonick) says Garland, "among Biden's most widely supported nominees," sought to "assure lawmakers that the Justice Department would remain politically independent on his watch." The New York Times (2/22, Benner, Savage, 20.6M) reports Garland "vowed to uphold the independence of a Justice Department that had suffered deep politicization under the Trump administration." USA Today (2/22, Behrmann, Santucci, 12.7M) reports, "Garland was often pressed by Republican senators over the political independence of the Justice Department, and was pressed, to which he agreed, to commit to not prosecute Biden's political foes. Very few GOP lawmakers mentioned Trump's Justice Department, and the accusations Attorney General Bill Barr faced for using the power of the agency to help President Donald Trump politically."

The Washington Post (2/22, Barrett, 10.52M) reports Garland "drew parallels to the domestic terrorism threat the Justice Department faced in confronting the Ku Klux Klan, as well as the prosecution he led of Timothy McVeigh in the bombing of a federal building in Oklahoma City in 1995. 'We are facing a more dangerous period than we faced in Oklahoma City at that time,' Garland asserted, promising a broad investigation into not just the rioters, but those who aided them."

The New York Daily News (2/22, Sommerfeldt, 2.51M) reports that Garland will "become the third Jewish attorney general in American history if confirmed by the Senate." He told the committee, "I come from a family where my grandparents fled antisemitism and persecution. The country took us in, and protected us. I feel an obligation to the country to pay back and this is the highest, best use of my own set of skills to pay back."

The Wall Street Journal (2/22, Gurman, Viswanatha, Subscription Publication, 8.41M) reports under the headline "Garland Makes Case For New Era At Justice Department" that the nominee "received a mostly warm reception during his daylong confirmation hearing." The Los Angeles Times (2/22, 3.37M) reports Senate Judiciary Chairman Richard Durbin "told reporters he expected his panel would vote on the nomination early next week, with a floor vote coming a few days later."

Jennifer Rubin writes in the Washington Post (2/22, 10.52M) that Garland "was the model of judicial deportment, precision and character." Garland, she adds, "reiterated his commitment to keep the department free of political interference." Dana Milbank writes in the Washington Post (2/22, 10.52M) that Garland sent "a clear message to the violent white supremacists and other domestic terrorists who thrived during the Trump years, most visibly in their attack on the Capitol last month: There's a new sheriff in town."

Reuters (2/22, Chiacu), the New York Post (2/22, Nelson, 7.45M), Axios (2/22, Allassan, 1.26M), Politico (2/22, LeVine, Gerstein, 6.73M), The Hill (2/22, Carney, Beitsch, 5.69M), Roll Call (2/22, Ruger, 130K), and the CNN (2/22, Rogers, Herb, 89.21M) and Fox News (2/22, Raasch, 23.99M) websites are among other sources covering the hearing.

White House Continues To Back Tanden For OMB Despite Mounting Senate Opposition.

The AP (2/22, Hazell) reports the nomination of OMB Director-designate Tanden was "thrown further into doubt on Monday as moderate Republican Sens. Susan Collins of Maine and Mitt Romney of Utah said they would vote against confirming her." The AP notes that on Friday, Sen. Joe Manchin (D-WV) "became the first Democratic lawmaker to oppose the confirmation of Tanden." However, according to Reuters, even "with doubts growing about Tanden's chances for confirmation, the White House called her 'an accomplished policy expert,'" and President Biden "said he was sticking with her."

Bloomberg (2/22, Hunter, Fabian, Cook, 3.57M) reports that the three senators "criticized Tanden's temperament, saying her past habit of attacking Republicans on Twitter – including Collins, whom she once called 'the worst' – left her unsuited for the budget job." Bloomberg adds that Collins "also criticized Tanden for deleting more than 1,000 tweets ahead of her nomination, saying it suggested she wouldn't be transparent in office." But Bloomberg adds that "even with the new GOP opposition, the White House said it would stand behind Tanden's nomination to lead the Office of Management and Budget." On Monday, White House Press Secretary Jen Psaki said, "Neera Tanden is an accomplished policy expert who would be an excellent Budget Director and we look forward to the committee votes this week and to

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continuing to work toward her confirmation through engagement with both parties." The New York Post (2/22, Jacobs, 7.45M) also reports Psaki "called it 'an overstatement' to say that there was not a new tone of unity in Washington simply because of her nomination."

In addition, the Wall Street Journal (2/22, Restuccia, Collins, Subscription Publication, 8.41M) reports Psaki "said White House officials spoke to senators of both parties about the nomination over the weekend and are taking no one for granted," but The Hill (2/22, Samuels, Chalfant, 5.69M) reports Sen. Rob Portman (R-OH), the ranking member of the Senate Homeland Security and Governmental Affairs Committee, on Monday "said just before announcing his opposition to Tanden that nobody from the White House has reached out to try to convince him to vote for her."

Meanwhile, Roll Call (2/22, Shutt, 130K) describes Sen. Lisa Murkowski (R-AK) "is another closely-watched Republican vote," and reports Sen. John Cornyn (R-TX) "said the wave of Republican opposition combined with Manchin's 'no' vote would likely end Tanden's confirmation process." Politico (2/22, LeVine, Everett, 6.73M) says that without Romney or Collins "supporting her nomination, it's increasingly unlikely that Tanden will be confirmed." Politico points out that Tanden is "scheduled to receive a vote" in the committee this week, and Sen. Kyrsten Sinema (D-AZ), "who is often aligned with Manchin, sits on that committee but has not declared her position on Tanden."

Reuters (2/22, Zengerle) says the fight over her nomination "underscored the influence a small group of moderates will have as Biden seeks to achieve his policy goals in the narrowly divided Congress," USA Today (2/22, Wu, 12.7M) also reports that Senate Budget Chairman Bernie Sanders "has been noncommittal on her nomination, grilling Tanden, the former head of the liberal Center for American Progress, on her past statements and her former organization's corporate donations."

The New York Times (2/22, Cochrane, Rappeport, 20.6M) highlights that if she is not confirmed, Tanden "would be the first casualty for Mr. Biden, who has so far been able to win Senate support for several other cabinet picks, though many nominees have yet to face full Senate votes." Per the Washington Post (2/22, Kim, Linskey, Stein, 10.52M), "The pending defeat also is a blow to Biden's ability to advance his agenda in a chamber he served for decades, with his knowledge of the institution a key selling point as he campaigned for the presidency." The Post adds the fight over her nomination "comes at a critical moment for the White House budget office as the administration tries to leverage trillions of dollars in relief funds to help a battered American economy recover from the pandemic."

However, Politico (2/22, Barron-Lopez, Cadelago, 6.73M) says women's rights activists "and allied Democrats are growing increasingly vocal about what they call the unfair targeting of women and people of color nominated by Joe Biden to top posts in his administration." Politico adds White House officials observed "that many of the lawmakers objecting to Tanden's social media missives – including Manchin – voted to confirm Richard Grenell, the acid-tongued Trump booster, to the post of U.S. ambassador to Germany," while "Democrats on and off the Hill likewise argued that Tanden, who is of South Asian descent, was one of several nominees of color being treated differently than Trump-era nominees who lobbed personal attacks or expressed bigoted views." The AP (2/22, Hazell) reports Tanden "would be the first woman of color to lead the agency" if confirmed.

In an editorial, the Washington Post (2/22, 10.52M) says that while Tanden "has been undiplomatic," the case "against her confirmation is weak – especially when you compare her with many of the people Republican senators have endorsed in the past." The Post adds, "It is not fair to hold Mr. Biden's nominees to a far higher standard because the president has called for unity while his predecessor denigrated it." The Post concludes, "For the most part, Republican senators thus far have been supporting Mr. Biden's nominations with admirable bipartisanship. They will only look silly if they allow some hurt feelings to get in the way now."

House Democratic Leaders Want Biden To Replace Tanden With Young, Sources Say. "House Democratic leaders are quietly mounting a campaign for Shalanda Young, a longtime congressional aide, to replace Neera Tanden as nominee...people familiar with the matter tell" Axios (2/22, Nichols, Goba, 1.26M), although it also reports Young, a former staff director for the House Appropriations Committee who is "currently waiting for a confirmation hearing in the Senate to be deputy OMB director, may still face competition from Gene Sperling, who has the distinction of twice leading the National Economic Council."

Haaland Commits To "Strike The Right Balance" On Oil, Natural Gas.

The AP (2/22, Daly) reports that in testimony prepared for her confirmation hearing on Tuesday, Interior Secretary-designate Haaland "said she is committed to 'strike the right balance' [on oil and natural gas drilling] as the agency manages energy development and seeks to restore and protect the nation's sprawling federal lands." According to the AP, "Haaland's remarks are intended to rebut criticism from some Republicans who have complained that her opposition to drilling on federal lands will cost thousands of jobs and harm economies throughout the West."

However, the New York Times (2/22, Davenport, 20.6M) reports that while Haaland's nomination "was hailed as historic" because she is "the first Native American ever nominated to serve in cabinet – in this case to head a department that, for much of the nation's history, has mistreated and neglected Indigenous Americans," none of Biden's other nominees so far have "divided the political parties as sharply." The Times adds that for her supporters, she "embodies the hope of the Biden era, an activist second-term representative from New Mexico who would break ground like no other member of the cabinet, ethnically and politically," but her "detractors have zeroed in on her activism, especially her forthright denunciations of any and all oil and gas exploration on public land and her fierce opposition to the natural gas extraction method known as hydraulic fracturing, or fracking." Bloomberg (2/22, Dlouhy, 3.57M) says Haaland's "opposition to fracking, early endorsement of the Green New Deal and participation in protests against an oil pipeline in South Dakota have made her a president Joe Biden's most controversial cabinet nominees." Bloomberg adds that while some Republicans, including Sen. Steve Daines (R-MT) are

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"already warning she's unlikely to get their support," the Senate "ultimately is still expected to confirm Haaland."

In addition, Politico (2/22, Adragna, Lefebvre, 6.73M) reports her supporters "say they see a familiar pattern in the Republicans' rhetoric and their unusual move to voice their opposition even before her nomination hearing was scheduled." According to Politico, they "say she's facing a level of criticism above and beyond the normal fiery Washington political rhetoric," and also "said the reflexive GOP opposition is impossible to separate from the federal government's actions over many generations that marginalized and isolated tribal communities." The Hill (2/22, Frazin, 5.69M) provides similar coverage.

Conservatives Target Democratic Senators In Anti-Becerra Push.

Politico (2/22, Ollstein, 6.73M) says that even though "conservatives know they likely don't have the votes to block" HHS Secretary-designate Becerra from being confirmed, they are "launching new ad blitzes and pressure campaigns targeting Senate Democrats up for reelection and others they believe can be swayed, aiming to make a vote to confirm him a political liability." Among the targets are Sens. Maggie Hassan (D-NH) and Raphael Warnock (D-GA).

Virginia Lawmakers Vote To Abolish Death Penalty.

The Washington Post (2/22, Vozzella, Schneider, 10.52M) reports the Virginia General Assembly on Monday approved two bills to abolish the death penalty in the state, "and were headed to Gov. Ralph Northam (D), who is expected to sign them." According to the Post, Virginia "would then become the first in the South to abandon the ultimate punishment." The AP (2/22, Lavoie, Rankin) calls the vote "a dramatic turnaround for a state that has executed more people in its long history than any other." The Richmond (VA) Times-Dispatch (2/22, Green, 401K) reports Virginia "has executed 113 people in modern times, second only to Texas, since the U.S. Supreme Court allowed the death penalty to resume in 1976."

Pritzker Signs Criminal Justice Reform Bill.

The Chicago Sun-Times (2/22, Hinton, 970K) reports Illinois Gov. J.B. Pritzker (D) "signed a sweeping criminal justice bill into law Monday, moving Illinois closer to ending cash bail and requiring police officers to wear body cameras – arguing the package will lead to 'true safety, true fairness and true justice,'" but Republicans "disagreed, calling the new law 'an insult to our first responders, law enforcement and the law-abiding citizens.'" The Chicago Tribune (2/22, Petrella, 2.03M) says the legislation was "praised by reform advocates and panned by many in law enforcement."

Investigation Faults Police For Treatment Of Elijah McClain.

The AP (2/22, Nieberg, Slevin) reports that an investigation conducted on behalf of the city of Aurora, Colorado, of the fatal arrest of Elijah McClain released Monday "criticizes how police handled the entire incident, faulting officers for their quick, aggressive treatment of the 23-year-old Black man and the department for having a weak accountability system that failed to press for the truth about what happened." The AP adds the probe "found "two contrasting stories" of what happened to McClain in August 2019 after someone reported him as suspicious. One, based on officers' statements to investigators, where police describe a violent, relentless struggle. And another based on body camera footage in which McClain can be heard crying out in pain, apologizing, explaining himself, and pleading with the officers as they restrained him, applied 'pain compliance' techniques, and sat or kneeled on him."

The Denver Post (2/22, Schmelzer, 660K) says the investigation found Aurora police and paramedics "made substantial errors at nearly every stage of their interaction with Elijah McClain and the detectives tasked with investigating the incident that led to the 23-year-old's death stretched the truth to exonerate the officers involved." On ABC World News Tonight (2/22, story 8, 0:20, 8.08M), David Muir said that the "scathing independent investigation" found police "had no legal basis to stop him while walking home or for using a choke hold."

On the CBS Evening News (2/22, story 7, 1:40, O'Donnell, 4.6M), Omar Villafranca reported the investigation "says Aurora, Colorado did not have the right to stop, frisk, or violently restrain Elijah McClain in August 2019," and "according to report, EMS 'administered a ketamine dosage based on a grossly inaccurate and inflated estimate of Mr. McClain's size,' adding that 'higher doses can carry a higher risk of sedation complications for which this team was not clearly prepared.' McClain suffered cardiac arrest and later died in the hospital." On NBC Nightly News (2/22, story 7, 1:40, Holt, 6.17M), Gabe Gutierrez said the investigation "also found that 'the post-event investigation was flawed' because the department 'failed to ask basic, critical questions about the justification for the use of force.'"

CNN (2/22, Jimenez, Vera, Levenson, 89.21M) reports on its website that Sheneen McClain "cried [while] reading" the report about the death of her son. She told CNN, "It was overwhelming knowing my son was innocent the entire time and just waiting on the facts and proof of it." She added, "My son's name is cleared now. He's no longer labeled a suspect. He is actually a victim."

Arbery's Mother Discusses Racial Injustice.

For the NBC Nightly News (2/22, story 8, 2:20, Holt, 6.17M) "State Of The Struggle" series, Blayne Alexander interviewed Wanda Cooper-Jones, mother of Ahmaud Arbery, about how the country "is grappling with racial injustice." Alexander also reported that after Arbery's death, Georgia "passed a hate crime law, previously one of just four states that did not have one. But Cooper-Jones says she thinks the Biden Administration will help heal America's racial divide." Alexander added President Biden last month "signed an executive order declaring racial

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equity a government priority." Biden: "I firmly believe the nation is ready to change."

Police Arrest Wife Of "El Chapo" On Drug Charges.

The AP (2/22, Balsamo) reports Emma Coronel Aispuro, the 31-year-old wife of "Mexican drug kingpin" Joaquin "El Chapo" Guzman was arrested on Monday at Dulles International Airport in Virginia "and accused of helping her husband run his multibillion-dollar cartel and plot his audacious escape from a Mexican prison in 2015." The AP describes her arrest as "the latest twist in the bloody, multinational saga involving Guzman, the longtime head of the Sinaloa drug cartel," while Reuters (2/22, Stempel, Daniel) highlights that her arrest "is the highest profile U.S. capture of a Mexican on drug charges since former Mexican Defense Minister Salvador Cienfuegos was detained in October, and experts said it indicated a deterioration in bilateral security relations."

The New York Times (2/22, Feuer, Goldman, 20.6M) reports court documents "filed in Ms. Coronel's case said she relayed messages for Mr. Guzmán that helped him make drug shipments from 2012 to 2014 and evade capture by the legions of American and Mexican authorities who had been pursuing him for years." The Times adds evidence "emerged at Mr. Guzmán's trial that Ms. Coronel was also a chief conspirator in a sophisticated plot to break him out of the Altiplano prison in Mexico by digging a nearly mile-long tunnel into the shower of his cell."

Meanwhile, the Washington Post (2/22, Hsu, Sheridan, 10.52M) reports she "grew up in Sinaloa state, the traditional heart of Mexico's illegal drug industry, but was born in California, making her a U.S. citizen." The Post adds that she "slipped over the border in 2011 to give birth to the couple's twin daughters, Maria Joaquina and Emali, in a Los Angeles County hospital." The Wall Street Journal (2/22, de Cordoba, Subscription Publication, 8.41M) and USA Today (2/22, McCoy, 12.7M) provide similar coverage.

Families Of Victims Of Pensacola Navy Base Mass Shooting Sue Saudi Arabia.

The Washington Post (2/22, Hsu, 10.52M) reports the families of three US service members killed in the "mass shooting at Naval Air Station Pensacola in 2019" and 13 others injured in the attack "alleged Monday that the government of Saudi Arabia facilitated the attack, which U.S. authorities concluded was an act of international terrorism." According to the Post, "A 152-page complaint in federal court in Pensacola, Fla., makes new allegations that the shooter, Royal Saudi Air Force 2nd Lt. Ahmed Mohammed al-Shamrani, executed the attack with the support of 'accomplices,'" including "fellow Saudi air force trainees." The AP (2/22, Tucker) reports the lawsuit "also says Saudi trainees were aware that he had purchased and stored firearms and ammunition in his barracks, and that they had failed to report his posting of and sharing extremist and anti-American material on social media."

Murphy Signs Legislation Legalizing Marijuana In New Jersey.

The New York Times (2/22, Closson, 20.6M) reports New Jersey Gov. Philip Murphy (D) on Monday "signed into law three bills that effectively permit and regulate the use of recreational marijuana in New Jersey, making it the most populous state in the Northeast to fully legalize the drug." According to the Times, "New Jersey is now one of 14 states to legalize the recreational use of cannabis for adults 21 and older, while also easing several penalties for underage possession and allowing for the creation of a regulated market that could provide a welcomed boost to the state's economy as it recovers from the pandemic." However, the Times adds that legal sales "likely remain months away at the earliest, as the state takes on its next task of creating a heavily regulated industry large enough to support public demand, with licenses still to be doled out to dispensaries."

Education Department Says Schools Must Administer Annual Exams.

The Washington Post (2/22, Meckler, 10.52M) reports the Education Department informed states on Monday that they "are still required to administer annual exams to students, part of the national schools accountability program," but they "may seek permission to move assessments to the fall, administer tests remotely and/or shorten the exam." The Post says the Biden Administration "rejected calls to allow states to skip the tests altogether, which they were allowed to do last year." Many school chiefs "had hoped that the administration would waive the testing requirements altogether. More than 70 local, state and national organizations signed a letter urging the administration to let states use alternative assessments instead."

College Enrollment Declined Last Year.

Bloomberg (2/22, Tanzi, 3.57M) reports research published Monday by the Federal Reserve Bank of St. Louis shows that US college enrollment "of first-time undergraduates declined at the fastest pace in decades last year." The bank "said freshman enrollment plunged 13.1% in the fall of 2020 and that college enrollment overall was down almost 3%."

Academic: Administration Should Not Buy Into Ideological Debate On Charter Schools.

In an op-ed for the New York Times (2/22, 20.6M), Eve L. Ewing, a sociologist of education, writes that "the discourse about charter schools has become more of an ideological debate, split neatly into opposing factions, than it is a policy discussion informed by facts. As long as Democrats play by those rules, they miss an important chance to reframe the debate altogether." Rather than seeing the debate as "pro-charter" or "anti-charter," the Biden Administration "should take a simpler, more transformative stance: demanding high-quality, well-financed

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schools for all children." Ewing adds, "By succumbing to a binary view of charter schools, Democrats miss the bigger picture. Many parents choose charter schools because they want their child to get a great education. ... We need to replace the fight over charter schools with the assertion that every child deserves a great school. And we need the political courage and imagination to make that happen."

Biden Administration Opens First Migrant Facility For Children.

The Washington Post (2/22, Foster-Frau, 10.52M) reports that "dozens of migrant teens" traveled on Monday to Carrizo Springs, Texas, to "the first migrant child facility opened under the Biden administration." The Post adds the "emergency facility – a vestige of the Trump administration that was open for only a month in summer 2019 – is being reactivated to hold up to 700 children ages 13 to 17," and officials "say the camp is needed because facilities for migrant children have had to cut capacity by nearly half because of the coronavirus pandemic." Meanwhile, the Post says the number of unaccompanied children to cross the border "has been inching up, with January reporting the highest total – more than 5,700 apprehensions – for that month in recent years." A Wall Street Journal (2/22, Hackman, Subscription Publication, 8.41M) article headlined "Rise In Migrant Children Tests Biden Border Strategy" provides similar coverage.

Two Senate Committees To Hold Hearings On Capitol Riot.

The New York Times (2/22, Broadwater, 20.6M) reports that as the House "haggle[s] over the formation of a 9/11-style commission to investigate the Jan. 6 attack on the Capitol," the Senate Homeland Security and Governmental Affairs Committee and the Senate Rules and Administration Committee are "pressing ahead with a series of investigative hearings to scrutinize the security breakdowns that failed to prevent the deadly pro-Trump rampage." The Times says lawmakers on Tuesday will "question the officials who were in charge of securing the Capitol during the attack, when Capitol Police officers and members of the District of Columbia's police force called in as reinforcements were overrun as the vice president and members of the House and the Senate were gathered inside."

However, the Washington Post (2/22, DeBonis, Demirjian, 10.52M) warns that the hearing "could also become a battleground for competing narratives over what prompted the riot and who was responsible for it – a question that has become even more pointed following former president Donald Trump's acquittal on impeachment changes earlier this month."

House Leaders Divided Over Composition Of 1/6 Commission. Politico (2/22, Caygle, Cheney, 6.73M) reports House Speaker Pelosi "and her Republican counterparts" are "battling over the contours of a panel inspired by the 9/11 Commission to investigate the deadly Capitol insurrection on Jan. 6, with Republicans demanding equal representation." Politico says they "have already traded one offer each but still remain at odds over several issues including membership on the proposed commission, according to multiple sources familiar with the talks." Politico adds that while Pelosi "proposed tilting the panel in favor of Democrats, with her party getting to pick seven of the members while Republican leaders choose four additional appointees," Republicans "are insisting on an equal split – each party gets to appoint five members – in their counteroffer, sources told Politico," and they "are pressing Democrats to avoid specifically prescribing avenues of inquiry that might steer the panel in certain directions, as opposed to allowing panelists to determine their own course." The Hill (2/22, Marcos, 5.69M) provides similar coverage.

Capitol Police Officer Discusses Attack On Capitol. In an exclusive, the ABC News (2/22, Thomas, Ordonez, Larramendia, 2.44M) reports on its website that Capitol Police officer Harry Dunn "said the rotunda no longer resembled the room he once knew on Jan. 6, the day of the siege on the Capitol," and he "recalls gasping for air through the pepper spray and bear mace, blood on his knuckles and the relentless noises from the rioters." In an interview on Monday, Dunn became the first US Capitol Police officer "to speak publicly about the events of Jan. 6." ABC World News Tonight (2/22, story 7, 1:50, Muir, 7.55M) also aired a segment of the interview. According to ABC's Pierre Thomas, Dunn "said the mob hurled the N-word at him, a Black officer, that weapon of a word." Dunn: "What the hell just happened? I got called a [bleep] couple dozen times today protecting this building. Is this America?" Thomas added Dunn "wanted to make it clear he's speaking for himself and not his department. A force that's still trying to cope with that nightmarish day. But he's so proud of the men and women who fought beside him in that fight for democracy."

Oath Keeper Alters Claim That She Met With Secret Service Before Attack On Capitol. Reuters (2/22, Ax) reports Jessica Watkins, "a leader of the far-right group Oath Keepers who is charged with participating in the Jan. 6 riot at the U.S. Capitol," on Monday "reversed her story...about having met with Secret Service agents in Washington on the day of the insurrection," and in a new court filing her attorney instead "said she had merely spoken with some agents while passing through a security checkpoint." According to Reuters, "Watkins is asking the court to release her to home confinement while she awaits trial, citing in part the risk of maltreatment she faces in jail as a transgender woman."

Klain Is In Frequent Contact With Progressives.

The Daily Beast (2/22, 933K) reports that the "lines of communication...between the progressive left and President Joe Biden" are open. Chief of Staff Klain "speaks to Sens. Bernie Sanders (I-VT) and Elizabeth Warren (D-MA) 'quite often,' recently talked to freshman Rep. Jamaal Bowman (D-NY), a newly minted Squad member, and has conversations with many 'less famous' individuals in the Democratic Party's left wing on a regular basis, he told The Daily Beast in an interview." Klain said, "Progressives are a big part of our party and making sure their voices are heard here at the White House is a big part of my job." His "frequent communication with top leaders on the left is part of a critical, emerging infrastructure within the White House. The goal, described by three White House officials, including the chief of staff, is not only to elevate their ideas and concerns, but to make them a permanent part of the policy making process."

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Bob Dole Discusses His Conversation With Biden.

The Wall Street Journal (2/22, Seib, Subscription Publication, 8.41M) reports ex-Sen. Bob Dole (R-KS) said that when President Biden visited him on Saturday, "It was just Bob and Joe, not Mr. President." Dole and Biden discussed "why the Senate they both love – and really, all of Washington – doesn't work better right now." Dole said, "We did talk about how we were able to work together in the Senate when we both were there, one a Democrat, one a Republican. ... We worked across the aisle and we compromised. We couldn't solve everything, but most everything we could work out."

AP Analysis: Moderate Democrats Creating Headaches For Biden.

The AP (2/22, Jaffe) reports that with the Senate split 50-50, moderates like Sens. Joe Manchin (D-WV), Kyrsten Sinema (D-AZ), and Jon Tester (D-MT) "hold significant political clout in Biden's Washington, making for a muscular counterweight to the progressives who make up the party's base." Biden "spent much of the 2020 Democratic primary and general election campaigns being hounded by progressives for not embracing far-left positions," but now "it's the moderates who are creating headaches for the Democratic president." A "handful of centrist Democrats who have expressed skepticism about Biden's $1.9 trillion COVID-19 bill, threatening to derail the president's top priority if they don't win concessions." The AP adds that moderates "are certain to influence the Biden administration's next big legislative push as well, a major infrastructure and jobs bill that will include climate planks."

Biden Raised $22.1M For Transition.

Bloomberg (2/22, Korte, 3.57M) reports data released Monday by the GSA show that President Biden "raised $22.1 million to pay for the costs of his transition, far exceeding the $6.5 million his predecessor raised four years ago. ... Biden's transition was also costlier. He spent $24.4 million through mid-February, while Trump spent $4.7 million through the same period in 2017." Bloomberg adds that Trump's "refusal to accept the results of the election led to a delay in releasing $6 million in public money designated for presidential transitions. The GSA waited almost three weeks after the Nov. 3 election to ascertain Biden as the apparent winner." Biden's transition team "raised $7.3 million between the election and the GSA releasing funds."

White House Aides Say Ignoring Trump Is Easier Now That Biden Is President.

The Washington Post (2/22, Parker, Viser, 10.52M) reports that while White House Communications Director Kate Bedingfield says the White House's "focus is entirely on President Biden's agenda, and Donald Trump doesn't factor in that for us," the "reality may prove more difficult." During a CNN town hall in Milwaukee, the President "emphasized his eagerness to move past his predecessor," but "kept talking about the very guy he said he wants to ignore." But, "senior Biden officials argue that ignoring Trump is easier now that Biden is president. The major crises facing Biden, including the deadly coronavirus pandemic and the stalled economy, are the top concerns of a majority of Americans, these officials said." Chief of Staff Klain said, "In some ways, it's much easier to ignore Trump now that we're in the White House, because we're not running against him."

NYTimes' Rogers: Washington Weekends Have Returned To Normal Under Biden.

Katie Rogers of the New York Times (2/22, 20.6M) writes, "President Biden did not do anything this weekend. Well, let's rephrase: President Biden did not do anything alarming this weekend." Rogers continues, "There were exactly eight tweets, each one rooted in what can best be described as reality. There was a visit to spend time with an ailing friend, Bob Dole, the former Republican senator. And there was a stop at church with the grandchildren." According to Rogers, "Since Mr. Biden assumed office, the weekends have been portraits of domesticity," and Biden's "demonstrable uninterest in generating audacious headlines only emphasizes how much the Trump-size hole in Washington has created a sense of free time in all realms of the capital."

EPA Reverses Course, Backs Ethanol Industry In Lawsuit Headed To SCOTUS.

The AP (2/22) reports that the EPA announced Monday "that it will support the ethanol industry in a lawsuit over biofuel waivers granted to oil refineries under President Donald Trump's administration." The agency "said it is reversing course and will support a January 2020 decision" by the 10th Circuit Court of Appeals "in a lawsuit filed by the Renewable Fuels Association and farm groups. The lawsuit is headed to arguments before the U.S. Supreme Court this spring."

Texas Winter Storm Sparks Two Federal Inquiries.

NBC Nightly News (2/22, story 4, 2:15, 6.21M) reported federal investigators have announced "two new inquiries triggered by" the "massive winter storm" in Texas. One is "examining the natural gas and power market for potential wrongdoing. The second, an all out examination of the US electric grid, searching for vulnerabilities relating to extreme weather or climate change."

Texas AG Traveled To Utah During Power Outages. The Houston Chronicle (2/22, 982K) reports that as "millions of Texans languished in their homes last week without heat, many of them racking up astronomical electricity bills," Texas Attorney General Ken Paxton (R), who is "in charge of consumer protection left to take an out-of-state trip." According to a campaign spokesman Paxton "left the state during the middle of the power outage crisis to meet with a fellow attorney general in Utah" for a "previously planned meeting." His wife, state

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Sen. Angela Paxton (R), joined him on the trip. The Chronicle says this "marks the third instance of a Texas public official leaving the state during the disaster that affected nearly every one of the state's 254 counties." The Dallas Morning News (2/22, 772K) provides similar coverage.

Patrick: Energy Officials Said They Were Prepared Ahead Of Winter Storm. The Dallas Morning News (2/22, 772K) reports that Texas Lt. Gov. Dan Patrick (R) "said of the Electric Reliability Council of Texas and other players in Texas' energy system," "We were told they were prepared. ... They weren't prepared as they told us they were. And you were cold at night. And your water went out and some people died in the storm. ... We're going to get to the bottom of it." Patrick "said the Legislature would convene hearings this week on the matter, adding that the heads of energy companies and other stakeholders would be issued subpoenas, if necessary, to compel testimony."

Meanwhile, in what the CBS Evening News (2/22, story 4, 2:00, O'Donnell, 4.6M) described as "a new crisis," some Texans are "stuck with sky high electric bills" after the storm. Marcus Moore of ABC World News Tonight (2/22, story 4, 1:15, Muir, 8.08M) reported, "Texas allows power companies to charge variable pricing, which keeps the prices low when demand is low. But prices can spike astronomically when demand goes up." NBC Nightly News (2/22, story 4, 2:15, 6.21M) reported state leaders are promising "solutions for sky high energy bills. The governor restricting companies from cutting power if customers can't pay."

The New York Times (2/22, A1, Healy, 20.6M) says while power has been restored across much of Texas and warmer weather is forecast "for much of this week, millions of Texans whose health and finances were already battered by a year of Covid-19 now face a grinding recovery from a storm estimated to cost upward of $20 billion, the costliest in state history, according to the Insurance Council of Texas." The Times adds, "For many lower-income families whose ceilings collapsed and kitchens flooded after frozen pipes burst, the disaster did not melt with the snow."

Rampell: Texas' Deregulation Resulted In "Humanitarian And Economic Disaster." Catherine Rampell writes in the Washington Post (2/22, 10.52M) that Republicans have long "worshiped at the altar of deregulation. ... In particular, they touted the Texas energy market as a sort of paragon of their deregulatory fantasy, an invisible-hand success story that should be expanded nationwide." During "the usually balmy Texas winter, this deregulated system has functioned fine. But severe weather can bring it crashing down." Rampell adds that while "Texas's widespread power failures will create some new employment opportunities for plumbers and electricians," for "everyone else, the state's failure to ensure minimum quality standards has been a humanitarian and economic disaster."

SCOTUS To Take Up Cases Related To Abortion And Immigration.

The AP (2/22) reports the Supreme Court "will take up challenges to controversial Trump administration policies affecting family-planning clinics and immigrants, even though the Biden administration has announced it is reviewing them." USA Today (2/22, Fritze, 12.7M) reports the Court will consider "a hotly contested effort to cut funding to medical centers that refer patients for abortions" that has been "described by critics as a 'gag rule.'" The New York Times (2/22, Liptak, 20.6M) reports the Court will also take up a case involving "the so-called public charge rule, which seeks to discourage some immigrants from using public services." The Washington Post (2/22, Barnes, 10.52M) also reports.

Supreme Court Denies Trump Effort To Block Release Of Tax Returns To Manhattan DA.

The New York Times (2/22, A1, Liptak, Rashbaum, Protess, Weiser, 20.6M) reports the Supreme Court on Monday "rejected a last-ditch attempt by former President Donald J. Trump to shield his financial records, issuing a brief, unsigned order that ended Mr. Trump's bitter 18-month battle to stop prosecutors in Manhattan from poring over his tax returns as they investigate possible financial crimes." The Times calls it "a decisive defeat for Mr. Trump, who had gone to extraordinary lengths to keep his tax returns and related documents secret, taking his case to the Supreme Court twice. There were no dissents noted." The CBS Evening News (2/22, story 5, 0:25, O'Donnell, 4.77M) said Trump "suffered a major Supreme Court defeat," and NBC Nightly News (2/22, story 6, 0:15, Holt, 6.17M) said the Court "gave Donald Trump a big loss."

Cecilia Vega reported on ABC World News Tonight (2/22, story 5, 0:40, Muir, 8.08M) that Manhattan District Attorney Cyrus Vance Jr. "could see these documents in a matter of days. We're talking about eight years' worth of personal and business tax returns – I'm told potentially millions of pages. ... These documents are protected by grand jury secrecy rules, [meaning] the public may never see them." The AP (2/22, Gresko) reports, "The Supreme Court waited months to act in the case" and "offered no explanation for the delay, and the legal issue before the justices did not involve whether Trump was due any special deference because he was president."

The Los Angeles Times (2/22, 3.37M) reports Trump "faces possible criminal and civil charges on several fronts, but the New York investigation of his business dealings has moved further than any of the other probes." Vance "has not revealed what the grand jury is investigating, but in court filings his office said it was looking into potential 'protracted criminal conduct at the Trump Organization.' Shortly after the court issued its order, Vance tweeted: 'The work continues.'"

USA Today (2/22, Phillips, Fritze, 12.7M) reports, "In a lengthy statement after the Supreme Court's decision Monday, Trump described the investigation as a 'witch hunt' and 'fascism.' He reiterated the false claim that he won the election, not President Joe Biden, and criticized the Supreme Court, to which he appointed three justices during his four years in office."

The New York Times (2/22, A1, McIntire, 20.6M) writes that "when New York prosecutors finally get to examine" Trump's federal tax returns, "they will discover a veritable how-to guide for getting rich while losing millions of dollars and paying little to no income taxes. Whether they find evidence of crimes, however, will also depend on other information not found in the actual returns."

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Among the many other outlets covering the story are Reuters (2/22, Hurley), Bloomberg (2/22, 3.57M), the Wall Street Journal (2/22, Bravin, Paul, Subscription Publication, 8.41M), Axios (2/22, Basu, 1.26M), Politico (2/22, Gerstein, Cheney, 6.73M), The Hill (2/22, Samuels, 5.69M), and the CNN (2/22, 89.21M), Fox News (2/22, Singman, 23.99M), and CNBC (2/22, Higgins, 7.34M) websites. In related news, USA Today (2/22, Fritze, 12.7M) reports the Supreme Court "declined Monday to hear an appeal from the adult movie [performer] Stormy Daniels who sued [Trump] for defamation."

Supreme Court Rejects Election Challenges.

The AP (2/22, Gresko) reports, "The Supreme Court on Monday rejected a handful of cases related to the 2020 election, including disputes from Pennsylvania that had deeply divided the justices just before the election." The Washington Post (2/22, Barnes, 10.52M) reports the Court "turned away Republican challenges to the presidential election results in Pennsylvania, refusing to take up a months-long dispute over extending the deadline in that state for receiving mail-in ballots." Justices Samuel Alito, Neil Gorsuch, and Clarence Thomas "said it deserved the court's attention, even though the number of votes at issue would not call into question Biden's victory." The Philadelphia Inquirer (2/22, Lai) reports, "The decision not to hear the legal challenges brought by top Republican state lawmakers and the state GOP ends litigation that prevented Pennsylvania from counting 10,000 mail ballots that arrived in the three days after Election Day and had remained in legal limbo."

USA Today (2/22, Fritze, 12.7M) reports that "a blistering dissent" by Thomas "prompted blowback Monday from Democrats. ... In an 11-page dissent from the court's decision not to take up a challenge to the expanded use of mail ballots in Pennsylvania, Thomas acknowledged that the outcome of the election was not changed by the way votes were cast in the battleground state. But he raised questions about the reliability of mail-in voting that echoed many of the same arguments Trump raised in the weeks before and after the election." CNN (2/22, 89.21M) headlines an online analysis "Justice Clarence Thomas Reveals Some Sympathy For Trump's Baseless Fraud Claims." The Wall Street Journal (2/22, Subscription Publication, 8.41M) says in an editorial that the Supreme Court was wrong not to seize the opportunity to examine "last year's judicial rewrite of Pennsylvania election law...to prevent future mischief."

Dominion Voting Systems Sues Lindell For $1.3B.

The AP (2/22, Karnowski, Bauder) reports Dominion Voting Systems has "filed a $1.3 billion defamation lawsuit Monday against the founder and CEO of Minnesota-based MyPillow, saying that Mike Lindell falsely accused the company of rigging the 2020 presidential election." The New York Times (2/22, Maheshwari, Hirsch, 20.6M) reports that the complaint "filed in the United States District Court for the District of Columbia alleged that Mr. Lindell 'exploited' false claims about election fraud to support his company's sales."

The Minneapolis Star Tribune (2/22, 855K) says Lindell "has openly invited a lawsuit from Dominion for more than a month, insisting that proof of election fraud would come out in the legal discovery process." USA Today (2/22, Brown, 12.7M), the Washington Post (2/22, Brown, 10.52M), and the Wall Street Journal (2/22, Corse, Subscription Publication, 8.41M) also report on the lawsuit.

Politico Analysis: Anti-Trump Republicans Have "Really No Place To Go."

Under the headline "Anti-Trumpers Are Done With The GOP. Where Do They Go Now?" Politico (2/22, Siders, 6.73M) looks at the difficulties confronting traditional conservatives who oppose the movement behind former President Donald Trump but who would not be comfortable joining an increasingly liberal Democratic Party. Politico says some have become independents and "other former party officials are discussing forming a third party," but "the sobering reality confronting them...is that there's really no place to go." Michael Gerson writes in the Washington Post (2/22, 10.52M), "Given the entrenchment of the two-party system, the best option seems to be remaining in the GOP as long as conscience allows."

Poll: Florida Republicans Heavily Prefer DeSantis Over Rubio, Rick Scott For President.

Politico (2/22, Caputo, 6.73M) reports, "In Florida's shadow Republican primary for president, Gov. Ron DeSantis is starting to dominate his once-better-known home state colleagues, Sens. Marco Rubio and Rick Scott. ... In a hypothetical three-way primary for president" among Florida Republicans polled by GOP pollster Tony Fabrizio, DeSantis is at 64%, Rubio 12% and Scott 10%. The "52-point lead over Rubio represents a massive increase since July – the last time Fabrizio polled a matchup between the three and found DeSantis ahead by just 11 points over Rubio."

Sununu "Definitely Open" To New Hampshire Senate Run.

The New Hampshire Union Leader (2/22, 100K) reports New Hampshire Gov. Chris Sununu (R) says he is "'definitely open' to a U.S. Senate run in 2022" against Sen. Maggie Hassan (D-NH). However, Sununu, "recently elected to his third term in a romp, told a radio show host last week that all his options for the next election cycle remain on the table – including seeking a fourth term as governor, returning to the private sector or 'becoming a hermit.'"

WPost Analysis: North Carolina Senate Race Will Be Test Of Post-Trump GOP.

In a feature headlined "North Carolina Tests How Republicans See Themselves After Trump," the Washington Post (2/22, Scherer, Gardner, Dawsey, 10.52M) says the looming GOP primary race for the state's open Senate seat – held by retiring Sen. Richard Burr (R-NC), who

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voted to convict former President Donald Trump in his second impeachment trial – will give a sense of the state of the party. Many pro-Trump state Republicans have already endorsed ex-Rep. Mark Walker (R-NC), but the former president's daughter-in-law Lara Trump is considering a run, as are more establishment figures like ex-Gov. Pat McCrory (R).

Ex-Trump Aide Expected To Challenge Gonzalez In OH16 Primary.

Politico (2/22, Isenstadt, 6.73M) reports that "former Trump White House aide Max Miller is expected to wage a primary challenge" against Rep. Anthony Gonzalez (R-OH), who voted to impeach Trump in January. Miller "is a Trump loyalist, having served on his 2016 campaign before entering the White House."

WPost Analysis: Virginia Gubernatorial Race Offers Tests For Both Parties.

The Washington Post (2/22, Schneider, Vozzella, 10.52M) has a 2,700-word front-page feature on this year's Virginia gubernatorial race, writing that the election will help show how solid the state's shift toward the Democrats really is, and what the impact of former President Donald Trump will be on the GOP now that he is out of office. Both parties have wide-open races featuring "a spectrum of potential nominees that's bigger and more diverse than any slate of major-party candidates for governor Virginia has ever seen. So far, six Republicans and five Democrats have filed papers to run." There are also "X-factors this year, such as whether the absence of Trump in the White House will dampen voter turnout, which hit historic highs in Virginia in 2020."

Dr. Biden To Visit Virginia Commonwealth University Cancer Center.

WRIC-TV Richmond, VA (2/22, 241K) reports on its website that Dr. Biden "will visit Richmond Wednesday in her first solo official visit outside of Washington, D.C. since Inauguration Day" to tour the Massey Cancer Center at Virginia Commonwealth University and "meet with several researchers. The timing of Dr. Biden's visit remains unknown."

Financial International News

IMF Head Says Policymakers Must Blunt Pandemic's Impact Worldwide.

Reuters (2/22, Strupczewski) reports IMF Managing Director Kristalina Georgieva said in a speech to the European Parliament on Monday that wealth gaps are likely widening under the pandemic in Europe unless policymakers work to end the global health crisis and support economies struggling to bear the impact of the virus. Georgieva, in her speech, "praised EU governments for putting more than 3 trillion euros in fiscal support for firms and households, including job-retention schemes that helped more than 54 million workers." However, Georgieva said, "the path to recovery is...uneven...because of the difference in starting positions, economic structure and capacity to respond, causing inequalities to grow both across and within countries." Georgieva added, "Gradual withdrawal has to follow, not precede, a durable exit from the health crisis. It matters internally, and also in terms of spillovers – a premature tightening of policy when worse-hit economies are still deeply fragile could exacerbate divergence between countries."

World Bank Head Flags Vaccine Capacity Problems, Says All Countries Must Be Immunized To Beat Pandemic.

The Guardian (UK) (2/22, Elliott, 5.53M) reports World Bank President David Malpass sees serious constraints on vaccination program capacity as the biggest obstacle to making the Covid-19 vaccine available to all 7 billion-plus people on Earth. In an interview with The Guardian, Malpass "said delivery systems in poor countries and the fact that so many vaccines were going to rich countries were more important factors than money in ensuring success." Malpass also "said beating the pandemic required all countries to be immunized and that the global community should already be preparing for the next crisis," adding, "One goal the world should have is to prepare for future disasters, other pandemics that will require vaccine systems, and both manufacturing and delivery capacity. I do not expect this to be the only crisis of global proportions."

Lagarde Says ECB "Closely Monitoring" Government Bond Yields.

Reuters (2/22, Koranyi) reports ECB President Christine Lagarde said Monday the ECB is "closely monitoring" nominal yields on government bonds. Lagarde said in a speech, "Within the broad-based set of indicators that we monitor to assess whether financing conditions are still favourable, risk-free overnight indexed swap rates and sovereign yields are particularly important. Accordingly, the ECB is closely monitoring the evolution of longer-term nominal bond yields."

Bloomberg (2/22, Weber, 3.57M) also reports.

World Bank Bond Issuance Expected To Pass Record Highs Amid Pandemic.

Bloomberg (2/22, Mutua, 3.57M) reports the World Bank's International Finance Corporation "is on track to sell a record amount of environmental and social bonds as part of its global response to the pandemic." The Bank's private-sector arm "expects its sustainable bond sales this year will likely surpass the previous high of $2.3 billion it set in 2017, according to John Gandolfo, vice president and treasurer at IFC. Issuance will come in different currencies, and proceeds will to go to clients globally, including small businesses, low-income households

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and poor and fragile nations, he said." Gandolfo said in an interview, "IFC is certainly focused on, first and foremost, its response to the pandemic and saving jobs, lives, livelihoods and also building a path to a resilient recovery."

Leading International News

Boot: Trump Officials Trying To Undermine Biden's Foreign Policy.

Max Boot writes in the Washington Post (2/22, 10.52M) that former President Donald Trump's appointees "served in the worst administration in history" and "now would be a good opportunity for Trump's aides and enablers to favor us with their silence as President Biden tries to clean up the messes he inherited. Instead, many of Trump's supporters are trying to undermine the new president from the start." Boot adds, "Last week, the right-wing attack machine accused Biden of being an apologist for China's horrific abuse of the Uighurs," which is "a gross distortion of Biden's remarks during a CNN town hall." Their criticism "is just as egregious when it comes to Biden's approach to Iran." Boot argues that while there is "no guarantee that the Biden approach will work," we "know the Trump policies failed. Biden deserves a chance to chart a different course without being sniped at by Trump's followers."

Four Pakistani Aid Workers Killed In North Waziristan.

The New York Times (2/22, Ur-Rehman, 20.6M) reports that "gunmen killed four aid workers in an ambush in the northwestern Pakistani district of North Waziristan on Monday." According to the Times, "A vehicle carrying the aid workers, who were all Pakistanis and who were affiliated with a program for developing household skills for women, was fired upon by unidentified attackers in the town of Mir Ali." The Times says the attack "could signal a revival of insurgency in the region bordering Afghanistan that was once a stronghold of the Pakistani Taliban."

China's FM Rejects International Condemnation Of Muslim Uighurs' Treatment.

Reuters (2/22, Nebehay) reports that on Monday, the government of China "rejected 'slanderous attacks' about conditions for Muslim Uighurs living in Xinjiang, as European powers and Turkey voiced concerns and called for U.N. access to the remote western region." Foreign Minister Wang Yi "told the U.N. Human Rights Council that it was taking counter-terrorism measures in accordance with the law and that Xinjiang enjoyed 'social stability and sound development' after four years without any 'terrorist case.'" According to Reuters, Wang "invited U.N. scrutiny but gave no timetable." Reuters says the Biden Administration has "endorsed a last-minute determination by the Trump administration that China has committed genocide in Xinjiang and has said the United States must be prepared to impose costs on China."

Canada's House Of Commons Approves Motion Calling China's Treatment Of Uighurs Genocide. The AP (2/22, Gillies) reports Canada's House of Commons passed a non-binding motion Monday "to declare that China is committing genocide against more than 1 million Uighurs in the western Xinjiang region but Prime Minister Justin Trudeau and his Cabinet abstained from the vote." The motion "passed 266-0 as virtually all but Trudeau and his Cabinet voted for the measure that also called on the International Olympic Committee to move the 2022 Winter Olympics from Beijing." The AP cites "a senior government official" who "said declaring something in Parliament is not going to adequately get results in China and that work with international allies and partners is needed." Reuters (2/22, Scherer) says Trudeau "has been reluctant to use the word genocide, suggesting that seeking broad consensus among Western allies on Chinese human rights issues would be the best approach."

China Plans Changes To Committee That Selects Hong Kong's Chief Executive.

The Wall Street Journal (2/22, Subscription Publication, 8.41M) reports China plans changes to a 1,200-member committee that selects Hong Kong's chief executive in order "to curb the influence of Hong Kong opposition groups" on the body, "according to people familiar with the proposal." Chinese lawmakers are expected to vote in March on revisions that "would drastically reduce, or potentially eliminate, the 117 seats assigned to Hong Kong's district councilors, a bloc now dominated by opposition groups." The seats "would be given to some of the more than 200 Hong Kong-resident members of China's top political advisory body, the Chinese People's Political Consultative Conference, the people said."

EU To Sanction Russian Officials Over Navalny's Detention.

Reuters (2/22, Emmott, Siebold) reports that on Monday, European Union foreign ministers "agreed...to impose sanctions on four senior Russian officials close to President Vladimir Putin in a mainly symbolic response to the jailing of Kremlin critic Alexei Navalny." The agreement, which "came after France, Germany, Poland and the Baltic states urged the 27-member bloc to send a message to Putin that debate and protest must be allowed in Russia." Reuters reports that an unnamed EU diplomat "said the proposed new travel bans and asset freezes would target, among others, Alexander Bastrykin, whose Investigative Committee handles investigations into major crimes and reports directly to Putin." The Washington Post (2/22, Birnbaum, 10.52M) says the sanctions "will go into effect in about a week."

Politico Europe (2/22, 15K) reports Navalny and some of his "top aides" have "called loudly and publicly for the EU to sanction oligarchs close to Putin, especially those who maintain a large portion of their wealth in Europe – a demand that poses a thicket of legal obstacles."

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Georgia Parliament Appoints Garibashvili Prime Minister.

The AP (2/22) reports Georgia's parliament "voted Monday evening to appoint a new prime minister and Cabinet after Giorgi Gakharia

resigned last week over a court ruling to arrest the top opposition politician." Lawmakers "voted 89-2 for Irakli Garibashvili and his Cabinet." Garibashvili's candidacy "was put forward by the ruling Georgian Dream party."

Protesters Demand Armenian PM's Resignation.

The AP (2/22) reports thousands of people marched in Armenia's capital Yerevan on Monday, "demanding Prime Minister Nikol Pashinyan's resignation amid pressure for him to step down since November over his handling of the Nagorno-Karabakh conflict with Azerbaijan."

Police, Protesters Clash In Greece.

The AP (2/22) reports 31 protesters were arrested in Thessaloniki, Greece Monday "during a demonstration against a new campus security law." Protesters occupied the principal's building at the University of Thessaloniki for several hours and "clashes broke out when police entered the building to remove them."

Migrants Trying To Reach Europe Found Hiding Amid Cargo At North African Port.

The AP (2/22, Brito, Parra) reports 41 people "found hiding amid cargo" in "the port of Melilla, one of Spain's two small territories in North Africa," were "attempting to sneak aboard a ship that would take them across the Mediterranean Sea to mainland Spain. Four of them were discovered buried in recycling containers beneath glass bottles, some broken with sharp edges."

Politico Analysis: Middle East Is Not A Top Priority For Biden.

According to Politico (2/22, Bertrand, Seligman, 6.73M), President Biden is "tired of dealing with the Middle East," and his "signals" to that effect are "not meant to be subtle, his advisers say." Biden "has made only one call to a head of state in the Middle East – Israeli Prime Minister Benjamin Netanyahu on Wednesday – which itself was delayed by more than three weeks." A "former senior national security official and close Biden adviser" tells Politico, "If you are going to list the regions Biden sees as a priority, the Middle East is not in the top three. It's Asia-Pacific, then Europe, and then the Western Hemisphere. And that reflects a bipartisan consensus. ... They are just being extremely purposeful to not get dragged into the Middle East."

In Third Attack In A Week, Three Rockets Land Near US Embassy In Baghdad.

Politico (2/22, Seligman, 6.73M) reports three Katyusha rockets landed near the US Embassy in Baghdad Monday, "the third such attack in Iraq in the span of one week." A defense official said "there are no reports of U.S. personnel injured," but the official "was still waiting confirmation." Politico adds, "The attack comes after at least four rockets struck Balad Air Base on Saturday night, wounding one person," and "a dozen rockets targeted coalition forces outside Erbil International Airport, killing one non-U.S. contractor and wounding nine more people, including five Americans" last week.

The Hill (2/22, Kheel, 5.69M) reports State Department spokesman Ned Price said Monday, "We are outraged by the recent attacks. ... When it comes to our response, we will respond in a way that is calculated, within our own timetable, and using a mix of tools at a time and place of our choosing, as you've heard me say before. ... What will not do is lash out and risk an escalation that plays into the hands of Iran and contributes to their attempts to further destabilize Iraq."

WPost Analysis: IAEA Deal "Momentarily" Eases US-Iran Tension.

The Washington Post (2/22, Fahim, 10.52M) says an agreement announced Sunday that would allow the IAEA "to continue some monitoring of Iran's atomic program momentarily eased a standoff between Tehran and Western nations and may provide a narrow opening for diplomacy as the Biden administration attempts to restart negotiations with Iran." However, "a vote by Iran's parliament Monday condemning the agreement served as a reminder of domestic head winds, in Tehran and Washington, that could hinder a speedy return to the nuclear deal between Iran and global powers." The Post adds, "Under vague terms of the deal announced Sunday, Iran would still end implementation of what is known as the Additional Protocol, which enforces monitoring by the International Atomic Energy Agency (IAEA), but would continue to allow what Rafael Grossi, the agency's head, called 'necessary monitoring and verification' of Iran's nuclear program."

CNBC (2/22, Turak, 7.34M) reports on its website that Iran's Parliament "previously voted to suspend its so-called Additional Protocol with the IAEA if U.S. oil and banking sanctions were not lifted by this week, meaning much of the rigorous inspection carried out by the U.N. agency as part of the 2015 Iranian nuclear deal will end." But CNBC says "the fact that some access will still be allowed for inspectors prevents a much worse escalation that would've left the international community entirely in the dark on Iran's nuclear activities."

Emirati And Qatari Delegations Meet For The First Time In Years.

Reuters (2/22) reports that on Monday in Kuwait, "delegations from the United Arab Emirates and Qatar met...for the first time since an agreement last month to end a rift of more than three years." According to Reuters, Saudi Arabia, the UAE, Bahrain and Egypt "agreed in January at a summit in Saudi's al-Ula to restore diplomatic, trade and travel ties with Doha, which had been severed in 2017 over accusations that Qatar supported terrorism, a charge it denies." Reuters adds that "since the agreement, air and travel links have resumed between Qatar and the four states."

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Italy's Ambassador To DR Congo Killed In Shootout.

Reuters (2/22, Mahamba, Bujakera) reports that on Monday, Luca Attanasio, Italy's ambassador to Democratic Republic of Congo, was killed "along with his bodyguard and a World Food Programme driver when their convoy was attacked in the east of the country." According to Reuters, "The assailants stopped the convoy by firing warning shots, killed the Congolese driver and were leading the passengers into the forest when park rangers opened fire." Attanasio "was hit in the abdomen and died several hours later at the U.N. hospital in the regional capital Goma, Congo's interior ministry said." Attanasio's bodyguard, Vittorio Iacovacci was also killed, as well as driver Mustapha Milambo. The AP (2/22, Kamale, Winfield), the New York Times (2/22, Specia, Pianigiani, 20.6M), the Washington Post (2/22, Bearak, 10.52M), and Politico Europe (2/22, 15K) have more coverage of the envoy's killing.

Rwandan Opposition Figure Shot And Killed In South Africa.

The New York Times (2/22, Chutel, Dahir, 20.6M) reports Rwandan opposition figure Seif Bamporiki "was shot and killed in South Africa on Sunday in what the police said was most likely a robbery but that political allies said resembled earlier assassinations of government critics." Bamporiki "was shot in Cape Town sometime after 4 p.m. while making a delivery, his political party, the Rwanda National Congress, said in a statement." Bamporiki, a Rwandan exile, "arrived in Nyanga township to hand over a bed from his store to a client when two men approached his truck and one of them shot him, the party said." The Rwanda National Congress "said the killing was reminiscent of past cases" in which critics of Rwandan President Paul Kagame were "lured [to] a compromising and insecure environment" and murdered.

Housing

GSE Cash-Window Cap Expected To Be A Thorny Issue For Some Time.

Behind a paywall, Inside Mortgage Finance (2/22, Hollier, Subscription Publication) reports, "Last month, when the Treasury Department and the Federal Housing Finance Agency amended the preferred stock purchase agreement, they included an obscure provision that could reduce the ability of many lenders to sell loans to Fannie Mae and Freddie Mac. The new PSPA caps the amount of loans the GSEs can purchase for cash at $1.5 billion per seller over any period of four consecutive quarters." An IMF analysis of UMBS issued by the GSEs over the past couple of years "suggests the new limits will undercut loan sales at scores of lenders." IMF adds, "Of course, it will also impact the GSEs. Fannie said it's still assessing the potential damage. However, Freddie in its recently released annual report hinted at the possible deleterious prospects."

CFPB Announcement On QM Rule Could Come This Week.

Behind a paywall, Inside Mortgage Finance (2/22, Subscription Publication) reports, "In a blog posting earlier this month, Acting Consumer Financial Protection Bureau Director Dave Uejio said he had directed the bureau's Research, Markets and Regulations Division to 'explore options for preserving the status quo' with respect to qualified mortgages." However, "since then, there has been no update from the agency on the matter, a situation that has the industry concerned given that QM standards are scheduled to go into effect in less than a week on March 1, with a mandatory compliance date of July 1." In December, the bureau "issued two final rules for QMs: one replacing the 43% debt-to-income ratio with a pricing threshold and the other creating a seasoned QM category." Alston & Bird partner and former CFPB deputy director Brian Johnson, in an interview, "said nothing stops a Senate-confirmed director from addressing the QM rule under the Administrative Procedure Act."

HUD Announces Disaster Assistance Measures In Response To Texas Winter Storm.

DS News (2/22, Babb) reports HUD on Monday "announced the implementation of federal disaster assistance for the State of Texas to provide support to homeowners and homebuyers in areas affected by the severe winter storm." This declaration "allows for HUD-assisted foreclosure relief outlined below as well as other assistance to impacted households living in these counties, according to HUD."

Nebraska Launches Program To Help Tenants, Landlords Who Lost Income During The COVID-19 Pandemic.

The AP (2/22, Schulte) reports, "Nebraska launched a federally funded aid program Monday for renters and landlords who have lost income due to the pandemic." The program "offers a maximum of 15 months of rental or mortgage assistance per applicant, up to $20,000" and is "available to tenants who make 80% or less of their county's median income."

According to the Omaha (NE) World-Herald (2/22, Stoddard, 509K), the money can help pay rent or utility bills.

MBA: Forbearance Share Falls From 5.29% To 5.22% In Week Ending February 14.

HousingWire (2/22, Roha, 7K) reports the number of mortgages in forbearance fell seven basis points to 5.22% in the week ending February 14, with an estimated 2.6 million homeowners currently in forbearance plans, according to the Mortgage Bankers Association. HousingWire reports, "Fannie Mae and Freddie Mac's forbearance portfolio continued to express the lowest share of loans, decreasing four basis points to 2.97%. Ginnie Mae's share, which include loans backed by the Federal Housing Administration, fell 2 basis points to 7.32%, while the share for portfolio loans and private-label securities (PLS) dropped a full 20 basis points from the prior week, at 8.94%." MBA Chief Economist Mike

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Fratantoni commented, "The share of loans in forbearance has declined for three weeks in a row, with portfolio and PLS loans decreasing the most this week. This decline was due to a sharp increase in borrower exits, particularly for IMB servicers."

National Mortgage News (2/22) reports Fratantoni said, "Policymakers and the mortgage industry have helped enable this [strong housing market] during the pandemic by providing millions of homeowners support in the form of forbearance. The decision to extend the allowable duration of forbearance plans should provide for a smoother transition this year as the job market continues to recover." Mortgage Orb (2/22, Bates) provides additional coverage.

Continuing Coverage: Black Knight Reported Forbearance Were Trending Up In Week Ending February 16. DS News (2/22, Peck) reports that Black Knight recently "released the results of its latest McDash Flash Forbearance Tracker, finding that the trend of mid-month forbearance increases continues to rise." As of February 16, according to Black Knight, 2.69 million US homeowners remained in forbearance, up 15,000 (0.6%) from the prior week, with portfolio-held and privately securitized mortgages' forbearance share climbing by 1.8%, FHA/VA forbearances rising 0.4%, and the GSEs' share declining by 0.2%.

Fannie Mae's Updated Forecast Calls For Fastest GDP Growth Rate In Almost Four Decades.

In an article accessible to subscribers, GlobeSt. (2/22) reports that additional federal stimulus will "likely add to already-simmering inflationary pressures and may lead to a sharper rise in interest rates, according to a new Fannie Mae report released this week." Fannie's updated forecast assumes roughly $1.7 trillion in stimulus spending will be passed by the end of March, leading Fannie to "update its full-year forecast for real GDP growth to 6.7% (up from 5.3%)." According to GlobeSt., "If these predictions ring true, annual growth would clock in at its fastest rate in nearly 40 years."

Carbon Reduction Techniques Serve As Useful Shortcut For Investors.

The Wall Street Journal (2/22, Toplensky, Subscription Publication, 8.41M) reports that investors seek to distinguish the leaders from those lagging behind when it comes to pollution and financial risk. However, the lack of standards for disclosing carbon usage and uncertainty over how markets will evolve in the coming years have investors struggling to understand companies' plans and risks. Ideal reporting would see detailed, comparable carbon exposure data published alongside financial information. Until that happens, the article notes that a useful indicator for investors is how much a company's plan focuses on carbon reduction techniques or offsets.

Banks' Mortgage Banking Income Strong in Q4, Despite Sequential Pullback.

Behind a paywall, Inside Mortgage Finance (2/22, Bancroft, Subscription Publication) reports, "Banks reported another hefty round of income from mortgage banking operations during the fourth quarter of 2020, capping the industry's most profitable year since 2013." According to IMF, "Commercial banks and savings institutions reported $6.39 billion in income from mortgage banking during the final three months of 2020, a 19.2% drop from the blockbuster third quarter. The final lap brought year-to-date earnings to $22.52 billion, a 66.3% gain from 2019. Last year was the industry's most profitable since mortgage banking churned out $25.75 billion back in 2013." IMF says, "Most of the largest banks reported fourth-quarter declines along with increases on a year-to-date basis."

Rocket Mortgage May Be Real Estate's "Sleeping Giant."

In a mostly paywalled HW+ analysis for HousingWire (2/22, 7K), reporter Matthew Blake says Rocket Homes could be real estate's "sleeping giant," as Rocket Mortgage is seeking to "steer customers to Rocket-approved agents." According to HousingWire, Rocket "rocketed to being the highest volume mortgage lender in the country by late 2017. They surpassed Wells Fargo through persistent marketing (ginning up interest in the Rocket app), robust customer service and benefited from industry-wide retreat from the depository banks. Rocket has since ridden the wave of famously low interest-rates, which juiced the mortgage refinancing market. The company created by Dan Gilbert went public last year, and it reported a cushy $6.6 billion in profits through the first nine months of 2020." Even on the heels of this success, the company – both "ambitious and these days heavily reliant on the refi revenue stream" – is still "looking for ways to get more purchase business, and one of them is real estate."

Markets

10-Year Yield Ticks Up.

MarketWatch (2/23, 2.64M) reports the 10-year Treasury yield rose to 1.365 percent.

Dollar Falls.

Reuters (2/23, Westbrook) reports that the dollar "nursed losses near a six-week low on Tuesday...as investors' focus shifted to how U.S. Federal Reserve chief Jerome Powell might respond to resurgent inflation expectations." The dollar index dropped to 89.941. The euro "made a small gain to $1.2167." The yen held steady at 105.02 per dollar.

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Gold Rises.

Reuters (2/23, Layek) reports that gold "climbed to a one-week high on Tuesday, bolstered by a weaker dollar and a retreat in U.S. Treasury

yields, while concerns over rising inflation further boosted bullion's appeal." US gold futures were up 0.1% to $1,810.20.

Oil Jumps.

Reuters (2/23, Jaganathan) reports that oil prices "jumped by more than $1 on Tuesday, underpinning optimism over COVID-19 vaccine rollouts and lower output as U.S. supplies were slow to return after a deep freeze in Texas shut in crude production last week." Brent crude increased by $1.08, or 1.7%, to reach $66.32 per barrel. West Texas Intermediate was up 92 cents, or 1.5%, to reach $62.62 per barrel.

Cybersecurity

Congress To Hold Hearings On SolarWinds Hack.

Politico (2/22, Matishak, 6.73M) reports in its weekly cybersecurity newsletter that the Senate Intelligence Committee on Tuesday "will hold the first public congressional hearing on the SolarWinds hack." The panel previously received "a closed-door briefing about the incident from the NSA, the FBI, CISA and ODNI, and held an informal session with FireEye CEO Kevin Mandia, whose company discovered the compromise." Mandia will appear "before the committee again tomorrow, along with Sudhakar Ramakrishna, the president and CEO of SolarWinds; Brad Smith, the president of Microsoft; and George Kurtz, the president and CEO of Crowdstrike, which the U.S. Treasury Department reportedly hired to investigate the breach of dozens of email accounts of top agency officials."

Business Insider (2/22, Elder, Holmes, 2.74M) reports tech CEOs on Tuesday "will sit opposite senators in hearings on the sprawling SolarWinds cyberattacks, in the type of proceedings that have become familiar in recent years." Experts "say these will be dramatically different because the government badly needs the cybersecurity industry's help." In the past, senators "lambasted tech CEOs, demanding answers about social media and aggressive business tactics." But the Senate Intelligence Committee hearings with Microsoft, FireEye, CrowdStrike, and SolarWinds "will provide a glimpse into how a powerful cybersecurity industry and the federal government will work together to fight off nation-state attacks."

CNET News (2/22, Reichert, 3.77M) reports two House committees are holding "a hearing on the SolarWinds attack." The US House committees on homeland security and on oversight and reform "will host a hearing on the SolarWinds hack this week." The hearing on February 26 "will see SolarWinds CEO Sudhakar Ramakrishna, former SolarWinds CEO Kevin Thompson, Microsoft president Brad Smith and FireEye CEO Kevin Mandia testify." The hearing will "look into the role of private companies in preventing, investigating and remediating cyberattacks that affect the government and cause damage to our national security."

Legislators To Review Proposed Cyber Diplomacy Act.

Politico (2/22, Matishak, 6.73M) reports in its weekly cybersecurity newsletter that on Thursday the House Foreign Affairs Committee "will mark up the revived Cyber Diplomacy Act." The legislation would create "a high-level Office of Cyber Issues at the State Department, headed by an official with the rank of ambassador." The House "approved the measure by voice vote in the last Congress, but the Senate never took it up, so it expired." Democratic lawmakers were "wary of the State Department creating a new cyber diplomacy bureau in the final days of the Trump Administration." The Government Accountability Office and some former officials "have raised concerns about the plan, arguing it fails to coordinate the full spectrum of digital issues."

Georgia Launches Cyber Fraud Task Force.

Yahoo! News (2/22, 10.87M) reports the US Attorney's Office for the Northern District of Georgia has "joined forces with Metro-Atlanta District Attorneys, the Office of the Attorney General, the FBI Atlanta Field Office, US Secret Service, state, and local law enforcement to combat the criminal movement of cyber fraud proceeds through banks in the Atlanta area by employing Business Email Compromise (BEC) fraud schemes."

New Study Says Most Cyberattacks In 2020 Originated From Criminal Groups.

Politico (2/22, Matishak, 6.73M) reports in its weekly cybersecurity newsletter that CrowdStrike said in a report that about "80 percent of cyberattacks in 2020 came from criminal groups, compared to roughly 20 percent that came from more sophisticated state-sponsored actors." That compares to a "slightly less lopsided split in 2019, when 69 percent of attacks came from criminals and 31 percent came from nation-states." At the same time, CrowdStrike said, "the overall numbers of both targeted and [criminal] intrusions are significantly larger [in 2020] than in 2019."

DOD's New Cybersecurity Regulations May Fuel Contract Disputes.

Law360 (2/22, Subscription Publication, 9K) reports DOD published an interim rule last year "to establish new methods for assessing contractor implementation of cybersecurity requirements." The interim rule will require "thousands of defense contractors to conduct at least a basic assessment of their compliance with the 110 security requirements specified by the National Institute of Standards and Technology Special Publication 800–171." The interim rule "will prompt potential contact disputes, as could involve terminations for default, payment reductions for noncompliance, challenges to DOD cybersecurity assessments and monetary claims."

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Ukraine Blames Russia For New Cyber Attacks.

Reuters (2/22) reports Ukraine on Monday "accused unnamed Russian internet networks of massive attacks on Ukrainian security and defense websites, but gave no details of any damage done or say who it believed was behind the assault." Kyiv has previously "accused Moscow of orchestrating large cyber attacks as part of a 'hybrid war' against Ukraine, which Russia denies." A statement from Ukraine's National Security and Defence Council "did not disclose who it believed organized the attacks or give any details about the effect the intrusions may have had on Ukrainian cyber security." The council said the attacks "attempted to infect vulnerable government web servers with a virus that covertly made them part of a botnet used for so-called distributed-denial-of-service (DDoS) attacks on other resources."

DHS Approves Viasat To Receive Cyber Threat Intelligence.

ExecutiveGov (2/22) reports Viasat has been approved to "receive cyber threat intelligence through the DHS Enhanced Cybersecurity Services (ECS) program." Ken Peterman, president, Government Systems, Viasat, said, "The added DHS ECS intelligence coupled with the advanced capabilities inherent in the Viasat cyber offering, enables us to better fortify our customers' cyber posture and maintain a vigilant and watchful defense against the world's most advanced adversaries." As an accredited ECS provider, Viasat "will receive DHS-provided sensitive and classified cybersecurity threat indicators and information to defend US-based public and private computer networks."

Study Finds Cybercrime Rose As More Workers Went Virtual In 2020.

The Washington Post (2/22, Riley, 10.52M) reports in its Cybersecurity 202 column that a new study from CrowdStrike found that "intrusions threatening organizations' cybersecurity across the globe grew 400 percent in 2019 and 2020 combined." Nearly four out of five of those compromises in 2020 "stemmed from cybercriminals." Overall, hacking efforts by both cybercriminals and state-sponsored groups "grew in 2020 and are unlikely to let up in 2021." Adam Meyers, senior vice president of intelligence at CrowdStrike, "said that a sudden shift to remote work was a major factor in the increase." He said, "The rapid impact that covid had back in March on the threat and attack surface of enterprise was pretty profound." The report comes as "hackers are already evolving their techniques for 2021." Meyers said, "Threat actors are not going to rest on their laurels. They're going to continue to kind of adapt their operations to this new normal. It's getting to be a crowded space."

Legislators Press DOD To Prioritize Navy, Air Force And Cyber In Budget.

Defense News (2/22, Gould, Larter, 73K) reports legislators say the US Navy, US Air Force and cyberwarfare "must start taking a larger share of the defense budget if the US is going to compete with China." Speaking at a recent Hudson Institute virtual event, House Seapower and Projection Forces Subcommittee Chairman Joe Courtney (D-CT) "said the Pentagon is at an 'inflection point' over whether the Navy, Air Force and cyber 'are going to take a larger portion of the pie chart' when the fiscal 2022 budget is released this spring." The comments "align with a growing consensus inside the Pentagon that to meet the challenge from China's rapidly expanding blue water fleet, paired with investments in long-range anti-ship missiles and bombers, the Navy must grow substantially."

DOD Focuses On 5G Applications For Space.

NextGov (2/22) reports the US military "moved to explore next-generation networking capabilities and tools that could advance how it moves vast volumes of data on and beyond planet Earth." According to a request for information published by the latter Thursday, Space Force officials and others in the Air Force office responsible for enterprise data transport "intend to tap 'rapidly emerging 5G technologies to support space data transport terrestrially, in space, and in the space-ground links.'" The document noted, "Any aspect of 5G applied to any aspect of space systems is of potential interest." The Pentagon players "involved in this RFI confirmed that they're concentrating on adapting 5G radio access networks to space-ground communications in contested environments – and on applying 5G network slicing and orchestration 'to realize a federation of existing and emerging space data transport networks that include the legacy space control networks, ground data transport infrastructure, commercial augmentation services networks, partner networks, and potentially commercial 5G networks.'"

TFI/Sanctions

US Sanctions Two More Of Burma's Military Leaders.

The Wall Street Journal (2/22, Mandhana, Subscription Publication, 8.41M) reports the Treasury Department on Monday added two more of Burma's "top military officers to its blacklist of leaders sanctioned earlier in February after the coup toppled the democratically elected government. The two sanctioned men, Lt. Gen. Moe Myint Tun and Gen. Maung Maung Kyaw, are members of the ruling State Administration Council." The move comes in the wake of warnings from Biden Administration officials "that more sanctions would be forthcoming if the coup leaders didn't hand power back to the legitimate government and stop violence against political opponents."

Federal Reserve

Bowman Says US Economy Has "Recovered Substantially" But Progress Is Highly Uneven.

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Reuters (2/22, Saphir) reports Fed Governor Michelle Bowman said Monday the US economy has "recovered substantially" from the pandemic's effects, though she said low-income families and communities of color, along with working women, continue to be hit hard.

Bowman said, during a Dallas Fed event, "It is concerning to see signs that the improvements have been uneven, with some households continuing to struggle with unemployment and facing financial difficulty."

Kaplan Projects US Economy To Grow At Least 5% This Year.

Reuters (2/22, Saphir) reports Dallas Federal Reserve President Robert Kaplan on Monday "said his forecast for 5% U.S. GDP growth this year could be an underestimate, given the likelihood of further fiscal support and the rollout of vaccines." Kaplan said Americans will "gradually" become more engaged in the economy between now and June as COVID-19 vaccines are distributed and predicted "substantial improvements in mobility and engagement in the third quarter and fourth quarter."

WSJournal: Lawmakers Should Ask Powell About Bond Yields, Asset Prices, Inflation.

A Wall Street Journal (2/22, Subscription Publication, 8.41M) editorial says when Federal Reserve Chairman Powell appears before Congress this week, lawmakers should ask him about rising bond yields and asset prices. In addition, Powell should be asked what "makes him so sure inflation isn't a danger? Is he recalibrating his inflation expectations in light of the unprecedented runup in household savings over the past year, a fiscal blowout of world-historical proportions, and much faster growth in monetary aggregates than occurred after 2009? If not, why not?" The Journal adds that Powell "promises to 'look through' periods of higher consumer-price inflation to compensate for previous periods of below-target inflation. How much looking-through does Mr. Powell plan to do if inflation does re-emerge?"

Financial Regulatory Agencies

CFPB Joins Attorneys General In Lawsuit Against Libre.

American Banker (2/22, Subscription Publication, 27K) reports that the CFB joined attorneys general in Massachusetts, New York, and Virginia in a lawsuit that alleges Libre by Nexus "deceived immigrants detained by U.S. Immigration and Customs Enforcement." CFPB acting Director Dave Ueijo said that Libre by Nexis would claim to be a middleman to help detainees post bonds. However, "after detainees were released, according to the lawsuit, the company tricked them into paying a fee of $420 a month." While Libre said the fee was required until the resolution of an immigrant's ICE proceeding, the authorities said the fee was just a scam. The CFPB alleges that the immigrants did not understand the terms of the financial contracts and what they were paying for. According to American Banker, "The Dodd-Frank Wall Street Reform and Consumer Protection Act prohibits deceptive and abusive acts and practices."

Reuters (2/22) reports that in a statement, Ueijo "described Libre as a 'wolf in sheep's clothing,' saying the Bureau is prioritizing the case to send a signal that financial scams targeting communities of color will not be tolerated." He added, "This case is a prime example of how people of color are targeted in financial scams and the latent inequity that is too often found in the market for financial products and services," adding, "The Bureau won't stand for it." The firm has engaged in controversial practices in the past and reached settlements with other regulators before. The lawsuit "seeks to halt the practices and obtain relief for victims."

Also reporting are Law360 (2/22, Subscription Publication, 9K), WCAU-TV Philadelphia (2/22, 134K), and WWLP-TV Springfield, MA (2/22, 453K).

Senate Panel Holds Hearing For SEC, CFPB Nominees On March 2.

MarketWatch (2/22, Matthews, 2.64M) reports that in a Monday announcement, the Senate Committee on Banking, Housing and Urban Affairs said it will be holding nomination hearings for President Biden's selections to run the SEC and CFPB on March 2. Biden has "nominated former Commodity Futures Trading Commission Chairman Gary Gensler to lead the SEC and current Federal Trade Commissioner Rohit Chopra to lead the CFPB." If he were to be confirmed, Chopra would depart from the FTC.

Also reporting is American Banker (2/22, Subscription Publication, 27K).

Office of the Comptroller of the Currency

OCC, Federal Reserve, FDIC, Others Issue Joint Statement Recognizing Impact Of Winter Storms In Texas.

CU Today (2/22) reports that in a joint statement, the OCC, NCAU, Federal Reserve System, FDIC, and state regulators said they are cognizant of the impact the winter storms have had on Texas and will "provide appropriate regulatory assistance to affected instructions subject to their supervision." The regulators also "said they are encouraging institutions operating in the affected areas to meet the financial services needs of their communities." The statement covered a number of operational areas, including lending, temporary facilities, publishing requirements, and regulatory reporting requirements. The agencies "said they do not expect to assess penalties or take other supervisory action against the institutions that take reasonable and prudent steps to comply with the agencies' regulatory reporting requirements."

BancFirst To Acquire First Nation Bank And Trust.

American Banker (2/22, Subscription Publication, 27K) reports, "BancFirst in Oklahoma City has agreed to buy First National Bank and Trust in Vinita, Okla." In a press release, BancFirst "said...it will gain two branches, $209 million of loans and $325 million in deposits as part of its purchase-and-assumption agreement with the Ratcliff family," which has been First National's owner since the 1980s. The deal is expected to

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be completed in the second quarter. Since January 15, First National has been "operating under a prompt corrective action directive" from the OCC that "required the bank to hire a forensic auditor and provide the OCC with 'prompt and unrestricted access' to documents and records, among other things."

CBS Consumer Investigation Looks At How Bank Of America Investigates California Fraud Claims.

In a consumer investigation, WCBS-TV [illegible] (2/22, 2.57M) reported that some Californians are questioning whether Bank of America has been investigating claims of alleged unemployment fraud that is leaving people without money "when they need it most." In some cases, the bank said it would investigate alleged fraud claims, but would close the investigation and reject any claims the same day, or only a few days after, the investigation was first opened. After looking into the matter, CBS found a "pattern" that the bank was "clearly" not investigating fraud victim claims. In a hearing last month in front of California legislators, Bank of America claims said it reviews all claims and does issue refunds. However, according to Salisbury University Professor and former special counsel for enforcement for the OCC David Webber said that the bank is not acting in good faith and is breaking the rules. According to CBS, the CFPB and OCC have not commented on the matter.

Editorial Wrap-Up

Washington Post.

"Now Republicans Are Offended By Mean Tweets?" The Washington Post (2/22, 10.52M) says that while OMB Director-designate Tanden "has been undiplomatic" because of her past habit of attacking Republicans on Twitter, the case "against her confirmation is weak – especially when you compare her with many of the people Republican senators have endorsed in the past." The Post adds, "It is not fair to hold [President] Biden's nominees to a far higher standard because the president has called for unity while his predecessor denigrated it." The Post concludes, "For the most part, Republican senators thus far have been supporting Mr. Biden's nominations with admirable bipartisanship. They will only look silly if they allow some hurt feelings to get in the way now."

"Biden Asked What Could Be Cut From His Covid Relief Package. Here Are Some Ideas." The Washington Post (2/22, 10.52M) says that amid growing concerns about the COVID relief bill's cost, President Biden "has challenged his critics," asking, "What would they have me cut?" The Post says, "The first trim should be to Mr. Biden's proposed $1,400 direct payments, the current House version of which would cost $422 billion. ... That's a lot of money to shower on the non-poor." The Post adds that it is "increasingly clear that the pandemic reduced states and local governments' revenue far less than initially feared, especially considering federal aid they have already received. ... Yet the House bill contemplates $510 billion in new aid." The Post argues that given the "investments he hopes to begin making later this year in infrastructure, climate research and other high-priority needs," when Biden asks, "What would they have me cut?" he "should listen with an open mind to good-faith answers to that question."

"The U.S. Should Reveal Its Intelligence About The Wuhan Laboratory." The Washington Post (2/22, 10.52M) writes that the US "possesses classified intelligence information about illnesses in the autumn of 2019, before the global pandemic, at the Wuhan Institute of Virology...which was carrying out research on bat coronaviruses very similar in genetic makeup to the pandemic virus." The Post says, "The intelligence should be declassified, and soon." The Post concludes, "Full transparency is needed from China, but also from the United States. ... The truth matters, and the United States should not hide any relevant evidence."

Wall Street Journal.

"Questions For Chairman Powell." The Wall Street Journal (2/22, Subscription Publication, 8.41M) editorial says when Federal Reserve Chairman Powell appears before Congress this week, lawmakers should ask him about rising bond yields and asset prices. In addition, Powell should be asked what "makes him so sure inflation isn't a danger? Is he recalibrating his inflation expectations in light of the unprecedented runup in household savings over the past year, a fiscal blowout of world-historical proportions, and much faster growth in monetary aggregates than occurred after 2009? If not, why not?" The Journal adds that Powell "promises to 'look through' periods of higher consumer-price inflation to compensate for previous periods of below-target inflation. How much looking-through does Mr. Powell plan to do if inflation does re-emerge?"

"Tech Censorship Is Accelerating." The Wall Street Journal (2/22, Subscription Publication, 8.41M) editorial decries what it sees as growing "ideological censorship" by tech firms. As an example, the Journal cites Amazon's removal of a book by conservative scholar Ryan Anderson. The Journal adds that Reps. Anna Eshoo (D-CA) and Jerry McNerney (D-CA) wrote to the CEOs of Amazon, Apple, Google and cable television companies to "demand...more ideological censorship." To the Journal, "Corporate media censorship...is accelerating. And government is right alongside, pushing for censorship with increasing force."

"The Court Won't End Election Anarchy." The Wall Street Journal (2/22, Subscription Publication, 8.41M) says that the Supreme Court was wrong not to seize the opportunity to examine "last year's judicial rewrite of Pennsylvania election law...to prevent future mischief."

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

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WeWork Co-Founder Adam Neumann Nears Settlement With SoftBank
Consumer Demand Snaps Back. Factories Can't Keep Up.
Covid-19 Vaccinations Cut Hospitalizations And Deaths, UK Finds
You Can Ski During Covid – Just Make Your Car The Lodge
Boeing 777 Engines Made By Pratt & Whitney Already Faced New Scrutiny

New York Times:
Supreme Court Denies Trump's Final Bid to Block Release of Tax Returns
Trump's Tax Returns Aren't the Only Crucial Records Prosecutors Will Get
State Lawmakers Defy Governors In A Covid-Era Battle For Power
Garland, At Confirmation Hearing, Vows To Fight Domestic Extremism
As Pandemic Told Hold, Suicide Rose Among Japanese Women
'Like We're Being Cursed': First Covid And Now Waterlogged Homes

Washington Post:
Garland Priority: Inquiry Into Riot
Justices Say Trump Can't Shield Tax Returns
Argentina Sends Its Bill For Pandemic To The Rich
Another Vaccine-Hesitant Group: Young Women
Governor's Race In Va. To Be A Key Barometer
Biden Close To Defeat On Pick For OMB Chief

Financial Times:
Russia's Rubber-Stamp Courts Play Starring Role In Kremlin Crackdown
Brazilian Markets Rattled By Bolsonaro's Removal Of Petrobras Chief
Iran Inspection Deal Opens Window For Nuclear Talks With US
Ex-Cosmo Editor Teams Up With Ice Hockey Owner In Spac Deal

Story Lineup From Last Night's Network News:
ABC: COVID; COVID Stories; United Airlines-Engine Failure; Texas-Winter Storm; SCOTUS-Trump Taxes; Garland-Confirmation Hearing; Capitol Siege-Officer Interview; Colorado-Elijah McClain Case; NASA-Perseverance; Reminder of Those Who Have Died.
CBS: COVID; COVID Stories; United Airlines-Engine Failure; Texas-Winter Storm; SCOTUS-Trump Taxes; Garland-Confirmation Hearing; Colorado-Elijah McClain Case; NASA-Perseverance; SpaceX-Youngest American To Fly To Space; Reminder of Those Who Have Died.
NBC: COVID; Biden-COVID Relief; United Airlines-Engine Failure; Texas-Winter Storm; Garland-Confirmation Hearing; SCOTUS-Trump Taxes; Colorado-Elijah McClain Case; Racial Injustice; Vaccines; NASA-Perseverance; SpaceX-Youngest American To Fly To Space; Youngest Woman To Row Solo Across Atlantic.

Network TV At A Glance:
COVID – 11 minutes, 20 seconds
United Airlines-Engine Failure – 6 minutes, 10 seconds
Texas-Winter Storm – 5 minutes, 30 seconds
Garland-Confirmation Hearing – 4 minutes, 25 seconds
Colorado-Elijah McClain Case – 3 minutes, 40 seconds
SCOTUS-Trump Taxes – 1 minutes, 20 seconds
NASA-Perseverance – 1 minutes, 10 seconds

Last Laughs

Late Night Political Humor.

Trevor Noah: "Five hundred thousand COVID deaths. A number that nobody wanted to see. And as painful as that is, you have to admit it is nice to see America's President actually take a moment, just a moment to recognize the toll that coronavirus has taken. I mean, the only time the previous President showed any sadness was when he accidentally deleted Fox News off his DVR."

Trevor Noah: "After getting blasted for flying to Cancun when his own heat went off, Ted Cruz, Texas senator and Disney prince before true love's kiss, is now back in his home state doing the literal bare minimum for the sake of the cameras. [illegible] going to cut it, my man. See this right here? This is a politician version of coming home with flowers the day after Valentine's Day. It's not nothing, but your

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[butt] is still sleeping on the couch."

Jimmy Kimmel: "You know, usually when someone is forced to return that quickly on a flight, it's because they got busted going to Cancun while their constituents were freezing to death. That story just keeps getting funnier. Ted Cruz is doing damage control, after his estupido trip to Mexico. He lent a helping hoof to those in need this weekend, and, of course, posted about it."

Jimmy Kimmel: "Remember Diamond & Silk? Trump's attention-seeking fans? They have a show on Newsmax where they cover important topics like Bill Gates and his suspicious enthusiasm for plant-based meat. ... It's like Bert and Ernie with brain tumors."

Jimmy Kimmel: "We are one step closer to hopefully, maybe, getting a look at Donald Trump's tax returns. The Supreme Court today ruled that Trump must turn them over to prosecutors in New York. And once they have those, we'll finally have the evidence we need to lock Hillary up!"

Jimmy Kimmel: "The only thing Trump has hidden from the public as well as his tax returns is Tiffany."

Jimmy Kimmel: "So prosecutors in New York will soon have Trump's perfect tax returns. Life's funny, isn't it? One day you're building walls, the next they're closing in on you."

Stephen Colbert: "We're approaching the pandemic's first anniversary. Traditionally, the gift is paper, on a roll, next to a toilet."

Stephen Colbert: "For years, the former President has been desperate to prevent prosecutors from getting their hands on any documents that might get him in legal trouble. So, any documents. But today, the high court ruled that he had to hand over his financial history to the Manhattan DA, who's been conducting a criminal investigation that could lead to conspiracy fraud charges, which are B felonies. Good. 'Cause he 'b' a felon."

Stephen Colbert: "Given the potential charges, the former President could be sent to jail if convicted. I can't wait to see it all play out in the new Netflix series 'Orange Is The New Orange.'"

Stephen Colbert: "Back in 2011, federal regulators warned Texas that its power plants couldn't be counted on to reliably churn out electricity in bitterly cold conditions. ... The guy in charge of the Lone Star State back then was former Texas Governor...Rick Perry. Last week, Perry defended his state's ludicrous energy setup, saying, 'Texans would be without electricity for longer than three days to keep the federal government out of their business.' That statement was so dumb, Rick Perry immediately tried to make himself seem smarter by wearing a second pair of glasses."

Stephen Colbert: "At the height of the crisis last week, folks on social media spotted Ted Cruz boarding a flight to Cancun. 'Cause you know what they say: 'When the going gets tough, Ted Cruz gets gone.'"

Stephen Colbert: "The senator got a lot of criticism, so he immediately swallowed his pride, pulled himself up by his own bootstraps, and threw his daughters under a bus."

Jimmy Fallon: "Everyone is still talking about this following the backlash over his trip to Cancun, so Sen. Ted Cruz spent the weekend trying his best to help the people of Texas. ... Yeah, people were upset when they realized Cruz was loading water into his car."

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Jimmy Fallon: "People are also upset that Cruz tweeted those pictures himself. Even white people who only posted black squares on Instagram were like, 'You gotta do more than that.'"

Jimmy Fallon: "Seriously, you know Cruz is having a rough 2021 when fueling a riot at the Capitol is nowhere near his biggest problem."

Jimmy Fallon: "Things are so bad for Cruz, he spent today thinking about the good ol' days, when people just thought he was the zodiac killer."

Seth Meyers: "Newsmax host Greg Kelly criticized President Biden's dog Champ over the weekend, and said he looked like he was, quote, 'from the junkyard.' 'No, I would have remembered him,' said Steve Bannon."

Seth Meyers: "United Airlines announced over the weekend that they launched an investigation into who leaked data about Sen. Ted Cruz's travel itinerary amid media coverage of his trip to Cancun. They're trying to figure out who would have a motive, and they narrowed it down to everybody."

Seth Meyers: "The Senate this week is set to hold a confirmation hearing for President Biden's attorney general nominee, Judge Merrick Garland. Unless Mitch McConnell gets his way. 'Not until the election. Biden's presidency is almost over.'"

Seth Meyers: "President Biden reportedly carries a brown leather briefcase to the Oval Office every day. 'What's inside?' asked Trump about the Oval Office."

James Corden: "There's a big update in Donald Trump's never-ending quest to keep his taxes hidden. Earlier today, the Supreme Court said that Trump's accountants must turn over his financial records to prosecutors. This is it, guys. I think this is what is finally going to take down his presidency."

James Corden: "Obviously, this is huge news. You know what this means? We're one step closer to absolutely nothing happening. I thought we were done with Trump, I thought we were done talking about it, weren't we? Here he is sneaking back into the show like an ex who pretends he left their phone charger at the house."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Biden and Canadian Prime Minister Justin Trudeau virtually hold first bilateral meeting, discussing the coronavirus (COVID-19) response, climate change, and economic ties; engages in a discussion virtually with essential workers.
- Vice President Harris — Joins the President for a bilateral meeting with Canadian Prime Minister Justin Trudeau.

***US Senate*:**

- Senate Armed Services Committee hearing on impacts of emerging technologies on national security – Hearing on 'Emerging Technologies and Their Impact on National Security', with testimony from Schmidt Futures co-founder Dr Eric Schmidt; Microsoft Corporation President Brad Smith; and National Defense Industrial Association President and CEO Gen. (Ret.) Herbert Carlisle

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 9:30 AM

- Senate Energy and Natural Resources committee considers nomination of Deb Haaland to be Interior Secretary – Nominations hearing considers Deb Haaland to be Secretary of the Interior * Then-President-elect Joe Biden nominated the Democratic Rep. Deb Haaland on 17 Dec 2020. If confirmed by the Senate, she will become the first Native American [illegible] Interior

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Location: Rm 366, Dirksen Senate Office Bldg, Washington, DC; 9:30 AM

• Senate HELP Committee considers Xavier Becerra to be HHS Secretary – Nominations hearing considers Xavier Becerra to be Secretary of Health and Human Services * Then-President-elect Joe Biden nominated the California attorney general on 7 Dec 2020. If confirmed by the Senate, Becerra will be the first Latino to head the Department of Health and Human Services

Location: Rm 430, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Homeland Security Committee / Rules and Administration Committee joint hybrid hearing on the 6 Jan attack on the U.S. Capitol – Senate Committee on Homeland Security and Governmental Affairs and Senate Committee on Rules and Administration joint hybrid hearing on 'Examining the January 6 Attack on the U.S. Capitol', with testimony from Metropolitan Police Department Acting Chief Robert Contee III; former U.S. Capitol Chief of Police Steven Sund; former Senate Sergeant at Arms and Doorkeeper Michael Stenger; and former House of Representatives Sergeant at Arms Paul Irving * Held via videoconference and in Rm G50, Dirksen Senate Office Building; *10:00 AM*

• Fed Chair Powell presents Monetary Policy Report to Senate Banking Committee (virtual) – Senate Committee on Banking, Housing, and Urban Affairs remote hearing on 'The Semiannual Monetary Policy Report to the Congress', with testimony from Federal Reserve Board Chair Jerome Powell; *10:00 AM*

• Senate Judiciary Committee concludes consideration of Merrick Garland to be AG – Nominations hearing considers Merrick Garland to be Attorney General, second and final day, with testimony from external witnesses * Hearing began yesterday, with a vote on the nomination next week * Then-President-elect Joe Biden nominated the U.S. Court of Appeals for the District of Columbia Circuit judge last month

Location: Rm 216, Hart Senate Office Building, Washington, DC; 10:00 AM

• Nominations hearing considers Adewale Adeyemo to be Deputy Secretary of the Treasury

Location: Rm 219, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Intelligence Committee hybrid hearing on the SolarWinds hack – Hybrid hearing 'Examining the SolarWinds Hack', with testimony from SolarWinds President and CEO Sudhakar Ramakrishna; FireEye CEO Kevin Mandia; Microsoft President Brad Smith; and CrowdStrike President and CEO George Kurtz * At least nine govt agencies and about 100 private companies were targeted in the likely Russian hack that gave the actor complete access to files and emails, though the Russian govt has denied involvement. The breach hijacked widely used software from Texas-based SolarWinds to install malicious software through a what appeared to be a routine security update * Held via WebEx and in Rm 106, Dirksen Senate Office Building; *2:30 PM*

US House:

• House Appropriations subcommittee hearing on the IRS (virtual) – Financial Services and General Government Subcommittee virtual hearing on 'Oversight of the Internal Revenue Service', held via Cisco Webex, with testimony from IRS Commissioner Charles Rettig; *10:00 AM*

• Dem Rep. Rosa DeLauro hosts CDC Member Roundtable on COVID-19 (virtual) – House Appropriations Committee Chair Rosa DeLauro hosts virtual CDC Member Roundtable on COVID-19, with CDC Director Dr Rochelle Walensky, Principal Deputy Director Dr Anne Schuchat and National Center for Immunization and Respiratory Disease Director Dr Nancy Messonnier, and members of the Labor, Health and Human Services, Education, and Related Agencies Appropriations Subcommittee; *10:00 AM*

• House Commerce subcommittee hearing with COVID-19 vaccine manufacturers – Oversight and Investigations Subcommittee remote hearing on 'Pathway to Protection: Expanding Availability of COVID-19 Vaccines', held via Cisco Webex, with testimony from Pfizer Group President and Chief Business Officer John Young; Moderna President Stephen Hoge; Johnson & Johnson Janssen Pharmaceutical Companies Medical Affairs Vice President Richard Nettles; AstraZeneca BioPharmaceuticals Business Unit President and Executive Vice President Ruud Dobber; and Novavax Executive Vice President, Chief Commercial Officer, and Chief Business Officer John Trizzino; *10:30 AM*

• House Armed Services subcommittee hybrid hearing on 'the science and technology enterprise' – Cyber, Innovative Technologies, and Information Systems Subcommittee hybrid hearing on 'Innovation Opportunities and Vision for the Science and Technology Enterprise', with testimony from former Acting Deputy Secretary of Defense Christine Fox; former DARPA Director Dr Victoria Coleman; and American Enterprise Institute Resident Fellow Klon Kitchen * Held via WebEx and in Rm 2118, Rayburn House Office Building; *11:00 AM*

• House Infrastructure subcommittee hybrid hearing on 'the urgent need for wastewater infrastructure investment' – Water Resources and Environment Subcommittee hybrid hearing on 'Building Back Better: The Urgent Need for Investment in America's Wastewater Infrastructure', with testimony from Lima, OH, Mayor David Berger; Puyallup Tribal Council Chairman Bill Sterud; Buffalo Sewer Authority General Manager Oluwole McFoy; EJ Americas Vice President and General Manager Thomas Teeter; Milwaukee Water Commons co-Executive Director Brenda Coley; and Laborers International Union of North America Legislative Director David Mallino * Held virtually

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and in Rm 2167, Rayburn House Office Building; *11:00 AM*

• House Reform subcommittee hybrid hearing on 'revitalizing the federal workforce' – Government Operations Subcommittee hybrid hearing on 'Revitalizing the Federal Workforce', with testimony from American Geophysical Union Executive Vice President for Strategic Leadership and Global Outreach Janice Lachance; American Federation of Government Employees National President Everett Kelley; and Stanford University Professor of Law Anne Joseph O'Connell * Held via WebEx and in Rm 2154, Rayburn House Office Building; *11:00 AM*

• House meets for legislative business – House of Representatives meets for legislative business, with agenda including consideration of 'H.R. 264 – To designate the facility of the U.S. Postal Service located at 1101 Charlotte St in Georgetown, SC, as the 'Joseph Hayne Rainey Memorial Post Office Bldg'', 'H.R. 813 – To designate the facility of the U.S. Postal Service located at 1050 Sunset Rd SW in Albuquerque, NM, as the 'Jose Hernandez Post Office Bldg'', 'H.R. 772 – To designate the facility of the U.S. Postal Service located at 229 Minnetonka Ave S in Wayzata, MN, as the 'Jim Ramstad Post Office'', 'H.R. 208 – To designate the facility of the U.S. Postal Service located at 500 W Main St, Suite 102 in Tupelo, MS, as the 'Colonel Carlyle 'Smitty' Harris Post Office'', 'H.R. 546 – Effective Assistance of Counsel in the Digital Era Act', and 'H.R. XX – PRAADA'

Location: U.S. Capitol, Washington, DC; 2:00 PM

• House Rules Committee hearing – Hearing on 'H.R. 803 – Protecting America's Wilderness and Public Lands Act' and 'H.R. 5 – Equality Act', via Cisco Webex; *2:00 PM*

• House Armed Services subcommittee hybrid hearing on space and nuclear weapons – Strategic Forces Subcommittee hybrid hearing on 'Near-Peer Advancements in Space and Nuclear Weapons', with testimony from Stanford University Center for International Security and Cooperation Affiliate Gen. (Ret.) Robert Kehler; Brookings Institution Nonresident Fellow Madelyn Creedon; Center for Strategic and International Studies Aerospace Security Project Director Todd Harrison; and Hudson Institute Senior Fellow Tim Morrison * Held via WebEx and in Rm 2118, Rayburn House Office Building; *3:00 PM*

Cabinet Officers:

• President Biden's Cabinet meets virtually with Canadian ministers to discuss a range of bilateral and global issues

Visitors:

• No visitors scheduled.

General Events:

• U.S. Supreme Court hearing – U.S. Supreme Court hearing, via teleconference: 'Wilkinson v. Dai', 'Wilkinson v. Alcaraz-Enriquez' (consolidated) (Whether a court of appeals can presume that an immigrant's testimony is credible if an immigration judge or the Board of Immigration Appeals did not specifically find that he was not credible?); *10:00 AM*

• Brazilian economy minister discusses nation's accession to the OECD (virtual) – Center for Strategic and International Studies hosts Brazilian Minister of the Economy Paulo Guedes, who discusses his country's potential accession to the Organisation of Economic Cooperation and Development. Other speakers include Brazilian Ambassador to the U.S. Amb. Nestor Forster; *10:00 AM*

• POLITICO Live 'Red, Fresh and Blue' event with newly elected members of Congress (virtual) – Republican Rep. Michelle Steel and Democratic Rep. Carolyn Bourdeaux – discussing how they are gaining their footing and looking to make a mark in their first term; *10:00 AM*

• National Forum on COVID-19 Vaccine continues (virtual) – National Forum on COVID-19 Vaccine continues, hosted virtually to promote the most effective strategies to build trust and confidence in coronavirus (COVID-19) vaccines, use data to optimize vaccine implementation, and provide participants with practical information for increasing vaccine access in communities nationwide, especially for persons at increased risk of COVID-19 and those who may face barriers to vaccination. Day two speakers include White House COVID-19 Response Team Vaccinations Coordinator Bechara Choucair, CDC Director Rochelle Walensky, Cherokee Nation of Oklahoma Principal Chief Chuck Hoskin Jr., New Jersey Commissioner of Health Judith Persichilli, Maine CDC Director Nirav Shah, Louisiana State Health Officer Joseph Kanter, Washington, DC, Department of Health Director LaQuandra Nesbitt, Oregon Health Authority State Public Health Director Rachael Banks, South Carolina State Epidemiologist Linda Bell, and West Virginia State Health Officer Ayne Amjad; *11:00 AM*

• EU High Representative Borrell speaks at Atlantic Council (virtual) – Atlantic Council presents a discussion with EU High Representative Josep Borrell, who discusses 'opportunities for U.S.-EU cooperation under a new U.S. administration'; *11:00 AM*

• Dem Sen. Chris Murphy discusses U.S. foreign policy in the Persian Gulf (virtual) – Council on Foreign Relations hosts Democratic Sen. Chris Murphy, who discusses s the future of U.S. foreign policy in the Persian Gulf, the status of American support for the Saudi-led war in Yemen, and the foreign policy priorities for the 117th Congress; *12:00 PM*

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• National Association of State Treasurers Legislative Conference continues (virtual) – National Association of State Treasurers Legislative Conference continues. Day two speakers include U.S. Chamber of Commerce Transportation and Infrastructure Vice President Ed Mortimer and AFL-CIO Transportation Trades Department President Greg Regan * Taking place virtually due to the coronavirus (COVID-19) pandemic; *12:00 PM*

• Reagan Institute hosts GOP Rep. Liz Cheney for discussion on foreign policy (virtual) – Reagan Institute hosts virtual event with House Republican Conference Chair Liz Cheney on 'Building a 21st Century Foreign Policy', with Rep. Cheney discussing America's role in the world given the landscape of national security threats and challenges * The Reagan Institute carries out the Ronald Reagan Presidential Foundation`s mission in Washington, DC; *1:00 PM*

• AASHTO Washington Briefing (virtual) – American Association of State Highway and Transportation Officials Washington Briefing opens, held virtually; *1:00 PM*

• Rare Disease Diversity Coalition convening (virtual) – Rare Disease Diversity Coalition virtually hosts first meeting, to discuss the impact that racial disparities, inequities, access to care and coronavirus (COVID-19) have on rare disease patients of colour. Speakers include Democratic Rep. G.K. Butterfield, White House COVID-19 Equity Task Force Dr Marcella Nunez-Smith, and NBA star Alonzo Mourning; *1:00 PM*

• CSIS discussion with Joint Chiefs of Staff Vice Chairman (virtual) – Center for Strategic and International Studies presents 'Missile Defense and Defeat`, a conversation with Joint Chiefs of Staff Vice Chairman Gen. John Hyten, who discusses 'the interrelation of active missile defense, non-nuclear missile defeat, and deterrence'; *3:00 PM*

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Treasury in the News

AMERICAN OVERSIGHT

Harris Swears In Yellen As Treasury Secretary. CFTC-22-0351-A-000413

The AP (1/26, Crutsinger) reports that on Tuesday, Janet Yellen was "sworn in...as the nation's 78th Treasury secretary and the first woman

to hold the office" by Vice President Harris "at a ceremony performed outside on the East Wing entrance to the White House in view of the department Yellen will now lead." The AP says Yellen's husband, George Akerlof, "winner of the 2001 Nobel prize in economics, and their son Robert, also an economist, were present for the brief ceremony." The AP reports that on Monday night, Yellen "became the third of President Joe Biden's Cabinet nominees to win Senate approval on a vote of 84-15."

The New York Times (1/26, Rappeport, 20.6M) says Yellen "will quickly be thrust into fraught negotiations over how to design and pass a robust stimulus package to help revive an economy that has been hammered by the coronavirus pandemic." Yellen on Tuesday "said on Twitter that she was proud to be joining the Treasury Department and described the field of economics, and the agency's mission, as one that can 'right past wrongs and improve people's lives.'"

In a column for Reuters (1/26), Gina Chon says Yellen has "one obvious way she, and the incoming class of financial watchdogs, can make a mark. That's to revive the incentive compensation rule, an unfinished part of the Dodd-Frank regulation of 2010 that would make it easier to recoup pay from financiers when they foul up."

Yellen Thanks Rapper For "Money" Song Made In Her Honor. The Hill (1/26, Polus, 5.69M) reports Yellen also "took to social media to thank rapper Dessa for releasing a 'money' song in her honor." President Biden in December "inspired the tune when he...joked during the administration personnel announcement that Lin-Manuel Miranda, who wrote the hit Broadway musical 'Hamilton' about the nation's first secretary of the treasury Alexander Hamilton, now needed to write a second musical about Yellen." Dessa "tweeted out her song...shortly after Yellen was sworn into office Tuesday," adding, "Congratulations, Madam Secretary." Yellen, "cheekily thanking the rapper," responded by telling Dessa, "your tune is 'money'. Thanks for the mood music, I'll take it from here." The Treasury Department "joined in on the fun, tweeting in response to the mojito comment: '@usmint We'll bring the mint.'"

Yellen Tasks Treasury Staff With Major Role In Addressing Major Crises Facing Nation.

The Hill (1/26, Lane, 5.69M) reports Treasury Secretary Janet Yellen on Tuesday "sought to rally department employees as the Biden administration tackles the economic damage wrought by the coronavirus pandemic." Speaking to Treasury staff in a letter hours after the swearing-in ceremony, Yellen "laid out the crucial challenges facing the administration as the U.S. reels from the worst economic crisis since the Great Depression." Yellen said, "I know many Treasury employees have been responding to the economic emergency since the beginning. ... But now we must complete the task. We must help the American people endure the final months of this pandemic by making sure they have roofs over their head and food on the table. Then, we must assist them in getting back to work safely."

Bloomberg (1/26, Mohsin, 3.57M) reports Yellen "highlighted the past coordination between her new department and her previous fiefdom, the Federal Reserve, as she sought to rally the agency's staff in battling an array of crises besetting the nation." Yellen said in the letter, "Economics isn't just something you find in a textbook. ... Economic policy can be a potent tool to improve society. We can – and should – use it to address inequality, racism and climate change."

Reuters (1/26, Shalal) and Fox Business (1/26, Lea, 3.06M) also report.

Housing And Mortgage Industry Leaders Welcome Yellen's Confirmation For Treasury Secretary.

HousingWire (1/26, 7K) reports housing and mortgage industry officials "were quick to signal their support" for the "historic U.S. Treasury Secretary confirmation of Janet Yellen, the 74-year-old who now holds the distinction of being the first female to hold the position in its 230-year history." According to NAR Chief Economist Lawrence Yun, Yellen "recognizes the societal benefits and wealth building opportunities that homeownership can bring, especially among minority households." MBA CEO Bob Broeksmit said he was "heartened" by Yellen's confirmation, stating, "Our members are focused on several key issues she will have the opportunity to address that will have a significant impact on our nation's real estate finance market. Specifically, these include working with key stakeholders to support the implementation of effective rent and mortgage payment assistance and the expansion of minority homeownership." National Community Reinvestment Coalition CEO Jesse Van Tol said Yellen is "an ally and friend who understands that America's enduring socio-economic disparities in wealth and opportunity need to be addressed through shifts in public policy and private sector practices." NAFCU President Dan Berger said, "We look forward to continuing our successful relationship with [Yellen] as credit unions remain critical to helping our nation overcome this disastrous pandemic." National Mortgage Professional (1/26) provides additional coverage.

Treasury Official Says Administration Not Considering Retroactive Tax Hikes.

Bloomberg (1/26, Davison, 3.57M) reports the Biden Administration "isn't actively considering retroactive tax increases, which fail to give individuals and businesses time to respond to the higher rates." At an ABA event on Tuesday, Deputy Assistant Treasury Secretary for Tax Policy Mark Mazur said, "You want to have a tax system where people – taxpayers – can react to the increases in the tax system so that they can change their behavior," adding, "When you do retroactive tax increases that's not possible." According to Bloomberg, Mazur "said that if retroactive tax increases were pursued, doing them in the early part of the year 'makes sense.'" The Biden Administration "also might consider them if the specific moves had been under discussion for a long time – and taxpayers had effectively been 'given notice.'"

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Denver To Receive $22M From Federal Government To Assist Low-Income Residents Pay Rent, Utility Bills.

The Denver Post (1/26, Swanson, 660K) reports Denver "will receive nearly $22 million from the federal government to help low-income residents pay their rent and utility bills during the pandemic, which is approaching its 11th month." City officials "said in a news release that the money comes from the federal Emergency Rental Assistance Program and will coincide with Denver's current efforts to help residents pay their bills." The Post says the Treasury Department "is narrowing requirements for the [ERAP], and city officials say they're exploring how best to use the money."

MD County To Receive $9.7M Treasury Grant For Rental, Utility Assistance.

The Baltimore (MD) Sun (1/26, Faguy, 629K) reports Howard County "is set to receive $9.7 million from a U.S. Department of Treasury grant to help with rental and utility assistance amid the coronavirus pandemic." Pending City Council authorization, the funding "could be in renters' hands as soon as March, according to Kelly Cimino, director of the county Department of Housing and Community Development." The grant "allows the county to provide renters with up to nine months of rental assistance, as well as utility assistance." Cimino "said the Treasury Department grant has fewer restrictions than many other grant opportunities," adding, "This is different from other grants where we weren't allowed to help those who have already been helped. This is a major change."

Ellicott City (MD) Patch (1/26, Danley-Greiner, 1.44M) also reports.

Corpus Christi, TX Expecting $10M Treasury Grant For Rent, Mortgage Assistance.

KIII-TV Corpus Christi, TX (1/27, Burns) reports "more money is coming for county and city residents" who need "help with mortgage and rent payments because of the pandemic." County commissioners "are expected to approve a grant for close to a million dollars for people who've been impacted by the pandemic and are having trouble affording housing." In Corpus Christi last year, "almost 1,000 families received such benefits amounting to close to $400,000." The city "is next expecting to get almost $10 million from the Treasury Department for the same use in the next couple of weeks."

COVID-19 News

CDC Says Schools Can Resume In-Person Learning With Precautions.

NBC Nightly News (1/26, story 3, 2:30, Holt, 6.26M) reported, "The pandemic has had a profound impact on our children, cut off from friends and schools. But CDC experts said today in-person learning can resume if proper precautions are taken." NBC's Kate Snow added, "The leaders of the COVID response team at the CDC concluding school-related cases of COVID-19 have been reported, but there has been little evidence that schools have contributed meaningfully to increased community transmission," and that is "more ammunition for those pushing to reopen schools for in-person learning." Still, "there are heated debates over whether to return kids to classrooms, from Chicago to Atlanta to Maryland." According to the CDC, "schools will still need to require face masks, increase physical distance, and do testing."

ABC World News Tonight (1/26, story 2, 0:25, Muir, 7.57M) reported, "News tonight from the CDC coming in about the safety of children going back to school." ABC's Stephanie Ramos added, "The study looked at 17 schools where masks were worn and social distancing rules were followed. Even though there was community spread of the virus at the time, researchers found that there wasn't much spread of the virus in schools when those precautions were followed."

The Washington Post (1/26, Meckler, 10.52M) reports that according to the CDC "schools operating in person have seen scant transmission of the coronavirus, particularly when masks and distancing are employed." CDC researchers also concluded that "there has been little evidence that schools have contributed meaningfully to increased community transmission."

The New York Times (1/26, Rabin, 20.6M) reports, "On Tuesday, federal health officials weighed in with a call for returning children to the nation's classrooms as soon as possible," yet "local officials also must be willing to impose limits on other settings – like indoor dining, bars or poorly ventilated gyms – in order to keep infection rates low in the community at large, researchers at the Centers for Disease Control and Prevention wrote in the journal JAMA."

Reuters (1/26, Chander) reports the CDC researchers, writing in the Journal of the American Medical Association, "said that mitigation measures such as universal mask use, social distancing, and ventilation were key to avoiding infection." The Wall Street Journal (1/26, Abbott, Subscription Publication, 8.41M) and USA Today (1/26, Aspegren, Bacon, Ortiz, 12.7M) also report the news.

Administration Considers Requiring Negative COVID Test For Domestic Flights.

Reuters (1/26, Shepardson) reports that according to Marty Cetron, Director for the Division of Global Migration and Quarantine at CDC, "the Biden administration is 'actively looking' at expanding mandatory COVID-19 testing to travelers on U.S. domestic flights." Cetron added that "there's been a dramatic evolution and increase in both testing platforms and testing capacity."

Vaccine Fraud Said To Be Increasing In US.

AMERICAN OVERSIGHT

ABC World News Tonight (1/26, story 7, 2:00, Muir, Gutman, 7.57M) reported, "Cases of alleged vaccine fraud growing in this country. This suspect accused of selling fake COVID shots, and in another case, the paramedic accused of stealing doses after making up fake

CFTC 22-0351-A-000415

patients, now claiming his supervisor wanted the doses for his own family." ABC's Matt Gutman added, "In Florida, paramedic Joshua Colon accused of hoarding doses, claiming a supervisor wanted them for his family. A tough-talking sheriff making an example of the pair." ABC added, "He's being charged with multiple counts, including forgery and falsifying medical records. Authorities say they are now investigating whether the supervisor played any role, as well." In Washington state, a man is being charged "for posing as a biotech expert, claiming to have a COVID vaccine and offering to inject patients for between $400 and $1,000 each."

Experts Say Rapid Testing, Masks, And Ventilation Are Best Bet To Reopen Safely.

The Wall Street Journal (1/26, A1, Hernandez, Toy, McCabe, Subscription Publication, 8.41M) reports that public health experts and researchers have concluded that rapid COVID tests, masks, and ventilation are most helpful to reopening businesses and other public institutions during the pandemic.

Vaccines Being Made Available To Teachers In At Least 22 States And DC.

The Washington Post (1/26, Natanson, St. George, Stein, 10.52M) reports that while "in many places, educators have been moved toward the front of the line for shots," that "has not gone hand-in-hand with efforts to return students to classrooms." The Post adds that "some officials are explicitly refusing to link vaccination and reopening." According to the Post, "vaccines are available this week for teachers in at least 22 states and the District," and some governors "are prioritizing teachers beyond what the CDC recommends." Still, in some areas, officials and teachers unions are linking vaccinations and school reopening.

Newsom Lifts Stay-At-Home Orders, Hopes California Can Avoid Another Surge.

The Los Angeles Times (1/26, Luna, Karlamangla, Lin II, Fry, 3.37M) reports the "abrupt move" by California Gov. Gavin Newsom (D) "to lift stay-at-home orders – allowing outdoor dining and other business activities to resume – represents a gamble that California can avoid another deadly coronavirus surge in the coming months" as people await the vaccine, even with "the looming threat of more contagious strains." The Times says that "lifting the stay-at-home order should be a boost to some restaurant owners and other merchants," though "experts said it would not take a lot for the situation to spiral out of control again."

The San Francisco Chronicle (1/26, Williams, 2.44M) reports, "Each of the nine Bay Area counties remained in the most restrictive tier of California's color-coded reopening blueprint on Tuesday," and statewide, "54 California counties stayed in the most restrictive purple tier," while three "were in the red tier, and only Sierra County was in the orange tier." None have been declared "eligible to be in the least restrictive yellow tier."

Chicago Schools Stop In-Person Classes Wednesday.

The Chicago Tribune (1/26, Leone, Pratt, 2.03M) reports, "Chicago Public Schools will halt in-person classes Wednesday as the city makes a last-ditch effort to reach a deal with its teachers union to reopen schools for elementary students on Monday and avoid" a teachers' strike. The Chicago Teachers Union "said its members will still refuse to report to schools." Mayor Lori Lightfoot "cast her decision to reopen schools as consistent with federal public health guidance," and "repeatedly argued that she was doing everything she could to reach a deal."

The Chicago Sun-Times (1/26, Issa, 970K) reports "the Chicago Teachers Union has told its members to work from home Wednesday and prepare for a strike Thursday if city officials ban remote teaching in response."

Portland Mayor Uses Pepper Spray On Man Who Harassed Him About Masks.

The New York Times (1/26, Cramer, 20.6M) reports Portland, Oregon Mayor Ted Wheeler "used pepper spray on a man who berated him for not wearing a mask at a restaurant and then followed him to his car Sunday night, according to a police report."

The Oregonian (1/26, Kavanaugh, 1.02M) reports Wheeler "blasted with pepper spray an unmasked man who confronted him and former Mayor Sam Adams with a video camera as the two left a pub Sunday night." Wheeler said, "He had no face mask on and got within a foot or two of my face while he was videoing me."

Wisconsin Pharmacist To Plead Guilty To Federal Charges For Destroying Vaccines.

The Milwaukee Journal Sentinel (1/26, Vielmetti, 844K) reports, "The Grafton pharmacist charged in Ozaukee County with trying to destroy COVID-19 vaccines has now agreed to plead guilty to federal tampering charges related to the same actions." The federal charges "carry a possible maximum sentence of 10 years each, or 20 years for both counts," while the state charge is a misdemeanor.

WPost Urges More Genetic Sequencing Of Virus.

The Washington Post (1/26, 10.52M) in an editorial says that while "vaccines offer hope for an easing of the pandemic...the coronavirus is not loitering around," and "two significant genetic variants in Britain and South Africa pose a challenge." These genetic variants "require an urgent response and a concerted effort to scale-up genomic surveillance." The Post says that "genetic sequencing technology ... should be deployed into a massive cross-country genomic virus surveillance network for disease detection and risk assessment."

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US May Not Enforce Self-Quarantine Requirement For International Travelers.

The Washington Post (1/26, McMahon, 10.52M) reports under a "new Biden administration executive order that took effect Tuesday, the United States now requires all international entrants" to "secure a negative coronavirus test result," and "to follow Centers for Disease Control and Prevention guidance to self-quarantine for at least seven days." The Post adds that "it remains unclear how a self-quarantine would be enforced, and the CDC said in an email Monday that it will not enforce its guidelines for quarantine as a rule."

EU Says It Expects Drug Companies To Live Up To Vaccine Obligations.

The AP (1/26, Casert) reports that on Tuesday, the EU "warned pharmaceutical companies that have developed coronavirus vaccines with EU aid that it must get its shots on schedule, a day after the bloc threatened to impose export controls on vaccines produced within its borders." According to the AP, the EU "made it very clear that it is bent on getting all doses as quickly as their contracts provide for at a time when infections are surging, many hospitals are overwhelmed, and many of the 27 members states are struggling to get their vaccine rollout going at top speed." The AP says "the hardening of its position came days after it accused AstraZeneca of failing to guarantee the delivery of coronavirus vaccines without a valid explanation. It also had expressed displeasure over vaccine delivery delays from Pfizer-BioNTech."

The Washington Post (1/26, Cunningham, Morris, 10.52M) reports the EU "stepped up pressure on pharmaceutical companies it says have hobbled coronavirus vaccine rollouts, proposing tighter export controls and threatening potential legal action" towards AstraZeneca, "which said last week that it would supply 'considerably fewer' doses of its coronavirus vaccine to E.U. member states than originally planned." Also on Tuesday, "Germany's health minister said he supported restricting vaccine exports to ensure doses reserved for E.U. member states remain in the bloc."

European Public Upset Over COVID Restrictions.

The CBS Evening News (1/26, story 7, 1:45, O'Donnell, 4.76M) reported, "Anger is rising in Europe as governments impose new COVID restrictions and vaccines are in short supply." CBS' Charlie D'Agata added, "Strict new lockdown measures triggered a backlash of violence that spread across the Netherlands for three nights running. Anger at a nighttime curfew drawing rioters on the streets. Countries across Europe resorting to extreme measures to stem the spread of a mutant variant of the virus first identified in the UK."

The Wall Street Journal (1/26, Subscription Publication, 8.41M) reports there have been riots for three nights in Dutch cities over COVID restrictions including the new curfews. Dutch Prime Minister Mark Rutte denounced the rioters and defended the regulations.

UK Is Smallest Nation To Pass 100K COVID Deaths.

The AP (1/26) reports the UK is now "the smallest nation to pass the 100,000 mark" in COVID deaths, and "has one of the highest death tolls relative to its population." The AP reports on the grief being felt by many UK residents.

The New York Times (1/26, Landler, Castle, 20.6M) reports, "Britain on Tuesday surpassed 100,000 deaths from the coronavirus," which, it says, "laid bare the missteps in Prime Minister Boris Johnson's handling of the pandemic."

Italian PM's Resignation Raises Concerns About Pandemic Response.

The New York Times (1/26, 20.6M) reports that Italian Prime Minister Giuseppe Conte "resigned on Tuesday and triggered the collapse of the government." The Times adds, "The question is whether a government collapse in a country that has had more than 65 governments in the last 70-odd years actually matters when it comes to running the Covid response."

Venezuela's Maduro Touts COVID Treatment.

The AP (1/26, Rueda, Smith) reports Venezuelan President Nicolás Maduro "appears to be counting on yet another 'miracle' to save his citizens from COVID-19, promoting a secretive solution with no published scientific evidence he claims will conquer the new coronavirus." On Sunday in a TV appearance, Maduro touted "a powerful antiviral, very powerful, that neutralizes the coronavirus." The AP adds, "The local National Academy of Medicine said it appeared be derived from the common herb thyme." Maduro called the treatment "carvativir" and said that it "has been under testing for nine months among Venezuelans ill with the coronavirus."

NYTimes Analysis: Pandemic Shows Costs Of Inequality In Hong Kong.

The New York Times (1/26, Wang, May, Fei, 20.6M) reports, "Hong Kong has long been one of the most unequal places on Earth," and "during the coronavirus pandemic, its cost has become unmistakable." The Times adds, "Officials suggested that the dilapidated living conditions of many residents...fueled the virus's spread." The Times also reports that "the pandemic has exacerbated longstanding discrimination against South Asian residents."

Epidemiologist Argues US Needs To Help Poorer Countries Acquire Vaccine.

NBC Nightly News (1/26, story 9, 3:10, Holt, McFadden, 6.26M) reported, "Even with a vaccine struggle here at home, experts warn the US has to do more outside its borders because if people in other countries are not vaccinated, the pandemic could drag on for years." NBC's

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Cynthia McFadden added that epidemiologist Larry Brilliant "says the United States has a critical role to play in helping the world access the vaccine." NBC also reported, "Canada has already pre-ordered enough vaccine to inoculate every citizen nearly six times, and the US has enough purchase options to vaccinate everyone nearly five times, leaving much of the world scrambling."

Leading National News

Biden Says US Ordering 200M More Vaccine Doses, Increasing Shipments To States.

David Muir reported on ABC World News Tonight (1/26, lead story, 4:55, 7.57M) that President Biden said Tuesday that "he hopes to have enough vaccine for 300 million Americans by the end of the summer, ordering another 100 million doses from Pfizer and 100 million doses additional from Moderna. It comes as the global pandemic now reaches a staggering new toll: more than 100 million cases worldwide and more than two million dead. Here at home, more than 25 million Americans have now tested positive." The President "again [told] Americans this is 'a wartime effort,' requiring, quote, 'aggressive steps,' saying, 'Keep the faith, we will get there,' and that he will always level with you." ABC's Stephanie Ramos: "After weeks of frustration over a slow vaccine rollout and desperate calls for more supply, the President saying help is on the way." Biden: "We will both increase the supply in the short term by more than 15%, and give our states and local partners more certainty about when the deliveries will arrive." Ramos: "The Biden Administration now promising to buy an extra 100 million doses of both the Pfizer and Moderna vaccines for a total of 600 million – enough to vaccinate 300 million Americans by the end of this summer."

Norah O'Donnell said in opening the CBS Evening News (1/26, lead story, 3:00, 4.76M), "President Biden says the US is buying 200 million more doses of the two approved coronavirus vaccines, giving the government enough shots by the end of the summer for all Americans to get vaccinated." Biden "also says he's immediately increasing the number of vaccines the government is shipping to states and will give governors details and shipping schedules. ... The CDC says 44 million of the shots have been already given to states, but fewer than 24 million of them have actually been put in people's arms. That's because some states and hospitals are holding doses back, trying to make sure that they have enough to give those second shots. Still, the President says it will take months before enough people are vaccinated to make a real dent in the pandemic, and that Americans must keep wearing masks and social distancing."

Tom Costello said on NBC Nightly News (1/26, lead story, 3:35, Holt, 6.26M) that there is "a major White House push to surge vaccine doses to every state and territory, increasing by 16% the weekly vaccine supply that's sent to states, from 8.6 million doses to at least 10 million for the next three weeks, and giving states three weeks' notice on how many doses they'll receive so they can adjust their distribution plans." Jim Sciutto reported on CNN (1/26, 1.07M), "President Biden is raising the bar for his goal of vaccinations in the US. The President says he hopes the country will soon be able to administer 1.5 million shots a day, up from a million shots a day, therefore, raising a goal of 150 million vaccinations in his first 100 days in office."

The AP (1/26, Drew, Miller) reports that Biden, "answering growing frustration over vaccine shortages," said the US "is ramping up deliveries to hard-pressed states over the next three weeks and expects to provide enough doses to vaccinate 300 million Americans by the end of the summer or early fall. ... Governors and top health officials have been increasingly raising the alarm about inadequate supplies and the need for earlier and more reliable estimates of how much vaccine is on the way so that they can plan." The President's team "held its first virus-related call with the nation's governors on Tuesday and pledged to provide states with firm vaccine allocations three weeks ahead of delivery." The New York Daily News (1/26, Sommerfeldt, Slattery, 2.51M) reports, "Many state leaders complained that the Trump administration had kept them in the dark about how many shots they could expect each week, hampering distribution efforts."

Reuters (1/26, Hunnicutt) reports the Administration "will purchase 100 million doses each of the vaccines made by Pfizer Inc and BioNTech, and Moderna Inc, increasing the overall total doses to 600 million, with delivery expected by summer. The previous purchase target was 400 million doses." The Washington Post (1/26, A1, Stanley-Becker, 10.52M) reports both companies were "cautious in public statements, though people knowledgeable about the negotiations said formal deals were imminent because the government was using options built into contracts negotiated by the Trump administration to receive the additional doses. Those people, like several others, spoke on the condition of anonymity to describe internal matters."

The New York Times (1/26, A1, Stolberg, Weiland, LaFraniere, 20.6M) says that while Biden "said the moves were 'going to allow millions more Americans to get vaccinated sooner than previously anticipated,' that was likely not the case. Next week's increase to the states was expected as vaccine makers ramp up manufacturing. And the replenishing over the summer...was anticipated under contracts signed by the Trump administration, which gave the government options to continue increasing its commitments in increments of 100 million doses." Still, experts said the Administration "was wise to lock down as many doses as it could as soon as possible, even if the vials would only be delivered later in the year."

The Los Angeles Times (1/26, Megerian, 3.37M) reports admitting that "even the increased number of doses is unlikely to meet the vast demand for the vaccine, Biden urged patience and encouraged people to continue to wear masks to limit the spread of the coronavirus." He said, "The brutal truth is, it's going to take months before we can get the majority of Americans vaccinated. ... In the next few months, masks – not vaccines – are the best defense against COVID-19." Bloomberg (1/26, Wingrove, Parker, 3.57M) reports Biden "cautioned that the vaccination effort is an overwhelmingly difficult logistical effort." The President said, "A lot of things can go wrong along the way."

Chief of Staff Klain said on CNN (1/26, 2.74M), "We've been here seven days. We've ramped up capacity higher than it's ever been. We're moving it to the states faster, with more certainty and clarity, but there are just some limitations on this process." Klain added, "We need more vaccine, we need more vaccinations, we need more places to give the vaccinations. We are working on all three of those things."

White House Senior COVID Response Adviser Andy Slavitt said on CNN's Cuomo Prime Time (1/26, 3.11M), "We're giving states

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predictability. Every state and territory will now have at least a three-week window to know how many vaccines are coming so they can plan appropriately. ... So more of those vaccines will get in people's arms and more people will have their expectations met." Slavitt added, "The second thing we learned is we did not have enough vaccines contracted to give everybody who needs a vaccine a vaccine. We've taken care of that today, so it's been a good first week. We're still learning as we go along."

Asked on Fox News' America's Newsroom (1/26, 896K) about the timeline for vaccinating the general population, NIAID Director Fauci said, "By the time you get to April, you will have gotten to the point where...wherever you are in a priority, you can start getting the doses. Logistically, by the time you get doses into everyone who might want it, it will take several months...and I've been saying that probably by the end of the summer, you could get everybody vaccinated."

CNN (1/26, Lee, Sullivan, 89.21M) reports on its website, "The new efforts come one day after the President said he expects the US will soon be able to vaccinate 1.5 million people a day, which is a notable increase from the administration's previously stated target of 1 million per day. The President said that the US could surpass that initial target in about three weeks, and said that he thinks anyone who wants a vaccine will be able to get it by this spring." Roll Call (1/26, Kopp, 130K) says "the biggest unknown, even at the highest levels of officials overseeing the vaccination effort, had been when and how much vaccine supply will become available." USA Today (1/26, Groppe, Jansen, Behrmann, Wu, 12.7M), the Wall Street Journal (1/26, A1, Armour, Siddiqui, Restuccia, Subscription Publication, 8.41M), Politico (1/26, Cancryn, Roubein, 6.73M), and The Hill (1/26, Sullivan, Samuels, 5.69M) also have reports.

Johnson & Johnson Expects To Report Vaccine Data Next Week. Reuters (1/26, Mishra, O'Donnell) reports that on Tuesday, Johnson & Johnson "said it expected to report eagerly-awaited data on its COVID-19 vaccine early next week, and that it would be able to meet the delivery target for doses to countries with which it had signed supply agreements." Health officials "are increasingly counting on single-dose options like the one being tested by J&J to simplify and boost inoculations given the complications and slower-than-hoped rollout of authorized vaccines" from Pfizer and Moderna. The Wall Street Journal (1/26, Grossman, Loftus, Subscription Publication, 8.41M) reports J&J discussed its vaccine plans Tuesday as it reported fourth-quarter earnings.

Eli Lilly Reports Positive Findings On Antibody Drug. The AP (1/26, Marchione) reports recent study results "extend hopes for drugs that supply antibodies to fight COVID-19, suggesting they can help keep patients out of the hospital and possibly prevent illness in some uninfected people." On Tuesday, Eli Lilly said that a "two-antibody combo reduced the risk of hospitalizations or death by 70% in newly diagnosed, non-hospitalized COVID-19 patients at high risk of serious illness because of age or other health conditions." USA Today (1/26, Weintraub, 12.7M) reports Lilly's drug bamlanivimab was authorized by the FDA "late last year and has been used by 125,000 high-risk patients nationwide based on early-stage data suggesting it could be effective."

Biden Credits Previous Administration For Role In Vaccination Process, But Criticizes Program. Fox News (1/26, De Lea, 23.99M) reports on its website that the President on Tuesday "gave credit to former President Donald Trump's administration for its role in getting the coronavirus vaccination process off the ground, before criticizing it over a lack of transparency." Biden said credit "was 'absolutely due' to the Trump administration, as well as the medical and scientific communities." Biden "quickly added, however, that in the final days of the transition his team discovered 'the vaccine program [was] in worse shape than we anticipated or expected.'"

Harris Receives Second Dose Of Moderna Vaccine. Reuters (1/26) reports Vice President Harris received her second dose of the Moderna vaccine on Tuesday at the National Institutes of Health. The Washington Post (1/26, Wagner, 10.52M) reports Harris "thank[ed] the doctors and scientists for their lifesaving work and urg[ed] Americans to get the vaccine when they can." CNN (1/26, Zeleny, Collins, 89.21M) reports on its website that "several hundred White House employees had been vaccinated for Covid-19 as of Tuesday, two Biden administration officials told CNN, with more expected in the coming weeks."

Vaccine Rollout Forces States To Make Stark Moral Choices. The AP (1/26, Flaccus, Cline) reports that with a "mass vaccination campaign underway, the U.S. is facing a moral dilemma as officials from California to New Jersey decide who gets the shots first." In Oregon, one 75-year-old "was shocked when the state started vaccinating teachers this week before senior citizens in a push to get children back into classrooms." She said, "The thing that is so upsetting to me is that seniors don't matter, the elderly don't matter. And it's painful to hear that implication."

New COVID Variants May Increase Risk Of Spread. NBC Nightly News (1/26, story 2, 1:55, Holt, 6.26M) reported on the risk from "new and more contagious strains of the virus." NBC's Miguel Almaguer added, "Roughly half the country, including states like New York, Illinois, and California, have already confirmed cases of the highly contagious and perhaps deadlier UK strain and are now bracing for dangerous mutations from Brazil and South Africa." NBC also reported that "officials fear the virus variants can easily spread," while "epidemiologists warn with the new variants, even brief interactions, like an outdoor chat without a mask or having a cup of coffee indoors, can increase your transmission by up to 70%." So "authorities," are recommending "wearing two masks," and "skipping that next trip to the grocery store or coffee shop."

Vilsack Says Pandemic Will Be A USDA Priority. The New York Times (1/26, Severson, 20.6M) reports Agriculture Secretary-designate Vilsack "said in an interview on Friday that he has already sketched out his agenda. ... Topping the list is protecting Agriculture Department employees and people who process the nation's food from the virus, and figuring out which land-grant universities, government laboratories and other department offices might be able to store and administer vaccines."

Biden Calls Roy's Rejection On Mask-Wearing "Not Very American." Bloomberg (1/26, Sink, 3.57M) reports the President remarked Tuesday on comments by Rep. Chip Roy (R-TX) that "profanely dismiss[ed] the president's call to wear a mask to prevent the spread of the coronavirus." Biden said, "He used a very colorful term to say, 'Wearing a mask, tell them to kiss my ear, I'm not going to wear

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a mask.' Well, guess what? Not very American. The fact is, you want to be patriotic, you're going to protect people." Roy "defended the comment to RealClearPolitics, saying it was 'not my most Christian statement but it's very American.'"

Democrats Prepare To Pass Biden's COVID Relief Plan With Or Without GOP.

The AP (1/26, Mascaro, Boak) reports Senate Democrats are preparing to move quickly on President Biden's COVID relief package "even if it means using procedural tools to pass the legislation on their own, leaving Republicans behind." Senate Majority Leader Schumer "told senators to be ready to vote as soon as next week on a budget reconciliation package that would lay the groundwork for swift passage." The Washington Post (1/26, DeBonis, Werner, 10.52M) reports that the Administration "is courting Republican support publicly," and Schumer "held out hope of GOP backing. But a number of leading Republicans including [Senate Minority Leader] McConnell have panned Biden's plan as too costly, and behind the scenes Democrats are making plans to move forward without them." Reuters (1/26) reports that Schumer said Tuesday, "We want to work with our Republican colleagues to advance this legislation in a bipartisan way. But the work must move forward, preferably with our Republican colleagues, but without them if we must."

Phil Mattingly said on CNN (1/26, 1.68M) that "while the President has repeatedly said he wants bipartisan support, he wants unity, Democrats are very clear right now that they are willing to give Republicans a couple weeks to come on board, but they are not willing to cut down their package in a significant manner." John Harwood reported on CNN (1/26, 1.27M) that although Biden will "try to get the 10 Republican votes he would need to break a filibuster...that goal is less important to the Biden White House than getting something very close to the package that they've proposed." Harwood added that the White House is "determined to pass a big package. They think they can hold their 50 Democratic votes together to do that."

White House Office of Public Engagement Director Cedric Richmond said on CNN (1/26, 2.27M), "Congress sent out $600, and we need to make sure that we push for the other $1,400, which is why the American Rescue Plan is so important for Congress to pass it, so that we can get that number to $2,000, and we need them to act before March 15, when unemployment insurance and all the other benefits, the eviction and foreclosure moratorium, expire. We're in a dire crisis here, and we need to help these American families." Asked on MSNBC (1/26, 2.78M) about the possibility of advancing proposals to the floor now, Richmond said, "This pandemic is not picking people based on party affiliation, color, or income level, and we want and expect Congress to come along and help us help the American people. And so we're not going to compromise our values in an effort to reach a bipartisan compromise, but we promised that we would reach out and extend our hand of bipartisanship. ... So right now, we're doing both."

Bloomberg (1/26, Litvan, Wasson, 3.57M) says while a budget resolution "is the first step toward a so-called reconciliation bill," the "catch...is that not all of Biden's $1.9 trillion plan is likely to qualify for that route. The $160 billion for Covid-19 vaccines and testing would likely be out because discretionary spending is excluded from the process, while the proposed minimum-wage hike may also be disqualified for having insufficient budget impact." The Wall Street Journal (1/26, Duehren, Subscription Publication, 8.41M) says reconciliation is generally limited to tax and spending measures so the stimulus checks, the child tax credit and unemployment insurance in the Biden plan would likely qualify.

CNN (1/26, Barrett, 89.21M) reports on its website while many Republicans "have signaled they can't support" Biden's $1.9 trillion proposal "just a month after they passed a $900 billion bill, senators are still having conversations with their Democratic colleagues." Sen. Jerry Moran (R-KS) "told reporters on Tuesday that White House officials had just reached out to him again to follow up. Other Republicans" such as Sen. Rob Portman (R-OH) "said it would be 'irresponsible' for Democrats to move ahead with reconciliation so soon." Politico (1/26, Everett, Emma, Ferris, 6.73M) says while progressives "are itching to wield control...and are skeptical that talks between a bipartisan group of senators and President Joe Biden will bear fruit," moderates "say the party needs to be more patient and give the centrists some space to work." The Hill (1/26, Carney, 5.69M) and Roll Call (1/26, Krawzak, Lerman, 130K) provide similar coverage.

Deese: White House May Agree To Restrict Eligibility For $1,400 Checks. CNBC (1/26, Franck, 7.34M) reports on its website that in an interview for CNBC's Squawk Box from the White House Tuesday morning, NEC Director Deese indicated that the Biden Administration "could be open to adjusting eligibility levels for the next round of coronavirus stimulus checks to ensure the relief flows to families who need the emergency funds the most." Deese said, "When it comes to the checks, we put forward a proposal that...passed the House with 275 votes – 44 Republicans voted for it. ... Certainly, if there are ways to make that provision, and other provisions, more effective, that's something that we're open to, that we'll have conversations about." CNBC reports that on Monday, President Biden also "said he would consider curbing eligibility for the checks if it could help secure Republican support."

The Washington Post (1/26, Long, 10.52M) reports there are growing calls "to target the aid solely to low- and moderate-income families, and new data suggests that would provide the most needed and effective boost for the economy." An "analysis of how Americans are using the $600 economic impact payments this month by Opportunity Insights, a nonprofit research organization," found that families earning around $75,000 tend to spend the money quickly while families earning above the amount typically save it, "which provides little help to the overall economy and signals the money was not as urgently needed."

SBA Says $35B In Additional Pandemic Loans Approved As It Tries To Fix PPP Glitches.

Reuters (1/26) reports the SBA said Tuesday "it had approved 400,000 more pandemic relief loans worth $35 billion and was trying to fix issues operational snags with the program raised by lenders." The agency "launched the third round of the Paycheck Protection Program (PPP) this month, but significant changes to its rules, process and technology platform, has caused problems that were slowing approvals,"

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according to the American Bankers Association. The group said companies applying for a second PPP loan experienced technical issues and lenders are receiving a "high number of incorrect error messages" when submitting loan applications. The Wall Street Journal (1/26, Omeokwe, Subscription Publication, 8.41M) says the SBA will issue guidance to lenders and it is instructing field offices on how to assist borrowers and lenders who have issues when submitting second-time applications.

Democrats Mull Using Reconciliation To Pass Bill Raising Minimum Wage.

CNBC (1/26, Pramuk, 7.34M) reports on its website that on Tuesday, Democrats "reintroduced a bill...to raise the U.S. minimum wage to $15 per hour." the measure "would gradually hike the pay floor to $15 an hour nationwide by 2025, then tie future increases to median wage growth." It would also "end pay below the minimum wage for tipped workers." CNBC says President Biden support a $15 minimum wage and "included the policy in his coronavirus relief package." However, CNBC adds that even "if all Democrats supported the bill, the party would have to win over 10 skeptical Republicans to pass it in the Senate," and "it is unclear if Democrats could use budget reconciliation, a process that requires only a majority vote to pass bills but restricts what can go into the legislation, to pass a wage increase."

According to the Washington Post (1/26, Wagner, Itkowitz, Sonmez, 10.52M), Democrats do "plan to try to avoid the threat of a Republican filibuster by using the so-called reconciliation process to lift the minimum wage," although House Budget Chairman John Yarmuth "suggested that Democrats' efforts to move the wage increase through with a simple majority may run into some parliamentary hurdles, telling CNN on Monday that it was 'a stretch.'"

Paul Waldman writes in the Washington Post (1/26, 10.52M) that while "the prospects for passing a minimum wage increase through the Senate don't look great," it is "a fight Democrats should be eager to take on anyway" because "people need it" and "minimum wage increases are incredibly popular." Waldman adds that a debate on raising the minimum wage "might even be the kind of fight that could convince the Democratic senators who retain their bizarre affection for the filibuster that the procedural roadblock ought to be reformed, even if they won't agree to do away with it entirely."

Consumer Confidence Increased In January.

The Wall Street Journal (1/26, Fontdegloria, Subscription Publication, 8.41M) reports the Conference Board's consumer confidence index climbed to 89.3 in January from 87.1 in December, marking the first increase after two months of declines. The Journal adds that the index remains below the 101.4 reached in October, which was its highest level since the coronavirus pandemic began, as well as February's pre-pandemic level of 132.6.

Nation's Largest Banks Commit To Diversity Hiring Policies.

The Wall Street Journal (1/26, Eisen, Subscription Publication, 8.41M) reports five of the nation's largest banks – JPMorgan Chase, Bank of America Corp., Citigroup Inc., Wells Fargo, and US Bancorp – have committed to requiring a diverse pool of applicants when hiring employees. The banks said they would alter policies for considering applicants or reveal the policies they have in place. The Journal says the policies reflect the "Rooney Rule," which began in the NFL to ensure people of color are considered for coaching positions.

Congress Expected To Probe Allegations That Big Tech Engages In Anti-Competitive Behavior.

The New York Times (1/26, Kang, 20.6M) reports that "many Democrats, as well as some Republicans, want to take on Big Tech with laws and regulations to address issues like market power, data privacy, and disinformation and hate speech." The Times says Facebook and Google are already "fighting federal and state regulators in court over allegations of anticompetitive conduct," and "regulators continue to investigate Amazon and Apple over antitrust violations." Sen. Amy Klobuchar (D-MN), who chairs the Senate Commerce Committee's subcommittee on Communications, Technology, Innovation, and the Internet, is quoted as saying, "We have a major monopoly and competition problem. People have just finally had it."

EU's Von Der Leyen Asks For Biden Administration's Help In Regulating Big Tech. The AP (1/26) reports that on Tuesday, the European Union urged the Biden Administration "to help draw up a common rule book to rein in the power of big tech companies like Facebook and Twitter and combat the spread of fake news that is eating away at Western democracies. In a speech to the Davos World Economic Forum, European Commission President Ursula von der Leyen urged the Biden administration to join forces against 'the darker sides of the digital world,' which she said was partly behind the 'shock' storming of Capitol Hill on Jan. 6. 'The business model of online platforms has an impact and not only on free and fair competition, but also on our democracies, our security and on the quality of our information,' von der Leyen said."

Cat Zakrzewski of the Washington Post (1/26, 10.52M) writes, "Democrats have been extremely critical of the tech companies' hands-off approach to falsehoods since the 2016 election, when Russian actors sowed disinformation on Facebook and other platforms to divide the American public. Now that they're in charge in Washington, expect them to use their control of the White House and key committees to force Silicon Valley companies to take greater responsibility for disinformation."

WPost: Trump Ban Will Be First Test Of Facebook's Oversight Board.

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In an editorial, the Washington Post (1/26, 10.52M) says Americans are rightly reticent about the "the idea of letting politicians decide what's permissible for other politicians to say on the Internet," but are not "much happier at the idea of corporate executives...making such determinations without any sort of democratic mandate." The Post says an independent oversight board established by Facebook "to review a small number of its enforcement decisions" is "a middle ground: Its panelists are luminaries selected from around the world, relatively diverse in their backgrounds and their leanings but all committed to free expression." The board will consider whether former President Donald Trump "should have been kicked off Facebook and whether he should be permitted back. Its reasoning will elucidate how Facebook should take offline context into account in its online decisions."

Senate Confirms Blinken As Secretary Of State On 78-22 Vote.

The AP (1/26, Lee) reports the Senate on Tuesday in a 78-22 vote "confirmed Antony Blinken as America's top diplomat, tasked with carrying out President Joe Biden's commitment to reverse the Trump administration's 'America First' doctrine that weakened international alliances." The AP says that Blinken, "a longtime Biden confidant," had previously "served as deputy secretary of state and deputy national security adviser during the Obama administration," while Reuters (1/26, Zengerle) says Blinken had been "a committee staff director – when Biden, who spent decades in the Senate, was chairman – before he joined the Obama administration." According to Axios (1/26, Chen, 1.26M), "Blinken is a French-speaker and step-son of a Holocaust survivor whose stories he credits with shaping his worldview." Axios adds that like Biden, "Blinken is a committed multilateralist and advocate for the United States as a leading force for good in the world."

USA Today (1/26, Shesgreen, 12.7M) says the margin of the bipartisan vote for Blinken's confirmation is "particularly notable given" his predecessors under former President Trump, Rex Tillerson "was confirmed 55 to 43," and Mike Pompeo "took the helm of the State Department on a vote of 57 to 42." USA Today notes Senate Minority Leader McConnell was among the Republicans to vote for Blinken, whereas Sen. Rand Paul (R-KY) "emerged as Blinken's most vocal opponent." The Hill (1/26, Chalfant, 5.69M) reports Blinken is the President's fourth nominee to be confirmed by the Senate.

Politico (1/26, Toosi, 6.73M) says that Blinken's confirmation hearing before the Senate Foreign Relations Committee last week "went relatively smoothly, with Republicans expressing delight at times at how often Blinken agreed with them." Politico highlights that Blinken "said...Trump was right to take a tougher stance on China, although he disagreed with some of the tactics used by the previous administration. He also indicated that he would support keeping some terrorism-related sanctions on the Islamist-led government in Iran, despite the Biden administration's goal of rejoining the Iran nuclear deal, which Trump quit in 2018." In addition, Bloomberg (1/26, Wadhams, 3.57M) reports Blinken "called China the 'the most significant challenge of any nation-state to the United States' and said any re-entry to the Iran nuclear deal must be followed by a stronger, better agreement."

While Blinken "signaled he is prepared to roll back a number of State Department policies that were set under" Trump, the New York Times (1/26, Jakes, 20.6M) reports he "inherits a State Department where many diplomats say they are demoralized within an agency made up of about 1,000 fewer employees than when he left as its deputy secretary in early 2017." The Times adds that Blinken "told senators last week that he will view his plans to ensure diversity and multiculturalism in the diplomatic corps 'as a significant measure of whether I succeeded or failed, however long I'm in the job,'" in "another difference between his approach and that of [Pompeo], who derided multiculturalism as 'not who America is' just hours before Mr. Blinken's defense of it."

During Confirmation Hearing, Raimondo Vows To Be Tough On China.

The AP (1/26, Freking) reports Rhode Island Gov. Gina Raimondo (D), President Biden's pick to lead the Commerce Department, on Tuesday "focused her testimony" in her confirmation hearing before the Senate Commerce Committee "on the need to help those sectors of the economy and the workers hit hardest by the coronavirus pandemic," and she "took a tough line on China in her confirmation hearing," but "stopped short of singling out which Chinese companies should remain on a list that limits their access to advanced U.S. technology."

Reuters (1/26, Shepardson) reported Raimondo said she intends to "use the full toolkit at my disposal to the fullest extent possible to protect Americans and our network from Chinese interference or any kind of back-door influence." The New York Times (1/26, Rappeport, 20.6M) says Raimondo "declined to commit to keeping Huawei or other Chinese companies on the entity list when pressed to do so" by Sen. Ted Cruz (R-TX), "but she vowed to use the powers of the Commerce Department 'to protect Americans and our network from Chinese interference,' adding, 'that's Huawei, ZTE, or any other company.'" Raimondo said, "China's actions have been anti-competitive, hurtful to American workers and businesses, coercive, and...they are culpable for atrocious human rights abuses. Whether it's the entity list, or tariffs, or countervailing duties, I intend to use all those tools to the fullest extent possible to level the playing field for the American workers." A Wall Street Journal (1/26, McKinnon, Subscription Publication, 8.41M) article titled "Commerce Nominee Pledges Tough China Stance, But Mum On Huawei Blacklist" provides similar coverage.

Meanwhile, The Verge (1/26, Kelly, 1.54M) reports Raimondo "told lawmakers that she will pursue changes to Section 230 if confirmed." According to The Verge, Raimondo told Sen. Ron Johnson (R-WI) that she "would use the tools available through the Commerce Department's National Telecommunications and Information Administration (NTIA) to convene stakeholders, industry leaders, lawmakers and others to identify the means of reform to the pivotal internet law."

The Providence (RI) Journal (1/26, Gregg, Anderson, 376K) says that although the hearing "tested...Raimondo's knowledge and, at times, forced her to defend her much-touted Rhode Island record," Senate Commerce Chairman Roger Wicker told her, "I do not believe you will be serving as governor of the state of Rhode Island for very much longer." He added, "I look forward to working with you." However, the

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New York Times (1/26, Swanson, 20.6M) says Raimondo "has faced a bit of backlash from progressive Democrats, who have criticized her close ties with venture capital and big tech firms."

Senate Panel Backs DHS Pick Mayorkas.

Politico (1/26, Rodríguez, 6.73M) reports the Senate Homeland Security Committee in a 7-4 vote on Tuesday "voted to move forward Alejandro Mayorkas' nomination to lead the Department of Homeland Security." According to Politico, "Senate Democrats and the Biden administration had pushed to get Mayorkas confirmed before President Joe Biden's inauguration, but it was delayed" by Sen. Josh Hawley (R-MO) last week. Politico adds that although "Senate leadership has not yet weighed in on when Mayorkas' nomination will come up for a floor vote," he is "widely expected to be confirmed."

Garland Names Coley To Lead Public Affairs At DOJ, Sources Say.

Axios (1/26, Nichols, 1.26M) reports President Biden's Attorney General-designate Judge Merrick Garland "has tapped Anthony Coley, an Obama-era Treasury Department official, to serve as a senior adviser and to lead public affairs at the Department of Justice, according to people familiar with the matter." Axios says Coley will "join chief of staff Matt Klapper, who held the same role for Sen. Cory Booker, and Dena Iverson, a DOJ veteran, who will serve as principal deputy director of public affairs."

CIA Warns Ex-Officers Against Working For Foreign Government, Speaking Publicly.

The New York Times (1/26, Barnes, Haberman, 20.6M) reports CIA Assistant Director for Counterintelligence Sheetal T. Patel on Monday "sent a note to retired officers this week warning against working for foreign governments either directly or indirectly," and it "urges retired officers to take care in speaking publicly on television, podcasts, panels or social media." According to the Times, "Former officials and C.I.A. historians said they could not remember such a broad warning being sent previously to the agency's retirees in the form of an email."

NYTimes Analysis: Small Share Of Trump Pardons And Commutations Were Fully Vetted By DOJ.

The New York Times (1/26, Vogel, 20.6M) reports that "of the nearly 240 pardons and commutations issued by" former President Trump, "only 25 came through the rigorous process for identifying and vetting worthy clemency petitions overseen by the Justice Department, according to a tally kept partly by Margaret Love, who ran the department's clemency process from 1990 to 1997 as the United States pardon attorney." The Times adds that "the system has a backlog of 14,000 applications." According to the Times, "The other pardons and commutations came through an ad hoc White House process that favored applications benefiting or pushed by Mr. Trump's allies, friends and family."

Meanwhile, the New York Times (1/26, Closson, 20.6M) reports that of the "dozens of pardons and commutations...Trump issued before leaving office, one name has left some law enforcement officials reeling: Jaime A. Davidson, notorious in upstate New York for planning a 1990 robbery that ended in the murder of a police officer." The Times says that while the commutation "bypassed the typical federal process for seeking clemency," the case "is complex, and he was long championed by lawyers and relatives as a candidate for clemency." The Times adds that "amid a national push to reduce incarceration rates that disproportionately affect Black men, some experts and advocates said the case was remarkable only because such decisions have been too rare."

Trump's Pardon Of Bannon Enables Testimony Against Co-Defendants. The New York Times (1/26, Weiser, 20.6M) says that out of all of Trump's pardons "in the hours before he left office, perhaps none was as galling to his critics, government watchdog groups and even some of his allies as the pardon of his former chief strategist, Stephen K. Bannon," who was "charged with conspiring to swindle donors to a private fund to build a wall along the Mexican border, siphoning off more than $1 million for personal and other expenses, the indictment said." The Times adds Bannon's pardon "also left three other men who were indicted with Mr. Bannon in an unusual and unenviable predicament. None of them received pardons and so they still must face a trial in May. What's more, legal experts said, Mr. Bannon could now be called as a government witness to testify against them, potentially increasing their legal jeopardy."

Floyd Trial Judge Denies Request To Use Past Incidents Against Former Officers

USA Today (1/26, Hauck, 12.7M) reports Hennepin County Judge Peter Cahill in an order made public on Tuesday ruled "evidence related to 16 incidents involving former Minneapolis police officers charged in George Floyd's death, as well as evidence related to Floyd's prior arrest and conviction, cannot be brought up at trial." USA Today adds Cahill "did not explain his decision but said an opinion would follow."

Minneapolis Settles First Lawsuit Against Police Response To Floyd Protests The Minneapolis Star Tribune (1/26, Furst, 855K) reports the city of Minneapolis last week "settled the first lawsuit by a demonstrator injured by a police projectile in the aftermath of George Floyd's death." The Star Tribune says the City Council approved $57,900 payment to Graciela Cisneros, 22, who "suffered an eye injury when a police officer fired a projectile at her on May 29 as she and her partner were walking home after a demonstration," and her attorneys.

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Biden To Reopen ACA Exchange Via Executive Order.

Reuters (1/26, Hunnicutt, Heavey) reports President Biden is "set to reopen the nation's online health insurance marketplace as soon as this week...offering Americans who cannot get coverage through their employers another way to obtain it." Reuters says Biden has "vowed to restore full access to the healthcare.gov site," which "was created by former President Barack Obama's sweeping 2010 Affordable Care Act." Reuters adds "the order to reopen the federal exchange, which is normally accessible for just six weeks a year, could come as soon as Thursday." Reuters adds the Biden Administration "has touted the move as necessary to fight the coronavirus pandemic and help Americans who have lost their insurance." The Wall Street Journal (1/26, Armour, Siddiqui, Subscription Publication, 8.41M) provides similar coverage.

Aetna To Expand Coverage For Gender-Affirming Surgeries.

The New York Times (1/26, Abelson, 20.6M) reports Aetna is now "agreeing to pay for breast augmentation for some trans women," though in order for the women to qualify, they "would need to demonstrate that they had persistent gender dysphoria, undergo a year of feminizing hormone therapy and have a referral from a mental health professional." According to the Times, "The shift by Aetna represents an important evolution in how health insurers view the medical needs of transgender individuals."

Federal Judge Temporarily Lifts Biden's Deportation Ban.

CBS News (1/26, Montoya-Galvez, 5.39M) reports on its website that on Tuesday, US District Judge Drew Tipton of the Southern District of Texas "temporarily halted the Biden administration's 100-day moratorium on certain deportations of immigrants already in the U.S." According to CBS, Tipton "agreed to pause the policy for at least 14 days while he considered a lawsuit filed by Texas' Republican attorney general, Ken Paxton, who argued in a complaint on Friday that the deportation freeze violated immigration law and a legal agreement the state brokered with the Trump administration before Mr. Biden took office." CBS reports that "on January 8, Ken Cuccinelli, who was then the second-in-command at the Department of Homeland Security, signed an agreement committing the department 'to consult Texas and consider its views' before changing policies governing the enforcement of federal immigration law."

The AP (1/26, Merchant) reports that Tipton said that while the nationwide order was not based on the agreement with the state, the Administration did not "provide any concrete, reasonable justification for a 100-day pause on deportations." The decision "is an early blow to the Biden administration, which has proposed far-reaching changes sought by immigration advocates," though the order only "bars enforcement of a moratorium for 14 days" and "does not require deportations to resume at their previous pace." The White House "issued a statement saying the moratorium was 'wholly appropriate'" and that the President "remains committed to taking immediate action to reform our immigration system." The Wall Street Journal (1/26, Hackman, Subscription Publication, 8.41M) reports that Tipton, a Trump appointee, said he will also consider whether to announce a preliminary injunction that would extend the ban beyond two weeks.

The Dallas Morning News (1/26, Briseno, Solis, 772K) reports that Tipton "said Texas had a 'substantial likelihood' of prevailing in two of its six claims," including that the moratorium "violated a federal immigration law" placing a 90-day timeframe on final deportation orders, as well as "the state's argument that Texas would be at significant risk of suffering imminent and irreparable harm if a temporary restraining order was not granted." An attorney for the ACLU of Texas, Kate Huddleston, called the lawsuit an attempt to "follow Trump's xenophobic policies" and said, "The administration's pause on deportations is not only lawful but necessary to ensure that families are not separated and people are not returned to danger needlessly." Fox News (1/26, Lea, 23.99M) reports on its website that "it is unclear" whether terms of the federal agreement with Texas "are enforceable, but similar agreements were struck with several other states under the former administration."

The Houston Chronicle (1/26, Goldenstein, 982K) reports that the "nationwide order marks Paxton's first win in what he's predicted will be a string of legal action against the Biden administration." The Chronicle calls the ruling "a bright spot...for Paxton," who tweeted, "Within 6 days of Biden's inauguration, Texas has HALTED his illegal deportation freeze. *This* was a seditious left-wing insurrection. And my team and I stopped it."

The New York Times (1/26, Jordan, 20.6M) reports, "Immigration advocates challenged many of Mr. Trump's policies in federal court, and the decision by Judge Tipton on Tuesday signaled that immigration hawks might also sue to stymie Mr. Biden's initiatives." Immigration lawyer Stephen Yale-Loehr said, "The court's order shows the uphill battle President Biden has in trying to reverse the prior administration's immigration restrictions. A single judge can halt a federal agency's effort to review and reprioritize its immigration enforcement policies." The Washington Post (1/26, Miroff, 10.52M) reports that Boston College of Law immigration scholar Kari Hong called the ruling "baffling" and said it "seems to invite states to be litigating matters of national policy, which is a slippery slope that will end in chaos."

WSJournal: Judge's Ruling Echoes Trump-Era Decisions. The Wall Street Journal (1/26, Subscription Publication, 8.41M) editorializes that the ruling is similar in nature to judicial decisions on former President Donald Trump's immigration policies, including his 2017 travel ban, but suggests that a nationwide injunction may not stand under a review of the legal arguments. However, the Journal says the decision is a blow to the Biden Administration's early raft of executive orders.

Wilkinson Overturns "Zero Tolerance" Trump-Era Immigration Policy.

The AP (1/26, Balsamo, Long) reports that Acting Attorney General Wilkinson on Tuesday "rescinded a Trump-era memo that established a 'zero tolerance' enforcement policy for migrants" crossing the US-Mexico border, which resulted "in thousands of family separations." The new memo was issued "to federal prosecutors across the nation, saying the department would return to its longstanding previous policy and instructing prosecutors to act on the merits of individual cases." The AP says that while the move "is in part symbolic, it undoes the Trump

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administration's massively unpopular policy responsible for the separation of more than 5,500 children from their parents" at the border.

Lawmakers Call On Biden To Protect Immigrants In Sanctuary.

The Boston Globe (1/26, Ulloa, 1.04M) reports that "more than two dozen congressional Democrats are asking President Biden to grant temporary protection from deportation to 40 immigrants living in houses of worship as part of his pledge of a new approach to immigration." Immigrant families in churches and synagogues "were initially granted so-called stays of removal during the Obama administration but became targets of federal immigration officials under President Trump." In a letter to the President, 27 lawmakers led by Sens. Ed Markey (D-MA) and Elizabeth Warren (D-MA), and Rep. Joaquin Castro (D-TX), wrote that "those in sanctuary have suffered enough. Your administration's actions can bring them the relief they need and deserve."

Appeals Court Considers Constitutionality Of Terrorism Screening Database.

The AP (1/26, Barakat) reports that the Fourth Circuit Court of Appeals on Tuesday "expressed concerns about ordering wholesale changes to" the Terrorism Screening Database, "a government watchlist of roughly 1 million individuals labeled as 'known or suspected terrorists,' despite a lower court finding that the list was constitutionally flawed." While government lawyers at the hearing "said the problems encountered by those on the list...were too insignificant to merit intervention," an attorney for the Council on American-Islamic Relations, Gadeir Abbas, cited examples of plaintiffs "being shackled and having guns pointed at them." Judge J. Harvie Wilkinson "suggested it might be better for individual plaintiffs to file suits based on their own experiences" and "questioned whether the judiciary branch was able or qualified to require revisions to a program that the government insists is vital to national security."

TSA Recovered Record Rate Of Firearms In 2020.

The Washington Post (1/26, 10.52M) reports, "The Transportation Security Administration said Tuesday that it detected twice as many firearms per million passengers at airport security checkpoints in 2020 than it did in 2019." The TSA "announced that it found about 10 firearms per million passengers screened last year, compared with about five firearms per million passengers screened a year earlier," though the overall "number of firearms found decreased – 3,257 in 2020 compared with a record 4,432 in 2019." However, "the rate per passenger was the highest since the agency was founded in 2001."

Capitol Hill Investigation Expands To 400 Suspects, 150 Charged.

The AP (1/26, Balsamo, Richer, Long) reports that a prevalence of social media activity among those who stormed Capitol Hill on January 6 "and their friends' willingness to turn them in has helped authorities charge about 150 people as of Monday with federal crimes." However, "investigators must still work rigorously to link the images to the vandalism and suspects to the acts...in order to prove their case in court," in addition to deploying agents to track suspects "because so few were arrested at the scene." As a result, "federal prosecutors are focusing on the most critical cases and the most egregious examples of wrongdoing" in order to save manpower and cost.

USA Today (1/26, 12.7M) reports that "the far-reaching investigation into the deadly Jan. 6 Capitol siege continues to grow, as more than 400 suspects have been identified by federal authorities who expect to bring sedition charges against some of those linked to the insurrection." The Acting Attorney for the District of Columbia Michael Sherwin said prosecutors "are working on" sedition cases, "adding that officials expected the investigations to 'bear fruit very soon.'" Sherwin said numbers of arrests are "growing by the hour" and "cases are moving at a very rapid clip." The Wall Street Journal (1/26, O'Brien, Viswanatha, Ailworth, Subscription Publication, 8.41M) reports that the investigation is shifting focus toward assembling cases that some rioters coordinated the attack, based on evidence from over 200,000 tips, public testimony, confidential sources, local news coverage, surveillance, grand jury subpoenas, and search warrants.

The Washington Post (1/26, Hsu, Weiner, Barrett, 10.52M) reports, "U.S. authorities have opened case files on at least 400 potential suspects and expect to bring sedition charges against some 'very soon' in the sprawling investigation into the Jan. 6 breach of the U.S. Capitol, officials said." Sherwin said that new arrests will likely "plateau" as investigations into "militia groups [and] individuals from different several states" continue. When "asked about the potential of related future violence," FBI Assistant Director Steven D'Antuono "said the FBI is 'determining if there are any viable leads we can follow.'"

Katrina Vanden Heuvel writes in the Washington Post (1/26, 10.52M) that President Biden's inauguration last week on the same steps that had been "overrun by insurrectionists" sent the message that "democracy had been tested, and democracy had prevailed." But, "it would be a mistake to think the fight to preserve and revive our flawed democracy concluded on Inauguration Day. In fact, it has only begun." Vanden Heuvel adds, "The Capitol siege was just the latest and most brazen instance of politicians leading efforts to delay democracy when it threatens their power – by suppressing the votes of political opponents, giving corporate funding undue influence over the people's representatives and structuring Congress so that favored factions can hold on to outsize power."

Capitol Investigators Intensify Probe Into Proud Boys. The New York Times (1/26, Feuer, Robles, 20.6M) reports, "The leadership of the Proud Boys has come under increased scrutiny as agents and prosecutors across the country try to determine how closely members of the far-right nationalist group communicated during the riot at the Capitol this month and to what extent they might have planned the assault in advance, according to federal law enforcement officials." Six members of the group have been charged so far, "including one of its top-ranking leaders, Joseph Biggs," an Army veteran who "led about 100 men on an angry march" into the Capitol building. Investigators

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"have started executing a series of search warrants connected to the group, a federal law enforcement official said," particularly focused on group leaders Ethan Nordean and Eddie Block, who reportedly took video of Biggs and Nordean at the siege. Authorities "have also focused their attention" on Proud Boys leader Enrique Tarrio, "who was thrown out of the city by a judge the day before."

DC National Guard Commander Says Pentagon Tied His Hands Prior To January 6. The Washington Post (1/26, Sonne, 10.52M) reports that Maj. Gen. William J. Walker, the commanding general of the District of Columbia National Guard, says the Pentagon "restricted his authority ahead of the riot at the U.S. Capitol, requiring higher-level sign-off to respond that cost time as the events that day spiraled out of control." According to the Post, "Local commanders typically have the power to take military action on their own to save lives or prevent significant property damage in an urgent situation," but Walker "said the Pentagon essentially took that power and other authorities away from him ahead of a pro-Trump protest on Jan. 6.," which "meant he couldn't immediately roll out troops when he received a panicked phone call from the Capitol Police chief warning that rioters were about to enter the U.S. Capitol."

Acting Capitol Police Chief Apologizes For January 6 Failures. On the CBS Evening News (1/26, story 4, 1:35, O'Donnell, 4.76M), Kris Van Cleave reported that Acting Capitol Police Chief Yogananda Pittman made "a stunning admission" that "leaders knew days before the January 6 attack [that] armed militia groups and white supremacists were coming to Washington, with Congress as a target." Pittman "told lawmakers Capitol Police knew there was a strong potential for violence, but officers were still not properly armed and failed to adequately lock down the building." Rep. Tim Ryan (D-OH) said, "It's time to start figuring out why some of this intelligence information was not acted upon."

On ABC World News Tonight (1/26, story 8, 0:25, 7.57M), David Muir reported that Pittman issued "a formal apology...for failures during the deadly riots at the Capitol." Pittman testified "before Congress that police knew that militia groups and white supremacists would be there, and that there was strong potential for violence." Pittman also "says National Guard troops were requested two days before the riots, but that the request was rejected by their supervising board." Muir said that "one member of that board [is] denying the claim."

Politico (1/26, Zanona, 6.73M) reports that on Tuesday, Pittman "apologized to Congress for the security failures at the complex the day of the deadly Jan. 6 riots, acknowledging in an extraordinary statement that the department 'failed to meet its own high standards as well as yours.'" Politico says Pittman "also admitted that a Capitol police board denied a request on Jan. 4 for additional support from the National Guard," and it "wasn't until the building was overrun by a pro-Trump mob the panel relented, an hour after another plea was made."

USA Today (1/26, Duret, Mansfield, Penzenstadler, 12.7M) reports that despite a $54 million budget boost in February 2020, including an additional $7 million "to upgrade equipment and supplies," Capitol Police "were sent into the chaos" on January 6 "with little if any protective gear," raising "questions of how [they] could be overrun by a loosely knit group of far-right mob, other rioters and hangers on." Rep. Maxine Waters (D-CA) said, "They should've had everything they needed to protect the Capitol." While Pittman said in her testimony that the agency did not do enough to prepare, "she also expressed the belief that nothing could have prepared them to prevent a protest of that size overrunning the Capitol," which "was made to be open and welcoming to citizens."

The Wall Street Journal (1/26, Levy, Subscription Publication, 8.41M) reports that House Appropriations Chairwoman Rosa DeLauro said after the hearing, "It is now obvious that intelligence agencies had ample evidence an angry mob would descend on Washington, with Congress' meeting to certify the presidential election as the intended target. The law-enforcement agencies tasked with protecting the Capitol did not act on this intelligence or adequately prepare for the looming threat."

The Washington Post (1/26, Wagner, Itkowitz, Sonmez, 10.52M) reports that Pittman is "one of several officials testifying before members of the House Appropriations Committee about the events and decisions that led to rioters storming the Capitol on Jan. 6, and the steps that security outfits are taking to ensure such a breach is not repeated." The New York Times (1/26, Broadwater, Cochrane, Goldman, 20.6M) and Reuters (1/26) have more on the testimony.

Williams' Attorney Says FBI Did Not Recover Pelosi's Laptop. The Philadelphia Inquirer (1/26, Roebuck) reports that on Tuesday, A.J. Kramer, the public defender for Riley Williams, said during a hearing with US Magistrate Judge Zia Faruqui that the FBI did not recover House Speaker Pelosi's laptop after searching her car and apartment. Williams "surrendered to authorities last week, two days after they first accused her of stealing it in an attempt to sell it to the Russian security services." The Inquirer says, "It remains unclear whether Pelosi's laptop was ever in Williams' possession at all," after prosecutors said "she boasted about" taking the device "on the social media platform Discord." However, "they clarified that at this point they have only lodged charges against her for aiding and abetting the theft."

Oregon GOP Claims Siege Was A "False Flag" To "Discredit" Trump. The Washington Post (1/26, Peiser, 10.52M) reports that the Oregon Republican Party "isn't just backing former president Donald Trump – its official position falsely claims that the entire episode was a 'false flag' operation staged to discredit the GOP and silence Trump's supporters." The Oregon GOP last week "released a resolution passed by its executive committee that says the supposedly fake operation was meant to undermine Trump and give more power to President Biden, citing websites by John Solomon and the Trump-friendly Epoch Times." The Post says, "State Republican parties nationwide have been castigating members for opposing Trump, voting to impeach him and certifying Biden's victory."

Biden Issues Executive Orders Aimed At Racial Equity.

Politico (1/26, Niedzwiadek, 6.73M) reports that on Tuesday, President Biden "rolled out an additional slate of executive actions to address racial equity." Politico says Biden "directed the Department of Justice to not renew contracts with private prison operators and signed a presidential memorandum acknowledging the role the federal government has played in discriminatory housing policy." Additionally, Biden is "instructing the Department of Housing and Urban Development to reassess moves implemented under former President Donald Trump,

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including making it harder for plaintiffs to meet the legal threshold for proving unintentional discrimination, known as the disparate impact rule." Biden "said that Tuesday's actions are a direct response to the groundswell of protests that emerged following the killing of George Floyd."

The Los Angeles Times (1/26, Stokols, 3.37M) says Biden "took action...to disavow another aspect of his predecessor's legacy – racial animus toward Asian Americans." One of Biden's orders "called for providing the Justice Department with additional guidance and resources to more accurately track hate crimes and harassment of Asian Americans." In his remarks, Biden "referred to an increase in xenophobic attacks against Asian Americans," which he said "is unacceptable and it's un-American." The Hill (1/26, Johnson, 5.69M) says the order "comes in response to former President Trump regularly referring to COVID-19 as the 'China virus,' which was widely criticized as xenophobic." Nancy Cordes reported on the CBS Evening News (1/26, story 2, 1:40, O'Donnell, 4.76M), "Since the pandemic started, advocacy groups have logged nearly 3,000 reports of racism and discrimination against Asian Americans."

The New York Times (1/26, Tankersley, Karni, 20.6M) says the orders "are incremental pieces of Mr. Biden's broader push for racial equity – an initiative that is expected to be a centerpiece of his administration and that follow an executive order last week directing federal agencies to review policies to root out systemic racism."

Reuters (1/26, Lynch, Hunnicutt) reports Biden "said he believes the vast majority of Americans believe in equality." Biden said, "We've never fully lived up to the founding principles of this nation – to state the obvious – that all people are created equal and have a right to be treated equally throughout their lives. ... And it's time to act now, not only because it's the right thing to do, but because if we do we'll all be better off for it." NBC Nightly News (1/26, story 5, 1:25, Holt, 6.26M) showed Biden saying, "I'm not promising we can end it tomorrow, but I promise you we're going to continue to make progress to eliminate systemic racism."

Bloomberg (1/26, 3.57M) reports White House Domestic Policy Council Director Susan Rice "said at a briefing earlier Tuesday that Biden also intends to address moves by Republican-led state legislatures to roll back voting expansions that contributed to Donald Trump's defeat." Rice said, "It's a matter of real concern because we ought to be in the business of encouraging and enabling all Americans who are eligible to vote, to be able to vote." In a separate story, Reuters (1/26) reports that Rice "said the White House would work with Congress on legislation to address voting rights."

USA Today (1/26, Groppe, Subramanian, Berry, 12.7M) reports Rice and the President "stressed that the equality agenda is not aimed solely at communities of color but is designed to help all marginalized communities, including people with disabilities, religious minorities, members of the LGBTQ community and anyone living in persistent poverty – whether in urban, rural or suburban areas."

Asked on CNN (1/26, 2.27M) whether the White House will pursue legislation on the executive orders, White House Office of Public Engagement Director Cedric Richmond said, "Yes, we want to put it in law. We want to work with the other side, both Republicans and Democrats, to make sure that we have that lasting, empowering transformational impact on Black and Brown and other marginalized communities." Richmond said on MSNBC (1/26, 2.78M), "For those things we can do by executive order, we're going to do by executive order because it's a priority. ... We're the first Administration to roll out a whole-of-government approach to racial equity, and it's going to create a very intentional movement by this Administration to make sure we tackle systemic racism across agencies and government-wide."

Cecilia Vega of ABC World News Tonight (1/26, story 6, 1:40, Muir, 7.57M) reported Biden "is trying to make good on a campaign pledge to address these issues of racial equity in this country," and the AP (1/26, Madhani) says Tuesday's actions "reflect [Biden's] efforts to follow through with campaign pledges to combat racial injustice," while the Washington Post (1/26, 10.52M) says they "reflected the extent to which Biden's ascent to the presidency was wrapped up with the nation's racial struggles." The Post adds that "activists are making it clear they expect more from Biden than a diverse administration and rhetoric about justice. Tuesday marked his first major effort to respond, to mixed reviews from civil rights groups." Axios (1/26, Contreras, 1.26M) describes Biden's orders as "a down payment on racial equity."

Biden To Impose "Wide-Ranging Moratorium" On Oil And Gas Leases.

The AP (1/26, Daly) reports that on Wednesday, President Biden will "announce a wide-ranging moratorium on new oil and gas leasing on U.S. lands, as his administration moves quickly to reverse Trump administration policies on energy and the environment and address climate change." According to the AP, "The move follows a 60-day suspension of new drilling permits for U.S. lands and waters announced last week and follows Biden's campaign pledge to halt new drilling on federal lands and end the leasing of publicly owned energy reserves as part of his plan to address climate change." The AP reports that "oil industry groups slammed the move, saying Biden had already eliminated thousands of oil and gas jobs by killing the Keystone XL oil pipeline on his first day in office."

Reuters (1/26, Volcovici, Resnick-Ault) reports that Biden's "orders will impact large swathes of acreage onshore in mostly Western states, as well as offshore drilling acreage located mainly in the U.S. Gulf of Mexico." However, "Tribal lands, which host significant reserves of oil and gas...will not be included in Biden's executive order." According to Reuters, "Biden's other climate-related executive orders on Wednesday will include beefing up the use of climate science in policy decisions and setting up an international summit on climate change for April." Reuters says "the push to end new federal drilling marks an easy target for the new administration: federal lands and waters produce roughly a quarter of the nation's oil and gas, and also account for around a quarter of its greenhouse gas emissions."

The Wall Street Journal (1/26, Puko, Restuccia, Subscription Publication, 8.41M) reports that Biden has targeted the oil and gas industry with this policy and with his revoking of the Keystone XL pipeline permit.

The New York Times (1/26, Davenport, Friedman, 20.6M) reports that as Biden readies to announce the policy, "powerful and surprising forces are arrayed at his back," listing automakers; "large oil and gas companies"; corporate shareholders; "and a youth movement." On the

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other side, the Times says, are "senators from fossil-fuel states in both parties," specifically "Joe Manchin III of West Virginia, who will lead the Senate Energy Committee."

Biden To Focus On Environmental Justice In Climate Plan. The Washington Post (1/26, Eilperin, Dennis, Fears, 10.52M) reports that Biden "plans to make tackling America's persistent racial and economic disparities a central part of his plan to combat climate change." To do that, "Biden will direct agencies across the federal government to invest in low-income and minority communities that have traditionally borne the brunt of pollution," and "will sign an executive order establishing a White House interagency council on environmental justice, create an office of health and climate equity at the Health and Human Services Department and form a separate environmental justice office at the Justice Department."

USA Today: US Should Follow Science In Tackling Climate Change. USA Today (1/26, 12.7M) in an editorial says that an interview with NIAID Director Fauci shows that "his informed advice for grappling with a growing pandemic was all but dismissed by a White House flirting with denialism." USA Today says that helped to lead to the level of COVID deaths, and that "same kind of fact-based, science-based approach is also needed to tackle climate change."

Nicolas Loris, Deputy Director of the Heritage Foundation's Roe Institute for Economic Policy Studies, writes in response at USA Today (1/26, 12.7M), "Climate change is real, and man-made emissions are indeed having an impact," but "many of the subsidies and regulations being proposed are costly and ineffective." Loris argues that "Biden's expected moratorium on new oil and natural gas leases and drilling permits on federal lands" would hurt "Western and Gulf Coast states," and "would result in less supply, fewer jobs and less revenue." It would also "buy a change in the Earth's temperature that's practically unnoticeable."

Colorado Delegation Asks Biden To Keep Space Command Headquarters In State.

The Denver Post (1/26, 660K) reports Colorado's entire congressional delegation asked the Biden Administration on Tuesday "to reconsider moving U.S. Space Command headquarters from Colorado Springs to Alabama." Two weeks ago, former President Donald Trump "said the agency's headquarters would move to Huntsville, Alabama, drawing bipartisan rebukes." The six Democrats and thee Republicans in Colorado's delegation wrote in a letter Tuesday, "This move undermines our ability to respond to the threats in space and is disruptive to the current mission. ... Additionally, significant evidence exists that the process was neither fair nor impartial and that President Trump's political considerations influenced the final decision."

NYTimes Covers Decision To Include ASL Interpreter At White House Briefings.

The New York Times (1/26, Sullivan, 20.6M) reports that the Biden Administration "announced this week that it would include an American Sign Language interpreter in its daily press briefings, a step that the previous administration avoided taking until a court ordered it to do so late last year."

TV Ratings For Biden's Inaugural Exceeded Only By Reagan, Obama.

The AP (1/26, Bauder) reports that the television ratings for President Biden's inauguration were exceeded only by those of the first inaugurations of Presidents Ronald Reagan and Barack Obama. According to the Nielsen company "33.8 million people watched Biden's inauguration over 17 television networks between 10 a.m. and 4 p.m. last Wednesday." Reagan's inauguration in 1981 "drew 41.8 million viewers, and Obama's 2009 inaugural reached 37.8 million, Nielsen said." The AP adds that Biden "exceeded the 30.6 million who watched Donald Trump take office in 2017, Nielsen said."

Schumer Says Senate Can Organize After Filibuster Standoff.

CNBC (1/26, Pramuk, 7.34M) reports on its website that Senate Majority Leader Schumer on Tuesday cited what he described as "notable progress" in his discussions with Senate Minority Leader McConnell and said, "We're finally able to get the Senate up and running." According to CNBC, "a breakthrough did not come until two of the chamber's most conservative Democrats said they would vote against getting rid of the legislative filibuster." Sens. Joe Manchin (D-WV) and Kyrsten Sinema (D-AZ) have "said they would not vote to get rid of the filibuster, effectively ending the standoff."

Axios (1/26, Perano, 1.26M) says McConnell "on Tuesday condemned Democratic support for abolishing the legislative filibuster, arguing that it would" result in a "scorched-earth Senate." McConnell said on the Senate floor, "If your legislation can't pass the Senate, you don't scrap the rules or lower the standards. You improve your idea, take your case to the people, or both. ... Four years ago, Republicans had just won unified control. President Trump and others pressured us heavily, me in particular, to scrap this rule when it was protecting the Democratic minority. ... But we stood firm. I stood firm, endured many tweets on the subject. I said we would not do that to our colleagues in the minority. No short term policy win justifies destroying the Senate as we know it."

The New York Times (1/26, Hulse, 20.6M) says the skirmish over the filibuster "foreshadowed an epic battle ahead over what Democrats should do if Republicans obstruct President Biden's agenda." While McConnell "abandoned his insistence that Democrats commit to keeping the filibuster," his "surrender did not mollify progressive activists who have long clamored for Senate Democrats to curb the procedural weapon. They promised to keep the pressure on in their campaign to end the filibuster." The Times cites "several Democrats" who "said it was up to Mr. McConnell and his fellow Republicans to determine whether the filibuster comes under threat, arguing that if the

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minority party sought to block Mr. Biden's agenda at every turn, it would be at fault for destroying the storied Senate weapon."

Jamelle Bouie writes in the New York Times (1/26, 20.6M) that liberals "see the opportunity of the moment," while moderates "don't appear to be frustrated enough with gridlock and inaction to change the rules of the chamber." Bouie argues, "The first step toward victory is a government that can act." Moderate Democrats "can keep the filibuster if they want," but they should prepare for when voters decide "it would rather have the party that promises nothing and does nothing than the one that promises quite a bit but won't work to make any of it a reality."

Marc A. Thiessen writes in the Washington Post (1/26, 10.52M) that although Schumer said he will not allow Senate Republicans to "dictate to the Senate what we should do and how we should proceed," as minority leader, he "vigorously used the filibuster to do just that." Thiessen lists a range of measures Senate Democrats used the filibuster to block under Schumer, and argues they "should take stock of everything they delayed and derailed under Trump because of the filibuster – and then imagine all that and more being enacted by simple majority vote when Republicans regain control of Congress and the presidency, which they eventually will."

Schumer Lists Goals For Country, New York, Impeachment.

USA Today (1/26, Spector, 12.7M) reports when Senate Majority Leader Schumer "has always prided himself on balancing his national role with his state responsibilities, never seemingly finding a local issue too small to take on or a place to visit for one of his well-known Sunday press conferences." Now, he "ticks off a lengthy list of goals he has for New York, the nation and, of course, moving forward with an historic impeachment trial of ex-President Donald Trump." Schumer "will look to reach a deal with President Joe Biden, Republicans and the Democratic-led House on a $1.9 trillion stimulus package." In addition, he "has to guide the confirmation of Biden's cabinet members in advance of the Feb. 9 start of the impeachment trial." Also, "there are all the infrastructure projects that Schumer said he hopes to push through as majority leader."

CNN (1/26, Rogers, Raju, Barrett, 89.21M) says on its website that Schumer "will have to piece together a coalition from a diverse caucus to push legislation through the slow-moving chamber. Schumer, who has cut bipartisan deals in the past, will have to showcase those deal-cutting bonafides while keeping at bay restless liberals."

Leahy Sent Home From Hospital After Falling Ill.

The AP (1/26) reports Sen. Patrick Leahy (D-VT) "was taken to a hospital Tuesday evening after not feeling well and later sent home after tests, a spokesman said, hours after the 80-year-old Democrat began presiding over the impeachment trial of former President Donald Trump." The President Pro Tempore of the Senate, who had "been in his Capitol office, was taken to George Washington University Hospital 'out of an abundance of caution' after being examined by Congress' attending physician," a spokesman said.

The New York Times (1/26, Cochrane, Gold, 20.6M) reports Leahy "has received both vaccine shots for the coronavirus, and it was unclear what his symptoms were." The Burlington (VT) Free Press (1/26, 85K) reports Sen. Charles Grassley (R-IA), "who was the president pro tempore in the last Senate session as its most senior Republican, sent well wishes to his fellow octogenarian and colleague." Politico (1/26, Emma, 6.73M) and The Hill (1/26, Axelrod, 5.69M) also report.

Greene Called For Executing Democratic Politicians.

CNN (1/26, Steck, Kaczynski, 89.21M) reports on its website that Rep. Marjorie Taylor Greene (R-GA) "repeatedly indicated support for executing prominent Democratic politicians in 2018 and 2019 before being elected to Congress." She also "frequently posted far-right extremist and debunked conspiracy theories on her page." Greene had posted on her Facebook page that House Speaker Pelosi "is guilty of treason."

Forbes (1/26, Solender, 10.33M) cites CNN in reporting that, "Greene liked a Facebook comment from Jan. 2019 arguing 'a bullet to the head would be quicker' for removing [Pelosi], in addition to liking comments about executing FBI agents seen as working for the 'deep state.'" The Hill (1/26, Gangitano, 5.69M) adds that Everytown for Gun Safety is pushing Greene to resign "following reports that she expressed support for violence against Democrats before running for Congress."

Kudlow To Join Fox News, McEnany Still Under Consideration.

The AP (1/26, Bauder) reports, "Trump administration alumni Larry Kudlow is joining Fox News amid reports that a colleague, former White House press secretary Kayleigh McEnany, will soon be joining him." Kudlow, previously a "CNBC personality" before being national economic council director for Trump, "will host a weekday program on the Fox Business Network and be a commentator across all of Fox's platforms." McEnany "worked at CNN before joining Trump," and has reported that "she had an employment agreement with Fox News." But according to Fox, McEnany "is not a Fox employee." Reuters (1/26, Richwine) reports on Kudlow's hiring and adds that "Fox...has held talks with" McEnany "about a possible on-air role."

The New York Times (1/26, Grynbaum, 20.6M) reports, "This is the first major television gig secured by a senior Trump aide who stayed in the White House until the president's term ended" and "is also something of a hiring coup for Fox Business." About McEnany, the Times adds that Fox said that "it remains open to hiring Ms. McEnany at a later date." Politico (1/26, Forgey, 6.73M) also reports the news.

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WPost Executive Editor Baron Announces February Retirement.

The AP (1/26, Bauder) reports, "Washington Post Executive Editor Marty Baron, who has led the resurgent newspaper as it nearly doubled its staff in eight years," announced on Tuesday "that he will retire at the end of February."

The New York Times (1/26, Robertson, Tracy, 20.6M) reports Baron "led The Washington Post, The Boston Globe and The Miami Herald to numerous Pulitzer Prizes." Baron, 66, said he will retire February 28. The Washington Post (1/26, Farhi, 10.52M) says Baron is "one of the most highly regarded editors in American journalism and an outspoken advocate of the value of a free press."

All But Five GOP Senators Vote To Declare Trump Impeachment Trial Unconstitutional.

Lester Holt reported on NBC Nightly News (1/26, story 4, 1:20, 6.26M), "The impeachment trial of former President Trump is moving forward, but there's already a major new signal tonight that there are not enough votes for a conviction." NBC's Peter Alexander reported there was "an early blow to Democrats' hopes of a conviction" on Tuesday, with "just five Republicans voting with them that an impeachment trial of the former president is constitutional." Sen. Rand Paul (R-KY): "Democrats are wasting the nation's time on a partisan vendetta against a man no longer in office. It's almost as if they have no ability to exist except in opposition to Donald Trump." Alexander: "Democrats firing back." Senate Majority Leader Schumer: "It is clearly and certainly constitutional to hold a trial for a former official."

Rachel Scott said on ABC World News Tonight (1/26, story 3, 3:10, Muir, 7.57M) that Paul "forc[ed] senators to vote on whether the trial itself is unconstitutional, since Trump is already out of office." Paul: "This is not the trial of a president, but of a private citizen." Scott: "Democrats and many legal experts insist the Constitution does not exempt former presidents from impeachment. ... Still, today, nearly all the Republican senators, 45 of them, voted that the trial is unconstitutional." Kris Van Cleave said on the CBS Evening News (1/26, story 5, 0:50, O'Donnell, 4.76M), "With so many Republicans, including Mitch McConnell, moving to dismiss the trial, it makes it pretty clear Mr. Trump will be acquitted next month."

The AP (1/26, Mascaro, Jalonick) reports that "while the Republicans did not succeed in ending the trial before it began, the test vote made clear that Trump still has enormous sway over his party. ... Many Republicans have criticized Trump's role" in the January 6 Capitol "attack – before which he told his supporters to 'fight like hell' to overturn his defeat – but most of them have rushed to defend him in the trial." Senate Minority Whip Thune said, "I think this was indicative of where a lot of people's heads are."

The New York Times (1/26, Fandos, 20.6M) writes, "Senators could yet change their views. But for now, the vote signaled the likelihood that Mr. Trump would for the second time in a year be acquitted by the Senate in an impeachment trial. ... It would take two thirds of senators – 67 votes – to attain a conviction, meaning 17 Republicans would have to cross party lines to side with Democrats in finding him guilty." USA Today (1/26, Behrmann, 12.7M) also says the vote "suggests a lack of support for convicting Trump on the charge of inciting insurrection," while the Washington Post (1/26, DeBonis, 10.52M) says the "largely partisan vote indicated that, nearly three weeks after the Capitol attack, much of the GOP anger over Trump's actions immediately before and during the siege has faded."

The Los Angeles Times (1/26, 3.37M) reports Sens. Susan Collins (R-ME), Lisa Murkowski (R-AK), Mitt Romney (R-UT), Ben Sasse (R-NE), and Pat Toomey (R-PA) "joined Democrats against the Paul measure. ... Though many more GOP lawmakers have condemned Trump's actions in inciting the Jan. 6 attack on the U.S. Capitol, the party has largely coalesced around the idea that an impeachment trial of a former president is unconstitutional." Politico (1/26, Desiderio, Everett, 6.73M) says that view "has been strongly challenged by legal scholars across the political spectrum."

Roll Call (1/26, McPherson, 130K) reports Collins said after the vote, "It's pretty obvious from the vote today that it is extraordinarily unlikely that [Trump] will be convicted. Just do the math." Axios (1/26, Treene, 1.26M) reports Collins and Sen. Tim Kaine (D-VA) "are privately pitching their colleagues on a bipartisan resolution censuring former President Trump," according to "three sources familiar with the discussions."

Chief of Staff Klain said on CNN (1/26, 2.74M), "The reality is that the Senate has to do its constitutional duty. It has to hold this trial. Our focus...is on how we can get work done around that."

The Wall Street Journal (1/26, Subscription Publication, 8.41M) says in an editorial that while there are fair arguments on both sides of the issue of constitutionality, Tuesday's vote showed that Trump is all but certain to be acquitted if the trial proceeds, and that pressing forward would be purely political on the part of Democrats – and could backfire by firing up Trump and his supporters. However, the Washington Post (1/26, 10.52M) says in an editorial that the theory that a former president cannot be impeached "runs against the weight of scholarship, historical practice and common sense. Many Republicans may be embracing the theory nonetheless because it gives them an excuse to avoid any responsibility: They do not have to condone the former president's incitement of the Jan. 6 Capitol invasion, but they also do not have to anger his supporters."

Jennifer Rubin writes in the Washington Post (1/26, 10.52M) that the "flock of Republicans [who] now declare that convicting a president for sedition after he left office is 'unconstitutional'" are "wrong." The House and Senate "have previously determined that they retain power to proceed against an executive branch official that has resigned from office." In addition, their "empty objection to the trial on the grounds that it would set a 'dangerous precedent' has it backward. Allowing a president to attempt sedition for the purposes of retaining office with absolutely no penalty would be as frightening an invitation as one could imagine to future presidents and their enablers."

In an op-ed for the Washington Post (1/26, 10.52M), Nancy Gibbs, Director of the Shorenstein Center on Media, Politics and Public Policy at Harvard's Kennedy School of Government, that if the Senate fails to convict former President Trump, lawmakers "can effectively disqualify him from ever running again and broadly serve the common good" by "hardening norms into laws." Gibbs argues party nominees for president "should be required to release their tax returns to the Federal Election Commission or some bipartisan body that can look them

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over."

Reuters (1/26), the Wall Street Journal (1/26, Hughes, Wise, Subscription Publication, 8.41M), the New York Post (1/26, Bowden, 7.45M), The Hill (1/26, Carney, 5.69M), and the CNN (1/26, Foran, Raju, Barrett, 89.21M) and Fox News (1/26, 23.99M) websites are among the other outlets covering the vote.

Hawley Says He Is "Not Running" For President In 2024.

Business Insider (1/26, Nawaguna, 2.74M) reports Sen. Josh Hawley (R-MO) "said he isn't going to launch a White House bid in 2024. 'No, I'm not running,' Hawley told Insider in a brief hallway interview on Tuesday at the US Capitol before ducking into an elevator. He didn't elaborate." Fox News (1/26, 23.99M) reports on its website that Hawley later told Fox's Maria Bartiromo, "It's a privilege to represent the state of Missouri in the United States Senate. I just got elected barely two years ago. There's a lot of work to do, and I look forward to continuing to fight for Missouri every day that I can."

Democrat Jackson Announces North Carolina Senate Run.

The Charlotte (NC) Observer (1/26, 443K) reports state Sen. Jeff Jackson (D) announced Tuesday that he will seek the seat of retiring Sen. Richard Burr (R-NC) in 2022. Jackson "opted not to run for the Senate in 2020 after meeting with Democratic Senate Leader Chuck Schumer. Democrat Cal Cunningham won the nomination, but lost" to Sen. Thom Tillis (R-NC).

Palihapitiya Announces California Recall Gubernatorial Bid.

Reuters (1/26, Franklin) reports, "Technology investor Chamath Palihapitiya, the early Facebook Inc executive and minority owner of the Golden State Warriors basketball team, threw his hat in the ring on Tuesday to replace" California Gov. Gavin Newsom (D). Opponents of Newsom "are campaigning to gather the 1.5 million signatures required by March 10 to trigger a recall election to remove him from office before his term expires in 2023. The recall campaign has said it has gathered more than 1.2 million signatures so far. In a tweet, Palihapitiya told his 800,000-plus followers, 'It's on. #RecallGavinNewsom' accompanied by a link to a website titled 'Chamath for California Governor.'"

WSJournal: "Buy American" Rules Will Increase Delays, Costs For Public Works Projects.

A Wall Street Journal (1/26, Subscription Publication, 8.41M) editorial says the biggest difference between President Biden's "Buy American" rules and those of former President Donald Trump is bureaucracy. Federal agencies can grant waivers to procurement rules if it is in "the public interest." Under Trump, agencies granted such waivers generously. Biden is creating an office in OMB to examine all waiver requests and post them for public review, which means agencies will have be vetted by the White House, unions, and lawmakers. The Journal says the result will be increased costs and delays in public works projects.

WSJournal Calls For Repeal Of Electoral Count Act.

In an editorial, the Wall Street Journal (1/26, Subscription Publication, 8.41M) urges Congress to repeal the Electoral Count Act of 1887, arguing it is at odds with federalism and the separation of powers because it allows Congress to meddle in state decisions by disqualifying electors.

Elizabeth Dole Lauds Relaunching Of Joining Forces Initiative.

Former Sen. Elizabeth Dole (R-NC) writes at Military.com (1/26, 269K), "The military community rightly heralded First Lady Jill Biden's recent announcement that she will re-launch Joining Forces – the initiative she co-founded in 2011 with then-First Lady Michelle Obama to unite the nation behind those who serve. The return of Joining Forces will not only strengthen a military community strained by the demands of maintaining national security during a global pandemic, it will serve as a reminder of what we can accomplish as a nation if we rediscover our ability to work together. ... At a time when so many of us have been left to wonder what can heal our country's hardening divisions, Dr. Biden is poised to show us."

Quinnipiac University Professor Discusses Dr. Biden's Approach To Role.

WTNH-TV Hartford, CT (1/26, 212K) broadcast an interview with Lisa Burns of Quinnipiac University, author of "First Ladies and the Fourth Estate: Press Framing of Presidential Wives," on how Dr. Biden will approach her role in the new Administration.

Connecticut First Lady Praises Monday Event Hosted By Dr. Biden.

The Connecticut Post (1/26, Dixon, 310K) reports, "It wasn't exactly a private afternoon tea in the White House Red Room on Monday, but Annie Lamont joined fellow first ladies – and gentlemen – from throughout the country Monday in a virtual get together with First Lady Dr. Jill Biden." Lamont said, "It was very bipartisan. Dr. Biden reached out to us in that spirit." Lamont "said she had met several of her contemporaries in recent years at National Governors Association events, and the subtext of problem-solving was a familiar one." She said, "Dr. Biden reached out in that spirit, reminding us that you are all passionate about helping people. She was very inclusive. It was very positive, with a message of unity."

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Financial International News

IMF Raises Global Growth Outlook For 2021, Says "Exceptional Uncertainty" Remains.

Reuters (1/26, Shalal) reports the IMF on Tuesday "raised its forecast for global economic growth in 2021 and said the coronavirus-triggered downturn last year – the biggest peacetime contraction since the Great Depression – would be nearly a full percentage point less severe than expected." The Fund "said multiple vaccine approvals and the start of vaccinations in some countries had boosted hopes of an eventual end to the pandemic that has now infected nearly 100 million people and claimed the lives of more than 2.1 million globally." However, the IMF "warned that the world economy continued to face 'exceptional uncertainty' and new waves of COVID-19 infections and variants posed risks, and global activity would remain well below pre-COVID-19 projections made one year ago."

The AP (1/26, Wiseman), The New York Times (1/26, Rappeport, 20.6M), The Wall Street Journal (1/26, Kiernan, Subscription Publication, 8.41M), Bloomberg (1/26, Martin, 3.57M), CNBC (1/26, Amaro, 7.34M), MarketWatch (1/26, Robb, 2.64M), Fox Business (1/26, Henney, 3.06M), and The Hill (1/26, Elis, 5.69M) also report.

IMF Official Says Fund Supports US Minimum Wage Increase For Poverty Reduction.

Reuters (1/26, Shalal) reports the IMF "supports an increase in the U.S. federal minimum wage to reduce poverty and inequality, but sees an argument for phasing the higher rate in slowly to gauge the impact on employment, the IMF's chief economist said on Tuesday." Gita Gopinath "told Reuters in an interview" that the US "was still in an 'emergency situation' with regard to the pandemic, and should accelerate vaccinations and testing, as well as targeted support to households and businesses."

ECB Official Assess Whether Differences With Fed Policy Boost Euro.

Bloomberg (1/26, Randow, 3.57M) reports ECB policymakers "have agreed to look deeper into the euro's appreciation against the dollar since the start of the pandemic, focusing on whether it's driven by differences in stimulus policies compared with the U.S., according to officials familiar with the matter." The review "could shape how the ECB responds to an issue that has alarmed policy makers, who worry that the euro's strength over the past year depresses inflation that is already below zero. That could force the central bank to provide more monetary stimulus, even as it acknowledges mounting risks to financial stability." The ECB Governing Council "noted during last week's meeting how an increase in U.S. market interest rates in recent months failed to propel dollar gains, the officials said."

Leading International News

Kerry Plans For US To Resume Leadership Role Against Climate Change.

The AP (1/26, Knickmeyer) reports climate envoy John Kerry "is taking the U.S. back into a leading role in global climate action, making clear the nation isn't just revving up its own efforts to reduce oil, gas and coal pollution but that it intends to push everyone in the world to do more, too." According to the AP, "Kerry's diplomatic efforts match the fast pace of domestic climate directives by the week-old Biden administration, which created the job Kerry now holds." However, the AP adds Kerry faces domestic "pushback from the oil and gas industry" and there is international "uncertainty about whether Biden's climate commitments can survive the United States' intensely divided politics, let alone the next presidential transition," but "environmentalists are pushing him to be aggressive – even demonstrating outside his house on his first full day on the job."

Biden Administration To Review Sanctions On ICC Officials.

Reuters (1/26, Lewis) reports a State Department spokesman on Tuesday announced the Biden Administration "will 'thoroughly review' U.S. sanctions on International Criminal Court officials imposed over investigations into U.S forces in Afghanistan." Reuters says the Trump Administration last year "accused the Hague-based tribunal of infringing on U.S. national sovereignty when it authorized an investigation into war crimes committed by Afghan forces, the Taliban or U.S. troops."

Beijing Announces South China Sea Drills In Wake Of US Carrier Group's Entry.

Reuters (1/26) reports that on Tuesday, the Chinese government "said...it will conduct military exercises in the South China Sea this week, just days after Beijing bristled at a U.S. aircraft carrier group's entry into the disputed waters." According to Reuters, "A U.S. carrier group led by the USS Theodore Roosevelt entered the South China Sea on Saturday to promote 'freedom of the seas,' the U.S. military said, days after Joe Biden began his term as president." Reuters says "the U.S. military has steadily increased its activities there in recent years as China asserts its territorial claims in the area in conflict with neighbouring countries including Vietnam, Malaysia, the Philippines, Brunei and Taiwan."

Taiwanese Jets Demonstrate Readiness To Repel Chinese Attack. Reuters (1/26, Lee) reports, "Armed and ready to go, Taiwan air force jets screamed into the sky on Tuesday in a drill to simulate a war scenario, showing its fleet's battle readiness after dozens of Chinese warplanes flew into the island's air defence zone over the weekend." Reuters says Taiwan "has been on edge since the large-scale incursion by Chinese fighters and nuclear-capable bombers into the southwestern part of its air defence identification zone on Saturday and Sunday, which coincided with a U.S. carrier group entering the South China Sea." Reuters goes on to report that the government of China

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"has provided no public explanation for what its aircraft were doing at the weekend." Reuters says the Biden Administration "responded by calling on China to cease pressuring Taiwan and reaffirming its commitment to the democratic island."

Merkel Rejects Biden's Call For Anti-China Coalition. Under the headline "Merkel Sides With Xi On Avoiding Cold War Blocs," Politico Europe (1/26, 15K) reports that on Tuesday, German Chancellor Angela Merkel "rejected calls for Europe to pick sides between the U.S. and China, in a nod to the plea made by Chinese President Xi Jinping a day earlier." Politico says the Biden Administration is "looking to group together democracies to contain China," but Merkel was "pointedly wary about the formation of factions." Speaking to the World Economic Forum, Merkel said, "I would very much wish to avoid the building of blocs. I don't think it would do justice to many societies if we were to say this is the United States and over there is China and we are grouping around either the one or the other. ... The Chinese president spoke yesterday, and he and I agree on that. We see a need for multilateralism."

New Delhi Farmers Protest Turns Violent.

The New York Times (1/26, Mashal, Schmall, Kumar, 20.6M) reports, "Thousands of protesting farmers poured into New Delhi on Tuesday, using their tractors to pull apart barricades and challenging government forces who fired tear gas, blocked internet access and charged demonstrators with bamboo sticks to bring some order to a capital that felt under siege." The demonstration, which has resulted in at least one death, "was the most violent escalation in two months of general peaceful protests that have tested the government of Prime Minister Narendra Modi in unprecedented ways."

Biden And Putin Discuss Extending Last Remaining Nuclear Arms Deal.

Reuters (1/26, Hunnicutt, Holland) reports President Biden on Tuesday spoke to Russian President Vladimir Putin "for the first time since taking office and raised concerns about Russian activities including the treatment of jailed Kremlin critic Alexei Navalny." White House Press Secretary Jen Psaki "announced the phone call between the two leaders at her daily briefing," and she revealed topics "included Biden's proposal to extend the New START nuclear arms treaty with Russia for five years and 'strong [US] support for Ukraine sovereignty' in the face of ongoing Russian aggression." In addition, Biden "also voiced concern about the massive Solar Winds cyber hack blamed on Russia and reports that Russians offered bounties to Taliban insurgents for killing U.S. troops in Afghanistan."

The Washington Post (1/26, Wagner, Itkowitz, Sonmez, 10.52M) reports the Kremlin "had a slightly different readout of the call" than the White House, "saying in a statement that the two leaders had discussed...cooperation on the coronavirus pandemic, trade and economic matters." According to the Post, "The Kremlin mentioned 'the Ukraine domestic settlement' but none of the hot-button issues listed by the White House. It said the two leaders discussed President Donald Trump's withdrawal from the Open Skies agreement and the preservation of the Iran nuclear deal."

USA Today (1/26, Shesgreen, 12.7M) says Biden and Putin "have a long history of engagement – much of it frosty," while CNN (1/26, Liptak, 89.21M) reports on its website that the call "amounted to Biden's opening bid at diplomacy with one of his chief adversaries, whom he has met previously but not dealt with as an equal."

The New York Times (1/26, Troianovski, 20.6M) characterizes the call as "the opening act of what promises to be a deeply adversarial relationship between the two leaders, and most likely the sharpest turn in American foreign policy since...Trump left office one week ago." On ABC World News Tonight (1/26, story 6, 1:40, 7.57M), David Muir concurred that the call "signal[s] a very different tone than what we saw with...Trump."

Fox News (1/26, McFall, 23.99M) reports on its website that Biden had "accused his predecessor of being weak on Russia, calling Trump 'Putin's puppy' during the first presidential debate last year, criticizing him for not taking decisive action after reports surfaced regarding bounties placed on American soldiers in Afghanistan." Fox News adds that Biden also confirmed the US stance "on supporting Ukraine's sovereignty, condemned the poisoning of Russian opposition leader Aleksei Navalny."

According to Politico (1/26, Leonard, 6.73M), "Biden's agenda for his call with Putin struck a decidedly different tone than...Trump, who was the subject of significant criticism for his relatively soft rhetoric toward Russia, especially relative to his broader America-first approach to foreign policy." On the CBS Evening News (1/26, story 2, 1:40, O'Donnell, 4.76M), Nancy Cordes said the discussion of "Russian hacking and interference in the 2020 election" were "the kind of topics Mr. Trump was often reluctant to discuss with his Russian counterpart." Reuters (1/26, Gardner, Hunnicutt) reports Psaki "said on Tuesday that...Biden continues to believe the Nord Stream 2 natural gas pipeline is a bad deal for Europe," and "the Biden administration will be reviewing measures, which have been taken to date relating to the pipeline."

However, the AP (1/26, Lemire) says Biden and Putin "on a positive note...agreed to have their teams work urgently to complete an extension of New START, the last remaining U.S.-Russian arms control treaty, before it expires next month." According to the AP, Biden has "looked to establish a break from the warm rhetoric often displayed toward Putin by" Trump, but is also "looking to preserve room for diplomacy." Reuters (1/26, Tétrault-Farber, Hunnicutt) reports the Kremlin "said Putin and Biden "expressed satisfaction" that diplomatic notes between the two nations had been exchanged earlier on Tuesday confirming the pact would be extended and that procedures required for the pact to come into force before it expires would be completed in the coming days."

The AP (1/26, Isachenkov) says the treaty, which was "signed in 2010 by President Barack Obama and Russian President Dmitry Medvedev, limits each country to no more than 1,550 deployed nuclear warheads and 700 deployed missiles and bombers, and envisages sweeping on-site inspections to verify compliance." The AP adds that during the 2020 campaign, Biden "indicated...he favored the preservation of the New START treaty, which was negotiated during his tenure as U.S. vice president."

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Citing "US officials," the AP (1/26) reports that the Russian government "reached out last week to request the call." The AP says Biden "agreed but wanted first to prepare with his staff and speak with European allies, including the leaders of Britain, France and Germany." Bloomberg (1/26, Parker, Wadhams, 3.57M) says that although the call "took place before Biden has spoken with leaders of several allied nations, underscoring the importance that he attaches to confronting the challenge from Russia," Biden on Tuesday also spoke with NATO Secretary General Jens Stoltenberg "in another signal aimed at showing U.S. unity with its allies against Russia," and they "discussed 'dealing with a more assertive Russia,' the North Atlantic Treaty Organization said in a statement." The Wall Street Journal (1/26, Thomas, Subscription Publication, 8.41M) provides similar coverage.

Navalny Ally Pledges To Continue To Seek Release. The AP (1/26, Litvinova) reports Lyubov Sobol, "a top ally of Alexei Navalny," on Tuesday "vowed...to keep up the fight to free the jailed Russian opposition leader and his battle to influence this year's parliamentary election despite a government crackdown on nationwide protests and its attempts to create a climate of fear." The AP adds Sobol, a "lawyer and politician," told reporters that Navalny's Foundation for Fighting Corruption "and his team's regional offices will continue to operate even amid the 'arrests of our followers and allies, open criminal probes (and) criminal probes that are yet to come.'" Meanwhile, the Wall Street Journal (1/26, Grove, Kantchev, Subscription Publication, 8.41M) says the protests over Navalny's arrest appear to be coalescing into a broader opposition movement against the Russian government.

David Ignatius writes in the Washington Post (1/26, 10.52M) that Navalny is "the most potent political threat that...Putin has ever faced." His "battle with Putin presents an early test for President Biden and his foreign policy team." While the Administration "called for Navalny's release" from prison, In an interview, Leonid Volkov, the manager of Navalny's 2018 presidential campaign, "argued that the United States should do more, working with European countries to identify and freeze assets held outside Russia for Putin's benefit."

Administration Restores Relations With Palestinians.

The AP (1/26, Lederer) reports that on Tuesday, the Biden Administration "announced...it was restoring relations with the Palestinians and renewing aid to Palestinian refugees, a reversal of the Trump administration's cutoff and a key element of its new support for a two-state solution to the decades-old conflict between Israelis and Palestinians." The AP says Acting US Ambassador to the UN Mills "made the announcement of Biden's approach to a high-level Security Council meeting, saying the new U.S. administration believes this 'remains the best way to ensure Israel's future as a democratic and Jewish state while upholding the Palestinians' legitimate aspirations for a state of their own and to live with dignity and security.'"

Bloomberg (1/26, 3.57M) quotes Mills as saying, "President Biden has been clear in his intent to restore US assistance programs that support economic development and humanitarian aid for the Palestinian people, and to take steps to reopen diplomatic missions that were closed by the last US Administration." According to Bloomberg, at the UN Security Council on Tuesday, Mills "said the U.S. will emphasize humanitarian issues, especially in Gaza, and seek to create the atmosphere needed for eventual peace talks, even as he conceded that Israel and the Palestinian leadership remain far apart for any immediate progress to be made." Reuters (1/26) reports that also on Tuesday, White House Press Secretary Jen Psaki indicated that Biden "believes a two-state solution is the only way forward for peace between Israel and the Palestinians."

However, the New York Times (1/26, Crowley, 20.6M) reports analysts "and regional leaders say the prospects of an Israeli-Palestinian peace agreement are dimmer than they have been in decades." According to the Times, "The parties have all but ceased communications, Palestinian leaders summarily rejected a peace plan offered by the Trump White House last year, and the issue is not among Mr. Biden's top foreign policy priorities."

Austin Planning To Review Trump's Withdrawal Of Troops From Afghanistan, Iraq.

The Wall Street Journal (1/26, Lubold, Youssef, Subscription Publication, 8.41M) reports Defense Secretary Austin will review former President Trump's decision to withdraw more than 3,000 US troops from Afghanistan and Iraq prior to leaving office, according to defense officials. However, Austin's spokesman, John Kirby, "said officials hadn't yet made a formal decision to review troop levels in either country."

In an op-ed for the Washington Post (1/26, 10.52M), Afghan Ambassador to the US Roya Rahmani writes that while "progress is being made on peace," Afghanistan "has experienced unprecedented levels of violence since the U.S.-Taliban agreement was signed last year. Although peace talks are ongoing in Doha, Qatar,, the Afghan people have not seen peace manifest on the ground." Rahmani adds, "The Biden administration will have to grapple with this stark reality as they formulate their policy in Afghanistan." She argues that the US "must make the bold decision to hold the Taliban accountable for its egregious violations of the agreement and fully commit to the U.S.-Afghan partnership."

Yemenis Submit Petition Seeking Redress For US Drone Strikes.

The Washington Post (1/26, Ryan, Mekhennet, 10.52M) reports the families of at least 34 Yemenis "alleged to have been killed in American military actions have asked an international human rights body to determine whether the deaths were unlawful, in a case that could draw attention to the human cost of overseas counterterrorism campaigns." Per the Post, "The petition, the first of its kind to be submitted to the Inter-American Commission on Human Rights, asserts that six drone strikes and one Special Operations raid targeting Yemen's al-Bayda governorate during the Obama and Trump administrations inflicted catastrophic damage on two families." The Post adds the filing "provides new visibility into a counterterrorism campaign that has mostly been shrouded in secrecy, as American military and intelligence officials

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conduct an extended effort against al-Qaeda in the Arabian Peninsula (AQAP) and other militant threats."

Housing

Trepp: New York City Apartment Investors Were Behind On $395M Of Debt Backed By MBS In December.

BNN Bloomberg (CAN) (1/26, 3.57M) reports New York's apartment investors "are suddenly waist-deep in distress," as by December, "they were behind on $395 million of debt backed by mortgage bonds, almost 150 times the level a year earlier, according to Trepp data on commercial mortgage-backed securities." According to Bloomberg, "Tenants in rent-stabilized units owe at least $1 billion in rent and wealthier ones are fleeing the city, leaving behind vacancies and pushing newly-built luxury towers into foreclosure."

Industry Mourns The Passing Of PennyMac's Stanford Kurland.

HousingWire (1/26, 7K) reports PennyMac Mortgage Investment Trust "announced that company founder and Non-Executive Chairman Stanford Kurland died at age 68 due to complications from COVID-19. Kurland had also been battling brain cancer." Industry leaders called him an "esteemed industry leader, visionary, and friend."

Zillow: US Housing Market Gained $2.5T In Value In 2020, The Largest Yearly Gain In 15 Years.

National Mortgage Professional (1/26) says the US housing market "gained nearly $2.5 trillion in value for 2020, the most in a single year since 2005, according to" a report from Zillow, amid surging demand, low interest rates, and the quickest pace of sales Zillow has ever recorded. According to NMP, "With inventory being swallowed up, the homes that were left on the market saw large price hikes. Zillow also noted that the Millennial generation aged into prime first-time homebuying age." Zillow economist Treh Mahertz explained, "While many [Americans] faced financial hardships because of the pandemic, others fortunate enough to maintain stable income took a step back to contemplate what they wanted their home to be and hopped on Zillow to help find a place that filled their wish list. Builder confidence, perhaps in reaction to the boosted demand, hit record highs and more homes are being built as a result."

FHFA House Price Index Up 11% YoY In November, Accelerating From October.

The Wall Street Journal (1/26, Friedman, Subscription Publication, 8.41M) reports the FHFA on Tuesday reported that US house prices climbed 11% in November from a year earlier. Reuters (1/26, Mutikani) reports that YoY price growth accelerated, with November's gain following a 10.3% YoY increase in prices in October. Potentially behind a paywall, Bloomberg (1/26, Giammona, 3.57M) reports house prices were up 1% from October on a month-to-month basis.

HousingWire (1/26, 7K) reports the 10-city composite price index "checked in at 8.8% year-over-year, and it was also up from 7.6% in October." Meanwhile, the 20-city composite "showed a 9.1% year-over-year gain, and was also up from 8.0% in October." CoreLogic Deputy Chief Economist Selma Happ said, "With buyer demand continuing to outpace the previous year's levels amid historically lowest inventory of for-sale homes, the pressure on home prices is going to fuel home price growth in the first half of 2021."

Mortgage News Daily (1/26) reports, "FHFA's HPI is based on the sales prices of homes financed by the GSEs Fannie Mae and Freddie Mac. The index was benchmarked at 100 in January 1991 and was at 310.1 in November compared to 307.0 in October." According to Dr. Lynn Fisher, FHFA's Deputy Director of the Division of Research and Statistics, "House prices have risen by at least one percent for six consecutive months. The acceleration has been slowing but annual gains now outpace the prior housing boom. Current conditions can be explained by fundamentals, including low rates and tight housing supply, which have been intensified by the pandemic."

In its coverage of the FHFA and Case-Shiller indices, MarketWatch (1/26, Passy, 2.64M) reports, "While there may be evidence that demand among home buyers is waning from the heights reached this summer – as evidenced by lower mortgage application volumes – it still remains very strong. Plus, the supply of homes for sales is all but exhausted. The lack of inventory should continue to fuel home-price increases for foreseeable future, especially in popular markets such as Phoenix and Boise, Idaho." However, MarketWatch says, "with mortgage rates potentially rising in the months to come, high home prices will threaten to push many prospective buyers out of the market."

Crain's New York Business (1/26, 230K) carries Bloomberg's coverage.

Analysis: Refinancing Can Save Borrowers Tens Of Thousands, But They Should Be Aware Of GSE Adverse Market Refi Fee.

A Credible piece carried by MarketWatch (1/26, 2.64M) provides readers with an overview of the potential benefits of refinancing as mortgage rates "keep sinking." According to the piece, however, "As of Dec. 1, 2020, Fannie Mae and Freddie Mac (the two agencies that buy most of the mortgages in the U.S) will start charging a new adverse market refinance fee of 50 basis points (0.500%). The fee is meant to help with many of the expenses Fannie Mae and Freddie Mac sustained because of Covid-19's economic impact. Refinance loans that are over $125,000 are subject to this new fee, while refinance loans equal to or less than $125,000 are exempt."

Markets

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10-Year Yield Ticks Up.

MarketWatch (1/27, 2.64M) reports the 10-year Treasury yield rose to 1.048 percent.

Dollar Edges Higher.

Reuters (1/27, Buckland) reports, "The dollar was stuck on the back foot against major peers on Wednesday as markets wait on comments from Federal Reserve Chair Jerome Powell, who is likely to renew a commitment to ultra-easy policy." The dollar index "ticked up 0.1% to 90.253 on Wednesday in Asia, following a 0.2% decline the previous session." The greenback "gained 0.1% to 103.72 yen following a similar-sized decline overnight." The euro "was mostly flat at $1.2153 after rising around 0.1% in the previous session."

Gold Holds Steady.

Reuters (1/27) reports, "Gold prices held steady on Wednesday ahead of the U.S. Federal Reserve's monetary policy decision due later in the day and as investors awaited a stimulus package in the world's largest economy." Spot gold "was little changed at $1,849.76 per ounce by 0031 GMT. U.S. gold futures eased 0.1% to $1,848.60."

Oil Rises.

Reuters (1/27, Khasawneh) reports, "Oil prices climbed on Wednesday after industry data showed U.S. crude stockpiles fell unexpectedly last week and China, the world's second-biggest oil user, recorded its lowest daily rise in COVID-19 cases in more than two weeks." Brent crude futures "climbed 39 cents, or 0.7%, to $56.30 a barrel at 0736 GMT, adding to a small gain on Tuesday. U.S. West Texas Intermediate (WTI) crude futures rose 37 cents, or 0.7%, to $52.98 a barrel, rebounding from Tuesday's loss."

Cybersecurity

How The SolarWinds Hack Happened.

CNBC (1/26, 7.34M) reports in a video that, "in December, cybersecurity firm FireEye discovered that it had been compromised by a sophisticated hack." SolarWinds, an IT firm that FireEye used, "was the victim of a supply-chain attack that gave hackers access to potentially thousands of targets, including FireEye." A separate CNBC (1/26, Howard, 7.34M) report adds that Microsoft, Google and several US government agencies "were among those compromised by the intrusion." Jacob Williams, founder of Rendition InfoSec, said, "What's unique about this or special about this particular intrusion is that they use the access they got by compromising SolarWinds itself to insert malware into the build process. This then allowed them to target SolarWinds [and] customers that deployed this back door update." The repercussions of the SolarWinds hack "are still being unraveled."

Vaccine Distribution Creates Cybersecurity Risks.

The Washington Post (1/26, Riley, 10.52M) reports in its 'Cybersecurity 202' column that security experts and government officials are "bracing for a wave of cyberattacks targeting the coronavirus vaccine distribution process." The complex supply chain "behind making and delivering vaccines is creating a plethora of opportunities for hackers." The attacks could be "from criminal hackers motivated by financial incentives or nation-states looking to cause economic and civil disruption."

North Korea Using Hackers To Infiltrate Cybersecurity Researchers.

Bloomberg (1/26, Mehrotra, 3.57M) reports hackers from North Korea have "embarked on a sweeping intelligence gathering campaign aimed at cybersecurity researchers who hunt for vulnerabilities in corporate networks." According to Google, the North Korean government "mounted a social engineering operation for several months in hopes of engaging with the researchers." According to a Monday blog post by Google's Threat Analysis Group, essential to the attack were "several research blogs, YouTube videos, LinkedIn profiles and chat groups used by the hackers to build credibility in the hopes of duping the researchers." CNBC (1/26, 7.34M) reports Google announced that its Threat Analysis Group "has 'identified an ongoing campaign targeting security researchers working on vulnerability research and development at different companies and organizations.'" It attributed the campaign "to a government-backed entity based in North Korea." Forbes (1/26, Brewster, 10.33M) reports Google "says North Korean hackers have been masquerading as cybersecurity bloggers in order to target researchers in the field." They're doing so by "exploiting mysterious weaknesses in computers running the most up-to-date versions of Microsoft Windows and Google Chrome." Adam Weidemann, a researcher at Google's Threat Analysis Group, "said the attacks have been ongoing over the last three months." The hackers set up "fake Twitter accounts to show off security research and link to a blog."

North Korea Targets COVID-19 Vaccine Data Through Hacking. The New York Post (1/26, Brown, 7.45M) reports North Korea has "started human trials on a COVID-19 vaccine – using info stolen from Western drugmakers by a dedicated team of hackers." An informant told Daily NK North Korea is "already at phrase 3 in trials for its shot, produced even as the secretive nation refuses to admit to any confirmed cases." The insider "confirmed to the outlet that it was based on the work of a specialist 'hacking organization' devoted to stealing vaccine info, raising the alarm in the US, UK and South Korea starting last year." The hacking unit – called Bureau 325 – "operates under the Reconnaissance General Bureau while receiving direct orders from the Central Committee."

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Opinion: America Not Prepared For A Catastrophic Cyberattack.

In a commentary in the Washington Times (1/26, 626K), Clifford D. May, founder and president of the Foundation for Defense of Democracies, writes, "The National Defense Authorization Act (NDAA) that became law on January 1 includes 25 legislative measures recommended to Congress by the Cyberspace Solarium Commission (CSC), a bipartisan panel established two years ago to develop a 'strategic approach to defending America in cyberspace against cyberattacks of significant consequences.'" He contends, "Nevertheless, effective deterrence is a process, not a posture. Those who see themselves as our enemies will respond, adapt, and innovate in pursuit of superior offensive cyber capabilities. They will probe for our weaknesses, for ways to damage and diminish us. Additional thinking and planning is essential. Prudently, the NDAA extends the CSC's mandate for two more years." He concludes, "What's critical right now is for President Biden to prioritize this threat. In particular, he should quickly nominate someone highly skilled as national cyber director."

Commerce Secretary Nominee Won't Promise To Maintain Huawei On US Blacklist.

The Washington Examiner (1/26, Dunleavy, 888K) reports President Biden's nominee to "lead the Commerce Department would not commit to keeping Huawei on the US entities blacklist after the Trump Administration deemed the Chinese telecom company a national security threat and sought to limit its sway worldwide and its access to US markets." Gina Raimondo often took "a strong rhetorical stance on China throughout her Tuesday confirmation hearing before the Senate Commerce Committee, but she declined to promise that Huawei would remain on the Commerce Department's 'entities list' for companies deemed to be national security threats." When pressed about Huawei, she said, "I will review the policy, consult with you, consult with industry, consult with our allies, and make an assessment as to what's best for American national and economic security."

Federal Reserve

The Fed Is Catching Up On Climate Change.

The Financial Times (1/26, Jones, Subscription Publication, 1.48M) reports, "The Federal Reserve, it is fair to say, has lagged behind its central bank counterparts, such as the European Central Bank and the Bank of..."

Financial Regulatory Agencies

Biden's CFPB Pick Expected To Take Aggressive Reg Approach.

The Hill (1/26, Lane, 5.69M) reports President Biden's pick to lead the Consumer Financial Protection Bureau (CFPB), Rohit Chopra, "is expected to embolden the powerful agency with a more aggressive approach to how banks, lenders and debt collectors treat their customers." For years, "progressives and Wall Street critics raged...as Trump-appointed CFPB leaders weakened regulations, upended the agency's structure and took a less combative approach to oversight and enforcement." The CFPB's structure "gives its director unilateral power over nearly everything it does," so the agency "is largely defined by the priorities of its leader." The first CFPB director, Richard Cordray, "used his perch to write strict rules, file well-publicized lawsuits against banks and lenders and issue frequent warning shots to the financial sector." According to the Hill, "Both Chopra's supporters and critics expect him to govern in the Cordray mold, unapologetically holding banks and lenders to strict standards while bringing back the CFPB's crusading mentality."

Office of the Comptroller of the Currency

OCC Pauses CRA Information Collection Survey.

Texas Bankers Association (1/26) reports the Office of the Comptroller of the Currency "announced that national banks will not be required to respond to the agency's Community Reinvestment Act information collection by the previously established May 31, 2021 deadline." The OCC "issued the information collection to gather bank-specific data on which to base the new CRA performance benchmarks under the agency's June 2020 CRA rule."

Politico Receives "Flood Of Emails And Texts" Objecting To Barr As Head Of OCC.

Politico Morning Money (1/26, White, Weaver, 6.7M) reports that it received "a flood of emails and texts from financial reformers objecting to the idea that Michael Barr should head the OCC" in response to Tuesday's lead story. Many of the messages "were akin to this from Jeff Hauser, executive director of the Revolving Door Project: 'Barr's defenders love to skip past his enormous conflict of interests on fintech issues.'"

Crypto Grew Rapidly Under Trump Thanks To Regulators Such As OCC.

In his CoinDesk (1/26, 49K) newsletter "State of Crypto," Nikhilesh De writes, "Crypto grew rapidly over the four years Trump was in office – despite his own public admission that he is 'not a fan' of bitcoin. While he wasn't directly responsible for this growth, the regulators he appointed and some of the policies his administration pursued undeniably boosted the crypto industry." While the OCC "wasn't hugely involved in the crypto space for most of Trump's term, outside of a legal fight over a fintech charter," when Brian Brooks was appointed acting head, the agency "really began making public moves relevant to the industry."

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Analysis: New SAR FAQs Should Dispel Concerns Created By FinCEN Files.

Bloomberg Law (1/26, Kim, Subscription Publication, 4K) reports in an analysis that federal banking regulators' recent answers to frequently asked questions (FAQs) surrounding suspicious activity report (SAR) filings resemble the FinCEN Files criticism of SAR filing practices, indicating the agencies' FAQs were presented in response to that criticism. Earlier this month, FinCEN along with the Fed Board, the FDIC, the OCC, and the NCUA issued answers to seven FAQs to clarify policies on SAR filing. Bloomberg Law says, "FAQs 1 through 5 should dispel concerns that the FinCEN Files campaign has created" and "should reassure U.S. financial institutions that their regulators are not suddenly changing long-established AML regulatory policies in response to media pressure."

Analysis: OCC's Citibank Fine Offers Operational Risk Lessons.

Risk Management Magazine (1/26, Kennett) reports in an analysis that the OCC's recent fine of Citibank offers operational risk lessons for financial institutions. The penalty – of $400 million "based on the bank's unsafe or unsound banking practices for its long-standing failure to establish effective risk management and data governance programs and internal controls," according to the OCC – "sets a precedent that regulators in the United States – but likely in other jurisdictions soon as well – will be more proactive to avoid the damaging consequences of an event by administering fines for more generalized poor risk management."

Editorial Wrap-Up

Washington Post.

"Yes, Ex-Presidents Can Be Impeached." The Washington Post (1/26, 10.52M) says that the theory that a former president cannot be impeached "runs against the weight of scholarship, historical practice and common sense. Many Republicans may be embracing the theory nonetheless because it gives them an excuse to avoid any responsibility: They do not have to condone the former president's incitement of the Jan. 6 Capitol invasion, but they also do not have to anger his supporters."

"The New 'Supreme Court' Of Facebook Invites A Reckoning For The Future Of Social Media." The Washington Post (1/26, 10.52M) says Americans are rightly reticent about the "the idea of letting politicians decide what's permissible for other politicians to say on the Internet," but are not "much happier at the idea of corporate executives...making such determinations without any sort of democratic mandate." The Post says an independent oversight board established by Facebook "to review a small number of its enforcement decisions" is "a middle ground: Its panelists are luminaries selected from around the world, relatively diverse in their backgrounds and their leanings but all committed to free expression." The board will consider whether former President Donald Trump "should have been kicked off Facebook and whether he should be permitted back. Its reasoning will elucidate how Facebook should take offline context into account in its online decisions."

"As The Virus Mutates, Here's Another Public Health Failing That Needs Correcting." The Washington Post (1/26, 10.52M) says that while "vaccines offer hope for an easing of the pandemic...the coronavirus is not loitering around," and "two significant genetic variants in Britain and South Africa pose a challenge," and "require an urgent response and a concerted effort to scale-up genomic surveillance." The Post says that "genetic sequencing technology ... should be deployed into a massive cross-country genomic virus surveillance network for disease detection and risk assessment."

Wall Street Journal.

"The Law That Fueled The Capitol Riot." The Wall Street Journal (1/26, Subscription Publication, 8.41M) urges Congress to repeal the Electoral Count Act of 1887, arguing it is at odds with federalism and the separation of powers because it allows Congress to meddle in state decisions by disqualifying electors.

"No Impeachment Surprise." The Wall Street Journal (1/26, Subscription Publication, 8.41M) says that while there are fair arguments on both sides of the issue of the constitutionality of impeaching former President Donald Trump, Tuesday's Senate vote showed that Trump is all but certain to be acquitted if the trial proceeds, and that pressing forward would be purely political on the part of Democrats – and could backfire by firing up Trump and his supporters.

"Biden Out-Trumps Trump." The Wall Street Journal (1/26, Subscription Publication, 8.41M) says the biggest difference between President Biden's "Buy American" rules and those of former President Donald Trump is bureaucracy. Federal agencies can grant waivers to procurement rules if it is in "the public interest." Under Trump, agencies granted such waivers generously. Biden is creating an office in OMB to examine all waiver requests and post them for public review, which means agencies will have be vetted by the White House, unions, and lawmakers. The Journal says the result will be increased costs and delays in public works projects.

"An Immigration TRO For Joe." The Wall Street Journal (1/26, Subscription Publication, 8.41M) editorializes that the ruling by US District Judge Drew Tipton of the Southern District of Texas that temporarily halted the Biden Administration's moratorium on deportations of immigrants already in the US is similar in nature to judicial decisions on former President Donald Trump's immigration policies, including his 2017 travel ban, but suggests that a nationwide injunction may not stand under a review of the legal arguments. However, the Journal says the decision is a blow to the Biden Administration's early raft of executive orders.

The Big Picture

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Headlines From Today's Front Pages.

Wall Street Journal:

Microsoft Earnings Jump On Pandemic-Driven Cloud, Videogame Demand
Most Republican Senators Reject Constitutionality Of Trump Impeachment
Administration To Buy Enough Doses To Vaccinate Most Americans By End Of Summer
Walgreens Poaches Starbucks Executive Rosalind Brewer For CEO
200 Lemons, 30 Bananas: Online Shoppers Accidentally Buy Too Much
New Playbook For Covid-19 Protection Emerges After Year Of Study, Missteps

New York Times:

Republicans Rally Against Impeachment Trial, Signaling Likely Acquittal For Trump
Capitol Police Detail Failures During Pro-Trump Assault
'Solidarity Is Failing': EU And UK Fight Over Scarce Vaccines
The Battle Lines Are Forming In Biden's Climate Push
Proud Boys Under Growing Scrutiny In Capitol Riot Investigation
Biden Pledges To Speed Flow Of Vaccines To The States

Washington Post:

Senate Signals Trump Acquittal
US Near Securing Millions Of Doses
Shots Don't Deliver Open Schools
Biden Signs Orders Seeking To Boost Racial Equity
Editor Who Led Post's Expansion Is Set To Retire
Before Riot, DC Guard Leader's Powers Diluted

Financial Times:

Companies Raise $400BN Over Three Weeks In Blistering Start To 2021
Apple Set To Post $100BN-Revenue Quarter After Strong Christmas
Germany Presses EU For Powers To Block Vaccine Exports

Washington Times:

Trump's Post-Presidency Clout Puts Republicans On Notice, Democrats On High Alert
Biden Tackles 'Racial Equity' Agenda By Ending Federal Contracts With Private Prisons
Biden's Goal To Reopen Schools In First 100 Days Opposed By Powerful Ally Of Democrats
Senate Republicans Signal Acquittal Looming For Trump
Declassified US Intelligence Bolsters Wuhan Lab Theory In Coronavirus Outbreak

Story Lineup From Last Night's Network News:

ABC: Vaccine Distribution; COVID-Schools; Impeachment; Alabama-Tornado; Severe Weather; Biden-Agenda; Vaccine Fraud; Capitol Police Chief Apology; FDA-Hand Sanitizers; Wyoming-Brother Protects Sister From Dog.
CBS: Vaccine Distribution; Biden-Agenda; COVID; Capitol Police Chief Apology; Impeachment; Alabama-Tornado; Europe-COVID; CBS Executives On Leave; Army-Cultural Sensitivity; Florida-Great White Shark Sighting; Minnesota-Teacher Battling Cancer Teaches Every Day.
NBC: Vaccine Distribution; COVID Variants; COVID-Schools; Impeachment; Biden-Agenda; Alabama-Tornado; Severe Weather; COVID-Restaurants; Worldwide Vaccine Distribution; Global Herd Immunity; Chicago-Woman Runs Own Food Pantry.

Network TV At A Glance:

Vaccine Distribution – 11 minutes, 30 seconds
Impeachment – 5 minutes, 20 seconds
Biden-Agenda – 4 minutes, 45 seconds

Last Laughs

Late Night Political Humor.

Conan O'Brien: "Many of the participants in the siege of the Capitol have been identified. You know how? The FBI identified the people who took over the Capitol thanks to their own post on social media. Isn't that crazy? ... There's another word for it: stupid."

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Trevor Noah: "Let's kick things off with President Joseph 'Rolex' Biden. He has been in office for less than a week, but man, he's already

putting his stamp on the presidency with a series of eye catching progressive moves. ... Damn, Joe Biden coming in hot! He's walking into the White House like it's the first day of prison. 'Yo! Who's the wokest [person] in here, because I'm about to whip him or her on their [butt]!'"

Trevor Noah: "Harriet Tubman on the $20 billion. ... Although, this might be too little, too late, because no one uses cash. It might be safer to incorporate her into the Venmo logo."

Trevor Noah: "Still, replacing one of the most racist presidents with a Black woman who helped slaves escape is amazing progress. If you went back in time and told Andrew Jackson that Joe Biden was doing this, he would be like, 'Wait, Joe Biden? That guy who just got elected to the Senate?'"

Jimmy Kimmel: "Twitter last night said goodbye to the MyPillow guy, Mike Lindell. ... Kicked off Twitter for posting that the election was rigged over and over again. Twitter had enough. Can you imagine, 10 years ago, if I told you a former crackhead pillow executive would be kicked off Twitter for helping Donald Trump overthrow the government? I feel like we're not fully appreciating the comedy here. Imagine if Biden's closest adviser was the guy who invented the Shake Weight."

Jimmy Kimmel: "The Senate impeachment trial is set to begin two weeks from yesterday. Today, only five Republicans voted in favor of the trial, which means there's no chance Trump will be convicted. Even Mitch McConnell, who specifically said Trump provoked the crowd, voted against it. I knew we should have been suspicious when he did the right thing."

Jimmy Kimmel: "Some Republicans say impeachment would divide the nation even more. Some made the ridiculous claim that it's unconstitutional to convict a President after he leaves office. ... This is the tough-on-crime party. This is the party that investigated Benghazi for over two years. We still don't know what Benghazi is. This is the man who still hasn't admitted he's lost the election. Move on. It's been almost a week, but we've got to move on from this."

Stephen Colbert: "Last night, House impeachment managers delivered the article of impeachment to the Senate. ... When you incite insurrection against your own government, you don't get to hold office again. That's why after the Civil War, Confederate President Jefferson Davis had to get a job at Best Buy."

Stephen Colbert: "Now, to get a conviction, the House is going to have to convince 17 Republican senators that the former President incited the riot. And even though they were all hustled out through secret tunnels to keep them from being murdered by the President's own bloodthirsty, fascist squad of goons, they're on the fence. ... Yes. That's his defense. He didn't actually go with his cult members to commit murder, so he's not guilty. I'm sorry, that's actually Charles Manson's defense. But I'm sure Charlie would fit in with those rioters. He's got the team tattoo."

Stephen Colbert: "According to a source familiar with the situation, Mar-a-Lago has become a 'sad' and 'dispirited' place since the ex-President moved in, as opposed to before he moved in, when it was hailed as the number-one luxury COVID hot spot where you can enjoy room-temperature chowder while a Chinese spy loads malware on your phone."

Stephen Colbert: "Today we learned that Biden wants Congress to pass his COVID relief bill before March. Yes, ideally, before last March, which I think this still is. It goes '30 days has September, it's been March since I can't remember.'"

Stephen Colbert: "Well, there's good news, because just before we went on the air, tonight President Biden came out with a brand new announcement: He ordered a bunch of new vaccines. ... Two hundred million more doses! Ooooh, baby. America's got a new boyfriend, and he is spoiling us, and we are loving it. And by 'spoiling us,' I mean 'not leaving us to fend for ourselves in the face of a deadly pandemic.'"

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Stephen Colbert: "Yet another thing is returning to somewhat normal, because on Sunday, presidential dogs returned to the White House! The dogs are back! ... The two very good boys are 12-year-old Champ Biden...and two-year-old Major Biden. ... The canine Bidens already have their own children's book, 'Champ And Major: First Dogs.' So much better than the children's book about Nixon's dog, 'Shhh! I Think Checkers Is Wearing A Wire.'"

Stephen Colbert: "The first dogs are already making their presence felt. Yesterday, during the signing of an executive order lifting the ban on transgender people serving in the military, we heard [them barking]. That's nice. They're either excited for social justice, or they're desperate to get into the Oval Office because the previous occupant soaked everything with burger juice."

Stephen Colbert: "All these animals are especially exciting, because the previous first family did not have any pets for the four years they lived in the White House. That is unless of course you count Lindsey Graham."

Jimmy Fallon: "Sources in touch with Trump have said he's, quote, 'bored out of his mind.' Well, he was already out of his mind, so I guess now he's just bored. Apparently, playing 36 holes of golf every day isn't as exciting when you're not ignoring a global pandemic."

Jimmy Fallon: "President Biden's very busy, and today, he spoke with Vladimir Putin for the first time since taking office. As soon as the call began, Trump was like, 'I feel a disturbance in the Force.'"

Jimmy Fallon: "I think you can tell Putin was used to talking to Trump. Out of habit, he ended the call with, 'Love you, too.'"

Seth Meyers: "The Senate yesterday confirmed former Federal Reserve chair Janet Yellen to be the first female treasury secretary in the department's 232-year history, which means that in 232 years, 'The Janet Yellen Musical' is going to be lit."

Seth Meyers: "The Supreme Court yesterday declined to hear two cases regarding whether former President Trump violated provisions of the Constitution that bar a President from profiting from a foreign government, mainly because they just don't think it seems likely that Trump made a profit."

James Corden: "Earlier today, all 100 senators were sworn in as jurors for Donald Trump's upcoming impeachment trial, which starts on February 8. The trial is to determine if the attack on the Capitol by thousands of people wearing flags and hats that said 'Trump' is the fault of – get this – Trump. But honestly, I think I speak for everyone when I say the American people are hungry for justice right now. And I don't care if it's Trump, or Victoria from 'The Bachelor,' but someone needs to pay for their actions."

James Corden: "Senate Minority Leader Mitch McConnell has dropped his demand that Democrats commit to preserving the filibuster, which will now make it easier for the two parties to share power together. McConnell compromised when Chuck Schumer offered him an extra two hours a day under the sunlamp in his terrarium."

James Corden: "According to recent reports, the Biden Administration is looking to speed up the release of new $20 bills featuring Harriet Tubman. Tubman would replace former problematic President Andrew Jackson on the 20. Biden's looking to replace a problematic white man with an inspiring Black woman. He's already done it with Mike Pence, so why not?"

Washington's Schedule

Today's Events In Washington.

***White House*:**

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- President Biden — No public schedule released.
- Vice President Harris — No public schedule released.

US Senate:

- Senate committee considers energy secretary nominee – Nominations hearing considers Jennifer Granholm to be Secretary of Energy

Location: Rm 106, Dirksen Senate Office Bldg, Washington, DC; 9:30 AM

- Senate committee votes on transportation secretary nominee – Executive Session, to consider the nomination of Pete Buttigieg to be Secretary of Transportation

Location: Rm 325, Russell Senate Office Building, Washington, DC; 10:00 AM

- Senate Foreign Relations Committee considers U.S. ambassador to the U.N. nominee – Hybrid nominations hearing considers Linda Thomas-Greenfield to be U.S. Representative to the United Nations with the rank and status of ambassador, and the U.S. Representative in the U.N. Security Council and the U.S. Representative to the sessions of the U.N. General Assembly during her tenure of service * Held in Rm G50, Dirksen Senate Office Building and via videoconference; *10:00 AM*
- Closed Briefing: Intelligence Matters

Location: CVC 217, U.S. Capitol Visitor Center, Washington, DC; 2:00 PM

- Senate Veterans Affairs Committee organizational meeting – Business Meeting, with agenda including 'The Committee Rules for the 117th Congress' and 'A resolution authorizing expenditures by the Committee for the 117th Congress'

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 3:00 PM

- Senate committee considers VA secretary nominee – Nominations hearing considers Denis McDonough to be Secretary of Veterans Affairs

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 3:01 PM

US House:

- No votes scheduled in the House of Representatives

Cabinet Officers:

- No public schedules released.

Visitors:

- No visitors scheduled.

General Events:

- State of the Net Conference continues (virtual) – State of the Net Conference – Internet Policy in Transition continues. Day two speakers include Democrats Sen. Amy Klobuchar and Rep. Katie Porter, and NCTA – The Internet & Television Association President and CEO Michael Powell; 1*1:00 AM*
- Economic Club of Washington, DC, hosts panels on the Capitol Hill attack and COVID-19 (virtual) – Economic Club of Washington, DC, hosts online Congressional Panel, with Economic Club President David Rubenstein interviewing Democratic Rep. Debbie Dingell and Republican Rep. Tom Reed on the 6 Jan attack on the U.S. Capitol, the current political environment, potential reforms to security measures, and the way forward to national unity (11:45 AM EST) * Followed by Medical Panel, with Kaiser Permanente Markets Outside California Group President and Executive Vice President Kimberly Horn, Inova Health System President and CEO J. Stephen Jones, and MedStar Health President and CEO Kenneth Samet discussing the current surge in coronavirus (COVID-19) cases, including an update on area hospitals and the plan for vaccine allocation and distribution (12:20 PM EST); *11:45 AM*
- Brookings Institution and Mount Vernon host 'Leadership for a More Perfect Union' conference (virtual) – 'Leadership for a More Perfect Union' online conference hosted by the Brookings Institution and Mount Vernon, with speakers including Maryland Governor Larry Hogan, Democratic Sen. Tim Kaine, Microsoft President Brad Smith, Wilson Center President Jane Harman, former Secretary of State Colin Powell, and U.S. Supreme Court Justice Sonia Sotomayor, in conversation with Brookings Institution President Gen. (Ret.) John Allen, Mount Vernon President and CEO Douglas Bradburn, and The Carylyle Group co-founder and co-Executive Chairman David Rubenstein; *12:00 PM*
- Axios hosts discussion on 'Global Data-Driven Change' (virtual) – Axios hosts 'Global Data-Driven Change' virtual event, on the social

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impact of Big Data and how it can help solve some of the biggest equity issues across the economy and society. Speakers include Democratic Rep. Yvette Clarke, Shift7 founder and CEO Megan Smith, and Intel Executive Vice President and Chief People Officer Sandra Rivera; *12:30 PM*

• POLITICO Live discussion on 'Space Policy in the Biden Era' (virtual) – 'Ready to Launch – Space Policy in the Biden Era' POLITICO Live virtual event, on space policy and national security in the Biden era, with Democratic Rep. Jim Cooper, American Foreign Policy Council Defense Studies Senior Fellow Peter Garretson, and Secure World Foundation Washington Office Director Victoria Samson; 1:00 PM

• Interest rate decision – Federal Open Market Committee decision on interest rates, following two-day meeting and followed by press briefing with Chair Jerome Powell

Location: Federal Reserve, 1801 K St NW. Washington, DC; 2:00 PM

• HHS Office of Infectious Disease and HIV/AIDS Policy quarterly webinar – Department of Health and Human Services Office of Infectious Disease and HIV/AIDS Policy holds 'Ending the HIV Epidemic: A Plan for America' quarterly webinar; *2:00 PM*

• Court hearing for man arrested near U.S. Capitol allegedly possessing a truckload of weapons – Status conference for Lonnie Leroy Coffman, charged with possession of an unregistered firearm; carrying a pistol without a license; carrying a rifle or shotgun; possession of a large capacity ammunition feeding device; and unlawful possession of ammunition, after U.S. Capitol Police (USCP) responded to reports of possible explosive devices in the U.S. Capitol area during the 6 Jan attack * While conducting a protective sweep of the area, USCP officers observed what appears to be a firearm in Coffman's vehicle. Prosecutors allege that the truck held components for 11 explosive devices, guns, smoke devices, and machetes, along with a note containing information about a Member of Congress * Held via teleconference before Judge Colleen Kollar-Kotelly * Case no. 1:21-cr-00004; *3:00 PM*

• GOP Sen. John Boozman receives 2021 Walter Roberts Award (virtual) – George Washington University Institute for Public Diplomacy and Global Communication holds virtual ceremony to present Republican Sen. John Boozman with the 2021 Walter Roberts Award, in recognition of his ' outstanding contributions to the field of public diplomacy through his active participation, advocacy, and legislative support for telling America's story to the world'; *5:00 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, NOVEMBER 13, 2020 6:00 AM EST

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Treasury in the News

Administration Leaving Stimulus Talks To McConnell As Pelosi, Schumer Signal No Compromise.

The Washington Post (11/12, Werner, 14.2M) reports that on Thursday, "Congressional Democratic leaders accused Republicans...of refusing to confront the dramatically worsening coronavirus pandemic and instead acquiescing to" President Trump's "false insistence that he won last week's presidential election." According to the Post, Trump "tweeted incessantly about the need for an economic relief bill before the Nov. 3 election, but he has been silent on the matter ever since, and initial signs that congressional Republicans wanted a deal also have cooled." The Post says House Speaker Nancy Pelosi and Senate Minority Leader Chuck Schumer "said that Biden's election win constitutes a mandate for their demands for a new multitrillion-dollar relief bill, particularly given how coronavirus case numbers are jumping."

The AP (11/12) says Pelosi and Schumer "adopted a combative posture on COVID-19 relief on Thursday, pressing their case for a $2 trillion bill that's a nonstarter for Republicans and faulting the GOP for dragging its feet on acknowledging Biden's victory." According to the

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CFTC-22-0351-A-000445

AP, "The message...was that Republicans should concede Biden won and immediately return to negotiations on COVID relief, with the Democrats' $2.4 trillion 'HEROES Act' as the starting point." Pelosi told reporters: "It's most unfortunate that the Republicans have decided that they will not respect the will of the people. It's like the house is burning down, and they just refuse to throw water on it."

The New York Times (11/12, Fandos, Cochrane, Rappeport, 18.61M) says, "By holding firm to keeping $2.4 trillion in new spending as their starting point, Democrats appeared to be closing the door on the possibility of a year-end compromise with Republicans, who have proposed spending a fraction of that amount." CNBC (11/12, Pramuk, 3.62M) says, "Lawmakers would have to overcome a number of challenges to pass pandemic relief legislation before Inauguration Day on Jan. 20. Among the barriers, Trump has showed little interest in anything other than fighting the election results since Nov. 3."

According to Politico (11/12, Everett, Ferris, 4.29M), "Prospects for a new stimulus bill this year just about hit rock bottom on Thursday" as Pelosi and Schumer "said they have no plans to budge from their position of demanding a $2 trillion coronavirus relief measure, and no less." Politico adds, "Barely an hour later, Senate Majority Leader Mitch McConnell rejected their approach," and "said that he still believes a bill of about $500 billion is the way to go, even though Senate Democrats have repeatedly rejected his proposal. He said the improving economy only makes it clearer the Senate should do something 'highly targeted at what the residual problems are.'"

Reuters (11/12, Cornwell) quotes McConnell as saying, "I gather she (Pelosi) and the Democratic leader in the Senate still are looking at something dramatically larger. That's not a place I think we're willing to go." Reuters reports that although "a senior official in Trump's administration said it was leaving any negotiations about a coronavirus relief package to McConnell and Pelosi for the time being," there is "no sign such talks were imminent. "

Bloomberg (11/12, Mohsin, Litvan, Wasson, 4.73M) also reports that the Trump Administration is "stepping back from negotiations" and "leaving it to" McConnell to "revive long-stalled talks." According to Bloomberg, "While the White House probably would consult with GOP lawmakers on details of a Covid-19 relief bill, it's now unlikely to take the lead on talks," and "would only take over if negotiations have to be restarted completely." Senate Finance Committee Chairman Chuck Grassley (R-IA) is quoted as saying, "There's not been any discussion yet between McConnell and Pelosi, but McConnell is not going to rely on [Treasury Secretary Steven] Mnuchin any more to do the dealing. I think he is intending to take it over and to try to get something going and get it done." Bloomberg reports that Senate Appropriations Committee Chairman Richard Shelby (R-AL) "underscored Republicans' limited appetite for relief," saying, "We're not going to do a big big big deal. So, mainly targeted at small business, and you know some people are hurting."

The AP (11/12) reports that Joe Biden's transition team announced on Thursday that he has spoken with Pelosi and Schumer "about 'intensifying' the country's coronavirus response and coping with the economic fallout the pandemic has inflected." According to the AP, "They also discussed the 'urgent need' to use the lame duck congressional session to approve bills on slowing the spread of COVID-19, as well as economic relief for 'working families and small businesses, support for state and local governments trying to keep front-line workers on the payroll,' expanded unemployment insurance and expanded access to affordable health care."

Chappatta: Mnuchin, Powell Must Withstand "Political Crosscurrents" To Keep Economy Afloat.

In a column for Bloomberg Opinion (11/12, 4.73M), Brian Chappatta says investors, amid the Covid-19 crisis, have viewed Treasury Secretary Steven Mnuchin and Fed Chair Jerome Powell "as steady leaders who are capable of steering the world's largest economy through uncharted waters." Mnuchin and Powell "have appeared together before Congress to give updates on their joint emergency lending programs, which helped restore smooth functioning to corporate-bond and municipal-debt markets." However, after the results of the elections last week, "it seems Democrats and Republicans are jockeying for power, and Mnuchin risks being thrown into the fray as well." Chappatta argues that if Mnuchin and Powell "let political crosscurrents impede their hard-fought efforts to get the economy through the Covid-19 pandemic, it's only America that loses in the end."

Budget Deficit More Than Doubled To $284B In October.

The Wall Street Journal (11/12, Davidson, Subscription Publication, 7.57M) reports the Treasury Department said Thursday that the federal government posted a budget deficit of $284 billion in October, a 111% increase from last month. The AP (11/12, Crutsinger) reports the CBO "is projecting that this year's deficit will remain above the $1 trillion level, coming in at $1.8 trillion, the second largest annual deficit on record but an improvement over the $3.1 trillion set in 2020."

Treasury Grant News

Ohio City Approves $2.3M CARES Act Funds Usage For Police Department.

ThisWeek Community Newspapers (OH) (11/12) reports Reynoldsburg, Ohio "will use the majority of more than $3 million in federal CARES Act funds to pay for public safety." The Reynoldsburg City Council "on Nov. 9 unanimously approved using about $2.3 million in CARES Act money to pay salaries and benefits for the Reynoldsburg police department." City Attorney Chris Shook said, "We have to rely on guidance that we receive from the United States Treasury Department and from the Ohio Office of Management and Budget to determine how it is that we can spend this money." Shook added that Treasury "has determined that our police officers' jobs are now substantially different or dedicated to addressing the COVID-19 pandemic in our city; we are now able to utilize those CARES Act funds to reimburse the city for their

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payroll and expenses during that time period."

Leading National News

Media Analyses: Trump Silent On Pandemic, "Largely Out Of Sight," As Election Challenges Continue.

While coverage of President Trump's challenges to vote counts in several states continues, media attention shifted Thursday and early Friday to the President's near-total absence over the past week and his silence on pressing matters. David Muir said on ABC World News Tonight (11/12, story 3, 2:55, 6.57M) that Trump "has remained largely out of sight. He's not addressed the country's worsening coronavirus situation, his tweets still largely on the election." Lester Holt said on NBC Nightly News (11/12, story 3, 0:35, 4.9M), "As the COVID crisis deepens across the country, President Trump has said nothing about it publicly since the election." NBC's Hallie Jackson: "The White House says the President is getting regular updates and making sure local officials have what they need. The COVID task force did meet Monday, but it was for only the second time in the last three and a half weeks. The President has not addressed the public in person in a week." On ABC World News Tonight (11/12, story 4, 0:40, Muir, 6.57M), Jonathan Karl said, "The President has been nowhere on this. He hasn't spoken about the alarming increase in infections. He has not met with the coronavirus task force for months. He hasn't even tweeted about it."

The AP (11/12, Madhani, Miller) says the President "has publicly disengaged from the battle against the coronavirus at a moment when the disease is tearing across the United States at an alarming pace." The AP says Trump "remains angry that an announcement about progress in developing a vaccine for the disease came after Election Day. And aides say the president has shown little interest in the growing crisis." The Los Angeles Times (11/12, Megerian, 4.64M) writes, "More than a week after his stinging electoral defeat, President Trump spent another day secluded in the White House on Thursday feverishly tweeting, watching television and telephoning allies – focused more on his own future than governing the nation as it struggles with a worsening pandemic."

The Washington Post (11/12, A1, Nakamura, 14.2M) writes, "On Thursday, six American service members were killed in a helicopter crash during a peacekeeping mission in Egypt. Tropical Storm Eta made landfall in North Florida, contributing to severe flooding. The number of Americans infected with the novel coronavirus continued at a record-setting pace, sending the stock market tumbling." But Trump "spent the day as he has most others this week – sequestered from public view, tweeting grievances, falsehoods and misinformation about the election results and about Fox News's coverage of him. Neither he nor his aides briefed reporters on the news of the day."

Politico (11/12, Forgey, 4.29M) reports that on Thursday, White House Press Secretary Kayleigh McEnany declined to say when Trump "might end his conspicuous pause of post-election public appearances, telling Fox News that Americans will 'be hearing from him at the right moment.'" Politico says the President "has not appeared or spoken publicly since a White House news conference last Thursday, when he repeated his attacks on the country's electoral system and his baseless claims of widespread voter fraud."

Politico (11/12, Cook, Orr, 4.29M) additionally reports that Chief of Staff Meadows "gathered senior aides on a call" on Monday "to plot the conservative policy moves they could push through in their final 10 weeks on immigration, trade, health care, China and school choice." Staffers "have compiled a list of roughly 15 moves they could make through executive orders, executive actions or finalizing agency rules that they plan to pursue in the coming days, according to interviews with three administration officials," and aides say Trump "intends to start issuing the orders as soon as possible." However, White House officials told the Wall Street Journal (11/12, Ballhaus, Restuccia, Subscription Publication, 7.57M) that Trump has not discussed what he wants to achieve over the next two months, and one official said little formal planning is taking place.

The Washington Post (11/12, 14.2M) editorializes, "The pandemic has reached runaway speed in the United States, and the president has vanished. ... On Wednesday, 1,549 people died from the virus in the United States. Would the leadership of the nation be on high alert if, say, that many people were killed in three jumbo jet crashes? If a terrorist group or foreign attacker drew such an awful toll on a single day? Yet there was not a word from President Trump, so self-absorbed with his election defeat and the mirage of voter fraud that he seems unable and unwilling to deal with a supreme national crisis."

Trump Campaign Continues To File Legal Challenges. Ben Tracy reported on the CBS Evening News (11/12, story 5, 2:20, O'Donnell, 4.06M), "The Trump campaign continues to file legal challenges, even as senior advisers tell CBS News there is no viable path to overturning the election results. Sources say President Trump knows this, but likes to be seen as a fighter." The New York Times (11/12, Haberman, 18.61M) writes, "There is no grand strategy at play, according to interviews with a half-dozen advisers and people close to the president." Trump is "simply trying to survive from one news cycle to the next, seeing how far he can push his case against his defeat and ensure the continued support of his Republican base. By dominating the story of his exit from the White House, he hopes to keep his millions of supporters energized and engaged for whatever comes next."

The AP (11/12, Swenson, Seitz) reports the President on Thursday "falsely claimed on Twitter that an election technology firm 'deleted' large numbers of his votes or 'switched' them to count for Joe Biden." USA Today (11/12, Jackson, 10.31M) writes, "Intentionally or not," Trump also "re-tweeted several items Thursday warning about the prospect of a Democratic-controlled U.S. Senate – something that can only happen if Biden becomes president and Kamala Harris becomes vice president." CNN (11/12, Bash, Borger, Klein, 83.16M) reports on its website that while Donald Trump Jr. and Eric Trump "are gung-ho, leading the charge for the President to stay in the fight," Ivanka Trump "has emerged as someone looking for a way for the President to save face as he considers his next steps."

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The New York Times (11/12, Feuer, 18.61M) reports, "Almost from the moment the election ended, President Trump and his allies have

relentlessly attacked the integrity of both the voting and vote counting, a narrative they have sought to advance in nearly 20 lawsuits filed in the past eight days. While these suits have alleged systemic fraud in at least five states, the evidence they have offered has been different. At least so far, it has been limited, narrow and, according to several judges and experts, unlikely to affect – let alone to overturn – the outcome of the race." The Wall Street Journal (11/12, Ramey, Randazzo, Subscription Publication, 7.57M) reports the Trump campaign is pressing ahead with legal action in Georgia, Michigan, Pennsylvania, and Wisconsin, and on Friday, a Pennsylvania judge is set to hear a challenge to more than 8,000 Philadelphia ballots with minor errors.

White House Press Secretary Kayleigh McEnany said on Fox News' The Story (11/12), "Let's get to the bottom of this in an effectual way, in a truthful way, and be very careful on the information we are putting forward, which is what we've done." McEnany said on Fox News' Hannity that new affidavits from Pennsylvania show "one system for Democrat counties" and "another system for Republican counties," amounting "to tens of thousands of ballots that were counted improperly."

The New York Post (11/12, Bowden, 4.57M) reports the Trump campaign "was handed a minor legal victory on Thursday when a Pennsylvania judge ruled that a small number of ballots be tossed, from people who did not provide ID by a Monday deadline." The state appellate court ruling "bars counties from including in their final tally mail-in ballots from people who failed to validate their identification against state records by Nov. 9." The Daily Caller (11/12, 716K) says "ballots for which proof of identity had been provided between November 10 and 12 had been separated while the court decided what to do with them." The ruling "means that the segregated ballots will not be counted."

The Philadelphia Inquirer (11/12, 347K) says "tens of thousands of Pennsylvanians are still waiting to see if their vote will be counted as officials continue the tedious process of verifying what is likely to be a record-breaking number of provisional ballots." And Reuters (11/12, Spiezio) reports that Jones Day, "the go-to law firm" for the Trump campaign, is "under fire for representing Republicans in a lawsuit over Pennsylvania's extended deadline to receive mail-in ballots, with law students threatening to boycott the firm and a prominent anti-Trump group targeting it online."

In Arizona, the Arizona Republic (11/12, 869K) reports, "all counties that have conducted required hand-count audits of a sample of their ballots found no or minor discrepancies, county audit reports submitted to the state show." In Georgia, the AP (11/12, Brumback) reports, counties are preparing "for a hand tally of the presidential race." The New York Times (11/12, Hakim, Fausset, 18.61M) reports Georgia's "159 counties were poised on Thursday to begin recounting nearly five million ballots in the presidential election." The Atlanta Journal-Constitution (11/12, 895K) reports that "the recount is open to the public. Anyone can watch from an observation area. Official monitors appointed by political parties will be able to get closer, but they're not allowed to talk to audit teams or touch ballots." In Michigan, Townhall (11/12, McCarthy, 177K) reports, GOP state senators "are requesting a full audit of the 2020 general election after allegations of election improprieties and irregularities."

USA Today (11/12, 10.31M) editorializes, "Two days after the election, [Trump] stood in the White House claiming he was cheated out of victory. 'It's a corrupt system,' he told the nation. 'We have so much evidence.' A week later, it's reasonable for Americans to ask: Where is it? The increasingly obvious answer is that the evidence does not exist. There is no proof of any widespread voter fraud, and surely not enough to overturn the results in a single state, much less the three or more states Trump would need to reverse the outcome."

The Washington Post (11/12, 14.2M) editorializes, "Trump is attempting to overturn the lawful results of a free election by spreading lies and suborning local officials to abet his conspiracy. He is not likely to succeed, but the toxic effects on U.S. democracy will not soon dissipate. ... Though conducted by partisan officials, the mechanisms of vote-counting and election-certifying have until now been understood to be formalities based on actual vote counts. Vote counting cannot depend on which party can more effectively manipulate the machinery of government."

Cybersecurity Experts Say Election Was "Most Secure In American History." The AP (11/12, Tucker, Bajak) reports, "A coalition of federal and state officials said Thursday that they have no evidence that votes were compromised or altered in last week's presidential election. ... The statement from cybersecurity experts...trumpeted the Nov. 3 election as the most secure in American history." USA Today (11/12, Johnson, 10.31M) says "the security group, including the Department of Homeland Security's Cybersecurity & Infrastructure Security Agency (CISA) and the National Association of State Election Directors, issued what appeared to be a definitive coda to the 2020 vote."

The New York Times (11/12, Sanger, Stevens, Perlroth, 18.61M) calls the statement "a strong rebuke of President Trump's baseless assertion that the election had been stolen from him," while the Washington Post (11/12, Itkowitz, 14.2M) says the "firmly worded statement calling the Nov. 3 elections 'the most secure in American history'...contradict[ed] any claims of widespread voter fraud."

At Least 10 GOP Senators Say Biden Should Receive Intelligence Briefings. On ABC World News Tonight (11/12, story 3, 2:55, Muir, 6.57M), Muir said a "growing number of Republican senators...say it's time to start giving [Biden] the intelligence briefings incoming presidents get to keep this country safe." ABC's Jonathan Karl: "There are signs tonight Republican support for the President's give-no-ground posture is crumbling. While most Republican senators have yet to acknowledge have yet to concede Joe Biden won the election, a growing number are now saying it's time for Biden to receive the classified intelligence briefings normally given to a president-elect." Sen. James Lankford (R-OK): "If that's not occurring by Friday, I will step in as well to be able to push and to say this needs to occur so that regardless of the outcome of the election, whichever way that it goes, people can be ready for that actual task." Karl: "All told, at least 10 Republican senators, including Trump loyalist Lindsey Graham, said it's time for Biden to get those intel briefings."

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Tracy reported on the CBS Evening News (11/12, story 5, 2:20, O'Donnell, 4.06M), "The President's firewall of Republican support is

starting to crack. ... Several Republican senators, including Ted Cruz, now say Biden should have access to the presidential daily intelligence briefings, something the White House has not provided." Sen. Ted Cruz (R-TX): "For the sake of protecting the country, you want whoever is going to assume that office to be aware of the significant threats, because the first responsibility of any president is to keep the American people safe." On NBC Nightly News (11/12, story 4, 0:25, Holt, 4.9M), Jackson similarly said Trump's "red wall of Republican support is showing some cracks. More GOP lawmakers now say [Biden] should get access to classified information, briefings being blocked right now by the Trump Administration."

The AP (11/11, Riechmann) reports Trump is not allowing Biden access to the President's Daily Brief, the "ultra-secret daily brief of the nation's most sensitive intelligence," and "national security and intelligence experts hope Trump changes his mind, citing the need for an incoming president to be fully prepared to confront any national security issues on Day One." Politico (11/12, Levine, Desiderio, 4.29M) reports Lankford "noted that in 2000, then-President Bill Clinton allowed George W. Bush to begin receiving presidential-level intelligence briefings during the recount in Florida." According to Politico, Lankford "added that he plans to question the government agency responsible for jump-starting the transition process if a certification is not made by Friday." The New York Daily News (11/12, McAuliff, Sommerfeldt, 2.52M) reports Sen. John Cornyn (R-TX) "echoed Lankford in saying that the president should break the logjam and allow Biden access to national security briefings since he might 'win in the end.'"

USA Today (11/12, King, 10.31M) reports "prominent and powerful Republicans are signaling that Joe Biden should be treated as the next president," with senators saying "they see no issue with Biden receiving the same daily intelligence briefings Trump is getting." Sen. Charles Grassley (R-IA) "said he had 'no problem' letting Biden have access to the briefings," and several others, "including some of the president's most ardent allies" like Graham and Sen. Josh Hawley (R-MO), "quickly followed suit." The New York Times (11/12, Sanger, Stevens, Perlroth, 18.61M) quotes Sen. Roy Blunt (R-MO) as saying, "I don't think they need to know everything. I think they do need to know some things, and national security would be one of them."

The Washington Post (11/12, Sonmez, DeBonis, 14.2M) also reports that "an increasing number of Senate Republicans" say Biden "should be granted access to classified briefings during the presidential transition, an acknowledgment of the election results despite President Trump's insistence that he will win." Senate Majority Whip Thune told CNN, "I think that it probably makes sense to prepare for all contingencies. And as these election challenges play out in court, I don't have a problem with, and I think it's important from a national security standpoint, continuity."

Asked on Fox News' Fox and Friends First (11/12, 483K) about whether the Administration is considering giving Biden access to the President's Daily Brief, McEnany said, "All laws are being followed with regard to an expected transition, though we expect to continue on as the Trump Administration. We will see how our litigation goes." Reuters (11/12, Cornwell, Chiacu, Lewis), Bloomberg (11/12, Dennis, 4.73M), the Wall Street Journal (11/12, Peterson, Wise, Subscription Publication, 7.57M), Axios (11/12, Arias, 521K), The Hill (11/12, Carney, 2.98M), and the CNN (11/12, Raju, Barrett, 83.16M) website have similar reports. Meanwhile, Politico (11/12, Bertrand, 4.29M) reports that "a group of more than 150 former national security officials who served under [Trump] and other Republican and Democratic administrations is warning that the government's delay in recognizing" Biden's victory "poses a 'serious risk to national security.'"

According to the New York Times (11/12, Sanger, Stevens, Perlroth, 18.61M), "Deprived of access to secure government communications by the Trump administration, Mr. Biden's team of more than 500 former officials and outside experts has embraced workarounds, talking over encrypted apps like Signal to shield their conversations from the Chinese, meeting in outdoor coffee shops with government officials they once worked alongside." The Times adds, "The conversations are circumspect, both because of rules on both sides limiting how much information Mr. Biden's team can seek and how much executive branch officials are allowed to say."

Obama Says He Is "Troubled" By Republicans "Who Clearly Know Better" Supporting Trump's Claims. The CBS Evening News (11/12, story 4, 1:05, O'Donnell, 4.06M), previewing a 60 Minutes interview with former President Barack Obama, showed Obama saying, "The President doesn't like to lose, and never admits loss. I'm more troubled by the fact that other Republican officials who clearly know better are going along with this, are humoring him in this fashion. It is one more step in delegitimizing not just the incoming Biden Administration, but democracy generally. And that's a dangerous path."

Adelson-Owned Newspaper Urges Trump To Cooperate With Biden Team. The Washington Post (11/12, Izadi, 14.2M) reports, "In October 2016, the Las Vegas Review-Journal was the first major newspaper to endorse then-candidate Donald Trump for president. ... Four years later, the Review-Journal – owned by Trump supporter and Republican megadonor Sheldon Adelson – is advising Trump that he did indeed lose the 2020 presidential race and that he should start cooperating with the Biden transition team." In a Thursday editorial, the newspaper wrote, "It is too fitting that the Trump presidency concludes amid a babel of bluster and bravado. But the president does a disservice to his more rabid supporters by insisting that he would have won the Nov. 3 election absent voter fraud. That's simply false." Politico (11/12, Niedzwiadek, 4.29M) and The Hill (11/12, Budryk, 2.98M) also cover the editorial, while in her Washington Post (11/12, 14.2M) column, Margaret Sullivan looks at the challenges media organizations are facing in covering the post-election machinations.

Commerce Department Will Delay Enforcement Of TikTok Shutdown Order.

The Wall Street Journal (11/12, Maher, Subscription Publication, 7.57M) reports the Commerce Department said Thursday it will not enforce an order that would have effectively shut down TikTok by prohibiting US companies from offering it as a mobile app and offering web-hosting service for the company. Citing a preliminary injunction against the shutdown last month from US District Judge Timothy Kelly in Philadelphia, the Department said the order will not take effect "pending further legal developments." The New York Times (11/12, McCabe,

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18.61M) provides similar coverage.

Disney Reports Second Consecutive Quarterly Loss.

The Wall Street Journal (11/12, Prang, Subscription Publication, 7.57M) reports Walt Disney Co. reported a $710 million loss for the recently ended quarter, marking its second consecutive quarterly loss. The Washington Post (11/12, Zeitchik, 14.2M) says Disney "has been battered by the pandemic, which has kept it from attracting large numbers to its theme parks and from opening new movies in theaters. Both realms are usually very popular in the summer." Reuters (11/12, Richwine, Rana) says Disney's "revenue fell 23% to $14.71 billion in the quarter, above analysts' average estimate of about $14.2 billion. Disney's adjusted loss per share, excluding one-time items, of 20 cents, also beat Wall Street expectations of a more drastic 70 cents per share loss." The AP (11/12, Anderson, Ortutay) reports the results "weren't as bad as feared and the company's shares advanced after hours."

The Orlando (FL) Sentinel (11/12, Russon, 536K) reports Disney "announced Thursday it will not pay a stock dividend for the second half of fiscal 2020 because of the pandemic's effect and the company's investment into Disney Plus." The New York Times (11/12, Barnes, 18.61M) reports, "Investors are confident that Disney's theme park empire will come roaring back when a vaccine is deployed – and all they really care about, at least for the moment, is streaming, streaming, streaming."

Bloomberg (11/12, Palmeri, 4.73M) reports while Disney "is still reeling from the pandemic, the growth of Disney+ has softened the blow. ... The service grew to 73.7 million paid subscribers, smashing the 65.5 million analysts had been anticipating." The Los Angeles Times (11/12, 4.64M) provides similar coverage.

Xi Made Decision To Halt Ant Group's IPO.

Citing Chinese officials, the Wall Street Journal (11/12, Yang, Wei, Subscription Publication, 7.57M) reports Chinese President Xi Jinping personally made the decision to stop Ant Group's IPO. The Journal says the move came after years of tension between Ant Group's controlling shareholder Jack Ma and the Chinese government.

Revlon Reaches Agreement Allowing It To Avert Bankruptcy.

The Wall Street Journal (11/12, Gladstone, Subscription Publication, 7.57M) reports Revlon said Thursday it has gotten support from a sufficient number of bondholders to avoid a bankruptcy filing. The company said nearly 70% of the holders of a bond nearing maturity have agreed to a debt-swap deal, giving it more time to pay off its loans.

Harley-Davidson Pulling Out Of India.

The New York Times (11/12, Singh, 18.61M) reports Harley-Davidson "is giving up on India because of weak sales, after more than a decade of pursuing a huge but ultimately frustrating place to do business." Harley-Davidson "sold a total of 2,470 bikes in India in the 12 months that ended in March, almost half the number it reached five years ago, according to the Society of Indian Automobile Manufacturers, a nonprofit representing automotive manufacturers." Its motorcycles are "out of reach for many. Harley's top model exceeds $88,000 in Delhi after taxes and licensing fees. That is 41 times India's average yearly income, according to the World Bank."

Agreement Reached With Pharmacies To Provide Free COVID Vaccinations.

The AP (11/12, Alonso-Zaldivar) reports that "federal health officials have reached an agreement with pharmacies across the U.S. to distribute free coronavirus vaccines after they are approved and become available to the public." According to the AP, "Thursday's agreement with major chain drug stores, grocery market pharmacies and other chains and networks covers about 3 in 5 pharmacies," and "looks ahead to a time next spring when yet-to-be-approved vaccines will start to become available beyond priority groups." HHS Secretary Azar is quoted as saying, "The vast majority of Americans live within five miles of a pharmacy," and the deal is "a critical step toward making sure all Americans have access to safe and effective COVID-19 vaccines when they are available."

State Health Officials Prepare For Vaccination Distribution Logistical Complexities. The AP (11/12, Choi, Smith) says, "With a COVID-19 vaccine drawing closer, public health officials across the country are gearing up for the biggest vaccination effort in U.S. history – a monumental undertaking that must distribute hundreds of millions of doses, prioritize who's first in line and ensure that people who get the initial shot return for the necessary second one." According to the AP, "The push could begin as early as next month, when federal officials say the first vaccine may be authorized for emergency use and immediately deployed to high-risk groups, such as health care workers." The AP says state officials are "planning for the likelihood that the first shipments will not be enough to cover everyone in high-priority groups."

Vaccination Distribution Requires Cooperation Between Governments, Drug Makers, Suppliers, Employees. The New York Times (11/12, Gelles, Robins, 18.61M) reports Pfizer, the US government, and "the public health community face a new challenge: quickly making millions of doses of the vaccine and getting them to the hospitals, clinics and pharmacies where they will be injected, two separate times, into people's arms." Before shipment, "federal and state governments must tell it where to send how many doses," and medical supplier McKesson "will have to provide hospitals and other distribution sites with the syringes, needles and other supplies necessary to administer the vaccine." Employees "will need to be trained to store and administer the vaccine" and "ensure that, four weeks after people get the vaccine, they return for a second dose." In addition, "millions of Americans must be persuaded to get the shots in the first place."

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Work On COVID Vaccine Began When Virus Was Spreading In Wuhan. On NBC Nightly News (11/12, story 11, 1:45, Holt, 4.9M), Richard Engel said that when the novel coronavirus began to spread in Wuhan, China in December 2019, "the Chinese government swooped in with all its authoritarian might, but China did something else few noticed. It made a call for help, written in genetic code. ... Chinese researchers quickly cracked the code and published it" online. Imperial College London COVID-19 Vaccination Lead Robin Shattock "fed it into a computer and came up with a prototype vaccine within weeks. Nearly all the work since then has been testing."

Eli Lilly Antibody Treatment Aims To Speed Recovery Time For Vulnerable COVID Patients. ABC World News Tonight (11/12, story 2, 2:45, Muir, 6.57M) reported, "Ely Lilly's antibody treatment receiving FDA emergency use authorization just this week, working to speed up the recovery in some of the most vulnerable patients." Correspondent Alex Perez said researchers took "the most powerful antibody from one of the first survivors and [are] using a synthetically-made version to fight the virus." However, "only certain patients are eligible. They must be 12 years or older with mild to moderate symptoms and likely to develop severe illness, including many with pre-existing conditions like diabetes and obesity. It's not for people already in the hospital. Availability is limited. 88,000 doses ready now. 212,000 more expected by the end of the year."

Fauci Says Working With Administration Has Been "Stressful."

The Australian Broadcasting Corporation (11/12, 99K) reports on its website that in an interview, NIAID Director Fauci "said controlling America's worsening coronavirus outbreak was not impossible but becoming more and more difficult." Fauci also said "working with the Trump administration on the coronavirus pandemic had 'obviously been very stressful.'" Fauci said, "When you have public figures like [former Trump advisor Stephen] Bannon calling for your beheading, that's really kind of unusual. That's not the kind of thing you think about when you're going through medical school to become a physician."

In Recording, Facebook CEO Defends Decision Not To Suspend Bannon. Reuters (11/12, Paul) reports Facebook CEO Mark Zuckerberg "told an all-staff meeting on Thursday that [Bannon] had not violated enough of the company's policies to justify his suspension when he urged beheading" Fauci and FBI Director Wray, "according to a recording heard by Reuters." Zuckerberg said, "We have specific rules around how many times you need to violate certain policies before we will deactivate your account completely. ... While the offenses here, I think, came close to crossing that line, they clearly did not cross the line."

Fauci: Lockdown Can Be Avoided.

The New York Times (11/12, Zraick, Pérez-Peña, Grady, 18.61M) reports that on Thursday, NIAID Director Fauci "urged Americans...to 'double down' on basic precautions as coronavirus cases soared across the country and more Covid-19 patients were hospitalized than ever before." However, in an appearance on ABC's Good Morning America, Fauci "reiterated that a nationwide lockdown was unlikely, saying there was 'no appetite for locking down in the American public.' But he expressed confidence that virus cases could be reduced without such drastic measures – if Americans 'double down' on basic preventive steps, like social distancing and masks." Fauci is quoted as saying, "I believe that we can do it without a lockdown, I really do."

Azar: Facts "Do Not Support" Lockdown Of Country. HHS Secretary Azar said on Fox News' The Story (11/12), "We should be driven by science and data and the facts here, and they simply do not support the notion of locking down the country, sheltering in place. You know, it's important the American people know the facts, and the simple facts are that our colleges," K-12 schools, workplaces, air travel, and healthcare settings "are not mechanisms for major spread of the disease." Azar added that lack of protection during "indoor gatherings" is "what's driving this" second wave.

Birx Urges Tighter Restrictions, Guidance Adherence.

WISC-TV Madison, WI (11/12, 2.66M) reported that White House Coronavirus Task Force Coordinator Deborah Birx visited Wisconsin and "said that what we are doing right now here in the state is not enough," urging the Badger State to take cues from other states' efforts to flatten the curve. Birx said, "Your absolute case number's extraordinarily high, your rate of hospitalization is extraordinarily high, and we know what follows that is a high rate of fatalities. ... We're really asking people in this moment to do everything they can to save their own life and the lives of those that they love."

Asked on WISN-TV Milwaukee (11/12, 87K) about potential restrictions on bars and restaurants, Birx said, "We know that anytime people take their mask off indoors, that it can create a spreading event...and it's very difficult to eat and drink with a mask on, and so Wisconsin really needs to consider additional tightening, at least either close early, decrease capacity, and really, I don't know of a situation where at this point in Wisconsin that bars are safe."

In an appearance on WFRV-TV Green Bay, WI (11/12, 28K), Birx cited superspreader events and a number of asymptomatic cases as major drivers of the state's spike. Birx said, "It's no one's fault. They don't know they're infected. I know it's difficult to comprehend that there's a virus out there that can cause no symptoms in some and hospitalizations and deaths in others, and long-term consequences in others." She "says to flatten the curve, Wisconsin has to stop superspreader events and...stay home."

US COVID Infections Topped 150K Thursday; States See Surge In Hospitalizations.

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The CBS Evening News (11/12, lead story, 4:00, O'Donnell, 4.06M) reported, "America will soon be facing a coronavirus emergency more

severe and potentially more deadly than when the pandemic first began. The country isn't just breaking records. It's blowing through them, reaching new highs again tonight in cases and hospitalizations. ... There are few words to describe the staggering size or depressing depth of the crisis. In just three weeks, the number of new infections recorded each day in the US has doubled," and "Americans are now dying each day at levels not seen since the worst months of the pandemic." ABC World News Tonight (11/12, lead story, 4:50, Muir, 6.57M) reported hospitalizations also nearly doubled "in just two weeks."

On NBC Nightly News (11/12, lead story, 2:30, Holt, 4.9M), Miguel Almaguer said, "As the US skyrockets above yet another astonishing single day record for new COVID cases, doctors tracking the pandemic since March are equally alarmed by the steady and seemingly unstoppable waves of infections, now surging off the charts. With 46 states seeing a rise in cases," on Thursday "the Chicago mayor issued a stay-at-home advisory," and "governors across the nation are also pleading for the public to take precautions." The Wall Street Journal (11/12, A1, Levitz, Ansari, Subscription Publication, 7.57M) reports the governors of New York, Utah, Maryland, Iowa, and Minnesota, among other states, are imposing new measures aimed at curbing rising COVID infection numbers.

CNBC (11/12, Feuer, 3.62M) reports on its website that "average daily new cases are up by at least 5% over the last week in at least 47 states and DC as of Wednesday, according to a CNBC analysis of data compiled by Johns Hopkins University."

The New York Times (11/12, Smith, 18.61M) reports, "Eight days after 100,000 US cases" of COVID infections "were found in a day for the first time, the number topped 150,000 on Thursday." The pandemic "has risen to crisis levels in much of the nation, especially the Midwest, as hospital executives warn of dwindling bed space and as coroners deploy mobile morgues." Over "100,000 coronavirus cases have been announced nationwide every day since Nov. 4, and six of the last nine days have broken the previous record." Hospitalizations "also set a record on Thursday, climbing to 67,096, according to the Covid Tracking Project. It was the third straight day of record numbers, and the figure has doubled in just five weeks."

Study Finds COVID Death Rate Down 30% Since April. The AP (11/12, Murphy) reports, "Deaths per day in the US have soared more than 40 percent over the past two weeks, from an average of about 790 to more than 1,100 as of Wednesday, the highest level in three months." This is "still well below the peak of about 2,200 deaths per day in late April, in what may reflect the availability of better treatments and the increased share of cases among young people, who are more likely than older ones to survive a bout with COVID-19."

Reuters (11/12, Beasley) reports, "The likelihood that a coronavirus infection will prove fatal has dropped by nearly a third since April due to improved treatment, researchers at the University of Washington's Institute for Health Metrics and Evaluation (IHME) said on Thursday." In the US, COVID-19 "now kills about 0.6% of people infected with the virus, compared with around 0.9% early in the pandemic, IHME Director Dr. Christopher Murray told Reuters." He "said statistics reflect that doctors have figured out better ways to care for patients, including the use of blood thinners and oxygen support. Effective treatments, such as the generic steroid dexamethasone, have also been identified."

Redfield: 1M New Cases Per Week Not "Unlikely." CDC Director Redfield said on WXYZ-TV Detroit (11/12, 151K), "It's really important not to underestimate this virus. The threat is really real. A number of us were saying back in September that we were on a course to get up from 30,000, 40,000 to 100,000, 150,000, maybe even 200,000 cases a day, and then see the increased hospitalizations a couple weeks later and then, unfortunately, increased deaths. This is a very serious threat. I don't think it's unlikely in the next week or two that we won't be having one million cases a week in this country. Clearly, we're likely to see significantly more deaths."

Experts Warn About Trajectory Of COVID Infections In US. The Washington Post (11/12, Iati, 14.2M) reports, "Public health experts are sounding the alarm about the trajectory of the pandemic in the United States as the coronavirus spreads through the country largely unabated and officials muse aloud about the possibility of fresh lockdowns." The warnings "come amid widespread fatigue with restrictions, even as the virus is nowhere near finished rampaging across the country. Although several states implemented new mitigation measures this week, many people have been letting down their guards or, in some cases, vowing outright to ignore the rules."

California Cities Reimpose Restrictions As State Reaches Millionth COVID Case.

The AP (11/12, Melley, Taxin) reports California recorded its millionth known case of COVID-19 case on Thursday, following Texas as the second state to reach the "grim milestone."

The New York Times (11/12, Fuller, Arango, Hubler, 18.61M) reports, "Citing an alarming increase in cases, San Francisco this week banned indoor dining at restaurants and paused a plan to reopen schools." In Los Angeles, "thousands of residents have flocked in recent weeks to the parking lot of Dodger Stadium, one of the largest testing sites in the nation." In Sacramento, "the number of people hospitalized with the virus has doubled to 158 in the past two weeks." In San Diego, "where rising cases pushed the city to the most restrictive level of the state's guidelines, indoor activities will be banned as of Saturday in churches, gyms, yoga studios and movie theaters."

The San Francisco Chronicle (11/12, Allday, 2.67M) says the "upward trend is especially concerning with multiple threats on the horizon. People will naturally want to come together for the holidays, and the cold weather will draw them indoors. Plus the flu season could further complicate the COVID-19 pandemic." The Los Angeles Times (11/12, Money, 4.64M) reports Los Angeles Public Health Director Barbara Ferrer, during a briefing on Thursday, "emphasized that LA County remains on a knife's edge and that everyone needs to do their part to keep conditions from worsening." She said, "We all need to act now. ... The actions we take today, tomorrow and next week have tremendous impact on the health and well-being of many, many people across the county. If, collectively, we fail to stop the acceleration of new cases, we will have no choice but to look at additional actions."

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Upper Midwest, Plains States See COVID Cases Rising.

The Washington Post (11/12, Gowen, Bailey, 14.2M) reports, "Covid's long, dark winter has already arrived in the Upper Midwest, as cases and deaths surge, snatching lives, overwhelming hospitals, exhausting health-care providers and raising fears that the region's medical system will be completely overwhelmed in the coming days." Experts "say that cases are surging in the region as the weather has turned colder and more people are forced inside – into more poorly ventilated indoor spaces where transmission thrives – with the virus arriving even in remote areas in largely conservative states where Republican leaders have resisted mask mandates or business closures, asking their residents to rely instead on personal responsibility." In Minnesota, Gov. Tim Walz (D) "has warned of more 'nightmare' numbers to come, even as the state has instituted new restrictions on bars, restaurants and social gatherings in an attempt to stop the spread." NBC Nightly News (11/12, story 2, 1:40, Holt, 4.9M) reported that in Michigan, "officials warn the state's healthcare system could soon capsize amid a nearly five fold surge in COVID hospitalizations since just last month. ... Hospitals throughout the state are understaffed and overwhelmed, with cases and hospitalizations doubling every two weeks."

North Dakota Nurses Association Reject Policy Allowing COVID-Positive Employees To Continue Working. The Hill (11/12, Weixel, 2.98M) reports that in a statement on Wednesday, the North Dakota Nurses Association rejected "a policy that would allow COVID-positive nurses to continue treating patients at coronavirus units of hospitals and nursing homes if they are not symptomatic." They association "said the policy does not address the root of the problem and called for a statewide mask mandate and other public health measures to be implemented first." On Monday, Gov. Doug Burgum (R) announced the policy "as a way to ease pressure on hospitals that are short-staffed and nearing capacity, as COVID-19 cases surge uncontrollably throughout the state." North Dakota "is currently the worst-hit state in the country in terms of coronavirus cases per 100,000 residents, but is one of 15 states without a mask mandate."

Chicago Mayor Issues Stay-At-Home Advisory.

Reuters (11/12, Caspani, O'Brien) reports Chicago Mayor Lori Lightfoot (D) "issued a stay-at-home advisory and Detroit stopped in-person schooling on Thursday to staunch the coronavirus outbreak as more than a dozen states reported a doubling of new COVID-19 cases in the last two weeks." Lightfoot "on Thursday issued a 30-day advisory calling upon residents to stay at home and have no visitors, even during Thanksgiving festivities." According to Reuters, Illinois "has emerged as the pandemic's new epicenter in the region as well as across the country."

Bloomberg (11/12, Singh, 4.73M) reports Lightfoot's advisory urges "residents to avoid leaving home except for work, school and other essentials as new Covid-19 cases and hospitalizations surge." The restrictions "will take effect on Monday and stay in place for 30 days, or until the health commissioner changes it. If the city continues on the current path, at least 1,000 more Chicagoans could die from the virus by the end of the year, Lightfoot said during a press conference on Thursday."

CNN (11/12, Parks, Jones, Jimenez, Asmelash, 83.16M) reports on its website that Lightfoot said in the release, "The gains we have made this past year have been the result of our willingness to work together. Even in this difficult moment, we will continue to unite as we always have for our city in order to halt the rise we're seeing, shake out of the fatigue we've been experiencing, and make the crucial difference in what our future is going to look like."

The Chicago Tribune (11/12, Munks, Pratt, 2.65M) reports that at a coronavirus briefing on Thursday, Gov. J.B. Pritzker (D) said, "If things don't take a turn in the coming days, we will quickly reach the point when some form of a mandatory stay-at-home order is all that will be left. ... With every fiber of my being, I do not want us to get there. But right now, that seems like where we are heading."

The Chicago Sun-Times (11/12, 875K) says "more people have contracted the virus in Illinois over the past 15 days – nearly 140,000 – than during all of summer." Of "all 536,542 people who have tested positive in Illinois so far during the eight-month pandemic, almost half of them have been diagnosed just since the beginning of October alone."

NYC Schools Seen As Likely To Close Again Amid Resurgence Of COVID.

The New York Times (11/12, Shapiro, 18.61M) reports New York City's school system – despite having coronavirus transmission being "strikingly low, with a positive-test rate of just .17 percent according to the most recent data, prompting one of the city's top health officials to declare that the public schools are among the safest public places around" – is expected to shut down by Thanksgiving, if not earlier. The move "would be perhaps the most significant setback yet for the city's recovery since the bleak days of spring, when it was a global center of the pandemic and all the schools were shuttered."

Meg Oliver of the CBS Evening News (11/12, story 2, 1:30, O'Donnell, 4.06M) said New York City's COVID positivity rate was at 2.6% on Thursday, "closing in on the 3% threshold that would trigger a move to remote learning in all public schools."

Health Officials Encouraging Extra COVID Precautions For Holidays.

The Washington Post (11/12, Brulliard, 14.2M) reports the "record-breaking surge in US coronavirus cases is being driven to a significant degree by casual occasions that may feel deceptively safe, officials and scientists warn – dinner parties, game nights, sleepovers and carpools." The White House coronavirus task force "has been urging states that are virus hot spots to curtail maskless get-togethers of family and friends, saying in reports that asymptomatic attendees 'cause ongoing transmission, frequently infecting multiple people in a single gathering.'"

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On NBC Nightly News (11/12, story 14, 1:30, Holt, 4.9M), Stephanie Gosk said, "The safest thing to do this Thanksgiving, health officials say, is stay home. The reality is a lot of people aren't going to stay home." NBC's John Torres said, "By far the safest thing is to not to travel, but if you do travel, take those steps you need to take to stay safe. That means wearing a mask, social distancing, washing your hands."

Asked on Fox News' The Story (11/12) about New York City's Thanksgiving restrictions, HHS Secretary **Azar** said, "We've got real practical suggestions" for managing the risks, including opening "your window if you can to increase ventilation," turning on ceiling fans, and using "single-serving" utensils for food. **Azar** said, "The most important thing is, even if we sacrifice this year for Thanksgiving and Christmas, we want to make sure that everyone in your family is available next year for Thanksgiving and Christmas so you can celebrate fully."

Birx Encourages Mask Wearing To Stem Fall Surge. WFRV-TV Green Bay, WI (11/12, 16K) reported that White House Coronavirus Task Force Coordinator Deborah Birx touted the effectiveness of mask mandates and "said other countries have already had success in stemming the tide of the virus when they get aggressive with prevention." **Birx** said, "Even though this fall surge is more rapid, resulting in more hospitalizations, we already have countries that are successful in flattening the curve, because they put in a mask mandate, they told you not to gather and take your mask off, and they closed bars and restaurants." Birx "is asking Americans to hang on for another four to six weeks when it comes to limiting contact."

Clinical Laboratories Warn COVID Testing May Be Delayed.

Politico (11/12, Lim, 4.29M) reports the American Clinical Laboratory Association, which "represents private labs, including LabCorp and Quest," warned that labs may soon be facing processing delays for COVID tests amid the surge of infections nationwide. Quest Diagnostics "this week said its average turnaround time for PCR testing is two days, but private labs say results will take longer to process once the number of new samples begins to exceed testing capacity." Association of Public Health Laboratories CEO Scott Becker said, "Labs are doing everything they can to eke out whatever additional capacity they can, but they are limited by supplies and in some cases test kits."

Lewandowski Tests Positive For COVID.

USA Today (11/12, Fritze, Santucci, 10.31M) reports Trump campaign adviser Corey Lewandowski "has tested positive for COVID-19, the latest member of the president's inner circle to contract the illness in recent weeks." Lewandowski "was present on election night at the White House for a gathering after initial results showed Trump ahead in several states." Chief of Staff Meadows and HUD Secretary Carson, "who were also present at the gathering, also tested positive in recent days." The Hill (11/12, Samuels, 2.98M) says the "White House election night party has emerged as the latest super-spreader event inside the building."

CNN (11/12, Acosta, Collins, Vazquez, 83.16M) reports on its website that Lewandowski "said he is feeling fine and will stay home as a precaution." He "joins a growing list of individuals close to the President to have tested positive for the virus this week after attending campaign events in the lead-up to and days after the election." In addition to Lewandowski, Meadows, and Carson, Trump adviser David Bossie and White House Political Affairs Director Brian Jack "all tested positive for the coronavirus this week." The New York Times (11/12, Haberman, 18.61M) reports similarly on this story.

Ivanka Trump, Kushner Withdrew Children From School After White House Outbreak.

The New York Daily News (11/12, Crane-Newman, 2.52M) reports Ivanka Trump and Jared Kushner withdrew their children from school "after fellow parents complained about the president's top aide and his daughter failing to follow pandemic protocols amid a COVID-19 outbreak in the White House." They "withdrew their three children from Milton Gottesman Jewish Day School in Washington, DC, three weeks after a coronavirus outbreak in the Oval Office and two weeks before Election Day," and enrolled them at a Maryland school.

Alaska Congressman Tests Positive For COVID.

The AP (11/12, Thiessen) reports Rep. Don Young (R-AK) "announced Thursday that he has tested positive for COVID-19, a day after the 87-year-old won his 25th term in the US House." On Twitter, Young wrote, "I am feeling strong, following proper protocols, working from home in Alaska and ask for privacy at this time." The AP says Young's "positive test came after he was campaigning for re-election in Alaska, which is experiencing a surge of cases."

The Washington Post (11/12, Itkowitz, 14.2M) reports Young "downplayed the coronavirus in its early days, calling it the 'beer virus,' a seeming reference to Corona beer." Young said in March, "It attacks us senior citizens. I'm one of you. I still say we have to as a nation and state go forth with everyday activities." Reuters (11/12) says Young is the latest of the 17 Republican and nine Democratic members of the House and Senate to "have tested positive or are presumed to have had COVID-19."

WSJournal: Delaware COVID Settlement Allows Churches To Be Treated Neutrally.

In an editorial, the Wall Street Journal (11/12, Subscription Publication, 7.57M) says the decision by Delaware Gov. John Carney (D) to settle with a pastor alleging the state's emergency orders discriminate against churches means Carney has agreed to treat houses of worship neutrally.

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WSJournal: Biden's COVID Team Would Push For Lockdowns.

In an editorial, the Wall Street Journal (11/12, Subscription Publication, 7.57M) says Joe Biden's coronavirus advisory committee members believe lockdowns are beneficial, but in fact they would have negative economic and public health consequences. The Journal advises Biden to diversify by calling the Great Barrington Declaration authors to join his committee.

Attorneys Seek Bond Release For Accused In Arbery Case.

On ABC World News Tonight (11/12, story 7, 1:30, Muir, 6.57M), Adrienne Banker reported, "Tonight, attorneys for two of the men accused of murdering Ahmaud Arbery seeking the release of the father and son on bond." Greg and Travis McMichael were "seen chasing Arbery before Travis fatally shot the 25-year-old after spotting him running in their Brunswick, Georgia neighborhood, in what they told police as an attempted citizen's arrest of a suspected burglar." Travis McMichael's friends testified "that he is remorseful," with attorneys "citing his service in the Coast Guard" and "saying this was no hate crime." Travis McMichael's attorney, Bob Rubin, said, "We have substantial evidence that on the day in question, Mr. Arbery was not a jogger. He was there for nefarious purposes." The attorneys "are asking the judge to reject the indictments' malice murder charge...saying it was written in such a way that it actually charges two crimes in one count." The hearing resumes on Friday morning.

House And Senate Poised To Extend Trump-Era Investigations.

Politico (11/12, Cheney, Desiderio, 4.29M) says President Trump "will be a private citizen in January. But Republicans and Democrats on Capitol Hill are poised to carry on the investigations and legal battles that helped define his presidency." Politico says that in the House, Democrats are "still in court fighting to obtain Trump's financial records and testimony from his first White House counsel Don McGahn, a key figure in the obstruction of justice case against Trump." Meanwhile, in the Senate, Republicans are "plotting ways to expand and intensify their investigations targeting the former Obama administration" and Joe and Hunter Biden, "with Senate Republicans saying they will use the lame duck period to ramp up their probes."

Federal Judge Schedules Conference On Trump Defamation Suit.

The Hill (11/12, Budryk, 2.98M) reports that Judge Lewis Kaplan "on Thursday signaled columnist E. Jean Carroll's defamation lawsuit against President Trump can move forward, scheduling a telephone conference in the case for Dec. 11." The conference scheduling follows Kaplan's earlier denial of the Justice Department's attempt to "take over the case." Carroll's lawyer, Roberta Kaplan, said in a statement to ABC News, "We look forward to finally moving ahead with discovery in the case, which has been on hold since Trump filed his motion for a stay last February, and look forward to the initial conference in E Jean Carroll's case on Dec. 11, if the parties cannot agree on a schedule."

DOJ Report: Acosta Engaged In No Misconduct When He Agreed To Epstein Plea Deal.

The CBS Evening News (11/12, story 10, 0:25, O'Donnell, 4.06M) reported, "This news today: The Justice Department said the prosecutor who handled a 2008 case against Jeffrey Epstein showed poor judgment but did not engage in professional misconduct. Alex Acosta, who later became President Trump's labor secretary, was under fire for the generous plea deal that he entered into with Epstein, who was accused of abusing dozens of teenage girls. Well, today, a lawyer for Epstein's victims called the DOJ report a cover-up."

The AP (11/12, Balsamo, Tucker) says a report from the Justice Department's Office of Professional Responsibility has found Acosta "exercised 'poor judgment' in handling an investigation into wealthy financier Jeffrey Epstein when he was a top federal prosecutor in Florida." The report details Acosta's "handling of a secret plea deal with Epstein, who had been accused of sexually abusing dozens of underage girls." According to the AP, the report "concludes that none of the prosecutors committed misconduct in their interactions with the victims," which the AP says is "likely to disappoint the victims, who have long hoped this would hold the Justice Department officials accountable for actions they say allowed Epstein to escape justice."

Reuters (11/12) reports, "In a statement released on Thursday, the Justice Department said that when Acosta let Epstein enter the non-prosecution agreement in 2008 that spared him from federal sex trafficking charges, he 'failed to make certain that the state of Florida intended to and would notify victims identified through the federal investigation about the state plea hearing.'" Reuters also reports that Sen. Ben Sasse (R-NE) denounced the report's conclusions, saying, "Letting a well-connected billionaire get away with child rape and international sex trafficking isn't 'poor judgment' – it is a disgusting failure."

The New York Times (11/12, Goldstein, Benner, 18.61M) says that "the review was an attempt to close the door on an embarrassing episode for the Justice Department that critics have said allowed Mr. Epstein to largely go unscrutinized in the face of years of allegations that he sexually abused dozens of teenage girls." The Times says despite the department's insistence "in its summary that it found no wrongdoing, it is clear from the full, nearly 350-page report that Mr. Epstein and his defense lawyers were in control of the negotiations from June 2007."

The Washington Post (11/12, Zapotosky, Reinhard, 14.2M) reports that "lawyers for the victims criticized the report," as Adam Horowitz saying, "The mountain of mistakes was not just poor judgment. It was reckless." Sasse also "called on the department to release its entire report," saying, "We have an obligation to make sure this never happens again." A Justice Department spokesperson "said the department could not release the entire report publicly, citing privacy law, but noted it was being turned over to lawmakers."

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Among the outlets also reporting on the review are the Wall Street Journal (11/12, Gurman, Subscription Publication, 7.57M), the CNN (11/12, Scannell, 83.16M) website, and Axios (11/12, Chen, 521K).

WPost: Voters Usher In "New Phase Of Drug Policy."

In an editorial, the Washington Post (11/12, 14.2M) says that Election Day votes to legalize recreational marijuana in New Jersey, Arizona, South Dakota, and Montana, medical marijuana in Mississippi, and decriminalize "small quantities" of hard drugs in Oregon "mark a welcome shift in decades of destructive drug policy" beginning with "the Reagan-era escalation of the war on drugs." The Post says "severe criminal penalties have fueled a huge growth in the prison population" with an outsized impact on many Black communities, while soaring opioid overdose deaths have underscored "just how cruel and counterproductive it is to criminalize addiction." With new state legislation, The Post argues, researchers will now "be able to closely observe these laboratories of democracy, hopefully ushering in a new phase of drug policy based on evidence and the principles of public health."

At Least Four Dead As Eta Moves Through Southeast.

The CBS Evening News (11/12, story 3, 2:00, O'Donnell, 4.06M) reported, "At least four people have died and dozens rescued after Tropical Storm Eta made landfall. Tonight, the devastating storm is dumping heavy rain on the Carolinas and Virginia." On NBC Nightly News (11/12, story 8, 1:05, Holt, 4.9M), Sam Brock said, "A nightmare in North Carolina: a deadly November storm steam rolling through the Southeast, forcing water rescues across the region." The AP (11/12, Anderson, Frisaro) reports Eta "raced off the Southeast Atlantic seacoast late Thursday, spreading heavy rains and gusty winds around the Carolinas only hours after blustering across north Florida. ... The storm system triggered flash flooding, multiple water rescues and road closures, and at least one collapsed bridge in South Carolina."

The Washington Post (11/12, Cappucci, 14.2M) says "after a 3,000-mile journey, an impact on seven countries, four landfalls and two bouts as a hurricane, the two-week rampage of Tropical Storm Eta was progressing through its final destructive act." ABC World News Tonight (11/12, story 6, 1:05, Muir, 6.57M) and the New York Times (11/12, Vigdor, Paybarah, 18.61M) also report.

Appeals Court Upholds Harvard Affirmative Action Ruling.

The New York Times (11/12, Hartocollis, 18.61M) reports, "A federal appeals court on Thursday ruled that Harvard's admissions process did not violate civil rights law, but the victory for the university could be short-lived should the case be taken up by the Supreme Court." The case has "elevated efforts by conservative activists," who have sought "to reach the Supreme Court, where an increasingly conservative tilt because of three justices appointed by President Trump has made it appear more likely that they could prevail despite more than 40 years of precedent."

The Washington Post (11/12, Anderson, 14.2M) says that "Students for Fair Admissions, a group opposed to the use of race in admissions decisions, sued the university in 2014 in an effort to halt what it alleged was unlawful discrimination" against Asian-American applicants. US District Judge Allison Burroughs "ruled in 2019 for Harvard on all counts" in the case, a decision that appellate Judges Jeffrey Howard and Sandra Lynch upheld. Students for Fair Admissions president Edward Blum said while the group is "disappointed" in the ruling, the suit "is now on track" for a ruling by the Supreme Court.

The Wall Street Journal (11/12, Korn, Subscription Publication, 7.57M) reports that Howard and Lynch said in a 104-page opinion that Harvard has targeted measurable goals in considering race and that variances in admission rates for minority students invalidates arguments that the university used quotas, adding that the school's subjective criteria does not indicate bias toward Asian-American applicants.

WSJournal: Harvard Ruling Signals Need For Definitive Supreme Court Decision. In an editorial, the Wall Street Journal (11/12, Subscription Publication, 7.57M) argues that cases around affirmative action like the Harvard case continue to surface because the Supreme Court has failed to offer clear definitions of how or how much race should be considered as a factor in admissions. The Journal says that an appeal presents an opportunity for the Supreme Court to offer clarification in accordance with the majority opinion of Americans who reject the consideration of race.

Two DHS Officials Reportedly "Forced To Resign"; Krebs "Expects To Be Fired."

CNN (11/12, Marquardt, Sands, 83.16M) reports on its website that DHS Assistant Secretary for International Affairs Valerie Boyd and DHS Cybersecurity and Infrastructure Security Agency Assistant Director for Cybersecurity Bryan Ware "have been forced to resign by the White House, according to sources familiar with the resignations." CNN says Ware's "farewell letter to staff indicates that he did not want to step down." In addition, Reuters (11/12, Bing, Menn) reports that Christopher Krebs, who heads the Cybersecurity and Infrastructure Security Agency, "has told associates he expects to be fired by the White House."

Deputy AG Rosen Reportedly Blocked Charges Against Zinke.

The Washington Post (11/12, Eilperin, Zapotosky, 14.2M) reports that Deputy Attorney General Jeffrey Rosen "deferred a bid from line prosecutors to move forward with possible criminal charges against former interior secretary Ryan Zinke, saying they needed to gather more evidence and refine the case." According to the Post, "The move late last year by Rosen...angered some career prosecutors in the Justice Department's Public Integrity Section and has delayed for months the release of an Interior Department Office of Inspector General report

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about Zinke's conduct." At issue is whether Zinke "made false statements to Interior investigators who were looking into his decision not to grant a petition by two Indian tribes to operate a commercial casino off reservation land" in Connecticut.

Trump Accountability Project "No Longer Active."

Breitbart (11/12, 673K) reports under the headline "Leftists Back Down On Plans To Create List To Block Trump Backers From Jobs" that the Trump Accountability Project, "which targets supporters of President Donald Trump by adding them to a list and 'holding them accountable' after the election, has announced that it is 'no longer active.'" The announcement "was made on the project's website, which has been promoted by former Pete Buttigieg staffer Hari Sevugan."

Trump Reportedly Mulling Creation Of Digital Media Company To Compete With Fox News.

Axios (11/12, Allen, 521K) reports President Trump "has told friends he wants to start a digital media company to clobber Fox News and undermine the conservative-friendly network." One source told Axios, "He plans to wreck Fox. No doubt about it." Axios says "some Trump advisers think Fox News made a mistake with an early call (seconded by AP) of [Joe Biden's] win in Arizona. That enraged Trump, and gave him something tangible to use in his attacks on the network." While "getting carried on cable systems would be expensive and time-consuming," Trump is instead said to be "considering a digital media channel that would stream online, which would be cheaper and quicker to start."

Townhall (11/12, Barkoukis, 177K) reports that "hours after" the Axios report, Trump "retweeted a number of messages critical of the news organization. After at least 10 retweets of people's comments ranging from '#foxnews is dead' to saying they have switched to watching Newsmax or OANN, Trump wrote: '@FoxNews daytime ratings have completely collapsed. Weekend daytime even WORSE. Very sad to watch this happen, but they forgot what made them successful, what got them there. They forgot the Golden Goose. The biggest difference between the 2016 Election, and 2020, was @FoxNews!'"

CNN (11/12, Stelter, 83.16M) reports on its website, "In the days since Fox and the other major networks called the election" for Biden, Trump "has been stoking anger at Fox and promoting the much smaller and often more conspiratorial right-wing networks Newsmax and One America News. ... Trump and Fox patriarch Rupert Murdoch have had a corporate marriage of convenience for five years."

McCarthy Says Boebert And Greene Have Both "Denounced QAnon," But Greene Has Not.

The Washington Post (11/12, Hawkins, 14.2M) reports House Minority Leader McCarthy on Thursday "defended two incoming Republican lawmakers who have voiced support for QAnon, falsely asserting that Marjorie Taylor Greene and Lauren Boebert have both denounced the baseless conspiracy theory." Asked about them at a news conference, McCarthy said, "Our party is very diverse. You mentioned two people who are going to join our party, and both of them have denounced QAnon." While Colorado's Boebert "has sought to distance herself from the online movement," Georgia's Greene "has not denounced QAnon."

National Parties Step Up Operations In Georgia Senate Runoffs.

The AP (11/12, Barrow, Nadler) reports that ahead of January's two Senate runoffs in Georgia, "both sides are playing to core supporters, the most reliable voters among the 5 million who split their ballots roughly evenly between the two parties in the first round. But for Democrats, it's seemingly a more piecemeal, voter-by-voter approach, while Republicans are pushing a broad branding message through mass media." The Democratic campaigns "still are limiting the scope of their in-person events as coronavirus cases spike nationally," but "they are quietly ramping up voter contact and registration efforts." Republicans are "embracing unrestricted in-person events," and are "using the events to embrace fully the nationalization of the runoffs."

Fox News (11/12, Steinhauser, 27.59M) reports on its website that the National Republican Senatorial Committee "is emphasizing that it's making 'major investments' in communications, data, field and digital operations in the state's twin Senate runoff elections." The Wall Street Journal (11/12, Wise, Subscription Publication, 7.57M) reports the NRSC and the campaigns of Sens. Kelly Loeffler (R-GA) and David Perdue (R-GA) have raised $32 million over the past six days, while Stacey Abrams' voting-rights group Fair Fight has raised about $9.8 million for the runoffs since Friday evening. NBC Nightly News (11/12, story 6, 2:10, Holt, 4.9M) aired a feature on Abrams and her organization.

The Los Angeles Times (11/12, 4.64M) says Georgia "has unexpectedly become host to a one-state referendum on a national question – Which party should control the U.S. Senate? – and the outcome will likely shape the ambitions of Joe Biden's presidency as well as his party's future." The Daily Caller (11/12, 716K) similarly writes, "If Republicans maintain their Senate majority, they would retain control over the confirmation process for members" of Biden's Cabinet.

GOP Wants Trump To Play Larger Role In Runoff Races. Politico (11/12, McGraw, 4.29M) reports that though the state "is at the center of a battle for Senate control," President Trump, "America's omnipresent political commentator, has remained mum. ... Outside of a few scattered tweets and retweets about specious claims of voter fraud in Georgia, Trump has made no public remarks about the state or the Senate runoffs there." Politico says his silence "has left some Republicans around Trump frustrated that the GOP's preeminent figure is leaving his party in the lurch at a critical moment. Trump's rallies and appearances, they argue, are a guaranteed way to drive interest in the state's two GOP Senate candidates."

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Loeffler Ads Say Warnock Celebrates "Anti-American Hatred," Praises "Marxism." Reuters (11/12) reports Loeffler on Thursday "unleashed her first full-scale TV attack ads" on Raphael Warnock (D), with "two 30-second spots that accused the Democrat of celebrating 'anti-American hatred,' praising 'Marxism' and calling police thugs and gangsters." The Atlanta Journal-Constitution (11/12, 895K) reports Warnock "responded to Loeffler's ads at a press conference that [he]originally called to discuss his health care platform. He also used the moment to level harsh words of his own against the senator." Warnock said, "Kelly Loeffler...sits down for interviews with known white supremacists and accepts the endorsement of a candidate who traffics in the QAnon conspiracy theory that is rife with hatred and bigotry. It is shameful."

Underwood Projected Winner In IL14.

The Chicago Tribune (11/12, Pearson, 2.65M) reports the AP has projected that Rep. Lauren Underwood (D-IL) has won a second term in IL14. Underwood has 50.6% of the vote, while Republican Jim Oberweis has 49.4%. The Chicago Sun-Times (11/12, 875K) reports a spokesman said Oberweis is not going to concede and will seek a recount.

Malliotakis Defeats Rose In NY11.

The New York Times (11/12, Hughes, 18.61M) reports Assemblywoman Nicole Malliotakis (R), "overcoming a swell of anti-Trump sentiment in New York City," has defeated Rep. Max Rose (D-NY) in NY11 "to give her party a lone seat in the city's House delegation." The Times says Rose's defeat "was not completely unexpected. The district, which covers Staten Island and a portion of South Brooklyn, is the most conservative in the city; it was the only New York City congressional district that President Trump won in 2016," and Trump led Joe Biden in the borough "by roughly 24 percentage points after the machine count of ballots." The Daily Caller (11/12, 716K) reports Rose said Thursday "that he had called to offer his congratulations and concede to Malliotakis."

McCarthy Says GOP Will Win Control Of House In 2022.

The Washington Post (11/12, DeBonis, Firozi, 14.2M) reports House Minority Leader McCarthy said in a Wednesday interview that "the GOP would win the [House] majority in the 2022 midterms, citing the surprisingly diverse coalition of candidates – women and minorities – that allowed Republicans to exceed expectations up and down the ballot" this year. McCarthy said, "We have never been stronger in the sense of what the future holds for us – we have never been in a stronger position. We won this by adding more people to the party. And we won this in an atmosphere where we were the one group that everyone guaranteed we would lose. And we're the ones who won." The Hill (11/12, 2.98M) says "history has shown that the party that doesn't control the White House typically picks up seats during a midterm election."

RCP Average Has Trump's Job Approval At 46.1%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 46.1%, and his disapproval at 52.4%. His approval is up 0.2 since yesterday; his disapproval is down 0.1.

A Rasmussen poll of 1,500 likely voters (11/9-11/11) finds Trump's approval at 52%, and his disapproval at 47%.

Financial International News

IMF Head Urges G20 Countries To Sync Post-Covid Investments, Maintain Strong Fiscal & Monetary Policy.

Reuters (11/12, Lawder) reports IMF Managing Director Kristalina Georgieva, at the Paris Peace Forum on Thursday, "called on G20 countries to synchronize their investments to rebuild from the coronavirus pandemic, saying this would achieve a stronger growth outcome at less cost." Georgieva "said countries needed to take advantage of idle investment capacity, available fiscal space and very low interest rates to boost jobs and growth and reduce economic inequality." She added, "If the G20 countries, move together, invest together at the same time...They would spend a third less to achieve the same output goal."

Reuters (11/12, Leng, Woo, Young Lee) also reports Georgieva, in video remarks to Beijing's Caixin Summit, "said on Friday the global economy's road to recovery must be underpinned with continuously strong policy and that fiscal and monetary support should not be withdrawn prematurely."

China's Top IMF Official Expresses Hope For Consensus On SDRs.

Reuters (11/12, Shalal) reports Zhongxia Jin, China's top IMF official, "said the United States was currently cautious about a new allocation of Special Drawing Rights, the IMF's own currency, but he hoped a consensus for new allocation could be reached in the future." Jin "told an online event he hoped Washington's opposition to a new SDR allocation would be overcome as many low-income countries' liquidity problems turned into insolvency issues." Jin also "said a large, new issuance of SDRs was 'a very good idea' that was supported by many member countries," adding, "It is...also very appropriate for the Fund to issue SDRs in a large amount to deal with the liquidity shortage, and in also in many countries, especially low-income countries, the insolvency issue. ... I hope in some stage this consensus can be reached in the board of directors at the Fund."

Bloomberg (11/12, Soto, 4.73M) also reports.

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ECB Head Signals Eurozone Could Have Digital Currency Within Four years.

Bloomberg (11/12, Weber, 4.73M) ECB President Christine Lagarde "signaled that her institution could create a digital currency within years in what would be a dramatic change to the euro zone's financial sector." During a virtual ECB panel discussion Thursday, Lagarde said, "My hunch is that it will come. ... If it's cheaper, faster, more secure for the users then we should explore it. If it's going to contribute to a better monetary sovereignty, a better autonomy for the euro area, I think we should explore it." Lagarde "said it might be two to four years before the project could be launched as it addresses concerns over money laundering, privacy, and the technology involved."

ECB Has Made Little Progress On Deposit Protection Program. Law360 (11/12, Subscription Publication, 8K) reports behind a paywall, "A European central banker said on Thursday that the European Union's stalled regime to protect cash deposits should be a major priority as member states recover from the COVID-19 crisis." The EU "has made little progress on its proposed Deposit Guarantee Schemes Directive, Luis de Guindos, vice-president of the European Central Bank, said." De Guindos "added that the program, which is intended to protect cash deposits held by lenders and make the EU more resilient to financial shocks, should be a top priority."

Leading International News

Chinese Government Stopping Taiwan's Participation In WHO Meeting.

The Wall Street Journal (11/12, Deng, Subscription Publication, 7.57M) reports that opposition from members of the Chinese Communist Party is stopping Taiwan – which has not recorded locally transmitted infections in approximately seven months – from participating in a World Health Organization meeting to address the COVID-19 pandemic.

Prime Minister Says Japan Does Not Need To Declare COVID State Of Emergency.

Reuters (11/12) reports Japanese Prime Minister Yoshihide Suga said Friday that Japan does not need a state-of-emergency declaration over the coronavirus pandemic, "adding that experts backed that view." Speaking to reporters, "he said the government's initiative to boost domestic tourism with subsidies also did not need to be revised."

Germany, France See Slowing Of COVID Cases, But Hospitals Remain Crowded.

The AP (11/12, Moulson) reports, "The surge of new coronavirus cases appears to be slowing in Germany and France, generating hopes that the two European heavyweights are beginning to regain control over the pandemic." However, "authorities said Thursday that hospitals are crowded and are likely to face further strain in the coming weeks." German Minister of Health Jens Spahn "told his compatriots to brace for a long winter, regardless of whether a partial shutdown succeeds in bringing down the caseload," while Lothar Wieler, head of Germany's national disease control center, said there are "already more cases in intensive care than in April, and the cases have doubled in the past two weeks."

Germans Protesting COVID Restrictions Becoming Increasingly Violent. The Washington Post (11/12, Morris, Beck, 14.2M) reports there is "a growing violent undercurrent at large-scale street demonstrations against coronavirus restrictions" in Germany. The Post says the "developments point to an increasingly radicalized movement of virus skeptics in Germany, embraced by the country's far-right extremist groups and energized by global conspiracy theories, notably those put forth by the US-born QAnon movement." Last weekend, "far-right groups marched alongside the demonstrators...stoking concerns among security officials that they will gain recruits and draw more demonstrators to violence, with bomb- and weapon-making material already circulating in coronavirus-skeptic circles online."

South Africa Opens To Foreign Visitors.

The AP (11/12, Magome) reports, "In an effort to revive its tourism industry, South Africa has opened up international travel to visitors from all countries, President Cyril Ramaphosa has announced." South Africa "will now admit foreign visitors providing they produce negative COVID-19 test results, Ramaphosa said in a broadcast address Wednesday night." According to the AP, the step makes South Africa "one of the world's countries most open to international travel" and "comes as cases of the disease are slowly increasing in the country. Ramaphosa said his government will closely monitor any signs that international visitors increase transmission rates."

Gunman Opens Fire On Saudi Embassy In The Netherlands.

The New York Times (11/12, Erdbrink, 18.61M) reports that according to local police officials, at least one gunman opened fire at the Saudi Embassy in The Hague, Netherlands at 6 a.m. on Thursday. No injuries were sustained in the "rare attack...and it was not immediately clear whether the shooting was related to" the attack on a World War I commemoration attended by European officials in Saudi Arabia the day prior. The Times says that Dutch Prime Minister Mark Rutte "has voiced strong support for France in the aftermath of the beheading of a teacher by an Islamist extremist," setting the two countries "apart from the United States and other Western democracies" and stoking "anger in Muslim countries."

The Wall Street Journal (11/12, Abdulaziz, Subscription Publication, 7.57M) reports that Dutch police announced the arrest of a 40-year-old man from Zoetermeer in connection with the incident. Riyadh called the attack "cowardly," and has encouraged its citizens in the Netherlands to practice caution.

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US Allies In Iraq Said To Fear Targeting By Iran.

The Washington Post (11/12, Loveluck, Ryan, Salim, 14.2M) reports, "Iraqis who have worked closely with the U.S. military in their country have grown increasingly alarmed that they could be targeted for attack, fearing their personal identifying information has been obtained by Iran-backed militias." According to Iraqi officials, the US military provides personal information, "including names, addresses and license plate numbers...to secure permission for...translators to move around Iraq." While a US military spokesperson said the US-led coalition "does not share personally identifiable information about the translators with the Iraqi military or government," The Post says three documents "show that such information provided by the U.S.-led coalition has been circulated by various elements of the Iraqi security forces over the past year" and Iran-backed militias "have recently been escalating their attacks on American interests in Iraq."

NYTimes Analysis: Syrian Refugees Resist Return Under Current Leadership.

The New York Times (11/12, Hubbard, 18.61M) reports that "the Syrian government hosted a lavish conference in the capital, Damascus, this week aimed at trying to get the more than six million refugees who fled the country's civil war to come home," but "many refugees say they are not ready to return" as long as President Bashar al-Assad "and his government remain in power." While al-Assad "appears to be secure and the big battles have subsided" since protests calling for his ouster, "Syria is a shattered country, with Mr. al-Assad ruling only part of its territory" and "on top of material concerns, most of the refugees fled violence committed by Mr. al-Assad's government, and they now fear that going home could mean arrest or forced conscription into his army." al-Assad largely ignored such concerns in this week's conference, blaming "an international conspiracy" for the war and accusing "Arab and Western countries of...preventing [refugees] from returning."

NYTimes Analysis: Afghan Officials Do Not Expect Biden To Stop Trump's Troop Withdrawal.

The New York Times (11/12, Gibbons-Neff, 18.61M) says, "It is a desperately difficult time for Afghanistan. American troops, honoring President Trump's deal with the Taliban, are still on their way out of the country, despite the stalling of peace talks between the insurgency and the Afghan government, and a wave of intensified Taliban offensives near important cities." The Times adds, "Officials in Kabul are very aware that Americans are tired of the war – a fact made clear by a near absence of the issue in presidential debates, and by [Joe] Biden's seeming agreement with President Trump's desire to get out of Afghanistan." However, according to the Times, "in Mr. Biden, Afghan officials said they hoped to gain a less capricious and more communicative ally, though they know he is unlikely to stop the troop withdrawal."

Five Americans, Two Others Killed In Crash Of Peacekeeping Force Helicopter In Sinai.

NBC Nightly News (11/12, story 9, 0:15, Holt, 4.9M) reported, "A horrifying helicopter crash has killed five Americans and two others in Egypt. They were part of a peacekeeping force in the region. There's no word yet on the cause of the crash." ABC World News Tonight (11/12, story 5, 0:25, Muir, 6.57M) reported, "Officials say the helicopter went down in the Sinai Peninsula during a routine mission. The Blackhawk [is] believed to have suffered a mechanical failure. One American survived." David Martin said on the CBS Evening News (11/12, story 8, 1:15, O'Donnell, 4.06M) that it is "the single worst loss of American life in the nearly four decades US troops have patrolled the Sinai. About 450 Americans are part of an international force set up to monitor the 1979 peace treaty between Egypt and Israel."

The New York Times (11/12, Kershner, Schmitt, 18.61M) reports that the Multinational Force and Observers peacekeeping force "consists of 1,154 troops from 13 countries, including Australia, Britain, Fiji, the United States and Uruguay." The Washington Post (11/12, Raghavan, Hendrix, 14.2M) reports that in a statement, the MFO "suggested there was no indication that the event was terrorism related. 'At this point, there is no information to indicate the crash was anything except an accident,' the force said." The Wall Street Journal (11/12, Youssef, Malsin, Subscription Publication, 7.57M) also reports.

Pompeo To Visit Golan Heights, West Bank Israeli Settlement.

Axios (11/12, Ravid, 521K) reports Secretary of State Pompeo "is planning to visit the Golan Heights and an Israeli settlement in the West Bank next week, both firsts for a U.S. secretary of state." Since 1967, "all previous U.S. administrations have treated the West Bank and Golan Heights as occupied territory." Axios says the trip "seems intended to highlight the Trump administration's policy shifts on Israel. For Pompeo, it also has domestic political significance ahead of a possible presidential run in 2024."

Wolf Planning To Visit Several Latin American Countries In Early December.

The Washington Post (11/12, Miroff, 14.2M) reports Acting DHS Secretary Wolf "is making plans to travel to several countries in Latin America next month, a proposal that has raised concerns about the necessity of such a trip in the middle of the coronavirus pandemic. The trip is tentatively scheduled for the week of Dec. 7, and it could include stops in El Salvador, Panama, Colombia, Brazil and Ecuador, according to three people with knowledge of the plans."

Russian Military Operations Off Coast Of Alaska Impact Private US Ships.

The New York Times (11/12, 18.61M) reports on Russian military operations "inside the U.S. economic zone off the coast of Alaska" in August, "the latest in a series of escalated encounters across the North Pacific and the Arctic." Private US fishing ships received warnings "in a mixture of Russian and accented English" to leave the area. One captain told the Times, "It was frightening, to say the least. The Coast

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Guard's response was: Just do what they say."

Hong Kong Legislature Opens Without Pro-Democracy Lawmakers.

The New York Times (11/12, Wang, May, 18.61M) reports that on Thursday, Hong Kong's legislature opened after lawmakers from the pro-democracy opposition were either ousted by the Chinese Communist Party or resigned to protest the ousters. The Times adds, "Unfazed, the remaining pro-Beijing camp got to work, reviewing a bill on parking spaces and discussing flu vaccines." According to the Times, the opposition "could only stand outside for one final protest, hanging two banners criticizing Hong Kong's chief executive – and then taking them down just a few minutes later before security could do so." The Wall Street Journal (11/12, Khan, Subscription Publication, 7.57M) reports senior Chinese officials have rejected international criticism of the terminations and the mass resignation.

EU Plans Pro-LGBTQ Policies In Response To Hungary And Poland.

The New York Times (11/12, Pronczuk, Novak, 18.61M) reports the European Union has "unveiled policies intended to strengthen the rights of L.G.B.T.Q. people, proposals that appear aimed particularly at right-wing governments in Hungary and Poland that have promoted discrimination." The European Commission moves "would classify hate crime, including homophobic speech, on a list of 'E.U. crimes' that also contains offenses such as drug trafficking and money laundering. ... The proposal would also protect same-sex families in all 27 of the bloc's members, and promises more funding for organizations promoting equality."

Researchers Conclude World "Already Past A Point Of No Return For Global Warming."

USA Today (11/12, Rice, 10.31M) reports, "Even if human-caused greenhouse gas emissions can be reduced to zero, global temperatures may continue to rise for centuries afterward, according to a scientific study" published in the British journal Scientific Reports on Thursday. The authors write, "The world is already past a point of no return for global warming." The only way "to stop the warming, they say, is that 'enormous amounts of carbon dioxide have to be extracted from the atmosphere.'"

NYTimes Analysis: Nobel Peace Prize Repeatedly Awarded To Dubious Winners.

The New York Times (11/12, Gladstone, 18.61M) writes that "at least six times in recent decades," the Nobel Peace Prize has been awarded to "recipients whose actions and behavior – either before or after the honor was given – have been viewed as unworthy or in some cases even absurd." Ethiopian Prime Minister Abiy Ahmed, the 2019 laureate, has moved "to violently suppress the Tigray region and risk plunging Africa's second most-populous country into a disastrous civil war"; the peace agreement pushed through by then-Colombian President Juan Manuel Santos, the 2016 winner, largely collapsed; "even [Barack] Obama himself questioned" his 2009 selection, "given that he had yet to achieve any significant result for the cause of world peace"; then-South Korean President Kim Dae-jung was honored in 2000, and two decades later, "the prospect of peace between the two Koreas seems even more remote"; efforts at peace between Israel and Palestine "have repeatedly faltered" since three statesmen were honored for their work in 1994; and Aung San Suu Kyi, honored in 1991, has rejected evidence that Burma "has systematically and brutally persecuted the country's Rohingya Muslim minority."

Housing

FHFA: GSEs To Keep Buying Loans In Forbearance Through December 31.

HousingWire (11/12, 23K) reports that the FHFA "announced on Thursday that Fannie Mae and Freddie Mac will continue to buy qualified loans in forbearance, extending the temporary policy until Dec. 31, 2020 in order to continue its support of homeowners and mortgage lenders." According to HousingWire, "The initial temporary policy was set to expire May 31, 2020. However, the FHFA has made several subsequent extensions as it monitors the impact of the coronavirus." In a press release, the FHFA said, "Eligible loans will continue to be priced to mitigate the heightened risk of loss to the Enterprises from said loans. These prudential measures also ensure fulfillment of the Enterprises' charter requirements to only purchase loans that meet the purchase standards imposed by private, institutional mortgage investors." DS News (11/12, Babb) reports the FHFA "says it will continue to monitor the coronavirus' impact on renters, borrowers, and the mortgage market and update policies as needed." National Mortgage Professional (11/12) provides additional coverage.

Freddie Mac: 30-Year FRM Average Rises From 2.78% To 2.84% On Heels Of Vaccine Announcement.

The Washington Post (11/12, Lerner, 14.2M) reports mortgage rates "rose last week, according to a Freddie Mac survey released Thursday, amid a mixed stock market sparked by investors reacting to a breakthrough coronavirus vaccine and a growing caseload." The 30-year FRM's average rate rose from 2.78% to 2.84%, down from 3.75% a year ago. The 15-year FRM average rose from 2.32% to 2.34%, up from 2.32% a year ago. The 5/1 ARM average rose from 2.89% to 3.11%, down from 3.44% a year ago. Freddie Mac Chief Economist Sam Khater said, "Mortgage rates jumped this week as a result of positive news about a COVID-19 vaccine. Despite this rise, mortgage rates remain about a percentage point below a year ago and the low rate environment is supportive of both purchase and refinance demand. Heading into late fall, the housing market continues to grow and buttress the economy."

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The AP (11/12) reports that "historically low borrowing rates have bolstered demand from prospective homebuyers. Demand for homes

has remained strong despite a brief slowdown in the early days of the coronavirus pandemic, but at the same time the rise in home prices has stretched the limits of affordability for many would-be buyers." MarketWatch (11/12, Passy, 1.67M) reports, "Economists and mortgage industry experts told MarketWatch they generally expect mortgage rates to remain low, at least by historical standards, in the near-term. While news like the vaccine announcement may push rates up or down a bit from week-to-week, rates won't move higher in earnest until it's clear the Federal Reserve is planning to adjust interest rates higher." However, "even if rates are higher, most observers expect the housing market to remain strong."

Also reporting on Freddie's rates are pieces from Business Insider (11/12, 3.67M), Bankrate (11/12, Wichter, 311K), the Orange County (CA) Register (11/12, 546K), HousingWire (11/12, 23K), National Mortgage News (11/12), National Mortgage Professional (11/12), M Report (11/12, Espinosa), and Seeking Alpha (11/12, 512K).

Observers Uncertain As To Likely Scope And Scale Of GSEs' 2021 Activity.

National Mortgage News (11/12) reports that there is currently "a lot of uncertainty around public policy and the pandemic that will determine to what extent government-related agencies will compete with investors in the private market for loans next year." GSE policymakers may consider "price adjustments and proposals that would decrease the GSEs' involvement in certain types of loan purchases," NMN says. According to NMN, the GSEs "could possibly stop purchasing" investment property loans next year "if policymakers were to decide such purchases are outside Fannie and Freddie's affordable housing mission. However, it's by no means a given, because ceasing those purchases could hurt the GSEs' ability to cross-subsidize other mortgages that do directly finance affordable-home purchases," according to SitusAMC's Tim Rood.

NAR: Student Loans Biggest Obstacle To Potential Buyers Saving For Down Payments.

HousingWire (11/12, 23K) reports that 47% of "potential homebuyers" surveyed for NAR's 2020 Profile of Home Buyers and Sellers "said student loan debt was the biggest obstacle in saving for a downpayment," with 43% of respondents citing "high rent/mortgages" and 36% citing "credit card debt" as "factors getting in the way of saving for a downpayment." Price growth is also an obstacle; according to HousingWire, over the course of 2020, "home prices have continued to tick upward due to low inventory and high demand. NAR said that the median downpayment for all homebuyers this year was 12% – 7% for first-timers and 16% for repeat buyers." RISMedia (11/12, 2K) also covers NAR's report.

NAR: Home Prices Rose An Annual 12% In Q3.

The Wall Street Journal (11/12, Friedman, Subscription Publication, 7.57M) reports house prices climbed across the US in Q3, with the median existing home price in every metro higher than it was a year earlier, according to the National Association of Realtors. Potentially behind a paywall, Bloomberg (11/12, Gopal, 4.73M) reports, "Prices for single-family homes across the U.S. increased 12% in the third quarter, the biggest annual jump in seven years." According to Bloomberg, "Mortgage rates near record lows have fueled a surge in demand, pushing buyers to compete for a scarce supply of listings. Many are rushing to the suburbs, looking for extra space to quarantine in comfort – searches that are likely to intensify now as Covid-19 infections soar to the highest levels in months." NAR Chief Economist Lawrence Yun said, "Favorable mortgage rates will continue to bring fresh buyers to the market. However, the affordability situation will not improve even with low interest rates because housing prices are increasing much too fast." Realtor (11/12, 25.12M) provides additional coverage.

COVID-19 Drives Demand For Multi-Generational Housing, Accessory Dwelling Units.

The Wall Street Journal (11/12, McLaughlin, Subscription Publication, 7.57M) reports the COVID-19 pandemic is boosting the multi-generational home industry, with more customers seeking options that will allow their older family members to live with them. Demand is also rising for accessory dwelling units. In its coverage of the "increasing popularity in multi-generational homes," the Washington Post (11/11, Lerner, 14.2M) reports, "Approximately 20 percent of Americans, about 64 million people, live in a household with two or more adult generations, according to a 2018 study by Pew Research Center."

Better.com Prepares For IPO In 2021.

HousingWire (11/12, 23K) reports Better.com "selected Bank of America and Morgan Stanley to prepare an initial public offering slated for 2021, according to sources cited by Bloomberg." Rumors in October suggested that Better.com was "raising a big funding round ahead of an IPO." Around that time, CEO Vishal Garg "told FinLedger that Better.com went from losing money to achieving 'enviable profit margins,' largely reflecting "heavier loan volumes, which have been driven primarily by refinancings." According to HousingWire, "The firm, headquartered in New York, is looking to gobble up market share through its tech platform and the convenience it provides prospective borrowers. Better.com sells its mortgages to Fannie Mae and Freddie Mac and then partners with sub-servicers to handle loan servicing. Per data from Recursion Companies, Better.com originated about $4.6 billion in mortgages during the third quarter, making it the 32nd largest lender in the country."

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Whalen: FOMC Is Artificially Boosting Loan Volume, But Credit And Operational Risk Issues

Will Emerge.

Writing for National Mortgage News (11/12), Whalen Global Advisors LLC Chairman Christopher Whalen says the Federal Open Market Committee is "stepping on the gas in terms of market intervention, meaning that prepayment rates are likely to remain elevated." In addition, "Back in October of 2019, Ginnie Mae 3% coupon MSRs were being capitalized at 5x annual cash flow or around 150 basis points (32 bps annually x 5). Today, those same Ginnie Mae 3% coupon MSRs are being capitalized at 3x annual cash flow – or 90 bps – and that level is still too high given visible prepayment speeds." According to Whalen, "the boom in mortgage lending is due to low interest rates and aggressive asset purchases by the FOMC," but lenders will see "declining profits and loan quality overall. And as and when new lending volumes start to recede, even with the FOMC's actions, the shoals of credit and operational risk lurking just beneath the surface will emerge."

Markets

10-Year Yield Falls.

MarketWatch (11/13, 1.67M) reports the 10-year Treasury yield fell to 0.893 percent.

Dollar Weakens.

Reuters (UK) (11/13, Westbrook) reports, "The Japanese yen edged higher on Friday as investors crept back to the safe-haven currency, worried about the economic damage of a trying winter in Europe and the United States as COVID-19 cases continue to surge." The yen "rose 0.2% to 104.90 per dollar in the Asia session, its highest since Monday when it tumbled after Pfizer announced that it had developed a working virus vaccine." The euro "rose marginally overnight to clamber back over $1.18, but it is down about 0.6% for the week so far, helping the dollar index to a 0.7% weekly rise."

Gold Rises.

Reuters (IND) (11/13, Soreng) reports, "Although fears over the economic fallout from mounting COVID-19 cases supported prices on Friday, gold was headed for its biggest weekly loss since September after positive news about a potential vaccine." Spot gold "rose 0.2% to $1,879.20 per ounce by 0814 GMT, but was down 3.7% for the week. U.S. gold futures gained 0.3% to $1,878.20."

Oil Falls.

Reuters (11/13, Obayashi) reports, "Oil prices fell on Friday, pressured by fears about a slow recovery in the global economy and fuel demand due to rising COVID-19 infections, but the market remained on track for a second straight weekly gain, helped by hopes for a vaccine." Brent crude "was down 51 cents, or 1.2%, at $43.02 a barrel as of 0741 GMT, after dropping 0.6% on Thursday." US West Texas Intermediate crude futures "fell 66 cents, or 1.6%, to $40.46 a barrel, having lost 0.8% on Thursday."

Cybersecurity

Israeli Cybersecurity Firm Finds New Type Of Iranian Ransomware.

Fox News (11/12, Friling, 27.59M) reports, "Check Point revealed Thursday a new type of ransomware that is traced back to Iran." The "Pay2Key" strain "targeted more than a dozen Israeli companies a few weeks ago," using the "Remote Desktop Protocol (RDP) of employees who worked from home." According to the Israeli cybersecurity company's investigation, "four Israeli victims of the attacks have decided to pay the ransom, which enabled its experts to track the payment transfers between crypto wallets." Check Point's manager of threat intelligence, Lotem Finkelstein, said, "Pay2Key is sophisticated and far more rapid compared to other ransomware strains. ... The recent Pay2Key ransomware attacks indicate a new threat actor has joined the trend of targeted ransomware attacks."

Finland Prepares Change To Code Law After Hacking Case.

The AP (11/12, Tanner) reports, "Finland said Thursday it was preparing legislation that would allow citizens to change their personal identity codes in cases of gross data breaches that carry a high risk of identity theft." The government's proposal "was designed primarily to assist thousands of people whose personal information was stolen during a hacking of patient records at a private Finnish psychotherapy center." Citizens "receive a personal identity code at birth to allow them to access most public and many private services," and the "criteria for changing one's code are strict." The government is drafting legislation that "would make the process slightly easier."

NSA Grant To Help Two Indiana Campuses Expand Cybersecurity Programs.

The Northwest Indiana Post-Tribune (11/13, Kiesling, 1.8M) reports, thanks to a $5.9 million NSA grant, "two local campuses of Ivy Tech Community College plan to expand their cybersecurity training partnerships in Northwest Indiana." The Lake County and Valparaiso campuses "are included in a consortium of four higher ed institutions that has been awarded a two-year, $5.9 million NSA grant to expand the pipeline for cybersecurity jobs both locally and nationally." Matthew Cloud, Information Technology chair for Ivy Tech's Lake County campus, said, "The NSA grant will help us build and expand our existing training program partnerships with the governor's office, financial institutions and law enforcement agencies in Northwest Indiana to fill their needs." Cloud added, "The grant will help more than 425 law enforcement personnel, military veterans, transitioning military, and other first responders obtain basic to advanced cybersecurity training for free."

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TFI/Sanctions

Trump Order Prohibits Americans From Investing In Companies That Aid China's Military.

The Wall Street Journal (11/12, Lubold, Lim, Subscription Publication, 7.57M) reports President Trump has signed an executive order barring Americans from investing in a group of 31 Chinese companies the Administration says support the Chinese military. The order prohibits American companies and individuals from owning shares directly or through funds in any of the companies.

The New York Times (11/12, Swanson, 18.61M) reports the list of companies "includes prominent Chinese technology, manufacturing and infrastructure companies, such as China Mobile Communications Group, China Telecommunications Corporation, Huawei, Sinochem Group, Hangzhou Hikvision Digital Technology, China Railway Construction Corporation, Inspur Group and Aviation Industry Corporation of China." But, the Washington Post (11/12, Whalen, Lynch, 14.2M) says the order's impact "is unclear. The affected companies do not appear to include China's major publicly traded tech firms, and several of the companies said to be affected by the prohibition, including Huawei, don't trade on stock markets. Others are large state-owned defense contractors, such as China Electronics Technology Group Corp., that don't have foreign stockholders."

Reuters (11/12, Pamuk, Alper, Ali) says this is Trump's "first major policy initiative...since losing the Nov. 3 election to Democratic rival Joe Biden and indicates that he is seeking to take advantage of the waning months of his administration to crack down on China, even as he has appeared laser-focused on challenging the election result." Politico (11/12, Bade, 4.29M) reports, "It's unclear how Biden will deal with this and other last-minute Trump moves. His transition team declined to comment on the order."

Secretary of State Pompeo said on KPAM-AM . Portland, OR (11/12, 459), "Make no mistake about the work that we're doing to counter the threat from the Chinese Communist Party continues. So, there's still a fair amount of work to do. The State Department's got work to do. Treasury's still got some things that they're going to do. And I'm confident the White House will have decisions that it will make as well, each of which will be designed to continue the effort that is historic, that the President took on this recognition that bending a knee, appeasing China, giving them an exception to every international ruleset, puts American jobs and prosperity at risk."

"Health Heroes" Program Sends Seized Funds To Venezuela Covid-19 Workers In Rare Opposition Victory.

Reuters (11/12, Ellsworth, Sequera) reports the US "has imposed a series of sanctions on the socialist Venezuelan government of [President Nicholas] Maduro in an effort to dislodge him from power, accusing him of corruption, human rights violations, and rigging his 2018 re-election." The US "and dozens of other countries have recognized [Venezuelan opposition leader Juan] Guaido as the rightful head-of-state, but Maduro retains the support of the military and controls state functions." The "Health Heroes" program, an effort by Guaido to "channel seized offshore funds to those on the front lines" of the battle with Covid-19, "marks the first time Guaido's opposition has managed to directly transfer funds frozen by the United States as part of its sanctions." Health Heroes "taps into some $342 million held by Venezuela's central bank in offshore funds in the United States and seized under sanctions," with each recipient approved by Treasury's Office of Foreign Assets Control.

Federal Reserve

Senate Could Vote To Confirm Trump Nominee To Fed Board Of Governors Next Week.

The Washington Post (11/12, Siegel, 14.2M) reports a Senate vote to confirm Judy Shelton, President Trump's nominee to the Federal Reserve Board of Governors, could come as soon as next week, "giving the president another chance to shape the long-term direction of one of the government's most powerful entities." Senate Republicans indicated Thursday "that they planned to vote on her long-pending nomination during the lame-duck session of Congress next week." The Post says her confirmation "could mark Trump's final imprint on the Fed board before the Biden administration is inaugurated in January."

The Hill (11/12, Bolton, 2.98M) says Senate Majority Leader McConnell filed a cloture motion on Shelton's nomination moments after Sen. Lisa Murkowski (R-AK) announced she would support her. The Wall Street Journal (11/12, Timiraos, Subscription Publication, 7.57M) reports analysts say McConnell's move is an indication Shelton likely has the votes she needs for confirmation.

The AP (11/12, Rugaber) says Shelton's path to confirmation "may have been eased by Joe Biden's victory in the presidential election." When Trump announced her nomination, "many analysts noted that if she became a Fed governor and Trump won reelection, he could nominate her to replace Jerome Powell, the current chair, whose term expires in February 2022. Now that Trump has lost his reelection bid, there is no prospect for Shelton to become chair, which may have made it easier for GOP senators to support her nomination."

Bloomberg (11/12, Wasson, Condon, Litvan, 4.73M) says Shelton is "one of two of...Trump's Fed nominees pending in the Senate," and "if she and Trump's other pick, Christopher Waller, are confirmed, the outgoing president will have put five of seven members on the U.S. central bank's board."

Reuters (11/12, Saphir), MarketWatch (11/12, Nicholson, 1.67M), the Financial Times (11/12, Politi, Subscription Publication, 1.34M), and CNBC (11/12, Cox, 3.62M) also report.

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Powell: Increase In Coronavirus Cases Could Impact Economic Recovery.

The Wall Street Journal (11/12, Timiraos, Subscription Publication, 7.57M) reports Fed Chair Powell said during a virtual panel discussion with ECB President Christine Lagarde and Bank of England Governor Andrew Bailey Thursday that it is too early to tell what impact the search for a coronavirus vaccine will have on the US economy, especially since recent increases in infections could undermine the economic recovery.

Bloomberg (11/12, Boesler, Skolimowski, 4.73M) quotes Powell as saying, "We do see the economy continuing on a solid path of recovery, but the main risk we see to that is clearly the further spread of the disease here in the United States. ... With the virus now spreading, the next few months could be challenging."

Reuters (11/12, Schneider, Saphir, Burns), Newsweek (11/12, Zhao, 1.53M), The Hill (11/12, Lane, 2.98M), and CNBC (11/12, Cox, 3.62M) also report.

Powell Says Pandemic Has Changed The US Economy. CNN (11/12, Tappe, 83.16M) reports Powell said that although the economy has started to recover, "We're recovering, but to a different economy." CNN adds, "The pandemic has accelerated existing trends in the economy and society, including the increasing use of technology, telework and automation, he said. This will have lasting effects on how people live and work." Powell said, "Even after the unemployment rate goes down and there's a vaccine, there's going to be a probably substantial group of workers who are going to need support as they're finding their way in the post-pandemic economy, because it's going to be different in some fundamental ways."

Powell Says Fed Incorporating Climate Change Risk "Into All That We Do."

Bloomberg (11/12, Condon, 4.73M) reports Fed Chair Jerome Powell "said the U.S. central bank has been cooperating with its counterparts around the world to address risks presented by climate change." Powell said during a virtual panel hosted by the ECB, "What we're really working on is: how do we incorporate climate change risk into all that we do. It has potential implications for monetary policy, for bank regulation, for financial stability, and I would say we're in the very early stages of trying to work through what that means for our goals." Powell "said the Fed is in the process of applying for membership in the Network for Central Banks and Supervisors for Greening the Financial System, an international group formed in 2017."

Financial Regulatory Agencies

CFPB's Consumer Data Rule To Be Another Long-Running Policy Battle.

American Banker (11/12, Berry, Subscription Publication, 31K) reports "analysts predict a new rulemaking still in its early phase" at the CFPB "could soon dominate" the agency's agenda. American Banker explains, "In seeking to write a rule around how much control consumers have over their own financial data, the agency is tackling one of the thorniest issues affecting banks, fintechs and data aggregators." American Banker adds, "Unlike other regulations affecting single industries, the consumer data rule could be all-encompassing," and the agency is working on the consumer data rule ahead of a possible change in leadership.

Office of the Comptroller of the Currency

OCC's Brooks: US Needs To Focus On Private Sector In Global Race Toward Digital Currencies.

The CoinTelegraph (11/12, Pirus, 14K) reports, "Amid a global race toward central bank digital currencies, or CBDCs, the United States needs to focus on the private sector, says Acting Comptroller of the Currency Brian Brooks." In a House Financial Services Committee hearing Thursday, Brooks said, "I don't think in this country we need to wait to build a command and control government solution. I think the private sector is on it, and I think the role of the regulators on this panel is to provide a framework to make sure there aren't bank runs or other problems that consumers would be affected by."

Waters Vows To Undo Easing Of Financial Regulations Under Trump.

Politico (11/12, Warmbrodt, 4.29M) reports that on Thursday, House Financial Services Chair Maxine Waters (D-CA) "said she will fight to reverse the easing of financial rules that has taken place under President Donald Trump, calling the election of Joe Biden 'the dawn of a new progressive America.'" According to Politico, Waters "made the pledge at a hearing with top Trump appointees from the Federal Reserve, Federal Deposit Insurance Corp., Office of the Comptroller of the Currency and the National Credit Union Administration." Politico says Waters "slammed the OCC's 'harmful' revisions to anti-redlining rules under the Community Reinvestment Act, the landmark 1977 law that was intended to stop discrimination in lending," and "also cited looser approaches by Trump appointees to speculative trading restrictions under the so-called Volcker Rule as well as capital requirements for the biggest banks."

The Hill (11/12, Budryk, 2.98M) and Fox News (11/12, Rambaran, 27.59M) provide similar coverage.

FDIC's McWilliams Tells House Panel She Intends To Finish Her Term.

American Banker (11/12, Haggerty, Subscription Publication, 31K) reports FDIC Chair Jelena McWilliams "told a House panel Thursday that she plans to remain in her position until her term expires in 2023." In response to Rep. Emanuel Cleaver (D-MO)'s question about whether the Trump-appointed regulator was preparing for a new administration, McWilliams "said that the FDIC has taken the appropriate steps to

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prepare for the new administration and that she will work with whoever is nominated to sit alongside her on the FDIC board," adding, "I intend to fulfill the remainder of my term." McWilliams appeared virtually before the House Financial Services Committee along with Acting Comptroller of the Currency Brian Brooks, Federal Reserve Vice Chair of Supervision Randal Quarles, and National Credit Union Administration Chair Rodney Hood.

OCC Aims To Address Wealth Inequality With Project REACh.

KOKI-TV (11/12, 20K) reported, "A House panel report says banks generally lacked diversity with their senior ranks and their corporate boards. So there are concerns about that impacting the approval of loans and financial options offered to minority communities in need of help because of the pandemic..." To address wealth inequality, the OCC started Project REACh over the summer. Through the project, the agency "is working to eliminate obstacles to credit for 45 million people with no usable credit score to expand affordable housing for those who cannot afford higher down payment requirements and to reinvigorate minority banks that serve often neglected communities."

Analysis: Potential Financial Regulators In A Biden Administration.

Reuters (11/12, Schroeder, Johnson) reports Joe Biden's team "has tapped a mix of progressives and centrist policy experts, including former derivatives market regulator Gary Gensler, to lead a transition plan for financial industry oversight." According to "nearly two dozen lobbyists and policy experts in Democratic circles," if Biden takes the White House in January, "there will be a handful of banking regulator roles to fill, with the first likely to be comptroller of the currency." Current Comptroller Brian Brooks "is serving in an acting capacity."

Experts Debate Whether Biden Administration Would Be Good For Crypto.

Finance Magnates (11/12, McIntosh) reports Joe Biden "has never taken any strong public stance on cryptocurrency policy," but as president, he would "almost definitely be required to speak and make decisions about cryptocurrencies at some point." Other arms of the government "have already begun to move forward with policies that affect the cryptocurrency industry in significant ways." For example, the OCC allows banks to custody crypto. Ulrik Lykke, Executive Director at cryptocurrency hedge fund ARK36, said, "Biden himself historically has favored stronger regulation on the digital world," but "it must be noted that several of Biden's [likely] advisers are more pro-crypto than was the case for Trump's cabinet."

Editorial Wrap-Up

Washington Post.

"Some Local Officials Are Resisting Trump's Big Lie. Sadly, GOP Senators Aren't As Principled." The Washington Post (11/12, 14.2M) says in an editorial that President Trump "is attempting to overturn the lawful results of a free election by spreading lies and suborning local officials to abet his conspiracy. He is not likely to succeed, but the toxic effects on U.S. democracy will not soon dissipate. ... Though conducted by partisan officials, the mechanisms of vote-counting and election-certifying have until now been understood to be formalities based on actual vote counts. Vote counting cannot depend on which party can more effectively manipulate the machinery of government."

"The Pandemic Is Galloping Ahead. The President Is AWOL." The Washington Post (11/12, 14.2M) editorializes, "The pandemic has reached runaway speed in the United States, and the president has vanished. ... On Wednesday, 1,549 people died from the virus in the United States. Would the leadership of the nation be on high alert if, say, that many people were killed in three jumbo jet crashes? If a terrorist group or foreign attacker drew such an awful toll on a single day? Yet there was not a word from President Trump, so self-absorbed with his election defeat and the mirage of voter fraud that he seems unable and unwilling to deal with a supreme national crisis."

"Voters Made Clear: The War On Drugs Isn't Working." The Washington Post (11/12, 14.2M) says that Election Day votes to legalize recreational marijuana in New Jersey, Arizona, South Dakota, and Montana, medical marijuana in Mississippi, and decriminalize "small quantities" of hard drugs in Oregon "mark a welcome shift in decades of destructive drug policy" beginning with "the Reagan-era escalation of the war on drugs." The Post says "severe criminal penalties have fueled a huge growth in the prison population" with an outsized impact on many Black communities, while soaring opioid overdose deaths have underscored "just how cruel and counterproductive it is to criminalize addiction." With new state legislation, The Post argues, researchers will now "be able to closely observe these laboratories of democracy, hopefully ushering in a new phase of drug policy based on evidence and the principles of public health."

Wall Street Journal.

"Joe Biden's Lockdown Lobby." The Wall Street Journal (11/12, Subscription Publication, 7.57M) says Joe Biden's coronavirus advisory committee members believe lockdowns are beneficial, but in fact they would have negative economic and public health consequences. The Journal advises Biden to diversify by calling the Great Barrington Declaration authors to join his committee.

"Covid And The Church In Delaware." The Wall Street Journal (11/12, Subscription Publication, 7.57M) says the decision by Delaware Gov. John Carney (D) to settle with a pastor alleging the state's emergency orders discriminate against churches means Carney has agreed to treat houses of worship neutrally.

"Harvard Vs. Asian-Americans." The Wall Street Journal (11/12, Subscription Publication, 7.57M) argues that cases around affirmative action like the Harvard case continue to surface because the Supreme Court has failed to offer clear definitions of how or how

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much race should be considered as a factor in admissions. The Journal says that an appeal presents an opportunity for the Supreme Court to offer clarification in accordance with the majority opinion of Americans who reject the consideration of race.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

US Backs Down On TikTok
As Covid-19 Surges To New Levels Across US, States Impose Flurry Of Measures
China's President Xi Jinping Personally Scuttled Jack Ma's Ant IPO
Deposit Interest Rates Are Taking A Pandemic Nosedive
World's Explorers, Hemmed In By Pandemic, Offer Tips For Coping With Lockdown

New York Times:

Election Officials Directly Contradict Trump on Voting System Fraud
N.Y.C. Schools May Close Again, a Grim Sign of a Global Dilemma
Wrong Again: How Polls Misread 2020 Voters
Republicans' Wall of Support For President Begins to Crack
'Are We Getting Invaded?' A 21st-Century Cold War in the Arctic

Washington Post:

"We're The Ones Who Won": A GOP House Guarantee For 2022
Democrats Renew Calls For Expanded Virus Relief Bill
As Trump Tweets, Many Duties Of His Office Languish
Upper Midwest Faces A Reckoning
Iraqis Fear Work For US Makes Them Militia Targets
A Blueprint For Back-To-School

Financial Times:

Central Bank Chiefs Upbeat On Vaccine Boost To Global Economy
Covid Vaccine Presents Pharma With Shot At Redemption And Profits
Republican Resistance To Biden Victory Starts To Crack

Washington Times: Photos Show China Expanding Nuclear Arms Plants
First Vaccines Will Go To Select Groups
Trump Supporters Start To Give Up On Legal Challenges
Obama-appointed Judges Get Fraud Cases
Trump Bans Funding For Chinese Military

Story Lineup From Last Night's Network News:

ABC: COVID Surge; Eli Lilly Antibody Treatment; GOP-Election Results; Trump-Pandemic; Egypt-US Troops Killed; Tropical Storm Eta; Ahmaud Arbery Case; California-Small Plane Crash; Minnesota-Vehicle Pile-Up; Biden-Pope Francis; Country Music Awards.

CBS: COVID Surge; COVID-New York City; Tropical Storm Eta; Obama-Election Fraud Comments; GOP-Election Results; Biden-Cabinet; Biden-Pope Francis; Egypt-US Troops Killed; California-Small Plane Crash; Alex Acosta-Epstein Case; Thanksgiving Day Parade Changes; National Museum of the US Army.

NBC: COVID Surge; COVID-Michigan; Trump-Pandemic; GOP-Election Results; Biden-Transition; Georgia-Stacey Abrams; Obama-Memoir; Tropical Storm Eta; Egypt-US Troops Killed; California-Small Plane Crash; COVID Vaccines; Grocery Stores Restricting Items; Rockefeller Center Christmas Tree; Holiday Travel; Tribute to Veterans.

Network TV At A Glance:

COVID Surge – 14 minutes, 30 seconds
GOP-Election Results – 5 minutes, 40 seconds
Tropical Storm Eta – 4 minutes, 10 seconds
Egypt-US Troops Killed – 1 minute, 55 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Georgia-Hand Recount; COVID Surge; Alex Acosta-Epstein Case; UN-Al-Shabab extremists.
CBS: COVID Surge; Biden-Pope Francis; Trump-2024; Tropical Storm Eta; Egypt-US Troops Killed;
FOX: COVID Surge; Pennsylvania-Absentee Ballots; COVID-Student Athletes.

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NPR: COVID Surge; Georgia-Hand Recount; Trump Campaign Staff; Cybersecurity and Infrastructure Security Agency-No Evidence of Voter Fraud.

Last Laughs

Late Night Political Humor.

Conan O'Brien: "I'm trying to figure out which snack [Joe Biden] looks like. It was obvious that Trump looked like a Cheeto. The whole country was unified. We agreed he looked like an orange Cheeto. Everybody was in on it. OK? Now, we have a new president, and it's imperative that we determine what snack he looks like as soon as possible."

Trevor Noah: "Honestly I know it seems irresponsible, but I think it is great for people to gather during a pandemic to celebrate Thanksgiving because isn't that what Thanksgiving is all about, spreading a disease that wipes out a continent? I'm actually surprised Republicans still want Thanksgiving this year. After Joe Biden won, can you imagine what Thanksgiving is going to be like?"

Jimmy Kimmel: "Thanks for joining us for day nine of 'squattergate,' or 'reality is starting to peek through the windows of the White House.' The President might be going down with the ship, but many of the rats are putting their little bathing suits on amid increasing skepticism that their boss will be able to pull another rabbit out of his MAGA hat."

Jimmy Kimmel: "One reason Trump's advisors are so worried he might not be able to win is because he lost. And those don't go together."

Jimmy Kimmel: "The big orange guy is said to be feeling blue. [President Trump] is reportedly dejected and fuming. And soon he's going to understand what it feels like to be evicted from your home in the middle of a pandemic."

Jimmy Kimmel: "Trump has been floating the idea that he'd run again in 2024. And 2028. And 2032. Every election for the rest of our lives, we'll have a Donald Trump in it. We're never getting rid of this guy. Like herpes and the McRib, he'll just keep coming back."

Jimmy Kimmel: "The win in Alaska earned [Trump] three electoral votes. Not enough to win the presidency. I think I have an idea that can make everyone happy. ... Why don't we just make him President of Alaska? He'd love it. It even sounds like the names of his wives and daughters. Melania, Ivana, Ivanka, Alaska."

Jimmy Kimmel: "He'd for sure be the tannest person there. He'd like that. Think of plenty of wide-open spaces to build big ugly buildings and put their name on them. Donnie, Jr. would have a lot of endangered species to shoot. And he could marry Sarah Palin. She's like a Melania who likes you. ... You'd be surrounded by people who agree with you. You'll be able to see Russia from your house. It's everything you could dream. Let's make him first president of the last frontier, Alaska. It's big, it's white, it's melting down, and it has lots of crabs, just like Donald Trump."

Jimmy Kimmel: "Ivanka is said to be concerned a fight to stay in office could tarnish her father's legacy. ... Her father's legacy is going to be a rusted, half-finished section of wall on the border of Arizona."

Jimmy Kimmel: "We learned today that yet another member of Trump's inner circle has tested positive for the coronavirus. This time, Corey Lewandowski. And I'm told that Corey feels almost as awful as he is."

Jimmy Kimmel: "How has Rudy not gotten COVID? Somebody needs to find out which animal's blood he's drinking midnight on Halloween. It might have the vaccine it in."

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Stephen Colbert: "No matter how much he screams about it, no one believes the President's claims of victory. Not even the President.

Because aides say he has no real plan to overturn the results. Same way he defeated COVID."

Stephen Colbert: "In fact, the President is so sure he lost that he is talking privately about running again in 2024. Whaa? He is going to be so old by then! Forget descending an escalator. He'll have to make his announcement from a staircase chair lift. I mean, the guy is 74 now. By 2024, he'll be 78! Which is-- exactly the right age for a president. It's just a number, Joe! You go get 'em, buddy!"

Stephen Colbert: "According to a Reuters/Ipsos...post-election poll, nearly 80 percent of Americans recognize Biden as the winner. Do you know how hard it is to get 80 percent of Americans to agree on anything that isn't smothered in melted cheese?"

Stephen Colbert: "Apparently, Joe Biden has yet to receive a presidential daily briefing, and it's unclear whether his team will have access to classified information. Well, sure, if Biden wants access to classified national security intel, he's got to go through the proper channels and buy a membership at Mar-a-Lago."

Stephen Colbert: "Seems like no one around the President has the nerve to tell him he lost. One GOP source said, 'It's like dealing with a lunatic on the subway. Everyone just kind of sits and stares ahead, pretends they can't hear him, and waits for him to eventually get off.'"

Stephen Colbert: "Despite clinging to the job desperately, he's not actually doing it. The last intelligence briefing on the President's schedule was for October 2nd. He really should take the briefings because I'm sure they're full of valuable information. For instance, he might find out that the US elected a new president."

Stephen Colbert: "Around the world, autocrats are watching. One expert on Eastern Europe told reporters, 'The President's refusal to concede would create a new model for like-minded populists in Europe.' Well, that's convenient timing. Because I'm pretty sure he's going to start looking for a new model from Eastern Europe."

Stephen Colbert: "The President might not have a plan, but he's still asking supporters to donate to his official election defense fund. And he's not being subtle about it. On the website, the buttons are dancing for cash. ... And there are perks. For a donation of $2,800, you can 'join the first family circle.' That's got to be so tempting for Eric. (As Eric) 'Please let me in! I'll get the money!'"

Stephen Colbert: "According to the website, at least half of each donation will go to paying off the campaign's debts. One last grift for the road. Before he finally leaves, someone better check under his MAGA hat for White House silverware."

Stephen Colbert: "Regardless of what's going on in the White House, Biden's already putting the wheels in motion. He's named a transition team including people like Kiran Ahujcha, Michelle Howard, Chris Lu, Pamela Melroy, Kevin Washburn, and Geovette Washington. Do you have any idea who those people are? Neither do I, and I love it! Not one of them has an infomercial, or a sports blog, or is related to Joe Biden."

Stephen Colbert: "Yesterday, Biden announced his chief of staff. It's veteran Democratic advisor...Ron Klain. Klain was Biden's chief of staff when he was vice president and, according to Washington insiders, this hiring is an early signal that Biden intends to rely heavily on experience, competence and political agility after this presidency. After four years of getting our dental work done by the ear-piercing teen at Claire's, America's ready to try a dentist. Though we'll still be spitting out plastic rhinestones for years."

Jimmy Fallon: "Well, guys, in public President Trump hasn't given up on the election, but the big story is in private, he's been telling people he wants to start his own right wing conservative media network to take on Fox News. Finally, a chance to hear what Trump has to say."

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Jimmy Fallon: "That's right, Trump will base his new network in the media capital of the world: the Four Seasons Total Landscaping in Philadelphia."

Jimmy Fallon: "After four years, Trump only got 12 miles of new [border] wall built. ... I've shopped at Costcos bigger than that."

Jimmy Fallon: "Trump's like a dad who promises to build a tree house and now there's just a pile of wood in the back yard and three rungs of a ladder going up the tree. It's like, 'You're too old for a tree anyway.' 'I wasn't when you started.'"

Jimmy Fallon: "Trump's had four chiefs of staff. One quit, one was fired, one has COVID, and the fourth went out to get a pack of cigarettes and never came back."

Seth Meyers: "Well, it's day six of Trump watch. He is still refusing to leave the White House, but we do hear he's willing to speak to negotiators. 'I want $400 million, a copy of 'Swank,' and one of those Doritos locos tacos.'"

Seth Meyers: "President-elect Joe Biden has selected his long-time political advisor, Ron Klain, to be his White House chief of staff. ... Klain said the job would be, quote, 'the honor of a lifetime.' As opposed to the Trump Administration where the position of chief of staff was more like the honor of a month or two."

Seth Meyers: "President-elect Joe Biden is reportedly planning to reverse President Trump's immigration policies. That's right, he's going to tear down the blueprints for the wall!"

Seth Meyers: "Twitter confirmed this week that President Trump will be subject to their rules just like any other user once President-elect Joe Biden takes office on January 20th. 'Same,' said the southern district of New York."

James Corden: "President Trump has been angrily disputing the results of the election for the last week. ... [Aides] say he is fighting the election results mostly as a performance for his voters. Okay, good. As long as he is just doing it to waste an entire country's time, that's fine."

James Corden: "On top of that, Trump's public schedule shows that the President has little interest in actual work. He hasn't had an intelligence briefing since early October. Which is too bad, because if he had, he might actually know that he lost the election."

James Corden: "According to another new report, not only will Trump run for President again in 2024, he may announce it before Joe Biden is inaugurated, and possibly before the end of the year. So Merry Christmas, America."

James Corden: "But that's not all Trump has his eyes set on. He is apparently so unhappy with the way Fox News covered him that he is planning to start his own digital media company to compete against it. It's like he heard someone say no one is more biased than Fox News, and he took that as a personal challenge."

James Corden: "A Trump streaming network. They already have a few shows in development. There is 'Who Wants To Pretend To Be A Billionaire.' 'White-ish.' And 'Dictators In Cars Getting Coffee.' You know my favorite that he has come up with? 'Judge Rudy.'"

Washington's Schedule

Today's Events In Washington.

White House:

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- President Trump — Receives an update on Operation Warp Speed.
- Vice President Pence — Keynotes Council for National Policy Meeting.

US Senate:

- No public schedule released.

US House:

- House Speaker Nancy Pelosi holds weekly press conference

Location: HVC Studio A, U.S. Capitol Visitor Center. Washington, DC: 10:45 AM
- House of Representatives on recess from 2 Oct – 16 Nov

Cabinet Officers:

- Secretary of State Pompeo begins France / Turkey / Georgia / Israel / UAE / Qatar / Saudi Arabia trip – Secretary of State Mike Pompeo begins trip to France, Turkey, Georgia, Israel, the United Arab Emirates, Qatar, and Saudi Arabia, with agenda, respectively, including meeting President Emmanuel Macron, Foreign Minister Jean-Yves Le Drian, and other senior officials in Paris; meeting the Ecumenical Patriarch of Constantinople, Bartholomew I, in Istanbul; meeting President Salome Zourabichvili, Prime Minister Giorgi Gakharia, Foreign Minister David Zalkaliani, and the Patriarch of the Georgian Orthodox Church, Ilia II in Tbilisi; meeting Prime Minister Benjamin Netanyahu in Israel; meeting Abu Dhabi Crown Prince Mohammed bin Zayd in the United Arab Emirates; meeting Emir Tamim bin Hamad Al Thani and Deputy Prime Minister and Foreign Affairs Minister Mohammed bin Abdulrahman Al Thani in Qatar; and meeting Crown Prince Mohammed bin Salman in Saudi Arabia

Visitors:

- No visitors scheduled.

This Town:

- OAS Permanent Council High-Level Virtual Dialogue – Organization of American States High-Level Virtual Dialogue: 'Water and Strategic Partnerships for Integration in Central America'. Speakers include Guatemalan Vice President Guillermo Castillo Reyes, Honduran Vice President Ricardo Antonio Alvarez, El Salvadoran Vice President Felix Ulloa, Central American Integration System Secretary General Marco Vinicio Cerezo Arevalo, Global Environment Facility CEO and Chair Carlos Manuel Rodriguez, World Bank 2030 Water Resources Group Global Program Manager Karin Krchnak, Inter-American Development Bank Water and Sanitation Chief Sergio Campos, and Nestle Chair Paul Bulcke; *10:00 AM*
- CSIS / U.S. Naval Institute online Maritime Security Dialogue – 'Information Warfare: From A Supporting Role To A Leading Role' online Maritime Security Dialogue online event hosted by Center for Strategic and International Studies and the U.S. Naval Institute, with Deputy Chief of Naval Operations for Information Warfare/Director of Naval Intelligence Vice Adm. Jeffrey Trussler; *10:00 AM*
- CSIS online conversation with U.S. Ambassador to Lebanon – 'Lebanon's Challenges' Center for Strategic and International Studies Commission on Strengthening America's Health Security online event with U.S. Ambassador to Lebanon Dorothy Shea, who discusses the evolving humanitarian, health, economic, and political crises in Lebanon, the aftermath of the 4 Aug Beirut explosion and evolution of U.S. policy since; *10:00 AM*
- Chilean President Pinera speaks on CFR event – Council on Foreign Relations hosts Chilean President Sebastian Pinera for an online event, to discuss short term and long term economic recovery after coronavirus (COVID-19), Chile's new constitution, global governance, and the shifting geopolitics of Latin America; *11:00 AM*
- Hudson Institute event on 5G in the U.S. – 'Creating an American 5G Advantage' Hudson Institute virtual discussion, with Office of the Director of Defense Research and Engineering Principal Director for 5G Dr Joseph Evans, Oracle Senior Director for Strategic Initiatives Cheryl Davis, AT&T Vice President of Security and Technology Policy Chris Boyer, Parallel Wireless CEO and President Steve Papa, and Hudson Institute's Bryan Clark, Dr Dan Patt, and Tom Duesterberg; *12:00 PM*
- BPC online discussion on 'telehealth' with Independent Sen. Angus King – 'What's Next for Telehealth: Sustaining and Expanding Access After COVID-19' Bipartisan Policy Center online discussion, on the benefits of telehealth during the coronavirus (COVID-19) pandemic and what things look like for the future of telehealth in Maine and throughout the country. Featured speakers include Independent Sen. Angus King, Stratis Health President Jennifer Lundblad, Bipartisan Policy Center Associate Director of the Health Project Dena McDonough, Western Maine Health Family Medicine Physician Dr Lisa Miller, and Northern Light Acadia Hospital

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President Scott Oxley; *12:00 PM*

• Axios hosts virtual event on the future of health care with Dem Sen. Tina Smith – Axios hosts 'Health Care: 2021' virtual event on the future of health care in America, including how to expand health insurance access and the path forward to universal coverage following the presidential election and amidst another wave of coronavirus (COVID-19) pandemic concerns. Speakers include Democratic Sen. Tina Smith, The Foundation for Research on Equal Opportunity President Avik Roy, and UnitedHealthGroup OptumHealth Services CEO Heather Cianfrocco; *12:30 PM*

• Progressive Caucus Center 'Meeting the Moment' summit day two, with Dem Members of Congress – Progressive Caucus Center holds 'Meeting the Moment: Building a More Resilient Nation' event, day two, with speakers today including House Speaker Nancy Pelosi and fellow Democratic Reps. Pramila Jayapal, Mark Pocan, Ilhan Omar, Deb Haaland, Jamie Raskin, Chuy Garcia, Veronica Escobar, and Jared Huffman, actor and activist Alyssa Milano, Be a Hero Fund founder Ady Barkan, Poor People's Campaign's Rev. Dr William Barber, United We Dream Executive Director Greisa Martinez, Demos President Sabeel Rahman, AFL-CIO Secretary-Treasurer Liz Schuler, Data for Progress Vice President Julian Brave NoiseCat, People's Action Institute Executive Director George Goehl, home care worker Brenda Williams, and Center for International Policy President and CEO

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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, NOVEMBER 5, 2020 6:00 AM EST

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• WPost: Virginia Makes Correct Choice In Overhauling Redistricting.
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• Ellie Mae: Millennials' Rates Fall As They Take Larger Loans In September.
• Survey: Pandemic Making "Seamless" Digital Lending Key To Survival.
• Trepp: CMBS Delinquency Rate Falls From 8.92% In September To 8.28% In October.
• Bulk Ginnie MSR Sales May Be Rebounding.
• Sheila Bair Succeeding Plutzik As Chair Of Fannie Mae Board On November 20.
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Treasury in the News

McConnell Says "Another Rescue Package" Needs To Be Passed This Year.

The Washington Post (11/4, Werner, 14.2M) reports during a news conference Wednesday, Senate Majority Leader McConnell "said...that an economic stimulus bill should be completed before the end of the year and will be the focus when the Senate resumes work next week" and "that state and local aid – a longtime Democratic demand – could be part of the legislation." McConnell said, "We need another rescue package. The Senate goes back into session next Monday. Hopefully the partisan passions that prevented us from doing another rescue package will subside with the election. And I think we need to do it and I think we need to do it before the end of the year. ... It's a possibility we will do more for state and local governments." The Post says the comments "could open the door to a new phase in economic relief talks that have sputtered off and on for months," and Reuters (11/4, Cornwell) says McConnell "put[ting] his weight behind passage by the end of

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this year" gave the push for a new aid bill "a post-election boost."

CNBC (11/4, Franck, 3.62M) reports on its website that McConnell's comments "could rekindle relief talks between the two parties after months of stalled negotiations" between Treasury Secretary Steven Mnuchin and House Speaker Nancy Pelosi. However, Politico (11/4, Levine, 4.29M) says in a "sign of the enormous political hurdle ahead, Democrats and Republicans still cannot agree on a price tag for the stimulus package, and it's unclear if a lame duck session will only contribute to the stalemate."

Bloomberg (11/4, Wasson, 4.73M) reports Democrats "face a loss of leverage in negotiations" after "a disappointing showing on Election Day that left...McConnell potentially with a renewed mandate as majority leader." Bloomberg says that if Pelosi "continues to insist on a package greater than the $1.9 trillion offered by the White House, she will face pressure to compromise quickly from the remaining moderate Democrats who are vital to the party's House majority."

Kudlow: Administration Will Continue Push For Gov't Funding, Covid-19 Stimulus Bills. Reuters (11/4, Heavey) reports NEC Director Larry Kudlow on Wednesday "said the Trump administration planned to push ahead with its agenda this year even as the election results remained unknown, including a continuing resolution to fund the government and a possible COVID-19 stimulus bill." Kudlow said in a CNBC interview he would "be meeting with the president regarding an agenda. We have a lame-duck Congress, but we have a lot of work to do." Kudlow "added that he would also meet with U.S. Treasury Secretary Steve Mnuchin later on Wednesday, adding that it was unclear if the coronavirus relief would be tied to the funding measure."

Treasury Plans Expanded Sales Of Long-Term Debt.

Bloomberg (11/4, McCormick, 4.73M) reports the Treasury Department "further expanded sales of longer-term debt in its issuance plan for coming months as it anticipates more fiscal stimulus to shore up the economic recovery." As the result of the US presidential election remains uncertain, Treasury on Wednesday "said it will issue $122 billion of notes and bonds at next week's so-called quarterly refunding auctions – the third straight quarterly record." Treasury "also detailed plans over the coming months to boost sales of 20-year bonds along with coupon-bearing debt across maturities from two-year through seven-year notes."

MarketWatch (11/4, Robb, 1.67M), Reuters (11/4, Kerber), and The Wall Street Journal (11/4, Davidson, Subscription Publication, 7.57M) also report.

Leading National News

Biden Just Shy Of Electoral Vote Majority As Trump Campaign Launches Legal Challenges.

Media reports cast Joe Biden as on the verge of being declared president-elect, with the AP giving Biden 264 electoral votes, Biden leading in Nevada, and President Trump's narrow leads in Georgia and Pennsylvania dwindling as legally cast by-mail ballots continue to be counted. In addition to his electoral vote advantage, Biden also leads Trump in the popular vote by about 3.5 million. Coverage is critical of the President's efforts to halt vote counting in some of the remaining states while urging counting to continue in others.

On Wednesday afternoon, Michigan was called for Biden, which David Muir on ABC World News Tonight (11/4, lead story, 4:45, 6.93M) called "a crucial part of Biden's strategy to try to rebuild that 'blue wall' for Democrats." Muir said Biden also won Wisconsin "by about the same margin President Trump won that state four years ago. Tonight, the President's campaign now saying it will demand a recount in Wisconsin." Norah O'Donnell said on the CBS Evening News (11/4, lead story, 2:50, 3.94M), "The President's path to victory has narrowed significantly with more votes now counted. Absentee and early ballots have dramatically shifted the lead in several battleground states from President Trump to Joe Biden. ... The President is already heading to court tonight, trying to stop the vote count in Pennsylvania." On NBC Nightly News (11/4, lead story, 2:10, Holt, 5.79M), Chuck Todd said Biden is "leading in Arizona right now and leading in Nevada, and if he holds on to both of those he is right at the number" needed to election and "doesn't need any of these three East Coast states" – Georgia, North Carolina, and Pennsylvania – that remain too close to call. As for Trump, "not only would he need Pennsylvania...but some place else. Alaska wouldn't give it to him. He needs two more electoral votes somewhere."

ABC World News Tonight (11/4, story 2, 2:40, Muir, 6.93M) reported Biden spoke Wednesday afternoon alongside running mate Sen. Kamala Harris (D-CA), "appearing cautious but confident, Biden saying every vote must be counted." ABC's Mary Bruce: "A confident Joe Biden with Kamala Harris by his side, declaring victory is within his reach." Biden: "I'm not here to declare that we've won, but I am here to report when the count is finished, we believe we will be the winners." Bruce: "Biden says he's ahead in Wisconsin, ahead in Michigan, confident he flipped Arizona and feeling good about Pennsylvania." Kristen Welker said on NBC Nightly News (11/4, story 5, 2:50, Holt, 5.79M) that Biden also took "a not-so-veiled swipe at President Trump, who falsely claimed he won overnight with millions of votes yet to be counted." Biden: "Now, every vote must be counted. No one's going to take our democracy away from us. Not now, not ever." The New York Daily News (11/4, Sommerfeldt, Shahrigian, 2.52M) reports Biden "appeared to brush aside" Trump's tactics, saying, "We won with the majority of the American people. Every indication is that the majority will grow."

The AP (11/4, Lemire, Miller, Colvin, Jaffe) reports Biden said at his afternoon news conference that "he now expected to win the presidency, though he stopped short of outright declaring victory." Biden said, "I will govern as an American president. There will be no red states and blue states when we win. Just the United States of America." The AP calls it "a stark contrast to Trump, who on Wednesday falsely proclaimed that he had won the election, even though millions of votes remained uncounted and the race was far from over." Reuters (11/4, Hunnicutt) says Trump "has spent months seeking to undermine the credibility of the voting process in case he lost and accusing Democrats, without evidence, of seeking to steal the election."

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The New York Times (11/4, Cooper, Landler, 18.61M) says "the undecided presidential election entered a new phase on Wednesday" with Biden's wins in Michigan and Wisconsin. The Times says "the lingering uncertainty...was perhaps unsurprising in an election with record-breaking turnout where most ballots were cast before Election Day but many could not be counted until afterward." Fox News (11/4, Dorman, 27.59M) says on its website that Biden is "just one major swing state" away from victory, while Politico (11/4, Siders, 4.29M) says "Trump's path to reelection was nearly closed off" by Biden's Wednesday wins.

USA Today (11/4, Behrmann, 10.31M) reports that though Biden "did not secure the quick and decisive outcome some in the party had hoped for, he has edged closer to a result that many observers had predicted: A deficit on Election Day in battleground states that was slowly erased and turned into narrow leads when the crush of absentee ballots were counted. ... Pennsylvania remains a must-win for Trump, but mail-in ballots that make up the remaining votes are expected to continue heavily favor Biden and could give him an edge to carry the Keystone State." The Wall Street Journal (11/4, Ballhaus, Subscription Publication, 7.57M) reports Biden expressed confidence about winning Pennsylvania on Wednesday, noting that he has so far won 78% of the by-mail vote in the state.

The Philadelphia Inquirer (11/4, Lai) writes, "Of the many uncertainties this election, one thing was fairly predictable: [Trump] would look like he was coasting to victory in Pennsylvania on election night, but then there would be what's known as a 'blue shift' toward Joe Biden as votes were counted in the hours and days afterward. ... That's exactly what's happened – and is happening now." ABC World News Tonight (11/4, story 4, 2:55, Muir, 6.93M), the CBS Evening News (11/4, story 6, 1:20, O'Donnell, 3.94M), and NBC Nightly News (11/4, story 6, 1:30, Holt, 5.79M) all had reports on the ongoing vote count in Pennsylvania.

In Georgia, the Atlanta Journal-Constitution (11/4, 895K) reports, "the large number of remaining absentee ballots could delay final election results for several days." The Charlotte Observer (11/4, 470K) reports that North Carolina "is one of several battleground states where provisional and absentee ballots are still being counted. ... The process, spelled out in state law, means it's likely that the winner of North Carolina's 15 electoral votes for president won't be known until Nov. 12 or 13."

Trump Campaign Files Lawsuits In Several Key States. Jonathan Karl reported on ABC World News Tonight (11/4, story 3, 2:50, Muir, 6.93M) that the President "is huddled with aides inside the White House, getting ready for a fight. His team has already filed a lawsuit in Michigan, asked to join another in Pennsylvania, and demanded a recount in Wisconsin, all as votes are still being counted." But some Republicans distanced themselves from Trump's early Wednesday remarks, and "even the Senate Majority Leader, Republican Mitch McConnell, took issue with the President's words." McConnell: "Claiming you've won the election is different from finishing the counting." Karl: "Republican Sen. Marco Rubio was more blunt, tweeting, 'Taking days to count legally cast votes is not fraud.'"

Ed O'Keefe said on the CBS Evening News (11/4, story 2, 3:20, O'Donnell, 3.94M) that Trump on Wednesday "tweeted that he is claiming victories in Pennsylvania, Georgia, North Carolina, and Michigan. This despite evidence to the contrary in Michigan, and no official race calls yet in the other states." Hallie Jackson said on NBC Nightly News (11/4, story 4, 3:15, Holt, 5.79M), "There's no evidence of fraud in states that have not been called. The President's legal battle [is] beginning as his path to victory is narrowing, even as he tries to claim states he'd like to win, like Pennsylvania, Georgia, North Carolina, all races too early to call with many ballots yet to be tallied."

Dana Bash reported on CNN (11/4, 83.16M), "I talked to a source familiar with President Trump's thinking who said that the President is down, obviously tired, which is understandable, but not feeling all that great, despite the public bluster that we've seen and heard from his campaign, from his children, that the President is seeing what's happening. He's seeing that in some of these key states that will determine whether he is president or not, his lead is shrinking, or if Joe Biden is ahead...it's just not looking that good for the President. And the sense from the source that I spoke to is that the President is starting to see this slip away."

The AP (11/4, Sherman) reports, "Trump's campaign filed lawsuits Wednesday in Pennsylvania, Michigan and Georgia, laying the groundwork for contesting battleground states as he slipped behind [Biden] in the hunt for the 270 Electoral College votes needed to win. ... The new filings, joining existing Republican legal challenges in Pennsylvania and Nevada, demand better access for campaign observers to locations where ballots are being processed and counted, and raise absentee ballot concerns, the campaign said. However, at one Michigan location in question The Associated Press observed poll watchers from both sides monitoring on Wednesday."

Bloomberg (11/4, 4.73M) reports that in Michigan and Pennsylvania, the Trump campaign "claimed it hasn't been given meaningful access to counting locations to observe the process for opening and tabulating ballots as guaranteed under state law." The Detroit Free Press (11/4, 1.52M) reports the Michigan lawsuit "alleges that a poll challenger from Roscommon County – a small, rural county in northern Michigan – was excluded from viewing the counting of the absentee ballot counting board. ... The lawsuit does not specifically say where the man was when he was denied access to viewing the absentee ballot count."

USA Today (11/4, Boucher, McCoy, Johnson, 10.31M) reports, "Although thousands of Michigan votes remain to be counted, many are from absentee ballots in traditional Democratic strongholds. And although Trump leads in Pennsylvania's incomplete vote counts, his lead has narrowed as absentee and mail ballots continue to be tabulated." The Philadelphia Inquirer (11/4, Tamari, Lai) reports, "In Pennsylvania, Trump has more votes based on those counted so far. But with many votes still to be counted in some of the most Democratic areas of the state, including Philadelphia and its suburbs, the outcome remains unclear, at best."

The New York Times (11/4, Rutenberg, Corasaniti, 18.61M) says that "with his political path narrowing, [Trump] turned to the courts and procedural maneuvers on Wednesday in a last-ditch effort to stave off defeat." The moves "signaled Mr. Trump's determination to make good on his longstanding threats to carry out an aggressive post-Election Day campaign to upend any result not in his favor and pursue his baseless allegations that the outcome was rigged. But it was not clear how much effect any of his efforts could have." The Washington Post (11/4, Viebeck, Barnes, Hamburger, Helderman, 14.2M) reports Democrats "said they were unfazed by what they said was legal posturing by

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the president's campaign. They said they were well-prepared to fend off any lawsuits or appeals."

The New York Post (11/4, Bowden, 4.57M) reports, "A gaggle of President Trump's surrogates accused Joe Biden of trying to cheat them out of the state of Pennsylvania on Wednesday. ... At a hastily called together press conference in Philadelphia, the president's son Eric Trump and personal attorney Rudy Giuliani announced Trump 2020 was taking legal action to stop what they called 'rampant corruption.'" The Washington Times (11/4, 492K) reports Giuliani "said it was inconceivable that Mr. Trump could be 500,000 votes ahead with more than 80% of the votes counted and not be declared the winner in Pennsylvania."

The Daily Beast (11/4, 1.39M) reports Trump reportedly "told his advisers that, even if Biden were to claw the presidency away from him, he wanted them to 'go down fighting' harder than they ever had before, one of the sources with direct knowledge said. By Wednesday afternoon, some semblance of that approach began to materialize."

"Legal Experts" Skeptical About Role For Supreme Court In Deciding Election. Reuters (11/4, Hurley) reports that though Trump "wants the U.S. Supreme Court to weigh in on a presidential race that is still too close to call, it may not be the final arbiter in this election, legal experts said. They said it was doubtful that courts would entertain a bid by Trump to stop the counting of ballots that were received before or on Election Day, or that any dispute a court might handle would change the trajectory of the race in closely fought states such as Michigan and Pennsylvania." Axios (11/4, 521K) similarly reports that "experts say they simply don't yet see strong vehicles emerging for a scenario where Supreme Court justices decide the next president."

The Los Angeles Times (11/4, 4.64M) says Trump "may soon confront the problem that Al Gore faced in 2000 when he lost the crucial state of Florida by a tiny margin of about 500 votes: It is not easy to persuade judges to undo an election once the votes have been counted." Trump's lawyers "will try to find a legal basis for setting aside those votes, and most experts think their prospects are dim, even with the Supreme Court dominated by conservatives." Former White House counsel Donald McGahn said Wednesday, "You need a legal violation to go to court. It depends on state law and on the facts."

Facebook And Twitter Warn Users About Trump's Claims. Reuters (11/4, Culliford, Dave, Satter) reports that as Trump "and his allies flooded social media on Wednesday with false claims of victory and unsupported allegations of voter fraud, social media companies warned users that the presidential election had yet to be decided. The posts on Twitter, Facebook and other sites are imposing a real-time test of Silicon Valley's much-touted rules on handling election misinformation and premature claims of victory."

USA Today (11/4, Bomey, 10.31M) reports Facebook and Twitter on early Wednesday "warned social media users that [Trump's] claims regarding the election results are potentially misleading, including his claim that he had won the election." And on Wednesday, The Week (11/4, 1.94M) reports Twitter "flagged several tweets that Trump sent out...attaching labels saying they contain information that 'is disputed and might be misleading.' The first was Trump's baseless claim that Democrats are 'trying to steal the election,'" as well as "a post by Trump baselessly blaming 'surprise ballot dumps' for [Biden] pulling ahead in some battleground states, as well as another in which Trump wrote that 'they are working hard' to make his early lead in Pennsylvania and Michigan 'disappear,' baselessly suggesting fraud was at play rather than more votes being counted." The New York Times (11/4, Conger, Isaac, Wakabayashi, 18.61M) and the Wall Street Journal (11/4, Wells, Seetharaman, Subscription Publication, 7.57M) also look at efforts by social media firms to block false claims and misinformation about the election.

Blunt, Hogan, DeWine Say All Legally Cast Votes Must Be Counted. The Kansas City Star (11/4, 549K) reports Sen. Roy Blunt (R-MO), "in what amounts to an admonishment" of Trump, said Wednesday that states "should ensure they count every legal vote in the 2020 election." Blunt said, "We have set all-time records for voter participation. Every vote that was legally cast needs to be counted. America will once again serve as an example to the world." The Baltimore Sun (11/4, Wood, 1.33M) reports Maryland Gov. Larry Hogan (R) on Wednesday "criticized Trump's middle-of-the-night speech as ;outrageous and uncalled for and a terrible mistake.'" And Ohio Gov. Mike DeWine (R) said on Fox News, "We count the votes. We believe in the rule of law. I am for Trump, but if it ends up being Biden, all of us will accept that. ... Every vote has to be counted. We as a country accept election results. We believe in counting all the votes."

Media Reports: Trump And Advisers Were Furious Over Fox News Arizona Call. The New York Times (11/4, Karni, Haberman, 18.61M) reports, "With Florida looking red early on Tuesday night, President Trump and his advisers thought they were witnessing a repeat of election night 2016, when a victory in Florida foreshadowed a victory over all." But the "mirage of victory was pierced when Fox News called Arizona" for Biden at 11:20 p.m. The President "and his advisers erupted at the news." The Times says political aide Jason Miller "disputed the accuracy of the call on Twitter and frantically called Fox News, asking the network to retract it," and Jared Kushner was "in touch with Rupert Murdoch, the Fox News owner, as the night wore on." Vanity Fair (11/4, 9.08M) reports that "according to a source," Trump himself also "phoned Fox owner Rupert Murdoch to scream about the call and demand a retraction. Murdoch refused, and the call stood."

The Washington Post (11/4, Ellison, 14.2M) reports on Fox's call-making process, saying the Arizona call "was one of several times throughout the night that the president's favorite network declared results long before its competitors – and not necessarily in the president's favor." ABC World News Tonight (11/4, story 7, 1:05, Muir, 6.93M) and the CBS Evening News (11/4, story 8, 1:05, O'Donnell, 3.94M) had reports on continued counting in Arizona.

Biden Has Won Most Votes Of Any Presidential Candidate In History. USA Today (11/4, Peter, 10.31M) reports Biden "has broken the record for most votes received by a presidential candidate and now has amassed more than 70 million. The record was held by Barack Obama, who in the 2008 election received 69,498,516 votes." The Cleveland Plain Dealer (11/4, 885K) reports Democrats have now "won the popular vote seven of the last eight presidential elections," and his comfortable popular vote majority is renewing calls for the

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abolition of the Electoral College. The Washington Post (11/4, 14.2M) reports that turnout is on track to "be the highest since 1900, when 73.7 percent of eligible Americans cast ballots. That election had a much smaller voting pool, as women did not yet have the right to vote."

Trump Won Largest Share Of Non-White Vote By GOP Nominee Since 1960. According to the Washington Examiner (11/4, 448K), "Polling data from Tuesday night suggests President Trump earned the highest share of the nonwhite vote for any Republican candidate since 1960." National Review (11/4, 731K) reports, "Roughly one quarter of non-white voters cast their ballots for Trump, according to an Edison exit poll. If the poll is an accurate reflection of final results, Trump will have won over more non-white voters than any Republican since Richard Nixon, who won 32 percent of the non-white vote in 1960."

Biden's Poor Showing Among Miami-Dade Latinos Cost Him Florida. The Washington Post (11/4, Reinhard, Rozsa, 14.2M) reports, "With about 636,000 registered Democrats and nearly half-a-million nonpartisan voters, Florida's Miami-Dade County was supposed to be friendly terrain for Joe Biden – a bastion of ethnic diversity that might have helped propel him to victory in a must-win state for President Trump." But Biden "drew far fewer Hispanic voters than Democrats expected, carrying Florida's most populous county of Miami-Dade by only seven percentage points, compared to the 30-point margin boasted" by Hillary Clinton in 2016.

The AP (11/4, Webber, Fingerhut) reports, "In winning Florida, Trump was aided by Cuban voters, who are more likely than other Latinos to back Republicans. Cuban voters were 5% of the electorate in Florida, and 58% of them supported the president." The New York Times (11/4, Collins, Fessenden, Gamio, Keefe, Lu, Lutz, Walker, Watkins, Yourish, 18.61M) reports "more than half of the counties in Florida...swung further right, allowing [Trump] to win the state with a margin that is nearly three times what he had four years ago."

Michael Bloomberg Spent More Than $100M On Pro-Biden Ads In Three States Won By Trump. CNBC (11/4, Schwartz, 3.62M) reports on its website that Michael Bloomberg's "more than $100 million investment into three key states fell flat" as Trump "appears to have captured all of them." According to CNBC, "It was initially decided that most of a $100 million spend would go toward the pivotal state of Florida. Later he would add Ohio and Texas into the mix." However, CNBC says Bloomberg's advisers "believed that if they spent big in Florida, it would force Trump and his allies to shift resources away from other regions of the country and into the key battleground state."

Media Analyses: Nation Remains Bitterly Divided. The New York Times (11/4, 18.61M) writes that "some truths were perfectly clear" on Wednesday. Trump "was not going to prove the experts wrong with a resounding win from the 'silent majority,'" and the Democrats "were not going to deliver a decisive repudiation of Mr. Trump's party with victories up and down the ballot. That meant that as the two political camps geared up for litigation and spin battles in the coming days, many voters of both parties were left with the troubling realization that perhaps they had misunderstood their country, their towns, perhaps even their neighbors."

The Washington Post (11/4, Rucker, Costa, 14.2M) says that while Biden "is on track to comfortably win the popular vote," he is set to become the president of "a bitterly divided country, having fallen short of the resounding repudiation of Trump that many political strategists believed was necessary to extinguish the political fires he has lit." The Post says the nation is "potentially heading toward a period of entrenched partisan warfare, even as it is battered by crises."

NYTimes Analysis: Trump "Will Remain A Powerful And Disruptive Force In American Life." The New York Times (11/4, Baker, Haberman, 18.61M) writes, "If President Trump loses his bid for re-election, as looked increasingly likely on Wednesday, it would be the first defeat of an incumbent president in 28 years. But one thing seemed certain: Win or lose, he will not go quietly away." Trump "has made clear that he would not shrink from the scene should he lose. At the very least, he has 76 days left in office to use his power as he sees fit and to seek revenge on some of his perceived adversaries. ... And if he is forced to vacate the White House on Jan. 20, Mr. Trump is likely to prove more resilient than expected and almost surely will remain a powerful and disruptive force in American life."

Newspapers Call For Patience And A Full Count Of Ballots. USA Today (11/4, 10.31M) editorializes, "Americans by nature are not a patient people, particularly in a nail-biting presidential election. ... And it doesn't help when an unrestrained president in a tight reelection race prematurely claims victory as Donald Trump did early Wednesday, even with several battleground states undecided and millions of votes uncounted. But the virtue of patience has never been more vital than in the fraught hours and likely days following Tuesday's vote, as harried battleground states struggle to tally overwhelming numbers of presidential ballots."

The New York Times (11/4, 18.61M) says in an editorial, "Count all the votes. This shouldn't be a remotely controversial proposition in a representative democracy. A complete and accurate count is the only way to determine the will of the people who cast ballots." The Times says Trump's early Wednesday speech "was one of the lowest, most disgraceful moments in an administration filled to the brim with strong competition. It was also self-contradicting. In the same breath that he cast suspicion on counts in states that appeared to be turning against him, he welcomed more counting in states where his totals looked like they were growing."

The Washington Post (11/4, 14.2M) editorializes, "In the end, the 2020 presidential election is unfolding much as had been foreseen by political analysts – and foreshadowed by President Trump. ... Biden built a substantial lead in the national popular vote that by late Wednesday had surpassed 50 percent, and will almost certainly grow as more votes are counted. ... Meanwhile, in the battleground states of the upper Midwest, an early lead for Trump on Tuesday melted away, at least in Wisconsin and Michigan." The Post says the President's "ugly rhetoric is a direct attack on American democracy. ... But, by late Wednesday, his antics had yet to prevent an orderly, peaceful and lawful conclusion of the presidential election."

In a second editorial, the Washington Post (11/4, 14.2M) writes, "As the nation girds for what could be a tortuous process of vote-counting, recounts and legal challenges, it can breathe half a sigh of relief that Election Day voting itself was largely orderly, after such a heated, divisive campaign. Americans can thank the election officials and volunteers who worked to make that happen – and give themselves a pat on the back for turning out in record numbers to do their duty as citizens."

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The Wall Street Journal (11/4, Subscription Publication, 7.57M) says in an editorial that while Biden does have the lead, some states' results are extremely close, and care should be taken in counting them all. While counting legally cast ballots is not fraud as Trump has claimed, the Journal says, it is essential to count votes based on each state's election laws.

Reuters Analysis: Next President Will Confront "Monumental" Economic Challenges.

Reuters (11/4, Saphir, Marte) reports in an analysis that whoever wins the presidential election "will face monumental challenges on the economic front." The recession "has wiped away more than a year of economic output and more than five years of jobs growth. The workforce is now smaller than it was a year before [President] Trump first took office." Reuters adds that while consumer spending "is stronger than it was right after the pandemic exploded in March," it is "only back to where it was last June." In addition, "housing prices are on the rise," and although manufacturing activity "has rebounded," manufacturing employment "is in worse shape than employment overall." Moreover, "the coronavirus is still surging across most of the United States."

Report: US Businesses Added Fewer Jobs Than Forecast In October.

The Washington Post (11/4, Ren, 14.2M) reports data from ADP Research Institute showed US companies "added fewer jobs in October than forecast...indicating the absence of additional fiscal stimulus is prompting some firms to adjust payrolls as the pandemic continues to wear on the recovery." According to the ADP report, payrolls "increased by 365,000 last month after a revised 753,000 rise in September." That increase "was weaker than all but one estimate in a Bloomberg survey of economists and below the median projection for a 643,000 gain."

California Ballot Win Exempts Uber, Lyft, DoorDash From Reclassifying Drivers As Employees.

The New York Times (11/4, Conger, 18.61M) drivers for gig economy companies in California "will not become their employees" after voters approved Proposition 22, "a ballot measure that allows gig economy companies to continue treating drivers as independent contractors." Uber, Lyft and DoorDash "designed the measure to exempt the companies from a state labor law that would have forced them to employ drivers and pay for health care, unemployment insurance and other benefits." The AP (11/4, Bussewitz, Liedtke) calls the vote "a stinging rebuke to state lawmakers and labor leaders who were fighting for better working conditions for a growing number of people who drive for ride-hailing and food delivery services."

Bloomberg (11/4, Rosenblatt, Wilkens-Iafolla, Mulvaney, 4.73M) says the ballot measure "may have broader ramifications. If the rule works out well for both the workers and companies it could influence a push for legislation in other states or on the federal level, legal experts said." The Wall Street Journal (11/4, Rana, Subscription Publication, 7.57M) and the Washington Post (11/4, Siddiqui, Tiku, 14.2M) provide similar coverage.

A Los Angeles Times (11/4, 4.64M) editorial says California lawmakers' failure "to strike a deal with app-based companies to boost the benefits and protections that workers on their platforms would receive" was "a terrible mistake." App companies spent more than $200 million to win voters' support for the ballot measure and, the Times argues, "in doing so, the proposition's sponsors laid out a road map for how companies can write their own employment laws and regulations through the ballot box. Californians should take that as a warning."

FCC Fines T-Mobile $200M.

The Wall Street Journal (11/4, FitzGerald, Subscription Publication, 7.57M) reports the FCC has fined T-Mobile US $200 million after investigators found Assurance Wireless, the low-cost mobile brand it acquired through its takeover of Sprint, overcharged the federal Lifeline program, which provides affordable cell phone service to low-income consumers. The Washington Post (11/4, 14.2M) reports according to the FCC, "Sprint may have received government subsidies for more than 1 million customers who did not receive service under the Lifeline program."

Insurers Post Mixed Results Amid Ongoing Pandemic.

The Wall Street Journal (11/4, Scism, Subscription Publication, 7.57M) reports insurers posted mixed quarterly results amid the ongoing pandemic. Allstate saw its net income rise to $1.13 billion aided by fewer vehicle accident claims as miles driven by motorists are below pre-pandemic levels in much of the country. Meanwhile, MetLife's net income fell to $633 million, but its adjusted earnings increased to $1.58 billion from the year-earlier period.

Qualcomm Reports Strong Q3 Earnings.

The Wall Street Journal (11/4, Fitch, Subscription Publication, 7.57M) reports mobile-phone chip maker Qualcomm reported strong quarterly earnings aided by the sale of 5G smartphones. The company made $8.3 billion in third quarter revenue, a 73% increase from a year earlier.

US Service Providers Report Continued Growth In Activity In October.

The Wall Street Journal (11/4, Hannon, Subscription Publication, 7.57M) reports surveys of purchasing managers showed US service providers reported continued growth in activity in October. Private data firm IHS Markit said its US Services PMI Business Activity Index

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registered 56.9 in October, marking an increase from 54.6 in September. The Institute for Supply Management's nonmanufacturing index was 56.6 in October, a slight decline from 57.8 in September.

Pet Valu To Close Its US Stores And Warehouses.

USA Today (11/4, Bomey, 10.31M) reports pet food and supplies retailer Pet Valu is closing its US stores and warehouses. The company "said Wednesday that it will close its 358 locations and its office in Wayne, Pennsylvania. Liquidation sales are expected to begin 'in the coming days.'" USA Today says the chain blamed a "severe impact from COVID-19" for the decision.

SpaceX Landing Billions In Pentagon Contracts.

The Wall Street Journal (11/4, Pasztor, Subscription Publication, 7.57M) reports Elon Musk's SpaceX is having success at landing Pentagon business. The company has landed deals to launch national security satellites, improve weather forecasting for the military and build spacecraft designed to track missiles. The Journal says SpaceX secured civilian launch contracts totaling an estimated $5 billion. In addition, it has won an estimated $6 billion in contracts to supply the military with rocket launches and satellite prototypes as well as some $9 billion more in past and future NASA awards.

Ant's Suspended IPO Raises Concerns About Its Worth And Whether China Will Hinder Its Growth, Profitability.

The Wall Street Journal (11/4, Yang, Yu, Chiu, Subscription Publication, 7.57M) reports the Shanghai Stock Exchange's decision Tuesday to suspend Ant Group Co.'s IPO has raised questions about how much the company is worth and whether Beijing will hinder its growth and profit ability in the coming years.

California Voters Approve Measure To Tighten Internet Privacy Rules.

The Wall Street Journal (11/4, Herrera, Subscription Publication, 7.57M) reports California voters approved a ballot measure to tighten Internet privacy rules and buttress a state privacy law that took effect this year. Californians approved Proposition 24 to create a state agency charged with enforcing Internet privacy regulations and to close loopholes in the existing law.

Supermarkets Devote More Floor Space To Fulfilling Online Orders.

The Wall Street Journal (11/4, Kang, Subscription Publication, 7.57M) reports that in response to the ongoing pandemic, supermarkets are opting to fill their floor space with dedicated areas for fulfilling digital orders, as more customers choose to do their shopping and place orders online.

US Trade Deficit Narrowed In September.

The Wall Street Journal (11/4, Kiernan, Subscription Publication, 7.57M) reports the Commerce Department said Wednesday that the US trade deficit narrowed to $63.86 billion in September, from $67.04 billion in August and $47.84 billion a year earlier. Exports increased 2.6% to $176.35 billion, while imports rose 0.5% to $240.22 billion.

US Sets New Record With Over 102,000 New Daily COVID Cases.

Reuters (11/4, Shumaker) reports that the US "set a one-day record for new coronavirus cases on Wednesday with at least 102,591 new infections and as hospitals in several states reported a rising tide of patients, according to a Reuters tally." In addition, "on Tuesday hospitalizations topped 50,000 for the first time in three months." The New York Times (11/4, Taylor, 18.61M) says case reports "continued to climb sharply across the Midwest and the Great Plains. Minnesota, Indiana, and Maine all reported single-day case records on Wednesday." Cases "were also mounting in the Mountain West and even in the Northeast, which over the summer seemed to be getting the virus under control." The Washington Post (11/4, Farzan, 14.2M) says that, "nationwide, more than 9,445,000 coronavirus cases and more than 232,500 covid-19 fatalities have been logged since February."

The CBS Evening News (11/4, story 11, 0:25, O'Donnell, 3.94M) reported that the US "reported more than 91,000 new COVID infections on Tuesday," and "four out of the five highest days for new cases have all been recorded since Friday." CNBC (11/4, Higgins-Dunn, 3.62M) says on its website that Tuesday was "the nation's second-highest daily total as millions of voters cast their ballots on Election Day." The "seven-day average of daily new cases reached record highs in 21 states on Tuesday, according to...data compiled by Johns Hopkins University. There are now almost 9.4 million reported Covid-19 cases in the U.S. and at least 232,635 deaths, according to Hopkins." USA Today (11/4, Schnell, Rice, Rodriguez, Flores, 10.31M) says "new case records were set in Colorado, Illinois, Indiana, Iowa, Kansas, Maine, Michigan, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Virginia and Wyoming" on Tuesday.

Axios (11/4, Allassan, 521K) reports, "Public experts have warned of heightened risk for increased cases and deaths as the US heads into the winter months, and the pandemic intersects with the season flu."

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NBC Nightly News (11/4, story 8, 1:40, Holt, 5.79M) reported, "As many focus on election results...first responders are still struggling

to save lives, with COVID cases climbing in 43 states." According to the Washington Post (11/4, Farzan, 14.2M), "The dismal state of the economy beat out the coronavirus pandemic as the top concern of voters surveyed in early exit polls Tuesday, while public health experts warned that the outcome of the election was unlikely to change the trajectory of the difficult weeks and months ahead." The Post adds, "More than a dozen states shattered records for hospitalizations, and a new study showed an unprecedented surge in infections among children."

The AP (11/4, Tanner) asks whether the US will "be able to tame a perilous pandemic that is surging as holidays, winter and other challenges approach," and says "public health experts fear the answer is no, at least in the short term, with potentially dire consequences." President Trump's "current term doesn't end until Jan. 20," and "in the 86 days until then, 100,000 more Americans will likely die from the virus if the president doesn't shift course," said Robert Murphy of the Institute for Global Health at Northwestern University's Feinberg School of Medicine, "echoing estimates from other public health experts."'

Health Officials Flag Shortage Of Face Masks Amid COVID Surge.

The Wall Street Journal (11/4, Hufford, Subscription Publication, 7.57M) reports that a combination of surging coronavirus cases and N95 mask stockpiling is straining the supply of key personal protective equipment, health officials and mask makers say. Many healthcare facilities are rationing and reusing masks, and some state health departments believe supplies will further tighten.

AP Analysis: Sports "Bubbles" Could Provide Lessons For Handling Virus.

In an analysis, the AP (11/4, Reynolds, Whyno) says that "many of the lessons learned" by professional sports teams "from being in some form of a bubble environment – where the NBA, NHL and Major League Baseball each crowned a champion after finding a way to finish their seasons in most unusual circumstances – could apply to whatever the new definition of normal is for those and other sports." A "new set of rules are coming in just about every sport, almost all with enhanced health and safety in mind." The AP says that "if they work, games could return to arenas and stadiums with some fans in attendance sometime soon," but, "perhaps more importantly, they could also provide some common-sense solutions to virus issues in the real world."

College Newspapers Reporting Stories Of Campus COVID Outbreaks.

The New York Times (11/4, Nierenberg, 18.61M) reports, "As American colleges have become a major source of outbreaks, with at least 214,000 cases linked to campuses, student journalists have found themselves playing a vital role in the pandemic, reporting stories of national importance and holding their administrators and fellow students accountable."

Philadelphia DA Calls Wallace Shooting A "Terrible Tragedy," Body Cam Footage Released.

The AP (11/4, Dale) reports Philadelphia District Attorney Larry Krasner "vowed Wednesday to make his own decision about whether to charge two young officers in the shooting death of Walter Wallace Jr. and not to rely solely on the police investigation." His comments "came just before the city released 911 calls, police body camera video and other evidence in Wallace's death last month." The "pair of police body cam videos shows police repeatedly yelling at Wallace to put a knife down and ordering bystanders to move. Wallace rushes between cars into a street where the two officers have their guns drawn. Several shots are fired, and Wallace falls on his front."

The New York Times (11/4, Levenson, 18.61M) reports Krasner "called the shooting 'a terrible tragedy' and said that it showed that officers had failed to properly respond to a mother in distress about her son's mental health crisis." Krasner said, "Government failed because her son was killed within a minute of government's arrival. ... As a part of government, I apologize for that." Still, the Times says, Krasner "said that if residents wanted to honor Mr. Wallace and respect his family's wishes, they should not 'disgrace his memory by tearing up the city.'"

Portland Mayor Elected To Second Term.

The The Oregonian (11/4, Bailey, 1M) reports Portland Mayor Ted Wheeler (D) "fought off a strong challenge from urban policy consultant Sarah Iannarone to claim a second term." Wheeler "led Iannarone 46% to 41% as of 8 am Wednesday" with more than 90% of the votes accounted for. He said on a Zoom call Wednesday, "We're going to need to come together as never before to address short-term issues and the long-term changes and investments needed to rebuild our economy, rebuild confidence in law enforcement and restore hope for our future."

Oregon Becomes First State To Decriminalize Hard Drugs.

The AP (11/4, Selsky) reports, "In a first in the nation, Oregon has rejected charging drug users with criminal offenses, with voters passing a ballot measure that decriminalizes possession of heroin, methamphetamine, LSD, oxycodone and other hard drugs." The measure "completely changes how Oregon's justice system" treats those "found with personal-use amounts" of drugs, providing "the option of paying a $100 fine or attending new 'addiction recovery centers' funded by millions of dollars of tax revenue from Oregon's legalized, regulated marijuana industry." According to the Oregon Criminal Justice Commission, the measure will mean 3,700 fewer citizens are convicted of felony or misdemeanor possession each year, in addition to helping reduce racial and ethnic disparities in convictions and arrests.

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The Washington Post (11/4, Peiser, 14.2M) reports that Oregon's vote "was one of many noteworthy wins for advocates seeking to

change drug laws," alongside the legalization of psychedelic mushrooms in the state and the District of Columbia, as well as marijuana decriminalization in four states. Marijuana advocates "said they hope the wide support for legalization seen on Tuesday will put pressure on Congress to change federal marijuana laws." In Oregon, where "marijuana has been legal...since 2015," critics of the newest measure, including the Oregon District Attorneys Association, "argued there aren't enough beds at drug treatment facilities in the state, and some claimed drug users confront addictions only under the threat of imprisonment."

The Oregonian (11/4, Crombie, 1M) reports that "voters overwhelmingly supported Measure 110," with partial returns on November 3 showing a 59% win for backers, including the New York-based Drug Policy Alliance, "the same criminal justice reform group that backed Oregon's successful marijuana legalization effort in 2014." Funders including DPA, Facebook CEO Mark Zuckerberg, the American Civil Liberties Union of Oregon, and national ACLU "believe U.S. drug policy has filled the country's jails with nonviolent offenders who need treatment instead of incarceration and has disproportionately affected generations of Black people."

Four More States Legalize Recreational Marijuana. USA Today (11/4, Cannon, 10.31M) reports that as Americans await "clarity on the presidential race," perhaps "lost in the frantic haze of election night was the legalization of recreational marijuana in four states." Arizona, New Jersey, South Dakota, and Montana "all passed legislation Tuesday permitting the possession of weed by adults, which means 15 states have legalized recreational weed or voted to legalize it." South Dakota and Mississippi also "passed initiatives to allow medical marijuana," bringing the total number of states to "permit the legal distribution of medical weed" to 36. Supporters of legalization "argue that the enforcement of bans does more harm than the drug itself, swallowing up community resources while disproportionately affecting people of color."

The New York Times (11/3, Tully, 18.61M) says the vote by New Jersey puts "pressure on neighboring states like New York" and Pennsylvania to follow suit "or risk losing the competitive edge to New Jersey in what is expected to be one of the largest marijuana markets in the country," generating $126 million a year. New York state Sen. Liz Krueger (D) "said the 'yes' vote could be the incentive Gov. Andrew M. Cuomo and lawmakers need to break a yearslong logjam."

Tropical Storm Eta Forecast To Hit Florida.

The CBS Evening News (11/4, story 12, 0:15, O'Donnell, 3.94M) reported, "Forecasters are warning millions in south Florida to keep an eye on Eta. What was once a major hurricane is now pulling away from Central America, where it killed at least three people. Eta is now expected to gain strength before hitting Cuba and south Florida as a tropical storm. That's possibly on Sunday."

The AP (11/4) reports, "Tropical Storm Eta drenched northern Nicaragua and Honduras Wednesday after devastating communities along the country's Caribbean coast and setting off deadly landslides that killed at least three people in Central America." While Eta "had weakened from the Category 4 hurricane that battered the coast Tuesday," the "long-term forecast shows Eta weakening to a tropical depression, taking a turn over Central America and then reforming in the Caribbean – possibly reaching Cuba on Sunday and southern Florida on Monday." The US National Hurricane Center "forecast that parts of Nicaragua and Honduras could receive 15 to 25 inches (380 to 635 millimeters) of rain, with 40 inches (1000 millimeters) possible in some isolated parts."

The Washington Post (11/4, Cappucci, 14.2M) reports that "a flood disaster is probably underway" in Central America "as a number of locations are set to see mudslides amid forecast rainfall totals of 2 to 3 feet," and "meanwhile, concern is growing in Cuba and the southeastern United States, including Florida, where Eta may head next." The Post says "uncertainty abounds" in forecasts surrounding the storm, "with models converging on the likelihood of Eta's redevelopment."

The Orlando (FL) Sentinel (11/4, Pedersen, 536K) reports that "the current track has Eta hugging Florida's southwest coast" after reforming on Monday. Forecasters said, "While it is too soon to determine the exact timing, magnitude, and location of possible impacts from wind and rainfall, interests in Cuba, southern Florida and the Florida Keys should monitor the progress of Eta through the week." The Tallahassee (FL) Democrat (11/4, 180K) reports that "in U.S. landfall terms, November is historically the quietest month of the hurricane season," yet "there are more storms in the Gulf and Caribbean than are dreamt of in climatology, and Florida faces a real risk of impacts from Tropical Storm Eta over the next week or more."

Weatherhead To Run National Climate Assessment.

The Washington Post (11/4, Samenow, Freedman, 14.2M) reports that the "next National Climate Assessment, the federal government's most definitive and comprehensive report on climate change and its consequences for the United States, will be directed by atmospheric scientist Betsy Weatherhead, currently a senior scientist at Jupiter Intelligence." Her appointment "was verified by one current and one former senior official at NOAA," both speaking "on the condition of anonymity." Selected by Kelvin Droegemeier, "director of the White House's Office of Science and Technology Policy and a Trump appointee, Weatherhead is to be formally brought into the government as part of the career civil service, based within the U.S. Geological Survey and placed on a detail to the U.S. Global Change Research Program."

Federal Judge Blasts USPS For Failing To Comply With Order To Sweep For Ballots.

The Washington Post (11/4, Bogage, Ingraham, 14.2M) reports that according to data from the US Postal Service, "nearly 7 percent of ballots in...sorting facilities on Tuesday were not processed on time for submission to election officials...potentially leaving tens of thousands of ballots caught in the mail system." According to the Post, the USPS "reported the timely processing...of 93.3 percent of ballots on Election Day, its best processing score in several days, but still well below the 97-percent target that postal and voting experts say the agency should

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hit." The Post adds that on Tuesday, the USPS "processed 115,630 ballots...a volume much lower than in recent days after weeks of warnings about chronic mail delays. Of that number, close to 8,000 ballots were not processed on time, a small proportion but one that could factor heavily in states such as Michigan and Wisconsin, which do not accept ballots after Election Day."

Politico (11/4, Cheney, 4.29M) reports that on Wednesday, Judge Emmet Sullivan of the US District Court in Washington "thrashed" the USPS and "suggested he might seek testimony from Postmaster General Louis DeJoy for declining to comply with a last-minute court order to deploy postal inspectors to sweep facilities for undelivered ballots." Sullivan said, "Someone may have a price to pay for that." According to Politico, Sullivan "expressed frustration that the Postal Service's decision to ignore his order – meant to ensure that undelivered ballots reached state officials on Election Day – and not to inform him about it until after the fact." Politico says the USPS "contended that the order would have required a substantial reconfiguration of its Election Day operations that proved unfeasible amid other responsibilities."

Reuters (11/4, Shepardson) reports Sullivan said, "The pressing issues are where are the ballots and how do we get them delivered so they can be counted." Bloomberg (11/4, Shields, 4.73M) reports he added, "The court has been very clear that it expects full compliance. ... It just leaves a bad taste in everyone's mouth for the clock to run out, game over. There was not compliance with a very important court order."

The New York Times (11/4, Broadwater, Fuchs, 18.61M) reports that on Tuesday, Sullivan "said he was particularly concerned about ballot delivery in key swing districts with low on-time delivery scores, including Central Pennsylvania, Philadelphia and Detroit." The Times adds, "The judge gave the agency until 3 pm to complete the sweeps, but the Postal Service said it would need until 8 pm to do the work without disrupting the processing of a flood of Election Day ballots." The Los Angeles Times (11/4, 4.64M) reports Sullivan "also ordered postal officials to instruct mail processing facilities in Texas to conduct two searches for mail ballots Wednesday afternoon and deliver any votes to local elections offices by 5 pm."

The AP (11/4, Izaguirre) reports USPS inspectors "found just 13 ballots – all in Pennsylvania – during an Election Day sweep of mail processing centers ordered by a federal judge." The ballots "were found in two separate mail processing facilities and were expedited for delivery to local election offices, according to court records filed Wednesday."

Among the outlets also reporting on the judge's statements are the New York Post (11/4, Moore, 4.57M), the Houston Chronicle (11/4, 730K), and USA Today (11/4, Johnson, Voyles Pulver, 10.31M).

WPost Analysis: Missing Votes Unlikely To Affect Election Outcome. A Washington Post (11/4, Bogage, Ingraham, 14.2M) analysis "of the locations of the misplaced ballots finds that even in a worst-case scenario where all potentially misplaced ballots in a state are permanently lost, those ballots amount to just a fraction of both current two-party vote margins and estimates of the number of outstanding ballots yet to be tallied." The Post says they are "unlikely to affect the outcome of the presidential race in key swing states."

SCOTUS Hears Arguments In Case Involving Catholic Adoption Agency.

CNBC (11/4, Higgins, 3.62M) reports on its website that on Wednesday, the Supreme Court's "conservative majority...seemed prepared to rule in favor of a Roman Catholic adoption agency in Philadelphia that argued that it is entitled to discriminate against potential foster parents on the basis of sexual orientation." The case, Fulton v. City of Philadelphia, was "the first major dispute to come before Justice Amy Coney Barrett," whose "views on LGBT rights and religion came under heavy scrutiny during her Senate confirmation process." According to CNBC, the case "arose after the city of Philadelphia learned in 2018 that Catholic Social Services, a foster care services provider affiliated with the Roman Catholic Church, would not certify same-sex couples as suitable parents for children in the city's foster care system." Philadelphia then "stopped referring the group new children, citing a city law prohibiting sexual orientation discrimination, and updated its 2019 contract with foster care services providers to explicitly forbid such discrimination against potential parents."

The Washington Post (11/4, Barnes, 14.2M) says the case "divided and even seemed to perturb some of the justices Wednesday." Calling the case "a big test of religious rights on a more conservative court," the AP (11/4, Gresko) says the justices, "seven of whom are Catholic or attended Catholic schools, also asked about other hypothetical contracts officials might make." Justice Breyer "asked what would happen if a religious organization bidding on a transportation contract wanted men and women to sit separately, or women to wear head scarves." Justice Kagan asked, "If there's an agency that refuses to employ women, would the state have to contract with that agency?" The New York Times (11/4, Liptak, 18.61M) reports that Barrett's "questions in the case...were evenhanded and did not reveal her position."

The Washington Times (11/4, Swoyer, 492K) says President Trump's "three appointments to the high court – Justices Neil M. Gorsuch, Brett M. Kavanaugh and Amy Coney Barrett – coupled with Justices Clarence Thomas and Samuel A. Alito Jr. were all sympathetic to Catholic Social Services' fight to be able to select married different-sex couples as foster parents in Philadelphia."

GOP Looks Set To Retain Senate Majority And Pick Up Seats In House.

On the CBS Evening News (11/4, story 9, 2:05, O'Donnell, 3.94M), Nancy Cordes reported that the Senate elections were "a real survival story for Republicans. At the start of the night, Democrats thought they had about 11 places that they could go to pick off the three or four seats they needed to take control of the Senate." Democrats were "successful in a couple of them," but "then they kind of got stuck." ABC World News Tonight (11/4, story 8, 0:10, Muir, 6.93M) similarly reported that Democrats "face a very steep path for any control of the Senate at this point."

The Washington Post (11/4, Kane, Kim, Bade, 14.2M) says congressional Democrats "awoke Wednesday to a political debacle despite big optimism heading into the elections, as Republicans continued to cling to their Senate majority and are on track to make unexpected gains in the House." The Post reports that "in the highly anticipated Senate matches, Republicans scored easier-than-expected victories in

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Iowa, Montana and South Carolina while establishing very large leads in Kansas and Texas." The Post adds, "In even more unexpected fashion," House Speaker Pelosi "is on track to lose seats in her caucus and come out of this election season with the smallest majority in about 20 years." According to the Post, "Republicans estimated that their overall House performance would shrink Pelosi's majority south of 230 votes, the first time the party in power had such a small margin since the 2002 elections."

According to Politico (11/4, Desiderio, Arkin, 4.29M), Democrats' "path to a Senate majority has narrowed dramatically as the party underperformed expectations in a handful of the most expensive races in the country." Politico says Democrats' "chance for retaking the upper chamber slipped further Wednesday afternoon after GOP Sen. Susan Collins defeated Democrat Sara Gideon in the Maine Senate race." Politico adds, "Though Democrats expanded the battleground map in the fall and ran closer than expected to GOP incumbents, they fell short in their second- and third-tier targeted races like South Carolina, Texas and Kansas – states where the party raised and spent nine-figure sums."

The AP (11/4, Mascaro, Jalonick) reports that "key races in North Carolina and Michigan remained undecided, and at least one in Georgia was headed to a January runoff." The AP adds, "While Democrats picked up must-win seats in Colorado and Arizona, they suffered a setback in Alabama, and Republicans held their own in one race after another – in South Carolina, Iowa, Texas, Kansas, and Montana, dramatically limiting Democrats' hopes to make inroads. ... 'You wasted a lot of money,' said White House ally Sen. Lindsey Graham in Columbia, South Carolina, after defeating Jamie Harrison, despite the Democrat's stunning $100 million haul for his upstart campaign." Graham quipped, "This is the worst return on investment in the history of American politics."

Bloomberg (11/4, Sink, 4.73M) says the disappointing election results for Democrats "will once again prompt soul-searching for a party that is still struggling to grapple with the populist fervor Trump gifted the Republican Party." According to Bloomberg, "But Biden's decision to largely withdraw from the campaign trail and his inability to inspire enthusiasm among the Democratic base – beyond the potential of defeating Trump – offered little help to down-ballot members of his party."

Politico (11/4, Caygle, Ferris, Mutnick, 4.29M) reports that on Wednesday morning, "even with tens of thousands of ballots still to be counted, shell-shocked Democratic lawmakers, strategists and aides privately began trying to pin the blame: The unreliable polls. The GOP's law-and-order message amid a summer of unrest. The 'hidden Trump voters.' The impeachment hangover. The lack of a coronavirus stimulus deal." According to Politico, "Some corners of the party were also beginning to question the message and tactics at the top, with several Democrats predicting – and some even demanding – a significant overhaul within the Democratic Congressional Campaign Committee, including possibly even ousting chairwoman Cheri Bustos, whose Illinois race has yet to be called."

The Washington Examiner (11/4, Ferrechio, 448K) reports that on Wednesday, House Minority Leader McCarthy "took a victory lap...trashing polls and predictions that there would be heavy losses for Republicans, who are currently poised to pick up House seats. 'They were all wrong,' McCarthy, a California Republican, told reporters." The Examiner adds, "Instead of losing from five to 20 seats some polls were forecasting, Republicans have so far picked up seven seats from incumbent Democrats." The Examiner says McCarthy emphasized that "the GOP wins will include up to 19 women, which would set a record for the party."

In an editorial, the Wall Street Journal (11/4, Subscription Publication, 7.57M) highlights disappointing results for Democrats in Senate and House races, saying that it was Republicans who expanded their appeal among non-white voters as Democrats did poorly beyond their coastal bases.

Former Auburn Football Coach Among New Senators. The Washington Post (11/4, Firozi, 14.2M) carries a primer on Sens.-elect Bill Hagerty (R-TN), John Hickenlooper (D-CO), Ben Ray Luján (D-NM), Cynthia Lummis (R-WY), Roger Marshall (R-KS), and Tommy Tuberville (R-AL), writing that the class includes "a former college football coach and a onetime governor who opened the first craft brewery in Denver."

Election Failure Leading House Democrats To Consider Leadership Changes. The Hill (11/4, Lillis, 2.98M) reports that two unidentified House Democrats "say they and other centrists are privately discussing a plan that was unthinkable just 24 hours earlier: throwing their support behind a challenger" to Pelosi. The sources "told The Hill on Wednesday that they were reaching out to their colleagues about backing one of Pelosi's top lieutenants," Democratic Caucus Chairman Rep. Hakeem Jeffries (D-NY), for speaker, saying, "He bridges moderates and progressives better than anyone. And most importantly, he's not Nancy Pelosi."

GOP House Leadership Moves To Secure Positions In Next Congress. Politico (11/4, Zanona, Bresnahan, 4.29M) reports McCarthy, House Minority Whip Scalise, GOP Conference Chair Rep. Liz Cheney (R-WY), and National Republican Congressional Committee Chairman Rep. Tom Emmer (R-MN) "are moving quickly to lock down their posts next year, after an unexpectedly successful election night." McCarthy "announced his candidacy in a letter Wednesday afternoon," Scalise "confirmed in an interview he also intends to seek reelection," Cheney "has been calling members in the conference and lining up support to run again," and Emmer "has been dialing up members and locking down votes."

Collins Wins Reelection In Maine.

The New York Times (11/4, Cochrane, 18.61M) reports that Sen. Susan Collins (R-ME) "claimed victory on Wednesday in her bid to secure a fifth term, beating back an avalanche of Democratic money and liberal anger in the most difficult race of her career to defeat Sara Gideon, a Democrat, and strengthen the party's hold on the Senate." Her victory, preserved Collins' "status as the only remaining New England Republican in Congress." Speaking to a crowd of supporters shortly after Gideon conceded the race, Collins said, "This is an affirmation of the work that I'm doing in Washington to fight hard every day, to fight hard every day for the people of Maine. I will serve you

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with all my heart, I will work hard for you, each and every day, and together we will come together to work on the problems and challenges that are facing our state and our country."

The Portland (ME) Press Herald (11/4, 244K) reports that Collins defeated Gideon "in an intensely negative contest that saw unprecedented spending as part of the national battle for control in Washington." In addition "to defying months of polling showing Gideon leading the race, Collins' victory appears likely to complicate or outright foil national Democrats' hopes of winning control of the U.S. Senate."

The Bangor (ME) Daily News (11/4, Shepherd, 198K) reports that Collins "won a historic fifth term in Tuesday's election after a bruising race that began as a referendum on President Donald Trump but ended in a resounding win for the incumbent as voters across Maine split their tickets." Collins had trailed Gideon "in every independent public poll in 2020. Several showed a tight race in recent weeks, though surveys showed undecided voters breaking for Collins."

WMEA-FM Portland, ME (11/4, Feinberg) reports on its website that "on election night, [Collins] received far more votes in many rural areas and even defeated Gideon in traditional Democratic cities such as Lewiston. And despite efforts by opponents to tie Collins to President Trump, she significantly outperformed the president statewide, securing about 51 percent of the vote as of Wednesday afternoon."

Peters Holds On To Senate Seat In Michigan.

Fox News (11/4, Schultz, 27.59M) reports on its website that Sen. Gary Peters (D-MI) has "fended off a serious challenge from two-time GOP Senate hopeful John James in the swing state of Michigan." Peters "pulled off a nail-biter of a victory late Wednesday, Fox News projected." His win, Fox News observes, comes as "a relief for Democrats trying to erode the GOP majority in the Senate. Democrats already lost a Senate seat in Alabama, as expected, but failed to flip competitive seats in Maine, Montana, Iowa and elsewhere."

The Detroit Free Press (11/4, 1.52M) reports that "multiple media outlets, including CNN, [have] called the race for Peters." As of "7:45 p.m., Peters had taken a 59,587-vote lead on James, beating him 49.6% to 48.5% with 98% of the vote counted. It wasn't clear, however, how many, if any, votes were left and whether Peters could build on that lead, given that earlier in the evening he had a much smaller 11,380-vote lead but with about the same amount of the vote counted."

The New York Times (11/4, Cochrane, 18.61M) observes that with Peters' victory, Democrats "held onto one of their most hotly contested seats." The contest "became one of the most competitive in the nation in the past few weeks and was a priority for Republicans. Mr. James, an Army combat veteran and businessman, would have become only the third Black Republican elected to the upper chamber since Reconstruction." Politico (11/4, Ehley, 4.29M) also reports.

Kelly To Join Senate Faster Than Others Elected Tuesday.

The Arizona Republic (11/4, 869K) reports that Sen.-elect Mark Kelly (D-AZ) "could be seated later this month, weeks ahead of other senators elected Tuesday" because he defeated an appointed senator in a special election. Kelly "is expected to be sworn in as soon as Nov. 30, after the state certifies its election results."

Boebert Wins In CO3.

The New York Times (11/4, Hulse, 18.61M) reports Lauren Boebert (R) "won the race for Colorado's sprawling Third Congressional District on Wednesday, holding the seat for Republicans as they tried to limit their House losses." She "defeated Diane Mitsch Bush, a former state legislator, in the race for the seat held by" Rep. Scott Tipton (R-CO), who lost to Boebert in the Republican primary.

Spartz Wins In IN5.

The New York Times (11/4, Edmondson, 18.61M) reports Indiana state Sen. Victoria Spartz (R) won election in IN5 on Wednesday "to a reliably conservative House seat outside Indianapolis, quashing Democratic hopes of flipping the seat to expand their majority." She "prevailed against Christina Hale, a Democratic former state legislator who branded herself as a problem-solving centrist."

Peterson's MN7 Loss Could Alter Agriculture Policy.

Reuters (11/4, Huffstutter, Polansek) reports House Agriculture Chairman Collin Peterson "failed to win re-election in Minnesota on Tuesday, a loss some agriculture leaders said could hurt the Midwest grain belt." Minnesota Grain & Feed Association Executive Director Laura Lemke said of the result, "The clout that he had on the ag committee is lost to us." Ex-Sen. Heidi Heitkamp (D-ND) "said Peterson's defeat was 'devastating' because he understood intricacies of the [Farm Bill]," saying, "Colin knew more about the Farm Bill than anyone else in Congress."

The Grand Forks (ND) Herald (11/4, 116K) reports Michelle Fischbach (R) "garnered 53.4% of the vote, to Peterson's 39.9%, with 87% of the precincts reporting." She "was heavily endorsed by President Donald Trump, who won the district by 30 percentage points."

Van Drew Leading In NJ2 Election.

The New York Times (11/4, Tully, 18.61M) reports Rep. Jeff Van Drew (R-NJ) continues to maintain a minor lead in his race against former schoolteacher Amy Kennedy for his congressional seat. He "[leads] Ms. Kennedy by about four percentage points with almost 75 percent of the estimated vote counted."

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New Mexico Elects First All-Women Of Color House Delegation.

USA Today (11/4, Grantham-Philips, 10.31M) reports that New Mexico "has become the first state in history to elect all women of color to the U.S. House of Representatives." The state "confirmed victories for incumbent Rep. Deb Haaland, Yvette Herrell and Teresa Leger Fernandez in New Mexico's three congressional districts."

New York House Democrats Struggle With Challenging Election Results.

The New York Times (11/4, Fitzsimmons, 18.61M) reports that New York congressional Democrats "were delivered sobering news this week, with two first-term Democratic congressmen in danger of losing and candidates far behind in three other districts the party had hoped to flip." While the Democratic Party "fared well in urban areas with heavy Democratic representation," the party's suburban results "seemed to validate the message of Republican candidates who campaigned on 'law and order' and who tied Democrats to progressive radicalism and efforts to defund the police."

Stefanik Wins Reelection In NY21. The New York Times (11/4, McKinley, 18.61M) reports Rep. Elise Stefanik (R-NY) "was re-elected to a fourth term on Tuesday, riding President Trump's popularity in a rural conservative region in northern New York, his former home state." She "ran a campaign in which she borrowed some of Mr. Trump's tactics, including using nicknames like 'Taxin' Tedra' to mock her opponent."

Spanberger Wins Reelection In VA7.

The Washington Post (11/4, Flynn, 14.2M) reports Rep. Abigail Spanberger (D-VA) "declared victory early Wednesday evening over Republican challenger and state Del. Nick Freitas, after a burst of absentee-vote tallies gave her the lead." She "was trailing Freitas when in-person voting results were reported Tuesday night" in VA7, but she "led by several thousand votes after Spotsylvania County reported its final absentee ballots and Henrico County had tallied additional absentee ballots as well." Spanberger "thanked Freitas for the 'hard-fought campaign'" in her victory speech, and she "extended an olive branch to his supporters, saying, 'I hope over time I will earn your trust.'"

GOP Maintains Control Of Battleground Statehouses.

USA Today (11/4, Penzenstadler, Kwiatkowski, Nadolny, 10.31M) reports that while the Democratic Party "hoped to flip statehouse control in battleground states," they "fell short of their goals on Election Day" and Republicans are expected to maintain control of Arizona, Iowa, Michigan, Minnesota, North Carolina, Pennsylvania and Texas. These statehouses will "play a crucial role next year in the once-a-decade redrawing of congressional maps based on the census." The National Conference of State Legislatures "said the election may have produced the fewest party control changes since 1944, when only four chambers changed hands."

The New York Times (11/4, Tavernise, 18.61M) reports National Democratic Redistricting Committee Communications Director Patrick Rodenbush said of the results, "Our electoral targets in this election were in difficult states that remain gerrymandered from a decade ago." He continued, "It was always going to take a 'blue wave' for us to get deeper into the map in states like Texas and North Carolina, and that didn't happen for Democrats."

The Washington Post (11/4, Craig, 14.2M) reports Republican State Leadership Committee President Austin Chambers said of the results, "I can't think of a worse failure for Democrats." He continued, "When this year started, they were talking about how they were going to flip everything, and we had as cocky of an opponent as we've ever been up against. ... But it was an absolutely great night for state Republicans."

LGTBQ Candidates Achieved Milestone Wins Tuesday.

The AP (11/4, Crary) reports that across the US, LGBTQ candidates "achieved milestone victories in Tuesday's election, including the first transgender person elected to a state Senate, and the first openly gay Black men to win seats in Congress." The "landmark wins came not in only blue but also red states such as Tennessee, where Republican Eddie Mannis, who is gay, and Democrat Torrey Harris, who identifies as bisexual, won seats in the state House to become the first openly LGBTQ members of that legislature." In New York, "attorney Mondaire Jones won in a district of New York City suburbs and Ritchie Torres, a member of the New York City Council, won in the Bronx to make history as the first gay Black men elected to the U.S. House." Both men are Democrats.

The New York Times (11/4, Rubinstein, 18.61M) reports that Torres and Jones "grew up poor in single-parent households, 31 miles apart, both spending years grappling with their identities." The Times observes that with their victories, "gay Black Americans may finally have representation in Congress that mirrors their representation in the broader population." Assuming "that Americans who are gay, bisexual or transgender represent 4.5 percent of the population, and Black Americans represent 12 percent of the L.G.B.T.Q. community, Congress would need three Black L.B.G.T.Q. members to mirror the nation's demographics."

Delaware's McBride Will Be First Transgender State Senator. CNN (11/4, Stracqualursi, 83.16M) reports on its website that Democratic activist Sarah McBride "will become the nation's first person who publicly identifies as transgender to serve as a state senator, after winning Tuesday's election in Delaware."

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California Affirmative Action Proposition Rejected By Electorate.

The AP (11/4, Har) reports that Proposition 16, which aimed to "reinstate affirmative action in overwhelmingly Democratic California," failed to pass on Tuesday. University of San Francisco Political Science Professor James Taylor "said the proposition suffered from several factors: the coronavirus pandemic and racial justice protests that have left voters stressed and uncertain; the lack of a high-profile champion such as Democratic vice presidential nominee Kamala Harris, and younger voters who may not know much about the issue."

The Los Angeles Times (11/4, 4.64M) reports that if the measure passed, then public universities and state governments "would have been allowed to consider race, sex, color, ethnicity or national origin to address diversity." The Wall Street Journal (11/4, Mai-Duc, Subscription Publication, 7.57M) reports that 56% of Californians voted against the proposed ballot measure with 44% supporting passage. The San Francisco Chronicle (11/4, 2.67M) also reports.

The Wall Street Journal (11/4, Subscription Publication, 7.57M) says in an editorial that California voters' rejection of an effort to reintroduce affirmative action in state education, hiring, and contracts was welcome, and could even influence how the Supreme Court looks at such preferences in two upcoming cases.

Mississippi Votes To Replace State Flag.

The AP (11/4, Pettus) reports that Mississippi voters approved Tuesday a new state flag design to replace the historic flag with Confederate imagery. Former Mississippi Supreme Court Justice Reuben Anderson "led a nine-member commission that recommended the new flag design," and the new flag "received more than 70% support" from Mississippi voters. Anderson said in a statement, "I have a renewed sense of hope for my grandchildren and great-grandchildren, and I know this new symbol creates better prospects for the entire state of Mississippi."

The Jackson (MS) Clarion Ledger (11/4, 275K) reports that the Mississippi state Legislature "must formally enact that design into law during the 2021 legislative session which starts in January."

Ranked Voting Ballot Measure Fails In Massachusetts.

The Boston Globe (11/4, 972K) reports that the Massachusetts electorate "rejected a ballot measure that would have implemented ranked-choice voting, known as Question 2, by a 10-point margin...dealing a blow to a campaign that spent at least $8 million, counted a slew of high-profile Democrats as supporters, and was vying in an election with record turnout." Attleboro Mayor Paul Heroux, who supported the measure, said of the result, "There's a progressive consciousness, a collective consciousness, in Massachusetts. But there's also a reluctance to change."

Election Day Passed Without Violent Protests.

The AP (11/4, Khalil) reports that while 1,000 protesters "converged on Black Lives Matter Plaza on Tuesday night, just a block from the White House," there "were no signs of serious violence or widespread unrest in the hours immediately after the polls closed" in the US. The District of Columbia demonstrations "were largely peaceful, with people shouting, 'Whose streets? Our streets!' and 'If we don't get no justice, they don't get no peace!'" Yet, Oregon Gov. Kate Brown (D) "had put the National Guard on standby, since Portland has seen almost nightly protests since the death of George Floyd."

Bloomberg (11/4, Adams-Heard, Kopit, Bhasin, 4.73M) reports that anti-Trump protesters "gathered Tuesday night in cities including Washington, Portland and Los Angeles, leading to scattered arrests," but election night "stood in stark contrast to the planning, with more than a dozen states activating National Guard troops, retailers boarding up windows and anxious Americans loading up on body armor and guns."

Polling Sector Confronting Another Legitimacy Crisis Following Election Results.

The New York Times (11/4, Russonello, 18.61M) reports that the polling sector failed to accurately capture President Trump's electoral strength for the second time in the 2020 presidential elections, and it "raises the question of whether the polling industry, which has become a national fixation in an era of data journalism and statistical forecasting, can survive yet another crisis of confidence." Monmouth University Polling Director Patrick Murray attributed the error to unquantifiable factors, such as Republican efforts to limit accessibility of mail-in voting and the failure of the US Postal Service to deliver completed ballots on time.

Blumenthal To Seek Reelection In Connecticut In 2022.

The Connecticut Post (11/4, Munson, 347K) reports that Sen. Richard Blumenthal (D-CT) announced Tuesday he will seek re-election in two years. Speaking with reporters Tuesday, Blumenthal said, "I do expect to be on the ballot in 2022. I'll do my announcement in a few weeks, a few months."

WPost: Virginia Makes Correct Choice In Overhauling Redistricting.

The Washington Post (11/4, 14.2M) argues in an editorial that Virginia's successful ballot measure to overhaul redistricting is important because the historic process is "actual vote-rigging," and it "has been the norm in too many states for too long." While the new rules governing redistricting "are admittedly imperfect," the change will "improve the odds that voters can choose their elected representatives rather than the other way around."

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NYTimes: Cuomo Should Sign Anti-SLAPP Bill.

In an editorial, the New York Times (11/4, 18.61M) praises a bill in New York State intended to weaken the type of legal filing known as the Strategic Lawsuit Against Public Participation (SLAPP). According to the Times, the SLAPP is a way for "the rich and powerful [to] intimidate and silence critics" and "harass and bankrupt opponents." Unsurprisingly, the Times continues, SLAPPs "are a favorite weapon of President Trump." As an example, the Times cites a suit Trump brought against Timothy O'Brien, "then a business reporter for The Times and author of a book that said the real estate mogul was worth substantially less than he claimed." The Times urges New York Gov. Andrew Cuomo (D) to sign the bill, saying that it is "urgently needed to block bullies from weaponizing the courts against free speech," and also "to prevent New York from being used for 'forum shopping,' whereby abusive plaintiffs file suits in states with weak or nonexistent anti-SLAPP laws."

WSJournal Praises Illinois Rejection Of Flat Tax Repeal.

In an editorial, the Wall Street Journal (11/4, Subscription Publication, 7.57M) praises Illinois voters for rejecting a proposal by Gov. J.B. Pritzker (D) to repeal the flat state income tax and replace it with a system allowing higher top rates for wealthier residents.

RCP Average Has Trump's Job Approval At 45.9%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45.9%, and his disapproval at 52.5%. Both numbers are unchanged since yesterday.

A Rasmussen poll of 1,500 likely voters (10/31-11/3) finds Trump's approval at 49%, and his disapproval at 50%.

Financial International News

ECB Official Calls For More Stimulus As Infections Surge.

Bloomberg (11/4, Weber, 4.73M) reports, "More monetary stimulus from the European Central Bank is needed to support the economy amid a fresh wave of coronavirus infections, Executive Board member Isabel Schnabel said." In a speech published Wednesday, Schanbel said, "In light of the second wave of Covid-19 infections and renewed lockdowns, further monetary policy support is required to safeguard favorable financial conditions and underpin economic activity in the face of a deteriorating growth outlook."

EU Finance Watchdog Urges Regulators To Exchange Bank AML Data.

Law360 (11/4, Subscription Publication, 8K) reports behind a paywall, "The European Banking Authority urged financial regulators on Wednesday to exchange information about how banks handle money laundering risks as it works to strengthen the fight against the flow of dirty money. Money laundering and terrorist financing can damage the financial stability of a bank and the integrity of the financial system in which it operates, the EBA said as it published in an opinion."

Malpass: Developing World Needs Debt Relief.

In an op-ed for the Wall Street Journal (11/4, Malpass, Subscription Publication, 7.57M), World Bank President David Malpass says developing countries facing heavy debt burdens need financial relief during the pandemic. For Malpass, such relief should include debt-service suspension, debt-burden reduction, creditor participation in relief efforts, and debt transparency. Developing countries themselves must also reorient toward sustainable fiscal policies.

Leading International News

UK Parliament Backs Lockdown Measures Despite Tory Revolt.

The New York Times (11/4, Zraick, Castle, Povoledo, Bubola, Cumming-Bruce, Pronczuk, 18.61M) reports that on Wednesday, British Prime Minister Boris Johnson spoke before Parliament, "saying that there was no alternative to a monthlong lockdown if a 'medical and moral disaster' was to be avoided." According to the Times, "For weeks, Mr. Johnson had resisted such drastic measures, rejecting calls from scientists who advise the government, and from the opposition Labour Party, for an earlier but shorter lockdown." The Times says "lawmakers voted 516-38 to approve the rules on Wednesday, despite a rebellion from within Mr. Johnson's Conservative Party."

Italy Imposes Strict Lockdown On Northern Regions.

The New York Times (11/4, Zraick, Castle, Povoledo, Bubola, Cumming-Bruce, Pronczuk, 18.61M) reports that on Wednesday, the Italian government "announced...that it will lock down a significant portion of the country, including the northern regions that are its economic engine, in an effort to stop a resurgent wave of coronavirus infections." Prime Minister Giuseppe Conte "announced that the measures, the most drastic since the nationwide lockdown in March, will take effect on Friday and will seal off six regions in the country's deeply infected north and highly vulnerable, and poorer, south."

According to the AP (11/4, D'Emilio), "Barring very few exceptions, no one will be able to leave or enter the 'red zone' regions." People living there are required to stay home unless they are going to work or to the store for essential items; "they can also exercise near their homes and while wearing masks." Health Minister Roberto Speranza, having consulted with regional governors, made the decision about which regions would be "red zones." Speranza said, "I know that these choices will mean sacrifices and difficulties, but they are the only way

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to bend the (contagion) curve. ... United, we can do it."

World Watching, Waiting For Results Of US Election.

The New York Times (11/4, Landler, Cave, 18.61M) reports, "An indecisive American presidential election hurtling toward legal challenges transfixed the world on Wednesday, with viewers in Europe, Asia and elsewhere riveted by the pitched battle between President Trump and former Vice President Joseph R. Biden Jr. and appalled by Mr. Trump's demand to stop counting votes." Across the globe, "the results trickling in from across the American electoral map made for confounding, fascinating must-watch drama." According to the Times, "The stakes are global, and so was the audience, illustrating the truism that presidential elections in the United States affect everyone, even those ineligible to vote in them."

European Election Watchers Criticize "Baseless Allegations" Of Fraud In US. The Washington Post (11/4, Morello, 14.2M) reports, "A group of international election observers on Wednesday praised the US vote as orderly but condemned President Trump's 'baseless allegations' of fraudulent ballot counts and suggestion the tally be stopped in midstream, saying he had undermined public confidence in democratic institutions." German parliament member Michael Georg Link said, "Nobody – no politician, no elected official, nobody – should limit the people's right to vote." At the State Department's invitation, Organization for Security and Cooperation in Europe "sent over 100 observers to more than 30 states to watch the vote," and "the observers expressed a measure of admiration for the administration of the election, and a heavy dose of criticism." They "portrayed election day and the early voting in preceding weeks as 'competitive and well-managed' amid the coronavirus pandemic, despite the more than 400 lawsuits already filed and in 44 states."

US Officially Withdraws From Paris Climate Treaty.

The AP (11/4, Jordans, Borenstein) reports that on Wednesday, the US "formally left the Paris Agreement, a global pact it helped forge five years ago to avert the threat of catastrophic climate change." According to the AP, "The move...further isolates Washington in the world but has no immediate impact on international efforts to curb global warming." Joe Biden "has said he favors signing the US back up to the Paris accord." The New York Times (11/4, Friedman, Sengupta, 18.61M) says, however, that "rejoining the Paris Agreement will be the easy part. The United States would find that it has a lot of catching up to do to both reduce emissions and rebuild trust with its international allies." In addition, the Washington Post (11/4, Dennis, Eilperin, Grandoni, 14.2M) says that even if Biden wins the presidency, "his plan to invest trillions of dollars toward making the United States a greener nation will face a deeply divided Congress."

Separately, the New York Times (11/4, Friedman, 18.61M) reports that "on Nov. 4, 2019, the earliest possible day under United Nations rules that a country could begin the final withdrawal process," Secretary of State Pompeo filed paperwork to do so, and "it automatically finalized a year later." The Times adds that "so far, no other country has followed the United States in renouncing the Paris Agreement."

EU's Barnier: Brexit Talks Facing "Too Many Difficulties."

The AP (11/4, Casert, Plazy) reports that, "with a deadline looming ever more menacingly," Michel Barnier, the EU's "chief negotiator on the post-Brexit trade deal with Britain," on Wednesday "publicly blamed London for a lack of progress in the two sides' belated attempt to reach an even rudimentary agreement." Before briefing the member states' envoys, Barnier said, "At this stage, there are still too many difficulties remaining on important topics." Later, on Twitter, Barnier said, "Despite EU efforts to find solutions, very serious divergences remain." According to the AP, his comments "threw a dampener on optimistic reports that progress was being made at a rapid pace on issues such as fisheries rights, one of three remaining major topics that need a compromise solution if a deal is to be found before Jan. 1, when a transition period in the Brexit divorce proceedings ends."

Poland Delays Abortion Restrictions That Sparked Massive Protests.

The New York Times (11/4, Pronczuk, 18.61M) reports that the Polish government has "delayed implementation of a court ruling that would impose a near-total ban on abortions after two weeks of the largest protests the country has experienced since the 1989 collapse of communism." Poland "already had one of Europe's most restrictive abortion laws before its Constitutional Tribunal ruled on Oct. 22 that terminating pregnancies for fetal abnormalities – one of three justifications for legal abortions and virtually the only type performed in the country – violated the Constitution." However, on Tuesday, the government "indefinitely delayed the publication of the court's ruling, which prevents it from going into legal force, in an apparent response to the protests."

Ethiopia Nearing War After Prime Minister Sends Military To Tigray Region.

The AP (11/4, Meseret) reports, "Ethiopia's Nobel Peace Prize-winning prime minister," Abiy Ahmed, "on Wednesday ordered the military to confront the country's Tigray regional government after he accused it of a deadly attack on a military base." According to the AP, his "move against the well-armed Tigray People's Liberation Front raised concerns that one of Africa's most populous and powerful countries could plunge into civil war," which "would send a shock wave through one of the world's most turbulent regions, the Horn of Africa." In an indication of how grave the threat is, the US "in the midst of its election drama issued a statement urging 'an immediate de-escalation.'"

The New York Times (11/4, Walsh, 18.61M) reports that in a statement, Abiy "accused the Tigray People's Liberation Front ...of attempting to provoke a war by orchestrating a militia assault on a major Ethiopian Army base in Tigray in the early hours of Wednesday." He

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said, "The last red line has been crossed with this morning's attacks, and the federal government is therefore forced into a military confrontation." The Washington Post (11/4, Daba, Wroughton, 14.2M) says "Abiy's office accused" the TPLF "of attempting to steal artillery and other military equipment during the attack."

Arrest Of Indian Journalist Criticized As Assault On Press.

The New York Times (11/4, Yasir, 18.61M) reports Arnab Goswami, "one of India's most famous television journalists" and a conservative, was "arrested Wednesday on charges of abetting a suicide, a move criticized by politicians and members of the news media as an attempt to muzzle the press." Many "saw the arrest as a vendetta against Mr. Goswami for his criticism of the Mumbai police over a recent homicide investigation, as well as the latest example of an assault on press freedoms in India that has come from many directions." However, Mumbai "is controlled by an opposition political party," and "some commentators said that what the Mumbai authorities were doing was similar to the pressure that the Modi administration has put on progressive journalists elsewhere."

Bolsonaro's Son Faces Graft Charges.

The Wall Street Journal (11/4, Pearson, Subscription Publication, 7.57M) reports Flávio Bolsonaro, son of Brazilian President Jair Bolsonaro, is facing graft charges over allegations of money laundering and embezzlement. According to the Journal, the charges increase pressure on the conservative president who rose to power by promising to stamp out corruption.

Housing

GSEs' Portfolios Continued Growing In Q3.

Behind a paywall, Inside Mortgage Finance (11/4, Bancroft, Subscription Publication) reports, "The mortgage portfolios of Fannie Mae and Freddie Mac totaled $370.3 billion at the end of September, up 2.5% for the quarter." The GSEs' non-agency MBS investments "continued to shrink – Fannie's fell 40.8% to less than $1 billion – and combined holdings of their own MBS was relatively flat." However, according to IMF, "there was growth in the whole-loan portfolio: Fannie's increased 2.8% during the quarter, while Freddie's grew 3.8%." IMF says Freddie's $105.4 billion whole-loan portfolio "included $48.8 billion of single-family loans in the securitization pipeline, up from $35.5 billion at the end of June. The company also held $18.9 billion of reperforming single-family mortgages, down from $23.5 billion in the previous quarter." Meanwhile, "Fannie reported $121.3 billion of unsecuritized loans in its portfolio, including $44.1 billion for lender liquidity – up from $36.0 billion in June."

CA Rent Control Measure, Prop. 21, Fails.

National Mortgage News (11/4, Sinnock) reports California's "ballot measure to expand rent control, Proposition 21, looks as though it will not pass, leaving commercial financing entities to claim victory over one of the two state ballot measures they opposed in the state." According to NMN, mortgage lenders "have been concerned about the measure because expanded rent control could result in a patchwork of different policies that could complicate underwriting and discourage lending. An industry trade group responded to early results with cautious optimism." NMN says that with "99% or 20,290 of 20,497 precincts partially reporting Wednesday morning, the measure that would have put state rent-control policies back in the hands of local authorities was opposed 60%/40%, according to unofficial election results posted by the state. Certified results are due Dec. 11." Commercial Observer (NY) (11/4) and a paywalled piece from GlobeSt. (11/5, Borland) provide additional coverage.

MBA: Mortgage Applications Jump Nearly 4% WoW, Up 88% YoY.

HousingWire (11/4, Roha, 23K) reports, "With mortgage rates continuing to hover near record lows, mortgage applications jumped 3.8% last week according to a report from the Mortgage Bankers Association (MBA)." Refi activity rose 6% from the prior week, up 88% from the same week last year. Meanwhile, purchase activity dipped 1% week-to-week on a seasonally-adjusted basis, with purchase applications "25% higher than the same week a year ago." The refi share grew to 68.7% of total applications. The FHA share fell from 11.7% to 11.1%, while the VA share grew from 11.4% to 12.2%. The average rate for 30-year FRMs with conforming balances rose from 3% to 3.01%, while that for jumbos fell from 3.28% to 3.18%. The 15-year FRM average fell from 2.6% to 2.55%. The 5/1 ARM average fell to 2.67%.

Mortgage News Daily (11/4, Swanson) reports MBA AVP Joel Kan said, "Mortgage rates continue to hover at record lows this fall. The 30-year fixed mortgage rate remained essentially unchanged at 3.01 percent last week, but rates for 15-year fixed-rate loans, FHA loans and jumbo loans all fell to new MBA survey lows." According to M Report (11/4, Espinosa), Kan said, "The drop in rates spurred an uptick in demand for refinances. Activity increased over 6 percent, with borrowers notably seeking conventional and government loans. After a solid stretch of purchase applications growth, activity decreased for the fifth time in six weeks, but was still over 25 percent higher than a year ago, and has increased year-over-year for six straight months. 2020 continues to overall be a strong year for the housing market." National Mortgage News (11/4),and National Mortgage Professional (11/4, Persaud), and Mortgage Orb (11/4, Bates).

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Ellie Mae: Millennials' Rates Fall As They Take Larger Loans In September.

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National Mortgage News (11/4, Centopani) reports, "More millennials are leveraging the historically low mortgage rates to either buy their first

homes or slash their monthly payments, according to Ellie Mae." According to NMN, "Borrowers between 21 and 40 locked in an average 30-year interest rate of 3.011% in September – a declining number that keeps hitting new record lows for the Millennial Tracker. The rate dropped from 3.913% the year before and from 3.105% in August." Meanwhile, the size of the average millennial's loan "rose $5,904 annually to $213,285 since buyers attaining 90 basis point gains in interest rates could afford more house." NMN says purchase loans made up "the majority of originations," but "shrunk to 56% from 66% year-over-year and 59% month-over-month." The refi share rose to 43% as millennials, particularly older ones, "continue taking advantage of low mortgage rates. That's up from 33% a year ago and 40% the month prior."

M Report (11/4, Espinosa) says, "During September, refinances accounted for 51% of Conventional loans – the highest since June. It was up from 48% just the month prior." Older millennials on average "locked in slightly higher rates of 3.00%," while younger millennials "obtained rates for 2.98%." According to M Report, "In the face of historically low interest rates, among both sub-groups of millennials, there was a bump in the share of refinance loans. Even though millennials are scooping up homes, purchases dipped for the second consecutive month in the waning days of summer." National Mortgage Professional (11/4, Persaud) and Mortgage Orb (11/4, Bates) provide additional coverage.

Survey: Pandemic Making "Seamless" Digital Lending Key To Survival.

According to M Report (11/4, Espinosa), a "study by the Economist Intelligence and TransUnion" suggests that in the midst of the pandemic, "seamless digital transactions will be at the epicenter of business survival." Nearly "85% of global executives surveyed as part of the study said they believe smooth digital transactions are 'essential to business survival' rather than merely a competitive edge." M Report says, "A total of 1,610 executives in places like Brazil, Canada, Chile, China, Colombia, the Dominican Republic, Hong Kong and the U.S. responded to the report, 'New Dimensions of Change: Building Trust in a Digital Consumer Landscape.'" TransUnion SVP Shai Cohen said the pandemic "has dramatically accelerated digital transformation with 61% of our survey respondents saying their organization has changed their digital transaction process due to the pandemic."

Trepp: CMBS Delinquency Rate Falls From 8.92% In September To 8.28% In October.

Multi-Housing News (11/4) reports Trepp's CMBS delinquency rate fell from 8.92% in September to 8.28% in October, coming on the heels of "large spikes in May and June." This was the fourth consecutive month in which the delinquency rate declined. According to MHN, "Of the delinquencies, loans that were 30 days delinquent totaled 1 percent, marking a 40-basis-point decrease from September. Sixty-day delinquencies held relatively steady at .78 percent from 0.79 percent, while 90-day delinquencies dropped from 3.81 to 3.73 percent. Foreclosures increased slightly month-over month from 0.72 percent to 0.83 percent." Looking at sectors, "the hardest-hit property types – lodging and retail – recorded drops in delinquency rates, with lodging seeing the greatest decrease, going from 22.94 percent in September to 19.43 percent in October. Trepp attributes the drop in hotel loan delinquencies to the large number of forbearances granted in the sector."

Bulk Ginnie MSR Sales May Be Rebounding.

Behind a paywall, Inside Mortgage Finance (11/4, Muolo, Subscription Publication) reports sales of bulk servicing packages backed by Ginnie Mae product was "near dead" in Q3, but "there are nascent signs a recovery could be in the offing." According to IMF, "a meager $161 million of bulk Ginnie MSRs transferred in the third quarter compared to $61.1 billion in 1Q20. Co-issuance transfers registered in 3Q were also anemic." However, Incenter Mortgage Advisors late Tuesday "posted an auction notice on a $1.6 billion bulk package of 'newly originated' Ginnie rights, setting a bid deadline of Nov. 12."

Sheila Bair Succeeding Plutzik As Chair Of Fannie Mae Board On November 20.

Mortgage Orb (11/4, Bates) reports Sheila Bair is "succeeding Jonathan Plutzik as chair of Fannie Mae's board of directors on Nov. 20." According to Mortgage Orb, "Bair joined the Fannie Mae board in August 2019. During her tenure, she has served as a member of the Community Responsibility & Sustainability Committee, the Nominating and Corporate Governance Committee, and the Risk Policy and Capital Committee." Fannie Mae CEO Hugh Frater said, "Sheila is the perfect person to lead the board and help guide the company as we continue to transition out of government control. She will help chart a course forward for the company while making sure we never forget our mission to support mortgage financing in a safe and sound manner."

M&A Activity Muted With Origination Profits So Strong.

Behind a paywall, Inside Mortgage Finance (11/4, Muolo, Subscription Publication) says, "Mortgage M&A advisors must be feeling a bit like the Maytag repairman these days: The machine is working impeccably well at full throttle and there's no reason to get a new one." Put differently, IMF says not to "expect to see any significant activity in mortgage company sales until (likely) the second half of 2021." Some of the advisors IMF spoke to over the past few weeks have been repeating "that origination profits are the best they've ever been and there's no reason, or pressure, to sell." IMF says, "The only recent whole-company deals that come to mind are Freedom Mortgage's August purchase of RoundPoint Mortgage (a trade that dragged on for 15 months) and Western Alliance's recent acquisition of non-QM lender Galton Funding, notable because it's a rare example of a federally insured depository buying a non-agency originator."

AMERICAN OVERSIGHT

10-Year Yield Falls.

MarketWatch (11/5, 1.67M) reports the 10-year Treasury yield fell to 0.735 percent.

Dollar Eases.

Reuters (11/5, White) reports, "The dollar slipped to its weakest level in more than two years against the yuan and eased against other Asian currencies as Democrat Joe Biden edged closer to the White House in a nail-biting U.S. presidential election." The dollar index against a basket of six major currencies "stood at 93.350, little changed from the previous session." The euro "bought $1.1736 on Thursday, steady from the previous session." The dollar "was little changed at 104.33 yen."

Gold Holds Firm.

Reuters (11/5, Iyer) reports, "Gold held firm in a narrow range on Thursday as investors were cautiously optimistic that Democrat Joe Biden would edge past President Donald Trump in a tight race to the White House." Spot gold "rose 0.4% to $1,910.33 per ounce by 0719 GMT. U.S. gold futures gained 0.8% to $1,911.60 per ounce."

Oil Falls.

Reuters (IND) (11/5, Zhang, Paul) reports, "Oil dropped on Thursday as Democrat Joe Biden edged closer to the White House in a nail-biting U.S. presidential election, but the Republicans look likely to retain Senate control, decreasing the chances of any huge COVID-19 relief package." US West Texas Intermediate crude futures "were down 60 cents, or 1.53%, to $38.55 a barrel at 0756 GMT, while Brent crude futures fell 64 cents, or 1.55%, to $40.59 a barrel."

Cybersecurity

Federal Judge Questions TikTok, ByteDance Lawyers About Data Maintenance.

The Washington Times (11/4, Lovelace, 492K) reports that U.S. District Judge Carl Nichols "grilled lawyers for TikTok" and ByteDance on Wednesday about whether the "social media app would accept any restrictions on how it maintains American users' data." The federal judge "questioned lawyers challenging the Trump administration's intended block of TikTok about whether federal law allows the administration to prevent U.S. data from residing outside the country." DOJ lawyer Daniel Stephen Garrett Schwei "said the federal government also has concerns about how the app is moderating Americans' speech online." Last week, US District Judge Wendy Beetlestone "separately issued a preliminary injunction against the Trump administration's restrictions on TikTok set to take effect next week." Both challenges "are running alongside separate action" by CFIUS. Judge Nichols asked to be kept updated "on developments from the CFIUS proceedings and said he may ask the lawyers to provide short supplemental briefs before Friday about how he should consider Judge Beetlestone's order in making his own ruling."

TikTok Seeks Injunction To Stop Shutdown Order. The Wall Street Journal (11/4, McKinnon, Subscription Publication, 7.57M) reports lawyers for the video app TikTok asked Judge Carl Nichols of the U.S. District Court in Washington, D.C. for a preliminary injunction to block a government-ordered shutdown on Nov. 12. TikTok's lawyers argued the ban is an overreach because it would stop personal communications and informational materials to protect US data, which is an impermissible use of the International Economic Emergency Powers Act. Attorneys for the government said the shutdown orders was intended to prevent China from getting information on Americans through the app, not to block communications. Nichols did not rule immediately on TikTok's motion.

Phone, Email Scammers Change Tactics During The Pandemic.

The Washington Post (11/4, Daily, 14.2M) reports phone and email scams have shifted during the pandemic as operations transition "to at-home workers," making use of "bogus emails and text messages" as well as calls. Nomorobo Founder Aaron Foss said, "The marketplace changes with the times. Impostors encouraging you to go out and buy gift cards were really popular calls until we stopped leaving our homes. As more shoppers moved online, criminals switched to phishing: pretending to be a real company or government agency."

Analysis Shows Nearly $1B In Bitcoin Linked To Silk Road Is On The Move.

CNBC (11/4, 3.62M) reports, "Nearly $1 billion worth of bitcoin with potential ties to the Silk Road online black market is on the move, according to London-based blockchain analysis firm Elliptic." CNBC adds, "Silk Road was closed down by U.S. federal authorities in 2013, while its creator, Ross Ulbricht, was sentenced to life in prison two years later. The site, hidden away as part of the dark web, allowed people to sell drugs and other illegal goods. Elliptic, a firm that tracks the movement of dirty money in the cryptocurrency sphere, said Wednesday that it picked up on a transaction of funds believed to have originated from the site." According to CNBC, "The company said that 69,369 bitcoins – worth about $950 million today, according to CoinDesk – had been moved out of a wallet that had the fourth-highest balance of any globally."

AMERICAN OVERSIGHT

DOJ Seizes 27 Websites Linked To IRGC, Citing Disinformation.

CFTC-22-0351-A-000492

Bloomberg (11/5, Turton, 4.73M) reports that DOJ "seized 27 websites linked to Iran's Islamic Revolutionary Guard Corps for allegedly posing

as news outlets to spread disinformation," according to a Wednesday announcement. The sites seized "were targeted at American audiences, though some of the sites listed in the affidavit are entirely in Arabic or focused on news in the Middle East." They "appear to recycle articles and claim them as their own." For instance, "criticalstudies.org claimed U.S. Senator Bernie Sanders among its 'writers,' but the article supposedly written by Sanders was cut and pasted from an op-ed he had written in USA Today in 2018." FBI Special Agent in Charge Craig D. Fair said, "Thanks to our ongoing collaboration with Google, Facebook, and Twitter, the FBI was able to disrupt this Iranian propaganda campaign and we will continue to pursue any attempts by foreign actors to spread disinformation in our country."

Vermont Calls In National Guard Cyber Team After Cyberattack.

The AP (11/4) reports, "Republican Gov. Phil Scott said Wednesday that he has called in the Vermont Army National Guard's Combined Cyber Response Team to help the University of Vermont Health Network respond to last week's cyberattack." The attack "caused significant network problems affecting six hospitals in Vermont and New York." The agencies "will work with the health network to review thousands of computers and devices and ensure they do not have malware or virus, the governor said." UVM Health Network "said in a statement on its website Wednesday that its information technology team was making progress, 'but we still do not know when all systems will be restored.'"

WCAX-TV Burlington, VT (11/4, 136K) reports, "The FBI is investigating the attack." There is not yet "word on who was behind the breach or whether it was connected to attacks at other health care facilities across the country."

Cit0Day.in Suspected As Culprit After More Than 23,000 Hacked Databases Were Leaked.

ZDNet (11/4, Cimpanu, 299K) reports, "More than 23,000 hacked databases have been made available for download on several hacking forums and Telegram channels." The collection "is said to have originated from Cit0Day.in, a private service advertised on hacking forums to other cybercriminals." The service "operated by collecting hacked databases and then providing access to usernames, emails, addresses, and even cleartext passwords to other hackers for a daily or monthly fee." It could be "considered a reincarnation of similar 'data breach index' services such as LeakedSource and WeLeakInfo, both taken down by authorities in 2018 and 2020, respectively." Though the "Cit0day website went down on September 14, when the site's main domain sported an FBI and DOJ seizure notice," it appears "that the FBI takedown notice was fake."

Russia Arrests Suspected Malware Author.

ZDNet (11/4, Cimpanu, 299K) reports that Russian authorities "arrested a malware author at the end of September, an action that is extremely rare in a country known to usually be soft on hackers." Authorities arrested a "20-year-old from the region of North Ossetia–Alania." Between November 2017 and March 2018, he "created several malware strains, which he later used to infect more than 2,100 computers across Russia." Though Russia has not named the suspect, "Benoit Ancel, a malware analyst at the CSIS Security Group, said last week and today on Twitter that the suspect is a Russian hacker he and other security researchers have been tracking under the nickname of '1ms0rry.'"

Scammers Taking Advantage Of Uptick In Americans Using Cash Payment Apps.

Newsday (NY) (11/4, 932K) reports that 81% percent of Americans "said they're using cash apps more since the pandemic" in a SimpleTexting survey. Scammers "are seizing the opportunity to line their pockets." Cybersecurity expert and Stevens Institute of Technology associate professor Paul Rohmeyer said, "Fraud in payment apps is a growing problem and remains substantially higher than fraud in credit or debit cards." Clarify Capital CFO Nishank Khanna said, "Payment apps are third-party sites and as such, typically have less consumer protection and safety measures in place than traditional financial institutions."

Federal Reserve

Fed Unlikely To Announce New Economic Aid After This Week's Meeting.

Bloomberg (11/4, Boesler, McCormick, 4.73M) reports the "tightly contested" election puts pressure on the Fed "to deploy even more monetary stimulus to support the economy under a divided government." While the Fed "is not expected to announce a shift in stance Thursday when Fed officials conclude a two-day meeting in Washington," Fed Chair Jerome Powell "may hint at coming changes to the Fed's bond-buying program, after chances of aggressive fiscal spending for households and businesses faded along with prospects of a Democratic government sweep."

The AP (11/4, Crutsinger) reports the Fed "will likely end its latest policy meeting Thursday by deciding to wait before determining whether or how to expand the economic support it has been supplying through ultra-low interest rates." The AP adds, "Most economists say that unlike Congress, the central bank may already have provided almost all the help it can for the economy through its low-rate policies. Fed officials themselves, including...Powell, have sounded a similar message."

The New York Times (11/3, Smialek, 18.61M), CNBC (11/4, Domm, 3.62M), Fox Business (11/4, O'Halloran, 1.73M), and MarketWatch (11/4, Robb, 1.67M) also report.

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Daly To Vote In Place Of Kashkari At Fed Policy Meeting.

Reuters (11/4, Saphir) reports San Francisco Fed President Mary Daly "will vote at this week's U.S. central bank policy meeting, taking the

place of Minneapolis Fed President Neel Kashkari, a Fed spokesperson said on Wednesday." The switch "is not expected to affect the policy outcome from this meeting, when policymakers are expected to leave interest rates unchanged at near zero."

Financial Regulatory Agencies

CFPB Fines Firm $1.5M For "Misleading" Loan Payment Disclosures.

American Banker (11/4, Berry, Subscription Publication, 31K) reports the Consumer Financial Protection Bureau "has ruled that customers of a Texas company should get up to $7.5 million for allegedly misleading statements about an auto loan payment service, but in a twist the CFPB could end up paying most of the restitution." Issuing the order this week, the CFPB determined that SMART Payment Plan LLC "must only pay $1.5 million of the redress – because the company couldn't afford more than that – and a $1 civil money penalty."

Office of the Comptroller of the Currency

Acquitted Ex-Forex Traders Press DOJ Ahead Of OCC Civil Trials.

Law360 (11/4, Subscription Publication, 8K) reports behind a paywall, "A Manhattan federal judge on Wednesday told the U.S. Department of Justice to meet with counsel for two ex-currency traders cleared of criminal rate-rigging charges who wish to access DOJ evidence in a follow-on effort by the Office of the Comptroller of the Currency to hold them civilly liable." US District Judge Richard M. Berman "said the DOJ should make an effort to negotiate with onetime Royal Bank of Scotland and JPMorgan trader Richard Usher and former Citigroup trader Rohan Ramchandani in their effort to access trial evidence subject to a protective order."

Banks Worried About Data Rights In Partnerships With Fintech Data Aggregators.

Business Insider (11/4, Balogh, 3.67M) reports fintechs "need to be able to connect and share information with their much larger peers," and data aggregators such as Plaid or Yodlee perform this function, but banks are starting to worry that they could ultimately be held responsible for customers' data held within these firms' platform in the event of a cyber breach. Dodd-Frank requires consumers have access to their financial data, but a debate is ongoing about which data belong to the bank. Regulators have stepped in, with the CFPB releasing a proposal "to clearly define the scope of consumer data access rights laid out in Dodd-Frank." and it's "not the first time in recent memory regulators have weighed in on competition in the space. In early October, Business Insider reported on tensions surrounding a special-purpose banking charter from the OCC that would grant fintechs more power to process payments independently."

Ant's Failed IPO Points To Wider Clash On Fintech (OCC Mention).

The Financial Times (11/4, Subscription Publication, 1.34M) editorializes, "Jack Ma has built his fortune disrupting the status quo. In just over two decades the entrepreneur has helped to revolutionise China's..."

Crypto Inches Into Mainstream Commerce.

PYMNTS (11/4, 12K) reports that cryptos are gradually "inching into the mainstream, for both consumer and commercial applications." PYMNTS adds, "There are indications that the banking world is increasingly getting its arms around crypto. In September, the Office of the Comptroller of the Currency (OCC) clarified the authority for national banks and federal savings associations to hold reserves on behalf of customers who issue stablecoins (those coins have to have a one-to-one relationship with a fiat currency)."

Delayed Election Causing Anxiety For Banks.

American Banker (11/4, Haggerty, Subscription Publication, 31K) reports, "Banks have spent the past year preparing for the impact of either Donald Trump's reelection or a victory by Joe Biden. But with the presidential race still undecided as of early Wednesday morning, the industry can ponder a third scenario: continued uncertainty." Paul Merski, group executive vice president for congressional relations and strategy at the Independent Community Bankers of America, "said banks are not only concerned about how the election could impact a future stimulus package, but also about possible changes to agencies like the Small Business Administration that have been administering coronavirus economic relief." Said Merski: "A lot of the programs that the bankers are still heavily engaged with right now, the [Paycheck Protection Program], to a lesser extent the Main Street Lending Program, these were started and implemented by Republicans in various administrative agencies...so you'd even have a change in policy if people suddenly are leaving. You'd have brand new people in those political positions overseeing those major programs that were started under a Republican administration."

JPMorgan Settles DOL's Sex Bias Probe For $9.8M.

Law360 (11/4, Subscription Publication, 8K) reports behind a paywall that JPMorgan Chase "agreed this week to pay $800,000 in back pay and set aside $9 million for annual pay adjustments to resolve a U.S. Department of Labor lawsuit accusing the investment bank of paying female employees less than their male counterparts when carrying out its government contracts." The bank "agreed to pay the $9.8 million total, which includes back pay and interest plus reserves to provide for five years for pay adjustments, to end the bias suit brought by the DOL's Office of Federal Contract Compliance Programs."

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Business Insider (11/4, Al-Arshani, 3.67M) provides similar coverage.

Wells Fargo Plans To Freeze Raises For Top Earners.

Bloomberg (11/5, Levitt, 4.73M) reports Wells Fargo "plans to freeze raises for top earners as the bank's new leadership team retools compensation practices with a close eye on costs, according to people briefed on the plans." The measure "will halt increases in base pay in the coming year for employees making more than $150,000, the people said." According to Bloomberg, this is "at least the second time in just a few weeks that the firm has sought to limit the expense of rewarding well-paid employees."

Editorial Wrap-Up

New York Times.

"Let The Votes Be Counted." The New York Times (11/4, 18.61M) says, "Count all the votes. This shouldn't be a remotely controversial proposition in a representative democracy. A complete and accurate count is the only way to determine the will of the people who cast ballots." The Times says President Trump's early Wednesday speech "was one of the lowest, most disgraceful moments in an administration filled to the brim with strong competition. It was also self-contradicting. In the same breath that he cast suspicion on counts in states that appeared to be turning against him, he welcomed more counting in states where his totals looked like they were growing."

"New York's Chance To Combat Frivolous Lawsuits." The New York Times (11/4, 18.61M) praises a bill in New York State intended to weaken the type of legal filing known as the Strategic Lawsuit Against Public Participation (SLAPP). According to the Times, the SLAPP is a way for "the rich and powerful [to] intimidate and silence critics" and "harass and bankrupt opponents." Unsurprisingly, the Times continues, SLAPPs "are a favorite weapon of President Trump." As an example, the Times cites a suit Trump brought against Timothy O'Brien, "then a business reporter for The Times and author of a book that said the real estate mogul was worth substantially less than he claimed." The Times urges New York Gov. Andrew Cuomo (D) to sign the bill, saying that it is "urgently needed to block bullies from weaponizing the courts against free speech," and also "to prevent New York from being used for 'forum shopping,' whereby abusive plaintiffs file suits in states with weak or nonexistent anti-SLAPP laws."

Washington Post.

"Surprise! The Election Is Unfolding As Predicted." The Washington Post (11/4, 14.2M) editorializes, "In the end, the 2020 presidential election is unfolding much as had been foreseen by political analysts – and foreshadowed by President Trump. ... [Joe] Biden built a substantial lead in the national popular vote that by late Wednesday had surpassed 50 percent, and will almost certainly grow as more votes are counted. ... Meanwhile, in the battleground states of the upper Midwest, an early lead for Trump on Tuesday melted away, at least in Wisconsin and Michigan." The Post says the President's "ugly rhetoric is a direct attack on American democracy. ... But, by late Wednesday, his antics had yet to prevent an orderly, peaceful and lawful conclusion of the presidential election."

"Election Day Could Have Been Much Worse." The Washington Post (11/4, 14.2M) writes, "As the nation girds for what could be a tortuous process of vote-counting, recounts and legal challenges, it can breathe half a sigh of relief that Election Day voting itself was largely orderly, after such a heated, divisive campaign. Americans can thank the election officials and volunteers who worked to make that happen – and give themselves a pat on the back for turning out in record numbers to do their duty as citizens."

"Virginia Voters Decide Unambiguously: No More Rigged Redistricting." The Washington Post (11/4, 14.2M) argues in an editorial that Virginia's successful ballot measure to overhaul redistricting is important because the historic process is "actual vote-rigging," and it "has been the norm in too many states for too long." While the new rules governing redistricting "are admittedly imperfect," the change will "improve the odds that voters can choose their elected representatives rather than the other way around."

Wall Street Journal.

"Trump And Biden Go To Election Overtime." The Wall Street Journal (11/4, Subscription Publication, 7.57M) says that while Joe Biden does have the lead in the presidential election, some states' results are extremely close, and care should be taken in counting them all. While counting legally cast ballots is not fraud as President Trump has claimed, the Journal says, it is essential to count votes based on each state's election laws.

"Illinois Tax Repudiation." The Wall Street Journal (11/4, Subscription Publication, 7.57M) praises Illinois voters for rejecting a proposal by Gov. J.B. Pritzker (D) to repeal the flat state income tax and replace it with a system allowing higher top rates for wealthier residents.

"A Pelosi-Schumer Defeat." The Wall Street Journal (11/4, Subscription Publication, 7.57M) highlights disappointing results for Democrats in Senate and House races, saying that it was Republicans who expanded their appeal among non-white voters as Democrats did poorly beyond their coastal bases.

"Racial Thunder Out Of California." The Wall Street Journal (11/4, Subscription Publication, 7.57M) says that California voters' rejection of an effort to reintroduce affirmative action in state education, hiring, and contracts was welcome, and could even influence how the Supreme Court looks at such preferences in two upcoming cases.

The Big Picture

AMERICAN OVERSIGHT

Headlines From Today's Front Pages.

Wall Street Journal:

Biden Wins Michigan, Wisconsin As Presidential Election Comes Down To A Few States
Senate Control Hinges On Four Uncalled Election Results With Republicans Holding Edge
Uber, DoorDash Gig-Worker Victory In California Sets Tone For Other Fights
2020 Election Lesson: Trump's Coalition Proved Durable
Election Anxiety? TV Shows About Nothing Aim To Help America Chill

New York Times:

As States Fall His Way, Biden Vows 'Every Vote Must Be Counted'
Win Or Lose, Trump Will Remain A Powerful And Disruptive Force
A Split Decision For Democrats
A Vote That Flew In The Face Of Fear Itself
How Biden's Discipline On Rebuilding The 'Blue Wall' Moved Him Close To Victory

Washington Post:

Black Voters Could Again Save Biden's White House Bid
As Biden Nears 270, Trump Signals Legal Blitz
Litigation Could Draw Out Contest; Democrats Say They're Prepared
Democrats Point Fingers As GOP Avoids 'Blue Wave'
Even If Trump Exits The White House, His Divisive Politics Will Live On

Financial Times:

Biden Wins Wisconsin As Trump Seeks Recount
Beijing Says It Halted $37BN Ant IPO To Protect Market Stability
Philadelphia Votes Limp Across The Line With White House In Balance

Washington Times:

Trump Digs In As 'Blue Wall' Wins Push Biden To Brink Of Victory
GOP Takes Victory Lap As Dems' House Majority Shrinks Despite 'Blue Wave' Bluster
'Edge Of Their Seats': Cliffhanger Election Robs Victor Of Global Mandate
'Biggest Losers': Pollsters Flunk Election Forecasts In 2016 Sequel
'Still Standing': GOP On Verge Of Retaining Senate Despite Dems' Onslaught
'Change Can Be Good': Voters Make Women The Majority On The DC Council

Story Lineup From Last Night's Network News:

ABC: Election; Biden Campaign; Trump-Election; Pennsylvania Votes; Trump-Legal Action; Georgia Votes; Arizona Votes; Senate Control; Mail-In Ballots; Election Summary.
CBS: Election; Trump-Election; Trump-Legal Action; Foreign Interference; Election Protests; Pennsylvania Votes; Georgia Votes; Arizona Votes; Senate Control; Wall Street; COVID; Hurricane Eta; Election Summary.
NBC: Election; Michigan Votes; Wisconsin Votes; Trump-Election; Biden Campaign; Pennsylvania Votes; Trump-Legal Action; COVID; Election Protests; Mail-In Ballots; Latino Vote; Georgia Votes; Election Summary.

Network TV At A Glance:

Election – 9 minutes, 45 seconds
Trump-Election – 9 minutes, 25 seconds
Pennsylvania Votes – 5 minutes, 45 seconds
Trump-Legal Action – 4 minutes, 0 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Georgia Votes; Pennsylvania Votes; Nevada Votes; Election Protests.
CBS: Pennsylvania Votes; Trump-Legal Action; Georgia Votes; Nevada Votes; Philadelphia-Walter Wallace Shooting; Work From Home Study; Wisconsin-Snowmobile on Top of Car.
FOX: Biden Campaign; Trump-Legal Action; Senate Control; Wall Street.
NPR: Pennsylvania Votes; Biden Campaign; Voter Turnout; California-App Based Drivers As Contractors.
Last Laughs

AMERICAN OVERSIGHT

Late Night Political Humor.

Samantha Bee: "Hi, welcome to who the hell knows what's going on? I don't know anymore. Ladies and gentlemen, our long national nightmare is still going? I don't know, or maybe not. Check back later."

Samantha Bee: [On Trump declaring victory while states are still counting votes] "That's...terrifying, and exactly what experts have been predicting for months. Trump is going to try to steal this thing. ... No wonder so many stores have boarded up their windows."

Samantha Bee: [On the US Postal Service not adhering to a federal judge's order to sweep the offices for ballots] "Wait, what? You can just turn down a judge's order? I sure wish I'd known that after I got my second DUI."

Samantha Bee: "Like many of you, we were hoping that tonight's show would be a celebration of a huge victory, but we also feared that it would be a funeral for democracy. Instead, we're kind of in a horrifying middle. Which sucks."

Trevor Noah: "Today is Wednesday, the 4th of November, which means we are on day two of election day. It's almost like a Hanukkah miracle that no one wanted!"

Trevor Noah: "So, election day is over, but because it's 2020, election week has just begun. ... Trump jumped ahead early in a lot of states because Republicans mostly voted in person, and those votes got counted first. And then, as the Democratic mail-in ballots came in, Biden jumped ahead, which is what everyone has known would happen for weeks. Everyone except the President. ... Yeah, dude, because first they counted your votes, and now they're counting the other guy's votes. I mean, I knew that Trump didn't like science, but I didn't realize he had disavowed numbers. I mean, maybe this explains why he's always in debt?"

Trevor Noah: "This is just a level of stupidity from Trump I did not expect. He exceeds levels of stupid. I didn't know you could go higher. Sometimes it really feels like Trump is a toddler."

Trevor Noah: "Trump could just be playing four-dimensional chess here. Yeah, maybe he's laying the groundwork for his legal defense over his taxes. (As Trump) 'Your honor, as you can see, I have no idea how numbers work. Therefore, I cannot be held accountable. Case dismissed!' (As Judge) 'You can't dismiss your own case.' (As Trump) 'I also don't know how the law works. Double case dismissed! #winning!'"

Trevor Noah: "Needless to say, Trump was upset. The more votes got counted, the more Biden pulled ahead of him. And for Donald Trump, there could only be one solution: Stop counting the votes. ... Wow. I know everyone was expecting it, but still, can we just take a moment to admit it is insane that an American President is just demanding that they stop counting votes while he's ahead? This is such a textbook authoritarian move, which is impressive coming from a guy who has never read a textbook."

Trevor Noah: "I gotta to say, for a guy who hates [bad] countries, Trump likes to jack their style. I mean, I never thought I'd see the day when somebody yelling at me to 'go back to Africa' sounded more like a concern for my rights instead of a threat."

Trevor Noah: "All I'm saying is, be careful, America. If you let Trump do this, then voting could soon become one of those things people do to feel better, but doesn't actually do anything – like taking CBD oil or recycling plastic."

Trevor Noah: "It looks like Republicans will very likely be holding on to the Senate. And some high-profile races really did not turn out the way Democrats wanted, even when they spent a lot of money. ... I don't know who the bigger losers here are: the Democratic candidates, or the donors who gave them $170 million to lose their races. I mean, those donors gave them the best possible chance, and they still lost. That's like your parents being billionaires, but you still end up as Don Jr."

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Trevor Noah: "The Democrats had super-high expectations last night, and they badly underperformed. Basically, the Democrats are the Cinnabon of politics. It smells amazing, you get excited, but once you're eating it, you're like, 'Oh, yeah, Cinnabon.'"

Jimmy Kimmel: "For me, and I'm sure for many of you, the past 24 hours have been a 'pollercoaster' of emotions and nausea. I thought if your election lasted more than 48 hours, you were supposed to seek medical attention."

Jimmy Kimmel: "We didn't get a winner last night, and it was a long night. One good thing about the pandemic, we're used to waiting a few days for results."

Jimmy Kimmel: "This was not the landslide Democrats were hoping for. This race was closer than Donald and Ivanka at a father-daughter dance."

Jimmy Kimmel: "The ballots are still being counted. Joe Biden definitely did better than Hillary Clinton. He was able to pick up the sexist vote, but he didn't do as well among racists."

Jimmy Kimmel: "Even though the deal appears to be sealed, there's still a lot of attention being paid to the state of Pennsylvania. The Amish haven't wielded this much power since they figured out how to hook a plow to an ox."

Jimmy Kimmel: "For me, the biggest question is, why did we believe the polls again? You'd think we'd have learned our lesson. But I guess that's not how humans function. We're on season 25 of 'The Bachelor' and we're like, 'I know it didn't work out the first 24 times, but this one feels like love.'"

Jimmy Kimmel: [On Trump declaring victory while states are still counting votes] "It isn't official yet, but all signs are pointing to a Joe Biden win. Everyone seems to know it. Everyone except for Donald Trump. ... Right, right. If they hadn't canceled the Olympics this year, he would have won that too."

Jimmy Kimmel: "Basically, [Trump's] message last night in a nutshell was, 'We won a completely fraudulent election.' ... He's claiming the votes in four states he didn't win. You can't claim the votes. This is the electoral college. It's not baggage at an airport carousel."

Jimmy Kimmel: "I'm also shocked that it was this close. ... It is unimaginable to me that close to half of American voters saw what this man has done to this country over the last four years. ... Half of us want to keep it going for four more years. Which, listen, I don't care what you think of Joe Biden. If Joe Biden stopped by my house every morning to key my car and pee in my pool? Still be no question which one of them I'd vote for."

Stephen Colbert: "It is 11:35 east coast time, and CBS is ready to project that I am your host, Stephen Colbert. Though there's a good chance Donald Trump is going to challenge that in court."

Stephen Colbert: "It's going to take a while to count all the votes! And it's all coming down to a few states where they're still counting votes in North Carolina, Georgia, Nevada, and Pennsylvania, a hybrid mix of the Sun Belt and the Rust Belt that I'm calling the 'Does anyone have a Xanax belt.'"

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Stephen Colbert: "Today, we got a call on one of the swing states, Wisconsin, a state Trump beat Hillary Clinton in by a mere 22,000 votes

back in 2016. Oh, my, how times have changed, because we can now confirm, Joe Biden has won Wisconsin. Woooo! The cheeseheads are now officially blue-cheeseheads. So they smell weird, but they taste great crumbled on a salad, maybe with a poached pear, a little candied walnut."

Stephen Colbert: "Biden is ahead by over 20,000 votes, or one Wyoming. That's really got to sting, because Trump has continued to make such a deal about winning Wisconsin back in 2016. ... And, just like that, Wisconsin is gone, just like a candle in the wind, or a chicken nugget in your general vicinity."

Stephen Colbert: "Trump's mishandling of the virus may have played a large part in Biden's win, because recently, Wisconsin has become a COVID-19 hot spot. But with this win, Democrats across the country can breathe a little easier – except for the ones in Wisconsin because, again, it's a COVID-19 hot spot."

Stephen Colbert: [On Biden saying every vote will be counted and that the American people will not surrender] "Yes! We, the people, will not surrender! We, the people, will just doomscroll on Twitter until we freak out and stress-eat all our kids' Halloween candy!"

Stephen Colbert: "After all that good news for Biden, in a move that just reeks of desperation and cheap cologne, with a million votes still uncounted, Trump's campaign manager came out of the blue to announce, 'We are declaring a victory in Pennsylvania.' Bold! And I fully expect his victory in Pennsylvania to be just as successful as his victory over coronavirus. Gosh, I hope his announcement doesn't overshadow me declaring myself People magazine's 'Sexiest Man Alive.'"

Stephen Colbert: "Early on, things had looked pretty good for Trump. We had been warned this would happen, in what experts called a 'red mirage' – which is either the character Elizabeth Olsen plays in the Marvel movies, or Putin's code name for Trump."

Stephen Colbert: "If COVID has taught us nothing, it's that patience is valuable. Remember when the pandemic started, a trip to the grocery store would last eight hours because you had to wipe down every single grape before you put them in the refrigerator? This is the same thing. We're wiping down every single ballot before we put them in America's fridge. And hopefully, while we're at it, we'll end up throwing out that spoiled ham we bought four years ago."

Stephen Colbert: "Of course, one person who always fails the marshmallow test is Donald Trump. ... A power grab by a terrified strongman in the dead of night. Classic. If there's anything 2:00 a.m. is known for, it's desperate moves by sad little men who are afraid to go home feeling like a loser."

Stephen Colbert: "The President of the United States can't ask for voting to stop. He's only the President because of voting. Voting is America's whole thing. That's like Arby's changing their slogan to 'We must stop the meats!'"

Stephen Colbert: "After going full frontal fascist, Trump went full whiny baby. ... So if you're keeping track, Trump is now trying to obstruct the count in... I'm sorry, I'm being told the Trump campaign is suing to stop us counting the number of states they are suing to stop the count in."

Stephen Colbert: "As usual, the state that got us into this mess was Florida. Every four years, Democrats hope they'll take it. But once again, last night, Florida was called for Donald Trump. Florida is officially America's cheating boyfriend. Why do we always think we can change him?"

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Stephen Colbert: "Democrats also had high hopes for flipping Texas, which would have been quite a feat. Texas hasn't gone for the Democrat since Jimmy Carter back in 1976. And they didn't even really want to vote for him, but they had to after he ate that 72-ounce steak.

That's the rules."

Stephen Colbert: "Well, last night, Texas remained Texas, because it was called for Donald Trump. Even after he bungled the coronavirus. Texas may 'remember the Alamo,' but apparently, they have 'forgotten the 230,000.'"

Stephen Colbert: "Speaking of big electoral wins: Rhode Island isn't one of them. But nevertheless, Vice President Biden has won the state of Rhode Island, just narrowly beating out the state's third-party candidate: Calamari marinara."

Stephen Colbert: "Social distancing at the polls was particularly difficult in Rhode Island, because if you stand six feet away from the next guy, you're in Connecticut."

Stephen Colbert: "As expected, Hawaii has gone for Joe Biden. The Trump campaign is expected to contest the results, claiming most of those votes were actually cast in Kenya."

Jimmy Fallon: "Come on, it's 2020. Did you really think last night would end up wrapped with a neat bow?"

Jimmy Fallon: "Today felt like waking up with a hangover and realizing you're still at the bar."

Jimmy Fallon: "You think you're stressed? Imagine how President Trump feels. In two months, he's either getting inaugurated or incarcerated."

Jimmy Fallon: "As we speak, some states are still tallying the votes. Somehow, Chuck E. Cheese can count a million tickets on the spot, yet we still can't count votes in three days."

Jimmy Fallon: "Well very early this morning, Biden spoke to a drive-in crowd in Delaware and told us we need patience. I'm not sure if that is America's strength. If a TikTok is not up in 33 seconds, we're like, 'Eh, next.'"

Jimmy Fallon: [On Trump lamenting that he was planning a victory celebration when states started going for Biden] "Meanwhile, Trump spoke from the White House this morning and seemed upset the results weren't immediately called in his favor. ... It's too bad, I'd hate for the election to get in the way of his party."

Jimmy Fallon: "If you're keeping track, in the same speech [Trump] claimed the election was a fraud and an embarrassment, and then declared victory. I don't think we should correct Trump; we should just nod along, put him in a fake White House, and let him think for the next four years he's in charge."

James Corden: "Last night with everything still up in the air, Biden addressed a drive-in crowd and urged his supporters to be patient with the process. ... Biden may be optimistic, but did you hear all that honking from the cars? That is not support, that is Democrats trying to drive into Canada."

James Corden: "Then at 2:00 a.m., President Trump gave a speech urging his supporters to remain calm while every single vote is officially counted. I'm kidding, he didn't. ... He tried to undermine the election and claim that he won. The country was shocked. In a completely unexpected turn of events, Donald Trump did exactly what he said he was going to do."

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James Corden: "I mean let's see, fraud on the American people, embarrassment to our country. This seems like a weird time for Trump to just start listing his Administration's accomplishments."

James Corden: "But this could be a long contentious fight between the Trump and Biden teams. There will probably be recounts. Both sides are already preparing lawsuits. One pollster predicted that this could get ugly. Could it? I would hate for this to suddenly turn ugly."

James Corden: "How is Joe Biden even awake right now? I went to bed at like 3 a.m., and I am exhausted. And I'm not in the race. Like what happened to, I mean, you call him 'Sleepy Joe' – the man has been awake for like 72 hours now."

Seth Meyers: "As of this taping, the winner of the presidential election has not been determined and votes are still being counted in several key states. Of course, you're watching this at 12:35 tonight or maybe some time Thursday afternoon, so if Trump won, will you please get in a time machine and come back to find and kill me?"

Seth Meyers: "Last night was the first night of election Hanukkah."

Seth Meyers: "According to the New York Times, former Vice President Joe Biden remains the favorite to win the presidency despite the fact that President Trump single-handedly brought back the plywood industry."

Seth Meyers: "New Jersey, South Dakota, and Arizona voted yesterday to legalize recreational marijuana, though right now, all marijuana is medicinal."

Seth Meyers: "President Trump yesterday called in to 'Fox & Friends,' or as he appeared on their caller ID, 'scam likely.'"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Has no public events scheduled.
- Vice President Pence — Has no public events scheduled.

***US Senate*:**

- Senate on recess from 26 Oct – 9 Nov

***US House*:**

- House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 2 Oct – 16 Nov

Location: U.S. Capitol, Washington, DC; 10:30 AM

***Cabinet Officers*:**

- No public schedules released.

***Visitors*:**

- No visitors scheduled.

***This Town*:**

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• Washington Post Live online event, part of its daily election show series, with Republican Sen. Roy Blunt; *1:00 PM*

• Interest rate decision – Federal Open Market Committee decision on interest rates, following two-day meeting and followed by press briefing with Chair Jerome Powell

Location: Washington, DC; 2:00 PM

• National Conference on Gambling Addiction & Responsible Gambling – National Conference on Gambling Addiction & Responsible Gambling

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TO: THE SECRETARY AND SENIOR STAFF
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Treasury in the News

Mnuchin, Pelosi Trade Blame For Stimulus Talks Breakdown.

The Washington Post (10/29, Werner, 14.2M) reports the "once-promising relationship between" Treasury Secretary Steven Mnuchin and House Speaker Nancy Pelosi "flamed out publicly Thursday just days before the election, as the two disavowed economic relief talks – and each other." The dispute "started before dawn when Pelosi...dispatched a letter to Mnuchin detailing multiple outstanding issues in their on-again, off-again talks around a $2 trillion stimulus bill." According to the Post, Mnuchin "was offended that the first he saw of the letter was in the media, when Politico's morning newsletter Playbook published it shortly after 6 a.m. – although Pelosi aides said they'd sent it to the Treasury secretary shortly after midnight."

Politico (10/29, Caygle, Ferris, 4.29M) says Pelosi, in her letter, "outlined many of those remaining disagreements, including language related to a national strategic testing plan, funding for state and local governments and liability protections for workers, businesses and schools."

CNBC (10/29, Pramuk, 3.62M) reports Pelosi's letter "signaled to Mnuchin that she wants to continue discussions after the country votes." Pelosi wrote, "Your responses are critical for our negotiations to continue. ... The President's words that 'after the election, we will get the best stimulus package you have ever seen' only have meaning if he can get Mitch McConnell to take his hand off the pause button and get Senate Republican Chairmen moving toward agreement with their House counterparts."

The AP (10/29, Taylor) reports Mnuchin "shot back that Pelosi's letter was a 'political stunt' for the media's benefit," and "said in a response letter that Pelosi's 'ALL OR NONE approach is hurting hard-working families NOW' by holding up more narrowly targeted legislation that could pass with little controversy."

The New York Times (10/29, Cochrane, Fandos, Rappeport, 18.61M) reports Mnuchin wrote, "I woke up this morning and read your letter to me in the press. Because you sent it to my office at midnight and simultaneously released it to the press, I can unfortunately conclude that it is a political stunt." Mnuchin "noted that he had spoken to Ms. Pelosi almost daily for the last 45 days and accused her of mischaracterizing the status of their negotiations." However, Pelosi "has continued to insist that Mr. Mnuchin, the lead negotiator for the White House, agree to final language on a number of issues and respond to Democratic demands." Pelosi "said Mr. Mnuchin had yet to agree to final testing language, despite his declaration this month that 'we'll fundamentally agree with their testing language.'"

Newsweek (10/29, Touchberry, 1.53M) reports Mnuchin "rejected the notion from Pelosi that he'd yet to provide feedback on unsettled policies and that she was to blame for Democrats blocking piecemeal assistance from reaching the American people while they continued to negotiate more relief." The "problem, Mnuchin wrote, was because Pelosi has 'refused to compromise,' noting that she's labeled the bipartisan House Problem Solvers Caucus as having 'no relevance.'"

The Hill (10/29, Williams, 2.98M) reports Mnuchin "also said he's worked with other agencies and committee chairs on responses on several areas of coronavirus relief, including rental assistance, small businesses and funding for the Postal Service." Mnuchin wrote, "While you accuse the Administration of holding up negotiations, you refuse to bring to the floor of the House stand-alone legislation to support Airline workers, additional Paycheck Protection Program payments to small businesses, and additional Direct Payments that we can fund using already approved money that we have not spent."

CNN (10/29, Byrd, 83.16M) reports Pelosi spokesperson Drew Hammill, in a statement responding to Mnuchin's letter, "said the White House has still not given Democrats 'meaningful responses in the areas the Speaker outlined.'" Hammill said, "These responses are needed so that talks can advance to deliver coronavirus relief as soon as possible. ... It is disappointing that the White House wasted time on this letter instead of meaningful responses to meet the needs of the American people."

Assistant Treasury Secretary for Public Affairs Monica Crowley said on KUSI-TV (San Diego (10/29, 9:19 a.m. PDT, 9K), "I just want to make it clear that this President and his economic team are fully committed to making sure that every American gets back to work so while we're seeing the strength in this recovery there's still work to be done. And we're still operating in good faith in the stimulus negotiations and we do hope to get something done relatively soon."

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CBS News (10/29, Quinn, Segers, 3.68M) also reports.

US Announces New Round Of Sanctions Against Iran.

The Washington Post (10/29, Morello, 14.2M) reports the Administration "on Thursday unveiled a set of punitive measures against Iran, including sanctions for petrochemical sales." The Treasury and State departments "sanctioned a total of 11 people and entities in Iran, China and Singapore for buying and selling Iranian petrochemical products." In addition, "the Justice Department announced that it had filed a civil forfeiture action for Iranian-made weapons bound for Yemen that were seized by U.S. warships in the Persian Gulf." the Department "also said it had already sold 1.1 million barrels of Iranian oil confiscated from four ships headed to Venezuela and would put most of the $40 million in proceeds into a fund for terrorism victims."

The Wall Street Journal (10/29, Talley, Subscription Publication, 7.57M) says the actions come in the final days of the campaign as the President and his surrogates are arguing he has taken an aggressive foreign policy posture toward America's adversaries.

Reuters (10/29, Hosenball) reports that the move comes "after U.S. intelligence officials earlier this month alleged that Iranian hackers sought to threaten some U.S. voters by sending them spoofed emails that were made to appear as though they were from the pro-Trump Proud Boys group." US Attorney for the District of Columbia Michael Sherwin "said on Thursday that the unsealing" of DOJ's complaints was "divorced from politics." Assistant Attorney General for the National Security Division John Demers "said on Thursday that the U.S. government had sold and delivered 1.1 million barrels of Iranian fuel that had been destined for Venezuela, which it had seized earlier this year."

Bloomberg (10/29, Mohsin, Wadhams, Strohm, 4.73M) reports Treasury Secretary Steven Mnuchin said in a statement, "The United States remains committed to targeting any revenue source the Iranian regime uses to fund terrorist groups and oppress the Iranian people."

Mnuchin "Personally" Ensured Treasury Returned FDNY 9/11 Health Funds.

The New York Daily News (10/29, McAuliff, 2.52M) reports the FDNY's "World Trade Center Treatment Program just got its pilfered millions back from the Federal Government – $3,363,931.72, to be exact." This was revealed in "a letter sent to Long Island's Rep. Pete King (R-N.Y.) from Treasury Secretary Steve Mnuchin Wednesday night, finally ending a saga that began years ago with the federal government mysteriously docking payments meant to fund health care for firefighters and EMTs who got sick from serving at Ground Zero." Mnuchin "wrote he was 'very pleased to inform' King that the money was wired to the program's bank account in two payments that very day."

CNN (10/29, Valle, LeBlanc, 83.16M) reports Mnuchin "said Thursday he was 'personally engaged' in the move to refund nearly $4 million previously withheld from the health care program assisting September 11 first responders who suffer lasting health effects from the attack and ensuing cleanup efforts." Mnuchin said in a statement, "For over a decade, the FDNY has been forced to shoulder the burden of debts owed by the NYC government. Since this issue was brought to my attention, I have been personally engaged in ensuring that New York's Bravest receive everything that they are due from the U.S. government." Mnuchin continued: "I am delighted that (The Centers for Medicare and Medicaid Services) has wired payments to the FDNY refunding the past offsets applied to cover unpaid NYC debts. ... I am also pleased that this issue has been successfully resolved, and that World Trade Center Health Program payments are now protected from future offsets."

Private Equity, Once A Collins Target, Now Backing Her Reelection In Maine.

Politico (10/29, Meyer, Elliott, 4.29M) runs a critical piece in partnership with ProPublica that says Sen. Susan Collins (R-ME) in 2017 killed her own legislation that would slash "a tax break cherished by the private equity industry," a last-minute decision that "has been one of the mysteries surrounding the $1.5 trillion tax bill." The day after she introduced that legislation, "as the Senate voted on the bill, a Republican Senate aide told a Treasury Department official that Collins was 'no longer offering her amendment,' according to emails obtained by ProPublica through a Freedom of Information Act lawsuit." Three years later, Collins "is facing a tough reelection battle and the private equity industry has become her most reliable source of donations."

Warren Reportedly Wants Treasury Secretary Post In Biden Administration.

The Wall Street Journal (10/29, Collins, Restuccia, Subscription Publication, 7.57M) reports on early campaigning for Cabinet posts in a Biden Administration. The Journal says Sen. Elizabeth Warren (D-MA) has reportedly expressed interest in serving as treasury secretary, but the Journal says that is unlikely because Massachusetts Gov. Charlie Baker (R) would appoint her Senate replacement. Politico (10/29, Thompson, Cassella, 4.29M) also examines Warren's reported Treasury ambitions, with one Democratic official saying, "She wants it."

The Hill (10/29, Pitofsky, 2.98M) and Fox News (10/29, Lea, 27.59M) also report.

Treasury, DOT Voice Concern About FCC's 5.9 GHz Plan.

Reuters (10/29, Shepardson) reports the Treasury Department and the Department of Transportation have "raised strong objections" to a proposal from the Federal Communications Commission that would give a portion of the 5.9 GHz spectrum currently reserved for connected vehicles to be used for Wi-Fi. FCC Chairman Ajit Pai announced that the FCC will vote on November 18 on a plan that would give 45 megahertz of the 75 megahertz currently allocated for Dedicated Short-Range Communications to Wi-Fi use and allow the remaining 30

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megahertz to be used for Cellular vehicle-to-Everything (C-V2X). Treasury, in an Oct. 19 letter, "said shifting spectrum would be 'insignificant to the Wi-Fi industry in the long run, but puts the United States at a distinct disadvantage, especially vis-à-vis China, from market, innovation, and security perspectives.'" Treasury added "by reducing the transportation spectrum to 30 MHz, the United States would forfeit its lead in vehicle connectivity and smart infrastructure to China" and said C-V2X has "vulnerabilities that could be exploited by the Chinese."

Leading National News

Trump Campaigns In Tampa.

The Tampa Bay Times (10/29, 742K) reports President Trump "parachut[ed] in" to Tampa Thursday "for a late pitch to recruit as many much-needed Florida votes as possible." The President's message "was similar to the one he's been delivering in Florida for weeks: That the election is a choice between an economic recovery that he will lead, or a depression" Joe Biden will "usher in. Trump touted Thursday's news that the economy in the third quarter grew at a record annual rate of 33.1 percent. ... The nation's economic output still lags pre-pandemic levels."

The Bradenton Herald (10/29, 123K) reports Trump, addressing "a crowd of thousands of people" outside Raymond James Stadium, said, "This election is a choice between the American dream and a socialist nightmare. This would be a very, very large version of Venezuela and this can happen if they get in." Bay News 9 Tampa, FL (10/29, 25K) reported Trump "promised the crowd that the tourism industry will come back soon." Trump: "Under my leadership the Florida tourism industry and hospitality industry will come roaring back. Very soon. It's ready to happen. We are making the turn."

The South Florida Sun Sentinel (10/29, Swisher, Man, 545K) reports "a MAGA-clad and mostly maskless crowd stood shoulder-to-shoulder. They chanted 'lock him up' and 'where is Hunter?,' when Trump referenced Biden's son. Trump has used Hunter Biden's past to attack his opponent on the campaign trail. Trump promised the United States would 'never lock down again,' a public health tactic he says leads to economic misery, suicides and drug overdoses." The AP (10/29, Riechmann) reports, "Trump rallies are among the nation's biggest events being held in defiance of crowd restrictions designed to stop the virus from spreading. This at a time when public health experts are advising people to think twice even about inviting many guests for Thanksgiving dinner."

Ed O'Keefe said on the CBS Evening News (10/29, story 2, 2:30, O'Donnell, 4.35M), "The President's rally was packed with thousands of people, shoulder to shoulder with few masks." Trump: "You know the bottom line, you are going to get better, you are going to get better. If I can get better, anybody can get better." O'Keefe: "And as the President again downplayed the virus, some members of the audience fell sick and were escorted out because of 87 temperatures and high humidity. Hoses cooled the crowd." On NBC Nightly News (10/29, lead story, 3:05, Holt, 5.7M), Kristen Welker similarly said the rally "drew thousands with little social distancing and few masks. And in a separate challenge, in the 87 degree heat, multiple people passed out, 12 taken to the hospital."

David Muir said on ABC World News Tonight (10/29, lead story, 5:05, 7.02M) that Trump "point[ed] to record GDP growth, signs of a recovery. ... Trump, with First Lady Melania Trump today at a rally in Tampa, pointing to the new GDP number, downplaying the state of the virus." ABC's Jonathan Karl: "To get reelected, President Trump must win Florida. There's no state he has visited more. Heck, he even became a Florida resident."

WTSP-TV St. Petersburg, FL (10/29, 29K) reported Trump was "unapologetic for his style, which the crowd here in Tampa couldn't get enough of." Trump: "And if I don't sound like a typical Washington politician, it's because I'm not a politician and I don't always play by the rules of Washington and the Washington establishment." WKMG-TV Orlando, FL (10/29, 69K) reported Trump "also court[ed] Latinos, saying he will win a record share of the Hispanic-American vote."

The New York Times (10/29, Glueck, Mazzei, 18.61M) says Trump "returned to one of the tougher parts of the state for him four years ago, Tampa, one of the few areas he lost to Hillary Clinton in the vote-rich I-4 corridor. Now behind in the polls, the president sought again to win over independents and moderates with a message about corrupt Democrats." Trump "boast[ed] about third-quarter economic gains." The Wall Street Journal (10/29, Jamerson, Ballhaus, Subscription Publication, 7.57M) says past presidents facing defeat in the final days of reelection campaigns, like George H.W. Bush in 1992, argued that a sluggish economy was improving, to no avail.

The Washington Times (10/29, 492K) reports Trump "contrasted his position" on pandemic shutdowns with that of Biden, "who once suggested he would consider new restrictions if scientists recommended them." Fox News (10/29, 27.59M) reports on its website, "'All Biden does is talks about COVID,' Trump said. ... 'He doesn't call it the China virus. You know why? Because China pays him off,' Trump charged, without citing any evidence, as the crowd broke out in a 'lock him up' chant."

The Hill (10/29, Samuels, 2.98M) says the First Lady "made a rare joint appearance" with the President at the rally, and "gave extended remarks in Tampa, where she echoed many of the president's grievances against the media and tech companies and hailed the results of the Trump administration's first term." The Daily Caller (10/29, 716K) writes about what she was wearing. WTVT-TV Tampa, FL (10/29, Cascio, 51K) reports on its website that "thousands waited hours outside of Raymond James Stadium" to attend the rally.

On Fox News' Fox & Friends (10/29, 831K), White House Press Secretary Kayleigh McEnany said, "The President and the rest of the team, we're about to take off across Florida. But in Miami-Dade County, as of yesterday, we are six percentage points ahead of Democrats. That is historic." WSVN-TV Miami-Dade, FL (10/29, 48K) reported McEnany, in an interview, "accus[ed] Democrats of pushing a socialist agenda." On WINK-TV Fort Myers, FL (10/29, 4:08 p.m. EDT, 23K), McEnany said, "The silent majority is real, and they're showing up on November 3."

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CNN (10/29, Bradner, 83.16M) says on its website that Trump "would have virtually no path to 270 electoral votes without winning the

state." The CBS Evening News (10/29, story 4, 2:00, O'Donnell, 4.35M) aired a feature on some of the Florida voters who could be decisive.

Former Florida GOP House Leader Endorses Biden On Day Of Trump Visit. The Tampa Bay Times (10/29, 742K) reports that "as Trump arrived in Tampa for an election rally," former Florida House Majority Leader Mike Fasano (R), later a state senator, endorsed Biden on Thursday. He said, "I'm as Republican as it gets. A conservative Republican. But Donald Trump is an embarrassment, to our party, to our country and to the rest of the world."

North Carolina Rally Postponed Due To Wind. The Fayetteville Observer (10/29, 151K) reports Trump's Thursday evening rally in Fayetteville, North Carolina, was postponed until Monday due to wind. WBTV-TV Charlotte, NC (10/29, 57K) reports on its website that the President and First Lady did stop off "at Pope Air Field for visit with military personnel at Fort Bragg" on their way back from Florida.

WPost Analysis: Trump Publicly Musing About Losing Election. Toluse Olorunnipa of the Washington Post (10/29, 14.2M) writes under the headline "As Election Day Nears, Trump Ponders Becoming One Thing He So Despises: A Loser" that Trump "has spent the final days of the campaign complaining that the coronavirus crisis is getting too much coverage – and openly musing about losing." The President "has publicly lamented about what a loss would mean, spoken longingly of riding off into the sunset and made unsubstantiated claims that voter fraud could cost him the election." He has told rally attendees that "he had the presidential race won until the pandemic hit."

Economy Grew At 33% Rate In Q3.

The AP (10/29) reports the economy "grew at a record 33.1% annual rate" in the third quarter "but has yet to fully rebound from its plunge in the first half of the year." The Commerce Department's estimate Thursday "showed that the nation has regained only about two-thirds of the output that was lost early this year when the eruption of the virus closed businesses, threw tens of millions out of work and caused the deepest recession since the Great Depression."

The Federalist (10/29, 126K) calls the number "a drastic contrast to the 31.4 percent decrease in real GDP during the second quarter," but Politico (10/29, White, 4.29M) says "beneath the eye-popping headline," it "would take a far bigger jump to get the economy back to where it would have been had Covid-19 not slammed the country at all." USA Today (10/29, Davidson, 10.31M) reports "activity has slowed recently as the pandemic surges and Congress remains deadlocked over new a relief package."

The Wall Street Journal (10/29, Torry, Subscription Publication, 7.57M) says the report is the last snapshot of the economy ahead of next week's election. While the New York Times (10/29, Ewing, 18.61M) says the gain "was by far the biggest since reliable statistics began after World War II," and the Washington Times (10/29, Boyer, 492K) that the report "gives President Trump a positive closing argument in the final days of the presidential campaign," Reuters (10/29, Marte) says the economy is "3.5% below where it was at the end of 2019," and "behind that shortfall is a large number of jobless Americans whose struggles may factor into their decision whether to support" Trump or Joe Biden. Axios (10/29, Brown, Salmon, 521K) reports says "with just five days until Election Day, the report is unlikely to move the electoral needle."

In a separate story, Reuters (10/29, Mutikani) reports "the deep scars from the COVID-19 recession could take a year or more to heal." However, the Washington Post (10/29, Telford, 14.2M) reports NEC Director Kudlow predicted Thursday "that the United States would recover all economic output lost to the pandemic by early spring, even as a second wave of coronavirus infections swells around the globe." Kudlow told Fox News' America's Newsroom, "By late next winter or early spring of 2021, policies permitting, we will regain all the lost output that we suffered during the terrible pandemic contraction." Kudlow was also interviewed on MSNBC's MTP Daily (10/29, 1:19 p.m. EDT, 1.69M), Fox Business' Varney & Co. (10/29, 64K), Fox News' Ingraham Angle (10/29), and Washington Post Live (10/29).

CEA Acting Director Goodspeed said on Fox Business' After The Bell (10/29, 55K) third-quarter GDP not only "exceed[ed] market expectations...but it also exceeded by a factor of two what the nonpartisan Congressional Budget Office was forecasting just a few months ago. And if we cast our minds back to the spring, consensus forecasts were for the US economy to contract during the four quarters of 2020 by 8% or more. So we have pared that loss by more than half." Goodspeed was also interviewed on CNBC's Squawk On The Street (10/29, 10:29 a.m. ET, 277K).

A Wall Street Journal (10/29, Subscription Publication, 7.57M) editorial says Thursday's report is an indication of the V-shaped recovery that has been predicted. A Washington Post (10/29, 14.2M) editorial says Trump "is, not surprisingly, taking credit for the good economic news," but "discerning voters will see through that last-minute political spin to the reality, which is that there is no way out of the crisis without a reliable, steady commitment of federal resources and attention – that is, exactly the kind of leadership that Mr. Trump has failed to provide."

Navarro: To Grow Economy, Manufacturing Jobs Must Be Brought To US. On MSNBC Live (10/29, 9:42 a.m. EDT, 1.58M), Director of Trade and Manufacturing Policy Navarro said, "What we need to do is just think about how we're going to deal with these structural headwinds that's going to be caused" by the coronavirus "that's hitting, for example, our metropolitan areas, our energy sector, transportation sector. What we need, in my view, the magic bullet here, for me, is to bring our manufacturing jobs on shore so that we make more of what we use. That will provide good paying jobs to our people. And they would be able to create the kind of demand we need to grow our economy. That's where the future lies."

Media Analyses: Continued Strong Recovery Threatened By Increase In New Coronavirus Cases. In an article headlined "U.S. Economy's Path Less Certain After Record Quarterly Growth," Bloomberg (10/29, Pickert, 4.73M) reports the economy's "record third-quarter surge has already given way to a more moderate pace of growth, with a fresh jump in coronavirus infections and an extended deadlock over further stimulus threatening to weigh on activity." Analysts are "betting the economy will continue to grow, amid solid gains in

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consumer spending, strong housing demand and businesses restocking inventories." But "risks are rising...that the pickup in Covid-19's spread to record speed will hit businesses and jobs through renewed distancing and shutdowns, as it already has in Germany and France." CNBC (10/29, Cox, 3.62M) says on its website that the US "faces a tougher road ahead as coronavirus cases increase and worries grow over the health and economic impacts."

Kudlow: Additional Lockdowns Would "Destroy The Economy." NEC Director Kudlow said on Fox Business' Varney & Co. (10/29, 64K) that Trump "does not want lockdowns. He's said this a million times. ... Lockdowns will make the cure worse than the problem. We do know how to mitigate in order to contain the virus. We know this. ... So, let's mitigate in order to contain the virus. A thorough-going shutdown will make matters worse, it would destroy the economy. ... Mitigation is a lot better than shutdown." Kudlow was also interviewed on MSNBC's MTP Daily (10/29, 1:19 p.m. EDT, 1.69M), Fox News' America's Newsroom (10/29, 896K), Fox News' Ingraham Angle (10/29), and Washington Post Live (10/29).

Bloomberg Highlights "Avalanche Of Fraud" In SBA's EIDL Program.

In the wake of an SBA Inspector General's report, which warned of possible loan fraud in the agency's Economic Injury Disaster Loan program, a 3,000-word Bloomberg (10/29, 4.73M) report headlined "An Avalanche Of Fraud Buried A Small-Business Relief Program" includes interviews with former loan officers who attempted to flag fraudulent applications but were unsuccessful. SBA Administrator Carranza "defend[ed] the program in July," writing in a letter that Rapid Decision loan processing used "sophisticated technology" with "robust" internal controls.

Tech Giants Report Strong Earnings, Mixed Outlooks.

The AP (10/29) reports "technology giants" Amazon, Google parent Alphabet, Facebook, Apple and Twitter "reported strong earnings but mixed outlooks Thursday, a sign of varying fortunes as they work to rebound from a pandemic-related economic slowdown earlier this year." All five "exceeded analyst expectations," but "gloomy forecasts and other uncertainties led to share-price declines for all but Alphabet in after-market trading." Bloomberg (10/29, Hajric, 4.73M) says the "solid quarterly earnings from America's biggest tech firms weren't enough to keep investors from selling late Thursday, the latest sign sentiment is turning against ultra-expensive digital megacaps." Reuters (10/29, Randewich), the New York Times (10/29, Wakabayashi, Weise, Nicas, Isaac, 18.61M) and the Wall Street Journal (10/29, Subscription Publication, 7.57M) provide similar coverage.

Amazon Reports Record Q3 Sales And Profit. The Seattle Times (10/29, Romano, 935K) reports Amazon "posted record sales and profit for the second consecutive quarter." Amazon reported Thursday "that its third-quarter revenue was $96.1 billion, up 37.3% from a year earlier, well ahead of the expectations of the company and Wall Street analysts. Profit surged 200% to $6.3 billion, or $12.37 a share, also blowing past forecasts. The company sees no slowdown in the current quarter."

Alphabet Posts $11.2B Profit. The Wall Street Journal (10/29, Copeland, Subscription Publication, 7.57M) reports Google's parent company, Alphabet Inc., posted an $11.2 billion profit, far exceeding analyst estimates. Digital-advertising revenue was $37.1 billion, an increase from last year, and the previous quarter.

Facebook Reports $21.47B In Revenue. The Wall Street Journal (10/29, Horwitz, Subscription Publication, 7.57M) reports Facebook reported $21.47 billion in revenue, a 22% increase. The company also said it anticipates a strong fourth quarter.

Apple Reports $12.7B Profit. The Wall Street Journal (10/29, Higgins, Subscription Publication, 7.57M) reports Apple reported a 1% revenue increase for the three-month period that ended in September, The company's profit slipped to $12.7 billion from $13.7 billion.

Twitter's Q3 Revenue Up 14%. The Wall Street Journal (10/29, Wells, Subscription Publication, 7.57M) reports Twitter said its third quarter revenue increased 14% from a year earlier to $936 million.

Juul Labs Lowers Its Valuation To $10B.

The Wall Street Journal (10/29, Maloney, Subscription Publication, 7.57M) reports Juul Labs told employees Thursday that it has lowered its valuation to about $10 billion from $38 billion two years ago before the company was hit with regulatory crackdowns, lawsuits and investigations into its marketing practices.

WSJournal Report: Transition To Renewables Could Replace Fossil Fuel Jobs Lost In Pennsylvania.

The Wall Street Journal (10/29, Ip, Subscription Publication, 7.57M) reports fracking has become a key issue in the presidential race in Pennsylvania. While President Trump has cast Joe Biden's plan to transition away from fossil fuels as a threat to the state's economy, the Journal says the transition to renewables could create new jobs and businesses that would replace those lost in the fossil fuels industry.

Brewers See Increase In Online Sales During Pandemic.

The Wall Street Journal (10/29, Chaudhuri, Subscription Publication, 7.57M) reports Anheuser-Busch InBev said online beer sales are increasing during the pandemic, which helped increase its adjusted sales in excess of analysts' expectations. Molson Coors Beverage Co., said its online beer sales in the US have increased 200% during the pandemic. The increase was not sufficient to compensate for declining

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sales in Europe and decreased revenue from bars and restaurants.

New Jersey Set To Legalize Recreational Marijuana.

The Washington Post (10/29, Kaske, 14.2M) reports New Jersey is set to become the largest East Coast state to legalize recreational marijuana. Lawmakers placed the question on the Nov, 3 and "it has widespread support: a recent poll found that two-thirds of likely voters are in favor of it." The Post says legalization would "promise more than $100 million of new tax revenue to New Jersey, which was hit hard by the coronavirus pandemic and is planning to borrow billions to cover the shortfalls left in the government's budget."

US Hits Record Number Of COVID Infections Per Day At 85,000.

ABC World News Tonight (10/29, story 2, 2:55, Muir, 7.02M) reported that the United States hit a new COVID record on Thursday: "More than 85,000 new cases in 24 hours." NIAID Director Fauci "has said...that we needed to be at 10,000 new cases a day heading into the colder weather in order to get a handle on this." NBC Nightly News (10/29, story 4, 3:20, Holt, 5.7M) reported, "The coronavirus has now surged past nine million cases in the US, with at least six states breaking daily records for new cases. And in many remote areas, hospitals are at a breaking point." The Washington Post (10/29, Farzan, Noack, Iati, Villegas Vargas, Taylor, Telford, Kornfield, Sands, Dupree, 14.2M) reports the country "also tallied more than 1,000 deaths related to the virus for the second consecutive day."

The CBS Evening News (10/29, story 5, 2:05, O'Donnell, 4.35M) reported, "We are seeing an alarming rise in new coronavirus cases from coast to coast. New infections are up in 45 states over the past two weeks. Nearly 95% of the US population lives in a state where cases are rising." CBS' Janet Shamlian said, "El Paso County now has more hospitalized coronavirus patients, 934, than 33 states. An additional doctors and nurses sent by the state aren't enough." Utah is "also facing an increasingly desperate situation." In Wisconsin, hospitals "say they could run out of ICU beds in two weeks."

The New York Times (10/29, 18.61M) reports, "Across the country, alarming signs suggested the worst was yet to come: More than 20 states reported more cases over the past week than at any time during the pandemic. Patients were sent to field hospitals in El Paso and the Milwaukee suburbs. Growing outbreaks led to new restrictions on businesses in Chicago. Exactly zero states reported sustained declines in cases."

Administration's Response To COVID Criticized. The AP (10/29, Sedensky, Stobbe) reports, "As a powerful new wave of infections sweeps the US just ahead of Election Day, the nation's handling of the nearly 8-month-old crisis has been marked by what health experts see as grave missteps, wasted time and squandered opportunities by leaders at all levels of government. The result: The country could be looking at a terrible winter." Irwin Redlener of the National Center for Disaster Preparedness at Columbia University said, "The inconsistency of the response is what's been so frustrating. ... If we had just been disciplined about employing all these public health methods early and aggressively, we would not be in the situation we are in now." Fauci "likewise pointed to states' varied responses to reopening for the rocketing case numbers. 'It was like a free-for-all,' Fauci said in an online forum Wednesday."

The Hill (10/29, Bolton, 2.98M) reports Senate Minority Leader Schumer on Thursday "said the federal government is failing to react appropriately to surging coronavirus cases around the country because President Trump is 'a moron.'" On SiriusXM's Joe Madison Show, Schumer said, "More people are in hospitals, more people are dying. This third wave in the cold weather with the combination of the flu, and we're sitting on our hands and that's because Donald Trump is such a – pardon my saying, I know you have a very nice show – such a moron." Schumer "argued that the federal government needs to tackle many pressing needs, such as hospitals getting overwhelmed with new patients and nurses and other workers needing protective equipment." According to The Hill, Schumer's comment "was one of the most explicit shots Schumer has taken at Trump's intelligence and a reflection of how bitter the political atmosphere has become in Washington."

In an editorial, USA Today (10/29, 10.31M) says that "beyond consigning Americans to a wretched winter of sickness before a vaccine becomes widely available," the Trump Administration's "surrendering in the face of a viral enemy" is a "tragically fitting capstone to perhaps the worst crisis-management performance for a president in US history." USA Today says, "The coronavirus presented Trump with a historic leadership test. To give him a second term, after hundreds of thousands of Americans lost their lives, would be to reward a surrendering commander in chief."

White House Praises Trump's Response To COVID. On Fox News' Fox & Friends (10/29, 831K), White House Press Secretary Kayleigh McEnany said that the President's approach to COVID is therapeutics, which "have given us the lowest case fatality rate in the world. Far lower than Europe's. Right now, when you look across the hospitals in the United States, the percentage of COVID patients in hospital beds is 6%. It's because this President did things right. You have 99% survival rate under 70 and above 70 because of our therapeutics it's very close to that because of what this President did, tearing down bureaucratic barriers, tearing down regulations and paving the way for therapeutics."

On Fox News' Outnumbered (10/29, 764K), White House Domestic Policy Council Acting Director Rollins said of Fauci voicing support for a mask mandate, "While the COVID certainly is spiking and that's the main news story right now, mortality death rates are down 85%. Six percent of our hospital beds in the country today, 6%, are being used for COVID patients. There are a couple of outliers – hot spots like El Paso – but America is resilient. ... The idea that the President would issue a national mask mandate, I don't see any scenario where that happens. This President believes in the power of the states. He trusts the governors."

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Analysis: Trump Continues To Receive Support On COVID Response From Many White Men. In an analysis, The Atlantic (10/29, Khazan, 3.47M) says that while "most experts think the absence of a national strategy for tackling the coronavirus has been a

disaster," about "82 percent of Republicans approve of Trump's coronavirus response – a higher percentage than before the president was diagnosed with the virus." Experts "offer a few different explanations for the spell that Trump has cast over his supporters," but "the simplest is that Trump voters like Trump, and as is often the case with people we like, he can do no wrong in their eyes." Sociologist Arlie Russell Hochschild, a "prominent scholar of the American right, believes Trump support among men, in particular, is rooted in something more psychological. Many white men feel that their gender and race have been vilified. ... Their economic prospects are bad, and American culture tells them that their gender is too. So they've turned to Trump as a type of folk hero."

White House Task Force, Advisers Warn Of Additional COVID Spread.

Reuters (10/29, Chiacu, Michalska) reports the White House coronavirus task force on Thursday "warned of a persistent and broad spread of COVID-19 in the western half of the United States, and its members urged aggressive mitigation measures to curb infections." NIAID Director Fauci, a member of the task force, said in a CNBC interview Wednesday night, "We are on a very difficult trajectory. We're going in the wrong direction." Fauci added, "If things do not change, if they continue on the course we're on, there's gonna be a whole lot of pain in this country with regard to additional cases and hospitalizations, and deaths."

CNN Analysis: Birx Abandons White House To Atlas.

CNN (10/29, Cohen, 83.16M) reports on its website that Deborah Birx "emerged from a meeting at the White House one day in late summer with a new resolution: Never again would she sit in a meeting with Dr. Scott Atlas and listen to him pontificate on the pandemic." That's when she "went all-in on a plan to essentially abandon the White House and avoid the growing influence of Atlas, a radiologist with no expertise in epidemiology who was nevertheless rising in influence" with President Trump. Birx, "a physician with decades of experience in global health, told a friend that she would take her message directly to the people and simply sidestep the kind of misleading messages she'd just heard from Atlas in that meeting."

Public Health Experts Back Biden's Call For National Mask Mandate.

The New York Times (10/29, Stolberg, 18.61M) reports that "public health experts" are "coalescing around" Joe Biden's "call for a 'national mask mandate,' even as they concede such an effort would require much more than the stroke of a presidential pen." According to the Times, "Over the past week, a string of prominent public health experts – notably [NIAID Director Fauci] and Dr. Scott Gottlieb, a former commissioner of the Food and Drug Administration under President Trump – have said it is time to seriously consider a national mandate to curb the spread of the virus." The Times notes that earlier this week, Russian President Vladimir Putin "became the latest foreign leader to impose a national mandate for citizens to wear masks."

The New York Times (10/29, Stolberg, 18.61M) says "twenty-one states added more cases in the seven-day period ending Wednesday than in any other seven-day stretch of the pandemic. And yet President Trump is closing his re-election bid by continuing to declare that the virus is vanishing, brushing aside the devastation it has wrought and making fun of people who take precautions – including measures his own health advisers recommend – to slow the spread of the disease."

Democrats Seek More Information On $265M HHS PR Campaign.

The New York Times (10/29, Weiland, LaFraniere, 18.61M) reports that "a $265 million public campaign to 'defeat despair' around the coronavirus was planned partly around the politically tinged theme that 'helping the president will help the country,' according to documents released on Thursday by House investigators." The Times says HHS Assistant Secretary for Public Affairs Michael Caputo "and others involved envisioned a star-studded campaign to lift American spirits, but the lawmakers said they sought to exclude celebrities who had supported gay rights or same-sex marriage or who had publicly disparaged President Trump." The Times adds, "Ultimately, the campaign collapsed in late September amid recriminations and investigation."

The Washington Post (10/29, Abutaleb, 14.2M) reports that in a letter to HHS Secretary Azar, "three high-ranking Democrats wrote that documents showed that...Caputo sought to use a taxpayer-funded campaign to boost the president only weeks ahead of his reelection bid." According to the Post, "The documents show that Trump political appointees and the contractors they hired also vetted celebrities for the public health campaign based on whether they had ever criticized the president, or supported former president Barack Obama, gay rights or same-sex marriage. Of at least 274 celebrities under consideration, only 10 appear to have been approved, according to a document the lawmakers obtained."

Politico (10/29, Diamond, 4.29M) reports that "one promised public service announcement, which would have also featured infectious disease expert Anthony Fauci, was nixed because the celebrity who was set to participate with Fauci had been critical of" Trump. Politico says Caputo "also sought to overrule the career civil servants assigned to the campaign, directly urging contractors to rush production of ads with celebrities like Trump-supporting actor Antonio Sabato, Jr. 'We must film them ASAP – we need content in the can now,' Caputo wrote in an email to contractors on Sept. 13, three days before he took a medical leave from the health department." According to Politico, Azar "has since ordered a review of the campaign."

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Five States, Black Medical Group Form Independent Review Boards For COVID Vaccines.

USA Today (10/29, Weise, 10.31M) reports, "At least five states – California, Nevada, New York, Oregon and Washington – and a Black medical group say they'll conduct independent verification of any COVID-19 vaccines approved by Food and Drug Administration." These review panels, "which began popping up last month, are meant to instill public confidence and counter the political pall cast over COVID-19 vaccine development and approval." Recently, "faith has improved in the FDA's commitment to base COVID-19 vaccines decisions in science, but the growing number of oversight groups seek to add another layer of trust." Though "some worry the independent review boards may hurt the effort, all agree establishing that trust is vitally important."

Healthcare Workers Worry About Medical Gloves Shortage.

NBC Nightly News (10/29, story 5, 2:10, Holt, 5.7M) reported, "As the country is consumed by a new wave in the pandemic, there is rising a concern about a shortage of medical gloves now. That's crucial for keeping healthcare workers and patients safe." NBC's Stephanie Gosk said these gloves are "critical for healthcare workers fighting COVID and there are fears of a looming shortage across the country. In South Dakota where the virus is surging, gloves are now five times more expensive." She added, "Medical gloves are manufactured almost entirely in Asia. The only US-owned factory is in northern New Hampshire."

WPost Investigation: Regulators Cleared Most Nursing Homes Of Infection Control Violations.

In a 4,500-word piece, the Washington Post (10/29, A1, Cenziper, Jacobs, Mulcahy, 14.2M) reports that after the deadly outbreak of COVID-19 cases in the Life Care Center of Kirkland nursing home in Seattle, at least "146 other nursing homes across the country had confirmed coronavirus cases in late March" when CMS Administrator Verma "vowed to help 'keep what happened in Kirkland from happening again.'" However, a Post investigation found government inspectors "deployed by CMS...cleared nearly 8 in 10 nursing homes of any infection-control violations." The American Health Care Association and National Center for Assisted Living said in a statement: "Prioritizing longterm care facilities in emergency situations is key, and we need to focus on a collaborative, not punitive, approach in helping nursing homes respond to this once-in-a-century pandemic."

Staten Island Nursing Home First Saw 40 Deaths, Then 40 Layoffs. The New York Times (10/29, Leland, Occhicone, 18.61M) looks at the difficulties workers of the Clove Lakes Health Care and Rehabilitation Center in Staten Island are facing. Six months ago, "the nursing home was one of the deadliest places in the city, with 40 residents dying in the course of a month." Now, "the workers who cared for them, sometimes holding their hands as they died, face a second crisis: The home recently laid off more than 40 employees, and others fear they will be next." According to the Times, "Theirs are the untold stories of the pandemic: the nursing home workers who reported daily to the viral hot zones, often in facilities without proper protective equipment, and who now face a fiscal crisis beyond their control."

Transportation Officials, Airlines Clash With Public Health Officials Over Quarantines.

The Wall Street Journal (10/29, Sider, Hackman, Tangel, Subscription Publication, 7.57M) reports US transportation officials and airlines disagree with public health officials about requiring people who test negative for coronavirus before they travel to quarantine when they arrive in the US. The divide comes as US officials have been seeking to reach agreement with their foreign counterparts to create-safe travel corridors between major US and international cities.

San Francisco's Efforts To Curb Virus Successful, But Leave Downtown Empty.

The San Francisco Chronicle (10/29, 2.67M) reports, "One measure of San Francisco's sustained success in suppressing the coronavirus pandemic has recently stood out: The city's positive coronavirus test rate is just 0.8%, according to California's latest official data." This is "the lowest rate of the 20 most populous cities across the U.S. and the only one to dip below 1%." UCSF infectious disease expert Charles Chiu said that coordination among local experts and city health officials helped curb the extensive community spread that likely would have occurred if the measures were not implemented.

The AP (10/29, Har, Gecker) reports, however, that San Francisco's restrictions "also played a role in shutting down critical elements of San Francisco's vibrant economy – tourism, tech and the city's main business and financial districts, packed with high-rise condos, office towers and headquarters for the likes of Twitter, Pinterest and Slack."

Voting Options For COVID-Positive People Slimmer As Election Draws Closer.

The Washington Post (10/29, Satija, 14.2M) reports, "Hundreds of thousands of Americans will be diagnosed with covid-19 between now and Election Day, leaving many scrambling for alternatives to in-person voting and injecting another dimension of uncertainty into an election already shadowed by the coronavirus pandemic." Those voters "will need to navigate an unfamiliar and varied landscape to cast their ballots." Some "will be required to get doctor's notes or enlist family members to help," while others "will need to have a witness present while they vote." According to the Post, "Planned accommodations – such as officials hand-delivering ballots – may prove inadequate or could be strained beyond limits."

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NYTimes: Holidays Need To Be Different As Virus Continues To Spread.

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In an editorial, the New York Times (10/29, 18.61M) says that because the coronavirus "spreads most rampantly between people who gather

indoors, in close quarters, to talk or laugh or sing, without wearing masks," one of "the most obvious ways to mitigate further viral spread will be for as many people as possible to stay home this holiday season." The Times says that "taking unnecessary risks now would be an affront to all those sacrifices "we have made through the year: "What will have been the point of closing schools, hobbling industries or swapping so many human interactions for so many virtual ones? So much of it will have been for naught if a surge of holiday travel gives way to a tsunami of outbreaks and, ultimately, more death."

Philadelphia Protests Continue Without Curfew As Officials Call For Reform.

The Philadelphia Inquirer (10/29, McCrystal, Dean, Palmer, Park, 347K) reports that while there was no curfew issued Thursday night in Philadelphia, Mayor Jim Kenney (D) and Police Commissioner Danielle Outlaw "urged residents to remain at home unless travel is absolutely necessary, such as for work." The Inquirer says the city "reported that there were 40 arrests from Wednesday night into early Thursday morning related to civil unrest, including four for assaulting police officers, five for curfew violations, 29 for burglaries, and two for stolen automobiles." Four police officers "were injured overnight and have been treated and released." The parents of Walter Wallace Jr., whose killing sparked the Philadelphia protests, asked for justice after viewing body-cam footage of the shooting. The Washington Post (10/29, Ewing, Klemko, Berman, 14.2M) reports Shaka Johnson, the family's attorney, "said Thursday that Wallace was clearly suffering mental distress when Philadelphia police officers fatally shot him this week," but "he said Wallace's relatives are not demanding murder charges in the case, saying the police officers lacked the training to handle the encounter."

The Wall Street Journal (10/29, Calvert, Subscription Publication, 7.57M) reports Outlaw said Thursday she will create a behavioral health unit and urged officers to create a director of available mental health resources. Kenney urged the city to expand a program in which police take people in mental health crises to treatment centers.

The New York Times (10/29, Gross, 18.61M) reports that for "several nights after the shooting, hundreds of protesters took to the streets to demonstrate against what they saw as the excessive use of force by the police against people of color." Nearly "a dozen miles from where crowds were protesting on Wednesday night, businesses including a Walmart, a Lowe's and a Five Below were looted," and "from Monday night through Thursday, 57 officers were injured in clashes with protesters and 212 people were arrested on charges including assault on police and burglary, the authorities said."

White House Officials Denounce Violence In Philadelphia. Asked on Fox News' Fox & Friends (10/29, 831K) about the unrest in Philadelphia, White House Press Secretary Kayleigh McEnany said Thursday, "These are small businesses, people who have worked their entire lives to open these shops, these businesses. And on top of that you have 30 police officers who were injured on the first night of the riots, one run over by a car, a chance to stuff police officers in trunks. A vehicle with explosive devices. Let me be crystal clear why this is happening: it's because Democrats enabled the mob, when they attack our police officers verbally, it ends up they are being attacked physically."

On Fox News' Outnumbered (10/29, 764K), White House Domestic Policy Council Acting Director Rollins said the President "remains resolute in his absolute dedication to ensuring the safety and the security and ultimately the prosperity of all Americans. What is happening and Philadelphia is absolutely inexcusable. He has moved National Guard troops in earlier this week. We are standing by to help in whatever way we can. Our heart goes out to the Wallace family."

DOJ Quietly Shut Down Rice Killing Investigation, Sources Say.

The New York Times (10/29, Savage, Benner, 18.61M) reports that the Justice Department "decided more than a year ago to effectively shut down its civil-rights investigation into the high-profile killing of Tamir Rice, a 12-year-old Black boy carrying a pellet gun who was shot by a Cleveland police officer in 2014, according to people familiar with the matter." Career prosecutors "had asked in 2017 to use a grand jury to gather evidence in their investigation, setting off tensions inside the department." The Times says that, "in an unusual move, department supervisors let the request languish for two years before finally denying permission in August 2019, essentially ending the inquiry without fully conducting it." However, over a year later, "the department has yet to take the bureaucratic steps to close the case, like completing a draft memo explaining why it declined to indict anyone." Moreover, "it has not told the Rice family or the public that it will not charge the police officer."

Citing the Times story, the Cleveland Plain Dealer (10/29, 895K) reports observers "have said the Justice Department rarely pursues civil-rights charges because they are hard to prove." However, "Tamir's mother Samaria Rice had held on to hope that there may be some semblance of accountability" for the officers who shot him.

Taylor Grand Jurors Said There Was "Uproar" When Learning No Officers Charged In Her Death.

CNN (10/29, Joseph, 83.16M) reports on its website, "Two grand jurors who heard the Kentucky Attorney General's Office presentation of the Breonna Taylor case say prosecutors were dismissive of their questions and that there was an 'uproar' when jurors realized Louisville police officers wouldn't be charged with Taylor's death." The anonymous grand jurors "spoke to journalists by phone Wednesday evening...about how their service on the Taylor case was unlike dozens of other cases they heard throughout their month of service." Jefferson County Circuit Court Judge Annie O'Connell "earlier this month allowed grand jurors to speak about their service after Grand Juror 1 filed court documents suggesting public comments by Kentucky Attorney General Daniel Cameron about the proceedings were misleading."

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Officers Using Marsy's Law To Hide Identifies Of Police Officers Accused Of Unlawful Force.

USA Today (10/29, 10.31M) reports, "Introduced in memory of a young woman murdered by her ex-boyfriend, Marsy's Law was created to offer crime victims a slate of rights, including protecting them and their families from harassment by their attackers." However, "as police across the nation face cries for accountability amid mounting evidence of brutality and systemic racism, law enforcement agencies in Florida are using Marsy's Law to shield officers after they use force, sometimes under questionable circumstances." USA Today says Florida agencies "have used it to hide the names of officers who sent a 15-year-old boy to the hospital, officers who fired bullets into moving cars and officers who released their K9 dogs on drunk and mentally ill people."

Report On Hunter Biden Reportedly Created By Fake Intelligence Firm.

NBC News (10/29, 6.14M) reports on its website, "One month before a purported leak of files from Hunter Biden's laptop, a fake 'intelligence' report about him went viral on the right-wing internet, asserting an elaborate conspiracy theory" involving business ties to China. The "64-page document that was later disseminated by close associates" of President Trump "appears to be the work of a fake 'intelligence firm' called Typhoon Investigations, according to researchers and public documents," and its author "is a fabricated identity, according to analysis by disinformation researchers."

Trump, Giuliani Reportedly Blame Barr For Lack Of Penetration Of Hunter Biden Story. The Daily Beast (10/29, 1.39M) reports that "weeks after" Rudy Giuliani "first pushed the Hunter Biden files and a collection of sordid dirt to the New York Post...both he and the president, as well as several of Trump's political lieutenants, have grown frustrated at the lack of impact it's had. But rather than conceding that the broader public might not be interested, Trump and Giuliani have instead put the blame for the failure to break through" on Attorney General Barr, discussing "their mutual frustrations with the lack of action from Barr and FBI Director Chris Wray saying that the emails and Hunter files have provided legal ammunition to probe the Bidens," according to "a White House official and a source close to Giuliani."

On Fox News' Fox & Friends (10/29, 831K), White House Press Secretary Kayleigh McEnany said, "Joe Biden still has not denied the substance of this allegation. We have emails, we have text messages, we have a firsthand witness in Tony Bobulinski that says that Joe Biden is compromised by China, he profited off China during his time in government, he profited from foreign governments on taxpayers' dime."

Documents On Hunter Biden Sent To Carlson Have Been Found. The New York Post (10/29, Jacobs, 4.57M) reports a package containing documents relating to Hunter Biden "that went missing while being shipped to Fox News host Tucker Carlson in California has been located." The Daily Caller (10/29, 716K) reports Carlson says the documents "that were shipped to him and his producer while they were in California mysteriously disappeared." Townhall (10/29, Frankel, 177K) reports UPS says the contents of the package have been found and will be returned.

Giuliani Associate Pleads Guilty To Campaign Finance And Wire Fraud Charges.

Politico (10/29, Gerstein, 4.29M) reports that Florida entrepreneur David Correia has become "the first defendant to plead guilty in a campaign finance and business fraud case involving associates of Rudy Giuliani." On Thursday, Correia "pleaded guilty...to two felony counts: one of making false statements to the Federal Election Commission and one of conspiracy to commit wire fraud." According to Politico, "The case against Correia and three other men – Lev Parnas, Igor Fruman and David Kukushkin – has drawn widespread attention because Parnas and Fruman worked closely with Giuliani on various issues related to Ukraine, including an attempt to oust then-U.S. Ambassador to Ukraine Marie Yovanovitch." Reuters (10/29, Stempel) and the CNBC (10/29, Mangan, 3.62M) website have more on Correia's guilty plea.

Wolf Draws Attention To Progress On Constructing Border Wall.

The AP (10/29, Merchant) reports that Acting DHS Secretary Wolf was among "top Trump administration officials" who "visited Texas five days before Election Day to announce they have nearly completed 400 miles of U.S.-Mexico border wall, trying to show progress on perhaps the president's best-known campaign promise four years ago." According to the AP, "while most of the wall went up in areas that had smaller barriers, the government built hundreds of miles of fencing as high as 30 feet (9 meters) in a short amount of time – most of it this year." The AP goes on to report that DHS "waived environmental and other reviews to expedite construction. And despite...Trump's repeated promises that Mexico would pay for the wall, the construction has been funded by U.S. taxpayers for at least $15 billion, two-thirds coming from military funding."

CBP's Morgan Criticizes Twitter For Locking His Account.

Politico (10/29, Oprysko, 4.29M) reports Acting CBP Commissioner Morgan "railed against Twitter on Thursday after he said the social media platform locked his account for violating its policies on hate speech when he tweeted about the US-Mexico border wall." At a "news conference marking the 400th mile of completed wall," Morgan "argued that the tweet that prompted his account to be frozen was meant to praise the work of workers at his agency and the efficacy of the wall in general." Morgan said, "My tweet intended to educate the American people that borders matter, and the great things done by the men and women of CBP and DHS as a whole." However, he said, "Americans

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across this great country didn't get to see that tweet or the very critical information that was contained in that tweet because Twitter, they removed that tweet and they locked my account yesterday."

Morgan Discusses Operation Mega Flex. Discussing "Operation Mega Flex," CBP's crackdown on illegal international packages, on WGN America (10/29, 12:46 a.m. EDT), Morgan said, "Here's what a lot of people don't realize is they think 'It's no big deal, it's a shirt, it's a pair of shoes, it's a bag.' ... The problem is, that's devastating to US businesses and US importers who are trying to do it in the right way, in legal way. We're losing billions of dollars every single year to this country because of counterfeit products. But what we started to see in recent years is really an explosion of e-commerce. And so, because of that, we knew that we had to have a concentrated effort to really focus on. I'll give you a good example: You know, China alone – we receive 700,000 pieces of international mail and express consignment parcels every single day, and that's just from China."

NYTimes Analysis: Trump Immigration Policies To Be Decided On By Voters.

In an analysis, the New York Times (10/29, Kanno-Youngs, 18.61M) says the Department of Homeland Security "has been racing to deliver" on President Trump's "promise of 450 miles of border wall before the end of the year," and the agency "is still about a week away from the 400-mile marker, according to Customs and Border Protection officials, and nearly all of the construction has been in areas where dilapidated fencing or vehicle barriers already stood." However, "the steel structure on the border, built without congressional approval, is something of a monument to the president's determination" and "has affected the environment, private property owners and, homeland security officials say, the job of border agents." DHS officials "in recent days have traversed the nation, including in battleground states, to emphasize routine arrests by Immigration and Customs Enforcement, criticize Democrats and blast so-called sanctuary city policies." However, the Times says, the future of the President's policies will be determined by voters on Election Day.

Biden Pledges To Create Task Force To Reunite Children With Deported Parents.

Reuters (10/29) reports that Joe Biden has "vowed to create a task force to reunite more than 500 children who were separated from their families at the U.S.-Mexico border by the Trump administration and whose parents have not been located." The Biden campaign released a statement reading, "On his first day as President, Joe Biden will issue an Executive Order creating a federal task force to reunite these children with their parents." According to Reuters, "Thousands of children were separated from their parents at the border, mostly in 2017 and 2018, because their parents were being prosecuted for illegal entry or over concerns about their identities or criminal histories." Reuters says that "there are around 4,000 children who could fall under the reunification order, but as of Oct. 20 parents of 545 children could not be reached by attorneys and non-profits searching for them, according to a court filing."

The AP (10/29, Merchant) says that according to a report released on Thursday by House Democrats, "months before the Trump administration separated thousands of families at the U.S.-Mexico border, a 'pilot program' in Texas left child-welfare officials scrambling to find empty beds for babies taken from their parents in a preview of bigger problems to come." The AP adds, "Documents in the report suggest Health and Human Services officials weren't told by the Department of Homeland Security why shelters were receiving more children taken from their parents in late 2017."

The Washington Post (10/29, Sacchetti, 14.2M) reports that "the Democratic majority staff of the House Judiciary Committee released the findings in a lengthy report Thursday morning, days before the presidential election, following a nearly two-year investigation. It said it found 'reckless incompetence and intentional cruelty' within the program." According to the Post, "The report found what largely already has been revealed publicly: That the Trump administration secretly planned the family separations as a tactic aimed at deterring migrants from seeking asylum in the United States amid fears that their children might be taken from them." The New York Daily News (10/29, Sommerfeldt, 2.52M) says that in emails released by the House Judiciary Committee, Border Patrol agents "privately worried they could face jail time for their roles" in the child separation policy.

Rollins Touts America First Healthcare Plan.

On One America News Network (10/29, 12:04 p.m. EDT, 28K), White House Domestic Policy Council Acting Director Rollins said, "The America First Healthcare Plan looked at all 336 million Americans, and are they getting the healthcare they deserve at the cost they can afford with the choices that they need? And that's what the America First Healthcare Plan is. ... When you look at the preexisting condition question and you look at it within the context of the Affordable Care Act, it's a very, very small slice of Americans. Having said that, this President has been resolute in his dedication and in his absolute conviction that we will ensure that every American with a preexisting will be covered."

HHS Finalizes Transparency Rule For Medical Tests And Procedures.

The AP (10/29, Alonso-Zaldivar) reports that on Thursday, the Trump Administration, "trying to pull back the veil on health care costs to encourage competition...finalized a requirement for insurers to tell consumers up front the actual prices for common tests and procedures." HHS Secretary Azar said, "It will be impossible to walk backwards on this. How do you fight transparency on prices? How do you actually articulate the argument that you should conceal what something costs from the person trying to purchase it?" However, according to the AP, "a major health insurance industry group said the regulation would have the opposite effect, raising premiums."

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White Supremacist Group Members Arrested In Michigan.

ABC World News Tonight (10/29, story 6, 0:20, Muir, 7.02M) reported that in Michigan, "the self-proclaimed head of a white supremacist group and one of his associates" have been arrested. The CBS Evening News (10/29, story 7, 0:25, O'Donnell, 4.35M) reported the two members of a group known as The Base "are accused of trying to intimidate a Michigan family by shining lights and taking pictures on their front porch. Authorities say the suspects believed a member of the left wing group Antifa was inside; turns out their target never lived there."

The New York Times (10/29, Bogel-Burroughs, 18.61M) reports Michigan State Police Detective Sergeant Sherry Workman "said the charges...stemmed from their effort to intimidate a podcast host." She "wrote in an affidavit that the men – Justen Watkins, 25, the group's self-proclaimed leader, and Alfred Gorman, 35 – had posted a picture of Mr. Watkins wearing a skull mask and standing on the porch of what they thought was the podcast host's house but was actually the home of a husband, wife and infant. The family notified the police."

The Detroit News (10/29, 825K) reports FBI agents on Thursday "arrested two men as part of a continuing crackdown on extremism in Michigan three weeks after the FBI said it thwarted a plot to kidnap" Gov. Gretchen Whitmer (D), though "the arrests Thursday are not part of the Whitmer kidnapping plot."

Trump Evangelical Advisers Involved In Holocaust Survivor Scam Lawsuit.

The Washington Post (10/29, Boorstein, 14.2M) reports author Mike Evans and activist Christian Zionist, "two members of President Trump's evangelical advisory group," are "locked in a nasty legal dispute involving allegations of a multimillion-dollar Holocaust fundraising scam." This summer, they "filed a federal lawsuit against Jentezen Franklin, a Georgia megachurch pastor who has been featured at Trump campaign events." In 2017, the men "had launched a fundraising project to benefit Holocaust survivors in Israel and raised millions for the cause, but Evans's suit alleges Franklin turned over only $1.2 million – withholding more than $3.3 million he'd raised." The lawsuit, "filed in US District Court for the Northern District of Georgia, accuses Franklin of fraud and conspiracy, and alleges Franklin was 'trading on Evans' personal reputation and credibility in Israel' and using him to meet influential Israelis."

Criminologists Say Rise In Homicide Could Be Related To COVID Effects.

The New York Times (10/29, Fuller, Arango, 18.61M) reports that "major cities from Minneapolis to Milwaukee to New York, and even smaller communities like Lubbock, Texas, and Lexington, Ky., are all confronting the same grim pattern" – a surge in gun violence and homicides. Some places, "like Kansas City, Mo., and Indianapolis," are "setting records for the number of killings in a single year." Philadelphia, "which was gripped by unrest this week after the police shooting of a Black man, is among the cities with the highest increase in homicides – its 404 killings this year are a more than 40 percent increase compared with the same period last year." Criminologists "studying the rise in the murder rate point to the effects the pandemic has had on everything from mental health to policing in a time of social distancing, with fewer officers able to perform the up-close-and-personal community outreach work that in normal times has helped mitigate violence."

Remnants Of Zeta Head North.

ABC World News Tonight (10/29, story 3, 2:30, Muir, 7.02M) reported that "the remnants of Hurricane Zeta [are] speeding north, taking at least five lives so far, slamming into Louisiana as a Cat 2, [with] 110-mile-an-hour winds shredding buildings in Biloxi, Mississippi." Morgan Chesky said on NBC Nightly News (10/29, story 2, 1:30, Holt, 5.7M) that "Gulf states [are] bruised and battered, reeling from Zeta. ... The worst of the surge hit Mississippi." The CBS Evening News (10/29, lead story, 2:55, O'Donnell, 4.35M) reported, "Power outages in Georgia pushed early voting sites in 17 counties to shorten their hours or shut down," and Louisiana Gov. John Bel Edwards (D) "says he is making restoring power at polling places there a priority."

The Atlanta Journal-Constitution (10/29, 895K) reports, "Heavy rain and damaging winds from Tropical Storm Zeta swept through North Georgia on Thursday morning, leaving at least three people dead and nearly 1 million in the dark." The New Orleans Times-Picayune (10/29, 480K) says the storm "was very selective in dealing out damage" in New Orleans, where some buildings remained intact while others close by were demolished. The AP (10/29, Amy, Santana), USA Today (10/29, Rice, 10.31M), the New York Times (10/29, 18.61M), and the Wall Street Journal (10/29, Campo-Flores, Subscription Publication, 7.57M) also cover the progress of the storm.

Emails Said To Show Pompeo Family Mixed Official Business With Personal Requests.

On its website, NBC News (10/29, 6.14M) reports that "hundreds of pages of emails" show how the family of Secretary of State Pompeo "have repeatedly blurred the lines between official government business and domestic or personal matters." According to NBC, the emails "show that Susan Pompeo routinely gives instructions to State Department officials from her personal email address about everything from travel plans and restaurant reservations to the elite Madison Dinners that NBC News reported on in May." Many of the requests "involve routine matters like logistics and scheduling for official events that would involve coordination with the secretary's spouse in any administration," but "other requests, such as seeking assistance with planning a multiday visit for an elite group of young executives from Kansas, appear to be less directly connected to advancing the State Department's core mission."

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Trump Cabinet Members Traveling To Key States Ahead Of Election

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The AP (10/29, Fox) reports members of President Trump's Cabinet "are logging extra miles as mostly unofficial campaign surrogates in

crucial states in the final days before Tuesday's election, blending politics and policy in ways that critics say skirt established norms and may even violate the law." The AP says Education Secretary DeVos "planned a 'Moms for Trump' rally in her home state of Michigan," DHS Secretary Wolf "was in Texas to celebrate completion of a section of the US-Mexico border wall," and EPA Administrator Wheeler "headed to North Carolina after visiting Georgia the day before." The Administration, "which came under fire for using the White House as a backdrop for the president's acceptance speech at the Republican National Convention, insists it is adhering to the law known as the Hatch Act."

NYTimes Analysis: McEnany's Dual Roles Blurring Line Between Politics, Government.

The New York Times (10/29, Haberman, 18.61M) reports White House Press Secretary Kayleigh McEnany "has suddenly started appearing on Fox News from a set-up at President Trump's re-election headquarters, further blurring the lines between government and political activity." In an appearance this week, "in which she was announced as both a campaign senior adviser and the White House press secretary, Ms. McEnany talked up the president's political rallies." In the interview, McEnany "did not say she was speaking in a position as a campaign adviser," nor "did the campaign or the White House ever announce that she was serving in both roles." According to the Times, McEnany's "recent appearances have become an encapsulation of the administration's willingness to blur lines."

Trump Has Clashed With Career Government Employees Over Course Of Presidency.

The Washington Post (10/29, Rein, Hamburger, Eilperin, Freedman, 14.2M) reports that over the four years of the Trump Administration, "career employees from diplomats to budget analysts have come under siege as they carry out the laws of Congress, attacked by a president with no government experience and portrayed as a 'deep state' trying to undermine him." Notably, President Trump has "targeted high-profile figures" such as NIAID Director Fauci, "whose dire warnings about the coronavirus pandemic angered him." And beyond "recognizable faces, employees across the government were banished to basement offices, denied promotions and excluded from decision-making."

WSJournal Criticizes Administration Threat To Sue Walmart Over Opioid Prescriptions.

A Wall Street Journal (10/29, Subscription Publication, 7.57M) editorial describes the Administration's threat to sue Walmart for filling legal opioid prescriptions written by licensed doctors registered with the DEA as an abuse of its enforcement authority. The Journal argues that with some state regulators saying refusal to fill valid prescriptions interferes in the doctor-patient relationship, Walmart pharmacists are torn between contradictory orders from federal and state governments.

More Than 80M Have Voted, Some States Have Already Exceeded Total 2016 Turnout.

Reuters (10/29) reports, "More than 80 million Americans have cast ballots in the U.S. presidential election, according to a tally on Thursday from the U.S. Elections Project at the University of Florida, setting the stage for the highest participation rate in over a century. The record-breaking pace, more than 58% of total 2016 turnout, reflects intense interest in the vote. ... Experts have predicted turnout will easily surpass the 138 million who voted" in 2016. Ed O'Keefe said on the CBS Evening News (10/29, story 3, 0:35, O'Donnell, 4.35M), "Several states are now on pace to exceed their 2016 turnout totals. Hawaii has already done it, perhaps that is not surprising, they do all their voting by mail in Hawaii. But Texas is a far bigger surprise. Already at possibly as soon as tomorrow, they could exceed their 2016 turnout, with 8.2 million votes already cast." CNN (10/29, Cohen, Stark, 83.16M) reports on its website, "In four key states – Florida, North Carolina, Nevada and Iowa – Republicans are beginning to narrow the Democratic advantage in pre-Election Day voting. More than 12 million ballots have been cast in these four states, which could be crucial in determining the next president."

SCOTUS Rejects Effort To Block North Carolina Extension; Circuit Court Rejects Minnesota Extension. Reuters (10/29) reports the Supreme Court on Thursday "rejected another bid by North Carolina Republicans to block the extension of a deadline for receiving mail-in ballots for next Tuesday's election." The Hill (10/29, Kruzel, 2.98M) reports, "The court's three most conservative justices – Clarence Thomas, Neil Gorsuch and Samuel Alito – would have granted the Republican request." Justice Amy Coney Barrett "took no part in considering the case." However, the Washington Post (10/29, Davis, 14.2M) reports a three-judge panel of the Eighth Circuit Court of Appeals ruled Thursday that Minnesota "must reject ballots received after polls close on Election Day, upending the state's plan to count absentee ballots received up to seven days after the election so long as they were postmarked on Election Day."

The New York Times (10/29, Liptak, 18.61M) says that in "five sets of orders in election cases" this week, Chief Justice John Roberts "staked out a middle ground, one that was consistent with conservative ideas about federalism even as the court's other members seemed to take all-or-nothing approaches."

The Washington Post (10/29, 14.2M) editorializes, "The Supreme Court is in dangerous territory. Republicans jammed [Barrett] onto the court days before next week's election. President Trump explained the reason for the haste: to ensure he has a friendly justice to rule his way when he alleges voting fraud." While "we can all hope that the Supreme Court will be irrelevant to the election going forward," an intervention with Barrett in a 5-4 majority would do "incalculable" damage "to the court's credibility." But the Wall Street Journal (10/29, Subscription Publication, 7.57M) says in an editorial that the Court has been right to intervene to uphold state election laws, and that its rulings contrary to that in the mixed set of decisions this week have made post-election turmoil more, not less, likely.

Thousands Of Pennsylvania Mail Ballots "Appear To Be Lost." The Pittsburgh Post-Gazette (10/29, Martines, 616K) reports, "Potentially thousands of mail ballots requested" by Butler County, Pennsylvania, voters "appear to be lost, a county official said Wednesday,

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and the U.S. Postal Service has been asked to immediately investigate what happened to them." The Washington Times (10/29, Scolforo, 492K) reports Secretary of State Kathy Boockvar (D) also "said there are problems in Butler County and some other parts of the state, five days before the general election." A USPS spokesman "said the agency was unaware of the problems in Butler County."

The New York Times (10/29, Corasaniti, Hakim, 18.61M) says that in Pennsylvania, the Trump campaign is "pursuing a three-pronged strategy that would effectively suppress mail-in votes in the state, moving to stop the processing of absentee votes before Election Day, pushing to limit how late mail-in ballots can be accepted and intimidating Pennsylvanians trying to vote early." According to the Times, "Election officials and Democrats in Pennsylvania say that the Trump effort is now in full swing after a monthslong push by the president's campaign and Republican allies to undermine faith in the electoral process in a state seen as one of the election's most pivotal."

Politico (10/29, Siders, Montellaro, 4.29M) says "never before in modern presidential politics has a candidate been so reliant on wide-scale efforts to depress the vote as Trump." The Philadelphia Inquirer (10/29) reports Erie County officials are taking steps "to combat rising concerns of voter intimidation at the polls, banning gatherings of two or more voters openly carrying guns near polling places, and forcing armed residents who aren't voting to keep their distance."

Officials And Businesses Prepare For Voter Intimidation, Possible Election Violence. The Orlando Sentinel (10/29, Lemongello, 536K) reports central Florida elections supervisors "say they're prepared to deal with any attempted intimidation or violence at the polls amid heightened tensions nationwide about Tuesday's vote," while the Atlanta Journal-Constitution (10/29, 895K) reports police departments are preparing for possible disruptions and violence. The AP (10/29, D'Innocenzio) reports that Walmart "has removed ammunition and firearms from displays at its U.S. stores, citing 'civil unrest' in some areas," a move Reuters (10/29, Fares) says "comes days before the U.S. presidential election on Nov. 3, with many worried that the result could be contested or spark violence."

USA Today (10/29, Phillips, Johnson, Hauck, 10.31M) reports, "Officials say they're not aware of credible threats of violence on or after Election Day, but businesses, drawing from the lessons of last summer when protests erupted across the country following the death of George Floyd." Reuters (10/29, Timmons, Alper) reports that "dozens of activist groups who claim to represent millions of Americans from both political parties plan to hit the streets next week, if...Trump appears to be interfering with vote counting or manipulating poll results after Election Day." USA Today (10/29, Ellis, 10.31M) has a report on various voter intimidation efforts.

Florida Judge Resigns From Vote-Counting Board Over Trump Donations. USA Today (10/29, Pantazi, 10.31M) reports, "A Florida judge has resigned from Duval County's vote-counting board after findings that he donated repeatedly to President Trump's re-election campaign and other Republican efforts were uncovered." Brent Shore, "whose home displayed several signs supporting Trump, had served as chairman of the canvassing board because of his role as a county judge." Florida judicial rules "bar judges from political donations of any kind."

Biden Maintains Leads In Latest Nationwide Polls.

An Atlas poll of 1,736 likely voters nationwide (10/26-10/28) has Joe Biden at 51% and President Trump at 46%. A Harvard CAPS/Harris poll of 2,093 likely voters nationwide (10/27-10/28) has Biden at 54% and Trump at 46%. An IBD/TIPP poll of 945 likely voters nationwide (10/24-10/28) has Biden at 50.0%, Trump 45.3%, Libertarian Jo Jorgensen 1.5%, and Green Howie Hawkins 0.8%. A Morning Consult poll of 16,374 likely voters nationwide (10/26-10/28) has Biden at 52% and Trump at 43%. A Rasmussen poll of 1,500 likely voters nationwide (10/26-10/28) has Biden at 48% and Trump at 47%. A Suffolk University poll of 1,000 likely voters nationwide (10/23-10/27) has Biden at 49.5%, Trump 43.0%, Jorgensen 1.3%, and Hawkins 1.0%. A USC Dornsife poll of 5,279 likely voters nationwide (10/15-10/28) has Biden at 53.5% and Trump at 42.4%. A University of Texas Dallas poll of 2,500 likely voters nationwide (10/13-10/26) has Biden at 56% and Trump at 44%. A Winston Group poll of 1,000 registered voters nationwide (10/23-10/26) has Biden at 48% and Trump at 43%. Biden has a 7.4-point lead in the RCP average and a 8.9-point lead in the FiveThirtyEight average.

Texas. A Morning Consult poll of 3,347 likely Texas voters (10/26-10/28) has Biden at 48% and Trump at 47%.

Florida. A Harris/The Hill poll of 1,148 likely Florida voters (10/26-10/29) has Biden at 50% and Trump at 47%. A Monmouth University poll of 509 likely Florida voters (10/24-10/28) has Biden at 51% and Trump at 45%. A Morning Consult poll of 4,685 likely Florida voters (10/26-10/28) has Biden at 52% and Trump at 45%. An NBC News/Marist poll of 743 likely Florida voters (10/25-10/27) has Biden at 51% and Trump at 47%. A Quinnipiac poll of 1,324 likely Florida voters has Biden at 45% and Trump at 42%.

Pennsylvania. A Harris/The Hill poll of 901 likely Pennsylvania voters (10/26-10/29) has Biden at 51% and Trump at 46%. A Morning Consult poll of 2,563 likely Pennsylvania voters (10/26-10/28) has Biden at 52% and Trump at 43%. A Quinnipiac poll of 1,324 likely Pennsylvania voters has Biden 51% and Trump at 44%.

Ohio. A Morning Consult poll of 2,271 likely Ohio voters (10/26-10/28) has Trump at 49% and Biden at 47%. A Quinnipiac poll of 1,186 likely Ohio voters has Biden at 48% and Trump at 43%.

Georgia. A Morning Consult poll of 1,672 likely Georgia voters (10/26-10/28) has Biden and Trump tied at 48% each. A Public Policy Polling poll of 661 likely Georgia voters (10/27-10/28) has Biden at 48% and Trump at 46%.

Michigan. A Morning Consult poll of 1,717 likely Michigan voters (10/26-10/28) has Biden at 52% and Trump at 44%.

North Carolina. A Harris/The Hill poll of 903 likely North Carolina voters (10/26-10/29) has Biden at 49% and Trump at 48%. A Morning Consult poll of 1,904 likely North Carolina voters (10/26-10/28) has Biden at 50% and Trump at 43%. A New York Times/Siena College poll of 1,034 likely North Carolina voters (10/23-10/27) has Biden at 48% and Trump at 45%. A University of Texas Dallas poll of 911 likely North Carolina voters (10/20-10/26) has Biden at Trump tied at 48% each, with Jorgensen at 1%.

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Arizona. A Morning Consult poll of 1,066 likely Arizona voters (10/26-10/28) has Trump at 48% and Biden at 47%.
Minnesota. A Morning Consult poll of 864 likely Minnesota voters (10/26-10/28) has Biden at 51% and Trump at 42%.
Wisconsin. A Morning Consult poll of 1,038 likely Wisconsin voters (10/26-10/28) has Biden at 54% and Trump at 42%.
Colorado. A Morning Consult poll of 788 likely Colorado voters (10/26-10/28) has Biden at 55% and Trump at 39%.
South Carolina. A Morning Consult poll of 926 likely South Carolina voters (10/26-10/28) has Trump at 51% and Biden at 45%.
Iowa. A Quinnipiac poll of 1,225 likely Iowa voters has Trump at 47% and Biden at 46%.

Pence Campaigns In Iowa And Nevada.

The Des Moines Register (10/29, 404K) reports Vice President Pence delivered a "methodical, 45-minute speech at the Des Moines International Airport" on Thursday, urging Iowans "to vote for Republicans up and down the ballot. He touted the increase in military spending" under President Trump, as well as the Administration's "handling of the economy and the COVID-19 pandemic and the president's appointment of conservative judges and Supreme Court justices." The Reno Gazette-Journal (10/29, DeHaven, 183K) reports Pence later addressed "a mostly masked and socially distanced crowd of a few hundred supporters at the Reno-Tahoe International Airport," where he "spent the bulk of his roughly one-hour speech taking aim at" Joe Biden.

Biden Campaigns In Florida.

The Miami Herald (10/29) reports Joe Biden campaigned "in Florida's Democratic stronghold of Broward County" on Thursday, "paint[ing] a picture for voters of what he thinks a Donald Trump victory will do for America – and it wasn't pretty. Increasing COVID deaths. No more Obamacare. Tax cuts for the wealthy while working class people bear the burden." Biden said of Trump, "He knows if you vote, he can't win. He knows when America votes, they reject people like him. We choose hope over fear. We choose unity over division, and we choose science over fiction. And, yes, we choose truth over lies."

The AP (10/29) reports Biden made "a direct pitch to Florida's Latino voters by attacking [Trump's] handling of Cuba and Venezuela." The AP says Biden, "speaking at a drive-in rally...said Trump is 'the worst possible standard-bearer for democracy' in places like Cuba and Venezuela." The Washington Post (10/29, 14.2M) reports, "In Florida, a Democratic strategist who spoke on the condition of anonymity to speak candidly shared data showing that the ballot return rate for voters who requested mail ballots is slightly higher among Republican Hispanics than Democrats – 38 percent to 35 percent as of Sunday evening. The raw number of Democratic Hispanics who have voted, however, is higher. And unaffiliated Hispanics have turned out robustly as well."

The Los Angeles Times (10/29, 4.64M) reports Biden "pilloried Trump for the White House management of the pandemic and refusal to take responsibility for soaring infection rates." The Washington Times (10/29, Boyer, 492K) reports Biden said "he won't shut down the economy if he wins the presidency." Biden said, "I'm not going to shut down the country. But I'm going to shut down the virus."

The South Florida Sun Sentinel (10/29, Bryan, 545K) reports Biden also "paid a surprise visit to a predominantly Black neighborhood in Fort Lauderdale late Thursday afternoon to help energize voters." The Tampa Bay Times (10/29, 742K) reports Biden later traveled to Tampa, where "he saved his sharpest criticism for Trump's stewardship of the coronavirus, which he said was responsible for 165,000 of the 228,000 deaths related to COVID-19. He called Trump's rally at Raymond James Stadium early in the day a 'super-spreader' event that further demonstrated how little the president cared about controlling the virus."

Both Trump And Biden Will Campaign In Minnesota On Friday.

The Minneapolis Star Tribune (10/29, 1.04M) reports President Trump and Joe Biden "will hold competing Minnesota rallies Friday as the race for the White House intensifies in what has become a potential battleground state in next Tuesday's election. Biden's campaign announced Thursday that he would hold a drive-in car rally in St. Paul at 3:45 p.m., just ahead of a previously scheduled Trump rally at 5 p.m. in the Rochester area." The Washington Post (10/29, Wagner, Sonmez, 14.2M) says the Biden stop is "a rare trip of late by the Democratic nominee to a state that Trump lost four years ago. ... Most of Biden's travel has been concentrated on states where Democrats are trying to improve upon the performance of Hillary Clinton in 2016."

Neither Trump Nor Biden Campaigning In Texas Despite Tight Polls.

CNBC (10/29, Breuninger, 3.62M) reports on its website that "some states, previously considered GOP strongholds, have become hotly contested late in the race." The Cook Political Report and NBC News "both moved Texas from 'Lean Republican' to the 'Toss Up' column this week." However, in an article titled "Texas Is A Tossup. So Why Won't Trump Or Biden Campaign There?" the New York Times (10/29, 18.61M) says that "even as leading figures in both parties urge their respective presidential nominees to take Texas seriously, the campaigns are still reluctant to spend precious remaining time and money there."

Speculation About Possible Biden Cabinet Intensifies.

The Wall Street Journal (10/29, Collins, Restuccia, Subscription Publication, 7.57M) reports on early campaigning for Cabinet posts in a Biden Administration. The Journal says Sen. Chris Coons (D-DE) and ex-UN Ambassador Susan Rice are said to be interested in serving as secretary of state, while Obama Administration Defense Department official Michele Flournoy is seen as a top contender for defense

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secretary. Pete Buttigieg has been mentioned as a possible VA secretary or UN ambassador. New Mexico Gov. Michelle Lujan Grisham (D) and Atlanta Mayor Keisha Lance Bottoms (D) have also been mentioned for Cabinet posts.

The New York Times (10/29, Kaplan, 18.61M) reports that Biden is "leaning on veteran advisers with high-level governmental experience rather than outsiders and ideological rivals," who "shaped the center-left policies of a receding era." On economic policy, the Times says Biden turns to Jared Bernstein, who "was Mr. Biden's first chief economist in the White House," along with Austan Goolsbee, a former chairman of the Council of Economic Advisers, and Gene Sperling, a former National Economic Council chairman. On foreign policy, the Times says "perhaps most influential" is Antony Blinken, "who worked for...Biden on the Senate Foreign Relations Committee in the 2000s and served as a deputy national security adviser and deputy secretary of state" under President Obama.

The Wall Street Journal (10/29, Subscription Publication, 7.57M) says in an editorial that though Biden is running as a moderate, his platform, when not vague, is left-leaning, and could presage a progressive shift in policy.

Civil Rights Groups Sue Over Trump's Order Barring Some Diversity Training.

The AP (10/29, Olson) reports that on Thursday, "three civil rights groups filed a lawsuit...challenging President Donald Trump's executive order that prohibits federal agencies, contractors and grant recipients from offering certain diversity training that the president deems 'anti-American.'" The AP says the NAACP Legal Defense Fund "filed the complaint in federal court in Washington, DC, along with the National Urban League and the National Fair Housing Alliance." According to the AP, "The lawsuit argued that Trump's order violates free speech rights and strangles workplace attempts to address systemic race and sex discrimination."

USA Today (10/29, Guynn, 10.31M) reports NAACP Legal Defense Fund Senior Counsel Ajmel Quereshi said the Trump Administration is "trying to keep individuals from even expressing their thoughts. ... What this case does is challenge this executive order on both First Amendment grounds as well as Equal Protection grounds specifically because it tries to keep any federal contractor, federal employee or federal grantee from speaking about the history of systemic discrimination in the United States and its continuing effects."

The Washington Post (10/29, McGregor, Rosenberg, 14.2M) reports that the US Chamber of Commerce and the Business Roundtable have also criticized the executive order, which "bars the use of 'divisive concepts,' including the idea that the United States 'is fundamentally racist or sexist' or that an individual, 'by virtue of his or her race or sex, is inherently racist, sexist, or oppressive, whether consciously or unconsciously.'" According to the Post, "Three of the four examples in the order describe training that references White people, White males or Whiteness."

GLAAD Survey: Most Americans Think LGBTQ People Are Protected From Discrimination.

USA Today (10/29, Bote, 10.31M) reports, "As protections for LGBTQ people enter the domain of the United States' highest court, the vast majority of non-LGBTQ Americans believe that discrimination against LGBTQ should be illegal." According to the 2020 edition of GLAAD's "annual Accelerating Acceptance survey," an "overwhelming number of Americans, regardless of sexuality or gender identity, believe LGBTQ people have federal protections against discrimination that are, in reality, not available to them." This "includes discrimination in housing, public spaces, employment benefits and the military." GLAAD CEO Sarah Kate Ellis believes that the dissonance is due to LGBTQ issues being "left out" of the political conversation.

Interior Department Removes Most Endangered Species Protections For Gray Wolves.

The AP (10/29, Flesher, Mone) reports the Interior Department on Thursday "stripped Endangered Species Act protections for gray wolves in most of the U.S., ending longstanding federal safeguards and putting states and tribes in charge of overseeing the predators." The New York Times (10/29, Einhorn, 18.61M) says the new rule "will officially publish on Tuesday and become effective 60 days after that. ... It was the second time in recent years that the federal government had tried to take wolves off the endangered species list; the last attempt, under the Obama administration, was withdrawn amid strong opposition."

The Los Angeles Times (10/29, 4.64M) reports, "In California and Washington state, wolves would still be protected under those states' endangered species laws. But Utah allows wildlife managers to trap and euthanize wolves to prevent them from reestablishing themselves. And in Montana and Idaho, where Congress intervened to strip wolves of federal protections, nearly 500 have been killed in the past year." The Washington Post (10/29, Fears, 14.2M) reports that the overall population "is up from 1,000 when gray wolves were listed as endangered starting in 1967, officials said. But their population is still so depleted that thousands of acres of historical wolf habitat in Utah, Colorado and Maine is uninhabited by any wolves."

Bongino Generating More Engagement Per Month Than Several Publications.

New York Times (10/29, 18.61M) tech columnist Kevin Roose says conservative commentator Dan Bongino "has become one of the most popular right-wing commentators in the country, with millions of social media followers, a top-20 podcast, a line of best-selling books and a Facebook page that generates more monthly engagement than the pages of The New York Times, The Washington Post and CNN combined." According to Roose, "Plenty of people have fact-checked Mr. Bongino. But nobody has figured out what, exactly, has lifted him above the legions of other pro-Trump influencers battling for attention online."

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McConnell Says Senate Control "A 50-50 Proposition."

Fox News (10/29, Henney, 27.59M) reports on its website that Senate Majority Leader McConnell said Wednesday that "the chances are '50-50' that Republicans lose control of the upper chamber." McConnell told reporters in Kentucky, "It's a 50-50 proposition. We have a lot of exposure. This is a huge Republican class. There are dogfights all over the country." The Wall Street Journal (10/29, Hughes, Bykowicz, Subscription Publication, 7.57M) reports that about a dozen competitive Senate races are expected to closely follow the presidential results in each state, with polls showing little indication of ticket-splitting.

Kelly Has Four-Point Lead In Arizona Senate Poll.

A Morning Consult poll of 1,066 likely Arizona voters (10/26-10/28) has Mark Kelly (D) at 48% and Sen. Martha McSally (R-AZ) at 44% in the state's Senate race.

Hickenlooper Leads By Eight Points In Colorado Senate Poll.

A Morning Consult poll of 788 likely Colorado voters (10/26-10/28) has John Hickenlooper (D) at 50% and Sen. Cory Gardner (R-CO) at 42% in the state's Senate race.

Georgia Polls Show Tight Senate Race, Warnock Leads Special Election Field.

A Morning Consult poll of 1,672 likely Georgia voters (10/26-10/28) has Sen. David Perdue (R-GA) at 46% and Jon Ossoff (D) at 44% in the state's Senate race. A Public Policy Polling poll of 661 likely Georgia voters (10/27-10/28) has Ossoff at 47%, Perdue 44%, and Libertarian Shane Hazel 3%. In the special Senate election, Raphael Warnock (D) is at 46%, Sen. Kelly Loeffler (R-GA) 27%, Rep. Doug Collins (R-GA) 19%, and Matt Lieberman (D) 2%.

Blackburn Backs Loeffler. Sen. Marsha Blackburn (R-TN) writes at Breitbart (10/29, 673K) that she is backing Loeffler, writing that she "understands and believes in the American Dream because she has lived it herself. ... In just her short time in the Senate, she has already proven herself a champion for Georgia families and our shared conservative values."

Ernst Leads By Two Points In Iowa Senate Poll.

A Quinnipiac poll of 1,225 likely Iowa voters has Sen. Joni Ernst (R-IA) at 48% and Theresa Greenfield (D) at 46%.

Peters Leads By Six Points In Michigan Senate Poll.

A Morning Consult poll of 1,717 likely Michigan voters (10/26-10/28) has Sen. Gary Peters (D-MI) at 48% and John James (R) at 42% in the state's Senate race.

Bureau Of Land Management Official At Issue In Montana Senate Race.

The Washington Post (10/29, Grandoni, Mufson, 14.2M) reports Montana Gov. Steve Bullock (D) has been trying to remove Bureau of Land Management Acting Director William Perry Pendley from his post after a federal judge ruled that Pendley "was holding his position illegally since he was never confirmed by the Senate." The effort is now at issue in Bullock's campaign against Sen. Steve Daines (R-MT). Daines, "a staunch Trump ally, has spent the second half of his Senate term bolstering his environmental record." But Bullock is now "bashing Daines for initially supporting Pendley, an ultraconservative activist who once called for the federal government to sell off its land to private interests." The Los Angeles Times (10/29, 4.64M) has a feature on the race, noting that despite Montana's GOP tilt at the presidential level, it "hasn't been without a Democratic senator since 1913."

Cunningham Leads Two North Carolina Senate Polls.

A Morning Consult poll of 1,904 likely North Carolina voters (10/26-10/28) has Cal Cunningham (D) at 48% and Sen. Thom Tillis (R-NC) at 42% in the state's Senate race. A University of Massachusetts at Lowell poll of 911 likely North Carolina voters (10/20-10/26) has Cunningham at 49% and Tillis at 45%.

Harrison Has Two-Point Lead In South Carolina Poll.

A Morning Consult poll of 926 likely South Carolina voters (10/26-10/28) has Jamie Harrison (D) at 47% and Sen. Lindsey Graham (R-SC) at 45% in the state's Senate race.

Third-Party Candidate Urges Vote For Graham. Politico (10/29, Arkin, 4.29M) reports that Bill Bledsoe, the Constitution Party candidate, has been urging voters not to vote for him, and to instead back Graham. Harrison "and several Democratic outside groups opposing Graham have elevated Bledsoe in TV ads this month, an effort to siphon off conservative voters who may be dissatisfied with Graham, potentially boosting Harrison's chances against the three-term senator in the deep red state." Bledsoe "call[s] the ads 'dirty tricks' from Harrison and 'radical liberals.'"

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Cornyn Leads By Five Points In Texas Senate Poll.

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A Morning Consult poll of 3,347 likely Texas voters (10/26-10/28) has Sen. John Cornyn (R-TX) at 46% and MJ Hegar (D) at 41% in the

state's Senate race.

Van Drew On Defensive In NJ2 Race Following Party Switch.

Politico (10/29, Zanona, 4.29M) writes that while the decision by Rep. Jeff Van Drew (R-NJ) to switch parties during the impeachment of President Trump "was supposed to be an audacious act of political survival," his "pledge to give his 'undying support' to Trump could end up sinking the freshman lawmaker. Van Drew, like many of his Republican colleagues, now finds himself having to answer for an unpopular president, whose shaky handling of the coronavirus and inflammatory rhetoric has damaged the GOP's standing nationwide, especially in the suburbs."

Millions Pour In To NY21 Race.

The New York Times (10/29, McKinley, 18.61M) reports that Rep. Elise Stefanik (R-NY), who "emerged as a powerful, outspoken proxy for President Trump" during his impeachment, is now engaged in an expensive reelection race. Tedra Cobb (D) "has raised more than $5 million, about five times what she accumulated in 2018," when Stefanik beat her by 14 points. However, Stefanik "has benefited more. She has pulled in more than $11 million in donations, twice Ms. Cobb's war chest, and remains a prohibitive favorite."

In OH9, Kaptur's 2014 Rival Joins Democrats, Endorses Her And Biden.

The Cleveland Plain Dealer (10/29, 895K) reports that former Tea Party activist Richard May, the Republican nominee against Rep. Marcy Kaptur (D-OH) in 2014, "announced Thursday that he's changed his political party affiliation to Democrat and will vote for both Kaptur" and Joe Biden. He said in a statement, "[President] Trump's bigotry is now embedded into the Republican Party and will not be removed in our lifetimes."

Christie Fooled Into Making Cameo Video Targeting Montana's Gianforte.

The New York Times (10/29, Bromwich, Marcus, 18.61M) reports that Chris Christie "became the latest Republican politician to be fooled into making a campaign video on behalf of a Democrat." Christie is "available for hire on Cameo, an app that allows users to commission personalized videos from minor – and increasingly major – celebrities." A video for which Christie was hired "was framed as a jovial message to a person named Greg, who Mr. Christie was prompted to encourage to return to New Jersey, Greg's former home." What Christie did not know was that the video was meant for Rep. Greg Gianforte (R-MT), who is running for governor. The $200 video was purchased by the campaign of Lt. Gov. Mike Cooney (D).

The Washington Post (10/29, Andrews, 14.2M) reports that Gianforte "lived in New Jersey for years. ... Christie tweeted out an image of the Cameo order," and tweeted, "Shame on @CooneyforMT. Same to @DemGovs. I am doing Cameo to benefit a NJ charity that shelters & treats drug & alcohol addicted pregnant women & they send this misleading request and then push it out as a shot of @GregForMontana. I SUPPORT Greg Gianforte for Governor-absolutely!"

Wisconsin GOP Claims Hackers Stole $2.3M.

The AP (10/29, Bauer) reports that Wisconsin Republican Party Chairman Andrew Hitt revealed on Thursday that "hackers have stolen $2.3 million from the Wisconsin Republican Party's account that was being used to help reelect President Donald Trump in the key battleground state." According to Hitt, "The party noticed the suspicious activity on Oct. 22 and contacted the FBI on Friday."

RCP Average Has Trump's Job Approval At 44.3%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.4%, and his disapproval at 53.1%. The President's approval is up 0.1 since yesterday; his disapproval is down 0.2.

A Rasmussen poll of 1,500 likely voters (10/27-10/29) finds Trump's approval at 52%, and his disapproval at 47%.

Financial International News

ECB Holds Policy Steady For Now, Signals Likely Plan To Boost Stimulus.

Bloomberg (10/29, Skolimowski, 4.73M) reports the ECB "gave a strong indication that it will likely boost its emergency bond-buying program to stabilize the euro-area economy after governments imposed a spate of new restrictions to control the coronavirus." The ECB Governing Council "held its pandemic bond-buying program at 1.35 trillion euros ($1.6 trillion), reiterating that it will run until at least June 2021 and won't be stopped until the 'crisis phase' of the pandemic is past." The ECB's "policy statement also said though that new economic forecasts in December will set the stage for more support."

The New York Times (10/29, Ewing, 18.61M) and The Wall Street Journal (10/29, Fairless, Subscription Publication, 7.57M) also report.

IMF Head Says UK Should Boost Spending Further To Counter Covid-19 Economic Impact.

Reuters (10/29, Milliken, Schomberg) reports IMF Managing Director Kristalina Georgieva "said on Thursday that the UK can afford to ramp up its already massive spending push to counter the effects of the coronavirus pandemic on the economy." As Conservative finance minister

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Rishi Sunak faces pressure from his party over the rising budget deficit, Georgieva "said he should increase public investment and bolster welfare support for people who lose their jobs because of the crisis." Georgieva said at the conclusion of an IMF review of Britain's economy, "My main message today is that continued policy support is essential to address the pandemic and to sustain and invigorate a recovery."

The AP (10/29, Pylas), the Financial Times (10/29, Strauss, Subscription Publication, 1.34M), BBC News (10/29, 1.02M), and The Guardian (UK) (10/29, Inman, 4.19M) also report.

French Economy Rebounds With Record Growth In Third Quarter.

The Financial Times (10/30, Arnold, Romei, Subscription Publication, 1.34M) reports, "France's economy grew at a record rate in the third quarter, rebounding from its pandemic-induced recession in the first half of the year..."

Leading International News

Global COVID Cases Rose By More Than 500,000 Wednesday.

Reuters (10/29, Ahluwalia, Maan) reports that global coronavirus cases "rose by more than 500,000 for the first time on Wednesday, a record one-day increase as countries across the Northern Hemisphere reported daily spikes." The global coronavirus total "stands at 44.7 million cases and about 1.17 million deaths," and "Europe, North America and Latin America account for over 66% of global cases and over 76% of global deaths." According to Reuters, "Most western countries and parts of Latin America have reported their highest single-day surges in the past few weeks," and "many governments, with the notable exception of the United States, have started taking stronger measures to bring the spread of the virus under control."

COVID Cases Rising Dramatically In Europe.

The AP (10/29, Jordans, Cook, Parra) reports German Chancellor Angela Merkel told citizens "to expect a 'difficult winter' as the country's daily reported coronavirus cases hit a new high Thursday, while residents in France prepared for life under a new month-long lockdown and experts urged Spain to more aggressively curtail its infections." Germany's "disease control agency said local authorities reported 16,774 new positive tests for COVID-19 in the past day, pushing the country's total close to the half million-mark," and "the Robert Koch Institute also recorded 89 additional deaths, bringing its confirmed pandemic death toll to 10,272." While France "announced a second, full nationwide lockdown Wednesday, many countries have hesitated to take such drastic measures for the second time in a year, wary of the economic pain they cause." The British government "has resisted calls for a national lockdown, despite having significantly higher 14-day infection rates than Germany and a virus death toll four times larger." ABC World News Tonight (10/29, story 5, 2:05, Muir, 7.02M) reported, "Europe is watching Belgium," which has a nearly 41% infection rate, "in horror even as their own cases start to spike. Germany hitting new restrictions, a new national lockdown in France and officials will meet here tomorrow to decide whether Belgium should do the same."

The Wall Street Journal (10/29, Subscription Publication, 7.57M) reports the surge in infections is stretching thin the capacity of hospitals in Belgium, France, Italy, and elsewhere. Experts say the rise was a surprise and demonstrates how quickly the virus can grow out of control.

Many European COVID Restrictions Exclude Schools. The New York Times (10/29, Eddy, 18.61M) reports that although Merkel and French President Emmanuel Macron are imposing new restrictions, both plan to keep schools open, and "Ireland also allowed schools to remain open despite a nationwide lockdown that went into effect earlier this month." The Times says that "around the world, there is mounting concern that the pandemic is doing lasting harm to the academic and emotional development of an entire generation of children." Medical experts "point to many things they now know that were unknown back in the spring: with proper precautions, the rate of coronavirus transmission in schools is relatively low, especially among the youngest students; children who do get infected tend to have mild symptoms; and measures like mask-wearing, social distancing and air circulation are more effective than they had predicted."

Three Killed In Knife Attack In Church In Southern France.

The Washington Post (10/29, McAuley, 14.2M) reports, "Three people were killed in a knife attack at a church in the southern French city of Nice on Thursday, an act prosecutors were treating as possible terrorism and which prompted the country to raise its security alert to the highest level." The New York Times (10/29, Méheut, Breeden, 18.61M) says the attack comes "less than two weeks after the beheading of a French schoolteacher. ... Officials in Nice described the attack as Islamist terrorism, and it was quickly followed by two similar events – including a knife-wielding assailant outside a French Consulate in Saudi Arabia – though it was not immediately clear whether the events were coordinated."

Maggie Rulli reported on ABC World News Tonight (10/29, story 4, 1:30, Muir, 7.02M) that France is "on its highest terror alert level after [the] deadly rampage. ... Authorities say a young man stabbed several people inside the Notre Dame Basilica in Nice [Thursday] morning, killing three, one woman nearly decapitated. ... Police say the 21-year-old attacker was born in Tunisia and was unknown to the intelligence community." Imtiaz Tyab said on the CBS Evening News (10/29, story 6, 1:25, O'Donnell, 4.35M) that President Emmanuel Macron "rushed to the area, telling reporters France is under attack by Islamist terrorists, and sharply increasing the number of troops on the streets to 7,000." NBC Nightly News (10/29, story 3, 1:40, Holt, 5.7M), the AP (10/29, Hinnant), and Reuters (10/29, Gaillard) also report.

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State Department Backs Sale Of 50 F-35s To UAE After Israel Drops Objections.

Bloomberg (10/29, Capaccio, Wadhams, 4.73M) reports that on Thursday, the State Department "notified Congress...that it backs the proposed sale of as many as 50 F-35A fighter jets to the United Arab Emirates for $10.4 billion." Bloomberg says this is "the latest step in the Gulf nation's efforts" to secure the Lockheed Martin fighters "after it agreed to recognize Israel in an accord brokered by the Trump administration." Under US law, "Israel is guaranteed weapons needed to maintain its 'qualitative military edge' over Arab nations," and US officials "have said they can provide that assurance regardless of F-35 sales without specifying publicly what they would offer Israel."

Reuters (10/29, Zengerle) reports that the Senate Foreign Relations and House Foreign Affairs committees, "whose members have criticized the UAE's role in civilian deaths in Yemen, have the right to review, and block, weapons sales under an informal review process." Reuters also reports Israeli Prime Minister Benjamin Netanyahu said on Thursday, "We all face a common threat," in what Reuters says was "an apparent allusion to Iran...when asked about...the impending UAE jet sale." Politico (10/29, Feldscher, O'Brien, 4.29M) reports that last week, Israel "agreed to allow the U.S. to sell 'certain weapons' to the UAE after Pentagon officials promised to sell Israel more U.S.-made military equipment to maintain its advantage."

NYTimes Analysis: Xi Has Consolidated Power During COVID Crisis.

Under the headline "As The West Stumbles, 'Helmsman' Xi Pushes An Ambitious Plan For China," the New York Times (10/29, Buckley, Myers, 18.61M) says, "The United States is embroiled in a bitter presidential race and a surge in coronavirus infections. Europe is locking down again. In Beijing, by contrast, Xi Jinping is exuding confidence that he and China can emerge from the pandemic stronger and unbowed." A Communist Party meeting concluded Thursday "with a rousing statement lauding Mr. Xi as the party's helmsman, affirming his broad mandate as the leader who will steer China through perilous waters for years to come." The Times says Xi has "used the meeting to show that he remains unchallenged and resurgent nine months after the coronavirus plunged China into its worst crisis in decades."

O'Brien Says Trump Has Recognized "Threat From China." On Fox News' The Story (10/29), National Security Adviser O'Brien said, "President Trump...is the first President in my adult lifetime who recognized the threat from China, who put tariffs on China and called China out for its intellectual property theft. And on the defense side, he adopted Ronald Reagan's 'peace through strength' policy. ... It's been pretty spectacular what the President has done with respect to China."

UK's Labour Party Suspends Corbyn Over Anti-Semitism Response.

The New York Times (10/29, Mueller, 18.61M) reports the UK's Labour Party "suspended its former leader Jeremy Corbyn on Thursday after he deflected blame for the party's handling of anti-Semitism allegations." The suspension "had few precedents in the history of British politics. Only a little more than 10 months after an election in which Labour fought to make Mr. Corbyn prime minister, and just over six months since he stepped down as leader, Mr. Corbyn was no longer a Labour lawmaker." The Washington Post (10/29, Booth, 14.2M) reports, "Jewish leaders, including lawmakers in the Labour Party, have for years accused the party rank-and-file and grandees of using anti-Semitic language on social media and in party meetings," and Corbyn "has also personally faced charges of anti-Semitism."

Protests Continue In Poland Despite PM's Plea.

The AP (10/29, Scislowska) reports fresh protests "broke out in Polish cities late Thursday against a recent high court ruling that tightens already strict abortion laws, with participants ignoring an appeal" by Prime Minister Mateusz Morawiecki "to desist due to pandemic restrictions as COVID-19 infections hit a huge spike." Large crowds "have protested daily over the past week across the predominantly Catholic country, after a top court ruled that abortion of fetuses with congenital defects is unconstitutional," and "women's rights activists confirmed plans for a huge march in Warsaw Friday evening."

Bolivia Holds Successful Election Despite Upheaval, Pandemic.

Under the headline "From Bolivia, Lessons For A Successful Election," the New York Times (10/29, Turkewitz, 18.61M) says that "as nationalism, misinformation and the pandemic have emerged as threats to democracy," Bolivia, "in political upheaval for most its 195-year history, managed a free and fair" presidential election. The vote came "amid extreme polarization and racial division, on the back of violent protests, while battling voter distrust and fighting one of the worst coronavirus outbreaks in the world."

At Least 140 Migrants Dead In Shipwreck Off Senegal.

The AP (10/29, Dione) reports the International Organization for Migration said Thursday that "a weekend migrant shipwreck off Senegal has left at least 140 people dead, making it the deadliest so far this year." About 200 passengers set off "from the Senegalese town of Mbour on Saturday, heading for Spain's Canary Islands, but the boat soon caught fire and sank off Senegal's northwestern coast near Saint Louis. Fifty-nine passengers were saved, IOM said." The New York Times (10/29, Levenson, 18.61M) "about 11,000 migrants have reached the Canary Islands this year, compared with 2,557 during the same period last year, the agency said. At least 414 people have died along the route, up from 210 last year."

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Tanzania President Leads Vote Count Amid Accusations Of Fraud And Intimidation.

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The AP (10/29, Odula, Anna) reports Tanzania President John Magufuli led in early results in the country's presidential election, but lead

opposition candidate Tundu Lissu said "whatever happened on Wednesday wasn't an election and was like 'spitting in the face of democracy.'" The US "noted 'credible allegations of significant election-related fraud and intimidation,'" and "the other main opposition party said several leaders were arrested after calling for protests, and one was badly beaten."

Biden Campaign Avoiding Contact With Foreign Diplomats.

The New York Times (10/29, Jakes, Landler, 18.61M) reports that Joe Biden's presidential campaign, "concerned over any possible perception of foreign meddling in the presidential election – or any comparison to Russian interference on President Trump's behalf in 2016 – has ordered its high command to refuse nearly all conversations with foreign officials or members of Washington's diplomatic corps." According to the Times, "That has left the emissaries along Washington's Embassy Row to woo Mr. Biden's informal and unpaid political advisers, or lawmakers who are close to him, for any crumb of information that might be spilled during...gossip swapping."

WPost Urges Support For Pro-Democracy Protesters In Belarus.

The Washington Post (10/29, 14.2M) editorializes, "For about three months, demonstrators in Belarus have been detained, beaten, hit with water cannons, fired from their jobs and expelled from universities by the regime of President Alexander Lukashenko. ... This is a genuine movement for democracy that just won't quit – and hopefully will prevail." Despite setbacks, the Posy says "the battle for Belarus is not over. The protesters deserve every ounce of support that democratic nations can muster."

Housing

Freddie Mac Net Income Rises To $2.5B In Q3.

HousingWire (10/29, Ramirez, 23K) reports Freddie Mac's net income "rose to $2.5 billion in the third quarter of 2020, up from $1.5 billion in the second quarter." HousingWire attributes the growth to "guarantee portfolio growth, higher upfront fee income recognition and strong margins on multifamily loan commitments." The GSE "reported 2.95% and 2.21% of the loans in the single-family guarantee portfolio and the multifamily mortgage portfolio, respectively, were in forbearance as of September 30, 2020." Freddie Mac CEO David Brickman said, "The company delivered strong earnings on higher revenues, substantially increasing our total equity by $2.5 billion to $13.9 billion – bringing us one step closer to our goal of responsibly exiting conservatorship. We did this while helping hundreds of thousands of families buy, rent and remain in their homes."

National Mortgage News (10/29, Finkelstein) reports Brickman said, "We expect the multifamily market to continue to do well in the medium to long-term but that ultimately will depend on resumption of economic growth. Since other debt providers have stepped back from the multifamily market, Freddie Mac has stepped forward. This is precisely the countercyclical support borrowers need from us and for which we are almost uniquely suited." Brickman added, "Our data shows that the vast majority of Freddie Mac borrowers who have fallen more than 60 days behind on their mortgage payments during the pandemic, 96.1% to be exact, have enrolled in forbearance. And that figure is even higher among minority borrowers at 97.6%. Since the outbreak began, approximately 639,000 single-family borrowers have used our forbearance options and 300,000 of those have already exited forbearance. In the third quarter nearly 100,000 borrowers moved directly from forbearance to a payment deferral, bringing them current on their mortgage."

DS News (10/29, Babb) reports Brickman said, "The company delivered strong earnings on higher revenues, substantially increasing our total equity by $2.5 billion to $13.9 billion – bringing us one step closer to our goal of responsibly exiting conservatorship. We did this while helping hundreds of thousands of families buy, rent, and remain in their homes." Behind a paywall, Inside Mortgage Finance (10/29, Muolo, Hollier, Subscription Publication) reports, "Meanwhile, there are potential storm clouds on the horizon. Fannie's 'serious delinquency' rate jumped to 3.20% at Sept. 30 from 2.65% 90 days earlier. A year ago, the reading was a mere 0.68%. Freddie's SR rate increased to 3.04% from 2.48% on June 30."

A HousingWire (10/29, Roha, 23K) piece on the FHFA's FY2021-2024 strategic plan also highlights the GSEs' Q3 earnings. Seeking Alpha (10/29, 512K) also reports.

Podcast: Freddie Mac's Cindy Waldron On Tackling Housing Affordability Amid The Pandemic.

HousingWire (10/29, 23K) reports, "This week, Cindy Waldron, the vice president of research and analytics at Freddie Mac, joins the Housing News Podcast" to share "how the nation's lack of housing inventory is affecting low- and moderate-income borrowers, as well as how COVID-19 will impact the homeownership dreams of Americans who may be struggling financially due to the pandemic." Waldron explains, "We are seeing [the pandemic] hit a lot of renters, but we are actually also seeing it stimulate some of these Millennials. A lot of [Millennials] were staying in place as interest rates remained low, but during COVID-19 we began to see them move to the next house as they wanted additional space." Looking ahead, Waldron says, "Our chief economist at Freddie Mac has predicted the 30-year fixed mortgage will be around 3% in 2021, so that's good news for affordability as these low rates will keep monthly payments down." However, house price growth "has been more challenging."

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Freddie Mac: Mortgage Rates Hold Near Record Lows; 30-Year FRM At 2.81%.

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The Washington Post (10/29, Lerner, 14.2M) reports a Freddie Mac survey released Thursday shows "mortgage rates remained near record

lows last week...amid turbulence in the stock market spurred by investors' uncertainty over rising coronavirus cases and stalled relief talks." The average for a 30-year fixed-rate mortgage "ticked up to 2.81 percent from 2.8 percent with an average 0.7 point. ... The 15-year fixed-rate average ticked down to 2.32 percent from 2.33 percent, with an average 0.6 point. The five-year adjustable-rate average of 2.88 percent, with an average 0.3 point, was slightly up from the 2.87 percent of the previous week." The AP (10/29) reports tat the low rates have "bolstered demand from prospective homebuyers."

HousingWire (10/29, Roha, 23K) reports Freddie Mac Chief Economist Sam Khater said, "Strong purchase demand is helping to lift the construction, manufacturing and transportation industries that build new homes and it is also leading to more consumer spending for owners, who are selling or improving their homes. On the refinance front, many consumers are smartly taking advantage of the ability to lower their monthly payment, which means they can spend, save or pay down debt more so than they have in the past."

Also reporting are National Mortgage News (10/29), National Mortgage Professional (10/29, Persaud), Mortgage Orb (10/29, Bates), the Orange County (CA) Register (10/29, 546K), and Seeking Alpha (10/29, 512K).

Fannie Mae Plans Switch To Hedge Accounting In 1Q21.

National Mortgage News (10/29, Sinnock) reports that Freddie Mac "switched to hedge accounting back in 2017 after rate swings hurt its earnings," and now, Fannie Mae has finalized plans to follow suit. Fannie Mae CFO Celeste Brown said in Fannie's Q3 earnings call on Thursday that the accounting change will take place in 1Q21, and it may help Fannie prepare to exit conservatorship. According to NMN, Odeon Capital analyst Dick Bove still believes "Fannie and Freddie Mac would need to make a lot of other improvements to the transparency and state of their financials before [he] would consider their shares to be competitive investments."

Multifamily Financing

- ***Next Wave Investors Gets $21M Freddie Mac Refi For Phoenix Community.*** Multi-Housing News (10/29) reports Next Wave Investors "has received a $21.2 million refinancing package for Westover Parc, a 160-unit community in Phoenix. JLL worked on behalf of the borrower to secure the 10-year, floating-rate loan through Freddie Mac."
- ***JLL Provides Freddie Mac Refi For Philadelphia-Area Multifamily Asset.*** REBusiness Online (10/29) reports JLL "has provided a Freddie Mac loan of an undisclosed amount for the refinancing of Westridge Gardens, a 136-unit multifamily asset in Phoenixville, a northwestern suburb of Philadelphia."

Federal Judge Refuses To Halt CDC-Issued Moratorium On Evictions.

The AP (10/29, Brumback) reports that a federal judge in Atlanta "declined Thursday to put on hold a Trump administration directive that halts the eviction of certain renters through the end of the year in an effort to prevent the further spread of the coronavirus." The moratorium "was issued last month by the federal Centers for Disease Control and Prevention." Individual "property owners from four states – Georgia, New Jersey, South Carolina and Virginia – and a trade association representing owners and managers of rental housing in all 50 states filed a lawsuit challenging the order." Potentially behind a paywall, Bloomberg (10/29, Dolmetsch, 4.73M) also reports.

CFPB Quietly Restructuring SEFL Division.

Behind a paywall, Inside Mortgage Finance (10/29, Yang, Subscription Publication) reports the CFPB is "quietly reorganizing its supervision, enforcement and fair lending division to allow for what it believes will be consistent delivery of policy and strategic planning. But critics say it would strip the enforcement office of its power to open new investigations." An "internal memo" indicates "the bureau plans to create the Office of SEFL Policy and Strategy within the SEFL division to decide and assign work to the Office of Enforcement and the Office of Supervision for execution." SEFL Associate Director Bryan Schneider wrote, "This reorganization allows for more effective and consistent delivery of policy, strategic planning, tool choice and operational/administrative functions. The centralization of these functions will increase efficiency, promote role clarity, reduce friction, establish consistency in policy and strategic outcomes SEFL-wide, and leverage existing expertise across SEFL."

Fair Housing Groups Sue Redfin Over "Redlining" Minority Communities.

The AP (10/29) reports that in a "complaint filed in U.S. District Court in Seattle," several fair housing groups "accused Redfin of systematic racial discrimination...saying the online real estate broker offers fewer services to homebuyers and sellers in minority communities – a type of digital redlining that has depressed home values and exacerbated historic injustice in the housing market." According to the plaintiffs, "Redfin's policies and practices operate as a discriminatory stranglehold on communities of color, often the very communities that have been battered by a century of residential segregation, systemic racism, and disinvestment."

Census Survey: 9.9M Americans Not Up-To-Date On Rent Or Mortgage Payments.

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CNN (10/30, Lee-Johnson, 83.16M) reports, "According to the US Census Household Pulse Survey, by the end of October, 9.9 million Americans were not up-to-date on their rent or mortgage payments and had little to no confidence that their household could pay next

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month's rent or mortgage on time." The National Low-Income Housing Coalition (NLIHC) calculates that the country is short 7 million affordable rental homes for low-income renters. NLIHC CEO Diane Yentel said, "To be able to understand the eviction crisis that we're facing today, we have to recognize where we were before Covid-19 came to our country --and that was in the midst of a severe affordable housing crisis." CNN advises readers, "If you are struggling to pay your mortgage, you may be able to temporarily delay monthly payments if you have a federally or GSE-backed (Fannie Mae or Freddie Mac) mortgage. The reprieve is part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act."

Fannie Mae Net Income Soars To $4.23B In Q3.

The Wall Street Journal (10/29, Ackerman, Subscription Publication, 7.57M) reports Fannie Mae reported its net income rose from $2.55 billion in Q2 to $4.23 billion in Q3, up from $3.96 billion in 3Q19. 4.1% of the single-family loans Fannie guarantees were in forbearance as of September 30, a decline from 5.7% at the end of June. MarketWatch (10/29, Prang, 1.67M) reports, "Fannie Mae's third-quarter profit rose from a year ago, while the serious-delinquency rate for single-family homes also climbed. Profit at the mortgage guarantor was $4.23 billion, up from $3.96 billion a year ago, Fannie Mae reported on Thursday." Fannie reported "$430 million in credit-related income. That compares with the second quarter's $22 million in credit-related expenses and $1.76 billion in credit-related income a year ago. Net revenue was $6.75 billion. It rose from $5.54 billion a year ago." According to MarketWatch, "Fannie said 4.1% of its single-family guaranty book was in forbearance at the end of last month, mostly related to the coronavirus pandemic. That was down from 5.7% at the end of June. One-fifth of the loans in forbearance were current at the end of September, Fannie said. Fannie also said that the serious-delinquency rate for single-family was 3.2% at the end of September. That was an increase from 2.65% at the end of June."

HousingWire (10/29, Ramirez, 23K) reports, "Fannie Mae's net worth increased from $16.5 billion as of June 30, 2020 to $20.7 billion as of September 30, 2020. Based on its agreement with the U.S. Department of the Treasury, the company may retain quarterly earnings until its net worth reaches $25 billion." Fannie said in a press release, "Fannie Mae's current forecasts and expectations relating to the impact of the COVID-19 pandemic are subject to many uncertainties and may change, perhaps substantially. It is difficult to assess or predict the impact of this unprecedented event on the company's business, financial results or financial condition."

DS News (10/29, Babb) reports Fannie Mae CEO Hugh Frater said, "Our performance this year demonstrates our ability to support the mortgage market in a safe and sound manner even during these uniquely challenging times. To continue meeting these challenges, we believe our company and the broader housing finance system would be best served by a responsible end to Fannie Mae's conservatorship, consistent with FHFA's goals." Seeking Alpha (10/29, 512K) also reports.

FHA Program Loses Market Share In Q3.

Behind a paywall, Inside Mortgage Finance (10/29, Bancroft, Subscription Publication) reports FHA production volume rose in Q3, according to an analysis of agency MBS, but "the venerable mortgage insurance program continued to lose market share." According to IMF, "Lenders delivered $83.98 billion of single-family FHA loans into Ginnie Mae MBS during the third quarter, a solid 15.2% increase from the prior period. But total sales of loans with some form of primary MI coverage rose 19.0%. The FHA share of the insured agency market fell to 22.7%, down from 23.5% in the second quarter and 28.8% a year ago." IMF says both the VA program and private MI "gained some ground in the insured agency market, with quarterly sales volume increases of 19.7% and 20.3%, respectively."

NY Fed Panel Warns Small Mortgages Could Be A Pain Point.

National Mortgage News (10/29, Sinnock) reports that a NY Fed panel is warning that "potential problems down the road" could be "concentrated in smaller mortgages." According to NMN, "The distress is likely to be concentrated in properties with fewer tenants because in a one-to-four unit building, for example, a single incident of distress can mean a significant decrease in rental income." NMN says the FHFA "recently added a carve-out from an upcoming 50 basis-point refinancing fee for loans with a balance of $125,000 or lower that represents a nod to the concern. Nearly half of these borrowers are at or below 80% of area median income, according to the FHFA." However, "questions remain about how often lenders will be willing to refinance small loans at all as they process a deluge of applications."

JPMorgan Chase Marketing First SOFR-Linked Prime-Loan MBS.

National Mortgage News (10/30, Fest) reports JPMorgan Chase is "marketing the first prime residential mortgage securitization that will reference some of the AAA-rated term notes to the fledgling Secured Overnight Financing Rate published by the New York Fed." Presale reports indicate "three Class A note tranches of pass-through mortgage certificates (as well an interest-only tranche) can reference SOFR as a benchmark rate in the new $342.2 million JPMorgan Mortgage Trust (JPMTT) 2020-8, should they be lower than the weighted average coupon of the collateral pool after applying a basis-point spread." NMN says, "A term-SOFR rate will be used first according to a benchmark decision waterfall published by the ratings agencies, but the deal could use a compounded SOFR index of prior daily rates."

Zillow: Low Rates Improving Home Affordability, But Americans Struggle Saving For Down Payments.

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M Report (10/29, Espinosa) says a "recent Zillow report" suggests that "monthly mortgage payments are getting more affordable for most

Americans. In fact, Zillow reports that mortgage rates for U.S. homeowners have actually hit all-time record lows." However, "According to Zillow data, even though mortgage payments are decreasing, the fact remains that American homeowners are still having trouble getting into homes in the first place. The reason for this schism is that would-be buyers face extraordinary price growth in total home prices – prices far above the average American's income (more so than we've seen in the past several years)." Zillow found that "homeowner households earning a median income for American workers reported shelling out 17.5% of their total earnings to use toward a mortgage during the month of September. This figure was down from the 19.6% that was reported just two years ago."

Racial Disparity Evident In Detroit's Housing Market.

The Wall Street Journal (10/29, Subscription Publication, 7.57M) reports that Detroit is a glaring example of systemic failure in housing, according to Quicken Loans' Laura Grannemann. For many of the city's Black residents, decades of redlining and lack of access to affordable credit have kept homeownership out of reach. Of the mortgages made in Detroit, a disproportionate share go to white borrowers; while white Americans make up less than 10% of Detroit's population, they obtained 39% of the city's mortgages in 2019. On the other hand, Black residents are 80% of the city's population, but Black Detroiters only got 51% of the city's mortgages.

NAR: Pending Home Sales Dip 2.2% In September, Missing Expectations.

The AP (10/29) reports US pending home sales dipped 2.2% in September, the National Association of Realtors announced on Thursday. This was the "first monthly contraction of that figure in four months," the AP reports. Reuters (10/29) reports that the economists it had polled "had forecast pending home contracts...rising 3.4% in September." Instead, pending home sales "fell in the Midwest, South, and West," only rising in the Northeast. Mortgage News Daily (10/29, Swanson) reports, "Those polled by Econoday were not universally upbeat, their forecasts were, in fact, wild. They ranged from a 4.0 percent downturn to a 9.5 percent increase. The Econoday consensus was for growth of 3.5 percent, while the consensus from Trading Economics was 3.4 percent."

Potentially behind a paywall, Bloomberg (10/29, Ren, 4.73M) reports NAR Chief Economist Lawrence Yun said, "The demand for home buying remains super strong, even with a slight monthly pullback in September, and we're still likely to end the year with more homes sold overall in 2020 than in 2019. With persistent low mortgage rates and some degree of a continuing jobs recovery, more contract signings are expected in the near future." HousingWire (10/29, Mohtashami, 23K) provides additional coverage.

Wade: Federal Regulations Should Incentivize Pathways To Affordable Housing.

Writing for National Mortgage News (10/29), FHA Commissioner Dana Wade says HUD has been "knocking down many decades-old barriers to the production of manufactured housing, which are homes built in factories and shipped nationwide." However, she says, "manufactured housing has too often been stymied by complex local zoning ordinances, a false stigma regarding quality that is decades out of date, and layer-upon-layer of regulations. Mitigating these issues will expand the supply of manufactured housing and reduce the homeownership affordability gap." Wade concludes that the "federal regulations that govern manufactured housing should encourage the industry's technological advancements, improvements in manufacturing materials, economies-of-scale production, and other process efficiencies and cost savings. All of this translates into more housing affordability and a better menu of options for homeownership."

Markets

10-Year Yield Rises.

MarketWatch (10/30, 1.67M) reports the 10-year Treasury yield rose to 0.825 percent.

Dollar Firms.

Reuters (10/30, Yamamitsu) reports, "The dollar firmed on Friday and the euro wallowed near a four-week low against the greenback after the European Central Bank signalled further monetary easing by the end of the year." The euro "was little changed at $1.1676 in Asia, taking a pause after hitting a four-week low of $1.1650 in U.S. trade overnight. Against the yen, the common currency slightly eased at 122.08 yen." The dollar index "rose to a four-week high overnight due to the euro's decline and U.S. data. It stayed near Thursday's level at 93.916 and was on track to post its second monthly gains."

Gold Stays Flat.

Reuters (UK) (10/30) reports, "Gold prices lingered near the one-month low hit in the previous session on Friday, as the dollar strengthened and hopes of an immediate U.S. coronavirus aid package waned." Spot gold "was flat at $1,867.30 per ounce by 0108 GMT and was on track to post its worst week in over a month," while US. gold futures "were down 0.1% at $1,866.20."

Oil Falls.

Reuters (10/30, Tan) reports, "Global oil prices fell more than 1% on Friday, extending losses and on track for a second monthly fall, on growing concerns that the rise in COVID-19 cases in Europe and the United States could hurt fuel consumption. Brent crude dropped for a third day and was down 60 cents, 1.6%, at $37.05 a barrel by 0720 GMT after touching a five-month low in the previous session." US West

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Texas Intermediate crude "declined 53 cents, or 1.5%, to $35.64 a barrel after dipping to its lowest since June on Thursday."

Cybersecurity

After FBI Warning, US Healthcare Facilities On Cyber Alert.

The New York Daily News (10/29, Shahrigian, 2.52M) reports, "The city is on alert for possible cyberattacks in the wake of an FBI warning about threats to the country's health care system, Mayor de Blasio said Thursday. 'Our Cyber Command is an extremely talented group of people, very strategically conservative in their approach and really making sure that we have what we need across all elements of city government,' he said at a press conference. 'That obviously includes our public health system.'" De Blasio's comments "came after federal authorities said Wednesday that 'malicious cyber actors are targeting the [public health] Sector with Trickbot malware, often leading to ransomware attacks, data theft, and the disruption of healthcare services.'"

CyberScoop (10/29, Lyngaas) reports, "A day after U.S. federal agencies warned of an 'imminent' ransomware threat to hospitals, it's an all-hands-on deck mentality for a health sector already strained by the coronavirus pandemic." According to CyberScoop, "Private threat briefings are being held for hospital executives, federal officials are appealing for more data on the cybercriminals and hospitals are hardening their computer networks. The defensive measures follow an advisory Wednesday from the FBI and departments of Homeland Security and Health and Human Services that cybercriminals were deploying Ryuk ransomware to disrupt IT networks and extort hospitals. It was a stark warning, even for a health care sector accustomed to pandemic-era cyberattacks: Medical organizations are being singled out by capable crooks."

Vox (10/29, Morrison, 2.27M) reports, "As though hospitals across America didn't have enough to handle with the recent resurgence of Covid-19 causing overflows and straining their resources, they're now the possible targets of a new onslaught of ransomware attacks." Vox adds, "An alert from the FBI, the Department of Health and Human Services (HHS), and the Cybersecurity and Infrastructure Security Agency (CISA) said on Wednesday that there is an imminent threat of ransomware attacks on American hospitals and health care providers. Ransomware is malware that locks up a system's computers and data until a ransom is paid. The alert didn't specify who the agencies thought might be responsible for the attacks, but HHS has said in the past that the ransomware associated with the current threat is linked to Russian criminal groups. The alert also didn't say how many – if any – health care institutions had already been affected, but Reuters reports that there were attacks in New York, Oregon, and Washington state."

WDRB-TV Louisville, KY (10/29, Ragsdale, 179K) reports from Louisville, Kentucky, "Hospitals all around the U.S. are being warned about a scheme to hack computer systems and hold data hostage for money. The FBI and two other federal agencies sent out alerts related to the threats Wednesday night. The alert warns that there is 'credible information of an increased and imminent cybercrime threat to U.S. hospitals and healthcare providers.'" WDRB-TV adds, "The primary means of a hack would be ransomware, according to the alert. The attack would essentially create a 'hostage' situation for hospitals in which hackers would take control of data and not release it until a ransom is paid. There has been no indication that any of the largest health care providers in the Louisville area have been targeted by ransomware attacks. Nonetheless, FBI Louisville's 'Cyber Squad Supervisor is checking in with them' on Thursday, an FBI spokesperson told WDRB News."

VTDigger (VT) (10/29, Jickling, 4K) reports that the FBI "is investigating a cyberattack that caused a shutdown of the University of Vermont Health Network's online systems." UVM Medical Center President Steve Leffler "said Thursday officials had not identified the source of the attack that had downed the electronic health records system and its patient portal, where patients can access their appointment information and medical history. After learning of the issues on Wednesday afternoon, the staff switched to all paper medical records, Leffler said. Some appointments Thursday were cancelled, including certain surgeries and elective X-rays, Leffler said. The Burlington hospital has temporarily stopped taking trauma patients transferred from other emergency rooms. The system shutdown will likely delay the result of some Covid tests."

The AP (10/29) reports from Burlington, Vermont, "The University of Vermont Health Network has 'experienced a significant and ongoing system-wide network issue' and is investigating all causes including a possible cyberattack, officials said Thursday, as federal agencies are warning about cyber-assaults against the U.S. health care system." The AP adds, "Some changes have been made to patient appointments and the network was trying to reach impacted patients, said spokesman Neal Goswami in a text. The outage has affected its six hospitals in various ways." According to the AP, "Federal agencies warned Wednesday that cybercriminals are unleashing a wave of data-scrambling extortion attempts against the U.S. health care system designed to lock up hospital information systems, which could hurt patient care just as nationwide cases of COVID-19 are spiking. The FBI and two federal agencies warned in an alert that they had 'credible information of an increased and imminent cybercrime threat to U.S. hospitals and healthcare providers.'"

Judge Rules Huawei CFO Can Bring Forward Additional Evidence.

Bloomberg (10/29, Pearson, 4.73M) reports that Huawei CFO Meng Wanzhou "will be permitted to bring forward 'some, but not all' of the evidence she had requested," a Canadian judge announced Thursday. The "small victory" means she "can introduce additional evidence to buttress her argument that the U.S. handover request is so deeply flawed it should be thrown out." Meng's defense "has argued that request and its supporting documents were so 'grossly inaccurate' that they constitute an abuse of process grave enough to justify having the court dismiss the extradition case." One batch of emails contains "an excerpt from a separate 2012 deferred prosecution agreement in which" the US DOJ "said it could revive criminal charges against HSBC if the bank 'knowingly' processes transactions that violate sanctions in the

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future."

Hackers Steal $2.3M From Wisconsin Republican Party Account Funding Trump Reelection Efforts.

The Wall Street Journal (10/29, Subscription Publication, 7.57M) reports that computer hackers stole $2.3 million from a fund the Wisconsin Republican Party has used to support the effort to reelect President Trump in that state. The party's Chairman, Andrew Hitt, said they informed the FBI a week ago when they noticed suspicious activity. The hackers directed funds away from four vendors by manipulating invoices, and the party was discovered when they noticed an invoice that should not have been generated.

The AP (10/29) reports that Hitt "said he was not aware of any other state GOP being targeted for a similar hack, but state parties were warned at the Republican National Convention this summer to be on the lookout for cyber attacks." Campaign officials in the state "learned about the alleged hack from media reports and were furious that state officials had not briefed them on how it might impact operations," according to an anonymous Trump campaign official. Meanwhile, the Wisconsin Department of Justice, "which has a center focused on cyber crime able to assist if requested, has not been asked to investigate, said spokeswoman Rebecca Ballweg."

Reuters (10/29, Satter) reports that Hitt said, "These criminals exhibited a level of familiarity with state party operations at the end of the campaign to commit this crime."

Also reporting are Bloomberg (10/29, 4.73M), NBC News (10/29, 6.14M), and the Milwaukee Journal Sentinel (10/29, 632K).

NSA Unveils 25 Top Vulnerabilities Exploited By Chinese Hackers.

CPO Magazine (SGP) (10/29) reports that the NSA "published a report detailing the top 25 vulnerabilities currently being exploited by Chinese state-sponsored hacking groups." The agency "said that the bugs exist in web services or remote access tools." The vulnerabilities are "directly accessible from the Internet and can act as gateways to organizations' internal networks." China and "other state-sponsored threat actors from Russia and Iran had also exploited some of these top vulnerabilities to compromise computer systems." The NSA considers "Chinese malicious cyber activity to be among the greatest risks facing the US Defense Industrial Base (DIB), the US National Security Systems (NSS), and the Department of Defense (DoD) information networks." The NSA "urges organizations in the public and private sectors to patch their systems."

Florida Chamber Of Commerce, Key West Documents Uploaded To Web By Ransomware Group.

The Miami Herald (10/29, Elwood, 1.09M) reports that Florida Chamber of Commerce and city of Key West document have been reportedly "posted online but buried so deep on the Dark Web that a simple Google search won't yield results." The documents were "uploaded by a ransomware group claiming the material was stolen in a cyberattack." Agencies including the FBI "warned Wednesday that cybercriminals are unleashing a major ransomware assault against the U.S. healthcare system." The documents posted so far "include publicly available and seemingly harmless information – based on the Miami Herald's review." However, "their existence still poses two key questions, how can attackers get in and what else can they access?"

US Agencies Warn Kimsuky Hacker Group Is Preying On Foreign Academics.

The Times (UK) (10/30, Lloyd Parry, Subscription Publication, 50K) reports, "North Korean hackers are posing as journalists and using bogus emails and websites to extract information from foreign academics and government organisations." A statement from US agencies including the FBI "warns businesses, universities and think tanks against the activities of the so-called Kimsuky group." The group "is believed to have carried out cyberattacks against a range of targets, including South Korean and Indian nuclear power plants." Other hacker groups "have been blamed for a variety of attacks in the past few years, from petty credit card and cashpoint fraud to the robbery of millions of pounds from the Bangladesh national bank."

Akamai CEO Says Hackers Taking Advantage Of Work-From-Home Boom.

CNBC (10/29, Matthews, 3.62M) reports that the "stay-at-home boom" during the pandemic "also has been closely watching a boom in bad actors," according to Akamai Technologies CEO Tom Leighton. Hackers are taking advantage of people working from home, "and massively increasing the number of attacks as daily routine changes caused by the pandemic are prolonged, and become potentially permanent." Leighton said "the threat actors are trying to take advantage of the pandemic, and of course, the prize is greater now that so much business has moved online." He also "said that in the last couple of months, Akamai Technologies has seen an 'enormous increase' in DDoS extortion attacks, mostly threatening financial institutions and national stock markets."

Sony, OmniVision Granted US Licenses To Resume Sensor Shipments To Huawei.

Reuters (10/29) reports that Sony and OmniVision Technologies "have been granted U.S. licences to resume shipping some image sensors" to Huawei, "Nikkei Asia reported on Thursday, citing multiple sources familiar with the matter." US curbs "have also barred global suppliers from selling it chips, including image sensors, which use U.S. technology, without a special licence since Sept. 15." However, "some

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display and image sensor-related suppliers are receiving U.S. licences as those components are considered less related to cybersecurity concerns." Sony's license "could be limited only to a portion of its products."

Expert: Basic Cybersecurity Precautions Key To Minimizing Ransomware Threat.

An article in The Conversation (10/29, 62K) discusses a recent ransomware attack on "computer systems in Hall County, Georgia, including a voter signature database." The author, Richard Forno, a cybersecurity professional and researcher at the University of Maryland, Baltimore County, said that attack "follows on the heels of a ransomware attack last month on eResearchTechnology, a company that provides software used in clinical trials." The FBI has "warned that cyber criminals have unleashed a wave of ransomware attacks targeting hospital information systems." These attacks "underscore the challenges that cybersecurity experts face daily – and which loom over the upcoming election." Forno said "there is no silver bullet for defeating cyber threats like ransomware," and "defending against them comes down to the actions of thousands of IT staff and millions of computer users in organizations large and small across the country by embracing and applying the basic good computing practices and IT procedures."

Financial Regulatory Agencies

CFPB Faces Suit Over Payday Rule.

American Banker (10/29, Berry, Subscription Publication, 31K) reports two consumers groups have sued the CFPB "to overturn its 2020 payday lending rule, alleging the bureau violated the Administrative Procedure Act and the Dodd-Frank Act." On behalf of the National Association for Latino Community Asset Builders, Public Citizen and the Center for Responsible Lending filed suit Thursday claiming that the rule was not supported by evidence. Public Citizen attorney Rebecca Smullin said, "The CFPB's rule appears to be crafted solely to boost lenders' profits, contrary to the consumer financial protection mission of the agency."

Office of the Comptroller of the Currency

Brooks, Calomiris: OCC's "True Lender" Rule, Fintech Charter Will Expand Access To Banking.

Writing for The Hill (10/29, 2.98M), Acting Comptroller of the Currency Brian Brooks and Charles Calomiris, Chief Economist at the Office of the Comptroller of the Currency, explain how states' efforts to impose price controls and banking charter limits are "barriers on full and fair access" to the banking system. As such, the OCC recently finalized a rule that clarifies "that a bank is the 'true lender' of a loan and retains the consumer protection obligations related to that loan." The rule "also guards against fears of predatory lending" and "bolster[s] the ability of lenders, including financial technology companies, to create responsible partnerships with banks that reach the customers who may otherwise go unserved." Brooks and Calomiris add that states' efforts to block fintech charters cut "consumer and business choice and opportunity," stifle technology, and prevent "the banking system from adapting to such evolving consumer and market preferences."

Regulators Propose To Weaken Authority Of Guidance.

American Banker (10/29, Pedersen, Subscription Publication, 31K) reports federal financial regulators on Thursday "issued a proposed rulemaking to weaken the authority of supervisory guidance, codifying an announcement from 2018 that declared that guidance does not carry the force of law." In a joint press release, the Office of the Comptroller of the Currency, Federal Reserve, Consumer Financial Protection Bureau, Federal Deposit Insurance Corp., and National Credit Union Administration said, "Unlike a law or regulation, supervisory guidance does not have the force and effect of law and the agencies do not take enforcement actions or issue supervisory criticisms based on non-compliance with supervisory guidance." The agencies added, "Rather, supervisory guidance outlines supervisory expectations and priorities, or articulates views regarding appropriate practices for a given subject area."

Bitcoin Adoption Predicted To Reach 90% By 2030.

The CoinTelegraph (10/29, Pirus, 14K) reports that it will take 10 years for corporate allocation of Bitcoin to become the norm, according to Brian Estes, founder of investment firm Off The Chain Capital. Estes said, "I think in 2029, 2030, when 90% of U.S. households and people in the United States use cryptocurrency and Bitcoin, then I think it becomes a stable part of the [global] economy." According to the article, his "rationale is based on an analysis of the S-curve, a common graphical image depicting the speed and process of adoption for new technologies. ... Digital asset holders make up at least 15% of the 18-and-older U.S. population, based on 2020 data from consultancy firm Cornerstone Advisors, as reported by Forbes contributor Ron Shevlin in July. Acting U.S. Comptroller of the Currency Brian Brooks also commented on this 15% estimate in an August interview with CNN."

Analysis: Volcker Rule's VC Changes Will Support Underserved Regions.

Law360 (10/29, Subscription Publication, 8K) reports behind a paywall, "For nearly a decade, the Bank Holding Company Act, specifically the Volcker Rule, severely restricted banks and banking entities from investing in venture capital funds, effectively preventing them from backing the very types of investments the BHCA originally sought to promote: small businesses, regional business ecosystems that create jobs and spur innovation."

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Editorial Wrap-Up

New York Times.

"Holiday Must Look Different This Year. Lives Are At Stake." The New York Times (10/29, 18.61M) says that because the coronavirus "spreads most rampantly between people who gather indoors, in close quarters, to talk or laugh or sing, without wearing masks," one of "the most obvious ways to mitigate further viral spread will be for as many people as possible to stay home this holiday season." The Times says that "taking unnecessary risks now would be an affront to all those sacrifices" we have made through the year: "What will have been the point of closing schools, hobbling industries or swapping so many human interactions for so many virtual ones? So much of it will have been for naught if a surge of holiday travel gives way to a tsunami of outbreaks and, ultimately, more death."

Washington Post.

"The Supreme Court Could Still Flip The Election." The Washington Post (10/29, 14.2M) editorializes, "The Supreme Court is in dangerous territory" regarding potential election issues. Republicans "jammed Amy Coney Barrett onto the court days before next week's election. President Trump explained the reason for the haste: to ensure he has a friendly justice to rule his way when he alleges voting fraud." While "we can all hope that the Supreme Court will be irrelevant to the election going forward," an intervention with Barrett in a 5-4 majority would do "incalculable" damage "to the court's credibility."

"It's Great The Economy Grew. But It's Still In A Hole, And Congress And Trump Have Gone AWOL." The Washington Post (10/29, 14.2M) says President Trump "is, not surprisingly, taking credit for the good economic news," but "discerning voters will see through that last-minute political spin to the reality, which is that there is no way out of the crisis without a reliable, steady commitment of federal resources and attention – that is, exactly the kind of leadership that Mr. Trump has failed to provide."

"Belarus's Movement Will Hopefully Prevail. A U.S. President More Sympathetic To Democracy Could Help." The Washington Post (10/29, 14.2M) editorializes, "For about three months, demonstrators in Belarus have been detained, beaten, hit with water cannons, fired from their jobs and expelled from universities by the regime of President Alexander Lukashenko. ... This is a genuine movement for democracy that just won't quit – and hopefully will prevail." Despite setbacks, the Post says "the battle for Belarus is not over. The protesters deserve every ounce of support that democratic nations can muster."

Wall Street Journal.

"The Biden Contradiction." The Wall Street Journal (10/29, Subscription Publication, 7.57M) says that though Joe Biden is running as a moderate, his platform, when not vague, is left-leaning, and could presage a progressive shift in policy.

"The Economy's Post-Lockdown Comeback." The Wall Street Journal (10/29, Subscription Publication, 7.57M) says Thursday's report on the growth of the economy is an indication of the V-shaped recovery that has been predicted.

"Who's Ready For Another Bush V. Gore?" The Wall Street Journal (10/29, Subscription Publication, 7.57M) says that the Supreme Court has been right to intervene to uphold state election laws, and that its rulings contrary to that in the mixed set of decisions this week have made post-election turmoil more, not less, likely.

"Walmart's Opioid Whipsaw." The Wall Street Journal (10/29, Subscription Publication, 7.57M) describes the Administration's threat to sue Walmart for filling legal opioid prescriptions written by licensed doctors registered with the DEA as an abuse of its enforcement authority. The Journal argues that with some state regulators saying refusal to fill valid prescriptions interferes in the doctor-patient relationship, Walmart pharmacists are torn between contradictory orders from federal and state governments.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

US Economy Recovered Significant Ground in Record Third-Quarter GDP Rebound
Big Tech Companies Reap Gains As Covid-19 Fuels Shift in Demand
Exxon To Slash Up To 15% Of Global Workforce, Including 1,900 Jobs In US
Your European Vacation Was Canceled. How About A "Bavarian Village" In The Appalachians?
Dearth Of Credit Starves Detroit's Housing Market

New York Times:

Economy's Big Rebound Leaves A Shortfall As Progress Slows
Turkish Bank Case Showed Erdogan's Influence With Trump
Trump And Biden Converge In Florida, An Elusive Prize Still Up For Grabs
Texas Is A Tossup. So Why Won't Trump Or Biden Campaign There?
How Virus Politics Divided A Conservative Town In Wisconsin's North
New Terror Attacks Leave France Embattled At Home And Abroad

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Washington Post:
Nursing Homes Hit With Few Penalties
Final Efforts Focus On Latinos
Activism-Minded Young Voters Set To Break Record '08 Turnout
US Economy Recoups Lost Ground
France's Macron Is Unyielding After Attack Kills 3
How Trump Has Waged War On His Own Government

Financial Times:
Three Killed By Knifeman In French Church
US Economic Activity Rebounds At A Record Pace In Third Quarter
Ivory Coast Poll Tensions Raise Stakes Across West Africa
Scientists Warn Of New Coronavirus Variant Spreading Across Europe

Washington Times:
Trump Campaign Calls On Biden To Reveal What He Knows About FBI Probe Of Hunter
Trump, Biden Hold Dueling Campaign Rallies In Florida As President Cites Economic Comeback
DHS Marks Nearly 400 Miles Of Border Wall: 'More Secure Now Than At Any Time In Our History'
'A Deep Recognition': Mike Pompeo Sees 'Tide Turning' Against China In Asia
Terror Attack On Church Puts France On High Alert
Dark Horse: Trump Reprises Underdog Role As Sportsbooks Bet On Biden

Story Lineup From Last Night's Network News:
ABC: Campaign Trail; COVID-Cases; Hurricane Zeta; France-Terror Attack; COVID-Europe; Michigan-White Supremacist Group Members Arrested; FBI-Cybercrime Threat to Hospitals; Texas-Freight Train Derailed; Las Vegas-Small Plane Crash; Ohio-Fmr. Army Sgt. Beats Cancer.
CBS: Hurricane Zeta; Campaign Trail; Early Voting; Florida Voters; COVID-Cases; France-Terror Attack; Michigan-White Supremacist Group Members Arrested; Dan Coats-Election Fraud; FBI-Cybercrime Threat to Hospitals; Jerry Falwell, Jr.-Lawsuit; NYC-101 Year Old Woman Casts Vote.
NBC: Campaign Trail; Hurricane Zeta; France-Terror Attack; COVID-Cases; Medical Gloves Shortage; Unemployment; Texas-Freight Train Derailed; Stocking Essential Supplies; Halloween Reminders; Athlete with Down's Syndrome Trains for Ironman Competition.

Network TV At A Glance:
Campaign Trail – 10 minutes, 40 seconds
COVID – 10 minutes, 25 seconds
Hurricane Zeta – 6 minutes, 55 seconds
France-Terror Attack – 4 minutes, 35 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: COVID-Clemson Football; COVID-Ohio; COVID-El Paso, Texas; Campaign Trail; Philadelphia-Suspicious Van.
CBS: COVID-Boston; Campaign Trail; US Senate Races; Hurricane Zeta; California-Evacuation Orders Lifted; Scarlett Johanson Wedding.
FOX: Trump-Florida Rally; Biden-Florida Rally; Stimulus Talks; COVID-Cases.
NPR: Campaign Trail; COVID-Maine; COVID-Ohio; Big Tech-Benefitting from Pandemic.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Let's kick it off with the coronavirus. It's the reason people hit the ground whenever you sneeze. With cold weather arriving, many places in the world that had largely gotten the pandemic under control are now seeing alarming new spikes. ... While Europe is trying to limit public risk, the corona-in-chief Donald Trump is going around this country holding as many super-spreader rallies as he can. He even changed the crowd chant from 'lock her up' to 'lick your hands.'"

Trevor Noah: [On Trump rushing Sen. Martha McSally on stage at his rally] "I love how Trump cannot even share the spotlight even for a second. He would be a terrible duet with karaoke. 'Okay, I'll sing Brandy and Monica's part, and you can sing... Brandy and Monica!'"

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Trevor Noah: "All this campaigning doesn't come cheap. Did you know that with the congressional and presidential elections combined, the 2020 elections are expected to cost $14 billion? Twice the cost of 2016, $14 billion! That was almost a combined age of both candidates!"

Trevor Noah: "I mean, do you have any idea how much money that is? If you gave me $14 billion, I would be a billionaire. And what's crazy is they spend all this money to get elected and then, when you're like, 'Okay, I voted for you. Can I get free healthcare?', they will be like, 'Sorry, no money, we spent it on ads.'"

Jimmy Kimmel: "You know, we've all been wondering when is life going to get back to normal? The answer is, how the hell would I know? Even if we do get a vaccine sometime in the next few months, Dr. Fauci says we might not be back to normal until 2022. ... Remember when we were kids and we all thought we'd have flying cars by 2022? Now it's like, maybe in the future we'll be able to go to a movie without killing our grandma."

Jimmy Kimmel: "Meanwhile, the Vice President tested negative today. ... Yesterday, we learned his number two guy on the Space Force tested positive for the virus. Trump put Mike Pence in charge of two things: Space Force and COVID. And somehow, he managed to combine them into one."

Jimmy Kimmel: "Here's a question that I don't think has been asked. If Biden wins, what happens to the Space Force? Do we have to keep pretending that's a real thing?"

Jimmy Kimmel: "Meanwhile, Donald Trump's out there [complaining] about the big tech companies because they've been unwilling to help spread his smears against the Bidens, which I understand. No one likes to have their messages suppressed. Rather than retaliating, maybe just stop lying all the time and see if that solves it."

Jimmy Kimmel: "You know, Trump used to love doing these rallies. He would go and people would cheer. But now that he's losing and still has to go to these towns he hates, he's not doing a very good job of hiding his disdain. ... You know, when he's in prison, he'll wish he could go back to Omaha."

Stephen Colbert: "Currently, cases are rising in more than 40 states, and when it comes to the West and Midwest, the coronavirus task force warns of 'unrelenting, broad community spread.' Also the theme of Trump's campaign rallies."

Stephen Colbert: "As the campaign draws to a close, Trump and Biden are pushing opposing pandemic strategies. Biden is pushing viral containment, while Trump is pushing your grandma into traffic."

Stephen Colbert: [On Trump commenting that people want to return to normal life] "Yeah, I miss those pre-pandemic days of waking up to find out what country [Trump] had blackmailed, which porn star he had paid off, and which hurricane he was threatening to nuke. You know, normal."

Stephen Colbert: "Strangely, Trump's blatant disregard for human life seems to be hurting him with the key demographic of humans. The latest ABC News/Washington Post/PF Chang's Great Wall Of Chocolate poll shows that Biden is leading Trump by 17 points in Wisconsin. Seventeen? Trump doesn't know whether to be worried about that lead, or start dating it."

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Stephen Colbert: [On Trump saying that before he knew the writer of the anonymous op-ed in the New York Times was Miles Taylor, he was worried it could be anyone in his inner circle] "(As Trump) 'Now that the mystery's solved, I want to make it abundantly clear: I don't trust my

son-in-law, or any of these people around me. They all know things that, if they spilled their guts, I'd be gone in a minute. It's a nest of highly knowledgeable vipers. And I am just so thankful none of them has a conscience or I would be in real trouble.'"

Stephen Colbert: "Feeling anxious about Tuesday's upcoming election as I am? Well, you're not alone. According to a recent study, nearly 70 percent of US adults say the presidential election is a significant source of stress. It's okay. Just take deep cleansing breaths to forget about this election and start focusing on how much coronavirus you just inhaled."

Jimmy Fallon: "According to Trump, electing Biden will lead to riots in the streets, an economy in the tank, and no holidays. But also, he's a sleepy politician who can't get anything done."

Jimmy Fallon: "Today, Trump and Biden were both campaigning down in Tampa, Florida. ... I'm glad both guys were in the same place, cause it finally ends my uncle's conspiracy theory that Trump and Biden are actually the same lizard person."

Jimmy Fallon: "Yep, Trump went to Tampa, and this was nice. He brought some frozen Nebraska supporters so they could thaw out."

Jimmy Fallon: "As for Trump, you can tell his campaign is low on money 'cause he asked Biden if he wanted to split an Uber back to the airport."

James Corden: "At Trump's rally, first lady Melania Trump took to the stage to speak about the need for social distancing while speaking to a packed crowd of Trump supporters who weren't wearing masks. ... The only people at that rally who are socially distant are Donald and Melania, and they were doing it before COVID."

Seth Meyers: "In recently released audio, President Trump told veteran reporter Bob Woodward that his son-in-law Jared Kushner was, quote, 'one smart cookie,' and added, quote, 'Very capable guy, Jared. You can't get people like this.' And Lord knows, the FBI has tried."

Seth Meyers: "President Trump's campaign ran an ad yesterday on YouTube's home page that compared former Vice President Joe Biden to a zombie. As opposed to Trump, who has never once shown any interest in brains."

Seth Meyers: "The US Space Force yesterday announced that its second-in-command officer has tested positive for the coronavirus, which is an actual news item and not, as you might think, an episode summary for a terrible Netflix series."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks at a Make America Great Again Victory Rally in Waterford Township, MI; delivers remarks at a Make American Great Again Victory Rally in Green Bay, WI; delivers remarks at a Make America Great Again Peaceful Protest in Rochester, MN.
- Vice President Pence — Delivers remarks at a Make America Great Again Victory Rally in Flagstaff, AZ; delivers remarks at a Make America Great Again Victory Rally in Tucson, AZ.

***US Senate*:**

- Senate convenes for pro forma session – Senate convenes for pro forma session * Chamber on recess from 26 Oct – 9 Nov

Location: U.S. Capitol, Washington, DC; 12:00 PM

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***US House*:**

• House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 2 Oct – 16 Nov

Location: U.S. Capitol, Washington, DC; 10:00 AM

Cabinet Officers:

• Secretary of State Pompeo concludes India / Sri Lanka / Maldives / Indonesia / Vietnam trip – Secretary of State Mike Pompeo concludes trip to India, Sri Lanka, Maldives, Indonesia, and Vietnam, with agenda, respectively, including joining U.S. Secretary of Defense Mark Esper and their Indian counterparts in leading the third annual U.S.-India 2+2 Ministerial Dialogue in New Delhi; visiting Colombo; visiting Male; visiting Jakarta to deliver public remarks and meet his Indonesian counterparts; and visiting Hanoi to meet counterparts

Visitors:

• No visitors scheduled.

This Town:

• Dominican President Abinader speaks on Wilson Center event – Wilson Center and American Chamber of Commerce of the Dominican Republic host Dominican President Luis Abinader for a virtual event, on public health and economic impacts of the coronavirus (COVID-19); 10:30 AM

• Hudson Institute event on 'Regaining U.S. Military Superiority' with bipartisan Reps. Jim Banks and Seth Moulton – 'Rising to the Challenge: Regaining U.S. Military Superiority During a Time of Uncertainty' Hudson Institute virtual discussion with Republican Rep. Jim Banks and Democratic Rep. Seth Moulton, who discuss the results from the Congressional Future of Defense Task Force's year-long study of the U.S. military and state of U.S. national security; *12:00 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, OCTOBER 29, 2020 6:00 AM EDT

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• NYTimes Report: Turkish Gov't Lobbied Trump, Mnuchin To Limit Bank Fine.

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• Trump Campaigns In Arizona Near Nevada Border.
• Kudlow Predicts "Good Number" For Q3 GDP.
• IG Criticizes SBA's Management Of EIDL Program.
• States Facing Largest Cash Crisis Since Great Depression.
• Boeing Plans More Job Cuts.
• Visa Reports 29% Decline In Quarterly Profits.
• Ford Reports $2.39B Q3 Profit.
• Gilead Reports 17% Q3 Sales Increase, Aided By Remdesivir.
• Judge Rules Uber Can Send Political Message On Drivers' App.
• Court Denies FTC's Request To Rehear Case Against Qualcomm.
• PayPal To Invest More Than $50M In Black And Latino-Led Venture Capital Firms.
• Tiffany, LVMH Reach Preliminary Agreement On New Deal Terms.
• Deutsche Bank Posts Q3 Profit.
• Antitrust Complaint Filed Against Apple In France.
• US Rejects Nigerian Nominee To Lead WTO.
• Biden Presidency Could Reopen Democratic Divisions On Trade.
• Nearly Every State Seeing Rise In COVID Cases.
• Administration Proposes Rule That Would Make COVID Vaccine Free.
• Fauci: COVID Vaccine Will Not Be Available Until January.
• US Agrees To Spend $375M On Lilly Antibody Drug.
• WPost Report: White House Failed To Follow Contact Tracing Rules After Rose Garden Event.
• White House Report Says Administration "Ended COVID" Despite Virus Resurgence.
• In April, Kushner Said Trump Was Taking US "Back From The Doctors."
• Biden Again Denounces Trump's Handling Of Pandemic.
• DOJ Expands Inquiry Into New York Nursing Home Deaths.
• DOJ Investigating New Jersey Veterans Homes Over COVID Deaths.
• COVID Resulting In Disproportionate Burden On Working Mothers.
• WPost Profiles Maryland Family "Devastated" By Coronavirus.
• WSJournal: Catholic Schools Show How To Reopen Safely.
• Philadelphia Officials Impose Curfew, Call In State National Guard.
• Taylor's Mother Calling For New Grand Jury In Daughter's Case.
• Former Waukegan Officer Activated Body Camera Only After Fatal Shooting Of Black Teen.
• NYPD Officer Who Pressed Knee Into Neck Of Arrest Bystander Retires.
• WPost Examines Floyd's Interactions With Police.
• Senators Grill Social Media CEOs Over Handling Of Hunter Biden Report.
• Senate Democrats Press Trump Organization On Chinese Bank Account.
• Giuliani Associate To Plead Guilty To Fraud Charges.
• Russian PR Executive Played Role In Creation Of Dossier.
• Administration Considering Biometric Database For Visa Applicants.
• Administration Proposes Change To H-1B Visa Prioritizing High-Earning Applicants.
• Immigrants Facing "Express Deportations" Repeatedly Reattempt Border Crossing.
• ICE Accused Of Circumventing Cuban Asylum Rules By Not Releasing Immigrants.
• Rollins: People With Pre-Existing Conditions Will Have "Better Option" If ACA Is Overturned.
• Eight Charged With Pursuing Chinese Nationals In US.
• Sixty Arrested In Alleged Telemarketing Scheme.
• Bay Area Police Investigating Spray-Painted Swastika, "Trump" On Garage Door As Hate Crime.
• President's Attacks On Adversaries Followed Often By Online Threats.
• Hurricane Zeta Makes Landfall In Louisiana.
• Ex-DHS Official Reveals Himself As "Anonymous" Trump Critic.
• FBI Agents Association Warns Against Removal Of Wray.
• Lenders Forgave $287M In Trump Organization Debt Since 2010.
• National Polls Range From Narrow Trump Lead To Double-Digit Biden Leads.
• More Than 75M Have Voted, More Than 42M Requested Mail Ballots Still Unreturned.
• National Forest In Alaska Opened To Logging.

Attorney Work Product

• Lawsuit Accuses Census Bureau Of Pressuring Households To Falsify Data.
• Bernhardt Signs Order To Make National Parks Free To Veterans, Gold Star Families.
• Chao Discusses DOT Grants.
• Relationship Between McConnell, Schumer At New Low After Barrett Confirmation.
• Ocasio-Cortez Profiled In Vanity Fair Cover Story.
• QAnon Surviving Despite Crackdown By Tech Companies.
• Pence Campaigns In Wisconsin And Michigan.
• Scott Launches Pro-Trump Ad In Florida.
• Biden Vows To Pass Equality Act In First 100 Days.
• Harris Campaigns In Arizona.
• Biden And Obama To Appear Together In Michigan On Saturday.
• Biden Faults Trump After Rally Attendees Were Stuck In Freezing Weather.
• NYTimes Considers Biden's Strategy Of Following Light Travel Schedule.
• Flake Films Ad For Biden.
• Democratic Senate Candidates Outspending GOP In 14 Competitive Senate Races.
• Kelly Leads In Two Arizona Senate Polls.
• Ossoff, Warnock Lead Georgia Senate Poll.
• Gideon Leads Maine Senate Poll By Just Over Three Points.
• Peters Leads In Three Michigan Senate Polls.
• Smith Has Three-Point Lead In Minnesota Senate Poll.
• Bullock Has One-Point Lead In Montana Senate Poll.
• Cunningham Leads By Three Points In Two North Carolina Senate Polls.
• Graham And Harrison Tied In South Carolina Senate Poll.
• NYTimes: Three States Should Vote In Favor Of Progressive Taxation.
• RCP Average Has Trump's Job Approval At 44.3%.

Financial International News

• World Bank Official To G20: "Be Bold" On Debt Relief For World's Poorest Nations To Prevent "Lost Decade."
• ECB Expected To Hold Policy Steady After Meeting, Signal Action In December.
• Ukraine PM Says Progress Made On Obligations In IMF Agreement.

Leading International News

• Protests Break Out Across Europe Over Reimposed Lockdowns.
• Court Refuses To Review Conviction Of Former Detainee Who Rejoined Al Qaeda.
• Construction At Iran Nuclear Site Shown In Satellite Photos.
• Ratcliffe Said To Have Gone "Off Script" With Remarks On Iranian Election Interference.
• Afghan Man Indicted For Kidnapping Journalist, Brought To New York.
• WPost Report: "Handful Of Foreign Leaders" Express Support For Trump.
• Pompeo To Make Unscheduled Visit To Hanoi As Part Of Asia Trip.
• Pompeo Announces US Will Establish An Embassy In Maldives.
• US Consulate In Hong Kong Reportedly Turned Away US Citizen Seeking Refuge.
• Azerbaijan, Armenia Accuse Each Other Of Targeting Civilians.
• Poles Continue Protests, Strike Against Abortion Ruling.
• Barcelona Judge Probing Catalan Separatist Ties To Russia.
• Opposition Candidate Alleges "Widespread Irregularities" In Tanzania's Presidential Election.
• WPost: US, EU Should Investigate Reports Of Russian Labs Developing Chemical Weapons.

Housing

• Bove's Commentary Bodes Well For GSE Common Shares.
• Freddie Mac Single-Family Webinar To Explore "New Now" In Housing Affordability.
• NC Governor Extends Eviction Moratorium Until December 31.
• CFPB Fines Washington Federal Bank $200K For HMDA Reporting Errors.
• MBA: Mortgage Applications Up 1.7% W/W, Up 24% From Year-Ago Level.
• CoreLogic: Mortgage Fraud Risk Fell 26% YoY In Q2.
• Wall Street Analysts Say Mortgage Prepayments Likely To Remain Fast In October.
• Banks See Surge In Mortgage Income In Q3.
• Fannie Mae Long-Term Debt Issuance Surges Through August 2020.
• NAREB: Black Homeowners Lose Average $14K Over Life Of Mortgage.
• WalletHub Analysis Breaks Down Average Credit Score By State.
• Incenter Offering $564M Bulk Package Of Agency MSRs.
• MFA Financial Preps $570M Non-QM MBS.
• Housing Market Still Hot In Late October In Many Metros.
• Zillow: Pandemic Prompts Many Potential Sellers To Hold Off.
• Survey: Pandemic Had Differing Impact On Segments Of NextGen Homebuyers.

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• 10-Year Yield Rises.
• Dollar Holds Steady.
• Gold Edges Up.
• Oil Rises.

Cybersecurity

• Russian-Speaking Cyber Criminals Launch Ransomware Attack On US Hospitals.
• Russian Hackers Relentlessly Targeting American Elections, Other Targets.

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• Microsoft: Iranian Hackers Spoofed Invitations To Conference Attendees.
• Robert Koch Institute Targeted Again By Hackers.
• UK's GCHQ Chief Says Cap On China-Made 5G Parts May Be Needed.
• Congressman Advocates Speedier Attribution Of Malicious Cyber Activity.
• Canadian Border Patrol Officer Says Examination Of Huawei CFO Was Normal.
Federal Reserve
• Fed Seen To Be Running Out Of Policy Tools To Support US Economy.
Internal Revenue Service
• IRS, Federal Agencies Explore, Potentially Deploy Hacking Tools.
Office of the Comptroller of the Currency
• OCC Grants SoFi Preliminary Approval For Bank Charter.
• Analysis: How Presidential Election Could Impact CRA Reform.
• NCUA Joins Other Regulators In Approving Interagency Guidance Proposal.
• Superregionals Face Challenges In Fast-Changing Industry.
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Pelosi Says Stimulus Package Could Become Lame-Duck Issue, Hopes Stock Market Woes Move Trump.

The Wall Street Journal (10/28, Andrews, Peterson, Subscription Publication, 7.57M) reports House Speaker Nancy Pelosi said the coronavirus relief plan she has been negotiating with Treasury Secretary Steven Mnuchin could become an issue in a lame-duck session of Congress if the two sides don't reach a formal agreement on details, but some lawmakers doubt an agreement can be reached then.

Bloomberg (10/28, Wasson, 4.73M) reports Pelosi "said she hopes the current selloff in U.S. stocks will prompt President Donald Trump to agree to Democratic demands in stalled stimulus talks and end a three-month stalemate." Pelosi said on MSNBC: "What the president cares a lot about is the stock market. As he sees the market react to the spread of the virus and sees the market react to the fact that we do not have an agreement – which could inject resources into the economy – hopefully now he will come to the table in a serious way."

NYTimes Report: Turkish Gov't Lobbied Trump, Mnuchin To Limit Bank Fine.

The New York Times (10/29, Lipton, Weiser, 18.61M) reports President Trump's "apparent eagerness to please" Turkish President Recep Tayyip Erdogan "has drawn scrutiny for years." After senior officials from the Turkish government "lobbied Treasury Secretary Steven Mnuchin and Mr. Trump, Mr. Mnuchin pressed the Justice Department not to impose too large a fine on Halkbank because Turkey could not afford it, two federal officials said." The Times says Mnuchin "considered the violations Halkbank had been accused of to be serious – and he believed the U.S. government was right to demand that the bank admit wrongdoing, according to one White House official involved in the negotiations." However, Mnuchin "raised concerns about how large a fine might be imposed on Halkbank."

Leading National News

Trump Campaigns In Arizona Near Nevada Border.

The AP (10/28, Weissert) reports President Trump made "a crunch-time appeal to voters in Nevada" on Wednesday, but he did it "from Arizona." Trump "was under pressure...to avoid one negative result of a September rally in Nevada that attracted thousands of people: The airport that hosted that event was fined more than $5,500 for violating crowd restrictions aimed at preventing the spread of the coronavirus." Trump instead moved the event "across the banks of the Colorado River to Bullhead City, Arizona," in "the latest example of Trump's efforts to downplay the virus and criticize Democratic leaders in states such as Nevada who have imposed limits on gatherings to combat the worst public health crisis in more than a century."

KLAS-TV Las Vegas (10/28, 6K) reported Trump "pitch[ed] Nevada voters from Arizona because of the Silver State's current social gathering restrictions." Trump spoke "more than an hour to the crowd. Topics included the economy, the Second Amendment, the border wall...and COVID restrictions in Nevada." KVOA-TV Tucson, AZ (10/28, 15K) reported Trump "touch[ed] down in Arizona for the second time in nine days, hoping to take Arizona's crucial 11 electoral votes next week." Trump: "Six days from now, we are going to win Arizona and we are going to win four more years in our great, beautiful White House."

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On KTVK-TV Phoenix (10/28, 8:34 a.m. MST, 43K), White House Strategic Communications Director Alyssa Farah said that the President is campaigning in Arizona because he "loves the state" and "doesn't take any vote for granted. He's going to fight and earn the vote of the American people and share that message of promises made and promises kept and how he's delivered for the people of Arizona."

Jonathan Karl said on ABC World News Tonight (10/28, story 2, 4:45, Muir, 6.59M) that Trump "is facing two foes" in the last days of the campaign: "Biden and a pandemic that is getting worse in the very places he needs to win. Unable to ignore the virus, he's downplaying it, and he's making promises." President Trump: "And a safe vaccine is coming very quickly. You're going to have it momentarily that eradicates the virus. We're rounding the turn regardless. Normal life will fully resume. That's what we want. Normal life." Hallie Jackson said on NBC Nightly News (10/28, story 3, 1:55, Holt, 5.63M) that Arizona is "a state President Trump won in 2016 but this year, polls show he is trailing, damaged by how he's handled the coronavirus."

Ed O'Keefe said on the CBS Evening News (10/28, story 2, 3:10, O'Donnell, 3.95M) that the pandemic "continues to dominate the campaign more than any other issue. And despite the evidence that it's only worsening, the President is claiming the opposite, a risky move as he courts late-deciding voters today in western states. ... Trump stumped through Arizona and Nevada" on Wednesday, "trying to reverse Joe Biden's lead in the polls in both states, and he continued to argue the coronavirus, raging in record numbers across the country, is under control."

The Arizona Republic (10/28, 869K) reports Trump "barnstormed Arizona Wednesday in his seventh visit to the state in 2020, where he urged throngs of red-capped supporters in the competitive battleground state. ... Trump's swing through ruby-red Bullhead City and then south to the western suburbs of Maricopa County represented a late push by Republicans to hold Arizona in the red column, even as polls show the state's electorate appears to be favoring" Biden. Arizona's Havasu News-Herald (10/28, 26K) says it was "the first visit to Mohave County by a sitting president – certainly in recent memory and possibly the first ever."

Reuters (10/28, Mason, Scheyder) reports the President "held an in-person campaign rally in Arizona despite a U.S. surge in COVID-19 cases and mounting criticism that he is prioritizing his re-election above the health of his supporters." The New York Times (10/28, Burns, 18.61M) says Trump "is closing his re-election campaign by pleading with voters to ignore the evidence of a calamity unfolding before their eyes and trust his word that the disease is already disappearing as a threat to their personal health and economic well being." At his Wednesday event, Trump "promised voters that a vaccine would be available 'momentarily,' though scientists and pharmaceutical companies say no such breakthrough is assured." The Washington Post (10/28, Gearan, Wang, Wagner, 14.2M) says Trump "pushed ahead Wednesday with a strategy for the closing days of the campaign that minimizes the threat from the coronavirus pandemic, misstates his record in confronting it and mocks...Biden's caution in campaigning amid a disease that has killed more than 225,000 Americans."

NBC News (10/28, 6.14M) reports on its website that Trump "offered a not-very warm welcome" to Sen. Martha McSally (R-AZ) at the rally. After saying McSally "was 'respected by everybody'" and "great,' Trump rushed McSally to the stage at an airport rally in Goodyear to say a few words." The President said, "Martha, just come up fast. Fast. Fast. Come on. Quick. You got one minute! One minute, Martha! They don't want to hear this, Martha. Come on. Let's go. Quick, quick, quick. Come on. Let's go." Laurie Roberts of the Arizona Republic (10/28, 869K) writes that Sens. Mike Lee (R-UT) and Rand Paul (R-KY), "who aren't running literally for their political lives...were afforded more time. And, it seemed, more respect."

The Las Vegas Review-Journal (10/28, 345K) reports Trump "sniped at" Nevada Gov. Steve Sisolak (D) "without mentioning him by name. In an afternoon news conference, Sisolak fired back, disputing Trump's assertion that the country had 'turned the corner' on fighting the coronavirus. ... Trump faulted Sisolak for not opening up Nevada for business, and serving as the head of a 'political club.'" KLAS-TV Las Vegas (10/28, 61K) reports on its website that Trump held an unscheduled news conference at his Trump International Hotel in Las Vegas before moving on to Arizona.

Breitbart (10/28, 673K) reports Trump "is barnstorming the country in the last days until the election, hitting critical swing-states important to his re-election. Because of the coronavirus pandemic, the president is delivering campaign speeches outdoors in locations across the country." Fox News (10/28, Musto, 27.59M) reports on its website that Trump spoke "in a strongly Republican area of northwestern Arizona and about an hour from Las Vegas, but still in that city's television market."

Fighter Jet Intercepts Plane Flying In Restricted Area Near Rally. KGUN-TV Tucson, AZ (10/28, 61K) reports on its website, "An F-16 fighter jet intercepted a plane that was flying in a restricted area" during the rally. North American Aerospace Defense Command officials said the plane "was intercepted around 2 p.m. after officials noticed it had entered the Temporary Flight Restriction area surrounding Bullhead City. Officials say the violating aircraft did not respond to initial intercept procedures, but established radio communications after NORAD aircraft deployed signal flares."

Kudlow Predicts "Good Number" For Q3 GDP.

On America This Week (10/28), NEC Director Kudlow said Thursday's Q3 GDP report is "going to be a good number. ... It's going to spill over. The momentum is carrying through to the fourth quarter and with good policies, we can have a bang-up 2021."

IG Criticizes SBA's Management Of EIDL Program.

The Washington Post (10/28, Mider, 14.2M) reports the SBA's Economic Injury Disaster Loan program, which is intended "to help struggling entrepreneurs amid the coronavirus pandemic may have sent billions of dollars to scammers or ineligible applicants, the agency's inspector general said." A report Wednesday from Inspector General Hannibal "Mike" Ware portrayed the $212 billion program "as chaotic and

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vulnerable to fraud." Ware "disclosed that $450 million in doubtful payments have already been seized by law enforcement and identified tens of billions more that he said required further investigation. The SBA has referred more than 80,000 loans to law enforcement." Politico (10/28, Warmbrodt, 4.29M) reports SBA Administrator Carranza said the findings and figures "rest on hasty, incomplete conclusions."

States Facing Largest Cash Crisis Since Great Depression.

The Wall Street Journal (10/28, Gillers, Banerji, Subscription Publication, 7.57M) reports states are facing the biggest cash crisis since the Great Depression. Income and sales tax revenue, on which states depend, have declined due to job losses and a decrease in consumer spending. According to Moody's Analytics, state budget shortfalls from 2020 through 2022 could total around $434 billion. States have already laid off workers or imposed pay cuts and implemented tax increases and cuts in education, corrections, and park funding in response to deficits.

Boeing Plans More Job Cuts.

The Wall Street Journal (10/28, Cameron, Subscription Publication, 7.57M) reports Boeing says it will eliminate more jobs and review jetliner production rates in response to the impact the coronavirus pandemic is having on global air travel. Boeing plans to reduce its workforce by another 11,000, including 7,000 layoffs. Those reductions are in addition to nearly 20,000 layoffs the company already announced. Boeing expects to end 2021 with 130,000 employees.

The Seattle Times (10/28, 935K) says most of the job cuts "can be expected to come in Boeing's Seattle-area operations, where the company recently said it has already reduced employment by 13,000 through layoffs, buyouts and attrition." The Times adds in a call with Wall Street analysts, Boeing executives also "said they intend to reduce the overall real estate footprint of Boeing facilities by almost a third."

Visa Reports 29% Decline In Quarterly Profits.

The AP (10/28, Sweet) reports Visa on Wednesday reported a 29% drop in its fiscal fourth quarter profits "due to fewer dollars crossing on its namesake payment network while the world was in the grips of a pandemic-caused recession." Visa "posted a profit of $2.14 billion, or 97 cents per share, down from a profit of $3.03 billion, or $1.34 a share, in the same period a year earlier." The AP says the company "revenue from the quarter before, so the payments activity that ended June 30 is reflected in the profits that the company reported Wednesday. The April 1 to June 30 period was when the U.S. and the rest of the world was being hard hit by the pandemic's outbreak, so payments and transactions plunged sharply."

Ford Reports $2.39B Q3 Profit.

The AP (10/28, Krisher) reports Ford Motor Co. reported "a stronger-than-expected third-quarter net profit as demand for cars and trucks recovered from coronavirus shutdowns and the company sold more high-margin trucks." Ford "made $2.39 billion, or 60 cents per share," which the Detroit Free Press (10/28, 1.52M) says is "an improvement of $2 billion from the same quarter last year." Reuters (10/28, Klayman, Lienert) reports Ford "forecast a full-year pretax profit instead of a loss, boosting shares in after-hours trading."

Fiat Chrysler Earned $1.4B In Q3. The New York Times (10/28, Boudette, 18.61M) reports Fiat Chrysler said Wednesday "it earned 1.2 billion euros ($1.4 billion), up from a small loss a year ago, as sales of profitable trucks and sport utility vehicles recovered after a sharp drop in the spring." The company's revenue fell 6% to 25.8 billion euros.

The Wall Street Journal (10/28, Colias, Naughton, Subscription Publication, 7.57M) reports the US auto industry has recovered stronger and more quickly than expected after shutdowns last spring due to the coronavirus pandemic. New vehicle sales over the past few months have bounced back to levels seen before the pandemic and consumers are paying record prices for them.

Gilead Reports 17% Q3 Sales Increase, Aided By Remdesivir.

The Wall Street Journal (10/28, Armental, Subscription Publication, 7.57M) reports sales of the antiviral drug remdesivir helped boost Gilead Sciences Inc.'s third quarter sales 17%. Remdesivir sales brought in $873 in the third quarter. Gilead said Wednesday it expects products sales of $23 billion to $23.5 billion and $10.7 billion to $11.2 billion in operating profit for the year.

Judge Rules Uber Can Send Political Message On Drivers' App.

The Washington Post (10/28, Siddiqui, Albergotti, 14.2M) reports San Francisco Superior Court Judge Richard B. Ulmer Jr. ruled Wednesday Uber "can continue sending pro-Prop 22 messages to drivers in its app." Ulmer "reject[ed] arguments that the company had broken the law by pushing political messaging to its gig workers during a heated ballot campaign leading up to Tuesday's election." A group of gig drivers sued "for up to $260 million in penalties, alleging the company violated their employment rights with a 'constant barrage' of messages urging them to support the company's position on the issue." The Post says Assembly Bill 5, "which passed last year and took effect in January, aims to force Uber, Lyft and other gig companies to convert their contract workforces into employees, granting them rights to the minimum wage, health care and benefits such as sick leave and workers compensation." Uber and other companies "have vigorously fought against the law."

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Court Denies FTC's Request To Rehear Case Against Qualcomm.

The Wall Street Journal (10/28, Kendall, Subscription Publication, 7.57M) reports the Ninth US Circuit Court of Appeals has refused to reconsider its August decision to throw out the FTC's case against Qualcomm Inc. The FTC claimed Qualcomm engaged in illegal monopolization, but the court ruled it had not proven its case. The agency asked the Ninth Circuit to rehear the case with more judges participating, but the court denied that request.

PayPal To Invest More Than $50M In Black And Latino-Led Venture Capital Firms.

The New York Times (10/28, Chokshi, 18.61M) reports PayPal will "invest more than $50 million in eight Black- and Latino-led venture capital firms as part of a $530 million initiative to combat systemic racism and police brutality." The firms, Chingona Ventures, Fearless Fund, Harlem Capital, Precursor, Slauson & Co., Vamos Ventures, Zeal Capital Partners and one as yet unnamed fund, "were chosen after PayPal interviewed more than 60 candidates, all of whom applied through PayPal's website." The Times says the investments will make PayPal "one of the biggest investors for each of the firms."

Tiffany, LVMH Reach Preliminary Agreement On New Deal Terms.

The Wall Street Journal (10/28, Lombardo, Cimilluca, Subscription Publication, 7.57M) reports Tiffany Co. and LVMH have come to a preliminary agreement for LVMH to pay a lower price in its takeover of the jewelry maker. Under the new agreement, LVMH will pay $131.50 per share for Tiffany, down from an earlier $135 per share.

Deutsche Bank Posts Q3 Profit.

The New York Times (10/28, Ewing, 18.61M) reports Deutsche Bank reported a third quarter profit "after a loss a year ago as volatile financial markets caused trading revenue to surge." The bank "said that it earned 309 million euros, or $364 million, from July through September, compared with a loss of 832 million euros in the third quarter of 2019."

Antitrust Complaint Filed Against Apple In France.

The Wall Street Journal (10/28, Hagey, Haggin, Subscription Publication, 7.57M) reports advertisers and publishers have filed a complaint with France's competition authority claiming privacy changes planned by Apple are anticompetitive. Early next year, Apple's operating software will force apps to obtain users' permission to collect their advertising identifier, which is used to deliver targeted ads. In their complaint, the companies argue users will not agree to be tracked, which will make it more difficult for companies to sell personalized ads.

US Rejects Nigerian Nominee To Lead WTO.

Reuters (10/28, Farge, Nebehay) reports on Wednesday, the World Trade Organization's "bid to select a new leader was plunged into uncertainty...after the United States rejected the Nigerian woman proposed as the global trade watchdog's next director-general." According to Reuters, the WTO "has called a meeting for Nov. 9, less than a week after the presidential election, by which time it hopes to have secured full backing for Nigeria's Ngozi Okonjo-Iweala." However, "The decision needs to be approved by consensus...meaning any of the 164 WTO members could block her appointment." Reuters says the Trump Administration "continued to support South Korean trade minister Yoo Myung-hee in the final round of a more than four-month selection process."

Biden Presidency Could Reopen Democratic Divisions On Trade.

The New York Times (10/28, Swanson, 18.61M) reports while Joe Biden's campaign "has unified the Democratic Party around a shared goal of ousting President Trump from office," a "deep split between progressives and moderate Democrats on trade policy is once again spilling out into the open." Progressives, who are "pushing for appointees with deep ties to labor unions and congressional Democrats" are "battling against appointees that they say would seek to restore a 'status quo' on trade, including those with ties to corporate lobbyists, trade associations and Washington think tanks that advocate more typical trade deals." The Times says the division, which "has dogged the Democratic Party for years," falls "along familiar lines between moderates...and left-wing Democrats, who blame trade deals for hurting American workers in favor of corporate interests."

Nearly Every State Seeing Rise In COVID Cases.

ABC World News Tonight (10/28, story 5, 2:15, Muir, 6.59M) reported that the coronavirus "continues to race through the Heartland. It took nearly three months to hit 500,000 cases, but that many new cases reported just the past week." The CBS Evening News (10/28, story 4, 2:25, O'Donnell, 3.95M) reported that in the US, "more than 8.8 million Americans have now been infected by the virus, and more than 227,000 have died. Over the past week, the US has been averaging more than 800 COVID deaths per day." Correspondent David Begnaud said, "Hospitals in the Midwest and the Great Plains are overwhelmed with coronavirus patients, a 50% spike in the last month in the US. Hot spots are Michigan, Wisconsin, Ohio, Minnesota. Cases are on the rise there, and average daily deaths have doubled over last two weeks."

NBC Nightly News (10/28, story 5, 1:50, Holt, 5.63M) reported, "As the COVID crisis intensifies, more hospitals say they're at the breaking point, and perhaps nowhere is as badly overwhelmed as El Paso, Texas." Correspondent Gabe Gutierrez said, "Critical COVID patients a patients air lifted from El Paso to other cities in Texas. Doctors and nurses are working around the clock in this room. Medical tents

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help treat this region's surging cases." Joel Hendryx, University Medical Center of El Paso Chief Medical Officer, said, "Over the last 10 days, we've seen this 300% increase. It's unprecedented. We did not expect this."

The AP (10/28, Jordans) reports that a "long-feared" resurgence of the coronavirus in the US and Europe "is blamed in part on growing disregard for social distancing and mask-wearing, as well as the onset of cold weather, which is forcing people indoors, where the virus can spread more easily." In the US, "where practically every state is seeing a rise in cases," Illinois Gov. J.B. Pritzker (D) "banned indoor dining and drinking in Chicago and limited the number of people gathering in one place." Over 71,000 people per day in the US are testing positive on average, "up from 51,000 two weeks ago." Cases "are on the rise in all but two states, Hawaii and Delaware, and deaths are climbing in 39 states, with an average of 805 people dying in the US per day, up from 714 two weeks ago."

Newark Issues First Lockdown Order Since March. The New York Times (10/28, Tully, Armstrong, 18.61M) reports that on Tuesday at 8:00 p.m., Newark, New Jersey's "first new shutdown order since March" took hold "by order of the mayor, Ras Baraka, a Democrat." Gov. Phil Murphy (D) "has so far avoided the targeted shutdowns that states like New York and Connecticut have begun enforcing to address virus hot spots, but he said he supported the steps Mr. Baraka was taking to tame the outbreak." Murphy and New York Gov. Andrew Cuomo (D) "have consulted on the surge in Newark."

Rollins: Lockdowns Have Been "Destructive." On Just The News (10/28), White House Domestic Policy Council Acting Director Brooke Rollins said of the possibility of additional coronavirus lockdowns that the President "has been absolutely resolute in his approach to making sure that we protect our most vulnerable population" by "getting the country back to work, getting our kids back in school, and doing it in a safe way." Rollins added, "Ultimately, these lockdowns have been so destructive to America."

Administration Proposes Rule That Would Make COVID Vaccine Free.

The Wall Street Journal (10/28, Armour, Subscription Publication, 7.57M) reports on Wednesday, the Trump Administration unveiled a rule which aims to encourage Americans to get a COVID-19 vaccine once it is available. Under the rule, the vaccine would be free for seniors and those with private health insurance. The AP (10/28, Alonso-Zaldivar) reports that the new rules are "designed to deliver on the promise that every American will have access to free COVID-19 vaccines when they are approved." The Centers for Medicare & Medicaid Services (CMS), which issued the rules, says it will "increase what Medicare pays hospitals for COVID-19 treatments." CMS Administrator Verma is quoted as saying, "CMS is acting now to remove bureaucratic barriers while ensuring that states, providers and health plans have the information and direction they need to ensure broad vaccine access and coverage for all Americans."

The Hill (10/28, Weixel, 2.98M) reports that CMS' rule "means any vaccine that receives Food and Drug Administration (FDA) authorization will be covered under Medicare as a preventive vaccine at no cost to beneficiaries, which is a change from current policy."

On WGHP-TV Greensboro, NC (10/28, 5:11 p.m. EDT, 37K), Verma said that more than 60 million Americans on Medicare will have access to the COVID-19 vaccine for free "as soon as that vaccine is ready." Verma said, "Our seniors have paid into the Medicare program their entire lives, and they deserve access to this vaccine."

On NPR's All Things Considered (10/28, 7:07 p.m. EDT), Verma said, "The action today will also make sure that the vaccine is available to every American at no charge. So even those that are covered by private insurance companies, the regulations that we're putting out today make it very clear that private insurance companies have to cover the cost of the administering the vaccine. We are going to be paying for the actual vaccine, but they have to cover be administration costs both in network and out of network. There can't be any surprise billing or any balance billing, and has to be free to that covered individual." On Just The News (10/28), Verma made similar points.

Fauci: COVID Vaccine Will Not Be Available Until January.

Bloomberg (10/28, Cortez, 4.73M) reports, "A vaccine to help control the coronavirus outbreak isn't likely to be available in the US until January, if then, according to" NIAID Director Fauci. The trials "are designed to run until a predetermined number of people who are enrolled get sick." The studies currently underway "are unlikely to hit those benchmarks until sometime in December, Fauci said in an online interview ... with Howard Bauchner, the editor-in-chief of the Journal of the American Medical Association."

US Agrees To Spend $375M On Lilly Antibody Drug.

The AP (10/28) reports that the US government "has agreed to buy initial doses of an experimental COVID-19 antibody drug from Eli Lilly that patients could receive if federal regulators allow it on an emergency basis." According to the AP, Eli Lilly has asked the FDA "to allow use of the drug in mild to moderately ill patients, based on partial results from a mid-stage study suggesting it may help them clear the virus sooner." The AP says that "under the agreement, the government will spend $375 million to buy 300,000 vials of the drug."

WPost Report: White House Failed To Follow Contact Tracing Rules After Rose Garden Event.

The Washington Post (10/28, Butler, Hamburger, Sun, Kaplan, 14.2M) reports, "It was Oct. 1, and Mark Fox, a county public health officer in South Bend, had just learned" that University of Notre Dame President John I. Jenkins "had tested positive for the novel coronavirus after attending a Rose Garden ceremony days earlier in honor of Supreme Court nominee Amy Coney Barrett." According to the Post, "There are long-standing protocols for investigating the spread of a virus: contact tracing, or interviewing infected people about their recent interactions and advising those exposed that they should get tested." The Post says the Administration "did not effectively deploy either technique in

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response" to what NIAID Director Fauci "has called a 'superspreader event' at the White House, leaving not just the president and his staff at risk, but also the hundreds of people who were potentially exposed."

White House Report Says Administration "Ended COVID" Despite Virus Resurgence.

The Daily Beast (10/28, 1.39M) reports that, "in a statement released Tuesday afternoon, the White House Office of Science and Technology Policy said that it considered 'ending the COVID-19 pandemic' to be one of President Donald Trump's major first term accomplishments." The office "released a corresponding report that listed achievements of the Trump administration in the area of science and innovation." Four White House coronavirus task force officials "told The Daily Beast that they viewed the White House's statement as a personal slight and a public rebuke of their efforts to try and get control of the virus." They also "described the report as the latest example of the president and his team of advisers refusing to acknowledge that the US is experiencing a worrying resurgence of the virus."

When asked on Fox News' America's Newsroom (10/28, 896K) about the statement, White House Strategic Communications Director Alyssa Farah said, "No, absolutely not. I think it was poorly worded. The intent was to say that it is our goal to end the virus. What I would say is this: Because of the President's leadership, we're rounding the corner on the virus. We're rushing therapeutics; we've now got positive announcements coming soon." Farah made a similar statement on WMBF-TV . Myrtle Beach, SC (10/28, 4:08 p.m. EDT, 6K).

In April, Kushner Said Trump Was Taking US "Back From The Doctors."

CNN (10/28, Gangel, Stuart, 83.16M) reports on its website White House Senior Adviser Jared Kushner "boasted in mid-April about how the President had cut out the doctors and scientists advising him on the unfolding coronavirus pandemic, comments that came as more than 40,000 Americans already had died from the virus, which was ravaging New York City." In a "taped interview on April 18, Kushner told legendary journalist Bob Woodward that Trump was 'getting the country back from the doctors' in what he called a 'negotiated settlement.'" Kushner "also proclaimed that the US was moving swiftly through the 'panic phase' and 'pain phase' of the pandemic and that the country was at the 'beginning of the comeback phase.'" Kushner added, "Trump's now back in charge. It's not the doctors." According to CNN, the statement "reflected a political strategy" – "instead of following the health experts' advice, Trump and Kushner were focused on what would help the President on Election Day."

Biden Again Denounces Trump's Handling Of Pandemic.

The AP (10/28, Weissert, Madhani) reports that on Wednesday, Joe Biden "vowed...not to campaign 'on the false promises of being able to end this pandemic by flipping a switch,' pledging instead to prioritize science, while President Donald Trump used the race's final days keeping a whirlwind schedule aimed at focusing on anything but the coronavirus." According to the AP, Biden "called Trump's handling of coronavirus an 'insult' to its victims, especially as cases rise dramatically around the country – an increase large enough to cause financial markets to sag." Biden is quoted as saying, "Even if I win, it's going to take a lot of hard work to end this pandemic. I do promise this: We will start on day one doing the right things."

DOJ Expands Inquiry Into New York Nursing Home Deaths.

The AP (10/28, Condon, Sedensky) reports that the Justice Department "vastly expanded an inquiry Wednesday that could determine whether New York is undercounting coronavirus deaths among nursing home residents, demanding detailed data from hundreds of private facilities." The "demand ratchets up pressure" on Gov. Andrew Cuomo (D) "after months of bipartisan criticism that the state's official tally of 6,722 dead at long-term care facilities is probably off by thousands." This is "because New York, unlike nearly every other state, counts only residents who died on a nursing home's property and not those who died after being taken to a hospital."

DOJ Investigating New Jersey Veterans Homes Over COVID Deaths.

The Wall Street Journal (10/28, Weaver, Subscription Publication, 7.57M) reports that the Justice Department has opened an investigation into the handling by New Jersey veterans homes of fatal coronavirus outbreaks earlier this year.

COVID Resulting In Disproportionate Burden On Working Mothers.

NBC Nightly News (10/28, story 10, 1:40, Holt, 5.63M) reported on the "disproportionate toll" the coronavirus pandemic has "taken on working moms." NBC's Vicki Nguyen asked, "How many had the leave or cut back on the work hours because of concerns related to your children? Ask any working woman with children in this pandemic, and her story is supported by the data. ... Of the 1.1 million workers over age 20 who left the work force in September, 80% were women." She added, "Some companies are trying to retain women by offering more paid time off, caregiver leave, and free child care, but only 32% of organizations returning to work have a child care plan mapped out."

WPost Profiles Maryland Family "Devastated" By Coronavirus.

The Washington Post (10/28, A1, Miller, 14.2M) profiles a Maryland family that was "devastated" by COVID-19 at the same time that President Trump was battling the illness.

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WSJournal: Catholic Schools Show How To Reopen Safely.

In an editorial, the Wall Street Journal (10/28, Subscription Publication, 7.57M) says Massachusetts Catholic schools' safe reopening confirms the process can be done safely and demonstrates how unions have been wrong to fight against in-person teaching.

Philadelphia Officials Impose Curfew, Call In State National Guard.

The CBS Evening News (10/28, story 6, 0:25, O'Donnell, 3.95M) reported that in Philadelphia, protesters continued to clash with police Tuesday night as "stores in some areas were looted. Fifty-three officers have been injured." The protests "come after police shot and killed Walter Wallace on Monday. The officers say he approached them with a knife," though "Wallace's family says he was going through a mental health crisis. His father has made a public plea for an end to the violence." NBC Nightly News (10/28, story 6, 1:20, Holt, 5.63M) reported, "More than 170 arrests, at least 50 officers injured." In the "neighborhood where Walter Wallace, armed with a knife, was shot and killed by police, hundreds of protesters in a standoff with police. ... Across the city, businesses boarded up as if bracing for a storm." Officials ordered a 9:00 pm curfew on Wednesday night, "hoping to stop another night of violence."

The Philadelphia Inquirer (10/28, Newall, Palmer) reports, "Four people were shot in Port Richmond Tuesday night amid looting that erupted across the city during a second day of unrest." The looting "wasn't directly connected to protests over Wallace's killing, which swept through West Philadelphia on Monday and Tuesday nights and ended with demonstrators clashing with police," and "none of the four people shot in Port Richmond" were "from that neighborhood, according to police documents describing the incidents." The shootings "came on a chaotic and violent night in the city, with police reporting at least five homicides, 13 shootings, and seven ATM explosions after 5 pm. Many of those incidents occurred outside of areas in which people gathered by the hundreds to decry the actions of the officers who shot Wallace." At a news conference on Wednesday, Mayor Jim Kenney and Police Commissioner Danielle Outlaw "condemned actions such as robbing stores or throwing bricks – or even what police believe was blood – at officers, behavior that Outlaw said 'had absolutely nothing to do with protest.'" The Washington Post (10/28, Klemko, Shepherd, Ewing, Berman, Witte, 14.2M) reports Kenney said, "The looting that has taken place...is distressing to say the least, and it is unacceptable," and those who are doing so are "doing a great disservice to the many others who want to exercise their First Amendment rights by protesting."

The Wall Street Journal (10/28, Calvert, Subscription Publication, 7.57M) reports that the first of several hundred soldiers from the Pennsylvania National Guard are expected to be in Philadelphia on Friday. Kenney said this, as well as the curfew, "are necessary in order to prevent the despicable activities we've seen. ... We will do everything we can to ensure the right to assemble and exercise free speech is protected. But we will not, repeat not, allow others to destroy property and further harm our communities."

Police Commissioner Says Body Cam, 911 Tapes In Wallace Killing Will Be Released. The AP (10/28, Lauer) reports Outlaw "said Wednesday that her department will release 911 tapes and footage from police body cameras 'in the near future' in the shooting death" of Walter Wallace. She "said officials would release the body cam footage and 911 tapes after talking with Wallace's family members," and she "also said the police department should move 'as soon as possible' to integrate with mental health services."

Biden On Unrest In Philadelphia: "There Is No Excuse Whatsoever For The Looting And The Violence." The AP (10/28) reports that President Trump "weigh[ed] in on two nights of clashes with Philadelphia police and store break-ins following the fatal shooting by police of Walter Wallace Jr." Trump is quoted as saying, "You can't let that go on. Again, a Democrat-run state, a Democrat-run city, Philadelphia."

The Washington Post (10/28, Wagner, Sonmez, Reinhard, 14.2M) reports that on Wednesday in Delaware, Joe Biden "condemned the rioting and looting that has taken place in Philadelphia in response to a deadly police-involved shooting. 'There is no excuse whatsoever for the looting and the violence,' Biden said. While protesting is legitimate, he said, 'there's no excuse for looting.'" Reuters (10/28) says Biden "urged calm amid ongoing unrest after a Black man was shot dead this week by police in Philadelphia, saying protesters had a right to peaceful demonstrations but not destruction. ... Protesting Monday's deadly police shooting...'was totally legitimate, totally reasonable,' Biden said, but cited Wallace's father's plea to end the violence."

The New York Times (10/28, Hurdle, 18.61M) reports that in a joint statement on Tuesday, Biden and Sen. Kamala Harris (D-CA) "sought to validate protesters' anger over the death of Mr. Wallace while discouraging violence and attacks on the police." The statement reads: "We cannot accept that in this country a mental health crisis ends in death. ... Looting is not a protest, it is a crime. It draws attention away from the real tragedy of a life cut short." The AP says "local television and news websites showed looters entering stores in the Port Richmond neighborhood, northeast of the city center, while officers struggled with protesters in the heart of West Philadelphia, where Mr. Wallace was killed on Monday afternoon after approaching police officers with a knife." The AP also reports that "thirty officers were injured on Monday as protesters threw bricks and rocks at them, a police spokesman said, adding that one officer had a broken leg after being struck by a pickup truck."

On Fox News' America's Newsroom (10/28, 896K), White House Strategic Communications Director Alyssa Farah said, "I would say any time there is a loss of life, it's a tragedy. But what we can't see is lawlessness in our streets, and now 30 police officers injured in the aftermath of this. It is very concerning. We want to see our cities safe. If necessary, we're prepared to deploy federal assets."

NYTimes Analysis: Philadelphia Left To Consider What Can Be Done About Police Shootings, Looting. In an analysis, the New York Times (10/28, 18.61M) says the "shooting and its aftermath were guaranteed to ratchet up tensions in a country already on edge," and "the two presidential campaigns weighed in quickly, as expected given the outsize electoral importance of Pennsylvania." According to the Times, "Once again, the people in the neighborhood where it all took place were left to consider what had happened and what, if

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anything, could be done about it."

USA Today Analysis: Wallace Only Most Recent Police Shooting Of Person With Mental Illness. In an analysis, USA Today (10/28, Hauck, 10.31M) says Wallace's death "is only the most recent incident of police fatally shooting someone with a mental illness." Police "have fatally shot more than 1,300 people with mental illnesses since 2015, according to" a "Washington Post database of fatal shootings by on-duty police officers." Of the "more than 800 people shot and killed by police so far this year, 155 had a mental illness, and, of those, 17% were Black."

WPost: Police Should Be Trained On Better Deescalation Tactics. In an editorial, the Washington Post (10/28, 14.2M) asks, "Why was a 911 call for a mental health crisis answered with officers and drawn guns? Shouldn't there have been attempts to de-escalate the situation? Couldn't the officers have backed away rather than opening fire on a person in such obvious mental distress? The questions go to the heart of the debate over police use of lethal force." The Post says it is "important that officials take steps to improve how people in need of help get it" and recommends "the de-escalation training developed by the Police Executive Research Forum" as "a good place to start."

Taylor's Mother Calling For New Grand Jury In Daughter's Case.

The CBS Evening News (10/28, story 10, 0:25, O'Donnell, 3.95M) reported, "The mother of Breonna Taylor is calling for an independent prosecutor and new grand jury to investigate the fatal shooting of her daughter. Tamika Palmer is speaking out after two grand jurors in the case told CBS This Morning co-host Gayle King they believe police actions in the botched raid were 'criminal' and that prosecutors never gave them the option to consider murder charges. None of the officers involved were directly charged in Taylor's death."

Former Waukegan Officer Activated Body Camera Only After Fatal Shooting Of Black Teen.

USA Today (10/28, Hauck, 10.31M) reports, "The former Waukegan police officer who fatally shot" 19-year-old Marcellis Stinnette and injured 20-year-old Tafara Williams, both Black, "last week turned on his body camera after the shooting, according to videos released by the northern Illinois city Wednesday afternoon." The two were shot "when the car they were in allegedly reversed toward an officer, who fired into the car, according to police." The officer, "who was identified only as a Hispanic five-year member of the department, was terminated Friday night 'for multiple policy and procedure violations,' Department Commander Edgar Navarro said." Once the officer's body camera was turned on, "he appears to be standing several yards away from the crashed car," and "about 30 seconds in, he says 'I was right behind you, and you almost tried to run me over.'"

NYPD Officer Who Pressed Knee Into Neck Of Arrest Bystander Retires.

The New York Times (10/28, Southall, 18.61M) reports New York City police officer Francisco X. Garcia, "facing misconduct charges for kneeling on a bystander's neck during a social-distancing arrest has retired, according to the victim's lawyer and the officer's labor union." Garcia "was scheduled to appear at a departmental hearing this week on misconduct charges stemming from the May 2 incident, which fueled an uproar over racial disparities in how the police enforced social-distancing measures." Instead, Garcia "retired on Tuesday, avoiding proceedings that could be used against him in a criminal investigation of the incident underway in the Manhattan district attorney's office."

WPost Examines Floyd's Interactions With Police.

The Washington Post (10/28, A1, Hernandez, 14.2M) continues its series on the life of George Floyd with a detailed look at Floyd's encounters with police.

Senators Grill Social Media CEOs Over Handling Of Hunter Biden Report.

The CEOs of Alphabet, Facebook, and Twitter testified before the Senate Commerce, Science, and Transportation Committee on Wednesday in a hearing largely sparked by the decision of Twitter to block access to a New York Post report on Hunter Biden. The AP (10/28, Gordon) reports that "lawmakers of both parties, citing the companies' tremendous power to disseminate speech and ideas, are looking to challenge their long-enjoyed bedrock legal protections for online speech," and Bloomberg (10/28, Frier, Wagner, Brody, 4.73M) reports that the CEOs were "accused by senators of abusing their power over political speech six days before the election."

Much of the coverage focuses on an exchange between Sen. Ted Cruz (R-TX) and Twitter CEO Jack Dorsey. The Wall Street Journal (10/28, Tracy, McKinnon, Subscription Publication, 7.57M) reports Cruz accused Twitter of acting on behalf of the Democrats in blocking tweets that linked to the Post story, and asked, "Who the hell elected you and put you in charge of what the media are allowed to report?" Dorsey replied, "I hear the concerns and acknowledge them." The Dallas Morning News (10/28, 946K) says "there was little doubt that the showdown between Cruz and Dorsey would produce fireworks, given that the Texan has long railed against Twitter and that his staff produced a poster for the clash that was made to look a promotion for a boxing match." The Daily Caller (10/28, 716K) says Cruz criticized Dorsey "for censoring stories." Townhall (10/28, Pavlich, 177K) reports, "As of today, the New York Post is still locked out of their Twitter account."

Reuters (10/28) reports that Facebook CEO Mark Zuckerberg "said...that a warning from the FBI on hack-and-leak operations before the Nov. 3 presidential election played a role in its decision to limit the reach" of the Post report. Zuckerberg said, "One of the threats that the FBI has alerted our companies...to was the possibility of a hack and leak operation in the days or weeks leading up to this election." USA Today

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(10/28, Guynn, 10.31M) reports Zuckerberg said Facebook "throttled the story while it was being fact-checked" after the warnings. Twitter "initially blocked links to the article, then reversed itself."

The New York Times (10/28, McCabe, 18.61M) reports that Republicans "expressed concerns that Facebook, Google and Twitter made decisions about how to moderate content in ways that were slanted against conservatives, pointing to the increasing attention the issue has attracted from the party's base." According to the Washington Post (10/28, Romm, Lerman, Zakrzewski, Kelly, Dwoskin, 14.2M), "The nearly four-hour session was rife with hyperbole and misstatement sometimes on the part of lawmakers themselves, in a reflection of the country's many schisms – and the stakes for Silicon Valley." The Post says "all three tech giants denied they harbor any political biases, and GOP lawmakers provided scant evidence for their claims."

The Wall Street Journal (10/28, Subscription Publication, 7.57M) says in an editorial that Dorsey did not give the impression that he was concerned by Twitter's abuse of its power, and argues that the service has sided with Democrats in the past. The Washington Times (10/28, Lovelace, 492K) and Roll Call (10/28, DeChiaro, 154K) are among the other outlets covering the hearing.

Politico: WSJournal, Fox News Have Found "No Evidence That Joe Biden Benefited" From Son's Business Dealings. Politico (10/28, Nguyen, 4.29M) reports that both the Wall Street Journal and Fox News have found "no evidence that Joe Biden benefited from the Hunter Biden business dealings that have drawn scrutiny. More explicitly pro-Trump media outlets – OAN, Breitbart, Newsmax – have mostly shied away from publishing fresher, more salacious allegations. And conservative talking heads – pundits, politicians and loud MAGA Twitter personalities alike – have been more focused on the meta narrative around the laptop, arguing that mainstream media, social media companies and the deep state are conspiring to prevent President Trump's reelection by suppressing the story." Still, the Wall Street Journal (10/28, Subscription Publication, 7.57M) says in an editorial that Hunter Biden's former business partner Tony Bobulinski has provided evidence of misdoings that should not be ignored.

Senate Democrats Press Trump Organization On Chinese Bank Account.

Bloomberg (10/28, Davison, Litvan, 4.73M) reports that Senate Democrats are "asking the Trump Organization to explain the company's ties to China after reports from the New York Times that the president's company has a bank account there." Bloomberg says that in a letter to Trump Organization lawyer Alan Garten, the senators "asked for the name of the financial institution and for a detailed accounting of all the transactions between President Donald Trump's bank account and China since 2013."

Giuliani Associate To Plead Guilty To Fraud Charges.

The AP (10/28, Neumeister) reports that "a change-of-plea hearing is set for Thursday for a man charged with conspiring with associates of Rudy Giuliani...to make illegal campaign contributions." The hearing for David Correia "was announced in a filing Wednesday in Manhattan federal court. If it occurs as planned, Correia would become the first conviction among four men charged last year with using straw donors to make illegal contributions to politicians they thought could aid their political and business interests."

Reuters (10/28) reports that Correia is "a business partner of Lev Parnas, the former associate of" Giuliani, and "is expected to enter a guilty plea on Thursday after being charged with defrauding investors in an insurance startup they founded." Reuters says Correia was "among four defendants, including Ukraine-born Parnas and Belarus-born Igor Fruman, another former Giuliani associate, charged last October with campaign finance violations to further their political or business interests." CNBC (10/28, Mangan, 3.62M) reports on its website that Correia and Parnas are "charged with defrauding investors in a would-be company named 'Fraud Guarantee,' a court filing revealed."

Russian PR Executive Played Role In Creation Of Dossier.

The Wall Street Journal (10/28, Subscription Publication, 7.57M) reports on how Russian public relations executive named Olga Galkina got information to ex-British spy Christopher Steele for his since-discredited dossier on President Trump.

Administration Considering Biometric Database For Visa Applicants.

According to draft plans viewed by the Wall Street Journal (10/28, Hackman, Subscription Publication, 7.57M), the Trump Administration is planning to create a biometric database into which visitors or prospective immigrants would have to enter before applying for US visas. Administration officials have argued that doing so will permit more time for the government to conduct background checks.

Administration Proposes Change To H-1B Visa Prioritizing High-Earning Applicants.

On its website, Fox News (10/28, Shaw, 27.59M) reports that DHS "moved to make a significant change" to the H-1B visa, a "controversial guest worker program," which "would prioritize higher-paid applicants." The proposed rule change "is one that will help American workers, Trump administration officials said." The visa program "has been criticized for being marred by abuse and that it is used by tech companies to bring in cheaper labor to replace American workers and to keep wages low," while "those in favor of the program say it is used to attract talent to fill gaps that the domestic labor market cannot meet."

Immigrants Facing "Express Deportations" Repeatedly Reattempt Border Crossing.

The AP (10/28, Spagat) reports that "after a slew of profound changes by the Trump administration to limit" asylum claims in the United

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States, "the coronavirus brought it to a halt." Now, "with immigration laws largely suspended at the border since March, Mexicans and people from Guatemala, Honduras and El Salvador who enter the US illegally are immediately expelled without even a piece of paper, generally within two hours and with no chance to plead for asylum – the post-Holocaust system to protect people around the world from torture and persecution at home." With no consequences, "migrants are more determined to keep trying until they succeed." The "suspension of asylum combined with the introduction of 'express deportations,' as migrants call them, accelerated a shift" in who is crossing the border.

ICE Accused Of Circumventing Cuban Asylum Rules By Not Releasing Immigrants.

The Miami Herald (10/28, 1.09M) reports, "Under the longtime policy 'wet foot, dry foot,' a Cuban asylum seeker who made it to US soil would be released into the community right after being processed." This policy "was phased out under the administration of President Barack Obama," but "other policies favoring Cubans" remain – "they are just not being applied uniformly" under the Trump Administration. According to the Herald, "Successfully applying for release may hinge on having access to a lawyer," and "Cuban detainees who do manage to parole out have an advantage that other nationalities do not: After one year and a day on parole status, they are able to become legal residents." Under President Trump, ICE "appears to be thwarting the intent of that provision by simply not releasing Cuban asylum seekers, thus never starting the clock on the one-year-and-a-day timetable, immigration advocates say."

Rollins: People With Pre-Existing Conditions Will Have "Better Option" If ACA Is Overturned.

On Washington Post Live (10/28), White House Domestic Policy Council Acting Director Brooke Rollins discussed what would happen to Americans with pre-existing conditions if the Supreme Court overturns the Affordable Care Act. Rollins said there are "130 million Americans with a pre-existing conditions," but "only three million of those 130 million are actually in the Affordable Care Act exchanges. So, we're really talking about three million Americans that are currently in the system. So, what the plan is, you take the more than $1 trillion...that is currently set aside over the next 10 years to cover the Affordable Care Act. You divide $1 trillion by three million people with pre-existing conditions – understanding there are more people actually in the system through subsidies, etc. – but when we're speaking specifically about those with pre-existing conditions, they will have such a better option, such better plans."

Eight Charged With Pursuing Chinese Nationals In US.

The New York Times (10/28, Schmidt, 18.61M) reports on Wednesday, the Justice Department "announced charges...against eight people accused of conspiring to conduct an aggressive harassment campaign on behalf of China to pressure political dissidents and fugitives in the United States to return home to face trial." The Times says the suspects are "accused of hiring American private investigators to locate the expatriates who had taken refuge in the United States and then stalking, surveilling and threatening them." While China says the effort, which it calls Operation Fox Hunt "is aimed at rooting out corrupt officials who have fled the country," US officials "said that was dubious because the Chinese refused to work through legal channels to resolve the cases."

The Washington Post (10/28, Barrett, 14.2M) quotes FBI Director Wray as saying, "China is violating norms and laws left and right. ... Surveilling, stalking, harassing and blackmailing our citizens and lawful permanent residents carry serious risks." Assistant Attorney General John Demers "said Fox Hunt sometimes targeted individuals who might have violated financial laws and were legitimate targets of law enforcement investigations. But many other targets, he said, were political rivals, dissidents or critics of the Chinese government." The Post says "arrests were made in New York, New Jersey and California." A "fifth person in custody is Michael McMahon, a New Jersey private investigator who assisted in the surveillance and pressure tactics, according to U.S. officials." Reuters (10/28, Hosenball) reports "the rest are believed to be in China." Reuters says "all eight defendants in the case are charged with conspiring to act as illegal agents for a foreign government."

Sixty Arrested In Alleged Telemarketing Scheme.

The New York Times (10/28, León, 18.61M) reports, "Sixty people have been indicted in a nationwide telemarketing scheme in which federal prosecutors say people were tricked into signing up for expensive magazine subscriptions they could not afford, did not want and often did not receive, and in which over 150,000 people were defrauded of more than $300 million." According to "three separate indictments handed up last week, prosecutors alleged that for 20 years, dozens of fraudulent telemarketing companies operating across 14 states and two Canadian provinces used deceptive sales tactics in the scheme." US Attorney Erica McDonald "said at a news conference on Wednesday that the scheme was part of a growing trend in crimes against older people in recent years." She called the operation "the largest elder fraud scheme in the nation."

Bay Area Police Investigating Spray-Painted Swastika, "Trump" On Garage Door As Hate Crime.

The Los Angeles Times (10/28, 4.64M) reports, "Investigators are trying to determine who spray-painted a swastika and the word 'Trump' on a Bay Area garage door" as a possible hate crime. In a written statement, Lafayette Mayor Mike Anderson said, "There is no place for hate in Lafayette. ... This is an inclusive and diverse city where everyone is welcome," and "the spray-painting of a swastika, a symbol of oppression, genocide and xenophobia, on an individual's home will not be tolerated."

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President's Attacks On Adversaries Followed Often By Online Threats.

The Washington Post (10/28, Miller, Stanley-Becker, 14.2M) reports, "The CIA's most endangered employee for much of the past year was not an operative on a mission abroad, but an analyst who faced a torrent of threats after filing a whistleblower report that led to the impeachment of President Trump." The analyst "spent months living in no-frills hotels under surveillance by CIA security, current and former US officials said." The measures "were imposed by the CIA's Security Protective Service, which monitored thousands of threats across social media and Internet chat rooms." The agency found that "violent messages surged each time the analyst was targeted in tweets or public remarks by the president." According to the Post, "Over the past year, public servants across the country have faced similar ordeals." Targets "encompass nearly every category of government service: mayors, governors and members of Congress, as well as officials Trump has turned against within his own administration."

Hurricane Zeta Makes Landfall In Louisiana.

Lester Holt reported on NBC Nightly News (10/28, lead story, 1:45, 5.63M) that Hurricane Zeta has "made landfall in Louisiana. New Orleans [is] in the hurricane warning zone after Zeta rapidly intensified into a Category 2 storm." David Muir said on ABC World News Tonight (10/28, lead story, 2:50, 6.59M) that Zeta is "the fifth hurricane to hit Louisiana" this year. Danya Bacchus reported on the CBS Evening News (10/28, lead story, 2:50, O'Donnell, 3.95M), "Hurricane Zeta slammed into the Louisiana coast as a strong Category 2 tonight and is now barreling through the state. Fierce winds [are] already wreaking havoc in Grand Isle, where residents are under mandatory evacuation orders. Officials are warning of deadly storm surge as heavy rainfall floods streets."

The AP (10/28, McGill, Plaisance, Santana) reports Zeta "threatened to push up to 9 feet of sea water inland. ... The storm killed at least one person, a 55-year-old man who a Louisiana coroner said was electrocuted by a downed power line in New Orleans, and officials said life-threatening conditions would last into Thursday." The New Orleans Times-Picayune (10/28, Hasselle, 480K) reports more than 475,000 residents lost power. The Washington Post (10/28, Cusick, 14.2M) and the CNN (10/28, Holcombe, Walker, Levenson, 83.16M) and Fox News (10/28, Ruiz, 27.59M) websites are among the other sources covering the progress of the storm.

Ex-DHS Official Reveals Himself As "Anonymous" Trump Critic.

The AP (10/28, Freking, Miller) reports that Miles Taylor, who worked at DHS from 2017 through 2019, spending the last nine months of his tenure as chief of staff, revealed Wednesday that he was the Administration official "who penned a scathing anti-Trump op-ed and book under the pen name 'Anonymous.'" Taylor "has been an outspoken critic of Trump's in recent months and had repeatedly denied he was the author of the column – even to colleagues at CNN, where he has a contributor contract." Chief of Staff Meadows "called Taylor's revelation 'a monumental embarrassment,' tweeting, 'I've seen more exciting reveals in Scooby-Doo episodes.'" USA Today (10/28, 10.31M) reports President Trump said in a tweet that "he didn't know Taylor and 'never even heard of him. Just another @nytimes SCAM – he worked in conjunction with them.' Noting that Taylor sometimes appears on CNN, Trump said, 'they should fire, shame, and punish everybody.'"

Hallie Jackson said on NBC Nightly News (10/28, story 4, 0:15, Holt, 5.63M) that "a yearlong Washington guessing game came to a close" with Taylor's announcement. Jonathan Karl said on ABC World News Tonight (10/28, story 3, 0:55, Muir, 6.59M) that Taylor is "hardly a household name. ... I think many people were under the impression – I know I was – that the article was written by somebody with a much more senior role." Breitbart (10/28, 673K) says Taylor "had very little access to the president, but the Times described him as a 'senior' official at the time of the op-ed's publishing."

The New York Times (10/28, Shear, 18.61M) reports Taylor "acknowledged that he was the author of both the book and the opinion article in an interview and in a three-page statement he posted online." According to the New York Daily News (10/28, Sommerfeldt, 2.52M), he wrote in part, "I am a Republican, and I wanted this President to succeed. That's why I came into the Administration, But too often in times of crisis, I saw Donald Trump prove he is a man without character, and his personal defects have resulted in leadership failures so significant that they can be measured in lost American lives."

Reuters (10/28), the Washington Post (10/28, Itkowitz, Dawsey, 14.2M), the Wall Street Journal (10/28, Ballhaus, Subscription Publication, 7.57M), the New York Post (10/28, Nelson, 4.57M), the Washington Times (10/28, Dinan, Boyer, 492K), the Daily Caller (10/28, 716K), Townhall (10/28, Stocking, 177K), and The Federalist (10/28, 126K) also cover the revelation.

FBI Agents Association Warns Against Removal Of Wray.

USA Today (10/28, Johnson, 10.31M) reports FBI agents on Wednesday "voiced their support" for FBI Director Wray, warning both President Trump and Joe Biden "that his untimely removal could 'undermine stability' within the federal government's premier law enforcement agency. The action by the FBI Agents Association, representing 14,000 active and retired agents, comes as Trump is weighing a number of key staff changes after the election, including the dismissal of Wray, who has served just more than three years of 10-year term following the abrupt removal of James Comey in 2017."

The Washington Post (10/28, Zapotosky, 14.2M) reports, "In letters to the two 2020 presidential candidates FBI Agents Association President Brian O'Hare noted that since 1976, FBI directors have been appointed for 10-year terms – which is supposed to insulate their law enforcement mission from politics. While presidents can remove their directors, O'Hare wrote that 'doing so could lead to instability and damage to the Bureau's operations.'" O'Hare wrote, "No matter the outcome of next week's election, the men and women of the FBI are

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urging both Presidential candidates to allow Director Wray to lead the Bureau and serve our country." Bloomberg (10/28, Strohm, 4.73M) also has a report.

Lenders Forgave $287M In Trump Organization Debt Since 2010.

The New York Times (10/28, Enrich, Buettner, McIntire, Craig, 18.61M) reports that President Trump's federal income tax records "show for the first time that, since 2010, his lenders have forgiven about $287 million in debt that he failed to repay." According to the Times, "the vast majority was related to [a] Chicago project." The Times says Trump "and his family hoped the Trump International Hotel & Tower would cement their company's reputation as one of the world's marquee developers of luxury real estate. Instead, the skyscraper became another disappointment in a portfolio filled with them."

National Polls Range From Narrow Trump Lead To Double-Digit Biden Leads.

A CNN/SSRS poll of 886 likely voters nationwide (10/23-10/26) has Joe Biden at 54% and President Trump at 42%. An Economist/YouGov poll of 1,365 registered voters nationwide (10/25-10/27) has Biden at 54% and Trump at 43%. An IBD/TIPP poll of 991 likely voters nationwide (10/23-10/27) has Biden at 50.0%, Trump 45.4%, Libertarian Jo Jorgensen 1.6%, and Green Howie Hawkins 0.6%. A Qriously poll of 2,234 likely voters nationwide (10/22-10/26) has Biden at 49% and Trump at 39%. A Rasmussen poll of 1,500 likely voters nationwide (10/25-10/27) has Trump at 48% and Biden at 47%. A Redfield & Wilton poll of 5,745 registered voters nationwide (10/25-10/26) has Biden at 51%, Trump 41%, Hawkins 1%, and Jorgensen 1%. A Spry Strategies poll of 3,500 likely voters nationwide (10/20-10/23) has Biden at 47.8% and Trump at 46.0%. A USC Dornsife poll of 5,293 likely voters nationwide (10/14-10/27) has Biden at 53.7% and Trump at 42.3%. Biden has a 7.5-point lead in the RCP average and a 9.0-point lead in the FiveThirtyEight average.

Philip Bump of the Washington Post (10/28, 14.2M) writes that Trump "faces a significant hurdle: He needs to win multiple states where, over the past 100 days, he has never led. It's not just that Trump hasn't led. It's that there are a number of states in which Trump's support has never topped about 45 percent in FiveThirtyEight's polling averages."

Nate Silver writes at FiveThirtyEight (10/28, 356K), "After a surprisingly sluggish weekend for polling, the floodgates have opened. ... And although there are some outliers in both directions," new polls "tell a fairly consistent story, overall: A steady race nationally, perhaps with some gains for Joe Biden in the Midwest."

Texas. A Univision Noticias poll of 758 likely Texas voters (10/17-10/25) has Trump at 49% and Biden at 46%.

Florida. A Reuters/Ipsos poll of 704 likely Florida voters (10/21-10/27) has Biden at 49% and Trump at 47%. A Univision Noticias poll of 743 likely Florida voters (10/17-10/25) has Biden at 49% and Trump at 46%.

Pennsylvania. A Univision Noticias poll of 723 likely Pennsylvania voters (10/17-10/25) has Biden at 50% and Trump at 45%.

Georgia. A Monmouth University poll of 504 likely Georgia voters (10/23-10/27) has Biden at 50%, Trump 45%, and Jorgensen 2%.

Michigan. A Detroit News/WDIV-TV poll of 600 likely Michigan voters has Biden at 49.3% and Trump at 41.6%. A Mitchell Research poll of 759 likely Michigan voters (10/25-10/27) has Biden at 52% and Trump at 42%. A New York Times/Siena College poll of 856 likely Michigan voters (10/23-10/26) has Biden at 49% and Trump at 41%. A Washington Post/ABC News poll of 798 likely Michigan voters (10/20-10/25) has Biden at 51%, Trump 44%, and Jorgensen 3%.

North Carolina. A Civitas poll of 504 likely North Carolina voters (10/22-10/25) has Biden at 47%, Trump 46%, and Jorgensen 1%. A Public Policy Polling poll of 937 registered North Carolina voters (10/26-10/27) has Biden at 51% and Trump at 47%.

Arizona. An OH Predictive Insights poll of 716 likely Arizona voters (10/22-10/25) has Biden at 49%, Trump 46%, and Jorgensen 3%. A Reuters/Ipsos poll of 714 likely Arizona voters (10/21-10/27) has Biden at 48% and Trump at 46%. A Univision Noticias poll of 725 likely Arizona voters (10/17-10/25) has Biden at 50% and Trump at 45%.

Minnesota. A SurveyUSA poll of 649 likely Minnesota voters (10/23-10/27) has Biden at 47% and Trump at 42%.

Wisconsin. A Marquette Law School poll of 749 likely Wisconsin voters (10/21-10/25) has Biden at 48%, Trump 43%, and Jorgensen 2%. A Washington Post/ABC News poll of 809 likely Wisconsin voters (10/20-10/25) has Biden at 57%, Trump 40%, and Jorgensen 2%.

South Carolina. A Data For Progress poll of 1,196 likely South Carolina voters (10/22-10/27) has Trump at 50%, Biden 44%, and Jorgensen 1%.

Maine. A Colby College poll of 879 likely Maine voters (10/21-10/25) has Biden at 51% and Trump at 38%. In ME2, Biden is at 46% and Trump at 42%.

Montana. A Public Policy Polling poll of 886 registered Montana voters (10/26-10/27) has Trump at 49% and Biden at 47%.

More Than 75M Have Voted, More Than 42M Requested Mail Ballots Still Unreturned.

On ABC World News Tonight (10/28, story 4, 2:25, 6.59M), David Muir reported, "More than 75 million Americans have voted already. That's more than half of the entire vote four years ago." ABC's Marcus Moore added, "Texas leads the nation with more than eight million already voting. That is 90% of the [state's] entire vote from 2016." However, the AP (10/28, Cassidy) reports that "millions of mail ballots have yet to be returned in key battleground states, and election officials warn that time is running out for voters who want to avoid a polling place on Election Day." Janet Shamlian reported on the CBS Evening News (10/28, story 8, 2:10, O'Donnell, 3.95M), "Florida has more than 1.9 million unreturned, more than 1.5 million in Arizona. Georgia has more than 700,000 outstanding, Michigan more than 800,000."

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The Washington Post (10/28, Hawkins, Bogage, 14.2M) reports, "More than 42 million out of the 92 million mail ballots requested by

voters nationally had not yet been returned as of Wednesday afternoon, according to data from the U.S. Elections Project. ... In the 20 states where party affiliation data was available, more than 11 million of the outstanding ballots had been requested by Democrats, nearly 8 million by Republicans and about 10 million by unaffiliated voters."

CNBC (10/28, Breuninger, 3.62M) says on its website that in Texas, "early voting numbers in the state should encourage Democrats." Reuters (10/28, Ax, Brooks) reports polls show Joe Biden and President Trump "effectively tied" in Texas, and also suggest Biden "is leading among those helping to set its staggering early vote totals." The Washington Post (10/28, Johnson, Hernandez, 14.2M) reports, "Many Texas Democrats had eyed 2024 as the year when what has been elusive for so long might just happen: their state's growing, diversifying electorate would make them truly competitive statewide. But that timeline seems to have sped up."

In an editorial, USA Today (10/28, 10.31M) praises early voters for turning out "amid a terrifying pandemic, in the face of blatant voter suppression attempts. ... Many voters are expressing their concerns about the direction of the country and the government's failure to deal effectively with the pandemic. They are responding in the best way possible, with the most important tool at their disposal." NBC Nightly News (10/28, story 11, 1:10, Holt, 5.63M) spoke with some voters waiting in line to vote early.

SCOTUS Allows Extended Mail-In Ballot Deadlines In North Carolina And Pennsylvania. Reuters (10/28) reports the Supreme Court on Wednesday "dealt setbacks to Republicans by allowing extended deadlines for receiving mail-in ballots in next Tuesday's election in Pennsylvania and North Carolina." The action "means a Sept. 17 ruling by Pennsylvania's top court allowing mail-in ballots that are postmarked by Election Day and received up to three days later to be counted will remain in place for now." The AP (10/28, Sherman, Drew) reports the Court "will allow absentee ballots in North Carolina to be received and counted up to nine days after Election Day, in a win for Democrats."

The New York Times (10/28, Liptak, 18.61M) reports, "The court's brief orders in the two cases were unsigned. The Pennsylvania order appeared to be unanimous, while the North Carolina one was issued over three noted dissents" from Justices Samuel Alito, Neil Gorsuch, and Clarence Thomas. USA Today (10/28, Wolf, 10.31M) calls the Pennsylvania decision "a defeat" for Republicans. But ballots "received after polls close on Tuesday will be segregated from those received earlier, and if the state turns out to be pivotal, the high court could consider the state GOP's challenge after the election."

The Washington Post (10/28, Barnes, 14.2M) reports Justice Amy Coney Barrett "did not to participate in either case. Her decision did not signal a blanket recusal in election cases involving Trump, who nominated her. ... Instead, Barrett indicated through a court spokeswoman that the cases needed prompt decisions and that, having started work Tuesday, she did not have time to fully review the legal arguments."

The Wall Street Journal (10/28, Bravin, Kendall, Subscription Publication, 7.57M), the Philadelphia Inquirer (10/28), the Charlotte Observer (10/28, 470K), Politico (10/28, Montellaro, Gerstein, 4.29M), and The Hill (10/28, Kruzel, 2.98M) also have reports. The CBS Evening News (10/28, story 3, 0:35, O'Donnell, 3.95M) had a brief item, while NBC Nightly News (10/28, story 7, 4:20, Holt, 5.63M) and the New York Times (10/28, Medina, 18.61M) profiled voters in Pennsylvania.

Democrats Concerned By Mail Delivery Delays In Some Cities. Reuters (10/28, Shepardson) reports congressional Democrats said Wednesday that "reported delays in mail deliveries in some U.S. cites could jeopardize delivery of ballots ahead of next week's presidential election." On Tuesday, US District Judge Emmet Sullivan ordered the US Postal Service "to release daily reports on mail deliveries, participate in daily court conferences and take other steps to ensure timely delivery of ballots." Bloomberg (10/28, Shields, 4.73M) reports the USPS on Wednesday "reported a slide in on-time service including a steep drop in the Democratic stronghold of Philadelphia, with the election and its deadlines for mailed ballots less than a week away."

The Washington Post (10/28, 14.2M) editorializes, "Election Day this year is going to feel different. Many Americans will have to weigh whether voting is worth risking" COVID infection, "perhaps because their absentee ballot did not arrive fast enough, or they worry it would not get back in time to count, or they were denied the option of voting by mail in the first place. For this, they can thank Republicans in states such as Texas and Wisconsin who maintained arbitrary limits on absentee ballots." The Post says the result of so many by-mail votes "will be an Election Day that may not end with the declaration of a clear winner." President Trump "may claim fraud or declare victory before all the votes are counted. If Americans go into Election Day with the right expectations, they will ignore his self-serving lies."

National Forest In Alaska Opened To Logging.

Reuters (10/28) reports on Wednesday, the Trump Administration "finalized a plan to open vast portions of the nation's largest national forest, the Tongass in Alaska, to logging." The plan "lifts longstanding restrictions on tree harvests in the southeastern Alaska forest and is in line with President Donald Trump's agenda to roll back environmental regulations that he says are roadblocks to industry." Reuters also says the move "marked a victory for Alaska state officials who petitioned for the change because they said a Clinton-era rule that banned logging, roads and mining in undeveloped forests has cost Alaskans jobs."

The Washington Post (10/28, Eilperin, 14.2M) reports that, "as of Thursday, more than 9.3 million acres of forest – featuring old-growth stands of red and yellow cedar, Sitka spruce and Western hemlock, as well as plentiful salmon runs and imposing fjords – will now be open for road building." The decision, "which will be published in the Federal Register and reverses protections President Bill Clinton put in place in 2001, is one of the most sweeping public lands rollbacks Trump has enacted."

The AP (10/28, Bohrer) reports, "About 9.4 million of Tongass' 16.7 million acres are considered [illegible] according to the Forest Service, which falls under the USDA." This number "differs slightly from the 9.2 million acres the agency cited in its draft environmental review

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last fall." The "majority of Tongass is in a natural condition, and the forest is one of the largest, relatively intact temperate rainforests in the world, the agency said."

Lawsuit Accuses Census Bureau Of Pressuring Households To Falsify Data.

The AP (10/28) reports the US Census Bureau "was able to claim it had reached 99.9% of households when the 2020 census ended two weeks ago because census takers were pressured to falsify data as the statistical agency cut corners and slashed standards, according to an amended lawsuit from advocacy groups and local governments." The lawsuit "argues the disregard for accuracy was done to end the count early so that census numbers could be processed" while President Trump "was still in the White House, regardless of who wins the presidential race."

Bernhardt Signs Order To Make National Parks Free To Veterans, Gold Star Families.

On KCCI-TV Des Moines, IA (10/28, 6:45 p.m. CDT, 44K), Interior Secretary Bernhardt said he signed an order on Wednesday permitting veterans and Gold Star families free admission to national parks. Bernhardt said, "Waiving this fee is a meaningful way, that is consistent with the President's commitment to veterans and to Gold Star families. And so I think it would be great for anyone who can to get out on Veterans Day."

Bernhardt Draws Criticism For Retweeting Video Praising Trump. The Washington Post (10/28, Bella, 14.2M) reports, "Over a bouncy tune, the video flashes stunning images of birds, mountains and plains over text hailing President Trump for 'preserving the awesome majesty of God's great creation.'" The Post says the video was shared Tuesday evening on Bernhardt's official Twitter account. Critics accused Bernhardt and the Interior Department "of using agency resources to promote a video supporting Trump's reelection in violation of the Hatch Act."

Chao Discusses DOT Grants.

Transportation Secretary Chao said on WFXT-TV Boston (10/28, 5:15 p.m. EDT, 14K) that the $29 million the DOT awarded to a Boston-area train station will go to building a high-level platform commuters. Chao said, "These improvements are going to expand the station's capacity improve reliability and of course reduce delays."

On WLUC-TV Marquette, MI (10/28, 5:03 p.m. EDT, 12K), Chao said that a record $6.6 billion has been granted toward Michigan transportation infrastructure. Chao said, "When employers think about what area they're going to enter, what kind of plants they are going to set up, they look at the transportation infrastructure first and foremost. So we want to make sure that the rail infrastructure is modernized, paid attention to, and repaired and maintained, as well." Chao linked the need for infrastructure spending with a story on WJBK-TV Detroit (10/28, 6:30 p.m. EDT, 43K) about a train derailment in Detroit. Chao said, "Today's accident, and all the inconveniences that it has caused for commuters and for the communities, underscores the tremendous need to maintain and keep infrastructure at the best state that it can possibly be so that we can prevent accidents like this."

On WDIO-TV Duluth, MN (10/28, 8K), Chao said the Department of Transportation's "Applicant Tool Kit" can help officials apply for infrastructure funding. Chao said, "This will allow communities who can't afford the army of consultants like urban areas," such as rural Americans, an "online, user-friendly resource to enable them to find out what discretionary grant programs are available in Department and how to apply."

Relationship Between McConnell, Schumer At New Low After Barrett Confirmation.

The Hill (10/28, Bolton, 2.98M) reports that the relationship between Senate Majority Leader McConnell and Senate Minority Leader Schumer "has hit a new low after the bitter fight over newly sworn in Justice Amy Coney Barrett." The "rancorous nature of their relationship was on full display Monday evening, moments before the Senate voted to confirm Barrett along party lines, when Schumer declared it would 'go down as one of the darkest days in the 231-year history of the Senate.'" According to The Hill, "The deterioration of their relationship in recent months, a tense election year when control of the Senate in 2021 is at stake, raises questions about their ability to work together in the future and whether Democrats will change the chamber's rules once in power to circumvent McConnell entirely."

Ocasio-Cortez Profiled In Vanity Fair Cover Story.

In its magazine's December 2020 cover story, Vanity Fair (10/28, Ruiz, 9.08M) profiles Rep. Alexandria Ocasio-Cortez (D-NY). The 5,700-word piece describes Ocasio-Cortez's background and childhood, as well as the threats she's faced while in office, the way she's had to adapt to being a public figure, and legislation like the Green New Deal about which she feels passionately. Of the presidential election, Ocasio-Cortez said, "This is not about a decision between two candidates. ... It's about a decision between two countries." Vanity Fair says a Joe Biden win "gives her district, which is dominantly made up of Latinx, Asian, and Black people and had been the epicenter of the epicenter of the pandemic, a fighting chance. If it's Trump, 'I cannot honestly look them in the eye and tell them that they will be safe.'"

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QAnon Surviving Despite Crackdown By Tech Companies.

The Washington Post (10/28, Timberg, Stanley-Becker, 14.2M) reports, "Months into Silicon Valley's crackdown on the far-right QAnon

conspiracy theory, dozens of websites, social media apps and e-commerce platforms remain flooded with its debunked claims, showing a durability likely to outlast next week's presidential election – no matter the outcome." QAnon accounts "have grown steeply on social media apps, such as Parler and Telegram, that have little content moderation." Merchants selling "QAnon-themed books and T-shirts appear to be thriving, including on such major online retailers as Amazon." On Twitter, "one of the tech companies seeking to curb the content, accounts openly touting QAnon remain active in online political debate, especially in key states such as Florida and Texas, according to new research."

Pence Campaigns In Wisconsin And Michigan.

The Wausau (WI) Daily Herald (10/28, 53K) reports, "With COVID-19 infection numbers breaking records across the state, a vice president who would be in quarantine under the nation's disease-control guidelines traveled to central Wisconsin" to campaign on Wednesday. Vice President Pence, speaking at Central Wisconsin Airport in Mosinee, "focused heavily on themes of agriculture, trade and manufacturing, telling audience members that [President] Trump fought for Wisconsin dairy and he won for Wisconsin Dairy with the USMCA (United States-Mexico-Canada Agreement)' and touting aid the administration has provided to farmers."

MLive (MI) (10/28, Barrett, 925K) reports Pence also "held a campaign rally at Bishop International Airport in Flint Wednesday, his sixth visit to Michigan in 2020 and third campaign stop in October. The vice president outlined his case for a second term to more than 200 supporters, touting Trump's record of appointing conservative judges, rewriting trade deals and building a strong economy before the coronavirus struck."

Scott Launches Pro-Trump Ad In Florida.

Politico (10/28, Caputo, 4.29M) reports Sen. Rick Scott (R-FL) has launched "a big TV ad buy" to promote President Trump in Florida. Politico says Scott's "direct-to-camera ad isn't only about advancing the president's interests. It also raises the first-term senator's profile as he seeks to become the head of the National Republican Senatorial Committee. Scott – who has an eye on a potential presidential bid in 2024 and his own reelection that year – has run two other ads during this presidential cycle, one attacking Joe Biden that aired in Iowa and another attacking" Sen. Bernie Sanders (I-VT).

Biden Vows To Pass Equality Act In First 100 Days.

Reuters (10/28, Trotta) reports Joe Biden "has promised to make passing the LGBTQ rights legislation known as the Equality Act a top priority, hoping to sign what would be a landmark civil rights law within 100 days should he win Tuesday's election." Reuters says Biden "also pledged in an interview with the Philadelphia Gay News to expand queer rights internationally by making equality a centerpiece of U.S. diplomacy should he win the election and assume office in January." Biden told the Philadelphia Gay News (10/28), "I will make enactment of the Equality Act a top legislative priority during my first 100 days, a priority that Donald Trump opposes."

Harris Campaigns In Arizona.

The Arizona Republic (10/28, 869K) reports Sen. Kamala Harris (D-CA) on Wednesday "made a final appeal to Arizona voters who have yet to cast their ballots, emphasizing the 'clear contrast' between this year's Republican and Democratic tickets during back-to-back events in Phoenix and Tucson. The trip marked Harris' second visit to the crucial battleground state this month." The Arizona Daily Star (10/28, 243K) reports Harris met with local small-business owners and spoke at a drive-in event at Tucson's Pima Community College.

The Washington Post (10/28, Roig-Franzia, 14.2M) has a 2,700-word feature on Harris' husband Doug Emhoff, saying he "paused his career" for her aspirations "and became the campaign's 'secret weapon.'"

Biden And Obama To Appear Together In Michigan On Saturday.

The AP (10/28) reports that Joe Biden and former President Barack Obama will both be at a rally in Michigan on Saturday, although the Biden campaign "hasn't said where it will be held."

Biden Faults Trump After Rally Attendees Were Stuck In Freezing Weather.

The Washington Post (10/28, Elfrink, 14.2M) reports that "by the time President Trump finished speaking to thousands of supporters at Omaha's Eppley Airfield on Tuesday night and jetted away on Air Force One, the temperature had plunged to nearly freezing. But as long lines of MAGA-clad attendees queued up for buses to take them to distant parking lots, it quickly became clear something was wrong." According to the Post, "The buses, the huge crowd soon learned, couldn't navigate the jammed airport roads. For hours, attendees – including many elderly Trump supporters – stood in the cold as police scrambled to help those most at risk get to warmth." The Post says "thirty people needed medical attention over the course of the rally."

The New York Times (10/28, Searcey, Stevens, Victor, Kaplan, 18.61M) reports Joe Biden "seized on the mishap Wednesday as he gave a speech in Wilmington, Del., criticizing the president's handling of the coronavirus." Biden said, "Just look at what happened last night in Omaha after Trump – after the Trump rally ended. Hundreds of people, including older Americans and children, were stranded in subzero freezing temperatures for hours. Several folks ended up in the hospital. It's an image that captures President Trump's wholesale approach to this crisis."

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NYTimes Considers Biden's Strategy Of Following Light Travel Schedule.

The New York Times (10/28, Glueck, 18.61M) looks at whether the light travel and public event schedule Joe Biden has followed in his campaign due to the coronavirus is a "wise tactic" or a "misguided gamble." If he wins, the Times says, "the measured pace he maintained at the end of the race may be remembered as evidence that he wisely tuned out conventional wisdom in an extraordinary year." But if Biden loses, "his schedule in recent weeks – and all of the days he spent in Delaware this month – is almost certain to be the source of overwhelming Democratic second-guessing."

Flake Films Ad For Biden.

The Hill (10/28, Castronuovo, 2.98M) reports ex-Sen. Jeff Flake (R-AZ) has filmed an ad for Joe Biden, "using the spot to urge Republicans to put 'country over party.'" Flake says in the ad, "I've been a conservative Republican my entire life. I've never before voted for a Democrat for president. But this year, principle and conscience require me to do just that. I'm voting for Joe Biden."

Democratic Senate Candidates Outspending GOP In 14 Competitive Senate Races.

NBC News (10/28, 6.14M) reports on its website that Democratic Senate candidates "have outspent Republicans in TV and radio ad spending in nearly every competitive Senate race, according to data from Advertising Analytics. In Alaska, Alabama, Arizona, Colorado, one Georgia seat, Iowa, Kansas, Kentucky, Maine, Michigan, Montana, North Carolina, South Carolina and Texas the Democratic challenger or incumbent has outspent the Republican on TV and radio ads." Overall, "Democrats are outspending Republicans by nearly 2-to-1."

Kelly Leads In Two Arizona Senate Polls.

An OH Predictive Insights poll of 716 likely Arizona voters (10/22-10/25) has Mark Kelly (D) at 50% and Sen. Martha McSally (R-AZ) at 45% in the state's Senate race. A Reuters/Ipsos poll of 714 likely Arizona voters (10/21-10/27) has Kelly at 51% and McSally at 44%.

Ossoff, Warnock Lead Georgia Senate Poll.

A Monmouth University poll of 504 likely Georgia voters (10/23-10/27) has Jon Ossoff (D) at 46%, Sen. David Perdue (R-GA) 46%, and Libertarian Shane Hazel 2% in the state's Senate race. In the special Senate election, Raphael Warnock (D) is at 41%, Sen. Kelly Loeffler (R-GA) 21%, Rep. Doug Collins (R-GA) 18%, Matt Lieberman (D) 4%, Ed Tarver (D) 3%, and Libertarian Brian Slowinski 2%.

Gideon Leads Maine Senate Poll By Just Over Three Points.

A Colby College poll of 879 likely Maine voters (10/21-10/25) has Sara Gideon (D) at 46.6%, Sen. Susan Collins (R-ME) 43.4%, independent Lisa Savage 4.7%, and independent Max Linn 1.7% in the state's Senate race.

The Boston Globe (10/28, 972K) says that while "beginning in mid-September, Democrats started to see renewed energy going their way" across the nation, with Senate candidates gaining momentum, the Maine race "has been stuck since February." Gideon "has led every poll, but except for an outlier here and there, has only led within the margin of error or by a few points."

Peters Leads In Three Michigan Senate Polls.

A Detroit News/WDIV-TV poll of 600 likely Michigan voters has Sen. Gary Peters (D-MI) at 48.4% and John James (R) at 38.8% in the state's Senate race. A Mitchell Research poll of 759 likely Michigan voters (10/25-10/27) has Peters at 52% and James at 43%. A Washington Post/ABC News poll of 798 likely Michigan voters (10/20-10/25) has Peters at 52% and James at 46%.

Smith Has Three-Point Lead In Minnesota Senate Poll.

A SurveyUSA poll of 649 likely Minnesota voters (10/23-10/27) has Sen. Tina Smith (D-MN) at 45% and ex-Rep. Jason Lewis (R-MN) at 42% in the state's Senate race.

Bullock Has One-Point Lead In Montana Senate Poll.

A Public Policy Polling poll of 886 registered Montana voters (10/26-10/27) has Gov. Steve Bullock (D) at 48% and Sen. Steve Daines (R-MT) at 47% in the state's Senate race.

Cunningham Leads By Three Points In Two North Carolina Senate Polls.

A Civitas poll of 504 likely North Carolina voters (10/22-10/25) has Cal Cunningham (D) at 46%, Sen. Thom Tillis (R-NC) 43%, Libertarian Shannon Bray 2%, and Constitution Party candidate Kevin Hayes 1% in the state's Senate race. A Public Policy Polling poll of 937 registered North Carolina voters (10/26-10/27) has Cunningham at 47% and Tillis at 44%.

The Charlotte Observer (10/28, 470K) reports that the presence of a Constitution Party candidate on the state's ballot "for the first time in a major election," and the absence of a Green Party candidate, could hurt Tillis "if the final vote tally is close."

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Graham And Harrison Tied In South Carolina Senate Poll.

A Data For Progress poll of 1,196 likely South Carolina voters (10/22-10/27) has Sen. Lindsey Graham (R-SC) and Jaime Harrison (D) tied at 46% each in the state's Senate race, with Constitution Party candidate Bill Bledsoe at 3%.

NYTimes: Three States Should Vote In Favor Of Progressive Taxation.

In an editorial, the New York Times (10/28, 18.61M) says, "Voters in Illinois and Arizona, two of the states where taxation is most regressive, now have the chance to make the tax system a little more fair." Ballot measures in both states "would shift more of the burden of taxation onto wealthier residents," while "in California, where the overall distribution of taxation is already progressive, voters can make a change for the better." According to the Times, "A more progressive approach to taxation is necessary to counterbalance the rise of economic inequality, which has reached the highest levels since the 1920s." The Times concludes by saying, "A new generation of politicians is now stepping forward to make the case for progressive taxation, promising to use the money to invest in services like high-quality education. It is up to the voters to give that effort their support."

RCP Average Has Trump's Job Approval At 44.3%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.3%, and his disapproval at 53.3%. The President's approval is unchanged since yesterday; his disapproval is up 0.4.

A Rasmussen poll of 1,500 likely voters (10/26-10/28) finds Trump's approval at 52%, and his disapproval at 47%.

Financial International News

World Bank Official To G20: "Be Bold" On Debt Relief For World's Poorest Nations To Prevent "Lost Decade."

Reuters (10/28, Shalal) reports World Bank Chief Economist Carmen Reinhart said Wednesday that the G20 economies should act decisively and quickly to ease the debt burdens of the world's poorest countries to prevent an impending "lost decade" of global development. Reinhart "told an event hosted by the European Bank for Reconstruction and Development...G20 finance ministers are set to finalize work on a common framework for dealing with debt issues when they meet in early November." Reinhart, "when asked about her advice to G20 leaders during the EBRD event," said, "Be bold. This is not the moment of being timid on debt crisis resolution. Proposals need to be bold in terms of delivering debt reduction for the debtors, because if not ... the risks of a lost decade are very big."

G20 Finance Ministers To Hold "Extraordinary" Nov. 13 Meeting On Debt Relief. Bloomberg (10/28, Soto, Khrennikov, 4.73M) reports the G20 finance ministers "plan to hold an extraordinary meeting on Nov. 13 to discuss bolder action to help poor nations struggling to repay their debts." The ministers "plan to meet a week prior to the annual gathering of heads of government on Nov. 21-22, according to a copy of the meeting's agenda seen by Bloomberg." That meeting "could mark the next phase in the global debt-relief drive by bolstering coordination between government creditors over how to restructure the debts of poor economies hit hard by the coronavirus pandemic."

ECB Expected To Hold Policy Steady After Meeting, Signal Action In December.

CNBC (10/28, Weisbach, 3.62M) reports the ECB's Governing Council "will meet this Thursday for a scheduled monetary policy meeting, and the backdrop couldn't be bleaker." Lockdowns are "being re-imposed across Europe as Covid-19 cases are surging and the economic outlook is deteriorating by the day, which will continue to weigh on inflation." However, the ECB "is not yet expected to add to its stimulus, but rather to signal action for December." The "somewhat optimistic economic picture that ECB President Christine Lagarde previously painted at the last ECB policy meeting in September has darkened considerably." Thus, "most economists do expect action in December."

Ukraine PM Says Progress Made On Obligations In IMF Agreement.

Reuters (10/28, Polityuk) reports Ukrainian Prime Minister Denys Shmygal said Wednesday that Ukraine had made significant progress to fulfill the obligations of its agreement with the IMF. Shmygal said on Telegram, "We are quickly moving our positions closer to the IMF. We just had a productive meeting with our international partners from the Fund." Shmygal "gave no more details but said that 'strong partnership' with the IMF is the key to Ukraine's long-term stability."

Leading International News

Protests Break Out Across Europe Over Reimposed Lockdowns.

According to the Washington Post (10/28, Booth, Harlan, Morris, Birnbaum, 14.2M), "As new coronavirus infections surge again in Europe, breaking daily records, the mood is growing dark on the continent." On Wednesday, Germany and France "joined those announcing lockdowns to try to get the virus under control." The "new measures are, so far, less restrictive than in the spring, and yet they face more push back." The Post reports that "police in Italy this week fired tear gas to disperse rioting crowds in Turin and Milan, after protests against the latest round of anti-coronavirus orders flared into violence."

The New York Times (10/28, Breeden, Eddy, Zraick, Pronczuk, Schuetze, Minder, 18.61M) reports that in a televised address on Wednesday evening, President Emmanuel Macron argued that officials had no choice but to impose another lockdown in the face of limited

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hospital capacity and rising cases across the country." The Times says Macron "stressed that much of Europe was facing a similar situation, 'overwhelmed by a second wave that we now know will probably be harder and more deadly than the first.'"

The CBS Evening News (10/28, story 5, 1:05, O'Donnell, 3.95M) reported, "Starting Friday until December, no one in France can leave home without a good reason, though schools and factories will stay open, but nonessential businesses will have to close. France's hospitals are feeling the strain with more than half of all intensive care beds already full. In Germany, Chancellor Angela Merkel announced what she called 'burdensome measures,' too. Restaurants will have to close. So will bars and movie theaters. These are radical moves in a country where masks and widespread testing had, until now, kept the infection rates low."

The AP (10/28, Jordans, O'Connor) reports that "countries such as Switzerland, Italy, Bulgaria and Greece have closed or otherwise clamped down again on bars and restaurants and imposed other restrictions such as curfews and mandatory mask-wearing." The AP adds that "both Italy and Germany set records for new infections Wednesday, with Italy reporting nearly 25,000 in a single day and Germany logging almost 15,000."

USA Today (10/28, Shesgreen, Hjelmgaard, 10.31M) reports that over the weekend, "Italy ordered bars and restaurants to close by 6 p.m. and shuttered gyms, movie theaters and pools entirely." The Spanish Prime Ministers "imposed a night-time curfew on Sunday, and the government said local authorities could ban travel between regions, among other restrictions."

Bloomberg (10/28, 4.73M) reports that "moves from stocks to the euro and Italian bonds show investors are grappling with the economic fallout from lockdown restrictions that are now some of the toughest in the world. While markets globally have taken a dip this week, the hit was most severe in Europe." Bloomberg says the Stoxx Europe 600 Index "sank as much as 2.7% on Wednesday, reaching the lowest level since May." Bloomberg adds, "In contrast, U.S. equities are only at a three-week low and Asian markets have barely budged."

In an editorial, the Wall Street Journal (10/28, Subscription Publication, 7.57M) says the lockdowns will not eliminate the coronavirus but will certainly do damage to the economy and to public health. The Journal instead advocates for targeted closures until a vaccine arrives or broader immunity is achieved.

Among the outlets also reporting on the lockdowns are Reuters (10/28, Rinke, Kar-Gupta), Bloomberg (10/28, Ruitenberg, Delfs, Nussbaum, 4.73M), and the Wall Street Journal (10/28, A1, Bisserbe, Subscription Publication, 7.57M).

Over Half Of French Hospital ICUs Occupied By COVID Patients. The AP (10/28, Jordans) reports, "In France, more than half of the country's intensive care units are already occupied by COVID-19 patients." To address the spike and strain on local resources, "French military and commercial planes are ferrying critically ill virus patients to other regions as hospitals fill up and French doctors have called on the government to impose a new nationwide lockdown."

Court Refuses To Review Conviction Of Former Detainee Who Rejoined Al Qaeda.

The New York Times (10/28, Rosenberg, 18.61M) reports a three-judge panel of the US Court of Appeals for the District of Columbia has refused to review the 2010 war crimes conviction of former Guantanamo Bay prisoner Ibrahim Ahmed Mahmoud al-Qosi, "who after his return to his native Sudan ran away and rejoined Al Qaeda." Qosi "pleaded guilty to providing support for terrorism and Al Qaeda in exchange for his repatriation in 2012." Although he "appeared in videos produced by the Yemen-based Al Qaeda in the Arabian Peninsula" three y ears later, "an appeals process went forward in his case." Pentagon-funded lawyers "filed an appeal after a federal court found that the charge on which he had been convicted, providing material support for terrorism, did not qualify as a war crime that could be tried by a military commission." The appeals court "declined to hear the case in an ordered issued Tuesday night."

Construction At Iran Nuclear Site Shown In Satellite Photos.

The AP (10/28, Gambrell) reports, "Iran has begun construction at its Natanz nuclear facility, satellite images released Wednesday show, just as the UN nuclear agency acknowledged Tehran is building an underground advanced centrifuge assembly plant after its last one exploded in a reported sabotage attack last summer." The construction "comes as the US nears Election Day in a campaign pitting President Donald Trump, whose maximum pressure campaign against Iran has led Tehran to abandon all limits on its atomic program, and Joe Biden, who has expressed a willingness to return to the accord." The outcome of the vote "likely will decide which approach America takes. Heightened tensions between Iran and the US nearly ignited a war at the start of the year."

Ratcliffe Said To Have Gone "Off Script" With Remarks On Iranian Election Interference.

Politico (10/28, Bertrand, Lippman, 4.29M) reports DNI Ratcliffe "went off script when he alleged during a press conference last week that Iran was sending intimidating emails to Americans in order to 'damage President Trump,' according to two senior administration officials with knowledge of the episode." The reference to Trump "was not in Ratcliffe's prepared remarks about the foreign election interference, as shown to and signed off by FBI Director Chris Wray and senior DHS official Chris Krebs, the director of the department's Cybersecurity and Infrastructure Agency." Ratcliffe "attributed the emails to Iran but said they were 'designed to intimidate voters, incite social unrest, and damage President Trump,' raising immediate questions about how threatening Democrats to vote for Trump could be aimed at damaging the president's re-election bid – and how the intelligence community had made that determination within 24 hours of the messages."

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Afghan Man Indicted For Kidnapping Journalist, Brought To New York.

CBTC-22-0351-A-000556

USA Today (10/28, Johnson, 10.31M) reports, "Federal charges were unsealed Wednesday against an Afghan man accused in the 2008 kidnapping of former New York Times journalist David Rohde and two others who were held by armed captors for more than seven months." Haji Najibullah "was brought to New York from Ukraine and faces a six-count indictment in connection with the abduction." He "later wrote about his ordeal and escape with Afghan journalist Tahir Ludin." Rohde and Ludin "were not named in the federal court documents outlining the charges against Najibullah, but the timing of the events described matched the case involving the American journalist."

The Washington Post (10/28, Jacobs, 14.2M) reports Najibullah "appeared virtually for his first court appearance Wednesday, and US Magistrate Judge Ona T. Wang granted the government's request to detain him without bail." An alleged co-conspirator, Akhund Zada, who remains at large, is accused of taking Rohde at gunpoint while the journalist, then with the New York Times, was reporting in war-torn Afghanistan for a book about the conflict. He and Timor Shah "are named in the indictment, but the US attorney's office in Manhattan did not say whether their whereabouts are known."

The New York Times (10/28, Weiser, 18.61M) says Rohde, "as well as an Afghan journalist, Tahir Ludin, eventually made a desperate nighttime escape in June 2009 from the second floor of a Taliban compound in North Waziristan, in Pakistan's tribal areas, that included dropping down a high wall with a rope and making their way to a Pakistani militia post." A third hostage, "Asadullah Mangal, their driver, did not escape with them but managed to flee five weeks later."

WPost Report: "Handful Of Foreign Leaders" Express Support For Trump.

The Washington Post (10/28, Berger, 14.2M) reports "most world leaders do not weigh in on U.S. presidential elections, wary of alienating one side or damaging strategic interests by appearing to interfere." But President Trump "has received the vocal support of a handful of foreign leaders, mostly right-wing populists known for clear parallels to Trump in policy and rhetoric." The Post lists "some countries with leaders that have bucked the norm and expressed outspoken support for Trump." They include: Hungary, Brazil, Philippines, Serbia, and Slovenia.

Pompeo To Make Unscheduled Visit To Hanoi As Part Of Asia Trip.

The Washington Times (10/28, Gertz, 492K) reports the State Department announced Wednesday that Secretary of State Pompeo will visit Hanoi as part of his Asia tour this week to "reaffirm the strength of the U.S.-Vietnam comprehensive partnership and promote our shared commitment to a peaceful and prosperous region." The Times cites "a senior Trump administration official" who "said the visit is expected to include an important announcement about U.S.-Vietnam relations in the face of growing regional threats posed by China, which has been increasingly assertive in dealings with Hanoi and other countries in the region." The Vietnam stop had not been scheduled as part of Pompeo's Asia trip "but was added on during discussions over the past few days."

Pompeo Announces US Will Establish An Embassy In Maldives.

In what the New York Times (10/28, Verma, 18.61M) says is an indication of the Maldives' "growing role in the U.S. strategy to increase America's presence in the region," reports Secretary of State Pompeo said Wednesday the US will establish an embassy in the country. Pompeo, who made the announcement during a five-day trip through Asia, "said the United States would also appoint a resident ambassador for the country. Currently, Washington maintains diplomatic relations through its ambassador to Sri Lanka."

US Consulate In Hong Kong Reportedly Turned Away US Citizen Seeking Refuge.

The Washington Post (10/28, Mahtani, 14.2M) reports Tony Chung, "a founder of a pro-independence student group in Hong Kong who was among the first to be arrested under Beijing's new national security law imposed in late June," had "sent documents to Washington earlier this month...and he hoped he could soon resettle in the United States." On Tuesday, "Chung and four other Hong Kong activists sought to reach the U.S. Consulate in hopes of speeding up the process," but Chung was "apprehended by several men and taken away before he could reach the consulate gates. ... The other four – a U.S. citizen among them, according to Friends of Hong Kong – briefly entered the consulate later that afternoon, but they had their requests for refuge inside the compound rebuffed and were turned away." The Post says there are now "questions about why the U.S. Consulate...would have turned away an American citizen appealing for help."

Azerbaijan, Armenia Accuse Each Other Of Targeting Civilians.

Reuters (10/28, Bagirova, Hovhannisyan) reports on Wednesday, Azerbaijan and Armenia "accused each other of killing civilians by shelling cities in and around Nagorno-Karabakh...in an escalation of a month-long conflict over the mountain enclave that has defied three ceasefires." Azerbaijan "said 21 people were killed when Armenian shells hit the town of Barda, northeast of Nagorno-Karabakh." Reuters adds that "Armenian-backed officials in Nagorno-Karabakh said Azeri shells had fallen on the enclave's two largest cities, killing one person." Writing from Azerbaijan in the New York Times (10/28, 18.61M), Carlotta Gall describes the rocket attack on Barda. Gall writes while "a string of settlements close to the frontline have suffered almost daily rockets strikes," the "attack on Barda, which lies slightly further from the frontline, appeared to be an escalation."

The AP (10/28, Demourian) reports in Nagorno-Karabakh, "an Azerbaijani rocket hit a maternity hospital but inflicted no casualties." The AP also reports officials in Nagorno-Karabakh "said Azerbaijani forces hit Stepanakert, the region's capital, and the nearby town of Shushi

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with Smerch long-range multiple rocket systems, a devastating Soviet-designed weapon intended to ravage wide areas with explosives and cluster munitions."

Poles Continue Protests, Strike Against Abortion Ruling.

The AP (10/28, Gera) reports for a seventh straight day Wednesday, Poles "stayed off their jobs and huge crowds poured onto the streets" to protest "a top court ruling that bans abortions in cases of fetal abnormalities." The strike and protests "come amid a deepening standoff between angry demonstrators and Poland's deeply conservative government, which pushed for last Thursday's court ruling and has vowed not to back down."

The New York Times (10/28, Santora, Pronczuk, 18.61M) reports Deputy Prime Minister Jaroslaw Kaczynski, leader of the ruling Law and Justice party, said in an address to Parliament Wednesday, "You are smashing Poland to pieces, you're endangering lots of people, you are criminals." In a video posted to Facebook Tuesday that was "widely viewed by critics as a call to arms," Kaczynski said it was time to "defend Poland, defend patriotism. ... This is the only way we can win this war."

Barcelona Judge Probing Catalan Separatist Ties To Russia.

The AP (10/28) reports Judge Joaquín Aguirre in Barcelona "is probing possible links between some of the promoters of Catalonia's 2017 attempt to declare independence from the rest of Spain with an alleged misinformation campaign and overall effort to destabilize Europe that Spanish investigators link to Russia." Aguirre's probe "led on Wednesday to the arrest of 21 suspects on suspicions of corruption and promoting public disorder." His investigation is based, in part, "on police evidence that purported Russian agents allegedly offered to provide military aid to Catalan separatists at the height of their failed secession bid in 2017."

Opposition Candidate Alleges "Widespread Irregularities" In Tanzania's Presidential Election.

The AP (10/28) reports Tanzania's leading opposition candidate Tundu Lissu alleged Wednesday that there were "widespread irregularities" in the country's presidential election. Results declared by the electoral commission are not open to court challenges, "bringing urgency to vote-monitoring efforts, but the opposition said observers were turned away from scores of polling stations." Lissu, who is with the CHADEMA party, said, "Mass democratic action will be the only option to protect the integrity of the election." The other major opposition party, ACT Wazalendo, "said its polling agents witnessed ballot box-snatching by security agents, ballot box-stuffing and voters turned away by authorities who said ballots had run out."

The New York Times (10/28, Dahir, 18.61M) says the election "is widely seen as a referendum" on President John Magufuli, "who is seeking a second five-year term, and on the governing Party of the Revolution, which has dominated Tanzanian politics under one name or another since independence in 1961." Magufuli "has been lauded for his efforts to strengthen the economy, cut wasteful public spending and revive infrastructure projects. But his administration has also been accused of stepping up repression. The government has cracked down on political dissent, muzzled media and right groups and passed legislation reinforcing the party's hold on power."

WPost: US, EU Should Investigate Reports Of Russian Labs Developing Chemical Weapons.

A Washington Post (10/28, 14.2M) editorial says "a group of news outlets has exposed what they describe as clandestine Russian organizations carrying out illegal chemical weapons development concealed as civilian research." The Post says the reports, if true, "add a major dimension of concern to the attempted killings" of Russian opposition leader Alexei Navalny and former military intelligence officer Sergei Skripal and his daughter in March 2018. The Post says the Administration has been "strangely silent about sanctions in response to the Navalny attack," and calls on the US and EU to "investigate the newly identified research organizations." In addition, the Post says when states that are parties to the Chemical Weapons Convention "meet Nov. 30 to Dec. 4, they should consider a strong response."

Housing

Bove's Commentary Bodes Well For GSE Common Shares.

Value Walk (10/28, Jones, 1K) reports Odeon Capital analyst Dick Bove "has long been arguing against buying the common shares of Fannie Mae and Freddie Mac, but his latest argument in favor of housing reform could offer reasons to buy those common shares. He believes Fannie Mae and Freddie Mac will be strengthened next year because of the need to provide a boost to housing, and he suggests that history may repeat itself to make that happen." Bove said, "The need for Fannie Mae and Freddie Mac is growing as the need for a housing revival grows to support economic growth. This suggests that these companies will return to the private sector with some type of government guarantee. This is likely whether the Republicans or Democrats are in power." Bove also "says it makes sense to own the junior preferred shares" in the GSEs, but "would argue that he has also made a case for owning their common shares as well without actually meaning to."

Freddie Mac Single-Family Webinar To Explore "New Now" In Housing Affordability.

According to National Mortgage News (10/28), "housing research and economic experts from Freddie Mac" will host a "Freddie Mac Single-Family All For HomeInsight" webinar delivering insights about "today's evolving economic, social and demographic shifts that are impacting homebuyer affordability," as well as how Freddie Mac's First-Time Homebuyer Affordability Index "can provide opportunities to understand,

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and engage, population segments that are prime candidates to become future homebuyers."

NC Governor Extends Eviction Moratorium Until December 31.

The Winston-Salem (NC) Journal (10/28, Craver, 168K) reports that North Carolina's halt on evictions has been extended until December 31. North Carolina Governor Roy Cooper issued an executive order on Wednesday that granted the two-month extension. According to the Journal, Cooper's order also clarifies the CDC moratorium "so that it clearly applies to all North Carolinians who meet the CDC's eligibility criteria, regardless of whether they live in federally subsidized properties."

CFPB Fines Washington Federal Bank $200K For HMDA Reporting Errors.

Behind a paywall, Inside Mortgage Finance (10/28, Yang, Subscription Publication) reports the CFPB "fined Washington Federal Bank $200,000 for reporting inaccurate Home Mortgage Disclosure Act data for 2016 and 2017." A "Tuesday afternoon announcement from the CFPB [suggests] the Seattle-based bank filed HMDA data for roughly 7,000 mortgage applications in each year, but the data contained significant errors. Some samples reviewed by the bureau had error rates as high as 40%." IMF says, "The CFPB determined the 2016 HMDA data errors were caused by a lack of appropriate staff, insufficient training and ineffective quality control. The agency said the 2017 errors were caused by weaknesses in Washington Fed's compliance management system. As a result, the agency directed the lender to develop and implement fixes to prevent future violations."

MBA: Mortgage Applications Up 1.7% W/W, Up 24% From Year-Ago Level.

HousingWire (10/28, Roha, 23K) reports mortgage applications "regained their footing last week, rising 1.7% from the week prior," according to the MBA. The refinance index gained 3% from the prior week, and was 80% higher than a year ago. The seasonally adjusted purchase index rose 0.2% week-to-week, up 24% from its year-ago level. Average purchase loan size "reached another record high at $372,600, the report said." National Mortgage News (10/28, McCullom) reports the ARM share "increased to 2.1% from 1.9% of total applications, while the share of Federal Housing Administration-insured loan applications decreased to 11.7% from 11.8% the week prior." The VA share fell "to 11.4% from 12.6%."

Mortgage News Daily (10/28, Swanson) reports, "The Refinance Index gained 3 percent from the previous week's level and was 80 percent higher than the same week one year ago. The refinance share of mortgage activity increased to 66.7 percent of total applications from 66.1 percent the previous week. The Purchase Index was up 0.2 percent on a seasonally adjusted basis. Even if fractional, it was the first uptick in that index since the week ended September 18. The Index dipped 0.3 percent unadjusted but was 24 percent higher than the same week in 2019." The average rate for 30-year FRMs with conforming balances fell from 3.02% to 3.00%. The rate for 30-year jumbos fell from 3.33% to 3.28%. However, the 5/1 ARM average rate rose from 2.86% to 3.05%.

National Mortgage Professional (10/28, Persaud) reports MBA AVP Joel Kan said, "Mortgage applications to buy a home were flat compared to the prior week, but overall activity remains strong this fall. Applications jumped 24% compared to last year, and the average loan size reached another record high at $372,600. These results highlight just how strong the upper end of the market is right now, with outsized growth rates in the higher loan size categories. Furthermore, housing inventory shortages have pushed national home prices considerably higher on an annual basis." Kan added, "Refinance activity has been somewhat volatile over the past few months but did increase almost 3% last week. With the 30-year fixed rate at MBA's all-time survey low of 3.00%, conventional refinances rose 5% However, the government refinance index decreased for the first time in a month, driven by a slowdown in VA refinance activity." Mortgage Orb (10/28, Bates) provides additional coverage.

CoreLogic: Mortgage Fraud Risk Fell 26% YoY In Q2.

Mortgage Orb (10/28, Bates) reports CoreLogic's latest Mortgage Fraud Report "shows a 26.3% year-over-year decrease in fraud risk" in 2Q20, marking the "second year of substantial decreases in risk." According to Mortgage Orb, throughout Q2, "an estimated one in 164 mortgage applications, or 0.6% of all applications, contained indications of fraud, compared with the reported one in 123 mortgages, or 0.8% in the second quarter of 2019." Bridget Berg, CoreLogic's principal of fraud solutions strategy, explained that the "large drop in fraud risk in the past year was primarily driven by record-high refinancing, which is traditionally lower risk transactions." However, Berg added, "we still see elevated levels of risk in purchase transactions, and we have not yet seen the long-term impacts of the COVID-19 pandemic. So it's imperative risk managers remain vigilant in searching out potential fraud."

Wall Street Analysts Say Mortgage Prepayments Likely To Remain Fast In October.

Potentially behind a paywall, Bloomberg (10/28, Maloney, 4.73M) reports that the "wave of homeowner refinancings sparked by record low rates isn't likely to slow down anytime soon, according to Wall Street forecasts." Wells Fargo mortgage analysts "said that Fannie Mae 30-year aggregate speeds could rise 1% with the so-called daycount unchanged at 21 days and the lending rate down a further six basis points." Meanwhile, Citigroup analysts "project conventional speeds to increase by 2%, though they forecast government-backed Ginnie Mae II MBS speeds will drop by 7% as buyouts of loans in forbearance slow." According to Bloomberg, "In September, aggregate Fannie Mae 30-year prepayment speeds increased to 35 CPR, their fastest since April 2004. This means that should the current level hold, about 35% of the

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principal balance within those mortgage-backed securities will be prepaid annually."

Banks See Surge In Mortgage Income In Q3.

Behind a paywall, Inside Mortgage Finance (10/28, Bancroft, Subscription Publication) reports that a group of "19 publicly traded commercial banks and thrifts reported a whopping $4.88 billion in mortgage banking income" for Q3, representing "a 39.4% increase" from Q2, when the same group "raked in a hefty $3.50 billion from their mortgage banking operations." According to IMF, "Through the first nine months of 2020, the 19 lender/servicers generated $10.63 billion in mortgage banking profits, a 79.9% increase from the same period last year."

Fannie Mae Long-Term Debt Issuance Surges Through August 2020.

Behind a paywall, Inside Mortgage Finance (10/28, Hollier, Subscription Publication) reports Fannie Mae issued "more long-term debt through the first eight months of 2020 than it did in the previous three years combined." According to IMF, "As of Aug. 31, the total long-term debt issued by the GSE this year totaled $165.72 billion. In 2017, the mortgage giant issued $30.75 billion, a figure that fell to $21.55 billion by 2019." The YTD issuance of benchmark notes and bonds "reached $31.50 billion by the end of August. The total for 2019 was just $12.50 billion. Issuance of callable fixed-rate medium-term notes rose from $2.55 billion to $33.76 billion and non-callable floating-rate MTNs ballooned from $6.50 billion to $98.11 billion." Meanwhile, Fannie's issuance of short-term debt "nosedived, as the government-controlled firm took advantage of low interest rates to ditch most of its callable notes."

NAREB: Black Homeowners Lose Average $14K Over Life Of Mortgage.

National Mortgage News (10/28, Centopani) says Black homeowners "lose an average of about $14,000 over the life of a mortgage and about $67,000 in retirement savings due to higher interest rates, according to the National Association of Real Estate Brokers eighth annual State of Housing in Black America report." The analysis of HMDA data from 2019 revealed Black borrowers "locked in an average mortgage rate of 4.44% for conventional loans – 15 basis points higher than white borrowers. Though not as stark, Black consumers paid higher average interest rates across all loan types compared to their white counterparts." National Housing Conference CEO David Dworkin said, "The reality is white homeowners have gotten very specific benefits over time that accumulate."

WalletHub Analysis Breaks Down Average Credit Score By State.

M Report (10/28, Espinosa) reports that WalletHub conducted an analysis of average credit scores by state, finding "Minnesota leads the nation with an average credit score of 720. This is a handsome distance from TransUnion's national credit score average of 680 and was the closest among the states to the 750 level that is considered to be the beginning of the excellent credit score range." Meanwhile, "At the other end of the spectrum, Mississippi had the lowest national credit score average at 657. Southern states were among those with the lowest scores: Alabama (662), Louisiana (664), Texas (669) and Georgia (670)."

Incenter Offering $564M Bulk Package Of Agency MSRs.

Behind a paywall in its Short Takes, Inside Mortgage Finance (10/28, Muolo, Ivey, Subscription Publication) reports, "We haven't been seeing many auction notices on mortgage servicing rights of late, but one hit our desk Wednesday morning. Incenter Mortgage Advisors, Denver, is offering a $564 million bulk package of Fannie Mae, Freddie Mac and Ginnie Mae MSRs. The portfolio has an average FICO score of 750. Bids are due Nov. 5."

MFA Financial Preps $570M Non-QM MBS.

Behind a paywall, Inside Mortgage Finance (10/28, Ivey, Subscription Publication) reports MFA Financial is "preparing to issue a $570.2 million MBS backed by non-QMs originated by Citadel Servicing Corp." According to IMF, the REIT was "set to issue its first non-QM MBS in March," but "the transaction was cancelled due to market volatility. MFA ended up issuing its first deal in August. All of the loans in that offering ($393.1 million) also were originated by Citadel." IMF says, "Loans in the new security have seasoned for an average of 20 months. As of Sept. 30, 29.3% of the collateral was in forbearance. Citadel, which is handling the servicing chores, said it won't advance principal and interest payments on any delinquent mortgages in the deal." DBRS and S&P Global Ratings "placed preliminary AAA ratings on the MBS, aided by credit enhancement of 28.9% on the senior tranche." IMF says, "The two firms rated the previous MBS from MFA where credit enhancement totaled 29.3%."

Housing Market Still Hot In Late October In Many Metros.

Potentially behind a paywall, Bloomberg (10/28, Buhayar, 4.73M) reports that even at the end of October, the housing market is "acting like it's June," with "historically low mortgage rates" prompting buyers to race to "snap up homes" and defy seasonal norms. This comes even as Covid-19 infections "surge in some states." According to Bloomberg, "The typical U.S. home went under contract in 16 days in September, according to research from Zillow. That's faster than the pace in June 2018 and 2019, the month when listings moved quickest in those years. In some affordable Midwestern markets, such as Kansas City and Cincinnati, houses sold in five days or fewer on average last month." Meanwhile, "prices soared more than 20% in the Kansas City, Philadelphia and Memphis, Tennessee, metro areas last month, according to

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data from Redfin Corp."

Zillow: Pandemic Prompts Many Potential Sellers To Hold Off.

HousingWire (10/28, Falcon, 23K) says a "report from Zillow" indicates 34% of "would-be home sellers said they are staying out of the market due to the uncertainty caused by COVID-19." 31% of homeowners cite financial anxiety as keeping them from selling in the next three years. According to HousingWire, "A recent change in employment was a barrier to finding a new home for 27% of those who responded, while 17% said another reason was that their spouse or partner was laid off or involuntarily unemployed. On the other hand, one out of 10 homeowners said they weren't selling because an adult child or other family member had moved in with them during the pandemic."

Survey: Pandemic Had Differing Impact On Segments Of NextGen Homebuyers.

Writing for HousingWire (10/28, 23K), Kristin Messerli says that her team at Cultural Outreach worked with National MI to survey "1,450 NextGen homebuyers (ages 22-37) in April and September to learn more about today's homebuying millennials and their mindset in the midst of a pandemic," studying "how this generation is approaching the home buying process, their fears, challenges and how COVID-19 has impacted their plans for homeownership." They found that the "ability to work from home was by far the biggest indicator of financial stability and optimism." On the other hand, "approximately one in three respondents said the pandemic had a negative impact on their homebuying plans."

Markets

10-Year Yield Rises.

MarketWatch (10/27, 1.67M) reports the 10-year Treasury yield rose to 0.782 percent.

Dollar Holds Steady.

Reuters (10/29, Yamamitsu) reports, "The dollar held gains against a basket of major currencies on Thursday as escalating coronavirus cases in Europe stoked investor fears that fresh lockdowns would further hit the already fragile economic recovery." The dollar "steadied against a basket of six currencies at 93.39, taking a pause after its 0.3% gains in early trade." The euro "changed hands at $1.1753 after sliding to a one-week low of $1.1718 overnight. It moderately rose against the Japanese yen, last fetching 122.79 yen after hitting its weakest levels since July overnight." The dollar "firmed against the Japanese yen at 104.45 yen, having dropped to a more than one-month low on Wednesday."

Gold Edges Up.

Reuters (10/29, Soreng) reports, "Gold edged up on Thursday after a plunge in the previous session as surging global coronavirus cases and fears of a contested U.S. presidential election spurred demand, although a strong dollar capped gains." Spot gold "rose 0.2% to $1,881.16 per ounce by 0413 GMT, after falling as much as 2% on Wednesday to a one-month low. U.S. gold futures were up 0.2% at $1,882."

Oil Rises.

Reuters (10/29, Zhang, Paul) reports, "Oil prices on Thursday recovered slightly from a 5% slump in the previous session, gaining support from the prospect of tighter short-term supply with two-thirds of U.S. output shut in the Gulf of Mexico as Hurricane Zeta slammed Louisiana." US West Texas Intermediate crude futures "edged up 7 cents, or 0.19%, to $37.46 a barrel by 0517 GMT, while Brent crude futures were up 4 cents, or 0.10%, at $39.16 a barrel."

Cybersecurity

Russian-Speaking Cyber Criminals Launch Ransomware Attack On US Hospitals.

The Washington Post (10/28, Nakashima, Greene, 14.2M) reports "Russian-speaking cyber criminals in recent days have launched a coordinated attack targeting U.S. hospitals already stressed by the pandemic with ransomware that analysts worry could lead to fatalities." Over a 24-hour period "beginning Monday, six hospitals from California to New York have been hit by the Ryuk ransomware, which encrypts data on computer systems, forcing the hospitals in some cases to disrupt patient care and cancel non-critical surgeries, analysts said." The cyber "criminals have demanded a ransom ranging upwards of $1 million to unlock the system, and some hospitals have paid, they said." On Tuesday, DHS, FBI, and HHS "issued a joint advisory alerting health care providers to the threat."

USA Today (10/28, James, 10.31M) reports the advisory said, "CISA, FBI, and HHS have credible information of an increased and imminent cybercrime threat to U.S. hospitals and healthcare providers. ... CISA, FBI, and HHS are sharing this information to provide warning to healthcare providers to ensure that they take timely and reasonable precautions to protect their networks from these threats."

The New York Times (10/28, Perlroth, 18.61M) reports "hundreds of American hospitals are being targeted in cyberattacks by the same Russian hackers who American officials and researchers fear could sow mayhem around next week's election." The attacks on US "hospitals, clinics and medical complexes are intended to take those facilities offline and hold their data hostage for six-figure and seven-figure ransom payments, just as coronavirus cases spike across the United States."

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Reuters (10/28) reports, "The FBI is investigating the recent targeting with ransomware of more than two dozen hospitals across the United States by a sophisticated eastern European group, with a new wave of attacks in Oregon, California and New York just this week, according to three cybersecurity consultants familiar with the matter. The heavy targeting of hospitals by this hacking group, known within the security industry as UNC-1878, has drawn the attention of federal law enforcement agencies and private sector cybersecurity investigators who say these types of attacks, which disrupt normal hospital operations, can lead to loss of life."

Bloomberg (10/28, Mehrotra, Turton, Tozzi, 4.73M) reports "cybersecurity company FireEye Inc. said multiple U.S hospitals had been hit by a 'coordinated' ransomware attack, with at least three publicly confirming being struck this week." The ransomware "attack was carried out by a financially motivated cybercrime group dubbed UNC1878 by computer security researchers, according to Charles Carmakal, FireEye's strategic services chief technology officer." The group "intends to target and deploy ransomware to hundreds of other hospitals, Carmakal said."

The AP (10/28, Bajak) reports "Alex Holden, CEO of Hold Security, which has been closely tracking the ransomware in question for more than a year, agreed that the unfolding offensive is unprecedented in magnitude for the U.S. given its timing in the heat of a [contentious] presidential election and the worst global pandemic in a century."

NBC News (10/28, Dilanian, Blankstein, Helsel, 6.14M) reports US "agencies say they have assessed that people are targeting the health sector with Trickbot malware, which in addition to data theft can result in ransomware attacks. Trickbot, among other illegal actions, can be used to deploy ransomware like Ryuk, a derivative of another type of ransomware."

Healthcare IT News (10/28, Miliard, 2K) reports "three hospitals at New York's St. Lawrence Health System were victimized by a ransomware attack, it was reported Tuesday. Meanwhile, Oregon-based Sky Lakes Medical Center also says its systems were compromised this week, as opportunistic pandemic-era ransomware incursions continue nationwide."

Also reporting on the story are CNN (10/28, Salama, Marquardt, Mascarenhas, Cohen, 83.16M) and The Hill (10/28, Miller, 2.98M).

Russian Hackers Relentlessly Targeting American Elections, Other Targets.

Fox News (10/28, Crothers, 27.59M) writes that "Russia is a relentless, increasingly malicious hacker of everything American." For instance, last week, the Treasury Department "sanctioned a Russian government research institution linked to the Triton malware." Before that incident, the FBI and CISA "issued an advisory on a Russian state-sponsored threat, saying that the entity 'has conducted a campaign against a wide variety of U.S. targets.'" Those agencies "said they observed the Russian state-sponsored actor targeting U.S. state, local, territorial and tribal (SLTT) government networks, as well as aviation networks." According to CISA, the "'threat actor' successfully compromised network infrastructure and 'exfiltrated,' aka stole, data from at least two victim servers." DNI Ratcliffe "issued a statement last week that Russia – along with Iran – had obtained voter registration information."

Microsoft: Iranian Hackers Spoofed Invitations To Conference Attendees.

The AP (10/28) reports, "Microsoft says Iranian hackers have posed as conference organizers in Germany and Saudi Arabia" using "spoofed invitations." Microsoft "detected attempts by the hacking group it calls Phosphorus to trick former government officials, policy experts and academics." The hackers targeted "more than 100 prominent people invited by the hackers to the Munich Security Conference, which is attended by world leaders each February, and the upcoming Think 20 Summit, which begins later this week in Saudi Arabia but is online-only this year." According to cybersecurity researchers, the "group typically tries to infiltrate a target's personal online accounts and computer networks by luring them into clicking on a link to a compromised website or opening a malicious attachment."

Robert Koch Institute Targeted Again By Hackers.

Reuters (10/28) reports that Germany's Robert Koch Institute "was targeted again by hackers on Wednesday, days after its headquarters was damaged in an arson attack, the Interior Ministry said." The European country's cybersecurity watchdog "detected a distributed denial of service attack on the health agency's website," after a "similar cyber strike on Oct. 22." Chancellor Angela Merkel and other officials "are due on Wednesday to decide whether to reimpose a national lockdown in response to a steep acceleration in infections." The country's health infrastructure "is facing a rising cyber threat, the Interior Ministry said, with hospital workers targeted by deceptive phishing mails that seek to trick them into giving away system passwords."

UK's GCHQ Chief Says Cap On China-Made 5G Parts May Be Needed.

The Telegraph (UK) (10/28, 956K) reports that Technical Director of the National Cyber Security Centre Dr Ian Levy "says 'market cap' on kit from 'high-risk vendors' could be required if trusted suppliers can't fill void left by Huawei ban." The MP "said risk was far reduced if the components were designed and manufactured in the West and only assembled or partly manufactured in high-risk countries." Levy said a market cap "may be a useful thing to do for certain high-value, high-impact components. It is a question about whether that is useful for, for example, just sticking components on boards." He added a "cap was 'not yet' needed and the agency wanted to see how the market reacted in the wake of the ban."

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Congressman Advocates Speedier Attribution Of Malicious Cyber Activity.

C4ISR & Networks (10/28, Pomerleau) reports, "The international community needs to quicken its attribution of malicious cyber activity to enforce norms in cyberspace," according to Rep. Jim Langevin (D-RI). The Congressman said at CyberCon, "If you wait two or three years before you can take action, it loses its effectiveness. ... The message needs to move quickly if you want it to be heard." Langevin "serves as the chairman of the Subcommittee on Intelligence and Emerging Threats and Capabilities, and he is a commissioner on the Cyberspace Solarium Commission." The commission "adopted the approach of 'layered deterrence,'" the first of which "seeks to shape behavior, calling for America to work with other nations to promote responsible behavior in cyberspace." The Congressman "said nations have resources at their disposal beyond cyber forensics, such as signals and human intelligence, to aid in attributing a particular cyber incident."

Canadian Border Patrol Officer Says Examination Of Huawei CFO Was Normal.

Bloomberg (10/28, Pearson, 4.73M) reports, "The Canadian border agent who questioned" Huawei CFO Meng Wanzhou "described the examination's tactics – including asking for and recording passwords to her devices – as normal." In 2018, Meng was "questioned her for three hours," and border officials "seized her electronic devices, took down her passwords and searched her luggage before handing her over to police to be charged." The agent "was asked during a hearing at the Supreme Court of British Columbia on Wednesday how common it was to obtain passwords during so-called secondary questioning, when travelers are taken aside for further inspection." He said "he asks for passwords 'sometimes daily' and, in cases where there are potential national security or espionage concerns about the traveler, 'pretty much every time.'"

The AP (10/28) reports that Meng's lawyer "on Wednesday accused a Canadian police officer of lying about why he didn't arrest her immediately at Vancouver's airport two years ago." The attorney argued "he did not believe Yep was honest when he told the British Columbia Supreme Court this week why the arrest happened only after Canada Border Services Agency officers questioned Meng for three hours." The police officer "testified that border officials told him they had their own concerns about Meng's immigration status and he didn't want to infringe on their jurisdiction, so agreed that they should screen Meng first then he would make the arrest."

Federal Reserve

Fed Seen To Be Running Out Of Policy Tools To Support US Economy.

CNBC (10/28, Cox, 3.62M) reports Fed officials "have been pressing Congress to provide more fiscal help to the U.S. economy, and with good reason: The central bank is running out of ways it can help." The Fed "has kept policy extraordinarily loose, continuing to offer its lending and market-boosting programs, and now resolving that it likely won't raise short-term interest rates for years." Although "no Fed official ever would acknowledge that monetary policy ammunition is running low, and in fact would insist to the contrary, there appear to be few weapons left in the Fed arsenal." Moody's Analytics Chief Economist Mark Zandi said, "What they have left is really on the margin. ... They just don't have much room to maneuver with regard to monetary policy. I don't really see what more they can do. That's why they've been so explicit in telling fiscal policymakers to do more, because they know they can't help."

In an op-ed for Bloomberg Opinion (10/28), Bill Dudley says that because the Fed is "very near" the point where it is "out of firepower," the economy "depends more than ever on the government's spending plans – something the president and Congress must recognize."

Internal Revenue Service

IRS, Federal Agencies Explore, Potentially Deploy Hacking Tools.

Vice (10/28, Cox, 2.11M) reports federal agencies including the IRS "are at least exploring the use of, if not actively deploying, hacking tools in criminal investigations, according to a newly released cache of documents" shared with Vice. The documents, obtained through a FOIA lawsuit, "are heavily redacted, but draw the contours of how other federal law enforcement agencies beyond the FBI and DEA are interested in hacking criminal suspects." Among the documents "from the IRS is a contract for two products from software manufacturer Adobe: Adobe Experience Manager Forms and Adobe Experience Manager Document Security." It is "unclear why an IRS purchase of Adobe software is connected to the use of network investigative techniques."

Office of the Comptroller of the Currency

OCC Grants SoFi Preliminary Approval For Bank Charter.

Reuters (10/28, Irrera) reports the Office of the Comptroller of the Currency has granted fintech SoFi preliminary, conditional approval for a national bank charter, the company said Wednesday. The application for "SoFi Bank, National Association" must still be approved by the Federal Reserve and the Federal Deposit Insurance Corp. A banking license would allow SoFi to hold deposits and make loans without partnering with a chartered bank as it currently does.

Law360 (10/28, Subscription Publication, 8K) reports the OCC "said it made its decision to tentatively sign off on the California-based fintech's application with the understanding that SoFi Bank will seek membership in the Federal Reserve System and become insured by the Federal Deposit Insurance Corp." SoFi Bank, which would be based in Utah, "must also complete other organizational steps and get final approval from the OCC."

The New York Times (10/28, Cowley, 18.61M) reports, "Those next steps will take several months, at the least; the earliest SoFi could actually start running a bank would be some time next year." SoFi "pursued a national banking charter once before, in 2017, but withdrew its

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application after a scandal over an office culture that employees described as toxic and sexually charged led to the ouster of the company's chief executive at the time."

Bloomberg Law (10/28, Beyoud, Subscription Publication, 4K) and American Banker (10/28, Wack, Subscription Publication, 31K) provide similar coverage.

Analysis: How Presidential Election Could Impact CRA Reform.

Forbes (10/28, 9.71M) Advisors Emily Guy Birken and Daphne Foreman say that should Trump win reelection, there would be continued banking deregulation. While the President "has not made his proposed banking policies a significant part of his reelection platform," his Administration has proposed major changes to the Community Reinvestment Act. The OCC's proposals "broaden the definition of what constitutes a bank and expand what types of loans offered to low-income borrowers qualify for improved CRA ratings." Birken and Foreman add, "The average bank customer may not notice the changes to the CRA on a day-to-day basis. However, lower-income borrowers may find it more difficult to qualify for a mortgage once these rules take effect." Meanwhile, under Biden, "consumers may pay less for their personal loans, credit cards and mortgages if Biden is successful in ending predatory lending practices and if he is able to expand the CRA" to include mortgage and insurance companies, "thereby improving access to credit for under-represented communities."

NCUA Joins Other Regulators In Approving Interagency Guidance Proposal.

American Banker (10/28, Passman, Subscription Publication, 31K) reports the National Credit Union Administration's board "on Wednesday approved the agency's part in an interagency role on supervisory guidance, codifying measures the regulator took on its own years ago and another interagency statement from 2018." During the virtual meeting, NCUA Chair Rodney Hood "noted that the rule reiterates distinctions between regulation and guidance, while making clear that citations will only be issued for violations of law and regulation or noncompliance with other enforceable measures." The OCC, the Fed, and the FDIC "have already voted to adopt the rule."

Superregionals Face Challenges In Fast-Changing Industry.

The Financial Brand (10/28, Streeter) reports, "When the term 'superregionals' was first coined, it struck fear into the hearts of community financial institutions and even among some larger banks that had to go up against these aggressive multi-regional players. Now even the Comptroller of the Currency is among those worried about them." The concern is "about their competitive position in a fast-changing banking world where even the largest superregional is dwarfed by Chase, Bank of America, Citibank and Wells Fargo while also facing a raft of fintech competitors." The Financial Brand says "perhaps Brian Brooks, Acting Comptroller of the Currency, was on the money when he [said]...banks between roughly $150 billion and $600 billion worry him because they're neither large enough to have scale nor small enough to have the local loyalty of community institutions."

Analysis: Regulatory Clarity Expected To Improve As More Firms Invest In Crypto.

Forbes (10/28, 9.71M) contributor Sean Stein Smith writes about the effect of PayPal supporting crypto transactions on the longer term development of the industry. Smith says that "digital transactions are the future of money," and "regulation is catching up." He continues, "Even with all of the disruption and negative news that has occurred during 2020, the pace of regulatory clarity and updates related to blockchain and cryptoassets continues virtually unabated. Punctuated with the recent clarification from the Office of the Comptroller of the Currency, which basically opened up the commercial banking system to stablecoin issuers, the trend is unmistakable." As major firms such as PayPal "continue to invest significantly into the blockchain and crypto sector, it would be reasonable to conclude that regulatory clarity will continue to improve."

Avanti To Launch Crypto-Friendly Bank In Wyoming.

The CoinTelegraph (10/28, Wright, 14K) reports Avanti has won approval from the Wyoming State Banking Board for a bank charter. The approval "will allow Avanti to operate the new crypto-friendly bank under the name Avanti Bank & Trust as well as its 'tokenized U.S. dollar' Avit, designed to modernize USD payments." Founder and CEO Caitlin Long said in an interview, "Avanti's process from company formation to application to charter is lightning fast. Typically bank charters take 1-2 years from start to finish, but ours took 10 months." Long added, "Wyoming's regulators are the only bank regulators that have a supervisory and regulatory oversight program nearly in place. All other states, and the OCC [Office of the Comptroller of the Currency], are not yet ready to supervise banks engaging in digital asset activities."

Commentary: Fed Should Adopt OCC CRA Plan's 5% Deposit Requirement.

In a BankThink piece for American Banker (10/28, Subscription Publication, 31K), Community Development Fund Advisors President Kenneth H. Thomas writes, "The Federal Reserve's proposed Community Reinvestment Act reform is a disappointment for not doing what it was supposed to do, and for doing something that it was never asked to." Instead of modernizing the 1977 law "to account for digital and branchless banking," the Fed's proposal "would allow its regulated giant branchless banks like Ally Financial and Goldman Sachs to place their CRA benefits anywhere with the (misguided) concept of a 'national' assessment area." The Fed "should have merely adopted the 5% deposit reinvestment provision as the Office of the Comptroller of the Currency did in its final CRA rule released in May." Thomas adds, "An

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even more bizarre Fed modernization idea is their suggestion of a loan-based assessment area for such banks. This is backwards" and "could reinforce bad banking habits like redlining."

Editorial Wrap-Up

New York Times.

"Say Yes To Progressive Taxation." The New York Times (10/28, 18.61M) says, "Voters in Illinois and Arizona, two of the states where taxation is most regressive, now have the chance to make the tax system a little more fair." Ballot measures in both states "would shift more of the burden of taxation onto wealthier residents," while "in California, where the overall distribution of taxation is already progressive, voters can make a change for the better." According to the Times, "A more progressive approach to taxation is necessary to counterbalance the rise of economic inequality, which has reached the highest levels since the 1920s." The Times concludes by saying, "A new generation of politicians is now stepping forward to make the case for progressive taxation, promising to use the money to invest in services like high-quality education. It is up to the voters to give that effort their support."

Washington Post.

"Another Disturbing Shooting Of A Black Man Shows How Desperately Police Need Reform." The Washington Post (10/28, 14.2M) asks, "Why was a 911 call for a mental health crisis answered with officers and drawn guns? Shouldn't there have been attempts to de-escalate the situation? Couldn't the officers have backed away rather than opening fire on a person in such obvious mental distress? The questions go to the heart of the debate over police use of lethal force." The Post says it is "important that officials take steps to improve how people in need of help get it" and recommends "the de-escalation training developed by the Police Executive Research Forum" as "a good place to start."

"Russian Labs Are Caught Making Illegal Chemical Weapons. Will Trump Finally Respond?" The Washington Post (10/28, 14.2M) says "a group of news outlets has exposed what they describe as clandestine Russian organizations carrying out illegal chemical weapons development concealed as civilian research." The Post says the reports, if true, "add a major dimension of concern to the attempted killings" of Russian opposition leader Alexei Navalny and former military intelligence officer Sergei Skripal and his daughter in March 2018. The Post says the Administration has been "strangely silent about sanctions in response to the Navalny attack," and calls on the US and EU to "investigate the newly identified research organizations." In addition, the Post says when states that are parties to the Chemical Weapons Convention "meet Nov. 30 to Dec. 4, they should consider a strong response."

"Election Day Will Feel Different This Year. Having The Right Expectations Means Rejecting Trump's Lies." The Washington Post (10/28, 14.2M) editorializes, "Election Day this year is going to feel different. Many Americans will have to weigh whether voting is worth risking" COVID infection, "perhaps because their absentee ballot did not arrive fast enough, or they worry it would not get back in time to count, or they were denied the option of voting by mail in the first place. For this, they can thank Republicans in states such as Texas and Wisconsin who maintained arbitrary limits on absentee ballots." The Post says the result of so many by-mail votes "will be an Election Day that may not end with the declaration of a clear winner." President Trump "may claim fraud or declare victory before all the votes are counted. If Americans go into Election Day with the right expectations, they will ignore his self-serving lies."

Wall Street Journal.

"Twitter's Censorship Method." The Wall Street Journal (10/28, Subscription Publication, 7.57M) says that Twitter CEO Jack Dorsey did not give the impression during a Senate hearing Wednesday that he was concerned by Twitter's abuse of its power, and argues that the service has sided with Democrats in the past.

"Europe's Covid Lockdowns Return." The Wall Street Journal (10/28, Subscription Publication, 7.57M) says Europe's lockdowns will not eliminate the coronavirus but will certainly do damage to the economy and to public health. The Journal instead advocates for targeted closures until a vaccine arrives or broader immunity is achieved.

"The Bidens And Tony Bobulinski." The Wall Street Journal (10/28, Subscription Publication, 7.57M) says that Hunter Biden's former business partner Tony Bobulinski has provided evidence of misdoings that should not be ignored.

"Covid And The Catholic Schools." The Wall Street Journal (10/28, Subscription Publication, 7.57M) says Massachusetts Catholic schools' safe reopening confirms the process can be done safely and demonstrates how unions have been wrong to fight against in-person teaching.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

France, Germany Announce New Lockdowns To Combat Covid-19 Resurgence

Stocks Close Sharply Lower On Rising Coronavirus Cases

Tech CEOs Square Off With Senators In Hearing Over Online Speech

Tiffany Agrees To New Deal Terms With LVMH

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Halloween Terror, Now On The Drive-Through Menu
US States Face Biggest Cash Crisis Since The Great Depression

New York Times:
Trump's Closing Argument On Virus Clashes With Science, And Voters' Lives
Biden's Caution: Wise Campaign Tactic Or Misguided Gamble?
How The Surging Virus Has Crashed Into Campaigning In Every Imaginable Way
Days From Election, Police Killing Of Black Man Roils Philadelphia
France And Germany Lock Down As Second Coronavirus Wave Grows
Supreme Court Allows Longer Deadlines For Absentee Ballots In Pennsylvania And North Carolina

Washington Post:
A Knee On His Neck
One Family's Devastation
Attacks On Rivals Often Threats Often Followed By Safety Threats
Stock Market Drop A Blow To Trump's Election Messaging
New Arrivals Hasten Texas's Long Blue Shift
Trump To Strip Alaskan Forest Of Protections

Financial Times:
Tech CEOs Face Senate Scolding Over Content Moderation
Germany And France Impose Curbs To Slow Covid-19 Spread
Investors Imagine Private Equity Group Apollo After Leon Black
Apple Learning To Crawl In Search

Washington Times:
'Cities Burn Regardless Of Who Wins': Police Gearing Up For Widespread Violence After Election
Trump Links Biden To Latest Riots: 'I Stand With The Heroes Of Law Enforcement'
California Democrats Take Aim At Historic Initiatives On Affirmative Action, Property Taxes
Cruz Clashes With Twitter CEO Jack Dorsey: 'Who The Hell Elected You?'
'Heartfelt' Views: Latin America Watches, Weighs In On US Election
Tony Bobulinski: Dem's 'Disinformation' Tactic Forced Him To Break Silence

Story Lineup From Last Night's Network News:
ABC: Hurricane Zeta; Campaign Trail; New York Times-Resistance Op-Ed; Early Voting; COVID-Cases; Farmers Vote; Economy; Illegal Agents of China; LA Dodgers-World Series; Revisit New Orleans.
CBS: Hurricane Zeta; Campaign Trail; Pennsylvania-Ballots; COVID-Cases; COVID-Europe; Philadelphia-Protests; LA Dodgers-World Series; Early Voting; Wildfires; Breonna Taylor Case; Iowa-12-Year-Old Makes Homemade Bats For Charity.
NBC: Hurricane Zeta; Zeta-Tracking; Campaign Trail; New York Times-Resistance Op-Ed; COVID-Cases; Philadelphia-Protests; Pennsylvania Voters; Trust In Polls; LA Dodgers-World Series; COVID-Working Moms; Record Voter Turnout.

Network TV At A Glance:
Campaign Trail – 9 minutes, 50 seconds
COVID – 9 minutes, 15 seconds
Hurricane Zeta – 8 minutes, 5 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Campaign Trail; Sen. Harris-Phoenix Visit; SCOTUS-PA & NC Ballots; COVID-Vaccine; Hurricane Zeta.
CBS: FBI-Healthcare Ransomware Attacks; Hurricane Zeta; Philadelphia-Protests; New York Times-Resistance Op-Ed; COVID-Cases.
FOX: Hurricane Zeta; FBI-Healthcare Ransomware Attacks; Trump-Rally; Biden-Delaware Visit; Man Who Attempted To Assassinate Reagan Can Now Show Artwork.
NPR: Eli Lilly-COVID Treatment; Latino Votes; Sen. Harris-Phoenix Visit; Hurricane Zeta.

Last Laughs

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Late Night Political Humor.

Samantha Bee: "If Trump wins, this could be our last free election. I know you are thinking, democracy has been around forever. It won't

disappear because we take it for granted. But that's what we said about tab cola, and look where we are now."

Samantha Bee: [On AG Barr saying he will not open an investigation into Biden] "Trump is mad that Barr isn't abusing his power enough. ... Turns out, Barr will do anything for Trump, but won't do that, which is fitting for a guy who looks like a cross between meat loaf and Meat Loaf."

Samantha Bee: "Of all the authoritarian attempts AG Loaf has made to service Trump, perhaps the most disturbing is the use of the DOJ to crush political dissent. ... Man, it's amazing how much evil a man wearing a 12-year-old's glasses can spew."

Samantha Bee: "There's nothing more American than complaining about America, but Trump has always favored persecuting his opponents, from demanding that Barack Obama and Hillary Clinton be jailed, to declaring war on improperly fitted suits."

Trevor Noah: [On a federal judge ruling that the DOJ cannot defend Trump] "[Trump]...had a bad day in court yesterday that ended not nice. ... Just because you're President, it doesn't mean that everything you do is officially part of the presidency. I mean, if that were true, I would run for President just so I could get into bar fights."

Trevor Noah: "The election is only a week away. And so [Trump] is spending every day on the campaign trail trying to convince voters to replace whoever is destroying this country with him."

Trevor Noah: [On attendees of the Trump rally in Omaha, Nebraska getting stranded in the cold] "And by the way, if you are planning to attend one of those big Trump campaign rallies, well, maybe bring an extra coat. ... I swear, guys, every day, there is another way that you can die from going to a Trump rally. First you could get corona. Now you can get hypothermia? By the end of the weekend, Trump is just going to be tossing snakes out into the crowd."

Trevor Noah: "Now while Trump has chosen coronavirus as his wingman, Joe Biden is going with his former boss Barack Obama. The two of them have been going around the country holding separate rallies. ... Watching Obama in that speech also reminds us of how much delivery of a speech actually affects the message. Because when Obama says, 'I want to kiss that baby,' we're like, 'Yeah, kiss that baby, Barry!' But if Trump was like, 'I want to kiss that little baby,' you would be like, 'Yo, we need to get this baby out of here, man, I don't trust this guy.'"

Jimmy Kimmel: "Last night, Trump was in Nebraska. He had a big rally there. After the rally, hundreds of his supporters were stranded for hours in the freezing cold, waiting for a bus to take them back to their cars. ... It was a real mess. But that's the genius of Donald Trump. He's able to assemble a large, maskless crowd during a pandemic, and while everybody's focused on whether or not they'll get the virus, somehow he finds a way to send them to the hospital for a completely different reason."

Jimmy Kimmel: "We got to hear some rare audio of Trump's number one talking boy, adviser-in-law Jared Kushner, who was recorded by Bob Woodward...and Jared was boasting about how Trump took control of the country back from the doctors. That's right. He said, 'Trump's now back in charge. It's not the doctors.' Which sounds like what your kidnapper tells you when you wake up in a bathtub full of ice and your liver is missing."

Jimmy Kimmel: "Jared also told Bob Woodward there would be a panic phase and a pain phase, which is exactly what he said to Ivanka when he proposed to her."

Jimmy Kimmel: "Does talking to Bob Woodward work out well for anybody? Maybe it's time to rethink Take Your Son-In-Law To Work Day."

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Stephen Colbert: "It is October 28, the final Wednesday before the presidential election, or, depending on who wins, the final Wednesday."

Stephen Colbert: "With six days still to go, thanks to early voting, more than half the total 2016 vote is already in. That's pretty impressive. But if 2016 taught us anything, it's that 'more than half' sometimes isn't enough."

Stephen Colbert: "This campaign has gone on for an eternity. And 2020 is projected to be most expensive US election ever, with spending as high as $14 billion. And that's before you count money for booze and Zoom sessions with my psychic."

Stephen Colbert: "Most of the campaign cash has gone to TV ads, and thanks to a new report, we're learning some more about what TV shows the candidates are advertising on. ... Both campaigns are running a lot of ads on reruns of 'The Big Bang Theory.' That's a little surprising. Trump's no fan of science, but so far no one's made 'The Big Bang Is A Chinese Hoax.'"

Stephen Colbert: [On Trump saying he's getting husbands back to work for suburban wives] "That's great news, ladies. Donald Trump is going to get your husbands back to work, so you can get all your lady-chores done, like voting for Joe Biden."

Stephen Colbert: "If you look at the recent COVID news, you might want to Purell your eyeballs, because it's clear that this virus is going everywhere fast. ... The US is now reporting 500,000 new cases just in the past week. Clearly, we're a long way from ending the COVID-19 pandemic. On the other hand, yesterday, a new White House press release announced that one of Trump's biggest accomplishments is ending the COVID-19 pandemic. Now, while that is clearly insane, declaring victory prematurely is a proud Republican tradition."

Stephen Colbert: "At this point, Trump's not just Nero fiddling while Rome burns – he's Nero sending out a press release that says, 'You're not on fire.'"

Stephen Colbert: "This press release from the mouth of madness was created by the White House's 'Office of Science and Technology Policy.' ... But there are some quotes from leading academic minds in this document. One says, 'President Trump's policies and investments in science and technology ensure America stands ready to solve today's most pressing challenges.' An endorsement that comes from world-renowned scientist Ivanka Trump."

Jimmy Fallon: [On the Trump Administration releasing a press release listing ending the COVID-19 pandemic as one of his achievements] "Well, guys, with election day less than a week away, the White House office put out a list of President Trump's achievements. ... Keep in mind, though, the White House science office is just Eric and Don Jr. wearing a Bill Nye Halloween costumes."

Jimmy Fallon: "To be fair, lying on his resume is one of the most relatable things Trump's ever done."

Jimmy Fallon: "Trump ended the pandemic. Now everyone's just living in their parents' basement for fun."

Jimmy Fallon: "Last night, Trump held a rally in Omaha, Nebraska, where it was a little chilly outside. ... I don't think Trump was prepared for the weather. When he stepped outside, he was like, 'Why was I told this was a hot spot?'"

Jimmy Fallon: "After his speech, Trump quickly left Nebraska on Air Force One, but hundreds of his supporters were left stranded for hours in the frigid cold because their buses didn't show up. Some people were actually treated for hypothermia. Even his supporters are turning blue."

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Jimmy Fallon: [On Trump saying he's getting husbands back to work for suburban wives] "Trump held a rally in Michigan. At one point, he addressed the women in the crowd, and his comments are getting a lot of attention. ... It's pretty shocking, because before this, Trump's been such a feminist. Next, Trump tried winning the female vote by claiming he'd make ironing boards great again. I guess that comment explains why his campaign handed out pins that said 'Trump-Pence 1952.'"

Seth Meyers: "According to the latest numbers, over 70 million people across the country have already voted. Or, as the postal service is reporting, none."

Seth Meyers: "During a campaign rally in Florida, yesterday former President Obama criticized President Trump for treating the presidency as, quote, 'a reality show that can give him the attention he craves.' And by the number of tiki torches, I'm guessing it's 'Survivor'."

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Delivers remarks at a Make America Great Again Victory Rally in Tampa, FL; the President and the First Lady participate in a Troop Engagement at Fort Bragg; delivers remarks at a Make America Great Again Victory Rally in Fayetteville, NC.
- Vice President Pence — Delivers remarks at a Make America Great Again Victory Rally in Des Moines, IA; delivers remarks at a Make America Great Again Victory Rally in Reno, NV.

US Senate:

- Senate on recess from 26 Oct – 9 Nov

US House:

- House of Representatives on recess from 2 Oct – 16 Nov

Cabinet Officers:

- Secretary of State Pompeo continues India / Sri Lanka / Maldives / Indonesia trip – Secretary of State Mike Pompeo continues trip to India, Sri Lanka, Maldives, and Indonesia, with agenda, respectively, including joining Secretary of Defense Mark Esper and their Indian counterparts in leading the third annual U.S.-India 2+2 Ministerial Dialogue in New Delhi; visiting Colombo; visiting Male; and visiting Jakarta to deliver public remarks and meet his Indonesian counterparts

Visitors:

- No visitors scheduled.

This Town:

- U.S. reveals first set of GDP data for third quarter of 2020 – Bureau of Economic Analysis publishes advance GDP data for the third quarter of 2020; *8:30 AM*
- GMF discussion with Greek defense minister – German Marshall Fund of the United States and hosts Greek Minister of National Defense Nikos Panagiotopoulos, who discusses tensions in the Eastern Mediterranean and Greece's role in NATO * Hosted in partnership with Compagnia di San Paolo, the Luso-American Development Foundation, and the Policy Center for the New South; *11:00 AM*
- Tom Lantos Human Rights Commission co-host briefing on Cote d'Ivoire – Tom Lantos Human Rights Commission and Senate Human Rights Caucus co-host online briefing on 'Atrocity Prevention and Early Warning: The U.S. Government Framework and Cote d'Ivoire', providing an overview of the atrocity prevention framework utilized by the U.S. Gnd an August report from the State Department, with panelists including U.S. Holocaust Memorial Museum Simon-Skjodt Center for the Prevention of Genocide Director Naomi Kikoler, American Society of International Law Executive Director Wes Rist, and Observatoire Ivoirien des Droits de l'Homme

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Chairperson Eric Aime Semien; *11:00 AM*

• Atlantic Council online discussion on 'U.S.-Europe Energy Bridge' – 'U.S.-Europe Energy Bridge: The next evolution of USAID's energy sector assistance in Europe and Eurasia' Atlantic Council Global Energy Center online event to discuss the launch of USAID's new 'U.S.-Europe Energy Bridge' initiative, with keynote from USAID Assistant Administrator for Europe and Eurasia Brock Bierman; *11:30 AM*

• Department of Energy Solar Energy Technologies Office hosts National Community Solar Partnership Virtual Summit; *12:00 PM*

• Ireland Ambassador to the U.S. discusses Brexit on CSIS online discussion – 'The Implications of Brexit for Ireland' Center for Strategic and International Studies online conversation with Ireland Ambassador to the U.S. Amb. Daniel Mulhall; *1:30 PM*

• CFR virtual event on Yitzhak Rabin – 'The Life and Legacy of Yitzhak Rabin – 25 Years Later' Council on Foreign Relations online discussion on the achievements of former Israeli Prime Minister Yitzhak Rabin, as well as the ramifications of his 1995 assassination. Speakers include former U.S. Special Envoy for Israeli-Palestinian Negotiation Martin Indyk, former Jordanian Deputy Prime Minister Marwan Muasher, and former Israeli Ambassador to the U.S. Itamar Rabinovich; 2:00 PM

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Treasury in the News

Mnuchin, Indonesia Finance Minister Sign Agreement On Infrastructure Finance.

Reuters (9/19, Diela, Widianto) reported Indonesia "has signed an agreement with the United States to strengthen infrastructure financing through private sector investment, Indonesia's Finance Ministry and the U.S. Treasury Department said on Friday." Treasury Secretary Steven Mnuchin "signed the agreement with Indonesia's Finance Minister Sri Mulyani Indrawati remotely on Friday, according to a statement posted on the U.S. Treasury Department's website." Treasury said in the statement, "The engagement supports the broader U.S. Government Indo-Pacific Strategy by complementing ongoing efforts under the Enhancing Development and Growth through Energy (Asia EDGE) and the Infrastructure Transaction and Assistance Network (ITAN)." Indonesia Finance Ministry spokeswoman Rahayu Puspasari "said in a separate statement that the agreement would bolster the development of capital markets and financial instruments to 'facilitate and reduce the barriers to private sector investment in infrastructure.'"

Stopgap Bill Hits Obstacles As Negotiations Continue.

The AP (9/19, Taylor) reported, "Efforts to fashion a temporary spending bill needed to avert a government shutdown at the end of the month ran aground Friday amid a fight over farm bailout funding that's a key priority of President Donald Trump and Capitol Hill Republicans." However, the bill "is likely to be the only measure of note that passes before the election...with COVID-19 rescue negotiations dead in the water." Treasury Secretary Steven Mnuchin and House Speaker Nancy Pelosi "negotiated the measure, which would keep the government open through Dec. 11. Democrats had proposed next February, apparently to avert any need to reconvene Congress after the election to deal with Trump, who they predict will lose his bid for a second term in November." Mnuchin and Pelosi, in talks Friday, "abandoned efforts to iron out wrinkles involving the census and election administration grants to states, though a heavily lobbied package to extend a number of health programs was likely to be included."

Documents Detail North Korean Money Laundering Using US Banks.

NBC News (9/20, Luce, 6.14M) reports North Korea has carried out an "elaborate money laundering scheme for years using a string of shell companies and help from Chinese firms, moving money through prominent banks in New York, according to confidential bank documents reviewed by NBC News." Wire transfers from North Korean-linked companies "with opaque ownership sometimes came in bursts, only days or hours apart, and the amounts transferred were in round figures with no clear commercial reasons for the transactions, according to the documents." Documents obtained by NBC News show that North Korean moved "illicit cash across borders despite international sanctions designed to block Pyongyang's access to the global financial system." The suspected laundering by "amounted to more than $174.8 million over a period of several years, with transactions cleared through U.S. banks, including JP Morgan and the Bank of New York Mellon, according to the documents." The leaked documents are "part of the FinCEN Files, a collaborative project with the International Consortium of Investigative Journalists, BuzzFeed News, NBC News and more than 400 journalists around the world, examining a cache of secret suspicious activity reports filed by banks with the Treasury Department's Financial Crimes Enforcement Network, known as FinCEN, as well as other investigative documents."

Reuters (9/20, Davies, Bansal), The New York (NY) Times (9/20, Scheiber, Flitter, 18.61M), Bloomberg (9/20, Yang, Surane, Onaran, 4.73M), Mother Jones (9/20, 881K), Axios (9/20, 521K), The Hill (9/20, Bowden, 2.98M), and BBC News Online (UK) (9/20, 1.02M) also report.

Treasury Grant News

NC Taking Applications For Treasury-Funded Extra Credit Grants.

The Winston-Salem (NC) Journal (9/20, Craver, 168K) reports the North Carolina Revenue Department "is accepting applications for the special $335 extra credit grant initiative that is part of the state's COVID-19 relief package." The extra credit funding "represents about 12.5% of the $3.5 billion in federal CARES Act funds received by North Carolina from the U.S. Treasury Department." The $335 checks are "scheduled to be issued Dec. 15 to parents and guardians who file a 2019 state tax return by Oct. 15."

Leading National News

Pelosi Doesn't Rule Out Impeaching Trump To Stop Ginsburg Replacement.

News accounts are casting House Speaker Pelosi's response to a reporter's question Sunday as an indication that she has not ruled out impeaching the President again to stop him for pushing through a Supreme Court nominee to replace the late Justice Ruth Bader Ginsburg. On ABC's This Week (9/20, 2.46M), George Stephanopoulos said "some have mentioned the possibility" of impeaching Trump or Attorney General Barr "as a way of stalling and preventing the Senate from acting on this nomination." Pelosi replied, "We have our options. We have arrows in our quiver that I'm not about to discuss right now, but the fact is we have a big challenge in our country. This President has threatened to not even accept the results of the election with statements that he and his henchmen have made. The lives, the livelihood and the life of our democracy are threatened by this Administration. So again, when people say, what can I do? You can vote."

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ABC World News Tonight (9/20, lead story, 3:45, Scott, 5.41M) reported Sunday night that Pelosi is "signaling Democrats will do whatever it takes to stop Republicans from jamming this nominee through, not ruling out using impeachment to try to keep the Senate from acting." Politico (9/20, Weaver, 4.29M) says Pelosi said "the House has plenty of options available to delay the Senate from acting," while to USA Today (9/20, Cummings, 10.31M) "Pelosi did not rule out the possibility of impeaching...Trump if he tries to push through a Supreme Court nominee," to Fox News (9/20, Singman, 27.59M) she "would not rule out impeachment as an option to stop...Trump's US Supreme Court pick from being confirmed to the bench," and to the New York Post (9/20, Moore, 4.57M) she "refused to rule out using impeachment to block Senate Republicans from voting on...Trump's nominee." The AP (9/20, Kellman, Mascaro) recounts, meanwhile, that Pelosi "refused in a television interview to detail the 'arrows in our quiver,' even when asked about trying to impeach Trump for a second time."

Newsweek (9/20, Fearnow, 1.53M) reports "Congressional legal experts say the drafting of new articles of impeachment against Trump is within the law," but her "refusal to rule out the possibility of using a second impeachment against Trump or initiating impeachment against Barr drew criticism from congressional Republicans." The Washington Examiner (9/20, Leonardi, 448K) indicates that House Judiciary Committee Republicans reacted to Pelosi's comments on Twitter, writing, "This is one of the most ridiculous ideas ever presented by @SpeakerPelosi. And that's saying something." The Examiner also reports "Trump said he expects to announce his nominee for the Supreme Court 'next week' and will be picking a woman."

At any rate, Townhall (9/20, Baumann, 177K) ventures that "Pelosi knows this is bad politics. She likely won't run with it but, if she does, she would basically solidify a Trump victory in November," as "the American people didn't like it with the Russia hoax and they sure as hell aren't going to like it when it's something as simple as a SCOTUS nomination." The Daily Caller (9/20, Kruta, 716K) and Breitbart (9/20, Key, 673K), among other news outlets, also cover Pelosi's comments.

CNN (9/19, Raju, 83.16M) reports on its website, meanwhile, that Democrats "are considering taking unusual steps to bottle up all business in the Senate to drag out the proceedings as long as possible, senators said," and that "under the rules, which require the chamber to operate by unanimous consent, Democrats can object to routine business of the day and essentially ground the chamber to a halt." McConnell "could eventually get around such stall tactics if he has the support of 51 senators, but they could drag out the proceedings."

Hugh Hewitt writes in the Washington Post (9/20, 14.2M) that "if Democrats deploy outrageous delaying tactics such as conducting a sham impeachment...the Republican Senate majority should simply dispense with hearings and hold a vote." To Hewitt, "History favors presidents filling such slots when their party controls the Senate. That Democrats are upset Trump gets to make another appointment to the court doesn't change history or amend the Constitution." Republicans "also knows that its candidates are toast, and the party blown apart, if they allow themselves to be intimidated by Manhattan-Beltway media elites into failing to meet this challenge. The good news is that McConnell and Graham know perfectly well that Twitter isn't the country."

Democratic Leaders Not Ruling Out Bid To Pack Court If Trump Nominee Is Confirmed. CNN (9/19, Raju, 83.16M) reports that "if the Democrats ultimately fail to stop the nominee, they are indicating that they may push legislation to expand the Supreme Court by adding additional seats to retaliate against what they view as Republicans' heavy-handed tactics." It is "an option that has picked up increased interest in the wake of Ginsburg's death – and one that Democratic leaders are not ruling out." Doing so would require eliminating the filibuster, and "several Democratic senators have already voiced strong opposition over killing" it "based on fears that would have long-standing ramifications for the institution and the country."

Fox News (9/20, Shaw, 27.59M) reports that "the idea of 'packing' the court with extra justices – attempted unsuccessfully by President Franklin Delano Roosevelt in 1937 to force through parts of his New Deal that were ruled unconstitutional by the high court – has bubbled away on the fringes of the party for years," but "it began to seep into the mainstream after Republicans refused to hold hearings for Merrick Garland."

Axios (9/20, 521K) says "furious Democrats are considering total war – profound changes to two branches of government, and even adding stars to the flag – if Republicans jam through a Supreme Court nominee, then lose control of the Senate." The Washington Examiner (9/20, 448K) points out that "while the court's headcount has stood at nine since 1868, there is no constitutional requirement that it stays that way." The Daily Caller (9/20, Hasson, 716K), among other news outlets, also reports on the possibility Democrats will move to pack the court.

The Washington Times (9/20, Richardson, 492K) reports "the fight over the 2017 Kavanaugh nomination already looked tame by comparison Sunday as Democrats geared up to block whomever...Trump picks," as "calls of 'burn it down' and 'this is war' raged on social media."

The Hill (9/20, Rahman, 2.98M) reports that "when Stephanopoulos asked Pelosi if Democrats, should they win the majority in November, would expand the court in retaliation, Pelosi referred to a court battle over the Affordable Care Act." Said Pelosi, "Let's just win the election. Let's hope the president will see the light. ... This is about the people. It's about their health, their economic well being, the health of our democracy. We have a great deal at stake here."

Schumer: "Nothing Is Off The Table." The AP (9/19) recounts Senate Minority Leader Schumer "convened a conference call with Democratic senators at midday Saturday, according to a person on the private call who was not authorized to discuss it publicly and spoke on condition of anonymity," and "told senators the 'number one goal' must be to communicate the stakes of the confirmation vote." Schumer also "warned that if Republicans push through the nominee, 'nothing is off the table' for Senate rules changes to come, the person said."

Protesters Converge Outside McConnell's Home. The New York Post (9/20, Moore, 4.57M) reports "a crowd of protesters swarmed outside Senate Majority Leader Mitch McConnell's Kentucky home after the Republican leader said he would move to fill the Supreme Court vacancy. ... The demonstrators called out 'Hey, hey, ho, ho, Mitch McConnell has got to go,' 'vote him out' and 'ditch Mitch.'"

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The Post adds "one arrest was reported during the protests that ended after about three hours." Breitbart (9/20, Furr, 673K) points out "it was unclear whether McConnell was at home or in Washington when the event took place."

Michael Moore: Shut Down Government. The Washington Examiner (9/20, Soellner, 448K) reports, "Filmmaker and liberal activist Michael Moore said Democrats should pursue a government shutdown to deter GOP lawmakers from trying to vote on a Supreme Court nominee following Justice Ruth Bader Ginsburg's death." Moore said Sunday on MSNBC's Weekends With Alex Witt, "This is the one time I think we're going to shut it down. ... The Democrats must hold up the continuing resolution and shut down that government that is going to give us a Supreme Court justice that the majority of Americans are clearly going to say on Nov. 3, that they don't want." The Examiner adds "a government shutdown could happen on Oct. 1 if Congress and the White House cannot come to an agreement on a stopgap spending bill."

Inquirer's Bunch Calls For "General Strike" If McConnell "Sets A Date For A Confirmation Vote." In his column for the Inquirer (PA) (9/20, 347K), Will Bunch writes that "if McConnell sets a date for a confirmation vote, the American people need to respond with a general strike – to shut down the entire country, maybe for a day or two, maybe a week, maybe longer." A general strike would work "as a galvanizing tool – both to drag too often cowardly Democratic leaders toward facing the realities of the Trump/McConnell threat, but also to rally strike participants behind longer-term protest measures. These could and should include massive economic boycotts of the companies that are funding GOP authoritarianism, as well as future acts of civil disobedience." Adds Brunch, "We must demand that the November election winner pick Ginsburg's replacement. And if we don't get it? Shut it down."

Companies Make Strategic Bets As Pandemic Drags On.

The Wall Street Journal (9/20, Francis, Maloney, Subscription Publication, 7.57M) reports companies are turning their focus from surviving the pandemic to navigating their way through it. Businesses slashed costs, hoarded cash, and pulled earnings projections amid the uncertainty earlier in the year. Now, with the realization that the pandemic might last for a while, they are looking for opportunities for growth and reinstating earnings forecasts.

Pandemic Strains Debt-Laden Middle-Class Families.

The Wall Street Journal (9/20, A1, Andriotis, Subscription Publication, 7.57M) reports lower-wage workers bore much of the brunt when the pandemic first hit, but the outlook for the professional workforce is growing dimmer as the slowdown ripples throughout the economy. Debt-laden households are now confronting lenders who are demanding repayment of missed bills, while government assistance dries up.

Meat Prices Decline As Supplies Rebound.

The Wall Street Journal (9/20, Bunge, Kang, Subscription Publication, 7.57M) reports that meat prices, which soared amid shortages in the spring, are now declining as supplies rebound and exports fall. Consumers are benefiting from the lower prices, but they pose a challenge for meatpackers and farmers.

Tens Of Thousands Of Workers In Airline Industry Face Furloughs And Layoffs.

The CBS Weekend News (9/20, story 7, 2:10, Garrett, 875K) reported that airlines are warning that "unless billions more in federal aid materializes soon, thousands of workers face furloughs and layoffs." CBS' Kris Van Cleave reported, "The aviation industry is reeling from plummeting demand and staggering financial losses due to the coronavirus. As many as 76,000 airline employees face potential furlough or layoff next month. And airlines could slash service to smaller communities."

Gyms Struggling Amid Pandemic.

ABC World News Tonight (9/20, story 8, 1:30, Llamas, 5.41M) reported the pandemic is "hitting the gym industry" as many cancel memberships and work out from home. ABC's Deirdre Bolton reported social distancing measures are costing "businesses $10 billion in lost revenue" and staff layoffs are nearing 90%. In the past ten days, two additional national chains have joined others in filing for bankruptcy. However, some businesses are benefiting, such as those that provide online classes and fitness equipment for the home market.

Electric Cars On Verge Of Becoming Mainstream As Technology Improves, Prices Fall.

The New York Times (9/20, Ewing, 18.61M) reports, "As electric cars become more mainstream, the automobile industry is rapidly approaching the tipping point when, even without subsidies, it will be as cheap, and maybe cheaper, to own a plug-in vehicle than one that burns fossil fuels." The Times says that "a few years ago, industry experts expected 2025 would be the turning point." However, "technology is advancing faster than expected, and could be poised for a quantum leap."

Media Analyses: TikTok Deal Falls Short Of Trump's Key Demands.

Bloomberg (9/20, Wadhams, Banjo, 4.73M) reports that in July, President Trump threatened to ban TikTok "unless China handed over control of the company, its algorithms and data to the US." Hours before a Sept. 20 deadline, the President signed an executive order to seal a deal that "does almost none of that." Trump "said he wanted the US part of the business owned by an American company," but China's ByteDance Ltd.

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"remains the majority shareholder in a new US company" with Oracle Corp. and Walmart Inc. also holding stakes. Furthermore, Trump "said he wanted the data to stay in American hands, for national security reasons. But the algorithm itself...will still belong to ByteDance, so national security concerns remain, experts said." To Bloomberg, Trump "did get a partial victory" with the new company headquartered in Texas and promised to hire 25,000 Americans.

The Wall Street Journal (9/20, A1, McKinnon, Leary, Subscription Publication, 7.57M) likewise reports the deal announced Saturday does not satisfy national security concerns. A New York Times (9/20, Sanger, 18.61M) analysis too says that while the President "has declared victory in his latest confrontation with China, saying that he headed off a looming national security threat," it is "far from clear from the details released so far that Mr. Trump's deal resolves the deeper TikTok security problem."

Secretary of State Pompeo, on Fox News Sunday Morning Futures (9/20, 1.66M), discussed the deal saying, "The single rule is this: We don't want American data in the hands of the Chinese Communist Party. It will end up in the hands of their MSS, their security apparatus, their military, their civil-military-fusion program so that's the rule President Trump laid down. As for the transaction around TikTok, I've seen the outlines of it. The President now has said he's conditionally okay with what they're doing. This deal, if approved, in the end will ensure that no Americans' data can be accessed by anyone in China. We will ensure that the firewall is real, that the protection is serious. ... There will be an American headquarters and it'll be controlled by Americans."

Sen. Marco Rubio (R-FL), on Fox News Sunday Morning Futures (9/20, 1.67M), said, "I think Oracle worked really hard to put together the best deal possible. My concern remains this: If that code, you know the code that gives the instructions to the system on what to do. If China continues to control the code, as I understand they would in this deal, they could put in that code an instruction to secretly send data back to China, to the mainland no matter where the actual data is housed there can be something in that code that sends it the other way."

The Wall Street Journal (9/20, Subscription Publication, 7.57M) editorializes that the winner in the deal, Oracle, its co-founder Larry Ellison is a prominent Republican donor and CEO Safra Catz worked on the Trump transition team in 2016. The Journal argues that it would have been better to ban TikTok.

WPost Analysis: US, Chinese Economies Moving Apart. A Washington Post (9/20, A1, Lynch, 14.2M) analysis says "eight months after Trump and Chinese Vice Premier Liu He signed a partial trade agreement that the president promised would be 'transformative,' the U.S.-China relationship instead is mired in an escalating number of bitter disputes." As a result, the Post says, the two economies "are moving apart, headed toward a world divided into separate Internets, technology regimes, industrial networks – perhaps even financial systems."

Federal Court Halts Administration's WeChat Ban.

The Washington Post (9/20, Whalen, 14.2M) reports a federal court has granted a "preliminary injunction halting the Trump administration's planned ban of Chinese app WeChat, in response to a plaintiff lawsuit saying the ban would harm their First Amendment rights." In an order issued late Saturday, the US District Court in San Francisco said the plaintiffs, a group of WeChat users, had shown there are "serious questions" related to their First Amendment claim. The New York Times (9/20, Swanson, McCabe, 18.61M) saying the ruling presents "at least a temporary setback in the president's efforts to block an app that he has labeled a national security threat."

Global Trade Rebounding Faster Than Expected Amid Pandemic.

The Wall Street Journal (9/20, Jeong, Fairless, Subscription Publication, 7.57M) reports that global trade is rebounding faster amid the pandemic than it did after the 2008 financial crisis. While trade still remains below pre-pandemic levels, it recovered about half of this year's historic loss by June.

Reports: Barrett, Lagoa Top Trump's List As He Weighs Ginsburg Replacement.

ABC World News Tonight (9/20, lead story, 3:45, Scott, 5.41M) showed President Trump saying of his upcoming Supreme Court nominee, "It will be a woman. A very talented, very brilliant woman, who I haven't chosen yet, but we have numerous women on the list. I built this incredible list of brilliant people." ABC added "sources tell us...Amy Coney Barrett" is "an early favorite." NBC Nightly News (9/20, story 3, 1:40, Williams, 5.27M) reported that "Administration officials say the President is considering two women as possible nominees. Said to be the front-runner at this point" is Barrett, who "Trump put...on the Seventh Circuit Court of Appeals based in Chicago three years ago. A native of Indiana, she's 48, a former Notre Dame law professor, and devout Catholic." NBC added that "in 2003, she questioned the reluctance of federal courts to overturn precedents."

The CBS Weekend News (9/20, lead story, 2:50, Reid, 875K) showed Trump saying of Barrett, "She is very highly respected, I can say that." CBS added that "Judge Barbara Lagoa on the 11th Circuit is also a top contender." Trump said of her, "An extraordinary person, I have heard incredible things about her. I don't know her. She is Hispanic and highly respected." CBS News "has learned that over the next few days, the President will continue to confer with his top advisors, his Vice President, Chief of Staff, White House counsel, even his son in law, Jared Kushner, about this nomination. The President is expected to announce his pick sometime this week."

USA Today (9/19, Wolf, Groppe, 10.31M) reports "Barrett rocketed to the top of Trump's list of potential nominees after her 2017 confirmation hearing for a seat on the U.S. Court of Appeals for the 7th Circuit, when Democrats cited her deep Catholic faith not as an

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advantage but an obstacle. She was confirmed, 55-43." Said Barrett at the time, "If you're asking whether I take my faith seriously and I'm a faithful Catholic, I am. ... Although I would stress that my personal church affiliation or my religious belief would not bear in the discharge of my duties as a judge." The Wall Street Journal (9/20, A1, Kendall, Subscription Publication, 7.57M) runs a similar analysis under the front-page headline "Amy Coney Barrett Is Again a Top Contender for Supreme Court Nomination."

In her Washington Post (9/20, 14.2M) column, meanwhile, Ruth Marcus writes that "there is much more to plumb in Barrett's writings, as Trump weighs his selection. But a quick review suggests that conservatives should be assuaged, and liberals alarmed, by the Barrett record in her first years as a judge."

McClatchy (9/20, 19K) quotes Trump as saying of Lagoa, "She's an extraordinary person. ... I've heard incredible things about her. I don't know her. She's Hispanic and highly respected." The Hill (9/20, 2.98M) reports "Lagoa, 52, is a Cuban American judge and native of Florida" who "was nominated by Trump to serve on the US Court of Appeals for the 11th Circuit at the end of 2019." She "was confirmed by the Senate in a rare bipartisan vote of 80-15, winning support from 26 Democrats, including Sen. Dianne Feinstein (D-Calif.), the top Democrat on the Senate Judiciary Committee."

The New York Times (9/20, Dias, Liptak, 18.61M) reports "some White House officials worry that Judge Barrett's positions might galvanize not just Democrats but also suburban women and independent voters who would favor a more mainstream pick, and her nomination is hardly certain." The Times adds that "in the world of conservative judges, she has particularly strong credentials."

The Washington Post (9/20, Rucker, Dawsey, Kim, 14.2M) reports "the president spent the weekend quizzing advisers and allies about the backgrounds of both women and gaming out the political fallout of either nomination." The Post adds "White House Counsel Pat Cipollone and White House chief of staff Mark Meadows are leading the search process, with Cipollone overseeing the legal review and vetting of candidates and Meadows focusing on the political calculations and the state of play in the Senate." Senate Majority Leader Mitch McConnell, "who has spoken with Trump twice about the opening, has told others that he would support Barrett and that Republican senators know the most about her and would be comfortable with her." Lagoa "has a lower profile, but her stock has been rising rapidly. ... The daughter of Cuban exiles, she would become the second Latina on the Supreme Court, and has the enthusiastic backing of a number of Trump allies in Florida." To the New York Times (9/20, Baker, Haberman, 18.61M), "Lagoa is seen as the second choice, appealing to the president in particular because of her Cuban-American heritage and ties to Florida, a must-win state for Mr. Trump this fall."

Another Washington Post (9/20, Stanley-Becker, Davis, 14.2M) piece reports "a broad cross-section of Florida Republicans, from acolytes of...Trump to former top aides to Jeb Bush, lined up over the weekend behind...Lagoa, propelling the federal judge and Miami-born daughter of Cuban exiles to the top of the shortlist of potential replacements for...Ginsburg." The Post adds that "while the judge has not expounded at length on abortion and its legal limits – saying in written answers submitted to the Senate last year that she would 'faithfully apply...precedents' when it came to Roe v. Wade – one of her main advocates, Rep. Matt Gaetz (R-Fla.), said she is 'very pro-life, reliably pro-life.'" Added Gaetz, "The hardcore Catholics usually stick with us. ... Her faith guides her perspective on life."

USA Today (9/19, Wolf, 10.31M) recounts "Lagoa was among 20 people on a list that Trump unveiled earlier this month as possible Supreme Court nominees. She is considered a protégé of Florida Gov. Ron DeSantis, a close Trump ally," and "in 2019, DeSantis appointed her to the state's highest court, making her the first Cuban American woman to serve there." Lagoa, "a registered Republican when selected by DeSantis, is a member of the conservative Federalist Society."

The Hill (9/20, 2.98M) reports Allison Jones Rushing's "name is also in the mix." She is 38, and "would be an extremely young nominee to serve on the high court." Rushing "was nominated by Trump to serve on the US Court of Appeals for the 4th Circuit in 2018 and confirmed by the Senate the following year in a vote of 53-44 that fell along party lines."

Bloomberg (9/20, Wingrove, 4.73M) also lists Barrett and Lagoa as the two top candidates, while the New York Post (9/20, Moore, 4.57M) adds Britt Grant, Joan Larsen, Amul Thapar and Allison Eid to the list of possible nominees.

Short: Vote On New Justice Could Come Before Election Day.

The Washington Times (9/20, Sherfinski, 492K) reports, "Marc Short, chief of staff to Vice President Mike Pence, said Sunday that the Senate could vote on President Trump's Supreme Court pick before the Nov. 3 election but that he would defer to Senate leaders on specific timing for a vote." Short "said Justice Ruth Bader Ginsburg, who died Friday of pancreatic cancer at the age of 87, was confirmed within 43 days of her nomination in 1993." Asked about the possibility of a vote before the election, Short said, "Today, we sit here 44 days out from election, so it's certainly possible." Short also told CNN's State Of The Union , said, "I think that the President is prepared to make a nomination very soon. We've had a couple nominations that provide the President a chance to interview a lot of candidates. He's narrowed his list and he looks forward to fulfilling his obligation as President to make a nomination. As some of your guests have commented already this morning, the reality in history is that there's been 29 vacancies during a presidential election year. Twenty-nine times presidents have put forward a nominee."

Trump Campaign Selling "Fill That Seat" Shirts.

Newsweek (9/20, Czachor, 1.53M) reports, "President Donald Trump's re-election campaign is already selling merchandise that references the newly vacant US Supreme Court seat, which Republicans are eager to fill with Ruth Bader Ginsburg's replacement." Newsweek adds that "echoing chants heard during a Trump campaign rally in North Carolina on Saturday, the president's re-election campaign released a T-shirt with the phrase 'FILL THAT SEAT' printed across the chest to its online store. The phrase sits between a graphic depiction of the White

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House and Trump's 'Make America Great Again' campaign slogan in smaller lettering."

In 2016, Ginsburg Urged Senate To Fill High Court Vacancy During Election Year.

Fox News (9/20, Creitz, 27.59M) reports on its website that "in 2016, when a lame-duck President Obama tabbed Merrick Garland to replace the late conservative Justice Antonin Scalia, Democratic leaders had no problem with" filling the vacancy during an election year, "and neither did [Justice Ruth Bader] Ginsburg." Ginsburg told the New York Times, "There's nothing in the Constitution that says the president stops being the president in his last year." Asked "whether the Senate should take up a vote on" Obama's nominee, "Ginsburg said at the time, 'That's their job.'"

Murkowski Joins Collins In Opposing Filling Seat Before Election.

The AP (9/20, Kellman, Mascaro) reports, "A second Republican senator came out in opposition to filling a vacant Supreme Court seat before the Nov. 3 election." Sen. Lisa Murkowski (R-AK) "said in a statement that 'for weeks, I have stated that I would not support taking up' a potential nomination as the presidential election neared," adding, "Sadly, what was then a hypothetical is now our reality, but my position has not changed." Murkowski "joins Maine. Sen. Susan Collins, who said replacing Ginsburg should be the decision of the election winner." The AP adds "focus is growing on Sen. Mitt Romney, R-Utah, who has broken with Trump before." NBC Nightly News (9/20, lead story, 2:40, Haake, 5.27M) indicated "Republicans have very little wiggle room here. They can lose one more vote and still have Vice President Mike Pence break a 50/50 tie. But four defections effectively blocks whomever the President might choose to nominate."

Politico (9/20, McCaskill, Desiderio, 4.29M) points out that "Murkowski, who has frequently bucked her party's leadership, noted that she did not support President Barack Obama's effort to fill Justice Antonin Scalia's seat in 2016, and that 'the same standard must apply' this election year." Bloomberg (9/20, Krasny, Litvan, 4.73M) recounts that "Collins, who faces a tough re-election fight in November, was the first Republican to break ranks with the party's leadership and Trump to say Ginsburg's replacement should be selected by whoever is elected president." Said Collins, "In fairness to the American people, who will either be re-electing the president or selecting a new one, the decision on a lifetime appointment to the Supreme Court should be made by the president who is elected on November 3rd." The Wall Street Journal (9/20, Subscription Publication, 7.57M) reports Collins' statement under the headline "Another Supreme Court Vacancy Puts Re-Election Squeeze On Sen. Susan Collins."

USA Today (9/20, Cummings, 10.31M) reports that "hours before Ginsburg's death was announced, Murkowski told Alaska Public Media on Friday she would not vote on a nominee so close to an election." The Chicago Tribune (9/20, Kellman, Mascaro, 2.65M), the Washington Times (9/20, Sherfinski, 492K), Reuters (9/20, Staff), the Washington Examiner (9/20, Soellner, 448K), Fox News (9/20, Singman, 27.59M), CNBC (9/20, Higgins, 3.62M), New York Post (9/20, Moore, 4.57M), Axios (9/20, 521K), The Hill (9/20, Carney, 2.98M) and Wall Street Journal (9/20, Subscription Publication, 7.57M), among other news outlets, also cover Murkowski's statement.

The Washington Times (9/20, Swoyer, Sherfinski, 492K) reports "Sens. Joni Ernst of Iowa, Thom Tillis of North Carolina and Martha McSally of Arizona, all facing tricky reelection bids, all announced they support Mr. Trump's push to move quickly." However, "one wrinkle is that Ms. McSally was appointed to the seat of the late Sen. John McCain and isn't entitled to the full Constitutional term through January. The Arizona Republic reported Friday that should she lose in November, her Democratic successor could be sworn in as soon as the results are certified, perhaps by Nov. 30," and "that could constrain Republicans' ability to operate in a lame-duck session."

Trump Takes Swipe At Murkowski. Politico (9/20, Cohen, 4.29M) reports that the President "took a swipe Sunday morning at...Murkowski, who subsequently announced she doesn't support moving forward immediately with his Supreme Court pick." Trump "picked up a tweet from the Alaska Chamber promoting an upcoming event with Murkowski and retweeted it with an emphatic 'No thanks!'"

Alexander Supports Filling Vacancy Now. Townhall (9/20, Stocking, 177K) reports that "it was a relief...to hear Sen. Alexander [R-TN], who is retiring this year, say on Sunday that he believes the Senate should move forward with...Trump's nominee to fill the Supreme Court vacancy." Alexander said in a statement, "No one should be surprised that a Republican Senate majority would vote on a Republican President's Supreme Court nomination, even during a presidential election year. The Constitution gives senators the power to do it."

Biden Urges GOP To Not Vote On Any Trump Supreme Court Candidate.

Reuters (9/20, Hunnicutt, Heavey) reports "Democratic presidential candidate Joe Biden urged Senate Republicans not to vote on any candidate nominated to the Supreme Court as the November election approaches, calling his rival Donald Trump's plan an 'exercise in raw political power.'" The CBS Weekend News (9/20, story 2, 2:30, Cordes, 875K) showed Biden saying, "I'm speaking to those Republicans out there, Senate Republicans, who know deep down what is right for the country and consistent with the Constitution." CBS added that "Biden used to chair the Senate Judiciary Committee, so he knows exactly how this works, and he knows that the chance to confirm a Supreme Court nominee who shares your views is something senators live for. And thus, Republicans are unlikely to back down."

The Washington Times (9/20, Sherfinski, 492K) quotes Biden as saying, "Don't vote to confirm anyone nominated under the circumstances President Trump and Senator McConnell have created. ... Don't go there." The Washington Post (9/20, Sullivan, Viser, Linskey, 14.2M), USA Today (9/20, Cummings, 10.31M), the AP (9/20), the New York Times (9/20, Glueck, Kaplan, 18.61M) and Politico (9/20, Cadelago, 4.29M), among other news outlets, also cover Biden's comments.

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The Washington Examiner (9/20, Larsen, 448K) reports, meanwhile, that "Biden said that he would not release a list of potential Supreme Court nominees like...Trump has, arguing the rejection of nomination norms could politicize the court and subject those on the list to

unnecessary attacks."

On Sunday Shows, Lawmakers Split Along Partisan Lines On Ginsburg Replacement.

Lawmakers interviewed on the Sunday morning political shows broke into sharp partisan lines on their views on the Supreme Court opening.

Sen. Ted Cruz (R-TX), on ABC's This Week (9/20, 2.46M), discussed his comments from 2016 in support of waiting until after the election to vote on a nominee. Cruz said, "I believe the right thing to do is for this Senate to take up the nomination and confirm the nominee before Election Day. Now on the question of precedent, we had this fight at the end of the Barack Obama term, and at the time all the Democrats were saying, confirm the nominee, and all the Republicans were saying, we're not going to confirm the nominee. You played a situation, and a quote from me in 2016. We can play that game all day long."

Sen. Tom Cotton (R-AR), on Fox News Sunday (9/20, 1.19M), said, "There will be a vote," and "in some cases, like Justice Ginsburg herself," the "nomination and confirmation process took less than 44 days. There have been other cases which it took longer, so it's too soon to say right now, but we will move forward without delay. ... In 2014, the American people elected a Republican majority to the Senate to put the brakes on President Obama's traditional nominations."

Sen. Amy Klobuchar (D-MN), on CNN's State Of The Union (9/20, 868K), said, "Healthcare is on the line. ... Environmental rules as people can't even breathe some of the air out on the West Coast. Those are on the line. The right to organize, that is on the line. So, it is coinciding with an election. So that's why whatever Mitch McConnell does right now, my Republican colleagues understand that the voters are voting. And a number of them have already said that the next President, whoever wins, should be able to pick the justice." On NBC's Meet the Press (9/20, 2.72M), Klobuchar said, "For me, that's what this is about. It's about justice. It's about moving forward as a Senate and democracy."

During an appearance on MSNBC AM Joy (9/19, 988K), Klobuchar said "Republicans are going to have to make their own decisions and that is going to be their reckoning and they have to think about the future of this country."

On MSNBC AM Joy (9/19, 1.03M), Sen. Mazie Hirono (D-HI) said of Trump, "Here's a person who doesn't believe that the rule of law applies to him, so it's par for the course for him. We start with the proposition that Republicans can't be trusted."

Also on MSNBC AM Joy (9/20, 765K), Sen. Debbie Stabenow (D-MI) was asked whether Democrats will stand firm in their threats if the Supreme Court nomination process moves forward. Stabenow said, "Of course we're looking at all the options. The practical reality, though, for all of us who are concerned, is to understand, we don't have the votes. They only need 51."

Sen. Chris Coons (D-DE), on Fox News Sunday (9/20, 1.19M), said, "For the Republican majority just 44 days before the next presidential election to rush through a new justice in a partisan confirmation process will further divide our country, further challenge the legitimacy of the court and I think would dishonor Justice Ginsburg's legacy. ... I frankly think the Republican majority should live with the precedent they set in 2016."

Sen. Roy Blunt (R-MO), on CBS' Face The Nation (9/20, 2.56M), said, "In this case, both the White House and the Senate have some obligation to do what they think in the majority in the Senate is the right thing to do, and there is a Senate majority put there by voters for reasons like this."

Sen. John Barasso (R-WY), on NBC's Meet the Press (9/20, 2.72M), said, "Let's be clear. If the shoe were on the other foot, and the Democrats had the White House and Senate they would right now be trying to confirm another member of the Supreme Court. What we are proposing is completely consistent with the precedent. Let's go back. We were following the 'Joe Biden Rule.' Joe Biden was clear when he was chairman of the judiciary committee. He said when there is a Senate of one party and a White House of the others, he said this to George Herbert Walker Bush, he said if there is a vacancy in the final year, we'll not confirm."

Sen. Cory Booker (D-NJ), on CBS' Face The Nation (9/20, 2.06M), said, "For Republicans to move forward like this, I think, really undermines that. It will have a tremendous amount of control now, so I'm not sure exactly how this will play out. Again, we've seen moments like this before, where healthcare was in the ballots. And the American public, speaking out, got people like John McCain and a couple colleagues to do the right thing."

Rep. Jim Jordan (R-OH), on Fox News Sunday Morning Futures (9/20, 1.66M), said, "The President's job is to nominate someone for the Supreme Court and it's the Senate's job to advise and go through the process and now what's happened historically. He's not only following the law but the historic norm."

On Fox News' The Next Revolution (9/20, 1.99M), Sen. Marsha Blackburn (R-TN) was asked if she supported moving forward with the nomination. Blackburn said, "Yes, I do support that. This is the President's constitutional duty and 29 times presidents and the Senate of the same party have moved forward and have done the nomination in an election year. You would have to go back to 1882 find a time when they decided to leave a seat vacant."

Clintons Come Out Against Trump Nominating New Justice.

Former President Bill Clinton, on CNN's State Of The Union (9/20, 868K), said, "It's superficially hypocritical, isn't it? Mitch McConnell wouldn't give President Obama's nominee a hearing ten months before the President's election. That meant that we went a long time with eight judges on the court. This is what they do. They vote for Senator McConnell and President Trump. Their first value is power and they're trying to fill the court with as many ideological judges as they can."

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On ABC's This Week (9/20, 2.46M), Clinton said, "Today it seems that Senator McConnell has lost his faith in the judgment of the American people and wants to hurry up and put somebody else on the court, and the President does too. Their position is, do whatever maximizes your power, and if it's totally inconsistent with what you said before, don't worry about it."

Hillary Clinton, on NBC's Meet the Press (9/20, 2.72M), said, "The system has been broken for quite a while, but clearly the decision that Mitch McConnell made in 2016 in the midst of that presidential election, when Justice Scalia unexpectedly passed away should be the standard now. They talk about we had other standards before, well, they made a new precedent and the new precedent, which they defended incredibly passionately, was to wait for the next president, whoever that is, to make the nomination, but as you clearly heard, that is not what they are intending and it's another blow to our institutions. What's happening in our country is incredibly dangerous. Our institutions are being undermined by the lust for power, power for personal gain in the case of the President or power for institutional gain in the case of Mitch McConnell at the cost of ensuring that our institutions withstand whatever the political winds might be, but they made this decision in 2016 and they should be held account for it."

Trump Boasted To Woodward About Judicial Appointments.

The Washington Post (9/20, Parker, 14.2M) reports, "When President Trump sat down in the Oval Office with author Bob Woodward for the first of 18 eventual interviews, the president brought up judicial appointments four times and even had a list of judicial appointment orders displayed, prop-like, on the Resolute Desk – 'kind of like he was cherishing it,' Woodward recounted." In a December interview with Woodward, "Trump boasted that he" and Senate Majority Leader McConnell "'have broken every record' on judges, saying the issue is the majority leader's top priority." In January, Trump "bragged that he had installed 187 judges to the federal bench – making one in every four circuit court judges a Trump appointee – and two to the Supreme Court." According to the Post, "judicial appointments have engaged Trump more than many other policymaking topics, in part because he appears to understand the political ramifications for himself."

Graham Looks To Fill Supreme Court Seat While Fending Off Challenger.

The AP (9/20, Kinnard) reports Sen. Lindsey Graham (R-SC) might be facing "his toughest test yet as he seeks reelection and explains to voters how, as chairman of the Senate Judiciary Committee, he will push for Trump's Supreme Court nominee on the president's aggressive timetable, when the senator was so clearly – even defiantly – opposed to that approach as recently as two years ago, even demanding that he be called out for hypocrisy if he switched." Democratic Senate candidate Jaime Harrison is "running close to Graham, according to one recent poll, despite the conservative tilt of South Carolina, and is matching the three-term incumbent in fundraising that has yielded a total of more than $30 million apiece."

The Washington Post (9/19, Sullivan, Kim, 14.2M) reports that four-and-a-half years ago, Graham vowed that he wouldn't support filling a vacant seat on the Supreme Court in the last year of a Republican president's first term. But on Saturday, Graham was "singing a different tune, pledging support for President Trump in 'any effort to move forward regarding the recent vacancy created by the passing of Justice Ginsburg.'" Graham will be "at the center of what will likely be one of the most contentious confirmation battles in history, affording him an opportunity to demonstrate his loyalty to Trump." However, "some Democrats say his position could help amplify the arguments against his reelection."

Shorthanded Supreme Court Could Play Key Role In Election Fights.

USA Today (9/20, Wolf, 10.31M) reports, "A presidential election riddled with rampant court challenges and ripe for more faces a Supreme Court with an empty chair." The death of Justice Ruth Bader Ginsburg "adds a layer of intrigue to a pandemic-infused campaign that's been challenged from Alabama to Wisconsin, prompting the justices to resolve political disputes they would rather sidestep." According to USA Today, "the nation's ever-rising political polarization and reckless claims on social media make it even more likely that local, state and federal elections will wind up in court, not only in the weeks leading up to Election Day but in the days and weeks thereafter."

Politico (9/20, Gerstein, 4.29M) reports, "Until Friday, Chief Justice John Roberts or other justices had the power to issue or deny emergency relief by joining with the court's four liberals. It didn't happen often, but it did sometimes happen." But "with the court shorthanded for the time being, the court's three remaining Democratic appointees would now need two Republican-appointed colleagues to take emergency action." President Trump "signaled Saturday night that he expects federal judges to play a key role in achieving a definitive result within hours of the polls closing on Election Day."

CNBC (9/20, Higgins, 3.62M) reports that "if an emergency case between Trump and Biden splits the court along partisan lines this fall, Trump is almost certain to emerge the victor". Even if Chief Justice John Roberts, "an occasional swing justice, joins the liberals, that would mean a 4-4 tie, leaving in place whatever ruling was issued by the lower court."

Reuters Poll: 62% Want Ginsburg Replacement To Be Named After Election.

Reuters (9/20, Kahn) reports, "A majority of Americans, including many Republicans, want the winner of the November presidential election to name a successor to Ruth Bader Ginsburg on the U.S. Supreme Court, according to a Reuters/Ipsos poll released on Sunday." The poll "suggests that many Americans object to President Donald Trump's plan, backed by many Senate Republicans, to push through another lifetime appointee and cement a 6-3 conservative majority on the court."

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Bloomberg (9/20, Javier, 4.73M) reports, "A survey conducted Sept. 19-20 after Ginsburg's death found that 62% of American adults said the vacancy should be filled by the winner of the Nov. 3 matchup between President Donald Trump and former Vice President Joe Biden, while 23% disagreed and the rest said they were unsure, Reuters reported." The poll found that "eight out of 10 Democrats – and five in 10 Republicans – agreed that the appointment should be made after the election."

Poll: Democrats Want Hearings On Ginsburg Vacancy. Townhall (9/20, Vespa, 177K), citing the Washington Examiner, reports, "A new poll conducted shortly before the death of Supreme Court Justice Ruth Bader Ginsburg revealed that an overwhelming majority of U.S. adults of all political stripes supported holding hearings for a nominee if a vacancy opened on the nation's highest bench." The poll "showed 67% of adults believed the Senate should hold a hearing if a vacancy occurred during 2020's race, with only 32% opposition — and similar strong numbers across Republicans, Democrats, and independents, who supported holding confirmation hearings at 68-31%, 63-37%, and 71-28% respectively."

Rivkin, Grossman: Voters Have Already Shown Their Views On Trump's Judicial Nominees. In an op-ed for the Wall Street Journal (9/19, Subscription Publication, 7.57M), David B. Rivkin Jr., who served at the Justice Department and the White House Counsel's Office, and Andrew M. Grossman, an adjunct scholar at the Cato Institute, write that history shows that filling a vacancy on the Supreme Court does not hinge on the electoral calendar. Moreover, in their view, voters in 2016 and 2018 made clear that they back President Trump's court nominees and their judicial philosophies, which means that the party in power has the mandate to exercise their constitutional power to fill the seat.

Democrats See Record-Breaking Fundraising Following Ginsburg's Death.

The Hill (9/20, Wilson, 2.98M) reports, "The most prolific online fundraising platform for Democratic candidates and causes said Sunday morning that donors had contributed more than $91 million in the 28 hours after the Supreme Court announced that Associate Justice Ruth Bader Ginsburg had died." ActBlue said the passing of Ginsburg's had "led to an unprecedented surge of donations to progressive groups." Donors contributed "$6.3 million in just one hour late Friday and $70.6 million on Saturday, the platform said, both records for their respective time periods."

Ocasio-Cortez To Democrats: "There's No Going Back To Brunch" After Election.

The New York Post (9/20, Sheehy, 4.57M) reports Rep. Alexandria Ocasio-Cortez (D-NY) is warning Democrats "not to get complacent over any potential White House win." In an online post marking the death of Supreme Court Justice Ruth Bader Ginsburg on Friday, Ocasio-Cortez said, "After we work to command victory in November, I need folks to realize that there's no going back to brunch." She said, "We have a whole new world to build. We cannot accept going back to the way things were, and that includes the Dem Party."

Fox News (9/19, Stimson, 27.59M) reports Ocasio-Cortez "feverishly took to her social media accounts following Ginsburg's death from cancer Friday to implore progressives that this election is 'about survival.'" She said, "Voting for Joe Biden is not about whether you agree with him. It's a vote to let our democracy live another day."

Thousands Gather Outside Supreme Court To Honor Ginsburg.

NBC Nightly News (9/20, story 2, 0:55, Snow, 5.27M) Pete Williams reported, "Thousands of people gathered Saturday night outside the Supreme Court, spilling into the street to honor and remember Justice [Ruth Bader] Ginsburg, with similar scenes around the country all weekend long." House Speaker Pelosi "brought flowers to the court steps today, among hundreds to say good-bye." Williams added, "Nothing official has been announced yet, but Justice Ginsburg will most likely lay in repose at the court later this week, as happened four years ago after Justice Scalia died, with a chance for the public to pay tribute."

ABC World News Tonight (9/20, story 2, 2:40, Llamas, 5.41M) reported Ginsburg is being "remembered as a fierce advocate, and an inspiration to generations of women." ABC's Stephanie Ramos added, "But it was her friendships with conservatives like late Justice Antonin Scalia that made her a shining model of civility and decency." Ramos continued, "Though they rarely agreed on the issues, Scalia's son recalling his father's words. 'Some things in life are more important than votes.'"

On the CBS Weekend News (9/20, story 13, 2:45, Garrett, 875K), Rita Braver remembered Ginsburg. Braver said, "She had heart and determination. She cared about what happened to people. And the world began to notice. So we cheered her workouts. We were awed at how she would go get cancer treatments and return to the office. But most of all, we were moved by the power of her convictions and her words."

ABC World News Tonight (9/20, story 11, 1:45, Llamas, 5.41M) remembered Ginsburg in her own words. Ginsburg is shown saying, "Because I'm a public figure, I could help make things a little better for people who were in my situation. Fight for the things you care about. But do it in a way that will lead others to join you." Ginsburg is also shown saying, "If you want to be a true professional, you will do something outside yourself, something to make life a little better for people less fortunate than you. A meaningful life is, one lives not just for oneself, but for one's community."

Douthat: Fight Over Replacing Ginsburg Threatens To Derail US Democracy.

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In his column for the New York Times (9/20, 18.61M), Ross Douthat warns that "in a country that's already polarized, maddened, suffused

with hysteria," if "someone – which means some Republicans, at the moment, because the power is in their hands – doesn't find a way to de-escalate, to concede some ground, then the court and even the Constitution could be in the gravest sort of peril." Without naming him, Douthat suggests that Sen. Mitt Romney (R-UT) should push for "a better system, a decisive change in judicial appointments and a step back from juristocracy." Possible reforms for the Supreme Court could include "shorter terms, rotating appointments, a larger bench appointed by bipartisan committee." But in the end, Douthat concludes that "if the person nominated seems like a better choice to be entrusted with that power, then despite all the atmospherics, there's a clear case for voting yes."

WSJournal: Democrats Have History Of Repeatedly Breaking Judicial Norms.

In an editorial, the Wall Street Journal (9/20, Subscription Publication, 7.57M) traces how Democrats have broken judicial norms in recent history, from the fight over Bork's nomination to the filibuster rule. The Journal argues that Republicans should not cower from Democrats' threats to pack the court, but should put the issue front and center this campaign season.

Trump: Democrats, Media Denigrating Vaccine To Hurt Reelection Chances.

President Trump, in an interview with Fox News Life, Liberty & Levin (9/18), was asked why Democrats and the media seem hostile to efforts to develop a vaccine. Trump said, "They want to denigrate it. This started about three weeks ago because they started having, hearing rumors that we would have this vaccine in super record time. ... The reason they're doing that is because they think I will get credit if we have a vaccine anywhere near the election but certainly before the election. ... They're trying to make it not a big deal when actually it's one of the greatest things that anyone has done. ... They have done in record time. If this were a typical administration, this vaccine wouldn't be ready for two or three years because of the FDA process. I have totally changed the FDA process. Same safety, but the speed is from a different world and we should have the vaccine approved very soon."

HHS Officials Offer More Conservative Vaccine Timeline. The New York Times (9/20, Gorman, 18.61M) reports that "top administration health officials on Sunday delicately sidestepped President Trump's ambitious declaration last week that a coronavirus vaccine would be available for every American by April." Instead, Adm. Brett P. Giroir, "who heads up national testing efforts," and HHS Secretary Azar "offered a slightly more conservative timetable for vaccine availability." On CNN's "State of the Union," Giroir said, "In front of the Senate, Dr. Redfield and I both said that a vaccine that would be widely available in hundreds of millions of doses would not likely happen until mid-2021. That is a fact." However, he also said the President was correct in saying that "we could have as many as a hundred million doses by the end of this year. That is correct. I think everybody is right."

Former FDA Chiefs: Vaccine Approval Process Can Be Trusted. Former FDA commissioners Scott Gottlieb and Mark McClellan write in the Wall Street Journal (9/20, Subscription Publication, 7.57M) that the health agency's thorough and transparent approval process for a potential coronavirus vaccine won't be compromised and the public should be reassured.

HHS Officials Tout Decline In Cases, Deaths.

HHS Secretary Azar said on NBC's Meet the Press (9/20, 1.58M), "We've seen an almost 50 percent decline in cases and 50 percent declines in hospitalizations and an even greater decline in fatalities since the high point. So the American people have stepped up to the plate and responded to President Trump's and my call to action to individual responsibility."

Politico (9/20, Weaver, 4.29M) reports HHS "testing czar" Brett Giroir said Sunday that progress is being made on many fronts against the virus. On CNN's State Of The Union, Giroir said, "From the peaks in early July and late July, the number of cases are down by 41 percent. The number of people in an ICU are down 62 percent. The number of deaths are down almost 30 percent. But we have to stay strong and do the things that could decrease the spread."

US Death Toll Hits 200,000. All three networks Sunday night reported on the US reaching the 200,000 death milestone and profiled some victims of the virus. The CBS Weekend News (9/20, story 3, 1:40, Garrett, 875K) reported, "As a nation, we are confronting a new milestone in the COVID-19 pandemic. There have been 6.8 million cases here, and by some counts, we have reached 200,000 deaths."

Calling it "a heartbreaking milestone," ABC World News Tonight (9/20, story 3, 2:50, Llamas, 5.41M) reported, "The death toll nearly doubling in just 116 days. And almost seven months into the pandemic, the infection rate remains at nearly five percent, with hospitalizations rising in 16 states, Washington, DC, and Puerto Rico. Health experts very concerned heading into the fall." NBC Nightly News (9/20, story 4, 2:55, Snow, 5.27M) reported, "This weekend we surpassed 200,000 Americans who lost their lives to coronavirus, and each person was so much more than a number."

US Sets Record With More Than 1M Tests Conducted In One Day.

Reuters (9/20, Shumaker) reports the US "set a one-day record with over 1 million coronavirus diagnostic tests being performed, but the country needs 6 million to 10 million a day to bring outbreaks under control." The US "performed 1,061,411 tests on Saturday, according to data from The COVID Tracking Project, a volunteer-run effort to track the outbreak."

AMERICAN OVERSIGHT

Scientists: 60%-70% Infection Rate Needed To Reach Herd Immunity.

CFTC-22-0351-A-000582

The Wall Street Journal (9/20, Abbott, Douglas, Subscription Publication, 7.57M) reports public-health authorities estimate that around 60% to

70% of a given population would need to develop an immune response to the virus in order reach herd immunity for Covid-19. Infectious-disease experts strongly warn against trying to reach herd immunity without a vaccine because it would lead to a staggering death toll.

Whitmer: Barr Comments Comparing Lockdowns To Slavery An "Unhinged Distraction."

The Detroit News (9/20, 825K) reports Michigan Gov. Gretchen Whitmer (D) on Sunday called comments last week from Attorney General Barr comparing lockdowns to slavery "unhinged" and accused the Administration of stoking "dangerous instincts" during an interview with Showtime's "The Circus." Said Whitmer, "This is another unhinged distraction, and it's deeply disturbing that our chief law enforcement officer is propagating it." She added, "I guess that they're not above using any tactic to try to either scare people, suppress the vote or inspire maybe some dangerous instincts that they've been stoking."

College Professor Suspended After Wishing Coronavirus Death For Trump Supporters.

Fox News (9/20, Stimson, 27.59M) reports on its website that a professor at Marshall University in West Virginia was suspended last week "after allegedly saying she hoped President Trump's supporters would all die from the coronavirus, according to reports." Professor Jennifer Mosher reportedly said while talking to students, "I've become the type of person where I hope they all get it and die." A student reportedly recorded what Mosher and posted it on social media, prompting her suspension.

Trump: Democrats To Blame For Unrest In Cities.

Offering his thoughts on law and order during an interview on Life Liberty & Levin on Fox News (9/20), Trump said, "All of this crime, whether it's Chicago or Portland, Portland's different, that's kind of an anarchy state. We could put that down so quickly. Minutes, literally minutes like we did in Minneapolis. What we did in Minneapolis was incredible with the national guard. We sent them in. They had that thing put out in the half hour. It was the end of it. It was over in a half hour. Portland would be easier. We could do that so fast. We did it in Seattle by saying were going in the next morning and everyone cleared out and essentially they cleared out because they knew we were going in the next morning. I said were going in, I don't care. Everyone of those cities is run by Democrats."

New York AG Moves To Expedite Release Of Police Body Cam Footage.

The AP (9/20) reports New York Attorney General Letitia James "promised Sunday to expedite the release of body camera footage in cases of alleged police misconduct that her office investigates." Speaking in Rochester, "which has been in turmoil since the footage of Daniel Prude's fatal encounter with police was released more than five months after his death," James said her office "will be proactively releasing footage to the public on our own." According to the AP, it was "unclear how many cases would be affected by the policy, since the attorney general's office does not review all footage of police interactions with the public."

Former Officers, Residents Say Longstanding Tensions Fueled Protests In Kenosha.

The Washington Post (9/20, Klemko, 14.2M) reports that "as in other cities rocked by police shootings this summer, simmering tensions between local residents and law enforcement" in Kenosha, Wisconsin, "fueled the explosion of violence that followed the Aug. 23" police shooting of Jacob Blake. In dozens of interviews, "Kenosha residents, community activists, former officials and six current and former Kenosha police officers described a police culture bereft of diversity, tolerant of excessive force and determined to cover up for its own." The Post notes that "of more than 200 officers on the force, only eight are Black." While most said the department "is populated with mostly good cops...police officials tolerate a subset of officers who lack the racial sensitivity and cultural knowledge to effectively police minority communities and allow their biases to play out in the street."

Rubio: FBI Was Warned By Intelligence Community Not To Rely On Steele Dossier.

The Washington Examiner (9/20, Dunleavy, 448K) reports Sen. Marco Rubio (R-FL) "said every intelligence agency warned the FBI not to rely on the 'ridiculous things' in British ex-spy Christopher Steele's discredited dossier." Rubio "criticized the bureau during an appearance on Sunday Morning Futures on Fox News, noting that the intelligence community warned the FBI the dossier might contain Russian disinformation." Rubio "told the show's host, Fox Business anchor Maria Bartiromo, that he believes the actions taken by some in the FBI were criminal, and that there was likely more wrongdoing that has not yet been made public."

Rubio, on Fox News Sunday Morning Futures (9/20, 1.67M), said, "Our Russia report makes it very clear that the FBI behaved very poorly with the things they did in the 2016 and the aftermath of that election. We pointed out those things. For example, the reliance on the dossier that the intelligence community, including the CIA, told the FBI not to use those documents because they weren't reliable. Every single one of the intelligence agencies separate from the FBI said that the dossier was not the kind of document they should be relying on, we shouldn't even be talking about it, because it could very well be something the Russians completely made up and put out there and so the information in order to create all sorts of havoc. The implications here are frightening and that is you could go and hire some former spy, make up stories, put it in this document, and get someone in the US government to put the official seal of approval on it."

AMERICAN OVERSIGHT

Jordan: Comey Testimony "Key" To Answering Questions About Russia Probe.

The Washington Examiner (9/20, Soellner, 448K) reports, "Former FBI Director Jim Comey is 'at the center' of the so-called Russiagate controversy," according to Rep. Jim Jordan (R-OH). During an interview on Fox News Sunday Morning Futures , Jordan "talked about his expectations for Comey's appearance before the Senate Judiciary Committee scheduled for Sept. 30." He said, "I think Jim Comey's been at the center of all this. He's in every important meeting. He was the guy who went from one administration to the other. He's the one who designed the cover-up. He's the one who pushed when leaked his memos to get Bob Mueller, the special counsel appointed, which, in fact, happened. The very people on that team wiped their phones, as you just indicated. So, Comey is the key to all this. I'm glad he's coming in. I'm sure he's going to get some tough questions."

At Least 30 People Shot Over Weekend In Chicago.

ABC World News Tonight (9/20, story 10, 0:20, Llamas, 5.41M) reported that "at least 30 people have been shot, and at least three people killed" over the weekend in Chicago, according to police. Shootings and homicides are "up more than 50 percent there compared to this time last year."

Tropical Storm Beta Headed Toward Texas And Louisiana.

The CBS Weekend News (9/20, story 6, 0:10, Garrett, 875K) reported, "Tropical Storm Beta is slowly making its way towards Texas and Louisiana." ABC World News Tonight 's (9/20, story 6, 0:40, Llamas, 5.41M) Rob Marciano reported that it "should make landfall tomorrow afternoon somewhere around Victoria." ABC World News Tonight 's (9/20, story 5, 1:20, Llamas, 5.41M) Elwyn Lopez reported "the slow-moving storm" is "set to hit parts of Texas and Louisiana with 60-mile-per-hour winds and up to 15 inches of rain." Lopez added, "The main concern is flash flooding inland."

The AP (9/20, Lozano) reports Beta was "no longer expected to reach hurricane intensity, the National Weather Service said Sunday." Forecasters said the storm was "not expected to bring the same amount of rainfall that Texas experienced during either Hurricane Harvey in 2017 or Tropical Storm Imelda last year."

USA Today (9/20, Bacon, Falcon, 10.31M) reports that Beta would be "the ninth system to make landfall in the United States this season, tying a record set more than 100 years ago." The storm's "slow advancement – it was moving at just 5 mph Sunday afternoon – follows a recurring theme in storms this season: slow movers that can stall over an area and dump a foot or more of rain."

WPost Feature Compares Reopening Strategies At Two US Colleges.

The Washington Post (9/20, Anderson, Svrluga, Lumpkin, Douglas-Gabriel, Heim, 14.2M) compares the reopening plans this fall at Gettysburg College, a private liberal arts college of 2,200 students, and Arizona State University, a public university of 74,000 students. While Gettysburg "sent more than half its students home this month after infections were found to be spreading at an alarming rate," ASU "kept its teaching and housing plans intact while it conducted tens of thousands of viral tests of students and employees."

Trump: Mail-in Ballots A Recipe For Chaos, Fraud.

When asked about mail-in ballots during an interview with Fox News Life, Liberty & Levin (9/21), President Trump said, "Look, they know it doesn't work because there's been many races using this over the last 14 or 15 months. I heard there was one yesterday or the day before yesterday that the ballots are so mixed up they have millions of ballots going out on little races like in New York or Paterson, NJ or Virginia or many other locations and were now finding out about the one from over the past couple days. Were talking about numbers like 30 percent and 40 percent off. Were not talking one percent which is two months because you can lose by one percent. One percent is a lot, but they're off by 30, 40 percent sometimes. Ballots are missing, there's fraud, now there's a new thing where they don't want to verify signatures because that makes it easy so you don't have to verify measures."

Some Voter Rolls Haven't Been Updated To Remove Non-Citizens. The Washington Times (9/20, Dinan, 492K) reports that "some local rolls haven't been cleansed of illegitimate voters, creating opportunities for fraudulent ballots to be cast." Federal prosecutors in North Carolina "last week announced charges against 19 more people they said weren't citizens yet cast votes in the 2016 election. Of those, 12 have been removed from voter rolls, according to state records." Meanwhile, "liberal activists have said prosecutors are turning honest mistakes into federal crimes."

Trump Decries Unfair Treatment By Media.

When asked about the media's treatment of him during an interview with Mark Levin on Fox News (9/21), President Trump said, "I've done things possibly much more significant and they don't give credit. The Washington Post is a disaster, you can't get a good story, it's disgusting, and then you go to ABC, NBC probably is the worst of all, Comcast, they call it Comcast. It's not Comcast, it's a con job. They tried to protect their name. CBS is a disaster, then they go to the real beauties at MSDNC as we call it and CNN and at least at CNN you know where there coming from, you know they are stone cold dishonest, at least you know that. It's a sad thing. It's a very sad thing." Trump continued, "Fortunately local press is extremely good." Trump added, "Fox is good, but Fox is not what it is, I'll be very honest with you. They've become politically correct."

AMERICAN OVERSIGHT

Trump: "Sad" Biden Can't Answer Questions Without Teleprompters.

On Life Liberty & Levin on Fox News (9/20), President Trump was asked why Joe Biden hasn't criticized the policies that have led to so many people dying in nursing homes. Trump said, "You know it and I know it, Joe doesn't know if he's alive. If you asked him that question without teleprompters, I don't think he could answer the question. It's a sad thing that's going on. The whole thing is a sad thing. You said it before, the Harris Biden administration. Who would ever say such a thing. I've been here for quite a while now, almost four years if you can believe it. I never said the Mike Pence Trump administration. Who would say that. You would think it's impossible unless there's something wrong. It was compounded when she goes out and she's always putting her name first. She is the most liberal person in the Senate. We have the most liberal person in the Senate so it's a sad thing that's going on, and hopefully we will have a big victory and I think when we have the victory it will calm down because they're getting tired of losing."

Trump: Biden "Went Left" With Economic Policies.

On Life Liberty & Levin on Fox News (9/20), President Trump was asked about Joe Biden's economic policies, Trump said, "That's the agreement that Bernie Sanders and the AOC and all these people made with Sleepy Joe Biden. Now I thought it would be their view and then you're going to go right or toward the center, at least that's the way it would normally work but it didn't. It's their view and it went left. Bernie never said half the things, that's far left, I've heard Bernie for a long time, Crazy Bernie and I heard what he said, but that manifesto that Biden agreed to is a disaster what they have."

Trump: "I Love The Military And I Respect The Military."

On Life Liberty & Levin on Fox News (9/20), President Trump was asked about his alleged comments about the military. Trump said, "It's full of lies. The worst lie of all is that I'm feeling over the grave of soldiers from many years ago, warriors of many years ago, who I cherish, I'm very strong on the military. I love the military and I respect the military, and they made up ally that I called them suckers and losers. It was made up by this stupid magazine the Atlantic, which I don't read and most other people don't read it either, and they picked that up and we disputed it. We have so far 27 people who said it never happened. Twenty-seven. They have no people. They haven't one source. They end up taking that and making a television commercial out of it. It was very sad to see that we can take something like that which is a total lie, which was very successfully disputed and they make a television commercial out of it and I can't do anything from the standpoint of liable because our liable laws are so pathetic."

Trump: Forest Mismanagement To Blame For Wildfires.

President Trump offered his thoughts on wildfires during an interview on Life Liberty & Levin on Fox News (9/20). He said, "I just left California and met with the governor and he, and honestly he's been very nice and that's good, but I said you've got to manage this. It's a management thing. He said no it's global warming. I said when the leaves build up and you have a floor of leaves and the trees fall down and you don't remove them because the environmental group doesn't want you to touch the tree, within 18 months that tree becomes like him matchstick and is unbelievably flammable. I meet with foreign leaders and they say we are if forest nation but we have trees that are far more explosive than the trees in California. We don't understand how a thing like that can happen. You have to manage your forest. They have to do cuts. They have to do cuts in between sections so if there's a forest over – a fire over here it doesn't burn down 5000 acres because you have a cut and they water that cut very strongly and the fire can't go, it's the width of a football field or less because you have cuts but they don't do that because the environmentalists don't want them to do it."

Six Accused Of Setting Blazes In Oregon Amid Wildfire Season. The New York Post (9/20, Salo, 4.57M) reports, "At least six men in Oregon have been accused of intentionally setting blazes during the state's devastating wildfire season, according to a report." There is no evidence that the accused were "motivated by politics, despite conspiracies that such an animus has fueled the fires that have burned more than a million acres." Instead, officials said, "some of the blazes were attributed to petty beef, relationship troubles and enjoying the 'smell of smoke.'"

On the CBS Weekend News (9/20, story 5, 1:20, Garrett, 875K), Lilia Luciano reported that in Oregon, "where the death toll is now nine with five people still missing, firefighters are getting a handle on the historic fires, that scorched more than a million acres and destroyed more than 3,000 structures."

California's Bobcat Wildfire Burns Nearly 100,000 Acres. ABC World News Tonight (9/20, story 7, 1:30, Llamas, 5.41M) reported that with "California's Bobcat Fire exploding in size," fire officials "say it could be more than a month before the fire is completely contained." ABC's Zohreen Shah added, "Multiple aircraft called in to drop retardant, but that fire growing overnight to nearly 100,000 acres." Shah continued, "But rain later this week could bring more landslides to the burnt-out terrain.... Fire officials say the earliest they expect full containment is by the end of next month."

Trump Tells CNBC Host Cramer To "Stay With The Truth" After "Crazy Nancy" Apology.

The New York Post (9/20, Moore, 4.57M) reports, "President Trump on Sunday renewed his attacks on Jim Cramer after the CNBC host apologized for referring to House Speaker Nancy Pelosi as 'Crazy Nancy' during an interview last week." Trump posted on Twitter (9/20, 16.75M), "Jim, to late to take it back. Stay with the truth, no pandering!"

AMERICAN OVERSIGHT

Woodward: 20% Of New Book Consists Of Quotes From Trump.

Bob Woodward, on CNN's Fareed Zakaria GPS (9/20, 915K), discussed his book on President Trump. Woodward said, "He knew I wasn't going to put words in his mouth. I would let him have his say. I think almost 20 percent of the book is quoting him. Trump said just a couple of days ago, he said some great things in this book. That's because I let him put his case forward on all of these issues. I promised to do that. I went into the Oval Office...plunked down my tape recorder and said, this is all on the record for a book that will come out in September/October. That was my demarcation line."

Trump Campaign Increases Focus On Pennsylvania.

Axios (9/20, Treene, 521K) reports President Trump's campaign is "placing more importance on Pennsylvania amid growing concern that his chances of clinching Wisconsin are slipping, Trump campaign sources tell Axios." Pennsylvania "actually has been trending higher in recent public and internal polling, a welcome development for the campaign." A Trump campaign adviser said, "We used to think Pennsylvania would be harder to secure and Wisconsin was in the bag. Now it's vice versa."

Republicans Outnumber Democrats At Biden Event In Minnesota.

The Washington Examiner (9/20, Lim, 448K) reports, "Democrats are concerned that a groundswell of support for President Trump outside of Minnesota's Twin Cities may be enough to win him the state over 2020 Democratic presidential nominee Joe Biden." Biden "visited carpenter apprentices and other union workers near Duluth on Friday, his first trip to Minnesota in more than 1,000 days, according to the Trump campaign." However, "Republicans outnumbered Democrats at Hermantown's Jerry Alander Carpenter Training Center, worrying those who are opposed to Trump clinching a second term on Nov. 3."

Poll: Biden Leads Trump By Eight Points Nationally.

The Hill (9/20, Balluck, 2.98M) reports, "Democratic presidential nominee Joe Biden holds an 8-point lead over President Trump among registered voters, according to a new national poll." The NBC News/Wall Street Journal poll "released early Sunday showed Biden leading Trump, 51 to 43 percent." Biden is currently leading with "Black voters, voters ages 18-34, women, white voters, independents and seniors, pollsters noted, while Trump has advantages among white voters, men, and white voters without college degrees."

The Wall Street Journal (9/20, Leary, Subscription Publication, 7.57M) reports Biden outperforms Trump on voters' perceptions, with negative views of Biden outweighing positive ones by 2 percentage points, while negative views of Trump outweigh positive ones by 11 points. While 47% of voters say there is no chance they will support Trump, 38% say that of Biden.

Poll: Biden Leads Trump By Two Points In Florida.

The Hill (9/20, Klar, 2.98M) reports Democratic nominee Joe Biden leads President Trump 48% to 46% among likely voters in Florida, according to a CBS News poll released Sunday. Biden's lead is within the poll's 3.7-percentage-point margin of error. The poll also "found that an additional 5 percent of likely voters said they are 'not sure' who they would vote for and 1 percent said they would vote for someone else."

Sen. Rubio Expects Close Race In Florida. Sen. Marco Rubio (R-FL), on Fox News Sunday Morning Futures (9/20, 1.67M), discussed his expectations for the election in Florida. Rubio said, "I could save people a lot of money on polling. Florida is a one-point state, half a point state, in one direction or another it's close, that's where it's going to wind up. I actually feel pretty good for the President's chances here. He's over-performing in areas like southern Florida where traditionally he's going to lose like Miami-Dade county. It's a big Democratic county where down where my home is, but he's going to lose by less than he did in 2016 and narrow margins and just be as strong if not stronger in other parts of the state so I feel pretty good about the trend lines for the President and you know, in Florida, but it'll be a close race."

Poll: Trump Up By Two Points In Texas.

The Hill (9/20, Klar, 2.98M) reports President Trump leads Democratic presidential nominee Joe Biden 48% to 46%, according to a CBS News poll released Sunday. Trump's lead is within the poll's 3.5 percentage point margin of error. Trump "built on his slim lead over Biden, adding to his 1-point lead over the former vice president in a similar poll from July, according to CBS."

Catholic Vote Split, But More Devoted Favor Trump.

The Washington Times (9/20, Richardson, 492K) reports Catholic voters are "split on the 2020 candidates, even though" Democratic presidential nominee Joe Biden is "a lifelong Mass-attending Catholic," and President Trump is a Presbyterian. While Biden is "known for his regular church attendance – he and his wife Jill Biden worship at St. Joseph on the Brandywine in Greenville, Delaware – polls show his supporters within the church tend to be less fastidious in their Sunday habits." EWTN executive editor Matthew Bunson said, "The more you go to Mass and the more you self-describe as following the church's teachings, the more likely you are to be voting for Trump. If you go to Mass less often and disagree with key teachings, you're more likely to support Biden."

AMERICAN OVERSIGHT

Biden Holds Fundraising Advantage Of About $141M Over Trump.

The New York Times (9/20, Goldmacher, 18.61M) reports, "Joseph R. Biden Jr.'s campaign said on Sunday that it entered September with $466 million in the bank together with the Democratic Party, providing Mr. Biden a vast financial advantage of about $141 million over President Trump heading into the intense final stretch of the campaign." The fundraising "edge is a complete reversal from this spring, when Mr. Biden emerged as the Democratic nominee and was $187 million behind Mr. Trump, who began raising money for his re-election shortly after he was inaugurated in 2017." However, "the combination of slower spending by Mr. Biden's campaign in the spring, his record-setting fund-raising over the summer – especially after he named Senator Kamala Harris of California as his running mate – and heavy early spending by Mr. Trump has erased the president's once-formidable financial lead."

Woodward Discusses Upcoming Book On President Trump.

Bob Woodward, on CNN's Fareed Zakaria GPS (9/20, 915K), discussed his book on President Trump. Woodward said, "He knew I wasn't going to put words in his mouth. I would let him have his say. I think almost 20 percent of the book is quoting him. Trump said just a couple of days ago, he said some great things in this book. That's because I let him put his case forward on all of these issues. I promised to do that. I went into the oval office...plunked down my tape recorder and said, this is all on the record for a book that will come out in September/October. That was my demarcation line. ... An extraordinary opportunity for a reporter book author because I could prepare questions, I could think about what was going on. In May when George Floyd was killed and there erupted a very significant movement for racial justice, black lives matter, I was able to talk to Trump directly about that."

NYTimes' Smith: Trump A "Creation" Of Cable News.

In his column for the New York Times (9/20, 18.61M), Ben Smith writes that the "story" of President Trump and CNN President Jeff Zucker is "a kind of Frankenstein tale for the late television age, about a brilliant TV executive who lost control of his creation." Smith says there are "two distinct theories of what is going on now: One is the current version of CNN – amped up outrage and righteousness – is just Mr. Zucker's latest reflexive adaptation in search of ratings." The other theory is "that Mr. Zucker, TV's Dr. Frankenstein, has been willing to dent his network's nonpartisan brand in order to kill his runaway monster, Mr. Trump." Smith concludes that if Trump "loses in November, that may also mark the end of this era of cable television, which he had fed and fed off, and which has left its audience divided and exhausted."

Woman Suspected Of Sending Ricin Letter To Trump Arrested.

The CBS Weekend News (9/20, story 8, 0:15, Garrett, 875K) reported, "An envelope containing the lethal poison Ricin has been intercepted in the White House mail at a government facility away from the executive mansion." The letter was "addressed to President Trump and appeared to come from Canada."

NBC News (9/20, 6.14M) reports, "A suspect who allegedly sent a letter containing the deadly poison ricin to the White House was detained trying to enter the United States from Canada, a federal law enforcement official said Sunday." CNN (9/20, Perez, Correspondent, 83.16M) reports, "The woman was carrying a gun and arrested by US authorities, according to the law enforcement official."

The New York Times (9/20, Benner, 18.61M) reports, "No links to any international terrorist groups have been found, according to two law enforcement officials."

RCP Average Has Trump's Job Approval At 44.8%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.8%, and his disapproval at 53.7%. The President's approval is unchanged since yesterday; his disapproval is down by 0.1.

A Rasmussen poll of 1,500 "likely voters" (9/15-9/17) finds Trump's approval at 53%, and his disapproval at 46%.

Financial International News

ECB May Lift Bank Dividend Ban Early Next Year.

Bloomberg (9/18, Comfort, 4.73M) reported European bank regulators "are moving closer to lifting a de-facto ban" on dividend payments at the beginning of 2021, according to people familiar with the matter. Several members of the European Central Bank's supervisory board "see further extensions of the ban doing more harm than good, the people said." The ECB earlier this year asked banks not to pay dividends to conserve capital and continue lending amid the pandemic.

ECB's Liquidity Injections To Raise Excess Cash To Record Level.

Bloomberg (9/19, Hirai, 4.73M) reports the European Central Bank's planned ultra-cheap liquidity injections this week "may raise the amount of excess cash sloshing around the euro area above 3 trillion euros ($3.6 trillion) for the first time." The ECB on Thursday "will disburse its latest round of loans with interest rates as low as minus 1%." In anticipation of the extra liquidity, funding costs have fallen, with the three-month Euribor dropping "to a record low of minus 0.504% Friday."

AMERICAN OVERSIGHT

Bank Of England Upends Market Expectations With Comments On Negative Rates.

The Financial Times (9/18, Szalay, Giles, Subscription Publication, 1.34M) reported, "Sterling dropped and UK government bond prices pushed higher this week after traders spotted signs that the Bank of England might be..."

EU Seeks New Powers To Penalise Tech Giants.

The Financial Times (9/20, Espinoza, Fleming, Subscription Publication, 1.34M) reports, "The EU wants to arm itself with powerful new weapons against the big technology companies. These include forcing them to break up or sell..."

Leading International News

Many Nations Seeing Rise In Cases As Global Death Toll Nears 1M.

The New York Times (9/20, A1, Romero, Fernandez, Santora, 18.61M) reports in what it calls "a staggering toll, almost 200,000 people dead from the coronavirus in the United States, and nearly five times that many — close to one million people — around the world. And the pandemic, which sent cases spiking skyward in many countries and then trending downward after lockdowns, has reached a precarious point." In the US, "fewer new coronavirus cases have been detected week by week since late July," but "in recent days, the nation's daily count of new cases is climbing again, fueling worries of a resurgence." Around the world, "at least 73 countries are seeing surges in newly detected cases, and worries are fast mounting."

Sweden Spared Surge Of Cases As Europe Sees Second Wave.

The AP (9/20, Keyton) reports that "when most of Europe locked down their populations early in the pandemic ..Swedes kept enjoying many freedoms. The relatively low-key strategy captured the world's attention, but at the same time it coincided with a per capita death rate that was much higher than in other Nordic countries." Now, "as infection numbers surge again in much of Europe, the country of 10 million people has some of the lowest numbers of new coronavirus cases." The AP says "whether Sweden's strategy is succeeding, however, is still very uncertain."

Health Minister Warns Britain At Tipping Point.

ABC World News Tonight (9/20, story 4, 0:30, Llamas, 5.41M) reported that amid "a possible second wave hitting Europe...the UK may be on the brink of another strict lockdown." ABC (Trevor Ault) added, "Prime Minister Boris Johnson says he doesn't want another lockdown, but British officials will meet to discuss potentially major restrictions."

Reuters (9/20, James) reports, "Britain is at a tipping point on COVID-19, health minister Matt Hancock said on Sunday, warning that a second national lockdown could be imposed if people don't follow government rules designed to stop the spread of the virus." COVID-19 cases have "risen sharply in recent weeks to more than 4,000 per day, with Prime Minister Boris Johnson calling it a second wave and stricter lockdown measures being introduced in areas across the country." Hancock told Sky News, "The nation faces a tipping point and we have a choice. The choice is either that everybody follows the rules...or we will have to take more measures."

On the CBS Weekend News (9/20, story 4, 1:35, Garrett, 875K), Elizabeth Palmer reported, "Europe is bracing for its second wave," but nations "want to avoid going back to a full lockdown so they're experimenting with a whole series of half measures."

Amid Pandemic, Cuba Struggling With Food Crisis.

The New York Times (9/20, Augustin, Robles, 18.61M) reports Cuba "was able to quickly control the coronavirus, even as the pandemic threw wealthier nations into crisis. But its economy, already hurting from crippling US sanctions and mismanagement, was particularly vulnerable" and the nation plunged "into one the worst food shortages in nearly 25 years." According to the Times, "what food is available is often found only in government-run stores that are stocked with imports and charge in dollars."

Bill Gates: Vaccine Must Be Available To Everyone, "Not Just For The Rich Countries."

In a prerecorded interview on Fox News Sunday (9/20, 1.19M), Bill Gates discussed his foundation's efforts to combat the coronavirus. Gates said, "We're helping seed some R&D money very quickly for the best vaccine approaches, and then making sure that, when we get a vaccine, it's not just for the rich countries." He added that eradicating the pandemic worldwide will help ensure "that the pandemic isn't just constantly coming back to the United States. So vaccine has been the biggest part and of course we are going to give more. By the time we get this all organized I'm sure we will be well over a billion dollars."

Chinese TV Drama On Virus Draws Ire Over Its Depiction Of Women During Pandemic.

The New York Times (9/20, Wang, 18.61M) reports, "The scene came seven minutes into a new Chinese-government-sponsored television drama, so short that it would have been easy to miss: The head of a bus company in Wuhan...asks his drivers if they are willing to make emergency runs during the city's lockdown. A line of volunteers forms," but "bone are women." The Times says "that roughly minute-long clip has set off a furor on Chinese social media," where "users have called the scene — in which the official then asks why no women have stepped up — a flagrant example of sexism in Chinese society and an attempt to erase female contributions to the fight against the virus."

AMERICAN OVERSIGHT

Trump: Iran Deal Was A Disaster.

During an interview on Fox News' Life, Liberty & Levin (9/20), President Trump said, "The Iran deal was a disaster. With the Iran deal you could have never done these deals because the deal gave $150 billion plus in cash. People can't even imagine. They did such a bad deal. They were so bad. John Kerry was so inapt, so incompetent. He negotiated a deal, they won every point. He would never get up and leave. Sometimes you have to get up and leave. You know that better than anybody. Sometimes you have to say I'm sorry, we can't make a deal, goodbye and they will call you back because we have all the cards."

Rouhani Dismisses US Efforts To Reimpose UN Sanctions.

The AP (9/20, Vahdat) reports Iranian President Hassan Rouhani "dismissed US efforts to restore all UN sanctions on the country as mounting economic pressure from Washington pushed the local currency down to its lowest level ever on Sunday." Iran's currency "has lost more than 30% of its value to the dollar since June." Still, Rouhani "slammed the Trump Administration's declaration Saturday that all UN sanctions against Iran have been reimposed because Tehran is not complying with the nuclear deal." Said Rouhani, "If America uses its bullying...and does something in practice, it will have to face our decisive response."

UN Chief: No UN Support For Reimposing Sanctions Now. The AP (9/20, Lederer) reports Secretary-General Antonio Guterres "says the United Nations will not support reimposing sanctions on Iran as the United States is demanding until he gets a green light from the Security Council." In a letter to the council president obtained Sunday, Guterres wrote that "there would appear to be uncertainty" on whether or not Secretary of State Pompeo triggered the "snapback" mechanism in the 2015 nuclear deal. The AP says the Administration "declared Saturday that all UN sanctions against Iran have been restored, a move most of the rest of the world rejects as illegal and is likely to ignore."

The Washington Post (9/20, Morello, 14.2M) similarly says that "most of the world brushed off the US move and acted as if nothing had changed." To the Post, the US declaration Saturday "ushers in a new period of uncertainty and tension."

Secretary of State Pompeo, on Fox News Sunday Morning Futures (9/20, 1.66M), said, "There would have been a whole lot more things that would have taken place, absent the UN Security Council resolutions coming back into effect last night. Air defense system, arms sales, all of those in a couple weeks would have been permitted to have been sold and the Europeans have not joined us in this. They know we're right. They tell us privately we don't want the arm sales to come back and they put it in the letter they are very concerned about these sales, but they haven't lifted a finger and done the work that needs to be done. ... I hope they will get to the right place. They are still wedded to this silly nuclear deal that was signed now five years ago."

The New York Times (9/20, 18.61M) editorializes that "in a stunning display of chutzpah, the Trump administration is now arguing that the United States is still part of the Iran deal" that it withdrew from two years ago. That, it argues, is "because it wants to use a provision in the deal to snap back' global sanctions on Iran," and "only a party to the agreement can trigger a resumption of global sanctions."

Airstrike In Kills At Least 10 Afghan Civilians, 30 Taliban Amid Peace Talks.

The Washington Post (9/20, George, Hassan, 14.2M) reports that "while representatives of the Afghan government and the Taliban talk peace in Doha, the sides continue to launch deadly attacks in Afghanistan, leaving dozens dead." On Saturday, "at least 10 civilians and more than 30 Taliban fighters were killed in two airstrikes by Afghan government planes in the northern province of Kunduz, according to local officials." Elsewhere on Saturday, "two local officials, including a deputy police chief, were assassinated" in Paktika province. No one claimed responsibility, "but Afghan officials believe armed groups linked to the Taliban are behind a string of similar attacks."

US, UAE Officials To Hold Talks To Normalize Israeli-Sudanese Ties.

Barak Ravid reports for Axios (9/20, 521K) that US, Emirati and Sudanese officials will hold "a decisive meeting in Abu Dhabi on Monday on a possible normalization agreement between Sudan and Israel, Sudanese sources told me." According to the sources, "if the US and the United Arab Emirates accommodate Sudan's requests for economic aid, an announcement on a normalization agreement with Israel similar to the ones struck with the UAE and Bahrain could be made within days."

Secretary of State Pompeo said on Fox News Sunday Morning Futures (9/20, 1.66M) of the recently signed Abraham Accords, "For three years, President Trump has taken a fundamentally different approach. The establishment Middle East policy was that you had to resolve the conflict between Israel and the Palestinians first. The President came to understand quickly that the real threat to these countries was the Islamic Republic of Iran, so we flipped the narrative. We worked to deliver a coalition to get the Gulf states to work together, to convince them that they could in fact work alongside and partner with and do commerce with the state of Israel and recognize them and that they'll be safer, their people will be more prosperous. Those are the central underpinnings and it then took action. It took principled action on behalf of President Trump and our administration to convince them that the Americans will be there."

NYTimes Analysis: Trump Hopes Accords Will Boost Support Among Jews, Evangelicals. The New York Times (9/20, 18.61M) reports that the Trump campaign has "wasted little time cashing in" on last week's White House signing ceremony for new accords between Israel and two Arab states. Two days after the event, his campaign released "a slick, 30-second ad featuring footage from the ceremony and depicting Mr. Trump as a heroic peacemaker for bringing Israel into normalized relations with the United Arab Emirates and Bahrain." Trump allies say the deal "resonates particularly with Jewish Americans, who are a key voting bloc in the critical swing state of Florida, and evangelical Christians, who are fervent supporters of Israel and its broadest territorial claims."

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O'Brien: Trump Takes Election Interference Seriously.

National Security Adviser O'Brien, writing in the Wall Street Journal (9/20, Subscription Publication, 7.57M), notes a recent report by Microsoft documenting efforts by China, Russia and Iran to undermine US election security and vows the Administration is working diligently to deter these threats.

Mass Protests Calling For Lukashenko's Resignation Continue.

Reuters (9/20) reports, "More than 100,000 people marched through Minsk on Sunday on the sixth straight weekend of protests against President Alexander Lukashenko, keeping up the pressure on the veteran Belarusian leader to quit." Also on Sunday, "anonymous hackers leaked the personal data of 1,000 police officers in retaliation for a crackdown in which thousands of people have been detained, many complaining of beatings and torture in jail." The AP (9/20, Karmanau) reports Ales Bialiatski, head of the Viasna human rights organization, "said dozens of demonstrators were arrested in Minsk and Grodno" on Sunday. The CBS Weekend News (9/20, story 9, 0:20, Garrett, 875K) also reported briefly on the protests.

The New York Times (9/20, Nechepurenko, 18.61M), meanwhile, reports that "members of the Wagner Group, a shadowy Russian mercenary force linked to an associate of President Vladimir V. Putin," showed in Belarus at the end of July. Not long after their arrival, "a heavily armed special unit of Belarus's top security agency, still called the K.G.B., stormed the resort late at night, dragging the Russians away in handcuffs." Belarusian state television "shared video footage of the raid," and Lukashenko, "who was facing a presidential election in less than two weeks, convened an emergency meeting of his top security officials, saying that the Russians were mercenaries with 'dirty aims.'" Days before the Aug. 9 vote, "Belarusian investigators accused the Russians of plotting to disrupt the election."

Former World Leaders Urge Ratification Of Nuclear Arms Ban Treaty.

The New York Times (9/20, Gladstone, 18.61M) reports, "Fifty-six former prime ministers, presidents, foreign ministers and defense ministers from 20 NATO countries, plus Japan and South Korea, released an open letter Sunday imploring their current leaders to join the Treaty on the Prohibition of Nuclear Weapons, the pact negotiated in 2017 that is now just six ratifications shy of the 50 needed to take effect." The letter asserted that the risks of nuclear-weapons use have escalated in recent years "whether by accident, miscalculation or design." To the Times, the letter "amounts to one of the highest-profile endorsements of the treaty since it was completed more than three years ago."

Housing

Fannie Mae's Radke Feels Digital Appraisals Aren't "A Blanket Solution For Everything."

National Mortgage News (9/18) reports the coronavirus made appraisers depend upon "technology more than ever before to get their work done safely, and its successful application demonstrated that more can be accomplished with appraisal automation than previously thought." However, National Mortgage News paraphrases Fannie Mae Director Of Collateral Policy Lyle Radke as having said during a conference panel on Thursday that "remote, homeowner-assisted appraisals may not be the best choice in all circumstances." Said Radke, "I don't think it's a blanket solution for everything."

Fannie Mae's Vergara A Finalist For Laurie A. Maggiano Legacy Award.

M Report (9/18, Williams) presents the finalists for its Laurie A. Maggiano Legacy Award, which "recognizes those women who through their tireless efforts, collaboration, and ingenuity have powerfully influenced the industry and homeownership nationwide." Among the finalists is Fannie Mae Director of Strategic Business Relationships Team Maria Vergara, whose "career has created a skillset that enables her to understand and respond to the financial and housing considerations of the multicultural consumer." M Report adds that Vergara "has helped numerous minority households achieve homeownership, enabling them to build a future of prosperity and economic stability." Vergara said, "September is Hispanic heritage month, where we celebrate the contributions of Hispanic Americans. I am privileged to work in this space and to continue to strive for racial equality for all Americans."

Government Mortgage Forbearance Totals Fall, Though Numbers For Private-Label Bailouts Increasing.

CNBC (9/18, Olick, 3.62M) reports that while the amount of individuals "in government Covid-19-related mortgage bailout programs is" falling, the number of individuals "in private-label or bank bailouts is rising." According to CNBC, "This suggests that there is still pain ahead in the mortgage market, as some borrowers are simply not recovering enough financially to afford their home loans." The amount "of mortgages in active forbearance programs, where borrowers delay their monthly payments for at least three months, declined by 26,000 last week or 0.7%, according to Black Knight." CNBC adds, "The government plan under the CARES Act, which includes borrowers with loans backed by Fannie Mae, Freddie Mac, FHA and VA (the vast majority of all loans), is designed as an initial three-month plan with potential three-month extensions up to a year."

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HUD, GSEs Authorize Assistance For Homeowners Affected By Wildfires.

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Behind a paywall, Inside Mortgage Finance (9/18, Muolo, Subscription Publication) reports the Department of Housing & Urban Development

and the GSEs authorized assistance for areas affected by wildfires. Fannie Mae and Freddie Mac indicated that borrowers are able to qualify for a decrease or deferral of mortgage payments for as long as 12 months.

Wall Street Residential Mortgages Not Looking So Good Amid Pandemic.

MarketWatch (9/18, Wiltermuth, 1.67M) reports Wall Street's foray into lending to homeowners whose credit is patchy isn't looking so good amid the coronavirus outbreak. Goldman Sachs indicates that delinquencies of residential mortgages packaged into non-public bond deals, or lacking government support, have, between January and July, increased from 4% to 18%. MarketWatch also says a number of real-estate investment trusts that began producing prime "jumbo" mortgages to package into mortgage bond deals faced less expensive competition from Fannie Mae and Freddie Mac.

New Mortgages Pouring Into Bond Market.

Bankrate (9/18, Royal, 311K) reports that plummeting mortgage rates have resulted in "an explosion of home sales in 2020, and lenders have been absolutely inundated with applications as would-be homeowners try to take advantage of the record low rates." Bankrate adds that "those new mortgages" are "flooding into the bond market and investors are scooping them up." This might generate "an opportunity for investors looking for higher-than-Treasury yields." Bankrate also says that Fannie Mae, Freddie Mac, and Ginnie Mae "notched record monthly volume in August, creating nearly $322 billion in new bonds based on single-family mortgages, according to Inside Mortgage Finance."

HousingWire 2019 Tech Trendsetter Discusses How Pandemic Is Transforming Lenders.

HousingWire (9/18, 23K) features the edited transcript of an interview it conducted with FormFree Founder and CEO and HousingWire 2019 Tech Trendsetter Brent Chandler, who talked about how lenders are being changed by the pandemic. During the interview, Chandler said, "Coming from the frontlines of automated borrower verification, I can tell you that demand for our service has skyrocketed since the start of the pandemic. Lenders who had not previously taken advantage of programs that streamline borrower data verification acceptance, like Fannie Mae's Day 1 Certainty, Freddie Mac's asset and income modeler (AIM), the VA's Loan Guaranty Service and HUD's FHA and USDA's loan products, are now flocking to these programs."

Inquirer Analysis: Forthcoming Foreclosure Crisis Won't Be As Severe As "Financial Carnage Of 2008 To 2010."

An Inquirer (PA) (9/19, 347K) analysis says "the coronavirus recession is" almost sure to result in a sharp increase in foreclosures. A well known housing analyst anticipates that there will be "hundreds of thousands of defaults next year," while "the federal government predicts several billion dollars in loan losses at Fannie Mae and Freddie Mac." Nonetheless, though, "this round of foreclosures should be mild in comparison to the financial carnage of 2008 to 2010." Ralph McLaughlin, chief economist at financial technology firm Haus, said, "We aren't thinking the housing market today is going to suffer anywhere near the catastrophe that it suffered during the Great Recession." The Inquirer adds that while the Federal Housing Finance Agency "says the coronavirus recession will cause loan losses at" Fannie and Freddie to increase by in excess of $4 billion, Fannie and Freddie "hold a combined $6 trillion in loans."

Mortgage Holders Losing Houses Could Mean Windfall For Investors In Rental Homes.

The Wall Street Journal (9/18, Subscription Publication, 7.57M) reports a decade of increasing home prices has resulted in the amassing by Americans mortgage holders of about $10 trillion in home equity. However, millions of those individuals are now late on mortgage payments and stand a chance of losing their homes. According to the Journal, this is a possible windfall for investors in rental homes.

Pandemic's Impact On New York City Small Businesses Has Resulted In Crisis For Landlords.

The New York Times (9/19, Zaveri, 18.61M) says that because of the pandemic, thousands of New York City "small businesses that are a staple of city life" can't "pay basics like rent." The result has been "an extraordinary crisis for landlords, who have lost tens of millions of dollars in income since the city's lockdown began in March, analysts said." The landlords are now faced with choosing between whether to "forgive or lower rent payments even as their own bills pile up, or hold firm and risk the prospect of losing a tenant who may not be replaced for months or even years."

Damos: New Stress Tests Shouldn't Heavily Worry Investors.

In a Wall Street Journal (9/18, Demos, Subscription Publication, 7.57M) column, Telis Damos says that investors shouldn't feel heavy anxiety over the Federal Reserve's new stress tests for banks.

Markets

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10-Year Yield Ticks Down.

MarketWatch (9/21, 1.67M) reports the 10-year Treasury yield fell to 0.668 percent.

Dollar Slips.

Reuters (9/21) reports, "The dollar slipped and yen and yuan led Asia's currencies a little higher on Monday, as investors looked ahead to a slew of U.S. Federal Reserve speakers this week and to a decision on the inclusion of Chinese government bonds in a global index." The dollar index against a basket of six major currencies "dipped 0.2% to 92.779." The yen "rose about 0.3%...touching a seven-week peak of 104.27 per dollar." The euro "crept toward the top of ranges" it has "occupied for a couple of weeks," last trading "at $1.1867."

Gold Edges Higher.

Reuters (9/21, Anupa Soreng) reports, "Gold prices edged higher on Monday, helped by a weaker dollar while investors looked forward to speeches by Federal Reserve policymakers due this week for further clues on the U.S. central bank's approach to inflation." Spot gold "rose 0.2% to $1,952.59 per ounce by 0530 GMT," while US gold futures "inched 0.1% lower to $1,959.40."

Oil Falls.

Reuters (9/21, Jaganathan) reports, "Oil prices fell on Monday on the potential return of output from Libya as rising coronavirus cases also added to worries about global demand, although a tropical storm heading for the U.S. Gulf of Mexico limited losses." Brent crude "was down 33 cents, or 0.8%, at $42.82 a barrel by 0645 GMT, while U.S. crude was down 38 cents, or 0.9%, to $40.73 a barrel."

TFI/Sanctions

Rouhani Dismisses US Efforts To Reimpose UN Sanctions.

The AP (9/20, Vahdat) reports Iranian President Hassan Rouhani "dismissed US efforts to restore all UN sanctions on the country as mounting economic pressure from Washington pushed the local currency down to its lowest level ever on Sunday." Iran's currency "has lost more than 30% of its value to the dollar since June." Still, Rouhani "slammed the Trump Administration's declaration Saturday that all UN sanctions against Iran have been reimposed because Tehran is not complying with the nuclear deal." Said Rouhani, "If America uses its bullying...and does something in practice, it will have to face our decisive response."

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Federal Reserve

Fed, Regulators Issue Guidance To Boost Main Street Lending.

The Wall Street Journal (9/18, Timiraos, Subscription Publication, 7.57M) reported the Federal Reserve on Friday put out fresh guidance to banks in a bid to make loans from its Main Street Lending Program more accessible to small and midsized companies.

Reuters (9/18, Burns) reported the new guidance "appears to be an attempt to address crossed signals from bank regulators that have been contributing to a limited uptake of the program, which is designed to offer credit to small and mid-sized businesses that need capital to survive the downturn caused by the coronavirus pandemic." The Fed said the new guidance was developed with two primary bank regulators, the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corp.

American Banker (9/18, Lang, Subscription Publication, 31K) reported that according to the guidance, "lenders should not make Main Street loans based on a borrower's current financial state, which may have been damaged by the coronavirus, and should instead evaluate potential Main Street borrowers' pre-pandemic financial condition and post-pandemic prospects. Lenders should also factor in the payment deferral features available to Main Street loans, the Fed said." Regulators "will not rebuke banks for Main Street loans that were made in compliance with the program's requirements, the Fed said."

Law360 (9/18, Subscription Publication, 8K) reported similarly.

Fed Presidents Comment On Inflation, Fiscal Stimulus.

Reuters (9/18) reported Minneapolis Fed President Neel Kashkari said the CARES Act's stimulus measures for American citizens was "also a banking bailout," calling for more fiscal stimulus by Congress.

Reuters (9/18) reported Atlanta Fed President Raphael Bostic said Friday that if inflation rose to 2.3% but stabilized, "that would be fine," adding that "by contrast if we were at 2.2% and the next quarter at 2.4% and then at 2.6%, that trajectory would [illegible]."

Reuters (9/18) reported St. Louis Fed President James Bullard said loose monetary policy, government deficits, and supply bottlenecks

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could push inflation beyond expectations.

Office of the Comptroller of the Currency

Plaid CEO Says "A Lot" Of Fintechs Are Applying For OCC Charters.

On CNBC's Closing Bell , (9/18, 211K), Plaid co-founder and CEO Zach Perret discussed the regulatory landscape for fintechs. Perret said, "We've seen a lot of movement out of the OCC recently." The regulator "might grant more fintech charters to financial institutions and digital banks. There are a lot of fintechs that are actually applying for these charters. I suspect that we'll see many more move towards having their own charters over time." He continued that while many fintechs currently partner with large sponsor banks, "going forward from a clearer regulatory standpoint, I suspect we'll see a continued evolution."

Analysis: OCC Case Shows Widespread Liability When BSA Program Fails.

Compliance Week (9/20, Brasseur, 75K) reports the OCC on Thursday "announced seven civil money penalty orders issued to individuals from City National Bank of New Jersey," which was effectively closed by the regulator in November 2019 after the OCC found the bank "had experienced substantial dissipation of assets and earnings due to unsafe or unsound practices." The OCC said City National's BSA program was "critically deficient" and "failed to appropriately monitor for and report suspicious activity." According to Compliance Week, "The cases of individual liability are not only notable for how they spread between the board and executive level but for how they speak to each person's role in ensuring BSA compliance is met."

Kraken CEO Discusses Becoming First Crypto Bank.

Cryptonews (9/18) reported that in a recent episode of the Unchained podcast, David Kinitsky, CEO of Kraken Financial discussed the firm's recent news that it plans to launch a bank after being granted approval from Wyoming's regulator. Kinitsky explained what Kraken will be able to accomplish with crypto bank status and how that overlaps with other crypto-related regulations, including the OCC allowing banks to custody crypto assets.

Meanwhile, in an article about fintech Apifiny partnering with ECS Fin to pilot blockchain payments for banks, Finextra (9/18) also mentioned the OCC's "recent decision to allow banks to offer crypto custody services."

Ex-Goldman Employee Says Bitcoin ETF Is Imminent.

CryptoNewsFlash (9/20) reports Raoul Pal, hedge fund manager and former Goldman Sachs employee, in an interview for "1-on-1" with Jerry Hall "predicted that a Bitcoin ETF is imminent." Pal believes that the banking industry is in a phase of understanding Bitcoin. For this reason, the OCC "has approved the custody of Bitcoin and cryptocurrencies for banks as a way to further explore the sector." Pal said, "Just understand: the pension plan, the endowment, the family office, the [registered investment advisors], they're so far trying to get their heads around Bitcoin, and they don't have a product to trade yet. So they passed the custody regulations in the US, so now banks can custody. That means prime broking is coming for hedge funds. Hedge funds will be first into the space, that's clear…"

Yahoo News Spotlights Conservative Activist Behind White House Campaign Against "Critical Race Theory."

Yahoo! News (9/18, Dickson, 12.82M) reported White House OMB Director Russell Vought on September 4 "issued a memo ordering all federal agencies 'to cease and desist from using taxpayer dollars to fund' diversity and inclusion programs for employees." According to Yahoo! News, "the vague yet alarmist language in the memo" is connected to "recent reports on Fox News and other conservative outlets warning of the dangers of such trainings, all of which appeared to be based on the claims of a conservative activist named Christopher Rufo." Three days before Vought issued the memo, Rufo "appeared on Tucker Carlson's Fox News show" calling for the President "to immediately issue an executive order abolishing critical race theory trainings from the federal government." Rufo previously alleged that such trainings are based on the premise that "virtually all white people contribute to racism" and "called on white employees at the Treasury Department...and the Office of the Comptroller" to pledge "allyship amid the George Floyd Tragedy."

Bankers Urge Congress, Regulators To Extend Reg Relief.

American Banker (9/18, Haggerty, Subscription Publication, 31K) reported that the regulatory relief Congress gave banks at the start of the coronavirus pandemic is set to expire December 31, "but with the virus still raging and many households and businesses still struggling, financial institutions are urging Congress and regulators to extend them into next year." Among other things, the CARES Act "relieved financial institutions from having to categorize loan modifications related to the pandemic as troubled debt restructurings until the end of 2020," allowed them to delay compliance with the FASB's CECL standard until the end of the year, and eased community banks' capital requirements. It's "unclear if regulators will act on their own to extend the relief," but "lawmakers from both parties have expressed support for continued pandemic relief."

BofA's Moynihan Calls For More Stimulus. Bloomberg (9/18, 4.73M) reported Bank of America CEO Brian Moynihan called for another round of federal stimulus to help the U.S. reach a full economic recovery from the coronavirus pandemic." In an interview Friday,

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Moynihan said, "You're back up to where 95% of the economy is back," but state and local governments, restaurants, airlines, and performing-arts venues need more help. A "second bite at the apple" for the Paycheck Protection Program "would help the economy come back fully, Moynihan said."

US Banks Trim Expectations In Era Of Low Interest Rates.

The Financial Times (9/20, Subscription Publication, 1.34M) reports, "US banks are preparing investors for a prolonged period in which low interest rates are a drag on their profits."

Wall Street Push Back To Office Threatened By New Infections.

Bloomberg (9/18, Natarajan, 4.73M) reported that as Wall Street leaders pushed to bring more employees back to offices last week, "a rash of Covid-19 infections on trading floors showed how quickly they could be sent back home." JPMorgan Chase, Goldman Sachs, and Barclays "all had to quarantine groups of traders after employees tested positive for the coronavirus." According to Bloomberg, "The setbacks threaten a ramp-up of return-to-office efforts that executives have said are necessary to preserve productivity and firm cultures," though "so far, the cases haven't derailed plans to return more staff to offices."

Study Finds Half Of US Branches Lack Covid Safety Measures For ATMs.

Forbes (9/18, 9.71M) reports secret shoppers sent to 500 bank branches in the US and Canada "saw just 7% of ATMs being cleaned," greeters at branch doors wearing masks only 44% of the time, and "only 19% of teller areas" cleaned between customers. Dalbar's nationwide study of 14 major bank brands found that ATMs were the most significant weak point in the US, with half of US branches having no Covid safety measures for ATMs. Chase, Bank of America, and Citibank "had the only branches where tellers wore masks 100% of the time." Bank of America ranked highest for teller anti-Covid measures, followed by Citibank, Capital One, and Wells Fargo. Dalbar "noted roughly the same level of post-visit cleaning at Wells Fargo branches" as a previous Ipsos study.

Editorial Wrap-Up

New York Times.

"Trump Needs A Tutorial On How International Agreements Work." The New York Times (9/20, 18.61M) editorializes that "in a stunning display of chutzpah, the Trump administration is now arguing that the United States is still part of the Iran deal" that it withdrew from two years ago. That, it argues, is "because it wants to use a provision in the deal to snap back' global sanctions on Iran," and "only a party to the agreement can trigger a resumption of global sanctions."

Wall Street Journal.

"Breaking Judicial Norms: A History." In an editorial, the Wall Street Journal (9/20, Subscription Publication, 7.57M) traces how Democrats have broken judicial norms in recent history, from the fight over Robert Bork's nomination to the filibuster rule. The Journal argues that Republicans should not cower from Democrats' threats to pack the court, but should put the issue front and center this campaign season.

"Trump, TikTok And Crony Capitalism." The Wall Street Journal (9/20, Subscription Publication, 7.57M) editorializes that the winner in the TikTok deal, Oracle Corp., its co-founder Larry Ellison is a prominent Republican donor and CEO Safra Catz worked on the Trump transition team in 2016. The Journal argues that it would have been better to ban TikTok.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Supreme Court Vacancy Sets Off Debate As Trump Plans For Ginsburg Successor
Amy Coney Barrett Is Again A Top Contender For Supreme Court Nomination
WeChat Ban Blocked By Federal Judge In Ruling Against Trump Administration
No Job, Loads Of Debt: Covid Upends Middle-Class Family Finances
TikTok Deal Faces Questions Over Security, Ownership
The College Freshman's Life This Fall: "Definitely Weird"

New York Times:

Trump And Democrats Brace For Showdown Over Supreme Court Seat
'We May Be Surprised Again': An Unpredictable Pandemic Takes A Terrible Toll
With Flags, Crosses And Photos, Mourning 200,000 Dead
How California Became Ground Zero For Climate Disasters

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Washington Post:

US, China Hasten An Economic Decoupling
"Don't Go There," Biden Warns Republican Senators
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On Campus, Upheaval And Some Signs Of Hope

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ECB To Review Flagship Bond-buying Tool In Fighting Covid Crisis

Washington Times:
McConnell's Vow On Trump's Supreme Court Nominee Faces Obstacles
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US To Take On The World In Iran Sanctions Showdown

Story Lineup From Last Night's Network News:
ABC: SCOTUS-RBG Seat; Remembering RBG; Coronavirus-Cases; Coronavirus-Europe; Tropical Storm Beta; Tropical Storm Beta-Tracking; Wildfires; Coronavirus-Gym Bankruptcies; NYC-Train Derailed; Chicago-Weekend Violence; RBG-Her Own Words.
CBS: Trump-Potential SCOTUS Nominee; SCOTUS-RBG Seat; Coronavirus-Cases; Coronavirus-Europe; Wildfires; Tropical Storm Beta; Coronavirus-Airlines; USPS-Letter Containing Poison; Belarus-Protests; Tour de France; London-WWII Aircraft; Plastics Pollution.
NBC: SCOTUS-RBG Seat; Remembering RBG; Trump-Potential SCOTUS Nominee; Coronavirus-Tribute to Lives Lost.

Network TV At A Glance:
Coronavirus – 13 minutes, 10 seconds
SCOTUS-RBG Seat – 8 minutes, 55 seconds
Remembering RBG – 6 minutes, 20 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: SCOTUS-RBG Seat; Dems-Fundraising; Tropical Storm Beta; Emmy Results.
CBS: SCOTUS-RBG Seat; Tropical Storm Beta; Wildfires; Coronavirus-Cases; Emmy Results.
FOX: SCOTUS-RBG Seat; New York-Police Accountability Policy; Coronavirus-Cases.
NPR: SCOTUS-RBG Seat; Coronavirus-Rep. Hayes Tests Positive; Tropical Storm Beta.

Last Laughs

Late Night Political Humor.

No late-night talk shows aired last night.

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks on Fighting for the American Worker; delivers remarks at a Great American Comeback Event
- Vice President Pence — No public schedule released

***US Senate*:**

• Senate aims to end debate on judicial nominee – Senate convenes and proceeds to executive session to resume consideration of the nomination of Edward Hulvey Meyers to be a U.S. Court of Federal Claims Judge, with agenda including vote on a motion to invoke cloture on the nomination

Location: U.S. Capitol, Washington, DC; 3:00 PM

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***US House*:**

• House Rules Committee hearing – Hearing on 'H.R. XXXX – Continuing Appropriations Act, 2021 and Other Extensions Act', 'H.R. 4447' – the legislative vehicle for the Clean Economy Jobs and Innovation Act, 'H.R. 6210 – Uyghur Forced Labor Prevention Act', and 'H.R. 6270 – Uyghur Forced Labor Disclosure Act of 2020'

Location: U.S. Capitol, Washington, DC; 1:00 PM

• House Intelligence Committee takes deposition from former DHS official following whistleblower reprisal complaint – House Permanent Select Committee on Intelligence conducts deposition with former Acting Under Secretary of Homeland Security for Intelligence and Analysis Brian Murphy, as part of an investigation into allegations he made in a whistleblower reprisal complaint submitted to the Department of Homeland Security Office of Inspector General earlier this month that featured 'serious misconduct by senior Administration officials to politicize, manipulate, and censor intelligence to benefit President Donald Trump'

***Cabinet Officers*:**

• No public schedules released

***Visitors*:**

• No visitors scheduled

***This Town*:**

• The Atlantic Festival commences – The Atlantic Festival, held virtually, hosted by The Atlantic to explore the events of 2020 with forums on race and justice, education, small business, the future of work, and health equity, and the annual 'Women of Washington' event. Day one speakers include U.S. Chamber of Commerce President Suzanne Clark, Emerge President A'shanti Gholar, and Color of Change President Rashad Robinson; *10:00 AM*

• GMF event on subnational diplomacy, with Dem Rep. Ted Lieu and LA Mayor Garcetti – German Marshall Fund of the U.S. online event, with Democratic Rep. Ted Lieu and Los Angeles Mayor Eric Garcetti discussing how to harness the power of cities and states to solve new challenges, such as pandemic preparedness, green recovery, trade and investment, and innovation; *12:00 PM*

• CAP online discussion on elections during the coronavirus pandemic – 'States and Cities Must Lead on Voting: Governors and Mayors Talk Elections During COVID-19' Center for American Progress online discussion, with Oregon Governor Kate Brown, Detroit Mayor Mike Duggan, and Tucson, AZ, Mayor Regina Romero discussing the critical steps state and local elected officials are taking to make sure every person can vote in November; *1:30 PM*

• Poor People's Campaign Moral Monday event – The Poor People's Campaign: A National Call for Moral Revival holds Moral Monday event, with activists 'caravanning and digitally marching' on Senate Majority Leader Mitch McConnell's home and offices in Kentucky and Washington, DC. Speakers include Poor People's Campaign leaders Rev. Dr William Barber and Dr Liz Theoharis and actor Ashley Judd; *3:30 PM*

• The Poor People's Campaign caravan to GOP Sen. Mitch McConnell's home and offices – The Poor People's Campaign caravan to Senate Majority Leader Mitch McConnell's home and offices in Kentucky and in Washington, DC, to demand an end to 'his meanness, misery and mayhem'; *3:30 PM*

• CBO releases long-term budget outlook – Congressional Budget Office releases 'The 2020 Long-Term Budget Outlook', providing projections of what federal spending, revenues, deficits, and debt would be for the next 30 years if current laws generally did not change, consistent with the agency's latest baseline budget and economic projections

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To: Tarbert, Heath P.[hpt14@CFTC.gov]
From: Mike Allen[mike@axios.com]
Sent: Tue 10/27/2020 11:17:27 AM (UTC)
Subject: [EXTERNAL] Axios AM: Mike's Top 10 — Hospital crush — Scoop: Lincoln Project's next act — Shutdown startups: Puppy delivery

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Axios AM

By Mike Allen ·Oct 27, 2020

Happy Tuesday — one week out! *Today's Smart Brevity™ count: 1,141 words ... 4½ minutes.*

Situational awareness: Mike Bloomberg is plowing an additional $20 million into this election, flooding airwaves in North Carolina, Texas and Arizona to promote down-ballot candidates who share his climate views, Axios' Hans Nichols reports. *Go deeper.*

1 big thing: Virus crushes hospitals

Some states are seeing dangerous levels of coronavirus hospitalizations, with hospitals warning that they could soon become overwhelmed if more action isn't taken to slow the spread, Axios' Caitlin Owens reports.

- **Why it matters:** Patients can only receive good care if there's enough to go around.

The big picture: The problem is particularly acute in rural parts of the Mountain West and the Midwest, where health care workers are scarce.

- **The Utah Hospital Association** has warned that the state's situation is becoming so dire that hospitals are expecting to begin rationing care within a week or two, per The Salt Lake Tribune.
- **El Paso has issued** a new stay-at-home order in response to overwhelmed hospitals, and additional beds are being set up in the city's convention center.

Several Republican governors continue to resist statewide mask mandates.

- **When cases surged earlier on,** "our governments reacted," Megan Ranney, an emergency medicine professor at Brown University, told the Washington Post. "We closed bars. We closed restaurants. We enforced mask mandates. And I'm not seeing a lot of that nationally right now."

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The bottom line: Pandemic fatigue, politicization of the virus and the upcoming holiday season all make it almost certain that the situation will get worse before it gets better.

- *Share this story.*

2. Justice Amy Coney Barrett

Just over an hour after the 52-48 Senate vote to confirm her, Justice Clarence Thomas swore in his new Supreme Court colleague, Amy Coney Barrett, at 9:17 p.m. during a ceremony on the South Lawn of the White House.

- **Her husband,** Jesse Barrett, held the Bible.
- **The vote stuck to** party lines with the exception of Sen. Susan Collins (R-Maine), who's in a tough re-election fight and voted against Barrett.

Why it matters: Barrett's choice of Thomas, the court's most conservative justice, symbolized the conservative majority — perhaps for years to come — that was cemented by her confirmation.

Barrett said in brief remarks after President Trump spoke:

> *A judge declares independence not only from Congress and the president, but also from the private beliefs that might otherwise move her. ... My fellow Americans, even though we judges don't face elections, we still work for you. ...*
> *The oath that I have solemnly taken tonight means, at its core, that I will do my job without any fear or favor, and that I will do so independently of both the political branches and of my own preferences. I love the Constitution and the democratic republic that it establishes, and I will devote myself to preserving it.*

Video.

Know the new court ...

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3. Biden's future foretold

In a sign of the squeeze Joe Biden will face if elected, Rep. Ilhan Omar (D-Minn.) told Alexi McCammond on "Axios on HBO" that she and other members of "The Squad" would expect him to make a liberal turn.

- **Also, progressive donors,** activists and leaders are pushing hard for Sen. Elizabeth Warren to head the Treasury Department, NBC's Alex Seitz-Wald reports.

Why it matters: Progressives have largely refrained from publicly criticizing Biden in the lead-up to the election, even though he hasn't signed on to their most far-reaching policies. Instead, they're focusing solely on beating Trump.

- **But the comments** by Omar and others reflect the pressure campaign they'll launch if he's elected to ensure that their liberal policies become law.

Watch a clip.

A MESSAGE FROM FACEBOOK

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Check your registration status, explore voting options in your state and get access to the latest, official information from election authorities in our Voting Information Center on Facebook and Instagram.

Explore the Voting Information Center now

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4. Axios-Ipsos poll: Americans pan feds on pandemic

Americans think every big institution has improved in handling the pandemic except the federal government, which they feel has gotten much worse, Axios' Margaret Talev writes from the new Axios/Ipsos Coronavirus Index.

- **Why it matters:** The findings suggest people see President Trump and his political team as one of the biggest impediments to turning things around.
- **Four in five** of the 1,079 U.S. adults polled *(margin of error: ±3.3 points)* say they're worried about COVID-19 outbreaks.

Barely half of Republicans said the federal government's handling has improved while one in five said it has gotten worse.

- **One in four independents,** and one in 10 Democrats, said it improved.

What they're saying: The coronavirus "is *the* issue of this election," said Cliff Young, president of Ipsos U.S. Public Affairs. "People are just looking around at the facts on the ground. ... [T]here's been no coordinated response to the coronavirus at the national level."

- **At the local level,** by contrast, people see "specific, concrete things" like stickers on the ground for social distancing at stores where they shop, or modifications to schooling.
- **"When they think** of the federal government, they're just thinking of the overall mess. There's no end in sight."

Share this graphic.

5. Cruz: Trump's Hunter Biden attacks aren't working

Sen. Ted Cruz (R-Texas) told "Axios on HBO" he doesn't think the Trump campaign's focus on the Biden family's business dealings has any sway with voters.

- **After watching** last week's Trump-Biden debate with Jonathan Swan, Cruz was not a fan of President Trump's strategy to attack Hunter Biden: "I don't think it moves a single voter."

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CFTC-22-0351-A-000600

"I think we should be unifying, we should be explaining, we should be lifting people up. I think it's a turnout election. But my assessment of turnout is the left is showing up no matter what," Cruz added.

- *Watch a clip.*

6. Scoop: Lincoln Project will live on

The Lincoln Project — the former GOP consultants who have trolled President Trump all year with clever, ruthless ads — plans to continue as a media business after the election, sources tell Axios' Sara Fischer:

- **The group,** formed in 2019, recently signed with the United Talent Agency to help build out Lincoln Media, and is weighing offers from TV studios, podcast networks and book publishers.
- **It has attracted interest** from TV studios looking for help to develop a "House of Cards"-like fiction series.

Why it matters: Lincoln is part of a new trend of activists developing massive audiences for political influence, then spinning them into commercial media.

Catch up quick: The Lincoln Project — founded by prominent "Never Trump" Republicans including George Conway, Reed Galen, Jennifer Horn, Steve Schmidt, John Weaver and Rick Wilson — has transformed from an election-focused advertising PAC into a powerhouse with millions of followers.

- **Its Twitter account** boasts a slightly bigger following (2.6 million) than the RNC's.

Share this story.

7. Space under Biden

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Joe Biden hasn't gone out of his way to talk about space during his campaign, but the final frontier might have to compete with other scientific priorities if he's elected president, Axios' Miriam Kramer and Hans Nichols report.

- **While he has spoken broadly** of the need to invest trillions of dollars in research and science, Biden's top scientific priority will be fighting climate change on Earth, not planning new missions to the Moon and Mars.

Go deeper.

8. Nobel winner: "Science is on the ballot"

Jennifer Doudna, who shared the Nobel Prize in chemistry earlier this month for her work on the gene-editing tool CRISPR, told Ina Fried for "Axios on HBO" that the science itself has been under assault from the Trump administration.

- **"I think now** we're seeing kind of an extreme case where we have a president who is telling his followers that ... if they vote for his opponent, that ... his opponent will ... listen to scientists, as though that is a terrible thing."

More from the interview.

9. Colleges' coronavirus cuts "hit bone"

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"[T]he persistence of the economic downturn is taking a devastating financial toll [on universities large and small], pushing many to lay off or furlough employees, delay graduate admissions and even cut or consolidate core programs like liberal arts departments," the N.Y. Times' Shawn Hubler reports *(subscription)*.

- **Even Harvard,** with its $41.9 billion endowment, reports "a $10 million deficit that has prompted belt tightening."

10. Shutdown startups: Puppy delivery

"Need a Pandemic Puppy ASAP? ... [S]pecialists crisscross the country by air and ground to bring dogs to their new homes," writes The Wall Street Journal's Michael M. Phillips in an A-hed.

- **By air and ground,** there's increased demand for the pet-delivery industry during this time of decreased travel when a family's perfect pup might be found online thousands of miles away.

A MESSAGE FROM FACEBOOK

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, OCTOBER 27, 2020 6:00 AM EDT

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• McConnell Opponents Boosting Libertarian Senate Candidate In Kentucky.
• Minnesota Senate Candidate Lewis Undergoes Emergency Hernia Surgery.
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• Tice's Mother Says Pompeo "Undermining" Efforts To Secure Release From Syria.
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• Esper And Pompeo In India For Meetings With Their Counterparts.
• China Says It Will Sanction US Companies Over Arms Sales To Taiwan.
• Lukashenko Targeted By General Strike In Belarus.
• "Heavy Battles" Between Azeri And Armenian Forces Reported Despite US-Backed Ceasefire.
• Women's Rights Activists Protest, Block Traffic In Poland To Oppose Abortion Ban.
• Gaza Military Court Convicts Activists For Hosting Video Call With Israelis.
• Muslim Nations Denounce France Over Depictions Of Muhammad.
• WPost: Trump Adding Fuel To Fire Rather Than Mediating Nile Dam Conflict.
• USA Today: Trump's Foreign Policy Shows "Self-Aggrandizing Showmanship."

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• Supreme Court Receives Last Major Brief In Collins v. Mnuchin.
• Freddie Mac's Mortgage Portfolio Grew An Annualized 17.5% In September.
• Freddie Mac's Palmer: Servicers Should Focus On "Three Cs Of Post-Forbearance."
• JLL Secures Freddie Mac Loan For Portland LIHTC Community.
• Federal Court Stops Launch Of HUD Implementing New Antidiscrimination Rule.
• Sen. Sherrod Brown Urges CFPB's Kraninger To Prevent Wrongful Foreclosures.
• Moody's: Bid-Ask Spread Widens In CRE.
• Servicing Transfers Bog Down In Q3, With GSE Flow Transactions Driving Activity.
• MISMO Upgrades Logical Data Model.
• Commerce Department: US New Home Sales Up 32% YoY, Down 3.5% MoM In September.
• Realtor.com Digs Into Red State/Blue State Differences In Housing Data.
• Michel: Biden Presidency Could Shift GSE Reform.
• Bradley Attorneys Share Tips For Navigating Mortgage Servicing In Post-Forbearance Period.

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• OCC To Use New Data To Reach Underbanked.
• Wall Street Hopes Trump-Appointed Regulators Will Provide Insulation From Potential "Blue Wave."
• Analysis: Election's Impact On Crypto Industry Will Come Through Regulators.
• Freeman: Biden Would Make It Harder For Energy Projects To Secure Financing.
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Treasury in the News

Mnuchin, Pelosi Fail To Reach Deal On Coronavirus Relief During Monday Phone Call.

Reuters (10/26, Chiacu) reports House Speaker Nancy Pelosi "is hopeful that congressional Democrats and the Trump administration can reach agreement on a coronavirus relief bill before the Nov. 3 elections, her spokesman said on Monday, adding that major issues still must be ironed out." Pelosi's Deputy Chief of Staff Drew Hammill tweeted Monday, "The speaker remains optimistic that an agreement can be reached before the election." Hammill's tweet came after "a 52-minute conversation" Pelosi had with Treasury Secretary Steven Mnuchin.

Bloomberg (10/26, Wasson, House, Litvan, 4.73M) reports Mnuchin and Pelosi "failed again to close major differences on a fresh stimulus for a U.S. economy facing a renewed surge in Covid-19 cases." Following their call, the first since last Wednedsay, Mnuchin and Pelosi "still had not resolved language for a national testing and tracing program for the coronavirus, according to" Hammill. Bloomberg says Pelosi, in a Monday letter to House Democrats, said, "Today, we are waiting for an important response on several concerns, including on action to crush the virus. ... Ten days after Secretary Mnuchin went on CNBC to declare that he was accepting our testing plan, the Administration still refuses to do so."

CNBC (10/26, Calia, 3.62M) reports Pelosi's "biting letter to House Democrats" came "minutes before" the conversation with Mnuchin "that appeared to yield little progress toward a stimulus agreement." Pelosi "eviscerated" the Administration in the letter and "targeted White House chief of staff Mark Meadows for saying Sunday that 'we're not going to control the pandemic.'" Pelosi "also said the Trump administration has not accepted House Democrats' proposal for a national testing strategy even though Mnuchin said he would during a CNBC interview earlier this month." She wrote, "The Republicans' continued surrender to the virus – particularly amid the recent wave of cases – is official malfeasance. ... We must come to agreement as soon as possible."

In a column for Bloomberg Opinion (10/26), Timothy L. O'Brien and Nir Kaissar assess the impact of the possible outcomes of the election on the prospects for new stimulus legislation.

CQ Roll Call (10/26, Lerman, 154K) and MarketWatch (10/26, Nicholson, 1.67M) also report.

US Imposes More Sanctions On Iran's Oil Sector.

Reuters (10/26, Psaledakis) reports the US on Monday "imposed fresh Iran-related sanctions targeting the Islamic Republic's oil sector, including the Iranian Ministry of Petroleum, in Washington's latest move to increase pressure on Tehran." The Treasury Department released a statement indicating that it is "slapping sanctions on key actors in Iran's oil sector for supporting the Quds Force, the elite foreign paramilitary and espionage arm of the Islamic Revolutionary Guard Corps." The Wall Street Journal (10/26, Talley, Subscription Publication, 7.57M) reports Treasury Secretary Steven Mnuchin said, "The regime in Iran uses the petroleum sector to fund the destabilizing activities of the IRGC-QF."

According to the New York Times (10/26, Verma, Fassihi, 18.61M), "The sanctions are expected to create a new obstacle should any future president seek to open negotiations with Iran." The Treasury Department "also penalized multiple front companies, subsidiaries and executives affiliated with those organizations, including Iran's petroleum minister, Bijan N. Zanganeh. Four people involved in selling Iranian gasoline to the Maduro government in Venezuela were also named." The Times says Mnuchin added that Iranian leadership continues "to prioritize its support for terrorist entities and its nuclear program over the needs of the Iranian people."

Bloomberg (10/26, Motevalli, Mohsin, 4.73M) and CNBC (10/26, Macias, 3.62M) also report.

Meadows Doubles Down On Remarks That US "Will Not Control Coronavirus."

The Washington Post (10/26, Dawsey, 14.2M) reports that with President Trump trailing Joe Biden "and the coronavirus pandemic surging

AMERICAN OVERSIGHT

again," White House Chief of Staff Mark Meadows' "uneven handling of the pandemic response and other West Wing crises has dismayed many staffers and campaign officials, who say he has largely proved to be an ineffective chief of staff, instead serving more as a political adviser and confidant." Meadows again "provoked controversy...on Sunday when he broadly declared defeat in the fight against the coronavirus: 'We're not going to control the pandemic,' he said on CNN's 'State of the Union.'" The Post says Meadows, according to aides, "has forged a bond with Treasury Secretary Steven Mnuchin, despite their dramatically different political backgrounds and different views on a stimulus package."

The Hill (10/26, Lillis, 2.98M) says Meadows, "a former congressman and chairman of the conservative House Freedom Caucus, has also been seen as a major obstacle to a bipartisan deal on another round of coronavirus relief." House Speaker Nancy Pelosi "refuses to deal with him, preferring Treasury Secretary Steven Mnuchin instead."

IG: Employee Error At Treasury Department, Bureau Of Indian Affairs Responsible For Tribal Data Leak.

The Hill (10/26, Beitsch, 2.98M) reports, "Employees at the Treasury Department and the Bureau of Indian Affairs were responsible for leaking a spreadsheet of proprietary data from the nation's tribes, according to a new report" by "the Department of the Interior's Office of Inspector General (OIG)." The report "found employees 'did not look at the entire spreadsheet before forwarding [an] email and did not realize the spreadsheet contained potentially confidential information.'" The Hill adds, "Employees told the OIG the emails containing the spreadsheet were sent as a way to remind tribes to apply for $8 billion in CARES Act funding set aside for tribal governments, not realizing the sensitive data was attached."

Treasury Grant News

AK Borough Canceling Individual Grant Plans Following New Treasury Guidance.

KTNA-FM Talkeetna (AK) Talkeetna, AK (10/26) reports the Mat-Su Borough in Alaska "is canceling plans for an individual grant program after receiving new federal guidance." The borough had planned "to pay its residents $100 to help offset additional costs incurred during the COVID-19 pandemic," applications for which were "supposed to start Monday, but the borough's CARES Act website now reads that the program will not be going forward after new guidance issued by the U.S. Department of Treasury last week." Absent an extension from Congress, the borough "has to decide how to spend its remaining CARES Act funds on approved expenses before the end of the year or else give back the remaining money."

Leading National News

Barrett Sworn In As Supreme Court Justice After 52-48 Confirmation Vote.

Amy Coney Barrett was sworn in as the 115th justice of the Supreme Court on Monday evening after being confirmed on a near-party line Senate vote of 52-48, with only Sen. Susan Collins (R-ME) breaking ranks. Coverage focuses on the speed of the confirmation, just one month after Barrett's nomination, and on the closeness of the confirmation vote to a presidential election that has already resulted in cases before the court Barrett now joins.

The AP (10/26, Mascaro) reports Barrett was confirmed "late Monday by a deeply divided Senate, with Republicans overpowering Democrats" to place her on the Court "days before the election and secure a likely conservative court majority for years to come." President Trump's "choice to fill the vacancy of the late liberal icon Ruth Bader Ginsburg potentially opens a new era of rulings on abortion, the Affordable Care Act and even his own election." The Washington Post (10/26, A1, Kim, 14.2M) says Barrett "will solidify a 6-3 conservative majority on the court and will be in position to immediately hear contentious cases on elections and health care."

Reuters (10/26, Hurley) reports Trump, "who has been touting the appointment at campaign rallies to the cheers" of his supporters, "reveled in one of his signature achievements" as his third choice for the Court was confirmed. Barrett was sworn in by Justice Clarence Thomas at a White House event, at which Trump said, "The Barrett family has captured America's heart. It is highly fitting that Justice Barrett fills the seat of a true pioneer for women, Justice Ruth Bader Ginsburg." USA Today (10/26, Wu, Hayes, 10.31M) reports, "After she was sworn in, Barrett thanked the president and Senate Republicans for helping her through a quick confirmation process. She highlighted, as she did to senators in public hearings, that her personal beliefs would hold no weight on her decisions on the high court and her commitment to preserving the Constitution." She said, "It is the job of a judge to resist her policy preferences."

The Los Angeles Times (10/26, 4.64M) says Republicans "pushed the nomination through at a pace unmatched in 45 years." The New York Times (10/26, Davenport, 18.61M) says "it was the first time in 151 years that a justice was confirmed without a single vote from the minority party, a sign of how bitter Washington's decades-old war over judicial nominations has become." Democrats "called it a hypocritical power grab by Republicans, who they said should have waited for voters to have their say on Election Day – the stance Republicans had taken four years ago when they declined even to hold hearings" for Merrick Garland, nominated by then-President Barack Obama nine months before a presidential election.

The Wall Street Journal (10/26, A1, Wise, Bravin, Subscription Publication, 7.57M) reports Senate Minority Leader Schumer offered a late effort to adjourn before the vote, but the effort failed 53-46. The New York Daily News (10/26, Goldiner, Sommerfeldt, 2.52M) reports Schumer "told his Republican colleagues in a blistering floor speech that they will 'regret this' – an apparent threat that Democrats will attempt

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to add more seats to the Supreme Court if they win control of the chamber." Schumer said, "Let the record show that tonight the Republican majority will make a mockery of its own stated principle that the American people deserve a voice in the selection of Supreme Court justices. Let the record show that the American people, their lives and rights and freedoms, will suffer the consequences of this nomination for a generation."

Politico (10/26, Everett, Levine, 4.29M) says the confirmation "marks a sea change in how Republicans handle judicial nominees amid the decades-long war over abortion rights. Just two years ago, Barrett was seen as possibly too conservative to be confirmed by a narrow Republican Senate majority, and too hostile to Roe v. Wade. This time around, [Senate Majority Leader] McConnell argued to the White House not to meet with anyone other than Barrett, according to the aides."

The Daily Beast (10/26, 1.39M) writes, "Fittingly, given her shotgun-wedding of a confirmation, [Barrett] may begin deciding cases tomorrow, including two high-profile challenges to election rules." Axios (10/26, 521K) reports Barrett "could weigh in immediately on election-related cases piling up, including emergency petitions on extending deadlines for counting absentee ballots." The Washington Times (10/26, Swoyer, 492K) the justices are also "slated to hear a challenge to the Affordable Care Act on Nov. 10, are certain to face more questions surrounding the presidential election and have a major case involving Mr. Trump's plans for the 2020 census at the end of November. Further cases on the president's border wall construction and his crackdown on bogus asylum claims are also on the docket this term."

Despite the controversy over the nomination, Breitbart (10/26, 673K) says the process was "relatively undramatic" given the near-certainty of the result long in advance. The Washington Free Beacon (10/26, 78K) says Democrats "spent weeks trying to thwart the will of the people by painting Barrett as a religious fanatic," and Townhall (10/26, McCarthy, 177K) says Democrats called Barrett's "confirmation process 'illegitimate' throughout her ascension to the bench, but Senate Republicans carried out their elected duty by filling the seat." The Federalist (10/26, 126K) says Barrett's "ascension to the high court replaces a leftist justice with an originalist."

FiveThirtyEight (10/26, Thomson-DeVeaux, 356K) examines Barrett's judicial record and concludes that she could bring the Court's "third-biggest shift" in ideology ever, with only Chief Justice Warren Burger's succeeding Chief Justice Earl Warren in 1969 and Justice Clarence Thomas succeeding Justice Thurgood Marshall in 1991 more radically shifting the balance of the Court. Seung Min Kim of the Washington Post (10/26, 14.2M) says "the judicial legacy set by Trump but engineered primarily" by McConnell includes "several significant milestones, including the trio on the Supreme Court and the fact that for the first time in 40 years, there are no openings on the circuit courts. That has been a monumental achievement for a majority leader whose mantra has been 'leave no vacancy behind' and a president who simply just likes to win."

The Atlanta Journal-Constitution (10/26, 895K) reports Vice President Pence "was not present during Monday's vote after an aide tested positive for the coronavirus over the weekend. Democratic leaders had asked Pence to stay away from presiding over Monday's session due to potential health risks." As for the White House event, the AP (10/26, Madhani, Jalonick) writes, "This time they mostly wore masks." Following the nomination announcement that "turned into a coronavirus superspreader event," Monday's ceremony "was moved to the broader South Lawn, chairs for more than 200 guests were spread about 6 feet apart, and the mask-wearers greatly outnumbered those who declined to cover their faces. Some participants – including Trump and Barrett – were unmasked. But the event had a markedly different feel" than the September 26 event.

But the New York Times (10/26, Baker, 18.61M) calls the Monday event "a virtual do-over of the superspreader event blamed for infecting multiple people with the coronavirus a month ago to the day, including the president himself. ... To Mr. Trump, the first history-maker outweighed the second, a chance to celebrate a landmark political victory regardless of the risk. It was, in effect, the triumph of defiance over experience, a stubborn gesture by a president who refuses to acknowledge the continuing threat of a pandemic that has killed more than 225,000 people" in the US "even after it has swept through his own circle of aides, advisers and allies."

Bloomberg (10/26, Dennis, 4.73M), the New York Post (10/26, Feuerherd, 4.57M), the Miami Herald (10/26, 1.09M), the Arizona Republic (10/26, 869K), the Charlotte Observer (10/26, 470K), The Hill (10/26, Carney, 2.98M), Roll Call (10/26, Ruger, 154K), the Daily Caller (10/26, Rodgers, 716K), The Intelligencer (10/26, Jones, 1.1M), and the CNN (10/26, Foran, Barrett, 83.16M) and Fox News (10/26, Dorman, 27.59M) websites are among the other outlets covering the vote and White House ceremony. All three broadcast networks covered the debate over Barrett on their evening newscasts, with Terry Moran saying on ABC World News Tonight (10/26, story 6, 1:05, Muir, 5.85M), "This is a record that the Senate will be setting tonight, because Amy Coney Barrett is certain to become Justice Barrett tonight and she will be confirmed closer to election day than any Supreme Court justice in American history." On the CBS Evening News (10/26, story 6, 1:50, O'Donnell, 4.26M), Nancy Cordes said, "Democrats call it a rush job, but Republicans call it victory." Kasie Hunt said on NBC Nightly News (10/26, story 3, 0:50, Holt, 2.16M) shortly before the vote that it was set to be "the most partisan confirmation in Supreme Court history."

The New York Times (10/26, 18.61M) editorializes, "What happened in the Senate chamber on Monday evening was, on its face, the playing out of a normal, well-established process of the American constitutional order: the confirmation of a president's nominee to the Supreme Court. But Senate Republicans, who represent a minority of the American people, are straining the legitimacy of the court by installing a deeply conservative jurist...to a lifetime seat just days before an election that polls suggest could deal their party a major defeat." But the Wall Street Journal (10/26, Subscription Publication, 7.57M), in an editorial, says the attacks on Barrett were demagoguery and that Republicans did their duty in confirming a qualified nominee.

Ruth Marcus writes in the Washington Post (10/26, 14.2M) that Barrett "joins a court dangerously out of sync with the country. The nation is roughly evenly divided politically and has been for decades. Yet the court – now even more so with Barrett's arrival – is dominated

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not only by Republican-appointed justices but also by muscularly conservative ones." Dana Milbank writes in his Washington Post (10/26, 14.2M) column, "Whether the court regains its independence or cements itself as a third partisan branch of government is now largely up to Chief Justice John Roberts. If he does not act, and fast, to mitigate the court's politicization, Democrats will be fully justified in expanding the court's membership to restore balance – and indeed will face a public outcry if they don't."

Biden Says He Opposes Limiting SCOTUS Tenures. USA Today (10/26, Rossman, 10.31M) reports that on Monday, Joe Biden "said...he wouldn't try to limit the terms of Supreme Court justices, who serve lifetime appointments." USA Today adds Biden "has said if elected, he would appoint a bipartisan commission to study the federal courts for six months and make recommendations about possible changes in filling vacancies." However, at a campaign stop in Pennsylvania, Biden "told reporters he wouldn't change the length of terms." Biden said, "It's a lifetime appointment. I'm not going to attempt to change that at all."

Harris Says Biden "Would Respect Precedent" With Court Picks. The CBS Evening News (10/26, story 7, 1:10, O'Donnell, 4.26M) showed a clip of Sen. Kamala Harris (D-CA) from a weekend interview for CBS' 60 Minutes, in which she said, "The future of the Court is always going to be a function of who is in office in the White House. And I believe that the American people can trust that if Joe Biden had the requirement to fill a seat on the court, he would do it in a way that would respect precedent like Roe v. Wade. And that's what is at stake in this election, as much as everything else."

Kudlow: Economy Is In "A Strong V-Shaped Recovery."

NEC Director Kudlow said on Fox News' America's Newsroom (10/26, 896K), "We are in a strong V-shaped recovery from the pandemic contraction. That's a very important point. We are going to get a big GDP number. I believe it will be out Thursday. We have a lot of momentum, not only from the third quarter but spilling into the fourth quarter, and if we stick with pro-growth, incentive-oriented policies we will have a bang-up 2021."

Kudlow Lays Out Trump's Second-Term Economic Plan.

NEC Director Kudlow was asked on Fox News' America's Newsroom (10/26, 896K) about an Axios report which said the President does not have a second-term economic plan. Kudlow said, "Of course he has a second term plan. ... The President himself has been out there talking about a middle-class tax cut, a new middle class tax cut. He has also talked about retaining business tax cuts and making them permanent. He has also talked about investment tax credits so that we can onshore companies that moved away or those that would come to the US because of our low taxes. ... He has also talked about an infrastructure package, which is something he has long wanted but could not get bipartisan assistance from the House."

US Has Fewer Factory Workers Than When Trump Was Inaugurated.

The Washington Post (10/26, Lynch, 14.2M) reports soon after the 2016 election, then President-elect Trump convinced Carrier to keep most of the 1,100 jobs it planned to send to Mexico in the US "in return for $7 million in Indiana state incentives and some presidential goodwill." Trump cast Carrier's announcement that 800 jobs would remain in Indianapolis "as a decisive break from decades of American executives capitalizing on lower labor costs overseas at the expense of blue-collar workers at home." But, just this year, "Indiana employers have sent more jobs to Mexico, China, India and other foreign countries than were saved at Carrier." The Post adds Trump "has had little success with his highly-personalized attempts to bend corporate decision making to his will and reverse a generation-long decline in American factory jobs. ... Indeed, the domestic manufacturing renaissance that the president promised has withered." The US now has "fewer factory workers than when Trump was inaugurated and about as many as in 1941."

The New York Times (10/26, Rappeport, 18.61M) says while the President "has threatened companies like General Motors, Harley-Davidson and Carrier with backbreaking taxes and boycotts if they moved manufacturing abroad, often cajoling job promises out of those firms," in "many cases, those pledges went unfulfilled once Mr. Trump's attention shifted elsewhere and market realities could not be ignored." However, the Times adds, the "unfulfilled promises may matter little to Mr. Trump's supporters, who see the president's corporate jawboning and manufacturing rhetoric as evidence that he is fighting hard for American workers." Most polls show the President leading Joe Biden "when it comes to managing the economy."

Administration Accused Of Denying Pandemic Food Aid To Low-Income Americans.

Politico (10/26, Bottemiller Evich, 4.29M) reports the Administration "is fighting in federal court to block states from giving billions of dollars in emergency food stamps to the lowest-income Americans during the coronavirus crisis." Residents of California and Pennsylvania have sued the Agriculture Department "over a policy that has kept roughly 40 percent of households who rely on the Supplemental Nutrition Assistance Program from receiving any emergency benefits during the pandemic." Last week, a federal judge ordered the department "to proceed with the payments in the Pennsylvania case," but "the department is continuing to appeal." Politico says critics accuse the Administration of "trying to return to its pre-Covid mission of shrinking safety net programs, even as economists warn more help is needed for businesses and millions of households that are newly unemployed, behind on rent and struggling to buy food." The Agriculture Department "says that it's simply following the law."

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Economists Say NYC Recovery Will Be Slower Than Other Major Cities.

The New York Times (10/26, McGeehan, 18.61M) reports New York City is "facing a bigger challenge in recovering from the pandemic than almost any other major city in the country." As "the virus surges again in the region, tourists are still staying away and any hope that workers would refill the city's office towers and support its businesses before the end of the year is fading. As a result, New York's recovery is very likely to be slow and protracted, economists said." The Times says the city "has been regaining jobs slower than other big cities. As of September, employment in the city was still down more than 600,000 jobs from a year before, according to the state Labor Department."

Companies Gave Executives Millions In Bonuses Before Filing For Chapter 11.

The Washington Post (10/26, Bhattarai, Santamariña, 14.2M) reports while the "coronavirus recession" drove dozens of companies into bankruptcy, "setting off a rush of store closures, furloughs and layoffs," several "major brands, including Hertz Global, J.C. Penney and Neiman Marcus, doled out millions in executive bonuses just before filing for Chapter 11 protection, according to a Washington Post analysis of regulatory filings and court documents." According to the Post, since March, "at least 18 large companies have rewarded executives with six- and seven-figure payouts before asking bankruptcy courts to shield them from landlords, suppliers and other creditors while they restructured." Together, they distributed "more than $135 million, documents show, while listing $79 billion in debts."

Lawsuit Says Goldman Sachs Tried To Cover Up Workplace Sexual Misconduct.

Reuters (10/26) reports a lawsuit filed in New York State Supreme Court Monday accuses Goldman Sachs Group of attempting "to cover up allegations of workplace sexual misconduct by the bank's global head of litigation." Marla Crawford, a former associate general counsel at the bank, filed the suit "against Goldman Sachs, the bank's General Counsel Karen Seymour and its Global Head of Litigation, Darrell Cafasso." The suit claims Cafasso used his position to "romantically prey upon a much younger and vulnerable female colleague." Bloomberg (10/26, Dolmetsch, Abelson, 4.73M) says Crawford "alleg[es] that she faced retaliation after raising concerns" about Cafasso.

Ant Group To Raise More Than $34B In World's Largest-Ever IPO.

The Washington Post (10/26, Shaban, 14.2M) reports the "financial arm of the e-commerce giant Alibaba," Ant Group, plans "to raise more than $34 billion in a joint listing across Shanghai and Hong Kong in the next few weeks, making it the world's largest initial public offering." The New York Times (10/26, Zhong, 18.61M) reports the company "priced its shares around $10.30 apiece, according to documents released on Monday by stock exchanges in the two cities. At that price, the company would be worth around $310 billion, a market value comparable to that of JPMorgan Chase and more than that of many other global banks." A separate New York Times (10/26, Zhong, 18.61M) story says while Ant Group "could be worth more than many global banks after its share sale...its business is highly concentrated in just one country: China. Instead of listing in New York, as many other Chinese internet companies have done, Ant is going public in Hong Kong and Shanghai." The Wall Street Journal (10/26, Xie, Yang, Subscription Publication, 7.57M) provides similar coverage.

A Wall Street Journal (10/26, Subscription Publication, 7.57M) editorial says China's government has aided Alibaba co-founder Jack Ma by keeping away foreign competitors and investors in Ant are betting China will continue its protectionism. The Journal adds that investors will also be betting on the Chinese government, which will also be a shareholder thorough a state pension fund and state-owned enterprises.

AIG Names New CEO, Announces Plans To Split Off Life And Retirement Unit.

Reuters (10/26, Barlyn, Scott) reports insurer AIG said Monday its board has "approved a plan to separate the life and retirement business from the rest of the company, and named President Peter Zaffino as chief executive officer, effective next year." AIG "said it has yet to make a decision on how to carry out the separation, beyond the board voting to establish two independent, market-leading companies." According to "two people familiar with the matter," the separation "could take 'a couple of years' and may be done in phases through sales of minority stakes."

Bloomberg (10/26, Chiglinsky, 4.73M) reports Zaffino "will take over the top job on March 1, when current CEO Brian Duperreault becomes executive chairman, the company said in a statement Monday." The Wall Street Journal (10/26, Scism, Subscription Publication, 7.57M) provides similar coverage.

Intermountain Healthcare To Merge With Sanford Health.

The Wall Street Journal (10/26, Evans, Subscription Publication, 7.57M) reports Utah's largest hospital system, Intermountain Healthcare will merge with the Sioux Falls, South Dakota-based nonprofit Sanford Health. The merger will combine 69 hospitals in Idaho, Iowa, Minnesota, North Dakota, South Dakota and Utah.

J.M. Smucker Selling Crisco Brand For $550M.

USA Today (10/26, Mackinnon, 10.31M) reports J.M. Smucker Co. will sell its Crisco brand to the "New Jersey-based B&G Foods Inc., which owns more than 50 brands including Ortega, SnackWells, Weber, B&M, Emeril's, Polaner and Cream of Wheat," for "$550 million in a cash deal, it announced Monday."

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Las Vegas Sands Considering Selling Its Vegas Strip Hotel-Casinos.

USA Today (10/26, Komenda, 10.31M) reports Las Vegas Sands Corp., the "$37.5 billion company owned by casino magnate Sheldon Adelson," is "considering selling its two hotel-casinos on The Strip, the company confirmed to the Reno Gazette Journal Monday." The company "is working with an adviser to solicit interest from potential buyers, according to Bloomberg. The deal could be worth $6 billion for the Venetian and Palazzo resorts."

Pandemic Has Disrupted Wind Energy Business.

The New York Times (10/26, Penn, Pickering, 18.61M) reports the coronavirus pandemic "has walloped even thriving industries like renewable energy." According estimates by the American Wind Energy Association, "the pandemic could threaten a total of $35 billion in investment and about 35,000 jobs this year. The losses could grow if the coronavirus continues to disrupt the economy well into next year." While "the wind energy business was growing about 10 percent a year before the pandemic," industry officials "now fear that projects under construction might be postponed or canceled because of the pandemic. The industry had hoped Congress might provide aid to renewable energy, but it got little from the stimulus bills passed in the spring."

Brouillette: Biden Ban On Fracking Would Cost An "Enormous" Amount Of Jobs.

Energy Secretary Brouillette said on the Brian Kilmeade Show (10/26) that during the Trump Administration, the US has "moved from becoming an [energy] importing nation to an exporting nation. In 2020, we became a net energy exporter." Asked what role fracking played in that success, Brouillette said, "An enormous role. This is the technology that allowed us to become the number one producer of oil and gas in the world. ... I would dare say that it is the technology that has produced the economic boom over the last three years." Asked what it would mean if Joe Biden were to ban fracking, Brouillette said, "It is an enormous deal. What it would do is move us back to dependence on foreign nations. ... The amount of jobs lost would be enormous."

Rollins: Democrats "Are For Raising Taxes, Destroying Jobs."

Brooke Rollins, Acting Director of the Domestic Policy Council, said on WLW-AM Cincinnati (10/26, 19K), "I'm not sure there has never been an alternative that is more stark with more of a contrast than what Americans are facing today. ... [Democrats] are for raising taxes, destroying jobs, a Green New Deal that would basically...end our fossil fuel oil and gas industry. ... Their idea of education where kids are trapped in a school that don't serve them so that they can lift up the teachers' unions. A country that just is not American exceptionalism, that's an apologist to the rest of the world. It really is such a stark contrast."

WSJournal: Rapper Retracted Trump Endorsement Due To Outrage From Left. A Wall Street Journal (10/26, Subscription Publication, 7.57M) editorial says rapper 50 Cent endorsed President Trump last week because he opposes Joe Biden's plan to raise taxes on individuals making more than $400,000 and apply the 12.4% Social Security payroll tax on earnings above that amount only to retract on Sunday. The Journal suggests he did so because he was concerned the loss of revenue due to outrage from the left would cost him more than Biden's tax plan.

China Behind On Purchases Of US Goods Under Trade Deal.

The Wall Street Journal (10/26, Zumbrun, Hayashi, Subscription Publication, 7.57M) reports while China increased purchases of US farm products last month, it is behind on its commitment under a trade deal signed in January to buy $140 billion in US agricultural, energy and manufactured goods. Calculations made by Chad Bown of the Peterson Institute for International Economics based on Commerce Department data released Monday show that China had purchased $58.8 billion in goods as of Sept. 30, which is below the $108 billion it should have purchased by that date to be on pace for the full-year target.

Trump Calls Administration's Handling Of Pandemic "Incredible."

Politico (10/26, Forgey, 4.29M) reports President Trump on Monday "insisted that his administration was still working to curb the spread of the coronavirus," even as Chief of Staff Meadows "doubled down on his acknowledgment that the United States would not 'control' the pandemic." While speaking to reporters in Allentown, Pennsylvania, Trump "addressed the controversial remarks from his most senior aide," and said his Administration is doing "absolutely the opposite." Trump added, "We've done an incredible job." Meanwhile, Politico reports Meadows on Monday also "rejected [Joe] Biden's suggestion that the administration was waving a white flag in its fight against the coronavirus." Politico adds that "a maskless Meadows" told reporters, "The only person waving a white flag, along with his white mask, is Joe Biden."

Giroir Says Pandemic Can Be Controlled Through Basic Safeguards. The AP (10/26, Alonso-Zaldivar) reports that a day after Meadows "said 'we're not going to control the pandemic,'" HHS Assistant Secretary for Health Adm. Brett Giroir "said Monday that Americans have already proven they can do that through basic safeguards shown to work." Giroir said, "I think we can control the pandemic." Giroir added, "I want to be clear that what we have done – what the American people have done – has been able to put out very significant outbreaks.. all across the Deep South." Giroir also "underscored what he calls the '3 W's,'" and he "said the data are pretty clear that while such simple measures cannot completely defeat the virus, they can control it."

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Pelosi Says "Continued Surrender" Of Republicans To Pandemic Is "Official Malfeasance." The Washington Times (10/26, Muñoz, 492K) reports House Speaker Pelosi "blamed the Trump administration's 'arrogance' on Monday, saying they're not adequately trying to combat the coronavirus pandemic." In a letter to Democrats, Pelosi said, "The Republicans' continued surrender to the virus – particularly amid the recent wave of cases – is official malfeasance." She added, "We must come to agreement as soon as possible. But we cannot accept the Administration's refusal to crush the virus, honor our heroes or put money in the pockets of the American people."

WPost: To Overcome Pandemic, US "Will Require A Different President." In an editorial, the Washington Post (10/26, 14.2M) says the White House last week responded to the coronavirus "as it has from the start, in pathetic surrender," but "it does not have to be this way." The Post asserts President Trump's leadership has shown "what the American people don't know can hurt them," and concludes that until an effective vaccine or therapy has been developed, "virus hot spots need a rapid response, including temporary shutdowns where necessary to slow transmission. A nationwide mask mandate would help immensely. Shortages in personal protective equipment must be alleviated. Once the raging community spread is reduced, a massive drive to test, trace and isolate the sick could begin to keep infections at a low level. All of this will require leadership – which is another way of saying it will require a different president."

Administration Officials Discuss Vaccine Progress.

Assistant to the President for Planning and Implementation John Fleming said on WBT-AM Charlotte, NC (10/26, 4K), "It appears we have three candidates, three vaccines – AstraZeneca just announced, Pfizer, and Moderna – all three expect that they will request an authorization as early as some time in November and we will begin distributing their vaccine in December. ... The supply chains, the logistics, all of that has already been set up. It is a combination of the private sector as well as the military."

White House Deputy Communications Director Brian Morgenstern said on Fox News' Outnumbered Overtime (10/26), "What we are looking at, really within the next couple weeks, potentially, would be safety data showing that one or more of these vaccines that are in Phase Three trials could be safe. ... We are mass-producing these vaccines currently, so that, by the end of the year, we'll be able to distribute tens of millions of doses. Those probably will go to the high risk populations, the senior citizens, the elderly, those who are in a more vulnerable health state as well as healthcare workers. Those more likely to be exposed to the virus. Then, over the coming months, on a rolling basis, we expect to increase the capacity to hundreds of millions of doses so that, really, anybody who wants a vaccine will be able to have one. It will just be a rolling process as we go through it."

AstraZeneca Says University Of Oxford Vaccine Produces Immune Response In Young And Old Adults. Reuters (10/26, Faulconbridge, Kelland, Holton) reports AstraZeneca Plc on Monday announced the experimental coronavirus vaccine it is developing with the University of Oxford "produces a immune response in both old and young adults, raising hopes of a path out of the gloom and economic destruction wrought by the novel coronavirus." An company spokesman said, "It is encouraging to see immunogenicity responses were similar between older and younger adults and that reactogenicity was lower in older adults, where the COVID-19 disease severity is higher."

CNBC (10/26, Meredith, 3.62M) reports on its website that AstraZeneca CEO Pascal Soirot "has previously said the drugmaker's vaccine would likely provide protection against contracting the coronavirus for about a year." The Wall Street Journal (10/26, Strasburg, Subscription Publication, 7.57M) provides similar coverage.

NIAID Ends Lilly Antibody Drug Trial Early Over Lack Of Effectiveness.

The AP (10/26, Marchione) reports the National Institute of Allergy and Infectious Diseases is "putting an early end to a study testing an Eli Lilly antibody drug for people hospitalized with COVID-19 because it doesn't seem to be helping them." The AP adds that while independent monitors "paused enrollment in the study two weeks ago because of a possible safety issue," the NIAID on Monday "said a closer look did not verify a safety problem but found a low chance that the drug would prove helpful for hospitalized patients." According to the AP, "It is a setback for one of the most promising treatment approaches for COVID-19." However, the AP says a separate US study of Lilly's antibody drug is continuing "in mild to moderately ill patients, to try to prevent hospitalization and severe illness," and it "also is continuing its own studies testing the drug, which is being developed with the Canadian company AbCellera."

Coronavirus Cases, Deaths On Rise Across US.

On ABC World News Tonight (10/26, story 4, 3:00, Muir, 7.31M), Marcus Moore reported the US has "mark[ed] the highest number of new cases in a 48-hour period since the pandemic began." Moore added, "Hospitals in El Paso, Texas, are at capacity. Medical teams scrambling to airlift critically ill patients to nearby cities. And these surge tents put up to house the staggering influx of COVID patients." Moore also reported hospitals in Utah are "warning they could soon be forced to ration ICU beds and prioritize younger patients." On NBC Nightly News (10/26, story 4, 2:05, Holt, 2.16M), Gabe Gutierrez reported, "The Dakotas lead the US in cases per capita. Cases in at least 42 states up 10% or more in the last two weeks." Meanwhile, the Wall Street Journal (10/26, Subscription Publication, 7.57M) reports Idaho Gov. Brad Little (R) on Monday announced the state will institute new restrictions in the face of increased cases and hospitalizations.

On the CBS Evening News (10/26, story 4, 2:30, O'Donnell, 4.26M), Mireya Villarreal reported coronavirus cases "are on the rise in 44 states," and "no states are seeing declines." According to the CNBC (10/26, Feuer, 3.62M) website, "The average number of new daily cases of coronavirus in the United States is at a record – stressing local hospital systems and forcing new curfews and other restrictions in some parts of the country." CNBC says the US "has now established its third peak of daily new cases with no signs of letting up. Over the

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past seven days, the country reported an average of about 68,767 new cases every day, the highest seven-day average recorded yet, according to a CNBC analysis of Johns Hopkins University data. The seven-day average is up more than 22% compared with a week ago, according to CNBC's analysis." USA Today (10/26, Flores, 10.31M) reports that the US "had more than 481,372 new cases of COVID-19 last week, setting a record for the most new infections reported in a week since the pandemic began."

The AP (10/26, Pane, Stobbe) reports that average number of deaths in the US per day "are up 10% over the past two weeks, from 721 to nearly 794 as of Sunday, according to data from Johns Hopkins University." Meanwhile, "Confirmed infections per day are rising in 47 states, and deaths are up in 34." According to the AP, "Health experts had warned that it was only a matter of time before deaths turned upward, given the record-breaking surge in cases engulfing the country."

The New York Times (10/26, Robles, 18.61M) reports that the US has seen a 40% increase in the past month in the number of hospitalized COVID patients. According to the Times, "The number of people hospitalized with coronavirus in this region along the Mexico border is soaring, and officials are scrambling to make space for them by setting up overflow beds in a convention center and under tents in parking lots and by flying patients out to medical centers outside the area."

Reuters (10/26, Mackenzie, Shumaker) reports that as "the number of hospitalized COVID-19 patients is at a two-month high, straining health care systems in some states," President Trump "lashed out again at reports that the coronavirus is surging," and "repeated his unfounded claim that COVID-19 cases are rising because there is more testing." He tweeted, "Cases up because we TEST, TEST, TEST. A Fake News Media Conspiracy. Many young people who heal very fast. 99.9%. Corrupt Media conspiracy at all time high. On November 4th., topic will totally change. VOTE!" The President added, "The Fake News Media is riding COVID, COVID, COVID, all the way to the Election. Losers!"

However, Axios (10/26, Owens, 521K) reports, "Several states that are likely to decide which party controls Washington next year have exceptionally large coronavirus outbreaks or are seeing cases spike." Axios says that while "most voters have already made up their minds," the pandemic "could ultimately help" undecided voters "make a decision as they head to the polls – and that's not likely to help...Trump."

Fauci: "No Matter How You Look At" Increased Cases, "It's Not Good News." The New York Daily News (10/26, Goldiner, 2.52M) reports NIAID Director Fauci "doesn't want to talk about whether what wave of the coronavirus pandemic we're in," and he "said Monday that worrying about how to classify the new surge in COVID-19 cases is mostly a waste of time." Speaking to a Yahoo! financial forum, Fauci asserted, "It's kind of semantics. You want to call the third wave or an extended first wave." Fauci continued, "No matter how you look at it, it's not good news." However, the Daily News adds that Fauci "said most public health experts would say the U.S. is still enduring an 'elongated' first wave of coronavirus."

Meanwhile, the Boston Globe (10/26, Arnett, Andersen, 972K) reports Fauci is among "a growing chorus of medical experts" advocating for a national mask mandate, "calling it a necessary step to mitigate the spread of COVID-19 as new cases continue to spike from coast to coast." The Globe says Fauci "told CNN's Erin Burnett that if 'people are not wearing masks, well then maybe we should be mandating it.'"

AAP: Nearly 800K US Children Have Contracted COVID. The Hill (10/26, Polus, 2.98M) reports the American Academy of Pediatrics (AAP) on Monday said almost 800,000 children in the US "have been infected by COVID-19 this year," and it "shared statistics that demonstrate a growing prevalence of coronavirus among youth." According to The Hill, children currently account for 11% of total US coronavirus cases, amounting to "about 1,053 cases per 100,000 kids," while "during the period from Oct. 8 to Oct. 22, there were 4,555 new youth cases reported," a 14% increase.

CDC Says Nurses At High Risk For Coronavirus.

The New York Times (10/26, Abelson, 18.61M) reports a new Centers for Disease Control and Prevention analysis of hospitalized patients released Monday found that "among health care workers, nurses in particular have been at significant risk" of contracting COVID. The Times adds about 6% of adults "hospitalized from March through May were health care workers, according to the researchers, with more than a third either nurses or nursing assistants. Roughly a quarter, or 27 percent, of those hospitalized workers were admitted to the intensive care unit, and 4 percent died during their hospital stay."

Hospitals Continue Elective Procedures Despite Increase In COVID Patients.

The Wall Street Journal (10/26, Evans, Subscription Publication, 7.57M) reports that even as they confront an increase in COVID patients, hospitals are seeking to continued lucrative elective procedures as long as possible. While the Journal adds hospitals postponed such operations when the coronavirus first started to spread, the Washington Post (10/26, A1, Achenbach, Brulliard, Shammas, Dupree, 14.2M) says hospitals "in almost every region of the country – the Upper Midwest, the Mountain West, the Southwest and the heart of Appalachia – are seeing record levels of patients suffering from covid-19, the disease caused by the coronavirus."

Researchers Investigating Whether Heart Damage In Coronavirus Survivors Is Permanent.

On NBC Nightly News (10/26, story 10, 1:25, Holt, 4.6M), Anne Thompson reported some coronavirus survivors suffered heart damage during their illness, and researchers are looking into whether it "is permanent."

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Several Fox News Anchors To Quarantine After COVID Exposure.

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The Washington Post (10/26, Ellison, 14.2M) reports that with eight days until the presidential election, Fox News President Jay Wallace "and key members of the network's election team have been told to quarantine after they were exposed to someone who tested positive for the novel coronavirus." Sources told the Post that until they test negative "three times in a row, the anchors will be broadcasting their shows from home." The Post adds the infected individual "was on a flight chartered to transport Fox News employees returning to New York from the Thursday night presidential debate in Nashville." The AP (10/26, Bauder) reports that while Fox "cited privacy concerns in not identifying who had tested positive or was exposed," Bret Baier and Martha MacCallum "anchored Fox's debate coverage from Nashville on Thursday, and commentators Dana Perino and Juan Williams were also on site."

Clinton Says Pompeo "Pathetic" For Promising To Release More Of Her Emails.

Politico (10/26, Oprysko, 4.29M) reports former Secretary of State Hillary Clinton in an interview with Kara Swisher of the New York Times "dismissed her successor Mike Pompeo's pledge to release more of her emails ahead of the election as 'pathetic,' insisting that there is nothing of importance in her unreleased communications." Politico adds Clinton "contended to Swisher that there would be 'nothing' incriminating in any newly released emails, which would be in addition to thousands from her time as secretary that are already online. But 'that's the point,' she claimed." Clinton asserted, "What they do is they take these emails that were, frankly, pretty boring if you want to really know the truth about them, and they begin to try to manipulate them, or they pull them out of context, or they make up whole cloth crazy stories about them. And people, unfortunately, believe they're getting kind of a behind the scenes look."

Vindman Writing Memoir About Impeachment Testimony.

The AP (10/26, Italie) reports Harper on Monday announced that Lt. Col. Alexander S. Vindman, "the national security aide who offered key testimony during the impeachment hearings of President Donald Trump and later accused the president of running a 'campaign of bullying, intimidation, and retaliation,' has a book deal." Vindman next spring will release "Here, Right Matters: An American Story," which the publisher "is calling it a 'powerful and dramatic memoir' that spans from his family's emigration from the Soviet Union to the United States to his 'moment of truth' in taking on a sitting president." According to the AP, "Another prominent impeachment witness, Marie Yovanovitch, has a book expected in May."

US No Longer World Leader In Refugee Protections.

The AP (10/26, Snow, Watson) reports that America's reputation for being the leader in humanitarian policies by "admitting more refugees annually than all other countries combined" has been "eroded during Donald Trump's presidency as he cut the number of refugees allowed in by more than 80%." Canada "replaced the US as No. 1 for resettling people fleeing war and persecution." The Administration has lowered the number of refugees that may be admitted each year of his presidency; White House senior adviser Steven Miller "said the administration has sought to have refugees settle closer to their home countries and work on solving the crises that caused them to flee." Miller told the AP, "The solution has to be one of foreign policy." The AP says the Administration "also has rolled back other humanitarian protections, like Temporary Protected Status for 400,000 immigrants fleeing natural disasters or violence."

Federal Prosecutors Say Bomb Materials Connected To Whitmer Kidnapping Plot Discovered.

The Detroit Free Press (10/26, Egan, 1.52M) reports that in a court filing on Monday, federal prosecutors asked the court for a 40-day extension of their time limit to "hand down grand jury indictments in their kidnapping conspiracy case" involving Michigan Gov. Gretchen Whitmer (D), saying the "recent discovery of bomb components could lead to new charges, including terror-related charges." Assistant US Attorney Nils Kessler said, "Firearms and explosive device components were recently recovered, and must be analyzed to determine whether charges under the National Firearms Act, explosives or anti-terrorism statutes are warranted." He added, "The FBI has collected hundreds of hours of audio recordings from confidential human sources and undercover agents, and is still in the process of collating that material."

Plot To Arrest DeWine For "Tyranny" Being Investigated By Police.

Fox News (10/26, Barrabi, 27.59M) reports on its website, "A man in Miami County, Ohio, informed local police that he had been approached to participate in a plot to 'arrest'" Gov. Mike DeWine (R) and put him "on trial for 'tyranny,' according to multiple reports." The man "told authorities last Friday that he was contacted by Renea Turner, who staged a write-in campaign for governor in 2018. ... Turner is alleged to have described a plan to arrest DeWine [and] put him on trial and sentence him for purported crimes."

Hurricane Zeta Named 27th Storm Of Atlantic Season.

The CBS Evening News (10/26, story 9, 0:10, O'Donnell, 4.26M) reported Hurricane Zeta is now "the 27th named storm of the Atlantic season." It is "on track to strike the Gulf Coast" as soon as Wednesday; on Monday night, it was "lashing Mexico's Yucatan Peninsula...with 80 mile-an-hour winds." ABC World News Tonight (10/26, story 8, 0:35, Muir, 5.85M) meteorologist Ginger Zee said Zeta "could end up being Louisiana's fifth named landfalling storm, the 11th in the United States." Zeta is currently "in the western Caribbean," and later "will die a little bit before it goes back to probably a Category 1 through the Gulf." On NBC Nightly News (10/26, 6.56M), Al Roker said that once Zeta is in the Gulf, it will bring "heavy rain making landfall sometime late Wednesday night with flooding rain, storm

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surge, and then races up into the Northeast with heavy rain and winds, as well. Storm surge two to six feet all the way from Louisiana to the panhandle of Florida. Rainfall amounts, locally up to six inches through the Mississippi River Valley but all the way up into the northeast. Heavy rain, as well."

The AP (10/26, Alcocer) reports that a "hurricane watch was posted from Morgan City, Louisiana, to the Mississippi-Alabama state line." Trees "felled by Hurricane Delta barely three weeks earlier still litter parts of Cancun, stacked along roadsides and in parks," and "there is concern they could become projectiles when Zeta scrapes across the peninsula." Local authorities "are taking the storm seriously, but with a distinctly less alarmed tone than when Delta strengthened to a Category 4 storm off the coast."

USA Today (10/26, Yancey-Bragg, Rice, 10.31M) reports forecasters "urged residents from Louisiana to the Florida Panhandle to monitor the storm's progress as Zeta is expected to be at or near hurricane strength when it approaches the northern Gulf Coast. 'There is an increasing risk of dangerous storm surge, wind and rainfall impacts from Louisiana to the Florida Panhandle,' the Hurricane Center said."

The Washington Post (10/26, Cappucci, 14.2M) reports, "With another one to three storms possible before the season's conclusion at the end of November, it's conceivable, if not likely, that this year will break 2005's record for the most storms in an Atlantic hurricane season."

Focusing on how hurricanes are increasingly shaped by climate change, the New York Times (10/26, Fountain, 18.61M) says global warming "has raised average air temperatures, and warmer air holds more moisture," which raises the risk of storm surges. Global warming "also appears to be causing some storms to slow down and stall so that over a given time they drop more rain over a smaller area."

Pandemic Is Forcing Colleges To Make Deep Budget Cuts.

The New York Times (10/26, Hubler, 18.61M) reports the coronavirus "is forcing universities large and small to make deep and possibly lasting cuts to close widening budget shortfalls. By one estimate, the pandemic has cost colleges at least $120 billion, with even Harvard University, despite its $41.9 billion endowment, reporting a $10 million deficit that has prompted belt tightening." Many colleges "imposed stopgap measures such as hiring freezes and early retirements to save money in the spring," but "the persistence of the economic downturn is taking a devastating financial toll, pushing many to lay off or furlough employees, delay graduate admissions and even cut or consolidate core programs like liberal arts departments."

VMI Superintendent Resigns After Northam Orders Investigation Into Racism Allegations.

The New York Times (10/26, Philipps, 18.61M) reports Virginia Military Institute superintendent Gen. J.H. Binford Peay III resigned Monday, a week after Virginia Gov. Ralph Northam (D) "ordered an independent investigation into allegations of systemic racism at the state-supported military college." The Washington Post (10/26, Shapira, 14.2M) reports Peay said in his resignation letter that Northam's chief of staff had told him Northam and state legislators had "lost confidence in my leadership" and "desired my resignation." The Times adds, "During Peay's tenure, multiple accounts of racist incidents have surfaced at VMI."

Office Of Special Counsel Probing Pompeo's RNC Speech.

Reuters (10/26, Zengerle) reports House Foreign Affairs Chairman Eliot Engel and House Appropriations Chair Nita Lowey said in a joint statement on Monday that the Office of Special Counsel has "launched an investigation of Secretary of State Mike Pompeo's speech to the Republican National Convention in August." Reuters says Pompeo praised President Trump's foreign policy record "in a speech recorded in Jerusalem in August during a trip to Israel." Critics "say the speech violated the Hatch Act, which limits political activities of federal employees."

CNN (10/26, Gaouette, Atwood, 83.16M) reports on its website that the lawmakers said in their statement, "As we get closer to both this year's election and his own inevitable return to electoral politics, Mike Pompeo has grown even more brazen in misusing the State Department and the taxpayer dollars that fund it as vehicles for the Administration's, and his own, political ambitions."

The New York Times (10/26, Jakes, 18.61M) reports that, in addition to the lawmakers' request, the independent group American Oversight last week "cited a special counsel investigator who confirmed a separate inquiry into Mr. Pompeo's pledge to release any additional Hillary Clinton emails that might remain at the State Department, as" President Trump "has demanded."

Salary Council Chair Resigns After Administration Weakens Civil Servant Employee Protections.

The New York Times (10/26, Lipton, 18.61M) reports Federal Salary Council Chairman Ronald Sanders, who heads the panel "that advises the White House on compensation issues, resigned on Monday to protest President Trump's new executive order that could wipe out employment protections for tens of thousands of federal workers." According to the Times, the order, "signed last week, gives Mr. Trump and his political appointees the power to hire and fire certain federal civil servants who now hold jobs that are supposed to be exempt from political influence."

The Washington Post (10/26, Yoder, 14.2M) reports Sanders wrote in his resignation letter, "I simply cannot be part of an Administration that seeks...to replace apolitical expertise with political obeisance. Career Federal employees are legally and duty-bound to be nonpartisan; they take an oath to preserve and protect our Constitution and the rule of law...not to be loyal to a particular President or Administration." Politico (10/26, Mueller, 4.29M) says Sanders also wrote, "It is clear that its stated purpose notwithstanding, the Executive Order is nothing

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more than a smokescreen for what is clearly an attempt to require the political loyalty of those who advise the President, or failing that, to enable their removal with little if any due process."

HHS Staffers Leaving Roles Amid Fears Of Swift Departures After Election.

Politico (10/26, Diamond, 4.29M) reports, "At least 27 political appointees have exited the embattled Health and Human Services department since the start of the Covid-19 crisis in February, according to a Politico review, and senior leaders are bracing for dozens more officials to depart swiftly" if President Trump loses the election. A "wave of departures would leave only a shell staff shepherding the department through a uniquely challenging winter of coronavirus outbreaks and drug and vaccine authorizations." In addition, officials such as FDA Commissioner Hahn and CDC Director Redfield "have been, at turns, isolated and berated for their perceived failings in the coronavirus response," and HHS Secretary Azar "has openly mused about replacing the FDA commissioner after a series of battles over coronavirus-related policies." According to Politico, this has "led some officials to anticipate that Hahn and Redfield may voluntarily walk away rather than take the risk of being abruptly fired in a tweet by Trump after the election."

First Lady To Return To Campaign Tuesday.

The New York Times (10/26, Karni, 18.61M) reports the First Lady will return to the campaign trail on Tuesday, "headlining an event in Pennsylvania where she will be interviewed by Kellyanne Conway." The Times says the First Lady "is viewed as a compelling surrogate for her husband, but she has always been loath to give over too much of her schedule to the campaign. She has taken an even more cautious approach since the pandemic hit in March, refusing to attend fund-raising luncheons."

Kushner Says Black Americans Must "Want To Be Successful."

The AP (10/26) reports that White House Senior Adviser Jared Kushner said Monday that President Trump "wants to help Black people in America, but they have to 'want to be successful' for his policies to work." ABC World News Tonight (10/26, story 2, 1:05, Muir, 7.31M) aired a clip of Kushner saying on Fox News' Fox & Friends, "One thing we've seen in a lot of the Black community, which is mostly Democrat, is that President Trump's policies are the policies that can help people break out of the problems that they're complaining about, but he can't want them to be successful more than they want to be successful." NBC Nightly News (10/26, story 2, 0:50, Holt, 2.16M) reported, "Top civil rights lawyer Ben Crump slamm[ed] what he called Jared Kushner's 'blatant disrespect and lack of understanding,'" but "the White House says critics are taking Kushner out of context."

The New York Daily News (10/26, Matthews, 2.52M) reports the statement "was quickly picked up and spread on social media by an official Democratic Party accounts, which focused on Kushner apparently implying that some Black Americans do not want to be successful." Others "focused on how Kushner's comments were laughable given his inherited wealth and other advantages most humans, let alone Black Americans, do not enjoy."

The Daily Beast (10/26, 1.39M) reports Kushner "made the remark after he was asked to comment on rapper Ice Cube's recent announcement he is an adviser for the Trump campaign's 'Platinum Plan' for Black America." Kushner "used the opportunity to critique celebrities and advocates over the movement that spurred over the summer following the police killing of George Floyd in Minneapolis." Reuters (10/26) said Kushner "criticized athletes and others who have protested against US racism on social media and basketball courts." Kushner said, "You saw a lot of people who were just virtue signaling. They'd go on Instagram and cry or they would put a slogan on their jersey or write something on a basketball court. And quite frankly, that was doing more to polarize the country than it was to bring people forward."

The New York Times (10/26, Karni, 18.61M) says Kushner's remarks "prompted a scathing response" from Rep. Gwen Moore (D-WI), and "the Democratic National Committee was equally harsh." Both accused Kushner of making comments that reflected privilege and dismissing Black Americans. USA Today (10/26, Cummings, 10.31M) says Kushner's "implication that Black Americans lack a drive to succeed and to address the problems facing their community drew criticism that he is blind to his own privilege and that his own success is attributable more to his family's wealth than his own efforts." White House Press Secretary Kayleigh McEnany "responded to the criticism, saying in a statement that it was 'disgusting to see internet trolls taking Senior Advisor Jared Kushner out of context as they try to distract from President Trump's undeniable record of accomplishment for the Black community.'"

The Washington Times (10/26, McLaughlin, 492K) reports Kushner, in his remarks, said Black voters understand that "unlike most politicians who have been in Washington for decades who talk and say all the right things, President Trump may not always say the right things, but he does the right things." Kushner added, "People want results, they are tired of politicians who are promising things and not delivering."

Kushner: First Step Act Has Been A "Tremendous Success." Kushner said on the Hugh Hewitt Show (10/26) that the First Step Act has been "a tremendous, tremendous success. I mean, the First Step Act was the prison and criminal justice reform that basically did, you know, two things. It, one, made the prisons more purposeful, right? ... The recidivism rate is too high, so it takes people in prison and it gets them job training or mental health treatment or alcoholism addiction. It helps them with reconnecting with their families and their communities. ... The second thing it did was it rolled back some of the laws from the '94 Crime Bill that obviously was passed by President Clinton and obviously, you know, Joe Biden was bragging about having written that bill."

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"Patriot Churches" That Support Trump Appearing Across Country.

The Washington Post (10/26, Bailey, 14.2M) reports on the rise of Patriot Churches, "part of an evolving network of nondenominational start-up congregations that say they want to take the country back for God." Though "most White conservative Christian churches might only touch on politics around election time and otherwise choose to keep the focus during worship on God, politics and religion are inseparable here." These churches – currently in Washington State, Virginia, and Tennessee – "belong to what religion experts describe as a loosely organized Christian nationalist movement that has flourished under President Trump." During his term, Trump "has helped reshape the landscape of American Christianity by elevating Christians once considered fringe, including Messianic Jews, preachers of the prosperity gospel and self-styled prophets." The "common thread among them is a sense of being under siege and a belief that America has been and should remain a Christian nation."

National Polls Range From One-Point Trump Lead To Double-Digit Biden Lead.

An IBD/TIPP poll of 982 likely voters nationwide (10/21-10/25) has Joe Biden at 51.7%, President Trump 44.7%, Libertarian Jo Jorgensen 1.4%, and Green Howie Hawkins 0.8%. A Public Opinion Strategies poll of 1,000 likely voters nationwide (10/5-10/8) has Biden at 55% and Trump at 41%. A Rasmussen poll of 1,500 likely voters nationwide (10/21-10/25) has Trump at 48% and Biden at 47%. A USC Dornsife poll of 5,355 likely voters nationwide (10/12-10/25) has Biden at 53.6% and Trump at 42.3%. A Yahoo News/YouGov poll of 1,500 registered voters nationwide (10/23-10/25) has Biden at 51% and Trump at 39%. Biden has a 7.8-point lead in the RCP average and a 9.4-point lead in the FiveThirtyEight average.

Texas. A New York Times/Siena College poll of 802 likely Texas voters (10/20-10/25) has Trump at 47%, Biden 43%, and Jorgensen 3%. A Data For Progress poll of 1,015 likely Texas voters (10/22-10/25) has Biden at 49%, Trump 48%, and Jorgensen 1%.

Florida. A PoliticalIQ poll of 800 likely Florida voters (10/20-10/22) has Biden at 50% and Trump at 48%.

Pennsylvania. A Reuters/Ipsos poll of 653 likely Pennsylvania voters (10/20-10/26) has Biden at 50% and Trump at 45%. An Elections Research Center poll of 800 registered Pennsylvania voters (10/13-10/21) has Biden at 51% and Trump at 44%. An InsiderAdvantage poll of 400 likely Pennsylvania voters (10/25) has Trump at 48.4%, Biden 45.5%, and Jorgensen 3.0%.

Georgia. An Atlanta Journal-Constitution poll of 1,145 likely Georgia voters (10/14-10/23) has Biden at 47%, Trump 46%, and Jorgensen 3%.

Michigan. An Elections Research Center poll of 800 registered Michigan voters (10/13-10/21) has Biden at 51% and Trump at 42%.

Wisconsin. A Reuters/Ipsos poll of 664 likely Wisconsin voters (10/20-10/26) has Biden at 53% and Trump at 44%. An Elections Research Center poll of 800 registered Wisconsin voters (10/13-10/21) has Biden at 51% and Trump at 43%.

More Votes Have Been Cast Than Were Cast Early Or Absentee In 2016 Election.

The AP (10/26, Riccardi, Kastanis) reports, "With eight days before Election Day, more people already have cast ballots in this year's presidential election than voted early or absentee in the 2016 race as the start of in-person early voting in big states led to a surge in turnout in recent days. The opening of early voting locations in Florida, Texas and elsewhere has piled millions of new votes on top of the mail ballots arriving at election offices as voters try to avoid crowded places on Nov. 3 during the coronavirus pandemic."

On ABC World News Tonight (10/26, story 3, 3:25, 7.31M), David Muir said "more than 62 million ballots [have been] cast so far...breaking records in battleground states including Florida. And early ballots in Texas now adding up to 82% of the entire vote in Texas just four years ago." Norah O'Donnell reported on the CBS Evening News (10/26, story 2, 1:30, 4.26M), "Turnout is already smashing records...and today we saw long lines greeting voters in Maryland as it became the 41st state now open for in-person voting." The Baltimore Sun (10/26, Opilo, 1.33M) reports, "Maryland's voting centers opened to lines of hundreds of people at locations across the state Monday, the first of eight days of early voting. ... About 80 centers are being offered across the state from Monday through Nov. 2, more than in a typical year, in hopes of spacing out voters and avoiding the spread of the virus." The Charlotte Observer (10/26, 470K) reports, "North Carolina is among the key states leading the country in voter turnout among young people. Across the state, 204,986 people ages 18-29 cast their early ballots as of Oct. 21." The Oregonian (10/26, 1M) reports, "As of Friday, 1.17 million Oregonians had their ballots logged at their county elections office. In 2016, it took another full week – until the Friday immediately before Election Day – for turnout to reach that mark."

CNN (10/26, Cohen, 83.16M) reports on its website that Democrats "have amassed significant leads over Republicans in pre-Election Day voting in key states...yet as early voting enters its last week across the country, the lopsided Democratic advantage is already starting to narrow. ... It appears that massive leads for Democrats from mail-in voting have been tempered by more balanced turnout at in-person early voting sites in battlegrounds like Florida, Nevada and North Carolina." The Orlando Sentinel (10/26, Man, 536K) reports, "After a full week of in-person early voting in all of Florida's major counties, Democrats remain significantly ahead – but Republicans are closing the gap in ballots cast in the presidential election. As of Monday morning, 2.6 million Democrats had voted by mail or at early voting centers, about 354,654 more than the Republican total of 2.2 million."

Supreme Court Requires Wisconsin Absentee Ballots To Be In By Election Day. The Milwaukee Journal Sentinel (10/26, 632K) reports the Supreme Court "upheld Wisconsin's voting laws Monday, rejecting an effort to require the counting of absentee ballots that are sent back to election officials on or just before Election Day. The court's 5-3 ruling means that absentee ballots will be counted only if they are in the hands of municipal clerks by the time polls close Nov. 3." The New York Times (10/26, Liptak, 18.61M) and the Washington Post

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(10/26, Barnes, 14.2M) cover the ruling.

The Wall Street Journal (10/26, Qian, Barry, Blostein, Subscription Publication, 7.57M) reports the US Postal Service is urging voters to put their ballots in the mail at least a week before their state's deadline, with average delivery times in some states exceeding six days in recent months. NBC Nightly News (10/26, story 8, 3:10, Holt, 2.16M) looked at potential issues with mail-in ballots, with Cynthia McFadden reporting on the "conservative estimate" that 1% of "mail-in ballots will be rejected in the swing states like North Carolina where polls point to a neck-and-neck battle."

The Washington Post (10/26, 14.2M) says in an editorial that in order to avoid confusion on Election Night and possible "disaster" in the aftermath, Pennsylvania should lift rules "barring election officials from even starting to process, let alone count, mail-in ballots before Election Day. County election officials have begged the legislature to allow them before Nov. 3 to begin sorting and verifying mail-in ballots."

Police Weigh Show Of Force At Polls Amid Concerns About Voter Intimidation. The Wall Street Journal (10/26, Elinson, Subscription Publication, 7.57M) reports police across the US are trying to find a balance between preparation for possible violence at the polls without deploying a show of force that could intimidate voters. Plans vary; New York City plans to boost police presence at polling places, while Michigan is attempting to ban any firearms at the polls. The Washington Post (10/26, Berman, 14.2M) reports Michigan officials have "announced a ban on openly carried weapons at polling sites, saying guns could intimidate voters or election workers." But "gun rights groups challenged the move in court and have argued it forces Michigan residents to choose between their right to vote and their right to bear arms."

Boston Man Accused Of Burning Ballot Box Said To Be "Emotionally Disturbed." The Boston Globe (10/26, 972K) reports that the Boston man "charged with setting a ballot box in Copley Square on fire early Sunday is emotionally disturbed and does not appear to be 'plotting against our democracy,' Suffolk County's top prosecutor said." Worldy Armand was slated "to appear in Boston Municipal Court on Monday on a charge of willful and malicious burning."

Florida Man Accused Of Stealing Bulldozer To Knock Down Biden Signs. The AP (10/26, 10.31M) reports a Florida man has been accused of stealing a bulldozer from a construction site, "driving it into a neighborhood and knocking down campaign signs for Democratic presidential nominee Joe Biden, according to authorities and homeowners." The man, who "took the bulldozer in Haines City, Fla. on Saturday and repeatedly destroyed Biden signs in full view of people who live in the neighborhood," has been charged with grand theft auto and trespassing.

Twitter To "Pre-Bunk" False Information About Election. NBC News (10/26, 6.14M) reports on its website that Twitter "said Monday it would begin placing messages at the top of users' feeds to pre-emptively debunk false information about voting by mail and election results, an escalation of the tech company's battle against misinformation. Twitter is calling the messages a 'pre-bunk,' something it says it has never done, because the debunking is not a reaction to an existing tweet with misinformation."

Trump Holds Three Events In Pennsylvania.

The Philadelphia Inquirer (10/26, Walsh, 347K) reports President Trump "barnstormed across Pennsylvania" on Monday, "holding three separate rallies where he touted his accomplishments [and] attacked Joe Biden's energy plans." In Allentown, Trump said, "Biden's plan is an economic death sentence for the Commonwealth of Pennsylvania. He will eradicate your energy and send Pennsylvania into a crippling depression." The Inquirer says Trump "has repeatedly and falsely accused Biden of promising to ban natural gas drilling. Biden has said he will halt new leases for fracking on publicly owned lands, but will allow existing drilling operations to continue." Trump later held "rallies near Lancaster and Altoona. "

Paula Reid said on the CBS Evening News (10/26, lead story, 3:50, O'Donnell, 4.26M) that Trump, "down by seven points" in Pennsylvania in the latest CBS poll, "blanketed the Keystone State with three separate stops. His goal: Turn out longtime Republicans and overcome Joe Biden's gains in Philadelphia and Pittsburgh." Jonathan Karl said on ABC World News Tonight (10/26, lead story, 3:55, Muir, 7.31M) that "a surprise victory" in Pennsylvania in 2016 "helped put Trump in the White House. ... At three packed rallies, the President spoke for some four hours. But he barely mentioned the COVID-19 pandemic, and made no mention whatsoever of the new outbreak at the White House." Hallie Jackson said on NBC Nightly News (10/26, lead story, 1:55, Holt, 2.16M) that there were "few masks and no social distancing" at the three events.

KYW-TV Philadelphia (10/26, 48K) reported Trump was "barnstorming Pennsylvania trying to make up some ground with voters." WTAE-TV Pittsburgh (10/26, 83K) reported Trump "attacked Joe Biden for his stance on fracking. The President said that fracking cannot be eliminated because it is saving Pennsylvanians a lot of money." Trump: "Fracking is saving Pennsylvania families $2,500 a year, at least, and it's saving families all over the country. We are energy independent, and you are a big part of it, and they want to end that." WHTM-TV Harrisburg, PA (10/26, 2.08M) reported Trump "said there would be a coronavirus vaccine 'momentarily,' but then said by the end of the year and he said he wants to get back to a normal life again."

The Allentown Morning Call (10/26, Sheehan, Wagaman, Turner, 555K) reports, "To wild cheers from thousands of supporters who lined up in a cold rain hours before his speech, [Trump] took the stage at a Northampton County rally Monday morning, launching into a familiar litany of campaign claims and warning of 'massive fraud' as the only way he will lose reelection." Later at Lancaster County Airport, Lancaster Online (10/26, 81K) reports, Trump "spoke for 90 minutes to a crowd of several thousand gathered...delivering a speech that leaned heavily on his greatest hits – calling his opponent 'Sleepy Joe,' blasting President Obama for surveilling his campaign four years ago, blaming the 'fake news' media for bad press about him, celebrating the border wall and boasting of the big tax cuts his administration delivered."

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The Washington Times (10/26, Boyer, 492K) reports Trump accused Gov. Tom Wolf (D) "of trying to block his three rallies in the state on Monday due to coronavirus concerns. He said the governor 'made it almost impossible to find any site' for the rallies." The Daily Beast (10/26, 1.39M) reports Trump "escalated his attacks" on Wolf, "threatening to not come to the state's aid as the deadly COVID-19 pandemic continues to plague it." The Washington Post (10/26, Scherer, Dawsey, 14.2M) reports Trump "declared Monday that the pandemic was 'ending anyway,' further tying his reelection bid to his ability to convince voters...that the viral danger is fading. Financial markets fell as he spoke, with investors reacting to the growing infection rates and dwindling hope of a pre-election stimulus package."

The AP (10/26, Miller, Jaffe) says Trump's campaign schedule "suggested he's on the defensive in Pennsylvania, viewed by his aides as critical to his path to 270 electoral votes." The Harrisburg Patriot-News (10/26, 427K) says Trump's "blitz on Pennsylvania came as polls show Biden leading Trump both nationally and in Pennsylvania. As of the weekend, Biden led Trump 50.3% to 44.8% in Pennsylvania, based on the average of recent polls compiled by FiveThirtyEight – nearly the same as the beginning of the month. The average of national polls showed Biden leading 52% to 42.9%."

Several reports look at Trump's comments about women. Bloomberg (10/26, Sink, Fabian, 4.73M) reports Trump "made fun of" the way Sen. Kamala Harris (D-CA) laughs, called House Speaker Pelosi "'crazy' and said one of his female interviewers was 'crazed,' yet insisted at a Pennsylvania rally on Monday that suburban women will support his re-election. ... Women voters have become a vulnerability for Trump in his bid for a second term." The Los Angeles Times (10/26, 4.64M) similarly says "polls show Trump is trailing Democrat Joe Biden by double digits with women voters. But it hasn't stopped the president from attacking, insulting and patronizing women he considers political enemies, or even just not supportive enough." Ed O'Keefe said on the CBS Evening News (10/26, story 3, 0:55, O'Donnell, 4.26M) that Trump's "numbers continue to slip with suburban women and older voters."

Reuters (10/26, Scheyder), USA Today (10/26, Rossman, 10.31M), the Wall Street Journal (10/26, Ballhaus, Subscription Publication, 7.57M), Politico (10/26, McGraw, 4.29M), The Hill (10/26, Chalfant, 2.98M), Breitbart (10/26, 673K), and the Fox News (10/26, Henney, 27.59M) website are among the other outlets covering the events, while Townhall (10/26, Pavlich, 177K) previews Trump's upcoming rally schedule and the New York Times (10/26, Qiu, Shear, 18.61M) examines recent rallies, calling them "the core of Trump's Campaign, and a font of lies and misinformation."

Trump-Biden Episode Of "60 Minutes" Get Show's Top Ratings Since 2018.

Variety (10/26, Thorne, 898K) reports, "Donald Trump's contentious interview with veteran '60 Minutes' host Lesley Stahl, as well as Joe Biden's less eventful sit-down, scored the show its largest audience since 2018. The dual Biden and Trump interviews, the latter of which the President cut short, drew a total of 16.8 million total viewers on CBS and scored a 2.4 rating among adults 18-49, per Nielsen time adjusted fast national numbers. That represents the most viewers to tune in since the infamous Stormy Daniels interview from March two years ago."

Fundraising Emails Suggest Trump Will Host Election Night Event At His DC Hotel.

The AP (10/26, Madhani) reports President Trump "has his eye on hosting an election night party at his own hotel in the nation's capital. Over the weekend, the campaign pushed out fundraising emails in the president's name offering donors the chance to enter a drawing 'to join Team Trump at the Election Night Party in my favorite hotel,' in Washington, suggesting he will use" the Trump International Hotel "as the backdrop for reacting to election results."

Pence Campaigns In Northern Minnesota.

The Minneapolis Star Tribune (10/26, 1.04M) reports Vice President Pence "returned to northern Minnesota on Monday," addressing a crowd of about 650 in the Iron Range town of Hibbing. The visit "comes as five of his aides, including his chief of staff and his senior political adviser, tested positive for COVID-19 over the weekend," and "the crowd far exceeded state rules limiting events to no more than 250 people." The Duluth News Tribune (10/26, 151K) reports Pence has been "in a campaign sprint with events around the country as Election Day looms." Minnesota's Mesabi Daily Tribune (10/26) reports Pence's campaign stop came "despite Democratic calls for him to cancel his travel schedule" due to the COVID diagnoses close to him.

Politico (10/26, Orr, 4.29M) says Pence is "convinced the come-from-behind dream, which is animating the Trump campaign's truest believers in the last eight days of the 2020 race, remains feasible – even as a growing cluster of Covid-19 infections among the vice president's staff draws renewed attention to his administration's inability to control the pandemic."

Biden Pays "Surprise Visit" To Chester, Pennsylvania.

The Delaware County (PA) Daily Times (10/26, Bannan, 92K) reports Joe Biden "made a surprise visit to volunteers preparing Democratic 'Get Out The Vote' packages at campaign headquarters" in Chester, Pennsylvania, on Monday. Biden "spoke to the about two dozen volunteers for about 15 minutes, thanking them for their efforts and encouraging them to stay safe." The Washington Post (10/26, Wagner, Firozi, 14.2M) reports Biden "continued to knock [President] Trump's handling of the coronavirus pandemic" during the stop. Jonathan Karl reported on ABC World News Tonight (10/26, lead story, 3:55, Muir, 7.31M) that Biden said, "I promise you this: I'm never going to give up. I don't know what we'll inherit on January 21, but at the rate [Trump is] going, it's not going to be good. But we're going to be able to make it."

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The Philadelphia Inquirer (10/26, Tornoe, Brennan, Tamari, Seidman, McCrystal, Walsh) reports Biden "said Trump should have 'a little bit of shame, because people are dying' of the coronavirus, and struck back against Trump's claims that he would kill Pennsylvania's oil industry." Biden said, "I'm not shutting down oil fields, I'm not eliminating fracking." KYW-TV Philadelphia (10/26) reports on its website that Biden "criticized the president's pandemic response, accusing him of giving up trying to control the virus. Biden also said he won't end fracking, as the president has alleged." WHTM-TV Harrisburg, PA (10/26, 35K) reports on its website that Biden also "answered questions about the Supreme Court."

Bloomberg (10/26, Pager, 4.73M) says that while Trump "blitzes the battleground states with as many as three rallies a day, Biden has only visited one state, Pennsylvania, in the last week." Biden's campaign says the scheduling "bolsters Biden's argument that he is taking the pandemic seriously." Politico (10/26, Korecki, Caputo, 4.29M) similarly says that Biden's "low-key approach is highly unusual this close to an election, but it's a testament to the extraordinary dynamics of the 2020 race, with a deadly pandemic reaching crisis levels in dozens of states. Democrats point to fresh polling that shows Trump's rallies are a net negative for him in the nation's core swing states, where concerns about the spread of coronavirus are strong." But Breitbart (10/26, 673K) says Trump "appeared to have [Biden] out of his basement after he mocked his opponent for having 'waved a white flag' while speaking with reporters in Pennsylvania on Monday."

Biden To Visit Iowa Friday. The Des Moines Register (10/26, 404K) reports Biden "will travel to Iowa Friday, marking his first in-person visit of the general election cycle. ... The last-minute visit underscores how competitive the race for president has become in Iowa. Although Trump carried the state by 9 percentage points in 2016, a September Des Moines Register/Mediacom Iowa Poll showed him tied with Biden at 47% to 47%." The New York Times (10/26, Ember, Thrush, 18.61M) runs a report under the headline "Biden, In Sign Of Confidence, Will Visit Iowa In Race's Final Days."

Harris Calls Trump's "Name-Calling" Predictable And "Childish."

Sen. Kamala Harris (D-CA), appearing on ABC's The View (10/26, 2.04M), was asked about President Trump's attacks on her. She said, "It's so predictable coming from him. I mean, it's childish, it's name-calling on behalf of the President of the United States, and, again, the American people deserve so much more from their President. Look, the name-calling is not new to me – it's not new to anybody who played on the playground as a child. But this is not the playground."

McEnany Called Biden "A Man Of The People," Trump A "Tycoon," In 2015 Interview.

CNN (10/26, Kaczynski, 83.16M) reports on its website that during a 2015 interview previewing the 2016 presidential race, Kayleigh McEnany, now White House Press Secretary, said, "I think the Republicans run into a problem if it is Joe Biden and if it is maybe a Trump on the other side. Because Joe Biden, one of the things he is remarkable at, is really kind of being a man of the people and resonating with middle class voters. Feeling like – coming off as human. ... I think at the end of the day, probably Joe, although if Trump is against Joe, I think the juxtaposition of kind of the man of the people and kind of this tycoon, is a problem."

Biden Outpacing Trump Fundraising In "Wealthiest And Most Educated" Areas.

The New York Times (10/26, Goldmacher, Koeze, Shorey, Gamio, 18.61M) looks at fundraising in the presidential race, reporting that Joe Biden "has outraised President Trump on the strength of some of the wealthiest and most educated ZIP codes in the United States, running up the fund-raising score in cities and suburbs so resoundingly that he collected more money than Mr. Trump on all but two days in the last two months."

Media Analyses: Georgia Has Shifted Away From GOP.

Several outlets look at the unexpectedly tight presidential state in what Norah O'Donnell on the CBS Evening News ' . (10/26, story 8, 2:05, 4.26M) called "the reliably red state of Georgia. Joe Biden is tied with President Trump, but a Democrat hasn't won the Peach State since Bill Clinton all the way back in 1992." The Washington Post (10/26, Sullivan, Olorunnipa, 14.2M) reports Biden will visit the state on Tuesday, "a gamble for a nominee who has limited his appearances in the final days of the race. ... But the Biden camp is pinning its hopes on demographic shifts and rising anger" with Trump in the state. The New York Times (10/26, Fausset, 18.61M) says Georgia Democrats, "stung in the past by premature talk" of a realignment, "are careful to temper their optimism. The Republican Party remains well-organized, popular and powerful here. ... Yet there is a bipartisan consensus that the state is not exactly what it was, even just a few years ago."

Clinton Says She Does Not Want Job In A Biden Administration.

In an interview with Kara Swisher of the New York Times (10/26, 18.61M), Hillary Clinton said she does not want a formal position in a possible Biden Administration, with Swisher saying Clinton seemed more interested in acting as an outside "counselor." Clinton said, "[I will] provide any information that they need...[but] no, I don't want a job. I just want to be able to exhale."

Democrats Urging Michael Bloomberg To Invest In Senate Races.

CNBC (10/26, Schwartz, 3.62M) reports on its website, "Democratic fundraisers are privately urging billionaire Mike Bloomberg and his team to invest in hotly contested Senate races with just over a week until Election Day, according to people familiar with the matter. The pleas

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come as" the Senate Leadership Fund super PAC, aligned with Senate Majority Leader McConnell, "floods these races with cash on behalf of the GOP candidates."

WSJournal Profiles Alabama Senate Race.

The Wall Street Journal (10/26, Ngo, Subscription Publication, 7.57M) profiles the Alabama Senate race, where Sen. Doug Jones (D-AL), who is running behind Tommy Tuberville (R), has tried to stake out centrist positions in order to please constituents in the conservative state.

Ossoff, Warnock Lead Georgia Senate Polls.

An Atlanta Journal-Constitution poll of 1,145 likely Georgia voters (10/14-10/23) has Jon Ossoff (D) at 46%, Sen. David Perdue (R-GA) 45%, and Libertarian Shane Hazel 4% in the state's Senate race. In the Senate special election race, Raphael Warnock (D) is at 34%, Rep. Doug Collins (R-GA) 21%, Sen. Kelly Loeffler (R-GA) 20%, Matt Lieberman (D) 4%, Libertarian Brian Slowinski 3%, and Ed Tarver (D) 1%.

NYTimes Analysis: Iowa's Greenfield Among Democratic "Moderates" Being Cast As "Radicals."

The New York Times (10/26, Herndon, 18.61M) looks at the Senate race in Iowa as an example of how Republicans are casting "moderate" Democratic candidates like Theresa Greenfield "as radicals," linking them with Rep. Alexandria Ocasio-Cortez (D-NY) and other high-profile figures on the Democratic left. Greenfield, the Times writes, has been talking "about expanding job training programs and health care coverage through a public insurance option" and criticizing her own party "for not prioritizing an infrastructure bill and vocational education" as she campaigns against Sen. Joni Ernst (R-IA).

McConnell Opponents Boosting Libertarian Senate Candidate In Kentucky.

The Daily Beast (10/26, 1.39M) reports, "In a last-ditch effort to unseat" Senate Majority Leader McConnell, a "deep-pocketed" new super PAC called True Kentucky Patriots has started buying ads on behalf of Kentucky Libertarian Senate nominee Brad Barron, "calling him 'Kentucky's true conservative for U.S. Senate.' ... The group is clearly designed to peel off conservative votes from McConnell." FEC records show the group "is affiliated with one of the Senate race's largest independent spenders," the Ditch Fund, which is affiliated with Amy McGrath (D).

Minnesota Senate Candidate Lewis Undergoes Emergency Hernia Surgery.

The AP (10/26, Karnowski) reports ex-Rep. Jason Lewis (R-MN), who is running for Senate in Minnesota, "underwent successful emergency surgery for a severe internal hernia on Monday." His campaign "said the condition could have been life-threatening if not treated quickly." The Minneapolis Star Tribune (10/26, 1.04M) reports Sen. Tina Smith (D-MN) "tweeted that she and her husband wish Lewis 'a successful surgery and a speedy recovery.'" Politico (10/26, Arkin, 4.29M), The Hill (10/26, Greenwood, 2.98M), Breitbart (10/26, 673K), and Townhall (10/26, O'Brien, 177K) also report.

WPost Analysis: Harrison Wagers That South Carolina Is Changing.

The Washington Post (10/26, Samuels, 14.2M) reports that "with much of the country grappling with the role of race in society," Jaime Harrison (D) "is placing a political bet that once seemed unthinkable but now feels plausible: that South Carolina, where the Confederate flag flew on the State House grounds until 2015, could become the first in the country to send two African Americans to the U.S. Senate. ... Central to Harrison's wager is that the same state that elected vocal segregationists to hold the very seat he is seeking, the seat now held by" Sen. Lindsey Graham (R-SC), "one of President Trump's most prominent defenders, is prepared to take its place as a trendsetter in a changing South."

Cornyn Leads In Two Texas Senate Polls.

A New York Times/Siena College poll of 802 likely Texas voters (10/20-10/25) has Sen. John Cornyn (R-TX) at 48%, MJ Hegar (D) 38%, and Libertarian Kerry McKennon 4% in the state's Senate race. A Data For Progress poll of 1,015 likely Texas voters (10/22-10/25) has Cornyn at 48%, Hegar 46%, and McKennon 1%. The Dallas Morning News (10/26, 946K) reports Hegar has in recent days been fundraising off Cornyn's support for the nomination of Amy Coney Barrett to the Supreme Court.

First Democrat Announces 2022 Challenge To Johnson In Wisconsin.

The New York Times (10/26, Thrush, 18.61M) reports Outagamie County Executive Tom Nelson on Monday announced that he will challenge Sen. Ron Johnson (R-WI) in 2022. Johnson "has not yet said if he will seek re-election to a third term." Politico (10/26, Korecki, 4.29M) says the move "gives Nelson a head start on other Democrats expected to flock to challenge Johnson in the weeks after the presidential election," including possible Lt. Gov. Mandela Barnes (D) and state Attorney General Josh Kaul (D). The Hill (10/26, 2.98M) also reports on Nelson's early entry.

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Pelosi Says She Is Already Focusing On 2022 Midterms.

The AP (10/26, Mascaro) reports that in an interview, House Speaker Pelosi "said she feels so confident Democrats will keep the House this election, she's already preparing to win the next one in 2022." Pelosi said, "This year, I'm trying to win it two years in advance – by being so substantial in this election that as soon as we start into the next year, people will see our strength." Politico (10/26, Caygle, Bresnahan, Ferris, 4.29M) says Pelosi "will no longer be the party's leader if [Joe] Biden wins the White House on Nov. 3, but her influence may only grow. If Democrats also win the Senate, the incoming president is expected to rely heavily on the Democratic agenda passed by the House that's been blocked...during the last two years."

Politico (10/26, Mutnick, 4.29M) reports that "in the most competitive 94 districts, Democrats have booked over $177 million in ads since Sept. 1, while their GOP opponents have booked $93 million." The Washington Post (10/26, Firozi, Bade, 14.2M) reports Democrats "are increasingly bullish that they will flip multiples seats in districts where President Trump will win on election night, outrunning the top of the Democratic ticket and giving [Pelosi] a chance to expand her majority." The New York Times (10/26, Broadwater, 18.61M) reports that across the country, moderate Democrats "are playing a pivotal role that has positioned Democrats to maintain control of the House and build their majority."

Cox, Valadao Facing Off In CA21 Rematch.

The San Francisco Chronicle (10/26, 2.67M) looks at the CA21 race, where freshman Rep. TJ Cox (D-CA) is facing ex-Rep. David Valadao (R-CA), who he defeated in 2018 "by 862 votes in a contest that wasn't decided until nearly a month after election day." This year, Cox is trying to "tie Valadao to President Trump, especially on health care, which is a major issue in one of the poorest congressional districts in California." In a debate last week, Valadao "focused on the financial and ethical problems that have plagued Cox during his two years in office, saying that 'pretty much anyone who has been paying attention' would agree that the former engineer is the most corrupt member of Congress."

Van Drew Fights To Hold NJ2 Seat After Party Switch.

The Wall Street Journal (10/26, Avila, Subscription Publication, 7.57M) has a feature on Rep. Jeff Van Drew (R-NJ) who is trying to win reelection in NJ2 after switching parties last year. Van Drew, who had been a conservative Democrat, had banked on continued support, but his switch led former teacher Amy Kennedy (D), who is married to ex-Rep. Patrick Kennedy (D-RI), to enter the race.

Democrats See Trump Weighing Down GOP Candidates In NY1 And NY2.

The New York Times (10/26, Nir, 18.61M) reports under the headline "Trump's Weakened Hold On Long Island Puts 2 G.O.P. House Seats At Risk" that both NY1 Rep. Lee Zeldin (R-NY), "an ardent supporter" of the President, and Andrew Garbarino (R), running in open-seat NY2, are facing headwinds. Democrats point "to three factors that could lead to possible victory: President Trump's deepening unpopularity; the growing number of Democrats in the area; and the fact that" Rep. Peter King (R-NY) is not seeking reelection in NY2.

Congressional Leadership Fund Injecting $2.05M Into NC8 Race.

The Charlotte Observer (10/26, 470K) reports that the Congressional Leadership Fund will spend $2.05 million to aid Rep. Richard Hudson (R-NC) in NC8. The Observer says "the late-stage move...is a sign that Concord's Hudson, whose district backed" President Trump by nine points in 2016, "could be in trouble."

Drug Legalization Ballot Measures Indicate Shifting Perspectives Amid Pandemic.

The New York Times (10/26, Johnson, 18.61M) reports that Oregon is proposing a solution to its residents' addiction problems with Measure 110, a proposal that "would be one of the most radical drug-law overhauls in the nation's history, eliminating criminal penalties entirely for personal use amounts of drugs such as heroin, methamphetamine and cocaine." Tax revenues from drug sales "would be channeled toward drug treatment." Supporters of the proposal "say the swirling, transformational forces of 2020 – the coronavirus pandemic, as well as the wave of social unrest over race, policing and incarceration – have highlighted a need for top-to-bottom change." However, "opponents say decriminalization courts disaster by normalizing drugs that carry the risk of deadly addiction." Elsewhere, marijuana legalization is being considered by states that previously resisted it.

Silverado Fire Forces Thousands From Their Homes In California.

ABC World News Tonight (10/26, story 5, 1:45, Muir, 7.31M) reported that there is an "emergency unfolding in California...fueled by the most severe Santa Ana winds this year." The Silverado Fire erupted early Monday morning "with wind gusts up to 70 miles an hour. Tens of thousands have already been forced from their homes" on Monday alone. Later that day, there was "word of a second fire breaking out in that same area." The CBS Evening News (10/26, story 5, 1:25, O'Donnell, 4.26M) reported that "hurricane force winds have prompted urgent red flag fire warnings tonight in Southern California, where a new wildfire has forced tens of thousands from their homes." CBS' Jonathan Vigliotti said, "The flames being pushed by powerful Santa Ana winds, the strongest all year, gusts topping 70 miles per hour. The fire that start up in the hills will be pushed into neighborhoods like this. Because the wind is so strong, there are no air drops so fire crews are on foot,

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trying to stop these flames from spreading. It already jumped two major highways, erratic winds already taking a poll, tonight at least two first responders injured fighting this blaze."

NBC Nightly News (10/26, story 5, 1:15, Holt, 2.16M) said, "Racing for an unprecedented wind event across the state, more than a million have had their power cut to prevent the very kind of disaster that could unfold. ... On the heels of what's been a historic and deadly wildfire season, the winds spanning these flames are expected to last another 24 hours."

The AP (10/26, Weber, Rodriguez) reports, "The smoky fire exploded in size to over 6 square miles (16 square kilometers) within a few hours of breaking out around dawn in Orange County, south of Los Angeles." Strong gusts "pushed flames along brushy ridges in Silverado Canyon and near houses in the sprawling city of Irvine, home to about 280,000 residents. There was no containment." The Los Angeles Times (10/26, Vives, 4.64M) reports the area "is dotted with two-story stucco homes, and some are still in the middle of construction. Almost everyone had evacuated by late morning, with the exception of one or two families who were still gathering their belongings before fleeing."

The New York Times (10/26, Facio-Krajcer, Wright, Diaz, 18.61M) reports the state's largest utility, Pacific Gas and Electric, "began shutting off electricity to 361,000 customers in 36 counties, including Alameda and Contra Costa Counties, the company said in a statement." PG&E "said the shut-offs were in response to a 'significant, offshore wind event starting Sunday that is forecast to have the driest humidity levels and the strongest winds of the wildfire season thus far.'" The company expects to begin restoring residents' power on Tuesday.

Among the outlets also reporting on the fire are USA Today (10/26, Woodyard, Culver, 10.31M), the Washington Post (10/26, 14.2M), and the San Francisco Chronicle (10/26, King, Mishanec, 2.67M).

WSJournal: Nevada Energy Bill Would Raise Costs, Not Be Effective.

In an editorial, the Wall Street Journal (10/26, Subscription Publication, 7.57M) says that Nevadans are facing a vote on requiring that state utilities generate half their electricity from renewable resources by 2030; however, this measure would result in higher energy costs as well as shortages.

FBI Has Not Provided Required Report On White Supremacist Terror Threat.

The Daily Beast (10/26, 1.39M) reports the FBI "has failed to produce a legally required report detailing the scope of white supremacist and other domestic terrorism, despite mounting concerns that the upcoming election could spark far-right violence." House Homeland Security Chairman Bennie Thompson believes this leaves US citizens without information about what the agency believes is America's biggest domestic terrorist threat. Thompson said the public "needs to know who the real, documented terrorists in this country, based on the FBI's intelligence, really are." He added, "I would hate to think that they are reacting to President Trump's machinations about his dislike for senior leadership in the FBI." He said he thinks FBI Director Wray "understands that if he wades too far in the water around this subject, he might drown, or get fired, to be honest."

RCP Average Has Trump's Job Approval At 44.6%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.6%, and his disapproval at 53.3%. The President's approval is up 0.2 since yesterday; his disapproval is down 0.3.

A Rasmussen poll of 1,500 "likely voters" (10/22-10/24) finds Trump's approval at 52%, and his disapproval at 46%.

Financial International News

Vietnam Signs Onto Controversial World Bank Forest Loss Prevention Program.

The Nikkei Asian Review (JPN) (10/27, Hoang) reports Vietnam "is set to receive tens of millions of dollars to help it keep a promise not to cut down trees, part of a controversial World Bank program that critics say does not produce its intended effect – carbon emission reductions." Vietnam "has signed a contract that calls on the World Bank to pay out $51.5 million if Vietnam makes good on multiple pledges to protect its forests. It is the first Asian country to make such a deal." World Bank Vietnam Director Carolyn Turk, announcing the deal last week, said, "It opens the door for similar forms of international carbon finance in the future."

Commentary: The ECB Needs To Do More To "Green" Its Monetary Policy.

In an op-ed for the Financial Times (10/26, Subscription Publication, 1.34M), Jens van 't Klooster writes, "Ursula von der Leyen's European Commission is thundering forward with its efforts to "green" the continent's economy. The plan is to cut..."

Leading International News

Top Doctor Warns France Has "Lost Control" Of Virus.

The AP (10/26, Corder) reports Jean-François Delfraissy, the president of the scientific council that advises the French government on the coronavirus, "warned Monday that his country has 'lost control of the epidemic,' a day after health authorities reported more than 52,000 new coronavirus cases as nations across Europe enact more sweeping restrictions to try to slow surging infection rates." Delfraissy said France is in a "very difficult, even critical situation." Delfraissy added, "There probably are more than 50,000 new cases every day. Our estimate at the Scientific Council is closer to 100,000 – twice as many." He continued, "Between those who aren't tested and asymptomatic patients, we're

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close to that number of cases. This means the virus is spreading extremely fast."

Russian Airstrike In Syria Targets Fighters Backed By Turkey.

The AP (10/26, Deeb) reports that "an airstrike on a rebel training camp in northwestern Syria on Monday killed more than 50 Turkish-backed fighters and wounded nearly as many, in one of the heaviest blows to the opposition's strongest groups." According to the AP, "The opposition blamed Russia for the daytime strike and vowed to retaliate for the attack on Faylaq al-Sham." The AP says Russia and Turkey, "although they support opposite sides in Syria's conflict, have worked together to maintain a cease-fire in the last enclave of Syria's rebels, centered on the province of Idlib. But the attack comes as relations between the two countries have shown signs of strain over Turkey's increased military involvement in a region stretching from Syria to the Caucasus and the Mediterranean."

According to the Washington Post (10/26, Dadouch, Fahim, 14.2M), "The strikes killed at least dozens of soldiers from the Sham Legion, a rebel group that falls under the Turkish-backed National Front for Liberation, an umbrella rebel group in northwestern Syria." The Post says Russia "accuses the Sham Legion of sending some of its troops to Libya and Azerbaijan to fight as mercenaries on behalf of Turkey against forces aligned with Russia."

The New York Times (10/26, Saad, Gall, 18.61M) reports that it was "Russian war planes" that "struck [the] camp of Turkish-backed rebel fighters." The Times says the strike "kill[ed] dozens of Syrian fighters as well as civilians harvesting olives nearby." The Times cites "a rebel spokesman," and says that "early reports put the toll at 34 dead and 70 wounded, but the death toll quickly rose to 60 with news of civilians killed outside the camp."

The Wall Street Journal (10/26, Osseiran, Coles, Subscription Publication, 7.57M) provides similar coverage.

Tice's Mother Says Pompeo "Undermining" Efforts To Secure Release From Syria.

The Washington Post (10/26, Morello, 14.2M) reports Debra Tice, the mother of Austin Tice, a freelance journalist who was taken captive in Syria in 2012, on Monday "called President Trump 'an advocate and an ally' to families with loved ones in captivity overseas, but she had scathing words" for Secretary of State Pompeo, "whom she characterized as standing in the way of freedom for her son." She said, "Unfortunately for Austin, Secretary of State Mike Pompeo is undermining the President's crucial outreach, refusing any form of direct diplomatic engagement with the Syrian government." According to the Post, "Tice and her husband, Marc, have worked tirelessly to draw attention to their son's case."

Kushner Says There Will Be More Middle East Peace Deals.

White House Senior Adviser Jared Kushner said on the Hugh Hewitt Show (10/26), "The notion with peace is that it can become as big as you allow it to be. So, what happened here was really barriers were broken in the Arab-Israeli conflict that had been up for a very long time." Kushner added, "I believe that we've planted some seeds now, and I think that the short-term returns have been great. But I do believe that the long-term returns are going to be extraordinary if we keep leaning into this. And I do think there'll be more peace deals."

Esper And Pompeo In India For Meetings With Their Counterparts.

Reuters (10/26) reports that the Indian Defense Ministry announced on Monday that the US and India "will sign a military agreement on sharing of satellite data during the current visit" by Defense Secretary Esper. According to Reuters, the Basic Exchange and Cooperation Agreement on Geospatial Cooperation "will allow India access to topographical, nautical and aeronautical data for better accuracy of weapons like missiles and drones. ... 'The two ministers expressed satisfaction that agreement of BECA will be signed during the visit,' the Indian defence ministry said following Esper's talks with Defence Minister Rajnath Singh."

Reuters (10/26, Miglani, Prusty) also reports that Esper and Secretary of State Pompeo "flew into New Delhi for talks with Indian leaders at a time when India is locked in its most serious military standoff with China at the disputed Himalayan border in decades." Reuters says Pompeo "separately met Indian Foreign Minister Subrahmanyam Jaishankar." Reuters adds that "after India, Pompeo will travel to Sri Lanka and the Maldives, two Indian Ocean countries where China has financed and built various infrastructure, to the alarm of India and the United States."

China Says It Will Sanction US Companies Over Arms Sales To Taiwan.

Reuters (10/26, Lun Tian, Crossley, Qiu) reports that on Monday, the Chinese Foreign Ministry announced that China will impose sanctions on Lockheed Martin, Boeing and Raytheon, as well as "other US companies it says are involved in Washington's arms sales to Taiwan," but "did not spell out what form the sanctions would take." According to Reuters, the State Department "has approved the potential sale of three weapons systems to Taiwan, including sensors, missiles and artillery that could have a total value of $1.8 billion." Reuters reports that China has "imposed sanctions on Lockheed Martin and other US companies in the past for selling weapons to Taiwan, though it is unclear what form the penalties have taken."

The Wall Street Journal (10/26, Wong, Subscription Publication, 7.57M) reports Chinese Foreign Ministry spokesman Zhao Lijian said during a Monday briefing that China "firmly opposes" and condemns the sale of arms by the US to Taiwan, which "severely damage Chinese sovereignty and security interests."

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NYTimes Analysis: Coronavirus Exposes Gaps In China's Goal To End Extreme Poverty. In an analysis, the New York Times (10/26, Hernández, 18.61M) says that despite Chinese President Xi Jinping's vow to "leave no one behind," the coronavirus pandemic has exposed the shortcomings of the Chinese Communist Party "in providing its most vulnerable citizens with more than the barest of social safeguards, especially in rural areas." Moreover, "some experts warn that the government's response to the crisis – favoring infrastructure spending and tax breaks for companies instead of direct aid for families – may widen China's gap between rich and poor, which is already among the highest in the world." Millions of individuals with low incomes "are working fewer hours at lower pay, depleting savings and taking out loans to survive."

Lukashenko Targeted By General Strike In Belarus.

The AP (10/26) reports that on Monday, "factory workers, students and business owners in Belarus...began a strike to demand that authoritarian President Alexander Lukashenko resign after more than two months of continuing mass protests following a disputed election." According to the AP, "Most state-run enterprises continued to operate despite the strike, which was called by opposition leader Sviatlana Tsikhanouskaya. But analysts said it helped mobilize opposition supporters for a new round of confrontation with authorities, which poses a significant challenge for Lukashenko, who has run the country for 26 years and until recently has been able to successfully stifle dissent." The New York Times (10/26, Troianovski, 18.61M) reports Carnegie Moscow Center nonresident scholar Artyom Shraibman said, "In such a tense situation, absolutely anything could turn out to be the trigger that topples the system. ... It could end in the course of a week, or it might not die for a year. No revolution has ever gone according to plan."

"Heavy Battles" Between Azeri And Armenian Forces Reported Despite US-Backed Ceasefire.

Under the headline "U.S.-Backed Truce Crumbles As Nagorno-Karabakh Fighting Resumes," Reuters (10/26, Bagirova, Hovhannisyan) reports that a ceasefire in Nagorno-Karabakh "was in jeopardy on Monday as Azerbaijan and ethnic Armenian forces renewed fighting in the mountain enclave, defying international efforts to end a conflict that has killed hundreds in the last month." According to Reuters, Azeri President Ilham Aliyev "said in a televised address that he wanted to resolve the conflict 'by political and military means' after both sides accused each other of breaking a truce agreed hours earlier in Washington." Reuters adds that also on Monday, Armenian Prime Minister Nikol Pashinyan "said he did not believe Azerbaijan was interested in a peaceful resolution to the conflict. 'The Armenian people are ready for mutual concessions, even painful ones, but not for the capitulation of Karabakh,' he said."

The AP (10/26, Demourian) reports that the Azerbaijani Defense Ministry "alleged that Armenian forces fired at Azerbaijani settlements and the positions of the Azerbaijani army 'along the entire front, as well as on the Armenia-Azerbaijan state border.'" The AP adds, "Armenian military officials in turn accused Azerbaijani forces of shelling the northeastern area of Nagorno-Karabakh and other areas. By Monday afternoon, 'heavy battles' were taking place in the southeast of the region, Armenian Defense Ministry spokesman Artsrun Ovannisian said."

Women's Rights Activists Protest, Block Traffic In Poland To Oppose Abortion Ban.

The AP (10/26, Scislowska) reports that women's rights activists and several thousands of their supporters "held a fifth day of protests across Poland on Monday, defying pandemic restrictions to express their fury at a top court decision that tightens the predominantly Catholic nation's already strict abortion law." The demonstrators – mostly young women and men – "with drums, horns and firecrackers blocked rush-hour traffic for hours at a number of major roundabouts." Some of the protestors "took off their shirts and stood topless on top of cars," and "many held banners with an obscenity calling on the right-wing government to step down."

Gaza Military Court Convicts Activists For Hosting Video Call With Israelis.

The New York Times (10/26, Rasgon, 18.61M) reports that a "military court in the Gaza Strip convicted three Palestinian peace activists of 'weakening revolutionary spirit' on Monday for their role in holding a video call with Israelis in April, but it ordered the authorities to release the two who remained in jail." The activists "belong to the Gaza Youth Committee, which organized the virtual discussion as part of a bridge-building initiative." The military court "sentenced Rami Aman, the head of the committee, to a year in prison, but decided to 'halt' the implementation of his sentencing, according to the Palestinian Centre for Human Rights, the organization representing the activists." The court "released the second activist, whose name has not been made public, on the basis of time served, the group said."

Muslim Nations Denounce France Over Depictions Of Muhammad.

The AP (10/26, Batrawy) reports that "Muslims in the Middle East and beyond" have "broadened their calls for boycotts of French products and protests, as a clash over depictions of the Prophet Muhammad and the limits of free speech intensified." The AP says "the beheading earlier this month of a French teacher who had shown caricatures of the prophet in class has once again ignited a debate over such depictions," and "the teacher...has been heralded at home as a national symbol of France's dearly held secular ideals and its rejection of any whiff of religious intrusion in public spheres." Last week, French President Emmanuel Macron said: "We won't renounce the caricatures."

Reuters (10/26, Gumrukcu) reports that Turkish President Recep Tayyip Erdoğan "asked his compatriots to stop buying French goods on Monday in the latest expression of anger in the Muslim world over images being displayed in France of the Prophet Mohammad." Reuters adds, "In Bangladesh on Monday, protesters held placards with a caricature of French President Emmanuel Macron and the words: 'Macron

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is the enemy of peace,' while Pakistan's parliament passed a resolution urging the government to recall its envoy from Paris."

WPost: Trump Adding Fuel To Fire Rather Than Mediating Nile Dam Conflict.

In an editorial, the Washington Post (10/26, 14.2M) says the dispute between Egypt, Ethiopia, and Sudan over "an enormous dam Ethiopia is building on the Blue Nile river" is one that the US "ought to be helping to solve." The US "initially tried to mediate" among the three countries "earlier this year," and "most experts believe a solution is possible: The countries must agree on how quickly the reservoir behind the dam is filled and how water supplies will be managed during future droughts." However, "rather than play honest broker, Mr. Trump sided with [Abdel Fattah] Sissi, a brutal but inept dictator whose regime blames Ethiopia for water shortages that are largely of Egypt's own making." Fortunately, the Post says, "other mediators are available. ... But its job will have been made more difficult by Mr. Trump, who has added fuel to nationalist passions in the three countries."

USA Today: Trump's Foreign Policy Shows "Self-Aggrandizing Showmanship."

In an editorial, USA Today (10/26, 10.31M) says that, "with a few exceptions," President Trump's foreign policy – "from China to Iran to North Korea and beyond – has been littered with the same one-dimensional thinking and self-aggrandizing showmanship fundamental to his style of leadership." USA Today cites America leaving the Paris climate accord, dissolving the Iran nuclear deal, and leaving the Trans-Pacific Partnership – as well as its withdrawal from the WHO at the height of a pandemic – as examples of this, adding that he has also "bruised US relationships with traditional allies, while currying favor with autocrats in China, Russia and Turkey." Even his successes, the board says, are fictional or come with asterisks. Former Vice President Joe Biden, meanwhile, "brings some of the most extensive foreign policy experience of any presidential candidate, including as a lead operative for the Obama administration on areas of conflict...where Trump has struggled to succeed."

Retired US Generals: Trump's Isolationism Weakens America, Strengthens Enemies. In an accompanying op-ed for USA Today (10/26, 10.31M), National Security Leaders for Biden members retired Maj. Gen Michael Lehnert and retired Lt. Gen. Richard Kelly say Trump's "America First" policies have created a "backward march of diplomacy" and are "progressively weakening America." Such moves, they say, "will only embolden rogue nations, global terrorists and nonstate actors who threaten to dismantle our democracy and way of life and the world order." They conclude by saying, "We have a moral obligation to return America to a leadership position in partnership with other nations to get us through the crisis at hand, restore international cooperation and respect, and above all to maintain peace and prosperity."

Housing

GSEs' Q3 Earnings Expected To Be Strong.

Behind a paywall, Inside Mortgage Finance (10/26, Muolo, Subscription Publication) reports, "With mortgage originations and securitization rates breaking into record territory in the third quarter – and with the yield on the 10-year Treasury staying in a tight range – it stands to reason that Fannie Mae and Freddie Mac should post stellar results for the period ending Sept. 30." According to IMF, "In the July-September cycle, Fannie pumped out a stunning $383.8 billion in agency MBS, almost double what it produced in the first quarter. Freddie was no slouch either, guaranteeing $321.9 billion, up an astounding 146.9%." Sequentially, "the MBS gains totaled 45.5% for Freddie and a modest 11.9% for Fannie."

MBA: Forbearance Share Declined 2bps In Week Ending October 18, Led By Improvement At GSEs.

HousingWire (10/26, Roha, 23K) reports the nation's mortgage forbearance rate "fell slightly" from 5.92% to 5.9% last week, according to the Mortgage Bankers Association. The GSEs' forbearance rate. Dipping from 3.77% to 2.72%, led the decline. This was the 20th consecutive week in which the GSEs' forbearance rate has fallen. However, HousingWire reports, "the GSEs' drop was offset by the rate for Ginnie Mae loans, which include loans backed by the Federal Housing Administration, rising 3 basis points to 8.17%, and the forbearance share for portfolio loans and private-label securities (PLS) increasing by 4 basis points to 8.90%." The MBA estimated that around 3 million homeowners are in forbearance plans, with a quarter of the loans in the initial stage and 73% in a forbearance extension.

National Mortgage News (10/26, Centopani) reports MBA Chief Economist Mike Fratantoni said, "There continues to be a steady improvement for Fannie Mae and Freddie Mac loans, but the forbearance share for Ginnie Mae, portfolio, and PLS loans all increased. This is further evidence of the unevenness in the current economic recovery. The housing market is booming, as shown by the extremely strong pace of home sales last week. However, many homeowners continue to struggle, as the pace of the job market's improvement has waned." Also reporting are Mortgage News Daily (10/26, Swanson), and Calculated Risk (10/26, McBride).

Supreme Court Receives Last Major Brief In Collins v. Mnuchin.

Behind a paywall, Inside Mortgage Finance (10/26, Hollier, Subscription Publication) reports that the Supreme Court "has received one of the last major filings in Collins v. Mnuchin, the case that could determine the future of the government's net worth sweep of Fannie Mae and Freddie Mac profits and whether the structure of the Federal Housing Finance Agency is constitutional." According to IMF, "The brief, filed

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mid-month, is the work of Aaron Nielson, the former law clerk for Associate Justice Samuel Alito picked by the court to argue in support of the position that the single-director structure of the FHFA does not violate the separation of powers principle. That was the original position of the FHFA, no longer defended by the agency." IMF says that although Nielson's amicus curiae filing is "tightly reasoned and well organized," it is "widely viewed as futile," in part "because of the court's recent decision in Seila Law v. Consumer Financial Protection Bureau."

SCOTUS Told FHFA's Structure Does Not Delegitimize GSE Net Worth Sweep. Mostly behind a paywall, Law360 (10/26, Subscription Publication, 8K) reports the Administration "told the U.S. Supreme Court on Friday that while the Federal Housing Finance Agency's single-director independent leadership structure is unconstitutional, that's no reason to strike down the government's so-called net worth sweep of Fannie Mae and Freddie Mac as investors in the two mortgage giants are insisting." According to Law360, in a brief to the Supreme Court, the DOJ "said the for-cause removal protection given to the FHFA's sole director does violate the separation of powers, agreeing with a group of Fannie and Freddie investors that have attacked the agency's structure as nearly identical to [that of the CFPB."

Freddie Mac's Mortgage Portfolio Grew An Annualized 17.5% In September.

Seeking Alpha (10/26, Dalal, 512K) reports that for September, Freddie Mac reported its total mortgage portfolio grew at an annualized rate of 17.5%. In its mortgage portfolio, Freddie's single-family refi-loan purchase and guarantee volume stood at $70.9 billion in September, making up "69% of total single-family mortgage portfolio purchases and issuances." According to Seeking Alpha, Freddie Mac's mortgage-related securities and other mortgage-related guarantees "increased at an annualized rate of 18.6% in September." Its single-family delinquency rate "decreased from 3.17% in August to 3.04% in September," while its multifamily delinquency rate" remained flat at 0.13%."

Freddie Mac's Palmer: Servicers Should Focus On "Three Cs Of Post-Forbearance."

In a sponsored piece for HousingWire (10/26, 23K), Freddie Mac Single-Family SVP Kevin Palmer advises servicers to focus on the "three Cs" when helping struggling borrowers following the end of their forbearance period: "communicate, consider, and confirm." Palmer says that "clear, concise communication with the homeowner is key." Servicers should consider when the forbearance plan will end, as well as whether or not the homeowner's hardship is resolved. Servicers should also confirm that homeowners "understand the long-term impacts of the post-forbearance option," as well as "ensure they are clear on what's expected from them." Palmer says Freddie Mac "developed a detailed call script, as well as a servicer eBook to help have clear and concise communication with homeowners." Freddie also "partnered with HousingWire to educate the industry about forbearance and post-forbearance options," providing a web page with more information.

JLL Secures Freddie Mac Loan For Portland LIHTC Community.

According to Multifamily Biz (10/26), JLL Capital Markets secured a "17-year, 35-year amortization loan through Freddie Mac" for Innovative Housing, Inc. to purchase Center Village Apartments, a "60-unit affordable Low-Income Housing Tax Credit community in Northeast Portland, Oregon."

Federal Court Stops Launch Of HUD Implementing New Antidiscrimination Rule.

Politico (10/26, O'Donnell, 4.29M) reports Judge Mark Mastroianni of the US District Court for the District of Massachusetts "has issued a preliminary injunction to stop the Department of Housing and Urban Development from implementing a rule that would have made it harder to bring discrimination claims under the Fair Housing Act." The rule, "set to take effect Monday, would have required plaintiffs to meet a higher threshold to prove unintentional discrimination, known as disparate impact." The new rule – "an update to the agency's 2013 disparate impact rule – would also have given defendants more leeway to rebut the claims." Mastroianni wrote, "These significant alterations, which run the risk of effectively neutering disparate impact liability under the Fair Housing Act, appear inadequately justified."

Sen. Sherrod Brown Urges CFPB's Kraninger To Prevent Wrongful Foreclosures.

Mortgage Professional America (10/26, Smith) reports Sen. Sherrod Brown (D-OH), ranking member of the Senate Banking Committee, is "calling on [CFPB Director Kathleen Kraninger] to make sure the CFPB does more to prevent wrongful foreclosures in the wake of the COVID-19 pandemic." In a letter to Kraninger, Brown wrote, "Some borrowers will be able to resume their regular payments by using the deferral or partial claim processes set up by Fannie Mae, Freddie Mac, FHA, or their private lender, in part because the [CFPB's] June 2020 Interim Final Rule made changes in the servicing process to facilitate deferral. But other borrowers will be unable to resume their prior payments and will need more time to enter a modification with their servicer to make their payments more affordable." Brown warned that the number of borrowers servicers will need to contact could make it "difficult to ensure that outreach is timely, successful, and meets program requirements."

Moody's: Bid-Ask Spread Widens In CRE.

Multi-Housing News (10/26, Baltic) reports that a "rise in cap rates will cause commercial real estate values to drop from 7 to 9 percent in the multifamily and industrial sectors and by 20 percent or more for office, retail and hospitality asset types, a new white paper from Moody's Analytics REIS predicts." Moody's reported transaction volume fell around 40% YoY in Q2, and the MBA expects commercial mortgage originations to dip even more. Moody's said it believes "the ongoing uncertainty fuels a bid-ask spread that remains wide." According to

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Moody's, potential CRE buyers and sellers have "significant differences of opinion on future rents, occupancies, business prospects, and, ultimately, expectations of net cash flow going forward. Owners prefer to value properties on pre-COVID-19 performance with little consideration of current capital market conditions, while opportunistic buyers tend to take the opposite view."

Servicing Transfers Bog Down In Q3, With GSE Flow Transactions Driving Activity.

Behind a paywall, Inside Mortgage Finance (10/26, Bancroft, Subscription Publication) reports that the "secondary market for mortgage servicing rights came to a near standstill" in Q3, "kept alive largely by flow transactions involving Fannie Mae and Freddie Mac product." Just "$70.81 billion of MSR changed hands in the third quarter," the "lowest total" since IMF "began tracking the market in 2015." IMF says most of Q3's servicing sales "came through coissuance arrangements associated with new mortgage-backed securities issuance by the two government-sponsored enterprises." According to IMF, "GSE sellers sold $51.58 billion of servicing in such transactions, which accounted for 72.8% of total MSR transfers during the period."

MISMO Upgrades Logical Data Model.

Mortgage Professional America (10/26, Mendoza) reports MISMI, the Mortgage Industry Standards Maintenance Organization, has "expanded the capabilities of its logical data model (LDM) to make it easier for organizations to communicate with their business partners." According to MPA, "The data model was built using Unified Model Language, a common standard that helps users specify, visualize, construct, and document software or business systems. The upgraded LDM can now support any technology a mortgage company may choose to use. MISMO has also created a set of user guidelines to help industry participants adopt and implement the LDM in their business processes." In addition, MISMO "said it is in the process of developing an LDM-specific logical data dictionary to accompany the LDM, which is expected to be available soon." National Mortgage Professional (10/26, Persaud) also reports.

Commerce Department: US New Home Sales Up 32% YoY, Down 3.5% MoM In September.

Reuters (10/26, Mutikani) reports sales of new US single-family homes "unexpectedly fell in September after four straight monthly increases, but the housing market remains supported by record low mortgage rates and demand for more space as the COVID-19 pandemic drags on." On Monday, the Commerce Department reported new home sales fell 3.5% to a seasonally adjusted annual rate of 959,000 units in September. According to Reuters, "August's sales pace was revised down to 994,000 units from the previously reported 1.011 million units. Economists polled by Reuters had forecast new home sales, which account for about 12.8% of housing market sales, rising 2.8% to a rate of 1.025 million units." Despite the decline, HousingWire (10/26, 23K) reports, this remained "32.1% above the September 2019 estimate of 726,000." According to Reuters, low rates are fueling demand and bolstering home prices. The median new house price rose 3.5% to $326,800 in September from a year prior, and Freddie Mac reported the 30-year FRM's average stands at just 2.80%.

Potentially behind a paywall, Bloomberg (10/26, Rockeman, 4.73M) reports, "The number of properties sold for which construction hadn't yet started increased to 319,000 in September, the highest in 14 years and a sign construction will remain robust in coming months." However, "The supply of new homes ticked up slightly while remaining extremely tight. At the current sales pace, it would take 3.6 months to exhaust the supply, compared with August's 3.4 months that was the lowest in data back to 1963." Mortgage Orb (10/26, Bates) provides additional coverage.

Realtor.com Digs Into Red State/Blue State Differences In Housing Data.

DS News (10/26, Babb) reports that researchers at Realtor.com are trying to "help anticipate results" of the presidential election, analyzing internal data via "metrics for home and rental price, price appreciation, home size, and inventory." Realtor.com Chief Economist Danielle Hale said, "Life can be really different, depending on where you live." Realtor.com's economists found blue-state residents pay more in rent, red-state residents have larger homes, and differences in housing can contribute to political stances. In addition, according to Hale, "owning a home literally gives people a stake in the ground, and that seems to translate into [more of] an incentive to vote."

Michel: Biden Presidency Could Shift GSE Reform.

Writing for Forbes (10/26, 9.71M), Norbert Michel of the Heritage Foundation considers what impact a Biden presidency could have on GSE reform. According to Michel, under Director Mark Calabria, "the FHFA has proposed a new capital framework for Fannie and Freddie, one that helps prepare them to go back into the 'private' market," and it "seems like a safe bet that a second Trump administration would continue on this path." However, reporting from the Wall Street Journal suggests that Democrats are in no rush to return the GSEs to private ownership, and Biden's housing-policy blueprint calls for a $20 billion boost to the Housing Trust Fund. Michel claims that Biden "plans to charge single-family borrowers thousands of dollars to support public housing," and that a "Biden administration will most likely try to weaken many of the reforms undertaken by Calabria's team at the FHFA. But that process will take time. It will be difficult to completely undo, for example, new GSE capital requirements."

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Bradley Attorneys Share Tips For Navigating Mortgage Servicing In Post-Forbearance Period.

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Writing for the ABA Banking Journal (10/26), Bradley partner Jason Bushby and associate Greg Pipes share tips for "servicing in the age of

COVID-19," with a focus on the "post-forbearance" period. The duo identify four "common" post-forbearance scenarios: reinstatement, repayment, payment deferral/partial claim, and loan modification. They cover "compliance considerations" and "investor/insurer requirements" that "play a critical role in servicers' post-forbearance approach," stating that "Fannie Mae, Freddie Mac and the Federal Housing Administration were the first major industry players to step in and attempt to fill the post-forbearance void left by the CARES Act." Finally, the duo cover federal law and the CFPB's interim final rule on pandemic-related loss mitigation options, and state law applicable in the "post-forbearance landscape."

Markets

10-Year Yield Falls.

MarketWatch (10/27, 1.67M) reports the 10-year Treasury yield fell to 0.802 percent.

Dollar Falls.

Reuters (10/27) reports, "The dollar handed back some recent gains against most of its major rivals on Tuesday, as strong regional economic data helped to offset worries about a second wave of COVID-19 cases in Europe and the United States." Against a basket of currencies, the dollar fell 0.1%. The dollar "was lower by about the same margin on the euro, yen and pound and it slipped a little bit further against the Aussie and kiwi."

Gold Gains.

Reuters (UK) (10/27, Anupa Soreng) reports, "Gold prices rose on Tuesday as a weaker dollar and a fresh wave of coronavirus infections threatened to further slow down a global economic recovery from the COVID-19 pandemic, bolstering bullion's safe-haven appeal." Spot gold "rose 0.2% to $1,906.83 per ounce by 0705 GMT. U.S. gold futures were up 0.2% at $1,909.50."

Oil Steadies.

Reuters (10/27) reports, "Oil prices eked out small gains on Tuesday after recent sharp losses, but sentiment remained subdued as a surge in global coronavirus cases hit prospects for crude demand while supply is rising." Brent crude "was up 19 cents, or 0.5%, at $40.65 a barrel by 0324 GMT," while US oil "gained 15 cents, or 0.4%, at $38.71 a barrel."

Cybersecurity

Huawei CFO To Question Police Searches In Upcoming Court Hearing.

Bloomberg (10/26, Pearson, 4.73M) reports that Winston Yep, the "Canadian police officer who arrested" Huawei CFO Meng Wanzhou "at the behest of the U.S. provided a glimpse Monday into a 36-hour sequence of events that set off an unprecedented diplomatic crisis with China." The RCMP constable "told a British Columbia judge Monday that border agents had wanted to question her, and since they had jurisdiction at the airport, police held back." Meng is accusing "Canadian border agents, police" and the FBI "of unlawfully using the pretext of an immigration check to get her to disclose evidence that may be used against her."

AFP/Courthouse News (10/26, 2K) reports that Meng "returns to a Canadian court Monday as part of her two-year fight against extradition to the United States, with her lawyers expected to renew objections to the way in which she was detained." She was "arrested on a U.S. warrant in December 2018 during a stopover in Vancouver" and is "charged with bank fraud related to violations of U.S. sanctions against Iran, and has been fighting extradition ever since." Meng"s lawyers are arguing Candian law enforcement "violated her rights in questioning her and searching her devices in the three hours after she disembarked from the Hong Kong flight but before her arrest."

Also reporting is The Guardian (UK) (10/27, Wintour, 4.19M).

Healthcare Institutions, Hospitals Brace For Cyberattacks During Fall Wave Of Coronavirus Cases.

The Hill (10/26, 2.98M) reports, "Hospitals and health care institutions preparing for a fall wave of coronavirus cases are bracing for more cyberattacks after hackers seeking to take advantage of the pandemic launched several successful attacks this year that severely disrupted patient services." Such "attacks have been widespread around the world, hitting health care groups during the worst public health crisis in a century." Greg Singleton, the director of HHS's Health Sector Cybersecurity Coordination Center, said during a virtual appearance at CyberScoop's CyberTalks conference on Friday, "Ransomware will continue to be a sectoral nuisance." Agencies including CISA, the FBI, and others "have mobilized to defend the health care sector, helping prevent potentially much graver attacks."

Western Powers Intensifying "Gray War" With Countries Behind Cyber Attacks.

Voice of America (10/26, 48K) reports that Mark Sedwill, former national security adviser UK Prime Minister Boris Johnson, "has revealed that Britain has launched recently a series of covert cyber-based attacks on Russian leaders and their interests to 'impose a price greater than one they might have expected' for their cyber-offensive against the West." The US is among other countries also doing so, say Western intelligence officials." In a recent interview, "Sedwill underscored that Britain is using its cyber-offense capabilities to retaliate for Russian

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cyberattacks, information warfare and disruption campaigns." The UK, US and allied countries "are increasingly taking the gloves off in an intensifying 'gray war' with Russia, as well as with Iran, China, and North Korea.'" The indictments by the US last week of "six Russian military intelligence operatives for a series of cyber-attacks" were "the result of prolonged investigations by FBI analysts in cooperation with Google, Cisco, Facebook and Twitter as well with allied Western intelligence agencies, including Britain's."

Norwegian Security Agencies Coordinating After Cyber Attack On Parliament.

Computer Weekly (10/26) reports that Norway will "implement a more robust plan to scale up its IT security infrastructure against the backdrop of increasingly malicious attacks from cyber space." Recently, a "high-profile cyber attack...targeted the email system at the Norwegian parliament." The Scandinavian country "accused Russia of launching the attack, but Moscow has denied any involvement." The investigation was "handed to the Joint Cyber Coordination Center (Felles Cyber Koordinerings Senter), which can draw on security experts from the National Security Authority, the Police Security Service, the Intelligence Service and Kripos, the national criminal investigation service." An annual threat assessment from the Police Security Service this year "warned government organisations and private companies about the potential for a higher rate of so-called advanced persistent cyber threats from 'foreign state-controlled bad actors.'"

White House Exploration Of Government-Run 5G Network Gets Pushback.

The Hill (10/26, Gangitano, 2.98M) reports, "The Trump administration is getting pushback from industry groups, both sides of the aisle and even internally about the Pentagon's moves toward" a government-run 5G network. Trump's Chief of Staff, Mark Meadows, "is reportedly leading a pressure campaign for the White House's favored candidate, wireless company Rivada Networks, in its efforts to construct a 5G network, though Rivada says such a network should not be government-owned." Administration officials "are reportedly alarmed at Meadow's efforts to get" DOD "to fast-track the process toward a request for proposal (RFP) on nationalized 5G." However, Meadows said, "DOD is exploring the idea of owning and operating a 5G network on military bases."

Federal Reserve

Fed Energy Bond Purchases Draw Scrutiny.

Behind a paywall, the Wall Street Journal (10/26, Derby, Subscription Publication, 7.57M) reports the Fed's purchase of energy bonds continues to draw scrutiny. Fed officials say the purchases are part of their broader efforts to support corporate borrowing amid the coronavirus pandemic.

Financial Regulatory Agencies

Former CFPB Director Cordray Believed To Be On Biden's Short List To Head The Watchdog.

CNBC (10/26, Iacurci, 3.62M) reports, "The Consumer Financial Protection Bureau has languished during the Trump administration, making it likely that Biden, if elected, would make leadership changes, according to consumer advocates." CNBC says among the possible directors on Biden's short list, "according to CFPB experts and insiders, some of whom are privy to deliberations among the transition team," is Richard Cordray, former Obama-appointed director of the bureau. FTC Commissioner Rohit Chopra, Rep. Katie Porter (D-CA), and Georgetown University law professor Adam Levitin are also believed to be on the short list to helm the agency.

Internal Revenue Service

IRS Pushing To Finalize Stimulus Payment Distribution As Negotiations For Second Round Stall.

The Washington Post (10/26, Singletary, 14.2M) reports, "As negotiations for a second stimulus payment falter, the IRS is pushing to finish distributing payments to people who have yet to receive relief funds authorized earlier this year." Nearly "9 million people have yet to collect a stimulus payment, because they don't typically file a tax return, according to the agency." The Post adds that in order "to have enough time to issue stimulus payments before the end of the year, the IRS set Nov. 21 by 3 p.m. Eastern time as the deadline for people to use" its non-filers tool, created for "Americans who earn too little to file a tax return but are eligible for a stimulus payment."

Fox Business (10/26, Henney, 1.73M) also reports.

IRS Nearly Finished Finalizing Major 2017 Tax Cut Bill Regulations.

Behind a paywall, Law360 (10/26, Subscription Publication, 8K) the Treasury Department and the IRS "will likely reach their goal of finalizing all of the major regulations related to the 2017 federal tax overhaul by the end of..."

Office of the Comptroller of the Currency

OCC Will Soon Propose New CRA Scoring Benchmarks, Brooks Says.

American Banker (10/26, Pedersen, Subscription Publication, 31K) reports Acting Comptroller of the Currency Brian Brooks on Monday said his agency will soon propose a scoring framework that would determine the minimum standards banks must meet under the Community Reinvestment Act. During a virtual event hosted by the Women in Housing and Finance, Brooks said, "In terms of starting our work, we now

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have a more or less completed draft of this document that is going through final internal review. ... I would expect that's going to be released in the next week or 10 days, so that'll be up very soon." The new scoring benchmarks "are the final major piece of the OCC's effort to modernize the law, which the agency has undertaken without the backing of the Federal Deposit Insurance Corp. and Federal Reserve."

Senate Fails To Overturn OCC's CRA Revamp. In continuing coverage, Inside Mortgage Finance (10/26, Yang, Subscription Publication) reports behind a paywall that the Senate voted against overturning the OCC's CRA rule.

OCC To Use New Data To Reach Underbanked.

Bank Innovation (10/26, Morgan) reports behind a paywall that the OCC "wants to use new data sources to determine creditworthiness and give underbanked consumers a leg up into the financial system."

Wall Street Hopes Trump-Appointed Regulators Will Provide Insulation From Potential "Blue Wave."

Bloomberg (10/26, Light, Bain, 4.73M) reports, "Wall Street executives fretting that Democrats will sweep the White House and Congress can take comfort – some of the Trump era's most bank-friendly regulators might stick around no matter how the election goes." Because these possible holdovers "work at independent watchdogs that are supposed to be insulated from politics, they can resist pressure to step down, and a President Joe Biden would have almost no legal recourse to remove them." These officials "could at least temporarily block their fellow regulators from pursuing policy goals" of progressives "whose wish lists include re-instituting tough financial rules that have been eased during Donald Trump's presidency." Bloomberg adds, "Trump's presidency showed how effective squatters can be in slowing down regulatory agendas." In the first 17 months of the Trump Administration, the FDIC was led by Obama appointee Martin Gruenberg. During that period, "efforts to ease constraints on banks were often stymied because significant changes are traditionally approved jointly by the Fed, FDIC and Office of the Comptroller of the Currency."

Analysis: Election's Impact On Crypto Industry Will Come Through Regulators.

CoinDesk (10/26, 41K) reports that the 2020 US presidential election "will shape crypto policy for the next four years," although none of the candidates are "pitching crypto-specific positions." President Donald Trump "has publicly bashed bitcoin, tweeting that he is 'not a fan' of the cryptocurrency," while former Vice President Joe Biden "hasn't made any public statements on it." As such, CoinDesk says, "The election's most direct impact on crypto policy will likely come through the federal regulators the President will appoint and the Senate will confirm." The heads of the OCC, SEC, and CFTC, as well as the secretaries of Treasury and State "are just a few individuals who shape the U.S. government's approach to crypto." The direction of the OCC – which CoinDesk says "has made a number of waves since current Acting Comptroller Brian Brooks has taken office" – is unclear, according to industry lobbyist Ron Hammond. "I haven't heard any names, Republican or Democrat," he said.

OCC Allows Banks To Provide Crypto Services. Forbes (10/26, 9.71M) reports in continuing coverage that the OCC in July "released a notice letting banks provide a variety of services for assets issued on a blockchain, especially stablecoins that are faster and cheaper to transact than traditional currency, but backed by real-world assets like the U.S. dollar, making them more stable than bitcoin and most other cryptocurrencies."

Interview: Wyoming's Governor Discussing Crypto Banking Law. CoinDesk (10/26, 41K) reports that the "biggest challenge going forward" for Wisconsin's "lead in the blockchain space will be seeing how the federal government responds to the regulatory scheme the state is creating, [Gov. Mark] Gordon told CoinDesk" in an interview. The Wyoming Division of Banking issued its first-ever special purpose depository institution (SPDI) charter to Kraken Financial last month. But Wyoming's SPDI charter "could still be affected by the U.S. Office of the Comptroller of the Currency's (OCC) future decisions on national banks safeguarding crypto, and by other decisions Congress makes in response to large projects like Facebook's Libra." Wyoming Banking Commissioner Albert Forkner "said the Wyoming Division of Banking will work to ensure state law is not too dissimilar from what the federal government does in the future so that Wyoming doesn't cause confusion for banks."

Freeman: Biden Would Make It Harder For Energy Projects To Secure Financing.

In his column for the Wall Street Journal (10/26, Subscription Publication, 7.57M), James Freeman says that Joe Biden's energy policies would likely make it more challenging for US energy projects to secure financing from large banks. Freeman notes that Acting Comptroller of the Currency Brian Brooks is seeking information from banks that have halted financing of new Arctic oil projects.

Editorial Wrap-Up

New York Times.

"The Republican Party's Supreme Court." The New York Times (10/26, 18.61M) editorializes, "What happened in the Senate chamber on Monday evening was, on its face, the playing out of a normal, well-established process of the American constitutional order: the confirmation of a president's nominee to the Supreme Court. But Senate Republicans, who represent a minority of the American people, are straining the legitimacy of the court by installing a deeply conservative jurist...to a lifetime seat just days before an election that polls suggest could deal

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their party a major defeat."

Washington Post.

"If Pennsylvania Republicans Do The Right Thing, They Might Avert An Election Day Disaster." The Washington Post (10/26, 14.2M) says that in order to avoid confusion on Election Night and possible "disaster" in the aftermath, Pennsylvania should lift rules "barring election officials from even starting to process, let alone count, mail-in ballots before Election Day. County election officials have begged the legislature to allow them before Nov. 3 to begin sorting and verifying mail-in ballots."

"Trump Should Be Mediating The Dispute Over The Nile Dam. Instead He Is Inciting War." The Washington Post (10/26, 14.2M) says the dispute between Egypt, Ethiopia, and Sudan over "an enormous dam Ethiopia is building on the Blue Nile river" is one that the US "ought to be helping to solve." The US "initially tried to mediate" among the three countries "earlier this year," and "most experts believe a solution is possible: The countries must agree on how quickly the reservoir behind the dam is filled and how water supplies will be managed during future droughts." However, "rather than play honest broker, Mr. Trump sided with [Abdel Fattah] Sissi, a brutal but inept dictator whose regime blames Ethiopia for water shortages that are largely of Egypt's own making." Fortunately, the Post says, "other mediators are available. ... But its job will have been made more difficult by Mr. Trump, who has added fuel to nationalist passions in the three countries."

"Trump Is Right: He Can't Contain The Virus. But A Better President Could." The Washington Post (10/26, 14.2M) says the White House last week responded to the coronavirus "as it has from the start, in pathetic surrender," but "it does not have to be this way." The Post asserts President Trump's leadership has shown "what the American people don't know can hurt them," and concludes that until an effective vaccine or therapy has been developed, "virus hot spots need a rapid response, including temporary shutdowns where necessary to slow transmission. A nationwide mask mandate would help immensely. Shortages in personal protective equipment must be alleviated. Once the raging community spread is reduced, a massive drive to test, trace and isolate the sick could begin to keep infections at a low level. All of this will require leadership – which is another way of saying it will require a different president."

Wall Street Journal.

"Justice Barrett Joins The Court." The Wall Street Journal (10/26, Subscription Publication, 7.57M) says Democrats' attacks on Amy Coney Barrett were demagoguery and that Republicans did their duty in confirming a qualified nominee.

"How 50 Cent Becomes 20 Cent." The Wall Street Journal (10/26, Subscription Publication, 7.57M) says rapper 50 Cent endorsed President Trump last week because he opposes Joe Biden's plan to raise taxes on individuals making more than $400,000 and apply the 12.4% Social Security payroll tax on earnings above that amount only to retract on Sunday. The Journal suggests he did so because he was concerned the loss of revenue due to outrage from the left would cost him more than Biden's tax plan.

"Nevada Does A California." The Wall Street Journal (10/26, Subscription Publication, 7.57M) says that Nevadans are facing a vote on requiring that state utilities generate half their electricity from renewable resources by 2030; however, this measure would result in higher energy costs as well as shortages.

"Behold The Mighty Ant." The Wall Street Journal (10/26, Subscription Publication, 7.57M) says China's government has aided Alibaba co-founder Jack Ma by keeping away foreign competitors and investors in Ant are betting China will continue its protectionism. The Journal adds that investors will also be betting on the Chinese government, which will also be a shareholder thorough a state pension fund and state-owned enterprises.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Ant Group To Raise More Than $34 Billion In Record IPO
Amy Coney Barrett Sworn In As Supreme Court Justice
Stocks Slide On Coronavirus Uptick, Fading Stimulus Hopes
Pandemic Fatigue Is Real – And It's Spreading
Need A Pandemic Puppy ASAP? Call The Bernedoodle Delivery People
Can Gap Escape The Whirlwind? New CEO Confronts Years Of Decline

New York Times:

Senate Confirms Barrett, Delivering For Trump And Reshaping The Court
Colleges Slash Budgets In The Pandemic, With 'Nothing Off-Limits'
Why NYC's Economic Recovery May Lag The Rest Of The Country's
They Did Not Vote In 2016. Why They Plan To Skip The Election Again.
Black Senate Candidates In The South Tell Democrats To 'Meet The Moment'

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Washington Post:

On Judiciary, A Future Playbook For Democrats
Hospitals Nationwide See Flood Of Patients
Senate Confirms Barrett To Supreme Court, Cementing Its Conservative Majority
VMI Leader Quits Amid Allegations Of Racism
Trump Emboldens The Rise Of Patriot Churches
Justices Block Extension Of Vote-Counting In Wisconsin

Financial Times:
All The President's Debts: To Whom Trump Owes Money
China's Ant Group To Raise More Than $34BN In Record IPO
Italy's Statist Instincts Resurface Under The Cover Of Covid
Russia Makes Missile Offer In Effort To Restart Talks On Arms Control

Washington Times:
Senate Confirms Amy Coney Barrett, Gives Trump 3rd Supreme Court Justice
Surprise: Supreme Court Fight Not Resonating In High-Stakes Senate Races
Trump Says Pennsylvania Gas Industry Faces 'Death Sentence' Under Biden
High Stakes: Netanyahu, Israelis Closely Watching US Election With Nervous Hearts
Coronavirus Case-Fatality Rate Down Despite Surge In Cases

Story Lineup From Last Night's Network News:
ABC: Campaign Trail; Jared Kushner-Black Community Comments; Early Voting; COVID-Cases; California-Wildfires; SCOTUS Seat; Economy; Hurricane Zeta; Arnold Schwarzenegger-Heart Surgery Recovery; NASA-Water On Moon.
CBS: Campaign Trail; Early Voting; Suburban Women Vote; COVID-Cases; California-Wildfires; SCOTUS Seat; Sen. Harris-SCOTUS; 2020 Election-Georgia; Hurricane Zeta; Murder Hornets; NFL-Head Coach of Washington Football Team Beats Cancer.
NBC: Campaign Trail; Jared Kushner-Black Community Comments; SCOTUS Seat; COVID-Cases; California-Wildfires; Hurricane Zeta; 2020 Election-Las Vegas; Mail-In Voting; Murder Hornets; COVID-Heart Damage; NASA-Water On Moon.

Network TV At A Glance:
Campaign Trail – 9 minutes, 40 seconds
COVID-Cases – 7 minutes, 35 seconds
California-Wildfires – 4 minutes, 25 seconds
SCOTUS Seat – 3 minutes, 45 seconds
Hurricane Zeta – 1 minute, 30 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: SCOTUS Seat; California-Wildfires; COVID-Cases; Philadelphia-Man With Knife Shot & Killed By Police.
CBS: SCOTUS Seat; Early Voting; COVID-Cases; California-Wildfires; NASA-Water On Moon.
FOX: SCOTUS Seat; California-Wildfires.
NPR: SCOTUS Seat; Campaign Trail; SCOTUS-Wisconsin Ballots; California-Wildfires; Wall Street.

Last Laughs

Late Night Political Humor.

Trevor Noah: [On NASA astronaut Kate Rubins voting from the International Space Station] "This year, voters are not waiting till the first Tuesday in November to cast their ballots. ... That's super cool. An astronaut voted in space? Wow. Still weird that she had to wait in line for 10 hours, but that's cool. "

Trevor Noah: "I don't know if this was the kind of story that would inspire people to vote just because an astronaut did. It's easy to vote in space. What do you have? Nothing, no responsibilities. Down here, we have to work, we have to check Instagram every 20 minutes. In space, you float around, talk to some guy in Houston. You're living the dream."

Trevor Noah: "Even with the long lines, even with the suppression, America is still hitting record levels of early votes. There are so many early votes that the President could already have been decided and we just don't know it. It's like the week before Christmas when your parents have already bought your gift and you weren't allowed to find out what it is. So it could be a brand-new President – or it's the same

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one as last time!"

Trevor Noah: "With election day so close, the big issue on everyone's mind is still the coronavirus pandemic, which is funny, because when you think about it, this whole year everybody has been 'wait for an October surprise,' and turns out the October surprise is we're still talking about the same [stuff] we were talking about in March. Surprise!"

Trevor Noah: "Last week, Democratic candidate Joe Biden announced that he will push a nationwide mask mandate, deploy the Defense Production Act to drive the manufacture of PPE, and begin testing seven million people each day. And then President Trump revealed his take on the pandemic: Boring!"

Trevor Noah: "It's weird Donald Trump is saying this when he's still the one talking [about things] from 2015. 'COVID, COVID, COVID – I'm so bored! Why isn't anyone talking about Hillary's e-mails? Keep up with the times, people!'"

Trevor Noah: "How does the President not get it? People are still talking about COVID because people are still dying from COVID. Imagine if the captain of the Titanic had this attitude. 'All anyone is talking about is drowning, drowning, drowning, as if tonight's not all-you-can-eat shrimp night at the dining hall!'"

Trevor Noah: "I know what you're thinking. If Trump is tired of hearing about COVID on the TV news, there's actually something that he could do about it: Just turn off the TV. But even that might not work because these days, the news is coming from inside the house. ... The Vice President, head of the coronavirus task force, has COVID all over his office. It's like finding out the Flash came in second in a marathon. I don't care where he's from; you're supposed to be the Flash."

Trevor Noah: "Honestly though, people, I'm not mad at Pence. I'm just disappointed in him. Because I get Trump not following the rules. We know he can't read. But don't tell me Mike Pence can't follow strict protocols. That dude's rules about being around women are more complicated than rules for meeting the Queen."

Trevor Noah: "Even after he's been exposed to the virus, Mike Pence is still going to campaign. ... Who the hell is going to a rally with Mike Pence if that might give you coronavirus? I know people go to Trump rallies after he got COVID, but that's Trump. His rallies are fun. That's worth getting corona for. No one wants corona from Mike Pence, especially because he already makes you feel like you have corona. After he talks, you're exhausted, it's hard to breathe, and you just want to lie down."

Trevor Noah: "But turns out there's actually a very good reason that the White House isn't following guidelines for preventing the spread of the virus. They just don't want to."

Trevor Noah: "So the plan is to just let coronavirus spread freely throughout America? It's interesting how Trump's people are about this, you know, because with an immigrant child who came over the border, they are like, 'Zero tolerance! One is too many! We have to deport!' But with a virus killing hundreds of thousands of Americans, they're like, 'Look, man, the virus is just trying to make a better life in our lungs. Who are we to stop it?'"

Jimmy Kimmel: "Election day is a week from tomorrow. And we don't even know if we'll know who won. According to the polls, Joe Biden has a big lead. You know, it's interesting, the Republicans are saying, 'Don't pay attention to the polls, we are going to win!' And Democrats are saying, 'Don't pay attention to the polls, there's a good chance we'll lose!' So, finally, something we agree on."

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Jimmy Kimmel: "The Republican re-election strategy seems to be centered around making it as difficult as possible for us to vote. In Texas, the governor...banned additional mail-in drop-off boxes. There is only one ballot drop box per county in Texas. The biggest county in Texas

has almost five million people! One box. The governor, Greg Abbott, is apparently worried that if each county has more than one ballot box, people might put their ballots in them and have those ballots counted, which could lead to democracy."

Jimmy Kimmel: "And, of course, Trump, because he needs an excuse if he loses, keeps screaming that the early-voting effort is fixed by the government, that he runs."

Jimmy Kimmel: "Meanwhile, guess who voted early? Ivanka Trump today tweeted, 'I'll give you one guess who we're voting for.' Okay, could it be the man bankrolling your life?"

Jimmy Kimmel: "The President himself decided to vote in person this time around for a change. The President cast a vote of confidence for himself on Saturday at a library in West Palm Beach. I'm guessing it was his first visit to the library."

Jimmy Kimmel: "The President and first lady were trick-or-treatin' it up last night for the annual South Lawn Halloween bash. ... Trump did a fun thing – he had them turn off all the lights at the White House, then he put Eric and Don Jr. in a bucket on the porch with a sign saying, 'Please take both.'"

Jimmy Kimmel: "It was a family event. Guests older than two were required to wear a face covering, which explains why the President did not."

Jimmy Kimmel: "The coronavirus task force has tested positive for the coronavirus. Fortunately, the Vice President himself tested negative again. As far as we know, the virus cannot be transmitted between humans and poodles."

Jimmy Kimmel: "The White House's new plan to stop the virus is to stop trying to stop it. Yesterday, Trump's chief of staff, Mark Meadows, went on CNN, where he admitted to Jake Tapper, 'We're not going to control the pandemic.' ... This is like if you were drowning and refused to meet with the lifeguard."

Jimmy Kimmel: "Cases are surging like they haven't before, but Donald Trump is sick and tired of hearing about it. ... You know what, I think I figured it out: He's jealous of the virus. He's upset that COVID is getting more attention than he is."

Stephen Colbert: "We are eight days from the election, and excitement is spreading across the country, if by excitement you mean coronavirus. 'Cause, uh, yeah. They said the fall would get bad, and they was right. We are eight months into the pandemic, and we're all tired of it. I've already watched everything on Netflix, everything on Hulu, and, if anyone asks, everything on CBS All Access."

Stephen Colbert: "With these record numbers, we've officially entered the third wave of COVID-19 in the US. Okay, but that's a little misleading, because if you look at the chart of COVID waves, the bottom before the third wave is as high as the crest of the first wave. It's not really a third wave if the first wave never ended. It's like how every 'Rocky' movie starts with the end of the last movie. So there's technically only one, very long 'Rocky' movie. And just like Rocky, the main character talks like he's spent a lifetime getting punched in the head."

Stephen Colbert: "Hospitalizations have jumped in at least 38 states in the past week. In response this weekend, the White House dispatched Chief of Staff...Mark Meadows. Yesterday, Meadows went on CNN to reassure a worried nation that you're on your own."

Stephen Colbert: "So after eight months of not really trying, now they're just giving up. That's not good. It's like if 'Mothers Against Drunk Driving' changed its name to 'Mothers Who Realize, Hey, You Gotta Get Home From The Bar Somehow'."

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Stephen Colbert: "Of course, the most infectious part of the country is the Trump Administration. At least 30 people associated with Trump caught the virus, including the President and first lady themselves, and now at least five of Vice President Pence's aides have tested positive for the virus. ... So far, Pence has not tested positive, but the CDC recommends people stay home for 14 days following possible exposure. But Pence is going to keep campaigning anyway. The White House justifies it by claiming Pence is an essential worker. What are you talking about? He's Vice President. At best, he is vice essential. He's America's spare tire. You want him in your trunk, but you hope you never have to use him."

Stephen Colbert: "FDR's Vice President, John Nance Garner, who you never heard of because he was Vice President, once said, 'The vice presidency is not worth a bucket of warm spit.' A bucket of warm spit is, I'm guessing, what Pence gets when he orders soup in a restaurant."

Stephen Colbert: "Between Friday and today, he held 11 campaign events-- including nine rallies-- in seven states: Florida, North Carolina, Wisconsin, Ohio New Hampshire, Maine, and Pennsylvania, or as historians will call them, 'The Corona Belt.'"

Stephen Colbert: [On Trump saying that if Biden wins, there will be no more air conditioning in the summer, no heat in winter, and no electricity during peak hours] "Trump also talked about the election and tried to appeal to an important voting bloc: seniors. ... Okay, if you're just going to make stuff up to scare the oldsters, why stop there? No heat, no AC, Biden's going to pierce your granddaughter's nose, he's gonna cancel 'Wheel of Fortune,' he's going to outlaw the crocheted things you put over the toilet paper. The toilet paper is going to be naked and catch a cold!"

Jimmy Fallon: [On the White House claiming Pence is an essential worker] "Well, guys, the election is just a week away, but the White House is making news for all the wrong reasons. ... Even Joe Biden is like, 'Trust me. Being Vice President is not essential work.'"

Jimmy Fallon: "That's right, the coronavirus is spreading through the coronavirus task force. But don't worry, the White House is now forming a task force to figure out what went wrong with the task force."

Jimmy Fallon: " Seriously, it doesn't instill a lot of confidence that the head of the coronavirus task force's office got the coronavirus. It's like if the Avengers got mugged."

Jimmy Fallon: "Meanwhile, when Pence saw he was trending online, he was like, 'Oh no, do I have another fly on my head?'"

Jimmy Fallon: "Yesterday, White House Chief of Staff Mark Meadows got a lot of attention for what he said about controlling the virus. ... The White House has said, 'It is what it is, and we are not going to control it.' They talk about COVID like it's a wild teen on 'Dr. Phil.' 'We're out of ideas. Hopefully this thing calms down with age.'"

Jimmy Fallon: "Well, the White House isn't alone. Fox News is also dealing with their own outbreak. ... Dang, first Pence's inner circle gets COVID, and now Trump's. I hope none of the anchors on Fox News have the virus, 'cause if you think Sean Hannity's intense now, imagine him on steroids."

Jimmy Fallon: "Halloween is almost here, and last night, the Trumps hosted trick-or-treaters at the White House where they were greeted by two kids who dressed up like them. ... Well, at least one Trump is wearing a mask."

Jimmy Fallon: "At one point, Trump fled to his bunker when he saw a little girl dressed as Lesley Stahl."

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Jimmy Fallon: "This Halloween party was a little different. Instead of candy, Trump was handing out unapproved vaccines."

James Corden: "Of course the election is just a week away, so President Trump spent the weekend on the campaign trail where he visited an apple orchard, and as most presidents do, signed a pumpkin. Who signs a pumpkin?"

James Corden: "Then last night, the President and the first lady hosted young children at the White House for trick-or-treating. And a couple of kids really caught their attention because they were dressed as Donald and Melania. ... Melania was like, 'Oh, they're pretending to be a real husband and wife, just like us.'"

James Corden: "You have to admit the little Donald is very accurate: the hair, the red tie, the fact that neither of them have ever paid taxes."

James Corden: "Five members of Vice President Mike Pence's team, including his chief of staff, have now tested positive for coronavirus. ... Despite all of this, Pence himself still has not tested positive because even the virus isn't interested in Mike Pence."

James Corden: "This morning, [Trump] went to Twitter, and he wrote, 'The fake news media is riding COVID, COVID, COVID all the way to the election. Losers.' Yeah, how dare the news media cover the biggest story of this century. It is weird when you think about it, that we are all preoccupied with this super contagious deadly virus spreading rapidly across the country. Like, come on, get a life, guys."

Seth Meyers: "Election day is eight days away, which means we're just a few short weeks away from the Supreme Court telling us who we elected."

Seth Meyers: "President Trump tweeted today, quote, 'The fake news media is riding COVID, COVID, COVID all the way to the election. Losers.' Yeah, you're right, even after the election, they'll probably run a headline like this: 'Scientists in Germany have announced that they've measured the shortest interval of time ever recorded, and no surprise here, it was how long Trump lasted on "60 Minutes."'"

Seth Meyers: "In an interview that aired last night on '60 Minutes,' President Trump criticized correspondent Lesley Stahl for giving him tougher questions than former Vice President Joe Biden. Said Trump, 'Why didn't you ever ask Biden about his past four years as President?'"

Seth Meyers: "At the end of his rally in Ohio this weekend, President Trump danced to The Village People song 'YMCA' ... because nothing ticks all of Trump's boxes like a song about gay men partying together in low-income housing."

Seth Meyers: "At a campaign event in Maine yesterday, President Trump signed a pumpkin, so if someone could write a stimulus bill right above it, that'd be great."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks at a Make America Great Again Victory Rally in Lansing, MI; delivers remarks at a Make America Great Again Victory Rally in West Salem, WI; delivers remarks at a Make America Great Again Victory Rally in Omaha, NE.
- Vice President Pence — Campaigns in North Carolina and South Carolina, holding 'Make America Great Again!' events at Piedmont Triad International Airport, Greensboro, NC; Donaldson Airport, Greenville, SC; and Wilmington International Airport, Wilmington, NC.

***US Senate*:**

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- No events scheduled.

***US House*:**

- House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 2 Oct – 16 Nov

Location: U.S. Capitol, Washington, DC; 10:00 AM

***Cabinet Officers*:**

- Secretary of State Pompeo continues India / Sri Lanka / Maldives / Indonesia trip – Secretary of State Mike Pompeo continues trip to India, Sri Lanka, Maldives, and Indonesia, with agenda, respectively, including joining Secretary of Defense Mark Esper and their Indian counterparts in leading the third annual U.S.-India 2+2 Ministerial Dialogue in New Delhi; visiting Colombo; visiting Male; and visiting Jakarta to deliver public remarks and meet his Indonesian counterparts

***Visitors*:**

- No visitors scheduled.

***This Town*:**

- 2020 Atlantic Council-East Asia Foundation Strategic Dialogue – 2020 Atlantic Council-East Asia Foundation Strategic Dialogue online event hosted by the Atlantic Council Asia Security Initiative, to explore how the U.S. and South Korea can work together on the greatest challenges and opportunities of the post-coronavirus (COVID-19) era of U.S.-China strategic competition. Speakers include Republican Rep. Ted Yoho, former Korean Minister of Foreign Affairs and Trade Sung-hwan Kim, Korean National Assembly Lawmakers Hanjeong Kim and Jin Park, Deputy Assistant Secretary of State for Korean and Japan Marc Knapper, Korean Special Advisor to the President for Unification and National Security Affairs Chung-in Moon, and former Korean Minister for Trade Taeho Bark; *7:45 AM*
- USPS, DEA and Miss America launch Drug Free USA Forever Stamp – U.S. Postal Service releases Drug Free USA Forever stamp, during Red Ribbon Week, to raise awareness about the dangers of drug abuse and promote drug abuse prevention. Speakers at dedication ceremony include Drug Enforcement Administration Acting Administrator Timothy Shea, Postmaster General Louis DeJoy, Miss America 2020 Camille Schrier, and National Family Partnership President Peggy Sapp

Location: DEA HQ, 700 Army Navy Dr, Arlington, VA; 10:00 AM

- USAID Acting Administrator Barsa discusses religious freedom on Hudson Institute online event – 'Advancing Religious Freedom Through U.S. Foreign Assistance' Hudson Institute online discussion with USAID Acting Administrator John Barsa in observation of International Religious Freedom Day; *11:00 AM*
- Dem Reps. Cedric Richmond and Rashia Tlaib discuss Black homeownership – National Conversation on Black Homeownership virtual event, hosted by National Association of Real Estate Brokers, with speakers include Democratic Reps. Cedric Richmond and Rashida Tlaib, Michigan state Rep. Jewell Jones, National Urban League President Marc Morial, former NFL cornerback Ray Crockett, and George Washington University School of Business' Dr Vanessa Perry; *1:00 PM*
- Dem Rep. Suzan DelBene discusses technology's role in post-coronavirus economic growth – 'America's Next Tech Upgrade' U.S. Chamber of Commerce online event, on 'what is necessary during the next presidential administration to ensure technology is an accelerator for post-coronavirus (COVID-19) economic growth'. Speakers include Democratic Rep. Suzan DelBene, Federal Trade Commission Commissioner Noah Philips, Assistant Secretary of Transportation Finch Fulton, IBM Chief Privacy Officer Christina Montgomery, and Qualcomm Engineering Senior Vice President Susie Armstrong; *2:00 PM*
- Heritage Foundation online discussion on 'Operation Warp Speed' – 'The Fight to Get a COVID-19 Vaccine: The Inside Story of the Administration's Operation Warp Speed' Heritage Foundation online discussion, on the goals, the progress and the challenges involved with Operation Warp Speed, the public-private partnership aiming to produce and deliver 300 million doses of a coronavirus (COVID-19) vaccine by Jan 2021. Featured speakers include Operation Warp Speed Chief Operating Officer Gen. Gustave Perna and Head of Vaccine Development Matthew Hepburn; *3:00 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, OCTOBER 15, 2020 6:00 AM EDT

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Treasury in the News

Mnuchin Says Agreement On Coronavirus Bill Unlikely Before Election.

Reuters (10/14, Cornwell) reports Treasury Secretary Steven Mnuchin said Wednesday that he and House Speaker Nancy Pelosi are "far apart" on a coronavirus relief package and although it would be difficult to reach an agreement before the election, he would keep trying. Mnuchin, who spoke by phone with Pelosi Wednesday morning, said, "I'd say at this point, getting something done before the election and executing on that would be difficult just given where we are and the level of detail, but we're going to try to continue to work through these issues."

The Washington Post (10/14, Werner, Stein, 14.2M) reports Mnuchin, speaking at the Milken Institute Global Conference, was asked if Democrats do not want to make a deal because they do not want to give the President win ahead of the election. Mnuchin said, "I think that definitely is part of the reality. That's definitely an issue. But the President is very focused on when he wins we will need to do more. So that's part of the reason to continue to work on this. ... The clock will not stop."

The New York Times (10/14, Cochrane, Rappeport, 18.61M) says negotiators resumes talks Wednesday, "even though Democrats and Republicans remain wildly divided over the scope and size of another stimulus bill." Mnuchin said his conversation with Pelosi was "comprehensive," but he "indicated that important differences remained." The Times says Mnuchin and Pelosi spoke "for about an hour, discussing the language of the administration's latest $1.8 trillion framework as compared to House Democrats' $2.2 trillion stimulus plan, which Ms. Pelosi pushed through the House earlier this month. They agreed to speak again on Thursday."

CNBC (10/14, Pramuk, 3.62M) reports on its website that Mnuchin said the "all or nothing approach" on legislation "doesn't make sense" and "called for immediate, 'targeted' aid.'" USA Today (10/14, Wu, 10.31M) reports Mnuchin said, "There are money issues, but there's also policy issues" and added that the Administration supports "immediate help" for small businesses and airlines while negotiations continue. The Hill (10/14, Lillis, 2.98M) reports Democrats "had proposed $436 billion in aid for" state and local governments, "while the White House countered with $300 billion." Mnuchin "said that number marked 'an extraordinary compromise' on the part of the administration, suggesting the White House is not ready to raise its offer." Roll Call (10/14, Lerman, 154K) says Mnuchin "again stressed the need for liability protection from pandemic-related lawsuits for small businesses and schools that reopen."

In a Wednesday interview on Fox Business' Lou Dobbs Tonight (10/14, 49K), Mnuchin said "there's a lot of areas in here that we would have enormous bipartisan support if they could be passed on a standalone basis. The Speaker and [Senate Minority Leader] Schumer have insisted on an all-or-nothing approach. So we've been trying to negotiate in good faith a comprehensive package that would include a lot of things, would include money for testing, vaccines, kids, jobs, healthcare, certain areas we've made a lot of progress on, certain areas we still have more work to do." Asked about the reason for the delay, he said, "I suspect that they don't want to give the President a win three weeks before the election, but they are holding up relief to hardworking Americans."

The Wall Street Journal (10/14, Peterson, Subscription Publication, 7.57M), New York Magazine (10/14, Kilgore, 3.69M), MarketWatch (10/14, Nicholson, 1.67M), Newsweek (10/14, Lemon, 1.53M), Politico (10/14, Ferris, 4.29M), and Bloomberg (10/14, Dennis, Fabian, 4.73M), among other news outlets, also report.

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Stock Declines Tied To Mnuchin's Pessimism Regarding Spending Deal. CNBC (10/14, Stevens, 3.62M) reports on its

website, "Stocks fell for a second day on Wednesday after comments from...Mnuchin dampened expectations of a coronavirus stimulus deal being reached before the Nov. 3 presidential election." The AP (10/14) says the declines came "as talks between Democrats and Republicans in Washington over another economic stimulus package continued to drag on, dimming investors' hopes for a deal that can deliver more aid for the U.S. economy in the near term." Bloomberg (10/14, Nazareth, Hajric, 4.73M), Reuters (10/14, Singh, Kumaresan), the New York Times (10/14, Cochrane, Rappeport, 18.61M), the Financial Times (10/14, Henderson, Rovnick, Szalay, Subscription Publication, 1.34M), and the Wall Street Journal (10/14, Ostroff, Subscription Publication, 7.57M) also tie Wednesday's selloff to Mnuchin's comments.

TikTok Lawyers Say Competitors Are Seeking To Exploit US Ban.

The Wall Street Journal (10/14, Ferek, Subscription Publication, 7.57M) reports lawyers for TikTok argued in a filing to US District Judge Carl Nichols Wednesday that the Trump Administration's push to ban the app could undermine its user base and competitive position. According to the filing, TikTok competitors have sought to exploit the situation to lure its creators and users to change platforms.

Asked about the status of TikTok Wednesday on Fox Business' Lou Dobbs Tonight (10/14, 49K), Treasury Secretary Steven Mnuchin said, "The President's determined there's a national security issue. We want to make sure that Americans' information that are on their phones is safe, their personal information. So, we negotiated what we think is a very good deal to turn this into an American company. They need to comply with that, under the CFIUS order, they also need to comply with the shutdown order, which is being fought in court at the moment. The President's determined, we're going to have one of two outcomes. This'll either be a safe American company, or it'll be shut down."

Mnuchin Calls For "Fair, Reciprocal Trading Relationship" With China.

MarketWatch (10/14, Nicholson, 1.67M) reports Treasury Secretary Steven Mnuchin, speaking at the Milken Institute Global Conference, "said...the Trump Administration will continue to work on making U.S. trade with China fairer in a second term." Mnuchin "said that while President Donald Trump has made some progress in rebalancing the trade relationship, more needs to be done." Mnuchin said, "China has a large, growing middle class, over 300 million people. If U.S. companies and U.S. workers can compete for that business, it's one of the largest opportunities. ... If we can't compete for that business fairly, then they should not have free access to the U.S. system. This needs to be a fair, reciprocal trading relationship."

Mnuchin Urges Judicious, Transparent Financial Aid During Pandemic.

Reuters (10/14, Shalal, Lawder) reports that Treasury Secretary Steven Mnuchin "on Wednesday urged the International Monetary Fund and World Bank to work judiciously within their existing resources to fight the coronavirus pandemic and urged G20 countries to endorse a proposed debt restructuring framework" while planning "for transitions to normal financing arrangements." Mnuchin said, "It is critical that the World Bank manage financial resources judiciously and transparently, with clear justifications for allocations to countries with robust access to other financing sources, so as not to burden shareholders with premature calls for new financing."

France's Finance Minister Calls For EU To Push Ahead On Global Digital Taxation.

Reuters (10/14, Thomas) reports French Finance Minister Bruno Le Maire "said on Wednesday" that the EU "should press ahead with plans for a bloc-wide digital tax in case global talks at the OECD to rewrite international tax rules fail." Finance Ministers from the G20 "gave their support on Wednesday to extending until mid-2021 negotiations to update cross-border tax rules for the digital age after talks ground to a halt following the COVID-19 pandemic outbreak, and in the face of reticence from Washington as the U.S. presidential election neared." Le Maire "said his U.S. counterpart Steven Mnuchin was opposed to OECD proposals on digital taxation, which aim to discourage U.S.-based tech giants like Google, Facebook and Amazon from legally shifting profits to low-tax countries like Ireland." Le Maire "added that a change of administration in Washington after the Nov. 3 U.S. election would not necessarily lead to a change in the U.S. position, although the new government might be less aggressive with trade retaliation."

Federal Prosecutors Investigated Egyptian Bank Account Link To Trump's 2016 Campaign Money.

CNN (10/14, Polantz, Perez, Herb, 83.16M) reports "multiple sources familiar with the investigation" say for more than three years, federal prosecutors "investigated whether money flowing through an Egyptian state-owned bank could have backed millions of dollars Donald Trump donated to his own campaign days before he won the 2016 election." The probe interviewed Steve Bannon "about Trump's $10 million contribution to his campaign, according to another recent release of Mueller's interview memos." Bannon "said...Trump was talked into providing the last-minute money by future Treasury Secretary Steven Mnuchin and [Jared] Kushner." Mnuchin "described the money as a 'cash advance,' Bannon said, and Trump eventually agreed to wire the money." A Treasury Department spokesperson "confirmed Bannon's description of convincing Trump to make the loan, and said that Mnuchin had no knowledge of how Trump had $10 million available to him."

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Reuters Report: Trump Administration To Place China's Ant Group On Trade Blacklist.

CFTC-22-0351-A-000643

In an exclusive, Reuters (10/14, Pamuk, Alper, Freifeld, Shepardson) reports the State Department "has submitted a proposal for the Trump

administration to add China's Ant Group to a trade blacklist, according to two people familiar with the matter, before the financial technology firm is slated to go public." Trump officials "fear Ant could potentially give the Chinese government access to sensitive banking data belonging to U.S. users." The Administration "has been largely loathe to use tougher tools against China, such as freezing assets in the United States, which many attribute to Treasury Secretary Steve Mnuchin's dovish stance on Beijing."

Mnuchin Says He Would Stay On In 2nd Trump Administration Term.

Fox Business (10/14, O'Halloran, 1.73M) reports Treasury Secretary Steven Mnuchin "signaled on Wednesday he is happy in his job and with his boss President Trump." Mnuchin said, "Well, if he wins, I plan to stay on. And let me be clear if he loses, I definitely don't plan on staying on."

Treasury Grant News

VA Town Disbursing $1.75M In Grants Funded Partly By CARES Act.

The Northern Virginia Daily (10/14, Keelor, 45K) reports, "Grant funding is available for area small business owners in Strasburg who are struggling during the COVID-19 pandemic." Due to funding from the CARES Act, "along with funding from other organizations, Community Development Director Michelle Bixler said Shenandoah County has acquired $1.75 million in grant funding available to small businesses."

MT Tribal Development Office Accepting Applications For Treasury-Funded Business Relief Grants.

The Ronan Valley (MT) Journal (10/14, 22K) reports, "The Confederated Salish and Kootenai Tribes Economic Development Office is now accepting applications for coronavirus business relief funds." The CSKT Small Business Relief Grants program "offers over $1 million in federally allocated financial assistance to qualified CSKT-member-owned small businesses and active CSKT-member livestock producers in the recovery, stabilization and adaptation of business operations." Funding for the grants "is allocated by the U.S. Department of Treasury as designated by the CARES Act to aid in the recovery and revitalization of Tribal-member businesses impacted by the global health pandemic."

DE Bank Receives $657K CDFI Grant For Increased Lending To Minorities, Low-Income Communities.

Delaware Business Now (10/14) reports, "True Access Capital, Wilmington (formerly First State Community Loan Fund) will expand its lending to minority-owned businesses, with an emphasis on Hispanic-owned businesses, with the help of a $657,000 award from the Community Development Financial Institution (CDFI) Fund." The Fund "is a program of the U.S. Department of the Treasury intended to increase lending in low-income and economically distressed communities." The CDFI grant "will expand True Access Capital's reach to minority-owned businesses, for whom credit access is a significant hurdle."

Leading National News

At Iowa Rally, Trump Says He Is "A Little Bit Concerned" About Polling In State.

The AP (10/14, Miller, Pitt) reports, "Donning a red hat and tossing away his tie to fight off the stiff breeze on the airport tarmac," President Trump addressed supporters in Des Moines, Iowa, on Wednesday evening. The Des Moines Register (10/14, 404K) reports that "as he began speaking, Trump turned almost immediately to his place in the polls. He cited a poll released Wednesday by Focus on Rural America that showed him leading [Joe] Biden by 6 percentage points, 50% to 44%." Trump said, "For me to only be up six, I'm a little bit concerned, I'll tell you that. Because nobody's going to do for Iowa what I did for Iowa." The latest RCP average has Biden leading Trump by 1.2 points in the state, which Trump won by nearly 10 points in 2016. USA Today (10/14, Fritze, Subramanian, 10.31M) reports Trump "disputed polls showing him tied or behind Biden, insisting that his campaign has 'more enthusiasm now than we ever did four years ago.'"

Radio Iowa (10/14) reports on its website that Trump "touted federal disaster aid for farmers hit by 2019 flooding as well as the $28 billion in trade disruption payments his administration has sent to farmers over the past two years." He said, "There has never been a president that has done more for farmers and ranchers, for the Farm Belt, for Iowa. There's never been a president that's even come close to what I have done and I will say that and I'll say it loud and clear."

KCCI-TV Des Moines, IA (10/14, 53K) reports Trump "greeted a raucous crowd of thousands of supporters" and "proceeded to launch into a series of attacks" against Biden. The Daily Caller (10/14, 716K) reports Trump "cited a series of stories published by the New York Post alleging that Biden 'has been blatantly lying about his involvement in his son's corrupt business dealings.'" Trump said, "This is a big smoking gun. The newly uncovered emails reveal that a top executive from the highly questionable Ukrainian oil company – it's an energy company – paid Hunter at least $50,000 a month, but it's now looking like it could be $183,000 a month."

The Cedar Rapids Gazette (10/14, Murphy, 157K) reports the rally "was the first campaign event featuring either party's presidential candidate in Iowa during the 2020 general election cycle." Biden "was in Iowa regularly during the run-up to the caucuses, but has not returned since earning his party's nomination." The President tweeted after the event, "I was thrilled to be back in the American Heartland with thousands of loyal, hardworking IOWA Patriots! 20 days from now, we are going to win IOWA, and we are going to win 4 more years in the White House!" ABC World News Tonight (10/14, story 5, 0:25, Muir, 6.83M) and the CBS Evening News (10/14, story 2, 0:45,

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O'Donnell, 4.09M) both briefly previewed the rally on their evening newscasts.

Rally Took Place Amid Rise In Iowa COVID Cases. WHO-TV Des Moines, IA (10/14, 104K) reports on its website that the rally took place "as the state of Iowa is in the midst of a coronavirus outbreak. The state currently has the highest number of COVID-19 patients hospitalized since the pandemic began." WQAD-TV . Davenport, IA (10/14, 10K) reported that an advocacy group called the rally a "super-spreader event," but Trump supporters "say coming here was worth the risk." Reuters (10/14, Oliphant) reports Trump "cited what he said was his son's mild bout of the virus as a reason why American schools should reopen as soon as possible." KWWL-TV . Cedar Rapids, IA (10/14, 22K) reported Trump attacked "the handling of the pandemic in states led by Democratic governors."

The Washington Post (10/14, Dawsey, Abutaleb, 14.2M) says the President "is using his recovery from the coronavirus to reinforce the message that the pandemic is receding and Americans should return to work – resisting entreaties to change his tone and behavior three weeks ahead of the presidential election." But despite a White House outbreak "that also infected the first lady, their son and nearly a dozen top aides, Trump and his allies continue to downplay the virus, arguing that the country is 'turning the corner' and holding campaign events with thousands of supporters even as cases are increasing rapidly, especially in the Midwest." The New York Times (10/14, Mandavilli, 18.61M) reports that Trump "has exulted in his supposed imperviousness to the coronavirus," but even if he "were now immune to the coronavirus, he may not remain so, scientists warn. The president's unique treatment may have prevented his body from making the antibodies necessary for long-term protection."

Asked on the CBS Evening News . (10/14, 4.09M) whether events like Trump campaign rallies of over 10,000 people are considered dangerous, NIAID Director Fauci said, "When people are close to each other and you don't have virtually everyone wearing a mask, that is a risky situation that could very well lead to the kind of spreader events that we have seen in similar settings."

Media Analyses: Lack Of Consistent Message Could Be Hurting Trump. The Washington Post (10/14, Olorunnipa, Dawsey, 14.2M) writes that with the election less than three weeks away and millions of Americans having already voted, Trump's "lack of a consistent and coherent closing argument is alarming some Republicans, raising fears among his allies that his undisciplined approach to campaigning could render him a one-term president." Trump "is attempting to stage a historic comeback. But his actions and rhetoric in recent days have stumped even some of his allies who are trying to decipher his broader strategy – and, increasingly, questioning whether there is one."

The New York Times (10/14, Tankersley, 18.61M) reports Trump has been telling voters that Biden is "a pawn of socialists" and that Sen. Kamala Harris (D-CA) "is 'a communist.' ... A wide range of polls, including some conducted for nonpartisan media outlets and for conservative and liberal interest groups, shows that Mr. Trump has so far been unsuccessful in lashing Mr. Biden to policy proposals like Medicare for All, the Green New Deal and a federal tax on the net worth of high-wealth Americans, all of which Democratic voters and leaders have increasingly embraced in recent years, but which Mr. Biden has stopped short of adopting in his platform."

Big Banks On The Rebound Despite Lingering Pandemic.

The AP (10/14, Sweet) reports that "Wall Street banks are on the rebound after slumping the first six months of the year." JPMorgan Chase, Citigroup, Bank of America, and Wells Fargo "saw their profits partly recover in the third quarter from the depths of the coronavirus-caused recession earlier this year." The turnaround "stems mostly from improvements in the U.S. economy that allowed these big banks to set aside less money to cover potentially bad loans – $5 billion in the third quarter versus $33 billion in the second quarter." Kyle Sanders, an analyst for Edward Jones, said, "It's the same story at every bank in the industry right now: lower credit costs are helping restore profitability."

But NBC News (10/14, 6.14M) reports "this week's bank earnings say more than just how the giants of the financial services industry are faring seven months into the coronavirus pandemic. The presentations and comments made in response to investor questions provide a glimpse into what banking executives expect a 'new normal' to look like and how the American economy will reshape itself around Covid-19 in the future."

Big bank CEOs and finance chiefs, however, "gave a muddled picture of what to expect," Reuters (10/14, Moise, Henry) reports. Executives at JPMorgan, BofA, and Wells "warned that losses on various types of loans might not really take shape until next year." Citigroup CFO Mark Mason said, "We're still in the midst of a crisis." Meanwhile, Wells CEO Charles Scharf said, "The economy has materially improved," adding that "there's still a long way to go, and there remains significant risk to the recovery."

BofA Profit Falls 16% In Q3.

The Wall Street Journal (10/14, Eisen, Subscription Publication, 7.57M) reports Bank of America saw its profit decline 16% in the third quarter. The bank reported Wednesday that it earned $4.88 billion in the third quarter, compared to $5.78 billion the year before. Overall revenue fell 11% year-over-year to $20.34 billion.

Bloomberg (10/14, Nguyen, 4.73M) reports BofA's traders "didn't seize on the markets boon that lifted rival banks in the third quarter," with revenue from trading rising just 3.6% to $3.34 billion and falling short of analysts' expectations. Investment banking, meanwhile, "was a bright spot, delivering the second-best quarter in the company's history, with a 15% jump in fees to $1.8 billion." Net interest income "fell to $10.2 billion on a fully taxable-equivalent basis, compared with analysts' $10.3 billion median forecast."

Reuters (10/14, Moise, Nishant) reports BofA executives "joined the chorus of U.S. bank officials predicting an economic recovery would improve business in the quarters ahead, after lower interest rates fueled a miss on third-quarter revenue." The bank "set aside lower provisions for potential loan losses, mirroring other Main Street peers." BofA set aside an additional $1.4 billion for soured loans in the quarter, "far less than the $5.1 billion it provided for during the June quarter." Revenue in its consumer bank "fell 17% to $8 billion in the third

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quarter, mainly due to lower interest income and reduced credit card activity."

Yet, American Banker (10/14, Dobbs, Subscription Publication, 31K) reports CEO Brian Moynihan said consumer banking is on the rebound. According to American Banker, "Only 100,000 of the 1.8 million deferral requests BofA processed for credit cards, auto loans, mortgages, home equity lines and small business loans remain in place. The amount of deferred consumer loans outstanding has fallen by 77% since peaking in May, to $9 billion on Sept. 30, or 2.8% of that portfolio."

Outlets providing similar coverage include The Financial Times (10/14, Subscription Publication, 1.34M), Bloomberg (10/14, 4.73M), CNBC (10/14, 3.62M), and PYMNTS (10/14, 12K). Bloomberg (10/14, 4.73M) also reports in video.

Wells Fargo Returns To Profit, But Misses Estimates As Costs Mount.

The Wall Street Journal (10/14, Eisen, Subscription Publication, 7.57M) reports Wells Fargo on Wednesday said its third quarter profit declined 56% from a year ago. Wells Fargo's profit was $2.04 billion in the third quarter, down from $4.61 billion the year before. The Journal adds the bank's third quarter number was an improvement over the second quarter, when the bank lost $2.38 billion.

Reuters (10/14, Moise, Hussain) reports the results missed analysts' expectations "as persistent costs tied to its years-old sales practices scandal continued to haunt the bank." CEO Charlie Scharf, now one year into the job, "has made cost cuts a cornerstone of his turnaround plan," but "firm-wide expenses inched up slightly due to scandal-related operating losses and a $718 million restructuring charges tied to severance." Total revenue fell 14%, while net-interest income was down $512 million from the second quarter to $9.4 billion.

American Banker (10/14, Wack, Subscription Publication, 31K) reports Scharf on Wednesday "provided...a promise to give an update in three months about shorter-term spending cuts, but no commitment about when the company will release a long-term plan for slashing its expenses." The company "identified a few areas where executives see the potential to cut costs," including "making further reductions to its branch network" and "simplifying products and services," but it "provided scant details."

The Financial Times (10/14, Armstrong, Subscription Publication, 1.34M) and CNBC (10/14, Imbert, 3.62M) provide similar coverage. Bloomberg (10/14, 4.73M) also reports in video.

US Bank Sees Q3 Profit Fall.

MarketWatch (10/14, Grossman, 1.67M) reports US Bancorp "posted a slimmer profit year over year in the latest quarter as lower net interest income and higher expenses during the coronavirus pandemic offset strength in fee-based businesses." Profit in the third quarter totaled $1.58 billion, equivalent to 99 cents/share, down from $1.82 billion, or $1.15/share, in the same period last year. Net interest income totaled $3.23 billion, while non-interest income was $2.71 billion, up from $2.61 billion in 2019. Credit loss provisions fell by more than $1 billion from the second quarter, while "average total deposits grew 15.9% year over year and average total loans grew 6.4% year over year."

American Banker (10/14, Alix, Subscription Publication, 31K) reports the bank "will close another 15%, or roughly 400, of its branches by early 2021 and could consolidate some of its corporate real estate in an expense-reduction effort, executives said Wednesday." The closures are estimated to bring "roughly $150 million in cost savings," which executives "said that some of it would be reinvested into digital capabilities."

The Minneapolis (MN) Star Tribune (10/12, 1.04M) provides similar coverage.

PNC Posts Earnings Beat.

TheStreet (10/14, Owusu, 362K) reports PNC Financial Services beat estimates with third-quarter earnings per share of $3.39, an increase of 15% from a year earlier. Net-interest income fell 1% year-over-year "due to lower yields on earning assets partially offset by lower rates on deposits and borrowings and higher average earning assets," the bank said.

American Banker (10/14, Prior, Subscription Publication, 31K) reports the bank "set aside $52 million to cover potential loan issues, a large drop from the $2.4 billion loan-loss provision in the second quarter." Loan losses could begin to pile up "if Congress does not approve a new round of stimulus and the virus is not brought under control, [CEO William] Demchak said." On Wednesday's earnings call, Demchak was asked about how the bank might use the $4.3 billion proceeds from its sale of BlackRock shares. He said PNC is unlikely to acquire a digital bank with the funds, explaining, "I don't think long-term that model works. ... It's kind of cool and they're growing a lot of customers, but...they're not making money at it. And banking is a business that you ultimately need to make money at."

Goldman's Quarterly Profit Nearly Doubles On Trading Boom.

The Wall Street Journal (10/14, Hoffman, Subscription Publication, 7.57M) reports Goldman Sachs beat analysts' forecasts announcing a third-quarter profit of $3.62 billion on $10.87 billion in revenue. The bank's quarterly profit nearly doubled from one year ago. Bloomberg (10/14, Natarajan, 4.73M) reports the bank joined its rivals "in cashing in on continuing pandemic-induced volatility, as the firm's bond traders posted the biggest jump on Wall Street so far." Revenue "from buying and selling stocks and bonds increased 29%, driven by a 49% surge in fixed-income trading." Revenue at each of Goldman's four divisions "rose from a year earlier, pushing earnings per share to a record that was almost twice as high as analysts predicted."

Reuters (10/14, Scuffham) says this was Goldman's "best quarterly performance in a decade by some measures, as trading moved back into the limelight and its lack of a big consumer business switched from a curse to a blessing." The bank "set aside $278 million to cover

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loans that go bad, bringing its year-to-date total credit provisions to $2.8 billion."

The AP (10/14, Sweet) and Business Insider (10/14, Winck, 3.67M) provide similar coverage.

In Speech To Economic Clubs, Trump Touts His Record, Warns Of "Steep Depression" If He Loses.

Bloomberg (10/14, Coy, 4.73M) reports President Trump on Wednesday addressed "well-to-do members of economic clubs" in an online speech from the White House during which he "criticized the 'internationalists,' lobbyists, drug industry executives, and Democrats." Trump "expressed confidence about winning reelection and addressing the groups again next year," but, he said, "If I don't win the election, you probably won't want me." Bloomberg adds "the tone of Trump's remarks conveyed that he didn't think he had their unanimous support." Speaking to supporters of Joe Biden, Trump said, "You will see some things that will not make you happy. I don't understand your thinking.. ... I assume it's habit. ... Keep backing them, but you know it's wrong."

The Wall Street Journal (10/14, Ballhaus, Subscription Publication, 7.57M) says Trump stressed the strength of the pre-coronavirus economy and warned of the consequences if Biden is elected. The New York Post (10/14, Bowden, 4.57M) reports Trump "promised to cut taxes for middle-class Americans and deliver 10 million new jobs" if he is reelected. Trump said, "We are going to be cutting taxes further and that includes business taxes, but it includes especially middle income taxes." He added, "The choice facing America is simple: it's the choice between historic prosperity under my pro-American policies, or crippling poverty and a steep depression under the radical left."

The Washington Times (10/14, 492K) says although Trump's speech "was billed as an address on the economy...with Election Day less than three weeks away, resembled one of Mr. Trump's combative stump speeches."

WSJournal Analysis: Trump Has Presided Over Two Economies Since Taking Office. A Wall Street Journal (10/14, Hilsenrath, Subscription Publication, 7.57M) analysis says the President has directed two economies since taking office. The first, which ended in March, saw historic job growth and stock market gains was good. The second, which began with the arrival of the coronavirus pandemic, was bad, with unemployment rising to post-Depression record levels. The Journal says voters will weigh both economies and many of the gains Trump achieved in that first economy have been by the second.

Wells Fargo Fires More Than 100 For Improperly Getting Coronavirus Relief Funds.

Bloomberg (10/14, Levitt, 4.73M) reports "a person with knowledge of the situation" says Wells Fargo & Co. has "fired more than 100 employees for improperly getting coronavirus relief funds." The company "found staffers who it believes defrauded the U.S. Small Business Administration 'by making false representations in applying for coronavirus relief funds for themselves,' according to an internal memo reviewed by Bloomberg." Wells Fargo's head of human resources, David Galloreese, said in the memo, "We have terminated the employment of those individuals and will cooperate fully with law enforcement." The Wall Street Journal (10/14, Eisen, Subscription Publication, 7.57M), the New York Times (10/14, Flitter, 18.61M), and Reuters (10/14) provide similar coverage.

Earnings Reports Show Big Banks Faring Better Than Small Businesses.

The New York Times (10/14, Flitter, Kelly, 18.61M) reports while "hundreds of thousands of small businesses are closing for good" and "temporary layoffs at larger companies are becoming permanent," the nation's largest banks, "which together serve a majority of Americans through loans, credit cards or deposit services, are not raising an alarm." As big banks reported third quarter earnings this week, they "said they are generally prepared for a wave of loan defaults they expect in the second half of next year. And their own fortunes are just fine: A trading and investment banking bonanza on Wall Street is helping them stay profitable."

JBS Owner Pleads Guilty To Violating Foreign Corrupt Practices Act.

The Wall Street Journal (10/14, Magalhaes, Pearson, Bunge, Subscription Publication, 7.57M) reports Brazilian company J&F Investimentos, which controls meatpacker JBS, agreed Wednesday to pay $128 million to settle a legal dispute in the US over bribes paid in Brazil. In 2017, J&F admitted it paid about $150 million in bribes to Brazilian politicians. On Wednesday, the company pleaded guilty in federal court in New York to violating the Foreign Corrupt Practices Act. The AP (10/14, Biller, Goodman) reports JBS said in a related agreement "it would pay the U.S. Securities and Exchange Commission $26.8 million for accounting irregularities at its U.S. subsidiary Pilgrim's Pride."

Pilgrim's Pride Agrees To Plea Deal To Settle Price Fixing Charges.

The Wall Street Journal (10/14, Bunge, Kendall, Subscription Publication, 7.57M) reports Pilgrim's Pride will pay a $110.5 million fine as part of a plea deal with the Justice Department related to resolve price-fixing charges. The deal makes the chicken processor the first company to admit to what prosecutors say was an effort involving much of the industry to inflate prices.

The New York Times (10/14, Tejada, 18.61M) reports the company "said the agreement included a provision that the Justice Department would not bring any more charges against the company on this matter. The company also noted that it would not have to pay any restitution or be subject to monitoring under the agreement."

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Berkshire Hathaway Suit Accuses Law Firm Of Aiding Fraud.

The New York Times (10/14, Ewing, 18.61M) reports Berkshire Hathaway, in a bid to "get back some of the hundreds of millions of dollars it lost after buying a seemingly solid German pipe maker that turned out to be on the verge of going bust," is suing Jones Day, "the law firm that represented the owners of the pipe maker when it was sold to a Berkshire Hathaway subsidiary in 2017." The suit accuses the law firm "of helping to trick Berkshire Hathaway into paying five times what the German company was worth." The Times says there is little chance Berkshire Hathaway "will recover any money from the sellers of the pipe maker, Wilhelm Schulz," whose "shareholders have declared bankruptcy and are facing a criminal investigation in Germany," but "Jones Day is a prominent international law firm with deeper pockets."

Vista Equity Chief Executive Reaches Settlement With DOJ In Tax Inquiry.

The Wall Street Journal (10/14, Gottfried, Subscription Publication, 7.57M) reports Vista Equity Partners chief executive Robert Smith has reached a $140 million settlement with the Justice Department to settle a criminal tax investigation. People familiar with the matter said Smith will enter into a nonprosecution agreement under which he will admit liability for taxes owed and not filing foreign bank account reports. As part of the settlement, Smith will pay an $85 million penalty, $30 million of back taxes, and $25 million in interest.

United Airlines Reports $1.8B Q3 Loss.

The Wall Street Journal (10/14, Sider, Subscription Publication, 7.57M) reports United Airlines on Wednesday reported a third quarter loss of $1.8 billion. The company, which reported $1 billion profit during the same period a year ago, said it is bracing for a long decline in air travel due to the coronavirus pandemic.

Reuters (10/14, Rucinski, Ajmera) reports the airline "said on Wednesday it cut operating costs by 59% in the third quarter and had nearly $20 billion of liquidity to position it for an eventual recovery from the COVID-19 crisis that has hammered the travel industry." The AP (10/14) reports CEO Scott Kirby said in a statement, "Even though the negative impact of COVID-19 will persist in the near term, we are now focused on positioning the airline for a strong recovery that will allow United to bring our furloughed employees back to work and emerge as the global leader in aviation."

Starbucks Links Executive Pay To Meeting Workforce Diversity Goals.

The Wall Street Journal (10/14, Haddon, Subscription Publication, 7.57M) reports Starbucks Corp. announced Wednesday that is it is requiring antibias training for its executives and will link their compensation to meeting diversity targets for its workforce. USA Today (10/14, Tyko, 10.31M) reports Starbucks' "goal is by 2025 to have 30% of corporate employees and 40% of retail and manufacturing workers who identify as Black, indigenous or people of color." The company "also shared its diversity numbers Wednesday that show in the U.S. its workforce is 8% Black, 27% Hispanic, 6% Asian, 5% multiracial and 54% white. However, a look at the corporate demographics show 65% of workers were white, 19% Asian, 7% Hispanic and nearly 4% Black."

Companies Cut Ties With Ad Agency After Founder's Reported Racist Comment.

The New York Times (10/14, Hsu, 18.61M) reports Motel 6, Home Depot and Keurig Dr Pepper have dropped the Dallas advertising agency the Richards Group "after a report that its founder had made racist remarks in a meeting last week." According to a person involved in a Zoom meeting with more than three dozen Richards Group employees last Thursday, "a creative team working on the Motel 6 account presented an idea for an ad to Stan Richards, who founded the Richards Group in 1976. Mr. Richards responded to the idea" by saying, "It's too Black," might offend or alienate Motel 6's "white supremacist constituents."

Retailers Preparing For More Online Holiday Shopping Amid Pandemic.

NBC Nightly News (10/14, story 10, 1:50, Nguyen, 5.56M) reported the coronavirus pandemic is "poised to change one of the biggest shopping days of the year, Black Friday. With COVID surging and social distancing in stores, retailers are bracing for more online shopping, shipping, and earlier sales." Walmart is "holding three Black Friday sales starting in early November," while Target and Best Buy are "also promising multiple Black Friday deals throughout the month." NBC added, "Thirty-nine percent of Americans say they plan to cut back on gift spending," and 59% "of consumers say they'll do more of their holiday shopping online this year compared to last."

AEI Analysis: Biden Tax Plan Would Have Modest Impact On Growth.

The Washington Post (10/14, Newmyer, 14.2M) reports an analysis from "the right-leaning American Enterprise Institute" concludes Joe Biden's tax plan "would raise $2.8 trillion over the next decade from higher taxes on businesses, corporations and the wealthiest households. Over that time, AEI projects the higher taxes would reduce economic growth by a relatively modest 0.16 percent." AEI's Kyle Pomerlau and Grant Seiter write Biden's plan would "make the tax code more progressive," and would "reduce debt-to-GDP in the second decade, leading to slightly higher GDP. However, in the long term, his plan would not raise enough to stabilize debt-to-GDP and would lead to a 0.18 percent smaller economy." The finding "roughly aligns with other analyses from the Tax Foundation and the Penn Wharton Budget Model, Pomerlau notes. In other words, rolling back most of the Trump tax cuts wouldn't bring about the economic Armageddon the Trump campaign has depicted."

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WSJournal Compares Trump, Biden Solutions For Aiding Small Businesses. The Wall Street Journal (10/14, Omeokwe,

Subscription Publication, 7.57M) compares the solutions offered by President Trump and Joe Biden for helping small businesses during the coronavirus pandemic. The Journal says while Trump is likely to focus on policies that have proven effective so far, such as the Paycheck Protection Program, tax breaks, and the Platinum Plan for Black America, Biden has called for reforming the PPP, including greater oversight.

Media Analyses: Barrett Poised For Confirmation As Testimony Concludes.

Supreme Court nominee Amy Coney Barrett concluded nearly 20 hours of testimony before the Senate Judiciary Committee on Wednesday. The AP (10/15, Sherman, Mascaro, Jalonick) says she "was careful not to take on the president who nominated her and sought to separate herself from writings on controversial subjects when she was an academic. She skipped past Democrats' pressing questions about ensuring the date of next month's election or preventing voter intimidation, both set in federal law, and the peaceful transfer of presidential power." A committee vote could come Thursday, with a vote on confirmation next week. The Wall Street Journal (10/14, Bravin, Subscription Publication, 7.57M) reports that her confirmation appears assured, and Politico (10/14, Everett, Bresnahan, 4.29M) says Barrett "has done absolutely nothing to endanger her support among the 51 Republicans needed to confirm her."

Terry Moran reported on ABC World News Tonight (10/14, story 6, 4:00, Muir, 6.83M), "It was a day Republicans sensed victory, a triumph decades in the making." Senate Judiciary Chairman Lindsey Graham: "This is the first time in American history that we've nominated a woman who is unashamedly pro-life and embraces her faith without apology, and she's going to the court, a seat at the table is waiting on you." Moran: "But before that happens, Republicans surprisingly were playing defense on the Affordable Care Act, after Democrats hammered home on Tuesday that the law will come before the Supreme Court just one week after the election."

Nancy Cordes said on the CBS Evening News (10/14, story 8, 1:55, O'Donnell, 4.09M), "With her confirmation in site, [Barrett] was even more cautious today, declining to weigh in on everything from the constitutionality of Medicare..." Barrett: "It's not a question that I've ever considered before." Cordes: "...to the validity of mail-in voting." Barrett: "That's a matter of policy on which I can't express a view." Cordes: "Democrats tried, unsuccessfully, to divine her views on voter discrimination. ... The 48-year-old appeals court judge did try to reassure her opponents on one front: Obamacare." Barrett: "I think you're suggesting I have some on hostility to the ACA, which I assure you I won't."

The San Francisco Chronicle (10/14, 2.67M) reports Barrett said the Affordable Care Act case to come before the court next month "is different from the 2012 case," the ruling in which she has criticized, "and it turns mainly on whether the court can strike a piece of the law without invalidating the whole law as unconstitutional." Adam Liptak writes in the New York Times (10/14, 18.61M), "Just minutes after the start of the second and final day of questions" for Barrett, Graham "invited her to describe the severability doctrine. She knew why he was asking, and she was ready to play ball." Barrett replied, "What it means is if you have a statute – and the Affordable Care Act is obviously a very long statute – if there is one provision within the statute that is unconstitutional, the question is whether that one section can simply be rendered null and excised from the statute."

Peter Alexander reported on NBC Nightly News (10/14, story 7, 1:50, Holt, 5.56M) that Barrett said "she could not weigh in when Democrats asked whether a President could pardon himself, as President Trump has insisted." Barrett: "As far as I know, that question has never been litigated. It is not one on which I can offer a view." Reuters (10/14, Hurley, Zengerle) reports Barrett "said it is an 'open question' as to whether Trump could pardon himself while adding that the top U.S. judicial body 'can't control' whether a president obeys its decisions." The New York Times (10/14, Hulse, 18.61M) reports that as Barrett "has strained to present herself this week as someone who would join the Supreme Court without having made up her mind on pivotal cases, she was haunted by the long and exceedingly public record" of the President. She "has struggled over two days to separate herself from the trove of tweets and other pronouncements by Mr. Trump on his legal views and demands, many of which call into question the very notion of an independent judiciary."

The Washington Post (10/14, A1, Barnes, Kim, Marimow, 14.2M) reports, "Senate Republicans predicted clear sailing" for Barrett "as she concluded her confirmation testimony Wednesday, and said she will forge a new and prominent path as a conservative, religious woman who opposes abortion." Sen. Josh Hawley (R-MO) said, "There is nothing wrong with confirming to the Supreme Court of the United States a devout Catholic, pro-life Christian." USA Today (10/14, Hayes, Wu, Wolf, 10.31M) reports Graham "praised [Barrett] as having 'met every test' as senators finished their last round of questions."

The Chicago Tribune (10/14, Donovan, 2.65M) reports Senate Minority Whip Durbin told Barrett "that an 'orange cloud' hangs over her nomination," and the New York Daily News (10/14, Sommerfeldt, 2.52M) reports Durbin asked, "Why couldn't we wait till the end of November or December, or even January, after leaving a vacancy on the court for 10 months after Antonin Scalia's passing?" Roll Call (10/14, Ruger, 154K) reports Sen. Amy Klobuchar (D-MN) "even broke the fourth wall of the televised hearings several times, asking the American people to vote if they didn't like what they were hearing."

Ed Kilgore writes at The Intelligencer (10/14, 1.1M), "Given the massive initial blowback to the Republicans' decision to violate their own precedent by rushing through an election-year Supreme Court appointment, and conservative activists' excitement" about Barrett, "so far her Senate confirmation hearings are surprisingly ho-hum. Perhaps someday we will look back on this week as a momentous turning point, as the substantive constitutional questions Barrett is largely refusing to answer are weighty and consequential and her expected confirmation will shift the Supreme Court sharply to the right. But at the moment, the temperature is far lower than it was two years ago during Brett Kavanaugh's confirmation hearings."

The Washington Post (10/14, 14.2M) says in an editorial that Barrett "has attracted outrage for some of her non-answers – in her Senate confirmation questioning." But "the whole confirmation process is not really about Judge Barrett. We pass no judgment on her

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qualifications or suitability; we would urge senators to oppose any nomination at this moment. What is at trial here is the poisonous, dishonorable hypocrisy Republicans have shown in blocking the nomination of Judge Merrick Garland eight months before an election and then rushing this one to tilt the court to their advantage." The Hill (10/14, Bolton, 2.98M), Breitbart (10/14, 673K), Townhall (10/14, Pavlich, 177K), and the CNN (10/14, Rogers, 83.16M) and Fox News (10/14, Schultz, 27.59M) websites are among the other outlets covering the hearing.

NYTimes Examines Motherhood As "Powerful But Tricky" Political Credential. The New York Times (10/14, Haridasani Gupta, 18.61M) writes, "During [Barrett's] Supreme Court confirmation hearings this week, Republican senators, one after another, marveled at a role that doesn't appear on her résumé: mother of seven. They described her mothering as 'tireless' and 'remarkable,' clear evidence that she was a 'superstar.'" Sen. Kamala Harris (D-CA), who sits on the Judiciary Committee, "has, in other settings, repeatedly emphasized her role as stepmother. ... For American women in public office, being a mother has become a powerful but tricky credential. A woman who is professionally successful and ambitious is often seen as threatening or off-putting, researchers have found in multiple surveys of voters, but being a mother tempers that. It makes women seem warm and relatable – and suggests they can relate to voters' lives, too."

Vanessa Friedman writes in the New York Times (10/14, 18.61M), "As the Senate confirmation hearings have made clear, the image Judge Barrett is trying to project is pretty much the opposite of 'notorious.' Indeed, she even said, during her first day of questioning, that justices cannot 'walk in like a royal queen and impose their will on the world.' Better they walk in like the supermom next door."

NYTimes Analysis: Harris Less Confrontational With Barrett Than She Was With Kavanaugh.

The New York Times (10/14, Ember, Lerer, 18.61M) writes under the headline "Harris's New Strategy: A Hearing Appearance That Doesn't Make Waves" that Sen. Kamala Harris (D-CA) "came ready to press her case against Judge Amy Coney Barrett on the second day of this week's Supreme Court confirmation hearings," but let a "tentative answer slide, hinting at what could become her new professional reality as a No. 2 to the most powerful man in politics." Unlike her prosecutorial approach against then-Supreme Court nominee Brett Kavanaugh two years ago, the Times says, Harris was more cautious, "trying to balance her penchant for forceful exchanges with her duties as the vice-presidential nominee."

State AGs, Prosecutors Vow Not To Enforce Anti-Abortion Laws If Roe Is Repealed.

The Washington Post (10/14, Jackman, 14.2M) reports a group "of more than 60 state prosecutors and attorneys general from across the country declared Wednesday that they would not enforce laws that criminalize abortion, even if the Supreme Court overturned" Roe v. Wade. The Post says the declaration, invoking "the power of prosecutorial discretion," came as Amy Coney Barrett appeared poised for confirmation to the Supreme Court.

Trump Says "We Are Rounding The Turn" With Coronavirus.

President Trump said in an interview with Newsmax TV [illegible] (10/14), "We've some up with great therapeutics and cures and all sorts of things, 85% mortality rate, you know when you think of that 90%. But we've come up with things that are amazing. The job we've done has been incredible. And now the vaccines are coming out. We are rounding the turn."

Fauci Says Trump Is No Longer A Coronavirus Transmission Threat.

The New York Times (10/14, Zraick, Montague, Landler, Santora, Breeden, 18.61M) reports that NIAID Director Fauci indicated Wednesday that President Trump is "past the point of infectiousness and does not pose a safety risk to others." The Times says Fauci "reviewed data from Mr. Trump's coronavirus tests." The Times adds, "Combined with the fact that Mr. Trump is more than 10 days out from the onset of symptoms, Dr. Fauci said in an interview Wednesday, 'we feel confident that we can say with a high degree of confidence that he is not transmissible.'"

Hahn: Trial Stoppages Are Key To Ensuring Vaccine Safety.

Bloomberg (10/14, Armstrong, 4.73M) reports that on Wednesday, FDA Commissioner Hahn made the case that "a series of trial stops are part of the system to make sure any Covid-19 vaccine or therapy will be safe." Hahn is quoted as saying, "Probably the most important part of clinical trials is to ensure safety as much as possible, certainly for the participants in the trial, but also to look at safety issues should an application come before FDA. ... The system was designed to identify safety issues. These safeguards are really important and built in to protect subjects of trials, but also ultimately to get to the right answer regarding the safety and efficacy of a therapeutic or vaccine."

Fauci, Atlas Offer Differing Vaccine Timelines.

Asked on CBS Evening News [illegible] (10/14, 4.09M) about the accuracy of claims about the availability of vaccines this year, NIAID Director Fauci said, "Available to use in a person would mean that that vaccine would have to have been proven to be safe and effective, and right now, there are a couple of candidates that are probably in a position that we will know by November or December whether or not they have a safe and effective candidate. If they do, there are only a few million doses of those vaccines that would be available. But when you say, 'Is it available?' of a vaccine that is proven to be safe and effective, it's not going to be 100 million doses."

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White House Coronavirus Task Force member Scott Atlas said on America This Week (10/14, 11K), "Everything is proceeding, as far as I know, without a hitch. ... In the meantime, Operation Warp Speed is set up so that manufacturing is concurrent, regardless of the work of getting the data done, getting the clinical trial done." Atlas said, "The plan is, and there will be, as far as everyone is understanding, 100 million doses by the end of the year. There will be enough vaccines generated to have available a vaccine for every priority high-risk person, every first responder, all of the typical, sort of, high-priority people, no later than January."

WPost: Trump's "Unrealistic Promises" Spurring Vaccine Uncertainty. The Washington Post (10/14, 14.2M) editorializes that while vaccine hesitancy "was a public health difficulty before the pandemic," it has now "grown more serious just when everyone is looking to vaccines to save the day. Doubts and suspicions, once stirred by a small phalanx of activists, have become more widespread, in part in response to President Trump's unrealistic promises to rush a vaccine out before Election Day." The Post argues, "A credible, concerted effort must be made to boost confidence in vaccines that are proven safe and efficacious against the coronavirus. Such a campaign must be based on science and medicine, leaving political shenanigans behind."

Poll: Only 22% Of Black Americans Plan To Get COVID Vaccine.

The AP (10/14, Neergaard) reports, "Facing public skepticism about rushed COVID-19 vaccines, U.S. health officials are planning extra scrutiny of the first people vaccinated when shots become available – an added safety layer experts call vital." The AP adds, "With this week's pause of a second major vaccine study because of an unexplained illness – and repeated tweets from President Donald Trump that raise the specter of politics overriding science – a quarter of Americans say they won't get vaccinated." According to the AP, "while Black Americans have been especially hard-hit by COVID-19, just 22% say they plan to get vaccinated compared with 48% of white Americans," according to an AP-NORC poll.

CDC: Children Not Recommended To Get Vaccine Initially.

Reuters (10/14, Mishra) reports that on Wednesday, the CDC "said...that COVID-19 vaccines may not be initially recommended for children, when they become available." According to Reuters, "children, who rarely have severe COVID-19 symptoms, have not yet been tested for any experimental coronavirus vaccine." However, Pfizer "has said it will enroll children, who are capable of passing on the virus to high-risk groups, as young as 12 in its large, late-stage COVID-19 vaccine trial, while AstraZeneca has said a sub-group of patients in a large trial will test children between five to 12." CNBC (10/14, Lovelace Jr., 3.62M) reports on its website that "pregnant women and children are often the last to get tested in clinical trials as researchers assess safety risks."

Atlas: Regeneron, Lilly Treatments "Very Promising."

White House coronavirus task force member Scott Atlas said on America This Week (10/14, 11K), "There are two emergency use authorizations that have been submitted by the Regeneron drug and the Lilly drug, and they are being evaluated, I don't know any update on their evaluation, but that's very good news, because these are drugs that prevent people who are, early on, from being, from needing hospitalization. I don't know if you've heard the preliminary data, but it's very promising." Atlas said, "They will be available, you know, as soon as absolutely possible, pending their approval for emergency use authorization, so we're optimistic about that."

Daily Beast Analysis: Tensions Between Trump, COVID Task Force Officials Rising.

The Daily Beast (10/14, 1.39M) reports that "after months of trying to avoid direct run-ins with the President, task force officials are no longer tiptoeing around his demands," citing, among other things, NIAID Director Fauci and CDC Director Redfield's criticism of White House coronavirus task force member Scott Atlas. White House Deputy Press Secretary Brian Morgenstern said Trump's top priority "is the health and safety of the American people." While "the relationship between Trump and his COVID advisers has always been fraught," the "frictions have become particularly pronounced in recent weeks, after the White House hosted what Fauci called a superspreader event and as the election has neared." Despite being increasingly "sidelined," however, White House Coronavirus Task Force Coordinator Deborah Birx, Fauci, Redfield, "and others have been more adamant in holding their ground on policy disputes."

Despite Positive Statements From Trump, Administration Officials Were Less Confident About Virus.

The New York Times (10/14, Kelly, Mazzetti, 18.61M) reports, "On the afternoon of Feb. 24, President Trump declared on Twitter that the coronavirus was 'very much under control' in the United States, one of numerous rosy statements that he and his advisers made at the time about the worsening epidemic. He even added an observation for investors: 'Stock market starting to look very good to me!'" However, "hours earlier, senior members of the president's economic team, privately addressing board members of the conservative Hoover Institution, were less confident." A document "written by a hedge fund consultant who attended the three-day gathering of Hoover's board, was stark. 'What struck me,' the consultant wrote, was that nearly every official he heard from raised the virus 'as a point of concern, totally unprovoked.'"

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Scientists Criticize White House-Endorsed Herd Immunity Memorandum.

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On NBC Nightly News (10/14, story 6, 0:40, Holt, 5.56M), John Torres reported, "There are two ways of achieving herd immunity. You

either vaccinate people, or you let people get sick, and if they recover, they develop immunity on their own. Some within the medical community are now suggesting it's time to let the virus spread freely and for the disease to run its course, but history has shown us that this approach could be devastating and deadly. And many health organizations are strongly opposed, with the World Health Organization even calling it unethical."

USA Today (10/14, Weise, 10.31M) reports that, in a letter published in the Lancet on Wednesday, 80 researchers called a herd immunity strategy of fighting the coronavirus "a dangerous fallacy unsupported by the scientific evidence" after "a memorandum published Oct. 4, called the Great Barrington Declaration, called for the world to embrace herd immunity for COVID-19 as a way to protect the vulnerable while still allowing economies to thrive." On Monday, "a senior Administration official said the President has long supported the same idea," which "leaves most epidemiologists both appalled and incredulous." The letter, called the John Snow Memorandum, argues the Trump Administration "should be promoting public health measures known to be both safe and effective: wearing masks, washing hands, avoiding large groups, maintaining social distancing, and providing easily accessible testing and contact tracing."

The San Francisco Chronicle (10/14, 2.67M) reports that "herd immunity...is a dangerous gamble, many experts opposed to the idea said Wednesday, after news of the White House support was widely reported. Attempting to achieve population-level immunity without a vaccine could result in many tens of thousands of preventable deaths, opponents say." Stanford professor of medicine Jay Bhattacharya "said the proposal isn't as outrageous as some of its detractors suggest" and "described it as a reasonable alternative to universal shelter-in-place restrictions that have had dire economic and social consequences. But in this hyper-politicized environment, a plan supported by the Trump administration is automatically dismissed, he said."

Cornyn Questions Lack Of Masks In 2018 Photo Of Democratic Senators.

The Hill (10/14, Gstalter, 2.98M) reports Sen. John Cornyn (R-TX) on Wednesday retweeted a picture of several Democratic senators, commenting that they were not wearing masks. Sen. Patrick Leahy (D-VT) and some social media users "quickly pointed out the photograph was taken before the coronavirus pandemic, with some accusing Cornyn of spreading disinformation." Leahy "wrote that he was looking forward to his colleague 'calling out President Trump for not wearing a mask next time.'"

Coronavirus Cases On Rise In 37 States.

ABC World News Tonight (10/14, story 2, 2:40, Muir, 6.83M) reported, "We see the virus spiking across the country, amid those fears of a second wave," with "hospitalizations increasing in 36 states across the country. Wisconsin, as we've been reporting, hit especially hard. A field hospital now set up to take in COVID patients." ABC's Stephanie Ramos said Wisconsin is "now facing a record number of deaths and hospitalizations, 3,000 new cases since just yesterday" and "as colder weather sends more people indoors, cases of the virus surging in 35 states."

The CBS Evening News (10/14, story 5, 2:10, O'Donnell, 4.09M) reported, "There is a dire prediction tonight that 135,000 more Americans could die from COVID in the next three months. That's because new cases are on the rise in at least 37 states. And only three are seeing decreases." CBS' Adriana Diaz added, "Wisconsin just set two records no one wants: the most daily COVID cases and deaths the state's ever seen," while "Midwest hot spots raged" in Minnesota, South Dakota, and Michigan and "the wider view isn't much better" as "at least 13 states broke records for hospitalizations in the last week." The CDC "says small gatherings are fanning the spread, along with larger events" like birthday parties.

On NBC Nightly News (10/14, story 4, 2:40, Holt, 5.56M), Miguel Almaguer reported, "Tonight as the troubling number of infections soars across the nation, one third of our country is now reporting the highest case counts since the start of the pandemic. In Oklahoma City, there are no open ICU beds. States like Utah, with a dangerously high positivity rate, on the brink of crisis." With "numbers of Americans hospitalized in Midwest states like Iowa hitting new records, the nation is set to break eight million confirmed infections." According to a new national survey, 52% of Americans "already have or plan to stockpile food and other essentials this fall."

Asked on CBS Evening News (10/14, 4.09M) about the recent spike in nationwide COVID cases, NIAID Director Fauci said, "We were in a difficult place to begin with. ... As you know, what we're seeing, unfortunately, is upticks in case positivities, test positivities. That's going to translate, as it already is, into additional hospitalizations, which ultimately going to translate into additional deaths, and now we're starting to see...an uptick in cases in 37 states. I mean, that is a substantial proportion of the United States of America."

Wisconsin Sets State Record For Cases. On NBC Nightly News (10/14, story 5, 1:35, Holt, 5.56M), Stephanie Gosk reported, "On May 27, reported COVID deaths in Wisconsin peaked at 22. After that, the number dropped. Maybe the worst is over, some thought. Then the fall hit." Bellin Health Emergency Services Medical Director Paul Casey said, "We thought we dodged a bullet. But lo and behold, here we are on the first of October, and this virus has come back with a vengeance, and we're in deep trouble." Gosk said, "On Tuesday, a new state record, 34 reported deaths" as healthcare workers repeat "the same advice" of wearing masks and socially distancing and "hope it may finally sink in." The state on Wednesday opened a 500-bed field hospital "to take the strain off the system. It's the same one Wisconsin decided it did not need to open back in May."

Studies Suggest Blood Type O Is "Less Vulnerable" To Coronavirus.

CNN (10/14, Howard, 83.16M) reports on its website that according to two new studies published on Wednesday, "people with blood type O

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may be less vulnerable to Covid-19 and have a reduced likelihood of getting severely ill." While "experts say more research is needed," a study in Denmark "found that among 473,654 people who were tested for Covid-19, only 38.4% with blood type O tested positive" and "researchers in Canada found that among 95 patients critically ill with Covid-19, a higher proportion with blood type A or AB – 84% – required mechanical ventilation compared with patients with blood group O or B, which was 61%."

Study Finds Daycare Centers At Low Risk For Transmitting Coronavirus.

The Wall Street Journal (10/14, Whelan, Subscription Publication, 7.57M) reports that a new Yale University study of over 57,000 US childcare centers concluded that children in daycare carry close to zero risk of spreading COVID-19 to adults as long as standard safety guidelines, including mask wearing and handwashing, are observed.

NFL Cancels 2021 Pro Bowl Due To Pandemic.

USA Today (10/14, Reyes, 10.31M) reports that "the COVID-19 pandemic, which has already altered the NFL season by forcing rescheduled games and shuffled bye weeks, has now claimed the Pro Bowl." NFL "announced that the annual all-star game that is held each year before the Super Bowl has been canceled and will be replaced with virtual activities, in consultation with the NFL Players Association." The cancellation "marks the fourth major element in the league calendar to be significantly altered by the pandemic" after the 2020 NFL draft "was held virtually, the league canceled all preseason games and the regular season has already seen several postponements and schedule changes."

NYTimes Analysis: Biden's COVID Plan Carries "Echoes" Of FDR's New Deal.

The New York Times (10/14, Goodnough, Stolberg, 18.61M) reports that Joe Biden "is preparing for the biggest challenge he would face if elected president – ending the coronavirus pandemic – by reaching back nearly a century to draw on the ideas of President Franklin D. Roosevelt, whose big-government policies lifted the country out of the Great Depression and changed the shape of America." Biden "has staked his campaign on promising a more muscular federal role than Mr. Trump's leave-it-to-the-states approach," though "the country Mr. Biden would lead is very different from Roosevelt's America, and his coronavirus response proposals may not be all that easy to put into place," with the pandemic "caught up in partisan politics" that "might leave him vulnerable to the charge that Mr. Trump has leveled against all Democrats: that they are practitioners of 'socialism' who would use the federal government to supersede individual and state rights."

NYTimes Analysis: "All Politics Is Virus Politics In 2020."

The New York Times (10/14, Mervosh, Fernandez, 18.61M) reports, "Across the nation, there are local and state races in which the pandemic has also taken an outsize role. In some cases, the virus has been the reason for running; in others, handling of the pandemic has become the defining issue, eclipsing ordinary matters of taxes and services." The virus and government responses have "inspired parents, hair salon owners and others to run for the first time, turned sleepy races into competitive matches and injected a level of unpredictability and rancor into normally tranquil down-ballot contests." Conservatives "have made their opposition to mandates on masks and business closings the center of blossoming campaigns," while "restrictions to control the spread of the virus – or the lack of such restrictions – have become motivating factors in races of all sizes."

Taylor's Boyfriend Describes March 13 Events.

The CBS Evening News (10/14, story 9, 1:55, O'Donnell, 4.09M) reported, "Tonight we are getting new insight into what happened the night Louisville police shot and killed Breonna Taylor in her home during a botched drug raid" as "Taylor's boyfriend, Kenneth Walker, tells Gayle King what they heard that night and why he fired his gun, which is licensed, at officers." Walker said, "It was a loud bang at the door, and nobody was responding. We were saying, 'who is it?' ... If they knocked on the door and said who it was, we could hear them. It was dead silent." He said, "I let out one shot, and, you know, I'm figuring somebody is trying to break or something, they're not going to do want to do anything after that." When police responded with gunfire, he said, "You know, I don't think I ever heard so many gunshots, like, all at the same time. ... Breonna Taylor should be next to me. That's the only justice for me."

Floyd's Sister Endorses Biden In New Campaign Ad.

The New York Times (10/14, Corasaniti, 18.61M) reports that the Joe Biden campaign "on Wednesday introduced a new ad featuring Bridgett Floyd, one of George Floyd's sisters, who in an emotional testimonial calls the former vice president 'the change we need.'" The new ad "comes as the Biden campaign is ramping up its effort to energize Black voters as early voting gets underway" and "is being accompanied by a day of action to honor Mr. Floyd on his birthday, organized by the George Floyd Memorial Foundation, which was founded by members of his family. The social media campaign asks people to ensure that they 'make a voting plan now' and to call their senators to pass a criminal justice overhaul bill."

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WSJournal: Amazon Invites Criticism In Rejecting Brown Documentary.

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In an editorial, the Wall Street Journal (10/14, Subscription Publication, 7.57M) says that Amazon's decision to reject a documentary about

the 2014 police killing of Michael Brown invites political repercussions from both left and right, arguing that the company is silencing both diverse and dissenting voices.

Biden Campaign Denies Meeting Alleged In New York Post Report.

The New York Post (10/14, Morris, Fonrouge, 4.57M) reports Hunter Biden "introduced his father, then-Vice President Joe Biden, to a top executive at a Ukrainian energy firm less than a year before the elder Biden pressured government officials in Ukraine into firing a prosecutor who was investigating the company, according to emails obtained by The Post." The Post says the "blockbuster correspondence...is contained in a massive trove of data recovered from a laptop computer." Bloomberg (10/14, Ali, 4.73M) reports that the Biden campaign denied the report. Campaign spokesman Andrew Bates said in a statement, "We have reviewed Joe Biden's official schedules from the time and no meeting, as alleged by the New York Post, ever took place." Bloomberg says the Post "offered no proof the meeting took place, but cited unverified emails it said it was given by surrogates of President Donald Trump."

Glenn Kessler of the Washington Post (10/14, 14.2M) writes that the Post "posted PDF print-outs of several emails allegedly from the laptop, but for the 'smoking gun' email, it shows only a photo made the day before the story was posted, according to Thomas Rid, author of Active Measures, a book on disinformation. 'There is no header information, no metadata.' The Washington Post has been unable to independently verify or authenticate these emails, as requests to make the laptop hard drive available for inspection have not been granted. ... There also is no indication that Hunter Biden replied to the email," and "another alleged email published by the New York Post contradicts the notion that Hunter Biden could influence his father."

Politico (10/14, Cheney, Bertrand, 4.29M) says the story "amplified a line of attack Republican senators have pursued in recent months, culminating in a report that leveled a farrago of accusations against Hunter Biden," and the Daily Beast (10/14, 1.39M) reports, "Multiple senior-level officials in Trumpworld, including some on the reelection effort, were aware of a secret dossier or a hard drive regarding salacious and potentially damaging information on Hunter several weeks before the story broke in the Post," according to two "individuals with direct knowledge." The Hill (10/14, Samuels, 2.98M) says the Trump campaign "denied that it had any involvement in providing the documents to the Post, but was still eager to try and turn it into a major storyline. The campaign launched a new 30-second ad highlighting Hunter Biden's foreign business dealings and convened a call with reporters to discuss the story just hours after it was published."

President Trump said in an interview with Newsmax TV (10/14) that the Bidens "are crooks. They have always been crooks. They are grifters and crooks, and this is what we are running against and it's a disgrace." Trump added, "I give credit to the New York Post. The mainstream media will try not to pick it up even though it's a major scandal. But it is a very sad thing when you look at that. Everywhere he goes, his son goes right behind him grabs money." White House Director of Strategic Communications Alyssa Farah said on America This Week (10/14, 11K), "This was very concerning, and the Biden campaign's got some real questions to answer, and I hope that the mainstream media will actually pose those questions."

Facebook And Twitter Face Criticism For Decision To Limit Access To Story. Much of the coverage deals not with the allegations themselves but with the decisions by Facebook and Twitter to limit access to the story. The New York Times (10/14, Glueck, Isaac, 18.61M) reports the companies found the claims "so dubious that they limited access to the article on their platforms. ... Facebook said on Wednesday that it had decided to limit the distribution of the story on its platform so it could fact-check the claims. Twitter said it was blocking the article because it included people's personal phone numbers and email addresses, which violated their privacy rules, and because the article violated their policy on hacked materials."

The Los Angeles Times (10/14, 4.64M) reports, "Following heavy criticism over the way they let misinformation run wild on their platforms in the run-up to the 2016 presidential election, social media companies gradually have been adopting stronger policies to stem the spread of misinformation. For the first time, Facebook and Twitter deployed those policies Wednesday against a major news outlet to prevent a sensational political story from going viral." CNBC (10/14, Rodriguez, 3.62M) says on its website, "The editorial decision to reduce the spread of the story is a significant one for Facebook," which "has long professed to stand for freedom of speech and rejected the idea that it be an arbiter of truth."

Breitbart (10/14, 673K) reports Twitter CEO Jack Dorsey "finally issued a public comment on his platform's decision" at 7:55 p.m., tweeting, "Our communication around our actions on the @nypost article was not great. And blocking URL sharing via tweet or DM with zero context as to why we're blocking: unacceptable."

President Trump tweeted, "So terrible that Facebook and Twitter took down the story of 'Smoking Gun' emails related to Sleepy Joe Biden and his son, Hunter, in the @NYPost. It is only the beginning for them. There is nothing worse than a corrupt politician. REPEAL SECTION 230!!!" Trump later tweeted, "Congratulations to the @nypost for having exposed the massive corruption surrounding Sleepy Joe Biden and our Country. He's always been a corrupt politician. Disgraceful!"

The Wall Street Journal (10/14, Subscription Publication, 7.57M) says in an editorial that Facebook CEO Mark Zuckerberg had in the past committed to keep Facebook free of political censorship, but he appears to have since changed his views. The Washington Times (10/14, Morton, Boyer, 492K), the Washington Free Beacon (10/14, 78K), and Townhall (10/14, Rosas, 177K) are among the other sources covering the Post story and the social media firms' response.

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DOJ "Unmasking" Probe Reportedly Found No Wrongdoing.

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Citing "two congressional sources," Reuters (10/14, Hosenball) reports that the Justice Department "has ended its probe into whether Obama

administration officials improperly 'unmasked' associates of President Donald Trump mentioned in intelligence reports." According to one of the sources, the investigation "found no wrongdoing." Reuters says in May, DOJ "appointed John Bash, a federal prosecutor from Texas, to lead the inquiry after Republican senators unveiled a declassified list of U.S. officials who made requests that ultimately disclosed intercepted conversations between Trump's former national security adviser Michael Flynn and Russia's ambassador." The New York Times (10/14, Benner, Barnes, 18.61M) says DOJ "has portrayed Mr. Bash's work as a review, not a criminal investigation. His findings were given to John H. Durham, the U.S. attorney in Connecticut, who is conducting a criminal investigation into the roots of the Russia inquiry," according to two officials briefed on the matter.

CNN (10/14, Darcy, 83.16M) reports on its website that while Fox News portrayed the matter "as one of the greatest – if not the greatest – political scandals in American history," the "conspiracy theory collapsed" when the "investigation into the supposed scandal quietly ended with no charges."

Trump was asked in an interview with Newsmax TV (10/14) about the fact that there will be no indictments in the probe. Trump said, "Personally, I think it is ridiculous. It is a disgrace. ... Personally I think it's too bad. They are guilty as hell."

Pompeo: State Department Doing "Everything We Can" To Release Clinton Emails.

Bloomberg (10/14, Wadhams, 4.73M) reports Secretary of State Pompeo said Wednesday his department is doing "everything we can" to release emails from Hillary Clinton's time as secretary. Pompeo told reporters, "We'll continue to do the right thing, we'll make sure that all these emails get to the right place. ... We will do everything we can to make sure that the American people get a chance to see as much as we can equitably produce."

Ohr Retires From DOJ.

USA Today (10/14, 10.31M) reports former deputy attorney general Bruce Ohr, "whose associations with a British informant in the government's Russia investigation drew rebukes from Justice's watchdog, has retired as a decision loomed in an internal disciplinary review." Ohr left the Justice Department Sept. 30, Justice spokeswoman Kerri Kupec said Wednesday. Kupec said, "Mr. Ohr retired after his counsel was informed that a final decision on a disciplinary review being conducted by ... senior career officials was imminent." The Washington Times (10/14, Mordock, 492K) provides similar coverage.

Cohen Writing Second Book About Trump, DOJ.

Politico (10/14, Lippman, 4.29M) reports President Trump's former lawyer Michael Cohen "is writing a second book, about the politicization of the Justice Department and his time in Trump world." Cohen told Politico, "There's so much more to the story that hasn't been told, tangentially related to Donald Trump. ... It is fair and accurate to state that President Trump has weaponized the Department of Justice against those he deems to be a threat thus making it into the Department of Injustice."

Morgan: "People Are Safer" Because Of Administration's Border Policies.

Acting CBP Commissioner Morgan said on KNST-AM Tucson, AZ (10/14, 4K), "What this Administration, what this President, has done the last four years, is absolutely give CBP, the men and women of CBP, who risk their lives every day, a network of tools and policies and support to get the job done to protect American people. ... That's a fact, and people are safer because of it." Asked about the US-Mexico border wall and its effectiveness, Morgan said, "Anywhere where we have this multi-layer strategy of infrastructure, technology, and personnel...you see drugs go down, you see illegal migration go down, you see assaults on agents go down, across the board. It's successful everywhere it's built."

KOLD-TV Tucson, AZ (10/14, 27K) reported that Morgan visited Tucson, Arizona, on Wednesday, "talking about the increased activity the agency is seeing at the border" and progress on the border wall. Morgan said, "We're building more miles per day, more miles per week than we ever have before."

Migrant Arrests At Border Hit 13-Month High In September.

The Washington Post (10/14, Miroff, 14.2M) reports, "The number of migrants that U.S. border agents took into custody rose to a 13-month high in September," according to CBP figures published Wednesday "that belie President Trump's attempts to tout his enforcement record on the campaign trail. ... After an initial drop in border crossings this past spring, arrests have been steadily rising, driven mostly by Mexican adults who are trying to enter the United States again and again until they succeed." The Wall Street Journal (10/14, Hackman, Caldwell, Subscription Publication, 7.57M) reports there were 54,771 arrests along the border in September, the highest total for that month in more than a decade. The Washington Times (10/14, Dinan, 492K) also reports.

District Court Judge Strikes Down Tennessee Abortion Law.

The New York Times (10/14, Levenson, Tavernise, 18.61M) reports US District Court Judge Bernard Friedman on Wednesday "struck down a Tennessee law that required women to wait 48 hours after visiting a clinic to have an abortion, finding that it placed an undue burden on women, particularly low-income women, by requiring them to travel to a health center twice for the procedure." Friedman "also said the

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waiting period was 'gratuitously demeaning to women who have decided to have an abortion.'"

Federal Employee Healthcare Premiums To Rise 4.9% On Average In 2021.

The Washington Post (10/14, Yoder, 14.2M) reports that federal employees will pay 4.9% more on average for healthcare premiums in 2021, "an increase driven by long-running upward pressures on premiums that, perhaps surprisingly, were eased by the novel coronavirus pandemic, the government said Wednesday." The "average premium rise in the Federal Employees Health Benefits Program will be slightly below the increase for 2020."

In New Mexico, Barr Touts Joint Effort To Reduce Crime.

Bloomberg (10/14, Strohm, 4.73M) reports Attorney General Barr took President Trump's "law-and-order agenda on the road Wednesday, meeting with officials in Albuquerque, New Mexico, to discuss Operation Legend, a targeted joint effort of federal, state and local law enforcement officials to combat violent crime in select cities." According to Bloomberg, Barr "made clear that politics was also on his agenda." Barr is quoted as saying, "If you want to be safe, if you are tired of the blood and mayhem on the streets, then you have to start paying attention to who you vote for."

The Wall Street Journal (10/14, Gurman, Viswanatha, Subscription Publication, 7.57M) says in addition to New Mexico, Barr will discuss the program in St. Louis this week and he will address police chiefs in New Orleans. The Journal says the appearances show how Barr's priorities have aligned with Trump's law-and-order campaign message. Critics say this demonstrates a pattern of adjusting DOJ priorities to help Trump's reelection chances.

Human Rights Campaign: Record Number Of Transgender People Have Died Violently This Year.

USA Today (10/14, Aspegren, 10.31M) reports the Human Rights Campaign says "a record number of transgender and gender nonconforming people – 32 – have been killed by violence this year," including "five deaths in the past three weeks." Sarah Kate Ellis, president of LGBTQ media advocacy group GLAAD said the number is likely higher "since many trans people killed by violence are misgendered by police and can be misreported in the media. ... Violence facing transgender Americans, especially Black trans women, requires urgent resources and attention from federal state, and local government agencies and elected officials."

WPost Calls On Commonwealth's Attorney To Make Decision On Ghaisar Case.

A Washington Post (10/14, 14.2M) editorial criticizes Fairfax County, Virginia, Commonwealth's Attorney Steve T. Descano for failing to make decision on "the unwarranted fatal shooting of Bijan Ghaisar" after nine months in office. Ghaisar "was the unarmed young accountant with no criminal record" who was shot by US Park Police in November 2017. The Post says his killing "and the subsequent glacial response by law enforcement, has become a shameful mystery."

Trump Declines To Commit To Retaining Barr In Second Term.

Bloomberg (10/14, Strohm, Fabian, Wadhams, 4.73M) reports President Trump "is ramping up pressure on two of his most loyal Cabinet members to produce information that could damage Joe Biden's prospects as polls show the former vice president leading ahead of the Nov. 3 election." Trump told Newsmax TV (10/14) he is "'not happy' with the evidence he's seen coming out of Attorney General William Barr's Justice Department and wouldn't say whether he'd keep him on in a second term." Also Wednesday, Secretary of State Pompeo "vowed that his team is doing 'everything we can' to release additional emails from Hillary Clinton's tenure at the department, something the president demanded last week in a rare rebuke of his top diplomat." Bloomberg says both men "are under pressure to deliver for a president known for quickly turning on aides who don't do his bidding, or can't deliver."

The Daily Caller (10/14, 716K) says Trump "didn't rule out replacing Barr" if he gets reelected. Trump said, "I have no comment. Can't comment on that. It's too early. ... I'm not happy with all of the evidence I have, I can tell you that. I'm not happy."

First Lady Says Barron Trump Tested Positive For COVID, With No Symptoms.

In its lead story, ABC World News Tonight (10/14, lead story, 4:05, Muir, 6.83M) reported, "We learned today that the President's son, Barron, tested positive for COVID, too, some time after the President and First Lady." ABC's Jonathan Karl added that the First Lady "shared the news" late Wednesday "in an article on the White House website," and "minutes after the article was posted, President Trump was asked about his son. As he answered, he quickly changed the subject." President Trump said, "Barron's fine, and Amy is doing a fantastic job, we're heading out to Iowa, and we have a big rally, a lot of people, as always." Karl said that while the President has made his recovery "part of his stump speech," the First Lady "strikes a different tone" in describing her symptoms and "wants people to know that she is keenly aware that she received the kind of care that most people simply cannot get."

The CBS Evening News (10/14, lead story, 1:55, O'Donnell, 4.09M) reported in its lead story, "Tonight, the first lady says her son, Barron, did have the virus at the same time that she and the President were infected, but that the 14-year-old was asymptomatic. And she's opening up about what she calls a roller coaster of symptoms, even as her husband has declared himself cured and immune from the

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virus." CBS' Weijia Jiang added, "The First Lady says she is glad that she, Barron Trump, and President Trump all got the coronavirus at the same time, so they could take care of each other" and "revealed she had body aches, a cough, and felt extremely tired, choosing a more natural route in terms of medicine, opting more for vitamins and healthy food to help her recover." Jiang said when "asked about his son, President Trump did not give any further details."

On NBC Nightly News (10/14, lead story, 1:40, Holt, 5.56M), Geoff Bennett reported, "Unlike her husband whose symptoms were more severe, Melanie Trump did not go to the hospital and did not receive the same course of treatment. Choosing instead what she calls a more natural route, relying on vitamins and healthy food."

Supreme Court Ruling Adds To Census "Whiplash."

The AP (10/14) reports that Tuesday's Supreme Court ruling that the Trump Administration can end the census count "was just the latest case of whiplash for the census, which has faced starts and stops from the pandemic, natural disasters and court rulings, as well as confusion over when it was going to end and questions over whether minorities, immigrants, poor people and others would be counted accurately." The New York Times (10/14, Bogel-Burroughs, Liptak, Wines, 18.61M) writes, "Counting all of the people in the United States is always a giant task for the Census Bureau. But if ever there was a more difficult year than most to conduct the tally, it would seem to be 2020." In an editorial, the Wall Street Journal (10/14, Subscription Publication, 7.57M) says the Court ruled correctly, permitting an enumeration as required by the Constitution and ending the meddling of the courts in a process delegated to Congress.

Bernhardt: Trump Will Go Down As "Greatest Conservation President In Our Lifetime."

Asked about the Great American Outdoors Act on the Steve Gruber Show (10/14), Interior Secretary Bernhardt said, "In my opinion, President Trump will go down, ultimately, as the greatest conservation President in our lifetime, and his track record, for anyone who believes in hunting, in angling, or actually just simply recreating outdoors, is absolutely incredible." Bernhardt said, "The enactment of the Great American Outdoors Act took everything to an incredibly new level. First off, there's $900 million a year, guaranteed, from now through perpetuity...that's directed to enhancing outdoor recreation activities. ... This is a funding commitment like no other."

Army Plans New Policy On Searching For Missing Soldiers.

The Washington Post (10/14, Horton, 14.2M) reports the Army plans to introduce a policy "calling for more urgency in finding missing soldiers, top leaders said, after a handful of high-profile disappearances at Fort Hood that left families frustrated over the depth and speed of search efforts." Officials have previously said that commanders "have not prioritized searching for soldiers missing from the ranks...and they currently do not proactively search for deserters."

NBC Sources Say Trump Expected Candidacy To Fail, Allowing Continuation Of "The Apprentice."

The Hollywood Reporter (10/14, 1.89M) looks at President Trump's business relationship with NBC over the course of the run of "The Apprentice," with "a former network insider" saying Trump did not expect his presidential campaign to hinder the show. The source said, "He said he was announcing a bid in June [2015] and [he'd] be out of the race by September and start shooting ['Celebrity Apprentice'] in January. He never expected to get any traction. He was doing it to boost his own brand." Sources also said Trump "didn't see why his candidacy or even presidency should make a difference. 'He didn't see why he couldn't do the show from the Oval Office,' says one."

Biden Has Eight-Point National Lead In IBD/TIPP Tracking Poll.

An IBD/TIPP poll of 866 likely voters nationwide (10/9-10/13) has Joe Biden at 50.7%, President Trump 42.7%, Libertarian Jo Jorgensen 2.1%, and Green Howie Hawkins 1.0%. Weijia Jiang said on the CBS Evening News (10/14, story 3, 0:35, O'Donnell, 4.09M) that Biden is "leading nationwide and in most swing states."

Marc Thiessen of the Washington Post (10/14, 14.2M) interviews Trump for his column, writing that Trump "is trailing in the polls, but he remains confident of victory." Trump cited "a Fox News poll showing that 49 percent of Americans think their neighbors are supporting him ('These people know their neighbors,' he says) and a Hill-HarrisX poll that many Americans think others lie to pollsters when asked about their voting preferences, as evidence that the polls are wrong."

Florida. A Reuters/Ipsos poll of 653 likely Florida voters (10/7-10/14) has Biden at 49% and Trump at 47%. A St. Pete Polls poll of 2,215 likely Florida voters (10/11-10/12) has Biden at 49.2% and Trump at 47.2%.

Pennsylvania. A PoliticalIQ poll of 800 likely Pennsylvania voters (10/7-10/12) has Biden at 49% and Trump at 43%.

Ohio. A Quinnipiac University poll of 1,160 likely Ohio voters (10/8-10/12) has Biden at 48% and Trump at 47%.

Georgia. A SurveyUSA poll of 677 likely Georgia voters (10/8-10/12) has Biden at 48% and Trump at 46%. A Quinnipiac University poll of 1,040 likely Georgia voters (10/8-10/12) has Biden at 51% and Trump at 44%. The Atlanta Journal-Constitution (10/14, 895K) headlines its report on the Quinnipiac survey "Poll: Biden Takes Significant Lead In Georgia For First Time." Politico (10/14, Carrasco, 4.29M) also covers the poll.

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Michigan. An EPIC/MRA poll of 600 likely Michigan voters (10/8-10/12) has Biden at 48% and Trump at 39%

North Carolina. A New York Times/Siena College poll of 627 likely North Carolina voters (10/9-10/13) has Biden at 46% and Trump at 42%. A Susquehanna Polling and Research poll of 500 likely North Carolina voters (10/7-10/11) has Biden at 48% and Trump at 46%. The Charlotte Observer (10/14, 470K) writes that "after weeks of polls showing them in a virtual tie, [Biden] appears to be edging ahead" of Trump in the state.

Arizona. A Reuters/Ipsos poll of 667 likely Arizona voters (10/7-10/14) has Biden at 50% and Trump at 46%.

New Hampshire. A Suffolk University poll of 500 likely New Hampshire voters (10/8-10/12) has Biden at 51% and Trump at 41%.

Montana. A Montana State University mail-in poll of 1,787 registered Montana voters (9/14-10/2) has Trump at 51% and Biden at 44%.

YouGov Poll Finds Biden Ahead 72% To 22% Among Indian-Americans. The New York Times (10/14, Schmall, 18.61M) reports that "a large majority of Indian-Americans plan to cast ballots" for Biden, according to a "survey released Wednesday, despite elaborate overtures by the Trump White House to win their support." The Times says the YouGov poll "found that 72 percent of Indian-American voters planned to vote for Mr. Biden, with just 22 percent planning to go for President Trump."

Early Voting Now Underway In Most Of US.

David Muir reported on ABC World News Tonight (10/14, story 3, 1:45, 6.83M) that early voting is "now underway in 48 states, including Tennessee just today, and we noted long lines there after record-breaking turnout in Georgia and Texas already." ABC's Mary Bruce: "In Tennessee on the first day of early voting, the line stretch[ed] across this parking lot. Forty-eight states [are] now voting in person, smashing records across the country." Ed O'Keefe said on the CBS Evening News (10/14, story 7, 2:00, O'Donnell, 4.09M), "Nationwide, there are long lines and hours-long waits, as more than 14.9 million early votes are in, shattering records from 2016. Nearly two million in Florida, about 1.2 million in Michigan, at least another million each in California and Texas, nearly 743,000 over the first two days in Georgia." Reuters (10/14, Oliphant) reports that "more than 13 million Americans have cast ballots, setting a record early pace, according to the U.S. Elections Project at the University of Florida." According to Reuters, "In the last presidential election, some 1.4 million Americans had cast early votes as of Oct. 16, 2016."

The Washington Post (10/14, Gardner, Viebeck, 14.2M) reports, "So far, much of the early voting appears to be driven by heightened enthusiasm among Democrats. Of the roughly 3.5 million voters who have cast ballots in six states that provide partisan breakdowns, registered Democrats outnumber Republicans by roughly 2 to 1, according to a Washington Post analysis of data in Florida, Iowa, Maine, Kentucky, North Carolina and Pennsylvania." The Houston Chronicle (10/14, 730K) reports, "More than a million Texans have already cast ballots after just the first day of early voting, and the state isn't even finished counting the first day's numbers." The Los Angeles Times (10/14, 4.64M) reports that "more than 1 million Californians have returned their mail-in ballots, according to the state, an amount that dwarfs the number submitted at this point four years ago. This marks the most ballots collected by mail at this point in any California election."

USA Today (10/14, Hughes, 10.31M) reports that the President's "growing call for an 'army' of supporters to 'monitor' voting has raised concerns during an already vitriolic presidential election campaign about voter intimidation and suppression of minority groups." The Washington Post (10/14, Ryan, 14.2M) reports military leaders are also facing "renewed challenges in their attempt to steer clear of divisive election politics. ... Trump has declined to commit to conceding power if he loses, fueling speculation about a disputed outcome and the potential for him to reach for the military as part of an attempt to clinch another term."

Judge Extends Virginia Voter Registration Deadline After System Outage. The New York Times (10/14, Thrush, 18.61M) reports a federal judge "has extended the voter registration deadline in Virginia until 11:59 p.m. on Thursday, after a cut cable on Tuesday brought down the online system hours before the original deadline." The Washington Post (10/14, Olivo, 14.2M) reports the ruling came "in response to a lawsuit filed by voter advocacy groups, which argued that Tuesday's disruption affected thousands, with a disproportionate impact on racial and ethnic minorities and younger voters."

Amazon Event, Holiday Shopping Add To Strain On USPS As It Handles Ballots. The Washington Post (10/14, Bogage, Bhattarai, 14.2M) reports, "With millions of mailed ballots already pouring in, early holiday shopping and mega retail events like Amazon's Prime Days threaten to expose vulnerabilities inside the nation's mail service, which already is dragging from skyrocketing package volumes." The "resulting spike in packages" from the Amazon event "runs up against the Nov. 3 election, adding a new stressor on the U.S. Postal Service as it struggles to reverse service slowdowns that experts and postal workers say could ensnare ballots." The AP (10/14, Samuels) reports the US Postal Service "agreed Wednesday to reverse changes that slowed mail service nationwide, settling a lawsuit filed by Montana Gov. Steve Bullock during a pandemic that is expected to force many more people to vote by mail."

In an interview with Newsmax TV (10/14), President Trump criticized by-mail voting, saying, "It's a crooked deal. It's a rigged deal. You see it every day. New ballots are coming out that are thrown in garbage cans with the name 'Trump' on it." White House Press Secretary Kayleigh McEnany said on WRVA-AM Richmond, VA (10/14), "Just in the past week, we learned that 100,000 ballots went out in New York, 100,000 that were faulty, and so what their solution was, was to put 100,000 more into the mix. So you have at least 100,000 ballots in excess floating around in New York. ... There are real problems here, and the President is right to put a lens on this."

NBC Nightly News (10/14, story 12, 2:55, Holt, 5.56M) ran a report on the process for verifying authenticity of by-mail ballots.

Members Of Conservative Group Lauded Lower Turnout, Called Mail-In Voting "Left-Wing." The Washington Post (10/14, 14.2M) reports on an August event organized by the Council for National Policy, "a little-known group that has served for decades as a hub for a nationwide network of conservative activists and the donors who support them," at which Turning Point USA's Charlie Kirk said pandemic-related closings of college campuses meant "that up to a half-million left-leaning students probably would not vote." Kirk said, "So,

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please keep the campuses closed. Like, it's a great thing." At another meeting of the group, Public Interest Legal Foundation President J. Christian Adams "described mail-in voting as 'the number one left-wing agenda.'"

Trump And Biden To Appear In "Dueling Town Halls" On Different Networks Thursday Night.

The AP (10/14, Bauder) reports that NBC has agreed to put President Trump "before voters in a town hall event on Thursday." The AP says that "sets up dueling town halls...on a night the two candidates were supposed to meet for their second debate." Joe Biden is "appearing on a similar town hall event in Philadelphia, televised by ABC." Weijia Jiang said on the CBS Evening News (10/14, story 4, 0:20, O'Donnell, 4.09M), "Tomorrow night, the presidential candidates will hold dueling town halls after their second debate was scrapped over concerns about President Trump's COVID-19 diagnosis." ABC World News Tonight (10/14, story 4, 0:20, Muir, 6.83M) and NBC Nightly News (10/14, story 3, 0:35, Holt, 5.56M) also briefly reported on the town halls.

According to the New York Times (10/14, Grynbaum, 18.61M), "Journalists inside NBC and MSNBC were taken aback at the network's decision to air the event opposite an already scheduled ABC forum...meaning Americans can't watch both candidates live." The Times says it is "unclear if the Trump campaign would have accommodated a request by NBC to move the event to a different day." The Times adds that Trump is "trailing in many national polls and is eager for opportunities to make his case to a sizable audience." The Daily Caller (10/14, 716K) similarly reports that "multiple people at NBC News, MSNBC and CNBC are reportedly angry over NBC's decision to host a town hall" for Trump.

NYTimes Examines Trump's Latino Support.

The New York Times (10/14, Medina, 18.61M) reports that "one of the most enduring questions" of President Trump's appeal is, "Who are the nearly 30 percent of Hispanic voters who say they support him, despite his anti-immigration rhetoric and policies?" According to the Times, "There is no one simple answer. Mr. Trump has strong backing from Cuban and Venezuelan exiles in South Florida, who like his stance against communism. And his campaign has heavily courted evangelical Latinos throughout the country. But no other group worries Democrats more than American-born Hispanic men, particularly those under the age 45, who polls show are highly skeptical of" Joe Biden.

Pence Campaigns In Michigan.

MLive (MI) (10/14, 925K) reports Vice President Pence "urged Michigan voters to cast a ballot before Election Day during a campaign visit to Kent County." Pence spoke to "several hundred supporters packed into a parking lot at Lacks Enterprises, a West Michigan auto parts manufacturer, on a chilly Wednesday afternoon." He said, "In the next 20 days, or on Election Day, I need you to vote, Michigan."

Biden, DNC Raised $383M In September.

Politico (10/14, Schneider, 4.29M) reports, "Joe Biden announced Wednesday evening that his campaign and affiliated committees raised $383 million in September, breaking a record he had just set the prior month as his campaign continues to ride a surge of online donations." Biden, the Democratic National Committee, and their joint fundraising committees "started the final 34 days of the campaign with $432 million in the bank." The New York Times (10/14, Goldmacher, Shorey, 18.61M) reports that last summer, Biden's "online fund-raising had slowed to such a trickle that his team basically had to shut down its digital advertising program. ... The campaign bottomed out in early September 2019 when Mr. Biden raised just $24,124.17 online in a day." By contrast, "on one recent day, Mr. Biden was raising more than that every two minutes."

Biden Highlights Catholic Faith In Campaign's Final Stretch.

The Washington Post (10/14, Viser, 14.2M) looks at how Joe Biden is highlighting his Roman Catholic faith in the final stretch of the presidential campaign, reporting that "several recent TV ads from Biden's campaign show him standing with Pope Francis or huddled with a Jesuit priest. He's reading from a pulpit, bowing his head in prayer, or standing solemnly in front of a church's stained-glass window." The strategy "comes as President Trump and his allies have sought to portray Democrats as anti-Catholic, seizing on past criticism from some Democratic senators of the conservative Catholic teachings embraced by Supreme Court nominee Amy Coney Barrett."

Kelly Has 11-Point Lead In Arizona Senate Poll.

A Reuters/Ipsos poll of 667 likely Arizona voters (10/7-10/14) has Mark Kelly (D) at 52% and Sen. Martha McSally (R-AZ) at 41% in the state's Senate race.

Polls Show Tight Races For Both Georgia Senate Seats.

A Quinnipiac University poll of 1,040 likely Georgia voters (10/8-10/12) has Jon Ossoff (D) at 51% and Sen. David Perdue (R-GA) at 45% in the state's Senate race. In the special Senate election, Raphael Warnock (D) is at 41%, Rep. Doug Collins (R-GA) 22%, Sen. Kelly Loeffler (R-GA) 20%, Matt Lieberman (D) 5%, and Ed Tarver (D) 2%. A SurveyUSA poll of 677 likely Georgia voters (10/8-10/12) has Perdue at 46% and Ossoff at 43%; in the special election, Warnock is at 30%, Loeffler 26%, Collins 20%, Lieberman 8%, and Tarver 3%.

Collins Hits Loeffler On Stock Transactions In New Ad. The Atlanta Journal-Constitution (10/14, 895K) reports Collins "unleashed

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one of his most scathing TV attacks yet" on Loeffler with an ad that portrays her "as a greedy insider who used her public office to boost her financial bottom line. The ad released Wednesday targets stock transactions that came under intense scrutiny after a large number of stocks that Loeffler or her husband owned were sold off shortly after she attended a senators-only coronavirus briefing" in January.

Loeffler To Campaign With GA14's Greene. The AP (10/14) reports Loeffler will campaign Thursday with GA14 GOP nominee Marjorie Taylor Greene, "who has peddled in racist tropes and baseless QAnon conspiracy theories. The two are scheduled to appear together in Dallas, Georgia, in the northwest suburbs of Atlanta."

AP Profile: McGrath Faces "Strong Headwinds" In Kentucky Senate Run.

The AP (10/14, Schreiner) runs a feature on Amy McGrath (D) in her bid for Senate in Kentucky, writing that "the retired Marine combat pilot will have to overcome strong headwinds to deny" Senate Majority Leader McConnell "a seventh term. While many Republican Senate candidates are scrambling to distance themselves" from the President, McConnell "appears to be benefiting from his key role in executing the president's agenda. McGrath, meanwhile, has labored to distance herself from the liberal wing of her party, a formidable challenge in a state where the Republican brand remains strong – especially with frequent reminders from McConnell."

Espy Says Hyde-Smith "Disrespecting" Mississippi Voters By Refusing To Debate.

The AP (10/14) reports Mississippi Senate candidate Mike Espy (D) criticized Sen. Cindy Hyde-Smith (R-MS) on Wednesday for refusing to debate. Espy "said the incumbent senator is depriving Mississippi voters of a chance to make a direct comparison between them on issues." Espy said, "The people of Mississippi – she's disrespecting them. ... She's taking this for granted."

Bullock Has Two-Point Lead In Montana Senate Poll.

A Montana State University mail-in poll of 1,787 registered Montana voters (9/14-10/2) has Gov. Steve Bullock (D) at 49% and Sen. Steve Daines (R-MT) at 47% in the state's Senate race. The AP (10/14, Hanson) reports, "Political groups fighting for control of the U.S. Senate have poured more than $118 million" into the race, "a record shattering figure for the sparsely-populated state that dwarfs spending on a per-voter basis in all other Senate battleground states."

Shaheen Leads By 15 Points In New Hampshire Senate Poll.

A Suffolk University poll of 500 likely New Hampshire voters (10/8-10/12) has Sen. Jeanne Shaheen (D-NH) at 51%, Corky Messner (R) 36%, and Libertarian Justin O'Donnell 2% in the state's Senate race.

Cunningham Leads In Two North Carolina Senate Polls.

A New York Times/Siena College poll of 627 likely North Carolina voters (10/9-10/13) has Cal Cunningham (D) at 41% and Sen. Thom Tillis (R-GA) at 37% in the state's Senate race. A Susquehanna Polling and Research poll of 500 likely North Carolina voters (10/7-10/11) has Cunningham at 46% and Tillis at 44%. The Washington Post (10/14, Wagner, Sonmez, 14.2M) reports the polls were conducted after Cunningham "apologized for romantic texts sent in the summer to a woman who is not his wife."

Graham Raised $28M In Q3, A Record For A GOP Senate Candidate.

The AP (10/14, Kinnard) reports Sen. Lindsey Graham (R-SC) "has set a fundraising record for Republican Senate candidates, bringing in $28 million in the third quarter of a reelection battle that is swiftly becoming among the more expensive in the country – and his toughest to date. ... The haul comes as Graham takes a turn in the national spotlight where, as Senate Judiciary Committee chairman, he presides over the confirmation hearings" of Supreme Court nominee Amy Coney Barrett. It also comes "on the heels of Graham's opponent, Democrat Jaime Harrison, raising $57 million in the third quarter, the most ever raised in such a time period by any U.S. Senate candidate, at any time." The Daily Caller (10/14, 716K) reports, "Graham has repeatedly asked Fox News viewers for contributions while appearing on the network. 'Help me,' Graham said in September, according to The Hill. 'They're killing me, moneywise. Help me. You helped me last week. Help me again.'"

Frank Bruni writes in his New York Times (10/14, 18.61M) column, "No victory would rebut Trump's vision of America as emphatically and powerfully as Harrison's would." Graham "once railed that the way to make America great again was to 'tell Donald Trump to go to hell.' Now he's Trump's adoring golf buddy. Does that mean Graham is a fairway-weather friend? It certainly means that his convictions have all the weight of whipped cream."

DCCC Launches "Seven-Figure Ad Campaign" Targeting Latinos In Battlegrounds.

The Hill (10/14, Bernal, 2.98M) reports the Democratic Congressional Campaign Committee has announced "a seven-figure ad campaign targeting Hispanic voters in battleground districts throughout the country. The digital, print and radio ads seek to promote mail voting and to support candidates in tough races" in California, Florida, New Mexico, and Texas.

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Gianforte Has Five-Point Lead In Montana Gubernatorial Poll.

A Montana State University mail-in poll of 1,787 registered Montana voters (9/14-10/2) has Rep. Greg Gianforte (R-MT) at 47% and Lt. Gov. Mike Cooney (D) at 42% in the state's gubernatorial race.

Sununu Up By 24 Points In New Hampshire Gubernatorial Poll.

A Suffolk University poll of 500 likely New Hampshire voters (10/8-10/12) has Gov. Chris Sununu (R) at 55%, Dan Feltes (D) 31%, and Libertarian Darryl Perry 4% in the state's gubernatorial race.

Cooper Leads By 14 Points In North Carolina Gubernatorial Poll.

A New York Times/Siena College poll of 627 likely North Carolina voters (10/9-10/13) has Gov. Roy Cooper (D) at 51% and Lt. Gov. Dan Forest (R) at 37% in the state's gubernatorial race.

WSJournal Urges Californians To Reject Proposition 15.

In an editorial, the Wall Street Journal (10/14, Subscription Publication, 7.57M) urges Californians to reject Proposition 15, which it says would enact the state's largest-ever tax increase by abolishing protections on property taxes enacted in 1978.

RCP Average Has Trump's Job Approval At 44.4%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.4%, and his disapproval at 54.2%. The President's approval is down 0.2 since yesterday; his disapproval is unchanged.

A Rasmussen poll of 1,500 "likely voters" (10/12-10/14) finds Trump's approval at 47%, and his disapproval at 51%.

Financial International News

World Bank To Commit Billions For Covid-19 Vaccines, Stimulus Relief For Developing Nations.

The Hill (10/14, Bowden, 2.98M) reports the World Bank on Tuesday "announced that it would provide $12 billion for efforts to deliver a distributable COVID-19 vaccine to developing countries, a move the organization said was aimed at vaccinating 1 billion people against the virus." In a statement, World Bank Group President David Malpass said, "We are extending and expanding our fast-track approach to address the COVID emergency so that developing countries have fair and equal access to vaccines." Malpass added, "Access to safe and effective vaccines and strengthened delivery systems is key to alter the course of the pandemic and help countries experiencing catastrophic economic and fiscal impacts move toward a resilient recovery."

Reuters (10/14, Staff) reports the Bank is also "calling for $25 billion in further COVID-19 emergency financing to help the world's poorest countries grapple with the massive challenges of the global pandemic, [Malpass] said on Wednesday." Malpass "told finance ministers and central bank governors of the G20 major economies that he would propose the supplemental financing package later this month to deputies of the International Development Association, the World Bank arm that helps the world's poorest countries." Malpass also "underscored concerns about the rising risk of 'disorderly defaults' among low-income countries, and said the World Bank and International Monetary Fund had proposed a joint action plan to help those for the most heavily-indebted IDA countries."

IMF Head Urges Nations To Invest In Green Projects, Digital Infrastructure To Mitigate Covid-19 Impact.

Reuters (10/14, Staff) reports IMF Managing Director Kristalina Georgieva "warned on Wednesday that halting spending aimed at containing the coronavirus pandemic and mitigating its economic consequences could have serious consequences for the global economy." Georgieva, speaking at a news conference, "urged countries to invest in green projects and digital infrastructure to boost productivity and incomes, and said it was imperative to help low-income countries deal with heavy debt burdens so they could maintain support for their citizens." Georgieva said, "The picture over the last few months has become less dire, yet we continue to project the worst global recession since the Great Depression. ... Nine months into the pandemic, we are still struggling with the darkness of a crisis that has taken more than a million lives, and driven the economy into reverse, causing sharply higher unemployment, rising poverty, and the risk of 'a lost generation' in low-income countries."

The Financial Times (10/14, Smith, Subscription Publication, 1.34M), The Guardian (UK) (10/14, 4.19M), and the Wall Street Journal (10/14, Hayashi, Subscription Publication, 7.57M) also report.

G20 Extends Debt Payment Suspensions For Additional Six Months.

The AP (10/14, Crutsinger, Batrawy) reports that "the Group of 20 nations, representing the world's biggest economies, agreed Wednesday to extend the suspension of debt payments by an additional six months to support the most vulnerable countries in their fight against the coronavirus pandemic." The suspension of over $14 billion in debt "had been due to expire at the end of the year," with the extension giving "developing nations until the end of June 2021 to focus spending on health care and emergency stimulus programs rather than debt repayments." Saudi Arabia's finance minister and G20 chair Mohammed al-Jadaan acknowledged the "need to do more" and "said there will

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be further discussions at April's spring meetings."

Reuters (10/14, Barbuscia), Bloomberg (10/14, Nereim, 4.73M), and the Wall Street Journal (10/14, Zumbrun, Subscription Publication, 7.57M) also report.

Global Regulators To Consider Easing Capital Burden On Banks.

Reuters (10/14, Jones) reports, "Regulators will discuss next month how to ease pressure on global banks to hold unnecessarily large levels of capital in every country they operate, the Financial Stability Board said on Wednesday." According to Reuters, "Banks complain of having to 'ring fence' large amounts of capital and liquidity at every foreign branch because local regulators don't trust the lender's home authority in a crisis to free up capital being held at group level." That distrust "fragments capital markets and bumps up costs for banks and users." The FSB said it will discuss "actions" that could be taken to "prevent detrimental ring-fencing and fragmentation" of capital and liquidity when it meets on November 30.

Leading International News

NYTimes Analysis: Trump Exaggerated WHO Lockdown Stance.

The New York Times (10/14, Wu, 18.61M) reports that "this week, President Trump exaggerated a position taken by the World Health Organization, saying that the agency had vindicated his derision of lockdowns during the coronavirus pandemic." The President's tweet – "The World Health Organization just admitted that I was right. Lockdowns are killing countries all over the world" – was "rapidly shared by thousands online." However, WHO officials have "advocated for a multifaceted approach to curbing the spread." WHO spokesperson Hedinn Halldorsson said, "WHO has never advocated for national lockdowns as a primary means for controlling the virus."

House Democrats Criticize Trump's Failure To Cooperate With China To Fight Pandemic.

The Washington Post (10/14, Hudson, 14.2M) reports that on Wednesday, "a group of 100 House Democrats criticized the Trump administration's unilateral approach to the coronavirus pandemic...and offered a plan for working with other countries to control the crisis and ensure that vaccines can be shared widely and quickly." According to the Post, the letter from Reps. Judy Chu (D-CA), Jim McGovern (D-MA), and Brad Sherman (D-CA) "says the Trump administration's antipathy toward China and multilateral organizations hindered coordination with the World Health Organization and the European Union. It also says restrictions on scientific exchanges with Beijing resulted in fewer Americans on the ground in China as the virus began to spread."

Europe Outpaces US In New Coronavirus Cases.

On ABC World News Tonight . (10/14, story 7, 1:35, Muir, 6.83M), Ian Pannell reported, "Amid growing concern in the US of a second wave, tonight...the virus is surging once again and quickly" in Liverpool, England. The region is "in semi-lockdown. Restaurants, gyms, and pubs closed again. The city's ICUs at over 90% capacity." Pannell said, "The second wave filling hospitals across Britain. Patients weak from their battle, now more than 4,500 hospitalized" and "across Europe, nearly 100,000 cases a day for the last week – a 34% increase. So, now we're seeing a new wave of restrictions. In France, nighttime curfews are going to be introduced in Paris and other cities. In Italy, a mask mandate, and in Madrid, Spain, a state of emergency. But also, growing anger."

The New York Times (10/14, A1, Landler, 18.61M) reports, "From France to Russia, from Britain to the Czech Republic, European leaders are confronting a surge in cases of the coronavirus, which is rapidly filling hospital beds, driving up death tolls and raising the grim prospect of further lockdowns in countries already traumatized by the pandemic." Europe, "which once compared favorably to the United States in its handling of the coronavirus, is being engulfed by a second wave of infection. Averaging more than 100,000 new infections per day over the past week, Europe now accounts for about one-third of new cases reported worldwide."

The Wall Street Journal (10/14, Douglas, Barnett, Meichtry, Subscription Publication, 7.57M) reports that Europe overtook the US this week for the first time since the spring as the European Union and the UK reported 152 cases per million residents for the week of October 12, over the US' 150 per million in the same period.

NYTimes Analysis: Central Europe Faces Particular Danger. The New York Times (10/14, Santora, Goeij, 18.61M) reports, "Much of Central Europe locked down quickly in the spring, before the coronavirus took root, and largely avoided widespread infection during the first wave of the pandemic. But now – from the Polish port city of Gdansk on the Baltic to the ancient fortress town of Kotor on the Adriatic in Montenegro – the virus is sweeping across the region." Coronavirus "could sow" particular damage "in the former Communist countries of Central Europe, some of which have weak health care systems, critical shortages of doctors and nurses, and inadequate testing programs," as well as "a deep distrust of government among their citizens stemming from years of systemic corruption" and "a large older population at high risk of suffering serious illness," who "tend to live within large family groups, according to a survey by the Pew Research Center."

UK Regions Split From National COVID Strategy. The AP (10/14) reports, "British Prime Minister Boris Johnson's new strategy for combating COVID-19 seemed to unravel Wednesday as regional leaders chose their own paths and the mayors of the cities facing the toughest restrictions accused Johnson of using the crisis to divide them for political advantage." Northern Ireland "said it would close schools, pubs and restaurants to slow the spread of the virus, while Wales announced it would not allow in people from hot spots in other parts of the U.K." Metro Mayor of the Liverpool City Region Steve Rotheram, meanwhile, "criticized Johnson's handling of the crisis," while "Greater

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Manchester's regional government on Wednesday rejected efforts to move it into the highest tier."

Macron Imposes Curfew Amid Coronavirus Spike. The Washington Post (10/14, McAuley, 14.2M) reports that "French President Emmanuel Macron on Wednesday announced a curfew to be imposed on the Paris region and other major urban centers, to curb a rapid resurgence of the coronavirus," requiring "people to stay home between 9 p.m. and 6 a.m." beginning October 17. The curfew will "last for at least four weeks" and includes "Paris, Lyon, Grenoble, Aix-en-Provence, Montpellier, Lille, Rouen and Saint-Etienne." Macron said, "Our goal must be to reduce private contacts, which are the most dangerous contacts, which is to say the moments when there's a little slackening."

Milan Sees Resurgence In Coronavirus Infections. The AP (10/14, Barry) reports, "Coronavirus infections are surging anew in the northern Italian region where the pandemic first took hold in Europe, putting pressure again on hospitals and health care workers." Italy "on Wednesday posted its highest ever daily total of new infections at 7,332 – surpassing the previous high of 6,557, recorded during the virus's most deadly phase in March," though "increased testing is partially responsible for the high numbers, and many of the new cases are asymptomatic. So far, Italy's death toll remains significantly below the spring heights, hovering around 40 in recent days. That compares with the high of 969 dead nationwide one day in late March." Premier Giuseppe Conte's government has "twice tightened nationwide restrictions inside a week" to combat the spike.

Houthis Release Two Americans In Return For 250 Detained Rebels.

The AP (10/14, Riechmann) reports, "Two Americans and the remains of a third held captive by Iranian-backed militants in Yemen were released on Wednesday in exchange for the return of about 250 of the Houthi rebels from Oman." Oman's state news said the Americans "were flown out of Yemen on an Omani plane," and "250 'Yemeni brothers' who received treatment in Oman have been returned to Yemen's capital, Sanaa, on two flights as part of the exchange." National Security Adviser O'Brien said, "The United States welcomes the release today of US citizens Sandra Loli and Mikael Gidada from Houthi custody in Yemen. We send our condolences to the family of Bilal Fateen, whose remains will be repatriated as well."

The New York Times (10/14, Crowley, Goldman, 18.61M) says "freeing Americans held abroad has been a top priority for President Trump and...O'Brien, who previously served as Mr. Trump's chief hostage negotiator." The Washington Post (10/14, Mujahed, Raghavan, 14.2M) and the Wall Street Journal (10/14, Nissenbaum, Subscription Publication, 7.57M) provide similar coverage.

Taliban Assault On Provincial Capital Undermines Peace Talks.

The Washington Post (10/14, Constable, Hassan, 14.2M) reports "a Taliban offensive in southern Helmand province has raised concerns...that a growing wave of insurgent violence could undercut fledgling intra-Afghan peace talks in Qatar and sabotage a U.S.-Taliban pact reached in February." The assault "was partly quelled by Afghan forces Tuesday with support from U.S. airstrikes, but thousands of families were forced to flee the surrounding areas...and some Taliban fighters were reported Wednesday to still be advancing into the city." The Post says "the complex attack appeared to have been planned before President Trump tweeted last Wednesday that he wanted to bring all U.S. troops home by Christmas," which the Post says was a "significant shift in policy that immediately put the Taliban in a stronger bargaining position at the peace talks."

Russia Denies Administration's Announcement Of "Agreement In Principle" To Extend New START.

The New York Times (10/14, Sanger, Kramer, 18.61M) reports, "President Trump had a pre-election plan to show he had gotten something out of his mysteriously friendly relationship with President Vladimir V. Putin of Russia." Ahead of the election, Trump and Putin "would announce that they had reached an agreement in principle to extend New START." On Tuesday, Marshall Billingslea, Trump's lead negotiator, "announced that the two leaders had an 'agreement in principle, at the highest levels of our two governments, to extend the treaty.'" But, "the Russian deputy foreign minister, Sergei A. Ryabkov, shot back that this was a figment of someone's election-season imagination." Secretary of State Pompeo "tried to put the best face on the Russian rejection," but Russian Foreign Minister Sergey Lavrov "joined the Kremlin's dismissal of prospects for an agreement before the election."

EU To Sanction Six Russian Officials Over Navalny Poisoning. The New York Times (10/14, Schwirtz, Bennhold, 18.61M) reports that the European Union is "preparing to impose financial sanctions on six high-ranking Russian officials...who are believed to have been involved in the poisoning of Aleksei A. Navalny, the prominent Russian opposition leader." According to the Times, "The individuals...are believed to have had direct knowledge of the poisoning or were involved in the planning." The Times adds that "several of those facing penalties are members of the tight circle of elites who for years have surrounded" President Vladimir Putin, including "Aleksandr Bortnikov, the head of Russia's domestic spy agency, the Federal Security Service; Sergei Kiriyenko, first deputy chief of staff in the presidential administration; and Andrei Yarin, the head of the presidential administration's domestic policy directorate."

Esper Says North Korean Missiles "Remain A Serious Threat."

Reuters (10/14) reports that on Wednesday, Defense Secretary Esper "said North Korea's nuclear and missile programs pose a global threat, after Pyongyang's unveiling of previously unseen intercontinental ballistic missiles at a predawn military parade." Reuters adds that "speaking before the start of a meeting with his South Korean counterpart at the Pentagon," Esper said, "We agree that North Korea's nuclear and

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ballistic missile programs remain a serious threat to the security and stability of the region and the world. ... The United States remains committed to the security of the Republic of Korea." However, Reuters says Esper added that the US and South Korea "must find a more equitable way of sharing defense costs so it 'doesn't fall unequally on the American taxpayers.'"

Xi Says China Must Prepare For A Less Welcoming World.

The New York Times (10/14, Buckley, 18.61M) reports with China facing "rising global barriers, its leader, Xi Jinping, is urging greater domestic innovation." In a speech Wednesday in Shenzhen, "Xi said China still welcomed foreign investors, but he also said it must prepare for a less welcoming world." He said, "The world economy is at low ebb and international trade and investment have drastically shrunk." Xi "did not refer directly to the Trump administration's efforts to restrict Chinese companies' access to American technology amid escalating tensions between the two countries" and instead "broadly warned" that "the world has entered a period of turbulence and transformation." The Washington Post (10/13, Dou, 14.2M) says Xi "announced plans to build Shenzhen into a 'model city' of innovative industries and rule of law, while touting closer integration of Hong Kong into the mainland economy."

Mexican Farmers Take Over Dam, Refuse To Allow Water To Go To US.

The New York Times (10/14, Kitroeff, 18.61M) reports farmers in Mexico "armed themselves with sticks, rocks and homemade shields, ambushed hundreds of soldiers guarding a dam and seized control of one of the border region's most important bodies of water." Mexico's government was sending water to Texas, "leaving them next to nothing for their thirsty crops, the farmers said. So they took over the dam and have refused to allow any of the water to flow to the United States for more than a month." The Times says, "The standoff is the culmination of longstanding tensions over water between the United States and Mexico that have recently exploded into violence, pitting Mexican farmers against their own president and the global superpower next door."

Israel And Lebanon Meet To Discuss Disputed Maritime Border.

The New York Times (10/14, Hubbard, 18.61M) reports that on Wednesday, Israel and Lebanon "kicked off their first negotiations in 30 years on nonsecurity issues, aiming to end a long-running dispute over their maritime border in the gas-rich Mediterranean Sea." The Times says "the brief first session...was hosted by the United Nations and mediated by the United States, whose diplomats worked for years to get the negotiations going before the two sides announced on Oct. 1 that they had agreed on a framework for talks." According to the Times, "At issue is more than 330 square miles in the Mediterranean that Israel and Lebanon both claim is in their exclusive economic zone."

The Washington Post (10/14, Dadouch, Eglash, 14.2M) reports that "currently, a string of buoys extends into the water, placed there by Israel as a de facto border that is not recognized by Lebanon or the United Nations." The Post says Lebanon "considers the boundary an extension of the land border," and "the result is a disputed 860-square-kilometer triangle in the sea."

Erdoğan And Putin Discuss Continuing Fighting Between Armenia And Azerbaijan.

Reuters (10/14) reports that on Wednesday, Turkish President Tayyip Erdoğan indicated to Russian President Vladimir Putin on a phone call that Turkey would like "a permanent solution to the Nagorno-Karabakh issue." Reuters says Turkey "has accused Armenia of occupying Azeri territory and vowed full support for Azerbaijan, "which "accused Armenia on Wednesday of trying to attack its gas and oil pipelines."

The AP (10/14, Isachenkov) reports that "a Russian attempt to broker a cease-fire to end the worst outbreak of hostilities over the disputed region of Nagorno-Karabakh in more than a quarter-century has failed to get any traction, with rivals Azerbaijan and Armenia trading blame for new attacks." The AP goes on to report that "while separatist forces in the Nagorno-Karabakh and the Armenian military continue to rely mostly on aging Soviet-built weapons, Azerbaijan has completely revamped its arsenal with state-of-the-art attack drones and powerful long-range multiple rocket systems supplied by its neighbor and ally, Turkey." The AP adds that "more than two weeks of fighting has shown that Azerbaijan has clearly outgunned the Nagorno-Karabakh forces and put them on the defensive." According to Reuters (10/14, Toksabay), "Turkey's military exports to its ally Azerbaijan have risen six-fold this year, with sales of drones and other military equipment rising to $77 million last month alone before fighting broke out over the Nagorno-Karabakh region."

Kyrgyzstan's President Rejects Calls To Step Down.

The AP (10/14, Litvinova) reports "Kyrgyzstan's embattled president," Sooronbai Jeenbekov, "on Wednesday dismissed a call to step down, saying he would stay on the job until the political situation in the Central Asian country stabilizes after a disputed parliamentary election." Jeenbekov "held talks with Prime Minister Sadyr Zhaparov hours after he endorsed his appointment by parliament." Jeenbekov "insisted that stepping down now could" set off "unpredictable developments to the detriment of the state," his office said. The office "emphasized that he will only agree to resign" after "he takes the country back into the legal field, after holding parliamentary and calling presidential elections."

Leaders Of Greece's Golden Dawn Sentenced To Prison.

The New York Times (10/14, Kitsantonis, 18.61M) reports the leaders of Greece's Golden Dawn party were sentenced "to 13 years in prison on Wednesday." An Athens court "convicted the party leaders of crimes related to a campaign of attacks against migrants and leftist critics in 2012 and 2013. At the end of a trial that lasted more than five years, the party was tied to a string of attacks, including the fatal stabbing in

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2013 of a left-wing rapper, Pavlos Fyssas." The Times says the convictions were seen in Greece "as a final blow to Golden Dawn – which lost all of its seats in Parliament in general elections last year, as the trial gradually eroded its popularity – though the sentences fell short of what some observers and opponents had been expecting."

Indonesian Minister Formerly Barred From US Set To Meet With Officials.

The New York Times (10/14, Paddock, 18.61M) reports that "for two decades, Prabowo Subianto, a former Indonesian general, was a pariah in international affairs." According to the Times, Prabowo, "once a son-in-law of the dictator Suharto, who died in 1998, and a past commander of Indonesia's feared special forces, was blamed for atrocities committed by troops he had led," and was "prohibited from visiting the United States." However, the Times says Prabowo is now Indonesia's minister of defense, "the ban has been lifted," and "at the invitation of" Defense Secretary Esper, Prabowo "arrived in Washington this week."

Thai People Defiant As Royal Family's Limousine Passes.

The New York Times (10/14, Beech, Suhartono, 18.61M) reports as Thailand's Queen Suthida Vajiralongkorn Na Ayudhya's limousine traveled a "a road in Bangkok that has been used for royal processions," antigovernment protesters yelled "'my taxes!,' referring to their personal contributions to royal coffers. The police held them back but could not hide the demonstrators' defiant salutes." While "pro-democracy protesters have gathered by the thousands to call for reforms to the monarchy and military," the limousine's "route on Wednesday was the first time that members of the nuclear royal family had gotten such a close look at the faces of Thais who are openly questioning the monarchy's exalted position in the country."

Study: Great Barrier Reef Lost Half Its Coral Populations In Last 25 Years.

The New York Times (10/14, Cramer, 18.61M) reports the Great Barrier Reef "lost half of its coral populations in the last quarter-century, a decline that researchers in Australia said would continue unless drastic action is taken to mitigate the effects of climate change." According to researchers who "studied coral colonies along the length of the reef between 1995 and 2017...almost every coral species had declined. Colony sizes were smaller; there were fewer 'big mamas,' or older large corals that produce baby corals; and there were fewer of those babies, which are vital to the reef's future ability to breed. ... The study was published on Wednesday in the journal Proceedings of the Royal Society."

Housing

Freddie Mac Hikes 2020 Origination Forecast By $700B.

National Mortgage News (10/14, Finkelstein) reports, "With mortgage rates expected to remain flat at 3% through the end of 2021, Freddie Mac has raised its mortgage origination forecast for this year to nearly $3.6 trillion." In its June quarterly forecast, Freddie Mac had "predicted $2.9 trillion in volume for this year. Its rate forecast in the June release was higher, at 3.3% for the rest of this year and 3.2% for all of next." NMN says, "even with next year's rates projected to be 20 basis points lower than expected from the prior forecast, Freddie Mac's 2021 outlook was only increased marginally, to $2.7 trillion from June's $2.5 trillion." Mortgage Orb (10/14, Bates) reports that Freddie's Forecast indicates "total mortgage originations will reach $1.1 trillion in Q3 2020 and $3.6 trillion for full-year 2020." For 2021, Freddie Mac "forecasts purchase originations to remain at $1.4 trillion, while refinance originations are expected to be lower, at $1.2 trillion. Overall, total originations will decline to $2.7 trillion in 2021."

Bankrate (10/14, Ostrowski, 311K) reports Freddie Mac "said it expects home prices to grow 5.5 percent for 2020 and 2.6 percent for 2021." Freddie Mac Chief Economist Sam Khater said, "Even as the economy faces challenges from the coronavirus pandemic, the housing market has been showing strength." Scotsman Guide (10/14, Aurellano) reports, "With total sales on the uptick in both the new and existing-home segments, Freddie expects total annual sales to reach 6.2 million in 2020. While construction has bounced back, however, Freddie anticipates that the COVID-induced slowdown in building that occurred in the spring and early summer of 2020 will mean fewer new homes available to buy next year," leading to a "slight home sales retreat in 2021, backtracking to 6.1 million homes sold for the year."

Seeking Alpha (10/14, 512K) also covers Freddie's forecast.

Freddie Mac Issues Three-Year Reference Notes Security.

Seeking Alpha (10/14, 512K) reports Freddie Mac "seeks to issue new three-year USD Reference Notes due on October 16, 2023; issue will settle on Oct. 16, 2020, at benchmark size." According to Seeking Alpha, "The new Reference Notes security will be offered via a syndicate of dealers headed by J.P. Morgan Securities, TD Securities, and Wells Fargo Securities."

Freddie Mac's Waldron To Speak About Racial Homeownership Gap In Upcoming Panel.

HousingWire (10/15, 23K) reports, "The gap between Black and White homeownership continues to grow." A panel with "speakers from Freddie Mac, the Urban Institute, and the National Association of Real Estate Brokers" will "discuss what is being done to turn the tide for individuals and communities that are underrepresented in the current slate of homeowners." Freddie Mac VP of Research and Analytics Cindy Waldron, NAREB President Donnell Williams, and Urban Institute VP Laurie Goodman are listed as speakers.

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Freddie Mac's ACE Highlighted.

For its annual Virtual Demo Day, HousingWire (10/14, 23K) features Freddie Mac's Automated Collateral Evaluation (ACE), which "leverages proprietary models along with historical data and public records to allow lenders to originate certain loans without an appraisal."

MBA, California MBA Concerned Over Two CA Ballot Measures.

National Mortgage News (10/14) reports that the Mortgage Bankers Association and California MBA worry that two California Ballot initiatives could "complicate property ownership in ways that could have a negative impact on loan performance and access to credit." The two ballot measures include one that could "change how commercial property is taxed," and another that would "change rent control policies." MBA SVP Mike Flood said, "Think of a major lender in this country, and I imagine nearly every single one of them has a presence in California. Also, what happens in California can happen in other states."

MBA: Mortgage Application Volume Dipped 7% In Week Ending October 9.

Mortgage News Daily (10/14) reports, "The volume of mortgage applications dipped slightly last week. The Mortgage Bankers Association (MBA) said its Market Composite Index, a measure of that volume, was down 0.7 percent on a seasonally adjusted basis during the week ended October 9 and was 1 percent lower on an unadjusted basis." The Refinance Index fell 0.3% from the prior week. The seasonally-adjusted Purchase Index fell 2% from the prior week, while the unadjusted Purchase Index fell 1%. The ARM share fell from 2.2% to 2%. The FHA share fell from 11% to 10.7, while the VA share rose from 12.2% to 13.4%. The average rate for 30-year FRMs with conforming balances fell from 3.01% to 3.00%, while jumbos' average fell from 3.31% to 3.30%. The average rate for 15-year FRMs held flat at 2.59%. The average rate for 5/1 ARMs fell from 2.80% to 2.63%.

Bankrate: Mortgage Rates Dip To Record Lows This Week.

Bankrate (10/14, Ostrowski, 311K) reports that mortgage rates "fell this week, returning to record lows, according to a Bankrate survey released Wednesday." Bankrate found from its national survey of lenders that the average rate for 30-year FRMs was 3.05%, down from 3.08% last week. The 15-year FRM's average rate fell to 2.47%, a "new record low."

Ginnie Mae MBS Issuance Soars To New Record In FY2020.

National Mortgage News (10/14, Centopani) reports, "The white-hot originations market of 2020 drove Ginnie Mae's securitized mortgage volume to an all-time high, sailing well past its old record." According to NMN, Ginnie Mae "closed its 2020 fiscal year by issuing $748 billion in MBS, eclipsing the $451.6 of FY 2019 and its previous record of $504 billion in FY 2017." Ginnie's annual record issuance "helped over 2.8 million households secure affordable homes and rental housing – both single and multifamily – compared to 1.8 million the year prior." A Ginnie Mae spokesperson told NMN, "Our business is elastic and our mission is based on meeting the needs of our insuring partners: The FHA, VA and USDA. Record-low mortgage rates encouraged borrowers to refinance and for first-time homebuyers to enter the market."

DS News (10/14, Babb) reports Ginnie Mae Principal EVP Seth Appleton said, "2020 is a year that will stand out in the record books for Ginnie Mae. We attracted record capital to support affordable homeownership and rental housing opportunities for millions of American households, advanced key modernization initiatives, and responded swiftly to the COVID-19 National Emergency, all while operating in a remote environment. I am proud of and grateful for the tremendous contributions of the Ginnie Mae team who made these accomplishments possible."

Ginnie MBS Buyouts Slow In August.

Behind a paywall, Inside Mortgage Finance (10/14, Bancroft, Subscription Publication) reports the "sudden increase in servicer withdrawals of loans" from Ginnie Mae MBS early this summer "appears to be waning." An IMF analysis "shows servicers pulled $66.81 billion" of loans from Ginnie MBS pools in August, down "7.6% from July." This represented "the second monthly decline since loan removals peaked in June." IMF says, "Most loans are removed from Ginnie pools because the borrower paid off the loan, and payoffs accounted for 85.3% of loan withdrawals for the first eight months of [2020]. Payoff removals fell 0.4% from July to August, and by 2.8% for FHA loans. The VA program, which sees much heavier refinance activity, recorded a 1.9% increase in payoff removals, [hitting] its highest level of the year." Quicken Loans and PennyMac recorded 4% gains in payoffs, while fellow Ginnie servicers New Residential (10.8%) Home Point Financial (8.6%) and United Shore Financial Services (46.1%) saw larger gains.

MSR Sales Market Remains Bogged Down.

Behind a paywall, Inside Mortgage Finance (10/14, Muolo, Subscription Publication) reports that MSR sales are currently sluggish, as "interest rates remain at rock-bottom levels and gain-on-sale margins are through the roof." IMF says that "ever since the pandemic reared its ugly head in March and markets tanked (right along with interest rates), servicing sales have been weak, with very few public auctions being announced." MorVest Capital servicing advisor David Fleig said, "It's hard to recommend to a client to sell bulk right now because most of them are so flush. The typical move, to raise cash, doesn't exist."

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Goldman Sachs Preps $413.5M Prime Non-Agency MBS.

Behind a paywall in its Short Takes, Inside Mortgage Finance (10/14, Muolo, Subscription Publication) reports that Goldman Sachs this week announced it plans "to issue a $413.5 million prime non-agency mortgage-backed security." According to IMF, "United Wholesale Mortgage originated 43.8% of the loans collateralizing the deal. The product has seasoned for an average of six months and none are in forbearance."

Markets

10-Year Yield Falls.

MarketWatch (10/15, 1.67M) reports the 10-year Treasury yield fell to 0.699 percent.

Dollar Inches Higher.

Reuters (10/15, Westbrook) reports, "The dollar inched higher on Thursday as rising coronavirus cases and scant progress towards a U.S. stimulus deal unsettled investors, while the Aussie dropped to a one-week low after the central bank chief hinted of a possible rate cut or bond buying." The safe-haven yen "stayed just shy of a two-week peak on the dollar." Against a basket of currencies, the dollar "was steady at 93.428."

Gold Eases.

Reuters (10/15) reports, "Gold prices fell on Thursday, weighed by a steady dollar and fading chances of a new U.S. fiscal stimulus package being finalised before the November elections." Spot gold "fell 0.4% to $1,893.17 per ounce by 0108 GMT," while US gold futures "were steady at $1,896.60."

Oil Falls.

Reuters (10/15, Paul, Samanta) reports, "Oil prices fell on Thursday, paring gains from earlier in the session, as a resurgence in COVID-19 infections across the globe underpinned concerns over economic growth and a recovery in fuel demand." Brent crude futures "dropped 28 cents, or 0.7% to $43.04 a barrel at 0724 GMT," while US West Texas Intermediate crude futures "were down 24 cents, or 0.6%, to $40.80."

Cybersecurity

New York Regulators Fault Twitter's Security Before Celebrity Hack.

Reuters (10/14, Stempel) reports, "Twitter Inc suffered from cybersecurity shortfalls that enabled a 'simple' hack attributed to a Florida teenager to take over the accounts of several of the world's most famous people in July, according to a report released on Wednesday." The report "by New York's Department of Financial Services also recommended that the largest social media companies be deemed systemically important, like some banks following the 2008 financial crisis, with a dedicated regulator monitoring their ability to combat cyberattacks and election interference. 'That Twitter was vulnerable to an unsophisticated attack shows that self-regulation is not the answer,' said Linda Lacewell, the financial services superintendent." Twitter "has acknowledged that some employees were duped into sharing account credentials prior to the hack."

CNN (10/14, Fung, 83.16M) reports, "At the time of the July 15 attack, Twitter had no chief information security officer and suffered from poor internal security controls, the report concluded. Officials behind the report called for additional cybersecurity regulation of major tech platforms. 'In other industries that are deemed critical infrastructure, such as telecommunications, utilities, and finance, we have established regulators and regulations to ensure that the public interest is protected,' said the report from New York's Department of Financial Services. 'With respect to cybersecurity, that is what is needed for large, systemically important social media companies.'" CNN adds, "In a statement, Twitter said it has taken steps to enhance the security of its platform, cooperated with the Department's investigation, and that multiple arrests have been carried out in the wake of the attack."

The Hill (10/14, Klar, 2.98M) reports, "The report underscores the push for further protection by highlighting concerns that the cybersecurity vulnerabilities could lead to an election-related hacking attempt. 'The Hackers focused on classic fraud. But such a hack, when perpetrated by well-resourced adversaries, could wreak far greater damage by manipulating public perception about markets, elections, and more,' the report states." The report "describes the hijack of high-profile accounts, including former President Obama, reality star Kim Kardashian West and Amazon CEO Jeff Bezos, as 'jarringly easy for a teenager and his young associates' to execute. DFS said the hackers accessed Twitter's systems by calling company employees and claiming to be from Twitter's IT department. After duping four employees to give them their log-in credentials, the hackers hijacked the accounts of various politicians, celebrities and companies."

The New York Post (10/14, Manskar, 4.57M) reports, "The agency found no evidence that Twitter's employees knowingly helped the hackers, and some of them reported the suspicious calls to the company's fraud monitoring team, according to the report," but "regulators faulted Twitter for lacking basic cybersecurity protections at the time of the attack, such as a chief information security officer and 'adequate access controls and identity management' – measures that are required under New York's cybersecurity regulation."

The New York Daily News (10/14, Slattery, 2.52M) reports, "The report recommends an oversight council be established to 'designate systemically important social media companies' and says a regulator should be appointed to 'monitor and supervise the security practices of mainstream social media platforms." The Wall Street Journal (10/14, Rundle, Subscription Publication, 7.57M) also reports.

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Federal Reserve

Clarida Says Economy Will Need Additional Support.

Reuters (10/14, Schneider) reports Fed Reserve Vice Chair Richard Clarida said data has been "surprisingly strong" since May, but will likely take another year to reach its pre-pandemic levels. He said, "In the spring, many voices questioned what good rate cuts, forward guidance, asset purchases, and lending programs could do in an economy in which people do not venture out to buy cars or build houses and in which companies do not invest." He added that "additional support from monetary – and likely fiscal – policy will be needed. ... Speaking for the Fed, I can assure you that we are committed to using our full range of tools to support the economy."

The Wall Street Journal (10/14, Derby, Subscription Publication, 7.57M), Bloomberg (10/14, Condon, 4.73M), CNBC (10/14, Cox, 3.62M), and MarketWatch (10/14, Robb, 1.67M) also report.

Kaplan: Women, Minorities Most In Need Of Job Help In This Economy.

Reuters (10/14, Marte) reports Dallas Fed President Robert Kaplan said minorities and women affected by pandemic-related job losses will need assistance finding new work as the economy moves toward sectors less dependent on physical interactions. Kaplan said, "Many of the folks who have lost their jobs may not have a business to go back to," in contrast people with college educations who will more likely have jobs offering remote work. The economy is likely to contract 2.5% in 2020.

Barkin: Rising Virus Cases Builds Uncertainty, Hinders Recovery.

Bloomberg (10/14, 4.73M) reports Richmond Fed President Thomas Barkin "said a rebound in U.S. coronavirus cases to about 50,000 a day has added uncertainty to the outlook and may discourage businesses from hiring or investing." Barkin, speaking at a virtual West Virginia University conference Wednesday, said, "An elevated case rate raises economic uncertainty and that affects businesses' willingness to hire or spend or invest. ... The persistence of elevated infections and the risk of a second wave have both psychological and practical implications" for businesses and consumers.

Quarles Says Permanent Capital Relief For Big Banks Seems 'Premature.'

American Banker (10/14, Subscription Publication, 31K) reports that while sitting on a panel for a virtual event sponsored by CFA Institute, Fed Vice Chairman of Supervision Randal Quarles appeared to shoot down the idea of implementing permanent relief sought by banks in the calculation of the supplementary leverage ratio. In May, regulators implemented an interim rule change "to allow systemically important banks to exclude Treasury securities and deposits at Federal regional banks from the supplementary leverage ratio." Some have suggested that the interim rule should become permanent. Quarles said, "I understand the desire to give thought to it but I would think it'd be premature to say that we ought to make that permanent currently."

Office of the Comptroller of the Currency

OCC's Brooks: Banks Need To Focus On Services Aimed At Minority Communities.

From the annual Milken Institute Global Conference, Politico (10/14, Heath, 4.29M) reports, "After a decade of decline among banks specifically focused on minority communities, banks more broadly need to focus on the opportunity to generate profitable business via smartphones and fintech services aimed at minority communities, said Brian Brooks," Acting Comptroller of the Currency. The "message to the wider banking community" from the conference was that "banks need to partner with Community Development Financial Institutions," said Bank of America community banking chief Daniel Letendre. Big banks looking specifically "to gain a foothold in Black communities would be 'well-advised to partner with minority depository institutions (MDIs),' which have trust in Black communities, said...Brooks."

OCC Fines USAA Bank $85M For Risk Management Failures.

American Banker (10/14, Adler, Subscription Publication, 31K) reports the Office of the Comptroller of the Currency has fined USAA Federal Savings Bank $85 million "for shortcomings in its risk management and compliance with laws protecting service members." The penalty "is another troubling sign for the San Antonio bank after a 2019 consent order by the OCC identified information technology and internal control failures related to alleged violations of the Military Lending Act and Servicemembers Civil Relief Act." The OCC said USAA Bank engaged "in unsafe or unsound practices" related to its compliance risk management and IT risk governance programs "that resulted in numerous violations of law."

The San Antonio Express-News (10/14, Mendoza-Moyers, 762K) reports USAA CEO Wayne Peacock said in a statement, "Simply put, we have fallen short of our high standards and those of our members and our regulators. ... As we grew quickly over the last decade, we never wavered from our commitment to serve members. However, we did not sufficiently invest in the capabilities and expertise necessary to meet regulatory requirements and evolving business needs."

Law360 (10/14, Subscription Publication, 8K) provides similar coverage. KSAT-TV (10/14, 37K) also broadcast a report.

AMERICAN OVERSIGHT

Washington Post.

"These Confirmation Hearings Are Not Really About Amy Coney Barrett." The Washington Post (10/14, 14.2M) says in an editorial that Amy Coney Barrett "has attracted outrage for some of her answers – or non-answers – in her Senate confirmation questioning." But "the whole confirmation process is not really about Judge Barrett. We pass no judgment on her qualifications or suitability; we would urge senators to oppose any nomination at this moment. What is at trial here is the poisonous, dishonorable hypocrisy Republicans have shown in blocking the nomination of Judge Merrick Garland eight months before an election and then rushing this one to tilt the court to their advantage."

"The Danger Is Growing That A Coronavirus Vaccine Will Be Rejected By The Public – Thanks To Trump." The Washington Post (10/14, 14.2M) editorializes that while vaccine hesitancy "was a public health difficulty before the pandemic," it has now "grown more serious just when everyone is looking to vaccines to save the day. Doubts and suspicions, once stirred by a small phalanx of activists, have become more widespread, in part in response to President Trump's unrealistic promises to rush a vaccine out before Election Day." The Board argues, "A credible, concerted effort must be made to boost confidence in vaccines that are proven safe and efficacious against the coronavirus. Such a campaign must be based on science and medicine, leaving political shenanigans behind."

"Justice Is Delayed For Bijan Ghaisar – Again." The Washington Post (10/14, 14.2M) criticizes Fairfax County, Virginia, Commonwealth's Attorney Steve T. Descano for failing to make decision on "the unwarranted fatal shooting of Bijan Ghaisar" after nine months in office. Ghaisar "was the unarmed young accountant with no criminal record" who was shot by US Park Police in November 2017. The Post says his killing "and the subsequent glacial response by law enforcement, has become a shameful mystery."

Wall Street Journal.

"Facebook's Conservative Emergency." The Wall Street Journal (10/14, Subscription Publication, 7.57M) says in an editorial that Facebook CEO Mark Zuckerberg had in the past committed to keep Facebook free of political censorship, but he appears to have since changed his views.

"Amazon Cancels Shelby Steele." The Wall Street Journal (10/14, Subscription Publication, 7.57M) says that Amazon's decision to reject a documentary about the 2014 police killing of Michael Brown invites political repercussions from both left and right, arguing that the company is silencing both diverse and dissenting voices.

"California's Next Big Tax Gulp." The Wall Street Journal (10/14, Subscription Publication, 7.57M) says that Amazon's decision to reject a documentary about the 2014 police killing of Michael Brown invites political repercussions from both left and right, arguing that the company is silencing both diverse and dissenting voices.

"The Supreme Court's Census Reprieve." In an editorial, the Wall Street Journal (10/14, Subscription Publication, 7.57M) says the Supreme Court ruled correctly in determining that the Administration can halt the census count, permitting an enumeration as required by the Constitution and ending the meddling of the courts in a process delegated to Congress.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Goldman's Pandemic Hot Streak Continues In Third Quarter
Two Americans Held Hostage By Iran-Backed Forces In Yemen Freed In Trade
The Verdict On Trump's Economic Stewardship, Before Covid And After
Goodbye, Sunny Florida. Hello, Frigid Winter. Covid Strands Canadian Snowbirds.

New York Times:

As Virus Spread, Reports Of Trump Administration's Private Briefings Fueled Sell-Off
Barrett, Vowing Independence, Is Haunted By Trump's Demands
Why 'Supermom' Gets Star Billing On Résumés For Public Office
Europe, Which Thought It Had The Virus Tamed, Faces A Resurgence
'Straight To Gunshots': How A US Task Force Killed An Antifa Activist
How Joe Biden Became The Unlikeliest Of Online Fund-Raising Superstars

Washington Post:

GOP Praise As Barrett's Testimony Wraps Up
Turnout For Early Voting Is Immense
Videos Offer Glimpse Of Conservative Group's Vision
2 American Hostages Freed In Deal With Yemeni Rebels
Arrest In High-Seas Slaughter Is Exception To A Grim Rule
For Elite Runners, Records Fall In A Flash

AMERICAN OVERSIGHT

Financial Times:
Thai Protesters Surround Government House
IMF Says Austerity Is Not Inevitable To Ease Pandemic Impact On Public Finances
Europe's Far-Right Stumbles As Infighting And Rivals Sap Strength
Goldman Boosted By Surging Markets In Third Quarter

Washington Times:
'Use Your Influence': Hunter Biden Report Undercuts Father, Upends Campaign
Barrett Fends Off Democrats In Drama-Free Hearings: 'A Seat At The Table Is Waiting'
'Future Of Policing Depends On This Election': 'Defund' Movement Drives Cops To Trump, GOP
The Mighty Tank Struggles To Find A Place On The Modern Battlefield
GOP Banks On Trump-Voter Turnout Amid Fears Of Flipped Senate
Pro-Lifers Optimistic As Abortion-Restriction Measure Gains Steam In Blue State

Story Lineup From Last Night's Network News:
ABC: FLOTUS-COVID; COVID-Cases; Early Voting; Dueling Town Halls; Trump-Iowa Rally; SCOTUS Hearing; COVID-Europe; New York-Woman Charged With Filing False Police Report; COVID-AL Head Coach; Louisiana-Army National Guard Sgt. Meets New Baby in Airport.
CBS: FLOTUS-COVID; Trump-Iowa Rally; Trump-Behind in Polls; Dueling Town Halls; COVID-Cases; COVID-Fauci Interview; Early Voting; SCOTUS Hearing; Breonna Taylor-Boyfriend Interview; COVID-AL Head Coach; Weather Report; NASA-Final Flight With Russia.
NBC: FLOTUS-COVID; Trump-Behind in Polls; Dueling Town Halls; COVID-Cases; COVID-Wisconsin; COVID-Herd Immunity; SCOTUS Hearing; New York-Woman Charged With Filing False Police Report; Texas-Apartment Complex Fire; Holiday Shopping; COVID-AL Head Coach; Mail-In Ballots; NASA-Final Flight With Russia.

Network TV At A Glance:
SCOTUS Hearing – 7 minutes, 45 seconds
FLOTUS-COVID – 7 minutes, 40 seconds
COVID-Cases – 7 minutes, 30 seconds
Dueling Town Halls – 1 minute, 15 seconds
COVID-AL Head Coach – 0 minutes, 45 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Early Voting; Biden-Fundraising; Trump-Iowa Rally; COVID-AL Head Coach; COVID-Cases; SCOTUS Hearing.
CBS: COVID-Fauci Interview; COVID-Wisconsin; SCOTUS Hearing; California-PG&E Cut Power; Early Voting; New York-Woman Charged With Filing False Police Report.
FOX: SCOTUS Hearing; FLOTUS-COVID; North Carolina-Absentee Ballot Guidelines; California-PG&E Cut Power.
NPR: SCOTUS Hearing; FLOTUS-COVID; Trump-Iowa Rally; Baltimore-In Person Classes.

Last Laughs

Late Night Political Humor.

Jimmy Kimmel: "The election is fewer than three weeks away. Have you noticed that when they give you advice for election day, all of a sudden it sounds like an emergency preparedness pamphlet? It's like, 'Locate your polling place in advance. Bring bottled water. Contact your neighbors. Don't touch the doorknob if it's too hot.'"

Jimmy Kimmel: "The President is on the road this month. He is burning massive amounts of jet fuel to spread his message and germs all over big crowds of supporters in swing states, even as we learned today that his son, Barron, tested positive for the virus earlier this month. ... The second wave is clearly under way. And while you'd expect that something like this might make the President think twice about these unmasked egomania [gatherings] he's involved with, Donald Trump doesn't think twice about anything. Most of the time, he doesn't even think once."

Jimmy Kimmel: "The President was in Iowa tonight where cases are surging. ... Ten thousand strong were expected tonight. Sadly, 2,200 infected people. Even though his own White House put out guidelines saying there should be no gatherings in central Iowa with more than 25 people, they're doing this. That applies only if it's not a tribute to him."

AMERICAN OVERSIGHT

Jimmy Kimmel: "There was a lot of Biden-bashing at the rally last night. His new line of attack is to claim that Joe Biden isn't nice. ... [As Trump, after showing a clip of Trump calling Biden not nice and a dumb guy] 'Take it from me, I looked right into an eclipse, I know a dumb guy.'"

Jimmy Kimmel: "You know, there's supposed to be a debate tomorrow night, but since Trump wouldn't agree to the virtual format...he backed out altogether. So because there was no debate, Biden agreed to do a town hall on ABC that night. So Trump today announced he will also be doing a town hall. But on NBC. And at the same time as Biden. ... Thanks, NBC. First 'The Apprentice,' now this. Why not a new Bill Cosby special while we're at it?"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks at a Make America Great Again Rally; delivers remarks at a Fundraising Committee Reception; participates in a Live NBC News Town Hall Event.
- Vice President Pence — Delivers remarks at a Make America Great Again! Event; participates in a Faith in America Roundtable.

***US Senate*:**

- Senate Judiciary Committee concludes nominations hearing for SCOTUS nominee Amy Coney Barrett – Nominations hearing considering Amy Coney Barrett to be U.S. Supreme Court Associate Justice, day four, with questioning of the nominee and/or testimony by 'those who know Judge Barrett the best and legal experts'

Location: Rm 216, Hart Senate Office Building, Washington, DC; 9:00 AM

- Senate Judiciary Committee votes on SCOTUS nominee Amy Coney Barrett – Executive Business Meeting, with agenda including nomination of Amy Coney Barrett to be U.S. Supreme Court Associate Justice

Location: Rm 216, Hart Senate Office Building, Washington, DC; 9:00 AM

- Senate on recess – Senate on recess through 19 Oct, announced earlier this month following coronavirus (COVID-19) diagnoses for Republican Sens. Mike Lee, Thom Tillis, and Ron Johnson

***US House*:**

- House Intelligence Committee virtual hearing on stopping misinformation online – Virtual hearing on 'Hearing: Misinformation, Conspiracy Theories, and 'Infodemics': Stopping the Spread Online', held via Cisco Webex; *1:30 PM*
- House Natural Resources subcommittee virtual hearing on 'environmental justice for coastal communities' – Water, Oceans, and Wildlife Subcommittee virtual hearing on 'Environmental Justice for Coastal Communities: Examining Inequities in Federal Grantmaking', with testimony from Puerto Rico Coastal Zone Management Program Director Ernesto Diaz Velazquez; National Congress of American Indians President Fawn Sharp; Spelman College Assistant Professor Dr Na'Taki Osborne Jelks; National Fish and Wildlife Foundation Chief Conservation Officer Dr Holly Bamford; and Project 21 National Advisory Council Member Donna Jackson; *2:00 PM*
- House of Representatives on recess from 2 Oct – 16 Nov

***Cabinet Officers*:**

- IMF and World Bank Annual Meetings plenary session – Annual Meetings of the International Monetary Fund and the World Bank Group plenary session, bringing together central bankers, ministers of finance and development, private sector executives, and academics to discuss progress on the work of the IMF and the World Bank Group. Today's session features speeches by IMF Managing Director Kristalina Georgieva and World Bank President David Malpass, and features an International Monetary and Financial Committee meeting (with Secretary of the Treasury Steven Mnuchin among participants) followed by an IMFC press briefing; *5:30 AM*
- Heritage Foundation hosts virtual conversation with Defense Secretary Esper – Heritage Foundation hosts virtual conversation with Secretary of Defense Mark Esper on the readiness of the U.S. armed forces; *1:00 PM*

***Visitors*:**

- No visitors scheduled.

AMERICAN OVERSIGHT

This Town:

• USIP online event on Colombia's peace process and Afghanistan – 'Lessons for Afghanistan from Colombia's Peace Process' U.S. Institute of Peace online event, with Afghan Ambassador to the U.S. Amb. Roya Rahmani, former U.S. Special Envoy to the Colombian Peace Process Bernard Aronson, former Vice President of Colombia Humberto de la Calle, former Colombian High Commissioner for Peace Sergio Jaramillo, Norwegian Ministry of Foreign Affairs Section for Peace and Reconciliation Director Dag Nylander, and National University's Alejo Vargas Velasquez; *9:00 AM*

• American Ideas Foundation online event on the Padua Project – 'Identifying Promising Models: The Padua Project and Reducing Poverty' American Ideas Foundation online event, with former House Speaker Paul Ryan, University of Notre Dame's Jim Sullivan, and Catholic Charities Fort Worth's Cindy Casey; *10:00 AM*

• NOAA issues U.S. Winter Outlook – NOAA Climate Prediction Center announces U.S. temperature and precipitation outlook for winter 2020/2021 (December-February), via media teleconference with NOAA Climate Prediction Center Deputy Director Mike Halpert. NOAA forecasters also discuss current drought conditions across the U.S. and announce the seasonal Drought Outlook for the months ahead This media teleconference is for credentialed reporters only.; *11:00 AM*

• Brookings Institution online event on China policy – 'Assessing China policy from city halls, governors' mansions, and Capitol Hill' Brookings Institution John L. Thornton China Center online discussion, with Democratic Rep. Rick Larsen, Arkansas Governor Asa Hutchinson, and Dayton, OH, Mayor Nan Whaley; *12:00 PM*

• Dem Rep. Jim Himes speaks on CSIS online event on 'Innovation in the Intelligence Community' – 'Innovation in the Intelligence Community' Center for Strategic and International Studies online event, with Democratic Rep. Jim Himes discussing the findings of the House Permanent Select Committee on Intelligence Subcommittee on Strategic Technologies and Advanced Research's recent report on how the U.S. govt can help promote innovation in the intelligence community; *3:00 PM*

• Institute for Policy Studies Letelier-Moffitt Human Rights Awards Ceremony – Institute for Policy Studies Letelier-Moffitt Human Rights Awards Ceremony, with featured speakers including Democratic Reps. Pramila Jayapal and Ilhan Omar; *7:00 PM*

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AMERICAN OVERSIGHT

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TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, OCTOBER 9, 2020 6:00 AM EDT

Holiday Message

In observance of the U.S. federal Columbus Day holiday, we will not publish on Monday, October 12, 2020. Service will resume on Tuesday, October 13, 2020. We wish our readers a safe holiday.

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• Treasury Finalizes Foreign Partnership Withholding Regulations.

Treasury Grant News
• DE Community Developer Receives Award From Treasury's Community Development Fund.

Leading National News
• Trump Says He Thinks He Is "Better," Hopes To Hold Rally This Weekend.
• Media Analyses Cast Jobless Numbers As Evidence Recovery Is Slowing.
• Administration Officials Tout Economy's Strength.
• Carranza Visits Pennsylvania PPP Recipients.
• Amtrak Warns Lawmakers Of 2,400 Job Cuts Without Additional Aid.
• Perdue: HBIIP Could Increase Ethanol Consumption By 50%.
• NLRB Issues Complaint Against Google Contractor.
• US Appeals Injunction Preventing TikTok Ban.
• AMD In Talks To Buy Xilinx.
• JPMorgan Pledges $30B To Address Racial Wealth Gap.
• Morgan Stanley To Buy Eaton Vance For $7B.
• Collapse In Energy Prices Hurt Wisconsin Though It Produces No Oil Or Gas.
• WarnerMedia Restructuring Will Result In Thousands Of Layoffs.
• IBM Spinning Off Tech Services Business To Focus On Cloud Computing, AI.
• Trump Says He Will Impose More Tariffs On China In Second Term.
• Navarro: Biden And Harris "Totally Unprepared To Deal With China."
• WPost Analysis: Both Parties Appear To Believe Barrett Would Restrict Or Overturn Roe.
• Barrett's Religious Community Said To Be "Deeply Embedded" In Each Other's Lives.
• Reuters/Ipsos Poll Shows Trump's Coronavirus Approval Rating At "Record Low."
• Report: Meadows Hosted "Lavish" Atlanta Wedding Despite Coronavirus Restrictions.
• NYTimes Report: Political Considerations Influenced Pence's Handling Of Task Force.
• Fauci: Volume Of New Cases Needs To Come "Way, Way Down."
• Birx Praises UConn Coronavirus Response, Urges Continued Caution.
• Azar: Supplies Will Be Sufficient To Vaccinate All Americans By April.
• Former CDC Director Urges Redfield To Stand Up To Trump.
• AP Analysis: Healthcare Professionals "Battle Virus Skeptics."
• Moderna To Forgo Patents Related To COVID Vaccine.
• Regeneron, Eli Lilly Ask For FDA EUAs.
• NIAID Marks Start Of Convalescent Plasma Study.
• WSJournal Analysis: Vaccine Trial Participants Focus On Ending Pandemic.
• New York Coronavirus Restrictions Met With Protests, Lawsuits.
• Tribal Nations Among Hardest Hit By Coronavirus.
• NFL Announces More Postponements Due To Positive Tests.
• Airbnb To Require Enhanced Cleaning By Hosts.
• Body Camera Videos Of Taylor Shooting Released.
• Texas Police Officer Charged With Price Murder Fired.
• Cole's Family Vows To Continue Fight Against Officer Who Killed Him.
• Protests Continue After Security Footage Released Of Kansas City Arrest Of Pregnant Woman.
• Analysis: Release Of Chauvin Illustrates Complicated Minnesota Bail Reform Debate.
• NYTimes Reviews Facts Known About Prude Case.
• Washington Supreme Court Dismisses Effort To Recall Seattle Mayor.
• Trump Expresses Frustration With Administration For Not Prosecuting Democrats.
• Ratcliffe Said By Intelligence Veterans To Have Brought Politics Into Intelligence.

AMERICAN OVERSIGHT

- Former Trump Fundraiser Charged With Illegally Lobbying For Malaysian Fugitive.
- Friends Say They Recall Dorris' Accusations Against Trump In 1997.
- Cuccinelli Announces Regulations Aimed At Cutting H-1B Abuse.
- Massachusetts Lawmakers Ask ICE For Details Of Stopping Black Man.
- Supreme Court Temporarily Permits Women To Obtain Abortion Medication Without Doctor Visit.
- CMS Rushing To Send Letters To Medicare Recipients About Drug Assistance.
- Morgenstern Touts Administration's Healthcare Record.
- Survey Analysis Finds Insured Workers Facing Higher Out-Of-Pocket Healthcare Costs.
- HCA Healthcare To Return $6B In Federal Pandemic Relief.
- Louisiana Residents Bracing For Delta, Now Category 3 Hurricane.
- DeVos Urges Schools To Resume In-Person Learning.
- DeVos On 1776 Project: Students Have To "Learn An Accurate History."
- DOJ Suit Alleges Discrimination In Yale's Admissions Process.
- Perdue Reprimanded For Politicizing USDA Event.
- Trump To Host "Virtual Rally" On Limbaugh's Show Friday.
- Trump: "Absentee Ballots Are Fine," But "Unsolicited" Ballots Will "Be A Disaster."
- Thirteen Arrested In Alleged Plot To Kidnap Michigan Governor.
- Facebook Bans Accounts Linked To Pro-Trump "Troll Farm."
- Court Strikes Down Obama-Era Methane Rule.
- Trump Says He Will Not Participate In Virtual Presidential Debate With Biden.
- Trump Says Pence Was "Great" In Debate With "Monster" Harris.
- Pence Cancels Friday Trip To Indiana Without Explanation.
- Biden And Harris Campaign Together In Arizona.
- Super PAC Injecting $4M Into Gross Senate Campaign In Alaska.
- Bottoms Endorses Warnock In Georgia Senate Race.
- Greenfield Raised $28.7 In Q3 For Iowa Senate Bid.
- New Hampshire Senate Candidates Debate.
- DSCC Invests Another $3M In North Carolina Senate Race.
- Harrison Wants Graham To Be Tested For COVID Before Friday Debate.
- Texas Senate Candidate Hegar Backs Term Limits.
- WPost Endorses Warner For Reelection In Virginia.
- Brindisi Has Nine-Point Lead In NY22 Poll.
- WSJournal: Roberts Should Rein In Effects Of Census Ruling.
- RCP Average Has Trump's Job Approval At 44.4%.

Financial International News

- IMF Says Lockdowns Substantially Lowered Infections, Cautions Against Lifting Them Early.
- Central Banks Chart Digital Currency Course As China Charges Ahead.
- Pandemic-Era Distressed Loans Threaten Already Fragile European Banks.

Leading International News

- India Sees "Rural Surge" Toward Highest Infection Rate Globally.
- Hong Kong Considering Mandatory COVID Testing.
- Israel Extends Emergency Lockdown Provisions On Public Gatherings.
- Spanish Government Tells Madrid To Enforce Restrictions.
- German Expert Warns Of "Uncontrolled" COVID Spread.
- Iranian Human Rights Advocate Freed Amid Health Concerns.
- Trump's Troop Withdrawal Pledge Contradicts O'Brien, Alarms Military Officials.
- Military Parade Could Include Showcase Of New North Korean Weapons.
- Ortagus Says Chinese Communist Party Breaks Commitments.
- Ortagus Touts Abraham Accords.
- Trudeau Says Canada Paying Close Attention To US Election.
- Kyrgyzstan President Says He's Prepared To Resign After New Cabinet Approved.
- Islamic Extremists Free Malian Politician, Three European Hostages.
- Protests Against Indonesia Jobs Law Continue.
- Nobel Peace Prize Goes To UN's World Food Program.
- NYTimes: Russia Must Step In To Freeze Conflict In South Caucasus.
- WPost: Jailed Vietnamese Dissident A "Champion Of Democracy."

Housing

- Freddie Mac: Average Rate For 30-Year FRM Ticks Down From 2.88% To 2.87%.
- LoanBeam And Freddie Mac Partner To Streamline Lending To Self-Employed Borrowers.
- Experts Debate Whether CFPB's QM Proposal Could Fuel New Housing Bubble, Violate Fair-Lending Laws.
- New York State Legislature Stalls On Adopting Libor Replacement Regulations.
- Washington's Eviction Moratorium Extended Through Rest Of 2020.
- Federal Charges Against Robert Morgan Are Dismissed.
- MBA: Mortgage Credit Availability Dips Nearly 2% In September.
- Agency MBS Passes $914B In Q3.
- Fannie Mae Chief Economist Predicts Unemployment And Home Sales Will Remain Elevated For 2021.
- CoreLogic: Pandemic Bringing Unique Challenges To Mortgage Industry.
- CoreLogic: Nearly 300K Homes Threatened By Hurricane Delta Storm Surge.
- NMHC: Rent Payments Hit 79% As Of October 6.

AMERICAN OVERSIGHT

• Natural Disasters Threaten Nearly 1M Miami-Dade Residents With Homelessness.
• Opinion: Sustainable Development Necessary To Protect Affordable Housing Along The Coasts.

Markets

• 10-Year Yield Ticks Down.
• Dollar Slips.
• Gold Rises 1%.
• Oil Eases.

Cybersecurity

• DOJ Announces New Cryptocurrency Enforcement Framework.
• Cybersecurity Experts Warn Of Online Disinformation Attacks On Companies.
• GAO Report Faults Administration's 5G Security Efforts.
• Senate Republicans Take Aim At Foreigners Working To Hack US COVID-19 Data.
• Putin: US Has Not Responded To Offer To Cooperate On Cybersecurity.

TFI/Sanctions

• AP Report: Venezuela's PDVSA Dodging Sanctions Through Asian Asphalt Giant.

Federal Reserve

• Fed Officials Maintain Pressure On Congress For Additional COVID-19 Fiscal Relief.
• George: New Inflation Framework Is "Message Of Patience," Rather Than Promise To Engineer Inflation.
• Sternberg: Powell Shirking Fed Responsibility As Safeguard Of Fiscal Discipline.

Office of the Comptroller of the Currency

• OCC Fines Morgan Stanley $60M For Failed Data-Center Oversight.
• Regulators Finalize Changes To Community Bank Leverage Ratio.
• Second Trump Term Would Give OCC More Leeway With Fintech, Payments Charters.
• Critics Say OCC Needs To Clarify "True Lender" Proposal.
• BofA Enters Small-Dollar Lending Business.
• Big Banks' Vows To Stop Arctic Oil Financing Draw Criticism.
• Crypto Firms Hire Big Bank Pros For Top Legal Posts.

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Treasury in the News

Mnuchin, Pelosi Continue Talks As White House Sends Mixed Signals On Coronavirus Relief Package.

The Washington Post (10/8, Werner, Stein, 14.2M) reports the White House "sent mixed signals Thursday about the direction of renewed stimulus talks, resulting in House Speaker Nancy Pelosi confronting Treasury Secretary Steven Mnuchin over who speaks for the president." The developments "occurred two days after President Trump ordered Mnuchin to stop negotiating with Pelosi, only to announce Thursday that talks were back on." According to Pelosi's spokesman, Mnuchin and Pelosi "spoke by phone Thursday afternoon to discuss prospects for a comprehensive economic relief bill when White House communications director Alyssa Farah told reporters at the White House that the administration does not support legislation of that kind."

The New York Times (10/8, Cochrane, 18.61M) reports President Trump's "decision to abruptly halt negotiations with a series of Twitter posts did little to bolster Mr. Mnuchin's credibility, though Ms. Pelosi said the Treasury secretary claimed he had known in advance what the president was going to do." Pelosi said during a Capitol Hill news conference Thursday, "I said, you knew he was going to tweet? You knew he was going to tweet that after you had engaged in months of negotiations with the speaker of the House?" Pelosi added, "We're happy to review what that stand-alone bill would look like, as part of a bigger bill, if there's a bigger bill. ... We're at the table; we want to continue the conversation."

Bloomberg (10/8, Wasson, 4.73M) reports Pelosi told Bloomberg TV "that she drew the 'inference' that Mnuchin was interested in broader stimulus talks and that she had confidence in the Treasury secretary." However, Pelosi also "said the White House hasn't provided a full counteroffer to the $2.2 trillion plan that the House passed last week as the Democrats' negotiating position."

In an editorial, the San Francisco (CA) Chronicle (10/8, 2.67M) says Mnuchin is "[a]mong those who have called for another round of stimulus in short order."

Other news outlets reporting include the Wall Street Journal (10/8, A1, Peterson, Sider, Subscription Publication, 7.57M), CNN (10/8, Mattingly, 83.16M), Newsweek (10/8, Touchberry, 1.53M), Politico (10/8, Caygle, Ferris, Mintz, 4.29M), Reuters (10/8, Zengerle), NBC News (10/8, Popken, 6.14M), CNBC (10/8, Josephs, 3.62M), New York Magazine (10/8, Kilgore, 1.1M), Axios (10/8, Fischer, Swan, 625K), and the Financial Times (10/8, Politi, Subscription Publication, 1.34M).

AMERICAN OVERSIGHT

Administration Sanctions 18 Additional Iranian Banks.

The Wall Street Journal (10/8, Talley, Subscription Publication, 7.57M) reports that on Thursday, the Trump Administration moved to blacklist 18 Iranian banks, an action aimed at cutting off the few financial connections the regime still has, spawning a liquidity crisis by impeding foreign exchange access. Treasury Secretary Steven Mnuchin said in a statement, "Our sanctions programs will continue until Iran stops its support of terrorist activities and ends its nuclear program."

The Washington Post (10/8, Hudson, 14.2M) reports Mnuchin made that case that designating the 18 Iranian banks "reflects our commitment to stop illicit access to U.S. dollars," adding that "today's actions will continue to allow for humanitarian transactions to support the Iranian people." The Post says the sanctions announcement "represents a major pre-election push on a signature Trump administration policy that has succeeded in devastating the Iranian economy, while failing to moderate Tehran's behavior or limit its nuclear program."

Reuters (10/8, Psaledakis, Mohammed) reports that the Treasury Department "said in a statement that the prohibitions did not apply to transactions for the provision of agricultural commodities, food, medicine or medical devices to Iran." Reuters adds, "While experts have said such a U.S. step could erode Iran's ability to secure humanitarian goods by making foreign banks even more reluctant to facilitate such transactions, the Treasury stressed that the action under Executive Order 13902 does not affect existing authorizations for humanitarian trade, which remain in force."

The New York Times (10/8, Verma, 18.61M) reports critics, however, "said the new sanctions were unlikely to achieve the Trump administration's goal of forcing Iran back into negotiations – both to limit its nuclear program and to end its hostilities across the Middle East – and would further distance the United States from key European allies."

The AP (10/8, Lee), USA Today (10/8, Hjelmgaard, Shesgreen, 10.31M), CNN (10/8, Hansler, 83.16M), The Hill (10/8, Kelly, 2.98M), Axios (10/8, Allassan, 521K), Daily Caller (10/8, Hagstrom, 716K), NBC News (10/8, Talmazan, Williams, 6.14M), Bloomberg (10/8, Wadhams, Mohsin, 4.73M), and the Financial Times (10/8, Manson, Bozorgmehr, Subscription Publication, 1.34M) also report.

Schumer, Wyden Call For TIGTA Investigation Into IRS Audit Of Trump.

The Hill (10/8, Jagoda, 2.98M) reports Senate Minority Leader Chuck Schumer (D-NY) and Senate Finance ranking member Ron Wyden (D-OR) "are calling for Treasury Department inspectors general to investigate whether there has been any inappropriate interference into IRS audits of President Trump," coming "after The New York Times reported last week that Trump has been subject to a years-long audit over a $72.9 million refund he claimed in 2010." The senators wrote, "Due to significant concerns of potential efforts to undermine the integrity of the mandatory audit process and other audits within the IRS, it is essential that the Office of the Treasury Inspector General for Tax Administration (TIGTA) and Office of the Inspector General (OIG) ensure the appropriate safeguards remain in place to prevent such interference at the agency."

Bloomberg (10/8, Davison, 4.73M) also reports.

Treasury Finalizes Foreign Partnership Withholding Regulations.

Behind a paywall, Law360 (10/8, Olivo, Subscription Publication, 8K) reports the Treasury Department "has finalized regulations for the withholding tax regime on transfers of foreign partnership interests, including guidance that lets buyers off the hook if they can show that..."

Treasury Grant News

DE Community Developer Receives Award From Treasury's Community Development Fund.

Delaware Business Now (10/8) reports the Treasury Department's "Community Development Financial Institutions Fund awarded Cinnaire $825,750 in grants through the 2020 round of the federal program." The grant "will advance Cinnaire's work bringing capital, development capacity and expertise to communities and people in need, especially those often left out of the economic mainstream." The CDFI Fund "recently awarded more than $204 million to support economic growth in low-income and economically distressed communities across the nation."

Leading National News

Trump Says He Thinks He Is "Better," Hopes To Hold Rally This Weekend.

On ABC World News Tonight (10/8, story 5, 3:40, Muir, 6.7M), Jonathan Karl reported, "Exactly one week after he said he tested positive for COVID-19, the President [on Thursday] declared himself cured." President Trump: "I think I'm better. When to a point where I'd love to do a rally tonight. I wanted to do one last night. But I think I am better. I feel perfect. There's nothing wrong." Karl: "In reality, we still know very little about the President's true medical condition. He says he is still on the powerful steroid dexamethasone." On the CBS Evening News (10/8, story 3, 1:20, O'Donnell, 4.22M), Ben Tracy also said Trump "admits to still being on the powerful steroid dexamethasone" and "is now suggesting that he may have contracted the virus from someone at a White House event honoring Gold Star military families last month." Trump: "They come within an inch of my face sometimes. They want to hug me and they want to kiss me. And they do. And, frankly, I'm not telling them to back up." Hallie Jackson said on NBC Nightly News (10/8, story 3, 1:20, Holt, 5.56M) that the White House "still refuses to say when the President last tested negative for the virus, a key data point for determining who else could be at risk. ... We learned tonight that several of the President's top aides, including son-in-law Jared Kushner, joined him in the Oval Office today, according to a senior White

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House official. All they say wearing full PPE."

The AP (10/8, Madhani, Colvin, Perrone) reports the President "insisted Thursday that he is ready to resume campaign rallies and feels 'perfect,' but the White House has offered little information about his condition one week after his diagnosis with the coronavirus that has killed more than 210,000 Americans." The AP says Trump "is trying to shift his focus to the election that's less than four weeks away." But he "has not been seen in public – other than in White House-produced videos – since Monday and his doctors have provided few medical details since before his release from a military hospital."

Reuters (10/8, Mason, Holland) reports the President said "he may return to the campaign trail with a rally on Saturday after the White House physician said he had completed his course of therapy for the novel coronavirus and could resume public events." Trump said in an interview on Fox News' Hannity (10/8, 535K), "I think I'm going to try doing a rally on Saturday night if we have enough time to put it together. But we want to do a rally probably in Florida on Saturday night. I might come back and do one in Pennsylvania the following night. It's incredible what's going on. I feel so good." Earlier, Trump said on Fox Business' Mornings With Maria (10/8), "I am back because I am a perfect physical specimen and I am extremely young."

USA Today (10/8, Rossman, Aretakis, 10.31M) reports White House physician Sean Conley "cleared Trump to return to public life on Saturday" in a memo released by the White House on Thursday evening. Conley wrote, "Saturday will be day 10 since Thursday's diagnosis, and based on the trajectory of advanced diagnostics the team has been conducting, I fully anticipate the President's safe return to public engagements at that time." Politico (10/8, Goldberg, Ollstein, Roubein, 4.29M) reports that Trump campaign surrogates have been "fanning out to battlegrounds like Arizona, Florida, Nevada and North Carolina" in Trump's absence, "and while many events are outdoors, some have not followed state and city limits on large crowds, the campaign isn't requiring face coverings and social distancing doesn't appear to be enforced."

The New York Times (10/8, Grynbaum, Vigdor, 18.61M) reports Conley said Trump "has remained 'stable' and 'devoid' of symptoms that would suggest the illness was progressing." The Washington Times (10/8, 492K) reports Conley said Trump's heart rate "is 69 beats per minute and his blood pressure, heart rate and oxygen rate remain normal." Townhall (10/8, Stocking, 177K) reports Conley said Trump had "blood pressure of 127/81 mmHg, a respiratory rate of 15-17 breaths per minute, and a pulse oximetry of 96-98 percent room air."

Politico (10/8, Choi, 4.29M) says the President's diagnosis "threw a wrench into the campaign's plans, notably with the transition of the second presidential debate into a virtual affair. ... Still, the president has had time to get his voice heard from his White House confinement. In the days following his hospital stay, he has been particularly active on Twitter and engaged in a lively Thursday interview" with Fox Business' Maria Bartiromo.

The Washington Post (10/8, Olorunnipa, Parker, Dawsey, 14.2M) writes that Trump – "trailing in the polls, stricken with the novel coronavirus and stuck in isolation at the White House" – has "tried to project an image of strength and normalcy that belies his troubled circumstances. On Thursday, he spent an hour phoning into a television interview, released two video messages aimed at key voting groups, began planning rallies for next week and promised senior citizens free access to the experimental drug he falsely claimed was 'a cure' for covid-19."

White House Deputy Press Secretary Brian Morgenstern said on KTRH-AM Houston (10/8, 16K), "The President himself received Regeneron, which he has said was a terrific help that gives you antibodies to fight the virus. ... He's recovered really quickly. He's had no symptoms." Morgenstern said on Fox News @ Night that "he's doing great. He's feeling great. It's really a testament to Operation Warp Speed and the President's own leadership in getting a vaccine and, in the meantime, treatments to market faster than ever before."

Peter Nicholas of The Atlantic (10/8, 3.47M) writes, "Inside the White House, aides created a kind of alternative reality in which the threat is always receding, the boss always prevailing. In meetings with the president, 'no one likes to tell him that some areas are catching fire' because of the virus, [a] senior administration official told me." The official continued, "They only say, 'Oh, we're turning the corner.' That goes on there all the time. There's always a reluctance to talk about bad news. That permeates all the discussions." The Wall Street Journal (10/8, Bender, Subscription Publication, 7.57M), the New York Post (10/8, Nelson, 4.57M), the Fox News (10/8, 27.59M) website, and The Hill (10/8, Chalfant, 2.98M) are among the other sources covering the President's condition.

Trump Suggests He Has Not Been Tested Recently. Asked on Fox News' Hannity (10/8, 535K) if he has been tested since his diagnosis, Trump said, "What we're doing is probably the test will be tomorrow, the actual test, because there's no reason to test all the time, but they found very little infection or virus, if any. I don't know if they found any, I didn't go into it greatly with the doctors."

Treatment Trump Touts As "Cure" Was Developed Using Cells From Fetal Tissue. The New York Times (10/8, A1, Mandavilli, Holt, 18.61M) reports that when the Administration "suspended federal funding in 2019 for most new scientific research projects involving fetal tissue derived from abortions, officials argued that whatever the scientific benefits, there was a pressing moral imperative to find alternative research methods." But the "cocktail of monoclonal antibodies [Trump] described as a 'cure' in a celebratory video posted on Twitter was developed using human cells derived from a fetus aborted decades ago." The Washington Post (10/8, Goldstein, 14.2M) reports that "a White House official, speaking on the condition of anonymity because he was not authorized to speak on the matter, said that under NIH guidelines, 'a product made using extant cells lines that existed before June 5, 2019 would not implicate the administration's policy on the use of human fetal tissue from elective abortions.'"

Trump Suggests Gold Star Family Event May Have Led To His Infection. The New York Times (10/8, Steinhauer, 18.61M) reports the President on Thursday "suggested that veterans and their families had spread the coronavirus at the White House, floating the idea that a meeting with the loved ones of fallen military members might have been the source of his own infection." Trump told Bartiromo,

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"They want to hug me and they want to kiss me. And they do. And frankly, I'm not telling them to back up. I'm not doing it. But I did say it's obviously dangerous."

The Washington Post (10/8, Sonne, 14.2M) says Trump's "singling out of the Gold Star family event as the source of his illness – even though far more people who attended" the event announcing Amy Coney Barrett's Supreme Court nomination one day earlier "have publicly said they tested positive for the coronavirus – marked an effort to cast his coronavirus infection as the result of selfless presidential service to grieving military families rather than his own disregard for health precautions." The Wall Street Journal (10/8, Lubold, Subscription Publication, 7.57M) and Politico (10/8, Forgey, O'Brien, 4.29M) also report, while the Washington Post (10/8, A1, Stanley-Becker, Helderman, Dawsey, Gardner, 14.2M) looks at the spread of COVID from the Barrett event.

The Washington Post (10/8, Fadulu, Cox, Schneider, Chason, 14.2M) reports that "the average number of new daily coronavirus infections across the greater Washington region reached a 19-day high Thursday as local health officials sent an open letter urging people connected to a White House outbreak to get tested." The Washington Post (10/8, Sun, Abutaleb, Dawsey, 14.2M) reports the White House "is now working on a limited basis" with the CDC "to control further spread."

McConnell Says He Has Not Been To White House Since Early August. Reuters (10/8) reports Senate Majority Leader McConnell says he has "avoided visiting the White House for more than two months because of its handling of the coronavirus." McConnell, who is 78, told reporters in Kentucky, "I actually haven't been to the White House since August 6, because my impression was their approach to how to handle this was different from mine and what I insisted that we do in the Senate, which is to wear a mask and practice social distancing." The Washington Post (10/8, Sonmez, 14.2M) reports McConnell "has frequently urged lawmakers and others to wear face masks, although he has stopped short of implementing a mask mandate on the Senate side of the Capitol. The Senate also instituted other changes beginning in May, including meeting in larger rooms."

Director of Trade and Manufacturing Policy Navarro was asked on Fox News' The Story (10/8) to respond to McConnell's comments. Navarro said, "The protocols in place here have been stringent. We had, for a long time, tents outside where you regularly got your temperature tested. Anybody who's close to the President or likely to come in contact gets tested every day as I do. ... I'm very comfortable walking around this White House and feel very safe here." USA Today (10/8, Tucker, 10.31M), Politico (10/8, LeVine, 4.29M), The Hill (10/8, Carney, 2.98M), and Roll Call (10/8, Tully-McManus, 154K) also cover McConnell's comments.

Pelosi Proposes Commission Focused On 25th Amendment. The AP (10/8, Mascaro) reports House Speaker Pelosi announced legislation Thursday "that would create a commission to allow Congress to intervene under the 25th Amendment to the Constitution and remove the president from executive duties." Pelosi said Trump "needs to disclose more about his health after his COVID-19 diagnosis. She noted Trump's 'strange tweet' halting talks on a new coronavirus aid package – he subsequently tried to reverse course – and said Americans need to know when, exactly, he first contracted COVID as others in the White House became infected." The President responded on Twitter, "Crazy Nancy is the one who should be under observation. They don't call her Crazy for nothing!"

USA Today (10/8, Behrmann, Wu, 10.31M) reports Pelosi said Trump "is 'in an altered state' and that action regarding the 25th Amendment and outlining a presidential line of succession will be discussed." The Washington Post (10/8, Sonmez, 14.2M) reports Pelosi told reporters "that she would discuss the 25th Amendment to the Constitution on Friday. She did not elaborate." The New York Post (10/8, Nelson, 4.57M) says the legislation "is almost certain to die in the Republican-held Senate."

White House Director of Strategic Communications Alyssa Farah said on Fox Business' Lou Dobbs Tonight (10/8, 49K), "It's an act of sheer desperation. First they tried Mueller, then they tried impeachment, now they're going to try the 25th Amendment? Four years in, they still refuse to accept this is the elected President of the United States, who's working hard for the American people." Bloomberg (10/8, Wasson, Westin, 4.73M), The Hill (10/8, Axelrod, 2.98M), and Breitbart (10/8, 673K) also report.

Walter Reed Staff Were Required To Sign NDAs During Trump's 2019 Visit. The Washington Post (10/8, Leonnig, Harris, Parker, Bernstein, 14.2M) reports, "Doctors and medical staff working at Walter Reed National Military Medical Center when President Trump made a medical visit there last November were required to sign nondisclosure agreements, an unusual request that rankled some personnel." Although the White House "has described Trump's stop at the hospital as part of a 'routine' checkup, there were multiple signs that the visit was hastily arranged and did not follow the typical protocol for a planned presidential stop."

Media Analyses Cast Jobless Numbers As Evidence Recovery Is Slowing.

The CBS Evening News (10/8, story 6, 0:15, O'Donnell, 4.22M) reported there is "new evidence tonight that the economic recovery has stalled. 840,000 Americans filed for unemployment benefits last week, down from the week before, but not by much."

The Washington Post (10/8, Rosenberg, 14.2M) says, "The number of jobless claims have fallen from their peak in the spring, but the rate has slowed in recent months."

Bloomberg (10/8, Rockeman, 4.73M) reports the labor market has made "scant progress amid risks of further weakness without additional federal stimulus." To the New York Times (10/8, Casselman, 18.61M), a "larger trend is clear: After falling swiftly from a peak of more than 6 million last spring, weekly jobless claims have stalled at a level far higher than the worst weeks of past recessions."

On its website, CNBC (10/8, Cox, 3.62M) casts the number as "another sign that the spike in job growth over the summer has cooled heading into the final part of the year," while Reuters (10/8, Burns) says it indicates "the U.S. labor market is making little fresh headway in getting millions of people back on the job after being out of work due to COVID-19 disruptions," and the Wall Street Journal (10/8, Timiraos, Chaney, Subscription Publication, 7.57M) says it appears the labor market and the economy are slowing.

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The AP (10/8, Rugaber) reports that economists "say they are increasingly dubious about the unemployment claims figures, even though there is little doubt that hiring has slowed and employers have continued to lay off workers."

NEC Chief Economist Joe LaVorgna said on WVLK-AM Lexington, KY (10/8), "Unfortunately, some of the financial press highlighted the fact that the headline number was a little bit lower than expected, but what was missed in that headline was is the fact there were 140,000 in upward revisions and then the private sector number was actually better at 877, I mean, that is a massive gain. ... You throw in a half a point drop in the unemployment rate, I mean, this is really, really good stuff. Obviously, there's more work to do, but the economy is moving faster than many thought." LaVorgna was also interviewed on KELO-AM Sioux Falls, SD (10/8), Newsmax TV (10/8), and CNBC's Squawk On The Street (10/8, 256K).

WSJournal Survey: 42.9% Of Economists Say Labor Market Will Not Recover Until 2023. The Wall Street Journal (10/8, Torry, DeBarros, Subscription Publication, 7.57M) reports in its new survey of economists its new survey of economists found that 42.9% do not expect the labor market to recover all of the jobs lost due to coronavirus shutdowns until 2023. The Journal adds that 12.2% expect it will take longer and 2% said it will take until 2030.

Administration Officials Tout Economy's Strength.

Assistant Treasury Secretary for Public Affairs Monica Crowley said on WHKT-AM Norfolk, VA (10/8), "It has been a pretty remarkable story over the last five months. Since April, this economy has added over 11.4 million jobs back. ... All of the so-called experts expected that we would not fall below 8% unemployment until the end of next year...and here we are five months in, and we're at 7.9%. Now that being said, that number is still too high. The President is singularly focused on getting every American back to work." Crowley said, "I can tell you that if he is reelected, you're going to see the same boom times that you saw pre-COVID, because all of those pro-growth policies are still in place and he intends to build upon them."

NEC Chief Economist Joe LaVorgna said on KELO-AM Sioux Falls, SD (10/8), "One thing we need to remember is that the President's economy was extraordinarily healthy in February. Unemployment was 3.5%, was record low across every ethnic group, race group. ... So the economy's fundamentally strong, so once it was allowed to reopen, the President's pro-growth policies and the natural recuperative powers of a dynamic economy are going to let things come back much faster than the consensus thought, and that's exactly what's happened." LaVorgna was also interviewed on CNBC's Squawk On The Street (10/8, 256K) and Newsmax TV (10/8).

Carranza Visits Pennsylvania PPP Recipients.

WBRE-TV Wilkes-Barre, PA (10/8, 19K) reported that SBA Administrator Carranza began a two-day tour in Luzerne County, Pennsylvania, on Thursday "to see how the Paycheck Protection Program is helping small business owners and what more the US Small Business Administration can do for them as we continue to battle COVID-19." Carranza said, "I wanted to learn how they applied the Paycheck Protection Program funds and were they able to retain all of their employees and sustain their business. ... There were several small businesses that were recipients of the PPP funds and their businesses were sustained, they considered it a lifeline."

Amtrak Warns Lawmakers Of 2,400 Job Cuts Without Additional Aid.

The Washington Post (10/8, Lazo, 14.2M) reports Amtrak wrote to congressional leaders Thursday to urge "swift passage of legislation that would extend government support for the passenger railroad, warning that without additional funding by the end of the year it would need to cut more than 2,000 jobs, further reduce service, and defer major capital projects." Amtrak CEO William J. Flynn wrote, "We will be unable to avoid more drastic impacts that could have long lasting effects on our Northeast Corridor infrastructure and the national rail system. ... Insufficient funding levels could force Amtrak to reduce its workforce by an additional 2,400 jobs."

Perdue: HBIIP Could Increase Ethanol Consumption By 50%.

Asked about the newly announced HBIIP investments on WHO-AM Des Moines, IA (10/8), Agriculture Secretary Perdue said, "Many people have forgotten how dependent we were upon foreign energy and now, based on the great productivity of our corn farmers and biodiesel producers, as well as ethanol producers, we've got a great industry here. The one limiting factor has been...access for consumers." Perdue said, "We're cooperating with stations across the country and...dedicated $100 million in order to allow these stations to put in blender pumps and pumps were consumers can easily choose through one hose whether it's E15, E30, or even E85 there." Perdue said the program could potentially increase "our ethanol consumption by 50% domestically, which would be a huge boon."

NLRB Issues Complaint Against Google Contractor.

The New York Times (10/8, Scheiber, 18.61M) reports the NLRB issued a complaint this week against HCL America, "a contractor hired by Google and accused it of violating its employees' labor rights, marking the latest flash point in a long-running struggle between workers and technology companies." In the complaint, the agency says HCL "illegally discouraged workers from belonging to a union, and of failing to bargain with the union in good faith." Last fall, "a group of about 90 HCL employees in Pittsburgh who do work such as data analysis under a contract the company has with Google voted to unionize." The complaint says "managers at the company interrogated workers about the organizing activities of their colleagues, told them that promotions and wages were being delayed because of the union campaign and

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threatened to enforce work rules more strictly if the union was created, in violation of federal labor law."

US Appeals Injunction Preventing TikTok Ban.

The New York Times (10/8, Isaac, 18.61M) reports the federal government has appealed a judge's ruling blocking the Trump Administration's ban on the video app TikTok. The Justice Department argued in a filing with the District of Columbia Circuit Court of Appeals "that a preliminary injunction issued last month" in US District Court should be lifted. The Times says the appeal "further escalates the battle between the White House and ByteDance," the Chinese company that owns TikTok. The Wall Street Journal (10/8, Ferek, Subscription Publication, 7.57M) provides similar coverage.

Reuters (10/8, Staff) reports DOJ "said in a court filing on Thursday it was appealing a judge's ruling that prevented it from prohibiting new" TikTok downloads. Reuters notes that a federal judge in September "temporarily blocked a Trump administration order that was set to bar Apple Inc and Alphabet Inc's Google from offering new TikTok downloads."

AMD In Talks To Buy Xilinx.

The Wall Street Journal (10/8, Lombardo, Cimilluca, Subscription Publication, 7.57M) reports Advanced Micro Devices Inc. is in talks to buy chip maker Xilinx Inc. The deal, which could be valued at $30 billion, would be the latest merger in the consolidating semiconductor industry.

JPMorgan Pledges $30B To Address Racial Wealth Gap.

The AP (10/8, Sweet, Olson) reports JPMorgan Chase announced Thursday "it is committing $30 billion over the next five years toward programs that include earmarking more money for getting Black and Latino families into homeownership and providing additional financing to build affordable rental housing units." CEO Jamie Dimon said in a statement, "Systemic racism is a tragic part of America's history. ... We can do more and do better to break down systems that have propagated racism and widespread economic inequality." Reuters (10/8, Moise) reports the initiative "seeks to provide $8 billion in new mortgages for Black and Latino borrowers, $14 billion in loans for affording housing projects, $2 billion in small business loans, and $2 billion in philanthropy."

Morgan Stanley To Buy Eaton Vance For $7B.

The Wall Street Journal (10/8, Hoffman, Subscription Publication, 7.57M) reports Morgan Stanley announced it will acquire fund manager Eaton Vance Corp. for $7 billion. The New York Times (10/8, Hirsch, 18.61M) reports a statement from Morgan Stanley said the "combined group would oversee roughly $1.2 trillion assets and generate more than $5 billion in sales. ... Morgan Stanley said it expected to extract $150 million in cost savings out of the deal."

Collapse In Energy Prices Hurt Wisconsin Though It Produces No Oil Or Gas.

The Wall Street Journal (10/8, Osipovich, Dezember, Subscription Publication, 7.57M) reports while Wisconsin does not produce any oil or gas, this year's collapse in energy prices has had an impact on the state.

WarnerMedia Restructuring Will Result In Thousands Of Layoffs.

The Wall Street Journal (10/8, FitzGerald, Flint, Mullin, Subscription Publication, 7.57M) reports a restructuring being planned by WarnerMedia aimed at reducing costs by up to 20% will mean thousands of layoffs from Warner Bros. studios and TV channels including HBO, TBS and TNT. The company cut 500 jobs at Warner Bros. in August.

IBM Spinning Off Tech Services Business To Focus On Cloud Computing, AI.

The New York Times (10/8, Lohr, 18.61M) reports IBM is "spinning off its legacy technology services business to focus on cloud computing and artificial intelligence, a move that reflects how decisively computing has shifted to the cloud." The Times adds, "The business retaining the IBM name will include its cloud operations, along with its hardware, software and consulting services units. They represent about three quarters of the current company's revenue." The spin off business, which "has not yet named, is IBM's basic technology services business, which maintains, supports and upgrades the computing operations of thousands of corporate customers." That business has "sales of about $19 billion a year, but it's not where the growth opportunities lie in the technology business."

Trump Says He Will Impose More Tariffs On China In Second Term.

The New York Times (10/8, Swanson, 18.61M) reports in an interview on Fox Business' Mornings With Maria Thursday, President Trump "vowed to once again punish China with tariffs if he won re-election, claiming his strategy of heavily taxing Chinese products had forced Beijing to make trade concessions and helped American farmers." Trump said, "I'm going to use tariffs on China." He said the strategy brought "billions of dollars" in to the US, and added, "I gave all of the money to the farmers and we had tens of billions leftover which goes into the Treasury." Trump "pointed to record purchases of corn and soybeans that he said had been made 'two weeks ago' as evidence that his aggressive approach toward China was working." He said, "They want to keep me happy because they know that I'm a hair trigger when it comes to them. And I'm sick of them."

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Navarro: Biden And Harris "Totally Unprepared To Deal With China."

Asked to respond to comments at the vice-presidential debate by Sen. Kamala Harris (D-CA) on Fox News' The Story (10/8), Director of Trade and Manufacturing Policy Navarro said, "When Harris says that the President's tariffs had cost 300,000 manufacturing jobs, I mean, there's no scenario where that's possible. What is true...is that when Joe Biden voted for China into the World Trade Organization, what happened subsequently was 70,000 factories gone to Shanghai, Beijing, and Hangzhou, and over five million manufacturing jobs lost." Navarro said, "These folks seem totally unprepared to deal with China, either economically or diplomatically, and seem to have no inclination to do so."

WPost Analysis: Both Parties Appear To Believe Barrett Would Restrict Or Overturn Roe.

The Washington Post (10/8, Kim, 14.2M) reports Supreme Court nominee Amy Coney Barrett "heads into her confirmation hearings next week with a detailed record that has led many liberals and conservatives to believe she would support restricting, if not outright overturning, the landmark decision that guarantees a woman's right to an abortion." As her nomination fight begins "in an increasingly heated election season, top Republicans – from President Trump to individual senators – appear to be playing down the impact Barrett's confirmation would have on the fate of abortion rights in the United States."

Barrett's Religious Community Said To Be "Deeply Embedded" In Each Other's Lives.

In a feature describing the People of Praise, a religious community of which Judge Amy Coney Barrett has been part nearly all her life, the New York Times (10/8, Graham, LaFraniere, 18.61M) says Barrett "spent formative years of her childhood embedded in that intense faith community in Louisiana" and "married a man named Jesse Barrett who had himself been raised in South Bend's People of Praise community." According to the Times, "The group's beliefs – including a strict view of human sexuality that embraces traditional gender norms and rejects openly gay men and women – are in line with other conservative faith traditions. What is notable about the group, according to documents and interviews with former members, is that even in the context of devout faith communities, members of the People of Praise are deeply embedded in one another's lives."

Reuters/Ipsos Poll Shows Trump's Coronavirus Approval Rating At "Record Low."

Reuters (10/8, Whitesides) reports that, according to a new Reuters/Ipsos poll, "Americans are steadily losing confidence in President Donald Trump's handling of the coronavirus pandemic, with his net approval on the issue that has dominated the U.S. election hitting a record low." The October 6-8 poll, taken "after Trump's COVID-19 infection and weekend hospitalization, found 37% of American adults approved of the president's handling of the pandemic and 59% disapproved," with a "net approval rating of negative 22 percentage points," the lowest since March 2. Reuters says "the plummeting approval rating is an ominous sign for Trump, who trails Biden in opinion polls ahead of the Nov. 3 election."

Report: Meadows Hosted "Lavish" Atlanta Wedding Despite Coronavirus Restrictions.

The Atlanta Journal-Constitution (10/8, 895K) reports Chief of Staff Meadows "hosted a lavish wedding for his daughter in Atlanta this May, despite a statewide order and city of Atlanta guidelines that banned gatherings of more than 10 people to prevent the spread of the deadly coronavirus." The May 31 wedding at Biltmore Ballrooms hosted "70 or so guests," including Rep. Jim Jordan (R-OH), and "pictures of the wedding reviewed by The Atlanta Journal-Constitution show groups of people clustered closely together in the same room throughout the evening" without masks. Biltmore special events manager Novare Events President Myrna Antar said, "While we do not comment on client's events, we can confirm that the entire 16,000 square feet of the space was reserved for this small wedding – greatly exceeding the per person square footage allowed by the order."

The New York Times (10/8, Epstein, 18.61M) reports that the wedding took "place early in the coronavirus pandemic, as Americans were canceling or postponing their own weddings and other long-planned gatherings to comply with public health restrictions aimed at slowing the spread of the virus." Photographs posted online show Meadows "delivering a father-of-the-bride speech before a band with at least eight members," while "other photographs show Mr. Meadows dancing with his daughter, Haley, various groomsmen shaking hands and much dancing and mingling. ... None of the photographs posted in the online wedding album show any guests wearing masks."

NYTimes Report: Political Considerations Influenced Pence's Handling Of Task Force.

In an article titled "Under Pence, Politics Regularly Seeped Into The Coronavirus Task Force," the New York Times (10/8, Mazzetti, Weiland, Stolberg, 18.61M) reports that Vice President Pence's "decision to walk the halls of the Mayo Clinic without a mask" on April 28 is "only one example of how, over nearly eight months since the vice president was given a leading role in managing the nation's pandemic response, political considerations seeped into decisions by Mr. Pence and his staff." According to the Times, Pence Chief of Staff Marc Short directed CDC Director Redfield "to soften the agency's recommendations to a meat processing company about safety steps, in part to placate the embattled industry."

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Fauci: Volume Of New Cases Needs To Come "Way, Way Down."

CNBC (10/8, 3.62M) reports on its website that on Thursday, NIAID Director Fauci "said...he's 'not comfortable' with the level of Covid-19 cases in the United States as the nation enters its fall and winter seasons. The U.S. is reporting roughly 40,000 new coronavirus cases a day, which may get even worse as temperatures get cooler and people head indoors, Fauci said during an interview with MSNBC's Andrea Mitchell." Fauci is quoted as saying, "I'm not comfortable with that. I would like to see that level, way, way down, well below 10,000."

Wisconsin, Midwest Sees Surges In COVID Cases. On the CBS Evening News (10/8, story 7, 2:00, O'Donnell, 4.22M), Mola Lenghi reported that "tonight, Wisconsin is one of the nation's largest coronavirus hot spots. Long lines to get tested, and doctors scrambling just to find enough hospital beds. The Thedacare Healthcare System in northeast Wisconsin says it's seen about a 500% increase in hospitalizations, more than 200 of its staffers are out sick or in quarantine due to the virus." Thedacare President and CEO Imran Andrabi said, "I only have about five ICU beds left and about 10 medical surgical beds left in my entire health system."

On ABC World News Tonight (10/8, story 8, 1:35, Muir, 6.7M), Stephanie Ramos reported that "tonight, hospitalizations on the rise in 35 states. In Wisconsin, the state set to open this 530-bed field hospital next week." Wisconsin Department of Health Services Secretary-Designee Andrea Palm said, "Every region in Wisconsin has hospitals reporting current and imminent staffing shortages."

The AP (10/8, Geller, Groves) reports that "a surge of coronavirus cases in Wisconsin and the Dakotas is forcing a scramble for hospital beds and raising political tensions, as the Upper Midwest and Plains emerge as one of the nation's most troubling hotspots. The three states now lead all others in new cases per capita, after months in which many residents and politicians shunned mask requirements while downplaying the risks of the disease." North Dakota "tripled" its "previous single-day record" of deaths on Wednesday, while "in Wisconsin, health officials plan to open a field hospital next week at the state fairgrounds to prevent health care centers from being overwhelmed by virus cases, even as state Republicans challenge Democratic Gov. Tony Evers' mask mandate in court." South Dakota is meanwhile increasingly transferring patients out of state, contradicting assurances by Gov. Kristi Noem (R), "whose plan for combating the virus has focused on increasing treatment capacity."

New Jersey Officials "Prepare For Second Wave" As Cases Rise. Politico (10/8, Landergan, 4.29M) reports that "New Jersey officials say they are bracing for a second wave of the coronavirus, with the state recording 1,301 new Covid-19 cases, the highest amount in a single day since May." Gov. Phil Murphy (D) on Thursday "described the number as 'sobering' and pleaded with residents to practice social distancing and wear masks." Health Commissioner Judith Persichilli said, "We are anticipating a second wave. If individuals do not adhere to social distancing, masking guidelines, washing your hands, or staying home if you're sick, this wave has the potential to become a surge." Murphy has "indicated he wants to pursue a 'scalpel' approach as opposed to statewide restrictions, and says he wants to work collaboratively with community leaders."

Birx Praises UConn Coronavirus Response, Urges Continued Caution.

WTNH-TV Hartford, CT (10/8, 81K) reported that White House Coronavirus Task Force Coordinator Deborah Birx gave "high marks to the University of Connecticut for its handling of a coronavirus outbreak" in a visit to the state. Birx said, "The kind of spread that we're seeing now is very different from the spread we experienced in March and April."

WFSB-TV New Haven, CT (10/8, 72K) reported that Birx visited "with a warning for Connecticut" and "said people should follow CDC guidelines whenever they're out and about and they're around people they don't live with. ... That's because many people spreading the disease are asymptomatic." Birx said, "This is the moment to really increase asymptomatic testing, increase outreach to the communities."

Birx said on 12-TV New Haven, CT (10/8), "All the people of Connecticut out there, really, if you're gathering together indoors, assume someone in that group that's outside of your family household that could be positive and wear your mask and continue to physically distance." The station reported Birx "did have encouraging words for the University of Connecticut, saying that the school is a model for the country in stemming the widescale outbreak of the virus on campus."

Birx said on WPRI-TV Providence, RI (10/8, 2.22M), "What we wanted to carry for a message across the Northeast, that what you're doing in public is great, but we have to figure out how to bring that safety into the household and into any groups we bring into the household."

Azar: Supplies Will Be Sufficient To Vaccinate All Americans By April.

CNBC (10/8, Lovelace, Jr., 3.62M) reports on its website that on Thursday, HHS Secretary Azar "said...the U.S. could have enough Covid-19 vaccine doses for every American as early as March," which CNBC says is "a more optimistic estimate" than President Trump has publicly said. CNBC adds, "The Trump administration's coronavirus vaccine program Operation Warp Speed expects to have up to 100 million doses by the end of the year, Azar said during a keynote speech at the Goldman Sachs Healthcare virtual event on the coronavirus." Azar is quoted as saying that will be "enough to cover especially vulnerable populations. ... We project having enough for every American who wants a vaccine by March to April 2021."

White House Deputy Press Secretary Brian Morgenstern said on KTRH-AM Houston (10/8, 16K), "Operation Warp Speed is unbelievable. ... We have a number of treatments that are already being used either through compassionate use or emergency use authorizations. We are seeing more and more treatments come to market all the time." He said, "We think there'll be a vaccine, we may see data at some point this month indicating that a vaccine could be safe and effective. ... We're confident that we can have up to 100 million doses by the end of the year, and then perhaps enough doses available for every American really in the early part of next year. So, none of this would have been possible without Warp Speed."

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Former CDC Director Urges Redfield To Stand Up To Trump.

The New York Times (10/8, Mandavilli, Holt, 18.61M) reports former CDC director William Foege "said Thursday that President Trump and Vice President Mike Pence have 'their knees on the neck of the public health community,' and called on" current CDC Director Redfield, "to stand up to them – even at the risk of getting fired." Foege said, "Silence becomes complicity and I think the one person that might have turned this around would be the director of the C.D.C. ... I think [Redfield] would level with C.D.C. employees and let them know what the White House has actually done – some of it is public – the fact that they were willing to put things on the C.D.C. website, that they would overrule the recommendation of C.D.C. If he said, 'I will stand behind you for as long as I'm here,' and then if he gets fired he gets fired with his head held high."

AP Analysis: Healthcare Professionals "Battle Virus Skeptics."

The AP (10/8, Hollingsworth) reports that "treating the sick and dying isn't even the toughest part" for doctors and nurses during the coronavirus, but rather "dealing with patients and relatives who don't believe the virus is real, refuse to wear masks, and demand treatments like hydroxychloroquine, which President Donald Trump has championed even though experts say it is not effective against the scourge that has killed over 210,000 in the US." While "it's unclear how Trump's bout with the virus will affect the situation...some doctors aren't optimistic." Beth Oller, a physician in Kansas, said, "None of the things he did since he had it have helped us a bit, and, if anything, would fly in the face of it. All he did was continue to show people that the things we are saying to do are overblown and an overreaction. As a physician, it is so damn frustrating."

Moderna To Forgo Patents Related To COVID Vaccine.

The Wall Street Journal (10/8, Loftus, Subscription Publication, 7.57M) reports that Moderna President Stephen Hoge said in an exclusive interview that the pharmaceutical company will not enforce any of its seven patents associated with its coronavirus vaccine and signaled willingness to license the patents after the pandemic.

Regeneron, Eli Lilly Ask For FDA EUAs.

On NBC Nightly News (10/8, story 7, 2:15, Holt, 5.56M), Kristen Dahlgren reported that "on the same day the President touted an experimental antibody treatment as a cure for COVID...two companies who make the treatments applied for emergency authority from the FDA. Eli Lilly and Regeneron say their antibodies made in the lab mimic the way the immune system fights infection." Dahlgren said Regeneron's early trials data "found patients given the antibody cocktail cleared the virus faster with reduced symptoms. But critics like Dr. Rick Bright fear the emergency approval process is being politicized." Former Biomedical Advanced Research and Development Authority Director Rick Bright said, "I would urge caution. You're getting a false message from the President right now. Let the scientists do their job." Dahlgren said that doctors also "point out the President took several different medications, so it's impossible to know what impact the antibody treatment may have had."

The Washington Post (10/8, Johnson, McGinley, Dawsey, 14.2M) reports that "after months of touting coronavirus vaccines that would land before Election Day, President Trump made an abrupt pivot this week to a promising but unproven therapy that he received as part of his treatment for covid-19" in a five-minute Twitter video. Trump "also claimed in the video he had granted the drugs" from Regeneron and Eli Lilly EUAs, "a designation that would make the medicines more broadly available. But the companies said they have submitted the requests to the Food and Drug Administration – a process that the agency has repeatedly tried to assure the public is based on science and free of political interference." Experts "said that by inserting himself and his own recovery story into an area of ongoing medical research, Trump risks disappointing and confusing the American public with a hopeful anecdote that may not reflect how the drug works for others or how broadly it will become available when it is approved."

NIAID Marks Start Of Convalescent Plasma Study.

The Wall Street Journal (10/8, Walker, Hopkins, Subscription Publication, 7.57M) reports that the National Institute of Allergy and Infectious Diseases announced a study testing the use of convalescent plasma in comparison to remdesivir for the treatment of coronavirus. The NIAID-funded study, led by a group of companies including Japan's Takeda Pharmaceutical, will include 500 patients across six continents.

WSJournal Analysis: Vaccine Trial Participants Focus On Ending Pandemic.

The Wall Street Journal (10/8, Winkler, Hopkins, Subscription Publication, 7.57M) analyzes the ongoing clinical trials for a coronavirus vaccine, including the over 10,000 US volunteers who say they are excited to help usher a return to normalcy and debunk vaccine skeptic theories.

New York Coronavirus Restrictions Met With Protests, Lawsuits.

On ABC World News Tonight (10/8, story 8, 1:35, Muir, 6.7M), Stephanie Remos reported, "Tonight, strict new coronavirus lockdowns taking effect in hard-hit neighborhoods in New York City, sparking outrage. Hundreds of protesters demonstrating in Brooklyn, starting fires, even assaulting a journalist. City and state officials taking urgent action to crush flareups in so-called red zones. Shutting down nonessential

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businesses, limiting capacity at houses of worship to a maximum of ten people, and closing more than 300 schools."

Mola Lenghi said on the CBS Evening News (10/8, story 7, 2:00, O'Donnell, 4.22M), "New cases are now rising in 31 states. New York and New Jersey reporting the most new cases since May" and "a lockdown went into effect in several New York City neighborhoods today, sparking another night of protests in orthodox Jewish communities."

The AP (10/8, Mustian) reports that "hundreds of businesses and schools in New York City neighborhoods where coronavirus cases have spiked were closed Thursday by order of the governor, but questions swirled about how effectively officials could enforce the shutdown in areas where it has been met with resentment," protests, and "legal resistance" from religious organizations "over a provision limiting attendance at indoor religious services to no more than 10 people." Mayor Bill de Blasio (D) "said 1,200 city workers would be out on the streets doing enforcement, though some of those efforts involved trying to educate businesses about rules imposed with little warning in hastily drawn zones with confusing borders."

The New York Times (10/8, Rubinstein, Kim, 18.61M) reports "as New York officials on Thursday hurriedly launched a targeted lockdown to stamp out a surge in coronavirus cases, chaos, confusion and tension erupted over restrictions that will close schools and businesses and greatly limit attendance at places of worship." Between "competing hot-spot maps," issued by de Blasio and then by Gov. Andrew Cuomo (D), "which overlapped and contradicted each other," schools and businesses saw mismatched instruction while religious organizations filed suits against "the governor's restrictions on houses of worship" and "parents rallied against the sudden closure of schools." Partnership for New York City President Kathryn Wylde said, "Now that we have protocols in place you would hope that the response would be more nuanced and targeted."

The Washington Post (10/8, Bailey, 14.2M) reports that "several synagogues and rabbis have filed a lawsuit asking for a temporary restraining order to bar the state of New York from enforcing its restrictions, saying the limits disrupt the religious observance of tens of thousands of Orthodox Jews, 'depriving them of their religious worship and holiday observance,'" alongside a separate suit from the Catholic Diocese of Brooklyn. Agudath Israel of America called Cuomo's "unanticipated and draconian limitations" concerning, and contradicted his description a meeting with Orthodox Jewish leaders as "largely a one-way monologue." Protests have since "broken out in every evening in this community. Earlier this week, a crowd of Hasidic Jewish protesters set fire to masks and attacked a photojournalist in Borough Park."

The Wall Street Journal (10/8, Berger, Honan, Subscription Publication, 7.57M) reports that two lawsuits against the restrictions were filed in Brooklyn federal court by the Roman Catholic Diocese of Brooklyn and the Orthodox Jewish umbrella organization Agudath Israel of America, which have argued that the lockdown unfairly targets religious organizations.

The New York Daily News (10/8, Slattery, 2.52M) reports that Cuomo "knocked NYPD cops Thursday for not wearing masks and blamed unrest in Brooklyn's Orthodox Jewish community over restrictions meant to curb coronavirus cases on Mayor de Blasio's failure to enforce past measures," calling "on the city to do a better job – and set a better example." He said, "It would have been better if we'd enforced the law all along and the NYPD has to enforce the law now. And the NYPD has to follow the law, by the way. Wear a mask, that's the law. And when you don't follow the law don't expect people to follow when you say 'I'm here to enforce the law.' It's an act of hypocrisy."

The New York Post (10/8, Marsh, Musumeci, 4.57M) reports that "fueled by coronavirus hot spot zones in Brooklyn and Queens, the daily number of new COVID-19 cases in the Big Apple is steadily rising and inching closer to the city's threshold." City Health Commissioner David Chokshi said, "There is no herd immunity in any of the neighborhoods where we are most concerned or any other neighborhood in New York City. This is so important to ensure that people understand that unfortunately the coronavirus continues to be very infectious, continues to spread and so we have to take the precautions that we are embarking upon." De Blasio said, "Overall, I think we're very clear about our direction, our ability to keep things in check, but what we do know is certain areas of the city need deep restrictions to ensure we don't have a bigger problem."

NYTimes Analysis: Viral Spread Among Jewish Community "A Crisis For New York." The New York Times (10/8, Stack, Goldstein, 18.61M) reports that weeks after Chokshi "held an urgent conference call with Orthodox Jewish news outlets to warn of rising transmission" of COVID-19, "tensions between the authorities and Orthodox Jewish communities would worsen, escalating into the biggest health challenge for the city since the spring." Orthodox Jewish sects "have thrived" in NYC "while warding off many aspects of the modern world," but now face "unwelcome scrutiny over whether the virus is spreading because some people in these insular communities are reluctant to embrace public health practices and have become susceptible to misinformation, including from President Trump."

WSJournal: Cuomo, De Blasio Exhibit Double Standard With Jewish Community. The Wall Street Journal (10/8, Subscription Publication, 7.57M) editorializes that Cuomo and de Blasio have displayed a double standard in singling out religious organizations, specifically the Orthodox Jewish community, in new coronavirus lockdown restrictions after dismissing the safety threat posed by Black Lives Matter protests.

Tribal Nations Among Hardest Hit By Coronavirus.

The New York Times (10/8, 18.61M) reports that "the coronavirus has torn through the Mississippi Band of Choctaw Indians unabated, sickening more than 10 percent of the tribe's 10,000 residents and killing at least 81 people. Now the tribe is bracing for a second wave and more devastation." Mississippi's Neshoba County, "where most of the tribe's residents live, had the highest death rate per capita in Mississippi from the coronavirus, according to data tracked by The New York Times," with tribal members accounting "for more than half of the county's virus cases and about 64% of the deaths" despite making up only 18% of its residents. While communities of color have been disproportionately affected by the virus, it appears to be especially deadly in some tribal nations, where poverty,

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multigenerational housing and underlying health conditions such as diabetes and heart disease have been contributing factors."

NFL Announces More Postponements Due To Positive Tests.

The New York Times (10/8, Belson, 18.61M) reports that "for the second consecutive week, the N.F.L. has shuffled its schedule to accommodate teams that have had players and staff members who have tested positive for the coronavirus." The Tennessee Titans, "who have had the league's worst outbreak, with nearly two dozen players, coaches and staff members testing positive," reported two additional cases on Thursday, while the New England Patriots said cornerback Stefon Gilmore has now tested positive. The league this week "said it would use video surveillance to ensure that players and coaches were wearing proper protective equipment at team facilities" and "is also investigating whether the Titans have violated league rules by working out after the club's facility was shuttered because of the outbreak in the locker room."

Airbnb To Require Enhanced Cleaning By Hosts.

The AP (10/8, Durbin) reports that "Airbnb said Thursday it will require hosts to comply with enhanced cleaning procedures as part of its effort to reassure guests and local officials during the coronavirus pandemic." Hosts outside China, which has its own local cleaning program, will have through November 20 "to commit to the cleaning protocols, which include scrubbing floors and other surfaces with soap and water; washing linens on high heat; disinfecting high-touch items like door knobs; and ventilating rooms. Hosts who don't comply may be suspended or removed from Airbnb." Airbnb "also said Thursday that guests and hosts must wear masks and social distance when interacting with each other."

Body Camera Videos Of Taylor Shooting Released.

ABC World News Tonight (10/8, story 9, 0:20, Muir, 6.7M) reported that on Thursday "more than 50 body camera videos" involved in the Breonna Taylor case were "made public, including a SWAT team moving through Taylor's apartment after she was shot and motionless on the floor. Four minutes in, someone checks her pulse. A judge says she will soon decide whether to allow a grand juror to speak publicly. The state AG now arguing against that."

Texas Police Officer Charged With Price Murder Fired.

CNN (10/8, Razek, Chavez, 83.16M) reports on its website that Wolfe City, Texas, officials on Thursday said police officer Shaun Lucas was terminated from his position "for his egregious violation of the City's and police department's policies" in the fatal shooting of 31-year-old Black man Jonathan Price. CNN says Lucas was charged with murder earlier this week. He "was responding to a report of a disturbance and a possible fight in progress Saturday at a convenience store in Wolfe City when he shot Price four times in the torso, the probable cause affidavit released by the Hunt County District Clerk said."

The Washington Post (10/8, Berman, 14.2M) calls Lucas "one of the rare law enforcement officers to face criminal prosecution for shooting and killing someone while on duty."

Cole's Family Vows To Continue Fight Against Officer Who Killed Him.

The AP (10/8, Richmond) reports Kimberley Motley, an attorney for the family of Black teen Alvin Cole, who was killed by Wauwatosa Police Officer Joseph Mensah, "vowed Thursday to keep fighting and working to prove racism pervades the officer's department, after a prosecutor declined to file charges in the case." Motley said she intends to file a federal lawsuit against Mensah, and "sued in state court on Tuesday seeking department documents that she believes will show Mensah's supervisors are racist and that officers have racially profiled Black drivers for years." She also seeks to have both Mensah and Police Chief Barry Weber fired. In addition, Cole's sister Taleavia said to protesters Wednesday that Milwaukee County District Attorney John Chisholm, who is white, must step down; she "said he has shown bias against Black families in his more than 20 years as a prosecutor," though "she didn't cite examples."

Protests Continue After Security Footage Released Of Kansas City Arrest Of Pregnant Woman.

The Kansas City Star (10/8, Rice, Kite, 549K) reports the office of Jackson County Prosecutor Jean Peters Baker is reviewing the arrest of Deja Stallings, a pregnant Black woman, and is asking the Kansas City Police Department to conduct its own investigation. According to the Star, the arrest – during which a police officer put his knee on Stallings' back "with her belly on the ground" – has "led to protesters occupying the lawn in front of City Hall in Kansas City for the past week." On Thursday, the KCPD "said they have been in touch with the prosecutor's office regarding the incident," though "the officers involved in the arrest remain on duty."

CNN (10/8, Toropin, Lee-Johnson, 83.16M) reports on its website that security camera video released by the KCPD of the arrest "shows as many as a dozen people gathered" around a gas station and convenience store, "some pushing each other." Police attest Stallings "and man tried to pull [a] suspect away" from officers, but Stacy Shaw, Stallings' attorney, "disputes the police's assertion." According to CNN, "The security video shows Stallings briefly step between an officer and the man he was moving to arrest, but the officer quickly pushes past her to chase after the suspect, catching up with him just a few feet later."

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Analysis: Release Of Chauvin Illustrates Complicated Minnesota Bail Reform Debate.

The Minneapolis Star Tribune (10/8, Mannix, 1.04M) reports, "For the second time since the death of George Floyd, Minnesota is reckoning with questions over the transparency of its bail system." The release of former Minneapolis Police Officer Derek Chauvin this week on $1 million bond "was so contentious it prompted the governor to activate 100 National Guard members in anticipation of violent protests." Hundreds "marched down south Minneapolis streets Wednesday evening, many calling Chauvin's release pending trial another example of inequality in the justice system." The protests "come a few months after" President Trump's reelection campaign "leveled attacks against the Minnesota Freedom Fund, a charitable organization that posts bail for people who cannot afford it." According to the Star Tribune, the "two cases illustrate the complicated politics of a bail reform debate that other states have wrestled with for years, but Minnesota has mostly avoided up until now."

NYTimes Reviews Facts Known About Prude Case.

In a piece headlined "What We Know About Daniel Prude's Case And Death," the New York Times (10/8, Gold, 18.61M) reports, "Against the background of a national discussion over police brutality and racism, the family of Daniel Prude held a news conference in September to highlight disturbing video footage of the police encounter that preceded his death in Rochester, NY." The video, in addition to police reports released by local activists, "brought renewed attention to the case of Mr. Prude, a 41-year-old Black man who died in March after a confrontation in which officers put a mesh hood over his face and pressed his head into the pavement." Since the release of the footage, "Prude's family has accused officials of covering up his death to protect the police officers involved."

Washington Supreme Court Dismisses Effort To Recall Seattle Mayor.

The Seattle Times (10/8, Gutman, 935K) reports, "A unanimous Washington State Supreme Court tossed out the effort to recall Seattle Mayor Jenny Durkan," ruling that accusations Durkan allowed the Seattle Police Department to use tear gas in June "did not rise to the level that would allow a citizen initiative to remove her from office." The decision "kills the push to recall the mayor and means that, barring unforeseen circumstances, voters in 2021 will have the final say on Durkan's job performance, should she choose to run for a second term." In a brief order, Chief Justice Debra Stephens said, "The allegations in this case are deeply troubling and our review requires that we treat the factual allegations as true. ... Nevertheless, after carefully considering the issues presented, the court concludes that the recall charges presented in this case are factually and legally insufficient."

Trump Expresses Frustration With Administration For Not Prosecuting Democrats.

Bloomberg (10/8, Wingrove, Kinery, 4.73M) reports that in a call to Fox Business Thursday morning, President Trump "lashed out at two of his most loyal Cabinet members – Attorney General Bill Barr and Secretary of State Mike Pompeo – and threatened to personally intervene in federal investigations into Democrats over controversies stemming from the 2016 election." President Trump said on Fox Business' Mornings With Maria (10/8) that unless Barr "indicts these people for crimes – the greatest political crime in history – then we are going to get little satisfaction unless I win...because I won't forget it. But, there people should be indicted. This was the greatest political crime in the history of our country and that includes Obama and it includes Biden." Trump later said in an interview on Fox News' Hannity (10/8, 535K), "We caught them spying on our campaign. This is treason. We caught them trying to take down a duly elected Administration/President and we have all the evidence now. We have to see what the law enforcement is going to do with it, but we caught them spying – as sure as you are sitting there."

The New York Times (10/8, Baker, Haberman, 18.61M) reports Trump "berated his own cabinet officers on Thursday for not prosecuting or implicating his political enemies, lashing out even as he announced that he planned to return to the campaign trail on Saturday just nine days after he tested positive for the coronavirus." The President "has not been seen in person since returning from the hospital on Monday, but he sought to reassert himself on the public stage with a pair of telephone interviews with Fox News and Fox Business, a video and a series of Twitter messages." The President "castigated his own team, declaring that [Barr] would go down in history 'as a very sad, sad situation' if he did not indict Democrats" like former Vice President Biden and former President Obama. Trump "complained that [Pompeo] had not released Hillary Clinton's emails, saying, 'I'm not happy about him for that reason.'" He also targeted FBI Director Wray, saying, "He's been disappointing."

The AP (10/8, Balsamo, Miller, Tucker) reports President Trump "is increasingly at odds" with Barr "over the status of the Justice Department's investigation into the origin of the Russia probe, with the president increasingly critical about a lack of arrests and Barr frustrated by Trump's public pronouncements about the case, according to people familiar with the matter." The President "and his allies had high hopes for the investigation led by Connecticut US Attorney John Durham, betting it would expose what they see as wrongdoing when the FBI opened a case into whether the Trump campaign was coordinating with Russia to sway the 2016 election." However, "a year and a half into the investigation, and with less than one month until Election Day, there has been only one criminal case." Barr "has privately expressed frustration over the public comments, according to a person familiar with his thinking."

Durham Reportedly Seeking Grand Jury Testimony To Investigate New Front In Russian Probe. The Daily Caller (10/8, 716K) reports, "US Attorney John Durham has reportedly opened a new front in his investigation into the origins of the Trump-Russia probe." According to a report by The New Yorker, the Caller says, "Durham is seeking grand jury testimony from computer scientists behind an

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allegation that Donald Trump's real estate company had a secret communications channel with Alfa Bank." The theory "was first floated in October 2016, but was debunked in the Justice Department inspector general's report on the FBI's investigation of the Trump campaign." Durham "is also reportedly seeking the testimony of Daniel Jones, a former Senate Intelligence Committee investigator who partnered with Fusion GPS and Christopher Steele in 2017."

Ratcliffe Said By Intelligence Veterans To Have Brought Politics Into Intelligence.

The Washington Post (10/8, Harris, 14.2M) reports DNI Ratcliffe "failed to meet his commitments when he recently declassified documents that included sensitive intelligence about Russians discussing Hillary Clinton and her 2016 presidential campaign, current and former officials said." The disclosures, "which he told lawmakers came 'at the direction of the president of the United States,' amount to a disinformation operation run by the nation's top intelligence official, in service of a president who has long accused the intelligence agencies of conspiring against him, the current and former intelligence officials said." Former CIA Officer Marc Polymeropoulos said, "[Ratcliffe] is cherry-picking intelligence, and seriously risks exposing sources and methods for absolutely no reason other than to promote and protect the President before the election."

Johnson: Intelligence Committee Covering Up Coup Attempt. In an op-ed for the Wall Street Journal (10/8, Subscription Publication, 7.57M), Sen. Ron Johnson (R-WI) says actions against President Trump by unelected bureaucrats and members of the intelligence community amount to a constitutional crisis. Johnson says not complying with Trump's directive to declassify information relevant to the Senate Select Subcommittee on Intelligence's investigations will continue the coverup.

Former Trump Fundraiser Charged With Illegally Lobbying For Malaysian Fugitive.

The AP (10/8) reports that Elliott Broidy, "a prominent fundraiser for President Donald Trump and the Republican Party, has been charged in an illicit lobbying campaign aimed at getting the Trump administration to drop an investigation into the multibillion-dollar looting of a Malaysian state investment fund." According to the AP, Broidy is "the latest person accused by the Justice Department of participating in the covert lobbying effort."

The New York Times (10/8, Vogel, 18.61M) reports Broidy "was charged with a single count of conspiring to violate the Foreign Agents Registration Act as part of an influence operation that prosecutors say sought to use his political ties to help Malaysian and Chinese interests, according to federal court filings that became public on Thursday." The Washington Post (10/8, Zapotosky, 14.2M) reports prosecutors "believe he took millions in undisclosed money to end a US investigation into a billion-dollar embezzlement of a Malaysian state investment fund and, separately, to return outspoken Chinese exile Guo Wengui to his home country." According to the Post, the charges "are the latest blow to the RNC's fundraising leadership under Trump."

Bloomberg (10/8, Melby, Voreacos, 4.73M) describes Broidy as "a former top political fundraiser" for President Trump, and says he is accused of having "participated in a scheme to illegally lobby the Trump administration to stop investigating the embezzlement scandal at the 1MDB Malaysian state investment fund." Bloomberg reports that Jho Low, "a Malaysian fugitive and the accused mastermind of the 1MDB fraud, initially paid Broidy $6 million to lobby the Justice Department to stop its investigation and promised an additional $75 million if the lobbying succeeded." Broidy has been "charged with conspiring to lobby for a foreign national without registering." The Wall Street Journal (10/8, Viswanatha, Subscription Publication, 7.57M) says cases emerging from the investiation into the 1MDB fraud exposed an extensive effort by Low to attempt scaling back the US investigation by hiring top GOP consultants and lawyers with ties to the President.

The Daily Beast (10/8, 1.39M) reports prosecutors "say Broidy conspired in the scheme with a Hawaii businesswoman named Nickie Lum Davis, who pleaded guilty in August to one count of conspiracy to violate FARA, and an unnamed co-conspirator who, based on previous reporting, is believed to be Pras Michel, best known as a founding member of the Fugees." The government "is also seeking to seize any assets derived from the lobbying campaign."

Friends Say They Recall Dorris' Accusations Against Trump In 1997.

The New York Times (10/8, Kantor, 18.61M) reports friends of Amy Dorris, who accused President Trump of forcibly kissing and groping her at the US Open in 1997, recall hearing the accuser's claims the year that she says they happened. Math teacher Dawn Capp "said that soon afterward, her friend had told her the same story about Mr. Trump that she later told publicly." Kerri Whitfield, "another friend, echoed those recollections, saying that Ms. Dorris had shared the story privately in the autumn of 1997. Neither friend has previously spoken publicly; both say they are confident of Ms. Dorris's truthfulness."

Cuccinelli Announces Regulations Aimed At Cutting H-1B Abuse.

Acting Deputy DHS Secretary Ken Cuccinelli said on WPHT-AM Philadelphia (10/8, 11K), "This week, two more of the President's promises were kept with, we did a joint rollout with the Department of Labor on regulations that will cut off the abuse of H-1B visas which go to high tech workers that are foreign nationals that a lot of companies use to undercut American workers or replace them, and this President committed to putting American workers first, and that's exactly what he has done again this week."

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Massachusetts Lawmakers Ask ICE For Details Of Stopping Black Man.

The Boston Globe (10/8, 972K) reports, "Members of the Massachusetts congressional delegation pressed the Immigration and Customs Enforcement agency on Thursday to explain why agents stopped a Black jogger in West Roxbury earlier this week, and questioned whether the encounter violated the man's rights." In a letter, Sens. Edward Markey (D-MA) and Elizabeth Warren (D-MA), and Reps. Stephen Lynch (D-MA) and Ayanna Pressley (D-MA), "requested more details about the stop of Bena Apreala, 29, a lifelong Massachusetts resident who recorded a portion of the encounter, which spread quickly across the Internet and sparked claims of racial profiling." The lawmakers "also asked whether immigration agents in the Boston area have approached other individuals in a similar manner since April."

Supreme Court Temporarily Permits Women To Obtain Abortion Medication Without Doctor Visit.

USA Today (10/8, Wolf, 10.31M) reports the Supreme Court "ruled on a temporary basis Thursday night that women seeking to end their pregnancies with medication do not need to visit a health care provider, given the COVID-19 pandemic." The action "was a setback for the Trump administration, which had sought to reinstate a 20-year-old policy following lower court rejections." The Court "ordered the government to make its case in more detail before a federal trial court, a process that could take six weeks and extend beyond Election Day." According to Politico (10/8, Ollstein, 4.29M), "Both sides of the abortion debate had been closely watching the case for signals of how the Supreme Court would approach the issue" after the death of Justice Ruth Bader Ginsburg gave President Trump "the opportunity to shift the court further right."

The Washington Post (10/8, Barnes, 14.2M) says the Court's "unusual and unsigned disposition of the petition came after six weeks of consideration, and brought a rebuke from two of the court's conservatives for their colleagues, and for US District Judge Theodore D. Chuang," who at the request of the American College of Obstetricians and Gynecologists had imposed a nationwide injunction against the FDA's requirement that women must have an in-person doctor's visit to obtain the pills. The New York Times (10/8, Liptak, 18.61M) reports Justice Samuel Alito, joined by Justice Clarence Thomas, "issued a dissent accusing the majority of inconsistency in its rulings on cases arising from the pandemic and of effectively deciding the case by failing to act."

CMS Rushing To Send Letters To Medicare Recipients About Drug Assistance.

Politico (10/8, Diamond, 4.29M) reports that Administration officials "caught by surprise by President Donald Trump's promise to deliver drug-discount cards to seniors...are scrambling to get the nearly $8 billion plan done by Election Day." According to Politico, "The taxpayer-funded plan, which was only announced two weeks ago and is being justified inside the White House and the health department as a test of the Medicare program, is being driven by" Chief of Staff Meadows and CMS Administrator Verma. Politico says the Administration is "seeking to finalize the plan as soon as Friday and send letters to 39 million Medicare beneficiaries next week, informing seniors of Trump's new effort to lower their drug costs, although many seniors would not receive the actual cards until after the election." Bloomberg (10/8, Wayne, 4.73M) reports that the President "posted a video on Twitter appealing to senior voters, noting he's a senior himself, as polls show the demographic tide turning against him."

Morgenstern Touts Administration's Healthcare Record.

White House Deputy Press Secretary Brian Morgenstern said on KTRH-AM . Houston (10/8, 16K), "The President has dramatically improved healthcare for American patients and consumers. Now they have more access to different types of affordable plans like association health plans, short term, short duration plans. ... Premiums have actually come down and that is in stark contrast to Obamacare." He said, "There are millions of Americans who ended up losers on that deal. Well, the President has completely changed that and he's really made healthcare affordable again."

Survey Analysis Finds Insured Workers Facing Higher Out-Of-Pocket Healthcare Costs.

The New York Times (10/8, Abelson, 18.61M) reports, "The high cost of health care is persisting during the pandemic, even for people lucky enough to still have job-based insurance." The "average annual cost of a health plan covering a family rose to $21,342 in 2020, according to the latest survey by the Kaiser Family Foundation." Workers "paid about a quarter of the total premiums, or $5,588, on average, with their employers picking up the rest of the cost." An analysis of the survey results published Thursday in the academic journal Heath Affairs found that "while premiums rose only slightly from the 2019 survey, the increase in premiums and deductibles together over the last decade has far outpaced both inflation and the growth in workers' earnings." Since 2010, "premiums have climbed 55 percent, more than double the rise in wages or inflation, according to the foundation's analysis."

HCA Healthcare To Return $6B In Federal Pandemic Relief.

The Wall Street Journal (10/8, Evans, Subscription Publication, 7.57M) reports HCA Healthcare, one of the largest hospital chains in the US, said it will pay back $1.6 billion in pandemic relief and $4.4 billion in federal loans ahead of schedule, the latest signal that the hospital sector is rebounding from the coronavirus pandemic disruption.

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Louisiana Residents Bracing For Delta, Now Category 3 Hurricane.

The CBS Evening News (10/8, story 8, 1:40, O'Donnell, 4.22M) reported, "Millions along the Gulf Coast are bracing for Hurricane Delta, now a major Category 3 hurricane. It is expected to make landfall in Louisiana tomorrow afternoon, the record fourth named storm to hit the area this season. ... There's fear that Delta could destroy the few remaining homes those other storms didn't."

The Orlando Sentinel (10/8, Pedersen, Harris, 536K) reports the National Hurricane Center said Thursday, "Heavy rainfall will lead to significant flash flooding and minor to major river flooding in parts of Louisiana Friday and Saturday. ... Additional flooding is expected across portions of the central Gulf Coast into the Lower Mississippi Valley."

ABC World News Tonight (10/8, story 6, 1:00, Muir, 6.7M) meteorologist Ginger Zee said "storm surge is going to be a big problem" with Delta. The storm is expected to make landfall on Friday night, which is "when the winds will be at their heftiest. Gusts near Lake Charles up to 80." Al Roker said on NBC Nightly News (10/8, story 6, 0:40, Holt, 5.56M), "The big problem: Delta's growing larger, so the tropical force winds extends from Galveston to New Orleans. Storm surges up to 11 feet and rainfall that could top 15 inches in some local spots."

Lonnie Quinn of the CBS Evening News (10/8, story 9, 1:10, O'Donnell, 4.22M) said, "This storm is a record-breaker, from going from a tropical depression to a Category 4, the fastest in history. Now we're back to a major hurricane, a Category 3. Winds are blowing at 135 miles per hour." As it "pushes towards the Louisiana coastline, we think it's going to get a little stronger, maybe 125-mile-per-hour wind but losing some strength as it comes onshore. It will come onshore about 24 hours from now as a Cat 2, maybe a Cat 3." On NBC Nightly News (10/8, story 5, 1:25, Holt, 5.56M), Morgan Chesky said Delta "could be making a direct hit" on Lake Arthur, Louisiana.

The Washington Post (10/8, Lamothe, Cusick, Cappucci, 14.2M) reports the storm, "like so many before it, was drawing from warm waters and strengthening as it spun toward the Louisiana coastline." This hurricane season "has brought repeated attacks on coastal communities from Texas to Florida, an unrelenting barrage of rising water, heavy rain and killer winds that have uprooted trees and sent them crashing down on occupied homes." On ABC World News Tonight (10/8, story 7, 0:45, Muir, 6.7M), Rob Marciano said the "the last thing" Lake Charles, Louisiana "needs is another major storm," since "the recovery since Hurricane Laura has been painful." The Wall Street Journal (10/8, McWhirter, Ailworth, Subscription Publication, 7.57M) reports local officials called on residents of Calcasieu Parish to evacuate ahead of the storm.

The AP (10/8, Borenstein) reports Delta is "gaining strength as it bears down on the US Gulf Coast" and "is the latest and nastiest in a recent flurry of rapidly intensifying Atlantic hurricanes that scientists largely blame on global warming." National Oceanic and Atmospheric Administration Climate and Hurricane Scientist Jim Kossin said, "We've certainly been seeing a lot of that in the last few years. ... It's more likely that a storm will rapidly intensify now than it did in the 1980s," and "a lot of that has to do with human-caused climate change." In the last few decades, "meteorologists have been increasingly worried about storms that just blow up from nothing to a whopper, just like Delta. They created an official threshold for this dangerous rapid intensification – a storm gaining 35 mph (56 kph) in wind speed in just 24 hours." Delta is the sixth such storm to meet that threshold.

The New York Times (10/8, Brasted, Fausset, Schwartz, 18.61M) reports that on Thursday, "weary residents" of Lake Charles "prepared, along with the rest of southwest Louisiana, for yet another round of serious trouble spinning up from the Gulf of Mexico." As of Thursday evening, Delta "was about 300 miles from the Louisiana coast, churning slowly northwestward at 12 miles per hour on a path that could end up strafing Lake Charles again." The Times quotes NOAA's Kossin, who said, "There's any of a number of behaviors that these storms are seeing changes in, and none of them are good."

Gaynor Says FEMA Has Employees In Gulf Ahead Of Delta. FEMA Administrator Gaynor said on the Weather Channel (10/8, 173K), "FEMA has been on the Gulf coast for a while, at least six weeks in strength. So, we've been down there for Laura six weeks ago, and then three weeks ago for Sally. So, FEMA has about 1,500...employees plus our partners that have been down there, and of course, for Delta, we really ramped it up this time to make sure that we're ready for anything. So, from the Corps of Engineers, National Guard, our friends at DoD, Coast Guard, all around with all their assets ready to go."

Gaynor said on Fox News' Your World (10/8, 1.04M), "Do not be complacent. Take this storm seriously. Take the time that you have left today to make those preparations. We all know it's been a long, hard hurricane season, especially if you live in Louisiana. We know that, we feel it for you, but don't waste time. Take it seriously. Don't put yourself in danger or your family in danger. ... Heed the advice or your local authorities."

Year Could Break Record For Most "Billion-Dollar" Weather Disasters. USA Today (10/8, Rice, 10.31M) says, "With a nonstop onslaught of severe storms, wildfires and hurricanes, 2020 has been a calamitous year for weather in the USA." In 2020, "there have been 16 separate weather disasters across the nation that each caused at least $1 billion in damage, according to a report released this week from the National Oceanic and Atmospheric Administration (NOAA). That ties a record set in 2011 and 2017." It is also "a record sixth consecutive year with at least 10 separate billion-dollar disasters," and "if Hurricane Delta causes $1 billion or more in damage as it smashes into the Gulf Coast this weekend, 2020 will break the record for most 'billion-dollar' weather disasters in a single year."

DeVos Urges Schools To Resume In-Person Learning.

Education Secretary DeVos said on the Dan O'Donnell Show (10/8) that "I've visited a number of states and a number of schools and school districts in recent weeks where they have been very careful, they have been very thorough, and they have kids back in school in-person, and it can be done, and it should be done with plans for if there is an outbreak, what to do, and how to accomplish the isolation necessary. ... The paralysis about 'nobody can be back in school in person' is doing such a tremendous disservice to kids all across the country. ... This all points to the fact that parents need to have more choices."

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DeVos On 1776 Project: Students Have To "Learn An Accurate History."

Asked on the Dan O'Donnell Show (10/8) about the President's 1776 project, Education Secretary DeVos said, "We are working with the White House right now on actually standing up the commission that the President has, through his executive order, advocated, and he is so right to be focused on the fact that young people today have got to learn our nation's history and have got to learn an accurate history of our country, and one that is going to ultimately prepare them, along with civics, for being responsible and informed adults. Ones that can debate ideas and discuss ideas and not feel threatened by ideas."

DOJ Suit Alleges Discrimination In Yale's Admissions Process.

The AP (10/8, Balsamo) reports the Justice Department sued Yale University in federal court in Connecticut Thursday, alleging that the university "discriminates based on race and national origin in its undergraduate admissions process, and that race is the determinative factor in hundreds of admissions decisions each year." The suit comes "about two months after the Justice Department publicly accused Yale of discrimination, saying its investigation found that Asian American and white students have 'only one-tenth to one-fourth of the likelihood of admission as African American applicants with comparable academic credentials.'" Reuters (10/8) says the suit "followed a two-year investigation that followed a complaint by Asian-American groups about the New Haven, Connecticut-based university's practices." The Wall Street Journal (10/8, Korn, Gurman, Subscription Publication, 7.57M) calls the suit an escalation of the Administration's examination of the race and admissions policies of elite colleges.

USA Today (10/8, Aspegren, 10.31M) reports Yale president Peter Salovey denied the lawsuit's allegations. In a statement, calling the suit "baseless," Salovey said Yale's admissions policies will not change because. The New York Times (10/8, Hartocollis, 18.61M) reports Salovey's statement said the allegation was based on "inaccurate statistics and unfounded conclusions."

Perdue Reprimanded For Politicizing USDA Event.

Politico (10/8, McCrimmon, 4.29M) reports that on Thursday, the Office of Special Counsel ordered Agriculture Secretary Perdue "to reimburse taxpayers for using an official event to promote President Donald Trump's reelection, a violation of ethics laws that prohibit certain political activity by executive branch employees." According to Politico, "Perdue's reprimand comes after the USDA chief has increasingly blurred the lines between his public duties and his political support for Trump."

Trump To Host "Virtual Rally" On Limbaugh's Show Friday.

The Washington Times (10/8, Chasmar, 492K) reports Rush Limbaugh announced Thursday that President Trump will hold a "virtual rally" on his show Friday. Limbaugh said, "I'm thrilled to announce that our commander in chief, President Donald Trump, will be right here tomorrow hosting the largest virtual rally in radio history." The Daily Caller (10/8, 716K) says Trump "confirmed the news later in the day on Twitter," tweeting, "Looking forward to speaking with the Great Rush and guests!"

Trump: "Absentee Ballots Are Fine," But "Unsolicited" Ballots Will "Be A Disaster."

President Trump said in an interview on Fox News' Hannity (10/8, 535K), "Absentee ballots are fine, because absentee ballots you request, you ask for a ballot and you request, and that's it. ... But these unsolicited ballots, universal unsolicited ballots, it's going to be a disaster the likes of which we've never seen. We will never have seen an election like what's going to take place. ... We have US attorneys watching. We have sheriffs watching. We have US marshals watching. You're talking about millions of ballots are being sent out. It's going to be a big tremendous fraud."

On NBC Nightly News (10/8, story 8, 3:45, Holt, 5.56M), Cynthia McFadden reported, "We are 26 days away from an unprecedented election where nearly 70 million Americans are expected to cast mail-in ballots. That's more than twice the number four years ago." Reuters (10/8, Whitesides) reports "more than 6.6 million Americans already have voted, more than ten times the number who had at this time in 2016, according to the United States Elections Project, which compiles early voting data." The AP (10/8, Riccardi) reports, "Many voters who decided early in the coronavirus pandemic to cast their votes by mail have been rethinking their options as Election Day approaches. Nervousness about whether and when their ballots will be counted is leading some voters to increasingly strategize and analyze a decision that was once a no-brainer. ... Some Democratic groups trying to turn out voters have shifted their messaging from voting by mail to voting in person."

Federal, State Law Enforcement Preparing For "Possibility Of Widespread Unrest At The Polls." The AP (10/8, Balsamo, Kunzelman, Long) reports, "Federal and state law enforcement officials have begun expanded preparations for the possibility of widespread unrest at the polls on Election Day, a response to extraordinarily high tensions among voters and anxieties about safety stoked in part" by the President. FBI and local officials "have been conducting drills, running through worse-case scenarios, setting up command centers to improve coordination on reports of violence and voter intimidation, and issuing public warnings that any crime that threatens the sanctity" of the election "will not be tolerated." The Washington Post (10/8, Gardner, Bade, Viebeck, 14.2M) reports House Speaker Pelosi "has recently spoken in multiple meetings about preparing for a situation in which neither candidate attains the 270 electoral votes needed to win the presidency, according to multiple Democrats familiar with her remarks," and "has also directed some of her members to be ready if GOP legislatures in states with narrow margins or unfinished counts seek to appoint their own electors."

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Appeals Court Blocks Extension On Counting Absentee Ballots In Wisconsin. The AP (10/8, Richmond) reports a federal appeals court has "blocked a decision to extend the deadline for counting absentee ballots by six days in battleground Wisconsin, in a win for Republicans who have fought attempts to expand voting across the country." According to the AP, "if the ruling stands, absentee ballots will have to be delivered to Wisconsin election clerks by 8 p.m. on Election Day if they are to be counted." Reuters (10/8, Ax) reports, "The Democratic National Committee, which had sought the accommodations, could appeal the decision, either to the full 7th Circuit or to the U.S. Supreme Court. A spokeswoman did not immediately respond to a request for comment."

Kagan Refuses To Block Montana Ballot-Mailing. The AP (10/8) reports, "A final effort to block most Montana counties from mailing general election ballots to active voters was denied Thursday, a day before the ballots are to be mailed." Supreme Court Justice Elena Kagan "rejected a request for an emergency injunction" filed by state and county Republicans who wanted to block a ruling upholding a decision by Gov. Steve Bullock (D) "to give counties the option to hold the Nov. 3 election mostly by mail due to the pandemic. Forty-five of Montana's 56 counties decided to do so." CNN (10/8, Vogue, Kelly, 83.16M) reports on its website that Kagan, "who has jurisdiction over the lower court involved in the case, turned down the request without referring the petition to her colleagues or asking the other side for its views."

Federal Judge Strikes Down Limit On Ohio Ballot Drop Box Sites. The Cleveland Plain Dealer (10/8, 895K) reports US District Judge Dan Polster on Thursday struck down an order by Ohio Secretary of State Frank LaRose (R) "barring county boards of election from setting up multiple ballot drop box sites, saying the order unfairly burdens large counties." Polster "also cited the coronavirus pandemic, which he said creates a greater strain on the mail system and increases demand for remote voting options."

Thirteen Arrested In Alleged Plot To Kidnap Michigan Governor.

All three broadcast networks opened their evening newscasts with what Lester Holt of NBC Nightly News (10/8, lead story, 2:35, 5.56M) called "a stunning domestic terror plot to storm the Michigan statehouse and kidnap" Gov. Gretchen Whitmer (D). Federal and state prosecutors announced the arrests "of more than a dozen men who they say targeted the governor over what they saw as her uncontrolled power. The men, according to authorities, are linked to militia groups and are ready to instigate civil war." NBC's Pete Williams said Whitmer said "President Trump's refusals to criticize white supremacist groups have been heard by them as a rallying cry." Whitmer: "When our leaders meet with, encourage, or fraternize with domestic terrorists, they legitimize their actions, and they are complicit."

On ABC World News Tonight (10/8, lead story, 4:05, 6.7M), David Muir said Whitmer, who "has been the target of protests since last spring over restrictions aimed to stop the spread of COVID amid one of the early outbreaks...thank[ed] authorities for protecting her and her family, but went on to talk about white supremacists in this country and the President." ABC's Pierre Thomas: "The FBI and state police...took action after the men met this week to exchange tactical gear and to pool their money to allegedly buy explosives. The mission: Attack the governor before Election Day. Authorities claim the planning was months in the making, with the men even going to the governor's vacation home twice to conduct surveillance."

Jeff Pegues reported on the CBS Evening News (10/8, lead story, 3:35, O'Donnell, 4.22M), "The militia members spent the summer trying to recruit like-minded members and preparing for that attack. ... According to court papers, the militia members discussed the need for 200 men to storm the Michigan Capitol building [and] take hostages, including the governor, who they would try for treason in a kangaroo court." The AP (10/8) reports six men "were charged in federal court with conspiring to kidnap the governor in reaction to what they viewed as her 'uncontrolled power,' according to a federal complaint. Separately, seven others were charged under the state's anti-terrorism laws for allegedly targeting police and the state Capitol."

The Detroit News (10/8, Snell, 825K) reports, "The federal court filing alleges the conspirators twice conducted surveillance at Whitmer's personal vacation home in northern Michigan and discussed kidnapping her to a 'secure location' in Wisconsin to stand 'trial' for treason prior to the Nov. 3 election." USA Today (10/8, Egan, Baldas, 1.52M) reports, "Members of the group, who were in the Kent County, Michigan, area, talked about 'murdering...tyrants' or 'taking' a sitting governor." The New York Times (10/8, Bogel-Burroughs, Dewan, Gray, 18.61M) reports the group "met repeatedly over the summer for firearms training and combat drills and attempted to build explosives; they also gathered several times to discuss the mission, including in the basement of a shop in Michigan that was accessible only through a 'trap door' under a rug, the F.B.I. said."

The Detroit Free Press (10/8, Egan, 1.52M) reports Michigan Attorney General Dana Nessel (D) "referred to the accused as 'extremists' who are hoping to recruit new members 'by seizing on a moment of civil unrest' to wreak havoc on the country. She identified the militia group as the Wolverine Watchmen, whose members are accused of, among other things, conducting surveillance outside Whitmer's vacation residence, using code language and encrypted messages to throw off police and planting a bomb under a bridge to divert law enforcement."

The Washington Post (10/8, Timberg, Stanley-Becker, 14.2M) says one of the suspects "took to the relative privacy of a Facebook group" in June "to make clear his brewing hatred. ... Such online declarations, brimming with anger and potentially violent intent, have become staples of extremism-fueled crime news in recent years, from police killings to synagogue massacres to bombing plots. Before they become real, they percolate online, courtesy of a social media ecosystem that's ubiquitous, barely moderated and well suited to helping aggrieved people find each other." Reuters (10/8, Layne, Borter), Bloomberg (10/8, Welch, Naughton, 4.73M), the Wall Street Journal (10/8, Ailworth, Levy, Subscription Publication, 7.57M), the Washington Times (10/8, Mordock, 492K), and the CNN (10/8, Carrega, 83.16M) and Fox News (10/8, Barrabi, 27.59M) websites are among the other outlets covering the story.

Trump: Whitmer "Complaining," Doing "Her Political Act." Trump said in an interview on Fox News Sunday (10/8, 1.35K), "I see Whitmer today, she's complaining, but it was our Justice Department that arrested the people that she was complaining about. It was my

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Justice Department that arrested them. But instead she goes and does her political act."

Trump also tweeted, "Governor Whitmer of Michigan has done a terrible job. She locked down her state for everyone, except her husband's boating activities. The Federal Government provided tremendous help to the Great People of Michigan. My Justice Department and Federal Law Enforcement announced today that they foiled a dangerous plot against the Governor of Michigan. Rather than say thank you, she calls me a White Supremacist – while Biden and Democrats refuse to condemn Antifa, Anarchists, Looters and Mobs that burn down Democrat run cities I do not tolerate ANY extreme violence. Defending ALL Americans, even those who oppose and attack me, is what I will always do as your President! Governor Whitmer – open up your state, open up your schools, and open up your churches!"

The Wall Street Journal (10/8, Subscription Publication, 7.57M) says in an editorial that federal agencies quickly moved against the plotters, and that Whitmer owes a debt of gratitude to the Justice Department and the FBI.

Facebook Bans Accounts Linked To Pro-Trump "Troll Farm."

The Washington Post (10/8, Stanley-Becker, 14.2M) reports that Facebook said Thursday "that it will permanently ban from its platform an Arizona-based marketing firm running what experts described as a domestic 'troll farm' following an investigation of the deceptive behavior prompted by a Washington Post article last month." According to the Post, "The firm, Rally Forge, was 'working on behalf' of Turning Point Action, an affiliate of Turning Point USA, the prominent conservative youth organization based in Phoenix, Facebook concluded." The Wall Street Journal (10/8, Volz, Subscription Publication, 7.57M) reports Facebook said it has removed 200 Facebook accounts, 55 Facebook pages and 76 Instagram accounts for posing as fake users to praise President Trump and criticize Joe Biden.

Politico (10/8, Overly, 4.29M) reports that Rally Forge "employed people who used use fake names and profile pictures while commenting on content posted by other users or mainstream media outlets, Facebook's head of security policy, Nathaniel Gleicher, said Thursday." Gleicher "said Facebook is not penalizing Turning Point or Inclusive Conservation Group, though it's still investigating whether other deceptive tactics were deployed." Axios (10/8, Fischer, 521K) says this is "the most recent example of Facebook taking action on a group linked to fringe conservatives or conservative ideology for spreading misinformation or attempting to persuade public debate with fake accounts."

Bloomberg (10/8, Frier, 4.73M) reports Twitter "also disclosed a group of information operations on Thursday, and said it removed 1,594 accounts from the service for 'various violations of our platform manipulation policies.'" However, "none of the five networks pulled by Twitter originated in the U.S." The AP (10/8, Klepper) provides similar coverage.

Court Strikes Down Obama-Era Methane Rule.

The Hill (10/8, Frazin, 2.98M) reports a federal court "struck down an Obama-era regulation targeting methane leaks from drilling on public lands, arguing that it went beyond the scope of the Bureau of Land Management (BLM), which promulgated the rule." The rule "required oil and gas companies to cut a practice called flaring, in which natural gas is burned, by half, inspect their sites for leaks and replace old equipment that released too much methane." Judge Stephen Skavdahl, an Obama appointee, wrote, "Although the stated purpose of the Rule is waste prevention, significant aspects of the Rule evidence its primary purpose being driven by an effort to regulate air emissions, particularly greenhouse gases."

Trump Says He Will Not Participate In Virtual Presidential Debate With Biden.

NBC Nightly News (10/8, story 2, 1:30, Holt, 5.56M) reported on the "heated debate...over the next two presidential debates themselves after President Trump, still recovering from COVID-19, refused to take part in a virtual debate with Joe Biden next week." NBC's Hallie Jackson reported the Commission on Presidential Debates announced on Thursday that "next week's Miami town hall would go virtual." Trump: "I won't waste my time on a virtual debate. You sit behind a computer and do a debate. It is ridiculous." Jackson: "The President dropping out days after announcing his COVID diagnosis, and suggesting the debate, initially set for Thursday, should move to the following week, with another added October 29. Joe Biden's campaign is rejecting that, instead calling for the town hall to move to the 22nd, saying, 'The President's erratic behavior does not allow him to rewrite the calendar.'"

Mary Bruce reported on ABC World News Tonight (10/8, story 2, 0:55, Muir, 6.7M) that "the Biden campaign was open to" a virtual debate, "but Trump almost immediately shot it down. Trump, still battling the virus, says a virtual forum is unnecessary." Trump: "A virtual debate is a – is a joke. There is no reason. I am in great shape." Ben Tracy reported on the CBS Evening News (10/8, story 2, 1:25, O'Donnell, 4.22M) that Biden will instead "participate in a televised town hall on his own. Both campaigns say they will meet in person on October 22, the night scheduled for the third and final debate."

Trump said in an interview on Fox News' Hannity (10/8, 535K), "I'm not Joe Biden. I'm not going to do a virtual debate, sit behind a computer screen. That gives him the answers, because they will be handing him the answers. ... He does news conferences, he does them and they give him the answer and they give him the question. ... What kind of a news conference? He does them all the time."

USA Today (10/8, Wu, Garrison, 10.31M) reports the Commission said on Thursday morning that "the next debate would be remote to 'protect the health and safety of all involved' after Trump's positive COVID-19 diagnosis and the subsequent White House outbreak." The New York Times (10/8, Grynbaum, Haberman, Sullivan, 18.61M) reports Trump "said he only learned of the debate commission's decision on Thursday morning, minutes before he got on the phone for an interview. He accused the commission of 'trying to protect Biden.'"

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The Los Angeles Times (10/8, 4.64M) reports that it is unclear whether Trump was tested for COVID before the first presidential debate last week. The Washington Post (10/8, Janes, 14.2M) reports both Biden and moderator Chris Wallace "have since undergone testing for the coronavirus, out of concern that the president might have been contagious during the event. Biden's campaign said he remained negative in tests for the virus, most recently Thursday morning. Earlier, Wallace also said he had tested negative."

Breitbart (10/8, 673K) says Wallace "appeared to favor" the virtual debate proposal, "calling it a 'perfectly reasonable idea.'" Wallace said on the Brian Kilmeade Show, "I know [the President] says that he's cured. I know he says that he doesn't have COVID anymore, but, the White House has not told us that he is negative. All the scientists say that it is 14 days, which would be within the window of next Thursday's debate."

The Wall Street Journal (10/8, Subscription Publication, 7.57M) says in an editorial that future debates should eliminate moderators entirely, and let the candidates speak for two minutes at a time in any way they see fit. The AP (10/8, Miller, Weissert), Reuters (10/8), Bloomberg (10/8, Kinery, Wingrove, 4.73M), Politico (10/8, Siders, 4.29M), The Hill (10/8, 2.98M), and Axios (10/8, Nocera, 521K) also have reports.

Trump Says Pence Was "Great" In Debate With "Monster" Harris.

In two interviews on Thursday, President Trump commented on Wednesday evening's vice-presidential debate. On Fox Business' Mornings With Maria (10/8), Trump said of Sen. Kamala Harris (D-CA), "I don't think you could get worse and totally unlikable. She is a Communist." Trump also referred to Harris as "this monster that was on stage with Mike Pence." On Fox News' Hannity (10/8, 535K), Trump said, "I thought Mike was great, legitimately. I don't mean because he is with me and he is my friend and he has done a great job as Vice President. I thought it was great."

Ed O'Keefe said on the CBS Evening News (10/8, story 5, 1:00, O'Donnell, 4.22M) that the debate "gave Pence and Harris a chance to answer questions about taxes, climate change, and race. Instead, they spent most of their time attacking the other." ABC World News Tonight (10/8, story 3, 2:20, Muir, 6.7M) and NBC Nightly News (10/8, story 4, 1:55, Holt, 5.56M) also recapped the debate.

Majority Call Harris Winner In Politico/Morning Consult Flash Poll. Politico (10/8, Oprysko, 4.29M) reports a Politico/Morning Consult flash poll conducted Thursday night found that 51% of viewers thought Harris won the debate, while 40% called Pence the winner. FiveThirtyEight (10/8, Bycoffe, Bronnner, Mejia, Wolfe, 356K) says polling by Ipsos indicates that Harris "made a more positive impression. Pence ended up at the same -14 net favorability rating he started with, while Harris's net favorability rating increased to +10 – which is even better than where Biden ended up after the presidential debate."

About 57.9M Watched Debate On Television. The New York Times (10/8, Koblin, 18.61M) reports "an estimated 57.9 million viewers watched" the debate on television, "the second biggest total ever for a vice-presidential debate, according to Nielsen." The audience "was much larger" than the 37 million who tuned in to see Pence debate Sen. Tim Kaine (D-VA) in 2016, but smaller than the nearly 70 million who watched then-Sen. Joe Biden (D-DE) debate then-Gov. Sarah Palin (R-AK) in 2008. The New York Post (10/8, Lapin, 4.57M) and Axios (10/8, Fischer, 521K) also cover the Nielsen numbers.

Trump Campaign Adviser Barred From Fox Over Tweet About Harris. Mediaite (10/8, 327K) reports, "Trump campaign adviser Harlan Hill will no longer be allowed on Fox News" after tweeting during the debate that Harris "is an 'insufferable lying [b----].'" Hill is "an Advisory Board Member on the Trump campaign." Fox News "told Mediaite on Thursday afternoon that they will no longer be booking Hill on the network."

Murphy Deletes Tweet Saying Harris Was Selected "For Her Color And Her Race." ProPublica (10/8, Willis, 60K) notes that Rep. Greg Murphy (R-NC) tweeted during the debate that Harris "was only picked for her color and her race," then deleted the tweet.

WPost: Pence Dodged Question About Peaceful Transfer Of Power. The Washington Post (10/8, 14.2M) says in an editorial that a question "Pence dodged at the end of the debate goes beyond consequential." Asked what he would do if Trump "refused to accept a peaceful transfer of power" should the GOP ticket lose, Pence "responded by attacking Democrats. ... Rather than assure Americans that their vice president's first loyalty is to the republic, Mr. Pence inflamed fears that he and Mr. Trump would conjure outlandish excuses for a loss...and encourage their supporters to deny the election's legitimacy."

Pence Cancels Friday Trip To Indiana Without Explanation.

The Indianapolis Star (10/8, 633K) reports Vice President Pence "has canceled his Friday appearance in Indianapolis, where he planned to vote at the Indianapolis City-County Building. His office did not provide an explanation when asked why. His office said the trip would be rescheduled soon." Pence spokesman Devin O'Malley said, "Nobody's sick. There's no positive tests. The VP is planning on travelling on Saturday and Monday. We'll have more information on the vice president's schedule next week soon."

Biden And Harris Campaign Together In Arizona.

Ed O'Keefe reported on the CBS Evening News (10/8, story 4, 1:45, O'Donnell, 4.22M), "With President Trump stuck at the White House, the Democratic ticket isn't slowing down, campaigning today for the first time together in Arizona, and appearing with Cindy McCain, the wife of the former Republican party nominee." The AP (10/8, Jaffe, Barrow) reports Joe Biden and Sen. Kamala Harris (D-CA) "pitched an economic message Thursday during their first joint appearance on the campaign trail, hammering" President Trump for his "handling of the

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coronavirus pandemic and a failure to address the needs of working Americans." Biden said at a union event in Phoenix, "You're facing real challenges right now, and the last thing you need is a President who exacerbates them, who ignores you."

The Arizona Republic (10/8, 869K) reports, "Sounding themes familiar from his convention speech and last week's debate, [Biden] said Thursday that Americans have suffered from a detached president and he vowed to do better." Biden and Harris "both thanked Cindy McCain for her support and doing what they said she and the late Sen. John McCain always did: support what's best for the nation."

Biden Again Declines To Comment On "Packing" Supreme Court. The Washington Post (10/8, Wang, 14.2M) reports the Democrats are "facing growing pressure to say whether they would 'pack' the Supreme Court if the Republican-led Senate names Amy Coney Barrett to the bench." The question "came up again Thursday, when Biden was asked at a campaign stop in Phoenix if he would support expanding the Supreme Court beyond nine justices. Once again, Biden declined to answer." Biden told reporters, "You will know my opinion on court-packing when the election is over. The moment I answer that question, the headline in every one of your papers will be about that rather than focusing on what's happening now. This election has begun. There's never been a court appointment once the election has begun."

The Los Angeles Times (10/8, 4.64M) reports Biden "told reporters he would not comment on the controversial court-expansion idea," and the Washington Times (10/8, McLaughlin, 492K) reports Biden "said he will be happy to come clean about whether he supports packing the Supreme Court – that is, after the election."

Trump was asked in an interview on Fox News' Hannity (10/8, 535K) about Joe Biden's statement that he will reveal his position on court packing after the election. Trump said, "I think it was a terrible thing to say. I think it's so disrespectful to the people. He should have said something and, you know, say, 'Look to the best of my knowledge, this is probably what I would do.' I think what he said was so disrespectful to the process and to the people."

Jill Biden Campaigns In Philadelphia Suburbs. The Philadelphia Inquirer (10/8, Terruso) reports Jill Biden "thanked volunteers and told a group of elected female leaders at a small backyard rally that the 2020 election could be in the hands of Pennsylvania women, during a campaign swing Thursday in the Philadelphia suburbs."

Biden Campaign Raised More Than $12M On Wednesday. Politico (10/8, Schneider, 4.29M) reports the Biden campaign "hauled in more than $12 million on Wednesday...marking another watershed cash day for the already flush Democratic presidential ticket."

Super PAC Injecting $4M Into Gross Senate Campaign In Alaska.

Politico (10/8, Arkin, 4.29M) reports, "New money from outside groups and small dollar donors are flooding into Alaska, where independent Al Gross, who is backed by state and national Democrats," is challenging Sen. Dan Sullivan (R-AK). The race "has been on the edges of the Senate map for months, potentially competitive but receiving far less attention than some more expensive and geographically closer contests." A super PAC formed this week "is dropping $4 million into the race, the largest outside investment so far and a signal of optimism among party leaders. And Gross announced that his campaign raised $9 million over the past three months."

Bottoms Endorses Warnock In Georgia Senate Race.

The Atlanta Journal-Constitution (10/8, 895K) reports Atlanta Mayor Keisha Lance Bottoms (D) has endorsed Raphael Warnock (D) in the Georgia Senate special election, "becoming the latest major state Democratic figure to back Warnock in his crowded race," which features several Democrats. The endorsement comes "in advance of early in-person voting, which begins Monday."

Greenfield Raised $28.7 In Q3 For Iowa Senate Bid.

The Hill (10/8, Axelrod, 2.98M) reports, "Iowa Democrat Theresa Greenfield raked in a record $28.7 million for her Senate bid in the third quarter of 2020. The haul, the highest amount in any quarter for an Iowa Senate candidate, helped send her into October with more than $9 million cash on hand" in her challenge to Sen. Joni Ernst (R-IA).

New Hampshire Senate Candidates Debate.

The AP (10/8) reports Sen. Jeanne Shaheen (D-NH) and Corky Messner (R) debated on Thursday. Messner accused Shaheen "of exaggerating how many New Hampshire residents have preexisting health conditions that would make it difficult for them to obtain insurance without the Affordable Care Act. Shaheen, meanwhile, suggested her challenger lacks an important preexisting condition – longtime residency in the state."

DSCC Invests Another $3M In North Carolina Senate Race.

The Daily Caller (10/8, 716K) reports, "The Democratic Senatorial Campaign Committee will stand by North Carolina Senate candidate Cal Cunningham despite a sexting scandal which caused him to apologize for an extramarital affair with a combat veteran's wife." The DSCC "spent another $3 million dollars Wednesday on ad-buys for Cunningham's race" against Sen. Thom Tillis (R-NC),

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Harrison Wants Graham To Be Tested For COVID Before Friday Debate.

CFTC-22-0351-A-000694

The Hill (10/8, Coleman, 2.98M) reports Jaime Harrison (D) is calling on Sen. Lindsey Graham (R-SC) to be tested before their Friday debate,

tweeting "that he and the debate moderators committed to taking a coronavirus test before the debate, adding that his test is scheduled. ... A spokesperson for Graham did not immediately return a request for comment."

Texas Senate Candidate Hegar Backs Term Limits.

The Dallas Morning News (10/8, 946K) reports MJ Hegar (D) on Thursday "underscored her support for term limits in Congress, saying that no one 'should serve more than two terms as senator.'" However, Hegar, who is challenging Sen. John Cornyn (R-TX), "declined to commit to serving only two terms if elected, if she ends up being unable to pass legislation that requires such a limit for her and other senators."

WPost Endorses Warner For Reelection In Virginia.

In an editorial, the Washington Post (10/8, 14.2M) backs Sen. Mark Warner (D-VA) for a third term, writing that he "has staked a legitimate claim as one of the more effective, constructive and genuinely bipartisan lawmakers in Congress." GOP rival Daniel Gade "is a decent man who has run a civil campaign. That's to his credit, but it is no reason to unseat Mr. Warner, who is a credit to Virginia."

Brindisi Has Nine-Point Lead In NY22 Poll.

The Syracuse Post-Standard (10/8, 531K) reports a Siena College, Syracuse.com poll of 383 likely NY22 voters (9/27-10/4) shows Rep. Anthony Brindisi (D-NY) at 48%, ex-Rep. Claudia Tenney (R-NY) 39%, and Libertarian Keith Price 4%.

WSJournal: Roberts Should Rein In Effects Of Census Ruling.

In an editorial, the Wall Street Journal (10/8, Subscription Publication, 7.57M) says progressives are trying to take control of congressional reapportionment by using a ruling by Chief Justice Roberts that blocked a question on citizenship on the Census to upend administrative law. The Journal advises Roberts to rein in the ramifications of his decision.

RCP Average Has Trump's Job Approval At 44.4%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.4%, and his disapproval at 53.5%. The President's approval is up 0.1 since yesterday, and his disapproval is down 0.1.

A Rasmussen poll of 1,500 "likely voters" (10/6-10/8) finds Trump's approval at 45%, and his disapproval at 53%.

Financial International News

IMF Says Lockdowns Substantially Lowered Infections, Cautions Against Lifting Them Early.

Reuters (10/8, Shalal) reports the IMF "said on Thursday" that early lockdowns "in an epidemic can substantially reduce infections, and policymakers should be wary of lifting them to jumpstart their economies when infections remain high." The IMF "wrote in a chapter of its forthcoming World Economic Outlook" that the pandemic "showed that government lockdowns succeeded in lowering infections," but they "also contributed to the recession and hit vulnerable groups such as women and young people particularly hard." IMF economists Francesco Grigoli and Damiano Sandri, in an IMF blog post, said, "Addressing the health risks appears to be a pre-condition to allow for a strong and sustained economic recovery."

CNBC (10/8, Amaro, 3.62M), Bloomberg (10/8, 4.73M), and MarketWatch (10/8, 1.67M) also report.

Central Banks Chart Digital Currency Course As China Charges Ahead.

Reuters (10/9, Jones) reports seven major central banks, including the Fed and the Bank of England, "set out on Friday how a digital currency could look like to help catch up with China's 'trail blazing' and leapfrog private projects like Facebook Inc's Libra stablecoin." The central banks, plus the Bank for International Settlements (BIS), "said core features should include resilience, availability at low or no cost, appropriate standards and clear legal framework, and an appropriate role for the private sector." Besides the Fed and BOE, "the seven central banks that have teamed up with the BIS include the European Central Bank, the Swiss National Bank and Bank of Japan, but not the People's Bank of China."

Pandemic-Era Distressed Loans Threaten Already Fragile European Banks.

Bloomberg (10/8, Halftermeyer, Weber, 4.73M) reports that at the beginning of the year, European banks "were still digging out of the last crisis, with weak lenders in Greece and Italy peddling soured loans and policy makers channeling public funds to frail institutions." Now, as the coronavirus pandemic "wreaks havoc, a gathering tsunami of distressed credit risks wrecking a decade of efforts aimed at bolstering the fragile financial industry. The fallout could also undermine the extraordinary efforts by governments and central banks to prevent an economic meltdown."

Leading International News

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India Sees "Rural Surge" Toward Highest Infection Rate Globally.

CFTC-22-0351-A-000695

The New York Times (10/8, Singh, Gettleman, 18.61M) reports that "the defiance of the coronavirus rules is being reflected across rural India,

and it is propelling this nation's virus caseload toward the No. 1 spot globally. Infections are rippling into every corner of this country of 1.3 billion people," with "Indian news media...calling it 'The Rural Surge.'" The refusal to adhere to guidelines "has helped India catch up with the United States in terms of total infections. U.S. cases are near 7.6 million, compared with India's 6.8 million, according to a New York Times database. But India outpaces new American cases by 30,000 or so each day, putting it on a path to potentially surpass the United States in the coming weeks."

Hong Kong Considering Mandatory COVID Testing.

The New York Times (10/8, Ramzy, 18.61M) reports that Hong Kong Health Secretary Sophia Chan "said Thursday that the city was considering options for mandatory testing as it prepared for a new wave of coronavirus infections." Chan said, "From a public health perspective, if we think that if testing is needed and people are not willing to take a test, that hinders our work." She "said the authorities were considering legal options for mandating testing if necessary," though they acknowledge "that members of the public might have concerns about any such arrangement." However, "health authorities say they are preparing for another possible spike in infections." Chan said, "We don't think the situation is looking good because of the increased number of confirmed cases."

Israel Extends Emergency Lockdown Provisions On Public Gatherings.

The AP (10/8, Zion) reports that "the Israeli government has extended an emergency provision that bars public gatherings, including widespread protests against Prime Minister Benjamin Netanyahu, for an additional week." Netanyahu "has said the restrictions are driven by safety concerns as the country battles a runaway pandemic, but critics and protesters accuse him of tightening the lockdown to muzzle dissent" as "thousands of Israelis have participated in weekly demonstrations outside Netanyahu's official residence in Jerusalem for months this summer, calling on the longtime prime minister to resign while on trial for corruption."

Spanish Government Tells Madrid To Enforce Restrictions.

Reuters (10/8) reports that the Spanish government "said it would hold an extraordinary cabinet meeting on Friday morning to decree [a] state of emergency if Madrid does not impose the restrictions" ordered by the Health Ministry "or request intervention" after "a Madrid regional court on Thursday annulled the measures, ruling the government had overstepped its mandate and the restrictions interfered with fundamental human rights." Madrid's regional leader Isabel Diaz Ayuso said, "We hope to agree on a solution that benefits citizens and provides clarity."

The New York Times (10/8, Minder, 18.61M) reports the Madrid court's "ruling is a major setback for the central government, and underlines both the political tensions and legal uncertainty in Spain over how to respond to the latest wave of virus cases." Spain's health minister Salvador Illa has "called on Madrid's regional government to hold emergency talks over how to resolve the standoff, which comes ahead of a long holiday weekend in Spain. Mr. Illa said it was essential to have judicial decisions that 'best protect health.'"

German Expert Warns Of "Uncontrolled" COVID Spread.

The New York Times (10/8, Schuetze, 18.61M) reports that Loathar Wieler of the Robert Koch Institute, a German public health institute, "warned on Thursday that the country could soon see an 'uncontrolled' spread of the virus." Wieler said, "It is possible that we see more than 10,000 new cases per day. It is possible that the virus spreads uncontrolled." German Health Minister Jens Spahn "said the authorities were still in control of the virus and called on Germans to be more vigilant in following restrictions." Spahn said, "It's up to all of us whether we make it," he said, comparing the challenge of beating back the virus to a "test of character for society."

Iranian Human Rights Advocate Freed Amid Health Concerns.

The Washington Post (10/8, Berger, 14.2M) reports, "Prominent Iranian human rights advocate Narges Mohammadi was released from prison late Wednesday after authorities commuted her 10-year sentence amid ongoing concerns about her health." The Post says "semiofficial Iranian news agencies reported her release after 8½ years behind bars," though "officials cited by Iranian media did not elaborate on why her sentence was shortened." Mohammadi "suffers from neurological and lung diseases, which put her at high risk of complications if infected with the novel coronavirus."

Trump's Troop Withdrawal Pledge Contradicts O'Brien, Alarms Military Officials.

The AP (10/8, Baldor, Gannon) reports the US military "was blindsided Thursday" by President Trump's "assertion that all US troops will be out of Afghanistan by the end of the year, with US officials saying they are not aware of such a plan and have gotten no actual order to accelerate the more gradual pullout they've been executing." Trump "started with a tweet Wednesday saying 'we should have the small remaining number of our BRAVE Men and Women serving in Afghanistan home by Christmas,'" and "he reinforced early withdrawal plans Thursday morning, in a Fox Business Channel interview that understated the number of troops currently in Afghanistan." His announcements, which the AP says were "welcomed" by the Taliban, "alarmed Pentagon and State officials who fear that putting a definitive date on troop withdrawal could undercut negotiations to finalize a peace deal between the Taliban and the Afghan government."

According to Reuters (10/8, Ali), President Trump's "abrupt vow to bring home troops from Afghanistan by year-end is a sign of how he may feel increasingly unchained to push through a foreign policy 'wish list' he hopes could appeal to voters, current and former officials say."

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The President's announcement "caught the National Security Council, State Department and Pentagon by surprise, according to three US officials, and they fear that it could reduce the limited leverage the Afghan government has in talks with the Taliban." The Washington Post (10/8, Ryan, DeYoung, 14.2M) similarly says "the Pentagon indicated it had received no orders to alter plans for a conditions-based withdrawal and Afghan negotiators voiced concern that a hasty exit would intensify challenges to peace talks."

Politico (10/8, Seligman, 4.29M) says that with his comments, Trump "managed to undercut his own national security adviser," Robert O'Brien, "who just hours earlier said the US planned to draw down to 2,500 troops by early next year." Politico adds that "a senior administration official, asked about the conflicting timelines, noted on Thursday that 'POTUS really laid down a marker yesterday.'" Also on Thursday, White House Deputy Press Secretary Brian Morgenstern said on KTRH-AM Houston (10/8, 16K), "The President has been actively working and his negotiators, of course, of the Department of Defense and the National Security Advisor Robert O'Brien have been working very hard to make sure that the conditions on the ground, especially in Afghanistan, are such that we can bring troops home safely, we can reduce our footprint there. ... That's just one step that he is taking to take care of our veterans and our troops."

Military Parade Could Include Showcase Of New North Korean Weapons.

The Wall Street Journal (10/8, Martin, Subscription Publication, 7.57M) reports a North Korean parade scheduled for Saturday to commemorate the 75th anniversary of the founding of the Worker's Party is the first military parade in two years and is expected to be closely watched to see which, if any, new weapons Kim Jong-un will display.

Ortagus Says Chinese Communist Party Breaks Commitments.

State Department spokesperson Morgan Ortagus said on Philadelphia's Morning Answer (10/8), "It's really not US versus China. What it's really about is democracy versus authoritarianism. ... What we have seen under Chairman Xi...is we have seen them just break all of their promises, break all of their commitments. They've broken their promises to Hong Kong, to the people there where they're supposed to have autonomy. They've broken their commitments in the South China Sea." Asked about the State Department's position on the coronavirus and its origins in China, Ortagus said, "The Chinese Communist Party has still not allowed in the independent investigators and scientists, doctors, that would need to go in to actually validate. ... These things matter. Not knowing precisely how this began, where it began, how it was unleashed on the world."

Ortagus Touts Abraham Accords.

State Department spokesperson Morgan Ortagus said on Philadelphia's Morning Answer (10/8), "Under the leadership of President Trump and Mike Pompeo, we've had a lot of successes, especially this year, in foreign policy. ... Remember, it was just less than a month ago...that we had the signing of the Abraham Accords at the White House. This is the first Arab-Israeli peace deal, peace agreement in 26 years." She said, "Within the span of 29 days, President Trump successfully negotiated two peace agreements, and so we're really seeing a...change in the Middle East because of four years of policies that we put in place in the region to embolden our allies and friends, to embolden Israel, and not to capitulate to our enemy."

Trudeau Says Canada Paying Close Attention To US Election.

Politico (10/8, 4.29M) reports Canadian Prime Minister Justin Trudeau "says Canada is paying close attention to the US campaign and is prepared for the potential outcomes of the Nov. 3 vote." During a media briefing on Thursday, Trudeau said, "As we watch the American election unfold, we are of course going to be prepared for various eventualities. ... We are certainly hopeful that all will proceed smoothly." He "noted the polarization of US politics then shifted to emphasize the way federal and provincial leaders in Canada have collaborated during the pandemic, working to 'not bring overly political elements into our response.'"

Kyrgyzstan President Says He's Prepared To Resign After New Cabinet Approved.

Reuters (10/8) reports Kyrgyzstan President Sooronbai Jeenbekov "said on Friday he was ready to resign once a new cabinet was appointed to end the power vacuum in the Central Asian nation gripped by unrest since opposition supporters seized government buildings on Tuesday." According to Reuters, while "his offer, made in a statement, could facilitate the transfer of power later, it may do little to resolve the political impasse, which prompted regional power Russia to describe Kyrgyzstan's situation as chaos."

Islamic Extremists Free Malian Politician, Three European Hostages.

The AP (10/8) reports Soumaila Cisse, "a prominent Malian politician," and "three European hostages freed by Al Qaida-linked Islamic extremists arrived in Mali's capital late Thursday where they were greeted by family members and supporters." French humanitarian Sophie Petronin, "who had been abducted four years ago while helping orphans in northern Mali, arrived in a flowing white traditional dress." In addition, "while their relatives had been notified of their release on Tuesday, news that two Italian hostages also had been freed came only late Thursday in a government statement once the flight had left northern Mali."

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Protests Against Indonesia Jobs Law Continue.

The New York Times (10/8, Sijabat, Paddock, 18.61M) reports that on Thursday, riot police "fired tear gas and water cannons" in Jakarta as "they tried to disperse large crowds of people protesting a sweeping new law that slashes protections for workers and the environment." Tens of thousands of workers "took part in the third day of a national strike against the deregulation law," marching on foot and riding "in motorbike parades as sound trucks blared protest messages." Union leaders "denounced Parliament and President Joko Widodo for pushing the measure through."

Nobel Peace Prize Goes To UN's World Food Program.

Reuters (10/9) reports that the World Food Program, the United Nations' food agency, won the Nobel Peace Prize on Friday "for its efforts to combat hunger."

NYTimes: Russia Must Step In To Freeze Conflict In South Caucasus.

In an editorial, the New York Times (10/8, 18.61M) says that, "once again, the bitterly contested claims to the mountainous region of Nagorno-Karabakh in the South Caucasus have erupted into violence" between Azerbaijan and Armenia. In the past, the US, Russia, and France "have managed to restore calm, though never establish a permanent peace," but this time "a dangerous new element has to be confronted. That is Turkey." The Times says that the Trump Administration "is not one likely to care about the fighting, even if it were not deeply embroiled in the pandemic and the election campaign," and "France alone can do little." However, "doing nothing is not an option for dealing with a wildfire that, left unchecked, can rapidly spread," so whether Russia President Vladimir Putin "likes it or not, he has the greatest responsibility and the most effective levers to restrain his former empire-mates and dissuade" President Recep Tayyip Erdoğan "from a dangerous adventure."

WPost: Jailed Vietnamese Dissident A "Champion Of Democracy."

In an editorial, the Washington Post (10/8, 14.2M) says the arrest of Vietnamese democracy activist Pham Doan Trang "is the latest and one of the most flagrant in Vietnam's long practice of squelching freedom of expression and political dissent, including arrests of bloggers and independent journalists." The "repression appears to be intensifying ahead of a Congress of the Communist Party of Vietnam, held every five years, expected in January." Her arrest "came just hours after the United States and Vietnam had finished the 24th Annual US-Vietnam Human Rights Dialogue." The Post says, "That Vietnam would seize its best-known democracy activist on the heels of the meeting says much about the diminished standing of the United States in the world under President Trump, who has repeatedly ignored human rights abuses while cozying up to the world's despots." The Post concludes by calling Trang "a selfless and courageous champion of democracy."

Housing

Freddie Mac: Average Rate For 30-Year FRM Ticks Down From 2.88% To 2.87%.

The Washington Post (10/8, Lerner, 14.2M) reports the average rate for a 30-year FRM fell from 2.88% to 2.87%, according to Freddie Mac's latest Primary Mortgage Market Survey. The 15-year FRM average rose from 2.36% to 2.37%, while the 5/1 ARM average fell from 2.90% to 2.89%. Freddie Mac Chief Economist Sam Khater said, "The year-long slide in mortgage rates seems to be ending as rates have flattened over the last month and the economic rebound has slowed. But with near record low rates, buyer demand remains robust with strong first-time buyers coming into the market. The demand is particularly strong in more affordable regions of the country such as the Midwest, where home prices are accelerating at the highest rates over the last two decades."

According to MarketWatch (10/8, Passy, 1.67M), "That mortgage rates remained roughly flat despite a week in which investors fled to the safety of bonds amid President Trump's COVID-19 diagnosis and concerns about the state of the economic recovery from the pandemic suggests that even lower rates may not come to fruition." Bankrate (10/8, Wichter, 311K) reports, "Mortgage rates are low partly because of Federal Reserve policy. The Fed said it plans to hold interest rates steady at near zero and for several more years. More than half of the mortgage experts polled by Bankrate this week expect rates to rise next week."

Also covering Freddie's rates and Khater's analysis are HousingWire (10/8, Howley, 23K), National Mortgage News (10/8, McCullom), Mortgage Orb (10/8, Bates), an RTT News piece carried by Business Insider (10/8, 3.67M), and National Mortgage Professional (10/8, Persaud).

LoanBeam And Freddie Mac Partner To Streamline Lending To Self-Employed Borrowers.

Mortgage Professional America (10/8, Mendoza) reports LoanBeam and Freddie Mac are "expanding their partnership to streamline the lending process for self-employed borrowers." The firms "recently announced that Freddie will integrate its IRS and tax transcript data with LoanBeam's Loan Product Advisor (LPA) for self-employed offering to their mutual clients." Freddie Mac Vice President of Business Partner Integration Kevin Kauffman said, "The ability to gain access to tax data directly from the IRS means this already successful and efficient solution gets even better. LoanBeam's continued growth and innovation further strengthen Freddie Mac's and our shared clients' risk mitigation efforts."

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Experts Debate Whether CFPB's QM Proposal Could Fuel New Housing Bubble, Violate Fair-

Lending Laws.

American Banker (10/9, Subscription Publication, 31K) reports that the CFPB's proposed overhaul of the QM rule "is alarming critics who say it will lead to another housing bubble. One commentator even claims the plan will violate fair-lending laws." According to Ed Pinto of the American Enterprise Institute's Housing Center, "Once you take away the DTI requirement even more minorities will end up with even higher delinquencies compared to non-minorities and therefore, the proposed rule has a discriminatory effect." However, former Dave Stevens replied, "I don't think [Pinto's] view holds water. Ed is on a mission to knee-cap [Fannie Mae and Freddie Mac] and he's been using this distorted view that government programs harm minorities."

New York State Legislature Stalls On Adopting Libor Replacement Regulations.

Potentially behind a paywall, Bloomberg (10/8, Clukey, 4.73M) reports on the status of New York-state statute to help replace the Libor interest rate, which has stalled out in the statehouse. Properly implementing a replacement is "crucial to ensuring that a huge swathe of the global financial system, involving deals worth potentially trillions of dollars, doesn't turn into a chaotic, lawsuit-riddled mess when the London interbank offered rate is officially discontinued at the end of next year." Bloomberg notes that its "rare for a decision like this – with such massive repercussions for the world of finance – to be made in upstate New York," though the state legislature has jurisdiction due to "the outsize role state law plays in governing the roughly $200 trillion in securities and commercial transactions tied to U.S. dollar Libor." The draft bill "would guarantee financial products that lack viable language to deal with the benchmark's end are shifted" to SOFR.

Washington's Eviction Moratorium Extended Through Rest Of 2020.

The AP (10/8) reports that on Thursday, Washington Governor Jay Inslee "extended the state's eviction moratorium through the end of the year, expressing concerns about housing insecurity during the ongoing coronavirus pandemic." According t the AP, the moratorium "was scheduled to expire next week." Washington's unemployment rate fell from a "record 16.3% in April" to 8.5% in August. Thus far, "there have been nearly 92,000 confirmed cases in Washington since the pandemic began, and 2,183 people have died."

Federal Charges Against Robert Morgan Are Dismissed.

WROC-TV Rochester, NY (10/8, Gregory) reports from Rochester, New York, "The federal charges against a prominent Rochester-based real estate developer were dismissed Thursday, but the judge's ruling leaves the possibility open for a future indictment." US District Judge Elizabeth Wolford "dismissed the charges against Bob Morgan, who was accused of operating a significant mortgage fraud conspiracy, along with others. Co-defendants include Todd Morgan, Bob's son, and Frank Giacobbe. Kevin Morgan, Bob's nephew, and Patrick Ogiony have since pleaded guilty in this case. The charges were dismissed because of the prosecution's failure to meet court-imposed deadlines, according to the federal court."

MBA: Mortgage Credit Availability Dips Nearly 2% In September.

HousingWire (10/8, Howley, 23K) reports mortgage credit was "the tightest since February 2014" in September, as a "weak economy prompted lenders to raise standards, the Mortgage Bankers Association said in a report on Thursday." The MBA's Mortgage Credit Availability Index (MCAI) "fell 1.9% to 118.6 last month, indicating stricter requirements to get loans. The index plunged from record highs seen in late 2019 after the COVID-19 pandemic caused the sharpest economic contraction since the Great Depression." According to MBA AVP Joel Kan, "The housing market overall is on strong footing, but the data show that lenders are being cautious, given the spike in mortgage delinquency rates in the second quarter, as well as the ongoing economic uncertainty." National Mortgage News (10/8, Finkelstein) reports, "The conventional MCAI, for which the conforming segment is one of two components, decreased 6.1% from August. The jumbo component was down 2.1% from the previous month." However, the government MCAI "was higher for the second time in the past three months, rising 1.4%."

Agency MBS Passes $914B In Q3.

Behind a paywall, Inside Mortgage Finance (10/8, Bancroft, Subscription Publication) says lenders "delivered a whopping $914.39 billion of single-family home loans into agency mortgage-backed securities during the third quarter of 2020." In the July-September cycle, MBS production from Fannie Mae, Freddie Mac, and Ginnie Mae "easily surpassed the previous record set in the second quarter of this year." According to IMF, "As of the end of September, the three agencies had issued $2.130 trillion of single-family MBS in 2020, a little more than double their combined volume for the same period last year. Total issuance was slightly higher because the data used in this analysis do not include Ginnie securities backed by FHA reverse mortgages, and loan amounts are rounded." IMF adds that "heavy demand" for refis "remained the biggest driver" in Q3's surge.

Fannie Mae Chief Economist Predicts Unemployment And Home Sales Will Remain Elevated For 2021.

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HousingWire (10/8, Falcon, 23K) reports Fannie Mae Chief Economist Doug Duncan on Thursday "offered some forecasts for 2021." At HousingWire Annual, Duncan said, "At the end of 2019, we were at 3.5% unemployment. We think at the end of 2021, it will be roughly

double that, around 6%." HousingWire reports, "During the second quarter of 2020, approximately $1.7 trillion in national income was lost. By the time the full data is made available for the third quarter, Duncan estimates that about $1.2 trillion will have been recaptured." Looking ahead, Duncan predicts existing-home sales will "be up a percent or more in 2021." He added, "The new home sales numbers had a big jump in 2020, and [there will be] more growth in 2021, but they're going to have to rebuild that inventory, because anything that the builders are building today gets sold."

CoreLogic: Pandemic Bringing Unique Challenges To Mortgage Industry.

Mortgage Professional America (10/8, Smith) reports that the pandemic will "bring its own set of challenges" to the mortgage industry, according to CoreLogic expert Sapan Bafna. Bafna told MPA, "2008 had its own set of challenges. Different reasons caused the mortgage meltdown back then. We knew back then that data was a big issue, standardization was a big issue, and technology was a big issue. The industry was doing a lot of things manually. We've come a long way since then, but technology needs to be used more proactively and more holistically." According to MPA, "while the industry has rushed to adopt new tech as the COVID-19 pandemic changed the way business was done, Bafna said that an emergency wasn't the ideal time to do so." Bafna said, "When the times are good, those are the best times to change technology and processes because the impact is light. But we always know there will be a cycle every 10 or 12 years."

CoreLogic: Nearly 300K Homes Threatened By Hurricane Delta Storm Surge.

DS News (10/8, Babb) reports that the storm surge of Hurricane Delta threatens "hundreds of thousands of homes." based on "information coming in Wednesday evening from the National Hurricane Center, which projected Category 2 status at landfall, and data from CoreLogic, a property data and analysis firm." According to CoreLogic, approximately 293,685 homes across Louisiana and the Gulf Coast are at risk, with a "reconstruction cost value (RCV) of approximately $62.85 billion are at potential risk from this hurricane. For many, the damage could compound storm-related devastation that not long ago struck the same region." CoreLogic meteorologist Curtis McDonald said, "Residents in these coastal areas are already trying to recover from their losses and are now faced with a second substantial storm. This season has been relentless, and Louisianans should be prepared for the long recovery road ahead."

NMHC: Rent Payments Hit 79% As Of October 6.

Multi-Housing News (10/8, Dutton) reports that as of October 6, more than 79% of the country's renter households made rent payments, according to a "just-released report on rent collections from the National Multifamily Housing Council." The NMHC's report comes "more than a month after the Trump administration announced a nationwide eviction moratorium through the end of the year and just a few days after stimulus relief talks between party leaders in Congress were called off by President Trump, alarming industry groups." The NMHC found "79.4 percent of rental households made full or partial rent payments by Oct. 6, a figure unchanged from the same time period last year and a 3 percent increase from the same time period last month, when 76.4 percent of renters had made payments by Sept. 6."

Natural Disasters Threaten Nearly 1M Miami-Dade Residents With Homelessness.

The Miami Herald (10/8, Rodriguez, Lopez, 1.09M) reports that Miami-Dade is "one storm away from a housing catastrophe." Census Bureau data indicates that "nearly one million people" could become homeless due to natural disasters, and many of those most at risk are "among the poorest of the county's residents." According to the Herald, much of the county's housing stock is not sturdy enough to withstand natural disasters. Around "70.2% of the county's total 1,016,653 single-family homes, condos and townhouses were built prior to 1990, two years before Miami-Dade and Broward adopted a stricter 'High Velocity Hurricane Zone' building code standard after Hurricane Andrew. Bringing all that housing stock up to code would cost billions of dollars."

Opinion: Sustainable Development Necessary To Protect Affordable Housing Along The Coasts.

Writing for The Hill (10/8, 2.98M), MS in Sustainable Business Director David Kelly and University of Miami Assistant Professor Renato Molina argue that coastal communities are "facing an unprecedented challenge" from climate change, and that policymakers "need to acknowledge both the different sources of climate risk, as well as the incentives that different policies create in a market setting." According to the duo, "The bottom line is that a more sustainable path of coastal urban development tackles the key sources behind vulnerability and access to affordable housing."

Markets

10-Year Yield Ticks Down.

MarketWatch (10/9, 1.67M) reports the 10-year Treasury yield fell to 0.765 percent.

Dollar Slips.

Reuters (10/9, Westbrook) reports, "The dollar drifted toward a small weekly loss on Friday, while the Chinese yuan soared to a 17-month high, as investors wagered on a Joe Biden presidency and on more U.S. stimulus spending." The dollar "eased 0.1% against a basket of

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currencies and it is down 0.4% for the week." The yen "was a tiny bit higher at 105.87 per dollar on Friday." The euro "was up 0.1% to $1.1773 and sterling crept higher to $1.2951 and has held firm this week as prospects for a Brexit deal have appeared to improve."

Gold Rises 1%.

Reuters (10/9, Soreng) reports, "Gold prices rose 1% on Friday due to a weaker dollar and was headed for a second straight weekly gain, with the metal's appeal as an inflation hedge bolstered by renewed optimism over a new U.S. coronavirus relief package." Spot gold "rose 0.7% to $1,907.16 per ounce by 0631 GMT. It was up 0.4% for the week." Meanwhile, US gold futures "were up 1% at $1,912.40."

Oil Eases.

Reuters (10/9, Sheldrick) reports, "Oil prices eased on Friday, slipping at the end of a week of big gains made on the risk that supplies from Norway could be slashed by up to 25% due to a strike by oilworkers." Brent "was down by 14 cents at $43.20 a barrel by 0740 GMT, having gained more than 3% on Thursday." US West Texas Intermediate crude "dropped 13 cents to $41.06 after also gaining more than 3% on Thursday."

Cybersecurity

DOJ Announces New Cryptocurrency Enforcement Framework.

The Hill (10/8, 2.98M) reports the Justice Department unveiled its new Cryptocurrency Enforcement Framework on Thursday, "detailing increasing security concerns around the use of virtual currency." The framework, "developed by the attorney general's Cyber Digital Task Force, lays out the threats and enforcement challenges involved with the use of cryptocurrency, along with strategies used by the Justice Department in response."

Bloomberg (10/8, Chen, 4.73M) reports DOJ issued a report Thursday stressing that the "emergence of cryptocurrencies presents opportunities for terrorists, rogue nations and other criminals who present a threat to U.S. national security. ... Law enforcement is hampered by the worldwide reach of digital coins and the lack of consistent regulation across regions, which is 'detrimental to the safety and stability of the international financial system,' the report found."

Law360 (10/8, Subscription Publication, 8K) calls the document "an overview of" DOJ's "cryptocurrency-related enforcement work to date, adding to the growing body of federal guidance on digital currency days after federal money laundering allegations caused a leadership shakeup at the cryptocurrency exchange BitMEX." The report "outlines the threats, tools and challenges involved in cryptocurrency enforcement in order to provide guidance to other federal prosecutors and regulators."

Cybersecurity Experts Warn Of Online Disinformation Attacks On Companies.

The Wall Street Journal (10/8, Subscription Publication, 7.57M) reports cybersecurity experts are warning of an emerging online threats in which companies may spread false rumors to harm the brands of competitors or negatively impact their stock prices.

GAO Report Faults Administration's 5G Security Efforts.

Law360 (10/8, Subscription Publication, 8K) reports in a report to Congress on Wednesday, the Government Accountability Office said "the Trump administration's strategy for making sure next-generation wireless technology is deployed securely falls short in several critical areas and is therefore likely to be of limited to use to federal agency officials and other policymakers as they allocate resources to address 5G risks." The report said "the strategy, which the White House issued this spring, lacks critical details needed to help government decisionmakers assess and address security risks associated with 5G deployment."

Senate Republicans Take Aim At Foreigners Working To Hack US COVID-19 Data.

Law360 (10/8, Subscription Publication, 8K) reports Sen. Thom Tillis (R-NC) and Sen. Marsha Blackburn (R-TN) have introduced legislation "that would let the president sanction and revoke the visas of foreigners aiming to steal American research on vaccines and treatments for COVID-19, as cybersecurity threats during the pandemic have continued to increase." The Senators "said Tuesday that the Defend COVID Research from Hackers Act would give the president more authority to take swift action against those attempting to cause a cyberattack related to virus research."

Putin: US Has Not Responded To Offer To Cooperate On Cybersecurity.

Newsweek (10/8, 1.53M) reports, "Russian president Vladimir Putin has said that his offer to the U.S. to co-operate on cybersecurity remains unanswered and rejected claims of interference in the U.S. election." Speaking on state-backed TV, Putin "also gave an assessment of the U.S. presidential campaign and offered warm words for Joe Biden, although he criticized the tone the Democratic contender took during the first presidential debate with President Donald Trump."

TFI/Sanctions

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AP Report: Venezuela's PDVSA Dodging Sanctions Through Asian Asphalt Giant.

The AP (10/8, Goodman) reports, "Back in January, a yearlong campaign of U.S. sanctions was taking its toll at Venezuela's state-run oil company...PDVSA," whose "overseas bank accounts had been frozen or closed, hampering its ability to pay vendors on whom it relies to keep the nation's crude flowing." So PDVSA "leaned on a longtime client from Thailand, Tipco Asphalt, to blunt the impact of the sanctions: in exchange for deep discounts on oil, Tipco would pay PDVSA's obligations and deduct the amounts from what it owed the Venezuelan oil giant, according to records obtained by The Associated Press." There are "dozens of documents obtained by the AP as part of a months-long investigation into how Venezuela is trying to skirt harsh U.S. sanctions that have exacerbated an economic collapse rarely seen outside war zones."

Federal Reserve

Fed Officials Maintain Pressure On Congress For Additional COVID-19 Fiscal Relief.

Bloomberg (10/8, Condon, Saraiva, 4.73M) reports Fed officials "kept up pressure for Washington to renew fiscal support for the virus-ravaged economy even as hopes of a deal between Democrats and Republicans continued to look dim." Dallas Fed President Robert Kaplan "said in a Bloomberg Television interview" Thursday that without "additional fiscal relief, the recovery will likely be a lot weaker." Kaplan also "said the Fed likely won't increase large-scale asset purchases right now as it wouldn't do much to help the real economy," adding: "I think the Fed can do more, and I'm sure we'll look at all our options, but those aren't substitutes for fiscal policy." Boston Fed President Eric Rosengren "emphasized in an interview Thursday with Bloomberg News that he would probably favor increasing the Fed's asset purchases, but that the impact of such a move would pale compared to fiscal action." Rosengren said, "There's a limit to how far we can push the 10-year Treasury rate or the mortgage-backed rate down. That's not to say we shouldn't do it. It just says the magnitude of the impact, when rates are already so low, is probably much less than what we want, which is why I think you're hearing Federal Reserve speakers call out for more fiscal policy."

Reuters (10/8, Saphir), CNBC (10/8, Cox, 3.62M), and The Wall Street Journal (10/8, Derby, Subscription Publication, 7.57M) also report.

George: New Inflation Framework Is "Message Of Patience," Rather Than Promise To Engineer Inflation.

Reuters (10/8, Schneider) reports Kansas City Federal Reserve president Esther George "said Thursday" that the Fed's "new framework for managing monetary policy shows a 'tolerance' for higher inflation, but not necessarily a full-blown promise to engineer it." George said, "I interpret the revised consensus statement as a tolerance – and less as a promise to engineer" – higher inflation. George called the Fed's new language "a message of patience" that the Fed won't react too quickly as inflation develops. However, George added, "it is not yet clear how much patience will be required." George said, "It will be difficult to assess the underlying pace of inflation until the dust settles."

Sternberg: Powell Shirking Fed Responsibility As Safeguard Of Fiscal Discipline.

In a column for The Wall Street Journal (10/8, Subscription Publication, 7.57M), Joseph C. Sternberg says Fed Chair Jerome Powell is straying from the Fed's responsibility to ensure fiscal discipline by advocating for more spending from Congress to support the economy during the pandemic.

Office of the Comptroller of the Currency

OCC Fines Morgan Stanley $60M For Failed Data-Center Oversight.

Reuters (10/8, Schroeder) reports the Office of the Comptroller of the Currency has fined Morgan Stanley $60 million for failures related to the decommissioning of two of the bank's wealth-management data centers. The OCC "said on Thursday the bank failed to properly monitor an outside vendor as it wound down the centers in 2016, and failed to maintain inventory of customer data." The regulator "said the bank had similar vendor management issues in 2019 when decommissioning other network devices."

American Banker (10/8, Pedersen, Subscription Publication, 31K) reports that in July, Morgan Stanley began notifying some customers that their personal data may have been compromised, and shortly thereafter, the bank was hit with a pair of class action lawsuits over the potential data breach. In a statement, a Morgan Stanley spokesperson said the bank has "continuously monitored the situation and we do not believe that any of our clients' information has been accessed or misused. Moreover, we have instituted enhanced security procedures, including continuous fraud monitoring, and will continue to strengthen the controls that we have in place to protect our clients' information."

Bloomberg (10/8, 4.73M) and Law360 (10/8, Subscription Publication, 8K) provide similar coverage.

Regulators Finalize Changes To Community Bank Leverage Ratio.

The ABA Banking Journal (10/8) reports the OCC, the Fed, and the FDIC "have adopted a final rule that codifies temporary changes to changes to the community bank leverage ratio and addresses the transition process for banks using the CBLR framework." The changes were previously introduced in two interim final rules in April. Under the final rule, the CBLR "will remain at 8% through the end of 2020" and increase to 8.5% in 2021. Community banks with "a leverage ratio of 8% or greater and meet certain other criteria may elect to use the CBLR framework," but have until January 1, 2022 "before the leverage ratio requirement to use the CBLR framework will return to 9%."

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Second Trump Term Would Give OCC More Leeway With Fintech, Payments Charters.

Reuters (10/8, Schroeder) reports that if President Trump is reelected in November, his Administration's "four-year deregulatory streak" that "has delivered at least $40 billion in gains to banks and other financial firms" would continue. A second term "would give Trump officials more leeway" to further explore innovation in financial services. Acting Comptroller of the Currency Brian Brooks "has strongly advocated that fintech firms should be allowed to apply for federal banking charters that would give them more freedom to expand across the country." Reuters says, "While that idea has been legally challenged by state regulators, a second Trump term would give the OCC more runway to get its idea off the ground." In addition, lobbyists "expect Wall Street banks to win more capital relief if Trump is reelected, particularly with respect to the 'G-SIB surcharge,' an extra capital buffer required of big globally systemically important banks which have been fighting the measure."

OCC Looks To Streamline Banking With Payments Charter. Bank Innovation (10/8, Morgan) reports behind a paywall that the OCC is pushing ahead with its plan to issue federal banking charters to fintechs. The House Financial Committee's Fintech Task Force "met last week to discuss the OCC's proposed payments charter, a pared-down version of the OCC's fintech charter blocked by the Southern District of New York..."

Critics Say OCC Needs To Clarify "True Lender" Proposal.

The Atlanta Journal-Constitution (10/8, Berard, 895K) reports "concerns are being raised" that the OCC's "true lender" proposal "could make high-cost lending legal everywhere." The rule, the OCC "says, will clear up uncertainty that can discourage banks from entering partnerships and chill innovation." According to the article, "One consensus is that the OCC has not provided enough guidance on plans to introduce the regulation. The Georgia Bankers Association also believes the regulator hasn't done enough to explain to lenders that its proposal isn't an opportunity to try to circumvent consumer protections that have been in place for years."

BofA Enters Small-Dollar Lending Business.

Reuters (10/8, Moise) reports Bank of America on Thursday "said...it was launching a new low-cost loan product for checking customers who may be pressed for cash." The Balance Assist program, which debuts in January 2021, "allows clients to borrow up to $500 for a flat $5 fee, and repay the amount over a three-month period." To qualify, customers must have had a checking account with the bank for at least a year leading up to the application. The debut comes following a push by US regulators earlier this year urging bank to consider offering short-term, small loans to struggling businesses and individuals during the pandemic.

Bloomberg (10/8, Surane, 4.73M) reports the OCC, the Fed, and the FDIC in May "released guidance to further encourage lenders to engage in small-dollar lending." In the notice, the regulators "said the structure of the loans should make it so a borrower is able to successfully repay the loan in a 'reasonable time frame rather than reborrowing, rollovers, or immediate collectability in the event of default.'"

PYMNTS (10/8, 12K) provides similar coverage.

Big Banks' Vows To Stop Arctic Oil Financing Draw Criticism.

The Wall Street Journal (10/8, McCaffrey, Matthews, Subscription Publication, 7.57M) reports big banks' efforts to halt financing Artic oil drilling projects are encountering resistance from Washington, DC lobbyists. Sen. Dan Sullivan (D-AK) and other Republican lawmakers from energy-producing states have lobbied the Trump Administration to investigate whether the federal government can stop banks from withholding loans for oil drilling projects, or penalize them for doing so. In July, Acting Comptroller of the Currency Brian Brooks said the agency would examine whether the curtailing of Arctic oil lending violates a federal law that requires fair access to financial services. OCC spokesperson Bryan Hubbard told the Journal the agency is still gathering information from banks.

Crypto Firms Hire Big Bank Pros For Top Legal Posts.

Law360 (10/8, Subscription Publication, 8K) reports behind a paywall, "A trio of cryptocurrency companies have added top legal and compliance professionals with big bank and BigLaw experience to their rosters, including one addition announced Thursday," amid ongoing efforts from the OCC "to bring the asset class further into the mainstream."

Editorial Wrap-Up

New York Times.

"The Trouble In The South Caucasus Extends Far Beyond One Small Enclave." The New York Times (10/8, 18.61M) says that, "once again, the bitterly contested claims to the mountainous region of Nagorno-Karabakh in the South Caucasus have erupted into violence" between Azerbaijan and Armenia. In the past, the US, Russia, and France "have managed to restore calm, though never establish a permanent peace," but this time "a dangerous new element has to be confronted. That is Turkey." The Times says that the Trump Administration "is not one likely to care about the fighting, even if it were not deeply embroiled in the pandemic and the election campaign," and "France alone can do little." However, "doing nothing is not an option for dealing with a wildfire that, left unchecked, can rapidly spread," so whether Russia President Vladimir Putin "likes it or not, he has the greatest responsibility and the best chance to restrain his former empire-mates and dissuade" President Recep Tayyip Erdoğan "from a dangerous adventure."

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Washington Post.

"A Dissident Jailed In Vietnam Shares Her Message: Don't Fee Me, Free My Country." The Washington Post (10/8, 14.2M) says the arrest of Vietnamese democracy activist Pham Doan Trang "is the latest and one of the most flagrant in Vietnam's long practice of squelching freedom of expression and political dissent, including arrests of bloggers and independent journalists." The "repression appears to be intensifying ahead of a Congress of the Communist Party of Vietnam, held every five years, expected in January." Her arrest "came just hours after the United States and Vietnam had finished the 24th Annual US-Vietnam Human Rights Dialogue." The Post says, "That Vietnam would seize its best-known democracy activist on the heels of the meeting says much about the diminished standing of the United States in the world under President Trump, who has repeatedly ignored human rights abuses while cozying up to the world's despots." The Post concludes by calling Trang "a selfless and courageous champion of democracy."

"Reelect Sen. Mark Warner." In an editorial, the Washington Post (10/8, 14.2M) backs Sen. Mark Warner (D-VA) for a third term, writing that he "has staked a legitimate claim as one of the more effective, constructive and genuinely bipartisan lawmakers in Congress." GOP rival Daniel Gade "is a decent man who has run a civil campaign. That's to his credit, but it is no reason to unseat Mr. Warner, who is a credit to Virginia."

"Every Republican Running For Office Should Be Asked About The Question Pence Dodged." The Washington Post (10/8, 14.2M) says that a question Vice President Pence "dodged at the end of the [vice-presidential] debate goes beyond consequential." Asked what he would do if President Trump "refused to accept a peaceful transfer of power" should the GOP ticket lose, Pence "responded by attacking Democrats. ... Rather than assure Americans that their vice president's first loyalty is to the republic, Mr. Pence inflamed fears that he and Mr. Trump would conjure outlandish excuses for a loss...and encourage their supporters to deny the election's legitimacy."

Wall Street Journal.

"The Judiciary Grabs The Census." The Wall Street Journal (10/8, Subscription Publication, 7.57M) says progressives are trying to take control of congressional reapportionment by using a ruling by Chief Justice Roberts that blocked a question on citizenship on the Census to upend administrative law. The Journal advises Roberts to rein in the ramifications of his decision.

"The Plot Against Gretchen Whitmer." The Wall Street Journal (10/8, Subscription Publication, 7.57M) says that federal agencies quickly moved against the plotters against Michigan Gov. Gretchen Whitmer (D), and that Whitmer owes a debt of gratitude to the Justice Department and the FBI.

"A Jewish Revolt Against Lockdowns." The Wall Street Journal (10/8, Subscription Publication, 7.57M) editorializes that New York Gov. Andrew Cuomo (D) and Mayor Bill de Blasio (D) have displayed a double standard in singling out religious organizations, specifically the Orthodox Jewish community, in new coronavirus lockdown restrictions after dismissing the safety threat posed by Black Lives Matter protests.

"Who Needs Debate Moderators?" The Wall Street Journal (10/8, Subscription Publication, 7.57M) says that future debates should eliminate moderators entirely, and let the candidates speak for two minutes at a time in any way they see fit.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Stimulus Talks Resume, But A Deal Remains Elusive
AMD Is In Advanced Talks To Buy Xilinx
WarnerMedia Plans Thousands Of Job Cuts In Restructuring
Trump Says He Won't Participate In Virtual Presidential Debate
There's No Oil In Wisconsin. The Fracking Bust Hit It Anyway.
During A Zoom Frog Dissection, Students Posted Vomit Emojis. Welcome To The Virtual Field Trip

New York Times:

Trump Lashes Out At His Cabinet With Calls To Indict Political Rivals
FBI Says Michigan Anti-Government Group Plotted To Kidnap Gov. Gretchen Whitmer
Elliott Broidy, A Top Trump Fund-Raiser, Charged In Foreign Influence Case
Inside The People Of Praise, The Tight-Knit Faith Community Of Amy Coney Barrett
Trump's Covid Treatments Were Tested In Cells Derived From Fetal Tissue

Washington Post:

13 Charged In Plot To Seize Mich. Governor
Congress Deciding The Election? Parties Preparing For Everything.
White House Mixed Signals Cloud Chances For Relief Bill
Contacts Of Trump Guests May Never Be Traced
Only One Of Their Kids Survived Sandy Hook. Now School Posed A New Threat: Covid-19.

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Trump Pulls Out Of 2nd Debate After It Is Moved Online

Financial Times:
Coping With Covid: An Italian Manufacturer Stifled By The Global Economy
Trump Says He Will Not Participate In Virtual Debate
Turkey's Armed Drones Bolster Erdogan's Hard-Power Tactics
Vatican Used Charity Funds To Bet On Hertz Credit Derivatives

Washington Times:
'From Her Head': Judge Barrett Relies On Law's 'Impersonality' In Deciding Cases
FBI Says It Thwarted Militia Plot To Kill Michigan Gov. Whitmer
Risk Or Reward? Trump's Red Line On Virtual Debate Upends Schedule
Illegal Immigrants Bank On Biden Win To Improve Plight
NBA Finals Ratings Hit Historic Lows
Armenian Ambassador: Pressure Turkey To Rein In Azerbaijan

Story Lineup From Last Night's Network News:
ABC: FBI-Gov. Whitmer; Second Presidential Debate; VP Debate; Presidential Campaigns; Trump-COVID; Hurricane Delta-Tracking; Hurricane Delta; COVID Cases; Breonna Taylor; Palm Beach-Plane Goes Off Runway; Buckets & Baseballs.
CBS: FBI-Gov. Whitmer; Second Presidential Debate; Trump-COVID; Election 2020-Arizona; VP Debate; Unemployment; COVID Cases; Hurricane Delta; Hurricane Delta-Tracking; Country Singer Dropped from SNL; Nobel Prize in Literature; Australia-Great White Shark Warning; Non-profit Builds Desks For Underprivileged Kids.
NBC: FBI-Gov. Whitmer; Second Presidential Debate; Trump-COVID; VP Debate; Hurricane Delta; Hurricane Delta-Tracking; COVID-Antibody Treatments; Mail-In Ballots; Airlines-Aid Package; NBA Finals.

Network TV At A Glance:
FBI-Gov. Whitmer – 10 minutes, 15 seconds
Trump-COVID – 6 minutes, 20 seconds
COVID – 5 minutes, 50 seconds
VP Debate – 5 minutes, 15 seconds
Second Presidential Debate – 3 minutes, 50 seconds
Hurricane Delta – 3 minutes, 50 seconds
Hurricane Delta-Tracking – 2 minutes, 50 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Hurricane Delta; Trump-Rally on Saturday; China-Joins COVID Alliance; FBI-Gov. Whitmer; Wisconsin-Protests.
CBS: Trump-Rally on Saturday; Trump-Absentee Ballots; WH-COVID Outbreak; McConnell-WH Comments; Hurricane Delta; FBI-Gov. Whitmer; Yale University-Discrimination Lawsuit.
FOX: Trump-COVID; Second Presidential Debate; Hurricane Delta.
NPR: Second Presidential Debate; FBI-Gov. Whitmer; Hurricane Delta.

Last Laughs

Late Night Political Humor.

Trevor Noah: " Let's kick things off with last night's vice-presidential debate. The first and only debate between the two people who will take over if the President falls in the shower."

Trevor Noah: "It was a weird situation from the start, because there is a real chance that Pence could have COVID 19, even though he's tested negative, and that fear wasn't helped when Pence's eye threw a gender reveal party."

Trevor Noah: "But once you got past the plague thing, the debate was normal. Two calm, poised candidates exchanging lines they have been practicing for weeks over the course of a largely uneventful 90 minutes. It felt like a throwback to what campaigns used to be like before Donald Trump arrived on the scene and turned every political event into a monster truck rally on cocaine."

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Trevor Noah: "Remember, in the last debate, Trump would not shut up for a second, and Pence doesn't have it in him to be that obnoxiously rude, but he did take one important lesson from Trump's performance. ... Honestly, this shows you that Trump is a bad influence on innocent little Mike Pence. Four years ago, Pence would never have dreamed of being a rule breaker, but look at him now! Pence spends four more years with Trump, by the next term, he will be polyamorous with Mother and some dude he met in a biker gang."

Trevor Noah: "At some points, I'm not sure why debates have moderators. What is their job? It's not cutting off the candidates or holding them accountable for what they say. Anybody can say anything they want in these debates, and nobody is calling them out for it. I really don't get why you can't fact-check the candidates when they lie. In fact, most of the lies you can pre-fact-check because these people use the same lies over and over again. You don't even have to wait for them to say it."

Trevor Noah: "Last night, it seemed both candidates made the choice to dodge any questions that they didn't feel like answering. ... It's wild you can just refuse to answer a question while you're applying for the second-most important job in the country. There's not a single other job that would let you do that."

Trevor Noah: "Now, it could be unfair to say that no part of last night was worth watching because for a couple of minutes, specifically two minutes and nine seconds, the debate got amazing. ... I was not surprised to see a fly on Mike Pence's hair. The fly probably thought he was a dead body."

Trevor Noah: "And look, flies land on people all the time, nothing crazy about that. What was crazy is how long it sat there for. Even Trump was watching at home like, 'Wow, two minutes with Mike Pence. I could never do that.'"

Trevor Noah: "But if you think you found it frustrating as a viewer, that's nothing compared to how frustrated Kamala Harris was, and you could tell because, from the minute the evening started, Kamala was throwing out 'are you kidding me' facial expressions faster than the internet could meme them."

Trevor Noah: [On Fox News anchors criticizing Kamala Harris for her expressions during the debate] "I hate to admit it, but these guys on Fox News are right. Kamala Harris shouldn't be making expressions with her face during a debate. She should be more like Mike Pence, keep a stone-cold serial killer stare and express all your emotion through your one bloody eye."

Trevor Noah: "Because, to me, these criticisms always reveal so much about men who are uncomfortable with a woman in power, you know. They're like, 'Her demeanor was so unlikable. What is she going to do next, tell me I'm a disappointment to her and my stepfather for coming home from the sleepover early because I wet the bed?'"

Stephen Colbert: "The coronavirus pandemic continues to rage in America's hot zone: 1600 Pennsylvania Avenue. And reports say the West Wing has turned into a ghost town. Previously, the only ghost haunting the mansion was Mike Pence. He's at least a zombie. Why else is he attracting all those flies?"

Stephen Colbert: "With COVID running rampant throughout the executive branch, this morning the Commission on Presidential Debates announced that the second presidential debate will be virtual. Virtual? How's that gonna work? Hopefully it will be like 'Tron.' So instead of discussing the economy, they'll race around on recumbent light-cycles."

Stephen Colbert: "The decision didn't sit well with Trump's campaign manager, Bill Stepien – who, by the way, also has COVID. He claimed the new format is unnecessary because Trump 'will have posted multiple negative tests prior to the debate.' That's not how that works. You can't put all your faith in something that could happen down the line when the potential consequence is death. That's like saying, 'Look, I know your parachute isn't working now, but I have confidence that we'll get it up and running before we reach terminal velocity. Now hand me that Scotch tape.'"

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Stephen Colbert: [On Trump's phone call into Fox News] "So, these drugs are great, but he doesn't need them, but they cured him right away, but he's going to fast-track them, but he would have been fine without them, but he's not taking them. Why is it that he took the experimental drug, and we're the ones experiencing dizziness, confusion, and nausea?"

Stephen Colbert: "You know how the world is insane right now, and every day, you think, 'That's got to be it. Things can't possibly get more insane'? Well, today, get ready for more. Because the FBI says it thwarted a plot to violently overthrow the government and kidnap Michigan governor Gretchen Whitmer. What? Also, whaaa?! Is this real life, or are we trapped in a new season of '24'? I was just getting used to being trapped in a crossover episode of 'The West Wing' and 'The Walking Dead'!"

Stephen Colbert: "So, who were these numbskulls? Well, the Michigan attorney general identified the group as the 'Wolverine Watchmen.' So, to clarify, this anti-COVID-rules militia named themselves after a guy who famously can't get sick and people who famously wear masks."

Stephen Colbert: "Apparently, these guys were angry about Governor Whitmer's state-wide coronavirus lockdown. And the FBI were tipped off to their plans when one of the dummies posted a Facebook video in which he complained about COVID-19 restrictions on gyms operating in Michigan. So, the whole revolution could've been avoided if he had just sprung for a Peloton? That is the lamest reason to overthrow the government. ... Well, at least now they can all concentrate on getting ripped in jail. Between the daily hour in the yard and a steady diet of potatoes and expired taco meat, they'll get jacked. "

Stephen Colbert: "The group met numerous times to make their plans, including in the basement of a shop in Michigan that was accessible only through a trapdoor under a rug. Ooh, a trapdoor hideaway? What's the matter, did the rope ladder break to Timmy's tree house?"

Stephen Colbert: "I just want to remind everybody in a militia: You're not in a militia. You're a bunch of buddies getting together with guns. If I play a game of catch in the front yard, I haven't been signed by the Yankees."

Stephen Colbert: "But hey, just because they're violent domestic terrorists doesn't mean they don't know how to have a good time. According to the undercover agent, at one point one of the militia said, 'Oh, no, we're not kidnapping, that's not what we're doing,' which sparked general laughter. Amidst the laughter, another voice said, 'We're adult-napping.' Oh, I love a good homegrown terrorist joke. My favorite is, 'Knock, knock. Who's there? It's the FBI – you're all going to jail.'"

Jimmy Fallon: [On the next presidential debate possibly being virtual] "A virtual debate with two guys in their seventies and a moderator in his sixties? I'm sure that'll run real smooth. And to make it even more annoying, they're going to have Trump and Biden chomp on baby carrots while they talk."

Jimmy Fallon: "A virtual debate with Trump? Come on. How great would that be? It's like, 'Melania, what's the WiFi password?' '1,2,3,4. Same as nuke codes.'"

Jimmy Fallon: "Trump says he won't waste time [on the virtual debate], and then he went back to chatting on Fox Business for 55 minutes."

Jimmy Fallon: [On Trump saying he's now immune to COVID] "Minor detail, there's no such thing as being immune to COVID. After he said that, Dr. Fauci poured himself a big antibody cocktail, minus the antibody."

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Jimmy Fallon: "Well, guys, last night was of course the big vice-presidential debate between Mike Pence and Kamala Harris, and everyone's still talking about it because a fly actually landed on Pence's head. ... At that point, every American was like, 'Is that on him or on

my TV?'"

Jimmy Fallon: "Pence had a rough night. As if the fly wasn't bad enough, people also noticed there was something going on with his eyeball. ... He's the head of the coronavirus task force. Not really a great look when you're covered in bugs and bleeding out of your eye."

Jimmy Fallon: "Last night's debate was an epic battle between side eye and red eye."

Jimmy Fallon: "It's a tough break for Pence. It's hard to shake the reputation of being robotic when you show up looking like the Terminator."

Jimmy Fallon: "Also, can you believe Kamala Harris had to stare at that for 90 minutes? As if she wasn't under enough pressure, she had to debate the Bond villain with the leaky eye."

Seth Meyers: "During last night's debate, Vice President Mike Pence frequently tried to interrupt Senator Kamala Harris. Said the moderator, 'Mr. Vice President, if it helps, just think of it as carrying her sentence to full term.'"

Seth Meyers: "After last night's debate, second lady Karen Pence did not wear a mask on stage when she greeted Vice President Mike Pence. Huh, usually when a Karen refuses to wear a mask, it's at Trader Joe's."

Seth Meyers: "President Trump released a video yesterday from outside the White House and started out saying, quote, 'Hi, perhaps you recognize me, it's your favorite President.' Said viewers, 'Oh my God, Barack, what happened?'"

James Corden: "If you didn't watch the debate last night, there was a breakthrough viral moment that everybody was talking about. At one point, a fly landed on Mike Pence's head and stayed there for two whole minutes. ... That fly was on Pence's head for longer than Trump was in the hospital."

James Corden: "Also during the debate last night, a lot of people noticed that there was something going on with Mike Pence's eye. This is what happens when you go 18 years without blinking."

James Corden: "Some people have speculated that this was a symptom of COVID, but I don't know. I'm not sure at all. Maybe there is a sty in the eye of the guy with the fly."

James Corden: "In other debate news, it was announced today that for safety reasons, next week's scheduled presidential debate would be virtual. But President Trump didn't like that idea, so he is skipping the debate altogether, and says he is holding a rally instead. Yeah, a rally. That would be a good idea. It's Trump's fault we all have to do 15 Zoom meetings a day. He should be forced to go to at least one, shouldn't he?"

James Corden: "This afternoon, the President tweeted out yet another video, and this time it was addressed to 'my favorite people in the world,' so this video is either for white supremacists or hostesses at the Cheesecake Factory."

Washington's Schedule

Today's Events In Washington.

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White House:

- President Trump — No public events scheduled.

• Vice President — No public events scheduled.

US Senate:

• Senate convenes for pro forma session – Senate convenes for pro forma session * Chamber on recess through 19 Oct, announced earlier this month following coronavirus (COVID-19) diagnoses for Republican Sens. Mike Lee, Thom Tillis, and Ron Johnson

Location: U.S. Capitol, Washington, DC; 10:00 AM

US House:

• House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 2 Oct – 16 Nov

Location: U.S. Capitol, Washington, DC; 10:00 AM

Cabinet Officers:

• No public schedules released.

Visitors:

• No visitors scheduled.

This Town:

• Dem Sen. Chris Van Hollen discusses 'Trump administration's effort to sabotage New START' – 'Trump's Effort to Sabotage New START and the Risk of an All-Out Arms Race' Arms Control Association and Women's International League for Peace and Freedom online event, with Democratic Sen. Chris Van Hollen, Center for Arms Control and Non-Proliferation Senior Policy Director Alexandra Bell, and Arms Control Association Executive Director Daryl Kimball; *9:00 AM*

• Congressional Military Family Caucus annual summit – Congressional Military Family Caucus annual Military Family Caucus Summit, held virtually, hosted by Caucus Co-Chairs Democratic Rep. Sanford Bishop and Republican Rep. Cathy McMorris Rodgers, and bring together military families with Members of Congress and their staffs, Department of Defense officials, and personnel from military family support organizations. Secretary of Defense Mark Esper keynotes, with panelists including bipartisan Reps. Trent Kelly and Chrissy Houlahan, as well as Jennifer Drake Patrick (George Mason University), Pete LuPiba (Military Interstate Children's Compact Commission), Michelle Norman, Jennifer Barnhill, and Grace Kim (all Partners in PROMISE), Jessica Strong (Blue Star Families), Kellie Artis (MILLIE), Eryn Wagnon and Karen Ruedisueli (both MOAA), Kara Tollett Oakley (Oakley Capitol Consulting), Shannon Razsadin (Military Family Advisory Network), Michelle Penczak (Squared Away), Sue Hoppin (Military Spouse Network); *12:30 PM*

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TO: THE SECRETARY AND SENIOR STAFF
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Treasury in the News

Senate GOP Unveils New Narrower Virus Relief Bill.

Politico (9/8, Levine, Bresnahan, 4.29M) reports Senate Republicans "introduced their new coronavirus relief bill Tuesday and are eyeing a vote later this week, after weeks of stalled negotiations between the White House and Democratic leaders over an aid package." Politico says "the new, more narrow GOP proposal will provide $300 in increased weekly federal unemployment benefits through Dec. 27, additional money for the Paycheck Protection Program and liability protections for schools and businesses as they try to reopen, a top priority" for Senate Majority Leader McConnell. Politico notes the Senate "also needs to fund the government past September 30" following the "tentative agreement" struck last week by Treasury Secretary Steven Mnuchin and House Speaker Nancy Pelosi "to use a short-term spending bill to avoid a government shutdown." Senate Appropriations Chair Richard Shelby "said Tuesday he also spoke to Mnuchin for 30 minutes about a 'clean' short-term funding bill which could fund the government until December."

Regarding the relief bill, The New York (NY) Times (9/8, Cochrane, 18.61M) reports, "While House Democrats approved a $3.4 trillion measure in May, Ms. Pelosi in recent days has told Steven Mnuchin, the Treasury secretary, that Democrats would be willing to accept a package of $2.2 trillion." The Times says Mnuchin, "for his part, has signaled that the administration may be willing to accept up to a $1.5 trillion package."

The Hill (9/8, Carney, 2.98M) reports Sen. Ron Johnson (R-WI) said he hopes the GOP bill is something "53 Republican senators vote yes on," and added that Mnuchin had "accommodated" a number of his concerns on the initial bill.

Commentary: Mnuchin Unfamiliar With Crucial Family Nutrition Program. In an op-ed for The Hill (9/8, 2.98M), Public Health Solutions President Lisa David writes, "Free and reduced-priced school meals are critical for students' health, especially low-income students, and that consideration has influenced the debate over reopening schools during the pandemic." David argues, "Investing in food access through the WIC (Supplemental Nutrition Program for Women Infant and Children) program for expecting mothers and young children will pay dividends in American health for a long time." David says Treasury Secretary Steven Mnuchin "is reportedly completely unfamiliar with WIC, which speaks volumes to how much the Trump administration cares about low-income women." David concludes that Congress "must move quickly to pass the new relief package. The healthy development of our youngest generation depends on it."

WPost Opposes GOP Plan, Urges Democrats To Drop $600 Weekly Jobless Supplement. The Washington Post (9/8, 14.2M) editorializes that "last Friday's unexpectedly strong [jobs] report from the Labor Department...was no cause for complacency, of the kind implied by" NEC Director Kudlow's "breezy remark that the economy could 'live with' a failure by Congress to strike a deal, because it is 'on a self-sustaining recovery path.'" The Post says Mnuchin and Pelosi "have let it be known they favor rapid passage of a temporary bill that would keep federal workers paid and operations going at least through the election," but "an impasse continues" in negotiations on a new virus relief bill. Given the country's "actual needs, though, the right thing to do – a sizeable package including aid to small businesses, unemployment insurance, nutrition assistance and election funding – is also the expedient thing to do for both Democrats and Republicans. That is what has apparently happened between Ms. Pelosi and Mr. Mnuchin on the need to keep the government funded."

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Treasury Imposes Sanctions On Lebanese Politicians Linked To Hezbollah.

DOJ-21-0351-A-000712

The AP (9/8, Mroue, Fox) reports on Tuesday, the Treasury Department "sanctioned two former Lebanese Cabinet ministers who are allied

with militant Hezbollah in a rare move against politicians close to the Iran-backed group." The sanctioned officials are former finance minister Ali Hassan Khalil and former public works and transportation minister Youssef Fenianos, who the US alleges "provided material support to Hezbollah and engaged in corruption." Treasury Secretary Steven Mnuchin said in a statement, "Corruption has run rampant in Lebanon, and Hezbollah has exploited the political system to spread its malign influence. The United States stands with the people of Lebanon in their calls for reform and will continue to use its authorities to target those who oppress and exploit them."

Reuters (9/8, Pamuk, Psaledakis), The Hill (9/8, Kelly, 2.98M), and the Financial Times (9/8, Cornish, Manson, Subscription Publication, 1.34M), among other outlets, also report.

Legislators Urge That Federal Workers Not Be Forced To Participate In Payroll Tax Deferral.

The Washington Post (9/8, Romm, 14.2M) reports that in a "bipartisan rebuke" to President Trump, "roughly two dozen lawmakers" sent "a sharply critical letter" to the Treasury Department and the Office of Management and Budget on Tuesday urging the Administration not to implement a mandatory payroll tax deferral for millions of federal employees. The lawmakers argued that individuals should instead be allowed to choose whether to participate.

The Hill (9/8, Jagoda, 2.98M) reports that, "in a letter sent Tuesday to Treasury Secretary Steven Mnuchin and Office of Management and Budget (OMB) Director Russell Vought," the group of over 20 senators wrote, "Federal workers and service members should not be used as pawns for a payroll tax scheme that many private sector employers are unlikely to join and where key questions remain unanswered."

Singletary: Trump's Payroll Tax Deferral Is Really A Loan. In a column for The Washington (DC) Post (9/8, Singletary, 14.2M), Michelle Singletary says President Trump "brags about his payroll tax cut. But money-smart employees see it for what it is: a loan." Singletary says Trump, amid the partisan gridlock in Congress over a new virus relief bill, "decided that what workers need most is a break from paying the payroll tax that funds Social Security" and thus on Aug. 8 "issued a memo directing Treasury Secretary Steven Mnuchin to allow employers to temporarily suspend the collection of payroll taxes for any employee whose pretax wages or compensation during a biweekly pay period is less than $4,000." Singletary argues the deferral "is all about the optics of appearing to provide meaningful pandemic-related financial assistance."

Democrats Skeptical Of Trump Allies Sitting On Postal Service Board.

The New York Times (9/8, Broadwater, Fuchs, Vogel, 18.61M) reports, "A powerful but little-known group of Republican donors installed by President Trump to oversee the United States Postal Service has helped raise more than $3 million to support him and hundreds of millions more for his party over the past decade, prompting concerns about partisan bias at the agency before the November election." Treasury Secretary Steven Mnuchin "helped vet prospective nominees to the board for Mr. Trump, recommending candidates who would carry out changes that the administration sought" at the USPS. The Times says Mnuchin's "recommendation" of Republican governor John M. Barger "was seen as helpful, because while he had donated more than $90,000 to Republicans since 2010, he had never given to Mr. Trump."

Leading National News

Trump Touts Environmental Record In Florida, Extends Offshore Drilling Ban.

The President's trip to Jupiter, Florida generated extensive, and largely favorable media coverage. WINK-TV Fort Myers, FL (9/8, 28K) reported that Trump "signed an executive order extending the moratorium on banning offshore drilling on Florida's coastlines for another 10 years," a move he "believes...will help create jobs while protecting the environment and keeping oil prices low." The President also "praised his Administration's efforts surrounding Everglades restoration, such as giving money to repair the Herbert Hoover Dike and funding for the EAA Reservoir to help out with discharges with from Lake Okeechobee." Trump was shown saying, "Environmental protection is a sacred obligation and so it is our duty to fight for the dreams and livelihoods of the citizens we serve. We'll always defend the Everglades and we will always safeguard the magnificent Florida coastline." WCTV-TV Tallahassee, FL (9/8, 19K) showed the President saying, "I want to thank you all for being here. My Administration is proving every day that we can improve our environment while creating millions of high paying jobs."

WOFL-TV Orlando, FL (9/8, 26K) called the visit "an important campaign stop for...Trump, who's trying to convince voters that he not only cares about the environment, but has signed legislation to prove it. The focus of his visit was discussing the Great American Outdoors Act, which provides be funding to national parks, forests, wildlife refuges and recreation areas. In Florida, that would include a boost for the everglades. ... The Act, which he signed into law August 4, will protect America's natural environments and funding of countless environmental restoration projects."

The South Florida Sun Sentinel (9/8, Man, 545K) quotes Trump as saying, "My administration is proving every day that we can improve our environment while creating millions of high paying jobs." The President also "claimed Democrats would use the environment as an excuse to pursue a socialist agenda." WSVN-TV Miami-Dade, FL (9/8, 48K) reported, "You have to look at this appearance in the context of the ongoing election, and, of course, we know that Florida, based on several polls, is certainly up for grabs. But now, the President said that he is signing the executive order that would expand the moratorium on offshore drilling, not only to the Gulf of Mexico on the west side Florida but also on the Atlantic side – Florida, Georgia and South Carolina." Trump was shown saying, "I will sign a presidential order extending the moratorium on offshore drilling on Florida's Gulf Coast and expanding it to Florida's Atlantic coast as well as the coasts of

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Georgia and South Carolina. The approach of Joe Biden and the radical left is exactly the opposite. Their policies will destroy jobs, cause energy prices to double and triple and quadruple, to skyrocket beyond belief and the environment will be badly hurt, if you go by that, badly, badly hurt. It will be injured and permanently injured."

The Palm Beach Post (9/8, Rhodes, 223K) reports "the [drilling moratorium] announcement followed Trump's touting of other achievements, including $500 million in funding for improvements to the Herbert Hoover Dike ringing Lake Okeechobee." Trump also "said his administration had procured $100 million to fight red tide and toxic algae," and "what he said was a 55% increase in funding for Everglades restoration efforts." Said Trump, "It's been a really amazing thing for Florida from an environmental standpoint. ... As president I will defend our environment, I'll defend our workers and our cherished way of life."

Florida Politics (9/8, Downey) recounts, meanwhile, that Trump "called himself the top President on the environment since Teddy Roosevelt, who established the United States Forest Service in 1905." Referring to himself "in the third person," Trump declared, "Trump is the great environmentalist," while Democrats "talk a big game, and they do nothing." Added Trump, "To our political opponents, environmental policy is just an excuse to impose a socialist platform that will impose trillions and trillions of dollars in taxes and send our jobs overseas, making it impossible to open up new companies and to live less expensively."

The Charleston (SC) Post and Courier (9/8, Johnson, 290K) reports that "in South Carolina, 56 percent of the state opposes offshore drilling, according to a 2019 Winthrop University poll. Much of that opposition is focused at the coast, where businesses depend on natural beauty to bring tourists, and the memory of the 2010 Deepwater Horizon oil spill in the Gulf of Mexico looms large."

In a Florida Politics (9/8) op-ed titled "Donald Trump Is A Champion For Florida's Environment," state Rep. Toby Overdorf (R) declares that "Trump is dedicated to protecting America's pristine natural environments, and has funded countless restoration projects." The President "is an advocate for America's unique and pristine ecosystems," and "has delivered infrastructure upgrades and investments for numerous environmental restoration projects throughout the country, and his 2021 budget proposes $250 million in annual funding to construct new Everglades infrastructure as part of the South Florida Ecosystem Restoration. Let me repeat, $250 million in annual Everglades restoration funding."

Politico (9/8, Lefebvre, 4.29M) calls the offshore drilling ban "an election-year victory for drilling opponents in the crucial presidential swing state, where fear of oil slicks fouling the beaches has run high for decades among people in both political parties." Politico goes on to report that "half a dozen industry officials and lobbyists who had been working on the offshore exploration issue with the Interior Department...told Politico the administration never mentioned extending the moratorium. 'It's a complete ambush,' said one industry official who had been abreast of Interior's plans. 'Nobody knows where this came from. It totally seems like a campaign sort of thing.'" In fact, says The Hill (9/8, Frazin, 2.98M), "the announcement...received some pushback from the offshore energy industry." National Ocean Industries Association President Erik Milito, "Our preference should always be to produce homegrown American energy, instead of deferring future production to countries like Russia and Iran, which do not share American values."

Bloomberg (9/8, Dlouhy, Jacobs, 4.73M) reports "Trump's offshore drilling move drew an immediate condemnation from conservationists as well as Biden," who said on Twitter, "Just months ago, Donald Trump was planning to allow oil and gas drilling off the coast of Florida. Now, with 56 days until the election, he conveniently says that he changed his mind. Unbelievable. You don't have to guess where I stand: I oppose new offshore drilling." USA Today (9/8, Jackson, Subramanian, 10.31M) recounts that "in a statement on Trump's visit to Florida," Biden also "assailed Trump's over environmental record by noting that he has opened up thousands of acres of lands to new oil and gas drilling." Said Biden, "Trump has called the climate crisis a 'hoax' ... He has eliminated rules designed to keep our air and water clean."

Newsweek (9/8, Crisp, 1.53M) reports "Trump said he initially wasn't interested in extending the moratorium, but was heavily lobbied by the states' governors and Congressional delegations, who told him it would bolster his environmental record." Said the President, "We can create jobs, safeguard the environment and keep energy prices low."

Other national news outlets cast Trump's announcement as a reversal. Reuters (9/8, Mason) reports "the Trump administration has spent much of its first term working to expand US oil and gas drilling and roll back Obama-era rules on pollution from fossil fuels," and the AP (9/8) that the move "could open the president up to charges of an election-year flip-flop given that he acted in January 2018 to vastly expand offshore drilling from the Atlantic to the Arctic oceans."

CNN (9/8, Klein, 83.16M) similarly reports on its website that "the Trump administration has also taken detailed steps to slash environmental regulations over the last three and a half years. Those changes include pulling out of the landmark Paris climate accords, rolling back regulations on carbon emission standards for coal-fired power plants, the largest reduction in the boundaries of protected land in US history, and changes to Clean Water Act and Endangered Species Act protections."

To the New York Times (9/8, Karni, Friedman, 18.61M), meanwhile, "there are few other policy arenas where a rewrite of the past three and a half years could be so jarring. Mr. Trump's portrayal of his administration's response to the coronavirus pandemic has often strained credulity. His claims of a legislative record second to no other president have raised eyebrows. He has repeatedly made the unbelievable assertion that he has done more for Black Americans than any president, except perhaps Abraham Lincoln." However, "the environment is in a category of its own, because in claiming the mantle of environmentalism, Mr. Trump is in fact repudiating one of his administration's undeniable policy accomplishments: the stunning rollback in less than four years of environmental regulations that go back decades."

NBC News/Marist Poll: Florida Race Tied At 48%; Trump Leading Among Latinos. The Sarasota Herald-Tribune (9/8, Anderson, 182K) reports "a NBC News/Marist survey released Tuesday has the race tied in Florida, with Trump and Biden each attracting support from 48% of likely voters." The Herald-Tribune adds that "after trailing Biden in every publicly released Florida poll since March,

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Trump has been either tied or leading Biden in the last two surveys." And "in addition to showing a trend in the president's direction, the latest poll had Trump winning the Hispanic vote in Florida after losing it by a 27-point margin in 2016." The Washington Post (9/8, Sonmez, Itkowitz, Wagner, 14.2M) also points out "the poll finds Trump with a narrow lead among Latino voters, 50 percent to 46 percent. In 2016, Clinton outpaced Trump among Latinos, 62 percent to 35 percent."

The CBS Evening News (9/8, story 6, 1:40, Weijia Jiang, 3.99M) mentioned "a new [Florida] poll [that] shows he and Biden are deadlocked in the crucial state." Politico (9/8, Choi, 4.29M) reports that "responses on Trump's performance as president were also tightly split in the NBC News/Marist poll, with 47 percent of likely voters approving of his presidency and 48 percent disapproving." Politico also points out that the poll "found that voters were likely to stick with their choices, with 82 percent of likely voters saying they'd strongly support whoever their current candidate is now. Only 2 percent said they might vote differently come Election Day." The New York Post (9/8, Nelson, 4.57M), among other news outlets, also covers the poll.

Poll Shows Tighter Race In Miami-Dade, With Trump Slightly Up Among Latinos. Under the headline "Biden Is Struggling To Win Miami Latinos, New Poll Finds. Will It Cost Him Florida?" the Miami Herald (9/8, Smiley, 1.09M) reports, "Four years after getting trounced in Miami-Dade County by Hillary Clinton," Trump "has increased his odds of victory in his must-win home state on Nov. 3 by improving his standing in Florida's most populous county, according to a poll by Bendixen & Amandi International and the Miami Herald." The poll "found Trump far behind...38% to 55% in Miami-Dade," but "Trump doesn't need to win Miami-Dade. He just needs to do better in the Democratic-leaning county to offset possible losses in other parts of Florida. ... In 2016, he lost Miami-Dade to Hillary Clinton by 30 points...but won the state by 1.2% of the total vote." The poll "found the former vice president splitting Hispanic voters with Trump, with Trump at 47% and Biden at 46%."

The Hill (9/8, Greenwood, 2.98M) also reports "there's little doubt that Biden will win Miami-Dade in the November election," but "Trump doesn't need to win Miami-Dade in November to capture Florida's 29 electoral votes, and if he's successful at narrowing Biden's margin of victory there, it could help him make up for possible deficits in other parts of the state, such as in the swing counties along the I-4 corridor in Central Florida."

Politico (9/8, Caputo, 4.29M) reports "Trump's campaign and Republicans are making inroads in Miami-Dade County, the state's most populous, forcing the Biden campaign to scramble in response to the threat to the wellspring of Democratic votes." Politico adds that Miami state Sen. Annette Taddeo (D) "said the raft of polling and the late-breaking response to Trump's threat in Florida has the party taking the matter seriously after months of discarding warnings." Said Taddeo, "Some of us have been warning about this, but it was kill the messenger. ... And now they're like 'ahhhhh! What do we do?'"

Townhall (9/8, O'Brien, 177K) quotes Fernand Amandi, "the Miami-based pollster and Democratic strategist behind the poll," as saying, "If you're the Biden campaign, looking at these numbers, I think there's reason for pause. ... If Biden under-performs in what should be one of his strongest counties – and is certainly the largest county for Democratic votes in the state of Florida – it might imperil his chances of winning Florida unless there is a massive white voter exodus from Trump in other parts of the state."

Noting Polls Had Him Down In 2016, Trump Says He Is Not Concerned About Florida. Trump was asked in an interview with WPEC-TV West Palm Beach, FL (9/8, 31K) about an NBC News poll showing him and Joe Biden running "neck and neck" in Florida and whether he is concerned about losing the state. Trump said, "No. As a Republican, to be tied is good. I won it last time when Hillary...was a much more capable candidate than Biden. This year, I think we are going to do very well. i think i was seven points down to Hillary last time in Florida, right at the beginning and right at the end, towards the end, and ended up winning it fairly easily."

"Trumptilla II" Reaches Jupiter. The Palm Beach Post (9/8, Keller, 223K) reports, "The circus arrived in Jupiter on Monday. Not under the Big Top, but on water and in the air, as supporters of...Trump's reelection bid held a boisterous procession in watercraft that ranged from a jet ski to yachts and party boats rented for the event." The Post adds that "first, four parachutists dropped from the sky, unfurling 'Trump 2020' and American flags. Choppers flew noisily overhead, with one toting a US flag. Two drones hovered above the scene." The Post continues, "The boating extravaganza was similar to the first 'Trumptilla' that came together May 3 at the same location."

Trump Slams Biden-Harris Ticket, Calls On North Carolina To Fully Reopen Economy.

The President's campaign stop in Winston-Salem, North Carolina received largely positive local news coverage, with reports highlighting the crowd's fervor and its favorable response to his calls for the state's economy to reopen fully. The Winston-Salem Journal (9/8, Young, 168K) reports, for example, that "Trump garnered a big cheer from the crowd at Z. Smith Reynolds Airport when he said the state should fully re-open its economy, and said states that are keeping in place economic restrictions are 'doing it for political reasons.'" The Charlotte Observer (9/8, Morrill, 470K) recounts the President also said, "I'm running for reelection to keep jobs at home, to put violent criminals behind bars and to ensure the future belongs...to America and not to China or other countries. ... If Biden wins, China wins," because "Joe Biden's agenda is made in China. My agenda is made in the USA." Added Trump, "Biden's plan is to appease the domestic terrorists, my plan is to arrest them. ... These are Biden supporters, and if he wins they'll be in charge of your government."

On its website, WXII-TV Winston-Salem, NC (9/8, 109K) points out it was Trump's "third visit to North Carolina in just as many weeks – just as the absentee voting by mail started." While "the GOP has historically done well in North Carolina mail voting...this year the people asking for the ballots are not generally Republicans." Democrats "requested more than 358,000 ballots, and independents more than 215,000, while only about 112,200 were sought by Republicans."

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WRAZ-TV Raleigh, NC (9/8, 47K) reports Trump "spoke for nearly an hour...revving up a crowd that came from all across the state

and the country." Trump "spent much of the hour touting the economy, saying it will be the best ever next year and criticizing Joe Biden's record." Trump was shown saying "Biden is a globalist sellout who has spent career laying waste to American communities." WGHP-TV Greensboro, NC (9/8, 39K) said Trump addressed "a sea of people in the thousands," and showed him saying, "They are coming after me because I'm fighting for you. There is a lot of truth to that one." WGHP added, "Before the President headed back out on Air Force One, he left this message with the crowd." Said Trump, "So get your friends and get your family. Get your neighbors and your coworkers and vote."

WCTI-TV (Greenville, NC (9/8, 4K) reported Trump told "thousands of supporters," quote, "Your state should be open." Trump "also encouraged voters to show up at the polls after voting absentee." Trump: "It's ok. You have to go through a process. You have a to sign a form, you get it. They are sending out millions of unsolicited ballots. Make sure you send the ballot in and then go to your polling place and make sure it counts."

Moreover, says The Hill (9/8, Samuels, 2.98M), "Trump on Tuesday derided Democratic vice presidential nominee Kamala Harris, saying it would be 'an insult to our country' if the California senator became the nation's first female president." Said Trump, "People don't like her. Nobody likes her. She could never be the first woman president. She could never be. That would be an insult to our country." The Hill adds that "the president's commentary drew applause from his backers in Winston-Salem. The remarks came as part of a broader attack on the Democratic ticket, which Trump argued would 'cripple' the country's economy." Fox News (9/8, Phillips, 27.59M) recounts on its website that the President "argued to supporters in North Carolina...that...Harris is 'further left'" than Sen. Bernie Sanders (I-VT). Fox adds that "ripping into the 2020 Democratic ticket, Trump said that his opponent Joe Biden had formed an 'unholy alliance with the most extreme and dangerous elements of the radical left.'"

USA Today (9/8, Fritze, Subramanian, Jackson, 10.31M) says that the President, "still stung from the loss of the GOP convention that was due to take place in Charlotte last month but was moved to a nearly all-virtual event over COVID-19, said North Carolina and other key battleground states such as Michigan were keeping their states shut for 'political reasons.'" The President said, "On November 4, every one of those states will be open." Trump also "urged North Carolinians to vote against Gov. Roy Cooper and to instead vote for Republican Dan Forest because of the COVID restrictions."

Sean Hannity said on Fox News' Hannity (9/8, 535K), "The President just capped off a very busy day on the campaign trail, a huge massive rally and crowd in Winston-Salem, North Carolina. Look at this crowd. Look at Winston-Salem tonight. Take a long look. Ask yourself... how many people feel this way...about the weak and the frail Joe Biden? Earlier, the President also delivered a speech in Jupiter, Florida, where he was also met by massive crowds. Meanwhile, Joe Biden spent today in his basement bunker doing nothing as per usual." Hannity added, "Look at North Carolina tonight. That's not the mob, that's not the swamp, that's not Hollywood elites. That is you, week, the people. You will decide. You get to be the ultimate jury in just 56 short days. You, the American people, 56 days, will decide on the future of this great country. The stakes, they have never been higher."

The New York Post (9/8, Nelson, 4.57M) reports "it was one of Trump's largest re-election rallies since the coronavirus pandemic struck in March." Trump "estimated turnout at 15,000." Politico (9/8, Choi, 4.29M) says, meanwhile, that "speaking to a crowd of hundreds of cheering supporters," Trump "touched on a number of his achievements that used to make regular appearances in his rallies and relaunched old insults of his Democratic challengers. It was among the first in a return of his signature events since taking a hiatus because of the coronavirus." Politico adds "the setting also evoked his earlier rally venues: He spoke to a large crowd sporting Trump apparel with little room for social distancing, and was framed by a chorus of supporters cheering behind him."

The Washington Post (9/8, Dawsey, Scherer, Linskey, 14.2M) criticizes the lax measures taken at Trump rallies to prevent COVID infections, and adds that "Biden, meanwhile, has barely left his home without a mask for months, and he makes a point of keeping voters – when he encounters any – at a distance from himself and one another. Events at drive-in theaters have been kept under 50 – people, not cars – to respect state guidelines." The Post adds "this contrast continued Tuesday, when Trump flew to Florida and North Carolina, addressing crowds in both places, while Biden's camp announced by 9:30 a.m. he would make no public appearances all day."

In Winston-Salem, the CNN (9/8, Liptak, 83.16M) website reports, "many supporters visible in stands directly behind Trump were wearing masks," but "most individuals higher up on the stands away from Trump and most supporters on the ground in front of Trump's podium were not sporting masks." WCCB-TV (Charlotte, NC (9/8, 23K) also reported "many in the crowd were not wearing masks despite the Governor's mask mandate or physically distancing."

Campaign Distributes Rally Signs Calling Event "Peaceful Protest." The New York Post (9/8, Nelson, 4.57M) that the Trump campaign "distributed rally signs claiming the event was a peaceful protest." Said Trump, "Joe Biden and his party spent the entire summer cheering on the rioters rampaging through Democrat-run cities, falsely labeling them as peaceful protesters. ... You can't go to church, you can't do anything, you have to stay in your house. But if you're willing to riot running down Main Street, if you're willing to riot, stand on top of each other's face and do whatever the hell you want to do, you're allowed to do that because you're considered a peaceful protester – so we decided to call our rallies peaceful protests."

To the Daily Beast (9/8, Montgomery, 1.39M), meanwhile, Trump "boasted to supporters on Tuesday about his campaign intentionally misrepresenting itself in order to skirt coronavirus restrictions." Said Trump, "Joe Biden and his party spent the entire summer cheering on the riots, rampaging for Democrat-run cities, labeling them as peaceful protesters. We call you peaceful protesters, you know why? Because they have rules in these Democrat-run states that if you're campaigning, you cannot have more than five people. They did that for me." The Daily Caller (9/8, Talcott, 716K), among other news outlets, also covers this facet of the story.

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Administration, Campaign Officials Tout Economic Recovery.

NEC Director Kudlow said on Fox News' America's Newsroom (9/8, 896K) that "the pandemic contraction was brutal. It's not completed yet, I understand there's still a lot of hardship, but because of the rescue mission that the President has led...we've had a terrific recovery." Asked about the President's jobs prediction for 2021, Kudlow said, "The idea of a million jobs a month for the next 10 months is very plausible. It's very reasonable. We've actually exceeded that for the last four months." Kudlow said, "We are in a self-sustaining recovery. Besides the jobs, we're in a housing boom, we're in autos boom, we're in a consumer spending boom. Inventories are at rock bottom, they're going to be rebuilt. Small businesses have greater confidence. No, the economy is rebounding, it's V-shaped, it's going to be at least 20% in Q3 and probably Q4."

NEC Chief Economist Joe LaVorgna said on the Chris Stigall Show (9/8) that "the economy has come back thanks to the President's policies, his optimistic spirit," leading "about 80%" of local businesses to reopen, "home sales now the highest since December of '06," retail sales "at the highest they've ever been," and autos "up about 75%." He said, "These are extraordinary numbers, and these are, by the way, numbers that tend to tell you where you're going.... There are many, now, private forecasters who have taken their estimates of current quarter GDP...up to 30% and above," which would "put us on track...to recoup all of this pandemic-related contraction by early next year."

Acting CEA Chairman Goodspeed said on CNBC's Squawk Box (9/8, 167K) that "just two months ago, the Congressional Budget Office, nonpartisan Congressional Budget Office, was projecting an average unemployment rate during the third quarter of 14.1%, so this was definitely an outperformance of expectation." He said, "When the unemployment rate peaked at 10% back in October 2009, it was 27 months before we saw 8.4% unemployment again. We achieved that decline in just one month, from 10.2% down to 8.4%.... So this was definitely, I think, a testament, not only to the strength of the US economy heading into this crisis, but also to the speed and scale of the response."

Trump campaign senior adviser Steve Cortes said on Fox News' Bill Hemmer Reports (9/8) that "the momentum is clearly going our way right now, public and private polling shows us that, and I think the reason the momentum's going our way is because of the economic momentum in this country right now. There is a burgeoning economic renaissance afoot in this country right now, and that's not just my opinion, that's what the economic data tell us, especially that blockbuster jobs report that we just got on Friday to kick off Labor Day weekend."

NYTimes Analysis: Trump's Economic Narrative Omits Role Of Fed Policies.

In an analysis, the New York Times (9/8, Smialek, Tankersley, 18.61M) reports that while President Trump "is using the prepandemic economy to make a case for his re-election," and "seeking to convince voters that he is rapidly returning America to that prosperous place following waves of pandemic-wrought job loss," his "story line about his economic track record, particularly what he showcased during his Republican National Convention speech last month, leaves out a crucial detail. Lucky timing and a patient Federal Reserve was pivotal in driving the strong labor market of the late 2010s, economists said." Although the Administration's "tax cuts and higher government spending temporarily nudged the economy," the "trade wars cooled it off, so the administration's track record was mixed." The Times adds, however, that this "complicated reality is unlikely to stop Mr. Trump from laying claim to the successes of the 2018 and 2019 job market."

Small Business Optimism Is Back Above Historical Average.

The Washington Examiner (9/8, Krishan, 448K) reports small-business optimism has once again climbed "above the historical average following the end of the coronavirus surge over the summer, which has led to increased earnings and job openings." The NFIB Optimism Index "increased 1.4 points from July to 100.2 in August, slightly above the historical 46-year average." The survey "also showed more firms looking to hire and more reporting higher earnings."

Boeing Identifies Another 787 Production Problem.

The Wall Street Journal (9/8, Cameron, Subscription Publication, 7.57M) reports that Boeing Co. said it has found another manufacturing problem that is delaying deliveries of the 787 Dreamliner. The company, which grounded eight 787s last month due to production issues, said the current problem involved construction of the horizontal stabilizer. Boeing said it has notified the FAA and that the problem is not an immediate safety-of-flight issue.

Apple Countersues Epic Games.

The Wall Street Journal (9/8, Higgins, Subscription Publication, 7.57M) reports Apple Inc. has countersued Epic Games Inc., the maker of "Fortnite," alleging that the company breached a contract by including an in-app payment system within the game.

GM To Help Nikola Engineer And Build Electric Pickup Truck.

The Wall Street Journal (9/8, Dabaie, Subscription Publication, 7.57M) reports that General Motors has agreed to help Nikola Corp. engineer and build its electric pickup truck. GM will engineer, validate and manufacture the electric battery and fuel cells for the truck in exchange for $2 billion in new stock and the right to nominate one director.

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McDonald's CEO Says Company Must Do More To Increase Minority Representation.

The Wall Street Journal (9/8, Haddon, Subscription Publication, 7.57M) reports that while McDonald's once had an exemplary record in terms of Black restaurant ownership and African Americans in top management positions, the number of Black officers in the highest ranks of its US business and Black ownership of restaurants have both declined. Chief Executive Chris Kempczinski says McDonald's must increase minority representation.

Disney's Acknowledgment Of Chinese Police Sanctioned For Repressing Uighurs Sparks Outrage.

The New York Times (9/8, Qin, Wong, 18.61M) reports, "Disney's live-action remake of 'Mulan' has drawn a fresh wave of criticism for being filmed partly in Xinjiang, the region in China where Uighur Muslims have been detained in mass internment camps." The Times says "several social media users noticed that in the film's credits, Disney thanked eight government entities in Xinjiang, a region in China's Far West that is home to the Uighurs." According to the Times, "The entities mentioned in the movie's credits included the police bureau in Turpan," which the Trump Administration "placed," along with "other police organizations in Xinjiang, on a blacklist that forbids U.S. companies from selling or supplying products to them."

The Washington Post (9/8, Dou, 14.2M) says the "end credits...include the Turpan Municipal Bureau of Public Security, which was sanctioned by the U.S. Commerce Department last year for its role in operating what China describes as 'reeducation' camps in the northwestern Xinjiang region." The Post adds, "Several Xinjiang propaganda departments that have worked to deny the detention program's existence are also credited." According to the Post, "Shawn Zhang, a Canada-based researcher, noted Monday that the timeline of the "Mulan" production coincided with the peak of the Xinjiang 'reeducation' campaign," and "calculated that the crew would have passed seven of the detention centers while driving from the Turpan airport to the filming site in the desert."

Calls For Consumer Boycott Of Hobby Lobby Over Pro-Trump Display Trending On Twitter.

USA Today (9/8, Tyko, 10.31M) reports that "calls for a consumer boycott are over a pro-Trump display at arts and crafts store Hobby Lobby" have been trending on Twitter since a user shared a photo "of a display of decorative letters arranged to read 'USA Vote Trump' and the caption 'In a Hobby Lobby.'" USA Today says it is "unclear whether the display was designed by a Hobby Lobby employee or a shopper."

Krach Touts Clean Network Initiative.

Under Secretary of State for Economic Growth Keith Krach said on Fox Business' Varney & Co. (9/8, 64K) that the new Clean Network Initiative "is rooted in internationally accepted digital trust standards, which include things like transparency, reciprocity, rule of law, and protection of intellectual property.... It's an enduring strategy that addresses data privacy, security, trust and collaboration, and human rights, and what it's done is it's set off a chain reaction where 30 countries have joined the Clean Network. Over 40 telcos have joined it, and it's really about, you know, America's free market system versus the Chinese Communist Party's authoritarian model." Krach said, "The world is waking up to the CCP's three-pronged strategy of concealment, co-option, and coercion...and it's really given the political will to government leaders and CEOs around the world to stand up to China's maligned practices."

WSJournal Opposes Bailouts For State, Local Governments In Coronavirus Relief Bill.

A Wall Street Journal (9/8, Subscription Publication, 7.57M) editorial argues that while Democrats are demanding a bailout for states based on their claim that government layoffs are impeding the recovery, the August jobs report shows that government workers felt the least pain during the pandemic. Arguing that the skinny relief bill offered by Senate Republicans, which excludes money for states, is the right policy and questions why taxpayers in other parts of the country should pay for public worker pensions in Illinois or New Jersey.

Reuters Analysis: Biden May Keep Trump's China Tariffs In Place If Elected.

Reuters (9/8, Lawder, Hunnicutt) reports Joe Biden has called President Trump's tariffs "damaging," "reckless" and "disastrous," but he "may keep some in place anyway if he is elected." Reuters says that while "Republicans largely abandoned traditional party goals such as unfettered trade and balanced budgets to embrace Trump's 'America First' agenda," for Biden "the task is not so simple." Biden, it notes, is "backed by labor unions who want job protections and infrastructure spending, and progressives who want action on climate change, lower drug prices and human rights, while facing demands from farmers and US corporations eager for tariff cuts and a less disruptive China trade relationship." The result will likely add up "to a wait-and-see approach that could keep many of the tariffs Biden would inherit from Trump in place for years."

Trump: "Ridiculous" Shutdowns "Being Done To Hurt The Economy" Before Election.

President Trump tweeted Tuesday, "The Democrats will open up their states on November 4th, the day after the Election. These shutdowns are ridiculous, and only being done to hurt the economy prior to the most important election, perhaps, in our history! #MAGA"

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Azar, Hahn: Administration Will Not Compromise Vaccine Safety.

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Asked to respond to concerns over vaccine development on Fox News' Daily Briefing (9/8), HHS Secretary Azar said, "The President, I as

Secretary, and the officials at the FDA, including the career officials, will require that any vaccine meet the very high safety and efficacy standards that the FDA has set. ... We will not compromise on the safety and efficacy of a vaccine even as we move under President Trump's leadership to get one as quickly as possible." Azar said, "We feel that it is extremely credible that we will have in the high tens of millions of doses of FDA gold standard vaccine by the end of the year thanks to this Operation Warp Speed that President Trump has commissioned and led."

FDA Commissioner Hahn similarly said on KTVT-TV Dallas (9/8, 126K), "Everybody in America wants a vaccine that's safe and effective and as quickly as possible. So we have urgency about that, but we're not going to cut any corners with respect to our review of it." Asked about pressure from the Administration, Hahn said, "We all, I think, feel the pressure of the moment with respect to COVID-19."

Pharmaceutical CEOs Issue Safety Pledge.

The Washington Post (9/8, Rowland, 14.2M) reports the CEOs of nine drug companies – including Pfizer, Moderna, BioNTech, and AstraZeneca – "pledged Tuesday not to seek regulatory approval before the safety and efficacy of their experimental coronavirus vaccines has been established in Phase 3 clinical trials, an extraordinary effort to bolster public faith in a vaccine amid President Trump's public rush to introduce a vaccine before Election Day." They wrote in the joint statement, "We believe this pledge will help ensure public confidence in the rigorous scientific and regulatory process by which covid-19 vaccines are evaluated and may ultimately be approved." The Post, however, says the statement "left open the door for partial data from the massive Phase 3 vaccine trials – which require the participation of at least 30,000 test subjects – being used to seek emergency-use authorization."

On NBC Nightly News (9/8, story 3, 2:35, Holt, 5.56M), Tom Costello called it "an unprecedented joint statement," while on the CBS Evening News (9/8, story 3, 2:35, O'Donnell, 3.99M), Adriana Diaz reported, "Nine of the leading vaccine makers stated what should be obvious: that they'll adhere to high scientific and ethical standards. But in an unusual show of scientific solidarity, they also promised to pursue Phase 3 clinical trials before the approval of any vaccine, a step Russia and China skipped, adding, 'We believe this pledge will help ensure public confidence.' Here's why: A recent CBS News poll found that just 21% of voters say they would get a vaccine as soon as it's available, down from 32% in July."

ABC World News Tonight (9/8, story 3, 2:40, Muir, 6.54M) also briefly reported the announcement, while among those also reporting the story are the Wall Street Journal (9/8, Loftus, Hopkins, Subscription Publication, 7.57M), Bloomberg (9/8, Langreth, 4.73M), Reuters (9/8, Maddipatla), Politico (9/8, Owermohle, 4.29M), and The Hill (9/8, Axelrod, 2.98M).

AstraZeneca Vaccine Trial Put On Hold Due To Reported Adverse Reaction.

NBC Nightly News (9/8, story 3, 2:35, Holt, 5.56M) reported, "AstraZeneca putting its vaccine trial on hold because of a suspected adverse reaction in a participant." NBC's Tom Costello added, "AstraZeneca said it is pausing its Phase 3 trial to investigate an unexplained illness" in a trial participant.

On the CBS Evening News (9/8, story 3, 2:35, O'Donnell, 3.99M), Adriana Diaz reported the drug company "said a participant in the Phase 3 trial in the UK had an adverse effect to the vaccine. They're putting that trial, which is also taking place here in the US, on hold. This just underscores the importance of widespread human testing and Phase 3 trials before any vaccine goes to market." ABC World News Tonight (9/8, story 3, 2:40, Muir, 6.54M) called the hold "a major setback...in what had been one of the most promising studies from the University of Oxford." ABC's Steve Osunsami added the trial is "being put on hold because one of their volunteers reportedly suffered a suspected serious adverse reaction."

USA Today (9/8, Weintraub, Weise, 10.31M) reports that it is "not clear how long the stoppage will last." In a statement, AstraZeneca said, "We are working to expedite the review of the single event to minimize any potential impact on the trial timeline."

Number Of COVID Cases And Deaths Continue To Fall In US.

Reuters (9/8, Shumaker) reports that "several states in the U.S. Midwest and Northeast have seen new COVID-19 cases increase for two weeks in a row, though nationally both new infections and deaths last week remained on a downward trend." The US reported "more than 287,000 new cases in the week ended Sept. 6, down 1.4% from the previous week and marking the seventh straight week of declines." Reuters adds, "More than 5,800 people died from COVID-19 last week, the third week in a row that the death rate has fallen." The Wall Street Journal (9/8, Prang, Hall, Subscription Publication, 7.57M) reports that despite the improvement nationally, 22 states had higher seven-day averages of new cases.

The Washington Post (9/8, Gearan, Weiner, 14.2M) reports the pandemic "appears to be leveling off in most of the United States, with new cases, deaths and hospitalizations all down over the past week, but the plateau leaves the country with high and persistent infection numbers and worries of a post-Labor Day surge in some areas."

ABC World News Tonight (9/8, story 4, 2:15, Muir, 6.54M) reported, "The toll in this country: more than 189,000 American lives lost. Authorities are urging young people to take this seriously, as authorities say we now enter the fall in a more difficult place than we entered the summer in." ABC's Stephanie Ramos added, "Labor Day weekend [is] sparking fresh fears of COVID outbreaks."

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Academy Of Pediatrics Reports More Than 500K US Children Have Tested Positive.

On NBC Nightly News (9/8, story 3, 2:35, Holt, 5.56M), Tom Costello reported the American Academy of Pediatrics said Tuesday that "more than 500,000 children have contracted COVID" and "103 have died. The rate of new cases increasing as kids return to school."

The CBS Evening News (9/8, story 4, 2:15, O'Donnell, 3.99M) reported on what it called "disturbing news...about the number of children testing positive. More than 70,000 kids were diagnosed in the last two weeks, just as school is starting." CBS' Omar Villafranca added, "As schools move towards in-person learning, new numbers show more than half a million US children have tested positive for the virus since the spring."

Cuomo Accuses Trump Of Causing COVID Outbreak In New York.

CNBC (9/8, Feuer, Breuninger, 3.62M) reports on its website that New York Gov. Andrew Cuomo (D) "blasted President Donald Trump on Tuesday for 'actively trying to kill New York City' while airing a long list of other grievances about how the Empire State has been treated by the federal government." Cuomo "accuse[d] the president of causing 'the Covid outbreak in New York,' adding that the federal ban on travel from Europe was 'too little, too late.'"

The Fox News (9/8, Phillips, 27.59M) website quotes Cuomo as saying, "Donald Trump caused the COVID outbreak in New York. ... That is a fact. It's a fact that he admitted, and the CDC admitted, and [NIAID Director] Fauci admitted."

Biden Walks Back Call For National Mask Mandate.

The New York Post (9/8, Jacobs, 4.57M) reports Joe Biden "walked back his own call for a national mask mandate" on Sunday, "saying he wouldn't issue any binding orders because he believes it would be unconstitutional." In an interview with AZFamily's Politics Unplugged, Biden said, "Here's the deal, the federal government – there's a constitutional issue whether federal government could issue such a mandate. I don't think constitutionally they could, so I wouldn't issue a mandate." Given the legal challenges, Biden said he would "plead with" people to wear a mask, adding, "I'd set an example."

Trump Calls BLM Protesters "Thugs," "Biden Voters."

The Washington Times (9/8, Chasmar, 492K) reports that in a tweet Tuesday morning, President Trump "slammed a group of Black Lives Matter protesters as 'thugs'" after "a now-viral video showed them harassing elderly White diners in Pittsburgh." Trump wrote, "BLM Protesters horribly harass elderly Pittsburgh diners, scaring them with loud taunts while taking their food right off their plate. These Anarchists, not protesters, are Biden voters, but he has no control and nothing to say. Disgraceful. Never seen anything like it. Thugs! And because of weak and pathetic Democrat leadership, this thuggery is happening in other Democrat run cities and states. Must shut them down fast. Biden and his most Liberal in Senate running mate, Kamala, won't even talk about it. They won't utter the words, LAW & ORDER!" Trump also retweeted the video, which "showed protesters accosting White diners at a Pittsburgh restaurant during a Black Lives Matter march Sunday."

In another tweet Tuesday, Trump wrote, "They are not 'peaceful protesters', as Sleepy Joe and the Democrats call them, they are THUGS – And it is all taking place in Democrat run cities. Call me and request Federal HELP. We will solve your problems in a matter of minutes – And thanks to the U.S. Marshalls [sic] in Portland!" Later Tuesday, Trump retweeted a video of protesters in a Pittsburgh McDonald's. He wrote, "Democrats and Sleepy Joe's Peaceful Protestors!"

WPost, NYTimes Analyses: Trump Increasingly Focused On Tying Democrats To Urban Unrest. The Washington Post (9/8, Scherer, 14.2M) reports in an analysis that President Trump has "reverted to using graphic depictions of violence as a centerpiece of his reelection campaign strategy, using his Twitter account, his stump speech and even the White House podium as platforms for amplifying domestic conflict." Trump's "2016 focus on radical Islamist terrorism and undocumented-immigrant crime, which he credited with helping him win the Republican nomination, has been replaced by warnings of new threats as he elevates gruesome images of Black-on-White crime, street fights involving his supporters and police-misconduct unrest nationwide." The Post says Trump is "using the specter of violence amid Black Lives Matter protests to claim superior toughness and promising forceful resolution if given the chance."

A New York Times (9/8, Peters, 18.61M) analysis says the President is "using a fear-based playbook that is as familiar to him as it is questionable in actually helping Republicans get elected in recent years." While "some of the players have changed – instead of MS-13 gang members and migrant caravans, now there are rioters and looters," the "target audience and themes are the same: Suburban communities that he claims Democrats won't keep safe." According to the Times, "Democrats can point to the 41 House seats they picked up in 2018 to show that the Republican strategy did not work then, and that voters were more concerned about health care than havoc." However, Democrats "acknowledge a real risk that Mr. Trump and Republicans could benefit by" portraying Biden and Democrats "as indifferent to the violence and unrest that has shaken cities across the country, especially in the Midwestern suburbs in Wisconsin and Minnesota where it is not so distant and abstract."

That theme was evident in a pair of tweets from the President on Tuesday. Tuesday morning, he tweeted, "Suburban voters are pouring into the Republican Party because of the violence in Democrat run cities and states. If Biden gets in, this violence is 'coming to the Suburbs', and FAST. You could say goodbye to your American Dream!"

Later in the day, he tweeted, "Democrats admit that President Trump's message is 'working' on violence coming to the Suburbs in a Looney Biden Administration. Plus, Biden just doubled down on forcing Federal control of local zoning. This means low income housing and

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projects. So much for the American Dream!"

Former Prosecutor: BLM Protests Could Backfire By Leading To Trump's Reelection. Former federal prosecutor Michael J. Stern writes in USA Today (9/8, 10.31M), "Black Lives Matter protesters need to pack up and go home. Yes, protesting against racially motivated police brutality is a righteous cause. But at this fragile moment in time," President Trump "has made restoring order to riot-torn streets across the country a cornerstone of his campaign." Trump's "attempt to foist responsibility onto [Joe] Biden is cause for concern," Stern argues. He calls on Black Lives Matters organizers "to tell legitimate protesters to go home. Let the streets of Portland and Kenosha be awash in a sea of MAGA hats, not BLM T-shirts."

After Criticism Of Kavanaugh, Harris Supports Blake Despite Sexual Assault Charge.

The Washington Times (9/8, Richardson, 492K) reports that Sen. Kamala Harris (D-CA) "offered her support Monday" for Jacob Blake, "speaking with him by phone and visiting with several of his relatives and attorneys at Mitchell International Airport in Milwaukee." The Times points out that Harris' "well-wishes came even though Mr. Blake has been charged with sexually assaulting his ex-girlfriend, while Ms. Harris is known as a champion of the #MeToo movement, gaining national fame for her 2017 grilling of then-Judge Brett Kavanaugh." During Kavanaugh's confirmation hearings, Harris said he believed Christine Blasey Ford, "who accused Mr. Kavanaugh of pinning her to a bed, groping her, and trying to remove her clothes while they were in high school." the Times adds that while Harris and Joe Biden have met with Blake, neither has "met with the woman who says Blake abused her for years and raped her. They haven't even acknowledged her existence."

The Daily Caller (9/8, Kruta, 716K) reports that Megyn Kelly criticized Harris Tuesday for saying she was "proud" of Blake. "Kelly wondered in a tweet why Harris did not appear to be showing any concern for the woman Blake had allegedly sexually assaulted prior to his confrontation with police." She tweeted, "PROUD of him? He's accused of breaking into a sleeping woman's house, sexually assaulting her, humiliating her & later returning to harass her. Then the cops she called for help say he resisted arrest, assaulted them & went for his knife. How about a word for his victim, Senator?"

Rochester Police Chief Resigns Amid Probe Of Prude's Death.

USA Today (9/8, Cleveland, 10.31M) reports Rochester Police Chief La'Ron Singletary announced his retirement from the police department Tuesday amid an investigation into the death of Daniel Prude, a Black man who died of asphyxiation in police custody in March. Singletary's "performance has come under heavy scrutiny in the past week" as news of Prude's death became public. Community activists have called for his resignation.

On NBC Nightly News (9/8, story 2, 1:00, Holt, 5.56M), Kathy Park reported, "After days of backlash from the community...Singletary and the deputy police chief abruptly announced their retirements today." The New York Post (9/8, Lapin, 4.57M) reports Deputy Chief Joseph Morabito also announced his retirement on Tuesday.

On the CBS Evening News (9/8, story 2, 2:00, O'Donnell, 3.99M), Rochester Mayor Lovely Warren (D) was shown saying "Chief Singletary will remain in charge of the department through the end of the month, and I know that he and the officers will fulfill their duties." CBS' Jericka Duncan added, "Even the deputy chief announced his plans to retire, and the mayor says she expects more officers will follow suit."

ABC World News Tonight (9/8, story 7, 1:40, Muir, 6.54M) reported, "Last week, Mayor Lovely Warren said Chief Singletary told her Prude died of an overdose, but later defended his actions, saying the chief was not asked to resign." The New York Times (9/8, Wilson, 18.61M), among other news outlets, also reports the story.

Trump Blasts Cuomo, Rochester Mayor After Resignations. The New York Post (9/8, Bowden, 4.57M) reports President Trump "blasted" New York Gov. Andrew Cuomo (D) and Warren on Tuesday after the resignations were announced. Trump tweeted, "Police Chief, and most of the police in Rochester, N.Y., have resigned. The Democrat Mayor and, of courses [sic], Governor Cuomo, have no idea what to do. New York State is a mess – No Money, High Taxes & Crime, Everyone Fleeing. November 3rd. We can fix it!"

Amid Calls To Defund Police, Portland Increases Spending By 200% As Protests Continue.

The Washington Free Beacon (9/8, Nester, 78K) reports that as protesters in Portland "continue to call for defunding the police, the Portland Police Bureau spent nearly $7 million on overtime pay in June and July – 200 percent more than the same time frame last year – as officers were dispatched to quell violent anti-police protests." The increase in overtime pay "coincides with a summer of unrest in the city."

Several Portland Rioters Released Without Bail. Breitbart (9/8, Bleau, 673K) reports Portland police "arrested dozens of rioters in the city over last weekend's protests," but "many...were quickly released without bail."

Police Departments Reject Activists' Demands For Changes.

The Washington Times (9/8, Mordock, 492K) reports, "Police departments say they won't bow to demands by social justice warriors for sweeping changes to policing protocols." A Washington Times survey of police departments "across the country and national law enforcement organizations found most opted for slight adjustments to standard operating procedures rather than major overhauls."

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Police Organizations, Faith Groups Partner To Host "National Faith & Blue" Weekend.

The Washington Times (9/8, Mordock, 492K) reports, "Hailing it as the 'largest police-community engagement in history,' a coalition of law enforcement groups on Tuesday announced the creation of a National Faith & Blue weekend, to connect police with members of the faith-based community." The event, which will take place nationwide Oct. 9-12, "will aim to repair the damaged relationships between police officers and communities, especially those with large minority populations."

Sharpton Rejects Defunding Police Movement As "Something A Latte Liberal May Go For."

The Washington Times (9/8, Chasmar, 492K) reports MSNBC host Al Sharpton said Tuesday that defunding the police "is an idea only a 'latte liberal' could support." During an appearance on MSNBC's Morning Joe, Sharpton "said New York City's poorer communities are in need of more policing, not less."

De Blasio Touts "Peaceful" Weekend As NYPD Hits 25-Year High In Gun Arrests.

Fox News (9/8, Casiano, 27.59M) reports on its website that the NYPD "marked a 25-year high in gun busts last week as violent crime continues to plague the city, officials said Tuesday." Police Commissioner Dermot Shea "said 160 gun arrests were made between Aug. 31 and Sunday." The news came after 23 shootings occurred over the holiday weekend. Still, Mayor Bill de Blasio (D) touted the "peaceful weekend" during his Monday briefing.

Study Shows Hundreds Of BLM Protests Turned Violent.

Townhall (9/8, Pavlich, 177K) reports a new study from Princeton University found that "over the past four months hundreds of 'protests' have turned into violent, destructive riots" around the country.

American Airlines Allows Flight Attendants Allowed To Wear BLM Pins. The Washington Times (9/8, Ernst, 492K) reports American Airlines has announced that flight attendants are now allowed to don "Black Lives Matter" pins. In a statement, the airline said, "American is truly committed to having an inclusive culture that is welcoming to all and a reflection of our country and world."

Sociologist Suggest Ways To "Meaningfully" Reform Policing.

In an op-ed for the New York Times (9/8, 18.61M), sociologist Neil Gross writes that "a substantial body of social science research...provides answers" to how police can be "meaningfully reformed." Gross recommends banning "pretextual" traffic stops, in which "a police officer harbors some vague suspicion that a driver may be involved in criminal activity." Gross also calls for requiring "written consent when an officer asks permission to search a driver's car." While this "won't eliminate racial disparities in traffic stops," by "reducing the frequency of vehicle searches, consent forms make the experience of being stopped less onerous." In addition, Gross recommends that police departments "generate statistics showing how officers on particular patrol shifts or in specific precincts are doing at stopping drivers proportional to their demographic representation in the community." Those reforms, he writes, "could bring greater justice to our roads."

DOJ Seeks To Defend Trump In Rape Accuser's Defamation Suit.

The AP (9/8, Peltz) reports that the Justice Department filed papers Tuesday "seeking to take over President Donald Trump's defense in a defamation lawsuit from a writer who accused him of rape, and federal lawyers asked a court Tuesday to allow a move that could put the American people on the hook for any money she might be awarded." Following New York state courts' refusal of "Trump's request to delay E. Jean Carroll's suit, Justice Department lawyers filed court papers Tuesday aiming to shift the case into federal court and to substitute the U.S. for Trump as the defendant. That means the federal government, rather than Trump himself, might have to pay damages if any are awarded."

The Washington Post (9/8, Zapotosky, 14.2M) reports that in filings in federal court in Manhattan, DOJ argued that Trump was "acting within the scope of his office as President of the United States" when he denied during interviews in 2019 that he had raped Carroll. Carroll "had sued Trump over that denial in November." DOJ lawyers "said that because Trump was acting as president when he denied the allegations," a judge should "substitute the United States for President Trump as defendant."

The New York Times (9/8, Feuer, 18.61M) reports that Carroll's lawyer "said in a statement issued Tuesday evening that the Justice Department's move to intervene in the case was a 'shocking' attempt to bring the resources of the United States government to bear on a private legal matter." The attorney, Roberta A. Kaplan, said in the statement, "Trump's effort to wield the power of the U.S. government to evade responsibility for his private misconduct is without precedent...and shows even more starkly how far he is willing to go to prevent the truth from coming out."

Meadows: "Additional Documents" Show Former Officials Could Be In "Real Trouble" From Durham Probe.

The Washington Examiner (9/8, Chaitin, 448K) reports that in an appearance on Fox Business' Mornings With Maria Tuesday, Chief of Staff Meadows "said he has seen 'additional' documents that are pertinent to U.S. Attorney John Durham's criminal inquiry into the Russia investigation." Meadows "noted that these records he has viewed reflect poorly on top FBI officials who were involved in the origins of the operation looking into ties between President Trump's 2016 campaign and Russia." Meadows said, "Additional documents that I've been able

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to review say that a number of the players, the Peter Strzoks, the Andy McCabes, the James Comeys, and even others in the Administration previously are in real trouble because of their willingness to participate in an unlawful act, and I use the word 'unlawful' at best, it broke all kinds of protocols, and at worst people should go to jail as I mentioned previously."

House Petitions DC Circuit Court To Rehear McGahn Subpoena Case.

The Hill (9/8, Neidig, 2.98M) reports the House Judiciary Committee has petitioned the full District of Columbia Circuit Court of Appeals "to rehear the case over its subpoena to former White House counsel Don McGahn after a panel of judges dismissed the lawsuit in a ruling that would essentially render the House's subpoenas legally unenforceable." The committee argued that the three-judge panel's decision "hamstrung the House's constitutional right to obtain information." The full circuit "has already taken the case up once, ruling in August that the House has standing to bring such a lawsuit, overturning an earlier decision from the three-judge panel. But the panel dealt another blow to the House when the case was sent back, ruling just three weeks later that the lower chamber has no legal grounds to seek enforcement of their subpoenas by the courts."

Graham Praises Wray's Help With Crossfire Hurricane Probe.

The Washington Examiner (9/8, Dunleavy, 448K) reports Senate Judiciary Chairman Lindsey Graham praised FBI Director Wray "for the bureau's cooperation with the Republican's investigation into the Trump-Russia investigators as the 2020 election looms." Following a meeting with Graham in late August, "Wray sent the senator a letter last week that was made public Tuesday." In it, the bureau highlighted "the many meaningful steps taken under Director Wray's leadership to ensure the failures of Crossfire Hurricane are not repeated" and vowed that "the FBI continues to cooperate fully with this Committee's investigation." Graham said Tuesday, "I very much appreciate this update from the FBI. ... FBI Director Wray and his team are helping the committee perform vital oversight. I know Director Wray wants to repair the damage done by Crossfire Hurricane. He is working to rebuild the credibility of the FBI."

Delays In Naturalization Interviews, Ceremonies May Keep Some Immigrants From Registering To Vote.

CQ Roll Call (9/8, Dechalus, 154K) reports that when the coronavirus pandemic hit, USCIS "postponed naturalization interviews and ceremonies, adding to a backlog worsened by budget woes and threatening to prevent hundreds of thousands of would-be citizens from registering in time to vote this November." USCIS "has not disclosed how far behind it is in naturalizations." Spokesman Dan Hetlage "said the agency is on pace to naturalize approximately 600,000 new citizens by the end of the current fiscal year, which runs through September. But that's nearly 30% lower than the previous year when 834,000 new citizens were sworn in."

Kudlow Criticizes Biden Plans To Raise Taxes.

NEC Director Kudlow said on Fox News' America's Newsroom (9/8, 896K) that "it is inconceivable to me, putting partisan politics aside, honestly, whether you're a Keynesian or a Democratic Keynesian or demand-sider, or a Republican, Reagan supply-sider, or Trump supply-sider like me, who would raise taxes coming out of a deep pandemic contraction?" Kudlow said, "You should be cutting taxes to put more money in people's pockets and more money in businesses. Why in the world would people want to raise taxes now and pick the pocket of taxpayers who are returning to work in droves?"

JPMorgan Investigating Employee, Customer Wrongdoing Involving Coronavirus Stimulus Programs.

The Wall Street Journal (9/8, Benoit, Subscription Publication, 7.57M) reports JPMorgan Chase & Co. told employees Tuesday that it has uncovered evidence of wrongdoing by employees and customers involving the Paycheck Protection Program, unemployment benefits and other coronavirus stimulus programs and it is cooperating with authorities.

Cuomo Under Pressure From Fellow Democrats To Back Tax Increases On Richest.

The New York Times (9/8, Ferré-Sadurní, McKinley, 18.61M) reports that New York state Democratic lawmakers are pressuring Gov. Andrew Cuomo (D) "to approve a tax on the wealthy, fearing that budget cuts will hurt those most in need." According to the Times, "As the coronavirus pandemic has transformed New York's financial problems from merely troubling to catastrophic, a growing contingent of Democrats in the all-blue Legislature is pushing the governor to reconsider his stance." However, the Times says Cuomo argues that "the potential benefit of new revenue from taxing the rich would be far outstripped by the negative impact on the state's highest earners, who already shoulder the bulk of the state's taxes."

Climate Scientist Says Leaders Must Listen To Scientists About Hurricane Preparation.

In an op-ed for the New York Times (9/8, 18.61M), Jill C. Trepanier, a climate scientist at Louisiana State University, writes that despite "impressive advancements" in climate and weather science since Hurricane Katrina 15 years go, the US "is still woefully unprepared." Trepanier argues that can be changed if politicians "turn to the scientists who study these storms and how to protect against the catastrophic

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damage they can inflict." Scientists "know a lot," but "this expertise does not always find its way to the elected officials and other policymakers responsible for planning and responding to these storms." Trepanier adds, "We can see, and scientists confirm, that the effects of climate change are severe and happening. ... Scientists and communities have solutions. They must be empowered by our leaders to help them make the changes we so desperately need."

Atlas: Schools Should Work To Offer As Much In-Person Learning As Possible.

White House coronavirus task force member Scott Atlas said on WMAL-AM Washington (9/8), "We support what they're doing to do everything they can to open in person. We support any kind of hybrid options they have. We support parents being able to make a choice to send their kids elsewhere if their school isn't open." Asked about exclusive virtual learning, he said, "The harms are extreme to children, the schooling from pure long distance is a failure, basically. Some of the data shows 30% reduction in reading, 50% reduction in math skills, just from the couple months of lots of online education in the spring." Atlas said, "Schools should do everything they can to have as much as possible in person learning, with doing everything they can, of course, to protect those teachers who are high risk, to protect the students who are at high risk, to protect the staff that are at high risk."

First Day Of School For Many Marred By Tech Problems.

NBC Nightly News (9/8, story 4, 0:20, Holt, 5.56M) reported, "This first day of school got off to a rocky start for many kids across the country. Computer glitches making learning at home even more difficult, if not impossible. In Hartford, Connecticut, the first day was postponed because of a ransomware attack, and in other districts where there were major problems with an online learning platform used by several large school systems."

WPost: Appeals Court Ruling An Important Victory For Transgender Students.

The Washington Post (9/8, 14.2M) editorializes the US Court of Appeals for the Fourth Circuit last month ruled in favor of Gavin Grimm, a transgender student, in his five-year-long battle with the Gloucester County School Board over his ability to use the boys bathroom. The Post says it hopes the school board, "which could still seek further appeal, finally gets the message."

House Oversight Committee Will Investigate DeJoy Over Campaign Donations.

ABC World News Tonight (9/8, story 6, 0:30, Muir, 6.54M) reported the House Oversight and Reform Committee will investigate Postmaster General Louis DeJoy, "a Trump donor, over alleged campaign finance violations." ABC's Jonathan Karl: "The Washington Post reported that DeJoy pressured employees at the company that he owned until four years ago to make donations to Republican candidates and then reimbursed those donations through bonuses. DeJoy's spokesperson is denying that he broke any campaign finance laws. The President was asked about this [Monday] and said if the allegations are true, then DeJoy should lose his job." On NBC Nightly News (9/8, story 7, 0:30, Holt, 5.56M), Geoff Bennett reported, "A spokesman for DeJoy tells me he regrets if any employee felt uncomfortable for any reason about the campaign donations."

The Washington Post (9/8, Gardner, 14.2M) reports House Oversight Chairwoman Carolyn Maloney said in a statement late Monday that the committee "would begin an inquiry, saying that DeJoy may have lied to the panel under oath." Reuters (9/8) quotes Maloney as saying, "We will be investigating this issue, but I believe the Board of Governors must take emergency action to immediately suspend Mr. DeJoy, who they never should have selected in the first place."

USA Today (9/8, Wu, 10.31M) reports, "Based on interviews with employees of DeJoy's former company New Breed Logistics, the Washington Post reported Saturday DeJoy or his aides had urged employees to donate to Republicans and attend political fundraisers at his home." The AP (9/8, Daly) and the Washington Times (9/8, Muñoz, 492K) also have reports.

Claver-Carone Almost Certain To Be First US Candidate To Head Inter-American Development Bank.

The Washington Post (9/8, DeYoung, 14.2M) reports the governors of the Inter-American Development Bank are set this week to confirm Mauricio Claver-Carone, "the current head of Western Hemisphere affairs at the National Security Council," to lead "the hemisphere's premier international lending institution" for a five-year term. The Post says his candidacy "marks the first time the United States – by far the bank's biggest donor – has even put forward a nominee for the 61-year-old institution, which by tradition and political agreement has always been headed by a Latin American."

Overdose Deaths Trending Up In 21 Large Counties.

The Wall Street Journal (9/8, Kamp, Campo-Flores, Subscription Publication, 7.57M) reports it has collected data showing that overdose deaths are trending up this year in 21 large US counties. The article highlights that drug traffickers have been facing coronavirus pandemic restrictions, according to the DEA.

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Trump's List Of SCOTUS Candidates Could Serve As An Overture To Thomas, Social

Conservatives.

The Washington Times (9/8, Lovelace, 492K) reports that the "short list" of potential Supreme Court nominees from President Trump "is expected to include additions with connections to Justice Clarence Thomas and may serve as an overture to social conservatives who feel jilted by recent Supreme Court decisions." Trump's use of such a list "helped seal the deal with skeptical voters in 2016 who wanted a judicial conservative to replace the late Justice Antonin Scalia," and this year, he "is refreshing his list without an existing vacancy but with an eye toward his base if another prominent justice soon exits." The Times adds, "Efforts to clear a path for Justice Thomas to leave on his own terms and be replaced with a similar judge are already underway."

The AP (9/8, Gresko) reports Chief of Staff Meadows "told reporters at the White House on Tuesday that Trump's list will be released soon." Meadows said, "I'm optimistic that you'll see those SCOTUS picks in coming days." The AP adds that Biden has said he is also working on a list, "but the campaign has given no indication that it would release any names before the November election and doing so would risk giving Trump and Republicans a target to put Biden on defense."

Bolton: Report That Trump Disparaged US War Dead Is "Simply False."

The Federalist (9/8, Justice, 126K) reports that in an appearance on Fox News' The Story Monday, former National Security Adviser John Bolton, "who was fired in 2019 and remains no friend of the president's, denied The Atlantic's bombshell report last week supposedly 'confirmed' by Fox News' Jennifer Griffin that alleges Trump disparaged American war heroes buried in France on a 2018 trip." Bolton "further refuted the anonymous claims that the president made disparaging remarks to avoid participating in a ceremony at the Aisne-Marne cemetery." He said, "That was simply false. ... I don't know who told the author that but that was false." Asked about Griffin's assertion that she stands by her reporting, Bolton said, "She's just flatly wrong. ... I don't think the affair lasted more than 10 or 15 minutes, and the main issue was whether or not weather conditions permitted the President to go out to the Aisne-Marne cemetery."

The Atlantic Editor Says Anonymous Sourcing Is "Not Good Enough." The Daily Caller (9/8, Talcott, 716K) reports that int he wake of the "backlash" over the story, The Atlantic's editor-in-chief Jeffrey Goldberg "conceded on MSNBC's All In Monday that anonymous sourcing is 'not good enough.'" Goldberg, who had previously said the sources were allowed to stay anonymous because they feared "angry tweets and all the rest," said, "These are people just like other people, and they have this anxiety. ... It is a reasonable question to ask why people who have had direct exposure to Donald Trump, who know what Donald Trump has said, who know what Donald Trump has done, won't simply come out and say it. ... And I share that view that it's not good enough. ... But, you know, like other reporters, I'm always balancing out the moral ambiguities and complications of anonymous sourcing with a public's right to know."

Heritage Foundation Dismisses Trump's Alleged Comments. The Washington Examiner (9/8, Mahshie, 448K) reports that the Heritage Foundation "has dismissed allegations that President Trump made disparaging remarks about military veterans, as well as others that claimed top generals prioritize the military-industrial complex over the lives of soldiers." Retired Lt. Col. Jim Carafano, Vice President of the Heritage Foundation's Institute for National Security and Foreign Policy, said, "You have a quote which doesn't sound like the President. ... It's completely inconsistent with everything the President has ever said about veterans and military service. ... I think it's much ado about nothing. ... Nothing leads me to believe that it's an accurate statement of the President's views. ... You have to look at the President's actions."

Wounded Iraq Veteran Calls Out Anti-Trump Meme Using His Image. Breitbart (9/8, Starr, 673K) reports retired Army Staff Sgt. Bobby Henline, "who was severely burned and lost part of an arm while serving in Iraq, has called out a meme that used his image" to push "an anti-Trump narrative" in the wake of The Atlantic's report. In a video that has gone viral, Henline says, "That's my face. ... I'm here to tell you, it's not true. ... People, stop using me for your propaganda, for your agenda." Henline, "who is a Trump supporter according to his Facebook posts, said he does not believe the president would say those things about him."

Top Army General: Military Leaders Would Only Advocate War As "Last Resort."

Politico (9/8, Seligman, 4.29M) reports that on Tuesday, Army Chief of Staff Gen. James McConville "defended military leaders on Tuesday after President Donald Trump accused them of going to war to keep defense contractors 'happy,' saying he and others take the decision to send troops into combat 'very, very seriously.'" According to Politico, McConville "declined to comment specifically on Trump's remarks to reporters on Monday, but defended the Pentagon brass against the accusation that they are beholden to arms manufacturers. 'I've talked with generals, I've talked with admirals, I've talked with [sergeants major] … many of these leaders have sons and daughters who have gone to combat or may be in combat right now. So I can assure the American people that senior leaders would only recommend sending troops to combat when it's required in national security, or as a last resort,' McConville said during an event held Tuesday by Defense One."

Under the headline "After Trump Comments, Top Army General Defends Military's Leaders," Reuters (9/8, Ali, Stewart) reports that on Monday, Trump "criticized [Joe] Biden, describing him as a proponent of 'endless wars,' before turning his criticism toward military leaders who he himself appointed, saying they are interested in conflict to satisfy military contractors. 'I'm not saying the military is in love with me. The soldiers are. The top people in the Pentagon probably aren't because they want to do nothing but fight wars so that all of those wonderful companies that make the bombs, make the planes, make everything else stay happy,' Trump said." According to Reuters, "Such criticism of military leaders by a sitting president is highly unusual." On Tuesday, Chief of Staff Meadows said, "That comment was more directed about the military industrial complex."

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Cohen Book Says Trump Is "A Cheat," "A Liar," "A Con Man."

USA Today (9/8, Jackson, Subramanian, 10.31M) reports that in his book "Disloyal," which was released Tuesday, President Trump's former attorney Michael Cohen writes that Trump wanted to appoint a new US Attorney in the Southern District of New York because he feared he would be indicted and he wanted to be in a position to pardon himself. Cohen wrote, "The reason behind that unprecedented and serpentine thinking was that Trump knows perfectly well that he is guilty of the same crimes that resulted in my conviction and incarceration." In the book, Cohen claims he knew Trump "better than even his family did," and that he witnessed "the real man, in strip clubs, shady business meetings, and in the unguarded moments when he revealed who he really was: a cheat, a liar, a fraud, a bully, a racist, a predator, a con man."

Cohen Ties Falwell's Trump Endorsement To Suppressed Photos. Reuters (9/8, Roston) reports that Cohen's book "ties for the first time the 2016 presidential endorsement of Trump by American evangelical leader Jerry Falwell Jr to Cohen's own role in helping to keep racy 'personal' photographs of the Falwells from becoming public." Cohen "describes thinking that his involvement in the Falwell photo matter would be a 'catch and kill' – the practice of American tabloids to obtain and then suppress unfavorable stories about celebrities – 'but in this case it was just going to be kill.'" Cohen adds, "In good time, I would call in this favor, not for me, but for the Boss, at a crucial moment on his journey to the presidency."

Cohen Says He Would Tell Trump To Resign. NBC Nightly News (9/8, story 8, 4:30, Holt, 5.56M) asked Cohen what he would say to Trump now. Cohen said, "I would tell him, he should resign now. Let Mike Pence pardon you from any and all potential crimes that will come out against you, and that would be my recommendation to you. Step aside."

Cohen: "Virtually Everything" Trump Asked Him To Do Brought Him Shame. NBC Nightly News (9/8, story 8, 4:30, Holt, 5.56M) asked Cohen to describe some of the things he did for Trump that "brought you shame." Cohen said, "Virtually everything that I was tasked to do. The more that I wrote about it, the more that I realized that I had lost my moral compass and, you know, in the book, obviously, I describe Mr. Trump as a cult leader." Asked about the White House questioning his credibility, Cohen said, "Yes, I have made my mistakes, and I have owned them publicly. I cannot make anybody believe me. All I can do is to make amends with my family and with the country and to tell the truth." NBC added, "New York federal prosecutors acknowledge Cohen did provide information to law enforcement, including the special counsel's office, but also noted that Cohen's description of those efforts is overstated in some respects and incomplete in others."

Cohen: Trump's Hatred For Obama Starts With Him Being Black. NBC Nightly News (9/8, story 8, 4:30, Holt, 5.56M) that in his book, "Cohen says there were really no words to describe Trump's hatred and contempt for Barack Hussein Obama." Cohen: "I believe that his hatred for Barack Obama just basically starts with the fact he was Black and that he was the first Black president in this country." NBC added that after Obama "mocked Donald Trump at the 2011 White House Correspondents Dinner, Cohen says his boss wanted him to publicly deny that he was upset." Cohen: "Not only did it bother him, it really irritated him."

Trump Says There Is More Audio Of Cohen With Cuomo And "Other Media Scum." In a tweet Tuesday morning, Trump took a shot at Cohen and CNN anchor Chris Cuomo, he refers to as "Fredo." Trump wrote, "Fredo's got a convicted lier [sic] for a lawyer, who may be going back to jail for an even longer time – additional lies to Congress. Many more tapes of him with Fredo and other media scum reporters. Reveals how deranged & sick they all are!" Trump's post included a link to a tweet from Breaking911 about leaked audio of Cuomo confiding in Cohen about sexual assault allegations.

Sasse Proposes Reforms Including End To Direct Election Of Senators.

In an op-ed for the Wall Street Journal (9/8, Subscription Publication, 7.57M), Sen. Ben Sasse (R-NE) calls for reforms to the US Senate. Sasse's recommendations include removing cameras from the chamber, abolishing standing committees, allowing committees to command times for debates on the Senate floor, requiring senators to live with each other in dormitories when the chamber is in session, limiting senators to one term that is doubled from six to twelve years, repealing the 17th Amendment, which replaced the appointment of senators by state legislatures with direct election, creating a "super committee" to review the ceding of congressional authority to the Executive Branch over the past 80 years and proposing legislation to sunset bureaucracies' authority, changing to two-year federal budgeting that covers all federal spending, including entitlements, and requiring that legislation authorizing federal action provide money to pay for it.

Conditions Expected To Worsen As California Battles Dozens Of Wildfires.

NBC Nightly News (9/8, lead story, 2:40, Holt, 5.56M) reported in its lead story that "after days of extreme temperatures, worse conditions are expected" in California, which is combating "dozens of brush fires." NBC (Almaguer) added that "the Creek Fire has become a blow torch, incinerating everything in its path." The fire is now "moving in multiple directions." Firefighters "are already facing triple-digit heat, drought conditions, and are now bracing for powerful winds. The perfect recipe for disaster." Matt Gutman reported in the lead story for ABC World News Tonight (9/8, lead story, 3:35, Muir, 6.54M) that with "more than two dozen major fires...burning through the state," nearly "14,000 firefighters [are] battling impossible conditions. California passing the grim milestone of two million acres burned – a record." In its lead story, the CBS Evening News (9/8, lead story, 4:15, O'Donnell, 3.99M) reported that "much of the West Coast is now in the danger zone as powerful gusts of hot, dry air are fueling blazes all the way from the Canadian border down to San Diego."

Gore California Wildfires Are What "Unabated Climate Crisis Looks Like." The Washington Times (9/8, Richardson, 492K) reports says the "wild September weather brought a 'climate crisis' warning Tuesday from Al Gore, as Californians struggled with heat and

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wildfires, Atlantic storm-trackers raced through the alphabet and Coloradans traded their flip-flops for snow boots." Gore tweeted, "It reached a record high of 121 degrees F in LA county over the weekend. Extreme heat is fueling a longer, more intense, and more destructive wildfire season in CA. This is what an unabated climate crisis looks like."

Facebook Software Engineer Quits, Saying Company "Is Profiting Off Hate."

The Washington Post (9/8, Timberg, Dwoskin, 14.2M) reports Facebook software engineer Ashok Chandwaney quit Tuesday morning via a lengthy statement posted on the company's internal employee network. Chandwaney wrote, "I'm quitting because I can no longer stomach contributing to an organization that is profiting off hate in the US and globally." The post "was detailed, bristling with links to bolster its claims and scathing in its conclusions." Facebook spokeswoman Liz Bourgeois said in response, "We don't benefit from hate. We invest billions of dollars each year to keep our community safe and are in deep partnership with outside experts to review and update our policies."

Biden Leads In Several Swing States In New Round Of Polls.

Redfield & Wilton Strategies polling of registered voters in several presidential swing states (8/30-9/3) shows Joe Biden leading President Trump in Florida 47%-44%. In Pennsylvania, Biden leads 48%-43%. In Michigan, Biden leads 51%-40%. In North Carolina, Trump leads 44%-43%. In Arizona, Biden leads 48%-43%. In Wisconsin, Biden leads 50%-41%. The Hill (9/8, Wilson, 2.98M) reports that despite Biden's lead nationally and in swing states, "all Democratic Party activists and operatives can think of is the looming sense of déjà vu hanging over their heads. In interviews, those who work on Democratic campaigns voice suspicion over Biden's lead, confident that something else will go wrong just as it did four years ago."

NBC News (9/8, Murray, 6.14M) reports on its website that an NBC News/Marist poll of 766 likely Florida voters (8/31-9/6) shows Biden and Trump tied at 48% each, with Trump "ahead among Latinos in the state, and Biden doing better with seniors than Hillary Clinton did four years ago."

A Susquehanna Polling & Research poll of 498 likely Pennsylvania voters (8/26-9/4) shows Biden at 44% and Trump at 42%.

The Detroit News (9/8, Mauger, 825K) reports a Detroit News/WDIV-TV poll of 600 likely Michigan voters (9/1-9/3) shows Biden at 47% and Trump at 42%.

A We Ask America poll of 500 likely Missouri voters (9/1-9/3) shows Trump at 49% and Biden at 44%.

Trump Campaign Lays Out Victory Scenarios As Broad As 356 Electoral Votes.

The Washington Times (9/8, Boyer, 492K) reports, "Trump campaign advisers laid out seven pathways Tuesday for the president to win reelection, from a 37-state landslide of 356 electoral votes to a razor-thin margin of two electoral votes" over Joe Biden. The possibilities "range from the landslide projection, in which the president would carry 12 battleground states, to the 'Southwest strength' scenario, in which Mr. Trump wins Arizona and Nevada but loses the 'Rust Belt' states of Pennsylvania, Michigan, Wisconsin and Minnesota."

Trump Campaign Planning To Spend More In Minnesota Than In Michigan Or Wisconsin. McClatchy (9/8, Catanese, 19K) reports Trump's campaign "is currently planning to spend more money on advertising in Minnesota than in either Wisconsin or Michigan during the final stretch of the 2020 race, a significant shift in strategy." Trump's campaign "is slated to pour more than $14 million into Minnesota between the beginning of September through Election Day, compared to $12.6 million in Michigan and $8.3 million in Wisconsin," according to media tracking firm Advertising Analytics.

WSJournal: Trump Must Change Subject To Biden Or Lose. The Wall Street Journal (9/8, Subscription Publication, 7.57M) says in an editorial that Trump is clearly trailing as the campaign enters its final two months, and if Democrats can keep the focus on Trump himself, Biden will win. The Journal says the GOP must turn the focus to Biden's agenda, which the Journal calls the most left-wing of any major-party candidate in generations.

Reuters Analysis: Biden Likely To Get Boost From Late-Counted Mail-In Ballots.

Reuters (9/8, Sullivan, Martina) reports that "nearly half of Democrats say they plan to vote by mail, while only one quarter of Republicans plan to do so," and "counting mail ballots is often slower because officials must open thick envelopes, verify the ballots and validate voters' identities, compared with the simpler, speedier process at a polling center where voters cast ballots in person." According to Reuters, Joe Biden's campaign is "bracing for" President Trump to "complain the contest is being stolen as the lead shifts." The Washington Times (9/8, Harper, 492K) says the Daily Beast wrote this week that "the Left" is preparing "for MAGA violence after Election Day."

Official Says Michigan Lacking Federal Funds Needed For Election.

NBC Nightly News (9/8, story 9, 2:55, Holt, 5.56M) reported Michigan Secretary of State Jocelyn Benson (D) is warning that the state is not ready for the November election. NBC's Cynthia McFadden: "The woman in charge of voting in the swing state of Michigan says she is losing hope that Congress will help states prepare for what is shaping up to be the most complicated election in the nation's history." Benson: "With every day that's passed with no action, my optimism decreases significantly. And now we're at the point where, you know, we just have to go. We just have to execute." McFadden: "And that, says [Benson], means election officials across the country are going to have to make do, despite repeated expert warnings that states need $3 billion to $4 billion more federal dollars to pull off the November elections safely and

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securely during COVID-19."

About 1,000 Georgians Under Investigation For Voting Absentee And Again In Person.

The Atlanta Journal-Constitution (9/8, Niesse, 895K) reports that "about 1,000 Georgians...returned absentee ballots and then also showed up at polling places" for the June 9 primary, Secretary of State Brad Raffensperger (R) said Tuesday. Voters "are allowed to cancel their absentee ballots and then vote at polling places as long as their ballots haven't yet been received by election officials. It's unclear whether the voters under investigation attempted to do so." The New York Times (9/8, Saul, 18.61M) reports the investigation comes "a week after President Trump suggested that voters in North Carolina should cast two ballots – one by mail and another at the polls." The Washington Examiner (9/8, Dibble, 448K), Politico (9/8, Oprysko, 4.29M), and the Fox News (9/8, 27.59M) website also have reports.

Trump Reportedly Mulling Giving His Campaign Up To $100M.

Citing "people familiar with the matter," Bloomberg (9/8, Jacobs, Parker, Allison, 4.73M) reports that President Trump has "discussed spending as much as $100 million of his own money on his re-election campaign, if necessary," but "hasn't yet committed to any self-funding." On Tuesday, Trump told reporters, "If I have to, I would...but we don't have to." According to Bloomberg, Trump "has sought advice about whether he should self-fund as he scrutinizes heavy spending by his team earlier this year that failed to push him ahead of the former vice president in the polls." Bloomberg adds that "earlier Tuesday, Trump said on Twitter that his campaign had to spend 'a lot of money' to combat what he called 'false reporting' on his handling of the coronavirus outbreak."

The President tweeted, "Because of the China Virus, my Campaign, which has raised a lot of money, was forced to spend in order to counter the Fake News reporting about the way we handled it (China Ban, etc.). We did, and are doing, a GREAT job, and have a lot of money left over, much more than 2016. ... Like I did in the 2016 Primaries, if more money is needed, which I doubt it will be, I will put it up!"

The CBS Evening News (9/8, story 6, 1:40, Weijia Jiang, 3.99M) briefly reported "the Trump campaign and Republican National Committee are burning through cash, having already spent more than $830 million," and "the President said he's ready to dip into his own pockets." NBC Nightly News (9/8, story 5, 1:05, Geoff Bennett, 5.56M) showed Trump saying, "Yeah, if I have to, I would. But we don't have to because we have double and maybe even triple what we had...four years ago."

The AP (9/8, Madhani, Lemire, Miller) reports that Dan Eberhart, described as "a prominent Republican donor, said that two senior campaign officials told him in recent days that Trump was considering a personal investment in the campaign of as much as $100 million." Eberhart "said the campaign is trying to create 'a little excitement' among top donors and prominent supporters as polls have shown Trump consistently trailing...Joe Biden nationally and in some battleground states." However, Eberhart "said he was skeptical that Trump will spend $100 million of his own money and questioned whether money was significantly hampering the president's campaign." Eberhart is quoted as saying, "This is about telling supporters: Don't pay attention to the polls. Don't pay attention to the media. We're going to win this thing."

The New York Times (9/8, Goldmacher, Haberman, 18.61M) reports that "of the $1.1 billion his campaign and the party raised from the beginning of 2019 through July, more than $800 million has already been spent," and "now some people inside the campaign are forecasting what was once unthinkable: a cash crunch with less than 60 days until the election." According to the Times, "Interviews with more than a dozen current and former campaign aides and Trump allies, and a review of thousands of items in federal campaign filings, show that the president's campaign and the RNC developed some profligate habits as they burned through hundreds of millions of dollars." Since Bill Stepien replaced Brad Parscale as campaign manager in July, "the campaign has imposed a series of belt-tightening measures that have reshaped initiatives, including hiring practices, travel and the advertising budget."

Axios (9/8, Perano, 521K) says "some of the notable expenses for the Trump campaign include $11 million on Super Bowl advertising, roughly $4 million to Trump businesses since 2019 and approximately $156,000 on planes for aerial banners." Reuters (9/8, Mason) reports that Stepien "told reporters on a campaign press call on Tuesday that 'we are now carefully monitoring the budget.'"

Politico (9/8, Forgey, 4.29M) indicates that Trump "has yet to report his August fundraising numbers," and Chief of Staff Meadows "told reporters on Tuesday that he did not know when that campaign announcement would come." Fox News (9/8, Henney, 27.59M) recalls on its website that "during the 2016 presidential campaign, Trump contributed $66 million to his campaign," and "he and his allies raised about $400 million less than Hillary Clinton did four years ago." The Washington Times (9/8, Boyer, 492K), Washington Examiner (9/8, Crilly, 448K), The Hill (9/8, Chalfant, 2.98M) and Daily Caller (9/8, Hagstrom, 716K), among other news outlets, also report the story.

Cortes: Trump 2020 Has "Enough Firepower" For Election. Trump campaign senior adviser Steve Cortes was asked on Fox News' Bill Hemmer Reports (9/8) about reports that Trump is considering spending $100 million of his own money on his presidential campaign. Cortes said, "It's an amazing testimony to his commitment to this country and to winning this race, if necessary," though "we didn't have a lot of cash in 2016 and we still won, even though we were massively outspent. We have enough firepower now to easily get us through Election Day."

Trump Says Biden Has Pledged To Abolish Suburbs.

President Trump tweeted Tuesday afternoon, "Sleepy Joe Biden has pledged to ABOLISH Suburban Communites [sic] as they currently exist by reinstating Obama's radical AFFH Regulation. There goes Suburbia!"

Politico (9/8, Nguyen, 4.29M) says Trump "has claimed, at various points, that Biden's ascension to the White House would ruin everything from 'jobs' to 'the Second Amendment' to 'God' to the 'middle class,' offering scant evidence. More recently, he vowed Biden

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would 'ABOLISH Suburban Communities.'"

Trump Campaign Launches Radio Ad Targeting Black Men.

The Washington Post (9/8, Sonmez, Itkowitz, Wagner, 14.2M) reports that on Tuesday, President Trump's reelection campaign "launched a radio ad in which two of the president's most prominent Black supporters" – former NFL star Herschel Walker and Georgia state Rep. Vernon Jones (D) – "praise him as a leader who 'keeps right on fighting to improve the lives of Black Americans.' ... The minute-long spot, which comes amid a push by the Trump campaign to woo Black and Latino men, will run in 11 urban radio markets." The Washington Examiner (9/8, Bedard, 448K) reports polls are "showing consistent black voter support for President Trump at levels higher than those of previous Republican candidates."

Trump Campaign Paying To Replace White House Sod Following Convention Event.

The Washington Post (9/8, Parker, Rucker, 14.2M) reports President Trump's reelection campaign "is paying to replace sod on the White House South Lawn and in the Rose Garden after damage to the greenery late last month from large crowds and heavy equipment used for Republican National Convention festivities." The Post says the President's "unprecedented decision to stage overtly political events on public property – which drew complaints that the Trumps were using 'the people's house' for personal gain – continues to reverberate nearly two weeks later, as work crews re-sod the lawn and make other repairs."

Biden To Focus On Offshoring During Michigan Trip.

Bloomberg (9/8, Epstein, 4.73M) reports Joe Biden will "unveil a new policy aimed at tackling offshoring – the practice of U.S. companies basing some operations in lower-tax countries" – during a Wednesday campaign trip to Michigan. Bloomberg says Biden's "new push on economic issues" comes "as polls show voters beginning to trust his approach to reversing the job losses and manufacturing contraction brought on" by the COVID-19 pandemic.

Reuters Analysis: Energy Sector "Would Struggle To Meet" Biden Carbon Mandate.

Reuters (9/8, Groom, Volcovici) reports the US power industry "would struggle to meet" Joe Biden's "proposed mandate that it become carbon neutral by 2035 without some big breakthroughs in clean energy technology, according to a Reuters analysis of planning documents and a survey of top utilities." The country's "top power producers said rapid advances in nascent technologies...will be critical to reaching net-zero carbon dioxide emissions." But these technologies "are currently either too costly for mass deployment or not yet commercially viable, the companies said."

In A Surprise Move, Biden Takes Tuesday Off.

Townhall (9/8, Bufkin, 177K) reports that the Biden campaign said "early Tuesday morning" that there would be no news from the former vice president for the remainder of the day. The move, which "came from the Biden camp first thing in the morning, came as a surprise to members of the press as the president continues his active schedule." Townhall adds, "Biden's day off came as a surprise to many who thought the former vice president may be more eager to get back to the campaign trail after what was generally considered to be a lackluster outing on Labor Day." The Democrat's day off came as polls in battleground states "still show Biden with a narrow lead over Trump, but new data shows the scale sliding in the president's favor."

Former Aide Says Biden's "Mental Acuity" Has Diminished.

The New York Post (9/8, Moore, 4.57M) reports Joe Biden's former stenographer, Mike McCormick, "said the Democratic presidential nominee has 'lost a step' and isn't as mentally sharp as he was four years ago." McCormick, who worked for Biden from 2011 to 2017, told (9/8, Goodman, 78K) the Washington Free Beacon, "It is a complete difference from what he was in 2017. ... He's lost a step and he doesn't seem to have the same mental acuity as he did four years ago. ... He doesn't have the energy, he doesn't have the pace of his speaking. He's a different guy."

President Trump appeared to allude to Biden's mental acuity in a tweet Tuesday morning. Trump wrote, "Great! Biden is finally being forced out of his basement. Now you'll be able to see what is going on 'up there'. He may do some 'limited' campaigning. Basement Biden is no longer playing well in the Polls!"

Harris' Husband's Legal Work For "Drug Makers And Arms Dealers" Draws Scrutiny.

In an article titled "Will Doug Emhoff's Legal Career Be An Issue For The Biden-Harris Ticket?" the New York Times (9/8, Saul, Vogel, Hakim, 18.61M) reports that Emhoff, the husband of Sen. Kamala Harris (D-CA), has represented "a slew of clients that run afoul of liberal sensibilities – from drug makers and arms dealers to Walmart." The Times says that in August, Emhoff "announced that he was taking a leave of absence from DLA Piper, one of the world's largest law firms, where he is a partner." It remains unclear id Emhoff "will continue to practice law in any capacity."

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Biden Campaign Releases Harris-Obama Video Conversation.

Geoff Bennett reported on NBC Nightly News (9/8, story 6, 0:55, Holt, 5.56M) that on Tuesday, the Joe Biden campaign released a five-minute video conversation between former President Barack Obama and Sen. Kamala Harris (D-CA). Harris: "So tell me about Joe and your relationship with Joe, and what do I need to know?" Obama: "The main thing to know about Joe is that Joe has never lost his sense of why we do this."

Harris' Chuck Taylor All-Stars Go Viral.

The Washington Post (9/8, Janes, 14.2M) has a feature on how the Chuck Taylor All-Stars worn by Sen. Kamala Harris (D-CA) have gone viral. The Post says the shoe "has long been associated more closely with cultural cool than carefully managed high-profile candidacies." Harris' sister "tweeted Monday that Chuck Taylors are, indeed, her sister's 'go-to.' Harris "has white Chucks, off-white Chucks, black Chucks, and even hinted at a sequined pair she has yet to break out on the trail."

Kelly Denounces Supporter's Threat Against Gosar.

The Arizona Republic (9/8, Sanchez, 869K) reports Arizona Senate candidate Mark Kelly (D) denounced a threat made against Rep. Paul Gosar (R-AZ) "by an apparent Kelly supporter, writing on Twitter that he understands how seriously acts of violence can upend the lives of lawmakers and their families." Kelly tweeted, "I know what it means to have an act of violence committed against a Member of Congress and family member. I strongly condemn this threat against Rep. Gosar. Threats of violence like this are wrong. I'm glad Capitol Police is investigating."

Rep. Collins Endorsed By 45 Georgia Legislators In Senate Bid.

The Atlanta Journal-Constitution (9/8, 895K) reports Georgia House Speaker David Ralston's endorsement of Rep. Doug Collins (R-GA) for Senate "cleared the way for a group of other state legislators to back his campaign – including a few who initially supported his rival. The four-term congressman on Tuesday rolled out a slate of 45 supporters from the General Assembly in a bid to undercut" the claim by Sen. Kelly Loeffler (R-GA) that she is "the favorite of Georgia conservatives. ... The slate includes at least two [state] House lawmakers who earlier endorsed Loeffler."

McGrath Charges McConnell With "Dereliction Of Duty" In Fight Against COVID.

The AP (9/8, Schreiner) reports Kentucky Senate candidate Amy McGrath (D) "laid the mounting toll of coronavirus cases in the U.S. at the feet of" Senate Majority Leader McConnell on Tuesday "while declaring that the country needs people in power who 'take responsibility again.'" At a campaign event, McGrath "zeroed in on the senator's response to the ongoing health crisis, calling it a 'dereliction of duty.' McGrath said an improved federal response is needed in testing and contact tracing to combat the virus."

Messner Leads In New Hampshire GOP Senate Primary.

The New Hampshire Union Leader (9/8, Landrigan, 109K) reports attorney Bryant "Corky" Messner led retired Brig. Gen. Don Bolduc in the New Hampshire GOP Senate primary on Tuesday, leading 50% to 43% with two-thirds of votes counted. Messner "only moved to New Hampshire full-time a year ago, though he had purchased a vacation home on Lake Wentworth in 2007." WMUR-TV Manchester, NH (9/8, Cherry, 239K) reports on its website that the AP declared Messner the winner, but Bolduc has refused to concede. The New York Times (9/8, Gabriel, 18.61M) reports Sen. Jeanne Shaheen (D-NH) easily won the Democratic primary. Shaheen led both possible GOP candidates by more than 15 points in a recent poll.

Reed, Waters To Face Off In Rhode Island Senate Race.

The AP (9/8) reports Sen. Jack Reed (D-RI) and investment consultant Allen Waters (R) both won unopposed Rhode Island Senate primaries on Tuesday. Waters has also "mounted unsuccessful campaigns for the state Senate and U.S. Senate in Massachusetts." Reed is heavily favored for reelection.

Poll Shows Issa With One-Point Lead In CA50.

The San Diego Union-Tribune (9/8, Schroeder, 755K) reports a SurveyUSA poll of 500 likely CA50 voters (9/4-9/7) shows ex-Rep. Darrell Issa (R-CA) at 46% and Ammar Campa-Najjar (D) at 45%.

"Lifelong Republican" Ex-Mayor Backs Schupp In MO2.

The St. Louis Post-Dispatch (9/8, Benchaabane, 685K) reports former Creve Coeur, Missouri mayor Harold Dielmann, "a self-described 'lifelong Republican,'" has endorsed state Sen. Jill Schupp (D) over Rep. Ann Wagner (R-MO) in MO2. Dielmann said, "I'm a lifelong Republican and I'm going to support Jill. She's not a party candidate, she's a people candidate."

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Mowers, Negron Win New Hampshire GOP Congressional Primaries

.The AP (9/8, Casey) reports, "A former official in the State Department who received an endorsement" from President Trump won the NH1 Republican primary on Tuesday. Matt Mowers, who took about 60% of the vote in the three-way primary, "was the favorite in the race after he won a coveted endorsement from the president in June." He will face freshman Rep. Chris Pappas (D-NH) in November. WMUR-TV Manchester, NH (9/8, Leclerc, 239K) reports on its website that in the NH2 GOP primary, businessman Steve Negron defeated Naval Reserve Capt. Lynne Blankenbeker. Negron will take on Rep. Annie Kuster (D-NH).

Two GOP Mayors Endorse Fletcher In TX7.

The Houston Chronicle (9/8, Scherer, 730K) reports Rep. Lizzie Fletcher (D-TX) on Tuesday "announced endorsements from two Republican mayors in her district, a week after the Houston Democrat secured support from the GOP-leaning U.S. Chamber of Commerce." Both Hilshire Village Mayor Russell Herron and West University Place Mayor Bob Higley "are backing Fletcher over their party's nominee, Army veteran Wesley Hunt."

Davis Poll Gives Her One-Point Lead Over Roy In TX21.

The Hill (9/8, Moreno, 2.98M) reports a Garin Hart Yang poll for Democrat Wendy Davis of 401 likely TX21 voters (8/31-9/4) shows Davis at 48% and Rep. Chip Roy (R-TX) at 47%.

Parson Has 13-Point Lead In Missouri Gubernatorial Race Poll.

A We Ask America poll of 500 likely Missouri voters (9/1-9/3) shows Gov. Mike Parson (R) at 54% and State Auditor Nicole Galloway (D) at 41% in the state's gubernatorial race.

Feltes Leads New Hampshire Democratic Gubernatorial Primary.

The New Hampshire Union Leader (9/8, Landrigan, 109K) reports New Hampshire Senate Majority Leader Dan Feltes led Executive Councilor Andru Volinsky in the state's Democratic gubernatorial primary Tuesday by a margin of about three points in early returns. The AP (9/8) reports Feltes has claimed victory, but Volinsky has refused to concede. Gov. Chris Sununu (R) easily won the GOP primary.

NYTimes Praises Murphy's "Baby Bonds" Program Proposal.

The New York Times (9/8, 18.61M) editorial says the proposal by New Jersey Gov. Phil Murphy (D) for a "baby bonds" program that "would create a $1,000 savings account for each child born into a New Jersey household with an annual income below about $131,000" has "the potential to change the trajectory of individual lives, giving New Jersey kids a better chance to thrive and prosper." The Times says, "Black people are particularly disadvantaged by inequalities of wealth and opportunity in the United States" and Murphy's proposal "is an elegant approach to reducing those racial gaps." However, the Times adds that it is "much easier for a federal program to provide the big bucks. The real value of the New Jersey program may be in the work of hammering out the details, and the trial-and-error of implementation, which can provide lessons for creating a larger initiative."

WSJournal Blames Murphy For New Jersey Gas Tax Increase.

A Wall Street Journal (9/8, Subscription Publication, 7.57M) editorial faults the Administration of New Jersey Gov. Phil Murphy (D) for a 22% increase in the state's gasoline tax that was announced at the end of August. New Jersey calculates its gas tax with an automatic formula that raises the rate when revenue falls. While Republicans say Murphy can stop the increase, as his Administration did last year, Murphy claims he has no control over the gas-tax rate.

Teen Accused Of Making Bomb Threat During College Zoom Lecture.

The AP (9/8) reports a student at the University of Houston in Texas has been arrested after being accused of making a bomb threat against the school during a Zoom lecture. Ibraheem Ahmed Al Bayati, 19, was accused by federal authorities of joining a university lecture on Zoom on Sept. 2 and interrupting it by saying "what does any of this have to do with the fact that UH is about to get bombed in a few days?" Al Bayati was also accused of "uttering an Arabic a phrase that means the 'Islamic State will remain,' according to a criminal complaint."

The New York Post (9/8, Sheehy, 4.57M) reports Al Bayati was arrested Friday and "later told the feds that his comments were all part of a joke between him and a pal – but officials said the teen is a recruiter for the terror organization."

RCP Average Has Trump's Job Approval At 44.3%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.3%, and his disapproval at 53%. Both the President's approval and disapproval are up by 0.1 since yesterday.

A Rasmussen poll of 1,500 "likely voters" (9/3-9/7) finds Trump's approval at 50%, and his disapproval at 50%.

A The Hill/HarrisX survey of 2,853 "registered voters" (9/5-9/8), meanwhile, has the President's job approval at 47%, with 53%

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disapproving.

Financial International News

China's Economy Continues To Show Signs Of Recovery.

Reuters (9/9, Qiu, Woo) reports, "China's factory gate prices fell at their slowest annual pace in five months in August as the world's second-largest economy and its industries continued to recover from a slump caused by the coronavirus pandemic earlier this year." Annual producer prices "fell for a seventh straight month but at a slower pace, while consumer prices saw more moderate growth due to falling pork price inflation." However, core consumer prices "rose month-on-month for the first time since the coronavirus pandemic worsened in China in January." China's economy "returned to growth in the second quarter of this year, underpinned by government stimulus and as the country managed to get the virus broadly under control. Recent indicators have pointed to a sustained recovery."

Global Trade Rebound Fuels Rise In German And French Exports.

The Financial Times (9/8, Arnold, Romei, Subscription Publication, 1.34M) reports, "German and French exports rose in July as global trade rebounded from pandemic-hit lows this spring, in the latest sign that the..."

Valdis Dombrovskis Chosen As EU's Trade Chief.

The Financial Times (9/8, Brunsden, Khan, Subscription Publication, 1.34M) reports, "Valdis Dombrovskis has been named as the new EU trade policy chief following the shock departure of Ireland's Phil Hogan last..."

Leading International News

Sweden's Positivity Test Rate Hits Lowest Since Start Of Pandemic.

Reuters (9/8, Ahlander) reports "Sweden carried out a record number of new coronavirus tests last week with only 1.2% coming back positive, the health agency said on Tuesday, the lowest rate since the pandemic began at a time when countries across Europe are seeing surges in infections."

Amid Political Pressure, Israel Backs Off Plans For Tougher Restrictions.

The New York Times (9/8, Halbfinger, Kershner, 18.61M) reports Israel appears to have backed off plans to reimpose tough coronavirus restrictions in hard hit areas after pushback from ultra-Orthodox leaders and pressure on Prime Minister Benjamin Netanyahu. On the one hand, "secular Israeli Jews accuse the ultra-Orthodox and Arab citizens of spreading the virus in their overcrowded areas." On the other hand, the "ultra-Orthodox point to the relative normalcy of life in Tel Aviv and complain that they are being singled out." Moreover, being "joined by their right-wing allies, they ask why, if crowds are so dangerous, liberal-leaning protesters are allowed to gather by the thousands to demand Mr. Netanyahu's ouster."

WTimes Analysis: US Exit Plan In Somalia Appears "Stalled."

The Washington Times (9/8, Wolfgang, 492K) reports the Pentagon's "war against terror in Somalia was supposed to begin winding down next year, but the number of American airstrikes against al-Shabab targets keeps increasing and the Trump administration's exit plan seems to have stalled." The conflict is "a major outlier in President Trump's quest to stop 'endless wars,'" but it "also has caught Pentagon leaders between two increasingly unpalatable options and has created a potential quagmire."

Iran Building New Production Hall For Centrifuges In Mountains Near Natanz.

Reuters (9/8, Hafezi) reports Iran has "begun to build a hall in 'the heart of the mountains' near its Natanz nuclear site for making advanced centrifuges, Iran's nuclear chief said on Tuesday, aiming to replace a production hall at the facility hit by fire in July." Atomic Energy Organization of Iran head Ali Akbar Salehi is quoted by state TV as saying, "Due to the sabotage, it was decided to build a more modern, larger and more comprehensive hall in all dimensions in the heart of the mountain near Natanz. Of course, the work has begun."

Trump To Announce Drawdown Of US Troops From Iraq, Afghanistan.

The Washington Times (9/8, Boyer, 492K) reports briefly that President Trump will announce "a further drawdown of US troops from Iraq on Wednesday, and a withdrawal of more troops from Afghanistan in the coming days, a senior administration official said Tuesday night."

Israel And UAE To Sign Historic Deal At White House Next Week.

The AP (9/8, Lee) reports US officials indicated on Tuesday that Israel and the United Arab Emirates "will sign their historic deal normalizing relations at a White House ceremony on Sept. 15." The officials "said senior delegations from both countries will likely be led by Israeli Prime Minister Benjamin Netanyahu and Emirati Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan, the brother of the UAE crown prince." Reuters (9/8, Holland) reports a "senior White House official" confirmed that Netanyahu and Sheikh Abdullah bin Zayed al-Nahyan would lead the two delegations. On Twitter, Netanyahu wrote, "I am proud to embark next week to Washington, at the invitation of President Trump,

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to take part in the this historic ceremony at the White House for the foundation of the peace treaty between Israel and the United (Arab) Emirates."

Palestinians Expected To Soften Stance On UAE-Israel Pact. Reuters (9/8, Sawafta, Almughrabi) reports Palestinian leadership has "watered down its criticism" of the deal between Israel and the UAE before an Arab League meeting in Cairo on Wednesday at which the accord will be debated. A draft resolution, "a copy of which was seen by Reuters, does not include a call to condemn, or act against, the Emirates over the US-brokered deal."

The Washington Free Beacon (9/8, Kredo, 78K) likewise reports the Palestinian government has "reportedly softened its stance" toward the deal, "signaling that Palestinian leaders have become even more isolated regionally."

US Sells Ambassador's Residence In Israel. The Washington Post (9/8, Eglash, 14.2M) reports the "luxury residence used to house American ambassadors to Israel since the 1960s has been sold, the US Embassy announced Tuesday." The Embassy "did not divulge how much the property was sold for" or to whom it was sold, but the announcement "follows recent reports by Israeli media outlet Globes that Las Vegas casino magnate and GOP superdonor Sheldon Adelson was behind the sale."

Shots Fired Along India-China Border For First Time In 45 Years.

The AP (9/8) reports India and China on Tuesday "accused each other...of making provocative military moves and firing warning shots along their disputed border despite talks on ending the escalating tensions." China alleged that Indian forces on Monday "crossed into territory it holds and fired warning shots at a Chinese patrol in what it called a violation of their agreements." India, however, "denied that and said Chinese soldiers tried to surround one of its forward posts in a 'grave provocation' and also fired warning shots." China described it "as the first exchange of fire between the countries in 45 years."

The New York Times (9/8, Gettleman, 18.61M) says, "One thing is clear: The dispute that has been building on the Himalayan border that separates the two nuclear-armed powers is only sharpening as their broader relationship steadily deteriorates."

Palau Invites Pentagon To Build New Bases In Pacific. The Washington Free Beacon (9/8, Beyrer, 78K) reports Palau is "moving against China by inviting the United States to build new military bases in the Pacific island country, the Wall Street Journal first reported Tuesday." US Ambassador to Palau John Hennessey-Niland told the Journal, "Palau is a very important place in the Pacific. Palau has suffered from predatory economic behavior and malign influence from the PRC. … Palau is a good friend of the United States and a great partner in the Pacific."

Burmese Soldiers Recount Slaughter Of Rohingya.

The New York Times (9/8, Beech, Nang, Simons, 18.61M) reports that new video testimony from two Burmese soldiers, "which was shared with international prosecutors," marks "the first time that members of the Tatmadaw, as Myanmar's military is known, have openly confessed to taking part in what United Nations officials say was a genocidal campaign against the country's Rohingya Muslim minority." On Monday, the two men, who fled Burma last month, "were transported to The Hague, where the International Criminal Court has opened a case examining whether Tatmadaw leaders committed large-scale crimes against the Rohingya." To the Times, the "atrocities described by the two men echo evidence of serious human rights abuses gathered from among the more than one million Rohingya refugees now sheltering in neighboring Bangladesh."

US Denounces Abuses In Belarus As Opposition Leader Resists Deportation.

Reuters (9/8) reports that on Tuesday, a "senior Administration official" said the US is "extremely concerned" by the situation in Belarus. The senior Administration official is quoted as saying, "The United States is extremely concerned by continued human rights violations in the wake of Belarus' election. Reports of opposition figures being kidnapped, forcibly expelled, or otherwise threatened are just a few of the many methods the Belarusian government is using in its attempts to deny freedom of speech."

The AP (9/8, Karmanau), meanwhile, reports Maria Kolesnikova, "a leading opposition activist in Belarus, was held on the border with Ukraine...after she resisted an attempt by authorities to deport her as part of government efforts to end a month of protests" against President Alexander Lukashenko. Kolesnikova, whom the AP says is "a member of the Coordination Council created by the opposition to facilitate talks with the longtime leader on a transition of power," was arrested on Monday in Minsk "along with two other council members," and then "they were driven early Tuesday to the border, where authorities told them to cross into Ukraine." However, when "they arrived in a no-man's land between the countries, Kolesnikova ripped her passport into small pieces to make it impossible for the authorities to expel her."

The Washington Post (9/8, Dixon, 14.2M) reports Lukashenko has "ruled out meeting with the Coordination Council, which was set up by the opposition in the hopes of negotiating a power transition." The Post goes on to report that Kolesnikova is "one of three women who became the faces of the Belarusian opposition campaign after their husbands or associates were jailed or barred from running in the presidential election." The Post adds, "She is the last of the three to remain in Belarus," and has "emerged as an important rallying figure for the opposition." The New York Times (9/8, Higgins, 18.61M) and Politico Europe (9/8, 8K), among other news outlets, have more on recent developments in Belarus.

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House Panel Wants Administration To Probe Navalny Poisoning.

The AP (9/8, Jalonick) reports that "the top Democrat and the top Republican on the House Foreign Affairs Committee are together calling on President Donald Trump to investigate whether chemical weapons were used by Russia in the poisoning of Russian opposition leader Alexei Navalny." Chairman Eliot Engel and Rep. Michael McCaul (R-TX) "told Trump in a letter Monday that they are 'deeply concerned' by reports that Navalny was poisoned in August with a chemical nerve agent." Engel and McCaul "are pushing for a formal U.S. investigation into whether Russia violated international law or used a lethal weapon against one of its own nationals – a request they say triggers a required 60-day evaluation period under U.S. chemical weapons law."

Reuters (9/8), meanwhile, reports that France "has postponed a visit to Moscow next week by its foreign and armed forces ministers as European powers seek answers from Russia to Germany's findings that...Navalny was poisoned." Foreign Minister Jean-Yves le Drian and Armed Forces Minister Florence Parly "had been due to go to Moscow as President Emmanuel Macron tries to reduce distrust between Russia and the West, hoping to enlist Russian help in solving the world's most intractable crises."

WSJournal Urges Trump To Back Merkel's Threat To Cancel Pipeline. The Wall Street Journal (9/8, Subscription Publication, 7.57M) editorializes that in response to Russia's failure so far to cooperate with the investigation into Navalny's suspected poisoning, German Chancellor Angela Merkel has threatened to cancel her country's participation in the Nord Stream 2 gas pipeline from Russia. The Journal calls on President Trump to back Merkel.

Radio Free Europe Returns To Hungary After Nearly 30-Year Absence.

The Washington Times (9/8, Taylor, 492K) reports the Radio Free Europe/Radio Liberty network is "reopening broadcasting operations in Hungary for the first time in nearly 30 years – a move officials say is necessary to counter 'disinformation' sullying the Eastern European nation's media landscape." Hungarians woke Tuesday to "Szabad Európa," a "21st-century update of the network's Cold War-era 'Hungarian Service,' with new digital platforms aiming to provide 'objective, fact-based reporting in a country that has witnessed a decline in diverse media voices,' the network...said in a press release."

UK Says It May Break International Law In "Limited Way."

Reuters (9/8, Holden, Bruce) reports Britain "headed into a new round of Brexit trade talks on Tuesday acknowledging it could break international law but only in a 'limited way' after reports it may undercut" its Brexit treaty with the EU. As the pound "fell sharply on fears of a no-deal exit, the government's legal department head quit in disagreement with a plan to overwrite parts" of the treaty signed in January. Asked Tuesday "if anything in the proposed legislation potentially breached" international law, Northern Ireland Minister Brandon Lewis said, "Yes, this does break international law in a very specific and limited way."

The New York Times (9/8, Landler, 18.61M) reports Prime Minister Boris Johnson's "Brexit negotiations fell into disarray on Tuesday." To the Times, Johnson's "aggressive move to pull back from the agreement about Northern Ireland underscored his determination for Britain to control its own economic destiny – even at the cost of triggering another confrontation" with the EU, "shredding his own diplomacy and raising questions about his government's commitment to the rule of law."

Missing American Couple Found Dead In Mexico.

ABC World News Tonight (9/8, story 9, 0:15, Muir, 6.54M) reported briefly that a "chilling investigation [is] under way in Mexico" where authorities discovered the bodies of Ian Hirschsohn and Kathy Harvey, "an American couple on vacation from southern California," at the bottom of a well in western Mexico. The couple was reported missing last week.

WPost: Nations Should Reject Saudi Verdict In Khashoggi Trial.

The Washington Post (9/8, 14.2M) editorializes that Monday's sentencing of eight people in Saudi Arabia for the murder and dismemberment of journalist Jamal Khashoggi "was utterly lacking in transparency." The "supposed punishments," it argues, "were not meant to satisfy" UN rapporteur Agnes Callamard, but are instead "intended to provide a fig leaf for democratic leaders such as Germany's Angela Merkel, France's Emmanuel Macron and Britain's Boris Johnson," allowing them to attend a G-20 meeting in November in Riyadh "without appearing to condone the cold-blooded butchering of a renowned journalist." President Trump, it says, "requires no such excuse," but the "absence of justice in the Khashoggi case...ought to give pause to those G-20 leaders who still seek to uphold human rights as a pillar of international affairs."

Housing

GSEs, Industry Groups Voice Concerns Over Banklike Proposed Capital Requirements.

American Banker (9/8, Lang, Subscription Publication, 31K) reports, "A proposal for Fannie Mae and Freddie Mac's capital levels to grow by more than five times once the companies return to the private sector has drawn the ire of both the mortgage industry and consumer groups over concerns the plan could drive up housing costs." The FHFA's capital proposal "would align capital requirements" for the GSEs "with those of the large banks and incorporate the spirit of several post-2008 crisis regulations" once the GSEs exit conservatorship. However, "many industry groups and even the two companies themselves pushed back on the idea that the GSEs should be treated like banks." Freddie Mac EVP and General Counsel Ricardo Anzaldua said, "While the U.S. bank capital framework may provide a useful precedent, the

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Enterprises' business models and risk profiles are substantially different from those of banks." Anzaldua said the GSEs "are pass-through, monoline businesses focused on a traditional, well understood and secured asset class."

Value Walk (9/8, 1K) reports CapWealth Advisors' Tim Pagliara "told ValueWalk in an interview that while many have expressed concern about the proposed numbers for Fannie Mae's and Freddie Mac's capital rule, he doesn't expect it to be finalized at the proposed percentage."

Freddie Mac Announces $534M NPL Auction.

Mortgage Orb (9/8, Bates) reports, "Freddie Mac will be conducting an auction of approximately $534 million of seasoned non-performing residential first lien loans held in its mortgage-related investments portfolio." The NPLs "are being marketed via five pools: four Standard Pool Offerings (SPO) and one Extended Timeline Pool Offering (EXPO), which targets participation by smaller investors, including non-profits and minority, women, disabled, LGBT, veteran or service-disabled veteran-owned businesses (MWDOBs)." Bids are due by October 1 for the SPO pools, and October 15 for the EXPO pool. According to Mortgage Orb, "The SPO and EXPO pools are expected to settle in December 2020."

Seeking Alpha (9/8, Mamtora, CFA, 512K) reports, "Advisors to Freddie Mac on the transaction are Wells Fargo Securities, and First Financial Network. To date, Freddie Mac has sold $8.4B of NPLs and securitized ~$64.8B of RPLs consisting of $28.7B via fully guaranteed PCs, $28.3B via Seasoned Credit Risk Transfer senior/sub securitizations, and $7.8B via Seasoned Loans Structured Transaction offerings."

MBA: Mortgage Forbearance Rate Falls Near A Five-Month Low.

HousingWire (9/8, 23K) reports the nation's forbearance rate dipped in the last week of August, hitting the "lowest level since mid-April, according to the Mortgage Bankers Association." On Tuesday, the MBA reported the national forbearance rate fell from 7.2% to 7.16%. The GSEs' forbearance rate fell from 4.88% to 4.8%, while Ginnie Mae's forbearance rate rose from 9.58% to 9.62%. According to MBA Chief Economist Mike Fratantoni, "High unemployment, and jobless claims consistently around 1 million a week, continue to cause financial strain for some borrowers – and especially for those who work in industries hardest hit by the pandemic."

National Mortgage News (9/8) reports Fratantoni said, "The share of Ginnie Mae loans in forbearance increased again this week, as the current economic crisis continues to disproportionately impact borrowers with FHA and VA loans. As a result, IMB servicers, which have roughly one-third of their portfolio with Ginnie Mae, had a forbearance share that was unchanged, while depositories, which have a larger share of GSE and portfolio loans, saw a decrease."

CoreLogic: Serious Delinquencies Surged In June.

National Mortgage News (9/8) reports serious delinquencies "doubled in June," although late mortgages "leveled out," according to the latest data from CoreLogic. In June, the nation's total delinquency rate "was 7.1%, down marginally from May's 7.3%, but up from 4% for June 2019." The early-stage delinquency rate "declined in June from the same month in 2019 to 1.8% from 2.1%. It now is similar to the rate for 60 to 89 day delinquencies (1.8%, up from 0.6%) and lower than that of seriously delinquent loans." However, "Serious delinquencies are now at 3.4%, which is their highest point since February 2015, CoreLogic said. This is compared with May's 1.5% and June 2019's 1.3%." NMN says recently, "both the Federal Housing Finance Agency and the Federal Housing Administration extended their respective moratoria on foreclosures and evictions through the end of 2020." DS News (9/8, Babb) provides additional coverage.

CoreLogic: Serious Delinquencies May Almost Double By Early 2022. Mortgage Orb (9/8) reports CoreLogic "predicts that, barring additional government programs and support, serious delinquency rates could nearly double from the June 2020 level by early 2022. Not only could millions of families potentially lose their home, through a short sale or foreclosure, but this also could create downward pressure on home prices – and consequently home equity – as distressed sales are pushed back into the for-sale market."

Fannie Mae HPSI Rises 3.3 Points In August.

HousingWire (9/8, 23K) reports, "After a slight falter in July, Fannie Mae's Home Purchase Sentiment Index, a composite index designed to track consumers' housing-related attitudes, intentions and perceptions is back up 3.3 points in August to 77.5. Compared to this time last year, the HPSI is down 16.3 points, but has continued its upward recovery for year-over-year gains past April's eight-and-half-year low." Fannie Mae Chief Economist Doug Duncan credited exceptionally low mortgage rates with the uptick in homebuying sentiment. According to HousingWire, "Last week, Freddie Mac reported the average rate for a 30-year fixed mortgage was 2.93%, 5 basis points higher than the same time a month ago when rates fell to an all-time low. However, respondents who said mortgage rates will make their way back down in the next 12 months increased in August from 16% to 17%."

National Mortgage News (9/8) reports Duncan said, "The HPSI's recovery was driven by near-record low mortgage rates that helped restore much of consumers' positivity on whether it is a good time to buy a home, while also improving the good-time-to-sell sentiment." DS News (9/8, Babb) reports Duncan said Fannie's August survey "was conducted as consumers continue to face uncertainty regarding schools' and businesses' reopening plans and as the CARES Act $600-per-week income supplement expired." Mortgage Orb (9/8, Bates) also covers Fannie's HPSI.

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Bankrate Research Suggests Mortgage Rates Could Fall To New Lows In Coming Weeks.

M Report (9/8, Babb) says, "According to a recent post published by the experts at Bankrate, mortgage rates are set to decline even further as fall approaches." The GSEs' 50-bp refi fee is currently "on hold," many mortgage borrowers with forbearance plans are still continuing to make payments, interest rates are low around the world, and the federal deficit is rapidly growing. According to M Report, even with rates near historic lows, borrowers "may have even more cause to celebrate within the coming months."

Zillow: Rise Of Remote Work Could Fuel A Surge In Homeownership.

M Report (9/8, Babb) says the "new era of working from home brought by the coronavirus pandemic could also spark a massive new wave of homeownership, according to a data analysis conducted by Zillow." Zillow estimated that "nearly 2 million renter households who cannot afford the buy a home in their areas would be now be able to move elsewhere in the country and purchase an affordable starter home," thanks to the increased flexibility that remote work provides. Zillow also found that pricey markets like San Francisco "could see a dramatic exodus of renters."

BSI Financial SVP: Servicers' C-Suite Positions Still Lacking In Diversity.

Writing for DS News (9/8, Babb), BSI Financial SVP Allen Price says that the mortgage industry must "build organizations that reflect [its] customers, from the very bottom to the very top levels." According to him, "While diversity has always been important, there is a particular need for servicers to ramp up their diversity and inclusion efforts now." Price concludes, "While there are variances between different segments of the housing economy, overall, most mortgage servicers are still falling short of their goals when it comes to diversity in the C-suite, particularly when it comes to African American representation. Thankfully, there are more strategies and resources available to change this picture. All we need to do is use them."

Opinion: Pandemic Highlights Flaws In Housing Policy That Go Back Decades.

In a Perspective piece for the Washington Post (9/8, 14.2M), historian Gillet Rosenblith argues that the pandemic has "exposed the consequences of decades of bad public housing policy." According to her, even before the pandemic struck, the placement of public housing "often worsened racial and economic segregation, separating low-income, disproportionately African American tenant families from centers of economic and political activity, public transportation, jobs and more." She argues, "Before the CDC order, landlords were heading to courts to try to evict non- and underpaying tenants. Should landlords pursue these claims in 2021, the economic repercussions of covid-19 will probably exacerbate inequality, demonstrating the real impact of empowerment politics that didn't actually empower anyone."

Analysis: Three Factors Primed To Sway Mortgage Rates In September.

In a NerdWallet piece carried by TheStreet (9/8, 362K), Holden Lewis says that three factors are "likely" to affect mortgage rates: the Fed's "friendly wave to higher inflation"; risks lenders face that are tied to the recession; and a "sizzling pace of home sales." In addition, according to Lewis, the coming GSE refi fee "could push rates higher: Instead of expecting borrowers to pay the fee upfront as a closing cost, some lenders will raise rates on refinance mortgages instead, by 0.125% or less."

Markets

10-Year Yield Ticks Down.

MarketWatch (9/9, 1.67M) reports the 10-year Treasury yield fell to 0.682 percent.

Dollar Firms.

Reuters (9/9, Westbrook) reports, "The dollar found support on Wednesday as a stock market slide spooked investors into selling riskier currencies, while worries about Brexit pushed the pound down to a new six-week low." Against a basket of currencies, the dollar jumped nearly 2%. The yen "also climbed to a one-week high of 105.83 per dollar." The euro, meanwhile, held steady, last trading at $1.1772.

Gold Falls.

Reuters (9/9, Patel) reports, "Gold prices slipped on Wednesday as the U.S. dollar rose to multi-week highs ahead of monetary policy strategies from major central banks in North America and Europe." Spot gold "was down 0.3% to $1,925.20 per ounce by 0239 GMT," while US gold futures "fell 0.4% to $1,935.20."

Oil Bounces Back.

Reuters (9/9, Ghaddar) reports, "Oil futures clawed back some of the losses they sustained in the previous session, but a rebound in COVID-19 cases in some countries undermined hopes for a steady recovery in global demand." Brent crude "was up 44 cents, or 1.1%, at $40.22 a barrel by 0752 GMT after dropping more than 5% on Tuesday to fall below $40 a barrel for the first time since June." US crude "was up 50 cents, or 1.4%, at $37.26 a barrel, having fallen nearly 8% in the previous session."

Cybersecurity

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Hartford, Connecticut Schools Delay Reopening Amid Ransomware Attack.

CyberScoop (9/8, Lyngaas) reports, "U.S. school administrators have spent months mapping out how the coronavirus would disrupt the start of the school year. But officials in Hartford, Conn., are dealing with another, unexpected challenge now that a ransomware attack has forced the city's public schools to postpone classes." According to CyberScoop, "The file-locking malware 'caused an outage of critical systems and the restoration of those systems [is] not complete,' Hartford Public School officials said in a statement. 'This includes the system that communicates our transportation routes to our bus company and it is preventing our ability to operate schools on Tuesday.'" Schools and universities "were already facing a barrage of ransomware threats before the COVD-19 pandemic forced administrators to shift classes online, potentially opening up new avenues for attack." Hartford Mayor Luke Bronin said "city officials have contacted the FBI."

Lawmakers Discuss Creation Of National Cyber Director.

Federal News Network (9/8, Maucione, 220) reports top members of the House Armed Services Committee "and on a congressionally-mandated cyber panel say they are cautiously optimistic that legislators and the White House can come to an agreement to form a national cyber director position this year." The position, which has "support from both Democrats and Republicans and is the brainchild of the Cyberspace Solarium Commission – would serve as the principal advisor to the president on cybersecurity strategy and policy." The role would also "consult with federal departments to develop the U.S. national cyber strategy and supervise its implementation." During the Billington Cybersecurity Summit on Tuesday, Rep. Mike Gallagher (R-WI) said, "The bottom line is that there's no single person that's waking up every single day giving this issue the high level priority that it needs." House Armed Services Emerging Threats Subcommittee Chairman Jim Langevin (D-RI) said, "Having an international focus and having someone at the State Department is going to help coordinate those cyber strategies and responses." Langevin "said he has had productive conversations on the issue with Trump's Chief of Staff Mark Meadows."

Vice Adm. Ross Myers To Lead US Navy's Fleet Cyber.

ExecutiveGov (9/8, Martin) reports former US Cyber Command deputy commander Vice Adm. Ross Myers has been "assigned to lead Fleet Cyber, a command tasked to administer the U.S. Navy's information and cyber activities." Myers leaves his USCYBERCOM post "to Maj. Gen. Charles Moore who also received a promotion to lieutenant general, USCYBERCOM said Thursday." According to Cyber Command Commander Gen. Paul Nakasone, "As the J5, chief of staff and then the deputy commander, Ross has demonstrated his appreciation for partnership as a foundational leadership principle."

COVID-19 Research Institutions Strengthening Cyber Defenses.

Politico (9/8, Starks, 4.29M) reports public and private US organizations conducting COVID-19 research "say they've mounted additional digital defenses to address new threats posed to Covid-19 research specifically, and they've made some progress – although everyone agrees there's still a lot to fix." CISA Assistant Director for Cybersecurity Bryan Ware said, "The health care sector, broadly, has really been an underperformer from a cybersecurity perspective."

CyberScoop (9/8, Vavra) reports the pandemic has been "a clarion call to supply chain security efforts for the entire federal government, according to Bill Evanina, the Director of the National Counterintelligence and Security Center at the Office of the Director of National Intelligence."

Security Experts Warn Schools "Unprepared For Likely Rash Of Cyberattacks."

CQ Roll Call (9/8, Dechiaro, 154K) reports school districts reliant on "online learning because of COVID-19 may soon find students and teachers locked out of computer networks for days or weeks because of cyberattacks that could set kids further back and endanger their privacy." Districts around the country "are woefully unprepared to manage the heightened risks of online learning, say cybersecurity and education experts who predict a rise in ransomware attacks as millions of children begin a new school year in a pandemic." Because of online learning, school districts "experience a proliferation of devices interacting on their networks, stretching existing security measures thin" and exposing them to less secure home networks. It's a "near certainty that hackers are aware of the vulnerabilities, said Chris Hinkley, who heads the threat resistance unit at Armor Defense Inc., a Texas-based cybersecurity firm, and has been tracking ransomware attacks against schools throughout the year."

Hartford Delays School Reopening A Day Due Ransomware Attack. The Hartford (CT) Courant (9/8, Lurye, 698K) reports a computer ransomware attack leveled at Hartford, Connecticut "caused an outage of critical city systems over the weekend, forcing the city to postpone Tuesday's school reopening by one day, according to officials." A software system that "delivers real-time information on bus routes was among those impacted by the attack on Hartford's servers, crippling the district's ability to serve the roughly 4,000 students who take the bus, Superintendent of Schools Leslie Torres-Rodriguez said Tuesday." Hartford Mayor Luke Bronin "said Tuesday that an investment in new cybersecurity software last year 'significantly limited' the damage of the virus, which identified itself as a ransomware attack but did not include a specific demand. Instead, it directed its target to use an email address to get more information on the ransom." Quinnipiac University Cybersecurity Program Director Fred Scholl "said that instruction was likely the attackers' attempt at negotiating with the city for as much digital currency as it could get."

AMERICAN OVERSIGHT

Researchers Say Domain Registrars Doing Little To Stop Coronavirus Scams.

The Washington Post (9/8, Riley, 14.2M) reports Domain registrars have "done little to prevent the sale of dozens of Internet domains with the potential to spread hoaxes related to covid-19, a three-month investigation by the consumer watchdog group Digital Citizens Alliance found." Scammers can use these websites to "disseminate false information about the pandemic that could result in things like identity theft and the distribution of fake or unauthorized medications, consumer advocates say." Researchers at the nonprofit "say that between May and July, they were easily able to purchase coronavirus-related domains such as Getcoronavirusvaccines.com, freecoronavaccine.net and Bleachcoronaviruscure.com from registrars including GoDaddy, Domain.com and Google Domains."

Federal Reserve

Vast Majority Of Main Street Lending Program Loans Exceed $1M.

Bloomberg (9/8, Saraiva, 4.73M) reports the Fed's Main Street Lending Program, "aimed at supporting small to midsize businesses through the coronavirus pandemic, has mostly made loans in the millions of dollars, according to data disclosed by the central bank Tuesday." Out of 118 loans bought through August by the program, "only 11 were under $1 million. Only one, at $265,000 was close to the $250,000 minimum loan size." The Fed "initially announced the program with a minimum loan size of $1 million in April. It reduced it twice, bringing it to the existing minimum after it received comments from businesses and industry groups calling for more aid to smaller entities."

Fed Examining Banks' Efforts To Improve Race, Gender Diversity.

American Banker (9/8, Passman, Subscription Publication, 31K) reports the Fed is exploring ways to understand banks' efforts to promote racial and gender diversity. Program Director of the Fed's Office of Diversity and Inclusion Sheila Clark said, "In the last two years, regulated entities slightly increased their submissions of assessments of their diversity policies and practices." The most significant accomplishments according to Clark were an increase in race and gender diversity among the Fed's board and senior leadership.

Office of the Comptroller of the Currency

OCC's Brooks Calls State Regulation Of Payments Giants "A Vestige Of History."

American Banker (9/8, Pedersen, Subscription Publication, 31K) reports that in what "appeared to be a sharp escalation in the ongoing battle" between the Office of the Comptroller of the Currency and state regulators, Acting Comptroller Brian Brooks "suggested that states should defer to the authority of the federal regulator in supervising large global payments companies." During a Q&A hosted by American Banker, Brooks said, "It's important we have a dual banking system. But there are also gigantic global enterprises that are only regulated by the states as a vestige of history. ... There's no reason that they should be regulated by the states at all, and the law, we don't believe, requires that." The OCC and states "have long been at odds over federal preemption policies," with tensions rising "lately as state regulators have mounted a legal challenge to the OCC's special-purpose fintech charter" and "have spoken out against an OCC plan to tailor a charter specifically for payments companies."

Vartanian: Congress Must End "Regulatory Tug-Of-War" Between OCC And States. In an opinion piece for The Hill (9/8, 2.98M), Thomas P. Vartanian, a former bank regulator and the Executive Director of The Antonin Scalia Law School's Program on Financial Regulation & Technology, writes that in the "regulatory tug-of-war" over the preemption of state usury laws and the financial oversight of fintechs, there is a "much more fundamental issue at stake that is being exacerbated by new products and services driven by technology. When the parties to a transaction can be anywhere and have access to financial services offerings around the world from wherever they are seated, location-based regulation" loses its effectiveness and adds "unnecessary costs and credit restrictions which are not offset by the consumer protections that it can provide." Congress "must agree on who takes the lead and when," as the ongoing battle between the OCC and states "provides little benefit to the public, and the specter of 50 different state standards facilitating fintech innovation seems contradictory."

Jiko Acquisition Shows Willingness Of OCC's Brooks To Welcome Fintechs Into Regulation.

American Banker (9/8, Crosman, Subscription Publication, 31K) reports on the backstory of how fintech Jiko bought community bank Mid-Central and "what the head of Jiko says he plans to do with the bank." The Jiko acquisition "occurred shortly after the Office of the Comptroller of the Currency granted Varo Money a national bank charter," and in part, reflects the willingness of Acting Comptroller Brian Brooks "to welcome payments companies, challenger banks and other fintechs into the regulated banking environment."

FinCEN Report: Fewer Banks Servicing Marijuana Industry.

Banking Dive (9/8, Hrushka) reports that according to FinCEN, fewer financial institutions serviced the marijuana industry in June compared with the same month last year. The agency "attributed the decline to several factors, including new guidance for hemp-related businesses, as well as the impact of the coronavirus pandemic." The initial decline "coincided with the release of interagency guidance for hemp-related businesses in early December." The OCC, the Fed, the FDIC, and FinCEN "issued long-awaited guidance clarifying that banks no longer need to file suspicious activity reports (SARs) for hemp-related businesses." The decline in banks filing SARs "continued into 2020."

AMERICAN OVERSIGHT

Pandemic Speeds Up Push To Digital As Bank Branches Close (OCC Mention).

The Financial Times (9/8, Walker, Subscription Publication, 1.34M) reports, "Swiss lender Credit Suisse is set to launch an overhaul of its digital banking offering, as it uses the coronavirus crisis as a springboard..."

Editorial Wrap-Up

New York Times.

"Give Money To Babies." The New York Times (9/8, 18.61M) says the proposal by New Jersey Gov. Phil Murphy (D) for a "baby bonds" program that "would create a $1,000 savings account for each child born into a New Jersey household with an annual income below about $131,000" has "the potential to change the trajectory of individual lives, giving New Jersey kids a better chance to thrive and prosper." The Times says, "Black people are particularly disadvantaged by inequalities of wealth and opportunity in the United States" and Murphy's proposal "is an elegant approach to reducing those racial gaps." However, the Times adds that it is "much easier for a federal program to provide the big bucks. The real value of the New Jersey program may be in the work of hammering out the details, and the trial-and-error of implementation, which can provide lessons for creating a larger initiative."

Washington Post.

"The Economy Needs Another Round Of Fiscal Support. Congress's Impasse Has To End." The Washington Post (9/8, 14.2M) argues that "last Friday's unexpectedly strong [jobs] report from the Labor Department...was no cause for complacency, of the kind implied by" NEC Director Kudlow's "breezy remark that the economy could 'live with' a failure by Congress to strike a deal, because it is 'on a self-sustaining recovery path.'" The Post adds, "Nor is there a case for going small on a next round of fiscal support, as in the 'skinny' deal, reportedly worth about $500 billion." Yet "at the same time, Democratic leaders must take changing realities into account as they shape their negotiating position. In particular, their insistence on renewing a $600 weekly supplement to unemployment insurance benefits no longer seems justifiable."

"The Khashoggi Verdict Is Meant To Provide A Fig Leaf. Democratic Leaders Shouldn't Take It." The Washington Post (9/8, 14.2M) editorializes that Monday's sentencing of eight people in Saudi Arabia for the murder and dismemberment of journalist Jamal Khashoggi "was utterly lacking in transparency." The "supposed punishments," it argues, "were not meant to satisfy" UN rapporteur Agnes Callamard, but are instead "intended to provide a fig leaf for democratic leaders such as Germany's Angela Merkel, France's Emmanuel Macron and Britain's Boris Johnson," allowing them to attend a G-20 meeting in November in Riyadh "without appearing to condone the cold-blooded butchering of a renowned journalist." President Trump, it says, "requires no such excuse," but the "absence of justice in the Khashoggi case...ought to give pause to those G-20 leaders who still seek to uphold human rights as a pillar of international affairs."

"An Appeals Court Ruling Is An Important Victory For Gavin Grimm And Other Transgender Students." The Washington Post (9/8, 14.2M) editorializes the US Court of Appeals for the Fourth Circuit last month ruled in favor of Gavin Grimm, a transgender student, in his five-year-long battle with the Gloucester County School Board over his ability to use the boys bathroom. The Post says it hopes the school board, "which could still seek further appeal, finally gets the message."

Wall Street Journal.

"A Trump Comeback?" The Wall Street Journal (9/8, Subscription Publication, 7.57M) says that President Trump is clearly trailing as the campaign enters its final two months, and if Democrats can keep the focus on Trump himself, Joe Biden will win. The Journal says the GOP must turn the focus to Biden's agenda, which the Journal calls the most left-wing of any major-party candidate in generations.

"Navalny And Nord Stream 2." The Wall Street Journal (9/8, Subscription Publication, 7.57M) editorializes that in response to Russia's failure so far to cooperate with the investigation into Alexei Navalny's suspected poisoning, German Chancellor Angela Merkel has threatened to cancel her country's participation in the Nord Stream 2 gas pipeline from Russia. The Journal calls on President Trump to back Merkel.

"Government Vs. Private Covid Layoffs." The Wall Street Journal (9/8, Subscription Publication, 7.57M) argues that while Democrats are demanding a bailout for states based on their claim that government layoffs are impeding the recovery, the August jobs report shows that government workers felt the least pain during the pandemic. Arguing that the skinny relief bill offered by Senate Republicans, which excludes money for states, is the right policy and questions why taxpayers in other parts of the country should pay for public worker pensions in Illinois or New Jersey.

"The Middle-Class Tax Ratchet." The Wall Street Journal (9/8, Subscription Publication, 7.57M) editorial faults the Administration of New Jersey Gov. Phil Murphy (D) for a 22% increase in the state's gasoline tax that was announced at the end of August. New Jersey calculates its gas tax with an automatic formula that raises the rate when revenue falls. While Republicans say Murphy can stop the increase, as his Administration did last year, Murphy claims he has no control over the gas-tax rate.

The Big Picture

AMERICAN OVERSIGHT

Headlines From Today's Front Pages.

Wall Street Journal:

Stocks Decline As Tech Slide Extends
Apple Countersues 'Fortnite' Maker Epic Games, Seeks Punitive Damages
GM Stock Jumps On News Of Stake In Electric-Vehicle Company Nikola
See Spot Scan: Ford Deploys Robot Dog
Public Health Officials Pursue Covid-19 Tests That Trade Precision For Speed

New York Times:
Manhattan's Office Buildings Are Empty. But For How Long?
Justice Dept. Intervenes To Help Trump In E. Jean Carroll Defamation Lawsuit
Website Crashes And Cyberattacks Welcome Students Back To School
'Kill All You See': In A First, Myanmar Soldiers Tell Of Rohingya Slaughter
Republicans Revive 2018 Strategy, Hoping For Better Result: Scare Voters
'You Couldn't See Anything': Harrowing Helicopter Rescues As California Wildfires Rage

Washington Post:
DOJ Acts To Assist Trump In Lawsuit
West Ablaze Before Start Of Fire Season
Violent Imagery Again A Trump Political Cudgel
Rochester Police Leaders, Facing Outcry, Step Down
After Red Flags, A Fatal Police Shooting

Financial Times:
Coronavirus Surges In India As Infections Spread From Cities
JPMorgan Says Staff And Customers May Have Broken Law On Covid Loans
Bottled Water IPO Makes Founder China's Third-Richest Person

Washington Times:
'Joe's Shot': Trump Casts Biden As Weak, Worn Out In Battleground-States Swing
Police Departments Shun Social Justice Warriors' Sweeping Changes: 'Our Policies Are Best Practices'
Wild Weather Fuels Global-Warming Debate As Al Gore Warns Of 'Unabated Climate Crisis'
'Cancel Culture' Put To Vote In Mississippi Counties: 'We're Trying To Do It The Right Way'
Nine Drug CEOs Sign Safety Pledge On COVID-19 Vaccine
Deadly, Resilient Al-Shabab Threatens To Trap US In 'Endless' Somalia War

Story Lineup From Last Night's Network News:
ABC: California-Fires; Weather Report; Coronavirus-Vaccine; Coronavirus-Cases; Trump-Military Comments; DeJoy Investigation; Rochester-Police Chief Retires; Allegiant Air-Senior Kicked Off Flight; Mexico-American Couple Found At Bottom of Well; Virginia-Eleven Year Old Donates Lemonade Stand Money To Help Parents In Need.
CBS: California-Fires; Rochester-Police Chief Retires; Coronavirus-Vaccine; Coronavirus-Cases; Stocks; Trump-Finances; Trump-Military Comments; Weather Report; Flu Vaccine; US Open; Dallas-Father and Son Help Bring Food to Kids in Community.
NBC: California-Fires; Rochester-Police Chief Retires; Coronavirus-Vaccine; First Day of School-Tech Problems; Trump-Finances; Biden Campaign; DeJoy Investigation; Michael Cohen Book; Michigan-Election Worries; Alabama-Former Inmate Donates Kidney to Officer Who Arrested Her.

Network TV At A Glance:
California-Fires – 10 minutes, 30 seconds
Coronavirus-Vaccine – 7 minutes, 50 seconds
Rochester-Police Chief Retires – 4 minutes, 40 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: DOJ-Trump Defamation Lawsuit; Coronavirus-Vaccine; California-Fires; Rochester-Police Chief Retires; Army-WWII Mustard Agent.
CBS: California-Fires; Coronavirus-Vaccine; Utah-13-Yr-Old With Autism Recovering After Being Shot By Police; Trump-Finances; Stocks.
FOX: California-Fires; Weather Report; Trump-Troops in Iraq; Trump-NC Visit.
NPR: Coronavirus-Vaccine; DOJ-Trump Defamation Lawsuit; Senate-Coronavirus Relief Package; California-Fires.
Last Laughs

AMERICAN OVERSIGHT

Late Night Political Humor.

Jimmy Fallon: "Well, everyone is still talking about The Atlantic's report that Trump called fallen service members 'losers' and 'suckers.' And yesterday, when Trump was asked about it, he once again denied ever saying it. ... Other than the 245 times Trump has actually called someone a loser and a sucker on Twitter, he'd never say anything like that."

Jimmy Fallon: "That's right, Trump allegedly made outrageously offensive remarks, so you know what that means: Nothing happens to Trump, and Billy Bush gets fired."

Jimmy Fallon: "I'm not sure what's more upsetting, the comments Trump reportedly made or what he's going to do to change the subject. And that's why we're nuking the moon."

Jimmy Fallon: "That was a pretty crazy press conference. At one point, Trump went off on a rant attacking military leaders, because when you're in a scandal about calling soldiers names, the best offense is to antagonize their bosses."

Jimmy Fallon: "Trump's campaign has already spent $800 million, and he's still losing by almost 10 points. So far, it's the worst money spent since you bought Sketchers Shape-Ups."

Jimmy Fallon: "Seriously, they blew through $800 million in a few months. Who's running his campaign, Trump in the '80s?"

Jimmy Fallon: "Now Trump is claiming he's going to spend up to $100 million of his own money. It's a great idea. Mike Bloomberg heard and was like, 'Yeah, good luck with that.'"

Jimmy Fallon: "The campaign also just spent $156,000 on planes that pull banners. So their advertising strategy is basically the same as The Clam Shack down at Jersey Shore."

Jimmy Fallon: "You can tell Trump's campaign is running out of money because this weekend, they sunk a bunch of boats for the insurance money."

Jimmy Fallon: "But this morning, Trump denied the report and sent a tweet saying that they have lots of money. It would have been more convincing if Trump's next tweet wasn't his Venmo handle and the prayer hands emoji."

Jimmy Fallon: "Trump's tweets look like a spam email you shouldn't open."

Jimmy Fallon: [On the Trump boat parade in Texas where boats sunk] "Just when it seemed like things couldn't sink any lower for Trump and his supporters, it appears that they literally can. ... You know if Trump were on board, he would have been like, 'Out of the way, women and children. Presidents first.'"

Jimmy Fallon: "Ironically, while the boats were sinking, Republicans in Congress spent two months debating whether or not to send them a life raft."

Seth Meyers: "According to a new report, President Trump canceled the 2018 visit to an American veterans cemetery in France because he was afraid his hair would get disheveled in the rain. What? When has it ever been sheveled? ... He always looks like Wile E. Coyote right after the plan backfired."

AMERICAN OVERSIGHT

Seth Meyers: "Today was Senator Bernie Sanders' 79th birthday. But unfortunately when he blew out his candles, all his party guests were still there. 'It's 7:30 in the PM! Don't you people have homes?'"

James Corden: "Twitter blew up today because Donald Trump's former lawyer, Michael Cohen, released an explosive tell-all book with some pretty damning allegations against the President. ... There's been like 10 of these. ... But this is the one. This is it. This is the one that will turn the tide on Trump. All these people were all there while the things were happening. I'm starting to think they only wrote the books for money."

James Corden: "The book is called 'Disloyal: A Memoir: The True Story Of The Former Personal Attorney To President Donald J. Trump.' That's too long of a title. Isn't it? It's too long and I think he's made a mistake. If you think about it, the best books in the world are short titles – 'The Bible,' 'War And Peace,' 'Paddington.'"

James Corden: "'Disloyal: A Memoir: The True Story Of The Former Personal Attorney To President Donald J. Trump.' You can tell Cohen was a lawyer. That title was definitely written by someone who got paid by the hour."

James Corden: "According to Cohen, Trump wasn't too fond of beloved South African President and Nobel Peace Prize winner Nelson Mandela. Trump didn't like Mandela, he didn't like Obama. There's a pattern here, and I can't put my finger on it."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Receives his intelligence briefing
- Vice President Pence — Visits Cornerstone Ministries Church in Pennsylvania and participates in a roundtable discussion with anti-abortion advocates and a 'fireside chat'; delivers remarks at Workers for Trump event

***US Senate*:**

- Senate Banking Committee remote hearing on Fed emergency lending facilities – Remote hearing on 'The Status of the Federal Reserve Emergency Lending Facilities', with testimony from Committee on Capital Markets Regulation President Hal Scott; The Real Estate Roundtable President and CEO Jeffrey DeBoer; and Howard University Professor of Economics / AFL-CIO Chief Economist William Spriggs; *10:00 AM*
- Senate Committee on the Judiciary nominations hearing

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Senate HELP Committee hearing on vaccines – Hearing on 'Vaccines: Saving Lives, Ensuring Confidence, and Protecting Public Health', with testimony from National Institutes of Health Director Dr Francis Collins; and U.S. Surgeon General Vice Adm. Jerome Adams

Location: Rm 430, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Senate Environment Committee hearing on Grizzly Bear State Management Act – 'Successful State Stewardship: A Legislative Hearing to Examine S.614, the Grizzly Bear State Management Act', with testimony from Crank Legal Group attorney Patrick Crank; F.H. Stoltze Land & Lumber Company Vice President and General Manager Chuck Roady; and University of California-Hastings College of the Law Distinguished Professor Emeritus John Leshy

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Closed / Top Secret briefing on 'Update on Eastern Europe', given by Deputy Secretary of State Stephen Biegun

AMERICAN OVERSIGHT

Location: SVC-217, U.S. Capitol Visitor Center, Washington, DC; 10:00 AM

- Hearing on 'Declassification Policy and Prospects for Reform'

Location: Rm 50, Dirksen Senate Office Building, Washington, DC; 3:00 PM

• Senate Governmental Affairs Committee nominations hearing – Nominations hearing considers John Gibbs to be Office of Personnel Management Director; and John Barger, Christopher Burnham, and Frank Dunlevy to be Federal Retirement Thrift Investment Board members

Location: Rm 342, Dirksen Senate Office Building, Washington, DC; 3:30 PM

• Senate Veterans Affairs Committee hearing on Commander John Scott Hannon Veterans Mental Health Care Improvement Act – Hearing on 'S.785: Leading the Way to Comprehensive Mental Health Care and Suicide Prevention for Veterans' * Committee follows guidelines developed to protect the health of Members, witnesses, staff, and the public, including maintaining six-foot social distance spacing in the hearing room and not accommodating visitors

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 3:00 PM

***US House*:**

• House Transportation subcommittee hearing on Amtrak coronavirus response – Railroads, Pipelines, and Hazardous Materials Subcommittee hearing on 'Amtrak's Response to COVID-19', with testimony from Amtrak President and CEO William Flynn; Transportation Communications Union National President Arthur Maratea; Transport Workers Union of America America Local 1460 President Amy Griffin; and Rail Passengers Association President and CEO Jim Mathews; *10:00 AM*

• House Energy and Commerce Committee virtual markup hearing – Virtual markup hearing on legislation including 'H.R. 1289, the Preserving Home and Office Numbers in Emergencies Act of 2019', 'H.R. 3957, the Expanding Broadcast Ownership Opportunities Act of 2019', 'H.R. 5564, the Enhancing Broadcaster Diversity and Inclusion by Verifying and Ensuring the Reporting required by Statute Is Transpiring and Yielding Data Act', 'H.R. 1379, the Ensuring Lasting Smiles Act', 'H.R. 945, the Mental Health Access Improvement Act of 2019', 'H.R. 2564, the Medicare Enrollment Protection Act', 'H.R. 2075, the School-Based Health Centers Reauthorization Act of 2019', 'H.R. 4078, the EARLY Act Reauthorization of 2019', 'H.R. 4764, the Timely ReAuthorization of Necessary Stem-cell Programs Lends Access to Needed Therapies Act of 2019', 'H.R. 5855, the Bipartisan Solution to Cyclical Violence Act of 2020', 'H.R. 3131, the South Asian Heart Health Awareness and Research Act of 2020', and 'H.R. 7948, the Tribal Health Data Improvement Act of 2020', held via Cisco Webex; *11:00 AM*

• House Science subcommittee online hearing on coronavirus impact on university research – Research and Technology Subcommittee online hearing on 'The Impact of the COVID-19 Crisis on University Research', held via Cisco Webex, with testimony from University of Illinois System Interim Vice President for Economic Development and Innovation Dr Joseph Walsh; Oakland University Vice President for Research Dr David Stone; Purdue University Executive Vice President for Research and Partnerships Dr Theresa Mayer; and Carnegie Mellon University Ph.D. student Ryan Muzzio; *11:30 AM*

• House Judiciary Committee markup hearing – Markup hearing on 'H.R. 683, the Puerto Rico Recovery Accuracy in Disclosures Act of 2019' (or PRRADA), 'H.R. 6196, the Trademark Modernization Act of 2020' (or the TM Act of 2020), 'H.R. 631, For the relief of Arpita Kurdekar, Girish Kurdekar, and Vandana Kurdekar', 'H.R. 4225, For the relief of Maria Isabel Bueso Barrera, Alberto Bueso Mendoza, Karla Maria Barrera De Bueso, and Ana Lucia Bueso Barrera', 'H.R. 7146, For the relief of Victoria Galindo Lopez', 'H.R. 7572, For the relief of Median El-Moustrah', 'H.R. XXX, the One-Stop Community Reentry Center Grant Program Act of 2020', 'H.R. 5053, the Justice for Juveniles Act', and 'H.R. 8124, To amend title 18, United States Code, to provide for transportation and subsistence for criminal justice defendants, and for other purposes', held via Webex; *12:00 PM*

• House Select Subcommittee on the Coronavirus Crisis remote hearing on election safety – Remote hearing on 'Ensuring a Free, Fair, and Safe Election During the Coronavirus Pandemic', with testimony from Lawyers' Committee for Civil Rights Under Law President and Executive Director Kristen Clarke; Texas Civil Rights Project President Mimi Marziani; and Infectious Diseases Society of America Global Health Committee Vice Chair Dr Krutika Kuppalli; 1:00 PM

• House Small Business Committee remote hearing on 'Transparency in Small Business Lending' – Remote hearing on 'Transparency in Small Business Lending', held via Cisco Webex, with testimony from Georgetown University Law Center Professor Adam Levitin; Opportunity Fund CEO Luz Urrutia (on behalf of Responsible Business Lending Coalition); Business Center for New Americans Executive Director Yanki Tshering; and 10XTS founder and CEO Michael Hiles; *1:00 PM*

• House Foreign Affairs subcommittee virtual hearing on Egypt – Middle East, North Africa, and International Terrorism Subcommittee virtual hearing on 'Egypt: Trends in Politics, Economics, and Human Rights', held via Cisco Webex, with testimony from Carnegie Endowment for International Peace Middle East Program Director Dr Michele Dunne; Project on Middle East Democracy Deputy Director for Research Amy Hawthorne; Brookings Institution Center for Middle East Policy Senior Fellow (and former Deputy Assistant Secretary of State for Near Eastern Affairs) Dr Tamara Cofman Wittes; and Hudson Institute Center for Religious Freedom Senior Fellow Samuel Tadros; *2:00 PM*

• House of Representatives not in session

AMERICAN OVERSIGHT

Cabinet Officers:

- Secretary of State Pompeo participates in ASEAN-related ministerial meetings – Secretary of State Mike Pompeo participates in virtual East Asia Summit (EAS) Foreign Ministers' meeting and in U.S.-ASEAN Ministerial meeting
- Secretary of the Treasury Steven Mnuchin participates in National Retail Federation CEO Virtual Meeting; *11:00 AM*

Visitors:

- No visitors scheduled

This Town:

- Ex-Im Bank Annual Conference held virtually – Export-Import Bank of the United States Annual Conference, for companies from around the world to meet U.S. exporters. Attendees include over 1,000 exporters and representatives of financial institutions, foreign trade partners, and govt officials; *10:00 AM*
- JCPA discussion on Israel and the United Arab Emirates – 'Israel and the UAE: The First Official Israeli Visit' Jewish Council for Public Affairs webinar, on what an agreement with the United Arab Emirates holds for a 'broader regional peace'. Speakers include Israeli Ministry of Foreign Affairs Spokesperson Lior Haiat and Jewish Council of the Emirates Chief Rabbi Yehuda Sarna, Greater Miami Jewish Federation JCRC Chair Tracey Speigelman, and Jewish Council for Public Affairs Chair Michael Fromm; *10:00 AM*
- New America event on displacement in the U.S. – 'Displaced in America: From Emergency Relief to Transformative Change' New America online event, on creating long-lasting housing policies that keep all at-risk families in their homes, particularly during the coronavirus (COVID-19) pandemic. Speakers include Tempe, AZ, Mayor Corey Woods, City Life/Vida Urbana Community Organizer Gabrielle Rene, Grounded Solutions Network CEO Tony Pickett, American Bar Association COVID-19 Task Force Committee on Eviction Chair Emily Benfer, and New America CEO Anne-Marie Slaughter and Future of Property Rights Program's Yuliya Panfil and Tim Robustelli; *12:00 PM*
- New America event on LGBTQIA+ in national security – 'Celebrating the 2020 LGBTQIA+ Out in National Security Leadership List' New America online event, with OSF for Asia and Latin America Senior Policy Advisor Francisco Bencosme, Astraea Lesbian Foundation for Justice LGBTI Global Human Rights Initiative Director Kerry-Jo Ford, and World Benchmarking Alliance Global Public Policy Lead Ryan Kaminski; *12:00 PM*
- National Law Enforcement Museum virtual panel discussion on equitable policing during coronavirus – National Law Enforcement Memorial and Museum hosts 'Equitable Policing During the Coronavirus Pandemic' virtual panel discussion, examining how the coronavirus (COVID-19) pandemic has affected the role of law enforcement officers across the U.S., with participants sharing current practices, pitfalls and priorities, the challenges of enforcing coronavirus regulations, its impact across different communities, and how that has affected initiatives focused on more equitable policing. Speakers include NYPD Deputy Commissioner for Legal Matters Ernest Hard, Brooklyn Borough President Eric Adams, University of Cincinnati Professor Wendy Calaway, Houston Police Department Officer James Sobota, and Wood River, IL, Police Department Chief Brad Wells; *2:00 PM*
- Dem Rep. Stephanie Murphy speaks on USCC 'Discover & Deliver' event – U.S. Chamber of Commerce hosts 'Discover & Deliver' event in partnership with the North Central Florida, to discuss what is happening in Northern New Jersey to discover effective treatments and cures for coronavirus (COVID-19), and how companies are working to deliver those solutions to patients. Speakers include Democratic Rep. Stephanie Murphy and USCC Global Innovation Policy Center Vice President Frank Cullen; *3:30 PM*
- The 9/11 Promise Run – The 9/11 Promise Run, with long-distance runners beginning a 245-mile journey from the Pentagon to the 9/11 Memorial in New York, to honor those lost in the 9/11 terror attacks, first responders, military personnel, and the children and families of those directly impacted * The journey begins at the 9/11 Pentagon Memorial and individuals will have a choice to run to Ground Zero or to bike to Shanksville, PA

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AMERICAN OVERSIGHT

To: Tarbert, Heath P.(b)(6)
From: Good Morning from CNN[5things@newsletters.cnn.com]
Sent: Tue 10/6/2020 10:26:04 AM (UTC)
Subject: [EXTERNAL] Trump's White House return raises questions

POTUS ... Pandemic ... Supreme Court ... Police violence ... Kyrgyzstan

Tuesday 10.06.20

Hurricane Delta is picking up steam and could become a Category 3 storm in the next 24 hours. The Caribbean and parts of Louisiana are already preparing. Here's what else you need to know to **Get Up to Speed and On With Your Day**.

By AJ Willingham

Not subscribed to 5 Things yet? Sign up here!

President Trump, who still has Covid-19, takes off his face mask yesterday as he arrives at the White House from Walter Reed Medical Center.

President Trump

President Trump returned to the White House yesterday after being treated for Covid-19 at Walter Reed Medical Center, but his homecoming has created more confusion and concern. Doctors warned that the President isn't out of the woods yet, but upon arriving at the White House, Trump almost immediately removed his mask and conducted business bare-faced, even with numerous staff members standing by. He also tweeted that people shouldn't be afraid of the coronavirus, even though it's killed more than 210,000 people on American soil, few if any of whom had access to the advanced medical care the President received. As of yesterday, Trump was still on dexamethasone, a steroid, and will receive another round of remdesivir today. Meanwhile, more people in his inner circle have tested positive for Covid-19, including White House press secretary Kayleigh McEnany.

Coronavirus

The coronavirus has infected about 10% of the world's population, the World Health Organization estimates. The official count stands at about 35.3 million, but health experts agree that's probably a massive undercount. The CDC says cases in the US alone could be underestimated by at least 90%. The virus is also sweeping through major institutions. At least 2,000 TSA members have tested positive, as have at least 159 staff in the

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EU's executive branch. Meanwhile, the Trump administration is still angling for a pre-Election Day vaccine by reportedly blocking new FDA vaccine guidelines that would make that tight time line all but impossible. Oh, and the CDC has updated its guidance yet again to clarify that Covid-19 can spread by airborne transmission as well as close contact.

Supreme Court

On the first day of the new Supreme Court term, Justices Clarence Thomas and Samuel Alito delivered a scathing criticism of Obergefell v. Hodges, the decision that cleared the way for the nationwide legalization of same-sex marriage. Thomas raised the religious liberty implications of the decision and wrote that the precedent allows courts and governments to treat religious opponents of same-sex marriage as "bigots." The swift attack has raised anxiety among progressives and LGBTQ rights activists that the court -- now without the late Justice Ruth Bader Ginsburg -- will try to chip away at the precedent and continue its trend of ruling in favor of religious conservatives.

Police violence

A police officer in Texas has been arrested and charged with murder after fatally shooting a 31-year-old Black man who was intervening in a domestic dispute. Wolfe City Police Officer Shaun Lucas shot Jonathan Price while responding to a call over the weekend, and an investigation is ongoing. Meanwhile, Northern California prosecutors are reopening the investigation into the 2009 death of Oscar Grant at the hands of Bay Area Rapid Transit officers following renewed calls from Grant's family. Grant, a Black man, was fatally shot while lying facedown on a platform in Oakland. And in Louisville, Kentucky, a second grand juror involved in the Breonna Taylor case has reportedly come forward to an area activist and wants to speak freely about the deliberations.

Kyrgyzstan

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A parliamentary election in Kyrgyzstan has dragged the Central Asian country to the brink of revolt. Protests erupted after two establishment parties, one of which is close to President Sooronbai Jeenbekov, swept Sunday's vote, according to a Reuters report. Protesters broke into government and security headquarters and freed former President Almazbek Atambayev, who was sentenced to a lengthy prison term on corruption charges after falling out with Jeenbekov. Demonstrators also demanded that the recent vote results be canceled. According to local reports, the Central Election Commission may consider the request. Kyrgyzstan, which is closely allied with Russia, has a history of political volatility. In the past 15 years, two presidents have been toppled by revolts.

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People are talking about these. Read up. Join in.

The National Zoo's new baby panda is a boy

He can look forward to a lifetime of being adored by every human who comes near him.

CVS and other stores want to help you safely trick-or-treat

Because Halloween should be spooky, not legitimately, pandemic-level scary.

McDonald's teams up with singer J Balvin for its newest celebrity meal

Burgers just taste better when they have a massive music star's seal of approval.

A massive, 50-year-old great white shark dubbed 'Queen of the Ocean' was caught, tagged and released

Jaws could NEVER.

Scientists find intact brain cells in skull of man killed in Vesuvius eruption nearly 2,000 years ago

Leave the brain cells alone. It's 2020, OK? Who knows what could happen!

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14 million

That's how many metric tons of microplastics are sitting on the ocean floor, scientists estimate. That's more than 35 times as much plastic than is believed to be floating on the surface. Microplastics, found in household objects like scrubs and glitter, post serious environmental problems.

I want to say to all the mums, 'We can do it. Be strong.'

Jessica Marcialis, an Italian jockey who just made history by becoming the first female jockey to win a Group One race in France. She resumed her racing career after becoming a mom.

Brought to you by CNN Underscored

Amazon's holiday gift guides have arrived — in time for Prime Day

The mega-retailer's annual holiday gift guides have officially launched, featuring Amazon's "biggest-ever selection" of curated gifts and storefronts — with everything from fashion and beauty to toys, home goods and tech. The extra-early launch comes just in time for Prime Day on October 13 and 14.

Some fun facts you probably didn't know

Do you know where salmon sushi comes from? Because it isn't Japan! (Click here to view.)

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, OCTOBER 6, 2020 6:00 AM EDT

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Treasury in the News

Aide Says Pelosi, Mnuchin Continued COVID Relief Talks Monday, But No Deal Imminent.

Bloomberg (10/5, Wasson, Dorning, 4.73M) reports Treasury Secretary Steven Mnuchin and House Speaker Nancy Pelosi "engaged in another round of talks Monday on a pandemic relief package with no sign they are close to deal, despite the urging of President Donald Trump to get it done." Mnuchin and Pelosi "have maintained talks by telephone since last week, when they met in person for the first time since early August. They're attempting to bridge a still-yawning gap between the Democratic $2.2 trillion proposal and a $1.6 trillion White House offer." The two of them "spoke by phone for one hour on Monday and plan to speak again on Tuesday, according to Drew Hammill, a Pelosi spokesman. They discussed spending amounts and will exchange written proposals, Hammill said."

Reuters (10/5, Lambert, Heavey) reports White House Chief of Staff Mark Meadows on Monday "told Fox News he has been in constant contact with" Mnuchin "regarding negotiations with...Pelosi, 'to try to make sure that we can try to find a way to move forward.'" Meadows is quoted as saying, "I do think that there is the potential for a deal as long as politics do not get in the way again."

Assistant Treasury Secretary for Public Affairs Monica Crowley said on Bloomberg Radio (10/5, 4.73M), "The conversations are continuing. They began in August when Secretary Mnuchin and Chief of Staff Mark Meadows went to Capitol Hill to speak to Leader Schumer and Speaker Pelosi and, frankly, Republicans, as well, to see if we get all sides on board because there is a consensus view that there is needed economic stimulus, economic relief particularly to certain sectors of the economy that were hit hard and remain hit hard by a pandemic. ... The problem is getting agreement to a topline number. ... I can tell you that the conversations are ongoing and that the administration is completely committed to getting the American people the relief that they need, as we have done throughout this crisis."

The Hill (10/5, Lillis, 2.98M), CNBC (10/5, Calia, 3.62M), CBS News (10/5, Picchi, 3.68M), and Fox Business (10/5, De Lea, 1.73M) also report.

Kilgore: Trump Wants Mnuchin To Close The Deal, But Needs McConnell's Buy-In. In a column for New York Magazine (10/5, Kilgore, 1.1M), Ed Kilgore writes that President Trump's COVID-19 diagnosis "happened to break just as Nancy Pelosi and Steven Mnuchin had reportedly reached the endgame of their on-again, off-again talks." Kilgore says Trump "seemed most determined to keep the stimulus story in the news," tweeting to "get it done" in what Kilgore calls "a very public set of instructions to Mnuchin to keep on talking." However, "If there's a deal, McConnell would not only have to get his troops to return to Washington but would presumably be expected by the White House to crush or ignore any conservative backlash against the concessions Mnuchin has made."

WPost Analysis: Much Of COVID Spending "Missed The Mark."

The Washington Post (10/5, A1, Whoriskey, MacMillan, O'Connell, 14.2M) says on its front page that "the four spending bills that Congress passed earlier this year to address the coronavirus crisis amounted to one of the costliest relief efforts in U.S. history," with "the $4 trillion total of government grants and loans exceed[ing] the cost of 18 years of war in Afghanistan." But "six months later...the nation's coronavirus battle is far from won, and if the prodigious relief spending was supposed to target the neediest and move the country beyond the pandemic, much of the money missed the mark." The Post says Treasury Secretary Steven Mnuchin, "one of the key negotiators, said it is clear that more relief is necessary," quoting his Sept. 22 testimony to Congress: "I believe a targeted package is still needed, and the administration is ready to reach a bipartisan agreement."

Lighthizer Joined Mnuchin In Opposing Import Ban On China Due To Trade Deal Negotiations.

In a profile on USTR Robert Lighthizer, the New York Times (10/6, Swanson, 18.61M) reports Lighthizer "has recently intervened to shoot down several policy measures that could have threatened China economically, including efforts by U.S. Customs and Border Protection to impose a sweeping ban on cotton and tomatoes from Xinjiang." The Times says the measure, "which was scheduled to be announced the morning of Sept. 8, would have barred many products from Xinjiang over concerns that they were made with forced labor by Uighurs and

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other Muslim minorities that China has detained in camps in the region." But Lighthizer "joined Steven Mnuchin, the Treasury Secretary, Sonny Perdue, the Secretary of Agriculture, and Mark Meadows, the White House chief of staff, in objecting to the measure on the grounds that it could provoke China, threatening American cotton exports and the trade deal, people familiar with the matter said."

Treasury Grant News

Billings, MT To Receive $13.7M In First-Responder Wage Offset Grants.

KTVQ-TV Billings (MT) Billings, MT (10/6, 3K) reports Billings' government "is on track to receive $13.7 million in federal COVID-19 relief money to offset first responder wage and benefits costs incurred since March 12, and city officials are starting to talk about how to spend it." Billings Finance Director Andy Zoeller "brought an update to the Billings City Council Monday on the grant-eligible expenses the city has incurred since the start of the pandemic. The grant money has stipulations decided by the U.S. Department of the Treasury, Zoeller said." Billings "benefited from five different allocations from the CARES Act, including the first-responder money, Zoeller said. The other four allocations went to specific departments."

WA City Receives $651K In Treasury Grants For Small Business Relief.

The Lynden (WA) Tribune (10/5) reports the Treasury Department disbursed to "the City of Lynden...$651,150 in the form of grants to be awarded to businesses in need due to losses suffered from coronavirus impacts." The money "was administered through the Washington State Department of Commerce. The city created a Coronavirus Relief Fund."

FL County Reopens Applications For Small Business CARES Act Grants.

The Palm Coast (FL) Observer (10/6, 71K) reports Flagler County, FL "is reopening new applications from small businesses for the CARES (Coronavirus Aid, Relief, and Economic Security) Act federal stimulus monies beginning Monday afternoon, Oct. 5." The funds "may be used for a variety of COVID-19 related government expenses, as well as assistance programs for residents and business negatively fiscally impacted by COVID-19." Flagler County "will distribute the funds as outlined in guidance provided the U.S. Department of Treasury and the state of Florida."

Leading National News

Trump Returns To White House, Telling Nation, "Don't Be Afraid Of COVID."

Coverage of President Trump's return to the White House from Walter Reed Medical Center focuses on continuing unanswered questions about the President's health, and on the message he delivered Monday evening telling Americans not to "be afraid of COVID."

The President's move back to the White House coincided with the East Coast broadcast time of the network newscasts, which covered the President's movements extensively. David Muir said on ABC World News Tonight (10/5, lead story, 5:10, 6.69M), "President Trump is leaving Walter Reed Medical Center and heading back to the White House, after being taken to Walter Reed Friday night. His medical team treat[ed] the President aggressively with a variety of medications, along with a powerful steroid." The President's doctor Sean Conley said "late [Monday] he may not be entirely out of the woods yet for something this early in his course of treatment. In fact, the doctors said, we won't know until next weekend, several days from now, truly how the President will fare from this, given the normal course from the virus." ABC's Jonathan Karl: "How is the President really doing? It's been nearly possible to discern, amidst a series of false or conflicting statements from the White House and [Conley] over the past four days."

Norah O'Donnell said on the CBS Evening News (10/5, lead story, 3:45, 4.18M), "President Trump's decision to return to the White House comes after his doctors said this afternoon in a press conference that he continues to improve. They said he has not had a fever in three days and he is up and walking around. But they also said he 'may not be entirely out of the woods.' Take a look at this tweet this afternoon. The President told Americans, 'Don't be afraid of COVID, don't let it dominate your life.' This comes as more than seven million people in the US have contracted the virus and more than 210,000 have died from it nationwide. ... There are still very many unanswered questions as we come on the air about the President's symptoms and about how sick he actually is." Dr. Jon Lapook said on the CBS Evening News (10/5, story 2, 1:45, O'Donnell, 4.18M), "In the first week you can have mild symptoms, a so-called viral replication phase. And in the second week, suddenly people can take a turn for the worse, and that is so-called inflammatory phase. So that is one of the reasons why they're saying we are not out of the woods yet. Because even though we are just day four or five at this point, his symptoms may be getting better right now, but they are not going to take anything for granted."

Lester Holt said on NBC Nightly News (10/5, story 2, 2:45, 5.69M) that Trump's release from Walter Reed came "after days of conflicting messages from his doctors and the White House staff, and there are still a lot of unanswered questions about his condition." NBC's Hallie Jackson: "No more fever, no more cough, the President's doctors say. No fogginess from the coronavirus treatments he's getting, but also no answer on what his lung scans show with concerns the President might have pneumonia, and no response on when his last negative test was, a critical point for determining who may have been exposed and at risk."

The President posted 18 brief political tweets between 6:19 a.m. and 7:14 a.m., and tweeted several other times during the day before tweeting at 2:26 p.m., "It is reported that the Media is upset because I got into a secure vehicle to say Thank You to the people and supporters who were standing outside of the hospital for many hours, and even days, to pay their respect to their President. If I didn't do it,

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Media would say RUDE!!!" At 2:37 p.m., Trump tweeted, "I will be leaving the great Walter Reed Medical Center today at 6:30 P.M. Feeling really good! Don't be afraid of Covid. Don't let it dominate your life. We have developed, under the Trump Administration, some really great drugs & knowledge. I feel better than I did 20 years ago!" Later, the President tweeted an 86-second video in which he said in part, "I went, I didn't feel so good, and two days ago, I could have left two days ago, two days ago I felt great, like better than I have in a long time. I said just recently, better than 20 years ago. Don't let it dominate. Don't let it take over your lives. ... And now I'm better. And maybe I'm immune, I don't know. But don't let it dominate your lives."

The AP (10/5, Colvin, Miller, Madhani) reports Trump "staged a dramatic return to the White House Monday night after leaving the military hospital where he was receiving an unprecedented level of care for COVID-19. He immediately ignited a new controversy by declaring that despite his illness the nation should not fear the virus that has killed more than 210,000 Americans – and then he entered the White House without a protective mask." The AP says the President's message "alarmed infectious disease experts and suggested the president's own illness had not caused him to rethink his often-cavalier attitude toward the disease." The Washington Post (10/5, Rucker, Parker, Dawsey, 14.2M) says Trump's "quest to come across as commanding even while suffering from a deadly illness that is especially dangerous for men of his age and with his comorbidities is in keeping with one of his great phobias in life: appearing weak."

The New York Times (10/5, Kolata, Rabin, 18.61M) reports, "Experts were outraged by the president's comments about a disease that has killed nearly 210,000 people in the United States. Public health experts had hoped" that Trump, "chastened by his own infection with the coronavirus and the cases that have erupted among his staff, would act decisively to persuade his supporters that wearing masks and social distancing were essential to protecting themselves and their loved ones." The Wall Street Journal (10/5, A1, Restuccia, Leary, Subscription Publication, 7.57M) reports that in a video message, Trump said in part, "Now I'm better. And maybe I'm immune, I don't know."

The Washington Post (10/5, Olorunnipa, Dawsey, 14.2M) says Trump's "statement – seeming to again minimize the pandemic, something he has done consistently since it emerged as a threat earlier this year – immediately drew rebukes. ... But Trump has given little indication that he plans to change his behavior if or when he is told by doctors that he can resume normal activities." The Los Angeles Times (10/5, Bierman, Stokols, 4.64M) says Trump's "advice to not be afraid of COVID rang alarms among health professionals, who pointed out that the disease remains deadly and is spiking in numerous states. For now, they said, Trump remains contagious and should isolate himself at the White House for 10 days to avoid infecting others."

The New York Times (10/5, Haberman, Karni, 18.61M) writes, "Itching to get out of the hospital," the President "got his wish on Monday evening." The New York Times (10/5, Thomas, Grady, 18.61M) says in another report, "After landing on the South Lawn, Mr. Trump ascended a flight of stairs and then turned to face his helicopter – and the live television cameras – and removed his mask before giving the departing Marine One a long salute." Breitbart (10/5, 673K) reports, "One reporter shouted a question at the president, asking if he was a 'super-spreader' of the coronavirus. Trump, wearing a mask, did not respond, but said, 'Thank you,' to the press and flashed a thumbs-up sign." CNN (10/5, Reston, Liptak, 83.16M) reports on its website, "Peeling off his mask, Trump posed in salute as his helicopter departed before walking inside. The building he's returning to has become a center for viral contagion – in part because of disregard for mitigation measures."

USA Today (10/5, Fritze, Subramanian, Jackson, Collins, 10.31M) reports, "White House aides were eager for the images of a president triumphantly returning home after fighting the virus – a scene that could have implications for his reelection bid. But Trump's medical team has provided scattered and inconsistent details about the president's condition and it was unclear when he would resume his campaign." Major Garrett said on the CBS Evening News (10/5, story 3, 2:30, O'Donnell, 4.2M), "Already, politically there is this aura around the President – 'he has beaten COVID-19.' There is almost this heroic meme that's being developed by Republicans and Trump supporters, so what the White House advisors I talked with said there was a lively conversation earlier today about the President leaving Walter Reed and coming back to the White House. And the conversation was as follows: The President, if he comes back to the White House, has to stay there. If he goes back to Walter Reed for any medical reason, it will break this narrative of his heroic triumph over COVID-19."

The New York Times (10/5, Jakes, 18.61M) reports that the Trump campaign is "hoping the nation will rally around the ailing president as he battles the coronavirus. But the first polls conducted since the president's announcement of his diagnosis early Friday did not seem to show a sympathy bounce." CNN (10/5, Agiesta, 83.16M) reports on its website that "two-thirds of Americans" in a CNN poll say Trump "handled the risk of coronavirus infection to others around him irresponsibly," and "69% of Americans said they trusted little of what they heard from the White House about the President's health." Politico (10/5, Lizza, Lippman, 4.29M) says Republicans "are trying to game out the politics of the president's illness. ... The thinking among Republicans about the potential scenarios they may face over the next few weeks range from this could actually help Trump to we are on the cusp of party-wide catastrophe."

During a town hall hosted by NBC (10/5, 3.08M) on Monday, Joe Biden said, "I would hope that the President having gone through what he went through – I'm glad he's coming along pretty well – would communicate the right lesson to the American people. Masks matter. ... It saves lives. It prevents the spread of the disease. Social distancing. Instead of talking about – the only thing I heard was one of the tweets saying don't be so concerned about all this, essentially. There's a lot to be concerned about. 210,000 people have died."

The Houston Chronicle (10/5, 730K) reports Sen. John Cornyn (R-TX) said in a Monday interview, "I think he let his guard down, and I think in his desire to try to demonstrate that we are somehow coming out of this and that the danger is not still with us – I think he got out over his skis and frankly, I think it's a lesson to all of us that we need to exercise self discipline."

The Washington Post (10/5, 14.2M) says in an editorial, "Trump has regarded face masks with foot-dragging contempt, displaying the same bravado with which he summoned states to reopen, held mass rallies without social distancing or masks, and tamped down warnings of

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danger from government experts. In the past few days, this casual disregard for others has been on display again, including an inexplicable joyride outside of Walter Reed National Military Medical Center that put at risk those in the vehicle with him. There has been no sign of contact tracing at the White House as the contagion has spread down the corridors. This is a most callous hubris."

Dana Milbank writes in the Washington Post (10/5, 14.2M), "A more selfish man has never occupied his high office. He received a cutting-edge treatment, monoclonal antibodies, unavailable to virtually all other Americans. He received an antiviral, remdesivir, that is rationed for ordinary Americans. He required oxygen and steroids. Yet Trump has the audacity to tell Americans the virus is no biggie. No doubt the families of the 209,000 dead are greatly reassured."

Frank Bruni writes in his New York Times (10/5, 18.61M) column, "I've heard nothing yet from Trump or senior White House officials that suggests that necessary lessons have been learned – that a commitment to a new conscientiousness has been made. As of early Sunday evening, they'd offered absolutely no public information or assurances about contact tracing for all the people who'd attended Trump events recently or crossed paths with him."

Philip Bump of the Washington Post (10/5, Bump, 14.2M) writes, "If Trump were the median patient hospitalized to be treated" for COVID-19, "we wouldn't expect him to be released until the end of the week, or longer. Guidance from the Centers for Disease Control and Prevention indicates that hospital stays generally last 10 to 13 days – for survivors." In leaving the hospital on Monday, Trump "wav[ed] away the risks posed by covid-19 in general...extrapolating outward from his five days of coronavirus symptoms to make a sweeping assertion about the low risk from the virus."

The Washington Times (10/5, 492K) headlines its report "Trump Makes Triumphant Return To White House," while a Boston Globe (10/5, 972K) report is headlined "While Receiving The Best Health Care, Trump Downplays The Risk Of The Virus." The Daily Beast (10/5, 1.39M) headlines a brief report "First Thing Trump Does At White House Is Take Off His Mask." Reuters (10/5, Holland, Alper), Bloomberg (10/5, Wingrove, Jacobs, Sink, 4.73M), the Fox News (10/5, Singman, 27.59M) website, the Atlanta Journal-Constitution (10/5, 895K), the New York Daily News (10/5, Goldiner, Sommerfeldt, 2.52M), the New York Post (10/5, Moore, Bowden, Nelson, 4.57M), Politico (10/5, Forgey, Oprysko, 4.29M), The Hill (10/5, Chalfant, 2.98M), Axios (10/5, 521K), and Townhall (10/5, Baumann, 177K) are among the other outlets covering the President's return.

Media Analyses: Conley "Ducked" Questions By Citing HIPAA. The AP (10/5, Alonso-Zaldivar) reports Conley "leaned on" the Health Insurance Portability and Accountability Act on Monday "to duck certain questions about the president's treatment for COVID-19, while readily sharing other details of his patient's condition." The Washington Post (10/5, Olorunnipa, Dawsey, 14.2M) reports Conley "declined to describe what specific steps would be made to ensure a safe environment at a building that doubles as a personal residence and a government office while the president remains contagious, which could be for several more days at least."

Reuters (10/5) reports Conley told reporters, "Over the past 24 hours...he's met or exceeded all standard hospital discharge criteria. Though he may not entirely be out of the woods yet, the team and I agree that all our evaluations, and most importantly, his clinical status, support the president's safe return home, where he will be surrounded by world-class medical care 24/7." The New York Times (10/5, Steinhauer, 18.61M) writes, "Even though it is common for those who serve in the military to be treated by a medical professional of lower rank, only the president holds the title of top boss and, in the case of Walter Reed, technically has command over the entire medical center." Trump "appeared to pick a doctor who would maintain the narrative of his health status."

The Hill (10/5, Samuels, 2.98M) says Conley "ducked repeated questions from reporters" about the President's health "and the timeline of his COVID-19 infection, even as he insisted the president is well enough to leave the hospital and return to the White House. ... Conley noticeably refused to answer multiple questions about when Trump last tested negative for the virus, something White House officials have similarly declined to share in recent days." Axios (10/5, 521K) says Conley "refused to answer questions at a press briefing Monday about when President Trump last tested negative for COVID-19 or what his lung scans have shown, citing the medical privacy law HIPAA." The Daily Caller (10/5, 716K) headlines its brief report "White House Physician Sean Conley Repeatedly Dodges Questions About When Trump Last Tested Negative For Coronavirus."

White House Deputy Press Secretary Brian Morgenstern said on Fox News' The Daily Briefing (10/5), "I think there were comments that were really misconstrued quite a bit and I think there was sort of a panic on the part of the media that maybe wasn't justified. The doctor gave several on-camera briefings himself and several memos he released to the extent there were points that needed to be clarified, I think we clarified them promptly. There is no easy way to communicate in the middle of a pandemic and an the election when the President is in the hospital."

Ashish Jha of the Brown University School of Public Health said on ABC World News Tonight (10/5, story 5, 4:15, Muir, 7.03M), "What we've seen in this disease is that it often people do well early on, look good, and then Day Five, Day Seven, even out to Day 10, take a sudden and dramatic turn for the worse. So, depending on the timeline of the President, we're really going to have to pay close attention all week into the weekend." Dr. John Torres said on NBC Nightly News (10/5, story 9, 1:05, Holt, 1.03M), "The CDC says once you start symptoms, 10 days later, they don't consider you contagious if your symptoms have improved and you're fever-free for 24 hours, but only if the symptoms improved."

McEnany Tests Positive As Concern Inside White House Continues To Spread. White House Press Secretary Kayleigh McEnany is the latest high-profile figure close to the Administration to test positive for COVID-19. McEnany said on Fox News' Hannity (10/5, 535K), "I'm feeling great. I'm having no symptoms. I am really blessed to have a mild case, an asymptomatic case. My heart goes to all those who been affected by those and all those who've lost their lives." The Washington Post (10/5, Farhi, 14.2M) says her "sidelining...will

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eliminate one of President Trump's most potent allies in the final weeks of his uphill re-election battle." Hallie Jackson reported on NBC Nightly News (10/5, story 5, 1:25, Holt, 5.69M) that in addition to McEnany, "two of her deputies tested positive. The White House so far has not said how many West Wing staffers have actually tested positive so far."

Norah O'Donnell said on the CBS Evening News (10/5, story 9, 1:40, 4.18M) that McEnany "was briefing reporters without a mask over the weekend. Does that mean that has lead to a number of staff and other reporters to now have to quarantine?" CBS' Ben Tracy: "Certainly, reporters are doing that, even people on our own team are having to quarantine because of their proximity to Kayleigh McEnany over the last couple of days." The New York Times (10/5, Grynbaum, 18.61M) reports, "Throughout a pandemic that has now landed squarely in the West Wing, Trump officials – who routinely shunned masks – declined to institute thorough safety protocols to protect the White House press corps, according to interviews with reporters who now face the prospect of a rapidly escalating outbreak in their daily work space."

Major Garrett said on the CBS Evening News (10/5, story 10, 1:20, O'Donnell, 4.18M), "As Kayleigh McEnany learned today, you can test negative for several days in a row and then test positive because of the transmissibility and how long it takes for the virus to become detectable within your body. So there is a concern this week that even as the President returns – and there is a dimension of triumphalism about that – other parts of the story could become problematic as this week continues, if Mark Meadows the Chief of Staff, Jared Kushner, Ivanka Trump, test positive as well."

USA Today (10/5, Phillips, 10.31M) reports "nearly 20 people – including White House officials and reporters – have tested positive" since the President announced his positive test result early Friday. Many had "attended Judge Amy Coney Barrett's nomination ceremony a little over a week ago at the White House Rose Garden, where few people wore masks." The Atlantic (10/5, Godfrey, Harris, 3.47M) reports, "Asked to describe the mood inside the White House, one staffer, who spoke on the condition of anonymity because he fears for his job, called the fallout from the Trumps' diagnosis 'a huge mess.'"

The Washington Post (10/5, Yuan, 14.2M) reports on concerns among the White House residence staff members, who "are largely Black and Latino, and often elderly." Bloomberg (10/5, Yang, 4.73M) and Politico (10/5, Niedzwiadek, 4.29M) list those in and close to the Administration who have recently tested positive.

Concerns Rise About Safety Of Secret Service Agents. The New York Times (10/5, Kanno-Youngs, 18.61M) reports Secret Service agents have "been tested in recent days by President Trump's desire to get back to work, play or campaigning, despite an active coronavirus infection that could pose a serious threat to those around him. ... Medical experts said" Trump's Sunday excursion in "a hermetically sealed, armored Chevy Suburban with at least two Secret Service agents...recklessly put agents at risk. Secret Service personnel have privately questioned whether additional precautions will be put in place to protect the detail from the man they have pledged to protect."

CNN (10/5, Liptak, 83.16M) reports on its website, "The contained space inside the presidential limousine hardly allowed for social distancing from the driver and agent. While Trump wore a mask, his status as a Covid-positive hospital patient precluded him from falling within anyone's recommendations for a public appearance. ... Afterward, members of the Secret Service voiced escalating concern at what many of the agency's personnel have determined is total disregard for their well-being amid a deadly and highly contagious pandemic." One "current Secret Service agent who works on the presidential and first family detail" said, "That should never have happened."

White House Rejects Offer For Contact Tracing Aid. USA Today (10/5, Murphy, Stein, 10.31M) reports the White House "rejected on Monday an offer from the nation's public health experts to lead the effort to track down and notify Americans who were exposed to a growing coronavirus outbreak" linked to the Administration. In "interviews and internal CDC communications...current and former agency officials accused the White House of seeking to avoid learning the scope of the outbreaks. Without an independent investigation, they said, countless others may be exposed and never know it."

The New York Times (10/5, A1, Mandavilli, Tully, 18.61M) reports the White House "has decided not to trace the contacts of guests and staff members" at the Barrett event, and has instead "limited its efforts to notifying people who came in close contact with Mr. Trump in the two days before his Covid diagnosis." The AP (10/5, Khalil) reports officials with the District of Columbia Department of Health say they have "been unsuccessful in trying to connect with the White House to assist with contact tracing and other protocols." Lapook said on the CBS Evening News (10/5, story 6, 3:10, O'Donnell, 4.2M), "What you want to do in a situation like this is get your arms around it, and the typical thing would be to do extensive contact tracing. ... The CDC has not been asked to come in."

The AP (10/5, Catalini) reports New Jersey Gov. Phil Murphy (D) said Monday that the President's "fundraiser at his Bedminster golf club hours before he announced he had contracted the coronavirus was wrong and 'put lives at risk.' ... Murphy called the trip the 'wrong decision at every level' and said it should have been canceled." On ABC World News Tonight (10/5, story 6, 1:05, Muir, 6.69M), Karl reported "officials in the New Jersey government" are performing contact tracing related to the event. Karl said "the contact tracing at the White House seems to be much spottier."

The San Diego Union-Tribune (10/5, 755K) reports Riverside, California, pastor Greg Laurie, who attended the Rose Garden event, said Monday that he has tested positive. Meanwhile, the Dallas Morning News (10/5, 946K) reports that "Dallas-area megachurch Pastor Jack Graham," who also attended the event, "has declined to follow medical guidelines...telling his congregation, 'I am ridiculously healthy.'"

Spokeswoman Says Barr Expects To Get Tested On Tuesday. The New York Times (10/5, Benner, 18.61M) reports Attorney General Barr "did not plan to get a coronavirus test on Monday after receiving negative results from four tests and was likely to return to work at the Justice Department this week, his spokeswoman said," after getting tested on Tuesday.

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Trump Jr. Reportedly Thinks President Is "Acting Crazy." Gabriel Sherman of Vanity Fair (10/5, 9.08M) reports that the

President's "erratic and reckless behavior in the last 24 hours has opened a rift in the Trump family. ... Sources said Donald Trump Jr. is deeply upset by his father's decision to drive around Walter Reed National Military Medical Center" on Sunday. Sources say "Don Jr. has told friends that he tried lobbying Ivanka Trump, Eric Trump, and Jared Kushner to convince the president that he needs to stop acting unstable." A source told Sherman, "Don Jr. has said he wants to stage an intervention, but Jared and Ivanka keep telling Trump how great he's doing. Don said, 'I'm not going to be the only one to tell him he's acting crazy.'"

Despite Job Gains, Twice As Many People Are Unemployed Now Than Before Pandemic.

The New York Times (10/5, Koeze, 18.61M) reports "unemployment data is painting a picture of how quickly – or not – the economy is recovering from pandemic job losses." Before the pandemic, "about six million people were unemployed in the United States." But, "after the pandemic hit, that number swelled rapidly. The unemployment rate in April was the highest it had been since the Great Depression." Although "September's jobs report showed continued gains, there are still about twice as many people out of work now than before the pandemic." The Times adds that while economists "sometimes discuss recoveries in terms of line graphs that look like letters – V or W or K – depending on how quick and sustained they are," recoveries "are often more multifaceted than a single form can fully depict."

States That Overpaid Pandemic Unemployment Claims Are Asking Workers To Pay It Back.

The Wall Street Journal (10/5, Weber, Subscription Publication, 7.57M) reports thousands of workers were overpaid in the spring and summer as states moved quickly to provide relief or unemployed and furloughed Americans. Now, multiple states are asking people to repay those funds or have their current benefits reduced to cover the difference.

US Service Business Activity Increased In September.

The Wall Street Journal (10/5, Guilford, Subscription Publication, 7.57M) reports US service businesses saw increased activity in September. The Institute for Supply Management's nonmanufacturing index increased to 57.8 last month from 56.9 in August.

Food Companies Adapt To Pandemic-Driven Changes.

The Wall Street Journal (10/5, Haddon, Subscription Publication, 7.57M) reports food companies have bolstered supplies of their most popular products to meet unprecedented demand amid the coronavirus pandemic. Along with increasing production, companies have also increased their workforces and confronted how to protect workers while meeting demand. The pandemic has also presented opportunities for food companies to reach new consumers.

JBS Chief Executives Says More Meatpacking Plant Closures Unlikely. The Wall Street Journal (10/5, Bunge, Subscription Publication, 7.57M) reports Andre Nogueira, chief executive of beef and pork processor JBS USA Holdings, said Monday he does not expect another round of meatpacking plant closures due to the coronavirus because worker testing and safety practices have improved since his company and others . The Journal says after JBS, Tyson Foods Inc., Cargill Inc. and other meat companies were forced to temporarily close plants due to employee infections in March and April, the companies implemented additional safety procedures and distributed safety gear to workers.

Southwest Asks Unions To Accept Pay Cuts To Avoid Layoffs.

Reuters (10/5, Rucinski) reports on Monday, Southwest Airlines "said...it is asking unions to agree to pay cuts in order to prevent furloughs and layoffs through 2021 as the industry struggles to stem losses from the coronavirus pandemic in the absence of more federal aid." The AP (10/5) reports Southwest CEO Gary Kelly "said Monday that unless the federal government gives airlines more money, Southwest will have to sharply cut spending to avoid losing billions of dollars every quarter until a coronavirus vaccine is widely available." In a video to employees, Kelly said, "We would have to wipe out a large swath of salaries, wages and benefits to match the low traffic levels to have any hope of just breaking even." He "said he won't get a base salary through 2021 and non-union employees will see a 10% pay cut Jan. 1 to avoid layoffs through 2021. Southwest will negotiate similar cuts from union workers, who represent about 85% of the workforce." The Wall Street Journal (10/5, Sider, Subscription Publication, 7.57M) reports Kelly said he believes a deal will be reached on relief legislation that would cover airline salaries until the end of March.

USA Today (10/5, Woodyard, 10.31M) says that in saying the airline can get through the crisis without layoffs, Kelly sought "to stand apart from rivals. American and United Airlines, for instance, have warned that 32,000 employees would collectively face layoffs after Congress was unable to come to agreement on a new relief package." The Dallas Morning News (10/5, 946K) provides similar coverage.

CFTC Official Credits Data Analytics Program With Making Case Against JPMorgan Chase.

The Wall Street Journal (10/5, Subscription Publication, 7.57M) the CFTC's decision to levy a $920 million fine against JPMorgan Chase & Co. after it walked away from an investigation of price manipulation by the bank is an example of the progress the government has made in using data to reveal market manipulation, CFTC Director of Enforcement James McDonald said. In comments to the Journal, McDonald credits the agency's data analytics program with enabling it bring the case.

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NYTimes Analysis: Trump Has Failed To Arrest Coal Industry's Decline.

The New York Times (10/5, Lipton, 18.61M) says that "despite [President] Trump stocking his administration with coal-industry executives and lobbyists, taking big donations from the industry, rolling back environmental regulations and intervening directly...coal's decline has only accelerated in recent years." The Times adds, "And with the president now in the closing stages of his struggling re-election campaign, his failure to live up to his pledge challenges his claim to be a champion of working people and to restore what he portrayed four years ago as the United States' lost industrial might."

Leaked Documents Show ExxonMobil Plans To Increase Emissions.

Bloomberg (10/5, Crowley, Rathi, 4.73M) reports ExxonMobil plans to increase its annual carbon-dioxide emissions, according to an analysis of internal documents obtained by Bloomberg. The drive to expand fossil-fuel production and emissions "comes at a time when some of Exxon's rivals, such as BP and Royal Dutch Shell, are moving to curb oil and zero-out emissions." ExxonMobil's "assessment of its $210 billion investment strategy shows yearly emissions rising 17% by 2025, according to the internal documents." These internal estimates show "only a small portion of Exxon's total contribution to climate change." Most emissions come from end uses, "which the Exxon documents don't account for." Bloomberg says this "means the full climate impact of Exxon's growth strategy would likely be five times the company's estimate...had the company accounted for so-called Scope 3 emissions." If its plans are realized, ExxonMobil "would add to the atmosphere the annual emissions of a small, developed nation, or 26 coal-fired power plants."

Google, Facebook, Twitter CEOs To Testify Before Senate Panel.

The AP (10/5, Gordon) reports that the CEOs of Facebook, Google and Twitter are "expected to testify for an Oct. 28 Senate hearing on tech companies' control over hate speech and misinformation on their platforms." The AP notes that last week, the Senate Commerce Committee "voted...to authorize subpoenas for Facebook CEO Mark Zuckerberg, Sundar Pichai of Google and Twitter's Jack Dorsey to force them to testify if they didn't agree to do so voluntarily." According to the AP, the hearing "marks a new bipartisan initiative against Big Tech companies, which have been under increasing scrutiny in Washington and from state attorneys general over issues of competition, consumer privacy and hate speech."

GOP Lawmaker Says House Subcommittee Will Recommend Breaking Up Tech Firms. Bloomberg (10/5, Brody, 4.73M) reports a House antitrust panel "led by Democrats investigating competition in the technology sector is poised to propose sweeping reforms to block giants such as Amazon.com Inc. and Apple Inc. from both owning marketplaces and selling their own products on them, according to a critique of the recommendations" by Rep. Ken Buck (R-CO), a member of the subcommittee.

McAfee Charged With Evading Taxes.

The AP (10/5, Sainz) reports Internet security software developer John McAfee "has been charged with evading taxes after failing to report income made from promoting cryptocurrencies while he did consulting work, made speaking engagements and sold the rights to his life story for a documentary, prosecutors in Tennessee said Monday." A June indictment "was unsealed in federal court in Memphis on Monday after McAfee's arrest in Spain, where extradition to the U.S. is pending, the U.S. attorney's office said in a news release." If convicted, McAfee "could face up to 30 years in prison." Reuters (10/5, Johnson) reports that Justice Department says McAfee failed to file tax returns from 2014 to 2018.

"Calamities" Forcing California To Rethink Its Economic Growth.

The New York Times (10/5, Dougherty, 18.61M) reports that amid the pandemic and wildfires, California "and its $3 trillion economy are confronting a profound question: How much will go back to normal, and how much has been permanently changed?" The Times says "the message from the recent calamities is clear. If the state is to continue leading the nation's economy deep into the future, its leaders and residents will have to rethink where and how they grow." The state has long "operated under a trade-off: In exchange for high taxes and a high cost of living, companies that locate there reap the rewards of an educated populace, an inviting lifestyle and a culture of innovation." This year's events "have forced a closer look at the calculus."

Pearlstine Stepping Down As LATimes Executive Editor.

The New York Times (10/5, Robertson, 18.61M) reports Los Angeles Times Executive Editor Normal Pearlstine announced Monday that he is stepping down. The announcement comes "less than two weeks after the paper published an article headlined 'L.A. Times shaken by a summer of turmoil and scandals.'" The Times adds that while "the paper has grown more robust" during Pearlstine's time in charge, it "has faced a number of new challenges, including a sluggish digital subscription business, pay cuts and furloughs related to the coronavirus pandemic, and turmoil among the staff over what an article in the paper described as a 'painful reckoning over race.'"

US Seeks To Break China's Dominance Over Supply Of Key Minerals.

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The Wall Street Journal (10/5, Subscription Publication, 7.57M) reports the US is moving to break China's dominance over the supply of minerals that are essential to modern technology. An executive order signed by President Trump declared a national emergency and

authorized the use of the Defense Production Act to accelerate the development of mines.

China Contends US App Bans Violate WTO Rules.

Reuters (10/5) reports that at a World Trade Organization meeting on Friday, Chinese officials made the case that "restrictions by the United States on Chinese mobile applications TikTok and WeChat are in violation of the body's rules." According to Reuters, "A representative for China said at the closed-door meeting on Friday that the measures 'are clearly inconsistent with WTO rules, restrict cross-border trading services and violate the basic principles and objectives of the multilateral trading system.'" However, a US official maintained that the restrictions are "intended to mitigate national security risks."

Senate Judiciary Committee To Hold Barrett Hearing On October 12.

Reuters (10/5, Zengerle) reports the Senate Judiciary Committee "announced on Monday that it would open a confirmation hearing for President Donald Trump's Supreme Court nominee, Amy Coney Barrett, on Oct. 12, making clear that an outbreak of COVID-19 will not interfere with the schedule." Chairman Lindsey Graham announced that the hearing would start at 9 a.m. on October 12. Breitbart (10/5, Moran, 673K) reports Graham "also said on Monday that Trump continues to recover from the coronavirus and that he is 'excited' about the prospect of confirming Judge Barrett to the Supreme Court."

Axios (10/5, Rummler, 521K) reports Senate Majority Leader McConnell "said Monday that the Senate is moving 'full steam ahead' on the process to confirm Barrett before the election, despite three Republican senators testing positive for the coronavirus last week." Roll Call (10/5, Lesniewski, Cioffi, 154K) reports that while he has tested positive for coronavirus, Sen. Ron Johnson (R-WI) in a KHOW-AM Denver (10/5, 5K) interview on Monday "said...he was prepared to return to the Capitol to vote to confirm Barrett even if he tests positive shortly before the vote" even though doing so "would violate Centers for Disease Control and Prevention isolation guidelines, as well as the District of Columbia's virus protocols, although there is little to no enforcement of such." The AP (10/5, Mascaro) reports Johnson "said...he'll go to the Capitol 'in a moon suit' to vote if he's still testing positive for the coronavirus, which has killed more than 209,000 Americans and infected millions."

Morgenstern Sees No Reason To Delay Barrett's Nomination. White House Deputy Press Secretary Brian Morgenstern said on Fox News' The Daily Briefing (10/5), "There doesn't seem to be any reason to hold back" on Barrett's nomination. The Senate Judiciary Committee "has had over 20 hearings, numerous types of hearings. They've had oversight. They've had nomination hearings and they have proceeded with them on a hybrid basis where senators can participate virtually. There doesn't seem to be any reason to slow that down at this time."

Schumer Calls For Daily Testing During Barrett Hearings. The Washington Times (10/5, Muñoz, 492K) reports that although he is seeking to delay Barrett's confirmation hearings, Senate Minority Leader Schumer is also "calling for Republicans to implement a rigorous COVID-19 testing policy if they move ahead." In a statement, Schumer called on Graham to "put into place a thorough testing procedure that is in accordance with CDC best practices before hearings can take place." The Times says that Schumer wants Graham to "require that every senator and their staffers joining them at the hearing need to test negative for COVID-19 for at least two consecutive days, undergo quarantine and test every day during the hearings."

WPost Analysis: GOP Has Yet To See Polling Bump From Supreme Court Nomination.

In an analysis, the Washington Post (10/5, Bade, Kane, 14.2M) says Republicans "are facing major head winds in their bid to maintain control of the Senate, a troubling outlook for the party roiled by news of President Trump and three GOP senators contracting the coronavirus four weeks before the election," but their "predicted Supreme Court bump has yet to materialize." The Post adds that instead of "serving as a major boost to their campaigns, Trump's Supreme Court announcement at the White House on Sept. 26 appears to have served as a superspreader event, with a couple dozen infections connected to that day. That is certain to bring Trump's response to the pandemic to the forefront of voter's minds in the lead-up to Nov. 3 – the last thing Republicans wanted."

Cruz Touts Significance Of Trump's Nomination Of Barrett.

In an interview with The Federalist (10/5, 126K), Sen. Ted Cruz (R-TX) "discuss[ed] his new book 'One Vote Away: How a Single Supreme Court Seat Can Change History' and the significance of President Donald Trump's nomination of Amy Coney Barrett to the Supreme Court."

Thomas, Alito Criticize Supreme Court's Ruling In 2015 Same-Sex Marriage Case.

The AP (10/5, Sherman, Gresko) reports Supreme Court Justices Clarence Thomas and Samuel Alito on Monday delivered a "jolt" to the court's new term when they "raised new criticism of the court's embrace of same-sex marriage." The AP says that their statement "underscored conservatives' excitement and liberals' fears about the direction the court could take if the Senate confirms President Donald Trump's nominee for Ginsburg's seat, Amy Coney Barrett." The Washington Free Beacon (10/5, Daley, 78K) similarly states that their opinion "immediately fed leftwing anxieties about the direction of the judiciary, already aggravated by the late Justice Ruth Bader Ginsburg's death." According to the Free Beacon, "It will likely get play in the upcoming confirmation hearings for Judge Amy Coney Barrett, who is widely perceived to be a social conservative."

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CNN (10/5, Vogue, Duster, 83.16M) reports on its website that Thomas wrote that Obergefell v. Hodges "enables courts and governments to brand religious adherents who believe that marriage is between one man and one woman as bigots, making their religious liberty concerns that much easier to dismiss." Thomas also "warned that the court had chosen to 'privilege' a 'novel constitutional right over the religious liberty interests explicitly protected in the First Amendment, any by doing so undemocratically, the Court has created a problem that only it can fix.'"

Fox News (10/5, Olson, 27.59M) says on its website that Thomas and Alito "dissented from the original Obergefell decision and their statement Monday could indicate that they would vote to overturn it if presented the chance." The New York Times (10/5, Liptak, 18.61M) reports the other dissenters in the Obergefell case were Chief Justice John Roberts, "who did not join Justice Thomas's opinion on Monday, and Justice Antonin Scalia, who died in 2016."

However, Reuters (10/5) reports that even as Thomas and Alito "mounted a fresh attack on Monday on the landmark 2015 ruling that legalized gay marriage nationwide," the Supreme Court "rebuffed a bid by a former Kentucky official to avoid lawsuits over her refusal to grant marriage licenses to two same-sex couples." Reuters says the justices "turned away an appeal by Kim Davis, who had served as Rowan County clerk, of a lower court ruling that let the lawsuits accusing her of violating the constitutional rights of the couples proceed."

The Washington Post (10/5, Barnes, 14.2M) reports Davis "was sued after she said her religious convictions kept her from recognizing same-sex marriages, even after the Supreme Court found a constitutional right to those unions in Obergefell v. Hodges. She was briefly jailed over the matter, and her case had attracted national attention." According to the Post, her claim of qualified immunity was rejected by a panel of the Sixth Circuit Court of Appeals, and Thomas and Alito "said they agreed with the court's decision not to accept Davis's appeal."

Supreme Court Rejects Challenge To Nebraska Second Amendment Law.

The Washington Times (10/5, Swoyer, 492K) reports the Supreme Court on Monday "rejected a Second Amendment case...as it kicked off its 2020 term." According to the Times, Nebraska lawmakers had "amended criminal law to deny juveniles who are adjudicated of certain crimes the right to possess a firearm until the age of 25," and the Supreme Court of Nebraska "sided with the state, upholding the law despite critics arguing a juvenile should have the right to a jury trial before a judge denies Second Amendment rights."

Townhall (10/5, Vespa, 177K) says gun rights cases "for years...have fallen short regarding oral arguments before the Supreme Court," but "soon-to-be-Justice Amy Coney Barrett could be the vote that breaks the gridlock." Townhall adds, "Barrett's application of the 'text, history, and tradition' doctrine, as well as her public comments noting the lack of recent Supreme Court gun cases--which four of the five Republican-appointed members of the Court have complained about publicly – indicate that the Court may finally begin settling open questions about gun rights, according to Cato Institute legal scholar Walter Olson." The Washington Free Beacon (10/5, Gutowski, 78K) also reports legal scholars "say Amy Coney Barrett's judicial philosophy could settle legal stalemates and disagreements that have seen lower federal courts deliver a variety of rulings on gun rights."

Supreme Court Hears Delaware Judicial Affiliation Case.

The Washington Post (10/5, Barnes, 14.2M) reports the state of Delaware "for more than a century...has required its major courts be roughly balanced, so that no more than a bare majority of a court is made up of members of one political party. And then it required the minority be made up of the other political party." Stanford law professor Michael W. McConnell told the Supreme Court Monday "that 'Delaware's courts are widely regarded as the least partisan and most professional in the nation,'" but Wilmington lawyer David L. Finger countered the policy is unconstitutional, as it "denies the chance for his client, lawyer James Adams, to serve on the courts because he is neither a Democrat nor Republican but a political independent, Finger said, and that violates his First Amendment rights of political association." The New York Times (10/5, Liptak, 18.61M) describes Delaware's court system as "both widely admired and idiosyncratic."

Election-Related Cases Loom Over Supreme Court.

Politico (10/5, Gerstein, 4.29M) reports President Trump's Supreme Court nominee Judge Amy Coney Barrett "hasn't even arrived yet, but the Supreme Court might be days or even hours away from delivering its first big signal on how aggressive a role the court plans to play in setting the rules for next month's election." According to Politico, "Election-related cases from Pennsylvania and South Carolina are now teed up for imminent emergency action by the justices. And another simmering fight over voting rules in Wisconsin could be headed to the high court soon." Politico describes the cases as posing "an exquisite dilemma for Chief Justice John Roberts, who is famously leery of politics and widely seen as the key swing vote on a court now down one liberal member after Ruth Bader Ginsburg's death," as well as a test for the Purcell principle, "a legal premise the court has increasingly cited in recent years as a justification for wading into some pre-election showdowns while standing aside in others."

The Intelligencer (10/5, Hasen, 1.1M) reports that during Barrett's confirmation hearings, "no doubt Democrats will pepper her with questions about whether she would recuse herself in any Trump v. Biden election lawsuit to come before the Supreme Court." The Intelligencer adds that while that is "an important question to ask, perhaps the bigger question is what it would mean in the long run for voting and election cases to have a sixth conservative justice on the Supreme Court." The Intelligencer predicts a Barrett confirmation "would make it more likely we will see a significant undermining of the already weakened Voting Rights Act."

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More Americans Blame US Government Than Foreign Nations For COVID Crisis, Poll

Suggests.

The AP (10/5, Lee) reports a new AP-NORC poll of 1,053 adults (9/11-9/14) finds more Americans "blame the U.S. government instead of foreign nations for the coronavirus crisis in the United States, a rebuke to the Trump administration's contention that China or other countries are most at fault." The AP adds 56% of Americans "say the U.S. government has substantial responsibility for the situation" in comparison to 47% "who place that much blame on the governments of other countries and only 39% who say the same about the World Health Organization."

The Hill (10/5, Bowden, 2.98M) reports, "Blame for foreign countries and the WHO is much more popular among GOP voters, 60 percent of whom said that substantial blame is due for leaders of foreign countries including China, while 55 percent said the same about the WHO." Meanwhile, just 37% of Democrats "blamed foreign countries" for US struggles against the virus, "and even less – 27 percent – blamed the WHO."

CDC Updates Guidance To Say COVID Can Be Spread Through Airborne Transmission.

The Washington Post (10/5, Sun, Guarino, 14.2M) reports the CDC on Monday "acknowledged...that people can sometimes become infected with the novel coronavirus through airborne transmission, especially in enclosed spaces with inadequate ventilation." The "update to the agency Web page explaining how the virus spreads represents an official acknowledgment of growing evidence that under certain conditions, people farther than six feet apart can become infected by tiny droplets and particles that float in the air for minutes and hours, and that they play a role in the pandemic." The update comes after the agency "removed a draft that had not gone through proper review and was posted in error," which "included a reference to aerosols – tiny droplets that can stay in the air, potentially traveling a significant distance."

USA Today (10/5, Rodriguez, 10.31M) reports the agency "says people can be exposed to the virus in small droplets and particles that can linger in the air for minutes to hours, potentially infecting people who are farther than 6 feet away and even people who come into the area after an infected person has left." The "previous guidance said the virus spreads primarily among people who are in close contact with one another – within about 6 feet – through respiratory droplets produced when an infected person coughs, sneezes or talks," yet "the current guidance says that's still the greatest risk."

The New York Times (10/5, Mandavilli, 18.61M) reports the new guidance said, "These transmissions occurred within enclosed spaces that had inadequate ventilation. ... Sometimes the infected person was breathing heavily, for example while singing or exercising." Furthermore, the new guidance "softens a previous statement referring to the coronavirus as 'an airborne virus,'" and instead "says the virus can 'sometimes be spread by airborne transmission.'"

Bloomberg (10/5, Tozzi, 4.73M) reports that last month during a Senate hearing, CDC Director Redfield "acknowledged there was evidence of airborne spread, but said the CDC document that was removed hadn't been cleared for publication by agency staff." Redfield said, "I just want to stress for the American public and for everyone here that that document that went up was a draft, had not been technically reviewed by CDC."

The AP (10/5, Stobbe) reports several experts have "faulted" the CDC's updated guidance, and "said the virus can spread more easily than the CDC seems to be indicating, and suggested that the public should wear masks even in prolonged outdoor gatherings when they are more than 6 feet apart." The New York Daily News (10/5, Dillon, 2.52M) reports the update follows "an embarrassing incident last month" when the CDC "posted similar wording on its website before quickly retracting the statement, saying the update was posted by mistake," and Politico (10/5, Ehley, 4.29M) reports the new statement "is more cautious" than the update that was retracted.

CNBC (10/5, Feuer, 3.62M) reports on its website that the CDC said its recommendations "remain the same based on existing science and after a thorough technical review of the guidance." Fox News (10/5, Rivas, 27.59M) also reports on its website that the CDC "said recommendations to help prevent infection remain the same: 'staying at least 6 feet away from others, wearing a mask that covers their nose and mouth, washing their hands frequently, cleaning touched surfaces often and staying home when sick,' per a media statement."

However, Reuters (10/5, Chander) reports that while the agency "stresses close-contact transmission is more common than through air, a group of U.S. scientists warned in an unrelated open letter published in medical journal Science on Monday that aerosols lingering in the air could be a major source of COVID-19 transmission." The Hill (10/5, Sullivan, 2.98M) reports Virginia Tech professor Linsey Marr, "who has long warned of airborne transmission of coronavirus, wrote on Twitter that the [new CDC] document is 'an accurate, sorely-needed update acknowledging airborne spread and importance of masks at all times around others and of ventilation. Hooray!'"

Meanwhile, Politico (10/5, Ehley, 4.29M) reports the new guidance could "have a significant impact on the pandemic response going forward," as "many states and cities have modeled their social-distancing recommendations on the CDC's long-standing advice that the virus spreads within 6 feet or less."

Axios (10/5, Fernandez, 521K) and the Wall Street Journal (10/5, McCabe, McKay, Subscription Publication, 7.57M) provide similar coverage.

White House Blocking New Coronavirus Vaccine Guidelines, Sources Say.

The New York Times (10/5, LaFraniere, Weiland, 18.61M) reports the White House is "blocking strict new federal guidelines for the emergency release of a coronavirus vaccine, objecting to a provision that would almost certainly guarantee that no vaccine could be authorized before the election on Nov. 3, according to people familiar with the approval process." The Times adds that in the face of the

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"White House blockade, the Food and Drug Administration is seeking other avenues to ensure that vaccines meet the guidelines," which "includes sharing the standards with an outside advisory committee of experts – perhaps as soon as this week – that is supposed to meet publicly before any vaccine is authorized for emergency use. The hope is that the committee will enforce the guidelines, regardless of the White House's reaction."

Politico (10/5, Cancryn, 4.29M) reports the White House action "to halt release of new standards for emergency authorization of a Covid-19 vaccine came after officials close to President Donald Trump told the FDA that the pharmaceutical industry had objected to the tougher requirements, according to three people with knowledge of the situation." Politico adds the White House "cited the private-sector opposition as a chief reason for blocking the guidelines, which aim to hold companies' vaccines to a higher bar for safety and effectiveness and would likely push any authorization beyond Election Day, they said." Politico describes the President's decision as adding "a new dimension to concerns about White House interference in the FDA, which has continued to insist that any decision on whether to approve a coronavirus vaccine will be based on scientific benchmarks alone."

Azar, Atlas Meet With Doctors Advocating For Herd Immunity.

The Hill (10/5, Hellmann, 2.98M) reports HHS Secretary Azar and White House Coronavirus Task Force member Scott Atlas "met Monday with a group of doctors who are proponents of the controversial 'herd immunity' approach to COVID-19, even as other experts warn of its deadly and dangerous consequences." The Hill says epidemiologists Martin Kulldorff, a professor at Harvard; Sunetra Gupta, a professor at Oxford; and Jay Bhattacharya, a professor at Stanford, "told...Azar that allowing the virus to spread uncontrolled among young, healthy people while protecting older adults and those at higher risk for serious illness would build up enough population-immunity to stop it from spreading widely while avoiding lockdowns and other mitigation measures that have had a damaging impact on the economy." Atlas "told The Hill in an email he attended the meeting and supports the declaration the group put out endorsing herd immunity."

House Panel Probes Appointees' Roles In FDA And CDC Decisionmaking.

Bloomberg (10/5, Tozzi, 4.73M) reports that a House Oversight subcommittee "wants two federal health agencies at the fore of the U.S. coronavirus response to disclose information about the White House's involvement in scientific decisions." According to Bloomberg, "Letters addressed to the leaders of the Food and Drug Administration and the Centers for Disease Control and Prevention seek documents about agency actions submitted to the White House for review, including communications, comments, first drafts and documents that show changes made during the review process." The letters are signed by Rep. Raja Krishnamoorthi (D-IL), "who is the chairman of the Subcommittee on Economic and Consumer Policy of the House Committee on Oversight and Reform."

Politico (10/5, Diamond, 4.29M) reports that "Trump appointees' interference has rippled across" HHS and the CDC, and "even when career experts can find common ground with political officials, they have been tainted by the unprecedented efforts to shape their findings."

WPost Analysis: Republicans Still Resist Federal COVID Guidelines.

According to the Washington Post (10/5, Costa, 14.2M), "Widespread Republican recalcitrance about federal health guidelines showed few signs of waning on Monday, even as the party faces growing turmoil following President Trump's hospitalization and as more White House aides test positive for the coronavirus." The Post reports that while White House Press Secretary Kayleigh McEnany "and at least two of her deputies have now contracted the virus, further derailing the functioning of a West Wing plunged into crisis and adding to a long list of top Republicans who have been infected," many Republicans "continue to dismiss calls for alarm – and for changes to the party's message on the virus and its operations." The Post adds Trump "played down the threat of the disease on Monday, tweeting: 'Feeling really good! Don't be afraid of Covid. Don't let it dominate your life.'"

Delta Flight Attendant Twice Told Wicker To Wear His Mask. The Washington Post (10/5, Laris, Aratani, 14.2M) reports Sen. Roger Wicker (R-MS) "had his mask off repeatedly on a flight to Mississippi on Thursday night and had to be reminded twice by a Delta flight attendant to follow the airline's mask requirement, according to another passenger and the airline." The Post adds that although Delta "said that it takes its mask mandate very seriously," the company "offered no criticism of the senator Monday."

US Northeast, Midwest See Surge In COVID Cases.

Bloomberg (10/5, Levin, Brown, 4.73M) reports that in 34 states, "the seven-day average of new cases is higher now than it was a month ago." Bloomberg says that while the coronavirus "has waned in populous states including California and Florida, it is wreaking unprecedented havoc in the Midwest and making an incipient return in parts of the Northeast."

Reuters (10/5) reports, "After crushing their COVID-19 outbreaks in the spring and keeping them in check all summer, states in the U.S. Northeast are now seeing infections accelerate, with New York reporting nearly 10,000 new cases last week." In comparison to "the previous seven days, new cases in New York rose 102% in the week ended Oct. 4, while new cases in Connecticut rose 61% to 1,710 and new cases in New Jersey rose 23% to 4,650, according to a Reuters analysis of state and county reports." In addition, the Midwest "continues to deal with the highest number of new cases per capita, with North Dakota, South Dakota and Wisconsin reporting the largest number of new cases per 100,000 residents in the past two weeks."

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Researchers Examine Neurological Symptoms In Patients Hospitalized With COVID.

The New York Times (10/5, Belluck, 18.61M) reports that in a study published in Annals of Clinical and Translational Neurology, researchers at Northwestern Medicine found that almost a third of patients hospitalized with COVID-19 "experienced some type of altered mental function – ranging from confusion to delirium to unresponsiveness – in the largest study to date of neurological symptoms among coronavirus patients in an American hospital system." In addition, the researchers found patients "with altered mental function had significantly worse medical outcomes."

Cuomo Orders Closure Of Some NYC Schools Over Resurgent Coronavirus Cases.

The AP (10/5) reports New York Gov. Andrew Cuomo (D) on Monday "ordered schools in certain New York City neighborhoods closed within a day in an attempt to halt flare-ups of the coronavirus." The AP says the closures come a day after New York City Mayor Bill de Blasio (D) "asked the state for permission to reinstate restrictions schools and businesses in nine ZIP codes in Brooklyn and Queens where the virus was spreading more quickly than in other parts of the city." Reuters (10/5, Allen, Caspani) reports the neighborhoods "have all seen coronavirus test positivity above 3% for seven days in a row."

However, the New York Times (10/5, A1, McKinley, Ferré-Sadurní, 18.61M) reports Cuomo "said he would not yet allow the city to close the nonessential businesses, suggesting that the ZIP codes that were being used to identify hot spots were too imprecise to guide shutdowns." The Times adds Cuomo attributed the spike to "schools and houses of worship, including many that cater to Orthodox Jews, rather than businesses that 'are not large spreaders.'" The New York Daily News (10/5, Gartland, Sommerfeldt, 2.52M) reports that rather than shut the businesses, Cuomo instead announced "state police would help step up issuing tickets for failing to wear masks in those areas and that a closure plan for businesses had to be refined."

Top Michigan Health Official Says Face Masks, Social Distancing Still Mandatory.

The Detroit Free Press (10/5, 1.52M) reports Robert Gordon, Director of the Michigan Department of Health and Human Services, on Monday announced the state will "continue to require masks and limit gatherings to stop the spread of COVID-19," after the Michigan Supreme Court "undercut Gov. Gretchen Whitmer's authority to issue emergency orders to control the spread of the novel coronavirus." According to the Free Press, "The orders are effective immediately and mirror those Whitmer previously put into place."

Student Dies At Appalachian State University From Coronavirus.

The New York Times (10/5, Bolling, Hubler, 18.61M) reports coronavirus cases at Appalachian State University in North Carolina "spiked sharply last week" and a sophomore at the school died, which "has shaken the rural Appalachian State campus in the Blue Ridge Mountains, sparking questions about whether the college is doing enough to keep its students and faculty safe."

WSJournal: Health Experts Should Learn From Imperfect Response To Pandemic.

In an editorial, the Wall Street Journal (10/5, Subscription Publication, 7.57M) says President Trump's coronavirus infection and spikes in cases nationwide show testing is insufficient and that health experts should learn from the inadequate response to federal guidelines when drafting plans for future pandemics.

WPost Profiles Militia Group That Defends Businesses From Rioters.

The Washington Post (10/5, Klemko, 14.2M) reports on the Oath Keepers, "a heavily armed civilian group that has guarded private businesses during racial justice demonstrations this year," and "one of numerous vigilante groups that have flocked to cities where police killings and protests have sometimes been followed by property damage and violence." According to the Post, "Its members travel from across the country equipped with long guns and protective gear to stand in plain view of demonstrators or loom over them from the edges of rooftops, unauthorized – and frequently unquestioned – by law enforcement."

Virginia Trooper Will Not Face Charges For Violent Traffic Stop Of Black Driver.

The Washington Post (10/5, Jouvenal, 14.2M) reports Charles Hewitt, "a White trooper with the Virginia State Police has been cleared of criminal wrongdoing in a controversial traffic stop during which he can be heard on video telling a Black driver 'you are going to get your a-- whooped,' before forcefully removing the man from his car." Fairfax County Commonwealth's Attorney Steve T. Descano "said...Hewitt's conduct was reprehensible but that the stop of Derrick Thompson, Hewitt's request for Thompson to leave his vehicle and the amount of force used on Thompson were legal."

Eric Trump Deposed By New York AG's Office.

Bloomberg (10/5, 4.73M) reports on Monday Eric Trump "was questioned under oath by the New York attorney general's office, which is probing whether the family's real-estate company falsely reported property values to get loans or tax benefits, according to a person familiar with the matter." Trump "was deposed by state investigators on Monday via video-conference, said the person, who declined to be identified discussing the matter." The New York Times (10/5, Shanahan, Rashbaum, 18.61M) says although "the fine-print details will not be public, the mere fact that it happened before Election Day was a victory for the attorney general, Letitia James, whose inquiry is one of several legal

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actions the president and his company, the Trump Organization, are facing."

State Department Revokes Visa Of "Ukrainian Political Fixer" Who Aided Giuliani.

The Washington Post (10/5, Nakashima, Stern, Gryvnyak, Sonne, 14.2M) reports the State Department revoked the visa of Andrii Telizhenko, "a Ukrainian political fixer who aided President Trump's personal attorney, Rudolph W. Giuliani, in his gambit last year to dig up information from Ukraine that would damage former vice president Joe Biden in the 2020 election, according to U.S. officials." The revocation "came shortly before the Treasury Department sanctioned a different Ukrainian who was cooperating with Giuliani – lawmaker Andriy Derkach – and dubbed Derkach an 'active Russian agent for over a decade' and said he was trying to interfere in the election, the U.S. officials said."

Carroll's Lawyers Seek To Block DOJ Involvement In Her Suit Against Trump.

The New York Times (10/5, Feuer, Weiser, 18.61M) reports as President Trump "has long made a habit of altering his legal persona to suit his needs. Sometimes, when sued as the president, he fought the complaints in his capacity as an ordinary citizen; at other times, sued as an individual, he tried to fight in his professional capacity as president." On Monday, lawyers for E. Jean Carroll, who has accused Trump of raping her "and then falsely denying it in public statements," argued he used the tactic "when he had the Department of Justice abruptly step in and replace his private lawyers in her defamation lawsuit against him." Carroll's lawyers "asked a judge to block the move, arguing" that the Federal Tort Claims Act "did not apply to Mr. Trump – or to any other president." They also argued Trump "was not acting in his official role when he denied Ms. Carroll's claims."

Energy Companies Evacuate Offshore Platforms Ahead Of Tropical Storm Delta.

Reuters (10/5, Seba) reports with Tropical Storm Delta expected "to become a major hurricane" before it enters the Gulf of Mexico and poses a threat to the US mainland, "energy companies on Monday began evacuating offshore oil platforms." The storm "was expected to rapidly strengthen and become a Category 3 hurricane with up to 120 mile per hour (194 kilometers per hour) winds." Reuters adds, "BP and BHP began evacuating non-essential personnel from their offshore platforms, the companies said." Occidental Petroleum "said it was taking steps to protect its people and facilities," and "Royal Dutch Shell and Murphy Oil Corp said they were monitoring the storm."

DeVos Touts School Choice In North Carolina.

The Raleigh (NC) News & Observer (10/5, 425K) reports during a visit to Raleigh on Monday, Education Secretary DeVos "promote[d] the merits of school choice during the pandemic, as President Donald Trump and other members of his administration deal with a COVID-19 outbreak at the White House." During "a roundtable discussion sponsored by Parents for Educational Freedom in North Carolina," DeVos "praised state efforts to allow more families to use taxpayer funds to attend private schools." DeVos said, "This last 6 to 8 months has brought into very clear focus the imperative that parents must ultimately be empowered to make the decision for their children's educational futures."

NYTimes Report: Administration Defiant As Judges Rule Officials Are Serving Illegally.

The New York Times (10/5, Friedman, 18.61M) reports a Montana judge ruled last month that Acting BLM Director William Perry Pendley "should be removed from his position because he was performing his duties illegally." Pendley "is the third high-ranking administration official that the courts have found likely to be working in violation of the Federal Vacancies Reform Act, a 1998 law governing how a president may appoint temporary officials. Such findings have been bolstered by the Government Accountability Office and other agencies. In each case the administration has responded with defiance." Government watchdogs say "if the trend continues into a second term for President Trump...it could entangle policies, on everything from immigration to land management, in lengthy legal tussles."

Perdue Accused Of Politicizing USDA Event.

Politico (10/5, McCrimmon, 4.29M) reports that in August, Agriculture Secretary Perdue "offered a spirited pitch for voters to reelect President Donald Trump at an official USDA event with North Carolina food producers...sending the audience into a chant of 'Four more years!'" According to Politico, "the pep talk landed Perdue in the crosshairs of ethics watchdogs, who filed a formal complaint alleging that the USDA chief was improperly using his appearance on the taxpayer's dime to boost Trump's prospects in November." Politico adds, "On top of his overt appeal to reelect the president, Perdue has kept many farmers in Trump's corner by doling out unprecedented sums of taxpayer aid to offset the industry's losses after years of trade turmoil and painful biofuel policies."

Trump Reportedly Wants To Oust Wray If He Wins A Second Term.

The Daily Beast (10/5, 1.39M) reports if President Trump wins a second term, he wants to "ditch his FBI director Christopher Wray, whom he privately trashes as a tool of a supposed 'deep state.'" Trump "has indicated to several officials and close associates that he intends to replace Wray near the start of a second term in office, routinely expressing dissatisfaction with the director's performance and apparent unwillingness to swiftly root out Trump's perceived enemies in the bureau, two people familiar with the president's private remarks said." The Daily Beast adds that over the summer, Trump "solicited recommendations from close advisers on whom he could choose as a replacement, the knowledgeable sources said."

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Administration Argues Census Count Should Not Be Subject To "Judicial Second Guessing."

The AP (10/5) reports the Administration "on Monday asked appellate judges to immediately suspend a lower court's order requiring the 2020 census to continue through October." The Administration argued "decisions by the U.S. Census Bureau over how to conduct the nation's head count shouldn't be subject to 'judicial second-guessing.'" Attorney Sopan Joshi, an assistant to the US solicitor general, "urged the panel of three Ninth Circuit Court of Appeals judges in San Francisco to suspend U.S. District Judge Lucy Koh's injunction from last month." Joshi "said the head count needed to end Monday in order for the bureau to meet a year-end deadline for turning in numbers used for deciding how many congressional seats each state gets in a process known as apportionment." Joshi asked the court to issue its decision "'as promptly as possible,' so the Trump administration can have time to appeal to the U.S. Supreme Court, if need be."

Suit Suggests Administration Wants To Exclude Migrants From Census Count. The Wall Street Journal (10/5, Overberg, Subscription Publication, 7.57M) reports a series of pending court decisions will determine if state population totals are delivered during the President's first term, or if they will go into the spring, when there may be a new administration. The Journal says documents in one of the suits indicates the Administration's desire to keep migrants out of the totals is one reason its wants the count to conclude this year.

FCC Not Addressing Court's Net-Neutrality Concerns.

Reuters (10/5, Shepardson) reports that on Monday, FCC Chairman Pai "said...he stands by the agency's repeal of landmark net neutrality rules and circulated a proposal to address three issues raised by a U.S. appeals court." According to Reuters, "A federal appeals court in October 2019 largely upheld the FCC's December 2017 net neutrality repeal, but directed the agency to reconsider the order's impact on public safety, regulations on attachments to utility poles and the agency's ability to provide subsidies for broadband service." Reuters says an FCC spokesman "confirmed that Pai's order is not proposing any policy changes to address the issues raised by the appeals court."

Jewish Leaders Alarmed By Trump's Apparent Endorsement Of "Racehorse Theory."

The Los Angeles Times (10/5, 4.64M) reports remarks by President Trump "that appeared to endorse 'racehorse theory' – the idea that selective breeding can improve a country's performance, which American eugenicists and German Nazis used in the last century to buttress their goals of racial purity," have "alarmed Jewish leaders and others." On Sept. 18, Trump told a "mostly white" group of supporters in Bemidji, Minnesota, "You have good genes, you know that, right? .,, You have good genes. A lot of it is about the genes, isn't it? Don't you believe? The racehorse theory. You think we're so different? You have good genes in Minnesota." Rabbi Mark Diamond, a senior lecturer on Jewish studies at Loyola Marymount University, said, "To hear these remarks said at a rally in an election campaign for the presidency is beyond reprehensible. ... This is at the heart of Nazi ideology. ... It's actually hard to believe in 2020 we have to revisit these very dangerous theories."

Lincoln Project's War Room Aims To Defeat Trump.

The New Yorker (10/5, Williams, 5.82M) reports on the war room created by founders of the Lincoln Project, "a super PAC of Republican operatives who have disavowed their own party in order to defeat President Donald Trump." The Times says the founders "try to predict the President's missteps, stockpiling material that can be deployed at the ideal moment."

Judicial Watch Sues To Block California's Boardroom Diversity Law.

The AP (10/5, Melley) reports Judicial Watch "announced Monday that it sued to block California's first-in-the-nation law that requires hundreds of corporations based in the state to have directors from racial or sexual minorities on their boards." In the suit filed Wednesday in Los Angeles Superior Court, the conservative group argued the law is unconstitutional. Judicial Watch said, "The legislation's requirement that certain corporations appoint a specific number of directors based upon race, ethnicity, sexual preference, and transgender status is immediately suspect and presumptively invalid and triggers strict scrutiny review by the court."

SCOTUS Reinstates South Carolina's Mail-In Ballot Witness Requirement.

The AP (10/5, Gresko) reports the Supreme Court has reinstated "a requirement that South Carolina residents voting by mail in November's election get a witness to sign their ballots." The Court "reinstated the requirement as a lawsuit over it proceeds," but "voters have already started returning ballots." The court said any ballots cast before its action Monday evening "and received within two days of this order may not be rejected for failing to comply with the witness requirement."

Reuters (10/5, Hurley) says the Court "ensured that a restrictive Republican-backed law...will be in place for the Nov. 3 election." The New York Times (10/5, Liptak, 18.61M) says the ruling "continued what has been a string of Supreme Court rulings largely siding with arguments pressed by Republicans to restrict voting rights." USA Today (10/5, Wolf, 10.31M) and the Washington Post (10/5, Barnes, 14.2M) provide similar coverage.

Ohio Secretary Of State Says Counties Can Offer Ballot Options, But They Must Be At One Site.

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The Cleveland Plain Dealer (10/5, 895K) reports Ohio Secretary of State Frank LaRose (R) said Monday that counties in the state will be able

to offer extra options to collect absentee ballots, but they must be at a single site per country. In a directive to local elections officials, LaRose "said counties can set up additional drop boxes for completed ballots, as well as drive-through drop-off stations staffed by bipartisan teams of elections workers," but they "must be at or outside the county board of elections office." The Plain Dealer adds the directive may not be "the final word on the issue, since lawsuits over drop boxes are ongoing."

Polls Show Biden Leading Several Swing States, Trump Ahead In Missouri.

A Reuters/Ipsos poll of 605 likely Pennsylvania voters (9/29-10/5) has Joe Biden at 50% and President Trump at 45%.

A Public Policy Polling poll of 911 North Carolina voters (10/4-10/5) has Biden at 50% and Trump at 46%.

The New York Times (10/5, 18.61M) reports a New York Times-Siena College poll of 655 likely Arizona voters (10/1-10/3) has Biden at 49% and Trump at 41%.

A Reuters/Ipsos poll of 605 likely Wisconsin voters (9/29-10/5) has Biden at 50% and Trump at 44%.

The Kansas City Star (10/5, 549K) reports Trump "may not have the same support in Missouri that he did four years ago, based on the results in a poll from last week." The Remington Research Group poll of 980 likely Missouri voters (9/30-10/1) has Trump at 51% and Biden at 46%.

With Trump Trailing In Pennsylvania, Supporters Hope A "Huge Silent Majority" Will Turn Out. The Washington Times (10/5, Boyer, 492K) reports despite "unwavering support" from Republican voters like retired teacher Meg Schlauch, President Trump is trailing Joe Biden in Pennsylvania "by an average of 6.5 percentage points in the Real Clear Politics average of polls." Schlauch said, "I am praying that there is a huge silent majority, not minority, out there that is going to come and rise to the call."

NYTimes Analysis: Voters Feel "Dread" As Election Approaches. The New York Times (10/5, Robertson, 18.61M) says the country "is separated into two mutually distrustful political camps," but as election day nears, "there is a remarkably bipartisan sentiment: dread." Americans are "looking with grim foreboding at the months ahead. The outcome of the vote itself, the claims of rampant voter fraud that Mr. Trump leveled during last week's debate, the specter of a stolen election, the fear of violent clashes should the vote counting drag out – there is no limit to the bleak imagination."

"Plexiglass Shield" Will Separate Pence And Harris At Debate.

The AP (10/5, Ronayne) reports Vice President Pence and Sen. Kamala Harris (D-CA) "will be separated by a see-through barrier to reduce the risk of coronavirus transmission at Wednesday's vice presidential debate. The Democratic campaign requested the plexiglass shield between the candidates, according to a campaign aide." USA Today (10/5, Morin, Garrison, 10.31M) reports Pence and Harris "will be seated and will be 12 feet and 3 inches apart." Reuters (10/5, Mason, Ax) reports, "In a statement, Pence's spokeswoman, Katie Miller, said: 'If Senator Harris wants to use a fortress around herself, have at it.'"

The Washington Post (10/5, Janes, Dawsey, Viser, 14.2M) reports, "As the dangers of large indoor gatherings have become increasingly apparent, a growing number of public health experts and some political operatives are asking why the debates must be held in-person. ... Pence should be in a 14-day quarantine, some experts said." The Wall Street Journal (10/5, Parti, Restuccia, Subscription Publication, 7.57M) and Politico (10/5, Isenstadt, Cadelago, 4.29M) also report on the precautions.

NYTimes Analysis: Harris Faces Opportunities And Challenges. The New York Times (10/5, Ember, Lerer, 18.61M) writes that "as she prepares to face off against [Pence] on Wednesday and to play a starring role in the upcoming Supreme Court confirmation hearings," Harris "will be tested as a national leader and a voice of the party unlike ever before. It is a singular challenge for Ms. Harris, who arrived in Washington as a senator in 2017: Can she best her opponents and make the case for Democrats while walking the tightrope of unique expectations that American voters still have for women in power?"

Trump Campaign Cancels Upcoming Iowa And Ohio Ad Buys.

CNN (10/5, Bradner, Wright, Judd, 83.16M) reports on its website that President Trump's reelection campaign "canceled its planned television advertising in Iowa and Ohio this week" – $820,000 and $2.5 million, respectively – "focusing its spending on states where Trump is behind even as polls show he is neck-and-neck" with Joe Biden in the two states. This will be Trump's "third consecutive week without television ads in Iowa and Ohio."

Trump Campaign Says Biden "Still Running Negative Ads." Bloomberg (10/5, Beckwith, 4.73M) reports that the Biden campaign "dramatically cut back on negative ads after the president was diagnosed with coronavirus, but the Trump campaign isn't happy with the ads that are still running," and "complained Monday morning that the Democratic challenger was 'still running negative ads.'" According to data from Advertising Analytics, the Biden campaign "ran ads drawing contrasts between him and the president 7,125 times while negative ads ran 324 times on Thursday, before the president tweeted that he had the coronavirus. By Sunday, those numbers had fallen to 908 and 17, respectively, while positive ads touting Biden climbed from 2,106 spots on Thursday to 5,053 Sunday."

Biden Campaigns In Miami.

The AP (10/5, Weissert, Barrow) reports Joe Biden is this week "capitalizing on having the campaign trail largely to himself by hitting critical swing states and investing in longtime Republican bastions." Biden "made his second trip to Florida in a little over two weeks on Monday. His

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visit to Miami was designed to encroach on some of Trump's turf, even swinging through Little Havana, a typically conservative area known for its staunch opposition to the communist government that Fidel Castro installed in Cuba." Biden will campaign in Florida later this week.

The New York Times (10/5, Glueck, 18.61M) reports, "Speaking in Miami to Haitian-Americans, Cuban-Americans and others from immigrant backgrounds, Joe Biden wished the president well but urged him to listen to experts on the pandemic." The Miami Herald (10/5, 1.09M) reports Biden also said that President Trump's "tough talk and steep sanctions have only entrenched Cuba's Communist government." Biden said, "The Administration's approach is not working. Cuba is no closer to democracy than it was four years ago." Biden "also criticized Trump for failing to topple Venezuelan strongman Nicolás Maduro and for refusing to grant undocumented exiles" from deportation back to Venezuela. The Miami Herald (10/5, 1.09M) additionally reports that though Miami-Dade County Cuban-American voters continue to favor Trump over Biden, "more are moving toward the Democratic nominee, boosting Biden's chances of winning battleground Florida," according to a Miami Herald/Bendixen & Amandi International poll. Reuters (10/5, Mason) and Politico (10/5, Rodriguez, Caputo, 4.29M) also cover the stop.

Democrats Outspending GOP In Top Senate Races.

Axios (10/5, Nichols, Fischer, 521K) reports, "Democrats are trouncing Republicans on the airwaves in the battle for the Senate, outspending them in nine of the top 10 competitive Senate races" – Alaska, Alabama, Arizona, Colorado, Iowa, Maine, Michigan, Montana, and North Carolina. Only in Georgia are Republicans spending more.

Tuberville Has 12-Point Lead In Alabama Senate Poll.

An Auburn University at Montgomery poll of 1,072 Alabama voters (9/30-10/3) shows Tommy Tuberville (R) at 54% and Sen. Doug Jones (D-AL) at 42% in the state's Senate race.

Kelly Has 11-Point Lead In Arizona Senate Poll.

The New York Times (10/5, 18.61M) reports a New York Times-Siena College poll of 655 likely Arizona voters (10/1-10/3) has Mark Kelly (D) at 50% and Sen. Martha McSally (R-AZ) at 39% in the state's Senate race. The Hill (10/5, Budryk, 2.98M) also covers the poll.

Georgia Senate Races See Big Spending.

The Atlanta Journal-Constitution (10/5, 895K) reports that the Senate race between Sen. David Perdue (R-GA) and Jon Ossoff (D) "has already triggered about $111 million in spending on ads from candidates and outside groups," and the "wild special election" for the seat held by Sen. Kelly Loeffler (R-GA) "has cost $40 million and counting, mostly from Republicans backing the incumbent's campaign." In terms of advertising spending, Loeffler has spent about $17 million so far, Raphael Warnock (D) about $9 million, Rep. Doug Collins (R-GA) $1.3 million, and Matt Lieberman (D) about $140,000.

Democratic PAC Plans $7.5M Ad Buy On Behalf Of Bollier In Kansas.

The Kansas City Star (10/5, 549K) reports "a barrage of Senate political ads" is set for Kansas. Duty and Country, a PAC affiliated with the Democrats' Senate Majority PAC, is planning $7.5 million in advertising in support of state Sen. Barbara Bollier (D), which "appears to be a direct response to last week's news" that the GOP's Senate Leadership Fund "was spending an additional $7.2 million" in support of Rep. Roger Marshall (R-KS).

Cunningham Leads By Six Points In North Carolina Senate Poll.

A Public Policy Polling poll of 911 North Carolina voters (10/4-10/5) has Cal Cunningham (D) at 48% and Sen. Thom Tillis (R-NC) at 42% in the state's Senate race.

American Crossroads Plans Big Investment For Tillis. The New York Times (10/5, Edmondson, Broadwater, 18.61M) reports GOP super PAC American Crossroads "plans to pump about $7 million over the next month" on behalf of Tillis.

Kennedy Has Five-Point Lead In NJ2 Poll.

A Monmouth University poll of 588 voters in NJ2 (9/26-10/1) shows Amy Kennedy (D) at 49% and Rep. Jeff Van Drew (R-NJ) at 44%. The Philadelphia Inquirer (10/5, Steele) reports Kennedy is "a former teacher who lives in Brigantine" and is who married to ex-Rep. Patrick Kennedy (D-RI). Van Drew, "a longtime conservative Democrat who was elected to Congress in 2018, became a Republican late last year." Politico (10/5, Friedman, 4.29M) and The Hill (10/5, Manchester, 2.98M) also cover the poll.

Parson Has Seven-Point Lead In Missouri Gubernatorial Poll.

The Kansas City Star (10/5, 549K) reports a Remington Research Group poll of 980 likely Missouri voters (9/30-10/1) has Gov. Mike Parson (R) at 51% and state Auditor Nicole Galloway at 44% in the state's gubernatorial race.

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Cooper Leads By 12 Points In North Carolina Gubernatorial Poll.

A Public Policy Polling poll of 911 North Carolina voters (10/4-10/5) has Gov. Roy Cooper (D) at 52% and Lt. Gov. Dan Forest (R) at 40% in the state's gubernatorial race.

Roy Calls For Paxton's Resignation.

The AP (10/5) reports Rep. Chip Roy (R-TX) on Monday "became the most prominent member of his party to call for the resignation of the state's Republican attorney general, Ken Paxton, following revelations that Paxton's top deputies reported him to law enforcement for alleged crimes including bribery and abuse of office." The AP says Roy "was previously Paxton's top deputy in the attorney general's office." According to the AP, "Roy's call for Paxton's resignation comes days after seven senior lawyers in Paxton's office sent a letter to the office's head of human resources saying that they reported their boss to 'the appropriate law enforcement authority' for potentially breaking the law 'in his official capacity as the current Attorney General of Texas.'"

However, the Dallas Morning News (10/5, 946K) reports Paxton "said Monday he would not be resigning over allegations of bribery, abuse of office and other potential criminal offenses against him made by his top staffer." The Morning News adds Texas Gov. Greg Abbott (R) "said in a statement that the allegations 'raise serious concerns,' but 'I will withhold further comment until the results of any investigation are complete.'"

The Houston Chronicle (10/5, 730K) editorializes that Paxton should resign over the allegations "that appear deeper and uglier than what partisan foes had alleged previously."

WPost: Officials Must Guard Against Trump's Attempts To Intimidate Voters.

A Washington Post (10/5, 14.2M) editorial calls on state and local officials to "ensure that safeguards are in place to protect the rights of Americans to cast their ballots" from President Trump's "attempts to undermine the election and scare off voters."

WSJournal Laments That Toomey Will Not Seek Reelection.

In an editorial, the Wall Street Journal (10/5, Subscription Publication, 7.57M) says the decision by Sen. Pat Toomey (R-PA) not to run for reelection in 2022 sets back efforts to advance pro-growth policies in Congress.

WSJournal Warns Illinois Voters Against Replacing Flat Income Tax.

In an editorial, the Wall Street Journal (10/5, Subscription Publication, 7.57M) advises Illinois voters against voting to replace the state's flat tax with a progressive tax on income.

RCP Average Has Trump's Job Approval At 45.3%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.8%, and his disapproval at 53.1%. The President's approval is down 0.5 since yesterday, and his disapproval is up 0.4.

A Rasmussen poll of 1,500 "likely voters" (10/3-10/5) finds Trump's approval at 46%, and his disapproval at 53%.

Financial International News

IMF Calls On Rich Nations To Boost Public Investment.

The Financial Times (10/5, Subscription Publication, 1.34M) reports, "The IMF has issued a rallying call to rich countries around the world to increase public investment as the best way to encourage a strong..."

CNBC (10/5, Amaro, 3.62M), Reuters (10/5, Lawder), and The Guardian (UK) (10/5, Elliott, 4.19M) also report.

The ECB Struggles To Address Its Gender Imbalance.

The Financial Times (10/5, Subscription Publication, 1.34M) reports, "It seems the perfect opportunity for eurozone leaders to tackle the glaring gender imbalance at the top of the European Central Bank when..."

BOE's Haskel Ready To Vote For More Stimulus.

Reuters (10/5) reports, "Bank of England rate-setter Jonathan Haskel said on Monday that risks were skewed to the downside for Britain's economy, and that he was ready to vote for more stimulus if necessary." During the virtual Barclays Global Inflation Conference, Haskel said, "I stand ready to vote for more stimulus measures should they be needed."

IMF: Brazil's Economy Faces "Unusually High" Uncertainty Due To COVID-19.

Bloomberg (10/5, Rosati, 4.73M) reports the IMF "said the Brazilian economy faces 'exceptionally high and multifaceted' risks as it continues to grapple with the coronavirus pandemic and its impact on the country's debt dynamics." IMF staff, in a statement released following an official visit to Brazil, said, "There is an unusually high degree of uncertainty over how the pandemic will evolve and the expiry of fiscal support at the end of the year will add pressure on the already-wide output gap." Brazil's economy "remains fragile amid rising levels of public debt used to finance the stimulus and a growing fiscal deficit, currently forecast at 12% of gross domestic product." The IMF "said a second

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wave of cases, long-term economic damage from the recession and confidence shocks all posed significant risks to its recovery, and additional fiscal response could be needed."

Time Is Right For A New International Debt Architecture.

The Financial Times (10/5, Subscription Publication, 1.34M) editorializes, "Nearly 20 years ago, Anne Krueger, then deputy managing director at the IMF, proposed an institutional mechanism for sovereign debt..."

Leading International News

WHO Official: Approximately 10% Of World's Population May Have Been Infected With COVID.

The AP (10/5, Keaten) reports Michael Ryan, head of emergencies at the World Health Organization, "said Monday the agency's 'best estimates' indicate roughly 1 in 10 people worldwide may have been infected by the coronavirus – more than 20 times the number of confirmed cases – and warned of a difficult period ahead." Ryan said this "means 'the vast majority of the world remains at risk.'" HHS Assistant Secretary for Health Adm. Brett Giroir, "told the meeting by videoconference that the United States 'looks forward to working together to defeat this pandemic and move our people and economics back to normalcy.'" Reuters (10/5, Nebehay, Farge) reports Giroir "said that it was critical that WHO's 194 member states receive 'regular and timely updates, including the terms of reference for this panel or for any field missions, so that we can all engage with the process and be confident in the outcomes.'"

O'Brien: China Cannot Continue Unleashing "Plagues On The World."

National Security Adviser O'Brien was asked on the Hugh Hewitt Show (10/5) if "the world recognize[s] that China lied" about the coronavirus. O'Brien said, "There's no question about it. I can't tell you how many world leaders we've spoken to, including world leaders, that China thinks are their best friends who told us they don't want to have anything to do with them. ... World leaders understand where this came from. They understand that the Chinese were at best reckless, and at worst witting in how this thing spread. So I think the whole world has gotten a taste of China. And look, this isn't the first plague that's come from China since the, you know, the last 20 years. We've had SARS, we've had H1N1, avian flu, swine flu. So, China has a very serious public health problem, and they need to get it fixed immediately. They can't keep unleashing these plagues on the world."

Gottlieb Says He Trusts China's Pandemic Data. CNBC (10/5, Stankiewicz, 3.62M) reports on its website that on Monday, former FDA commissioner Scott Gottlieb "lamented the persistent spread of the coronavirus in the U.S., suggesting the nation's response pales in comparison to other places around the world." Gottlieb is quoted as saying, "The entire Pacific Rim has less than 1,000 infections a day. Having a raging epidemic is not inevitable. ... People want to say China is lying about the two dozen cases that they're reporting a day, which I don't believe they are [lying]. Certainly, the entire Pacific Rim isn't in on the conspiracy. It isn't inevitable that we have a raging epidemic."

Russian Agency Says COVID Deaths Are More Than Twice What Was Previously Reported.

Bloomberg (10/5, Meyer, 4.73M) reports that Russia's Federal Statistics Service now says "45,663 people have died with Covid-19 in April through August, more than double the death toll released by the government's virus-response staff." According to Bloomberg, "The latest figures from the statistics agency, known as Rosstat, include deaths both directly attributed to the novel coronavirus and cases where it was listed as an 'important condition' leading to the lethal outcome." Bloomberg says the Russian government's "virus-response staff puts the total deaths at 21,475 from the start of the epidemic through Oct. 4." Bloomberg adds that "according to those figures, the accuracy of which has been questioned by the World Health Organization and outside experts, Russia has one of the lowest death rates in the world."

UK's Coronavirus Test-And-Trace System Failed To Capture Over 15,000 Positive Tests.

Bloomberg (10/5, 4.73M) reports the UK's coronavirus test-and-trace system "failed to capture more than 15,000 positive tests, piling pressure on Boris Johnson's government to fix a program seen as essential to control the epidemic." Public Health England attributed the omission to a "technical issue," raising "the prospect that thousands of people who had close contact with COVID-19 cases weren't advised to self-isolate." The Washington Post (10/5, Booth, Armus, 14.2M) reports that after the error "was spotted and the lost cases accounted for, the government's report of new daily infections nearly doubled – from 12,872 on Saturday to 22,961 on Sunday – sparking renewed angst among officials in London and England's north, where most of the new cases were centered."

The AP (10/5, Pylas) reports the British government is now investigating "how nearly 16,000 new coronavirus infections went unreported as a result of a technical glitch, a failing that could have given fresh impetus to an outbreak that critics say is already out of control." The New York Times (10/5, Landler, Mueller, 18.61M) also reports the disclosure "brought a storm of criticism on the Johnson government, which has been on the defensive for its haphazard handling of the pandemic since March, when" UK Prime Minister Boris Johnson "hesitated for days before imposing a nationwide lockdown." According to the Times, "More than 57,000 people have died from the virus in Britain, the highest number in Europe, and the country is now facing a second wave of infections."

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Protests, Turmoil Continues In Opposition To Israel's Second Coronavirus Lockdown.

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The New York Times (10/5, Kershner, 18.61M) reports that amid "internal political conflicts, confusing instructions and a lack of public trust in

the government, Israel seems to be fraying further under a second national lockdown as the country struggles to cope with a surge in coronavirus cases and deaths that, relative to the size of the population, are among the worst in the world."

Kurds Plan To Release ISIS Families From Detention Camp.

The Washington Post (10/5, Loveluck, 14.2M) reports that on Monday, "authorities in northeastern Syria said...that they were preparing to release thousands of Syrian families from a detention camp holding civilians displaced during the final battle to defeat the Islamic State's self-proclaimed caliphate." According to the Post, "Conditions inside al-Hol displacement camp, a sprawl of tents perched in the desert...have alarmed humanitarian groups and in some cases aided the radicalization of women and children who spent years under Islamic State rule." Ilham Ahmed, president of the Kurdish-dominated Syrian Democratic Council's Executive Committee, "which is responsible for governing the area," said, "A decision will be issued to empty the Syrians from the camp completely."

Chinese Propaganda Blitz Warns Against Closer US-Taiwan Ties.

The New York Times (10/5, Myers, 18.61M) says, "Chinese propaganda is rarely subtle or particularly persuasive, but the torrent of bombast online and in state media in recent weeks is striking and potentially ominous." According to the Times, "The targets are China's main adversaries: the United States and Taiwan, which are moving closer and closer together." The Times adds, "The propaganda has accompanied a series of military drills in recent weeks, including the test-firing of ballistic missiles and the buzzing of Taiwan's airspace. Together, they are intended to draw stark red lines for the United States, signaling that China would not shrink from a military clash."

Kim Calls For 80-Day Campaign To Attain North Korea's Goals.

Reuters (10/5, Cha) reports North Koreas state news agency KCNA said Tuesday that during a politburo meeting of the ruling Workers' Party on Monday, North Korean leader Kim Jong-un called on the country "to embark on an 80-day campaign to attain its goals in every sector before a congress in January to decide a new five-year plan."

Protesters, Police Clash In Kyrgyzstan Following Parliamentary Election.

The AP (10/5) reports protesters and police clashed "in Kyrgyzstan's capital Monday during a demonstration against the results of a parliamentary election, and dozens of people were reported injured." According to local media estimates, "about 4,000 people took part in the rally in Bishkek, the country's capital," after early results "gave the majority of votes to two parties with ties to the ruling elites amid allegations of vote buying." The AP adds, "Smaller protests also took place in two other Kyrgyz cities."

US, Iran Offer To Lead Peace Talks Between Armenia And Azerbaijan.

Reuters (10/5, Hovhannisyan, Bagirova) reports on Monday, the governments of Azerbaijan and Armenia "accused each other...of attacking civilian areas and said the death toll was rising from the deadliest fighting in the South Caucasus for more than 25 years." Chances for a ceasefire "appeared remote after fighting intensified at the weekend, with hundreds killed in clashes involving artillery, tanks and fighter planes since Sept. 27." Reuters reports that "in an interview shown on Monday by Turkey's state broadcaster, Azeri President Ilham Aliyev said Armenia must withdraw its troops from Nagorno-Karabakh and surrounding Azeri territories for military action to stop." Reuters says Aliyev "has ignored a ceasefire appeal by the United States, Russia and France, who have led mediation efforts in the intermittent conflict since the 1990s, and said in Monday's interview that any peacemaking must involve Turkey."

Reuters (10/5) reports that also on Monday, Deputy Secretary of State Stephen Biegun "spoke separately to the foreign ministers of Azerbaijan and Armenia...and urged an immediate ceasefire in the Nagorno-Karabakh region." Reuters adds, "Earlier, NATO chief Jens Stoltenberg added his voice to calls for an immediate end to the clashes over Nagorno-Karabakh, a mountain enclave that belongs to Azerbaijan under international law but is populated and governed by ethnic Armenians."

The AP (10/5, Demourian) reports that Iran, "which borders both countries, said it was working on a peace plan." Iranian Foreign Ministry spokesman Saeed Khatibzadeh is quoted as saying, "Iran has prepared a plan with a specific framework containing details after consultations with both sides of the dispute, Azerbaijan and Armenia, as well as regional states and neighbors, and will pursue this plan."

The New York Times (10/5, Kramer, 18.61M) reports while "skirmishes have been common for years along the front lines of the Nagorno-Karabakh region," analysts and former diplomats say this conflict "is distinct...for the more direct support that Turkey has offered to Azerbaijan and for the scale of the fighting."

Housing

Agency MBS Issuance Sets New Record In Q3.

Behind a paywall, Inside Mortgage Finance (10/5, Bancroft, Subscription Publication) reports, "Fannie Mae, Freddie Mac and Ginnie Mae issued a combined $918 billion of single-family MBS during the third quarter, setting yet another new record for mortgage securitizations." According to IMF, "the July-September cycle smashed the previous record, set in 2Q20 by a comfortable margin of $173 billion." Q3's market was fueled by "historic levels of refinance demand." IMF says, "After setting new monthly records in July and August, the agency MBS market cooled slightly in September."

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CUNA Supports The Goals Of FHFA's Strategic Plan For Fiscal Years 2021-2024.

In a press release, the Credit Union National Association (10/5) announced that it "strongly supports the three goals included in the Federal Housing Finance Agency's (FHFA) strategic plan and noted that credit unions have a 'substantial interest' in effective-functioning FHFA-regulated entities, including Fannie Mae, Freddie Mac and the Federal Home Loan Bank (FHLB) system." On Monday, CUNA filed comments in response to the FHFA's request for feedback on its strategic plan for FY2021-2024. The three goals CUNA supports are ensuring "safe and sound regulated entities through world-class supervision," fostering "competitive, liquid, efficient, and resilient (CLEAR) national housing finance markets," and positioning the FHFA "as a model of operational excellence by strengthening the workforce and infrastructure."

MBA: Nation's Mortgage Forbearance Rate Fell From 6.87% To 6.81% In Last Week Of September.

HousingWire (10/5, Howley, 23K) reports the US forbearance rate "dropped from 6.87%" to 6.81% in the final week of September, reaching its "lowest since mid-April." The GSE forbearance rate "dropped seven basis points to 4.39%, while the rate for Ginnie Mae loans that include loans backed by the Federal Housing Administration increased one basis points to 9.16%." According to HousingWire, "About 29% of total loans in forbearance are in the initial plan stage, while 70% are in a forbearance extension, MBA said. The remaining 1.4% are forbearance re-entries, the report said."

National Mortgage News (10/5, Centopani) reports MBA Chief Economist Mike Fratantoni said, "There continues to be a slow and steady decrease in the share of loans in forbearance – driven by consistent declines in the GSE loan share – and a persistently high amount in the Ginnie Mae portfolio. The significant churn in the labor market now, more than six months into the pandemic, is still causing financial distress for millions of homeowners." National Mortgage Professional (10/5, Persaud) and the Urban Institute (10/5, 1K) provide additional coverage.

Black Knight Warns Mortgage Delinquencies Likely To Exceed Pre-Pandemic Levels Until 2022.

HousingWire (10/5, Roha, 23K) reports, "Following previous natural disaster recovery patterns, mortgage delinquencies are not expected to return to pre-pandemic levels until March 2022, according to a report from Black Knight. If trends persist, the data service provider estimates once the first wave of forbearances hit their 12-month expiration in March 2021, there may be more than 1 million excess delinquencies." Black Knight found that early stage delinquencies fell 9% in August, while serious delinquencies rose 5%. August's "upward tick marked the mildest increase in five months," suggesting "90-day mortgage delinquencies could be nearing their peak." HousingWire says, "looking ahead at September's projected numbers, payment activity improved, with 88.9% of first-lien mortgage holders making their monthly payment compared to August's 88.6% and June's 87.5%. Black Knight estimates the overall national delinquency rate may fall in September if increased payment activity persists during the last week of the month."

Mortgage News Daily (10/5, Swanson) reports Black Knight Data & Analytics President Ben Graboske said, "August's increase in serious delinquencies was the mildest of any of those five months, which – combined with the shrinking inflow of new delinquencies – suggests we could be nearing the peak. But as with so much these days – it still remains to be seen. While this may seem to paint a bleak picture for the future, multiple mitigating factors could help to reduce any resulting foreclosure wave. First and foremost, while recovery has been slow and incremental, the bulk of homeowners who have come out of forbearance are currently performing on their mortgages."

Providing additional coverage are National Mortgage News (10/5, Sinnock), DS News (10/5, Babb), and Mortgage Professional America (10/5, Smith).

MBA: Commercial, Multifamily Mortgage Performance Stabilizes In September.

Mortgage Professional America (10/5, Mendoza) reports, "Commercial and multifamily mortgage performance has started to slowly recover from the strain caused by the coronavirus pandemic, according to the Mortgage Bankers Association." CRE and multifamily delinquencies were "down slightly in September," MBA's CREF Loan Performance Survey revealed. According to MPA, "the share of commercial and multifamily loan balances that were current rose from 93.6% in August to 94.3% in September. The share of loans less than 30 days delinquent declined from 1.6% to 0.9% month over month. However, those that are 90+ days delinquent ticked up from 2.9% to 3%." 1.3% of GES loan balances were delinquent in September, unchanged from August.

Fitch: Commercial Mortgage Delinquency Rate Fell In September.

National Mortgage News (10/5, Finkelstein) reports, "The commercial mortgage delinquency rate fell in September, according to Fitch Ratings. But if the agency had included in their analysis loans that are current on their payments but also in forbearance or other forms of relief, the rate would be higher, just shy of 8%, Fitch Ratings reported." In September, 3% of loans in CMBS rated by Fitch were delinquent. According to NMN, "with more loans granted some form of payment relief, Fitch said, September's delinquency rate fell 12 basis points from August, to 4.64%." Fitch Senior Director Melissa Che said relief has "helped to mitigate a sharp rise in delinquencies to date."

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Trepp: CMBS Delinquencies Declined In September.

Multi-Housing News (10/5, Baltic) reports, "The Trepp CMBS delinquency rate declined to 8.92 percent in September, marking the third month in a row that the rate fell." The rate fell 10 basis points from August. According to MHN, "delinquency rates and other indicators varied hugely by property type. In all, 26.0 percent of hospitality loans were with a special servicer, up from 25.0 percent in August. Retail, too, was hit hard, with 18.3 percent of loans in special servicing, for an increase of 1.0 percentage point from August. When we include the loans that are on the servicers' watchlist, those numbers grow to a stunning 69.8 percent for hotel loans and 40.1 percent for retail loans."

Some Experts Fear Lenders May Relax Underwriting Standards Once Market Slows Down.

American Banker (10/5, Dobbs, Subscription Publication, 31K) reports that while "lenders are optimistic about the rest of this year," with mortgage rates exceptionally low and homebuying demand solid, "the mortgage market is expected to grow at a slower pace in 2021." Industry observers "want mortgage-dependent lenders to start planning for that deceleration, while avoiding an urge to relax underwriting standards." American Banker reports, "As volume slows, bankers must become more vigilant about vetting borrowers and setting underwriting standards, industry observers said." Piper Sandler analyst Stephen Scouten said, "I think a lot of management teams are relatively optimistic and upbeat right now, but this is such a highly uncertain credit environment. I don't think anyone really knows what's going to happen next. So I think we'll see banks stay conservative – we should."

Prime Non-Agency MBS Issuance Bounces Back In Q3.

Behind a paywall, Inside Mortgage Finance (10/5, Ivey, Subscription Publication) reports prime non-agency MBS issuance "more than doubled" from Q2 to Q3. According to IMF, "Overall, some $4.90 billion of prime non-agency MBS was issued in the third quarter, with $1.24 billion of it eligible for sale to the government-sponsored enterprises. Issuance in both categories was subdued during the second quarter as lenders and issuers dealt with volatility caused by the coronavirus." IMF says the Q3 comeback was "led by JPMorgan Chase, which brought $2.12 billion of prime non-agency MBS to the market spread across four deals, along with a $341.9 million MBS backed by loans for investment properties." IMF adds that the expanded-credit sector "remained the top source of non-agency MBS backed by newly-originated loans. Some $7.42 billion of EC MBS was issued in the third quarter, up 11.9% from the previous period."

Fannie Mae Predicts Housing Market Will Stay Strong In Coming Months.

DS News (10/5, Babb) reports that Fannie Mae's latest Economic & Housing Weekly Note suggests the housing market should remain strong, benefiting from a boost in residential construction spending. Fannie Mae's Ricky Goyette wrote, "Data in September showed that the economic recovery is still ongoing, though there were more signs that the pace of recovery is slowing. Job growth continued in September, though once again the pace slowed from the prior month. Total nonfarm payroll employment remains 7.0% below the level seen in February." Regarding housing, Goyette said, "data released this week continued to show strength in the housing market, with an increase in pending sales to record levels. The increase in September private residential construction spending supports our outlook for a strong rebound in residential fixed investment in the third quarter."

Ginnie Mae MBS Buyouts Slow In August.

Behind a paywall, Inside Mortgage Finance (10/5, Bancroft, Subscription Publication) reports that the "sudden increase in servicer withdrawals of loans from Ginnie Mae mortgage-backed securities early this summer appears to be waning." According to IMF, servicers "pulled $66.81 billion of government-insured loans from Ginnie MBS pools in August. That was down 7.6% from July and represented the second monthly decline since loan removals peaked in June." IMF says most loans are "removed from Ginnie pools because the borrower paid off the loan, and payoffs accounted for 85.3% of loan withdrawals for the first eight months of the year." Payoff removals declined 0.4% from July to August. IMF adds, "Several top Ginnie servicers recorded larger gains in payoffs, including PennyMac and Quicken Loans – both up 4.0% – New Residential (10.8%), Home Point Financial (8.6%) and United Shore Financial Services (46.1%)."

Non-QM Activity Is On The Rise, Bankrate Suggests.

National Mortgage Professional (10/5, Persaud) reports that "self-employed borrowers who don't qualify for a mainstream mortgage" are turning to the non-QM space, according to Bankrate. Some non-QM lenders like GreenBox Loans and Angel Oak Home Loans are reporting that business has bounced back since it ground to a halt amid the pandemic. Angel Oak regional manager Mac Cregger said, "It's not back to full volume, but it's close."

Phoenix Capital Offering $643M Bulk MSR Package.

Behind a paywall in its Short Takes, Inside Mortgage Finance (10/5, Muolo, Subscription Publication)e says, "Signs of life continue in the Ginnie Mae servicing sales arena but we've yet to catch wind of any deals north of $5 billion." According to IMF, "In an auction slated for Tuesday, Phoenix Capital is offering a bulk MSR package sized at $643 million. The receivables have a delinquency rate of 5.3% and a forbearance reading of 11.0%. A flow component that could provide $25 million to $40 million per month is also available."

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AmeriHome And Guild Announce Intentions To Go Public.

Behind a paywall, Inside Mortgage Finance (10/5, Muolo, Subscription Publication) reports AmeriHome Mortgage and Guild Mortgage each "announced their intentions to become public companies." According to IMF, "The two join recent announcers United Wholesale Mortgage (via a special purpose acquisition company) and Caliber Home Loans. In early August, origination market leader Rocket Companies (Quicken Loans) went public." IMF says, "AmeriHome, according to its S-1, earned $275.0 million during the first six months of 2020, slightly less than its combined profit for 2018 and 2019 ($279.5 million.)" Guild "said it took in $604.3 million of revenue during 1H20 and posted a net profit of $110.8 million."

Behind a paywall in its Short Takes, Inside Mortgage Finance (10/5, Muolo, Subscription Publication) says, "The AmeriHome Mortgage IPO could turn out to be one of the more noteworthy deals out there. How so? Well for starters, 97% of AmeriHome's originations come through the correspondent channel. Second, the nonbank has only been in business since 2013." IMF says Guild Mortgage "has been around since 1960." Guild said in its S-1 that it is "among the longest-operating seller-servicers" in the country.

Analysis: Racial Wealth Gap Cost $2.7T In Black Income Over Two Decades.

Seattle Medium (10/5) says a report from Citi Global Perspective Solutions, "Closing the Racial Equality Gaps: the Economic Costs of Black Inequality in the U.S," indicates "centuries of bias and institutionalized segregation have generated grave societal and economic losses that reverberate throughout America." Had these gaps been "addressed 20 years ago," the researchers say the nation could have "generated an additional $13 trillion in business revenue," created "6.1 million jobs each year if Black entrepreneurs had access to fair and equitable lending," enabled "Black America to earn $2.7 trillion more in income," fostered "770,000 more Black homeowners," and "boosted the economy by $218 billion." Seattle Medium says to close the gaps, banks "must invest in Black entrepreneurs, and do more to equitably bring more mortgage-ready Black homebuyers already identified by Freddie Mac into the marketplace. Increased mortgage lending would include 1.7 million millennials now left out, according to the Urban Institute."

Markets

10-Year Yield Rises.

MarketWatch (10/5, 1.67M) reports the 10-year Treasury yield rose to 0.760 percent.

Dollar Weakens.

Reuters (UK) (10/6, Cotaga) reports, "The dollar was on the defensive against most currencies on Tuesday as rising optimism that U.S. lawmakers could agree on new stimulus to blunt the economic impact of the coronavirus dampened demand for safer assets." The dollar index "was down slightly at 93.39. It has fallen 1.2% from a two-month high reached at the end of September, in contrast with U.S. equity markets, which rose." The euro "was trading up 0.1% at 1.1792." The dollar "was 0.1% weaker versus the Japanese yen at 105.65."

Gold Holds Steady.

Reuters (10/5) reports, "Gold prices were steady on Tuesday, having hit a near-two week high in the previous session, as a softer dollar countered pressure from an upbeat risk sentiment." Spot gold "traded at $1,912.49 per ounce by 0108 GMT. Prices hit $1,918.36 on Monday, a peak since Sept. 22," while US gold futures "were little changed at $1,919.30."

Oil Gains.

Reuters (10/6, Paul, Peng) reports, "Oil prices gained on Tuesday due to fears that refineries could be hit by a storm brewing in the Gulf of Mexico, while buyers also drew relief from U.S. President Donald Trump's return to the White House after being treated for COVID-19 in hospital." US West Texas Intermediate crude futures "were trading 36 cents, or nearly 0.9% higher at $39.58 a barrel at 0710 GMT." Brent crude futures "rose 25 cents, or 0.6%, to $41.54 a barrel."

Cybersecurity

CISA Reveals Timeline For Cyber Threat Sharing Plan.

NextGov (10/5, Baksh) reports CISA plans to "have a national strategy in place to increase the quality of cyber threat information shared by all parties within the year." An agency response to a recent DHS IG report on the matter said, "CISA will build its national cyber threat information sharing strategy in collaboration and coordination with its partners and stakeholders," adding, "This national strategy is projected to be completed during the fourth quarter of FY 2021. The estimated completion date is September 30, 2021." The IG found "that while CISA had implemented the basic requirements of a 2015 information sharing law...it made 'limited progress' on that front during 2017 and 2018." NextGov says while there "were a lot of participants willing to take relevant information, there were very few willing to give it, the report said, leading to poor overall quality of the data in CISA's Automated Indicator Sharing system."

CISA "Covers The Waterfront" With "Flurry" Of Announcements.

Politico (10/5, Matishak, 4.29M) reports CISA "has issued a flurry of announcements on a host of digital threats – ranging from warning that tensions with China could encourage Beijing to hack more and an election security PSA with the FBI to malware analysis with U.S. Cyber

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Command and a toolkit on election disinformation." Politico writes observers "say the output is due to the increased attention on cybersecurity during a presidential election year (especially after 2016) and the months of telework caused by the Covid-19 pandemic." Venable Cybersecurity Services Senior Director Ross Nodurft says the frequency of the alerts is "probably commensurate with the threats that we are seeing right now." Nodurft adds, "Hospitals and health care systems are being targeted by criminals with ransomware as they respond to the influx of Covid-19 patients; state and local government are dealing with increased threats on our election systems; and critical vulnerabilities continue to be exploited in the wild."

Hackers Attempting To Impersonate Companies, Government Contractors.

CyberScoop (10/5, Stone) reports professional hackers who "already try to hide their activity through an array of technical means now seem to be trying on more corporate disguises, by creating front companies or working as government contractors to boost their legitimacy." US law enforcement in September "accused hackers based in Iran and China of conducting global espionage operations while appearing to exist as otherwise innocuous technology firms." While the public nature "of the charges are proof the efforts weren't entirely successful, the tactic marks an evolution of the use of dummy corporations since a group of financial scammers stole a reported $1 billion by posing as a cybersecurity testing firm." US Assistant Attorney General for National Security John Demers said in a recent interview, "It just makes it harder to figure out who's doing what, and what are their motivations."

FBI Investigating Cyberattack On Mississippi School District.

WDAM-TV Hattiesburg, MS (10/5, Robertson, 13K) reports from Waynesboro, Mississippi that a "cyberattack against Wayne County School District's 16th Section Principal Fund Account has resulted in an investigation by the FBI after they were contacted by school officials shortly after the breach was discovered on July 2." Money in that account" is made up of royalty revenue from oil produced on property owned by the school district." The impact of the "attack hasn't been fully determined yet, but Superintendent Tommy Branch said it will not affect day-to-day operations within the school district."

FireEye Mandiant Executive: Ransomware Attack Tempo "Unbearable."

The New York Times (10/5, Ovide, 18.61M) interviews FireEye Mandiant executive Charles Carmakal "about the root causes and fixes for ransomware attacks." Carmakal "said his company was aware of more than 100 organizations that were dealing with ransomware attacks in September." He said, "We're at a point that I feel is really unbearable." Some US officials "worry that ransomware groups will try to freeze voter registration data or otherwise disrupt US elections or sow uncertainty among voters." US law enforcement agencies "have stepped up efforts to identify, arrest and try the perpetrators of ransomware attacks," but it is "not always easy, Carmakal said, because a good number of them operate in countries that don't extradite people to the United States."

Europol Warns Of Increase In Cybercrime During Pandemic.

The Hill (10/5, 2.98M) reports, "Europol, the European Union's law enforcement agency, warns that cybercrime has spiked over the past year in large part due to the COVID-19 pandemic." The Hill adds, "Europol's findings were detailed in its annual Internet Organised Crime Threat Assessment, released Monday. The assessment highlighted ransomware attacks, such as those targeting health care organizations, as one of the most persistent cyber threats during the pandemic, including attacks involving hackers threatening to auction off data if a ransom is not paid." According to The Hill, "The distribution of child abuse material online has also increased during the COVID-19 pandemic, including livestreaming of sexual abuse. Other concerns have involved SIM swapping, in which the hacker takes over a SIM card on the individual's phone to intercept a two-factor authentication code, and the increased use of the dark web for criminal activities."

Federal Reserve

Banks Warn Against New Liquidity Rule After Pandemic Selloff.

American Banker (10/6, Lang, Subscription Publication, 31K) reports regulators for months "have relaxed regulatory standards in order to help banks weather the COVID-19 crisis," but "an impending liquidity benchmark will test the largest institutions' ability to support the fragile economy while complying with new rules." The Fed, OCC, and FDIC "are poised soon to finalize the Net Stable Funding Ratio, a measure of long-term liquidity strength developed after the financial crisis by the international Basel Committee." But some analysts and industry observers "say finalizing the rule, not long after the coronavirus outbreak triggered volatility in the liquidity markets, is playing with fire." The new liquidity ratio, they say, could make it difficult for banks to respond if the market suffers a shock similar to this spring's selloff in Treasuries. BPI Chief Economist Bill Nelson said, "It does make it ironic that [regulators] are adopting this in the wake of events for which it was demonstrably not needed, and it would have made it worse."

Evans: Fed Must Be "In It To Win It" For New Inflation Framework To Achieve Its Goal.

Reuters (10/5, Staff) reports Chicago Fed President Charles Evans on Monday "said he expects U.S. inflation to reach 2% by 2023 and signaled his support for allowing it to rise to 2.5%, a level seen by others at the Fed as excessive." Evans, in remarks prepared for the National Association for Business Economics, said the Fed "needs to have an 'in it to win it' attitude toward our inflation objective. ... This will

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require actual overshooting, and we can't be timid about doing so." Evans also "said his forecast of inflation reaching 2% and unemployment falling to 4% in 2023 depended on more federal fiscal aid, without which jobs would take longer to return and recessionary dynamics could gain traction."

Bloomberg (10/5, 4.73M), the Wall Street Journal (10/5, Derby, Subscription Publication, 7.57M), and The Hill (10/5, Lane, 2.98M) also report.

Internal Revenue Service

IRS Extends Deadline To Register For Stimulus Check.

USA Today (10/5, Tyko, 10.31M) reports the IRS has extended by five weeks the deadline to register for a stimulus check. The agency announced Monday "the new deadline to register for an Economic Impact Payment is Nov. 21, a move from Oct. 15." The extension "is for those who don't typically file a tax return, which includes millions of people, many living on limited incomes, who have yet to get their hands on money that could help pay the rent, cover grocery bills, handle car repairs and pay for other essentials."

IRS Investigating LaPierre For Criminal Tax Fraud.

The Wall Street Journal (10/5, Maremont, Viswanatha, Subscription Publication, 7.57M) reports people familiar with the matter say the IRS is investigating NRA CEO Wayne LaPierre for criminal tax fraud.

Final Rules For Endowment Tax For Private Colleges Issued.

Education Dive (10/5, Busta) reports that the IRS and the U.S. Department of the Treasury "issued final rules for how they will implement the so-called endowment tax on private universities that the 2017 Tax Cuts and Jobs Act established." The tax "applies a 1.4% levy to the net investment income of private colleges and universities that enroll at least 500 tuition-paying students and whose endowments are valued at $500,000 or more per student." The final rules "include changes from interim rules posted last year that at least two higher education groups say could benefit colleges."

Office of the Comptroller of the Currency

Gardineer: OCC Must Be Diversity Role Model For Banks.

In a BankThink piece for American Banker (10/5, Subscription Publication, 31K), Grovetta Gardineer, Senior Deputy Comptroller for Bank Supervision Policy at the Office of the Comptroller of the Currency, writes about the personal and professional obstacles she has overcome as a woman of color. During her 33-year career, Gardineer says, "I have seen progress in our country, in banking and in federal service. Yet I still see too few people who look like me in board rooms, in senior leadership positions among federal agencies and among international bank supervision leaders." She adds, "We have a purpose and responsibility to model the kind of people we hope others become, through our work and behavior."

Despite OCC's Green Light, Banks Are Not Holding Crypto Assets.

American Banker (10/5, Subscription Publication, 31K) reports on why OCC-regulated banks have not yet started to hold customers' digital assets, despite being given approval to do so. One factor "seems to be lack of clarity around exactly what banks are allowed to do and the risks therein." Another consideration is that banks "would need sufficient demand from customers to justify the time, resources and technology needed to safely hold these assets." Many "are also wary of the risks of cryptocurrency in general, according to recent research."

OCC Gives USAA Bank Failing CRA Grade.

The Houston Chronicle (10/5, 730K) reports the OCC has given San Antonio-based USAA Federal Savings Bank a failing grade over evidence of "discriminatory or other illegal credit practices." The OCC lowered the bank's Community Reinvestment Act performance evaluation rating from "satisfactory" to "needs to improve" after it found evidence of 600 violations involving customers.

Editorial Wrap-Up

Washington Post.

"Covid-19 Is A Fearsome Killer. Trump's Magical Thinking Will Not Change That." The Washington Post (10/5, 14.2M) says in an editorial that President Trump "has regarded face masks with foolhardy contempt, displaying the same bravado with which he summoned states to reopen, held mass rallies without social distancing or masks, and tamped down warnings of danger from government experts. In the past few days, this casual disregard for others has been on display again, including an inexplicable joyride outside of Walter Reed National Military Medical Center that put at risk those in the vehicle with him. There has been no sign of contact tracing at the White House as the contagion has spread down the corridors. This is a most callous hubris."

"Local Officials Should Prepare Against Trump-Inspired Voter Intimidation." The Washington Post (10/5, 14.2M) calls on state and local officials to "ensure that safeguards are in place to protect the rights of Americans to cast their ballots from President Trump's "attempts to undermine the election and scare off voters."

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Wall Street Journal.

"An Illinois Tax Crossroads." The Wall Street Journal (10/5, Subscription Publication, 7.57M) advises Illinois voters against voting to replace the state's flat tax with a progressive tax on income.

"Pat Toomey's Market Niche." The Wall Street Journal (10/5, Subscription Publication, 7.57M) says Sen. Pat Toomey's (R-PA) decision not to run for reelection in 2022 sets back efforts to advance pro-growth policies in Congress.

"The Covid Testing Bait-And-Switch." The Wall Street Journal (10/5, Subscription Publication, 7.57M) says President Trump's coronavirus infection and spikes in cases nationwide show testing is insufficient and that health experts should learn from the inadequate response to federal guidelines when drafting plans for future pandemics.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Trump Leaves Hospital Monday Evening, As White House Cases Mount
Bristol To Pay $13.1 Billion For Heart-Drug Maker MyoKardia
States Overpaid Coronavirus Unemployment Claims, And They Want The Money Back
The Covid Economy Carves Deep Divide Between Haves And Have-Nots
Enjoy Your Meal – Quickly. Restaurants Introduce Time Limits.

New York Times:

Trump Leaves Hospital, Minimizing Virus And Urging Americans 'Not To Let It Dominate Your Life'
White House Is Not Contact Tracing 'Super-Spreader' Rose Garden Event
A Student Dies. And A Campus Gets Serious About Coronavirus
Cuomo Rejects NYC's Shutdown Plan For Virus Spike, But May Offer Own
Kamala Harris's Doubleheader: A Debate And Hearing With Sky-High Stakes
'The Coal Industry Is Back,' Trump Proclaimed. It Wasn't.

Washington Post:

Harris Learned Early How To Win A Political Brawl
Long Guns, Body Armor And A Sense Of 'Purpose'
Trump Returns To Familiar Territory
President Tries To Convince Public He's Calling All The Shots
$4 Trillion In Relief 'Doomed' From Start
Doctors Stay Silent On Details, Say They Remain 'On Guard'

Financial Times:

Thousands Of Jobs At Risk As Cineworld Closes UK And US Screens
IMF Calls On Rich Nations To Boost Public Investment
How Walmart's UK Invasion Fizzled Out
Deutsche Börse Pushes For Dax Overhaul After Wirecard Debacle

Washington Times:

Trump Makes Triumphant Return To White House
'Rise To The Call': Supporters Tout 'Huge Silent Majority' As Trump Trails In Pennsylvania Polls
Teachers Unions, Politics Pumping Brakes On School Reopenings While Parents Feel Sidelined
'Pregnant With Socio-Political Concerns': Pope Francis' Political Detours Upset Flock
'Asian NATO' Faces Hurdles As Pompeo Meets With 'Quad' Allies On Countering China
GOP Deploys Secret Weapon Against Vulnerable Democrats: Ilhan Omar

Story Lineup From Last Night's Network News:

ABC: Trump-COVID; Trump-Leaving Walter Reed; Trump-Diagnosis Info; Movement; Trump-Treatment; WH-Contact Tracing; Recap of Events; Trump-Downplaying Virus.

CBS: Trump-Leaving Walter Reed; Trump-Return to WH; COVID-Expert Comment; Political Implications of Trump's Diagnosis; Trump-Quarantine at WH; Trump-Release Timing; WH-Contact Tracing; Trump-Treatment; Movement; Kayleigh McEnany; WH Cases.

NBC: Trump-Hospital; Trump-COVID; Trump-Leaving Walter Reed; COVID-Expert Comment; WH Cases; Trump-Quarantine at WH; Trump-Symptoms; Trump-Masks; COVID-Course of Virus.

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Network TV At A Glance:
Trump-Leaving Walter Reed – 17 minutes, 45 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Trump-Downplaying Virus; Biden-Response to Trump's Message; Political Implications of Trump's Diagnosis; Vice Presidential Debate; WH-Protections; Southwest-Pay Cuts; Hurricane Delta.
CBS: Trump-COVID Monitoring; Biden-Response to Trump's Message; Wildfires; Hurricane Delta; Rochester-Mayor Pleads Not Guilty in Campaign Finance Case.
FOX: Trump-Downplaying Virus; Biden-Response to Trump's Message; Michigan-Mask Mandate; WHO-1 in 10 Worldwide Likely Infected.
NPR: Trump-Downplaying Virus; New Jersey-Bedminster Trump Event; Minnesota-Contact Tracing due to Trump Rally; Biden-Response to Trump's Message; Biden-School Reopenings; NYC-Schools Closing.

Last Laughs

Late Night Political Humor.

Trevor Noah: "That's right, people. Donald J. Trump, President of the United States, is battling COVID-19. And before I say anything else, can I just say on the record, I don't want Donald Trump to die from this. ... I don't want him to lose his life; you want him to lose his election. Also, I don't want him to die because Mike Pence would be President, and then we might be dead because Pence is the most boring person on the planet."

Trevor Noah: "The whole reason people chose Joe Biden is because he has the best chance to beat Donald Trump. If Trump wasn't in the race, people could have taken a chance with someone else. Like personally, I would have voted for Marianne Williamson because, boy, do I think America needs to realize its chakras."

Trevor Noah: "The way Trump has handled the country's coronavirus response is unfortunately also how he has handled this pandemic in his personal life. Starting with his brazen disregard for all the safety precautions that keep the virus from spreading. ... Trump and his friends are having no-mask cocktail receptions indoors where the guest of honor is COVID-19."

Trevor Noah: "Some people are saying this was karma catching up with Trump, but guys, the massive outbreak at the White House is not karma. It is consequences. It is not karma to get hit by lightning when are you standing on the roof of a skyscraper holding a metal rod when it is lightning. The universe didn't do that...to you. You did it to yourself."

Trevor Noah: "It is bad enough that Trump put the entire White House in danger, but what is even more disturbing is that after Trump found out that he could have been exposed to the virus, he didn't quarantine. He didn't social-distance, he carried on with his life with complete disregard for other people's lives. ... Trump knew that he could be infected, and he put his own supporters at risk anyway? And I feel so bad for anyone who paid money to attend that fundraiser because those people didn't want COVID. They just wanted to give Trump enough money so that he would let them dump chemicals in a river. Why should something bad happen to them?"

Trevor Noah: [On Trump's physician, Dr. Sean Conley, giving misleading information to the American public] "On one side, [Dr. Conley] has the public asking for information on the President's health. And on the other side, you have your patient, the President himself, who wants you to go out and tell everyone that he karate-chopped the virus."

Trevor Noah: "Once again, we are reminded it doesn't matter who you are – if you come into contact with Donald Trump, at some point, you are going to have to lie."

Trevor Noah: "Unlike most Americans, Trump has access to the best treatments possible, and a world-class medical team looking after him. ... That's right, America. 'Don't be afraid of COVID, and don't let it dominate your life.' Because as long as you can take your private helicopter from your home hospital to an even better hospital, you will be great."

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Stephen Colbert: "Big news: After being choppered to Walter Reed Hospital on Friday, Donald Trump has been released back into the wild. There he is, immediately taking off his mask and saluting the Marines and the camera crew filming this campaign ad. Who has two thumbs that doesn't care if you live or die? This guy! My thoughts and prayers go out to everyone he's about to infect."

Stephen Colbert: "Trump made the announcement himself, tweeting, 'I will be leaving the great Walter Reed Medical Center today at 6:30 p.m. feeling really good! Don't be afraid of COVID. Don't let it dominate your life. We have developed, under the Trump Administration, some really great drugs and knowledge. I feel better than I did 20 years ago!' Well, I'm glad that the President is feeling better, of course. I wish him continued good health. And it goes without saying: What a tool."

Stephen Colbert: "'Don't let it dominate your life.' So, the people who lost their lives, they either didn't have enough moxie, or they didn't live in a big White House that has 20 full-time medical staff and get choppered to a suite at Walter Reed where they received a combination of cutting-edge treatments that literally no one else on the planet has received. Okay, then just make the Surgeon General's warning: 'Don't let cancer dominate your lungs! Smoking is cool, because my lung transplant was successful!'"

Stephen Colbert: "Since Friday, we've been getting irregular updates from the President's personal physician...Dr. Sean Conley. ... You can't steer the course of a disease by lying about it. That's why it's called 'Make-a-Wish' and not 'Everything's Fine, Mark Ruffalo just wants to meet you!'"

Stephen Colbert: "While the doctors were presenting a rosy picture, they also revealed that Trump has been put on two drugs: remdesivir and dexamethasone. I'm not a doctor, but I'm pretty sure it's not a good sign when you get prescribed the high score in a Scrabble game."

Stephen Colbert: [On Dr. Conley saying that he can't give specifics on Trump's condition] "For the safety of our nation, the public needs to know how Trump's doing. Which is why it's so infuriating that Dr. Conley had this to say yesterday. ... Then why are you there?! I don't get to go on TV and say, 'I'm not going to get into the specifics of my joke tonight.' Plus, I don't endanger the nation by doing my job poorly. At most, I endanger the sales of Charmin. Charmin. Enjoy the go. Especially if you've been on the dexamethasone, if you know what I mean."

Stephen Colbert: "The President tried to prove how healthy he was this weekend by releasing this photo of him 'at work.' Some pointed out that that piece of paper seems to be blank. But to defend the President, that doesn't mean he's not working. Because a blank piece of paper is his COVID response plan."

Stephen Colbert: "The latest Trump official to fall ill is White House press secretary...Kayleigh McEnany. ... Here's the thing: Kayleigh knew she had been in close contact with Hope Hicks, and had a high likelihood of being infected. But after knowing that, Kayleigh McEnany repeatedly spoke to reporters without a mask on. She was just trying to give journalists a scoop! (As McEnany) 'Come here – I've got an exclusive: You're going to get sick very soon!'"

Jimmy Fallon: "Good news. It's safe for the President to return home. Mostly because everyone at the White House already has the virus."

Jimmy Fallon: "Once she heard he was coming home, Melania immediately checked herself into Walter Reed."

Jimmy Fallon: "Yep, Trump left the hospital for two reasons. One, he was feeling better. Two, he didn't want to get billed for another night."

Jimmy Fallon: "This afternoon, Trump broke the news on Twitter, saying, 'I'll be leaving the great Walter Reed Medical Center today at 6:30, feeling really good. Don't be afraid of COVID, don't let it dominate your life. I feel better than I did 20 years ago!' I'm not surprised Trump feels better than he did 20 years ago. Back then, he was $800 million in debt."

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Jimmy Fallon: [On Trump leaving the hospital to wave to supporters out of an SUV] "Yeah, according to the New York Times, Trump wanted to leave the hospital and doctors wanted him to stay inside, so they compromised, and Trump left the hospital."

Jimmy Fallon: "What is happening? Trump even turned the hospital stay into chaos. The Joker caused less trouble when he visited Gotham General."

Jimmy Fallon: "You could tell the Secret Service thought the joyride was a bad idea. Right after, they went on eBay looking for a used Popemobile."

Jimmy Fallon: "Turns out Trump's joyride may have even his own family thinking he is acting irrationally. According to sources, Don Jr. is deeply upset by his father's decision to drive around and thinks Trump is acting crazy. You know things have gone off the rails when Don Jr. becomes the voice of reason. In response, President Trump was like, 'I'm not acting crazy, and here's 15 all-caps tweets to prove it.'"

Jimmy Fallon: "Meanwhile, on Saturday night, the White House released some photos to show that Trump was busy working while he was at Walter Reed. Here is one of Trump signing a document . ... People are saying that he's just writing his name on a blank piece of paper, but that's not true. That's not true. That's not a blank piece of paper. That's just his entire plan to stop COVID."

James Corden: "Over the weekend, the White House tried to keep everybody calm by releasing photos of the President in the hospital as proof that he was healthy and hard at work. But here's the thing: A lot of people on Twitter noticed that the piece of paper that he is signing actually appears to be blank. Now people were mocking this online, which made Trump furious at his staff. He was like, 'You guys told me these were military contracts written in invisible ink.'"

James Corden: "Yesterday afternoon, Trump did something odd. I know, surprise. He decided to go for a drive around the hospital so that he could wave at his supporters. ... Secret Service agents aimlessly drove Trump around the block, and I get it, I do. I thought about this. And I understand what is going on here. Because when my son was a baby, sometimes when he couldn't sleep, we would put him in the car, and I would drive around the block to make him go off to sleep. And I think that's what is going on here."

James Corden: "But Trump is not the only one dealing with the virus. All told, more than a dozen Administration officials and Republican leaders were diagnosed with the virus over the past few days. ... This list reads like a who's who of people you desperately want to avoid at a cocktail party."

James Corden: "This morning it was also announced that Trump's press secretary, Kayleigh McEnany, also tested positive for COVID-19, or as she reported to the press, tested negative. ... Even after Trump had been diagnosed, McEnany continued to speak to reporters without wearing a mask, which makes sense, since going viral while attacking the press is kind of her thing."

Jimmy Fallon: "Trump then announced that he would be leaving the hospital. The only way that Trump announces anything is on Twitter. He wrote, 'I will be leaving the great Walter Reed Medical Center today at 6:30 pm. Feeling really good. Don't be afraid of COVID. Don't let it dominate your life. We have developed under the Trump Administration some really great drugs and knowledge. I feel better than I did 20 years ago!' To be fair, only someone on really great drugs would think that leaving the hospital."

Seth Meyers: "How's everybody doing? If you were at the Rose Garden last week, I'm guessing slight fever, maybe a little fatigued."

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Seth Meyers: "President Trump tested positive for coronavirus. And so did Melania Trump, Chris Christie, Sen. Mike Lee, Sen. Ron Johnson, Kellyanne Conway, Sen. Thom Tillis, and Trump's campaign manager, Bill Stepien. Oh, and Kayleigh McEnany. But remember, we

tape this show early, so just pretend I said, like, I don't know, four more names? I mean, can we just assume everyone in the White House has coronavirus at this point? It's like 'Game of Thrones,' except we'd be happy if it ended with Bran in charge."

Seth Meyers: "White House aides reportedly believe that a Rose Garden event last month to announce President Trump's Supreme Court nominee was the super-spreader incident responsible for a number of coronavirus cases. Incidentally, super-spreader is also Trump's favorite sitting position."

Seth Meyers: "President Trump is facing criticism after leaving Walter Reed Medical Center yesterday in a motorcade to wave to supporters, which potentially put two Secret Service agents in his SUV at risk of infection. Why would they get in a car with someone they know has coronavirus? That sounds like a trend the local news warns you: 'Your teen might be doing it. They're calling it the rona challenge, and it's really catching on.'"

Seth Meyers: "During the South Carolina Senate debate over the weekend, Democratic candidate Jaime Harrison brought his own Plexiglas divider to separate him from Sen. Lindsey Graham. Wow, I wouldn't have thought that something transparent could throw that much shade."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — No public events scheduled.
- Vice President Pence — No public schedule released.

***US Senate*:**

• GOP Sen. Lisa Murkowski in dialogue with Arctic Circle on impact of U.S. election on the Arctic – 'How will the Arctic be impacted by the 2020 U.S. Presidential Election?', dialogue with Republican Sen. Lisa Murkowski and moderated by former President of Iceland and Arctic Circle chair Olafur Ragnar Grimsson; *9:30 AM*

• Dem Sen. Ben Cardin and OSCE host event on 'Policing in Diverse Societies' – Helsinki Commission Ranking Member Democratic Sen. Ben Cardin and Office of the Organization for Security and Co-operation in Europe High Commissioner on National Minorities host event on 'Policing in Diverse Societies: Principles and Good Practices', featuring remarks from Christophe Kamp (OSCE) and Hilary Shelton (National Association for the Advancement of Colored People); *9:30 AM*

• Senate Judiciary Committee latest hearing on FBI 'Crossfire Hurricane' investigation – Hearing on 'Oversight of the Crossfire Hurricane Investigation: Day 4', with testimony from former FBI Deputy Director Andrew McCabe * FBI's 'Crossfire Hurricane' investigation was into possible coordination between the Trump for President campaign and Russian efforts to interfere in the 2016 U.S. presidential election. It was taken over by Special Counsel Robert Mueller

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:00 AM

***US House*:**

• House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 2 Oct – 16 Nov

Location: U.S. Capitol, Washington, DC; 9:00 AM

• Dem Sen. Ben Cardin and OSCE host event on 'Policing in Diverse Societies' – Helsinki Commission Ranking Member Democratic Sen. Ben Cardin and Office of the Organization for Security and Co-operation in Europe High Commissioner on National Minorities host event on 'Policing in Diverse Societies: Principles and Good Practices', featuring remarks from Christophe Kamp (OSCE) and Hilary Shelton (National Association for the Advancement of Colored People); *9:30 AM*

• House Administration subcommittee virtual hearing on combating misinformation in the 2020 election – Elections Subcommittee hearing on 'Voting Rights And Election Administration: Combatting Misinformation In The 2020 Election', held via Cisco Webex; *1:00 PM*

• House Natural Resources subcommittee virtual oversight hearing on 'Interior's Royalty Cuts' – Energy and Mineral Resources Subcommittee virtual oversight hearing on 'Interior's Royalty Cuts: Thoughtful Policy or Industry Giveaway?', held via Cisco WebEx, with testimony from Government Accountability Office Natural Resources and Environment Team Director Frank Rusco; University of Colorado Law School Professor of Law Mark Squillce; and Western Values Project Deputy Director Carla Hendra; *2:00 PM*

AMERICAN OVERSIGHT

Cabinet Officers:

• Secretary of State Pompeo concludes Japan trip – Secretary of State Mike Pompeo concludes trip to Japan, with agenda including participating in the second meeting of the Quad Foreign Ministers of Australia, India, and Japan and holding meetings with Japanese counterparts to discuss 'issues of mutual concern' * Secretary Pompeo is no longer visiting Mongolia or South Korea on this trip, although has said he is working to reschedule those visits on his next trip to Asia 'in a few weeks'

Location: Tokyo

Visitors:

• No visitors scheduled.

This Town:

• POLITICO Playbook virtual interview with Dem Rep. James Clyburn and former AG Eric Holder – POLITICO Playbook virtual interview with House Minority Whip James Clyburn and National Democratic Redistricting Committee Chairman and former Attorney General Eric Holder, who discuss mail-in-voting, ballot access problems Black and minority voters face, the Black Lives Matter movement and what the Democratic priorities should be in the next Congress * Part of POLITICO's Election Countdown series; *9:00 AM*

• SCOTUS debates whether the Religious Freedom Restoration Act permits lawsuits against individual federal employees – U.S. Supreme Court hearings: 'Tanzin v. Tanvir' (*Whether the Religious Freedom Restoration Act of 1993 permits suits seeking money damages against individual federal employees?) * 'Rutledge v. Pharmaceutical Care Management Association' (Whether the Eighth Circuit erred in holding that Arkansas' statute regulating pharmacy benefit managers ' drug-reimbursement rates, which is similar to laws enacted by a substantial majority of states, is preempted by the Employee Retirement Income Security Act of 1974 (ERISA), in contravention of this Court's precedent that ERISA does not preempt rate regulation?)

Location: Supreme Court of the United States, Washington, DC; 10:00 AM

• Heritage Foundation virtual event on 'U.S. Leadership in Women, Peace, and Security' – 'U.S. Leadership in Women, Peace, and Security' Heritage Foundation virtual event, marking the third anniversary of President Donald Trump signing the Women Peace and Security Act and launching the American Council on Women, Peace, and Security, featuring Republican Rep. Michael Waltz, U.S. Ambassador-at-Large for Global Women's Issues Amb. Kelley Currie, Acting Deputy Assistant Secretary of Defense for Stability and Humanitarian Affairs Stephanie Hammond, SAIS' Mary Habeck, Ezidi Relief Fund President Lucy Usoyan, and The Allison Center for Foreign Policy Research Assistant Nicole Robinson; *11:00 AM*

• USDA Food Safety and Inspection Service virtual public meeting on consumer food safety education – USDA Food Safety and Inspection Service holds virtual public meeting on the state of consumer food safety education, current research, and future studies and engagement to close the gap between food safety messages and consumer action; *12:00 PM*

• Atlantic Council online discussion on 'critical partnerships for cybersecurity' – 'Critical partnerships for cybersecurity' Atlantic Council Cyber Statecraft and Asia Security Initiatives online discussion, focusing on the 'Australian Cyber Security Strategy Industry Advisory Panel' report, recently released by the Australian govt and focusing on recommendations to strengthen public/private collaboration on critical infrastructure cybersecurity. Speakers include former Secretary of Homeland Security Kirstjen Nielsen, Telstra CEO Andrew Penn, Siemens USA Chief Cybersecurity Officer Kurt John, former Australian National Cyber Security Advisor and Australian Cyber Security Centre Head Alastair MacGibbon, Dell EMC Infrastructure and Client Products Business Security Officer Bobbie Stempfley, and Google Cloud Government Security and Compliance Global Director Jeanette Manfra; *3:30 PM*

• GOP Sen. Tom Cotton speaks on U.S. foreign policy on Hudson Institute online event – Hudson Institute hosts 'Dialogues on American Foreign Policy and World Affairs' online event, with Republican Sen. Tom Cotton discussing the foreign policy of the first Trump administration and what the foreign policy priorities of a second Trump administration may be, the future of U.S global leadership, and current geopolitical challenges the U.S. faces, including competition with China; *5:00 PM*

• DC Attorney General Karl Racine addresses OAG's virtual National Night Out; *6:00 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, AUGUST 21, 2020 6:00 AM EDT

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Treasury in the News

Ex-USPS Official: Mnuchin "Lead Figure" In White House Effort To Politicize Post Office.

CBS News (8/20, Watson, 3.68M) reports former USPS Board of Governors Vice Chairman David C. Williams "testified Thursday that the Trump administration has been 'politicizing' the Postal Service and using Treasury Secretary Steven Mnuchin to inappropriately influence the organization for political ends that will eventually harm the customers and businesses the Postal Service is supposed to serve." Williams "testified before the Congressional Progressive Caucus on Thursday that he resigned 'when it became clear to me that the administration was politicizing the Postal Service with the treasury secretary as the lead figure for the White House in that effort.'" CBS says Williams testified that the Treasury Secretary is responsible for giving the USPS a line of credit. However, Williams said Mnuchin "was using that responsibility to make demands that I believed would turn the Postal Service into a political tool, ending its long history as an apolitical public infrastructure."

Bloomberg (8/20, Shields, Woodhouse, 4.73M) reports Williams said in his testimony that Mnuchin "insisted that all Republican appointees for the Board of Governors and Postal Regulatory Commission come to his office to kiss the ring and receive his blessing before confirmation." According to Williams, Mnuchin "was keenly interested in labor agreements, postage pricing generally and especially the volume discounts being given to the Postal Services largest customers – Amazon, UPS and FedEx." Williams added the USPS "replied to early demands from the secretary explaining that his demands were illegal, but the concerns were ignored." Bloomberg says Assistant Treasury Secretary for Public Affairs Monica Crowley "released a letter on Twitter from Mnuchin to Senate Minority Leader Chuck Schumer, in which the Treasury chief said that he wants the Postal Service to have a 'strong and sustainable future.'" According to Bloomberg, "The letter didn't specifically address Williams' accusations."

CNN (8/20, Herb, Cohen, 83.16M) reports on its website that Mnuchin, in the letter, wrote he did not have "any role in recruiting or suggesting Mr. DeJoy for the position of Postmaster General. In fact, I was surprised to learn that Mr. DeJoy was a candidate for the position when the governors updated me on the status of the selection process and informed me of their finalists." CNN says Mnuchin "did acknowledge, however, that he requested the Board of Governors, which selects the postmaster general, keep him apprised of the search process 'as appropriate, because strong management is essential to the financial health of USPS.'" CNN adds that documents "obtained by a government watchdog group this week...confirmed CNN's reporting from earlier this month that Mnuchin received briefings from the USPS Board of Governors to discuss DeJoy's eventual appointment," which was an "irregular arrangement between the Treasury Secretary and USPS, which hasn't happened with past appointments, though the two government entities often work together."

The New York Times (8/20, Fandos, Rappeport, Vogel, Edmondson, 18.61M) reports Mnuchin "rebutted suggestions that he had done anything but play a proper role as the federal government's lender to the Postal Service and in fulfilling his duty to try to help fix its financial woes." In his letter to Schumer, Mnuchin "explained his role as the chairman of the Federal Financing Bank, the Postal Service's sole lender, and said he did not intervene to pave the way for Mr. DeJoy to be the postmaster general." Mnuchin wrote, "Neither I nor any other Treasury official played any role in recruiting or suggesting Mr. DeJoy for the position of postmaster general." However, The Times says Williams "offered a starkly different picture of Mr. Mnuchin's actions." Williams "said the board balked at Mr. Mnuchin's demands, and he argued at the time that 'a department cannot impose its will on another department.'" Williams testified, "The postal general counsel sent a letter saying that the transfer of our duties and decision-making authority to him was illegal. The Treasury went forward notwithstanding that." The Times notes Williams "did not directly tie Mr. Mnuchin to the search for a new postmaster general, but he described a process that left him so uneasy he felt he had no choice but to quit."

Reuters (8/20, Shepardson), USA Today (8/20, Wu, 10.31M), Politico (8/20, Cheney, 4.29M), NBC News (8/20, Caldwell, 6.14M), and The Hill (8/20, Marcos, 2.98M) also report.

Leading National News

Trump In Pennsylvania: Biden "A Puppet Of The Radical Left."

President Trump traveled to Scranton, Pennsylvania on Thursday, where he slammed Joe Biden's record as a long-time Washington insider and cast him as a "puppet of the radical left." Local and national media coverage portrayed the event as highlighting the importance of the Keystone State's electoral votes in the November contest, and the Trump camp's aggressive effort to keep them in their column. The AP (8/20, Lemire) reports, for example, that Trump "rally just outside the former vice president's birthplace in Scranton" was "a particularly in-your-face bit of campaign trolling." The New York Times (8/20, Gabriel, 18.61M) indicates, meanwhile, that "to many strategists, Pennsylvania is the most crucial battleground of 2020, and Northeast Pennsylvania, with its density of white working-class voters, is especially pivotal." The Times casts the race as "a turf war between the native son who calls himself 'middle-class Joe' and the incumbent president who appeals to the grievances of white voters over immigration, protests against the police and other culture-war issues."

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WGAL-TV Lancaster, PA (8/20, 54K) reported that Trump "hammered...Biden on what he called '50 years of failed leadership in Washington,'" saying that "he has failed the people of Scranton and Pennsylvania." Trump spoke about "the manufacturing jobs were taken away from the state, while the President created jobs and also a roaring economy before COVID-19." Trump was shown saying, "He spent the last half century in Washington selling out our country." WTAE-TV Pittsburgh (8/20, 96K) showed Trump saying, "He has been there for 47 years, and now he is going to come in and make a change? I don't think so." WTAE added that Trump "call[ed] Biden a quote 'puppet of the radical left who will raise taxes to support the Green New Deal.'"

The Scranton Times Tribune (8/20, Krawczeniuk, 174K) reports "the president's seventh trip to Northeast Pennsylvania aimed to boost his vote in Lackawanna County, which he narrowly lost in 2016, and Luzerne County, where he won by a large margin." The News Tribune adds "doing that in places like Lackawanna and Luzerne counties is considered crucial to his chances because of Republican decline in vote-rich Philadelphia and its suburbs." Trump "told the crowd his administration 'secured our borders, brought back our manufacturing jobs, rebuilt our military, wiped out the ISIS caliphate 100%, killed our terrorist enemies, achieved American energy independence. ... And guess what? We're just getting started."

The York Daily Record (8/20, Woodall, 120K) notes the President also stated, "Joe Biden has spent five decades in Washington betraying the people of Scranton. ... Biden supported every single globalist attack on Pennsylvania workers." Trump "listed several pieces of legislation Biden supported or helped introduce, including the North American Free Trade Agreement, Trans-Pacific Partnership and the Paris Climate Accord." Said Trump, "Pennsylvania lost 1 in 3 manufacturing jobs after NAFTA and China's entry into the (World Trade Organization)."

WTXF-TV Philadelphia (8/20, 34K) also reported that Trump "told a group of voters that...Biden is no friend of Pennsylvania." Trump said, "That's why I figured I'd come here and explain to you one thing, but I think you people know it better than I do. He left. He abandoned Pennsylvania. He abandoned Scranton." Fox News (8/20, O'Reilly, 27.59M) recounts on its website that Trump also said, "Joe Biden is a puppet of the radical left movement that seeks to destroy the American way of life. They don't want energy, they don't want guns, they don't want religion. ... The only thing they're not abolishing is taxes."

The Philadelphia Inquirer (8/20, Seidman, 347K) says Trump accused Biden of "betraying the people of Scranton" and charged that Biden "has spent the last half century in Washington selling you out and ripping you off." The Inquirer adds Trump "shocked Democrats with his strong performance in northeast Pennsylvania in 2016, and Republicans have gained in voter registrations in the region since then." However, Democrats "hope Biden's childhood roots in Scranton and moderate profile will appeal to white, working-class voters who helped deliver Trump the White House."

In an interview after his rally, Trump told WBRE-TV Wilkes-Barre, PA (8/20), "Nobody has done more for than I have for Pennsylvania because you had the best year you've ever had last year. Now you are going back to doing record numbers again. ... Pennsylvania had the best year it has ever had in its history last year before the plague came in from China and now we building it up and we are doing record numbers. ... Biden is going to raise your taxes. He is going to put regulations all over the place – if he even knows what he is doing." Along those lines, the New York Post (8/20, Bowden, 4.57M) points out, Trump referred to Biden as "slow Joe" in his remarks.

The Washington Times (8/20, Howell, 492K) reports "Trump's stop at the home-supplier near Mr. Biden's birthplace of Scranton was his fifth visit to a swing state this week," and the New York Times (8/20, Gabriel, 18.61M) that the President "has spent the week of the Democratic National Convention on a don't-forget-about-me tour, visiting battleground states while delivering derogatory and often misleading commentary on the Democrats and their nominee." The Times adds "Trump's attempt at political taunting was a reminder that his surprise victory in Pennsylvania in 2016 was made possible by the utter collapse of the Democratic ticket in the region where Mr. Biden was born and had spent his childhood, once a party stronghold."

The Bucks County Courier Times (8/20, Harrington, 69K) reports "the former vice president often cites his birthplace on the campaign stump, but the president made a point in his remarks, coming hours before Biden formally accepts the Democratic nomination, to mention that Biden moved away '70 years ago.'" Biden "was born on Nov. 20, 1942. His father, Joseph Biden Sr., was a car dealership manager, but after a financial downturn in Scranton, struggled to find work." The Bidens "left Pennsylvania when 'Joey' was in the fourth grade, and moved to Claymont, Delaware when he was 10 years old."

USA Today (8/20, Jackson, Collins, 10.31M) reports that "seeking to link Biden to 'socialist Bernie Sanders,' Trump said the former vice president will erase economic gains of recent years and 'impose a permanent lockdown combined with a socialist takeover of the US economy.'" Trump's "remarks amounted to a pre-buttal of Biden's acceptance speech Thursday night at the Democratic National Convention."

WGAL-TV Lancaster, PA (8/20, 54K) reported that Trump "took aim" at Gov. Tom Wolf (D) as well, "saying that he should end the shutdown and open up the economy more, saying he actually expects him to do it the day after Election Day, but it was Joe Biden particularly in his crosshairs, saying that he and Democrats would be bad for the economy, painting him as a left-wing liberal influenced by the progressive of the Democratic Party."

Politico (8/20, Cook, 4.29M) reports, "He bashed...Biden. He promised to protect the suburbs, charter schools, the Second Amendment and more. And he dismissed concerns about a pandemic that's overwhelming America." The trip was "the latest step in his effort to yank a piece of the news cycle in his direction after searing attacks night after night during the Democratic National Convention."

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Trump Ties Biden To Violent Anti-Police Protests. The Washington Times (8/20, Howell, 492K) reports that the President "drew a straight line between Mr. Biden's bid and violent protests in cities such as Minneapolis and Portland, reviving his mantra of 'law and order,'"

and said, "At stake in this election is the survival of our nation, it's true. ... Because we're dealing with crazy people on the other side." The Washington Post (8/20, Kim, Sonmez, 14.2M) quotes Trump as saying, "If you want a vision of your life under [a] Biden presidency, think of the smoldering ruins in Minneapolis, the violent anarchy of Portland, the bloodstained sidewalks of Chicago, and imagine the mayhem coming to your town and every single town in America." Trump further cast "Democrats as the party of 'mobs and criminals.'"

Trump Stops For Pizza On Way Back To Air Force One. The Bucks County Courier Times (8/20, 69K) reports "Trump came to northeastern Pennsylvania on Thursday to deliver some blistering remarks about...Biden," and "he also decided he had time to try some famous Old Forge pizza – known for its square doughiness – on his way back to Air Force One." The President "greeted employees at the counter of Arcaro & Genell Takeaway Kitchen," and "was met by applause from the awaiting crowd." Trump told reporters, "They supposedly have the best pizza. ... We'll let you know about it in a half hour."

ABC World News Tonight (8/20, story 3, 0:30, Bruce, 6.79M), the only major network newscast to mention what it called Trump's "counter-programming" trip to Pennsylvania, focused on Trump "stopping for pizza," and added "he didn't wear a mask, though Pennsylvania health authorities say they should be worn in restaurants."

Pennsylvania Poll: Biden Ahead 49%-45%; Trump Ahead 61%-28% In State's Northeastern Region. The Allentown Morning Call (8/20, Olson, 555K) reports that a new Morning Call/Muhlenberg College poll shows Biden "with a narrow lead over...Trump in the key battleground state of Pennsylvania." Biden "drew support from 49% of likely state voters and 45% backed Trump, when those leaning toward a particular candidate were included. That four-point gap is within the poll's margin of error." The Morning Call adds "a geographic breakdown of Trump's support across the state illustrates another reason why the president is heading to Scranton. Northeastern Pennsylvania is his strongest region, where he tops Biden, 61% to 28%." The Poll also found "Pennsylvania voters also largely are feeling comfortable heading to an in-person polling location in November," with "nearly two-thirds, or 64%," saying "they intend to cast their ballot in person, compared with 26% who plan to vote by mail."

Trump Says Economy Will Continue Rebounding For An "Incredible Next Year."

President Trump said on Fox News' Hannity (8/20, 535K), "I think we are gong to have a great third quarter, a great fourth quarter, but we are going to have an incredible next year."

Trump: Biden's Energy Policies Would Cause A "Massive Depression."

President Trump said on Fox News' Hannity (8/20, 535K) that the US is "energy independent." Joe Biden "is – it's not Biden, I don't think he knows what it even represents – but Bernie and everybody else – and Biden has totally accepted it – they are anti-fracking. They are anti-everything, They are anti-fossil fuel. Our nation would go into a massive depression if that ever happened."

Bernhardt: ANWR Program Is "The Gold Standard."

Interior Secretary Bernhardt was asked on WIND-AM Chicago (8/20, 8K) about the Administration's decision on ANWR and said it has been "a political football for over 30 years," but "Congress made the decision, in bipartisan legislation, in a tax bill. ... We want to use this area to explore for oil and gas development and use that as a revenue raiser.'" Bernhardt added that the resulting leasing program with ANWR is "the gold standard of the world" and is expected to generate "over $22 billion of revenue over the life of the program."

Media Analyses: Increase In Jobless Claims Suggests Recovery Is Slowing.

CNBC (8/20, Imbert, 3.62M) reports on its website that the Labor Department announced on Thursday that "the number of people filing for unemployment benefits last week was greater than expected, raising concern about the state of the economy as lawmakers struggle to move forward on a new pandemic stimulus package." DOL "said...that initial jobless claims for the week ended Aug. 15 came in at 1.106 million," whereas "economists polled by Dow Jones expected a total of 923,000." On the other hand, "continuing claims, which refer to those receiving unemployment benefits for at least two straight weeks, declined by 636,000 to 14.844 million in the week ending Aug. 8."

Under the headline "Rise In Jobless Claims Reflects Still-Struggling US Economy," the AP (8/20, Rugaber) reports that the jobs numbers "suggest that employers are still slashing jobs even as some businesses reopen and some sectors like housing and manufacturing have rebounded." The AP adds, "Many businesses and consumers remain paralyzed by uncertainty and restricted by lockdowns, and job gains appear to be slowing from the rapid bounce-backs of May and June, when millions of restaurant and store employees were rehired. The number of job openings posted on Indeed fell last week for the first time since April."

According to Bloomberg (8/20, Pickert, 4.73M), "The pickup in initial jobless claims reinforces forecasts that improvement in the labor market will occur in fits and starts, with the latest uptick likely representing a pause in that recovery – rather than a substantial change in direction." Bloomberg says "it would take sustained weekly increases in claims to raise concern that the job market is in danger of unraveling."

The New York Times (8/20, Chokshi, 18.61M) says, "The crosscurrents in the economy are striking, but economists warn that conditions could easily deteriorate if Washington doesn't offer more support. ... 'Federal support is crucial to underpinning the virtuous cycle we've had,' said Michael Gapen, chief US economist at Barclays."

The Washington Post (8/20, Rosenberg, 14.2M) reports that "more than 28 million people were receiving some form of unemployment

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benefits as of Aug. 1, the most recent week for that statistic, about equal to the previous week." Reuters (8/20, Burns) reports that "only 9.3 million of the 22 million jobs lost between February and April have been regained so far." USA Today (8/20, Davidson, 10.31M) and the Wall Street Journal (8/20, A1, Morath, Subscription Publication, 7.57M), among other news outlets, also cover the news.

Reuters Analysis: "Recovery Grinds Along" As COVID Infections Ease.

Under the headline "US Recovery Grinds Along As Coronavirus Case Growth Eases," Reuters (8/20, Schneider) reports "Americans made tentative moves back to restaurants and gyms over the past week, hiring advanced across a sample of industries and a rise in job postings suggested it may continue, signs the US recovery grinds along, albeit not without some setbacks." Reuters adds "high-frequency data estimating retail stores visits and employment across industries as well as broader indexes of the recovery, after largely plateauing during a summertime surge in coronavirus cases, mostly moved higher through early and mid-August."

Carranza: Utah Is Number One In Job Growth.

KSL-AM Salt Lake City (8/20) reported that "Utah is getting a visit from a top federal official," Small Business Administrator Carranza, after the state "received $5.25 billion from the Payroll Protection Program." Carranza said, "Salt Lake is ranked number one in total job growth and it's also ranked number two in total support of the unemployment rate and private businesses." KSL-AM reported "Carranza says there's still $130 billion available from the PPP to help keep small businesses afloat."

WSJournal Analysis: Navarro Was Driving Force Behind Kodak's Deal.

The Wall Street Journal (8/20, A1, Levy, Rogow, Leary, Subscription Publication, 7.57M) reports Director of Trade and Manufacturing Policy Navarro was the driving force behind the decision to award Eastman Kodak a contract to manufacture pharmaceuticals. Navarro is now distancing himself from the deal, but the Journal says Navarro first championed the proposal, and then used his clout within the Administration to guide Kodak through the bureaucratic process to land the deal.

Warren Demands Probe Of Federal Loan To Kodak. CNBC (8/20, Franck, 3.62M) reports on its website that on Thursday, Sen. Elizabeth Warren (D-MA) "blasted the Trump administration's decision to offer, and then back away from, a loan made to Eastman Kodak as a 'fiasco,'" and "urged the federal oversight board tasked with monitoring how Covid-19 relief funding is spent to investigate the decision-making behind the planned loan. ... 'The fiasco...raises larger questions about corruption, nepotism, and mismanagement in the Trump Administration's response to COVID-19,' Warren wrote to Michael Horowitz, acting chair of the Pandemic Response Accountability Committee."

American Airlines Announces Plans To Suspend Flights To 15 Cities.

The Washington Post (8/20, Duncan, 14.2M) reports, "American Airlines plans to suspend flights to 15 cities in October, when a federal ban against service cuts carriers agreed to as part of a multibillion-dollar coronavirus aid package expires." Announced Thursday, "the change...means nine airports will lose their only airline service."

CNN (8/20, Wattles, 83.16M) provides additional coverage.

Uber, Lyft Win Legal Victory In Battle Over Reclassification Of Drivers In California.

The AP (8/20, Bussewitz, Liedtke) reports, "An appeals court has allowed ride-hailing giants Uber and Lyft to continue treating their drivers as independent contractors in California while an appeal works its way through the court." Both firms had "threatened to shut down if a ruling went into effect Friday morning that would have forced them to treat all their drivers as employees, a change they said would be impossible to accomplish overnight." Both Uber and Lyft "had sought the stay of an August 10 court decision that ruled they must start treating their drivers as employees, not independent contractors, by Friday morning."

The Wall Street Journal (8/20, Rana, Subscription Publication, 7.57M) reports that the appeals court's decision means the two companies can continue operating while they contest the order to reclassify drivers. The court also ordered the CEOs of Uber and Lyft to submit sworn testimony by September 4 detailing the steps they are taking to comply with the order to reclassify.

USA Today Analysis: Black Executives Underrepresented At Top Levels In Corporate America.

An analysis by USA Today (8/20, Guynn, Schrotenboer, 10.31M) "shows that while corporations and boardrooms have added African Americans over the decades, the executive suite has not, even at companies that have diverse boards." A review of "the most recent proxy statements for the 50 largest companies in the Standard & Poor's 100 as of July 15" found that "nearly all – 48 – issued statements in support of the Black community following" George Floyd's death May 25, "an unprecedented outpouring after decades of corporate silence on anti-Black racism and police killings in the United States." However, "of the 279 top executives listed in the proxy statements, only five, or 1.8%, were Black, including two who recently retired."

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China Says Trade Talks With US Are Set To Resume.

Reuters (8/20) reports that the Chinese Commerce Ministry said on Thursday that China and the US "have agreed to hold trade talks 'in the

coming days' to evaluate the progress of their Phase 1 trade deal six months after it took effect in February." According to Reuters, on Tuesday, Chief of Staff Meadows indicated that "no new high-level trade talks were scheduled, though both sides were in touch about implementing the Phase 1 deal." Reuters adds that also on Tuesday, President Trump "told reporters he had postponed an Aug. 15 review of the trade pact, in frustration over Beijing's handling of the virus pandemic."

Administration Officials: US Focused On Limiting Threats Posed By Chinese Companies. Vice President Pence's Chief of Staff Marc Short was asked on CNBC's Closing Bell (8/20, 289K) about the role of TikTok and WeChat in upcoming talks about the phase one trade deal with China. Short said, "Our concern has always been that this President's going to make sure the American consumer is protected, and the Communist Party of China has a policy that with its companies, they share data. And so with any information that TikTok has would be shared, data collection with the Communist Party of China, and that's obviously a great security concern for this Administration." He said that China's recent corn and soybean purchases are "an encouraging sign," but "the whole trade situation with China is one of the biggest challenges confronting our nation."

Under Secretary of State for Economic Growth Keith Krach said on Fox Business' Claman On Call (8/20) that the "final decision" on approval of Microsoft's rumored purchase of TikTok "is up to the President," adding "it's about more than just two companies, TikTok and WeChat." He said, "What it's really about is three things. It's about the Communist Party's surveillance state, and 5G is the backbone, these apps are appendages as well as clouds, and it's also about that great China firewall where all data can go in but none can come out, and then all the propaganda can come out, but the truth cannot come back in. And it's also about reciprocity, because our apps aren't allowed in China." Asked whether the issue would be expanded beyond TikTok and WeChat, Krach said it would "absolutely be more widely addressed, and that's why we announced the expansion of the Clean Network."

On Bloomberg TV (8/20, 4.73M), Krach discussed the move to make Chinese companies "as transparent as all the other companies on these exchanges," saying it is "really key, because right now, the risk is huge for, you know, the average American investor, and it also creates an unlevel playing field for the companies." He said, "I think not only has the President done a great job of waking up the world on this, but also Congress. You can see this is one of the most unifying, passionate bipartisan issues is this threat from China, whether it's in the universities, the pension funds, wherever it may be."

Lighthizer: WTO Must Return To Most-Favored-Nation Principles.

In an op-ed for the Wall Street Journal (8/20, Subscription Publication, 7.57M), USTR Lighthizer argues that bilateral free-trade agreements, which promote protectionism, have been on the rise, which underscores the need for a reset of the World Trade Organization. To foster multilateral trade negotiations, Lighthizer calls on member nations to a recommit to the principles of most-favored-nation treatment.

WSJournal: Trump's Comments About Oracle Colors Sale Of TikTok.

In an editorial, the Wall Street Journal (8/20, Subscription Publication, 7.57M) calls President Trump's apparent support on Tuesday of the possibility of Oracle purchasing TikTok impolitic, given that Oracle chairman Larry Ellison has hosted a fundraiser for Trump in the past. Politics should have no role in the sale of TikTok, the Journal asserts.

Trump Says Administration's Coronavirus Response Has Been "Phenomenal."

Asked about his Administration's handling of the coronavirus during his visit to Pennsylvania on Thursday, President Trump told WBRE-TV Wilkes-Barre, PA (8/20), "We have had a great record. We started with empty cupboards with very little left by the last Administration. And we have done a great job with ventilators. We are now making ventilators for countries all over the world. What we have done, if you look at our rates and our mortalities and fatalities and all sorts of different indicators, we have done a phenomenal job."

Assistant HHS Secretary for Health Adm. Brett Giroir said on Newsmax TV (8/20) that coronavirus "cases since mid-July are down well over 22-23%, our hospitalizations are down by over 24%, our ICU admissions are down by about 15%, and very soon we will see mortality start going down as well." Giroir said the figures are "clearly indicating that the President's plan, which is to work with the states to get them to wear masks, avoid crowded indoor places, do hygiene, combined with smart testing – not crazy, all over the place testing, but smart testing – that plan is working and it will continue to work." Giroir added that "we need to...keep our economy going, because a strong economy means strong public health," pointing to the low death rate "during the first three years of the Trump Administration."

Redfield Expects Coronavirus Deaths To Start To Decline Next Week.

CNBC (8/20, Feuer, 3.62M) reports on its website, "Deaths attributed to the coronavirus will likely begin to drop over the next week," CDC Director Redfield said Thursday. Daily new infections have been "on a sustained decline since the end of July, according to data compiled by Johns Hopkins University," but "deaths, which lag behind new cases as people fall ill, become hospitalized and die, have remained stubbornly high, at roughly 1,000 new Covid-19 deaths per day, on average, according to a CNBC analysis of Hopkins data." Redfield said, "You and I are going to see the cases continue to drop. And then hopefully this week and next week, you're going to start seeing the death rate really start to drop again. I think we're going to start to see a decline in mortality across the country now next week as we continue to get control of these cases."

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Administration Officials Offer Assurances That Vaccine Testing Process Is Rigorous.

Assistant HHS Secretary for Health Adm. Brett Giroir was asked about concerns regarding vaccine development on Newsmax TV (8/20). Giroir said that "the vaccines are really being driven by the NIH, by Operation Warp Speed, they're at the highest level of integrity in those programs, unlike the Russian vaccine, quote 'vaccine.' Our vaccines are undergoing clinical trials for safety and effectiveness, and the President will not allow any vaccine to be on the market to Americans that isn't proven safe and effective, and you have all of our guarantees about that." Giroir said, "The American people can be assured that this Administration loves America, loves the American people, and we're going to be absolutely certain that the vaccine we offer to Americans, that we offer to Americans is going to be the highest quality, is going to be safe and effective."

HHS Secretary Azar said on WSB-TV Atlanta (8/20, 170K) that "we believe that by the end of this year, we will have in the high tens of millions of doses of a FDA gold standard, authorized, or licensed vaccine," though "that's not 330 million doses for all Americans, and so we're working through a very transparent, public process now to determine how that vaccine should most effectively be distributed for maximum impact." Asked about the safety of a vaccine developed at warp speed, Azar said, "By Warp Speed means we're reducing inefficiency in the system, so it doesn't mean we're compromising standards."

Azar said on KVVU-TV Las Vegas (8/20, 35K) that "at this point, having invested in six different vaccines and supporting advanced manufacturing at the same time, which is what's really historic about what President Trump is doing here, we believe that it is credible that we could have in the high tens of millions of doses of FDA gold standard vaccine by the end of this year and many hundreds of millions of doses of vaccine as we go into next year."

Azar: Administration Is Not Seeking Mandates For Masks.

HHS Secretary Azar responded to anti-mask rallies on KVVU-TV Las Vegas (8/20, 35K) , saying that "masks are effective in controlling the spread of disease from individuals to others. Think of wearing a mask as I protect you, you protect me." Azar added, "Over 40% of us may have the virus and not know it. You could be spreading it to somebody who is vulnerable standing next to you at the grocery store." Azar said, "We're not asking for mandates on masks, but rather, we ask people as a matter of individual responsibility, individual behavior, just please, when you cannot socially distance, wear face coverings."

Delta Bans Former Navy SEAL Who Killed Bin Laden After Tweet Mocking Masks. The New York Post (8/20, Meyer, 4.57M) reports, "The ex-Navy SEAL who killed Osama bin Laden and bragged on Twitter about not wearing a 'dumb-a--' mask on a Delta flight has now been banned from the airline, he said Thursday." Robert O'Neill tweeted, "I just got banned from @Delta for posting a picture." The ban "comes a day after he tweeted a smiling, mask-less selfie from his seat with the caption 'I'm not a p---y.'"

HHS Reverses Course, Will Return Coronavirus Data Collection To CDC.

The Wall Street Journal (8/20, Whelan, Subscription Publication, 7.57M) reports HHS is retreating from its decision to change the way hospitals report information on the novel coronavirus to the federal government, handing the responsibility for collecting the data back to the CDC. The decision comes after criticism that the new system resulted in delays and inconsistencies.

Administration Bars FDA From Regulating Some Coronavirus Lab Tests.

The Washington Post (8/20, A1, McGinley, Abutaleb, 14.2M) reports the Administration "this week blocked the Food and Drug Administration from regulating a broad swath of laboratory tests, including for the coronavirus, in a move strongly opposed by the agency." The move "stunned" many health experts, and some "warned the shift could result in unreliable coronavirus tests on the market, potentially worsening the testing crisis that has dogged the United States if more people get erroneous results." However, "supporters cheered the change as long overdue, saying it could help get new and more innovative tests to market more quickly."

Large Clinical Trial Tests Experimental Drug In Nursing Home Residents.

The New York Times (8/20, Kolata, 18.61M) reports that one nursing home in Illinois is the "first facility to participate in a large clinical trial of drug that might protect residents from the [coronavirus] infection in nursing homes and assisted living facilities." According to experts, "the new research, sponsored by Eli Lilly and the National Institutes of Health, is among the first large clinical trials to involve nursing home residents." The research involves "a monoclonal antibody, an artificially synthesized version of coronavirus antibodies produced by the body."

Evidence Mounts That Children Have Been "Silent Spreaders" Of The Virus.

The Washington Post (8/20, Cha, 14.2M) reports a study published in the Journal of Pediatrics "found that some children have significantly higher levels of virus in their airways than the most severely ill adults – suggesting their role in community spread may be larger than previously believed." The study's findings suggest that children "may have been acting as silent spreaders" throughout the pandemic. Alessio Fasano, one of the new study's authors, said, "Some people thought that children might be protected. This is incorrect. They may be as susceptible as adults – but just not visible."

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Judge Rejects Los Angeles County's Effort To Sanction Church For Violating Restrictions.

The Washington Times (8/20, Richardson, 492K) reports, "A judge rebuffed Thursday efforts to Los Angeles County to hold in contempt and sanction Grace Community Church over its defiance of novel coronavirus restrictions." Superior Court Judge Mitchell L. Beckloff ruled in favor of the church "after Los Angeles County sought more than $20,000 in penalties over Pastor John MacArthur's decision to hold in-person services Sunday at its 3,500-seat sanctuary in defiance of county COVID-19 restrictions." The county is expected "to seek again a temporary restraining order against the non-denominational megachurch."

Cassidy Tests Positive For Coronavirus.

Reuters (8/20, Morgan) reports Sen. Bill Cassidy (R-LA) "tested positive for coronavirus on Thursday, has decided to self-quarantine for 14 days and is contacting those with whom he may have had contact, according to a statement released by his office." Cassidy, a physician, said in a statement, "I am strictly following the direction of our medical experts and strongly encourage others to do the same." Axios (8/20, Fernandez, 521K) recounts "Cassidy is the second senator to test positive," following Sen. Rand Paul (R-KY) in March.

CQ Roll Call (8/20, Tully-Mcmanus, 154K) reports "the Louisiana Republican said he was notified Wednesday evening that he'd been exposed to someone with the disease," and the AP (8/20) that the "announcement came a day after he was in north Louisiana, visiting a veterans hospital in Shreveport, where he posted a photo with an official from the facility." The Washington Examiner (8/20, Hogberg, 448K), The Hill (8/20, Carney, 2.98M), and Politico (8/20, Desiderio, 4.29M), among other news outlets, also report the story.

Goodyear Backtracks, Will Allow Employees To Support "Blue Lives Matter."

The Cleveland Plain Dealer (8/20, Goist, 895K) reports, "Faced with backlash regarding the company's policy against employees wearing political attire, Goodyear Tire & Rubber Co. CEO Rich Kramer announced Thursday that employees are now allowed to wear apparel that shows support for law enforcement." Kramer said in a statement, "Goodyear strongly supports our law enforcement partners and deeply appreciates all they do to put their lives on the line each and every day for our communities. ... We have clarified our policy to make it clear associates can express support for law enforcement through apparel at Goodyear facilities."

WYTV-TV (Youngstown, OH (8/20, 6K) reported "Goodyear is on the offense following President Trump's call for a company boycott," and that the company said "employees are allowed to wear clothing supporting law enforcement." WSYX-TV (Columbus, OH (8/20, 57K) noted Kramer also said in his statement, "To be clear, Goodyear does not endorse any political organization, party or candidate. We have a longstanding corporate policy that asks associations to refrain from workplace expressions in support of any candidate or political party."

Reuters (8/20, Shepardson, Shalal) recalls the President had called for a boycott of the company, and even "told reporters on Wednesday he would swap out the Goodyear tires on his presidential limousine if there were an alternative." Fox Business (8/20, Barrabi, 1.73M) reports on its website that Trump's move came "after a local news station in Kansas shared a slide of a presentation captured by an employee," which "showed a list of acceptable and unacceptable phrases under Goodyear's 'zero-tolerance policy.'" The slide "listed 'Black Lives Matter' and 'LGBT' under acceptable phrases, while the Trump slogan 'Make America Great Again' and the pro-police slogan 'Blue Lives Matter' were listed under unacceptable phrases." The President retweeted a picture of the slide.

The Federalist (8/20, Justice, 126K) reports, at any rate, that "leaked audio from a Goodyear diversity training in Kansas released Thursday shows the company lied this week when it denied reports of discriminatory programming held for employees." The company said Wednesday, "The visual in question was not created or distributed by Goodyear corporate, nor was it part of a diversity training class." However, "leaked audio that emerged from the training, released by a Topeka NBC affiliate...contradicts the company's statement." An "instructor" is heard saying, "Some people may wish to express their views on social justice or inequity or equity issues such as Black Lives Matter or LGBTQ pride on their face coverings, shirts, or wristbands. That will be deemed approved because it applies with a zero-tolerance stance. ... However if any associate wears all, blue, white lives matter shirts or face coverings, that will not be appropriate." Breitbart (8/20, Morris, 673K) also reports on the leaked audio under the headline "'Zero-Tolerance' Audio From Goodyear Training Session Revealed."

Ahead of the company's reversal, the Akron (OH) Beacon Journal (8/20, Ashworth, 198K) reports, "a rally for 'Good Jobs at Goodyear' started at 11 a.m. Thursday at United Steelworkers Local 2 at 501 Kelly Avenue," organized "in response to...Trump's tweet urging a boycott." Akron Mayor Daniel Horrigan (D) "called the president's remarks an "attack" on the city of Akron," and "called on voters to vote Trump out of office." Said Horrigan, "He will soon be just a smudge stain on that great office."

Miller: Time For Americans To "Stand Up" And "Not Be Bullied" By "Radical Left." In an interview with Maria Bartiromo for Fox Business' Mornings With Maria (8/20), White House adviser Stephen Miller said, "It's time for traditional Americans stand up for values stand up for beliefs, not be bullied anymore by the radical left. I mean do you really want to live in a country where, if you speak your mind, you get kicked out of college, you kicked out of job, you get exiled from your career – just because you expressed a traditional thought, a conservative thought, a thought that used to be considered perfectly acceptable even a few years ago? This notion you can go to workplace in America and express support for a radical Marxist movements, support for an anti-police movement, but you can't express support for Donald Trump? Or the police or law enforcement? The left is trying to create a two-tiered system of free speech in this country."

Vice President Pence's Chief of Staff Marc Short, meanwhile, said on CNBC's Closing Bell (8/20, 289K) that Trump "expressed concerns" over Goodyear Tires "that are First Amendment concerns, that when a company has policies that say you're allowed to wear one kind of attire, but if you're expressing your First Amendment rights, you can't have a Blue Lives Matter T-shirt. I think that's concerning to a lot of people and I think you've seen Goodyear's expressed a change in policy this afternoon, so I think that's a step forward." Short added that the President "continued to advocate for American-made products" and "there's plenty of options for tire manufacturers, but we hope that

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Goodyear continues to alter its policy in a way that includes protections of the First Amendment."

Trump: Biden-Harris Want To Abolish Police.

President Trump said on Fox News' Hannity (8/20, 535K) that Joe Biden and Kamala Harris are "not talking about law enforcement and our great police. ... They don't want to talk about police because it's a losing subject for them. They want to defund the police. They want to abolish the police. ... The Democrat run cities, they are a disaster."

Trump Says Suburban Women Like His Law And Order Stance.

President Trump said on Fox News' Hannity (8/20, 535K) that suburban women "really want to support me because we are for law and order. We are for safety and security and Biden is not."

Bernhardt Touts Effort To Protect Monuments, Tell "America's Story."

Interior Secretary Bernhardt said on WIND-AM Chicago (8/20, 8K), "We have a very exciting experience today designating the 1908 Springfield race riot archaeological site as part of the African American Civil Rights Network," adding "at this time, almost more than any other time, educating people on facts and telling factual stories and showing how far we've come is incredibly important in the context of all the craziness." Asked about destruction of public monuments during national protests, Bernhardt said the President has "set up a task force that I'm in charge of that did several things. It said, number one, let's protect the monuments; number two, let's work to tell America's story."

Rioters Assault Officers During Attack On Federal Building in Portland.

The Washington Post (8/20, Shepherd, 14.2M) reports that "several hundred protesters rallied around a federal building" that houses ICE offices in Portland on Wednesday night "and were met by local and federal police." The Post adds, "After some demonstrators broke windows at the facility, police eventually deployed tear gas to end the 84th consecutive night of protests in the city." According to the Post, "Early in the night on Wednesday, federal officers used pepper balls to push the crowd away from the federal building and moved the group down the street before retreating. Protesters then returned to the ICE building."

The AP (8/20) reports that rioters "spray painted windows on the building, broke several windows and shined laser lights at agents inside." The AP adds, "Clashes ensued, with protesters hurling rocks and bottles at agents who came out of the building and at police. ... Police arrested two people and several officers suffered minor injuries after they were hit with rocks, the Portland police statement said."

Chicago Mayor Defends Increased Police Presence Near Home.

The Chicago Sun-Times (8/20, Spielman, 875K) reports Chicago Mayor Lori Lightfoot (D) on Thursday "defended the heavy police presence outside her Logan Square home, at a time when police officers are stretched to the limit, citing 'specific threats' made 'every single day' to 'my person, my wife and my home.'" Images "circulating online show dozens of officers guarding her home and her block with barricades in fortress-like fashion." Chicago Police Superintendent David Brown supported the mayor, saying, "These people embedded in these protests have shown us they're violent. They're violent in our downtown. They're violent in our neighborhoods. And they're violent at the mayor's house. We're sworn to protect people from violence and we're gonna do our job."

Security Footage Captures Retired NYPD Sergeant Being Beaten On The Ground.

The New York Post (8/20, Moore, Barone, 4.57M) reports, "A retired NYPD sergeant was punched and kicked as he lay helplessly on the ground in a brutal Manhattan beatdown caught on security footage, police sources told The Post." The former sergeant "can be seen speaking with his assailant for at least a minute last Tuesday morning as they stand outside a Garment District deli," after which "the suspect, whom police sources have identified as Masterjadin Roman, 20, then allegedly throws a bottle at the retired officer." The man rushes at Roman, "who manages to wrestle the NYPD veteran to the ground and land more than a dozen punches to his head."

The Daily Caller (8/20, Dima, 716K) reports, "Roman and another man appear to swipe the retiree's phone and earpieces after the attack, according to the video." Roman "kicked the NYPD veteran in the head one last time while he lay on the ground before departing the scene, the video shows." He was "reportedly charged with aggressive panhandling and given a notice to appear instead of facing physical arrest, according to the Post."

Over 323K Accusations Of NYPD Misconduct Published Online. The New York Times (8/20, Southall, 18.61M) reports, "Over 323,000 accusations of misconduct against current and former New York City police officers were published online on Thursday, a major milestone in a long and contentious political battle to open records of police discipline to public scrutiny." The records were "published in an online database by the New York Civil Liberties Union, which obtained the records from the review board after state lawmakers repealed a law that had kept them secret." The organization "noted that less than three percent of the 323,911 complaints resulted in a penalty for officers, 12 of whom had been terminated," and "in a statement, Christopher Dunn, the organization's legal director, said the records showed that the Police Department, whose commissioner makes the final decision on disciplinary matters, 'is unwilling to police itself.'"

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Police, Protesters Clash Outside Pittsburgh Mayor's Home.

The Washington Post (8/20, Wolfrom, Berman, 14.2M) reports, "Protesters clashed with police for the second consecutive night outside the Pittsburgh mayor's home on Wednesday, resulting in one arrest and escalating tensions." The protests began "over the weekend when several plainclothes officers arrested 25-year-old protester Matthew Cartier and drove away in an unmarked van during Saturday's demonstration downtown." Mayor Bill Peduto (D) has "since denounced the police tactics deployed in Cartier's arrest," but a tweet "about the limitations of protesters' constitutional rights" has "sparked outrage and galvanized protesters to swarm his Point Breeze home for the past two nights, making Peduto the latest in a growing list of mayors and other public figures to see demonstrators gather at their residences during this summer of unrest – bringing the movement essentially to their front doors."

Johnson Subpoenas Former State Department Official Linked To Steele Dossier.

The Hill (8/20, Carney, 2.98M) cites "a course" who confirmed that Senate Homeland Security and Governmental Affairs Chairman Ron Johnson has subpoenaed former State Department official Jonathan Winer, who is "linked to the controversial research dossier about then-presidential candidate Donald Trump." Winer "is the first person to be subpoenaed by Johnson as part of a broad investigation spanning the transition between the Obama and Trump administrations including digging into the so-called Steele dossier."

WTimes Provides Examples Of Obama Administration Spying Before And After 2016 Election.

Citing "government documents," the Washington Times (8/20, Scarborough, 492K) lists "six instances of Obama administration spying during and after the Nov. 8 election."

Trump To Appeal After Judge Dismisses His Challenge To Manhattan DA's Subpoena.

ABC World News Tonight (8/20, story 8, 0:20, Muir, 6.79M) reported last night that "a federal judge has rejected President Trump's latest attempt to keep his financial records private." ABC added that "Manhattan prosecutors have subpoenaed the President's tax records as part of its investigation into hush money payments to Stormy Daniels." The CBS Evening News (8/20, story 2, 0:15, Tracy, 4.17M) said it was "another legal setback for...Trump."

The AP (8/20, Sisak) reports that "Trump's lawyers moved swiftly Thursday to appeal" the ruling by US District Judge Victor Marrero, whose ruling "echoed his prior decision in the case, upheld last month by the US Supreme Court." The High Court "had returned the case to Marrero's courtroom to give Trump's lawyers a chance to raise other concerns about the subpoena issued by Manhattan District Attorney Cyrus Vance Jr." Trump's lawyers "immediately appealed Marrero's Thursday ruling to the Second Circuit Court of Appeals." The Washington Times (8/20, Swoyer, 492K) points out Marrero is "a Clinton appointee," and adds that his ruling "takes Mr. Vance another step closer to obtaining the records, but it is unlikely that would happen before the November election."

The New York Times (8/20, Weiser, Rashbaum, 18.61M) reports that Marrero "roundly dismiss[ed] Mr. Trump's arguments that the prosecutor's grand jury subpoena was 'wildly overbroad' and issued in bad faith." USA Today (8/20, Phillips, 10.31M) indicates Marrero wrote of Trump's legal arguments, "At its core, it amounts to absolute immunity through a back door, an entry point through which not only a President but also potentially other persons and entities, public and private, could effectively gain cover from judicial process."

The Washington Post (8/20, Jacobs, Fahrenthold, 14.2M) recounts that Vance "has been investigating hush-money payments made ahead of the 2016 election to two women who alleged having affairs with Trump years ago, claims the president has denied." Vance's office "recently suggested it is also looking at potential bank and insurance fraud related to the Trump Organization." The Hill (8/20, Kruzel, 2.98M), Politico (8/20, Cheney, 4.29M), Bloomberg (8/20, Van Voris, Dolmetsch, 4.73M), the CNBC (8/20, Higgins, 3.62M) website, and Reuters (8/20, Freifeld, Stempel) have more on the ruling and the appeal.

Trump: Vance's Probe "Most Hideous Witch Hunt" In US History. The New York Post (8/20, Bowden, 4.57M) reports the President "called an investigation into his financial records led by New York prosecutors 'the most hideous witch hunt in the history of our country.'" Trump told reporters, "This is a continuation of the witch hunt, the greatest witch hunt in history. There's never been anything like it, where people want to examine every deal you've ever done to see if they can find that there's a comma out of place. ... No president has ever had to go through this, the Supreme Court shouldn't have allowed this to happen."

Cohen To Appear On "Late Night With Seth Meyers."

The New York Post (8/20, Barone, 4.57M) reports President Trump's former lawyer Michael Cohen "said he's agreed to appear for an interview on NBC's 'Late Night With Seth Meyers' as he promotes his forthcoming tell-all on Trump, 'Disloyal.'"

DACA Recipients Sue Over Alleged Job Discrimination.

The New York Times (8/20, Jordan, 18.61M) reports that David Rodriguez, who "was a beneficiary of the Deferred Action for Childhood Arrivals program," is "now a plaintiff in a lawsuit that seeks to use civil rights law to prevent employers from turning away immigrants like himself, a legal fight that is underway even as President Trump is threatening to end the program." The Times adds, "While the courts have accepted DACA's legality and have blocked the recent attempts to abruptly cancel it, some of the country's biggest companies are unilaterally refusing to hire Dreamers." Employers are "wary of investing time and money to train workers whose long-term employment eligibility is not secure."

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DOJ Defends Trump's Suspension Of H-1B Visas.

Bloomberg (8/20, Rosenblatt, 4.73M) reports that the Trump Administration maintains that "a lawsuit seeking to throw out immigration restrictions, including those on H-1B visas used by technology workers, would 'cut at the heart' of the president's legal authority over border control when it is needed most." Bloomberg adds groups including the US Chamber of Commerce "seek a court order blocking implementation of President Donald Trump's June 22 proclamation, which they say repeals entire visa categories for temporary workers." Bloomberg also reports that "ahead of a Sept. 11 hearing in San Francisco federal court to weigh the request, the Justice Department cited the coronavirus pandemic to argue that Trump properly relied on his 'broad authority to suspend the entry of certain aliens.'"

Trump: Democrats Don't Want To Approve Stimulus For People.

President Trump said on Fox News' Hannity (8/20, 535K), "The Democrats don't want to approve stimulus for people. All they want to do is get bailout money for their governors who have done so badly."

Moderate House Democrats Urge Pelosi To Restart Talks. Bloomberg (8/20, Wasson, 4.73M) reports that "moderate swing-state" House Democrats are "increasing their pressure on Speaker Nancy Pelosi to restart stalled stimulus talks with Republicans." Bloomberg says the Blue Dog coalition, "a group of 26 fiscally conservative Democrats," is asking Pelosi, Senate Majority Leader McConnell, Senate Minority Leader Schumer, and House Minority Leader McCarthy "to use a Saturday House vote on a U.S. Postal Service bill as an opportunity to restart negotiations." Bloomberg reports that the Blue Dog group "says the next stimulus deal should extend expired supplemental unemployment benefits, include a direct stimulus payment, increase oversight over spending, extend the expanded employee retention tax credit and include aid to state and local governments."

Politico (8/20, Rainey, 4.29M) also reports that "Democratic leaders have been facing pressure within the party to also vote on aid programs like beefed-up unemployment insurance." According to Politico, "Democrats are considering a proposal that would automatically extend jobless benefits to millions of Americans if the economic and health crises continue." Politico adds that Republicans are "planning to introduce a 'skinny' coronavirus relief bill that is expected to include $300 in boosted weekly federal unemployment benefits until Dec. 27." CQ Roll Call (8/20, McPherson, 154K) provides similar coverage.

Labor Secretary Scalia said on WPXI-TV Pittsburgh (8/20, 92K) that he "would certainly like to see" Democratic leaders "come back and be prepared to negotiate" on a new deal for additional unemployment benefits.

Vice President Pence's Chief of Staff Marc Short was asked on CNBC's Closing Bell (8/20, 289K) about priorities in a potential new stimulus deal between the White House and Congress and said that "the liability protection that Leader McConnell has advocated for, I think it's a priority. We hear from business owners that they think it's essential to make sure they're able to bring back their workers back to the workplace." Short added that the Administration has advocated for "additional funding for schools, to make sure that schools have the resources they need to make any sort of adjustments in light of the virus and make sure that we're able to reopen schools for children." Asked about the chances of striking a deal, Short said he is "confident" that Chief of Staff Meadows will "find a pathway forward."

Kudlow, Miller: Biden Will Raise Taxes By $4T, Undermine Economic Recovery.

In an appearance on Fox News' Fox & Friends (8/20, 831K), NEC Director Kudlow said, "Biden and Harris want to raise your taxes, okay – $3.5 to $4 trillion tax hike. Now you tell me, just common sense, not ideology or philosophy – we're climbing out rapidly, fortunately, of this pandemic contraction, okay? Why would anybody in their right mind want to raise taxes, take money out of people's pockets as we're trying to get through back to a good normal recovery? It just doesn't make any sense at all."

In an interview with Maria Bartiromo for Fox Business' Mornings With Maria (8/20), White House adviser Stephen Miller said of the Democrats' convention, "It was pretty much unwatchable. The thing that really struck me, of course, that is they have absolutely no agenda, no plan, no message, no nothing. Except for the fact apparently just want to have a country that is completely, totally economically destroyed. They plan to raise taxes by $4 trillion? What would that do to the economy? What would it do to working people?"

Trump Says Biden-Harris Support Socialized Medicine.

President Trump said on Fox News' Hannity (8/20, 535K) that Joe Biden and Kamala Harris support "socialized medicine. ... They are talking about something that is so expensive the country can't afford it. Even if it could, it's no good. It is socialized medicine. You not going to have your doctor. You are not going to have your plan, which you didn't have when Obama promised you – 28 different times he said that. They are talking about exactly that. It's a ridiculous situation."

Trump Says Operation Legend Shows He Stands For "Safety And Security."

On Twitter, President Trump on Thursday declared, "I STAND FOR LAW AND ORDER AND I TOOK ACTION! Operation LeGend has led to the arrest of over 1,000 criminals, including 90 killers, all while Sleepy Joe Biden and the Radical Left excuses violence and crime in their Democrat-run cities. I want safety & security, Joe allows CRIME!"

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WTimes Analysis: Soros-Funded Progressive DAs In Place In Cities Where Crime Is Soaring.

CPIC-22-0351-A-000793

The Washington Times (8/20, A1, Varney, 492K) reports, "Billionaire Democratic donor George Soros bankrolled the successful campaigns of

a new crop of district attorneys who now preside over big cities with skyrocketing crime and frayed relationships with police departments." Soros-supported DA's in "Philadelphia, St. Louis, San Francisco and other cities have fired scores of experienced prosecutors and, as promised, stopped prosecuting low-level quality-of-life crimes such as disorderly conduct, vagrancy and loitering." Their campaigns "often portrayed police as agents of a racist system that disproportionately imprisoned Blacks and other minorities."

Two Tropical Depressions Could Move Into Gulf Of Mexico.

The Washington Post (8/20, Cappucci, 14.2M) reports the National Hurricane Center says "two tropical depressions are marching across the Atlantic and are forecast to become tropical storms Laura and Marco soon." According to recent data, "at least one of them, Tropical Depression 13, is in a position to potentially affect Florida on Sunday or Monday near hurricane strength before entering the Gulf of Mexico." Meanwhile, "Tropical Depression 14 is gathering strength in the Caribbean and may potentially drift into the gulf on Sunday or Monday."

Trump Administration Declares Teachers Essential Workers.

NBC Nightly News (8/20, story 6, 2:00, Holt, 5.6M) reported that the Trump Administration "has formally declared teachers essential workers. But as the President continues to push to reopen in person schools, teachers from several cities are threatening to strike." NBC (Thompson) added that in Detroit, teachers "overwhelmingly approve[d] a potential safety strike. In New York City where public schools are set to open their doors in three weeks, teachers are threatening to strike as well." White House Press Secretary Kayleigh McEnany said on Fox News (8/20, 896K), "We believe teachers are essential workers. The media never stopped working during this pandemic, our meat packers didn't stop working during this pandemic, our law enforcement didn't stop working during this pandemic – nor should our teachers, because America's children must come first."

HHS Secretary Azar was asked on KVVU-TV Las Vegas (8/20, 35K)about the safety of reopening schools and said that "we believe schools can reopen safely and sensibly to protect kids and protect faculty members. It's the basic tools that I say to everybody, the three W's: wash your hands, wear your face coverings, watch your distance. If we do those things and we build protocols in our schools, we can get back to school safely."

The CBS Evening News (8/20, story 5, 1:55, Lenghi, 4.17M) reported that "an alarming study published today in the Journal Of Pediatrics [found that] children up to age 22 are much more likely to be silent spreaders than previously believed." Joseph Allen from Harvard's Chan School of Public Health told the CBS Evening News (8/20, story 6, 2:30, O'Donnell, 4.17M), "It can't be schools as usual this fall. We can only go back when community spread is under control, and when aggressive risk-reduction strategies are in place within the four walls of the school." Asked if mask wearing should be mandatory, Chan said, "Without a question."

WSJournal Lists Equipment Needed For Children To Successfully Learn At Home. The Wall Street Journal (8/20, Vaglica, Subscription Publication, 7.57M) provides a list of things a home classroom will need for children to succeed at virtual learning.

COVID Cases Reported On College Campuses In 17 States.

The CBS Evening News (8/20, story 5, 1:55, Lenghi, 4.17M) reported that COVID cases "are now on college campuses in at least 17 states." ABC World News Tonight (8/20, story 6, 2:55, Osunsami, 6.79M) reported, "At Notre Dame in Indiana, where the football team means everything to this school, today they announced that five of their players tested positive for COVID-19, along with 75 other students. They now have more than 300 confirmed cases, and students are now having to live with new restrictions." At Purdue "school administrators...suspended 36 students who were partying just [Wednesday] night. At the University of Kansas, they've just connected 89 new cases to Greek houses on campus."

Bannon Pleads Not Guilty To Charges Stemming From Fundraising For Private Border Wall.

Axios (8/20, Savitsky, 521K) reports "former Trump administration chief strategist Steve Bannon pleaded not guilty on Thursday after being indicted and taken into custody in New York on federal fraud charges." A federal judge "agreed to release Bannon on a $5 million bond" after the former Trump aide, "along with three others, allegedly defrauded donors out of hundreds of thousands of dollars for their own profit with a crowdfunding campaign called 'We Build the Wall' that raked in over $25 million."

All three major network newscasts led with the story last night. NBC Nightly News (8/20, lead story, 3:05, Holt, 5.6M) reported, "Add another big name to the string of former Trump insiders who have run afoul of the law." NBC went on to show its reporter Geoff Bennett telling President Trump, "Respectfully, sir, it's not just Steve Bannon. It's Roger Stone, it's Michael Flynn, it's Rick Gates, Paul Manafort, Michael Cohen. What's it say about your judgment that these are the kind of people that you have?" Trump was shown replying, "Well, I have no idea." On ABC World News Tonight (8/20, lead story, 3:55, Muir, 6.79M), Jonathan Karl also said "this is just the latest in a long list of close Trump associates who have faced criminal charges, including his former personal lawyer, his campaign chairman, his first political adviser, his national security adviser. Many people very close to the President at top echelons facing criminal charges." The CBS Evening News (8/20, lead story, 4:00, O'Donnell, 4.17M) indicated Bannon "was once described as the President's ideological soulmate," and that "he's now the sixth close associate of Mr. Trump to be criminally charged by the President's over Department of Justice."

Along similar lines, the AP (8/20, Neumeister, Long, Colvin) recounts Bannon, who was "pulled from a luxury yacht and arrested," is "the latest in a long list of Trump allies to be charged with a crime." USA Today (8/20, Johnson, 10.31M) reports that since Trump "took office in

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2017, seven former advisers who served at the White House or worked in the campaign have been swept up in criminal prosecutions." Likewise, the Los Angeles Times (8/20, Stokols, 4.64M) says "Bannon becomes the seventh prominent Trump associate to be charged with a federal crime."

The Washington Times (8/20, Muñoz, Mordock, 492K) reports "Bannon is a former investment banker who rose to prominence as executive chairman of Breitbart News" and "was appointed chief executive of the Trump campaign in late 2016 before serving as chief White House strategist during the early months of the administration." Bannon "left in August 2017 and fell out with Mr. Trump months later, after a tell-all book by Michael Wolff quoted Mr. Bannon as saying unflattering things about the administration and Mr. Trump's family." The Times adds, "Dubbed 'Sloppy Steve' by the president, Mr. Bannon went on to support conservative populist movements across the globe, notably in Italy."

Politico (8/20, Gerstein, Schreckinger, Cheney, 4.29M) reports "the stunning indictment was returned Monday and unsealed Thursday – four days before the opening of the Republican National Convention – a move likely to provoke the president, who has accused opponents of trying to create distractions around the quadrennial nominating event."

The New York Times (8/20, 18.61M) reports that the indictment charges that "with a wounded Air Force veteran and a Florida venture capitalist, Mr. Bannon conspired to cheat hundreds of thousands of donors by falsely promising that their money had been set aside exclusively toward building a new section of border wall." The Times adds that prosecutors "said that after siphoning money from the project, Mr. Bannon plowed nearly $1 million into paying off his personal expenses."

The Washington Post (8/20, Zapotosky, Dawsey, Helderman, 14.2M) reports that "in a news release, prosecutors said Bannon and another organizer, Air Force veteran Brian Kolfage, lied when they claimed they would not take any compensation as part of the campaign, called 'We Build the Wall.'" According the Post, Bannon, "a law enforcement official said, was taken into custody off the coast of Westbrook, Conn., while aboard a 150-foot yacht called the Lady May owned by a friend and business associate, Chinese billionaire Guo Wengui – a vocal, online critic of the Chinese government who was once close with that country's intelligence service but is now wanted by authorities in Beijing on charges of fraud, blackmail and bribery."

Fox News (8/20, Phillips, 27.59M) recounts on its website, "Bannon and the other defendants were each charged with conspiracy to commit wire fraud and conspiracy to commit money laundering," with each count carrying "a maximum penalty of 20 years in prison." Bloomberg (8/20, Davis, Yaffe-Bellany, 4.73M), the New York Post (8/20, Feuerherd, Lapin, 4.57M), The Hill (8/20, Neidig, 2.98M), McClatchy (8/20, Vockrodt, Shorman, Lowry, 19K), the Daily Caller (8/20, Ross, 716K), the Wall Street Journal (8/20, A1, Ramey, Ballhaus, Findell, Subscription Publication, 7.57M), the CNBC (8/20, Schwartz, 3.62M) website, and Reuters (8/20, Lynch, Sullivan), among other news outlets, have more on Bannon's arrest and the charges against him.

Trump "Feels Badly," Points Out He Had Previously Spoken Out Against Private Wall. Reuters (8/20) reports that the President told reporters that "he felt 'very badly' about the arrest of...Bannon but said he was not in touch with the former campaign aide and knew nothing about the organization involved in the case. ... 'I feel very badly. I haven't been dealing with him for a long period of time,' Trump said when asked about the case." Trump is quoted as saying, "I haven't dealt with him at all now for years, literally years."

During Trump's visit to Pennsylvania Thursday, WBRE-TV ` . Wilkes-Barre, PA (8/20, 14K) also asked him about Bannon's indictment. Trump said, "We have nothing to do with that. That was a project that was started with a group of people, but I know nothing about it other than I was against it. And as you know, I've spoken out against it previously and I didn't like the idea that they were building and I think that's a government project. We built almost 300 miles of wall." To Politico (8/20, Choi, 4.29M), "Trump distanced himself Thursday from...Bannon's efforts to crowdsource private funds for a border wall," and to The Hill (8/20, Chalfant, 2.98M) he "sought to distance himself from" his disgraced former aide.

Trump Organization Seeks To Distance Trump Jr. From Bannon Project. The Washington Post (8/20, Sonmez, 14.2M) reports the Trump Organization "sought to distance Donald Trump Jr. from Bannon, after reports resurfaced about a speech the president's son gave in New Mexico last year supporting the online crowdfunding campaign We Build the Wall." The Post adds that Trump Jr. "gave a 15-minute speech in support of the project last year." The Post adds that "reporters also pointed out Thursday that We Build the Wall's website featured a testimonial from the president's son praising the group as 'doing some wonderful things for an important issue." Trump Organization spokeswoman Amanda Miller said in a statement, "Don gave one speech at a single We Build the Wall event over a year ago with a group of angel moms and besides that, has no involvement with their organization. ... He never gave them permission to use him as a testimonial on their website and was unaware they included him as one until today's media reports about it."

WPost: Actual Government-Built Wall A "Much Bigger Scam." The Washington Post (8/20, 14.2M) editorializes that "the grift alleged is disgusting, if not surprising," and "Bannon's alleged masterminding of the plot, to the extent there was any mastery involved, is particularly repugnant." The Post adds that "if the indictment is correct, this is a scam within a much, much bigger scam," as "we already know that a candidate for president of the United States orchestrated the same fraud, and continues to orchestrate it, to elevate himself to a high office – from which he can engage in plenty of self-dealing of his own. The only folks who walk away empty-handed? Those donors, and voters, gullible enough to believe that a wall is the answer to anything at all."

NYTimes Says Bannon's "Scheme" Was "Quintessentially Trumpian." In an editorial, the New York Times (8/20, 18.61M) finds "a measure of poetic justice in Thursday's news that...Bannon...arrested on a yacht on Long Island Sound and charged with defrauding hundreds of thousands of Mr. Trump's supporters." To the Times, "the scheme" behind the charges against Bannon "is also quintessentially Trumpian – a faithful copy of the president's knack for trading on the hopes of disaffected Americans. We Build the Wall, in other words, was

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basically a Trump tribute band," and "the plan itself was cribbed directly from Mr. Trump."

Fauci Undergoes Outpatient Surgery To Remove Vocal Chord Polyp.

ABC World News Tonight (8/20, story 9, 0:15, Muir, 6.79M) reported last night that NIAID Director Fauci is "recovering from outpatient surgery to remove a polyp from his vocal chord," and the CBS Evening News (8/20, story 9, 0:20, O'Donnell, 4.17M) that the "the nation's top infectious disease expert, now 79 years old," has been "advised by his doctors to limit his speaking while his vocal chords recover." The AP (8/20) recounts Fauci is "home and resting."

USA Today (8/20, Cummings, 10.31M) recalls "Fauci was asked about his voice during an April 28 interview with Economic Club of Washington President David Rubenstein," who said, "People keep commenting it's a little raspy. ... Are you talking too much, or what?" Fauci "said the problem began after he got the H1N1 flu in December. He was beginning to recover when the pandemic began, which forced him to conduct almost constant briefings." Fauci added, "I probably have a polyp there."

In its story about Fauci's surgery, Politico (8/20, Choi, Owermohle, 4.29M) reports the President "has insisted that he and Fauci maintain a good relationship, brushing aside rumors of internal disputes and a president feeling upstaged by the popular director of the National Institute of Allergy and Infectious Diseases." However, "tension has been apparent at times between" the two. Along similar lines, the Washington Post (8/20, Bernstein, 14.2M) recounts that "when actor Brad Pitt portrayed Fauci on 'Saturday Night Live' in a late-April appearance, The Washington Post noted that Pitt adopted Fauci's 'distinctive raspy voice.'"

Trump Blasts Universal Mail-In Voting, Says "They Are Trying To Steal This Election."

During his visit to Pennsylvania Thursday, President Trump told WBRE-TV Wilkes-Barre, PA (8/20), "The big problem isn't the post office it is what is going to happen when they are giving out millions and millions of ballots and dumping them all over the place. And again, absentee ballots are good. .. But these universal mail-in ballots are horrible. It is going to be a scandal like you have never seen before." Trump said on Fox News' Hannity (8/20, 535K), "They are sending out 51 million ballots to people that didn't ask for them. Absentee ballots are great. I used one for Florida. ... That's when you go through a process. You ask for it. They send it to you and it's very secure. There is nothing like going to the voter's booth and we should have voter ID which the Democrats don't want for obvious reasons. ... Fifty-one million ballots sent to who knows who. Where are they going? This is going to be the greatest scam in history. This will be the most fraudulent election in history."

Trump tweeted Thursday night, "They are sending out 51,000,000 Ballots to people who haven't even requested a Ballot. Many of those people don't even exist. They are trying to STEAL this election. This should not be allowed!"

Trump Campaign Sues To Prevent Use Of Drop Boxes In Pennsylvania. Reuters (8/20, Sullivan, Renshaw) reports that as election officials "gird for a dramatic expansion of mail voting in the Nov. 3 election, Democrats across the country are promoting drop boxes as a convenient and reliable option for voters who don't want to entrust their ballots to the U.S. Postal Service." Reuters adds that Trump's reelection campaign "has sued to prevent their use in Pennsylvania, a key battleground state, alleging that the receptacles could enable voting fraud." Reuters says the Trump campaign "argues that people could drop off multiple ballots in boxes that are unstaffed, which is an illegal practice in Pennsylvania." According to Reuters, "Republican officials in other states have prevented their use."

Trump: Concerns Over Cutbacks To USPS Were "A Fake By Pelosi And Schumer."

During his visit to Pennsylvania Thursday, WBRE-TV Wilkes-Barre, PA (8/20) asked President Trump about concerns over "cutbacks at the US Postal Service." Trump said, "It was all a fake by [House Speaker] Pelosi and [Senate Minority Leader] Schumer. They were trying to make a big deal out of it. The post office is losing a fortune and we have a good businessman running it and he wants to do things where it can lose less and maybe ultimately make some money because I think it can if they charge the right price per package." Trump added that "they are not going to do anything until after the election and even then I said we don't want to lose any jobs. We could make the post office really special but we have to do something on packages without charging people. Whether it is Amazon or a competing business, they have to start paying up."

DeJoy Set For Grillings Over USPS Reforms. The New York Times (8/20, Cochrane, Fuchs, Vogel, Silver-Greenberg, 18.61M) reports that Postmaster General Louis DeJoy's "move to halt changes that were viewed as a threat to mail-in voting did little to quell the outcry over his leadership...with lawmakers calling on Wednesday for his removal and one top Democrat demanding more answers about the secretive process that led to a major Trump donor running the Postal Service." Schumer "called on the Postal Service board of governors to release information about the selection process that resulted in Mr. DeJoy's appointment, saying that the changes made under his watch underscored the need for more details." The Times also reports that "lawmakers plan to question Mr. DeJoy at a Senate committee hearing on Friday and at a House oversight hearing on Monday."

The AP (8/20, Izaguirre, Slodysko) says DeJoy is a "wealthy Republican donor," who "owned a logistics business that was a longtime Postal Service contractor, and he has significant financial stakes in companies that do business or compete with the agency. That has led critics to question whether he has conflicts of interest, something DeJoy is almost certain to be asked about during" his testimony. The AP adds that DeJoy and his wife "have a history of donating to conservative causes and Republican candidates, including $1.2 million to President Donald Trump's election efforts."

Similarly, Bloomberg (8/20, Shields, Flatley, Allison, 4.73M) describes DeJoy as a "wealthy transportation executive and Republican megadonor," and says Republicans "might seek to blame the Obama administration for decisions to trim costs that were put in play since

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DeJoy arrived in June while also arguing that they are necessary." Bloomberg also reports that Republicans "are likely to use the hearings to counter calls for more funding for the beleaguered agency, which members of both parties say is overdue for profound reform."

The Washington Post (8/20, Bogage, Ingraham, 14.2M) reports that "according to a grievance filed by the American Postal Workers Union...the Postal Service was poised to decommission 671 of the massive [sorting] machines, about 10 percent of its inventory, and capable of sorting 21.4 million pieces of paper mail per hour." The Post says the Postal Service "processes as much as 500 million items each day." According to the Post, "But Postal Service officials and industry insiders say the removals were part of a long-range plan, one that reflects Americans' diminishing use for letters and growing reliance on package delivery."

Democrats Say Administration Is Weakening Postal Service To Undermine Mail-In, Absentee Voting. USA Today (8/20, Shannon, Slack, McCoy, 10.31M) reports, "Accounts of mail delays have been documented across the country in recent weeks by the USA Today Network. One of the most common complaints: Mail is simply not delivered for days on end." While it is "unclear how widespread these delivery problems are," USPS data "show deliveries are taking longer than last year. On-time first-class deliveries dropped from 93.4% in the second quarter of 2019 to 90.8% for the same period this year. The goal was 96%." USA Today adds that "top Democrats" say the Administration "is kneecapping the Postal Service to hamper mail-in and absentee voting, which surged this spring amid the coronavirus pandemic."

Trump Says He Will Use Law Enforcement Agencies To Prevent Voter Fraud.

The Washington Examiner (8/20, Leonardi, 448K) reports that in an interview with Fox News' Hannity (8/20, 535K) Thursday, "President Trump said he would employ various law enforcement agencies during election voting to prevent fraud." Asked, "Are you going to have an ability to monitor, to avoid fraud, and cross-check whether or not these are registered voters," Trump said, "We're going to have everything. We're going to have sheriffs, and we're going to have law enforcement, and we're going to have, hopefully, US attorneys. And we're going to have everybody and attorney generals [sic]. But it's very hard. I mean, you have some of these states sending them out, like Nevada, where they don't even have to check the signatures, so anybody can sign it. New Jersey just sent it out, where the governor, as I understand it, just signed an executive order, didn't even go through the legislature to get it done. And nobody has ever heard of anything like this."

Trump tweeted Thursday night, "To get into the Democrat National Convention, you must have an ID card with a picture...Yet the Democrats refuse to do this when it come to your very important VOTE! Gee, I wonder WHY???"

Board Of Canvassers Investigating After 72% Of Detroit Absentee Ballot Counts Were Off. The Detroit News (8/20, Mauber, 825K) reports the board responsible for certifying election results in Wayne County, Michigan's largest county, "is asking Secretary of State Jocelyn Benson's office to investigate after problems with tracking ballots in Detroit's primary, which one official described as a 'perfect storm.'" According to information presented to the Wayne County Board of Canvassers, "counts for ballots in about 72% of Detroit's absentee voting precincts for the Aug. 4 primary election were out of balance without an explanation. ... The number of ballots tracked in precinct poll books did not match the number of ballots counted." Jonathan Kinloch, "a Democrat and one of the canvassing board's four members" said the results weren't incorrect, but something went wrong in the process of tracking ballots precinct by precinct.

Study: Up To 12% Of Virginia Voters Could Be Registered Illegally. The Washington Free Beacon (8/20, Goodman, 78K) reports that a study by the National Election Integrity Task Force that is "circulating among officials at the Department of Justice's front office and members of Congress," found that "up to 12 percent of registered voters in Virginia could be on the rolls illegally."

Trump Asks Supreme Court To Rule On Whether He Can Block People On Twitter.

The AP (8/20, Sherman) reports that President Trump is asking the Supreme Court "to allow him to block critics from his personal Twitter account." The Administration "said in a high-court filing Thursday that Trump's @realdonaldtrump account with more than 85 million followers is his personal property and blocking people from it is akin to elected officials who refuse to allow their opponents' yard signs on their front lawns. 'President Trump's ability to use the features of his personal Twitter account, including the blocking function, are independent of his presidential office,' acting Solicitor General Jeffrey Wall wrote in urging the justices to review the case."

CNBC (8/20, Higgins, 3.62M) reports on its website that a federal appeals court ruled last year that the President "used his account as 'an official channel of communication,'" and "on that basis, the unanimous three-judge panel" of the Second Circuit Court of Appeals said Trump "has effectively created a public forum, and was forbidden from blocking users based on their political views." Politico (8/20, Nylen, 4.29M) says Knight First Amendment Institute at Columbia University "filed...suit on behalf of seven people whom Trump had blocked after they posted comments criticizing the president." Reuters (8/20, Shepardson), among other news outlets, also reports the story.

Bernhardt Touts Great American Outdoors Act.

Interior Secretary Bernhardt spoke about the new Great American Outdoors Act on WIND-AM Chicago (8/20, 8K), saying "the really creative thing that that legislation does is establish two incredible funds. One fund to pay for fixing deferred maintenance challenges on public lands, particularly our national parks and Indian schools and wildlife refuges and forest service lands – it's an incredible investment in recreation and conservation." Bernhardt said a separate fund "of $900 million a year forever" is "devoted to enhancing recreation opportunities and preserving land and habitat, and all of those things together, in one form or another, are funded out of revenues from energy and resource development." Bernhardt said it is "probably the largest funding and conversation initiative certainly in my lifetime."

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McEnany Says Trump Has Not "Looked Into" QAnon Conspiracy.

Politico (8/20, Cohen, 4.29M) reports that on Thursday, White House Press Secretary Kayleigh McEnany "said she has never heard President Donald Trump mention QAnon, as a growing number of Republicans sharply criticized Trump's appreciative stance on the conspiracy theory." McEnany told Fox News, "The media talks a lot about this so-called QAnon. I've never heard the President mention it. ... I talk to him oftentimes 10 times a day. Not once have I heard him mention this group. The media can focus on QAnon." According to Politico, on Wednesday, the President "said...he appreciated support from QAnon followers, adding he did not know much about the group." On Thursday, McEnany "repeated Trump's message that he knows little about QAnon, claiming the president 'has not at all looked into who QAnon is.'"

The New York Times (8/20, Rosenberg, Haberman, 18.61M) says a "small but growing number of Republicans...are donning the QAnon mantle." The Times says Trump is "chief among the party's QAnon promoters." Trump "has employed a wink-and-nod approach to the conspiracy theory, retweeting its followers but conspicuously ignoring questions about it. Yet with the election drawing ever closer and Mr. Trump's failure to manage the Covid-19 pandemic harming his re-election prospects, the White House and some Trump allies appear to have taken to openly courting believers." The Washington Post (8/20, Olorunnipa, Stanley-Becker, 14.2M) says Trump "has given a nod to fringe groups and welcomed them into the mainstream of his party. Beyond being unfounded, many of the ideas Trump is bolstering are dangerous, according to intelligence officials, political scientists and, increasingly, members of the president's own party."

Sasse, Jeb Bush Criticize Trump's Comments About QAnon. The Washington Examiner (8/20, Drucker, 448K) says Sen. Ben Sasse (R-NE) "snapped at" Trump "for expressing support for voters who believe in the QAnon conspiracy theory, warning that if Democrats win the White House and take the Senate, it will be partly because of 'garbage like this.'" In a statement Thursday morning, Sasse said, "QAnon is nuts, and real leaders call conspiracy theories conspiracy theories. ... If Democrats take the Senate, blow up the filibuster, and pack the Supreme Court, garbage like this will be a big part of why they won." The Examiner adds that while Sasse "did not mention Trump by name, it is clear from the timing of his statement that he was referring to the president's comments from a Wednesday evening news conference at the White House" in which Trump "praised QAnon followers, explaining that they support him, love the country, and are disturbed by the ongoing civil unrest in some cities."

The Washington Times (8/20, Muñoz, 492K) reports that former Florida Gov. Jeb Bush (R) "also criticized the president's comments." Bush tweeted, "Why in the world would the President not kick Q'anon supporters' butts? Nut jobs, racists, haters have no place in either Party."

Cheney Condemns QAnon Movement. The Hill (8/20, Brufke, 2.98M) reports that Rep. Liz Cheney (R-WY) "denounced" QAnon Thursday "as a 'dangerous lunacy,' becoming the highest-ranking GOP lawmaker to condemn it." Cheney said in a statement, "QAnon is a dangerous lunacy that should have no place in American politics."

Franklin Graham Plans Prayer March In Washington.

The Washington Times (8/20, Harper, 492K) reports that "evangelist Franklin Graham is planning a prayer march through the nation's capital to provide spiritual relief to political leaders and citizens alike in uncertain times." Graham says in a public invitation, "Will you join us for this march as we call out to God to heal our land? On September 26 beginning at noon at the Lincoln Memorial, we will make our way across the National Mall before ending in front of the U.S. Capitol. Along the 1.8 mile route, we will stop for focused prayer for America, our communities and families, and our leaders. ... America is in trouble. Our communities are hurting, our people are divided, and there's fear and uncertainty all around us. Let's join together and do the most important thing: pray!"

White House Reassessing Permit For AK Mine After Appeals From "Influential Republicans."

The Washington Post (8/20, Eilperin, Parker, Mufson, 14.2M) reports that federal approval of the Pebble Mine, "a controversial gold and copper mine in Alaska...may be put on hold after a small group of influential Republicans...launched a full-court press to block the project." The mine "was on the verge of winning a key permit from the Trump administration despite concerns from environmentalists that it could significantly damage Alaska's world-renowned sockeye salmon fishery in nearby Bristol Bay," which "also happens to be a fishing spot of Donald Trump Jr., who made an impassioned case against the mine to his father during an early August." Trump donor Andrew Sabin "also told the president that the mine was a bad idea. And last week, [Fox News' Tucker] Carlson argued against the proposed mine on his television show." Those appeals have "prompted the White House to reassess the mine, according to two individuals familiar with the matter."

Biden Vows To Be "Ally Of The Light" In Speech Accepting Democratic Nomination.

The AP (8/21, Peoples, Jaffe) reports Joe Biden "accepted the Democratic presidential nomination Thursday night with a vow to be a unifying 'ally of the light' who would move an America in crisis past the chaos" of President Trump's tenure. In his "strongest remarks of the campaign, Biden spoke both of returning the United States to its traditional leadership role in the world and of the deeply personal challenges that shaped his life." The AP says "virtually every sentence" of the speech was "designed to present a sharp, yet hopeful, contrast" with Trump. Biden said, "Here and now I give you my word: If you entrust me with the presidency, I will draw on the best of us, not the worst. I'll be an ally of the light, not the darkness. Make no mistake, united we can and will overcome this season of darkness in America."

Reuters (8/20, Hunnicutt, Ax) reports that in the speech, "the capstone of nearly five decades in politics," Biden described "the current

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moment as one of the most difficult times the country has ever faced," and "offered himself as a uniter who would work 'just as hard' for those who do not support him – drawing a stark contrast with the Republican Trump, who has kept the focus on his base of voters." Biden said, "While I'll be a Democratic candidate, I'll be an American president. That's the job of a president. To represent all of us, not just our base or our party. This is not a partisan moment. This must be an American moment. It's a moment that calls for hope, and light, and love."

USA Today (8/20, Hayes, Lalljee, Bohan, 10.31M) says Biden used the speech "to highlight his vision for dealing with the multiple challenges facing the country, including the pandemic, a recession and a national reckoning over racism." Biden said, "Character is on the ballot, compassion is on the ballot, decency, science, democracy. They're all on the ballot. Who we are as a nation, what we stand for, and, most importantly – who we want to be. That's all on the ballot. The choice could not be more clear." The New York Times (8/20, Burns, Glueck, 18.61M) says Biden's appearance "was an emphatic closing argument in a four-day virtual convention in which Democrats presented a broad coalition of women, young people and racial minorities while going to unusual lengths to welcome Republicans and independent voters seeking relief from the tumult of the Trump era."

The Washington Post (8/21, Balz, 14.2M) reports Biden "framed the election as a stark choice, describing a country under Trump as one with 'too much anger, too much fear, too much division.' ... He described his policy aspirations, ticking through a list of issues he has spoken about through the campaign, from climate to education to jobs and the economy. But the strength of the speech was to draw a contrast with the president and to make clear that his principal focus if he becomes president in January will be on the pandemic and the economic recession that has accompanied it."

The Los Angeles Times (8/20, Barabak, 4.64M) writes, "Shifting between the conversational style of a friendly neighbor and the thunder of righteous anger, Biden issued a dire warning of what the nation could become under four more years of President Trump." Biden said, "Our current president has failed in his most basic duty to the nation. He's failed to protect us." While he "never mentioned Trump by name, he hammered away at the president's performance and the chaos of his administration as it struggles with a deadly pandemic and an economic calamity."

The Delaware News Journal (8/20, Newman, 360K) reports, "In a commanding speech," Biden "painted his candidacy as one that can unite the Democratic Party and a country in the midst of a once-in-a-lifetime pandemic, an economic downturn, a dooming threat of climate change and a national reckoning on racial injustice." Fox News (8/20, Schultz, 27.59M) reports on its website that Biden, "the three-time presidential candidate who was written off in early 2020 after losing both Iowa and New Hampshire, said he's the candidate who can lead the nation through the dark times."

The New York Post (8/20, Bowden, 4.57M) calls it "a 24-minute gaffe-free address designed to rise above the partisan divide." The Detroit Free Press (8/21, Spangler, 1.52M) says Biden "made a quiet but impassioned plea for Americans to turn away from hate and division and invoked lessons learned from his parents and his family before loudly denouncing Trump for 'cozying up to dictators,' threatening voting rights and not taking firm enough action against Russian interference." Politico (8/20, Oprysko, 4.29M) reports that in "a moment he has worked toward for decades, Joe Biden on Thursday condemned what he called the divisive path that President Donald Trump had set the country on, and pledged to be the leader for all Americans rather than a partisan player."

Immediately following the speech, the Democratic ticket and their spouses ventured into the parking lot of Wilmington's Chase Center, where a drive-in viewing was held. USA Today (8/20, Hughes, Parra, 10.31M) reports, "Because of the coronavirus pandemic, Delawareans couldn't gather inside the Chase Center to watch Biden speak in person. So the state Democratic Party adapted, hosting the drive-in in its place." The Scranton (PA) Times Tribune (8/20, Wilkes, 174K) reports a watch party also took place in Scranton, Pennsylvania, where Biden spent his early years.

The speech received strong reviews from commentators across the spectrum. CNN (8/21, Stelter, 83.16M) reports on its website that Fox's Bret Baier called the speech "the best he's been, as far as his delivery." Fox's Chris Wallace said, "It was an enormously effective speech. Remember, Donald Trump has been talking for months about Joe Biden as mentally shot, a captive of the left, and yes Biden was reading from a teleprompter and a prepared speech, but I thought he blew a hole – a big hole – in that characterization." On MSNBC, Joy Reid said, "I think we found out tonight why Donald Trump feared him so much." The Hill (8/20, Coleman, 2.98M) reports CNN's Jake Tapper said Biden's acceptance speech "was 'one of the best, if not the best' that he's seen him give in his career."

The Week (8/20, Weber, 1.94M) reports Fox's Brit Hume "also praised Biden's speech, calling it 'very good' and 'delivered with force and clarity.' His colleague, Dana Perino shared the view, saying Biden 'just hit a home run in the bottom of the ninth. ... He had pace, rhythm, energy, emotion, and delivery. I think if he looks back, he's got to say that was probably the best speech of his life." Karl Rove said the speech "was an 'excellent end' to the convention, calling the former VP's remarks 'very good.'" The Week (8/20, 1.94M) also reports conservative commentators lauded the speech on Twitter, with Townhall's Guy Benson writing, "Biden crushed expectations," and Rich Lowry of the National Review tweeting, "Forceful, energetic delivery, strongest when portraying his program as all about jobs, speech lost focus in the second half – but overall, probably helped himself." Erick Erickson tweeted, "Biden exceeded expectations. That was a fine speech." Chris Cillizza writes on the CNN (8/20, 83.16M) website, "While the start of the speech was somewhat rocky, Biden not only settled into the speech but did something I did not think he could do: He was charismatic, forceful, emotional and powerful. Anyone who watched that speech would have no doubt as to whether Biden is ready, willing and able to do the job for which he is running."

The Washington Post (8/20, Board, 14.2M) says in an editorial that while the nomination of "longtime former senator from Delaware and two-term vice president...may hardly seem like a radical choice...given the ethos of our times, his nomination is a bold one. Mr. Biden represents a cooperative, optimistic style of politics that the country has been losing, gradually over the past decades of accelerating

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polarization – and drastically during the past four years of insults, lies and conspiracy-mongering. ... Coalition-building wins few adherents on Twitter and rarely makes for exciting television. But it gets things done."

The Los Angeles Times (8/20, 4.64M) editorializes, "Biden convincingly portrayed himself as both a progressive innovator and an advocate of civility and compromise. In the coming campaign Trump can be counted on to twist Biden's words and actions in a desperate attempt to cling to an office he has disgraced. Biden and his fellow Democrats effectively used their convention to tell voters who their nominee actually is, but as the campaign moves forward, he will need a united party to keep reminding them." However, the Wall Street Journal (8/20, Subscription Publication, 7.57M) says in an editorial that it is unclear what kind of president Biden would be, asserting that despite his long career, he has had no defining message. The Journal says Biden was the safest choice for a party eager to defeat President Trump, and is running more as a figurehead than a standardbearer.

The New York Times (8/20, Martin, Goldmacher, 18.61M) says in a front-page analysis that the candidate "rides out of the D.N.C. with a general election message centered on compassion, linking his biography of setback and recovery to the lives of Americans experiencing hardships." Biden "used his acceptance speech on Thursday night to lay out an unusually personal message for the fall campaign, linking his heart-rending biography of setback and recovery to the lives of Americans hoping for their own rebound in a season of hardships."

Julie Pace of the AP (8/21) writes, "Nearly everything in American life has changed in the 16 months between the launch of Joe Biden's White House campaign and his address Thursday night...yet Biden's bet on the 2020 race has remained unchanged – a belief that the nation is less partisan and more open to compromise than it often appears," that voters "are seeking decency over ideology, a reset over a revolution." The New York Times (8/20, Flegenheimer, 18.61M) says Biden won "the chance to face President Trump because he is, admirers say, all the things that the incumbent is not: empathetic, dependable, decent."

All three broadcast networks previewed the speech on their evening newscasts, with Mary Bruce saying on ABC World News Tonight (8/20, story 2, 1:50, Muir, 6.79M) that it would be "the most important political speech of [Biden's] life," Ed O'Keefe of the CBS Evening News (8/20, story 3, 2:15, O'Donnell, 4.17M) saying Biden intended to "look ahead, rather than back, at President Trump's tenure, outlining what he would do as president to beat back the pandemic and rebuild the economy," and Peter Alexander of NBC Nightly News (8/20, story 2, 3:30, Holt, 5.6M) saying Biden was set to "frame the election as a battle for the soul of the nation." Bloomberg (8/21, Sink, 4.73M), the Atlanta Journal-Constitution (8/21, Darnell, 895K), the New York Daily News (8/20, Goldiner, Greene, 2.52M), the Wall Street Journal (8/20, Siddiqui, Thomas, Subscription Publication, 7.57M), the CNN (8/20, Reston, Collinson, 83.16M) website, and The Hill (8/20, Easley, Parnes, 2.98M) are among the other sources covering the speech.

Michael Bloomberg Hits Trump On Business Record. The New York Post (8/21, Bowden, 4.57M) reports former New York Mayor Michael Bloomberg (D) "accused President Trump of cozying up to white supremacists in a speech at the 2020 Democratic National Convention on Thursday night where he asked voters to fire the commander in chief." Bloomberg "took Trump to the mat on his own history as a property developer and accused him of running America into the ground." Bloomberg said, "Trump said we should vote for him because he's a great businessman. Really? He drove his companies into bankruptcy six times, always leaving behind customers and contractors who were cheated and swindled and stopped doing business with him. Well, this time all of us are paying the price, and we can't let him get away with it again."

The President responded on Twitter, writing, "After the worst debate performance in the history of politics, Michael Bloomberg, commonly known as Mini Mike, is trying to make a comeback by begging the Democrats for relevance. They treated him like a dog – and always will. Before politics, he said GREAT things about me!"

Booker Focuses On Economy In Convention Speech. The Newark (NJ) Star-Ledger (8/20, Salant, 2.15M) reports Sen. Cory Booker (D-NJ) said in brief remarks at the Democratic National Convention Thursday that "the economy was not working for millions of Americans. ... He told the story of his grandfather leaving the South for a good-paying union job in Michigan, earning enough money to raise a family and send his mother to college." Booker said, "That's the American dream. Together we work; together we rise. Joe Biden and Kamala Harris know the dignity of all working Americans; they know the urgency and the demand of our dream."

Buttigieg Says His Marriage Shows "How This Country Can Change." The South Bend (IN) Tribune (8/21, Parrott, 182K) reports Pete Buttigieg, "pointing to his own experience as an openly gay Afghanistan war veteran and presidential candidate, touted Democratic nominee Joe Biden Thursday night as someone who would help more Americans feel like they 'belong.'" Buttigieg said in his remarks to the Democratic convention, "Just over 10 years ago, I joined a military where firing me because of who I am wasn't just possible – it was policy. The very ring on my finger – a wedding we celebrated here where I'm standing – reflects how this country can change."

Baldwin Says US Will Be "Nation That Builds Back" Under Biden. The Milwaukee Journal Sentinel (8/20, Spicuzza, 632K) reports Sen. Tammy Baldwin (D-WI) "vowed that the United States would be 'a nation that builds back' with Joe Biden and Kamala Harris in the White House." In her speech to the Democratic National Convention, Baldwin, "recounted being diagnosed with a serious illness as a child. She added that since her grandparents were the ones raising her, they were forced to pay out of pocket for her three-month hospital stay." She "portrayed Biden and Harris as the leaders needed to help the country recover from the COVID-19 pandemic."

Bottoms Links Democratic Ticket To Lewis' Legacy. The Atlanta Journal-Constitution (8/21, Mitchell, 895K) reports Atlanta Mayor Keisha Lance Bottoms (D), speaking to the Democratic National Convention from the National Center for Civil and Human Rights in Atlanta, recounted the legacy of late Rep. John Lewis (D-GA), saying Joe Biden and Sen. Kamala Harris (D-CA) "would follow in Lewis' tradition as leaders 'who hold justice close to their hearts and believe that the lives of my four Black children matter.'"

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Duckworth Calls Trump "Coward-In-Chief." The Chicago Tribune (8/21, Ruthhart, Pearson, 2.65M) reports Sen. Tammy

Duckworth (D-IL) "seized her high-profile moment at the Democratic National Convention on Thursday night by launching an offensive" against President Trump for "politicizing the military and displaying failed leadership abroad. The double amputee and Purple Heart recipient labeled Trump as America's 'coward-in-chief,' painting him as selfish and weak while portraying Democratic presidential nominee Joe Biden as a man of decency and integrity."

Newsom Slams Trump For Threatening To Cut Wildfire Protection Funding. The Los Angeles Times (8/20, 4.64M) reports California Gov. Gavin Newsom (D), in remarks delivered to the Democratic National Convention, "tore into President Trump for threatening to strip federal funding for wildfire prevention in California after nearly 500,000 acres burned in storm-related lightning strikes, criticizing him further for trying to dismantle the state's landmark vehicle emission standards." Newsom said, "Just today, the President of the United States threatened the state of California, 40 million Americans who happen to live here in the state of California, to defund our efforts on wildfire suppression because he said we hadn't raked enough leaves. I can't make that up."

New Hampshire Boy Describes How Biden Helped Him With His Stutter. The AP (8/21, Weissert) reports 13-year-old Brayden Harrington addressed the Democratic convention from his home in New Hampshire, talking about how Joe Biden helped him gain confidence in dealing with his stutter. Biden "has spoken frequently about how overcoming a stutter was one of the hardest things he's done in life." Harrington met Biden during the New Hampshire primary campaign, at an event "where Biden spoke about overcoming a severe childhood stutter. He's talked frequently publicly through the years about the anger and frustration of being mocked by classmates and a nun in Catholic school – and how that motivated him to work to overcome it." Biden invited him backstage after the event. Harrington said Thursday, "I'm just trying to be a kid. And in a short amount of time, Joe Biden made me feel more confident about something that's bothered me my whole life. Joe Biden cared. Imagine what he could do for all of us."

Politico (8/21, Forgey, 4.29M) reports, "In his conversation with Biden, Harrington said, the former vice president offered tips to help overcome his stutter – including showing him 'how he marks his addresses to make them easier to say out loud.' Holding up a copy of his own annotated speech, Harrington said: 'I did the same thing today, and now I'm here talking to you today about the future. About our future.'" CNN (8/20, Sullivan, 83.16M) reports on its website, "His father, Owen Harrington, told CNN at the time that Biden 'put his focus on Brayden and made time for him, talked to him, explained that it doesn't define him, he's stronger, that he's a good person. It was really overwhelming for Brayden. He started breaking down a little bit.'"

Aaron Blake of the Washington Post (8/20, 14.2M) writes, "One of the most popular lines of attack on Biden among some on Fox News and the in the conservative community is that his frequent verbal stumbles reflect some kind of mental decline. The Democratic convention went after that head-on" with Harrington's speech, which "invited Biden's conservative opponents to confront an uneasy choice: Continue going after his verbal slip-ups and perhaps go too far – which some including Sarah Sanders and Lara Trump clearly have – or scale back one of their chief lines of attack."

Louis-Dreyfus Gets Mixed Reviews For Comedic Hosting Performance. Reuters (8/21, Whitesides) reports, "After three nights of solemn political rhetoric" at the Democratic National Convention, actor/comedian Julia Louis-Dreyfus "injected a heavy dose of humor and mockery" in hosting the Thursday proceedings. USA Today (8/20, Fritze, Groppe, 10.31M) says her performance is getting mixed reviews and "at times seemed inconsistent with the emotion party organizers were hoping to convey." Politico (8/20, Forgey, 4.29M) says "prominent Democrats praised" her performance, but the Daily Beast (8/20, 1.39M) calls her conversation with Andrew Yang an "awkward comedy routine."

Convention Ratings Were Up Wednesday. Deadline Hollywood (8/20, Johnson, 1.05M) reports, "Speeches from Barack Obama and Kamala Harris likely helped boost TV viewership for the third night of the Democratic National Convention. According to early numbers from Nielsen, 21.4 million watched during the 10 PM ET hour across six networks, ABC, CBS, NBC, Fox News, MSNBC and CNN," up from 18.6 million on Tuesday and 18.7 million on Monday.

Clinton: GOP Senators Have "Seem to Have Had Like A Lobotomy."

Axios (8/20, Knutson, 521K) reports that on MSNBC Thursday night, "Hillary Clinton criticized her former Republican colleagues for their responses to the explosive findings in the Senate Intelligence Committee's report on 2016 Russian interference." Clinton accused them of giving up "their principles, their values, their backbone" to follow President Trump. Clinton said, "I don't understand what has happened to the people that I served with, I worked with, I traveled with, who literally seem to have had like a lobotomy or something. ... You have the intelligence officials of even the Trump administration sounding the warnings, and you have a lot of good legislation that's come out of the House under Nancy Pelosi that goes to the Senate and is basically buried by Mitch McConnell. ... They have just given up their principles, their values, their backbone to following Trump, regardless of where he leads."

Biden Accuser Reade Says DNC Is "Gaslighting" Sexual Assault Survivors.

Fox News (8/20, Wulfsohn, 27.59M) reports on its website that Tara Reade, who leveled "sexual assault allegations against Joe Biden" earlier this year, "voiced disappointment in the Democratic Party's handling of claims from her and other survivors as its convention draws to a close." In an interview with Fox News, Reade "said witnessing figures celebrate the man she claims sexually assaulted her has been 'traumatizing,'" and she "said the party has been 'complicit' in what she described as 'gaslighting' survivors." Reade said, "I've communicated with other people who are watching this who had very visceral reactions to what's happening and how sexual assault survivors ... We're being gaslighted, right, collectively. ... And frankly, I think the Democratic National Committee is complicit because they're not just ignoring it.

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They're participating in it...and enabling those perpetrators."

Website Highlights Sexual Harassment Claims Against Biden. The Washington Examiner (8/20, Bedard, 448K) says Biden "is getting slammed anew with allegations of sexual harassment from a new website highlighting the claims against the longtime senator and two-term vice president." The site, WomenforBiden.com, "appears to be pro-Biden, but it is the brainchild of" David Blair, "a conservative activist and former Trump aide who said he believes the media and Democrats should look into the claims against the Democrat as hard as they did those against President Trump and Supreme Court Associate Justice Brett Kavanaugh."

Photos Show Bill Clinton Getting Neck Massage From Epstein Accuser.

Fox News (8/20, Betz, 27.59M) reports on its website that newly uncovered photos obtained by DailyMail.com "show former President Bill Clinton receiving a neck massage from one of Jeffrey Epstein's accusers on a humanitarian trip to Africa nearly 20 years ago." The photos "show Clinton sitting in a chair at a small airport in Portugal while getting adjusted by then-22-year-old Chauntae Davies. Davies apparently had massaged Clinton, then 56, at the suggestion of Epstein's accused madam Ghislaine Maxwell after the former commander in chief had complained of a stiff neck after falling asleep on Epstein's infamous private jet, later dubbed 'The Lolita Express.'"

Osburn: As California AG, Harris Targeted Anti-Abortion Activist At Donors' Behest.

In a piece for The Federalist (8/20, 126K), Madeline Osburn writes that three weeks ago, anti-abortion activist David Daleiden "appeared in a San Francisco Superior Court, once again fighting the criminal charges" Sen. Kamala Harris (D-CA) brought against him "at the behest of her political donors." When she was California Attorney General in March 2016, Harris "met with six Planned Parenthood officials in her Los Angeles office. Email records between Harris's office and Planned Parenthood officials show the two were corresponding on orchestrating public responses, filing police reports, and even drafting legislation targeting Daleiden for his undercover videos exposing the abortion giant." Two weeks later, "Harris ordered state law enforcement agents to raid Daleiden's home, tasking them with seizing his camera equipment, documents, and unreleased video footage. Daleiden's attorneys argued Harris's search warrant should have never been issued according to California's shield law, which explicitly protects citizen journalists' unpublished materials."

O'Neal: Harris Cast Catholic Beliefs As Incompatible With Public Service. In the Wall Street Journal (8/20, Subscription Publication, 7.57M), Adam O'Neal, a London-based editorial page writer for the Journal, writes that in 2018, as the Senate was considering Brian Buescher's nomination to the US District Court in Nebraska, Harris essentially portrayed adherence to Catholic tenants as being incompatible with public service. O'Neal points out that Joe Biden is Catholic, but he and Harris share the same views on abortion.

Dhume: Harris Downplays Her Mother's Tamil Brahmin Ancestry.

In the Wall Street Journal (8/20, Subscription Publication, 7.57M), South Asia columnist Sadanand Dhume writes that Sen. Kamala Harris (D-CA) has downplayed her mother's Tamil Brahmin ancestry. Dhume posits that this is because the fact that many Tamil Brahmin immigrants have found opportunity in the US belies many left's claim that the US oppresses immigrants.

McAuliffe Files Paperwork To Form Virginia Gubernatorial Campaign Committee.

The Washington Post (8/20, Schneider, 14.2M) reports that former Virginia Gov. Terry McAuliffe (D) "has filed paperwork with the Virginia elections office to create a campaign committee to run for governor in 2021," but a spokesman "said that it's a technicality and that there's no candidacy. Yet." Spokesman Brennan Bilberry said in a text message, "Governor McAuliffe is making no decisions on 2021 until after we defeat Donald Trump and his hateful ideology. This represents a paperwork change suggested by our accountant and lawyer." The paperwork "converts McAuliffe's existing political action committee, Common Good Virginia, into a candidate committee called Virginians for Common Good."

California Fires Force Tens Of Thousands To Evacuate.

The Los Angeles Times (8/20, Serna, 4.64M) reports, "Evacuations widened in the San Francisco Bay Area overnight as wildfires ringing the region scorched hundreds of square miles, edged toward San Jose and produced perhaps the world's worst air quality." So far, "more than 349,000 acres have burned in Northern and Central California – the equivalent of 546 square miles, more than the land area of the city of Los Angeles." Additionally, "at least 134 structures have been destroyed, and the fire-fanning weather conditions that have brought record temperatures and thousands of lightning strikes in the past few days are not expected to abate soon."

ABC World News Tonight (8/20, story 5, 1:55, Muir, 6.79M) reported that PG&E said Thursday "that one of their workers helping fire crews fight the blazes was found unconscious in his vehicle and later died. The death comes after chopper pilot Michael Fournier died fighting a different fire, crashing his chopper in Fresno County Wednesday."

The Wall Street Journal (8/20, Carlton, Subscription Publication, 7.57M) reports cooler temperatures on Thursday allowed firefighters to make progress in gaining control over the wildfires. Still, many of the major fires in the San Francisco region are no more than 7% contained, according to the California Department of Forestry and Fire Protection.

The Washington Post (8/20, Freedman, Samenow, 14.2M) reports, "This is just the beginning of the state's wildfire season, something that has been a constant threat during the past four years of record-setting blazes, both for their breadth and their lethality." According to the

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Post, "the current fires and their speed and thick smoke have presented a new terror amid a global pandemic – poor air quality, concerns about evacuating masses of people to crowded shelters, and concerns that some might not heed the warnings."

On NBC Nightly News (8/20, story 4, 2:05, Holt, 5.6M), Miguel Almaguer reported, "For now there remains no official number on the true scope of the damage, only estimates. While there is no question home after home was lost, entire communities were also wiped off the map." On the CBS Evening News (8/20, story 4, 1:45, O'Donnell, 4.17M), Carter Evans reported, "There is some good news, though. Those record-breaking temperatures are beginning to come down a bit. It's 15 degrees cooler today than yesterday."

Michigan Agrees To Pay $600M To Flint Water Crisis Victims.

The CBS Evening News (8/20, story 7, 0:25, O'Donnell, 4.17M) reported that there is "a possible settlement in the long-running legal fight over contaminated water in Flint, Michigan. This began when the state switched Flint's water supply to the Flint River but did not treat it adequately, allowing lead to leak into the drinking water." NBC Nightly News (8/20, story 8, 0:20, Holt, 5.6M) reported that Michigan "and other defendants agreeing to pay $600 million in a settlement with residents whose health was harmed by lead-tainted drinking water. Under the deal, 80% of the money will go to victims who were younger than 18 during the crisis."

Barr Says He Will Go To Supreme Court To Reinstate Death Penalty For Tsarnaev.

The Washington Examiner (8/20, Dunleavy, 448K) reports that in an interview with the AP Thursday, Attorney General Barr "said he will go to the Supreme Court to reinstate the death penalty against convicted Boston Marathon bomber Dzhokhar Tsarnaev after an appeals court vacated the death sentence in the case." Barr said, "We will do whatever's necessary. ... We will take it up to the Supreme Court, and we will continue to pursue the death penalty."

National Security Advisor O'Brien said on Fox News' The Story (8/20), "We have to take a hard line on these types of terrorist activities. I applaud Attorney General Barr for the position he's taken, that the Department of Justice is taking. That was such a horrific attack in Boston and there are people that'll never recover their legs, their arms, and of course, they were mutilated by those horrific bombings and of course, we lost Americans we'll never, their families will never have them back for another Thanksgiving or Christmas or birthday, and so it's right that justice is, is pursued."

RCP Average Has Trump's Job Approval At 43.7%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 43.7, and his disapproval at 54.2%. The President's approval is up 0.4 since yesterday; his disapproval is down by 0.4.

A Rasmussen poll of 1,500 "likely voters" (8/17-8/19) finds Trump's approval at 51%, and his disapproval at 47%. The President noted the Rasmussen numbers of Twitter, and wrote, "THANK YOU! #MAGA." Trump later tweeted, "96% Approval Rating in the Republican Party. 51% Approval Rating overall in the Rasmussen Poll. Thank you!"

Financial International News

ECB Fears Recovery Is At Risk From A Delayed Surge In Unemployment.

The Financial Times (8/20, Arnold, Subscription Publication, 1.34M) reports, "The eurozone is likely to suffer a sharp increase in unemployment this autumn even as the economic recovery from the coronavirus pandemic..."

PMI Shows Euro Zone Recovery Stuttering In August As UK Recovery Continues.

Reuters (8/21, Cable) reports the euro zone's economic recovery "has stuttered this month, particularly in services, as the pent-up demand unleashed last month by the easing of coronavirus lockdowns dwindled, a survey showed on Friday." IHS Markit's flash Composite Purchasing Managers' Index, "seen as a good gauge of economic health, sank to 51.6 from July's final reading of 54.9." That reading was "below all forecasts in a Reuters poll which had predicted no change from July." The Financial Times (8/21, Arnold, Subscription Publication, 1.34M) also reports.

Bloomberg (8/21, Goodman, 4.73M) reports the UK economy "continued its recovery from a record slump, though the good news was clouded by mounting job losses and a growing government debt burden." IHS Markit "said Friday that its composite Purchasing Managers Index jumped to 60.3 from 57, well above what economists had forecast."

Leading International News

Coronavirus Cases Surge Again In Europe.

The Washington Post (8/20, Hassan, Bellware, Partlow, 14.2M) reports, "After months of decline, the coronavirus is now 'steadily increasing' each week in Europe, a worrisome resurgence believed to be driven by infections among younger people, the World Health Organization said Thursday." WHO Regional Director for Europe Hans Kluge "urged people in their 20s, 30s and 40s to remain vigilant and take necessary precautions to slow the spread of the coronavirus." He "said there were 40,000 more cases in Europe in the first week of August compared with the first week of June."

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Outbreak At South Korean Church Sets Up Clash Between Religion And Politics.

The New York Times (8/20, Sang-Hun, 18.61M) reports that many members of a South Korean church have contracted the coronavirus, and as the "large outbreak centered on the church spreads fast through Seoul and beyond," it threatens "the country's success in fighting the pandemic." The church in Seoul, known as the Sarang Jeil Church, "has attracted thousands of politically active conservative Christians, all united in the belief that their country is falling into a godless communist hell under the leadership of its liberal president, Moon Jae-in." According to the Times, "a deep antigovernment sentiment among church members could impede the health authorities' efforts."

South Africa's Coronavirus Response Tainted By Allegations Of Corruption.

The New York Times (8/20, Chutel, 18.61M) reports South Africa's response to the coronavirus pandemic and its delivery of aid have been tainted by allegations of corruption by public officials, "undermining confidence in a government that had initially received international acclaim for its assertive response to the pandemic." President Cyril Ramaphosa has "called those accused of corruption 'a pack of hyenas circling wounded prey,' and announced a new law enforcement unit to investigate the allegations." The scandal "includes allegations that government leaders and politically-connected cronies siphoned off money meant for the Unemployment Insurance Fund, and that relatives of public officials were handed inflated contracts to supply personal protective equipment."

Manchester Concert Bomber's Brother Sentenced To 55 Years In Prison.

The AP (8/20, Hui) reports Hashem Abedi, the brother of Salman Abedi, "the suicide bomber who set off an explosion at a 2017 Ariana Grande concert in Manchester, England, killing 22 people and injuring hundreds, was sentenced Thursday to a minimum of 55 years in prison." Abedi "had denied helping plan the attack at Manchester Arena but was found guilty of murder, attempted murder, and conspiring to cause explosions. His sentencing had been postponed due to travel restrictions during the coronavirus pandemic."

Iran Unveils New Ballistic, Cruise Missiles.

CNBC (8/20, Macias, 3.62M) reports on its website, "Iran unveiled a new surface-to-surface ballistic missile on Thursday, a move likely to peeve Washington as the Trump administration attempts to rein in the regime's missile and nuclear weapon ambitions." Iranian Defense Minister Amir Hatami "said in a televised address that the missile has a range of approximately 870 miles and is named after Iranian Gen. Qasem Soleimani, who was killed in an U.S. strike in Iraq in January." Hatami added that "the regime had a new cruise missile boasting a range more than 620 miles and was named after Iraqi militia commander Abu Mahdi al-Muhandis, who also was killed in the strike."

Colombian President Claims Maduro Is Trying To Obtain Iranian Missiles.

Reuters (8/20, Acosta) reports that on Thursday, Colombian President Iván Duque "said...Maduro's administration is looking to buy Iranian missiles and is handing over weapons made in Russia and Belarus to Colombian armed groups. ... 'There is information from international intelligence organisms that work with us which shows there is interest from the dictatorship of Nicolas Maduro in acquiring some medium and long-range missiles through Iran,' Duque said during a virtual event." According to Reuters, Duque "reiterated his frequent accusation that Maduro protects and supports former members of the Revolutionary Armed Forces of Colombia rebel group who reject a 2016 peace deal and the still-active National Liberation Army guerrillas."

Trump Reiterates That "We're Getting Out" Of Iraq.

The AP (8/20, Riechmann) reports that on Thursday, President Trump "reaffirmed his plan to withdraw all U.S. troops from Iraq as quickly as possible as he met with the prime minister of Iraq to discuss ways to rein in pro-Iran militias in the country and counter residual threats from Islamic State sleeper cells. 'We look forward to the day when we don't have to be there,' Trump said during an Oval Office meeting with Iraqi Prime Minister Mustafa al-Kadhimi." Trump is quoted as saying, "We were there and now we're getting out. We'll be leaving shortly and the relationship is very good. We're making very big oil deals. Our oil companies are making massive deals. ... We're going to be leaving and hopefully we're going to be leaving a country that can defend itself." USA Today (8/20, Jackson, 10.31M) says Trump "did not provide a timetable." He said, "At some point, we obviously will be gone. ... We look forward to the day when we don't have to be there."

Reuters (8/20, Mason, Shalal) reports that Trump "said Washington would remain ready to help if neighboring Iran took any hostile action." Trump said, "If Iran should do anything, we will be there to help the Iraqi people." The Washington Times (8/20, Meier, 492K) provides similar coverage.

In an editorial, the Wall Street Journal (8/20, Subscription Publication, 7.57M) expresses optimism about the partnership between the US and Iraq. The Journal says US support can help Iraq can subdue Sunni terrorism and militias supported by Iran, which will help maintain a regional balance of power that will prevent future American involvement.

More Than Six Years Later, ISIS Members Have Not Faced Charges For Crimes Against Yazidis.

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The New York Post (8/20, McKay, 4.57M) reports that in August 2014, ISIS operatives "swarmed Yazidi-majority villages in and around Sinjar Mountain," slaughtered "thousands of men" and took "thousands of girls and women...into sexual slavery." More than six years later, and "in

spite of a U.S. formal designation of Yazidi genocide" no one in ISIS has been "prosecuted or tried for a crime." Anne Speckhard, director of the International Center for the Study of Violent Extremism (ICSVE), told Fox News, "The Iraqi justice system is overwhelmed with these cases and does not see a need to also prosecute for rape, which would require investigative work, calling witnesses and showing evidence when they have a good terrorism conviction easily obtained. The Yazidi have suffered unspeakable horrors at the hands of ISIS but there has been no specific justice meted out to them in response to the mass genocide and mass rapes."

Trump Says If Reports Of Bounties On US Troops Are Proved True, US Will Retaliate.

Reuters (8/20, Mason) reports that the President on Thursday "vowed to retaliate if other countries were found to have offered bounties for attacks on U.S. troops in Afghanistan, but he gave no indication whether his stance toward U.S. intelligence reports outlining the bounties had changed." Speaking at a White House event with the Iraqi Prime Minister, Trump "told reporters that if the reports were determined to be a fact," the US "would hit them so hard, your head would spin."

In Wake Of Israel Deal, UAE Expects US To Sell F-35s.

Reuters (8/20) reports that the United Arab Emirates' Minister of State for Foreign Affairs Anwar Gargash indicated that the UAE's "accord to normalise ties with Israel should remove 'any hurdle' for the United States to sell the F-35 stealth fighter jet to the Gulf Arab state." According to Reuters, "The United States has sold the F-35 to allies, including Turkey, South Korea, Japan and Israel, but sales to the Gulf require a deeper review due to U.S. policy for Israel to maintain a military advantage in the Middle East." Gargash is quoted as saying, "We have legitimate requests that are there. We ought to get them ... the whole idea of a state of belligerency or war with Israel no longer exists."

The Washington Examiner (8/20, Gehrke, 448K) reports, "Gargash advanced that argument in the wake of reports that last week's UAE-Israel deal included a secret agreement that Israel would acquiesce to such a sale." Israeli Prime Minister Benjamin Netanyahu "reiterated his opposition to the UAE's purchase of the cutting-edge stealth fighter jet, but President Trump acknowledged this week that the arms deal is 'under review,' even as Gargash maintained that it was 'not connected' to their decision to establish ties with Israel."

Israel And Germany Hold First Joint Military Exercise On German Soil.

The Washington Post (8/20, Berger, 14.2M) reports, "Israeli and German fighter jets roared together over the site of the Dachau concentration camp this week as part of the first joint exercise the nations' militaries have held on German soil." The two-week training which kicked off Tuesday "come as Germany grapples with a resurgence of anti-Semitic crimes, along with cases of far-right extremism among members of its armed forces and police." Israel, for its part, "appears eager to tighten strategic ties with Berlin and other NATO members as it pursues an assertive foreign policy."

WPost Analysis: Trump Has Benefited Xi By Taking Focus Away From Domestic Concerns.

According to the Washington Post (8/20, Dou, Shih, 14.2M), "the Trump presidency, despite bringing economic turmoil and technological setbacks to China, has provided useful opportunities for China's top leader Xi Jinping and the country's security establishment." The Post continues, "Despite pressuring Beijing with a steady drumbeat of punishing policies that have not been seen in 40 years of formal relations under either Republican or Democratic administrations, Trump in some ways has offered Xi a window of opportunity on the world stage and in domestic politics. Previously under pressure at home from the slowing economy and popular disillusionment with the Chinese Communist Party, Xi has been able to blame Washington's 'suppression' for all of China's travails while casting himself as a defender against foreign bullying."

Xi Enlists Law Enforcement In Anti-Corruption Campaign. The New York Times (8/20, Buckley, 18.61M) reports that the Chinese Communist Party, "citing Mao...has started a campaign to ensure that police officers, judges and state security agents remain loyal and disciplined in challenging times." According to the Times, "Across China, police officers, judges, prosecutors and feared state security agents have been studying Mao's methods for political purges, absorbing them as guidance for a new Communist Party drive against graft, abuses and disloyalty in their ranks." The Times says "the campaign is shaping up as a sharp tool for the Communist Party leader, Xi Jinping, to bolster domestic discipline as he prepares for a leadership shake-up in two years."

Kim Admits North Korea's Economy Is Struggling.

The Washington Free Beacon (8/20, Beyrer, 78K) reports North Korean leader Kim Jong-un "told fellow Workers' Party members that his country's economy is experiencing 'shortcomings' due to the coronavirus pandemic and U.S. sanctions, the Associated Press reported Thursday." Kim said the economy has "not improved in the face of...severe internal and external situations." He added that development plans have "seriously delayed and the people's living standard [has] not been improved remarkably."

US Using Frozen Funds To Pay Venezuelan Health Workers.

The Washington Post (8/20, Deyoung, Faiola, 14.2M) reports that the Trump Administration is "tapping into more than $300 million in frozen Venezuelan government funds in an effort to give new momentum to its elusive goal of ousting President Nicolás Maduro." According to the Post, "About $20 million will be used to send pandemic relief supplies to Venezuela via international health organizations. ... Within the next

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several weeks, 65,000 front-line health workers will begin receiving electronic payments of $100 a month – a sum many times their average pay." The Post says the Administration "has refused to freely open the coffers to opposition leader Juan Guaidó, whom it recognizes as Venezuela's legitimate president. But it has set the wheels in motion to provide two years of back pay to federal lawmakers whose salaries Maduro suspended in 2016."

US Ramps Up Push For Nuclear Arms Agreement With Russia.

Axios (8/20, Lawler, 521K) reports, "Negotiations resumed in Vienna this week on a top Trump priority and potential election year twist: a U.S.-Russia nuclear agreement." US arms control envoy Marshall Billingslea "presented Russia with America's conditions for a deal, based on a 'clear mandate' from Trump." The Administration is 'ambivalent' the looming expiration of the 2011 New START treaty, "Billingslea says, but will agree to an extension if Russia signs onto its ambitious framework for a future nuclear treaty."

France, Germany Offer Treatment For Russian Opposition Leader After Suspected Poisoning.

The AP (8/20, Litvinova) reports Russian "opposition leader" Alexei Navalny, "one of Vladimir Putin's fiercest critics, lay in a coma at a Siberian hospital Thursday, the victim of what his allies said appeared to be a poisoning engineered by the Kremlin." According to the AP, "The 44-year-old Navalny fell ill on a flight back to Moscow from the Siberian city of Tomsk and was taken to a hospital after the plane made an emergency landing in Omsk." Navalny's spokeswoman, Kira Yarmysh, "told the Echo Moskvy radio station that he must have consumed poison in tea he drank at an airport cafe before boarding the plane early Thursday."

According to Reuters (8/20, Osborn, Zverev), "Doctors gave contradictory information about Navalny's condition, saying it had stabilised and that he was in a coma, but also that there was still a threat to his life and they were working to save him." The New York Times (8/20, Higgins, 18.61M) reports that "doctors at the No. 1 Clinical Hospital in Omsk...initially said that Mr. Navalny...was on a ventilator in 'serious condition but later reported that his condition, though still grave, had stabilized." According to the Times, Putin's spokesman "told journalists that the Kremlin wished Mr. Navalny a swift recovery, 'as we would for any citizen of Russia,' and would, if asked, provide help to get the opposition leader transferred to a hospital abroad." Yaroslav Ashikhmin, "a cardiologist who has served as Mr. Navalny's personal doctor, told Meduza, a Russian news outlet, that he was trying to get the opposition leader flown from Omsk to a hospital in either Hanover, Germany, or Strasbourg, France, with more experienced toxicology specialists."

The Washington Post (8/20, Khurshudyan, 14.2M) reports that Germany and France "offered medical treatment for Navalny, whose apparent poisoning brought parallels with other such incidents suspected of having links to the Russian state." On ABC World News Tonight (8/20, story 7, 1:30, Muir, 6.79M), Ian Pannell reported, "Navalny's people desperately want to get him to Europe for medical treatment, and a German nonprofit is even offering to fly him out tonight, but so far, Russian hospital authorities are refusing to let him go."

On the CBS Evening News (8/20, story 8, 1:20, O'Donnell, 4.17M), Chris Livesay reported, "Navalny has gained widespread support as an anti-corruption activist with powerful enemies, none more so than Vladimir Putin, notorious for allegedly using radioactive nerve agents to target double agents, defectors, and others who fall afoul of the Kremlin." Livesay added, "But the plot thickens. Here in neighboring Belarus, where President Alexander Lukashenko recently accused Navalny of stirring up these protests against him." On NBC Nightly News (8/20, story 7, 1:55, Holt, 5.6M), Richard Engel reported Navalny has "expressed support" for protesters in Belarus, "who say their Russian-backed President stole the election."

National Security Advisor O'Brien was asked about the Administration's response to Navalny's poisoning on Fox News' The Story (8/20). O'Brien said, "It's very concerning. I want to first of all wish Navalny a very speedy recovery," adding "he's a very courageous man, politician, to have stood up to Putin inside Russia." O'Brien said, "We'll have to wait and see how this develops and we'll have to get evidence as to what happened, but it's extraordinarily concerning, and if the Russians were behind this as they were with Skripal or other incidence of the like, and there have been more than that in continental Europe, it's something that we're going to factor into how we deal with the Russians going forward."

McFaul: Trump Enabling "Evil" Around The World. In an op-ed for the Washington Post (8/20, 14.2M), former US Ambassador to Russia Michael McFaul calls Vladimir Putin "evil" and asserts that "in an earlier period in American history, our government and people would have stood united on the side of good in this fight against evil." But McFaul says President Trump has "enthusiastically embraced Putin and excused his villainous ways." In his view, it is clear that "Trump is on the wrong side," and he concludes that "in a world divided by good and evil, it's time for America to get back on the right side."

WSJournal, WPost: Putin Has Cultivated System Of Repression. In an editorial, the Wall Street Journal (8/20, Subscription Publication, 7.57M) says Navalny fits the pattern of Russian opposition leaders being poisoned. The Journal urges the US and Europe to demand an independent investigation into the suspected poisoning and that Navalny be allowed to be seek treatment abroad.

Likewise, an editorial by the Washington Post (8/20, 14.2M) says that news of Navalny's hospitalization was "shocking – but not a surprise." It observes that "poisoning has become a common fate of Putin enemies," and "despite the brazenness of these attacks, Mr. Putin has suffered little blowback, other than the expulsion of a few diplomats from Western capitals." The Post argues that "one reason for the impunity is the indifference of President Trump." The editorial urges European governments to "offer assistance – and they should let the Kremlin know that if Mr. Putin's leading opponent was indeed poisoned, there will be, for once, consequences."

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GSE CEOs: Industry Criticism Of Refi Fee Is Overwrought.

HousingWire (8/20, 23K) reports Freddie Mac CEO David Brickman and Fannie Mae CEO Hugh Frater "addressed industry criticisms" regarding the new fee on refis in a joint letter, writing, "Contrary to much of the criticism we have received since making this announcement, this will generally not cause mortgage payments to 'go up.' The fee applies only to refinancing borrowers, who almost always use a refinancing to lower their monthly rate." HousingWire reports that "Brickman and Frater made references to the policies and programs they have put in place to provide critical support to homeowners and renters during the COVID-19 period, including forbearance programs, loan modification options, moratoriums and single-family foreclosure and eviction prevention actions," explaining, "This is just a fraction of the actions we have taken in coordination with FHFA to support homeowners and renters. ... This modest fee will help us continue helping those who are really hurting during the pandemic."

Adverse Market Conditions Fee Reportedly Set To Cost Lenders Millions In Profits. American Banker (8/20, Subscription Publication, 31K) reports the new 0.5% fee on GSE refis will "wipe out millions in mortgage profits," as "the fee will be collected on loans in which interest rates already have been locked in and cannot be adjusted." The fee, "approved without prior notice by the Federal Housing Finance Agency that oversees Fannie and Freddie, is set to be collected starting Sept. 1," costing originators "an additional $1,400 or so for a $280,000 loan. The fee is likely to reduce profits for mortgage lenders given that the net profit per loan in the first quarter was $1,600, according to the Mortgage Bankers Association." According to a Forbes (8/20, Conerly, 9.71M) piece, the recent "decline in rates" has been slowed by the new fee.

Behind a paywall, Inside Mortgage Finance (8/20, Muolo, Subscription Publication) reports that seven US senators, including six from the Senate Banking Committee, "shot off a letter to Federal Housing Finance Agency Director Mark Calabria Wednesday night asking the regulator to immediately halt a 50 basis point adverse market fee the GSEs are imposing on their seller-servicers." The industry "has been in an uproar since the LLPA was introduced" a week and a half ago, "saying it's ill-timed given the pandemic and will hurt both consumers and lenders."

Freddie Mac: 30-Year FRM Average Rises From 2.96% To 2.99%.

The Washington Post (8/20, Orton, 14.2M) reports mortgage rates moved higher this week, according to "the latest data released Thursday by Freddie Mac." The 30-year FRM average rose from 2.96% to 2.99%. The 15-year FRM average rose from 2.46% to 2.54%. The 5/1 ARM average rose from 2.90% to 2.91%. Bankrate.com "found the experts it surveyed nearly evenly divided on where rates are headed in the coming week. Forty percent expect rates to go up, 40 percent expect them to remain about the same and the other 20 percent expect them to go down."

The AP (8/20) reports that even with the increase, rates "remain at historically low levels." HousingWire (8/20, 23K), National Mortgage News (8/20), and M Report (8/20, Babb) say Freddie Mac Chief Economist Sam Khater explained, "Purchase housing demand continues to accelerate, ultimately providing support to an economy that otherwise has stagnated. The surge in sales led to a rapid increase in the demand for remodeling and home furnishings as consumers look to renovate while adjusting to home life during COVID."

The Washington Post and MarketWatch (8/20, Passy, 1.67M) report one factor contributing to the uptick in rates was last week's announcement that the GSEs would charge an "adverse market" fee of 50 basis points on refinances. MarketWatch says according to Zillow economist Matthew Speakman, "The announcement by the [Federal Housing Finance Agency] to apply a 0.5% fee to all mortgage refinance loans was one that caught lenders off guard, placing many in a difficult financial spot and forcing them to raise rates across the board – even for purchase loans, which aren't directly affected by the new policy – in order to cover their losses."

Also covering Freddie's rates are Bankrate (8/20, Wichter, 311K), Fox Business (8/9, Bieber, 1.73M), Mortgage Orb (8/20, Bates), National Mortgage Professional (8/20), and Seeking Alpha (8/20, Kiesche, 512K).

Freddie Mac Multifamily Closes $2.6B MCIP Deal.

Seeking Alpha (8/20, Agarwal, 512K) reports Freddie Mac has closed a "$2.6B MCIP reinsurance transaction for a reference pool of 136 multifamily conventional and affordable loans." Through the transaction, Freddie Mac "transfers credit risk for the 5.5% of losses beyond the first 1%, which it continues to retain."

FHFA: Forbearance Plans Made Up Overwhelming Majority Of GSEs' May Foreclosure-Prevention Actions.

DS News (8/20, Babb) reports the GSEs "completed 83,756 foreclosure prevention actions during May, according to new data released by the Federal Housing Finance Agency." 77,218 of the GSEs' actions in May were forbearance plans, up from just 9,749 in April. Another 4,577 "were loan modifications, 1,598 were repayment plans and 77 were charge-offs-in-lieu." The GSEs "also completed 286 home forfeiture actions in May, which consisted of 218 short sales and 68 deeds-in-lieu." According to the FHFA's data, initiated forbearance plans fell from 989,594 in April to 392,338 in May. The "total number of loans in forbearance plans at the end of May was 1,450,557, which represented slightly more than 5% of the total loans serviced by the GSEs." The GSEs' 30-59 days delinquency rate "fell to 2.53% in May," and the GSEs' total refi volume "rose to their highest levels in seven years."

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HUD Holds Roundtable Discussion On Preserving Community And Neighborhood Choice Rule.

M Report (8/20, Babb) reports that HUD this week "held a roundtable with local and federal officials in Pennsylvania to discuss the importance of local zoning decisions being made by local communities as opposed to 'unelected bureaucrats in Washington.'" Secretary Carson said, "We have already seen jurisdictions make strong progress promoting fair housing at the local level, and they will continue to do so without complicated certification processes from Washington that would inevitably lead to blanket national policies on intimate local issues."

Banks Could See A Windfall From Buying Ginnie Mae Securities At Below-Par Prices.

According to a potentially paywalled Bloomberg (8/20, Light, 4.73M) piece carried by American Banker (8/20, Subscription Publication, 31K), Ginnie Mae rules "allow banks and other lenders to buy loans out of mortgage securities at their par value when a borrower hasn't made payments for 90 days." As a result, given the government's forbearance programs, banks and lenders could "potentially make billions of dollars." Two banks, Wells Fargo and U.S. Bancorp, are "already buying, frustrating bond holders who say the purchases are leading to losses." Meanwhile, "there are signs that nonbanks are at least exploring buying loans." PennyMac "said on its earnings call earlier this month the firm might tap some of its liquidity sources to buy more Ginnie loans out of pools, describing the purchases as an 'opportunity.'"

Attom: Refi Volume Hit 17-Year High In Q2.

National Mortgage Professional (8/20) reports that in Q2, refinancing volume "hit a 17-year high, according to the ATTOM Data Solutions 2020 U.S. Residential Property Mortgage Origination Report." Attom found "1.69 million refinance mortgages secured by residential properties (1 to 4 units) were originated" in Q2, up "almost 50% from the prior quarter and over 100% from the same period in 2019." Attom Chief Product Officer Todd Teta said Q2 "really was a tale of two markets for lenders. One saw a continued flood of homeowners refinancing their loans at lower interest rates while the other saw a drop in home-purchase and home-equity borrowing as the economy sagged under virus-related lockdowns." NMP also reports that the FHA share and HECM volume both declined in Q2.

National Mortgage News (8/20, Centopani) reports, "About 1.69 million residential refinances originated in the second quarter compared to about 1.15 million refis in the first and 745,264 in the second quarter of 2019." Meanwhile, "Purchases accounted for 782,829 loans – a 28.8% share – its lowest share since the second quarter of 2013. The total rose quarter-over-quarter from 684,493 but edged down from 800,415 the year prior."

WalletHub Research Shows How Americans Are Using Home Equity And Loans To Weather Pandemic.

M Report (8/20, Babb) says "due to the inability of Congress to greenlight an additional stimulus package prior to the lapse in benefits stemming from the initial one, the economy is expected to be mired in the damage done by COVID-19 for some time." Many Americans "have had no recourse other than to borrow money. Meantime, they're seeking salvation through means such as home equity and payday loans. But those options aren't for everyone, with interest in them varying from state to state." WalletHub "compared the 50 states and District of Columbia across four key metrics combining internal credit report data with data on Google search increases for three loan-related terms," finding that "people required loans, such as mortgage/home loans, the most in New York, followed by Oklahoma, Tennessee, Missouri and Maryland."

"Suburban Land Rush" Emerges As Americans Flock Out Of Cities.

Potentially behind a paywall, Bloomberg (8/20, Gopal, Gittelsohn, 4.73M) reports that a "suburban land rush" is unfolding as Americans pour out of cities and head for the suburbs. According to Bloomberg, "The exodus to sparser landscapes is happening across the U.S., but it's most dramatic outside pricey, crowded New York, Los Angeles, and San Francisco." In Manhattan, for example, "signed sales contracts for condos and co-ops fell 60% in July, from a year earlier." Meanwhile, in Westchester County and Fairfield County, CT, "deals for single-family homes doubled, according to appraiser Miller Samuel Inc. and brokerage Douglas Elliman Real Estate." While price growth has slowed in urban areas of Boston, Detroit, and Washington, DC, price growth has accelerated in their suburbs.

ICBA SVP: GSE Refi Fee Will "Hurt Borrowers Most."

In an opinion piece for American Banker (8/20, Subscription Publication, 31K), Independent Community Bankers of America (ICBA) SVP Ron Haynie argues that the fee will "hurt borrowers most," coming at "precisely the wrong time." According to Haynie, "Because Fannie Mae and Freddie Mac buy most conventional U.S. mortgage loans – and because 2020 will likely be a $3 trillion mortgage-origination year – the new fee will affect many homeowners now and for years to come." Haynie adds, "Further, housing is one of the U.S. economy's few bright spots, raising questions over whether it is an 'adverse market.' The number of loans in forbearance is declining. And unlike with the housing crisis of 2008, these loans were properly underwritten and should perform better through the current recession."

Mortgage broker Jeff Lazerson makes a similar case in a piece for the Orange County (CA) Register (8/20, 5.48K), stating, "The fee is aimed at lenders but will be passed down to borrowers. For example, on a $500,000 loan, the fee adds $2,500. Or, converting this fee into

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the mortgage rate instead of the one-half point cost would raise your rate by roughly 0.125%."

The Wisconsin Bankers Association (8/17) also said the new fee "passes losses from GSEs to lenders [and] consumers."

Analysis: "Green Lending Is Back," With GSEs Keeping Multifamily Market Hot.

In a GlobeSt. (8/20) piece that is accessible to subscribers, Engineering & Science, Inc. Renewable Energy Project Manager Michael Gross says green lending "is back." The "early response to COVID-19 interrupted the flow of commercial loans, leaving Fannie Mae and Freddie Mac behind on their respective $100 billion lending caps for 2020." Going forward, "The combination of ample funds available at low rates has created a hot multifamily market, particularly for affordable housing projects, which often have a green component. Together, these factors create the perfect environment for borrowers to take advantage of the benefits of green lending programs."

Markets

10-Year Yield Ticks Down.

MarketWatch (8/21, 1.67M) reports the 10-year Treasury yield fell to 0.647 percent.

Dollar Falls.

Reuters (8/21, White) reports, "The dollar was on the defensive against most currencies on Friday after a rise in U.S. jobless claims and a dip in Treasury yields dampened the appeal of holding the greenback." The dollar "stood at $1.1867 per euro on Friday in Asia following a 0.2% decline in the previous session." The greenback "was quoted at 105.72 yen after a 0.3% decline on Thursday." Meanwhile, the dollar index against a basket of currencies "was on course for its ninth consecutive weekly decline."

Gold Rises.

Reuters (IND) (8/21, Patel) reports, "Gold prices rose on Friday after bleak U.S. jobless claims data reinforced fears of a slower recovery from the coronavirus-induced economic crisis, denting the dollar and U.S. Treasury yields." Spot gold "was up 0.2% at $1,947.04 per ounce by 0655 GMT," while US gold futures "rose 0.4% to $1,954.40."

Oil Holds Steady.

Reuters (8/21, Paul) reports, "Oil prices held steady on Friday and were on track for a third consecutive weekly gain, pulled higher by major oil producers' efforts to hold back output amid concerns about the pace of economic recovery from the coronavirus pandemic." Brent crude futures "were up 5 cents, or 0.1%, at $44.95 per barrel by 0633 GMT, heading for a 0.4% rise for the week." US West Texas Intermediate crude futures "were unchanged at $42.82 per barrel, but on track for about a 2% rise for the week."

Cybersecurity

CISA Infrastructure Head Announces Resignation.

Federal Computer Week (8/20, Johnson, 263K) reports Cybersecurity and Infrastructure Security Agency Assistant Director for Infrastructure Protection Brian Harrell "is resigning from his post, the agency confirmed to FCW." Harrell announced his departure "to agency employees today, saying he was returning to the private sector." Deputy Assistant Director Steve Harris will "replace Harrell on an acting basis, the agency said."

Biden Staffers "Quietly Draft" US Cyberdefense Policy.

Politico (8/20, Geller, 4.29M) reports Joe Biden's team is "quietly drafting plans to bolster U.S. defenses against the hacker armies of Russia, China and other adversaries – and drawing support from former cyber officials of both parties." Some "veteran policy hands" who have spoken with Biden's "dozens of cybersecurity advisers say their big hope for a Biden administration is a better organized, more sustained focus on threats like election interference and cybercrime." However, they don't expect a "total uprooting of President Donald Trump's policies, which in the cyber arena have been mostly nonpartisan." Dozens of corporate cyber executives "also took part in a previously unreported Biden campaign fundraiser last month. That's a sign, cybersecurity veterans said, that leading industry figures see Biden as the best choice to confront Russia's election interference, China's 5G ambitions and the inevitable next global malware outbreak."

China Calls Taiwanese Hacking Allegations "Malicious Slander."

Reuters (8/20, Crossley) reports China on Thursday called Taipei's accusations that it has hacked Taiwanese government systems "malicious slander," which Reuters says is "further adding to tensions between Beijing and Taipei." Taiwan has been "urging its people to be alert for what officials call 'omnipresent infiltration' from China, ranging from Beijing-backed media campaigns to cyberattacks, against the island that China considers its territory." Speaking in Beijing, "Chinese Foreign Ministry spokesman Zhao Lijian poured scorn on the allegation." Zhao told reporters, "The criticisms from the Democratic Progressive Party (DPP) authorities are malicious slander, pure and simple," adding, "China is a staunch defender of cybersecurity, and is one of the victims of hacking attacks."

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US Industry Survey Finds Cybersecurity Programs Maturing.

Reuters (8/20, Wallace) reports investment advisers are enhancing "their cybersecurity programs by implementing formal protection plans, taking out insurance and stepping up security assessments, an influential industry survey has found." The results show that a "multi-year trend toward more broadly implemented and robust cybersecurity programs is continuing, the sponsors said." For the first time "in six years, business continuity planning related to COVID-19 surpassed cybersecurity as the hottest compliance topic for 2020, as the pandemic forced investment advisers to follow stay-at-home mandates, which have also created cybersecurity challenges." The 2020 survey was "cosponsored by the trade group Investment Adviser Association, ACA Compliance Group and Brightsphere Investment Group."

TFI/Sanctions

US Demands Reimposition Of Iran Sanctions.

The AP (8/20, Lee, Riechmann, Lederer) reports, "The Trump administration on Thursday formally notified the United Nations of its demand for all U.N. sanctions on Iran to be restored, setting off an immediate confrontation with Russia and other Security Council members, including America's European allies, who called the U.S. move illegal." Secretary of State Pompeo "delivered the notification to the president of the U.N. Security Council, citing significant Iranian violations of the 2015 nuclear deal, a requirement to 'snap back' U.N. sanctions." The Hill (8/20, Kelly, 2.98M) reports Pompeo said, "The United States will never allow the world's largest state sponsor of terrorism to freely buy and sell planes, tanks, missiles and other kinds of conventional weapons."

National Security Advisor O'Brien was asked on Fox News' The Story (8/20) about next steps in the Administration's request for snapback sanctions on Iran after comments from China calling it "a political show" with "no legal ground." O'Brien said, "What's going to happen is the UN sanctions will go back in place. ... There may be party UN member states that don't like what the resolution says, but the resolution gives the US the right to snapback the sanctions and the countries that violate those sanctions will have a price to pay." O'Brien added, "We're taking this very seriously. No one wants to see Iran with advanced fighter jets, with main battle tanks, or with more missiles, that would be a disaster for the region."

Politico (8/20, Karnitschnig, 4.29M) reports, "The American push for sanctions has left Europe, which is intent on keeping the Iran nuclear deal alive and opposes the U.S. move, in an awkward position." According to Politico, "not only does it put the European powers on the Security Council (France, the U.K. and Germany, which currently holds a non-permanent seat) in the same camp as Russia and China, both of which oppose the U.S. position, it also creates the appearance the trio is backing Iran over Washington, Europe's most important ally."

Axios (8/20, Ravid, Lawler, 521K) reports, "France, Germany and the U.K., swiftly issued a statement opposing the U.S. move and questioning its legitimacy. They also restated their commitment to preserving the deal." Pompeo "claimed the Europeans 'sided with the Ayatollahs even though they told the U.S. privately they want to see the arms embargo extended.'" The Wall Street Journal (8/20, McBride, Subscription Publication, 7.57M) reports Pompeo said, "No country but the United States has had the courage and conviction to put forward a resolution."

Reuters (8/20) reports that Russia has "rejected U.S. plans to restore U.N. sanctions on Iran as 'nonexistent,' saying only a country that remains in the 2015 Iran nuclear deal can trigger the return of the sanctions in a process known informally as 'snapback.'" The Washington Times (8/20, Meier, 492K) reports Russian UN Ambassador Vassily Nebenzia, referring to Pompeo, said, "He's not triggering a snapback. Snapback can be triggered by a country that is a participant of the JCPOA, which the US is not."

Reuters (8/20, Nichols, Hafezi) reports, "Iran itself rejected the U.S. move, taken in part because of the impending October expiration of a U.N. arms embargo on Tehran, arguing Washington had no right trigger the re-imposition and asking Security Council members to reject the U.S. action." In a letter to the Security Council, Iranian Foreign Minister Mohammad Javad Zarif said, "The US push to reimpose U.N. sanctions on Iran will have dangerous consequences. Now it is the international community's turn to counter the unlawful push by the United States."

Politico (8/20, Choi, 4.29M) reports, "Israel, however, has been wholly supportive of Pompeo's move." Israeli Ambassador to the UN Gilad Erdan said in a video statement, "Not honoring the biding snapback mechanism ... threatens to undermine the Security Council's effectiveness and its ability to uphold international peace and security. Reimposing the U.N. sanctions on Iran is a critical step to curbing Iranian aggression, which threatens the entire world."

NYTimes Analysis: US, Not Iran, Finding Itself Isolated. In an article titled "Instead Of Isolating Iran, U.S. Finds Itself On The Outside Over Nuclear Deal," the New York Times (8/20, Jakes, Sanger, 18.61M) reports, "A diplomatic standoff over restoring international sanctions against Iran may be the most vivid example yet of how the United States has largely isolated itself from the world order – instead of isolating Tehran, as the Trump administration intended." According to the Times, "the bigger issue is that even if Mr. Pompeo succeeds, he may be reimposing sanctions that no U.S. allies are willing to enforce. And that could not only weaken American authority worldwide, it may also show adversaries how to sidestep the United Nations in future global disputes."

Administration Sanctions Six Syrian Military, Government, Financial Officials.

The AP (8/20) reports that the Administration has "announced new sanctions against six Syrian military, government and financial officials as part of ongoing efforts to prevent money from going to President Bashar Assad's government." The State Department "sanctioned Yasser

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Ibrahim, who is suspected of obstructing a political solution to the Syrian conflict and using his networks across the Middle East and beyond to cut deals to enrich Assad. The Treasury Department took action against the Syrian presidential office and Syrian Ba'ath Party by targeting Luna al-Shibl, Assad's presidential media adviser, and Mohamad Amar Saati, a senior Ba'ath party official." Military officials Fadi Saqr, Ghaith Dalah and Samer Ismail were also sanctioned. Secretary of State Pompeo said, "We will continue pressure against the Assad regime to compel it to end its attacks against the Syrian people."

Reuters (8/20, Psaledakis, Warburton) also reports.

Federal Reserve

Former Fed Staffers Push Senators To Reject Shelton Nomination.

Reuters (8/20, Marte) reports a group of former Fed staffers, "including economists, lawyers and bank presidents, sent a letter to U.S. senators Thursday asking them to reject the nomination of Judy Shelton, one of President Donald Trump's picks for the Federal Reserve Board." The group "said Shelton, who has advocated for a return to the gold standard and questioned the need for the central bank, has 'a decades-long record of writings and statements that call into question her fitness for a spot on the Fed's Board of Governors.'" The letter "was signed by 38 former Fed staffers, including two former Fed bank presidents."

The Hill (8/20, Lane, 2.98M) and Bloomberg (8/20, Condon, 4.73M) also report.

Bullard: Lockdowns No Longer Necessary As Economy Is Bouncing Back.

Newsweek (8/20, Fung, 1.53M) reports St. Louis Fed President James Bullard "said there's no need for lockdowns because the U.S. economy is bouncing back." Bullard "said while lockdowns were 'appropriate at the initial phase' of the coronavirus pandemic, governments now know more, 'about which situations are dangerous and which are not so dangerous, so you can have more granular policy that mitigates risk.'" Bullard said in an interview Thursday, "You don't need to shut down businesses that you don't need to shut down."

Office of the Comptroller of the Currency

States Sue FDIC Over "Madden" Fix.

American Banker (8/20, Pedersen, Subscription Publication, 31K) reports that seven states and the District of Columbia filed suit against the Federal Deposit Insurance Corp. for finalizing a rule in June that is "designed to address legal ambiguity in the secondary loan market, arguing the regulation would allow predatory lenders to skirt state interest rate caps." The FDIC is the "second federal bank regulator to be sued by states" over its response to the Madden v. Midland Funding decision. The Office of the Comptroller of the Currency "was sued over its own 'Madden' fix by a smaller group of states in July." Both the FDIC and OCC "have argued they are well within their statutory authority to issue a rule that affirms valid-when-made for nonbank partnerships."

Law360 (8/20, Subscription Publication, 8K) reports similarly behind a paywall.

Opinion: OCC Letter Moves Crypto Away From The "Wild West."

Writing for the ABA Banking Journal (8/20), Thomas Trepanier, Director of Business Development for Roxe at Apifiny, outlines a roadmap for banks to follow after the Office of the Comptroller of the Currency's decision on crypto. Trepanier says, "The OCC's clarification that U.S. banks can hold a cryptocurrency's unique cryptographic keys clears the way for them to custody their customers' digital assets. In fact, this may turn the tables in banks' favor, as they already have an established presence and loyal customer base, easing their onramp into cryptocurrency." He adds, "The OCC's opinion provides legitimacy and moves crypto further away from the 'Wild West.'"

Meanwhile, the Financial Brand (8/20, Streeter) reports that for most banks, "the world of blockchain and cryptocurrencies likely remains an abstraction." But "that may be changing." Eleven years after Bitcoin launched, the Office of the Comptroller of the Currency "has confirmed that national banks can provide custodial services for crypto assets."

Banks Prevail In First Court Decision Over PPP Fees For Agents.

American Banker (8/20, Subscription Publication, 31K) reports, "Four Southeast banks have prevailed in the first major court decision following a wave of lawsuits filed by accountants, lawyers and consultants who helped small-business owners apply for Paycheck Protection Program loans." The plaintiffs argued they were "entitled to fees from the banks that processed PPP loans. Banks argue that they are not obligated to make those payments unless they reached upfront agreements with people who were acting as the agents of small-business applicants." The article adds, "In an opinion issued Monday, U.S. District Judge T. Kent Wetherell II sided with the lenders. He wrote that banks were not required to make the payments under either the March 2020 law that established the Paycheck Protection Program or a subsequent regulation from the Small Business Administration. Instead, the regulation explains that if the borrower's agent is to be paid a fee, that money must come from the fee that the SBA pays to the bank, the judge found."

Law (8/20, 30K) also reports.

Editorial Wrap-Up

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New York Times.

"Steve Bannon's Art Of The Grift." The New York Times (8/20, 18.61M) finds "a measure of poetic justice in Thursday's news" that former Trump Administration strategist Steve Bannon "was arrested on a yacht on Long Island Sound and charged with defrauding hundreds of thousands of Mr. Trump's supporters." To the Times, "the scheme" behind the charges against Bannon "is also quintessentially Trumpian – a faithful copy of the president's knack for trading on the hopes of disaffected Americans. We Build the Wall, in other words, was basically a Trump tribute band," and "the plan itself was cribbed directly from Mr. Trump."

Washington Post.

"In Today's America, Biden Is A Change Candidate – In The Best Possible Way." The Washington Post (8/20, Board, 14.2M) says in an editorial that while the nomination of "longtime former senator from Delaware and two-term vice president" Joe Biden for president "may hardly seem like a radical choice...given the ethos of our times, his nomination is a bold one. Mr. Biden represents a cooperative, optimistic style of politics that the country has been losing, gradually over the past decades of accelerating polarization – and drastically during the past four years of insults, lies and conspiracy-mongering. ... Coalition-building wins few adherents on Twitter and rarely makes for exciting television. But it gets things done."

"The Scheme Bannon Is Indicted For Boggles The Mind In Its Brazen Cynicism." The Washington Post (8/20, 14.2M) writes that "the grift alleged" against former Trump Administration strategist Steve Bannon "is disgusting, if not surprising," and Bannon's "alleged masterminding of the plot, to the extent there was any mastery involved, is particularly repugnant." The Post adds that "if the indictment is correct, this is a scam within a much, much bigger scam," as "we already know that a candidate for president of the United States orchestrated the same fraud, and continues to orchestrate it, to elevate himself to a high office – from which he can engage in plenty of self-dealing of his own. The only folks who walk away empty-handed? Those donors, and voters, gullible enough to believe that a wall is the answer to anything at all."

"Another Putin Foe Is Felled. The West Must Respond." The Washington Post (8/20, 14.2M) says that news of Russian opposition leader Alexei Navalny's hospitalization was "shocking – but not a surprise." It observes that "poisoning has become a common fate" of enemies of President Vladimir Putin, and "despite the brazenness of these attacks, Mr. Putin has suffered little blowback, other than the expulsion of a few diplomats from Western capitals." The Post argues that "one reason for the impunity is the indifference of President Trump." The editorial urges European governments to "offer assistance – and they should let the Kremlin know that if Mr. Putin's leading opponent was indeed poisoned, there will be, for once, consequences."

Wall Street Journal.

"The Joe Biden We Know." The Wall Street Journal (8/20, Subscription Publication, 7.57M) says in an editorial that it is unclear what kind of president Joe Biden would be, asserting that despite his long career, he has had no defining message. The Journal says Biden was the safest choice for a party eager to defeat President Trump, and is running more as a figurehead than a standardbearer.

"The Oracle Of Trump." The Wall Street Journal (8/20, Subscription Publication, 7.57M) calls President Trump's apparent support on Tuesday of the possibility of Oracle purchasing TikTok impolitic, given that Oracle chairman Larry Ellison has hosted a fundraiser for Trump in the past. Politics should have no role in the sale of TikTok, the Journal asserts.

"Another Putin Critic Falls Ill." The Wall Street Journal (8/20, Subscription Publication, 7.57M) says the fate of Alexei Navalny fits the pattern of Russian opposition leaders being poisoned. The Journal urges the US and Europe to demand an independent investigation into the suspected poisoning and that Navalny be allowed to be seek treatment abroad.

"Iraq's Kadhimi Opportunity." The Wall Street Journal (8/20, Subscription Publication, 7.57M) expresses optimism about the partnership between the US and Iraq. The Journal says US support can help Iraq can subdue Sunni terrorism and militias supported by Iran, which will help maintain a regional balance of power that will prevent future American involvement.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Joe Biden Promises Recovery From Crisis In Speech To DNC
Steve Bannon Charged In Alleged Border-Wall Fundraising Scheme
U.S. Jobless Claims Rose To 1.1 Million In Latest Week
Kodak's $765 Million Moment: How It Happened And How It Went Wrong
Covid Is No Excuse For Grand Jury Duty When You Can Serve From Your Bedroom
Does Robinhood Make It Too Easy To Trade? From Free Stocks To Confetti

New York Times:

Joe Biden Accepts Democratic Nomination: 'I Will Draw on the Best of Us'
Biden Leaves Convention With a Clear Mission: Stop Trump
Biden Leaves Convention With a Clear Mission: Stop Trump
Steve Bannon Is Charged With Fraud in We Build the Wall Campaign

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Aleksei Navalny Hospitalized in Russia in Suspected Poisoning
The Republican Embrace of QAnon Goes Far Beyond Trump

Washington Post:
Postmaster General Plans Mass Changes After Election
Joe Biden Poised To Accept A Presidential Nomination Three Decades In The Making
Bannon Charged In Border-Wall Fraud Case
Curtailed FDA Test Oversight Also Covers Coronavirus
Convention Fires Democratic Hopes In Pa. County That Flipped To Trump
Probe Details Ruthless Rise Of A New Gang In D.C.'s Suburbs

Financial Times:
Putin Opponent Alexei Navalny In A Coma After Suspected Poisoning
US Companies Award Execs Big Bonuses Before Declaring Bankruptcy
Governments Puzzle Over How To Unwind Job Protection Schemes
Steve Bannon Charged With Fraud Over Border Wall Fundraiser

Washington Times:
Biden Pledges To Restore Nation's 'Soul' As President
Sentiments About Trump Drive Voter Enthusiasm This Year
Former Trump Strategist Bannon Accused Of Fraud For Border Wall
Deported Mom's Story Starts With Clinton
Schools Closed For Classes Open For Child Care
Soros Money Helped Lax Prosecutors Get Elected

Story Lineup From Last Night's Network News:
ABC: Steve Bannon; DNC-Biden; Trump-PA Visit; DNC-Biden Speech; California-Wildfires; Coronavirus-Schools; Russia-Opposition Leader Poisoned; Trump-Financial Records; Dr. Fauci-Surgery; Weather Report; Chicago-Plane Bursts Into Flames; JetBlue-Mother & Kids Forced Off Plane; Cincinnati-Broadcaster Makes Homophobic Slur; Brother Uses Message in a Bottle to Ask Brother to be Groomsman.
CBS: Steve Bannon; Trump-Financial Records; DNC-Biden; California-Wildfires; Coronavirus-Schools; Coronavirus-Safely Opening Schools; Michigan-Flint Water Settlement; Russia-Opposition Leader Poisoned; Dr. Fauci-Surgery; Weather Report; NBA-Toronto Raptors President Law Suit; National Zoo-Panda Cam.
NBC: Steve Bannon; DNC-Biden; Dr. Jill Biden Interview; California-Wildfires; Weather Report; Coronavirus-Schools; Russia-Opposition Leader Poisoned; Michigan-Flint Water Settlement; NFL-Washington to Prohibit Fans From Wearing Headdresses; Cincinnati-Broadcaster Makes Homophobic Slur; Indianapolis-Student Accepted to 65 Colleges.

Network TV At A Glance:
Steve Bannon – 11 minutes, 0 seconds
Coronavirus – 9 minutes, 20 seconds
DNC-Biden – 8 minutes, 0 seconds
California-Wildfires – 5 minutes, 45 seconds
Russia-Opposition Leader Poisoned – 4 minutes, 45 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: DNC; DNC-Speakers; SCOTUS-Trump Twitter Account; California-Wildfires.
CBS: DNC; Steve Bannon; California-Wildfires; Coronavirus-Schools; Pompeo-Iran Sanctions; Golden State Killer; Stocks.
FOX: DNC; RNC; Trump-PA Visit; Stocks.
NPR: DNC; Coronavirus-CDC Director; Unemployment; California-Wildfires; Steve Bannon.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Night three of the Democratic National Convention was focused on women. Women fighting for their rights, women pushing for change, and women who don't want to say they told you so, but they told you so."

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Trevor Noah: [On Obama saying that Trump never grew into the job as President] "Wow, President Obama! I think you're being a little harsh

here! The man's only been in office for three years and seven months; give the dude some time to warm up!"

Trevor Noah: "So from Obama to Trump's former cabinet members to Trump's own niece, everyone except Trump's tailor says this guy hasn't grown at all."

Trevor Noah: "There were moments of hopefulness, but the overall feeling was America was on the brink of death, and this was the last chance to save it. It didn't feel like the usual 'things will get better' speech; it felt more like a funeral for democracy. Basically, four years of Trump took Obama from 'yes, we can' to 'let us pray.'"

Trevor Noah: "The first black woman to be the vice-presidential nominee. I thought she gave a good speech. My favorite line was when she said, 'I know a predator when I see one.' ... What I love about that line is it shows you how bad Trump is. She didn't even need to say his name, and we were sitting at home going, 'Mmm-hmm, I know what predator she's talking about.'"

Stephen Colbert: "The Democrats gave it their all this week, and even though COVID forced the convention to be socially distant, I think I might have contracted a case of the hopes. No dry cough, but my face did leak several times."

Stephen Colbert: "We heard from one of the younger Democrats in the party, Andrew Yang. ... [Yang]'s right, America is in a deep dark hole, and Trump's message is 'it puts the lotion on its skin!'"

Stephen Colbert: "The great Julia Louis-Dreyfus officially made the Biden campaign the New Adventures of Old Joe."

Stephen Colbert: "Biden spoke for over ten minutes and addressed all the pain Trump has inflicted upon our country, all the possibilities for healing our nation, but most importantly, not once did he whine about shower pressure."

Stephen Colbert: "Donald Trump couldn't overcome any of the challenges of his presidency because he's never had to overcome anything at all. This is a grown-up version of the college essay that asks you to write about a challenge you faced, and instead of scrambling to put together a story about bouncing back from getting second chair in your high school's a capella group, Joe Biden has a real answer."

Stephen Colbert: "There was a reason the convention hammered this point home, to cast Joe Biden in stark contrast with Donald Trump. This evening, Joe Biden showed himself to be a man who is decent, compassionate, flawed but honest, and that is water in the desert. .... He cares, and he tries his hardest. He's like a lot of people I know and you do, too, which doesn't seem remarkable, but right now it is. And when Trump tweets his all-caps rebuke tomorrow morning, it's just going to show how our President is not presidential, but Joe Biden is."

Jimmy Fallon: "Well, guys, the Democratic Convention is over. After four nights, a message finally popped up that said, 'Your Zoom session has expired.'"

Jimmy Fallon: "But everyone is still talking about President Obama's big speech. He did not hold back. ... Obama might have quit cigarettes, but he's still smoking."

Jimmy Fallon: "It's like Michelle hit Trump with the...clothesline, and then Barack finished him off with an elbow from the top rope."

Jimmy Fallon: "Obama broke an unwritten rule about former US presidents not attacking a current US President. Obama was like, 'Oh, come on, I didn't say anything about Vladimir Putin.'"

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Jimmy Fallon: "That's right, Obama went all out and said, 'Trump hasn't grown because he can't.' Meanwhile, Trump heard that and was like, 'Wrong, I took a pill that makes me grow just fine.'"

Jimmy Fallon: "Obama also accused Trump of not taking the job seriously. At that point, Trump was so mad, he could barely sink his putt into an empty Pringles can."

Jimmy Fallon: "Then Obama accused Trump of turning his presidency into a reality show. Trump was like, 'Wrong again. Now send five people into my office so I can decide who to fire.'"

Jimmy Fallon: "Meanwhile, during Obama's speech, Trump started live tweeting in all caps. By the end of the night, the imprint of Trump's phone was burned into his hand like the bad guy from 'Raiders of the Lost Ark.'"

Jimmy Fallon: "After four days, the Democratic Convention wrapped up tonight. They knew it was time to end the convention when the calamari finally went bad."

Jimmy Fallon: "The theme of the night was 'America's promise,' which I'm pretty sure was taken from the supermarket brand of butter and cheese. ... Also, somehow 'America's promise' sounds like an adult diaper brand started by Mike Pence."

Jimmy Fallon: "Steve Bannon was arrested and placed in the Trump's well wishes section of the prison."

Jimmy Fallon: "That's right, another Trump associate is going to prison. At this point, the White House softball team and the prison softball team have the exact same line-up."

Seth Meyers: "President Trump's former adviser, Steve Bannon, was indicted by federal prosecutors today for allegedly defrauding donors to an online fundraising campaign called 'We Build The Wall.' ... Okay, so now that's Steve Bannon, Paul Manafort, Roger Stone, Rick Gates, George Papadopoulos, Lev Parnas, Igor Fruman. Am I forgetting anyone? It's like every Trump interview ends with, 'Where do I see myself in five years? I guess, you know, prison.'"

Seth Meyers: "White House press secretary Kayleigh McEnany yesterday declined to say whether or not President Trump would accept the results of the November election and added, 'The President has always said he'll see what happens and make a determination in the aftermath.' And personally, I cannot wait to someday have a President whose every decision doesn't have an aftermath."

Seth Meyers: "During her speech at the Democratic National Convention yesterday, Senator Kamala Harris discussed her work as a lawyer and said, quote, 'I know a predator when I see one.' Said Trump, 'Oh, me, too! Cat! Africa, cat, lion! I get four more years!'"

James Corden: "Does everyone remember Steve Bannon? Do you remember him? He was early in the Trump campaign. He looked like the kind of guy who found a scab and would save it for later. Do you know what I mean?"

James Corden: "Steve Bannon is facing charges of defrauding donors in a fundraising scheme, and this morning he got arrested. ... Apparently what it was, he pocketed money from an organization that he started to privately fund the building of the border wall. And it was called 'We Build The Wall.' That was the short name; the full name was 'We Build The Wall, I Build A Swimming Pool In My Backyard.'"

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James Corden: "He has tricked a load of people into thinking he was going to build a wall. There is only two ways that ends. You either go to prison, or you become the President of the United States."

James Corden: "I don't know where I stand on this story. I don't. On the one hand, I'm angry that he defrauded these people. On the other hand, he defrauded people who were donating to build Trump's border wall and therefore depriving immigrants of just seeking out a better life. I don't know what to think. It's a weird sensation; I'm happy about both."

James Corden: "President Barack Obama gave one of his trademark speeches at the convention last night. It felt so strange to listen to a President who doesn't mispronounce every other word. It was a new feeling."

James Corden: "Watching Obama speak in 2020 is like running into your ex and seeing that they are doing so much better without you. They're better-looking. They're more successful. You're like, 'Yep, it's over, I'm going to die alone.'"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks at the 2020 Council for National Policy Meeting
- Vice President Pence — Delivers remarks on 'the Trump Administration's rejection of the failed ideologies advanced by the dangerous dictatorships in Venezuela and Cuba', in Miami

***US Senate*:**

- U.S. Postmaster General DeJoy testifies to Senate Governmental Affairs Committee – Hearing on 'Examining the Finances and Operations of the United States Postal Service During COVID-19 and Upcoming Elections', held via videoconference, with testimony from U.S. Postmaster General Louis DeJoy * DeJoy, who is known to have donated $360,000 to President Donald Trump's reelection campaign this year, has been accused of helping 'the president's campaign to sabotage the election by manipulating the USPS to disenfranchise voters', including by reducing overtime, restricting deliveries, and providing conflicting information on the timeline for mail-in ballots. Last week, he announced a suspension of 'longstanding operational initiatives' until after the election, 'to avoid even the appearance of any impact on election mail', although has still faced criticism for not reversing the actions he has already taken, with House Speaker Nancy Pelosi saying that DeJoy had 'frankly admitted' to her that he had 'no intention of replacing the ... key mail infrastructure that has been removed'; *9:00 AM*
- Senate convenes for pro forma session – Senate convenes for pro forma session * Chamber on recess from 7 Aug – 8 Sep

Location: U.S. Capitol, Washington, DC; 11:15 AM

***US House*:**

- House Rules Committee hearing – Hearing on 'H.R. 8015 – Delivering for America Act', held via Cisco Webex; *11:00 AM*
- House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 31 Jul – 7 Sep

Location: U.S. Capitol, Washington, DC; 12:00 PM

***Cabinet Officers*:**

- Secretary of State Pompeo concludes New York trip to inform the U.N. of restored sanctions on Iran – Secretary of State Mike Pompeo concludes two-day trip to New York, to notify the United Nations Security Council that the U.S. will initiate the process to restore U.N. sanctions on Iran * 30 days after Secretary Pompeo's notification, a range of U.N. sanctions will be restored, including the requirement that Iran suspend all enrichment-related activities. This will also extend the 13-year arms embargo on the country. Last week, the Council voted not to adopt a draft resolution tabled by the U.S. that would have extended the expiring embargo * While in New York, Secretary Pompeo also meets U.N. Secretary-General Antonio Guterres to discuss Iran and 'other issues of shared concern'

Location: New York, NY

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***Visitors*:**

- No visitors scheduled

This Town:

- New America discussion on building anti-racist organizations – New America Better Life Lab holds discussion on how to build anti-racist organizations, with Google Chief Diversity Officer Melonie Parker, Deputy Assistant Secretary of the Army for Equity and Inclusion Anselm Beach, Quartz Senior Reporter Sarah Todd, and Fractured Atlas COO Tim Cynova and Chief External Relations Officer Lauren Ruffin; *1:00 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, AUGUST 4, 2020 6:00 AM EDT

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• Housing Action Illinois Announces Partnership With Freddie Mac For Uniform Counseling Data.
• Freddie Mac: Multifamily Lending Likely To Fall 20% To 40% This Year.
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• MBA: Mortgage Loans In Forbearance Fall For The Seventh Consecutive Week.
• FHFA Using RiskSpan's Edge Cloud Platform To Analyze GSEs' MBS.
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• MBA: Multifamily Originations Exceeded $364B In 2019.
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• Best Western CEO Says That The Industry's Viability Is Dependent On Congress Passing New Coronavirus Relief Legislation.
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Treasury in the News

Mnuchin Says "Little Bit Of Progress" Made On New COVID-19 Relief Bill.

The AP (8/3, Taylor) reports, "Negotiators on a huge coronavirus relief bill reported slight progress after talks resumed Monday afternoon in the Capitol, with issues like food for the poor and aid to schools struggling to reopen safely assuming a higher profile in the talks." Treasury Secretary Steven Mnuchin, "a lead negotiator for President Donald Trump, said afterward that 'we continue to make a little bit of progress' and that the administration is not insistent on a small-bore approach centered on extending the supplemental unemployment benefit and leaving other items for later." Mnuchin said, "We're open to a bigger package if we can reach an agreement."

Reuters (8/3, Lawder) reports House Speaker Nancy Pelosi "will meet again with Treasury Secretary Steven Mnuchin and White House Chief of Staff Mark Meadows on Tuesday, she said after talks on Monday for another round of coronavirus economic aid concluded." Mnuchin "met with Democratic lawmakers, who hold the keys to passing any economic stimulus in the House of Representatives, for most of Monday."

CNBC (8/3, Pramuk, 3.62M) reports on its website that Mnuchin and Meadows met with Pelosi and Senate Minority Leader Chuck Schumer "for more than two hours at the Capitol," and "following the meeting, Pelosi told reporters the discussions were 'productive,'" although she added, "we...still have our differences." Mnuchin and Meadows "went to brief Senate Majority Leader Mitch McConnell, R-Ky., about the talks after the meeting concluded." Mnuchin "told reporters that discussions with Democrats were done for the day."

The Hill (8/3, Bolton, 2.98M) reports that in addition to the expiring enhanced unemployment benefits, Congress "is also brushing up against a looming deadline for small businesses to apply for emergency help under the Paycheck Protection Program," a deadline coming Saturday that "some observers had hoped...would serve to expedite a deal ahead of the weekend." However, Mnuchin "said that deadline is not playing much of a factor in the timing of the talks." Mnuchin is quoted: "That money we want to repurpose for other issues. ... I think most people who have been able to get a loan have already done so. ... We're less focused on that at the moment."

The Washington Post (8/3, A1, Werner, Stein, 14.2M) reports Mnuchin "told reporters that the White House was open to a bigger package than recently envisioned," but Meadows "said both sides were very far apart." Mnuchin "said the administration was open to a comprehensive bill if a deal could be reached," saying President Trump "wants us to get a deal so we can resolve these issues that are very important to the American public."

The Wall Street Journal (8/3, Hughes, Restuccia, Subscription Publication, 7.57M), The New York Times (8/3, A1, Haberman, Cochrane, Tankersley, 18.61M), Politico (8/3, Bresnahan, Levine, 4.29M), USA Today (8/3, Hayes, 10.31M), and Bloomberg (8/3, Mohsin, Jacobs, Wasson, 4.73M), among other outlets, also report.

Over 100 CEOs Urge Mnuchin To Provide More Small Business Aid To Avoid "Catastrophic" Year-End.

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The New York Times (8/3, Karaian, 18.61M) reports, "More than 100 current and former chief executives called for more aid to small

businesses in the United States in a letter sent to Treasury Secretary Steven Mnuchin on Monday." The letter "was organized by the former Starbucks chief Howard Schultz with the support of Senator Michael Bennet, Democrat of Colorado, and Senator Todd Young, Republican of Indiana. It is signed by the likes of Walmart's Doug McMillon, Alphabet's Sundar Pichai and Disney's Bob Chapek." The letter states, "We cannot stress enough the urgent need to act. Every day that passes without a comprehensive recovery program makes recovery more difficult. By Labor Day, we foresee a wave of permanent closures if the right steps are not taken soon. Tens of millions of Americans have already lost their jobs in this pandemic. Allowing small businesses to fail will turn temporary job losses into permanent ones. By year end, the domino effect of lost jobs – as well as the lost services and lost products that small businesses provide – could be catastrophic." The CEOs call for "federally guaranteed loans, at favorable terms, that will enable small businesses to transform and sustain themselves through 2020 and well into 2021."

The Washington Post (8/3, Shaban, 14.2M), Axios (8/3, Rabouin, 521K), and the Financial Times (8/3, Fedor, Sevastopulo, Edgecliffe-Johnson, Subscription Publication, 1.34M) also report.

Mnuchin Backs TikTok Sale To Microsoft.

Politico (8/3, Oprysko, Nylen, 4.29M) reports Treasury Secretary Steven Mnuchin "wants a TikTok sale to Microsoft. But on Monday, Trump's trade adviser Peter Navarro took to CNN to say the potential deal makes him uncomfortable, while President Donald Trump said a portion of any TikTok sale should go to the U.S. Treasury – a move critics likened to a 'public shakedown.'" Mnuchin "is in favor of the deal, according to a person familiar with the acquisition talks who spoke on condition of anonymity because negotiations are ongoing." Trump "said Monday he would force TikTok to close up shop in the United States if the Chinese-owned platform is not sold to U.S. buyers by the middle of next month."

Treasury Aided Kansas Trucking Firm After Senator's Request.

The New York Times (8/3, A1, Rappeport, 18.61M) looks at the federal "rescue" of Kansas trucking company YRC Worldwide after Sen. Jerry Moran (R-KS) asked Treasury Secretary Steven Mnuchin for assistance. YRC "received a bailout from the Treasury Department – a $700 million loan in exchange for a 30 percent stake in the business." The Times says the bailout "raised questions about whether YRC benefited from a web of connections between the company and the White House that allowed it to bypass the Trump administration's own rules for which companies should be eligible for federal help."

Pandemic Relief IG Calls On Treasury To Disclose Trucking Company Loan Documents. Bloomberg (8/4, Mohsin, 4.73M) reports, "The special inspector general for pandemic recovery urged the U.S. Treasury Department to provide more transparency and quick access to documents regarding a loan to a shipping company that has already drawn scrutiny from another watchdog group." IG Brian Miller, in his first report, "said his office had yet to receive documents related to the $700 million loan to YRC Worldwide Inc., the first business to receive funding from $17 billion in coronavirus relief set aside for national security companies." Miller's panel "called on Treasury to provide 'timely and unrestricted access' to the loan documents, calling it 'critical to effective oversight.'"

Rampell: Supplemental Unemployment Assistance Is Not Suppressing Job Growth.

In a column for The Washington Post (8/3, 14.2M), Catherine Rampell writes that Republican officials "have essentially accused...desperate families" suffering financially due to the pandemic "of being lazy welfare queens, choosing to remain on cushy government benefits rather than savor the dignity of work." However, Rampell says "five recent economic studies find no such thing is happening." Treasury Secretary Steven Mnuchin, "in an interview Sunday, cited as evidence a study from University of Chicago researchers that, in Mnuchin's characterization, 'goes through all the people that are overpaid.'" However, Rampell says, "Almost immediately, one of the study's co-authors, Peter Ganong, said no, that is not in fact what their analysis found." Rampell concludes, "Yes, at some point, Mnuchin's fears about work disincentives may materialize, as the economy recovers and job opportunities become more plentiful. We're nowhere near that point now."

Commentary: Mnuchin Narrows Definition Of Public Good By Decrying Enhanced Unemployment Benefits. In an op-ed for The Washington Post (8/3, Glickman, 14.2M), Cornell University American Studies professor Lawrence B. Glickman says Treasury Secretary Steven Mnuchin "doesn't want to extend the $600-a-week extra federal unemployment benefits that the government set up in response to the coronavirus pandemic. 'We are not going to use taxpayer money to pay people more to stay home,' he said earlier this week, as negotiations over the next wave of federal support for the economy continue." Glickman says Mnuchin "framed his position as respectful of taxpayers, critical of 'the idle poor,' and an embrace of frugality. In doing so, he was reverting to an old idea of the besieged taxpayer as funding extravagant and immoral people and projects – a notion that has, since the New Deal, justified redistributing wealth upward and against opposed expanding the American welfare state." Mnuchin's comment "provides evidence that Republicans, after agreeing to two major spending bills at the onset of the pandemic, are returning to their old script as our public health and economic woes are worsening."

Rubin: Media Still Can't Effectively Question Administration Officials.

In a column for The Washington Post (8/3, 14.2M), Jennifer Rubin writes, "As we draw to a close of President Trump's first (and last, we hope) term, the mainstream media's performance in TV interviews has been largely disappointing." Rubin says Treasury Secretary Steven Mnuchin "insisted on Sunday that the $600 per week in supplemental unemployment insurance disincentivized people to look for work. ABC

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News's Martha Raddatz came prepared, but ultimately Mnuchin skated by." Rubin argues Mnuchin's response to Raddatz's questions on the enhanced unemployment benefits "cried out for more pointed questions: Did the Chicago study show an actual disincentive to work? (Hint: No.) Here is a multimillionaire telling us that the head of a family scraping by on, say, $900 a week in state and federal benefits is overpaid. Is someone collecting that amount really making too much money?"

Waldman: Administration Having Trouble Maintaining Consistent Messaging.

In a column for The Washington Post (8/3, 14.2M), Paul Waldman writes that "watching the Trump spin machine whining, clunking and throwing off sparks isn't a bad way to ascertain just how deeply this president is failing, in both practical and political terms." Among his criticism of other Administration officials, Waldman says that in his interview on ABC's "This Week," Treasury Secretary Steven Mnuchin "was more firmly planted in the president's fantasy world, repeating three times that we have to get kids back into school and proclaiming that everything is going to be fine." Mnuchin said, "We couldn't be more pleased with the scientific improvements that we're making on testing, that we're making on the vaccine. And I think when we have a vaccine and life gets back to normal, you're going to see a great economy again next year."

Treasury Expects To Borrow $947B In Q3.

The AP (8/3, Crutsinger) reports the Treasury Department "is projecting government borrowing of $947 billion in the current July-September period, which would be a record for the quarter but down from the all-time high of $2.75 trillion in this year's second quarter." Treasury officials "also announced Monday that the government plans to borrow $1.22 trillion in the October-December period." Those amounts "include $1 trillion in expected borrowing to finance another economic stimulus package, which is tied up in negotiations between Democrats and Republicans." Treasury officials "said the $1 trillion amount, spread over this quarter and the October-December period is essentially a place holder since both sides remain far apart on the issue of how much support is needed for the economy, on top of the more than $3 trillion Congress has already provided."

Bloomberg (8/3, Barrett, 4.73M), Reuters (4/30), and The Wall Street Journal (8/3, Davidson, Subscription Publication, 7.57M) also report.

Leading National News

US Manufacturing Activity At 18-Month High.

Reuters (8/3, Mutikani) reports, "US manufacturing activity accelerated to its highest level in nearly 1-1/2 years in July as orders increased despite a resurgence in new COVID-19 infections, which is raising fears about the sustainability of a budding economic recovery." While "the road to recovery for manufacturing likely remains long and bumpy, with the survey from the Institute for Supply Management (ISM) on Monday also showing hiring at factories remaining subdued for a year now...about 72% of industries reported growth last month." The ISM also "said 'sentiment was generally optimistic' among manufacturers...despite skyrocketing coronavirus cases." The Wall Street Journal (8/3, Fairless, Jeong, Omeokwe, Subscription Publication, 7.57M) reports in the increased manufacturing activity, but cautions that overseas demand remains weak.

Trump Says He Does Not Oppose Microsoft Buying TikTok.

The CBS Evening News (8/3, story 6, 0:20, O'Donnell, 4.37M) reported that on Monday, President Trump "appeared to back off his threat to ban the popular Chinese-owned video app TikTok, as long as an American company were to purchase it by the middle of next month." Trump: "So it will close down on September 15 unless Microsoft or somebody else is able to buy it and work out a deal." Reuters (8/3) reports that Trump "said...he does not mind if Microsoft Corp buys the Chinese-owned short-video app TikTok." But, the Washington Times (8/3, Boyer, 492K) reports that Trump said "he would shut down the popular Chinese-owned video app by Sept. 15 if a sale isn't completed by then."

Politico (8/3, Oprysko, Nylen, 4.29M) says Trump "noted that he believes Microsoft should try to purchase the entire app rather than just its U.S. operations." Trump said, "Who's going to get the name? ... The name is hot, the brand is hot. Who's going to get the name? How do you do that if it's owned by two different companies? My personal opinion was you're probably better off buying the whole thing rather than buying 30% of it."

In a separate story, Reuters (8/3, Shepardson, Mason) reports that Trump "said...the U.S. government should get a 'substantial portion' of the sales price of the U.S. operations of TikTok." Trump said, "I did say that if you buy it, whatever the price is that goes to whoever owns it, because I guess it's China essentially ... I said a very substantial portion of that price is going to have to come into the Treasury of the United States because we're making it possible for this deal to happen." The Washington Post (8/3, Stein, Lerman, 14.2M) says it is "unclear how the president would require TikTok to pay a portion of its sale into the U.S. Treasury, beyond the normal collection of tax revenue by the Internal Revenue Service." The Wall Street Journal (8/3, Leary, Subscription Publication, 7.57M) provides similar coverage of Trump's comments.

The New York Times (8/3, Swanson, Isaac, 18.61M) reports that "several China hawks in the Trump administration, including the White House trade adviser Peter Navarro, argued against the sale, seeing the moment as an opportunity to take more sweeping action to ban

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TikTok and other Chinese-run internet services like Tencent's WeChat." Navarro on Monday "doubled down on that approach, suggesting that Microsoft should be required to divest any business it had in China if it were to buy TikTok." Navarro said on CNN (8/3, 881K), "The issue with Microsoft is this. Microsoft is one of four or five American technology companies...who helped China originally build their great firewall of China which is used to surveil, track, monitor, sensor and imprison the Chinese people. One of the few surviving search engines in China is Bing, and Microsoft owns that. So you know there's some fishy stuff going on there. Plus, if you're in China doing a Skype call, which is another Microsoft product, the CCP is listening in. ... Maybe Microsoft could divest its Chinese holdings?" Navarro also appeared on Fox News (8/3, 27.59M) and the Axios (8/3, Axios, 521K) RE: CAP podcast Monday.

A Washington Post (8/3, 14.2M) editorial says that while "having an experienced U.S. firm control" TikTok "is preferable to shutting it down or accepting the current security risks," Trump "has in essence conducted a shakedown, threatening a shutdown and then providing his blessing to a private business deal once it pleased him." The Post calls this "an affront to free enterprise generally," and "an affront to the American enterprise of preserving an open outlook toward the world – and encouraging other nations to welcome U.S. investors."

NYTimes Analysis: Trump Has Intervened In Companies' Affairs More Than His Predecessors. A New York Times (8/3, Swanson, Shear, 18.61M) analysis says Trump "had the right to sign off on a plan to mitigate any risks TikTok posed. But the events followed a pattern that Mr. Trump set early on in his presidency, in which some of the world's most powerful companies have found themselves at his whims." The Times adds, "Unlike his predecessors, Mr. Trump has frequently waded in to berate or praise executives and try to influence their operations." Previous GOP administrations "disapproved of government intervention in the market," but Trump "has had no qualms about taking a heavier hand, favoring industrial policy and a more managed approach to trade."

US Demand For Chinese Firm To Sell TikTok's US Operations Sparks Concern In China. The Wall Street Journal (8/3, Lin, Yang, Xiao, Subscription Publication, 7.57M) reports in a separate story that the US demand that Bytedance, the Chinese owner of TikTok, sell the app's US operations or be banned is crystallizing concerns in China that the US is seeking to disrupt its technology and raising concerns about what such a sale could mean for other Chinese companies looking to sell around the world amid souring US-China relations.

Federal Judge Blocks DOL Rule Restricting Paid Sick Leave.

Reuters (8/3, Stempel) reports that on Monday, US District Judge Paul Oetken in Manhattan "voided parts of a Trump administration rule that restricted paid sick leave and emergency family leave for potentially millions of workers affected by the coronavirus." Oetken, "ruling in a case brought by New York Attorney General Letitia James...said the Department of Labor overstepped its authority in denying eligibility for benefits to several groups of workers." Oetken "struck down a provision in the rule letting some employers deny paid sick leave if the economic downturn resulted in their having no work available for affected employees."

Kapadia Has Raised More Than $1B In Committed Capital For New Firm.

The Wall Street Journal (8/3, Chung, Subscription Publication, 7.57M) reports that despite the coronavirus pandemic, fund managers are launching large startup funds. Fund manager Gaurav Kapadia has raised more than $1 billion in committed capital for his new firm, XN LP.

Trump Objects To Birx's "Pathetic" Comments After Pelosi Criticized Her.

President Trump took to Twitter on Monday to write, "So Crazy Nancy Pelosi said horrible things about Dr. Deborah Birx, going after her because she was too positive on the very good job we are doing on combatting the China Virus, including Vaccines & Therapeutics. In order to counter Nancy, Deborah took the bait & hit us. Pathetic!"

ABC World News Tonight (8/3, story 4, 2:10, Scott, 7.2M) reported on "Trump blasting Dr. Deborah Birx, calling her 'pathetic' after she warned the pandemic has entered a new phase and the virus is extraordinarily widespread." The CBS Evening News (8/3, story 5, 1:25, Reid, 4.37M) said the President "lashed out for the first time at his COVID task force coordinator...calling her dire warning about the spread of the virus 'pathetic.'"

NBC Nightly News (8/3, story 4, 1:30, Bennett, 6.23M), meanwhile, cast Trump as "taking a swipe at...Birx." The President, added NBC, was "apparently targeting Birx in a tweet for her response to criticism from [Pelosi], who questioned her credibility." Pelosi was shown saying, "I think the President is spreading disinformation about the virus, and she is his – she is his appointee, so I don't have confidence there, no." In response, Birx said, "I have never been called Pollyannish, or nonscientific, or nondata-driven, and I will stake my 40-year career on those fundamental principals of utilizing data to really implement better programs to save more lives." NBC added that "in that same interview, Birx warned the coronavirus pandemic is 'extraordinary widespread' in the US." CNBC (8/3, Breuninger, 3.62M) also reports on its website that Birx "warned...that the US had entered a 'new phase' in its battle against the virus." CNBC reports that Trump's tweet "marks a shift in tone toward Birx...who had reportedly stayed in good standing with the president throughout much of the pandemic."

The Washington Post (8/3, A1, Parker, Dawsey, Abutaleb, 14.2M) reports, "Trump's criticism of Birx was another reminder that, while he demands absolute loyalty, he rarely repays it in kind," as "Birx finds herself isolated with increasingly few allies even as she remains responsible for overseeing the nation's response to a cataclysmic crisis."

Politico (8/3, Cohen, 4.29M) reports that "Trump's public attack on Birx was at odds with recent messaging from his top spokespeople, who fiercely defended Birx days ago following Pelosi's criticism." On Sunday, White House Director of Strategic Communications Alyssa Farah tweeted, "It is deeply irresponsible of Speaker Pelosi to repeatedly try to undermine & create public distrust in Dr Birx, the top public

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health professional on the coronavirus task force." The Hill (8/3, Samuels, Chalfant, 2.98M) also reports Trump's "tweet was even more jarring given White House officials had just spent the weekend praising Birx and defending her in the wake of Pelosi's sniping." The Fox News (8/3, Blitzer, 27.59M) website and USA Today (8/3, King, Wu, 10.31M), among other news outlets, also report the story.

Trump: US Has Tested More People Than Any Other Country.

President Trump said in an interview with Axios on HBO (8/3), "We have tested more people than any other country, than all of Europe put together times two. We have tested more people than anybody ever thought of. India has 1.4 billion people. They've done 11 million tests. We've done 55, it'll be close to 60 million tests. And, you know, there are those that say, you can test too much." Asked who says that, Trump said, "Just read the manuals. Read the books. ... What testing does it shows cases. It shows where there may be cases. Other countries test – you know when they test? They test when somebody's sick. I'm not saying they're right or wrong. Nobody's done it like we've done it. We've gotten absolutely no credit for it."

Trump, Pence Tout Administration's Coronavirus Response.

President Trump said in an interview with Axios on HBO (8/3), "I think we've done an incredible job, between the ventilators and stopping very infected people from China coming in, meaning putting the ban on China, which frankly nobody wanted me to do, practically nobody, because it was very early in January. Then putting the ban on Europe, not an easy thing to do. When you put a ban on Europe, that's a big thing. We would've probably lost hundreds of thousands of lives more had I not done that. And all of the experts, every one of them, not one of them wanted to do it. They thought it was too severe. Three months later, they were all saying, 'I'm glad you did it.'"

The President took to Twitter Monday to write, "With the exception of New York & a few other locations, we've done MUCH better than most other Countries in dealing with the China Virus. Many of these countries are now having a major second wave. The Fake News is working overtime to make the USA (& me) look as bad as possible!"

Vice President Pence said on Fox News' Ingraham Angle (8/3), "I think the American people have seen this President take decisive action from very early in the coronavirus pandemic. Before there was a single case of community transmission, before the end of January, President Trump suspended all travel from China, stood up the White House coronavirus task force and in the first few weeks of February, we actually began the process of developing a vaccine and you just heard a week ago that we are already at a historic pace in phase three clinical trials of the first coronavirus vaccine for this country, could well be available for this fall. In the midst of all of that, we've taken testing from a standing start to nearly 60 million coronavirus tests performed. PPE is in great abundance even across the areas of the country where we've seen rising cases."

Pence: Lives Were Lost In New York Due To "Poor Decisions" By Cuomo. Pence was asked on Fox News' Ingraham Angle (8/3) about criticism by New York Gov. Andrew Cuomo (D) of the Administration's handling of the pandemic. Pence said, "Our hearts grieve for the fact that one in five of all the American lives that have been lost in the coronavirus pandemic were lost in the state of New York and some of that was because of poor decisions by the state and by Gov. Cuomo. But look, I liked it better when he said that President Trump's leadership in the pandemic was, in his words, 'phenomenal.' He said that repeatedly. ... I couldn't be more proud of the support that we rendered to the people of New York and I think the people of New York know that."

White House Implements Random Coronavirus Testing.

Chip Reid reported on the CBS Evening News (8/3, story 7, 0:15, O'Donnell, 4.37M), "Even though the President has downplayed the need for COVID testing nationwide, today the White House announced mandatory random COVID testing for all West Wing staffers. This comes after several White House aides and reporters here have tested positive." The AP (8/3) reports the White House "said the measure was 'part of our ongoing efforts to protect the health and safety' of the White House Complex."

Politico (8/3, Orr, 4.29M) says "it was not immediately clear whether there would be consequences for aides who decline to be tested for the virus or fail to show up when summoned to the White House Medical Unit." According to Politico, "inside the White House, testing has become increasingly widespread amid continued outbreaks in states that began reopening earlier this summer." Politico adds that the White House "currently relies on a portable coronavirus test made by Abbott Laboratories, which produces results in five minutes and can be conducted in-house by medical unit employees." The Hill (8/3, Chalfant, 2.98M) also reports.

WPost Report: State Officials Say Administration Unprepared To Distribute COVID Vaccine.

The Washington Post (8/3, Sun, 14.2M) reports that "with the Trump administration aiming to deliver 300 million doses of vaccine against the coronavirus as early as January, state officials and health experts say they remain in the dark about key details and, therefore, are inadequately prepared for what is expected to be the largest single vaccination campaign ever undertaken." The Post adds, "Getting shots into the arms of millions of Americans is a massive undertaking, they say, requiring extraordinary coordination, planning and communication. But with only six months to the government's target date for approving a vaccine, the administration has shared limited and often confusing information about its plans for distribution." Politico (8/3, Roubein, Owermohle, 4.29M) says the Administration does not have "a plan on how to reach racial and ethnic groups that have not only been devastated by the virus but are often skeptical about government outreach in their communities."

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Fauci Says "Rush" On Vaccine "Does Not Compromise Safety At All." NIAID Director Fauci said on KDFW-TV Dallas (8/3, 95K), "This is a rush that does not compromise safety at all, nor scientific integrity. This is a vaccine, and the reason we have done it so quickly is because of the technical and scientific advances that have allowed us to go from the point of identifying this new virus to being able to put it quickly into Phase 1 trials, which is this first thing that you do for safety. Then you go to the next phase, which is Phase 2, and what started last week on July 27 was what we call a Phase 3 trial, which will involve 30,000 individuals, to determine, in fact, if it works as well as to do additional observation of safety." Fauci was also interviewed on KABC-TV Los Angeles (8/3, 51K), KSNV-TV Las Vegas (8/3, 10K), KTLA-TV Los Angeles (8/3, 57K), and WGN-TV Chicago (8/3, 147K).

NIH's Collins Urges Adherence To Public-Health Recommendations During Vaccine Wait. NIH Director Collins said on KOCO-TV Oklahoma City (8/3, 36K), "The Phase 3 trials are geared to accept about 30,000 volunteers for each of the six or seven vaccines that are going to be tested, starting right now, and you want to have that number of people so that you will be able to say for sure whether it worked and whether it was safe. During this time though, and that is going to spread over the next five or six months, probably until the end of 2020, people should continue to practice all of those public-health measures that we have been hearing about but unfortunately are not all sticking to." Collins was also interviewed on KRIV-TV Houston (8/3, 829K), KSAZ-TV Phoenix (8/3, 50K), WFAA-TV Dallas (8/3, 46K), WKRN-TV Nashville, TN (8/3, 24K), and WXIA-TV Atlanta (8/3, 100K).

Monoclonal Antibodies Could Be "Next Big Advance" In Treatment. Reuters (8/3, Beasley) reports, "As the world awaits a COVID-19 vaccine, the next big advance in battling the pandemic could come from...antibodies designed specifically to attack this new virus." Development of monoclonal antibodies "has been endorsed by leading scientists," with Fauci having "called them 'almost a sure bet' against COVID-19."

Navarro Rejects Giroir And Others On Hydroxychloroquine.

USA Today (8/3, Cummings, 10.31M) reports that on Monday, Director of Trade and Manufacturing Policy Navarro "brushed aside the opinion of the administration's top public health officials as he defended a drug touted as a potential coronavirus cure by President Donald Trump despite a lack of evidence that it is effective." On Sunday, Assistant HHS Secretary for Health Adm. Brett Giroir "told NBC News that it was time to 'move on' from the debate over hydroxychloroquine because controlled studies had not shown it to be effective in treating or preventing COVID-19." Navarro said Monday, "I take exception with Giroir's analysis. He hasn't looked at the data." Navarro added, "My view of this now is that doctors' opinions are a dime a dozen."

Washington Examiner Sees "Disconnect" Between FDA And Some Doctors On Hydroxychloroquine. The Washington Examiner (8/3, Hogberg, 448K) reports that a "disconnect appears to have arisen" between the FDA and some physicians "when it comes to prescribing hydroxychloroquine for COVID-19 patients. The situation garnered extra attention last week when a group of physicians billing themselves as America's Frontline Doctors insisted that the drug could treat COVID-19 in a high-profile press conference in Washington."

In Campaign Email, Trump Urges Supporters To Wear Face Masks.

The Washington Times (8/3, Boyer, 492K) reports President Trump, "who has resisted wearing a face mask in almost all situations, asked supporters in a campaign email Monday to wear them, saying it might help the country 'get back to our American way of life.'" The President wrote, "We are all in this together. And while I know there has been some confusion surrounding the usage of face masks, I think it's something we should all try to do when we are not able to be socially distanced from others."

US COVID Case Count Nears 4.9M, Deaths Near 159K.

All three broadcast networks covered the continued rise in US coronavirus cases, as the case count neared 4.9 million and deaths neared 159,000. Norah O'Donnell said on the CBS Evening News (8/3, story 4, 2:50, 4.37M) that "cases or deaths are rising in at least 28 states," and NIAID Director Fauci "warned [Monday] that the virus may be starting to surge in Ohio, Tennessee, Kentucky, and Indiana." Lester Holt said on NBC Nightly News (8/3, story 3, 2:10, 5.97M), "There is growing concern this evening that the coronavirus will soon sweep across parts of the country not yet hit hard by the disease."

The Washington Post (8/3, Gearan, Wagner, Dupree, 14.2M) reports, "Missouri, Montana and Oklahoma are among those witnessing the largest percentage surge of infections over the past week, while, adjusted for population, the number of new cases in Florida, Mississippi and Alabama still outpaced all other states." The Washington Times (8/3, Howell, 492K) also covers the rise in cases under the headline "Sun Belt Gains Offset By Increase In Coronavirus Cases In Midwest."

The Los Angeles Times (8/3, Nelson, Miller, 4.64M) reports California "hit a grim milestone over the weekend: 500,000 confirmed cases of COVID-19, the most of any state." ABC World News Tonight (8/3, story 3, 3:15, Muir, 7.2M) looked at the situation in Georgia, where "in one school district alone, nearly 300 teachers and staff are out sick, either infected by the virus or exposed to it."

Some People Recovered From COVID Feel More Confident About Resuming Activities.

The Wall Street Journal (8/3, Dizik, Subscription Publication, 7.57M) reports that some people who have recovered from being infected with COVID-19 may reenter the world with greater confidence to resume activities than those who have not had the illness. The Journal attributes this to the belief that they have some immunity, and may not be as likely to get the disease again, or spread it.

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Thirteen St. Louis Cardinals Players And Staff Test Positive.

ABC World News Tonight (8/3, story 10, 0:15, Muir, 7.08M) briefly reported seven players on the St. Louis Cardinals and six team staff members have tested positive, leading to the postponement of a four-game series.

Trump: Protesters Would Have Burned Down Courthouse Without Federal Intervention.

Asked in an interview with Axios on HBO (8/3) about the federal response to protesters in Portland, President Trump said, "For 59 days, these people were anarchists and agitators and some protesters. But these were anarchists. These people were beating the hell out of the city. They were beating up our federal buildings and federal courthouse. We told the police to stop it. And the police wouldn't do it. ... If we didn't have people at our courthouse – and they're strong, tough people and they don't want – they try and be very good. believe me. But if we didn't have people there, you would have your federal courthouse, $600 million building, you would have that thing burned to the ground right now."

Portland Police Chief: Officers Committed To Protecting City. Portland Police Chief Chuck Lovell writes in the New York Times (8/3, 18.61M) that "Portland is a beautiful and vibrant city with smart, progressive people, and I am hopeful we can come together to move beyond the unrest and refocus on critical issues." The Portland Police, he adds, "remains committed to protecting life and responding to events as appropriate. I am proud of our efforts in extreme circumstances few in the country have faced." Lovell adds, "I have confidence in our community and the people who have dedicated their lives to building relationships with police. They have stood up and said no more violence. I stand with them with a servant's heart, committed to being leaders in police reform."

McGurn Credits Trump With Reduction In Violence. Wall Street Journal (8/3, Subscription Publication, 7.57M) columnist William McGurn writes in a piece titled "Trump Wins In Portland" that the reduction in violence in Portland over the weekend is not because – as some have claimed – federal agents left the city. McGurn argues the violence has reduced because state and local police have stepped up under a deal reached with federal officials last week.

House Panel Launches Investigation Into DHS Intel Office.

Reuters (8/3, Chiacu, Hosenball) reports the House Intelligence Committee launched an investigation on Monday into "the Department of Homeland Security's intelligence office, including its actions in Portland, Oregon, and its involvement in other anti-racism protests across the country." In a letter to top DHS officials, Chairman Adam Schiff wrote, "The reporting regarding the monitoring of peaceful protesters, creating and disseminating intelligence reports about journalists and protesters, and potential exploitation of electronic devices is deeply troubling." In his letter, Schiff "requested detailed intelligence reporting documents that informed a recommendation by the then-chief of the DHS intelligence operation on July 25 requesting that DHS reports on anarchist-related Portland protesters refer to them as 'Violent Antifa Anarchists Inspired.'"

Morgenstern: Democrats' Push To Defund Police Will Make Nation Less Safe.

Deputy White House Communications Director Brian Morgenstern said on the John Fredericks Show (8/3), "People want their communities to be peaceful and we're seeing around the country that is not the case and how does Joe Biden and his party respond? It is defund the police. It is take away the force that is going to help people to feel safe and be safe? ... This whole debate over whether redirecting money from the police is the same thing as defunding the police, it sort of makes your brain hurt doesn't it? If you are redirecting your salary out of your pocket, I think you would call that defunding wouldn't you?"

Conway: Cities Seeing Protests Have "Strictest Gun Control Laws In The Country."

White House Counselor Kellyanne Conway was asked on Fox News' Outnumbered Overtime (8/3) about the call by Sen. Tammy Duckworth (D-IL) for President Trump to push for gun control legislation. Conway said, "Some of these cities have the strictest gun control laws in the country, and this is what is happening. ... So, the President has said that he would be happy to send in the feds. The feds have been in some of these cities, and what has happened? Some of these mayors get in a petty, peevish Twitter spat with the President about it. Others just refuse to allow them. What do we have in Portland? We are in the third month of nightly violence. These are peaceful protesters. I think peaceful protesters have every right under the First Amendment. But we, long ago, left that pretense. You can't help but see what all these cities have in common, which is strict gun control laws and Democratic mayors."

NYTimes Analysis: Anti-Gun Youth Absent From Protests. The New York Times (8/3, Russonello, 18.61M) reports that after the mass shooting in 2018 at Marjorie Stoneman Douglas High School in Parkland, Florida, "the massacre's young survivors converted their outrage into political organizing." However, since then "Congress passed no gun legislation," and "now, with the country swept up in a reckoning over racial justice driven largely by young protesters, the youthful voices that propelled a movement just two years ago find themselves less squarely focused on issues around gun violence." Polls, the Times notes, show that racial justice, the coronavirus pandemic and the economic downturn "far outpace guns as top issues of concern for young people."

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Gun Background Checks Rose 79% In July.

The Washington Times (8/3, Sherfinski, 492K) reports gun background checks "surged 79% in July compared to last year amid national

unrest, protests and rioting, according to data released Monday by the FBI." The Bureau "ran more than 3.6 million checks through the National Instant Criminal Background Check System (NICS) last month – a 79% increase compared to July 2019." According to the Times, the 3.6 million figure is also "the third-highest monthly total ever recorded, behind the 3.9 million checks in June and the 3.7 million checks in March."

New York City Shootings Surpass 2019 Total.

The Washington Free Beacon (8/3, Nester, 78K) reports New York City "has already had more shootings this year than in all of 2019, with the city's 777th shooting this weekend." Last year's total of 776 shootings "was eclipsed Saturday night as a wave of gun violence continues to hit New York City. By Sunday night, the city's total shooting incidents for the year rose to 784."

NYPD Commissioner Blasts De Blasio's Law Enforcement Policies. The New York Times (8/3, A1, Fitzsimmons, 18.61M) reports the "criticism of Mayor Bill de Blasio's law enforcement policies was stinging. A law banning the use of chokeholds and similar types of restraints by police officers was 'insane.' Agreeing to cut the Police Department budget was a 'bow to mob rule.' Those who failed to 'stand up for what's right' were 'cowards.'" The "outspoken critic," however, was de Blasio's own police commissioner, Dermot F. Shea, "a trusted ally who went rogue in media interviews and in a private address to police brass." To the Times, "the commissioner's comments – and the fact that he still has his job – speak to the fraught relationship that Mr. de Blasio has maintained with the Police Department throughout his tenure."

Minneapolis Mayor: Governor Was Slow To Deploy National Guard During Riots.

The Minneapolis Star Tribune (8/3, Bjorhus, Navratil, 1.04M) reports that "Jacob Frey has been cast as the mayor who lost control of his city, enduring criticism from the state's governor that the Minneapolis response to rioting in May over the police killing of George Floyd was an 'abject failure.' Now Frey is speaking out," saying Gov. Tim Walz (D) "failed to take his requests for help seriously until it was too late." In an interview Monday, Frey "said that Walz hesitated to send in the National Guard to quell the growing violence, and then blamed him for allowing the city to burn." Said Frey, "Through an extremely difficult situation, I told the truth. I relayed information as best I could to state partners. And we did what was demanded for the sake of our city."

Leaked Body Camera Video Shows Floyd Arrest.

NBC Nightly News (8/3, story 7, 2:05, Holt, 6.23M) reported, "More than two months after the death of George Floyd, tonight the clearest picture yet of what led up to the deadly confrontation from police body cam videos that have been leaked." NBC's Gabe Gutierrez added, "Seconds after rookie Minneapolis police officer Thomas Lane approaches George Floyd's vehicle, he's already drawn his gun. These body camera videos were viewed in person by NBC News last month, but had not been distributed publicly. DailyMail.com says it obtained a leaked copy, apparently recorded off of a computer screen." For the first time, the videos "show how a call about an alleged fake $20 bill on Memorial Day escalated into a deadly encounter that would ignite global outrage."

On the CBS Evening News (8/3, story 8, 2:05, O'Donnell, 4.37M), Jeff Pegues reported, "For the first time, two leaked body camera videos show the encounter with George Floyd from the officer's perspective. In one, officer Thomas Lane confronts Floyd, trying to get him out of an SUV, a gun aimed in his direction. Later in the footage, Floyd drops to the ground as officers lead him toward a squad car." George Floyd: "I'm claustrophobic, man. Please, man." Pegues: "The other video...appears to come from body cam worn by rookie officer Alexander Keung. It shows Floyd resisting officers trying to place him in the squad car. You hear him pleading." Floyd: "God, I'm claustrophobic, man. Can I get in the front?" Pegues: "There is now an investigation into the leak of that body camera video."

Armed Secret Service Confronts Two Black Mothers, Children On National Mall.

The Washington Post (8/3, Mettler, 14.2M) reports that during a visit to the National Mall with "their babies," India Johnson, 26, and Yasmeen Winston, 25, parked on Constitution Avenue near the White House. After returning to their car, a "Secret Service cruiser had driven into their front left bumper, Winston told The Washington Post. Within seconds, Winston recalled, a uniformed Secret Service officer was pointing a rifle at them, yelling 'Get out!' and 'Put your hands in the air!' More officers surrounded them with guns pulled, the women said." Over the next hour, "Winston and Johnson said, they were handcuffed without reason, separated from their crying babies, and handled by police who, at first, did not wear masks to protect against" the coronavirus. In a statement to The Post, the Secret Service said it is "looking into the matter" and "has no further comment at this time."

Police Officers In Colorado Mistakenly Detain Black Family.

ABC World News Tonight (8/3, story 8, 1:30, Muir, 7.08M) reported on "new allegations against the Aurora, Colorado Police Department. Officers now accused of confronting a Black family, mistakenly believing they were in a stolen vehicle. Children forced to the ground." ABC's Clayton Sandell added, "Tonight, confusion and questions about why police in Aurora, Colorado, responding to reports of a stolen vehicle, approached a Black family in their car, handcuffing several children on the pavement. Police say a license plate scanner alerted them that Brittany Gilliam's car was stolen. ... But the department now says Gilliam's license plate had the same number as the real stolen vehicle, but that was a motorcycle from another state." The department is "already under fire for several high profile cases."

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"Back The Blue" Mural Painted Outside Tampa Police Headquarters.

WTVT-TV Tampa, FL (8/3, Holton, 51K) reports that a "Back the Blue" street mural painted over the weekend outside the Tampa Police Department's headquarters "is drawing praise and criticism." Organizers say they "want to show their support for law enforcement," but "critics say the mural flies in the face of the Black Lives Matter movement."

WPost Calls For Congress To Mandate US Park Police Wear Body Cameras.

The Washington Post (8/3, 14.2M) editorializes that "given its execrable recent record, you'd think the Park Police would be doing everything in its power to regain the public's trust and confidence." The Post argues that "body-worn cameras, standard equipment at many major police departments across the country, would be a useful first step to signal that the Park Police is determined to make itself accountable for its actions. A bill to mandate their use for all federal police officers is included in a legislative police package introduced in the House of Representatives. Its passage would be a tonic – whether or not the Park Police thinks it is 'in a position' to comply."

Manhattan DA May Be Probing Trump Actions Apart From Alleged "Hush Money" Payments.

The AP (8/3, Neumeister) reports that Manhattan District Attorney District Attorney Cyrus Vance, who is "trying to get President Donald Trump's tax returns, told a judge Monday that he was justified in demanding them, citing public reports of 'extensive and protracted criminal conduct at the Trump Organization.'" Trump's lawyers have "said the grand jury subpoena for the tax returns was issued in bad faith and amounted to harassment of the president." Vance "has disclosed little about what prompted him to request the records, other than part of the investigation relates to payoffs to women to keep them quiet about alleged affairs with Trump."

CNBC (8/3, Mangan, 3.62M) reports on its website that Monday's arguments suggest that Vance "could be investigating" the President and the Trump Organization "for possible insurance and bank fraud." However, CNBC adds, "the filing Monday by Vance's office in U.S. District Court in Manhattan did not explicitly say what it is probing beyond the hush money payment." CNBC reports that the President's former attorney, Michael Cohen, "testified to Congress last year that Trump had both inflated and deflated the value of real estate assets for tax and insurance purposes."

The Washington Post (8/3, Jacobs, 14.2M) says, "Monday's filing suggests the district attorney...may be looking at 'alleged insurance and bank fraud,' as cited in past reports by The Washington Post and other news organizations. Such 'publicly available information itself establishes a satisfactory predicate for the subpoena,' it says." Carey Dunne, general counsel in Vance's office, is quoted as arguing, "Every day that goes by is another day [Trump] effectively achieves the 'temporary absolute immunity' that was rejected by this Court, the Court of Appeals, and the Supreme Court."

The New York Times (8/3, Rashbaum, Weiser, 18.61M) says, "The suggestion that the investigation, which has gone on for nearly two years, was broader than Mr. Vance's office had previously acknowledged could raise the stakes for Mr. Trump, his company and its executives, if the inquiry were ever to lead to charges of bank or insurance fraud, which are felonies." The Times adds "the inquiry into the hush-money payments seemed to center on a less serious crime, the filing of false business records."

Axios (8/3, Allassan, 521K) points out "the revelation comes less than a month after the Supreme Court paved the way for District Attorney Cy Vance's subpoena, ruling that presidents cannot be immune from investigation." The New York Post (8/3, Rosenberg, 4.57M) reports that "Trump had initially argued that a president can't be subjected to state criminal probes while in the White House," and that "the Supreme Court rejected that argument but ruled that Trump could challenge the subpoena on separate grounds, which his lawyers did last month." USA Today (8/3, Johnson, 10.31M) indicates that Jay Sekulow, Trump's attorney, "argued that allowing the Manhattan prosecutor to obtain the president's financial records would empower some 2,300 local district attorneys in the country, most of whom were elected, to target sitting presidents for political purposes." The Washington Examiner (8/3, Leonardi, 448K), the Washington Times (8/3, Mordock, 492K), The Hill (8/3, Neidig, 2.98M), Politico (8/3, Gerstein, 4.29M), Reuters (8/3, Freifeld), and Bloomberg (8/3, Van Voris, 4.73M), among other news outlets, also cover Monday's court filings.

Trump: Effort "Just The Continuation Of The Witch Hunt." The Washington Examiner (8/3, Leonardi, 448K) reports that addressing reporters Monday, Trump said, "This is just a continuation of the witch hunt. It's Democrat stuff. They failed with Mueller. They failed with everything. They failed with Congress. They failed at every stage of the game. This has been going on for three-and-a-half, four years, even before I got in, this was starting with the Mueller deal."

Judge Rules Schiff's Impeachment Subpoenas Can Remain Concealed.

The Washington Examiner (8/3, Dunleavy, 448K) reports that Chief Judge Beryl Howell of US District Court of the District of Columbia has "ruled the still-secret subpoenas issued for a host of call records" made public by House Intelligence Chairman Adam Schiff during last year's impeachment investigation of President Trump "can remain concealed from the public." Judicial Watch sued Schiff and his committee in December "seeking access to 'the controversial subpoenas issued for phone records,' including those of Trump lawyer Rudy Giuliani." However, Howell ruled the watchdog group "has no right to demand disclosure of the requested subpoenas and responses thereto issued by HPSIC in connection with the impeachment inquiry of the President, and the Speech or Debate Clause of the Constitution provides immunity from suit to defendants." Judicial Watch "is considering an appeal."

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DOJ Defends Its Use Of FISA.

The Washington Examiner (8/3, Dunleavy, 448K) reports that the Justice Department "defended" its use of FISA, "arguing its deep-dive review of 29 FISA applications should increase trust in the process while suggesting the surveillance of Carter Page was uniquely problematic." Assistant Attorney General for National Security John Demers said Monday, "We are pleased that our review of these applications concluded that all contained sufficient basis for probable cause and uncovered only two material errors, neither of which invalidated the authorizations granted by the FISA Court. ... These findings, together with the more than 40 corrective actions undertaken by the Federal Bureau of Investigation and the National Security Division, should instill confidence in the FBI's use of FISA authorities."

Hemingway: Media Is Silent As Steele Shown Not To Be Master Spy.

Mollie Hemingway writes for The Federalist (8/3, 126K) that the media repeatedly "assured Americans that the dossier alleging treasonous collusion between Donald Trump and Russia was based on the scrupulous work of a mastermind British ex-spy," Christopher Steele, "and his vast network of credible and well-connected sources spread throughout Europe. It wasn't true." Hemingway argues that the media "have a problem, then, given that they repeatedly led viewers and readers to believe Steele was a master spy. ... As the sophisticated fabrication continues to unravel, the media that won Pulitzers and acclaim for hyping it are strikingly silent."

White House Press Secretary Kayleigh McEnany said on Fox News' Hannity (8/3, 535K), "Instead of retracting those stories, they won Pulitzers of those stories of the Washington Post and the New York Times for lying about the witch hunt against the President of the United States. They were dead wrong but they don't apologize. They don't give back the Pulitzers as they should."

Trump Signs Another Executive Order Restricting H1B Visas.

The Daily Caller (8/3, Datoc, 716K) reports President Trump signed an executive order Monday that "seeks to prioritize federal agencies hiring US citizens and green card holders over foreign workers for high-skilled contract work." The Hiring American order "limits federal agencies' abilities to hire temporary foreign workers for high-skilled contract work and specifically prevents agencies from firing and replacing citizens and permanent residents with temporary workers in IT contract positions."

Breitbart (8/3, Munro, 673K) quotes Trump as saying at the White House signing event, "We believe jobs must be offered to American workers first." Reagan McCarthy writes for Townhall (8/3, 177K) that the order "mirrors President Trump's commitment to putting American workers first, especially given the economic downturn caused by COVID-19 that is felt by Americans in all job sectors."

Trump Signs Executive Order Aimed At Boosting Rural Healthcare.

Politico (8/3, Diamond, Cancryn, Roubein, 4.29M) reports President Trump signed an executive order Monday "aimed at boosting struggling health care providers in rural areas." Under the executive order, Medicare "will leverage its authority to test new pilot projects that offer financial incentives for rural providers who deliver higher-quality care to patients. Administration officials believe its new financial model will help keep rural hospitals open, after about 130 have closed in the past decade." The program, however, "will be optional, according to three sources, who said the new Medicare payment model would be released as soon as this week." According to the executive order, the project will be announced "within 30 days."

Trump Again Says He Wishes Ghislaine Maxwell Well.

President Trump was asked in an interview with Axios on HBO (8/3) why he said he wishes Ghislaine Maxwell – who faces charges of enticement of minors and sex trafficking of children – well. Trump said, "Her friend or boyfriend was either killed or committed suicide in jail. She's now in jail. Yeah, I wish her well. I'd wish you well. I'd wish a lot of people well. Good luck. Let them prove somebody was guilty.... And I do wish her well. I'm not looking for anything bad for her. I'm not looking bad for anybody."

Isaias Regains Hurricane Strength As It Makes Landfall In North Carolina.

All three network news broadcasts Monday evening led with Isaias, which made landfall around 11:10 p.m. Eastern time near Ocean Isle Beach, North Carolina, according to the National Hurricane Center. NBC Nightly News (8/3, lead story, 2:05, Holt, 6.23M) opened its broadcast, "As we come on the air, more than 100 million Americans are staring down a fast moving tropical storm. Isaias on the verge of becoming a hurricane as it tracks toward the Carolinas. But the entire East Coast northward is at risk from flooding and power outages from 70 miles per hour winds."

The CBS Evening News (8/3, lead story, 3:20, O'Donnell, 4.24M) reported, "The storm is expected to make landfall around Myrtle Beach in a few hours as a Category 1 hurricane before ripping up the East Coast [Tuesday], bringing with it as much as six inches of rain, flooding, power outages, and damaging winds. ... If that isn't enough, the storm is slamming into some of the areas in the south that are hardest hit by coronavirus. North Carolina has already shut down some testing centers, and the governor is warning those who need to leave the coast to avoid staying in shelters to prevent the spread of the virus."

ABC World News Tonight (8/3, lead story, 2:35, Muir, 7.08M) reported Isaias "could stay at or near tropical storm strength all the way to New England. ... The storm surge is expected to be three to five feet and this storm will hit at just about the same time as high tide. It is also a full moon tonight, so, that means a higher than normal tide and the potential for significant flash flooding."

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Fauci Says Most Schools Should Reopen, But Not In Some Hot Spots.

The AP (8/3) reports that on Monday, NIAID Director Fauci "warned against reopening schools in coronavirus hot spots," and "said while the nation's 'default principle' should be that children return to school, 'to say that every child has to go back to school is not really realizing the fact that we have such a diversity of viral activity.'" Fauci "said there may be some areas where the level of virus is so high that it would not be prudent to bring children back to school."

Fauci said on KDFW-TV Dallas (8/3, 95K), "What we need to do is to be careful, cautious, depending upon what the level of infection is in your community. I think the default position is that we should try as best as possible to get the schools open because we know that it has deleterious effects on the children when you don't have them in school and the secondary downstream unintended ripple effects on families. But having said that, there is a big however there: however, primary among everything, is the safety and the health and welfare of the children as well as of the teachers." Fauci was also interviewed on KTLA-TV Los Angeles (8/3, 57K), KABC-TV Los Angeles (8/3, 51K), KSNV-TV Las Vegas (8/3, 10K) and WGN-TV Chicago (8/3, 147K).

NIH Director Collins said on KOCO-TV Oklahoma City (8/3, 36K), "I recognize, and we all do, that school is really important for kids, both the educational opportunities, the opportunities to socialize with your peers. ... At the same time, you don't want to do that in a fashion that is putting people at undue risk. I think the answer really has to be a local one. if you are in a part of the country where there is very little virus spreading, it might make sense to open up carefully of course, and keep a close track on what is happening. But if you are in the middle of a place where the virus is spreading actively, and you have all kinds of ways of showing that is the case, to open schools without considering the risk does not seem like a smart thing to do, especially when you consider with the risks are to teachers." Collins was also interviewed on KRIV-TV Houston (8/3, 829K), KSAZ-TV Phoenix (8/3, 50K), WFAA-TV Dallas (8/3, 46K), WXIA-TV Atlanta (8/3, 100K), and WKRN-TV Nashville, TN (8/3, 24K).

HUD Secretary Carson said on Fox News' Bill Hemmer Reports (8/3), "We have learned a lot about this virus, obviously. We need to use real science, not science fiction. That means those people who are vulnerable, who are elderly or who have comorbidities, obviously we can use them in a remote setting. But the vast majority of schoolteachers are young and vigorous people and should be able to handle this quite well. You have to realize the data shows us 99+% of the people who die from coronavirus are those who are elderly and have comorbidities. So, why should we allow that to rule us when we know that it's detrimental to keep kids out of school? The socialization process is a very important part of education and that a good education is the most important tool when it comes to being a self-sufficient adult."

Hogan Blocks Local Officials From Ordering Private Schools To Close. The Washington Post (8/3, Cox, 14.2M) reports that on Monday, Maryland Gov. Larry Hogan (R) "curtailed the authority of local health officials to issue a blanket order to keep schools closed, undoing Montgomery County's decision to require all private schools to teach students online-only as they reopen this fall." Hogan "sharply rebuked Maryland's most populous jurisdiction for barring in-person instruction at parochial and private schools, saying local officials overstepped his interest in giving leeway to local leaders." Hogan's executive order "makes clear school systems and private schools have sole authority to determine when and how to safely reopen; local health officials may shut down schools only on a case-by-case basis for health reasons."

USA Today (8/3, Santucci, 10.31M) notes that Barron Trump's private school "is located in the Maryland county where nonpublic schools were mandated to remain closed to in-person instruction."

Teachers In Dozens Of Districts Protest Reopening Schools. The Washington Times (8/3, Richardson, 492K) reports that with the start of the school year "just a few weeks away, teachers' unions in many communities are setting up a major test for President Trump as he pushes for schools to reopen, holding anti-reopening rallies and warning that school districts that opt for in-person learning could be hit by 'safety strikes.'" Demand Safe Schools, "a coalition of a dozen urban teachers' unions and the Democratic Socialists of America, offered Monday a taste of things to come by holding multiple events across the nation in opposition to local reopening plans as part of a National Day of Resistance."

Reuters (8/3, O'Brien) reports teachers and staff at "more than 35 school districts across the United States on Monday staged protests over plans to resume in-class instruction." The protesters are demanding schools delay reopening "until scientific data supports such a move." They are also calling for districts" to wait until safety protocols such as lower class sizes and virus testing are established, and schools are staffed with an adequate number of counselors and nurses, according to a website set up for the demonstrations."

A Wall Street Journal (8/3, Subscription Publication, 7.57M) editorial criticizes the American Federation of Teachers for supporting the strikes. The Journal also argues that teachers unions should not call for the closure of private schools in districts that are remote-only. Instead, the Journal says parents should be given their taxpayer dollars to decide where and how to educate their children.

NYTimes Analysis: Guidelines On School Closures Due To Coronavirus Vague. The New York Times (8/3, Mervosh, Hubler, 18.61M) reports that "with the first schools open barely a week, one question is quickly arising: How many positive cases should it take to close down again?" According to the Times, it is a question "to which education leaders have received vague, sometimes conflicting answers from state and local officials, with widely varying standards in different parts of the country." Federal recommendations "leave the decisions largely up to schools," but "the uncertainty means that superintendents and other administrators are being asked to make decisions for which they are often ill-equipped, said Noelle Ellerson Ng, an associate executive director at AASA, the School Superintendents Association."

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Congress Demands Universities Provide Records Of Foreign Donations.

The New York Post (8/3, Bowden, 4.57M) reports Congress wrote to "the nation's top universities on Monday demanding they hand over all records of donations they have accepted from foreign governments and rogue regimes, citing concerns that the multimillion-dollar gifts are a growing national security threat." The letters "obtained by The Post were sent to the presidents of six of the country's leading colleges – including Harvard, NYU and Yale – after a Department of Education investigation this year found American universities had accepted $6.4 billion of hidden foreign donations." The schools – which also include the University of Chicago, the University of Delaware, and the University of Pennsylvania – "now have one week to produce all unredacted records of gifts, contracts and agreements with foreign governments since January 2015."

Trump Replaces TVA Chair Over Hiring Of Foreign Workers.

The AP (8/3, Miller) reports that on Monday, President Trump "said...that he had fired the chair of the Tennessee Valley Authority, criticizing the federal-owned corporation for hiring foreign workers." Trump "told reporters at the White House that he was formally removing chair Skip Thompson and another member of the board, and he threatened to remove other board members if they continued to hire foreign labor." The AP adds that Trump "also said the TVA board must immediately hire a new chief executive officer who 'puts the interests of Americans first.' According to Trump, the CEO, Jeff Lyash, earns $8 million a year." Trump is quoted as saying, "The new CEO must be paid no more than $500,000 a year. ... Let this serve as a warning to any federally appointed board: If you betray American workers, you will hear two words: 'You're fired.'"

The New York Times (8/3, Shear, 18.61M) recounts that "after reading from a note handed to him by an aide, the president said that Mr. Lyash had called the White House and had 'indicated a very strong willingness to reverse course.'" The Times adds that "attendees at the meeting, including about a dozen employees of the Tennessee Valley Authority, clapped enthusiastically as Mr. Trump added, 'Now maybe he'll take a major cut in salary.'"

The Washington Examiner (8/3, Smith, 448K) quotes Trump as also saying, "If the TVA does not move swiftly to reverse their decision to rehire their workers, then more board members will be removed. ... We have the absolute right to remove board members." The Examiner adds that "in response to Trump's remarks, TVA said it supported an executive order Trump signed on Monday requiring federal agencies to prioritize US workers in federal contracts." The order "specifically criticized TVA for saying it would outsource 20% of its technology jobs, which the order said could cause more than 200 U.S. workers to lose their jobs and cost the local economy tens of millions of dollars."

The New York Post (8/3, Nelson, 4.57M) recounts Trump "made his first public remarks about the TVA in April at a White House press conference, responding to The Post's reporting that some members of his administration wanted to slash Lyash's pay in potential infrastructure legislation during the economic recovery from the coronavirus pandemic." Trump "told The Post at the news conference that he would support 'reducing it by a lot.' Reining in executive pay is also supported by some Democrats."

Reuters (8/3, Mason, Schroeder, Shalal) reports "Trump has sparred with the TVA in the past over its efforts to close coal-fired power plants and previously proposed selling parts of the government-owned entity to the private sector."

Aides Say Trump Is Pleased With Wolf's Performance At DHS.

The Washington Post (8/3, Miroff, Dawsey, 14.2M) reports that President Trump "is happy with a DHS chief, according to White House aides." While Acting Secretary Wolf's "predecessors sometimes pushed back at his attempts to break rules and bend norms to fit his desired policies, Trump now has a DHS chief giving him the answers he wants." The Post says Wolf "wasn't Trump's first choice for the job, and he was viewed at the time as an option of last resort – more of caretaker than a Cabinet secretary." However, "during the past several weeks, amid his standoff with protesters in Portland," Wolf has won "the president's favor, wielding the considerable might of DHS and sending its most highly trained agents to face off against demonstrators targeting a federal courthouse downtown."

Departing USAID Official Slams "Rampant Anti-Christian Sentiment" At Agency.

The Washington Examiner (8/3, Rowan, 448K) reports, "A Trump administration appointee on Monday alleged that there is 'rampant anti-Christian sentiment' at the United States Agency for International Development." Merritt Corrigan, "who serves as the deputy White House liaison to the agency, which is responsible for federal foreign aid, wrote on Twitter that she plans to 'expose' the bias in a Thursday press conference." Corrigan also "accused New Jersey Sen. Bob Menendez and New York Rep. Eliot Engel of engaging in a 'corrupt campaign' to remove her from USAID," and criticized Sens. Cory Booker (D-NJ) and Tim Kaine (D-VA) "for calling for her ouster."

The New York Times (8/3, Verma, 18.61M) also recounts "Corrigan said on Twitter on Monday that she had been targeted by Democrats on Capitol Hill and the news media because of her Christian faith." Corrigan also tweeted, "For too long, I've remained silent as the media has attacked me for my Christian beliefs, which are shared by the majority of Americans Let me clear: Gay marriage isn't marriage Men aren't women US-funded Tunisian LGBT soap operas aren't America First. ... @RepEliotEngel can hide behind his mask as he attacks me for my Christian beliefs, but he can't hide from his own well-documented tragic use of prostitutes. ... It is shameful that @HouseForeign spends taxpayer dollars viciously attacking me for expressing mainstream conservative opinions. I will never apologize for being Christian and demand a chance to respond."

The Washington Post (8/3, Morello, 14.2M) quotes USAID acting spokesperson Pooja Jhunjhunwala as saying, "USAID takes any claim of discrimination seriously, and we will investigate any complaints of anti-Christian bias Ms. Corrigan has raised during her tenure at the Agency."

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To Politico (8/3, Lippman, 4.29M), Corrigan "is leaving the agency after a short and tumultuous tenure marred by calls for her removal over controversial comments she had made on LGBT rights, according to two USAID officials and another person familiar with the matter." Her tweets Monday were "unusual even for an administration that has been marked by constant personnel shakeups and palace intrigue." Politico adds "a Trump administration official said USAID's acting administrator, John Barsa, fired Corrigan on Monday after she began posting her tweets."

The New York Post (8/3, Nelson, 4.57M) reports the President "rarely mentions gay rights, but posed with a rainbow flag as a candidate in 2016 and nominated gay judges as president. This year, Trump hailed [Richard] Grenell, then acting intelligence chief, as the 'first openly gay cabinet secretary' and told fellow officials at a meeting 'it's a big deal.'" Moreover, "White House adviser Kellyanne Conway said last year that Trump was 'the first president to start as president approving of gay marriage" and last year Trump celebrated LGBT pride month with a tweet that condemned "dozens of countries worldwide that punish, imprison, or even execute individuals on the basis of their sexual orientation.'"

House Panel Subpoenas Pompeo Aides Over IG's Firing.

The AP (8/3, Jalonick) reports that on Monday, House Democrats "subpoenaed four top aides to Secretary of State Mike Pompeo, saying that the Trump administration is stonewalling their investigation into the firing of the State Department's top independent watchdog earlier this year." Former State Department Inspector General Steve Linick "appeared for a closed-door interview in the probe in June and told investigators that top department officials tried to bully him and dissuade his office from conducting a review of a multibillion-dollar arms sale to Saudi Arabia before he was fired." According to the AP, Linick "also said he was looking into previously reported allegations that...Pompeo and his wife may have misused government staff to run personal errands and several other matters."

Politico (8/3, Cheney, 4.29M) reports that House Foreign Affairs Chairman Eliot Engel "issued the subpoenas Monday to Brian Bulatao, the undersecretary of State for management and a longtime Pompeo associate, as well as Deputy Assistant Secretary of State Mike Miller, former Deputy Assistant Secretary of State Marik String and senior adviser Toni Porter. 'The Administration continues to cover up the real reasons for Mr. Linick's firing by stonewalling the Committees' investigation and refusing to engage in good faith,'" Engel, House Oversight Chairwoman Carolyn Maloney, and Senate Foreign Affairs Committee ranking member Sen. Bob Menendez (D-NJ) "said in a joint statement. 'That stonewalling has made today's subpoenas necessary.'" Reuters (8/3, Zengerle) reports that "the three panels are looking into the May 15 firing of Linick, one of a series of federal government watchdogs fired by Trump." Reuters (8/3, Zengerle) and the Washington Free Beacon (8/3, Beyrer, 78K), among other news outlets, also report the story.

Democrats Object To Tata's Pentagon Appointment.

The AP (8/3, Baldor) reports Democrats are "condemning" President Trump's appointment of retired Brig. Gen. Anthony Tata "to a senior Pentagon job after it became clear that getting the retired general confirmed to a higher post would be difficult if not impossible." Trump appointed Tata "to a job performing the duties of the deputy undersecretary for defense policy" after a Senate panel "canceled a hearing on Tata's nomination to become defense undersecretary for policy, the third-highest civilian post at the Pentagon." Sen. Jack Reed (D-RI), the ranking member on the Senate Armed Services Committee, "said Tata was on the verge of being rejected by the panel, and 'until the issues raised by senators of both parties can be resolved, Gen. Tata should not be serving in a position in the Defense Department.'"

The New York Times (8/3, Cooper, 18.61M) reports, "On Monday at the Pentagon, where military officials have already been engaged in a tug of war with Mr. Trump over the president's insistence that the military continue to honor former Confederate leaders, the Tata maneuver was greeted with both resignation and consternation."

In an editorial, the Washington Post (8/3, 14.2M) writes that "it was clear that enough members of the committee – Republican and Democratic – knew enough about Mr. Tata and his bigoted views to realize he was completely unsuitable for this critical job." President Trump responded by "doubling down on bigotry while showing total contempt for the US Senate." To the Post, "Tata's warped worldview and deranged conspiracy theories disqualify him from any position of federal responsibility, as senators understood. Will those senators now allow Mr. Trump to run them over and make a mockery of the Senate's constitutional role?"

Hokason Becomes Member Of Joint Chiefs Of Staff.

The Washington Times (8/3, Glenn, 492K) reports "Army general Daniel Hokanson became the newest member of the Joint Chiefs of Staff on Monday when he assumed the top spot at the National Guard Bureau in a ceremony at Fort Meyer in Washington." Hokason's "predecessor, retiring Air Force Gen. Joseph Lengyel, was the last member of the Joint Chiefs to be nominated during the Obama Administration. Now, the Chairman of the Joint Chiefs and the top officers at each military service were chosen by President Donald Trump."

Trump Says Lewis Should Have Come To His Inauguration.

President Trump was asked in an interview with Axios on HBO (8/3) how he believes history will remember the late Rep. John Lewis (D-GA). Trump said, "I don't know. I really don't know. I don't know. I don't know John Lewis. He chose not to come to my inauguration." Asked if he finds Lewis impressive, Trump said, "I can't say one way or the other. I find a lot of people impressive. I find many people not impressive. ... He didn't come to my inauguration. He didn't come to my State of the Union speeches, and that's okay. That's his right. Again, nobody has

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done more for Black Americans than I have. He should've come. I think he made a big mistake."

Trump Touts "Massive Numbers Of Cheering People" Who Greeted Him During Florida, Texas Visits.

In a Monday tweet, President Trump wrote, "My visits last week to Texas and Florida had massive numbers of cheering people gathered along the roads and highways, thousands and thousands, even bigger (by far) than the crowds of 2016. Saw no Biden supporters, and yet some in the Fake News said it was an equal number. Sad!"

Trump Says He Reads A Lot.

President Trump was asked in an interview with Axios on HBO (8/3) if he reads his daily intelligence brief. Trump said, "I do. I read a lot. I read a lot. They like to say I don't read. I read a lot. I comprehend extraordinarily well. Probably better than anybody that you've interviewed in a long time."

Trump Mocks "Morning Joe," CNN Morning Ratings.

President Trump took to Twitter Monday to write, "Wow! Really bad TV Ratings for Morning Joe (@JoeNBC). @foxandfriends doing great, leading all others by far. @CNN not a factor!!!"

Facebook Labels Manipulated Video Of Pelosi "Partly False."

The Washington Post (8/3, Denham, 14.2M) reports that Facebook has labeled "a manipulated and widely shared video" that depicts House Speaker Pelosi "slurring her speech and appearing intoxicated" as "partly false." The Post adds that the video was removed from TikTok, Twitter and YouTube "after CNN inquired about it on Sunday, but it remains on Facebook." The video, which according to CNN, "has been viewed more than 2 million times," comes "from a May 20 news conference in which Pelosi addressed President Trump's tweets about MSNBC host Joe Scarborough. A user posted it on Facebook on Thursday evening with the caption, 'This is unbelievable, she is blowed out of her mind, I bet this gets taken down!'"

NYTimes Analysis: Group Of Conservative Pundits Focused On Attacking Trump's Critics.

The New York Times (8/3, Peters, 18.61M) reports in an analysis that the conservative writer Mollie Hemingway of The Federalist, who was highly critical of President Trump when he ran four years ago, but is now "one of Mr. Trump's favorites," is "part of a group of conservative commentators...that has helped insulate the president and preserve his popularity with his base, even as many Americans say they are likely to vote against him in November." The Times says these "writers and pundits don't tend to...make the doggedly pro-Trump defenses that appear on Breitbart and erupt from the mouth of Sean Hannity. ... Instead, they offer an outlet for outrage against those the president has declared his enemies, often by reducing them to a culture war caricature of liberalism."

Ohio Poll: Biden Leads Trump 46%-42%.

The Toledo Blade (8/3, Skalka, 88K) reports that a Center for Marketing and Opinion Research/University of Akron poll of 1,037 Ohio voters, taken June 24-July 15, shows Joe Biden leading President Trump 46%-42%. The survey "was commissioned for Your Voice Ohio's Election 2020 project, which explores the complexity of the state's nearly 12 million residents through community engagement, data analysis, and collaborative reporting." The Washington Examiner (8/3, Lim, 448K) reports that the poll "also revealed Biden is experiencing a groundswell of enthusiasm. Almost 31% of respondents said they strongly supported" him, while "only 26% said they felt the same way about Trump. Biden's fans were following the campaign closer than their Trump counterparts, too."

Trump Blasts Nevada's Move To Universal Mail-In Voting, Threatens Court Battle.

President Trump took to Twitter Monday to write, "In an illegal late night coup, Nevada's clubhouse Governor made it impossible for Republicans to win the state. Post Office could never handle the Traffic of Mail-In Votes without preparation. Using Covid to steal the state. See you in Court!" The AP (8/3) reports that in a news conference later on Monday, Trump also "claimed Monday that he has the authority to issue an executive order on mail-in ballots, whose increasing use, he argues, could increase election fraud and uncertainty, though it is unclear what he could do to curtail the practice." Said Trump, "I have the right to do it. ... We haven't gotten there yet, we'll see what happens." USA Today (8/3, Subramanian, 10.31M) quotes Trump as also saying, "We will be suing in Nevada, and that's already been taken care of. ... We'll probably file something tomorrow."

The AP (8/3, Metz) reports that the Nevada legislature has "passed a bill that would add the state to a growing list of US states mailing active voters ballots ahead of the November election amid the coronavirus pandemic." The bill now heads to Gov. Steve Sisolak (D), and "if he signs it as expected, Nevada will join seven states that plan on automatically sending voters mail ballots, including California and Vermont, which moved earlier this summer to adopt automatic mail ballot policies." The Las Vegas Sun (8/3, Brewer, 170K) recounts that "the bill, which was passed on party lines in the Democrat-controlled state Senate and Assembly, sends $3 million to the Secretary of State's Office for the rollout of mail-in ballots. No Republicans in either chamber voted for the bill." Republican lawmakers also "criticized a provision to

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allow the delivery of mail ballots by non-family members. Many Republican lawmakers raised concerns this would allow potential ballot harvesting."

Politico (8/3, Forgey, 4.29M) says Trump "has aggressively advocated for in-person voting in recent months even as state-level election officials move to expand mail-in voting," and "argued in April that mail-in voting 'doesn't work out well for Republicans." The President "has repeatedly claimed the ballot-casting practice results in widespread incidents of voter fraud."

ABC World News Tonight (8/3, story 5, 0:35, Scott, 7.08M) recounted that the President "was asked...if he would issue an executive order to stop mail-in ballots, which he claims are subject to fraud, saying he has the right to do it, but that he's not there yet." ABC added that "experts say voter fraud is extremely rare with mail-in ballots."

Trump was asked in an interview with Axios on HBO (8/3) about his comment to Fox News that he could not say whether he would accept the 2020 election results. Trump said, "Hillary Clinton never accepted them. She still doesn't accept them, and she got beaten very easily." Trump added, "So we have a new phenomenon. It's called mail-in voting. ... You look at some of the corruption having to do with universal mail-in voting. Absentee voting is okay. You have to apply. You have to go through a process. Absentee voting is good. ... There is no way you can go through a mail-in vote without massive cheating."

Vice President Pence said on Fox News' Ingraham Angle (8/3), "The President made it very clear, whether it's the power grab in Nevada, that the governor of Nevada was signing that allowed not only for universal mail-in ballots but also vote harvesting, as it's called, we are headed to the courts. The right to vote, the one person, one vote right is at the very center of our democracy and the President has made it very clear that we are not going to stand idly by while you see Democrat states and Democrat governors use the backdrop of the coronavirus to send millions of ballots all across their states and all across this country. Let's be clear though. Absentee balloting is perfectly acceptable. ... But this universal mail-in loaded voting where you're going to see literally ballots showered all across the state is ripe for fraud and we are headed straight to the courts to put a stop to it."

The Washington Post (8/3, Gardner, Dawsey, 14.2M) says the President's "unfounded attacks on mail balloting are discouraging his own supporters from embracing the practice, according to polls and Republican leaders across the country, prompting growing alarm that one of the central strategies of his campaign is threatening GOP prospects in November." The Post adds, "As a result, state and local Republicans across the country fear they are falling dramatically behind in a practice that is expected to be key to voter turnout this year. Through mailers and Facebook ads, they are racing to promote absentee balloting among their own." According to Reuters (8/3, Ax), "Election experts say voter fraud of any kind, including incidents related to mail-in ballots, is vanishingly rare." The Hill (8/3, Chalfant, 2.98M), the Fox News (8/3, Olson, 27.59M) website, and the New York Post (8/3, Nelson, 4.57M), among other news outlets, also cover the story.

Deputy White House Communications Director Brian Morgenstern said on the John Fredericks Show (8/3), "What you're seeing in the media and from many on the left are trying to conflate mail-in balloting and absentee balloting and saying they are the same thing. They are not. Absentee ballot is where somebody proactively contacts the board of elections, they certify that they actually where they say they live, that they will receive it and they will return it. Universal mail-in balloting is they just spray ballots to anybody who might be on the voter rolls. We know that voter rolls can be outdated. People move around. People unfortunately pass away. ... There is a tremendous opportunity for mistakes or fraud with a universal mail-in balloting program as opposed to an absentee program."

Trump Campaign Releases New Ads Targeting Biden After Temporary Blackout.

Politico (8/3, Forgey, 4.29M) reports that President Trump's campaign on Monday "released two new advertisements...casting" Joe Biden "as beholden to the left wing. ... The media offensive comes after the president's campaign went dark on television airwaves last week amid a reevaluation of its advertising strategy by Bill Stepien, Trump's newly installed campaign manager." Politico says that "in one ad, titled 'Takeover,' Biden is depicted alongside outspoken progressives Vermont Sen. Bernie Sanders, New York Rep. Alexandria Ocasio-Cortez and Minnesota Rep. Ilhan Omar. 'Joe Biden has embraced the policies of the radical left,' an ominous voiceover states, going on to criticize Biden's positions on taxes, immigration and police funding." Politico says that the Trump campaign on Monday "acknowledged...that it had 'paused advertising for several days last week while undertaking a review of advertising tactics and has resumed with a smarter, more strategic approach.'"

In an online article, CNN (8/3, Judd, Nobles, Klein, 83.16M) reports, "The new ad blitz comes after...Stepien canceled all of the campaign's ad buys last week to assess where the campaign was spending money and which voters in particular were receiving their message. Stepien's review concluded that they need to put a specific emphasis on early voting states where Trump runs the risk of falling behind. The ads are expected to run on local broadcast and cable outlets in the early voting states of North Carolina, Georgia, Florida, and Arizona. The ads will also run on Spanish language channels." CNN says the new ads "portray Biden as 'a tool of the radical left' and directly appeal...to voters they say constitute the 'Silent Majority' that delivered the win for Trump in 2016."

Writer Criticizes Trump Ad About 911 Calls As Stereotyping "Older Americans." In a USA Today (8/3, 10.31M) op-ed, Flipside co-founder Vaughan Emsley, "a generational marketing expert," says, "Facing defections from older white voters, a crucial voting bloc that he needs in order to win a second term" this fall, Trump "has unleashed a series of fear-mongering ads" aimed at scaring "seniors with apocalyptic visions of what the nation could look like under a...Biden presidency. One of the latest features an older woman alone at home when an attacker breaks in. She's unable to reach anyone at 911 in 'Joe Biden's America.' Fact checkers have rightfully" called the spot "'nonsense' since Biden is not proposing or supporting anything that would lead to 911 calls not being answered." Emsley says the ad "furthers stereotypes about older Americans – stereotypes that cause real harm."

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Politico Analysis: Time Growing Short For Trump To Turn Around Campaign. In a separate analysis piece, Politico (8/3, Siders, 4.29M) says, "While there are still 92 days until Election Day," Trump "has as little as half as much time to begin closing the gap with" Biden "because of an expected surge in mail voting due to the coronavirus and because the electorate this year appears more hardened than in 2016, with fewer undecided voters to peel off in the closing days of the contest." Politico says "voters will begin receiving ballots in key swing states as early as next month," which is "before the first presidential debate, on Sept. 29." In addition, "Arizona, Ohio and Iowa will start early voting right after, in the first seven days of October."

Trump Reportedly Eyeing High-Profile Venues For Nomination Acceptance Speech.

The New York Times (8/3, Karni, 18.61M) reports, "A presidential address in front of the Gettysburg battlefield, or at the Liberty Bell in Philadelphia. A speech from the first lady, Melania Trump, at Seneca Falls, NY, the cradle of the national movement for women's rights. Perhaps a stage for the warm-up acts built at the Trump International Hotel in Washington, DC. These are some of the scenarios that have been under discussion among President Trump and his top aides as they hold out hope for an ambitious, Trumpian display over four nights of Republican National Convention programming. Despite the surging coronavirus pandemic," Trump "and his advisers are counting on some form of the spectacle to serve as a boost to the flagging incumbent as he heads into the final stretch of the campaign."

Trump Set To Appear At Hamptons Fundraisers.

CNBC (8/3, Schwartz, 3.62M) reports on its website that President Trump is traveling to the Hamptons "for a fundraising blitz as...Joe Biden creates his own formidable campaign war chest." CNBC says, "The Trump events begin Thursday, when the president's eldest son, Donald Trump Jr., and his girlfriend, leading campaign and Republican National Committee fundraiser Kimberly Guilfoyle will be featured guests at a dinner. Tickets for this event start at $2,800 per person for the reception and go up to $50,000 per couple to attend the corresponding dinner." CNBC adds, "More expensive fundraisers that will feature the president himself are set to take place on Saturday," one "with tickets starting at $50,000," and another that "will cost up to $500,000 per couple to gain entrance."

Trump Jr. Blasts NYTimes Op-Ed Calling For Debates To Be Scrapped.

The Washington Times (8/3, Ernst, 492K) reports that Donald Trump Jr. "says a new op-ed by The New York Times is proof that 'there's absolutely nothing the left will not do' to shield [Joe Biden] from himself. 'OMG they're really going for it,' President Trump's eldest son tweeted Monday in response to the" op-ed "titled, 'Let's Scrap the Presidential Debates.' The commentary by writer Elizabeth Drew's comes in the wake of a similar piece by former Clinton White House press secretary Joe Lockhart," who wrote in a July 28 post on the website of CNN, "Whatever you do, don't debate Trump. ... Biden will undoubtedly take heat from Republicans and the media for skipping the debates. But it's worth the risk as trying to debate someone incapable of telling the truth is an impossible contest to win." Trump Jr. tweeted, "There's absolutely nothing the left will not do to protect Joe Biden and cover-up for all of his obvious flaws."

The Hill Report: Democratic Senators Want Biden To Debate Trump. Meanwhile, The Hill (8/3, Bolton, Chalfant, 2.98M) reports, "Democratic senators say...Biden shouldn't be afraid to debate...Trump in the fall, countering other party figures floating the idea that he should skip the debates given his polling advantage and not risk giving Trump a lifeline." Sen. Elizabeth Warren (D-MA), a potential Biden VP pick, told The Hill, "We've had presidential debates for a long time now, and it's been a way for a lot of people around the nation to be able to see the candidates in action. I know that Joe Biden will show who he is, a man of both empathy and competence, and I'd like the American people to have a chance to see that." The Hill quotes Sens. Richard Blumenthal (D-CT), Dianne Feinstein (D-CA), and Chris Murphy (D-CT) as making similar remarks.

WSJournal: Biden Should Not Skip Debates. In an editorial, the Wall Street Journal (8/3, Subscription Publication, 7.57M) takes issue with suggestions from some that Biden should skip the three scheduled presidential debates. The Journal argues that voters should see how Biden handles himself under the pressure of a debate, and says that if he skips them, voters can conclude that his aides are seeking to protect him amid doubts about his cognitive skills.

Ex-NYTimes Writer Weiss: Newspaper "Living In Fear Of An Online Mob." The Washington Times (8/3, Chasmar, 492K) reports that ex-New York Times opinion editor Bari Weiss on Friday "told Bill Maher that the paper of record is making illiberal editorial decisions that alienate 'half of the country' because it is living in constant fear of being the next target in today's cancel culture." Weiss quit the Times "last month after she published her resignation letter online, alleging that she had been constantly bullied at the publication for her 'centrist' political beliefs and that Twitter had become the paper's 'ultimate editor.'" Appearing on HBO's "Real Time," Weiss said that "when you are living in fear of an online mob, you know, all it takes is a dozen people to repeat a lie about you – that you're a racist, that you're a transphobe, that you're a bigot – for that lie to become true and that's extremely dangerous."

Democratic PACs' Ads Wooing Black Voters Hit Trump On Police Clashes With Protesters, Pandemic.

Politico (8/3, Barrón-López, 4.29M) reports, "Two Democratic PACS are using footage of recent police violence against protesters, President Donald Trump's past comments about Black voters, and images of mass coronavirus graves in new ads aimed at persuading Black voters. Priorities USA and Color of Change PAC [were] set to launch five new digital ads – three of them on Monday – in a roughly half-million-dollar

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buy." Politico says, "One of the ads, titled 'Police State,' was rejected by Google last week for its use of videos of police beating, tear gassing and running over demonstrators at protests." The spot "flashes video of police harming protesters as phrases such as 'brute force' and 'silencing dissent' are displayed on the screen. Trump's June 1 speech declaring himself the 'president of law and order' and his 2017 appeal to police to 'please don't be too nice' plays in the background."

WPost Analysis: Democrats In Battleground States Want Biden Camp To Step Up Its Visibility.

The Washington Post (8/3, Johnson, Bailey, 14.2M) reports, "In the states that will likely decide the presidential election, President Trump is everywhere. Discussion of" Trump "and the actions of his administration – often critical – fill social media feeds, newscasts, letters-to-the-editor pages and" neighborhood "conversations. For months, his campaign ads dominated the airwaves." But while Trump lags behind Joe Biden "in almost all key states," polls show, "to some of Biden's supporters, Trump's continuing dominance is a warning sign. They are lobbying for Biden to take a more aggressive stance" and raise his visibility in key states, "worried that despite his seeming advantage he has failed so far to persuade people to vote for him – not simply against Trump." Such concerns "echo those preceding Hillary Clinton's surprise losses in states that formerly had been reliably Democratic, such as Pennsylvania, Wisconsin and Michigan."

USA Today: Democrats Should Welcome Kasich, Other Anti-Trump Republicans To National Convention.

In an editorial, USA Today (8/3, 10.31M) says, "These days, there's no shortage of conservative thought leaders who've had it with President Donald Trump. ... Now comes word that" ex-Gov. John Kasich (R-OH) "is going to speak at this month's Democratic National Convention in favor of...Joe Biden." USA Today says that the conservatives who oppose Trump represent "an impressive array of firepower for the benefit of" Biden, but "some Democrats, generally from the liberal wing of the party, don't want this help," arguing "that Republicans like Kasich will help steer Biden and the Democratic Party in a more centrist direction when they should be making a hard left turn." USA Today calls that stance "extremely misguided. Democrats should welcome all the help they can get, especially from Kasich, a respected elder statesman from a battleground state in a battleground region of the country."

In a responding USA Today (8/3, 10.31M) op-ed, freelance reporter Brianna Provenzano says that "Kasich, along with groups like The Lincoln Project and Republican Voters Against Trump, have emerged as the de facto avatars for the 'Never Trump' movement. ... Some will argue that it makes sense to welcome voices from across the ideological divide into their 'big tent' if it means" defeating Trump. However, Provenzano writes that "Kasich and the others are political losers who have proved time and again that they aren't saying what national Republican voters want to hear. By welcoming their endorsements, Biden cements his position as someone with nothing to offer aside from an alternative to Trump."

Potential Biden VP Pick Bass: "I'm Not A Communist."

On its website, NBC News (8/3, Gamboa, 6.14M) reports that Rep. Karen Bass (D-CA), a vice-presidential prospect, "urged Cuban American voters Monday to 'not believe the lies' of Republicans. 'I'm not a socialist. I'm not a communist. I've belonged to one party my entire life and that's the Democratic Party and I'm a Christian,' Bass told NBC News. As Bass has emerged as a potential vice presidential pick, Republicans have seized on Bass' history of visits to Cuba. It's an overture to the significant segment of Cuban American and other Latino voters in the swing state of Florida who have backed Republican candidates over their hardline stances against the communist country." NBC's report doesn't mention the controversy over Bass' praising of Fidel Castro upon his death.

Stepien: Biden "An Empty Vessel Of The Radical Left." Appearing Monday on Fox News' Fox & Friends (8/3, 831K), Trump Campaign Manager Bill Stepien said, "I think you need to judge Joe Biden by the people he is surrounding himself with. At every step of this campaign, at every mile marker of this campaign, he has kowtowed to the radical left of his party. I think we are about to see the same when he chooses his vice presidential nominee. He is an empty vessel of the radical left. It's how he won the nomination in the first place. And it's extremely concerning that he is a pawn of the radical fringe of this party, of the AOC wing of the party."

Deputy White House Communications Director Brian Morgenstern said Monday on the John Fredericks Show (8/3) that there "couldn't be a starker contrast" in the 2020 election. Morgenstern added, "We have the Trump and Republicans standing for work safety of the American people, standing for prosperity and the ability to thrive, grow your business hire people. We are talking about freedom. It is freedom of thought. It is freedom to live your life the way you want to live."

Democrats Have Spent More $5M Trying To Boost Kobach In Kansas GOP Senate Primary.

GOP voters in Kansas head to the polls Tuesday to choose a nominee in the race to succeed retiring Sen. Pat Roberts (R-KS). In an online article, ABC News (8/3, Cunningham, 2.97M) reports, "The final weeks of the" contest "have devolved into millions of dollars in spending from outside groups, negative mailers and both frontrunners," GOP ex-Kansas Secretary of State Kris Kobach and Rep. Roger Marshall (R-KS), "awaiting a possible endorsement from President Donald Trump." Kobach, who lost to Democratic now-Gov. Laura Kelly in 2018 – "is the nominee of choice for Democrats, who widely see their path to flipping the seat blue as a much easier one should Kobach win on Tuesday."

Bloomberg Government (8/3, Giroux) reports, "Outside spending in the" GOP contest "has topped $14 million, most of it attacking Marshall or Kobach and outpacing spending by the candidates. The biggest spender, at more than $5 million, is not a Republican group but a

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Democratic super PAC that has blasted Marshall in ads while describing Kobach as 'the pro-Trump conservative leader' who supports the president's border wall – messages designed to buttress Kobach's image among Republican primary voters. It's a sign Democrats see Kobach, who lost the 2018 Kansas governor's election, as a weaker general election candidate than Marshall against their likely nominee, state Sen. Barbara Bollier."

The New York Times (8/3, Glueck, 18.61M) reports, "Republican anxieties about control of the Senate are reaching new heights this week as the Kansas Senate primary hurdles to a close, amid fears in Washington that the firebrand candidate and staunch Trump supporter...Kobach could win the nomination but lose a longtime red seat in November. As the national political environment has worsened for the GOP, putting a number of traditionally safe conservative seats into play, many Republicans have grown especially focused on Kansas – and concerned that if Mr. Kobach, a polarizing figure in the state, wins on Tuesday, Democrats could take the seat and perhaps gain control of the Senate."

The Atlantic (8/3, Berman, 3.47M) reports that "for the past few weeks, Democrats have come to Kobach's rescue, spending at least $4 million to help the unapologetic Trump ally win the" GOP primary. The Atlantic says "a Democratic-aligned super PAC formed in recent weeks has poured millions into TV ads" attacking Marshall, who is backed by Senate Majority Leader McConnell "and other state and national GOP power brokers. The ads attack Marshall from the right, lumping him in with 'Mitt Romney Republicans and Never Trumpers' who think Kobach is 'too conservative.'" Democrats views "Kobach as the weaker, more polarizing GOP candidate and are trying to boost him now so they can pummel him in the fall. But the strategy is unnerving the party's staunchest immigrant advocates, who see Kobach as a uniquely dangerous figure and who worry the move could backfire and end up giving him a national platform in the Senate and a potential launching pad to the presidency."

Newsweek (8/3, Hutzler, 1.53M) reports, "Kansas Republicans have held the state's Senate seat for the better part of a century, but many are concerned that Tuesday's primary could give Democrats the upper hand this" fall. Kobach "was the only Republican to lose a statewide election in 2018 when he ran for governor – a scenario operatives are worried will be repeated if he's the nominee. That fear has caused establishment Republicans, including...Roberts whose seat Kobach is hoping to replace, to" back Marshall. Newsweek adds, "Election forecasters such as Cook Political Report and Sabato's Crystal Ball currently rate the race as 'leaning Republican.' But the Cook Political Report warned that if Kobach became the nominee, the contest could move into 'toss-up' territory." The Wall Street Journal (8/3, Wise, Day, Subscription Publication, 7.57M) reports that internal Republican polls show Kobach and Marshall in a dead heat.

Poll Shows Daines Leading Bullock 50%-44% In Montana Senate Race.

The Washington Times (8/3, Richardson, 492K) reports that an Emerson College poll of 584 Montana voters, taken July 31-Aug. 2, shows Sen. Steve Daines (R-MT) leading term-limited Gov. Steve Bullock (D-MT) 50%-44% in this fall's US Senate race. The poll also shows President Trump leading Joe Biden 53%-42%. In addition, the poll shows Rep. Greg Gianforte (R-MT) leading Democratic Lt. Gov. Mike Cooney 50%-41% in the race to succeed Bullock. Poll director Spencer Kimball is quoted as saying of the results, "Montana could be a bellwether of sorts to see if Gov. Bullock can buck the trend of 2016 when Trump states went Republican in Senate races while [Hillary] Clinton states went Democratic." The Times says Trump "won Montana in 2016 by" 22 points.

Under the headline "Poll Gives Democrats Bad News In Key Senate Race," Yahoo! News (8/3, Knowles, 12.82M) reports, "Like other traditionally Republican strongholds, Montana is being looked at to see whether support for...Trump has softened, giving Democrats a better chance of retaking control of the Senate. To do that, they need to flip three seats in November and win the White House (or four if Trump is reelected), and Bullock, who mounted an unsuccessful campaign for president this year, is seen as strong contender. Two weeks ago, a Public Policy Polling survey of the race found Bullock leading Daines by 2 points." The Great Falls Tribune (8/3, Drake, 114K) reports on the survey's results under the headline "Poll Gives GOP Lead In Montana's High Ticket Nov. 3 Election Races."

Trump-Backed Hagerty Hoping To Extend President's Record In 2020 Senate Primaries.

Breitbart (8/3, Boyle, 673K) reports that ex-US Ambassador to Japan Bill Hagerty, "the man President Donald Trump wants" to succeed retiring Sen. Lamar Alexander (R-TN), "is seeking to finish off his once-surging opponent in Thursday's primary. More than a year ago, Trump endorsed Hagerty – one of his closest allies who would be the first US Senator who actually served in his administration and on his campaign and in his transition team – for the job. If Hagerty" defeats trauma surgeon Manny Sethi in Thursday's GOP "primary, it would not only give the president a key win in a deep red state. ... It would also deliver...Trump a perfect record in US Senate primaries nationwide this cycle, even after a handful of House primary losses despite a mostly-perfect record."

Sethi, A Surgeon, Says Trump Should Fire Fauci. The AP (8/3, Kruesi) reports that Sethi "is calling for...Trump to fire the nation's leading infectious diseases expert amid a pandemic." Sethi blasted NIAID Director Anthony Fauci "over the weekend in Knoxville," saying at a rally, "This guy Fauci, I've had about enough of this guy. I think maybe it's time for the President to bring him into the board room and say, 'You're fired.'" The AP adds, "In a statement, Sethi criticized Fauci's promotion of shutting down bars and restaurants to help curb the virus. 'His plan did incredible damage to our economy. Fauci failed, and now he wants us to double down on failure again by completely destroying what's left of our economy,' Sethi argued."

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GOP Poll: Hart, Miller-Meeks Tied At 41% In Race To Succeed Loebsack In IA2.

Case 1:20-cv-00242-A-000837

The Quad-City (IA) Times (8/3, Lynch, 213K) reports that a Harper Polling (R) survey of 406 likely IA2 voters, taken "the last week of July,"

shows Democratic ex-state Sen. Rita Hart and GOP state Sen. Mariannette Miller-Meeks (R) tied at 41% each in the race to succeed retiring Rep. Bruce Loebsack (D-IA) in the IA2; 16% were undecided. The poll was "commissioned by the Congressional Leadership Fund, which supports Republican candidates."

Tlaib Facing Tough MI13 Primary Challenge Tuesday.

Freshman Rep. Rashida Tlaib (D-MI) is facing a tough challenge from Detroit City Council President Brenda Jones in Tuesday's MI13 Democratic primary. The New York Times (8/3, Gray, 18.61M) reports that Tlaib, "who rocketed to national attention as a vocal critic of President Trump, is fighting for her political life, locked in a close primary race that could be decided by a few hundred mail-in ballots." Jones in 2018 won the special election to succeed ex-Rep. John Conyers (D-MI), but was "narrowly defeated" by Tlaib in a crowded Democratic primary that took place the same day. The Times says that "the contest, taking place amid national protests against racial injustice, finds people in this majority-Black district asking themselves whether Black voters must be represented by Black politicians to really be heard." Jones is an African American.

The Hill (8/3, Manchester, 2.98M) reports that Tlaib "gained national name recognition in 2019 when she became a member of the 'squad,' four progressive congresswomen...who were elected in 2018." The Hill quotes Adrian Hemond, "a Michigan-based Democratic strategist," as saying, "It's the Conyers district. Notwithstanding how his career ended, the man's a civil rights hero. That's certainly an advantage for Brenda Jones in this race. It's a majority African American city. It's a majority African American congressional district, and to the extent that those voters are interested in symbolic representation, that's not Rep. Tlaib." The Hill adds, however, "Recent polling shows Tlaib with a significant edge over Jones."

The Washington Times (8/3, Muñoz, McLaughlin, 492K) reports that Jones has argued "that Ms. Tlaib is more interested in chasing political stardom than standing up for her constituents. 'As Michigan's 13th Congressional District Representative, Tlaib has worked hard to become an international rock star,' Ms. Jones said in a recent Twitter post. 'Representative Tlaib has a huge war chest of nearly $2 million. The money in Rashida Tlaib's war chest is mostly from people around the world. This means Tlaib is beholding to her money people, & not focused on the citizens of the 13th Congressional District,' she said." The Times says Tlaib has "raised over $3 million, compared with $165,000 for Ms. Jones."

Trump Calls For Revote In NY12 Democratic Primary.

Townhall (8/3, Baumann, 177K) reports President Trump suggested Monday that the Democratic primary in NY12 should undergo a "revote." Six weeks after the election, "there are still no declared winners" in the district. Trump said, "I think you probably have to take the Carolyn Maloney race and run it over again. ... How can you do this? And this is a small race with literally thousands of people. Small thousands. And it's all messed up. They're six weeks into it now they have no clue what's going on."

The New York Times (8/3, Shear, 18.61M) quotes Trump as saying, "Nobody knows what's happening with the ballots and the lost ballots and the fraudulent ballots, I guess." The Times adds, "There is no evidence that the New York primary results were tainted by criminal malfeasance, according to a wide array of election officials and campaign representatives."

WTimes Analysis: Trump Identified Serious Problem With Mail-In Voting. The Washington Times (8/3, Swoyer, 492K) reports in an analysis that while President Trump suggestion that "the election be postponed drew little support from either Republicans or Democrats," he "did identify a serious problem when he pointed out that New York is still counting votes from its botched June primaries." New York "has invalidated tens of thousands of ballots and has yet to declare winners in some of the June 23 contests, which were seen as an early test of the push to expand mail-in balloting."

Politico Analysis: Trump's Attacks On Mail-In Voting Could Hurt Him In November. In an analysis, Politico (8/3, Cadelago, Montellaro, 4.29M) reports that "Trump's all-out war on mail voting is backfiring in battleground states." Politico adds that "private polling shared first with Politico showed that Republicans have become overwhelmingly concerned about mail balloting, which Trump has claimed, without evidence, will lead to widespread voter fraud. A potentially decisive slice of Trump's battleground-state base...said that getting a ballot in the mail would make them less likely to vote in November." According to Politico, "some Republicans fear that Trump's regular fulminations against mail voting will depress GOP turnout in the fall."

Ocasio-Cortez Not On List Of Candidate Endorsements Released By Obama.

Fox News (8/3, Singman, 27.59M) reports on its website that former President Barack Obama released a statement Monday in which he "endorsed more than 100 Democratic candidates running for office this November," but Rep. Alexandria Ocasio-Cortez (D-NY) was not among them. The statement included a list of "118 Democrats running for federal, statewide and state legislative offices from 17 states, including New York, New Jersey, California, Texas, Illinois, Arkansas, Colorado, Indiana, Iowa, Maine, Nebraska and Nevada."

UT4 Poll: McAdams, GOP Challenger Owens Tied At 35%; 24% Undecided.

The Deseret News (8/3, Roche, 308K) reports that a Deseret News/Hinckley Institute of Politics poll of 800 UT4 voters, taken July 27-Aug. 1, shows freshman Rep. Ben McAdams (D-UT) and GOP ex-NFL player Burgess Owens tied at 35% each in the UT4; 24% were undecided, while 6% supported a different candidate. The survey "was conducted by independent pollster Scott Rasmussen," who "said the numbers

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signal that Utah's 4th District is 'one of the bellwether races of this election season.' The pollster said that a McAdams victory wouldn't be a surprise since he's the incumbent, but a close race suggests Republicans across the country may fare better than expected in an election year when GOP President Donald Trump is at the top of the ticket but trailing nationally in the polls."

Politico Analysis: Trump Loss Could Presage House GOP Leadership Challenges.

Politico (8/3, Zanona, 4.29M) says that "according to interviews with over a dozen Republican lawmakers and aides, there's a growing sense that if [President] Trump loses the White House – and the GOP fails to make meaningful gains in the House – the fight for the future of the party will play out in challenges across leadership." Politico says "the early feuding that has already erupted inside the House GOP is being fueled by Trump's dismal poll numbers and growing fears that Republicans could sink even further into the House minority, underscoring the anxiety in the GOP conference just three months before the election." However, Politico adds that "several sources familiar with the party's internal dynamics cautioned that any potential effort to push out the top Republican leaders might be difficult," because "only a simple majority is needed to secure a leadership post in the House minority, and the caucus does not contain a deep bench of potential challengers."

NYTimes Marvels At "What Human Genius Can Do."

The New York Times (8/3, 18.61M) says in an editorial that over the past week, we have seen examples that, despite the pandemic, "humankind persists in devoting extraordinary talent, science and treasure to decoding the mysteries of our universe." The Times cites NASA's launch of a Mars rover, Elon Musk's SpaceX mission, and archaeologists' recent discovery at Stonehenge as "some good news on what human genius can do [that] provided a welcome diversion from all the harrowing news about the pandemic and toxic politics." To The Times, "there's something uniquely compelling about our need to learn what we can about the universe, and to do that not for some practical or commercial reason, but simply out of curiosity, out of wonder."

RCP Average Has Trump's Job Approval At 43.7%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 43.7%, and his disapproval at 54.0%. The President's approval is up 0.1 since yesterday and disapproval is down 0.1.

A Rasmussen poll of 1,500 "likely voters" (7/29-8/2) finds Trump's approval at 51%, and his disapproval at 47%.

Financial International News

Sources: Argentina Nearing Breakthrough Restructuring Deal With Creditors.

Reuters (8/3, Raszewski, Campos, Jourdan) reports Argentina and its creditors "are nearing a breakthrough $65 billion debt restructuring deal, a lawmaker and two sources told Reuters on Monday, the eve of a deadline for a deal that would help avert a damaging legal standoff." Ruling party official Fernanda Vallejos "told Reuters in a message that a deal was 'near to closing' after Economy Minister Martin Guzman met with lawmakers." Vallejos added that Guzman "gave us reason to feel optimistic that there are significant chances of success in closing the negotiation." One source "close to the negotiation said a deal has been 'struck' between creditors and the government." A second source "close to the talks said Argentina and creditors were holding discussions 'as we speak' toward an agreement to bridge the gap of around 3 cents on the dollar between the latest rival proposals."

Lebanon Minister Quits And Warns Of 'Failed State' Risk.

The Financial Times (8/3, Cornish, Subscription Publication, 1.34M) reports, "Lebanon's foreign minister warned the country is 'slipping into becoming a failed state' as he quit on Monday, striking a fresh blow to a..."

Reuters (8/3, Francis) also reports.

Think Tank Blasts BOE Corporate Bond Program For Subsidizing Polluting Industries.

Bloomberg (8/3, Shankleman, 4.73M) reports the New Economics Foundation called out the BOE's Corporate Bond Purchase Scheme for effectively subsidizing polluting industries. The think tank accused the central bank of favoring "carbon intensive industries such as energy production and manufacturing." A BOE spokeswoman declined to comment.

Leading International News

Trump: We Will "Never Forget" Coronavirus "Was Sent To Us By China."

President Trump said in an interview with Axios on HBO (8/3) that the coronavirus "was sent to us by China, one way or the other, and we're never going to forget it. Believe me, we're never going to forget it. And we were beating China at every single point. We were beating them on trade. we were making progress like nobody's ever made progress. before the pandemic, they had the worst year that they've had in 67 years. ... We were taking in billions of dollars. I was giving some of it to the farmers. The farmers were doing well because they were targeting the farmers. I was targeting china. We were doing good. Then all of a sudden, the game changed, and I had to close it down. I closed down the greatest economy ever in history. ... By the way, by closing it down, we saved millions of lives."

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WSJournal A1: FDA's Changing Standards Led To Importing Of Poor-Quality Masks From China. In a front-page story, the

Wall Street Journal (8/3, A1, Hufford, Lin, Maremont, Subscription Publication, 7.57M) says an analysis found that an emergency decision by the FDA early in the coronavirus pandemic to allow importation of millions of KN95 masks made in China led to large quantities of products of varying quality being imported by the US. This has resulted in some states accumulating stockpiles of masks they don't trust to serve as protective gear.

Latin America Tops 5M Confirmed COVID Cases.

Reuters (8/3) reports Latin America "broke through 5 million confirmed cases of COVID-19 on Monday, a Reuters tally showed, underscoring the region's position as the area of the world hardest hit by the novel coronavirus pandemic." The "more than 10,000 new cases Colombia's health ministry reported on Monday pushed the region past the 5 million mark." Mexico has "also racked up record numbers of new confirmed infections in recent days, registering more than 9,000 daily cases for the first time on Saturday."

Trump Says He "Took Out" ISIS.

President Trump said in an interview with Axios on HBO (8/3), "In Syria, we took out ISIS, 100% of the caliphate. When i took over, Obama, it was totally rampant. ISIS was all over the place. we took them out. we captured them. we killed them. ... We took out Soleimani. We took out al-Baghdadi. We took out people that nobody thought possible."

Iran Sanctions Former Bolton Aide.

The Washington Free Beacon (8/3, Kredo, 78K) reports that over the weekend, Iran sanctioned "a former top White House National Security Council member who helped drive President Donald Trump's maximum pressure campaign against Tehran." Richard Goldberg, an aide to former national security adviser John Bolton "who spearheaded the administration's economic sanctions on Iran, was sanctioned by Tehran for what Iranian leaders called 'economic terrorism' against the country."

WSJournal: Administration's Iran Policy Aiding Peace Progress In Yemen.

A Wall Street Journal (8/3, Subscription Publication, 7.57M) editorial welcomes progress towards peace in Yemen, which it argues would not have been possible without the Trump Administration's maximum-pressure campaign against Iran.

US Firm Secures Deal With Kurds For Syrian Oil.

Politico (8/3, Seligman, Lefebvre, 4.29M) reports that an American company has signed a contract with Kurdish authorities in northeastern Syria "to develop and export the region's crude oil under a secretive deal approved by the U.S. government months after President Donald Trump announced he was leaving U.S. troops to 'secure the oil,' multiple people familiar with the project told Politico." The agreement reached by "a little-known firm helmed by politically connected former military and diplomatic officials has already angered the government of Syrian President Bashar Assad, which does not recognize the Kurdish authorities as autonomous." Partners at the company, Delta Crescent Energy LLC, include "former U.S. ambassador to Denmark James Cain; James Reese, a former officer in the Army's elite Delta Force; and John P. Dorrier Jr., a former executive at GulfSands Petroleum, a U.K.-based oil company with offices and drilling experience in Syria."

Israel Says It Killed Militants Planting Bombs Inside Its Border With Syria.

The New York Times (8/3, Kershner, 18.61M) reports that Israeli soldiers "ambushed four militants as they planted bombs along Israel's boundary with Syria around midnight. ... The militants, whose identity or affiliation were not immediately known, were assumed to have been killed on the spot by a combination of ground and air fire, said Lt. Col. Jonathan Conricus, an army spokesman." The Times adds "Israeli forces have been on elevated alert in the north in recent weeks, and particularly over the past week, after Israel said it had thwarted a raid by a Hezbollah 'terrorist squad' armed with assault rifles in a disputed area along its northern border with Lebanon."

The Washington Post (8/3, Eglash, Dadouch, 14.2M) reports that "also overnight Sunday, Israel said it struck targets in the Hamas-run Gaza Strip to the south, following rocket fire into its territory that caused damage in the Israeli town of Sderot. "

Trump Says He Did Not Discuss Russian Bounties On US Troops With Putin.

President Trump was asked in an interview with Axios on HBO (8/3) if he brought up intelligence reports that Russia paid bounties to Taliban fighters to kill American soldiers in his July 23 call with Russian President Vladimir Putin. Trump said, "No, that was a phone call to discuss other things. and frankly, that's an issue that many people said was fake news." Asked who said it was fake news, Trump said, "I think a lot of people. If you look at some of the wonderful folks from the Bush Administration – some of them not any friends of mine – were saying that it's a fake issue." Trump added, "It never reached my desk. You know why? Because they didn't think it – intelligence, they didn't think it was real."

Trump Says 4,000-5,000 US Troops Will Be In Afghanistan By Election Day.

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Asked in an interview with Axios on HBO (8/3) how many US troops will be in Afghanistan by election day, President Trump said, "Probably anywhere from 4,000 to 5,000." When told that is "almost as many as when you came into office," Trump said, "No, it's not. We had

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much more. We had a lot of people over there, too."

ISIS Attacks Eastern Afghan Prison, Frees Nearly 400 Prisoners.

The AP (8/3, Gul, Faiez) reports that "militants affiliated with the Islamic State group stormed a prison in eastern Afghanistan in a daylong siege that left at least 39 people dead, including the assailants, and freed nearly 400 of their fighters before security forces restored order." The AP adds "the attack underscored that the Islamic State affiliate in Afghanistan is still a formidable presence, and it highlighted the challenges ahead as U.S. and NATO forces begin to withdraw following Washington's peace deal with the Taliban." The AP also reports "the peace accord aims to recruit the Taliban to battle the militants from IS, which US officials have told The Associated Press is the Americans' biggest foe in Afghanistan." The AP describes the Taliban and ISIS as "staunch rivals."

Reuters (8/3, Sultan, Sediqi) reports Afghan security forces "killed at least 10 Islamic State fighters who had taken control of [the] prison in the eastern city of Jalalabad, ending a siege in which hundreds of prisoners escaped." Reuters adds, "More than 300 prisoners were still at large, Attaullah Khugyani, spokesman for the governor of Nangarhar province, said. Of the 1,793 prisoners, more than 1,025 had tried to escape and been recaptured and 430 had remained inside. 'The rest are missing,' he said."

The New York Times (8/3, Ghazi, Mashal, 18.61M) reports that Gen. Yasin Zia, "the chief of the Afghan army who arrived in the city to lead the last stretch of the operations, said ten assailants were involved in the attack and all were killed." The assault, "which left much of the prison's security barriers destroyed and brought the city to a standstill, was one of the most complicated operations claimed by the Islamic State's chapter in Afghanistan." The Times reports that "as its territory has been constricted significantly by a campaign of military operations over the past couple of years, the group has largely turned to gruesome attacks on soft-targets, such as civilians with little protection."

The Washington Post (8/3, George, Hassan, 14.2M) reports that "the attack began just hours before a three-day cease-fire between the Taliban and Afghan government forces was set to expire," and "a Taliban spokesman quickly tweeted a brief statement denying responsibility," although "the target choice and complexity of the attack mirrored past Taliban assaults."

Brownback: NBA "Coming Around" To Oppose Chinese Rights Abuses.

The Washington Examiner (8/3, Gehrke, 448K) reports NBA officials and teams are "coming around" to recognizing the human rights abuses committed by China, according to "the State Department's lead official for religious liberty." Ambassador at Large for International Religious Freedom Sam Brownback told the Examiner, "The NBA is making some proper steps. I didn't like some of their early steps, but these things take time in a democratic country." Brownback added, "They're coming around. This isn't unusual in a democratic system, where you have lots of independent actors, for it to take a little time for people to kinda convince themselves of what the right course of action is."

Switzerland Predicts China's Aggression Will Backfire. The Washington Examiner (8/3, Gehrke, 448K) reports China's "abuse of human rights and intensifying crackdown on Hong Kong will provoke a major international backlash, according to one of Beijing's closest partners in Europe." Swiss Foreign Minister Ignazio Cassis told local media, "If China sticks to its new course, the Western world will react more decisively." To the Examiner, "That rebuke may carry outsized symbolic significance given that Switzerland was the first European country to establish diplomatic ties with the Chinese Communist Party after the regime came to power in 1949."

Politico Analysis: Trump Has Allowed Rubio To Shape His Latin America Policies.

In a piece titled "Why Trump Is Focused On Making Marco Rubio Happy," Politico (8/3, Rodriguez, 4.29M) says, "When President Donald Trump took office, he passed down one key instruction on how to handle Latin America: Make Marco Rubio happy." According to Politico, Rubio, "a Florida Republican and son of Cuban immigrants, had already built his political brand around vocal criticism of the regimes in Cuba and Venezuela, and to what he viewed as the Democrats' policy of appeasement in the region." Politico adds that Trump "knew...he had to win Florida in 2020. And he viewed staying in the good graces of Rubio, whose hard-line stances have made him popular among Cuban and Venezuelan exiles and their descendants in and around Miami, as key to the latter."

European Diplomats: Turkish Aggression Is NATO's "Elephant In The Room."

The New York Times (8/3, Erlanger, 18.61M) reports that in mid-June, Turkish warships escorted "a vessel suspected of smuggling weapons into Libya, violating a United Nations arms embargo," and were challenged "by a French naval frigate." A "similarly hostile encounter between Turkey and a fellow NATO member happened just two weeks ago, when Turkish warplanes buzzed an area near the Greek island of Rhodes after Greek warships went on alert over Turkey's intent to drill for undersea natural gas there." Turkey has become "the elephant in the room" for NATO, "European diplomats say," but it is "a matter, they say, that few want to discuss." Turkey has "dismissed any criticism of its behavior as unjustified," but "some NATO ambassadors believe that Turkey now represents an open challenge to the group's democratic values and its collective defense."

Former Spanish King Flees Country Amid Financial Scandal.

The New York Post (8/3, Lapin, 4.57M) reports former Spanish King Juan Carlos I has "skipped town amid a financial scandal – and his whereabouts are currently unknown." The former king wrote in a letter to his son, King Felipe VI, that he decided to leave for another country "in the face of the public repercussions of certain episodes of my past private life." The Post notes Spain's Supreme Court "opened a probe

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into the ex-king's financial dealings earlier this year" amid allegations he "received millions of dollars in kickbacks from Saudi Arabia during the construction of a high-speed railway there by a Spanish consortium."

Housing

Freddie Mac SVP Charlotte Catalfo Profiled.

HousingWire (8/3, 23K) reports that as the holidays "ramped up in early December 2019," Freddie Mac SVP Charlotte Catalfo had been watching a "small but worrisome health crisis escalating halfway across the globe." Once SARS-CoV-2 "hopscotched to Italy, she knew that it was time to put Freddie Mac's emergency continuity plan into gear." It was Catalfo's responsibility to "figure out how to ensure uninterrupted work with investors, lenders, multifamily property owners and homeowners if business as usual was thrown off track."

FHFA Extends Timeline For Purchase Of Qualified GSE Loans In Forbearance.

DS News (8/3, Wharton) reports the FHFA "approved an extension of its temporary policy allowing the acquisition of certain single-family mortgages in forbearance that satisfy Fannie Mae and Freddie Mac-established eligibility requirements." The policy extension "applies to loans originated through August 31." The Borrower Protection Program, a joint effort of the FHFA and CFPB, was "instituted earlier in the year in order to ensure 'borrowers are protected during the coronavirus national emergency and facilitate related information sharing.'" Thanks to the data sharing, DS News says, the FHFA "will be positioned to meet its obligations under the so-called 'QM Patch.'"

Behind a paywall, Inside Mortgage Finance (8/3, Hollier, Subscription Publication) says the policy, which was "initially announced" on April 22, has been "the source of controversy." While the policy was "intended to deal with the conundrum of loans that were properly underwritten but then went into COVID-19-related forbearance before they could be sold to Fannie or Freddie," the FHFA "also required that the enterprises impose steep loan level price adjustments on these mortgages 'to limit the risk of losses to the two companies.'" According to IMF, "Those fees – 5% for first-time buyers and 7% for everyone else – have been widely criticized in the industry. Last month, economists at the Urban Institute estimated that the high LLPAs would translate into roughly 255,000 borrowers, mostly people of color, being deprived of access to a mortgage." Providing additional coverage of the policy extension are National Mortgage Professional (8/3) and RISMedia (8/3, 2K).

Housing Action Illinois Announces Partnership With Freddie Mac For Uniform Counseling Data.

HousingWire (8/3, Roha, 23K) reports Housing Action Illinois on Monday announced that it is collaborating with Freddie Mac to create a uniform data standard for housing counselors. According to HousingWire, "The new uniform data set will affect more than 1,600 HUD-approved housing counseling agencies and will help the industry better quantify and qualify its work, according to David Young, director of capacity building at Housing Action Illinois." Freddie Mac VP of Housing Insights and Solutions Cindy Waldron said, "We look forward to the launch of a new, more comprehensive data set that more accurately captures the work being done by housing counseling agencies across the country. By taking on this ambitious project, Housing Action Illinois is helping us better understand what housing counseling agencies are accomplishing and what they need to accomplish."

Freddie Mac: Multifamily Lending Likely To Fall 20% To 40% This Year.

National Mortgage News (8/3) reports, "Multifamily mortgage originations could be down between 20% and 40% this year, according to Freddie Mac. Where originations ultimately fall in that broad range will depend on the economic recovery and how well the coronavirus is contained." Freddie Mac Multifamily VP Steve Guggenmos explained, "The economic challenges brought on by the COVID-19 pandemic will have a meaningful impact on the multifamily market in 2020. The industry entered the current recession on solid footing and is well-positioned to absorb the impacts of the recession due to substantial growth over the past several years." Although Freddie's volume rebounded and rose above normal levels in June, NMN says that the "late second quarter increase should not be read as a sign of optimism for the multifamily lending market as a whole." Freddie said its own volume trends are "not reflective of the overall market trends" due to its unique role as a GSE.

GSEs' Portfolios Grow By Double-Digit Percentages in June, As Delinquencies Keep Rising.

DS News (8/3, Wharton), Freddie Mac reported its total mortgage portfolio grew at a compound rate of 14.2% annually in June 2020, while Fannie Mae reported its portfolio grew 13.4%. Both GSEs' delinquency rates rose. Freddie's single-family delinquency rate rose from 0.81% in May to 2.48% in June, while its multifamily delinquency rate rose from 0.09% in May to 0.10% in June. Fannie Mae's multifamily delinquency rate surged 53 basis points over the same period, and Fannie "reported its conventional single-family serious delinquency rate increased 176 basis points to 2.65% in June."

MBA: Mortgage Loans In Forbearance Fall For The Seventh Consecutive Week.

National Mortgage Professional (8/3) reports the number of mortgages in forbearance has fallen for a seventh consecutive week, according to the MBA's latest Forbearance and Call Volume Survey. The number of loans in forbearance fell from 7.74% to 7.67% in the latest week. MBA

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estimates 3.8 million American homeowners are in forbearance plans. The share of GSE loans in forbearance fell for an eighth consecutive week, dipping from 5.49% to 5.41%. Meanwhile, "Ginnie Mae loans in forbearance increased by 1 basis point to 10.28%, and the forbearance share for portfolio loans and private-label securities (PLS) decreased by 16 basis points to 10.37%."

National Mortgage News (8/3) reports MBA Chief Economist Mike Fratantoni said, "We are now seeing a notable pattern developing over the past two weeks. The forbearance share is decreasing for GSE loans but has slightly increased for Ginnie Mae loans. ... The job market has cooled somewhat over the past few weeks, with layoffs increasing and other indications that the economic rebound may be losing some steam because of the rising COVID-19 cases throughout the country." According to Fratantoni, "It is therefore not surprising to see this situation first impact the Ginnie Mae segment of the market. The higher level of Ginnie Mae loans in forbearance will increase the amount of payments that servicers must advance. We continue to monitor servicer liquidity during these challenging times."

FHFA Using RiskSpan's Edge Cloud Platform To Analyze GSEs' MBS.

Mortgage Professional America (8/3, Mendoza) reports the FHFA "is now using RiskSpan's cloud platform to analyze agency mortgage-backed securities issued by Fannie Mae and Freddie Mac." According to MPA, the Edge cloud platform gives the FHFA "instant access to agency MBS pool- and loan-level data through the cloud – enabling advanced prepayment analytics across the mortgage securities space." It also allows the FHFA to "query loan-level data via RiskSpan's API."

Incenter Taking Bids On $6B MSR Package.

National Mortgage News (8/3) reports Incenter Mortgage Advisor is "accepting bids on a nearly $6.3 billion offering on behalf of an unnamed seller," as the MSR market is "seeing an increase in activity." According to NMN, "The transaction is at least the second large, seasoned MSR deal seen since the government-sponsored enterprises suspended bulk purchases of loans more than six months old in early May." The seller "would prefer to have the MSRs trade no later than Aug. 31. That date is the current deadline for some of the GSEs' temporary coronavirus-related relief measures, including a moratorium on foreclosures." NMN says, "The measure that allows the GSEs to purchase these loans previously was scheduled to expire July 31, but the GSEs' regulator and conservator, the Federal Housing Finance Agency, extended it at the last minute on Friday."

GSEs Update FAQs On Temporary Appraisal Policies.

Valuation Review (8/3) reports, "In response to COVID-19, Fannie Mae and Freddie Mac have provided temporary guidance to appraisers on several policy areas, as well as new FAQs providing additional information on the temporary policies, according to a recent release from Fannie." Fannie said that an appraiser "must provide an original photograph of the front of the subject property," but for all other photos, "the appraiser may provide photographs from credible secondary data source(s). Although not required, the presence of a comparable photos page, with images, may be necessary to allow the appraisal report to pass automated system requirements."

Appraisal Webinar Featuring Scott Reuter Scheduled For August 18.

According to Appraisal Buzz (7/30), in a webinar on August 18 at 2 pm ET, Freddie Mac Director of Valuation Scott Reuter will join Fannie Mae Director of Collateral Policy Lyle Radke, NAHB VP Jessica Lynch, National Association of Appraisers President Craig Morley, and Metro-West Appraisal Company LLC Chief Appraiser Greg Stephens to discuss "The State of the Industry."

NAFCU Adds Calabria, Hood To 2020 Virtual Congressional Caucus Lineup.

According to Credit Union Insight (8/4), the National Association of Federally-Insured Credit Unions has added FHFA Director Mark Calabria and NCUA Chairman Rodney Hood to the lineup of speakers at its next Virtual Congressional Caucus, which "kicks off in a little over a month." Calabria "plays a critical role in housing finance reform initiatives." At last year's caucus, "Calabria discussed the GSEs' conservatorship and capital reserves in a conversation with NAFCU President and CEO Dan Berger."

CLPHA Voices Opposition To Elimination Of AFFH Rule In Letter To HUD Secretary.

HousingWire (8/3, 23K) reports that in a joint letter to HUD Secretary Carson on Monday, "the Council of Large Public Housing Authorities and its counsel Reno and Cavanaugh expressed opposition to the actions of the Trump administration regarding the Affirmatively Furthering Fair Housing rule, asking the organization to 'withdraw its racist and illegal attempt to eliminate the rule.'" The CLPHA "said it was the responsibility of HUD to administer the Fair Housing Act and further fair housing – stating the obligation to do so is an 'integral tool to address historic discrimination' in the industry."

Agency Servicing Transfers Sluggish In Q2.

Behind a paywall, Inside Mortgage Finance (8/3, Bancroft, Subscription Publication) reports agency MSR transfers "slowed dramatically" in Q2 amid a "historic flood of refinance activity and economic uncertainty" that "sent buyers to the sidelines." According to IMF, "Some buyers may have been constrained by reduced funding for acquisitions as well as uncertainty about how to price servicing in the current market. A significant number of mid-sized and smaller lenders that typically sell servicing separately when they deliver loans to agency mortgage-

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backed securities ended up retaining the processing rights." Around $57.57 billion of bulk servicing transfers settled in Q2, a decrease of 46.6% from Q1. The Ginnie Mae market "was hit particularly hard, with bulk transfers crashing 81.0% to just $11.63 billion. According to the agency's disclosures, there were no bulk transfers in June."

Black Knight: Low Rates Give Homebuying Power A Boost.

DS News (8/3, Wharton) reports, "An estimated 4.1 million homeowners were in active COVID-19 forbearance plans as of July 21, according to new data from Black Knight Inc. This represents 7.8% of all active mortgages." Black Knight also "reported that last month's record-breaking low mortgage rates contributed to creating the most affordable average-priced homes since 2016," with homebuying power up 10% from last year. According to Black Knight, this means the average homebuyer can afford $32,000 more house than a year earlier for the same mortgage payment. National Mortgage News (8/3, Centopani) reports Black Knight's Ben Graboske said, "Falling rates and improved affordability have helped to spur home-buying demand, and therefore purchase origination volume, which has provided a much-needed backstop for home prices in the wake of the COVID-19 pandemic."

Mortgage News Daily (8/3, Swanson) says, "The last report from Freddie Mac put its 30-year fixed rate mortgage (FRM) at 2.99 percent, up 1 basis point from the all-time low." Black Knight "says that has made home affordability the best in four years. As of mid-July, it required only 19.8 percent of the nation's median monthly income to make the mortgage payment on an average priced home using that 30-year FRM and a 20 percent down payment."

J.D. Power Releases 2020 Mortgage Servicer Satisfaction Study.

Mortgage Professional America (8/3, Jarvis) reports that J.D. Power's 2020 U.S. Primary Mortgage Servicer Satisfaction Study was "conducted in March and April, when homeowners' anxiety around COVID-19 was putting unprecedented pressure on servicers." Quicken Loans was the highest-ranking mortgage servicer for the seventh year in a row, with a score of 854. Just behind Quicken were Regions Mortgage (846) and Huntington National Bank (827). According to MPA, "J.D. Power found that most customers feel they receive either too little or too much communication from their lender. Those that provide no communication received an overall average client satisfaction score of 767; those that provided what is considered to be too much communication, defined in the study as 11 or more touchpoints in the previous 12 months, fared only slightly better, scoring 785. The sweet spot appears to be three to four communications per year."

MBA: Multifamily Originations Exceeded $364B In 2019.

Mortgage Professional America (8/3, Mendoza) reports that the MBA found approximately 2,589 multifamily lenders originated $364.4 billion in new mortgages last year for apartment buildings. Before the pandemic struck, "MBA forecasted multifamily originations would jump 9% to $395 billion in 2020, beating 2019's record. The pandemic, however, may change that." According to MBA VP Jamie Woodwell, "Interest rates are now lower than they were a year ago, and data has yet to show any marked changes in property incomes or values. Demand for refinancing because of low rates, particularly for government-backed loans, is unlikely to overcome a drop in sales transactions, which means multifamily borrowing and lending is likely to drop this year." MPA says, "By dollar volume, 38% of the total multifamily mortgages originated in 2019 went to Fannie Mae and Freddie Mac. The top five multifamily lenders by dollar volume were JP Morgan Chase & Company, Wells Fargo, CBRE, Berkadia, and Walker & Dunlop."

Ginnie Mae Approvals At Low Levels This Fiscal Year.

Behind a paywall, Inside Mortgage Finance (8/3, Muolo, Subscription Publication) reports, "There was a time when nonbanks and depositories were lining up to get their Ginnie Mae approvals so they could issue and service MBS on government-backed product. Not so much of late, especially in the era of COVID-19." IMF says that with two months remaining in the fiscal year, Ginnie has approved just six issuers, and "seven shops are waiting for a greenlight." By contrast, "back in 2013, 71 lenders received approval to issue securities, followed by 2014 when the tally fell to 53. In 2015, 41 shops were approved." According to IMF, "The lower readings might suggest a lack of interest in FHA/VA lending but that's hardly the case given the continued strong production numbers."

Best Western CEO Says That The Industry's Viability Is Dependent On Congress Passing New Coronavirus Relief Legislation.

Skift (8/4, Sperance, 5K) reports that the hotel industry in the US is "at a recovery impasse with rising coronavirus case counts across much of the country." According to Best Western CEO David Kong, the survival of the industry is dependent on the next coronavirus relief package from Congress. "What I'm afraid of is there could be massive defaults on not just [commercial mortgage-backed securities] but on all loans," Kong said during an interview on Monday. "You'd have the 2008 and 2009 financial crisis all over again. I think the problem is going to get easier as we go. We just need to buy ourselves time."

Census Bureau Data Shows Construction Spending Largely Flat In June.

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Mortgage News Daily (8/3, Swanson) reports construction spending "held firm in June, inching down 0.6% [m/m], from the May level and increasing a bit compared to June 2019." The Census Bureau "said total spending during the month was at a seasonally adjusted annual rate

of $1.355 trillion, down 0.7 percent from the $1.365 trillion spending rate in May. On an annual basis the rate was up 0.1 percent." Unadjusted, there was "$123.377 billion spent compared to $117.226 billion the prior month. Spending for the first six months of the year was up 5.0 percent from the same period in 2019 at $667.920 billion." Private residential spending fell 1.5% to $553.17 billion, 0.8% below June 2019's rate. Single-family construction fell 3.6%. Multifamily construction "picked up some of the slack, rising 3.0 percent from May to $80.022 billion, but it was 2.1 percent lower than a year earlier."

Analysis: Closing Costs For Refis Average $5K, But Could Vary, According To Freddie Mac Data.

Bankrate (8/3, Lee, 311K) released a piece advising readers on how much it costs to refinance, saying that "average closing costs for a mortgage refinance are about $5,000, though costs vary according to the size of your loan and the state and county where you live, according to data from Freddie Mac."

Analysis: Borrowers Often Waste Money By Not Rate-Shopping.

Writing for Fintech Zoom (UK) (8/3), SuperMoney.com CEO Judie Simms says that although people "spend many hours poring over the specs and comps of a brand new residence, almost eight out of 10 debtors apply to just one mortgage lender, in line with a examine by the Shopper Monetary Safety Bureau." This could cost them, as a "2018 report by Freddie Mac revealed that debtors might decrease their rate of interest by 0.22% and save a median of $3,000 by evaluating 5 quotes from competing mortgage lenders."

Markets

10-Year Yield Ticks Down.

MarketWatch (8/4, 1.67M) reports the 10-year Treasury yield fell to 0.536 percent.

Dollar Falters.

Reuters (8/4, Westbrook) reports, "A nascent rebound in the dollar paused on Tuesday, as investors weighed mixed but encouraging economic data against slow progress toward a U.S. government spending package and another week of rising coronavirus deaths." The dollar "had its worst month in a decade in July but began August with a bounce, pushing as high as $1.1695 per euro on Monday, 1.8% above last week's two-year low." That "had retraced a little by morning trade in Asia, leaving the dollar at $1.1755 on the euro and 93.574 against a basket of currencies – below a one-week top of 93.997 hit on Monday." The yen "also recovered some overnight losses to sit at 106.08 per dollar."

Gold Edges Lower.

Reuters (8/3) reports, "Gold prices edged lower on Tuesday as the dollar strengthened and risk appetite improved after positive U.S. economic data, while fears over surging coronavirus cases limited losses for the safe-haven metal." Spot gold "was down 0.2% at $1,973.54 per ounce by 0026 GMT," while US gold futures "rose 0.2% to $1,989.20."

Oil Falls.

Reuters (IND) (8/4, Paul) reports, "Oil prices eased on Tuesday amid concerns that a fresh wave of COVID-19 infections around the world will see a pickup in fuel demand stalling amid tighter lockdowns – just as major producers ramp up output." US West Texas Intermediate crude futures "eased 4 cents, or 0.1% to $40.97 a barrel at 0655 GMT, while Brent crude futures fell 11 cents, or 0.3% to $44.04 a barrel."

Cybersecurity

DHS, Commerce Department Collaborate To Combat Botnets.

MeriTalk (8/3, Weingarten) reports DHS and Commerce Department "released an update to their ongoing work to address botnets, automated and distributed attacks on the internet, which threaten the nation's internet infrastructure." The president "issued Executive Order (EO) 13800, 'Strengthening the Cybersecurity of Federal Networks and Critical Infrastructure,' in May of 2017." The EO "called for 'resilience against botnets and other automated, distributed threats' and directed the Secretaries of Commerce and Homeland Security to lead a process in line with this effort." According to the update, the National Institute of Standards and Technology issued "guidance for Internet of Things (IoT) device manufacturers...which define baseline cybersecurity capabilities that manufacturers can voluntarily adopt for IoT devices." The status update said, "Botnets remain a significant threat. Current malicious applications of botnets remain relevant, and attackers continue to devise novel nefarious applications."

US Issues Alert About Malware Used By Chinese Government.

Bloomberg (8/3, Sebenius, 4.73M) reports the US government "issued an alert Monday that a type of malware seen frequently by security researchers in the last decade is tied to the Chinese government, the latest in a series of American warnings about China's cyber capabilities this summer." According to the alert, DHS' Cybersecurity and Infrastructure Security Agency (CISA), the FBI, and DOD "identified a malware

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variant used by Chinese government cyber-actors, which is known as Taidoor." The purpose of the alert, "which contained no information about the prevalence of the malware or who has been targeted, is to 'enable network defense and reduce exposure to Chinese government malicious cyber-activity.'" According to a US Cyber Command official, who requested anonymity as is the agency's policy, "the Chinese government continues to leverage it in ongoing espionage to gain intelligence."

CyberScoop (8/3, Vavra) reports it wasn't "immediately clear if Taidoor was being used in any recent or ongoing espionage campaigns from China." But of the four malware samples Cyber Command "shared on VirusTotal, only two are detected by any engines." Even in the cases "where the private sector does have protections related to Taidoor campaigns, the protections aren't widespread – only FireEye and BitDefender protect against some parts of the Taidoor upload." A CISA official "told CyberScoop the announcement was made to enhance defenses against Chinese hacking." The CISA official told CyberScoop, "CISA, FBI, and DOD are publishing this malware analysis report about the Taidoor variant to enable network defense and reduce exposure to Chinese government malicious cyber activity." ZDNet (8/3, Cimpanu, 299K) reports US Cyber Command "said the malware has been around and silently deployed on victim networks for at least 12 years, since 2008." Also providing similar reporting on the story is Fortune (8/3, 3.91M).

University of Texas Warns Donors, Contacts Possibly Affected By Ransomware Attack.

The Austin (TX) American Statesman (8/3, Choi, Subscription Publication, 343K) reports University of Texas officials "said Monday that the university recently learned of a security breach that affected some of the school's donors and fundraising contacts." According to a post on the university's website, Blackbaud, a company that "provides fundraising software to nonprofits, universities and other organizations, was the target of a ransomware attack in May." University of Texas officials "said some of its donors and contacts were told about the breach on Monday, and informed them that their information could have been accessed because of the cyberattack." University officials said in the memo, "Publicly available information such as names, addresses, phone numbers, emails and birthdays may have been accessed. No credit card information, bank information, or social security numbers were accessed by the cybercriminal or compromised."

CISA Chief Wants Younger, More Experienced Hackers In Federal Government.

Federal Computer Week (8/3, Johnson, 263K) reports Chris Krebs, Director of the Cybersecurity and Infrastructure Security Agency "said federal agencies could do much to improve their cybersecurity talent pool if they moved away from restrictive General Schedule hiring practices and were more open to bringing on younger candidates." During an August 3 online discussion, former Rep. Jane Harmon (D-CA) "asked Krebs...if CISA had the staffing it needed to 'stay ahead of the 17-year-olds.'" Krebs "argued that in the digital domain, practical experience quickly outstrips age and even credentials in importance." He said, "You know at this point, particularly in cyber, I'm not sure it matters if you're 45 or 17, which speaks to the ways that we need to evolve our hiring practices."

Pentagon Considers Adopting Zero-trust Security Approach.

C4ISR & Networks (8/3, Eversden) reports the telework environment "caused by the coronavirus pandemic has accelerated conversations about implementing zero-trust network architectures at the Department of Defense." In recent weeks, several top IT officials "have said on virtual events that their departments are discussing concrete steps to move toward zero-trust architectures and away from using the phrase as just buzzword for cybersecurity." Zero-trust is a "network architecture that inherently distrusts the user and continuously verifies the identity of the user accessing data." Vice Adm. Nancy Norton, director of the Defense Information Systems Agency, which manages and secures DOD networks across the globe, said, "The need for zero-trust has been highlighted by the COVID-19 pandemic." She announced July 15 a" plan to release a zero-trust framework by the end of the year." Conversations about "implementing zero-trust network architectures have been facilitated in part by the hundreds of thousands of DOD employees using the department's remote collaboration platform, known as the Commercial Virtual Remote Environment."

CISA Releases Updated TIC 3.0 Network Security Guidance.

ExecutiveGov (8/3, Rivers) reports the Cybersecurity and Infrastructure Security Agency (CISA) has "issued an update to its Trusted Internet Connections (TIC) guidance along with documents containing a security capabilities catalog, a program guidebook and reference architecture." CISA "said Friday the TIC 3.0 core guidance incorporates public input on the draft documents released in December." According to CISA, TIC 3.0 includes "use cases as well as recommendations on pilot program execution, implementation approaches and other strategies for remote work settings." CISA plans to issue "final versions of documents such as the Use Case Handbook, Overlay Handbook, Branch Office Use Case and Traditional TIC Use Case later this summer."

Op-Ed: Congress Has A Shot At Correcting Trump's Central Mistake On Cybersecurity.

In an op-ed in The Hill (8/3, 2.98M), Charlie Mitchell, co-founder and editor of InsideCybersecurity.com, writes, "Coordination is king in cyber, and yet that's what the Trump White House decided to do without in 2018, when then-National Security Advisor John Bolton abolished a White House cybersecurity coordinator position as a bureaucratic redundancy...it was Bolton's call to eliminate the cyber post after former coordinator Rob Joyce decided he wanted to leave the Trump White House." He notes, "The National Cyber Director provision is in the House version but didn't make the cut in the Senate." He concludes, "With negotiations underway on the final version of the must-pass

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national defense bill, lawmakers have one more chance this year to position the US for confronting a cybersecurity challenge that grows more dangerous at every turn...Creating a national cyber director is about as close to a consensus recommendation among cyber experts as we're likely to see."

NSA Reports On New Cyber Vulnerability In Computers.

ExecutiveGov (8/3, Martin) reports NSA has "issued a report on a new cyber vulnerability that threatens certain systems present within DOD and other organizations." NSA "said Thursday the BootHole vulnerability allows cyber actors to get through the Secure Boot security standard that makes devices boot only with software trusted by original manufacturers." Cyber terrorists may use "this vulnerability to tamper with a device's boot process." Devices running "on Linux or Windows 8 and above may be affected by this vulnerability." NSA provided "two mitigation options in the 'Mitigate the GRUB2 BootHole Vulnerability' report for users of Linux, an operating system that uses the Grand Unified Bootloader 2 or GRUB2 affected by BootHole." The report "advises Linux users to update the boot components of endpoints."

Financial Reform

Congress More Likely To Address Bank Capital Requirements In Future Pandemic Relief.

American Banker (8/4, Lang, Subscription Publication, 31K) reports, "It may be getting too late in the current stimulus talks for Congress to ease a Dodd-Frank Act capital requirement, but the measure sought by large institutions and the Federal Reserve could make a comeback in future pandemic relief, observers said." Congress is unlikely to address the "idea of weakening the minimum capital benchmark known as the Collins amendment" in the Phase 4 stimulus bill, "with Democrats opposed to changes and lawmakers focused on more immediate economic effects from the pandemic. But with deposits expected to keep growing, and Congress shifting from economic rescue to recovery, easing the capital rule could come back into play."

Federal Reserve

Fed's Role As World's Backup Lender Has Increased During Pandemic.

The Wall Street Journal (8/3, Ng, Timiraos, Subscription Publication, 7.57M) reports that while the Federal Reserve has sought to avoid being the world's backup lender, amid the coronavirus pandemic, the central bank's global power and influence have increased.

Evans Says Unemployment High, Outlook Difficult.

Reuters (8/3, Saphir) reports Chicago Fed President Charles Evans on Monday called for more stimulus spending, saying aggregate demand could fall as unemployment benefits expire and an eviction moratorium ends. Evans said, "If we go very long without somehow addressing the reduction and evaporation of that support, I think it's going to show up in lower aggregate demand, and that would be very costly for the economy, individuals, households, people." Evans' baseline forecast shows the US unemployment rate at 9.5% by the end of 2020 and 6.5% by the end of 2021, "well above where it ought to be in a healthy economy." He added the worse scenarios are "equally" likely. While he felt monetary policy "is about where it can be," he stressed that "it's really fiscal policy that needs to be addressing this."

Bullard: Recovery Likely Slowed In July, Will Remain Bumpy Going Forward.

Reuters (8/3, Marte) reports St. Louis Fed President James Bullard said Monday that the US economic recovery following the COVID-19-induced recession probably slowed in July and is unlikely to be steady going forward. Bullard said, "I think the slowdown in July would be consistent with the idea that we shouldn't expect a completely smooth transition as you go forward because this is a crisis and there's going to be ups and downs." Bullard "said putting too much emphasis on the need for a vaccine could lead more consumers to stay home, prompt an increase in business failures and cause severe damage to the economy." He added, "You don't want to cause a depression while you're causing people to expect a vaccine to suddenly come on the scene and save the day."

Office of the Comptroller of the Currency

Crapo Urges Regulators To Extend Relief For Banks, Renters.

Politico (8/3, Warmbrodt, 4.29M) reports Senate Banking Committee Chair Mike Crapo (R-ID) "is calling on federal agencies to extend economic relief measures that Congress established in March, as lawmakers and the Trump administration struggle to reach a deal on the next round of aid." In a letter to bank and housing regulators, Crapo "urged the officials to use their existing authority to continue eviction protections and looser lending rules – in effect doing an end run around Congress." Crapo wrote to the heads of the Federal Reserve, Office of the Comptroller of the Currency, Federal Deposit Insurance Corp., National Credit Union Administration, Department of Housing and Urban Development, and the Federal Housing Finance Agency.

Crypto Industry Asks OCC For More Fintech-Bank Guidance.

Law360 (8/3, Subscription Publication, 8K) reports, "The Digital Asset Regulatory and Legal Alliance, a group which includes founders and senior legal counsel in the fintech space, has told the U.S. Office of the Comptroller of the Currency that more concrete guidance is needed on fintech partnerships with national banks, as the agency solicits comments from the industry on existing regulations governing technology

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in banking."

Meanwhile, the CoinTelegraph (8/3, 14K) reports many "major players" in the crypto industry have written in response to the OCC's request for feedback on potential rules, "asking the regulator to expand the authorizations it gives banks to handle cryptocurrencies and use blockchain technology." Silvergate Bank asked the OCC to allow banks to use blockchain "to send money to each other and between client accounts," while crypto lobbying group the Blockchain Association said the OCC should "allow banks to settle payments and accept deposits in dollar stablecoins that meet criteria defined by the OCC."

BofA Sued Over Alleged Unauthorized Escrow Account Creation.

Law360 (8/3, Subscription Publication, 8K) reports behind a paywall that Bank of America "was hit Monday with a proposed class action from a North Carolina resident who alleges the bank has engaged in systematic mistreatment of home loan borrowers, enrolling her and others in mortgage escrow accounts without proper authorization." The plaintiff "accused Bank of America of improperly opening an unwanted escrow account for her and then resisting her attempts to close it, an experience she alleged reflected a broader set of malignant bank practices affecting potentially thousands of other customers."

Citi Accused Of Discrimination, Retaliation By Former Employee.

Bloomberg (8/3, Karsh, 4.73M) reports Citigroup "is being sued by an employee in a unit that serves hedge funds who says he was demoted for reporting harassment complaints about a new hire and discriminated against based on his sexual orientation." Thomas Krauss, who led the capital introduction group for the Americas, "accuses Citigroup of retaliating against him after he raised questions about the past behavior of the hire in its prime-brokerage unit." Krauss "also alleges that he was denied a promotion to managing director because of his sexual orientation and for extra work he did on behalf of the company's LGBTQ initiatives."

Editorial Wrap-Up

New York Times.

"The Good News About What Human Genius Can Still Do." The New York Times (8/3, 18.61M) says in an editorial that over the past week, we have seen examples that, despite the pandemic, "humankind persists in devoting extraordinary talent, science and treasure to decoding the mysteries of our universe." The Times cites NASA's launch of a Mars rover, Elon Musk's SpaceX mission, and archaeologists' recent discovery at Stonehenge as "some good news on what human genius can do [that] provided a welcome diversion from all the harrowing news about the pandemic and toxic politics." To the Times, "there's something uniquely compelling about our need to learn what we can about the universe, and to do that not for some practical or commercial reason, but simply out of curiosity, out of wonder."

Washington Post.

"Trump's Anti-China Strategy At Home Will Hurt U.S. Companies Around The World." A Washington Post (8/3, 14.2M) editorial says that while "having an experienced U.S. firm control" TikTok "is preferable to shutting it down or accepting the current security risks," President Trump "has in essence conducted a shakedown, threatening a shutdown and then providing his blessing to a private business deal once it pleased him." The Post calls this "an affront to free enterprise generally," and "an affront to the American enterprise of preserving an open outlook toward the world – and encouraging other nations to welcome U.S. investors."

"Even Republicans Found A Trump Nominee Too Bigoted. Trump Appointed Him Anyway." In an editorial, the Washington Post (8/3, 14.2M) writes that "it was clear that enough members of the committee – Republican and Democratic – knew enough about [withdrawn Pentagon nominee Anthony] Tata and his bigoted views to realize he was completely unsuitable for this critical job." President Trump responded by "doubling down on bigotry while showing total contempt for the US Senate." To the Post, "Tata's warped worldview and deranged conspiracy theories disqualify him from any position of federal responsibility, as senators understood. Will those senators now allow Mr. Trump to run them over and make a mockery of the Senate's constitutional role?"

"U.S. Park Police At Work: Shooting An Unarmed Man. Clubbing Protesters. Resisting Body Cameras." The Washington Post (8/3, 14.2M) editorializes that "given its execrable recent record, you'd think the Park Police would be doing everything in its power to regain the public's trust and confidence." The Post argues that "body-worn cameras, standard equipment at many major police departments across the country, would be a useful first step to signal that the Park Police is determined to make itself accountable for its actions. A bill to mandate their use for all federal police officers is included in a legislative police package introduced in the House of Representatives. Its passage would be a tonic – whether or not the Park Police thinks it is 'in a position' to comply."

Wall Street Journal.

"School-Opening Extortion." A Wall Street Journal (8/3, Subscription Publication, 7.57M) editorial criticizes the American Federation of Teachers for supporting strikes over school reopenings. The Journal also argues that teachers unions should not call for the closure of private schools in districts that are remote-only. Instead, the Journal says parents should be given their taxpayer dollars to decide where and how to educate their children.

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"Will Joe Biden Duck The Debates?" In an editorial, the Wall Street Journal (8/3, Subscription Publication, 7.57M) takes issue with

suggestions from some that Joe Biden should skip the three scheduled presidential debates. The Journal argues that voters should see how Biden handles himself under the pressure of a debate, and says that if he skips them, voters can conclude that his aides are seeking to protect him amid doubts about his cognitive skills.

"Peace Progress In Yemen." A Wall Street Journal (8/3, Subscription Publication, 7.57M) editorial welcomes progress towards peace in Yemen, which it argues would not have been possible without the Trump Administration's maximum-pressure campaign against Iran.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Trump Says US Should Get Slice Of TikTok Sale Price
Hedge-Fund Launches Pick Up Despite Covid-19 Pandemic
Covid Supercharges Federal Reserve As Backup Lender To The World
FDA's Shifting Standards For Chinese Face Masks Fuel Confusion
Used-Car Dealers Really, Really Want To Buy Your Vehicle

New York Times:

With Jobless Aid Expired, Trump Sidelines Himself In Stimulus Talks
TikTok, Trump And An Impulse To Act As CEO To Corporate America
DA Is Investigating Trump And His Company Over Fraud, Filing Suggests
Rescue Of Troubled Trucking Company With White House Ties Draws Scrutiny
These Remarks Might Get A Police Chief Fired. Not In New York
When Covid Subsided, Israel Reopened Its Schools. It Didn't Go Well.

Washington Post:

GOP Fears A Ballot Backfire
An Oil Spill In Russia's Arctic Exposes Problems In Moscow's Big Plans For The Far North
Top Virus Official Is New Target For Trump
Part Of FBI Headed For Ala. As Trump's DC Plan Falters
Family Feud Over A Summer Gathering
President Mulls Solo Actions If Aid Bill Stalls

Financial Times:

John Hume, Nobel Peace Prize Winner, 1937-2020
Dispute Over Aid For Cities And States Slows Stimulus Talks
Police Money In US Politics Under Scrutiny As Calls For Reform Grow
Wirecard Processed Payments For Mafia-Linked Casino

Washington Times:

November Election Debacle Like New York's Would Spark Endless Legal Challenges, Uncertainty
Teachers Unions Hold Anti-Reopening Rallies, Threaten 'Safety Strikes'
Rashida Tlaib's Primary Becomes Referendum On Anti-Establishment
Trump Team's Blitz On Biden Shifts To Early Battlegrounds
Revolutionary Communist Party Leader Backs Biden
Broadcaster Vetting Lax For Foreign Employees

Story Lineup From Last Night's Network News:

ABC: Tropical Storm Isaias; Weather Report; Coronavirus-Rising Cases; Trump-Dr. Birx; Trump-Mail In Ballots; Wyoming-Hot Air Balloon Accident; New Jersey-Judge Salas Video; Colorado-Officers Mistakenly Detain Black Family; California-Apple Fire; Coronavirus-Sports; New Orleans-Baby Survives Being Born 4 Months Early.

CBS: Tropical Storm Isaias; Weather Report; California-Apple Fire; Coronavirus-Rising Cases; Trump-Dr. Birx; Trump-TikTok; Trump-Testing; Minneapolis-Body Cam From George Floyd Death; California-Missing Service Members; New Jersey-Judge Salas Video; Idaho-Children's Remains Discovered; Wyoming-Hot Air Balloon Accident; New Jersey-High School Seniors Grocery Shop For Senior Citizens.

NBC: Tropical Storm Isaias; Weather Report; Coronavirus-Rising Cases; Trump-Dr. Birx; Congress-Relief Bill; New Jersey-Judge Salas Video; Minneapolis-Body Cam From George Floyd Death; California-Apple Fire; Coronavirus-Navajo Nation; Unemployment; Minneapolis-7 Year Old Becomes Pen Pals With 73 Year Old.

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Network TV At A Glance:
Coronavirus – 11 minutes, 35 seconds
Tropical Storm Isaias – 8 minutes, 0 seconds
New Jersey-Judge Salas Video – 5 minutes, 45 seconds
Trump-Dr. Birx – 5 minutes, 5 seconds
California-Apple Fire – 1 minute, 5 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Hurricane Isaias; Coronavirus-Rising Cases; Trump-Healthcare Plan; Stocks.
CBS: Hurricane Isaias; Hurricane Isaias-Tracking; Coronavirus-Florida; Coronavirus-Schools; Trump-TikTok; Trump-Tax Returns.
FOX: Hurricane Isaias; California-Apple Fire; Congress-Relief Bill; Portland-Teen Charged For Assaulting Federal Officer.
NPR: Hurricane Isaias; Coronavirus-Testing At Colleges; US Manufacturing Rebound; Stocks.

Last Laughs

Late Night Political Humor.

Jimmy Fallon: [On Trump announcing he might ban the app TikTok] "Well, guys, with the coronavirus surging and the economy cratering, President Trump is turning his attention to what is really important. ... What is he doing? Is he the President of the United States, or the preacher from 'Footloose'?"

Jimmy Fallon: "Apparently, this is a very real national security threat: the Chinese government knowing which Americans can and cannot dance."

Jimmy Fallon: "I am sure it has everything to do with national security and nothing to do with the TikTok teens who sabotaged his Tulsa rally."

Jimmy Fallon: "At first, Trump was confused because he thought TikTok was the name of '60 Minutes.'"

Jimmy Fallon: "Trump is playing hardball with China. If he bans TikTok, China will only be able to spy on our phones, TVs, cars, and refrigerators. So, that's where he draws the line."

Jimmy Fallon: "After months of Trump using Dr. Fauci as a human pinata, Trump is now going after his other top medical expert, Dr. Deborah Birx. ... Dr. Birx has had it. Today she took off one of her scarves and started wrapping it around her knuckles. It's time to Birx box."

Jimmy Fallon: "Trump has criticized Dr. Fauci and Dr. Birx, which means somewhere, Dr. Oz waiting by a phone, like, 'This is my time to shine! Let's go!'"

Jimmy Fallon: "With the 2020 election right around the corner, people are worried Trump's trying to weaken the Post Office to delay mail-in voting. ... Trump's attacking TikTok and the Post Office. You gotta give him credit: Only he could alienate 18-year-olds and 88-year-olds in the same day."

Seth Meyers: "Treasury Secretary Steve Mnuchin said yesterday that extending the $600 weekly unemployment benefit leads to, quote, 'certain cases where we're paying people more to stay home than work.' Well, if you think that's bad, buddy, wait 'til you find out what we're paying [President Trump] to shank golf balls into the woods."

Seth Meyers: "White House coronavirus task force coordinator Dr. Deborah Birx said today that we've entered a new phase in the fight against coronavirus. That's right, the task force has now moved on to the 'could care less' phase."

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Seth Meyers: "Health officials said yesterday they fear President Trump will push the Food and Drug Administration to approve a coronavirus vaccine before it's deemed safe in order to have it ready before the election. Cool, cool. A once-in-a-lifetime pandemic, and they're going to serve up a vaccine that they made on an episode of 'Nailed It.'"

Seth Meyers: "Former Vice President Joe Biden is expected to pick his running mate this week and make a formal announcement later this month. Then and only then will the Obamas turn their phones back on."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Participates in a signing ceremony for H.R. 1957 – The Great American Outdoors Act; has lunch with the Secretary of State; receives his intelligence briefing
- Vice President Pence — No public schedule released

***US Senate*:**

- Senate Armed Services Committee nominations hearing – Nominations hearing considers John Whitley to be Department of Defense Director of Cost Assessment and Program Evaluation; Shon Manasco to be Under Secretary of the Air Force; Michele Pearce to be Department of the Army General Counsel; and Liam Hardy to be U.S. Court of Appeals for the Armed Forces Judge

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 9:00 AM

- Senate Foreign Relations Committee hearing on Venezuela – Hearing on 'Venezuela in Maduro's Grasp: Assessing the Deteriorating Security and Humanitarian Situation', with testimony from U.S. Special Representative for Venezuela Amb. Elliott Abrams; and USAID Senior Deputy Assistant Administrator for Latin America and the Caribbean Joshua Hodges

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Closed Briefing: Intelligence Matters

Location: CVC 217, U.S. Capitol Visitor Center, Washington, DC; 2:00 PM

- Senate Judiciary subcommittee hearing on 'Protecting Speech by Stopping Anarchist Violence' – Subcommittee on the Constitution hearing on 'The Right of the People Peaceably to Assemble: Protecting Speech by Stopping Anarchist Violence' * Subcommittee Chairman Ted Cruz has said the hearing is on 'how Antifa and other anarchists are hijacking peaceful protests and engaging in political violence'

Location: Rm 562, Dirksen Senate Office Building, Washington, DC; 2:30 PM

- Senate Armed Services Committee hearing on the Cyberspace Solarium Commission – Hearing on 'Findings and Recommendations of the Cyberspace Solarium Commission', with testimony from Commission Chairmen Independent Sen. Angus King and Republican Rep. Mike Gallagher, and Commissioner Brig. Gen. (Ret.) John Inglis

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 2:30 PM

***US House*:**

- House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 31 Jul – 7 Sep

Location: U.S. Capitol, Washington, DC; 11:00 AM

- House Homeland Security Committee virtual hearing on 'Protecting the Integrity of the 2020 Elections' – Cybersecurity, Infrastructure Protection, & Innovation Subcommittee virtual hearing on 'Secure, Safe, and Auditable: Protecting the Integrity of the 2020 Elections', with testimony from German Marshall Fund of the United States Alliance for Securing Democracy Elections Integrity Fellow David Levine; Common Cause Director of Voting and Elections Sylvia Albert; National Vote at Home Institute CEO Amber McReynolds; and Center for Internet Security President and CEO John Gilligan; *12:00 PM*

***Cabinet Officers*:**

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- President Donald Trump has lunch with Secretary of State Mike Pompeo

Visitors:

- No visitors scheduled

This Town:

- Aspen Security Forum held digitally – Aspen Security Forum, annual summer gathering of top-level present and former government officials from all relevant agencies such as DHS, Defense, State, Justice, and the Treasury, industry and business leaders, thought leaders in think tanks and academe, and journalists. Day one speakers include former Secretary of State Condoleezza Rice, former National Security Advisor John Bolon; U.S. Ambassador to the U.N. Kelly Craft, and Australian Prime Minister Scott Morrison; *8:00 AM*
- CDC telebriefing on new 'Vital Signs' report on potential AFM outbreak in 2020 – CDC telebriefing on new 'Vital Signs' report, which anticipates that 2020 will be another outbreak year for acute flaccid myelitis (AFM), an uncommon but serious neurologic condition. The reports call on pediatricians and frontline providers in emergency departments and urgent care centers to quickly recognize AFM and immediately hospitalize patients; *12:00 PM*
- USTR Lighthizer continues meeting visiting UK counterpart – U.S. Trade Representative Amb. Robert Lighthizer continues meeting visiting UK International Trade Secretary Liz Truss meets in Washington, DC, to discuss progress on reaching a free trade agreement between the two countries * The UK left the European Union in January and is now negotiating future trading terms with Brussels and other major economies

Location: Washington, DC

- ASNE host virtual TSS 2020 – American Society of Naval Engineers (ASNE) hosts Technology, Systems and Ships 2020, focusing on the latest efforts of the Navy, Coast Guard, Marine Corps, and Army to design and procure the next generation of weapons, systems and ships * Event formerly known as ASNE Day * Rescheduled from 16 Jun due to the coronavirus (COVID-19) pandemic and now held virtually

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TO: THE SECRETARY AND SENIOR STAFF
DATE: WEDNESDAY, JULY 15, 2020 6:00 AM EDT

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• Senate Democrats: Minority Communities Should Have Easier Access To Federal Funding.
• McConnell Says Details On New COVID-19 Relief Package To Roll Out Next Week.
• USPS Documents Cite Major Changes For Agency, Slower Delivery Of Mail.
• Dunford Reportedly Withdraws From Consideration As Chair Of Panel Overseeing COVID-19 Spending.
• Business Groups Push Treasury, Fed To Create Small-Business Facility To Help With Liquidity Issues.

Leading National News

• Trump "Not Interested In Talking To China" About Another Trade Deal.
• Scalia Says Pandemic Could Spur "Reinvestment In America."
• Carson: Another Shutdown Could Destroy Economy.
• Ivanka Trump, Cook Say Laid-Off Workers Should "Find Something New."
• More Than 80% Of Small Businesses That Got PPP Loans Running Out Of Money.
• Some Retailers End "Hero Pay" Hourly Wage Raises For Essential Workers.
• Automakers May Not Be Able To Stay Open Amid Surge In Coronavirus Cases.
• Best Buy To Require Masks In All Of Its Stores.
• Stocks Notch More Gains After Being Down In Early Trading.
• Court Rules Dakota Access Pipeline Can Continue Operating During Court Fight.
• Delta Posts $5.7B Q2 Loss.
• WSJournal: Left Impedes US Firms' Efforts To Sell Energy To Europe.
• Gray: Banks Withholding Capital From Oil And Gas Firms.
• Miller: USMCA Will Bring Jobs Back To US.
• Politico Analysis: Huge Increase In Farm Aid Under Trump May Be Hard To Cut Back.
• Trump Says COVID Testing May Be "Working Too Well."
• Pence Sounds Optimistic Note On Pandemic, Backs Reopening Schools In Louisiana Trip.
• Giroir Says Public Health Officials Do Not "Lie."
• Fauci Urges Trust In "Respected Medical Authorities" Like Himself.
• Redfield Warns Of "Difficult Times," Says Mask-Wearing Could Halt Virus' Advance.
• Hahn "Encouraged" About Vaccine Development.
• Former CDC Directors Decry Politicization Of Health Policy.
• Warren, Pressley Press Azar On Coronavirus' Impact On Minorities.
• Virginia Congressman Tests Positive For COVID-19.
• Administration Orders Hospitals To Bypass CDC On COVID Patient Information.
• Hospitals Stock Up On COVID-19 Drugs To Prepare For Second Wave In Fall.
• Biden: "It's Gotten Bad Enough" That Trump Is Wearing A Mask In Public.
• Cruz Photographed On Flight Without Mask On.
• Jacksonville GOP Convention Now Expected To Be Held Outdoors.
• Florida Reports Single-Day Record Of 132 COVID Deaths.
• Garcetti Says Los Angeles May Need To Shut Down Again.
• Experts Blast New York Report Absolving Cuomo Of Blame For Nursing Home Deaths.
• Nearly Three-Quarters Of New COVID Cases In Maryland County Are Among Latinos.
• Trump Says More Whites Than Blacks Being Shot By Police.
• Trump Threatens Federal Action If Cities Don't Rein In Violence.
• Parson: Trump "Taking Action" To Help St. Louis Couple Facing Gun Charges.
• Bernhardt Warns Those Caught Dismantling Monuments Will Be Punished.
• Emmer Wants Probe Into Decisions That Allowed Looters Free Rein.
• California Bars Police From Using LAPD Records In Gang Database.
• New York's Wave Of Gun Violence Continues With Three Drive-By Shootings.
• Catholic Churches, Statues Targeted By Vandals In String Of Attacks.
• Daughter Of Slain Police Officer Criticized For Tweeting #BlueLivesMatter.
• Democratic Strategist Labels Blackburn "Inbred Racist Trash."
• WPost Investigation: 12 Protestors Partially Blinded By Police.
• LATimes Columnist Recommends Replacing National Anthem With "Lean On Me."
• Central Park Birdwatcher Cooper: It's A Mistake To Focus On One Individual.
• Graham Says He Will Grill Mueller About Russia Investigation.
• Judge Extends Deadline For DOJ To Answer Questions About Mueller Report.

American Oversight

• Former Trump Attorney: Durham Should "Taker A Hard Look" At Weissmann.
• Study: 5.5M Workers Lost Heath Insurance Between February And May.
• Miller Says Democrats Oppose Anything But Completely Open Borders.
• Miller: Border Wall "Completely Transforms" Communities Where It Is Built.
• Barr Says "Justice Was Done" After First Federal Execution In 17 Years.
• Trump Says Keeping Schools Closed Would Be "A Terrible Decision."
• Administration Drops Plan To Implement Rules On Student Visas For Online Learning.
• WSJournal Objects To Princeton Officials' Condemnation Of Professor's Views.
• Trump To Appoint Gorka To National Security Education Board.
• Foreign Policy: Mosley Hiring At USAID Part Of Effort To "Seed" Agencies With Trump "Loyalists."
• Trump Urged To Bring Greater Accountability To CFPB.
• First Lady Urges Americans To Wear Masks.
• Mary Trump Says Her Uncle Is "Utterly Incapable" Of Leading Country.
• Trump To Announce NEPA Reforms To Speed Permitting Process.
• Watkins Faces Three Felony Charges Related To Illegal Voting Investigation.
• Justice Ginsburg Hospitalized.
• Self-Described "Centrist" NYTimes Opinion Editor Resigns Citing "Bullying," "Illiberal Environment."
• NYPost: Trump's Hair Showing A "More Natural" Silver-Gray Color.
• Rasmussen National Poll: 54% Of Likely Voters Think Biden "Capable" Of Debating Trump.
• Rothenberg: Texas Is Currently "Competitive," Not A "Swing State."
• Rep. Kelly Contends Polls Showing Trump Trailing In Pennsylvania Are Inaccurate.
• Clinton Says Trump May Not "Go Quietly" If He Loses 2020 Election.
• Professor: Trump's Attacks On Mail-In Voting Could Lead To "Ugly Election Scenario."
• Biden Unveils $2T Climate Change Plan.
• In Shift, Biden Now Says Senate Filibuster May Need To Be Eliminated.
• Tuberville Defeats Sessions In Alabama Senate Primary.
• Poll: Kelly Leads McSally 52%-43% In Arizona Senate Race, Down From A 13-Point Edge In May.
• In 2018, Kentucky Candidate McGrath Likened Late-Term Abortion To C-Sections.
• Gideon "Easily" Wins Maine's Democratic Senate Primary.
• Hegar Defeats West In Texas Democratic Senate Primary Runoff.
• WPost Report: Democrats Increasingly Optimistic About Expanding House Majority.
• Omar's MN5 Primary Opponent Raised $3.2M Between April And End Of June.
• Jones Wins NY17 Democratic Primary.
• NYTimes Analysis: Trump "Cleared A Path" For GOP QAnon Candidates.
• RCP Average Has Trump's Job Approval At 41.6%.

Financial International News

• IMF Head Urged Ukraine President To Preserve Central Bank Independence.
• Eurozone Banks Warn Of Business Lending Crunch.
• G20 Receives Report Detailing Need For International Payments Infrastructure.

Leading International News

• Members Of Congress, Travel Industry Want US-Canada Travel Ban Eased.
• WPost Analysis: US, Poorer Nations Bear Growing Share Of Cases.
• Asian Countries Pause Reopening As Number Of Cases Increase.
• Britain To Mandate Mask-Wearing In Shops.
• Erdoğan, Trump Agree To Work More Closely On Libya.
• Iran Executes Retired Defense Ministry Employee Charged With Working For CIA.
• China And Iran Forge Closer Ties With Trade, Security Agreements.
• NYTimes Report: "No Conclusive Evidence" Tying Russia To Marines' Deaths.
• Deadly Taliban Attack Raises Concerns Over Faltering Afghan Peace Process.
• Danon Says Israel Is "Grateful" To Trump Administration For Pulling Out Of Iran Deal.
• Danon Says Israel Willing To Return To Negotiations With Palestinians.
• Danon: Anti-Semitism Must Be Fought On All Fronts.
• Azerbaijan-Armenia Border Clashes Continue For Third Day.
• WPost: Trump Administration Lacks Coherent Regime Change Strategy For Venezuela.

Housing

• Freddie Mac Multifamily's Jenkins, Martinez Recognized In "Power Finance 2020" List Of Industry Leaders.
• Despite Seila Ruling, Experts Say Questions Remain Regarding Constitutionality Of FHFA's Structure.
• Mortgage Delinquencies Hit Record High In April.
• GSE Multifamily Lending Fuels Multifamily Sector's Strength In Q1 And Through Pandemic.
• FHA Proposes Streamlining Of Specialized Servicing Practices.
• HUD Resists Calls To Withdraw Fair Housing Proposal.
• Washington, DC Reverse Mortgage Borrowers With Delinquent Loans May Receive More Assistance.
• Fannie Mae Raises Its Economic Outlook For 2020, But Warns That Significant Risks Remain.
• MBA: New Home Purchase Applications Rose 54.1% In June From Year Ago.
• Ginnie Mae MBS Issuance Sets A New Record In Q2.
• KBW: Q2 Earnings Of Wells Fargo, JPMorgan Chase Contain Both Encouraging And Distressing Insights.
• Robert Shiller: Major Cities May See Large Declines In Home Prices.
• NAHB: Lumber Prices Rose 50% From Mid-April To July 10.
• Fannie Mae's Danielle McCoy Highlights Resources To Help Borrowers Avoid Scams.

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• Annaly Preps A $489M Expanded-Credit MBS.
• Stevens: Using Secondary Market Revenue To Fund DPA Programs Could "Level The Playing Field."
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• 10-Year Yield Ticks Down.
• Dollar Falls.
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Cybersecurity
• FBI Warns Of Rising Cyber Crimes Targeting School Districts.
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• Brainard Suggests Recession May Be Longer Than Initially Hoped.
• Harker: Downturn Is "Both Exceptionally Painful And Stubbornly Long-Lasting."
• Kaplan Predicts "Disinflationary" Trend Due To "Lots Of Overcapacity" In Economy.
• Bullard: "Granular" Health Strategy Needed If Economy Is To Avoid Depression.
• Barkin: Business Owners Starting To Realize Pandemic Will Not Go Away Soon.
Internal Revenue Service
• WPost: GOP's "Anti-IRS Crusade" Decreasing Public Revenues.
• Commentary: IRS Closes Out The Most Challenging Tax Season Ever.
Office of the Comptroller of the Currency
• OCC Names Columbia University Professor As Senior Deputy Comptroller For Economics.
• Wells Fargo Faces Investors Suit Following House Report (OCC Mention).
• Big Banks Signal Worst Of Recession Is Yet To Come.
• JPMorgan Profit Falls 51% As Bank Sets Aside Record $10.5B For Loan Losses.
• Citi's Q2 Profit Falls 73% To $1.32B, But Beats Some Analysts' Estimates.
• Wells Fargo Posts Q2 Loss Of $2.38B.
• Benefits Of Strong Banking Regulation Comes To The Fore.
Bureau of Engraving and Printing
• Coin Shortage Amid COVID-19 Could Boost Effort To Kill The Penny.
Editorial Wrap-Up
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White House May Be Open To Compromise On Unemployment Benefits.

The Washington Post (7/14, Stein, Van Dam, Rosenberg, 14.2M) reports senior Trump Administration officials have started indicating "their willingness to approve a narrow extension of...enhanced unemployment benefits." President Trump and Administration officials have for months "argued the $600-per-week unemployment bonus provides a disincentive to work and should be scrapped so that more Americans return to work as part of the economic recovery." However, "with the benefits soon set to expire and the economy showing new signs of strain," those officials "have begun opening the door to accepting a narrower version of what Congress previously approved." Treasury Secretary Steven Mnuchin "said on CNBC last week that the administration's priority was ensuring that future benefits amount to 'no more' than 100 percent of a worker's prior wages." The Post says Mnuchin's comments "surprised some congressional Republicans who thought he shared their strong opposition to extending the benefits."

Bloomberg (7/14, Pickert, Sasso, Sheehey, 4.73M) says, "Policy makers in Washington are at a standstill in their talks for more stimulus, and in particular whether to include an extension of the extra unemployment benefits." Democratic lawmakers "want to extend the program, called Federal Pandemic Unemployment Compensation. Republicans and the Trump administration have called for capping the amount of money jobless Americans can receive, seeing it as a disincentive to return to work."

AMERICAN OVERSIGHT

WPost Analysis Finds "Faulty Data Collection" In PPP Disclosure.

The Washington Post (7/14, A1, O'Connell, Brown, Rich, Gregg, 14.2M) reports the PPP disclosure data "contains numerous errors that cast doubt on the Trump administration's jobs claims and obscure the real economic impact of the program, according to a Washington Post analysis and interviews with bankers and borrowers." The Post says its "analysis of data on 4.9 million loans released last week by the Small Business Administration shows that many companies are reported to have 'retained' far more workers than they employ. Likewise, in some cases the agency's jobs claim for entire industries surpasses the total number of workers in those sectors. And for more than 875,000 borrowers, the data shows that zero jobs were supported or no information is listed at all." The Post adds in "numerous cases, the listed number of jobs retained exceeded the total employment at the company, according to interviews with individual loan recipients." Such issues "complicate efforts to assess the impact of the program. The Trump administration has declared the program an 'indisputable success,' but that declaration is premature, experts say, cautioning that economists will need much more time and information to assess the results of taxpayers' significant investment."

O'Brien: PPP Shows Mnuchin, Administration Officials To Be "Inefficient And Inept." In his column for Bloomberg Opinion (7/14), Timothy O'Brien says the PPP, "a $669 billion effort that represents one of the biggest chunks of the $2.7 trillion bailout, keeps offering evidence that" Trump Administration officials "are pretty inefficient and inept." O'Brien says the "primary goal of the PPP program was to help entrepreneurs keep workers on their payrolls so they could ride out what policymakers hoped would be a relatively brief downturn. Protecting jobs to keep small businesses afloat was what it was all about." However, the federal government, "captained in this effort by Treasury Secretary Steven Mnuchin, doesn't really know whether borrowers who received bailout money through the Small Business Administration used it to cover workers' wages. And why not?" O'Brien argues younger Americans "will have to contend with the realities and shortcomings of the bailout long after Mnuchin has left the Treasury Department. He's given no indication that matters to him."

Calabria Applauds Mnuchin, FSOC's Decision To Review Risks In Secondary Mortgage Market.

MarketWatch (7/14, Passy, 1.67M) reports that the Financial Stability Oversight Council (FSOC) "said Tuesday that it will begin a review of the secondary mortgage market" to determine "what risks activities in the secondary mortgage market pose to the stability of the broader financial system" and identify ways that regulators can mitigate these risks. In response, FHFA Director Mark Calabria said, "As demonstrated by the 2008 financial crisis and again by COVID-19, Fannie Mae and Freddie Mac must be well capitalized in order to support the mortgage market during a stressed environment." American Banker (7/14, Lang, Subscription Publication, 31K) reports that "little detail was provided" about the review, but it "likely includes a focus on Fannie Mae and Freddie Mac." Calabria also said, "I applaud Secretary Mnuchin and the Financial Stability Oversight Council for initiating an activities-based review of the secondary mortgage market."

Senate Democrats: Minority Communities Should Have Easier Access To Federal Funding.

Reuters (7/14, Saphir) reports Sens. Catherine Cortez Masto (D-NV), Chris Van Hollen (D-MD), and Elizabeth Warren (D-MA) called on Treasury Secretary Steven Mnuchin and Federal Reserve Chair Jerome Powell "to ease the terms of the Fed's lending facility for state and local governments to allow more to tap it," citing the "particularly sharp impact that cuts to government jobs and services would have on Black Americans." According to Reuters, "So far only one state, Illinois, has borrowed from the facility, launched in May as one of nearly a dozen Fed programs aimed at nursing hard-hit segments of the financial markets and the economy during the crisis." The Senators, in a letter sent earlier this week, wrote, "Failing to provide necessary aid to state and local governments not only threatens the stability of communities across the country, it would also have a disproportionate impact on women, Black, and Hispanic workers, who are overrepresented in public sector jobs."

McConnell Says Details On New COVID-19 Relief Package To Roll Out Next Week.

The Washington Post (7/14, Mascaro, 14.2M) reports Senate Majority Leader Mitch McConnell "said Tuesday he'll begin to roll out details of the new COVID-19 relief package to senators as soon as next week and suggested it will include new funding for school reopenings, some unemployment benefits and money for health care providers." Treasury Secretary Steven Mnuchin in recent days "has been reaching out to GOP senators ahead of negotiations with Democrats, who already approved a $3 trillion House bill." Congress returns Monday "for two weeks to consider fresh coronavirus relief as the Trump administration has been unable to halt the virus' deepening spread across the country."

USPS Documents Cite Major Changes For Agency, Slower Delivery Of Mail.

The Washington Post (7/14, Bogage, 14.2M) reports new Postmaster General Louis DeJoy "established major operational changes Monday that could slow down mail delivery, warning employees the agency would not survive unless it made 'difficult' changes to cut costs." But critics "say such a philosophical sea change would sacrifice operational efficiency and cede its competitive edge to UPS, FedEx and other private sector rivals." Congress "authorized the USPS to borrow an additional $10 billion from the Treasury Department for emergency operations in an early coronavirus relief bill," but USPS officials "have yet to access the money over disagreements with Treasury Secretary Steven Mnuchin, who attached terms on the loan that would turn over operations of much of the Postal Service to his department."

AMERICAN OVERSIGHT

Dunford Reportedly Withdraws From Consideration As Chair Of Panel Overseeing COVID-19

Spending.

The Washington Post (7/14, Werner, 14.2M) reports, "Former Joint Chiefs of Staff chairman Joseph F. Dunford Jr. has removed himself from consideration to chair the Congressional Oversight Commission, a key mechanism created by Congress in March that...tasked with overseeing the $500 billion Treasury and Federal Reserve fund created by the Cares Act to lend money to corporations, municipalities and others." The panel is supposed to be comprised of five members, but it has not had a chairperson since it was created. The article says Dunford is at least the second individual to inform "Congress they would not take the post, and his decision is a major setback for the commission and efforts to find someone to lead it. Under the terms of the Cares Act, the chair of the bipartisan five-member commission must be appointed jointly by House Speaker Nancy Pelosi (D-Calif.) and Senate Majority Leader Mitch McConnell (R-Ky.)." It is still unclear why Dunford withdrew.

The New York Times (7/14, Broadwater, 18.61M) reports that Dunford's withdrawal was "the latest setback in Congress's efforts to keep tabs on the distribution of hundreds of billions of dollars of federal pandemic aid." This move "leaves the committee without a driving force even as Congress prepares to debate another round of government assistance amid a worsening pandemic."

The Wall Street Journal (7/14, Duehren, Timiraos, Subscription Publication, 7.57M) and Politico (7/14, Bresnahan, Cheney, 4.29M) also cover the story.

Business Groups Push Treasury, Fed To Create Small-Business Facility To Help With Liquidity Issues.

The Washington Business Journal (7/14, Medici, Subscription Publication, 882K) reports the Fed's "initial rollout of its $2.3 trillion CARES Act programs for businesses large and small has been met with a lackluster response so far – but now groups are looking at the Fed's unused CARES Act funding as a way to jumpstart new programs to bolster small businesses." The issue "is the $454 billion that Congress appropriated for use by the Fed to backstop potential losses in its programs," of which there is "still has about $259 billion remaining, according to a June 8 report by the Government Accountability Office." Business groups are now "pushing for the Fed and Treasury Department to create a small-business lending facility to solve short-term liquidity issues."

Leading National News

Trump "Not Interested In Talking To China" About Another Trade Deal.

Asked in an interview aired on the CBS Evening News (7/14, story 6, 0:45, O'Donnell, 4.31M) if Phase Two of trade talks with China is dead, President Trump said, "I'm not interested right now in talking to China. We made a great trade deal, but as soon as the deal was done, the ink wasn't even dry, and they hit us with the plague. Okay? So right now, I'm not interested in talking to China about another deal. I'm interested in doing other things with China."

Pompeo Urges "Free And Fair" Hong Kong Vote. AFP (7/14) reports Secretary of State Pompeo on Tuesday "urged free elections in Hong Kong after China said a primary held by the city's opposition parties may have breached a tough new security law." Pompeo tweeted, "Congratulations to Hong Kong's pan-democrats for a successful primary. The Legislative Council election in September should be equally free and fair."

The Washington Examiner (7/14, Smith, 448K) reports Beijing's top representative in Hong Kong "suggested that the weekend's pro-democracy primary was illegal and announced an investigation into the matter." China's liaison office called the informal election "nakedly illegal behavior" in a statement, asserting that it was in violation of the territory's new "national security" law.

A Wall Street Journal (7/14, Subscription Publication, 7.57M) editorial criticizes Beijing's move to silence Hong Kong voters.

Poll: 65% Of Americans Hold China Accountable For Coronavirus Spread. Breitbart (7/14, Bleau, 673K) reports the "majority of Americans hold China accountable for the spread of the novel coronavirus and indicated that they plan to take concrete steps to demonstrate their protest of China, a Pipsay poll released Tuesday found." Pipsay surveyed 30,415 adults nationwide from July 4-6 and "found that the vast majority now place blame at the feet of China."

Speier Praises China's "Discipline" On Coronavirus. The Fox News (7/14, Dorman, 27.59M) website reports Rep. Jackie Speier (D-CA) "ripped the federal government's response to the coronavirus, comparing it unfavorably to the way China handled the disease." Speier told MSNBC on Monday, "You look at China with so much more in terms of population...and they're faring much better because they have shown the kind of discipline necessary to address this." She also "called out President Trump, accusing him of spreading false information and failing to provide leadership for the states."

Stilwell Warns Sanctions Possible In Response To China In South China Sea. Reuters (7/14, Pamuk, Brunnstrom) reports Assistant Secretary of State David Stilwell "warned on Tuesday that Washington could respond with sanctions against Chinese officials and enterprises involved in coercion in the South China Sea after the United States announced a tougher stance to Beijing's claims there." Stilwell said, "Nothing is off the table. ... There is room for that. This is a language the Chinese understand – demonstrative and tangible action."

China, meanwhile, on Tuesday accused the Administration of "trying to sow discord between China and the Southeast Asian countries with which it has long-standing territorial disputes" in the waters, the AP (7/14, Moritsugu) reports. In a statement on its website, the Chinese Embassy in Washington said, "The United States is not a country directly involved in the disputes. However, it has kept interfering in the issue. Under the pretext of preserving stability, it is flexing muscles, stirring up tension and inciting confrontation in the region."

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The Los Angeles Times (7/14, Bengali, 4.64M) reports, "Seeking support in a budding cold war with Beijing, the U.S. is looking to Southeast Asia, where longstanding allies and security partners have clashed" with China in the South China Sea. But the Times says the "tougher U.S. stance illustrates a central challenge facing Washington as it tries to build pressure against China: While weaker Asian countries might recoil at China's aggressive behavior, none wants to be dragged into an open confrontation between two increasingly acrimonious powers."

NYTimes Analysis: US And China Are Moving Towards "Cold War." Under the headline "Caught In 'Ideological Spiral,' U.S. And China Drift Toward Cold War," the New York Times (7/14, Myers, Mozur, 18.61M) reports that "in a matter of weeks, the Trump administration has imposed sanctions over punitive policies in Hong Kong and China's western region of Xinjiang," and "took new measures to suffocate Chinese innovation by cutting it off from American technology and pushing allies to look elsewhere." The Times adds, "Then, on Monday, it tore up China's claims in the South China Sea, setting the stage for sharper confrontation." To the Times, these moves are "laying the foundation for a confrontation that will have many of the characteristics of the Cold War," and carries "the same risk of small disputes escalating into military conflict."

NYTimes To Move Part Of Hong Kong Office To Seoul. The New York Times (7/14, Grynbaum, 18.61M) reports the newspaper "said on Tuesday that it would relocate its Hong Kong-based digital news operation to Seoul, South Korea, a significant shift by an American news organization as China has stepped up its efforts to impede the affairs of the Asian metropolis."

China Sanctions Lockheed Martin Over Taiwan Arms Sales. The Washington Post (7/14, Fifield, 14.2M) reports that on Tuesday, China "said...that it would impose unspecified sanctions on Lockheed Martin, the gargantuan American defense contractor, in retaliation for the Trump administration's decision to continue supplying arms to Taiwan." Beijing "did not spell out what these measures would entail, and Lockheed Martin has very little exposure to China." However, the announcement, "coming just a day after China sanctioned four American officials, represents another salvo in the hostilities between Beijing and Washington." The CNN (7/14, Pham, 83.16M) website and Bloomberg (7/14, 4.73M), among other news outlets, also report the sanctions.

WTimes Analysis: China, Russia Making Global Power Plays. The Washington Times (7/14, Wolfgang, 492K) reports that "two recent standoffs with China and Russia have offered a sobering view of the coming great power competition between the U.S. and its two biggest rivals and just how dangerous it may become." On June 27, US fighter planes "intercepted Russian jets that had pierced American air defense zones near Alaska for the 10th time in less than a year." A week later, the US and Chinese navies "held dueling exercises in the South China Sea." Taken together, the Times says the incidents "highlight what national security sources describe as a 'new normal' of a 21st-century global conflict – a pattern of regular brinkmanship and posturing that is likely to shape the next several decades of U.S. foreign policy and military strategy."

Scalia Says Pandemic Could Spur "Reinvestment In America."

Labor Secretary Scalia said on WTN-FM Nashville, TN (7/14, 8K), "I think this economic rough patch we have had is really different than ones we have had in the past because any other economic downturn you think about it was because the economy was bad. Here, our economy was just absolutely incredible but we had to put it on pause." Scalia added that if we can "get it geared back up again as quickly as we safely can," it "doesn't necessarily need to be a radically different economy."

Carson: Another Shutdown Could Destroy Economy.

Appearing on Fox Business' Varney & Co. (7/14, 64K), HUD Secretary Carson said, "We have to ask ourselves: what was the impact of the first shutdown? And the answer to that is significant economic disruption. Are we willing to do that again? It is sort of like a battering ram. You're trying to bang a door down with it. The first hit maybe you just weaken it, but if you keep hitting it that door is going to come down. That is what is going to happen to our economy."

Ivanka Trump, Cook Say Laid-Off Workers Should "Find Something New."

The New York Post (7/14, Nelson, 4.57M) reports that on Tuesday, White House adviser Ivanka Trump and Apple CEO Tim Cook "urged workers who are unhappy with their jobs or unemployed due to the coronavirus pandemic to 'find something new.'" Trump and Cook offered the "seemingly simplistic advice" during a video conference launching "a national ad campaign and the website findsomethingnew.org, which links to IT training services and apprenticeships." Trump said, "We hope that it enables so many people out there to really embark on a new journey and realize their full potential."

More Than 80% Of Small Businesses That Got PPP Loans Running Out Of Money.

The Washington Times (7/14, Sherfinski, Howell, 492K) reports that with "nearly two dozen states...pausing or reversing efforts to reopen" in the wake of rising COVID-19 cases, small businesses are facing fresh difficulties. According to a Goldman Sachs survey of more than 1,500 businesses released Tuesday, "more than 80% of small employers that received loans from the Paycheck Protection Program said they will run out of money by the start of August."

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Some Retailers End "Hero Pay" Hourly Wage Raises For Essential Workers.

The New York Times (7/14, Corkery, 18.61M) reports some retailers have ended the "hero pay" hourly wage increases they provided for front-line employees earlier in the coronavirus outbreak, even as the pandemic continues. Some retailers said there is less call for the wage increases since the large-scale panic-buying that characterized the early part of the pandemic has waned.

Automakers May Not Be Able To Stay Open Amid Surge In Coronavirus Cases.

The New York Times (7/14, Boudette, 18.61M) reports that while automakers are again "building cars and trucks at full speed" with coronavirus cases increasing in "much of the country, it may become difficult for the companies to keep at it." This week, GM "will lay off a third shift of workers – about 1,250 people – at its truck plant in Wentzville, Mo., where absenteeism has been rising because workers are concerned about the spread of the virus." At a GM plant in Texas, "where hospitals have been inundated," union workers "have called on the company to shut down their factory." The Times says while car makers are running nearly all of their US plants at full capacity, "conditions are changing fast." Erik Gordon, a business professor at the University of Michigan, said that no matter what officials order companies to do, auto makers will likely have to make changes such as "reducing shifts and temporarily closing plants."

Best Buy To Require Masks In All Of Its Stores.

On ABC World News Tonight (7/14, story 3, 0:20, Muir, 7.36M), Victor Oquendo reported that Best Buy announced it will require masks "in all 1,000 stores nationwide. They join Costco and Starbucks. The CEO of Walmart saying they're considering the same."

Stocks Notch More Gains After Being Down In Early Trading.

The AP (7/14, Choe) reports that on Tuesday, "the stock market shook off a weak start and ended broadly higher after pinballing through another day of unsettled trading." The S&P 500 "rose 1.3%" after having "been down nearly 1% in the early going." The Dow Jones Industrial Average "rose 2.1%."

Dow Futures Up 300 Points Over Moderna Progress On COVID-19 Vaccine. CNBC (7/14, Li, 3.62M) reports on its website, "Stock futures climbed higher in overnight trading on Tuesday after Moderna said its coronavirus vaccine produced antibodies in all patients in an early trial, raising hope for a faster economic recovery." CNBC adds, "Futures on the Dow Jones Industrial Average jumped 300 points, pointing to a 270-point gain at Wednesday's open. The S&P 500 futures and the Nasdaq 100 futures rose 0.7% and 0.5%, respectively."

Court Rules Dakota Access Pipeline Can Continue Operating During Court Fight.

Reuters (7/14, Kumar, Kearney) reports that the US Court of Appeals for the District of Columbia ruled Tuesday that the Dakota Access oil pipeline "can continue to operate amid an ongoing court battle...setting aside for now a lower court's order earlier this month to shut and empty the line." The court granted Dakota Access "an administrative stay while it considers whether the line, long opposed by local tribes and environmental activists, should be shut due to permitting issues dating to 2017."

Delta Posts $5.7B Q2 Loss.

The Wall Street Journal (7/14, Cameron, Subscription Publication, 7.57M) reports that Delta posted a $5.7 billion loss in the second quarter. Chief Executive Ed Bastian, said the industry's recovery has stalled. He said Delta will reduce by half the number of extra flights it adds in August to 500.

WSJournal: Left Impedes US Firms' Efforts To Sell Energy To Europe.

A Wall Street Journal (7/14, Subscription Publication, 7.57M) editorial says that American firms want to sell natural gas to Europe, but Russian fuel is less expensive as a result of the left's efforts to impose legal and regulatory roadblocks on US energy.

Gray: Banks Withholding Capital From Oil And Gas Firms.

In an op-ed for the Wall Street Journal (7/14, Subscription Publication, 7.57M), C. Boyden Gray, who has served as White House counsel, US Ambassador to the European Union, and US special envoy to Europe for Eurasian energy, writes that the nation's largest banks are bowing to pressure from environmental activists and withholding capital from oil and gas firms, which, in addition to being a possible violation of antitrust law, is putting millions of jobs in danger.

Miller: USMCA Will Bring Jobs Back To US.

White House senior adviser Stephen Miller said on the John Fredericks Show (7/14), "The USMCA does several things that are critical to bringing jobs back to the United States. One of the most important is it substantially boosts wage requirements for workers to be amenable to the agreement. In other words, [for companies] to benefit from the USMCA, workers have to be paid a certain amount. ... What that will do, particularly in the auto industry, is it will solve the problem of plants leaving the United States in order to take advantage of lower wages." Miller added that the agreement also increases "the content requirements, i.e. the percentage of an automobile, in this case" that must be made North America. So, "a lot of American companies will now be able to get those jobs back from China."

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Politico Analysis: Huge Increase In Farm Aid Under Trump May Be Hard To Cut Back.

Politico (7/14, McCrimmon, 4.29M) reports that "government payments to farmers have surged to historic levels under President Donald Trump as the Agriculture Department floods the industry with cash to stem the financial losses from Trump's tariff fights and the coronavirus pandemic." Politico adds, "As agriculture grows more reliant on unprecedented taxpayer support, farm policy experts and watchdog groups warn the subsidies are growing too big and too fast, with no strings attached and little oversight from Congress – and that Washington could have a difficult time shutting off the spigot." Politico also reports, "Direct farm aid has climbed each year of Trump's presidency, from $11.5 billion in 2017 to more than $32 billion this year – an all-time high, with potentially far more funding still to come in 2020."

Trump Says COVID Testing May Be "Working Too Well."

In an interview with Catherine Herridge of the CBS Evening News (7/14, story 2, 1:30, O'Donnell, 4.31M), President Trump was asked, "Is the national testing strategy working?" Trump replied, "Working? We have 45 million tests as of, I think, today, approximately 45 million tests. No other country tests like us. In fact, I could say it's working too much, it's working too well. We're doing testing, and we're finding thousands and thousands of cases." Herridge: "Will you push for more on site testing?" Trump: "I like it the best. I mean, I like it the best. It might not be as accurate by the way, but I like it the best."

Graham, Mulvaney, Kilmeade Among Trump Allies Critical Of Testing Capacity. Politico (7/14, Oprysko, 4.29M) reports that President Trump's former Acting Chief of Staff Mick Mulvaney "panned the administration's testing abilities in an op-ed on Monday, calling the struggles his family encountered when trying to get tested and the wait time for results afterward 'simply inexcusable.'" According to Politico, "Tuesday morning the pile-on continued as 'Fox & Friends' host Brian Kilmeade acknowledged a 'huge testing issue.'" Sen. Lindsey Graham (R-SC) later said, "We just don't have enough testing in real time for the population as a whole."

Administration Plans To Increase Testing At Nursing Homes. Axios (7/14, Ayesh, 521K) reports the Administration said Tuesday that it will be "ramping up testing at nursing homes in coronavirus hotspots using rapid point-of-care diagnostic test instruments." Axios says the "push to increase testing at nursing homes comes as many states, particularly in the Southern U.S., see a surge."

Pence Sounds Optimistic Note On Pandemic, Backs Reopening Schools In Louisiana Trip.

The AP (7/14, Deslatte) reports that on Tuesday, Vice President Pence "insisted...schools should reopen to in-person instruction for students, making the point in Louisiana as the state has reemerged as one of the nation's hot spots for the coronavirus only months after signs pointed to a successful outbreak response." According to the AP, Pence "described the nation as 'in a much better position today to deal with the pandemic' even as virus cases surge across much of the country." Pence and Education Secretary DeVos "called for students at every level from elementary school through college to return to classrooms, with Pence calling that critical to reopening the country." Pence also "visited the state's emergency operations center, which is the operational hub of Louisiana's response to the COVID-19 disease caused by the coronavirus."

The Monroe News Star (7/14, Hilburn, 64K) reports Pence said Tuesday he supports the mask mandate introduced by Louisiana Gov. John Bel Edwards (D) "while insisting schools and colleges must open even as the COVID infection intensifies in the state." Said Pence, "We're here to help. ... It's the right thing to do." Edwards, Sens. Bill Cassidy (R-LA) and John Kennedy (R-LA), "higher education leaders and members of the White House's coronavirus task force joined Pence during a roundtable discussion at LSU." Pence and White House coronavirus task force coordinator Deborah Birx also "said wearing masks will help stem to summer surge of COVID."

The KATC-TV Lafayette, LA (7/14, 9K) website also reports "Pence insisted schools should reopen to in-person instruction for students in a visit to Louisiana," and the Baton Rouge Advocate (7/14, Karlin, 399K) that DeVos said that "it can't be a question of if schools reopen, it's how we can do it safely."

State AG Tests Positive. The Baton Rouge Advocate (7/14, Ballard, 399K) reports "Louisiana Attorney General Jeff Landry wasn't on the tarmac to greet...Pence on Tuesday morning because he has tested positive for coronavirus, according to an email blast to employees of the state Department of Justice." Fox News (7/14, Phillips, 27.59M) notes on its website that Landry said in a statement, "Out of an overabundance of caution with the vice president coming to our state, I was tested for cornavirus [sic]. ... Though experiencing no symptoms, I tested positive for COVID-19."

The AP (7/14, Deslatte) recalls that "in the early days of the state's virus outbreak, Landry stood with Edwards to support the governor's decisions to close schools, shutter some businesses and limit gatherings, defending these actions as in the best interest of health and safety." However, "more recently...Landry was again publicly questioning Edwards' continued restrictions on businesses and churches." While he "hasn't directly challenged Edwards' statewide mask mandate...Landry sent a letter to Louisiana's education leaders opposing a face covering requirement at schools, saying it 'may cross the line on liberty.'"

Louisiana Hospitalizations "More Than Doubled" In Past Month. The New Orleans Times-Picayune (7/14, Discher, 480K) reports "the Louisiana Dept. of Health reported 2,215 more coronavirus cases, 22 more deaths and 54 more hospitalizations in its daily noon update Tuesday." Meanwhile, "statewide coronavirus hospitalizations have more than doubled over the past month," as "there are now 1,362 patients with COVID-19 hospitalized in Louisiana. The last time this many people were hospitalized was on May 7."

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Giroir Says Public Health Officials Do Not "Lie."

The AP (7/14, Superville, Colvin, Lemire, Miller) reports HHS Assistant Secretary for Health Adm. Brett Giroir "said Tuesday that 'none of us lie' to the public, an accusation President Donald Trump had retweeted, and that while kids need to be back in school as Trump insists, 'we have to get the virus under control.'" Giroir's comment "came a day after Trump shared a Twitter post from a former game show host who, without evidence, accused government medical experts at the Centers for Disease Control and Prevention, among others, of 'lying.'" Politico (7/14, Forgey, 4.29M) reports that in an interview with NBC's Today, Giroir said, "Look, we may occasionally make mistakes based on the information we have, but none of us lie. We are completely transparent with the American people."

On NBC's Today (7/14, 3.14M), Giroir also said, "We are all very concerned about the outbreak. ... About half the cases are in four states – Texas, California, Florida, Arizona. But we are in a much different place now than we were several months ago, a much better place. ... In terms of our hospitalizations, we're at about 63,000 people now. That's much different from the 85,000 people. Only about 10% of people with COVID are on ventilators. That's down from about 25%. ... We are doing almost 700,000 tests a day on average, over 800,000 on certain days. But we still have to be careful in some of those areas to make sure the people who need a test or those who are vulnerable can get it within a short turnaround period."

Fauci Urges Trust In "Respected Medical Authorities" Like Himself.

On ABC World News Tonight (7/14, story 4, 2:00, Muir, 7.36M), Mary Bruce reported President Trump "is facing growing backlash" over the Administration's handling of coronavirus. As COVID-19 "explodes, the White House is trying to discredit and sideline the nation's top authority on infectious diseases, Dr. Anthony Fauci. Speaking with medical students [Tuesday], Fauci was asked, who should Americans trust?" Fauci: "You can trust respected medical authorities. You know, I believe I'm one of them, so I think you can trust me, but I would stick with respected medical authorities who have a track record of telling the truth." Bruce: "The President is also taking shots at the medical experts at the CDC, retweeting former game show host Chuck Woolery, who said the CDC is 'lying.'"

Moore Preparing Policy Memo Highlighting Mistakes Made By Fauci Throughout Career. The Washington Examiner (7/14, Brest, 448K) reports that on Monday, Stephen Moore, a conservative economist, "informal adviser to President Trump and a Washington Examiner columnist, said...he is working on a policy memo that will point out the mistakes" Fauci has made throughout his career. Moore said, "We are working on a memo that shows how many times Dr. Fauci's been wrong during not just [this pandemic], but during his entire career."

Artist Behind Anti-Fauci Cartoon Promoted By Scavino Has Been Accused Of Anti-Semitism. The New York Times (7/14, Rogers, 18.61M) reports White House Deputy Chief of Staff for Communications Dan Scavino on Sunday shared a cartoon "mocking Dr. Fauci by an artist whose work has been criticized for its anti-Semitic imagery." The Times says the cartoon was drawn by Ben Garrison, who was "disinvited from a White House gathering of the president's social media fans because his work contains anti-Semitic messaging." In an article titled "Trump Aide Shares Anti-Fauci Cartoon Drawn By Artist Barred From The White House Over Anti-Semitic Tropes," Politico (7/14, Cohen, 4.29M) reports that "one Garrison cartoon from 2017 featured an ominous hand, labeled 'Rothschilds,' controlling prominent Jewish, progressive financier George Soros with puppet strings. In the cartoon, Soros himself had David Petraeus and H.R. McMaster attached to puppet strings."

USA Today: Fauci "Is A National Treasure." USA Today (7/14, 10.31M) says in an editorial that Fauci "is a national treasure. He is one of the leading authorities in his field. He combines extraordinary expertise with an exceptional ability to communicate with ordinary people. He has held his position for 36 years, earning the admiration of multiple presidents, including George W. Bush, who awarded him the Presidential Medal of Freedom." But to Trump, "Fauci is an annoying truth bomb that keeps going off in his garden party of falsehoods and blame shifting. ... In the difficult weeks and months ahead, America's best hope involves listening to the people, like Dr. Fauci, who have devoted their lives and careers to public health."

In a responding USA Today (7/14, 10.31M) op-ed, Director of Trade and Manufacturing Policy Navarro writes, "Anthony Fauci has a good bedside manner with the public, but he has been wrong about everything I have interacted with him on. ... So when you ask me whether I listen to Dr. Fauci's advice, my answer is: only with skepticism and caution."

Redfield Warns Of "Difficult Times," Says Mask-Wearing Could Halt Virus' Advance.

All three broadcast networks opened their Tuesday evening newscasts with coronavirus coverage. David Muir said on ABC World News Tonight (7/14, lead story, 4:45, 7.36M) that CDC Director Redfield said "this coming fall and winter will likely be 'one of the most difficult times that we experienced in American public health.' The US has now surpassed 136,000 lives lost." On the CBS Evening News (7/14, lead story, 4:20, 4.31M), Norah O'Donnell reported, "Florida, Alabama, Nevada, and Utah are all setting records for the number of people killed by the virus in the past 24 hours. With infections spiking in 39 states, hospitals are facing a crisis." O'Donnell also highlighted Redfield's remarks, reporting he "projected things will only get worse later this year, and he's calling on all Americans to wear masks, saying if everyone across the country used face coverings, the virus could be stopped in the next few months." On NBC Nightly News (7/14, lead story, 3:10, 5.96M), Lester Holt called it "a haunting prediction" from Redfield.

USA Today (7/14, Bacon, Flores, Reyes, 10.31M) reports a study of COVID data by the newspaper "found Tuesday that almost half of all states are spiking at a faster rate than they had been in the spring." CNBC (7/14, Kim, Rattner, 3.62M) reports on its website that on Monday, for the first time, the US "surpassed more than 60,000 new coronavirus cases...based on an average of new cases per day over the previous seven days, according to a CNBC analysis of data compiled by Johns Hopkins University." CNBC adds, "Across the country, more

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than a third of U.S. states reported record highs in daily new cases, based on a seven-day moving average."

Surgeon General Adams said on WTMJ-AM Milwaukee (7/14, 13K), "When we reopened, in many cases people thought that was a light switch. ... Unfortunately, we're going to be living with the virus for a while. That doesn't mean it has to control us. If we do the things that we have been preaching like wearing face coverings in public, staying six feet apart, and protecting the vulnerable to slow the spread, we can actually have some degree of normalcy."

Labor Secretary Scalia said on WTN-FM Nashville, TN (7/14, 8K), "I don't think we reopened too fast. I think, though, that there are some people who reopened irresponsibly. What we gained by the discipline that people engaged in from March through May was – we gained the freedom to be out and about," but "we didn't gain the freedom to just ignore the virus and act like it is not there."

Hahn "Encouraged" About Vaccine Development.

FDA Commissioner Hahn said on Fox News' Bill Hemmer Reports (7/14), "I remain encouraged by what we are seeing in the vaccine development. FDA of course is responsible for calling the balls on the strikes on the safety and effectiveness of the vaccine and we have a number of vaccine developers in-house with us who are in the process of developing vaccines for COVID-19, so that does give me encouragement."

Former CDC Directors Decry Politicization Of Health Policy.

Lester Holt reported on NBC Nightly News (7/14, story 5, 1:00, 5.96M) that President Trump is "fac[ing] fresh fallout over his coronavirus response in the form of an extraordinary rebuke from four former heads of the CDC, who argue in a new op-ed published in the Washington Post that the President and White House officials are attempting to undermine the agency's guidance for schools hoping to reopen in the fall." Politico (7/14, Forgey, 4.29M) reports that in an the op-ed, the former officials "implicitly rebuked [Trump], arguing the 'extraordinary' efforts by him and other administration officials to diminish the public health agency's guidance were contributing to a resurgence of coronavirus cases across the United States."

Richard Besser, Tom Frieden, Jeffrey Koplan, and David Satcher write in the Washington Post (7/14, Frieden, Koplan, Satcher, Besser, 14.2M), "It is not unusual for CDC guidelines to be changed or amended during a clearance process that moves through multiple agencies and the White House. But it is extraordinary for guidelines to be undermined after their release. ... The four of us led the CDC over a period of more than 15 years. ... We cannot recall over our collective tenure a single time when political pressure led to a change in the interpretation of scientific evidence." USA Today (7/14, Cummings, 10.31M) and Axios (7/14, Allassan, 521K) also cover the op-ed.

Warren, Pressley Press Azar On Coronavirus' Impact On Minorities.

Politico (7/14, King, Barrón-López, 4.29M) reports that Sen. Elizabeth Warren (D-MA) and Rep. Ayanna Pressley (D-MA) sent a letter to HHS Secretary Azar on Tuesday "requesting a report detailing the Trump administration's response to racial health disparities exacerbated by the Covid-19 outbreak." According to Politico, "The letter, which highlights the disproportionate impact of the coronavirus on communities of color, represents another push from Democrats" for President Trump "to take action to alleviate the damage of the virus on minorities."

Virginia Congressman Tests Positive For COVID-19.

USA Today (7/14, Lalljee, 10.31M) reports Rep. Morgan Griffith (R-VA) "announced Tuesday that he tested positive for COVID-19, joining the growing list of members of Congress to contract the disease." Griffith "announced he had tested positive on Twitter, where he wrote that he has been self-isolating since noticing symptoms, which he says are currently not 'significant.'" The Washington Post (7/14, Vozzella, 14.2M) recounts that "Griffith, who has represented the rural Southwest Virginia district since 2011, said he was feeling fine in a brief phone interview Tuesday afternoon, while he was monitoring a committee hearing." Said Griffith, "The quote stands for itself. I'm fine. ... I don't feel bad."

Politico (7/14, Zanona, 4.29M) points out the "diagnosis that comes five days after the Virginia Republican attended a GOP press conference and which spurred an effort at contact tracing within the" Freedom Caucus, to which he belongs. The Washington Times (7/14, Sherfinski, 492K), Reuters (7/14, Morgan), Newsweek (7/14, Czachor, 1.53M), and the Wall Street Journal (7/14, Wise, Subscription Publication, 7.57M), among other news outlets, also cover the news.

Administration Orders Hospitals To Bypass CDC On COVID Patient Information.

The New York Times (7/14, Stolberg, 18.61M) reports the Administration "has ordered hospitals to bypass" the CDC and send coronavirus patient information "to a central database in Washington beginning on Wednesday. The move has alarmed health experts who fear the data will be politicized or withheld from the public." The new instructions "were posted recently in a little-noticed document" on the HHS website.

Hospitals Stock Up On COVID-19 Drugs To Prepare For Second Wave In Fall.

The Wall Street Journal (7/14, A1, Hopkins, Subscription Publication, 7.57M) reports on its front page that US hospitals are stocking drugs with the potential to treat COVID-19 in the hopes of avoiding a rush for key medications and drug shortages in light of a predicted second wave. Many ICUs in New York and other hard-hit areas are currently in short supply of critical drugs as facilities compete with other facilities for limited resources.

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Biden: "It's Gotten Bad Enough" That Trump Is Wearing A Mask In Public.

The CBS Evening News (7/14, story 8, 1:20, O'Donnell, 4.31M) reported Joe Biden on Tuesday "unveiled a $2 trillion plan to fight climate change and create jobs in the post-COVID economy. He also took aim at the President's record." CBS' Ed O'Keefe: "Speaking near his Delaware home today, Joe Biden ridiculed President Trump's response to the coronavirus." Biden: "It's gotten bad enough that even Donald Trump finally decided to wear mask in public." O'Keefe: "The President, who wore a mask to Walter Reed National Military Medical Center over the weekend, was also criticized by Biden for failing to listen to medical professionals like Dr. Anthony Fauci." Biden: "Please listen to your public health experts instead of denigrating them. Do your job, Mr. President, because if we can't deal with the public health crisis, we can't deal with the economic crisis."

Cruz Photographed On Flight Without Mask On.

The New York Post (7/14, Eustachewich, 4.57M) reports Sen. Ted Cruz (R-TX) was photographed "without a mask on a flight over the weekend – prompting American Airlines to review the matter after the image was posted online, and went viral. ... The pic was tweeted by Hosseh Enad, a Democratic Congressional Campaign Committee operative, who wrote, 'Captured today at 10:45am – @TedCruz on a commercial flight, refusing to wear a mask.'" A Cruz spokesperson said Cruz "had taken off his mask to sip his coffee – but put it back on afterward. Cruz always wears a mask while traveling and practices social distancing, the spokesperson insisted." The airline "said it reached out to Cruz anyway."

Jacksonville GOP Convention Now Expected To Be Held Outdoors.

Reuters (7/14, Holland, Mason) reports Republicans are planning to move the Jacksonville phase of next month's national convention "from an indoor arena to an outdoor venue as Florida's coronavirus cases surge, two party sources familiar with the conversations said on Tuesday." They said the plan, "which Trump tentatively accepted on Monday during a White House meeting with top Republican National Committee (RNC) officials, emerged as the party scrambles to host a large-scale event next month amid the health crisis." The New York Times (7/14, Haberman, 18.61M) reports, "Officials remain uncertain about whether a capacity crowd would be allowed to attend outdoor events, or if there would be restrictions to prevent people from being too close to one another."

Florida Reports Single-Day Record Of 132 COVID Deaths.

Sam Brock reported on NBC Nightly News (7/14, story 2, 2:00, Holt, 5.96M) that on Tuesday, Florida "set a record for coronavirus fatalities," with 132 deaths. Florida "has been ripping through its records for daily COVID cases and testing more than at any point in this pandemic." The AP (7/14, Spencer, Geller) says the figure "likely includes deaths from the past weekend that had not been previously reported."

Florida Healthcare CEO Says Supplies Are Adequate. The Washington Examiner (7/14, Miller, 448K) reports, "The CEO of one of Florida's largest healthcare providers says it has the intensive care unit capabilities to handle the recent uptick in coronavirus-positive tests." AdventHealth CEO Terry Shaw said, "We have adequate personal protective equipment. We have a stockpile of ventilators, and we have an amazing clinical team that have taken best practices from around the world and put them into our treatment protocols."

Garcetti Says Los Angeles May Need To Shut Down Again.

The Los Angeles Times (7/14, Shalby, 4.64M) reports, "Dangers posed by the coronavirus continue to loom over Los Angeles, which officials warn is inching closer to the highest threat level and an imminent shutdown of the city." Mayor Eric Garcetti (D) said late Monday, "While the city of Los Angeles' COVID-19 threat level remains at orange, we are on the border of going to red. It is up to all of us that we don't." The Washington Times (7/14, Richardson, 492K) also covers the situation in California, while the Wall Street Journal (7/14, Subscription Publication, 7.57M) says in an editorial that the state is experiencing a surge despite being the first state to shelter in place.

Experts Blast New York Report Absolving Cuomo Of Blame For Nursing Home Deaths.

The AP (7/14, Mustian, Condon) says New York Gov. Andrew Cuomo (D) is "facing blistering criticism over an internal report that found a controversial state directive that sent thousands of recovering coronavirus patients into nursing homes was 'not a significant factor' in some of the nation's deadliest nursing home outbreaks." According to the AP, "Scientists, health care professionals and elected officials assailed the report released last week for flawed methodology and selective stats that sidestepped the actual impact of the March 25 order, which by the state's own count ushered more than 6,300 recovering virus patients into nursing homes at the height of the pandemic." On NBC Nightly News (7/14, story 3, 2:00, 5.96M), Lester Holt reported Cuomo is also "getting tougher about quarantines from travelers from hot spots."

NYC COVID Cases Moving To Wealthier Neighborhoods. Politico New York (7/14, Durkin) reports, "Coronavirus cases are popping up in more affluent Brooklyn and Manhattan neighborhoods that weren't hard hit at the height of the pandemic, city health officials said Tuesday."

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Nearly Three-Quarters Of New COVID Cases In Maryland County Are Among Latinos.

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The Washington Post (7/14, Tan, 14.2M) ran a feature on COVID-19 infections among Latinos in Montgomery County, Maryland, where they

account for 74% of new infections, "even though they are just a fifth of the county's population. Advocates blame the disparity partly on government failures to provide easy access to testing and medical care in underserved Latino communities, where residents are more likely to face job and living conditions that make it harder to avoid the virus." NBC Nightly News (7/14, story 10, 2:05, Holt, 5.96M) ran a feature on how coronavirus is affecting Latino communities across the US.

Trump Says More Whites Than Blacks Being Shot By Police.

The New York Times (7/14, 18.61M) reports that on Tuesday, President Trump "rebuffed a question about Black people dying at the hands of police officers, saying, 'so are white people.'" The President "rejected the notion that Black Americans suffer disproportionately from police brutality, saying in an interview...that white people are killed in greater numbers." Trump "reacted angrily when asked about the issue" by CBS' Catherine Herridge.

In the interview aired on the CBS Evening News (7/14, story 5, 0:20, O'Donnell, 4.31M), Herridge asked Trump, "Why are African Americans still dying at the hands of law enforcement in this country?" Trump replied: "And so are white people. So are white people. What a terrible question to ask. So are white people. More white people, by the way. More white people."

Also reporting on the President's comments, the Washington Times (7/14, Boyer, 492K) says a study by Harvard University researchers last month found that "Blacks were three times more likely to be killed by law enforcement officers than Whites." The Washington Post (7/14, Bump, 14.2M) likewise notes the inaccuracy of the President's claim.

NBC Nightly News (7/14, story 4, 1:00, Holt, 5.96M) said the President "plunged back into the issue of police killings of Black Americans, calling the killing of George Floyd by police 'terrible.' ... The President also defending the display of the Confederate flag." Asked in an interview with the CBS Evening News (7/14, story 4, 0:50, O'Donnell, 4.31M) if he still believes "the Confederate battle flag belongs in a museum," as he said in 2015, Trump replied, "All I say is freedom of speech. It's very simple. My attitude is freedom of speech, very strong views on the Confederate flag. With me, it's freedom of speech, very simple. Like it, don't like it, it's freedom of speech."

ABC World News Tonight (7/14, story 5, 0:55, Muir, 7.36M) said "the President is clearly playing to his base here, and dismissing the fact that Black Americans suffer disproportionately from police brutality. The truth, David, is that Black Americans are more than twice as likely to be shot and killed by police than white Americans."

Trump Threatens Federal Action If Cities Don't Rein In Violence.

In an interview with Townhall (7/14, Pavlich, 177K) on Tuesday, "President Trump warned his administration will take action if Democratic mayors and governors can't get crime under control." Said the President, "They are cities run by liberal Democrats. We're now looking at having to do something. You know, we have to be asked to go into a city like Chicago, which is so ridiculous where they had like, 68 shootings and 18 deaths over the weekend. It's not even comprehensible. Worse than Afghanistan, worse than any war zone." He continued, "We are going to have to do something very comprehensive. It means sending people in. It means sending people in to clean it up... there's a point at which we're allowed to go in and that point is rapidly being reached... there's a point at which we will have to do it because we just have to do it for the good of the country."

Miller: If Unchecked, Defund Efforts Will "Come To Every City In America." White House senior adviser Stephen Miller said on the John Fredericks Show (7/14) that "left unchecked, not fought," efforts to defund police "will come to every city in America and it's because the left sets its sights on an institution and it doesn't stop until it takes it over. ... So, what happens when they start taking over the prosecutors' offices and they start taking over the police departments? ... Then, it is just like the radical leftists on the Supreme Court. Justice is an instrument of politics and your safety and your family are at the mercy of radical liberals." Miller added that defunding police is "a years long project on the part of the left that is now accelerating because they're very emboldened by a the fact that he leadership of the Democratic party and now given them a green light" and "the only thing standing in the way is President Trump."

White House Official Invites Lightfoot To Work On Police Reform. The New York Post (7/14, Jacobs, 4.57M) reports that a "senior White House official extended a public invitation to Chicago Mayor Lori Lightfoot to work with the federal government on the issue of police reform," accusing Democrats of "playing politics" on the matter. Speaking Tuesday during a Fox News appearance, Deputy Assistant to the President Ja'Ron Smith touted the Administration's work with other Democratic mayors while sending a public message to the Chicago mayor. Smith told Fox News (7/14, 896K), "We're willing to go back and do the work. ... But I would invite the mayor to work with us. We've worked with many other Democratic mayors, if you look at the city of Birmingham, we've done some work with them and we're really moving the needle in those communities." Smith was also interviewed on the Steve Gruber Show.

Hawley: Police Should Be Getting More Funding. Appearing on Fox News' Fox & Friends (7/14, 831K), Sen. Josh Hawley (R-MO) was asked about the violent rioting happening across the country. Hawley said, "We have seen this before. We have seen this war on cops before. We have seen where it gets us. What it does, when you announce an open season on cops, then it is normal, ordinary, every day working people who get hurt. That is exactly what we are seeing now. This defund the police thing is an absolute crisis. It is a travesty. It is the worst possible thing. We should be putting more police on the streets. We should be increasing officer pay. We should be giving more resources to cops to help them do this incredibly difficult job we ask them to do."

Poll: Americans Agree On Police Reforms That Have Divided Washington. Politico (7/14, McCaskill, 4.29M) reports that "new polling from the University of Maryland School of Public Policy shows a majority of voters support 10 key policies proposed by competing House and Senate bills that Congress failed to advance last month." The "in-depth national survey of more than 3,000 registered voters"

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found that "nearly 90 percent of respondents supported body cameras, including 85 percent of Republicans, 86 percent of independents and 94 percent of Democrats," while "82 percent of respondents supported the duty to intervene (71 percent of Republicans, 78 percent of independents and 94 percent of Democrats), and 81 percent favored a national registry of police misconduct (70 percent of Republicans, 77 percent of independents and 92 percent of Democrats)."

Parson: Trump "Taking Action" To Help St. Louis Couple Facing Gun Charges.

The Washington Times (7/14, Salter) reports Missouri Gov. Mike Parson (R) said President Trump "is focused on and concerned about the possibility that a white St. Louis couple could face criminal charges for displaying guns as they defended their home during a racial injustice protest." Parson told reporters Tuesday "that he had just been on the phone" with Trump and Attorney General Barr amid reports that St. Louis Circuit Attorney Kim Gardner may file charges against Mark and Patricia McCloskey, who wielded guns on June 28 as protesters marched by their home.

In an interview Tuesday with Townhall (7/14, Pavlich, 177K), Trump said, "When you look at St. Louis, where two people, they came out. They were going to be beat up badly if they were lucky. If they were lucky. They were going be beat up badly and the house was going to be totally ransacked and probably burned down like they tried to burn down churches. And these people were standing there, never used it and they were legal, the weapons, and now I understand somebody local, they want to prosecute these people. It's a disgrace."

Bernhardt Warns Those Caught Dismantling Monuments Will Be Punished.

Interior Secretary Bernhardt said on Washington Watch (7/14) that President Trump "recognizes that America owes its present greatness to its past sacrifices and I think he was deeply troubled by the actions that are taking place. So, first, to the criminals that want to destroy these monuments and memorials, he has been very clear and he has basically issued a direction to us and to the Department of Justice that says, 'Look, investigate these crimes, prosecute these people to the fullest extent of the law, bring the entire force of the federal government to pay great heed to these.' What people need to know, the criminals that commit these crimes need to know there are very severe penalties up to 10 years in prison in certain cases and also tremendous financial consequences."

Black Conservatives Launch Campaign To Save Freedmen's Memorial. The Washington Times (7/14, Richardson, 492K) reports that "Black conservative leaders kicked off Tuesday a campaign to save the Freedmen's Memorial, the statue of Abraham Lincoln and freed slave Archer Alexander now under attack by Democrats and Black Lives Matter protesters." Star Parker, founder of UrbanCURE, held an "emancipation celebration" Tuesday at Lincoln Park, "home of the now fenced-off bronze statue in the Capitol Hill neighborhood," to promote a signature drive urging Congress to "keep this statue alive, right here."

The Washington Post (7/14, Lang, 14.2M) reports that critics, however, say the memorial "is demeaning and suggests African Americans were not active contributors to the cause of their own freedom, remaining subservient even after they were released from their bonds."

Emmer Wants Probe Into Decisions That Allowed Looters Free Rein.

Appearing on Fox News' Fox & Friends (7/14, 831K), Rep. Tom Emmer (R-MN) was asked why he supports President Trump's decision to deny funds to Minnesota to rebuild following the recent violent protests and widespread looting in Minneapolis last month. Emmer said, "Actually, what I asked the President to do...is to do a full and thorough investigation. Let's find out what happened, why it happened. Why did these elected officials who were elected to protect the citizens and their property, why did they let the cities burn for almost four nights before actually taking decisive action? ... Before any money would be delivered, I think the President and his administration should do an investigation as to what happened and why. Let's make sure it never happens again."

California Bars Police From Using LAPD Records In Gang Database.

The Los Angeles Times (7/14, 4.64M) reports that "as a scandal over false and inaccurate gang identifications by Los Angeles police officers widens," California Atty. Gen. Xavier Becerra on Tuesday "stopped law enforcement agencies around the state from using department records included in a controversial statewide database." Becerra, instead, "suggested the state Legislature should consider more reforms to the troubled system."

New York's Wave Of Gun Violence Continues With Three Drive-By Shootings.

The New York Times (7/14, Shanahan, Piccoli, 18.61M) reports that five people were shot in Brooklyn on Monday "in what the police described as three drive-by attacks within 20 minutes and about a mile of each other, continuing a wave of gun violence that has gripped New York this summer." Although the shootings "did not add to the city's gun-related death toll for the year, they occurred after another weekend of violence that was capped on Sunday night with the killing of a 1-year-old boy who was shot while he was at a cookout with his family at a Brooklyn playground."

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Catholic Churches, Statues Targeted By Vandals In String Of Attacks.

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The Federalist (7/14, Davidson, 126K) reports Catholic churches and religious statues "across the country were the target of vandalism,

terrorism, and potential arson this last week as tensions concerning the removal of historical statues continue to rise." A statement by the Catholic Action League "condemned the recent attacks."

Daughter Of Slain Police Officer Criticized For Tweeting #BlueLivesMatter.

Townhall (7/14, Burrow, 177K) reports 18-year-old Savannah Benavides/Chavez, whose father was one of two McAllen, Texas, police officers killed over the weekend while responding to a domestic disturbance report, tweeted, "Words cannot describe the pain I'm in, but I'm glad my dad is at peace. you were an amazing man and anyone who ever came across you knew that. I'm going to miss you so much. you died doing what you loved most, you died a hero. I love you daddy, see you soon. #bluelivesmatter" While some responded with condolences to the tweet, "others harangued her for using the #bluelivesmatter hashtag," and "many used the hashtag #ACAB (all cops are bastards)."

Democratic Strategist Labels Blackburn "Inbred Racist Trash."

The Daily Caller (7/14, Olohan, 716K) reports Democratic strategist Adam Parkhomenko called Sen. Marsha Blackburn (R-TN) "inbred racist trash" for criticizing the founders of Black Lives Matter. Blackburn on Monday tweeted that BLM is run by "trained Marxists." In response, Parkhomenko tweeted at Blackburn, "You are inbred racist trash."

WPost Investigation: 12 Protestors Partially Blinded By Police.

The Washington Post (7/14, Lee, 14.2M) reports it "found that eight people lost vision in one eye after being struck by police projectiles, including lead pellets packed in cloth pouches that were fired from shotguns." They were "among 12 people who were partially blinded by police during a week of national unrest" following the death of George Floyd.

LATimes Columnist Recommends Replacing National Anthem With "Lean On Me."

The Washington Examiner (7/14, Dibble, 448K) reports Los Angeles Times columnist Judy Rosen wrote in a piece published Tuesday "that he believes the current national anthem for the United States is 'racist' and should be replaced by a unifying tune" like "Lean on Me."

Central Park Birdwatcher Cooper: It's A Mistake To Focus On One Individual.

Christian Cooper writes in the Washington Post (7/14, 14.2M), "On May 25, when I was birding in the Ramble section of New York's Central Park, I asked a woman whose dog was off his leash to please put him back on, as the area's rules require. She refused – and, as shown in a video that went viral, she was soon calling the police and telling them an 'African American man' was 'threatening' her." Now Amy Cooper, he writes, "has been charged by the Manhattan district attorney with filing a false police report." Cooper argues that "it's a mistake to focus on this one individual. The important thing the incident highlights is the long-standing, deep-seated racial bias against us black and brown folk that permeates the United States – bias that can bring horrific consequences."

Graham Says He Will Grill Mueller About Russia Investigation.

Politico (7/14, Desiderio, Cheney, 4.29M) reports that in a Fox News podcast Tuesday, Senate Judiciary Chairman Lindsey Graham "said...he intends to grill former special counsel Robert Mueller about alleged flaws in the FBI's investigation of links between the Trump campaign and Russia in 2016." Graham "said he intends to press Mueller about a raft of developments since the former FBI chief testified to the House Judiciary and Intelligence committees nearly a year ago – from a watchdog's finding that crucial surveillance warrants were riddled with errors to the discovery that the FBI briefly intended to drop its case against former national security adviser Michael Flynn." Graham said over the weekend he would grant a request from Democrats for Mueller testify. His statement "came after Mueller wrote a Washington Post op-ed in which he defended his nearly two-year investigation into Russian interference in the 2016 election and his office's prosecution of Trump confidant Roger Stone." Graham said, "Bottom line is, I had no intention of calling Mr. Mueller. He testified before the House. It was not pretty to watch. But at the end of the day...he decided to interject himself into the Roger Stone case."

Graham Says He Is Working To Declassify Memo About FBI Interview With Steele Source. The Daily Caller (7/14, Ross, 716K) reports that Graham said "he is working to declassify a memo regarding an FBI interview conducted with the primary source for Christopher Steele, the former British spy who wrote the infamous anti-Trump dossier." Graham "said that the document is 40 pages in length and covers information that Steele's source provided the FBI over the course of three days in January 2017." Graham "also said that he believes that Russian operatives fed disinformation to Steele." Graham said, "I believe that the dossier, which was the key component of getting the warrant against Carter Page, was in fact Russian disinformation. ... I believe that the FBI was on notice that it was unreliable, continued to use it anyway. I believe that they misled the FISA court."

Judge Extends Deadline For DOJ To Answer Questions About Mueller Report.

The Washington Examiner (7/14, Chaitin, 448K) reports US District Judge Reggie Walton, "who questioned Attorney General William Barr's 'credibility' granted the Justice Department's request for a delay to answer questions about former special counsel Robert Mueller's report on Russian interference in the 2016 election." Walton "gave the Trump administration until next Tuesday to respond, a week later than what was previously scheduled." The Electronic Privacy Information Center and BuzzFeed "have sued for the report in its entirety under the Freedom of

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Information Act." Walton gave DOJ "a spreadsheet with questions about the redactions," but the agency said it needed additional time to conduct "consultations with numerous Department components, including the Office of Information Privacy, the National Security Division, the Federal Bureau of Investigation, and U.S. Attorney's Offices."

Former Trump Attorney: Durham Should "Taker A Hard Look" At Weissmann.

The Washington Examiner (7/14, Chaitin, 448K) reports that John Dowd, one of President Trump's attorneys during the Russia investigation, says Andrew Weissman, one of special counsel Robert Mueller's top prosecutors, should be investigated as part of US Attorney John Durham's criminal inquiry into the Russia probe. After President Trump commuted Roger Stone's prison sentence, Weissmann tweeted that Stone should be put "in the grand jury to find out what he knows about Trump but would not tell." Dowd "dismissed the suggestion." He told the Washington Times, "Weissmann and his dream team failed in their first attempt to manufacture a crime and want to further abuse the process when their sorry effort has been exposed. ... The Stone indictment did not allege a crime by President Trump. So why further abuse the process except more sour grapes. Mr. Durham ought to take a hard look at Mr. Weissmann's conduct on the dream team."

Study: 5.5M Workers Lost Heath Insurance Between February And May.

The CBS Evening News (7/14, story 9, 0:20, O'Donnell, 4.31M) reported that according to a new study, "nearly 5.5 million workers lost their health insurance between February and May, the biggest loss of insurance in any single year. Researchers say these recent losses are 40% higher than the spike during the Great Recession when nearly four million adults lost their health insurance."

Miller Says Democrats Oppose Anything But Completely Open Borders.

White House senior adviser Stephen Miller said on the John Fredericks Show (7/14), "The President's position on [DACA] hasn't changed at all. You remember back in, I believe it was 2008, he made an offer to Democrats, along with Sen. Perdue, Sen. Cotton, Sen. Grassley, and a few others that said that if you end chain migration, if you fully secure the southern border, and you do this on a permanent basis, that in exchange for that we would do a DACA legisatively. ... The Democrats rejected it, obviously because Democrats are opposed to anything short of completely, totally, irrevocably open borders."

Miller: Border Wall "Completely Transforms" Communities Where It Is Built.

White House senior adviser Stephen Miller said on the John Fredericks Show (7/14), "The President has built hundreds of miles of wall" and "this isn't just some eight-foot barrier that you can pull down with a team of guys. ... There are sections of this thing that are rock solid, 30 feet tall that have also additional technology built in so you can tell if anybody even gets near this thing. It is a smuggler's and a trafficker's worst nightmare. It completely transforms the communities where you put it up because they go from being overwhelmed by illegal border-crossers to dropping to virtually nothing."

Barr Says "Justice Was Done" After First Federal Execution In 17 Years.

ABC World News Tonight (7/14, story 8, 0:20, Muir, 7.36M) reported "a former white supremacist has been put to death in Indiana" in "the first federal execution in 17 years. Daniel Lewis Lee was sentenced to die for the gruesome murders of a gun dealer, his wife, and her 8-year-old daughter in the 1990s." The Washington Times (7/14, Mordock, 492K) indicates Attorney General Barr on Tuesday "defended" the execution, saying in a statement that Lee "faced the justice he deserved. ... The American people have made the considered choice to permit capital punishment for the most egregious federal crimes, and justice was done today in implementing the sentence for Lee's horrific offense."

The AP (7/14, Balsamo) reports Lee's execution "came over the objection of the victims' relatives and following days of legal delays, reviving the debate over capital punishment during a time of widespread social unrest." The AP reports that "just before he died at the federal prison in Terre Haute, Indiana, Lee, professed his innocence. 'I've made a lot of mistakes in my life, but I'm not a murderer,' said Lee, 47, of Yukon, Oklahoma. 'You're killing an innocent man.'"

The New York Times (7/14, Fuchs, 18.61M) reports that the Administration "announced last summer its intention to resume the federal death penalty and to employ a new procedure to carry it out – using a single drug, pentobarbital – after several botched executions by lethal injection renewed scrutiny of capital punishment." The Times adds that the Supreme Court's "unsigned 5-to-4 ruling early Tuesday morning said pentobarbital had been used in over 100 executions 'without incident' and had been upheld by the Supreme Court and appeals courts." The Washington Post (7/14, Berman, 14.2M) says that "although the author is unclear, the opinion was the work of Chief Justice John G. Roberts Jr. and Justices Clarence Thomas, Samuel A. Alito Jr., Neil M. Gorsuch and Brett M. Kavanaugh."

According to Reuters (7/14, Allen, Lynch), "Just 10 minutes passed between" the Eighth Circuit Court of Appeals "revoking the last outstanding injunction stopping Lee's execution...and the curtain in the execution chamber being pulled back at 7:46 a.m. (1146 GMT) to reveal Lee strapped to a gurney." The Hill (7/14, Johnson, Kruzel, 2.98M), USA Today (7/14, Wolf, 10.31M), the Washington Free Beacon (7/14, Lehman, 78K), the Wall Street Journal (7/14, Bravin, Gurman, Subscription Publication, 7.57M), and the Washington Examiner (7/14, Rowan, 448K), among other news outlets, also cover the execution.

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Trump Says Keeping Schools Closed Would Be "A Terrible Decision."

In an interview broadcast on the CBS Evening News (7/14, story 3, 0:45, O'Donnell, 4.31M), Catherine Herridge asked President Trump, "What do you tell parents and teachers who feel that it's unsafe to go back [to school]?" Trump: "I would tell parents and teachers that you should find yourself a new person, whoever's in charge of that decision, because it's a terrible decision, because children and parents are dying from that trauma, too. They're dying, because they can't do what they're doing. Mothers can't go to work because all of a sudden they have to stay at home and watch their child, and fathers. What's happening, you know, there's a tremendous strain on that whole side of the equation."

The President tweeted Tuesday evening, "Joe Biden claims to be prioritizing 'safety of kids' by keeping schools closed this Fall. Yet he remains silent about children being slaughtered by violence on the streets of Democrat run cities. You & your children won't be SAFE in Biden's America, and neither will anyone else!" Trump also retweeted commentator Dan Bongino, who wrote, "THE KIDS BELONG BACK IN SCHOOL. Stop making them suffer for your own political gain."

On ABC World News Tonight (7/14, story 2, 1:55, Muir, 7.36M), Victor Oquendo reported, "Teachers are raising fears about returning to schools too soon. ... The Trump Administration has threatened to pull funding from schools that don't open." Education Secretary DeVos: "American investment in education is a promise to students and their families. If schools aren't going to reopen and not fulfill that promise, they shouldn't get the funds." Blayne Alexander reported on NBC Nightly News (7/14, story 8, 2:15, Holt, 5.96M), "While the majority of public education is funded at the state and local level, all eyes are on Washington for that extra boost. Congress approved more than $13 billion of aid for schools early in the pandemic. And in the next relief package, hundreds of billions more could be on the table. And a lot of this also comes down to teachers and whether they are ready to come back."

NBC Nightly News (7/14, story 9, 2:10, Holt, 5.96M) also ran a feature on testing for antibodies as schools consider reopening.

WPost: "Bullying And Threatening" Is Not The Way To Reopen Schools. In an editorial, the Washington Post (7/14, 14.2M) says it agrees with Trump "about the importance of getting children back into the classroom." However, the Post adds, "We don't think it is sufficient, let alone effective, to make believe the virus isn't a problem while bullying and threatening states and local school districts to open their doors in August." The Post says "it is rich" that the Administration cites "the experience of other countries that have managed to reopen schools as examples to follow when those countries embraced the kind of careful steps and precautions – lockdowns, masks, extensive testing – that Mr. Trump constantly belittles."

In a second related editorial, the Washington Post (7/14, 14.2M) writes, "No one could level an accusation of complacency at Kanakuk Kamps, a network of Christian camps in Missouri that posted a 31-point program of pandemic precautions as summer approached. Despite those preparations, one of its camps, for teenagers, was hit by a major outbreak last month." The Post says "that failure, and others like it nationwide, are a warning sign for schools and colleges that hope to reopen this fall."

Administration Drops Plan To Implement Rules On Student Visas For Online Learning.

Media reports are casting the Administration's decision not to pursue restrictions on visas for foreign students if schools held classes online as an unexpected reversal. The Boston Globe (7/14, Fernandes, 972K) reports that at a court hearing, US Attorney Andrew Lelling said ICE made "the decision to exercise its discretion to 'modify' its posture announced in its March guidance. ... This agile approach to the Fall 2020 semester demonstrates that ICE considered and balanced the equities of schools, foreign students, and the agency's need to uphold and enforce the immigration laws and regulations."

ABC World News Tonight (7/14, story 11, 0:20, Muir, 7.36M) described the Administration as "backing down," the Los Angeles Times (7/14, Watanabe, 4.64M) that it "abruptly reversed course" in an "announcement...made without explanation," and USA Today (7/14, Shesgreen, 10.31M) that it staged an "abrupt about-face came after a backlash from universities and state officials." The Washington Post (7/14, Anderson, Svrluga, 14.2M) also refers to an "abrupt reversal" that followed "an edict that [had] stunned US higher education leaders and students worldwide," and Reuters (7/14, Rosenberg) says it was "a stunning reversal of policy."

Along similar lines, the AP (7/14, Binkley) reports the Administration faced "eight federal lawsuits and opposition from hundreds of universities," and the NBC News (7/14, 6.14M) website that "the reversal comes in the face of heavy criticism from institutions of higher education and lawmakers from both major parties." The New York Times (7/14, Hartocollis, Jordan, 18.61M), the Washington Times (7/14, Dinan, 492K), The Hill (7/14, Kruzel, 2.98M), the Chronicle of Higher Education (7/14, Thomason, 74K), the Harvard Crimson (7/14, Caldera, Kurilla, 3K), and the Daily Princetonian (7/14, Shevin, 5K), among other news outlets, also cover the story.

Feds Might Apply Discarded Policy To Those Who Haven't Previously Applied For Visas. The Wall Street Journal (7/14, Hackman, Restuccia, Subscription Publication, 7.57M) reports, meanwhile, that Administration officials are considering applying the rules barring visas for entirely online learning only to foreign students who have not previously applied for student visas.

WSJournal Objects To Princeton Officials' Condemnation Of Professor's Views.

In an editorial, the Wall Street Journal (7/14, Subscription Publication, 7.57M) criticizes Princeton President Christopher Eisgruber and other university leaders for condemning an article by Princeton classics professor Joshua Katz in which he objected to faculty demands over race and referred to the university's Black Justice League as a "local terrorist organization." The Journal argues that although Katz has tenure and cannot be fired, the cancel culture has succeeded by making him a pariah and intimidating those who might agree with him into remaining silent.

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Trump To Appoint Gorka To National Security Education Board.

USA Today (7/14, Behrmann, 10.31M) reports, "Former White House aide Sebastian Gorka will be appointed to be a member of the National Security Education Board, the White House announced Tuesday." USA Today adds that "the board, that consists of 14 members, oversees the federal government's National Security Education Program (NSEP)." Gorka "is a former Breitbart contributor and currently hosts a conservative radio show," whose "comments and articles at Breitbart claiming Islam is an inherently violent religion drew widespread criticism."

Politico (7/14, Cohen, 4.29M) recounts that "a White House aide for less than a year, Gorka left his role as deputy assistant to the president in acrimonious fashion in August 2017." Politico adds that "the White House pushed back against Gorka's claims that he resigned, and MSNBC reported at the time that Gorka was barred from the White House grounds before his resignation letter surfaced."

Foreign Policy: Mosley Hiring At USAID Part Of Effort To "Seed" Agencies With Trump "Loyalists."

Foreign Policy (7/14, Lynch, Gramer, 340K) reports President Trump "has added another political loyalist and anti-abortion advocate to its roster of political hires" at USAID, "expanding the role and influence of the religious right in shaping U.S. priorities on global health and development." Patrina Mosley "has been named advisor to the director of the Center of Excellence on Democracy, Human Rights, and Governance." Foreign Policy says Mosley "is an outspoken anti-abortion advocate who recently accused the United Nations and the World Health Organization (WHO) of using the coronavirus pandemic to promote abortions – a claim the U.N. calls patently false." Foreign Policy adds that the White House personnel office "has been seeding various federal agencies with hard-line loyalists who have often espoused fringe political viewpoints."

Trump Urged To Bring Greater Accountability To CFPB.

In an op-ed for the Wall Street Journal (7/14, Subscription Publication, 7.57M), Mick Mulvaney, the former Acting Director of CFPB, and Eric Blankenstein, a former policy associate director at the agency, write that the law which created the CFPB gave the agency an automatic funding stream from the Federal Reserve and power to write rules that impact large parts of the economy. They argue that with the law, Congress gave away two of its greatest powers, but the Supreme Court's decision that the President has the power to remove the CFPB director gives him power he should use to bring greater accountability to the agency.

First Lady Urges Americans To Wear Masks.

First Lady Melania Trump took to Twitter Tuesday to write, "Even in the summer months, please remember to wear face coverings & practice social distancing. The more precaution we take now can mean a healthier & safer country in the Fall." The Hill (7/14, Samuels, 2.98M) reports "the first lady has posted photos of herself wearing a mask previously and has been spotted in a face covering during official events in recent weeks," and adds "her direct call on Tuesday for Americans to continue to wear masks and socially distance is notable given President Trump and other White House officials have been reluctant to make similar appeals." The New York Post (7/14, Moore, 4.57M) points out, meanwhile, that the First Lady's posting "came a day after President Trump appeared publicly for the first time wearing a mask during a tour of the Walter Reed Medical Center where he met with wounded troops on Saturday."

Mary Trump Says Her Uncle Is "Utterly Incapable" Of Leading Country.

ABC World News Tonight (7/14, story 6, 0:45, Muir, 7.36M) previewed George Stephanopoulos' interview with President Trump's niece, Mary Trump. Asked "the single most important thing you think the country needs to know" about the President, Trump said, "He's utterly incapable of leading this country, and it's dangerous to allow him to do so." Asked if her assessment is based on "what you see now, or what you saw then," Trump said, "Based on what I've seen my entire adult life."

Trump To Announce NEPA Reforms To Speed Permitting Process.

The Washington Post (7/14, Eilperin, Dennis, 14.2M) reports that President Trump plans to "overhaul" the National Environmental Policy Act (NEPA). Trump will "announce the changes on Wednesday in Atlanta, as part of his effort to revive the economy amid the coronavirus pandemic." The Post says Trump's plan "would make it easier to build highways, pipelines, chemical plants and other projects that pose environmental risks." If the changes reflect a proposal from January, they would "force agencies to complete even the most exhaustive environmental reviews within two years and restrict the extent to which they could consider a project's full impact on the climate." WAGA-TV Atlanta (7/14, 99K) reported Transportation Secretary Chao says NEPA "is outdated and long overdue for an upgrade that boosts economic growth." Chao: "Just the permitting alone can take up to seven years. So, the President is announcing a new rule that will set time limits to construction permitting processes."

WSB-TV Atlanta (7/14, 161K) reported that Chao "says the President will announce changes in the environmental review process they believe will cut the permitting time for big infrastructure projects form seven to two years. Chao says the change will also help coordinate between government agencies, reduce paperwork, and increase public participation." Chao: "These new policy changes will actually expedite the environmental review of the I-75 commercial vehicle lane project right in Atlanta."

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Watkins Faces Three Felony Charges Related To Illegal Voting Investigation.

The Kansas City Star (7/14, Lowry, 549K) reports Rep. Steve Watkins (R-KS) has been charged with "three felonies and a misdemeanor related to an investigation into whether he illegally voted in a 2019 municipal election." Shawnee County District Attorney Mike Kagay (R) "announced the charges about a half-hour before Watkins...was set to appear on a televised debate with his primary challengers Jake LaTurner and Dennis Taylor on KSNT." Watkins said the timing of the charges is "hyper political" and "very suspicious." He argued "that the district attorney shared a consultant with one of his opponents." Watkins faces felony charges of "interference with law enforcement by providing false information, voting without being qualified and unlawful advance voting." as well as "a misdemeanor charge for failing to the notify the DMV of his change of address."

Justice Ginsburg Hospitalized.

ABC World News Tonight (7/14, story 9, 0:20, Muir, 7.36M) reported last night on "late word that Supreme Court Justice Ruth Bader Ginsburg has been hospitalized for a possible infection." Ginsburg "is a cancer survivor, and just two months ago was hospitalized for a benign gall bladder condition." The CBS Evening News (7/14, story 7, 1:05, O'Donnell, 4.31M) said Ginsburg "underwent a procedure at Johns Hopkins in Baltimore to clean out a bile duct stent that was placed last August. We're told by the court she is now resting comfortably, but will remain in the hospital a few days to receive intravenous antibiotic treatment." NBC Nightly News (7/14, story 6, 0:20, Holt, 5.96M) also mentioned the story briefly last night.

Fox News (7/14, Pappas, 27.59M) indicates on its website that it is "the latest hospitalization for Ginsburg, 87, who has faced a slew of health conditions in the past," and the AP (7/14) that "in addition to the tumor on her pancreas last year, she was previously treated for colorectal cancer in 1999 and pancreatic cancer in 2009. She had lung surgery to remove cancerous growths in December 2018." USA Today (7/14, Wolf, 10.31M), the Washington Times (7/14, Swoyer, 492K), and the Washington Examiner (7/14, Dibble, 448K), among other news outlets, also report the story.

Self-Described "Centrist" NYTimes Opinion Editor Resigns Citing "Bullying," "Illiberal Environment."

The New York Times (7/14, Lee, 18.61M) reports that "Bari Weiss, a writer and editor for the opinion department of The New York Times, has resigned from the paper, citing 'bullying by colleagues' and an 'illiberal environment.'" The Times adds that "in a nearly 1,500-word letter addressed to A.G. Sulzberger, the publisher, Ms. Weiss offered a deep critique of Times employees and company leadership, describing a 'hostile work environment' where co-workers had insulted her or called for her removal on Twitter and in the interoffice communications app Slack." Wrote Weiss, "I do not understand how you have allowed this kind of behavior to go on inside your company in full view of the paper's entire staff and the public."

The Hill (7/14, Easley, 2.98M) reports "Weiss has described herself as a left-leaning centrist but she has been a vocal critic of the left," and the Washington Times (7/14, Chasmar, 492K) that wrote in her resignation letter that she "was hired by the paper three years ago as an effort to reach a wider audience following the election of President Trump." However, she wrote, "the lessons that ought to have followed the election – lessons about the importance of understanding other Americans, the necessity of resisting tribalism, and the centrality of the free exchange of ideas to a democratic society – have not been learned." She added, "Instead, a new consensus has emerged in the press, but perhaps especially at this paper: that truth isn't a process of collective discovery, but an orthodoxy already known to an enlightened few whose job is to inform everyone else."

Vice (7/14, Wagner, 2.11M) was first with the news that Weiss "has resigned from the paper...in the wake of what she recently described as a civil war at the Times between '(mostly young) wokes' and '(mostly 40+) liberals,'" a "war" that "reached its apex when Opinion head James Bennet, who had been widely tipped as a potential replacement for top Times editor Dean Baquet, left the paper" after publishing an op-ed in which Sen. Tom Cotton (R-AR) "called for the use of military force against protestors."

The CNN (7/14, Darcy, 83.16M) website calls Weiss a "a controversial opinion writer for The New York Times," and notes that she wrote Tuesday, "Twitter is not on the masthead of The New York Times. ... But Twitter has become its ultimate editor. ... Stories are chosen and told in a way to satisfy the narrowest of audiences, rather than to allow a curious public to read about the world and then draw their own conclusions." CNN adds "Weiss generated controversy for her criticism of aspects of progressive culture, particularly with regards to free speech," and "last week, she was one of the dozens of writers who signed an open letter published in Harper's Magazine that spoke out against so-called cancel culture." The Federalist (7/14, Reynolds, 126K) quotes Weiss as writing, "Showing up for work as a centrist at an American newspaper should not require bravery."

The Washington Examiner (7/14, Adams, 448K) headlines its report "Bari Weiss's Resignation Letter Confirms Everything Conservatives Suspected About The New York Times," and the Fox News (7/14, Flood, 27.59M) website says "acting editorial page editor Kathleen Kingsbury provided a statement to Fox News" in which she wrote, "We appreciate the many contributions that Bari made to Times Opinion. I'm personally committed to ensuring that The Times continues to publish voices, experiences and viewpoints from across the political spectrum in the Opinion report."

The Washington Post (7/14, Izadi, Barr, 14.2M) reports "Weiss's letter drew concern from many readers with her claim that some Times colleagues have 'openly demeaned' her on the company's internal Slack messaging platform."

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Sullivan Leaves New Yorker, Slams "Mob" That "Bullied" Weiss And Editors Who Allowed It. The Washington Post (7/14, Izadi, Barr, 14.2M) reports that "hours after the Times confirmed Weiss's departure, writer Andrew Sullivan announced he was leaving New York Magazine by the end of the week. He, like Weiss, has lamented that the current cultural and political climate stifles open debate." Sullivan tweeted Tuesday, "The mob bullied and harassed a young woman for thought crimes. And her editors stood by and watched."

Trump Bemoans Perceived Anti-Conservative Media Bias. The President took to Twitter Tuesday to write, "Would be so great if the Media would get the word out to the people in a 'fair and balanced' way. We will win anyway, but they are a far more difficult adversary than their Radical Left Do Nothing Democrat Partner!"

NYPost: Trump's Hair Showing A "More Natural" Silver-Gray Color.

The New York Post (7/14, Bowden, 4.57M) reports that President Trump has "started sporting a more natural look." At a Rose Garden briefing on Tuesday, Trump "emerged from the Oval Office with his signature pompadour exhibiting a distinctly more silver-gray hue." The Post says Trump "is renowned for his preoccupation with his appearance and his year-round tan and intricately coiffed mop of blond hair have demanded as much examination by the media as his stance toward China."

Rasmussen National Poll: 54% Of Likely Voters Think Biden "Capable" Of Debating Trump.

The Washington Times (7/14, Harper, 492K) reports, "A slim majority – 54% – believe [Joe Biden] is actually 'capable' of a debate with [President Trump,] according to a Rasmussen Reports survey released Tuesday. Over a third – 36% – said Mr. Biden could not manage the event, while another 11% aren't sure. And the inevitable partisan breakdown: 77% of Democrats believe Mr. Biden could pull it off, compared to 32% of Republicans and 49% of independent voters." The poll "of 1,000 likely US voters was conducted July 9-12."

Rothenberg: Texas Is Currently "Competitive," Not A "Swing State."

In his CQ Roll Call (7/14, 154K) column, Stuart Rothenberg writes, "When I saw the headline on CNN analyst Harry Enten's July 12 column – 'Texas is a swing state in 2020, new polls reveal' – I did a double take. Really? 'It's pretty clear looking at the data that Texas is a swing state in the 2020 election,' wrote Enten," though "just a few paragraphs later, he used a different term, observing that 'Texas really is competitive at this point.'" Rothenberg says, "Texas is not a 'swing state,' and it hasn't been one for years. ... It leans Republican." Rothenberg adds, "Given the current polling, Enten is unquestionably correct that Texas is competitive now and looks likely to be that way until November. And Texas may be transitioning from a Republican state into a swing state, but I doubt that it is there yet. It could still take five or 10 years for the transition."

Rep. Kelly Contends Polls Showing Trump Trailing In Pennsylvania Are Inaccurate.

The Hill (7/14, Easley, 2.98M) reports that Rep. Mike Kelly (R-PA) "says that polls showing President Trump trailing in the key battleground state of Pennsylvania do not accurately reflect the state of the race on the ground." During a Tuesday conference call with journalists, Kelly "said the polls are not taking into account Trump's support from those who turned out to vote for the first time ever in 2016," arguing "that 'likely voter' models used by most pollsters are not sampling those first-time voters." Said Kelly, "If you had talked to people the week before the [2016] election, they would have said this guy is so far behind Hillary Clinton he can't win. Well people, they didn't poll first time voters because they didn't know who was voting for the first time. By the same token, most of the same polls I've looked at, you're still polling likely voters, so these people aren't going to get polled."

Clinton Says Trump May Not "Go Quietly" If He Loses 2020 Election.

The Washington Times (7/14, Sherfinski, 492K) reports that during a Monday appearance on Comedy Central's Daily Show, Hillary Clinton "said the US needs to be prepared for President Trump not to 'go quietly' if he loses the fall election." Of Trump, Clinton said, "Well, I think it is a fair point to raise as to whether or not, if he loses, he's going to go quietly or not. And we have to be ready for that." Clinton continued, "If people get to vote and they for whatever reason vote for Donald Trump, OK – we'll accept it. Not happily."

McEnany: Clinton's Remarks "Quite Comical." On its website, Fox News (7/14, Dorman, 27.59M) reports that during a Tuesday appearance on Fox News, White House Press Secretary Kayleigh McEnany weighed in on Clinton's comments. Said McEnany, "It's quite comical to watch the Democrat Party talk about not accepting the results of the election, because the only people who haven't accepted the results of elections are people in the Democrat Party, like Hillary Clinton who's blamed her loss on, I think it was something like two dozen different entities, never blaming herself."

Professor: Trump's Attacks On Mail-In Voting Could Lead To "Ugly Election Scenario."

Yahoo! News (7/14, Ward, 12.82M) reports that before the pandemic "made it likely that there will be a historic number of mail-in ballots in this fall's election," Richard Hasen, a law and political science professor at the University of California, Irvine, "was worried that if the election were close, President Trump might declare victory before all the votes were counted." Now, his concern is "much greater." Trump "has made numerous wild claims – without any evidence and in contradiction to known facts – that mail-in voting will lead to widespread fraud and cheating." Hasen told a Yahoo! News podcast, "As Trump drives more and more of his supporters to vote in person and away from vote-by-

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mail, it's quite likely that we'll see Trump getting many more votes on election night, the votes that are counted on Election Day. ... Then, four or five days later, [if Joe] Biden becomes the winner as the absentee ballots are counted in Philadelphia or Detroit, that's a recipe, if it's close, for a really ugly election scenario." Hasen "said one of the keys to inoculating the country against claims of a stolen election is to prepare people for the possibility that if the election is close, it could take a week or more for the results to be decided."

Biden Unveils $2T Climate Change Plan.

The AP (7/14, Jaffe, Knickmeyer, Weissert) reports that Joe Biden on Tuesday "released a $2 trillion plan...aimed at combating climate change and spurring economic growth in part by overhauling America's energy industry, with a proposal to achieve entirely carbon pollution-free power by 2035." Biden "acknowledged that the economy is in 'crisis' because of the COVID-19 pandemic, but said it offers 'an incredible opportunity, not just to build back to where we were before, but better, stronger, more resilient and more prepared for the challenges that lie ahead.'" The AP says the plan "marks [Biden's] latest effort to build out a legislative agenda with measures that could animate progressives who may be skeptical of" him and "reflects ideas embraced by some of" his "more progressive allies." However, Biden's plan "doesn't go as far as the Green New Deal."

The New York Times (7/14, Glueck, Friedman, 18.61M) reports that Biden, speaking in Wilmington, Delaware, "built on his plans, released last week, for reviving the economy in the wake of the coronavirus crisis, with a new focus on enhancing the nation's infrastructure and emphasizing the importance of putting the United States on a path to significantly cut fossil fuel emissions." The Times says the Biden campaign "sees an opportunity to take direct aim at [President] Trump, who has struggled to deliver on his pledges to pay for major improvements to American infrastructure."

The Washington Post (7/14, Viser, Grandoni, 14.2M) reports that the plan represents "Biden's latest attempt to channel the liberal energy in his party, as well as a response to calls for sweeping plans to lift a struggling economy. The blueprint was quickly hailed by environmentalists and liberals as a big step forward in the climate effort, and just as quickly denounced by Republicans as an unwieldy plan that would raise energy costs." The Post adds that Biden's "plan is likely to trigger a vigorous debate with...Trump, who has a much different approach to the country's energy sector and climate policy."

The Washington Times (7/14, McLaughlin, Miller, 492K) reports that Trump, speaking Tuesday at the White House, said, "Joe Biden gave a speech in which he said that the core of his economic agenda is a hard left crusade against American energy. He wants to kill American energy." The Times adds that Trump "railed against Mr. Biden allowing far-left champions" Sen. Bernie Sanders (I-VT) and Rep. Alexandria Ocasio-Cortez (D-NY) "to write his policies. 'In other words, he wants to impose the Green New Deal on our country,' said Mr. Trump. 'When I first saw the Green New Deal I thought it was a joke.'"

The Hill (7/14, Brufke, 2.98M) reports, "Top Republicans are looking to target...Biden's $2 trillion climate and infrastructure plan, expressing confidence" that his "position on issues like fracking will give them an edge in the rust belt states heading into November." The Hill adds that during a Trump campaign call on Tuesday featuring House Minority Whip Scalise and Rep. Mike Kelly (R-PA), "the lawmakers told reporters they believe climate and energy are winning issues for Republicans in key states necessary in retaining the White House and down ballot." For example, Scalise said, "We have hundreds of thousands of jobs – over 250,000 jobs would be lost, under Joe Biden's Green New Deal energy plan. You would see higher energy costs, and you would see who gets hit the hardest – it's low-income families."

CNBC (7/14, Pramuk, 3.62M) reports on its website that the plan, "which comes days after a joint task force formed by the Biden and [Sanders] campaigns outlined a climate change agenda, sets out a more ambitious approach to developing clean energy than the Biden campaign did during the Democratic primary." According to CNBC, Biden "also aims to use the federal government to reverse years of Trump administration efforts to ease environmental rules, including by setting up an environmental and climate justice division within the Justice Department."

Bloomberg (7/14, Dlouhy, Epstein, and Natter, 4.73M) says "the challenge for Biden lies in convincing progressive voters that he hasn't left them short even as he set aside some of the more ambitious moves called for in the Green New Deal championed by left-wing Democrats" such as Ocasio-Cortez. Reuters (7/14, Hunnicutt, Volcovici) reports that "activist groups such as the Sunrise Movement, which had been critical of Biden's climate plans in the past, praised him on Tuesday for showing more urgency on the issue."

USA Today (7/14, Jansen, 10.31M) reports, "The energy proposal is part of Biden's broader economic agenda called 'Build Back Better,' which he began to unveil Thursday with a $700 billion plan over four years to spur manufacturing and research and development. His goal is to create 5 million jobs beyond the restoration of millions lost this year during the COVID-19 pandemic." The Wall Street Journal (7/14, Puko, Collins, Subscription Publication, 7.57M), the Los Angeles Times (7/14, Halper, 4.64M), the CNN (7/14, Bradner, Mucha, 83.16M) website, the Washington Times (7/14, McLaughlin, 492K), and the Washington Examiner (7/14, Siegel, 448K) also report on the story.

Author: Biden Could End Some Of Trump's Tax Cuts As Soon As 2021. In a Wall Street Journal (7/14, Subscription Publication, 7.57M) op-ed, Philip DeMuth, author of "The Overtaxed Investor: Slash Your Tax Bill And Be A Tax Alpha Dog," says Trump's Tax Cuts and Jobs Act, which greatly reduced taxes, is due to expire at the end of 2025, and at that point, President Obama's American Taxpayer Relief Act of 2012 is most likely to once again become law, resulting in higher taxes. DeMuth adds, however, that if Biden wins the White House this year and Democrats retake the Senate, some of Trump's tax cuts could be ended in 2021.

AMERICAN OVERSIGHT

In Shift, Biden Now Says Senate Filibuster May Need To Be Eliminated.

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Politico (7/14, Cohen, 4.29M) reports that Joe Biden "on Monday signaled he would be open to the Senate ending its practice of imposing a

60-vote threshold for most legislation, a positional shift from the Democratic presidential nominee who spent more than 35 years as a senator. In comments to" reporters "that were reported by the New York Times, Biden said he hoped to create systemic change on an array of issues in the US and said he was open to measures that would allow legislation to pass the Senate with a simple majority vote. ... 'It's going to depend on how obstreperous they become,'" Biden "said of Senate Republicans who might filibuster legislation championed by a potential Biden administration. 'But I think you're going to just have to take a look at it.' As recently as February 2020, Biden opposed ending the filibuster."

The Washington Examiner (7/14, Larsen, 448K) reports that Biden "firmly opposed abolishing the filibuster in a January interview with the New York Times editorial board that was released just before Democratic primary voters and caucusgoers started casting ballots for their presidential picks. 'There are a number of areas where you can reach consensus that relate to things like cancer and healthcare and a whole range of things. I think we can reach consensus on that and get it passed without changing the filibuster rule,' Biden said at the time."

Tuberville Defeats Sessions In Alabama Senate Primary.

Media reports are blaming President Trump's opposition for former Attorney General Jeff Sessions' defeat in the Alabama GOP Senate primary. The AP (7/14, Chandler, Barrow) reports Sessions lost "to former college football coach Tommy Tuberville, likely ending a long political career with a bitter defeat egged on by...Trump," who "continued his criticism of Sessions right up to the eve of Tuesday's election." Shortly after the race was called last night, the President tweeted, "Wow, just called! @TTuberville – Tommy Tuberville WON big against Jeff Sessions. Will be a GREAT Senator for the incredible people of Alabama. @DougJones is a terrible Senator who is just a Super Liberal puppet for Schumer & Pelosi. Represents Alabama poorly. On to November 3rd."

The Montgomery Advertiser (7/14, Lyman, 62K) reports the race was not close, with Tuberville enjoying a nearly 30-point edge at the ballot box, and Alabama Live (7/14, Sharp, 734K) that "the loss to Tuberville represented the first time Sessions was defeated at the ballot box since his political career began with a 1994 victory in an Alabama Attorney General race followed by four terms in the Senate and an appointment as the nation's 84th US Attorney General."

The Washington Times (7/14, Varney, 492K) reports "Trump has worked hard for Mr. Tuberville since he endorsed the former coach prior to the March primary," and the New York Times (7/14, Plott, 18.61M) that Sessions "spent his final days on the campaign trail reiterating his support for...Trump's agenda," but "in the end, it wasn't enough. And in truth, after Mr. Trump endorsed Mr. Sessions's opponent, it probably never was." The Times adds that Tuberville's "platform was largely a blanket promise to support the president at all times." The Times quotes Angi Stalnaker, "a Republican strategist in Alabama," as saying, "People in Alabama voted against Jeff Sessions because Donald Trump told them to. ... If it had been Donald Trump saying, 'Go write in Mickey Mouse,' 50 percent of them would have gone to write in Mickey Mouse."

The Washington Post (7/14, Kane, Olorunnipa, 14.2M) reports that during the campaign, "Sessions endured one brutal insult after another from the president," and adds that "Trump's endorsement of Tuberville in the race has always seemed to have more to do with Trump's anger at Sessions over his recusing himself from the Russia investigation while attorney general than with any particular support for the former Auburn University football coach." Politico (7/14, Arkin, Mutnick, 4.29M), The Hill (7/14, Manchester, 2.98M), the Washington Examiner (7/14, Lim, 448K), the Wall Street Journal (7/14, Andrews, Subscription Publication, 7.57M), and the Daily Caller (7/14, Trunsky, 716K), among other news outlets, also report the story.

Poll: Kelly Leads McSally 52%-43% In Arizona Senate Race, Down From A 13-Point Edge In May.

On its website, KTAR-FM Glendale, AZ (7/14, 125K) reports that an OH Predictive Insights poll of 600 likely Arizona voters, taken July 6-7, shows Democrat Mark Kelly leading appointed Sen. Martha McSally (R-AZ) 52%-43% in this fall's special election to fill out the remaining term of the late Sen. John McCain (R-AZ). KTAR-FM says Kelly's lead is down from a 13-point edge the Democrat held "in a similar poll taken in May." The Hill (7/14, Wilson, 2.98M) reports that Kelly "is running ahead of the margins Sen. Kyrsten Sinema (D) managed when she narrowly beat McSally in 2018, becoming the first Democrat to win a Senate seat in the state that produced Barry Goldwater and John McCain in a generation." The Washington Examiner (7/14, Drucker, 448K) also reports on the poll results.

In 2018, Kentucky Candidate McGrath Likened Late-Term Abortion To C-Sections.

Writing at Townhall (7/14, 177K), Reagan McCarthy says that Democrat Amy McGrath, who is challenging Senate Majority Leader McConnell in Kentucky, "refuses to draw a distinction between trimesters for abortion; she previously said that she was '100 percent pro-choice.' When pressed on where exactly she would begin to oppose abortion, and if a woman could elect to have an abortion while already in labor," McGrath replied, "I don't think that government should be involved in a woman's right to choose what is happening to her body." McCarthy adds that during her failed 2018 House bid, McGrath "likened late-term abortion to a C-section, claiming that 'no one' supports late term abortion: 'No one would ever dream of that scenario. It's called a C-Section!'"

Gideon "Easily" Wins Maine's Democratic Senate Primary.

As expected, state House Speaker Sara Gideon on Tuesday won Maine's Democratic Senate primary, earning the right to take on Sen.

CFTC-22-0351-A-000873

Susan Collins (R-ME) this fall. The AP (7/14, Sharp) reports that Gideon, "who's raised a staggering $23 million in her Senate bid, easily" defeated attorney Bre Kidman and activist Betsy Sweet to win the Democratic nomination. The AP adds that Gideon "is poised to further increase her haul: Her victory entitles her to $3.7 million from a crowdsourced fund for Collins' challenger that was established during the Senate fight over Brett Kavanaugh's Supreme Court confirmation. Democrats were furious over Collins' vote in favor of Kavanaugh."

The Bangor Daily News (7/14, Piper, 198K) reports that Gideon "decisively won the Democratic" contest, adding that "the Bangor Daily News and its national election results partner, Decision Desk HQ, called the race at 9:06 p.m., when unofficial results showed Gideon with 73.5 percent of votes." The report adds that Gideon "was considered the favorite going into Election Day, with backing from national Democrats as well as many state legislators." The Portland Press Herald (7/14, Miller, 244K) reports, "The Democratic race to take on Collins pitted" Gideon – "the favorite among national party leaders – against two more progressive candidates who said their election would help usher in much-needed changes to the Democratic establishment in Washington."

The New York Times (7/14, Cochrane, 18.61M) reports that Gideon, "backed by the Senate Democratic campaign arm and a number of outside political groups, had long been the favorite to challenge Ms. Collins, the sole remaining New England Republican in Congress. The nonpartisan Cook Political Report has rated the race a tossup, and the election has already become the most expensive in Maine history." CQ Roll Call (7/14, Ackley, 154K) reports, "Inside Elections with Nathan L. Gonzales rates the Maine Senate race a Toss-up." The Hill (7/14, Greenwood, 2.98M) reports that Collins "is among the most vulnerable GOP incumbents seeking reelection this year, and Gideon is one of the Democratic Party's top recruits." Newsweek (7/14, Touchberry, 1.53M) and the Washington Examiner (7/14, Lim, 448K) also report on the story.

Hegar Defeats West In Texas Democratic Senate Primary Runoff.

Veteran MJ Hegar on Tuesday defeated state Sen. Royce West in the Texas Democratic Senate primary runoff. Hegar advances to the general election, where she will face Sen. John Cornyn (R-TX). The Houston Chronicle (7/14, Wermund, 730K) reports, "Though the Associated Press called the race for Hegar, West" still "held out hope, tweeting that there were 'still many boxes out in urban centers" and that he would "evaluate the vote totals again in the morning.'" The Chronicle adds that Hegar "is just the type of candidate the party has sought nationally since 2018, when the suburbs began to revolt against President Donald Trump, helping hand Democrats control of the House. She is a decorated war veteran who Democrats hope can appeal to disillusioned Republicans, especially in the suburbs, where she grew up and still lives – and where the party hopes to gain ground in November."

The Texas Tribune (7/14, Svitek, 23K) says, "With 90% of locations reporting, Hegar was ahead of West, 52% to 48%. ... Hegar had a 37,488-vote lead at the time she declared victory." The Austin American Statesman (7/14, Tilove, Subscription Publication, 343K) reports, "The size of Hegar's lead slowly crept up and then held steady as the night wore on in an election that few expected would be this close a few months or even weeks ago." The Dallas Morning News (7/14, 946K) reports that Hegar on Tuesday night "said the Democratic turnout was so large it's 'going to cause John Cornyn to have a hard time sleeping tonight.' She then issued a message to Cornyn. 'Pack it up, buttercup, because your time has ended and we're coming back to take our seat back for Texas,' she said."

The Washington Post (7/14, Kane, Itkowitz, 14.2M) reports that Hegar, who was supported by the Democratic Senatorial Campaign Committee, "was long considered the favorite, but a late charge" by "West forced outside groups backing Hegar to pour money into the race to get her over the finish line." The Post adds, "The dynamics of the primary were similar to others around the country that shifted as thousands of Americans joined protests against racial injustice. West, who is African American, had captured momentum as the change candidate against establishment pick Hegar, though he has 27 years in elected office."

Vox (7/14, 2.27M) reports that in addition to the DSCC, Gideon was also backed by "major national groups including EMILY's List, Everytown for Gun Safety, and the Planned Parenthood Action Fund. She has long been the anointed candidate to take on Cornyn, and she was the top vote-getter in Texas's Super Tuesday primary in March." Newsweek (7/14, Hutzler, 1.53M) and BuzzFeed News (7/14, Prakash) also report on the story.

WPost Report: Democrats Increasingly Optimistic About Expanding House Majority.

The Washington Post (7/14, Bade, 14.2M) reports, "Just two months ago, House Republicans had been upbeat about their 2020 prospects following the surprise victory of GOP Rep. Mike Garcia in a California special election to replace Democratic Rep. Katie Hill, who had resigned," but now Democrats are "on offense in hopes of expanding their majority in the House, where they hold 233 seats." The Post says that "in recent days, nonpartisan political handicappers have moved several races in Texas as well as GOP seats in suburban areas from Indiana to Pennsylvania in Democrats' favor." The Post adds, "At the Democratic Congressional Campaign Committee, political aides are eyeing races in Alaska and Montana, two GOP-held states the party never dreamed would be potentially in play."

Omar's MN5 Primary Opponent Raised $3.2M Between April And End Of June.

The Minneapolis Star Tribune (7/14, Biersbach, 1.04M) reports that opposition to Rep. Ilhan Omar (D-MN) "is fueling an unprecedented surge in donations to her top Democratic opponent, political newcomer Antone Melton-Meaux." Melton-Meaux "told the Star Tribune he raised a staggering $3.2 million between April and the end of June, with $2 million cash left in the bank before the Aug. 11 primary. He dramatically outraised Omar, who took in $471,624 during the same time period. Omar's campaign said she has $1,111,361 left on hand ahead of the primary election."

AMERICAN OVERSIGHT

Jones Wins NY17 Democratic Primary.

The New York Times (7/14, Rubinstein, 18.61M) reports that attorney Mondaire Jones, "a progressive candidate supported by the institutional left," has won the "crowded Democratic House primary in the" race to succeed retiring Rep. Nita Lowey (D-NY) in NY17, "all but ensuring that he will join Congress next year as among its first openly gay African-American members." The race was not called by the AP "until Tuesday, three weeks after the primary, even though Mr. Jones had a commanding advantage after the machine ballot count: He had twice as many votes as his closest competitor, Adam Schleifer."

CQ Roll Call (7/14, Bowman, 154K) reports that Jones "may have to share his history-making distinction as the first openly gay Black man in Congress with [Democratic] New York City Councilman Ritchie Torres, who currently leads a crowded primary in New York's 15th District. Torres is Black and Hispanic." CQ Roll Call adds that Hillary Clinton won NY17 "by 20 points in 2016, and the district's partisan lean means Jones is likely to come to Congress next year. Inside Elections rates the race Solid Democratic."

NYTimes Analysis: Trump "Cleared A Path" For GOP QAnon Candidates.

The New York Times (7/14, Rosenberg, Steinhauer, 18.61M) reports that a GOP "Senate candidate recently declared herself 'one of the thousands of digital soldiers' in service of QAnon, a convoluted pro-Trump conspiracy theory about a 'deep state' of child-molesting Satanist traitors plotting against" President Trump. The Times says "a congressional candidate in Colorado who made approving comments about QAnon bested a five-term Republican incumbent in a primary last month. And then there is Marjorie Taylor Greene, a Georgia Republican who is perhaps the most unabashedly pro-QAnon candidate for Congress and has drawn a positive tweet from...Trump." The Times adds, "More than two years after QAnon, which the FBI has labeled a potential domestic terrorism threat, emerged...the movement's supporters are morphing from keyboard warriors into political candidates," and "have been urged on by Mr. Trump, whose own espousal of conspiracy theories and continual railing against the political establishment have cleared a path for QAnon candidates."

RCP Average Has Trump's Job Approval At 41.6%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 41.6%, and his disapproval at 55.9%. Trump's approval is up 0.5 since yesterday; his disapproval is up by 0.7.

A Rasmussen poll of 1,500 "likely voters" (7/9-7/13) finds Trump's approval at 47%, and his disapproval at 51%.

Financial International News

IMF Head Urged Ukraine President To Preserve Central Bank Independence.

Reuters (7/14, Shalal) reports IMF Managing Director Kristalina Georgieva "said she told Ukrainian President Volodmyr Zelenskiy on Tuesday that his country was required to preserve the independence of its central bank under an IMF-supported program." Georgieva, in a statement, "said she spoke with Zelenskiy on 'concerns about the pressures being put on the National Bank of Ukraine' (NBU) and underscored the importance of an independent central bank to ensure economic stability and maintain investor confidence." Georgieva said, "It is in the interest of Ukraine to preserve the independence of NBU and it is also a requirement under the current IMF-supported program. ... I urged President Zelenskiy to stay the course of sound monetary and financial policies – those are key to stronger investment and inclusive growth."

Reuters (7/14, Polityuk) also reports Zelenskiy told Georgieva "that he would nominate a candidate for central bank head by end of this week." Zelenskiy tweeted, "Informed @KGeorgieva that by the end of the week I will have a new candidate for Head of the NBU for Parliament's approval. S/he will be an independent technocrat and continue the Bank's independent course. I make all my decisions only in the interests of the Ukrainian people."

Eurozone Banks Warn Of Business Lending Crunch.

The Financial Times (7/14, Arnold, Subscription Publication, 1.34M) reports, "Banks plan to cut back on the flow of credit to eurozone businesses this summer because they anticipate that governments will wind down..."

G20 Receives Report Detailing Need For International Payments Infrastructure.

Law360 (7/14, Subscription Publication, 8K) reports the Financial Stability Board and the Bank for International Settlements "have provided the G-20 with a report detailing a variety of building blocks necessary to update cross-border payment infrastructure, with a focus on technology-driven changes and enhanced global cooperation." The groups "said Monday that the Committee on Payments and Market Infrastructures had provided a Stage 2 report to the G-20, as the group of nations works to enhance cross-border payments." That report "outlines areas the forum for governments and central bank governors should focus on, including harmonizing data protocols and addressing planned new payments infrastructures like Facebook-backed Libra."

Leading International News

Members Of Congress, Travel Industry Want US-Canada Travel Ban Eased.

AMERICAN OVERSIGHT

According to Politico (7/14, Gardner, 4.29M), "US lawmakers are applying pressure on Ottawa and Washington to ease restrictions on the Canada-U.S. border, but few Canadians want to welcome their American neighbors any time soon." Politico says "a growing chorus is

agitating for Canada and the U.S. to loosen the rules around 'essential' travelers," including "the travel industry, border communities and members of Congress."

WPost Analysis: US, Poorer Nations Bear Growing Share Of Cases.

The Washington Post (7/14, A1, Witte, Sheridan, Slater, Sly, 14.2M) reports the impact of the pandemic "is not being felt evenly," as "poorer nations throughout Latin America, the Middle East, South Asia and Africa are bearing a growing share of the caseload, even as wealthier countries in Western Europe and East Asia enjoy a relative respite after having beaten back the worst effects through rigorously enforced lockdowns." The US, "which leads the world in new cases and, as with many nations that possess far fewer resources, has shown no sign of being able to regain control." According to the Post, "Nearly all the countries struggling with a surge share something in common: After weeks or months of trying to suppress the virus, they reopened their economies, only to find that the virus came roaring back."

Asian Countries Pause Reopening As Number Of Cases Increase.

Reuters (7/14, Packham, Tajitsu) reports, "Australian states tightened borders and restricted pub visits on Tuesday, while Disney prepared to close its Hong Kong theme park and Japan stepped up tracing as a jump in novel coronavirus cases across Asia fanned fears of a second wave of infections." Across many parts of Asia, nations are "finding cause to pause the reopening of their economies, some after winning praise for their initial responses to the outbreak."

Britain To Mandate Mask-Wearing In Shops.

The Washington Times (7/14, Meier, 492K) reports Britain is "making it mandatory to wear a face mask while in shops and supermarkets starting in less than two weeks." Those who do not abide by the new rule, set to take effect July 24, "will be subject to fines of up to £100."

Erdoğan, Trump Agree To Work More Closely On Libya.

Reuters (7/14, Kucukgocmen) reports briefly that Turkish President Recep Tayyip Erdoğan and President Trump "agreed in a phone call to work more closely in Libya to ensure lasting stability in the country, the Turkish presidency said on Tuesday."

Iran Executes Retired Defense Ministry Employee Charged With Working For CIA.

The AP (7/14) reports Iran "has executed a former employee of the defense ministry who was convicted of spying on behalf of the Central Intelligence Agency." According to the AP, "It was the second such execution in the past month." The Iranian judiciary announced that Reza Asgari was executed last week, and "had worked in the airspace department of the ministry and retired in 2016." In June, Iran "said another alleged spy, Jalal Hajizavar, was hanged in a prison near Tehran."

China And Iran Forge Closer Ties With Trade, Security Agreements.

The Washington Free Beacon (7/14, Beyrer, 78K) reports Iran and China are "closing in on a series of economic and security agreements" that will "bring Chinese capital to Iran's energy industry, threatening to curb the effects" of President Trump's "maximum pressure" sanctions campaign against Iran. The new deal would give China "a 25-year regular discount on Iranian oil exports." In return, Iran would "benefit from security and research collaborations with China's military."

NYTimes Report: "No Conclusive Evidence" Tying Russia To Marines' Deaths.

The New York Times (7/14, Cooper, Steinhauer, Gibbons-Neff, Schmitt, 18.61M) reports US intelligence agencies are investigating whether a car bomb that killed three US Marines in Afghanistan "was detonated at the behest of a Russian military agency paying bounties to Afghanistan militia groups for killing American troops." The Times says if the deaths are linked to Russian bounties, it would be "a staggering repudiation of [President] Trump's yearslong embrace of President Vladimir V. Putin of Russia." Currently, "there is no conclusive evidence linking the deaths to any kind of Russian bounty."

Deadly Taliban Attack Raises Concerns Over Faltering Afghan Peace Process.

The Washington Post (7/14, Constable, 14.2M) reports that a deadly attack Monday followed "weeks of relentless insurgent ground assaults and bombings...seemed to many Afghans like one more nail in the coffin of long-stymied talks between Taliban and Afghan delegates." Across the country, the attack "seemed to deepen growing feelings of disillusionment with the peace process and fears for the future."

Danon Says Israel Is "Grateful" To Trump Administration For Pulling Out Of Iran Deal.

In an interview with the Washington Post (7/14, Mekhennet, 14.2M), Israel's outgoing Ambassador to the UN, Danny Danon, was asked if the Trump Administration "handled the threat you see coming from Iran in a way that was sufficient," Danon said, "We are grateful for the decision to pull out of the Iran deal, it was very important. And we appreciate the strong stance of President Trump and [Secretary of State] Pompeo on this issue. We have stated many times, we will not allow Iran to achieve nuclear weapons, no matter what. We welcome the leadership of the U.S. on this issue."

AMERICAN OVERSIGHT

Danon Says Israel Willing To Return To Negotiations With Palestinians.

In an interview with the Washington Post (7/14, Mekhennet, 14.2M), Israel's outgoing Ambassador to the UN, Danny Danon, was asked about the Palestinians' announcement that they have ended security cooperation with Israel. Danon said, "It is not the first time we hear an announcement similar to that one. And this security cooperation is not only beneficial to Israel but for the Palestinians themselves." Asked if there are any efforts to bring the Palestinians back to the table, Danon said, "We are open-minded. I have been approaching President [Mahmoud] Abbas when he came to the U.N. the last time. ... We are willing to go back to the negotiating table. But it's difficult to find a good partner on the other side."

Danon: Anti-Semitism Must Be Fought On All Fronts.

In an interview with the Washington Post (7/14, Mekhennet, 14.2M), Israel's outgoing Ambassador to the UN, Danny Danon, said, "I think we have to fight anti-Semitism on all fronts. Today with social media it is a challenge, and we have debates with scholars and legal experts about what we can do regarding, hate crimes, how to deal with freedom of speech and where we draw the line. We cherish freedom of speech, but we cannot cherish freedom of hate." Asked if he was directly confronted with anti-Semitism at the UN, Danon said, "I had difficult moments, both when you hear the voices coming from Iran or the hate crime in Pittsburgh here in the US."

Azerbaijan-Armenia Border Clashes Continue For Third Day.

Reuters (7/14, Hovhannisyan, Bagirova) reports, "Seven Azeri soldiers and a civilian and four Armenian servicemen were killed on Tuesday in the third day of border clashes between" Armenia and Azerbaijan. The two countries "have long been in conflict over Azerbaijan's breakaway, mainly ethnic Armenian region of Nagorno-Karabakh." Reuters says the clashes are of concern to the international community "in part because of the threat to instability in the South Caucasus, a region that serves as a corridor for pipelines taking oil and gas to world markets." The AP (7/14, Demourian) reports that the fighting left "at least 16 people killed on both sides, including an Azerbaijani general." The AP adds, "Officials in both countries blamed each other for starting the fighting and said that sporadic shelling has continued."

WPost: Trump Administration Lacks Coherent Regime Change Strategy For Venezuela.

A Washington Post (7/14, 14.2M) editorial says Venezuela's Supreme Court, which is controlled by President Nicolás Maduro's regime, "has ousted the leaders of the country's three largest political parties, including that of Juan Guaidó, who has been recognized as Venezuela's interim president by the United States and more than 50 other countries," and "named new leaders that the opposition says accepted bribes to act as the regime's stooges." The Post says the move "opens the way to a fraudulent election later this year for the National Assembly." The Post argues that the Trump Administration "no longer has a coherent regime change strategy," and it "looks possible that the Chavista movement, like that of Fidel Castro in Cuba, will survive a U.S. boycott and consolidate a comprehensive dictatorship. U.S. policy ought to adjust for that eventuality. A good start would be to expand refugee admissions for Venezuelans, including activists from the authentic opposition."

Housing

Freddie Mac Multifamily's Jenkins, Martinez Recognized In "Power Finance 2020" List Of Industry Leaders.

Commercial Observer (NY) (7/14) released its "Power Finance 2020" list of industry leaders, which included Freddie Mac Multifamily EVP Debby Jenkins and SVP Rich Martinez. Commercial Observer says that Freddie "continued a run of impressive growth last year, hitting another record in loan purchasing of more than $78 billion as mandated by the Federal Housing Finance Agency (FHFA), and it registered as the largest capital provider for multifamily housing in the country." Freddie's $75.5 billion of securitizations included $61.5 billion in K-Deals, $6.9 billion in small-balance deals, and $4 billion in Participation Certificate issuance. Despite the pandemic, Commercial Observer says, "according to Jenkins, Freddie never really fell behind its mapped pipeline and is on track to hit its $100 billion cap this year." Martinez said that Freddie Mac used the "strategic location" of its "nine satellite offices and four regional locations, plus...frequent visits to all the markets" the GSE serves in order to maintain communication with lenders. Martinez added, "The COVID-19 virus has required us to virtually connect more frequently with our Optigo lenders and borrowers to obtain that local market knowledge."

Despite Seila Ruling, Experts Say Questions Remain Regarding Constitutionality Of FHFA's Structure.

American Banker (7/15, Lang, Subscription Publication, 31K) reports, "Many observers saw the high court's recent ruling striking down the CFPB's single-director leadership structure as nearly decisive for the FHFA as well, since its structure appears to be identical." However, "with the court deciding to hear the FHFA case on its own, the justices may want to provide an opportunity to the FHFA – which says its statutory setup is different than that of the CFPB – to state its case, experts say." Last week, the Supreme Court granted cert to Collins v. Mnuchin, which involves claims by Fannie Mae and Freddie Mac shareholders that the FHFA's structure is unconstitutional. FHFA Director Mark Calabria said that the Seila ruling "does not directly affect the constitutionality of the FHFA," and the FHFA said that the agency "looks forward to the U.S. Supreme Court taking up the Collins case and clarifying these important issues."

AMERICAN OVERSIGHT

Mortgage Delinquencies Hit Record High In April.

The Washington Post (7/14, Van Dam, 14.2M) reports that in April, "new mortgage delinquencies hit a record...well above anything seen during the Great Recession." The Post says "some 3.4 percent of Americans became at least 30 days delinquent on their mortgage in April, according to an analysis from CoreLogic." The Post reports that CoreLogic Chief Economist Frank Nothaft also "estimates home prices will fall about 6.6 percent from this May to the next," and "Freddie Mac forecasts flat home prices next June."

DS News (7/14, Albanese) reports that the "overall national delinquency rate in April stood at 6.1%." The delinquency rate in April was the highest in four years, with the spike putting an end to "27 straight months of falling annual delinquency rates." CoreLogic CEO Frank Martell said, "Despite the scale and suddenness of the pandemic, mortgage delinquency has yet to emerge as a major issue, thanks to government COVID-19 relief programs and other housing finance industry efforts. As the true impact of the economic shutdown during the second quarter of 2020 becomes clearer, we can expect to see a rise in delinquencies in the next 12-18 months – especially as forbearance periods under the CARES Act come to a close."

Mortgage News Daily (7/14, Swanson) reports that the CARES Act "provides forbearance for homeowners who were economically impacted by the pandemic if their mortgages are backed by the GSEs Fannie Mae and Freddie Mac, the FHA, or the VA." According to MND, "CoreLogic's delinquency numbers include those loans in forbearance even if the loan has not been reported as past due to credit reporting agencies." RISMedia (7/14, 2K) also covers CoreLogic's delinquency data.

GSE Multifamily Lending Fuels Multifamily Sector's Strength In Q1 And Through Pandemic.

Commercial Observer (NY) (7/14) reports on the ways mortgage lenders are navigating the pandemic. The multifamily sector has been buoyed by Freddie Mac and Fannie Mae, as the "presence of those behemoth quasi-government agencies in the sector lessens risk even amid tumultuous economic uncertainty, observers say." According to Commercial Observer, as a result, "multifamily had a pretty good first quarter, with acquisitions nationwide totaling $38 billion, about the same as the first quarter of 2019, and financing was 'robust,' according to a CBRE report."

FHA Proposes Streamlining Of Specialized Servicing Practices.

National Mortgage News (7/14, Sinnock) reports that as "loan performance issues remain" in the "government-insured home loan market," the FHA is mulling a "proposal that has long been in the works to streamline its complex and specialized servicing practices." According to NMN, The plan "includes a revision of the FHA's loss mitigation waterfall, a scaling back of documentation requirements for trial payment plans, and increased alignment with broad market practices through the modification of allowable fee structures, in addition to other measures." NMN says "flexibilities Fannie Mae and Freddie Mac introduced to mitigate coronavirus-related risks were recently extended to Aug. 31, when a foreclosure and eviction moratorium pertaining to their loans is currently scheduled to end as well." The FHA "said the coronavirus-related contingencies it has put in place for servicing will not be impacted by the streamlining of broader policies."

DS News (7/14, Albanese) reports that the flexibilities announced by the GSEs and FHFA cover alternative appraisals, alternative income documentation and employment verification methods, and an expansion in the use of power of attorney and remote online notarizations.

HUD Resists Calls To Withdraw Fair Housing Proposal.

Politico (7/14, O'Donnell, 4.29M) reports that the Administration "is resisting calls – even from political allies – to withdraw a proposal to make it more difficult to bring discrimination claims under the Fair Housing Act." In a letter to Bank of America Vice Chairman Anne Finucane, Deputy Housing and Urban Development Secretary Brian Montgomery "reaffirmed HUD's plans to issue a final rule later this year." Finucane "had urged HUD to drop the effort in a letter last month, citing 'recent protests and events.'" Montgomery wrote that HUD has "never ceased working to achieve more equitable results and to correct for past errors, regardless of who is setting policy. ... Contrary to your assertion, the leadership and professional staff at HUD is working on a daily basis to live up to the spirit of the Fair Housing Act." Yahoo! Finance (7/14) reports HUD Secretary Carson said, "What people need to understand is it is so wide and so broad the way it is written, all it provides is permanent employment for lawyers."

However, HousingWire (7/14, Azevedo, 23K) reports Quicken Loans Vice Chairman Bill Emerson on Friday said in a letter to Montgomery, "We recognize that the proposed changes are intended to clarify the use of disparate impact in housing discrimination cases. We agree that unclear rules in the housing and mortgage markets can, and often do, constrain lending and investment in the space, harming those the rules are intended to help. However, legitimate concerns have been raised about how the proposed rule proposed would make it difficult to address some of the more challenging systemic issues of discrimination that the Fair Housing Act should be used to address." HousingWire reports that in a separate letter released Monday, the National Association of Realtors "said that HUD's revisions place too heavy a burden on the ability of parties to bring legitimate initial disparate impact claims." RISMedia (7/14, 2K) provides additional coverage of NAR's response.

Washington, DC Reverse Mortgage Borrowers With Delinquent Loans May Receive More Assistance.

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DS News (7/14, Albanese) reports that the Council of the District of Columbia has passed the "Reverse Mortgage Insurance and Tax Payment Program Temporary Amendment Act of 2020," which DS News says should "extend protections for reverse mortgage borrowers who have entered delinquency."

Fannie Mae Raises Its Economic Outlook For 2020, But Warns That Significant Risks Remain.

Mortgage News Daily (7/14, Swanson) reports, "The reopening of the economy in several states from the COVID-19 shutdowns has moved Fannie Mae's Economic and Strategic Research (ESR) Group to raise its estimate for the 2020 full year GDP from the 5.4 percent decline it predicted in June to a 4.2 percent downturn." The economists say that the faster-than-expected recovery could worsen, but they believe that any further shutdowns and restrictions will be less severe than the first round of policy responses. Fannie's economists "said they had expected purchase activity to rebound in May and June but given the magnitude they have revised their existing home sales forecast for the second quarter from 4.1 million annualized units to 4.3 million and boosted the Q3 estimate from 4.9 million units to 5.4 million." MND says, "According to Freddie Mac, the 30-year fixed rate fell to 3.03 percent in the second week of July, a new all-time low. At that rate Fannie Mae estimates that nearly 60 percent of all outstanding loan balances have at least a half-percentage point incentive to refinance."

MBA: New Home Purchase Applications Rose 54.1% In June From Year Ago.

National Mortgage Professional (7/14) reports that new home purchase mortgage applications rose 54.1% from a year ago, according to the MBA's latest Builder Application Survey. Applications rose 20% from May 2020 to last month. The MBA estimated that "new single-family home sales were running at a seasonally adjusted annual rate of 774,000 units in June 2020," and there were "71,000 new home sales in June 2020 on an unadjusted basis." Conventional mortgages "made up 65.1% of loan applications, Federal Housing Administration loans made up 22.6%, RHS/USDA loans made up 1% and VA loans made up 11.2%." The average loan size for new homes rose to $338,589 in June, up $5,796 from May. MBA AVP Joel Kan said, "MBA estimates that new home sales in June increased 15% ... which would be the strongest level of activity since January 2020." RISMedia (7/14, 2K) provides additional coverage.

Ginnie Mae MBS Issuance Sets A New Record In Q2.

Behind a paywall, Inside Mortgage Finance (7/14, Bancroft, Subscription Publication) say that a "huge wave of VA refinance activity" pushed Ginnie Mae single-family MBS issuance to a "record $177.71 billion" during Q2. According to IMF, "The venerable agency MBS platform set production records in both the third and fourth quarters of 2019, caught its breath in early 2020, and then rose 12.7% to a new high in the April-June cycle. Refinance activity, in particular the VA program, has been the main driver. Some $91.83 billion of FHA and VA refinance loans were securitized in the second quarter, a 14.0% increase." VA activity made up "more than two-thirds of the refi total for the two programs as volume surged 25.8%." Meanwhile, FHA refi securitization fell 5.6% from Q1 to Q2.

KBW: Q2 Earnings Of Wells Fargo, JPMorgan Chase Contain Both Encouraging And Distressing Insights.

National Mortgage News (7/14, Finkelstein) says Keefe-Bruyette & Woods released a report detailing what the Q2 earnings calls of Wells Fargo and JPMorgan Chase could mean for the mortgage industry. Although "bleak in some regards," NMN says, the megabanks' earnings "strong year-over-year growth in gain-on-sale margins for mortgage loans are likely indicative of second-quarter results for other lenders," KBW analysts believe. KBW's Bose George said, "Our expectation remains for industry-wide GOS margins to be up strongly given the widening of primary/secondary spreads during the quarter, the result of robust mortgage demand outweighing available supply." KBW also found that both banks' production revenue trends were stellar, which should bode well for mortgage banking profitability elsewhere in the industry. However, NMN says, "the fair value mark-to-market hits for mortgage servicing rights were a bit more severe than expected, which is a negative for mortgage servicers, George added."

Nonbanks Expect Better Q2 Origination Growth. Behind a paywall, Inside Mortgage Finance (7/14, Muolo, Subscription Publication) says, "Although many nonbanks saw stellar origination growth in the second quarter, megabanks Wells Fargo and JPMorgan Chase didn't exactly join the production party." Wells originated a "respectable $59.0 billion of home mortgages during the period, a 22.9% sequential increase. JPM, on the other handed, funded $24.2 billion, a 13.8% decline." Meanwhile, several nonbanks told IMF that they expect sequential gains of at least 50%. Wells Fargo reported "$317 million of mortgage banking income, including a $531 million charge on its mortgage servicing portfolio tied to runoff from lower rates." JPMorgan Chase's mortgage division "took in revenue of $1.69 billion, a $526 million increase over 1Q20. However, its consumer and community banking division lost $176 million overall."

Robert Shiller: Major Cities May See Large Declines In Home Prices.

MarketWatch (7/14, Passy, 1.67M) reports that Nobel Prize-winning economist Robert Shiller has "outlined the broad risk to the economy posed by the spread of the novel coronavirus and the resulting impact on the global economy," telling CNBC, "We have highly priced markets in the stock market, the bond market and the housing market. All of these markets could tumble in the coming months." Shiller says that the a decline in the housing market may hit some areas harder than others, as the pandemic may prompt many Americans to steer clear of cities. According to MarketWatch, "On Tuesday, Fannie Mae upgraded its forecast for home price growth. Citing June housing data from CoreLogic

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that showed home prices rising at the fastest pace since November 2018, Fannie Mae now expects home prices to rise 4.4% this year. The mortgage giant's forecast last month called for only a 0.4% increase."

NAHB: Lumber Prices Rose 50% From Mid-April To July 10.

M Report (7/14, Albanese) reports that the National Association of Home Builders "found that the Random Lengths Framing Composite Price reached upwards of $523 per 1,000 board feet this past week for the week ending on July 10," marking the "only time that lumber prices have tipped the scales above $500 per 1,000 board feet in two years." According to M Report, the 50% price growth increase since mid-April "has been attributed to several factors" related to the pandemic, including the forced closures of lumber mills, reduced staffing at other mills, and a spike in demand from do-it-yourself builders.

Fannie Mae's Danielle McCoy Highlights Resources To Help Borrowers Avoid Scams.

M Report (7/14, Albanese) interviewed Fannie Mae VP and Fair Lending Officer Danielle McCoy about how the GSE is ensuring borrowers are aware of scams related to the pandemic. McCoy said, "We are working through our Here to Help education effort to make sure people know about the many options available to them," and "there's a page on KnowYourOptions.com dedicated to fraud prevention." McCoy explained, "What we're doing through Know Your Options is helping to close the [information] gap. We are working closely with our regulator, the Federal Housing Finance Agency, to share available resources with homeowners and renters nationwide. The whole goal, for the industry, is to let Americans know that Fannie Mae and others in the industry stand ready to help consumers find the information that they need during these very uncertain times."

Annaly Preps A $489M Expanded-Credit MBS.

Behind a paywall, Inside Mortgage Finance (7/14, Ivey, Subscription Publication) reports that after pausing in Q2, Annaly Capital Management is "set to issue its second expanded-credit mortgage-backed security of the year. Loans in the planned $489.4 million deal have seasoned for an average of seven months, similar to the REIT's previous transaction." In the new transaction, 7.6% of the loans are in forbearance due to the pandemic, but "all of the borrowers are current on their payments." According to IMF, "The top contributor to the MBS is Quicken Loans with a 13% share followed by Guaranteed Rate at 12%. Most of the mortgages are being serviced by Select Portfolio Servicing. Quicken is processing its loans and 3% of the MBS is being handled by Specialized Loan Servicing. Some 58% of loans are non-qualified mortgages and the remainder are backed by investment properties not subject to QM standards."

Stevens: Using Secondary Market Revenue To Fund DPA Programs Could "Level The Playing Field."

Writing for National Mortgage News (7/14, Stevens), former FHA Commissioner David Stevens argues that the mortgage industry should do "everything it can to level the playing field" for potential homebuyers. Stevens suggests using "secondary market revenue" to fund a "sustainable" downpayment assistance option that "helps deserving borrowers, and particularly minorities, overcome the lack of inherited wealth to buy a home." According to Stevens, "Given the continued growth in minority households, DPA programs backed by secondary market revenue can really be game changers by helping minorities move up from renting and start building wealth that they can pass on to future generations. It creates no additional risk than any other program. Indeed, it may even have less risk, especially when paired with protections such as borrower education and incentives."

Markets

10-Year Yield Ticks Down.

MarketWatch (7/15, 1.67M) reports the 10-year Treasury yield fell to 0.622 percent.

Dollar Falls.

Reuters (7/15, Howcroft) reports the dollar index on Wednesday "fell in the early hours of the morning, hitting a one-month low of 96.032 at 0735 GMT." Meanwhile, the euro "extended gains and hit a four-month high of $1.1435 at 0744 GMT."

Gold Edges Higher.

Reuters (7/14) reports, "Gold inched higher on Wednesday, holding firm above the key $1,800 level, as worries over surging coronavirus cases and simmering China-U.S. tensions lifted demand for the safe-haven metal." Spot gold "was up 0.1% at $1,809.41 per ounce by 0031 GMT. U.S. gold futures were steady at $1,813.70."

Oil Rises.

Reuters (7/15, Chung) reports, "Oil prices rose on Wednesday following a sharp drop in U.S. crude inventories, with the market waiting for next steps from a meeting later in the day on the future level of output cuts by OPEC and its allies." Brent crude "futures were up 19 cents, or 0.4%, at $43.09 a barrel as of 0343 GMT," and US West Texas Intermediate crude futures "rose 17 cents, or 0.4%, to $40.46 a barrel."

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Cybersecurity

FBI Warns Of Rising Cyber Crimes Targeting School Districts.

WEWS-TV Cleveland (7/14, Schultz) reports from Cleveland, Ohio, "As many school district leaders contemplate what schools will look like in the fall for students, teachers and staff, it's clear that online learning will play a large role in most districts." According to WEWS-TV, "The Cleveland Division of the FBI is warning school districts to make sure its cyber security systems are up to date. FBI Special Agent Vicki Anderson said that cyber crimes, in general, are up since the pandemic. She said that hacking and ransomware attacks are becoming more common in municipalities, businesses and school systems. 'And now we add COVID to it where all the bad guys out there know that a lot more people are online,' she said." The FBI "is now warning school districts about ransomware attacks, or when a type of virus holds the computer systems and data hostage until a certain amount of money is paid."

UK Sides With US Over China, Will Purge Huawei Equipment From 5G Network.

Reuters (7/14, Sandle, Faulconbridge) reports British Prime Minister Boris Johnson has "ordered Huawei equipment to be purged completely from Britain's 5G network by the end of 2027, risking the ire of China by signalling that the world's biggest telecoms equipment maker is not welcome in the West." Johnson was "under intense pressure" from President Trump, "while Beijing had warned London, which has sought to court China in recent years, that billions in investment would be at risk if it sided with Washington."

The AP (7/14, Kirka) reports Johnson's government "said it decided to prohibit Huawei from working on the so-called 5G system after U.S. sanctions made it impossible to ensure the security of equipment made by the Chinese company." The U.S. "had also threatened to sever an intelligence-sharing arrangement with Britain because of concerns that Huawei's involvement could allow the Chinese government to infiltrate U.K. networks."

The New York Times (7/14, Satariano, Castle, Sanger, 18.61M) reports that "the move reverses a decision in January, when Britain said Huawei equipment could be used in its new 5G network on a limited basis." Since then, Johnson has "faced growing political pressure domestically to take a harder line against Beijing, and in May, the United States imposed new restrictions to disrupt Huawei's access to important components." Johnson government's "about-face signals a new willingness among Western countries to confront China, a determination that has grown firmer since Beijing last month adopted a sweeping new law to tighten its grip on Hong Kong."

Reuters (7/14, Baker, Chalmers) reports, "Britain's decision to ban China's Huawei from its 5G network" increased the pressure on EU countries to also "impose stricter limits" on the company. Meanwhile, "A senior EU diplomat said some countries were now worried" that the European Union's "toolbox" of recommendations, released in January, that allowed members to "either 'restrict or exclude' so-called high-risk 5G vendors, such as Huawei, from core parts of their telecoms network," did not do enough to limit dependence on Huawei.

Harvard Kennedy School's Applied History Project Assistant Director Calder Walton, in an op-ed in Foreign Policy (7/14, 340K), writes, "There is a long history of all kinds of governments exploiting commercial communication companies to collect foreign intelligence in bulk to further their interests and protect their national security," including by the British and US governments. Walton argues, "this history offers a clear message: It would be naive to expect the Chinese government not to exploit Huawei hardware on Britain's 5G network for intelligence collection."

Additional coverage includes Politico (7/14, Cerulus, 4.29M), BBC News Online (UK) (7/14, 1.02M), TIME (7/14, Perrigo, 18.47M), Reuters (7/14), and Fox News (7/14, Rogers, 27.59M), among other news outlets.

Analysis: US Efforts Against Huawei Part Of Overdue Change In US Handling Of China.

In an analysis, Wired (7/14, Graff, 3.49M) reports that the US efforts against Huawei are part of "an overdue acknowledgement by the foreign policy establishment that years of accommodating engagement with a rising China has done little to stem China's rambunctious and norm-shattering behavior." The Administration has engaged in "a remarkable six months of concerted effort against Huawei that has brought the Trump administration's efforts back from what appeared to be an embarrassing defeat."

House Democrat Presses Google, Apple On Foreign-Owned Apps.

The Hill (7/14, Miller, 2.98M) reports House Oversight and Reform Committee national security subcommittee Chairman Lynch "urged Google and Apple to be more transparent with customers about the potential data privacy dangers of foreign-made apps." He "reached out to the companies following statements from the FBI and the Office of the Director of National Intelligence (ODNI) that foreign-made apps could pose a danger to consumers." In letters to Google CEO Sundar Pichai and Apple CEO Tim Cook, Lynch expressed concern that apps owned or operated by foreign developers or that store Americans' data overseas "could enable our adversaries to access significant quantities of potentially sensitive information on American citizens without their knowledge to the detriment of U.S. national security." Lynch requested Google and Apple "commit to requiring app developers to disclose the countries where user data is stored, make this information available to customers considering downloading the app, and also asked whether the companies would consider further changes to protect data privacy."

Additional coverage includes Gizmodo (7/14, Wodinsky, 2.7M) and the Financial Times (7/14, McGee, Murphy, Fedor, Subscription Publication, 1.34M).

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Rep. Langevin To Propose Cyber Director Amendment To NDAA.

NextGov (7/14, Baksh) reports Rep. Jim Langevin (D-RI) plans to offer amendments to the National Defense Authorization Act "to create a post within the White House with budgetary and policy authority to coordinate cybersecurity across the government." Langevin also plans to "propose a continuity of the economy amendment that would prioritize essential services in getting the economy back up and running in the event of a cyberattack and incentivize states and municipalities to move to the cloud as they modernize their information technology" and will back an amendment "to create a joint cyber planning office at the Cybersecurity and Infrastructure Security Agency."

Federal Computer Week (7/14, Johnson, 263K) reports, "Dozens of proposed amendments that draw from recommendations in the" Cyberspace Solarium Commission's report have been introduced. "In some cases, legislators have drawn inspiration from multiple recommendations in the report to place cyber initiatives in appropriations language."

Former Special Assistant to President Barack Obama Michael Daniel, in an op-ed in CyberScoop (7/14), argues that improving the federal government's cybersecurity capabilities faces at least three challenges: "cybersecurity's cross-cutting nature," the lack of incentives for agencies "to sustain the degree of coordination required for effective cybersecurity," and a lack of central leadership that "hinders effective incident response." He argues this can start to be addressed by "creating a National Cyber Director along the lines of what the Cyberspace Solarium Commission recommends ."

Report: Tax Program Required By Chinese Banks For Clients Deploys Backdoors.

CyberScoop (7/14, Vavra) reports that security vendor Trustwave published findings that specific software "required to be used through the Chinese government's Chinese Golden Tax Project" tax system – Intelligent Tax – contains "a backdoor that would give hackers a new way in." Trustwave says that a Chinese bank told a UK-based defense contractor the program was required. However, "the tax software's developer has relied on a number of subcontractors to build software flaws into other software tools for years," and "the network of companies behind the tax software scheme itself can be traced back to the Chinese government." Trustwave Vice president of Cyber Threat Detection and Response Brian Hussey said, "I know that the Chinese government very frequently uses their state-owned private organizations, their state-owned university system for just this kind of work."

TikTok's US Users Prepare For Possible Ban.

Reuters (7/14, Dang, McLymore) reports that with national security concerns that TikTok's may be required to share user data with the Chinese government, the app's fate in the United States is undecided. "The news set off a wave of worries among its devoted user base, who are coming up with backup plans on other services." Atlantic Council Nonresident Fellow Justin Sherman said, in Reuters' words, "the Trump administration's motives are primarily political, which make it not only difficult to predict what the government will decide, but nearly impossible to fight back if it proceeds with a ban."

TFI/Sanctions

Trump Signs Law Authorizing China Sanctions Over Hong Kong Crackdown.

Fox News (7/14, O'Reilly, 27.59M) reports on its website that President Trump on Tuesday "announced two actions his administration has taken against China as tensions between Washington and Beijing continue to rise." During a news conference in the Rose Garden, Trump "announced that he had signed into law the Hong Kong Autonomy Act and also put his signature on an executive order that ends the United States' preferential treatment of Hong Kong."

Reuters (7/14, Mason, Holland) quotes the President as saying, "Today I signed legislation, and an executive order to hold China accountable for its aggressive actions against the people of Hong Kong." Hong Kong, he added, "will now be treated the same as mainland China."

The South China Morning Post (7/14, Churchill, 138K) says "the latest move by Trump could open up Hong Kong to the tariffs his administration has slapped on Chinese exports," but Politico (7/14, Rodriguez, 4.29M) says "it remains to be seen if Trump will fully implement the sanctions," noting that the Administration "has declined to carry through on several mandatory sanctions over the years, including ones targeting Russia."

Media coverage of the announcement focuses on the President's remarks at the event about Joe Biden, comparing it to a campaign speech. The AP (7/14, Miller, Riechmann), for example, says Trump "quickly shifted his speech in the Rose Garden into a campaign rally-style broadside" against Biden. Trump, it adds, "didn't limit his criticism of Biden to China," delivering "broadside after broadside against Biden on issues from energy to the economy, education to immigration."

The Washington Times (7/14, Boyer, 492K) likewise says Trump "devoted much of his remarks to contrasting his position on Beijing" with Biden, whose "entire career," he said, "has been a gift to the Chinese Communist Party." The Washington Post (7/14, Nakamura, Olorunnipa, Rucker, 14.2M) is more direct, saying the President "held a Rose Garden event under the guise of punishing China over its crackdown on Hong Kong, delivering a lengthy diatribe against...Biden in a display that resembled a campaign speech at the White House." Trump, it writes, "began his rambling 54-minute opening statement by announcing that he had signed congressional legislation that authorizes his administration to enact sanctions" on China and an executive order to revoke Hong Kong's special economic trading status, but "glossed over the specifics and said nothing about the pro-democracy protests on the island."

Along similar lines, the New York Times (7/14, Baker, 18.61M) says Trump "summoned television cameras to the heat-baked Rose Garden...to announce new measures against China," but "that did not last long. What followed instead was an hour of presidential stream of

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consciousness as Mr. Trump drifted seemingly at random from one topic to another, often in the same run-on sentence. Even for a president who rarely sticks to the script and wanders from thought to thought, it was one of the most rambling performances of his presidency."

CNBC (7/14, Breuninger, Macias, 3.62M) reports on its website that Trump "began his speech in the Rose Garden focused on targeting China's actions, but quickly pivoted to lash out" at Biden and "spent a significant chunk of the speech railing against what seemed to be the bulk of Biden's campaign platform."

To the Washington Examiner (7/14, Crilly, 448K), Trump used the news conference to "attack" Biden, and USA Today (7/14, Fritze, Jackson, 10.31M) has a similar report under the headline "Trump Swings At Biden At Official Event Announcing He Signed Hong Kong Sanctions Bill."

Federal Reserve

Brainard Suggests Recession May Be Longer Than Initially Hoped.

The AP (7/14, Rugaber) reports Fed Governor Lael Brainard on Tuesday "warned...that the US economy appears to be slowing after an initial burst of recovery and called for the Fed to take aggressive steps to bolster growth." Brainard "said that hiring and consumer spending bounced back more strongly than expected in May and June. But that rebound mostly reflected a rapid reopening of restaurants, bars and other businesses in many states, she said, and those reopenings have since caused ongoing spikes in viral infections that could reverse much of that progress."

The Wall Street Journal (7/14, Timiraos, Subscription Publication, 7.57M), Reuters (7/14), and MarketWatch (7/14, Robb, 1.67M) also report.

Harker: Downturn Is "Both Exceptionally Painful And Stubbornly Long-Lasting."

Reuters (7/14, Marte) reports Philadelphia Fed President Patrick Harker said on Tuesday that the economy remains "mired" in crisis and solutions are needed from policymakers to offer better support for struggling small businesses. Harker said in a webinar, "Indeed, even as the economy is reopening in fits and starts, the pandemic's effects are proving not to be just a brief setback. ... We are in a downturn that is both exceptionally painful and stubbornly long-lasting." Harker "said the Paycheck Protection Program, which offered loans to small businesses that could be converted to grants, was an 'immense help' to millions of businesses." However, Harker also "called the program a 'blunt instrument,' saying it fell short when it came to aiding businesses in areas hit hard by the virus."

Kaplan Predicts "Disinflationary" Trend Due To "Lots Of Overcapacity" In Economy.

Reuters (7/14) reports Dallas Fed President Robert Kaplan said Tuesday that there is "lots of overcapacity in the economy," going on to describe this as having a "disinflationary" effect. Kaplan said in an interview, "While we have got this high an unemployment rate and this much overcapacity, the overwhelming trend I believe is going to be disinflationary."

CNBC (7/14, Li, 3.62M) also reports.

Bullard: "Granular" Health Strategy Needed If Economy Is To Avoid Depression.

Reuters (7/14, Schneider) reports St. Louis Fed President James Bullard said on Tuesday that COVID-19 has shown to be a "more persistent" threat to US economic activity than initially expected, and that solving it requires a more "granular" health strategy that includes ubiquitous mask usage. Bullard "said his base case is that the economy continues to grow in the second half of the year and build off of the surprise increases in employment in May and June." However, Bullard said, "the downside risk is nevertheless substantial, and better execution of a granular, risk-based policy will be critical to keep the economy out of depression." As an example, Bullard "pointed to estimates that near universal mask usage would continue lowering death rates, and that businesses can one by one learn how to more safely operate."

The Wall Street Journal (7/14, Derby, Subscription Publication, 7.57M) also reports.

Barkin: Business Owners Starting To Realize Pandemic Will Not Go Away Soon.

Reuters (7/14) reports Richmond Fed President Thomas Barkin said on Tuesday that US unemployment could face a resurgence as business owners adjust plans to public health developments amid the COVID-19 pandemic. Barkin said in a webcast, "There is a complicated brew of what's happening on unemployment...A bunch of companies large and small are realizing this is not a two-month issue and recasting their business."

Internal Revenue Service

WPost: GOP's "Anti-IRS Crusade" Decreasing Public Revenues.

The Washington Post (7/14, 14.2M) editorializes, "When Republicans won control of the House in 2010, they began a multi-year campaign to defund the Internal Revenue Service, slashing its budget by a fifth in real dollars over the course of the following decade." That "translated directly into lower amounts of taxes collected – and therefore a substantial net loss to the government. ... Attacking the taxman has provided easy applause lines for Republicans. But the policy has harmed honest citizens. It is past time to end the GOP's penny-wise and pound-foolish anti-IRS crusade."

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Commentary: IRS Closes Out The Most Challenging Tax Season Ever.

In her San Francisco Chronicle (7/14, 2.67M) column, Kathleen Pender reflects on the conclusion of the IRS' "most taxing season ever." Pender highlights the challenges faced by the IRS amid the COVID-19 pandemic. She adds that while "the IRS extended the deadline for filing 2019 returns from April 15 to July 15, that didn't help millions of taxpayers who usually get their taxes done, for free, by volunteer tax preparers at VITA clinics run by the IRS and Tax-Aide sites run by the AARP Foundation," which "shut down as shelter-in-place orders were issued."

Office of the Comptroller of the Currency

OCC Names Columbia University Professor As Senior Deputy Comptroller For Economics.

SNL Financial (7/14, Subscription Publication, 3K) reports behind a paywall that the Office of the Comptroller of the Currency has hired Charles Calomiris, a professor at Columbia University, to serve as the agency's Senior Deputy Comptroller for Economics.

Wells Fargo Faces Investors Suit Following House Report (OCC Mention).

Law360 (7/14, Subscription Publication, 8K) reports behind a paywall, "A Pennsylvania pension fund is suing Wells Fargo over stock drops that followed a scathing House Financial Services Committee Democrats staff report accusing the bank's top brass of a litany of oversight failures."

Big Banks Signal Worst Of Recession Is Yet To Come.

The Wall Street Journal (7/14, Eisen, Benoit, Subscription Publication, 7.57M) reports big banks are signaling that the worst of the pandemic-related recession is yet to come. Citigroup, JPMorgan Chase, and Wells Fargo all said Tuesday that they have reserved a combined $28 billion to cover expected losses from upcoming loan defaults. JPMorgan CEO James Dimon said, "This is not a normal recession. The recessionary part of this you're going to see down the road."

The Washington Post (7/14, Merle, 14.2M) reports the three banks warned on Tuesday that the recession "will be deeper and longer than initially expected." According to the Post, "Instead of a quick economic recovery at the end of the year, JPMorgan Chase expects the recession to be 'much more protracted,' said Jennifer Piepszak, the bank's chief financial officer. 'Our view of the length and severity of the economic downturn has deteriorated considerably' from earlier this year, said Wells Fargo chief executive Charlie Scharf." The Wall Street Journal (7/14, Demos, Subscription Publication, 7.57M) additionally reports Citigroup and JPMorgan Chase both reported profits for the quarter, while Wells Fargo did not. Reuters (7/14, Marshall, Moise) and Politico (7/14, Guida, 4.29M) also have reports.

JPMorgan Profit Falls 51% As Bank Sets Aside Record $10.5B For Loan Losses.

Bloomberg (7/14, 4.73M) reports, "JPMorgan Chase's results were one more marker of the disconnect between ebullient markets and concern about the U.S. economy." The biggest US bank "said second-quarter profit fell 51% to $4.69 billion, a smaller drop than forecast, as record trading revenue helped counter the biggest loan-loss provision in the firm's history." The bank "generated $9.7 billion from trading stocks and bonds, 79% more than a year earlier," and saw "a 91% gain in investment-banking fees," both of which allowed the bank to remain profitable "even as it set aside a record $10.5 billion to cover future bad loans, more than analysts expected."

Reuters (7/14, Sen, Marshall, Henry) reports CFO Jennifer Piepszak said, "Compared to the first quarter, our reserve build now assumes a more protracted downturn...as we prepare and reserve for something worse than our base case." Overall, the bank's revenue rose 15% to $33.8 billion, while net interest margin "fell to 1.99% from 2.37% in the first quarter."

The Wall Street Journal (7/14, Benoit, Subscription Publication, 7.57M), CNBC (7/14, Son, 3.62M), and The Financial Times (7/14, Noonan, Subscription Publication, 1.34M) provide similar coverage.

Citi's Q2 Profit Falls 73% To $1.32B, But Beats Some Analysts' Estimates.

The Wall Street Journal (7/14, Benoit, Subscription Publication, 7.57M) reports Citigroup reported $1.32 billion profit for the second quarter of 2020, a 73% drop from $4.8 billion a year prior. Per share earnings of 50 cents a share still exceeded an estimate from analysts polled by FactSet. Revenue increased to $19.77 billion, a gain of 5%, although revenue from consumer banking operations fell 10%. Credit card spending volume declined 24%. The funds Citi earmarked for loan-loss provisions in the quarter included $5.7 billion for potential future defaults and $2.21 billion in net charge offs. The bank had a total of $28.28 billion set aside for loan losses as of the end of June. A surge in trading activity buoyed the corporate and investment banking divisions, which saw revenue rise 55%, while the fixed-income trading division's revenue rose 68%.

Reuters (7/14) adds that "as the third largest credit card issuer in the United States, Citi is especially susceptible to any jump in credit card delinquencies, which tend to track rises in unemployment closely." So far, 6% of Citi's credit card balance holders have been offered forbearance, about 2 million cards. Deposits rose 18% to $1.23 trillion due to stimulus program funds for businesses and individuals.

Reuters (7/14) and American Banker (7/14, Subscription Publication, 31K) also report.

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Wells Fargo Posts Q2 Loss Of $2.38B.

The Wall Street Journal (7/14, Eisen, Subscription Publication, 7.57M) reports Wells Fargo posted a loss of $2.38 billion in the second quarter, from $6.21 billion in profit the year before, its first quarterly loss in over 10 years. This amounts to a 66 cent loss per share, while analysts surveyed by FactSet expected only a 16 cent loss per share. The bank set aside $9.57 billion in the quarter for potential future losses in addition to the $3.83 billion set aside during the first quarter. Wells Fargo has been severely impacted by the economic fallout of the coronavirus pandemic and most of its loan loss provisions are designated for its commercial bank, which is widely-exposed to a number of industries themselves seriously affected by the pandemic.

American Banker (7/14, Wack, Subscription Publication, 31K) reports the bank on Tuesday "delivered a jolt to investors...by more than doubling its expected future losses on commercial loans, reflecting its belief that there will be no rapid economic recovery from the coronavirus pandemic." Energy, real estate, and construction have been particularly hard-hit. CEO Charlie Scharf said on the earnings call, "Our expenses are at least $10 billion higher than they should be...and there's no reason why that should occur. And so we are doing the work to create a roadmap for the company that is significantly more efficient." This figure amounts to 18.5% of the bank's normal non-interest expenses annually, and likely translate into layoffs and branch closures, with CFO John Shrewsberry saying on the call that the bank aims to reduce its branch count to near 4,000 from the current 5,500.

CNBC (7/14, Son, 3.62M) reports Wells Fargo will also cut its dividend, the only firm among the largest six banks in the US forced to do so after the Fed's most recent annual stress test. The bank is still dealing with the fallout from its 2016 fake accounts scandal that led to regulatory caps on its asset growth. Scharf last month "strongly hinted...at a conference that he would have to eliminate jobs and cut expenses." The bank has also retreated from riskier lending in the auto and mortgage markets "in part because of the Fed restriction." Wells Fargo also "lacks a sizable Wall Street trading division" unlike Citigroup and JPMorgan, both of whom have seen surging revenues from their trading divisions "amid surging volatility and unprecedented Federal Reserve support."

PYMNTS (7/14, 12K) reports Wells Fargo also said that its ATM and teller transactions fell 28% due to temporary branch closings during the coronavirus pandemic. Debit card point-of-sale transaction volume was similar to last year at $93.1 billion.

The AP (7/14, Ott), Bloomberg (7/14, 4.73M), and Reuters (7/14, Hussain, Moise) also report.

Benefits Of Strong Banking Regulation Comes To The Fore.

NBC News (7/14, 6.14M) reports that most analysts are forecasting some of the worst bank earnings since the financial crisis, though the financial system itself has proven rather resilient during the current downturn, a testament to the regulatory lessons learned during last decade's Financial Crisis. NBC writes that "reforms made to the banking system after the financial system's near-implosion and subsequent bank bailouts are credited now with preventing what could have been an even bigger collapse in bank earnings." Gradient Investment portfolio manager Jeremy Bryan said of the banking sector's strength in the face of adversity, "The regulatory environment we've been in for the past 10 years has caused banks to have significantly better financials overall from a balance sheet perspective."

Bureau of Engraving and Printing

Coin Shortage Amid COVID-19 Could Boost Effort To Kill The Penny.

NPR (7/14, Rosalsky, 3.12M) reports the "specter of the coin shortage lurks everywhere" after the US Mint "cut back on coin production this spring to keep its workers safe." The shortage "could be a rallying cry for a long-running movement that has lost steam in recent years: Kill the penny! Last year, almost 60% of the coins that the U.S. Mint churned out were pennies. 60 percent. It made more than 7 billion pennies. Seven billion. That's a lot of manpower that could be used toward making coins we actually need." The Mint "lost over $72 million making pennies last year. But there doesn't seem to be much urgency about this because in the grand scheme of the federal budget, it's just pennies."

Editorial Wrap-Up

New York Times.

"Congress, Do Your Job: Help Americans Without One." The New York Times (7/14, 18.61M) writes in an editorial that Congress made a good decision "in March when it responded to the arrival of the coronavirus pandemic by increasing unemployment benefits." However, "the expansion expires at the end of this month, even as the pandemic continues to rage. Congress, after dragging its feet for months, has all but run out of time to prevent a lapse in the distribution of extra aid." The Times says Congress must "act immediately to extend emergency benefits, and to authorize the extra aid to continue for the duration of the crisis."

Washington Post.

"Maduro's New Consolidation Strategy Seeks To Eliminate The Opposition – And Will Hurt Venezuela." A Washington Post (7/14, 14.2M) editorial says Venezuela's Supreme Court, which is controlled by President Nicolás Maduro's regime, "has ousted the leaders of the country's three largest political parties, including that of Juan Guaidó, who has been recognized as Venezuela's interim president by the United States and more than 50 other countries," and "named new leaders that the opposition says accepted bribes to act as the regime's stooges." The Post says the move "opens the way to a fraudulent election later this year for the National Assembly." The Post argues that the Trump Administration "no longer has a coherent regime change strategy," and it "looks possible that the Chavista movement, like that of Fidel

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Castro in Cuba, will survive a U.S. boycott and consolidate a comprehensive dictatorship. U.S. policy ought to adjust for that eventuality. A good start would be to expand refugee admissions for Venezuelans, including activists from the authentic opposition."

"With Trump's Heedless Approach To The Pandemic, Children Will Pay An Even Higher Price." In an editorial, the Washington Post (7/14, 14.2M) says it agrees with President Trump "about the importance of getting children back into the classroom." However, the Post adds, "We don't think it is sufficient, let alone effective, to make believe the virus isn't a problem while bullying and threatening states and local school districts to open their doors in August." The Post says "it is rich" that the Administration cites "the experience of other countries that have managed to reopen schools as examples to follow when those countries embraced the kind of careful steps and precautions – lockdowns, masks, extensive testing – that Mr. Trump constantly belittles."

"This Summer Camp Took Extraordinary Covid-19 Precautions. It Still Failed." The Washington Post (7/14, 14.2M) editorializes, "No one could level an accusation of complacency at Kanakuk Kamps, a network of Christian camps in Missouri that posted a 31-point program of pandemic precautions as summer approached. Despite those preparations, one of its camps, for teenagers, was hit by a major outbreak last month." The Post says "that failure, and others like it nationwide, are a warning sign for schools and colleges that hope to reopen this fall."

"The Republican Campaign To Help The Wealthy Cheat On Their Taxes." The Washington Post (7/14, 14.2M) editorializes, "When Republicans won control of the House in 2010, they began a multi-year campaign to defund the Internal Revenue Service, slashing its budget by a fifth in real dollars over the course of the following decade." That "translated directly into lower amounts of taxes collected – and therefore a substantial net loss to the government. ... Attacking the taxman has provided easy applause lines for Republicans. But the policy has harmed honest citizens. It is past time to end the GOP's penny-wise, pound-foolish anti-IRS crusade."

Wall Street Journal.

"California's Second Shutdown." The Wall Street Journal (7/14, Subscription Publication, 7.57M) says in an editorial that California is experiencing a coronavirus surge despite being the first state to shelter in place.

"Why Putin Loves America's Greens." A Wall Street Journal (7/14, Subscription Publication, 7.57M) editorial says that American firms want to sell natural gas to Europe, but Russian fuel is less expensive as a result of the left's efforts to impose legal and regulatory roadblocks on US energy.

"The Speech Police At Princeton." In an editorial, the Wall Street Journal (7/14, Subscription Publication, 7.57M) criticizes Princeton President Christopher Eisgruber and other university leaders for condemning an article by Princeton classics professor Joshua Katz in which he objected to faculty demands over race and referred to the university's Black Justice League as a "local terrorist organization." The Journal argues that although Katz has tenure and cannot be fired, the cancel culture has succeeded by making him a pariah and intimidating those who might agree with him into remaining silent.

"Hong Kong's Endangered Elections." A Wall Street Journal (7/14, Subscription Publication, 7.57M) editorial criticizes Beijing's move to silence Hong Kong voters.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

'This Is Not A Normal Recession': Banks Ready For Wave Of Coronavirus Defaults
UK to Ban Huawei From Its 5G Networks Amid China-US Tensions
Trump Administration Rescinds Rules On Foreign Students Studying Online
Searching For Video? Google Pushes YouTube Over Rivals
Hospitals Stock Up On Covid-19 Drugs To Prepare For Second Wave In Fall
In Covid Lockdown, The Family Historian Has A Captive Audience

New York Times:

Government Rescinds Plan to Strip Visas From Foreign Students in Online Classes
UK Bars Huawei as Tech Battle Between China and the West Escalates
Judge, Expressing Skepticism, Upends $25 Million Harvey Weinstein Settlement
Three Marines, Now Focus of Russian Bounties Investigation, Show the Costs of an Endless War
I Went Home To Texas To Cover The Virus. Then My Family Got It.
Sessions Pays The Price For Incurring Trump's Wrath, Losing Alabama Senate Race

Washington Post:

Numbers On Jobs Saved By Loans Don't Add Up
Surge In Caseload Driven By Poorer Nations – And US
In New Climate Plan, Biden Sets More-Ambitious Goals
UK Bars Huawei Gear In 5G Setup, A Win For White House

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A Crisis In Campus Care
HIV Research Boosts Race For Coronavirus Vaccine

Financial Times:
Macron Promises Extra €100BN For France's Post-Pandemic Recovery
Three US Banks Set Aside Record $28BN For Loan Losses
Carnage For Digital Publishers In What Was Meant To Be Turnround Year
Brussels Plans Attack On Low-Tax Member States

Washington Times:
Virus Splits US Along Party Lines: 'None Of This Has Very Much To Do With Public Health'
China And Russia Making Global Power Plays, Testing US's International Influence
Trump Signs Law Authorizing China Sanctions Over Hong Kong Crackdown
Trump Administration Retreats On Foreign Student Coronavirus Policy
Businesses 'Hanging By A Thread' As Dozens Of States Pause, Reverse Reopenings
US Executes Convicted Killer For First Time In 17 Years

Story Lineup From Last Night's Network News:
ABC: Coronavirus-Rising Cases; Coronavirus-Schools; Coronavirus-Major Retailers; Trump-CDC; Trump-African Americans & Police; Mary Trump-Book; Ghislaine Maxwell; Indiana-Execution of White Supremacist; SCOTUS-RBG Hospitalized; Phoenix-Men Electrocuted in Lake Pleasant; White House-Foreign Student Rules; VA-Fmr. Hospital Assistant Guilty of Murder; Georgia-Black Students From 1969 Finally Honored For Football Championship.
CBS: Coronavirus-Rising Cases; Trump-Coronavirus; Trump-Schools; Trump-Confederate Flag; Trump-African Americans & Police; Trump-China; SCOTUS-RBG Hospitalized; Election 2020; Health Insurance Loss; Coronavirus-US Military Research; 'Glee' Star Death; Ghislaine Maxwell; Ohio-Family Uses Social Media To Get Dog Tags Back To Soldier's Family.
NBC: Coronavirus-Rising Cases; Coronavirus-Florida; Coronavirus-New York; Trump-African Americans & Police; Trump-CDC; SCOTUS-RBG Hospitalized; Ghislaine Maxwell; Coronavirus-Schools; Coronavirus-Immunization; Coronavirus-Latino Community; Nightly News Kids Edition.

Network TV At A Glance:
Coronavirus – 28 minutes, 20 seconds
Ghislaine Maxwell – 6 minutes, 5 seconds
Trump-African Americans & Police – 2 minutes, 15 seconds
SCOTUS-RBG Hospitalized – 1 minute, 45 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Louisiana-Schools; California-Schools; North Carolina-Schools; Moderna-Vaccine Trial; Mary Trump-Book; Alabama-Jeff Sessions Loses Runoff; Maine-Democratic Primary.
CBS: Moderna-Vaccine Trial; Coronavirus-Texas; SCOTUS-RBG Hospitalized; Alabama-Jeff Sessions Loses Runoff; San Diego-Navy Warship Fire; Florida-KKK Mural At Court House.
FOX: Trump-Biden; Coronavirus-Texas; Alabama-Jeff Sessions Loses Runoff; China-US Sanctions.
NPR: Coronavirus-Dr. Fauci's Warning; Alabama-Jeff Sessions Loses Runoff; Texas-GOP Primaries; Trump-Hong Kong.

Last Laughs

Late Night Political Humor.

Trevor Noah: "It might have taken a while for California to blow up again, probably because corona was stuck in traffic on the 405, but now they've become the biggest state to roll back their reopening."

Trevor Noah: "And I know there's a lot of politics tied up for who's rooting for which policies and states to succeed, but people, we need to understand coronavirus has no politics. It doesn't [care] what state you live in. Coronavirus is the most bipartisan thing to happen to America since hating Jussie Smollett."

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Whitney Cummings, Guest Host on Jimmy Kimmel: "I live in Los Angeles, but I'm originally from Washington, DC, which I'm sure you heard, is making a big push for statehood. DC has always wanted this. Our license plates say 'Taxation without representation.' It's

the only passive aggressive license plate. You'll never be driving around Oregon and see a license plate that says, 'Oregon, some sun would be nice.' Or Florida, 'If you can read this, you're probably not from Florida.'"

Whitney Cummings: "As you know, the [DC] football team is finally taking a stand and changing the name of the Redskins. I will say, in their defense, back when they named the team the Redskins, it was only very racist. But I also have to give credit where credit is due. Out of respect for Native Americans, the Redskins have kept their name out of Super Bowl lineups for nearly 30 years."

Whitney Cummings: "People now can find anything to be divided about, like the fact that people have managed to politicize wearing a face mask in a pandemic. And it makes me so angry, because I don't have the power to force everyone to do this one small thing that saves lives. But what I do have are a very particular set of skills. Skills I have acquired over a very long career. I can roast these fools on national television. ... First up, we've got the Chico's 'All Lives Matter' fall collection. Looks like Karen-con got off to a slow and rocky start when these women kept calling the cops on the security guards. This looks like a casting call for a Lifetime movie about women who drown their kids in a station wagon."

Stephen Colbert: "It's beginning to seem like our four months of sacrifice may have been for naught. Because coronavirus cases are spiking all over the place. Even the states that did it right are now backsliding. For instance, yesterday, Gov. Gavin Newsom announced a new wave of California closures as COVID-19 positive rates spiked there. They're shutting down, again. Hollywood loves a sequel."

Stephen Colbert: "But as bad as things are in California, as it says in their tourist slogan, 'It's always worse in Florida.' On Saturday, the state broke the nation's COVID infection record, and yesterday, Florida announced another 12,000 new cases. Well, at least they don't have a lot of old people down there. Or at least, thanks to their governor, they won't in about three weeks."

Stephen Colbert: "Coincidentally, Florida's also the site of the upcoming Republican National Convention. They'll be fine, as long as everyone remembers to wear their elephant plague masks."

Stephen Colbert: "A lot of Republicans are planning to skip Trump's COVID comin' out party, including Senator Roy Blunt of Missouri, Senator Pat Roberts of Kansas, Senator Charles E. Grassley, and Senator Lamar Alexander. ... It's not just seniors; as one GOP representative put it, 'Everybody just assumes no one is going.' ... But no one wants to get on Trump's bad side, so they're all ready with airtight excuses for why they're staying home. Take 84-year-old Senator Pat Roberts, who explained he would likely not be attending because he had 'some things to do in Kansas.' ... (as Roberts) 'Oh, I'd love to go, but I've already scheduled...things. Kansas stuff. You know, polish the tornadoes.'"

Stephen Colbert: "Not only is Florida the new epicenter, but in addition, 'party officials were considering docking cruise ships in the city's port to provide extra lodging.' So you're in Florida, spending all day in an auditorium full of screaming people who don't wear masks, then you go home to a floating petri dish. Only way it would be more infectious is if dinner was an all-you-can-bob lasagna buffet."

Stephen Colbert: "There may be a safer way, though, because Republicans are looking into holding their convention outdoors. That's right. An outdoor convention in late August in Florida. I don't know if they've drained the swamp, but they better be ready to drain the swamp [sweat]."

Stephen Colbert: "But unfortunately for future Republican votes, people who don't wear masks seem always to be Republican. Take Texas Senator...Ted Cruz. A fellow passenger recently photographed Cruz on an American Airlines flight not wearing a mask. ... The airlines have a policy that passengers must wear face coverings during the flight, but Cruz's staff explained that the senator had just 'temporarily' removed his mask to drink coffee. But the same passenger also took this photo of Cruz at the gate also not wearing a mask. Come on, Ted, what's it gonna take to get you to be a fan of masks? Have the masks call your wife ugly and accuse your dad of killing JFK?"

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Stephen Colbert: "Trump's lousy summer is about to get even worse because, today, a new tell-all was released, and this one hits home. It was written by presidential niece...Mary Trump. Trump's own family is turning on him. He's gonna have to keep a close eye on his kids – and not just in case Eric gets his head stuck inside a birdhouse again."

Stephen Colbert: "Mary Trump's book about her uncle is called 'Too Much And Never Enough.' She got the title after watching her uncle at an omelet bar."

Stephen Colbert: "Mary Trump has known Donald Trump all her life, and she does not hold back. In the book, she says that, 'Donald is not simply weak. His ego is a fragile thing that must be bolstered every moment because he knows deep down that he is nothing of what he claims to be. He knows he has never been loved.' Hey, that's not fair. We know he's been loved at least twice – $130,000 worth."

Stephen Colbert: "Mary Trump writes a lot about Donald's dad, Fred Trump, labeling him a 'high-functioning sociopath.' If only he had passed down the 'high-functioning' part."

Jimmy Fallon: "The President is now holding a three-day outdoor event in Florida in August. It will be worth watching just to see Trump lap up glasses of water like a thirsty golden retriever. And poor Mike Pence is going to be sweating like he's sitting through a drag race marathon."

Jimmy Fallon: "Trump decided to move the [GOP] convention outside after meeting with his most trusted advisers: Chuck Woolery and the My Pillow guy."

Jimmy Fallon: "Trump lost his lawsuit against John Bolton, and his book became a best-seller. He lost his lawsuit against his niece, and her book is on its way to becoming a best-seller. Mr. President, I'm personally asking you, please sue my new children's book."

Jimmy Fallon: "Trump's niece actually wrote a pretty interesting book. Chapter 11 is all about his family businesses."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Receives a law enforcement briefing on Keeping American Communities Safe: The Takedown of Key MS-13 Criminal Leaders; delivers remarks on the Rebuilding of America's Infrastructure: Faster, Better, Stronger
- Vice President Pence — No public schedule released

***US Senate*:**

- Senate on recess from 2 Jul – 20 Jul

***US House*:**

- House Appropriations Committee markup hearing – Markup hearing on 'FY 2021 Homeland Security Appropriations Bill', 'FY 2021 Financial Services and General Government Appropriations Bill', and the Report on the Revised Suballocation of Budget Allocations

Location: Rm 1100, Longworth House Office Building, Washington, DC; 9:00 AM

- House Infrastructure Committee markup hearing – Markup hearing on 'H.R. XX, The Water Resources Development Act of 2020' * Held via Cisco Webex and in Rm 2167, Rayburn House Office Building; *10:00 AM*
- House Energy and Commerce Committee virtual markup hearing – Virtual markup hearing, held via Cisco Webex, on legislation including 'H.R. 1426, the Timely Review of Infrastructure Act', 'H.R. 3079, the Energy Savings through Performance Partnerships Act of 2019', 'H.R. 3361, the Reliable Investment in Vital Energy Reauthorization Act', 'H.R. 5541, the Tribal Power Act', 'H.R. 5758, the Ceiling

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Fan Improvement Act of 2020', 'H.R. 2477, the Beneficiary Enrollment Notification an Eligibility Simplification (BENES) Act of 2019', 'H.R. 3935, the Protecting Patients Transportation to Care Act', 'H.R. 5201, the Telemental Health Expansion Act of 2019', 'H.R. 5534, the Comprehensive Immunosuppressive Drug Coverage for Kidney Transplant Patients Act of 2019', 'H.R. 7539, the Strengthening Behavioral Parity Act', 'H.R. 1646, the Helping Emergency Responders Overcome (HERO) Act of 2019', 'H.R. 2117, the Food Allergy Safety, Treatment, Education, and Research (FASTER) Act of 2019', and 'H.R. 2271, the Scarlett's Sunshine on Sudden Unexpected Death Act'; *11:00 AM*

• House Natural Resources virtual forum on economic benefits of wildlife viewing, focusing on Colorado – House Committee on Natural Resources hosts virtual forum on 'The Economic Benefits of Wildlife Viewing and Increasing Access to Wildlife Viewing. Colorado: A Case Study', featuring Colorado First Gentleman (and animal welfare advocate) Marlon Reis, Colorado Parks and Wildlife Commission Commissioner Taishya Adams, and Environmental Learning for Kids Executive Director Loretta Pineda; *12:00 PM*

• Bipartisan Reps. Mike Gallagher and Jim Langevin testify to House Oversight Committee on cybersecurity – Remote hearing on 'U.S. Cybersecurity Preparedness and H.R. 7331, the National Cyber Director Act', with testimony from U.S. Cyberspace Solarium Commission Co-Chair Republican Rep. Mike Gallagher, and Commissioners Democratic Rep. Jim Langevin and Suzanne Spaulding; former House Permanent Select Committee on Intelligence Chairman Michael Rogers; Cyber Threat Alliance President and CEO (and former White House Cybersecurity Coordinator) J. Michael Daniel; former U.S. Computer Emergency Readiness Team (US-CERT) Founding Director Amit Yoran; and George Mason University National Security Institute founder and Executive Director Jamil Jaffer; *12:00 PM*

• House Homeland Security Committee virtual hearing on children in CBP custody – Virtual hearing on 'Children in CBP Custody: Examining Deaths, Medical Care Procedures, and Improper Spending', with testimony from Massachusetts General Hospital pediatrician / Harvard Medical School Instructor in Pediatrics Fiona Danaher; Washington, DC, Chief Medical Examiner Roger Mitchell Jr.; Department of Homeland Security Inspector General Joseph Cuffari; and Government Accountability Office Homeland Security and Justice Team Director Rebecca Gambler; *12:00 PM*

• House Small Business subcommittee hearing on 'Long-Lasting Solutions for a Small Business Recovery' – Hearing on 'Long-Lasting Solutions for a Small Business Recovery', held via Cisco Webex, with testimony from Small Business Investor Alliance President Brett Palmer; Dirt Candy chef and owner Amanda Cohen (on behalf of Independent Restaurant Association); Michigan State University Professor Dr Lisa Cook; and Cintrifuse CEO Pete Blackshaw; *1:00 PM*

• House Budget Committee virtual hearing on 'need for federal investments in technology' – Virtual hearing on 'Software Update Required: COVID-19 Exposes Need for Federal Investments in Technology', held via Webex, with testimony from National Academy of Public Administration President and CEO Teresa Gerton; Code for America founder / U.S. Digital Response co-founder Jennifer Pahlka; National Employment Law Project Executive Director Rebecca Dixon; and physician Robert Wah; *2:00 PM*

• House of Representatives not in session

Cabinet Officers:

• Economic Club of New York event with Secretary of State Mike Pompeo, via conference call / webcast; *3:00 PM*

Visitors:

• No visitors scheduled

This Town:

• U.S. Chamber of Commerce Foundation Annual Building Resilience Through PPP Conference continues – U.S. Chamber of Commerce Foundation hosts Annual Building Resilience Through Private-Public Partnerships Conference continues, focusing on 'private and public sector roles in community resilience' and examining 'the opportunity for the private sector to take a leading role in preparing, coordinating, and responding to disasters'. Day two speakers include USAID Acting Administrator John Barsa, Small Business Administration Administrator Jovita Carranza, Centers for Disease Control and Prevention Deputy Director for Infectious Diseases Jay Butler, Cybersecurity and Infrastructure Security Agency Director Christopher Krebs, Edison Electric Institute President Thomas Kuhn, and FMI – The Food Industry Association President and CEO Leslie Sarasin; *9:00 AM*

• PIIE hosts 'China in the WTO' webinar – 'China in the WTO: Current issues and prospects for reform' webinar hosted by Peterson Institute for International Economics, with featured speakers including China Ambassador and Permanent Representative to the WTO Amb. Zhang Xiangchen and PIIE Senior Fellow Chad Bown; *10:00 AM*

• Dem Sen. Patrick Leahy discusses U.S.-Vietnam relationship – 'The U.S. – Vietnam Relationship and War Legacies: 25 Years into Normalization' Stimson Center online event, on the progress made on war legacy issues in the last 25 years, and the role that the legacies of war will play in the future relationship. Speakers include Democratic Sen. Patrick Leahy, Vietnamese Ambassador to the U.S. Amb. Ha Kim Ngoc, PBS News Hour Special Correspondent Mike Cerre, and Senior Foreign Policy Aid for Sen. Leahy Tim Rieser;

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10:00 AM

• '2020 Congressional Pig Book' released – Citizens Against Government Waste release '2020 Congressional Pig Book' – a database of pork projects identified by CAGW – and the 2020 Pig Book Summary, profiling 'the most egregious examples' from the fiscal year 2020 appropriations bills, via virtual press conference with Republicans Sen. Marsha Blackburn and Reps. Ted Budd, Tim Burchett, Bill Flores, Debbie Lesko, Tom McClintock and Ralph Norman, with pre-recorded messages from GOP Sens. Mike Braun, Ted Cruz, Joni Ernst, Mike Lee and Rand Paul; *10:00 AM*

• BPC discussion on federal nutrition research – 'Advancing Federal Nutrition Research to Improve America's Health' Bipartisan Policy Center and Tufts Friedman School of Nutrition Science and Policy discussion, on key strategies to improve national nutrition research and coordination. Featured speakers include Tufts University Dean Dariush Mozaffarian, U.S. Department of Agriculture Deputy Under Secretary Research, Education and Economics Scott Hutchins, Ocean Spray Director of Global Corporate Affairs Christina Ferzil, and Bipartisan Policy Center SNAP Task Force Co-chair Dan Glickman; *11:00 AM*

• Assistant Energy Secretary Simmons discusses FEMP Energy Exchange 2020 – Assistant Secretary of Energy for Energy Efficiency and Renewable Energy Daniel Simmons hosts Facebook Live broadcast to discuss the Federal Energy Management Program's Energy Exchange 2020; *1:00 PM*

• Dem Rep. Pramila Jayapal speaks on 'Housing Not Handcuffs' webinar – 'Housing Not Handcuffs: Hope for Change at the Federal Level' webinar hosted by the National Low Center on Homelessness and Poverty, with Democratic Rep. Pramila Jayapal highlighting her Housing Is A Human Right Act, and other efforts to lay the basis for shifting resource allocation from law enforcement to housing and social services. Other speakers include Center for Budget and Policy Priorities Senior Fellow Ann Oliva; Akin Gump Strauss Hauer & Feld Senior Policy Counsel Francine Friedman and Public Policy Specialist Christina Barone; Colorado Coalition for the Homeless Communications and Public Policy Vice President Cathy Alderman; and National Law Center on Homelessness and Poverty Legal Director Eric Tars; *2:00 PM*

• Federal Reserve Beige Book – Beige Book (Summary of Commentary on Current Economic Conditions by Federal Reserve District); *2:00 PM*

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From: Bulletin Intelligence[Treasury@BulletinIntelligence.com]
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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, JULY 10, 2020 6:00 AM EDT

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• Treasury Issues Final Rules On Export Deduction Documentation.
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Leading National News

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• Spread Of Coronavirus At Meat Packing Plants Prompts Safety Investments.
• Lumber Prices, Futures Soar Due To Social Distancing, Stay-At-Home Orders.
• Biden Pitches $700B "Build Back Better" Proposal To Boost Economy.
• Sur La Table Files For Bankruptcy.
• Harley-Davidson To Eliminate 700 Jobs.
• Musk Taunts Ex-Investors As Tesla Shares Soar.
• Meadows, Navarro Tout Benefits Of USMCA.
• OSU Researcher With Ties To China Charged With Grant Fraud.
• Trump Says US Testing Is "Much Bigger And Better" Than That Of Other Countries.
• Trump Says He Will Wear A Mask During Walter Reed Visit.
• Conway: Trump "Tested Regularly," Encourages Masks.
• Redfield: Social Distancing, Masks, Handwashing, Are "Powerful Weapons."
• Fauci Says Some States Should Consider Shutting Down Again.
• McEnany: Trump "Excited" To Travel To "Home State" Of Florida For Convention.
• Two Roundtable Members Tested Positive Before Pence Event In Pennsylvania.
• White House Reporter Tests Positive.
• AP Analysis: Trump's Difficulties With Asian Americans Predate Pandemic.
• New COVID Case Numbers Continue To Surge.
• Shortage Of Glass Vials Could Make Vaccine Distribution Difficult.
• Coronavirus May Be Passed From Mothers To Babies, Study Suggests.
• Garcetti Says Los Angeles Could Reimpose Stay-At-Home Order.
• Some New York Neighborhoods Have More Than 50% Testing Positive For Antibodies.
• Some Summer Camps Have Become COVID Hotspots.
• Trump Says He Is "Adamant About Defending The Past," Protecting Free Speech.
• Trump Says He May Have To Act To Stop Violence In Cities.
• Barr Says Black Men Often Subject To Extra Suspicion By Police.
• Esper Defends Use Of National Guard In Response To Disturbances.
• Colin Powell: President Must Be An Example To Nation On Race.
• New York City Paints "Black Lives Matter" Mural Outside Trump Tower.
• Justice Thomas' Wife Criticizes Virginia Town's "Black Lives Matter" Banner.
• Former Philadelphia Police Form PAC To Combat "Defund The Police" Movement.
• Free Beacon Analysis: Rise In Minneapolis Violence Not Linked To Protests.
• Body Camera Transcripts Reveal Floyd's Last Moments.
• New Details Emerge About Taylor Shooting Death.
• Native American Groups Hope Redskins Name Change Will Inspire Others.
• Carlson Criticizes Seattle Employee Training On "Undoing Whiteness."
• Trump "Thinking" About Stone, Manafort, Papadopoulos Pardons.
• Trump Says Obama And Biden Spied On His Campaign.
• Berman Tells Lawmakers Barr Pressured Him To Resign.
• Sullivan Asks Full Appeals Court To Reconsider Dismissal Of Charges Against Flynn.
• Cohen Returns To Prison.
• Trump Says Border Wall Will Be "Close To Finished" By Year's End.
• CBP Reports 40% Increase In Border Arrests And Detentions From May To June.
• Meadows: Trump To Issue Executive Orders To Lower Prescription Drug Prices.
• Biden Pledges Effort To Reverse Court's Ruling On Little Sisters Of The Poor.
• Commerce IG: NOAA Chief Feared Firing If He Did Not Back Trump On Hurricane Path.
• Tropical Storm Fay Forms Off Coast Of Carolinas.

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• White House Says It Is In Agreement With CDC On Reopening Schools.
• Lawsuit Seeks To Block DeVos' Campus Sexual Assault Rules.
• California AG Sues Administration Over International Student Rule.
• Trump Names Berrier To Lead DIA.
• Pack Has Declined To Approve Visa Renewals For VOA Employees.
• Census Bureau To Disclose More About Cogley, Korzeniewski Roles.
• Trump Creates Commission On Improving Hispanic Access To Economic, Educational Opportunities.
• Trump Approves Disaster Declaration For Michigan.
• High Court Rules Much Of Oklahoma Still Indian Reservation.
• Wisconsin Supreme Court Upholds Republican-Authored Lame-Duck Laws.
• Hill-HarrisX National Poll: Biden Leads Trump 43%-39%, Down From 10-Point Lead In June.
• Trump Says Biden Was "Brainwashed" By "Radical Left."
• Trump Lays Out Second-Term Agenda.
• Trump: West "Is Always Going To Be For Us."
• Pence Raises $1M During Pennsylvania Fundraiser.
• Biden Hires Three New Aides To Help Boost Outreach To Minorities.
• Fox Business Revisits Biden's Release Of 2016-2018 Tax Returns.
• NYTimes Report: Sources Say DeSantis "Hindering" Fundraising Efforts For GOP Convention.
• Duckworth Says Trump, Carlson Question Her Patriotism To Distract From Trump's Failure To Lead.
• NYTimes Analysis: Pro-Trump Base "Skeptical" Of Appointed GOP Senators In Arizona, Georgia Races.
• Reid To Host Nightly Show On MSNBC.
• Brownstein: Trump Is Seeking To Resurrect An American Past That Is Disappearing.
• Author: "Trump Derangement Syndrome" In Danger Of Spreading Across US.
• RCP Average Has Trump's Job Approval At 41.6%.

Financial International News

• IMF, World Bank Heads Confirm Annual October Meetings Will Be "Primarily Virtual."
• ECB's Bond Purchasing Puts Greek Bonds In Spotlight.
• Global Regulators Renew Push To End Libor By 2021.
• Drezner: Global Finance Is Lone Bright Spot For Int'l Cooperation In COVID-19 Response.

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• Navarro: China "Hid" Coronavirus From World.
• WHO To Set Up Independent Review Of Its Handling Of Pandemic.
• WHO Director-General Pleads For International Unity In Pandemic Fight.
• WHO Says Coronavirus May Be Spread By Aerosolized Droplets.
• Iran Rocked By Another Explosion.
• UN Expert: Suleimani Killing Was Unlawful.
• Milley Says Russia Bounty Intelligence Is Uncorroborated.
• Documents: US Worried Troops Exposed To Harmful Contaminants At Uzbek Base.
• Germany Seizes Server With Data From US Law Enforcement.
• Australia Suspends Hong Kong Extradition Treaty.
• Seoul Mayor's Body Found After Search.
• Increasing Extreme Weather Poses Threat To Japan's Elderly.
• WPost: Egypt "Employing Hostage-Taking" To Interfere In US Justice.

Housing

• Freddie Mac: Mortgage Rates At Record Lows For Third Straight Week.
• Supreme Court To Hear Appeal Regarding Investor Challenge To Agreement Between FHFA And Treasury.
• FHFA Announces GSEs Will Extend Loan Origination Flexibilities Through August 31.
• Pennsylvania Extends Eviction Moratorium Through August 31.
• Interfirst Mortgage Company Names CMO, Announces Relaunch.
• FNB Names New Director Of Mortgage Services.
• Notarize, Title365 Announce Partnership.
• Redfin Finds Black Mortgage Applicants Rejected At Greater Rate Than White Applicants In All Of The 50 Largest Metro Areas.
• MBA: Mortgage Credit Availability Fell 3% In June.
• NAR Survey Finds About Half Of Members Say Market Is Entering Recovery.
• Aspen Institute Estimates 23 Million Americans Could Face Eviction By September.
• Survey Finds Many Who Had Planned To Buy A Home This Year Now Think They Will Not.
• Growing Number Of Renters Worry About Being Evicted.

Markets

• 10-Year Yield Falls.
• Dollar Gains.
• Gold Eases.
• Oil Falls.

Cybersecurity

• Ransomware Hackers Demanded $390,000 To Release Knoxville, Tennessee Data.
• Germany Seizes Server Hosting Stolen US Police Files.
• TikTok Considering Ways To Separate From China.
• US Finalizing Federal Contract Ban For Companies That Use Huawei, Other Chinese Firms.
• Op-Ed: Strong Cybersecurity Strategy Is No Longer A Luxury For Small Businesses.
• Implications Of FERC Grid Cybersecurity Review For Power Companies.

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• Experts Say Cybersecurity Safeguards Should Extend To Supply-Chain Partners.
• UN Rules Require Cybersecurity Guarantees For Connected Cars.
• State And Local Officials Scramble To Prepare For Upcoming Election.
• Germany Warns Personal Data Vulnerable Via Chinese Apps.
TFI/Sanctions
• India's Reliance Permitted To Load Venezuelan Oil Under Fuel Swap Deal Despite Sanctions.
Federal Reserve
• NYTimes Examines Perceived Flaws In Fed's Main Street Loan Program.
• San Francisco Fed To Launch Biweekly Seminars On Economics Of Climate Change.
• Fed's Balance Sheet Dips Below $7 Trillion.
Office of the Comptroller of the Currency
• Fintech Lender SoFi Applies For National Bank Charter With OCC.
• Analysis: CRA Overhaul Implementation Still Murky.
• S&P Global: PPP May Be Big Revenue Boost For Banks, But Carries Risk And Cost.
• JPMorgan Dropped Clients That Got Deutsche Bank Into Regulatory Trouble.
• Wells Fargo Planning To Cut Thousands Of Jobs.
• Wells Fargo Pledges Its $400M In PPP Fees To Help Small Businesses.
• Wells Fargo Raises Balance Requirement For New Customers Seeking Jumbo Refinancing.
• Wells Fargo Names New Head Of Home Lending.
• Big Banks Back Climate Finance Center.
Editorial Wrap-Up
• New York Times.
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Last Laughs
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Treasury in the News

Trump Administration, Congressional GOP Consider Limits On New Round Of Payments.

The Washington Post (7/9, Stein, Werner, 14.2M) reports, "The White House and congressional Republicans are exploring whether to restrict the number of Americans receiving the next round of stimulus payments," further than the income limits in the previous package, though they "may ultimately revive the original proposal because of the difficult administrative challenges created by trying to narrowly target the checks." GOP lawmakers "have been divided on whether to send out another round of checks at all." President Trump, Treasury Secretary Steven Mnuchin, "and some Senate Republicans have expressed support for another round, believing they offer both political and economic upside." However, some White House officials "remain skeptical and believe many Americans will simply pocket the money rather than spend it in the economy – a view shared by some economists."

Mnuchin Says Trump Administration Backs Another Round Of Stimulus Payments To Americans. The Wall Street Journal (7/9, Kiernan, Subscription Publication, 7.57M) reports Mnuchin said Thursday on CNBC's Squawk On The Street (7/9, 303K) that the White House and the Senate are taking action to pass another COVID-19 aid package by month's end, just as new unemployment benefits run out. Mnuchin also indicated that the Administration backs another round of stimulus payments to consumers.

Politico (7/9, Ferris, 4.29M) Mnuchin said, "We do support another round of economic impact payments. ... The level and the criteria we'll be discussing with the Senate." Mnuchin added, "As soon as the Senate gets back, we're going to sit down on a bipartisan basis with the Republicans and the Democrats and it will be our priority to make sure between the 20th and the end of the month that we pass the next legislation."

Reuters (7/9, Lawder, Brice), CQ Roll Call (7/9, Lerman, 154K), MarketWatch (7/9, Robb, 1.67M), Fox News (7/9, Singman, 27.59M), Newsweek (7/9, Fink, 1.53M), and CNBC (7/9, Pramuk, 3.62M) also report.

Mnuchin: Next COVID-19 Relief Bill Should Cap Unemployment Benefits At 100% Of Previous Income. The Hill (7/9, Lane, 2.98M) reports Mnuchin said in the CNBC interview "that the Trump administration is unwilling to extend a boost to unemployment benefits amid the coronavirus pandemic if it allows jobless workers to make more money than they did before losing their jobs." Mnuchin "and many GOP lawmakers argue that the increased jobless benefits have hindered businesses from bringing back workers who would face lower pay and higher health risks back on the job." Mnuchin "said that any extension of enhanced unemployment insurance would cap benefits at 'no more than 100 percent' of what the recipient made before becoming unemployed."

MarketWatch (7/9, Nicholson, 1.67M) also reports.

US Sanctions Chinese Officials For Human Rights Abuses.

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The AP (7/9, Riechmann) reports the US on Thursday imposed sanctions on "three senior officials of the Chinese Communist Party, including a member of the ruling Politburo, for alleged human rights abuses targeting ethnic and religious minorities." The action "is the latest of a

series" by the Administration "as relations deteriorate over the coronavirus pandemic, human rights, Hong Kong and trade." Secretary of State Pompeo in making the announcement said, "The United States will not stand idly by as the Chinese Communist Party carries out human rights abuses targeting Uighurs, ethnic Kazakhs and members of other minority groups in Xinjiang." There was also "a similar announcement from the Treasury Department."

Reuters (7/9, Psaledakis, Alper, Spetalnick) reports the Administration targeted "Xinjiang region's Communist Party Secretary Chen Quanguo, who becomes the highest-ranking Chinese official to be hit with US sanctions, and the Xinjiang Public Security Bureau." Treasury Secretary Steven Mnuchin had "raised objections to the Treasury sanctions, especially against a Politburo member, out of concerns they could further damage U.S.-China relations, according to a person familiar with the matter." Mnuchin said in a statement, "The United States is committed to using the full breadth of its financial powers to hold human rights abusers accountable in Xinjiang and across the world."

The New York Times (7/9, Verma, Wong, 18.61M) says the move "is likely to inflame tensions between Washington and Beijing." Also among those targeted are "Zhu Hailun, a former deputy party secretary for the region; Wang Mingshan, director of the Xinjiang Public Security Bureau; and Huo Liujun, a former party secretary of the bureau."

Other news outlets reporting include The Hill (7/9, Samuels, 2.98M), Axios (7/9, Basu, Allen-Ebrahimian, 521K), The Wall Street Journal (7/9, Mauldin, Subscription Publication, 7.57M), Fox News (7/9, Shaw, 27.59M), Bloomberg (7/9, Wadhams, Mohsin, Leonard, 4.73M), the Financial Times (7/9, Sevastopulo, Subscription Publication, 1.34M), and CNN (7/9, Hansler, Atwood, 83.16M).

Mnuchin Says US Has Not Decided On Response To France Digital Tax.

Reuters (7/9, Lawder, Brice) reports Treasury Secretary Steven Mnuchin said Thursday on CNBC's Squawk On The Street (7/9, 303K) that the US has not finalized a decision on a response to France's digital tax. Mnuchin said, "Ambassador Lighthizer and I have discussed it and we'll be reviewing it with the president. No decision has been made yet." The Administration "had been in talks with the European Union over the taxes on digital giants like Alphabet's Google, Amazon and Facebook, but Mnuchin called for a break in the negotiations in June."

Mnuchin Reacts To Supreme Court Ruling On Trump Tax Records.

Reuters (7/9, Freifeld, Lawder, Cowan, Cornwell, Morgan) reports the Supreme Court on Thursday "ruled that a New York prosecutor can obtain President Donald Trump's financial records but prevented – at least for now – the Democratic-led House of Representatives from obtaining similar documents." Treasury Secretary Steven Mnuchin responded to the ruling Thursday on CNBC's Squawk On The Street (7/9, 303K) saying, "As I understand, that case doesn't involve the Treasury. That case is between the President and third parties, but I would say the only thing I do agree on, on that report, is when things go to Congress, they tend to get leaked and when things go to grand juries they don't."

The Hill (7/9, Jagoda, 2.98M) also reports.

Treasury Issues Final Rules On Export Deduction Documentation.

Law360 (7/9, Subscription Publication, 8K) reports the Treasury Department "issued final regulations Thursday loosening reporting rules for companies to qualify for a 40% deduction on income from foreign sales included in the 2017 federal tax overhaul." The final rules "were welcomed by tax practitioners to provide an easier compliance burden" and "cover the deduction in Internal Revenue Code Section 250, which can be applied for both global intangible low-taxed income and foreign-derived intangible income, two key international provisions in the Tax Cuts and Jobs Act."

Johnson, Chertoff: Keep Secret Service In Homeland Security.

In an op-ed for The Hill (7/9, 2.98M), former Homeland Security Secretaries Jeh Johnson and Michael Chertoff write, "With the support of the Trump Administration, legislation has been offered to transfer the U.S. Secret Service out of the Department of Homeland Security and back to the Treasury Department." However, they say, "Put simply, this is a bad idea. It appears to be motivated by the politics of the moment." The Secret Service's problems are most likely to be solved with "sustained cabinet-level, presidential and congressional oversight that is committed to consistent funding and supporting the agency's critical missions. Long term, that is most likely to occur if the Secret Service is part of Homeland Security, not Treasury."

Leading National News

Media Analyses: Court Rulings Likely To Shield Trump Tax Records For Foreseeable Future.

Media coverage of Thursday's pair of Supreme Court 7-2 rulings on the President's tax and financial records highlighted the justices' rejection of his claims of absolute immunity while in office – but also concluded the decisions will likely mean Trump critics will not have access to those records any time soon. The New York Times (7/9, Liptak, 18.61M), for example, referred to "a stunning defeat for Mr. Trump but a decision that probably means the records will be shielded from public scrutiny...until after the election, and perhaps indefinitely." The court also "ruled that Congress could not, at least for now, see many of the same records." Terry Moran of ABC World News Tonight (7/9, story 2, 3:15, Muir, 7M) said, along similar lines, that "the bottom line" is "if the public ever sees these tax returns, it's highly unlikely [to be] before" the November elections. NBC Nightly News (7/9, story 3, 1:45, Holt, 5.87M) reported the White House "insists" the "rulings are a win," and

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the Washington Post (7/9, Barnes, 14.2M) notes "the president's lawyer Jay Sekulow said in a statement, 'We are pleased that in the decisions issued today, the Supreme Court has temporarily blocked both Congress and New York prosecutors from obtaining the President's tax records. We will now proceed to raise additional constitutional and legal issues in the lower courts.'"

While most news accounts refer to Thursday's rulings as a legal defeat for Trump, the Washington Post (7/9, Bump, 14.2M) cautions that the court "handed...Trump apparent losses," but "as a political fight, it looks like the battle for Trump's tax returns is over. And there's good reason to think that Trump won." Politico (7/9, Kumar, 4.29M) also reports that "essentially, even though the nation's highest court rejected several of Trump's legal arguments, he got what he wanted politically." In fact, CQ Roll Call (7/9, Ruger, 154K) reports, the court "for the first time put limits on congressional power to subpoena a sitting president's personal and business information, in a ruling...that will frustrate the House."

Echoing that theme, the New York Times (7/9, 18.61M) editorializes that "Trump has again figured out how to game the legal system to his advantage," and "the bottom line is that" he "will almost certainly get to keep hiding his tax returns...and his other financial records from the American people." In its editorial, meanwhile, the Washington Post (7/9, 14.2M) says "the court effectively rewarded Mr. Trump's policy of total noncooperation with Congress and other investigators, allowing him to foil attempts to scrutinize his behavior before the November election." Along similar lines, under the headline "Don't Be Fooled, Trump Is A Winner In The Supreme Court Tax Case," law professor Josh Chafetz writes in the New York Times (7/9, 18.61M) that Trump "won, because we almost certainly won't get to see his financial records anytime soon" and "that is what Mr. Trump most cares about." Moreover, "Congress lost," and "the court has dealt" its oversight powers "a serious blow."

The CBS Evening News (7/9, story 3, 2:05, Brennan, 4.14M) recounted that the Supreme Court issued "two separate decisions, both written by Chief Justice John Roberts and joined by liberal justices and the two conservative Trump appointees." In the first one, "the court refused to block a subpoena from a New York District Attorney investigating whether the Trump campaign paid women hush money, making it increasingly likely a grand jury will get the President's tax returns." But in the second ruling, the court "threw a wrench in House Democrat efforts to issue even broader subpoenas for years of records from...Trump and his family and businesses," and "sent the Democrats back to the drawing board to better explain why they need it." NBC Nightly News (7/9, story 2, 1:55, Holt, 5.87M) reported the justices "rejected" House Democrats' "claims of virtually unlimited subpoena power," saying, "there has to be a balance between the two political branches to keep Congress from abusing the process and said congressional subpoenas must serve a valid legislative purpose."

Likewise, the Los Angeles Times (7/9, Savage, 4.64M) says that though "the decisions were a defeat for Trump, there is a bright side for him" in that "the details of his finances will remain a secret from the public because grand juries operate confidentially and rarely leak." In addition, "the court said Trump could still fight their release by raising certain other issues in court."

White House Counselor Kellyanne Conway said on Newsmax TV (7/9) that the decision was "a victory for the President in this sense: that Congress is not going to gets its paws on his tax returns and certainly not before the November election. This has been the witch hunt of partisans from dating back to the last campaign." Conway said on KTAR-FM Glendale, AZ (7/9, 125K) that during the 2016 campaign, there were "104 pages worth of Trump financial information that was available to anybody who wanted to access it. This President, while he has been in office, has reduced your taxes. People should care much more about what their tax returns look like under Donald Trump than what his tax return looks like. It has been a ruse for a while by people who are always trying to harass and embarrass the President and his family. ... This whole ruse of we need to see his taxes to save the republic is such nonsense."

USA Today (7/9, Fritze, Jackson, Wolf, 10.31M) reports "both the White House and Democratic leaders seized on the cases as wins," but "neither side completely got what they wanted." The Hill (7/9, Kruzel, 2.98M) indicates it was a "split decision," as the justices "sided with New York state prosecutors seeking President Trump's tax returns, even as it shielded a trove of his financial records from Congress." USA Today (7/9, Wolf, 10.31M) says "the 7-2 decision...written by Chief Justice John Roberts and joined by Trump's two nominees, Associate Justices Neil Gorsuch and Brett Kavanaugh," sends "the separation of powers dispute back to lower courts for further determination."

The Washington Post (7/9, Barnes, 14.2M) reports "Manhattan District Attorney Cyrus R. Vance Jr. said in a statement: 'This is a tremendous victory for our nation's system of justice and its founding principle that no one – not even a president – is above the law. Our investigation, which was delayed for almost a year by this lawsuit, will resume, guided as always by the grand jury's solemn obligation to follow the law and the facts, wherever they may lead.'"

The Washington Times (7/9, Mordock, Swoyer, 492K) reports, meanwhile, that "top House Republicans on Thursday slammed the Supreme Court" as Rep. Jim Jordan (R-OH), ranking member on the House Judiciary Committee, "said the ruling gives Democrats more fuel for partisan attacks on the president." They also "credit[ed] the Supreme Court handing the president a partial win by shielding his financial records from House Democrats' investigations." The Washington Times (7/9, Muñoz, Swoyer, 492K) reports House Speaker Pelosi, nonetheless, "took a victory lap" following the decisions. The Wall Street Journal (7/9, Bravin, Kendall, Subscription Publication, 7.57M), the Washington Times (7/9, Swoyer, 492K), the Washington Examiner (7/9, Crilly, 448K), the Washington Free Beacon (7/9, Daley, 78K), and the Daily Caller (7/9, Trunsky, 716K), among other news outlets, also report on the cases.

To the New York Times (7/9, Baker, 18.61M), the "forceful decisions represented a declaration of independence not only by Mr. Trump's own justices but by the Supreme Court as an institution, asserting itself as an equal branch of government in the Trump era." Adds the Times, "That a conservative court including two of his own appointees would so decisively slap down a Republican president's expansive claim of constitutional power served as a reminder that institutional prerogatives still matter in Washington, even in the Trump era of executive ascendancy."

The Wall Street Journal (7/9, Subscription Publication, 7.57M) editorializes, meanwhile, that while Trump can take solace in the fact that

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his records are unlikely to be public any time soon, the ruling weakens the presidency as an institution.

Trump Slams "Political Prosecution," "Politically Corrupt New York." The AP (7/9, Sherman) reports Trump "didn't embrace Thursday's outcome as a victory even though it is likely to prevent his opponents in Congress from obtaining potentially embarrassing personal and business records ahead of Election Day." In fact, said ABC World News Tonight (7/9, story 2, 3:15, Muir, 7M), "the President is fuming...at the justices on the Supreme Court." The CBS Evening News (7/9, story 4, 2:10, Brennan, 4.14M) also reported that he "made clear his frustration with that Supreme Court ruling and claimed in a series of tweets that he is the victim of a political prosecution."

Yet, the Washington Post (7/9, Olorunnipa, Wagner, 14.2M) points out, "hours later, the White House released a statement saying Trump was 'gratified' by one of the decisions and had been 'protected' in the other." The Post adds "the disjointed responses underscore what in some ways represented a split decision for the president, marked by political and legal ramifications that hold both risks and advantages ahead of the November election." USA Today (7/9, Fritze, Jackson, Wolf, 10.31M) also notes Trump "said he was 'satisfied' with one of the decisions, which temporarily blocks Congress from seeking the tax records, and 'not satisfied' with a separate ruling that required the material to be turned over to prosecutors in New York. He dismissed the underlying effort to get at the records as 'purely political.'"

Trump said in an interview on Fox News' Hannity (7/9, 535K), "First of all, I'm under tax audit, okay? So, the IRS, treats me just like they used to treat the Tea Party except worse. ... They treat me horribly, the IRS. Horribly. It's a disgrace what's happened. We had a deal done, in fact, I guess it was signed even, and once I ran or once I won or somewhere back a long time ago, everything was like, well, let's start all over again. It's a disgrace. So, I was disappointed...because I think a President should get protection from thousands of prosecutors out there. Thousands all over the country, they could go after you and you're supposed to be running the country."

Earlier Thursday, Reuters (7/9, Hurley, Wolfe) reports, Trump "complained about the rulings, writing on Twitter: 'Courts in the past have given 'broad deference'. BUT NOT ME!' He added, 'This is all a political prosecution ... and now I have to keep fighting in a politically corrupt New York. Not fair to this Presidency or Administration!'" USA Today (7/9, Jackson, 10.31M) says "Trump said he will continue fighting the release of his financial records to Congress and New York prosecutors." Trump tweeted, "I won the Mueller Witch Hunt, and others, and now I have to keep fighting in a politically corrupt New York. Not fair to this Presidency or Administration."

The Washington Post (7/9, Wagner, 14.2M) reports on Trump's tweets in which he "decried what he called a 'political prosecution' in New York and complained that the case would continue." Trump also tweeted that the court had made a "delay ruling that they would never have given for another President." Also in a tweet, Joe Biden "used the occasion to taunt Trump." Pelosi said the decision is "not good news for the president." Axios (7/9, Rummler, 521K), Townhall (7/9, Pavlich, 177K), the New York Post (7/9, Bowden, 4.57M), The Hill (7/9, Samuels, 2.98M), the Washington Examiner (7/9, Brest, 448K), and Bloomberg (7/9, Sink, 4.73M), among other news outlets, also cover Trump's tweets.

Chief of Staff Meadows said on Fox Business' Lou Dobbs Tonight (7/9, 49K) that "this was nothing more than setting up a fishing expedition for every local DA across the country. I would call it the presidential harassment decision, if you look at it on its face. As they remanded it back to lower courts, hopefully we'll see a little bit different opinion coming out of that."

Barr "Disappointed" About Manhattan Prosecutors Ruling. The Washington Times (7/9, Mordock, 492K) reports Attorney General Barr "said Thursday a Supreme Court ruling that President Trump cannot shield his tax returns from Manhattan prosecutors was a disappointment." Barr told reporters, "We are disappointed in the decision to the extent that it did not accept our argument, the government's argument about the extent of the President's immunity. ... But as a practical matter, the decision made very clear that the President just is not at the mercy of litigants and investigators. There are protections and defenses that can be raised."

WSJournal Accuses Twitter Of Inaction Over Racist Attacks On Thomas After Dissent. A Wall Street Journal (7/9, Subscription Publication, 7.57M) editorial criticizes Twitter for failing to curb what it says were racist attacks against Justice Thomas Thursday in response to his dissenting votes in two Supreme Court decisions on Trump's tax records. The Journal calls on Twitter to label such racist tweets as hate speech.

George Conway: Mary Trump Book, SCOTUS Tax Return Decision Have "A Lot" In Common. George T. Conway III writes in an op-ed for the Washington Post (7/9, 14.2M) that Thursday's Supreme Court decision on President Trump's tax returns and the new book by Trump's niece, Mary Trump have "quite a lot" in common. Mary Trump's book "describes how Donald Trump has been protected by institutions his entire life" and the court case "illustrates how the president has pushed those protections to the limit – and how they're about to end." Conway writes that the President's "niece's book and the Supreme Court's decision may someday be remembered as the beginning of the end of his institutional protections. And not just in a legal sense. Much of the power of the presidency comes from the perception of it, and that perception is now waning as the president bleeds out in the polls."

More Than 1.3M Applied For Unemployment Benefits Last Week.

The AP (7/9, Rugaber) reports, "More than 1.3 million Americans applied for unemployment benefits last week, a historically high pace that shows that many employers are still laying people off." The AP adds that what it calls "the persistently elevated level of layoffs" are happening "as a spike in virus cases has forced six states to reverse their move to reopen businesses." The six states, it adds, "make up one-third of the US economy." Still, the AP reports the number "fell from 1.4 million in the previous week," and those "receiving jobless benefits dropped 700,000 to 18 million" which "suggests that some companies are continuing to rehire workers." So far, the AP says, "the economy has regained only about one-third of the jobs that vanished in March and April." Reuters (7/9, Mutikani) says the 22-week total of applications "dropped to a near four-month low last week, but a record 32.9 million people were collecting unemployment checks in the third week of June, supporting

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expectations the labor market would take years to recover from the COVID-19 pandemic."

The Washington Post (7/9, Rosenberg, 14.2M) indicates the filings showed "a slight decrease from the week before" and "states reported that another 1 million claims were made under the Pandemic Unemployment Assistance program." Those two numbers combined "have ticked up the past three weeks, from 2.24 million in mid-June to 2.44 million last week." The New York Times (7/9, Friedman, 18.61M) reports, "Thursday's unemployment data didn't paint a clear picture," as "new filings fell in Oklahoma, Florida and other virus hot spots, and rose only slightly in Arizona," while "claims rose in New Jersey and New York, states where the virus is comparatively under control." USA Today (7/9, Jones, 10.31M), among other news outlets, also reports the story.

Florida Democratic Party To Return PPP Loan.

McClatchy (7/9, Smiley, Daugherty, 19K) reports Florida Democratic Party leaders "say they will return a forgivable $780,000 federal loan after facing internal criticism for applying for relief from a federal program created to help small businesses keep employees on the payroll" during the coronavirus-related downturn.

Spread Of Coronavirus At Meat Packing Plants Prompts Safety Investments.

The Wall Street Journal (7/9, A1, Bunge, Newman, Subscription Publication, 7.57M) reports the pandemic and the ability for it to spread among workers at meat packing plants is spurring many companies to invest hundreds of millions of dollars on new safety equipment and to consider more automation.

Lumber Prices, Futures Soar Due To Social Distancing, Stay-At-Home Orders.

The Wall Street Journal (7/9, Dezember, Subscription Publication, 7.57M) reports that the price of forest products including plywood and lumber have been on the rise due in large part to an increased interest in DIY projects as well as the creation of outdoor seating areas for restaurants stemming from stay-at-home orders and other restrictions from COVID-19. As a result of the increase in projects, lumber Futures have risen more than 80% since the beginning of April.

Biden Pitches $700B "Build Back Better" Proposal To Boost Economy.

The AP (7/9, Barrow) reports that Joe Biden on Thursday "turned his campaign against President Donald Trump toward the economy," unveiling "a New Deal-like economic agenda while drawing a sharp contrast with a billionaire incumbent he said has abandoned working-class Americans amid cascading crises." In a speech "at a metal works firm near his childhood hometown of Scranton, Pennsylvania," Biden outlined "a comprehensive agenda that he touted as the most aggressive government investment in the US economy since World War II. He also accused Trump of ignoring the coronavirus pandemic and the climate crisis while encouraging division amid a national reckoning with systemic racism." Of Trump, Biden said, "His failures come with a terrible human cost and a deep economic toll. Time and again, working families are paying the price for this administration's incompetence."

The Los Angeles Times (7/9, Mason, 4.64M) reports that outlining "a populist economic vision," Biden offered "a $700-billion proposal to reinvigorate the nation's manufacturing sector, and" ripped "Trump for being out of touch with the challenges facing the American public." Biden "said the barrage of crises pummeling the nation – the coronavirus pandemic, the subsequent economic fallout, the turmoil over racial injustice – offer an opportunity for sweeping improvement to 'build back better,' as he dubbed his recovery plan." The Times adds, "By turning his focus to the economy, Biden aims to chip away at one of the few advantages the president still has. Polls have shown voters continue to trust Trump more to handle the economy than Biden."

USA Today (7/9, Jansen, 10.31M) reports, "The federal government would spend $400 billion on manufacturing during the next four years and $300 billion on research and development during the same period under" the proposal. Biden's "goal is to create 5 million jobs beyond the restoration of millions lost this year during the COVID-19 pandemic." However, adds USA Today, Biden "hasn't said how much of the spending would represent continuous costs or how he would pay for them." The proposal "is part of a broader economic agenda called 'Build Back Better,' which Biden will continue to explain in the coming weeks and deals with infrastructure and clean energy, care-giving and the workforce, and racial equity."

To the Washington Times (7/9, Muñoz, Miller, 492K), Biden "tacked further left Thursday with a massive tax-and-spend economic plan, as" he "reinvented himself as the most far-left major party nominee in US history." Biden "said the wave of spending, which would be on top of a $1.7 trillion clean energy and infrastructure plan, would be the biggest government jobs program since the Great Depression or World War II." His "sweeping jobs plan includes $300 billion in spending for technological development, including electric vehicle technology, lightweight materials, 5G telecommunications and artificial intelligence. It would pour $400 billion into a federal 'Buy American' program to drive economic demand. Another $50 billion would go to job training and $70 billion to historically Black colleges and universities. Much of the spending would use roughly $4 trillion in new taxes, mostly from canceling Mr. Trump's tax cuts."

The Washington Post (7/9, Sullivan, Stein, 14.2M) reports that with the proposal, Biden challenged "Trump's 'America First' agenda with a competing brand of economic nationalism and set...the stage for an election-year showdown over the country's financial future." In his address, Biden "also advocated a 100-day 'supply chain review' that could require federal agencies to buy only medical supplies and other goods manufactured in the United States. And he urged an end to loopholes that let procurement officers and federal contractors get around

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existing "Buy American" clauses. 'When we spend taxpayers' money – when the federal government spends taxpayers' money – we should use it to buy American products and support American jobs,' Biden said."

The New York Times (7/9, Goldmacher, Tankersley, 18.61M) reports, "In some ways, Mr. Biden was seizing the 'Buy American' message from Mr. Trump himself, who campaigned on an 'America First' agenda in 2016 and wrote on Twitter on his Inauguration Day that 'Buy American' and 'Hire American' were 'two simple rules' that would guide his administration." The Times adds that "Biden's campaign is riding high in the polls but his advisers, as well as Republican strategists, still see the economy as perhaps his area of greatest vulnerability against Mr. Trump."

The Washington Free Beacon (7/9, Stiles, 78K) reports that Biden, "whose first failed presidential run was marred by allegations of plagiarism, is adopting an economic slogan the United Nations used in April. ... The alliterative slogan previously appeared in an April United Nations campaign urging countries to exploit the coronavirus pandemic as an opportunity for 'enhancing climate action,' among other agenda items."

Kudlow Pans Biden's Economic Recovery Plan. NEC Director Kudlow said of Biden's economic recovery plan on Fox News' Ingraham Angle (7/9) that Biden "had his chance, particularly with [President] Obama. The last eight years before President Trump, we had one of the worst recoveries in history. Look, you go down the list and look at that campaign document. First of all, he intends to repeal every tax cut that President Trump put in to rejuvenate the economy. ... Despite the mantra of the Democrats that all tax cuts help the rich, the Trump tax cuts did exactly what we hoped. That is, middle-income, blue-collar workers, lower-wage earners performed the best."

Sur La Table Files For Bankruptcy.

The Washington Post (7/9, Bogage, 14.2M) reports that Sur La Table has filed for bankruptcy "as it prepares for a corporate sale and store closures, making the upscale cookware chain the latest retailer to buckle under the strain of the coronavirus pandemic." The company "expects to close about half of its 120 stores."

Harley-Davidson To Eliminate 700 Jobs.

The Milwaukee Journal Sentinel (7/9, Barrett, 632K) reports Harley-Davidson will eliminate 700 jobs this year as part of a restructuring following the exit of veteran CFO John Olin. The changes "are part of Harley's efforts called 'Rewire.' About 200 of the 700 positions being eliminated are already vacant, the company said, and the remaining 500 will be eliminated by the end of the year."

Musk Taunts Ex-Investors As Tesla Shares Soar.

The Wall Street Journal (7/9, Higgins, Subscription Publication, 7.57M) reports Tesla's stock has gained more than 225% so far this year. CEO Elon Musk has been celebrating, and openly mocking investors who pulled out early during the company's difficulties in recent years.

Meadows, Navarro Tout Benefits Of USMCA.

Chief of Staff Meadows said on Fox Business' Lou Dobbs Tonight (7/9, 49K) that USMCA "is not only a historic deal, but it's possibly the largest trade deal that we've ever had to do and negotiate in very difficult circumstances."

Director of Trade and Manufacturing Policy Navarro said on PBS' NewsHour (7/9, 286K), "NAFTA, which Joe Biden and a lot of other people voted for in 1992, was structured in a way so that American jobs were lured into Mexico by Mexico's cheap labor and lax environmental controls, and Mexico lost a lot of its supply chain to China. what USMCA does is turn that completely on its head. it's structured in a way to make North America the manufacturing powerhouse of the world. The way it helps American workers – and this is the most important part – it has local content regulations which provide, for example, in automobiles, that a certain percentage of that has to be American-made. To ensure that the jobs don't go south, there's also strict wage and environmental restrictions on Mexico. So, this is a situation where, rarely, in a trade deal, Mexico, Canada, and the US all benefit."

Deputy CBP Commissioner Robert Perez said on Mornings On The Mall (7/9), "We do over $1.5 trillion worth of trade with Mexico every year." CBP "is on the front line...in facilitating that trade north bound and south bound. Now, this unprecedented new trade agreement is designed to really tighten some of the trade rules and protect intellectual property and create fair labor conditions that we believe, unquestionably is going to create jobs in the US and just create a much more level playing field and, again, CBP is on the front line of implementing that."

OSU Researcher With Ties To China Charged With Grant Fraud.

The Washington Times (7/9, Mordock, 492K) reports that a Ohio State University professor "with ties to a controversial group that the Trump administration has accused of stealing U.S. intellectual property was charged with grant fraud, according to an indictment unsealed Thursday." Song Guo Zheng was arrested in late May, the Justice Department said, after he allegedly engaged in "a sophisticated medical grant fraud scheme" to fraudulently obtain more than $4.3 million in NIH grants.

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Trump Says US Testing Is "Much Bigger And Better" Than That Of Other Countries.

CFTC-22-0351-A-000899

President Trump tweeted Thursday morning, "For the 1/100th time, the reason we show so many Cases, compared to other countries that

haven't done nearly as well as we have, is that our TESTING is much bigger and better. We have tested 40,000,000 people. If we did 20,000,000 instead, Cases would be half, etc. NOT REPORTED!"

Trump said in an interview on Fox News' Hannity (7/9, 535K), "We do testing like nobody's ever done testing. And when we test, the more you test, the more cases you find. Other countries, you know when they test? And I asked them all, they test when somebody's not feeling well or when somebody walks into a hospital." Trump added, "We have cases all over the place. ... But we have a mortality rate, think of this, that's tenfold better than any other. What we are doing is incredible. ... We have fewer people dying."

Senate Democrats Say Administration Testing Approach Causing Confusion. The Washington Post (7/9, Weiner, 14.2M) reports "the Trump Administration's erratic approach to testing for the novel coronavirus has left state leaders and commercial laboratories confused, frustrated and unprepared for the fall, Democrats on the Senate Committee on Health, Education, Labor and Pensions found in a report released Thursday." This "report is based on interviews during the past two months with state health officials, clinical laboratories, test and equipment manufacturers, and industry associations."

Testing Labs Say Results Are Being Delayed Due To High Demand. The Wall Street Journal (7/9, Krouse, Terlep, Grossman, Subscription Publication, 7.57M) reports that with growing demand for COVID-19 tests due to the surge in infections, labs are being overwhelmed and as a result the tests are taking longer to process. NIAID Director Fauci said on a Wednesday Wall Street Journal podcast that if results take that long there is no point in "contact tracing because it's already too late."

Politico Examines Rhode Island's Testing Success. Politico (7/9, Grunwald, 4.29M) examines the handling of coronavirus in Rhode Island, where "deaths, hospitalizations and infections have been plummeting since April." Rhode Island is "leading the nation in testing, with nearly a quarter of is population tested so far, and its rate of positive tests has dropped from over 18 percent to under 2 percent." Gov. Gina Raimondo (D) "copied the playbook of nations like South Korea and New Zealand that have fared much better than the United States in battling the virus."

Trump Says He Will Wear A Mask During Walter Reed Visit.

President Trump said in an interview on Fox News' Hannity (7/9, 535K), "I think it's fine to wear a mask if it makes you feel comfortable. I think under certain conditions, like when you are going into a hospital – I'll be going to Walter Reed to see some of our great soldiers that have been injured, badly injured, and also see some of our COVID workers, the people who have done such a great job. And I expect to be wearing a mask when I am in Walter Reed."

Conway: Trump "Tested Regularly," Encourages Masks.

WESH-TV Orlando, FL (7/9, 42K), a Hearst Television station, reported, "In an interview with our Washington bureau, Counselor to the President Kellyanne Conway said [the President is] tested regularly." Conway: "I hope people are also listening to the local officials, listening to friends and family, telling their own kids, as I do, 'Don't forget to bring your mask.' ... People should be doing that regardless of whether the President is reminding them constantly or not." In an interview on WIOD-FM Miami (7/9, 439), Conway said, "The President tells everyone to wear a mask and to follow the CDC guidelines and wear a mask if they cannot otherwise stay six feet apart. The President is naturally socially distanced from most people [and he] is tested regularly."

Redfield: Social Distancing, Masks, Handwashing, Are "Powerful Weapons."

On ABC's Good Morning America (7/9, 3.26M), CDC Director Redfield said, "We are not defenseless against the virus. We have powerful weapons. Some people don't think they're powerful because they're kind of straightforward, but they're powerful. That is the social distancing. That is the facemask. That is the hand-washing and that is being smart about selectively shutting down businesses that, you know, I think encourage irresponsible behavior."

Fauci Says Some States Should Consider Shutting Down Again.

CNBC (7/9, Feuer, 3.62M) reports on its website that NIAID Director Fauci said late Wednesday that states "with rapidly expanding coronavirus outbreaks should seriously consider 'shutting down' like the country did when the virus first hit" the US in March. Fauci said, "Any state that is having a serious problem, that state should seriously look at shutting down. It's not for me to say because each state is different."

The Washington Post (7/9, Witte, 14.2M) reports, "Governors across the country are facing growing pressure from public health experts and local leaders to reimpose stay-at-home orders as the only way to regain control. ... The push appeared to receive a boost" from Fauci. The Washington Times (7/9, Muñoz, 492K), the Washington Examiner (7/9, Halaschak, 448K), and The Hill (7/9, Sullivan, 2.98M) have similar reports.

Fauci Says Political Divisions Impeding Response. USA Today (7/9, Santucci, 10.31M) reports Fauci said Thursday "that divisiveness in politics has likely hurt the country's response to the coronavirus." Speaking with FiveThirtyEight, Fauci said, "You have to be having blindfolds on and covering your ears to think that we don't live in a very divisive society now from a political standpoint. I mean, it's just unfortunate, but it is what it is."

Politico (7/9, Cancryn, Ehley, 4.29M) reports that though officials like Fauci "can no longer use the White House briefing room as a daily bullhorn for public safety messaging during the pandemic," they now "contradict Trump on other platforms" like the interviews Fauci gave this

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week.

McEnany: Trump "Excited" To Travel To "Home State" Of Florida For Convention.

9-TV Tampa, FL (7/9, 14K) reported about the Republican National Convention coming to Jacksonville. White House Press Secretary Kayleigh McEnany was shown saying the President is "very excited to go to Florida. It's his home state. Jacksonville is the designation and the designated place of the Republican National Convention."

McCarthy Not Worried About Attending Convention. The Washington Times (7/9, Muñoz, 492K) reports House Minority Leader McCarthy "said Thursday he's not concerned about attending the National Republican Convention." He said, "I'll be at the convention gladly, and I know we will do it in a safe manner, we'll take the precautions needed."

Two Roundtable Members Tested Positive Before Pence Event In Pennsylvania.

The Washington Times (7/9, Boyer, 492K) reports two people tested positive for COVID-19 before Vice President Pence's roundtable in Malvern, Pennsylvania on Thursday and were asked to leave the event. The two people "had no symptoms, a campaign spokeswoman said. She said the discovery was part of routine testing of everyone who will be around the vice president during such events."

White House Reporter Tests Positive.

The New York Post (7/9, Nelson, 4.57M) reports a White House reporter "tested positive for the coronavirus after attending two press briefings this week. ... White House Correspondents' Association President Jonathan Karl said in an email that the journalist is asymptomatic and did not linger in press workspaces."

AP Analysis: Trump's Difficulties With Asian Americans Predate Pandemic.

The AP (7/9, Ho) writes under the headline "Trump Faced Issues With Asian Americans Even Before Virus" that the President's "anti-Asian rhetoric" during the coronavirus pandemic is a "calculation that he has more to gain with his loyal base of older white voters thrilled by his inflammatory statements, than to lose among the Asian American community." The AP says Trump already had difficulty appealing to many Asian American voters, who tend to live in solidly Democratic areas.

New COVID Case Numbers Continue To Surge.

All three broadcast networks again opened their evening newscasts with coverage of the spread of coronavirus in the US. David Muir said on ABC World News Tonight (7/9, lead story, 4:45, 7M), "This is a worsening situation with cases now rising in 36 states; 10 states seeing record hospitalizations. ... The steep increase in cases since reopening: Florida up 1,300% in a matter of weeks, Arizona up 858% in cases, South Carolina up 999%, Texas up 680%, Georgia up 245%. Many of these states opening early, some skipping the guidance, steps from the President's own team." Miguel Almaguer said on NBC Nightly News (7/9, lead story, 2:15, Holt, 5.87M), "In a growing number of COVID hotspots, fear is spreading as fast as the virus. The lines for testing from dawn to dusk. ... In 39 states, infections are on the rise; the crushing toll on our country no different than the original peak of the pandemic in April, say experts."

On the CBS Evening News (7/9, lead story, 2:30, Brennan, 4.14M), David Begnaud said Disney World has "reopened to their annual passholders, as they are known, despite the fact that here in Orange County where most of Disney World is located, new coronavirus infections have jumped 130% over the last 12 days. Despite that, Disney World is set to open up to the general public Saturday." The Wall Street Journal (7/9, A1, Campo-Flores, Ballhaus, Bauerlein, Subscription Publication, 7.57M) reports that the increase in coronavirus cases in the southern and western parts of the US have emerged amid government rules that are often confusing and conflicting, often inconsistent, and proving hard to enforce.

The CBS Evening News (7/9, story 2, 1:35, Brennan, 4.14M) ran a feature on hospitals in hard-hit Texas, while ABC World News Tonight (7/9, story 11, 1:45, Muir, 7M) profiled a security guard at Kaiser Permanente Downey Medical Center in California. NBC Nightly News (7/9, story 4, 2:05, Holt, 5.87M) reported on the lack of personal protective equipment, saying "there is still not enough to go around months into this pandemic."

Shortage Of Glass Vials Could Make Vaccine Distribution Difficult.

The CBS Evening News (7/9, story 6, 1:50, Brennan, 4.14M) reported, "A potential coronavirus vaccine, made by the Massachusetts company Moderna, should go into advance trials later this month. But even if a vaccine is proven to be safe and effective, there are concerns that a global shortage of specialized glass for vaccine vials could delay its rollout." CBS' Imtiaz Tyab reported, "There are serious concerns about how to distribute [a vaccine]. Glass vials are the safest way – they can withstand cold temperatures, are resistant to contamination – but require highly specialized machinery to make and if at least 7.7 billion glass vials are needed to treat every person on the planet, there is nowhere near enough."

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Coronavirus May Be Passed From Mothers To Babies, Study Suggests.

The Washington Post (7/9, Bernstein, 14.2M) reports, "Researchers found the coronavirus and antibodies against it in the umbilical-cord

blood, breast milk, placentas and vaginas of 31 pregnant infected women, another suggestion that the virus can be passed to fetuses and newborns, according to results of a small study released Thursday." In one of the cases, "a baby tested negative two days later, an indication that the child was already producing antibodies against the virus in the womb, said" the lead researcher. The entire "study is not yet available," but "an abstract with results was released Thursday ahead of a one-day worldwide conference on [COVID-19] that will take place Friday."

The AP (7/9, Marchione) reports, "Researchers from Italy said Thursday that they studied 31 women with COVID-19 who delivered babies in March and April," and "they found signs of the virus in several samples of umbilical cord blood, the placenta and, in one case, breast milk." The study involved women at three hospitals during the height of the outbreak in Italy.

Garcetti Says Los Angeles Could Reimpose Stay-At-Home Order.

The Los Angeles Times (7/9, Money, 4.64M) reports Mayor Eric Garcetti (D) warned Wednesday that Los Angeles residents "could again be ordered to stay home to stem the spread of the coronavirus should infections and hospitalizations continue to climb." The Los Angeles Times (7/9, Fry, 4.64M) additionally reports that in Orange County, the number of confirmed infections has "jump[ed] 97% over the past three weeks – an indicator that health experts say makes it clear the virus is spreading more rapidly in the region."

Some New York Neighborhoods Have More Than 50% Testing Positive For Antibodies.

The New York Times (7/9, Goldstein, 18.61M) reports, "At a clinic in Corona, a working-class neighborhood in Queens, more than 68 percent of people tested positive for antibodies to the new coronavirus," while in Jackson Heights, Queens, 56% tested positive and in Cobble Hill, Brooklyn, 13% tested positive. The Times says that "many lower-income neighborhoods...were hard hit, while many wealthy neighborhoods suffered much less." Some experts believe that if there is a "second wave" in New York City, those neighborhoods that had been previously affected "might have herd immunity" – that is "assuming that antibodies do in fact offer significant protection against future infection."

Some Summer Camps Have Become COVID Hotspots.

NBC Nightly News (7/9, story 6, 1:45, Holt, 5.87M) ran a feature on summer camps that are open this summer, where despite precautions, "some have already become hotspots for infections." NBC's Kristen Dahlgren: "Twenty-six million children typically attend summer camp. This year, only 6.5 million are expected."

Trump Says He Is "Adamant About Defending The Past," Protecting Free Speech.

In the first of two columns based on his interview with President Trump, Marc Thiessen writes in the Washington Post (7/9, 14.2M) the two discussed negative media coverage of the President's speech at Mount Rushmore on July 3. The speech, he said, "was actually not dark, it was the opposite of dark. What's dark is the other side. ... They're trying to take everything down. And I think they're crazy, but I also think they're evil. There's an evilness to it. And I can't believe that there's not more pushback." Asked his defense of Confederate memorials, Trump said, "Oh, I'm not. But I am adamant about defending the past. It's part of our history. They're taking down everything. They're taking down history, they're taking down so much." Trump also said he "against" the Confederacy, "but I also believe in free speech, and I believe in history. You can't erase history. If you erase it, you're going to repeat it."

Pence: Pelosi's Reaction To Statue Destruction A "Surrender To The Mob." Vice President Pence told Breitbart (7/9, Boyle, 673K) in Pennsylvania that House Speaker Pelosi's comments earlier Thursday "dismissing vandals who destroyed a Christopher Columbus statue in Baltimore on July 4 were 'unconscionable.'" Said Pence, "Tearing down monuments is not protests. Burning churches is not free speech. To have the Speaker of the House tacitly affirm the rule of the mob is unconscionable. For Speaker Nancy Pelosi to say 'they will do what they will do' is a surrender to the mob. We're not going to have it." The Washington Free Beacon (7/9, Christenson, 78K) reports Pelosi also said that figures such as George Washington, Thomas Jefferson, and Abraham Lincoln would "want us to be talking about the future."

Milley Calls For "Hard Look" At Renaming Bases Honoring Confederates. The New York Times (7/9, Cooper, 18.61M) reports Joint Chiefs of Staff Chairman Gen. Mark Milley told a House hearing Thursday that the Pentagon should take "a hard look" at changing the names of Army bases honoring Confederate officers, "disagreeing with President Trump and further exposing a divide between the military and the president." Milley told lawmakers that the base names had become an issue of "divisiveness," adding, "There is no place in our armed forces for manifestations or symbols of racism, bias or discrimination."

Axios (7/9, Knutson, 521K) reports Milley "said that minority service members – which he said make up 43% of the U.S. military – may feel uncomfortable that Army bases are named for Confederate generals."

Trump Says He May Have To Act To Stop Violence In Cities.

President Trump said in an interview on Fox News' Hannity (7/9, 535K), "New York City is not recognizable. Crime is way up. Shootings are way up. Murder is way up. It's just unbelievable. Chicago, what's going on in Chicago, and we are looking at it very seriously because we are going to have to do something. We're really supposed to b asked to come in and help, the federal government. ... So we are ready to act and at some point we may have to act anyway. We may have to do it sooner rather than later."

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Acting DHS Secretary Wolf said on the Howie Carr Show (7/9) that there is "a lack of political leadership in a number of cities to

include Portland, but we have see it in Seattle. We have seen it in Atlanta and Chicago and elsewhere, not providing that back up, not providing leadership, at least allowing their police department to do their job."

Acting Deputy DHS Secretary Ken Cuccinelli said on Fox Business' Evening Edit, "If you want to know what defunding the police looks like in the real world, just look at that little part of Seattle where the mayor pulled the police out. What happened? People were being killed. ... Sexual assaults taking place with no accountability. That is what you get when you defund the police, when you pull back on the police and it is really important for people to remember that the neighborhoods that need community policing the most aren't the rich neighborhoods. They're the poor neighborhoods. They're the neighborhoods that are disproportionately minority. That's who you're victimizing by pulling back and allowing the criminals to run free." Cuccinelli was also interviewed on America First (7/9).

Deputy CBP Commissioner Robert Perez said on Mornings On The Mall (7/9) that CBP has "had to, for the better part of a couple weeks, work alongside so many of these partners around the country to really make sure that not only we are protecting these monuments and these federal properties, but also make sure that we are delivering consequence to folks who are not peaceful protesters. These are rioters. These are people who are absolutely making sure that they are doing whatever they can to cause physical damage and destroy these properties"

Trump Says Seattle's Mayor Acted Against CHOP Because He Was About To. Trump was asked in an interview on Fox News' Hannity (7/9, 535K) if it is true that Seattle's mayor acted because they were told the President was going to. Trump said, "One hundred percent. We were going in, we were going very soon. We let them know that and all of a sudden, they didn't want that. So they went in before we got there but we were going very shortly, very soon, and we would've taken the CHOP, I call it. CHOP. We would have taken it back very easily."

Barr Says Black Men Often Subject To Extra Suspicion By Police.

ABC's Good Morning America (7/9, 3.26M) featured outtakes of a taped interview with Attorney General Barr "talking about race and policing." Said Barr, "I do think that it is a widespread phenomenon that African American males, particularly, are treated with extra suspicion and maybe not given the benefit of the doubt." Asked if "Black lives matter," Barr said, "Obviously, Black lives matter. I think all life, all human life is sacred."

The Washington Times (7/9, Mordock, 492K) reports Barr said separately Thursday that "the current anti-police climate has left officers demoralized, raising concerns about recruiting and retaining quality officers." Speaking with reporters in Arkansas, Barr said, "I think the current environment can be very demoralizing for law enforcement. Even before Minneapolis we were concerned about the sustainability of our law enforcement system in the United States in a full economy."

Esper Defends Use Of National Guard In Response To Disturbances.

The AP (7/9, Burns, Baldor) reports that in testimony Thursday before the House Armed Services Committee, Defense Secretary Esper "defended using National Guard soldiers to support law enforcement agencies in handling civil unrest triggered by the killing of George Floyd." Esper is described as "at odds with Trump" over the response. Esper told the committee, "Using active duty forces in a direct civilian law enforcement role should remain a last resort, and exercised only in the most urgent and dire of situations."

Colin Powell: President Must Be An Example To Nation On Race.

In an interview with Andrea Mitchell on NBC Nightly News (7/9, story 9, 2:00, Holt, 5.87M), former Secretary of State Colin Powell said, "Racism still exists. We still have people who want to take it out on people who are people of color. And we have to make sure that our top leadership, especially the President of the United States, has to be an example to the rest of the country that we are one nation, one people." Asked about President Trump's description of Black Lives Matter as a symbol of hate, Powell said, "Black lives matter. It is a matter of fact. But he hasn't accepted it. He should be leading this, not criticizing it."

New York City Paints "Black Lives Matter" Mural Outside Trump Tower.

ABC World News Tonight (7/9, story 5, 0:20, Muir, 7M) reported, "The message being painted along Fifth Avenue here in New York City today and directly in front of Trump Tower: Black Lives Matter." Mayor Bill de Blasio and Al Sharpton "leading the painting, the Mayor saying the city is committed to the meaning of the message." President Trump "has called the painting of the mural a symbol of hate." USA Today (7/9, Wu, 10.31M) reports de Blasio tweeted, "Our city isn't just painting the words on Fifth Avenue. We're committed to the meaning of the message."

Trump said in an interview on Fox News' Hannity (7/9, 535K), "I've dealt a lot with Mayor de Blasio. I was very nice to Mayor de Blasio. I got him ventilators when he needed them. I got him hospital help when he needed it. I got him everything he needed. ... I spoke to him many times. He couldn't have been nicer and then he throws a big 'Black Lives Matter' sign right down in the middle of Fifth Avenue and all merchants along Fifth Avenue are furious. They are furious and the whole city is furious."

Justice Thomas' Wife Criticizes Virginia Town's "Black Lives Matter" Banner.

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The Washington Post (7/9, Sullivan, 14.2M) reports the small town of Clifton, Virginia put up a banner that says "Welcome to Clifton, where

Black Lives Matter." Mayor William R. Holloway called "a first step" to beginning discussions of racial equity, but it "prompted outrage from some residents of Fairfax County and nearby towns." One critical email, which was shared with The Washington Post, "appears to be from Ginni Thomas, an outspoken conservative" who is married to Supreme Court Justice Clarence Thomas. Thomas wrote, "BLM is a bit of a dangerous Trojan Horse and they are catching well-meaning people into dangerous posturing that can invite mob rule and property looting." Thomas did not respond to a request for comment Thursday.

Former Philadelphia Police Form PAC To Combat "Defund The Police" Movement.

The Washington Times (7/9, Lovelace, 492K) reports that a group of former Philadelphia police officers have formed "a new political advocacy group to stop 'defund the police' efforts and elect pro-police candidates nationwide." The Protect Our Police PAC is "recruiting candidates to become mayors, governors and state judges all over the country."

Free Beacon Analysis: Rise In Minneapolis Violence Not Linked To Protests.

The Washington Free Beacon (7/9, Lehman, 78K) reports that "an average of over 50 gunshots per day have plagued Minneapolis since the police killing of George Floyd led to city and nationwide protests, prompting fears that hostility to the police is driving a violent crime wave." Official data released by the Minneapolis Police Department, however, "paint a complicated picture of crime in the city," but "overall levels of crime in the ensuing weeks have remained in line with historical trends."

The Washington Times (7/9, Richardson, 492K), meanwhile, reports that "after weeks of street violence that has claimed hundreds of Black victims, including children caught in the crossfire of gang violence and random shootings, onlookers are increasingly asking: Where's Black Lives Matter?" The movement "has been noticeably silent over the rash of shootings and street violence in the last few weeks afflicting predominantly Black communities."

Body Camera Transcripts Reveal Floyd's Last Moments.

ABC World News Tonight (7/9, story 4, 1:50, Muir, 7M) reported, "Transcripts of body camera recordings revealing what George Floyd and the officers charged with aiding and abetting his murder were saying in his last moments. ... The documents, filed as part of a motion in court to dismiss charges against rookie officer Thomas Lane, who maintains he was just following orders from the man with his knee on Floyd's neck, Derek Chauvin." Prosecutors have "until August to respond to that motion to dismiss charges."

New Details Emerge About Taylor Shooting Death.

ABC World News Tonight (7/9, story 6, 1:55, Muir, 7M) reported, "There is news tonight about the shooting death of Breonna Taylor in her own home. ABC News obtaining audio of her boyfriend describing the moment officers broke down the door and opened fire and why he shot back." ABC's Steve Osunsami: "It remains clear tonight that Louisville Metro Police were at the wrong home. And in a police interview recorded just hours after the killing in March, the boyfriend who survived the encounter," Kenneth Walker, "says that he and his girlfriend, Breonna Taylor, had no idea who was trying to break into their apartment."

The CBS Evening News (7/9, story 7, 1:50, Brennan, 4.14M) reported, "This new video taken in March by a neighbor of Breonna Taylor shows a small army of police officers with their guns drawn arresting Taylor's boyfriend, Kenneth Walker. Police claim they had a no-knock warrant for Taylor's home because of a drug investigation, but the lead officer, Sgt. Jonathan Mattingly, told investigators in a newly released audio interview that on the night of the deadly shooting officers did knock on Taylor's door." Mattingly: "We wanted to give her plenty of time to come to the door because they said she is probably there alone." NBC Nightly News (7/9, story 8, 2:00, Holt, 5.87M) reported, "But Walker, interviewed immediately following the shooting and without an attorney, said police never identified themselves, leaving he and Breonna Taylor to believe it was a break-in. So he got his gun and fired."

Native American Groups Hope Redskins Name Change Will Inspire Others.

The Washington Post (7/9, Kilgore, Stubbs, 14.2M) reports that "for some Native American groups, the push for Washington's NFL franchise to change its nickname has been not only a righteous cause, but also a strategic movement." In 2017, then-president of the National Congress of American Indians Jacqueline Pata "outlined one reason the NCAI had focused its name-change efforts on Washington: the principle that once the most egregious nickname fell, others would follow." The Post says the Redskins' announcement last Friday that the team will conduct a "thorough review" of their name may "have major ripple effects throughout professional sports."

Carlson Criticizes Seattle Employee Training On "Undoing Whiteness."

The Washington Examiner (7/9, Soellner, 448K) reports Fox News host Tucker Carlson on Thursday "urged people to stand up to racial hatred, which he views in the Seattle's new training session held for white employees to 'undo' their whiteness as it relates to certain privileges." Carlson said, "Prepare to be unemployed, pale employees of Seattle, your color disgusts us. All that actually happened in Seattle." Carlson also "accused people who support this type of program of being hypocritical in their views, comparing it to a type of conversion therapy that's been done on gay and transgender people."

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Trump "Thinking" About Stone, Manafort, Papadopoulos Pardons.

President Trump was asked in an interview on Fox News' Hannity (7/9, 535K) if he is considering pardons or commutations for Paul Manafort, Roger Stone, and George Papadopoulos. Trump said, "I am always thinking. I am always thinking. ... Roger Stone, Papadopoulos, Manafort – what they did to that man, what they did to that man. Putting him in solitary confinement. Al Capone, the great gangster, the ultimate gangster was never in solitary confinement. You know, what they did to him was just incredible."

Politico (7/9, Caputo, 4.29M) reports that "a chorus of outside allies is pressing the president to" pardon Stone, "over the wishes of White House and campaign aides who don't like Stone and think Trump has nothing to gain by helping him." Politico adds "both camps expect Trump will at least split the difference by commuting Stone's sentence, according to interviews with nine sources familiar with the discussions. A commutation would keep Stone from behind bars without wiping his record clean."

As DOJ Orders Him To Report To Prison, Stone "Praying" Trump Will Offer Him Clemency. The Washington Post (7/9, Hsu, Marimow, 14.2M) reports on Thursday, the Department of Justice directed that Stone "should report to prison next week as ordered by his sentencing judge." Stone "asked a federal appeals court in Washington to extend to Sept. 3 the date on which he must surrender to a federal prison in Jesup, Ga." The court gave him until Friday to respond to the department's directive. The New York Post (7/9, Fredericks, 4.57M) recounts, meanwhile, that Stone told Fox News "he was 'praying' that President Trump would offer him clemency." Said Stone, "I think I'll be the last person to know. He hates leaks, and he hates to be told what to do. I have instructed my lawyers not to contact the lawyers at the White House."

Trump Says Obama And Biden Spied On His Campaign.

President Trump said in an interview on Fox News' Hannity (7/9, 535K), "President Obama and Joe Biden spied on my campaign. They knew everything that was going on. They were in the rooms with everyone was talking about it. ... I know how the White House works. I guess I can say now better than anybody and they knew everything that was going on. They spied on my campaign. I said it a long time ago. Nobody believed me, and now it turns out to be fact." Trump added, "Here's a group, we have them cold, they lied, they leaked, they did everything. We have them already. ... I hope that Lindsey Graham does something with the Judiciary Committee. We have all the evidence they need. Now, maybe they're getting new stuff. I let them handle that. But the Judiciary Committee should act."

Berman Tells Lawmakers Barr Pressured Him To Resign.

The AP (7/9, Mascaro) reports former US Attorney Geoffrey Berman "arrived on Capitol Hill for a closed-door interview Thursday at the House Judiciary Committee as the panel deepens its probe of politicization at the Justice Department." Berman, adds the AP, "engaged in an extraordinary standoff last month" when Attorney General Barr "sought to have him leave office." As US attorney, "Berman oversaw several ongoing investigations of Trump associates."

Politico (7/9, Cheney, 4.29M) reports that Berman told lawmakers that during a June 18 meeting, Barr pressured him to resign. In a written statement to the committee, Berman "said Barr repeatedly attempted to coax Berman into resigning his post by suggesting he consider other positions in government, including the chairmanship of the Securities and Exchange Commission or the head of the Justice Department's Civil Division." Berman said, "I said that there was no job offer that would entice me to resign from my position." Nonetheless, Barr issued a statement later that night "announcing Berman's resignation...which triggered Berman to publicly respond that he had done no such thing." Berman "told lawmakers he had consulted with private attorneys and was prepared to contest his removal until Barr had agreed to elevate Berman's deputy, Audrey Strauss, rather than insert an attorney from outside the office to replace him." The New York Times (7/9, Fandos, Weiser, 18.61M) says that in his prepared testimony, Berman "did not speculate as to Mr. Barr's motive for his dismissal."

USA Today (7/9, Phillips, Johnson, 10.31M) says the testimony "is certain to raise additional questions about the Justice Department's independence from a White House that has purged watchdogs, whistleblowers and others seen as disloyal."

Sullivan Asks Full Appeals Court To Reconsider Dismissal Of Charges Against Flynn.

Reuters (7/9, Wolfe) reports, "The judge hearing the criminal prosecution against US President Donald Trump's former adviser Michael Flynn on Thursday asked an appeals court to reconsider a recent decision dismissing the case." District Judge Emmet Sullivan "asked the entire US Court of Appeals for the District of Columbia Circuit to reconsider the June 24 decision that directed him to drop the Flynn case." Fox News (7/9, Re, 27.59M) indicates on its website that "if en banc review is granted, an oral argument date would then be set, likely in the fall. If en banc review is denied, Sullivan could appeal to the Supreme Court – a process that could take months to resolve."

Politico (7/9, Gerstein, 4.29M) says Sullivan "is putting up a highly unusual fight," and Townhall (7/9, Pavlich, 177K) that it "comes after Sullivan refused to honor a directive from the Department of Justice, in which it was argued the FBI didn't have proper standing to charge Flynn in the first place, to dismiss the case." The New York Times (7/9, Goldman, 18.61M), The Hill (7/9, Neidig, 2.98M), and the Washington Examiner (7/9, Dunleavy, 448K), among other news outlets, also cover the story.

Cohen Returns To Prison.

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ABC World News Tonight (7/9, story 3, 0:20, Muir, 7M) reported, "President Trump's former personal attorney is back behind bars." Michael Cohen "was taken to jail" Thursday "after the Bureau of Prisons said he refused the conditions of his home confinement." The

Washington Post (7/9, Zapotosky, 14.2M), along with several other news outlets, indicates the development is due to Cohen having been "photographed by The New York Post eating outside the French restaurant Le Bilboquet."

Reuters (7/9, Allegri, Hals) reports that according to Cohen's attorney, Jeffrey Levine, the former Trump adviser "was taken to the Metropolitan Detention Center in Brooklyn." Levine said "Cohen was ordered to a federal courthouse in Manhattan to convert his furlough to home confinement," and there "they were presented with an agreement that barred Cohen from having any contact with news media organizations and from posting on social media." Said Levine, "I'm never seen any language like this in my life." Reuters adds that "after objecting, Levine said that the US Marshals Service came with 'shackles' and ordered him remanded to the jail in Brooklyn because he failed to agree to the terms."

The AP (7/9, Balsamo, Mustian) recounts that "Cohen, who pleaded guilty to tax evasion, campaign finance fraud and lying to Congress, had been released May 21 on furlough as part of an attempt to slow the spread of the virus in federal prisons." USA Today (7/9, Johnson, 10.31M), Washington Examiner (7/9, Brest, 448K), Axios (7/9, Swan, 521K), New York Times (7/9, Haberman, 18.61M) and New York Post (7/9, Golding, 4.57M), among other news outlets, also cover the story.

Trump Says Border Wall Will Be "Close To Finished" By Year's End.

President Trump said in an interview on Fox News' Hannity (7/9, 535K), "The border wall is doing incredibly well. We are moving along, and we are up to about 250 miles already. We will have, by the end of the year, it will be close to finished. It may take a couple extra months but we will have it. It has had a huge impact already, because we're about halfway finished."

CBP Reports 40% Increase In Border Arrests And Detentions From May To June.

The Washington Post (7/9, Miroff, 14.2M) reports according to CBP, "the number of migrants detained along the Mexico border jumped 40 percent in June, an increase that defies emergency Trump administration orders to swiftly 'expel' those who cross illegally." The numbers were "32,512 arrests and detentions along the Mexico border in June, up from 23,142 in May and nearly double the number recorded in April," though June's "enforcement numbers remain far below the levels tallied during last year's migration crisis." The Washington Times (7/9, Dinan, 492K) reports the numbers were "rebounding from a coronavirus lull that had pushed traffic to its lowest level in decades."

Meadows: Trump To Issue Executive Orders To Lower Prescription Drug Prices.

Chief of Staff Meadows said on Fox Business' Lou Dobbs Tonight (7/9, 49K), "This President is going to do three different executive orders that will substantially make sure that the average American gets to pay less for their prescription drugs."

Biden Pledges Effort To Reverse Court's Ruling On Little Sisters Of The Poor.

The Washington Free Beacon (7/9, Piro, 78K) reports Joe Biden "pledged to undo the Supreme Court's decision in favor of religious liberty for the Little Sisters of the Poor." The Free Beacon adds that "this week the Supreme Court ruled that the Little Sisters of the Poor, a charitable religious group of nuns, could not be compelled to cover the cost of contraception for employees," and "Catholic groups criticized Biden for targeting religious employers." The Federalist (7/9, Duffy, 126K) says "Biden's response to the ruling for religious liberty was that 'there is a clear path to fixing it,' meaning the Little Sisters of the Poor could find themselves back in another legal battle should he win the presidency."

In an editorial, the Wall Street Journal (7/9, Subscription Publication, 7.57M) accuses Biden of acting in a highly divisive manner as he threatens – in the Journal's view – to further harass a group of nuns and drag them back to court in order to defend controversial ACA provisions.

Commerce IG: NOAA Chief Feared Firing If He Did Not Back Trump On Hurricane Path.

The New York Times (7/9, Flavelle, Friedman, 18.61M) reports Commerce Department Inspector General Peggy Gustafson concluded that the head of the National Oceanic and Atmospheric Association "felt that his job and the jobs of others would be in jeopardy if the agency did not rebuke forecasters who contradicted President Trump's inaccurate claim last year about the path of Hurricane Dorian." Gustafson's report "examined the aftermath of Mr. Trump's insistence that Hurricane Dorian was headed toward Alabama, which National Weather Service forecasters from Alabama contradicted."

The Washington Post (7/9, Freedman, Samenow, 14.2M) reports Gustafson "found that the scandal that became known as 'Sharpiegate' could have broader repercussions. It comes as the U.S. braces for what is expected to be an unusually active hurricane season, which comes amid a worsening coronavirus pandemic affecting multiple hurricane-prone states."

Tropical Storm Fay Forms Off Coast Of Carolinas.

ABC World News Tonight (7/9, story 9, 0:20, Muir, 7M) reported that Tropical Storm Fay formed off the Carolinas late Thursday. ABC added that there are warnings "posted straight up into the northeast. Winds up to 45 miles per hour. Up to five inches of rain expected. Rain, dangerous winds from DC to Philly to New York tomorrow and then hitting New England early Saturday." NBC Nightly News (7/9, story 7: 0:15, Holt, 5.87M) and the CBS Evening News (7/9, story 5, 0:20, Brennan, 4.14M) provided similar coverage.

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White House Says It Is In Agreement With CDC On Reopening Schools.

NBC Nightly News (7/9, story 5, 2:00, Holt, 5.87M) reported, "The White House said today it is on the same page with the CDC on timelines for reopening schools after mixed messages left a lot of parents and teachers confused." White House Counselor Kellyanne Conway said on KTAR-FM (Glendale, AZ (7/9, 125K), "The head of the CDC, Director Redfield, was on TV [Thursday] morning saying it is not that they are revising them so much as putting out additional information so that people understand how best to utilize those guidelines. ... I think these are protocols that many of these school districts have already decided that they are going to put in place." The AP (7/9, Feldman) reports Redfield said on ABC, "It's not a revision of the guidelines, it's just to provide additional information to help schools be able to use the guidance that we put forward."

Nexstar (7/9, 13K) showed White House coronavirus task force coordinator Deborah Birx saying, "I think the CDC guidance is very clear. What we're trying to really meld that with is understanding and showing where the public health tripwires are." Assistant HHS Secretary for Health Adm. Brett Giroir said on Fox News, "We know many children have nutritional issues and emotional issues. All of these things are wrapped up in the schools. I think the thing we have to understand is we can get them back safely. If we follow the CDC guidelines, we can get them back in the classroom and be safe at the same time."

The Washington Post (7/9, Sun, Dawsey, 14.2M) says the CDC "is coming under intense pressure from President Trump and his allies, who are downplaying the dangers in a bid to revive the economy ahead of the Nov. 3 presidential election. In a White House guided by the president's instincts, rather than by evidence-based policy, the CDC finds itself forced constantly to backtrack or sidelined from pivotal decisions." The Post says the "latest clash" came over CDC guidance about safely reopening schools and the President's desire for a swift resumption of classes.

NEA President Lily Eskelsen García writes in USA Today (7/9, 10.31M), "No one wants to welcome students back to classrooms more than America's educators. ... But the Trump administration's plan is appallingly reckless. Concerned more with election dynamics than the lives of students and their educators, the White House pressure campaign presents a false choice between the health of our students and the health of our economy."

Schools Face Unprecedented Challenges In Reopening. The Washington Post (7/9, Achenbach, Meckler, Janes, 14.2M) reports, "In just a matter of weeks, tens of millions of children will start a new school year, and what that will look like has become the nation's thorniest political and epidemiological issue." Reopenings are "likely to be halting and improvisational. ... There is no proven strategy for the remobilization of 56.6 million K-12 students amid a pandemic like this one."

The New York Times (7/9, Goldstein, 18.61M) reports President Trump "threatened this week to cut off federal funding to districts that do not reopen, though he controls only a sliver of money for schools." But administrators "say they are already struggling to cover the head-spinning logistical and financial challenges of retrofitting buildings, adding staff members and protective gear, and providing students with the academic and emotional support that many will need after a traumatic disruption to their lives."

DeVos: Administration Could Let Parents Spend Federal Dollars On Education If Schools Don't Open. Reuters (7/9) reports Education Secretary DeVos said on Fox News that the Administration "could allow families to use federal education funding elsewhere if the local public school does not open during the coronavirus pandemic." DeVos said, "If schools aren't going to reopen, we're not suggesting pulling funding from education but instead allowing families...[to] take that money and figure out where their kids can get educated if their schools are going to refuse to open."

Utah Governor Mandates Facemasks In Public Schools. Axios (7/9, Knutson, 521K) reports Utah Gov. Gary Herbert (R) "issued a public school face mask mandate on Thursday for all K-12 students, faculty, staff and visitors for the fall term."

Lawsuit Seeks To Block DeVos' Campus Sexual Assault Rules.

The New York Times (7/9, Green, 18.61M) reports that students, women's rights and education groups have sued to block Education Secretary DeVos' "campus sexual assault rules from taking effect next month, with plaintiffs as young as 10 joining arguments that the rules will harm students and burden institutions." Last week, seven students "joined a lawsuit the National Women's Law Center filed against the Education Department, outlining how the new rules...stand to derail their cases or deter them from pursuing them altogether." The lawsuit "is one of several by states and advocacy groups challenging the department's rules, which were completed in May and are slated to take effect on Aug. 14."

California AG Sues Administration Over International Student Rule.

The Washington Post (7/9, Svrluga, 14.2M) reports that California Attorney General Xavier Becerra sued the Trump Administration in the US District Court for the Northern District of California Thursday "seeking to block a rule that would require international students to take classes in person this fall, despite increasing coronavirus cases." The suit "argues that California is disproportionately impacted by the order with more than 184,000 international students. Becerra was joined by school leaders from California State University and California Community Colleges."

Trump Names Berrier To Lead DIA.

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Politico (7/9, Matishak, 4.29M) reports that President Trump has chosen Army Deputy Chief of Staff Lt. Gen. Scott Berrier to be the next

director of the Defense Intelligence Agency. Berrier "was one of a handful of candidates submitted by the military branches to Pentagon brass earlier this year." If he is confirmed, Berrier "would replace Army Lt. Gen. Robert Ashley – who is expected to retire after a traditional three-year term as director – ensuring that the DIA would have back-to-back Army chiefs, something that hasn't occurred in six years, according to an agency history."

Pack Has Declined To Approve Visa Renewals For VOA Employees.

The Washington Post (7/9, Farhi, 14.2M) reports that Voice of America "could be facing the loss of many of its international journalists under a new overseer appointed by President Trump." US Agency for Global Media CEO Michael Pack "has so far ignored calls by VOA managers to extend visas held by foreign-born journalists who work at the news agency," sparking concern "that dozens of employees could lose their jobs, threatening production of VOA's many non-English-language programs and newscasts." The Post says about 100 VOA news employees are not US citizens and "work for the agency in Washington under visas that must be regularly extended or renewed." A round of visas are set to expire this month and Pack "has declined to approve renewals, leaving some employees facing the possibility of returning to their home countries," which the Post describes as "a daunting prospect given that their reporting has sometimes angered authoritarian governments."

Office Of Cuba Broadcasting May Have To Furlough Employees Due To Budget Pinch. Politico (7/9, Lippman, 4.29M) reports that the Office of Cuba Broadcasting "is quickly running out of money and could be forced to furlough some of its employees and fire contractors, according to three people familiar with the matter." The agency, which "falls under the umbrella" of the US Agency for Global Media, is "in turmoil" over the arrival of Pack, who "immediately fired the heads of Voice of America, Radio Free Europe/Radio Liberty and other outlets on his first day as CEO of the taxpayer-funded media group." Politico adds, "The budget crisis is due to the uproar Pack's moves provoked on Capitol Hill, where senators in both parties fear the Trump administration is seeking to lean on coverage that is meant to be independent."

Census Bureau To Disclose More About Cogley, Korzeniewski Roles.

CQ Roll Call (7/9, Macagnone, 154K) reports that amid "growing calls for more details from trade groups, its network of partners and even its internal watchdog," the Census Bureau "has promised to reveal more about the roles of its two new political appointees." Roll Call says there are concerns that "the agency's new deputy director for policy, Nathaniel Cogley, and his adviser, Adam Korzeniewski" may "interfere in how the agency conducts day-to-day operations of its 2020 count." Census Bureau Director Steven Dillingham announced last month that Cogley and Korzeniewski would "help the Census Bureau achieve a complete and accurate 2020 Census and study future improvements." On Tuesday, the Commerce Department Inspector General "asked for a description of their duties, their ethics disclosure forms and documents about their hiring by July 20. Census Bureau spokesman Michael Cook said the agency would address Cogley's and Korzeniewski's positions in a response to the IG letter."

Trump Creates Commission On Improving Hispanic Access To Economic, Educational Opportunities.

The AP (7/9, Madhani, Colvin) reports President Trump "signed an executive order Thursday that creates an advisory commission tasked with improving Hispanic Americans' access to economic and educational opportunities." The commission "has broad marching orders to foster school choice efforts and promote public-private partnerships in Hispanic-American communities." The AP says the "push...comes as the president hopes to win a bigger share of the Latino vote than he did four years ago." According to the AP, Trump "is walking a tightrope in his attempt to court Latino voters ahead of the November election while also courting his base supporters by underscoring his administration's efforts" to stem migration on the southern border.

Acting Director of the United States Domestic Policy Council Brooke Rollins said on WIOD-FM . Miami (7/9, 439) that Trump's order "really focuses on the President's effort to increase prosperity for our Hispanic brothers and sisters but really for all Americans. This President has focused just a tireless and relentless amount of energy on lifting Americans our of poverty, on giving them for education opportunity to school choice, on implementing opportunity zones, criminal Justice reform. The package all taken together is really impressive."

Trump Approves Disaster Declaration For Michigan.

President Trump wrote in a tweet Thursday evening that he has approved a disaster declaration for Michigan following flooding from a recent dam break. Trump wrote, "At the request of Congressman Moolenaar, I have approved a major Disaster Declaration to provide more than $43 million in Federal Funds to help the people of the GREAT State of Michigan recover from the recent dam break flooding. I will always stand with Michigan!" The Detroit Free Press (7/9, Spangler, 1.52M) says the funds "will be made available to individuals and businesses impacted by the flooding and dam breaks that began May 17 along several rivers, especially the Tittabawassee, in several mid-Michigan counties, including Midland." The Detroit News (7/9, Jones, 825K) provides similar coverage.

High Court Rules Much Of Oklahoma Still Indian Reservation.

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ABC World News Tonight (7/9, story 8, 0:30, Muir, 7M) reported on "a victory for Native Americans" at the Supreme Court, in "what many

believe is the most significant ruling for Native Americans in decades." The AP (7/9, Murphy, Gresko) recounts the justices announced a 5-4 decision Thursday establishing "that a large chunk of eastern Oklahoma remains an American Indian reservation, a decision that state and federal officials have warned could throw Oklahoma into chaos." The decision, written by Justice Neil Gorsuch, "means that Oklahoma prosecutors lack the authority to pursue criminal cases against American Indian defendants in parts of Oklahoma that include most of Tulsa." The decision also "casts doubt on hundreds of convictions won by local prosecutors."

The Washington Post (7/9, Marimow, Barnes, 14.2M) says "the question for the court was whether Congress officially eliminated the Creek Nation reservation when Oklahoma became a state in 1907." Gorsuch wrote, "If Congress wishes to withdraw its promises, it must say so. Unlawful acts, performed long enough and with sufficient vigor, are never enough to amend the law." The New York Times (7/9, Liptak, Healy, 18.61M) reports the ruling "could reshape the criminal-justice system by preventing state authorities from prosecuting offenses there that involve Native Americans." The case is McGirt v. Oklahoma. McGirt, the Washington Examiner (7/9, Dibble, 448K) recounts, is "a member of the Muscogee Nation who was convicted of raping a 4-year-old child in 1997," and "argued that the case should not have been in the jurisdiction of Oklahoma courts because the incident happened on tribal land."

USA Today (7/9, Wolf, Johnson, 10.31M) reports the territory involved is "home to 1.8 million residents and including Tulsa." Writing in dissent, Chief Justice John Roberts "said that Congress made no attempt to conceal its intention to 'disestablish' reservation lands." Roberts added, "Through an open and concerted effort, Congress did what it set out to do: transform a reservation into a state." USA Today also reports, "Within hours of Thursday's ruling, the state and five Native American nations released a statement promising cooperation." Along those lines, says the New York Post (7/9, Moore, 4.57M), "Oklahoma's three US attorneys expressed optimism that 'tribal, state, local and federal law enforcement will work together to continue providing exceptional public safety' in light of the ruling." The Wall Street Journal (7/9, Bravin, Subscription Publication, 7.57M), Reuters (7/9, Hurley), Washington Times (7/9, Vondracek, 492K), the AP (7/9), The Hill (7/9, Neidig, 2.98M), and the Daily Caller (7/9, Hukeri, 716K), among other news outlets, also cover the decision.

Wisconsin Supreme Court Upholds Republican-Authored Lame-Duck Laws.

The AP (7/9, Richmond) reports "the conservative-controlled Wisconsin Supreme Court on Thursday upheld Republican-authored lame-duck laws that stripped power from the incoming Democratic attorney general just before he took office in 2019." The justices "rejected arguments that the laws were unconstitutional, handing another win to Republicans who have scored multiple high-profile victories before the court in recent years."

Hill-HarrisX National Poll: Biden Leads Trump 43%-39%, Down From 10-Point Lead In June.

The Washington Times (7/9, Harper, 492K) reports that a Hill-HarrisX national online poll of 933 voters, taken July 3-4 "has some encouraging news for President Trump." The poll shows Joe Biden leading Trump 43%-39%, down from a 10-point edge the Democrat held in a similar poll last month. Democratic pollster Terrance Woodbury said that "with Trump's supporters being very enthusiastic and insistent on voting for him, margins that close are problematic." Another "5% of said they prefer someone" else, 5% "don't plan to vote," and 8% were undecided, according to the poll.

Alaska Poll: Trump Leads Biden 48%-45%. The Washington Examiner (7/9, Lim, 448K) reports that a Public Policy Polling (D) survey of 1,081 Alaska voters, taken July 7-8, shows Trump leading Biden 48%-45%. The Examiner says, "The Trump campaign will be disappointed by the results since the president won Alaska in 2016 by almost 15 points over then-Democratic rival Hillary Clinton." According to the poll, Sen. Dan Sullivan (R-AK) "only has a 5-point advantage on independent challenger Al Gross, a commercial fisherman and doctor," while Rep. Don Young (R-AK), "the longest-serving member of Congress, is struggling, too, against independent small business owner and educator Alyse Galvin. Young, who came to the House in a March 1973 special election, is behind Galvin by 2 points."

Trump Says He Is Doing "Very Well" In The Polls. Trump said in a Thursday interview on Fox News' Hannity (7/9, 535K), "I think we are doing very well in the polls. If you look at the different states, I think we are doing very well. We are rapidly rising. I was with the President of Mexico yesterday, we had an incredible day. We have tremendous Hispanic support. We have tremendous African American support. I think we have great support, period. You look at the votes, you look at the bikers, you look at everything that's happening in this country. There is great spirit, spirit like nobody's ever seen before, actually. And there's no spirit for Joe [Biden]."

Trump Says Biden Was "Brainwashed" By "Radical Left."

President Trump was asked in a Thursday interview on Fox News' Hannity (7/9, 535K) if Joe Biden has the "alertness" to be president. Trump said, "I don't think it's the age, because I was with Bernie Marcus. I think he is 91. He is so sharp. He's sharp as ever. ... I deal with other guys in their late 80s, early 90s, and they're 100% mentally so sharp. ... But Joe is just, look, let's face it, he's been taken over by the radical left. He has no clue what they are doing and what they're getting him into." Trump added, "I think they brainwashed him. They brainwashed him. He doesn't know where he is. He doesn't know what he's doing, and our country will suffer. Our stock markets will crash. Bad things will happen."

Trump Says Biden Should Take Same Cognitive Test He Did. Trump was also asked in the interview on Fox News' Hannity (7/9, 535K) about Biden's claim that he has taken cognitive tests. Trump said, "He meant the COVID tests. He didn't mean 'cognitive,' he meant COVID. ... I think he was confused by the question and the words and everything else. ... He hasn't taken any cognitive tests, because he couldn't pass one. I actually took one very recently when the radical left was saying, 'Is he all there, is he all there?' I proved I was all there,

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because I aced it. I aced the test and he should take the same exact test."

Conway: Biden Represents The Past. White House Counselor Kellyanne Conway said on the Ben Shapiro Show (7/9), "Reelections are about the future, not the past. If Joe Biden represents one four-letter word best, and he represents many, it would be 'p-a-s-t.' The President needs to lay out a visionary agenda for the next term. That is very clear. Tell us why to keep you here. He can go through his progress report, which is significant. Even though he has to battle a pandemic, an economic downturn, and civil unrest at the same time, so many things that he did early paid it forward so that our economy was sturdy enough to withstand many of the fundamental challenges that would have destroyed mostly any other President's economy."

Trump Lays Out Second-Term Agenda.

President Trump was asked in an interview on Fox News' Hannity (7/9, 535K) about his second-term agenda. Trump said, "First of all, we're going to defeat the invisible enemy, and we are well on our way. ... We are going to rebuild the economy. We're going to bring back jobs from all of these foreign lands that have stolen our jobs on horrible trade deals. We are going to continue to make great trade deals. We're going to finish rebuilding our wall." Trump added, "We are rebuilding our military. ... We are fixing up the VA for our vets. ... We are protecting our Second Amendment, so important. We need more judges and more justices. You see that now with the Supreme Court more than ever."

Trump: West "Is Always Going To Be For Us."

President Trump was asked in an interview on Fox News' Hannity (7/9, 535K) about Kanye West's decision to run for president. Trump said, "I like his voice being heard, but he is always going to be for us and his wife is going to be for us. ... He is a person that I get along with very well and in the end, I think he would support us over anyone else."

Pence Raises $1M During Pennsylvania Fundraiser.

The Washington Examiner (7/9, Drucker, 448K) reports that "during an outdoor fundraiser hosted by a wealthy Republican donor" in Pennsylvania, Vice President Pence "raised $1 million for President Trump's reelection campaign." The fundraiser was Pence's "first stop on a daylong bus tour through central Pennsylvania, a region critical to the president's 2020 prospects." The $1 million "was a significant haul for a sitting vice president." The Examiner adds that Trump and Pence "are going to need the extra resources," as "public polls show a tight race in Pennsylvania" between President Trump and Joe Biden, "who also traveled to the state Thursday."

Biden Hires Three New Aides To Help Boost Outreach To Minorities.

The Washington Post (7/9, Sullivan, 14.2M) reports that Joe Biden "has hired a trio of communications aides who will work to boost outreach to people of color and add more diversity to his team – two areas where his campaign has drawn criticism from allies. Pili Tobar has joined the campaign as communications director for coalitions, Ramzey Smith is serving as African American media director, and Jennifer Molina is Latino media director." The trio, "all people of color, are part of a broader strategy of engaging core constituencies not just 'through one lens, but through every aspect of the campaign,' said Biden campaign manager Jen O'Malley Dillon."

Fox Business Revisits Biden's Release Of 2016-2018 Tax Returns.

On its website, Fox Business (7/9, Henney, 1.73M) reports that last year, Joe Biden's "campaign released three years of income tax returns starting with 2016, his last year in office, and running through 2018." The returns "show that Biden...enjoyed a stream of wealth once leaving office, making millions of dollars mainly from lucrative book deals." His "federal tax return for 2016 shows his adjusted gross income was close to $400,000 in his last year in office. His 2017 tax return shows his income soared to more than $11 million; in 2018, he earned about $4.6 million." Biden's "spike in wealth was largely attributed to sales of his 2017" memoir, "Promise Me, Dad." He "also made 47 paid speaking engagements from January 2017 through the end of May 2019, a majority of which were for the book tour." The Bidens had effective tax rates of 23.5%, 33.9%, and 33.4% for 2016, 2017 and 2018, respectively.

NYTimes Report: Sources Say DeSantis "Hindering" Fundraising Efforts For GOP Convention.

The New York Times (7/9, Karni, Mazzei, 18.61M) reports that when President Trump initially "threatened to pull the Republican National Convention out of Charlotte," Florida Gov. Ron DeSantis (R) began "campaigning to bring the event to his state. But now, as convention planners in Jacksonville seek to raise tens of millions of dollars on an almost impossibly rushed time frame," DeSantis "is hindering those efforts, interviews show." The Times says DeSantis "has directed his top fund-raiser, Heather Barker, to tell donors not to give to the convention because of a personal dispute between the governor and Susie Wiles, his former campaign manager who is serving as an informal adviser to the convention planners, according to multiple" sources. The Times adds that Wiles "is a veteran Republican operative who led Mr. Trump's Florida team in 2016 and who ran Mr. DeSantis's 2018 campaign for governor. Mr. DeSantis's relationship with Ms. Wiles soured over his suspicion that she had leaked embarrassing information."

Drawing from the Times' story, the Daily Beast (7/9, Montgomery, 1.39M) says that Barker "has reportedly informed donors in no uncertain terms of DeSantis' refusal to involve himself because of Wiles' presence. On a recent call that included DeSantis, Wiles, and Trump, DeSantis said outright that [Wiles] was an overrated political strategist, according to the Times."

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Duckworth Says Trump, Carlson Question Her Patriotism To Distract From Trump's Failure To Lead.

In an op-ed for the New York Times (7/9, 18.61M), Sen. Tammy Duckworth (D-IL) writes that over the Fourth of July weekend, "some on the far right started attacking me for suggesting that all Americans should be heard, even those whose opinions differ from our own. Led by the Fox News host Tucker Carlson and egged on by President Trump, they began questioning my love for the country I went to war to protect, using words I never actually said and ascribing a position to me that I do not actually hold." Duckworth argues that Trump and Carlson question her patriotism "because they're desperate for America's attention to be on anything other than Donald Trump's failure to lead our nation, and because they think that Mr. Trump's electoral prospects will be better if they can turn us against one another."

Crenshaw Suggests Duckworth Agrees With "The Destruction Of America." The Washington Post (7/9, Weigel, 14.2M) reports that in a "MAGA meetup" organized by the Trump campaign Wednesday, Rep. Dan Crenshaw (R-TX) "suggested" that Duckworth agreed with "the destruction of America." Crenshaw said, "I think a general message that the left stands for the destruction of America, and the right doesn't, probably works pretty well with veterans, even liberal ones. ... Because even liberal veterans probably don't agree with that, unless you're Tammy Duckworth." The Post says Crenshaw "defended" his remarks in a statement, "saying that his disagreement with the U.S. senator was political and not personal." Crenshaw said in the statement, "Calling for a 'national dialogue' to tear down statues of our Founders is certainly worthy of criticism, and can be reasonably described as the ideological destruction of our country."

NYTimes Analysis: Pro-Trump Base "Skeptical" Of Appointed GOP Senators In Arizona, Georgia Races.

The New York Times (7/9, Herndon, 18.61M) reports that with Rep. Doug Collins (R-GA) challenging appointed Sen. Kelly Loeffler (R-GA) in the special election to fill out the remaining term of ex-Sen. Johnny Isakson (R-GA), a number of "voters in the deeply conservative" northeast part of the state says it's Collins "who most represented the values of their political icon: President Trump. This feeling – that the Republican base understands Trumpism and its best messengers better than GOP leaders – is shaping the race in Georgia, as well as" the special election to fill out the remaining term of the late Sen. John McCain (R-AZ), in which appointed Sen. Martha McSally (R-AZ) is battling Democrat Mark Kelly. The Times says McSally is facing "not only a energized Democratic electorate but a skeptical right-wing base. In both states, Republican governors appointed the senators."

Reid To Host Nightly Show On MSNBC.

The New York Times (7/9, Grynbaum, 18.61M) reports that MSNBC announced Thursday that Joy Reid "will become the host of a new nightly show" on the network. Reid, who the Times describes as "a sharp critic of President Trump and commentator on liberal politics and race," will "move to the 7 p.m. hour on July 20. Her show, 'The ReidOut,' succeeds 'Hardball.'"

Brownstein: Trump Is Seeking To Resurrect An American Past That Is Disappearing.

Ron Brownstein writes in The Atlantic (7/9, 3.47M) that President Trump "is running for the presidency of an America that no longer exists." While Trump has recently "reprised two of Richard Nixon's most memorable rallying cries, promising to deliver 'law and order' for the 'silent majority,'" in "almost every meaningful way, America today is a radically different country than it was when Nixon rode those arguments to win the presidency in 1968." Brownstein says Americans are now "far more racially diverse, less Christian, better educated, more urbanized, and less likely to be married." In addition, polls show they are "more tolerant of interracial and same-sex relationships, more likely to acknowledge the existence of racial discrimination, and less concerned about crime." Brownstein adds that "the country's underlying evolution shows how narrow a path Trump has chosen. He is betting the Republican future on resurrecting a past that is dissolving before his eyes."

Author: "Trump Derangement Syndrome" In Danger Of Spreading Across US.

In an op-ed for the Wall Street Journal (7/9, Subscription Publication, 7.57M), author Joseph Epstein warns that Trump Derangement Syndrome is threatening to spread across the country but one can avoid catching it by turning off television.

RCP Average Has Trump's Job Approval At 41.6%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 41.6%, and his disapproval at 56.3%. Trump's approval is up 0.1 since yesterday; his disapproval is unchanged.

A Rasmussen poll of 1,500 "likely voters" (7/6-7/8) finds Trump's approval at 45%, and his disapproval at 54%.

Financial International News

IMF, World Bank Heads Confirm Annual October Meetings Will Be "Primarily Virtual."

Reuters (7/9, Shalal) reports the heads of the IMF and World Bank on Thursday "confirmed that they were preparing to hold their annual meetings in October largely online given the coronavirus pandemic." IMF Managing Director Kristalina Georgieva and World Bank President David Malpass, in a joint statement, "said they were recommending the annual meetings, set for Oct. 12-18, be held in a 'primarily virtual format.'" The officials "said they remained flexible about the format of the talks, depending on developments, and would work to

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accommodate the needs of their members."

ECB's Bond Purchasing Puts Greek Bonds In Spotlight.

Reuters (7/9, Bahceli) reports Greek government bonds "are back in the spotlight, outshining their peers and returning 26% since mid-March, when the European Central Bank announced it would buy Greek debt for the first time ever – a seal of approval for conservative investors." Following three bailouts in the last ten years, "ECB purchases are the icing on the cake for Greek debt, which, boosted by economic recovery, had already been popular with yield-hungry investors prior to the pandemic." The ECB "had already bought at least 6% of the Greek bond market, holding 4.7 billion euros ($5.3 billion) at the end of May as part of its Pandemic Emergency Purchase Programme."

Global Regulators Renew Push To End Libor By 2021.

Reuters (7/9, Jones) reports the Financial Stability Board laid out a series of recommendations on Thursday "for coordinating and speeding up preparations to scrap Libor, an interest rate benchmark banks were fined billions of dollars for trying to rig." The global regulatory group said that policymakers "should issue public statements to promote awareness of that Libor is on its way out, help to create a formal roadmap for scrapping the rate, and promote industry wide coordination." In a statement, the Board said, "Authorities may need to fundamentally review their readiness to implement some of the recommendations in this report, and, if necessary, revise their plans accordingly to be prepared to work on an even more compressed timeline when the pandemic situation has stabilised."

Drezner: Global Finance Is Lone Bright Spot For Int'l Cooperation In COVID-19 Response.

In his column for The Washington Post (7/9, 14.2M), Daniel W. Drezner writes that while "international cooperation has not been robust during the coronavirus pandemic," there has been "one arena where international coordination has been, in some ways, superior to what happened in 2008: global finance." Drezner says the Bank of International Settlements' annual 2020 report said, "The response has generally been swifter, bigger and broader-based than it was for the [2008 financial crisis]. The authorities have deployed monetary, prudential and fiscal policies in a concerted way that probably has no historical precedent." One big factor to which Drezner attributes this better response "is that in this area – in contrast to every other dimension of the crisis – the United States has been the unparalleled leader. The Federal Reserve acted quickly to inject liquidity into the system and reopen swap lines with other key central banks. This helped to reassure jittery financial markets."

Leading International News

Navarro: China "Hid" Coronavirus From World.

Director of Trade and Manufacturing Policy Navarro said on PBS' NewsHour (7/9, 286K), "The reason why we have so many cases and China has less is this: Not only did China spawn the virus in November, they hid it for about two months. During that time, China restricted travel within China to contain the virus, but they sent thousands of Chinese nationals on aircraft, which many of them were infected, and spread the seed of that virus. So that's part of the problem we're facing now."

WHO To Set Up Independent Review Of Its Handling Of Pandemic.

Reuters (7/9, Nebehay, Miller) reports the WHO said Thursday "it was setting up an independent panel to review its handling of the COVID-19 pandemic and the response by governments." The panel will be led by former New Zealand Prime Minister Helen Clark and former Liberian President Ellen Johnson Sirleaf, who will generate "an interim report to an annual meeting of health ministers in November and present a 'substantive report' next May."

The Washington Times (7/9, Meier, 492K) reports that in announcing the move, WHO Director-General Tedros Adhanom Ghebreyesus said, "This is not a standard report that ticks a box and is then put on a shelf to gather dust. This is something we take seriously."

WHO Director-General Pleads For International Unity In Pandemic Fight.

The Washington Post (7/9, Schemm, Taylor, 14.2M) reports WHO Director-General Tedros Adhanom Ghebreyesus "pleaded Thursday for international unity to fight the pandemic devastating the world in the wake of President Trump's announced intention to quit the organization." A tearful Tedros said the true enemy was not the virus itself but "the lack of leadership and solidarity at the global level and national levels." He asked, "How difficult is it for humans to unite to fight a common enemy that's killing people indiscriminately? Can't we understand that the divisions or the cracks between us actually are to the advantage of the virus?"

WHO Says Coronavirus May Be Spread By Aerosolized Droplets.

The New York Times (7/9, 18.61M) reports the WHO on Thursday "formally acknowledged that droplets carrying the coronavirus may be airborne indoors and that people who spend long periods in crowded settings with inadequate ventilation may be at risk of becoming infected." The agency said spreading by aerosols may be the cause of outbreaks of COVID-19 "reported in some closed settings, such as restaurants, nightclubs, places of worship or places of work where people may be shouting, talking, or singing." While "the spread of the virus by larger droplets that are coughed or inhaled" is more common, the WHO recommends that people "avoid crowded places, close-contact

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settings, and confined and enclosed spaces with poor ventilation."

Reuters (7/9, Steenhuysen) reports the statement "follows an open letter from scientists who specialize in the spread of disease in the air – so-called aerobiologists – that urged the global body to update its guidance on how the respiratory disease spreads to include aerosol transmission."

Iran Rocked By Another Explosion.

The New York Times (7/9, Fassihi, 18.61M) reports that an "explosion rocked western Tehran early Friday," according to state media, "causing widespread power failures in two residential areas and unnerving Iranians awakened for the third consecutive week by an early-morning blast." The "precise location" of the explosion was not clear, analysts "said there are several military and training facilities in the area that could be the target of sabotage."

UN Expert: Suleimani Killing Was Unlawful.

The New York Times (7/9, Cumming-Bruce, 18.61M) reports that a UN expert investigating summary executions said Thursday that the US "targeted killing of Maj. Gen. Qassim Suleimani of Iran was unlawful and risked eroding international laws that govern the conduct of hostilities." Agnes Callamard, the UN special rapporteur investigating extrajudicial and summary executions, said the American drone strike that killed Suleimani in January "could only be justified in international law as a response to an imminent threat." Callamard wrote, "Absent an actual imminent threat to life, the course of action taken by the U.S. was unlawful."

Milley Says Russia Bounty Intelligence Is Uncorroborated.

Reuters (7/9) reports that Joint Chiefs of Staff Chairman Gen. Mark Milley told Congress Thursday that intelligence suggesting Russia paid bounties to the Taliban for the killing of US troops has not been corroborated and there is no evidence the payments resulted in the deaths of any service members. Milley told the House Armed Services Committee, "That is a unique, discrete piece of information that is not corroborated." Reuters says Defense Secretary Esper "echoed" Milley's comments during the hearing.

The New York Times (7/9, Savage, Schmitt, 18.61M) reports that Milley told the committee, "If in fact there's bounties, I am an outraged general. ... If, in fact, there's bounties directed by the government of Russia or any of their institutions to kill American soldiers, that's a big deal. That's a real big deal." Milley also said that while the government does not have proof the bounties resulted in military casualties, "we are still looking. ... We're not done. ... We're going to run this thing to ground."

Esper Says He Has Launched an Investigation Into Media Leaks. Esper also told the panel "he has launched an investigation into likes across the Pentagon," amid media reports on the bounty intelligence, Politico (7/9, Seligman, 4.29M) reports. Esper said, "We are aggressively pursuing leaks within the Defense Department. ... It's bad and it's unlawful and it needs to stop."

Powell Criticizes Media Reaction To Bounty Intelligence. Fox News (7/9, Dorman, 27.59M) reports on its website that in an interview on MSNBC's Andrea Mitchell Reports Thursday, former Secretary of State Colin Powell "indicated...that media figures overreacted" to the bounty report. Powell said, "What I know is that our military commanders on the ground did not think that it was as serious a problem as the newspapers were reporting and television was reporting. ... It got kind of out of control before we really had an understanding of what had happened. I'm not sure we fully understand now."

The New York Post (7/9, Dorman, 4.57M) quotes Powell as saying, "But [Commander of US Central Command] Gen. [Kenneth] McKenzie … he did not think this was of that level of importance to us. Remember, it's not the intelligence community that's going to go fight these guys, it's the guys on the ground. It's our troops. It's our commanders who are going to go deal with this kind of a threat, using intelligence that was given to them by the intelligence community. But that has to be analyzed. ... It has to be attested. And then you have to go find out who the enemy is. And I think we were on top of that one, but it just got – it got almost hysterical in the firs few days."

Documents: US Worried Troops Exposed To Harmful Contaminants At Uzbek Base.

McClatchy (7/9, Copp, 19K) reports that it has obtained new released documents that reveal the US government was "concerned about contaminants in the air that service members breathed in at a former Soviet base in Uzbekistan as early as 2002." Military health investigators traveled to the base, Karshi-Khanabad (K2), "multiple times between 2001 and 2004 to assess the contamination there." According to McClatchy, "hundreds of veterans who were assigned to K2 between 2001 and 2005 have reported cancer diagnoses." A House Oversight and Reform subcommittee is now "investigating toxic exposure faced by U.S. forces at that base and the long-term illnesses they now have, in an effort to get their illnesses recognized by the Defense Department and Department of Veterans Affairs as connected to their time at the base."

Germany Seizes Server With Data From US Law Enforcement.

The AP (7/9, Bajak) reports, "At the behest of the U.S. government, German authorities have seized a computer server that hosted a huge cache of files from scores of U.S. federal, state and local law enforcement agencies obtained in a Houston data breach last month." The server was used by "Distributed Denial of Secrets to share documents – many tagged 'For Official Use Only' – that shed light on U.S. police practices." Those documents "include emails, audio and video files and police and FBI intelligence reports."

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Australia Suspends Hong Kong Extradition Treaty.

The Washington Post (7/9, Shih, Crawshaw, 14.2M) reports Australia on Thursday "suspended its extradition treaty with Hong Kong and offered an immigration pathway for residents fleeing the city." As Prime Minister Scott Morrison announced the measures, the Australian government "also issued a stark new travel advisory asking its roughly 100,000 citizens in Hong Kong to consider leaving" the city, "citing the risk of arbitrary detention."

Seoul Mayor's Body Found After Search.

Reuters (7/9, Shin) reports, "Longtime Seoul City Mayor Park Won-soon was found dead, police said on Friday." South Korea's Yonhap news agency "said a former secretary of Park had filed a complaint on Wednesday over alleged incidents of sexual harassment." In announcing the discovery, "Police official Choi Ik-soo told reporters at a televised briefing at the scene there was no sign of foul play although a detailed investigation would be needed." The AP (7/9, Kim, Kim) reports Park's "daughter called police on Thursday afternoon and said her father had given her 'a will-like' verbal message before leaving their home."

Increasing Extreme Weather Poses Threat To Japan's Elderly.

The New York Times (7/9, Rich, Inoue, Ueno, 18.61M) reports that in "recent years, climate change has spurred more torrential rains in Japan, causing deadly flooding and mudslides in a nation with many rivers and mountains." According to the Times, those "most vulnerable to the risks of this extreme weather are the elderly, of which Japan has the highest proportion in the world." Nursing homes, for example, "face particular challenges because of how difficult it can be to evacuate aging, frail people in the midst of disaster."

WPost: Egypt "Employing Hostage-Taking" To Interfere In US Justice.

The Washington Post (7/9, 14.2M) editorializes that former Egyptian Prime Minister Hazem el-Beblawi is the subject of a US lawsuit filed by an American citizen previously held as a political prisoner in Egypt, Mohamed Soltan. After Soltan filed the lawsuit, the regime of Abdel Fatah al-Sissihas "seized five of Mr. Soltan's cousins and informed their families that they will not be freed unless the suit is dropped. Its embassy in Washington is meanwhile demanding that the State Department intervene in the lawsuit on Mr. Beblawi's side, while warning that if it does not, the U.S.-Egyptian 'strategic relationship' will be endangered." The Post argues that "in effect, the Sissi regime is employing hostage taking and blackmail in an attempt to interfere with the U.S. judicial system."

Housing

Freddie Mac: Mortgage Rates At Record Lows For Third Straight Week.

The AP (7/9, Boak) reports, "Rates on 30-year mortgages have fallen to record lows for the third consecutive week" according to Freddie Mac which "reported Thursday that the average rate on the key" 30-year FRM "declined to 3.03%, down from 3.07% last week and 3.13% two weeks prior." This is the lowest rate "since Freddie Mac began tracking averages in 1971." The 15-year FRM "also dropped to 2.51%, from 2.56% last week."

The Washington Post (7/9, Orton, 14.2M) reports, "For the third time in the past four weeks, the 30-year fixed mortgage rate sank to a record low," and it "is the sixth time the 30-year fixed rate has fallen to a new low in the past several months." The Post adds that the 5-year ARM "ticked up to 3.02"

Khater: Record-low Mortgage Rates Boost Demand. National Mortgage News (7/9, McCullom) reports Freddie Mac Chief Economist Sam Khater said, "The summer is heating up as record low mortgage rates continue to spur homebuyer demand." Khater added, "However, it remains to be seen whether the demand will continue if COVID cases rise to the point that it hinders economic growth."

Providing similar coverage of Freddie's rates and Khater's analysis are Business Insider (7/9, Reinicke, 3.67M), National Mortgage Professional (7/9, Persaud), HousingWire (7/9, Howley, 23K), and M Report (7/9, Albanese).

Supreme Court To Hear Appeal Regarding Investor Challenge To Agreement Between FHFA And Treasury.

Reuters (7/9) reports the US Supreme Court on Thursday "agreed to hear an appeal by President Donald Trump's administration seeking to avoid a lawsuit by shareholders of mortgage finance firms Fannie Mae and Freddie Mac relating to the government rescue of the companies following the 2008 housing crisis." The appeal is from the decision by 5th US Circuit Court of Appeals allow the company's shareholders to "pursue a challenge to the 2012 agreement between the Federal Housing Finance Agency and the Treasury Department" that "eliminated dividend payouts to various shareholders and required the companies to pay the U.S. Treasury an amount equal to their quarterly net worth each quarter."

BNN Bloomberg (CAN) (7/9) reports the court "agreed to decide whether investors can challenge the 2012 agreements that let the federal government collect hundreds of billions of dollars of Fannie Mae and Freddie Mac's profits." The GSEs "have paid more than $300 billion in dividends to the Treasury under the so-called net-worth sweep."

The Wall Street Journal (7/9, Kendall, Ackerman, Subscription Publication, 7.57M) reports the court will hear appeals by both the government and the investors in the October term. The investors allege that the FHFA is unconstitutionally organized.

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American Banker (7/9, Lang, Subscription Publication, 31K) reports the investors will challenge "the single-director structure of the Federal Housing Finance Agency, weeks after the court ruled that the directorship of the Consumer Financial Protection Bureau was unconstitutional." The case is Collins v. Mnuchin.

DS News (7/9, Albanese) also reports on the court's action.

FHFA Announces GSEs Will Extend Loan Origination Flexibilities Through August 31.

DS News (7/9, Albanese) reports, "The Federal Housing Finance Agency (FHFA) announced that the GSEs – Fannie Mae and Freddie Mac – will extend several loan origination flexibilities until August 31." The flexibilities include: "Alternative appraisals on purchase and rate term refinance loans; Alternative methods for documenting income and verifying employment before loan closing; and Expanding the use of power of attorney and remote online notarizations to assist with loan closings."

National Mortgage Professional (7/9, Griffin) reports the action is "to ensure continued support for borrowers during the COVID-19 national emergency."

The ABA Banking Journal (7/9) and NAHB Now (7/9) also report the news.

KING-TV Seattle (7/9, Li, 225K) reports, "With the $600 in additional federal unemployment benefits and the state eviction moratorium scheduled to end, many Washingtonians are worried about how they're going to stay in their homes." KING adds, "the Federal Housing Finance Agency recently announced that Fannie Mae and Freddie Mac borrowers will benefit from a foreclosure and evictions moratorium through August."

Pennsylvania Extends Eviction Moratorium Through August 31.

The AP (7/9) reports Pennsylvania Gov. Tom Wolf on Thursday extended the state's moratorium on foreclosures and evictions through August 31. There had been "growing calls to extend the four-month-old moratorium – which had been set to lapse Friday – with housing advocates and others predicting a rush to the courthouse and a wave of evictions and homelessness." Wolf said, "I am taking this action to help families know they will have a roof over their heads and a place to live while all of us fight the COVID-19 pandemic. ... It takes one more burden off of people who are struggling and ensures that families can remain in their homes so they can protect their health and well-being."

The Pittsburgh Tribune-Review (7/9, Guza, 380K), Pittsburgh Business Times (7/9, 835K), WOLF-TV Wilkes-Barre, PA (7/9), and WHP-TV Harrisburg, PA (7/9, 39K).

Interfirst Mortgage Company Names CMO, Announces Relaunch.

M Report (7/9, Albanese) reports that Interfirst Mortgage Company named Lou Friedmann as Chief Marketing Officer. Friedmann "will lead all of Interfirst's strategic marketing and communications as the Company relaunches under a new business model that includes integrated retail and wholesale residential mortgage origination offering."

M Report (7/9, Albanese) in a second story reports that Interfirst Mortgage Company "announced today it has relaunched operations with a new proprietary loan origination technology platform and an expanded business model – featuring both a wholesale platform and a soft launch of a new consumer-direct retail platform."

FNB Names New Director Of Mortgage Services.

National Mortgage Professional (7/9, Persaud) reports that First National Bank named Joseph Cartellone as "director of mortgage services," and as such "will be responsible for overseeing the mortgage banking services division, which does close to $3 billion in annual loan production volume."

Notarize, Title365 Announce Partnership.

Mortgage Professional America (7/9, Mendoza) reports, "Notarize has entered a partnership with Title365 to extend the reach of its online platform to new closing agents across the US." Under the partnership, "Title365 agents will be able to offer signers the ability to close online through a secure video meeting through the Notarize platform."

Redfin Finds Black Mortgage Applicants Rejected At Greater Rate Than White Applicants In All Of The 50 Largest Metro Areas.

Mortgage Professional America (7/9, Smith) reports on an analysis of Home Mortgage Disclosure Act data by Redfin showing that "nearly 16% of Black Americans who apply for mortgages are rejected," compared to 7% of white Americans. Redfin also found that in Chicago, Detroit, Milwaukee, St. Louis, and San Francisco, "that gap is even wider" as "denial rates for Black borrowers are more than 10 percentage points higher than they are for white borrowers," and "in Milwaukee and San Francisco, Black borrowers are more than three times as likely to be denied a mortgage than white borrowers." Redfin also found that "Black loan seekers are still denied home loans at a higher rate than white loan seekers in every one of the 50 most populous US metro areas."

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MBA: Mortgage Credit Availability Fell 3% In June.

The National Mortgage News (7/9, Centopani) reports, "Mortgage credit availability continued its decline in June," reaching "the lowest level since April 2014," according to the Mortgage Bankers Association, whose Mortgage Credit Availability Index "decreased for the seventh straight month" falling 3% to 125 in June from 129.3 in May and 189.8 the year earlier.

NAR Survey Finds About Half Of Members Say Market Is Entering Recovery.

HousingWire (7/9, Falcon, 23K) reports, "The National Association of Realtors released its Market Recovery Survey on Thursday," showing "45% of its members had reported that their market has slowly entered recovery mode." Yet, "only 39% of members reported being somewhat prepared for a second wave of COVID-19, and just 19% said they expect to be very prepared." The survey also indicates that 28% of respondents "said their market is coming back hotter than normal, 19% said their respective market is back to normal and 9% don't feel like they have entered recovery yet."

Fox Business (7/9, De Lea, 1.73M) reports that "while homebuyers reentering the market have begun to move out to the suburbs...some appear to be seeking out even less populated small towns." The survey finds that "one-third of those living in rural towns reported their market is hotter than usual," and "nearly one-quarter of respondents in those rural towns said they continued to work with buyers throughout the pandemic." It also indicates that "nearly one in four buyers shifted the areas in which they were looking for a home" with "nearly half say[ing] people were looking in the suburbs, while nearly 40 percent said clients wanted a home in rural towns, followed by 25 percent in a 'small town.'"

Aspen Institute Estimates 23 Million Americans Could Face Eviction By September.

Mortgage Professional America (7/9, Jarvis) reports, "A recent report by the Aspen Institute estimates that if 30 percent of American renters remain unemployed in September, as many as 23 million of them could face eviction." Meanwhile, "states with eviction bans in place have proved willing to extend them," but "20 states have ended their moratoriums on evictions and foreclosures."

Survey Finds Many Who Had Planned To Buy A Home This Year Now Think They Will Not.

DS News (7/9, Albanese) reports on a RENTCafe.com survey finding that "at the beginning of the year, 11% of renters indicated they'd been intent on buying a house this year," but by May 2020, "43% of renters that were on the precipice of plucking down the cash for a residence have been deterred by the pandemic – not to mention skyrocketing home prices."

Growing Number Of Renters Worry About Being Evicted.

BNN Bloomberg (CAN) (7/9) reports that in the current economic situation, "almost 13% of renters say they have 'no confidence' in their ability to pay next month's rent," and another "20% only have 'slight confidence' in making the payment," according to a survey by the US Census Bureau conducted June 25-30. Meanwhile a survey by Apartment List "found that fear of eviction has escalated" with over 20% of renters saying they are "very" or "extremely" worried about being evicted.

The Minneapolis-St. Paul (MN) Business Journal (7/9, Halter, Subscription Publication, 833K) reports behind a paywall that "Minnesota landlords continued to collect more than 90 percent of rent from residents in July, though the number of tenants making their payments dipped slightly."

The Triangle (NC) Business Journal (7/9, Douglas, Subscription Publication, 839K) reports behind a paywall on the "latest signs" of economic "distress" appearing in the apartment market.

Markets

10-Year Yield Falls.

MarketWatch (7/2, 1.67M) reports the 10-year Treasury yield fell to 0.578 percent.

Dollar Gains.

Reuters (7/10, Sano) reports the dollar on Friday "gained against most other currencies, with its index gaining about 0.2% to 96.919 from a near one-month low of 96.233 touched on Thursday." The euro "shed 0.1% to $1.1273, slipping back from a one-month high of $1.1371 on Thursday." Meanwhile, the yen rose "by 0.25% to a two-week high of 106.93 per dollar."

Gold Eases.

Reuters (UK) (7/10, Aranya) reports, "Gold eased on Friday pressured by a stronger dollar and hovered near the key $1,800 milestone, but was set for a fifth straight weekly gain as a spike in U.S. COVID-19 infections underpinned safe-haven appetite." Spot gold "was down 0.4% at $1,796.03 per ounce by 0614 GMT, but was up about 1.2% for the week. U.S. gold futures fell 0.1% to $1,801.10."

Oil Falls.

Reuters (7/10) reports, "Oil prices fell on Friday, adding to steep losses from the previous session, and were headed for weekly declines on worries that renewed lockdowns following a surge in coronavirus cases in the United States and elsewhere could suppress fuel demand."

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Brent crude "was down by 73 cents, or 1.7%, at $41.62 a barrel by 0712 GMT after falling more than 2% on Thursday." US oil "fell 83 cents, or 2.1%, at $38.79 a barrel after a drop of 3% in the previous session."

Cybersecurity

Ransomware Hackers Demanded $390,000 To Release Knoxville, Tennessee Data.

The Knoxville (TN) News Sentinel (7/9, Whetstone, 307K) reports, "The cybercriminals who attacked and hampered the city of Knoxville's computer systems last month demanded 42.5 bitcoin, roughly $393,137 based on the market values at the time of the attack, city leaders told Knox News on Thursday. This is the first time the city has revealed the amount, and they maintain they do not intend to pay the ransom." The News Sentinel adds, "City spokesperson Kristin Farley said the city's response to the attack is ongoing. Last week, the hackers posted snippets of stolen information – including city personnel information – online. The data included personal details about employees, such as names, phone numbers, addresses, salaries and work performance scores."

Germany Seizes Server Hosting Stolen US Police Files.

The AP (7/9, Bajak) reports from Boston, "At the behest of the U.S. government, German authorities have seized a computer server that hosted a huge cache of files from scores of U.S. federal, state and local law enforcement agencies obtained in a Houston data breach last month." The AP adds, "The server was being used by a WikiLeaks-like data transparency collective called Distributed Denial of Secrets to share documents – many tagged 'For Official Use Only' – that shed light on U.S. police practices. The data, dating back to 1996, include emails, audio and video files and police and FBI intelligence reports. DDoSecrets founder Emma Best said the data, dubbed 'BlueLeaks,' comes from more than 200 agencies. It has been stripped of references to sexual assault cases and references to children, but names, phone numbers and emails of police officers were not redacted, said Best."

Infosecurity Magazine (7/9, Muncaster) reports, "The raid will raise questions over why an international police operation was launched to seize the leaked data, although there are reports that it may have exposed sensitive personal data. There are also concerns that the data could endanger lives, if it is used by organized crime groups to unmask undercover police officers and witnesses. It could also damage the reputations of suspects who were arrested but subsequently released without charge."

TikTok Considering Ways To Separate From China.

The Wall Street Journal (7/9, Lin, Li, Subscription Publication, 7.57M) reports Chinese company ByteDance Ltd. is considering various moves to separate its app TikTok from China, including giving it a non-Chinese headquarters. India has banned TikTok out of concern for cybersecurity and other countries are considering taking action.

German Domestic Intelligence Agency Says Data Not Safe With Chinese Companies. The AP (7/9) reports, "Germany's domestic intelligence agency is warning consumers that personal data they provide to Chinese payment companies or other tech firms could end up in the hands of China's government." The agency says that "Chinese government offices have access to data stored in China by companies" and "other apps, web services and mobility providers such as for example (bike sharing) providers" some of which operate in Germany. BfV head Thomas Haldenwang "said German's data isn't safe with Chinese companies because they are required by law to provide the data to their government."

Experts Question Officials' Claims TikTok Is A National Security Threat. CNN International (7/9, Fung) reports TikTok "faces the most direct threat to its expansion in the US – not from a competitor, but from the US government." President Trump "said Tuesday his administration is 'looking at' banning the app, which is owned by the Chinese company ByteDance, affirming remarks on Monday by Secretary of State Mike Pompeo." It's just the "latest, and most high-profile, example of Washington raising alarms about the app that's popular among younger users in the US, where TikTok has been downloaded 165 million times." However, several security experts "told CNN Business that, although TikTok's links to a private Chinese company are worthy of concern, the app simply wouldn't be that useful for espionage." James Lewis, senior vice president at the Center for Strategic and International Studies, a security think tank, said, "It's right to be suspicious of the Chinese. But I'm not sure TikTok is a good intelligence tool for them."

US Finalizing Federal Contract Ban For Companies That Use Huawei, Other Chinese Firms.

Reuters (7/9, Shepardson) reports a US official "said the Trump Administration plans to finalize regulations this week that will bar the US government from buying goods or services from any company that uses products from five Chinese companies including Huawei, Hikvision and Dahua." The rule "could have far-ranging implications for companies that sell goods and services to the US government since they will now need to certify they do not use products from Dahua or Hikvision, even though both are among the top sellers of surveillance equipment and cameras worldwide." The same goes for "two-way radios from Hytera Communications and telecommunications equipment or mobile devices like smartphones from Huawei Technologies or ZTE Corp." The Washington Examiner (7/9, Dunleavy, 448K) reports OMB is "helping to finalize regulations that will comply with 2019's National Defense Authorization Act."

Telecom Italia Excludes Huawei From 5G Core Equipment Tender In Italy, Brazil. Reuters (7/9, Pollina) reports two sources familiar with the matter "said on Thursday. Telecom Italia (TIM) has excluded Huawei from a tender for 5G equipment for the core network it is preparing to build in Italy and Brasil." One of the two sources "said the list of invited suppliers comprises Cisco, Ericsson, Nokia, Mavenir

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and Affirmed Networks, a company recently acquired by Microsoft." The move comes "amid reports that Italy is considering whether to exclude Huawei from building its 5G network over concerns it could open the way for China to spy on key Western telecoms infrastructure."

UK's Huawei VP Insists Staff "Free To Express Views." The Independent (UK) (7/9, Cowburn, 1.36M) reports Huawei's UK vice president "has insisted employees at the company are free to express their views – before claiming he did not have a view on China's imposition of a new draconian security law for Hong Kong." It comes as Boris Johnson and senior ministers "consider reversing a major decision in January to give the Chinese telecommunications giant the green light to help develop the UK's mobile network, despite protests from the US and Tory MPs." Appearing at Westminster's Science and Technology Committee, senior executives at Huawei "were asked by chairman and former Conservative minister Greg Clark whether employees and directors at the company in the UK 'free to express their views."

UK Reportedly May Face Mobile Blackouts If Huawei Ban Rushed. BBC News Online (UK) (7/9, 1.02M) reports BT and Vodafone have "said their UK customers would face mobile phone signal blackouts if they are given three years or less to strip Huawei's equipment out of their 5G networks." Executives from the network providers "told MPs that they wanted at least five years, and ideally seven, if such an order is made." The government is expected "to announce new curbs on the use of the Chinese firm's kit within the next two weeks." Huawei has "urged it to take more time." Huawei's UK vice president Jeremy Thompson said, "There isn't a burning bridge."

Herman: How The US Can Help The West Compete In 5G Without Huawei. Forbes (7/9, Herman, 9.71M) contributor and Hudson Institute fellow Arthur Herman writes, "The competition between the U.S. and China over who will dominate the world's 5G networks is fast reaching a boiling point." Though China's "crackdown on Hong Kong is bound to give some pause" to governments who are considering using Huawei telecom equipment, the supplier's "slick marketing, low-cost contracts, and Beijing-backed financial incentives has convinced ninety-plus countries to sign some part of their 5G future over to Huawei, despite that company's questionable record on everything from security and reliability to alleged links to the Chinese military and intelligence services." Herman discusses how the US can potentially compete with Huawei, a "question that bedevils policy-makers as well as engineers and corporate leaders."

WSJournal Welcomes British Plans To Exclude Huawei From 5G Network. A Wall Street Journal (7/9, Subscription Publication, 7.57M) editorial praises a planned move by British Prime Minister Boris Johnson to end Huawei's role in Britain's 5G rollout.

Op-Ed: Strong Cybersecurity Strategy Is No Longer A Luxury For Small Businesses.

In an op-ed on the CNBC (7/9, 3.62M) website, Sen. Jim Risch (R-ID) writes, "The pandemic has seriously impacted the health of businesses everywhere, and for most employers, getting back to business cannot come soon enough. But while businesses across the country prepare to welcome back their customers, hackers and cyber criminals are actively infiltrating and exploiting small business databases. Cyberattacks have skyrocketed worldwide as criminals capitalize on the confusion and anxiety surrounding the coronavirus pandemic. In a recent press release, the FBI characterized the number of online schemes to swindle both businesses and individuals out of money and personal data as 'truly breathtaking.'" He adds, "Earlier this year, I introduced the bipartisan SECURE Small Business Act to help small business owners access information on data protection best practices and enable them to band together to purchase cybersecurity products at lower prices. A strong cybersecurity strategy is no longer a luxury – it is a necessity."

Implications Of FERC Grid Cybersecurity Review For Power Companies.

Law360 (7/9, Subscription Publication, 8K) reports that, "since the onset of the COVID-19 pandemic, utilities have experienced an increase in ransomware and other cybersecurity attacks, and federal authorities have advised the energy sector to remain vigilant to these threats." The Federal Energy Regulatory Commission on 18 June "issued a notice of inquiry, or NOI, seeking comments on potential cybersecurity enhancements to the Critical Infrastructure Protection, or CIP, reliability standards." These enhancements are the "result of FERC's recent comparison of the current CIP reliability standards with the National Institute of Standards and Technology, or NIST, Cybersecurity Framework."

Experts Say Cybersecurity Safeguards Should Extend To Supply-Chain Partners.

The Wall Street Journal (7/9, Pellathy, Stank, Subscription Publication, 7.57M) reports the dramatic shift of millions of Americans to remote work has allowed many companies to maintain operations under the enormous strain of the Covid-19 pandemic, but it has also opened them up to a wider range of cyber threats.

UN Rules Require Cybersecurity Guarantees For Connected Cars.

The Wall Street Journal (7/9, Stupp, Subscription Publication, 7.57M) reports a new United Nations regulation will require automobile manufacturers to secure connected vehicles against cyberattacks in regions including the European Union, Japan, and South Korea. Manufacturers must also guarantee that their suppliers have cybersecurity protections in place, and will be required to implement technology to analyze attempted cyberattacks. The European Union plans to begin implementing the rules in 2022.

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State And Local Officials Scramble To Prepare For Upcoming Election.

CFTC-22-0351-A-000918

The Washington Post (7/9, Marks, 14.2M) reports in the Cybersecurity 202 column that state and local election officials are scrambling "to

prepare for November's general election." The officials were "summoned by the Election Assistance Commission...to pore over the good, the bad and the ugly from more than three months of primaries since the coronavirus pandemic struck in March." They described elections that "were completely revamped in a matter of weeks and massive shortages of poll workers, since many were not willing or able to risk their health by showing up on Election Day. "The percentage of absentee voters "climbed to 10 and even 20 times their typical levels in many states." The public hearing was "among just a handful of instances when election officials from different states will gather before November, in hopes the lessons learned will help the general election run more smoothly."

Germany Warns Personal Data Vulnerable Via Chinese Apps.

The AP (7/9) reports that Germany's BfV domestic intelligence agency "is warning consumers that personal data they provide to Chinese payment companies or other tech firms could end up in the hands of China's government." In its annual report, the BfV "noted that Chinese government offices have access to data stored in China by companies such as Tencent, Alibaba 'as well as other apps, web services and mobility providers such as for example (bike sharing) providers' that operate in Germany."

TFI/Sanctions

India's Reliance Permitted To Load Venezuelan Oil Under Fuel Swap Deal Despite Sanctions.

Reuters (7/10, Saul, Psaledakis, Parraga) reports, "India's Reliance will load its first cargo of Venezuelan crude in three months this week in exchange for diesel under a swap deal the parties say is permitted under the U.S. sanctions regime on the Latin American country, according to a Reliance source and a shipping document from state oil firm PDVSA." Reliance "gave the U.S. State Department and the Office of Foreign Assets Control (OFAC) notice of the diesel swap and received word back that the policies that allowed the transaction were still in place, the Reliance source told Reuters."

Federal Reserve

NYTimes Examines Perceived Flaws In Fed's Main Street Loan Program.

The New York Times (7/9, Smialek, 18.61M) looks at the example of Philadelphia-based La Colombe, a "purveyor of fancy coffee and canned draft lattes," in seeking aid from the Federal Reserve's Main Street loan program. The Times says the program suffers from "a Goldilocks design: Firms won't use it if credit conditions are healthy and banks won't use it if they are too unhealthy. It could help companies access credit if the situation is just right – for instance, if credit conditions tighten with a second virus wave in the fall, but banks and borrowers expect the economy to recover before long."

San Francisco Fed To Launch Biweekly Seminars On Economics Of Climate Change.

Reuters (7/9, Saphir) reports the San Francisco Fed, "which last year hosted the U.S. central bank's first conference on the economics of climate change, said Thursday it will next week launch a series of biweekly research seminars on the topic." The announcement "suggests the potential implications of climate change for monetary, supervisory and trade policy are of concern for the Fed even as it put much of its research power in recent months into understanding and battling the coronavirus pandemic." According to Reuters, the Fed "has lagged its global peers in attention to the impact of climate change on the economy and in crafting responses."

Fed's Balance Sheet Dips Below $7 Trillion.

Reuters (7/9, Burns) reports the Fed's balance sheet shrank for the fourth week in a row, reaching below $7 trillion. The "use of one of its key emergency liquidity measures dropped to zero for the first time since September," and its "total balance sheet size declined by about $88 billion to $6.97 trillion as of July 8 versus $7.06 trillion a week earlier."

Office of the Comptroller of the Currency

Fintech Lender SoFi Applies For National Bank Charter With OCC.

Reuters (7/9, Irrera) reports student lender SoFi announced Thursday it has applied for a national bank charter with the Office of the Comptroller of the Currency. The company "previously filed for a bank license in 2017, but withdrew the application that same year following the departure of senior executives, including co-founder and former CEO Mike Cagney."

American Banker (7/9, Wack, Subscription Publication, 31K) reports, "SoFi, which was one of the first fintechs to achieve a $1 billion-plus valuation, currently offers student loans, mortgages, personal loans, investment services and a cash management account." CEO Anthony Noto in a statement "said...that a bank charter will allow SoFi to expand its menu of offerings." According to American Banker, "One benefit of becoming a bank is that SoFi would be able to operate under a single set of regulatory standards, rather than the 50-state scheme that applies to nonbank lenders, which should result in cost savings." CNBC (7/9, de León, 3.62M) reports a bank charter would also "allow SoFi to lend money and accept deposits independent of the partner banks it currently works with, as well as offer more competitive interest rates for its suite of loans, checking and savings offerings."

Law360 (7/9, Subscription Publication, 8K), Business Insider (7/9, Defrancesco, 3.67M), Finextra (7/9), and Forbes (7/9, Escaldo, 9.71M) provide similar coverage.

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Analysis: CRA Overhaul Implementation Still Murky.

In an analysis, the ABA Banking Journal (7/9, Shonk) says, "While the events and the politics surrounding the rulemaking process" of the OCC's CRA overhaul "have provided ample fodder for political pundits and industry observers, three important points have gone largely unnoticed." These are that the new performance measures under the CRA will only "affect a limited number of banks," performance benchmarks are still unconfirmed, and "much works remains – for all agencies." The OCC "will also need to issue guidance on various aspects of the rule, including the documentation needed to demonstrate that a consumer loan qualifies for CRA credit, as well as guidance to standardize how examiners apply performance context in CRA evaluations."

S&P Global: PPP May Be Big Revenue Boost For Banks, But Carries Risk And Cost.

CU Today (7/9) reports that at least 30 US banks "will earn as much in income from the Paycheck Protection Program as they reported in net revenue for all of 2019, according to one new analysis." However, the PPP has been a "massive headache" and carries both risk and cost. "Policymakers have repeatedly changed the guidance, several small businesses have filed lawsuits alleging banks favored larger clients, technical issues forced long hours, and the forgiveness process remains deeply uncertain – raising financial, legal and reputational risks," said S&P Global Market Intelligence in a new report. S&P Global "added the Office of the Comptroller of the Currency flagged PPP lending as a potential distraction for compliance with the bevy of regulations banks have to follow on a regular basis."

JPMorgan Dropped Clients That Got Deutsche Bank Into Regulatory Trouble.

Bloomberg (7/9, 4.73M) reports, "The trio of clients that got Deutsche Bank in regulatory trouble this week had a shared back story: They were all castoffs of JPMorgan Chase." Deutsche Bank, which was hit with a $150 million fine earlier this week for missing or disregarding compliance red flags for years, "moved millions of dollars across the globe for convicted sex offender Jeffrey Epstein in the past decade, and billions on behalf of international lenders Danske Bank A/S and FBME Bank Ltd." JPMorgan "stepped away from handling money for FBME in 2009" and "distanced from the others around 2013," after the OCC ordered the bank to clean up its anti-money-laundering controls.

Wells Fargo Planning To Cut Thousands Of Jobs.

Bloomberg (7/9, Levitt, 4.73M) reports Wells Fargo "is preparing to cut thousands of jobs starting later this year, potentially setting a bleak precedent for an industry that's been resisting mass layoffs as the coronavirus pandemic worsens." Pressure to cut costs "is coming to a head inside the bank, prompting executives to draft plans that may ultimately eliminate tens of thousands of positions, people with knowledge of the confidential talks said." CEO Charlie Scharf since taking the helm in October "has been reviewing Wells Fargo's businesses and developing strategy changes that were widely expected to include some reductions," but the bank still joined others "in pledging to suspend new job cuts when the pandemic began upending commerce and markets this year." While some including Goldman Sachs "have indicated they'll maintain their pledge through the end of the 2020," Wells Fargo "has been more conservative, implementing a shorter moratorium and then adjusting it, people with knowledge of the planning said."

Reuters (7/9), The Financial Times (7/9, Noonan, Armstrong, Subscription Publication, 1.34M), and Business Insider (7/9, 3.67M) provide similar coverage.

Wells Fargo Pledges Its $400M In PPP Fees To Help Small Businesses.

Reuters (7/9, Moise) reports Wells Fargo "will donate over $400 million toward helping small businesses recover from the coronavirus pandemic, giving away all proceeds from its participation in the Payroll Protection Program." At least $28 million "is earmarked for non-profit community lenders catering to Black entrepreneurs, the bank said."

American Banker (7/9, Kline, Subscription Publication, 31K) reports JPMorgan Chase, Bank of America, and Citigroup have made similar pledges but "haven't said how much they plan to give away in total." Wells' $400 million "will be split into three areas, according to Jenny Flores, head of small-business growth philanthropy. Flores said most of the money – $250 million – will be allocated to CDFIs, with a focus on Black and African American-owned small businesses." About $100 million in grants "will be distributed through economic development agencies and other organizations to help small businesses with long-term recovery, Flores said. The final $50 million is being directed to nonprofits that will assist small businesses with training, mentoring and other education so that those companies can adapt their business models as necessary."

Bloomberg (7/9, Levitt, 4.73M) provides similar coverage.

Wells Fargo Raises Balance Requirement For New Customers Seeking Jumbo Refinancing.

CNBC (7/9, Son, 3.62M) reports that for jumbo mortgage refinancing, "Wells Fargo is raising the bar for new customers" requiring them to "bring at least $1 million in balances if they want to refinance a jumbo mortgage, up from a previous level of $250,000." The bank also "did away with the $250,000 requirement for existing customers."

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Wells Fargo Names New Head Of Home Lending.

HousingWire (7/9, Falcon, 23K) reports, Wells Fargo "announced Kristy Fercho will join the company as the new head of Wells Fargo Home

Lending, beginning in August." The current head, Michael DeVito, is retiring. Fercho has been "president of the mortgage division at Flagstar Bank since 2017."

American Banker (7/9, Sinnock, Subscription Publication, 31K) reports Fercho "is also the vice chair of the Mortgage Bankers Association," and was "a senior vice president in Fannie Mae's single-family division."

Big Banks Back Climate Finance Center.

American Banker (7/9, Alix, Subscription Publication, 31K) reports JPMorgan Chase, Bank of America, Wells Fargo, and Goldman Sachs "have joined with a clean energy nonprofit to help accelerate the transition away from fossil fuels." The banks have provided financial support to launch the Rocky Mountain Institute's new Center for Climate-Aligned Finance, which "will focus broadly on developing practical solutions to help financial institutions navigate the challenges involved in the shift to renewable energy – as lenders, power consumers and corporate citizens."

Editorial Wrap-Up

New York Times.

"The Supreme Court Lets Trump Run Out The Clock." The New York Times (7/9, 18.61M) editorializes that President Trump "has again figured out how to game the legal system to his advantage," and "the bottom line is that" he "will almost certainly get to keep hiding his tax returns...and his other financial records from the American people."

Washington Post.

"The Court Rejects Trump's Imperious Arguments On Subpoenas, But It Doesn't Go Far Enough." In an editorial, the Washington Post (7/9, 14.2M) says the Supreme Court "effectively rewarded [President] Trump's policy of total noncooperation with Congress and other investigators, allowing him to foil attempts to scrutinize his behavior before the November election."

"The Sissi Regime Is Employing Hostage-taking To Interfere In U.S. Justice." The Washington Post (7/9, 14.2M) editorializes that former Egyptian Prime Minister Hazem el-Beblawi is the subject of a US lawsuit filed by an American citizen previously held as a political prisoner in Egypt, Mohamed Soltan. After Soltan filed the lawsuit, the regime of Abdel Fatah al-Sissihas "seized five of Mr. Soltan's cousins and informed their families that they will not be freed unless the suit is dropped. Its embassy in Washington is meanwhile demanding that the State Department intervene in the lawsuit on Mr. Beblawi's side, while warning that if it does not, the U.S.-Egyptian 'strategic relationship' will be endangered." The Post argues that "in effect, the Sissi regime is employing hostage taking and blackmail in an attempt to interfere with the U.S. judicial system."

Wall Street Journal.

"A Bad Day For The Presidency." The Wall Street Journal (7/9, Subscription Publication, 7.57M) editorializes that while President Trump can take solace in the fact that his records are unlikely to be public any time soon, Thursday's Supreme Court ruling weakens the presidency as an institution.

"Hating Clarence Thomas." A Wall Street Journal (7/9, Subscription Publication, 7.57M) editorial criticizes Twitter for failing to curb what it says were racist attacks against Justice Clarence Thomas Thursday in response to his dissenting votes in two Supreme Court decisions on Trump's tax records. The Journal calls on Twitter to label such racist tweets as hate speech.

"A U.K. Reversal On Huawei?" A Wall Street Journal (7/9, Subscription Publication, 7.57M) editorial praises a planned move by British Prime Minister Boris Johnson to end Huawei's role in Britain's 5G rollout.

"Joe Biden Vs. The Nuns." In an editorial, the Wall Street Journal (7/9, Subscription Publication, 7.57M) accuses Joe Biden of acting in a highly divisive manner as he threatens – in the Journal's view – to further harass a group of nuns and drag them back to court in order to defend controversial ACA provisions.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Supreme Court Paves The Way For NY Prosecutor To View Trump Taxes
China's Markets Rally On Optimism Economy Is Shaking Off Covid-19 Pandemic
College Football Season In Jeopardy As Big Ten Begins Canceling Games
Tyson Turns To Robot Butchers, Spurred By Coronavirus Outbreaks
Stuck At Home Because Of Covid, The French Discover France
Behind New Covid-19 Outbreaks: America's Patchwork of Policies

New York Times:

Supreme Court Rules Trump Cannot Block Release Of Financial Records

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A Conservative Court And Trump's Own Appointees Declare Their Independence
Landmark Supreme Court Ruling Affirms Native American Rights In Oklahoma
'Big Mess' Looms If Schools Don't Get Billions To Reopen Safely
These Scientist Raced To Find A Covid-19 Drug. Then The Virus Found Them.
In 'Buy American' Speech, Biden Challenges Trump On The Economy

Washington Post:
Much Of East Okla. Is Ruled Indian Land
Justices Reject Trump's Immunity Claims
President's Angry Reaction To Rulings Underscores Political Vulnerability
Growing Chorus Pushes For Renewed Shutdown Orders
Biden Plan Parries Trump On Economy
CDC Walks A Tightrope As Pandemic Meets Politics

Financial Times:
Global Allies Step Up Retaliation For China Crackdown In HK
UK And Australian Regulators Launch Probe Into Clearview AI
Wirecard Executive Jan Marsalek Touted Russian Nerve Gas Documents
Rolls-Royce Signals Revenue Drop Over Next 7 Rears
Violent Killing Of Cristina Fernández's Former Aide Roils Argentina
Polish State Media Puts Squeeze On Presidential Challenger
Banks In Hong Kong Audit Clients For Exposure To US Sanctions

Washington Times:
Black Lives Matter AWOL As Violence Claims Hundreds Of Black Victims
Biden Unveils 'Buy American' Economic Plan: 'Trump Has Simply Given Up'
Supreme Court Sides With Trump In Dispute Over Tax Records With House Democrats
FBI Shut Down Flynn Probe But Didn't Lock It Up
Dan Snyder Abandoned Washington Warriors Trademark As Recently As This Year
Seoul Mayor Faced Emerging Sexual Harassment Scandal, Reports Say

Story Lineup From Last Night's Network News:
ABC: Coronavirus-Rising Cases; Supreme Court-Trump Taxes; Michael Cohen; George Floyd; BLM-Trump Tower; Breonna Taylor; Biden-Economic Plan; Supreme Court-Native Americans; Tropical Storm Fay; Naya Rivera.
CBS: Coronavirus-Disney World; Coronavirus-Hospitals; Supreme Court-Trump Taxes; Michael Cohen; BLM-Trump Tower; Biden-Economic Plan; Tropical Storm Fay; Coronavirus-Vaccine; Breonna Taylor; Naya Rivera.
NBC: Coronavirus-Rising Cases; Supreme Court-Trump Taxes; Coronavirus-PPE Shortage; Coronavirus-Schools; Coronavirus-Camps; Tropical Storm Fay; Breonna Taylor; Colin Powell Interview; Naya Rivera.

Network TV At A Glance:
Coronavirus – 29 minutes, 10 seconds
Supreme Court – Trump Taxes – 10 minutes, 15 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Coronavirus-Fauci; Coronavirus-Arizona; Coronavirus-Kentucky; Coronavirus-Texas Republican Convention; Joint Chiefs-Confederate Symbols.
CBS: Coronavirus-Fauci; Coronavirus-School Reopening; Supreme Court-Trump Taxes; Michael Cohen; Breonna Taylor; Naya Rivera.
FOX: Supreme Court-Trump Taxes; Presidential Race-Polling; Salt Lake City Police Protests.
NPR: Supreme Court-Trump Taxes; Supreme Court-Native Americans; Joint Chiefs-Russian Bounties; Walmart Shooting Charges; Los Angeles Hanging; Serbian Protests; Notre Dame Cathedral.

Last Laughs

Late Night Political Humor.

Billy Eichner, Guest Host For Jimmy Kimmel: "Hollywood is under a lot of pressure to get back to work. But as Governor Gavin Newsom said today, 'Even with COVID rates spiking all over California, it's all worth it if we can achieve the cast of 'Barry.'"

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Billy Eichner: "Now as you may have heard, Donald Trump's niece Mary Trump is releasing a tell-all book about the President which is already selling well. And she just announced she's working on a series of children's books about the President, including 'Horton Withdraws from WHO,' 'The Taking Tree,' 'Cloudy With a Chance of White Supremacy,' and 'Goodnight Mooch.'"

Billy Eichner: "Joe Biden has opened up a double-digit lead over Trump in many polls. Although Trump does a little better among likely voters, and he's actually leading among voters likely to eat cascade. And pundits are saying it's Trump's failed response to COVID which has helped Joe Biden make such a big leap in the polls. That's because the virus has exposed Trump's flaws, and because it's forced Biden to wear a mask, which has allowed him to hide the fact that he looks like a Halloween decoration. Now don't get me wrong, I'm praying the man wins, but he looks like if you get too close to him, his eyes will turn red and he'll start singing 'Monster Mash' until you take out his batteries. And by that, I mean he'd be a major improvement."

Billy Eichner: "People are saying Biden's choice of a vice president will be critical. But I mean, really? We all know that it's going to be one of a handful of people. Do you think right at the last minute he's gonna throw us a curveball and pick, like, Christina Applegate?"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Visits Florida for briefing on drug trafficking from South America. Visits U.S. Southern Command in Doral, FL, to get a briefing on drug trafficking from South America. Also expected to hold a political fundraiser in Hillsboro Beach, Florida.
- Vice President Pence — No public schedule released.

***US Senate*:**

- Senate on recess from 2 Jul – 20 Jul

***US House*:**

- House Appropriations Committee markup hearing – Markup hearing on 'FY 2021 Interior, Environment, and Related Agencies Appropriations Bill' and 'FY 2021 Legislative Branch Appropriations Bill'

Location: Rm 1100, Longworth House Office Building, Washington, DC; 9:00 AM

- House Foreign Affairs and Oversight Committees hold joint deposition in probe of firing of State Department IG – House Committee on Foreign Affairs and House Committee on Oversight and Reform conduct joint deposition of State Department Senior Advisor Toni Porter, as part of their investigation into President Donald Trump's 15 May firing of State Department Inspector General Steve Linick and whether President Trump removed Linick in order to stop his office's work looking into Secretary of State Mike Pompeo's conduct; *10:00 AM*
- House Homeland Security subcommittee virtual hearing on coronavirus pandemic response – Emergency Preparedness, Response, & Recovery Subcommittee virtual hearing on 'Pandemic Response: Confronting the Unequal Impacts of COVID-19', with testimony from George Washington University Milken Institute School of Public Health Visiting Professor of Health Policy and Management Leana Wen; American Public Health Association Executive Director Georges Benjamin; and Institute for Diversity and Inclusion in Emergency Management co-founder and CEO Chauncia Willis; *12:00 PM*
- House Foreign Affairs subcommittee hearing on 'managing the Russian threat' – Europe, Eurasia, Energy, and the Environment Subcommittee hearing on 'With American Lives on the Line, Lessons for Managing the Russia Threat', held virtually via Cisco Webex, with testimony from former Secretary of Defense / former CIA Director / former White House Chief of Staff Leon Panetta * Last month, reports said that senior White House officials were aware as early as the beginning of 2019 of classified intelligence indicating that Russia was secretly offering bounties to the Taliban for killing U.S. troops; *12:00 PM*

***Cabinet Officers*:**

- No public schedules released

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***Visitors*:**

- No visitors scheduled

***This Town*:**

- Brookings discussion on 'Affordable housing for special-needs adults' – 'Affordable housing for special-needs adults' Brookings Institution Metropolitan Policy Program online event exploring strategies for addressing housing and community engagement for adults with disabilities, with Metropolitan Policy Program Fellow Jenny Schuetz, Main Street Connect founder and Chair of the Board Jillian Copeland, and Brookings Foreign Policy Senior Fellow Michael O'Hanlon; *10:00 AM*
- NPC online discussion on the newsroom and Black Lives Matter – 'Newsroom Leadership in the age of Black Lives Matter' National Press Club online discussion, with featured speakers including Indianapolis Star Executive Editor Katrice Hardy and The (Jackson) Clarion-Ledger Executive Editor Mary Irby-Jones; *11:30 AM*
- Johns Hopkins SAIS discussion on coronavirus – Johns Hopkins University SAIS and SNF Agora Institute online discussion on 'Protest, Activism, and Organizing', with Harvard Kennedy School's Erica Chenoweth, SAIS' Filipe Campante, and Binghamton University's Kanisha Bond; *12:00 PM*
- Hudson Institute event on the Tehran-Caracas relationship – Hudson Institute hosts Department of State Special Representative for Venezuela Elliott Abrams and Special Representative for Iran Brian Hook, who discuss the coordination between Venezuela and Iran; *12:00 PM*
- New America 'Crisis Conversations – Live From Better Life Lab' webinar – 'Crisis Conversations – Live From Better Life Lab' online discussion hosted by New America, with featured speakers including NA Better Life Lab Director Brigid Schulte, Center for American Progress Senior Fellow Jocelyn Frye, Closing the Women's Wealth Gap Initiative Deputy Director Dominique Derbigny, City University of New York John Jay College Economics Assistant Professor Dr Michelle Holder and Native Women Lead Co-Founder Jaime Gloshay; *1:00 PM*
- Dems Sen. Tammy Baldwin and Rep. David Cicilline discuss the Equality Act – Center for American Progress holds webinar on lobbying for the Equality Act, with speakers including Democrats Sen. Tammy Baldwin and Rep. David Cicilline, National LGBTQ Task Force Advocacy and Action Deputy Department Director Victoria Kirby York, Equality Federation Director of Advocacy and Civic Engagement Vivian Topping, CAP Government Affairs Vice President Laura Rodriguez, and LGBTQ Research and Communications Project Senior Director Sharita Gruberg; *7:00 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, JULY 9, 2020 6:00 AM EDT

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Treasury in the News

Lawmakers Press Mnuchin On Opportunity Zone Misuse.

Black Enterprise (7/8, McKinney, 2.57M) reports the House Oversight Subcommittee on Economic and Consumer Policy "is investigating the potential misuse of the Opportunity Zone Program." Reps. Raja Krishnamoorthi (D-IL) and Rashida Tlaib (D-MI), chair and member of the subcommittee respectively, "submitted a letter to U.S. Treasury Secretary Steven Mnuchin." The lawmakers said in the letter, "In particular, we are concerned about possible abuses in the Department's designation of certain census tracts as Qualified Opportunity Zones in Detroit, Los Angeles, and Oklahoma City. These areas appear unqualified for the program, and raise questions about whether Treasury's designations were done to benefit individuals or entities with a personal or political connection to President Trump."

Mnuchin's LA Country Club Got Millions In PPP Loans.

The Daily Beast (7/8, Bredderman, 1.39M) reports that Treasury Secretary Steven Mnuchin's country club, the Riviera County Club, "received $2 million to $5 million in assistance through the Paycheck Protection Program – a multibillion-dollar initiative intended to carry small businesses and their employees through the COVID-19 pandemic." The article says the club "reported that the federal aid preserved 159 jobs." Mnuchin, "whose Department of the Treasury has assisted in the operation of the program, disclosed his membership in the elite institution to the U.S. Senate during his confirmation process in 2017."

MarketWatch Analysis: Over 500,000 PPP Loan Recipients Are Listed As Retaining Zero Jobs.

MarketWatch (7/8, Passy, 1.67M) reports the PPP loan data "suggests that hundreds of thousands of businesses across the country got access to funds without indicating how many jobs would be saved." The SBA "has said the program has helped support about 51 million jobs. Yet, wrinkles in the data point to issues the federal government will face when keeping businesses accountable and in some cases to verify whether the loans they received will be forgiven. A MarketWatch analysis of the government data found that just over 554,000 small

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businesses who got PPP funds reported retaining zero jobs. Nearly 50,000 of these business had received loans larger than $150,000, and more than 300 have received loans between $5 million and $10 million."

Axios (7/8, Primack, 521K) reports the Treasury Department "is pointing the finger at lenders for errors discovered in Monday's PPP data disclosure." A "senior administration official" is quoted: "Companies listed had their PPP applications entered into SBA's Electronic Transmission (ETran) system by an approved PPP lender. If a lender did not cancel the loan in the ETran system, the loan is listed." That explanation "makes the most sense for phantom loans like the one listed for e-scooter company Bird, given that the SBA shouldn't otherwise have its financial information." However, it is still not known "how many errors were made."

The Wall Street Journal (7/8, Winkler, Subscription Publication, 7.57M) also reports.

Leading National News

Trump, Mexican President Meet At White House To Celebrate USMCA.

Coverage of President Trump's meeting at the White House Wednesday with Mexican President Andrés Manuel López Obrador casts it has politically motivated, and devotes little attention to the purpose of the visit: start of the United States-Mexico-Canada Agreement (USMCA). The story was not mentioned Wednesday night on the major network newscasts.

The Los Angeles Times (7/8, Wilkinson, 4.64M), for example, calls the visit "something of a head-scratcher," and says, "López Obrador has the most to lose," while Trump "has little to lose." Referring to "an enormously controversial trip," the Times says that "for Trump, the visit is a chance to mark a rare, concrete achievement – the trade agreement," while for López Obrador, it is "aimed at flattering Trump and minimizing the potential damage an American president can do."

The AP (7/8, Riechmann) reports in advance of the White House visit, "critics in Mexico worr[ied] their leader is being used [as] a political pawn to bolster Trump's reelection effort." NEC Director Kudlow said the two leaders "intended to sign a joint declaration of friendship and cooperation" and that "the trade deal would benefit automobile and other manufacturing, agriculture and dairy farmers and cattle ranchers."

The New York Times (7/8, Ahmed, Crowley, 18.61M) reports López Obrador "has avoided fighting the Trump administration," and "critics say he is too willing to bend to the American president's will." Before leaving for the US, López Obrador "vowed to be strong and not embarrass Mexico on his first trip abroad to meet President Trump." Many Mexicans, however, "have been angry at his decision to meet with Mr. Trump." The visit "is officially intended to celebrate the new trade agreement between the United States, Canada and Mexico," but Canadian Prime Minister Justin Trudeau "decided not to come."

The Fox News (7/8, Shaw, 27.59M) website reports Trump and López Obrador held a bilateral meeting "before signing a joint declaration in the Rose Garden, where both leaders paid tribute to the U.S.-Mexican relationship." Said Trump, "The relationship between US and Mexico has never been closer than it is right now. ... Today we celebrate the historic victory we achieved together just days ago when NAFTA was officially terminated, one of the worst trade deals in history, and replaced with a brand new beautiful USMCA."

For his part, Reuters (7/8, Alper, Mason) reports López Obrador "lavished praise on...Trump at their first meeting on Wednesday, saying the U.S. leader treated Mexico with respect." He is quoted as saying, "What I most appreciate is that you have never tried to impose anything on us that violates or damages our sovereignty. You have never attempted to treat us like a colony. I am here to say to the people of the United States that your president has treated us with kindness and respect."

USA Today (7/8, Jackson, Subramanian, 10.31M) similarly highlights the mutual praise expressed by the two leaders. Trump, it says, "couldn't have been nicer" to López Obrador, who "returned the favor...thanking his host for 'the help you have given us' on issues ranging from trade to battling COVID-19." The Wall Street Journal (7/8, Lubold, Montes, Subscription Publication, 7.57M) runs a similar report under the headline "Trump, López Obrador Tout Cooperation."

National Security Advisor O'Brien said on Fox Business' Lou Dobbs Tonight (7/8, 49K) that the meetings were "extraordinarily cordial between the presidents and the two delegations. We're making a lot of progress on various issues." O'Brien added that "nobody thought this would be possible. President López Obrador said this, he said people wouldn't believe this. But when you look at what President Trump has done, he's built the wall. Immigration is down dramatically. Part of that is the wall, part of it is also because the Mexicans have deployed 27,000 troops to their border. ... We've got a lot in common with Mexico. And, of course, a lot of folks in the media would ignore that." O'Brien told Nexstar . (7/8, 7K) the two Presidents were discussing the coronavirus response as well as "how we get our economies moving again post-corona." O'Brien was also interviewed on the Larry O'Connor Show (7/8).

AFP (7/8, Tandon, Tandon, Navarro) reports that "despite coming from opposite sides of the political spectrum, Trump and López Obrador have also been cooperating in the US leader's efforts to stop Central Americans seeking asylum in the United States as they flee violence." Forbes (7/8, Roberts, 9.71M), however, says "it's a safe bet they didn't talk a great deal about" how "US-Mexico trade was off 53.58%, a greater percentage than for any top 20 US trade partner."

Bloomberg (7/8, Sink, Martin, 4.73M) reports the meeting came "as both leaders are grappling with questions over their approach to a coronavirus pandemic that continues to rage in their countries." To the Washington Post (7/8, Nakamura, Lynch, 14.2M), Wednesday's ceremony "represented an attempt from the White House at counterprogramming as Trump has faced tumbling public approval over his handling of the pandemic and the mass demonstrations for racial justice across the country."

Along similar lines, the New York Times (7/8, Crowley, 18.61M) says the visit "provides a welcome distraction for Mr. Trump and Mr. López Obrador, who have both been criticized for inadequate responses to the pandemic." Politico (7/8, Bade, Rodriguez, 4.29M) has a

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similar report under the headline "Pandemic Looms Over Trump Trade Day With Mexican President."

Kudlow: Data Shows V-Shaped Recovery, USMCA Will Provide "Huge Boost." Asked on CNBC's Squawk Box (7/8, 220K) if the "negative news" regarding the pandemic might "translate into the economy decelerating in its recovery," Kudlow said, "I don't see it yet, but one cannot rule out." Instead, he added, "virtually every piece of data shows a v-shaped recovery now." He concluded, "It's a big country most of it's doing rather well; some of it is in trouble here. I get that."

On Fox News (7/8, 27.59M), Kudlow said, "I think we'll get out of this pretty well and it will not stop the v-shaped recovery." Also, Kudlow said, "We're getting along very well with President Obrador, and they are going to sign a joint declaration today with friendship and cooperation. More to the point, the USMCA deal is like it gets no respect, it's NAFTA 2.0 or whatever you want to call it, it is far more important in terms of dollars and cents and trade than frankly the China Phase I deal. In fact it's about two times, maybe a little more than two times as important."

Nexstar (7/8, 7K) Washington correspondent Trevor Shirley reported that Commerce Secretary Ross "says the pandemic should not hurt the trade deal's rollout." Ross: "The USMCA is a long term agreement its not just for the next few months." Shirley added that Mexico's manufacturing sector is "only working at about 50% because of the coronavirus." Ross: "Obviously at 50%, nobody makes any money." Shirley added that Ross "admits USMCA's full benefit might arrive more slowly than expected." Ross: "So there is a little bit of a time delay that will occur."

US Ambassador to Mexico Christopher Landau told Sinclair Broadcasting Group (7/8, 16K), "The USMCA creates a much more level playing field by really building on Mexico's recent changes in its labor laws which brought trade unionism to Mexico, real trade unionism for the first time in its history. so we know this agreement is going to protect American jobs and make sure that there's fairness in trade, not just free trade but fair trade." Landau told Gray Television (7/8, 32K), "I think one of the things we have learned through this health and economic crisis is essentially the reevaluation and realignment of our supply chains. One of the things that we had to deal with was whether from the health sectors or the defense sectors to really look where these supply chains are based. Obviously, those that were east to west from China have created national security complications for us."

López Obrador Visits Lincoln Memorial. President López Obrador tweeted, "Ofrenda en el Monumento a Abraham Lincoln, desde Washington, EE. UU." The tweet also included a picture of the Mexican leader standing in front of the Lincoln Memorial.

Trump Touts Job Growth, Economic Recovery.

President Trump took to Twitter Wednesday to write, "Economy and Jobs are growing MUCH faster than anyone (except me!) expected. Job growth is biggest in history. China Virus Mortality Rate is among the LOWEST of any country. Shaping up for a good third quarter, and a great next year! NASDAQ at new record high, 401k's way up!!!!"

Trump Says He Would "Absolutely Veto" New Stimulus Package Without Payroll Tax Cut.

Jessi Turnure of Nexstar (7/8, 3K) reported that "a priority in the next and likely final round of coronavirus relief [that] President Trump said is not up for negotiation is a tax cut. The President is insisting on a payroll tax cut that would make paychecks larger but reduce funding for government programs like social security and medicare." Asked if he would veto a measure that did not include a payroll tax cut, Trump said, "If it didn't include what we think we need for the economy and for jobs, I would absolutely veto it. Yes."

DOJ Looking Into Whether Wirecard Played A Role In Alleged Bank Fraud Conspiracy.

The Wall Street Journal (7/8, O'Brien, Chung, Kowsmann, Subscription Publication, 7.57M) reports the Justice Department is investigating whether German payment company Wirecard had a role in an alleged $100 million bank fraud conspiracy tied to online marijuana sales. The Manhattan US Attorney's office and the New York field office of the Federal Bureau of Investigation are probing whether Wirecard provided services as a payment processor and an offshore merchant bank.

Judge Tosses GM's Racketeering Lawsuit Against Fiat Chrysler.

The Wall Street Journal (7/8, Colias, Subscription Publication, 7.57M) reports a federal judge on Wednesday dismissed a General Motors civil racketeering lawsuit against Fiat Chrysler Automobiles. GM in November had filed a lawsuit accusing Fiat Chrysler of bribing United Auto Workers officials to gain advantages on labor costs.

The Detroit News (7/8, Hall, 825K) reports GM said in a statement: "We strongly disagree with the District Court's order and will pursue our legal remedies. There is more than enough evidence from the guilty pleas of former FCA executives to conclude that the company engaged in racketeering, our complaint was timely and showed in detail how their multi-million dollar bribes caused direct harm to GM. The district court's opinion is contrary to well-settled RICO case law and would let wrong-doers off the hook for the massive harm caused by their criminal conspiracy."

GM Names Cadillac Boss To Lead North America. The Detroit Free Press (7/8, LaReau, 1.52M) reports General Motors has named Steve Carlisle, president of Cadillac, to replace Barry Engle, who is leaving the company and his position as executive vice president and president of North America. With the leadership change, "GM will have one sales, service and marketing leader across its full portfolio of automotive and connected services brands in North America, including Chevrolet, Buick, GMC, Cadillac, OnStar, ACDelco and GM Genuine

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Parts." Carlisle will report to GM President Mark Reuss.

United Airlines To Notify 36,000 Employees Of Possible Furlough Beginning October 1.

The Washington Post (7/8, Aratani, 14.2M) reports, "United Airlines announced Wednesday that despite receiving billions in federal aid, it may furlough as many as 36,000 employees," or "more than one-third" of its employees. Under the CARES Act, airlines are required "to keep front-line workers on the job through Sept. 30." The proposed furloughs would take effect October 1. The company announced, "United simply cannot continue at our current payroll level past October 1 in an environment where travel demand is so depressed." The number of furloughs would be reduced by employees accepting "early retirement, voluntary separation or other programs."

The Wall Street Journal (7/8, Cameron, Subscription Publication, 7.57M) reports United would furlough nearly half of its US employees. The company has 95,000 employees worldwide. Jo Ling Kent of NBC Nightly News (7/8, story 7, 2:00, Holt, 5.84M) reported, "every part" of the company "would be hit hard," including, "15,000 flight attendants, more than 11,000 customer service and gate agents, 5,500 mechanics, and more than 2,000 pilots along with hundreds of food service workers and reservations agents."

The AP (7/8, Koenig) reports that United is receiving "$5 billion...as its share of $25 billion in federal aid to help airlines cover payroll costs."

Reuters (7/8, Rucinski) reports the company also said that while it will send 36,000 furlough notices, the final result will depend on demand for airline travel "and how many employees accept early exit packages and temporary leaves."

USA Today (7/8, Gilbertson, 10.31M) reports the company "has been warning employees for months that mass layoffs loom if travel doesn't rebound."

Brooks Brothers Files For Bankruptcy.

The Wall Street Journal (7/8, Kapner, Biswas, Subscription Publication, 7.57M) reports Brooks Brothers, owned by Italian businessman Claudio Del Vecchio, has filed for bankruptcy. The company is seeking a buyer. The AP (7/8) reports the company is "one of the few national chains that produced its clothing in the U.S."

The Washington Post (7/8, Bogage, Bhattarai, 14.2M) reports it will "close 51 of its 250 North American stores and will halt production at its factories in Massachusetts, North Carolina and New York in mid-August, which produce less than 7 percent of its finished goods."

Tesla's Soaring Stock Has Musk In Reach Of $1.8B Payday.

Reuters (7/8, Randewich) reports Tesla's "blistering stock rally is putting Chief Executive Elon Musk in reach of a payday potentially worth $1.8 billion, his second jackpot from the electric car maker in about two months." Driven by "stronger-than-expected car deliveries, shares of Tesla have surged over 40% in the past seven sessions, elevating the company's market capitalization to $259 billion." The automaker's "six-month average market capitalization has reached a record $138 billion," and "hitting a six-month average market capitalization of $150 billion would trigger the vesting of the second of 12 tranches of options granted to the billionaire to buy Tesla stock as part of his 2018 pay package."

WPost: Despite Some Questionable Loans, PPP Helped Save Jobs.

The Washington Post (7/8, Board, 14.2M) says in an editorial that data released this week on the "largest beneficiaries" of the Paycheck Protection Program "proved that millions of dollars worth of forgivable low-interest loans – tantamount to grants – landed at not-so-small and not-so-obviously-needy firms and nonprofits." While the Post highlights several such examples, it says the "declining unemployment rates of the past two months suggest this broad approach did indeed help save jobs, mostly at small firms." The Post adds that in the "next economic support package, Congress should target a narrower range of small businesses – while allowing those firms to spend the money for a wider range of purposes, beyond maintaining payroll."

Gramm, Solon: Voters Face Choice Between Growth Or Stagnation.

In an op-ed for the Wall Street Journal (7/8, Gramm, Solon, Subscription Publication, 7.57M), ex-Sen. Phil Gramm (R-TX) and Mike Solon, a partner of US Policy Metrics, write that before the pandemic, the US economy was booming because of President Trump's pro-growth policies of tax cuts and deregulation. Now, Joe Biden is proposing "to transform" the economy, including a rollback of tax cuts, but that will only result in a repeat of the stagnation during the Obama-Biden years, the authors argue.

US Registered Record 60,000 New COVID Cases Wednesday.

USA Today (7/8, Cava, Ortiz, 10.31M) reports the US "now has 3 million documented cases of COVID-19." USA Today adds that while it took "a little more than three months to hit 1 million cases on April 28," and "44 days, to get to 2 million on June 11, and only 26 days to reach 3 million on July 8." Meanwhile, "the number of those killed by the virus – 131,000 – hasn't spiked." The Wall Street Journal (7/8, Ansari, Lucey, Subscription Publication, 7.57M) says the US reported about 60,000 new coronavirus cases, a single-day record, on Wednesday.

David Muir reported on ABC World News Tonight (7/8, lead story, 4:30, 6.99M) that the "sobering milestone" of 3 million cases comes "after a record 60,000 cases reported in just 24 hours in this country. More than 132,000 lives have been lost; more than 800

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Americans dying in just the last 24 hours." On the CBS Evening News (7/8, lead story, 4:20, 4.23M), Norah O'Donnell reported, "A surge of new infections in Florida, Texas, Arizona, and California pushed the US past three million confirmed cases today, but didn't stop President Trump from ignoring the advice of his own health experts, threatening to pull federal funding from schools that don't fully reopen this fall."

The Washington Post (7/8, Janes, Stanley-Becker, Bernstein, Partlow, 14.2M) reports, "In pandemic hot-spot states such as Florida, Arizona, California and Texas, hospitals are adding new intensive care unit beds and special air flow systems to treat the growing demand as virus hospitalizations set records almost daily." The New York Times (7/8, Jacobs, 18.61M) reports, "Hospitals, nursing homes and private medical practices are facing a problem many had hoped would be resolved by now: a dire shortage of respirator masks, isolation gowns and disposable gloves that protect front-line medical workers from infection." The CBS Evening News (7/8, story 4, 2:05, O'Donnell, 4.23M) reported that in Texas, Gov. Greg Abbott (R) "previously warned that a 10% rate of positive test would be a red flag for the state. ... The rate there is even higher, and that is being felt in the state's hospitals."

On the CBS Evening News (7/8, story 5, 1:45, O'Donnell, 4.23M), Carter Evans reported, "In California there is a dwindling supply of protective equipment." One nurse "says she is wearing donated gear and has to wipe down her gown between patients. ... She gets one mask per shift, seeing both COVID patients and people who are not infected."

HHS Secretary Azar said on Fox News @ Night (7/8), "We are seeing a serious surge in cases. It's a serious healthcare situation. But it's a very different situation than what we saw a couple of months ago, say in New York. The average age of individuals testing positive is decades younger than what we've been used to. Many governors are reporting average cases in their thirties. ... We don't want anyone to get coronavirus, but younger individuals do much better from a health perspective in terms of their prognosis and recovery."

Fauci Says US Is Seeing "Exponential Growth" In New COVID Cases. USA Today (7/8, Behrmann, 10.31M) reports NIAID Director Fauci said Wednesday that states "need to face problems with their coronavirus responses because 'if you don't admit it, you can't correct it.'" Fauci told a Wall Street Journal podcast, "What we're seeing is exponential growth, it went from an average of about 20,000 to 40,000 and 50,000. That's doubling."

Trump Says He Is "Very Flexible" About GOP Convention Plans.

McClatchy (7/8, Osasio, 19K) reports President Trump "says he's now 'flexible' on his original plans to hold a large Republican National Convention in Jacksonville." In an interview with Gray Television's Greta Van Susteren, Trump said, "We're always looking at different things. When we signed in Jacksonville, we wanted to be in North Carolina. ... We're very flexible. We can do a lot of things, but we're very flexible."

Tulsa Health Official Links Rise In Cases To Trump Rally. USA Today (7/8, Santucci, 10.31M) reports President Trump's June 20 Tulsa, Oklahoma rally, "along with protests at the time, were 'likely' a contributing factor in a recent surge of cases" in the city, according to Tulsa Health Department Executive Director Bruce Dart. The New York Times (7/8, Astor, 18.61M) reports Tulsa County "reported 206 new confirmed cases on Tuesday and 261 – a record high – on Monday." Dart said at a news conference, "The past two days we've had almost 500 cases, and we know we had several large events a little over two weeks ago, which is about right. So I guess we just connect the dots."

Pence: White House Sees "Early Indications" Florida Outbreak Is Slowing.

The Miami Herald (7/8, Chambers, 1.09M) reports Vice President Pence said Wednesday that the White House coronavirus task force "sees 'early indications' that the COVID-19 outbreak in Florida is abating." The state "reported 9,989 additional cases on Wednesday, making it the fourth highest single-day total on record for COVID-19 cases in the state."

Navarro Says Hydrodxychloroquine Study May Prove Trump Was Right.

Director of Trade and Manufacturing Policy Navarro said on Newsmax TV (7/8, 431K) that hydrodxychloroquine is "a medicine that has been used for more than 60 years, safely. ... The Detroit study last week was path-breaking. ... It works, according to that study. If that study is right, Donald Trump was absolutely right that this is an important medicine."

Azar: Federal Government Sending Medical Teams To Texas.

KTVT-TV Dallas (7/8, 83K) reported that HHS Secretary Azar says "the federal government is sending medical teams to north Texas and San Antonio as well. This as coronavirus cases and hospitalizations continue to rise." Azar: "And we are continuing to advance on getting additional DOD and HHS personnel in their in addition to supporting Texas with hiring contract doctors, nurses, and nurses' aides from elsewhere in the country to surge in and make sure those facilities are available."

TSA Administrator Orders New Safety Precautions After Whistleblower Meeting.

The Washington Post (7/8, Duncan, 14.2M) reports TSA Administrator Pekoske "ordered new coronavirus safety precautions last week after meeting with a whistleblower who alleged that the agency wasn't doing enough to protect employees and travelers, according to the whistleblower's attorney." The new measures "require officers to wear eye protection when they are in close contact with travelers" and are not protected by a plastic screen. Officers "must also change their gloves or sanitize them after patting down passengers, handling identification documents or checking in luggage."

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White House Cites Pandemic As Reason For Delay In Trump's Financial Disclosure.

The New York Times (7/8, Eder, Protess, 18.61M) reports President Trump's required annual financial disclosure report "was due to be released more than a week ago. But the filing, the only official public document detailing his personal finances, was not published, and neither the White House nor federal ethics officials offered a public explanation." On Wednesday evening, a White House official said the President "had requested a deadline extension because the report was 'complicated' and the president had 'been focused on addressing the coronavirus crisis and other matters.'"

Americans Face Delays In Processing COVID-19 Tests.

The AP (7/8, Weber, Coronado) reports on COVID-19 testing, saying that Americans "are facing long lines at testing sites and going a week or more without receiving a diagnosis," due to "shortages of materials" and "workers to process the tests." The US is processing "about 640,000 on average, an increase from around 518,000 two weeks ago," while "new confirmed infections per day in the U.S. are running at over 50,000." NBC Nightly News (7/8, story 4, 2:45, Holt, 5.84M) ran a feature on testing woes in several states.

States Find That Testing Alone, Once Virus Has Spread, Is Less Useful.

The New York Times (7/8, Stolberg, 18.61M) reports states are finding that once they get sufficiently high spreading of coronavirus in their borders, no amount of testing can adequately address the impact and allow a state's economy to reopen faster. Assistant HHS Secretary for Health Adm. Brett Giroir has warned "that testing without other public health interventions – contact tracing, isolating the sick, social distancing and wearing masks – would be of little use."

Website Launched To Enroll Volunteers For Vaccine Trial.

The Washington Post (7/8, Johnson, 14.2M) reports, "A network of more than 100 clinical trial sites at hospitals and medical clinics across the United States will take on the unprecedented challenge of testing covid-19 vaccines and other preventive treatments." The COVID-19 Prevention Trials Network "launched with a website for volunteers to join the roster of people to be considered when the first trials begin later this month."

Pharmaceutical Executives Call For Plan To Develop New Drugs To Fight "Superbugs."

In an op-ed for the Wall Street Journal (7/8, Ricks, Kutay, Subscription Publication, 7.57M), David A. Ricks, Chairman and CEO of Eli Lilly & Co., and Kasim Kutay, CEO of Novo Holdings A/S, warn about the growing threat of antimicrobial resistance, which in 30 years, is projected to cause 10 million deaths annually around the world. They call for leadership, from both governments and businesses, to meet the challenge of developing new antibiotics to combat superbugs.

Study Finds Common Heartburn Medication Can Increase COVID Risk.

The CBS Evening News (7/8, story 9, 0:30, O'Donnell, 4.23M) reported, "Heartburn medication used by millions can increase the risk of coronavirus. Researchers at Cedars-Sinai say patients who use proton pump inhibitor medications have between two and nearly four times the risk of testing positive for COVID-19 when exposed."

Cuomo Under Scrutiny Over Coronavirus Deaths In New York Nursing Homes.

The New York Times (7/8, Ferré-Sadurní, Harris, 18.61M) reports the effort to make sense of New York's high nursing home death toll amid the pandemic has "become politically charged, with Republican lawmakers using the deaths to try to undermine" Gov. Andrew Cuomo (D), "who has largely been praised for helping New York State to rein in the outbreak." A directive that Cuomo ordered in late March "effectively ordering nursing homes to accept coronavirus patients from hospitals" has spurred calls "for hearings and independent investigations to determine if the state's actions played a role in the high death toll." On Monday, the Cuomo Administration returned fire, releasing a report that blames "the 37,500 nursing home workers – about a quarter of the state's total nursing home staff – who became infected since mid-March, unknowingly transmitting the virus to residents."

Fox Analysis: CNN Glossed Over Report On Nursing Home Deaths In New York. Fox News (7/8, Flood, 27.59M) reports on its website, "CNN continues to ignore or downplay news that is harmful" to Cuomo, "whose younger brother anchors the network's most popular show, failing to mention a new report linking a controversial decision by Gov. Cuomo to thousands of deaths inside his state's nursing homes." The AP reported on Monday that "New York hospitals released more than 6,300 recovering coronavirus patients into nursing homes during the height" of the pandemic under a "controversial, now-scrapped policy." But "a search of transcripts revealed that CNN completely ignored the AP report on air Monday and Tuesday with absolutely zero coverage."

NYTimes Analysis: Churches Responsible For More Than 650 Cases.

The New York Times (7/8, Conger, Healy, Tompkins, 18.61M) reports, "Weeks after President Trump demanded that America's shuttered houses of worship be allowed to reopen, new outbreaks of the coronavirus are surging through churches across the country where services

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have resumed." The Times adds, "More than 650 coronavirus cases have been linked to nearly 40 churches and religious events across the United States since the beginning of the pandemic."

Ivy League Cancels Fall Sports.

On the CBS Evening News (7/8, story 3, 0:15, O'Donnell, 4.23M), Ben Tracy reported the Ivy League has "cancelled all sports programs until January due to coronavirus concerns." Other major college conferences are "still hoping to play," but "it is just not clear how they will make that happen."

Disney World Set To Reopen Thursday With Strict Safety Rules.

The Wall Street Journal (7/8, Schwartzel, Watson, Subscription Publication, 7.57M) reports Disney World is set to welcome back guests on Thursday under a phased reopening plan, amid soaring coronavirus cases in Florida. The theme park will open with a strict capacity limit and a mandatory mask rule.

Give Essential Links Essential Workers With Donors.

ABC World News Tonight (7/8, story 12, 2:00, Muir, 6.99M) ran a feature on Give Essential, an organization started by a group of college students to link "essential workers in need with donors across the country. Since launching in April, they have now connected more than 15,000 essential workers and donors in 49 states, nearly $500,000 in donations."

Trump: "People Should Stand Proudly For The National Anthem."

In an interview with Nexstar (7/8, 3K) Washington Correspondent Jessi Turnure, President Trump said of the NFL's consideration of playing the "Black national anthem" before games in the first week of its season, "When you say the Black national anthem, I know we're playing the National Anthem and I think people should stand proudly for the National Anthem."

Trump: NASCAR's Confederate Flag Ban Violates First Amendment.

Nexstar (7/8, 3K) Washington Correspondent Jessi Turnure reported that in a one-on-one interview with President Trump "told me when it comes to his stance on the Confederate flag, he relies on the First Amendment." Trump: "It's freedom of speech. You do what you do." Turnure added, "Even though President Trump has suggested with tweets that NASCAR made a mistake in banning the flag." Trump: "Well, I don't think they were critical. I was just talking about the fact that NASCAR chose to go a certain way, and that's going to be up to them. That is up to them. I'm very friendly with NASCAR. I know the people there. I know drivers. I know a lot of them, but I view it as freedom of speech."

Barr: Lafayette Square Was Not Cleared "To Set Up A Photo-Op."

In an interview with ABC World News Tonight (7/8, story 3, 2:45, Muir, 6.99M), Attorney General Barr discussed the clearing of Lafayette Square on June 1. Barr said, "The plan was to move the demonstrators up toward I Street. It was not done to set up a photo-op." Asked about systemic racism in law enforcement, Barr said, "I do think that it is a widespread phenomenon that African American males, particularly, are treated with extra suspicion and maybe not given the benefit of the doubt."

Rights Groups: DC Police Aided Clearing Of Lafayette Square. The Washington Post (7/8, Hsu, Hermann, 14.2M) reports "civil rights groups on Wednesday accused D.C. police of assisting federal authorities who forcibly cleared Lafayette Square on June 1 ahead of President Trump's visit to a nearby church." In a federal lawsuit "that added the District government and officers as defendants," the groups suing on behalf of protesters accuse the Administration of violating demonstrators' constitutional rights in an "unprovoked and frankly criminal attack."

Wolf: State And Local Leaders Can Request Help To Combat Increase In Crime.

Maria Bartiromo on Fox Business (7/8, 152K) asked Acting DHS Secretary Wolf about the rising violence in large American cities. Wolf said the events are "a direct effect" from talking "about defunding police or law enforcement, attacking law enforcement, politicizing what law enforcement does. Criminals are really taking notice of this. Criminals at core are violent opportunists seeing that opportunity to take advantage to do violent acts across the country." Wolf added, "The President has been clear" that if the state and local governments "can no longer protect cities they need to call federal government." Wolf also said that "if they don't want to go through the National Guard, we can provide civil law enforcement."

The Washington Times (7/8, Boyer, 492K) reports the Administration is "surging federal law-enforcement agents into Kansas City, Missouri, to fight a wave of violent crime, the White House said Wednesday." Attorney General Barr is "launching the operation within the next 10 days with FBI agents, U.S. marshals, Drug Enforcement Administration agents and officials from the Bureau of Alcohol, Tobacco, Firearms and Explosives to help suppress what the White House called a 'tragic' rise in violence."

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Tim Scott Says Police Reform Bill Is Not Dead.

The Washington Times (7/8, Mordock, 492K) reports Sen. Tim Scott (R-SC) said Wednesday a bill he authored on police reform "is not dead and he expects an agreement with the Democrat-controlled House in the next few weeks." Speaking with reporters at a press event with Attorney General Barr, "Scott said he has talked with House Democrats about reaching a deal." Said the senator, "Folks are now calling me about the legislation from the other side, suggesting perhaps it is not dead. We may have a Lazarus moment."

Biden Says Police Have "Become The Enemy," Should Be Defunded.

Townhall (7/8, Pavlich, 177K) reports, "It's clear Joe Biden's far left advisers are starting to change his stance on policing in America." During an interview Wednesday with This Now, "Biden said the police are over militarized, have 'become the enemy' and said funding should 'absolutely' be reallocated elsewhere. In other words, he's advocating for the defunding of law enforcement," just three weeks after he "claimed he did not support defunding the police."

Ferguson: Calls To Defund Police "Ludicrous." Rep. Drew Ferguson (R-GA) said on the John Fredericks Show (7/8), "Americans don't want mob rule. They don't to go down this pathway. They want to add to our history, not take away from it. They want to feel safe in their homes. We still have a lot of people in this country that intend to do harm to our fellow Americans. ... We have a dedicated group of men and women that are willing to put their lives on the line every single day in law enforcement to gout and defend our safety." Ferguson said calls to defund the police are "ludicrous and we have to go in a different direction."

Sen. Kennedy Labels "Squad" Members "Marxists."

The Washington Times (7/8, Richardson, 492K) reports, "Not surprisingly," Sen. John Kennedy (R-LA) "didn't mince words when asked about defund-the-police legislation proposed by" Reps. Ayanna Pressley (D-MA) and Rashida Tlaib (D-MI), "describing the two left-wing Democrats as 'Marxists.'" On Fox News' The Story, Kennedy said, "I think it's great that we live in a country where the two congresswomen have the right to say what they want, but we also have the right to disagree with them. I believe in free enterprise. They're Marxists."

Breitbart (7/8, Bleau, 673K) reports Pressley and Tlaib and are leading an effort by the "far left" to push a measure called the "BREATHE Act." The legislation "aims to overhaul the U.S. criminal justice system, providing a range of radical changes – from defunding the police and Immigration and Customs Enforcement (ICE) to establishing a commission tasked with designing reparations for victims of 'mass criminalization.'"

Poll: Republican Support For Protests Waning.

The New York Times (7/8, Russonello, 18.61M) reports that "most Americans continue to support the nationwide protests against racial injustice, but with President Trump issuing an ever-more-combative barrage of attacks, new polling shows that some Republicans have grown wary of demonstrators' demands and retreated toward saying that racism is not in fact a big problem in the United States." Early last month, "many polls showed the emergence of a rare consensus around calls for racial justice and changes to policing," but a Monmouth University survey released Wednesday "found that at the end of last month, just 40 percent of Republicans still said racism was a big problem, a drop of 15 percentage points from four weeks earlier."

Transcripts: Floyd Warned Police He Would Die Because He Couldn't Breathe.

The Washington Post (7/8, A1, Bailey, 14.2M) reports George Floyd "repeatedly begged police officers not to shoot him and complained of being claustrophobic as they tried to place him in a squad car in the minutes before he was killed," according to transcripts of police body camera footage from the scene released Wednesday. The transcripts "make clear that Floyd was trying to cooperate with police but was deathly afraid of them, at times telling them that he had had covid-19 and was worried that he was going to die because he couldn't breathe." As officers sat atop him, Floyd said according to the transcripts, "They going to kill me. They're going to kill me man."

The New York Times (7/8, Oppel, 18.61M) reports the transcripts show "Floyd told officers more than 20 times that he could not breathe." To the Times, the transcripts "offer one of the most thorough and dramatic accounts yet of the moments before Mr. Floyd's death."

The CBS Evening News (7/8, story 6, 0:25, O'Donnell, 4.23M) said the transcripts also show that former officer Thomas Lain, "who held Floyd's legs while fellow officer Derek Chauvin held a knee to Floyd's neck," asked Chauvin "whether Floyd should be turned on to his side. Chauvin refused." NBC Nightly News (7/8, story 8, 0:30, Holt, 5.84M) said, "At one point Floyd cries out for his late mother saying, quote, 'I love you. Tell my kids I love them. I'm dead.'"

New York AG Calls For Stripping NYPD Control From Mayor.

The New York Times (7/8, Watkins, 18.61M) reports a series of police misconduct by the NYPD at protests "were described in a lengthy report that the state attorney general released Wednesday after hearings." Saying the protests had "shaken New Yorkers' belief in the Police Department, the attorney general, Letitia James, recommended that an independent panel – not the mayor – should appoint the police commissioner and oversee the hiring and firing of officers." Said James, "It is impossible to that many New Yorkers have lost faith in law enforcement. I believe we need to bridge the undeniable divide between police and the public."

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Man Accosted In Central Park Confrontation Refuses To Cooperate With Police.

ABC World News Tonight (7/8, story 10, 0:30, Muir, 6.99M) reported on a "new turn after that Central Park confrontation. Amy Cooper facing charges for calling police on a Black man, a bird watcher, accused of falsely reporting he was threatening her. The man, Chris Cooper, now says he will not cooperate with the prosecution." Appearing on "The View," Cooper said "he has accepted her apology."

Indiana Prosecutors Reviewing Racist Attack On Black Man.

NBC Nightly News (7/8, story 9, 2:00, Holt, 5.84M) reported, "Growing outrage in Indiana is sparking protests and demands for justice after the release of a disturbing video capturing what some say was a racist attack." NBC (Patterson): "Video captured by a bystander and posted online by Vauhxx Booker appears to show him pinned on a tree on all fours in what he described as an attempted lynching. ... Authorities say they responded to the scene for a report of a battery. No arrest were made, but an investigation is ongoing. Tonight the prosecutor's office tells NBC News once the investigation is complete, it will review the case and determine what charges are appropriate."

Tech CEO Launches Verbal Racist Attack Against Asian American Family.

ABC World News Tonight (7/8, story 7, 1:25, Muir, 6.99M) reported on video "of the CEO of a tech company lashing out an Asian American family while at a restaurant in California." ABC (Hartung): "The Orosa Chan family were celebrating a birthday...on the Fourth of July, when they say a man at the table next to them began berating them." The man, identified as Michael Lofthouse, "unleashing a string of racist obscenities at the group." Lofthouse, the CEO of a tech company called Solid8, "later apologized, writing, 'My behavior in the video is appalling. This was clearly a moment where I lost control and made incredibly hurtful and divisive comments.'"

The CBS Evening News (7/8, story 7, 2:00, O'Donnell, 4.23M) reported that "since the COVID crisis began, many Asian Americans have been targeted by racial slurs and even physical attacks. And incidents like these are now at an all-time high."

Vox Employees React After Journalist Signs "Cancel Culture" Letter.

The Fox News (7/8, Wulfsohn, 27.59M) website reports that "several staffers at Vox have taken to Twitter after journalist Matthew Yglesias signed the open letter decrying 'cancel culture.'" Yglesias was "one of 150 signatories" of a letter to Harper's Magazine, "including other liberal writers, professors and activists who came together to defend civil debate in the face of social media callouts that have become ubiquitous in recent years." However, "Vox critic at large Emily VanDerWerff released a letter of her own that she had written to Vox editors voicing her concerns of Yglesias' inclusion in the anti-cancel culture letter."

WSJournal: Both Left, Right Must Embrace Free Speech. The Wall Street Journal (7/8, Board, Subscription Publication, 7.57M) argues in an editorial that society benefits when both the left and right accept basic free-speech principles.

US Protests Spark Debate Over Racism In Arab World.

The Washington Post (7/7, Dadouch, 14.2M) reports the "global uproar over racism, prompted by the police killing in Minneapolis of George Floyd, has contributed to heightened dismay over the treatment of these often darker-skinned migrant workers from Africa and Asia and sparked wider debate among Arabs about racism in their own societies."

Bai Criticizes Efforts To Remove Statues Of Washington And Jefferson.

Washington Post (7/8, Bai, 14.2M) columnist Matt Bai argues that calls to remove statues of George Washington and Thomas Jefferson are playing "a reckless game when it comes to the nation's history." Bai says that "if activists can't acknowledge the intellectual perversion in going after statues of American statesmen, then they should at least consider the breathtaking political negligence."

Barr Defends Stone Prosecution.

Pierre Thomas said on ABC World News Tonight (7/8, story 3, 2:45, Muir, 6.99M) that when he interviewed Attorney General Barr, Barr said the prosecution of Roger Stone "was righteous and he deserves the three years in prison the judge sentenced him to. But [he] admits it's going to be the President's call as to whether to commute the prison term or pardon him."

Vindman Retires From Army, Accusing Trump Of "Bullying, Intimidation, And Retaliation."

ABC World News Tonight (7/8, story 11, 0:20, Muir, 6.99M) reported, "A key witness in President Trump's impeachment trial, Lt. Col. Alexander Vindman, has revealed he is retiring, ending his 21-year military career." NBC Nightly News (7/8, story 6, 0:25, Holt, 5.84M) recounted that Vindman "was ousted from the National Security Council after the President's acquittal." The New York Times (7/8, Schmitt, Cooper, 18.61M) indicates that Vindman "is among scores of officers who have been picked to be promoted to full colonel this year," but "the White House had made clear to officials in the Pentagon's Office of Personnel and Readiness, which handles such matters, that Mr. Trump did not want to see Col. Vindman promoted, officials said."

USA Today (7/8, Brook, Wu, Shesgreen, 10.31M) reports Vindman announced his retirement "citing intimidation from the White House," and the AP (7/8, Colvin, Baldor) that his attorneys' "scathing statement...accused the president of running a 'campaign of bullying, intimidation, and retaliation.'" The statement from attorney David Pressman said, "Through a campaign of bullying, intimidation, and retaliation, the President of the United States attempted to force LTC Vindman to choose: Between adhering to the law or pleasing a

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President. Between honoring his oath or protecting his career. Between protecting his promotion or the promotion of his fellow soldiers."

The Washington Post (7/8, Ryan, Harris, 14.2M) also reports that "the White House had not taken any action to strike Vindman's name," but "officials have said that Trump strongly disliked Vindman and might move to block him." The Post adds, "If Vindman hadn't retired, he would either have been promoted or, if not promoted, would have been eligible again for potential promotion in a year."

Reuters (7/8, Stewart, Ali) reports Vindman "provided some of the most damaging testimony during an investigation by the US House of Representatives into Trump's dealings with Ukraine." Reuters adds that last week, Sen. Tammy Duckworth (D-IL) "said she would put a hold on the confirmation of over 1,000 military promotions until Defense Secretary Mark Esper provided assurances on not blocking the promotion of Vindman." Axios (7/8, Perano, 521K), The Hill (7/8, Chalfant, 2.98M), the Washington Examiner (7/8, Yilek, 448K) and the Washington Times (7/8, Meier, 492K), among other news outlets, also cover the story.

Supreme Court To Rule On House Democrats' Push For Trump Tax Records.

USA Today (7/8, Wolf, 10.31M) reports "the Supreme Court will complete its 2019 term Thursday with rulings on President Donald Trump's effort to keep his tax returns and other financial records away from congressional investigators and New York prosecutors." Said Terry Moran on ABC World News Tonight (7/8, story 5, 0:40, Muir, 6.99M), "Oh, it's huge. Three committees in the House of Representatives and the Manhattan district attorney want to look at years of the Trump financial records. The President is declaring [that] as president, he has immunity from these kinds of investigations. The court looked at the claim against the House, on his side, but in oral arguments they seemed very skeptical that President Trump could stop a local district attorney from subpoenaing his accountants to help a grand jury investigate potential crimes."

The Washington Post (7/8, Barnes, 14.2M) recounts that "federal judges in New York and Washington, DC...moved swiftly by court standards and repeatedly ruled against Trump and to uphold Congress's broad investigative powers," while "in Washington, a divided panel of the US Court of Appeals for the D.C. Circuit in October rejected Trump's assertion that Congress's subpoena was an unconstitutional attempt to harass the president that lacked a 'legitimate legislative purpose.'" The AP (7/8, Sherman) also says "Trump has so far lost at every step, but the records have not been turned over pending a final court ruling."

Politico (7/8, Gerstein, Cheney, 4.29M) says "a decision to reject Trump's legal challenges" tomorrow "could result in voters getting to see the tax returns he has resisted disclosing since launching his presidential campaign in 2015."

UK Court Orders Steele To Pay Damages To Russian Bankers.

The Washington Examiner (7/8, Dunleavy, 448K) reports that a UK court has ordered Christopher Steele "to pay thousands in damages to two Russian bankers named in the former MI6 agent's dossier as having 'illicit' financial ties to Russian President Vladimir Putin." Justice Warby of the Queen's Bench Division of the British High Court of Justice, who "presided over a weeklong March hearing in the defamation lawsuit brought by the owners of Russia's Alfa Bank, Petr Aven, Mikhail Fridman, and German Khan, against Orbis Business Intelligence, Steele's private intelligence firm," ruled, "I have found that the 'illicit cash' allegation was inaccurate. ... The personal data about the delivery of 'illicit cash' to Mr. Putin did amount to sensitive personal data about alleged criminality ... My conclusion is that I should award each of the first and second claimants compensation in the sum of £18,000." The Washington Times (7/8, Scarborough, 492K) provides similar coverage.

WTimes Analysis: Media Pushed Unfounded Stories About Flynn, Russian-Born Scholar.

The Washington Times (7/8, Scarborough, 492K) reports that while former national security advisor Michael Flynn "is nearing victory in his battle with the FBI," the "liberal media raised rumors in a parallel operation about the career intelligence officer, his appearance at a dinner in Cambridge, England, and a Russia-born, British citizen scholar." The Times says that "like so many Trump-Russia allegations, the news stories about Mr. Flynn and historian Svetlana Lokhova proved unfounded." The Times cites "a newly disclosed document" which "shows the FBI officially cleared both of improper Russia contacts weeks before the Flynn/Cambridge news stories began appearing in 2017 and continued into 2018." Asked about the media stories that claimed Flynn "somehow violated protocol by attending the Cambridge dinner and speaking with Ms. Lokhova," Flynn attorney Sidney Powell said, "It was a total lie. ... They knew it. He always passed his polygraph tests, and he kept his clearance consistently with no issues ever."

Solomon: DOJ Activity Suggests Durham Is Working To Bring Indictments.

The Washington Examiner (7/8, Chaitin, 448K) reports that Justice Department activity indicates US Attorney John Durham "is working to bring the first indictments as part of a criminal investigation into the Russia inquiry, according to investigative journalist John Solomon." Solomon said on Fox Business' Lou Dobbs Tonight Tuesday, "My sources tell me there's a lot of activity. I'm seeing, personally, activity behind the scenes of the Justice Department." Solomon added that Durham's team "is trying to bring those first indictments, and I would look for a time around Labor Day to see the first sort of action by the Justice Department." The Examiner said Solomon "insisted" he is "seeing a lot of activity consistent with building prosecutions and preparing for criminal plea bargains," but, "That doesn't mean it'll happen. ... Until someone signs and until they bring them before the grand jury. You never know if it's going to happen."

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Judicial Watch Sues University Of Delaware For Access To Biden's Senatorial Papers.

The Washington Times (7/8, Mordock, 492K) reports that Judicial Watch has filed a lawsuit against the University of Delaware, which stores and owns Joe Biden's senatorial papers, claiming the university has ignored its FOIA requests and those of the Daily Caller News Foundation. The university denied the requests "citing a provision in Delaware law that exempts the school from FOIA requests not related to public funds. They appealed the decision to Delaware's chief deputy attorney general, who sided with the university." Judicial Watch and DCNF "say the school hasn't supported its claim that public funds were not used to store and house Mr. Biden's papers."

Wolf: DHS Is Prepared To End DACA.

Fox Business' Mornings With Maria (7/8) asked Acting DHS Secretary Wolf about a coming executive order regarding DACA. Wolf said, "Two things I would say about the DACA decision from the Supreme Court: one, none of the justices said that the program was lawful" and two, the "court said the department had every right to rescind the program." Wolf concluded, "We are taking a look at the opinion and we have are drawing up the paperwork. Should the President be ready to end the DACA program, we will be ready to do that."

Biden Plan Would Grant Citizenship Rights To 11M Migrants.

The Washington Times (7/8, Dinan, 492K) reports that Joe Biden "on Wednesday formally embraced citizenship rights" for 11 million migrants and a "full erasure of all of President Trump's get-tough border policies, as part of the party's new unity platform. He would expand sanctuary locations, limit ICE's ability to deport criminals in local jails, and reverse deportations for some military veterans already ousted because of criminal records."

WPost: Administration Again Considering Separating Migrant Families.

A Washington Post (7/8, Board, 14.2M) editorial says the Administration is again considering "separating migrant children from their families." The "latest threat to break up families arises from a federal court order last month by U.S. District Judge Dolly M. Gee, in Los Angeles," who gave ICE "until next Friday to release scores of children held at the facilities." Gee's jurisdiction "does not cover detained adults, which afforded an opening to the administration to present migrant parents with a perverse choice: give up their children to sponsors, or remain with their children inside facilities where the pandemic is tightening its grip." The Post argues, "Compassion and decency compel a clear path forward: releasing parents and children together from ICE custody. Sadly, very little in this administration's makeup suggests it will do the right thing."

Ip: Continued Chinese Trade Surpluses Pose Risk Of Trade Wars.

Greg Ip writes in the Wall Street Journal (7/8, Ip, Subscription Publication, 7.57M) that while President Trump's trade war with China has succeed in reducing the US trade deficit with China to its lowest since 2012, the risk of future trade wars will remain as long as China's trade surpluses continue.

High Court Rules For Administration, Little Sisters Of The Poor In ACA Case.

ABC World News Tonight (7/8, story 4, 0:50, Muir, 6.99M) reported last night on the Supreme Court "siding with President Trump, allowing employers to opt out of the Obamacare mandate of providing contraceptive coverage if those employers have religious or moral objections. ... This was a big win for religious conservatives and the President." NBC Nightly News (7/8, story 5, 1:00, Holt, 5.84M) also referred to "a victory for the Trump administration involving Obamacare and birth control." NBC (Williams) added "the vote was 7-2, with Justices Ginsburg and Sotomayor dissenting." The AP (7/8, Gresko) called the decision "a sizable, election-year victory for President" Trump. White House Press Secretary Kayleigh McEnany said, "Today's Supreme Court ruling is a big win for religious freedom and freedom of conscience."

The Washington Examiner (7/8, Rowan, 448K) McEnany also said, "This administration will continue working to protect healthcare, including contraceptive healthcare, for the American people. ... Unlike the last administration, however, we have the courage of our convictions: We are allowing women who lack access to contraceptive coverage because of their employer's religious beliefs or moral convictions to more easily access such care through the Title X program at little to no cost."

The Washington Post (7/8, A1, Barnes, 14.2M) recounts that the opinion by Justice Clarence Thomas stated, "We hold that the [Administration] had the authority to provide exemptions from the regulatory contraceptive requirements for employers with religious and conscientious objections." Thomas was joined by Chief Justice John Roberts, and Justices Samuel Alito, Neil Gorsuch and Brett Kavanaugh. Justices Elena Kagan and Stephen Breyer "agreed with the decision, but did not join the opinion." The ruling, says the New York Times (7/8, A1, Liptak, 18.61M), "upheld a Trump administration regulation that lets employers with religious or moral objections limit women's access to birth control coverage under the Affordable Care Act." The Washington Times (7/8, Swoyer, 492K) reports Justice Thomas also wrote, "The plain language of the statute clearly allows the Departments to create the preventive care standards as well as the religious and moral exemptions."

The New York Times (7/8, A1, Liptak, 18.61M) says "many religious groups praised the contraception decision," while "organizations seeking to protect access to birth control and abortion denounced the ruling as an assault on women." The CBS Evening News (7/8, story 8, 1:40, 4.23M) reported, meanwhile, "As many as 125,000 women could lose contraceptive coverage from their employer-sponsored health insurance after a Supreme Court ruling," and the AP (7/8, Gresko) that the ruling "could leave more than 70,000 women without free

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contraception." USA Today (7/8, Wolf, 10.31M) says the case is "the latest but not the last challenge to the Affordable Care Act" as it "will hear a third challenge in the fall – one in which the Trump administration recommends the entire law be struck down." The case was also "one of three major religious freedom cases heard by the court this term and won by conservatives."

HHS Secretary Azar said on Fox News @ Night (7/8), "Donald Trump is the greatest defender and protector of religious liberty of anyone who's ever occupied the White House, and today the Supreme Court vindicated his defense of Catholic nuns who said they should not be forced to pay for insurance that has to be able to buy contraception or be bankrupted for failing to do so."

The Los Angeles Times (7/8, Savage, 4.64M), Reuters (7/8, Hurley), the Wall Street Journal (7/8, A1, Kendall, Subscription Publication, 7.57M), CQ Roll Call (7/8, Raman, 154K), The Hill (7/8, Kruzel, 2.98M), the Washington Free Beacon (7/8, Daley, 78K), the Washington Examiner (7/8, Rowan, 448K), and Bloomberg (7/8, Stohr, 4.73M), among other news outlets, also cover the story.

E.J. Dionne writes in the Washington Post (7/8, Dionne, 14.2M), "You would think a functioning democracy could work this issue out in a reasonable way that respected the rights of women as well as the rights of those with religious objections to contraception." To Dionne, "giving large businesses expansive rights to invoke religion to deny employees a particular benefit creates serious dangers. The Trump rule falls far short of balancing legitimately competing interests."

The Washington Post (7/8, Board, 14.2M) editorializes that "the majority opinion was notably silent on the extent and strength of the exemption or accommodation that religious freedom laws may require the government to provide to religious objectors," and as a result "a new administration could move to narrow or eliminate the Trump administration's recklessly broad exemption. To make clear its intent, Congress, too, could get involved, specifying explicitly that women must have free contraception coverage through their health plans except in very narrow circumstances."

In an editorial, the New York Times (7/8, Board, 18.61M) writes that "the Supreme Court under Chief Justice John Roberts reminded Americans once again that it is no friend to reproductive rights, or to the vast majority of women who will use some form of birth control in their lifetime."

The Wall Street Journal (7/8, Board, Subscription Publication, 7.57M), meanwhile, editorializes favorably on the ruling, which it sees as a victory for religious freedom.

DOJ Moving Forward With Plan To Resume Executions Next Week.

The AP (7/8, Long, Balsamo) reports that "despite the coronavirus pandemic raging both inside and outside prisons and stagnating national support for the death penalty," the Justice Department is moving forward with its plan "to resume federal executions next week for the first time in more than 15 years." Beginning on Monday, "three people are scheduled to die by lethal injection in one week at an Indiana prison," and Bureau of Prisons officials "insist they will be able to conduct the executions safely." The AP says members of the victims' and inmates' families "will be able to attend but will be required to wear face masks." Prison officials "will take temperature checks" and will "make personal protective equipment, including masks, gloves, gowns and face shields, available for witnesses, but there are no plans to test anyone attending the executions for COVID-19, officials said."

Tropical Storm Expected To Form South Of New England.

ABC World News Tonight (7/8, Story 9, 0:15, Muir, 6.99M) reported on a "tropical threat off the Carolinas" which has "a 70% chance now of growing into Tropical Storm Fay." It is "expected to move up the coast tomorrow and Friday, reaching New England Friday night into Saturday."

Trump Threatens To Withhold Funding From Schools That Do Not Reopen This Fall.

The President tweeted Wednesday morning, "In Germany, Denmark, Norway, Sweden and many other countries, SCHOOLS ARE OPEN WITH NO PROBLEMS. The Dems think it would be bad for them politically if U.S. schools open before the November Election, but is important for the children & families. May cut off funding if not open!" About 15 minutes later, he tweeted, "I disagree with @CDCgov on their very tough & expensive guidelines for opening schools. While they want them open, they are asking schools to do very impractical things. I will be meeting with them!!!"

On the CBS Evening News (7/8, story 2, 1:55, O'Donnell, 4.23M), Ben Tracy reported, "President Trump tonight once again at odds with his own medical experts as he continues to relentlessly push America's schools to reopen." Trump: "You want to learn in the classroom, so our schools, we want them open in the fall." Tracy: "He's also threatening to defund schools that don't open, though he has little power to do so, and criticizing the CDC school safety guidelines, calling them very 'tough and expensive.'" Vice President Pence: "We don't want the guidance from CDC to be a reason why schools don't open." Tracy: "Pence said the CDC will issue new guidance next week because getting kids back to school is essential to parents going back to work and helping the economy."

On ABC World News Tonight (7/8, story 2, 2:50, Muir, 6.99M), Stephanie Ramos reported, "Those CDC guidelines call for safety measures like masks, six feet of spacing between desks, open windows, avoiding the cafeteria, and playground equipment, if possible. But tonight, mixed messages from the White House coronavirus task force." CDC Director Redfield: "I want to make it very clear that what is not the intent of CDC's guidelines is to be used it as a rationale to keep schools closed."

On NBC Nightly News (7/8, lead story, 2:05, Holt, 5.84M), Peter Alexander said Trump "is escalating his push for schools to reopen.

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... The President is also now threatening to cut off federal funding for those that don't open their doors. Although most school budgets are funded by state or local dollars. Pointing to students already back in classrooms in Europe, the President says any opposition is politically motivated."

The AP (7/8, Binkley) reports on Wednesday, Trump "threatened to withhold federal money if schools don't reopen in the fall, and he lashed out at federal health officials over school reopening guidelines that he says are impractical and expensive." USA Today (7/8, Collins, Jackson, 10.31M) reports, "Trump called again Tuesday for the nation's schools to reopen this fall and warned that his administration would put 'a lot of pressure' on governors and others to get children back in the classroom." Reuters (7/8, Chiacu) reports Trump "threatened to cut off funding to schools that do not open in the fall."

The New York Times (7/8, Baker, Green, 18.61M) reports Trump "assailed his own federal public health experts for recommending school-reopening precautions that he deemed too onerous and expensive. ... The latest burst of threats and criticisms issued in a flurry of morning Twitter messages came as the president made a concerted push to pressure states and localities to resume in-person classes even though coronavirus cases are rising in most of the country." Fox News (7/8, Phillips, 27.59M) reports White House Press Secretary Kayleigh McEnany said Wednesday that the President "was looking to 'substantially bump up' funding for education in the next coronavirus relief bill, but added that 'this money should go to the students.'"

The Washington Post (7/8, Wagner, 14.2M) reports Education Secretary DeVos "offered perhaps the most concise message of the administration officials," saying, "Ultimately it's not a matter of if schools should reopen, it's simply a matter of how." The Washington Examiner (7/8, Mastrangelo, 448K) reports DeVos has "indicated she is eyeing withholding federal funding from public schools that do no fully reopen for in-person instruction this fall." DeVos said Tuesday on Fox News, "There is no excuse for schools not to reopen again and for kids to be able to learn again full-time. ... This is more an issue of adults who are more interested in their own issues than they are about serving their students."

Townhall (7/8, O'Brien, 177K) reports DeVos on Wednesday used Fairfax County, Virginia "as an example of what a 'disaster' a virtual education can be for students. The school district recently offered parents the option to keep their kids home, or to send them to school for just a few days a week." DeVos said, "They offered families a so-called choice for this fall: either zero days in schools for their students or two days. And their springtime attempt at distant learning was a disaster. This cannot happen again in the fall."

HHS Secretary Azar said on Fox News @ Night (7/8), "The danger to our children is not being in school. The danger to their health is not being in school. Our kids get healthcare. They get mental health services. Many of them get nutrition services. They get mandatory reporting of child abuse from school officials. That's in addition to the social, physical, and intellectual development these children need from being in a physical education environment."

The Washington Times (7/8, Muñoz, Boyer, 492K) reports the National Education Association said the Administration lacks a credible plan to reopen schools. NEA President Lily Eskelsen Garcia said, "If Donald Trump and Betsy DeVos have proven anything over the past four years, it's that they do not care about students. They have zero credibility for how to best support students, and how to reopen classrooms safely."

Leana Wen of the Washington Post (7/8, Wen, 14.2M) writes, "The single most important requirement for resuming in-person instruction is suppressing the level" of COVID-19 infections in the community. She says this is why "the White House's own guidelines prohibit schools from reopening until the community has reached Phase 2 – defined, at minimum, as recording a consistent decline in new infections."

Joy Pullmann of The Federalist (7/8, Pullmann, 126K) writes, "Government schools and their unions are attempting to hold K-12 children hostage for billions more taxpayer dollars by claiming children shouldn't fully go back to school this fall due to coronavirus." Tax revenues "are already going to take a massive hit from the forced economic shutdowns, but unions see this as an opportunity to get more of scarcer money for themselves, and thus the Democratic Party." Bloomberg (7/8, Court, 4.73M), the Wall Street Journal (7/8, Leary, Subscription Publication, 7.57M), Politico (7/8, Forgey, 4.29M), and The Hill (7/8, Samuels, 2.98M) are among the other outlets covering the President's comments.

New York City Schools Will Offer Hybrid Classroom Plan. The Wall Street Journal (7/8, Brody, Hawkins, Subscription Publication, 7.57M) reports on Wednesday, New York City Mayor Bill de Blasio (D) announced a plan for the city's schools to offer both in-person and online classes, under which most of the students would be in school two to three days each week, while receiving online instruction for the remaining schools days. Students will also be required to wear masks. Politico New York (7/8, Durkin) reports de Blasio said, "Most schools will not be able to have all their kids in school at the same time."

The New York Times (7/8, Shapiro, 18.61M) says the "decision to opt for only a partial reopening, which is most likely the only way to accommodate students in school buildings while maintaining social distancing, may hinder hundreds of thousands of parents from returning to their pre-pandemic work lives, undermining the recovery of the sputtering local economy."

Harvard, MIT Sue Federal Government Over ICE International Student Rules.

The AP (7/8, Binkley) reports Harvard University and the Massachusetts Institute of Technology on Wednesday sued the federal government, "challenging the Trump administration's decision to bar international students from staying in the U.S. if they take classes entirely online this fall." They argue that the decision "violates the Administrative Procedures Act because officials failed to offer a reasonable basis justifying the policy and because the public was not given notice to comment on it." The Wall Street Journal (7/8, Korn, Hackman, Subscription Publication, 7.57M) reports the suit seeks a temporary restraining order prohibiting the government from enforcing the rules on Monday.

The Washington Times (7/8, Dinan, 492K) reports, "The schools said the new rule violates the Administrative Procedure Act, which

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requires major policy changes to go through the correct hoops such as notice and comment." The schools said ICE "didn't have an adequate justification for the policy and didn't allow for a notice and comment period."

High Court Sides With Religious Schools On Federal Anti-Discrimination Laws.

The Los Angeles Times (7/8, Savage, 4.64M) reports the Supreme Court, in a 7-2 decision, announced Wednesday ruled that "the Constitution's protection for religious liberty exempts church schools from state and federal anti-discrimination laws." The case concerned "two elementary school teachers at Catholic schools in Los Angeles County" and ruled that since these teachers "helped carry out the mission of teaching faith as part of their jobs, the schools are free to hire and fire them without concern for antidiscrimination laws." The Times adds the ruling "effectively closes the courthouse door to tens of thousands of teachers nationwide in religious and parochial schools" with respect to "workplace discrimination based on their gender, age, disability or sexual orientation." Writing for the majority, Justice Samuel Alito said, "The 1st Amendment protects the right of religious institutions to decide for themselves, free from state interference, matters of church government as well as those of faith and doctrine." Justices Ruth Bader Ginsburg and Sonia Sotomayor dissented.

The Washington Post (7/8, Barnes, 14.2M) reports the ruling "affirms the 'ministerial exception' that protects religious organizations from some lawsuits invoking federal anti-discrimination laws." The AP (7/8, Gresko) indicates, meanwhile, that Justice Alito "wrote in his majority opinion Tuesday that allowing courts to consider workplace discrimination claims against the schools would interfere with the schools' constitutionally guaranteed religious independence."

The New York Times (7/8, Liptak, 18.61M) said the ruling means that "federal employment discrimination laws do not apply to teachers whose duties include instruction in religion at schools run by churches." The cases were Our Lady of Guadalupe School v. Morrissey-Berru, No. 19-267, and St. James School v. Darryl Biel, No. 19-348. Both "were brought by teachers in Catholic schools in California who sued their employers for job discrimination." USA Today (7/8, Wolf, 10.31M), the Washington Examiner (7/8, Rowan, 448K), and The Hill (7/8, Kruzel, Neidig, 2.98M), among other news outlets, also cover the ruling.

Pentagon Scrambles To Fill Vacancies Following High-Level Resignations.

The Washington Times (7/8, Wolfgang, 492K) reports that following a "rash of resignations," military leaders are "scrambling to fill vacancies in key positions throughout the Pentagon." Over the past three weeks, the Pentagon "has been given at least four high-level resignations, including from top officials who had privately raised concerns with some of Mr. Trump's foreign policy moves, most notably the decision last year to temporarily halt military aid to Ukraine." The Times says the resignations have "sparked a standoff with lawmakers who are convinced that President Trump's personal politics drive hirings, firings and promotions inside the Defense Department."

Politico Analysis: More Than 80 Former Administration Officials Have Taken Lobbying Jobs.

Politico (7/8, Meyer, Kahn, 4.29M) reports "at least 82 former Trump administration officials...have registered as lobbyists, according to an analysis of lobbying disclosure filings." President Trump has "also hired a large number of former lobbyists to serve in his administration – including the current Defense, Energy, Labor and Interior secretaries; the acting Homeland Security secretary; the EPA administrator; and the U.S. trade representative – and some of them have already gone back to K Street." According to Politico, "the mass migration to K Street highlights how little effect...Trump's campaign pledge to 'drain the swamp' has had on Washington's revolving door 3 1/2 years into his presidency."

Widow Of Trump's Friend Refutes Mary Trump's Claim About SATs.

Fox News (7/8, Re, 27.59M) reports on its website, "President Trump's niece Mary L. Trump alleges in her new tell-all book that her uncle paid a friend to take a college admissions test more than 50 years ago so he could gain acceptance into the elite Wharton School at the University of Pennsylvania." However, a new video from the widow "of the now-deceased friend tells a very different story." In the video, Pam Shriver "said her late husband met Trump after he was already enrolled at the University of Pennsylvania."

Barr Sees "Opportunity For Mischief" In By-Mail Voting.

In an interview with ABC World News Tonight (7/8, story 3, 2:45, Muir, 6.99M), Attorney General Barr was asked about by-mail voting during the COVID-19 pandemic. Barr: "I was very concerned about the integrity of elections, because I feel we're a very divided country. I think there's a lot of opportunity for mischief and that makes me concerned." ABC's Pierre Thomas: "But shouldn't we be making it easier for people to vote in a pandemic?" Barr: "Well, I think the states have a lot of latitude as to what form of voting they're going to have. I'm expressing concern over voter fraud, and I do think it increases the opportunity for fraud."

Appeals Court Ruling Leaves Issue Of Voting Rights Of Some Felons In Florida Unresolved.

The Washington Post (7/8, Rozsa, 14.2M) reports, "Voting rights advocates scrambled this week to understand the impact of an appeals court decision blocking some Florida felons' eligibility to participate in elections – a blow to efforts to restore voting rights to as many as 1.4 million people in the state." Last week, the US Court of Appeals for the 11th Circuit in Atlanta, stopped an order by US District Judge Robert Hinkle "from May that had cleared the way for hundreds of thousands of felons in the state to register to vote." The appeals court has

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"scheduled a hearing on the issue for Aug. 18 – the same day as Florida's primary election," and "voting rights activists worry the uncertainty of the issue may discourage 'returned citizens' from trying to register even if they're eligible."

GOP Lawmakers Invite Parler CEO To Testify Before House Judiciary Committee.

Politico (7/8, Swan, 4.29M) reports that Reps. Jim Jordan (R-OH) and James Sensenbrenner (R-WI) have asked Parler CEO John Matze "to weigh in on the House Judiciary Committee's bipartisan antitrust investigation into tech giants." In a latter to Matze, the lawmakers wrote, "Parler differentiates itself on the quality and features of its platform – namely, its commitment to not 'censor or editorialize, share or sell user data.' ... This commitment positions Parler in stark contrast to Twitter, which has made increasingly clear in recent weeks and months that only users who refrain from expressing certain unfavored political beliefs are welcome to fully participate on its platform. In turn, Parler's commitment to free expression takes the place of price as an incentive driving consumer behavior." They also "sent a letter to Twitter's CEO asking for a host of materials, including explanations of all moderating decisions made in the U.S. over the last year."

Facebook Audit Criticizes Company For Prioritizing Free Expression.

The New York Times (7/8, Isaac, 18.61M) reports an "independent audit" of Facebook's "policies and practices" found that the company "has not done enough to fight discrimination on its platform and has made some decisions that were 'significant setbacks for civil rights.'" The audit faulted the company "for prioritizing free expression on its platform over nondiscrimination." The auditors accused the company of failing to "seek civil rights expertise" and so "setting a 'terrible' precedent that could affect the November general election and other speech issues."

USA Today (7/8, Guynn, 10.31M) reports the audit "warns that Facebook's failure to rein in toxic speech, racism and misinformation could have serious repercussions on the presidential election." The report from the auditors "took particular exception with the company's decision not to take down inflammatory rhetoric and false claims from President Donald Trump." The report stated, "The prioritization of free expression over all other values, such as equality and non-discrimination, is deeply troubling."

The AP (7/8, Ortutay) reports Facebook hired former American Civil Liberties Union executive Laura Murphy to conduct the review and write the report. COO Sheryl Sandberg responded, "This audit has been a deep analysis of how we can strengthen and advance civil rights at every level of our company – but it is the beginning of the journey, not the end."

The Washington Post (7/8, Dwoskin, Zakrzewski, 14.2M) reports called it a "scathing indictment of the social media giant's decisions to prioritize free speech above other values."

Facebook Removes Accounts Tied To Roger Stone For Manipulation. The Washington Post (7/8, Timberg, Stanley-Becker, 14.2M) reports, "Facebook took down a network of more than 100 pages and accounts on Wednesday it said was affiliated with convicted felon and former Republican operative Roger Stone for 'coordinated inauthentic behavior' dating back to around the 2016 election and its aftermath, the company said." Facebook officials said Stone "used fake accounts and other deceptive measures to manipulate public debate." Nathaniel Gleicher, head of security policy for Facebook, "said that Stone's personal accounts were among 54 Facebook accounts, 50 Facebook pages and four Instagram accounts closed Wednesday for policy violations."

ABC Notes Roberts' Brief Hospitalization Last Month.

ABC World News Tonight (7/8, story 6, 0:20, Muir, 6.99M) reported on "word that Chief Justice John Roberts was hospitalized for a night last month after falling and injuring his head walking at a country club." Roberts "has suffered seizures before but doctors say this was likely due to light-headed from dehydration."

Rasmussen Reports National Poll: Biden Leads Trump 50%-40%.

The Washington Times (7/8, Boyer, 492K) reports that a Rasmussen Reports national poll of 1,500 likely voters, taken July 5-7, shows Joe Biden leading President Trump 50%-40% "in a poll often cited by the president as being fair to him." The Times adds that "nearly one in five Republicans in the survey, 19%, said they would vote for Mr. Biden today." Meanwhile, "Biden has the support of 79% of Democrats," and independents "favor Mr. Biden 48% to 36%."

Gidley: Trump Will Win Reelection, Because People Will Not Be Denied. Fox News (7/8, 27.59M) featured Hogan Gidley, National Press Secretary for the Trump 2020 campaign, who said, President Trump's "first run for politics, he won the presidency of the United States. He will do it again regardless of what the media and the detractors try and take away from him. The American people cannot be denied all the success and the positive things that have occurred because of this President's policies."

NYTimes Analysis: Regarding Turnout At Saturday Rally, Trump Campaign "Has No Idea What To Expect."

The New York Times (7/8, Haberman, Karni, 18.61M) reports that ahead of President Trump's Saturday rally in Portsmouth, New Hampshire, "the only thing that seems clear is that the president's team has no idea what to expect." The Times says Gov. Chris Sununu (R) "has said he will not be attending. It isn't clear how many other Republican elected officials will come. The number of attendees could be low, or it could be expansive. There could be lots of people drifting in from" nearby states. The Times says, "Campaign officials believe they will be able to prevent the kind of ticket prank that helped turn Mr. Trump's rally last month in Tulsa, Okla., into a far smaller event than expected – but they

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still cannot say for sure. And most significantly, there is the looming threat of the coronavirus spreading in a crowd where attendees will be in relatively close quarters, despite being mostly outdoors."

GOP Miami Mayor Declines To Commit To Voting For Trump.

Politico (7/8, Cohen, 4.29M) reports that GOP Miami Mayor Francis Suarez "refused to commit on Wednesday to voting for President Donald Trump in November." Suarez told Politico, "I want to see what both candidates have to offer for the urban communities before making up my mind on who I'm going to support." Politico adds, "The noncommittal answer from a swing state Republican elected official provides a look into Trump's uphill battle to win Florida for a second time. ... Joe Biden leads Trump by 5 percentage points in Florida, according to the Real Clear Politics polling average. Trump narrowly won the state by 1.2 percentage points in 2016." Politico adds that Suarez, "who said he has been a Republican since age 18, was elected mayor of Miami in 2017. He is the son of former Miami Mayor Xavier Suarez, a Cuban immigrant."

Sherman: Ingraham, Others Skeptical Trump Capable Of Turning "Things Around" To Win Reelection.

Writing for Vanity Fair (7/8, Sherman, 9.08M), Gabriel Sherman says that last month, "Roger Ailes's widow, Elizabeth, invited Fox News host Laura Ingraham and a few others for dinner at her $36 million Palm Beach home. ... With COVID cases hitting record highs and Donald Trump's poll numbers going in the opposite direction, guests agreed that Trump is probably incapable, or unwilling, to take steps to turn things around. 'We have to be prepared for Trump losing,' Ingraham told her dinner companions, according to [a] source. Perhaps anticipating that Fox News could pivot in a post-Trump media environment, Ingraham said she's been in talks to take over for Rush Limbaugh, who recently revealed his Stage 4 lung cancer might force him off the radio." Citing "sources," Sherman says that "Trump has told people he wants to commute [Roger] Stone's sentence before Stone reports to prison on July 14."

Nicholas: Pence Seeks To Boost Trump In 2020 And Himself For 2024.

Writing for The Atlantic (7/8, Nicholas, 3.47M), Peter Nicholas says that President Trump has privately "told aides that he rescued Mike Pence from a potentially embarrassing defeat by pulling him out of a tough reelection bid in the 2016 Indiana governor's race and putting him on the ticket, a former White House official told me. Now it's Vice President Pence's turn to see what, if anything, he can do to rescue Trump from a more momentous loss – and" preserve his own White House hopes. Nicholas writes, "In the coming months, [Pence] will spend several days a week visiting crucial swing states, a campaign adviser told me. Pence will approach each state as if he's running to be its governor, zeroing in on local issues important to voters' daily lives, the adviser said, and he'll try to showcase the federal grants and other benefits the Trump administration has dished out."

Biden "Unity" Task Force Disagrees On Police Immunity, Legalizing Marijuana.

Politico (7/8, Otterbein, Barrón-López, 4.29M) reports that Joe Biden created "unity" task forces in an effort "to bring the progressive wing of the Democratic Party into the fold after the sting of Bernie Sanders' defeat." But on "the biggest issue of the day – criminal justice – the left flank got rolled." The criminal justice panel "got into heated debates in recent weeks over qualified immunity, a legal doctrine that shields police from being sued for misconduct. Progressives pushed to end it, but Biden appointees agreed only to sign onto a commitment to rein in the rule." the discussion of marijuana "ended similarly: Sanders' team argued in private meetings that they should legalize cannabis, but that idea was rejected."

The New York Times (7/8, Ember, Kaplan, 18.61M) reports that allies of Biden and Sanders "unveiled a sweeping set of joint policy recommendations on Wednesday, a significant if tentative sign of cooperation among Democrats as Mr. Biden's campaign continues its appeals to the progressive left. Mr. Biden is expected to adopt many of the recommendations, which were submitted by six policy task forces and cover a wide range of issues including health care, criminal justice, education and climate change." The Times adds that "the lengthy recommendation document amounted to a collection of widely acceptable liberal proposals, many of which Mr. Biden has already embraced in his bid for party unity." Still, says the Times, "the policy recommendations will also most likely frustrate some in the Democratic Party's activist wing who believe they do not go far enough."

Under the headline "Democrats' Joint Policy Proposals Largely Eschew Sanders' Agenda," Bloomberg (7/8, Pager, 4.73M) reports, "The task forces created to forge a united platform from the policies of [Biden and Sanders] largely sidestepped the most sweeping proposals at the core of Sanders's presidential campaign. ... There is no mention of Medicare for All, tuition-free public college or the Green New Deal, three of Sanders's signature proposals that call for remaking the American health care system and the economy and significantly increasing access to college. Some of the progressive proposals that the task forces did advocate for include eliminating carbon emissions for power plants by 2035, banning for-profit charter schools, prohibiting government contracts to companies that pay less than a $15 minimum wage and new guidelines for use of force by police."

WPost Analysis: Liberals Skeptical Of Biden's Commitment To Progressive Agenda. The Washington Post (7/8, Sullivan, 14.2M) reports that as progressives "envision what Biden's agenda as president would look like amid historic national crises, many...question his commitment to the transformational Franklin D. Roosevelt-style presidency he says he aspires to, pointing to a lack of specifics and an

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abundance of caution on certain policies. ... 'If I am to accept him as being a transformative leader, then I need to see evidence of his own transformation, and I haven't,' said LaTosha Brown, the head of the civil rights group Black Voters Matter." The Post says Biden has refused "to adopt polarizing positions such as defunding the police or removing statues of the Founding Fathers that the activist wing of his party has championed." Biden "does not favor Medicare-for-all. And his plans to battle the novel coronavirus have stopped short of the ideas advanced by left-leaning members of Congress."

Rove: Democrats Making Mistakes That May Boost Republicans This Fall. In his Wall Street Journal (7/8, Rove, Subscription Publication, 7.57M) column, Karl Rove says that Democrats are making errors that may possibly benefit Republicans this fall. Rove cites as examples of those errors: Democrats' blocking of law enforcement reform legislation by Sen. Tim Scott (R-SC), and Sen. Tammy Duckworth (D-IL) saying in response to a question on whether statues of George Washington should be removed, "I think we should listen to the argument there."

Trump Jr. Says "Radical Left" Controls Biden.

Donald Trump Jr. said on Fox News' Hannity (7/8, 535K) that "the radical left entirely controls Joe Biden and the party. ... No one believes Joe Biden is going to ever actually be the guy in charge if he pulls this thing off, do they?" Trump Jr. added, "The reality is Joe Biden doesn't know where he is. That is not even fiction anymore. On a daily basis he forgets where he is, he confuses his wife and his sister, he forgets the office he's running for. If Donald Trump did anyone of those things, every television psychologist would be on the airwaves nonstop saying, 'He's way past his prime. He is in the later stages of Alzheimer's and dementia combined.' And yet with Joe Biden, 'There's nothing to see here, folks.' Let's not pretend. It would be sad if it wasn't so scary that this could be the guy that's actually in charge."

West Says He Has Lost Confidence In Trump.

Forbes (7/8, Lane, 9.71M) reports that Kanye West denies that his presidential campaign "is a publicity stunt for his upcoming album." West said President Trump "the closest president we've had in years to allowing God to still be part of the conversation," but he "insists he's lost confidence" in the President. Of Joe Biden, West said, "Like come on man, please. You know? Obama's special. Trump's special. We say Kanye West is special. America needs special people that lead. Bill Clinton? Special. Joe Biden's not special."

Breitbart (7/8, Kent, 673K) reports that West told Forbes, "That is a form of racism and white supremacy and white control to say that all Black people need to be Democrat and to assume that me running is me splitting the vote. All of that information is being charged up on social media platforms by Democrats. ... And Democrats used to tell me, the same Democrats have threatened me. ... The reason why this is the first day I registered to vote is because I was scared. I was told that if I voted on Trump my music career would be over. ... And that's what the Democrats are doing, emotionally, to my people. Threatening them to the point where this white man can tell a Black man if you don't vote for me, you're not Black."

Citing West's "rambling" interview with Forbes, USA Today (7/8, Yasharoff, 10.31M) quotes him as saying, "I am taking the red hat off. ... It looks like one big mess to me. I don't like that I caught wind that he hid in the bunker... One of the main reasons I wore the red hat as a protest to the segregation of votes in the Black community. Also, other than the fact that I like Trump hotels and the saxophones in the lobby."

West: White Supremacists Put Planned Parenthood In Cities To "Do The Devil's Work." The Federalist (7/8, Duffy, 126K) reports that West told Forbes he opposes abortion rights. West said, "I am pro-life because I'm following the word of the Bible." he added that he believes "Planned Parenthoods have been placed inside cities by white supremacists to do the Devil's work."

NYTimes Analysis: Carlson Attacked Duckworth With "Nativist Smears."

The New York Times (7/8, Epstein, 18.61M) reports that "Thai-American" Sen. Tammy Duckworth (D-IL), "a potential vice-presidential nominee, was targeted with nativist smears for the second night in a row on Tuesday by Fox News's Tucker Carlson." The Times says Carlson "attacked" Duckworth after she suggested "during a Sunday interview on CNN...that it was worth discussing the value of removing monuments of George Washington, the nation's slave-owning first president. ... 'There are many of us here who do like this country,' Mr. Carlson said, as a graphic on the screen read, 'We have to fight to preserve our nation & heritage.'" Carlson added, "We have every right to fight to preserve our nation and our heritage and our culture. And when vandals like Tammy Duckworth and Ilhan Omar tell us that we're not allowed to question their patriotism, even as they scream about how horrible America is, we have every right to laugh in their faces, and we should."

Establishment Republicans Seeking To Boost Marshall In Kansas Senate Race.

The AP (7/8, Hanna) reports, "Establishment Republicans who'd been coy for months about the GOP primary" in the race to succeed retiring Sen. Pat Roberts (R-KS) "are increasingly" seeking to boost Rep. Roger Marshall (R-KS) to the nomination instead of ex-Kansas Secretary of State Kris Kobach, a "polarizing conservative." The AP says, "A new GOP super-PAC this week launched what it promised will be a $3 million advertising campaign against Kobach with a spot that says he has ties to white supremacists." The group's director "previously worked for a Republican congressman and the state's GOP attorney general, and the group shares a media company" with Senate Majority Leader McConnell's reelection campaign. Meanwhile, Marshall "has racked up key business and anti-abortion endorsements. Even President Donald Trump stepped in last month, persuading the anti-tax, free-market Club for Growth to abandon a multi-million-dollar ad campaign against

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Marshall ahead of the Aug. 4 primary, a spokesman for the group confirmed."

NYTimes Analysis: Black GOP Hopeful James Struggling Because He Won't Criticize Trump On Race.

The New York Times (7/8, Peters, Gray, 18.61M) reports that GOP businessman John James, who is challenging Sen. Gary Peters (D-MI), "still feels the sting from the harrowing encounters and indignities he has experienced as a young Black man crossing paths with the police." Yet, "many Michigan voters aren't drawn to Mr. James, in no small part because" he "has refused to utter anything but the most gentle and equivocating criticism of President Trump, sticking to a playbook that he hopes will keep Michigan's white, Trump-supporting conservatives from turning against him." The Times says James' "cautious approach has stirred a debate among African-American supporters and opponents alike. Hasn't the time long passed for hedged and ambivalent responses to the president's remarks on race? And what defines someone like Mr. James first: being Black or being a Republican?"

Shepard Smith Heads To CNBC To Anchor Evening Program.

The Washington Examiner (7/8, Brest, 448K) reports former Fox News anchor Shepard Smith is joining CNBC to "anchor a new one-hour evening news program titled The News with Shepard Smith, according to the Wall Street Journal." The broadcast, "which will debut in the fall, will fill the 7-8 p.m. time slot on the cable news business channel."

Giuliani Called NYPD Over "Spoof Interview."

Page Six (7/8, 1.6M) reports that Rudy Giuliani called the NYPD on Sacha Baron Cohen when the "Borat" star "tried to prank him into a spoof interview." Giuliani "went to the Mark Hotel on Tuesday for what he thought was a serious interview about the administration's response to COVID-19." After a female interviewer asked "a few softball questions," Giuliani said, "This guy comes running in, wearing a crazy, what I would say was a pink transgender outfit. It was a pink bikini, with lace, underneath a translucent mesh top, it looked absurd. ... This person comes in yelling and screaming, and I thought this must be a scam or a shake-down, so I reported it to the police. He then ran away." Giuliani added, "I only later realized it must have been Sacha Baron Cohen. I thought about all the people he previously fooled and I felt good about myself because he didn't get me."

RCP Average Has Trump's Job Approval At 41.5%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 41.5%, and his disapproval at 56.3%. Trump's approval is down 0.2 since yesterday; his disapproval is up by 0.1.

A Rasmussen poll of 1,500 "likely voters" (7/5-7/7) finds Trump's approval at 44%, and his disapproval at 54%.

A Reuters/Ipsos poll of 952 "registered voters" (7/6-7/7) shows Trump with a 40% approval and 57% disapproval.

An Economist/YouGov survey of 1,165 "registered voters" (7/5-7/7), meanwhile, has the President's job approval at 42%, with 57% disapproving.

Financial International News

IMF Head Says Fund Must Adjust Lending Instruments For Poorest Nations.

Reuters (7/8, Shalal) reports IMF Managing Director Kristalina Georgieva said Wednesday that the Fund must improve its instruments for lending to low-income countries. Georgieva "told an online debt conference that emerging markets with strong fundamentals issued $124 billion in bonds in the first six months of 2020, but others with poor fundamentals had no affordable access to capital markets." Georgieva "said the Fund was working with member countries in advanced economies to shift some of their Special Drawing Rights – the IMF's own special currency – to low-income countries that had been particularly hard hit by the pandemic and its economic fallout."

Reuters (7/8, Farge) reports Georgieva also "urged policymakers on Wednesday to use their response to the coronavirus pandemic to tackle climate change." Georgieva said, "Looking ahead, policies should lay the foundation for a low-carbon, resilient recovery that would create millions of jobs while help address the climate crisis," adding that the Fund is "especially concerned that the crisis will jeopardise the important development gains of the last years."

World Bank Head Urges Debt Freeze Extension, Permanent Reduction For Poorest Countries.

Reuters (7/8, Shalal) reports World Bank President David Malpass said Wednesday that G20 countries should extend through 2021 a freeze on official debt payments of the world's poorest countries, along with permanently reducing the debt loads of the most heavily-indebted states. Malpass said in a G20 debt conference that simply delaying the debt payments would fail to solve the problems in countries with already-high debt levels pre-pandemic. Malpass said, "In such cases, we need to not merely reduce debt service today, but reduce debt service tomorrow and permanently." Malpass added, "This will create light at the end of the debt tunnel for the poorest countries. For some of the hardest hit, a systematic reduction of sovereign debt stocks is the only way to restart growth, make new investment possible and profitable, and avoid an even longer poverty trap."

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IMF Official Urges Nations To Pursue Fiscal Reform Once COVID-19 Ends.

Reuters (7/8, Kajimoto) reports IMF Deputy Managing Director Mitsuhiro Furusawa said Wednesday that the Fund is worried about ballooning debt in emerging and advanced economies alike resulting from COVID-19 stimulus spending, and it urges countries to address fiscal reforms once the pandemic has ended. Furusawa said in an online panel, "Once the economy gets back on track, (a) medium to long-term fiscal framework must be created to manage public finances accordingly. ... That will be among the utmost priorities for our policy recommendations."

Christine Lagarde's Learning Curve: ECB Boss On 'Brutal' Coronavirus Crisis.

The Financial Times (7/8, Khalaf, Arnold, Subscription Publication, 1.34M) reports, "When Christine Lagarde replaced Mario Draghi as president of the European Central Bank in November, many economists assumed her Italian..."

Leading International News

Ortagus Says US Won't Fund WHO After It "Screwed Up" On Major Disease Outbreaks.

State Department spokesperson Morgan Ortagus said on Fox News' Bill Hemmer Reports (7/8), "There is no one more generous than the American taxpayer. We have given close to $200 billion for the global health infrastructure that currently exists on the planet. We will continue to do it. But what we won't do is fund an organization that screwed up on COVID-19, screwed up on SARS, screwed up on Ebola and screwed up on HIV/AIDS. ... We are, by far, the most generous country on the face of this planet and we will continue to be, but were going to be good stewards of American taxpayer dollars."

In an editorial, the Wall Street Journal (7/8, Editorial Board, Subscription Publication, 7.57M) argues that now that the Administration has notified the UN that the US will withdraw from the WHO in July 2021, President Trump and Secretary of State Pompeo should lay out the conditions for the US to rejoin. The Journal adds that if reform of the WHO cannot be achieved, the White House should support the creation of an alternative pandemic response agency.

Trudeau: Canada Handled Pandemic Better Than US.

Reuters (7/8, Ljunggren) reports, "Canada handled the novel coronavirus outbreak better than many of its allies, including the United States, Prime Minister Justin Trudeau said on Wednesday, in a rare public comment on the faltering US effort." Said Trudeau, "We were able to control the virus better than many of our allies, particularly including our neighbor."

Bolsonaro Says He Is Doing Well Using Hydroxychloroquine.

Reuters (7/8, Simoes) reports that on Wednesday, Brazilian President Jair Bolsonaro said he is "doing very well" despite testing positive for COVID-19, and said, "To those who root against hydroxychloroquine but don't present alternatives, I hate to say I'm doing very well using it and, thank God, I will still live much longer." The New York Times (7/8, Londoño, 18.61M) says Bolsonaro's "attitude during convalescence is consistent with his widely-discredited contention that the virus poses little threat to people who are healthy, and his endorsement of the drug, though studies have found no evidence that it works on Covid-19 patients, but have shown possible danger in taking it."

The AP (7/8, De Sousa, Biller) recounts that "Brazil, the world's sixth-biggest nation, with more than 210 million people, is one of the outbreak's most lethal hot spots. More than 65,000 Brazilians have died from COVID-19, and over 1.5 million have been infected."

UN Chief: Foreign Meddling In Libya Conflict At "Unprecedented Levels."

Reuters (7/8, Nichols) reports UN Secretary-General Antonio Guterres warned the Security Council on Wednesday "that the conflict in Libya has entered a new phase with 'unprecedented levels' of foreign interference and mercenaries." Said Guterres, "The conflict has entered a new phase with foreign interference reaching unprecedented levels, including in the delivery of sophisticated equipment and the number of mercenaries involved in the fighting."

Walter Russell Mead writes in his Wall Street Journal (7/8, Mead, Subscription Publication, 7.57M) column that there is no end in sight to the fighting in Libya as US engagement wanes and over half a dozen powers struggle for power.

UN Report To Say US Killing Of Soleimani, Iranian Reprisals Both Illegal.

The Wall Street Journal (7/8, Rasmussen, Subscription Publication, 7.57M) reports that Agnes Callamard, UN special rapporteur on extrajudicial, summary or arbitrary executions, is set to issue a report on Thursday in which she concludes that the killing of Iranian Maj. Gen. Qassem Soleimani in January was unlawful, and that Iran's missile strikes in response were also unlawful.

McKenzie Predicts Smaller But Enduring US Troop Presence In Iraq.

The AP (7/8, Baldor) reports CENTCOM Commander Gen. Frank McKenzie "is talking optimistically about keeping a smaller but enduring military presence there." Meeting Tuesday with Iraq's new prime minister, Mustafa al-Kadhimi, McKenzie "said afterward that he believes the Iraqis welcome the U.S. and coalition troops, especially in the ongoing fight to keep Islamic State militants from taking hold of the country again." Said McKenzie, "I believe that going forward, they're going to want us to be with them. I don't sense there's a mood right now for us to

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depart precipitously. And I'm pretty confident of that."

Administration Investigating Who Leaked Russia Bounty Intelligence.

The Washington Examiner (7/8, Dunleavy, 448K) reports that the Administration has opened an investigation to determine "who disclosed classified intelligence reports related to an alleged plot by the Russians to pay bounties to Taliban fighters who kill U.S. or coalition forces in Afghanistan." The Examiner cites a Politico report which said the Administration had "opened an internal investigation" and "believes it has narrowed down the universe of suspects to fewer than 10 people."

CENTCOM Commander: Bounty Intelligence Was Unproved But A Cause For "Worry." The Washington Times (7/8, Meier, 492K) reports CENTCOM commander Gen. Frank McKenzie "said Tuesday that while it was a cause for worry, he has not seen direct evidence from the field to back up" the intelligence finding that Russia was paying bounties to Taliban soldiers to kill American soldiers. McKenzie "said that he has not been convinced that the deaths of any American personnel serving in the region were directly linked to Russian bounties offered to Taliban militants on U.S. soldiers." He said, "The intelligence case wasn't proved to me. ... It was proved enough to worry me. It wasn't proved enough that I'd take it to a court of law. That's often true in battlefield intelligence."

Russian Ambassador: Bounty Reports Are "A Downright Lie." The Washington Post (7/8, Deyoung, 14.2M) reports Moscow's ambassador in Washington Anatoly Antonov said Wednesday that media reports of the Russian bounties are a "downright lie" and are "poisoning the atmosphere of cooperation" between the US and Russia on Afghan peace. Antonov said, "No concrete evidence has been presented" and authors of the reports are "trying to create an impression that our country is an enemy of the United States." Antonov also said US-Russia relations overall are in a "deplorable state." He said, "It would be no exaggeration to say that arms control issues have always been a core of the U.S.-Russia relations. ... We are deeply concerned about the United States actions leading to the collapse of strategic stability."

Reuters/Ipsos Poll: 60% Believe Reports Of Russian Bounties. The Washington Times (7/8, Meier, 492K) reports that a Reuters/Ipsos poll released Wednesday found that "most Americans believe that Russia had placed bounties on U.S. soldiers in Afghanistan last year, while more than half support placing sanctions on Moscow in response." According to the poll, 60% of Americans said they believe reports of the Russian bounties are "very" or "somewhat" credible, "while 21% said they were not and 20% were unsure." In addition, nearly 40% "said they believe Mr. Trump 'did know' about Russia's placement of bounties on U.S. soldiers prior to the reports last month, while 26% said Mr. Trump was unaware of the targets." The Times adds that 54% "said the U.S. should impose sanctions on Russia in response for the bounties."

Taliban Suicide Bomber Kills Three Amid Rising Violence.

Reuters (7/8, Amani, Sediqi) reports a Taliban suicide bomber "detonated an explosive-packed military vehicle on the approach to the provincial governor's residence and police headquarters in the Afghan province of Kandahar on Wednesday, killing at least three people, authorities said." The Taliban claimed responsibility. The attack comes as violence is "escalating anew in Afghanistan even as the United States tries to broker a peace deal between the Taliban and Afghan government after almost two decades of war."

Pompeo: China Took "Incredibly Aggressive Action" In Recent Clash With India.

Reuters (7/8, Pamuk, Landay) reports Secretary of State Pompeo on Wednesday accused China of taking "incredibly aggressive action" in a recent clash with India over a disputed section of their shared border. Speaking to reporters, Pompeo said of the June 15 incident that left 20 Indian soldiers dead, "The Chinese took incredibly aggressive action. The Indians have done their best to respond to that. I'd put this in the context of General Secretary Xi Jinping and his behavior throughout the region, and indeed, throughout the world."

US Admirals: China Sea Carrier Operation Meant As Message To Beijing.

The Washington Times (7/8, Gertz, 492K) reports the commanders of two Navy aircraft carrier strike groups sailing in the South China Sea "say their operations demonstrated support for the idea of freedom on the seas." Rear Adm. Jim Kirk, commander of a battle group headed by the USS Nimitz, said, "Our training exercises enhance our ability to provide regional air defense, and expand our reach of operations to respond to those who challenge regional stability," making "a clear but indirect reference to China." Rear Adm. George Wikoff, who heads the Reagan strike group, similarly said the operations "reinforce international norms that support the free and open Indo-Pacific."

Chinese Secret Police Open Office In Hong Kong.

The Washington Post (7/8, Crawshaw, 14.2M) reports, "Early Wednesday, under a heavy police presence and before any public announcement about the matter," Chinese state security officials "inaugurated the Office for Safeguarding National Security of the Central People's Government in the Hong Kong Special Administrative Region at a ceremony that took place behind water-filled barricades." The move marked "the first time the Chinese government's state security apparatus has been permitted to operate in Hong Kong, marking a milestone in officials' efforts to dismantle the firewall that separated the city from the authoritarian mainland." The Wall Street Journal (7/8, Strumpf, Subscription Publication, 7.57M) says the swift arrival of China's secret police highlights how quickly Hong Kong is changing.

Hong Kong Bans Protest Song, Other Political Expression In Schools. The New York Times (7/8, Mullany, 18.61M) reports

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Hong Kong's education secretary on Wednesday "banned students from singing the protest anthem 'Glory to Hong Kong,' posting slogans with political messages or forming human chains, saying 'the schools are obliged to stop' such activities." To the Times, the statement by Secretary Kevin Yeung "ratcheted up the pressure on the pro-democracy movement."

WSJournal: US Should Not Weaponize Dollar To Undermine Hong Kong Currency. A Wall Street Journal (7/8, Board, Subscription Publication, 7.57M) editorial argues that while the Administration is mulling its response to China's actions in Hong Kong, one idea should not be under consideration: weaponizing the US dollar to undermine Hong Kong's currency.

Official Says US Ready To Renew Talks With North Korea.

The Wall Street Journal (7/8, Martin, Subscription Publication, 7.57M) reports on Wednesday, Deputy Secretary of State Biegun said during a visit to Seoul that the US is prepared to renew talks with North Korea over its nuclear weapons. Biegun said, "Dialogue can lead to action, but action is impossible without dialogue."

The AP (7/8, Kim, Kim), meanwhile, reports Biegun also "accused a senior North Korean nuclear negotiator" of being "locked in an old way of thinking," days after the negotiator said Pyongyang won't resume talks with Washington. The AP says Biegun's comments "were a rare case of a senior U.S. official directly criticizing North Korea since the two countries launched now-stalled diplomacy" in 2018.

Mexican Drug Cartel Attacks Public Officials.

The Wall Street Journal (7/8, Montes, de Córdoba, Subscription Publication, 7.57M) reports on the Jalisco New Generation Cartel, saying that it is the most important cartel in Mexico and has mounted direct assaults on Mexican officials and law enforcement. According to the Journal, the group is responsible for the deaths of over 100 officials. The US Drug Enforcement Administration is offering $10 million for information leading to the arrest of the group's leader Nemesio Oseguera.

Statue Of Melania Trump Set On Fire In Slovenia.

The Washington Examiner (7/8, Soellner, 448K) reports that a wooden sculpture of First Lady Melania Trump was "set aflame on the Fourth of July in her hometown of Sevnica, Slovenia."

Turkey's Moves To Turn Hagia Sophia Into A Mosque Again Spark International Outcry.

The New York Times (7/8, Gall, 18.61M) reports Turkish President Recep Tayyip Erdoğan is making moves to convert Hagia Sophia, "one of the world's most potent symbols of Christian-Muslim rivalry," into a "working mosque once more, fulfilling a dream for himself, his supporters and conservative Muslims far beyond Turkey's shores – but threatening to set off an international furor." According to the Times, "the very idea of changing the monument's status has escalated tensions with Turkey's longtime rival, Greece; upset Christians around the world; and set off a chorus of dismay from political and religious leaders as diverse as Secretary of State Mike Pompeo and Patriarch Kirill of the Russian Orthodox Church." Erdoğan's rivals "say he has raised the issue of restoring Hagia Sophia as a mosque every time he has faced a political crisis, using it to stir supporters in his nationalist and conservative religious base."

Al Jazeera's Oueiss: Twitter Must Project Journalists Against Authoritarian Regimes.

In an op-ed for the Washington Post (7/8, Oueiss, 14.2M), Ghada Oueiss of Al Jazeera Arabic writes that recent online attacks against her appear to be a coordinated campaign in retaliation for her critical reporting on Saudi Arabia. In Oueiss' view, the attacks against her, and her colleague Ola Al-Fares, a Jordanian news anchor, were based not "only as journalists but as women who dared to be critical." Oueiss urges Twitter and other social media sites to "take action to protect journalists such as myself and ensure that its platform is no longer misused by authoritarian regimes."

Housing

Critics Of FHFA Proposed Rule Say It Could Effectively Kill CRT.

Bloomberg (7/8, 4.73M) reports that the FHFA recently proposed a rule that would "drastically cut Fannie and Freddie's incentive to continue selling" CRT bonds, and likely "shrink the market significantly, in effect leading the companies to keep as much risk as they did when the housing market collapsed more than a decade ago, according to the proposal's detractors." Structured Finance Association CEO Michael Bright said, "We think it might kill CRT, and that this might be their intent." According to Bloomberg, former Freddie Mac CEO Don Layton "released a separate white paper this week in which he wrote that FHFA Director Mark Calabria has expressed skepticism in private conversations over the effectiveness of CRT."

Apartment List: In July, Number Of Americans Not Making Full Housing Payments Surges To All-Time High.

Fox Business (7/8, Henney, 1.73M) reports, "Roughly one-third of households – 32 percent – have not made their complete housing payment in July, according to a survey published Wednesday by Apartment List, an online rental platform. That's up from 30 percent in June and 31 percent in May." Fox Business says that the "federal eviction moratorium, which covers individuals in properties backed by Fannie Mae or

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Freddie Mac, has been extended" until August 31." In 2019, roughly 43 percent of new mortgages were federally backed." Data from the MBA suggests that 4.2 million American homeowners are currently in forbearance plans.

DS News (7/8, Albanese) reports that while 32% of Americans did not make a full housing payment on time in July, this is up "slightly from 30% in June." However, "of those that missed the payment in June, 89% said they paid that month's bill as of the first week of July."

Multifamily Financing

- ***Bridge JV Bringing $120M Affordable Project To Berkeley, CA.*** Multi-Housing News (7/8) reports, "After more than a decade in the planning stages, a groundbreaking was held in Berkeley, California, to mark the beginning of construction of the 89-unit Berkeley Way Apartments and Hope Center, two side-by-side developments that will provide affordable homes, homeless shelter beds and support services when it is completed in May 2022." Financing included funding from Freddie Mac, PGIM, and the Federal Home Loan Bank of San Francisco.
- ***KeyBank Provides $20M Freddie Mac Financing For Austin Affordable Housing Project.*** REBusiness Online (7/8) reports KeyBank Real Estate Capital "has provided $20 million in Freddie Mac financing for Heritage Estates at Owen Tech, a 174-unit affordable housing project coming to Austin."

ARRC Releases Libor Transition Guide For Internal Systems And Processes.

Finadium (7/8) reports that the Alternative Reference Rates Committee (ARRC) released "Internal Systems and Processes: Transition Aid for SOFR Adoption" to help market participants transition from Libor to SOFR. ARRC Chair Tom Wipf said, "Transitioning from LIBOR involves complex challenges for many institution's internal systems and processes. This publication provides a clear taxonomy for organizing one's strategy for moving to SOFR and overcoming associated transition challenges."

IPO Filing Reveals Rocket Homes Is Under Investigation Over Potential RESPA Violations.

According to Inside Mortgage Finance's (7/8, Hollier, Subscription Publication) paywalled Short Takes, "The IPO filing for Rocket Companies also revealed an investigation of Rocket Homes by the Consumer Financial Protection Bureau for potential violations of the Real Estate Settlement Procedures Act." IMF says Rocket Homes' core business "consists of referring homebuyers, who have been pre-qualified for a mortgage by Quicken, to a network of third-party partner real estate agents that assist in the home purchase."

Quicken Loans Vice Chairman: RON And Digital Mortgage Flexibilities Helping Industry Through Pandemic.

Behind a paywall, Inside Mortgage Finance (7/8, Ivey, Subscription Publication) reports, "The coronavirus pandemic may trigger a permanent shift in how mortgage lenders do business, according to participants in a webinar hosted by Moody's Investors Service last week." Quicken Loans Vice Chairman Bill Emerson "said borrowers still aren't comfortable having contact with others during closings or appraisals." However, "steps taken by legislative bodies, regulators and the government-sponsored enterprises have helped lenders do business amid social distancing requirements, Emerson noted." For example, "A number of states temporarily approved remote online notarizations beginning in March and April, enabling digital closings." Housing Finance Strategies President Faith Schwartz "said the challenge for lenders will be to convince regulators, the GSEs and FHA to make permanent changes that are only temporarily in place due to the coronavirus."

FSOC To Meet On July 14.

Politico Morning Money (7/8, O'Donnell, Weaver, 4.25M) reports that the Financial Stability Oversight Council will meet on Tuesday, July 14, to "discuss the latest market developments as the coronavirus pandemic rages on, with a focus on secondary mortgage market liquidity." The docket also indicates there will be an "update on Federal Reserve stress tests." According to Politico, "the Fed last month examined how big banks might perform under three possible futures for this recession, which the central bank said was cause for optimism but didn't publicly release how individual lenders performed."

MBA: Purchase Applications Rose 5% Last Week, As Conventional Refis Fueled Bump In Refi Activity.

HousingWire (7/8, 23K) says the MBA reported purchase applications rose 5% last week from the prior week, reaching their "highest level in almost a month." Meanwhile, the Market Composite Index "increased 2.2% on a seasonally adjusted basis from one week earlier as mortgage rates continued to drop across the country." Refinance applications rose 0.4%, with overall refi activity "up 111% from last year." According to HousingWire, "The slight increase in refinancing was most likely driven by a 2% gain in conventional refinances." National Mortgage News (7/8, McCullom) reports the ARM share rose from 3.2% to 3.4%. The FHA share fell from 11.7% to 10.9%, and the VA share fell from 10.8% to 10.4%. The average rate for 30-year FRMs with conforming loan balances fell from 3.29% to 3.26%, while that for jumbos fell from 3.59% to 3.52%. The 15-year FRM average fell from 2.81% to 2.77%. The 5/1 ARM average [illegible]

Mortgage News Daily (7/8, Swanson) reports MBA AVP Joel Kan said, "Mortgage rates declined to another record low as renewed fears

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of a coronavirus resurgence offset the impacts from a week of mostly positive economic data, such as June factory orders and payroll employment. The 30-year fixed rate slipped to 3.26 percent – down 53 basis points since late March. Borrowers acted in response to these lower rates, after accounting for the July 4th holiday." According to Kan, "Purchase applications continued their recovery, increasing 5 percent to the highest level in almost a month and 33 percent from a year ago. The average purchase loan size increased to $365,700 – also another high – as borrowers contend with limited supply and higher home prices."

Providing additional coverage are M Report (7/8, Albanese), and Mortgage Orb (7/8, Bates).

Equity Analysts Believe Mortgage Earnings Should Be Strong In Q2.

National Mortgage News (7/8) reports equity analysts "generally" believe that Q2 mortgage earnings are expected to be solid, despite the pandemic-induced weakness of the broader economy. According to Wedbush Securities' Henry Coffey, "The mortgage market remains 'hot as a pistol' and is likely to remain so into the third quarter." Keefe, Bruyette & Woods (KBW) analyst Bose George said, "You've got this huge refi surge that is overwhelming the fact that you probably did have a tightening of the credit box." According to NMN, "mortgage forecasts suggest that if rate-driven refinancing remains strong, originations overall will still be higher this year. Total volume is expected to rise nearly 26% in 2020, according to KBW's second-quarter mortgage earnings preview, which averaged its own estimates with those of the Mortgage Bankers Association, Fannie Mae and Freddie Mac."

PPP Loans Save More Than 60,000 Mortgage Industry Jobs.

Behind a paywall, Inside Mortgage Finance (7/8, Hollier, Subscription Publication) reports, "Data released reluctantly by the Small Business Administration on Monday reveals that more than 1,000 mortgage-related companies have received loans exceeding $150,000 through the Paycheck Protection Program. Applicants claimed that these loans helped save 61,235 jobs." According to IMF, "at least two categories of mortgage-related companies received PPP loans. The first group includes mortgage companies, mortgage bankers and home equity lenders. PPP loans went to 409 members of this group, saving 32,332 jobs, according to the companies' applications." IMF says that nine of the mortgage companies that received PPP loans "saved more than 400 jobs."

Fannie Mae Boosts Productivity By Embracing The Cloud.

Network World (7/8, Cooney, 17K) reports that around a year and a half ago, some Fannie Mae employees in Texas were "leaving work early to work at home over the enterprise [VPN] because it gave them better application performance and less congestion than the office network." Because of this, Fannie "started moving toward a cloud-first environment and away from its legacy hub-and-spoke WAN (wide area network)." According to Fannie Mae's Ken Reddick, Fannie is "moving to is a cloud-edge environment where user traffic is now sent directly where it needs to go without hitting the data center, and what that has brought us is a four-fold increase in network performance and cut latency by 50%."

AMDC To Host July 22 Webinar On Promoting Homeownership In Diverse Communities.

DS News (7/8, Albanese) reports that on July 22, the American Mortgage Diversity Council will host a webinar titled, "Leading Beyond a Crisis: Driving Sustainable Homeownership in Diverse Communities." According to DS News, "The webinar will also outline the steps mortgage professional can take to build a sustainable, equitable, and diverse housing ecosystem." Industry leaders participating in the webinar include: "Dionne Cuello, VP, Diverse Market Segments, Citi; Suzy Lindblom, COO, Planet Home Lending; Alanna McCargo, VP, Housing Finance Policy Center, Urban Institute, and Lenny McNeil, EVP, U.S. Bank Home Mortgage."

RentCafe: Nearly Half Of Renters Changed Plans To Buy Homes Due To Pandemic.

National Mortgage Professional (7/8, Persaud) says that a "report from RentCafe revealed that while 11% of renters were ready to purchase a home at the start of 2020, 43% of prospective homebuyers have changed their plans." RentCafe's report suggested that nearly half of "millennials, the most likely demographic to purchase a home, were forced to give up the dream of owning a home in 2020." RentCafe found that 56% of renters were "optimistic" about buying within the next five years, but "as many as 23% said that they're never buying, according to the report."

Urban Institute: Lack Of Housing Supply Is Fueling Gentrification.

HousingWire (7/8, Falcon, 23K) reports that a "recent study from the Urban Institute reveals that higher housing costs as a result of the shortage of housing inventory is leading affluent buyers to seek out low- or moderate-income neighborhoods," fueling an acceleration in gentrification. To decrease gentrification disparity, the Urban Institute suggests boosting housing supply, as well as easing local land use, building, and zoning restrictions. Mortgage News Daily (7/7, Swanson) reported, "The authors conclude that encouraging growth in the housing supply by easing restrictions on building and boosting alternatives such as manufactured housing and accessory dwelling units, the pace of gentrification could be slowed."

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Zillow: High-End Housing Market Started To Bounce Back In June.

National Mortgage News (7/8, Centopani) reports that the "top end of the housing market started rebounding in June, according to Zillow." The prices of the "top fifth of listings" jumped 8.4% from May to June, while the "bottom fifth saw a 9.3% decline in listings in June from May and 29.2% drop year-over-year. Median list prices jumped 2.9% month-over-month to $337,160 because of this disparity." Zillow economist Jeff Tucker said, "The way unemployment has hit in this recession – with more layoffs in service, retail, food, entertainment and other jobs unable to be done remotely – could result in vastly different experiences on either end of the housing price spectrum. Millions of Americans who lost jobs or income are only able to stay in their homes right now thanks to extraordinary forbearance programs, which means they likely have to pause their plans to trade up or move to a new city."

NMHC: 77.4% Of Renters Made Full Or Partial Rent Payments By July 6.

Multi-Housing News (7/8) reports that 77.4% of the country's renters "made full or partial rent payments by July 6, according to the latest report from the National Multifamily Housing Council. The figure is a slight decrease from the same time period last month and the same time period last year." NMHC's report "comes as the industry eyes the looming July 31 expiration date for supplemental federal unemployment benefits."

Homebuilder Taylor Morrison Saw A Surge Of Sales In June.

CNBC (7/8, Olick, 3.62M) reports, "Ultra-low mortgage rates, a shortage of existing homes for sale and strong demand for new high-tech houses catapulted homebuilder Taylor Morrison's sales into record territory in June." The homebuilder "saw its net sales increase 94% annually last month, a record pace. It also posted a record sales pace per community." CNBC (7/8, Clifford, 3.62M) reports Taylor Morrison CEO Sheryl Palmer told CNBC on Wednesday that sales were strongest in Texas, Arizona, Florida, and California – states with recent spikes in COVID-19 cases.

DocuSign Buys Liveoak, Notarize Raises $35M In Series C Funding Thanks To Higher RON Demand.

According to HousingWire (7/8, Azevedo, 23K), DocuSign on Tuesday "announced it had acquired Austin-based startup Liveoak Technologies for $38 million in an all-stock transaction." In the announcement, DocuSign said its purchase comes "amid increasing demand for solutions that enable the remote completion of agreements that traditionally required in-person contact." Meanwhile, HousingWire reports, "digital notary platform Notarize on Tuesday announced that it had closed on a $35 million Series C round of funding in March, bringing its total funding to date to $82 million." According to HousingWire, Notarize "[said] that it is expanding the market for mortgage lenders considering that Fannie Mae and Freddie Mac have permanently eliminated the waiver requirements for lenders to perform RON mortgage closings."

Notarize Partners With Title365; Optimal Blue Announces Integration; TowerHouse Launches Home Management Platform.

In its latest Housing Tech Rundown, HousingWire (7/8, Roha, 23K) reports that Notarize on Wednesday "announced its partnership with Title365, a division of Xome, that will allow the companies to offer hybrid and fully digital residential real estate closings. As part of the collaboration, Title365 will collect, organize and retain mortgage documents via the Notarize platform." Meanwhile, Optimal Blue on Wednesday "released its integration with Nasdaq's Contributor API enabling the Optimal Blue Mortgage Market Indices on Nasdaq's Global Index Data Service platform," and TowerHouse "announced the launch of its flagship home management platform HomeEgg.com."

Truist Expands Use Of Black Knight Mortgage Technology Suite.

Mortgage Professional America (7/8, Mendoza) reports Truist "has announced expanding its use of Black Knight's mortgage technology suite" to "support its mortgage servicing operations." Truist, which was "formed last year through the merger" of BB&T and SunTrust, "renewed its use of the Empower loan origination system (LOS), LendingSpace correspondent lending system, and the MSP mortgage servicing platform."

Reports Suggest Allstate Will Acquire National General Holdings.

M Report (7/8, Albanese) says "numerous reports" suggest "the Allstate Corporation will acquire National General Holdings Corp. for $4 billion." According to M Report, "Allstate will acquire National General Holdings Corp. in its entirety, which includes National General Lender Services." This would make Allstate part of "one of the largest insurers in the world." M Report says that ABC News "reported that the National General Holdings Corp. has already approved the deal, which is expected to close in early 2021. National General said that no fewer than 40% of its voting shares have also committed to approving the deal."

Markets

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10-Year Yield Ticks Up.

MarketWatch (7/2, 1.67M) reports the 10-year Treasury yield rose to 0.655 percent.

Dollar Falls.

Reuters (IND) (7/9, White) reports, "The dollar fell against most currencies on Thursday as a rally in riskier assets such as global equities and commodities put a dent in safe-haven demand for the U.S. currency." Against the euro, the dollar "fell 0.3% to $1.1365, reaching a one-month low." The dollar "was little changed at 107.27 yen."

Gold Holds Steady.

Reuters (7/9, Aranya) reports, "Gold steadied above the key $1,800/oz level on Thursday, as worries over mounting COVID-19 cases offset hopes of a swift global economic recovery." Spot gold "was little changed at $1,812.35 per ounce by 0729 GMT, after rising to its highest since September 2011 at $1,817.71 on Wednesday. U.S. gold futures inched up 0.1% to $1,822.10."

Oil Edges Lower.

Reuters (7/9, Paul) reports, "Oil prices drifted lower on Thursday as concerns about renewed COVID-19 lockdowns in the United States outweighed signs of a recovery in U.S. gasoline demand." US West Texas Intermediate crude futures "fell 14 cents, or 0.3%, to $40.76 a barrel by 0229 GMT, after rising 0.7% on Wednesday." Brent crude futures "slipped 7 cents, or 0.2%, to $43.22, after gaining 0.5% on Wednesday."

Cybersecurity

O'Brien: Trump Weighing TikTok Ban.

The New York Post (7/8, Nelson, 4.57M) reports President Trump is considering whether to ban Chinese-owned social media platform TikTok, National Security Advisor O'Brien said Wednesday. O'Brien told reporters, "The President is looking very closely at TikTok and WeChat, and some of these other applications that the Chinese are using to obtain data – personal private intimate data on Americans and then taking it back to Beijing, where they can use it for malign purposes." The Administration, he added, is preparing "a significant rollout of measures with respect to China."

The Wall Street Journal (7/8, Wells, Li, Lin, Subscription Publication, 7.57M) reports TikTok is facing growing scrutiny in Washington amid concerns that the app's Beijing-based parent company could share information with the Chinese government.

Reuters (7/8, Pamuk) reports on Wednesday, Secretary of State Pompeo said the Administration "will take steps to ensure the Chinese government does not gain any access to the private information of American citizens through telecommunications and social media." He "also praised U.S. technology giants Google, Twitter Inc. and Facebook Inc for 'refusing to surrender' user data to the Hong Kong government and urged other companies to follow suit."

Director of Trade and Manufacturing Policy Navarro similarly said on Newsmax TV (7/8, 431K) that "you can expect over the coming weeks significant actions related to the Chinese Communist Party and its attack, essentially, both on the American economy as well as on the American people by propagating that China virus."

State Department spokesperson Morgan Ortagus said on Fox News' Bill Hemmer Reports (7/8), "What were trying to do is to look at the Chinese Communist Party and Chairman Xi for who they really are. I think we are guilty in Washington, both sides of the foreign policy aisle, for many years, for decades, for almost 40 years, in fact, of not seeing the Chinese Communist Party for who they really are. So, when we look at social media companies that are based in China. When we look at technology like Huawei or 5G or ZTE, anything that this Administration has been talking about, this isn't because we have some sort of animus towards these Chinese companies, but rather we have American national security, of course, in the forefront of our minds. We are also very concerned about the American people's private data."

Pompeo Says Administration May Ban Chinese Tech Companies In US That Could Steal Data. The Washington Examiner (7/8, Gehrke, 448K) reports Secretary of State Pompeo indicated that the Trump Administration is "considering banning a variety of Chinese tech companies from operating in the US due to privacy concerns." Pompeo told reporters Wednesday, "We are now evaluating each instance where we believe that US citizens' data that they have on their phones or in their system or in their healthcare records. We want to make sure that the Chinese Communist Party doesn't have a way to easily access that." Pompeo "confirmed earlier this week that the Administration might ban Beijing-based TikTok, a popular social media app that China hawks regard as a Chinese Communist portal into American cell phones." His latest comments "raised the likelihood that President Trump's Administration will follow India in banning dozens of Chinese companies over national security fears."

TikTok Boosts Lobbying Team As US Government Scrutiny Intensifies. CNBC (7/8, Hirsch, 3.62M) reports TikTok is "bulking up its lobbying team as the US government intensifies its oversight of the social media company." The hires include people "with deep experience in government and public policy." Last year, the Committee on Foreign Investment in the United States, or CFIUS, "began an inquiry into the application over concerns Beijing could access its data and use it to threaten US national security." President Trump "told Grey TV's Greta Van Susteren the administration is looking at banning TikTok, citing its size and his dissatisfaction with how China has handled the coronavirus."

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House Appropriators Adds $500M In FY2021 Funding For Election Security Grants.

CFTC-22-0351-A-000951

Politico (7/8, Starks, 4.29M) reports in the Morning Cybersecurity column that the Democratic-controlled House Appropriations Subcommittee

on Financial Services and General Government "is poised to approve fiscal 2021 spending legislation that would include $500 million in election security grants, a $75 million hike over fiscal 2020." Republicans have in recent years "sought less than Democrats, or rejected the idea of new funding altogether if there still was money in the pipeline, so that dollar figure probably amounts to just a starting point." Even $500 million, an election security expert "pointed out, is unlikely to be enough." Rep. Mike Quigley (D-IL), chair of the subcommittee, "said that the bill 'continues investment in election infrastructure and security to help our state and local governments conduct safe and secure elections.'" Full committee chair Rep. Nita Lowey (D-NY) "touted that the bill 'increases funding to improve election security and integrity, because our democracy belongs in the hands of American voters.'"

Study Finds "15B Stolen Passwords" On Sale On The Dark Web.

The Independent (UK) (7/8, Cuthbertson, 1.36M) reports a new study has "revealed there are more than 15 billion stolen account credentials circulating on criminal forums within the dark web." Researchers at cyber security firm Digital Shadows "discovered usernames, passwords and other login information for everything from online bank accounts, to music and video streaming services." The researchers found the "majority of exposed credentials belong to consumers rather than businesses, resulting from hundreds of thousands of data breaches." Rick Holland, CISO at Digital Shadows, said, "The sheer number of credentials available is staggering. Some of these exposed accounts can have (or have access to) incredibly sensitive information. Details exposed from one breach could be re-used to compromise accounts used elsewhere."

CISA's New Strategy For Securing Industrial Control Systems Relies On Private-Sector Collaboration.

NextGov (7/8, Baksh) reports the Cybersecurity and Infrastructure Security Agency's "newly released strategy to invest in technology to protect industrial control systems from cyberattacks relies on private-sector entities sharing information about risks they face with the government but doesn't include liability protections companies are asking for in exchange." Industrial control systems "are used to automate processes in sectors such as electricity, water, transportation and manufacturing." CISA's five-year plan "to protect these systems is to work with their private-sector owners and operators to identify the threats they're encountering and assess where they're vulnerable, so the government can ultimately prioritize investments to improve their defenses." The strategy doesn't note "where the government's share of the investments would come from." A bill approved by a House Appropriations Committee Tuesday "would provide $2.25 billion in funding for CISA in 2021."

Cyberspace Solarium Commission Advisor Says Better Data Collection Key To Improved Cyber Defense.

MeriTalk (7/8, Weingarten) reports federal cybersecurity officials "working on the policy and operations fronts agreed this week that better collection of data about vulnerabilities is key to fostering improved network defenses." Brandon Valeriano, a senior advisor to the Cyberspace Solarium Commission, "said at a July 7 event...that the US needs to collect better international cyber threat data, and that the public and private sectors need to cooperate more fully in data collection and sharing." He pointed to "several metrics-related Solarium recommendations to improve cybersecurity in the US, including the creation of a Bureau of Cyber Statistics." Valeriano "said the lack of a private sector breach notification law makes it difficult to know the full scope of threats." He said, "It's very problematic for us to start to talk about cybersecurity when we don't even have a conception of what the basic defense is."

TFI/Sanctions

Amazon Settles Allegations Of US Sanctions Violations.

The Wall Street Journal (7/8, Sun, Subscription Publication, 7.57M) reports the Treasury Department stated on July 8 that Amazon reached a deal to settle accusations it violated numerous US sanctions regulations. Amazon reportedly gave goods and services to individuals or entities subject to US sanctions. The deal with Treasury's Office of Foreign Assets Control (OFAC) indicates the actions were largely caused by weaknesses in Amazon's automatic screening processes.

Fox Business (7/8, Fordham, 1.73M) reports Amazon "will pay $134,523" under the settlement "after violating U.S. sanctions by selling goods to people in Crimea, Iran and Syria, although the low penalty amount reflects 'that Amazon's apparent violations were non-egregious and voluntarily self-disclosed,' the Treasury Department said Wednesday." Additionally, Treasury "said Amazon has already taken steps to fix its automated system that flags possible sanctions violations."

Law360 (7/8, Subscription Publication, 8K) also reports.

Federal Reserve

Fed Leaders Mixed, But Mostly Negative On Near-Term Economic Recovery.

Reuters (7/8, Schneider) reports, "Federal Reserve officials raised fresh doubts on Wednesday about the durability of the U.S. recovery, while new business surveys highlighted developing risks from the relentless coronavirus pandemic." Richmond Fed President Thomas Barkin characterized the US economy as facing "air pockets" of businesses not refilling orders and households' unemployment benefits drying up.

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Barkin said, "Businesses like construction had pretty good pipelines and kept going," in the first phase of the pandemic, but "new orders are not coming on line in the same way. We have fiscal payments...that are coming to an end and it is not clear what is going to replace them." Meanwhile, St. Louis Fed President James Bullard said he believed many jobs lost would be regained by the end of 2020, but he "may be the outlier among his colleagues at the central bank." Boston Fed President Eric Rosengren said, "I do expect unfortunately that the economy is going to remain weaker than many had hoped through the summer and fall."

CNBC (7/8, Cox, 3.62M) reports Bullard said he could see unemployment reaching as low as 7 percent within a few months.

The Wall Street Journal (7/8, Derby, Subscription Publication, 7.57M) reports Atlanta Fed President Raphael Bostic on Wednesday said signs are emerging that the US economic recovery could be stumbling as reopenings in some states have been accompanied by rising infection rates. Bostic said some economic data suggest economic activity and businesses reopening is leveling off, adding that previous positive outcomes now seem less likely as infections mount.

Reuters (7/8, Saphir) and the Financial Times (7/8, Politi, Noonan, Subscription Publication, 1.34M) also report.

Big Banks Show Little Interest In Making Loans Through Fed's Program For Main Street.

The New York Times (7/8, Smialek, 18.61M) reports, "The Federal Reserve Bank of Boston on Wednesday released a list of lenders that have signed up for the central bank's midsize business lending program and are willing to make loans to new customers through the initiative." The Times points out only Bank of America has "so far agreed to participate and take on new clients, based on the Boston Fed's map," and "lenders like JPMorgan Chase, Citigroup and Wells Fargo are not listed." Many lenders say "that they are hearing of only limited borrower interest in the program."

The Wall Street Journal (7/8, Kiernan, Subscription Publication, 7.57M) and The Washington (DC) Post (7/8, Siegel, 14.2M) also report.

Fed Official Says Emergency Facilities Helped Markets Despite Low Usage.

MarketWatch (7/8, Oh, 1.67M) reports Daleep Singh, head of the New York Fed's markets group, said the Fed could slow corporate debt purchases if financial markets continue to improve. Still, Singh "said the central bank stands ready to tweak its approach given the uncertainty around a potential wave of bankruptcies from the economic impact of the coronavirus."

Reuters (7/8, Marte) reports Singh said the Fed's emergency lending facilities helped to stabilize markets after the coronavirus-induced volatility in March, adding that the central bank will adjust its approach if necessary. Despite some programs' low usage, the "backstops still helped to improve market functioning."

The Wall Street Journal (7/8, Derby, Subscription Publication, 7.57M) also reports.

Fed Withdraws From Repo Market After 10 Months.

The Financial Times (7/8, Smith, Subscription Publication, 1.34M) reports, "The US Federal Reserve's unprecedented 10-month intervention in short-term borrowing markets has been wound down, after the central bank..."

Financial Regulatory Agencies

Payday Lender Trade Group Chairman Praises CFPB For Easing Restrictions Amid Pandemic.

D. Lynn DeVault, Chairman of payday lender trade group the Community Financial Services Association of America, writes in a BankThink piece for American Banker (7/8, Subscription Publication, 31K) that the Consumer Financial Protection Bureau's decision to rescind payday limits came at the right time, as "the coronavirus pandemic has both revealed and dispelled a number of assumptions about consumer-spending habits during difficult times." DeVault argues that because some states have seen payday loan requests decline during the pandemic rather than increase, this indicates that many consumers "are knowledgeable about their own financial lives and managing it to their best ability."

Internal Revenue Service

TIGTA Report Says IRS Correctly Calculated 98% Of Virus Payments.

Law360 (7/8, van den Berg, Subscription Publication, 8K) reports the Treasury Inspector General for Tax Administration released a report Wednesday saying the IRS "correctly computed about 98% of economic impact payment amounts, but some dead people and prisoners got money, some people got two payments, and others who should've gotten payments didn't." The IRS "told Law360 in response to TIGTA's report that during the pandemic, it has processed more than 126 million returns and more than 93 million refunds totaling over $257 billion." The agency "also said it coordinated delivery of more than 160 million economic payments totaling over $270 billion 'in record time' and that more than 30 million of the payments went to people who aren't ordinarily required to file returns."

House Panel Advances Spending Bill With Funding Boost To IRS.

The Hill (7/8, Jagoda, 2.98M) reports the House Appropriations Committee's financial services and general government subcommittee on Wednesday "advanced a financial services spending bill for fiscal 2021 that would increase the IRS's budget by nearly $600 million." The measure "now heads to the full committee, where lawmakers will give it further scrutiny and debate amendments." The article says the bill

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"covers portions of the federal government that include the Treasury Department, the federal judiciary, the executive office of the president, the Small Business Administration, the Securities and Exchange Commission and the Federal Communications Commission."

Office of the Comptroller of the Currency

PPP Lending Pushes Community Banks Toward Fintech Partnerships.

Bloomberg Law (7/8, Beyoud, Subscription Publication, 4K) reports the Paycheck Protection Program has pushed more community banks to embrace fintech partnerships. Community banks want regulators such as the Office of the Comptroller of the Currency to issue clear guidance about onboarding new service providers, said Chris Cole, ICBA's EVP and Senior Regulatory Counsel. That "could include a system where banks share due diligence on fintech and other service providers, such as their financial health or cybersecurity practices, Cole said. Or the regulators themselves could conduct reviews." But with regulators reluctant to do so, small banks remain "at a disadvantage compared to larger ones that have the resources to do it," he said.

Coinbase Names New Chief Legal Officer After Brooks' Departure For OCC.

Bloomberg Law (7/8, Baxter, Subscription Publication, 4K) reports cryptocurrency exchange Coinbase has hired Facebook's Paul Grewal to serve as its new Chief Legal Officer. Grewal replaces Brian Brooks, who left the firm in March after being appointed First Deputy Comptroller at the Office of the Comptroller of the Currency. Brooks in May "effectively became Wall Street's top watchdog after he was named acting head of the OCC."

CoinDesk (7/8, 41K), The CoinTelegraph (7/9, 14K), and Yahoo! Finance (7/8, Keely) provide similar coverage.

Editorial Wrap-Up

New York Times.

"The Roberts Court Curtails Birth Control Access. Again." In an editorial, the New York Times (7/8, Board, 18.61M) says that that "the Supreme Court under Chief Justice John Roberts reminded Americans once again that it is no friend to reproductive rights, or to the vast majority of women who will use some form of birth control in their lifetime." The Times says the ruling "dealt another blow to the birth control mandate under the Affordable Care Act."

Washington Post.

"Trump Is Shouting For Schools To Reopen. He Needs An Actual Strategy." The Washington Post (7/8, 14.2M) editorializes, "President Trump has seized upon a new campaign battle cry to reopen the schools this fall, not with distance learning but in person. Mr. Trump's call reflects a genuine need, felt by parents, teachers and students, to get back to the classroom. In any calculus of recovery, schools must be a priority. But it is important that reopening be done smartly, avoiding Mr. Trump's previous bungling and leadership bankruptcy." The Post editorial board writes, "Reopening will also require major new resources that states and localities do not have. Ninety percent of school funding is local, and the governments are struggling under crushing pandemic burdens and tax revenue falloff."

"The Contraception War Is Not Over." The Washington Post (7/8, Board, 14.2M) editorializes that "the majority opinion was notably silent on the extent and strength of the exemption or accommodation that religious freedom laws may require the government to provide to religious objectors," and as a result "a new administration could move to narrow or eliminate the Trump administration's recklessly broad exemption. To make clear its intent, Congress, too, could get involved, specifying explicitly that women must have free contraception coverage through their health plans except in very narrow circumstances."

"The Huge And Hasty PPP Was Destined To Make Dubious Loans. Now Congress Must Fix It." The Washington Post (7/8, Board, 14.2M) says in an editorial that data released this week on the "largest beneficiaries" of the Paycheck Protection Program "proved that millions of dollars worth of forgivable low-interest loans – tantamount to grants – landed at not-so-small and not-so-obviously-needy firms and nonprofits." While the Post highlights several such examples, it says the "declining unemployment rates of the past two months suggest this broad approach did indeed help save jobs, mostly at small firms." The Post adds that in the "next economic support package, Congress should target a narrower range of small businesses – while allowing those firms to spend the money for a wider range of purposes, beyond maintaining payroll."

"Undeterred By The Last Uproar, Trump Is Again Considering Family Separation." A Washington Post (7/8, Board, 14.2M) editorial says the Administration is again considering "separating migrant children from their families." The "latest threat to break up families arises from a federal court order last month by U.S. District Judge Dolly M. Gee, in Los Angeles," who gave ICE "until next Friday to release scores of children held at the facilities." Gee's jurisdiction "does not cover detained adults, which afforded an opening to the administration to present migrant parents with a perverse choice: give up their children to sponsors, or remain with their children inside facilities where the pandemic is tightening its grip." The Post argues, "Compassion and decency compel a clear path forward: releasing parents and children together from ICE custody. Sadly, very little in this administration's makeup suggests it will do the right thing."

Wall Street Journal.

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"Religious Liberty Lives At The Supreme Court." In editorial, the Wall Street Journal (7/8, Board, Subscription Publication, 7.57M) praises

the Supreme Court rulings on religious liberty issued Wednesday, calling them victories for religious freedom, and says Americans who are religious can take comfort in the decisions.

"How Not To Punish China." A Wall Street Journal (7/8, Board, Subscription Publication, 7.57M) editorial argues that while the Administration is mulling its response to China's actions in Hong Kong, one idea should not be under consideration: weaponizing the U.S. dollar to undermine Hong Kong's currency.

"Bonfire Of The Liberals." The Wall Street Journal (7/8, Board, Subscription Publication, 7.57M) argues in an editorial that society benefits when both the left and right accept basic free-speech principles.

"After The WHO Withdrawal." In an editorial, the Wall Street Journal (7/8, Editorial Board, Subscription Publication, 7.57M) argues that now that the Administration has notified the UN that the US will withdraw from the WHO in July 2021, President Trump and Secretary of State Pompeo should lay out the conditions for the US to rejoin. The Journal adds that if reform of the WHO cannot be achieved, the White House should support the creation of an alternative pandemic response agency.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Supreme Court Rulings Expand Exemptions for Religious Employers
Trump Criticizes CDC Guidelines for Reopening Schools
United Airlines Warns It May Furlough 36,000 Staff
Brooks Brothers, Hurt by Casual Fridays and Coronavirus, Files for Bankruptcy
Reopened Theme Parks Ban Screaming on Roller Coasters. Riders Are Howling
TikTok, Once an Oasis of Inoffensive Fun, Ventures Warily Into Politics

New York Times:

Supreme Court Upholds Trump Administration Regulation Letting Employers Opt Out Of Birth Control Coverage
Trump Threatens To Cut Funding If Schools Do Not Fully Reopen
NYC Schools, Nation's Largest District, Will Not Fully Reopen In Fall
New Transcripts Detail Last Moments For George Floyd
Erdogan Talks Of Making Hagia Sophia A Mosque Again, To International Dismay
Facebook's Decisions Were 'Setbacks For Civil Rights,' Audit Finds

Washington Post:

Facebook's Civil Rights Auditors Blast Its Policy Decisions
Court Upholds Contraceptive Care Exception
Virus Hot Spots Race To Add Beds And Gear
Trump Pushes And Threatens In Bid To Fully Reopen Schools
Body Cam Transcripts Give Fuller Picture Of Floyd's Fear
Arab World Confronts Its Own Racism

Financial Times:

Lagarde Puts Green Policy Top Of Agenda In ECB Bond Buying
Brooks Brothers Files For Bankruptcy In 'Work From Home' Era
Silicon Valley Weighs Whether To Leave Hong Kong
FC Barcelona To Pursue Nike For Compensation Over Defective Shirts
KKR To Buy Life Insurer Global Atlantic For $4.4bn

Washington Times:

Democrats Face 'Credibility Gap' Over Protesters' Free Pass On COVID Rules
FBI Informant, Media Targeted Flynn In Russia-Tinged Relationship Conspiracy, Lawsuit Claims
Harvard, MIT Sue To Preserve Foreign Students' Access During Coronavirus Pandemic
Resignations, Clashes Leave Pentagon With Gaping Holes In Upper Ranks
'Impractical': Trump Rejects CDC School Reopening Guidelines
Supreme Court Sides With Trump Over Obamacare Religious Exemptions

Story Lineup From Last Night's Network News:

ABC: Coronavirus-Rising Cases; Coronavirus-Reopening Schools; Attorney General Barr Interview; Chinese-American Racism; Mary Kay Letourneau Death; Tropical Storm-East Coast; Central Park Charges; Vindman Retirement; Donations-Essential Workers.

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CBS: Coronavirus-Rising Cases; Coronavirus–Reopening Schools; Coronavirus–Texas Hospitals; Coronavirus–Fake Medical Supplies; George Floyd Transcripts; Asian-American Racism; Supreme Court; Coronavirus–Medication Risks; Arizona-Fire Rescue; Coronavirus-Music.
NBC: Coronavirus–Reopening Schools; Coronavirus-Rising Cases; Supreme Court; Vindman Retirement; United Airlines-Furloughs; George Floyd Transcripts; Indiana-Racist Attack; California-Racist Jury Selection; Arizona-Fire Rescue.

Network TV At A Glance:
Coronavirus – 29 minutes
Supreme Court Ruling – 4 minutes, 30 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Supreme Court-Trump Taxes; Goeffrey Berman Testimony; Coronvirus-Reopening Schools; Midwest Tornado.
CBS: Coronavirus-Reopening Schools; Coronavirus-Mississippi Capitol; Asian-American Racism; Supreme Court-Trump Taxes; Midwest Tornado.
FOX: Coronavirus-Rising Cases; Coronavirus-Masks; Coronavirus-School Reopening; Supreme Court; Texas Execution.
NPR: Supreme Court-Religion Rulings; Supreme Court-Trump Taxes; Mexico President-DC Visit; Biden-Coronavirus Statement; Vindman Retirement; Coronavirus-Ivy League Sports.

Last Laughs

Late Night Political Humor.

Billy Eichner, Guest Host For Jimmy Kimmel: "As you may know, wearing face masks that help prevent COVID-19 has weirdly become some kind of political issue. Angry Americans have been sending death threats to health officials who've been advocating for mask requirements. Which I think is such a waste of time. You're already not wearing a mask in the middle of a pandemic; we know you want to kill us! We knew that back when you kept wearing guns to Chipotle."

Billy Eichner: "America, what are we doing? Americans weren't even able to take the virus seriously as a public health threat for as long as they took James Franco seriously as a short story writer. Look, I get it. I do. You're over it. Quarantine is hard. I live alone and I'm a little sick of people telling me not to socialize. I mean, easy for you to say – you have a husband and kids. I've been sitting at home alone for four months watching the Jeffrey Epstein doc on Netflix and saying 'How did that we let that happen?' to my broom."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — No public schedule released.
- Vice President Pence — Visits Pennsylvania, to participate in a bus tour beginning in Lancaster and ending in Philadelphia. Stops include hosting a 'Business Chamber of Commerce: Re-Opening the Economy Roundtable' at Rajant Corporation in Malvern (2:15 PM EDT), and delivering remarks to law enforcement officers and their families at 'Back the Blue Rally' at the Fraternal Order of Police Lodge #5 in Philadelphia (4:50 PM EDT).

***US Senate*:**

- Senate on recess from 2 Jul – 20 Jul

***US House*:**

- House Appropriations Committee markup hearing – Markup hearing on 'FY 2021 302(b) Subcommittee Allocations', 'FY 2021 State, Foreign Operations and Related Programs Appropriations Bill', 'FY 2021 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill', and 'FY 2021 Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill'

Location: Rm 1100, Longworth House Office Building, Washington, DC; 10:00 AM

- House Financial Services subcommittee virtual hearing on challenges for women-and-minority-owned businesses during coronavirus – Diversity and Inclusion Subcommittee virtual hearing on 'Access Denied: Challenges for Women- and Minority-Owned Businesses Accessing Capital and Financial Services During the Pandemic', held via Cisco Webex, with testimony from U.S. Hispanic Chamber of

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Commerce Chairwoman of the Board of Directors Carmen Castillo; U.S. Black Chambers President and CEO Ron Busby Sr.; Bob Ross Auto Group President Jenell Ross; and SBE Council President and CEO Karen Kerrigan; *12:00 PM*

• House Commerce subcommittee remote hearing on increased risks during coronavirus – Consumer Protection and Commerce Subcommittee remote hearing on 'Consumers Beware: Increased Risks During the COVID-19 Pandemic', held via Cisco Webex, with testimony from North Carolina Department of Justice Consumer Protection Division Director Kevin Anderson; National Consumers League Executive Director Sally Greenberg; and U.S. Chamber of Commerce Executive Vice President Thomas Quaadman; *12:00 PM*

• Defense Secretary Esper and Joint Chiefs Chairman Milley testify to House committee on DoD and civilian law enforcement – Hearing on 'Department of Defense Authorities and Roles Related to Civilian Law Enforcement', with testimony from Secretary of Defense Mark Esper; and Joint Chiefs of Staff Chairman Gen. Mark Milley * Held virtually and in the U.S. Capitol Visitor Center Auditorium * Last month, Gen. Milley apologized for participating in President Donald Trump's photo opportunity in front of St. John's Church in Washington, DC's Lafayette Square – when the U.S. Park Police and U.S. Secret Service dispersed mostly-peaceful protests using, according to witnesses, rubber bullets and tear gas – admitting that his presence in uniform 'created a perception of the military involved in domestic politics', while Secretary Esper said that he did not know they were going to the church for a photo-op and thought they were headed to look at a vandalized public bathroom, and also that he had no idea that the protesters had been cleared; *1:00 PM*

• House Foreign Affairs Committee hearing on 'Russian Bounties on U.S. Troops' – Hearing on 'Russian Bounties on U.S. Troops: Why Hasn't the Administration Responded?', held virtually via Cisco Webex, with testimony from former CIA Acting Director and Deputy Director Michael Morell; former National Security Council Senior Director for Russia/Eurasia Dr Celeste Wallander; former U.S. Forces – Afghanistan and NATO Resolute Support Mission Commander Gen. (Ret.) John Nicholson; and Atlantic Council Resident Senior Fellow Ian Brzezinski * Last month, reports said that senior White House officials were aware as early as the beginning of 2019 of classified intelligence indicating that Russia was secretly offering bounties to the Taliban for killing U.S. troops; *1:00 PM*

Cabinet Officers:

• No public schedules released

Visitors:

• No visitors scheduled

This Town:

• Defense Washington Forum concludes – EU Defense Washington Forum day two, hosted by Brookings Institution and European Union Delegation to the United States, to discuss the impact of coronavirus (COVID-19) on trans-Atlantic security, technology challenge from China, defense spending and capabilities, and European Union-U.S.-NATO cooperation, deterrence, non-proliferation, and arms control. Speakers today include Republican Rep. Will Hurd, European Union High Representative Josep Borrell, Deputy Assistant Secretary of Defense for European and NATO Policy Michael Ryan, Member of the European Parliament Radoslaw Sikorski, European Commission Director General for Communications Networks, Content, and Technology Roberto Viola and Director of Investment, Innovative & Sustainable Transport, DG Mobility, and Transport Herald Ruijters, and European Union Institute for Security Studies Senior Analyst Alice Ekman; *9:00 AM*

• Brookings discussion on 'Preserving manufacturing in the COVID-19 economy' – 'Preserving manufacturing in the COVID-19 economy' ninth annual John Hazen White Forum on Public Policy event hosted by Brookings Institution, with panelists including Democratic Rep. David Cicilline, Taco Comfort Solutions Corporate Development Vice President Benjamin White and OEM Sales Senior Vice President John White, and Case Western Reserve University's Susan Helper; *10:00 AM*

• Aspen Institute event on equity and justice – 'Leading in a Time of Crisis: Exercising Moral Courage for Equity and Justice' Aspen Institute virtual event, with Sustainable Native Communities Design Lab Director Joseph Kunkel, Mount Sinai Health System Office for Diversity and Inclusion Chief Program Officer Ann-Gel Palermo; *10:00 AM*

• Carnegie Endowment virtual event on Europe's role in the geopolitical landscape – 'Navigating a Pandemic World: Global Disorders and Europe's Role' Carnegie Endowment for International Peace virtual event, on the recalibration of the geopolitical landscape amidst the coronavirus (COVID-19) pandemic. Speakers include European Union High Representative for Foreign Affairs and Security Policy Josep Borrell, China Institute of International Studies Senior Research Fellow Ling Jin, and Regional Agenda for Africa Head Elsie Kanza; *10:00 AM*

• CBPP press call on the next coronavirus relief package – Center on Budget and Policy Priorities virtual press briefing on 'the needs of households and the economy in the next relief package' with Harvard Economics Professor Raj Chetty and Moody's Analytics Chief Economist Mark Zandi; *10:00 AM*

• The Hill hosts 'Health Reimagined' virtual summit with NIAID Director Fauci – The Hill hosts 'Health Reimagined: The Future of Healthcare' virtual summit. Speakers include NIH National Institute of Allergy and Infectious Diseases Director Anthony Fauci,

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Democratic Rep. Lauren Underwood, Republican Rep. Fred Upton, NAMI CEO Daniel Gillison, Teladoc Health CEO Jason Gorevic, Crispr Therapeutics CEO Dr Samarth Kulkarni, Cleveland Clinic President and CEO Dr Tom Mihaljevic, Geisinger President and CEO Dr Jaewon Ryu, PhRMA President and CEO Stephen Ubl, Ancestry Chief Scientific Officer Dr Catherine Ball, National Academy Of Medicine Foreign Secretary Dr Margaret Hamburg, Physician Side Gigs founder Dr Nisha Mehta, CVS Health Community Health & Impact Vice President Dr Garth Graham, Arthritis Foundation Advocacy & Access Vice President Anna Hyde, former American Medical Association President Dr Patrice Harris, Elmhurst Hospital Chief Nursing Officer Joann Gull, and Detroit Health Department Chief Public Health Officer Denise Fair; *11:00 AM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: WEDNESDAY, JUNE 10, 2020 6:00 AM EDT

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CFTC-22-0351-A-000959

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Treasury in the News

WPost Report: PPP Now Showing Signs Of Helping The Economy After A Rocky Start.

In a lengthy report on the PPP, the Washington Post (6/9, O'Connell, Whalen, Stein, Werner, 14.2M) reports that following "a flood of complaints, balky computer systems, changed rules and frantic calls to the Treasury Department," the program "is suddenly looking like a measured success." The report cites two unnamed sources as saying Treasury Secretary Steven Mnuchin "appeared either lukewarm or skeptical about the effort and was more focused on the loan programs for airlines and large corporations during the drafting of the legislation." The report adds, "Publicly, Mnuchin has heralded the program as a successful answer to the nation's greatest downturn since the Great Depression."

Leading National News

Trump: "Buffalo Protester Shoved By Police Could Be An ANTIFA Provocateur."

President Trump tweeted Tuesday, "Buffalo protester shoved by Police could be an ANTIFA provocateur. 75 year old Martin Gugino was pushed away after appearing to scan police communications in order to black out the equipment. @OANN I watched, he fell harder than was pushed. Was aiming scanner. Could be a set up?"

The tweet sparked widespread outrage from Democrats and media analysts, with even the Trump-friendly Breitbart (6/9, 673K) accusing the President of making an "unsubstantiated claim." Fox News (6/9, Olson, 27.59M) also says on its website that "the backlash to Trump's tweet was swift," and adds that Chuck Ross of the conservative Daily Caller wrote on Twitter, "My God this is a bad tweet. There's no evidence to support this and the guy looked like he fell as hard as he was pushed." Reports indicate that most Republicans, however, declined to comment. The Washington Post (6/9, Parker, Wagner, 14.2M), for example, refers to "a now-familiar dance from many Republicans claiming not to have seen a tweet," though Axios (6/9, Treene, Ayesh, 521K) reports that "privately, Trump administration and Senate Republican aides acknowledge the absurdity and danger of a tweet such as this."

News stories recount that that Trump wrote his tweet shortly after an OANN report on Gugino. The Buffalo News (6/9, Zremski, 391K) indicates the OAN segment said the incident "could be a result of a false flag provocation by far left group ANTIFA," and that "newly released videos appear to show Gugino using a police tracker on his phone, trying to scan police communications during the protest. ... The tactic known as skimming is an old trick used by ANTIFA to locate police officers and plan violent activities." The News adds "the reporter on the OANN piece was Kristian Rouz – who, according" a Daily Beast story that ran in 2019, "also works for the Russian propaganda outfit Sputnik." OANN also said its story is "based its reporting on an account in the Conservative Treehouse blog post that, without evidence, labeled Gugino a '75-year-old professional agitator and ANTIFA provocateur.'" The New York Post (6/9, Steinbuch, 4.57M) reports "neither outlet has provided evidence that the theory is true – and a lawyer for Gugino said it is baseless." The New York Times (6/9, Grynbaum, 18.61M) also reports Rouz "is a Russian native."

All three major network newscasts also covered Trump's tweet, which they cast as exemplifying the President's absence from any constructive debate on police violence. Kristen Welker of NBC Nightly News (6/9, story 3, 2:25, Holt) reports, for example, that "while the nation mourned George Floyd...Trump sparked outrage, tweeting out a baseless conspiracy theory." ABC World News Tonight

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(6/9, story 3, 2:50, Muir, 7.93M) said "there is a growing acknowledgment of the need for change from both parties on Capitol Hill," but the President "was not part of that conversation," and Weijia Jiang of the CBS Evening News (6/9, story 5, 1:50, O'Donnell, 3.41M) similarly referred to "a conspiracy theory without evidence," and showed critical comments by Sen. Mitt Romney (R-UT) and New York Gov. Andrew Cuomo (D).

Across the media landscape, the tone was uniformly critical of Trump. The Daily Beast (6/9, Ross, 1.39M) reports Trump "pushed a baseless conspiracy theory – with absolutely no supporting evidence," while the AP (6/9, Thompson, Colvin) refers to Trump as "peddling yet another unfounded conspiracy theory," The Hill (6/9, Samuels, 2.98M) as sharing "an unfounded conspiracy theory," Business Insider (6/9, Sheth, 3.67M) as "spreading a baseless conspiracy theory" and People (6/9, Carlson, 50.07M) as "contradicting the footage" of the incident.

Politico (6/9, Forgey, 4.29M) titles its analysis piece on the tweet "Trump's Conspiracy Theory On 75-Year-Old Protester Draws Sharp Backlash," while The Intelligencer (6/9, Chait, 1.1M) describes Trump as "real-estate heir, reality television host, cable news junkie, swindler, and titular president of the United States," and Vanity Fair (6/9, Lutz, 9.08M) says that "surely, suggesting that a hospitalized 75-year-old protester injured by police deserved what he got...is not the message of 'healing, rebuilding, restoring, recovering' that his advisers had hoped to steer him toward as he falls further behind Joe Biden in the polls." Likewise, to the Los Angeles Times (6/9, Bierman, 4.64M), the tweet "provided the latest example of the lack of discipline and empathy that has worsened the president's political plight five months before election day."

Yahoo! News (6/9, Stableford, 12.82M) reports "the officers, Robert McCabe and Aaron Torgalski, were initially suspended without pay," but "were later arrested and charged with second-degree assault," and the Daily Beast (6/9, Ross, 1.39M) recounts that "all members of the Buffalo Police Department Emergency Response Team resigned from the unit last week in support of the officers who were suspended for their aggression toward Gugino."

The Religion News Service (6/9, Shimron, 8K) reports, meanwhile, that "friends of the retired computer scientist described Gugino as a devout Catholic and a graduate of Canisius High School, a private Jesuit school in Buffalo, who is a passionate advocate for multiple causes on behalf of the poor and disenfranchised." Gugino "spent his retirement lending a hand to multiple causes, among them Black Lives Matter." The Buffalo News (6/9, Becker, 391K) says Gugino "has been involved in a broad array of issues ranging from nuclear disarmament to climate change and Guantanamo. He had a YouTube channel which had 35 subscribers as of Friday in which he discussed such issues." It "has since been taken down along with his Twitter account which has drawn intense scrutiny."

The New York Times (6/9, Feuer, 18.61M) reports, "It is true, his friends admitted, Martin Gugino was an activist, a seasoned peacenik who in a lifetime of protest had taken part in demonstrations against military drones, climate change, nuclear weapons and police brutality." However, "Gugino was also a football fan, they said, a mild-mannered bachelor and a Buffalo native who returned to his hometown some years ago to care for his ailing mother."

The Guardian (UK) (6/9, Gabbatt, 4.19M) reports that "Trump has often embraced conspiracy theories, most notoriously his pushing of 'birtherism' – the completely false and racist theory that former president Barack Obama was not born in the US."

Reuters (6/9, Caspani, Goldberg) indicates "Erie County District Attorney Erie County District Attorney John Flynn, who is prosecuting the officers, declined to comment on Trump's tweet about Gugino, who remains hospitalized." Attorney Tom Burton said Tuesday, "This case is going to get tried in court before someone in a black robe and I have no further comment."

Townhall Report Stands By Trump. One of the very few news stories that appeared sympathetic to Trump ran in Townhall (6/9, O'Brien, 177K), which asked, "Is there more to the story? ... As it turns out, this wasn't his first protest" and "some describe him as a 'professional agitator.'" Townhall adds that "Tom Burton, an attorney for the Police Benevolent Association, also reminded spectators that this incident occurred a few days after Buffalo police officers were the targets of flying bricks and bottles. Three officers were even run over by rioters in an SUV." Burton, "and many others with him, argue that the DA's charges were way out of bounds."

Handful Of Republicans Criticize Trump. Frequent GOP critics of Trump weighed in Tuesday on this controversy, though as Jonathan Karl put it on ABC World News Tonight (6/9, story 3, 2:50, Muir, 7.93M), "the only Republicans willing to comment were those who have already been written off by the President." ABC showed Sen. Lisa Murkowski (R-AK) saying, "It just makes no sense that we are fanning the flames. This is not good." Romney said, "It was a shocking thing to say, and I won't dignify it with any further comment." ABC added that "not even the President's own chief of staff would defend the tweet." Chief of Staff Meadows was shown saying, "I learned a long time ago not to comment on tweets."

The Buffalo News (6/9, Zremski, 391K) reports ex-Sen. Jeff Flake (R-AZ) tweeted, "This was a 75 year-old-man shoved to the ground, left bleeding from a head wound. Trafficking in conspiracy theories like these is beneath your office, Mr President."

The New York Times (6/9, Cochrane, 18.61M) reports that "having grown accustomed to Republican lawmakers' favorite excuse for refusing to comment on President Trump's latest incendiary tweet, reporters resorted to a rare tactic." Reporters "printed out copies of Mr. Trump's post...for any Republican who might try to fall back on what has become a stock response: 'I didn't see the tweet.'" But "it did not work. Even faced with documentary evidence of the president's inflammatory remark, most Republicans averted their gaze on Tuesday." The Hill (6/9, Carney, 2.98M) recounts that "presented with a copy of the tweet," Sen. Susan Collins (R-ME) "told reporters that she thought 'it would best if the president did not comment on issues that are before the courts.'"

CNN (6/9, Raju, Foran, Fox, Zaslav, 83.16M) reports on its website that "a number of Republican senators dodged questions or were silent on Tuesday," and USA Today (6/9, Jackson, 10.31M) that "Ari Fleischer, a Republican and a former press secretary for President George W. Bush, also slammed the tweet." Fleischer wrote on Twitter, "The President's penchant for trafficking in conspiracy theories is,

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politically speaking, going to ruin him. This is reckless. He doesn't know when to stop." Senate Majority Whip Thune, meanwhile, "questioned why Trump even raised this issue," telling reporters, "It's a serious accusation, which should only be made with facts and evidence. And I haven't seen any yet."

The AP (6/9, Thompson, Colvin) reports that "asked by reporters if the president should not be making it, Thune said: 'Well, I think that's a given,'" and that Murkowski's reaction upon being told about the tweet was, "Oh lord. Ugh. ... Again, why would you fan the flames? That's all I'm going to say." Politico (6/9, Levine, Everett, 4.29M) says that "though the moderate Murkowski was nearly rendered speechless, the missive mostly failed to get a rise out of Senate Republicans."

Biden: "No Greater Sin Than Abuse Of Power." Joe Biden took to Twitter Tuesday to write, "My Dad used to say there's no greater sin than the abuse of power. Whether it's an officer bloodying a peaceful protester or a President defending him with a conspiracy theory he saw on TV. I'm a Catholic – just like Martin. Our faith says that we can't accept either."

Cuomo: Tweet "Reckless," "Crude," "Disgusting." The Buffalo News (6/9, McShea, 391K) reports Cuomo "called the tweet 'reckless,' 'irresponsible,' 'crude' and 'disgusting,'" and "said there was 'no proof whatsoever' to support" Trump's case. The News adds that "Cuomo, whose voice rose in anger during his comments, implored the president to 'show some decency.'" The Washington Times (6/9, Boyer, Howell, 492K) quotes Cuomo as also saying, "What does that even mean? Fell harder than he was pushed?. ... You think the blood coming out of his head was staged?"

Gugino's Lawyer Bemoans Trump's "Dark, Dangerous And Untrue Accusations." The Buffalo News (6/9, Zremski, 391K) indicates that "in reaction to Trump's tweet, Gugino's lawyer, Kelly Zarcone, said in a statement that her client is out of the intensive care unit but in need of rest." Said Zarcone, "Martin has always been a PEACEFUL protester because he cares about today's society. ... No one from law enforcement has suggested otherwise so we are at a loss to understand why the President of the United States would make such dark, dangerous and untrue accusations against him." USA Today (6/9, Jackson, 10.31M) reports that "reached by text, Gugino replied to the USA Today Network – New York that he had 'no comment other than Black lives matter. Just out of the ICU. Should recover eventually. Thx.'"

Politico Analysis: Pence Working To "Neutralize Trump's Antagonistic Outbursts." Politico (6/9, Orr, 4.29M) reports that Vice President Pence is "quietly changing his message to fit a new moment without appearing to be in conflict with his boss." According to Politico, "As [Trump] and other senior administration officials dispute the very notion of systemic racism within local and federal law enforcement agencies, Pence has acknowledged that a nationwide conversation is needed on those topics." Politico says "the adjustment in Pence's approach comes as he works to neutralize Trump's antagonistic outbursts...and chart his own course as a compassionate conservative who could expand the MAGA base if he ran on his own in 2024."

NYTimes Analysis: Trump Reminiscent Of George Wallace. The New York Times (6/9, Baker, 18.61M) reports "the president's Twitter feed has been filled with phrases famous from the Nixon lexicon like 'LAW & ORDER' and even 'SILENT MAJORITY,'" but "if anything, Mr. Trump seems to be occupying the political lane held that year by George Wallace, the segregationist former governor of Alabama who ran as a third-party candidate to the right of Nixon. While he does not share Wallace's extreme positions, Mr. Trump is running hard on a combative pro-police, anti-protester platform, appealing to Americans turned off by unrest in the streets."

Twitter Says "Speculative" Trump Tweet Did Not Violate Its Policies. The Washington Post (6/9, Parker, Wagner, 14.2M)reports that "Twitter, which has recently taken a more aggressive stance in policing the truth of Trump's tweets, said this one had not violated its policies because it was 'speculative.'"

Buffalo Police Dispatcher Suspended Over Post Calling For Allowing Officers "To Shoot To Kill." Newsweek (6/9, Palmer, 1.53M) reports, "An employee at the Buffalo Police Department in New York has been suspended for an alleged social media post in which he called for...Floyd protesters to be killed." Bob Marth, "a dispatcher at the department, is accused of posting an explicit Facebook post regarding the protesters which have gathered in the state for several days." Marth "allegedly" wrote, "Enough is enough!!! ... What is going on is uncalled for. F*****g wild animals...and what do you do to an animal that's rabid and out of control – you take it out!! ... Mayor stop being a pasty to these f***s ad give the order!!! Allow the officers to shoot to kill."

Trump Underwhelmed By Poll Showing Him Leading Biden By 21 On Economy.

President Trump tweeted Tuesday, "Poll: Trump Better Than Biden On Economic Growth, 55% to 34%. That's all? Who are the 34%?"

Biden: Trump's Policies Caused Recession. The Washington Times (6/9, Swoyer, 492K) reports Joe Biden "said Tuesday...Trump has 'squandered' the economic expansion created during the Obama-Biden administration, causing an economic recession." Biden said the President "had forgotten about the middle class long before the COVID-19 pandemic hit the nation, causing millions of people to fall unemployed and businesses to be shuttered." Said Biden, "Trump drove manufacturing into a recession across the Midwest. And Trump systematically stacked the deck against working families who were struggling to get ahead."

Trump Announces Anti-Homelessness Funding.

President Trump tweeted Tuesday, "I am allocating $2.96 BILLION in Emergency Solutions Grants to support homeless Americans and those at risk of becoming homeless because of job or wage loss, or illness due to COVID-19. We are taking care of our Nation's most vulnerable citizens. Thanks @SecretaryCarson!"

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Trump Announces Transportation Funding For Utah.

President Trump took to Twitter Tuesday to write, "Relief is on the way to Utah! I'm proud to send $187.18M in CARES Act funding to @RideUTA. This money will keep people moving and support a swift and smooth economic recovery for the GREAT people of Utah!"

Hassett Attributes Improved Jobs Report To Stimulus Policies.

White House economic adviser Kevin Hassett said on WMAL-FM Washington (6/9), "I think the success of the jobs report is really the success of the policies that Congress passed and the President signed into law. Because we stopped the economy basically dead in its tracks in order to control the virus, then we had the biggest negative shock to the economy that we have ever seen. ... But while we did that, we also had incredible bipartisan support for three phases of stimulus policies that filled the hole and made it so that we could sort of get to the other side."

CBO Director Praises Administration, Congress For Fast Action On Stimulus. The Washington Times (6/9, Dinan, 492K) reports Congressional Budget Office Director Phillip Swagel "had high praise for the Trump administration Tuesday, saying its agencies managed to speed out coronavirus aid 'incredibly quickly,' helping moderate the worst economic effects of the COVID-19 downturn." Swagel "said Capitol Hill moved speedily to approve aid, and then the Treasury Department moved 'quickly and effectively' to process the stimulus payments to Americans. Same with the Small Business Administration, he said, which has pumped out assistance for firms."

US Layoffs Slow From March To April.

The AP (6/9, Boak) reports the Labor Department said Tuesday that "job openings plummeted and hiring all but disappeared in April." Available jobs fell to five million, and hiring declined to 3.5 million. US employers laid off 7.7 million workers in April, down from 11.5 million in March. The AP says the report "shows how employers responded quickly to the pandemic by furloughing or laying off workers in March, though that slowed the following month as consumer spending appeared to bottom out and even recover slightly." Reuters (6/9, Mutikani) also reports.

WSJournal Analysis: Pandemic Ends Promising Economy For African Americans.

The Wall Street Journal (6/9, A1, Morath, Omeokwe, Subscription Publication, 7.57M) reports the coronavirus pandemic has brought an end to a promising economy for African Americans, as the end of the decade-long expansion saw unemployment at record lows and modest increases in wages.

Lieber, Siegel Bernard: "Racial Inequity" Endemic In Personal Finances. Ron Lieber and Tara Siegel Bernard, under the headline "The Stark Racial Inequity Of Personal Finances In America," write in the New York Times (6/9, 18.61M), "Dollars are like air – crucial to vitality. And when it comes to wealth, black Americans have less at nearly every juncture of life, from birth to death. Perversely, having less can cost more. Black students borrow more to go to college, don't finish as often and more frequently default on their student loans. They earn less, and generally have lower credit scores – so they pay higher interest rates. It's harder for them to save for retirement, and they leave less to the next generation when they die."

Adidas Says 30% Of All New US Hires Will Be African American Or Latino.

The Wall Street Journal (6/9, Safdar, Subscription Publication, 7.57M) reports Adidas said Tuesday that a minimum of 30 percent of all new US positions at Adidas and Reebok will be filled with African Americans and Latinos after some ex-employees criticized the company for inaction on racial issues. Adidas also vowed to invest $20 million in black communities and to finance 50 university scholarships for black students each year over five years.

Coresight Projects Up To 25,000 Store Closures In 2020.

The Washington Post (6/9, Siegel, 14.2M) reports US retailers "will shutter 20,000 to 25,000 stores this year, according to projections released Tuesday by Coresight Research, with as much as 60 percent of those closures occurring in malls." CNBC (6/9, Thomas, 3.62M) reports on its website that several major retailers have declared bankruptcy in the last several weeks, and Coresight also predicts more retailers will do so, potentially leaving more retail property vacancies. USA Today (6/9, Tyko, 10.31M) also reports.

AMC Theaters Says "Almost All" Of Its US And UK Locations Will Reopen Next Month.

The New York Times (6/9, Barnes, 18.61M) reports AMC Theaters announced Tuesday that "'almost all' of its locations in the United States and Britain would reopen next month. Over all, theaters in 90 percent of overseas markets will be running again by mid-July, according to the National Association of Theater Owners. ... The question, however, is whether people – even while watching movies in well-sanitized theaters with limited capacity – will feel safe from the coronavirus."

Class Action Suit Alleges Meatpackers Conspired To Artificially Inflate Prices.

WCCO-AM Minneapolis (6/9, 14K) reports on its website that a class action lawsuit filed in federal court in Minneapolis "accuses the nation's top meatpackers – Cargill, JBS, National Beef, and Tyson – of conspiring to artificially increase the price of beef and thereby boost their profit margins." The suit "says that the meatpackers, which together control more than 80% of the industry, used their position to limit the supply of

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cattle and fix the price of beef, leading to 'historically high' margins in the market."

NYTimes Analysis: US AI Industry Relies On Chinese-Educated Researchers.

Under the headline "A U.S. Secret Weapon In A.I.: Chinese Talent," the New York Times (6/9, Mozur, Metz, 18.61M) reports, "New research shows scientists educated in China help American firms and schools dominate the cutting-edge field." According to the Times, "Of 128 researchers with undergraduate degrees from Chinese universities whose papers were presented at the A.I. conference, more than half now work in the U.S." The Times adds, "Now industry leaders worry that worsening political tensions will blunt that edge."

Suspected 1MDB Mastermind Moved Easily Inside Kuwait.

The Wall Street Journal (6/9, Bisserbe, Viswanatha, Hope, Subscription Publication, 7.57M) examines how fugitive financier Jho Low, who stands accused of leading the effort to defraud state investment fund 1Malaysia Development Bhd, was able to enter Kuwait and transfer millions of dollars under the protection of the Kuwaiti royal family.

Trump: Minneapolis Should Have "Brought In National Guard On Day One."

President Trump on Tuesday retweeted a post by former Australian diplomat Mark Higgie, which said, "Minneapolis, looking like the aftermath of a war." Higgie's tweet included video of burned out buildings and other destruction int he city. Trump wrote in his tweet, "Should have let police do their job and brought in National Guard on Day One, not Day Four!"

Meadows Says Trump Wants Police Reform "Sooner Rather Than Later."

Politico (6/9, Sherman, 4.29M) reports Chief of Staff Meadows said Tuesday that President Trump "wants to overhaul police laws 'sooner rather than later,' the first signal that the administration is interested in engaging in the conversation dominating the country." Politico says the White House "has been curiously silent until now. On Monday, Trump hosted a law enforcement roundtable during which he said '99 percent' of police are 'great people.'"

Deputy Assistant to the President Ja'Ron Smith said on Fox News' Hannity, "We are still looking at a whole host of different issues that law enforcement feels is important and some communities feel it is important. So we will continue to evaluate those pieces, but I think it's important...that we work with our law enforcement officers, we work with community leaders, because it is really about relationships on the ground and creating public safety."

Miller Reportedly Drafting White House Speech On Race Relations.

American Urban Radio Networks (6/9) reports on its website, "The White House is preparing a speech on race relations written by Stephen Miller, who crafted the Trump Administration's immigration plan along the southern border with Mexico."

Trump Reportedly Considered Firing Esper, Who Himself Mulled Resignation.

The Wall Street Journal (6/9, Lubold, Subscription Publication, 7.57M) reports President Trump considered firing Defense Secretary Esper after Esper expressed disagreement with using the military against demonstrators last week, and consulted with several advisers before deciding against it. The Journal says Esper also considered resigning, partly on principle and partly due to the President's disapproval, but was persuaded not to do so by his own advisers.

Barr Expects More Arrests At Organizing Level Of Protests.

Attorney General Barr said in an interview with Fox News' Special Report (6/9, 1.53M), "We have extreme right groups trying to look like extreme left groups. We have extreme left groups masquerading as extreme right groups. We have players on both sides trying to spin up violence. It's a complicated situation." Asked if he expects more arrests at the organizing level, Barr said, "Yes. ... I can't put a time limit on these investigations but I think we are very much focused on getting on top of these groups."

Barr: Televised Images Of Riots Gave Impression US Was Losing Control Of Capital. USA Today (6/9, Johnson, 10.31M) reports that in a letter Tuesday to District of Columbia Mayor Muriel Bowser (D), Barr argued that televised images of rioting "conveyed the impression that the United States was on the brink of losing control of its capital city." In the letter, Barr "defend[ed] the federal government's aggressive response to protests sparked by the death of George Floyd at the hands of Minneapolis police."

McConnell Criticizes Democrats For Alleged Selectivity On Free Speech During Pandemic.

CQ Roll Call (6/9, Lesniewski, 154K) reports Senate Majority Leader McConnell on Tuesday "went on the attack against Democrats using a familiar and comfortable ground for him, the First Amendment." McConnell said on the Senate floor, "I have no criticism for the millions of Americans who peacefully demonstrated in recent days. Their cause is beyond righteous. It is the inconsistency from leaders that has been baffling." CQ Roll Call says McConnell "singl[ed] out" District of Columbia Mayor Muriel Bowser (D) "for what he says is selectively allowing racial justice protests but not church services during the COVID-19 pandemic."

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The Washington Examiner (6/9, Rowan, 448K) reports McConnell "warned that since Democratic governors, mayors, and other top

officials began encouraging and participating in the protests over the death of George Floyd, 'our national life during this pandemic has slid toward a double standard.'" The Washington Times (6/9, Muñoz, 492K) quotes McConnell as saying, "For weeks, the mainstream media heaped scorn on any small citizen protest, outdoor gathering, or even the suggestion that other important values might require a reappraisal of certain restrictions. ... But now, many Americans feel they've just seen those fastidious regulations and that puritanical zeal disappear in an instant because a new cause has emerged that powerful people agree with."

Hawley Seeks DOJ Probe. The Daily Caller (6/9, Olohan, 716K) reports Sen. Josh Hawley (R-MO) is calling "for an investigation into free speech double-standards, saying that state officials have favored protests while targeting religious freedom." In a letter to Attorney General Barr, Hawley called for "a 'full civil rights investigation' into violations of 'free exercise and free speech rights of religious Americans.'"

NYTimes Analysis: Capitol Hill GOP "Caught Flat-Footed" By Public Shift On Policing Issues.

The New York Times (6/9, A1, Edmondson, Fandos, 18.61M) reports congressional Republicans, "caught flat-footed by an election-year groundswell of public support for overhauling policing in America to address systemic racism, are struggling to coalesce" around a response. Having "long fashioned themselves as the party of law and order, Republicans have been startled by the speed and extent to which public opinion has shifted under their feet in recent days. ... Adding to their challenge, President Trump has offered only an incendiary response." Senate Majority Leader McConnell said Tuesday "that Republicans had yet to fashion their response." McConnell told reporters, "We are still wrestling with America's original sin. ... And I think the best way for Senate Republicans to go forward on this is to listen to one of our own who has had these experiences."

McConnell Turns To Tim Scott For Police Reform Effort. Axios (6/9, Swan, 521K) reports Senate Republicans "are crafting a package of police reforms that would make lynching a federal crime and threaten to cut federal grants if states don't force their police departments to report significantly more detail on officers' use of force, according to two sources familiar with the internal conversations." McConnell has turned to Sen. Tim Scott (R-SC), "the only African-American in the Republican conference and a senator with a substantial history of proposing criminal justice and police reform legislation."

The Washington Post (6/9, Debonis, Kim, Itkowitz, 14.2M) says "Senate Republicans, increasingly nervous about holding their majority in November, seemed to sense a societal shift, announcing their effort a day after House and Senate Democrats unveiled a sweeping package of proposed changes, including a ban on chokeholds, establishment of a national database to track police misconduct and a prohibition on certain no-knock warrants, among other initiatives." Reuters (6/9) also reports.

Veteran Diplomats Want Pompeo To Make A Statement On Floyd Killing.

Politico (6/9, Toosi, 4.29M) reports that "a prominent group of veteran U.S. diplomats is calling on the State Department to recruit and promote more minorities, pointing to the widespread fury over the death of a black man in police custody as a time for institutional soul-searching." The call from the American Academy of Diplomacy "comes as many State Department staffers are questioning why they've heard nothing about the killing of George Floyd" from Secretary of State Pompeo. Although "deputies to Pompeo have sent notes to the department about the sensitive topic, the secretary himself has not reached out to its 75,000 employees."

Biden Says Systemic Racism Is "In Everything We Do."

The CBS Evening News (6/9, story 4, 1:50, 3.41M) previewed the network's prime time special "Justice For All" by showing excerpts of Norah O'Donnell's interview with Joe Biden on racism in the US. O'Donnell: "Do you believe there is systemic racism in law enforcement?" Biden: "Absolutely. It's not just in law enforcement. It's across the board. It's in housing. It's in education. It's in everything we do. ... Look, not all law enforcement officers are racist. My lord, there are some really good, good cops out there. But the way in which it works right now, we've seen too many examples of it." Asked if the events of the last two weeks have changed his calculus about a running mate, Biden said, "No, they haven't, except it's put a greater focus on urgency on the need to get someone who is totally simpatico with where I am. ... I want someone strong and someone who is ready to be president on day one."

Later on the CBS (6/9, 3.92M) special, O'Donnell asked Biden, "What specifically, as president of the United States, will you do to end systemic racism?" Biden: "I've laid out a whole plan how I would do that. Number one, you have to start off by insisting that the police departments meet a national standard of what constitutes policing that is appropriate, and all police departments are going to have to adopt it. ... Secondly, we have to make sure that you have police officers who, in fact, when they act inappropriately, are, in fact, not only fired, but held accountable if there's a criminal offense, and be held accountable for that offense. Thirdly, we have to, in my view, change the way the entire criminal justice system functions and the prison system. It should turn into a rehabilitation system, not into just punishment."

At Funeral, Biden Links Floyd Death To Civil Rights Struggle, Sharpton Takes Aim At Trump.

USA Today (6/9, Jansen, 10.31M) reports that in a video message delivered at George Floyd's funeral Tuesday, Joe Biden "recounted a wrenching conversation with George Floyd's daughter, Gianna," in which she "told him she missed the bear hug that only Floyd could give, the joy of riding on his shoulders, the countless hours they spent playing games. ... But she also asked why Floyd had to die." Biden said, "You're so brave. ... No child should have to ask questions that too many black children have asked for generations: Why? Why is daddy gone? In looking through your eyes, we should also be asking ourselves why the answer is so often too cruel and painful." In the lead story

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for NBC Nightly News (6/9, lead story, 4:50, Holt, 6.89M), Biden was shown saying, "We cannot leave this moment thinking we can once again turn away from racism. It stings at our very soul. When there's justice for George Floyd, we will truly be on our way to racial justice in America. And then, as you said Gianna, your daddy will have changed the world."

The Washington Post (6/9, Chiu, Flynn, Armus, Elfrink, Wagner, Beachum, Iati, Mettler, 14.2M) reports that Al Sharpton "used his eulogy at George Floyd's funeral service to take aim at President Trump after...Biden in a somber video linked Floyd's death in police custody to the nation's enduring struggle for civil rights."

In its lead story, the CBS Evening News (6/9, lead story, 3:45, O'Donnell, 3.41M) described "a stunning outpouring in the streets" as "hundreds of mourners came to this church in the blazing Texas heat to remember Floyd, whose death in police custody in Minneapolis set off nationwide protests." In its lead story, ABC World News Tonight (6/9, lead story, 4:50, Muir, 7.93M) described a "moving service." Floyd's family, friends and loved ones "now believe his name here in Houston, here in the US and around the world will stand for something else – for justice and for the push for change." On NBC Nightly News (6/9, story 8, 0:50, Holt, 6.89M), Lester Holt described Floyd as "the icon for this moment, for this chapter of an old story."

The AP (6/9, Lozano, Merchant) says Floyd was "lovingly remembered" as "more than 500 mourners wearing masks against the coronavirus packed a Houston church." The funeral "capped six days of mourning for Floyd in three cities: Raeford, North Carolina, near where he was born., Houston, where he grew up, and Minneapolis, where he died. The memorials have drawn the families of other black victims whose names have become familiar in the debate over race and justice – among them, Eric Garner, Michael Brown, Ahmaud Arbery and Trayvon Martin."

Reuters (6/9, Hiller, McWilliams) reports, "Underscoring the impact his death had on the world, the funeral was broadcast live on every major U.S. broadcast and cable news channel and the New York Stock Exchange observed 8 minutes 46 seconds of silence that was broadcast in silence on business news channel CNBC."

Arbery's Mother Attends Floyd Funeral. On ABC World News Tonight (6/9, story 8, 2:00, 7.93M), David Muir reported that the mother of Ahmaud Arbery, who "was shot and killed while jogging in Georgia," was among those attending Floyd's funeral. Wanda Cooper Jones: "I needed to come out to support Mr. Floyd, who unfortunately lost his life the same way that my son, Ahmaud, did. And just to know that you have people that are standing with you makes it much easier on the heart."

NPS To Remove Fencing Around Lafayette Square.

The Washington Post (6/9, 14.2M) reports that on Tuesday, the National Park Service indicated that it "will remove most of the tall metal fencing surrounding Lafayette Square by Wednesday." According to the Post, "Officials erected the fence early last week to bar access to the park near the White House, which sits south of it." The Post says that "when night fell days ago, demonstrators occasionally rattled the fence, shouting at law enforcement officers lined up behind it – but more recently, protesters have converted the fencing to a crowdsourced memorial wall, filled with posters, names and paintings of black men and women who died during encounters with police."

National Guard Pulling Back Its Presence In States.

Fox News (6/9, Singman, 27.59M) reports on its website that the National Guard has started to "pull back its presence in states across the country after its historic response to unrest over the death of Minneapolis man George Floyd in police custody last month." According to a "Pentagon official," there will be a "very steady decline" in the coming days as states "out-process" forces activated by governors and mayors in the last month. The official told Fox that as of Tuesday, there were still 38,498 active National Guard soldiers, which is a decline from 43,300 on Saturday.

Calls To Reform, Defund Police Departments Growing Louder.

Alex Perez said on ABC World News Tonight (6/9, story 2, 3:25, Muir, 7.93M) that "cries to reform, or even defund, police departments and procedures grow louder." Los Angeles has announced "major cuts to police funding. Seattle considering a 50 percent reduction. And New York redirecting funds to youth programs and moving a bill forward that would ban chokeholds. With criticism mounting, police unions in New York and across the country defending officers."

Politico Analysis: Biden "Succeeded" In Distancing Himself From "Defund The Police" Effort. Joe Biden was asked in an interview with CBS (6/9, O'Donnell, 3.92M) if he supports defunding the police. Biden said, "No, I don't support defunding the police. I support conditioning federal aid to police based on whether or not they meet certain basic standards of decency and honorableness and, in fact, are able to demonstrate they can protect the community and everybody in the community."

Politico (6/9, Korecki, Otterbein, 4.29M) says in an analysis that although Biden "declared he opposed a growing movement on the left to defund police departments," President Trump and other Republicans are "determined to make him own it anyway." According to Politico, Trump "lit into Biden on Twitter, painting him as the leader of the 'radical left' and responsible for a movement that celebrates anarchy, coddles 'antifa' and demonizes law enforcement." However, Politico says "the swiftness and clarity of Biden's dismissal, which came as CBS, ABC's 'The View' and other media outlets were peppering Democratic politicians with questions about defunding the police, suggests Biden's team wanted to head off an issue it saw as politically poisonous." Politico adds, "For now, they've succeeded."

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Politico Contrasts Trump And Biden's "White Identity Politics." Politico (6/9, Thompson, 4.29M) says President Trump "has

stuck with his brand of white identity politics that won him the White House." According to Politico, "While he has condemned the killing of [George] Floyd, he has retweeted people saying 'Floyd was not a good person' and was a 'symbol of a broken culture in black America today.'" Politico says, "In contrast," Biden "has deployed a sort of white identity politics for the people whose consciences have been shaken – the woke or, perhaps, woke-curious."

Wolf: Calls To Defund Police Are "Absurd" And "Dangerous." Acting DHS Secretary Wolf said on Fox News' Hannity, "When we talk about defunding the police, it is absolutely absurd but most importantly, it is dangerous. Again, a core tenet of this country is about law and order, not about chaos, crime, and our anarchy in the streets. You are really concerned about law enforcement practices or the culture, you don't want to defund them, you want to provide law enforcement more training, more oversight, and more leadership and slashing budgets and cutting budgets is not the way to do that. So, it is really just a very ineffective approach to a very serious issue."

Two Biden VP Possibilities Haven't Shut Down Calls To Defund Police. The Washington Times (6/9, Swoyer, 492K) reports that by "embracing aspects of the 'defund the police' movement," Sen. Kamala Harris (D-CA) and Rep. Val Demings (D-FL), both of whom are reportedly being considered for Biden's vice presidential nod, are "taking bigger risks" than Biden, "further complicating his decision." Neither has "completely shut down activists' calls to gut law enforcement," while Biden "is opting to condition federal aid on certain standards of policing."

Ocasio-Cortez Says Some Democrats Trying To "Repackage" Push To "Defund The Police." Fox News (6/9, Shaw, 27.59M) reports on its website that Rep. Alexandria Ocasio-Cortez (D-NY) warned Tuesday "about Democrats and others trying to 'repackage' the push to 'Defund the Police' to make it more 'palatable' to affluent swing voters, amid an ongoing debate on what the left-wing rallying cry actually means."

Giuliani: "Defund The Police" Movement Is "Infantile." Appearing on Fox Business' Mornings With Maria (6/9), Rudy Giuliani was asked about the "defund the police" movement. Giuliani said, "It's so ridiculous, so infantile. ... Suppose somebody got held hostage in my building last night. Who are we going to call? Social workers? The mayor? Some politician?" Giuliani added, "We have to start blaming crime on somebody other than the police. We have to blame it on the ridiculous Democrats that we elected. And maybe some day somebody's going to wake up and say, 'Oh, I wonder why the only place that really blew up are cities run by progressive Democrats?' ... This country went up in flames like the '60s, but only in Democratic cities."

WPost: Calls To Defund Police Are A Welcome Call Top Reimagine Public Safety. The Washington Post (6/9, 14.2M) says in an editorial that the call to defund the police "at its most constructive represents a welcome call to reimagine public safety in the United States." The Post asks, "Are we really safer in a world where armed police respond to mental-health emergencies, or can we imagine communities in which those struggling with mental illness are met with expert and reliable services? Are we safer when homelessness is met with criminalization, not compassion and housing?" To the Post, "the call to defund the police should be understood as a call to reinvest in communities and explore new solutions."

De Blasio Backs Package Of Proposed NYPD Reforms.

Politico New York (6/9) reports that New York City Mayor Bill de Blasio (D) "will support legislation making it a crime for a police officer to put someone in a chokehold – a measure he previously fought and threatened to veto." The Mayor "announced his support for the measure along with a package of legislation under consideration in the City Council, which includes bills to affirm New Yorkers' right to record police activity, require public standards for police discipline and require police officers to make their shield numbers visible. He also suggested he'd look to transfer some funds from the police department to youth services." The AP (6/9, Sisak, Mustian) reports that New York state legislators "striving for a new era of police accountability are poised to repeal a state law that has long kept police officers' disciplinary records secret."

De Blasio: "Black Lives Matter" Will Be Painted On Streets In Every NYC Borough. The Washington Examiner (6/9, Colton, 448K) reports that de Blasio announced at a news conference Tuesday that "Black Lives Matter" will be painted on major streets in each of the city's boroughs. De Blasio said, "A proposal put on the table was to name streets in each borough and to paint the words on the streets of this city. In each borough, at a crucial location. ... What will be clear in the street name and on the streets of our city is that message that now our city must fully, fully, deeply feel, and this nation must as well, that Black Lives Matter."

Top De Blasio Aide Resigns Over His Defense Of NYPD. Politico New York (6/9) reports that Alison Hirsh, "a senior official in the de Blasio administration, has left the mayor's office over his handling of recent protests across the city – the first departure of a high-ranking aide since the start of the demonstrations demanding police reform." Politico says Hirsh was "so troubled by de Blasio's near-unconditional defense of the NYPD amid incidents of violence against protesters, she decided to step down from the job she was hired for last fall."

Meanwhile, the Washington Times (6/9, Sherfinski, 492K) says New York police union officials on Tuesday "fumed over public treatment of law enforcement in recent weeks, which included...de Blasio's asking for a light touch from the NYPD as protests engulfed the city." NYC Police Benevolent Association President Patrick Lynch said, "Ask yourselves, why did they feel emboldened to do it? Because there's no consequence, there's no cops, and we're held back." De Blasio "had said he wanted to see a 'light' touch from the NYPD as officers tried to quell recent protests."

NYPD Officer Arrested, Charged With Assaulting A Protester. The New York Times (6/9, Southall, 18.61M) reports NYPD officer Vincent D'Andraia "was arrested on Tuesday and charged with misdemeanor assault, 11 days after he was recorded on video shoving a woman to the ground and cursing at her during a protest against police brutality." The Brooklyn district attorney's office charged D'Andraia "in a criminal complaint with misdemeanor assault, criminal mischief, harassment and menacing over the May 29 incident."

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NYPD Officer On Modified Duty After Opening Car Door Into Protester. The New York Post (6/9, Moore, 4.57M) reports that another NYPD officer "was stripped of his gun and shield because he opened a car door on a protester during George Floyd marches in Brooklyn." Police Commissioner Dermot Shea said in a statement, "As I've pledged to do, I want to share additional information regarding a troubling incident involving a member of the department related to demonstration activity that the NYPD is actively investigating."

Harris Supports Garcetti's Plan To Cut Funds For LAPD.

The Washington Times (6/9, Sherfinski, 492K) reports that on ABC's Good Morning America Tuesday, Sen. Kamala Harris (D-CA) "said she applauds Los Angeles Mayor Eric Garcetti (D) for his move to cut about $150 million from a planned increase to the city's police budget" but added that calls for law enforcement reforms do not mean getting rid of the police. Harris said, "I support investing in communities so that they become more healthy and therefore more safe. ... I applaud Eric Garcetti for doing what he's done." Asked if the nation need fewer police on the streets, she said, "It means we need to invest in communities. ... We need to recognize that if you invest in communities, they will be healthy, they will be strong, and we won't have a need for militarization of police. ... But that doesn't mean we get rid of police – of course not."

Police Have Killed 886 People, Overwhelmingly Non-White, in Los Angeles County Since 2000. The Los Angeles Times (6/9, Staff, 4.64M) reports police have killed 886 people in Los Angeles County since 2000. Almost all "were men, nearly 80% were black or Latino. More than 98% were shot to death. ... Since 2000, only two officers have been charged as a result of shooting a civilian while on duty."

DC Council Approves Sweeping Police Reform Measures.

The Washington Post (6/9, A1, Zauzmer, Nirappil, 14.2M) reports that the District of Columbia Council "passed sweeping reform measures Tuesday that prohibit hiring officers with a history of serious misconduct on other police forces and require the city to swiftly make public the names of officers who use force on citizens." The measures "passed unanimously, with a veto-proof majority, despite a stern letter that Mayor Muriel E. Bowser (D) sent the Council during its meeting, in which she urged lawmakers to slow down and hold public hearings before passing the legislation." However, lawmakers "acknowledged that the bill does not address some of the core demands of demonstrators to overhaul policing."

The Washington Times (6/9, A1, Kaplan, 492K) reports that in a statement Monday, the DC Police Union said the measure will increase crime and cause personnel to leave the Department. The union said, "The proposed language in this bill erodes many of the rights that police officers in the city are currently afforded and creates a dangerous path to unchecked violence in the District. ... We understand there are voices in this community that are asking for continued reform to the police policy. The union is and always has been willing to have serious discussions about this kind of reform."

Florida Police Union Leader Suspended From Sheriff's Office Over Facebook Post.

USA Today (6/9, Sassoon, 10.31M) reports Brevard County, Florida Fraternal Order of Police President Bert Gamin "has been suspended with pay from his position with a local sheriff's office, pending an internal affairs investigation into the 'unprofessionalism' of a Facebook post recruiting officers disciplined and charged in violent incidents, an official announced Tuesday." Brevard County Sheriff Wayne Ivey called the post by Gamin, a lieutenant in Ivey's office, "'despicable' and 'disgusting.'"

Political Leaders, Police Officers Turn Out To Honor Retired Officer Killed During Protests.

The St. Louis Post-Dispatch (6/9, 685K) reports "a large contingent of political leaders and police officers" were among those who attended the public visitation for retired St. Louis police Capt. David Dorn, who was killed last week at age 77 "after a night of peaceful protests turned destructive." Dorn had been hired to provide security at a pawn shop. Missouri Gov. Mike Parson (R) and Attorney General Eric Schmitt (R) "were among the officials who attended the visitation."

Northam Vows To Fight Temporary Injunction Blocking Removal Of Lee Statue.

The Washington Post (6/9, Vozzella, Schneider, 14.2M) reports Virginia Gov. Ralph Northam (D) vowed Tuesday "to fight a temporary injunction from a Richmond Circuit Court judge that prevents the state from immediately removing the statue of Robert E. Lee" from the state's capital city. Northam said at a news briefing, "We've been preparing for this for a year. This is a statue that is divisive; it needs to come down and we are on very legal solid grounds to have it taken down."

Navy To Ban Confederate Flag Displays.

CBS News (6/9, 3.68M) reports on its website, "The U.S. Navy announced Tuesday that it is working on an order to ban the display of the Confederate flag, less than a week after the Marine Corps issued its directive to do so." The USMC "issued its order Friday, directing commanders to 'identify and remove the display of the Confederate battle flag or its depiction within workplaces, common-access areas and public areas on their installations.'"

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Mississippi Lawmakers Begin Effort To Remove Confederate Flag From State Flag. Mississippi Today (6/9, Ganucheau)

reports, "A bipartisan group of Mississippi lawmakers, with the blessing" of state House Speaker Philip Gunn (R), "began whipping votes and drafting a resolution on Monday to change the state flag, which was adopted in 1894 and is the last in the nation containing the Confederate battle emblem."

Poll: 74% Support Protests; 50% Say Police Handle Peaceful Protesters "About Right."

The Washington Post (6/9, Clement, Balz, 14.2M) reports that a new Washington Post-Schar School poll found that Americans "overwhelmingly support the nationwide protests that have taken place since the killing of George Floyd at the hands of police in Minneapolis, and they say police forces have not done enough to ensure that blacks are treated equally to whites." According to the poll, "74 percent of Americans say they support the protests that have been carried out in cities and towns across the country. ... On the question of whether police have done enough to address issues of inequitable treatment of blacks and whites, 81 percent said police need to continue to make changes to assure equal treatment of whites and blacks, with 13 percent saying they have made the needed changes." Meanwhile, President Trump "receives negative marks for his handling of the protests, with 61 percent saying they disapprove and 35 percent saying they approve."

The Washington Times (6/9, Sherfinski, 492K) reports, "Half of Americans – 50% – said police have been handling demonstrations by peaceful protesters 'about right,' while 44% said law enforcement has used too much force." Asked about "people who have been looting or vandalizing businesses, a plurality – 47% – said police have not used enough force. Thirty-four percent said police have handled episodes of looting and vandalism about right, while 16% said too much force has been used."

New Videos Show Black Men Dying At Hands Of Police. NBC Nightly News (6/9, story 2, 3:00, Holt, 6.89M) reported that there are "troubling new incidents that have come to light." NBC (Gutierrez) added that "newly released videos of black men dying during encounters with police are sparking more outrage." The CBS Evening News (6/9, story 3, 1:50, O'Donnell, 3.41M) reported that "video has surfaced of a deadly encounter between" Texas "sheriffs deputies and an African American man who was repeatedly tased while telling officers he couldn't breathe." CBS' Omar Villarreal added, "Police body cam footage released by the Austin police department shows deputies from the Williamson County sheriff's office pursuing 40-year-old Javier Ambler during a 22-minute chase that included five crashes." The deputies "struggled with Ambler, a black man, for several minutes, tasing him several times. As they tried to handcuffed former college football player who repeatedly told officers he couldn't breathe. When Ambler lost consciousness, officers started performing CPR for four minutes because they couldn't find a pulse." His death "was ruled a homicide by the state's attorney general's office, which also noted that it was justifiable homicide."

In a separate story, NBC Nightly News (6/9, story 4, 1:55, Holt, 6.89M) reported, "The growing demand for accountability includes calls to police the police. ... The New York cop who shoved a demonstrator to the ground cursing her during a protest for police brutality, was charged [Tuesday] with misdemeanor assault, harassment, and menacing, a rare step but likely not the last officer to face charges for abusing their power."

WTimes Analysis: 2015 Data Show High Public Satisfaction With Police.

The Washington Times (6/9, Sherfinski, Miller, 492K) reports, "The overwhelming share of U.S. residents who in the past several years initiated contact with the police to request assistance said they were satisfied with the interaction." The Times bases its assertion on data from the 2015 Bureau of Justice Statistics' Police-Public Contact Survey, which found that "among the millions of people who call police for help...an estimated 83% said they were satisfied with the police response and 59% said the police improved the situation."

WPost Examines Evolution Of Mainstream Acceptance Of "Black Lives Matter."

The Washington Post (6/9, Real, Samuels, Craig, 14.2M), under the headline "How The Black Lives Matter Movement Went Mainstream," looks at how "the three words [that] were once a controversial rallying cry against racial profiling and police violence" are now "painted in bright yellow letters on the road to the White House" and embraced by "celebrities and chief executives" and "even" Sen. Mitt Romney (R-UT).

WSJournal Examines Doctrine Of Qualified Immunity.

The Wall Street Journal (6/9, Bravin, Kendall, Subscription Publication, 7.57M) examines the doctrine of qualified immunity, first recognized by the Supreme Court in 1967 and since strengthened, that protects police officers from the threat of litigation for most law enforcement actions. The doctrine is being reconsidered in the wake of the death of George Floyd, and by coincidence may be taken up by the Supreme Court in its next term. The White House has said President Trump backs the continuation of qualified immunity as it stands.

Statue Of Slave Trader Removed From London Site.

Reuters (6/9, Sibley, Thomas, Russell) reports in a brief item that "a statue of Robert Milligan, an 18th century slave trader, was being removed from its plinth outside a London museum on Tuesday after officials decided it was no longer acceptable to the local community. The previously obscure statue....came into focus after demonstrators taking part in a global anti-racism protest movement tore down the statue of a slave trader" elsewhere in Britain. ABC World News Tonight (6/9, story 4, 1:25, Muir, 7.93M) reported on the removal as part of a report on the call for further removals of statues and monuments in the US and abroad.

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Belgian Protesters Want Statues Of King Léopold II Removed.

The Washington Post (6/9, Birnbaum, 14.2M) reports "thousands of protesters" in Belgium are calling for the removal of statues of King Léopold II, who "presided over the deaths of millions of Congolese people during a rule that was notably brutal even for an era when European powers were industriously subjugating African populations at gunpoint. ... In at least five cities across the country, Léopold statues have been splashed with red paint in the past week."

Chauvin, Floyd Worked Together, Had A History Of Not Getting Along.

The CBS Evening News (6/9, story 2, 2:30, O'Donnell, 3.41M) reported that "a coworker tells CBS News" that George Floyd and Derek Chauvin, who is charged with second degree murder in his death, "worked together at a nightclub, and he says they had a history of not getting along." CBS' Jeff Pegues added, "Coworker David Pinney is breaking his silence, telling us that the two men had a history. ... The Floyd family says it believes what happened on May 25 was in part personal."

CrossFit CEO Resigns Over Floyd Tweet.

Axios (6/9, Rummler, 521K) reports CrossFit CEO Greg Glassman resigned Tuesday "following massive backlash against a tweet he made over the weekend that referenced George Floyd's killing. ... Glassman tweeted on Saturday, 'FLOYD-19' in response to the Institute for Health Metrics and Evaluation saying that discrimination and racism are crucial public health issues, apparently linking the coronavirus pandemic to Floyd's death."

"Cops" Cancelled After More Than 30 Years.

The New York Times (6/9, Sperling, 18.61M) reports that "Cops," the "long-running reality show that glorified police," has been cancelled after more than three decades. The show, which premiered on Fox in 1989, was expected to launch its 33rd season on the Paramount Network next week.

O'Brien: US Intel Underplayed Seriousness Of Coronavirus In Early Trump Briefings.

The Washington Times (6/9, Gertz, 492K) reports US intelligence agencies "missed reporting on the seriousness of the coronavirus outbreak in late January that would soon lead to a deadly global pandemic," according to National Security Adviser O'Brien. O'Brien "indicated that the agencies continued to play down the danger" through January 28, until O'Brien "said he 'elevated the issue' for the president, who immediately grasped the magnitude of what would eventually become the disastrous COVID-19 pandemic." O'Brien said, "Within two days of the President being told by the NSC that COVID-19 constituted a serious national security risk, on [January 30], he had made the decision to ban travel from China."

Fauci Calls COVID-19 His "Worst Nightmare."

The New York Times (6/9, 18.61M) reports NIAID Director Fauci "delivered a grim assessment of the devastation wrought around the world by the coronavirus" on Tuesday, describing COVID-19 "as his 'worst nightmare' – a new, highly contagious respiratory infection that causes a significant rate of illness and death." Fauci, addressing a Biotechnology Innovation Organization conference, said, "In a period of four months, it has devastated the whole world. And it isn't over yet."

Verma: Administration Correctly Identified Threat Posed By Coronavirus In Nursing Homes.

CMS Administrator Verma said on the Brian Mudd Show (6/9), "The President from the very beginning identified that we all needed to concentrate on nursing homes, and if you will recall, one of the early steps that we took was saying, 'Hey, we shouldn't have visitors into nursing homes,' because we knew that they were particularly vulnerable. I can tell you that my department has been working on putting out guidelines and getting nursing homes best practices. We have been doing investigations when there have been outbreaks. So we've made sure that those nursing homes have had the best possible information."

Hassett: Trump Open To Helping States Facing Budgetary Challenges.

White House economic adviser Kevin Hassett said on WMAL-FM Washington (6/9), "The President has said that he will absolutely not support a bailout of states that sort of came into this problem with really, really long-run problems. ... But, if as we look at how the economy is doing and the variation across states and how their budgets are doing, if Democrats feel like they want to negotiate over having some support for states to help them with their COVID-related costs – which we have already done, we gave them $150 billion in previous bills – then the President is willing to talk to them about that."

HHS To Give $25B To Hospitals That Have Not Received Aid.

Reuters (6/9) reports HHS "said on Tuesday it would distribute about $25 billion to hospitals that have not previously received relief funds as they grapple with a rise in COVID-19 cases." According to Reuters, "The agency said it would provide about $15 billion of the total to

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hospitals serving patients covered by federal Medicaid program for low-income individuals and children's health insurance program, and $10 billion to safety net hospitals that treat patients regardless of their insurance status." Reuters says the US government "has earmarked $175 billion for hospitals and medical providers to meet the increased expenses from rising COVID-19 cases and cover lost revenues due to suspension of medical procedures and routine visits."

FDA Official Underestimated How Much US Relies On China For Drugs.

Bloomberg (6/9, Edney, 4.73M) reports that the FDA "had to walk back testimony by an official at a Senate hearing last week after he downplayed the scale of China's dominance of the drug supply chain" in the US. According to Bloomberg, "Some in Congress and the Trump administration to question China's role as the global supplier of key ingredients." Asked "how much of the active pharmaceutical ingredients, or API, in drugs in the U.S. are made in China, Douglas Throckmorton, deputy director for regulatory programs in the FDA's Center for Drug Evaluation and Research, said 'for active pharmaceutical ingredients, the U.S provides about 28%, China about 13% and India 18%.'" Bloomberg says "the problem with his response was that those percentages are for the number of API facilities in China and India that export ingredients to the U.S., not the volume they ship, the FDA clarified to Bloomberg following his testimony."

Senators Call For Investigation Into Deliveries Of Protective Equipment.

The Washington Post (6/9, Brittain, Stanley-Becker, 14.2M) reports Senate Minority Leader Schumer and Sens. Richard Blumenthal (D-CT) and Elizabeth Warren (D-MA) on Monday "requested an independent investigation into the arrangement forged between the federal government and six for-profit companies to rapidly transport protective medical gear from overseas to the front lines of the U.S. coronavirus pandemic." Project Airbridge, which was created "to ease crippling shortages of personal protective equipment," has drawn "scrutiny and criticism from federal and state lawmakers, who said it lacked oversight and sapped taxpayer dollars while allowing market forces to dictate distribution of much-needed supplies." In their letter, "the senators said they were seeking an investigation because they still lacked insight into key aspects of Project Airbridge, including pricing and distribution."

NYTimes Analysis: Vaccines Usually Take At Least Five Years To Develop.

The New York Times (6/9, Mukherjee, 18.61M) reports that "in the history of medicine, rarely has a vaccine been developed in less than five years," but "the oft-cited target for creating a vaccine" against COVID-19 is "12 months, 18 at the outside." According to the Times, "Pulling that off is arguably the most important scientific undertaking in generation."

Coronavirus Hospitalizations Rising In Areas That Reopened Early.

On NBC Nightly News (6/9, story 6, 2:00, Holt, 6.89M), Gadi Schwartz reported there has been "a dramatic rise in coronavirus hospitalizations in some states among the first to reopen." In Arizona, the state is "urging hospitals to keep emergency plans activated after seeing COVID-19 cases more than doubled." Schwartz added that Texas is "seeing a record breaking number of hospitalizations, even as the government moves to open bars, restaurants, and amusement parks to 50 percent capacity."

On ABC World News Tonight (6/9, story 5, 1:55, Muir, 7.93M), Matt Gutman reported 21 states and Puerto Rico are "registering a rise in COVID. And 14 states, including Arizona, have seen their highest seven-day average growth since the pandemic began." Gutman added that according to FEMA, "community transmission is the highest driver of growth in nearly two-thirds of the hot spots in 31 states."

The Washington Post (6/9, Pell, Buckner, Dupree, 14.2M) reports, "Data from states that are now reporting some of their highest seven-day averages of new cases are disproving the notion that the country is seeing such a spike in cases solely because of the continued increase in testing, according to data tracked by The Washington Post." The Post adds that "many of these states that have experienced an increase in cases have also had an increase of hospitalizations, with a handful of states also nearing bed capacity."

Verma "Encouraged" By Reopening Despite Case Upticks In Some Areas. CMS Administrator Verma said on the Brian Mudd Show (6/9) that "while we are seeing an uptick in some places of the country, a lot of that is around outbreaks. ... There is a big difference between an outbreak and what we call community spread. ... I think it is more important to look at our hospitalizations. That's where you get a better sense of what the impact has been. So, we're still encouraged you know that the reopening is working well. That being said, I think it's important that every American still adhere to those guidelines."

WPost: Second Wave Of Infections Can Be Averted. The Washington Post (6/9, 14.2M) editorializes that "a devastating second wave" of coronavirus infections is "possible – but could be averted." The Post says "available evidence" shows that people "should be as relentless as the virus" in "wearing face masks, washing hands and avoiding crowded, closed enclosures." In addition, local governments must build "a robust testing, contact tracing and isolating regime as soon as possible."

Keck: America Can Safely Reopen, Protecting Lives "While Also Preserving Livelihoods." In an op-ed for the New York Times (6/9, 18.61M), Alan Keck, the mayor of Somerset, Kentucky, writes that his rural community took the threat of the pandemic seriously, instituting "aggressive measures" and largely avoiding the devastation in other areas. Now, Keck is "deeply concerned that if we do not take aggressive action now – if local leaders in Middle America are not given a voice or trusted to make appropriate decisions for their own communities – we will fail at our economic recovery efforts." Keck argues "local leaders should be empowered to advance their economies when risk-mitigation efforts have proved effective."

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New York's Westchester And Rockland Counties Now In Phase Two Of Reopening.

Bloomberg (6/9, 4.73M) reports that Westchester and Rockland counties in New York "entered the second phase of reopening Tuesday, while Long Island is set to do so on Wednesday." Bloomberg also reports that "ridership on New York City's subways and buses rebounded Monday, after plummeting during the pandemic." Bloomberg says that "about 800,000 people rode the subway network, up 17% from the week before, Sarah Feinberg, interim president of New York City Transit, told reporters Monday." Bloomberg also reports that New York cases "rose 0.2% to 379,482, compared with the average increase of 0.3% in the past seven days, according to the state's health department."

New Jersey Lifts Stay-At-Home Order.

Bloomberg (6/9, 4.73M) reports New Jersey Gov. Phil Murphy (D) on Tuesday "lifted the state's stay-at-home order, while urging residents to wear masks and maintain social distance." Murphy is also "raising the limit on gatherings. Indoors, gatherings must be at 25% of a building's capacity or 50 people, whichever is lower. Outside, crowds of as many as 100 will be allowed." Politico (6/9, Sutton, 4.29M) says that "with the exception of New York, no state has been hit harder" than New Jersey, "which has been virtually shut down since Murphy's March 21 executive order that instructed residents to stay home, closed nonessential retail businesses and barred most indoor and outdoor gatherings."

Northern Virginia To Move Forward With Next Step Of Reopening Plan On Friday.

The Washington Post (6/9, Sullivan, Hedgpeth, Vozzella, 14.2M) reports, "Northern Virginia will move to the next phase of recovery starting Friday," Gov. Ralph Northam (D) said Tuesday, "as data shows the novel coronavirus virus appears to be slowing its spread across the region." The easing of restrictions includes "opening restaurants for indoor dining at half capacity and allowing gyms and fitness centers to reopen indoors at 30 percent capacity." According to the Post, "Virginia, Maryland and the District reported 1,072 new coronavirus infections on Tuesday, but the number of people hospitalized remained below 200 and the rolling seven-day average of newly reported deaths remained below 70."

AP Analysis: Democratic State Legislators More Likely To Wear Masks.

The AP (6/9, Lieb) reports that "many Democratic lawmakers are wearing them amid the coronavirus outbreak while many Republicans refuse." The AP adds, "As legislatures around the country resume work following coronavirus suspensions, Democrats and Republicans also have split over social distancing, remote voting and the extension of emergency powers for governors who had ordered businesses to close and residents to remain home." According to the AP, "Lawmakers have become ill from the coronavirus in nearly half the states, with Democrats accounting for about two-thirds of the 40 confirmed COVID-19 cases."

Amazon Instituting More Coronavirus Safety Measures, Including Employee Testing.

The New York Times (6/9, Weise, Fremson, 18.61M) reports Amazon invited Times reporters to tour its fulfillment center in Kent, Washington, to get a first-hand look at working conditions amid the coronavirus pandemic. While 600 to 800 employees staff each shift at the facility, "much of the building naturally has little human interaction because the work areas are spaced far apart." Workers have their temperatures taken at the start of each shift, and Amazon is also piloting a self-administered coronavirus testing program for its workers.

Tesla Workers Reportedly Tested Positive For Coronavirus.

The Washington Post (6/9, Siddiqui, 14.2M) reports that California Tesla workers "tested positive last month for the novel coronavirus following chief executive Elon Musk's defiant reopening of the company's main production facility in Fremont." The Post cites "employees with knowledge of the situation." The Post says "two workers" revealed that "supervisors held meetings with their teams to disclose the company had reported several cases of the coronavirus, and the employees affected were told to stay home. One of the workers said a supervisor confirmed two positive cases to a group at the Fremont-based seat assembly facility."

Barr Says He Is "Very Troubled" By Revelations From Durham Probe.

The Daily Caller (6/9, Ross, 716K) reports Attorney General Barr said in a Fox News interview that he is "'very troubled' by revelations from an investigation that U.S. Attorney John Durham is conducting into the origins of the Trump-Russia probe. Many outlets 'drove' some of the 'sensational' allegations of collusion between the Trump campaign and Russian government," Barr said.

The Washington Examiner (6/9, Dunleavy, 448K) reports Barr said Durham's team "has been working 'very aggressively' despite the coronavirus pandemic." The New York Post (6/9, Garger, 4.57M) reports Barr "would not comment on potential criminal charges resulting from the probe, but noted 'the wheels of justice grind slow.'"

Barr said on Fox News' Special Report (6/9, 1.53M), "This isn't being driven by producing a report. We are trying to get to a point where we can hold accountable anyone who crossed the line and committed a criminal violation. That's I think what would be the initial stage of a resolution of Durham's investigation. I also think there will be public disclosure in some form of report at the appropriate time."

Barr: Flynn Judge "Trying To Set Himself Up As An Alternative Prosecutor." Barr said in the interview with Fox News' Special Report (6/9, 1.53M), "Decisions whether to pursue an individual to the prosecution process or holding them criminally accountable is vested in

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the executive branch and not the courts." Barr said the judge in former National Security Adviser Michael Flynn's case "is essentially, in our view, trying to set himself up as an alternative prosecutor."

Chicago Politicians Clash In Heated Argument Following Violent Weekend.

The Federalist (6/9, Justice, 126K) reports that Chicago suffered its worst Sunday for violence, with 18 murders on May 31, "as another round of ruthless rioting hit the streets following the death of George Floyd in Minneapolis police custody which sparked the worst outbreak of nationwide civil unrest in decades." Meanwhile, "leaked audio from a May 31 conference call between the mayor and 50 alderman shows the meeting escalated into a profanity-laced shouting match." Alderman Raymond Lopez is said to be heard demanding Chicago Mayor Lori Lightfoot provide "answers on how the city was caught so unprepared and responded so poorly to riots, allowing businesses to go up in flames."

WSJournal: Lack Of Police Presence To Blame For Chicago Violence. While some progressives want to defund the police, the Wall Street Journal (6/9, Subscription Publication, 7.57M) editorializes that Chicago's worst day of violence in at least 60 years shows that cities need police to protect the peace.

Homicides In Los Angeles Rose 250% In First Week Of June.

Axios (6/9, 521K) reports the Los Angeles Police Department "announced Tuesday that homicides in the city jumped 250% in the first week of June – and the number of people shot rose by 56% compared to the previous week." The LAPD "outlined in its statement posted to Twitter how gun violence has continued this week, in addition to the rise in homicides and shootings recorded through the week of May 31 to June 6." The Washington Examiner (6/9, Soellner, 448K) reports that "violence amid national unrest has been a major concern as the country grapples with the death" of George Floyd.

Senate Confirms First African American Service Chief In US History.

Axios (6/9, Rummler, 521K) reports "the Senate unanimously confirmed Gen. Charles 'CQ' Brown Jr. as Air Force chief of staff in a historic vote presided over by Vice President Mike Pence on Tuesday." Brown, "commander of Pacific Air Forces, is the first African American chief of a military service branch in US history and will sit on the elite Joint Chiefs of Staff." President Trump took to Twitter to write, "My decision to appoint @usairforce General Charles Brown as the USA's first-ever African American military service chief has now been approved by the Senate. A historic day for America! Excited to work even more closely with Gen. Brown, who is a Patriot and Great Leader!"

ABC World News Tonight (6/9, story 6, 0:25, Muir, 7.93M) also reported "the US military is making history tonight."

The Washington Post (6/9, Lamothe, 14.2M) reports "Brown said in a statement that he is honored and humbled to serve as the next Air Force chief of staff, and that he and his wife, Sharene, look forward to building on what Goldfein and his wife, Dawn, and other Air Force leaders have done." Said Brown, "It is an absolute privilege for Sharene and I to serve our Airmen and families. ... We are committed to building upon our foundation and legacy to ensure we remain the most respected and capable Air Force in the world."

The New York Post (6/9, Nelson, 4.57M) says Sen. Dan Sullivan (R-AK) "previously placed a 'hold' on Brown's nomination, stalling the vote, to press the Air Force to base KC-46 aerial refueling tankers at the Eielson Air Force Base in Alaska. Sullivan lifted the hold last week."

Brown Reflects On Country's "History Of Racial Issues." ABC World News Tonight (6/9, story 6, 0:25, Muir, 7.93M) reported that Brown "recently released video about his experiences with racism in the military, calling his new role a 'heavy burden,' saying he can't fix centuries of racism in our country, but that he can make improvements."

The New York Times (6/9, Broadwater, 18.61M) also reports the Senate confirmation "came a week after General Brown released a video in which he spoke in starkly personal terms about his experience as a black man in America, his unequal treatment in the armed forces and the protests that have gripped the country after the killing of George Floyd in an encounter with Minneapolis police officers."

NBC Nightly News (6/9, story 7, 1:50, Holt, 6.89M) showed Brown saying of the recent protests over George Floyd's death, "I'm thinking about how full I am with emotion, not just for George Floyd, but the many African-Americans that have suffered the same fate as George Floyd, and thinking about a history of racial issues and my own experiences that didn't always sing of liberty and equality. ... I'm thinking about my Air Force career, where I was often the only African-American in my squadron or as a senior officer, the only African-American in the room. I'm thinking about wearing the same flight suit with the same wings on my chest as my peers, and being then questioned by another military member, are you a pilot. I'm thinking how these airmen view racism, where they don't see it as a problem since it doesn't happen to them or whether they're empathetic."

In an editorial, the Wall Street Journal (6/9, Subscription Publication, 7.57M) praises US officials for their selection of Brown as well as the new Air Force Secretary. In particular, the Journal lauds Brown's video and his rhetoric on race.

Trump: "Some Day I Will Tell Real Story" On Mattis "And Others."

President Trump took to Twitter Tuesday to write, "Mattis was our Country's most overrated General. He talked a lot, but never 'brought home the bacon.' He was terrible! Someday I will tell the real story on him and others – both good and bad!"

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State Department Accuses Linick Of Violating Terms Of His Leave.

CFTC-22-0351-A-000974

Fox News (6/9, Edson, 27.59M) reports on its website, "A top State Department official has accused Steve Linick, the department's fired inspector general, of contacting a former colleague, obtaining official documents and returning to his former office – all in violation of the terms of his administrative leave, Fox News has learned." Fox adds than in "a letter to Linick's attorney" which it has "obtained," State Department Under Secretary for Management Brian Bulatao says "in the days before his Congressional testimony, he sent a text message to the Deputy Inspector General, Diana Shaw, requesting a copy of the DOD IG report on the origins of a leak of a draft State OIG report to the media last fall. Without informing her own chain of command...Ms. Shaw then contacted the DOD Office of Inspector General to request a copy of the report on Mr. Linick's behalf."

Trump Praises Senate GOP For Confirming His Nominees, Says "154 To Go."

In a tweet Tuesday afternoon, President Trump praised Senate Republicans for confirming "some big nominees" but add that there are "154 to go" and expressed hope that the Senate will not adjourn "until the job is done." Trump wrote, "Great work in the Republican Senate on some big nominees. Still 154 to go, hope they don't adjourn until the job is done! @senatemajldr"

Barr: Social Media Platforms Are Censoring Particular Viewpoints.

Attorney General Barr was asked in an interview with Fox News' Special Report (6/9, 1.53M) if social media forums are censoring the President and his supporters. Barr said, "These entities are now engaged in censorship and they originally held themselves out as open forum where third parties could come and express their views and they've built up a tremendous network of eyeballs, a lot of market power based on that presentation and now they are acting much more like publishers because they are censoring particular viewpoints, putting their own content in there to diminish the impact of various peoples views." Asked if he considering any action, Barr said, "We are looking as many others are at changing section 230, which is a rule that provides protection for these companies."

Some Companies Withhold Advertising From Facebook Over Zuckerberg's Stance On Trump Posts. The New York Times (6/9, Hsu, Kang, 18.61M) reports that come companies are withholding advertising from Facebook after chief executive Mark Zuckerberg "defended the platform's hands-off policy toward posts by President Trump that contained misinformation or promoted violence." While "many companies have cautiously returned to advertising, after having pulled back during the height of the pandemic in the United States," some "have decided not to advertise on Facebook, now that it has become clear that Mr. Zuckerberg will give the president a wide berth."

Administration Reinstates Banned Hunting Techniques In Alaska.

The New York Times (6/9, Friedman, 18.61M) reports that hunting methods "banned as barbaric by the Obama administration will be legal again on millions of acres of Alaskan wilderness in time for the warm July weather." The National Park Service published new rules Tuesday "reversing Obama administration rules and giving trophy hunters, outfitters and Alaskans 30 days to prepare to return to national preserves in Alaska with the revived practices," which include "killing wolves and coyotes, including pups, during the season when mothers wean their young, and using dogs to hunt bears." The Times says the expansion of hunting rights on federal lands has been a Trump Administration priority, "and an issue championed by" Donald Trump Jr., "an avid hunter." the Obama-era restrictions were opposed by "hunting advocates and Alaska state leaders" as "an encroachment on states' rights and an infringement on their livelihoods."

FCC Votes To Spend $16B To Bring Broadband To Unserved Rural Areas.

Reuters (6/9, Shepardson) reports that the FCC voted Tuesday "to adopt auction procedures to provide up to $16 billion to areas that lack broadband service, including nearly 6 million unserved rural homes and businesses." The FCC "voted to commence the auction on Oct. 29. Auction applicants will be required to offer voice and broadband services in unserved locations in exchange for receiving monthly payments over 10 years." According to Reuters, "The three FCC Republican commissioners approved the proposal, while the two Democrats dissented in part."

Lott Fired From Squire Patton Boggs.

Politico (6/9, Meyer, 4.29M) reports that former Senate Majority Leader Trent Lott has been fired by the lobbying firm Squire Patton Boggs. The firm gave no reason for Lott's departure "and declined to answer questions about it." Squire Patton Boggs Chairman and Global Chief Executive Mark Ruehlmann said the firm had "decided that it is the right time to make a change in the leadership" in its public policy practice. CQ Roll Call (6/9, Ackley, 154K) reports that Lott says the firm "took the low road" in firing him.

Trump Says He Could Resume Holding Rallies Next Week.

Bloomberg (6/9, Parker, Jacobs, 4.73M) reports that President Trump "may resume holding large campaign rallies as soon as next week, reviving the raucous events as he lags Democrat Joe Biden in polls and the coronavirus outbreak persists." Bloomberg says Trump "tweeted Tuesday that the rallies will be 'starting up again soon,' after campaign officials said Monday they were looking to hold the first of the signature events since the US began social-distancing measures to curb the spread of the virus in March. 'BIG DEMAND!' Trump tweeted over a re-post of a conservative political commentator who said it 'seems reasonable' for the president to resume the events and suggested they could be held outdoors. 'Maybe next week!' the president added."

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Trump "On Track" To Rake In At Least $10M At First In-Person Fundraiser Since Start Of Pandemic. In an online article, CNBC (6/9, Schwartz, 3.62M) reports that Trump's "first in-person fundraising event in the wake of his campaign going fully virtual due to the coronavirus pandemic is on track to raise at least $10 million. The massive total, described to CNBC by those familiar with the event, is set to be raised at a gathering on Thursday in a private home in Dallas" that the President "is expected to attend. The funds are set to go toward the Trump Victory committee."

Trump Campaign Bringing Back More 2016 Aides. Politico (6/9, Kumar, 4.29M) reports that Trump, "increasingly nervous about the direction of his campaign as he struggles in general election polls, is considering bringing back more loyal aides from his successful campaign in 2016," according to "five Republicans who speak to the president." Politico says Trump "wants lobbyist David Urban, a former senior adviser who was pivotal in helping him win Pennsylvania, to play a more prominent role," and is "considering rehiring Susie Wiles, who managed his Florida campaign but was unceremoniously fired last year." Politico adds that the Trump campaign also "just hired senior advisers Jason Miller to focus on overall strategy and coordinate between the campaign and White House and Boris Epshteyn to be strategic adviser for coalitions."

WPost Report: GOP "Tentatively" Settles On Jacksonville To Host "Premier Festivities" Of Convention.

The Washington Post (6/9, Linskey, Dawsey, 14.2M) reports, "Seeking a city willing to allow a large-scale event amid the coronavirus pandemic, Republicans have tentatively settled on Jacksonville, Fla., as the new destination for the premier festivities of the Republican National Convention in August, according to three Republican officials briefed on the plans. The details of the arrangement are still in flux and RNC aides are scrambling to determine whether" Jacksonville has enough hotel rooms to accommodate the convention. GOP officials "were in Jacksonville on Monday looking at the city and the surrounding areas. The convention's more routine and lower-profile meetings still would take place in Charlotte, the original host site for the convention, according to two officials. Those smaller meetings are intended to honor the RNC's contractual obligation to hold its convention in North Carolina and shield the party from lawsuits for moving the large events elsewhere."

RNC Chief: Decision On New Host City For GOP Convention Likely Coming "Within The Next Week." USA Today (6/9, Garrison, 10.31M) reports, "Republicans are nearing a decision on a new city to host the party's convention, where they will nominate President Donald Trump for a second term." RNC chief Ronna McDaniel "said Tuesday a decision will probably come 'within the next week,' as party officials continue to tour locations that could host the celebration instead of Charlotte, North Carolina, the original host city. The RNC backed out of Charlotte last week, saying North Carolina officials could not guarantee full use of their facilities in late August over concerns about the coronavirus. The Republican National Convention is scheduled for Aug. 24 to Aug. 27. McDaniel mentioned Oklahoma, Georgia, Florida, Texas and Tennessee as possibilities – in that order."

George P. Bush Says He Will Vote For Trump.

The Hill (6/9, Wise, 2.98M) reports Texas Land Commissioner George P. Bush (R), nephew of former President George W. Bush and son of ex-Florida Gov. Jeb Bush, said Tuesday that he intends to vote for President Trump this year. Bush said in a statement, "Trump is the only thing standing between America and socialism." The Hill says the statement came "just days after a New York Times report revealed that some prominent Republicans were struggling with whether to endorse Trump in the upcoming election. People familiar with George W. Bush's thinking told the newspaper that he would not back the president's reelection. Jeb Bush is unsure how he will vote come November, The Times reported." President Trump tweeted a link to the article, writing, "Thank you George, great honor!"

NYTimes Analysis: Biden Polling Better Than Any Presidential Challenger Since 1992.

Nate Cohn of the New York Times (6/9, 18.61M) says Joe Biden "appears in a stronger position to oust an incumbent president than any challenger since Bill Clinton in the summer of 1992." Cohn says President Trump's approval rating "has fallen to negative 12.7 percentage points among registered or likely voters, down from negative 6.7 points on April 15," and "now a wave of new polls shows...Biden with a significant national lead." Cohn says Biden "leads the president by around 10 percentage points in an average of recent live-interview telephone surveys of registered voters," which is "a four-point improvement over the six-point lead he held in a similar series of polls in late March and early April."

Democratic Super PAC Airing First Ads In Arizona.

Politico (6/9, Schneider, 4.29M) reports that Priorities USA Action, "a major Democratic super PAC, is out in Arizona and other states with new TV and digital ads attacking President Donald Trump – totaling $4 million in spending." The ads – "slamming Trump for his response to the coronavirus pandemic and the ongoing protests over the death of George Floyd by Minneapolis police – will also air in Wisconsin, Pennsylvania and Michigan, part of an existing buy in those states." Politico says, "The month-long expansion into Arizona – after the super PAC briefly aired TV ads there in March – reflects a shift in recent public polling, which has showed the state increasingly competitive." Politico adds that a Fox News poll released last week showed Joe Biden leading Trump 46%-42% in Arizona.

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Sanders Says He Has "Better Relationship" With Biden Than He Did With Clinton.

CNBC (6/9, Higgins, 3.62M) reports on its website that Joe Biden's "close relationship with" Sen. Bernie Sanders (I-VT), as well as his "willingness to engage with progressives, could spell a difference between the 2020 presidential contest and former Democratic nominee Hillary Clinton's failed 2016 bid, Sanders said in an interview in The New Yorker magazine published on Tuesday." Sanders is quoted as saying, "I think the difference now is that, between you and me, I have a better relationship with Joe Biden than I had with Hillary Clinton, and that Biden has been much more receptive to sitting down and talking with me and other progressives than we have seen in the past." CNBC says Sanders "told The New Yorker that he did everything he could to get Clinton elected. But he said there was a misconception about how much influence candidates, on their own, can have on their supporters' votes."

Sanders, Ocasio-Cortez Break With DSCC In Backing Booker In Kentucky Senate Primary.

The Louisville (KY) Courier-Journal (6/9, Kobin, 368K) reports that Sen. Bernie Sanders (I-VT) and Rep. Alexandria Ocasio-Cortez (D-NY) on Tuesday endorsed state Rep. Charles Booker in Kentucky's Democratic Senate primary. Most of the Democratic establishment, including the Democratic Senatorial Campaign Committee, is backing veteran Amy McGrath in the primary, which also features veteran Mike Broihier. The eventual Democratic nominee will face off against Senate Majority Leader McConnell this fall.

The Hill (6/9, Klar, 2.98M) reports, "In the primary, Booker is facing McGrath, a retired Marine Corps fighter pilot who has raised millions of dollars for her campaign. The DSCC endorsed McGrath in February. McGrath is running on a more moderate agenda than Booker. Booker accused McGrath of identifying herself as a 'pro-Trump Democrat' and said she 'doesn't have a clue about the challenges we face,' in an interview Monday night with MSNBC." CQ Roll Call (6/9, Jackson, 154K) reports that in endorsing Booker, "who is black," Ocasio-Cortez and Sanders broke "with the party's senatorial committee on the best choice to challenge...McConnell." The report adds, "Inside Elections with Nathan L. Gonzales rates the Kentucky Senate race Solid Republican."

Sanders Endorses Primary Challengers To Clay, Engel. Politico (6/9, Arkin, 4.29M) reports that Sanders on Tuesday "endorsed a half-dozen insurgent candidates in upcoming primaries," including "two challengers running against incumbent House Democrats." Politico says Sanders backed primary challengers to House Foreign Affairs Chairman Eliot Engel and Rep. Lacy Clay (D-MO). Sanders "endorsed Jamaal Bowman, who is challenging Engel in New York, and Cori Bush, a nurse and activist running for the second straight cycle against Clay." Reuters (6/9, Cowan) reports that Sanders "tweeted that Bowman, a school principal, would 'fight to invest in public schools, end mass incarceration, and address the housing crisis.' The New York Democratic primary will be held on June 23, with the winner likely to be victorious in November in the heavily Democratic district."

NYTimes Profiles Controversial Democratic Frontrunner In NY15 Race.

The New York Times (6/9, Goldmacher, 18.61M) profiles Rubén Díaz Sr., who is bidding to succeed retiring Rep. Jose Serrano (D-NY) in the NY15. The Times says, "The single most Democratic congressional district in America could next be held by a Democrat who opposes abortion rights, has a history of endorsing Republicans and making homophobic remarks and is still considering voting for President Trump in November." In 2019, "Díaz, a cowboy-hat-wearing Pentecostal minister and New York City councilman, was ignoring calls to resign his seat after saying the Council chamber was 'controlled by the homosexual community.'" Today, he's "seen as the front-runner in the 12-person contest." A Diaz victory "would create a headache for the party" and House Speaker Pelosi, "handing an otherwise reliable Democratic seat to an apostate who would gleefully buck party leadership."

Georgia Democrats Convinced Party Can Flip State In 2020.

The New York Times (6/9, Herndon, 18.61M) reports that Georgia Democrats have been arguing their state was a competitive battlefield for several years, only to come up short in key races. However, "with two Senate seats in play and [President] Trump on the ballot in November, Georgia Democrats are telling anyone who will listen: This time, it's real. State elected officials are urging national Democrats, including [Joe Biden] to make a big investment in the state, pumping the type of staffing and advertising money into Georgia that is usually reserved for the Wisconsins and Michigans. The dream scenario, which would include presidential and Senate victories but also wins in the state Legislature, could upend the balance of power in Washington and provide a road map for other Southern Democrats, who are seeking to make gains after years of being shut out."

Georgia Primary Elections Marred By "Full-Scale Meltdown Of New Voting Systems." Tuesday's primary elections in Georgia were reportedly marred by problems with voting machines that led to long lines for those seeking to cast ballots. On NBC Nightly News (6/9, story 5, 1:30, 6.89M), Lester Holt reported, "Tonight, there is outrage in Georgia after a voting meltdown on this primary day, particularly in areas with higher black populations." NBC's Blayne Alexander added, "This is primary day in Georgia. Lines in Atlanta stretching for blocks, some standing in the rain, forced to wait for hours to cast a ballot. ... Georgia unveiling new voting machines statewide, right in the midst of a pandemic." Unidentified Speaker: "Several of the machines were broken. It seemed like maybe half of the machines were down."

On the CBS Evening News (6/9, story 6, 1:30, 3.41M), Norah O'Donnell reported that "voters in Georgia were met with long lines and confusion at polling place as they tried to cast ballots in the state's primary elections. There are already calls for an investigation, while the mayor of Atlanta is warning this could be a preview of the general election in November." CBS' Ed O'Keefe added, "Georgia, a key battleground state in November, had rescheduled its primary twice because of the coronavirus pandemic. Health concerns kept many

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longtime poll workers from showing up today, leaving inexperienced volunteers to run new voting machines for the first time."

The New York Times (6/9, Fausset, Epstein, Rojas, 18.61M) reports, "Georgia's statewide primary elections...were overwhelmed by a full-scale meltdown of new voting systems put in place after widespread claims of voter suppression during the state's 2018 governor's election. Scores of new state-ordered voting machines were reported to be missing or malfunctioning, and hourslong lines materialized at polling places across Georgia. Some people gave up and left before casting a ballot, and concerns spread that the problems would disenfranchise untold voters, particularly African-Americans. Predominantly black areas experienced some of the worst problems."

The Atlanta Journal-Constitution (6/9, Brasch, 895K) reports, "It started bad for Fulton County voters Tuesday and didn't get much better. Before the sun rose, it became clear that poll workers were unable to handle the new equipment and voting machines were being delivered late. That left voters in long lines all day trying to shield themselves from sun and rain. ... Georgia's most populated county is now the subject of at least three investigations into its shoddy elections management."

Politico (6/9, Montellaro, Barrón-López, 4.29M) reports GOP Georgia Secretary of State Brad Raffensperger's "office placed the blame on local officials – particularly in two majority-minority counties in and around Atlanta – not the voting machines. Georgia bought some 30,000 new voting machines for 2020 to address election security concerns." CQ Roll Call (6/9, Akin, 154K) reports, "The problems were an ominous sign for November, when Georgia is expected to be a battleground for the White House and, with both seats on the ballot, control of the Senate." USA Today (6/9, Santucci, 10.31M) and The Hill (6/9, Axelrod, 2.98M) also report on the story.

WPost: Internet Archive Should Negotiate With Publishers To Make Books Available.

The Washington Post (6/9, 14.2M) says in an editorial that the Internet Archive's "National Emergency Library," a "storehouse of scanned physical copies of books," is "possibly illegal" because "the organization isn't paying licensing fees to publishers at all." The Post says the Archive's approach "is much like piracy and less like a library," and suggests it "negotiate with publishers to get more books to more people – but also more money to more authors who've rightfully earned it." The Post adds that the situation "has revealed" a "library problem. The legal and business landscape lags a public that more and more is reading digitally. Publishers impose fees and conditions that they consider necessary to stay afloat and librarians consider draconian. It's past time to catch up: The National Emergency Library isn't really a library, but libraries are facing a bit of a national emergency."

RCP Average Has Trump's Job Approval At 42.6%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 42.6%, and his disapproval at 54.4%. The President's approval is down 0.2 since yesterday; his disapproval is up by 0.2.

A Rasmussen poll of 1,500 "likely voters" (6/4-6/8) finds Trump's approval at 44%, and his disapproval at 55%.

Financial International News

IMF Head Warns Debt Service Suspension Needed To Prevent "Disorderly Defaults" In World's Poorest Countries.

Bloomberg (6/9, Martin, Curran, 4.73M) reports IMF Managing Director Kristalina Georgieva on Tuesday "called on private creditors to join the Group of 20 in providing debt relief for the world's poorest nations, saying that the alternative to suspension and restructuring is defaults." Georgieva said a suspension of debt service would provide time needed to restructure debt on a case-by-case basis for countries whose debt sustainability must be restored. Georgieva added that failure to do so "would lead to inevitably a much worse option, which is disorderly defaults. ... We can prevent that."

IMF Approves $5B Loan Deal For Ukraine, Will Immediately Disburse $2.1B.

Reuters (6/9, Lawder, Williams) reports the IMF's executive board "approved on Tuesday a $5 billion loan deal for Ukraine that Kiev says is needed to stave off default as the coronavirus pandemic plunges the Eastern European country's economy into recession." The IMF said in a statement that $2.1 billion will be immediately disbursed to Ukraine as part of the 18-month Stand-By Arrangement. Ukrainian President Volodymyr Zelenskiy said Tuesday on Twitter, "That's $200 mln more than originally planned. The new program funding will help us to overcome the challenges caused by #COVID19. The #IMF has proven itself to be a reliable partner to a friend in need." IMF Managing Director Kristalina Georgieva, in a statement, said the program's remaining funds would be spread across four reviews over its duration, focusing more on stability rather than deep structural reforms. Bloomberg (6/9, Krasnolutska, Martin, 4.73M) also reports.

IMF Highlights Hong King's Importance As Global Financial Hub.

Reuters (6/9) reports IMF First Deputy Managing Director Geoffrey Okamoto said Tuesday that Hong Kong retaining its status as a financial hug for the world "is important not just to China but to rest of world." Okamoto said Hong Kong "is underpinned by a very strong financial sector...and a monetary system that is anchored to rules, and well governed and well understood by the world. ... We want to retain Hong Kong's (status) as a financial hub." Okamoto "added that the IMF expected to issue a revised update to its world economic outlook on June 24."

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WHO Walks Back Assessment Of Asymptomatic Spread Threat.

The Washington Post (6/9, Wan, Berger, 14.2M) reports that the World Health Organization "moved Tuesday to clarify its position on whether people without symptoms are widely spreading the new coronavirus, saying much remains unknown about asymptomatic transmission." The Post says "a comment by a WHO official on Monday – calling such asymptomatic transmissions 'very rare' --- touched off a furious scientific debate over the unresolved question and attracted widespread criticism of the organization." The Post says "less than 24 hours later, WHO convened a special news conference to walk back its comments, stressing that much remains unknown. But the comment from Monday had already spread widely and been seized upon by conservatives and others to bolster arguments that people do not need to wear masks or maintain social distancing precautions."

USA Today (6/9, Rodriguez, 10.31M) reports that in an effort to clarify her comments, Maria Van Kerkhove, "WHO's technical lead, said in a video posted on the organization's Twitter feed that she was referring to a small subset of studies and unpublished information from member states when making the comments." Kerkhove said, "I wasn't stating a policy of WHO or anything like that, I was just trying to articulate what we know. And in that I used the phrase 'very rare,' and I think that's a misunderstanding to state that asymptomatic transmissions globally is very rare."

The New York Times (6/9, Mandavilli, 18.61M) reports the WHO is "failing to take stock of rapidly evolving research findings and to communicate clearly about them, several scientists warned on Tuesday." The WHO has also diverged from "scientific opinion" on the efficacy of masks and the transmissibility of the virus through aerosols. The Times says that "these scientific disagreements have wide policy implications," and "some scientists are suspicious that W.H.O.'s stance on masks and aerosols may stem less from scientific research than from a concern over supplies of personal protective equipment for medical workers."

Satellite Imagery Suggests China's Outbreak Began Spreading Much Earlier Than Thought.

The Washington Times (6/9, Gertz, 492K) reports, "Satellite photographs of hospital traffic and data on local internet searches indicate the coronavirus outbreak in China may have begun as early as last summer, months earlier than previously thought, according to a new study published by the Harvard University." Medical researchers "analyzed high-resolution satellites images of six hospitals in Wuhan, China, and data from internet word searches for such terms as 'cough' and 'diarrhea' in concluding the virus began before the official Dec. 1 date of the first known case." They "stated in a non-peer reviewed report that 'while we cannot confirm if the increased volume was directly related to the new virus, our evidence supports other recent work showing that emergence happened before identification at the Huanan Seafood market.'"

Lewandowski: China Lied To US And The World. Former Trump campaign manager Corey Lewandowski said on Fox Business' Evening Edit (6/9), "We know that the people of China have not only been dishonest with the United States but with the people of the world. We need to make sure they're held accountable for that. Either they lied to the World Health Organization or the World Health Organization didn't do their due diligence when they said this virus couldn't be spread from person-to-person contact. ... We know that they have lied about when and where this coronavirus started."

Canada And US Have Two Weeks To Decide On Border Reopening.

Politico (6/9, Gardner, 4.29M) reports that the "Canadian and U.S. governments must decide before June 22 whether to extend, amend or end land border restrictions" – a COVID-19 response "that is splitting families, disrupting tourism and upending life in border towns." Politico says "even with its provinces reopening, Canada is expected to push for maintaining restrictions on cross-border travel to all but essential travel." Prime Minister Justin Trudeau "announced Monday that border officials will begin admitting immediate family members of Canadian citizens and permanent residents – but those travelers will be required to observe a 14-day quarantine, and thus must be able to stay in Canada for at least 15 days."

Health Experts Concerned As Lockdowns Are Lifted In Developing Countries.

The AP (6/9, Cheng, Savarese) reports that "as many countries gingerly start lifting their lockdown measures, experts worry that a further surge of the coronavirus in under-developed regions with shaky health systems could undermine efforts to halt the pandemic, and they say more realistic options are needed." According to the AP, Brazil, Mexico, South Africa, India and Pakistan are "among countries easing tight restrictions, not only before their outbreaks have peaked but also before any detailed surveillance and testing system is in place to keep the virus under control," which "could ultimately have devastating consequences, health experts warn."

Iran To Execute Man Convicted Of Spying For US, Israeli Intelligence.

Reuters (6/9, Hafezi) reports, "An Iranian who spied for U.S. and Israeli intelligence on slain Revolutionary Guards commander Qassem Soleimani has been sentenced to death, Iran said on Tuesday, adding the case was not linked to Soleimani's killing earlier this year." Judiciary spokesman Gholamhossein Esmaili said, "Mahmoud Mousavi-Majd, one of the spies for the CIA and the Mossad, has been sentenced to death. ... He had shared information about the whereabouts of martyr Soleimani with our enemies." Esmaili said, "He passed on security information to the Israeli and American intelligence agencies about Iran's armed forces, particularly the Guards."

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Iran Has Constructed Replica Of US Carrier.

The AP (6/9, Gambrell) reports that "as tensions remain high between Iran and the US, the Islamic Republic appears to have constructed a new mock-up of an aircraft carrier off its southern coast for potential live-fire drills." According to the AP, "The faux foe, seen in satellite photographs obtained Tuesday" by the AP, "resembles the Nimitz-class carriers that the U.S. Navy routinely sails into the Persian Gulf from the Strait of Hormuz, its narrow mouth where 20% of all the world's oil passes through." The AP adds, "While not yet acknowledged by Iranian officials, the replica's appearance in the port city of Bandar Abbas suggests Iran's paramilitary Revolutionary Guard is preparing an encore of a similar mock-sinking it conducted in 2015."

WSJournal: Iran Must Guarantee Transparency In Nuclear Activities.

In an editorial, the Wall Street Journal (6/9, Subscription Publication, 7.57M) says the International Atomic Energy Agency's recent report raising concerns that Iran is denying access to certain sites undermines the 2015 nuclear deal. Under President Trump's "maximum-pressure" strategy, the US has gained leverage to renegotiate a new nuclear agreement, and the Journal urges whoever wins the presidential election to not waste this newfound leverage and ensure that Iran guarantees a transparent accounting of its nuclear activities in a new accord.

Trump Orders Construction Of Icebreaker Fleet For Polar Regions.

The Washington Times (6/9, Boyer, 492K) reports President Trump "ordered his administration on Tuesday to develop a polar icebreaking fleet for the Arctic and Antarctic by the end of the decade, saying it's necessary for national security." Trump said in the order, "To help protect our national interests in the Arctic and Antarctic regions, and to retain a strong Arctic security presence alongside our allies and partners, the United States requires a ready, capable, and available fleet of polar security icebreakers that is operationally tested and fully deployable by fiscal year 2029." Trump also "wants to identify two new bases in the U.S. for the fleet, and two international bases."

US Officials Were Not Told About Trump's Decision To Cut Troops In Germany.

Reuters (6/9, Landay, Shalal, Mohammed) reports that President Trump's decision to cut US troop levels in Germany "blindsided a number of senior national security officials." Reuters cites "five sources familiar with the matter." According to Reuters, the Pentagon "had yet to receive a formal order to carry it out," but Trump "decided to remove 9,500 troops from Germany...reducing the number there to 25,000." Reuters reports that a "senior U.S. official" indicated that the decision "was the result of months of work by the U.S. military leadership and had nothing to do with tensions between" Trump and German Chancellor Angela Merkel, but "other sources...said a number of U.S. officials at the White House, State Department and Pentagon were surprised by the decision and they offered explanations ranging from Trump's pique over the G7 to the influence" of former US Ambassador to Germany Richard Grenell, "a Trump loyalist."

US To Begin Talks With Russia On Nuclear Arms Control Treaty.

The Washington Post (6/9, Sonne, Dixon, 14.2M) reports, "The last major treaty limiting U.S. and Russian nuclear might hangs in the balance as the Trump administration pushes to replace it with a long-shot arms-control pact that also includes China five months before the U.S. presidential election." The New START accord is "set to expire in February" and if the Administration declines to extend it, the US and Russia will be "left without any significant limits on their nuclear forces for the first time in decades." On Monday, Marshall Billingslea, Trump's new special envoy for arms control, "said in a tweet he had agreed on a time and date this month to meet with Russia's main arms-control negotiator." On Tuesday, Billingslea "said China declined to take part in the negotiations, and accused Beijing in a tweet of maintaining a 'Great Wall of Secrecy on its nuclear buildup.'"

Senate Investigators Fault Oversight Of Chinese Telecoms.

The Washington Examiner (6/9, Dunleavy, 448K) reports, "Senate investigators concluded the federal government had failed to oversee the operation of Chinese state-run telecom companies inside the United States properly for years, a failure that poses a threat to national security." The Permanent Subcommittee on Investigations released a report on Tuesday "which details how the federal government 'has provided little-to-no oversight of Chinese state-owned telecommunications carriers operating in the United States for nearly twenty years' and how China is targeting U.S. communications the same way it has targeted education, research, and personal data." The investigation "found the Chinese government 'exerts control over China's domestic telecommunications industry and state-owned carriers' while it 'engages in cyber and economic espionage efforts against the United States' and 'may use telecommunications carriers operating in the United States to further these efforts.'"

WSJournal: US, China Face Off In Battle For Future Of Technology. In an editorial, the Wall Street Journal (6/9, Subscription Publication, 7.57M) sees US sanctions against Huawei as a move to sever computer technology supply chains from China, splitting the world economy into two competing blocs. Looking to the long-term, the Journal argues the US should rely on private enterprise and the free market, not government-directed investment, to ensure they win the tech war against China.

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Marchers Marking Anniversary Of Pro-Democracy Protests Arrested In Hong Kong.

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The AP (6/9, Soo) reports that on Tuesday, "hundreds of people marched in Hong Kong's streets...to mark a year since the start of anti-

government protests." The AP says protesters "marched in Hong Kong's central district...and shouted slogans including 'Hong Kong independence, the only way out' and 'Fight to the end.'" According to the AP, "They marched despite police warnings that force could be used to disperse participants and that they faced up to five years in prison." The AP says "riot police later charged at a group of protesters...tackling some to the ground," and "at least 25 people were arrested for participating in unauthorized assemblies, disorderly conduct and other offenses, police said. Some protesters were also stopped and searched by police."

Reuters (6/9, Jim, Chow) reports that the marchers "defied a government ban on gatherings of more than eight people due to the coronavirus, as well as a heavy riot police presence on the streets, with officers repeatedly seen conducting searches on those passing through the area." Reuters says "earlier on Tuesday, protesters gathered in several shopping malls to chant pro-democracy slogans, dispersing peacefully after an hour." Reuters reports that on June 9, 2019, "an estimated more than one million protesters took to the streets against proposed legislation to allow extraditions to mainland China, where the courts are controlled by the Communist Party."

UK-Based Investor Questions Banks On Hong Kong Stance. The Wall Street Journal (6/9, Clark, Subscription Publication, 7.57M) reports a top investor in HSBC Holdings and Standard Chartered has criticized the London-based banks for backing China's plan to impose a new national security law on Hong Kong, calling on them to speak out if it leads to an abuse of democratic freedoms. Aviva Investors, an asset management firm based in the UK that holds substantial stakes in both banks, raised concerns that the banks had signaled support of the law despite a lack of clarity about potential ramifications.

North Korea's Decision To Cut Links With South Attributed To Kim's Sister.

The Washington Post (6/9, Kim, Denyer, 14.2M) reports that North Korea "said it would shut telephone hotlines with South Korea on Tuesday and ultimately sever all communications with its neighbor, hardening its policy as it attempts to gain concessions from Seoul." According to the Post, "The escalation came five days after Kim Yo Jong," the younger sister of Kim Jong-un, "took charge of relations with South Korea and threatened to shut a joint liaison office and factory park in the border town of Kaesong." The Post says Kim Yo Jong "has been taking an increasingly high-profile role in Pyongyang," and "had demanded that Seoul prevent activists from sending leaflets across the border intended to promote democracy and undermine the nuclear-armed regime."

UN Expert Warns Sanctions Exacerbating Widespread Food Shortages And Malnutrition In North Korea. The Washington Times (6/9, Meier, 492K) reports, "A United Nations human rights expert is calling on the 15-member U.N. security council to reconsider economic sanctions on North Korea after expressing concern over starvation and malnutrition in the hermit nation." UN special rapporteur on human rights in North Korea, Tomas Ojea Quintana, on Tuesday warned "that 'widespread food shortages and malnutrition' has been exacerbated by economic sanctions." Quintana also "called on the international community to allow humanitarian assistance to be delivered 'without restrictions.'"

Israel's Top Court Repeals Law Legalizing Settlements On Palestinian Land.

Reuters (6/9, Ayyub) reports that Israel's Supreme Court on Tuesday struck down a law "that had retroactively legalised about 4,000 settler homes built on privately owned Palestinian land in the occupied West Bank." A nine-judge panel, in a 8-1 decision, "voted to repeal the 2017 measure, under which settlers could remain on land if they built there without prior knowledge of Palestinian ownership, or if homes were built at the state's direction." Prime Minister Benjamin Netanyahu's Likud party "said it was 'unfortunate' that the court had intervened on 'an important law for settlement activity and its future' and that it would work to re-enact it." However, "Likud's new coalition partner, Blue and White, said the law 'in its format runs counter to the constitutional situation in Israel, and its legal problems were known at the time of its approval'."

Housing

FHFA's Calabria: GSEs' Forbearance Rate Plateauing At "Manageable" Level.

HousingWire (6/9, Howley, 23K) reports that FHFA Director Mark Calabria "told the Senate Banking Committee on Tuesday that forbearance requests for loans backed by the GSEs have begun to level off." The GSEs' forbearance rate has "plateaued at about 6.6%," a level Calabria says is "manageable." He explained, "We've seen over the last few weeks those numbers start to stabilize. Within the GSE portfolio, you see as many borrowers canceling their forbearance programs as you see rolling on." Calabria said that he had been concerned with April's rapid spike in forbearances, but he has not seen any further spikes in the GSEs' books in May and June. Calabria is also encouraged by data indicating that around a third of borrowers with forbearance agreements are continuing to make payments. Calabria also expressed optimism regarding the state of the housing market, explaining, "The home sales activity and the mortgagee purchase activity have been far stronger than anyone projected. Apparently a lot of people in quarantine spent their time looking at homes online because a number of them decided to buy homes, coming out of this."

DS News (6/9, Welborn) reports, "Calabria says there is still much more work to be done, stating that the COVID-19 pandemic provided enough evidence that there are critical vulnerabilities in the mortgage system that put taxpayers and the housing market at risk." But RISMedia (6/9, 2K) reports that Calabria also said that the FHFA "acted swiftly and prudently to respond to COVID-19," working in "close partnership with FHA and Ginnie Mae" to develop policies. Joining Calabria at the SBC hearing was HUD Secretary Carson, HUD Deputy Secretary Montgomery, and Acting Ginnie Mae President Seth Appleton.

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Some Senators Press For Extension Of Foreclosure And Eviction Moratorium. American Banker (6/9, Subscription

Publication, 31K) reports that Tuesday's hearing "focused in part on what happens to borrowers when relief such as loan forbearance plans and enhanced unemployment compensation end." Lawmakers "grilled" Calabria and Carson on the "possibility of an imminent housing cliff approaching in August, with fear evident on both sides of the aisle but no clear consensus about what comes next." Both housing regulators "faced some pressure to extend the foreclosure and eviction moratorium" at the FHFA and the FHA. According to American Banker, "Calabria told the committee to expect an announcement on FHFA's foreclosure moratorium 'within a week,' but that the agency would likely only extend it a month at the most." He explained, "I don't think we'd want it to be any more than two months just because we can always extend it again, as we start to see how the economy evolves, so my preference here is to give people enough certainty without necessarily locking us in."

The Cleveland Plain Dealer (6/9, 895K) reports Sen. Sherrod Brown (D-OH) "told Carson and Calabria their agencies 'are making things worse, whether it's through budget cuts to affordable housing or trying to make mortgages more expensive or hard to get or dismantling fair housing protections,' and warned of mass evictions when [eviction] moratoriums expire."

WHIO-TV Dayton, OH (6/9, Manning, 109K) reports that the CARES Act's moratorium on evictions and foreclosures for properties with federally-backed mortgages will remain in place until July 24, but housing experts are expecting a "surge in renter evictions as states are reopening and eviction moratoriums are expiring." Calabria said of the moratorium, "Importantly, we mandated that tenants cannot be evicted for the non-payment of rent and forbearance." But according to National Housing Law Project Director of Litigation Eric Dunn, as relief measures expire, "We could be looking at homelessness on a scale that people in the United States haven't seen before, definitely not since the Great Depression."

NAR Calls For Federal Rental Assistance. HousingWire (6/9, Falcon, 23K) reports that the National Association of Realtors is "urging Congress to take action on emergency rental assistance, both for renters and the owners of their housing." According to the trade group, "Direct federal rental assistance to housing providers will help alleviate some of the financial strain on the industry and stop the cascading effects on local economies." NAR said in a statement, "We also believe that any extension of the eviction moratorium should be narrowly tailored to provide relief to renters who are financially impacted due to COVID-19, as is required for housing providers seeking relief. Furthermore, the eviction moratorium should be matched with mortgage forbearance relief for housing providers."

Calabria, Carson Discuss Servicer Liquidity And State Of Secondary Market. Behind a paywall in its Short Takes, Inside Mortgage Finance (6/9, Hollier, Subscription Publication) reports Calabria said that significant liquidity problems for MBS servicers would only arise if "forbearance uptake rates get over 30%." IMF says, "In other words, it doesn't look like an industry train wreck is in the cards, at least not anymore." Calabria also "tried to reassure the panel that the agency (via Fannie Mae and Freddie Mac) has done its best to support renters and mortgagors during the pandemic. The government-sponsored enterprises, he reminded them, own or guarantee $5.7 trillion in mortgages, a figure that includes 43% of multifamily units."

National Mortgage Professional (6/9) reports on the testimony of Calabria and Carson. Touching on the Administration's continued push for housing finance reform, Calabria reiterated that the GSEs "lack the capital to withstand a serious housing downturn," adding that this lack of an adequate buffer "undermines their countercyclical role and jeopardizes their important mission." Meanwhile, HUD Secretary Carson touted Ginnie Mae's Pass-Through Assistance Program (PTAP). Carson said, "The timely payment of P&I to MBS holders, consistent with Ginnie Mae's statutory guaranty, is essential to the liquidity of the MBS market and the confidence of investors who finance housing through the Ginnie Mae program."

In its coverage of Calabria's testimony, the ABA Banking Journal (6/9) reports, "FHFA last month re-proposed changes to the existing capital framework for Fannie and Freddie, and Calabria noted that additional legislative changes will likely be needed to end the conservatorships and to ensure that FHFA has adequate tools and authorities to regulate the enterprises going forward."

CQ Roll Call (6/9, Saksa, 154K) provides additional coverage of the hearing, and a mostly-paywalled Dodd Frank Update (6/9) piece covers Calabria's testimony. In its Tuesday morning Finance 202 rundown, the Washington Post (6/9, Newmyer, 14.2M) reported that Calabria and Carson were set to testify before the SBC. The Daily Kos (6/9, 240K) highlighted the hearing in its Today In Congress rundown.

CUNA Wants FHFA, Congress To Create Servicer Liquidity Facility. Credit Union National Association (6/9) said in a release that it is "increasingly concerned about the impact a large number of mortgage forbearances will have on the liquidity of mortgage servicers." Because of this, CUNA "wrote to the Senate Banking Committee Tuesday," calling for "guidance or clarity on several issues." In part, CUNA said that it believes the FHFA "should support and work with Congress to create a financing program, or liquidity facility, for mortgage servicers in need of assistance in order to preserve their ability to respond to the unprecedented levels of payment forbearance required to help families affected by COVID-19."

MBA: Mortgage Credit Availability Falls To Six-Year Low In May.

National Mortgage News (6/9) reports that the Mortgage Banker Association's Mortgage Credit Availability Index fell for a sixth-straight month in May, falling 3.1% to 129.3 from April's level of 133.5. According to NMN, "This is the tightest credit's become since June 2014," and "moves by the GSEs have lightly contributed to the tightening of credit." In early May, "Fannie Mae and Freddie Mac suspended bulk sales and limited their remaining secondary market purchases in order to curb negative financial impacts from the pandemic."

National Mortgage Professional (6/9) reports MBA AVP Joel Kan said, "There was a reduction in supply across all loan types, driven by further pullback in investors' appetites for loan programs with low credit scores and high LTVs. Credit availability declined on both ends of the market, with less availability of low down payment programs designed for first-time homebuyers, as well as for conforming and

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nonconforming jumbo loans."

Bloomberg Releases Agency MBS Prepayment Model To Help Investors Through Pandemic.

Bloomberg Business (6/9, 4.73M) announced its release of the Bloomberg Agency MBS Prepayment Model (BAM), which "incorporates the impact of the COVID-19 pandemic and government response on unemployment rates and home prices; delinquency and forbearance; and mortgage rates, home sales and refinancing activity." With unemployment high and the CARES Act's mortgage forbearance policies, "the BAM model has been adjusted to assume an increase in nonpayment of mortgages, especially in the government mortgage sector (GNMA). It also factors in the delay that CARES Act forbearance policies imply for the ultimate resolution of these mortgages and its impact on prepayments and MBS performance." Bloomberg says that MBS yields have "fallen dramatically in response to Federal Reserve rate cuts and MBS purchase programs. According to the Freddie Mac Primary Mortgage Market Survey, however, this has not led to the same reduction in mortgage rates as observed in previous 'low-rate' environments."

Multifamily Financing

- ***Squiretown Properties Gets $50M Freddie Mac Refi For NJ Multifamily Property.*** Commercial Observer (NY) (6/9) reports that Greystone "has provided a 10-year Freddie Mac refinance for ParkVue at Livingston, a five-building multifamily property" in Livingston, New Jersey. In a mostly paywalled piece, Commercial Real Estate Direct (6/9, Moynihan) also covers the deal.
- ***Archway Holdings Gets $30M Freddie Mac Refi For Nashville Apartments.*** Multi-Housing News (6/9) reports that Archway Holdings "has received a $30.4 million refinancing package for Mosaic and Axis, two communities totaling 363 units" in Nashville, Tennessee. CBRE Capital Markets "provided two Freddie Mac loans" that will mature in 2030.
- ***Columbus Multifamily Community Refinanced With $11M Freddie Mac Loan.*** REBusiness Online (6/9) reports, "RED Mortgage Capital, a division of ORIX Real Estate Capital, has provided an $11.4 million Freddie Mac loan for the refinancing of Redwood Reynoldsburg" in suburban Columbus, Ohio.
- ***Continuing Coverage: Queens Transitional Housing Facility Gets $35M Freddie Mac TAH-CME Refi.*** According to Real Estate Weekly (6/9), Merchants Capital secured $35.4 million in Freddie Mac Targeted Affordable Housing Capital Markets Execution (TAH-CME) financing for Jamaica Apartments, a "133-unit multifamily transitional housing facility" in Queens. Merchants Capital VP Michael Milazzo said, "A project of this magnitude and significance, especially during the COVID-19 crisis, is needed now more than ever."

Democrats Seek Investigation Into Denial Of Federal Housing Loans For DACA Recipients.

BuzzFeed News (6/10, Prakash) reports a group of Congressional Democrats are asking the "federal housing agency's inspector general to investigate why federal housing officials have told lenders to deny DACA recipients government-backed home loans, and why agency officials misled Congress and the public." The letter to the Department of Housing and Urban Development Inspector General Rae Oliver Davis "was signed by 13 Senate and 32 House Democrats, headed up by Sen. Bob Menendez, Rep. Pete Aguilar, and Rep. Juan Vargas." In their letter, Democrats "pointed to Wolfson's responses, Carson's testimony, and the internal documents and emails that show that a specific decision was made to interpret a requirement for legal residency for the loans to exclude DACA recipients." They wrote, "The above timeline and documents demonstrate what we believe was a change of policy without sound and unambiguous legal reasoning, without an opportunity for public input under Section 553 of the APA, and without communication to FHA-approved lenders and Congress."

MarketWatch (6/9, Passy, 1.67M) reports the lawmakers wrote, "We are concerned that HUD imposed a new, nonpublic, and legally erroneous policy prohibiting the issuance of FHA-insurance loans to Deferred Action for Childhood Arrivals (DACA) recipients and knowingly misrepresented to Congress the implementation and enforcement of this new policy."

Ron McCord Indicted In Mortgage Fraud Case.

Behind a paywall, Inside Mortgage Finance (6/9, Muolo, Subscription Publication) reports, "A federal grand jury in Oklahoma City late last week returned a 24-count indictment charging veteran mortgage banker Ronald J. McCord, 69, with defrauding two local warehouse banks, Fannie Mae and others, according to Timothy Downing, U.S. Attorney for the Western District of Oklahoma." The charges "cover a three year period," alleging "bank fraud, money laundering and making a false statement to a financial institution." McCord was the 1997 annual chairman of the MBA, and "once headed First Mortgage Col, a now-defunct nonbank based in Oklahoma City that's at the center of the alleged conspiracy." According to IMF, "The allegations center on the misappropriation of warehouse lines totaling at least $40 million, the double pledging of collateral, and the theft of escrow funds on servicing accounts tied to Fannie Mae-backed loans." McCord bounced checks to "more than 60 taxing authorities, and borrowers throughout the Oklahoma City area and elsewhere missed making their real estate tax payments," IMF says prosecutors allege.

The Oklahoman (6/9, 381K) reports, "This case is the result of an investigation by the Federal Housing Finance Agency's Office of the Inspector General, Federal Deposit Insurance Corp.'s Office of Inspector General, and the FBI's Oklahoma City Field Office." McCord faces "up to 30 years in prison and a fine of up to $1,000,000 on each count related to bank fraud and false statement to a financial institution," as

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well as "up to 10 years in prison and a $250,000 fine on each of the money laundering counts." National Mortgage News (6/9) carries The Oklahoman's coverage.

Podcast: Equifax Executive Discusses How Federal Government Could Help Servicers.

In the latest DS5 Podcast by DS News (6/9, Welborn), Equifax executive Jeremy Serfling discusses "how the federal government can better assist mortgage servicers," as well as how servicers can use tech to "ensure prospective buyers have an equitable path to homeownership." According to Serfling, "Servicers more than ever are taking advantage of the insights that come from deploying data-drive technologies."

Pandemic-Related Forbearance May Be Affecting Borrowers' Credit Scores, Some Experts Believe.

Behind a paywall, Inside Mortgage Finance (6/9, Yang, Subscription Publication) says that "some industry stakeholders" believe that borrowers' credit scores are taking a hit from pandemic-related relief. The CARES Act "requires lenders and servicers to report any account with a COVID-19 forbearance as current to credit bureaus as long as the borrower was not in arrears when relief was granted." Because of this, "creditors are using a natural disaster code for loans that receive relief during the pandemic, which indicates the borrower isn't at fault and it won't affect credit scores." IMF reports, "According to Francis Creighton, president and CEO of the Consumer Data Industry Association, the adoption of the CARES Act went smoothly, but it's too early to tell what impact the pandemic will have on consumer credit because those who made their March payment but had issues in April won't be reported 30-day delinquent until May."

STRATMOR Survey Highlights Misconceptions Regarding Mortgage Relief.

Mortgage Professional America (6/9, Jarvis) says STRATMOR Group "recently released the findings of its COVID-19 Homeowner Experience Report." Regarding mortgage relief, 13% of survey respondents "said they were under the impression that either the government would be making their mortgage payments for them (five percent) or that they could simply skip them (eight percent)." MPA says that STRATMOR's survey results also suggest that the lack of clarity regarding mortgage relief options "has been exacerbated every time borrowers have been told to contact their lenders if they have questions or concerns about forbearance and the current state of their mortgages, not their mortgage servicers." STRATMOR contends that educating borrowers on pandemic relief options, as well as "general financial literacy," would be beneficial.

KBW Downgrades Mortgage Insurers, Warning Of Potential Capital Shortfall In Early 2021.

National Mortgage News (6/9, Finkelstein) reports Keefe, Bruyette & Woods "downgraded its stock ratings for the four stand-alone private mortgage insurers, noting that they could face a capital shortfall in the first quarter of 2021 in a rising delinquency scenario." KBW's Bose George "said he has not changed his view that the private mortgage insurers are well-positioned to handle an economic downturn," but he "still lowered the sector's rating from outperforming to market perform." George believes that Essent, MGIC, National MI and Radian "should have enough capital surplus" under the PMIERs to manage rising delinquencies through the rest of 2020.

NMHC: 80% Of US Market-Rate Renters Paid Their Rent In June.

Multi-Housing News (6/9) reports, "Rental payments in the U.S. reached 80.8 percent as of June 6, according to a just-released report from the National Multifamily Housing Council." This is a "slight increase from last month's numbers." As of May 6, "80.2 percent of renters had made a payment, while 81.5 percent of rental households had made a payment through the same time period last year." The Real Deal (NY) (6/9, 124K) reports that the Community Housing Improvement Program "found that 25 percent of New York City renters had not made payments in May – and that figure grew by 10 percent at buildings where renters had gone on strike. At least 55 buildings were on rent strike in May, according to organizers."

Analysis: GSEs' Documentation Standards For Self-Employed Borrowers' Income Could Impact ATR Requirements.

According to a LexBlog (6/9) analysis by Mayer Brown attorneys Laurence Platt and Kris Kully, the GSEs "recently issued enhanced documentation requirements and considerations for verifying and predicting the income of a self-employed applicant for a mortgage loan." According to the duo, "While the GSEs' documentation requirements apply via contract to approved lenders/sellers, whether those requirements will morph into legal requirements under the Dodd-Frank Act's 'ability to repay' requirements is something to watch in the coming months."

Opinion: Housing Counseling Can Help Borrowers Through Forbearance.

In a HousingWire (6/9, 23K) Pulse guest piece, Framework CEO Danielle Samalin discusses former CFPB Director Richard Cordray's recent HousingWire blog regarding "challenges and disorganization of the 2008 housing crisis." According to Samalin, "While Cordray is correct that government regulation can help streamline the loss mitigation assistance that will be offered to the 4 million homeowners who are currently in a forbearance, he neglects to take note of the critical role that the nonprofit housing counseling industry played as trusted advisors in the last

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crisis." Urban Institute research indicates that "borrowers with counseling in the 2008 crisis were 67% more like to be current after nine months than homeowners without counseling. Having a trusted advisor – for example, an unbiased housing counselor – also made it more likely that an at-risk borrower would respond to loss mitigation efforts."

Analysis: "Forbearance Scrutiny" Is Hitting The Mortgage Industry.

In a Law360 (6/9, Subscription Publication, 8K) piece, Troutman Sanders LLP attorneys Ashley Taylor, John Lynch, and Nick Ramos say that the mortgage industry should brace itself for "forbearance scrutiny." The CFPB "states that forbearance repayment options might include repayment in one lump sump at the end of the forbearance period, adding the missed payments onto existing monthly payments for a set number of months, or adding the amount to the end of the loan as additional payments or a lump sum." In addition, in mid-April, the CFPB and FHFA "announced a new, joint borrower protection program," which involves "consumer complaint, analytical tool and other information sharing between the two agencies." The attorneys say, "This is significant because the CFPB relies on this information to inform its supervisory and enforcement work."

Biden: Trump Undermining Fight Against Systemic Racism By Suspending AFFH.

In an opinion piece for USA Today (6/10, 10.31M), former Vice President and current 2020 presidential candidate Joe Biden says that Americans must "urgently root out systemic racism," especially in housing and policing. Biden argues that "President Trump has actively undermined progress on all these issues, including suspending the Obama-Biden administration's rule on Affirmatively Furthering Fair Housing, which required communities to proactively examine housing patterns and identify and address policies that have a discriminatory effect."

Markets

10-Year Yield Falls.

MarketWatch (6/10, 1.67M) reports the 10-year Treasury yield fell to 0.799 percent.

Dollar Falls.

Reuters (6/10, White) reports, "The dollar fell against most currencies on Wednesday amid some speculation the U.S. Federal Reserve could take steps to curb a recent rise in bond yields in a policy decision later in the day." The dollar "fell to 107.54 yen on Wednesday following a 0.6% decline in the previous session." The euro "rose 0.22% to $1.1364."

Gold Gains.

Reuters (UK) (6/10, Patel) reports, "Gold extended gains on Wednesday as global equity markets eased after a recent rally, while investors awaited the outcome of a Federal Reserve meeting expected to shed light on the state of the U.S. economy and potential further stimulus measures." Spot gold "was up 0.1% at $1,716.11 per ounce, as of 0702 GMT, after posting its best day in a month on Tuesday. U.S. gold futures rose 0.2% to $1,725."

Oil Falls.

Reuters (UK) (6/10, Sheldrick) reports, "Oil prices fell on Wednesday after a rise in crude and fuel stockpiles in the United States revived fears about oversupply and falling fuel demand in the world's largest crude consumer amid the coronavirus outbreak." Brent crude futures "fell 67 cents, or 1.6%, to $40.51 a barrel by 0636 GMT after gaining nearly 1% on Tuesday." West Texas Intermediate futures "dropped 80 cents, or 2.1%, to $38.14 a barrel, having risen about 2% in the previous session."

Cybersecurity

US Probing Hacker Ring Allegedly Paid To Target Corporations.

Bloomberg (6/9, Turton, 4.73M) reports, "U.S. authorities are investigating a vast hacking-for-hire operation that involves attempts to pilfer confidential communications from investigative journalists, short sellers and advocacy groups fighting climate change, according to law enforcement officials, court documents and cybersecurity officials who have tracked the scheme for years." Bloomberg adds, "The overall operation was stunning in scale and in some instances successful, according to several cybersecurity researchers who have been tracking the hackers. Among the thousands of entities allegedly targeted were hedge funds Coatue Management LLC and Blue Ridge Capital LLC, nonprofit groups fighting telecommunications companies over control of the internet, and journalists from multiple news organizations, according to several cybersecurity researchers including the Toronto-based research group Citizen Lab, which tracks illegal hacking and surveillance."

The New York Times (6/9, Hong, Meier, Bergman, 18.61M) says a report released by Citizen Lab on Tuesday revealed that federal prosecutors in New York are investigating a hacker-for-hire operation that targeted environmental groups that were engaged in a public battle with ExxonMobil over climate change. The report "said that thousands of people on six continents had been targeted by phishing emails for at least four years in the same operation." As part of the "investigation, federal prosecutors in Manhattan conducted interviews earlier this year

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with environmental groups that received the emails, including the Rockefeller Family Fund, some of the people familiar with the inquiry said." Prosecutors "are investigating the hackers behind the operation and who hired them, the people said, speaking on the condition of anonymity so they could discuss an ongoing investigation." ExxonMobil "has not been accused of any wrongdoing."

Major Cyber Attack Halts Operations At Honda Factories Worldwide.

The Independent (UK) (6/9, Smith, 1.36M) reports Honda is suffering "a cyber attack on its network, hitting its operations across the world." The company's manufacturing plants "have shut down and its customer service work has been forced to stop." Honda "said that the problem is affecting its computer servers, email systems, and other internal programs." It has also "affected systems outside of Japan because of a 'virus' that has spread through the network, but did not provide further information on the nature of the attack." A spokesperson told the BBC, "Honda can confirm that a cyber attack has taken place on the Honda network. We can also confirm that there is no information breach at this point in time."

The Telegraph (UK) (6/9, Cook, Tovey, 956K) reports the shutdown came after "a report that Ekans malware had infected one of the company's servers on Monday." Ekans is a "type of ransomware that targets industrial control systems used for operating factories, and demands payment to open them up again." Honda posted on Twitter Monday that "its customer service and financial services divisions were experiencing technical difficulties and were unavailable."

New Deputy Commander Named For US Cyber Command.

Defense News (6/9, Pomerleau, 21K) reports the DOD announced Air Force Maj. Gen. Charles Moore "will be the next No. 2 at US Cyber Command." Moore, who will also "receive his third star, is expected to take the reins from Vice. Adm. Ross Myers." In his current role as the director of operations, J-3 at Cyber Command, Moore "has helped bring the command's strategy of persistent engagement to operations, which is how the organizations seeks to implement the DOD's 2018 cyber strategy's call to 'defend forward.'" The defend forward policy is "best described as DOD working on foreign networks to prevent attacks before they happen." Cyber Command meets those goals "through persistent engagement, which means challenging adversary activities wherever they operate."

Numerous Challenges Confront Moving Forward With Internet Voting.

Politico (6/9, Starks, 4.29M) reports in the Morning Cybersecurity column "about the many risks of Internet voting, how vendors defend it and what needs to happen before it's safe to use." Advocates of Internet voting "defend the idea by citing its limited use and the complexity of the systems' defenses – not that the latter argument wins over experts and other critics". Making it viable "will require end-to-end encryption and technology that allows voters' devices to demonstrate they are malware-free." That might "take a while." Dan Wallach, a computer science professor at Rice University who is an authority on election security, said, "Will we be in a different world 10 years from now? Almost certainly. But 10 years is a long time. We're nowhere near ready for this today."

Cyber Command Creates New Malware Sharing Portal With National Guard.

Fifth Domain Cyber (6/9, Pomerleau) reports a new portal "created by US Cyber Command and the National Guard provides a two-way interface for sharing malware and gain better insights into cyber threats facing the nation." The portal, called Cyber 9-Line," allows participating Guard units from their perspective states to quickly share incidents with Cyber Command." Cyber Command's elite Cyber National Mission Force, "which conducts operations aimed at disrupting specific nation state actors, is then able to provide analysis on the malware and offer feedback to the states to help redress the incident." Brig. Gen. William Hartman, commander of the Cyber National Mission Force and the lead for Cyber Command's election security group, said, "This level of cooperation and feedback provides local, state and Department on Defense partners with a holistic view of threats occurring in the United States and abroad."

Phishing Attack Targeted German COVID-19 Task Force Firm.

Gov Info Security (6/9, Palli) reports cybersecurity researchers at IBM X-Force Incident Response and Intelligence Services "say an ongoing phishing campaign has targeted top officials at a German multinational company tasked with the procurement of personal protective equipment during the COVID-19 pandemic." IBM X-Force IRIS Research and Operations Lead Nick Rossmann told Information Security Media Group, "It's possible that attackers could collect information associated with the production of PPE, communications between suppliers, details surrounding logistics and transport routes, all of which could support broader objectives to gather intelligence on certain nations or companies' strategies and resources."

GSA's CISO Credits CDM With "Government-Wide" Cybersecurity.

MeriTalk (6/9, Weingarten) reports Bo Berlas, CISO at the at the General Services Administration (GSA), "lauded DHS' government-wide cybersecurity program and its effects in automating cybersecurity tasks for GSA." The Continuous Diagnostics and Mitigation (CDM) program "run by DHS' Cybersecurity and Infrastructure Security Agency (CISA) gives the agency a view of cybersecurity across the Federal government." Berlas said, "The very singular notion that we need to treat the Federal government as a singular enterprise and have broader visibility across agencies cybersecurity postures, that's an incredible and powerful capability," said B"CDM, as a whole, has had a

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tremendously positive impact on the Federal cybersecurity at-large." Berlas "said CDM ensures that fundamental and basic security capabilities are implemented within government networks."

CISA Issues Warning On Anti-5G Public Activities.

ExecutiveGov (6/9, Rivers) reports the Cybersecurity and Infrastructure Security Agency (CISA) is "urging the public to remain vigilant of 'anti-5G activists' that seek to destroy 5G equipment that allegedly render the human immune system susceptible to COVID-19." CISA "said in a confidential memo...that telecommunications providers must report suspicious activities such as drone flights within their properties and deploy appropriate security technologies to prevent intrusions." DHS component "added that telecom companies need to protect 5G cell towers following recent attacks in the US and UK fueled by COVID-19 conspiracy theories."

DHS' Cyber Wing Pledges To Invest More In Industrial Control Systems Security.

CyberScoop (6/9, Lyngaas) reports DHS' cybersecurity division Tuesday "unveiled a strategy to help protect industrial control systems that support energy, transportation, and other critical sectors from being hacked." The goal is to use "data analytics, enhanced training, and better technology to help guard US critical infrastructure operators from foreign hacking groups that have shown a steady interest in their networks." Chris Krebs, head of DHS's Cybersecurity and Infrastructure Security Agency, said, "We're going to ask more of the ICS community, but we're also going to deliver more to you." He" said that a better understanding of cybersecurity risk in the industrial space can lead to 'being out in front of the adversary…putting friction into their plans so that they have to…develop new capabilities. We're going to develop deep data capabilities to analyze and deliver information the community can use to disrupt the ICS kill chain."

Op-ed: The Pandemic Is Catalyzing Changes In Cybersecurity.

In an op-ed on the CNBC (6/9, Fortinet, Council, 3.62M) website, Phil Quade, CISO of Fortinet, writes, "The coronavirus pandemic will reshape and redefine how we connect and do business. ... More than ever before, we need a new vision on the future of work and resiliency and how these two things are linked. ... Telecommuting might not be perceived as the 'electronic Pearl Harbor' that serves as a catalyst for revolutionary change in how we architect the security of networks, but if we have the courage and clarity this moment demands, the current telework requirements might be the catalyst for change that leads us to an advanced spot." He concludes, firms will need to "adopt a cybersecurity architecture that's optimized to support the new business architecture. Data privacy, confidentiality and integrity must be protected across the company's 'distributed edge' through the core networks inside its headquarters and into the cloud with broad, integrated and automated cybersecurity."

Obscure Indian Cyber Firm Spied On Politicians, Investors Worldwide.

Reuters (6/9, Stubbs, Satter, Bing) reports a "little-known Indian IT" company called BellTroX InfoTech Services "offered its hacking services to help clients spy on more than 10,000 email accounts over a period of seven years." Targets included "government officials in Europe, gambling tycoons in the Bahamas, and well-known investors in the US including private equity giant KKR and short seller Muddy Waters." Muddy Waters founder Carson Block "said he was 'disappointed, but not surprised, to learn that we were likely targeted for hacking by a client of BellTroX.'"

Cyber Criminals Release Phony Recovery Tool For Ransomware Victims.

Forbes (6/9, Mathews, 9.71M) reports a new tool decryption tool "released for one of the most widely-distributed strains of ransomware is not what it appears." There are about "150 variants of the Stop DJVU ransomware and researchers at Emsisoft estimate that it has infected nearly 500,000 computers." It's most commonly "distributed inside cracks or key generators for popular games." Unsuspecting victims wind up "with folders full of unusable files, encrypted with Stop DJVU and held for ransoms of nearly $1,000." Emsisoft's researchers "figured out how to break the ransomware's encryption." The company last year "released a free tool that could decrypt files for around 70% of victims." MalwareHunterTeam spotted "another tool that claimed to be able to decrypt files that were infected by Stop DJVU." Those unfortunate enough "to run the tool discovered the unpleasant truth."

State Department Seeks "Clean Path" 5G Networks.

FedScoop (6/9) reports the Department of State is "exploring how it can adopt what it calls 'clean path' 5G networks free of any dependencies on untrusted foreign vendors like Huawei and ZTE in its supply chain." In a new request for information, the department "defines a clean path as 'an end-to-end communication path that does not use any 5G transmission, control, computing, or storage equipment from an untrusted vendor.'" State wants to hear "from industry sources on how it can achieve such a 5G environment both at home and abroad in line with the 2019 National Defense Authorization Act, which prohibits government use of Huawei, ZTE, Xiaomi, and other untrusted vendors from China."

TFI/Sanctions

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US Moves To Expand Sanctions Against Tankers Cooperating With Venezuela.

CFTC-22-0351-A-000987

The Wall Street Journal (6/9, Talley, Hope, Subscription Publication, 7.57M) reports US officials are widening efforts to block oil and fuel trade

between Iran and Venezuela through new sanctions against numerous tankers while pressing firms linked to those vessels. The Treasury Department's Office of Foreign Assets Control intends to add up to 50 tankers to its blacklist for cooperating with Venezuela's government.

Tankers Shun Venezuela Due To US Sanctions Threat. Reuters (6/9, Parraga) reports that "two tankers that were sailing toward Venezuela to load crude have turned around since the weekend and three other vessels have left Venezuelan waters as the United States considers blacklisting dozens of ships for transporting the country's oil." According to Reuters, the Trump Administration is "considering imposing sanctions on tankers involved in exporting Venezuela's oil as the U.S. government seeks to choke off the main source of revenue for socialist President Nicolas Maduro." Reuters says "previous rounds of sanctions have reduced Venezuelan oil exports to a 17-year low while deepening the country's economic crisis but Maduro has held on, frustrating the administration."

Office of the Comptroller of the Currency

OCC's Brooks Hopes To Change How Banks View Crypto.

CoinDesk (6/9, 41K) reports that since Acting Comptroller of the Currency Brian Brooks took office at the end of May, he has "publicly suggested a federal payments charter for fintech companies, asked state and local governments to consider lifting COVID-19 lockdowns to protect the banking system and published a request for public input on how banks look at crypto." The first proposal may be "Brooks' most ambitious: creating a federal regulatory framework for tech firms offering some services traditionally offered by banks, something industry advocates have long sought but recognized as politically hazardous." Ultimately, Brooks "said he hopes to reform how banks treat crypto companies in the U.S., and help "legitimate" companies access banking relationships." He said, "I think there is a perception at banks that somehow crypto is a disfavored asset class... And so what I want to do is make sure that we systematically identify what the impediments are to legitimate companies getting banking relationships."

In a piece about the possibility of regulators allowing investments in cryptocurrencies through ETFs, CQ Roll Call (6/9, Feltman, 154K) reports, "There is no shortage of supporters for fintech around Washington, which could add pressure on regulators. One of them is the top regulator of national banks, Acting Comptroller of the Currency Brian Brooks. He was chief legal officer at crypto exchange Coinbase Global Inc. before heading to the OCC."

Brooks Liquidated $4.6M In Coinbase Stock For OCC Job.

Bloomberg Law (6/9, Hamilton, Subscription Publication, 4K) reports behind a paywall that Acting Comptroller of the Currency Brian Brooks "liquidated $4.6 million in Coinbase Inc. stock options when he left the cryptocurrency exchange earlier this year to join the government, according to financial disclosures he was required to file." Brooks, who became interim chief of the OCC last month, "has said he intends to leverage the experience he gained at San Francisco-based Coinbase and other tech firms to push a financial technology agenda at the 157-year-old agency, including opening up banking charters for tech firms."

Warren Urges OCC's Brooks To Scrap CRA Rewrite.

The Hill (6/9, Lane, 2.98M) reports Sen. Elizabeth Warren (D-MA) is urging Acting Comptroller of the Currency Brian Brooks to scrap his agency's rewrite of the Community Reinvestment Act and recuse himself from efforts to issue new rules. The OCC released its CRA overhaul "on May 20 less than five months after first proposing the changes" and "just a day before former Comptroller of the Currency Joseph Otting abruptly resigned." The overhaul came without the support of the Federal Reserve and the Federal Deposit Insurance Corp. In a letter to Brooks Tuesday, Warren wrote, "You now have an opportunity to undo this damage, and you should do so immediately. First, you should withdraw the final CRA rule to provide clarity to all stakeholders that the implementation of these regulations will never see the light of day."

Reuters (6/9, Engler) reports, "Last month, at a Senate banking committee hearing, several senators voiced strong opposition to the proposed CRA overhaul, particularly given the economic crisis from COVID-19 and the disproportionate harm inflicted on lower-income workers and those infected with the coronavirus." When Otting pushed ahead with a final version of the CRA overhaul, the FDIC "did not join the OCC in finalizing the rule, saying that smaller banks were already facing a 'Herculean effort' in helping businesses weather a global pandemic." Reuters says, "The resulting picture is one of division among the top U.S. banking regulators over a rule that affects millions of low-income black and minority consumers."

Banks Including JPMorgan Say Consumer Loans Are Faring Better Than Expected.

Bloomberg (6/9, Davis, 4.73M) reports JPMorgan Chase "is seeing early signs that the American consumer is bouncing back even as unemployment hovers close to the highest level since the 1940s." Although consumer defaults in loan products typically track the unemployment rate, "the performance that we see in those delinquency buckets is meaningfully better than what you would've expected with unemployment anywhere close to these levels," JPMorgan Co-President Gordon Smith said Tuesday at Morgan Stanley's Virtual US Financials Conference. Of the 1.5 percent of JPMorgan customers who requested forbearance on credit-card bills, about 80 percent have made payments, Smith said, calling it "a positive." The bank is also "starting to see an increase in interest for auto loans and mortgages after volumes slumped in the first few weeks of the pandemic."

American Banker (6/9, Prior, Alix, Kline, Anason, Subscription Publication, 31K) reports executives at Truist Financial and other banks similarly "said Tuesday during [the] virtual investor conference...that commercial customers are showing renewed interest in seeking credit,

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consumers are managing their loan payments relatively well and loss-reserves may not rise as much as had been expected." Truist Chairman and CEO Kelly King said the "vast majority" of the bank's clients "are struggling" but "doing fine." King added, "I've heard three times in the past 24 hours regional presidents and others say to me that clients are doing fine relative to what's going on."

Morgan Stanley's Gorman Promotes Two Black Staffers, Creates Diversity Unit, Donates $5M To NAACP.

The New York Post (6/9, McEnery, 4.57M) reports Morgan Stanley CEO James Gorman "has been so moved by the protests that have gripped New York City that he's shaking things up at his firm, he said Tuesday." In an internal email posted to LinkedIn, Gorman "wrote that the death of George Floyd at the hands of Minneapolis police and the ensuing global outrage has pushed him to promote two black women at the $895 billion bank, create a new $25 million institution inside Morgan Stanley dedicated to diversity and donate $5 million to the NAACP." Gorman fast-tracked the promotion of Carol Greene-Vincent, head of internal audit, "to the firm's operating committee, making her the first and only black member of that powerful executive panel that helps run the brokerage and Wall Street bank." He also promoted Susan Reid, global head of diversity and inclusion, to the firm's management committee.

Editorial Wrap-Up

Washington Post.

"Free Books Online? Who Could Be Against That?" The Washington Post (6/9, 14.2M) says in an editorial that the Internet Archive's "National Emergency Library," a "storehouse of scanned physical copies of books," is "possibly illegal" because "the organization isn't paying licensing fees to publishers at all." The Post says the Archive's approach "is much like piracy and less like a library," and suggests it "negotiate with publishers to get more books to more people – but also more money to more authors who've rightfully earned it." The Post adds that the situation "has revealed" a "library problem. The legal and business landscape lags a public that more and more is reading digitally. Publishers impose fees and conditions that they consider necessary to stay afloat and librarians consider draconian. It's past time to catch up: The National Emergency Library isn't really a library, but libraries are facing a bit of a national emergency."

"'Defund The Police' Is A Call To Imagine A Safer America. We Should Answer It." The Washington Post (6/9, 14.2M) says in an editorial that the call to defund the police "at its most constructive represents a welcome call to reimagine public safety in the United States." The Post asks, "Are we really safer in a world where armed police respond to mental-health emergencies, or can we imagine communities in which those struggling with mental illness are met with expert and reliable services? Are we safer when homelessness is met with criminalization, not compassion and housing?" To the Post, "the call to defund the police should be understood as a call to reinvest in communities and explore new solutions."

"A Devastating Second Wave Is Possible. But There Are Ways To Avert It." The Washington Post (6/9, 14.2M) editorializes that "a devastating second wave" of coronavirus infections is "possible — but could be averted." The Post says "available evidence points" shows that people "should be as relentless as the virus" in "wearing face masks, washing hands and avoiding crowded, closed enclosures." In addition, local governments must build "a robust testing, contact tracing and isolating regime as soon as possible."

Wall Street Journal.

"Huawei And The US-China Tech War." The Wall Street Journal (6/9, Subscription Publication, 7.57M) editorializes that US sanctions against Huawei are a move to sever computer technology supply chains from China, splitting the world economy into two competing blocs. Looking to the long-term, the Journal argues the US should rely on private enterprise and the free market, not government-directed investment, to ensure they win the tech war against China.

"General Brown's Wisdom." In an editorial, the Wall Street Journal (6/9, Subscription Publication, 7.57M) praises US officials for their selection of Gen. Charles 'CQ' Brown Jr. as the new Air Force Secretary. In particular, the Journal lauds Brown's video and his rhetoric on race.

"Iran's Pre-Deal Deceptions." In an editorial, the Wall Street Journal (6/9, Subscription Publication, 7.57M) says the International Atomic Energy Agency's recent report raising concerns that Iran is denying access to certain sites undermines the 2015 nuclear deal. Under President Trump's "maximum-pressure" strategy, the US has gained leverage to renegotiate a new nuclear agreement, and the Journal urges whoever wins the presidential election to not waste this newfound leverage and ensure that Iran guarantees a transparent accounting of its nuclear activities in a new accord.

"Life And Death In Chicago." While some progressives want to defund the police, the Wall Street Journal (6/9, Subscription Publication, 7.57M) editorializes that Chicago's worst day of violence in at least 60 years shows that cities need police to protect the peace.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

George Floyd, The Athlete And Classmate, Is Remembered At Houston Funeral

Coronavirus Obliterated Best African-American Job Market On Record

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Trump Wanted To Fire Esper Over Troops Dispute
1MDB's Suspected Mastermind Found New Ways To Move Money In Kuwait
Individuals Roll The Dice On Stocks As Veterans Fret
Moving to Reopen, Europe Goes Into Regulatory Overdrive

New York Times:
GOP Scrambles To Respond To Public Demands For Police Overhaul
Trump Falsely Targets Buffalo Protester, 75, As 'Antifa Provocateur'
Houston Bids Goodbye To George Floyd, Whose Killing Galvanized A Movement
Testing Nursing Home Workers Can Help Stop Coronavirus. But Who Should Pay?
Coup Threats Rattle Brazil As Virus Deaths Surge
'I Refuse Not To Be Heard': Georgia In Uproar Over Voting Meltdown

Washington Post:
Tighter Controls On DC Police
Stumbles In Ga. Fuel Fears About Nov. Vote
From Slogan To Movement Embraced By The Masses
A Chaotic 48 Hours Took DC To The Brink And Back
Coca Crash In Pandemic May Bolster The Cartels
Surviving Is Just The Start

Financial Times:
Trump Rages At Protesters As George Floyd Is Laid To Rest
Retail Investors Bet On Bankrupt US Companies Rising Again
The Minds Behind Germany's Shifting Fiscal Stance
Hackers For Hire 'Targeted Hundreds Of Institutions'

Washington Times:
'Defund Police' Movement Divides Democrats, Disrupts Biden VP Derby
'Something Like The Flu': US Intel Botched Early Trump Coronavirus Briefings, Robert O'Brien Says
Muriel Bowser, DC Police Union Voice Concern As Council OKs Emergency Reforms
'Money Mules': Coronavirus Benefit Programs 'Riddled With Fraud,' Senator Says
Most Americans Satisfied With Police Responses Despite 'Defunding' Push

Story Lineup From Last Night's Network News:
ABC: George Floyd-Funeral; Defund the Police Movement; Trump-Buffalo Protester; Racist Symbols Brought Down; Coronavirus-Rising Cases; Senate-Gen. Brown Confirmed; Idaho-Missing Siblings Case; Houston-Ahmaud Arbery's Mother.
CBS: George Floyd-Funeral; Minneapolis-Derek Chauvin; Texas-Deputies Tase African American Man; Biden-Interview; Trump-Buffalo Protester; Georgia-Voting Confusion; Idaho-Missing Siblings Case; Minnesota-Black Police Officers; Reminder For 'Justice For All'.
NBC: George Floyd-Funeral; Defund the Police Movement; Trump-Buffalo Protester; Police Accountability; Georgia-Voting Confusion; Coronavirus-Rising Cases; Senate-Gen. Brown Confirmed; George Floyd-Final Thoughts.

Network TV At A Glance:
George Floyd-Funeral – 13 minutes, 25 seconds
Trump-Buffalo Protester – 7 minutes, 5 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: George Floyd-Funeral; Senate-Gen. Brown Confirmed; Coronavirus-States Lifting Restrictions; Democratic Primaries.
CBS: George Floyd-Funeral; DC-National Guard Soldiers Test Positive For COVID-19; Idaho-Missing Siblings Case; Georgia-Voting Confusion; NASCAR-Races With Fans To Start; Stocks.
FOX: George Floyd-Funeral; Senate Republicans-Policing Reform Talks; Floyd Protests; Georgia-Voting Confusion.
NPR: George Floyd-Funeral; IBM-Abandoning Facial Recognition Tech; UN-Sec. General Protests Comments; Georgia-Voting Confusion.

Last Laughs

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Late Night Political Humor.

Trevor Noah: "The Democrats...unveiled police reform legislation that would make some pretty big changes. ... And one of the biggest

measures this legislation proposes is making it easier to prosecute police who use excessive force. As opposed to now, wherein it is almost impossible to convict a police officer. You need to catch them on video, then have a DA that's willing to prosecute them, then have a jury that actually wants to hold cops accountable. And even if you get all that, you still need to find the cop's horcrux and destroy it."

Trevor Noah: "I always find it amazing how Trump manages to always see the good in the groups that he likes. He says that the police are 99 percent great, great people. Charlottesville, he said there people who were good on both sides. He said the armed protesters in Michigan, the same people who stormed the state house, were very good people who were just frustrated. Clearly, if you're on Trump's good side, he will find a way to interpret anything you do in the best way possible. Like, if Trump likes you, he could walk in on you in bed with his wife, and he'd be like, 'My wife and my best friend taking a nap together! Good people!'"

Trevor Noah: "Trump is so desperate to defend the police that instead of admitting that maybe they used excessive force and that none of them helped a person who was bleeding out on the ground, he turns around and blames the old man from that video for being an Antifa provocateur who busted his head open on purpose. ... I mean, how do you look at that video, see an old man, and think that he's an Antifa provocateur? ... Who sees that? I feel like Trump is the kind of person who watched the movie 'Up' and he thinks it's about an elderly activist who hijacked a balloon house."

Jimmy Kimmel: "The President is excited that things are opening up. Buoyed by what he claims is 'big demand,' Trump could be back on the rally trail as early as next week, to bask in the glow of his fans, coronavirus be damned. ... All he wants is the roar of the crowd. Maybe instead of running for a second term, we should book him a yearlong run at Madison Square Garden like Billy Joel."

Jimmy Kimmel: "The President is said to be so upset about recent polls that show him losing bigly to Joe Biden that he hired a consulting firm to challenge the results of those polls. And that's a bad sign. You think he won't contest the election if he loses? He won't even accept a meaningless poll! They are going to have to drag him out of the White House by his heels."

Jimmy Kimmel: "This was a text from the Trump campaign. It said, 'President Trump set aside a limited edition Trump coloring book just for you, friend!' ... This is all real. The official Trump coloring book. Featuring our super President. Doing super stuff. Truth is his kryptonite."

Jimmy Kimmel: "Each image of our nation's 45th President is single sided, 'allowing you to remove and proudly display your art piece around your home or workplace.' Could you imagine coloring this in and hanging it? At that point, you just hang yourself."

Jimmy Kimmel: "They even included a page for Mike Pence. Who, unfortunately, was too white to be outlined."

Stephen Colbert: "According to polls, two in three Americans say the killing of Floyd represents a broader problem within law enforcement. The third American couldn't be reached because she was busy calling the police on a black bird watcher."

Stephen Colbert: "Now, another poll found that 53 percent of registered voters now say they support Black Lives Matter, up from 42 percent a few weeks ago. So, just over half of Americans voters believe black people have the right to live."

Stephen Colbert: "Defunding the police might sound a little scary to some people. Like CBS. They'd have to change their entire primetime lineup. ... 'NCIS' would stand for 'No Cops! Instead, Soup!' It would still have a lot of murder in it, but there's also a lot of bisques and chowders."

Stephen Colbert: "Now, this protest movement is really popular. But what has taken a hit in popularity are monuments to America's racist history, like Confederate statues and Donald Trump. Trump's latest approval rating is just 38 percent. ... These polls are a tough reality, and like all reality, Trump is denying it."

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Stephen Colbert: "The President is looking where to aim his blame, and he's considering White House senior adviser...Jared Kushner. ... If Trump's looking for someone to blame, he should check out his reflection in the riot shields, because that new poll also says that 61% disapprove of his handling of the protests. That's not fair. He's handling them just as well as he handles a bible."

Stephen Colbert: "Trump is desperate to turn this thing around, so desperate that the White House is considering a Trump speech to the nation on race and unity. Yes, they're considering it. Yes, considering! A heroic contemplation of the possibility of leadership. It reminds me of Dr. King's immortal words: 'I'm thinking about having a dream.'"

Jimmy Fallon: "Trump wants to improve his numbers by getting his campaign team from 2016 back together. Trump was like, 'We can do it. They're all out of prison now.'"

James Corden: "The recent protests have had far-reaching effects from raising money to help fight inequality to reforming the criminal justice system, and they've finally had a monumental impact on the President himself. Victor Willis, one of the original members of the Village People, told Donald Trump...that, in light of his response to the protests, the Village People will no longer allow Trump to use the songs, 'YMCA' or 'Macho Man' at his rallies. ... It's finally happened. The cops have turned on Trump. And the construction workers, and the cowboys, and the leather daddies."

Seth Meyers: "A New York woman was arrested recently after she allegedly handed out baby raccoons outside a convenience store. In her defense, Trump had just suggested them as a coronavirus cure."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Receives his intelligence briefing.
- Vice President Pence — Leads a phone call with state, local and tribal leaders.

***US Senate*:**

• Senate Armed Services Committee marks up National Defense Authorization Act – Closed markup hearing on 'National Defense Authorization Act for Fiscal Year 2021' * Conducted at the secret level

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 9:30 AM

• Senate HELP Committee hearing on schools safely reopening amid coronavirus – Hearing on 'COVID-19: Going Back to School Safely', with testimony from Tennessee Department of Education Commissioner Dr Penny Schwinn; Nebraska Department of Education Commissioner Dr Matthew Blomstedt; Denver Public Schools Superintendent Susana Cordova; and The Education Trust President and CEO John King Jr.

Location: Rm 430, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Judiciary Committee nominations hearing – Nominations hearing considers John Holcomb to be U.S. District Judge for the Central District of California; Brett Ludwig to be U.S. District Judge for the Eastern District of Wisconsin; R. Shireen Matthews and Todd Wallace Robinson to be U.S. District Judges for the Southern District of California; and Christy Criswell Wiegand to be U.S. District Judge for the Western District of Pennsylvania

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Homeland Security and Governmental Affairs Committee Business Meeting – Business Meeting, with agenda including nominations of Russell Vought to be Office of Management and Budget Director; Donald Moak and William Zollars to be U.S. Postal Service Governors; Craig Leen to be Office of Personnel Management Inspector General; Mark Robbins, Carl Ross, and Elizabeth Shapiro to be Superior Court of the District of Columbia Associate Judges; Catherine Bird to be Federal Retirement Thrift Investment Board General Counsel; and John Chase Johnson to be Federal Communications Commission Inspector General

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Location: Rm 325, Dirksen Senate Office Building, Washington, DC; 10:00 AM

***US House*:**

• House Judiciary Committee oversight hearing on racial profiling and police brutality – Oversight hearing on 'Policing Practices and Law Enforcement Accountability', with witnesses due to include Philonise Floyd – brother of George Floyd, who died in police custody in Minneapolis last month after former police officer Derek Chauvin knelt on his neck for nearly nine minutes – and Fox News commentator and former U.S. Secret Service agent Dan Bongino * Committee follows guidelines including maintaining six-foot social distance spacing as much as practicable, face coverings recommended for all attendees, and no general public attending

Location: Congressional Auditorium, U.S. Capitol Visitor Center, Washington, DC; 10:00 AM

• House Financial Services subcommittee virtual hearing on renters, coronavirus, and evictions – Housing, Community Development and Insurance Subcommittee virtual hearing on 'The Rent Is Still Due: America's Renters, COVID-19, and an Unprecedented Eviction Crisis', via Cisco Webex, with testimony from Louisiana Fair Housing Action Center Executive Director Cashauna Hill; Up for Growth Executive Director Mike Kingsella; Center on Budget and Policy Priorities Visiting Senior Fellow Ann Oliva; and Brookings Institution Fellow Jenny Schuetz; *12:00 PM*

• Hearing on 'No Worker Left Behind: Supporting Essential Workers'

Location: Rm 2154, Rayburn House Office Building, Washington, DC; *12:00 PM*

• House Small Business Committee hearing on the EIDL Program – Hearing on 'The Economic Injury Disaster Loan Program: A View from Main Street', held via Cisco Webex, with testimony from The Muse Rooms NoHo owner Nancy Sexton; Christian Street Pharmacy owner Jerome Whack; Northwestern University Feinberg School of Medicine Assistant Professor of Ophthalmology Dr Craig Gerstein; and SBE Council President and CEO Karen Kerrigan; 1:00 PM

• Dem Rep. Deb Haaland leads virtual forum on coronavirus impacts on wildland fire operations and vulnerable communities – House Committee on Natural Resources National Parks, Forests, and Public Lands Subcommittee Chair Deb Haaland leads livestreamed forum on 'Examining Coronavirus Impacts on Wildland Fire Operations and Vulnerable Communities', with New Mexico State Forester Laura McCarthy, Colorado Division of Fire Prevention and Control Director Mike Morgan, Headwaters Economics Community Planning Assistance for Wildfire Program Coordinator Dr Kimiko Barrett, and California Department of Forestry and Fire Protection Chief Thom Porter discussing 'how the spread of coronavirus (COVID-19) may impact wildfire suppression in high-risk areas'; 2:00 PM

• House Armed Services Committee hearing on DoD coronavirus response – Hearing on 'Department of Defense COVID-19 Response to Defense Industrial Base Challenges', with testimony from Under Secretary of Defense for Acquisition and Sustainment Ellen Lord * Held in person and virtually

Location: Rm 1100, Longworth House Office Building, Washington, DC; *2:00 PM*

• House of Representatives not in session

***Cabinet Officers*:**

• Treasury Secretary Mnuchin testifies to Senate Small Business Committee on CARES Act implementation – Hearing on 'Implementation of Title I of the CARES Act', with testimony from Secretary of the Treasury Steven Mnuchin; and Small Business Administration Administrator Jovita Carranza

Location: Rm 301, Russell Senate Office Building, Washington, DC; 10:00 AM

***Visitors*:**

• No visitors scheduled

***This Town*:**

• Heritage Foundation webinar on immigration and border security – 'Immigration and Border Security: Where Are We Now and What's Next?' webinar hosted by Heritage Foundation, with featured speakers including U.S. Department of Homeland Security Acting Deputy Secretary Ken Cuccinelli, Homeland Security Senior Research Fellow Lora Ries, and Election Law Reform Initiative's Hans von Spakovsky; *11:00 AM*

• Monthly Treasury Statement of Receipts and Outlays of the United States Government; *2:00 PM*

• Interest rate decision – Federal Open Market Committee decision on interest rates, after two-day meeting, followed by press briefing with Federal Reserve Chair Jerome Powell, to present the FOMC's current economic projections and to provide additional context for the

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FOMC's policy decisions. Table and charts summarizing the economic projections and the target federal funds rate projections made by Federal Reserve Board members and Bank presidents also published * The FOMC decided to maintain the target range for the federal funds rate at 0-0.25% at its last meeting in April as it continued to deal with the impact of the coronavirus (COVID-19) pandemic on the U.S. economy

Location: Washington, DC; *2:00 PM*

• U.S. Chamber of Commerce Foundation webinar on inclusive workplace culture – 'Culture Matters' U.S. Chamber of Commerce Foundation webinar, as part of the 'Building an Inclusive Workplace Culture in Times of Crisis' series, to discuss reimagining culture for a distributed workforce Speakers include EVERFI Senior Vice President of Diversity, Equity and Inclusion Jesse Bridges, The Motley Fool Director of Learning and Development Kate Herman, and Kapor Center Chief Technology Community Officer Lili Gangas; *2:00 PM*

• NASA announces commercial provider selected to deliver VIPER robot to the moon – NASA announces the commercial provider selected to deliver the agency's new water-hunting mobile robot, the Volatiles Investigating Polar Exploration Rover (VIPER), to the south pole of the moon, via media teleconference * VIPER will be the first resource-mapping mission on the surface of another world and aims to bring NASA a step closer to developing a sustainable, long-term robotic and human presence on the moon, as part of the agency's Artemis program * Mission is also part of the agency's Commercial Lunar Payload Services initiative – a service-based, competitive acquisition approach that enables 'rapid, affordable, and frequent' access to the lunar surface; *2:30 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, JUNE 4, 2020 6:00 AM EDT

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Treasury in the News

Senate Passes Fixes To Small Business Loan Program, Overcoming Republican Resistance.

The Washington Post (6/3, Werner, 14.2M) reports that the Senate on Wednesday approved legislation "to provide more flexibility to small businesses that have received forgivable loans under the Paycheck Protection Program, giving them more time to use the money just ahead of a deadline to forgive the first round of payments." The Treasury Department "initially established that 75 percent of the loan had to be spent on payroll for the money to be fully forgiven," but the bill "changed that figure to 60 percent." The bill will also "allow businesses 24 weeks – instead of eight – to spend money they receive...and have the loans forgiven." The measure "passed by unanimous consent and now goes to President Trump's desk, following House passage of the bill last week. The White House has not said whether Trump will sign the bill, but the president has indicated support for the goals of the legislation."

Politico (6/3, Warmbrodt, 4.29M) reports that the bill "would relax rules under the $670 billion Paycheck Protection Program to give borrowers more time to spend the money and use it on a broader set of expenses while still qualifying to have the loans forgiven – a key feature offered in exchange for employers maintaining payrolls." Additionally, Politico says Sens. Marco Rubio (R-FL) and Ben Cardin (D-MD) "on Wednesday sent a letter to Treasury Secretary Steven Mnuchin and Small Business Administration Administrator Jovita Carranza urging them to disclose more information on loans issued under the Paycheck Protection Program, including the names of borrowers." Rubio and Cardin wrote, "Given the grave nature of this crisis and the unprecedented level of funding that has been appropriated, it is critical that the public and Congress have timely and complete information about where these funds are going, and the committee expects an increased level of transparency and accountability from the SBA."

The Los Angeles (CA) Times (6/3, Wire, 4.64M) reports that earlier Wednesday, the US Chamber of Commerce "urged the Pandemic Response Accountability Committee – tasked with overseeing trillions of taxpayer dollars provided by Congress to prop up the economy – to push for more clarity and consistency in the program." Chamber officials "pointed out that the Treasury Department has changed the rules and guidance governing the loans repeatedly during in the past eight weeks." Chamber Chief Policy Officer Neil Bradley said, "Businesses, individuals and state and local governments should be held to account for complying with the rules and guidance as they existed at the time of their action, not as subsequently modified."

Majority Of COVID-19 Relief Funding Has Been Distributed, Data Indicate.

The Wall Street Journal (6/3, Davidson, Kiernan, Subscription Publication, 7.57M) reports about two months after Congress approved the largest economic relief package in US history in an effort to mitigate the impact of the COVID-19 pandemic, most of that funding has been distributed. Data indicate about $1.11 trillion out of a total of $1.6 trillion has been allocated.

CNBC (6/3, Cox, 3.62M) reports the Treasury Department said Wednesday that Americans have received over $267 billion in stimulus payments as part of an effort to weather the COVID-19 crisis. Treasury "said 159 million Economic Impact Payments have been made in the two months since Congress appropriated the money. The funds were sent to all Americans for whom the IRS has the relevant information." Treasury Secretary Steven Mnuchin said, "These payments are an integral part of our commitment to providing much-needed relief to the American people during this unprecedented time." Although the Treasury Department "touted the aggressive effort to get the payments out, it noted that there are still those who haven't received benefits to which they are entitled. That group is primarily made up of those who haven't filed a tax return in the past two days. The department said those individuals can submit their information to the IRS and receive payments." CBS News (6/3, Picchi, 3.68M) also reports.

Mnuchin, Neal To Negotiate Additional COVID-19 Relief Bill, Potential Infrastructure Inclusion.

Law360 (6/4, Subscription Publication, 8K) reports Treasury Secretary Steven Mnuchin and House Ways and Means Committee Chair Richard Neal (D-MA) "will meet this week to continue negotiations on another round of coronavirus relief legislation that could include major infrastructure spending, Neal said Wednesday." Neal also "said he would lay out Democrats' plans to pursue a major infrastructure spending package and would hope to reach an accord with the Trump administration. He said he conferred with House Democratic leaders to determine what infrastructure policies should be pitched to the White House, but it remains unclear whether Mnuchin will want to include an infrastructure plan in the next coronavirus legislation." Neal said in a webinar, "I intend to raise the outline on Friday with him of what we intend to do; whether or not they want to include that in the next round of negotiations...or whether they want to do it separately, we intend to press forward on that legislation."

Treasury Tells Judge Tribes Submitted Wrong Data, Causing COVID-19 Funding Delay.

Law360 (6/3, Westney, Subscription Publication, 8K) reports the Treasury Department "expects to take an additional week past its planned date to begin sending $3.2 billion in COVID-19-related funding to tribal governments, telling a D.C. federal judge Wednesday it needs the extra time because hundreds of tribes have not submitted the right data to receive the much-delayed money." A government attorney, Jason

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C. Lynch, "representing Treasury Secretary Steven Mnuchin said during a teleconference that the department won't be able to meet its anticipated June 5 date to deliver the funds, and now plans on June 12 to start to distribute the remaining $3.2 billion of $8 billion in direct tribal government funding provided by the CARES Act." Lynch "told U.S. District Judge Amit P. Mehta that 'several hundred submissions' from tribes were incomplete, and that any tribe that fails to fix those problems by Saturday 'does risk not getting any data-based payment from the remaining 40 percent tranche' of the $8 billion in funding."

Senate Dems Unload On OMB Nominee.

CQ Roll Call (6/3, Krawzak, 154K) reports Senate Budget Committee Democrats "denounced the nomination of Russell Vought to be director of the Office of Management and Budget at a hearing Wednesday, with their primary focus on what they say was an illegal withholding of foreign aid to Ukraine." Sen. Patty Murray (D-WA) "accused Vought of not being involved in the negotiations between the White House and Congress over pandemic aid legislation." Murray said Vought "is nowhere to be found. How can that be?" Vought "told Murray he has a 'great relationship' with Treasury Secretary Steven Mnuchin, the White House point man in the talks, and that they 'talk multiple times a day and he and I are constantly working together on these issues.'" Vought also "said his door is always open 'to build a closer relationship with you and other members of this committee.'"

Treasury Told Tax Regulations Should Better Reflect Multinational Companies' Business Models.

Behind a paywall, Law360 (6/3, Olivo, Subscription Publication, 8K) reports the Treasury Department's "proposed regulations for determining income sources from inventory property sales should better reflect multinationals' business models, which often involve U.S. personnel managing offshore production activities."

Leading National News

Trump Reportedly Angry With Esper Over Perceived Break On Use Of Military Against Protesters.

Comments by Defense Secretary Esper distancing himself from the use of active-duty troops to quash demonstrations receive wide coverage, with most reports saying President Trump is reportedly angry with Esper about the perceived break with the President's stance. Several outlets speculate that the President could dismiss his second Pentagon chief. Meanwhile, Esper's predecessor James Mattis issued a rare and forceful condemnation of the President, leading Trump to tweet that he "had the honor of firing Jim Mattis, the world's most overrated General."

On ABC World News Tonight (6/3, story 3, 3:25, Muir, 7.94M), Jonathan Karl called it "a significant break between the President and his Defense Secretary over the issue of deploying active duty troops to crack down on violent protests in American cities. The President had threatened to do just that earlier this week. ... The Defense Secretary flatly said today he opposes that." Esper: "The option to use active duty forces in a law enforcement role should only be used as a matter of last resort and only in the most urgent and dire of situations. We are not in one of those situations now. I do not support invoking the Insurrection Act." Karl: "Esper's words were not welcomed today at the White House." On NBC Nightly News (6/3, story 4, 2:50, 6.86M), Lester Holt similarly called Esper's remarks a "remarkable voice of dissent...within the Trump Administration."

Norah O'Donnell reported on the CBS Evening News (6/3, story 3, 2:40, 4.98M) that there are "questions how long Mark Esper will remain as Secretary of Defense after he broke with President Trump on using active duty military in American cities." CBS' Paula Reid: "Esper's decision to publicly disagree with President Trump over the use of active-duty military did not go over inside the White House."

The AP (6/3, Miller, Lemire, Balsamo, Laporta) reports Esper "declared on Wednesday he opposes using military troops for law enforcement in containing current street protests, tamping down threats" from the President. The AP adds, "Less than 48 hours after the president threatened to use the Insurrection Act to contain protests if governors were not able to get a handle on unrest, Esper said the 1807 law should be invoked in the United States 'only in the most urgent and dire of situations.'" and added, "We are not in one of those situations now." USA Today (6/3, Cummings, 10.31M) calls Esper's remarks "a break with [Trump], who threatened to deploy federal troops to 'dominate the streets.'"

Reuters (6/3) reports White House Press Secretary Kayleigh McEnany said Esper "was still in his post on Wednesday as speculation swirled" that the President "wanted to remove the Pentagon chief over his comments on nationwide protests." McEnany said at a news briefing, "As of right now, Secretary Esper is still Secretary Esper, and should the President lose faith we will all learn about that in the future." The Hill (6/3, Kheel, 2.98M) reports McEnany "sidestepped questions" on whether the President "still has confidence" in Esper after he "publicly broke with Trump on using active-duty troops to quell nationwide protests."

The New York Times (6/3, Schmitt, Cooper, Gibbons-Neff, Haberman, 18.61M) reports Trump "was angered by Mr. Esper's remarks, and excoriated him later at the White House, an administration official said." CQ Roll Call (6/3, Donnelly, 154K) says Esper's "implicit rebuke" of the President "may have landed Esper in hot water and is revealing splits within GOP ranks on the question. ... A handful of Republicans have come out in support of Esper's position and in opposition to Trump's, while many have remained silent on the thorny question. Esper's division with the commander in chief on the issue has fueled speculation – and numerous media reports – that the secretary may not be long

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for this administration."

Bloomberg (6/3, 4.73M) reports that Esper's "remarks generated pushback at the White House, where three Trump aides who asked not to be identified said the secretary should have moderated his comments to draw less of a distinction with the president." Citing "an aide and two people close to the discussions," Politico (6/3, Seligman, 4.29M) also reports that White House officials are "unhappy with Esper's comments to reporters," although, according to Politico, Esper "did not specifically contradict the president, who threatened on Monday to deploy the active-duty military in the future if state and local officials did not quell the protests." Breitbart (6/3, 673K) reports Esper also "paid his condolences to George Floyd's family and said that he and members of the military swore an oath to protect freedom of speech."

Axios (6/3, 521K) reports "multiple sources close to the president [said] that they were perplexed by comments Esper made to NBC News Tuesday night and wondered what Esper was trying to achieve. The combination of that interview plus Wednesday's press conference – in which he undercut the president – has the secretary of defense in precarious standing with the White House." McClatchy (6/3, 19K) similarly says Esper's "public disapproval of the use of military troops against protesters in the nation's capital caught the White House by surprise, angered the president and frustrated top aides hoping to move on from Monday's clash in Lafayette Square, according to two senior administration officials."

The Washington Post (6/3, Lamothe, Ryan, 14.2M) reports the Pentagon "has brought active-duty units, including an infantry battalion from the Army's Immediate Response Force, to the Washington, D.C., area to remain on standby, and pulled in other states' National Guard forces to assist in the nation's capital." The Daily Caller (6/3, 716K) says "multiple reports...claim that Trump is privately backing away from the idea of full military mobilization, as the increased National Guard and law enforcement presence in Washington, D.C. has seemed to slowly stem violence distracting from the protests."

However, the AP (6/3, Baldor) reports that "in an abrupt reversal," Esper on Wednesday "overturned an earlier Pentagon decision to send a couple hundred active-duty soldiers home from the Washington, D.C., region." Army Secretary McCarthy told the AP that the reversal "came after Esper attended a meeting at the White House, and after other internal Pentagon discussions." On NBC Nightly News (6/3, story 4, 2:50, 6.86M), Geoff Bennett reported, "In an abrupt reversal today, Esper overturned an earlier Pentagon decision to send home hundreds of active-duty soldiers who had been rushed to bases around Washington, DC with a military show of force already on full display in the nation's capital." The Wall Street Journal (6/3, Youssef, Lubold, Subscription Publication, 7.57M) reports that even without federal forced on hand, downtown Washington has appeared militarized throughout the week.

Jonathan Stevenson of the International Institute for Strategic Studies writes in the New York Times (6/3, 18.61M) that as Esper "asserted on Wednesday, the military must remain an apolitical institution. If Mr. Trump does decide to use the military for political intimidation, it will fall to the military itself to show restraint, even if it means disobeying orders. ... We may be close to the moment at which active-duty service members need to consider disciplined disobedience."

Pentagon In Talks With House Armed Services Committee About Esper, Milley Testimony. Axios (6/3, Treene, 521K) reports "the Pentagon is in talks with the House Armed Services Committee to arrange for" Esper and Joint Chiefs of Staff Chairman Gen. Mark Milley "to testify next week about President Trump's threats to federalize forces to respond to protests across America. ... 'The department has acknowledged the request, but details are still to be determined, including the date,' a source with familiar with the conversations tells Axios."

Mattis Denounces Trump As Deliberately Dividing Americans. The Atlantic (6/3, Goldberg, 3.47M) reports ex-Defense Secretary James Mattis, who has "kept studiously silent about Trump's performance as president" since resigning in protest in December 2018, "has now broken his silence, writing an extraordinary broadside in which he denounces the president for dividing the nation, and accuses him of ordering the U.S. military to violate the constitutional rights of American citizens." In a lengthy written statement, Mattis wrote, "I have watched this week's unfolding events, angry and appalled. ... Donald Trump is the first president in my lifetime who does not try to unite the American people – does not even pretend to try. Instead, he tries to divide us. We are witnessing the consequences of three years of this deliberate effort. We are witnessing the consequences of three years without mature leadership."

O'Donnell said on the CBS Evening News (6/3, story 3, 2:40, 4.98M) that Mattis "is turning on the President, accusing him of misusing military and dividing the country." The Washington Post (6/3, Lamothe, 14.2M) calls the statement "an extraordinary shift for Mattis, a retired Marine general who said he felt it was his duty to stay out of politics after resigning. ... He has broadly been criticized for it, in light of his service in the Trump administration and knowledge of the president. But recent unrest in the country, and Trump's response to it, changed the dynamics."

The New York Times (6/3, Schmitt, Cooper, Gibbons-Neff, Haberman, 18.61M) reports Trump "responded late Wednesday on Twitter to Mr. Mattis's rebuke, saying that he had had 'the honor of firing' Mr. Mattis. In reality," Mattis "resigned in protest...over Mr. Trump's decision to withdraw American troops from eastern Syria."

On ABC World News Tonight (6/3, story 4, 2:35, 7.94M), David Muir reported that in addition to the "scathing words" from Mattis, "other military leaders, in a rare move, [are] speaking out, too." ABC shared comments from ex-JCS Chairs Gen. Mark Dempsey and Adm. Mike Mullen, and showed Navy Chief of Naval Operations Adm. Michael Gilday saying, "I will never know what it feels like when you watch that video of Mr. Floyd's murder. And I can't imagine the pain and the disappointment and the anger that many of you felt when you saw that."

Cotton Calls For "An Overwhelming Show Of Force." Sen. Tom Cotton (R-AR) writes in the New York Times (6/3, 18.61M), "One thing above all else will restore order to our streets: an overwhelming show of force to disperse, detain and ultimately deter lawbreakers. ... The pace of looting and disorder may fluctuate from night to night, but it's past time to support local law enforcement with federal authority.

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Some governors have mobilized the National Guard, yet others refuse. ... In these circumstances, the Insurrection Act authorizes the president to employ the military 'or any other means' in 'cases of insurrection, or obstruction to the laws.'"

Axios (6/3, Perano, 521K) reports Times employees on Wednesday "posted en masse on social media saying that the editorial board's decision" to run the Cotton op-ed "put black Times' staff members in danger. ... The Times' staff social media posts appeared to be a coordinated effort, publishing simultaneously and including variations of the line: 'running this puts Black @nytimes staff in danger' alongside a photo of Cotton's headline."

Rushdie Warns Dictatorship Can Come To America. In a Washington Post (6/3, 14.2M) op-ed, novelist Salman Rushdie writes, "In my life, I have seen several dictators rise and fall. ... Extreme narcissism, detachment from reality, a fondness for sycophants and a distrust of truth-tellers, an obsession with how one is publicly portrayed, a hatred of journalists and the temperament of an out-of-control bulldozer: These are some of the characteristics. President Trump is, temperamentally, a tinpot despot of this type. But he finds himself in charge of a country that has historically thought of itself – by no means always correctly – as being on the side of liberty. ... Beware, America. Don't believe that it can't happen here."

Trump: Economy Is In "Early Stages" Of Recovery And "Next Year Will Be One Of The Best Ever."

On Twitter, President Trump on Wednesday posted, "I feel more and more confident that our economy is in the early stages of coming back very strong. Not everyone agrees with me, but I have little doubt. Watch for September, October, November. Next year will be one of the best ever, and look at the Stock Market NOW!"

ADP Finds Far Fewer Were Laid Off In May Than Forecast.

Reuters (6/3, Mutikani) says that according to the ADP National Employment Report, "US private payrolls fell less than expected in May, suggesting layoffs were abating as businesses reopen." The ADP report "showed private employers laid off another 2.76 million workers last month after a record 19.557 million in April." Reuters adds that "economists polled by Reuters had forecast private payrolls dropping by 9 million in May."

The AP (6/3, Rugaber) cautions, however, that "the epic damage to America's job market from the viral outbreak will come into sharper focus Friday when the government releases the May employment report: Eight million more jobs are estimated to have been lost. Unemployment could near 20%. And potentially fewer than half of all adults may be working." Moreover, "economists foresee unemployment remaining in double-digits through the November elections and into 2021."

Analysts: State Revenue Could Start To See Recovery In Q3.

Reuters (6/3, Pierog) reports, "US state tax revenue, which plunged due to the economic fallout from the coronavirus pandemic, could start to slowly recover this summer as long as the outbreak does not undergo a resurgence, analysts said." Said Sarah Crane, a Moody's Analytics economist, "We definitely expect the second quarter (of 2020) to be the worst and that things will start to increase in the third quarter slowly." Lucy Dadayan, "who tracks state tax revenue at the Urban Institute," is also quoted as saying, "June is going to be bad and starting with July, if the pandemic doesn't get any worse, then we will slowly see some improvement."

Comer: Enhanced Unemployment Benefits Sideline Workers, Hurting Economic Recovery.

In an op-ed for the Wall Street Journal (6/3, Subscription Publication, 7.57M), Rep. James Comer (R-KY) writes that the increase in unemployment benefits at the peak of the pandemic was an emergency measure, but now, unintended consequences of the unemployment payments threatens to stall the economic recovery. The extra benefits are keeping workers sidelined when businesses need workers to return to their jobs as they reopen, Comer says. He opposes Democratic efforts to extend the benefits, and argues the payments should be allowed to expire July 31.

Chao: DOT Is Not Inclined To Impose Safety Rules On Airlines.

Politico (6/3, Mintz, 4.29M) reports that Transportation Secretary Chao "said Wednesday that airlines and their employees should determine how to protect workers and passengers" against COVID-19, "underscoring the Trump administration's decision not to mandate masks or social distancing on planes." According to Politico, "Despite calls for a mandate from unions and congressional Democrats," Chao said COVID-19 protections "are more 'labor management' issues than anything else and that airlines have been able to figure out the best solutions by talking to their employees." Chao is quoted as saying, "When the federal government gets involved, we tend to be much more heavy handed."

NBA Expected To Approve Restart Of Season.

ESPN (6/3, Wojnarowski, 14.75M) reports the National Basketball Association Board of Governors "intends to approve a league proposal on a 22-team format to restart the season in Orlando, Florida" in a vote Thursday. Commissioner Adam Silver "and the league's advisory/finance committee have shared the broad details of a plan with teams to play at the Walt Disney World Resort, sources said."

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AMC Theater Chain Warns It Has "Substantial Doubt" Of Surviving Fallout From Pandemic.

USA Today (6/3, Bomey, 10.31M) reports that movie theater chain AMC "warned Wednesday that it may not survive the fallout from the coronavirus pandemic." AMC "issued the warning in a public filing, saying that that crisis has significantly undermined its finances and introduced profound uncertainty about its future." The statement constituted a "going concern" warning that is "typically required of publicly traded companies that are facing dire circumstances that jeopardize their business, though many live on."

Chicken Industry Executives Indicted For Price-Fixing.

The Wall Street Journal (6/3, Kendall, Bunge, Subscription Publication, 7.57M) reports the CEO of Pilgrim's Pride, one of the country's biggest chicken producers, and three other industry executives were indicted Wednesday on charges of price fixing. A grand jury indicted current and former senior executives at Pilgrim's Pride and Claxton Poultry Farms on a count of conspiring to fix prices from 2012 to 2017.

Former UAW President Pleads Guilty To Embezzlement.

The New York Times (6/3, Boudette, 18.61M) reports, "The former president of the United Auto Workers Union, Gary Jones, on Wednesday pleaded guilty to embezzling union funds, becoming the highest-ranking union official to admit wrongdoing in a wide-ranging federal investigation that has involved more than a dozen senior union officials and at least three executives from Fiat Chrysler." Under a cooperation agreement, Jones "acknowledged using more than $1 million in union funds for vacation rentals, golf outings, clothing, liquor and expensive meals." Jones is "scheduled to be sentenced Oct. 3. Federal guidelines call for a prison sentence of 47 to 56 months." The US attorney's office in Detroit has "agreed to seek a lesser sentence if Mr. Jones cooperates fully, said David Gardey, chief of the office's public corruption unit."

WSJournal: Study Shows Welfare Benefits Can Lock People Into Poverty.

The Wall Street Journal (6/3, Subscription Publication, 7.57M) editorializes that a study published by the National Bureau of Economic Research shows how welfare benefits distort the incentive to work, making it more difficult for people to climb out of poverty. Researchers found that under the US system, with its multitude of tax and benefit programs, the poor can face a lifetime marginal net tax rate exceeding 70 percent.

Trump Blasts Media's Portrayal Of Protesters, His Coronavirus Response.

In a pair of tweets and a radio interview Wednesday morning, President Trump lashed out at the media for its portrayal of protesters and for his Administration's response to the coronavirus pandemic. Early Wednesday, Trump tweeted, "Really sick to watch the Fake and totally Slanted News(?) coming out of MSDNC and CNN. It bears NO relationship to the Truth or Facts. They are merely offshoots of the DNC, much like the @nytimes and the Amazon @washingtonpost. Just like 2016, but worse. Sad, but we will win big!"

Later in the morning he tweeted, "If you watch Fake News @CNN or MSDNC, you would think that the killers, terrorists, arsonists, anarchists, thugs, hoodlums, looters, ANTIFA & others, would be the nicest, kindest most wonderful people in the Whole Wide World. No, they are what they are – very bad for our Country!"

In an interview with the Brian Kilmeade Show (6/3) Wednesday, Trump said that "the fake news makes everything look bad. No matter what you do – like we did a great job on ventilators. We're giving them now to countries all over the world – we're making them. When I started, we had practically none. The cupboards were bare. The Obama Administration left us practically nothing. You don't hear those stories; they don't write about that. We tested number 16 million yesterday. Much more than anybody else. You don't hear that we've done well in testing. ... So we've done a great job, but we don't get credit for it. But hopefully the people understand."

WPost: Some Americans, But Not Trump, Are Showing Leadership. The Washington Post (6/3, 14.2M) in an editorial cites examples of what it called "the best of America" in which "people who were angry and scared have acted with peace and compassion, defusing situations by protecting and embracing – sometimes literally – those whom others in their position might have feared." The Post adds, "Today, we don't have a president capable of such leadership. But other Americans, both famous and unknown, are stepping up and modeling an honorable way to fight for justice."

Trump Says Most Religious Leaders "Loved" His Visit To St. John's Church.

Fox News (6/3, Musto, 27.59M) reports on its website that in an interview with the Brian Kilmeade Show Wednesday, President Trump "pushed back on criticism of his walk Monday to the historic St. John's Episcopal Church." Asked about religious leaders' criticism of the visit, Trump said, "Well, my response is simple: most religious leaders loved it." Fox says Trump "cit[ed] positive reactions from Franklin Graham and Robert Jeffress." He added, "And, it's on the other side that didn't like it. You know, the opposition party, as the expression goes. They burned down the church the day before. I heard how nice and wonderful the protesters were over there. Really? Then why did they burn down the church the day before?"

The Daily Beast (6/3, 1.39M) reports that during a Newsmax interview with Sean Spicer, the President said he visited the church "because 'somebody suggested it was a good idea' before insisting that 'everything was handled really well' and religious leaders loved it.' When Spicer asked him if he's "grown in his faith" during his time in office, the president said, 'So I think maybe I have, from the standpoint

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that I see so much that I can do. I've done so much for religion.'"

Axios (6/3, Allassan, 521K) reports White House Press Secretary Kayleigh McEnany also "defended" Trump's visit to the church on Wednesday. McEnany compared the visit "to Winston Churchill inspecting bombing damage during World War II and George W. Bush throwing out the first pitch after 9/11." She "called the display a 'message of resilience and determination,' and said it was important for Trump to make the visit because rioters had set a fire in the basement of the historic church the night before." The Hill (6/3, Chalfant, 2.98M) quotes McEnany as saying, "Through all of time, we have seen presidents and leaders across the world who have had leadership moments and very powerful symbols that were important for a nation to see at any given time to show a message of resilience and determination. ... Like Churchill, we saw him inspecting the bombing damage. It sent a powerful message of leadership to the British people."

McEnany Defends Law Enforcement Officers' Right To Defend Themselves. Townhall (6/3, Pavlich, 177K) says that during a briefing Wednesday, McEnany "explained to reporters, specifically CNN's Jim Acosta, that the police and other law enforcement officers have the right to defend themselves. Her comments came after the Trump administration was accused of having 'peaceful protestors' tear gassed and physically removed from Lafayette Park on Monday evening."

Hemingway: Media Claims Tear Gas, Pepper Spray Are Identical. Mollie Hemingway writes in The Federalist (6/3, 126K) that the Park Police "explicitly denied" media reports that it used tear gas to disperse protesters in front of the White House. Hemingway adds that "it was smoke canisters, not tear gas. And pepper balls explained the irritating effect that some protesters reported." Trump's campaign "requested corrections for the rampant publishing of false news." Instead, media outlets "claimed that they were essentially correct."

Trump: Media Knew Photo Of Hitler With Bible Was Fake And Used It Anyway. Trump retweeted a post from a Twitter user named Robby Starbuck which said a viral photo of Adolf Hitler holding a Bible that has been compared to the photo of Trump holding a Bible in front of St. John's Church is "totally faked" and "photoshopped" and Twitter would be adding a "manipulated media" label to tweets sharing it. Trump wrote in his tweet, "The knew it was Fake and went with it anyway. Lamestream Media is CORRUPT!"

Trump Says He Only Entered White House Bunker For An "Inspection."

Fox News (6/3, Musto, 27.59M) reports on its website that in an interview with the Brian Kilmeade Show Wednesday, President Trump "denied that he was taken to an underground White House bunker during tumultuous protests in Washington D.C. this past weekend." Trump said, "Well, it was a false report. I wasn't [there]. I went down during the day and I was there for a tiny little short period of time and it was much more for an inspection." Trump "explained he had only ever visited the bunker two or three times and 'all for inspection' because 'someday [he] may need it.'" Politico (6/3, Forgey, 4.29M) says Trump "also maintained that the Secret Service did not order him to the bunker." According to Trump the Secret Service "said it would be a good time to go down, take a look, because maybe some time you're going to need it."

Bloomberg (6/3, 4.73M) reports that "a person familiar with the matter described the situation differently...saying Trump was moved to a secure area late Friday as a condition 'red' was declared at the White House amid violent protests." Bloomberg adds, "In a condition 'red,' nobody is allowed in or out of the White House complex, staff are directed to minimize movements inside and enhanced protections are put in place for the president's family." The Washington Post (6/3, 14.2M) provides similar coverage.

Trump: Cities Having Problems With Protesters "Are Not Run By Republicans."

President Trump said on the Brian Kilmeade Show (6/3), "You notice that all of these places that have problems are not run by Republicans, they're run by liberal Democrats. So, there is something into that philosophy, and yet, they're also they ones keeping everybody locked up in their apartments and their homes for a long – too long a period of time. So, it's very interesting how that changes."

Gidley: If Governors Won't Protect Their Citizens, Trump Will. White House Deputy Press Secretary Hogan Gidley said on Bloomdaddy (6/3) that the President "stands with those are exercising their First Amendment right to peacefully protest. But, at the same time, what this has devolved into is some kind of lawless hellscape in so many cities across this country." The President "said, 'I have seen enough. This is America. This cannot happen. You at the state level have to protect your citizens. That is what the government is set up to do. We at the federal level have the same responsibilities and if you guys aren't going to do it at the state level, than we are going to step in and help.' That is what he has decided to do because the American people deserve safety and security. They deserve protection from their government." Gidley was also interviewed on the Lars Larson Show (6/3).

Likewise, Rep. Michael Waltz (R-FL) said on Fox News' Fox & Friends (6/3, 831K), "I think the President's message to the governors and mayors is that if you're not going to do the job, if you're not going to step up, he will and he will have to. And he does have the authority to federalize the National Guard and then also send in active duty troops."

Police Have Made More Than 13,500 Protest-Related Arrests. Kris Van Cleave reported on the CBS Evening News (6/3, story 2, 3:10, O'Donnell, 4.98M) that "there have been more than more than 13,500 arrests in 43 cities, all related to protests. Los Angeles, Dallas, and Washington, DC saw spikes in arrests Monday night as police enforced curfews." ABC World News Tonight (6/3, story 2, 2:30, Muir, 7.94M) reported that Wednesday evening, protesters were "taking to the streets across America for a ninth day, expressing anger but also hope." On NBC Nightly News (6/3, story 3, 2:50, Holt, 6.86M), Miguel Almaguer said, "Cities across the nation are teetering on the edge of unrest."

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Trump: Anarchists, Looters Delivering Rocks To Be Used During Protests.

President Trump said on the Brian Kilmeade Show (6/3), "You have protesters, but you also have anarchists and looters and a lot of people that are bad. You know, bad people, OK? A lot of bad people. We have a lot of proof and information and proof, you'll be seeing it in time to come, where they're delivering rocks and stones to certain locations and dumping them so they have – that's their ammunition and that hurts people very badly, including National Guard people or even military people."

Federal Officials Investigating Whether "Criminal Actors" Are Coordinating Protest Violence. On its website, Fox News (6/3, Gibson, 27.59M) cites "a senior Department of Justice official" who said that federal law enforcement officials are investigating whether "criminal actors" are coordinating violent activities during protests. The official said the officials are looking into reports that "rocks and bricks" have been placed to throw at police and other law enforcement. The official said, "You see the hallmarks. ... We're trying to see if there's a coordinated command and control, you see those bread crumbs and that's what we're trying to verify." Fox cites "another DOJ official" who "said the feds have seen signs of 'very organized' coordination from 'professional' agitators, some linked to Antifa."

The Washington Times (6/3, A1, Gertz, 492K) reports that according to "a law enforcement official with access to intelligence" about Antifa, activists from the group "began planning to foment a nationwide anti-government insurgency as early as November as the U.S. presidential campaign season kicked off in earnest." While the official "would not speak on the record on Antifa's plans as the U.S. election season heats up...longtime analysts of the group say such a move would be entirely in character."

DHS Analysis: Looting And Violence Driven By Opportunists, As Well As Antifa. Reuters (6/3, Hesson, Hosenball, Rosenberg, Heath) reports that although President Trump "has blamed leftwing extremist groups for instigating nights of looting and violence in cities across the United States...an intelligence assessment offers limited evidence that organized extremists are behind the turmoil." In a "June 1 internal intelligence assessment of the protests," DHS officials "said most of the violence appears to have been driven by opportunists." Reuters adds that the assessment "said there was some evidence based on open-source and DHS reporting that the anti-fascist movement Antifa may be contributing to the violence, a view shared by some local police departments."

Barr Orders DOJ Agencies To Help Local Authorities "Dominate" The Streets.

The Washington Post (6/3, A1, Barrett, 14.2M) reports on a "broad push" by the Justice Department "to boost investigations and prosecutions of violence and vandalism surrounding national protests over police misconduct." Attorney General Barr is pushing "to seek tougher sentences for those who have sown violence after the death of George Floyd in Minneapolis police custody." Barr "has vowed to use federal force to help local authorities 'dominate' the streets, and he has ordered Justice Department agencies to aid in those efforts."

The New York Post (6/3, Feuerherd, 4.57M) reports that Barr "ordered the deployment of special tactical units from the federal Bureau of Prisons to respond to protests in Washington, DC, and Miami, an agency spokesperson said." BOP spokesperson Scott Taylor said in a statement that the units "are highly trained tactical units capable of responding to prison disturbances, and providing assistance to other law enforcement agencies during emergencies." The Post says the units "include disturbance control teams, which are trained to deal with crowd control."

DC Mayor Criticizes Administration Response To Demonstrations.

The Washington Post (6/3, Natanson, Olivo, Tan, Jackman, 14.2M) reports District of Columbia Mayor Muriel Bowser (D) "pushed back against the Trump administration's response" to demonstrations in the city. The Post says DC police "weren't even sure how many federal agencies were patrolling city streets." Bowser said at a news conference, "We should all be concerned about who is giving the orders." The Post adds that Wednesday morning, "after a night in which there were no clashes at Lafayette Square and 19 arrests citywide, mostly for violating the curfew, Bowser shifted the curfew from 7 p.m. to 11 p.m."

The New York Times (6/3, Leibovich, 18.61M) reports that the city "has been on edge, hovered over by low-flying helicopters and patrolled by law enforcement agents from a stew of federal agencies – the F.B.I., the Defense Department, the Department of Homeland Security, Customs and Border Protection, the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Bureau of Prisons and more – dressed in an assortment of uniforms, riot gear and military fatigues."

WPost Analysis Calls Photo Of Troops On Lincoln Memorial Steps "Chilling."

In an analysis, the Washington Post (6/3, Kennicott, 14.2M) is highly critical of a "photograph of members of the District's National Guard on the steps of the Lincoln Memorial," which "began racing around Twitter and other social media Tuesday." In the photo, troops can be seen "standing resolutely, perhaps provocatively, on the memorial's wide and inviting steps, as if they owned it. To many, it symbolized the militarization of Washington, of our government and country, and the terrifying dissolution of old boundaries between partisan politics and the independent, professional military." While a spokesman for the DC National Guard said the troops were called in to protect the memorial after it had been damaged over the weekend, the Post says it "was a chilling image nonetheless, and it speaks to the difficult position the military is now in, and how carefully it must think about the nuance and optics of its behavior."

Trump Says He's Done More For African Americans In 3 1/2 Years Than Biden Did In 43 Years.

In a tweet Wednesday morning, President Trump wrote, "In 3 1/2 years, I've done much more for our Black population than Joe Biden has done in 43 years. Actually, he set them back big time with his Crime Bill, which he doesn't even remember. I've done more for Black

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Americans, in fact, than any President in U.S. history, with the possible exception of another Republican President, the late, great, Abraham Lincoln...and it's not even close. The Democrats know this, and so does the Fake News, but they refuse to write or say it because they are inherently corrupt!" Trump's tweet also referred to a tweet he posted Tuesday, which said, "My Admin has done more for the Black Community than any President since Abraham Lincoln. Passed Opportunity Zones with @SenatorTimScott , guaranteed funding for HBCU's, School Choice, passed Criminal Justice Reform, lowest Black unemployment, poverty, and crime rates in history. ... AND THE BEST IS YET TO COME!"

In an interview with the Brian Kilmeade Show (6/3) Wednesday, Trump said, "As a Republican I'm doing very well with African-Americans...in polls and everything – especially I mean I haven't seen one very recently because you had the plague come in from China. So, that changed things up, but we had the best economy ever. We had the best numbers for African-American on employment and unemployment in history. Best homeownership – best everything. We had the best numbers in everything – not only African-American, but the African-American numbers were great."

HUD Secretary Carson was asked on Fox News' Bill Hemmer Reports about discussions of a "listening tour" of African-American communities. Carson said, "We're looking at the various possibilities, what is the best way to take advantage of this situation, start a national dialogue. ... Here's the thing. Our nation is very strong. The underlying economic fundamentals are strong. We'll get back on the right track again." Carson was also interviewed on NPR's Here and Now (6/3).

Transportation Secretary Chao said in an interview with Politico Playbook (6/3, 4.31M), "What we need to do is to come together as a people, have legitimate dialogues about racial differences and more than anything else, we need to get back to normalcy. We need to restore the economic vitality of this country and of this economy because under the vitality of this economy which existed prior to the pandemic...African-Americans, Hispanic-Americans, Asian-Americans were actually seeing the best economic times within recent memory."

WPost Analysis: Trump Seeking To Dispel Americans' Belief That He Is Racist. A Washington Post (6/3, Scott, 14.2M) analysis says that whether Trump is reelected or not, "what is happening now will be a definitive part of his legacy." Trump "risks cementing a status among the most racially divisive presidents in American history – and at the top of that list in recent history." The Post says that "as a result," Trump "has sought to argue he's done a lot for black Americans, as a way to dispel a belief held by the majority of Americans: The president of the United States is racist."

WPost Analysis: Biden Shifts Toward Transformative Agenda After Campaigning As Pragmatist.

The Washington Post (6/3, A1, Viser, 14.2M) says Joe Biden "has begun to sketch out a dramatically different sort of presidency than the one he had envisioned when he secured the nomination two months ago. The turmoil across the country, punctuated this week with authorities' use of force against peaceful protesters near the White House, has caused a rethinking for a candidate who once promised donors that under his administration 'nothing would fundamentally change'" and who campaigned as a pragmatic alternative to Sen. Bernie Sanders (I-VT). Biden is now previewing "a transformational era in which government would play a bigger role in curing the country's public health, economic and racial woes," with Franklin Roosevelt as a model.

Biden Plans To Attend Floyd's Funeral. The Texas Tribune (6/3, Ferman, Svitek, 23K) reports Biden "plans to attend the funeral for George Floyd in Houston next week," according to Floyd family attorney Ben Crump.

Trump Says Biden "Didn't Do A Thing" On Race While In Power. President Trump said on the Brian Kilmeade Show (6/3), "A guy like Sleepy Joe Biden was in there for 43 years, and he says, 'I think we should do this' – I saw [Wednesday] he took his mask off for the first time in a while, I haven't seen his face for a long time – and he said, 'I think we should do this, or I think we should do that.' ... I said, he's been there for 43 years, he was vice president for eight years, he didn't do a thing. His crime bill was a disaster. ... What he did with Clarence Thomas was a disaster, it was a disaster the way he treated Clarence Thomas. A black man, a great justice as it turns out."

Charlamagne Tha God Says Biden Must Redeem "Racist" Legislative Record If Elected. Fox News (6/3, Phillips, 27.59M) reports on its website that radio host Charlamagne tha God on Wednesday criticized Biden's "'racist' legislative record in the Senate, just weeks after the presumptive Democratic nominee made waves on his show by saying 'you ain't black' if you are figuring out whether to vote for him or President Trump." Charlamagne told CNN, "If Barack Obama was JFK, then Joe Biden needs to be Lyndon B. Johnson. You know, he has the opportunity to be as progressive as Lyndon B. Johnson. ... Biden's record in the Senate actually reflects very racist legislation, but he has a chance to correct that by doing right by black people."

The Washington Examiner (6/3, Simonson, 448K) highlights the Police Officer's Bill of Rights, sponsored by Biden in May 1991 "that would have provided greater protections to cops accused of misconduct." The bill "also would have restricted when and how misconduct investigations could take place."

Obama Calls On Mayors To Review Use-Of-Force Policies And Back Reform.

USA Today (6/3, Groppe, King, 10.31M) reports former President Barack Obama, in a livestreamed discussion of police reform Wednesday, "urged every mayor in the country to review use-of-force policies by law enforcement and commit to report on any needed changes." Obama said that most of the needed changes have to take place at the local level. "Obama said his administration compiled a number of reforms from a task force his administration created" following the 2014 killing of Michael Brown in Ferguson, Missouri. Many local officials "supported the report, 'but then there wasn't enough policy,'" Obama said. He continued, "Let's go ahead and start implementing those. We need

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mayors, county executives, others who are in positions of power to say this is a priority."

The New York Times (6/3, Thrush, 18.61M) reports Obama "said the unrest after [George] Floyd's death was 'unlike anything I have seen in my lifetime' and threw his support behind peaceful protests that could prompt a political 'awakening' to unite the country around racial justice and police reform." Obama, "who has tried to avoid a one-on-one battle with his successor, did not directly address [President] Trump's bellicose comments" since Floyd's death, but instead "expressed optimism that the reform effort could transcend political divisions."

Even so, the AP (6/3, Pace) reports under the headline "Obama Steps Out As Nation Confronts Confluence Of Crises" that the former President "is taking on an increasingly public role as the nation confronts a confluence of historic crises that has exposed deep racial and socioeconomic inequalities in America and reshaped the November election. In doing so, Obama is signaling a willingness to sharply critique his successor...and fill what many Democrats see as a national leadership void."

On NBC Nightly News (6/3, story 2, 2:30, Holt, 6.86M), Peter Alexander reported, "America's first black President directly addressing the families of George Floyd and other African Americans whose deaths have wounded the country...[and] condemning the violence and looting in recent days, urging demonstrators to channel their anger toward making a change. ... While never mentioning President Trump by name, President Obama is drawing a clear contrast between his efforts to build trust between police and communities of color after Michael Brown's killing in Ferguson, Missouri and the current Administration."

Four Living Ex-Presidents Address Floyd Killing. On the CBS Evening News (6/3, story 4, 1:50, O'Donnell, 4.98M), Ed O'Keefe said Obama's comments "follow remarkably frank statements from his predecessors. Former President George W. Bush, whose relationship with black Americans was strained by the federal response to Hurricane Katrina, said he was 'anguished by the brutal suffocation of George Floyd.' Bill Clinton, who enjoyed strong support from African Americans, said, 'No one deserves to die the way Floyd did, and the truth is, if you're white in America, the chances are you won't.' Former President Jimmy Carter said today, 'As a white male of the South, I know all too well the impact of segregation and injustice to African Americans.' In times of crisis, presidents often lean on their predecessors for advice or help raise awareness or charitable support. But in the last three years, President Trump has done very little of that."

The Washington Post (6/3, Rucker, 14.2M) reports, "Four U.S. presidents spoke this week about systemic racism and injustice. They used their platforms to illuminate the humanity in all Americans and to decry the dehumanization of some. And they summoned the nation to confront its failures, make change and come together." A fifth "spoke instead this week about using military force to dominate Americans who are protesting racial injustice. He declared winners and losers among state and city officials trying to safeguard their streets. ... The outlier was President Trump."

Three More Officers Charged In Floyd's Death; Chauvin's Charge Upgraded.

The New York Times (6/3, 18.61M) reports that Minnesota Attorney General Keith Ellison, announced Wednesday that he has "charged three more former police officers...in the death of George Floyd, and added a higher charge to those already lodged against the former officer who held his knee to Mr. Floyd's neck for nearly nine minutes." Thomas Lane, J. Alexander Kueng, and Tou Thao "were charged with aiding and abetting murder." Derek Chauvin, "who was arrested last week, faces an increased charge of second-degree murder." Reuters (6/3, O'Brien) says the new charge against Chauvin "can carry a sentence of up to 40 years, 15 years longer than the maximum sentence for third-degree murder."

The Minneapolis Star Tribune (6/3, Montemayor, Xiong, 1.04M) reports that Ellison said at a news conference, "We strongly believe these developments are in the interest of justice for Mr. Floyd, his family, this community and our state. ... George Floyd mattered. He was loved, his family was important and his life had value," Ellison said. "We will seek justice for him and for you and we will find it." USA Today (6/3, Reyes, 10.31M)and the Wall Street Journal (6/3, Tangel, Belkin, Collins, Subscription Publication, 7.57M) provide similar coverage.

The AP (6/3) reports that "earlier Wednesday, in a visit to a makeshift shrine at the street corner where Floyd died, his family again called for the arrests of Lane, Kueng and Thao, a demand echoed by their attorney." CNBC (6/3, Higgins, Mangan, 3.62M) reports on its website that Ellison "predicted that the prosecution of the officers could take months, and urged the public to be patient as his office builds cases." CNBC says Ellison cautioned that winning the cases "will not be an easy thing. Winning a conviction will be hard." In the lead story for the CBS Evening News (6/3, lead story, 4:20, O'Donnell, 4.98M), Jeff Pegues said Ellison "warned the public that this is going to be a challenge convicting police officers." However, Alex Perez reported in the lead story for ABC World News Tonight (6/3, lead story, 3:45, Muir, 7.94M) that "they say with the evidence they're collecting right now, they feel they have a case. They're building a case where they will be able to get a conviction."

In the lead story for NBC Nightly News (6/3, lead story, 3:15, 6.86M), Lester Holt called the new charges "an answer to the passionate and desperate calls for justice that have echoed across cities large and small for more than a week." Holt added that news of the charges "spark[ed] a new wave of tearful emotion from so many who have marched in George Floyd's name."

Law Enforcement Tactics Reportedly Cause Concern.

NBC Nightly News (6/3, story 5, 2:00, Holt, 6.86M) reported, "There is growing concern about the military-style tactics being adopted by some local law enforcement." NBC's Tom Costello added, "Across the country peaceful protests have too often devolved into standoffs with heavily-armed police using military-style tactics: flashbangs, tear gas, rubber bullets, helicopters, armored vehicles, and 30,000 National Guard troops in 31 states and DC trying to quell the violence." In Tucson, police "remain in their regular beat uniforms and work to deescalate tensions, but when officers faced bricks, bottles and gunfire, the chief says departments must switch to tactical gear." NBC concluded, "A fine

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line between protection and provocation."

Poll Shows 69% Of Americans, But Just 36% Of African Americans, Trust Police.

The Washington Free Beacon (6/3, Lehman, 78K) reports an Axios/Ipsos poll conducted May 29 to June 1 found that 69 percent of Americans "say they trust the police even amid nationwide protests over a Minneapolis officer's killing of an unarmed black man." Police had the trust of a majority of members of "both parties, all age groups, both genders, and both white and Hispanic respondents, but just 36 percent support among black respondents."

Law Professors Urge Cities To Take Civilian Complaints About Police Officers Seriously. Kyle Rozema of Washington University School of Law and Max Schanzenbach of Northwestern School of Law write in the Wall Street Journal (6/3, Subscription Publication, 7.57M) to offer their suggestions on how to prevent police brutality. According to their research, about 5 percent of police officers in Chicago accounted for one-third of civilian complaints, and these officers were most likely to have large civil judgments against them. They argue that civilian complaints are reliable measures by which officers should be removed from active policing. However, the authors argue that cities fail to take these civilian complaints seriously.

Cuomo Apologizes To NYPD After Criticizing Response To Looting On Monday.

Politico New York (6/3, Anuta and Gronewold) reports, "Wednesday brought a cooling of tensions between protesters and police" and between New York Gov. Andrew Cuomo (D) and the New York City Police Department. Cuomo is reported to have "apologized to NYPD brass privately" following his statement Tuesday that "the police in New York City were not effective at doing their job last night." USA Today (6/3, Spector, 10.31M) reports, "Cuomo apologized privately to top New York City Police administrators late Tuesday" after having called their response to riots on Monday a "disgrace."

Healthcare Workers At New York Hospital Kneel For Protesters. ABC World News Tonight (6/3, story 9, 0:55, Muir, 7.94M) reported that "in New York at 7:00 p.m. every night, you hear the cheers from windows for healthcare workers," but "last night...outside Manhattan's Lenox Hill hospital, doctors, nurses, healthcare workers...taking a moment to kneel, saying 'you cheered for us, we kneel for you,' a message to Americans who want change."

LAPD Chief Criticized Over Comments About Looters.

The Los Angeles Times (6/3, Winton, Chang, Oreskes, 4.64M) reports that LAPD Chief Michel Moore is "facing a growing political storm over comments he made Monday night – but quickly retracted – about looters." Moore, speaking during a news conference call with Los Angeles Mayor Eric Garcetti (D) said, "We didn't have protests last night – we had criminal acts," and added, "We didn't have people mourning the death of this man, George Floyd – we had people capitalizing. His death is on their hands as much as it is those officers." He said "minutes later," that he "misspoke when I said his blood is on their hands." State Sen. Holly Mitchell (D) said, "We have every right to be outraged and that our voices deserve to be heard and not hijacked by outside agitators nor by a police chief who infers that our actions can be compared to the murders we have witnessed and experienced."

Garcetti Promises Cuts To Police To Increase Spending In Black Community. The Los Angeles Times (6/3, Mejia, Pineda, Reyes-Velarde, Wick, 4.64M) reports, "As protests over police brutality and the death of George Floyd stretched into a sixth day, Los Angeles officials said Wednesday that they will look to cut $100 million to $150 million from the city's police budget" in order to "reinvest more dollars into the black community." Mayor Eric Garcetti promised to "identify $250 million in cuts so we can invest in jobs, in health, in education and in healing." Garcetti said the cuts would be found in "every department, including the Police Department, because we all have to be part of this solution together." Meanwhile, the Times reports that "more than 60 people now face criminal charges in Los Angeles County stemming from their alleged roles in the looting and violent clashes that marred protests this week."

Protesters In Charlotte Reportedly Surrounded By Police Firing Tear Gas.

The New York Post (6/3, Brown, 4.57M) reports, "A protester in North Carolina was arrested with an AR-style rifle with two 30-round magazines – as cops used 'chemical agents' in a shocking confrontation decried by local politicians." That confrontation is described as "disturbing" as "protesters marching through Charlotte on Tuesday" were "penned in from all sides by riot police as tear gas filled the air around them, with the narrator saying pellets were also being fired from a car park to the side." Charlotte Mayor Vi Lyles called it "a horrible incident." State Rep. Chaz Beasley (D) said, "This video shows [police] firing upon peaceful protestors with tear gas, flash bangs, and pepper balls from THREE sides." In response, Charlotte-Mecklenburg police said that police had been "assaulted with bottles, rocks, and chemical agents" and had allowed "multiple avenues to leave the area."

Philadelphia Small Businesses Worried They Will Not Reopen After Looting.

The Wall Street Journal (6/3, A1, Calvert, Subscription Publication, 7.57M) reports from Philadelphia on the effect of looting on small businesses in the 52nd Street corridor – many owned by African Americans, many already economically stressed by the pandemic, and many lacking savings and insurance to cover the loss from looting. They also generally did not benefit from the federal Paycheck Protection Program because they had no employees or for other reasons. Many are concerned they will not be able to reopen for months, if at all.

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Milwaukee Protests Reportedly Peaceful During Day, But Become Tense In Evening.

The Milwaukee Journal Sentinel (6/3, Barton, Glauber, 632K) reports, "As demonstrations in Milwaukee against police brutality stretched into a sixth day Wednesday, interactions between police and protesters" have followed the pattern of "peace...during the daylight hours, but by the evening, tensions mount," and some demonstrators "seem determined to ramp up tensions and bait officers into using force."

Northam To Announce Removal Of Lee Statue From Richmond.

The Washington Post (6/3, Schneider, Vozzella, 14.2M) reports that Virginia Gov. Ralph Northam (D) will "announce Thursday that he will remove the statue of Confederate Gen. Robert E. Lee from its site on Monument Avenue and put it into storage," according to an unnamed official in Northam's Administration.

African American Professionals Cope With Strife While Trying To Work.

Under the headline "For Black Professionals, Unrest Lays Bare A Balancing Act At Work," the Wall Street Journal (6/3, Chen, Subscription Publication, 7.57M) looks at how African Americans in white-collar jobs are coping with the current wave of racial anguish, quoting one who said, "I'm still having to dial in and perform as though nothing is wrong." The Journal says just eight percent of people employed in professional roles are African American.

NBC Examines Ways To Discuss Race With Children.

NBC Nightly News (6/3, story 7, 2:35, Holt, 6.86M) aired a feature on how parents can talk "with their kids about race and dealing with law enforcement."

Protesters Clash With Police Outside British PM's Residence.

ABC World News Tonight (6/3, story 5, 1:25, Muir, 7.94M) reported, "The death of George Floyd [is] being felt across the globe, [with] thousands marching around the world. In London, some clash[ed] with police outside 10 Downing Street with the Prime Minister inside." ABC's Maggie Rulli: "A flashpoint of frustration at the gates of 10 Downing Street, anger erupting outside the residence of the British Prime Minister. ... Protesters here tell us they are out here in solidarity with the US, but also to fight against the racial injustice they say they see every day in their country." On NBC Nightly News (6/3, story 6, 1:15, Holt, 6.86M), Richard Engel spoke with some of the London protesters, with one saying, "To our brothers and sisters in America, we stand with you."

NYTimes Analysis: Many Canadians Now See US As "A Crazed, Erratic And Dangerous Stranger."

The New York Times (6/3, Porter, 18.61M) reports, "From their perch above the United States, Canadians have been watching in shock as the country they've long considered their closest friend and protector now seems like a crazed, erratic and dangerous stranger. Most of the country's horror has been focused" on President Trump, with even conservative newspapers criticizing the American President. The Times says Prime Minister Justin Trudeau's "21 uncomfortable, televised seconds" when asked to comment on Trump's "call for military action against American protesters and the tear gassing of peaceful demonstrators to make way for a photo-op" has become a quick symbol among Canadians.

Pope Laments "Sin Of Racism."

USA Today (6/3, Yancey-Bragg, 10.31M) reports, "Pope Francis prayed for George Floyd in his weekly Wednesday audience called his death 'tragic' and racism a 'sin.' ... Francis said he is joining the church in St. Paul and Minneapolis and across the U.S. 'in praying for the repose of the soul of George Floyd and of all those others who have lost their lives as a result of the sin of racism.'"

WPost Blames Trump For Attacks On Press.

The Washington Post (6/3, 14.2M) in an editorial says that "increasing numbers of reporters and photographers covering the nationwide demonstrations against police brutality and racial injustice report being arrested, harassed or assaulted by police." The Post comments that such behavior "might have been expected given the relentless campaign President Trump has waged against the media." The Post adds that "governors, mayors and police chiefs need to...hold to account those who violate" the safety of the press.

Attiah: #BlackOutTuesday Failed Due To Confusion.

Karen Attiah writes in her column in the Washington Post (6/3, 14.2M) about "#BlackOutTuesday," which, Attiah says, was "intended to let black people rest for the day, to take a break for their mental health's sake, while white and non-black people were supposed to do the work to amplify black voices, share resources, link to organizations, share book recommendations and post books, music, anything by black people." But instead, "thousands of people decided for some reason to just post black squares rather than helpful information or cultural pointers." Attiah advises, "The best course of action is to check in with experienced organizers and activists as to what most aids the cause of

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social justice."

Medical Experts Raise Concerns Protests Will Spark Second Pandemic Wave.

On ABC World News Tonight (6/3, story 6, 1:35, Muir, 7.94M), Steve Osunsami reported, "Health authorities have been trying to get the message to the mostly young people marching in the streets, that the coronavirus is marching with them." Osunsami added, "Experts say that the tear gas and pepper spray make you more susceptible to respiratory disease."

On the CBS Evening News (6/3, story 7, 1:30, O'Donnell, 4.98M), Carter Evans reported, "At packed protests around the country, thousands shoulder to shoulder, many without masks, exactly what we've been told not to do in this time of COVID." Evans added, "That concern now highlighted in a new study in The Lancet, which found without a mask the risk of transmitting COVID is more than 17 percent. With a mask it drops to three percent."

The New York Times (6/3, Bosman, Harmon, 18.61M) says "for those sympathetic to a growing movement, deciding whether to attend protests has been complicated: Some people have avoided them entirely, reasoning that the chance of contracting the coronavirus in a crowd is too high." The Times adds, "No one has studied the precise dynamics of how the virus may be transmitted under the mix of conditions that prevail at mass protests. And because of delays between exposure to the virus and the start of symptoms, and then hospitalizations and deaths, the impact of the protests on virus spread will not be known for several weeks."

New York City Health Committee Chair: "Blame Racism" If Coronavirus Cases Rise After Floyd Protests. The Washington Examiner (6/3, Neale, 448K) reports, "A New York City Council Democrat is blaming racism for a potential rise in cases of the coronavirus after a week of nationwide protests over the death of George Floyd." In a social media post on Wednesday, Mark Levine, Chairman of the council's health committee, "instructed those worried that mass gatherings would lead to an uptick in COVID-19 cases to 'blame racism' instead of a lack of social distancing." Levine tweeted, "Let's be clear about something: if there is a spike in coronavirus cases in the next two weeks, don't blame the protesters. Blame racism."

Autopsy Shows Floyd Had Coronavirus. The Washington Times (6/3, Morton, 492K) reports, "An autopsy released Wednesday showed that George Floyd, the black man killed by a Minneapolis police officer, had the coronavirus." The Hennepin County Medical Examiner said Floyd, "whose death has sparked worldwide protests, tested positive for the virus on April 3."

WPost Analysis: Minority Communities Have Been Disproportionately Hit By COVID-19.

The Washington Post (6/3, Robert Samuels, Williams, Jan, Del Real, 14.2M) reports, "Interviews with nearly 60 public health experts, lawmakers and community leaders show that many of the first coronavirus testing sites went up in areas that happened to be whiter and more affluent, despite the requests of black leaders." In addition, "poor reporting of data, which initially masked the fact that the disease was disproportionately affecting black communities, remains spotty even as states move to reopen their economies." According to the Post's analysis of census and other data, "today, Americans living in counties with above-average black populations are three times as likely to die of the coronavirus as those in above-average white counties."

Miami Gardens, Florida's Largest Majority-Black City, Struggles To Combat Coronavirus. The Washington Post (6/3, Wootson, 14.2M) reports on community activist Betty Ferguson's efforts to help "Miami Gardens – the largest majority-black city in the state -- " wage "a fight against the novel coronavirus." The Post highlights that the coronavirus "has disproportionately attacked black Americans regardless of where they live, how much money they make or how well they've galvanized their communities."

Administration Identifies Five Most Promising Vaccine Candidates.

The CBS Evening News (6/3, story 6, 0:07, O'Donnell, 4.98M) reported the Administration has selected five companies as "among the most likely candidates to produce a coronavirus vaccine."

The New York Times (6/3, 18.61M) reports it is "a critical step in the White House's effort to deliver on its promise of being able to start widespread inoculation of Americans by the end of the year." According to the Times, "The five companies are Moderna, a Massachusetts-based biotechnology firm," which NIAID Director Fauci said he "expected would enter the final phase of clinical trials next month; the combination of Oxford University and AstraZeneca, on a similar schedule; and three large pharmaceutical companies: Johnson & Johnson, Merck and Pfizer. Each is taking a somewhat different approach." The Times says Fauci "hinted at the action when he told a medical seminar on Tuesday that 'by the beginning of 2021, we hope to have a couple of hundred million doses.'"

USA Today (6/3, Rodriguez, 10.31M) reports Fauci "said he's 'cautiously optimistic' a coronavirus vaccine will provide some protection against SARS-CoV-2 and COVID-19, the illness it causes, but is concerned about how long that protection could last." Commenting on the "durability" of candidate vaccines in an interview with JAMA editor-in-chief Howard Bauchner on Tuesday, Fauci said, "If you look at the duration of protection when you recover from one of the several benign coronaviruses that cause the common cold, the durability of infection is only measured in a year or less as opposed to the other infections where you can get 15 to 20 years of protection."

NIH Director Says Coronavirus Vaccine Development Advancing At "Unprecedented Speed." NIH Director Collins said on NPR's All Things Considered (6/3) that the development of a coronavirus vaccine "is moving at an unprecedented speed, recognizing that we really only knew about this virus back in January. But some of the trials are getting ready to be initiated in large scale, which would be roughly 30,000 volunteers for each vaccine, half of them receiving the vaccine, half of them receiving a placebo that looks and feels just like the same

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thing so that we can really begin to assess whether these works. That is what you call a Phase 3 trial and there are some of the vaccines that are ready to get started into that phase as early as the beginning of July. That is a phenomenal thing to be able to say considering these things usually take several years."

WPost Analysis: US-China Race To Develop Vaccine Is An Echo Of The Cold War. The Washington Post (6/3, Johnson, Dou, 14.2M) says that "with testing underway on five experimental vaccines in China and four in the United States, the race to produce a vaccine" has taken on "political dimensions that echo jockeying for technological dominance during the Cold War." The Post adds, "Both countries are also taking huge financial risks to scale up production of possible vaccines before they know any are safe and effective – a gambit to ensure their citizens won't have to wait." According to the Post, "The nation that produces the first safe and effective vaccine will gain not only bragging rights but also a fast track to put its people back to work, a powerful public health tool to protect its citizens and a precious resource to reward allies."

Hydroxychloroquine Fails To Prevent COVID-19 In Large Trial.

The AP (6/3, Marchione) reports hydroxychloroquine "proved ineffective" in preventing COVID-19 "in the first large, high-quality study to test it in health workers and others closely exposed to people with the disease." Results published Wednesday by the New England Journal of Medicine "show that hydroxychloroquine was no better than placebo pills at preventing illness from the coronavirus." However, "the drug did not seem to cause serious harm," with about 40 percent showing side effects, "mostly mild stomach problems."

The Washington Post (6/3, McGinley, Cha, 14.2M) reports researchers "enrolled more than 800 adults in the United States and Canada who were exposed to someone" with COVID-19 because of their jobs as healthcare workers or first responders, "or because they lived with someone with the disease." In what is considered as the "gold standard for clinical trials," the study was "a randomized placebo-controlled trial, and was double-blinded, meaning neither the participants nor the researchers knew what the participants received."

The New York Times (6/3, Grady, 18.61M) reports the "trial was the first to test whether the drug could prevent illness in people who have been exposed to the coronavirus."

NYTimes Analysis: CDC Failed To Adequately Confront Pandemic.

In an article titled "The C.D.C. Waited 'Its Entire Existence For This Moment.' What Went Wrong?" the New York Times (6/3, Lipton, Goodnough, Shear, 18.61M) reports that many medical professionals' "confidence in the C.D.C. was shaken as it confronted the most urgent public health emergency in its 74-year history." According to the Times, the CDC, which was "long considered the world's premier health agency, made early testing mistakes that contributed to a cascade of problems that persist today as the country tries to reopen." The Times says the CDC "failed to provide timely counts of infections and deaths, hindered by aging technology and a fractured public health reporting system. And it hesitated in absorbing the lessons of other countries, including the perils of silent carriers spreading the infection."

Nearly 3,000 Postal Workers Have Tested Positive For Coronavirus.

The Washington Examiner (6/3, Giaritelli, 448K) reports, "Some 2,800 United States Postal Services workers have tested positive for the coronavirus, forcing the federal agency to hire replacements and worsening an internal financial crisis that could stamp out the government service." House Homeland Security Chairman Bennie Thompson "said that 4,000 USPS employees have been directly impacted by the virus." According to Thompson, "on top of the 2,800 confirmed cases, 1,200 workers have unconfirmed cases." Just under "70 employees have died amid the pandemic."

Trump Slams US Attorney Who Oversaw Clinton Email Probe.

The New York Post (6/3, Jacobs, 4.57M) reports, "President Trump blasted a little-known US attorney from Utah who oversaw an investigation into issues related to former Secretary of State Hillary Clinton, saying the top federal prosecutor 'did absolutely nothing.'" Former Attorney General Sessions "tapped Huber, who has served as Utah's chief prosecutor since 2015, in November 2017 to evaluate 'certain issues' involving the ties between the Clinton Foundation and the sale of Uranium One, a Canadian uranium company with ties to mining stakes in the US, to a Russian nuclear agency." Huber "was also tasked with reviewing Clinton's handling of classified emails during her tenure as secretary of state." The President tweeted, "Undercover Huber is a great spoof, funny, but at the same time sad, because the real @JohnWHuber did absolutely NOTHING. He was a garbage disposal unit for important documents & then, tap, tap, tap, just drag it along & run out of time. A.G. Jeff Sessions was played like a drum!"

Rosenstein Says He Should Not Have Approved Carter Page Surveillance.

The AP (6/3, Tucker) reports that in an appearance before the Senate Judiciary Committee Wednesday, former deputy attorney general Rod Rosenstein testified that "he would not have approved an FBI surveillance application for" Carter Page, "a former Trump campaign aide, during the Russia investigation had he known at the time about the problems that have since been revealed." The AP says that "amounted to a striking concession that law enforcement officials made mistakes as they scrutinized ties between Russia and Donald Trump's 2016 presidential campaign." However, "even as he acknowledged the legitimacy of anger from Trump and his allies, he defended his appointment of" Robert Mueller. Rosenstein is quoted as saying, "I do not consider the investigation to be corrupt...but I certainly understand the

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President's frustration given the outcome, which was in fact that there was no evidence of conspiracy between Trump campaign advisers and Russians."

The Washington Post (6/3, Zapotosky, 14.2M) says, "Conservatives are likely to seize on the admission, and others from Rosenstein, as more ammunition for their attacks on the Russia investigation." Rosenstein "offered some defense of steps he took in the took in the case...but at times he was conciliatory toward Republicans skeptical of the investigation." However, Rosenstein defended then-Attorney General Jeff Sessions' "recusal from the case, which put Rosenstein in charge, calling Sessions 'one of the most principled people I've ever met in Washington.'"

Fox News (6/3, Singman, 27.59M) reports on its website that Rosenstein said "the FBI was supposed to be following protocols to ensure that every fact was verified," and went on to "cite Justice Department inspector general findings released last year that the FBI actually 'was not following the written protocols, and that "significant errors" appeared in applications filed in connection with the Crossfire Hurricane investigation.'"

The New York Times (6/3, Savage, Benner, Fandos, 18.61M) reports that Republicans "found Mr. Rosenstein's explanations unpersuasive and as the hearing went on, began to openly criticize him for obfuscating and failing to correct what they argued were blatant abuses of the system he oversaw." Sen. Ted Cruz (R-TX) told Rosenstein that there are "only two possible conclusions: either that you were complicit in the wrongdoing, which I don't believe was the case, or that your performance of your duties was grossly negligent." The Times also reports that Senate Judiciary Chairman Lindsey Graham and Senate Homeland Security and Government Affairs Chairman Ron Johnson "both plan to ask their respective panels on Thursday to empower them to subpoena reams of records related to the Russia investigation and for testimony from dozens of current and former law enforcement and national security officials, including prominent members of the Obama administration."

Politico (6/3, Desiderio, Swan, 4.29M) reports Sen. Josh Hawley (R-MO), "one of Trump's allies pushing to aggressively investigate the origins of the probe, expressed frustration during the hearing Wednesday over efforts to hold those officials and others accountable – specifically, Rosenstein's criticisms of the FBI, which some Republicans viewed as a deflection. 'I'm sure this committee will take every pain not to hold [Rosenstein] accountable or responsible. Apparently we can't hold anyone accountable, Mr. Chairman,' said Hawley, a member of the panel." Reuters (6/3, Morgan), The Hill (6/3, Carney, 2.98M), the Washington Examiner (6/3, Dunleavy, 448K), Bloomberg (6/3, Strohm, Dennis, 4.73M), and Townhall (6/3, Vespa, 177K), among other news outlets, also cover Rosenstein's appearance.

McCabe Accuses Rosenstein Of Giving "False" Testimony. Fox News (6/3, Singman, 27.59M) reports on its website that "former FBI Deputy Director Andrew McCabe accused...Rosenstein of giving 'false' testimony Wednesday about James Comey's memos documenting his interactions with...Trump." Rosenstein "suggested that McCabe should have shared details about...Comey's memos on his conversations with the president earlier, claiming that he didn't tell him about their existence until right before they were leaked." McCabe said in a statement, "Mr. Rosenstein's claims to have been misled by me, or anyone from the FBI, regarding our concerns about President Trump and the Trump campaign's interactions with Russia are completely false. ... I personally briefed Mr. Rosenstein on Jim Comey's memos describing his interactions with the President mere days after Mr. Rosenstein wrote the memo firing Jim Comey."

Police Shooting Exacerbates Tensions In Louisville.

The Wall Street Journal (6/3, Cutter, Campo-Flores, Subscription Publication, 7.57M) reports under the headline "Another Police Shooting In Louisville Inflames Racial Tensions" that the death of David McAtee after an exchange of gunfire with police and National Guard troops Monday has exacerbated tensions in the city where Breonna Taylor was killed by police in March. The Journal says rather than being shocked, most African American residents of the city see the incident as confirmation of their mistrust of police. The Louisville Courier-Journal (6/3, 368K) reports Mayor Greg Fischer (D) "announced several initiatives regarding the city's police department Wednesday, including a 'top-to-bottom' review."

Family Says Officer Restrained Chicago Woman By Kneeling On Her Neck.

The Chicago Tribune (6/3, Jackson, 2.65M) reports the family of Mia Wright, who "was parking near a looted mall Sunday when Chicago police surrounded the vehicle, broke the windows and searched Tate and a group of four friends and relatives," say an officer restrained Wright by placing a knee on her neck "while she was prone on the ground. Wright was charged with disorderly conduct and released Monday." The Tribune says "the use of kneeling to restrain someone in police custody has been under scrutiny nationwide since George Floyd died after being held down by an officer in Minneapolis who used his knee to restrain Floyd."

Gambia Seeks Investigation Into Police Killing Of Citizen In Georgia.

The Washington Post (6/3, Paquette, 14.2M) reports the government of Gambia "is calling for a 'transparent, credible and objective' investigation into the death of one of its citizens who was fatally shot by police" on May 29 northeast of Atlanta. The Georgia Bureau of Investigation says officers tried to pull over Momodou Lamin Sisay, "the son of a retired Gambian diplomat, for a vehicle tag violation. ... The agency said in a statement that Sisay attempted to flee, aimed a gun at officers and then died after exchanging fire with a SWAT team that had arrived to provide backup."

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Ferguson, Missouri Elects First Black Mayor.

NBC Nightly News (6/3, story 8, 1:40, Holt, 6.86M) reported, "There's been a lot of change in Ferguson, Missouri nearly six years since the death of Michael Brown shook the nation." NBC's Steve Patterson reported, "The fires of revolution gave way to change, including body cameras and more minorities on the police force. ... Last night Ella Jones became the city's first black and first female mayor." Jones: "People have been feeling like they've been left out the government, and now they feel like they have elected a person who is for the people."

Cristobal Poses Threat To US Gulf Coast After Making Landfall In Mexico.

NBC Nightly News (6/3, story 9, 0:15, Holt, 6.86M) reported Tropical Storm Cristobal made landfall on Mexico's Gulf Coast on Wednesday, "causing severe flooding." ABC World News Tonight (6/3, story 7, 0:15, Muir, 7.94M) reported the storm is "expected to hit" the US Gulf Coast "as soon as this weekend."

Gaynor Says How FEMA Responds To Hurricanes Will Be Different During Pandemic. Gray Television (6/3, 34K) reported that FEMA Administrator Gaynor says that while his agency's "mission is the same" this hurricane season amid the coronavirus pandemic, "how they do the work will be a little bit different. They're going to have social distancing guidelines in effect for emergency shelters. Evacuations...could take a little bit longer to get folks out. They are also encouraging you to have hand sanitizer, cleaning supplies, wipes any of those items in addition to the regular emergency kits on hand."

White House Releases Results Of Trump's Annual Physical.

The Washington Examiner (6/3, Yilek, 448K) reports the White House released the results of President Trump's "third physical on Wednesday, months after he spent a November afternoon at Walter Reed National Military Medical Center in Bethesda, Maryland, beginning the process." The President "gained a small amount of weight since his physical early last year but 'remains healthy,' according to the White House doctor." The report also says that Trump completed a round of hydroxychloroquine without any side effects.

Administration Discussing Military Flyover At Mount Rushmore On July 3.

Politico (6/3, Seligman, 4.29M) reports the Administration is "working with the South Dakota governor's office to plan a military flyover at Mount Rushmore during President Donald Trump's visit to the national landmark on July 3 as part of Independence Day celebrations, a spokesperson for the governor confirmed to Politico." The flyover and a planned fireworks display at Mount Rushmore will "kick off this year's Independence Day celebrations across the country, but the main event will be a 'Salute to America' on the National Mall on July 4." According to Politico, "the news that the administration is planning large military demonstrations for the second year in a row to celebrate the Fourth of July comes at a moment of heightened concerns about politicization of the military."

Snapchat Will No Longer Promote Trump's Account.

The New York Times (6/3, Kang, Conger, 18.61M) reports that Snap, the company behind the Snapchat app, "said on Wednesday that it had stopped promoting the Snapchat account of President Trump after determining that his public comments off the site could incite violence." According to the Times, Snap "said Mr. Trump's account would remain intact but would not be promoted on its Discover home page for news and stories." Trump's account was "previously regularly featured on Discover, along with the accounts of other high-profile users." The Washington Post (6/3, Lerman, 14.2M) points out that Snapchat "has 229 million daily active users," which is "even bigger than Twitter's 166 million daily active users." Trump "has 1.5 million followers on Snapchat, a number that tripled over the past eight months."

Under the headline "Snapchat, Long Criticized As A 'Haven' For Child Pornography, Chooses Instead To Censor Trump," The Federalist (6/3, Justice, 126K) reports the Trump campaign "fired back," with Brad Parscale saying in a statement, "Snapchat is trying to rig the 2020 election, illegally using their corporate funding to promote Joe Biden and suppress President Trump. ... Snapchat hates that so many of their users watch the President's content and so they are actively engaging in voter suppression. If you're conservative, they do not want to hear from you, they do not want you to vote. They view you as a deplorable and they do not want you to exist on their platform."

Politico (6/3, Overly, 4.29M) says Snap's "action is notably stronger and more sweeping than the fact-checking and warning labels Twitter slapped on Trump's account last week, especially because Snap is reacting to statements the president has made elsewhere." Reuters (6/3, Paul), the New York Times (6/3, Kang, Conger, 18.61M) and Wall Street Journal (6/3, Herrera, Subscription Publication, 7.57M), among other news outlets, also report the story.

Early Facebook Employees Denounce Zuckerberg's Stance On Trump Posts.

The New York Times (6/3, Isaac, 18.61M) reports Facebook CEO Mark Zuckerberg "faced fresh criticism on Wednesday as nearly three dozen people who worked at the social network in its early years called out his decision to leave President Trump's aggressive posts on the site unaltered." In an open letter, the former employees said that Zuckerberg's position was "a 'betrayal' of Facebook's ideals and urged him to reconsider it." The employees included Facebook's first chief of communications, as well as some who "had helped write the social network's original community guidelines, which govern what can and cannot be posted."

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Trump, Kushner Reportedly Encouraged National Enquirer To Pursue Klausutis Story In 2017.

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The Daily Beast (6/3, Suebsaeng, 1.39M) reports President Trump, "via his son-in-law Jared Kushner, encouraged his pals" at the National

Enquirer in 2017 "to push the debunked conspiracy theory that MSNBC host Joe Scarborough murdered a female congressional aide, Lori Klausutis. ... According to two people with direct knowledge of the matter," by mid-2017, Trump "started asking White House aides if he should tweet about 'the dead girl ' – as one of the people recalled the president phrasing it – to get back at his friend-turned-foe 'Psycho Joe.'" While Trump "remained mostly silent in public, he was more active behind the scenes. His son-in-law and senior White House adviser asked the National Enquirer to pursue the story."

House Democrats Unveil $494B Transportation Package.

Reuters (6/3, Shepardson) reports the House Democrats on Wednesday "introduced a $494 billion five-year surface transportation bill" that "aims to fix crumbling roads and highways and reduce carbon pollution." The bill would "provide $319 billion to fix 47,000 structurally deficient bridges and make other repairs, $105 billion for mass transit and invest nearly $30 billion in passenger railroad Amtrak and rail infrastructure." House Transportation Chairman Peter DeFazio said, "For decades, Congress has repeatedly ignored the calls for an overhaul and instead simply poured money into short-term patches. The result? We're still running our economy on an inefficient, 1950s-era system." Republicans on the Transportation Committee "said both parties must work together to enact new spending and criticized the plan's 'outsized funding increases for urban areas.'"

The Washington Post (6/3, Duncan, 14.2M) reports, "In addition to new funding, the legislation would make major changes to national transportation policy: It would require the government prioritize fixing existing roads and bridges over building new ones, make states with the deadliest roads for cyclists and pedestrians spend money to tackle the problem, and incentivizes states to spend money on projects that reduce greenhouse gas emissions." However, "for all its ambition, the bill will be taken up in the midst of the coronavirus pandemic, which has caused transit ridership to plummet and left state transportation departments struggling with lost gas tax revenue." In light of the current situation, "the bill would seek to provide a boost to the finances of transportation networks for a year and delay the policy changes until October 2021."

Chao: Coordinated, Long-Term Plan Needed To Address Nation's Infrastructure Needs. Transportation Secretary Chao said in an interview with Politico Playbook (6/3, 4.31M), "The Administration sent our infrastructure proposal on Feb. 12 of 2018 and we believe very firmly that infrastructure should be a bipartisan effort. So, as we go forward, we will continue to talk about the need to invest in our infrastructure. We do invest, but we need more money." Chao added, "We need a coordinated, long-term plan to address the infrastructure needs of our country. ... We don't want to have shovel-ready projects only because that is not necessarily a strategic long-term view about how to invest. .. We should be thinking longer-term – on a 10-year basis, for example – so that we can address, truly, the long-term infrastructure needs and the competitiveness, productivity aspects of our economy."

Trump Had To Resubmit Florida Voter Registration Application.

The Washington Post (6/3, Roig-Franzia, 14.2M) reports that President Trump "originally tried to register to vote in Florida while claiming his 'legal residence' was in another part of the country – Washington, DC – according to Florida elections records." The Post adds "that created a potential problem for Trump: Florida law requires voters to be legal residents of the state. A month later, Trump resubmitted his application to use a Florida address and in March he voted by mail in Florida's Republican primary."

RNC Says Trump Will Not Deliver Acceptance Speech In Charlotte.

The AP (6/3, Anderson) reports that the Republican National Committee "unveiled plans on Wednesday to proceed with certain convention activities in Charlotte," even though President Trump "will deliver his nomination acceptance speech somewhere else." The RNC released a statement reading: "Due to the directive from the governor that our convention cannot go on as planned as required by our rules, the celebration of the president's acceptance of the Republican nomination will be held in another city. Should the governor allow more than 10 people in a room, we still hope to conduct the official business of the convention in Charlotte." The AP says the RNC's "move comes in response to growing concerns" from North Carolina Gov. Roy Cooper (D) "that the full capacity convention Trump had requested is 'very unlikely' to happen in light of the COVID-19 pandemic."

USA Today (6/3, Jackson, Behrmann, 10.31M) reports Trump "will not accept the Republican nomination for president in Charlotte," because "North Carolina officials could not guarantee full use of their facilities in late August over concerns about the coronavirus." RNC officials "were expected to tour a Nashville site Thursday." Cooper wrote to the RNC on Tuesday, stating "neither public health officials nor I will risk the health and safety of North Carolinians by providing the guarantee you seek."

Poll: Biden, Trump In Tight Races In Six Battleground States.

The Hill (6/3, Manchester, 2.98M) reports that a Change Research poll of 1,457 likely voters in Arizona, Florida, Michigan, North Carolina, Pennsylvania, and Wisconsin, taken May 29-31, shows Joe Biden and President Trump "are neck and neck in battleground states won by Trump in 2016." According to the poll, Trump leads in Arizona 45%-44%, Biden leads in Florida 48%-45%, Biden leads in Michigan 48%-46%, Biden leads in North Carolina 46%-45%, Trump leads in Pennsylvania 50%-46%, and Biden and Trump are tied at 45% in Wisconsin. The Hill adds, "The same survey showed Biden with a national lead of" 48%-41%.

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Arizona Poll: Biden Leads Trump 46%-42%; Democrat Kelly Leads McSally 50%-37% In Senate Race. In an online article,

Fox News (6/3, Blanton, 27.59M) reports that a Fox News poll of 1,002 Arizona voters, taken May 30-June 2, shows Biden leading Trump 46%-42%. The same poll shows Democrat Mark Kelly leading appointed Sen. Martha McSally (R-AZ) 50%-37% in this fall's special election.

Ohio Poll: Biden Leads Trump 45%-43%. On its website, Fox News (6/3, Blanton, 27.59M) reports that a Fox News poll of 803 Ohio voters, taken May 30-June 2, shows Biden leading Trump 45%-43%. Fox News says, "Voters extremely interested in the election go for Biden by 6 points (51-45 percent). More Democrats (61 percent) than Republicans (55 percent) are extremely interested in the election."

Texas Poll: Trump Leads Biden 44%-43%. The Dallas Morning News (6/3, Gillman, 946K) reports that a Quinnipiac University poll of 1,166 Texas "self-identified" voters, taken May 28- June 1, shows Trump leading Biden 44%-43%. The Morning News says, "Trump's support in Texas seems to have a hard ceiling, with 48% of voters saying they definitely won't vote for him in the fall, 35% saying they definitely will, and 14% holding it out as a possibility. Trump beat Hillary Clinton by 9 percentage points in 2016." The report adds, "The new poll tracks findings from a month earlier in a Dallas Morning News/University of Texas at Tyler poll, which showed Biden and Trump locked in a tie at 43% each."

The Corpus Christi (TX) Caller-Times (6/3, Moritz, 153K) reports, "Quinnipiac's numbers appear to vindicate the message the Texas Democratic Party has sought to push since the start of the 2020 election cycle, which is that the nation's most reliably red state in every national election since 1980 is ripe for the flipping."

Wisconsin Poll: Biden Leads Trump 49%-40%. On its website, Fox News (6/3, Blanton, 27.59M) reports that a Fox News poll of 801 Wisconsin voters, taken May 30-June 2, shows Biden leading Trump 49%-40%, "up from a 5-point advantage in January." Fox News says, "A big reason Trump trails Biden is lack of party support: 85 percent of Republicans back him, while 93 percent of Democrats support Biden. Eight percent of Republicans defect to Biden. In addition, only 87 percent of those who approve of Trump's job performance support his reelection."

Monmouth National Poll: Biden Leads Trump 52%-41%. Politico (6/3, Oprysko, 4.29M) reports that a Monmouth University national poll of 742 voters, taken May 28-June 2, shows Biden leading Trump 52%-41%. In a similar poll taken earlier in May, Biden led Trump 50%-41%. And in March, a Monmouth poll showed Biden leading Trump by three points.

Trump Says He Has Polls That Show Him Beating Biden. President Trump was asked Wednesday on the Brian Kilmeade Show (6/3) about polls showing Biden beating him by 10 points. Trump said, "I have other polls where I'm winning, and you've seen them, too, I guess. But, I have polls. Just like last time, I was losing to Hillary [Clinton] in every state, and I won every state, OK. I won Michigan, I won Wisconsin, I won places that they didn't even think were pollable, they didn't even want to go bother. We have tremendous support. I've seen many polls – CNN – didn't CNN just have a poll, which they didn't want to use, where I was winning every single swing state?" Trump added, "I saw another poll where I'm winning every swing state, substantially. And why wouldn't I?"

NYTimes Report: Trump Camp's Private Polls Show President "Well Behind" Biden. The New York Times (6/3, Burns, Haberman, 18.61M) reports that Trump "is facing the bleakest outlook for his re-election bid so far, with his polling numbers plunging in both public and private surveys and his campaign beginning to worry about his standing in states like Ohio and Iowa that he carried by wide margins" in 2016. Trump's "campaign has recently undertaken a multimillion-dollar advertising effort in those two states as well as Arizona in hopes of improving his standing, while also shaking up his political operation and turning new attention to states like Georgia that were once considered reliably Republican. In private, Mr. Trump has expressed concern that his campaign is not battle-ready for the general election." The Times adds, "In private polling conducted by Mr. Trump's campaign, the president is now well behind Mr. Biden, according to people briefed on the most recent round of results."

Biden Surges Past Trump In Betting Markets. On its website, CNBC (6/3, Higgins, 3.62M) reports that Biden "has surged past...Trump in online betting markets tied to the outcome of the 2020 presidential race." CNBC says that Biden "has taken his biggest lead over Trump to date in Smarkets, a UK-based online gambling platform, as well as PredictIt, an online betting platform established by researchers in New Zealand. As recently as last week, Trump was favored to win on both platforms. Biden's chances have risen to 50%-43% on Smarkets and 53%-46% on PredictIt. Spokespeople for both companies confirmed that trading volume has risen to levels unseen since March, when the US began shutting down major portions of its economy to halt the spread of coronavirus."

Clyburn: Klobuchar's Ties To Troubled Minneapolis Police Hurt Her VP Odds.

Appearing Wednesday on CNN (6/3, 736K), House Majority Whip Clyburn was asked about his contention that the unrest in the wake of George Floyd's death in Minneapolis makes it less likely that Joe Biden will choose Sen. Amy Klobuchar (D-MN) as his running mate. Clyburn replied, "I think that we have to agree that in this business of politics, a lot of times things happen around us of which we have absolutely no control. ... I like Amy Klobuchar. ... But the fact of the matter is the aura around Minneapolis and what we begin to see now is a civil rights complaint being filed by the state of Minnesota against the police department that really is kind of serious to me."

NRSC Launches Cycle's First Major TV Ad Campaigns.

Politico (6/3, Arkin, 4.29M) reports that the National Republican Senatorial Committee "launched its first round of TV ads in three races this week and will be on air in six battleground states by early July." Politico adds, "The long-planned effort represents an earlier-than-usual investment for the GOP's official campaign arm, but Republicans acknowledge that it is coming after a prolonged period of essentially unanswered Democratic attacks." Politico also reports that "Democratic campaigns and outside groups have outspent Republicans on the airwaves in Arizona, Colorado, Iowa, Maine and North Carolina – in some cases by a more than 2-to-1 ratio, according to data from

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Advertising Analytics."

Gonzales: King's Loss Greatly Increases GOP's Odds Of Retaining IA4 Seat.

Writing for CQ Roll Call (6/3, 154K), Nathan Gonzales says that with veteran Rep. Steve King (R-IA) having been unseated by state Sen. Randy Feenstra in Tuesday's IA4 GOP primary, "the rating of the race changes from Tilt Republican to Solid Republican." Gonzales explains that President Trump won IA4 by 27 points "in 2016, yet King only narrowly won reelection" in 2018 by three points "over Democrat J.D. Scholten. That demonstrated that King's presence and problems were major factors in making the seat vulnerable for the GOP. Scholten is running again and is a credible candidate, but he will have a decidedly more difficult race against Feenstra."

The Hill (6/3, Brufke, 2.98M) reports that House Republicans "said King's loss could help them beyond" IA4, "arguing that the controversies surrounding King could have had a negative impact on other districts in the state and on" Sen. Joni Ernst (R-IA), who is up for reelection this fall.

In Tweet, Trump Congratulates Feenstra On Primary Win. Politico (6/3, Forgey, 4.29M) reports that President Trump "on Wednesday congratulated...Feenstra for his" defeat of King – "an outcome that will unseat the incendiary nine-term congressman with a history of racist rhetoric. 'Congratulations to Randy Feenstra on your big win in the Iowa Republican Primary. You will be a great Congressman!' Trump wrote on Twitter." The Hill (6/3, Chalfant, 2.98M) also reports on the story.

WPost Analysis: King's Conservative Views On Immigration "Stand To Live On Inside The GOP." Meanwhile, the Washington Post (6/3, Debonis, 14.2M) reports, "The resounding defeat of...King at the hands of Iowa Republican voters Tuesday signaled the political demise of one of the GOP's most polarizing figures, an archconservative culture warrior who frequently veered into outright bigotry that tarred his entire party. The ideas King promoted, however, stand to live on inside the GOP – adopted by President Trump and his followers, who have enthusiastically embraced and pushed forward elements of King's agenda, none more so than sharp restrictions" on immigration.

RCP Average Has Trump's Job Approval At 43.5%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 43.5%, and his disapproval at 53.8%. The President's approval is down 0.6 since yesterday; his disapproval is down by 0.1.

A Rasmussen poll of 1,500 "likely voters" (5/31-6/2) finds Trump's approval at 44%, and his disapproval at 54%.

An Emerson poll of 1,431 "registered voters" (6/1-6/2) shows Trump's approval at 43%, with 50% disapproving.

An Economist/YouGov poll of 1,244 "registered voters" (6/31-6/1) finds Trump's approval at 43%, and his disapproval at 55%.

A Politico/Morning Consult poll of 1,181 "registered voters" (5/29-6/1) shows Trump's approval at 41%, and his disapproval at 55%.

A CNBC survey of 1,451 "registered voters" (5/29-5/31), meanwhile, has the President's job approval at 44%, and his disapproval at 56%.

Financial International News

IMF Head Says Poor Countries Could Need Debt Restructuring Rather Than Freeze Alone.

Reuters (6/3, Shalal) reports IMF Managing Director Kristalina Georgieva said freezing debt payments for emerging market economies and the world's poorest nations may be insufficient, and that they may need debt restructuring in the future. Georgieva "said some emerging market countries that pursued prudent and sustainable debt policies were weathering the coronavirus crisis better than others, but a small universe of countries with high debt burdens would likely need help going forward." Georgieva also "said the Fund had disbursed about $260 billion of its $1 trillion in lending power at this point, with emergency financing provided thus far to 63 of 103 countries that had asked for help since early March."

G7 Finance Ministers Say Emerging Country Debt Relief Could Last Through 2020.

Reuters (6/3, Shalal) reports G7 finance ministers on Wednesday "said a debt relief initiative for the world's poorest countries could be extended beyond the end of the year to help deal with economic fallout from the coronavirus pandemic." The officials, in a joint statement, "urged all official creditors to join the initiative, called for strengthened reporting of public debt data, and said all creditors – public and private – should make responsible lending decisions in line with debt sustainability guidelines." The officials "also said creditors should fully disclose terms of public debt and limit use of confidentiality clauses, including for state-owned enterprises," in an "apparent reference to practices reportedly used by China, a major creditor for low-income countries."

ECB Expected To Ramp Up Economic Response To COVID-19 Crisis.

The Wall Street Journal (6/3, Fairless, Subscription Publication, 7.57M) reports that after initial divergence in the scale of the US and European responses to the economic crisis resulting from the COVID-19 pandemic, the EU has begun to take steps more closely aligned with those taken by the Federal Reserve and the Treasury Department. The ECB is expected Thursday to raise its bond purchases to nearly €1.5 trillion, placing its actions on a similar level with the US response.

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Reuters (6/3, Koranyi, Canepa) reports the ECB "is certain to give the ailing euro zone economy another shot in the arm but, with

arguments split over its timing, the only question is whether it will act on Thursday or hold out until July." The ECB "has made it clear it will do its part and the severity of the slump argues for earlier action," but "a still-elusive political deal on European Union-wide fiscal support strengthens the case for patience." Berenberg economist Holger Schmieding said, "[W]e see a 60% probability that the ECB will raise its asset purchase target on Thursday, probably by 500 billion euros."

Germany Reportedly Planning New $112B Stimulus Package.

Business Insider (6/2, Sardana, 3.67M) reports, "Germany could launch a fresh package of stimulus of as much as 100 billion euros ($112 billion)," according to Bloomberg. Germany is reportedly considering measures including aid for families and car subsidies. Meanwhile, German newspaper Bild "said the total amount of the package will range between 75 billion euros ($83.9 billion) and 80 billion euros ($89.4 billion)."

Leading International News

WHO To Resume Hydroxychloroquine Study.

Reuters (6/3, Shields, Farge) reports that the World Health Organization "will resume its trial of hydroxychloroquine for potential use against the coronavirus...after those running the study briefly stopped giving it to new patients over health concerns." Reuters says the WHO "paused the part of its large study of treatments against COVID-19 in which newly enrolled patients were getting the anti-malarial drug to treat COVID-19 due to fears it increased death rates and irregular heartbeats," but WHO Director-General Tedros Adhanom Ghebreyesus "said its experts had advised the continuation of all trials including hydroxychloroquine."

Politico (6/3, Wheaton, 4.29M) reports that WHO officials had "cited a large, observational study in the Lancet – echoing smaller studies – that suggested the malaria and lupus medication increased the risk of heart disease and death." However, the Lancet study "has since come under fire, with the prestigious medical journal issuing an 'expression of concern' about various problems with the data collection and methods." Bloomberg (6/3, Gretler, Lauerman, 4.73M) also covers the announcement.

WPost: Trump's WHO Pullout Threatens Progress In Less Developed Nations. The coronavirus pandemic is "surging into the less developed parts of the world," the Washington Post (6/3, 14.2M) editorializes, threatening "progress in health, education and economic well-being." Public health experts are worried "that as nations throw limited resources into fighting the pandemic, there will be less for fighting HIV/AIDs, malaria and tuberculosis." According to the Post, "all of this will put extra demands on the WHO, which has been at the front lines of fighting disease in the developing world – and it's more evidence that President Trump's decision to abandon the WHO is irresponsible and damaging."

WSJournal: WHO's Stance On China Hurts Its Credibility. In an editorial, the Wall Street Journal (6/3, Subscription Publication, 7.57M) says internal recordings that show World Health Organization members privately raising concerns about China's transparency about the coronavirus when it was publicly praising Beijing's response damages the agency's credibility. The Journal questions whether the world needs a global health agency that can't be candid during a pandemic.

WSJournal: Lancet's Publication Of Hydroxychloroquine Study Could Be Politically Motivated. In an editorial, the Wall Street Journal (6/3, Subscription Publication, 7.57M) says a study published by the Lancet last month suggesting that hydroxychloroquine is dangerous may be based on questionable data, and the decision by the respected journal to publish without appropriate vetting shows it could have been politically motivated. The Journal also points out that Lancet editors published an editorial last month urging voters to not reelect President Trump, and concludes that politics should be left out of medicine.

Architect Of Sweden's No-Lockdown Strategy Acknowledges Missteps.

Politico (6/3, Duxbury, 4.29M) reports, "The debate over Sweden's controversial no-lockdown coronavirus strategy flared again after its architect, state epidemiologist Anders Tegnell, appeared to suggest the country's approach had been flawed." In an interview that aired Wednesday, Tegnell said, "If we encountered the same disease, with what we know about it today, I think we would end up doing in between what Sweden did and what the rest of the world did. Clearly there is room for improvement." However, at his daily news briefing, Tegnell "pushed back against the idea that he was changing tack and reiterated his view that Sweden's overall strategy had been correct." He said, "We continue to believe the strategy is good but then there are always improvements we can make."

Latin American Countries Fail To Contain Coronavirus Despite Having Time To Prepare.

The Washington Post (6/3, McCoy, 14.2M) reports that it appears Latin American countries, despite having time to prepare for the arrival of coronavirus, have been unable to stop the spread of the disease. The article suggests, "Latin America's efforts to stall the disease were undone by...poverty, inequality, corruption, [and] plunging faith in institutions." Moreover, "countries that tried to enforce complete lockdowns haven't been able to maintain them for long as hunger mounts, misinformation spreads and distrust grows."

Documents Detail Huawei's Prohibited Dealings In Iran.

Citing "newly obtained documents," Reuters (6/3, Stecklow, Dehghanpisheh) reports that Huawei "acted to cover up its relationship with a firm that had tried to sell prohibited U.S. computer gear to Iran, after Reuters in 2013 reported deep links between the firm and the telecom-

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equipment giant's chief financial officer." According to Reuters, Huawei "has long described the firm – Skycom Tech Co Ltd – as a separate local business partner in Iran," but "documents obtained by Reuters show how the Chinese tech titan effectively controlled Skycom." The documents "could buttress a high-profile criminal case being pursued by U.S. authorities against Huawei and its chief financial officer, Meng Wanzhou, who is also the daughter of Huawei's founder." The US "has been trying to get Meng extradited from Canada, where she was arrested in December 2018."

Trump Says Before Pandemic, China Was Having Worst Year "In 66 Years" Because Of Him.

President Trump said on the Brian Kilmeade Show (6/3), "The trade deal is done, but the trade deal got finished and the ink wasn't dry when the virus floated over from China and started killing everybody in the world." Trump added, "Before the plague, China was having the worst year they've had in 66 years. That's because of me." Trump added, "I'm not excited about anything with respect to China right now because of what happened. They could have sealed it. They could have closed it off. And I ask this. Why isn't Wuhan – it came out of Wuhan. Why is it that it didn't go to China, but it went to the rest of the world?"

Transportation Department To Bar Chinese Airlines From US Airports. Reuters (6/3, Shepardson) reports that on Wednesday, the Administration "barred Chinese passenger carriers from flying to the United States starting on June 16 as it pressures Beijing to let U.S. air carriers resume flights amid simmering tensions between the world's two largest economies." The move announced by the US Department of Transportation "penalizes China for failing to comply with an existing agreement on flights between the two countries." Delta Air Lines and United Airlines "have asked to resume flights to China this month, even as Chinese carriers have continued U.S. flights during the pandemic." The AP (6/3, Koenig) says the Administration "had hinted at Wednesday's move last month, when it protested to Chinese authorities that Beijing was preventing US airlines from competing fairly against Chinese carriers."

The Washington Post (6/3, Aratani, 14.2M) reports that "US carriers applauded the Trump administration's move. 'We support and appreciate the U.S. government's actions to enforce our rights and ensure fairness,' said Lisa Hanna, a spokeswoman for Delta Air Lines, which hopes to resume flights June 11. Added Katherine Estep, a spokeswoman for Airlines for America, an industry trade group: 'We believe DOT's order will ensure fair and equal opportunity for passenger airlines with respect to service to and from China. We hope that this process will protect the rights afforded to U.S. carriers under the current U.S.-China Air Transport Agreement.'"

The New York Times (6/3, Chokshi, Swanson, 18.61M) indicates "China's aviation authority told American officials that it was considering amending its rule, but it has not said 'definitively' when that might happen, the Transportation Department said in the filing on Wednesday announcing its decision to suspend flights." The DOT statement reads, "In light of these facts, which present a situation in which the Chinese aviation authorities have authorized no U.S. carrier scheduled passenger operations between the United States and China, we conclude that these circumstances require the department's action to restore a competitive balance."

Bloomberg (6/3, 4.73M) reports that the DOT order "stops short of an outright ban, allowing Chinese carriers to operate one flight to the U.S. for each flight that China grants to American carriers." The order is "aimed at Air China Ltd., China Eastern Airlines Corp., China Southern Airlines Co. and Xiamen Airlines Co." Bloomberg adds that "it isn't clear how the order could impact burgeoning air-freight operations between the US and China." The Wall Street Journal (6/3, Sider, Subscription Publication, 7.57M), among other news outlets, also reports the story.

State Department: China Militarizing Stolen US Tech. The Washington Free Beacon (6/3, Kredo, 78K) reports "the Chinese government is militarizing sensitive U.S. technology and research that it stole from American institutions in recent years, according to the State Department." A "senior State Department official" told reporters, "The People's Republic of China for a number of years now has very deliberately been targeting sensitive technologies in the United States. ... These technologies have been put to the use of modernizing China's military to the detriment of our national security and that of our friends and allies."

Commerce Department: Restriction On Chinese Entities Will Take Effect On Friday. Reuters (6/3, Shepardson, Freifeld) reports that the Commerce Department announced on Wednesday that "new restrictions on 33 Chinese firms and institutions it announced last month will take effect Friday." According to Reuters, the Commerce Department "has added the companies and institutions to an economic blacklist, accusing them of helping China spy on its minority Muslim Uighur population in Xinjiang or because of alleged ties to weapons of mass destruction and China's military." Reuters says "the move will restrict the sales of U.S. goods to the companies and institutions on the list, as well as certain items made abroad with U.S. content or technology."

US To Designate Additional Chinese Media Outlets As Foreign Embassies. Reuters (6/3, Zengerle, Spetalnick, Pamuk, Brunnstrom) reports the US "is expected to designate at least two additional state-run Chinese media outlets as foreign embassies as soon as Thursday, increasing restrictions on their operations on American soil, three people familiar with the matter said on Wednesday." Reuters adds "the planned move, which is sure to further inflame US-China tensions, follows President Donald Trump's announcement on Friday of retaliatory action against Beijing over its tightened grip on Hong Kong." These "new designations are expected to include China Central Television (CCTV), the top state-owned network in mainland China, and China News Service, the country's second-largest state-owned news agency."

Johnson: Millions On Hong Kong Can Immigrate To UK If Autonomy Is Lost. Reuters (6/3, Faulconbridge, Roantree) reports that British Prime Minister Boris Johnson said Wednesday that the UK "will not walk away from the people of Hong Kong if China imposes a national security law that would conflict with its international obligations under a 1984 accord," and would "be a tragedy for China to destroy one of the jewels of Asia's economy while ruining the reputation of China." In the Times of London, Johnson wrote, "If China proceeds, this would be

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in direct conflict with its obligations under the joint declaration, a legally binding treaty registered with the United Nations. ... Many people in Hong Kong fear that their way of life – which China pledged to uphold – is under threat."

The New York Times (6/3, Landler, 18.61M) reports that Johnson is "promising to allow nearly three million people eligible for a British overseas passport to live and work in Britain if Beijing were to impose a new security law on the former British colony." According to the Times, Johnson's "promise...would open the door to a significant influx of people fleeing Hong Kong, should the situation in the city deteriorate further. But it left unanswered questions about how difficult it would be for those arrivals to obtain British citizenship."

In an editorial, the Wall Street Journal (6/3, Subscription Publication, 7.57M) lauds the British government's move toward Hong Kong, and urges the Administration to follow suit. The Washington Post (6/3, Mahtani, 14.2M) reports that the US, Canada, Australia "and others face pressure from lawmakers and human rights groups to offer residency to Hong Kong people fleeing deteriorating political circumstances in the former British colony." The Post adds, "London's move, which Johnson said he would implement when China formally enacts the security law, could emerge as among the most significant ramifications of Beijing's effort to undercut Hong Kong's freedoms and bring the city more closely under the Communist Party's authoritarian rule. It would potentially grant British residency and working rights to up to 40 percent of Hong Kong's population, raising the specter of a brain drain from the Asian financial center."

According to the New York Times (6/3, Stevenson, Wang, 18.61M), "In pushing for a new national security law that many fear will curtail the city's liberties, the Chinese Communist Party is calculating that control and stability outweigh the benefits the city has long provided." The Times adds, "But Beijing sees its position as strong while the rest of the world is divided and still recovering from the coronavirus pandemic. ... And when it comes to the global economy, the Communist Party is wagering that the world needs China, with or without Hong Kong."

US, China Postpone Summit Due To Coronavirus Pandemic. The AP (6/3) reports "Germany says the European Union and China have agreed to postpone a summit planned for Sept. 14 because of the coronavirus pandemic." The summit, "to be held in the German city of Leipzig, was seen as a key moment in EU relations with China."

Trump: Inviting Putin To G7 Is "A Question Of Common Sense."

President Trump was asked on the Brian Kilmeade Show (6/3) about reports that he wants to invite Russian President Vladimir Putin to the G7 meeting. Trump said, "It's not a question of what has he done. It's a question of common sense. So we have a G7. ... Half of the meeting is devoted to Russia, and if he was there, it'd be much easier to solve. He used to be. It used to be the G8, and Obama got taken over to the cleaners. I mean, Obama had his pockets picked, and as you know, Putin did something that he shouldn't have done because he didn't respect Obama, perhaps. And Obama got upset and the United States said, 'We don't want to be here if Putin's going to be there.' The problem is many of the things that we talk about are about Putin. ... And I say have him in the room. Have him in the room."

Housing

Fitch Report: Pandemic May Delay GSEs' Exit From Conservatorship.

National Mortgage News (6/3) reports Fitch Ratings believes that the pandemic has reduced the chances of meaningful GSE reform coming to fruition in the next two years. According to Fitch, "The GSEs' ability to raise the massive amounts of capital that they would likely need to fully exit government control could be further challenged by the grim and highly uncertain economic outlook." The FHFA's reproposed GSE capital rule requires "significantly higher charges for delinquent loans," NMN says, meaning that "Fannie Mae and Freddie Mac may need to have significantly more capital than the previously expected amounts calculated, which were based on Sept. 30, 2019 data."

FHFA Creates GSE CRT Capital Retention Spreadsheet.

National Mortgage News (6/3) reports that the FHFA has "created a spreadsheet to provide clarity regarding capital amounts the government-sponsored enterprises will have to retain for credit risk transfer deals under its reproposed rule." The FHFA explained that the tool "shows how CRT formulas work and allows users to input assumptions and calculate the amount of capital the enterprises are required to hold across retained risk exposures in different types of CRT transactions." NMN says, "There are five tabs in the spreadsheet: generic single-family CRT, Freddie Mac's Structured Agency Credit Risk and Agency Credit Insurance Structure programs, Fannie Mae's Connecticut Avenue Securities and Credit Insurance Risk Transfer programs, Fannie's multifamily Delegated Underwriting and Servicing program, and Freddie's multifamily K-Deals."

Majority Of GSEs' Forbearance Requests Coming Through Self-Serve Digital Portals.

National Mortgage News (6/3, Sinnock) reports that although borrowers "aren't always willing to use digital mortgage technology on a self-serve basis," with options "limited by remote work, more than half did when it came to coronavirus-related forbearance requests." Freddie Mac SVP of Portfolio Management Kevin Palmer said at a recent MBA event, "What we're hearing from our servicers is roughly 50%-60% of all new forbearance plans were launched through self-serve digital portals. We're even hearing from some servicers that it's as high as 95%."

Agency Mortgages Have Represented Around 98% Of RMBS Issuance Throughout Pandemic.

MarketWatch (6/3, Wiltermuth, 1.67M) reports that the federal government has guaranteed almost all mortgages in the months since the pandemic emerged, "a situation that isn't likely to change soon, according to Barclays." Although the Administration has sought to return the

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GSEs to private ownership, Barclays credit researcher Dennis Lee told clients on Monday, "this dynamic was completely upended with COVID-19. Over the past two months, agency mortgages represented approximately 98% of total RMBS issuance, up from 91% in all of 2019."

MBA: Mortgage Applications Fall 3.9% Week-Over-Week, Dragged Down By Dip In Refis.

M Report (6/3, Albanese) reports that mortgage applications "fell 3.9% week-over-week" in the week that ended on May 29, according to the Mortgage Bankers Association. Overall activity was dragged down by a "14% decline in the Refinance Index." However, purchase applications "rose 5%" weekly. M Report says last week, Freddie Mac announced that the 30-year FRM average fell to 3.15, an all-time low. Last week, Freddie Mac Chief Economist Sam Khater said that the "unprecedented rates have certainly made an impact as purchase demand rebounded from a 35% year-over-year decline in mid-April." Refi activity also "remains elevated," and "low mortgage rates have been accompanied by a $70,000 decline in the average loan size of refinancing borrowers this year," Khater said.

National Mortgage Professional (6/3) reports MBA AVP Joel Kan "pointed out that unlike the upswing in purchase activity, refinance applications fell for the seventh consecutive week, despite all-time low rates such as the 3.37% 30-year fixed-rate, which happened to be an MBA survey low. He stated refinance activity did reach a peak of 76% of total activity, but now accounts for less than 60%." Mortgage News Daily (6/3) reports that this MBA's data shows that this week, the ARM share rose from 3.4% to 3.5%. The FHA share of total applications was "unchanged from the previous week at 11.2 percent," while the VA share "dipped to 12.0 percent from 12.4 percent." The average contract interest rate for 30-year fixed-rate mortgages (FRM) with conforming balances "fell to 3.37 percent from 3.42 percent." The average for 30-year jumbos fell from 3.71% to 3.66%. The 15-year FRM average fell from 2.87% to 2.85%. The 5/1 ARM average fell from 3.08% to 3.05%. Business Insider (6/3, 3.67M) provides additional coverage.

Don Layton Shares His Thoughts On Government's Efforts To Stabilize The Mortgage Market.

DS News (6/3, Welborn) interviewed Don Layton, a senior industry fellow at Harvard's Joint Center for Housing Studies and former CEO of Freddie Mac. Layton discusses his concerns regarding the state of the mortgage market, his thoughts on the Fed's attempts to stabilize the MBS market, and how the government is responding to liquidity gaps tied to mortgage forbearance.

Stabilizing the Mortgage Market

New American Funding CEO Concerned Over What Is In Store For Borrowers In Forbearance.

Mortgage Professional America (6/3, Smith) reports New American Funding CEO Rick Arvielo is warning of what could "happen with all the borrowers who are currently forborne, and how that's going to impact the value of servicing, and in turn the value of loans." Arvielo said, "When this first started, your option was a lump sum, or if you did three months' forbearance, you could do a 50% larger payment for six months to catch up. Neither of those options were really realistic." According to NMP, the FHFA "only clarified in April that borrowers would not be required to pay a lump sum when their forbearance plans ended." Arvielo also supports "loosening the restrictions on refinancing for borrowers in forbearance."

Multifamily Financing

- ***Acento Real Estate Partners Gets $114M Freddie Mac Loan To Expand Portfolio.*** Potentially behind a paywall, the Baltimore Business Journal (6/3, Subscription Publication, 842K) reports, "Three suburban Class B apartment developments changed hands last month as part of a portfolio sale that was pushed through despite Covid-19." The developments "have a total of 774 units" in Cantonsville and White Marsh. Acento Real Estate Partners' purchase of the apartments was "financed through a $114 million, 10-year Freddie Mac deal with an interest-only payment for the first five years and a fixed-rate financing structure for the remainder of the loan."
- ***Berkeley Point Writes $75M Freddie Mac Loan Against Jacksonville, FL Apartments.*** Commercial Real Estate Direct (6/3, Moynihan) reports, "Berkeley Point Capital has provided a $74.8 million Freddie Mac loan against the 820-unit Bentley Green apartment property" in Jacksonville, Florida. The 10-year loan "allowed the property's owner, Starwood Capital Group, to retire a $56.3 million Freddie mortgage that was securitized through FREMF, 2017-KSW3."
- ***KeyBank Provides $67M Freddie Mac Refi For Baltimore-Area Community.*** REBusiness Online (6/3) reports, "KeyBank has provided a $66.7 million Freddie Mac refinancing loan for Verde at Howard Square, a 344-unit multifamily community in Elkridge."
- ***JLL Provides $32M Freddie Mac Refi For Orlando-Area Apartments.*** REBusiness Online (6/3) reports that JLL "has provided a $32.3 million loan through Freddie Mac for the refinancing of Lake House, a 240-unit apartment complex in Davenport."
- ***Greystone Provides $30M Freddie Mac Financing For Indiana Garden-Style Community.*** Multi-Housing News (6/3) reports Lightstone Group "has received a $29.9 million loan to fund the purchase of Autumn Breeze Apartments, a 280-unit garden-style community" in Noblesville, Indiana. Greystone "provided the Freddie Mac note, which carries a 10-year term with a 30-year amortization. The financing will also be used to complete the renovation of the property. Yardi Matrix identified the seller as Passco Cos."

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FHFA Updates FHLBanks' Housing Goals.

HousingWire (6/3, 23K) reports that the FHFA on Wednesday "issued a final rule for the housing goals of the nation's network of Federal Home Loan Banks aimed at boosting mortgage lending to low-income neighborhoods." The rule "eliminates the $2.5 billion volume threshold" set in 2010, and now "all mortgage purchases are subject to the guidelines." The rule also "limits the extent that banks can use loans to higher-income borrowers to meet the housing goals." Following the change, "Only 25% of mortgages to borrowers with income above 80% of an area's median income can qualify." FHFA Director Mark Calabria said, "By creating housing goal targets that are achievable for the Federal Home Loan Banks, the final rule helps ensure they make meaningful contributions to affordable homeownership. This rule will expand responsible homeownership opportunities for underserved communities across the country."

According to National Mortgage News (6/3), "FHFA's proposal aims to make it easier for smaller financial institutions to sell mortgages to an FHLBank. The small member participation housing goal's target level of 50%, is designed to encourage use of the Acquired Member Asset program by community-based institutions that often lack other connections to the secondary mortgage market and that are statistically more likely to serve low-income borrowers and families in low-income areas." It also "allows mortgages guaranteed or insured by a government agency sold to an FHLBank through MPP or MPF to count for goals purchases," as long as they are "sold by a financial institution with total assets of less than $1.224 billion." This threshold will be "adjusted annually for inflation."

Also reporting on the rule are National Mortgage Professional (6/3) and the ABA Banking Journal (6/3).

Experts Share Predictions For CRE Market's Recovery.

Mortgage Professional America (6/3, Jarvis) shares economists' view of the future of commercial real estate in the wake of the pandemic. Moody's Analytics senior economist Barbara Byrne Denham believes that the commercial market will not recover until late 2021 or 2022 "at the earliest." CBRE's Richard Barkham believes that unemployment will not shrink below five or six percent for around five to ten years. Marcus and Millichap CEO Hessam Nadji believes that some asset classes, like apartments, industrial warehouses, and self-storage facilities, are faring better than other commercial asset classes like hotels and older shopping malls. CoStar Group economist Andrew Zola similarly warns that the economic recovery will not be consistent across the nation's metros.

Podcast: Wipf Discusses Shift Away From Libor.

Potentially behind a paywall, in a Bloomberg (6/3, 4.73M) podcast, Alternative Reference Rates Committee Chairman Tom Wipf discusses the need for transitioning away from Libor, and how regulators and the industry are responding. Wipf's interview highlights the "effort to replace an interest rate that is entrenched in millions of financial contracts," and what progress is being made.

Researchers Face Challenges In Quantifying The Impact Of COVID-19 On Minority Communities.

The Hill (6/3, Moreno, 2.98M) reports, "As the country reels from days of unrest in major U.S. cities as Americans protest police brutality and racial inequality, researchers are working toward quantifying the disproportionate impact the coronavirus pandemic has had on minority communities." The researchers are finding "that pre-existing racial disparities in the United States contribute to more coronavirus-related deaths among minority groups while also making it difficult to quantify the differences." Many "minority Americans tend to live in multigenerational housing in densely populated areas," according to the Centers for Disease Control and Prevention (CDC), which might be one of several factors impacting the spread of coronavirus.

Reuters (6/3, Biron) reports, "Activist Winsome Pendergrass has an explanation for why the coronavirus is disproportionately affecting African Americans and fuelling the anger that has exploded onto U.S. streets – housing." Pendergrass is "among a number of activists and residents warning that the protests over race and policing that have roiled the United States for more than a week are driven in part by housing inequalities exacerbated by the coronavirus pandemic." Pendergrass said, "The ones who feel it most are the black and brown people. That's why COVID runs so prevalent in our area – you have eight people in a one-bedroom apartment. COVID has blown the lid off to show that we're all living one paycheck away from the side of the street."

MarketWatch (6/3, Passy, 1.67M) reports that black Americans are "twice as likely to die from COVID-19 in America," and a "recent report from the Urban Institute" indicates that the pandemic "may also cost many of them their homes." The May report, based on US Census Bureau data, suggests "that nearly one in four black and Latino renters didn't pay or deferred their rent in May, compared with just 14% of white renters. And the problem may soon get worse: Nearly half of black and Latino rents expressed concern about being able to pay their rent in June." Urban Institute VP Alanna McCargo said, "Black and Latino people have been hardest hit by stay-at-home orders and other public-health measures put in place to slow the spread of COVID-19 because of a legacy of occupational segregation." DS News (6/3, Welborn) also reports on the Urban Institute's research.

NAREB Calls For Removal Of Barriers To Black Homeownership.

HousingWire (6/3, 23K) reports that on Wednesday, National Association of Real Estate Brokers President Donnell Williams "release a statement" in response to the "national civil unrest America is currently facing." Williams said, "It's a new day. If nothing else, the year 2020 has shown us that business as usual is over and some rules were made to be broken. The National Association of Real Estate Brokers pivots to embrace these changes as we continue to work to have a positive impact upon black lives across the country." According to HousingWire,

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"NAREB called for the elimination of obstructive systemic barriers that hinder or preclude the increase of black homeownership, including 'lending discrimination and the despair fueled by racial discrimination that obstructs black homeownership.'" National Mortgage Professional (6/3) provides additional coverage.

Markets

10-Year Yield Rises.

MarketWatch (6/4, 1.67M) reports the 10-year Treasury yield rose to 0.75 percent.

Dollar Rises.

Reuters (UK) (6/4) reports, "The dollar strengthened on Thursday, reversing its weakening trend of the past seven days, while the euro slipped ahead of a European Central Bank meeting at which policymakers could step up stimulus measures." The dollar "rose around 0.3% against a basket of currencies," while the euro "was at $1.2025 at 0720 GMT, down 0.3% and retreating from three-month highs." The yen "fell to new two-month lows and was down around 0.1% at 109.06 at 0710 GMT, having weakened to as much as 109.150 overnight before steadying in early London trading."

Gold Gains.

Reuters (IND) (6/4, Aranya) reports, "Gold prices rose on Thursday after an equity rally fuelled by signs of an economic recovery from mandated shutdowns sparked the biggest daily fall since April 30 in the previous session." Spot gold "climbed 0.4% to $1,703.95 per ounce by 0407 GMT after a 1.7% drop on Wednesday. U.S. gold futures inched up 0.1% to $1,705.70."

Oil Falls.

Reuters (UK) (6/4, Zhang) reports, "Oil prices dropped on Thursday, reversing gains in the previous session, on concern over whether major crude producers will be able to agree to extend record output cuts, heightened by worries over a huge build in U.S. distillate inventories." Brent crude futures "fell 1.18%, or 47 cents, to $39.32 a barrel as of 0652 GMT," while West Texas Intermediate crude futures "slid 1.80%, or 67 cents, to $36.62 a barrel."

Cybersecurity

CISA Providing Local Support As Election Primaries Test Cybersecurity Efforts.

SIGNAL Magazine (6/3, Underwood) reports CISA Tuesday "provided a cyber situational awareness room for local agencies to use, and many did on the day of the primaries, the agency indicated." A CISA official said, "Of course, within that room we also have our partners from the Election Infrastructure ISAC [Information Sharing and Analysis Center], as well as the EAC [Election Assistance Commission], the FBI and other agencies, and we're seeing our partners being able to work with us quite effectively in this kind of different operating environment." Another CISA official explained that, "on the classified side, cybersecurity monitoring to detect any nefarious activity also continues with intelligence community partners." In addition, the official "noted the District of Columbia and every state does have cyber intrusion detection systems in place and each one is receiving some kind of service from CISA."

Politico (6/3, Matishak, 4.29M) reports in the Morning Cybersecurity column that, "in one of the last warm-ups before November's general election, eight states and Washington, DC, held their primaries on Tuesday." It also marked the "biggest voting day since the coronavirus pandemic upended the election calendar in March." And while voters "cast their ballots during a time of crisis, Election Day went off without a hitch – not that agencies responsible for election security weren't watching." A senior CISA official said Tuesday, "Every state and the District of Columbia has Albert, the intrusion detection system, in place. So we're in a good posture for visibility and every state is receiving some kind of service." The official "noted that Covid-19 and the civil unrest gripping several American cities were new factors to overcome, but election officials felt prepared based on past experiences."

MSU Continues To Investigate Data Breach, Will Not Pay Bounty.

The Detroit Free Press (6/3, 1.52M) reports Michigan State University does not intend to pay ransom to hackers "threatening to publish students' personal records and university financial documents" obtained in a data breach last week. Speaking on the university's response to the attack, MSU Police Chief Kelly Roudebush said, "Paying cyber-intrusion ransoms perpetuates these crimes and provides an opportunity for the group to live another day and prey upon another victim." WILX-TV Lansing, MI (6/3, 10, 105K) reports MSU Chief Information Officer Melissa Woo said, "The safety and security of our IT systems and the people who use them are of paramount importance to MSU. It is why MSU continues to work diligently to strengthen and improve our information security systems and share best practices with our campus community." MLive (MI) (6/3, 925K) reports MSU "said the university is in the process of identifying the information that was compromised and will begin notifying individuals who may be impacted by the intrusion in the coming days and weeks."

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New Study Says Cyberattacks Cost Trillions Of Dollars In Last Two Years.

CFTC-22-0351-A-001020

Fox News (5/31, DeCiccio, 27.59M) reports ForgeRock's 2020 Consumer Identity Breach Report indicates "relentless cyberattacks against

organizations across the US have cost over $1.8 trillion and exposed more than 7.8 billion consumer records over the last two years." Eve Maler, the chief technology officer at ForgeRock, "told Fox News that the main form of cyberattack (40 percent of the data breaches last year) takes place as so-called unauthorized access attacks." Maler said, "Unauthorized access means that cybercriminals were actually getting into people's online accounts using previously stolen usernames and passwords or possibly other personal data about them." She underscored that the "health care industry was the most hard hit, with 45 percent of attacks occurring in the sector in 2019."

San Francisco Pension Data Breach May Have Exposed City Retirees' Personal Data. The San Francisco Chronicle (6/3, Li, 2.67M) reports the San Francisco Employees' Retirement System, the city workers' pension fund, "reported a data breach affecting around 74,000 members." The pension system's vendor, 10up Inc., "said an outside party accessed a test data server with members' information on Feb. 24." The server "was closed and 10up Inc. said there was no evidence information was removed, but could not confirm whether the data was viewed or copied." The Fund "said the data may have included first names, home addresses, dates of birth, designated beneficiary information, and SFERS website user names and passwords."

Op-Ed: Strengthening Supplier Ownership Key Element In Defending Supply Chains.

In an op-ed in Federal Computer Week (6/3, 263K), Erik Ekwurze, chief technology officer for Dun & Bradstreet Government Solutions, writes, "The Defense Department supply chain has become an attractive target to adversaries looking to compromise US military capabilities, critical infrastructure, national security intelligence and intellectual property. ...The NCSC warned in its 2018 report, Foreign Economic Espionage in Cyberspace, of 'pervasive threats posed by foreign intelligence services and other threat actors' against US research, development and manufacturing sectors." To address the issue, "the biggest recent development has been the Defense Department's effort to develop a standardized, accredited risk assessment regime, called the Cybersecurity Maturity Model Certification (CMMC)." He contends, "The CMMC initiative is critical because it makes cybersecurity a far more prominent factor when assessing supply chain risk. But that, by itself, is not sufficient at a time when there is so little visibility into who actually owns the sub-tier suppliers of our defense industrial base."

Cyberspace Solarium Commission White Paper Calls For Expand Connected Device Security Bill.

NextGov (6/3, Baksh) reports the congressionally established Cyberspace Solarium Commission "said in a new white paper that legislation requiring manufacturers of connected devices to enable reasonable cybersecurity measures should apply not just to products they sell to the federal government but to all customers." In releasing the 'pandemic annex' Tuesday, the commission "is capitalizing on the attention focused on responding to the public health crisis to emphasize and augment its recommendations for digitizing critical services." The annex reads, "The proposed Internet of Things Cybersecurity Improvement Act of 2019 provides a viable model for a federal law that mandates that connected devices procured by the federal government have reasonable security measures in place, but should be expanded to cover all devices sold or offered for sale in the US."

Europe Moving Toward New Sanctions On Russia For Hacking.

Politico (6/3, Cerulus, 4.29M) reports the EU is getting ready "to slap sanctions on a group of Russian hackers, according to three diplomats involved – a move that would mark a turning point in the bloc's efforts to address foreign hacking." The sanctions, which may take place before yearend, "come after the German government announced it 'had evidence' tying members of a Russian hacking group to the cyberattack on the Bundestag in 2015." Diplomats arrived in Brussels to "discuss the Bundestag hack and whether they should respond using a new cyber sanctions regime." European countries have weighed "sanctioning foreign nationals and entities involved in hacking for months, but talks were mired in secrecy as governments weighed their options." That shifted after Chancellor Angela Merkel "said last month that Berlin could not 'simply ignore' an 'outrageous' attack, and her government called for an EU response."

Federal Reserve

Fed Approves Expansion Of $500B Municipal Lending Facility.

The AP (6/3, Crutsinger) reports the Federal Reserve approved an expansion of its Municipal Liquidity Facility, a $500 billion emergency funding program for state and local governments. The Fed's board approved the change on Wednesday 5-0. The program was previously expanded after initially being limited to larger counties and cities. Some in Congress "complained that the Fed's population restrictions would keep more lower population areas from participating."

Reuters (6/3, Dunsmuir) reports the Fed also said Wednesday that it would permit transit agencies, airports, utilities, and others to borrow from the program. The Wall Street Journal (6/3, Gillers, Timiraos, Subscription Publication, 7.57M) reports more than 380 issuers could draw from the program, up from about 260 before the recent changes.

Also reporting is The New York (NY) Times (6/3, Smialek, 18.61M), The Hill (6/3, Lane, 2.98M), American Banker (6/3, Wynn, Subscription Publication, 31K), and the Washington (DC) Business Journal (6/3, Medici, Subscription Publication, 882K).

Office of the Comptroller of the Currency

OCC's Brooks: Swaps Margin Relief, Volcker Rule Overhaul Nearly Done.

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Bloomberg (6/3, Hamilton, 4.73M) reports federal banking regulators are set to resume easing Wall Street rules after focusing on helping the financial system weather the coronavirus pandemic, according to Acting Comptroller of the Currency Brian Brooks. Their first steps "include the resumption of work on plans to dial back lenders' margin requirements by billions of dollars," as well as "finishing an overhaul of Volcker Rule curbs on banks' involvement in certain investment funds." In an interview, Brooks said the OCC, the Fed, and the FDIC could issue new rules as soon as this month. Brooks, who came to the OCC from Coinbase Inc., said he aims to be the "first fintech comptroller." He said, "I think we can charter a number of institutions, some of whom are current applicants that have their roots in technology." After approving bank charters for fintechs "fairly far along in the pipeline," the OCC "will further explore more specialized fintech charters and charters for payments firms, he said."

Consumer Groups Criticize OCC For "Madden Fix."

CU Today (6/3) reports consumer groups "are blasting" the OCC for a final rule they say "encourages online non-bank lenders to launder their loans through banks so they can offer high-cost triple-digit loans in states where such loans are illegal." The rule is intended to clarify legal uncertainty created by the "Madden" decision. According to the groups, the rule could facilitate predatory lending or "rent-a-bank" schemes to evade state interest rate caps.

Challenger Bank Varo Money Raises $241M In New Funding.

American Banker (6/3, Cross, Subscription Publication, 31K) reports challenger bank Varo Money closed a new funding round totaling $241 million, bringing its total-to-date to $419.4 million. CEO and founder Colin Walsh says the funding will enable the firm to complete its banking charter. Walsh said in a press release, "Varo was founded first and foremost to make a powerful impact on systemic financial inequality in communities across this country. ... This new investment will enable us to complete the chartering process and leverage our modern banking technology to build on our track record of innovation and inclusion." The firm expects to be approved as a national bank this summer, and is working to meet conditions from the Office of the Comptroller of Currency, the Federal Deposit Insurance Corp., and the Federal Reserve. Varo would be the first fintech "among several similar applicants to get the green light from federal regulators."

Also reporting are Forbes (6/3, Fuscaldo, 9.71M), PYMNTS (6/3, 12K), Banking Dive (6/3), and Yahoo! News (6/3, Perez, 605K).

Big Banks See More Than $11B In Overdraft Fees In 2019.

The New York Times (6/3, Walsh, 18.61M) reports large US banks took $11.68 billion in overdraft fees in 2019, according to research by the Center for Responsible Lending. The research found that vulnerable customers were by far the hardest hit, with nine percent of account holders paying 84 percent of the overdraft fees. The organization is pushing for banks to halt overdraft fees during the pandemic.

Banks Focus On Cost Cutting To Protect Bottom Line.

American Banker (6/3, Dobbs, Subscription Publication, 31K) reports banks will put cost cutting front and center in an effort to boost their bottom lines amid limited growth opportunities. Bruce Van Saun, chairman and CEO of Citizens Financial Group, said, "You've got to keep looking at your expense base," adding, "We've got to go back again and look for even more [cuts] because clearly we didn't anticipate that the Fed was going to go" so low with rates. Kevin Fitzsimmons, an analyst at D.A. Davidson, said, "Banks will focus on what they can control – as opposed to taking any undue risks as they work through all this," adding, "Given the difficult revenue environment, and inevitable credit challenges, costs will be the one area that banks can control."

BofA's Moynihan: Urgent Response Needed By Business Community To George Floyd Killing.

Bloomberg (6/3, 4.73M) reports Bank of America CEO Brian Moynihan said in an interview Wednesday that an urgent response is needed to the killing of George Floyd by a Minneapolis police officer. Moynihan said, "Things aren't going to quiet down. ... We should not let it quiet down as a business community. We have to redouble our efforts to make progress" on social and economic issues. The interview follows the bank's pledge on Tuesday of $1 billion over four years toward addressing racial and economic inequality.

Citi Chair: Virus Crisis Allows Banks To "Change The Narrative."

American Banker (6/3, Lang, Subscription Publication, 31K) reports, "The coronavirus crisis has the potential to flip the narrative for banks and improve the industry's reputation that has suffered greatly since the 2008 financial crisis, said Citigroup Chairman John Dugan." In a recent podcast, Dugan said that unlike the 2008 financial crisis, this time around banks are part of the solution, having built up loan-loss reserves in anticipation of potential defaults. "In some ways, this crisis, the pandemic crisis, is an opportunity for banks to change the narrative. I think if they handle this well, they can get to the other side and point to a real-world stress test that they passed," Dugan said.

Citi Chief Compliance Officer To Retire.

Reuters (6/3)reports Citigroup on Wednesday announced Chief Compliance Officer Mark Carawan will retire on June 8 after eight years with the firm. Mary McNiff, who currently serves as Citibank North America CEO, will take over the role, and Citigroup CEO Michael Corbat will serve as CEO of the Citibank division in addition to his current role.

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Editorial Wrap-Up

Washington Post.

"The Virus Comes For The Most Vulnerable." The coronavirus pandemic is "surging into the less developed parts of the world," the Washington Post (6/3, 14.2M) editorializes, threatening "progress in health, education and economic well-being." Public health experts are worried "that as nations throw limited resources into fighting the pandemic, there will be less for fighting HIV/AIDs, malaria and tuberculosis." According to the Post, "all of this will put extra demands on the WHO, which has been at the front lines of fighting disease in the developing world – and it's more evidence that President Trump's decision to abandon the WHO is irresponsible and damaging."

"Literal Attacks On The Media." The Washington Post (6/3, 14.2M) in an editorial says that "increasing numbers of reporters and photographers covering the nationwide demonstrations against police brutality and racial injustice report being arrested, harassed or assaulted by police." The Post comments that such behavior "might have been expected given the relentless campaign President Trump has waged against the media." The Post adds that "governors, mayors and police chiefs need to...hold to account those who violate" the safety of the press.

"The Best Of America Shows Itself." The Washington Post (6/3, 14.2M) in an editorial cites examples of what it called "the best of America" in which "people who were angry and scared have acted with peace and compassion, defusing situations by protecting and embracing – sometimes literally – those whom others in their position might have feared." The Post adds, "Today, we don't have a president capable of such leadership. But other Americans, both famous and unknown, are stepping up and modeling an honorable way to fight for justice."

Wall Street Journal.

"The Lancet, HCL And Trump." In an editorial, the Wall Street Journal (6/3, Subscription Publication, 7.57M) says a study published by the Lancet last month suggesting that hydroxychloroquine is dangerous may be based on questionable data, and the decision by the respected journal to publish without appropriate vetting shows it could have been politically motivated. The Journal also points out that Lancet editors published an editorial last month urging voters to not reelect President Trump, and concludes that politics should be left out of medicine.

"Boris Johnson's Freedom Lesson." In an editorial, the Wall Street Journal (6/3, Subscription Publication, 7.57M) lauds the British government's move toward permitting Hong Kong residents to emigrate to the US, and urges the Administration to follow suit.

"Unrigging the Poverty Trap." The Wall Street Journal (6/3, Subscription Publication, 7.57M) editorializes that a study published by the National Bureau of Economic Research shows how welfare benefits distort the incentive to work, making it more difficult for people to climb out of poverty. Researchers found that under the US system, with its multitude of tax and benefit programs, the poor can face a lifetime marginal net tax rate exceeding 70 percent.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Derek Chauvin And Three Other Ex-Officers Face New Charges In George Floyd's Killing
'Everything Is Gone': Looting Strikes A Second Blow To Reeling Businesses In Minority Neighborhoods
Chicken Industry Executives, Including Pilgrim's Pride CEO, Indicted On Price-Fixing Charges
US Plans To Block Flights By Chinese Airlines
How Payday Lenders Target Consumers Hurt By Coronavirus
People Who Type Two Spaces After a Period Just Can't Win

New York Times:

New Charges For Former Minneapolis Police Officers As Protests Persist
Esper Breaks With Trump On Using Troops Against Protesters
The Virus Closed His Bronx Jewelry Store. Then Looters Broke In.
Boris Johnson Pledges To Admit 3 Million From Hong Kong To UK
Venice Glimpses A Future With Fewer Tourists, And Likes What It Sees
Trump Campaign Look At Electoral Map And Doesn't Like What It Sees

Washington Post:

Biden Now Envisions An FDR-Like Presidency
Minn. Adds Charges In Floyd Death As Protests Continue
Esper, Mattis At Odds With Trump
Cold War Echoes In Race For Vaccine
Latin America Saw Virus Coming But Couldn't Hold It Off
Barr Seeks To Subdue D.C. Protests With Show Of Force
Statue Of Lee To Be Removed In Richmond

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Financial Times:
Pentagon Chief Splits With Trump Over Putting Troops On The Streets
HSBC Risks Hong Kong Backlash After Publicly Backing Beijing's Security Law

Washington Times:
Antifa Planned Anti-Government Insurgency For Months, Law Enforcement Official Says
Pentagon Chief Esper Opposes Trump Plan: 'I Do Not Support Invoking The Insurrection Act'
Rod Rosenstein Says He Was Led To Believe The Carter Page FISA Applications Were Accurate
Investor Optimism Helps Drive Stock Markets Toward Pre-Pandemic Levels
All Four Ex-Officers Face Charges As Murder Count Upgraded In George Floyd's Death
US Holds Breath As Reopenings, Protests Threaten To Reignite Pandemic

Story Lineup From Last Night's Network News:
ABC: Floyd-Officers Charged; Floyd Protests-US; Esper-Troop Use In US; Military Leaders-Troops Use In US; Floyd Protests-Global; Floyd Protests-Coronavirus; Tropical Storm Cristobal; McCann Disappearance-Suspect; Floyd Protests-NYC Healthcare Workers.
CBS: Floyd-Officers Charged; Floyd Protests-US; Esper-Troop Use In US; Obama-Virtual Town Hall; Protester Profiles; Coronavirus Vaccine; Floyd Protests-Coronavirus; Poetry-America.
NBC: Floyd-Officers Charged; Obama-Virtual Town Hall; Floyd Protests-US; Esper-Troop Use In US; Law Enforcement Tactics; Floyd Protests-Global; Race Conversations With Children; Ferguson-Change Since Shooting; Tropical Storm Cristobal.
Network TV At A Glance:
Floyd-Officers Charged – 11 minutes, 20 seconds
Esper-Troop Use In US – 8 minutes, 55 seconds
Floyd Protests-US – 8 minutes, 30 seconds
Obama-Virtual Town Hall – 4 minutes, 20 seconds
Floyd Protests-Coronavirus – 3 minutes, 5 seconds
Floyd Protests-Global – 2 minutes, 40 seconds
Tropical Storm Cristobal – 30 seconds
Story Lineup From This Morning's Radio News Broadcasts:
ABC: Floyd Protests-New York; Floyd Protests-Minneapolis; Pope-Floyd; Economy; Stocks Up.
FOX: Floyd Protests-US; Floyd-Officers Charged; Floyd Protests-New York; Fed-Emergency Program Expansion; Philadelphia-Rizzo Statue Removed; Prince Charles-Sustainability.

Last Laughs

Late Night Political Humor.

Stephen Colbert: "People are still protesting all across America, and I mean all across America. The only other thing Americans agree on this much is pumpable cheese, which is only slightly less toxic than systemic racism."

Stephen Colbert: "[Minnesota Attorney General Keith] Ellison took over the [Floyd] case on Sunday, and today he announced he will elevate charges against the former Minneapolis police officer who knelt on George Floyd's neck to second-degree murder, and will add charges of aiding and abetting murder against the other three officers at the scene. So, activism works. Justice is possible, easy-peasy, hold-protests-for-nine-days-straight-in-380-American-cities, squeezy."

Stephen Colbert: "Now, the night Donald Trump was elected, you might recall I was somewhat emotional. I started drinking, and someday I plan to stop. What I was worried about deep down is that Trump is a dictator fanboy. He's a lifetime subscriber to 'Tiger Beat Down The Protesters.' Now we're teetering dangerously close to Trump making his dreams our nightmare. On Monday, just so Trump could hobble across the street for a photo-op, military police and park rangers fired rubber bullets, tear gas, and flash grenades at peaceful protesters. It was like a little Tienanmen Square-- or in Trump's case 'Tiny Man Square.'"

Stephen Colbert: [On law enforcement clearing protesters for Trump's photo-op] "Trump went on the Fox News radio, where you can only hear him lying, and explained it wasn't really as bad as it really was." Trump: "That story was fake. They didn't use tear gas. They didn't use – they moved them out." Colbert: "Remind me to never ask for Trump's help when I'm moving. 'Okay, Steve, I boxed up your wine glasses and your old DVDs. Now run like hell and shove a wet rag in your mouth, 'cause it is gas time. You promised me pizza, buddy.'"

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Stephen Colbert: [On Trump claiming he was in the White House bunker just to inspect it] "That is an all-time great excuse. So he was just checking to make sure the bunker was okay. 'I didn't poop my pants. I just ran diagnostics on my boxers to see if they were load-bearing. They are.'"

Stephen Colbert: [On Trump's claim he does well with African Americans] "'That's why they're in the streets. They're celebrating how much they love me, and I'm joining the party by tossing them a six-pack of love gas. Those are just tears of joy.'"

Stephen Colbert: "An anonymous source in the Administration felt the need to push back on reports that Trump wanted to use tanks against protesters, insisting that 'The President wasn't ordering tanks to roll down the streets, but was inquiring about 'the kind of hardware' that could be used in military shows of force, and at one point Trump threw out the word 'tanks.'' That's an interesting defense. 'Your honor, I didn't order nobody to kill "Joey the Snake." I was just inquiring about the general nature of accidents, and then I just threw out the word "wood chipper."'"

Stephen Colbert: [On reports Trump wanted to use tanks on protesters] "The same official also floated the theory that instead of an order, Trump was just free-associating, saying 'tank' 'is just one of the military words he knows.' Wow. The commander in chief just throws out one of the military words he knows. I believe he knows five: tank, bullet, Colonel Sanders, Cap'n Crunch, and bone spur."

Stephen Colbert: "One of the hallmarks of American democracy is the US Armed Forces' proud tradition of remaining out of politics to emphasize civilian control of the military. Yet, on the way to this photo op that – again-- was preceded by attacking peaceful protesters, Esper and Milley walked with Trump across the street. It reminds me of the old joke: 'Why did the Defense Secretary and the Chairman of the joint Chiefs cross the road? Because the President is a chicken.'"

Stephen Colbert: "A Republican congressional aide, who's also a veteran, said that Esper and Milley 'have squandered the moral legitimacy of a nearly 245-year-old institution in a single farcical, late-spring promenade. They have no honor, and to hell with them both.' Buddy, they work for Donald Trump. They're already in hell."

Stephen Colbert: [On walking Trump to a photo-op after peaceful protesters were forcibly moved] "Now, yesterday, Esper defended the indefensible, saying, 'I didn't know where I was going.' You're the Secretary of Defense, and your defense is that you didn't know where you were going? The rest of us could see exactly where you were going. It rhymes with 'Yahtzee!' though not as fun for the whole family."

Stephen Colbert: [On Esper telling governors to dominate the battlespace] "People who grew up with a military lexicon use that phrase in all kinds of situations. 'Natalie, you're the love of my life. Will you make me the happiest man on earth by letting me dominate your battle space?' ... Yes, we must not allow some to suggest he's militarizing just because he's using the military."

Stephen Colbert: "Now, if a military crackdown seems familiar to you, you may work for the CIA, because one former analyst said of Trump's response to the protests, 'I've seen this kind of violence. This is what autocrats do. This is what happens in countries before a collapse.' And if you've seen Trump, you know he is always on the brink of collapse."

Stephen Colbert: "And it's not just the military, because now ICE and Border Agents are being deployed to help with protest enforcement. Oh, good! Let's cool things down with some famously reasonable and laid-back ICE agents. If that doesn't work, they can de-escalate by sending in some rabid badgers strapped with running chainsaws."

Stephen Colbert: "The Border Police are supposed to help guard facilities and conduct arrests, but when asked for more specifics, 'neither ICE nor Customs and Border Patrol was able to provide details on the number of agents or other resources they have deployed.' 'Look, we don't like to fuss over details. As long as, at the end of the day, the cage is full of kids, job well done.'"

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Stephen Colbert: "To provide live video of protests in Minneapolis, CBP flew a predator drone. Oh, nothing says 'protecting free speech' like 'predator.' I can't wait for them to roll out their line of 'xenomorph info booths' and 'Thanos brand medical tents.' Getting rid of protesters is a snap!"

Stephen Colbert: "Cops have been meeting unarmed protesters while decked out in full military riot gear. Like yesterday in DC, where masked troops stood guard outside the Lincoln Memorial, to which Lincoln replied, 'Oh, now you're gonna protect me? A little late, fellas! I hope everyone enjoyed the end of the play!'"

Stephen Colbert: "In DC large armored military vehicles drove down the streets of the nation's capital. Secretary Esper, do you see where we're going now? It's so close, you don't need a ride. You could walk – although, really more of a goose step."

Stephen Colbert: "And just last night, in New York city, hundreds of protesters attempted to cross the Manhattan bridge after curfew, but ended up trapped on the bridge with police waiting on both ends. Marchers were stuck with no way out for over an hour. That's horrifying. The only reason New Yorkers should be trapped on a bridge for an hour is if they're in traffic trying to get to their coworker's wife's baby shower."

Jimmy Kimmel: "There have been protests now in all 50 states. That is a big deal; we can't even get all 50 states on board for Daylight Savings Time."

Jimmy Kimmel: "The Chinese government said they hope the United States will take concrete measures to eliminate all forms of racial discrimination. And when China is giving you a lecture on human rights, not a great sign."

Jimmy Kimmel: [On the White House Press Secretary comparing Trump to Churchill] "The only thing Donald Trump has in common with Winston Churchill is they wore the same size bra."

Jimmy Kimmel: [On Trump's photo-op in front of St. John's Episcopal Church] "He treated it like taking your kid to see Santa at the mall. 'You got the picture? Okay, let's get the hell out of here.'"

Jimmy Kimmel: "Turns out, you know whose idea that walk from the White House to the church was? Ivanka's. Trump's chief of staff said it was Ivanka's idea. And as a result, Ivanka has been demoted to Eric."

Jimmy Kimmel: "And with all this going on, the President has been tweeting up a storm about what a gift he is to Black Americans. This morning he wrote, 'I've done more for black Americans than any President in US history with the possible exception of the late great Abraham Lincoln,' And it's not even close. Lincoln ended slavery. Trump thinks it's possible Lincoln did more. This would actually be funny if it wasn't at all."

Jimmy Fallon: "After nine days of protests, a new poll found that pretty much everyone thinks President Trump is not doing a good job. ... Even worse for Trump, that poll was taken among his kids."

Jimmy Fallon: "When Trump saw his numbers, he started crying and then he was like, 'I'm not crying, it's the tear gas for my church photo shoot blowing back in my face.'"

Jimmy Fallon: "At this point, Trump should just go for 100 percent disapproval and take credit for uniting the country."

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Jimmy Fallon: "Meanwhile, former President George Bush released a statement that some people think is a shot at Trump. He wrote, 'Those who set out to silence those voices don't understand the meaning of America or how it becomes a better place.' You know it's serious if they got George W. Bush to write words."

Jimmy Fallon: [On Pat Robertson chastising Trump] "You know we live in crazy times when we're agreeing with the guy that said gay people cause hurricanes."

Seth Meyers: "President Trump had lunch with Secretary of State Mike Pompeo today. Pompeo ordered the chicken, and Trump ordered the tear gassing of peaceful protesters."

Seth Meyers: "President Trump tweeted yesterday that the Republican national convention will not be held in Charlotte because of social distancing restrictions put in place by North Carolina Governor Roy Cooper. So now the only place left is that pool in the Ozarks."

Seth Meyers: "President Trump claimed on Twitter yesterday that his Administration had, quote, 'done more for the black community than any President since Abraham Lincoln.' Are you serious? You've been terrible for the black community. That's like Godzilla bragging he's done a lot for the Japanese community."

Seth Meyers: "When asked by reporters yesterday if President Trump was projecting calm to the country, Republican Senator John Thune said Trump 'has moments.' Damn, that's what you say about someone on their death bed."

Seth Meyers: "Republican congressman and white supremacist Steve King lost his race in yesterday's Iowa primary, which is tough for King, because his race is like his favorite thing."

Seth Meyers: "Former Vice President Joe Biden spoke in Philadelphia yesterday and criticized President Trump's response to the protests against police violence across the country. Said Biden, 'If anyone's going to act racist in this country, it's going to be me accidentally.'"

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Has no public schedule released.
- Vice President Pence — Has no public schedule released.

US Senate:

• Senate HELP Committee hearing on colleges safely reopening amid coronavirus – Hearing on 'COVID-19: Going Back to College Safely', with testimony from Purdue University President Mitchell Daniels; Brown University President Dr Christina Paxson; Lane College President Dr Logan Hampton; and American Public Health Association Executive Director Georges Benjamin;

Location: Rm 430, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Governmental Affairs Committee Executive Business Meeting on authorization of subpoenas over FBI 'Crossfire Hurricane' investigation – Executive Business Meeting, with agenda including 'Motion to authorize the Chairman to issue subpoenas for records and testimony to U.S. Government agencies and to individuals relating to the Federal Bureau of Investigation's Crossfire Hurricane Investigation, the DOJ Inspector General's review of that investigation, and the 'unmasking' of U.S. persons affiliated with the Trump campaign, transition teams, and Trump Administration, as described in Schedule A' * FBI 'Crossfire Hurricane' investigation was into possible coordination between the Trump for President campaign and Russian efforts to interfere in the 2016 U.S. presidential election

Location: Rm 325, Russell Senate Office Building, Washington, DC; 10:00 AM

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• Senate Foreign Relations Committee nominations hearing – Nominations hearing, via videoconference, considers J. Steven Dowd to be European Bank for Reconstruction and Development U.S. Director; Richard Mills to the U.S. Deputy Representative to the United Nations, with the rank and status of ambassador extraordinary and plenipotentiary; Jason Myung-Ik Chung to be Asian Development Bank, with the rank and status of ambassador; Joseph Manso for the rank of ambassador during his tenure of service as U.S. Representative to the Organisation for the Prohibition of Chemical Weapons; and Jenny McGee to be USAID Associate Administrator; *10:00 AM*

• Senate Public Works Committee hearing on infrastructure recovery – Hearing on 'Infrastructure: The Road to Recovery', with testimony from American Road & Transportation Builders Association Chairman Steve McGough; American Action Forum President Dr Doug Holtz-Eakin; and incoming U.S. Conference of Mayors President Louisville, KY, Mayor Greg Fischer

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Judiciary Committee Executive Business Meeting on authorization of subpoenas over FBI 'Crossfire Hurricane' investigation – Executive Business Meeting, with agenda including authorization for subpoenas relating to the Crossfire Hurricane investigation; the nominations of Justin Walker to be U.S. Circuit Judge for the District of Columbia Circuit and Cory Wilson to be U.S. Circuit Judge for the Fifth Circuit; and 'S. 685, Inspector General Access Act of 2019' * Subpoena authorization would cover documents and communications related to the FBI 'Crossfire Hurricane' investigation – into possible coordination between the Trump for President campaign and Russian efforts to interfere in the 2016 U.S. presidential election – and the 'Steele dossier'

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Banking Committee remote hearing on Hong Kong – Remote hearing on 'Crisis in Hong Kong: A Review of U.S. Policy Tools', with testimony from Foundation for Defense of Democracies Center on Economic and Financial Power Senior Director Eric Lorber; Center for a New American Security Adjunct Senior Fellow Peter Harrell; and Congressional Research Service Foreign Affairs, Defense and Trade Division Asia Section Specialist in Asian Affairs Dr Michael Martin; *11:00 AM*

US House:

• House of Representatives meets in pro forma session

Location: U.S. Capitol, Washington, DC; 10:00 AM

• House Armed Services subcommittee hearing on future force structure requirements for the U.S. Navy – Seapower and Projection Forces Subcommittee hearing on 'Future Force Structure Requirements for the United States Navy', with testimony from former Chief of Naval Operations Adm. (Ret.) Gary Roughead; and Hudson Institute Senior Fellow Bryan Clark

Location: Rm 2118, Rayburn House Office Building, Washington, DC; 10:00 AM

• CDC Director Redfield testifies to House Appropriations subcommittee hearing on coronavirus response – Labor, Health and Human Services, Education, and Related Agencies Subcommittee hearing on 'COVID-19 Response', with testimony from CDC Director Dr Robert Redfield

Location: Rm 1324, Longworth House Office Building, Washington, DC; 11:00 AM

• Elections Subcommittee hearing on 'The Impact of COVID-19 on Voting Rights and Election Administration: Ensuring Safe and Fair Elections' – Hearing on 'The Impact of COVID-19 on Voting Rights and Election Administration: Ensuring Safe and Fair Elections', held via Cisco Webex, with testimony from Democratic Reps. Marcy Kaptur and Gwen Moore; Louisiana Secretary of State R. Kyle Ardoin; Lawyers' Committee for Civil Rights Under Law President and Executive Director Kristen Clarke; American Postal Workers Union President Mark Dimondstein; NAACP Legal Defense & Educational Fund President and Director-Counsel Sherrilyn Ifill; Alabama Secretary of State John Merrill; and Brennan Center for Justice Democracy Program Director of Election Reform Lawrence Norden; *1:00 PM*

Cabinet Officers:

• Global Coalition to Defeat ISIS foreign ministers virtual meeting – Global Coalition to Defeat ISIS small group foreign ministers virtual meeting, co-hosted by Secretary of State Mike Pompeo and Italian Foreign Minister Luigi Di Maio, 'to review next steps in the campaign to achieve a lasting defeat of the Islamic State group

Visitors:

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• Spanish foreign minister speaks at PIIE event on WTO – 'WTO in the post COVID-19 world' Peterson Institute for International

Economics event, on steps required to revive trade and combat economic nationalism. Speakers include Spanish Foreign Affairs, European Union, and Cooperation Minister Arancha Gonzalez Laya and PIIE Nonresident Senior Fellow Gary Clyde Hufbauer; *10:00 AM*

This Town:

• CSIS online discussion on security in the 'High North' – 'Enhancing Security in the High North' Center for Strategic and International Studies online discussion, on Russian military activity in the North Atlantic, GIUK Gap, and Barents Sea; recent steps by the U.S. and the UK to enhance their military readiness and capabilities in the Arctic; and efforts to strengthen bilateral and trilateral security ties between the U.S., UK, and Norway. Speakers include Norwegian Ministry of Defense State Secretary Tone Skogen and UK House of Commons Defense Select Committee Chair Tobias Ellwood; *8:00 AM*

• CSIS 'Korea Chair Capital Cable #3' online event – 'Korea Chair Capital Cable #3' online discussion by Center for Strategic and International Studies, with featured speakers including Deputy Assistant Secretary of State for Korea and Japan Marc Knapper; *9:00 AM*

• IMF regular press briefing with Communications Department Director Gerry Rice; *9:30 AM*

• American Enterprise Institute webinar on the Jones Act – 'The Jones Act at 100: Is it time to chart a new course?' American Enterprise Institute webinar, discussing whether the Jones Act and other maritime programs have provided adequate sealift capacity for the military while meeting the economic needs of U.S. consumers and firms. Featured speakers include Republican Sen. Mike Lee, American Enterprise Institute's Vincent Smith and Mackenzie Eaglen, Brookings Institution's Aaron Klein, John Hopkins School of Advanced International Studies' Anne Krueger, and NTELX's Rob Quartel; *9:30 AM*

• Bipartisan Policy Center discussion on telehealth and coronavirus – Bipartisan Policy Center hosts discussion titled 'Telehealth and COVID-19 in Rural Areas', with panelists including Ballad Health Executive Chairman, President and CEO Alan Levine, Avera Health Medical Information Officer Jennifer McKay, and Democratic Sen. Tina Smith's Health Policy Advisor Kripa Sreepada; *10:00 AM*

• Wilson Center event on the international regime in the Arctic Ocean – 'A Stronger International Regime for the Arctic Ocean?' Wilson Center Ground Truth Briefing, on the challenges confronting the Arctic Ocean and the limitations of the current international regime. Speakers include Polar Institute Senior Fellow David Balton and Primakov National Research Institute of World Economy and International Relations Dr Andrei Zargoski; *10:00 AM*

• Peterson Institute for International Economics event on WTO – WTO in the post COVID-19 world' Peterson Institute for International Economics event, on steps required to revive trade and combat economic nationalism. Speakers include Spanish Foreign Affairs, European Union, and Cooperation Minister Arancha Gonzalez Laya and PIIE Nonresident Senior Fellow Gary Clyde Hufbauer; *10:00 AM*

• The Washington Institute for Near East Policy forum on Lebanon and the IMF- 'Lebanon's Bumpy Road to an IMF Deal: Implications for U.S. Policy' The Washington Institute for Near East Policy virtual policy forum, with speakers including former Lebanese Council of Ministers Defense and Military Advisor Brig. Gen. Maroun Hitti, Chatham House Academy Associate Jessica Obeid, and Levant Institute for Strategic Affairs Director Sami Nader; *11:00 AM*

• Center for Strategic and Budgetary Assessments online report release on unmanned aircraft systems as deterrence – 'Deterrence By Detection: A Key Role for Unmanned Aircraft Systems and Great Power Competition' Center for Strategic and Budgetary Assessments webinar, discussing the findings of a new report on the role of unmanned aircraft systems in deterring Chinese and Russian aggression. Featured speakers include Center for Strategic and Budgetary Assessments President Dr Thomas Mahnken, Research Fellow Travis Sharp, and Senior Analyst Grace Kim; *11:00 AM*

• German Marshall Fund of the U.S. online discussion on coronavirus apps – 'Privacy and Watchdog Accountability: The Case of Coronavirus Apps' online discussion hosted by German Marshall Fund of the U.S., on how tracking apps collect sensitive personal health information, but do not always have the right policies in place to ensure the privacy of that data. Speakers include AppCensus and Good Research CEO Nathan Good and SeniGMF Digitalor fellow Quentin Palfrey; *12:00 PM*

• Resources for the Future webinar on solar radiation management – 'The Third Prong: Solar Radiation Management as a Climate Intervention' Resources for the Future webinar, on SRM's potential role in offsetting warming at low cost and concerns that SRM would diminish traditional emission mitigation incentives. Speakers include Harvard Kennedy School's Joseph Aldy and Richard Zeckhauser; *12:00 PM*

• Cato Institute discussion on a modern military force – 'Building a Modern Military' Cato Institute webcast policy forum, to discuss the strategies, tactics, and tools needed to keep the U.S. safe and prosperous. Speakers include Taxpayers for Common Sense Senior Policy Analyst Wendy Jordan, National Defense University's Thomas Hammes, and Cato Institute's Christopher Preble, Lauren Sander, Eric Gomez, and Brandon Valeriano; *12:00 PM*

• CSIS 2020 Future Strategy Forum continues – 'Future Strategy Forum: COVID-19 and the Military' Center for Strategic and International Studies / SAIS online discussion, with former U.S. Air Force military intelligence analyst Pam Campos-Palma, American Enterprise Institute Resident Fellow MacKenzie Eaglen, Marquette University's Dr Risa Books, and SAIS Director of Strategic Studies Dr Mara Kalin; *1:00 PM*

• CSIS online discussion on coronavirus and the military -'Future Strategy Forum: Covid-19 and the Military' online discussion hosted by the Center for Strategic and International Studies, with featured speakers including American Enterprise Institute Resident Fellow MacKenzie Eaglen, Marquette University Director of Undergraduate Studies Dr Risa Brooks, SAIS Director of Strategic Studies Dr Mara

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Karlin, and political strategist Pam Campos-Palma; *1:00 PM*

• Center for American Progress on federal investment in K-12 schools – 'The Need for Federal Investment in K-12 Public Schools' Center for American Progress online event, on how the federal govt can increase investment in education and how funding could be targeted to ensure equity. Speakers include Baltimore City Schools Parent and Community Advisory Board acting chair Jessica Fauntlaroy, Michigan Governor's Policy Director Emily Laidlaw, ALL Means ALL Consulting founder Cortez Moss, and CAP K-12 Education Policy Vice President Scott Sargrad; *1:00 PM*

• Brookings event on coronavirus and the financial system -'COVID-19 and the financial system – How resilient are the banks? How are they supporting the economy?' Brookings Institution webinar, on whether banks are meeting regulators' calls on them to use their capital and liquidity buffers and ease capital requirements to ensure a ready supply of credit to struggling business and households. Speakers include former Federal Reserve Governor Jeremy Stein, former Federal Reserve Board of Governors member Betsy Duke, and Harvard University's Adi Sunderam, Samuel Hansom, and Michael Blank; *2:00 PM*

• Atlantic Council online discussion on the U.S.-Brazil economic relationship – 'The next phase of the US-Brazil economic relationship: Bilateral perspectives' Atlantic Council online discussion, to examine how stronger trade and investment between the two countries can protect them from the economic fallout of the coronavirus (COVID-19) pandemic. Featured speakers include U.S. Ambassador to Brazil Todd Chapman, Brazilian Ambassador to the U.S. Nestor Forster, Brazilian Trade and Investment Promotion Agency Institutional and Governmental Relations Manager Gerson Menandro, AmCham Brasil CEO Deborah Vieitas, AC Adrienne Arsht Latin America Center Director Jason Marczak and Associate Director and Brazil Lead Roberta Braga; *2:00 PM*

• CFR discussion on U.S.-Iran conflict – 'U.S.-Iran Conflict: What Now?' Council on Foreign Relations virtual event, on current U.S. policy toward Iran and how the U.S. should approach the relationship moving forward. Speakers include Council on Foreign Relations Senior Fellow in U.S. Foreign Policy Philip Gordon, Pharos Strategic Consulting CEO Norman Roule, American Enterprise Institute Resident Scholar Karen Young, and Columbia University's Richard Nephew; *2:00 PM*

• New America webcast event on online learning – 'Facilitating Online Learning with Open Educational Resources in Uncertain Times' New America event, on leveraging open educational resources (OER) to meet student and institutional needs. Speakers include Scottsdale Community College's Matthew Bloom, Community College Consortium for Open Educational Resources' Una Daly, Fieth Consulting's Maria Fieth, College of the Canyons' James Glapa-Grossklag, Open Oregon's Amy Hofer, and Department of Education's Sharon Leu; *3:00 PM*

• Environmental and Energy Study Institute livecast briefing on public health in Puerto Rico and the U.S. Virgin Islands – Environmental and Energy Study Institute (EESI) concludes 'Recovery and Resilience in Puerto Rico and the U.S. Virgin Islands' briefing series with a webinar on 'Sustainable, Democratic Energy and Public Health'. Speakers include Earth Justice board member Ruth Santiago and University of the Virgin Islands Caribbean Green Technology Center Director Greg Guannel; *3:00 PM*

• CSIS online discussion on the fashion sector and coronavirus – 'Innovation and COVID-19: The Fashion Sector' Center for Strategic and International Studies online discussion, with American Apparel and Footwear Association President and CEO Stephen Lamar and Under Armour CEO Colin Browne; *4:00 PM*

• New America California event on black civic engagement amid the coronavirus pandemic – 'Black Community Voice, Civic Engagement, and Identity's Role in COVID-19 Resilience' New America California webinar, on how community voice, civic engagement, and safety from bias based on Black community identity have been threatened during this period; *4:00 PM*

• New America webcast event on viral misinformation – 'Science's Viral Misinformation' New America event, on once-popular treatments that have later proven ineffective or deadly. Speakers include Lown Institute Senior Vice President Shannon Brownlee and medical investigative journalist Jeanne Lenzer; *4:00 PM*

• NCHSA event on housing credit development – 'What is the future of Housing Credit development? National Council of State Housing Agencies webinar, with speakers including Robert Wood Johnson Foundation Impact Investments Director Kimberlee Cornett, Holland and Knight Partner Anthony Freedman, NYU Wagner Professor of Public Policy and Planning Katherine O'Ryan, Woda Cooper Companies President Jeffrey Woda, and National Council of State Housing Agencies Executive Director Stockton Williams; *4:00 PM*

• URBAN ONE hosts 'We Are One: More Than A Hashtag' virtual town hall – URBAN ONE hosts 'We Are One: More Than A Hashtag' virtual town hall to discuss the 'current political and racial climate plaguing the African American community', with panelists including NAACP President and CEO Derrick Johnson, National Urban League President Marc Morial, political analyst Bakari Sellers, CURLS founder and CEO Mahisha Dellinger, Center for the Study of Faith in Justice founder Rev. Gayle Fisher-Stewart, and Reach Media syndicated radio personalities Russ Parr ('The Russ Parr Morning Show'), Erica Campbell ('Get Up! Mornings with Erica Campbell'), Angie Ange ('The Morning Hustle'), Rickey Smiley ('The Rickey Smiley Morning Show') and Willie Moore Jr. ('The Willie Moore Jr. Show'); *8:00 PM*

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To: Treasury@BulletinIntelligence.com[Treasury@BulletinIntelligence.com]
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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, MAY 28, 2020 6:00 AM EDT

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• North Carolina Senate Race Expected To Be Expensive, Closely Contested Affair.
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• Authors: Republicans Defying Rules Of Electoral Survival.
• RCP Average Has Trump's Job Approval At 43.5%.

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• EU's €750B Rescue Plan Released, Hailed As "Turning Point."
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• Trump Reiterates Plan To Withdraw Troops From Afghanistan.
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• Trump Offers To Mediate India-China Border Dispute.
• Menendez: Administration Seeking To Strike Arms Deal With Saudi Arabia.
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• Renters Could Be Facing "Avalanche Of Evictions."
• Buybacks Of GSE Loans Rise In Q1.
• Multifamily Financing
• MBA Asks Fed To Confirm That Nonbanks Can Access Main Street Lending Program.
• MBA: Mortgage Applications Rise For A Sixth Consecutive Week.
• Pandemic Reducing Access To Low Mortgage Rates For Those With Poor Credit.
• Warehouse Commitments Rise To New Record.
• Fannie Mae Secures Commitments For Two CIRT Transactions.
• Experts Split On "Shape" Of Economic Recovery.

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• Dollar Holds Steady.
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• FBI Requests Public Help In Reporting Child Sexual Abuse Displayed On Zoom.
• House Science Committee Republicans Request Briefing On CISA COVID-19 Cyber Alert.
• Foreign Hackers Are Attempting To Steal Coronavirus Vaccine Research.
• New FISMA Report To Congress Says Federal Cyber Incidents Maintain Downward Trend.
• Canada's Cyber Defence Agency Found More Than 1,500 Fake Government COVID-19 Websites.
• Election Officials Confront Duel Challenges Of Pandemic And Cybersecurity.
• Russia Denies Allegations It Hacked German Parliament.

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• House Passes Uighur Human Rights Bill.

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• Fed's "Beige Book" Report Pessimistic About Economy Despite Administration's Optimism.
• NY Fed Releases Municipal Lending Facility's Sample Purchase Rates.
• Boston Fed Releases Main Street Lending Program Participation Forms.
• Williams: Worst Of Economic Blow Could Be Over, But Challenges Lie Ahead.
• Bullard: Industries Adapting To Post-Pandemic Reality; Policies Should Incentivize Workers Returning To Jobs.

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• Treasury, IRS Grant Renewable Energy Projects Extra Year To Qualify For Tax Credits.

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• Republicans Urge Bank Regulators To Finish Rules, While Democrats Call For Pause.

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Treasury in the News

House Democrats Press Mnuchin To Ensure United, Delta, Jet Blue Do Not Reduce Worker Hours

The Chicago Sun-Times (5/27, Sweet, 875K) reports Reps. Jan Schakowsky (D-IL) and Jesus Garcia (D-IL) "led a group of 75 House Democrats pressing Treasury Secretary Steven Mnuchin on Wednesday to do more to make sure United and other airlines bailed out by the federal government because of the COVID-19 crisis do not reduce worker hours before the end of September." They wrote that reducing hours "goes directly against this goal and places these airlines out of compliance with the CARES Act." They added, "United, Delta, and JetBlue airlines have all unilaterally cut workers hours – in some cases significantly decreasing these employees' pay and benefits." Politico (5/27, Snyder, 4.29M) also reports in its daily "Morning Transportation" rundown.

Lawmakers Reach Bipartisan Agreement On Lowering PPP Usage Requirement.

CQ Roll Call (5/27, Saksa, Tully-Mcmanus, 154K) reports Rep. Chip Roy (R-TX) "said Wednesday that negotiators agreed to adjust a key ratio in a program to relieve small businesses from the COVID-19 pandemic, lowering to 60 percent the portion of loans that must be used for payroll, from 75 percent currently, and giving borrowers more time to use any loans." Roy said in an interview "that he expects House and Senate leaders to reach a deal on how small businesses can use a $660 billion lifeline provided in two previous economic relief laws through the Paycheck Protection Program administered by the Small Business Administration." Roy, who introduced the bill with Rep. Dean Phillips (D-MN), said, "Our belief is it's moving forward and moving forward well." Phillips "put out a press release Wednesday touting the support of 45 business groups." Roll Call calls the bill "a compromise between the initial draft that would have eliminated it and Treasury Secretary Steven Mnuchin's position last week that it should stay at 75 percent."

Congress Adjusts To Pandemic By Moving Whipping Operations Online.

The Hill (5/26, Brufke, 2.98M) reports the COVID-19 pandemic "has forced House leadership in both parties to get creative in how they go about whipping votes as lawmakers largely work remotely during the crisis." Given that lawmakers are "spread out around the country due to the pandemic, the whip teams for both parties have been forced to adapt their tactics, shifting vote-tallying operations to digital platforms." Lawmakers "said that one upside to the pandemic forcing much of Congress' business to go online is that it's been easier to secure guest speakers for meetings in a virtual setting." Minority Whip Steve Scalise "said Republicans have similarly been bringing in speakers and guests to talk on relevant topics during weekly calls and video meetings." Scalise said, "We've had everybody from Treasury Secretary [Steven] Mnuchin, putting together the Paycheck Protection Program, to [White House] chief of staff Mark Meadows when he first started in his role, and we've had heads of some of the big trade associations like the head of the National Restaurant Association and the head of a hotel association. So there's people that can get really good context to the challenges we're facing."

Development Bank Leader Says Typical US Leadership Missing.

Politico (5/27, Heath, 4.29M) reports European Bank for Reconstruction and Development (EBRD) President Suma Chakrabati on Wednesday "accused the United States – its biggest shareholder – of a lack of leadership, and called for a new global agreement for development financing to help repair economic damage from the Covid-19 pandemic." Chakrabati, during a virtual event put on by Politico and The Atlantic Council, "said the amount of private and public financing now required to fix economies battered by coronavirus is a quantum leap beyond the current capacity of multilateral financial institutions," adding, "We need to go back to the drawing board." Chakrabati "said the U.S. was a leading force behind 'nearly all of the big initiatives' in his four-decade development career, including his bank's expansion into the Middle East and North Africa, adding that 'I would love to see the United States back in that sort of mood.'" According to Politico, Treasury Secretary Steven Mnuchin "is officially the U.S. EBRD board governor," but the US "is represented on a day-to-day basis by an 'executive director' based in London," a post that "is currently vacant, after the resignation of Judy Shelton." The current nominee for the position, J. Steven Dowd, "is awaiting Senate confirmation. Until then the U.S. is represented by Colin Mahoney, a U.S. Treasury official who was an intern as recently as 2012, according to his LinkedIn profile."

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Marijuana Banking Rules Become More Opaque Amid COVID-19 Pandemic.

American Banker (5/27, Cotney, Subscription Publication, 31K) reports the COVID-19 pandemic "has added another wrinkle to navigating state versus federal regulations when it comes to gaining access to banking services by marijuana-related businesses." Before the pandemic, "more than half the states in the U.S. had authorized some form of legalized marijuana use," and most of those states "declared marijuana sales to be 'essential,' and for those businesses to remain open, or at least offer delivery or curbside pickup." However, COVID-19 relief programs, "like the Paycheck Protection Program meant to help small businesses, do not extend to marijuana-related businesses, as well as many indirect marijuana businesses." Due to the cash-heavy nature of the marijuana industry, "policymakers, regulators, tax authorities and law enforcement have stressed the need for moving cash from marijuana sales into the traditional banking system." Treasury Secretary Steven Mnuchin "recently testified that marijuana businesses' lack of access to banking services is problematic and places IRS workers at risk."

Rubin: McConnell Rejecting State Aid Despite Support From Mnuchin, Powell, Bipartisan Governors.

In her column for The Washington Post (5/27, 14.2M), Jennifer Rubin says Senate Majority Leader Mitch McConnell "initially flatly rejected the House's Heroes Act for more than a trillion dollars in state and local aid to mitigate the impact of the pandemic – despite a 14.7 percent unemployment rate as well as bipartisan support for more spending from governors, the Federal Reserve chair and" Treasury Secretary Steven Mnuchin. McConnell now "says he will have a response in weeks – but don't count on anything approaching the size of the House bill." Rubin argues that McConnell's refusal "to help keep state and local first responders on payroll makes little political sense," and his "stalling and skimping makes even less economic sense." Rubin concludes that it is "mind-boggling that the White House has yet to grab McConnell by the lapels and holler at him to get going."

Rattner: Americans Need More Assistance To Weather Downturn.

In an op-ed for the New York Times (5/27, Rattner, 18.61M), Steven Rattner says that, "Like dutiful soldiers, President Trump's top economic advisers have been ardently echoing their boss's optimism about the likelihood of a quick economic snapback, while downplaying the need for another rescue package." Rattner says that's "dead wrong on both counts, as even Mr. Trump's pick to head the Federal Reserve, Jerome Powell, has countered repeatedly." According to Rattner, Treasury Secretary Steven Mnuchin "swiftly pushed back on Mr. Powell's warning, then called for a 30-day pause on new efforts." However, Rattner says that "could not be more wrong. Drafting thoughtful legislation takes time; we are already late in starting to rebuild America."

Commentary: Are COVID-19 Relief Efforts Working?

In a column for Bloomberg (5/27, O'Brien, Kaissar, 4.73M), Timothy L. O'Brien And Nir Kaissar say Treasury Secretary Steven Mnuchin and Fed Chair Jerome Powell "are presiding over the most massive economic bailout in U.S. history, a Herculean effort to blunt the impact of the coronavirus by buttressing workers and families, businesses and credit markets, the health care and education systems, and state and local governments with at least $5.7 trillion in public funds and guarantees." The House's recently-passed HEROES Act "highlights questions central to the rescue: Will it work? Is the money getting into the right hands? And how much needs to be spent?" Mnuchin, in his Senate Banking Committee testimony last week, "said coronavirus lockdowns were easing and he expected the economy to begin rebounding by late summer." Mnuchin said, "I am proud to have worked with all of you, on a bipartisan basis, to get relief into the hands of hardworking Americans and businesses as quickly as possible. ... While these are unprecedented and difficult times, these programs are making a positive impact on people."

Commentary: Treasury, Congress Must Act To Prevent Garnishment Of Pandemic Relief.

In an op-ed for Law360 (5/27, Subscription Publication, 8K), John Culhane and Lori Sommerfield write that, in its haste to pass the CARES Act, Congress "appears to have overlooked an important issue: to provide exemptions from garnishment by private creditors for federal stimulus payments for individuals and Paycheck Protection Program loan proceeds for small business owners." They argue this "legislative omission is causing additional financial pain for American families and frustration for creditors and debt collectors – while the banking industry is caught in the middle of the issue." They also "believe that the U.S. Department of the Treasury has been given authority under the CARES Act to remedy it." The writers say, "Section 2201(a) of the CARES Act authorizes the treasury secretary to issue guidance or a rule implementing that section. The exercise by the treasury secretary of that authority could quickly resolve the issue by making EIPs exempt from garnishment by creditors." However, they say, Treasury Secretary Steven Mnuchin – "who is reported to have known about the issue since April 1 – has chosen not to exercise that authority." They conclude that the Treasury Department or Congress "must act expeditiously to protect these much-needed funds from garnishment before the issue is moot and consumers and small business owners experience harm."

KPMG To Treasury: Treat COVID-19 Relief Loans Like Debt, Make Loan-Funded Expenses Deductible.

Behind a paywall, Law360 (5/27, Flesch, Subscription Publication, 8K) reports KPMG is asking the Treasury Department to consider guaranteed business loans provided by the CARES Act to be debt for tax purposes, and to deem expenses paid for by the loans as tax

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deductible.

Leading National News

Trump To Sign Executive Order On Social Media.

Fox News (5/27, Phillips, 27.59M) reports on its website that the White House said the President "will sign an executive order on social media on Thursday." While White House Press Secretary Kayleigh McEnany "said Wednesday she could not get ahead of the president to explain the purpose and intent of the order," she "confirmed it would be coming then." The Washington Times (5/27, Boyer, 492K) provides similar coverage.

Politico (5/27, Lima, 4.29M) says the announcement "revived fears within the online industry that the Trump administration will target a 24-year-old statute that protects the companies from lawsuits – an avenue that a growing number of Republican lawmakers have advocated in their bias allegations about Silicon Valley." Politico cites a "senior administration official familiar with the issue," who "said the order, which will be broad and high level, would address complaints that the online platforms are deceiving people by acting like content moderators – picking and choosing what content to allow or block – instead of politically neutral platforms."

The move comes after the President on Wednesday threatened social media platforms with regulation or shut downs if conservative voices are silenced. In a tweet Wednesday morning, Trump wrote, "Republicans feel that Social Media Platforms totally silence conservatives voices. We will strongly regulate, or close them down, before we can ever allow this to happen. We saw what they attempted to do, and failed, in 2016. We can't let a more sophisticated version of that happen again. Just like we can't let large scale Mail-In Ballots take root in our Country. It would be a free for all on cheating, forgery and the theft of Ballots. Whoever cheated the most would win. Likewise, Social Media. Clean up your act, NOW!!!!" Later in the morning, Trump tweeted, "Twitter has now shown that everything we have been saying about them (and their other compatriots) is correct. Big action to follow!"

The Washington Times (5/27, Sherfinski, 492K) reports that the threat came after "Twitter attached fact-checking context to Mr. Trump's tweets for the first time on Tuesday." Ben Tracy said on the CBS Evening News (5/27, story 5, 1:55, O'Donnell, 4.93M) that Twitter "fact-checked two of his tweets that falsely claimed mail-in voting leads to fraud."

Reuters (5/27, Heavey, Bose) says Trump's threat "was his strongest yet within a broader conservative backlash against Big Tech." Reuters notes that the biggest tech companies "have been accused of anti-competitive practices and violating user privacy. Apple, Google, Facebook and Amazon face antitrust probes" by the Justice Department, Federal Trade Commission, state attorneys general, and a congressional panel. The AP (5/27, Miller) says that while the Administration "has shelved a proposed executive order empowering the FCC to regulate technology companies, citing concerns it wouldn't pass legal muster," that "didn't stop Trump from angrily issuing strong warnings."

NBC Nightly News (5/27, story 3, 2:05, Holt, 6.89M) described Trump as "escalating" his "battle with Twitter," but added that "a president has no authority to shut down a private company, and the First Amendment limits the government's ability to regulate free speech." Similarly, USA Today (5/27, Tyko, 10.31M) says Trump "can't unilaterally regulate or close the companies, which would require action by Congress or the Federal Communications Commission."

To the Los Angeles Times (5/27, Bierman, Megerian, 4.64M), "like many of Trump's threats on Twitter and elsewhere, this one appears mostly about political posturing." Trump "enjoys a headline-grabbing fight, even with those most helpful to him. He has lambasted Fox News, former members of his administration, and senior Republican lawmakers at times, either out of anger or to keep them in line." The Washington Post (5/27, Dwoskin, 14.2M) reports that the Wall Street Journal "reported last week that Trump was considering creating a White House panel that would examine complaints of bias against conservatives on social media and other online platforms."

Bloomberg (5/27, 4.73M) report that in comments to White House reporters on Wednesday, White House Counselor Kellyanne Conway "said social media helps conservatives skirt the mainstream news media." Conway said, "The President's saying, 'Please stop suppressing conservative voices.'" Conway said in an interview with WLW-AM Cincinnati (5/27, 19K), "The President is very clear about social media not being a suppression tool for conservative voices. I found it really rich and ironic that the fact-checkers, quote-unquote, that Twitter relied upon were CNN and the Washington Post. They need to be fact-checked themselves." Conway added, "I think the President realizes that he is responsible for what I call the democratization of information, that the same people get a presidential communication all at the same time. ... He wants to make sure that conservative voices are not suppressed."

On Fox News' Fox & Friends (5/27, 831K), Conway said, "So many conservatives feel like they don't have a voice in the mainstream media. You've seen the statistics; they are unignorable. Fact check: over 90 percent of mainstream media reportedly vote for the Democratic presidential candidate. So many conservatives and many non-liberals and many non-voters feel like they have a platform on social media that allows them for free to express themselves. So we turn around and we use the same people who are going to endorse Joe Biden for president, reluctantly, are constantly attacking the President and the people around him. ... And they are relying upon the same people to attack him all day long to fact check him." Conway was also interviewed on WSB-AM Atlanta (5/27, 52K).

However, Politico (5/27, Forgey, 4.29M) reports that "public-interest groups and civil liberties advocates say there is no clear evidence that tech companies suppress conservative viewpoints." The Wall Street Journal (5/27, Subscription Publication, 7.57M) argues in an editorial that Twitter's decision to attach the fact-check label to Trump's posts gave him evidence to make his point that social media and tech firms are out to get him and his followers. Twitter CEO Jack Dorsey, the Journal argues is priming social media platforms for government regulation.

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The New York Times (5/27, Conger, Alba, 18.61M) reports that Trump supporters "swung into action" soon after Twitter added the label to his tweets. Trump supporters "targeted one of the company's executives for old tweets in which he had criticized the president and other Republicans." Lawmakers including Sens. Josh Hawley (R-MO) and Marco Rubio (R-FL) "said they would move to regulate Twitter." Conservative pundits "such as Trish Regan and websites like the Gateway Pundit decried the decision and accused Twitter of bias. The furor quickly spread through dozens of Facebook groups, Reddit forums and YouTube videos." The Times says, "The right-wing backlash against Twitter built even as some researchers questioned how effective the labels on Mr. Trump's tweets would be."

Court Ruling Suggests Trump's Anti-Twitter Push May Not Be Well Received. Politico (5/27, Gerstein, 4.29M) reports that a ruling Wednesday by the District of Columbia Circuit Court of Appeals "is strong evidence that the courts are unlikely to be receptive to President Donald Trump's claims that he and his political supporters are being silenced by social media platforms like Twitter." The court "resoundingly rejected a lawsuit the conservative legal organization Freedom Watch and right-wing provocateur Laura Loomer filed in 2018 against four major technology companies: Google, Facebook, Twitter, and Apple." The decision "is dismissive of a wide range of legal claims some conservatives and liberals have leveled at social media firms in recent months. The appeals court judges said that despite the companies' power, they cannot violate the First Amendment because it only regulates governments, not the private sector."

Zuckerberg Criticizes Twitter For Fact-Checking Trump. Fox News (5/27, Halon, 27.59M) reports on its website that Facebook CEO Mark Zuckerberg criticized Twitter for fact-checking Trump. In an interview set to air on Fox News' Daily Briefing Thursday, Zuckerberg said privately-owned digital platforms should not b e the "arbiter of truth." Zuckerberg said, "We have a different policy than, I think, Twitter on this. ... I just believe strongly that Facebook shouldn't be the arbiter of truth of everything that people say online. ... Private companies probably shouldn't be, especially these platform companies, shouldn't be in the position of doing that."

Twitter's Top Censor Has Posted Anti-Trump Tweets. In a piece for The Federalist (5/27, Reynolds, 126K), Ellen Reynolds cites "anti-Trump tweets by Yoel Roth, Twitter's Head of Site Integrity since July 2018," as "the latest example of the extreme leftward slant and double standards held by those at the helm of Silicon Valley social media giants." On Election Night 2016, Roth tweeted, "I'm just saying, we fly over those states that voter for a racist tangerine for a reason." While Roth "is free to express his political views," the New York Post's Jon Levine, who resurfaced the tweets, "points out, Roth's job description means he 'leads the teams responsible for developing and enforcing Twitter's rules.'"

Twitter Allows Photo Falsely Linking Minnesota Cop To "Make Whites Great Again" Hat. Breitbart (5/27, Caplan, 673K) reports that Twitter has not taken action after "several verified accounts on Wednesday posted a photo falsely linking a Minneapolis police officer – infamous after he was caught on video kneeling on a now-deceased black man's neck – with a man wearing a 'Make Whites Great Again' baseball hat." Users upset with the officer, who is believed to be Derek Chauvin, "began sharing a photo collage which falsely suggests is wearing a red baseball hat that reads 'Make Whites Great Again.'" But "the man on the right is not Chauvin but appears to resemble former federal prisoner Jonathan Lee Riches."

Twitter Fact-Checks Chinese Official After Questions About Double Standard For Trump. The New York Post (5/27, Nelson, 4.57M) reports that amid "an apparent double standard in its lack of fact-check warnings on tweets by a Chinese government spokesman versus the hardline it took with President Trump this week, Twitter on Wednesday added notations to the postings, which falsely accused the US government of causing the coronavirus pandemic." When The Post "asked Twitter spokeswoman Liz Kelley whether the company would similarly annotate Zhao Lijian's dubious March tweets, she said they would not add fact-check warnings 'at this time.'" But Kelly "later said the company had changed its mind" and "after further review, we've added labels to these two tweets."

Twitter Facing Pressure After Trump Pushes Baseless Conspiracy Theory About Scarborough. On ABC's Good Morning America (5/27, 3.47M), Cecilia Vega said the Trump has "repeatedly spread a baseless murder conspiracy to smear MSNBC host Joe Scarborough." Paula Reid said on CBS This Morning (5/27, 2.79M) that Twitter "has been facing pressure" after the President "pushed a baseless conspiracy theory accusing" Scarborough "of killing his former staff member, Lori Klausutis." According to Reid, Klausutis "suffered a heart condition that caused her to fall and hit her head in Scarborough's office in 2001. A medical examiner ruled her death an accident." Peter Alexander said on NBC's Today (5/27, 3.33M) that Twitter is "under fire" for the "incendiary tweets falsely suggesting...Scarborough may have been personally involved" the death.

The New York Times (5/27, Grynbaum, Tracy, Cochrane, 18.61M) reports that "some of President Trump's most stalwart media defenders broke ranks with him...aghast at his baseless smears against" Scarborough. The Times says "the backlash even spread to the senior levels of Mr. Trump's party on Capitol Hill," where Rep. Liz Cheney (R-WY) said the President "should drop the matter." However, according to the Times, "The vast majority of Republican officials have kept silent...and the most prominent conservative voices on Fox News, like Sean Hannity, let the subject go unmentioned on recent broadcasts." The Times points out that Trump's repeated accusations against Scarborough have drawn criticism from right-of-center outlets including the Wall Street Journal, the New York Post and the Washington Examiner.

The Washington Post (5/27, Wagner, Kane, 14.2M) reports that House Minority Leader McCarthy "declined to weigh in...on a baseless conspiracy theory being promoted by...Trump, saying he did not serve with the former congressman whom the president has falsely linked to the death of a staff member."

Despite the criticism, Trump raised the issue again on Wednesday, The Hill (5/27, Chalfant, 2.98M) reports. Minutes before Scarborough's morning show concluded, Trump tweeted, "Psycho Joe Scarborough is rattled, not only by his bad decisions, but all of the things and facts that are coming out on the internet about opening a Cold Case. He knows what is happening!"

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A Washington Post (5/27, 14.2M) editorial argues that while Twitter "has provoked outrage for its refusal to remove disgraceful tweets" from Trump about the death of Scarborough's aide, "the debate shouldn't obscure the obvious: The bigger problem is the president." Trump's messages "are not only instructive in their vileness: They also have potential to do great damage. Twitter should develop a more coherent framework to deal with speech by world leaders; with real-world harm, including harassment; and with misinformation – and to articulate how they knit together in this case and in others."

Romney Defends Scarborough, Tells Trump "Enough Already." The Washington Times (5/27, Blake, 492K) reports Sen. Mitt Romney (R-UT) called on Trump to stop pushing the conspiracy theory. Romney "took to Twitter to defend Mr. Scarborough" and urge the President "to stop spreading the conspiracy theory to spare the aide's widower Timothy J. Klausutis the anguish it brings." Romney tweeted, "I know Joe Scarborough. Joe is a friend of mine. I don't know T.J. Klausutis. Joe can weather vile, baseless accusations but T.J.? His heart is breaking. Enough already."

Scalia: Americans Should Be Looking To Pivot From "$600 Plus-Up."

Labor Secretary Scalia said on Fox Business' Making Money (5/27), "When the CARES Act was enacted, one of the really important supports that it included for American workers that $600 plus-up on top of the regular state unemployment compensation. It was at a time where our governments, states and locales were prohibiting people from getting to the work place. We had never been in a situation like that and we wanted to tide people over for what we expected to be a short period of time when in many places they couldn't get to work. ... We're now in a very different phase. We're pivoting. We're reopening."

Boeing Laying Off More Than 12,000 Workers.

The AP (5/27, Koenig) reports that Boeing is "cutting more than 12,000 jobs through layoffs and buyouts as the coronavirus pandemic seizes the travel industry. And the aircraft maker says more cuts are coming." The AP adds that Boeing "had said it would cut 10% of a workforce that numbered about 160,000," and "a Boeing spokesperson said Wednesday's actions represent the largest number of job cuts, but several thousand additional jobs will be eliminated in the next few months."

Reuters (5/27, Shepardson) reports that in April, Boeing "recorded zero orders for the second time this year and customers canceled another 108 orders for its grounded 737 MAX plane, compounding its worst start to a year since 1962." According to Reuters, Boeing "said it expects to resume 737 MAX deliveries in the third quarter following regulatory approvals, with production re-starting at low rates in the second quarter before gradually increasing to 31 per month during 2021." Politico (5/27, Gurciullo, 4.29M) also covers Boeing's announcement.

GE Sells Light Bulb Business.

The Wall Street Journal (5/27, Gryta, Lombardo, Subscription Publication, 7.57M) reports General Electric is exiting the business of making light bulbs after reaching a deal worth about $250 million to sell the unit to Savant Systems, a provider of smart-home technology. GE has recently been engaged in seeking buyers for some of its businesses in order to lower its debt burden.

Scrutiny Over Executive Compensation Could Intensify Amid Coronavirus Layoffs.

The AP (5/27, Choe) reports, "The typical pay package for CEOs at the biggest U.S. companies topped $12.3 million last year, and the gap between the boss and their workforces widened further, according to AP's annual survey of executive compensation." Median pay for CEOs in the survey rose 4.1 percent last year, while "for the typical worker at their companies, it rose 3.2%." The AP notes "the survey's results are from before the coronavirus pandemic upended everything." Now, there's a possibility "the outbreak will do what rising anger about income inequality has not in recent years: pull executive compensation lower."

Nissan, Renault Unveil Plan To Reboot Alliance.

The New York Times (5/27, Dooley, Ewing, 18.61M) reports, "Nissan and Renault, the quarrelsome main partners in the world's largest automaking alliance, announced a plan on Wednesday to try to reset their troubled relationship as they seek to survive the coronavirus's devastating impact on the car industry." The plan "seeks to more clearly delineate each company's turf so they can better absorb catastrophic declines in sales while developing new technologies they need to remain competitive." Under the reshaped alliance, "Nissan will be the dominant partner in Japan, China and the United States, while Renault will take the lead in Europe, Russia, Africa and Latin America." Also, Nissan will "take the lead on development of autonomous driving technology and Renault will be in charge of developing electric vehicles."

Arizona AG Files Lawsuit Accusing Google Of "Unfair Practices" To Gain Access To User Data.

The Washington Examiner (5/27, Neale, 448K) reports, "The attorney general of Arizona filed a consumer fraud lawsuit against Google, alleging the technology company uses 'unfair practices' to gain access to user data." Mark Brnovich announced the lawsuit "in a tweet posted Wednesday night that accused Google of exploiting data to fund its 'lucrative advertising business.'" [illegible] consumer fraud lawsuit against Google for deceptive and unfair practices used to obtain users' location data, which Google then exploits for its lucrative

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advertising business."

US Surpasses 100,000 Deaths From Coronavirus.

On NBC Nightly News (5/27, story 2, 3:20, Holt, 6.89M), Miguel Almaguer reported that as the US "struggles to protect public health and open the economy, a grim reminder of what is at stake and already lost. The US coronavirus death toll now rising above 100,000." The CBS Evening News (5/27, lead story, 3:50, O'Donnell, 4.93M) reported "more than 100,000 lives have been lost to the coronavirus nationwide. ... 100,000 souls lost not to a war or to terrorism, but to a virus that didn't exist just a few months ago, to an illness that does not discriminate or show mercy." The AP (5/27, Johnson, Haigh, Pane) reports that early on, President Trump "downplayed the severity of the coronavirus and called it no worse than the common flu. He previously predicted the country wouldn't reach this death toll." Critics have said deaths soared "because Trump was slow to respond, but he has contended on Twitter that it could have been 20 times higher without his actions."

The Washington Post (5/27, A1, Parker, 14.2M) reports that as the US reached the "bleak milestone this week," President Trump has been "uncharacteristically silent." The President's "public schedule this week contains no special commemoration, no moment of silence, no collective sharing of grief." Instead, his "most direct comments so far on the number came in a pair of tweets Tuesday, amounting to a preemptive rebuttal." Trump wrote, "For all of the political hacks out there, if I hadn't done my job well, & early, we would have lost 1 1/2 to 2 Million People, as opposed to the 100,000 plus that looks like will be the number. That's 15 to 20 times more than we will lose."

The Washington Post (5/27, Fisher, 14.2M) reports, "Nearly three months into the brunt of the epidemic, 14 percent of Americans say they know someone who has succumbed to the virus." However, "the demise of these 100,000 people has had strangely little public impact in a country with a long history of honoring its fallen and committing to common cause in their memory." Americans have "responded to the coronavirus pandemic with outpourings of gratitude – New Yorkers' nightly chorus of cheers for health-care workers, for example – and widespread cooperation, including extraordinary, quick pivots to staying at home and wearing masks." However, "there have been few expressions of public grief – no gold stars in the windows of homes where people died, no outcry for national unity or memorials, as happened after the Sept. 11, 2001, terrorist attacks."

On ABC World News Tonight (5/27, lead story, 4:10, Muir, 8.26M), Eva Pilgrim reported the President so far on Wednesday had not addressed the milestone, but Joe Biden did release a message, saying, "There are moments so heart-rending that are fixed in all of our hearts. A shared grief. Today is one of those moments."

Networks Remember Those Lost To Coronavirus. The CBS Evening News (5/27, story 7, 2:25, O'Donnell, 4.93M) reported, "We've heard so many numbers over the months, how many cases, how many deaths, but each one of those numbers represents a life that deserves to be remembered, not as a victim of COVID but as someone who was loved, with a unique life story." Likewise, ABC World News Tonight (5/27, story 4, 6:35, Muir, 8.26M) paid "respects to the Americans who lost their lives to coronavirus," and shared "some of their stories."

Trump Cites China Travel Ban In Disputing Criticism He Was Slow To Respond To Coronavirus. On Twitter, President Trump on Wednesday posted, "The Radical Left Lamestream Media, together with their partner, the Do Nothing Democrats, are trying to spread a new narrative that President Trump was slow in reacting to Covid 19. Wrong, I was very fast, even doing the Ban on China long before anybody thought necessary!"

Trump Touts US Testing. President Trump on Wednesday touted the US testing for coronavirus, tweeting, "We pass 15,000,000 Tests Today, by far the most in the World. Open Safely!"

Experts Say Coronavirus Will Impact Daily Life For Foreseeable Future. USA Today (5/27, Ortiz, 10.31M) spoke with "experts in a variety of fields, including public health, business, history, social sciences and the hospitality industry, to get an assessment of what the new normal may look like in the next 100 days. The consensus: It's going to be a bumpy ride." The article looks at the impact of the pandemic on the workplace, schools, and transportation. It also adds that the pandemic could further exacerbate "the country's deep political polarization."

In an article titled "Coronavirus May Never Go Away, Even With A Vaccine," the Washington Post (5/27, Wan, Johnson, 14.2M) reports "even after a vaccine is discovered and deployed, the coronavirus will likely remain for decades to come, circulating among the world's population," much like HIV, measles, and chickenpox. Experts say "embracing that reality is crucial to the next phase of America's pandemic response." They say "the long-term nature" of the disease "should serve as a call to arms for the public, a road map for the trillions of dollars Congress is spending and a fixed navigational point for the nation's current, chaotic state-by-state patchwork strategy."

Trump Planning Fourth Of July Parade In DC Despite Democrats' Concerns.

USA Today (5/27, Wu, 10.31M) reports President Trump "plans to push ahead with plans for a July 4 parade in Washington, D.C., despite objections from local lawmakers and the city's prohibition on gatherings of more than 10 people as it enters a phased reopening on Friday." White House spokesperson Judd Deere said, "As President Trump has said, there will be an Independence Day celebration this year and it will have a different look than 2019 to ensure the health and safety of those attending." On Tuesday, lawmakers representing the Washington region "sent a letter to the Secretaries of Defense and the Interior to state their opposition to the plan."

DC To Begin Reopening On Friday. The Hill (5/27, Sullivan, 2.98M) reports District of Columbia Mayor Muriel Bowser (D) on Wednesday announced "that the city will lift its stay-at-home order on Friday and enter phase one of reopening." She "said that the virus is still circulating but said the city had met its metrics of a 14-day decline in community spread of the virus as well as adequate testing and

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hospital capacity." Bowser "acknowledged that there are risks of an uptick in infections with reopening."

The New York Times (5/27, Steinhauer, 18.61M) reports, "The northern suburbs of Virginia will also begin limited reopenings on Friday, while suburban counties in Maryland remain shuttered, underscoring the challenges that the region faces with boundaries that its residents crisscross daily." The Washington metropolitan area is "among the most interconnected regions in the nation, with a shared public transportation system and entwined economies. The region's unusual symbiosis is further complicated by the movements of congressional lawmakers in and out of town and a mercurial White House, all posing difficulties for the governors of Maryland and Virginia and the mayor of the District of Columbia – a city that lacks the autonomy of states with the same or smaller populations – as they move to bring their economies back to life."

After Meeting With Trump, Cuomo Blasts Republicans Hesitant About Aid For States.

The Washington Post (5/27, 14.2M) reports that speaking to reporters after meeting with President Trump at the White House yesterday, New York Gov. Andrew Cuomo (D) "delivered a fiery defense of federal funding to states that have been hit hard by the coronavirus," and mentioned critics such as Senate Majority Leader McConnell and Sen. Rick Scott (R-FL) "by name." Said Cuomo, "Stop abusing New York. Stop abusing New Jersey. ... Stop abusing the states who bore the brunt of the COVID virus through no fault of their own." According to the Post, "At one point, Cuomo accused Republicans of misrepresenting data on which states receive more net federal funding each year." Cuomo is quoted as saying, "When they make it personal to New York and they're lying, I'm going to point it out. ... They get more money every year. Why should my state give a handout to Sen. McConnell every year?"

Reuters (5/27, Chiacu) reports Cuomo said his meeting with Trump "focused on how to 'supercharge' the economy by investing in infrastructure, and he called on Republicans to approve federal funding to state and local governments crippled by the coronavirus pandemic." Cuomo said, "Pass a piece of legislation that is honorable and decent and does the right thing for all Americans. Why is that so hard?"

The New York Times (5/27, 18.61M) reports that "among the projects on the agenda was the plan to build new rail tunnels under the Hudson River, a project known as Gateway; the expansion of the Second Avenue Subway; and an AirTrain to La Guardia Airport, Mr. Cuomo said. ... 'We have major infrastructure projects in New York that are ready to go, that are desperately needed, that were desperately needed 30 years ago,' Mr. Cuomo said." the Times adds, "All the projects discussed required some level of federal funding or approval," and Cuomo "urged Mr. Trump to help 'get the bureaucracy to move faster' so work could begin." Bloomberg (5/27, 4.73M) reports that New York "plans to fast-track LaGuardia Airport and Penn Station renovations, and Cuomo called for more renewable energy."

The New York Post (5/27, Bowden, Hogan, Feis, 4.57M) reports Cuomo is also "attacking The Post for shining light on his widely-panned state policy barring nursing homes from turning away coronavirus-positive patients, which may have fueled more than 5,000 deaths in the facilities." Cuomo told reporters, "There are columnists who made this point at The Post who are 100 percent supportive of Donald Trump and that's fine – but then believe, you know, we have to kill all Democrats."

Verma Disputes Cuomo's Claim About Federal Nursing Home Advisement. CMS Administrator Verma was asked on the Brian Kilmeade Show (5/27) if, as Cuomo claimed, the Administration advised states to put COVID-positive seniors back into nursing homes. Verma said, "Absolutely not. President Trump took very early action when it came to nursing homes. We prohibited visitors. We put out guidance to the nursing homes and the states and we had a call to action around states really focusing on their nursing homes because we knew they were the most vulnerable. The issue that the governor is bringing up, which I disagree with, is that somehow federal guidance said you should put people who are COVID-positive in a nursing home."

Fauci Warns About Hydroxychloroquine, Party Conventions.

Politico (5/27, Brennan, 4.29M) reports that in a Wednesday appearance on CNN, NIAID Director Fauci "became the first Trump administration official to say definitively that hydroxychloroquine is not an effective treatment for the coronavirus, based on the available data." Fauci is quoted as saying, "The scientific data is really quite evident now about the lack of efficacy." Politico says Fauci "stopped short of calling for an outright ban of the drug, which President Trump said he was taking last week as a preventative measure after a top White House aide was diagnosed with the coronavirus."

The Wall Street Journal (5/27, Restuccia, Subscription Publication, 7.57M) reports Fauci also urged caution over party conventions planned for later this summer. Fauci said officials should "reserve judgment" on moving forward until they have a better idea on whether COVID-19 indicators are improving.

Fauci Says He Wears A Mask As A "Symbol" Of What People "Should Be Doing." USA Today (5/27, Wu, 10.31M) reports Fauci "said Wednesday he wears a mask as a 'symbol' of what 'you should be doing' during the coronavirus pandemic." During his appearance on CNN, Fauci said, "I want to protect myself and protect others, and also because I want to make it be a symbol for people to see that that's the kind of thing you should be doing." While Fauci "acknowledged masks aren't '100% effective,'" he said they are a "valuable safeguard" and part of "respect for another person."

Perdue: Trump Asked USDA To Develop "Farmers To Families Food Box" Program.

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Agriculture Secretary Perdue said on WJAS-AM Pittsburgh (5/27, 2K), "When the coronavirus hit, many people, frankly including me, didn't realize we had such dual supply chains. One supply chain, from production to processing, was used to serve the institutional market. ... It was

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heartbreaking to see good healthy wholesome vegetables being plowed under with no market." Perdue added that the Farmers to Families Food Box program "is the solution to helping that kind of production move to families in need. ... The President was the one, when he started reading the press about products and produce having to be destroyed, he called me and said, 'Sonny we have got to do something about this.' He said, 'We need a plan. Bring me a plan.'"

FDA Relaxes Food Labeling, Information Rules. The Washington Post (5/27, Reiley, 14.2M) reports the FDA "has temporarily loosened labeling and information rules for food manufacturers for the fifth time during the novel coronavirus pandemic." The FDA's rule changes "are intended to ease manufacturers' supply-chain snags, but advocacy groups say they are concerned that the changes will become permanent and that they will present problems for consumers concerned about tracking the provenance of their food." The new guidance "allows manufacturers to substitute hard-to-source ingredients in their products without changing the label. And it allows vending machine operators latitude to omit calorie information for foods sold."

Hargan: Reopening Debate Is Not "Just About Health Versus Dollars."

Deputy HHS Secretary Eric Hargan said on WRKO-AM Boston (5/27, 9K), "It not just about health versus the economy. ... It's also a matter of different kinds of healthcare which are sorting themselves out in different ways as we move through prolonged lockouts at the state and local level. So it is not just about health versus dollars. It's really about balancing health versus health is how we have been talking about it because a lockdown imposes its own costs from a healthcare point of view. ... The concern we have is that Americans aren't getting themselves to those healthcare clinics and hospitals that are going to allow them to get care, necessary care for themselves."

McConnell Defends Mask-Wearing, Social Distancing.

Politico (5/27, Oprysko, 4.29M) reports Senate Majority Leader McConnell "made an extensive pitch for Americans to don face masks as a means to begin returning the country to normalcy while the coronavirus remains a threat." McConnell said at a Kentucky event, "There's no stigma attached to wearing a mask. There's no stigma attached to staying six feet apart."

CNBC's Kernen Accused By Co-Host Of Trying To Boost Trump.

The Washington Post (5/27, Telford, 14.2M) reports that Andrew Ross Sorkin and Joe Kernen, the hosts of CNBC's Squawk Box, on Wednesday "got into a shouting match" after Sorkin "accused his co-host of downplaying the dangers of the pandemic, including the loss of 100,000 American lives." The Post says Kernen "retorted that Sorkin was being an alarmist and sparking undue concern, and maintained that his goal was to help investors keep a cool head." According to the Post, Sorkin "interrupted, suggesting Kernen had repeatedly made light of the pandemic to support President Trump." Sorkin shouted, "100,000 people died, Joe, and all you did was try to help your friend the President. ... Every single morning on this show you abused and used your position."

Former Pelosi Aides Helped Dozens Of Companies Lobby On Relief Legislation.

The Washington Free Beacon (5/27, Goodman, 78K) reports former aides to House Speaker Pelosi have "raked in hundreds of thousands of dollars this year as registered lobbyists on coronavirus-related issues and legislation, according to federal disclosure records reviewed by the Washington Free Beacon." At least seven former aides have "registered as lobbyists on behalf of dozens of companies seeking benefits from coronavirus-related legislation." The records show how "coronavirus relief legislation sparked a lobbying bonanza in Washington, D.C., this spring, benefiting well-connected former political staffers on both sides of the aisle."

NSF Spending Millions To Fund Coronavirus Research Projects.

The Washington Times (5/27, A1, Dinan, 492K) reports the National Science Foundation has "doled out more than $75 million in what is known as Rapid Response Research or 'RAPID' grant funding over the last couple of months, as it seeks to improve understanding of the pandemic." There are "projects to test how to extend the life of the N95 masks that can filter out the coronavirus, or to use algorithms to try to figure out which already approved drugs can be repurposed to try to treat COVID-19. It is also funding "more experimental ideas such as testing whether drones can be used to apply disinfectant over a large area, or whether smarter ventilation in public buildings can reduce the spread of the virus. However, "the NSF is also spending millions of dollars on softer social sciences, such as sociology and cultural anthropology investigations that critics say look a lot like the sort of work journalists publish, free to taxpayers, every day."

Researchers Racing To Develop Test For Coronavirus-Associated Syndrome Affecting Kids.

NBC Nightly News (5/27, story 7, 1:55, Holt, 6.89M) reported on the effort "to develop a new blood test to identify the mystery illness striking children likely related to COVID-19." NBC's Willem Marx added that "scientists say they are close to designing new blood tests to confirm the presence immediately."

With Stay-At-Home Orders Lifted, Contact Tracing Ramps Up.

On NBC Nightly News (5/27, story 8, 2:25, Holt, 6.89M), Catie Beck provided a look at "an average day in the life of a contact tracer." Beck reported, "Without stay-at-home orders in place, tracers become the best tool to flatten the curve." Beck added, "Some estimates say the

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nationwide need for contact tracers could produce as many as 300,000 jobs. Many who find themselves unemployed are now applying for them."

Federalist's Justice: Democrats Skirting Lockdown Rules.

In a piece for The Federalist (5/27, Justice, 126K), Tristan Justice writes, "Those leading the charge to keep America closed seem to have a problem living under their own rules." On Tuesday, Michigan Gov. Gretchen Whitmer (D) was "caught in hot water when her husband sought expedited boat service to take the family out on a lake in northern Michigan." Meanwhile, Illinois Gov. J.B. Pritzker (D) and "his family have been spending time on their farms in Florida and Wisconsin while Pritzker keeps the state on lockdown." In Virginia, Gov. Ralph Northam (D) was "spotted mingling with reporters and constituents on Virginia Beach without wearing a mask even as the governor urged residents to don face coverings when out in public." And in New Mexico, Gov. Michelle Lujan Grisham (D) "stands accused of opening up a jewelry shop to buy an item after ordering all non-essential businesses closed."

KRQE-TV Albuquerque, NM (5/27, 35K) reports on its website that Lujan Grisham's spokesman said "the store was not opened for the governor and stated that 'turning the key inside a door to 'open' a store wouldn't violate the order....'" The governor's office also "says this was an unusual transaction and while 'of course the governor has been telling people to stay home to the greatest extent possible, it also true she's been urging New Mexicans to find ways to support local businesses.'"

Whitmer Accused Of Lying About Husband's Call To Dock Company. The Detroit News (5/27, Mauger, 825K) reports Senate Leader Mike Shirkey on Wednesday accused Whitmer of lying , "saying she had initially 'directed her team to deny' a story about her husband attempting to speed up the launch of his boat during the COVID-19 pandemic." During a speech on the Senate floor, Shirkey asked, "How can the citizens of Michigan trust the governor? What else is she willing to lie about if she lied about putting a boat into water?" In response, spokeswoman Tiffany Brown "said the Republican Senate majority leader's remarks were 'incorrect and unfair' and he owed the governor an apology."

White House Counselor Kellyanne Conway said on WLW-AM Cincinnati (5/27, 19K), "People are suffering right now. That is precisely why the President wants to reopen the country and he has given the states the latitude to do that" but "many of these red state governors and some of these powder blue state governors have done so and other ones refuse to. Look at hypocrite and now-caught liar [Whitmer]. She wants Michiganders to stay home indefinitely. ... Everything is closed except her ability to audition for Joe Biden's VP and her husband calling and looking for a special favor to get his boat in the water. .. It is fine for thee but not for me with some of these blue state governors and I fear that they're creating a pandemic within a pandemic." Conway was also interviewed on WSB-AM Atlanta (5/27, 52K).

California Coronavirus Cases Top 100,000.

The Los Angeles Times (5/27, Fry, Parvini, Luna, 4.64M) reports that the number of coronavirus infections in California "surpassed 100,000 Wednesday," marking the fourth state to surpass 100,000 confirmed cases.

Coronavirus Patients From Mexico Swamping Southern California Hospitals. The Washington Post (5/27, 14.2M) reports that "as Mexico's health-care system has strained under the coronavirus, small community hospitals in Southern California, some of the poorest in the state, have been flooded with Americans who have fallen ill and crossed the border." According to the Post, "They are retirees and dual citizens, Americans working in Mexico or visiting family there." The Post says that "approximately half of the coronavirus patients in several California border hospitals...are recent arrivals from Mexico."

Falwell Jr. Says He'll Only Wear A Mask With Virginia Governor's Blackface Photo.

The Week (5/27, Krawczyk, 1.94M) reports Jerry Falwell Jr. responded to the mask mandate announced by Virginia Gov. Ralph Northam (D) by revealing on Wednesday "he'd ordered a mask printed with the blackface photo found on Northam's college yearbook page – something anyone who sees Falwell wearing the mask will likely not know." While the governor "said he had worn blackface before, he maintained that he wasn't either of the men in the photo, and a three-month investigation couldn't prove it was or wasn't him." The photo on Falwell's mask, "without any context or explanation," might mean "those unfamiliar with Northam's scandal will likely just think Falwell is wearing a racist photo."

NYC Faces Challenges As It Seeks To Recover From Coronavirus.

The Wall Street Journal (5/27, Hilsenrath, King, Subscription Publication, 7.57M) reports on the challenges facing New York City as it seeks to recover from the impact of the coronavirus pandemic and that what happens in New York City may be insightful for other cities affected by the virus.

Chicago Releases Plan For Reopening Restaurants.

The New York Post (5/27, Feis, 4.57M) reports Chicago has released a "13-page list of guidelines for how its eateries can safely resume on-premises service amid the coronavirus pandemic. ... Tables will be placed at least six feet apart, or have a permanent barrier, such as Plexiglass, installed between them, while parties at one table should be capped at six people," according to the guidelines.

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Disney World To Reopen On July 11.

USA Today (5/27, Tate, 10.31M) reports Walt Disney World plans to reopen July 11. Jim McPhee, Senior Vice President of Operations for Walt Disney World, "said the company plans a phased reopening of the park, with the Magic Kingdom and Animal Kingdom opening on July 11," and Epcot and Disney's Hollywood Studios reopening on July 15. Officials in Orange County, Florida and Gov. Ron DeSantis (D), however, "must approve Disney's plan."

The Wall Street Journal (5/27, Schwartzel, Subscription Publication, 7.57M) reports that visitors and staff will be required to wear masks and undergo temperature checks before entering the park. In addition, parades and fireworks presentations will be suspended. The Washington Post (5/27, Zeitchik, 14.2M), among other news outlets, also reports the reopening.

MSNBC Reporter "Called Out" After Shaming Passerby About Not Wearing Mask.

The Washington Times (5/27, Chasmar, 492K) reports MSNBC reporter Cal Perry was "called out during a live segment over Memorial Day weekend after he attempted to shame a Wisconsin passerby for not wearing a mask, before the man quickly pointed out that neither was Mr. Perry's crew." Perry was "reporting live from Lake Geneva on Monday where he claimed that he hadn't met 'anybody' there who was concerned about their own personal safety, and that 'no one' there was wearing face masks to prevent the spread of the coronavirus." Directing the cameraman to a passerby, Perry said, "As you can see, no one is wearing them." The man retorted, "Half your crew's not wearing them."

Warren, Haaland: Federal Government Failing Native Communities During Pandemic.

Sen. Elizabeth Warren (D-MA) and Rep. Deb Haaland (D-NM) write for the Washington Post (5/26, 14.2M) that thus far the US government has "failed to protect American Indians' and Alaska Natives' health" both before and during the coronavirus pandemic, chronically underfunding the Indian Health Service and continuing "a tragic pattern of broken promises to native nations" by shorting them on pandemic aid funding and access to the Strategic National Stockpile. Now, the coronavirus' "terrible impact in Indian Country underscores that the federal government must live up to its unique legal and moral obligations to native nations and act as a partner to help build security and resiliency," the authors write, actions that are supported by "a bipartisan majority of Americans."

Trump Says Obama Administration Spied On His Campaign And Senate.

President Trump tweeted Wednesday at 7:31 a.m., "New papers make CLEAR that the Obama Administration SPIED, in an unprecedented manner, on the Trump Campaign and beyond, and even on the United States Senate. Nobody would ever have believed that this level of illegality and corruption would be taking place in our beautiful USA!" Seven minutes later, the President tweeted, "OBAMAGATE MAKES WATERGATE LOOK LIKE SMALL POTATOES!"

Politico Analysis: Rubio Reluctant To Embrace Anti-Obama/Biden Probes. Politico (5/27, Desiderio, 4.29M) reports that as Sen. Marco Rubio (R-FL) "assumes the acting chairmanship of the Senate Intelligence Committee," he is "distancing himself from a GOP-led probe targeting Hunter Biden," and "has declined to embrace Trump's 'Obamagate' claims. And he is warning the Republicans spearheading the Biden investigation not to promote Russian disinformation in the process." Rubio said last week, "I'm not going to accuse any member who believes that they are exercising oversight to be colluding with a foreign power. I will say to you that I think it's pretty clear that the Russians are constantly pursuing narratives that they believe will drive conflict in our politics and divide us against each other."

Graham Says Rosenstein Will Testify On Russia Probe Next Week.

The AP (5/27, Tucker) reports Senate Judiciary Chairman Lindsey Graham said Wednesday that ex-Deputy Attorney General Rod Rosenstein will testify before the panel next week "on the Justice Department's Russia investigation. ... The hearings are part of a broader effort by allies" of the President "to call into question decisions and actions made during the Russia investigation." Reuters (5/27) reports Graham said Rosenstein "would offer 'new revelations' about federal surveillance practices." The Washington Times (5/27, Mordock, 492K) reports, "In a statement Mr. Rosenstein said he was 'grateful' for the opportunity to discuss the FBI and Justice Department's decision-making as it probed alleged ties between the Trump campaign and Russia."

The New York Times (5/27, Benner, 18.61M) says Graham "is among the Trump allies who have sought to conflate the broader Russia investigation with narrower aspects of it that an independent watchdog has faulted." Graham said that Rosenstein would address findings in a report by DOJ IG Michael Horowitz "that investigators' applications to wiretap a former Trump campaign adviser, Carter Page, were riddled with errors and other problems." The Washington Examiner (5/27, Dunleavy, 448K) and Politico (5/27, Desiderio) also have reports.

Tony Shaffer of the London Center for Policy Research writes in the Daily Caller (5/27, Shaffer, 716K), "The Democrats' 'Russian collusion' crusade was never about national security – and now the American people are finally learning the truth. ... The entire Russian collusion hoax was put in motion even before" Trump became the GOP presidential nominee, and after Trump's unexpected election, the Obama Administration "was left with no choice but to shift gears from insurance to vengeance. We're only beginning to scratch the surface of this scandal, but what we've already discovered should shock even the most cynical Americans."

AP Analysis: Russia Inquiry Probe Could Have Election Impact. The AP (5/27, Tucker, Balsamo) says in an analysis that while Attorney General Barr does not expect "a criminal inquiry into the origins of the Russia investigation to target" former President Obama or Joe

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Biden, "that doesn't mean the investigation. ... The inquiry could conclude this summer, meaning fresh revelations might be exploited by Trump in the heat of the election season to damage Biden or to attack the Obama administration."

FISA Bill "Collapsed" Due To Opposition From Trump, GOP.

The Washington Post (5/27, Nakashima, Debonis, 14.2M) reports the effort to pass the overhaul package "collapsed Wednesday evening, falling victim to presidential tweets, opposition from the Justice Department and the fracturing of a fragile coalition among liberals, moderates and conservatives." The pulling of the bill "came a day after the president tweeted his disfavor, ostensibly on grounds that it fails to address what he calls 'the greatest political, criminal, and subversive scandal in USA history.'"

The AP (5/27) reports the legislation was imperiled after President Trump, the DOJ, and congressional Republicans "all came out in opposition." The legislation "passed the House with bipartisan support in March" after Attorney General Barr "negotiated a deal with Republican and Democratic House leaders. But that consensus began to crumble after Trump signaled he would veto the latest version of the bill." The President tweeted Wednesday afternoon, "WARRANTLESS SURVEILLANCE OF AMERICANS IS WRONG!"

Politico (5/27, Ferris, Caygle, Cheney, Bresnahan, 4.29M) reports House Speaker Pelosi made "a last-ditch attempt to salvage [the] contentious bill...amid mounting opposition from Republicans and liberals in their own party." The Washington Examiner (5/27, Yilek, 448K) reported earlier that the DOJ said Barr would have recommend a presidential veto of the bill. The Hill (5/27, Rodrigo, Carney, 2.98M) and CQ Roll Call (5/27, Lesniewski, 154K) also report on the prospects for the bill.

Verma, Conway Tout Administration Plan To Cap Insulin Costs For Medicare Patients.

CMS Administrator Verma was asked on the Brian Kilmeade Show (5/27) about the Administration plan that will cap costs on insulin for Medicare patients. Verma said, "This is really a massive step in the President's efforts to lower drug pricing. We know that there has been just a lot of regulatory barriers. We had hoped that Congress would take action but because they didn't, we didn't want to wait. We wanted to do everything we could to lower prices. So, essentially what we have done is get rid of an Obamacare provision that prevents plans from lowering out-of-pocket costs for seniors and it essentially allows them to do this and also the manufacturers to increase their discounts for patients." Verma added that it is "really a historic step for the Administration and for drug proving because it shows that the private market can work when the incentives are appropriately aligned."

White House Counselor Kellyanne Conway said on WLW-AM Cincinnati (5/27, 19K) that the insulin agreement will "result in a 66 percent reduction in out-of-pocket costs for insulin users among our seniors. About one in three Medicare recipients say they have diabetes and millions use one or more forms of insulin. They will now see a maximum $35 a month co-pay. That gives them accessibility, affordability, and most importantly, it gives them consistency and predictability." Conway added, "This really comes on the heels of three consecutive years in which the Medicare Part D premiums have declined under President Trump." Conway was also interviewed on WSB-AM Atlanta (5/27, 52K).

Trump Jr.: Democrats Are "Official Party For Illegal Immigrants."

The Washington Examiner (5/27, Soellner, 448K) reports Donald Trump Jr. "dubbed the Democratic Party 'the official party for illegal immigrants' in an op-ed for the Hill, accusing the party's members of putting the interests of illegal residents" over citizens. Trump Jr. writes in The Hill (5/27, 2.98M), "It's far easier to acknowledge that the Democratic Party unequivocally supports illegal immigration and open borders than it is to do the mental gymnastics necessary to construct the fantasy that the Democratic Party actually believes in a lawful, limited immigration system."

CBP Seizes $2.4M Worth Of Methamphetamine In Border Vehicle Inspection.

The Washington Examiner (5/27, Ortiz-Lytle, 448K) reports Customs and Border Protection officers "seized 172 pounds of methamphetamine during a vehicle inspection" at the World Trade Bridge in Laredo, Texas on Monday. The drugs "have a street value of $2.4 million."

Huawei CFO One Step Closer To Being Extradited To US.

The New York Times (5/27, Sherlock, Bilefsky, 18.61M) reports that Meng Wanzhou, the chief financial officer of Huawei, "came one step closer to standing trial in the United States on sweeping fraud charges after a Canadian court ruled on Wednesday that prosecutors had satisfied a critical legal requirement for her extradition from Canada." Meng "will have another chance to fight for her release at a June 15 hearing on whether her rights were violated during her arrest at the Vancouver airport in December 2018." Meng's arrest has "thrust Canada into the middle of a diplomatic struggle between the United States and China – over trade, theft of technology secrets and whether Huawei's efforts in helping countries build 5G next-generation mobile networks present a threat to national security."

Reuters (5/27, Warburton, Vikander) reports that the Global Times, "published by the People's Daily, the official newspaper of China's ruling Communist Party, said the ruling 'will make Canada a pathetic clown and a scapegoat in the fight between China and the U.S.'" The Wall Street Journal (5/27, McNish, Subscription Publication, 7.57M), among other news outlets, also reports the judge's ruling.

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Trump Says He Has Asked For Floyd Investigation "To Be Expedited."

President Trump tweeted Wednesday, "At my request, the FBI and the Department of Justice are already well into an investigation as to the very sad and tragic death in Minnesota of George Floyd. I have asked for this investigation to be expedited and greatly appreciate all of the work done by local law enforcement. My heart goes out to George's family and friends. Justice will be served!" On ABC World News Tonight (5/27, story 2, 4:25, Muir, 8.26M), Alex Perez reports Trump addressed the case on Wednesday. Trump said, "I'm very sad about it. Very, very sad, sad event." The Washington Post (5/27, Sullivan, 14.2M) reports that Joe Biden also "condemned the death of an African American man after he was taken into police custody in Minnesota, referring to the incident as a 'horrific killing' that required a civil rights investigation by federal authorities."

On the CBS Evening News (5/27, story 4, 2:25, 4.93M), Norah O'Donnell reported on "new developments in the death of George Floyd, the unarmed Black man in Minneapolis who died while in police custody. ... The mayor says he wants the police officer who pressed his knee to Floyd's neck to be prosecuted." CBS' Jeff McCabe: "New cell phone video shows the initial arrest. Officers are seen taking George Floyd out of his vehicle. ... A handcuffed Floyd is walked across the street toward a police car. In the distance, you can see Floyd fall. In this newly circulated video, three officers have Floyd pinned on the ground, while another stands over them. You can hear Floyd pleading for air. ... The officer who pressed his knee to Floyd's neck has been identified as Derek Chauvin. He doesn't let up until the 46-year-old's listless body is put on a stretcher. ... He was later pronounced dead at the hospital."

Reuters (5/27, O'Brien) reports Minneapolis Mayor Jacob Frey (D) "called on prosecutors to file criminal charges" against Chauvin, who "along with three others involved in the apprehension of George Floyd" was "dismissed from the police force on Tuesday, the day after the deadly incident unfolded in Minnesota's largest city." Frey said at a news briefing, "Why is the man who killed George Floyd not in jail? If you had done it or I had done it we would be behind bars right now." The Washington Post (5/27, Chiu, 14.2M) reports, "Visibly emotional, Frey said precedent encouraged him 'not to speak out. Not to act so quickly. And I've wrestled with more than anything else in the last 36 hours one fundamental question: Why is the man who killed George Floyd not in jail?'"

The Wall Street Journal (5/27, Ailworth, Kesling, Subscription Publication, 7.57M) reports protests continued in the city on Wednesday evening, turning violent in some cases. On NBC Nightly News (5/27, lead story, 3:05, Holt, 6.89M), Gabe Gutierrez reported, "Crowds of protesters clashed with police" Tuesday night, and "hundreds of protesters gathered outside of [a] police precinct" on Wednesday. The Minneapolis Star Tribune (5/27, 1.04M) reports, "In a series of clashes at the Third Precinct, rocks and bottles were thrown at police Wednesday, and they responded with tear gas and flash grenades."

Civil rights and trial attorney Ben Crump writes in the Washington Post (5/27, Crump, 14.2M), "This cascade of recent cases – Ahmaud Arbery, jogging while black; Breonna Taylor, sleeping while black; and most recently, George Floyd, encountering police while black – has sharpened the focus of all Americans on two inescapable realities: Our society and its institutions place a perilously low value on black lives, and it's inherently dangerous to be black in America."

NYTimes Analysis: Minneapolis Police Have Been "Long Accused Of Racism." In an analysis piece titled "Minneapolis Police, Long Accused Of Racism, Face Wrath Of Wounded City," the New York Times (5/27, A1, Furber, Eligon, Burch, 18.61M) says "excessive force complaints against Minneapolis officers have become commonplace, especially by African-American residents." Chauvin "had several complaints filed against him, three of which led to reprimands for his language and tone." African Americans "account for about 20 percent of the city's population, but they are more likely to be pulled over, arrested and have force used against them than white residents." African Americans "accounted for more than 60 percent of the victims in Minneapolis police shootings from late 2009 through May 2019, data shows."

DeVos Says School Districts Will Have To Share CARES Act Funds With Private School Students.

The New York Times (5/27, Green, 18.61M) reports Education Secretary DeVos, "defiant amid criticism that she is using the coronavirus to pursue a long-sought agenda, said she will force public school districts to share a large portion of federal rescue funding with private school students, regardless of income." In a letter to the Council of Chief State School Officers last week, DeVos wrote, "The CARES Act is a special, pandemic-related appropriation to benefit all American students, teachers and families. There is nothing in the act suggesting Congress intended to discriminate between children based on public or nonpublic school attendance, as you seem to do. The virus affects everyone."

High Schools Innovate To Hold Graduation Ceremonies.

The CBS Evening News (5/27, story 10, 1:45, O'Donnell, 4.93M) aired a feature on how some high schools are handling graduation ceremonies with schools shut down, focusing on a ceremony held at the Texas Motor Speedway, where social distancing was possible.

WPost: Congress Should Bring Internet To Those Who Lack It.

A Washington Post (5/27, Board, 14.2M) editorial says that while the digital divide "was a problem before the pandemic," it is now "an existential problem for students who can't access live-streamed classes, for the ill who can't virtually consult with a doctor, for isolated individuals who can't find human connection on their laptop screens." The Post calls on Congress to "do whatever it can during this crisis to bring the Internet to those who don't have it and to ensure that those who do have it don't lose it. But it should also be working for a country

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after the crisis, forged by the crisis, with resilient, secure and universally available connection."

White House Declines To Detail Reasons For Ouster Of IGs.

The AP (5/27) reports that the White House maintains that President Trump "followed the law when he fired multiple inspectors general in the last two months," but has "offered no new details about why the internal watchdogs were let go." Sen. Charles Grassley (R-IA), identified as "a longtime, self-appointed defender of inspectors general and congressional oversight...requested that the White House explain the basis for the firings in April and May of the inspectors general for the intelligence community and the State Department." White House Counsel Pat Cipollone's response "does not provide those details, instead making the points that Trump has the authority to remove inspectors general."

Pompeo's Board Of CIA Advisers Draws Scrutiny.

Politico (5/27, Bertrand, 4.29M) reports that when he was Director of the CIA, Secretary of State Pompeo "put together an undisclosed board of outside advisers...that some at the agency viewed as inappropriately weighted toward wealthy individuals and well-connected political figures." According to Politico, "The advisers were often treated to elaborate multiday experiences that included 'lavish' dinners, classified briefings, and at least one trip to the CIA's secret training facilities, the sources said." The events planned for Pompeo's external advisory board "didn't run afoul of any laws," but "several former senior CIA officials...said they thought the then-director 'crossed a line' in his use of the external advisory board to charm business leaders and influential political figures."

WSJournal Takes Issue With Criticism Of Hassett.

A Wall Street Journal (5/27, Subscription Publication, 7.57M) editorial takes issue with criticism of White House economic adviser Kevin Hassett after he said in an interview, "Our human capital stock is ready to get back to work." The Journal points out that Democrats and liberal media outlets blasted Hassett for his use of the term "human capital stock" which they claim is rooted in slavery. The Journal says it is the term economists use for the knowledge and skills workers gain through education, training, and experience.

Complaint Alleges Pharmacy Retailers Were Complicit In Perpetuating Opioid Crisis.

The New York Times (5/27, Hoffman, 18.61M) reports, "Through years of lawsuits and rising public anger over the opioid epidemic, the big American pharmacy retailers have largely eluded scrutiny." However, "a new court filing Wednesday morning asserts that pharmacies including CVS, Rite Aid, Walgreens and Giant Eagle as well as those operated by Walmart were as complicit in perpetuating the crisis as the manufacturers and distributors of the addictive drugs." According to the complaint filed by two Ohio counties in federal court in Cleveland, "the retailers sold millions of pills in tiny communities, offered bonuses for high-volume pharmacists and even worked directly with drug manufacturers to promote opioids as safe and effective."

Trump Praises "Hard Work And Leadership" Of NASA And SpaceX After Launch Scrubbed.

Norah O'Donnell reported on the CBS Evening News (5/27, story 2, 2:10, 4.93M), "History will have to wait, at least a few more days. The first launch of astronauts on a private rocket was scrubbed late today because of the one thing SpaceX cannot control: the weather. Storms with lightning can pose a major threat to spacecraft, but they'll try again over the weekend." Gio Benitez reported on ABC World News Tonight (5/27, story 3, 1:45, Muir, 8.26M), "With less than 20 minutes to go," the launch was "aborted. The next time they can launch is Saturday at 3:22 p.m."

On NBC Nightly News (5/27, story 3, 2:05, Holt, 6.89M), Peter Alexander reported, "Ahead of today's scrubbed launch, President Trump tour[ed] NASA's campus, striking an uplifting note." Trump: "Great achievement for our country and our country is number one." Alexander: "Members of the President's family traveling with him wearing masks, the First Lady seen wearing her mask aboard Marine One."

The AP (5/27, Freking, Madhani) reports that Trump's "plan to celebrate the first space launch of American astronauts from U.S. soil in nearly a decade...hit a snag when the mission was postponed at the last minute because of bad weather." The President tweeted after the launch was scrubbed, "Thank you to @NASA and @SpaceX for their hard work and leadership. Look forward to being back with you on Saturday!" Politico (5/27, Bender, Feldscher, 4.29M) says the President "considers the mission a major step in revitalizing the space program and ushering in a new era for more routine trips not only for NASA but private entrepreneurs and eventually even average citizens."

Earlier in the day, several Administration officials discussed the significance of the launch. Appearing on Fox News' Fox & Friends (5/27, 831K), NASA Administrator Bridenstine said, "We have put astronauts on brand new space craft four times...Mercury, Gemini, Apollo and the shuttle program. And now we are doing it on a SpaceX Falcon Nine rocket with a crew, Dragon. This is very significant. ... We quit flying humans back in 2011 with the retirement of the space shuttles. ... America has to lead in space. ... The President just has been so amazingly supportive of space in general. We are talking about exploration, but also national security and defense."

NBC Nightly News (5/27, story 5, 2:15, Holt, 6.89M) showed Bridenstine saying, "NASA is entrusting the lives of astronauts to SpaceX and NASA. So we have had our engineers and our technicians working side-by-side with SpaceX this entire time, and, yes, we're confident." Bridenstine was also interviewed on KOTV-TV Tulsa, OK (5/27, 31K) and in two segments on the Weather Channel (5/27, 100K).

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In an appearance on Fox Business' Mornings With Maria (5/27), Commerce Secretary Ross said, "What has happened is that, in

contrast to 2011 when President Obama took us out of the space launch business that ended our leadership in space launch, now we are going to get it back. ... We were paying the Russians up to $86 million per seat to take our astronauts to our space station. That's now over with, and it's important both commercially and militarily."

NASA Deputy Administrator James Morhard said on KYW-TV Philadelphia (5/27, 43K), "You think about NASA and throughout its history, we've designed, we've built, and then launched and operated spacecraft and rockets. And this is the first time that we're using a commercial entity to really develop and build this rocket in a partnership with us. That's never happened before." Morhard was also interviewed on WBAL-AM Baltimore (5/27, 25K) and WMAL-AM Washington (5/27). NASA Chief of Staff Gabe Sherman also discussed the launch on KPRC-TV Houston (5/27, 50K), KSNV-TV Las Vegas (5/27, 12K), and Newsmax TV (5/27, 431K).

Politico Analysis: Trump And Musk Have "A Lot In Common." Politico (5/27, Nguyen, 4.29M) says Trump and SpaceX founder Elon Musk have "a lot in common." According to Politico, Musk "has lost some of his fan base in recent months...due to his frequent statements downplaying the severity" of the coronavirus pandemic, "his deliberate actions defying stay-at-home orders and his threat to uproot Tesla from California." However, Politico says Musk has also "gained new admirers – thanks to his public spats with California lawmakers over his desire to reopen his factories in spite of government orders, his desire to keep the lights on and, crucially, his growing disdain for media outlets such as CNN."

Trump Tweets Video Of Dobbs Calling Him Greatest President In History.

In a tweet Wednesday evening, President Trump posted a video of Fox Business host Lou Dobbs saying, "This President is not a politician. He is arguably the greatest President in our history." Trump wrote, "'He is arguably the greatest president in our history.' Thank you @LouDobbs!"

In Tweet, Trump Touts His Accomplishments As President. President Trump on Wednesday responded to a tweet from Erick Erickson titled "Ex-Never Trumper Erick Erickson on GOP elite dilemma." In a responding tweet, Trump wrote, "Who else gave the less than elite (We are the elite. We know how to WIN!) 260 great new Federal Judges, 2 SCJ's, Low Taxes, biggest ever REG. CUTS, Rebuilt Military, Choice, saved 2A & MUCH more? Not Sleepy Joe! Thank you Erick."

Senate Democrats Take Aim At Trump's Judicial Nominations Adviser.

CNBC (5/27, Schwartz, 3.62M) reports on its website that Senate Minority Leader Schumer and other Democrats are scrutinizing one of President Trump's "outside advisors and his multimillion-dollar 'dark money' network for its work on the president's judicial nominations." Senate Democrats on Wednesday "published a report...that said that Leonard Leo, a conservative activist, and his influential network have rigged the judicial nominating and approval process." According to CNBC, "Since Trump became president in 2016, he has turned to Leo to help guide his selections for judicial appointments, including to the Supreme Court."

"Whisper Campaign" Says Thomas Is Considering Retiring From Supreme Court.

The Hill (5/26, Kruzel, 2.98M) reports that "the question of whether President Trump will get to select a third Supreme Court justice hangs over the final weeks of the court's term." Recent statements by leading Senate Republicans who "said they would confirm a new justice if given the chance despite 2020 being an election year," have "revived the unsubstantiated whisper campaign that [Justice Clarence] Thomas was considering retiring now to allow Republicans to replace him with a like-minded, though younger, jurist to lock down conservatives' 5-4 majority." Rumors of Thomas' departure have circulated since Trump's election.

Book Claims Bill Clinton Had Affair With Ghislaine Maxwell.

The New York Post (5/27, Goodman, Halper, 4.57M) reports that former President Bill Clinton had an affair Ghislaine Maxwell, "who is accused of helping recruit underage victims for notorious pedophile Jeffrey Epstein," according to the "blockbuster" new book "A Convenient Death: The Mysterious Demise of Jeffrey Epstein," by Alana Goodman and Daniel Halper. Clinton "reportedly engaged in the romps during overseas trips on Epstein's private plane, a customized Boeing 727 that's since become known as the 'Lolita Express.'"

AIDS Activist Kramer Dies.

ABC World News Tonight (5/27, story 6, 0:25, Muir, 8.26M) reported that "playwright and AIDS activist, Larry Kramer, has died." Kramer "he worked tirelessly to force the country to recognized AIDS as a public health emergency." He was "the founder of the Gay Men's Health Crisis, and the group ACT UP." NBC Nightly News (5/27, story 9, 2:25, Holt, 6.89M) provided similar coverage.

State Officials Have A Short Time To Decide Whether To Shift To Mail-In Voting.

Bloomberg (5/27, 4.73M) reports election officials "have just weeks left to ensure that their states can handle a surge of mail-in votes in November in the face of fierce opposition" from President Trump and other Republicans. According to Bloomberg, "With just a little more than five months to Election Day, localities and states need to decide soon whether to buy new equipment to help sort, verify and count mail-in ballots – if they can afford it – or rely on staff to manually handle the crush of incoming mail." Bloomberg adds "the pressure is particularly acute in the battleground states of Wisconsin and North Carolina, which have not traditionally had high rates of vote-by-mail and where

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Democratic governors are at odds with Republican-led legislatures over whether to expand absentee balloting."

Texas Court Says Lack Of Immunity To COVID-19 Not A Physical Disability To Vote By Mail. In what the Dallas Morning News (5/27, Benning, 946K) describes as "a major victory" for Texas Attorney General Ken Paxton (R), the Texas Supreme Court ruled Wednesday that "lack of immunity to COVID-19 is not a physical disability that qualifies people to vote by mail." Paxton "had argued that only a physical illness or disability that prevented voters from going to the polls should qualify people to vote by mail." The ruling "is a loss for the Texas Democratic Party and voting rights groups who had pushed for expanded mail voting during the coronavirus pandemic and had won temporary victories in lower courts."

President Trump highlighted the ruling in a tweet Wednesday night. Trump's post, which included a link to the Dallas Morning News story, said, "Texas Supreme Court: Lack of immunity to COVID-19 alone not enough to vote by mail ... Big win in Texas on the dangerous Mail In Voting Scam!"

Poll: Battleground Voters Favor Trump Over Biden On Holding China Accountable For Pandemic.

In an exclusive, the Washington Times (5/27, Boyer, 492K) reports, "Voters in nine battleground states trust President Trump more than [Joe Biden] to hold China accountable for the coronavirus crisis, and they overwhelmingly support Republicans' proposal to shield small businesses from lawsuits related to the pandemic, according to" an America First Policies survey taken "in states expected to decide the November contest: Arizona, Florida, Georgia, Iowa, Michigan, North Carolina, Ohio, Pennsylvania and Wisconsin. ... The nonprofit group promotes policies aligned with Mr. Trump's agenda and is affiliated with the pro-Trump super PAC America First Action." In the poll, 57% of those surveyed "favor punishing China for its role in the coronavirus outbreak," and voters "gave Mr. Trump a 17-point advantage over" Biden, "50% to 33%, on being better able to stand up to China and hold it accountable for spreading the virus."

Arizona Poll: Biden Leads Trump 47%-45%; McSally Trails Kelly 51%-41% In Senate Race. In an online report, KTAR-FM Glendale, AZ (5/27, Stone, 125K) says that a HighGround Public Affairs Consultants poll of 400 likely Arizona voters, taken May 18-22, shows Biden leading Trump 47%-45%. A release accompanying the poll results said, "In the wake of the most challenging and arguably worst three months of his term, President Trump has shown that he can remain competitive in Arizona." KTAR-FM added that the same poll shows Democratic ex-astronaut Mark Kelly leading appointed Sen. Martha McSally (R-AZ) 51%-41% in this fall's special election.

National Poll: Biden Leads Trump 54%-43%. The Hill (5/27, Easley, 2.98M) reports that a Firehouse Strategies-Optimus national poll of 1,557 likely voters, taken May 16-23, shows Biden leading Trump 54%-43%. The findings mark "a 3 point gain for Biden over the same poll in March when he led 51 to 43. A Quinnipiac University survey released last week also found Biden ahead by 11 points but most recent national surveys show a closer race. Biden leads Trump by 5.5 points in the RealClearPolitics average."

McClatchy Analysis: As Few As Five Percent Of Voters May Be Undecided On 2020 Race. McClatchy (5/27, Catanese, 19K) reports that Biden and Trump "campaign officials estimate" the "crop of swing voters only makes up somewhere around 5 percent of the total electorate in 2020, a considerably smaller available slice than in the last election. One pre-election panel found as many as 21 percent of voters were undecided in late October 2016. Recent national surveys from Fox News and The Economist found just 5 percent of voters said they didn't know who they would choose in the presidential race. Both campaigns have already identified most of the voters in this small universe and are heavily targeting them with ads." McClatchy says, "The potential voters who sit on the fence in 2020 tend to be younger than 50, college-educated and in the middle to upper-middle class income bracket."

Trump Campaign Chief Of Staff Was Arrested On Campaign Finance Charges In 2016.

Business Insider (5/27, Samuelsohn, Cook, 3.67M) reports, "The newly promoted chief of staff for Donald Trump's presidential campaign was arrested in Oklahoma in 2016 and charged with conspiracy to violate state election laws after police seized her then-boyfriend's phone in a cocaine bust." The report says, "Stephanie Alexander, previously the Trump campaign's Midwest political director, was bumped up to chief of staff Tuesday." Before "joining the Trump campaign, Alexander was active in state GOP politics in Oklahoma, where charges filed in 2016 allege that she participated in a conspiracy to illegally coordinate dark money in a 2014 race for state superintendent of public instruction." She "pleaded not guilty, and the state dropped the charges in 2017 without explanation. Last month, a state judge granted Alexander's request to both expunge and seal the court records on the case."

Politico: Some Trump Allies Think Attacks On Biden Are Falling Short.

Politico (5/27, Cook, 4.29M) reports some of President Trump's "political allies and donors are starting to get antsy," viewing "the Trump campaign's efforts to define...Joe Biden [as] falling short." Politico says "these Trump supporters worry the campaign's myriad lines of attack on Biden this spring – from his age to his work with China as vice president to the Obama economic record – are failing to dent" him. Politico says that these "advisers, donors and conservative groups...want the Trump campaign to dramatically ramp up its efforts to tear down and pigeonhole Biden."

Pelosi Says GOP Should Not Hold In-Person Convention For Trump's "Ego Trip."

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NBC News (5/27, 6.14M) reports on its website that House Speaker Pelosi "slammed President Trump's insistence that the Republican

National Convention occur as planned despite the pandemic, and suggested neither party had any business holding its massive quadrennial gathering given the risks to public health." Pelosi said, "I don't think there's anyone who would say at this point that tens of thousands of people should come together for a political convention, no matter how great an ego trip it is for somebody."

Biden Says He Hopes To Choose A Running Mate By August 1.

The Washington Post (5/27, Itkowitz, 14.2M) reports that Joe Biden "told supporters Wednesday night that his campaign has interviewed every candidate on his short list to be his running mate and hoped to name the woman by Aug. 1." Speaking "during a virtual fundraiser with former presidential primary opponent and now top surrogate, Pete Buttigieg," Biden "said he's looking for someone whose views align with his, but who also brings different qualities to the ticket." Biden "added that he wants someone who isn't afraid to be 'completely candid' with him."

Biden Hires Obama, Clinton Aides To Expand Coalition Building. The Washington Post (5/27, Sullivan, 14.2M) reports that Joe Biden "has hired two aides to helm a new coalitions department modeled on President Barack Obama's reelection strategy, a campaign expansion that adds more racial diversity to his effort to win the White House." Ashley Allison, "a veteran of the Obama White House who is African American, is joining the Biden campaign as national coalitions director. Her deputy will be Jason Rodriguez, who served as the national deputy Latino vote director for Hillary Clinton in 2016 and has worked with the Congressional Black Caucus."

CNN's Bash Criticized From Left And Right Over Biden Interview. In an online article, Fox News (5/27, Flood, 27.59M) reports that CNN's Dana Bash on Tuesday spoke with Biden "in an interview that has been condemned by critics on both sides of the aisle. 'Naturally, Trump-hating and fear-loving CNN served Tuesday as Joe Biden's first in-person interview since the coronavirus pandemic began and, right on cue, [Bash] fulfilled her role as a real-life Bashful, liberal foot solider, and citizen of Zuckerville. Between softball questions and assisting Biden in touting anti-Trump conspiracy theories, it was mission accomplished,' NewsBusters managing editor Curtis Houck wrote." Bash "was criticized from the left, too." Mediaite's Tommy Christopher decried the "extremely stupid questions" Biden was asked by Bash.

Rove: Biden Needs To Offer Clearer, More Cogent Responses To Interviewers' Questions. In his Wall Street Journal (5/27, Rove, Subscription Publication, 7.57M) column, Karl Rove criticizes Biden for having said in a Friday interview, "If you have a problem figuring out whether you're for me or Trump, then you ain't black." Rove says the remark was stupid and an insult to African Americans. Rove that unless Biden can offer clearer, more cogent responses to questions, he would be better served by remaining at his home in Delaware.

California Prosecutors Investigating Whether Reade Lied Under Oath In Court Appearances.

In an online article, ABC News (5/27, Levine, 2.97M) reports, "Prosecutors in Monterey County, California, have opened a probe into whether Tara Reade," a former aide to then-Sen. Joe Biden who has accused him "of sexual assault nearly two decades ago, lied under oath when testifying in recent trials focused on domestic violence, the district attorney's office said. 'We are investigating whether [she] gave false testimony under oath,' Monterey County chief assistant district attorney Berkley Brannon said in a statement." ABC News adds, "It's unclear exactly which portions of her in-court appearances prosecutors are currently reviewing, but trial transcripts obtained by ABC News suggest she may have misstated her credentials several times."

Politico (5/27, Korecki, 4.29M) reports that Reade, "under the name Alexandra McCabe, for years testified as an expert in domestic violence cases for the California D.A.'s office. Among the issues is whether she lied about her credentials to qualify as an expert." According to Politico, Brannon "said the office does not yet know in how many cases Reade testified as an expert. 'We have no database or search engine to use to determine in how many cases she testified,' Brannon said. 'However, that effort is ongoing.'"

North Carolina Senate Race Expected To Be Expensive, Closely Contested Affair.

Reuters (5/27, Cornwell) reports that the race between Sen. Thom Tillis (R-NC) and Democrat Cal Cunningham "is widely considered a toss-up, and millions of dollars are pouring in. 'It's most likely going to be the most expensive race in US history. ... It'll be close,' Tillis said in an interview. Leading Democratic and Republican 'super PACs' that focus on Senate races said in March they are investing a combined $47.4 million in ad buys in North Carolina this year, more than they have planned for any other state so far."

Media Analyses: Embattled King Faces Peril In IA4's June 2 GOP Primary.

On the same day, five major news outlets are out with reports on the reelection race of Rep. Steve King (R-IA), who has stirred controversy over the years with a string of incendiary remarks. The Des Moines Register (5/27, Gruber-Miller, 404K) reports, "Except for 2018, when King faced a tough November race," he "has cruised to reelection every two years since he was first elected in 2002. This year is different: Iowa and national Republicans and GOP-aligned groups are splitting with King – either by siding with [GOP state Sen. Randy] Feenstra or sitting on the sidelines as King faces a competitive five-way primary on June 2." The Register adds, "King's opponents have leaned into the argument that King can't be effective in Congress since he was stripped of his committees" in the House in January 2019 "following remarks he made to the New York Times about white nationalism."

Under the headline "Steve King Is On The Ropes," Politico (5/27, Mutnick, 4.29M) reports, "Republicans have wanted to excise...King from their ranks for years." In the June 2 GOP primary, "they will have their best shot. The Iowa Republican with a history of racially-charged – sometimes racist – rhetoric on white nationalism, immigration and multiculturalism is facing his toughest race since he was elected to the

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House almost 20 years ago. He is underfunded, abandoned by longtime allies and down in the polls as a formidable coalition mobilizes against him in the GOP primary. Major Republican power players in Washington and Iowa...have ganged up to take him down."

The New York Times (5/27, Gabriel, 18.61M) reports, "The problem for mainstream Republicans who would like to retire Mr. King in a June 2 party primary is that, with four challengers in the race, all sensing an opportunity and aggressively campaigning, the anti-King vote will be split four ways. 'Not to be Captain Obvious, but four people in the race always helps the incumbent,' said Rick Bertrand, who challenged Mr. King in the Republican primary in 2016 but is not running this year. 'If this was a mano a mano race, King would be in trouble right now.'"

CQ Roll Call (5/27, Bowman, 154K) reports, "While it's rare for incumbents to lose primaries," King "is facing a close race against...Feenstra, who has outraised him and has help from outside groups ahead of Tuesday's primary. King has a history of making controversial and racist comments, but he's in trouble this year because his colleagues decided to punish him" by stripping "him of his committee assignments last year after he questioned when terms like 'white supremacist' became offensive." CQ Roll Call adds that "Feenstra and his allies have emphasized King's loss of influence in their closing messages to voters. Outside groups involved in the race have an additional motive: making sure King doesn't become a drag on other Iowa Republicans, especially Sen. Joni Ernst, in November."

Writing for Vanity Fair (5/27, 9.08M), Eric Lutz says that King's "litany of racist, xenophobic, and otherwise repugnant rhetoric has made him a liability for the party, and – without the power and influence that has insulated Donald Trump from GOP mutiny – everyone from fellow right-wingers to comparatively moderate Republicans have been gunning for his Iowa congressional seat in recent years. Now, it seems Republicans smell blood in the water: Ostracized by the GOP leadership in Washington, facing formidable challengers in next week's primary at home, and on his heels in both polls and campaign resources," King "is in danger of losing the seat he's held since 2013." Lutz adds that "Feenstra, his top competitor, has pulled even with the incumbent in recent polls."

Authors: Republicans Defying Rules Of Electoral Survival.

In an op-ed for the New York Times (5/27, Hacker, Pierson, 18.61M), Jacob S. Hacker and Paul Pierson, authors of the forthcoming "Let Them Eat Tweets: How the Right Rules in an Age of Extreme Inequality," write that the Republican Party's "most prominent leaders – particularly" President Trump and Senate Majority Leader McConnell – "have dug themselves into positions that defy all conventional rules of electoral survival." Top Republicans "are pulling out all the stops to do unpopular things and avoid doing popular things."

RCP Average Has Trump's Job Approval At 43.5%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 43.5%, and his disapproval at 54.5%. The President's approval is down by 0.5 since yesterday; his disapproval is up by 0.6.

A Rasmussen poll of 1,500 "likely voters" (5/24-5/26) finds Trump's approval at 42%, and his disapproval at 57%.

An Economist/YouGov of 1,157 "registered voters" (5/23-5/26) shows Trump's approval at 45%, with 53% disapproving.

A Politico/Morning Consult survey of 1,986 "registered voters" (5/22-5/26), meanwhile, has the President's job approval at 40%, and his disapproval at 57%.

Financial International News

EU's €750B Rescue Plan Released, Hailed As "Turning Point."

The Financial Times (5/27, Dodd, Subscription Publication, 1.34M) reports European Commission President Ursula von der Leyen laid out a €750 billion COVID-19 rescue plan Wednesday, in what economy commissioner Paolo Gentiloni called a "European turning point to face an unprecedented crisis." Bloomberg (5/27, Ainger, 4.73M) and Barron's (5/27, Briançon, 1.07M), among other outlets, also report.

Bank Of Korea Cuts Interest Rates, Forecasts Worst Growth Year Since Asian Financial Crisis.

Reuters (5/28, Kim, Roh) reports South Korea's central bank "cut interest rates to a record low on Thursday as it warned the coronavirus pandemic would be worse for Asia's fourth-largest economy than the 2008 global financial crisis." The Bank of Korea's board "voted unanimously to cut its policy rate by a quarter of a percentage point to 0.5%, the lowest since the bank adopted the current system in 1999." The BOJ "also downgraded its 2020 economic projection to a 0.2% decline from 2.1% growth forecast in February" for what would be "the biggest contraction since 1998, during the Asian financial crisis." BOK Governor Lee Ju-yeol "said the bank is ready to ramp up government bond buying to soak up the massive public debt needed to cover the cost of new stimulus."

IMF Spokeswoman: Constructive Talks Ongoing With Lebanon Over Economic Reform Plan.

Reuters (5/27, Shalal) reports an IMF spokeswoman said Wednesday that the Fund is having "constructive, ongoing discussions with Lebanon about the details of the government's economic reform plan." The spokeswoman said, "The discussions are constructive and cover many areas including capital controls, financial sector restructuring, and structural reforms to address losses in the economy and to create conditions for higher and more inclusive growth."

Leading International News

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EU Probes China Disinformation Leak.

Politico (5/27, Burchard, 4.29M) reports the EU's diplomatic service has launched an investigation "into the leaking of an internal email criticizing how a report on Chinese disinformation was edited." The investigation follows criticism by EU foreign policy chief Josep Borrell, "who appeared to blame a member of his own staff for leaking the sensitive email, which was at the heart of a scandal about the EU allegedly bowing to Chinese pressure." The European External Action Service spokesperson Peter Stano "said Wednesday that the institution was now investigating who was responsible for leaking the delicate email."

EU Proposes $825B In Emergency Grants.

The AP (5/27) reports the EU has "proposed a 750 billion-euro ($825 billion) recovery fund to help countries weather a painful recession triggered by the coronavirus and sought Wednesday to bridge divisions over the conditions that should be attached for access to the money." The fund, "to be mostly made up of grants and tied to the common budget of EU's 27 member nations, comes as the world's biggest trading bloc enters its deepest-ever recession, weighed down by the impact of the virus pandemic." According to the AP, "Virtually every country has broken the EU's deficit limit while spending to keep health care systems, businesses and jobs alive."

The New York Times (5/27, 18.61M) reports European Commission President Ursula von der Leyen "laid out the details of the proposed recovery package for its 27 member economies, especially those hit hardest by the coronavirus pandemic, before the European Parliament in Brussels." The fund will "distribute €500 billion worth of grants – free money that will not be added to national debt – to all 27 member states, with Italy getting the largest slice, followed by Spain." To the Times, "This is a crucial element of the recovery effort, which was opposed by some of the bloc's wealthier nations like the Netherlands and Sweden, but supported by both Germany and France."

The Washington Post (5/27, Birnbaum, Morris, 14.2M) says, "The proposal came after a change of heart in Germany, Europe's most powerful economy." Chancellor Angela Merkel "has always fiercely guarded her country's bank accounts from the E.U.'s weaker members," but "now, she has dramatically shifted her stance and is encouraging the E.U. to abandon old constraints, borrow money in vast quantities and channel the cash toward the needy nations." The Wall Street Journal (5/27, Norman, Subscription Publication, 7.57M), among other news outlets, also reports the story.

A Wall Street Journal (5/27, Subscription Publication, 7.57M) editorial, meanwhile, warns that supporters of a federal Europe should be wary of the plan's borrow-spend-and-tax scheme.

Deaths In Italy Top 33,000 10 Days After Easing Of Lockdown.

The AP (5/27) reports that Italy's coronavirus death toll "topped 33,000 on Wednesday, with 117 more deaths registered nationwide since the previous day." However, "authorities acknowledge that the real number of deaths will probably never be known since many with coronavirus symptoms in care residences or in their own homes died without being tested in the past few months." Health Ministry and other government officials are "closely monitoring regions for any jump in new cases following the May 18 easing of many lockdown restrictions, including allowing all retail stores to re-open and cafes and restaurants to resume in-house service."

Johnson Defends Strategist Who Violated Lockdown Order.

The Washington Post (5/27, Booth, Adam, 14.2M) reports Prime Minister Boris Johnson "faced a tough round of angry queries, serious skepticism, and even mockery from British lawmakers on Wednesday over his continued support for his top political strategist, Dominic Cummings, who left his London home when he and wife were stricken by coronavirus to travel 260 miles to a family home." Cummings and his "alleged flouting of strict lockdown rules" have "dominated news cycles" in Britain for the past five days, and the "scandal has cost Johnson support in the polls, raised questions about fair play...and created backlash over the lockdown."

Russian Medical Workers Did Not Receive Bonuses Putin Promised.

The Washington Post (5/27, Dixon, 14.2M) reports that in March, Russian President Vladimir Putin "wanted to make a grand gesture: bonus payments for medical workers 'who are performing their duties with honor.'" However, the Post says that while "medical workers were dying in their hundreds – 308 according to an unofficial count by medics. Many who kept working were not getting paid long-promised bonuses until recently." According to the Post, "With Putin's promised bonuses, the instinct by regional leaders – ingrained over decades – was to minimize payments, fearing trouble from Moscow if they spent too much or paid people not entitled to bonuses."

Last COVID Patient In New Zealand Discharged From Hospital.

The New York Post (5/27, O'Neill, 4.57M) reports New Zealand's "last hospitalized coronavirus patient was discharged Wednesday as the country's infection rate dipped to below two dozen people, health officials said in reports." The patient left an Auckland area hospital as the nation "reported only 21 infected people remaining – and no new cases of the deadly illness in at least five days."

DOJ Alleges Venezuelan Cartel Conspired With Hamas, Hezbollah To Attack US.

The Miami Herald (5/27, Torres, 1.09M) reports that federal prosecutors in New York "accused a former Venezuelan lawmaker on Wednesday of participating in narcoterrorism in an indictment claiming that a cartel headed by government leaders conspired with the terrorist groups Hezbollah and Hamas to commit attacks against the US." The US Attorney's Office in Manhattan accused Adel El Zabayar of

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"conspiracy to commit narcoterrorist acts, conspiracy to import cocaine, and two weapons-related offenses." El Zabayar is the President of the Venezuelan Federation of Arab Associations and Entities and was a member of the country's National Assembly.

Venezuelan First Lady Could Face US Drug Smuggling Charges. Reuters (5/27, Berwick, Spetalnick) reports US prosecutors are set to charge Venezuelan First Lady Cilia Flores "with crimes that could include drug trafficking and corruption." If Washington moves ahead with an indictment, sources said, "the charges are likely to stem, at least in part, from a thwarted cocaine transaction that has already landed two of Flores' nephews in a Florida penitentiary." In March, the US charged President Nicolas Maduro "and over a dozen current and former Venezuelan officials on charges of narco-terrorism and drug smuggling."

US Navy Tests New Laser Weapon Ideal For Iranian Threats.

The Washington Times (5/27, Ernst, 492K) reports that "Iranian drones and gunboats may want to think twice before harassing US Navy vessels after a successful round of testing on a new laser weapon." Capt. Karrey Sanders of the "amphibious transport dock ship Portland recently commented on the Solid State Laser Weapons System Demonstrator," which he said is "redefining war at sea for the Navy." Capt. Sanders is quoted as saying, "By conducting advanced at-sea tests against UAVs and small craft, we will gain valuable information on the capabilities of the Solid State Laser Weapons System Demonstrator against potential threats."

Trump Reiterates Plan To Withdraw Troops From Afghanistan.

President Trump yesterday tweeted, "We are acting as a police force, not the fighting force that we are, in Afghanistan. After 19 years, it is time for them to police their own Country. Bring our soldiers back home but closely watch what is going on and strike with a thunder like never before, if necessary!"

Sources: Only 8,600 US Troops Left In Afghanistan. According to Reuters (5/27, Ali, Jain), "U.S. troop strength in Afghanistan is down to nearly 8,600, well ahead of a schedule agreed with Taliban militants in late February, in part because of concerns about the spread of the coronavirus." Citing US and NATO officials, Reuters reports that "a key provision of the Feb. 29 agreement between the Taliban and the United States, to which the Afghan government was not a party, involved a U.S. commitment to reduce its military footprint in Afghanistan from about 13,000 to 8,600 by mid-July and, conditions permitting, to zero by May 2021." However, "Two senior sources in Kabul said the 8,600 target was likely to be achieved by early June." On Tuesday, President Trump said "there were '7,000-some-odd' U.S. soldiers in Afghanistan but officials clarified that number was slightly over 8,600 troops."

The Washington Post (5/27, Lamothe, George, 14.2M), meanwhile, reports that the Pentagon "is preparing for President Trump to withdraw thousands of American troops from Afghanistan before the presidential election, as military leaders recommend keeping at least a small counterterrorism force in the country," current and former US officials said. While the deal signed on Feb. 29 called for the US to reduce the number of service members to 8,600 by mid-July, US officials "still expect Trump to cut more troops before Election Day, as he seeks to deliver on a promise to end America's 'forever wars.'"

Pompeo: Hong Kong No Longer Qualifies As An Autonomous Territory.

The CBS Evening News (5/27, story 8, 0:25, O'Donnell, 4.93M) reported that as "China [is] tightening its grip on Hong Kong," Secretary of State Pompeo "declared that Hong Kong is no longer free of Beijing's control. That opens the door for tariffs and sanctions against Chinese officials." Reuters (5/27, Brunnstrom, Pamuk, Wu) says Pompeo's move "follows China's announcement of a plan to impose new national security legislation on Hong Kong, which has triggered fresh unrest in the territory." According to Reuters, "it now falls to" President Trump to "decide to end some, all, or none of the U.S. economic privileges which the territory enjoys."

The Washington Post (5/27, Morello, 14.2M) reports that "under the proposed Chinese law submitted to the legislature, the Chinese Communist Party can deploy 'relevant national security organs' to Hong Kong, giving legal cover for the mainland security services to operate in the previously autonomous financial center." Pompeo said the bill would be a "death knell" for Hong Kong's autonomy.

CNBC (5/27, Higgins, 3.62M) reports on its website that the State Department was "required to issue a determination on Hong Kong's autonomy under pro-democracy legislation passed late last year." The law "also requires the president to impose sanctions on foreigners who undermine 'fundamental freedoms and autonomy in Hong Kong.'" In a statement, Pompeo said, "No reasonable person can assert today that Hong Kong maintains a high degree of autonomy from China, given facts on the ground." USA Today (5/27, Hjelmgaard, Shesgreen, 10.31M), the Wall Street Journal (5/27, Donati, Subscription Publication, 7.57M), Politico (5/27, Palmer, 4.29M), and the Washington Free Beacon (5/27, 78K), among other news outlets, also report Pompeo's statement.

To the AP (5/27, Lee), the State Department announcement "brings the future of Hong Kong squarely into the administration's numerous battles with China that have put the world's two largest economies at odds." Shortly after the announcement, Sen. Lindsey Graham (R-SC) "called for the Senate to enact penalties." Said Graham, "It is imperative the Senate act on bipartisan legislation sanctioning China for the destruction of Hong Kong's democracy and freedom."

The New York Times (5/27, Wong, 18.61M) reports that China "relies on" Hong Kong "for transactions with other countries," and "many Chinese and foreign firms use Hong Kong as an international or regional base." The Times warns that "if it proceeds with punishments, the Trump administration could impose the same tariffs on exports from Hong Kong that it puts on goods from mainland China."

Reuters (5/27, Spetalnick) reports the Administration is also "considering suspending Hong Kong's preferential tariff rates for exports to the United States as part of its response to China's plan to impose national security laws on the former British colony." To Reuters, "such a

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move...could put Hong Kong's goods under the same tariffs that...Trump has slapped on exports from the Chinese mainland."

Bloomberg (5/27, 4.73M) reports that China has "warned that it would retaliate if the U.S. put sanctions on Hong Kong or interfered in its affairs." Chinese Foreign Ministry spokesman Zhao Lijian said Wednesday, "If anyone insists on harming China's interests, China is determined to take all necessary countermeasures. ... The national security law for Hong Kong is purely China's internal affair that allows no foreign interference."

The New York Times (5/27, 18.61M) editorializes that the Administration "was left with no option but to acknowledge the new reality," but cautions that "how this latest showdown plays out could have major ramifications for the future of Taiwan and for China's behavior in its neighborhood and the world. The question is whether President Trump has the leverage, support or stomach for the fight."

On its editorial page, the Wall Street Journal (5/27, Subscription Publication, 7.57M) warns that the action could hurt the people of Hong Kong more than it will China, and instead urges the Administration to directly target those responsible for the assault on Hong Kong's autonomy.

Hong Kong Police Arrest 300 Protesters. The New York Times (5/27, Ramzy, May, Qin, Fei, 18.61M) reports that in Hong Kong yesterday, the protesters "wanted to surround the city's government offices, but a smothering police presence forced them to abandon that plan." The protesters "tried to block traffic in the financial district at lunchtime, but the police pelted the crowd with pepper balls," and "they gathered in malls to chant protest slogans, but were later rounded up and herded on to police buses." In total, Hong Kong police arrested "more than 300 people on Wednesday, including students in their teens and early 20s, most on suspicion of unauthorized assembly."

The Washington Post (5/27, Mahtani, 14.2M) reports that "preemptive arrests of democracy activists, stop-and-search inspections of passersby and the tight security presence helped authorities mostly stave off planned large-scale rallies Wednesday." However, the Post adds that "public fury continued to build over the anthem bill and, most notably, Beijing's plans to impose a far-reaching national security law on the former British colony." According to the Post, "New protest slogans – 'Hong Kong, build our nation!' and 'Independence, the only way out!' – suggested that Beijing's repression is shifting attitudes toward Hong Kong independence, until recently considered a fringe viewpoint." Likewise, the New York Times (5/27, Qin, 18.61M) says, "This year, there is a key difference. The protests are increasingly a direct challenge to China's ruling Communist Party rather than to the territory's leadership."

China Pursuing Sovereignty Claims On Multiple Fronts. Under the headline "Far From Being Weakened By Coronavirus, China Pursues Sovereignty Claims On All Fronts," the Washington Post (5/27, Fifield, Slater, 14.2M) reports, "Chinese maritime surveillance vessels have confronted a Vietnamese fishing boat and a Malaysian oil exploration ship in the South China Sea in recent weeks, sinking the Vietnamese boat." In addition, the Chinese navy "sailed an aircraft carrier through the Taiwan Strait twice last month, putting the self-ruled island on alert."

Oil Futures Down Amid US-China Tensions. Reuters (5/27, Sanicola) reports oil futures "tumbled" on Wednesday after President Trump "said he was working on a strong response to China's proposed security law in Hong Kong and as some traders doubted Russia's commitment to deep production cuts." Brent crude futures "fell $1.65 to $34.52 a barrel, a 4.6 percent loss."

Trump Offers To Mediate India-China Border Dispute.

President Trump yesterday tweeted, We have informed both India and China that the United States is ready, willing and able to mediate or arbitrate their now raging border dispute. Thank you!

Menendez: Administration Seeking To Strike Arms Deal With Saudi Arabia.

The Washington Times (5/27, Meier, 492K) reports Sen. Robert Menendez (D-NJ), the ranking member of the Senate Foreign Relations Committee, on Wednesday "claimed that the State Department is attempting to strike another multi-million dollar arms deal with Saudi Arabia." The development comes "in the wake of the May 15 firing of State Department Inspector General Steve Linick, who was allegedly conducting a review of Mr. Trump's emergency declaration to push a controversial weapons deal with Saudi Arabia last year – which Democrats have suggested could be linked to the sudden ouster." Writing in a piece for the CNN (5/27, 83.16M) website, Menendez said, "The administration is currently trying to sell thousands more precision-guided bombs to the President's 'friend,' Saudi Crown Prince Mohammed bin Salman."

Saudi Crown Prince Silencing Women's Rights Activists. The Washington Post (5/27, 14.2M) editorializes that that the arrest two years ago of Loujain al-Hathloul, a "prominent women's rights activist" in Saudi Arabia, it marked "the start of a wave of arrests of activists, journalists and bloggers who had peacefully campaigned for basic freedoms for women, including the right to drive." While the ban on women driving was lifted, "Hathloul and four other women remain behind bars," which the Post says "speaks to the arbitrariness and cruelty that characterize the rule of Crown Prince Mohammed bin Salman."

Russian Jets Intercept US Reconnaissance Plane.

The CBS Evening News (5/27, story 9, 0:25, O'Donnell, 4.93M) reported briefly on what it called "dramatic video" of Russian fighter jets intercepting a US Navy reconnaissance plane. According to CBS, the incident marked "the third time they have done this in two months. The US accuses the Russians of flying in an unsafe and unprofessional manner."

Housing

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Renters Could Be Facing "Avalanche Of Evictions."

The New York Times (5/27, Mervosh, 18.61M) reports renters are "facing a wave of evictions as government relief payments and legal protections run out for millions of out-of-work Americans who have little financial cushion and few choices when looking for new housing." The most vulnerable are "tenants who had low incomes and little savings even before the pandemic, and whose housing costs ate up more of their paychecks. They were also more likely to work in industries where job losses have been particularly severe."

Buybacks Of GSE Loans Rise In Q1.

Behind a paywall, Inside Mortgage Finance (5/27, Bancroft, Subscription Publication) reports that sellers of single-family mortgages to the GSEs were "pushed to repurchase more defective mortgages" in Q1. According to IMF, the "pipeline of unresolved buyback claims also grew" during the first quarter, although "repurchase activity in general remains at subatomic levels." IMF reports that sellers "repurchased $223.9 million of home loans from Fannie and Freddie in the first quarter, up 21.3% from the previous quarter. Most of the buybacks were of loans securitized in 2019 and, to a lesser extent, 2018. The two GSEs issued $1.813 trillion of mortgage-backed securities during those two years." Freddie Mac "continued to report substantially more repurchase activity than Fannie, which may be due to Fannie's more robust waivers for loans processed through its Day One suite of technology tools."

Multifamily Financing

- ***Nashville Community Gets $30M Freddie Mac Refi.*** Multi-Housing News (5/27, Morosanu) reports, "Capital One has originated a $29.7 million Freddie Mac loan for White Eagle Property Group's 248-unit The Trails," a property in Nashville, Tennessee. The 10-year financing package "retires two existing mortgages totaling $41 million – a $22.4 million Fannie Mae and an $18.5 million CMBS loan."
- ***Continuing Coverage: JLL Arranges $35M Freddie Mac Loan For Charlotte Acquisition.*** In its Charlotte Multifamily Wrap-Up for the month of May, Multi-Housing News (5/27) reports, "PassiveInvesting.com purchased Hawthorne at Lake Norman, a 232-unit Class A community in Mooresville." JLL Capital Markets "facilitated acquisition financing. The $35 million, fixed-interest Freddie Mac loan matures in 2030."

MBA Asks Fed To Confirm That Nonbanks Can Access Main Street Lending Program.

Behind a paywall, Inside Mortgage Finance (5/27, Ivey, Subscription Publication) reports, "The Mortgage Bankers Association plans to send a letter to Federal Reserve Chairman Jerome Powell today requesting guidance on the ability of nonbank lenders to access the Fed's Main Street Lending Program." According to IMF, "Initiatives within the MSLP provide financing to businesses with fewer than 15,000 employees and 2019 revenues of $5 billion or less." In a draft letter viewed by IMF, the MBA requests guidance to confirm that nonbanks with "originate and sell" business models are eligible for the Main Street Lending Program. The MBA "also seeks clarifications regarding the interplay between the program and warehouse financing used by nondepository originators." The trade group added, "MBA is concerned that unless the Fed issues the requested clarifying guidance, many independent mortgage banks that were in good financial standing prior to the onset of the COVID-19 pandemic would be unable to obtain the necessary funds to continue their vital operations."

MBA: Mortgage Applications Rise For A Sixth Consecutive Week.

Reuters (5/27) reports mortgage applications "jumped last week, in a sixth straight weekly increase, suggesting the housing market could lead the economy's recovery from the novel coronavirus crisis even as high unemployment is expected to linger." National Mortgage Professional (5/27) reports, "The Mortgage Bankers Association's Weekly Mortgage Applications Survey showed a 2.7% increase in mortgage apps over last week, for the week ending on May 22, 2020. The refinance index showed a small 0.2% decrease for the same period. It was 176% higher than the same week in 2019." TheStreet (5/27, 362K) reports that the seasonally-adjusted Purchase Index rose 8.6%, with purchase activity up 9% from year-ago levels.

Mortgage Orb (5/27) reports MBA AVP Joel Kan said, "The housing market is continuing its path to recovery as various states reopen, leading to more buyers resuming their home search. Purchase applications increased 9 percent last week – the sixth consecutive weekly increase and a jump of 54 percent since early April. Additionally, the purchase loan amount has increased steadily in recent weeks and is now at its highest level since mid-March."

Mortgage News Daily (5/27) reports that the FHA share fell from 11.5% to 11.2%, while the VA share fell from 13.4% to 12.4%. The "average size of a loan during the week increased from $310,600 to $314,900 and purchase loans grew to $340,200 from $330,700." The average rate for 30-year FRMs with conforming balances rose from 3.41% to 3.42%, while that for jumbos rose from 3.66% to 3.71%. The 15-year FRM average fell from 2.88% to 2.87%. The 5/1 ARM average fell from 3.19% to 3.08%. MND says that the MBA "also reported that forbearance plans in place on May 17 were up from 8.16 percent of servicer portfolios during the week ended May 10 to 8.36 percent. The number of plans rose from 4.1 million to 4.2 million." Ginnie Mae-backed mortgages "had the largest overall share of loans in forbearance by investor type," at 11.60%. Fannie Mae and Freddie Mac "had 6.36 percent of their loans in plans, up from 6.25 percent the prior week."

RISMedia (5/27, 2K) provides additional coverage of the MBA's mortgage applications and forbearance data, and behind a paywall, Inside Mortgage Finance (5/27, Muolo, Subscription Publication) covers MBA's forbearance data.

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Pandemic Reducing Access To Low Mortgage Rates For Those With Poor Credit.

Bankrate (5/27, Strohm, 311K) reports the pandemic is reducing access to low mortgages rates for borrowers with poor credit. An Urban Institute report showed borrowers with credit scores above 720 could get rates 78 basis points lower than those with scores of 660 and below. The Mortgage Bankers Association's (MBA) Mortgage Credit Availability Index also shows loan availability at its lowest since December 2014. MBA Associate Vice President Joel Kan said in a statement, "The abrupt weakening of the economy and job market and the uncertainty in the outlook drove credit availability down in April for the second consecutive month."

Warehouse Commitments Rise To New Record.

Behind a paywall, Inside Mortgage Finance (5/27, Muolo, Subscription Publication) reports, "As rates plunged at the end of March and refi applications swelled in the shadow of the COVID-19 pandemic, warehouse financiers found themselves in an odd position: Their nonbank customers were clamoring for additional credit amid an uncertain employment landscape for consumers." Warehouse commitments rose to $105 billion, a sequential improvement of 4%. IMF says, "It was the highest commitment tally ever seen by this publication, which began surveying the sector last decade. Compared to the same period a year ago, warehouse lines of credit to nonbanks increased by a mouthwatering 41.9%." First Horizon Bank EVP Bob Garrett said, "This is a great time for everyone. Our cup has runneth over."

Fannie Mae Secures Commitments For Two CIRT Transactions.

Mortgage Orb (5/27) that Fannie Mae "says it has secured commitments for two front-end Credit Insurance Risk Transfer (CIRT) transactions, CIRT FE 2020-1 and CIRT FE 2020-2, that together cover up to $39.6 billion in unpaid principal balance of 21-year to 30-year original-term, fixed-rate loans, including loans previously acquired from November 2019 through January 2020 and also loans to be acquired between February 2020 and January 2021." The two CIRT deals "transfer up to $1.3 billion of mortgage credit risk." Fannie Mae's Rob Schaefer said, "CIRT FE 2020-1 and FE 2020-2 secure approximately $729 million and $600 million of coverage, respectively. Both are record-high levels of coverage for a low and high loan-to-value ratio CIRT transaction." DS News (5/27, Welborn) also covers the transactions.

Experts Split On "Shape" Of Economic Recovery.

HousingWire (5/27, 23K) reports that as experts offer different views regarding possible timelines for economic recovery, ranging from one that is quick and "v-shaped" to a slower, protracted recovery resembling a "Nike swoosh," some fear that we may find ourselves in an "O-shaped recovery," where a "new wave of coronavirus infections disrupts the return to normalcy and brings the country back to where it started." MBA AVP Joel Kan said he believes the recovery will be somewhere "between the V to a check shape." Meanwhile, NAMB President Rocke Andrews believes it will be "W or a sawtooth version." ICBA SVP Ron Haynie believes that there will be a great deal of variation by region, although he believes that in general, the nation's recovery will be a "small W."

Markets

10-Year Yield Falls.

MarketWatch (5/26, 1.67M) reports the 10-year Treasury yield fell to 0.679 percent.

Dollar Holds Steady.

Reuters (UK) (5/27, Westbrook) reports, "The dollar held its own on Thursday as rising Sino-U.S. tension put crushing pressure on the Chinese yuan and proved a counterweight to optimism about the coronavirus recovery." Against a basket of currencies, the dollar "was steady at 98.863, a fraction above a two-month low hit overnight." The dollar "was marginally firmer against the Japanese yen, at 107.83 yen per dollar, and a touch weaker on the euro and pound." The euro "rose to an eight-week peak of $1.1031."

Gold Rises.

Reuters (IND) (5/28, Aranya) reports, "Gold rose on Thursday after hitting a two-week low in the previous session as the rift between Washington and Beijing over Hong Kong escalated, with prices also supported by central bank and government largesse to cushion the blow from the pandemic." Spot gold "was up 0.6% at $1,718.77 per ounce, as of 0544 GMT," while US gold futures "rose 0.5% to $1,717.80."

Oil Falls.

Reuters (5/28, Paul) reports, "Oil prices plunged on Thursday after U.S. industry data showed a surprise steep build in crude oil inventories, dampening hopes of a smooth recovery in demand as some countries begin to ease their way out of coronavirus lockdowns." West Texas Intermediate crude futures "were down 3%, or 98 cents, at $31.83 a barrel at 0709 GMT." Brent crude futures "were down 2%, or 71 cents at $34.03 per barrel, after dropping to as low as $33.63."

Cybersecurity

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FBI Requests Public Help In Reporting Child Sexual Abuse Displayed On Zoom.

NBC News (5/27, Winter, Williams, and Kosnar, 6.14M) reports, "The FBI has received more than 240 reports of people disrupting Zoom sessions by broadcasting videos depicting child sexual abuse," and "is now enlisting the public's help in identifying more such incidents." The FBI has posted "an online questionnaire to be filled out by anyone who has been exposed to child abuse videos during a Zoom session." The FBI also "recommends requiring a password or using Zoom's waiting room feature to screen guests."

The Hill (5/27, Miller, 2.98M) reports the FBI "is seeking information on victims of so-called 'Zoom bombings' that contain videos of child sexual abuse."

The Daily Caller (5/27, Safi, 716K) reports, "The FBI has created an online questionnaire" that "asks for details about the Zoom meeting where child sexual abuse was shown and for other information to be used in a federal investigation."

The Atlanta Journal-Constitution (5/27, Stevens, 895K)reports the FBI stated, "The FBI considers this activity to be a violent crime."

The New York Daily News (5/28, Theisen, 2.52M) reports, "In addition to sexual abuse, these Zoom-bombs have been known to include other kinds of pornographic or hateful messages."

Penn State's (PA) Onward State (5/27, Kasales) reports, "Penn State University Police and the Federal Bureau of Investigation are investigating at least six incidents of 'Zoom-bombing' that allegedly involved child pornography during Penn State remote meetings." Also, "both organizations are encouraging students and employees who've hosted Zoom meetings and witnessed criminal activity, including the display of child sexual abuse material, to report the incidents to Penn State Police" and the FBI.

House Science Committee Republicans Request Briefing On CISA COVID-19 Cyber Alert.

MeriTalk (5/27) reports eleven GOP members of the House Science, Space, and Technology Committee "have requested a briefing on a cyber alert issued by the Cybersecurity and Infrastructure Security Agency (CISA) and the FBI on May 13." The May 13 notice "warned that the Chinese government is attempting to hack US organizations conducting COVID-19 research to obtain US intellectual property and public health data." In a May 22 letter, "spearheaded by Ranking Member Frank Lucas (R-OK), the Republicans said that 'while this announcement is extremely concerning, it is not surprising' and applauded the FBI and CISA for issuing the alert." The representatives wrote to CISA Director Chris Krebs and FBI Director Chris Wray, "Given the critical nature of the COVID-19 research being conducted at US institutions, it is imperative they take the proper steps to secure their networks and take advantage of the resources your agencies have without delay."

Foreign Hackers Are Attempting To Steal Coronavirus Vaccine Research.

Axios (5/27, Dorfman, 521K) reports a wave of cyber-spying "around COVID-19 medical research is once more demonstrating the perils of treating cybersecurity as a separate, walled-off realm." US officials recently announced "an uptick in Chinese-government affiliated hackers targeting medical research and other facilities in the US for data on a potential COVID-19 cure or effective treatments to combat the virus." According to a recent FBI bulletin, "nation-state cyber actors are targeting COVID-19-related research as many foreign governments seek to accelerate their own R&D processes and clinical trials." The FBI "added that, since February, suspected foreign government hackers have compromised the systems of a 'healthcare-related' company, a 'US research entity,' and have targeted other medical, pharmaceutical, and academic institutions."

New FISMA Report To Congress Says Federal Cyber Incidents Maintain Downward Trend.

FedScoop (5/27, Mitchell) reports the latest annual Federal Information Security Management Act (FISMA) report to Congress "says the federal government as a whole continues to make solid strides in improving cybersecurity management and meeting goals set out by the White House." The report "shows there were 8% fewer cybersecurity incidents reported in fiscal 2019 across government." The report states that this is a "result of improved risk management, as 73 federal agencies now meet the highest rating of 'managing risks' in their CIO - assessed FISMA posture." That's up "from 62 agencies the year prior and 33 in 2017." Federal CIO Suzette Kent said in a statement, "This FISMA report reflects improvements in areas of focus under the President's Management Agenda and Federal Agency elements of the National Cybersecurity Strategy."

Canada's Cyber Defence Agency Found More Than 1,500 Fake Government COVID-19 Websites.

The National Post (CAN) (5/27, 75K) reports Canada's cyber defence agency "has identified over 1,500 websites falsely parading as Government of Canada COVID-19 pages that are in fact designed to scam Canadians." The Canadian Centre for Cyber Security (CCCS) in a new report "says healthcare and medical research facilities, Canadians employed in 'areas of strategic interest' working from home, and financial institutions are under increasing threat from cyber threat actors." The CCCS writes, relying on classified and unclassified sources, "Cyber threat actors of varying motivations and sophistication have taken advantage of the COVID-19 pandemic in recent months as a thematic lure or subterfuge for their malicious activities, such as cyberespionage and cybercrime." Canada's healthcare and medical research sector have been of particular interest.

Election Officials Confront Duel Challenges Of Pandemic And Cybersecurity.

NPR (5/27, Parks, 3.12M) reports on election officials taking steps to ensure voters "will be safe when casting a ballot," while maintaining

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vigilance on cybersecurity threats. NPR's Miles Parks reported, "the main focus has been on hardening our defenses and getting US election officials thinking like they're going to be targets this time around. ... The main focus has been on hardening our defenses and getting US election officials thinking like they're going to be targets this time around."

Russia Denies Allegations It Hacked German Parliament.

Reuters (5/27) reports Russia rejected allegations that "its military intelligence was responsible for a hacking attack on Germany's parliament, after media reports that data had been stolen including emails from Chancellor Angela Merkel's constituency office." The Russian embassy "said in a statement that German officials so far had not been able to present facts to underpin such accusations against Moscow." It said, "This hackneyed story is trying to put blame on Russia for cyber warfare, attempts at intimidation, destabilization and disinformation towards the EU." Der Spiegel magazine has "reported that Russia's GRU military intelligence service hacked into the German parliament in 2015 and appeared to have obtained many emails from Merkel's constituency office."

TFI/Sanctions

Sources: US To End Iran Sanctions Waivers.

Reuters (5/27, Mohammed, Pamuk) reports that the US "has decided to end sanctions waivers allowing Russian, Chinese and European firms to continue work at certain Iranian nuclear sites, a US official and another source familiar with the matter said on Wednesday." The decision was first reported by The Washington Post (5/27, Hudson, 14.2M), which says Secretary of State Pompeo and "a group of lawmakers led by Republican Sen. Tom Cotton of Arkansas pushed to exert even more pressure on Tehran and eliminate the vestiges of the Obama administration's signature foreign policy objective." According to "an internal State Department memo," Pompeo will "end the sanctions waiver covering JCPOA-related nuclear projects in Iran."

The New York Times (5/27, Jakes, 18.61M) says the move "abandons the last part of the 2015 nuclear agreement that [President] Trump had allowed to remain in place."

The AP (5/27, Lee), The Wall Street Journal (5/27, McBride, Norman, Subscription Publication, 7.57M), and The Hill (5/27, Kelly, 2.98M) also report.

House Passes Uighur Human Rights Bill.

The New York Times (5/27, Edmondson, 18.61M) reports the House "voted overwhelmingly on Wednesday to pass a measure that would punish top Chinese officials for detaining more than one million Muslims in internment camps, sending President Trump a bill intended to force him to take a more aggressive stand on human rights abuses in China." That action "cleared legislation that would compel Mr. Trump to impose sanctions on Chen Quanguo, the top Communist Party official in Xinjiang, where the camps are, and mandate that the director of national intelligence produce a list of Chinese companies involved in the construction and operation of the camps." The bipartisan 413-1 vote "reflected broad congressional support to punish Beijing for its ruthless campaign against Uighurs," and to "press the administration into action to condemn China's mass detentions."

Federal Reserve

Fed's "Beige Book" Report Pessimistic About Economy Despite Administration's Optimism.

The AP (5/27, Crutsinger) reports a Fed survey released Wednesday said the central bank's business contacts are less optimistic about the economic outlook that President Trump, who forecasted "some great numbers" in the last three months of 2020 and strong recovery next year. The Fed said in its report (also known as the "Beige Book"), "Although many contacts expressed hope that overall activity would pick up as businesses reopened, the outlook remained highly uncertain and most contacts were pessimistic about the potential pace of recovery." Unemployment reached 14.7 percent in April, the highest since the Great Depression. GDP contracted by 4.8 percent from January to March, and some economists see a 40 percent decline in GDP for Q2.

The Hill (5/27, Lane, 2.98M) reports the Beige Book "painted a dire picture of the economic toll of the coronavirus pandemic as states began to gradually lift restrictions imposed to slow the spread of COVID-19." The article adds, "While banks reported strong demand for emergency Small Business Administration (SBA) loans, a sharp drop in residential home sales and evaporating revenue from missed commercial real estate rent payments pose other threats to the financial sector." The Fed also highlighted that the SBA's PPP loan program "helped 'many' businesses prevent layoffs, though the program did little to stem the collapse in employment in the leisure, hospitality, and retail sectors."

Reuters (5/27, Marte, Dunsmuir), The Wall Street Journal (5/27, Kiernan, Subscription Publication, 7.57M), Barron's (5/27, Beilfuss, 1.07M), The Financial Times (5/27, Sevastopulo, Edgecliffe-Johnson, Subscription Publication, 1.34M), and Fox Business (5/27, Henney, 1.73M) also report.

NYTimes Analysis: Actions By Federal Reserve Propping Up Stocks. The New York Times (5/27, Phillips, 18.61M) reports that "investors keep pushing stocks higher" despite expectations for continued weakness in earnings reports, "breaking the link between analyst forecasts and the direction of stock prices." While "plenty of explanations have been offered to help explain the market's blasé approach to a bleak reality facing corporate America," the Times says "the most powerful reason is simpler: It's the actions of the Federal Reserve." In

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essence, "the Fed's efforts to keep interest rates and bond yields low has more than offset the collapse in profits for S&P 500 companies, helping to keep the market aloft even though corporate profitability and the economy look like they will be gloomy for a while."

NY Fed Releases Municipal Lending Facility's Sample Purchase Rates.

Reuters (5/27, Marte) reports the New York Fed on Wednesday "released sample purchase rates for the upcoming municipal liquidity facility." Reuters says, "Actual transactions will be priced according to the specifics of the transaction and may differ."

Boston Fed Releases Main Street Lending Program Participation Forms.

Reuters (5/28, Marte) reports the Boston Fed "released loan participation forms for lenders interested in the Main Street Lending Program." Though the program's launch date "has not yet been announced," Boston Fed President Eric Rosengren "said on Sunday the facility should start issuing loans over the next two weeks."

Williams: Worst Of Economic Blow Could Be Over, But Challenges Lie Ahead.

The Wall Street Journal (5/27, Derby, Subscription Publication, 7.57M) reports New York Fed President John Williams said Wednesday that the worst of the economic downturn may be over, but added that uncertainty still remains ahead. Williams said that despite signs of stabilization, the situation remains very challenging. The central bank is considering using a tactic called yield-curve control in which it would actively manage the costs for borrowing at different maturities.

Reuters (5/27, Marte) reports Williams said of yield curve control: "This is something that obviously we're thinking very hard about...We're analyzing not only what's happening in other countries but also how that may work in the United States." MarketWatch (5/27, Robb, 1.67M) also reports.

Bullard: Industries Adapting To Post-Pandemic Reality; Policies Should Incentivize Workers Returning To Jobs.

Reuters (5/27, Schneider) reports St. Louis Fed President James Bullard said Wednesday that the US economy may have hit its bottom in April, and that businesses are beginning to learn how to conduct operations while coping with the post-pandemic reality. Bullard said restaurants, hotels, and other "high contact" remain deeply hit, but "there is reopening occurring. There is adaptation occurring. We are at the beginning...and I would expect that process to be something that plays out over the next 120 days. There will be a learning process there by different businesses that keeps customers confident and keeps their own work force confident."

Reuters (5/27, Schneider) also reports Bullard said that expanded unemployment benefits, though appropriate during the COVID-19 lockdown, would not be appropriate during the recovery. Bullard said policymakers should instead consider incentivizing workers to return to their jobs, saying, "That 100% replacement rate is totally appropriate during the pandemic adjustment...It would not be appropriate as we come out of it. ... You want to incentivize people" to work.

Internal Revenue Service

Treasury, IRS Grant Renewable Energy Projects Extra Year To Qualify For Tax Credits.

The Hill (5/27, Frazin, 2.98M) reports the Treasury and the IRS "issued a notice Wednesday that said it would give some companies that started construction in 2016 or 2017 an extra year before they have to put their projects in service." The notice "also allows some companies additional time to receive materials for construction in order to meet a requirement to start construction." The IRS said in a statement that it "recognizes that COVID-19 has caused industry-wide delays in the supply chain for components needed to complete renewable energy projects otherwise eligible for important tax credits." The statement "added that the notice aims to 'provide tax relief to affected taxpayers.'"

Office of the Comptroller of the Currency

OCC Amends Rule To Allow Banks Virtual Meeting Options Amid Pandemic.

The ABA Banking Journal (5/27) reports that "to facilitate banks' needs to hold meetings during the coronavirus pandemic," the OCC issued an interim final rule clarifying that banks "may hold virtual board, shareholder and (as applicable) member meetings using remote communication tools." The rule "permanently amends OCC rules about telephonic or electronic participation, as well as advance notice of meetings, to reflect the availability of today's advanced virtual meeting technology."

Republicans Urge Bank Regulators To Finish Rules, While Democrats Call For Pause.

American Banker (5/28, Subscription Publication, 31K) reports, "The coronavirus pandemic has hardened congressional views on bank regulation in both parties, with Republicans urging agencies to finish rules intended to foster economic growth and Democrats calling for a pause on loosening restrictions that protect consumers." The competing approaches "have intensified as Trump-appointed regulators aim to finish regulations dealing with issues from payday lending to mortgage underwriting to the definition of brokered deposits." Rep. Patrick McHenry (R-NC), the top Republican on the House Financial Services Committee, "has argued that rules under consideration will promote economic activity to counter the sharp downturn sparked by the pandemic." In a letter to the OCC, the Fed, the FDIC, the CFPB, and the

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FHFA earlier this month, McHenry wrote, "In consideration of the limitations that businesses face today, and the magnitude of the costs imposed by the pandemic, I urge you and your staff to work expeditiously to create the most favorable conditions for growth and employment."

Sen. Perdue: CRA Reform Could Help Communities Recover From Virus Crisis.

Prior to the release of the OCC's final CRA rule, Sen. David Perdue (R-GA) writes for The Hill (5/27, 2.98M) in support of an update to the law, saying that bringing the regulatory framework into the 21st century "would help steer banking services and capital to underserved communities that have been devastated" by the coronavirus crisis. Perdue adds that modernizing the CRA will give rural and low-income communities "a critical lifeline to not only recover from this crisis, but come out even stronger than they were before."

Editorial Wrap-Up

New York Times.

"Mr. Trump Should Stand by Hong Kong." The New York Times (5/27, 18.61M) editorializes that the Administration "was left with no option but to acknowledge the new reality" in Hong Kong, but cautions that "how this latest showdown plays out could have major ramifications for the future of Taiwan and for China's behavior in its neighborhood and the world. The question is whether President Trump has the leverage, support or stomach for the fight."

Washington Post.

"No Wonder Twitter Is Confused." A Washington Post (5/27, 14.2M) editorial argues that while Twitter "has provoked outrage for its refusal to remove disgraceful tweets" from President Trump about the death of Joe Scarborough's congressional aide, "the debate shouldn't obscure the obvious: The bigger problem is the president." Trump's messages "are not only instructive in their vileness: They also have potential to do great damage. Twitter should develop a more coherent framework to deal with speech by world leaders; with real-world harm, including harassment; and with misinformation – and to articulate how they knit together in this case and in others."

"Getting America Online." A Washington Post (5/27, Board, 14.2M) editorial says that while the digital divide "was a problem before the pandemic," it is now "an existential problem for students who can't access live-streamed classes, for the ill who can't virtually consult with a doctor, for isolated individuals who can't find human connection on their laptop screens." The Post calls on Congress to "do whatever it can during this crisis to bring the Internet to those who don't have it and to ensure that those who do have it don't lose it. But it should also be working for a country after the crisis, forged by the crisis, with resilient, secure and universally available connection."

"MBS Is No Friend To Progress." The Washington Post (5/27, 14.2M) editorializes that that the arrest two years ago of Loujain al-Hathloul, a "prominent women's rights activist" in Saudi Arabia, it marked "the start of a wave of arrests of activists, journalists and bloggers who had peacefully campaigned for basic freedoms for women, including the right to drive." While the ban on women driving was lifted, "Hathloul and four other women remain behind bars," which the Post says "speaks to the arbitrariness and cruelty that characterize the rule of Crown Prince Mohammed bin Salman."

Wall Street Journal.

"Twitter Plays Into Trump's Hands." The Wall Street Journal (5/27, Subscription Publication, 7.57M) argues in an editorial that Twitter's decision to attach the fact-check label to President Trump's posts gave him evidence to make his point that social media and tech firms are out to get him and his followers. Twitter CEO Jack Dorsey, the Journal argues, is priming social media platforms for government regulation.

"Trump's Hong Kong Moment." On its editorial page, the Wall Street Journal (5/27, Subscription Publication, 7.57M) warns that the Administration's declaration that Hong Kong can no longer be seen as autonomous could hurt the people of Hong Kong more than it will China, and instead urges the Administration to directly target those responsible for the assault on Hong Kong's autonomy.

"Europe Seeks Its 'Hamilton Moment.'" A Wall Street Journal (5/27, Subscription Publication, 7.57M) editorial warns that supporters of a federal Europe should be wary of the plan's borrow-spend-and-tax scheme.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

US Officially Declares That Hong Kong Is No Longer Autonomous
European Union Plans $2 Trillion Coronavirus Response Effort
'Vaccine Nationalism': A New Dynamic In The Race To Quash Coronavirus
New York Starts Mapping Out The Road Back From Coronavirus – And It's Long
Recyclers Stuck With Millions Of Uncashed Empties In Lockdown
HBO Max Is Left Out Of Amazon's, Roku's Platforms At Launch

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New York Times:

Hong Kong Has Lost Autonomy, Pompeo Says, Opening Door To US Action
A €750 Billion Virus Recovery Plan Thrusts Europe Into A New Frontier
An 'Avalanche Of Evictions' Could Be Bearing Down On America's Renters
Larry Kramer, Playwright And Outspoken AIDS Activist, Dies At 84
With Or Without The Say Of Players, College Football Moves Toward A Return
Minneapolis Police, Long Accused Of Racism, Face Wrath Of Wounded City

Washington Post:
The US Death Toll Has Reached 100,000. The Pandemic Has Exposed The Nation's Vulnerabilities And Dangerous Divide
Small Steps For DC, Va. Suburbs
Death Toll Is One Number Trump Hasn't Fixated On
Even With A Vaccine, Virus Likely To Live On
Sense Of Despair In Minneapolis After Death

Financial Times:
Brussels Asks To Borrow €750bn To Bankroll Coronavirus Recovery
HK's Trade Status In Peril As US Says It Is No Longer Autonomous From China

Washington Times:
'Tail Wagging The Dog': Washington Post, Leaker Reignited FBI's Flynn Probe
Biden's Bet On Frontline Coronavirus Governors Threatens To Backfire As Resistance Rises
EXCLUSIVE: Swing-State Voters Favor Trump Over Biden On China, Protecting Businesses, Poll Finds
Mike Pompeo Accuses China Of Stripping Hong Kong's Freedom And Autonomy
Feds Spending Millions Of Dollars To Study Coronavirus Stress
'Second Wave' Fears Loom As US Passes 'Dark' Milestone

Story Lineup From Last Night's Network News:
ABC: George Floyd Death; Coronavirus Toll; Cuomo-COVID-19 Relief; Rocket Launch Called Off.
CBS: Coronavirus Toll; Rocket Launch Called Off; Tropical Depression Bertha; George Floyd Death; Trump-Twitter; Murder Suspect Manhunt; People Lost To Coronavirus; Pompeo: Hong Kong Not Autonomous; Russia Intercepts US Jet; Coronavirus-Graduation.
NBC: George Floyd Death; Coronavirus Toll; Trump-Twitter; Tropical Depression Bertha; Rocket Launch Called Off; Bridge Shooter; Coronavirus-Associated Syndrome Test; Coronavirus-Contact Tracing; AIDS Activist Dies.
Network TV At A Glance:
Coronavirus Toll – 11 minutes, 20 seconds
George Floyd Death – 9 minutes, 55 seconds
People Lost To Coronavirus – 9 minutes
Rocket Launch Called Off – 6 minutes, 10 seconds
Trump-Twitter – 4 minutes
AIDS Activist Dies – 2 minutes, 50 seconds
Murder Suspect Manhunt – 1 minute, 35 seconds
Tropical Depression Bertha – 35 seconds
Story Lineup From This Morning's Radio News Broadcasts:
ABC: George Floyd Death; Murder Suspect Manhunt; Coronavirus Toll; Rocket Launch Called Off.
CBS: Coronavirus Toll; George Floyd Death; Murder Suspect Manhunt; Rocket Launch Called Off; Trump-Twitter; Stocks Up.
FOX: Murder Suspect Manhunt; George Floyd Death; Coronavirus Toll; Pompeo: Hong Kong Not Autonomous; Tennesse-COVID-19 Addresses; Papa John's-Sales; Theme Park Reopenings.
NPR: George Floyd Death; Churches-COVID-19 Suit; House-Proxy Voting; Stocks Up; Rocket Launch Called Off; France-Coronavirus App; Trump-7/4 Celebration.

Last Laughs

Late Night Political Humor.

Jimmy Kimmel: "Here in California, we are entering phase three of the governor's plan to reopen the state. [Los Angeles Mayor] Eric Garcetti announced all retail businesses are allowed to let customers in, provided they take the necessary precautions. Curbside Botox injections could start up again as soon as next week."

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Jimmy Kimmel: "In Las Vegas, several casinos are set to open. They will be offering no-contact, curb-side delivery, which means you can

drop off your money and drive away without ever having to go inside to lose."

Jimmy Kimmel: "The governor of Nevada, Steve Sisolak, says they've taken every precaution possible and that he doesn't think you're going to find a safer place to come than Las Vegas. Here's the thing: You know things are messed up when Las Vegas is bragging about how safe it is. Before this, the slogan was, 'Even if you killed a hooker, no one will ever find out, right?'"

Jimmy Kimmel: "They canceled the [SpaceX] launch. Trump got very nervous. He thought they said they were canceling the lunch."

Jimmy Kimmel: "People are blaming the President for jinxing [the SpaceX launch] because he showed up to see it, just like they say he jinxed Alabama by showing up to their home game or how he's jinxed everything he's ever touched."

Jimmy Kimmel: [On the SpaceX launch] "They have to wait for Saturday, which is disappointing to Trump. He's been a big proponent of getting Americans the hell off this planet."

Jimmy Kimmel: "I guess it was only a matter of time before Donald Trump would be in a Twitter feud with Twitter. "

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Receives hurricane season briefing.
- Vice President Pence — Has no public schedule released.

US Senate:

• Senate convenes for a pro forma session – Senate convenes for a pro forma session * Chamber is on recess from 22 May – 1 Jun; *9:30 AM*

US House:

• House in session, in change from previous schedule – House of Representatives meets for legislative business, with agenda due to include consideration of the Veto Message to Accompany 'H.J.Res. 76 – Providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Department of Education relating to 'Borrower Defense Institutional Accountability''. Agenda for the week also includes consideration of 'S. 2746, Law Enforcement Suicide Data Collection Act', 'S. 3744, Uyghur Human Rights Policy Act of 2020', 'H.R. 6168, Veterans' Compensation Cost-of-Living Adjustment Act of 2020', 'S. 3414, Major Medical Facility Authorization Act of 2020', 'S. 3084, To amend title 38, United States Code, to modify the limitation on pay for certain high-level employees and officers of the Department of Veterans Affairs', 'H.R. 6782, TRUTH Act', as amended, and 'H.R. XX, Paycheck Protection Program Flexibility Act of 2020' under suspension of the rules

Location: US Capitol, Washington, DC; 9:00 AM

• House Appropriations Military Construction, Veterans Affairs, and Related Agencies Subcommittee hearing on coronavirus response – Hearing on 'Department of Veterans Affairs – Response to COVID-19', with testimony from Secretary of Veterans Affairs Robert Wilkie, Under Secretary for Benefits Dr Paul Lawrence, Assistant Secretary for Management (and Department of Veterans Affairs CFO) Jon Rychalski, and Deputy Under Secretary for Health's Chief Consultant Dr Jennifer MacDonald; *10:00 AM*

• House Labor Workforce Protections Subcommittee hearing on federal govt actions to protect workers from coronavirus – Hearing on 'Examining the Federal Government's Actions to Protect Workers from COVID-19', with testimony from Principal Deputy Assistant Secretary of Labor for the Occupational Safety and Health Administration Loren Sweatt; and NIH National Institute for Occupational Safety and Health Director John Howard; *10:15 AM*

• House Committee on Small Business Contracting and Infrastructure Subcommittee virtual forum on Small Business Development Centers virtual forum on Small Business Development Centers – Virtual forum, via WebEx, on 'how SBDCs have been able to pivot their business models, through the counseling and training of their local Small Business Development Centers to survive during the

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coronavirus (COVID-19) pandemic' and 'how SBDCs can help small businesses reopen and what resources will be needed to successfully restore Main Street', featuring a panel of America's Small Business Development Centers President and CEO Tee Rowe, Maine Small Business Development Center State Director Mark Delisle, Farmington Underground Escape Room co-owners Joe Musumeci and Mary Ellms; and Minnesota Small Business Development Center State Director Bruce Strong; *1:00 PM*

This Town:

• Atlantic Council discussion on mobilizing industry to alleviate global concerns – 'European energy security and the critical role of transatlantic energy cooperation' Atlantic Council online event, to launch a new report titled 'European Energy Security and the Critical Role of Transatlantic Energy Cooperation: Final Report and Recommendations'. Featured speakers include Director-General for Energy of the European Commission Ditte Juul Jorgensen, Deputy Director-General of the European Commission Dr Klaus-Dieter Borchardt, State Department Assistant Secretary for the Bureau of Energy Resources Francis Fanon, Department of Energy Assistant Secretary for the Office of International Affairs Theodore Garrish and Cheniere Energy, Inc Senior Vice President Chris Smith; *8:00 AM*

• Dem Sen. Chris Van Hollen speaks at CSIS – Center for Strategic and International Studies hosts an online conversation with Democratic Sen. Chris Van Hollen, to examine both the public health and economic dimensions to addressing the coronavirus (COVID-19) pandemic; *9:00 AM*

• CGD discussion on economic and financial innovation after coronavirus – 'Can Economic and Financial Innovation Make a Difference in a Pandemic?' online discussion hosted by Center for Global Development, to examine how the public and private sectors can collaborate 'most effectively' to restart financial flows and deliver essential health and other services to the vulnerable after the coronavirus (COVID-19) pandemic. Featured speakers include Balloon Ventures CEO Josh Bicknell, CGD Nonresident Senior Fellows James Habyarimana and Alix Peterson Zwane, and mClinica Pharmacy Solutions CEO Farouk Meralli; *9:30 AM*

• CSIS online discussion on international standards-setting – 'Is China Gaining on America as the Leading Standards-Setter for New Technologies and Products?' online discussion hosted by Center for Strategic and International Studies, to examine how China fares in international standards-setting, and whether a collaborative solution can be found to standard-setting between the U.S. and China. Featured speakers include American National Standards Institute CEO S Joe Bhatia; *10:00 AM*

• Atlantic Council discussion with former Georgian president – One last chance to change Ukraine?' Atlantic Council online discussion with former Georgian President and recently-appointed head of Ukraine's National Reform Council Mikheil Saakashvili; *10:30 AM*

• GMF online discussion on media freedom in Bulgaria, Hungary and Romania – The Coronavirus Crisis and Media Freedom: Focus on Bulgaria, Hungary, and Romania' online discussion hosted by German Marshall Fund of the U.S., to examine the challenges posed by the coronavirus (COVID-19) pandemic for the 'already-embattled' independent news outlets in Bulgaria, Hungary, and Romania. Featured speakers include Radio Free Europe / Radio Liberty Director of the Bulgarian Service Ivan Bedrov and Director of the Romanian Service to Moldova and Romania Oana Serafim, and Direkt36 Senior Investigative Journalist Szabolcs Panyi; *10:30 AM*

• GOP Sen. Bill Cassidy speaks on Heritage Foundation discussion – 'Addressing the China Challenge in Latin America' Heritage Foundation online discussion, with featured speakers including Republican Sen. Bill Cassidy, Council of the Americas Vice President Eric Farnsworth, SOS International LLC Director of Intelligence Integration James Mulvenon, and Visiting Fellow David Shedd; *11:00 AM*

• RWJF press teleconference on coronavirus in American Indian communities – 'The Impact of COVID-19 on American Indians: Tribal Nations to Urban Communities' Robert Wood Johnson Foundation press teleconference, with University of North Dakota Researcher Physician Donald Warne discussing the health and economic impact of the coronavirus pandemic on American Indian communities both now and as states navigate reopening; *12:00 PM*

• Center for American Progress on child care provision during the coronavirus pandemic – 'The Workforce Behind the Workforce: Child Care Providers in the Coronavirus Pandemic' Center for American Progress online event, on how the COVID-19 pandemic has affected the lives of child care providers and the children and families they serve. Speakers include Chambliss Center for Children CEO Philip Accord, Bell's School for People Under Six Director Catherine Lieberman, Teaching Tree Early Childhood Learning Center teacher Enola Garland, Arlington DFW Child Care Providers Association CEO Jerietha McDonald, and Wood's Hollow Children's Center educator Kyra Swenson; *12:00 PM*

• Atlantic Council discussion on the Libyan Civil War – 'A post-conflict Libya?' Atlantic Council online discussion, to examine the prospects for international mediation in light of the recent counter-offensive of the Government of National Accord-aligned forces in the Libyan Civil War. Featured speakers include former GNA Prime Minister Ahmed Maitig, International Energy Charter Global Resources Partnership Special Envoy Chairman Mehmet Ogutcu, and former Egyptian Ambassador to Lebanon, South Africa, and Yemen Dr Mohamed Zayed; *12:00 PM*

• Atlantic Council discussion on the U.S. and EU relationship – 'The United States and the European Union – Allies or rivals?' Atlantic Council online discussion, to examine the potential implications for the transatlantic alliance between the U.S. and the EU in light of growing U.S. hostility toward China and 'a new push in Europe for greater strategic autonomy following Brexit'. Featured speakers include former Under Secretary of State for Political Affairs Nicholas Burns, former U.S. Ambassador to the European Union Anthony Luzzatto Gardner, and Atlantic Council Distinguished Fellow Frances Burwell; *12:30 PM*

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• Bipartisan Sens. Robert Casey and Bill Cassidy speak at Axios event on nursing homes – 'Nursing Homes on the Frontline' Axios live,

virtual event, with Democratic Sen. Robert Casey and Republican Bill Cassidy discussing the impact of coronavirus (COVID-19) on seniors in long-term care facilities, including efforts to meet the critical health needs for this vulnerable population, and examining what action is being taken at the policy level and the challenges moving forward; *12:30 PM*

• CSBA discussion on the U.S.-China strategic balance – 'U.S.-China Strategic Balance after the COVID-19 Pandemic' Center for Strategic and Budgetary Assessments webinar event, on the implications of the coronavirus (COVID-19) pandemic for the future competitive balance between the two nations. Speakers include Expanse CEO and co-founder DR Tim Junio, Deputy Assistant Secretary of Defense Heino Klinck, KKR Global Institute Executive Director Vance Serchuk, and former Joint Chiefs of Staff Vice Chairman Adm. (Ret.) sandy Winnefeld; *2:00 PM*

• President's Commission on Law Enforcement and Administration of Justice hearing – Presidential Commission on Law Enforcement and the Administration of Justice holds teleconference on 'Civil Rights, Oversight, and Community Engagement' – part of its hearing on community engagement, focusing on civil rights and oversight – featuring Voice of East African Women in Minnesota founder and Executive Director Farhio Khalif, National Association for Civilian Oversight of Law Enforcement President Susan Hutson, and Center for Policing Equity co-founder and CEO Phillip Atiba Goff; *2:00 PM*

• Human Rights Watch / Refugees International webinar on the U.S.-Guatemala Asylum Cooperative Agreement – Human Rights Watch and Refugees International host discussion on 'Deportation with a Layover: Failure of Protection Under the U.S.-Guatemala Asylum Cooperative Agreement' report, via webinar as part of the 'Voices from the Border' series to 'humanize, inform, and deepen policy discussions relating to migration and protection along the U.S. southern border'. Speakers include Las Americas Immigrant Advocacy Center in El Paso Director of Legal Services Linda Corchado, Human Rights Watch U.S. Border Researcher Ariana Sawyer, Refugees International Latin America Advocate Rachel Schmidtke; *2:00 PM*

• CSIS online discussion on the defense industrial base – 'Challenges to the Industrial Base during Covid-19' online discussion hosted by Center for Strategic and International Studies, to examine the impact of the coronavirus (COVID-19) pandemic on the defense industrial base. Featured speakers include Bell CEO Mitch Snyder, SAIC CEO Nazzic Keene, and National Defense Industrial Association CEO Gen. Hawk Carlisle (Ret.); *3:00 PM*

• Cato Institute discussion on privacy in a pandemic – 'Privacy in a Pandemic' Cato Institute online policy forum, on an array of different models for digitally assisted tracing and exposure notification and how to fight contagion without sacrificing privacy. Speakers include Google Public Policy Manager Ali Lange, University of Southern California's Harper Reed, and University of Washington's Ryan Calo; *3:00 PM*

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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, MAY 21, 2020 6:00 AM EDT

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• Two Ford Factories Temporarily Close After Workers Test Positive For Coronavirus.
• Chao: New Regulations Give Truck Drivers Greater Flexibility.
• Grocery Prices Surged In April.
• Some Stores "Becoming Battlegrounds" Over Enforcing Safety Measures.
• Target Reports Biggest Quarterly Sales Jump In 15 Years.
• New Englanders Falling Behind On Mortgage, Rent Payments.
• NYTimes Analysis: Live Event-Based Businesses May See Long-Term Peril.
• Apple Updating iPhone Face ID To Allow Passcodes For Masked Users.
• Luttig, Rivkin Argue For Business COVID-19 Liability Immunity.
• WTimes Analysis: BlackRock To Face Heat At Shareholder Meeting.
• WSJournal: Legislators' Letter To Google Part Of Activist Employees' Enforcement Of Political Orthodoxy.
• Trump Says His Hydroxychloroquine Regimen Will End In "A Day Or Two."
• Pence Visits Central Florida As Tourism Industry Begins Revival.
• Azar Offers Advice For Memorial Day Weekend Travel.
• HHS Deputy IG Who Warned About Shortages To Testify Before House Panel.
• Navarro Says Phlow Contract Is Part Of Effort To Return Drug Manufacturing To US.
• "Major Discoveries" Could Lead To Coronavirus Vaccines.
• Reliability Of Coronavirus Antibody Tests In Question.
• Scientists Eye Barring Superspreading Events To Slow Coronavirus' Spread.
• WPost-Ipsos Poll: Mask Shortage For Healthcare Workers Continued Into May.
• US Has Resisted Out-Of-Home Quarantine Despite Apparent Effectiveness In Other Nations.
• CDC: Coronavirus "Does Not Spread Easily" Via Touching Surfaces, Objects.
• Administration Keeping CDC Guidance On Reopening Churches On Hold.
• CMS Urges Governors To Caution When Easing Nursing Home Restrictions.
• Administration Reportedly Preparing Plans To Extend National Guard Deployment.
• LATimes Analysis: "Growing Signs" Coronavirus Is Slowing In California.
• Northam: "No Particular Timeline" For Northern Virginia To Begin Reopening.
• Navajo Nation Hit Hard By COVID-19.
• GOP Operatives Seeking "Pro-Trump" Doctors To Push For Economy's Revival.
• Video Touting Coronavirus Conspiracy Theory Was Viewed More Then 8M Times.
• WSJournal: COVID-19 Risk To Children Doesn't Support Extending Lockdowns.
• High Court Halts Democrats' Push For Release Of Mueller Report Secret Grand Jury Material.
• Rubio Says Someone "Broke The Law" With Flynn Leak.
• Cohen To Serve Remainder Of Sentence In Home Confinement.
• "Hundreds" Of Children And Teenagers Have Been Deported Amid Pandemic.
• Families With Undocumented Members Hopeful About Federal Aid.
• Higher-Than-Anticipated Costs Have Administration Canceling Part Of Border Wall.
• NYTimes Analysis: Student Debt Bill Forces Trump To Choose Between DeVos And Veterans.
• Pompeo Says IG's Firing Should Have Come Sooner, Notes Criminal Prosecution Of Menendez.
• Warner Blocks Interior Nominee Over Lack Of Information On Ghaisar Case.
• NASA Human Spaceflight Program Chief Resigns.

Attorney Client Privilege

• WPost Calls For Changes In Behavior Of US Attorney's Office For DC.
• Trump Announces Federal Help After Michigan Flooding, Praises First Responders.
• EPA's Wheeler Defends Recent Deregulation Push.
• Pelosi Defends Calling Trump "Morbidly Obese."
• Brzezinski Calls On Twitter To Remove "Sick, Disgusting" Trump From Platform.
• Blue Angels Fly Over Navel Academy's Class Of 2020 Commencement.
• CNBC/Change Research Poll: Trump Leads Biden 48%-46% In Crucial Battleground States.
• Trump Reaches Out To Sanders Voters.
• Politico: Trump, Aides Eager To Schedule In-Person Campaign Rallies.
• Politico Analysis: As Trump Unites GOP, Biden Lagging In Outreach To Congressional Democrats.
• USA Today Analysis: Biden Under Pressure To Choose Woman Of Color As Running Mate.
• Sanders Asking His Delegates To Refrain From Attacking Democratic Leaders.
• NRSC Raises A Record $12.2M In April.
• Oregon GOP Senate Nominee Is Believer In QAnon Conspiracy Theory.
• GOP Ousts Democrats In City Council Races In Democratic Stronghold Of Staunton, Virginia.
• WPost Blasts Texas AG For Impeding Voting By Mail.
• Convicted 9/11 Attacker Renounces Terrorism.
• RCP Average Has Trump's Job Approval At 45.5%.

Financial International News

• World Bank Names Former Bear Stearns Crisis Expert As Chief Economist.
• BOE's Bailey Won't Rule Out Negative Rates.
• UK Makes First Negative-Yielding Bond Sale.

Leading International News

• Trump Criticizes "Wacko" Chinese Official Over Coronavirus Statement.
• WHO Decries Potential Loss Of US Funding As Global COVID-19 Cases Hit New High.
• US Donating 200 Ventilators To Russia.
• COVID-19 Spreading Faster In Brazil Than Anywhere Else.
• COVID-19 Rising Among Middle-Aged Men In Mexico City.
• Gulf Arab Nations Reinstating Some Restrictions After Rise In COVID-19 Cases.
• Prime Minister Warns Lebanon Is Facing Food Crisis.
• UK Government Pledges To Roll Out Contact Tracing Program.
• Sweden's COVID-19 Death Rate Far Below UK's Despite Eschewing Strict Lockdown.
• WPost: Leaders "Have Accepted The Fact That Europe Is On Its Own."
• Author: Coronavirus Spread Among "Low-Paid Foreign Workers" In Singapore.
• Iran Prolongs Temporary Release Of British-Iranian Woman.
• Iranian Navy To Continue Operating In Persian Gulf Despite US Warning.
• US Envoy Meets With Afghan President, Former Rival To Discuss Making Peace With Taliban.
• Trump Suggests Holding G7 Summit At Camp David As Previously Planned.
• Pompeo: Treatment Of Activists Makes Hong Kong Autonomy Assessment More Difficult.
• Russia Proposes Summit Between US And Palestinians.
• Israeli Troops Preparing For Potential War With Weakened Hezbollah.
• Burundi Holds Presidential Election.
• Powerful Cyclone Hits India And Bangladesh.
• Former Green Beret Tied To Ghosn's Flight From Japan Arrested.
• Alberta Premiere: Biden Won't Cancel Keystone XL If Construction Is Underway.

Housing

• FHFA Releases New GSE Capital Rule, Calling For $240B In Held Capital For Return To Private Hands.
• A Third Of Borrowers Who Sought Out Forbearance Are Not Using It.
• MBA Pushes For Market-Wide Liquidity Facility.
• MBA: Mortgage Applications Dip, Despite Bump In Purchase Volume.
• TransUnion Study Shows Borrowers Seeking Assistance With Debt Payments Jumped From March To April.
• Government Bond Yields Stagnate New All-Time Lows.
• LoanCare's Worrall Discusses How Servicers Can Best Interact With Borrowers.
• Census Bureau Data Shows Almost Half Of US Households Have Lost Income During Pandemic.
• Many Cities At Risk Of Pandemic-Related Housing Crisis.
• Whalen Discusses What Post-Conservatorship GSEs May Look Like.

Markets

• 10-Year Yield Falls.
• Dollar Holds Firm.
• Gold Falls.
• Oil Rises.

Cybersecurity

• FBI Warns Of Child Pornography Appearing In "Zoombombing."
• Pennsylvania Borough Paid Thousands In Ransomware Attack.
• FBI Warns Of Sexual Predators Targeting Children During Online Learning.
• Iran Poses Cyber Threat To The US And Allies.
• Japan Suspects Missile Data Leak In Mitsubishi Cyberattack.
• Virtual Cybersecurity School Teaches Kids To Fix Security Flaws.
• Members Of Open Networking User Group Seek Unified Cybersecurity, Cloud Data Protection Standards.

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• Cybersecurity Experts Identify Flaws In The UK's Contact-Tracing App.
• States Confront Challenges In Deciding How To Hold Elections Amid Pandemic.
• Op-Ed: Congressional Support For Cyberspace Solarium Recommendations Will Help Protect Veterans From Cyber Threats.
• Researchers Use A Beer App To Track The Military And CIA.
TFI/Sanctions
• Trump Administration Sanctions Iranian Interior Minister.
Federal Reserve
• Fed Meeting Minutes Paint "Relatively Bleak Picture" Of Path To Recovery.
• Fed Takes Bipartisan Criticism Over Stalled Lending Program.
• Fed To Take First Requests For TALF Program Loans On June 17.
• Bostic Unconcerned About Inflation; Bullard Optimistic About Potential Recovery In Second Half Of 2020.
• Kaplan: Consumer Confidence, Growth Unlikely To Rebound Without Additional Testing, Fiscal Stimulus.
Internal Revenue Service
• Social Security Recipients Await Stimulus Checks As IRS Struggles With Staffing Shortages.
• Tax Return Filings Plummet After Treasury, IRS Give Taxpayers Three Extra Months To File.
Office of the Comptroller of the Currency
• OCC Issues Final CRA Rule.
• Interagency Cohort Including OCC, FDIC Releases Small-Dollar Lending Guidance.
• BofA Says Security Glitch Leaked PPP Applicants' Data Through SBA's Platform.
• Citi To Purchase Up To $50M In PPP Loans From Minority-Owned Banks.
• Citi Considers Satellite Offices Near New York HQ To Promote Social Distancing.
• JPMorgan To Keep Offices At Half Occupancy For "Foreseeable Future."
• Banks Prepare To Examine Debt Forbearance As Expiration Dates Near.
Editorial Wrap-Up
• Washington Post.
• Wall Street Journal.
The Big Picture
• Headlines From Today's Front Pages.
Last Laughs
• Late Night Political Humor.
Washington's Schedule
• Today's Events In Washington.
Treasury in the News

Continuing Coverage: Mnuchin, Powell Diverge On Need For Additional COVID-19 Aid.

Politico (5/20, Zanona, 4.29M) reports in its daily "Huddle" rundown that Treasury Secretary Steven Mnuchin "testified on Capitol Hill yesterday that June is going to be another rough month for jobs numbers." Fed Chair Jerome Powell called the COVID-19 crisis "the biggest shock we've seen in living memory" and said "the question that looms in the air is: is it enough?" However, the GOP "is still standing firm on their position that another relief package isn't necessary yet." House Minority Leader Kevin McCarthy told reporters yesterday, "I don't see the need right now."

The Washington Post (5/20, Newmyer, 14.2M) reports in its daily "The Finance 202" rundown that Mnuchin and Powell "joined hands, virtually, to defend the federal economic rescue effort they have co-captained in the face of the coronavirus pandemic." However, during their virtual testimony Tuesday, "the two diverged on the path the economy will take from here." Mnuchin's "outlook hewed to the increasingly rosy view of the White House he serves – part of an emerging Trump administration consensus that the economy is on the cusp of a sharp bounceback that will obviate the need for new Washington spending." Mnuchin noted, "the jobs numbers will be worse before they get better," and "emphasized the urgency of lifting restrictions," saying "there is the risk of permanent damage" to the economy as the shutdown drags on.

CNBC (5/20, Iacurci, 3.62M) reports in an analysis that Mnuchin "may be wrong about one element of unemployment benefits and its intersection with a forgivable loan program for small businesses." Mnuchin "said Tuesday that workers wouldn't be able to continue getting unemployment benefits if they were to refuse a job offer." Mnuchin testified, "If [businesses] offer back a worker and they don't take that job, they will be required to notify the local unemployment insurance agency because that person will no longer be eligible for unemployment." CNBC says Mnuchin's assertion – "that a worker refusing a job offer would be ineligible for unemployment benefits – is generally correct." However, "the CARES Act, the $2.2 trillion coronavirus relief package enacted in late March, offers several Covid-19-related reasons workers could continue collecting unemployment benefits, despite being offered a job."

In her column for The Washington Post (5/20, 14.2M), Jennifer Rubin says, quoting NPR, that Powell "reiterated his view that Congress may have to authorize additional spending to prevent long-term damage to the economy. 'What Congress has done to date has been remarkably timely and forceful,' Powell said." However, Rubin says, Mnuchin, "following the lead of Trump and other Republicans, seemed less enamored of passing new legislation."

Trump Tweets Threat To Withhold Funding From States That Move To Mail-In Voting, Tags Treasury.

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The AP (5/20, Riccardi, Superville) reports that President Trump today "threatened to hold up federal funds for two election battleground states that are trying to make it easier and safer to vote during the coronavirus pandemic." According to the AP, "The president's tweets targeting Michigan and Nevada marked an escalation in his campaign against voting by mail, a practice that he has publicly worried will lead so many people to vote that Republicans will lose in November." The AP says Trump "began by targeting Michigan, with a false description of Democratic Secretary of State Jocelyn Benson's announcement Tuesday that she would send applications for absentee ballots to every voter in the state." Trump Tweeted, "Michigan sends absentee ballots to 7.7 million people ahead of Primaries and the General Election." The AP says that "about six hours after his original tweet, Trump corrected it to say 'absentee ballot applications.'"

Reuters (5/20, Whitesides) reports that Trump added in his original tweet, "This was done illegally and without authorization by a rogue Secretary of State. I will ask to hold up funding to Michigan if they want to go down this Voter Fraud path!" Trump also tweeted, "State of Nevada 'thinks' that they can send out illegal vote by mail ballots, creating a great Voter Fraud scenario for the State and the U.S. They can't! If they do, 'I think' I can hold up funds to the State." Reuters notes that Nevada "has made its June 9 state primaries an all-mail election, sending absentee ballots to registered voters." Reuters points out that in Nevada, "the state official responsible for elections is a Republican."

The Washington Post (5/20, Wagner, 14.2M) reports, "In his tweet threatening to curtail federal funds, Trump flagged the Treasury Department as well as Russ Vought, the acting head of the White House Office of Management and Budget." The Post adds that "amid the pandemic, Trump has repeatedly railed against mail-in voting, claiming with scant evidence that it is subject to widespread fraud and has hurt Republicans in previous elections."

According to the New York Times (5/20, Epstein, Corasaniti, Karni, 18.61M), "The Twitter posts were the latest in a series of broadsides the president has aimed at a process that has become the primary vehicle for casting ballots in an electoral system transformed by the coronavirus pandemic." The Times says that "as most states largely abandon in-person voting because of health concerns, Mr. Trump, along with many of his Republican allies, have launched a series of false attacks to demonize mail voting as fraught with fraud and delivering an inherent advantage to Democratic candidates." The Times goes on to report that Republicans "have also recently begun to ramp up a multi-million dollar initiative to monitor polling places and challenge voters deemed suspicious, efforts that the G.O.P. says are need to prevent fraud but that Democrats say are intended to suppress turnout in a bid to aid Mr. Trump."

Bloomberg (5/20, Wingrove, Beckwith, 4.73M) reports that White House press secretary Kayleigh McEnany today "noted a March ProPublica story that said there was 'bipartisan consensus' that mail-in ballots are vulnerable to fraud. 'The president's right to look at this. We want a free and fair election,' she said." Politico (5/20, Forgey, 4.29M) reports McEnany "wouldn't say what funding Trump was considering withholding, telling reporters that the tweets were merely 'meant to alert Secretary Mnuchin and Mr. Vought, head of OMB, about his concerns with trillions of dollars going to these states' given his concerns about mail-in voting."

However, in an analysis The Atlantic (5/20, Graham, 3.47M) calls that justification "a little strange...since Trump could easily call Vought or Treasury Secretary Steven Mnuchin and order him to withhold funds to Michigan or Nevada." The Daily Beast (5/20, Wilstein, 1.39M) reports McEnany "was asked by another reporter why Trump didn't just speak to Mnuchin and OMB Director Russell Vought directly instead tweeting his message to the world. 'Because the president believes in unprecedented transparency,' she said."

Writing in The Washington Post's (5/20, Sargent, 14.2M) "The Plum Line" opinion blog, Greg Sargent says that under the CARES Act, in which "states get allotted coronavirus aid money from the Treasury Department," Trump "could try to instruct the Treasury Department not to dole out that money. Note that Trump actually cc'd the Treasury Department in his tweet-threat, an act that becomes a lot more disgusting when you understand that this is how the mechanism actually does work."

The Hill (5/20, Chalfant, 2.98M), Newsweek (5/20, Stockler, 1.53M), The Independent (UK) (5/20, Bennett, 1.36M), and The Financial Times (5/20, Fedor, Subscription Publication, 1.34M) also report.

Commentary: Strong Demand For 20-Year Bond "Validates Mnuchin's Patience."

In his column for Bloomberg View (5/20, 4.73M), Brian Chappatta says the federal governments "first 20-year bond auction since 1986 is in the books, and it was a solid, if unspectacular, debut for the maturity. That should be music to Treasury Secretary Steven Mnuchin's ears." Chappatta says that, "Judging by Wednesday's auction, there should be no shortage of future demand." Chappatta adds that such a result "validates Mnuchin's patience in bringing a new maturity to market," saying that Mnuchin "could have been rash and demanded 50- or even 100-year bonds to leave his mark – in May 2017, he said those kinds of maturities 'could absolutely make sense for us at Treasury.'" Instead, Mnuchin "prudently stayed true to the department's mission of predictable, regular issuance at the lowest cost to taxpayers." CNBC (5/20, Domm, 3.62M) and The Financial Times (5/20, Smith, Subscription Publication, 1.34M) also report.

Restaurants Decry PPP's Terms As Bipartisan Push For Tailored Relief Begins.

The Washington Post (5/20, Carman, 14.2M) reports, "Almost from the day it was announced, restaurant owners have been complaining that the $670 billion Paycheck Protection Program doesn't work for their industry. Congress has clearly heard them." Reps. Dean Phillips (D-MN) and Chip Roy (R-TX) last week "introduced the Paycheck Protection Flexibility Act, which would extend the period in which small businesses can use the money and ease restrictions on the amount they can spend on non-payroll expenses such as rent." Additionally, Rep. Earl Blumenauer (D-OR) "introduced a bill Wednesday that aims to help restaurants ride out the pandemic as they face a future of limited dining capacity, public fear and rising costs to cover masks, gloves and cleaning products." The RESTAURANTS Act would create a $120 billion grant program to help an estimated 500,000 independent restaurants survive a potentially long period when they may earn only a fraction of

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their former revenue." Under the bill, "money would be administered by the Treasury Department and available only to independent establishments with fewer than 20 locations under the same name, a caveat designed to avoid a repeat of PPP embarrassments in which chains such as Potbelly, Shake Shack and Ruth's Chris received funds meant for small business."

Editorial: Feds Must Increase And Clarify Aerospace Support.

The Seattle (WA) Times (5/20, 935K) editorializes, "After suffering a triple-whammy – a trade war, the 737 MAX grounding and a pandemic – the aerospace supply chain is in a precarious situation." The Times argues, "One way to help is by adjusting the criteria for which companies may use a $17 billion loan fund, created in the March CARES Act, to help businesses critical to national security." Sen. Maria Cantwell (D-WA) "is rightly pressing the U.S. Treasury Department to extend it to the broader aerospace supply chain. That would require expanding eligibility beyond defense contractors with high-security clearances and extending the deadline for loan applications."

Leading National News

Senate Panel Votes To Subpoena Lobbying Firm Tied To Hunter Biden's Ukraine Dealings.

Coverage of a Senate Homeland Security and Governmental Affairs Committee's subpoena tied to Hunter Biden's Ukraine dealings reflects the sharp partisan chasm on the matter, with Democrats and some media analyses accusing Republicans of spreading Russian propaganda in an effort to help President Trump's campaign. Fox News (5/20, Kaplan, 27.59M) reports on its website that Chairman Ron Johnson said of Democrats' objections to the subpoena, "I think they protest a little bit too much," so "apparently we're hitting a nerve here. ... Maybe we're getting close to finding some important information." The story was ignored on the major network newscasts.

The AP (5/20, Jalonick) reports that the committee "voted to issue a subpoena as part of its investigation into" Hunter Biden. On a party-line 8-6 vote, the panel voted to subpoena Blue Star Strategies, "a lobbying firm that was a consultant to Burisma, a gas company in Ukraine that paid Hunter Biden to serve as a board member." Republicans are "questioning whether his highly paid job created a conflict of interest for Joe Biden as the former vice president worked on Ukraine policy in the Obama administration." The Washington Examiner (5/20, Soellner, 448K) recalls "the Burisma matter got wrapped up into the impeachment saga after...Trump pressed Ukrainian President Volodymyr Zelensky to investigate the Bidens and other Democrats in a July 25 phone call," and the New York Post (5/20, Bowden, 4.57M) indicates Senate Republicans "say Joe Biden may have acted inappropriately when his son was given a high-paying seat on the board of Burisma, despite having no relevant experience."

The Washington Times (5/20, Sherfinski, Miller, 492K) reports that Johnson said "said if there's no wrongdoing, there's nothing to fear in moving forward." The One America News Network (5/20, 28K) website quotes Johnson as saying, "What we've witnessed here and we're gaining more evidence of is the corruption of that transition process, transition designed primarily to sabotage the incoming administration. ... The American people need to understand what happened so it can never happen again."

The New York Times (5/20, Fandos, 18.61M), meanwhile, quotes Sen. Rick Scott (R-FL) as saying, "The public deserves to know how a guy who was vice president of the United States, who is currently trying to be president, got away with using the United States government to use a foreign country to stop investigating a company that was paying his son over $80,000 a month." NPR (5/20, Davis, 3.12M) notes Scott also said, "We need to get to the truth about the Bidens' relationship with Burisma, and these hearings will provide the Senate with the full picture."

Newsweek (5/20, Hutzler, 1.53M) reports Republicans "appeared to get a green light" from Senate Majority Leader McConnell "to investigate the previous administration." Speaking on the Senate floor this week, McConnell said, "No matter what some Washington Democrats may try to claim, you are not crazy or a conspiracy theorist if you see a pattern of institutional unfairness towards this President. ... You would have to be blind not to see one."

On the other hand, the New York Times (5/20, Fandos, 18.61M) asserts "Republicans are using their Senate majority to try to uncover evidence of wrongdoing that...Trump believes is pivotal to his re-election chances in November." The subpoena "was part of an emerging push by Republicans to use their Senate majority in ways intended to help Mr. Trump as he tries to rewrite the narrative of the Russia investigation to implicate his political rivals and divert attention from the coronavirus crisis."

The Washington Post (5/20, Debonis, 14.2M) says, meanwhile, that "Democrats have been critical" of Johnson, and "some, including the committee's top Democrat, have suggested that Johnson is serving as an unwitting pawn in a Russian disinformation campaign." Sen. Gary Peters (D-MI) said that the panel "is 'going down a dangerous road' at a time of a national crisis from the coronavirus pandemic." Senate Minority Leader Schumer, meanwhile, asserted that Republicans are "using Russian propaganda to try and damage a political opponent."

Axios (5/20, Knutson, 521K) also reports "the State Department said in 2014 that there was no conflict, noting Hunter Biden was a 'private citizen.'" Democrats "argue that the Republican-led probe is designed to damage...Trump's likely opponent...ahead of November's election," and Peters "even suggested that the probe is aiding a Russian disinformation campaign." Likewise, Politico (5/20, Desiderio, 4.29M) also points out Democrats "have accused their GOP counterparts of aiding Russian disinformation efforts and improperly using the Senate's resources to boost...Trump's political fortunes."

Moreover, The Hill (5/20, Carney, 2.98M) reports, "Democrats say that Blue Star was willing to comply with Johnson's request for documents without a subpoena – something Johnson disputed." Politico (5/20, Desiderio, 4.29M) says "a spokesman for Johnson rebutted those claims, saying the firm 'delayed our efforts for more than five months, and even refused to let our staff speak to their attorney until last week.'" Johnson's spokesman "added that Blue Star Strategies only signaled a willingness to cooperate after the panel announced the

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subpoena vote last week." The Wall Street Journal (5/20, Duehren, Subscription Publication, 7.57M), Reuters (5/20, Zengerle) and Bloomberg (5/20, Dennis, 4.73M), among other news outlets, also cover the vote.

Zelensky Calls For Investigation After Release Of Biden Call Pushing For Prosecutor's Firing. The New York Post (5/20, Bowden, 4.57M) reports "the subpoenas come as recordings have surfaced of leaked phone calls between then-Vice President Biden and then-Ukraine President Petro Poroshenko in which Biden was pushing for the ouster of the prosecutor general." The Post adds that "Andriy Derkach, who reportedly released the audio, has claimed he has proof that Burisma Holdings paid Joe Biden $900,000 in lobbying fees."

The Washington Post (5/20, Stern, Khurshudyan, 14.2M) reports that Ukrainian President Volodymyr Zelensky "called on his law enforcement agencies...to investigate leaked audio of private phone calls several years ago" between Biden and Poroshenko, "and said the conversations 'might be perceived, qualified as high treason.'" According to the Post, "Zelensky's comments...could have been aimed at appeasing Trump, discrediting a rival in Poroshenko and deflecting to investigators all in one swipe." The Post says "the recordings showed that Biden, as he has previously said publicly, linked loan guarantees for Ukraine in 2015 to the ouster of Viktor Shokin, then the country's prosecutor general." Poroshenko "referred to the audio as 'bogus.'" The New York Post (5/20, Eustachewich, 4.57M) points out, however, that "Derkach said he received the leaked audio from 'investigative journalists' – and that the recordings were made by Poroshenko himself." The Daily Caller (5/20, Kerr, 716K) reports Biden spokesman Andrew Bates said "the release of the tapes was yet another instance of Russia's efforts to hurt Biden."

US News & World Report (5/20, Hagen, 2.4M) reports "one of Trump's closest allies pushed an allegation that Biden recommended then-Prosecutor General Viktor Shokin's removal because he was looking to investigate Burisma," though "no evidence of wrongdoing or misconduct by either Biden has emerged, and the claims have been largely debunked."

Johnson Aims To Release Biden-Burisma Probe Report As Early As Next Month. The Hill (5/20, Carney, 2.98M) reports Johnson "said Wednesday that he wants to release a report on his investigation into Ukrainian gas company Burisma Holdings and Hunter Biden as soon as next month." Said Johnson, "I'd like to get something out in the June timeframe, personally, certainly before the August recess."

Trump Praises Latino Community, Says Economy Will Be "Better Than Ever Before."

President Trump tweeted Thursday evening, "Great call with thousands of our Hispanic community, business, and faith leaders today. During this national trial, we have been uplifted by the grit, determination, prayers, and patriotism of Hispanic Americans. Together, we built the greatest economy in history. We will do it again – better than ever before!"

Trump Touts DOT Aid To Tulsa, Dallas Transit Systems.

President Trump tweeted Wednesday, "The Tulsa, Oklahoma area has been approved for a transportation loan from the @USDOT of up to $120M to help expand highway on the Gilcrease Expressway West Project. This will mean less congestion and faster routes to popular spots! @GovStitt". The President also tweeted, "Great news for the Dallas area! Dallas Area Rapid Transit (DART) will be receiving $229M in funding to keep front line workers, and the many riders that depend on transit, employed and safe. This will be critical to economic recovery! @GregAbbott_TX @dartmedia".

NBC Nightly News (5/20, story 4, 2:00, Holt, 7.5M) aired a feature on efforts to keep transit systems safe in the wake of the coronavirus pandemic.

Conway: Trump "Has Been The Deregulation President."

White House Counselor Kellyanne Conway said on Fox News' America's Newsroom (5/20, 896K) that President Trump "has been the deregulation President. He has cut red tape and empowered our agencies to increase their rule-making authorities and the speed with which they act over the last three-plus years."

SBA's Bell Says Minority Entrepreneurs Do Not Always Get Needed Resources.

WSB-TV Atlanta (5/20, 186K) reported SBA Region IV Administrator Ashley Bell "says too often minority entrepreneurs don't get the resources they need." Bell: "We have to make sure they have access to these funds while they are still there. ... The key is to know where the resources are, but also to know who to call to help the access to those resources." WSB added, "It is why he is joining with Atlanta rapper/actor TI along with elected officials, clergy, community activists, and others to reach out to 100,000 minority business owners to point them in the right direction."

Senate, House Preparing Legislation To Make PPP More Flexible.

The Washington Post (5/20, Werner, 14.2M) reports lawmakers "are preparing new legislation that would make it easier for the government to forgive emergency loans to small businesses impacted by the coronavirus pandemic after a lobbying blitz" by firms that say they need more assistance. The Senate and House bills "would give companies more time to use funding under the Paycheck Protection Program, allowing them additional flexibility to rehire workers later this year rather than rush to bring people back by June." However, the Post says it is "unclear...whether a political compromise to rework" the PPP "is near, even as many businesses argue they are on the verge of shuttering for

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good." CQ Roll Call (5/20, McPherson, 154K) reports, "The House will vote next week on legislation changing terms" of the PPP "that have served as obstacles to some small businesses seeking relief under the forgivable loan program." House Speaker Pelosi said Wednesday, "We saw a quick fix on how we could make this work better. We couldn't ignore that."

Senate Passes Bill That Would Limit Chinese Companies' Access To US Markets.

CNBC (5/20, Franck, 3.62M) reports on its website that the Senate on Wednesday "passed legislation...that could ban many Chinese companies from listing shares on U.S. exchanges or raising money from American investors without adhering to Washington's regulatory and audit standards." CNBC says the bill, sponsored by Sen. John Kennedy (R-LA), "would require companies to certify that 'they are not owned or controlled by a foreign government.'" According to CNBC, "Specifically, the statute would require a foreign company to certify it's not owned or manipulated by a foreign government if the Public Company Accounting Oversight Board is unable to audit specified reports because the company uses a foreign accounting firm not subject to inspection by the board."

US Using Ties With Taiwanese Tech Firms To Pressure China.

The New York Post (5/20, Fredericks, 4.57M) reports on a New York Times article saying the Trump Administration is pressuring "the Chinese Communist Party by forging closer political and business ties with Taiwanese technology firms." In what is "seen as a challenge to China's trade relationship with Taiwan," a day after Taiwan Semiconductor Manufacturing Company (TSMC) announced it would build a factory in Arizona, the Department of Commerce announced a rule change prohibiting "global companies from using American technology to produce or design chips that are sent directly or through third parties to Huawei," which could limit the business it does with TSMC.

OSHA Issues Revised Guidelines For Workplace Safety.

Reuters (5/20, Hals) reports that the Labor Department's Occupational Safety and Health Administration "will expand inspections of businesses to reduce job-site hazards related to the new coronavirus as employees begin returning to work across the country, although the policy falls short of demands by worker advocates." Reuters adds, "The revised policy...expands inspections beyond those in healthcare facilities, which the agency said last month it was prioritizing to conserve resources." OSHA "also said it was requiring all businesses to record COVID-19 as a workplace illness where the employer could reasonably determine the infection occurred at work."

Airlines Roll Out New Safety Measures.

On ABC World News Tonight (5/20, story 6, 1:10, Muir, 8.39M), Gio Benitez reported on "what Delta says is the future of flying. ... Before every single flight, electrostatic spraying. The disinfectant clings to surfaces to kill viruses and bacteria. Then comes a full wipe-down, and an inspection by the on-flight crew. When it's time to board, passengers are asked to keep their distance, with the back of the plane boarding first." Delta Chief Customer Experience Officer Bill Lentsch: "What we have done today lays the foundation for where we're going to go in the future." Reuters (5/20, Rucinski, Shepardson) reports United Airlines and JetBlue also "announced fresh safety measures on Wednesday aimed at restoring confidence in air travel as several executives pointed to signs domestic demand is improving."

Air Travelers Frustrated About Inability To Get Refunds. The CBS Evening News (5/20, story 5, 2:00, 5.27M) aired a report on frustrated air travelers whose trips were cancelled due to the coronavirus who have been unable to get refunds. Norah O'Donnell reported, "As the number of airline flyers plummeted to record lows, customer complaints soared by more than 350 percent in March compared to a year earlier."

Two Ford Factories Temporarily Close After Workers Test Positive For Coronavirus.

ABC World News Tonight (5/20, story 2, 3:30, Muir, 8.39M) reported that two Ford factories shut down temporarily "just one day after opening, after some workers tested positive for the virus." Mola Lenghi reported on the CBS Evening News (5/20, story 2, 2:20, O'Donnell, 5.27M), "After being disinfected, both plants are now back online."

Chao: New Regulations Give Truck Drivers Greater Flexibility.

Transportation Secretary Chao said on Newsmax TV's Spicer & Co. (5/20) that truckers want "more flexibility. So just the other day...the [DOT], issued for the first time basically since 1937, greater flexibility to truck drivers so that when they are faced with increased traffic, congestion, problems with weather that will cause delays, the rules and regulations that govern how many hours they can drive will not be so prescriptive during a pandemic crisis like such as we are in now. So, these new regulations...give these drivers much greater flexibility so that they can take a rest, they can pull over at a time when they feel they need the rest."

Grocery Prices Surged In April.

USA Today (5/20, Selasky, 10.31M) reports the Bureau of Labor Statistics Consumer Price Index report indicates that "grocery store bills shot up April, showing the biggest monthly increase in nearly 50 years. ... While overall the April CPI declined 0.8%, consumers on average paid 2.6% more for groceries. It's the largest one-month increase since February 1974. During the last 12 months, grocery prices rose 4.1%."

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Some Stores "Becoming Battlegrounds" Over Enforcing Safety Measures.

Lester Holt reported on NBC Nightly News (5/20, story 8, 1:45, 7.5M) that as "retailers reopen, some are becoming battlegrounds. Employees [are] now tasked with enforcing social distancing rules on shoppers, and it has led to some pretty tense moments." NBC's Jo Ling Kent reported, "Wearing a mask to shop is now a flash point for conflict." NBC described an incident at a Costco between an employee enforcing face mask policy and a customer who refused to wear a mask. NBC Nightly News (5/20, story 7, 2:10, Holt, 7.5M) also ran a feature on how Macy's has adapted for the times, with new social distancing protocols and rules for dressing rooms and makeup counters.

Target Reports Biggest Quarterly Sales Jump In 15 Years.

The Minneapolis Star Tribune (5/20, Kumar, 1.04M) reports Target saw its "biggest quarterly sales jump in 15 years as the pandemic spurred millions of consumers to order items online and to use its curbside pickup service for the first time." Reuters (5/20, Venugopal) reports net profit, however, "fell 64.3% in the quarter as operating costs rose 11%." The Wall Street Journal (5/20, Nassauer, Subscription Publication, 7.57M) reports adjusted earnings per share fell to $0.59 compared to $1.53 year-on-year, but beat analysts' expectation of $0.44. Total revenue increased to $19.6 billion, a 11.3 percent increase from $17.6 billion a year ago. USA Today (5/20, Tyko, 10.31M) reports Target said Wednesday that "its Drive Up curbside pickup, in-store pickup and Shipt delivery grew by 278%" in the most recent quarter.

New Englanders Falling Behind On Mortgage, Rent Payments.

The Washington Post (5/20, Romm, 14.2M) reports on how financial hardship in New England is sparking concerns of foreclosures. In the region, "roughly 380,000 area homeowners and renters are at risk of falling behind about $540 million in payments each month, according to the Federal Reserve Bank of Boston."

NYTimes Analysis: Live Event-Based Businesses May See Long-Term Peril.

The New York Times (5/20, 18.61M) reports the US economy's "reliance on live events has been growing for years," with recent booms in theme parks and professional sports. The economic output "associated with such diversions has ballooned," and "all those new experiences created jobs, and over the same period, employment in the leisure and hospitality industries grew about 30 percent." The Times says the prospects of recovery are dim in the wake of the coronavirus.

Apple Updating iPhone Face ID To Allow Passcodes For Masked Users.

The CBS Evening News (5/20, story 7, 0:15, O'Donnell, 5.27M) reported Apple is updating its software so that users who normally use Face ID to unlock their iPhones can alternately type in a passcode if their face is covered by a mask.

Luttig, Rivkin Argue For Business COVID-19 Liability Immunity.

Former Boeing General Counsel J. Michael Luttig and former White House Counsel's Office and Justice Department employee David B. Rivkin Jr., in an op-ed in the Wall Street Journal (5/20, Subscription Publication, 7.57M), call for Congress to pass temporary immunity for business from COVID-19 liability and make it a precondition for states and localities to receive rescue funds. Federal regulators can then use this time to create standards for long-term immunity. The two argue that the US tort system is generally broken and that it would be particularly bad at dealing with COVID-19 suits. Luttig and Rivkin argue that businesses don't need to be held accountable because they are generally good actors and that consumers will punish those that are not.

WTimes Analysis: BlackRock To Face Heat At Shareholder Meeting.

In an analysis, the Washington Times (5/20, Richardson, 492K) reports that at its annual shareholder meeting on Thursday asset manager BlackRock will be "caught between activists...and conservatives." In January the company announced "that it would embrace a climate change and social justice agenda" and activists will be "demanding that the firm walk the talk." However, conservatives will be "condemning the emphasis on politics over profits" amid an economic crisis, as well as confronting CEO Larry Fink on pushing "holdings in China, the world's biggest greenhouse gas emitter," even while espousing the new philosophy. Conservatives are particularly concerned about bias in "BlackRock's newly designated role as a bond-purchasing administrator of the CARES Act."

WSJournal: Legislators' Letter To Google Part Of Activist Employees' Enforcement Of Political Orthodoxy.

In an editorial, the Wall Street Journal (5/20, Subscription Publication, 7.57M) condemns members of the House Tech Accountability Caucus for writing to Google's CEO on the company's diversity and inclusion programs. The Journal casts the letter as part of the way activist employees force political orthodoxy on companies by creating overtly political programs and stopping changes through leaks that bring hostile coverage and congressional demands. The Journal warns against technology companies being distracted by ideology and adds that if they become vehicles for political interests they open themselves to punitive regulation.

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Trump Says His Hydroxychloroquine Regimen Will End In "A Day Or Two."

USA Today (5/20, Behrmann, 10.31M) reports President Trump "indicated" Wednesday that his preventative hydroxychloroquine regimen will finish in "a day or two." Trump said, "I think it's two days. Two days." Trump's statement Monday that "he had been taking the drug daily for about a week and a half as an added measure to avoid getting the coronavirus" set off "a storm online and on cable television, with an array of doctors, journalists and politicians issuing stern warnings to others after the president's revelation, pointing out the drug's ineffectiveness against the coronavirus in a few recent studies and long list of potentially dangerous side effects."

HUD Secretary Carson said on the Larry O'Connor Show (5/20) that hydroxychloroquine "has been used for 60 years for malaria, more recently for various types of inflammatory conditions...and it has a great safety record. But there are come contraindications and that is why it should be done in conjunction with a physician. It can be used off-label as almost any medication can be used off-label, It has been discovered that people who take it chronically seem to have some degree of protection against enveloped viruses like COVID-19. So, it is not at all an unreasonable thing that the President should be taking that, particularly since one of his close aides was diagnosed with the disease, and one of the Vice President's close aides."

Deputy HHS Secretary Eric Hargan said on WFTL-AM Palm Beach, FL (5/20, 2K) that Trump is "the right-to-try President. This is a President who wants Americans to have more access to more different kinds of things and remember, this is a drug that is commonly used by Americans every day. His doctor has prescribed it for him. That happens in millions of cases daily. ... As long as the President and his physician want to use this drug that is up to them like it is with every other single American."

White House Press Secretary Kayleigh McEnany said on The Pod's Honest Truth (5/20) podcast, "The doctor did prescribe it for him and he took it after having several discussions with [White House physician] Dr. [Sean] Conley about its efficacy and he believed that, Dr. Conley, that the benefits outweighed the risks for the President. Hydroxychloroquine it is worth mentioning, is a drug that has been approved for at least three other conditions... So, this is a drug that is out there that has been shown to be safe with these conditions."

The New York Post (5/20, Nelson, 4.57M) reports that McEnany said Wednesday that while CNN anchor Chris Cuomo "mocked" the President for taking hydroxychloroquine, he "took a less-safe version of the drug himself." McEnany said, "You had Chris Cuomo saying the President knows that hydroxychloroquine is not supported by science, he knows it has been flagged by his own people and he's using it. ... Cuomo mocked the President for this, [but] it turns out that Chris Cuomo took a less safe version of it called quinine, which the FDA removed from the market in 2006 because it had serious side effects, including death. So really interesting to have that criticism of the President."

NYTimes Report: Specialists Still Debating Hydroxychloroquine's Effectiveness. The New York Times (5/20, Stolberg, 18.61M) reports that Trump's "enthusiastic embrace of" hydroxychloroquine "appears to be interfering with legitimate scientific research into whether the medicine might work to prevent coronavirus infection or treat the disease in its early stages." According to the Times, the drug "has shown no real benefit for hospitalized coronavirus patients, and may have contributed to some deaths." The Times says "some bioethicists are even calling for the Food and Drug Administration – which has warned that the drug can cause heart problems – to revoke an emergency waiver it granted in March to accept millions of doses of hydroxychloroquine into the national stockpile." However, the Times goes on to report that specialists including NIAID Director Fauci "say the jury is still out on whether the drug might help prevent infection or help patients avoid hospitalization."

WHO Official Cautions Against Taking Hydroxychloroquine For COVID-19. The Washington Post (5/20, Armus, Farzan, 14.2M) reports that World Health Organization Executive Director Michael Ryan on Wednesday "indirectly pushed back against President Trump's touting of hydroxychloroquine as a treatment for the novel coronavirus, saying at a news conference Wednesday that the anti-malaria medicine should not be used beyond its officially tested prescriptions." According to the Post, the WHO "has also previously cautioned against the use of herbal remedies and antivirals that have not been rigorously tested to treat" COVID-19.

Doctors Say Trump's Medical Judgment Is Wrong. In an op-ed for the Washington Post (5/20, 14.2M), Vinay Prasad of the Oregon Health and Science University, and Ezekiel Emanuel of the University of Pennsylvania and a member of Joe Biden's public health advisory committee, write that Trump's "medical judgment is wrong, and the example he is setting by his behavior is worse." They argue that hydroxychloroquine, "has never been shown to lower the rate of transmission of the coronavirus. Nor has it been shown to improve symptoms or speed recovery among those infected."

Bolsonaro Orders Brazilian Ministry To Ramp Up Production Of Chloroquine. Bloomberg (5/20, 4.73M) reports that "under orders of President Jair Bolsonaro," Brazil's health ministry on Wednesday "loosened protocols for the use of chloroquine, indicating it even for mild cases of the virus despite dangerous side effects, experts' warnings and no demonstrated success in clinical trials." Bloomberg says Bolsonaro "has ordered the military to ramp up production of the drug as he makes it a key element in the anti-virus fight, losing two health ministers in the process due in part to their objections to the plan." Bloomberg adds, "The controversy is just the latest twist in Brazil's erratic strategy to tackle the virus, with Bolsonaro pushing to restart the economy while local authorities try to enforce lockdowns and restrict activities to control it."

Pence Visits Central Florida As Tourism Industry Begins Revival.

The AP (5/20) reports Vice President Pence "visited central Florida to meet with tourism officials Wednesday as the region's biggest tourist destination – Walt Disney World – began reopening a shopping and entertainment complex." The AP says that "during his trip to Orlando, Pence dropped off protective equipment at an upscale complex that houses seniors in apartments and a nursing facility as tourism, the state's biggest industry, continued taking steps toward reopening." According to the AP, Florida Gov. Ron DeSantis (R) "told Pence that the problem areas in Florida had been prisons and nursing homes, and he's not seeing spikes in the general public." The Washington Post (5/20,

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Armus, Farzan, 14.2M) says Pence's appearance was part of the Trump Administration's attempt to "focus on states' efforts to revive their economies."

Azar Offers Advice For Memorial Day Weekend Travel.

WTMJ-TV Milwaukee (5/20, 85K) asked HHS Secretary Azar if people should alter their Memorial Day weekend travel plans due to the coronavirus pandemic. Azar said, "I'd encourage you, as always, evaluate and know your own circumstances. What's your own level of risk, as well as those of your household members?" WTMJ added that Azar said "if people take necessary precautions and follow local and state guidelines, they should be able to travel." Asked if it will be safe to hold large events in August, Azar said, "We're going to have to see what the actual situation is with the disease at that point. I think it is just a couple months ahead of time. It's really quite hard to tell what the parameters and advice will be then."

HHS Deputy IG Who Warned About Shortages To Testify Before House Panel.

The Washington Post (5/20, Debonis, 14.2M) reports that according to a congressional aide, Christi Grimm, the principal deputy inspector general for the Department of Health and Human Services, "who issued an early report documenting acute shortages of coronavirus tests and personal protective equipment at overwhelmed hospitals, will testify before the House Oversight and Reform Committee on Tuesday." Grimm "documented 'severe shortages' of supplies in late March and described hospitals' intense frustration with government authorities who were unequipped to address the scarcity." The Post adds that "after Grimm issued her report on April 3, President Trump criticized her for serving during the Obama administration and disputed the findings." Then, on May 1, Trump "nominated a permanent HHS inspector general to replace Grimm."

Navarro Says Phlow Contract Is Part Of Effort To Return Drug Manufacturing To US.

On CNN's The Lead (5/20, 1.32M), Director of Trade and Manufacturing Policy Navarro touted the "awarding of one of the largest contracts in history to" Phlow Corporation of Richmond, Virginia that is "going to be the tip of President Trump's spear for bringing here advanced manufacturing of American pharmaceuticals, that's great news." Asked about criticism that the company is not qualified, Navarro said, "They've already produced over a million doses of various pharmaceuticals during the COVID-19 crisis. So clearly, they have the capability."

"Major Discoveries" Could Lead To Coronavirus Vaccines.

NBC Nightly News (5/20, story 2, 2:25, Holt, Costello, 7.5M) reported on "major discoveries at two top university hospitals that could expedite both vaccines and treatments." NBC's Tom Costello added that "at Harvard's Beth Israel Deaconess Medical Center in Boston, more evidence that recovering from COVID-19 may lead to immunity against reinfection. Researchers say nine rhesus monkeys that recovered from virus-induced pneumonia developed antibodies to the virus and had near complete protection when reexposed a month later. That could suggest immunity from a second infection." NBC added that "at Emory University hospital in Atlanta, researchers believe they discovered the Achilles heel of the virus. It's right there on top of that notorious red hook that we've all seen." Mehul Suthar, Emory Vaccine Center Assistant Professor: "What this means is this is now an important target for development of much-needed vaccines." The CBS Evening News (5/20, story 3, 1:45, O'Donnell, 5.27M) provided similar coverage of the Harvard research.

Manufacturing, Distribution Will Be Hurdles For Coronavirus Vaccine. The New York Times (5/20, Zimmer, Sheikh, Weiland, 18.61M) reports that while scientists "are increasingly optimistic that a vaccine can be produced in record time," manufacturing and distributing it "will pose huge challenges." The Times highlights efforts to develop an effective vaccine, which it says "will be crucial to ending the pandemic." But the Times adds that "almost everyone on the planet is vulnerable to the new coronavirus" and "each person may need two doses of a new vaccine to receive protective immunity. That's 16 billion doses." Manufacturing vaccines "is profoundly more complex than manufacturing, say, shoes or bicycles. ... Also, no factories have ever churned out millions of doses of approved vaccines made with the cutting-edge technology being tested by companies like Inovio and Moderna."

In an op-ed for the New York Times (5/20, 18.61M), Elena Conis, a professor at the University of California, Berkeley, and Michael McCoyd and Jessie Moravek, doctoral students at the university, recall the development of a polio-vaccine and write that "America's experience with polio should give us pause, not hope. The first effective polio vaccine followed decades of research and testing." Once it was approved, there were life-threatening manufacturing problems. Distribution problems followed." Eventually, enough Americans were vaccinated that cases plummeted – but they persisted in poor communities for over a decade. Polio's full story should make us wary of promises that we will soon have the coronavirus under control with a vaccine."

Scientist Leading Vaccine Effort Has Ties To Pharma Industry. The New York Times (5/20, Kaplan, Goldstein, Stevenson, 18.61M) reports that Moncef Slaoui, the "chief scientist brought on to lead the Trump administration's vaccine efforts has spent the last several days trying to disentangle pieces of his stock portfolio and his intricate ties to big pharmaceutical interests, as critics point to the potential for significant conflicts of interest." Most recently, Slaoui "sat on the board of Moderna, a Cambridge, Mass., biotechnology firm with a $30 billion valuation that is pursuing a coronavirus vaccine." The value of Slaoui's "stock holdings in Moderna jumped nearly $2.4 million, to $12.4 million when the company released preliminary, partial data from an early phase of its candidate vaccine trial that helped send the

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markets soaring on Monday." He "sold his shares on Tuesday, and the administration said he would donate the increased value to cancer research." The Times adds that Slaoui is not a government employee. He "is on a contract," which "leaves him exempt from federal disclosure."

Medical Experts Fear Anti-Vaccine Movement Could Hinder Efforts To Distribute Vaccine. The Washington Post (5/20, Stanley-Becker, 14.2M) reports, "Some of the same online activists who have clamored to resume economic activity, echoing President Trump's call to 'liberate' their states from sweeping restrictions, are now aligning themselves with a cause on the political fringe – preemptively forswearing a vaccine." They have "seized on the brisk pace promised for the project, which the Trump administration has branded 'Operation Warp Speed.'" The Times says that while "both movements represent the views of a small minority of Americans," medical experts "fear that the ability of their adherents to spread misinformation online could plant seeds of confusion and distrust in the broader public – and undermine future efforts to distribute a vaccine."

Reliability Of Coronavirus Antibody Tests In Question.

On ABC World News Tonight (5/20, story 3, 2:15, Muir, 8.39M), Eva Pilgrim reported that there are "questions about the reliability of some of the crucial antibody tests on the market. At its peak, there were 170 different ones, most without FDA emergency use authorization." There are 12 such tests "on the FDA's emergency use authorized list."

Scientists Eye Barring Superspreading Events To Slow Coronavirus' Spread.

The Wall Street Journal (5/20, Pancevski, Subscription Publication, 7.57M) reports that scientists looking for ways to prevent widespread coronavirus infections as lockdowns are lifted are focusing on avoiding superspreading events. Scientists theorize that prohibiting large public events at which hundreds of people can become infected in a short time, coupled with measures like face masks could slow the virus' spread.

WPost-Ipsos Poll: Mask Shortage For Healthcare Workers Continued Into May.

The Washington Post (5/20, Bernstein, Safarpour, 14.2M) reports that according to a Washington Post-Ipsos poll, "front-line health-care workers still experienced shortages of critical equipment needed for protection from the coronavirus into early May – including nearly two-thirds who cited insufficient supplies of the face masks that filter out most airborne particles." the poll found that "more than 4 in 10 also saw shortages of less protective surgical masks and 36 percent said their supply of hand sanitizer was running low. ... Roughly 8 in 10 reported wearing one mask for an entire shift, and more than 7 in 10 had to wear the same mask more than once."

US Has Resisted Out-Of-Home Quarantine Despite Apparent Effectiveness In Other Nations.

The Washington Post (5/20, Janes, 14.2M) reports that the US "has remained largely resistant to isolating people in government-run centers away from their homes," even though "centralized, out-of-home quarantine and isolation appeared helpful in breaking the chain of transmission in other countries." The Post adds that "in places where voluntary isolation facilities are available, local officials are finding fewer people taking advantage of them than expected." According to experts, this is "a reflection...of cost and conflicting priorities, of cultural norms and mistrust of government."

CDC: Coronavirus "Does Not Spread Easily" Via Touching Surfaces, Objects.

USA Today (5/20, Flores, 10.31M) reports recently updated Centers for Disease Control and Prevention guidelines say that the novel coronavirus "does not spread easily" by touching contaminated surfaces or objects, by animal-to-human contact, or vice versa. However, the agency warned that transmission via such routes "may be possible." Meanwhile, the CDC continues to warn "that the main way the virus is spread is through person-to-person contact, even among those who are not showing any symptoms," and that "the main way to prevent infection" is social distancing, hand washing with soap, and "cleaning and disinfecting frequently-touched areas."

Administration Keeping CDC Guidance On Reopening Churches On Hold.

The Washington Post (5/20, Sun, Dawsey, Boorstein, 14.2M) reports Administration officials say that "a battle between the Centers for Disease Control and Prevention and the White House" has federal guidance for reopening houses of worship amid the coronavirus pandemic on hold. They said some White House and coronavirus task force officials decided to hold back the draft CDC guidance, not wanting "to alienate the faithful" and believing some proposals "were too restrictive." However, public health experts said withholding "guidance for religious institutions puts some of the most vulnerable at risk" for contracting COVID-19. They point to a fatal coronavirus outbreak at an Arkansas church and "recent church closures in states at the forefront of reopening efforts" as "challenging the wisdom of the CDC not issuing guidance."

WSJournal Supports Minnesota Churches' Plans To Reopen In Defiance Of Restrictions. The Wall Street Journal (5/20, Subscription Publication, 7.57M) supports Minnesota churches that plan to reopen in defiance of coronavirus pandemic restrictions. Gov. Tim Walz (D) is easing the restrictions on some businesses, but not churches. The Journal argues the churches are protected by the First Amendment and that they are seeking equal, not special treatment.

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CMS Urges Governors To Caution When Easing Nursing Home Restrictions.

Anthony Mason reported on CBS This Morning (5/20, 2.71M) that CMS, which "oversees many of the nation's nursing homes is urging governors to use extreme caution in easing coronavirus restrictions." Jonathan Vigliotti went on to report CMS Administrator Verma "says the decision to allow visitors to return to nursing homes should depend on coronavirus cases in the community, inspections of especially hard-hit facilities and testing for staff and residents." Verma: "We've already seen governors across the nation taking action around testing in their nursing homes. We think that's a very important component toward reopening nursing homes." Vigliotti added that CMS "says a commission of industry experts will meet later this month to look back at the response and identify best practices," although "critics argue that panel should have met much earlier in this crisis."

GAO Report Details Pre-Pandemic Nursing Home Infection-Control Lapses. The AP (5/20, Alonso-Zaldivar) says a Government Accountability Office report says that even "before COVID-19 killed thousands of nursing home residents, about 4 in 10 homes inspected were cited for infection control problems." However, the GAO report "found that state inspectors who help enforce federal nursing home standards classified the overwhelming majority of violations as not severe, generally meaning there was no actual harm to residents." Nevertheless, Sen. Ron Wyden (D-OR) is quoted as saying, "Warning signs were ignored and nursing homes were unprepared to face a pandemic. ... There need to be big changes in the way nursing homes care for seniors."

Administration Reportedly Preparing Plans To Extend National Guard Deployment.

Politico (5/20, Ollstein, Lippman, 4.29M) reports that in the wake of pressure from "scores of lawmakers," Administration officials are working on "plans to extend the federal deployment of more than 40,000 National Guard members performing coronavirus relief work," according to four people familiar with the matter. Such an extension would "help thousands of Guard members qualify for federal retirement and education benefits for which they would otherwise fall only one day short of obtaining." However, "White House spokesperson Hogan Gidley did not confirm or deny whether Trump planned to authorize an extension past the current cutoff date of June 24."

The Washington Examiner (5/20, Mahshie, 448K) reports National Guard Association of the United States President retired Brig. Gen. J. Roy Robinson said that the possibility the deployment would end a single day before becoming eligible for beneficent "makes me sick to my stomach." He added that, in the Examiner's words, "most of the letters he saw from governors requested an extension through June and some beyond June."

LATimes Analysis: "Growing Signs" Coronavirus Is Slowing In California.

The Los Angeles Times (5/20, Lin, Lee, Greene, 4.64M) reports that there are "growing signs" that the coronavirus is "ebbing" in California "even as the state death toll continues to climb past 3,400." The Times says "deaths remain a stubborn challenge," but "other metrics analyzed by the Los Angeles Times show significant progress – enough that even some of the most cautious local health officials have agreed to begin reopening the economy." the number of new cases in the state "has declined last week from the previous week, dropping to 12,229 cases from 13,041 the previous week. That's a notable achievement, given the amount of increased testing." In addition, "hospitalizations have dropped more than 15% from its peak six weeks ago."

Northam: "No Particular Timeline" For Northern Virginia To Begin Reopening.

The Washington Times (5/20, Zielonka, 492K) reports Virginia Gov. Ralph Northam (D) said Northern Virginia leaders were "following the data" in their decision not to move into Phase 1 of the reopening plan with the rest of the Commonwealth. In a letter to Northam, local leaders said they would not be ready to enter Phase 1 until at least May 29. According to the Times, "the city of Alexandria and Arlington, Fairfax, Loudoun and Prince William counties, which make up most of Northern Virginia...have the state's worst coronavirus case numbers." Northam said, "We haven't set any particular timeline. ... We will continue to follow that daily. We will be in communication with those (local) leaders, and when they are comfortable, and when the data supports a movement into Phase 1, we will do so."

Navajo Nation Hit Hard By COVID-19.

ABC World News Tonight (5/20, story 4, 3:30, Muir, 8.39M) reported that amid the coronavirus pandemic the Navajo Nation is "in dire need," with "almost no medical facilities at all" and the largest hospital nearby "already at capacity." ABC's Matt Gutman added the Navajo Nation's COVID rate is higher than New York's. The reservation "is larger than West Virginia, but 40 percent of the people who live here don't have electricity, 30 percent don't have access to running water." The tribe's tradition of large families has "made them vulnerable," as one member becoming infected almost always means the rest catch the virus, too.

GOP Operatives Seeking "Pro-Trump" Doctors To Push For Economy's Revival.

The AP (5/20, Biesecker, Dearen) reports, "Republican political operatives are recruiting 'pro-Trump' doctors to go on television to prescribe reviving the U.S. economy as quickly as possible," without waiting to meet guidelines proposed by the CDC. The AP cites a leaked recording of "a May 11 conference call with a senior staffer for the Trump reelection campaign organized by CNP Action, an affiliate of the GOP-aligned Council for National Policy," during which the plan was discussed. The AP adds that a revived economy is seen as critical to boosting President Donald Trump's reelection hopes and has become a growing focus of the White House coronavirus task force led by Vice

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President Mike Pence."

HUD Secretary Carson said on the Larry O'Connor Show (5/20), "We don't want to think that we are out of the woods yet because we are not. We are in a significant clearing. There is no question about that. But at the same time, I think there is a general realization that the cure could be worse than the disease itself if we don't begin to act at this stage of the game. This is built upon a very strong economy. ... The infrastructure is still there. So all we have to do is bridge the gap, keep things going."

Politico (5/20, Cancryn, 4.29M) reports that earlier this week, the CDC "quietly published detailed guidelines for reopening schools and businesses that have been shut down in the coronavirus pandemic." The document "is the most extensive guidance yet offered by the health agency, which has spent weeks embroiled in controversy over how far it should go in influencing institutions' decisions about how to open safely." Politico says "the CDC guidance – which is still shorter than earlier leaked versions – was reportedly delayed for weeks over worries that it was 'too prescriptive,' and failed to align with the White House's broader, more hands-off approach."

The AP (5/20, Stobbe) reports that "as with other recently released guidance, religious organizations were not included. Instead, the document has advice for childcare facilities, schools, day camps, mass transit systems, restaurants, bars and other businesses and organizations that have workers at high risk of becoming sick from the coronavirus." The CDC "gave White House officials a more detailed version," more than a month ago. It "included detailed information for churches wanting to restart in-person services, with suggestions including maintaining distance between parishioners and limiting the size of gatherings." Weijia Jiang of the CBS Evening News (5/20, story 4, 2:35, O'Donnell, 5.27M) reported that "CBS News has...learned through an Administration official that some CDC staffers worry their science is being squashed for the sake of reopening, and they are frustrated because they say President Trump, not medical experts, has control of public messaging."

Reopened States Deliver Positive Economic News. The Washington Times (5/20, Boyer, 492K) reports that reopened states offered "positive economic news" Wednesday "as President Trump hosted the governors of Arkansas and Kansas at the White House." Arkansas Gov. Asa Hutchinson (R) told the President in a White House meeting "that his state is 'back to work' and that the state's sales tax revenue likely will bounce back faster than expected." Hutchinson said, "All of our retail stores are open, all of our retail establishments totally are open, our gyms are open. ... Our barbers are open, our restaurants." Hutchinson "said he now projects the state's sales tax revenue will be down only 5%, instead of the 10% he had projected." Nexstar Media Group (5/20, 49K) Washington correspondent Jessi Turnure reported that Hutchinson told the President that "his state is having an easier time restarting its economy because he was one of the few governors that did not issue a statewide stay-at-home order." Hutchinson: "There were repercussions from it, but in terms of the economy, it's all positive. ... If you look at any measuring stick, Arkansas is in a very good position."

The New York Times (5/20, 18.61M) reports that as of Wednesday, "all 50 states had begun to reopen to some degree, two months after the outbreak thrust the country into lockdown. But vast variations remain in how states are deciding to open up, with some forging far ahead of others." The Times says governors are "increasingly facing intense pressure to reopen, as millions of Americans have lost their jobs and the unemployment rate reached a staggering 14.7 percent."

In a separate story, the New York Times (5/20, Mervosh, Harmon, 18.61M) says the "increasing" pressure to reopen businesses and outdoor spaces reflects "the immense political and societal pressures weighing on the nation's governors, even as epidemiologists remain cautious and warn of a second wave of cases." ABC World News Tonight (5/20, story 2, 3:30, Muir, 8.39M) that "despite all 50 states now easing restrictions, protesters arguing it's not fast enough."

Politico (5/20, Mays, Ward, 4.29M) reports that "tension that began with governors versus the federal government has now trickled down, pitting officials within their own states against each other in ways that have direct implications for the fight against the virus and have already landed in the courts." According to Politico, "With cases increasing in some places and falling in others – and with a second wave predicted in the fall – the new pandemic battlegrounds will be increasingly localized." Politico adds, "Experts say a one-size-fits-all approach for reopening is not an option – not when the number of new daily cases is changing at vastly different rates from city to city and state to state."

NBC Nightly News (5/20, story 3, 2:15, Holt, 7.5M) reported that while "parts of all 50 states are now reopened," Americans "remain highly conflicted, eager to get on with life but many still worried about the silent spread." NBC (Almaguer) added, "A new poll finds more than half of Americans fear a new spike in COVID cases as restrictions are eased."

Cuomo, De Blasio Urged To Lift Restrictions On New York City. In a front-page opinion piece for the New York Post (5/20, Marcus, 4.57M), The Federalist's New York correspondent David Marcus writes that by "prolonging the coronavirus shutdown long after its core mission was accomplished, Gov. [Andrew] Cuomo and Mayor [Bill] de Blasio have plunged tens of thousands of New Yorkers into poverty." Marcus argues that New York City "is dying. ... For two months, we have waited for Cuomo and de Blasio to tell us how this ends." Marcus adds, "There is no longer any reasonable justification for the government to deprive us of our livelihoods. And our rights aren't the government's to grant or take away."

Video Touting Coronavirus Conspiracy Theory Was Viewed More Then 8M Times.

The New York Times (5/20, Frenkel, Decker, Alba, 18.61M) reports on a 26-minute video called "Plandemic" that was posted on Facebook by "little-known film producer" Mikki Willis. The Times describes the video as "a slickly produced narration that wrongly claimed a shadowy cabal of elites was using the virus and a potential vaccine to profit and gain power." It "featured a discredited scientist, Judy Mikovits, who said her research about the harm from vaccines had been buried." After it was posted, the video "gathered steam in Facebook pages dedicated to

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conspiracy theories and the anti-vaccine movement, most of which linked to the video hosted on YouTube. Then it tipped into the mainstream and exploded." A week after its release, the video "had been viewed more than eight million times on YouTube, Facebook, Twitter and Instagram, and had generated countless other posts."

WSJournal: COVID-19 Risk To Children Doesn't Support Extending Lockdowns.

In an editorial, the Wall Street Journal (5/20, Subscription Publication, 7.57M) calls for perspective on reports of inflammatory symptoms linked to the coronavirus in children, arguing that children are at less risk of develop the disease and largely appear to not spread it. The Journal concludes that the disease's risk to children doesn't justify continuing lockdowns.

High Court Halts Democrats' Push For Release Of Mueller Report Secret Grand Jury Material.

The Washington Post (5/20, Barnes, Marimow, 14.2M) reports, "The Supreme Court on Wednesday stopped House Democrats for now from seeing secret grand jury material from Robert S. Mueller III's investigation of Russian interference in the 2016 election and whether President Trump obstructed the special counsel's work." The court, "without noted dissent, agreed to a request from the Justice Department to put on hold a lower court's decision granting the House Judiciary Committee some previously undisclosed material from Mueller's probe." The action "could mean that Congress will not receive the full Mueller report...until after the November election, or perhaps not even during lawmakers' current term, which ends Jan. 3." The New York Times (5/20, Liptak, 18.61M) points out "the Supreme Court's brief order gave no reasons for blocking an appeals court ruling ordering the release of the full report while the justices considered whether to hear the case."

The Washington Times (5/20, Swoyer, 492K) also says the court is "siding with the administration – for now," and the Los Angeles Times (5/20, Savage, 4.64M) that "the court's action means more delay" for the committee, "which first sought to see the evidence and documents after Mueller wrapped up his probe last year and before they began an impeachment." Axios (5/20, Basu, 521K) reports "Democrats say the material could help them determine whether President Trump obstructed the Mueller investigation, possibly requiring new articles of impeachment." The Wall Street Journal (5/20, A1, Kendall, Subscription Publication, 7.57M), among other news outlets, also reports the story.

Rubio Says Someone "Broke The Law" With Flynn Leak.

The Washington Times (5/20, Sherfinski, 492K) reports interim Senate Intelligence Chairman Marco Rubio said Wednesday that "someone 'broke the law' by leaking information about Michael Flynn's conversation with the former Russian ambassador to the U.S., and it's valid to ask more questions about how it happened." Appearing on Fox News' Fox & Friends (5/20, 831K), Rubio said, "Someone took that information, gave it to members of the press and broke the law, and I think that alone is cause for accountability to find out who did it. ... You cannot have a law enforcement agency have people within it that break the law. This is a valid area of inquiry."

White House Press Secretary Kayleigh McEnany said on The Pod's Honest Truth (5/20) podcast, "What we know happened is that Michael Flynn's identity was unmasked and it was leaked. It is a criminal offense to leak the identity of an individual like Michael Flynn, a private citizen, to the press after it being unmasked. So we know that a crime was committed. Who did it is the question."

Flynn's Name Was Never Masked In FBI Document. The Washington Post (5/20, Nakashima, 14.2M) reports, "A Republican effort to determine who may have leaked the name of Michael Flynn in connection to his 2016 contact" with then-Russian Ambassador Sergey Kislyak "has centered on the question of which Obama administration officials requested his identity be 'unmasked' in intelligence documents. But in the FBI report about the communications between the two men, Flynn's name was never redacted, former U.S. officials said." One former official told the Post, "When the FBI circulated [the report], they included Flynn's name from the beginning. ... There were therefore no requests for the unmasking of that information." Senate Judiciary Chairman Lindsey Graham "announced this week that he wants to subpoena witnesses over the unmasking of Flynn, as part of a larger effort to unearth information about the FBI's investigation of Trump campaign officials."

The Washington Examiner (5/20, Dunleavy, 448K) reports Senate Intelligence Vice Chairman Mark Warner sent a letter to Acting DNI Grenell on Wednesday asking him "to release a host of documents related to Flynn and the present unmasking controversy."

FBI Offered To Pay Steele To Collect Intelligence On Flynn. The Daily Caller (5/20, Ross, 716K) reports, "An FBI offer to pay former British spy Christopher Steele to collect intelligence" on Flynn in the weeks before the 2016 election "has been one of the more overlooked revelations in a Justice Department inspector general's report released in December. The reference to the FBI proposal, which was made in an Oct. 3, 2016, meeting in an unidentified European city, has received virtually no press attention."

More Than 1,100 Ex-Federal Prosecutors Condemn DOJ Attempt To Dismiss Charge. Reuters (5/20, Lynch) reports, "More than 1,100 former U.S. federal prosecutors on Wednesday blasted the attempt" by the Justice Department to dismiss a charge against Flynn, "saying the move puts Trump's personal interests ahead of the public good. The criticism came in a legal brief the nonprofit The Protect Democracy Project plans to file in federal court in Washington." The ex-prosecutors accused Attorney General Barr "of abusing his oath of office by asking to dismiss the criminal charge against Flynn."

USA Today (5/20, 10.31M) says in an editorial that US District Judge Emmet Sullivan's decision not to dismiss the case "is certainly unusual. In our legal system, only the executive branch may bring federal criminal charges. ... But nothing about this case is easy. If Sullivan's move to delay a decision – and to seek the input of a variety of legal experts as well as appoint a former judge to make the case why charges should not be dropped – raises a few eyebrows, Justice's actions are jaw-dropping."

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Cohen To Serve Remainder Of Sentence In Home Confinement.

The New York Post (5/20, Feuerherd, 4.57M) reports "President Trump's former personal lawyer Michael Cohen will be released from federal prison because of the coronavirus outbreak and will serve the remainder of his time in home confinement." The New York Times (5/20, Weiser, Benner, Rashbaum, 18.61M) says Cohen "had been serving his sentence at a minimum-security camp next to a medium-security federal prison and detention center in Otisville, about 75 miles northwest of New York City."

"Hundreds" Of Children And Teenagers Have Been Deported Amid Pandemic.

The New York Times (5/20, Dickerson, 18.61M) has a 2,300-word feature on the "swift" deportation of "hundreds of migrant children and teenagers...amid the coronavirus pandemic without the opportunity to speak to a social worker or plea for asylum from the violence in their home countries – a reversal of years of established practice for dealing with young foreigners who arrive" in the US. The Times says the deportations "represent an extraordinary shift in policy that has been unfolding in recent weeks on the southwestern border." The Washington Times (5/20, Dinan, 492K) reports Latino Democrats in Congress "begged the Trump administration on Wednesday to stop all deportations, saying the U.S. could actually be spreading the coronavirus back to other nations by sending their citizens back home."

Families With Undocumented Members Hopeful About Federal Aid.

The Wall Street Journal (5/20, Hughes, Wise, Subscription Publication, 7.57M) reports some consumers who were deemed ineligible for the first round of stimulus payments hope they will qualify for the next round as Democrats and Republicans debate whether families which include someone undocumented can receive aid.

Higher-Than-Anticipated Costs Have Administration Canceling Part Of Border Wall.

The Washington Times (5/20, Dinan, 492K) reports Brigadier Gen. Glenn A. Goddard told the US District Court for the Northern District of California that the Administration "has canceled a portion of border wall it had planned to build near Yuma, Arizona," on land belonging to the Cocopah Indian Reservation, due to "difficult terrain" pushing construction costs higher than expected. Goddard "is handling two lawsuits challenging President Trump's attempt to use Pentagon money to build the wall."

NYTimes Analysis: Student Debt Bill Forces Trump To Choose Between DeVos And Veterans.

In an analysis, the New York Times (5/20, Green, 18.61M) reports that a "bipartisan resolution to overturn an Education Department rule that would make it considerably harder for students to have their federal loans forgiven, even if they could show they were victims of unscrupulous universities," poses a "dilemma" for President Trump, "with possible consequences" for his reelection. Signing the bill, which House Speaker Pelosi sent to his desk, would be "a humiliating defeat" for Education Secretary DeVos. However, standing by her "efforts to roll back loan forgiveness for students bilked by their colleges" could "enrage veterans groups," which strongly oppose her policy "and whose favor he has long courted."

Pompeo Says IG's Firing Should Have Come Sooner, Notes Criminal Prosecution Of Menendez.

The AP (5/20, Lee) reports that Secretary of State Pompeo "adamantly denied that he recommended firing the State Department's independent watchdog in retaliation for investigations into Pompeo's conduct," but "again declined to provide specific reasons for Steve Linick's dismissal as inspector general." Pompeo "took an unusually harsh shot at the top Democrat on the Senate Foreign Relations Committee," Sen. Robert Menendez (D-NJ), and "accused the senator's office of being behind allegations that Linick's ouster was motivated by revenge." Pompeo "said he would not take ethics lessons from Menendez, who was once prosecuted by the Justice Department on corruption charges." Pompeo is quoted as saying, "I don't get my ethics advice from Sen. Menendez." The CNBC (5/20, Breuninger, 3.62M) website indicates that Pompeo also said, "This is all coming through the office of Sen. Menendez. ... I don't get my ethics guidance from a man who was criminally prosecuted." CNBC says Pompeo then "abruptly end[ed] the briefing."

Reuters (5/20, Pamuk, Brunnstrom) reports that Pompeo "declined to say why he recommended firing [Linick], but added he should have done it earlier and rejected claims his decision was motivated by political retaliation." Pompeo said, "In this case, I recommended to the President that Steve Linick be terminated. Frankly should have done it some time ago." Reuters adds that "Congressional aides" have indicated that Linick was "probing whether Pompeo misused a taxpayer-funded political appointee to perform personal tasks for himself and his wife, such as walking their dog."

On the CBS Evening News (5/20, story 6, 1:50, O'Donnell, 5.27M), Nancy Cordes described Pompeo as "defiant," and added that "he downplayed reports that Linick had been investigating him." Pompeo was shown saying, "I've seen the various stories that someone was walking my dog to sell arms to my dry cleaner. I mean, it's all just crazy." NBC Nightly News (5/20, story 9, 1:40, Holt, 7.5M) showed Pompeo saying, "I couldn't possibly have retaliated for all the things. ... It's all crazy stuff. So I didn't have access to that information, so I couldn't possibly have retaliated. It would have been impossible." The Hill (5/20, Kelly, 2.98M), McClatchy (5/20, Lowry, Wilner, 19K), the Washington Times (5/20, Taylor, 492K), the Washington Examiner (5/20, Gehrke, 448K), and the Daily Caller (5/20, Krutz, 71K) also cover Pompeo's comments yesterday.

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The New York Times (5/20, Jakes, Wong, 18.61M) reports, meanwhile, that Linick's office was "also investigating at least one policy issue tied directly to Mr. Pompeo, whether the Trump administration acted illegally last year in declaring an 'emergency' to bypass a congressional freeze on arms sales." The Times adds that "ending the freeze allowed American companies, including Raytheon, to sell at least $8.1 billion of arms to Saudi Arabia and the United Arab Emirates" even though "lawmakers from both parties had put a hold on the sales in 2017 because of reports of mass civilian deaths in the Saudi-led air war in Yemen." The Times adds that "in early March, investigators told senior State Department officials of their preliminary findings in the Saudi inquiry, which is customary before reports are released."

Politico (5/20, Toosi, Forgey, 4.29M) reports that Linick "had recently wrapped up an investigation into two...top aides to...Pompeo, determining that they had likely failed to report allegations of workplace violence." Politico continues, "The probe into Cam Henderson, who leads the department's Office of Protocol, and a deputy of hers, Mary-Kate Fisher, could have been another factor in what Pompeo and his deputies have described as mounting frustration with...Linick, and might have contributed to the secretary's push to oust him." Henderson "took over as the chief of the Office of Protocol last summer, after her former boss, Sean Lawler, was pushed out," and "some in that office accused Lawler of intimidating and harassing his staffers, and even carrying around a whip on the job."

The Hill (5/20, Lillis, 2.98M) reports House Speaker Pelosi yesterday "bashed...Pompeo for his role in the recent dismissal of his agency's top watchdog, calling the episode 'scandalous' and urging Pompeo to provide a justification before Congress."

Warner Blocks Interior Nominee Over Lack Of Information On Ghaisar Case.

The Washington Post (5/20, Jackman, 14.2M) reports Sen. Mark Warner (D-VA) on Wednesday "placed a hold on a nominee for a top Interior Department post as a protest of what he called the department's continued refusal to answer his questions about the fatal shooting of motorist Bijan Ghaisar by two US Park Police officers in 2017." Lanny Erdos is nominated "to serve as the director of the Office of Surface Mining Reclamation and Enforcement." Interior Department spokesman Nicholas Goodwin on Wednesday evening "said the department had responded to Warner's questions."

NASA Human Spaceflight Program Chief Resigns.

The New York Post (5/20, Steinbuch, 4.57M) reports, "Doug Loverro, head of NASA's human spaceflight program, has resigned abruptly after six months on the job – days before the agency plans to launch astronauts for the first time since the space shuttle retired in 2011." The Post adds "no official reason for Loverro's departure has been announced."

WPost Calls For Changes In Behavior Of US Attorney's Office For DC.

In an editorial, the Washington Post (5/20, 14.2M) condemns the "degradation" of the US attorney's office in the District of Columbia, which has been "politicized in service to the interests of President Trump" and has an "increasing disconnect with the local community it is supposed to serve." Trump's announced nominee for the post, Justin Herdman, the US attorney in Cleveland, and Michael R. Sherwin, who has been chosen to hold the position until Herdman obtains Senate confirmation, "will have a special responsibility to prove that their commitment is to justice and professionalism, not personal loyalty to" Attorney General Barr or Trump. The Post calls for Sherwin and Herdman to address "the criminal-justice needs of the people of the District of Columbia" instead of "flashier national and international cases."

Trump Announces Federal Help After Michigan Flooding, Praises First Responders.

President Trump tweeted yesterday, "My team is closely monitoring the flooding in Central Michigan – Stay SAFE and listen to local officials. Our brave First Responders are once again stepping up to serve their fellow citizens, THANK YOU!." Trump later added, "We have sent our best Military &@FEMA Teams, already there. Governor must now 'set you free' to help. Will be with you soon!" The AP (5/20) points out Trump's "jab at [Democratic Gov. Gretchen] Whitmer, whom he has criticized for her stay-at-home orders." Bloomberg (5/20, 4.73M) says "the two have tussled over getting medical supplies to the state and Trump, along with Michigan Republicans, have pressed the Democrat to open businesses sooner."

The Detroit Free Press (5/20, Spangler, 1.52M) reports, meanwhile, that Trump said Wednesday that he spoke to Whitmer "about flooding in Midland County and plans to visit at some point in the future." Trump told reporters, "I just spoke with Gretchen Whitmer. I will be going to Michigan at the appropriate time. ... They have a big problem with the dams breaking. So that is a big, big problem. ... We've sent the FEMA (Federal Emergency Management Agency) and the Army Corps of Engineers out, and they're very good at dams." Trump "will be in Michigan on Thursday for a visit to a Ford Motor plant in Ypsilanti that makes ventilators but no other stops are expected."

The CBS Evening News . (5/20, lead story, 3:25, O'Donnell, 5.27M) opened its broadcast with coverage of the "historic floods in Michigan, which tonight is under a state of emergency after torrential rains caused one dam to fail and another to breach." CBS (Shamlian) added, "We learned that Dow Chemical has enacted an emergency plan to keep flooded chemical ponds from spilling over."

The Washington Post (5/20, Cappucci, Freedman, 14.2M) says "the facility is associated with a Superfund site due to excess dioxins, which are known to cause cancer, in the riverbed downstream of the plant." The New York Times (5/20, 18.61M) reports a Dow spokesman "confirmed that as of 10 a.m. Wednesday, floodwaters had reached the site's outer boundaries, and were entering ponds designed to hold storm water runoff." In an another article, the New York Times (5/20, Tabuchi, 18.61M) reports that "with much of Midland expected to be

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underwater by later on Wednesday, it was likely that the floodwaters would breach the levees designed to protect the Dow compound, said Allen Burton, a professor of earth and environmental sciences at the University of Michigan. This meant that, at the site itself, flooding could reach storage tanks, potentially releasing chemicals onto farmland and residential areas that line the river downstream, he said."

NBC Nightly News (5/20, lead story, 2:25, Holt, 7.5M) said "the water came fast and furious, a pair of dams in central Michigan failing, sending water gushing into homes and businesses." ABC World News Tonight (5/20, lead story, 3:10, Muir, 8.39M) reported that "complicating matters, Michigan remains under a stay at home order to prevent the spread of the coronavirus." ABC added the flooding "is heading south," and officials are "concerned about one of those dams failing further. This river has never been this high." The Wall Street Journal (5/20, Ailworth, Subscription Publication, 7.57M), among other news outlets, also reports on the devastation in Michigan.

EPA's Wheeler Defends Recent Deregulation Push.

The AP (5/20, Daly) reports that Democrats yesterday "blasted the Trump administration's moves to roll back environmental regulations during the coronavirus crisis, with one senator saying a 'pandemic of pollution' has been released." The Environmental Protection Agency "has weakened regulations dealing with fuel efficiency and mercury emissions and has waived enforcement on a range of public health and environmental mandates, saying industries could have trouble complying with them during the coronavirus pandemic." EPA Administrator Wheeler told the Senate Environment and Public Works Committee that the EPA is "open for business" and "at work meeting our mission of protecting human health and the environment." However, a staff report released by Sen. Tom Carper (D-DE), "the committee's senior Democrat, said the EPA under Republican Trump 'has continued its relentless march to weaken or repeal rules that were designed to remove greenhouse gas, soot, mercury and other pollution from our air.'"

Pelosi Defends Calling Trump "Morbidly Obese."

Politico (5/20, Ferris, 4.29M) reports that House Speaker Pelosi yesterday told reporter that "she was giving...Trump 'a dose of his own medicine' when she described him as 'morbidly obese' in a television interview earlier this week." Pelosi "made the comments in a Monday interview with CNN as she blasted Trump's decision to take hydroxychloroquine."

The New York Post (5/20, Nelson, 4.57M) reports, "This Capitol spat just keeps getting uglier." A day after Trump "said she has 'mental problems,'" Pelosi "likened the commander-in-chief to a child with 'doggie doo on his shoes.'" Pelosi said of Trump, "It's like a child who comes in with mud on their pants or something – that's the way it is, they're outside playing. He comes in with doggy doo on his shoes and everybody who works with him has that on their shoes, too, for a very long time to come." Pelosi "went so far as to claim she's spoken to doctors about Trump's mental state," saying, "I hear doctors talk to me about saying, 'What's matter with him?' The things he says are so inappropriate for a President of the United States." The Washington Times (5/20, Muñoz, 492K) also points "Pelosi's feud with...Trump dragged on Wednesday," and USA Today (5/20, Hayes, 10.31M) that "the war of words" between Trump and Pelosi "escalated" further.

Brzezinski Calls On Twitter To Remove "Sick, Disgusting" Trump From Platform.

Breitbart (5/20, Bokhari, 673K) reports "Mika Brzezinski, co-host of MSNBC's Morning Joe went off on a rant about President Trump [on Wednesday], calling him 'sick' and 'disgusting,' and calling on Twitter's Jack Dorsey to censor the President's tweets." Townhall (5/20, Rosas, 177K) recounts that "after the show had ended, Brzezinski continued to her quest to be heard from the CEO of Twitter, Jack Dorsey, on her own Twitter account," saying, "the world would 'be safer' if Trump's account is removed from the social media platform and said his tweets are 'libel.'"

Blue Angels Fly Over Navel Academy's Class Of 2020 Commencement.

The CBS Evening News (5/20, story 9, 0:20, O'Donnell, 5.27M) reported that in "a big surprise," the Blue Angels flew over the Naval Academy's class of 2020 when the graduates performed their traditional hat toss.

CNBC/Change Research Poll: Trump Leads Biden 48%-46% In Crucial Battleground States.

In an online article, CNBC (5/20, Higgins, 3.62M) reports that a CNBC/Change Research poll of 5,408 likely voters "in the key electoral states of Arizona, Florida, Michigan, North Carolina, Pennsylvania and Wisconsin," taken May 15-17, shows President Trump leading Joe Biden 48%-46%, "including a 41-32 lead among independents. He also leads Biden 51-40 in who would do a better job handling the economy. The two men are in a statistical tie over who would do a better job handling coronavirus. But the survey results also showed that independents are far more likely than Trump to be concerned about a potential second wave in coronavirus infections, and will put the blame on Trump if it does." Breitbart (5/20, Bleau, 673K) also reports on the poll results.

Quinnipiac National Poll: Biden Leads Trump 50%-39%. USA Today (5/20, Santucci, 10.31M) reports that a Quinnipiac University national poll of 1,323 "self-identified registered voters," taken May 14-18, shows Biden leading Trump 50%-39%, up from a 49%-41% edge the Democrat held in a similar poll taken "in early April." USA Today adds, "Of Democrats surveyed [in the new poll], 88% said they would vote for Biden while 5% said they'd vote for Trump. Of Republicans, 87% chose Trump while 8% chose Biden. Independents favored Biden over Trump 47%-36%."

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Trump Reaches Out To Sanders Voters.

President Trump took to Twitter yesterday to write, "Crazy Bernie Sanders is not a fighter. He gives up too easy! The Dem establishment gets Alfred E. Newman (Mayor Pete) & @amyklobuchar to quit & endorse Sleepy Joe BEFORE Super Tuesday, & gets Pocahontas to stay in the race, taking thousands of votes from Bernie. He would have... beaten Sleepy Joe in a LANDSLIDE, every State, if these events didn't happen. Even if Warren just dropped out, he would have easily won. Dems did it to him with Crooked Hillary and now, even more so...and Bernie doesn't even complain. VOTE for Trump on TRADE, better than BS!"

Politico: Trump, Aides Eager To Schedule In-Person Campaign Rallies.

Politico (5/20, Orr, 4.29M) reports, "The Trump campaign has an order from the president: Find a way to get him back on the road and into megarallies to re-energize his base. In recent meetings with top campaign officials and White House aides, [President] Trump has questioned why he's avoiding campaign events if it's safe for him to travel in his official capacity." Politico says Trump's "2020 team is...keeping a close eye on regional reopenings, where modified campaign activities could soon be permitted." Politico adds that "some White House allies have encouraged the campaign to prioritize its plan for restarting rallies, worried that the optics and purpose of Trump's official travel – during which the president has sent mixed messages about his administration's response to the pandemic while surrounded by aides in face masks – is too morbid and lacks the showmanship his core base adores."

Conway: Trump Rally Held Under Social Distancing Rules "Would Look More Like A Biden Rally." The Washington Examiner (5/20, Doyle, 448K) reports White House Counselor Kellyanne Conway on Wednesday "joked that a Trump rally with social distancing in place and only 2 out of every 10 seats filled 'would look more like a Biden rally or a Clinton rally.'" Appearing on Fox News, Conway "said she hoped Trump's campaign rallies would return, but seeing an appropriately distanced crowd 'would be odd.'" Referring to the coronavirus pandemic, Conway also said she thinks Joe Biden "has benefited under the circumstances. 'We get a total of less than an hour of Joe Biden a week. That's great for Joe Biden. But there will be a campaign, there will be debates, hopefully many of them, more of them than usual, because we haven't had a normal election season so far,' she said."

Politico Analysis: As Trump Unites GOP, Biden Lagging In Outreach To Congressional Democrats.

Politico (5/20, Everett, Caygle, 4.29M) reports that President Trump "is lunching with Senate Republicans in the Capitol and prodding them to launch subpoenas against his enemies. Joe Biden is stuck in Delaware and has yet to hold even a conference call with House or Senate Democrats. At this point in a typical presidential campaign, Biden probably would have already visited with his old Senate colleagues and the House majority in the Capitol to begin the long and sometimes difficult process of syncing up his message with congressional Democrats and battleground candidates. But the coronavirus pandemic has changed all that – and given Trump an opening to unite his party at a critical moment."

USA Today Analysis: Biden Under Pressure To Choose Woman Of Color As Running Mate.

USA Today (5/20, Garrison, 10.31M) reports that Joe Biden "vowed in March to pick a woman as his vice presidential running mate. Leaders within crucial factions of the Democratic base – black and Latino voters – say that's not enough for the standard-bearer of a party that touts its diversity and relies on the steadfast support of voters of color to win. They urge him to" pick "the first woman of color as a running mate on a major party's ticket." USA Today adds that Biden, "77 and white, needs to balance the ticket with racial diversity and youth, advocates said, to energize the party's base, or he risks repeating the mistakes of Hillary Clinton, who failed to match [President] Obama's support in cities with large African American populations in her 2016 election loss to Trump."

The Hill (5/20, Wong, 2.98M) reports Rep. Lois Frankel (D-FL), "co-chairwoman of the Women's Caucus, is pushing her home-state colleague, Rep. Val Demings, for vice president." Rep. William Lacy Clay (D-MO) wants Biden "to select Gov. Gretchen Whitmer of Michigan, who Clay believes would help Democrats win the all-important swing state – and the White House." Rep. Adriano Espaillat (D-NY), "a Hispanic Caucus member, said it's critical that Democrats have a strong woman of color on the ticket."

Sanders Asking His Delegates To Refrain From Attacking Democratic Leaders.

The Washington Post (5/20, Sullivan, 14.2M) reports that Sen. Bernie Sanders (I-VT), "whose delegates staged a raucous rebellion against Hillary Clinton at the 2016 Democratic convention, is trying to engineer a different outcome this year – by turning down the volume on his social media-driven army of 2020 delegates." Sanders' "campaign has told some supporters picked to represent him this year to sign agreements barring attacks on other candidates or party leaders, combative confrontations on social media or talking to reporters without approval. The move, which carried a threat of being removed as a delegate, has the effect of blunting one of the most powerful if divisive tools of Sanders's movement – its unrestrained online presence and tendency to stoke controversy through other media, which has at times spiraled into abuse of his opponents, perceived and real."

Rove: Biden Erred In Giving Sanders Clout In Deciding Stances On Key Issues. In his Wall Street Journal (5/20, Subscription Publication, 7.57M) column, Karl Rove says that Joe Biden erred in agreeing to let Sanders choose some members to a unified half-dozen task forces. Rove says that while Biden will select the majority of the task force members, allowing Sanders to pick some will likely lead to

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Biden having to adopt far-left stances that will turn off moderate voters.

NRSC Raises A Record $12.2M In April.

Townhall (5/20, McCarthy, 177K) reports that the National Republican Senatorial Committee "posted a huge fundraising haul in April, nearly doubling the previous record." The NRSC raised "$12.2 million in the month of April alone," bringing "the committee's total fundraising this year to $41.8 million" and leaving the group "with $37.8 million in cash-on-hand. This haul represents the NRSC's best April fundraising month to date; the previous record was $6 million, set in April of 2014."

Oregon GOP Senate Nominee Is Believer In QAnon Conspiracy Theory.

The Washington Post (5/20, Sonmez, Debonis, 14.2M) reports that businesswoman Jo Rae Perkins, "who believes in QAnon, the baseless conspiracy theory that has taken root among some far-right supporters of President Trump," on Tuesday won Oregon's GOP Senate primary. The Post says, "In a now-deleted video posted to her Twitter account Tuesday night, Perkins said she supports the conspiracy theory, which revolves around 'Q,' an anonymous Internet user claiming to be a government agent with top security clearance. 'Where we go one, we go all,' Perkins said in the video, reciting a QAnon slogan. 'I stand with President Trump. I stand with Q and the team. Thank you Anons, and thank you patriots. And together, we can save our republic.'" Perkins is a heavy underdog in her bid to unseat Sen. Jeff Merkley (D-OR).

The New York Times (5/20, Baker, 18.61M) reports that Perkins' win is "the latest sign that conservatives are increasingly willing to embrace a movement based on a baroque series of plotlines about...Trump battling a shadowy globalist cabal. ... The baseless conspiracy theory began in 2017 when someone claiming to have top-secret information began posting under a pseudonym to the online message board 4chan. Those continuing posts from the person identified as 'Q' have woven a fantastical plot about the planet's elites: a global cabal of politicians and celebrities controlling governments, media, banks and a child sex-trafficking ring."

The Washington Examiner (5/20, Neale, 448K) reports that Trump "has himself retweeted QAnon followers." The Examiner adds, "QAnon members have been spotted at many Trump rallies, and followers liken the president to John F. Kennedy, who they allege was the last president to take on corrupt elements in the intelligence community." In an online analysis for CNN (5/20, 83.16M), Chris Cillizza says that for the Oregon GOP, the situation "could have a negative effect on the party's image in the state long after Perkins loses in the fall." The Hill (5/20, Klar, 2.98M) and Axios (5/20, Allassan, 521K) also report on the story.

GOP Ousts Democrats In City Council Races In Democratic Stronghold Of Staunton, Virginia.

The Daily Caller (5/20, Morefield, 716K) reports, "Three Democratic members of the Staunton, Virginia, city council were ousted by Republicans on Tuesday despite receiving more votes than they did four years ago. Republican candidates Mark Robertson, Amy Darby, and Steve Claffey all joined incumbent Andrea Oakes in a four-seat GOP sweep." Local reporter Chris Graham wrote, "A city that voted for Barack Obama, twice, voted for Hillary Clinton, voted for Terry McAuliffe and Ralph Northam, even gave a solid majority to Jennifer Lewis in her 2018 congressional run against Ben Cline, is now controlled by Republicans."

WPost Blasts Texas AG For Impeding Voting By Mail.

In an editorial, the Washington Post (5/20, 14.2M) condemns Texas state leaders for "encouraging" the coronavirus' threat to democracy. Allowing COVID-19 as a valid reason to get a mail-in ballot "is the least states can do to give their voters a fair shot at having their voices heard," but Attorney General Ken Paxton (R) "is fighting to keep tight limits on who qualifies for an absentee ballot." The Post adds, "Opposition to more absentee balloting is largely driven by open partisanship" and warns forcing Americans to "choose between voting and their safety" will cast doubt on the legitimacy of the November elections. The Post concludes, "States such as Texas should be reforming their election systems in preparation for November."

Convicted 9/11 Attacker Renounces Terrorism.

The AP (5/20, Barakat) reports that Zacarias Moussaoui, who is serving a life sentence as "the only man ever convicted in a U.S. court for a role in the Sept. 11 attacks," filed a handwritten court motion last month in which he wrote, "I denounce, repudiate Usama bin Laden." He added, "I also proclaim unequivocally my opposition to any terrorist action, attack, propaganda against the US" and expressed a desire "to warn young Muslim against the deception and the manipulation of these fake Jihadis." Moussaoui's petition is "seeking relaxation of the special administrative measures under which he serves his sentence."

RCP Average Has Trump's Job Approval At 45.5%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45.5%, and his disapproval at 52.5%. The President's approval is down 0.6 since yesterday; his disapproval is up by 0.5.

A Rasmussen poll of 1,500 "likely voters" (5/17-5/19) finds Trump's approval at 46%, and his disapproval at 53%.

A Quinnipiac poll of 1,353 "registered voters" (5/14-5/18) shows Trump's approval at 42%, with 53% disapproving.

An CNBC poll of 1,424 "likely voters" (5/15-5/17) finds Trump's approval at 46%, with 54% disapproving.

A Reuters/Ipsos poll of 957 "registered voters" (5/18-5/19) puts Trump's approval at 42%, and his disapproval at 55%.

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A Politico/Morning Consult poll of 1,994 "registered voters" (5/15-5/18) shows Trump's approval at 41%, with 55%.

An Economist/YouGov survey of 1,235 "registered voters" (5/17-5/19), meanwhile, has the President's job approval at 46%, and his disapproval at 52%.

Financial International News

World Bank Names Former Bear Stearns Crisis Expert As Chief Economist.

Reuters (5/20, Shalal) reports the World Bank on Wednesday "named former Bear Stearns executive Carmen Reinhart as its chief economist, tapping a financial crisis expert who also currently serves on advisory boards of the IMF and the New York Federal Reserve." World Bank President David Malpass "said in a statement Reinhart's experience and insights would prove invaluable as the coronavirus pandemic heaps economic pain on developing countries." IMF Managing Director Kristalina Georgieva tweeted her congratulations, saying Reinhart was "a great choice, especially at this time of crisis." Reinhart's tenure will begin June 15. The Financial Times (5/20, Politi, Subscription Publication, 1.34M) also reports.

BOE's Bailey Won't Rule Out Negative Rates.

Reuters (5/20, Bruce) reports, "Bank of England Governor Andrew Bailey said he was less opposed to negative interest rates than before the coronavirus crisis escalated, but that there were 'mixed reviews' about how well they had worked for other central banks." For the first time, Bailey said the BOE was not ruling out negative rates, but added it was "not ruling it in" either. He told lawmakers on Wednesday that the central bank is "looking very carefully at the experiences of those other central banks that have used negative rates, and a number of them are actually publishing quite interesting assessments at the moment." He added, "There are some pretty mixed reviews of it, I have to say."

UK Makes First Negative-Yielding Bond Sale.

Reuters (5/20, Milliken) reports the UK "sold a government bond with a negative yield for the first time on Wednesday, meaning the government is effectively being rewarded for borrowing after investors agreed to be repaid slightly less than they lent." The country joins Japan, Germany, and others in Europe "in selling debt yielding less than 0%, reflecting the prospect the coronavirus pandemic will cause a severe global recession and bond-buying by central banks to mitigate its impact." Wednesday's auction "saw 3.75 billion pounds ($4.6 billion) of gilts maturing in July 2023 sold at an average yield of -0.003%."

The Financial Times (5/20, Samson, Subscription Publication, 1.34M) provides similar coverage.

Leading International News

Trump Criticizes "Wacko" Chinese Official Over Coronavirus Statement.

The Washington Examiner (5/20, Neale, 448K) reports President Trump "ripped Chinese officials who he believes are responsible for failing to react quickly enough to the coronavirus." The President tweeted Wednesday morning, "Some wacko in China just released a statement blaming everybody other than China for the Virus which has now killed hundreds of thousands of people. Please explain to this dope that it was the 'incompetence of China,' and nothing else, that did this mass Worldwide killing!" Later, the President tweeted, "Spokesman speaks stupidly on behalf of China, trying desperately to deflect the pain and carnage that their country spread throughout the world. Its disinformation and propaganda attack on the United States and Europe is a disgrace.... It all comes from the top. They could have easily stopped the plague, but they didn't!"

Poll Shows Spike In Americans Who Consider China An "Enemy." Politico (5/20, Caputo, 4.29M) reports that since January, the percentage of US voters "who say China is an 'enemy' has risen 11 percentage points to 31 percent, while the percentage of voters who say China is either an ally or friend has fallen 9 points to a combined 23 percent, a new Politico/Morning Consult poll shows. The 30 percent who say China is unfriendly but not an enemy has held about constant in the past five months." The Washington Times (5/20, Sherfinski, 492K) covers the poll.

Asian Americans Report Increase In Abuse. USA Today (5/20, Phillips, Guerra, 10.31M) reports, "People of Asian descent have reported being shunned, verbally abused, name-called, coughed and spat on, even physically assaulted as the coronavirus pandemic continues to upend American life. As the political rhetoric blaming China for the pandemic escalates, law enforcement officials and human rights advocates have seen an increasing number of hate crimes and incidents of harassment and discrimination against Asian Americans." New York City "has seen 16 coronavirus-related hate crime incidents; many of which involved Asian victims."

The Washington Times (5/20, Morton, 492K) reports Sen. Kamala Harris (D-CA) "has introduced a resolution condemning 'all forms of Anti-Asian sentiment as related to COVID-19.' ... Such anti-Asian sentiment includes referring to the virus...as the 'Chinese Virus' or the 'Wuhan Virus.' People also should not refer to the resulting illness as 'Kung Flu,' Senate Resolution 580 states."

USS Theodore Roosevelt Set To Return To Sea. The New York Post (5/20, Fredericks, 4.57M) reports the USS Theodore Roosevelt "will return to sea before Memorial Day after a coronavirus outbreak sidelined the aircraft carrier for roughly two months when more than 1,000 sailors tested positive, Navy officials said Tuesday. Since it headed into port in Guam to deal with the outbreak, China has taken advantage of its absence and ramped up its harassment of the US military and its allies in and around the South China Sea."

NYTimes Analysis: Xi Sees Pandemic "As An Opportunity In Disguise." The New York Times (5/20, Myers, Buckley, 18.61M)

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looks at how Chinese President Xi Jinping "has seized on the pandemic as an opportunity in disguise – a chance to redeem the party after early mistakes let infections slip out of control, and to rally national pride in the face of international ire over those mistakes." Beijing's "propaganda machine is aggressively backing him up, touting his leadership in fighting the pandemic."

Cabranes: Pharma Push For Puerto Rico Would Reduce Dependence On China. In a brief Wall Street Journal (5/20, Cabranes, Subscription Publication, 7.57M) op-ed, Judge José Cabranes of the Second Circuit Court of Appeals urges a push to bring pharmaceutical manufacturing to Puerto Rico, which he says would both boost the territory's economy and reduce US dependence on China for drugs.

WHO Decries Potential Loss Of US Funding As Global COVID-19 Cases Hit New High.

The AP (5/20) reports WHO Executive Director Michael Ryan warned Wednesday "that any end to sizable U.S. funding for the U.N. health agency will have a 'major implication for delivering essential health services to the most vulnerable people in the world.'" Ryan "said the U.S. funding that reaches the WHO emergencies program was 'on the order of $100 million a year' and much goes to 'humanitarian health operations all over the world, in all sorts of fragile and difficult settings.'" The AP says the comments "came on a day when a total of 106,000 COVID-19 cases were reported to the WHO over the last 24 hours, the most in a single day since the pandemic began." CNBC (5/20, Lovelace, Feuer, 3.62M) reports on its website that "the majority of new confirmed cases are coming from the Americas, followed by Europe, according to WHO's daily report."

US Donating 200 Ventilators To Russia.

The Washington Times (5/20, Meier, 492K) reports Secretary of State Pompeo said Wednesday that the US "is donating 200 American-produced ventilators to Russia, where the number of new cases of COVID-19 have skyrocketed in recent weeks." Pompeo tweeted, "The United States is donating 200 U.S.-produced ventilators to the Russian people to help fight COVID-19. We've committed over 15,000 ventilators to more than 60 countries and continue to be a global leader in contributions to fight this pandemic."

COVID-19 Spreading Faster In Brazil Than Anywhere Else.

Lester Holt reported on NBC Nightly News (5/20, story 5, 1:35, 7.5M) that COVID-19 "is spreading faster in Brazil than anywhere else on earth." The Washington Post (5/20, Lopes, 14.2M) reports São Paulo, "the largest city in the Western Hemisphere, is emerging as the coronavirus pandemic's latest global hot spot." Confirmed COVID-19 "cases in the city have soared 34 percent and at least 510 people have died in the past week as the public health infrastructure buckles and Brazilian President Jair Bolsonaro continues to shrug off the crisis." David Muir said on ABC World News Tonight (5/20, story 5, 0:25, 8.39M) that Bolsonaro is "dismissing the virus as simply 'a little flu,' with hospitals and mortuaries there now overflowing."

COVID-19 Rising Among Middle-Aged Men In Mexico City.

NBC Nightly News (5/20, story 6, 1:15, Holt, 7.5M) aired a report on the rising rate of COVID-19 cases among middle-aged men in Mexico City. NBC's Richard Engel: "Doctors say what pushed them into critical condition was COVID combined with preexisting conditions, like obesity, diabetes, or smoking."

Gulf Arab Nations Reinstating Some Restrictions After Rise In COVID-19 Cases.

The Washington Post (5/20, Dadouch, 14.2M) reports Kuwait, Qatar, and Saudi Arabia "are seeing a sharp spike in coronavirus cases, prompting governments to reimpose some restrictions that had been lifted late last month ahead of the holy fasting month of Ramadan. ... The three other Gulf Arab countries – the United Arab Emirates, Oman and Bahrain – had also eased restrictions at the onset of Ramadan."

Prime Minister Warns Lebanon Is Facing Food Crisis.

Lebanese Prime Minister Hassan Diab writes in the Washington Post (5/20, 14.2M), "Once the breadbasket of the Eastern Mediterranean, Lebanon is facing a dramatic challenge that seemed unimaginable a decade ago: the risk of a major food crisis. ... Lebanon and its people have been struck by a triple crisis. First, as a result of decades-long political mismanagement and corruption, there has been a dramatic lack of investment in our agricultural sector." Lebanon is also "going through an unprecedented economic and financial crisis that led the country to default on its foreign debt," as well as the coronavirus pandemic.

UK Government Pledges To Roll Out Contact Tracing Program.

The AP (5/20, Pylas, Kirka) reports the UK government "pledged Wednesday to bring lawmakers back to the green benches of Parliament and have a 'test, track and trace' program for the coronavirus in place by June 1, hoping to persuade the country that it's time to cautiously start to emerge from the COVID-19 lockdown." The government "hopes the commitment can also pave the way for the reopening of schools for some younger children."

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Sweden's COVID-19 Death Rate Far Below UK's Despite Eschewing Strict Lockdown.

Politico (5/20, Duxbury, 4.29M) reports that Sweden "side-stepped a Europe-wide lockdown in mid-March, diverting from the path taken by neighboring states in the scramble to slow the spread of coronavirus," and "since then, observers have been keen to see whether the Nordic state's contrarian approach – which allowed businesses to keep running and children to keep going to school – was enlightened or badly misguided." Sweden's death rate from COVID-19 "of 364 per million is proving hard to interpret. It is well above some locked-down states like Finland at 54 but well below other countries with a much stricter regime, like the U.K. at 510."

In a Wall Street Journal (5/20, Subscription Publication, 7.57M) op-ed, economists Lars Jonung of Sweden's Lund University and Steve Hanke of Johns Hopkins University write that the Swedish Constitution's guarantee of freedom of movement is central to the country's strategy.

WPost: Leaders "Have Accepted The Fact That Europe Is On Its Own."

The Washington Post (5/20, 14.2M) editorializes, "The coronavirus epidemic has hit Europe hard. In fact, if the 27-nation European Union were a single country, it would have the highest death toll of any." The Post says the Trump Administration "wavers between indifference and hostility to the European Union, despite the strong U.S. interest in a stable, prosperous Europe." German Chancellor Angela Merkel and French President Emmanuel Macron "have accepted the fact that Europe is on its own as never before since World War II, and must act accordingly."

Author: Coronavirus Spread Among "Low-Paid Foreign Workers" In Singapore.

In a 3,000-word piece for the New York Times (5/20, 18.61M), author Megan Stack, an American who lives in Singapore, writes that Singapore first "leveraged the tight controls for which Singapore is known – elaborate surveillance, police investigators, the threat of criminal prosecution – to trace and isolate anybody who caught the virus or had been in close contact with a confirmed patient. For a time, that seemed to work," but the virus was still "being passed from one body to the next in the cramped dormitories where some 200,000 low-paid foreign workers sleep, wash and eat. The threat had not gone away; it was still gnawing at the city, unseen, from the margins."

Iran Prolongs Temporary Release Of British-Iranian Woman.

The New York Times (5/20, Peltier, 18.61M) reports that family of Nazanin Zaghari-Ratcliffe, a British-Iranian woman Iran sentenced to five years in prison in 2016 and granted temporary release from prison in March amid fears of COVID-19 spreading among detainees, had her furlough extended indefinitely. The move raises "hopes that she could be granted clemency and return to Britain." Western governments and human rights organizations "have long denounced" Iranian as seeking "to use dual citizens as a leverage in the repatriation of Iranian prisoners in other countries." Zaghari-Ratcliffe's husband, Richard Ratcliffe, said his wife is "now a 'potential good news' bargaining chip instead of a 'possibly bad news' bargaining chip."

Iranian Navy To Continue Operating In Persian Gulf Despite US Warning.

The Washington Times (5/20, Meier, 492K) reports that despite a day earlier the US Navy warning Iran that ships coming within 100 meters of American ships will be "interpreted as a threat and subject to lawful defensive measures," Iranian state agency ISNA quoted an unnamed military official as saying the country's navy "will continue their regular missions" in the Persian Gulf

US Envoy Meets With Afghan President, Former Rival To Discuss Making Peace With Taliban.

Reuters (5/20, Sediqi) reports US Special Representative for Afghanistan Zalmay Khalilzad met with Afghan President Ashraf Ghani and his former rival Abdullah Abdullah to discuss making peace with the Taliban. It is the first time the three met since Ghani and Abdullah entered a power-sharing agreement on Sunday, ending their "months-long political impasse in which both claimed to be Afghanistan's rightful leader" – which was "a major obstacle to the U.S.-brokered peace process."

Trump Suggests Holding G7 Summit At Camp David As Previously Planned.

The AP (5/20) reports that President Trump said Wednesday "that he's considering holding an in-person meeting in the U.S. with the leaders of the world's major economies after all because it would be a 'great sign to all' of things returning to normal during the coronavirus pandemic." The AP notes that the President was "scheduled the Group of Seven summit for June 10-12 at Camp David. ... But in March, he announced he was canceling the annual meeting because of the pandemic and that the leaders would confer by video conference instead." Trump tweeted, "Now that our Country is 'Transitioning back to Greatness', I am considering rescheduling the G-7, on the same or similar date, in Washington, D.C., at the legendary Camp David. The other members are also beginning their COMEBACK. It would be a great sign to all – normalization!"

The Hill (5/20, Samuels, 2.98M) reports, "Public health officials have warned that the coronavirus is unlikely to go away and large gatherings, like the G-7, may not be safe until a vaccine is widely available." Furthermore, it isn't clear officials from other G-7 member countries would agree to attend with the pandemic ongoing.

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Pompeo: Treatment Of Activists Makes Hong Kong Autonomy Assessment More Difficult.

Reuters (5/20, Brunnstrom, Pamuk) reports Secretary of State Pompeo said that the recent treatment of Hong Kong pro-democracy activists "make it more difficult to assess that Hong Kong remains highly autonomous from mainland China" – a requirement for the city's special treatment under American law. He added that a congressionally mandated State Department assessment on the matter was still pending, and "We are closely watching what's going on there."

Increasing Tensions Between US, China. The Washington Post (5/20, Shih, Dou, Gearan, 14.2M) reports on "fresh mudslinging" amid "rising tensions between the United States and China," with the "sharp dispute over responsibility for the novel coronavirus pandemic spills into new forums such as Taiwan." Pompeo opened a news conference "with a long list of complaints about China." Pompeo said the "whole world is waking up to" the fact that "we greatly underestimated the degree to which Beijing is ideologically and politically hostile to free nations." Meanwhile, "an animated 'credibility test' on Chinese state TV's Twitter feed mocked" Pompeo, who "has become the scapegoat of choice for Beijing officials and state media."

In a second article, the Washington Post (5/20, Shih, 14.2M) reports that Taiwanese President Tsai Ing-wen's second inauguration on Wednesday was "overshadowed...by a war of words between Beijing and Washington, underscoring how the US-aligned island has become a growing focus of the rivalry between the world powers."

Russia Proposes Summit Between US And Palestinians.

Barak Ravid of Israel's Channel 13 writes at Axios (5/20, 521K) that Western diplomats briefed a Russian initiative say the country offered to facilitate a meeting between the US and the Palestinian Authority. The two currently aren't talking, and new discussions could help "prevent escalation on the ground as Israel considers annexing parts of the West Bank." The diplomatic sources say the Russian initiative has the support of the UN and the EU, who see it as a way to slow or stop Israel's moves toward annexation. White House Special Envoy Avi Berkowitz, who met with Russian Deputy Foreign Minister for the Middle East Mikhail Bogdanov, "said the meeting would have to be framed around the Trump plan," according to sources briefed on the call.

Citing Israeli Annexation Plans, Abbas Declares End To Security Cooperation With Israel. The New York Times (5/20, Halbfinger, Rasgon, Najib, 18.61M) reports that, in "a desperate move to elicit international backing in Europe and the Arab world," Palestinian Authority President Mahmoud Abbas said that due to Israel's "determination to annex West Bank territory as soon as July 1" his government is ending security cooperation with Israel – which both "protected his government from more radical Palestinian elements, and Israeli citizens from acts of terrorism." The Times calls the move "acknowledgment that Mr. Abbas's strategy for the last 15 years" of opposing violence and pushing negotiations with Israel "failed" in the face of the Israel's Trump Administration-supported plans to annex occupied territory. Abbas' move "could remove impediments to more militant responses."

Israeli Troops Preparing For Potential War With Weakened Hezbollah.

The AP (5/20) reports that "twenty years after Hezbollah guerrillas pushed Israel's last troops from southern Lebanon, both sides are gearing up for a possible war that neither seems to want." According to the AP, "Israeli troops are striking Hezbollah targets in neighboring Syria and drilling for what could be an invasion of Lebanon." Meanwhile, Hezbollah is "beefing up its own forces and threatening to invade Israel if provoked." However, the AP says Hezbollah "can ill afford another massive clash with Israel" as its "finances are suffering because of U.S. sanctions imposed on it and Iran."

Burundi Holds Presidential Election.

The New York Times (5/20, Dahir, 18.61M) reports that, despite the ongoing coronavirus pandemic, on Wednesday Burundi held an election "to replace the country's long-reigning, autocratic president," Pierre Nkurunziza. The campaign, which "has been marked by arrests and the killings of political opponents," illustrates how the country is "caught in the grip of a political system focused more on preserving power than on protecting the public's health." Social media has been blocked with the country, and "human rights groups said they had received reports of harassment of opposition members and incidents of voter fraud" but unable to confirm them due to the social media blackout.

Powerful Cyclone Hits India And Bangladesh.

The Washington Post (5/20, Slater, Masih, 14.2M) reports that Cyclone Amphan, "one of the most powerful" in decades, made landfall in India and Bangladesh, leaving at least 14 dead. The storm, with "winds of up to 115 mph and surging waters as high as 16 feet," also "snapped power lines, blew roofs off buildings, destroyed crops and uprooted trees." Authorities in the two countries say that almost three million people evacuated their homes, moving to shelters. However, some evacuees "expressed misgivings" that hours in close quarters in the shelters risked exposure to the novel coronavirus.

Former Green Beret Tied To Ghosn's Flight From Japan Arrested.

The New York Times (5/20, Dooley, 18.61M) reports that "two men suspected of helping the former Nissan chief Carlos Ghosn flee Japan, where he was facing financial charges, were arrested in Massachusetts on Wednesday morning." According to the Times, Michael Taylor, "a former Green Beret, and his son Peter Maxwell Taylor are believed by Japanese authorities to have helped plan and carry out Mr. Ghosn's flight to Lebanon from Tokyo in December." The US District Court in Massachusetts "issued a warrant for the arrests on May 6, after a

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request from Japanese prosecutors."

Reuters (5/20, Raymond, Shepardson) reports that in January, Japan "issued arrest warrants for both men along with a third, George-Antoine Zayek, in connection with facilitating the Dec. 29, 2019 escape." Reuters says that "earlier this month, Turkish prosecutors prepared an indictment charging seven people, including four pilots, over Ghosn's escape via Istanbul to Beirut." Additional coverage includes the Wall Street Journal (5/20, Maremont, Kostov, Subscription Publication, 7.57M).

Alberta Premiere: Biden Won't Cancel Keystone XL If Construction Is Underway.

Politico (5/20, Gardner, 4.29M) reports that while Joe Biden's campaign said he would cancel the Keystone XL pipeline upon assuming the presidency, Alberta "has a billion dollars riding on the success of the pipeline" and its premier, Jason Kenney, "thinks he can call Biden's bluff." He said during a news conference, "I cannot imagine that a US president eight months from now, nine months from now, would require that thousands of miles of pipe be pulled out of the ground by the union workers who are now employed creating that project." However, "a slew of legal challenges that are still playing out in court could continue to stymie the project," which is on hold while the Administration defends its permits in the Ninth Circuit Court of Appeals in California.

Housing

FHFA Releases New GSE Capital Rule, Calling For $240B In Held Capital For Return To Private Hands.

The Wall Street Journal (5/20, Ackerman, Subscription Publication, 7.57M) reports that the FHFA on Wednesday said that Freddie Mac and Fannie Mae should hold $240 billion in capital once they are returned to private ownership. FHFA Director Mark Calabria said, "We must chart a course for the [companies] toward a sound capital footing so they can help all Americans in times of stress. More capital means a stronger foundation on which to weather crises."

Potentially behind a paywall, Bloomberg (5/20, 4.73M) reports, "The proposal is the latest sign of progress toward Calabria's goal of freeing Fannie and Freddie from nearly 12 years in federal conservatorship. Private shareholders, including hedge funds and other investment firms, could make billions of dollars when the companies are released, and the public stock offerings would likely be among the largest ever." Bloomberg says that a "senior FHFA official said the ultimate goal of the rule is to ensure that the companies are never leveraged more than 25 to 1, or 4%. As of September 2019, that would have meant they needed about $243 billion in capital, according to the FHFA."

Reuters (5/20, Schroeder) reports, "The new proposal is the FHFA's second attempt at creating a new capital plan, building on a previous proposal put out in 2018 under prior leadership." American Banker (5/20, Subscription Publication, 31K) reports, "Comparatively, in the original 2018 proposal, drafted by former Director Mel Watt, the GSEs would have had a combined risk-based capital requirement of $180.9 billion, or 3.24% of the companies' total assets. (The earlier plan was based on Fannie and Freddie's 2017 book of business.) Calabria said in November that his agency would revisit the post-conservatorship capital framework developed by Watt, in part due to the fact that the agency had raised the GSEs' retained earnings cap after the release of Watt's plan."

DS News (5/20, Albanese) reports Freddie Mac CEO David Brickman said of the new capital rule, "The reproposal of this critical rule marks another important milestone in our path out of conservatorship. I thank Director Calabria for his leadership in moving this rule forward. As Freddie Mac takes unprecedented steps to assist homeowners and renters adversely affected by COVID-19, we remain focused on preparing for our responsible exit from conservatorship." Similarly, Fannie Mae CEO Hugh Frater called the new rule "the start of an important new chapter" for Fannie Mae. Treasury Secretary Mnuchin said, "Appropriate capitalization of the GSEs will be critical to protecting taxpayers, fostering market discipline, promoting stability in the housing finance system, and ensuring durable consumer access to mortgage credit."

The American Bankers Association (5/20, 1K) said in a statement, "We welcome FHFA and Director Calabria's revisiting of the GSE capital proposal. ABA has long advocated that Fannie Mae and Freddie Mac require appropriate capitalization to reduce the risk to U.S. taxpayers, as well as a proper regulatory structure to allow for the efficient functioning of mortgage markets in all conditions." The National Taxpayers Union (5/20) said, "Given the parameters set in the Housing and Economic Recovery Act of 2008, FHFA can only do so much to administratively improve the GSEs. As such, we once again urge Congress to turn to the task of comprehensive housing finance reform as soon as is practically possible. Until then, we look forward to reviewing the details of the proposed rule and submitting written comments." The ABA Banking Journal (5/20) reports, "Comments will be due 60 days after publication in the Federal Register."

Providing additional coverage are National Mortgage Professional (5/20), Seeking Alpha (5/20, Kiesche, 512K), and CU Today (5/20, Systems).

A Third Of Borrowers Who Sought Out Forbearance Are Not Using It.

The Denver Post (5/20, 720K) reports, "About one in 12 mortgage borrowers in the U.S. have sought a time-out on their monthly payments because of the pandemic, a helping hand made available for up to a year under the CARES Act. But a third of the 4.1 million borrowers who have requested a 'forbearance' agreement, as they are known, have remained current on their payments." According to the Post, "Whether they sought the agreements 'just in case,' got into one accidentally or found a way to scrape up the money to prevent delinquency, those borrowers could complicate efforts to refinance or take out a new mortgage, something federal officials are trying to head off." FHFA Director

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Mark Calabria on Wednesday said, "Those who are making their payments should be treated as current when it comes to refinancing their loans." The Post says, "In the past, a forbearance would prevent a borrower from obtaining another government-backed mortgage for up to a year. But the federal government has stepped in, reducing the waiting period to three months, and allowing guarantors like Freddie Mac and Fannie Mae to refinance borrowers who sought forbearance."

Continuing Coverage: GSEs, FHFA Announce That Forbearance Borrowers Need Not Wait A Year To Refinance. CNN International (5/20, Bahney) reports, "Complaints filed with the Consumer Financial Protection Bureau have risen dramatically since the outbreak, and include several from homeowners who said they were placed in forbearance without requesting it, according to nonprofit advocacy U.S. Public Interest Research Group." Servicers "say they make it clear to homeowners who go into forbearance that they will be ineligible for a new home loan or to refinance an existing home loan until their payment suspension plan ends." And on Tuesday, "Freddie Mac and Fannie Mae provided guidance on this. The mortgage giants issued a clarification of the requirements for homeowners impacted by coronavirus who are in forbearance or recently out of forbearance, enabling some to still get new mortgages or refinance, according to the Federal Housing Finance Agency."

Realtor Magazine (5/20) reports that on Tuesday, FHFA Director Mark Calabria announced, "Homeowners who are in COVID-19 forbearance but continue to make their mortgage payment will not be penalized. Today's action allows homeowners to access record low mortgage rates and keeps the mortgage market functioning as effectively as possible."

Mortgage News Daily's (5/20, Chrisman) Pipeline Press rundown and RISMedia (5/20, 2K) provide additional coverage. National Mortgage Professional (5/20) reports on the new policy regarding refis, also discussing how the Federal Reserve's actions have helped drive mortgage rates down to record lows, according to Freddie Mac data.

The AP (5/20) advises readers on "what to know" about mortgage forbearance, discussing policies available to borrowers with loans backed by Freddie Mac, Fannie Mae, the FHA, and the VA. This piece also highlights the GSEs' "lookup tools" that determine "if they back your loan."

MBA Pushes For Market-Wide Liquidity Facility.

National Mortgage News (5/20) reports that on Tuesday, MBA CEO Robert Broeksmit "reiterated his call for a broad coronavirus-related liquidity facility akin to Ginnie Mae's, which could assist the industry at large." According to Broeksmit, the FHFA and GSEs took several steps to address servicers' liquidity struggles, but the Administration has so far not provided a liquidity facility for the GSE market. Broeksmit said, "The administration hasn't activated a broad liquidity facility yet as they wait to see how forbearance take-up rates change. The situation is evolving and discussions are ongoing. In the meantime, with our support, policymakers have provided relief in other important ways." NMN reports, "The MBA continues to work with government officials on ways to make that relief go further, Broeksmit said. This includes potentially expanding a measure that allows mortgage lenders to sell new home loans that go into the forbearance to the GSEs. Currently the measure excludes cash-out refinances, prompting calls to change the exemption in order to make these loans available to consumers." Broeksmit said that his organization is "working with Director Calabria to expand this program to cover cash-out refis."

MBA: Mortgage Applications Dip, Despite Bump In Purchase Volume.

CNBC (5/20, Olick, 3.62M) reports, "Mortgage applications to purchase a home rose 6% last week from the previous week, according to the Mortgage Bankers Association's seasonally adjusted index. Purchase volume was just 1.5% lower than a year ago, a rather stunning recovery from just six weeks ago, when purchase volume was down 35% annually."

However, National Mortgage News (5/20) reports that overall, mortgage applications "decreased 2.6% from one week earlier, as tighter underwriting drove the refinance index to its lowest level since March." The refinance share fell from 67% to 64.3%. The ARM share rose from 2.9% to 3.2%. The FHA share held at 11.5%, while the VA share fell from 13.7% to 13.4%.

Mortgage News Daily (5/20) reports, "The average origination balance of mortgages declined for both loans in general and purchase loans. The former fell $3,000 to $310,600 and the latter decreased to $330,700 from $332,300." The average rate for 30-year FRMs with conforming balances fell from 3.43% to 3.41%, while that for jumbos fell from 3.69% to 3.66%. The 15-year FRM average fell from 2.92% to 2.88%. The 5/1 ARM average fell from 3.26% to 3.19%. MBA AVP Joel Kan said, "Despite mortgage rates remaining close to record-lows, refinance activity slid to its lowest level in over a month. The average loan amount for refinances fell to its lowest level since January – potentially a sign that part of the drop was attributable to a retreat in cash-out refinance lending as credit conditions tighten. We still expect a strong pace of refinancing for the remainder of the year because of low mortgage rates."

Also reporting on the MBA's data are National Mortgage Professional (5/20)

TransUnion Study Shows Borrowers Seeking Assistance With Debt Payments Jumped From March To April.

Reuters (5/20, Moise) reports a TransUnion study released Wednesday showed the number of borrowers in the US seeking mortgage, credit card, and auto loan assistance "jumped between March and April in the economic fallout from the coronavirus pandemic." Serious delinquency rates changed little, "but forbearance programs and stimulus payments have been helping consumers stay liquid in the short term." TransUnion Vice President of Research and Consulting Matt Komos said, "While these programs are providing consumers with temporary relief, banks and lenders are looking for further regulatory guidance as to what next steps should be taken once stimulus packages

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dry up...We are likely to have a better sense of the true financial health of consumers impacted by COVID-19 in the coming months."

Government Bond Yields Stagnate New All-Time Lows.

The Wall Street Journal (5/20, Goldfarb, Subscription Publication, 7.57M) reports government bond yields are near all-time lows in a sign investors anticipate a difficult economic recovery. For more than a month, the yield on the benchmark 10-year US Treasury note has hovered around 0.67 percent, just above its all-time low of around 0.5 percent set in March.

LoanCare's Worrall Discusses How Servicers Can Best Interact With Borrowers.

DS News (5/20, Welborn) interviewed LoanCare's Dave Worrall about "how he is applying his time at Fannie Mae to the current COVID-19 situation, and how to interact with struggling borrowers." Worrall said, "We have established programs with the GSEs and as a result, the service and community is very ready to respond and offer assistance to customers, and probably as important to make sure that our partners, like the agencies and the government, are informed about what's going on with the borrower community." According to him, "The important lessons from back then are just coordination, communication, and everybody working together to respond quickly. It is much easier now, because of everything that was put in place back in 2008 and then again as we've gone through these cycles of natural disasters over the last few years."

Census Bureau Data Shows Almost Half Of US Households Have Lost Income During Pandemic.

The Hill (5/20, Wilson, 2.98M) reports, "Nearly half of Americans say in a new survey that they or someone in their household has lost employment income because of the coronavirus pandemic, a devastating loss that has fallen most heavily on lower income workers. The Census Bureau's survey, meant to track the pandemic's impact on Americans, shows 47.5 percent of all households reporting job losses." Lower-income households have been especially hard-hit by the pandemic. According to The Hill, "More than half of households with incomes under $50,000 say they have seen their incomes slide, as have more than half of households in which no one has attained a bachelor's degree." In addition, "Ten percent of Americans said they had been unable to pay rent or their mortgages on time, and one-fifth of those who responded said they had little or no confidence they would be able to pay next month's rent or mortgage."

Many Cities At Risk Of Pandemic-Related Housing Crisis.

24/7 Wall Street (5/15, 89K) reports "housing markets nationwide are likely to struggle" under the pandemic-induced economic slowdown, and "some appear to be far more vulnerable than others." The article lists 30 US cities that are likely "at a greater risk of a COVID-19-driven" housing crisis based on "an index composed of the change in median home sales price over the past decade, housing affordability, unemployment, industry vulnerability to the impact of COVID-19, and other measures of housing market health." Cities in the top ten most affected include New York; Orlando, Florida; Los Angeles, California; and Las Vegas, Nevada.

Whalen Discusses What Post-Conservatorship GSEs May Look Like.

In an opinion piece for National Mortgage News (5/21), Whalen Global Advisors LLC Chairman Christopher Whalen shares his predictions on how the GSEs will "emerge from conservatorship," and how their business models could "dramatically" change. According to Whalen, "if the FHFA intends to push the GSEs out of conservatorship without explicit capital support from the US Treasury, then the likelihood is that Fannie and Freddie will see their cost of funds rise and their profits decline. This reality may force big changes in how the GSEs deal with conventional lenders. And it may impact how the FHFA regulates the capital requirements of the GSEs." According to Mortgage News Daily's Rob Chrisman, "The jungle drums are saying more changes are ahead which could possibly shrink Fannie and Freddie's footprint even farther through changing execution. But rumors often prove untrue."

Markets

10-Year Yield Falls.

MarketWatch (5/21, 1.67M) reports the 10-year Treasury yield fell to 0.669 percent.

Dollar Holds Firm.

Reuters (5/21, Westbrook) reports, "The dollar clawed back some of the week's losses on Thursday, as investors brought a more cautious tone to trade, while Sino-U.S. tensions and weak economic indicators dampened the mood." The euro "edged 0.2% lower to $1.0963 and the Japanese yen was steady at 107.64 per dollar." Against a basket of currencies, the dollar "rose 0.2% to 99.328 on Thursday."

Gold Falls.

Reuters (5/20, Verma) reports, "Gold fell on Thursday on hopes of a swift recovery in growth following easing of lockdowns and possibility of a coronavirus vaccine, but bleak data from major economies limited losses." Spot gold "slid 0.7% to $1,737.33 per ounce by 0625 GMT," while US gold futures "slipped 0.8% to $1,738.80."

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Oil Rises.

Reuters (5/21, Obayashi) reports, "Oil prices rose on Thursday to their highest since March, as a drawdown of U.S. crude inventories and output cuts by major producers helped ease concerns about a supply glut, offsetting fears over the economic fallout from the COVID-19 epidemic." Brent crude futures for July delivery "were trading up 62 cents, or 1.7%, at $36.37 per barrel at 0550 GMT, rising for a second day." West Texas Intermediate crude futures for July "were up 61 cents, or 1.8%, at $34.10 a barrel, extending its gains into a sixth straight session."

Cybersecurity

FBI Warns Of Child Pornography Appearing In "Zoombombing."

The St. Paul (MN) Pioneer Press (5/19, Shaw, 407K) reports, "Coronavirus has caused a different kind of plague – child pornography popping up in online video meetings." According to the Pioneer Press, "The FBI on Wednesday warned against pornography appearing during meetings using the Zoom computer app. In the past few months, more than 195 reports of 'Zoombombing' have been reported in the U.S. and in other countries. Several incidents occurred in Minnesota, North Dakota and South Dakota. The incidents occur when a Zoom participant broadcasts video depicting child sexual abuse. The 'Zoombombing' incidents have risen sharply, as millions of Americans follow stay-at-home orders and use Zoom for business or personal meetings. Anyone exposed to the pornography should contact the FBI."

WMUR-TV Manchester, NH (5/20, Staff, 239K) reports, "During the last few months, the FBI says it has received more than 195 reports of incidents in which a Zoom participant was able to broadcast a video depicting child sexual abuse." WMUR-TV adds, "In March, Boston's FBI office warned about online classroom and teleconferencing hijacking after two Massachusetts schools were targeted. Officials said reports of so-called Zoom-bombing are emerging nationwide. 'Others have used the term Zoom-bombing. We refer to it as VTC hijacking. It's essentially when an intruder joins a meeting whose not invited,' FBI Cyber Security Agent Doug Domin said."

WOAI-TV San Antonio (5/20, Antonio, 72K) , WJLA-TV Washington (5/20, Henney, 123K) , KFVS-TV Cape Girardeau, MO (5/20, Smith, 39K) , and KABB-TV San Antonio (5/20, 54K) also report.

Pennsylvania Borough Paid Thousands In Ransomware Attack.

The Harrisburg (PA) Patriot-News (5/20, Metrick, 427K) reports, "Perry County borough Duncannon paid tens of thousands of dollars in recent weeks after hackers held municipal data hostage." The Patriot-News adds, "According to a statement from the borough, which was posted to social media, all of the borough's e-files, data and emails were encrypted on April 10, 2020. Backup systems were also compromised, and the borough was unable to recover the data. The attack involved several servers maintained by the company Spashwire, which has a contract with the borough." According to the Patriot-News, "The hackers made a ransom request for $50,000, which was later lowered to $35,000, the borough said. The hackers threatened that if the money wasn't paid by April 23, the keys to decrypt the borough's data would be destroyed. Pennsylvania State Police was notified, and Spashwire's IT contractor notified the FBI, the borough said."

FBI Warns Of Sexual Predators Targeting Children During Online Learning.

WEWS-TV Cleveland (5/20) reports, "The FBI is warning that sexual predators are targeting children and trying to exploit kids online. Ohio schools moved to online learning amid the coronavirus crisis in March. According to the FBI, there is an increased threat to children. 'It is a ripe environment for predators right now,' said FBI Special Agent Vicki Anderson. 'Kids are online even more than they were before, even during school hours they are online, and we're concerned predators are going to take advantage of this,' she explained." WEWS-TV adds, "Predators posing as a child or young teenager visit apps, gaming and social media sites popular with kids. 'Predators study that, they know where to go and how to talk to kids,' said Anderson."

Iran Poses Cyber Threat To The US And Allies.

The Jerusalem Post (ISR) (5/20, Roule, 90K) reports Iran remains determined "to harm the interests of the US and its allies and exact revenge for the January 3 drone strike that killed Maj.-Gen. Qasem Soleimani." Iran still poses a "cyber threat to the US and her allies." The US national security apparatus "has warned that Iran is likely to pursue offensive cyberattacks targeting the US public and private sectors." Following the killing, both DHS and FBI "issued advisories warning of increased Iranian cyber reconnaissance activity and cautioning that Iran may be seeking disruptive attacks against critical US infrastructure." In a new report, United Against Nuclear Iran (UANI) "has documented the evolving nature of the Iranian cyber threat to the US." During the last decade, Iran "has stepped up its investment in cyberwarfare capabilities, which give it a low-cost means...to conduct espionage on, and strike, stronger adversaries in furtherance of its foreign policy and national security objectives."

Op-Ed: Iranian Hackers Remain A Threat To US Institutions. In a commentary in the Washington Post (5/20, 14.2M), Atlantic Council's Middle East Programs fellow Holly Dagras writes, "Recent Iranian hacking efforts against her and others...was just the latest in a series of cyberattacks apparently staged by the same group – and it should set off alarm bells among US organizations and individuals." She contends, "It is critical that we understand the cyberthreat and take the necessary precautions. Given my professional focus on Iran issues at the Atlantic Council, I am a prime target for cyberattacks." She adds, "According to ClearSky, an Israeli cybersecurity firm, this phishing attack not only was Iran-linked, it bore the hallmarks of Charming Kitten, a notorious Iranian cyber-espionage group." She concludes, "My

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experience shows that there is a genuine cyber threat to US institutions. Even amid the covid-19 pandemic, Iran is planning for the future. Allied defenses must be equal to the task."

Japan Suspects Missile Data Leak In Mitsubishi Cyberattack.

The AP (5/20, Yamaguchi) reports officials "said Japan is investigating a possible leak of data including details of a prototype missile in a massive cyberattack earlier this year on Mitsubishi Electric Corp." The suspected leak involves "sensitive information about a prototype of a cutting-edge high speed gliding missile intended for deployment for the defense of Japan's remote islands amid China's military assertiveness in the region." Chief Cabinet Secretary Yoshihide Suga "told reporters that the Defense Ministry is investigating 'the possible impact of the information leak on national security.'" The Defense Ministry has been "studying a prototype missile known as HGV, which flies at supersonic speeds and is also being developed by the US, China and Russia."

Virtual Cybersecurity School Teaches Kids To Fix Security Flaws.

CNN International (5/20, Kelly) reports a school-based program "to teach kids a new skill is extending into a virtual cyber school." It's filled with "lessons and games to teach users how to fix security flaws on webpages, uncover trails left by cybercriminals and decrypt codes used by hackers." The program is now "available online for any student ages 13 – 18 for free in the UK, and $100 a year in the US." Nearly 8,000 middle school and high school students "have already enrolled in the virtual school since it was announced a little more than two weeks ago." Overall, the group is "expecting about 20,000 participants, who will go at their own pace." The original program started "as an effort funded by the UK government, in partnership with the US-based SANS Institute, a security training facility." It intends to "inspire young people...to acquire the interest and skill set needed for professional cybersecurity roles."

Members Of Open Networking User Group Seek Unified Cybersecurity, Cloud Data Protection Standards.

The Wall Street Journal (5/20, Nash, Subscription Publication, 7.57M) reports members of the Open Networking User Group, including Cigna, Raytheon, and FedEx, want Amazon Web Services, Google, Microsoft, and other cloud providers to establish standardized client data protections and cybersecurity measures. The Journal says that while an Amazon representative did not respond to its request for a comment, the company does provide customers with a toolbox that allows its clients to set up their own security features.

Cybersecurity Experts Identify Flaws In The UK's Contact-Tracing App.

Business Insider (5/20, Hamilton, 3.67M) reports cybersecurity experts identified seven flaws in the UK government's contact-tracing app, which is currently in trial with plans for further roll out in the next two weeks. The researchers, Chris Culnane and Vanessa Teague, said that unencrypted data stored on users' handsets could feasibly be accessed by law enforcement. Teague said, "The huge advantage of the Google/Apple decentralized API is that there's no central database that retains information about every infected person's contacts."

States Confront Challenges In Deciding How To Hold Elections Amid Pandemic.

The Washington Post (5/20, Marks, 14.2M) reports in the Cybersecurity 202 column that states are facing "far greater challenges preparing for the primaries and general election during the pandemic – and how some voters are in greater danger of facing a choice between casting their votes and protecting their health." Kentucky is one of "just 16 states where voters must typically provide an excuse before voting by mail." The state created "a temporary exception to that rule on April 24 but only after weeks of wrangling between Democratic Gov. Andy Beshear and Republican Secretary of State Mike Adams, who opposed expanding mail voting before the pandemic struck." It is not clear "whether officials will make a decision in time for all the necessary preparations, such as buying loads of envelopes, stuffing and sorting machines for mail ballots, and hiring poll workers who can manage the process." Voting security experts "say that it will be a massive undertaking."

Op-Ed: Congressional Support For Cyberspace Solarium Recommendations Will Help Protect Veterans From Cyber Threats.

In an op-ed in the Military Times (5/20, 772K), Kristofer Goldsmith, an associate director for policy and government affairs for the Vietnam Veterans of America, writes, "To slow the spread and prioritize critically ill patients, the Department of Veterans Affairs (VA) has either cancelled or moved online the majority of outstanding appointments. But as the White House and VA push millions of veterans to be more connected to the Internet than ever before, new and increasing health threats await us in these cyber environments – threats that the Trump administration has done nothing to address." He contends, a recent "VVA report found 'persistent, pervasive, and coordinated online targeting of American service members, veterans, and their families by foreign entities who seek to disrupt American democracy.'" He concludes, "The upcoming National Defense Authorization Act would be an appropriate vessel to implement the recommendations provided by the Cyberspace Solarium Commission's and VVA's reports."

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Researchers Use A Beer App To Track The Military And CIA.

Popular Mechanics (5/20, Mizokami, 7.77M) reports researchers have used "the beer app Untappd to follow the movements of military and intelligence personnel worldwide." Using app data, researchers "have uncovered trips to sensitive places including Guantanamo Bay and Camp Peary, Virginia." Researchers have also "discovered sensitive data that could be exploited, including photos of DOD documents, debit card numbers, and military IDs." A beer networking app "with millions of followers inadvertently allowed security researchers to track military and intelligence personnel, including at a top secret CIA facility." Researchers with the group Bellingcat "discovered check-ins at places as diverse as the Pentagon, Germany, and Greenland." The researchers also "discovered shared photos that included shots of government ID cards, documents, and military hardware."

TFI/Sanctions

Trump Administration Sanctions Iranian Interior Minister.

Reuters (5/20, Psaledakis, Heavey) reports the Trump Administration has "imposed sanctions on Iran's interior minister...accusing him of engaging in serious cases of human rights abuse." According to Reuters, the US Treasury Department alleges that Iranian Interior Minister Abdolreza Rahmani Fazli "gave orders authorizing the Law Enforcement Forces (LEF) of Iran to use lethal force in response to anti-government protests in November, leading to the killing of protesters, including at least 23 minors." Secretary of State Pompeo released a statement reading, "His – and the regime's – goal was to quash these peaceful protests and suppress the rights of peaceful assembly and freedom of expression at any cost."

CNBC (5/20, Macias, 3.62M) reports that "the new penalties targeted a dozen individuals, including" Fazli, as well as "three entities. ... The LEF, separately sanctioned for supporting the regime of Syrian dictator Bashar Al-Assad, also uses its detention centers to recruit fighters for Iranian militias, according to Treasury."

The Wall Street Journal (5/20, Faucon, Subscription Publication, 7.57M), The Hill (5/20, Axelrod, 2.98M), and Daily Caller (5/20, Hukeri, 716K) also report.

WSJournal: Iran Betting That In Election Year Trump Won't Risk Stopping Aid To Maduro. In an editorial, the Wall Street Journal (5/20, Subscription Publication, 7.57M) writes that despite hits to the Iranian economy from the coronavirus pandemic and low oil prices the country is violating US sanctions by, at the least, sending tankers of fuel to aid Nicolás Maduro's regime in Venezuela. The Journal warns that the tankers will provide income for Iran and create instability in South America. While President Trump can interdict the tankers, it could provoke a response from Iran, something the country is counting on him not gambling with in an election year.

Federal Reserve

Fed Meeting Minutes Paint "Relatively Bleak Picture" Of Path To Recovery.

The New York Times (5/20, Smialek, 18.61M) reports Federal Reserve officials "are painting a relatively bleak picture" of the economy's "path forward amid the coronavirus pandemic, suggesting that activity may take time to bounce back even as lockdowns lift and warning that second-wave outbreaks could inflict serious damage on businesses and the labor market." While the Administration "has been suggesting a more positive outlook" for the economy, the Fed "has taken a much more cautious view, warning that the bounce back may be halting and that a full recovery cannot take hold until the health threat posed by the deadly virus is under control." Notes from the Fed's April 28-29 remote meeting released Wednesday show that Fed officials "discussed ways in which the sharp economic decline already underway could create longer-lasting fallout."

CNBC (5/20, Cox, 3.62M) reports on its website that minutes from an April 29 Federal Reserve meeting released Wednesday show that Fed officials "worried about longer-lasting impacts from the pandemic including a second round of infections and the burden that low-income households would face. ... 'Participants commented that, in addition to weighing heavily on economic activity in the near term, the economic effects of the pandemic created an extraordinary amount of uncertainty and considerable risks to economic activity in the medium term,' the minutes said." According to CNBC, "One area of particular concern is what should happen in the event that coronavirus infections should surge later in the year. The minutes noted that the 'more pessimistic' outlook for a rebound was probably as likely as the baseline forecast for improvement."

The AP (5/20, Crutsinger), The Wall Street Journal (5/20, Timiraos, Subscription Publication, 7.57M), Politico (5/20, Guida, 4.29M), The Financial Times (5/20, Politi, Smith, Subscription Publication, 1.34M), Reuters (5/20, Schneider, Dunsmuir), Fox Business (5/20, Henney, 1.73M), and Barron's (5/20, Beilfuss, 1.07M) also report.

Fed Takes Bipartisan Criticism Over Stalled Lending Program.

Bloomberg (5/20, Mohsin, Davison, 4.73M) reports the Fed "received a bipartisan critique Wednesday from members of a congressional oversight panel who said the central bank has been slow to launch a key emergency lending program for mid-sized companies." Reps. French Hill (R-AR) and Donna Shalala (D-FL) "expressed concern that the Main Street Lending Program – which targets companies too large for small business assistance and too small to qualify for corporate lending facilities – was not yet operational." Hill said in an interview, "I'm disappointed that it's taken as long as it has."

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Fed To Take First Requests For TALF Program Loans On June 17.

Reuters (5/20) reports the Federal Reserve Bank of New York on Wednesday "announced that the first requests for loans for the Term Asset-Backed Securities Loan Facility will be taken on June 17, with closings on June 25."

Bostic Unconcerned About Inflation; Bullard Optimistic About Potential Recovery In Second Half Of 2020.

The Wall Street Journal (5/20, Derby, Subscription Publication, 7.57M) reports Atlanta Fed President Raphael Bostic sees small chance of rising inflation due to potential economic impacts of various coronavirus mitigation efforts by the central bank. Bostic said his focus on is on the recovery rather than inflation. Meanwhile, St. Louis Fed President James Bullard believes the economy has a good chance of recovering in the second half of the year.

Kaplan: Consumer Confidence, Growth Unlikely To Rebound Without Additional Testing, Fiscal Stimulus.

Bloomberg (5/20, Saraiva, 4.73M) reports Dallas Fed President Robert Kaplan said Wednesday that consumer confidence and economic growth will likely only return with more widespread testing and additional fiscal stimulus. Kaplan said, "Whatever the government says, until the consumer is willing to resume some of their previous activities, this recovery is not going to be as strong as it could be. ... Until they feel more comfortable they're not going to fully engage in previous activities, and that you can't legislate, you can't stimulate with money. That's behavioral." Kaplan added, "My guess is we are going to need to do more, but my guess is also you're going to need to do more fiscal action, whether it's aid to governments or other fiscal action as we go through this."

Internal Revenue Service

Social Security Recipients Await Stimulus Checks As IRS Struggles With Staffing Shortages.

CBS News (5/20, Picchi, 3.68M) reports a number of Social Security recipients "say they're still waiting for their stimulus checks, even though the Social Security Administration has said many of them should have begun receiving their payments a month ago in mid-April." Several also "continue to struggle with getting information from the IRS 'Get My Payment' site, leaving them unsure when the checks will arrive." One recipient, David Kemp of Maryville, Tennessee, "said he's also tried calling the IRS, but has only gotten an automated message, without an option to talk with a telephone representative about the $2,400 stimulus payment that he and his wife are still waiting to receive." The IRS "pointed to recent statements about timing of the checks, including the U.S. Treasury Department's announcement that 4 million taxpayers will receive prepaid debit cards loaded with their stimulus payments."

The Washington Post (5/19, Rein, 14.2M) reports the IRS "has made the government's most aggressive effort so far to recall its workforce." However, "like other federal agencies following President Trump's order to reopen the country, the IRS is struggling to ensure the safety of its employees as it tries to chip away at a crushing backlog and serve the public." The agency, "awash in sensitive taxpayer information, finds itself in a morass brought on by years of crippling budget cuts, cumbersome paper-based systems and resistance to telework." The staffing shortage "will prolong delays – refunds for paper tax filers, responses to amended tax returns, returns frozen after they were flagged for identity theft."

Newsweek (5/20, Kim, 1.53M) reports a Colorado man "says he got one in the mail for his mother despite notifying the IRS that she had died back in 2018." The man "received the check in an envelope that listed him as his mother's representative. 'I couldn't believe they sent it since my mom was deceased. I even filed a final tax return for her, so they have the data,' he said." The man "reportedly filed his mother's final tax return with the Internal Revenue Service (IRS) earlier this year before the stimulus checks were sent out."

Newsweek (5/20, Palmer, 1.53M) reports the IRS "has announced it has added 3,500 telephone representatives to help deal with the demand in questions about the Economic Impact Payments." The IRS "said that answers for most of the common questions about the payments are available on IRS.gov website."

Tax Return Filings Plummet After Treasury, IRS Give Taxpayers Three Extra Months To File.

CNBC (5/20, Mercado, 3.62M) reports taxpayers who are "short on cash could use a tax refund, yet millions of households continue to sit on last year's tax returns." The IRS "received 128.2 million individual income tax returns as of May 8, reflecting a 9.4% decline from a year ago, according to IRS data. At this time last year, 141.5 million taxpayers submitted returns." CNBC adds that "since the Treasury Department and the IRS have given taxpayers and their preparers three more months to submit 2019 returns and pay last year's taxes, people seem to be taking their time to file."

Office of the Comptroller of the Currency

OCC Issues Final CRA Rule.

Reuters (5/20, Schroeder) reports the Office of the Comptroller of the Currency on Wednesday said it had finalized efforts to modernize community lending standards for banks. The new rule "is an update to requirements stemming from the 1977 Community Reinvestment Act, which requires banks to support lower-income borrowers and their communities, and for regulators to grade them on that effort." The overhaul has been a top priority for Comptroller of the Currency Joseph Otting, who reportedly plans to step down soon.

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The Hill (5/20, Lane, 2.98M) reports the OCC and the Federal Deposit Insurance Corp. "unveiled a joint proposal in December to update the CRA regulations," but neither the FDIC nor the Federal Reserve Board "joined the OCC's Wednesday proposal, raising the chance the banks may need to comply with different rules for different agencies under the same law." FDIC Chairman Jelena McWilliams said in a statement Wednesday that while her agency "strongly supports the efforts to make the CRA rules clearer, more transparent, and less subjective, the agency is not prepared to finalize the CRA proposal at this time."

Politico (5/20, Guida, 4.29M) reports the rule "will take effect in October, although compliance with the regulation" by OCC-supervised banks "will be phased in over a couple of years." The agency acknowledged that it will need more data "to set specific numerical thresholds for grading banks' lending and investment" and promised to issue another proposal "to calibrate more precisely" those requirements. In a call with reporters, OCC Chief Operating Officer Brian Brooks, who is set to take over as Acting Comptroller when Otting leaves, "defended the agency's decision to finalize the framework before it had the relevant data." Brooks said, "It's not an issue of gathering the data. The data doesn't exist." Implementing the new framework will allow banks to start collecting that data, he added.

According to American Banker (5/20, Pedersen, Subscription Publication, 31K), the OCC's final plan "is a somewhat narrower reform framework that made several accommodations to critics." On the whole, the "changes to the rule tries to preserve a focus on qualitative judgments about a bank's CRA activity, rather than just focusing on quantitative measures." The final rule asks banks "to submit their CRA data to determine appropriate thresholds"; raises the asset threshold from $500 million to $2.5 billion for banks that "can choose to keep the current CRA regime instead of the new one"; and "give banks more credit for maintaining branches and ATMs in low-to-moderate income areas when it comes to a bank's branch distribution score."

The Hill (5/20, Lane, 2.98M) reports the banking industry "had mixed feelings about the OCC rules." American Bankers Association President and CEO Rob Nichols praised the agency for its commitment to the overhaul, "but expressed concerns about the data used to determine the rule's new benchmarks and the lack of universal uptake among regulators." Meanwhile, the Consumer Bankers Association touted the OCC's "needed improvements to qualifying activities, quantifying examination ratings, and providing incentives for outstanding ratings."

In an op-ed for American Banker (5/20, Subscription Publication, 31K), Otting writes that the final rule "will make evaluating national banks and federal savings associations for CRA performance more objective and transparent. And it will encourage those banks to lend, invest and provide more services to the communities they serve, including low- and moderate-income (LMI) neighborhoods, across the country."

Outlets providing similar coverage include the AP (5/20, Sweet), Bloomberg Law (5/20, Weinberger, Subscription Publication, 4K), the Financial Times (5/20, Armstrong, Subscription Publication, 1.34M), American Banker (5/20, Pedersen, Subscription Publication, 31K), Law360 (5/20, Subscription Publication, 8K), American Banker (5/20, Berry, Subscription Publication, 31K), Forbes (5/20, Botella, 9.71M), Banking Dive (5/20, Ennis), HousingWire (5/20, Lane, 23K), CU Today (5/20), the ABA Banking Journal (5/20), Texas Bankers Association (5/20), Value Walk (5/20, Peel, 1K), SNL Financial (5/20, Subscription Publication, 3K), Dodd Frank Update (5/20), Bankers Online (5/20), DS News (5/20, Welborn), M Report (5/20, Welborn), Dealbreaker (5/20, Shazar), and Morning Consult (5/20, Williams).

Interagency Cohort Including OCC, FDIC Releases Small-Dollar Lending Guidance.

American Banker (5/20, Wack, Subscription Publication, 31K) reports the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corp. (FDIC), the Federal Reserve Board, and the National Credit Union Administration on Wednesday released guidance providing a uniform framework for banks and credit unions on offering small-dollar loans to consumers without causing problems with regulators in DC. The "long-awaited" guidance says small-dollar loans should be "reasonably related to the financial institution's product risks and costs," though it "stop[s] well short of more concrete restrictions, such as a 36 percent interest rate cap, that many advocates favor." The guidance also says deposit advance product structures should "support borrower affordability and successful repayment" in a "reasonable time frame rather than reborrowing, rollovers, or immediate collectability in the event of default." Banks previously were first in line for any deposit into a customer's account, reducing borrowers' ability to prioritize payments.

Bloomberg Law (5/20, Weinberger, Subscription Publication, 4K) reports the guidance was "aimed at making sure consumers don't fall into debt cycles that characterize payday loans."

The Credit Union National Association (5/20) further details the specific provisions in the guidance, which was released in a document entitled: "Interagency Lending Principles for Offering Responsible Small-Dollar Loans."

Law360 (5/20, Subscription Publication, 8K) also reports.

BofA Says Security Glitch Leaked PPP Applicants' Data Through SBA's Platform.

ZDNet (5/20, Cimpanu, 299K) reports Bank of America said this week that a security glitch impacted affected its digital platform that processed Paycheck Protection Program (PPP) loans. The firm "says that information for some companies who applied for loans last month might have been viewed by other lenders or organizations." The potentially compromised data includes business addresses and tax ID numbers but also business owner names, addresses, and Social Security numbers, among other info. The firm "blamed the entire incident on a test platform managed by the US Small Business Administration (SBA), the government agency responsible for processing and approving PPP loan applications filed by the bank in the name of its customers." The bank said this happened April 22 and that they "contacted the SBA to remove its customers' data from the test platform on the same day."

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Citi To Purchase Up To $50M In PPP Loans From Minority-Owned Banks.

American Banker (5/20, Reosti, Subscription Publication, 31K) reports, "Citigroup plans to buy up to $50 million in Paycheck Protection Program loans from minority-owned depository institutions." In partnership with the National Bankers Association, Citi's loan-purchase program "aims to boost capital levels at participating minority institutions." In a press release Wednesday, Citi "said...that the originating banks will service the loans and can retain the fee income paid by the Small Business Administration." Laurie Vignaud, CEO of Unity National Bank in Houston, said in the release, "By moving these loans off our balance sheet, we are able to redeploy capital into further assisting our customers and supporting our local economy."

Citi Considers Satellite Offices Near New York HQ To Promote Social Distancing.

American Banker (5/20, Lang, Subscription Publication, 31K) reports Citigroup is considering opening offices outside New York City amid uncertainty over when its employees will be able to return to its Manhattan headquarters, joining other large banks looking "elsewhere for space to let workers spread out and avoid commuting into the city." The bank is weighing short-term leases in Long Island, Westchester, and New Jersey.

JPMorgan To Keep Offices At Half Occupancy For "Foreseeable Future."

Bloomberg (5/20, 4.73M) reports JPMorgan Chase has been sealing up workers' personal items left behind before the coronavirus lockdown so they can safely retrieve them without the threat of contamination. The bank plans to keep offices at half occupancy for the "foreseeable future," allowing employees to return slowly and "in waves."

Reuters (5/20, Marshall) reports some JPMorgan employees "may be required to sit at common desks, or 'hot desks,' a temporary seating arrangement that management hopes will make it easier to clean." JPMorgan's plan to return employees to their offices is "in line with Goldman Sachs and other global banks."

Banks Prepare To Examine Debt Forbearance As Expiration Dates Near.

Bloomberg (5/20, Surane, Levitt, 4.73M) reports that US lenders "are preparing to take a closer look at consumers who have arranged to delay payments, potentially pushing some out of the programs, as the industry tries to get a clearer picture of how many customers are truly unable to keep up during the coronavirus pandemic." March forbearance programs are nearing expiration dates, "when many banks are set to decide whether to continue letting people put off roughly $150 billion of debt including credit cards balances, personal loans and car payments." Accenture Banking Senior Managing Director Alan McIntyre said, "A lot of the banks are in the dark a little bit in terms of how to treat customers. The measures they focus on to manage credit quality – those dials aren't moving. And those dials aren't going to move until the fall."

Editorial Wrap-Up

Washington Post.

"New Leadership Should Reconnect The U.S. Attorney's Office In D.C. With Its Community." In an editorial, the Washington Post (5/20, 14.2M) condemns "the degradation of" the US attorney's office in the District., which has been "politicized in service to the interests of President Trump" and has an "increasing disconnect with the local community it is supposed to serve." Trump's announced nominee for the post, Justin Herdman, the US attorney in Cleveland, and Michael R. Sherwin, who has been chosen to hold the position until Mr. Herdman obtains Senate confirmation, "will have a special responsibility to prove that their commitment is to justice and professionalism, not personal loyalty to" Attorney General Barr or Trump. The Post calls for Sherwin and Herdman to address "the criminal-justice needs of the people of the District of Columbia" instead of "flashier national and international cases."

"The E.U. Has Realized It Is On Its Own – And Is Acting Accordingly." The Washington Post (5/20, 14.2M) editorializes, "The coronavirus epidemic has hit Europe hard. In fact, if the 27-nation European Union were a single country, it would have the highest death toll of any." The Post says the Trump Administration "wavers between indifference and hostility to the European Union, despite the strong U.S. interest in a stable, prosperous Europe." German Chancellor Angela Merkel and French President Emmanuel Macron "have accepted the fact that Europe is on its own as never before since World War II, and must act accordingly."

"Texas's Republican Leaders Are Fighting To Keep Voting Unsafe." In an editorial, the Washington Post (5/20, 14.2M) condemns Texas state leaders for "encouraging" the novel coronavirus' threat to democracy. Allowing COVID-19 as a valid reason to get a mail-in ballot "is the least states can do to give their voters a fair shot at having their voices heard," but Texas Attorney General Ken Paxton (R) "is fighting to keep tight limits on who qualifies for an absentee ballot." The Post adds, "opposition to more absentee balloting is largely driven by open partisanship" and warns forcing Americans to "choose between voting and their safety" will cast doubt on the legitimacy of the November elections. The Post concludes, "States such as Texas should be reforming their election systems in preparation for November."

Wall Street Journal.

"The Evidence On Kids And Covid." In an editorial, the Wall Street Journal (5/20, Subscription Publication, 14.0M) takes a look at perspective on reports of inflammatory symptoms linked to the novel coronavirus in children, arguing that children are at less risk of develop the disease and

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largely appear to not spread it. The Journal concludes that the disease's risk to children doesn't justify continuing lockdowns.

"The First Amendment Faithful." The Wall Street Journal (5/20, Subscription Publication, 7.57M) supports Minnesota churches that plan to reopen in defiance of Gov. Tim Walz's (D) coronavirus pandemic restrictions. Walz is easing the restrictions on some businesses, but not churches. The Journal argues the churches are protected by the First Amendment and that they are seeking equal, not special treatment.

"Google's Diversity Inquisition." In an editorial, the Wall Street Journal (5/20, Subscription Publication, 7.57M) condemns members of the House Tech Accountability Caucus for writing to Google's CEO on the company's diversity and inclusion programs. The Journal casts the letter as part of the way activist employees force political orthodoxy on companies by creating overtly political programs and stopping changes through leaks that bring hostile coverage and congressional demands. The Journal warns against technology companies being distracted by ideology and that as become vehicles for political interests they open themselves to punitive regulation.

"Iran's Gasoline For Maduro." In an editorial, the Wall Street Journal (5/20, Subscription Publication, 7.57M) writes that despite hits to the Iranian economy from the coronavirus pandemic and low oil prices the country is violating US sanctions by, at the least, sending tankers of fuel to aid Nicolás Maduro's regime in Venezuela. The Journal warns that the tankers will provide income for Iran and create instability in South America. While President Trump can interdict the tankers, it could provoke a response from Iran, something the country is counting on him not gambling with in an election year.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Supreme Court Grants Trump Request To Block Disclosure Of Mueller Materials
US Arrests Former Green Beret, Son, In Connection With Carlos Ghosn Escape From Japan
The Day Coronavirus Nearly Broke The Financial Markets
Berlin's New Airport Finally Gets Ready To Open – Just When No One Wants To Fly
Superspreader Events Offer A Clue On Curbing Coronavirus

New York Times:

Hospitals Move Into Next Phase As New York Passes Viral Peak
Lockdown Delays Cost At Least 36,000 Lives, Data Show
All 50 States Are Now Reopening. But At What Cost?
A New Entry In The Race For A Coronavirus Vaccine: Hope
In China's Crisis, Xi Sees A Crucible To Strengthen His Rule
As Virus Lingers In Michigan, A New Crisis Arrives: Flooding

Washington Post:

Remade, Reopened But Not Reassured
Promises Of Fast Vaccine Risk Stirring Its Opponents
A Backlogged IRS Spells Long Waits For Taxpayers
US, China Feud Anew, With Taiwan In The Mix
Government-Run Quarantine Remains A Rare US Remedy
Trump Threatens States Over Plans For Mail-In Voting

Financial Times:

Countries Lift Lockdowns Despite Surge In Covid-19 Cases
UK Set For New Clash With Brussels Over Northern Ireland Brexit Plan
Frustrated Sports Punters Turn To US Stock Market
US Arrests Two Men Accused Of Helping Ghosn Flee

Washington Times:

Reopened States Revive Economy As Doomsday Predictions Don't Materialize
Trump Threatens To 'Hold Up Funding' To Michigan, Nevada After Vote-By-Mail Announcements
Newly Woke BlackRock Feels The Heat Over Climate-Change Agenda, China Ties
Pandemic Dries Up Memorial Day Tradition As Swimming Pools Forced To Follow Restrictions
Millionaires Allowed To Claim Unemployment Benefits In Coronavirus Stimulus

Story Lineup From Last Night's Network News:

ABC: Michigan-Flooding; Reopening Economy; Coronavirus-Immunity; Coronavirus-Navajo Nation; Coronavirus-Airlines; Jane Roe-Deathbed Confession; Front Line Worker Reunited With Her Children.

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CBS: Michigan-Flooding; Reopening Economy; Coronavirus-Vaccine; Trump-Mail In Ballots; Coronavirus-Airlines; Pompeo-State Dept. IG; Apple-Face ID; Nashville-Drive Through Graduations; Naval Academy-Blue Angels Commemorate Class of 2020; Biking Rise in Popularity.
NBC: Michigan-Flooding; Coronavirus-Immunity; Reopening Economy; Coronavirus-Public Transportation; Coronavirus-Brazil; Coronavirus-Mexico City; Macy's-Store Changes; Retail Stores & Social Distancing; Pompeo-State Dept. IG; Celebrating Class of 2020.

Network TV At A Glance:
Coronavirus – 18 minutes, 20 seconds
Michigan-Flooding – 9 minutes, 0 seconds
Reopening Economy- 8 minutes, 5 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Apple/Google-Coronavirus Tracking App; Reopening Economy; New York-Domestic Violence Task Force; USS Theodore Roosevelt Back At Sea; USDA-Snap Benefits Online Approved.
CBS: Michigan-Flooding; Trump-Mail In Ballots; Reopening Economy; Las Vegas-Casinos Reopening June 1; SCOTUS-Russia Probe Documents; Wall Street.
FOX: Reopening Economy; SCOTUS-Russia Probe Documents; Michael Cohen-Released from Prison; Senate-DNI Confirmation Hearings.
NPR: Michigan-Flooding; Trump-Mail In Ballots; Reopening Economy; USCIS-Emergency Funding; Wall Street.

Last Laughs

Late Night Political Humor.

Trevor Noah: "We learned this week that Pompeo asked President Trump to fire an inspector general who was investigating him for improper arms deals and for using government employees to run personal errands. And now it turns out the IG was also looking into lavish dinners Pompeo was throwing on the taxpayer dime. Now, Pompeo says these were dinners to discuss foreign policy. The only issue with that story is the invite list included people like Reba McEntire, NASCAR driver Dale Earnhardt Jr., Fox News hosts, and the CEO of Chick-fil-A. So it sounds more like Pompeo was using the State Department like his own personal Make-A-Wish Foundation."

Trevor Noah: [On Trump discouraging mail-in ballots] "I guess in Trump's mind, voting should be like your wife smiling at you: once a year, in public, and never at home."

Stephen Colbert: "The big story all week has been Donald Trump boosting hydroxychloroquine. And he was asked about that yesterday at the cabinet meeting and, like the badger he wears on his scalp, he got angry when cornered. ... Now, Trump doesn't have the virus but says 'he takes hydroxychloroquine to prevent COVID-19.' So he's unwilling to wear a mask, but he will take a drug whose side effects include serious heart conditions, including death. Now, I'm no cardiologist, but death seems like a pretty serious heart condition."

Stephen Colbert: "According to the Mayo Clinic, [side effects of hydroxychloroquine] also include – and I'm not making any of these up – blistering; peeling; loosening of the skin; feeling that others can hear your thoughts; feeling, seeing, or hearing things that are not there; unusual behavior; and unusual facial expressions. Oh no! We're too late!"

Stephen Colbert: "It's hard to find a medical expert anywhere who agrees with Trump's plan to open the economy without meeting the CDC criteria, which is why GOP operatives are now recruiting 'extremely pro-Trump' doctors to go on television to prescribe reviving the US economy as quickly as possible, without waiting to meet safety benchmarks. Pro-Trump doctors, assemble! Dr. Doom, Dr. Lecter, Dr. Moreau, Dr. Frankenstein, Dr. Pepper, and Dr. I. M. Kooky!"

Jimmy Fallon: "Tomorrow, President Trump will be visiting a Ford plant in Michigan that requires face masks, but Trump said he's not sure if he'll wear one."

Jimmy Fallon: "Trump actually loves Ford, especially 'cause the 'F' in the logo sort of looks like his hair."

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Jimmy Fallon: "I think Trump might be a little disappointed when he gets to the Ford factory 'cause once he walks in, he's gonna be like,

'When I asked to see the new models, this is not what I meant.'"

Jimmy Fallon: "Well guys, the election is coming up, and everyone's debating mail-in voting. Republicans are worried old people will be confused by a new system, while Democrats are worried young people won't know how to mail a letter."

Seth Meyers: "Former Vice President Joe Biden criticized President Trump yesterday for promoting unproven coronavirus treatments like ingesting disinfectants and taking an antimalarial drug, and said, quote, 'What in God's name is he doing?' Where, where have you been, Joe? Joe Biden is like your friend who wants to watch your favorite TV show with you but didn't see the first season. 'What? He's making meth? I thought this fellow was a high school teacher.'"

Seth Meyers: "President Trump said yesterday he's taken an unproven antimalarial drug as, quote, 'an additional level of safety.' Safety? You haven't worn a mask or practiced social distancing at all. You've been the least safe person this entire pandemic. I wouldn't be surprised if you gave your next press conference in the middle of a crowded bar, holding a cobra."

Seth Meyers: "President Trump today accused officials in Michigan of illegally sending out almost eight million absentee ballots and claimed he would withhold funding from the state if they, quote, 'want to go down this voter fraud path.' Yeah, you'd hate for us to get rid of our foolproof system of showing up to an abandoned library where an octogenarian looks for your name in a big binder, can't find it, then finally says, 'I don't know. Just go ahead.' Then you step into a portable shower and try to decipher the Da Vinci code on how to vote for your preferred candidate. ... By all means, let's just, you know, keep that sacred process intact."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Participates in a listening session with African-American Leaders; tours Ford Rawsonville Components Plant; delivers remarks at Ford Rawsonville Components Plant
- Vice President Pence — No public schedule released

***US Senate*:**

• Senate Aging Committee hearing on caring for seniors amid coronavirus – Hearing on 'Caring for Seniors Amid the COVID-19 Crisis', with testimony – remotely via video – from New York University Grossman School of Medicine Professor Mark Mulligan; University of Chicago Department of Health Sciences Professor of Health Services Research Dr R. Tamara Konetzka; and Visiting Nurses Association Health Group President and CEO Steven Landers * Due to the limited access to the U.S. Capitol complex, members of the public are only be able to view the hearing live on the Committee's website

Location: Rm 301, Russell Senate Office Building, Washington, DC; 9:30 AM

• Senate Judiciary Committee debates authorization of subpoenas over FBI 'Crossfire Hurricane' investigation – Executive Business Meeting, with agenda including authorization for subpoenas relating to the Crossfire Hurricane investigation; the nomination of Justin Walker to be U.S. Circuit Judge for the District of Columbia Circuit; and 'S. 685, Inspector General Access Act of 2019' * Subpoena authorization would cover documents and communications related to the FBI 'Crossfire Hurricane' investigation – into possible coordination between the Trump for President campaign and Russian efforts to interfere in the 2016 U.S. presidential election – and the 'Steele dossier'

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Helsinki Commission online briefing on disinformation, coronavirus, and the electoral process – Helsinki Commission online briefing on 'Disinformation, COVID-19, and the Electoral Process', featuring a panel of Center for Strategic and International Studies (CSIS) Senior Vice President for Europe, Eurasia, and the Arctic Heather Conley, Woodrow Wilson Center Science and Technology Information Program Disinformation Fellow Nina Jankowicz, and Chatham House International Security Programme Academy Associate Sophia Ignatidou; *10:30 AM*

• Senate Foreign Relations Committee Business Meeting – Business Meeting, with agenda including Chairman Jim Risch and Michael Pack to be Broadcasting Board of Governors CEO, plus legislation including 'S. 3667, Consular and Administrative Support Act of 2020', 'S. 238,

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Special Envoy to Monitor and Combat Anti-Semitism Act', 'S. 712, Robert Levinson Hostage Recovery and Hostage-Taking Accountability Act', 'S. 2743, A bill to establish the China Censorship Monitor and Action Group, and for other purposes', 'S. 2953, Ensuring a Durable Afghanistan Peace Act of 2019', 'S. 3176, United States-Israel Security Assistance Authorization Act of 2020', 'H.R. 192, Trans-Sahara Counterterrorism Partnership Act', 'H.R. 4331, Tibetan Policy and Support Act of 2019', and 'S. Res. 567, Commending career professionals at the Department of State for their extensive efforts to repatriate United States Citizens and legal permanent residents during the COVID-19 pandemic'

Location: Rm 325, Russell Senate Office Building, Washington, DC; 10:30 AM

US House:

• Helsinki Commission online briefing on disinformation, coronavirus, and the electoral process – Helsinki Commission online briefing on 'Disinformation, COVID-19, and the Electoral Process', featuring a panel of Center for Strategic and International Studies (CSIS) Senior Vice President for Europe, Eurasia, and the Arctic Heather Conley, Woodrow Wilson Center Science and Technology Information Program Disinformation Fellow Nina Jankowicz, and Chatham House International Security Programme Academy Associate Sophia Ignatidou; *10:30 AM*

• House Select Subcommittee on the Coronavirus Crisis holds member briefing on protecting front-line and essential workers – House Select Subcommittee on the Coronavirus Crisis holds second member briefing, on 'Heroes of the Coronavirus Crisis: Protecting Frontline and Essential Workers During the Pandemic', featuring University of Chicago Medical Center Registered Nurse Talisa Hardin, emergency physician, researcher, and Brown University Associate Professor of Emergency Medicine Dr Megan Ramney, New York City Fire Department Emergency Medical Technician Diana Wilson, Zenobia Shepherd (mother of Leilani Jordan, who worked at a supermarket and died due to coronavirus (COVID-19)), Detroit Department of Transportation Bus Driver Eric Colts, and Pacific Gas and Electric Custodian Marcos Aranda; *12:00 PM*

• Dem Reps. Donald Payne Jr. and Cedric Richmond host 'Coronavirus and Homeland Security' virtual forum – House Committee on Homeland Security Democratic members Donald Payne Jr. and Cedric Richmond host 'Coronavirus and Homeland Security Part Ten: Perspectives on Response and Recovery Efforts' virtual forum, on communities' preparedness for and response to coronavirus (COVID-19), featuring a panel of former Joint Task Force Katrina Commander Lt. Gen. (Ret.) Russel Honore, Jersey City, NJ, Office of Emergency Management Director W. Greg Kierce, and Essex County Office of Emergency Management Supervising Officer Michael Capodanno; *12:00 PM*

• No votes scheduled in the House of Representatives

Cabinet Officers:

• Treasury Secretary Mnuchin speaks at 'National Virtual Summit on Advancing the American Economy' – 'Advancing America's Economy: A National Virtual Summit on Advancing the American Economy' presented by The Hill Virtually Live, convening senior officials, Members of Congress, and health experts. Speakers include Secretary of the Treasury Steven Mnuchin; *11:00 AM*

Visitors:

• No visitors scheduled

This Town:

• Unemployment Insurance Weekly Claims Report – Initial Claims – Unemployment Insurance Weekly Claims Report – Initial Claims * Last week's figures showed that close to 3 million people filed claims in the preceding week, taking the cumulative total to over 36 million people for the last eight weeks, showing the impacts of the coronavirus (COVID-19) pandemic; *8:30 AM*

• Guatemalan President Giammattei discusses post-coronavirus economic recovery – Atlantic Council hosts Guatemalan President Alejandro Giammattei, who discusses the country's post-coronavirus (COVID-19) plan for economic reactivation and the roles, the govt, private sector, and the international community; *11:00 AM*

• Atlantic hurricane season forecast released – National Oceanic and Atmospheric Administration issues its initial outlook for the 2020 Atlantic hurricane season, via media teleconference with Acting NOAA Administrator Neil Jacobs, NOAA Climate Prediction Center lead hurricane season forecaster Gerry Bell, and Acting FEMA Deputy Administrator for Resilience Carlos Castillo. Outlook explains how many named storms, hurricanes, and major hurricanes (Category 3, 4, or 5) are expected during the six-month season, which starts 1 Jun; *11:00 AM*

• Center for Data Innovation webinar on digital dollars – 'Does the United States Need a 'Digital Dollar'?' Center for Data Innovation webinar, on proposals to establish a digital currency in the U.S., how this would keep the country as the nature of money evolves, and the benefits a faster payments service could achieve through digital wallets managed by the Federal Reserve; *12:00 PM*

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• 'State of U.S. Transportation During COVID-19 Pandemic' press briefing – International Bridge, Tunnel and Turnpike Association host 'State of U.S. Transportation During COVID-19 Pandemic' virtual press briefing, focusing on current traffic numbers, what the loss of revenue means for the country's transportation infrastructure and systems, and new policies and procedures to keep the traveling public safe as the country begins reopening in phases during the coronavirus (COVID-19) pandemic. Participants include Georgia State Road and Tollway Authority Executive Director Chris Tomlinson, Transportation Corridor Agencies CEO Samuel Johnson, Pennsylvania Turnpike Commission CEO Mark Compton, New Jersey Department of Transportation Commissioner Diane Gutierrez-Scaccetti, and E-470 Public Highway Authority Executive Director Tim Stewart; *12:00 PM*

• Axios virtual discussion on 'Education in a Time of Crisis' – 'Education in a Time of Crisis: From Living Room to Schoolroom' Axios live, virtual event on the challenges and opportunities of remote learning, with Democratic Rep. Jahana Hayes, American Council on Education President Ted Mitchell and Cengage CEO Michael Hansen discussing the impact of public-private partnerships, as well as accreditation and affordability considerations for educational institutions now and for the future in one-on-one conversations with Axios co-founder and CEO Jim VandeHei and Cities Correspondent Kim Hart; *12:30 PM*

• President's Commission on Law Enforcement and Administration of Justice hearing – Presidential Commission on Law Enforcement and the Administration of Justice holds teleconference on 'Criminal Justice System in Indian Country' – part of its hearing on rural and tribal justice – featuring U.S. Attorney for the Northern District of Oklahoma Trent Shores, Saint Regis Mohawk Tribal Police, NY, Chief Matthew Rourke, Hoopa Valley Tribal Court Chief Judge Richard Blake, and Sycuan Tribe, CA, Chief of Police Bill Denke; *2:00 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, MAY 19, 2020 6:00 AM EDT

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• Commentary: Returning Secret Service To Treasury Key Move In Protecting Financial System Against Cyber Threats.
• Mnuchin To Sit For Interview With "The Hill" Editor At Economic Summit.
• Court Rules Treasury Must Refund Excise Taxes To Domestic Companies While Appealing Duty To Do So.
• SCOTUS Declines To Hear Venezuelan Appeal Of Ruling Permitting Seizure Of Citgo Shares.

Leading National News

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• Airline Passengers Will See Longer Waits, More Rules As Air Travel Enters New Age.
• J.C. Penny Will Close 242 Locations As Part Of Its Bankruptcy.
• Weekend Mall-Goers Say They Were Eager To Get Out Of The House, Get Taste Of Normalcy.
• Uber To Cut An Additional 3,000 Jobs, Close Three Dozen Offices.
• SoftBank Records Worst Results In Four-Decade History.
• Apple To Require Masks, Temperature Checks As Company Begins Reopening Retail Stores.
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• State "Doomsday" Coronavirus Plans Called for "Lottery" To Determine Who Got Treatment.
• WPost A1: Public Restrooms Pose Obstacle To Reopening.
• Professional Sports Are Starting Back.
• NBC Contributor Joseph Fair Recovering From COVID-19, Discharged From Hospital.
• Crenshaw: Americans Are Responsible Enough To Confront Risks Associated With Reopening.
• Lawmakers Urged To Bring Medicine Supply Chain Back To US.
• NYTimes: New York Should Consider Alternative Methods To Enforce Social Distancing.
• Barr: Durham Investigation Unlikely To Spark Criminal Probes Of Obama, Biden.
• Harris Poll: Voters Back DOJ Move To Dismiss Flynn Charges 51%-49%.
• Graham To Seek Authorization To Subpoena Trump Russia Investigators.
• IG Report: DOJ Has Not Resolved Recommendations From 2016 Election Investigation.
• House Lawyers Tell High Court Investigators Need Mueller Grand Jury Evidence.
• Baker: FISA Should Prohibit Targeting Of Americans.
• Healthcare Sector Hit With "Devastating Financial Blow" Due To Lockdowns.
• California To Provide Cash Coronavirus Assistance To Undocumented Immigrants.
• Zoellick Urges US Avoid "New Cold War" With China.
• Illinois Supreme Court Disbars Blagojevich.

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• Tropical Storm Arthur Heading Out To Sea After "Glancing Blow" To NC, VA.
• Free Beacon's Lehman: American Colleges Are Headed For A Financial Meltdown.
• Pediatricians: Children Should Go Back To School.
• Democrats Tie State IG's Ouster To Saudi Arms Sale Probe.
• Trump Responds To "Loser" Romney's Criticism Of IG Firings.
• Senate Panel To Vote On Ratcliffe Nomination Today.
• Personnel Changes At DEA And DC US Attorney's Office Draw Scrutiny.
• Whitaker: "Pockets" Of Career DOJ Employees Worked To Undermine Trump Agenda.
• Brookings Researchers Document "Extraordinary" Trump White House Turnover.
• Biden Would Rescind Keystone XL Permit If Elected.
• Esper To Deliver "Virtual" Keynote Address As Naval Academy Graduation.
• McConnell Names Rubio As Acting Chair Of Senate Intel Committee.
• Hill Says She "Cried" After "Devastating" Democratic Loss In CA25.
• NYTimes Analysis: Justice Thomas "Symbol Of The Trump Era."
• Secret Service Investigating Unemployment Fraud Scheme.
• Journalists Miss Reference In Name Of Trump Camp's Web Site Attacking Biden.
• Biden Tabs Trump "President Tweety."
• NYTimes Analysis: Trump Campaign Trying To Depress Minority Voter Turnout.
• Battleground-State Republicans Worried About Trump's Reelection Prospects.
• Polls Show Trump Holds Voter-Enthusiasm Edge Over Biden.
• RNC Chief McDaniel: "We Will Not Be Holding A Virtual Convention."
• Latest Hires Will See RNC With 1,100 Staff Members In Critical 2020 States.
• Once Confident Liberals Suffer String Of Setbacks In Democratic Party.
• Wall Street Executives Lobbying For Top Defense, Treasury Posts In A Biden Administration.
• Attorney For Reade Sends "Cease And Desist" Letter To Critic.
• Senate Leadership Fund Reserves Over $10M In TV Ad Time To Boost Daines.
• NYTimes Analysis: Occupy Democrats Facebook Page Counterweight To Right-Wing.
• Michelle Obama And MTV To Host Virtual Proms For Graduating High School Students.
• FBI: Pensacola Attacker Repeatedly In Contact With Al Qaeda During Planning.
• Trump To WSJournal Editorial Board: "I Am Not Acting Impulsively."
• RCP Average Has Trump's Job Approval At 46.3%.

Financial International News

• IMF Head Says Poor Countries Reluctant To Embrace G20 Debt Relief Over Credit Rating Concerns.
• Lagarde Pledges ECB Will Continue QE Despite German High Court Ruling.
• French Foreign Ministry Says Push For Digital Tax Will Happen Only If OECD Process Collapses.
• Comments From BOE Officials Suggest Openness To Negative Rates.

Leading International News

• WHO To Launch Investigation Of Its Handling Of Pandemic.
• Russia Looks To US For Medical Aid.
• France And Germany Propose $543 Billion In Emergency EU Spending.
• Italy Begins New Phase Of Reopening.
• Pandemic Pushes Swedish Deaths In April To Highest Level Since 1993.
• Brazil Now Fastest-Growing Global Hotspot.
• Nursing Homes Account For 81% Of Canada's Deaths.
• Local Mexican Governments Resist Calls To Re-Open Until June.
• Qatar Threatens Up To Three Years In Prison For Refusing To Wear Mask.
• Outgoing Israeli Defense Minister: Iran Is "Evacuating" Syrian Bases.
• New Iranian "Anti-Zionism" Law Mandates Support For Palestinian Terror Groups.
• Iran Hit By Second Wave Of Coronavirus After Reopening.
• High Court: Sudan Must Pay Al Qaeda Victims $4.3 Billion.
• Haftar's Forces Lose Control Of Key Air Base Near Tripoli.
• US Envoy Set To Discuss US Withdrawal From Afghanistan With Taliban Officials.
• Pro-Beijing Lawmakers Seize Key Hong Kong Panel.
• Cruz Accuses Democrats Of "Apologizing For Communist Dictators."
• Jailed Saudis Hire Washington Lobbyists To Counter Crown Prince.
• Israeli Found Guilty Of Murdering Palestinian Family.
• Trump Commemorates 100th Anniversary Of Saint John Paul II's Birth.

Housing

• GSEs Looking For Financial Advisors To Assist Recapitalization And Exit From Conservatorship.
• FHFA: GSEs Completed 8,836 Foreclosure Prevention Actions In February.
• Despite CARES Act's Forbearance Options, Servicers Push Many Borrowers To Make Hefty "Lump-Sum" Repayments.
• MBA Survey Shows 8.15% Of US Mortgages Are In Forbearance.
• NAHB/Wells Fargo Housing Market Index Rises Following Steep Drop In April.
• Fannie Mae: Refis Expected To Rise To 17-Year High In 2020.
• MBA: Purchase Apps For New Homes Fell 25% In April From March.
• Ginnie Mae Temporarily Shifts Its Delinquency-Rate Threshold.
• Zillow Sees Rates Staying Low; Realtor.com Says They May Move Even Lower.
• CBC Mortgage Agency President: HUD Still Looking Down On Down Payment Assistance Programs.
• Remax: April Home Sales Plummeted, But Buyers Prove Resilient.

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• Podcast: Pandemic Threatens Black Homeownership.
Markets
• 10-Year Yield Rises.
• Dollar Falls.
• Gold Trades Flat.
• Oil Rises.
Cybersecurity
• IPhone Spyware Allows Police To Log Suspects' Passcodes.
• Hackers Target Europe's Supercomputers.
• The Cyberspace Solarium Commission Makes Its Case To Congress.
• Disney's Head Of Streaming Is Appointed New TikTok CEO.
• Beer Review App May Be Exploited To Track Military Personnel And Secret Locations.
• Dark Web Scammers Exploit Covid-19 Fear And Doubt.
• Officials: Israel Linked To Cyberattack On Iranian Port Facility.
TFI/Sanctions
• Huawei Chairman: US Sanctions Will Hurt Business.
Federal Reserve
• Powell: CARES Act "Critical" To Fed's Efforts To Support Economy During Pandemic.
• Powell Vows To Disclose Details About Entities Tapping Fed's Emergency Lending Programs.
• Fed's Muni Note Program "Open Today" As Fed Releases Application Materials.
• Bostic Not Inclined To Second-Guess Banks' Lending Choices During COVID-19 Crisis.
Financial Regulatory Agencies
• List: Five Ways CFPB Is Helping Industry Combat Virus' Effects.
Office of the Comptroller of the Currency
• Otting Discusses OCC's Efforts During Coronavirus Crisis.
• Operation HOPE CEO: CRA Reform Is "Next Software Upgrade" For Banking Regulation.
• Bankers Expect Recession To Last Into 2021.
• Banks To Face Margin Pressure This Year And Next.
• Wells Fargo's Tech Chief Talks About Managing Virus Response, Tech Fixes Sought By Regulators.
Editorial Wrap-Up
• New York Times.
• Washington Post.
• Wall Street Journal.
The Big Picture
• Headlines From Today's Front Pages.
Last Laughs
• Late Night Political Humor.
Washington's Schedule
• Today's Events In Washington.
Treasury in the News

Mnuchin Vows To Work On Extending PPP Loan Period As Trump Says Extension "Should Be Easy."

Reuters (5/18, Mason) reports that during a White House meeting with the National Restaurant Association and restaurant sector executives on Monday, President Trump said that it "should be easy" to extend "the amount of time borrowers in the Paycheck Protection Program have to spend their funds to 24 weeks from the current eight weeks." Trump made the comment after the executives "urged the extension." Reuters adds that Secretary Mnuchin "said he was working on a technical fix to the PPP program that could extend the time frame but it may not be for 24 weeks."

Bloomberg (5/18, Sink, Fabian, 4.73M) reports President Trump "assured restaurant owners that therapies and a vaccine for the coronavirus and a tax cut would restore their businesses, after they asked him to extend a small-business lending program." Several restaurateurs contended that the Paycheck Protection Program should be extended to help business. Trump "asked Treasury Secretary Steven Mnuchin to investigate making the change," and he noted "an announcement by Moderna Inc. earlier Monday that its experimental vaccine was shown to be safe and to create antibodies in 25 human test subjects." Moreover, the President "mentioned that he has proposed restoring tax deductions for corporate spending at restaurants."

The Hill (5/18, Gangitano, 2.98M) reports Mnuchin, speaking at the same meeting, "said that the administration is working on expanding the loan period for the Paycheck Protection Program (PPP) to give small businesses more time to spend funds." The piece quotes Mnuchin saying, "I'm not sure it's that long but I've spoken with the SBA committee and there is bipartisan support so we're working on that."

Politico (5/18, Warmbrodt, 4.29M) reports Trump and Mnuchin "signaled the administration would support giving companies more flexibility in how they use emergency small business loans, amid mounting complaints that restrictions on the aid are too onerous." The attendees at the meeting "urged the president to ease limits on the so-called Paycheck Protection Program." Businesses are "lobbying lawmakers and the administration to give businesses more time to spend the funds as shutdown orders across the country are lasting longer than expected."

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The Washington Post (5/18, Golliver, 14.2M) reports that during the meeting, "Houston Rockets owner Tilman Fertitta expressed optimism that the NBA season will resume this summer while acknowledging that the novel coronavirus pandemic has 'definitely brought [my business] back to earth.'" Fertitta, "the billionaire CEO of Landry's Inc., asked President Trump and Treasury Secretary Steven Mnuchin to 'add a category' to the Paycheck Protection Program for the 'larger private restaurateur' and to 'do something with lease terminations' to provide his company financial relief during the pandemic." The Post says, "A sympathetic Trump referred to Fertitta as a 'friend' and said the businessman's restaurants 'paid me rent for a long time.'" Mnuchin "said qualifying for the PPP was a 'complicated issue.'" Among other news outlets, CNN (5/18, Vazquez, 83.16M), Barron's (5/18, Bozelko, Lo, 1.07M), and The Dallas (TX) Morning News (5/18, Benning, 946K) also report.

Majority Of PPP Loans Have Not Been Returned Ahead Of Monday Deadline. The New York Times (5/18, McCabe, 18.61M) reported on the debate facing companies on whether to return federal aid received through the PPP loan program. The Times notes, "The revelation that big companies got loans intended to help small businesses struggling with the coronavirus has prompted outrage and concern that the government's main program meant for mom-and-pop shops was being undermined. Lawmakers have opened congressional inquiries and demanded firms give the money back, while the Trump administration has tightened eligibility rules for the program and Steven Mnuchin, the Treasury secretary, has threatened to hold firms criminally liable if they did not meet the program's requirements. Mr. Mnuchin has given companies until Monday to decide whether to return their loans without repercussions." Thus far, "at least 61 public and private companies have returned their small-business loans," but the "majority of money extended to public companies has so far not been returned."

Bloomberg Law (5/18, Brewer, Subscription Publication, 4K) reports, "After it became known that many small-cap public companies, most notably national restaurant chains, had obtained millions in forgivable loans from the U.S. government while genuine mom & pop-type small businesses were shut out, a backlash ensued. Restaurant groups such as Shake Shack ($10 million) and Ruth's Chris Steak House ($20 million) have promised to return the money, but certain other companies are vowing to keep it. The Treasury Department has asked publicly traded companies that received these amounts to repay them to the government so that they can be freed up for smaller businesses."

Treasury May Not Be Able To Force Public Companies To Repay PPP Funds. The Washington Post (5/18, Gregg, 14.2M) reports small business advocates and analysts say that "there are questions about whether the administration can force companies that received money under the initial" Paycheck Protection Program to return it, despite the Treasury saying that publicly traded companies "with substantial market value and access to capital markets" were not the intended recipients. Part of the issue is that an April 6 Treasury regulation said that borrowers and lenders "should rely on the laws, rules and guidance available at the time of the relevant application." The Post casts the issue as illustrating "the chaotic way in which federal bailout programs were thrown together on the fly."

SBA Has Not Made Public Which Businesses Received Loans. The AP (5/18, Gordon) reports the "small, overlooked" SBA is "shouldering a massive relief effort for the nation's small businesses and their workers left reeling by the pandemic," adding the SBA has "committed to auditing every sizable emergency loan it approves." However, six weeks after the program was launched, "the agency has yet to make public the recipients of taxpayer aid." During a White House event last month with Secretary Mnuchin and SBA Administrator Jovita Carranza, President Trump said, "Our swift action supported or saved 30 million American jobs at least." The AP says a number of "news organizations, including The Washington Post and The New York Times, have sued the SBA in federal court over its not having released the loan data despite several FOIA requests." The news outlets "accuse the agency of violating the FOIA law." However, "Amid the public outcry, Mnuchin recently threatened criminal prosecution and warned companies they must return the money if they falsely certified that they needed federal aid to operate and couldn't get it elsewhere."

Oversight Panel: Fed Has Lent Very Little From $500 Billion Treasury Fund.

The AP (5/18, Daly) says that according to the Congressional Oversight Committee, the Treasury Department and Federal Reserve "have lent hardly any money under a $500 billion fund created by the economic rescue law passed in response to the coronavirus crisis." While the Treasury fund "is being used to guarantee new, expansive Federal Reserve lending programs to companies, states and cities that could be leveraged to reach as much as $4.5 trillion," so far, "only one of the new Fed programs has started operating, a lending fund likely to be tapped by large public companies." Treasury Secretary Steven Mnuchin "is set to testify along with Powell on Tuesday before the Senate Banking Committee." Mnuchin "says in prepared testimony that the Paycheck Protection Program to provide forgiveable loans to small businesses has processed more than 4.2 million loans worth over $530 billion."

The New York Times (5/18, A1, Smialek, Rappeport, 18.61M) reports that although the report "was more questioning than critical, it comes as lawmakers and economists are beginning to suggest that the two policymakers at the helm of saving the economy, Treasury Secretary Steven Mnuchin and the Fed chair, Jerome H. Powell, may be proceeding too cautiously." Mnuchin and Powell "have been given buckets of money to gird the economy as the coronavirus lockdowns continue, tanking revenues and heightening the risk of long-term economic damage." The Times says Mnuchin "has resisted taking on too much risk, mindful of the optics involved in bailing out large companies or those already heavily indebted," and has "said he does not expect to lose the money that Congress has handed him to support emergency lending, which could be driving the Fed to be more cautious." While Mnuchin "has said the Treasury could take losses if the economy worsens, his base case scenario is that it will return all $454 billion."

Politico (5/18, Guida, 4.29M) reports the panel, which is "charged with supervising hundreds of billions in emergency lending programs for businesses and municipalities," established a "blueprint on Monday for where it will focus its oversight efforts." The panel

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"pressed the Federal Reserve and Treasury Department on how they will measure the success of those lending programs – almost none of which have yet started." Although the "massive bailout is a centerpiece of the government's efforts to rescue the economy from the coronavirus crisis, Treasury has not begun lending to airlines and businesses important to national security, though it has received applications."

The Washington Post (5/18, A1, Werner, 14.2M), USA Today (5/18, Jansen, 10.31M), Bloomberg (5/18, Davison, House, 4.73M), Fox Business (5/18, Henney, 1.73M), ABC News (5/18, Haslett, 2.97M), and CQ Roll Call (5/18, Sword, 154K) also report.

Report Says Treasury Has Yet To Disburse $46B In Aid To Airlines. The Hill (5/18, Elis, 2.98M) reports the Treasury Department "has yet to disburse any of the $46 billion Congress allocated for airlines, according to a congressional oversight report released Monday." The CARES Act "included a special $46 billion allocation aimed primarily at rescuing airlines. Of that, $25 billion was for passenger airlines, $4 billion was for cargo carriers and another $17 billion was earmarked for businesses 'critical to maintaining national security,' widely seen as money directed at aerospace company Boeing." However, since the CARES Act became law seven weeks ago, "not a single cent has been sent out through that mechanism, the report found." The report said the Treasury Department "has not disbursed any of the $46 billion it can use to provide loans and loan guarantees to the airline industry and businesses critical to maintaining national security." Fox News (5/18, Singman, 27.59M) also reports.

Administration Reportedly Considering Tax Incentives For Companies Pulling Supply Chains Out Of China.

Reuters (5/18, Shalal, Alper, Zengerle) reports US lawmakers and officials "are crafting proposals to push American companies to move operations or key suppliers out of China that include tax breaks, new rules, and carefully structured subsidies." Reuters says interviews "with a dozen current and former government officials, industry executives and members of Congress show widespread discussions underway – including the idea of a "reshoring fund" originally stocked with $25 billion – to encourage U.S. companies to drastically revamp their relationship with China." President Trump "has long pledged to bring manufacturing back from overseas, but the recent spread of the coronavirus and related concerns about U.S. medical and food supply chains dependency on China are 'turbocharging' new enthusiasm for the idea in the White House."

The Hill (5/18, 2.98M) reports WPost economic reporter Jeffrey Stein "on Monday discussed White House proposals to cut corporate tax rates for companies that move their supply chains from China." Stein said the notion of a tax incentive "could have bipartisan appeal." Stein "added that White House trade adviser Peter Navarro has drafted an executive order that would require federal agencies to buy supplies manufactured in the U.S., but said the measure 'has languished' on President Trump's desk for weeks, because 'other people … including Treasury Secretary Steven Mnuchin, have warned the president that China could retaliate by cutting off the existing PPE [personal protective equipment] supply coming into the country.'"

"And then you have sort of a fascinating catch-22, because what Mnuchin and others have said is, we can't take these measures to confront China, because that will lead China to retaliate," he said. "By doing that they're sort of affirming the thesis that we are too dependent on China, that they can cut us off whenever they want."

Treasury To Begin Sending Millions Of Prepaid Debit Cards Loaded With COVID-19 Relief Funds.

The Hill (5/18, Jagoda, 2.98M) reports the Treasury Department "said Monday that it is starting to deliver nearly 4 million coronavirus relief payments to taxpayers via prepaid debit card, rather than by paper check." The announcement "comes after Treasury Secretary Steven Mnuchin had indicated that the department planned to get some people their payments by sending them debit cards, in an effort to help get people their payments faster." Mnuchin, in a statement Monday, said, "Prepaid debit cards are secure, easy to use, and allow us to deliver Americans their money quickly. … Recipients can immediately activate and use the cards safely." Fox Business (5/18, De Lea, 1.73M) also reports.

Mnuchin Tells Judge COVID-19 Relief Funds Meant For Tribes Will Go Out By June 5.

Law360 (5/18, Westney, Subscription Publication, 8K) reports Treasury Secretary Steven Mnuchin "has told a D.C. federal judge that his department plans to send out the $3.2 billion it still owes tribal governments under the CARES Act by June 5, nearly six weeks after the law's deadline to distribute the money." The Treasury Department "had been ordered by U.S. District Judge Amit P. Mehta on May 11 to let him know what the Treasury Department's timetable would be to deliver the remaining $3.2 billion it owes tribes to fight the COVID-19 pandemic, as the judge denied a bid by the Agua Caliente Band of Cahuilla Indians and other tribes to force the department to distribute the money immediately." Mnuchin counselor Daniel Kowalski "said in a declaration accompanying the report that Treasury 'continues to work diligently toward disbursing the remaining $3.2 billion,' after the department made an initial distribution of $4.8 billion starting May 5."

Commentary: Returning Secret Service To Treasury Key Move In Protecting Financial System Against Cyber Threats.

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In an op-ed in The Hill (5/18, 2.98M), former senior Treasury official Juan Zarate and Tim Maurer, co-director of the Cyber Policy Initiative at

the Carnegie Endowment for International Peace, write, "Moving the US Secret Service from the Department of Homeland Security back to the Department of the Treasury is critically important in the wake of the COVID-19 pandemic." They say Treasury Secretary Steven Mnuchin "highlighted that the move would 'result in efficiencies that will maximize the Secret Service's effectiveness and better equip our government to anticipate and counter sophisticated and evolving threats of tomorrow.'" They contend the Treasury Department "should also seize this moment to build an international coalition to protect the financial sector" from rogue actors like North Korea. They conclude, "Such a process focused on protecting the financial system against cyber threats would build on what the Trump Administration has already done with its inter-agency focus on cyber threats."

Mnuchin To Sit For Interview With "The Hill" Editor At Economic Summit.

The Hill (5/18, Concha, 2.98M) reports Treasury Secretary Steven Mnuchin "will join The Hill's Editor-in-Chief Bob Cusack for a one-on-one interview Thursday morning as part of the publication's virtual summit exploring efforts to safely reopen the country and restore the nation's economy amid the coronavirus pandemic." The Hill's summit "comes as more governors are reopening their states in various phases, with the economy suffering unemployment levels not seen since the Great Depression." The Hill says Mnuchin "has been the Trump administration's lead negotiator with congressional leaders on coronavirus legislation over the last couple months." The "Advancing the American Economy" summit "will be headlined by the Mnuchin interview and be followed with discussions with leading CEOs and national health experts. Additional speakers will be announced soon. Mnuchin is scheduled to be interviewed at 11 a.m. EDT."

Court Rules Treasury Must Refund Excise Taxes To Domestic Companies While Appealing Duty To Do So.

Behind a paywall, Law360 (5/18, Subscription Publication, 8K) reports the Treasury Department "must continue refunding excise taxes paid by domestic companies on imported goods while appealing its duty to pay the refunds, the U.S. Court of International Trade has said." The CIT, "in rejecting a request by Treasury to stay the court's January decision in favor of U.S. companies in a refunds dispute, said Friday that Treasury has a poor chance of winning an appeal." The court "previously sided with the National Association of Manufacturers in its suit, filed on behalf of domestic companies in April 2019, challenging the tax aspects of regulations from U.S. Customs and Border Protection and Treasury."

SCOTUS Declines To Hear Venezuelan Appeal Of Ruling Permitting Seizure Of Citgo Shares.

Reuters (5/18, Cohen) reports the Supreme Court on Monday "declined to hear Venezuela's appeal of a lower court ruling allowing Canadian gold mining company Crystallex to seize shares in U.S. refiner Citgo to collect on an unpaid arbitration award." The decision means "a 3rd U.S. Circuit Court of Appeals ruling from last year that Crystallex could seize the shares in Citgo would stand." The ruling "marked a setback to Venezuelan opposition leader Juan Guaido, who is recognized as the country's interim president by the United States and dozens of other countries and has focused on protecting PDVSA's overseas assets from seizure by creditors or possible sale by President Nicolas Maduro." However, Crystallex "still faces obstacles in its quest to seize Citgo shares" because the Treasury Department, "which sanctioned PDVSA last year as part of the Trump administration's efforts to oust Maduro, has said claimants against Venezuela cannot enforce arbitral awards by seizing property without specific permission."

Leading National News

Optimism About Potential Coronavirus Vaccine Fuels Optimism, Boosts Stock Markets.

Media reports, including segments on all three network newscasts, sounded a cautiously optimistic note on Massachusetts biotech firm Moderna's coronavirus vaccine test. As NBC Nightly News (5/18, lead story, 2:30, Holt, 7.19M) put it in its lead story last night, "Hope is a powerful elixir for a coronavirus-weary nation, and...the early success of a potential vaccine, the first to be tested in humans, is raising that hope and generating a wave of optimism." Scientists, however, are "quick to point out there is still a long way to go, that the results are preliminary, yet acknowledging it's an important step."

Likewise, the New York Times (5/18, Grady, 18.61M) says "early results from a handful of test subjects may not seem like much to go on, but the world is desperate for good news." The CBS Evening News (5/18, story 2, 2:10, Lapook, 5.14M) reported, meanwhile, that Moderna's "announcement fueled optimism because all 45 people who received the trial vaccine from Moderna developed antibodies to coronavirus." Dr. Tal Zaks of Moderna Therapeutics was shown saying, "We had been hoping and anticipating for this day. Based on the experience that we've had with our platform, we anticipated that we should be generating an immune response and the right kind of immune response, but seeing the actual data is very reassuring." ABC World News Tonight (5/18, story 3, 2:45, Osunsami, 8.72M) said "it's the break the whole world has been hoping for," but went on to show Dr. Todd Ellerin, Director of Infectious Diseases at South Shore Health, saying, "The fact that the Moderna vaccine has been shown to be safe and generate a robust immune response is very promising. But now it has to be proven in larger numbers."

Breitbart (5/18, Spiering, 673K) reports the President "voiced optimism about the testing results," saying, "It's incredible what they can do, and I've seen results and the results are staggeringly good." HHS Secretary Azar, meanwhile, was asked on Fox News' America's Newsroom (5/18, 896K) how confident he is that the Moderna vaccine could be "the game changer that could lead us to a vaccine by end of

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year." Azar said, "Some very promising data showing the vaccine provokes what are called neutralizing antibodies that attack the virus. Just really important advance and we are going to be putting other big bets on other vaccines so we are not going into battle with just one shot."

The AP (5/18, Marchione) recounts that "study volunteers given either a low or medium dose of the vaccine...had antibodies similar to those seen in people who have recovered from COVID-19." The AP adds that "in the next phase of the study, led by the U.S. National Institutes of Health, researchers will try to determine which dose is best for a definitive experiment that they aim to start in July." The New York Times (5/18, 18.61M) indicates that Zaks said "if those trials go well, a vaccine could become available for widespread use by the end of this year or early 2021." The Wall Street Journal (5/18, Grossman, Subscription Publication, 7.57M), Politico (5/18, Owermohle, 4.29M) and Bloomberg (5/18, 4.73M), among other news outlets, also cover Moderna's announcement. In an editorial, the Wall Street Journal (5/18, Subscription Publication, 7.57M) hails Moderna's steps toward developing a vaccine – even as it cautions against declaring victory before all the needed testing has been completed.

Under the headline, "US Stocks Rally On Hopes For Vaccine And Economic Recovery," the AP (5/18) reports that the US stock market "bounced back from its worst week in nearly two months...as optimism about a potential vaccine for the coronavirus and hopes for a US economic recovery in the second half of the year put investors in a buying mood." The S&P 500 "climbed 3.2%, its best day since early April," which "erased all of its losses from last week," but it is "still down 12.8% from its all-time high on February 19." The Dow Jones Industrial Average "climbed 911.95 points, or 3.9%, to 24,597.37," and the Nasdaq "rose 220.27 points, or 2.4%, to 9,234.83."

The Washington Post (5/18, Telford, 14.2M) also reports "a 'triple whammy' of good news – led by promising results from a coronavirus vaccine trial – buoyed investors Monday, powering Wall Street to strong across-the-board gains." Investors also "found comfort in comments made by Federal Reserve Chair Jerome H. Powell during a '60 Minutes' interview on CBS broadcast Sunday," in which "he said the central bank is 'not out of ammunition by a long shot' in its economic arsenal." USA Today (5/18, Menton, 10.31M) similarly notes the stock numbers under the headline "Stocks Rebound As Positive Moderna Vaccine Trial Boosts Optimism For Economic Recovery," while Axios (5/18, Brown, 521K) says the stock market had "its best day since early April." The Wall Street Journal (5/18, Ping, Subscription Publication, 7.57M), among other news outlets, also reports the story.

Under the headline "'Very Positive Day': US Turns Corner In Coronavirus Recovery," the Washington Times (5/18, Boyer, Howell, Sherfinski, 492K) reports "Monday was perhaps the most hopeful day yet of the COVID-19 outbreak in the US, as a Massachusetts biotech company reported a promising vaccine trial, stocks rallied on the news, every state but one was reopening for business, Detroit's Big Three automakers restarted factories and Delta Air Lines announced it will resume flights for several major routes next month."

US Government Had "Placed A Big Bet On Moderna"; Fauci Involved In Clinical Trials. Reuters (5/18, Steenhuysen, Joseph) reports that the announcement "lifted shares of Moderna by 20%." According to Reuters, "The U.S. government in April placed a big bet on Moderna, backing its vaccine with $483 million from the Biomedical Advanced Research and Development Authority (BARDA), a part of the US Department of Health and Human Services (HHS). The company said that grant will enable it to supply millions of doses per month in 2020 and, with further investments, tens of millions a month in 2021 if the vaccine proves successful."

The New York Times (5/18, Grady, 18.61M) reports that Moderna "produced the vaccine in collaboration with the National Institute of Allergy and Infectious Diseases, the institute led by Dr. Anthony Fauci, which has been leading the clinical trials."

Azar said on Fox News' America's Newsroom (5/18, 896K), "President Trump is leading Operation Warp Speed, which is going to put bets on several vaccines. This one, the Moderna vaccine, was actually invented here at NIH and within eight weeks, we brought that the to clinical trials. It is really historic."

Moderna Director Recently Joined "Operation Warp Speed." The Washington Post (5/18, Johnson, 14.2M) reports that on Sunday, one of Moderna's directors, Moncef Slaoui, "stepped down from the board to become chief scientist for Operation Warp Speed, a White House initiative to speed up vaccine development." The Post reports that SEC filings "show Slaoui's stock options in Moderna are worth more than $10 million," but Slaoui "will divest his Moderna stock holdings, effective Tuesday morning, according to a spokeswoman for the Department of Health and Human Services," and "will donate the value the Moderna stock gained since Thursday, before the announcement of his position leading Operation Warp Speed, to cancer research."

Gidley: Vaccine Development Unfolding On "Trump-Time," Not "Bureaucratic Time." White House principal deputy press secretary Hogan Gidley cautioned on the Lars Larson Show (Radio) (5/18), "We are still off from a vaccine. We don't know how long it is going to take. But we are moving faster than ever before. The President's leadership has really put people on that 'Trump-time' we always talk about, not government bureaucratic time. So, it looks really good. Optimism is something that this President is all about." Gidley was also interviewed on The Larry O'Connor Show (Radio) (5/18).

Trump Says Oil "Is Back."

In a tweet Monday morning, President Trump declared, "OIL (ENERGY) IS BACK!!!!"

Hassett: Administration Prepared To Provide More Coronavirus Aid If Necessary.

Reuters (5/18, Heavey) reports that White House economic adviser Kevin Hassett told CNBC's Squawk Box Monday that the Administration "is prepared to take further steps if needed to shore up the nation's economy during the novel coronavirus outbreak, but any final action will not look like House Democrats' proposed legislation." Hassett also said "that the administration understood state and local governments were hurting during the outbreak and that Trump previously has said he was open to additional funding for costs related to the

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pandemic."

The Hill (5/18, Chalfant, 2.98M) reports that Hassett told reporters Monday "that a fourth stimulus package may not be needed." Hassett said, "I think it's possible that we will see a strong-enough economy that we don't need a phase four." Hassett "said the administration is currently in a 'wait and see' mode to assess the full impact of previous stimulus legislation on the U.S. economy before resuming formal talks on a fourth package."

McCarthy Backs Payroll Tax Cut, Criticizes Pelosi's Priorities.

House Minority Leader McCarthy was asked on Fox News' Fox & Friends (5/18, 831K) about the potential for a payroll tax cut to stimulate the economy. McCarthy said, "That would help and keep more money in individual's pockets. It would help business." McCarthy added, "We've been able to...save more than 30 million jobs even though the Speaker, every single time we went to move a bill, held it up. ... The reasons why Speaker Pelosi held up the CARES bill that dealt with unemployment, gave the small businesses the loans, was able to give the state and the hospitals money, she held it up because she wanted to change election law. She wanted to focus on cannabis."

US Automakers Begin Restarting Assembly Lines.

Reuters (5/18, Klayman) reports that "after a two-month coronavirus lockdown," the "Detroit Three automakers and their suppliers began restarting assembly lines on Monday" in "a slow revival of a sector that employs nearly 1 million people in the United States." Fiat Chrysler Automobile, General Motors Co, and Ford Motor Co have been "preparing for weeks to reopen their North American factories in a push to restart work in an industry that accounts for about 6% of U.S. economic activity."

ABC World News Tonight (5/18, story 4, 2:20, Pilgrim, 8.52M) reported that "more than 130,000 auto workers back on the job for the first time in eight weeks, some with mixed feelings." Unidentified Speaker: "We shouldn't be here. It's not fair." The AP (5/18, Long) says the Big Three automakers "as well as Honda and Toyota all had screening procedures in place at the dozens of factories that reopened from the Great Lakes states south to Tennessee and Texas and out west at Tesla's factory near the San Francisco Bay."

An NBC Nightly News (5/18, story 4, 2:30, Holt, 7.19M) report focused on Ford, which "called 59,000 workers back to nine plants" Monday morning. NBC (McFadden) added that "keeping the assembly line running requires parts, many of those parts made in Mexico, where some factories are struggling to reopen. The financial pressures on all the auto makers to reopen is massive. Ford poised to report $5 billion in losses."

Lawmakers Say Auto Industry Could Need Federal Aid. Politico (5/18, Rodriguez, 4.29M) reports that while auto plants are resuming operations, it is "unclear whether production and consumer demand will ramp up enough for them to survive without federal aid." Politico says "the auto industry has refrained from asking the Trump administration or Congress for aid during the coronavirus pandemic, but the decline in auto production and sales has caught the attention of lawmakers on Capitol Hill." Last week, a "bipartisan group of more than 50 lawmakers from car-producing states...put Congress on notice that the auto industry, which was left out of House Democrats' $3 trillion stimulus, will need economic help as part of future pandemic relief packages." According to "auto industry sources in touch with lawmakers," their main focus "is to build demand for autos, which could come from offering some form of incentives for Americans to buy a new car."

Airline Passengers Will See Longer Waits, More Rules As Air Travel Enters New Age.

The Wall Street Journal (5/18, Sider, Katz, Cherney, Subscription Publication, 7.57M) reports that air travel in the US is entering a new age as airports and airlines roll out new measures in response to the coronavirus. Many are rolling out temperature checks and thermal scans and are requiring face masks. In addition, passengers could experience longer waits due to fewer flights, more layovers, and more rules, including for using the bathroom and when and how passengers can enter and exit planes. The Journal adds that the Trump Administration is planning to begin temperature checks conducted by the TSA at some airports.

J.C. Penny Will Close 242 Locations As Part Of Its Bankruptcy.

USA Today (5/18, Tyko, 10.31M) reports J.C. Penny said it plans to close 242 locations – approximately 29 percent of its 846 stores – between the current fiscal year and next fiscal year. The announcement comes days after the company filed for bankruptcy and will leave the retailer with 604 remaining locations. J.C. Penny said in an SEC filing, "The approximately 604 future fleet represent the highest sales-generating, most profitable, and most productive stores in the network."

Weekend Mall-Goers Say They Were Eager To Get Out Of The House, Get Taste Of Normalcy.

The Wall Street Journal (5/18, Nassauer, McWhirter, Findell, Subscription Publication, 7.57M) visited three shopping malls in Texas, Ohio, and Georgia over the weekend to gauge consumer interest in brick-and-mortar shopping during the coronavirus. The Journal reports that dozens of shoppers said they were eager to leave their homes and get a feel for normalcy. While some mall workers expressed feelings of anxiety, the Journal observed mask wearing, individual store rules, and food court and bathroom precautions aimed to keep people healthy.

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Uber To Cut An Additional 3,000 Jobs, Close Three Dozen Offices.

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The Wall Street Journal (5/18, Rana, Subscription Publication, 7.57M) reports Uber said on Monday that it will cut an additional 3,000 jobs,

close three dozen offices, and reevaluate investments in areas such as freight and self-driving technology. Chief Executive Dara Khosrowshahi said in a note to employees, "We're seeing some signs of a recovery, but it comes off of a deep hole, with limited visibility as to its speed and shape." Uber's rides business in April was down 80 percent from the same time last year.

SoftBank Records Worst Results In Four-Decade History.

The Wall Street Journal (5/18, Dvorak, Subscription Publication, 7.57M) reports SoftBank Group recorded its worst results in the company's four-decade history. The company said its Vision Fund posted an investment loss of almost $17 billion in the fiscal year ended in March, $10 billion of which was in the January-March quarter. In addition, SoftBank said Alibaba co-founder Jack Ma will step down from SoftBank's board after 13 years following SoftBank's continued paring of its Alibaba stake. SoftBank Chief Executive Masayoshi Son said the Vision Fund is now underwater and has little chance of recovery in the near future.

Apple To Require Masks, Temperature Checks As Company Begins Reopening Retail Stores.

The Washington Post (5/18, Lerman, 14.2M) reports that Apple is planning to enforce strict social distancing guidelines in its retail stores as the company reopens 100 of its stores globally, Apple retail and HR chief Deirdre O'Brien said. Apple will put a cap on the number of people allowed inside its stores to ensure six feet between everyone. In addition, the company will require masks and check customers' temperatures before they enter. Apple said customers may have to wait in line if the store reaches capacity.

Trump Says He Is Taking Hydrochloroquine Pills.

The New York Times (5/18, 18.61M) reports President Trump indicated yesterday that he "has been taking hydroxychloroquine, an antimalarial drug whose effectiveness against the coronavirus is unproven, for about a week and a half as a preventive measure, saying he had no symptoms of Covid-19. 'All I can tell you is, so far I seem to be OK,' he said, explaining that he takes a daily pill." The Times adds that hydroxychloroquine and chloroquine are "widely used to treat virus patients despite the lack of evidence that they work." Trump is quoted as saying, "There is a very good chance that this has an impact, especially early on. ... I'm not going to get hurt by it ... Front-line workers take it. A lot of doctors take it. I take it." USA Today (5/18, Subramanian, Fritze, 10.31M) quotes Trump as saying, "I hope to not be able to take it soon because I hope that they come up with some answer. But I think people should be allowed to."

The Hill (5/18, Samuels, 2.98M) reports "Trump said he consulted with the White House doctor about taking the drug, but it was not recommended for him." Said Trump, "I asked him what do you think. He said, 'Well if you'd like it.' I said, 'Yeah I'd like it. I'd like to take it.'"

Axios (5/18, 521K) reports "Rick Bright, the former head of a key government vaccine agency, testified last week that he believes he was ousted from his position because of his resistance to promoting hydroxychloroquine, which has long been touted by Trump and his allies in conservative media." The New York Post (5/18, Fredericks, 4.57M) says "Trump was responding to a question about...Bright" when he made the disclosure.

NBC Nightly News (5/18, story 2, 2:25, Holt, 7.19M) referred to an "astonishing disclosure" by Trump, and went on (Welker) to report the "stunning news" that he is taking the "controversial medicine" that he "has touted as a potential treatment for coronavirus, despite limited evidence to back that up, and research showing potentially dangerous side effects." Added NBC, "We have asked for more details and documentation, but still no response from the White House."

In its lead story, ABC World News Tonight (5/18, lead story, 4:50, Muir, 8.52M) reported that Trump's words "led to immediate questions about why he's taking it, with the FDA warning," and added (Karl) that "the announcement came out of the blue" and "in response to a totally unrelated question." The CBS Evening News (5/18, lead story, 4:10, O'Donnell, 5.14M) also led with the story, reporting that "just last month, the FDA warned doctors about the risks of using that drug on coronavirus patients, including serious heart problems and said it had not been shown to be safe or effective." Trump "says he's been taking it for about a week and a half," which was "around the same time two White House aides, including the valet who serves his lunch, tested positive. And as we come on the air tonight, more than 1.5 million others have also tested positive nationwide. And more than 90,000 people have been killed right here in the US." CBS showed Dr. William Schaffner of the Vanderbilt University Medical Center saying, "There is no real indication, no evidence base for the use of hydroxychloroquine as a preventative of COVID-19. I think doctors ought to not be prescribing this medication to people across the country for this purpose."

On ABC World News Tonight (5/18, story 2, 0:45, Muir, 8.72M), chief medical editor Dr. Jen Ashton also said that "according to the FDA, hydroxychloroquine and chloroquine have not been shown to be safe and effective for treating or preventing COVID-19. So in keeping with evidence-based medicine since there may be some risk, there's no data at this time to support its use for prevention."

USA Today (5/18, Behrmann, 10.31M) reports that "soon after" Trump's announcement, "'Flintstone Vitamins' began trending on Twitter," but "many doctors, journalists and politicians issued stern warnings after the president's revelation." The Washington Post (5/18, Sonmez, Olorunnipa, 14.2M) also points out "clinical trials, academic research and scientific analysis indicate that the danger of the drug is a significantly increased risk of death for certain patients, particularly those with heart problems." Trump "dismissed those concerns, saying he has heard about the drug's benefits from doctors and others he has spoken with."

Townhall (5/18, Vespa, 177K) predicted "there's going to be liberal media hysterics. You know it's coming. Right now, the halls of MSNBC, especially that of the Rachel Maddow show, are cooking up some InfoWars-lite conspiracy theory about Trump possibly having it and covering it up." Asked Townhall, "Why did Trump do this? Well, one could see him trolling for a liberal media freak out. He knows they

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overreact, overreach, or in the end, get stories dead wrong about his administration." The Daily Caller (5/18, Datoc, 716K), among other news outlets, also reports the story.

White House Physician Stands By Decision To Prescribe Drug To Trump. The Washington Examiner (5/18, Dibble, 448K) reports that "Sean Conley, the chief White House physician, confirmed that the president has been taking the drug following an outbreak of the coronavirus within the White House." Said Conley, "As has been previously reported, two weeks ago one of the President's support staff tested positive for COVID-19. The President is in very good health and has remained symptom-free. He receives regular COVID-19 testing, all negative to date. ... After numerous discussions he and I had regarding the evidence for and against the use of hydroxychloroquine, we concluded the potential benefit from treatment outweighed the relative risks."

Pelosi: "Morbidly Obese" Trump Should Not Take Hydroxychloroquine. The Washington Times (5/18, Morton, 492K) reports Speaker Pelosi "referred to...Trump as 'morbidly obese' during an appearance Monday night on CNN and said he shouldn't be taking hydroxychloroquine to stave off coronavirus." Pelosi "made the remark in an appearance on Anderson Cooper 360' during which she was asked about Mr. Trump's taking the drug hydroxychloroquine, which he'd revealed earlier in the day." The Washington Examiner (5/18, Dibble, 448K) quotes Pelosi as saying, "As far as the president is concerned, he's our president, and I would rather he not be taking something that has not been approved by the scientists, especially in his age group and in his, shall we say, weight group. Morbidly obese, they say. ... So, I think it's not a good idea."

Cavuto Slams Trump's Decision. After Trump announced he is taking hydroxychloroquine, Neil Cavuto said on Fox News, "The President of the United States just acknowledged that he's taking hydroxychloroquine. ... The President insisted that it has enormous benefits for patients either trying to prevent or already have COVID-19. The fact of the matter is, though, when the President said, what have you got to lose, in a number of studies, those certainly vulnerable, the population have one thing to lose, their lives." Cavuto added that "whatever benefit the President says this has – and certainly has had for those suffering from malaria, dealing with lupus – this is a leap that should not be taken casually by those watching at home or assuming, 'well, the President of the United States says it's okay,'"

Later Monday, Trump retweeted a post from a Twitter user criticizing Cavuto's comments. Trump wrote, "@FoxNews is no longer the same. We miss the great Roger Ailes. You have more anti-Trump people, by far, than ever before. Looking for a new outlet!"

Trump Slams "Dumb" 60 Minutes "Hit Job On A Grandstanding Never Trumper." The President also took to Twitter yesterday to write, "So the so-called HHS Whistleblower was against HYDROXYCHLOROQUINE. Then why did he make, and sign, an emergency use authorization? @NorahODonnell said, 'He shared his concerns with a reporter.' In other words, he LEAKED. A dumb @60Minutes hit job on a grandstanding Never Trumper!"

Trump Touts WPost A1 Story On Testing Availability Exceeding Demand.

President Trump tweeted yesterday, "Wow! The Front Page @washingtonpost Headline reads, "A BOOST IN TESTS, BUT LACK OF TAKERS." We have done a great job on Ventilators, Testing, and everything else. Were left little by Obama. Over 11 million tests, and going up fast. More than all countries in the world, combined." Trump was referring to this story on yesterday's WPost.

Azar: Navarro's Comments About CDC Were "Inaccurate And Inappropriate."

Politico (5/18, Goldberg, 4.29M) reports that HHS Secretary Azar on Monday "rebuked" White House trade adviser Navarro, "who blamed the CDC for early coronavirus testing problems." On Sunday, Navarro charged that the CDC "really let down the country." According to Politico, Azar "conceded...that the CDC's initial test was problematic, but he contended it didn't set back the coronavirus response."

Azar appeared on Fox News' America's Newsroom (5/18, 896K) and discussed White House economic adviser Navarro's comments about the CDC. Azar said, "The comments regarding CDC are inaccurate and inappropriate. The CDC had one error, which was in scaling up the manufacturing of the tests that they had developed. There was a contamination that didn't affect the accuracy of the test, just led to inconclusive results. They fixed that within weeks and got it out. That was never going to be the backbone of testing in the US."

The Washington Examiner (5/18, Leonardi, 448K) says Azar "emphasized the need for the private sector to collaborate with the federal government on testing kits for COVID-19." He said, "What we need is the private sector to develop the tests. The Abbotts, the Roches, the Thermo Fishers, get them in the market."

Politico Contrasts White House Precautions With Trump's Optimistic Messaging.

Politico (5/18, Cook, 4.29M) reports that as President Trump "urges businesses across the country to reopen and Americans to return to work, he and his administration are projecting a sense of normal." Politico says the President is "spending the week meeting with governors and restaurant executives at the White House," and Vice President Pence "will travel to Florida to meet with Gov. Ron DeSantis and deliver personal protective equipment to a nursing home." On the other hand, Politico says "Trump's own top staffers are increasingly working from home," and the White House has "started to schedule more meetings by teleconference after two staffers tested positive for Covid-19." Politico adds that "even the White House mess, where staffers grab lunch and coffee, has shut down and is open only through the take-out window." The Washington Examiner (5/18, Doyle, 448K) provides similar coverage, citing the Politico report.

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Verma: Administration Doing All It Can To Protect Nursing Home Residents.

CMS Administrator Verma said on Fox News The Story (5/18) that the Administration "started very early in making sure that we were doing everything we can to keep nursing home residents safe." Verma added that "we recognized that nursing homes were going to be vulnerable and we put out a series of guidance and recommendations to our nursing homes. We also have been working with state and local officials, just to level set the responsibility and oversight of both the federal and state government." Verma added, "One of the things that we called on weeks ago is a call to action for state and local leaders to emphasize and to work with nursing facilities to make sure that they had access to testing. One of the things we did on the federal level was to increase reimbursement for testing and actually for the first time pay for labs to go out to nursing homes to collect samples."

US Coronavirus Death Toll Exceeds 90,000.

The Hill (5/18, Weixel, 2.98M) reports that according to Johns Hopkins data, the US death toll from the coronavirus has exceeded 90,000 people, which is "by far the largest in the world, though numbers from China have been met with skepticism." The total of 90,312 "also far surpasses the number of people who died due to seasonal influenza this year, which the Centers for Disease Control and Prevention estimates is 62,000 over a period of about six months."

Meanwhile, the CBS Evening News (5/18, story 10, 1:45, O'Donnell, 5.14M) reported, "Researchers estimate that more than 272,000 Americans have recovered from the coronavirus."

Washington County Finds "Probable" COVID-19 Cases Dating Back To December. The Washington Times (5/18, Richardson, 492K) reports that Snohomish County, Washington "has found two 'probable' cases of COVID-19 that date back to December, marking what may be the first time that the devastating illness has been traced in the United States before Jan. 1, before the Chinese government alerted the World Health Organization to the virus's existence on Dec. 31." Snohomish County health officer Dr. Chris Spitters said at a Friday press briefing, "I think it's reasonable to assume given the reports like the ones that we had and others around the country that the introduction may have occurred prior to mid-January, as we initially suspected." The Times adds, "From a public health perspective, the earlier the disease's date of U.S. onset, the greater the number of Americans who have likely been infected with the contagion. That would suggest that the disease is far more prevalent as well as less deadly than previously feared."

Azar Says Extended Lockdowns Have "Serious Health Consequences."

HHS Secretary Azar said on Fox News' America's Newsroom (5/18, 896K), "There are very serious health consequences from being locked down for extended periods. We've seen reductions in cardiovascular procedures. We have seen increases in suicide risk. We have seen reductions in cancer screenings and pediatric vaccinations. These are real and significant health consequences and we have got to balance that against the health benefit of stay at home. We believe thanks to the President's historic response that we can get back to work and back to school with appropriate mitigating steps to resume our lives and resume the great and important work of our economy."

Gidley: Shutdown Could Kill More People Than The Virus. White House principal deputy press secretary Hogan Gidley said on the Lars Larson Show (Radio) (5/18) that there are "studies coming out saying the shutdown itself could actually kill more people than the virus because of depression and anxiety and suicide and also not going in for your regular cancer screenings and heart check-ups and all that type of stuff. So, this thing is going to be long lasting in this society and this can end in this country for a while but together we can beat it." Gidley was also interviewed on The Larry O'Connor Show (Radio) (5/18).

CNN's Collins Takes Shot At Trump After He Calls Her A "Faker" For Removing Her Mask.

The Washington Times (5/18, Chasmar, 492K) reports that CNN White House correspondent Kaitlan Collins "fired back" at the President after he tweeted that she was a "faker" for removing her mask at the end of Friday's press briefing. The President's tweet followed a tweet from his son, Eric, which included a video showing Collins "removing her mask within seconds of White House press secretary Kayleigh McEnany leaving the press briefing room." Collins "slammed the president for focusing on her despite the ongoing coronavirus pandemic and clarified that she only pulled her mask down for 'six seconds.'" Collins tweeted late Sunday, "Nearly 90,000 Americans have been killed by coronavirus, and the president is tweeting about me pulling my mask down for six seconds on Friday."

WPost Analysis: Administration Efforts To Address Mask Shortages Were Inadequate.

The Washington Post (5/18, Butler, Eilperin, Hamburger, 14.2M) reports that while the federal government has taken steps to address mask shortages, emergency management experts "say the efforts were distressingly inadequate." The Trump Administration "ignored early warnings that it needed to shore up its stockpile of masks and other personal protective equipment and has fallen behind several other Western nations in the race to secure them, documents and interviews show." Stephen Morse, an epidemiologist at Columbia University, is quoted saying, "The lack of preparation and coordination has been appalling. ... In past disasters, the federal government, with its enormous buying power, took the lead in procurement." He added, "This time, federal inaction forced states into competing with each other for these scarce products."

Report: Federal Government Ordering Riot Gear In Response To Pandemic.

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The New York Post (5/18, Jacobs, 4.57M) reports that "multiple disclosures" show that the federal government "has been making expedited

orders for riot gear, gas masks and other police-related equipment in response to the coronavirus pandemic." A report from The Intercept says two purchase orders made by the Department of Veterans Affairs "show requests for gas masks, disposable cuffs, ballistic helmets and riot gloves, as well as protective equipment to be used by federal police guarding VA facilities." The orders "are marked as emergency acquisitions as a result of President Trump's national emergency declaration." They "also mark that each were made under a special authorization 'in response to Covid-19 outbreak.'" In addition, the VA "offered federal contracts for coronavirus-related security services, mostly in the form of guards or personnel for outside some of the nearly 1,500 health care facilities the agency operates nationwide, according to the site."

Cuomo: Professional Sports Should Be Played Without Live Crowds.

CNBC (5/18, Higgins-Dunn, 3.62M) reports that New York Gov. Andrew Cuomo (D) said Monday that "he's asked major league sports teams to start planning to reopen or start their seasons without fans." CNBC adds, "While the stadiums aren't allowed to have fans, he said the games could still be televised. Cuomo said he believes whether sports franchises choose to return will depend on if they're able to make money without fans, which is a sport-by-sport determination."

DeSantis Highlights Florida Reopening Efforts, Defends Unemployment System.

The Pensacola (FL) News Journal (5/18, Anderson, 170K) reports that in Florida Monday, "gyms, libraries and museums were allowed to welcome people again at 50% occupancy while retail establishments and restaurants expanded from 25% to 50% capacity." Gov. Ron DeSantis (R) said in a press conference, "I'm just looking forward to helping bring us back. ... Obviously we still have issues with public health; that's not going to go away, but I think we have a pathway to get Florida moving again." DeSantis also "offered a forceful defense...of the state's efforts to improve the unemployment compensation system for those who remain sidelined by coronavirus-induced layoffs." He "said the vast majority of eligible applicants have now been paid and suggested that many who aren't receiving unemployment checks did not properly fill out the application or are ineligible."

NBC Nightly News ' . (5/18, story 3, 2:10, Holt, 7.19M) reported that "what leaders hope will not be a trend, a full on flouting of social distancing. This block party outside Orlando teaming with 3,000 people." In Miami Beach, "it's a soft launch on stores this week, and restaurants next. But access to the pristine beaches here are still off limits for the time being. The crowned jewel of the tourism industry that generates $18 billion a year for the county is bare, with no reopen in sight."

Newsom Loosens California's Reopening Rules.

The Los Angeles Times (5/18, Myers, Luna, Willon, 4.64M) reports that California Gov. Gavin Newsom (D) on Monday "loosened rules on allowable coronavirus infection and related death rates – a change that could release most parts of the state from the tight rules of his stay-at-home order." The announcement "means that 'roughly' 53 of California's 58 counties can now move into the second of four stages toward reopening if they so choose, he said. It comes after a number of local leaders have pressed Newsom to loosen restrictions, arguing their communities are now safe enough to allow more commerce and more chances for residents to leave their homes."

Southern California Has Three-Quarters Of The State's COVID-19 Infections, Deaths. The Wall Street Journal (5/18, Carlton, Caldwell, Subscription Publication, 7.57M) reports that while Sacramento and the San Francisco Bay Area have about 10 million of California's 40 million residents, they have just 16% of the state's COVID-19 cases, and 14% of its COVID-19 related deaths. Meanwhile, Southern California has 22 million residents, and approximately 75% of the state's COVID-19 infections and deaths.

Whitmer Says Partisan Protests Will Not Change How She Runs Michigan.

The Washington Times (5/18, Morton, 492K) reports that in an interview with Fox News on Monday, Michigan Gov. Gretchen Whitmer (D) "accused protesters against her stay-at-home orders of partisan politics" and said they will not change how "I run this state." The Times says Whitmer "struck a defiant note, saying she will not apologize for protecting public health despite demonstrators who have been besieging the state capital for weeks." She said, "But I've been focused on doing my job, and I'm going to keep doing that and I'm not going to apologize about that. I'm not changing the way I run this state because of some protests. ... There is a lot of politics at play here, unfortunately. ... The protests are very political in nature instead of being focused on the stay-at-home order."

The Washington Post (5/18, Balingit, Bellware, 14.2M) reports that an executive order Whitmer issued Monday allows businesses and restaurants in northern Michigan "to reopen at reduced capacity by week's end." The order "applies to the sparsely populated Upper Peninsula and 17 counties in the tourism-heavy northern tip of the Lower Peninsula." It "will allow bars and restaurants to operate at half-capacity, with face coverings required for servers and six feet of distance between customers. It also allows social gatherings of up to 10 people."

Judge Declares Oregon Governor's Emergency Orders "Null And Void."

The Washington Times (5/18, Richardson, 492K) reports that Baker County, Oregon Circuit Court Judge Matthew Shirtcliff on Monday declared Gov. Kate Brown's (D) pandemic-related emergency orders "null and void." In response to a lawsuit by churches and residents challenging the state shutdown, Shirtcliff "said in a seven-page decision that Ms. Brown's executive orders, including her 'Stay at Home and

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Save Lives' and 'Closure of Certain Businesses' shutdowns, exceeded the 28-day legislative time limits." Shirtcliff wrote, "Once the maximum 28-day period is exceeded, the governor's executive orders and all subsequent orders were rendered null and void."

Texas Governor Reopens Day Care Centers.

The Washington Times (5/18, Howell, 492K) reports Texas Gov. Greg Abbott (R) said Monday that "day care centers can reopen immediately and that bars and bowling alleys may open at 25% capacity on Friday." In addition, Abbott "said youth centers, including Boys and Girls Clubs and YMCAs, must open up to keep children occupied as their parents return to work. Restaurants can expand their capacity to 50% Friday, while youth sports and camps will resume on May 31." Texas "has documented over 48,000 cases, including over 1,300 deaths, from COVID-19." he state "recorded its highest single-day increase of 1,800 on Saturday even as it moves to open up again." ABC World News Tonight (5/18, story 4, 2:20, Pilgrim, 8.52M) showed Abbott saying, "When we increase testing in hot spots, the number of people testing positive is going to spike. Then what we find is usually within a week or two, the flare-up is contained."

Abbott said on Fox News' Hannity (5/18, 535K), "Let me tell you what many, many outlets will not tell you and that is on today when Texas reopened even more for business, maybe as open as any state in the country, today also was the lowest number of COVID deaths since April 3. Yesterday was the lowest number of COVID related hospitalizations since the middle part of April. Texas has a downward trend of those testing positive for COVID-19 as a percent of all the people testing positive. All the trends are going good in Texas and Texas is opening up for business" The CBS Evening News (5/18, story 3, 2:55, Shamlian, 5.14M) reported that Abbott "says professional sports like golf, tennis and auto race canning resume at the end of the month."

Louisiana's Tourism, Energy Industries Battered By Pandemic.

The Washington Post (5/18, Montgomery, Webster, 14.2M) reports that Louisiana "is heavily reliant on two of the industries hardest hit by the coronavirus pandemic: tourism and energy." According to economists, "with the economic fallout from stay-at-home orders and other restrictions mounting nationwide, this state is perhaps the most vulnerable." The state "began a gradual reopening process last week," but "few people came out to experience the partial return of nightlife to the French Quarter on Saturday. Economic projections remain grim." In addition, "the oil money that lubricates the region's economy is drying up, too. With crude now scarcely $30 per barrel — break-even for an oil company is at least high $30s — half the companies surveyed this month by the Louisiana Oil & Gas Association said bankruptcy is likely."

NYTimes Analysis: Large Parts Of South Could Be "Especially Vulnerable" To Coronavirus Outbreaks.

The New York Times (5/18, Popovich, Singhvi, Conlen, 18.61M) reports that while large parts of the South and Appalachia have not seen major COVID-19 outbreaks, those areas "are especially vulnerable" to potential future outbreaks because a significant proportion of the population have diabetes, obesity, high blood pressure, and other chronic health conditions, according a new health-risk index created by PolicyMap for the New York Times. The index "for the first time identifies counties with high rates of the underlying conditions that increase residents' risk of becoming severely ill if they are infected with the coronavirus." The Times quotes Micaela E. Martinez, a professor at Columbia University's Mailman School of Public Health, as saying, "Places that have not seen a lot of infection yet should be thinking about what infection is going to mean once they have an outbreak there."

Illinois Business Owners Face Misdemeanor Citation For Opening In Violation Pritzker's Orders.

The Chicago Tribune (5/18, Pearson, Munks, 2.65M) reports Illinois Gov. J.B. Pritzker (D) "sought to downplay a new enforcement tool he quietly filed last week that allows the state to cite nonessential businesses with a misdemeanor for opening up to customers in violation of his executive orders dealing with the COVID-19 pandemic." Pritzker "dismissed Republican charges of overreach and said he merely altered his executive orders to take advantage of existing powers over law enforcement through the state health department."

State "Doomsday" Coronavirus Plans Called for "Lottery" To Determine Who Got Treatment.

The Washington Times (5/18, Lovelace, 492K) reports that state governments quietly developed plans "for how health care facilities must allocate life-sustaining treatment in a doomsday COVID-19 scenario, raising alarm that bureaucrats will decide who lives and who dies. Crisis standards of care in some states have scoring systems and a "lottery" to determine who would win medical treatment and who would lose out."

WPost A1: Public Restrooms Pose Obstacle To Reopening.

The Washington Post (5/18, A1, Fisher, 14.2M) reports on its front page that "one of the biggest obstacles to dining in a restaurant, renewing a doctor's appointment or going back to the office is the prospect of having to use a public restroom — a tight, intimate and potentially germ-infested space," and it's "a hurdle vexing many business owners as they prepare to reopen."

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Professional Sports Are Starting Back.

NBC Nightly News (5/18, story 11, 1:00, Holt, 7.19M) reported that professional sports are starting back, "giving us all something to cheer." NASCAR held a race in South Carolina, though without fans in the stands. Professional golf returned on Sunday with a charity match, and on Tuesday the NFL will open up practice facilities.

NBC Contributor Joseph Fair Recovering From COVID-19, Discharged From Hospital.

NBC Nightly News (5/18, story 5, 2:05, Holt, 7.19M) reported that NBC News science contributor Joseph Fair, who has been battling COVID-19, is feeling better after being discharged from a New Orleans hospital on Sunday. Fair said, "Nice to have my first coffee and be able to taste it and smell it after two weeks." NBC Nightly News reported that Fair "ended up in intensive care with symptoms of COVID. Traveling the world researching viruses, he had malaria three times but said this was worse."

Crenshaw: Americans Are Responsible Enough To Confront Risks Associated With Reopening.

In an op-ed for the Wall Street Journal (5/18, Subscription Publication, 7.57M), Rep. Dan Crenshaw (R-TX) writes that in the debate over when to reopen the economy, which is split along partisan lines, conservatives are more willing to confront risk head-on. He says that view is consistent with his experience in the military, where most special operators identify as conservatives. He adds that Americans are responsible enough to both live free and confront risk, and concludes saying it is time for America to reopen in a smart and intentional way.

Lawmakers Urged To Bring Medicine Supply Chain Back To US.

In an op-ed for Breitbart (5/18, Ortiz, Gray, 673K), Alfredo Ortiz, president and CEO of the Job Creators Network, and C.L. Gray, president and founder of Physicians for Reform, that the US is dependent on China, "the nation that unleashed this devastating pandemic, for the vast majority of medications we now use." That dependence "fuels the U.S. crisis of drug shortages, which are especially consequential during a pandemic." While the White House Office of Trade and Manufacturing Policy "is preparing rules to direct HHS, the VA, and the Department of Defense to buy U.S. manufactured medicines and supplies for their government contracts," lawmakers should "work to bring the supply chain back to American shores."

NYTimes: New York Should Consider Alternative Methods To Enforce Social Distancing.

The New York Times (5/18, 18.61M) editorializes that New York should consider methods other than the police intervention to enforce social distancing during the coronavirus pandemic. Of the 125 people arrested "over offenses that law enforcement officials described as related to the coronavirus pandemic, 113 were black or Hispanic." Meanwhile, photographs across social media show "crowds of sun-seekers packed into parks in wealthy, whiter areas of the city, lounging undisturbed as police officers hand out masks." The city "needs a different approach to enforcing public health measures during the pandemic." Mayor Bill de Blasio "seems to understand this, and he has promised to hire 2,300 people to serve as social distancing 'ambassadors.'" Another method to help social-distancing efforts "may be the community-based groups that have been effective in reducing gun violence in some of the city's toughest neighborhoods."

Barr: Durham Investigation Unlikely To Spark Criminal Probes Of Obama, Biden.

On ABC World News Tonight (5/18, lead story, 4:50, Muir, 8.52M), Jonathan Karl reported Attorney General Barr announced yesterday that "he does not expect there will be a criminal investigation of either former President Obama or former Vice President Biden." Asked to comment, President Trump said, "If it was me, I guarantee they'd be going after me. In his case, they're not, so I think it's just a continuation of a double standard. I'm surprised by it."

The AP (5/18, Tucker) says Barr "insisted that the Justice Department would not be swayed by political pressure to investigate the president's opponents and that the 'criminal justice system will not be used for partisan political ends.'" Barr's comment "seemed designed at least in part to defuse expectations among some Trump supporters that the investigation could ensnare Biden or Obama." Reuters (5/18, Lynch, Hosenball) quotes Barr as also saying, "As to President Obama and Vice President Biden, whatever their level of involvement, based on the information I have today, I don't expect Mr. Durham's work will lead to a criminal investigation of either man."

To Politico (5/18, Forgey, Gerstein, 4.29M), Barr "issued an apparent rebuke of...Trump's efforts in recent weeks to hatch vague accusations of misconduct by former Obama administration officials," and to the New York Times (5/18, Benner, Goldman, 18.61M), Barr "dismissed...Trump's attempts to rebrand the Russia investigation as a criminal plot engineered by" Obama, which the Times says "served as an unmistakable rebuttal to escalating efforts by Mr. Trump and his allies to reframe the Russia investigation as a plot to sabotage his presidency by Mr. Obama, Mr. Biden and officials in their administration." However, the Times adds, "while Mr. Barr was unwilling to fuel speculation that the Justice Department will target Mr. Obama and Mr. Biden, he himself has done perhaps more than any other Trump administration to undermine the overall credibility of the Russia investigation." Bloomberg (5/18, 4.73M) says that Barr "has criticized Trump at times and sought to distance himself from the president."

The Washington Post (5/18, Zapotosky, 14.2M) reports Barr's "assertion" that neither Obama nor Biden is likely to be prosecuted is "likely to dismay Trump and his conservative allies." The Post says Barr "specifically dismissed the idea that Connecticut U.S. Attorney John Durham – who has been examining how the FBI handled the 2016 investigation into possible coordination between the Trump campaign and

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Russia to influence the election – would look at Obama or Biden." According to the Post, Barr "declined to say who Durham was focused on." USA Today (5/18, Johnson, Phillips, 10.31M), Washington Times (5/18, Mordock, 492K), The Hill (5/18, Chalfant, 2.98M), Townhall (5/18, Pavlich, 177K), Wall Street Journal (5/18, Volz, Subscription Publication, 7.57M) and the New York Post (5/18, Bowden, Fredericks, 4.57M), among other news outlets, also report the story.

Barr: FBI Probe "Abhorrent" And "Great Injustice." The AP (5/18, Tucker) reports Barr also "repeated his belief that 'what happened to the president' as a result of the FBI's investigation into whether his 2016 campaign conspired with Russia was 'abhorrent' and a 'grave injustice.'"

Harris Poll: Voters Back DOJ Move To Dismiss Flynn Charges 51%-49%.

The Hill (5/18, Manchester, 2.98M) reports, "A narrow majority of voters say they support the Justice Department's decision to drop the case against President Trump's former national security adviser Michael Flynn, according to a new Harvard CAPS/Harris Poll survey released exclusively to The Hill." The poll found "fifty-one percent of voters polled said they supported the move, while 49 percent said they opposed it." The Hill adds "the poll comes less than a week after a National Security Agency document made public on Wednesday showed 39 former Obama administration officials, including former Vice President Joe Biden, asked to 'unmask' the identity of an American who had come up in intelligence briefings based on his conversations with then-Russian Ambassador Sergey Kislyak." The Washington Examiner (5/18, Soellner, 448K) also reports the poll numbers, drawing from the story on The Hill.

Turley Criticizes Sullivan's "Judicial Overreach" In Flynn Case. George Washington University Law professor Jonathan Turley writes in USA Today (5/18, Turley, 10.31M)that the case of former national security adviser Michael Flynn "is fast becoming a case of gross judicial overreach as the court appears to assume both judicial and executive powers." Turley argues that Judge Emmett Sullivan "can disagree with the exercise of prosecutorial discretion, but he cannot substitute his own judgment for it." Turley writes that Flynn "has the curse of being useful. He was useful to investigate for officials like FBI special agent Peter Strzok, former FBI Deputy Director Andrew McCabe and former FBI Director James Comey, though investigators found no underlying criminal conduct. He was useful to special counsel Robert Mueller," and now, he "is useful to a court that seems intent on staging a criminal case of its own making." Turley adds that "at some point, when Flynn stops being so useful, justice might be served with the dismissal of this abusive case."

Attorney: Sullivan Doesn't Have Authority To Sanction Flynn For Perjury. Leslie McAdoo Gordon, the principal of McAdoo Gordon & Associates, P.C., writes in the Federalist (5/18, Gordon, 126K) that Sullivan's order appointing retired federal judge John Gleeson "directs him to advise Sullivan on whether he should issue a show-cause order to Flynn for criminal contempt for perjury." McAdoo argues that Sullivan "lacks the authority to sanction Flynn for perjury." Flynn's "statements in connection with his plea did not obstruct the court in the performance of its duty. Thus, they simply cannot constitute contempt of court under long-standing precedent. Sullivan should therefore not embark on any contempt proceeding. Doing so would be a misuse of his contempt power."

WSJournal Objects To Logan Act As Justification For Investigating Flynn. A Wall Street Journal (5/18, Board, Subscription Publication, 7.57M) editorial criticizes Justice officials' use of the Logan Act, which prohibits private citizens from negotiating with foreign governments involved in disputes with the US, as a reason to investigate Flynn. The Journal argues that as President Trump's choice for national security adviser in late 2016 and early 2017, Flynn had reason to talk with foreign officials.

Graham To Seek Authorization To Subpoena Trump Russia Investigators.

The Washington Examiner (5/18, Dunleavy, 448K) reports that Senate Judiciary Chairman Graham "announced on Monday that he will soon be seeking broad authorization to subpoena dozens of key officials in the Trump-Russia investigation." Graham "said his committee will debate and vote on subpoena authorization related to oversight of the FBI's Crossfire Hurricane counterintelligence investigation into Russian interference and the Trump campaign as well as the Foreign Intelligence Surveillance Act process." Graham said the subpoenas would cover "documents and communications referenced in and testimony at a hearing or deposition of any individual named or identified by pseudonym in" DOJ Inspector General Michael Horowitz's December report on FBI's Russia investigation.

IG Report: DOJ Has Not Resolved Recommendations From 2016 Election Investigation.

CQ Roll Call (5/18, Ruger, 154K) reports that a new inspector general report says the Justice Department "hasn't resolved several recommendations from a 2018 internal probe into the FBI's actions ahead of the 2016 presidential election, which included the mishandling of a probe into Hillary Clinton's email server and controversial text messages between top employees about then-candidate Donald Trump." The 2018 report from DOJ Inspector General Michael Horowitz "provided plenty of fodder for both political parties to air their wider concerns about the bureau's behavior when it came to the election – as well as numerous recommendations for changes at the FBI." But an IG report released Monday says that DOJ "still has not resolved recommendations to address those as of March 31, about seven months away from the 2020 presidential election."

House Lawyers Tell High Court Investigators Need Mueller Grand Jury Evidence.

The Washington Post (5/18, Barnes, Marimow, 14.2M) reports that congressional lawyers told the Supreme Court Monday that a House committee's investigation of President Trump "did not cease with the conclusion of the impeachment trial," and it would be hindered if the

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Justice Department continues to withhold grand jury material. The lawyers' filing "comes in response to the department's request that the Supreme Court put aside court orders that Congress receive secret grand jury evidence from Robert S. Mueller III's special-counsel investigation of Russian interference in the 2016 election." In March, the US Court of Appeals for the DC "upheld a lower-court finding that Congress can obtain grand jury materials in connection with impeachment proceedings." The Justice Department argued last week that the decision created "serious separation-of-powers concerns" that require the High Court's attention and asked that the release be put on hold "until the court decides whether to get involved."

Baker: FISA Should Prohibit Targeting Of Americans.

In an op-ed for the Wall Street Journal (5/18, Baker, Subscription Publication, 7.57M), Thomas J. Baker, a retired FBI special agent and legal attaché, urges Congress to reform FISA to prohibit or limit the targeting of Americans.

Healthcare Sector Hit With "Devastating Financial Blow" Due To Lockdowns.

The AP (5/18, Murphy) reports, "The global coronavirus pandemic has created a huge need for health care in the U.S., but it also is delivering a devastating financial blow to that sector." The AP adds "health care provided the biggest drag on the U.S. economy in the first quarter," and "spending on care fell at an annual rate of 18%, the largest drop for that sector among records going back to 1959." The AP also says "hospitals that lose...profitable surgeries are gaining COVID-19 patients – and losing money on them," as "those patients may require hospitals to expand intensive care units, spend more on infection control and stock up on gowns and masks, among other items."

California To Provide Cash Coronavirus Assistance To Undocumented Immigrants.

The New York Times (5/18, Jordan, 18.61M) reports that a new state coronavirus relief program in California "will provide taxpayer-funded assistance to undocumented immigrants, who have been shut out of federal relief programs and unemployment assistance." The "$75 million cash assistance program, which will be awarded on a first-come first-served basis, will be conducted almost entirely by telephone to avoid hazardous in-person contacts." In unveiling the program, Gov. Gavin Newsom (D) said, "Every Californian, including our undocumented neighbors and friends, should know that California is here to support them during this crisis. We are all in this together."

Zoellick Urges US Avoid "New Cold War" With China.

Former World Bank president Robert B. Zoellick argues in the Wall Street Journal (5/18, Subscription Publication, 7.57M) that in order to counter China, the US must avoid entering a "New Cold War" with China. Instead, Zoellick urges the US to promote freedom and seek to appeal to the Chinese public.

Illinois Supreme Court Disbars Blagojevich.

The Washington Examiner (5/18, Dibble, 448K) reports the Illinois Supreme Court disbarred former Gov. Rod Blagojevich "months after he was released from prison by President Trump." The court "agreed to disbar Blagojevich formally on Monday at the Illinois Attorney Registration and Disciplinary Commission's request after the former governor's prison sentence was commuted by Trump in February." Blagojevich "did not fight the commission's attempt to end his legal career permanently, saying that he would not be a good attorney after years behind bars and expressing no interest in returning to a legal practice."

Tropical Storm Arthur Heading Out To Sea After "Glancing Blow" To NC, VA.

ABC World News Tonight (5/18, story 7, 0:10, Muir, 8.72M) reported Tropical Storm Arthur is now moving off the East Coast. A tropical storm warning is "in effect for North Carolina's Outer Banks." NBC Nightly News (5/18, story 9, 0:10, Holt, 7.19M) reported Arthur "dealt a glancing blow to coastal North Carolina and Virginia today, with heavy rain and strong winds." The storm is "heading out to sea, but rough surf and rip currents are likely for several days."

Meanwhile, the CBS Evening News (5/18, story 7, 0:15, O'Donnell, 5.14M) reported Tropical Storm Arthur brought "nearly five inches of rain, with winds topping 40 miles per hour." Arthur is "expected to lose strength later this week."

Free Beacon's Lehman: American Colleges Are Headed For A Financial Meltdown.

Charles Fain Lehman writes for the Washington Free Beacon (5/18, Lehman, 78K) that America's colleges "have never seen anything like the financial meltdown the coronavirus is about to bring to their campuses." Increased health fears, added costs, and lost tuition payments "could crush small colleges, many of which were already hanging by a financial thread." Those that can weather the crisis "in turn stand to gain big from the fallout." National Association of College and University Business Officers Vice President Jim Hundrieser said the emptying out of schools and the mass transition to distance learning has already been "the largest all-sector hit that we've ever seen."

Pediatricians: Children Should Go Back To School.

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Dr. Robert Hamilton, who practices pediatrics in Santa Monica, California, writes in an op-ed for the Wall Street Journal (5/18, Subscription Publication, 7.57M) that as America begins to reopen, leaders should prioritize getting children back to school. While Dr. Hamilton cautions

that wisdom and creativity are need to reopen safely, children's psychological and educational well-being are best served if they go back to school.

Democrats Tie State IG's Ouster To Saudi Arms Sale Probe.

The AP (5/18, Lee) reports that Congressional Democrats "say the State Department watchdog fired by President Donald Trump last week was investigating possible impropriety in a massive arms sales to Saudi Arabia last year." Democrats claimed yesterday that Steve Linick was "probing how the State Department pushed through a $7 billion Saudi arms sale over congressional objections." Rep. Eliot Engel (D-NY), the chairman of the House Foreign Affairs Committee, "said he was troubled that Linick was sacked before the completion of the Saudi investigation," which Engel "had called for...after" Secretary of State Pompeo "in May 2019 invoked a rarely used provision in federal law to bypass a congressional review of arms sales to Saudi Arabia and the United Arab Emirates."

Reuters (5/18, Zengerle) reports Sen. Bob Menendez (D-NJ), ranking member on Senate Foreign Relations, also "said Linick had been investigating Trump's declaration of a national emergency last year to clear the way for $8 billion in military sales, mostly to Saudi Arabia." According to Reuters, Trump "infuriated many members of Congress last May, including some fellow Republicans, by declaring a national emergency related to tensions with Iran in order to sidestep Congressional review of $8 billion in military sales." Reuters notes that both the House and Senate "passed resolutions to block the sales." The Hill (5/18, Bolton, 2.98M) indicates that Sen. Chuck Grassley (IA), "the most senior Republican in the Senate, is" also "pressing...Trump to explain why he fired the State Department inspector general, noting that Trump's notice on Friday that he would remove...Linick...did not include an explanation as required by law." Grassley "in a letter to Trump Monday warned inspectors general 'should be free from partisan political interference, from either the Executive or Legislative branch.'"

To Politico (5/18, Desiderio, Levine, 4.29M), "Senate Republicans find themselves in a familiar place: steamrolled by...Trump's purge of government watchdogs and offering little indication of how they plan to stop him." The Washington Post (5/18, Sonmez, 14.2M) reports "the letter from Grassley came amid criticism from Senate Minority Leader Charles E. Schumer (D-N.Y.), who accused the Iowa Republican and other GOP senators of staying quiet out of fear of Trump." Said Schumer on the Senate floor, "Where are my Republican colleagues in the Senate? ... They are so afraid of President Trump they ... cling, almost, to his ankles."

To NBC Nightly News (5/18, story 8, 0:55, Holt, 7.19M), "There is bipartisan outcry...after President Trump fired another independent watchdog who was scrutinizing his Administration." NBC (Mitchell) added, "For the fourth time in six weeks, the President has fired an independent government watchdog." Pompeo is "saying that the firing was not retaliation, which would be illegal." In a phone interview with the Washington Post (5/18, Morello, 14.2M), Pompeo said, "I went to the president and made clear to him that Inspector General Linick wasn't performing a function in a way that we had tried to get him to, that was additive for the State Department, very consistent with what the statute says he's supposed to be doing. ... The kinds of activities he's supposed to undertake to make us better, to improve us." Added Pompeo, "I actually know how that works. ... I had an IG at the CIA, not the IG that I had chosen but an IG that was there before me. He did fantastic work. He made us better. Linick wasn't that."

The Washington Times (5/18, Howell, 492K) reports that the President said yesterday "he fired the State Department's inspector general at...Pompeo's request and it 'should have been done a long time ago' because the official was a holdover from the Obama era." Said Trump, "I was happy to do it, Mike requested that I do it. ... He's an Obama appointment and he had some difficulty."

ABC World News Tonight (5/18, story 5, 1:45, Raddatz, 8.52M) asked, "So why did Pompeo fire Linick? He said Linick was not performing the way he wanted him to, and was not additive for the State Department." The New York Times (5/18, Wong, Sanger, 18.61M) reports, however, that "it remains unclear exactly what prompted the firing of Mr. Linick, since the inspector general's office conducts multiple, simultaneous investigations into the activities of the State Department and its officials." The Times adds "a State Department spokeswoman said the department could not comment on any open investigations by the inspector general, but noted that even with Mr. Linick's departure, investigations would be continued by an acting inspector general." Trump "appointed Ambassador Stephen J. Akard, the director of the Office of Foreign Missions, for that role." Akard, "an associate of Vice President Mike Pence, failed to get congressional support for a top State Department job under Mr. Pompeo's predecessor."

USA Today (5/18, Cummings, 10.31M) reports, meanwhile, that an anonymous "Democratic aide...said the inspector general was probing allegations that Pompeo used a political appointee at the State Department 'to perform personal tasks for himself and Mrs. Pompeo.'" Likewise, Politico (5/18, Desiderio, 4.29M) reports that "the revelation adds another layer to Trump's decision to sack...Linick, who was also looking into claims that...Pompeo and his wife improperly directed political appointees to run personal errands for him, including walking his dog and picking up his dry cleaning."

Commenting on that allegation, USA Today (5/18, Behrmann, 10.31M) reports, "Trump said Monday he preferred for government employees to wash...Pompeo's dishes if his wife or child weren't present, to allow him to do his work." Said the President, "And now I have you telling me about dog walking, washing dishes and, you know what, I'd rather have him on the phone with some world leader than have him wash dishes because maybe his wife isn't there or his kids aren't there, you know." Bloomberg (5/18, 4.73M), The Hill (5/18, Kelly, 2.98M), Washington Examiner (5/18, Halaschak, 448K) and McClatchy (5/18, Wilner, Lowry, 19K), among other news outlets, also cover Linick's investigations and his ouster.

The Washington Post (5/18, 14.2M) editorializes that the "blunt dismissal of a nonpartisan official whose job it is to provide an independent evaluation of just the sort of allegations Mr. Pompeo was facing would be shocking – if it were not just the latest step in a campaign by Mr. Trump to eliminate accountability across the federal government." The Post adds that "Congressional Democrats have

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promised an investigation of Mr. Linick's firing," but "the question, as always, for...Republicans is whether they will insist that Mr. Trump observe the rule of law – or simply roll over once again."

Clinton Campaign Criticized Linick's In 2016 Over Email Probe. The New York Post (5/18, Fredericks, 4.57M) reports that Linick "was the target of an earlier accusation that he engaged in partisan politics – from Hillary Clinton when she was running for president in 2016." Clinton's campaign "in 2016 attacked...Linick for criticizing her use of a private email server and allegedly leaking negative stories about her to the press." Clinton campaign chair John Podesta "said then that the anonymous source's accusations in one article" about Clinton's email use "raised 'serious questions about the independence of this office.'"

Trump Responds To "Loser" Romney's Criticism Of IG Firings.

The Washington Post (5/18, Wagner, 14.2M) reports that President Trump, "following sharp criticism by Sen. Mitt Romney over firing inspectors general," yesterday "attacked the Utah Republican as a 'LOSER' and shared a video montage of contrasting news coverage of their respective presidential election nights." On Saturday, Romney tweeted, "The firings of multiple Inspectors General is unprecedented; doing so without good cause chills the independence essential to their purpose." According to the Post, "The video included in Trump's Monday morning tweet showed news coverage of a dejected Romney as results rolled in on election night in 2012," and "also included coverage of Trump prevailing four years later...and later being sworn into office." The Washington Times (5/18, Boyer, 492K) also reports Trump "called...Romney a 'loser; Monday after the Utah Republican criticized the president's firing of government watchdogs." Romney was "the only Senate Republican to vote to convict the president in his impeachment trial."

Senate Panel To Vote On Ratcliffe Nomination Today.

The Hill (5/18, Carney, 2.98M) reports, "The Senate Intelligence Committee will vote Tuesday on Rep. John Ratcliffe's (R-Texas) nomination to be the next director of national intelligence." Senate Majority Leader Mitch McConnell "announced the committee vote from the floor on Monday," saying, "This role is essential for monitoring and countering evolving threats from Russia to China to terrorist groups and for ensuring the intelligence community's important work is not tainted by partisan bias or political weaponization." The Washington Examiner (5/18, Ferrechio, 448K) indicates that "if confirmed by the Senate, which appears all but certain, Ratcliffe will take over for acting Director of National Intelligence Richard Grenell."

Personnel Changes At DEA And DC US Attorney's Office Draw Scrutiny.

The AP (5/18, Balsamo) reports that Tim Shea, "the US attorney who oversaw the reversal of a sentencing recommendation for Trump ally Roger Stone and the motion to dismiss charges against ex-national security adviser Michael Flynn," has been chosen to be the next administrator of the Drug Enforcement Administration. Shea "will be replaced be Justin Herdman, the US attorney in Cleveland, who will move into the role as top federal prosecutor for the District of Columbia." DEA Administrator Uttam Dhillon "will take on a role as a senior official at the Justice Department."

The Washington Post (5/18, Hsu, Alexander, 14.2M) reports that Attorney General Barr "has installed a new top deputy at the federal prosecutor's office in Washington, raising concerns that a key US attorney's office handling multiple investigations of interest to President Trump is becoming further politicized." According to the Post, "The arrival of Associate Deputy Attorney General Michael R. Sherwin – who won the conviction of a Chinese trespasser at Trump's Mar-a-Lago Club in Florida in September – has triggered new accusations that Justice Department leaders are bypassing career prosecutors in the office and intervening in cases favoring the president's allies." The Post adds Barr "selected Sherwin, a career U.S. prosecutor from Miami who specializes in national security cases, after first meeting and being impressed by him during the investigation of a deadly December shooting at a naval air station in Pensacola." Reuters (5/18, Lynch), Politico (5/18, Oprysko, 4.29M) and Washington Examiner (5/18, Yilek, 448K), among other news outlets, also report the story.

Whitaker: "Pockets" Of Career DOJ Employees Worked To Undermine Trump Agenda.

The Washington Times (5/18, Mordock, 492K) reports, "Former acting Attorney General Matthew Whitaker says he saw firsthand how 'pockets' of career Justice Department bureaucrats worked to undermine President Trump's immigration and health care agendas." Whitaker "said efforts to foil the president's plans went beyond the well-known, top-level officials at the FBI and Justice Department who pushed the Russian collusion allegations to include a cabal of lower-level bureaucrats working against Mr. Trump's agenda." Whitaker said in an interview, "There are pockets. I did see this especially on immigration policy where it was really hard to move the ball." Whitaker "detailed his experiences battling the 'deep state' in a new book, 'Above the Law,' which is scheduled for release Tuesday."

Brookings Researchers Document "Extraordinary" Trump White House Turnover.

Politico (5/18, Cook, 4.29M) reports that the White House is "seeing a historic pace of turnover among its highest-ranking aides, a musical chairs environment as the president faces his greatest leadership test and the biggest threat to his 2020 campaign. ... Trump's top officials – influential roles in the executive office of the president – have had a turnover rate of 86 percent since Trump took office, according to research by Brookings Institution senior fellow Kathryn Dunn Tenpas." Politico adds, "In new findings, Tenpas calls the rate of turnover for 11 pandemic-related positions in the administration from Trump's inauguration until December 2019 'extraordinary.'" Politico notes that "one of

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the key pandemic jobs, the deputy national security adviser, has been held by six separate Trump officials in less than three years, according to Tenpas' research."

Biden Would Rescind Keystone XL Permit If Elected.

Politico (5/18, Lefebvre, 4.29M) reports the Biden campaign indicated yesterday that the former vice president would "rescind" President Trump's permit "allowing the Keystone XL oil pipeline to cross the border into the US, a move that would effectively kill the controversial project." Politico says "Biden's opposition...raises the stakes for the TC Energy's efforts to start construction on the cross-border portion of the pipeline this year that would carry 830,000 barrels of crude oil from Canada to the US." Reuters (5/18, Inc.) recalls that "Trump, a Republican, had made building the pipeline a central promise of his presidential campaign," whereas "Biden was vice president in the Obama administration when it rejected the project as contrary to its efforts to combat climate change."

The Washington Post (5/18, Viser, Grandoni, 14.2M) reports Biden's "renewed opposition to the project is likely to make it a flash point in the November election, again testing the popularity of Trump's drive to reverse Obama-era environmental policies."

Esper To Deliver "Virtual" Keynote Address As Naval Academy Graduation.

The Washington Times (5/18, Glenn, 492K) reports, "Secretary of Defense Mark Esper will give a pre-recorded keynote address during a 'virtual' graduation ceremony on Friday at the US Naval Academy in Annapolis." The Times adds "the virtual ceremony will include segments from five in-person swearing-in events at the Academy that began on May 12 and will run through May 20."

McConnell Names Rubio As Acting Chair Of Senate Intel Committee.

USA Today (5/18, King, Hayes, 10.31M) reports "Sen. Marco Rubio has been named the acting chair of the Senate Intelligence Committee, replacing North Carolina GOP Sen. Richard Burr, who stepped aside while he's under federal investigation for stock sales made ahead of a coronavirus-driven market crash." Senate Majority Leader Mitch McConnell "handed Rubio the gavel on Monday, calling the Florida Republican a 'talented and experienced' leader and noted his work on subjects ranging from China and Iran to Russia and North Korea." The Washington Post (5/18, Cassata, 14.2M) calls Rubio "a national security hawk who had been widely expected to take over the committee once Burr retires," and the Washington Times (5/18, Meier, 492K) indicates "McConnell said he is 'glad' Mr. Rubio accepted the offer to serve as acting chair and cited his 'care for our nation's security, advocacy for our values and interests, and vigilance toward threats have earned a national reputation.'"

Hill Says She "Cried" After "Devastating" Democratic Loss In CA25.

The Daily Caller (5/18, Olohan, 716K) reports "former Democratic California Rep. Katie Hill said Sunday that she cried for days when Republicans flipped her old congressional seat, calling the loss 'f[***]ing devastating.'" Hill "tweeted Sunday after Republican former Navy pilot Mike Garcia flipped Hill's old seat red in the May 12 special election." Wrote Hill, "So yeah it really hurt to have my old seat flip back to Republican-for a ton of people & also for me. In fact, it was pretty f[***]ing devastating. I went offline & cried for a few days but, as always, getting ready to stand back up & keep fighting. Hope you are too."

NYTimes Analysis: Justice Thomas "Symbol Of The Trump Era."

Under the headline "Passed By For Decades, Clarence Thomas Is A New Symbol Of The Trump Era," the New York Times (5/18, Casey, 18.61M) reports, "Among certain conservatives, an idea has started to take hold: Could Justice Clarence Thomas ever be the kind of pop-culture icon to his followers that Justice Ruth Bader Ginsburg has become to hers?" Thomas, "the Supreme Court's most conservative member, is catching up in his own way at age 71," and "is newly in the public eye (or ear) as he regularly asks questions during oral arguments that are being conducted by conference call and broadcast live during the pandemic."

Secret Service Investigating Unemployment Fraud Scheme.

The CBS Evening News (5/18, story 4, 1:50, O'Donnell, 5.14M) reported on a "sophisticated international crime ring" that is "stealing hundreds of millions of dollars in unemployment benefits intended for Americans who have lost jobs during the pandemic. US authorities say many victims of the fraud are first responders, government workers, and school employees." CBS (Pegues) said it "has confirmed that the Secret Service is investigating a multimillion dollar fraud scheme led by a criminal organization with ties to Nigeria, targeting the unemployment insurance system." According to the Secret Service alert, "there are cases in Washington state, Florida, North Carolina, Massachusetts, Rhode Island, Oklahoma, and Wyoming."

Journalists Miss Reference In Name Of Trump Camp's Web Site Attacking Biden.

The Washington Examiner (5/18, Larsen, 448K) reports, "A Trump campaign parody website that mocked one of Joe Biden's verbal stumbles caused confusion among journalists and commentators who did not understand the reference. The website and first video revealed Monday is titled 'Truth over Facts,' which a press release described as 'an investigative website aimed at uncovering the truth behind Joe Biden's never-ending, seemingly incomprehensible statements during his third, plodding campaign for president.' ... The title of the project is a

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reference to when" Biden, visiting Iowa in August of last year, said while criticizing President Trump, "We choose truth over facts." The Examiner adds, "Some journalists and commentators," including Vox's Ezra Klein and CNBC's Christina Wilkie, among others, "appeared to not get the reference, mistaking it to be a literal extension of...Trump's attacks on reporters and news outlets or a rejection of facts."

On its website, Fox News (5/18, Steinhauser, 27.59M) reports, "The video – made to look like a television investigative report – is hosted by Trump campaign communications director Tim Murtaugh, who's a former local TV anchor and reporter. 'The American people deserve to know the truth behind Joe Biden's delirious and nonsensical claims on the campaign trail,' Murtaugh said. 'When he's mangling the text of the Declaration of Independence or calling someone a 'lying, dog-faced pony soldier,' is he really speaking a language that only he and a select group of others understand?'"

Biden Tabs Trump "President Tweety."

Breitbart (5/18, Alic, 673K) reports that Joe Biden "took a shot at President Donald Trump's relentless social media use on Monday by wryly attempting to christen him 'President Tweety.' Biden, who just last week claimed he was resisting giving the president a nickname, floated the new epithet during a video appearance before the AAPI Victory Fund, a Super PAC working to mobilize Asian American voters ahead of the 2020 election. 'Trump is out there tweeting again this morning, I call him 'President Tweety,'' Biden said" before blasting "Trump's push to reopen the economy amid the COVID19 pandemic. 'How are we supposed to [reopen] if you're sitting on the money small businesses need in order to stay alive?' 'Stop tweeting about it,' the former vice president added. 'Get the money out to main street now.'"

NYTimes Analysis: Trump Campaign Trying To Depress Minority Voter Turnout.

The New York Times (5/18, A1, Wines, 18.61M) reports that "the Republican Party, the Trump campaign and conservative activists are mounting an aggressive national effort to shape who gets to vote in November – and whose ballots are counted." The Times says that the GOP "program, which has gained steam in recent weeks, envisions recruiting up to 50,000 volunteers in 15 key states to monitor polling places and challenge ballots and voters deemed suspicious." There is "a $20 million plan that also allots millions to challenge lawsuits by Democrats and voting-rights advocates seeking to loosen state restrictions on balloting." The Times says "its premise is that a Republican victory in November is imperiled by widespread voter fraud," but "Democrats and voting rights advocates say the driving factor is politics, not fraud – especially since [President] Trump's narrow win in 2016 underscored the potentially crucial value of depressing turnout by Democrats, particularly minorities."

Battleground-State Republicans Worried About Trump's Reelection Prospects.

Politico (5/18, Isenstadt, 4.29M) reports that "among swing-state Republicans" there is "widespread apprehension" regarding President Trump's re-election prospects. Politico says, "Many fret that Trump's hopes are now hitched to the pandemic; others point to demographic changes in once-reliably red states and to the challenge of running against a hard-to-define Democratic opponent who appeals to a wide swath of voters." Politico says "most of the GOP's attention is focused on a trifecta of Rust Belt states that catapulted Trump to the presidency, but where he now trails," and "Republicans, including Trump's own advisers, are most concerned about Michigan. A Fox News survey taken last month showed Biden leading by 8 percentage points." Politico adds, "Two recent internal Republican surveys similarly had Trump trailing, but by smaller margins."

McClatchy Analysis: Return Of Arpaio May Hurt Trump In Arizona. McClatchy (5/18, Catanese, 19K) reports that as Trump seeks reelection, "Joe Arpaio is back, mounting a campaign for his old job as sheriff of Maricopa County – the nation's fourth-most populous county that could determine the outcome of the presidential election not just in Arizona, but nationally. Republicans are warily eyeing the return of the 87-year-old Arpaio, who was pardoned by the president in 2017 for defying a court order and still calls Trump his 'hero.' Democrats, meanwhile, view Arpaio's crushing 13-point loss in 2016 as a harrowing omen for Trump this fall in a state that is quickly emerging as one of the most competitive 2020 battlegrounds." McClatchy says "the possibility of Arpaio reappearing on the Republican ticket with Trump could further alienate the moderate suburban women and voters of color Democrats need to mobilize to win Arizona for the first time since 1996."

Polls Show Trump Holds Voter-Enthusiasm Edge Over Biden.

The Washington Examiner (5/18, Ross, 448K) reports that polling shows "enthusiasm among Republicans surrounding [President Trump's] 2020 reelection campaign remains very high," while Joe Biden has been "struggling to stoke passion among the Democratic Party faithful." The Examiner says that a Rasmussen poll out last week found that among "Republicans, 70% believe Trump should be the nominee compared to 23% who believe another should take his place." Among Democrats, "54% believe Biden should be the nominee relative to 28% who would prefer someone else. A whopping 18% of likely Democratic voters remain unsure. ... At the end of March, an ABC News-Washington Post poll revealed that '74 percent of those supporting Biden are doing so enthusiastically, compared to 86 percent of Trump supporters.' And an April Emerson College poll showed that Republican voters are far more excited about voting for Trump than Democratic voters are for Biden."

WTimes Analysis: 2020 Race Becomes Obama-Trump Battle, With Biden In The Background. The Washington Times (5/18, McLaughlin, 492K) reports, "Forget about Joseph R. Biden. The race for The White House in 2020 looks more and more like a contest

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between President Trump and his predecessor Barack Obama," who "has returned to politics with a vengeance, inserting himself in ways previously unthinkable for those who have occupied the Oval Office and calling his successor a lawless incompetent." In doing so, says the Times, Obama "has upstaged his former sidekick and shifted the narrative of the 2020" contest "from 'Biden takes on Trump' to 'Obama era versus the Trump years.' It's a recast of the contest welcomed by Mr. Trump, who is more than happy to talk about how his administration's efforts have been held back by the failings and political machinations of" Obama "on everything from the economy to the coronavirus pandemic to the Russia investigation."

Under the headline "Obama's Trump Attacks Electrify Democrats, Anger GOP," The Hill (5/18, Parnes, 2.98M) reports, "In recent days, Obama, with his legacy on the line, has made a point of taking on Trump head-on after remaining quiet throughout much of the president's time in office. 'It basically amounts to more than three years of staying quiet and remaining on the sidelines building to this moment of 'Hey Trump, we're over your [expletive],'' an Obama administration aide said of the former president's recent actions." The Hill adds, "Democratic strategists say Obama's public remarks are helpful to Biden and the party because they believe they draw a favorable contrast between his administration and Trump's White House." However, Trump "seems happy to have Obama as his main foil in the general election. He knows this election isn't just a referendum on his own White House but with Biden on the ballot, it is also about Obama's administration."

RNC Chief McDaniel: "We Will Not Be Holding A Virtual Convention."

The AP (5/18, Riccardi) reports that RNC chief Ronna McDaniel "said Monday that the party 'will not be holding a virtual convention,' pledging that the presidential nominating convention in late August will be conducted at least partly in-person. The coronavirus outbreak forced Democrats to move their convention from July to August, and it's still unclear whether that event will be entirely online. On a call with reporters about election lawsuits, McDaniel initially demurred when asked about the GOP gathering, slated for Aug. 24-27 in Charlotte, North Carolina." She said, "It's quite a ways away, and there's ample time for us to adjust, if necessary." However, "in response to a question about the Minnesota Republican Party's online convention possibly being disrupted by hackers, McDaniel said: 'We will not be holding a virtual convention.'"

The Hill (5/18, Klar, 2.98M) reports, "In April McDaniel said the GOP was 'full steam ahead' with a planned full-scale convention, renouncing an NBC report at the time that alterations were being considered." The Washington Examiner (5/18, Halaschak, 448K) reports, "In April, McDaniel said the process was still 'full steam ahead.' 'A virtual convention is not on the table for us. So, no matter what, we will be having a physical convention – or a physical nominating process,' she told the Washington Examiner at the time."

NYTimes Report: "Vast Majority" Of Democratic Delegates Don't Want To Attend Convention. The New York Times (5/18, Epstein, 18.61M) reports that "three months before their national convention is to kick off in Milwaukee, Democratic Party officials are planning for three scenarios depending on the severity of the coronavirus pandemic at the time," and "many of the delegates don't want to go." The Times says, "Interviews with 59 members of the Democratic National Committee and superdelegates...found that the vast majority of them don't want to risk their own health or the health of others by traveling to Milwaukee and congregating inside the convention facilities," and "even those who plan to go had reservations." The Times adds that Democratic officials "have outlined three contingencies, people familiar with the planning say: a full convention, if health conditions permit; a mostly virtual convention that features a limited in-person presence in Milwaukee, or an entirely remote convention."

Latest Hires Will See RNC With 1,100 Staff Members In Critical 2020 States.

In an online article, Fox News (5/18, Steinhauser, 27.59M) reports, "The RNC on Monday announced the hiring of 300 additional staffers for Trump Victory, which is the joint field effort between the national party and the Trump reelection campaign. The new wave of people – who will be deployed by June – will bring to 1,100 the number of staffers in nearly two-dozen states being targeted in November's general election." RNC chief of staff Richard Walters is quoted as saying, "The RNC continues to invest in the most expansive data-driven field program, digital operation and party infrastructure in history. These unprecedented efforts are building a political juggernaut that will deliver Republican victories up and down the ballot in November, starting with President Trump." Axios (5/18, Allen, 521K) briefly reports on the story.

Once Confident Liberals Suffer String Of Setbacks In Democratic Party.

Politico (5/18, Thompson, 4.29M) reports, "On the eve of the Nevada caucuses in February, Bernie Sanders and his supporters were feeling invincible," with the Vermont Senator writing in a tweet, "I've got news for the Democratic establishment. They can't stop us." Politico says, "Since then, not only did the 'establishment' stop Sanders – it stamped out the candidacies of a string of left-wing insurgents, leaving the progressive movement reeling and in a state of despair." Politico adds, "The abrupt reversal of fortune has prompted introspection among many left-wing activists, who only three months ago were confident that the future of the Democratic Party was theirs."

Wall Street Executives Lobbying For Top Defense, Treasury Posts In A Biden Administration.

Bloomberg (5/18, 4.73M) reports that "Wall Street's Democratic insiders, who have been cutting checks and winning access for decades, say they have plenty of sway in" Joe Biden's "orbit, despite his very public wooing of the progressive left. Some finance veterans have even begun to think about the spots they might land in Washington if Biden wins." Bloomberg adds, "If Biden wins in November, one top Wall

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Street executive is hoping to get a position in the Defense Department, and a veteran of a global bank wouldn't be interested in anything but the top Treasury spot, they said, asking not to be named."

Attorney For Reade Sends "Cease And Desist" Letter To Critic.

Politico (5/18, Korecki, 4.29M) reports that an attorney for Tara Reade, a former aide to then-Sen. Joe Biden who has accused Biden of sexually assaulting her in 1993, "have sent a 'cease and desist' letter to one of her most outspoken critics, the owner of a not for profit who has publicly accused Reade of being 'manipulative' and 'a liar.' Lynn Hummer, the owner of Pregnant Mare Rescue in Santa Cruz County, Calif. where Reade volunteered from 2014-2016, received a letter from Reade's lawyers dated May 17, calling on her to stop making comments 'to the media and online' about Reade, which they call false and defamatory." Politico says Hummer has cast "Reade as dishonest in media interviews...and on social media, accusing her of taking advantage of the not for profit. Hummer has said that Reade charged Pregnant Mare Rescue for a costly veterinarian bill that serviced Reade's personal horse."

Senate Leadership Fund Reserves Over $10M In TV Ad Time To Boost Daines.

The Washington Examiner (5/18, Drucker, 448K) reports that the Senate Leadership Fun, a super PAC run by allies of Senate Majority Leader McConnell, "is investing a sizable $10.1 million in Montana as Republicans move to rebuff the expanding Democratic threat to GOP control of the Senate." The group "is reserving television advertising to air across Montana beginning Sept. 8 that will run for the balance of the fall campaign," according to "an official with the super PAC." The move "comes on the heels of public opinion polling showing popular Gov. Steve Bullock, a Democrat, with a big lead over Republican Sen. Steve Daines less than six months ahead of Election Day."

The Hill (5/18, Wilson, 2.98M) reports that the term-limited Bullock "was a late entry into the race after his presidential campaign flamed out. His decision run has given Democrats the chance to put another seat in play as they seek to win back control. Bullock has received plaudits for a rapid response to the coronavirus crisis in Montana, where only 468 people have tested positive." Even so, Daines "will prove a formidable incumbent, especially with President Trump at the top of the ticket. Trump beat Hillary Clinton in Montana by a 20-point margin in 2016."

NYTimes Analysis: Occupy Democrats Facebook Page Counterweight To Right-Wing.

The New York Times (5/18, Corasaniti, 18.61M) reports Occupy Democrats, a Facebook page that Mexican immigrants Rafael and Omar Rivero started eight years ago, is "quickly emerging as a counterweight to the dominance of right-wing online sites." The twins have reached "a digital dominance rarely seen among liberals — one that keeps pace with viral news sites and regularly outperforms President Trump's own page, as well as the Daily Caller, Fox News and other right-wing websites or personalities." Now, "what was once a hobby between gigs has grown into a full-fledged, full-time operation with five additional staffers."

Michelle Obama And MTV To Host Virtual Proms For Graduating High School Students.

The New York Times (5/18, Hauser, 18.61M) reports that former first lady Michelle Obama is partnering with MTV to provide virtual prom celebrations for graduating high school students. The event is "being held in partnership with When We All Vote, a nonprofit, nonpartisan organization for which Ms. Obama is a co-chair, to increase voter participation in every election."

FBI: Pensacola Attacker Repeatedly In Contact With Al Qaeda During Planning.

The Pensacola (FL) News Journal (5/18, Robinson, 170K) reports "federal investigators have determined the gunman who carried out a deadly shooting at Naval Air Station Pensacola last year was in contact with al-Qaeda prior to the attack." Saudi Air Force 2nd Lt. Mohammed Alshamrani, "a Saudi-born aviation student enrolled in the international military training program, opened fire in a Navy educational facility the morning of Dec. 6, 2019. The gunman killed three people and wounded eight others before he was shot and killed by responding law enforcement." The AP (5/18, Tucker) also indicates the attacker "repeatedly communicated with al-Qaida operatives about planning in the months leading up to the attack." FBI Director Wray is quoted as saying, "He wasn't just coordinating with them about planning and tactics. He was helping the organization making the most it could out of his murders." Administration officials also "lashed out at Apple for refusing to help them open the shooter's phones so they could access key evidence." The AP adds "law enforcement officials discovered contacts between...Alshamrani and operatives of al-Qaida after FBI technicians succeeded on their own in breaking into two cellphones that had previously been locked and that the shooter...had tried to destroy before he was killed by law enforcement."

NBC Nightly News (5/18, story 7, 1:40, Williams, 7.19M) showed Wray saying, "We know enough now to see Alshamrani for what he was, a determined AQAP terrorist who spent years preparing to attack us." NBC added "US officials say information from the phones led to a recent strike targeting an AQAP terrorist in Yemen, but it took the FBI more than four months to unlock Alshamrani's phones." The CBS Evening News (5/18, story 5, 1:20, Martin, 5.14M) showed Attorney General Barr stating, "The phones contained information previously unknown to us that definitively establishes Alshamrani's significant ties to Al Qaeda and the Arabian peninsula. ... Unfortunately, Apple would not help us unlock the phones."

The Washington Post (5/18, Barrett, 14.2M) reports that Barr said yesterday, "Apple's decision has dangerous consequences for public safety and the national security," and Wray added, "We received effectively no help from Apple" when "we really needed it." Reuters (5/18,

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Lynch, Hosenball) says Barr "called on Congress to take action forcing Apple and other tech companies to help law enforcement agencies get through encryption during criminal investigations." Barr alleged that "many of the technology companies that advocate most loudly for warrant-proof encryption...are at the same time willing to accommodate authoritarian regimes." Reuters notes that in January, Saudi Arabia "withdrew its remaining 21 cadets from the U.S. military training program and brought them back to Saudi Arabia, after the Justice Department's investigation revealed that some of them had accessed child pornography or had social media accounts containing Islamic extremist or anti-American content."

The New York Times (5/18, Benner, Goldman, 18.61M) reports that in January, "when Mr. Barr designated the shooting an act of terrorism, Apple refused a Justice Department request to help open the iPhones, setting off fears that the government would seek a court order to force the company to comply." DOJ "said that it sought Apple's help in opening the phones only after other agencies, foreign governments and third-party technology vendors had failed, and it accused the company of slowing the investigation and allowing leads to go cold."

The Washington Post (5/18, Barrett, 14.2M) reports "officials declined to say how the FBI was able to access the phones, but a person familiar with the investigation said agents used a passcode-guessing machine – a process that still took months." The Post adds, "Privacy advocates charged that once again, the Justice Department had wrongly claimed their only way to get into a device was for the manufacturer to make it easier for them."

Politico (5/18, Seligman, 4.29M) points out that "despite the latest strong words, the Trump administration didn't take Apple to court to demand its cooperation in the Pensacola case," which was "in contrast to the Obama administration, which sued the company in 2016 to demand that it unlock an iPhone used by the perpetrator of a terrorist-inspired mass shooting in San Bernardino, Calif."

ABC World News Tonight (5/18, story 6, 1:30, Thomas, 8.72M) said there was a "strong push back from Apple, claiming it did help the FBI and get data from the suspect's phones. Apple said law enforcement's claims are just an excuse to weaken iPhone encryption and the privacy of consumers." The Wall Street Journal (5/18, Gurman, Volz, Subscription Publication, 7.57M), The Hill (5/18, Chalfant, 2.98M), Washington Times (5/18, Glenn, 492K) and USA Today (5/18, Johnson, 10.31M), among other news outlets, also report the story.

Trump To WSJournal Editorial Board: "I Am Not Acting Impulsively."

The Washington Post (5/18, Ryan, 14.2M) reports that in a series of tweets Monday, the President "pushed back against a May 17 Wall Street Journal editorial cautioning against abrupt decisions regarding Afghanistan."

On Twitter, President Trump wrote, "The Wall Street Journal Editorial states that it doesn't want me to act in an 'impulsive' manner in Afghanistan. Could somebody please explain to them that we have been there for 19 years, and while soldier counts are way down now, hardly impulsive. Besides, the Taliban is... mixed about even wanting us to get out. They make a fortune $$$ by having us stay, and except at the beginning, we never really fought to win. We are more of a police force than the mighty military that we are, especially now as rebuilt. No, I am not acting impulsively!"

RCP Average Has Trump's Job Approval At 46.3%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 46.3%, and his disapproval at 51.8%. The President's approval is down 0.1 since yesterday; his disapproval is up by 0.3.

A Rasmussen poll of 1,500 "likely voters" (5/13-5/17) finds Trump's approval at 48%, and his disapproval at 51%.

A Harvard-Harris survey of 1,854 "registered voters" (5/13-5/14), meanwhile, has the President's job approval at 47%, with 53% disapproving.

Financial International News

IMF Head Says Poor Countries Reluctant To Embrace G20 Debt Relief Over Credit Rating Concerns.

Reuters (5/18, Shalal) reports IMF Managing Director Kristalina Georgieva said debt relief program backed by the G20 is giving pause to the world's poorest countries who fear it may harm their credit ratings and risk their market access in the future. Georgieva "told Reuters she was not pushing countries to seek suspension of debt payments from official bilateral creditors, but wanted them to have the option to free up funds to fight the new coronavirus pandemic."

Reuters (5/18, Shalal) reports Georgieva, in an interview, said the recovery will likely take much longer than expected, stressing the danger of protectionism. Georgieva "said the Fund was likely to revise downward its forecast for a 3% contraction in GDP in 2020, with only a partial recovery expected next year instead of the 5.8% rebound initially expected." Georgieva, in the interview, "said data from around the world was worse than expected," adding, "Obviously that means it will take us much longer to have a full recovery from this crisis." Georgieva "gave no specific target date for the rebound."

Lagarde Pledges ECB Will Continue QE Despite German High Court Ruling.

Bloomberg (5/18, Gordon, 4.73M) reports ECB President Christine Lagarde on Monday "said she'll continue with the institution's bond-buying programs despite Germany's top court questioning the legality of one of them." Lagarde said, "I am not at all worried, not about the program

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linked to the pandemic, and not about the previous program, under which the Eurosystem has been purchasing bonds since 2015. ... We remain undeterred in delivering on our price stability objective." Lagarde added, "All national central banks should fully participate in the determination and implementation of monetary policy in the euro area. Each national central bank in the euro area is independent and cannot take instructions from governments. This is laid down in the Treaty."

French Foreign Ministry Says Push For Digital Tax Will Happen Only If OECD Process Collapses.

Law360 (5/18, Thompson, Subscription Publication, 8K) reports France "will forge ahead with its planned digital services tax only if the Organization for Economic Cooperation and Development fails to agree on a plan for taxing digital giants by 2021, the French finance ministry confirmed to Law360 on Monday." A ministry representative said France maintains its firm commitment to the OECD's push to design digital tax rules.

Comments From BOE Officials Suggest Openness To Negative Rates.

Reuters (5/18, Schomberg) reports, "A chorus of comments from top officials at the Bank of England about negative interest rates has revived talk that the British central bank might resort to cutting borrowing costs below zero to cushion the economy from the coronavirus shutdown." Investors on Monday "began to price in the possibility" of the BOE taking rates below zero after Chief Economist Andy Haldane on Sunday "said the central bank was looking more urgently at negative interest rates as well as at buying riskier assets." Rate-setter Silvana Tenreyro said Monday, citing the experience of other European countries, "that negative rates have had a positive effect in the sense of having a fairly powerful transmission to real activity."

Leading International News

WHO To Launch Investigation Of Its Handling Of Pandemic.

The AP (5/18, Keaten, Cheng) reports the World Health Organization on Monday "bowed to calls...from most of its member states to launch an independent probe into how it managed the international response to the coronavirus." According to the AP, the "comprehensive evaluation," sought by a coalition of countries, "is intended to review 'lessons learned' from WHO's coordination of the global response...but would stop short of looking into contentious issues such as the origins of the new coronavirus."

President Trump appeared to express support for the move yesterday tweeting, "We are with them!" The tweet included a post from Australia's SBS News, which reported, "India, Japan, Britain, Canada, New Zealand, Indonesia, Russia, and all 27 EU member states are backing Australia's push for a probe into the COVID-19 pandemic." Trump also tweeted a copy of a letter he sent to WHO Director-General Tedros Adhanom Ghebreyesus outlining what he called "missteps" by the UN agency and threatening to make US funding cuts permanent if they are not addressed.

The Washington Post (5/18, Shih, 14.2M) reports that "for weeks China had been anticipating, and bitterly opposing," the calls for an international probe. However, according to the Post, "China's opposition has melted in recent days as international support for an inquiry grew to include Russia, Turkey and European and African countries, and as drafts of the proposed resolution showed a focus on international collaboration to manage the pandemic, with relatively limited emphasis on questioning its source." The Post says "the draft resolution, submitted by the European Union on Monday and supported by more than 100 nations, does not mention Wuhan or China."

The New York Times (5/18, A1, Jacobs, Shear, Wong, 18.61M) says the WHO meeting "that was supposed to chart a path for the world to combat the coronavirus pandemic instead...turned into a showcase for the escalating tensions between China and the United States over the virus." Reuters (5/18, Nebehay, Farge) reports HHS Secretary Azar, who addressed the meeting via video, "decried" what he called an "apparent attempt to conceal this outbreak by at least one member state.'" Azar "did not mention China by name, but made clear Washington considered the WHO jointly responsible." Azar is also quoted as saying, "We must be frank about one of the primary reasons this outbreak spun out of control. There was a failure by this organization to obtain the information that the world needed, and that failure cost many lives."

USA Today (5/18, Hjelmgaard, 10.31M) reports says Azar also "criticized the WHO's failures during the coronavirus outbreak," saying that it had cost "many lives."

Azar later said on Fox News' America's Newsroom (5/18, 896K) that "at the President's request" he delivered "an extremely stern warning and message to the World Health Organization today, which is that they are in need of significant structural reform. They've got to be held accountable. There needs to be an independent investigation of them." The Washington Times (5/18, Meier, 492K) reports that for his part, "Tedros warned Monday the pandemic is far from over, and 'the risk remains high,' but he is confident that the organization 'sounded the alarm early, and we sounded it often.'"

The Washington Post (5/18, 14.2M) editorializes that under pressure, Xi "agreed to a more global review led by the WHO, one that is less likely to cast blame on China alone." The Post asks, "Where was President Trump? He and his administration were still debating whether to ax some or all of the U.S. contribution to the WHO." Secretary Azar "parroted Mr. Trump, blaming China and the WHO for the crisis, a crude scapegoating intended to divert attention from Washington's own failures. Hasn't it occurred to Mr. Trump and his advisers that, if they really want to learn how the pandemic began, it would be far better to show up for the investigation than to walk away? Mr. Xi is opening his checkbook, just as Mr. Trump is gathering up his marbles to go home."

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Trump Threatens To Permanently Stop Funding The WHO, Reconsider US' Membership. Reuters (5/19, Venkat) reports

"President Donald Trump threatened on Monday to permanently halt funding for the World Health Organization (WHO) if it did not commit to improvements within 30 days, and to reconsider the membership of the United States in the body." The President "suspended U.S. contributions to the WHO last month, accusing it of promoting China's 'disinformation' about the coronavirus outbreak, although WHO officials denied the accusation and China said it was transparent and open." Trump told the WHO's chief in a letter, "If the WHO does not commit to major substantive improvements within the next 30 days, I will make my temporary freeze of United States funding to the WHO permanent and reconsider our membership."

The Wall Street Journal (5/18, Restuccia, Lubold, Hinshaw, Subscription Publication, 7.57M) reports Trump said the WHO has demonstrated a lack of independence from China and did not properly respond to the pandemic. The article says HHS Secretary Alex Azar accused the organization of letting China hide the outbreak's severity early on.

The Hill (5/18, Samuels, 2.98M) reports Trump also said, "I cannot allow American taxpayer dollars to continue to finance an organization that, in its present state, is so clearly not serving America's interests." The Administration "is already in touch with the WHO about desired reforms, the president wrote, but he did not specify what those [reforms] would be other than to say they would have to be" made.

Politico (5/19, Choi, 4.29M) reports Trump's "letter claimed the WHO 'ignored credible reports of the virus' and accused the organization of acting in an obsequious manner toward the People's Republic of China, including shunting Taiwanese health assessments and caving into pressure from Chinese President Xi Jinping."

Also reporting on the story are Bloomberg (5/19, Fabian, Wadhams, 4.73M) and the New York Post (5/19, Garger, 4.57M).

Gaetz: Administration Considering Additional WHO Funding Cuts. The Daily Caller (5/18, Nieto, Rodgers, 716K) reports Rep. Matt Gaetz (R-FL) on Monday detailed the conversation he had with President Trump and other GOP congressional allies this weekend at Camp David. According to Gertz, the discussion "more funding cuts for WHO and investigating Chinese technology companies," according to audio obtained by the Daily Caller.

Pompeo Criticizes WHO For Excluding Taiwan. The Washington Times (5/18, Taylor, 492K) reports Secretary of State Pompeo "sharply criticized" the WHO on Monday for not granting Taiwan observer status at its virtual meeting this week, claiming the organization's director yielded to "pressure" from China not to invite Taiwan. In a statement, Pompeo said the US "condemns Taiwan's exclusion" from the annual the World Health Assembly, adding that WHO Director-General Tedros Adhanom Ghebreyesus "had every legal power and precedent to include Taiwan." Instead, Pompeo said, he "chose not to invite Taiwan under pressure from the People's Republic of China."

Xi Pledges $2B To Battle Pandemic. Reuters (5/18, Nebehay, Farge) reports Chinese President Xi Jinping addressed the WHO's annual gathering Monday and "pledged $2 billion over the next two years to help deal with COVID-19, especially in developing countries," which Reuters says "almost matches the WHO's entire annual programme budget for last year, and more than compensates for Trump's freeze of U.S. payments worth about $400 million a year."

Politico (5/18, Press, 4.29M) reports Xi "said he also supported the idea of a comprehensive review of the global response to Covid-19." However, according to the New York Times (5/18, 18.61M), Xi "appeared to brush aside calls for an independent investigation into its origins – a demand the United States has been promoting among its allies." According to the Times, Xi "said such forensics should wait until the crisis had subsided." Xi, says CNBC (5/18, Meredith, 3.62M), also "insisted that China has been open, transparent and responsible all along in providing information to the WHO and other countries, and has shared the genome sequence of the coronavirus." Politico (5/18, Wheaton, 4.29M) notes Xi said China "will treat a coronavirus vaccine developed there as a 'global public good.'"

GOP Lawmaker Pushes Back On China's Threat Against Him. Townhall (5/18, Barkoukis, 177K) reports, "Republican lawmakers haven't been shy about holding China accountable for the coronavirus pandemic." Some of the GOP-led efforts include bills like Rep. Chris Smith's Compensation for the Victims of State Misrepresentations to the World Health Organization Act of 2020, which would "waive the Foreign Immunities Act to legally empower U.S. citizens to sue the government of China for monetary damages." In response, China "threatened several Republican lawmakers last week" with "punitive countermeasures." In particular, China "singled out" Smith for being a "frequent instigator on China-related topics, particularly on so-called human rights issues." Smith, however, responded, "Sanctions will not silence me or anyone who demands genuine accountability for this horrific pandemic."

China Imposes 80% Tariffs On Australian Barley Imports. The Hill (5/18, Coleman, 2.98M) reports China imposed 80 percent tariffs on Australian barley imports, the country announced Monday, "as relations between the two nations continue to sour." The tariffs, set to begin Tuesday and "continue for five years, are expected to effectively stop billions of dollars of trade between the nations." China implemented the tariffs after "concluding an investigation, beginning in 2018, that officials said found dumping by Australia that caused damage on its domestic industry."

The AP (5/18, McGuirk) reports Australia "is seen as a leader in rallying global support for an inquiry" into China's response to the pandemic. Monday's tariffs, the AP says, mark the "first time Beijing has used access to its huge markets as leverage in its campaign to deflect blame for the outbreak."

Poor Nations Seek Restructure Loans From China Amid Pandemic. The New York Times (5/18, Abi-Habib, Bradsher, 18.61M) reports that as the coronavirus spread around the globe, "Pakistan's foreign minister called his counterpart in Beijing last month with an urgent request: The country's economy was nose-diving, and the government needed to restructure billions of dollars of Chinese loans." Similar requests have also "come flooding in to Beijing from Kyrgyzstan, Sri Lanka and a number of African nations, asking to restructure, delay repayments or forgive tens of billions of dollars of loans coming due this year." The Times says that "with each request, China's drive to

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become the developing world's biggest banker is backfiring."

Life Returning To Normal In Wuhan After Lockdown Ends. The New York Times (5/18, Wang, 18.61M) reports that "for more than two months, the people of Wuhan, China, lived under lockdown as their city buckled beneath the weight of the coronavirus." On April 8, the lockdown was lifted. Now, "the residents of Wuhan are cautiously feeling their way toward an uncertain future, some of the first in the world to do so." The Times goes on to profile four residents of Wuhan.

The CBS Evening News (5/18, story 9, 0:20, O'Donnell, 5.14M), meanwhile, reports that "a new outbreak of coronavirus in northeast China has led authorities there to reimpose stay-at-home restrictions on more than 100 million people."

The Wall Street Journal (5/18, Subscription Publication, 7.57M) editorializes that even the draconian lockdowns imposed in China were not totally effective as parts of the country are seeing a second wave.

Russia Looks To US For Medical Aid.

Reuters (5/18, Balmforth, Rodionov) reports Russia is "working on getting reciprocal medical aid from the United States, Moscow said on Monday after the country reported its lowest overnight rise in coronavirus cases since May 1." But Russia, "whose tally of 290,678 cases is the second highest after the United States, said the situation remained difficult after officials reported 8,926 new infections."

France And Germany Propose $543 Billion In Emergency EU Spending.

Reuters (5/18) reports France and Germany on Monday proposed "a 500 billion euro ($543 billion) Recovery Fund that would offer grants to European Union regions and sectors hit hardest by the coronavirus pandemic, pushing up the euro and bringing down Italian bond yields."

The AP (5/18) reports German Chancellor Angela Merkel and French President Emmanuel Macron "said the plan would involve the European Union borrowing money in financial markets to help sectors and regions that are particularly affected by the pandemic." The AP adds, "Crucially, the money would be disbursed in the form of grants rather than loans, with repayments made from the EU budget, an unprecedented proposal that overcomes long-standing objections in Berlin to the notion of collective borrowing."

NYTimes' Sauerbrey: Germany Faces Challenges As It Seeks To Re-Open. New York Times (5/18, 18.61M) opinion writer Anna Sauerbrey writes that Germany, for all its relative success in handling the initial outbreak and keeping a lower mortality rate than many of its neighbors, is now learning the challenges of re-opening given that "the economy is in disarray," evidenced by 10.1 million unemployed Germans currently receiving subsidies. Sauerbrey claims forecasts "suggest that the economy, which has officially entered recession, will shrink somewhere between 6 to 20 percent." This, she says, translates into nearly 100 billion euros of lost tax revenue, according to one estimate, worsening the country's debt burden.

Italy Begins New Phase Of Reopening.

NBC Nightly News (5/18, story 10, 1:10, Holt, 7.19M) reported on what it called "good news in hard hit Italy, which began a major new phase of reopening" on Monday. NBC (Bradley) added, "Cafes, restaurants, and bars [are] back open in Italy after the longest nationwide lockdown in the world. A welcome sight after a ten-week shutdown devastated the economy, but businesses hardly booming so far."

Pandemic Pushes Swedish Deaths In April To Highest Level Since 1993.

Reuters (5/18, Johnson) reports that "more Swedes died in April than in any one month since 1993, figures from the Statistics Office showed on Monday, as the outbreak of the novel coronavirus pushed the death toll higher." In Sweden, "which has stopped short of the strict lockdown measures enforced by many countries," the pandemic has caused "around 3,700 deaths since the first reported fatality in March."

The Washington Post (5/18, 14.2M) editorializes that "in terms of illness and death, it appears Sweden has paid a higher price for its approach. As of Monday, it had suffered 3,698 deaths in a country of 10 million. By contrast, Denmark, Norway and Finland, with a combined population more than 16.5 million, which all imposed tighter restrictions, have seen only 1,081 deaths."

Brazil Now Fastest-Growing Global Hotspot.

Bloomberg (5/18, Brice, 4.73M) reports Brazil is "now the world's fastest-growing coronavirus hotspot, accounting for 13% of all new cases globally in the past week. Just days after it overtook Italy and Spain in total number of cases," Brazil "claimed the No. 3 spot from the U.K., reporting 254,220 confirmed cases as of Monday." The country is also "quickly catching up to Russia, which trails only the U.S., according to data compiled by Bloomberg."

Nursing Homes Account For 81% Of Canada's Deaths.

The Washington Post (5/18, Coletta, 14.2M) reports that nursing homes "account for 81 percent of" Canada's "covid-19 deaths, according to Theresa Tam, Canada's chief public health officer, a far greater proportion than in the United States." The World Health Organization has "said half of Europe's covid-19 deaths occurred in such facilities," and "nearly 40 percent of all U.S. deaths have occurred in nursing homes, according to the Kaiser Family Foundation."

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Local Mexican Governments Resist Calls To Re-Open Until June.

The AP (5/18, Rodriguez, Verza) reports "local governments across Mexico pushed back Monday against President Andrés Manuel López Obrador's call to reopen the economy in some 300 townships that do not have active cases of coronavirus, with leaders saying they preferred to wait until June before resuming normal activities."

Qatar Threatens Up To Three Years In Prison For Refusing To Wear Mask.

The Washington Examiner (5/18, Halaschak, 448K) reports Qatar announced over the weekend that "those who go out in public without a face covering now face up to three years in prison and a fine of about $40,000." Qatar, it notes, "has one of the highest per capita rates of infection in the world."

Outgoing Israeli Defense Minister: Iran Is "Evacuating" Syrian Bases.

Reuters (5/18, Rabinovitch) reports that "outgoing" Israeli Defense Minister Naftali Bennett indicated that Iran "has begun withdrawing its forces from Syria...without offering any evidence to support his assertion." Bennett is quoted as saying, "Iran is significantly reducing the scope of its forces in Syria and even evacuating a number of bases." Reuters says Bennett "also urged his successor, Benny Gantz, to maintain pressure on Iran, adding that the trend might otherwise reverse." Reuters says Israel, "which monitors neighbouring Syria intensively, has carried out hundreds of air strikes in Syria targeting suspected arms and troop movements by Iran and the Lebanese Hezbollah guerrillas it sponsors."

New Iranian "Anti-Zionism" Law Mandates Support For Palestinian Terror Groups.

The Washington Free Beacon (5/18, Kredo, 78K) reports Iran's parliament has adopted "a wide-ranging new 'anti-Zionism' law that seeks to bolster support for Palestinian terror groups and other entities conducting terrorism against Israel." Parliament adopted what it calls a "double urgency motion that outlines the manner of confrontation on the national and international scale against the Israeli regime," according to a copy of the measure published by Iran's state-controlled media on Monday.

Iran Hit By Second Wave Of Coronavirus After Reopening.

The New York Times (5/18, Fassihi, 18.61M) reports that "when Iran began to reopen late last month, commuters packed subways and buses, young people lined up for takeout hamburgers and pizza, and traffic snarled highways." Three weeks later, however, "the country has been hit by a new surge of coronavirus cases." Iran "reopened without meeting the benchmarks recommended by health experts, such as ensuring that widespread testing and contact tracing was in place, and recording a steady drop in cases for at least several weeks." The Iranian Health Ministry "said Monday that 2,294 people had tested positive in previous 24 hours. A day earlier, that number was 1,808. In the immediate aftermath of a strict, two-week lockdown in April, the number dropped to less than 1,000 a day."

High Court: Sudan Must Pay Al Qaeda Victims $4.3 Billion.

The Washington Post (5/18, Barnes, 14.2M) reports the Supreme Court yesterday ruled that "victims of the 1998 bombings by al-Qaeda of the US embassies in Kenya and Tanzania are entitled to billions of dollars in punitive damages from Sudan." The bombings "killed 224 people and injured thousands, and courts determined long ago that Sudan enabled them by letting Osama bin Laden operate from the country and providing passports to al-Qaeda members." The Post says "a judge in Washington awarded more than $10 billion in damages, of which $4.3 billion was for punitive damages," and "the question before the court concerned a 2008 amendment to the federal Foreign Sovereign Immunities Act, which generally protects foreign governments from lawsuits but also details the exceptions to such protection," including "acts of terrorism." The AP (5/18, Gresko) points out "the more than 500 people involved in the case are mostly foreign citizens, either U.S. government employees or contractors injured in the bombings or relatives of those who died."

The New York Times (5/18, Liptak, 18.61M) reports "foreign nations are ordinarily immune from suits in American courts," but "Congress has made exceptions, including one in 1996 for acts of terrorism conducted by nations designated as state sponsors of terrorism. Under the 1996 law, plaintiffs were allowed to seek compensation for their losses but not punitive damages, which are meant to punish and deter wrongdoing." The Washington Times (5/18, Swoyer, 492K), among other news outlets, also reports the story.

Haftar's Forces Lose Control Of Key Air Base Near Tripoli.

Reuters (5/18) reports that "forces aligned with Libya's internationally recognised government took control of an air base south-west of Tripoli" on Monday "after a sustained assault, in what could be their most significant advance for nearly a year. ... Forces aligned with the Government of National Accord (GNA) had taken full control of Watiya, Osama Juweili, a top military commander, was quoted as saying by official media." The Watiya air base "has been an important strategic foothold for forces loyal to eastern-based commander Khalifa Haftar, who launched an offensive to capture Tripoli in April 2019."

The AP (5/18, Magdy) says the development "is a heavy setback" for Haftar's forces, who have been "waging a campaign for over a year to take Tripoli." The Washington Post (5/18, Raghavan, 14.2M) likewise says it is "delivering a major blow to his year-long effort to oust the government."

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US Envoy Set To Discuss US Withdrawal From Afghanistan With Taliban Officials.

Reuters (5/18, Chiacu, Brunnstrom) reports that on Sunday, US special representative for Afghanistan, Zalmay Khalilzad, "left for Doha and Kabul...to press Taliban and Afghan government officials to open peace talks that the United States hopes will allow it to withdraw from Afghanistan." Khalilzad "left one day after Afghan President Ashraf Ghani and his rival Abdullah Abdullah signed a power-sharing deal."

Pro-Beijing Lawmakers Seize Key Hong Kong Panel.

The New York Times (5/18, May, 18.61M) reports that "scuffles erupted Monday between lawmakers in Hong Kong as they debated the leadership of a committee that is to consider legislation that pro-democracy politicians fear would tighten China's control over the semiautonomous territory." According to the Times, "Hong Kong's pro-democracy camp has accused establishment lawmakers of illegitimately seizing control of the committee, which for months has been led by Dennis Kwok, a pro-democracy lawmaker. Chinese officials and pro-Beijing lawmakers have accused Mr. Kwok of blocking new legislation, including a bill that would criminalize disrespecting the Chinese national anthem." At least four pro-democracy lawmakers were "carried or dragged off the floor of the Legislative Council" by security agents.

Cruz Accuses Democrats Of "Apologizing For Communist Dictators."

The Washington Examiner (5/18, Mastrangelo, 448K) reports Sen. Ted Cruz (R-TX) "ripped Democrats for not being tougher on China and other communist dictatorships around the globe." During an interview with President Trump's "reelection campaign war room," Cruz said, "We won't prevail in that battle, that fundamental battle of systems, if we're too naive, if we're too oblivious to even be aware that there is a battle being waged, much less to stand up and defeat the Chinese aggression. One of the things that drives me crazy about Democrats is they have this nasty little habit of apologizing for communist dictators."

Jailed Saudis Hire Washington Lobbyists To Counter Crown Prince.

The New York Times (5/18, Vogel, Hubbard, 18.61M) reports that a "handful of prominent jailed Saudis and their allies, concluding they are unlikely to win release by pleading directly with their own government, are planning to press their cases in Washington, including by hiring lobbyists with connections in President Trump's orbit." The "unusual prospect of Saudis publicly airing the royal family's deep divisions comes at a challenging moment for Saudi Arabia" and Crown Prince Mohammed bin Salman. In what the Times calls "an apparent effort to exploit the situation, allies of several Saudis in recent weeks have approached Washington lawyers and consultants about legal, lobbying and public relations campaigns to push for an end to what they say is political persecution by the kingdom."

Israeli Found Guilty Of Murdering Palestinian Family.

The New York Times (5/18, Halbfinger, Rasgon, 18.61M) reports that "an Israeli settler was convicted on Monday of murdering a Palestinian couple and their young son in a racially motivated arson attack in 2015 that enraged Palestinians, drew condemnation from Israeli leaders and prompted investigators to use harsh interrogation measures normally reserved for non-Jewish terrorism suspects." Amiram Ben-Uliel, 25, was found guilty "of planning and carrying out the firebombing, which mortally wounded Saad and Riham Dawabsheh and killed their 18-month-old son, Ali." The couple's other son, "who was 5 at the time, was badly injured but survived." Prosecutors "said a life sentence was mandatory in premeditated murder cases and that they would ask for additional prison time."

The Washington Post (5/18, Eglash, 14.2M) identifies Ben-Uliel as a "Jewish extremist," and "son of a prominent West Bank rabbi," notes that although he was found guilty on "three counts of murder and two counts of attempted murder," the court "stopped short of finding the perpetrator guilty of membership in a terrorist organization."

Trump Commemorates 100th Anniversary Of Saint John Paul II's Birth.

President Trump took to Twitter yesterday to write, "Today we commemorate the 100th Anniversary of the birth of Saint John Paul II. HAPPY BIRTHDAY!"

Housing

GSEs Looking For Financial Advisors To Assist Recapitalization And Exit From Conservatorship.

According to a potentially paywalled piece from Bloomberg (5/18, Hamilton, 4.73M), "Fannie Mae and Freddie Mac are seeking to hire financial advisers to help them through their eventual exits from U.S. control." The advisers will help bring the GSEs through "steps that are necessary to leave federal conservatorship, including formulating strategies for recapitalizing the companies and revamping their business plans, the mortgage giants said in statements released Monday." Bloomberg adds that the "announcements show that Fannie and Freddie are still working to leave conservatorship even as the coronavirus crisis sends shockwaves through the housing market and broader U.S. economy." Freddie Mac CEO said that the search for an adviser marks a "significant milestone" for Freddie. Meanwhile, Fannie Mae CEO Hugh Frater said that the GSE is ensuring a "responsible exit." Both GSEs reportedly "said the financial firms they hire will work closely with their regulator, the Federal Housing Finance Agency. FHFA retained Houlihan Lokey Inc. in February to advise it on ending the

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conservatorships. FHFA Director Mark Calabria has said since last year that he expected Fannie and Freddie would need to hire their own advisers."

American Banker (5/18, Lang, Subscription Publication, 31K) reports Brickman said, "Even as we work to stabilize the housing markets during this unprecedented pandemic, Freddie Mac has remained focused on exiting conservatorship responsibly. Today we begin the competitive selection process for a financial advisor that will ultimately facilitate our return to full private capital ownership. This is a significant milestone, and we look forward to making a thoughtful selection quickly." Reuters (5/18) reports, "Fannie Mae said it would issue a request for proposals to hire an underwriting financial advisor, while Freddie Mac said it has begun the request for proposal process."

HousingWire (5/18, Howley, 23K) reports, "For the record, putting shares of Fannie Mae and Freddie Mac up for sale wouldn't be "initial public offerings," because Fannie Mae began trading on the New York Stock Exchange in 1968, and Freddie Mac began trading on the same exchange in 1989. The "offering" would be the 80% of Fannie Mae and Freddie Mac preferred stock held by the federal government since 2008. The remaining 20% trades over-the-counter. The size of the share offering may be as high as $200 billion, which would make it the largest offering in history." DS News (5/18, Welborn) reports, "FHFA Director Dr. Mark Calabria told FOX Business late last year that Fannie Mae and Freddie Mac are building the capital necessary to get out of conservatorship, but there is still a little way to go."

Also reporting are National Mortgage Professional (5/18) and Seeking Alpha (5/18, Kiesche, 512K).

FHFA: GSEs Completed 8,836 Foreclosure Prevention Actions In February.

DS News (5/18, Welborn) reports that Freddie Mac and Fannie Mae "completed 8,836 foreclosure prevention actions in February, according to the latest data from the Federal Housing Finance Association (FHFA). This brings the total to 4,424,910 since the start of the conservatorships in September 2008. Over half of these actions have been permanent loan modifications." According to DS News, "With a surge in foreclosures expected post-forbearance due to COVID-19, foreclosure and eviction moratoriums backed by Fannie Mae, Freddie Mac, and the Federal Housing Administration (FHA) have been extended to June 30. Deadlines for all foreclosure and eviction moratoriums were set to expire on Sunday." FHFA Director Mark Calabria said, "During this national health emergency, no one should be forced from their home. Extending the foreclosure and eviction moratoriums protects homeowners and renters with an Enterprise-backed mortgage and provides certainty for families."

Despite CARES Act's Forbearance Options, Servicers Push Many Borrowers To Make Hefty "Lump-Sum" Repayments.

The Washington Post (5/18, Singletary, 14.2M) reports that many homeowners are confused and frustrated. After they "followed the advice of government officials and contacted their loan servicers to talk about payment relief if they couldn't pay their mortgage," they were supposed to be able to "ask for an initial forbearance of up to 180 days. If additional relief was needed, they were entitled to a 180-day extension. Interest still accrues, but fees and penalties are waived." Borrowers with loans backed by Fannie Mae, Freddie Mac, HUD, the FHA, the USDA, and the VA qualified for the relief policies, according to the Cares Act, but it seems the "details of the Cares Act got lost in translation." Instead, borrowers were "offered 90 days of forbearance, and...servicers told them that past-due mortgage payments would need to be paid in a lump sum once the forbearance ended." One borrower said, "If we can't make our monthly payments now, why would a mortgage company think we can make four months' payments at once?" According to The Post, a Freddie Mac script suggests that servicers allow affected borrowers to "resume making [their] normal monthly payment" so that the servicer may "leverage alternative ways of paying back the suspended payments in a manner that is affordable."

A separate piece in the Washington Post (5/18, Orton, 14.2M) covers what borrowers "need to know about asking for mortgage forbearance." According to the Post, "You first have to figure out whether you have a federally backed mortgage. If you have a mortgage backed by the Federal Housing Administration (FHA), Veterans Affairs (VA) or Agricultural Department (USDA), you probably already have that information because of the way you originally qualified for the loan. To find out if your loan is backed by Fannie Mae or Freddie Mac, use the tools on their websites." The CARES Act "stipulates that during the forbearance period, mortgage servicers of federally backed mortgages such as Fannie Mae and Freddie Mac cannot make negative reports about the borrower to credit bureaus."

MBA Survey Shows 8.15% Of US Mortgages Are In Forbearance.

According to the latest weekly survey from the Mortgage Bankers Association, Reuters (5/18, Dunsmuir) reports, "roughly 4.1 million U.S. mortgage borrowers have had their payments paused or reduced as the novel coronavirus outbreak hits household finances, but the increase in the number of people needing such help is slowing." MBA said that "the share of mortgages in forbearance rose to 8.16% from 7.91% in the May 4-10 period," which is "the smallest increase since March 16." in addition, "the number of new requests for relief also fell relative to the prior week for the fifth consecutive survey period."

HousingWire (5/18, Lane, 23K) reports, "Broken down by investor type, the share of Ginnie Mae loans (those insured by the Federal Housing Administration or Department of Veterans Affairs) in forbearance increased from 10.96% to 11.26%. Meanwhile, the share of Fannie Mae and Freddie Mac loans in forbearance rose from 6.08% to 6.25% and the share of other loans (private-label securities and portfolio loans) in forbearance increased from 8.88% to 9.26%." MarketWatch (5/18, Passy, 1.67M) reports that when compared to those of the GSEs, Ginnie Mae's loans "tend to go to borrowers who are first-time homeowners with weaker credit – people who could be more exposed to the economic downturn the pandemic has caused." Providing similar coverage of the MBA's data are National Mortgage News (5/18) and

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National Mortgage Professional (5/18)

In its coverage of the MBA's forbearance data, Fox Business (5/18, De Lea, 1.73M) reports, "Last week, the Federal Housing Finance Agency announced a new deferral repayment option for people who have put a pause on mortgage payments. Beginning July 1, Fannie Mae and Freddie Mac will allow borrowers who are able to resume making their monthly mortgage payments to make their missed payments either at the time the house is sold, refinanced or at maturity. That way, the amount due in monthly payments remains unchanged."

NAHB/Wells Fargo Housing Market Index Rises Following Steep Drop In April.

According to a potentially paywalled Bloomberg (5/18, Golle, 4.73M) piece carried by National Mortgage News (5/18), "Homebuilder sentiment rose in May by more than forecast following a record slump a month earlier as a pickup in sales and demand expectations pointed to stabilization in the real estate market." The NAHB/Wells Fargo Housing Market Index rose seven points to reach 37. In April, "the gauge plummeted 42 points, the most in records to 1985." According to NAHB Chief Economist Robert Dietz, "Low interest rates are helping to sustain demand. As many states and localities across the nation lift stay-at-home orders and more furloughed workers return to their jobs, we expect this demand will strengthen." NMN says that the 30-year FRM's average "dropped in April to the lowest in Freddie Mac records back to 1971, enticing buyers. At the same time, the industry will be challenged by the surge in layoffs that has occurred over the last two months as the coronavirus prompted state and local governments to close most nonessential businesses."

Fannie Mae: Refis Expected To Rise To 17-Year High In 2020.

HousingWire (5/18, 23K) reports, "Refinance volume is set to spike to a 17-year high this year as mortgage rates fall to the lowest levels ever recorded, Fannie Mae said. Even as other parts of the economy tank, lenders will originate $1.5 trillion in refis in 2020, a 51% jump from 2019, according to the forecast. That would be the highest level since 2003 when $2.5 trillion of mortgages were refinanced, according to data from the Mortgage Bankers Association." Record-low interest rates and the Fed's MBS purchases are expected to "bolster refis." Already, the "rate for a 30-year fixed mortgage fell to an all-time low of 3.23% at the end of April, according to Freddie Mac." Fannie Mae said in its forecast that refi originations will hit "levels similar to 2012, when the last refinance boom occurred." Fannie predicts that by dollar volume, 2020's refis will exceed those of 2012 by $74 billion.

MBA: Purchase Apps For New Homes Fell 25% In April From March.

National Mortgage News (5/18) reports, "April was likely the lowest point in coronavirus-impacted home buying activity, especially when it comes to purchasing newly constructed houses, the Mortgage Bankers Association said. Mortgage loan applications submitted to buy a new home fell by 25% in April compared with March and by 12% versus April 2019, the MBA's Builder Application Survey reported. The data is not seasonally adjusted." MBA AVP Joel Kan said, "New-home purchase applications severely weakened in April, which coincided with the peak of the social distancing efforts and restrictions on nonessential activities to help slow the spread of COVID-19. MBA estimates that new-home sales dropped to an annualized pace of 533,000 (seasonally adjusted) units, the slowest since December 2016. This decline was in line with data from our Weekly Applications Survey, which indicated a pullback in March and most of April." According to Kan, "There's evidence now that unrealized, pent-up demand is being released as states start to reopen. We expect that heading into the summer, more prospective homebuyers will gradually return to the market." National Mortgage Professional (5/18) says, "By product type, conventional loans composed 62% of loan applications; FHA loans 23.3%, RHS/USDA loans 1.2%, and VA loans 13.5%. The average loan size of new homes decreased from $344,556 in March to $334,641 in April."

Ginnie Mae Temporarily Shifts Its Delinquency-Rate Threshold.

National Mortgage News (5/18) reports that Ginnie Mae "is offering temporary relief related to its acceptable delinquency-rate threshold," in response to the "obligation on issuers to fulfill the forbearance requirements in the coronavirus rescue package." Ginnie Mae said that it "acknowledges that these requirements will cause a significant number of Ginnie Mae issuers to experience increasing delinquency rates that may exceed the maximum thresholds established by Ginnie Mae." NMN says that Ginnie "may exclude new issuer delinquencies starting with the April data in the May investor accounting report. The exclusion will be extended automatically to issuers with data that was compliant in the April investor accounting report reflecting March's data, but it can be withdrawn at Ginnie's discretion. Issuers with noncompliant April reports will need to inquire about their eligibility." NMN says, "The percentage of mortgages that have been delinquent for 90 days or more is generally factored into the minimum financial eligibility requirements for single-family loans at the government-sponsored enterprises. The GSEs' regulator had proposed additional requirements on companies that also service for Ginnie Mae prior to the coronavirus outbreak in the United States. However, it's not clear now whether the proposal will move forward."

Zillow Sees Rates Staying Low; Realtor.com Says They May Move Even Lower.

In a MoneyWise piece carried by Yahoo! Finance (5/18), Doug Whiteman says that Zillow economist Matthew Speakman believes mortgage rates will stay low, as the "combination of ongoing uncertainty and stabilization in some parts of the market suggest that average rates are likely to remain low, but rates associated with riskier mortgages are unlikely to fall much." However, Whiteman says that Realtor.com predicts in a new report that rates "may slide under 3% by the end of the year." According to Whiteman, "the site's economists say homebuyers will

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often find getting a loan now requires a larger down payment and a higher credit score" as lenders try to shield themselves against risks from economic uncertainty.

CBC Mortgage Agency President: HUD Still Looking Down On Down Payment Assistance Programs.

Mortgage Professional America (5/18, Jarvis) reports that the chaotic landscape facing first-time homebuyers as the pandemic spreads seems to present an "odd time for the Department of Housing and Development to move forward in their efforts to shut down national down payment assistance plans," but that is "precisely what's happening, according to CBC Mortgage Agency president Richard Ferguson." Calling HUD's stance "troubling," Ferguson said that HUD sees companies like the Chenoa Fund, CBC's down payment assistance program, and "start to get just a little worried that national down payment assistance programs could have the same kind of affect that they had in 2008." But according to Ferguson, "down payment assistance isn't what it was 12 years ago."

Remax: April Home Sales Plummeted, But Buyers Prove Resilient.

National Mortgage News (5/18) says that according to Remax, annual home sales tanked in April as the pandemic took its toll, but April was not as bad as expected. NMN reports, "Closed transactions dropped 20.2% from April 2019 and 13.7% from March 2020. Typically, there's a substantial jump in activity in April, which continues into the summer months. Only two of the 53 metro areas surveyed saw annual sales increases: Billings, Mont., jumped 9.9% and Minneapolis rose 3.6%. Meanwhile, Detroit, Miami, New York and San Francisco all posted decreases of over 40%." Even so, Remax CEO Adam Contos said, "April results were better than many expected, as consumers continued to buy and sell real estate in one of the most challenging months for housing in memory. This was a headwind like no other – yet we still saw activity across the country. Even in the markets that dropped 40% in sales, people wanted or needed to move, which says something about resiliency and the power of homeownership."

Podcast: Pandemic Threatens Black Homeownership.

The latest HousingWire (5/18, 23K) Digital Download podcast examines how the pandemic is hurting black homeownership. Census Bureau data shows that the black homeownership rate in 2Q19 fell to 40.6%, the lowest level since the Bureau began collecting quarterly data in 1994. According to HousingWire, "After the 1968 Fair Housing Act banned discrimination in real estate practices, the homeownership rate for black Americans climbed steadily to a record high of 49.7% in 2004's second quarter and stayed near that level for two years, according to Census data. The downward trajectory began in 2007 when predatory home loans started going into default, sparking a financial crisis that spread across the globe as trillions of dollars in mortgage securities lost value." Now, the pandemic is "likely to worsen prospects for Black Americans, which will lead to a larger gap in the homeownership rate."

Markets

10-Year Yield Rises.

MarketWatch (5/19, 1.67M) reports the 10-year Treasury yield rose to 0.709 percent.

Dollar Falls.

Reuters (5/19, White) reports, "The dollar nursed losses against major currencies on Tuesday after encouraging results from the trial of a vaccine for COVID-19 improved sentiment in a boost to riskier assets." The euro "held onto hefty gains against...the dollar following a proposal by France and Germany for a 500 billion euro ($543 billion) recovery fund offering grants to regions hit hardest by the coronavirus crisis." The euro "bought $1.0913 on Tuesday, having gained 0.9% against the greenback in the previous session." The dollar "was little changed at 107.39 yen."

Gold Trades Flat.

Reuters (UK) (5/19, Aranya) reports, "Gold gave up early gains on Tuesday to trade flat below a 7-1/2-year high hit in the last session, as risk appetite improved on promising early-stage data for a potential COVID-19 vaccine." Spot gold "was steady at $1,731.50 per ounce by 0650 GMT," while US gold futures "fell 0.1% to $1,733.30."

Oil Rises.

Reuters (5/19, Obayashi) reports, "Oil prices rose for a fourth straight session on Tuesday amid signs that producers are cutting output as promised just as demand picks up, stoked by more countries easing out of curbs imposed to counter the coronavirus pandemic." Brent crude "climbed 25 cents, or 0.7%, to $35.06 a barrel by 0629 GMT," while West Texas Intermediate crude "was up 43 cents, or 1.4%, at $32.25 a barrel."

Cybersecurity

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IPhone Spyware Allows Police To Log Suspects' Passcodes.

NBC News (5/18, 6.14M) reports software called Hide UI, "created by Grayshift, a company that makes iPhone-cracking devices for law enforcement, can track a suspect's passcode when it's entered into a phone," according to two people in law enforcement. The spyware has been "available for about a year but this is the first time details of its existence have been reported, in part because of the non-disclosure agreements police departments sign when they buy a device from Grayshift known as GrayKey." Those NDAs have helped "keep Hide UI a secret." Because of the "lack of public scrutiny of the feature as well as its covert behavior, defense attorneys, forensic experts and civil liberties advocates are concerned that Hide UI could be used without giving owners the due process of law, such as a warrant."

Hackers Target Europe's Supercomputers.

BBC News Online (UK) (5/18, 1.02M) reports at least a dozen supercomputers "across Europe have shut down after cyber-attacks tried to take control of them." A pan-European supercomputing group "says they seem to have tried to use the machines to mine cryptocurrency." Staff "said they were working with the National Cyber Security Centre to restore the system, which had recently installed a pandemic modeling tool." The team said, "We now believe this to be a major issue across the academic community as several computers have been compromised in the UK and elsewhere in Europe." The NCSC said, "We are aware of this incident and are providing support. The NCSC works with the academic sector to help it improve its security practices and protect its institutions from threats."

The Cyberspace Solarium Commission Makes Its Case To Congress.

Lawfare (5/18, Ford) reports that, "during a videoconference on May 13, the Cyberspace Solarium Commission made its case to Congress that the US should adopt a strategy of layered cyber deterrence, a three-pronged plan to reduce the frequency of and the damage wrought by cyberattacks targeting America." The commission's members – two senators, two representatives, four executive branch officials and six private experts – "packed the report with scores of policy recommendations, including 57 legislative proposals, which delineate exactly how to execute the novel cyber strategy." The report's recommendations "are designed to be turned into bills, ushered swiftly through Congress, and implemented." To that end, the commission "transmitted its legislative proposals directly to the relevant House and Senate committees, some of which have begun the work of incorporating the commission's ideas into legislation."

Disney's Head Of Streaming Is Appointed New TikTok CEO.

The New York Times (5/18, Barnes, Nicas, 18.61M) reports the Walt Disney Company's top streaming executive, Kevin Mayer, "resigned on Monday to become the chief executive of TikTok." Mayer will also serve "as chief operating officer of ByteDance, the Chinese conglomerate that owns TikTok." He said, "The magnitude of this opportunity was just something I couldn't pass up." He cited "gaming and music as two expansion possibilities."

Beer Review App May Be Exploited To Track Military Personnel And Secret Locations.

Forbes (5/18, Solender, 9.71M) reports a study by digital investigative outlet Bellingcat "found that data from a beer-centric social media app can be used to track US military personnel, locate secret military installations and get a glimpse of sensitive military documents." The app, Untappd, "allows users to 'discover and share your favorite beer,' by posting photos, checking in at bars, rating beers, exploring bars and breweries and unlocking badges." Bellingcat reporter Froeke Postma "said he was able to track US military and intelligence personnel and discover other sensitive information with just 'a little bit of digging in Untappd's data and cross referencing it with other social media.'"

Dark Web Scammers Exploit Covid-19 Fear And Doubt.

BBC News Online (UK) (5/19, 1.02M) reports that, "since the beginning of the global pandemic, marketplaces on the dark web have seen a rise in Covid-19 related products and services." Last month, security software firm IntSights "found blood allegedly belonging to recovered coronavirus patients was even being offered for sale." Criminals hope "a heightened sense of fear will make people rush to buy these products, and as a result these items are not cheap; an Australian Institute of Criminology report found the average fake vaccine was being sold for about $370 (£300), while one supposedly sourced from China was selling for between $10-15,000 (£8-12,000)." One of the reasons "for the rise in such sales may be because many fraudsters are having to turn from their normal methods of making money on the dark web...because these industries are currently dormant."

Officials: Israel Linked To Cyberattack On Iranian Port Facility.

The Washington Post (5/18, Warrick, Nakashima, 14.2M) reports that on May 9, "shipping traffic at Iran's bustling Shahid Rajaee port terminal came to an abrupt and inexplicable halt. Computers that regulate the flow of vessels, trucks and goods all crashed at once, creating massive backups on waterways and roads leading to the facility." Iranian officials "acknowledged that an unknown foreign hacker had briefly knocked the port's computers offline," and "now, more than a week later, a more complete explanation has come to light: The port was the victim of a substantial cyberattack that U.S. and foreign government officials say appears to have originated with Iran's archenemy, Israel."

TFI/Sanctions

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Huawei Chairman: US Sanctions Will Hurt Business.

The AP (5/18, Soo, McDonald) reports that the latest US sanctions on Huawei "threaten to devastate the company and escalate a feud with China that could disrupt technology industries worldwide." Huawei Technologies Ltd. is "one of the biggest makers of smartphones and network equipment, but that $123 billion-a-year business is in jeopardy after Washington announced further restrictions on use of American technology by foreign companies that make its processor chips." Huawei Chairman Guo Ping said at a conference Monday, "Our business will inevitably be impacted."

Reuters (5/18, Kirton) reports the chairman "said that Huawei spent $18.7 billion buying from U.S. suppliers last year and would continue to buy from them if the U.S. government would allow it. He said customers have stood by the company, but acknowledged it had become harder to win contracts since the company was added to the entity list." Guo stated, "We will try all we can to seek a solution. ... Survival is the key word for us at present."

Nikkei Asian Review (JPN) (5/18, Li; Ting-Fang) reports, "Huawei said Washington's move will affect not only Huawei but also a large number of global industries." The company said in a statement, "In the long run, this will damage the trust and collaboration within the global semiconductor industry, which many industries depend on, increasing conflict and loss within these industries." CNET News (5/18, Dayaram, 1.99M) reports Huawei added, "The U.S. is leveraging its own technological strengths to crush companies outside its own borders. This will only serve to undermine the trust international companies place in U.S. technology and supply chains. Ultimately, this will harm US interests."

Fox News (5/18, Blitzer, 27.59M), The Dallas (TX) Morning News (5/18, Cobler, 946K), and ZDNet (5/18, Yu, 299K) also report.

Federal Reserve

Powell: CARES Act "Critical" To Fed's Efforts To Support Economy During Pandemic.

Reuters (5/18, Schneider) reports that in prepared remarks to be delivered at a Senate Banking Committee hearing Tuesday, Federal Reserve Chairman Powell says that passage of the CARES Act was "'critical' to the Federal Reserve's ability to expand credit throughout the economy to help offset the economic blow from the coronavirus pandemic." In the remarks, Powell also "repeats his pledge to keep interest rates near zero until the economy has weathered the crisis, and reviews Fed actions to date that he says have helped keep financial markets functioning smoothly."

Bloomberg (5/18, Torres, 4.73M), The Washington (DC) Post (5/18, Newmyer, 14.2M), NPR (5/18, Horsley, 3.12M), The Wall Street Journal (5/18, Timiraos, Subscription Publication, 7.57M), CNBC (5/18, Cox, 3.62M), and The Atlantic (5/18, Thompson, 3.47M) also report.

Powell Vows To Disclose Details About Entities Tapping Fed's Emergency Lending Programs.

The AP (5/18, Rugaber, Crutsinger) reports Fed Chair Jerome Powell pledged "to reveal the names and other details of the entities that borrow from the emergency programs the central bank has set up to offset the economic hit from the viral outbreak." In prepared testimony set to be given Tuesday at a congressional hearing, "Powell says the central bank will disclose the amounts borrowed and the interest rates it levies under its programs to provide credit for large corporations, state and local governments, and medium-sized businesses."

Fed's Muni Note Program "Open Today" As Fed Releases Application Materials.

American Banker (5/18, Wynn, Subscription Publication, 31K) reports the Fed's "short-term municipal note program is 'open today' to states and local governments struggling with financial woes during the pandemic, though it was reiterated that the program is a last resort." The NY Fed on Monday "released application materials for issuers interested in the program. Last week, the Fed announced it was accepting notices of interest – a form issuers must fill out to express interest in selling notes under the MLF. The Fed also released legal documents on Monday."

Bostic Not Inclined To Second-Guess Banks' Lending Choices During COVID-19 Crisis.

The Wall Street Journal (5/18, Derby, Subscription Publication, 7.57M) reports Atlanta Fed President Raphael Bostic said Monday he doesn't intend to strongly second-guess banks' decisions on lending made during the coronavirus crisis.

Financial Regulatory Agencies

List: Five Ways CFPB Is Helping Industry Combat Virus' Effects.

American Banker (5/19, Subscription Publication, 31K) lists five ways the CFPB "is attempting to help institutions deal with the [coronavirus] crisis by relaxing regulatory expectations." One of the bureau's first actions during the crisis "was to postpone quarterly HMDA reporting indefinitely." The bureau has also given financial institutions flexibility on exams and enforcement; given credit card issuers a break on resolving billing disputes; issued relief from remittance disclosures; and issued a waiver from TRID waiting periods.

Office of the Comptroller of the Currency

Otting Discusses OCC's Efforts During Coronavirus Crisis.

The Money Laundering (5/18) reports behind a paywall on Comptroller Otting's recent testimony before the Senate Banking Committee about the OCC's activities during the COVID-19 crisis. Otting "highlighted that the OCC published more than 25 bulletins, statements, press releases, and interim final rules to provide information aimed at clarifying institutions reducing risk to both consumers and the economy." He

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also noted the agency's efforts to streamline Bank Secrecy Act and anti-money laundering protections, saying that the coronavirus reinforced this priority because it underscored the need for better use of modern technology.

Operation HOPE CEO: CRA Reform Is "Next Software Upgrade" For Banking Regulation.

In a BankThink piece for American Banker (5/18, Subscription Publication, 31K), John Hope Bryant, founder, Chairman, and CEO of Operation HOPE, writes that Comptroller of the Currency Joseph Otting has described his agency's Community Reinvestment Act proposal "as reforming and modernizing the CRA – a vision that I support." Bryant continues, "The CRA modernization has fueled much criticism and calls to delay the rulemaking process. However, it should be seen as simply the next software upgrade for where banking regulation and public policy need to go next." The reform effort is "about data and measurement, impact and outcomes, real lending and real investments at scale, sustainability, and finally, appreciating the business case for underserved America. It's about giving banks the tools – and holding them accountable and responsible – to view the communities that I love as legitimate places for their business development and customer growth."

Bankers Expect Recession To Last Into 2021.

American Banker (5/18, Subscription Publication, 31K) reports a recent survey has found that many banking executives "are bracing for a prolonged slowdown that could last at least into the first quarter of next year" even as states begin lifting their stay-at-home orders in hopes of jumpstarting their economies. The survey, conducted by Promontory Interfinancial Network, found that most banking leaders hold a bleak outlook for the year ahead, as "three in four executives surveyed expect the economy to sour further, with barely one in 10 expecting the economy to improve by the end of next year's first quarter." Deposit growth has been a lone bright spot for the sector, as executives "report that the race for deposits has cooled off as workers fearing their job security are socking away more savings and businesses that have drawn down their lines of credit are holding that money in their accounts."

Banks To Face Margin Pressure This Year And Next.

American Banker (5/18, Subscription Publication, 31K) reports that with near-zero interest rates, "banks will struggle to generate bread-and-butter interest income and asset-sensitive lenders will face substantial net interest margin contraction this year and next, analysts say." Piper Sandler analysts "estimated that, across their coverage universe of 200 banks, the median NIM will shrink 18 basis points in 2020, falling below the century's 2009 trough reached in the wake of the financial crisis, and then shrink another 11 basis points next year to 3.30%."

Wells Fargo's Tech Chief Talks About Managing Virus Response, Tech Fixes Sought By Regulators.

American Banker (5/18, Subscription Publication, 31K) reports on its interview with Saul Van Beurden, head of technology at Wells Fargo, about how he is helping the bank run smoothly while nearly all of its employees work from home. Asked about tech fixes demanded by regulators, Van Beurden said, "[W]e apply new technologies like artificial intelligence, robotic process automation and optical character recognition where possible to remediate faster in a more sustainable way. Because if everything becomes manual, it could break again."

Editorial Wrap-Up

New York Times.

"Social Distancing, Without The Police." The New York Times (5/18, 18.61M) editorializes that New York should consider methods other than the police intervention to enforce social distancing during the coronavirus pandemic. Of the 125 people arrested "over offenses that law enforcement officials described as related to the coronavirus pandemic, 113 were black or Hispanic." Meanwhile, photographs across social media show "crowds of sun-seekers packed into parks in wealthy, whiter areas of the city, lounging undisturbed as police officers hand out masks." The city "needs a different approach to enforcing public health measures during the pandemic." Mayor Bill de Blasio "seems to understand this, and he has promised to hire 2,300 people to serve as social distancing 'ambassadors.'" Another method to help social-distancing efforts "may be the community-based groups that have been effective in reducing gun violence in some of the city's toughest neighborhoods."

Washington Post.

"China Agreed To A Global WHO Review. Where Was Trump?" The Washington Post (5/18, 14.2M) editorializes that under pressure, Xi "agreed to a more global review led by the WHO, one that is less likely to cast blame on China alone." The Post asks, "Where was President Trump? He and his administration were still debating whether to ax some or all of the U.S. contribution to the WHO." Secretary Azar "parroted Mr. Trump, blaming China and the WHO for the crisis, a crude scapegoating intended to divert attention from Washington's own failures. Hasn't it occurred to Mr. Trump and his advisers that, if they really want to learn how the pandemic began, it would be far better to show up for the investigation than to walk away? Mr. Xi is opening his checkbook, just as Mr. Trump is gathering up his marbles to go home."

"Trump's Latest Firing Is A Blatant Attempt To Shield Pompeo From Accountability." The Washington Post (5/18, 14.2M) editorializes that the "blunt dismissal of a nonpartisan official whose job it is to provide an independent check on just the kind of allegations Mr. Pompeo was facing would be shocking – if it were not just the latest step in a campaign by Mr. Trump to eliminate accountability across

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the federal government." The Post adds that "Congressional Democrats have promised an investigation of Mr. Linick's firing," but "the question, as always, for...Republicans is whether they will insist that Mr. Trump observe the rule of law – or simply roll over once again."

"Did Sweden Make The Right Call On Limiting Its Lockdown?" The Washington Post (5/18, 14.2M) editorializes that "in terms of illness and death, it appears Sweden has paid a higher price for its approach. As of Monday, it had suffered 3,698 deaths in a country of 10 million. By contrast, Denmark, Norway and Finland, with a combined population more than 16.5 million, which all imposed tighter restrictions, have seen only 1,081 deaths."

Wall Street Journal.

"Moderna's Vaccine Hope." In an editorial, the Wall Street Journal (5/18, Subscription Publication, 7.57M) hails Moderna's steps toward developing a vaccine – even as it cautions against declaring victory before all the needed testing has been completed.

"Chinese Lockdown Redux." The Wall Street Journal (5/18, Subscription Publication, 7.57M) editorializes that even the draconian lockdowns imposed in China were not totally effective as parts of the country are seeing a second wave.

"The Mueller-Rosenstein Logan Act." A Wall Street Journal (5/18, Board, Subscription Publication, 7.57M) editorial criticizes Justice officials' use of the Logan Act, which prohibits private citizens from negotiating with foreign governments involved in disputes with the US, as a reason to investigate Flynn. The Journal argues that as President Trump's choice for national security adviser in late 2016 and early 2017, Flynn had reason to talk with foreign officials.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

US Stocks Surge As Hopes For Coronavirus Vaccine Build
TikTok Taps Disney Executive Kevin Mayer As New CEO
Uber Cuts 3,000 More Jobs, Shuts 45 Offices In Coronavirus Crunch
The New Airline Travel: Fewer Flights, More Layovers, Rules For Bathrooms
FBI Discovers Al Qaeda Ties In Pensacola Shooter's iPhones
Sanitizing Newbie? Take A Lesson From A Hog Farmer

New York Times:

Moderna Coronavirus Vaccine Trial Shows Promising Early Results
US-China Feud Over Coronavirus Erupts At World Health Assembly
Fear Of Risk Could Diminish The Economic Rescue By The Treasury And Fed
Where New Yorkers Moved To Escape Coronavirus
Freed By Court Ruling, Republicans Step Up Effort To Patrol Voting
Trump Says He's Taking Hydroxychloroquine, Prompting Warning From Health Experts

Washington Post:

Worry As Relief Funds Go Unspent
University Leaders Cautious About Return In Fall
Trump Says He's Taking Unproven Medication
As A 12-Year-Old Fought To Live, Her Heart Stopped Twice
Pompeo Defends Firing Of Watchdog
Bathrooms A Barrier To Reopening

Financial Times:

Germany And France Call For €500BN EU Recovery Fund
Huawei Says New US Sanctions Put Its Survival At Stake
Jesus Also Misunderstood, Masayoshi Son Tells Investors

Washington Times:

'This Is Personal': Obama, Trump Fight For White House As Biden Sits On Sidelines
WHO Chief Caves, Agrees To Pandemic Response Probe: 'We All Have Lessons To Learn'
AG Barr: Durham Probe Unlikely To Lead To Criminal Investigations Of Obama Or Biden
'Probable' Coronavirus Cases In December Alter US Timeline
'Very Positive Day': US Turns Corner In Coronavirus Recovery
Secret Doomsday Coronavirus Plans Relied On 'Lottery' For Life Or Death Decisions

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Story Lineup From Last Night's Network News:

ABC: Trump-Hydroxychloroquine; Hydroxychloroquine-Expert Comment; Moderna-Vaccine Trials; Reopening Economy; Trump-State Dept. IG; Al Qaeda-Florida Military Base Attack; Tropical Storm Arthur; Severe Weather; 'Leave It To Beaver' Actor Dies; Convalescent Plasma Treatments.

CBS: Trump-Hydroxychloroquine; Moderna-Vaccine Trials; Reopening Economy; Secret Service-Unemployment Scheme Investigation; Al Qaeda-Florida Military Base Attack; Georgia-Ahmaud Arbery Case; Tropical Storm Arthur; Los Angeles-Hash Oil Fire; Coronavirus-Overseas; Coronavirus-Recoveries.

NBC: Moderna-Vaccine Trials; Trump-Hydroxychloroquine; Reopening Economy; Ford-Nine Plants Reopen; Coronavirus-NBC Contributor Recovering; Coronavirus-Hospital Fears; Al Qaeda-Florida Military Base Attack; Trump-State Dept. IG; Tropical Storm Arthur; Coronavirus-Italy; Reopening Pro Sports.

Network TV At A Glance:

Trump-Hydroxychloroquine – 11 minutes, 25 seconds
Moderna-Vaccine Trials – 7 minutes, 25 seconds
Reopening Economy – 7 minutes, 25 seconds
Al Qaeda-Florida Military Base Attack – 4 minutes, 30 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Trump-Hydroxychloroquine; Moderna-Vaccine Trials; Stocks; Reopening California.

CBS: Trump-Hydroxychloroquine; Moderna-Vaccine Trials; Reopening Economy; Al Qaeda-Florida Military Base Attack; Severe Weather; Stocks.

FOX: WHO-World Assembly; Trump-Hydroxychloroquine; USS Philippine Sea-Commanding Officer Relieved.

NPR: Trump-Hydroxychloroquine; Oregon-Extension of Stay At Home Orders; Illinois-Reopening Economy; WHO-World Assembly.

Last Laughs

Late Night Political Humor.

Trevor Noah: "While most people are waiting for a vaccine, there are some people who think we may not even need one. People like Eric Trump, fetus in its 100th trimester and the President's fourth-favorite son. You see, according to baby Voldemort, coronavirus is actually a hoax that'll go away on its own. And the only reason the media is talking about it is to steal the White House from his dad."

Trevor Noah: "Now according to Eric, this whole coronavirus thing is a conspiracy to prevent his dad from doing big campaign rallies. I'm sorry, man, this makes no sense. Donald Trump is the President. So if he thinks coronavirus is all just a bunch of hype and he should be able to do a rally, then my man, go and do a rally. I swear, Trump is the most-powerful, least-powerful man in the world. (As Trump) 'I wanna do a rally, but I can't, 'cause the doctors will get mad at me!'"

Trevor Noah: "And by the way, we all know coronavirus is not a Democratic plot. Because if corona was a Democrat, we would've found a way to lose weeks ago."

Stephen Colbert: "Today, the President held a White House meeting with leaders in the restaurant industry. (As Trump) 'Before we begin, how about apps for the whole table? Jalapeno poppers, nachos, clam strips, and calamari, thanks. Oooh, garlic knots.'"

Stephen Colbert: [On President Trump saying that he is taking hydroxycholoroquine because he's 'heard a lot of good stories' about it] "Of course, that's why anyone takes an experimental drug treatment. We've all seen the pharmaceutical ads: 'If you think hydroxycholoroquine might be right for you, don't ask your doctor. Just ask around, and if you hear some good stories, eat it. Eat it, you coward.'"

Stephen Colbert: "On Friday, Trump removed the inspector general for the State Department. It's the third time in six weeks that such a move has been announced on a Friday night. 'Cause at the White House, 'TGIF' stands for 'Trump Got the Inspector Fired.'"

Jimmy Fallon: "Yesterday, New York Gov. Andrew Cuomo got a coronavirus test live on TV to show it's [illegible]. Apparently, the nasal swab, and he said it was fine, although for the rest of the briefing, he did speak with a British accent."

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Seth Meyers: "President Trump claimed on Friday that the Defense Department had developed a, quote, 'super duper missile' that is 17 times faster than other missiles, which is great news unless our enemies develop a 'super duper infinity no-take-backs missile.'"

Seth Meyers: "New York Mayor Bill de Blasio said yesterday that he has ordered the police to stop people from partying outside bars amid the coronavirus pandemic. Though if de Blasio really wants people to stop partying, he should just show up."

Seth Meyers: "After former President Obama criticized the US response to the coronavirus pandemic in a virtual commencement address to college graduates this weekend, White House adviser Peter Navarro called the Obama Administration a, quote, 'kumbaya of incompetence.' Incidentally, 'kumbaya' is where Trump thinks Obama was born."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks on supporting our Nation's Farmers, Ranchers, and Food Supply Chain; holds a Cabinet Meeting
- Vice President Pence — No public schedule released

***US Senate*:**

- Closed Briefing: Intelligence Matters

Location: CVC 217, U.S. Capitol Visitor Center, Washington, DC; 9:30 AM

• Treasury Secretary Mnuchin and Fed Chair Powell testify to Senate committee remote hearing on quarterly CARES Act report – Remote hearing on 'The Quarterly CARES Act Report to Congress', with testimony from Secretary of the Treasury Steven Mnuchin; and Federal Reserve Chairman Jerome Powell; *10:00 AM*

• Senate Public Works subcommittee nominations hearing – Clean Air and Nuclear Safety Subcommittee nominations hearing considers Beth Harwell and Brian Noland to be Tennessee Valley Authority Members Board of Directors members, and Katherine Crytzer to be TVA Inspector General

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 3:00 PM

***US House*:**

- House of Representatives meets in pro forma session

Location: U.S. Capitol, Washington, DC; 10:30 AM

• Ceremonial swearing-in for GOP Reps.-elect Mike Garcia and Tom Tiffany – House Speaker Nancy Pelosi holds ceremonial swearing in for Republican Reps.-elect Mike Garcia and Tom Tiffany

Location: H-207, U.S. Capitol, Washington, DC; 10:45 AM

• VA Secretary Wilkie testifies to House Appropriations subcommittee on coronavirus response – Military Construction, Veterans Affairs, and Related Agencies Subcommittee hearing on 'Department of Veterans Affairs – Response to COVID-19', with testimony from Secretary of Veterans Affairs Robert Wilkie, Under Secretary for Benefits Dr Paul Lawrence, Assistant Secretary for Management (and Department of Veterans Affairs CFO) Jon Rychalski, and Deputy Under Secretary for Health's Chief Consultant Dr Jennifer MacDonald

Location: Rm 2359, Rayburn House Office Building, Washington, DC; 12:00 PM

• House Commerce subcommittee teleconference with FCC Chairman Pai – House Committee on Energy and Commerce Communications and Technology Subcommittee holds teleconference forum with Federal Communications Commission Chairman Ajit Pai, to discuss 'critical consumer protection, broadband and spectrum issues related to the coronavirus (COVID-19) pandemic'; *12:00 PM*

• Dem Rep. Raul Grijalva leads roundtable on limiting the spread of wildlife-borne diseases to humans – House Committee on Natural Resources Chair Raul Grijalva leads livestreamed roundtable discussion on 'Crossing the Species Barrier: The Threat of Wildlife Disease to Human Health and What We Can Do About It', with University of California-Davis School of Veterinary Medicine

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Professor of Epidemiology and Ecosystem Health Christine Kreuder Johnson, Association of Zoos and Aquariums President and CEO Daniel Ashe, former USGS National Wildlife Health Center Director Leslie Dierauf, and Wildlife Disease Association Executive Manager Dave Jessup discussing 'how the House of Representatives' recently-passed Heroes Act improves research and testing for diseases at risk of being passed to humans and how federal agencies can protect the public from animal-to-human disease transmission'; *1:00 PM*

Cabinet Officers:

- Treasury Secretary Mnuchin and Fed Chair Powell testify to Senate committee remote hearing on quarterly CARES Act report – Remote hearing on 'The Quarterly CARES Act Report to Congress', with testimony from Secretary of the Treasury Steven Mnuchin; and Federal Reserve Chairman Jerome Powell; *10:00 AM*
- VA Secretary Wilkie testifies to House Appropriations subcommittee on coronavirus response – Military Construction, Veterans Affairs, and Related Agencies Subcommittee hearing on 'Department of Veterans Affairs – Response to COVID-19', with testimony from Secretary of Veterans Affairs Robert Wilkie, Under Secretary for Benefits Dr Paul Lawrence, Assistant Secretary for Management (and Department of Veterans Affairs CFO) Jon Rychalski, and Deputy Under Secretary for Health's Chief Consultant Dr Jennifer MacDonald

Location: Rm 2359, Rayburn House Office Building, Washington, DC; 12:00 PM

Visitors:

- No visitors scheduled

This Town:

- Federal Aviation Administration Commercial Space Transportation Advisory Committee; *8:45 AM*
- NTSB meets virtually to discuss 2019 Ohio air ambulance helicopter crash – National Transportation Safety Board meeting, via webcast, to determine the probable cause of the 29 Jan 2019 crash in Zaleski, OH, of a Bell 407 helicopter operated as an air ambulance, which was on a mission to pick up a patient when it crashed in deteriorating weather, killing all three occupants – the pilot, flight nurse, and flight paramedic; *9:30 AM*
- Department of Transportation monthly Air Travel Consumer Report released – Department of Transportation monthly Air Travel Consumer Report released, containing March and Q1 airline on-time numbers, tarmac times, mishandled baggage numbers, mishandled wheelchair and scooter numbers, and consumer complaints for reporting marketing and operating carriers; *11:00 AM*
- Dem Rep. Jim Langevin speaks at CSIS online event – 'Who Makes Cyberspace Safe for Democracy?' online discussion hosted by the Center for Strategic and International Studies, to explore how govt and industry must work together more efficiently to defeat cyber threats to democracy. Featured speakers include Democratic Rep. Jim Langevin and New York Times Chief Washington Correspondent David Sanger; *12:30 PM*
- Washington Post Live discussion with Hilton CEO – Washington Post Live hosts a virtual event, with Hilton President and CEO Chris Nassetta and Mike Duffy discussing 'The Path Forward: Travel and Tourism'; *1:00 PM*

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Treasury in the News

Companies Rush To Return PPP Loans Before Deadline As Officials Plan Overhaul.

Politico (5/17, Warmbrodt, 4.29M) reports that in the wake of "public outrage and Trump administration pressure," companies "are scrambling to give back the Paycheck Protection Program loans" before a Monday deadline, after which they could face audits over whether they need the money. However, the decision on keeping the money has been "wrenching," leaving them choosing between retaining employees or avoiding "questions from the public and government audits." Politico says the issue "illustrates the extraordinary confusion surrounding the" PPP.

Bloomberg (5/15, Niquette, 4.73M) reported businesses concerned about the repayment requirements "finally got more guidance from the Trump administration – but they didn't get the changes that many wanted." The Treasury Department and the SBA on Friday "released a new application and step-by-step instructions for how to calculate the portion of Paycheck Protection Program loans that can be forgiven." However, the instructions "don't change the requirement that at least 75% of proceeds must be spent on payroll within the eight weeks after the loan is received, even after small business groups lobbied to open up those restrictions." Treasury Secretary Steven Mnuchin "has said the rule reflects the intent of Congress to keep workers on payrolls. But he indicated on Monday he'd be open to 'technical' revisions if both parties in Congress agree, especially for restaurants that are only now reopening."

The Wall Street Journal (5/17, Hayashi, Subscription Publication, 7.57M) reports that amid cooling demand and complaints by small businesses that they can't use the money, lawmakers and government officials plan significant changes to the Paycheck Protection Program. Expected alternations includes giving more flexibility on how the money is spent and increasing the time available to spend it, shifting the program's focus from keeping people employed to saving businesses.

Reuters (5/17, Cornwell, Singh) reports that changes "are expected to include more flexibility to spend funds and more time to spend loans beyond the two months originally set." Revisions to the program "are expected to be implemented in two phases." Reuters says "technical fixes in a new guideline on loan forgiveness from the Department of the Treasury and the Small Business Administration will be unveiled in the coming days."

Most Companies Taking Advantage Of PPP Loans Face Low Risk Of Punishment, Legal Experts Say. CNBC (5/17, Son, Franck, 3.62M) reports that public companies that "took advantage of the government's small business loan program are likely to avoid repercussions from the agencies running the effort, according to legal experts." While businesses have until May 18 to return funds from the Paycheck Protection Program with amnesty, "most of the public companies that got PPP loans are keeping them, including ones with access to other forms of fundraising like stock sales or bank credit lines, according to a CNBC analysis of regulatory filings." Lawyers "said that the certification required is so vague and open-ended that most companies qualify for the program."

Commentary: PPP Should Include More Small Businesses. Mario H. Lopez, President of the Hispanic Leadership Fund, wrote in The Hill (5/16, 2.98M) that "unclear rules and risk of government audits may keep qualifying businesses from applying for needed financial assistance" under PPP "and have a detrimental effect on state and local economies." Furthermore, "the potential for bad publicity is enough to make some businesses weigh the long-term ramifications of accepting federal funds – even if it means risking closure or letting go of employees." Lopez said that "to ensure the goal of full recovery, the benefits of small business funding should be distributed without discrimination and allocated with clear guidelines that keep the focus on intended recipients without picking market winners and losers."

Hubbard, Scott Call On Senate To Press Mnuchin, Powell On Lack Of Aid To Main Street.

Former Chairman of the Council of Economic Advisers Glenn Hubbard and Committee on Capital Markets Regulation Director Hal Scott, in an op-ed in the Wall Street Journal (5/17, Subscription Publication, 7.57M), call for the Senate Banking Committee, during its first quarterly hearing on the Cares Act, to press Treasury Secretary Steven Mnuchin and Fed Chair Jerome Powell on why small and midsize businesses

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aren't getting the help they need amid the pandemic. In particular, Hubbard and Scott argue the two should be asked who is responsible for designing small and midsize business relief programs, why so little money is being risked to help Main Street, and why Treasury is prioritizing not losing money.

WPost Analysis: Trump Leaving Leadership To Others In Next Phase Of Pandemic.

The Washington Post (5/17, Parker, Rucker, 14.2M) reports that while President Trump has called "the latest phase of pandemic response the 'transition to greatness,'" he "appears poised to preside over the eventual transition more as a salesman and marketer than a decider." To the Post, Trump "has inserted his ego squarely into the U.S. response while simultaneously minimizing his own role – deferring critical decisions to others, undermining his credibility with confusion and misinformation, and shirking responsibility in what some see as a shrinking of the American presidency." Trump has also "played a supporting role, at best, in negotiations to produce the four bipartisan bills enacted so far to address the pandemic." Treasury Secretary Steven Mnuchin "was a constant presence on Capitol Hill, running point for the administration on relief measures, while the president's suggestions – such as a payroll tax cut – were shrugged off and gained little traction, even among Republican allies."

CNN: Mnuchin Among Administration Officials Wearing Masks In West Wing.

CNN (5/16, Liptak, Collins, 83.16M) reported the White House last week "was a workplace transformed. Staffers now must wear masks inside the West Wing unless seated at their desks and appropriately distanced from their colleagues – a mandate Trump says he made himself." In the West Wing, unease over safety "persists, even as large blue signs appeared at entrances this week encouraging social distancing and nearly everyone started wearing a mask." Treasury Secretary Steven Mnuchin was among the officials "spotted this week with their noses and mouths covered" – Mnuchin "wore a black cloth mask." However, "Trump himself remains to be seen in public wearing a mask, a step he's said privately might undermine confidence the nation is ready to emerge from the crisis."

Senate Democrats Propose Grant Program For Nonprofit Hiring.

Law360 (5/15, van den Berg, Subscription Publication, 8K) reported Senate Democrats "introduced legislation Friday that would create a U.S. Treasury Department-run $50 billion jobs grant program for charitable nonprofits to help them retain workers and provide jobs to the unemployed during the novel coronavirus pandemic." Sen. Amy Klobuchar (D-MN) is sponsoring the Work Opportunities and Resources to Keep Nonprofit Organizations Well Act, under which "nonprofit organizations could get millions of dollars in grants and would have to use much of the money for employee compensation costs." Klobuchar said, "We need to help charitable nonprofits keep their doors open, scale their invaluable services and provide opportunities for unemployed Americans to return to work serving their communities." According to Alexander Reid of Morgan Lewis & Bockius LLP, "the measure is a thoughtful attempt to support charities assisting the most vulnerable and avoids many of the pitfalls and legal challenges nonprofits have faced securing funds under the Small Business Administration's Paycheck Protection Program."

Leading National News

Trump Slams "Corrupt" And "Grossly Incompetent" Obama.

A day after former President Obama said "leaders" weren't "even pretending to be in charge" of handling the coronavirus pandemic, President Trump took to Twitter to write, "The Obama Administration is turning out to be one of the most corrupt and incompetent in US history. Remember, he and Sleepy Joe are the reasons I am in the White House!!!" The Harrisburg (PA) Patriot-News (5/17, Linder, 427K) indicates that "asked about Obama's comments Sunday, Trump first said that administration officials 'had a great weekend,'" but "when reporters followed up, Trump pulled no punches." ABC World News Tonight (5/17, story 3, 1:55, Llamas, 5.48M) showed Trump telling reporters upon his return to the White House from Camp David, "He was an incompetent President, that's all I can say. Grossly incompetent. Thank you." ABC (Scott) referred to Trump "firing up his base, accusing Obama of committing unspecified crimes in an effort to undermine the 2016 election and his presidency."

The CBS Weekend News (5/17, lead story, 1:25, Killion, 2.93M) also reported that "Trump lashed out at his predecessor over US leadership in the pandemic fight. So far, 36 million Americans have filed for unemployment in the last two months. The virus has now claimed the lives of nearly 90,000 Americans – by far the world's highest death toll." CBS (Killion) added "both leaders have recently stepped up their attacks. In a call last week with former staffers, Mr. Obama called the Administration's COVID response 'anemic' and 'spotty,' while Mr. Trump blamed the Obama Administration for leaving an insufficient playbook, depleting federal stock piles, and even going so far as to accuse his predecessor of undefined and unspecified crimes." Trump was shown saying, "Obamagate. It's been going on for a long time."

NBC Nightly News (5/17, story 3, 1:20, Snow, 259K) said Trump was "responding to comments from former...Obama in a virtual graduation ceremony, where he accused the government of a real world failing on coronavirus." The Guardian (UK) (5/17, Lutz, Glenza, 4.19M) reports "it is rare for a former president to rebuke a successor, but Obama did so during an online speech to graduating university and high school students yesterday, although he did not name Trump in his comments." In "an online commencement address to graduates of historically black colleges and universities (HBCUs)," Obama said, "More than anything, this pandemic has fully, finally torn back the curtain that so many of the folks in charge know what they're doing. A lot of them aren't even pretending to be in charge." The HuffPost (5/17, Miller,

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1.67M) says Obama also "took aim at 'so-called grown-ups' with 'fancy titles' who have 'screwed up' the country by acting irresponsibly." Politico (5/17, Dugyala, 4.29M) indicates, meanwhile that "Trump calling his predecessor incompetent is not new," but his comments yesterday "come as he pushes the unfounded 'Obamagate' conspiracy theory, alleging that officials in the previous administration sought to undermine Trump and target his top associates – like former national security adviser Michael Flynn – with the Russia investigation."

The Hill (5/17, Klar, 2.98M) reports Trump "said he had not seen Obama's remarks. He also did not expand on his comments about the former president." The New York Daily News (5/17, Goldiner, 2.52M) says, meanwhile, that "Trump still hasn't articulated what crime he believes Obama committed," though "along with the Flynn debacle, Trump has stepped up efforts to point fingers at Obama as somehow being to blame for the coronavirus crisis." For example, the President "has derided the previous administration's pandemic playbook as inadequate and repeatedly claims Obama left the cupboards be when it comes to medical equipment stockpiles."

To CNN (5/17, Reston, 83.16M), "Obama's harsh criticism of the Trump administration's handling of the coronavirus pandemic this weekend brought renewed scrutiny of...Trump's leadership, but administration officials defended the response as 'historic' Sunday as deaths neared 90,000." Obama "offered a very different take on Saturday when he broke with the longstanding tradition that former presidents should avoid criticizing the current occupant of the office."

Navarro Calls Obama "Biden's Press Secretary," Blasts "Kumbaya Of Incompetence" Speech. The Washington Times (5/17, Muñoz, 492K) reports "White House trade adviser Peter Navarro hit back at...Obama Sunday, after the former leader criticized the Trump administration's handling of the coronavirus." Navarro said on ABC News' "This Week," "I'm glad Mr. Obama has a new job as Joe Biden's press secretary." Navarro also "said he didn't see any mention of China or manufacturing in Mr. Obama's 'kumbaya of incompetence' speech Saturday, arguing that's what the American public is concerned with." The New York Post (5/17, Moore, 4.57M) points out Navarro also "said Americans will decide who's stronger on the economy when they decide who they want in the White House this November." Said Navarro, "So we'll have Joe Biden, long friend of China, President Donald J. Trump, the only president in modern history to stand up to China going into November. And what this is going to be about, it's not going to be about the pandemic, it's going to be about jobs."

Under the headline "Navarro Ties Obama, Biden And China Together In Coronavirus Attack," Politico (5/17, Dugyala, 4.29M) also reports "Navarro came out swinging against former...Obama," Biden "and China in a vigorous defense of the Trump administration's handling of the coronavirus crisis."

Navarro: Pelosi Bill "Has $1,200 Checks For Illegal Immigrants," "Goes Downhill From There."

Discussing the House coronavirus aid bill on ABC's This Week (5/17, 2.81M), White House trade adviser Peter Navarro said, "Nancy Pelosi basically lost me with that package when she has $1,200 checks for illegal immigrants," and "it goes downhill from there. What we have to do, is basically go with the fiscal and monetary stimulus that we have been going through. We have a lot coursing through the system now. We may need more. I'll let others negotiate that. What I'm focused on, and this is the real key to success, is going to be the structural adjustments we have to make." Added Navarro, "Basically this President going back to him as a candidate promised to bring our jobs home, that's going to be key to the future within innovation." The GM "plant for ventilators went up in 17 days in Kokomo, Indiana, through innovation. ... That was a miracle. We can replicate that throughout this economy."

Forbes (5/17, Brewster, 9.71M) reports "many Republican lawmakers have echoed Navarro's sentiment in recent weeks, preferring a wait-and-see approach for a next round of stimulus legislation, even as 36 million Americans have joined the unemployment rolls in the last two months and Fed chair Jerome Powell said more stimulus 'could be costly' but is 'worth it if it helps avoid long-term economic damage.'" Along those lines, The Hill (5/17, Klar, 2.98M) points out "Senate Republicans have called the package 'dead on arrival' and Senate Majority Leader Mitch McConnell (R-Ky.) and others have called for a 'pause' in passing coronavirus relief bills." The Washington Examiner (5/17, Yilek, 448K) recalls that "the House, which has a Democratic majority, passed the bill Friday, but the Senate has no immediate plans to take it up."

Kennedy: Pelosi Measure A Liberal Wish List, Not A Coronavirus Bill. The Washington Examiner (5/17, Yilek, 448K) reports "Sen. John Kennedy [LA] suggested that Democrats are divorced from reality in wanting to pass a $3 trillion stimulus bill in response to the economic fallout of the coronavirus pandemic." Kennedy "has described the package as 'dead as fried chicken' in the Republican-controlled Senate." Kennedy, on Fox News Sunday Morning Futures (5/17, 1.77M), outlined his position on the House's bill, saying, "It's $3 trillion, for one thing, every penny of which we would have to borrow. That's $30 trillion. It's not going to pass the Senate nor should it. My fellow Republicans in the Senate have tried to see things from the speaker's point of view, but we can't get our heads that far up our rear ends, and I think any fair- minded American would agree , once they read the bill. ... It's not a coronavirus bill as much as it is an effort by the Speaker and her colleague s to rewrite the rules for American society. This bill, her bill would rewrite our immigration laws, her bill would federalize elections, our elections have always been run by states and local governments. Her bill would begin the process of federalizing the elections. It would allow federal prisoners to go free. It mentions dope more than it talks about jobs. I think it references cannabis like 68 times. It would expand Obamacare and let me end as I began. It would cost $3 trillion. That's 3,000 billion. We just spent three trillion, we need to see how that works first."

Pelosi Calls For Swift Passage Of Her Bill: "People Are Hungry Across America." Speaker Pelosi, on CBS' Face The Nation (5/17, 3.3M), discussed the bill recently passed by the House to address the economic fallout of the coronavirus. Pelosi said, "Time is of the essence. In the past bills, they put forth their proposal, and then we worked in a bipartisan way that we did here. Now, across the country, Republican and Democratic mayors and governors and the rest, all want this bill to happen in terms of the investments in state and

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local and tribal and territorial governments, and also in terms of the testing to be done across the country largely at this state level. Time is very important. We have lost time. Again, setting aside how we got here, we cannot take a pause. They may think it is okay to take a pause, but people are hungry across America. Hunger doesn't take a pause. People don't know how they're going to pay their rent across the country. We have to address this with humanity." Reuters (5/17, Chiacu) reports that "asked if there has been a Republican response or counteroffer to begin negotiations on the bill," Pelosi said, "No bill that is proffered will become law without negotiations, so, yeah."

The Washington Times (5/17, Muñoz, 492K) also reports "Pelosi said Sunday that she's ready to negotiate with Republicans on the next coronavirus bill." Pelosi "has pushed back against the partisan label on her Democrat-led bill, arguing its no different than the proposals put forth by the GOP on previous packages."

Discussing the virus on CBS' Face The Nation (5/17, 3.3M), Pelosi said, "The CDC was grossly cut in the President's budget. But setting aside how we got here, let's talk about how we go forward. It is important for us, the American people want the economy to open up. We all do. We want our society to open up. We all do. In order to do that, we have testing, tracing, treatment, and isolation. And that is the path. That's what the scientists advise. That is what we do in the Hero's Act."

Sen. Bernie Sanders (D-VT), on ABC's This Week (5/17, 2.81M), discussed his potential vote for the economic stimulus the House recently passed. Sanders said, "I would vote for it – very substantive piece of legislation. ... Now I think what Pelosi did in the House is significant. It's important. I have some disagreements with it. I want to see the Senate improve upon it. Among other things I happen to believe that we should go in the direction of paycheck security process, similar to what has been done in Europe, which says to every worker in America you'll continue to receive your paycheck and the other benefits which you had when you were on the job."

Sen. Cory Booker (D-NJ) said on MSNBC AM Joy (5/16, 1.35M), "The bill that we have focuses on those small businesses that have been elbowed out of a lot of the programs that we've already had. there is a bipartisan demand to get these community centers, these neighborhood pillar businesses that often are three employees, ten employees back up and running and what I simply want is there to be clear standards for what we should be doing to protect workers. ... This is not about giving corporations a pass for gross negligence. ... And so I'm a little frustrated because there is a bipartisan desire – you have all 50 governors joining together and saying we need help. ... So don't call this a partisan thing. Call this a Trump/McConnell thing. ... They're much more interested in bailing out corporations and keeping big business intact than bailing out the people who are putting their lives on the line every single day in our country. It's outrageous and unacceptable."

Rep. Ilhan Omar (D-MN) was asked on MSNBC's Politics Nation (5/16, 848K) about her call to freeze rent, mortgage, and student loan payments during the pandemic. Omar said, "We're seeing nearly 30 million Americans who are currently unemployed because of this pandemic." Omar added that "so many people here in Minnesota weren't able to pay their rent on April 1, they weren't able to pay their rent on May 1 and now, as we are looking at June 1, so many more people are not going to be able to cover their rent payments. That is going to cause a huge displacement. We are going to see so many people as bills come due unable to pay them, and the kind of economic devastation that we are looking at is only going increase if we don't do real implementation of policy that is going to alleviate the kind of hurt people are feeling in our communities."

WSJournal: New York Has Been Mismanaged, Shouldn't Get Federal Aid. In an editorial, the Wall Street Journal (5/17, Subscription Publication, 7.57M) writes that the federal government should not offer coronavirus aid to states and localities. Citing some statistics about New York and Florida, the Journal argues that the former is in financial difficulty due to mismanagement and union power, that other states are doing well due to good management, and that federal aid would be unfairly forcing the latter to support the former.

Reopening Auto Industry Expected To Be Slow, Difficult.

The Wall Street Journal (5/17, Foldy, Colias, Subscription Publication, 7.57M) reports auto industry executives and consultants say restarting the industry will be slow and difficult. Suppliers are facing financial difficulties and don't have enough business to recall most of their staff. Additionally, health fears and lack of child care may cause many workers to remain absent even if called back to work.

Oil Prices Rise Modestly.

The New York Times (5/17, Krauss, 18.61M) reports that increased demand and falling production "helped push up oil prices modestly in recent weeks." On Friday, oil futures rose "to nearly $30 a barrel, which is just enough for some of the best oil wells in the United States to break even." However, oil prices may fall again should there be a surge in coronavirus cases or when "tankers filled with more than 50 million barrels of crude oil from Saudi Arabia reach the United States in the next two months. "

Restaurants Seeking To Adapt To Reopening Amid Pandemic.

Morgan Chesky reported on NBC Nightly News (5/17, story 8, 2:20, Snow, 259K) on how the pandemic is "rewriting the rules for all restaurants." Restaurants are creating extra space between tables and staff wearing masks and gloves. However, Cornell University Professor of Food & Beverage Management Alex Susskind warned, "Eight million people lost their jobs in the restaurant business, and a lot of operators are saying that they're not even going to be able to hire a lot of those people back."

The Washington Times (5/17, Varney, 492K) reports restaurants "took massive blows" during stay-at-home orders. In New Orleans, "restaurants are coping with the occupancy limits in different ways," including removing seating, strict reservation policies, and time limits on

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dining.

Pandemic Heightening Food Insecurity.

CEO of Feeding America Claire Babineaux-Fontenot, on CBS' Face The Nation (5/17, 2.64M), discussed the impact of the coronavirus on food supplies. Babineaux-Fontenot said, "We're seeing a marked increase in demand to the tune of 60 percent more people showing up in need of our services" even as donations and volunteers decrease. She added, "We're definitely seeing different people showing up." However, she added, "One of the things I think the American public simply wasn't aware of, was that even before this pandemic, there were nearly 40 million people who were food insecure, and over 11 million of them were children. This pandemic has just heightened that challenge."

Pandemic May Shift Tech Companies Further Toward Remote Work.

The Wall Street Journal (5/17, A1, Bindley, Subscription Publication, 7.57M) reports that as a result of the coronavirus pandemic, some tech companies say that being forced to work remotely will change the industry to be more permissive of the practice. Some executives see advantages in remote work, allowing work forces outside the high property prices and cost-of-living around Seattle and the San Francisco Bay Area and making it easier to recruit talent.

Klobuchar Blasts Possible Uber-Grubhub Merger.

Reuters (5/17, McWilliams) reports Sen. Amy Klobuchar (D-MN) "blasted merger talks between" Uber Technologies Inc and Grubhub Inc, which would give Uber Eats "a leg up on market leader DoorDash." Klobuchar tweeted such a move "it isn't good for competition and it isn't good for you," as "when big companies corner the market it usually means more for them and less for you, especially in a pandemic." She called for action by antitrust watchdogs.

Securities Industry Group CEO: SEC Database Plan Unneeded, Risky.

American Securities Association CEO Christopher A. Iacovella writes in an op-ed in the Wall Street Journal (5/17, Subscription Publication, 7.57M) that his group is suing the Securities and Exchange Commission, arguing its move to collect and store every US retail investor's personal information is unnecessary and risks identity theft.

House: Stakes High For US, Saudis In Oil Production Dispute.

Former publisher of The Wall Street Journal and author Karen Elliott House writes in the Wall Street Journal (5/17, Subscription Publication, 7.57M) that the stakes are high for the both the US and Saudi Arabia in their dispute over oil production levels as the industry has been hit hard by the coronavirus pandemic. House urges the two leaders to work together.

WPost: Facebook Oversight Board Must Be More Than Company's "Fig Leaf."

In an editorial, the Washington Post (5/17, 14.2M) writes that there are concerns that Facebook's oversight board may just be "a fig leaf of legitimacy that lets it avoid responsibility for controversial calls without actually changing much." In particular, the board currently doesn't deal with content that is not removed despite calls to do so. The Post calls for holding Facebook to expanding removing this limit and calls for the board to bring transparency to "determinations about who can say what" on Facebook, ensuring "those determinations are based on principle rather than profit," and that it applies to "all sorts of speech on Facebook, not just the kind the company chooses."

Trump Touts "Tremendous Progress" In "Working Weekend" At Camp David.

The New York Post (5/17, Moore, 4.57M) recounts President Trump "left the White House for Camp David, the presidential retreat in the Maryland mountains, on Friday," and "was accompanied by White House Chief of Staff Mark Meadows and a number of Republican members of Congress." The Post adds that "asked what they discussed after arriving back in DC, "Trump said, "So I think we had a great weekend. We did a lot of terrific meetings. Tremendous progress is being made on many fronts, including coming up with a cure for this horrible plague that has beset our country. ... It was a working weekend, it was a good weekend. A lot of very good things have happened."

Trump also tweeted yesterday, "Doing REALLY well, medically, on solving the CoronaVirus situation (Plague!). It will happen! ... The number of Coronavirus cases is strongly trending downward throughout the United States, with few exceptions. Very good news, indeed!"

Zeldin On Weekend With Trump: He "Never Slows Down Or Sleeps. It's Incredible." Rep. Lee Zeldin (R-NJ) took to Twitter yesterday to write, "Returning now from a very productive weekend at Camp David with @realDonaldTrump and a few of my @HouseGOP colleagues. The man never slows down or sleeps. It's incredible. A lot of work on coronavirus response and other important topics to make our great nation even stronger."

Trump To Visit Ford Plant Making PPE On Thursday.

The Detroit Free Press (5/17, Howard, 1.52M) reports, "Ford Motor Company announced late Sunday that President Donald Trump will visit the automaker's Rawsonville Components Plant in Ypsilanti on Thursday," as "part of a national tour meant to highlight the importance of

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companies producing personal protection equipment (PPE) and other medical equipment during the pandemic." The Free Press adds "the Rawsonville plant, which currently produces ventilators, is working around the clock with hundreds of UAW members who are paid volunteers." The Detroit News (5/17, Mauger, Grzelewski, 825K) recounts "Trump last visited the state, which he won in 2016 by just 10,704 votes, on Jan. 30 when he spoke at a Dana Inc. plant in Warren." At Thursday's event, the President "is expected to discuss the collaboration between Ford and General Electric during the COVID-19 pandemic."

USA Today (5/17, Collins, 10.31M) reports "the trip to Michigan comes as Trump is urging states to reopen and has staged a number of events at the White House and elsewhere to project the image that life is returning to normal." USA Today adds that "last Thursday, Trump toured an Owens and Minor medical equipment factory in Allentown, Penn., that makes masks, gloves, and surgical gowns," and "used the event to highlight federal efforts to replenish the Strategic National Stockpile of critical supplies needed to combat the spread of the coronavirus."

Trump Blasts "60 Minutes" After Bright Interview.

President Trump lashed out at CBS' "60 Minutes" in a tweet Sunday after the show aired an interview with Dr. Rick Bright. Trump wrote, "@60Minutes & third place anchor, @NorahODonnell, are doing everything in their power to demean our Country, much to the benefit of the Radical Left Democrats. Tonight they put on yet another Fake "Whistleblower", a disgruntled employee who supports Dems, fabricates stories, &.....spews lies. @60Minutes report was incorrect, which they couldn't care less about. Fake News! I don't know this guy, never met him, but don't like what I see. How can a creep like this show up to work tomorrow & report to @SecAzar, his boss, after trashing him on T.V.? ....This whole Whistleblower racket needs to be looked at very closely, it is causing great injustice & harm. I hope you are listening @SenSusanCollins I also hope that Shari Redstone will take a look at her poorly performing gang. She knows how to make things right!"

Bright: Administration Focused On Containing Coronavirus Instead Of Preparedness. Norah O'Donnell reported on CBS' 60 Minutes (5/17, 8.24M), "Dr. Rick Bright is the highest-ranking government scientist to charge the federal government's response to the coronavirus pandemic has been slow and chaotic. He says it has prioritized politics over science, and has cost people their lives. It has cost Dr. Bright his job." Bright: "I have been trained my entire life to recognize these outbreaks and recognize viruses. I have a Ph.D. in virology. I knew that all of the signs for a pandemic were present. A novel virus, infecting people, causing significant mortality and spreading. ... I believe my concerns were shared by other scientists in the government. ... What struck me, though, was my sense of urgency didn't seem to prevail across all of HHS." O'Donnell added, "Bright says that lack of urgency started with the boss of his department, Health and Human Services Secretary Alex Azar." Bright: "Remember, the entire leadership was focused on containment. There was a belief that we could contain this virus and keep it out of the United States. containment doesn't work. Containment does buy time. It could slow, it very well could slow the spread. But while you're slowing the spread, you better be doing something in parallel to be prepared for when that virus breaks out." The rest of the story can be seen here .

The Washington Times (5/17, Muñoz, 492K) reports White House trade adviser Peter Navarro called Bright "a 'deserter' in the war against coronavirus Sunday." Navarro said on ABC's This Week , "The tragedy, is George this man has talent, he's a smart man. We could have used him on the battlefield. He's not there now and it's because of decisions that he made."

Navarro Says Pandemic Shutdowns Will Kill More People Than Coronavirus.

White House trade adviser Peter Navarro told NBC's Meet the Press that the coronavirus shutdowns will "indirectly" kill more people than the actual virus. The Washington Examiner (5/17, Yilek, 448K) reports Navarro said, "If you lock people down, you may save lives directly from the China virus, but you indirectly – you're going to kill a lot more people." Navarro "said unemployment leads to more suicides, depression, and substance abuse." In addition, he "cited the disruptions the virus has caused to the health industry as many medical procedures and screenings have been put on hold during the pandemic." Said Navarro, "That's gonna kill people as well. So if you contrast this complete lockdown, where some people in the medical community want to run and hide until the virus is extinguished, that's gonna not only take a huge toll on the American economy, it's going to kill many more people than the virus – the China virus ever would."

Forty-Eight States Have Lifted Restrictions On Businesses. NBC Nightly News (5/17, lead story, 3:05, Snow, 259K) reported in its lead story that as of Sunday, "all but two states [had] lifted at least some restrictions on businesses. Many recreation areas were opened this weekend. Some busier than public health officials would have liked. But the most noticeable steps forward, sports are coming back. There were two major event today, and now, a very real plan for Major League Baseball and the NFL moving forward." In its lead story, ABC World News Tonight (5/17, lead story, 4:50, Llamas, 5.48M) described "the clearest signs yet America is making moves to reopen. ... It is a delicate new phase in the battle against COVID-19, with America balancing the reward of reopening with the potential risk to lives." ABC (Ault) added that HHS Secretary Azar is "discouraging reckless gatherings, but saying some level of irresponsible behavior is inevitable." Azar: "I think in any individual instance, you're going to see people doing things that's irresponsible, that's part of the freedom we have here in America."

Jamie Yuccas said on the CBS Weekend News (5/17, story 3, 2:10, Gianola, 2.93M) that "by Monday, 48 states will have relaxed stay at home orders. Over the weekend, at least five saw an uptick in coronavirus. But in Texas, it was a surge, the state reporting more than 1,800 new cases Saturday. The biggest single day jump since the pandemic began."

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Azar: Reopening States Not Seeing A Spike In Cases. Also Sunday, Breitbart (5/17, Key, 673K) reports, Azar "said there has been no spike in coronavirus cases in the states that are reopening." Azar told CNN's State Of The Union , "We are seeing that in areas

that are opening, we're not seeing the spike in cases. We still see spikes in some areas that are, in fact, closed, very localized situations. And so this is going to be very important for us to watch the circumstances on the ground." Townhall (5/17, Stocking, 177K) says Azar "touted the importance of good surveillance and testing in allowing states the ability to safely reopen." Azar said, "First, we need to have good surveillance. So we need to look for influenza-like illness and other respiratory disease. We have a great surveillance system for that. We look for spikes and early indicators. We have adequate testing capacity. We need to make sure anybody who is symptomatic is tested and that we have adequate asymptomatic surveillance in areas of greatest burden."

Emergency physician Dr. Megan Ranney said on CNN's Inside Politics (5/17, 832K), "It is going to take two to three to even four weeks after reopening starts to figure out if we've moved too early, if we have to dial things back. As we know, this virus has about a two-week period of being asymptomatic after it gets transmitted and...the really bad symptoms don't start to show up for another one to two weeks after that. So, it's really between a two and four-week period after reopening until we know if we've done too much too soon."

Dr. Ashish Jha, Director of the Harvard Global Health Initiative, said on CNN's Inside Politics (5/17, 832K), "The way I see this is the science and the evidence are ultimately going to drive what happens. You can choose not to follow the signs. You can choose to take risks. And I don't understand the politics of all of it but, you know, the virus will behave the way it will behave."

Navarro: CDC "Let The Country Down With The Testing."

USA Today (5/17, Cummings, 10.31M) says White House trade adviser Peter Navarro "cast blame for how the coronavirus spread on the Centers for Disease Control and Prevention, China and the Obama administration while defending the White House response to the outbreak." On NBC's Meet the Press, Navarro "pointed to the CDC's early challenges developing an accurate test for the virus." Navarro said, "Early on in this crisis, the CDC which really had the most trusted brand around the world in this space, really let the country down with the testing. Because not only did they keep the testing within the bureaucracy, they had a bad test. And that did set us back." USA today adds that on CBS' Face The Nation, HHS Secretary Azar "disputed Navarro's criticism of the CDC." Azar said, "I don't believe the CDC let this country down." The CBS Weekend News (5/17, story 2, 1:00, Gianola, 2.93M) and Breitbart (5/17, Key, 673K) provide similar coverage of Navarro's comments.

Highlighting Navarro's comments, ABC World News Tonight (5/17, story 2, 2:20, Llamas, 5.48M) said the White house is "escalat[ing] the blame game," and the Washington Post (5/17, Sonmez, Fears, 14.2M) says that with Navarro's comments Sunday, tensions between the White House and the CDC "spilled out into public view." The comments "are the latest signal of how the Trump administration has sought to sideline the CDC," the agency that "typically plays the lead role in public health crises."

Also on CBS' Face The Nation, Axios (5/17, Knutson, 521K) reports, former FDA commissioner Scott Gottlieb "defended" the CDC's "early efforts to develop a coronavirus test" in the wake of Navarro's comments. Gottlieb said, "Even if the CDC had rolled out that test perfectly, there still wouldn't have been enough testing in place in the nation to do what we call 'sentinel surveillance' to try to detect this virus earlier." Gottlieb "argued that Department of Health and Human Services leadership should have picked up the phone in January or early February to engage large private labs." He said, "If they had asked the CEOs to do that, I'm willing to bet that they would have done it and you would have gotten the big labs in the game. That's what needed to happen."

Survey Finds States' Coronavirus Testing Capacity Outstrips Supply Of Patients.

The Washington Post (5/17, Thompson, Eilperin, Dennis, 14.2M) reports that four months into the pandemic, coronavirus tests "finally are becoming widely available, a crucial step toward lifting stay-at-home orders and safely returning to normal life," yet "while many states no longer report crippling supply shortages, a new problem has emerged: too few people lining up to get tested." A survey by the Post "of governors' offices and state health departments found at least a dozen states where testing capacity outstrips the supply of patients." The Post adds, "Experts say several factors may be preventing more people from seeking tests, including a lingering sense of scarcity, a lack of access in rural and underserved communities, and skepticism about testing operations."

WTimes Analysis: COVID-19 Testing Becoming More Convenient, Easier To Find In US. The Washington Times (5/17, Howell, 492K) reports that following "early stumbles and scrambles, testing for COVID-19 or an immune response to the disease is getting more convenient and easier to find." About 350,000 people a day are being tested in the US, which is "more than double the daily average from mid-April, and federal regulators are bringing new diagnostics and antibody, or 'serological,' tests to market every day." However, the Harvard Global Health Institute "estimates that the U.S. will need to triple its testing average, to 900,000 per week, to contain the outbreak, though states' needs vary."

USA Today Analysis: Roughly 200 Remote Counties Have Reported No Cases.

USA Today (5/17, Nichols, Allison, King, Pfannenstiel, 10.31M) reports that "in just four months, the deadly COVID-19 virus has infiltrated every state and major US city. But a scattering of remote counties continue without a single reported case, according to a USA TODAY analysis." The list "is getting shorter by the day, though. In the first half of May alone, 40 counties went from zero recorded cases of the virus to at least one." USA Today says the "long stretch without coronavirus cases in some counties likely reflects an undercount from limited testing. But in others it may also reflect the benefits of being relatively cut off." The analysis by USA TODAY "found a strong link between population density and official infection rates across the country."

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Azar: Administration Is "Wringing The Inefficiency Out" Of Vaccine Development.

HHS Secretary Azar was asked on CBS' Face The Nation (5/17, 3.3M) if the Administration is pledging that all Americans will be able to get a vaccine by the end of the year. Azar said, "It is not a pledge. It is a goal of what we're going to mobilize the entire US government and private sector to achieve. ... These drug companies and vaccine-makers said it is going to make this amount of time because they're using their traditional approaches. You do phase one, phase two and phase three in sequence. Then you do manufacturing. The President said that is not acceptable. So what we are doing is wringing the inefficiency out of the development process to make the development side faster to get to safe and effective vaccines, and at the same time, we're going to scale up commercial-sized manufacturing and produce hundreds of millions of doses at risk. They may not pan out."

Breitbart (5/17, Key, 673K) says Azar was asked on CNN's State Of The Union (5/17, 1.12M) whether reopening is dependent on a vaccine. Azar said, "So what the president was making the point on is, everything does not depend on a vaccine. We're committed to delivering a vaccine. We'll put the full power of the U.S. government and our private sector towards getting a vaccine, but that's one of a multifactorial response program. First is the testing we talked about before, broad surveillance to find cases, surge in and contain."

Administration Officials Impressed By Birx's Political Skills.

Axios (5/17, Swan, 521K) cites "administration officials" who "say they've been taken aback by Deborah Birx's masterful political skills – including a preternatural ability to get what she wants while telling people what they want to hear." Birx is "better than any of the other public health officials at talking to Trump." She "has been far more adept at influencing the president and shaping the administration's response to the global coronavirus pandemic" than Dr. Anthony Fauci. According to colleagues, Birx "strategically emphasizes the points Trump wants to hear – and she can play multiple angles on any given issue."

Eric Trump Says Democrats Are Milking Coronavirus To Hurt Trump's Campaign.

The Washington Times (5/17, Morton, 492K) reports that Eric Trump "predicted over the weekend that the nation's concern over coronavirus will 'magically' disappear once Democrats can no longer milk it for electoral purposes." Trump "said in an interview on Fox News Justice that the coronavirus-related shutdowns are an effort to sabotage the Trump election campaign that presumed Democratic nominee Joseph R. Biden 'loves.'" He said, "They think they're taking away Donald Trump's greatest tool, which is to go into an arena and fill it with 50,000 people every time. ... You watch. ... They will milk it every single day between now and Nov. 3. Guess what – after Nov. 3, coronavirus will magically, all of the sudden, go away and disappear and everybody will be able to reopen." USA Today (5/17, Cummings, 10.31M) provides similar coverage.

Colorado Governor Takes Issue With CDC's Coronavirus Data.

The Washington Examiner (5/17, Colton, 448K) reports Colorado Gov. Jared Polis (D) "is pushing back against coronavirus data from the Centers for Disease Control and Prevention, claiming people want to know who died directly from the COVID-19 virus rather than those who had tested positive at the time of their death." Polis appeared on Fox News Sunday "after it was reported that 300 fewer people in Colorado have died directly from the coronavirus than was originally reported, according to revised data from the state." Polis said, "The CDC criteria include anybody who has died with COVID-19, but what the people of Colorado and the people of the country want to know is, how many people died of COVID-19?" The Examiner adds that "people across the country" are questioning "the accuracy of coronavirus case data."

On its website, Fox News (5/17, Blitzer, 27.59M) cites "three administration officials" who "said Dr. Deborah Birx, the task force response coordinator, has pushed for the CDC to exclude from the death count some who were presumed infected but did not have a confirmed lab result and those who had the virus but might not have died as a direct result of it, according to the Daily Beast." However, "Dr. Anthony Fauci, the top U.S. infectious disease expert, said during testimony before the Senate Health, Education, Labor and Pensions Committee Tuesday that he believes the coronavirus death toll is "almost certainly higher" than currently being reported."

A New York Times (5/17, 18.61M) editorial says President Trump and Administration officials "seem to suspect that the number of Covid-19 deaths is being overstated." Debate over the ac curacy of the CDC data "has become a hot topic at the White House, according to reporting this week from Axios, to the point that the task force is reassessing the mortality numbers as part of 'a much larger review of data quality issues,' an administration official told The Times." The Times argues that there is "a pressing need for accurate information about the progress of the pandemic. If the White House thinks the death toll is too high and should be adjusted, it owes people an explanation of why it is taking a position contrary to the conclusions of its own public health experts."

Trump Retweets Video Of CNN's Collins Removing Mask After White House Press Conference.

President Trump on Sunday evening retweeted a post from his son, Eric, which said, "Just a reminder that @CNN is a total joke: 'Mask-police CNN reporter @kaitlancollins caught removing hers at presser, as soon as she thought cameras were off' Cc: @brianstelter" The tweet included video of Collins removing her mask as reporters were leaving the White House briefing room following a pres conference. In his tweet, President Trump wrote, "A CNN Faker!"

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VA Testing Prostate Cancer Drug's Effectiveness Against Coronavirus.

The Washington Times (5/17, Glenn, 492K) reports that the Department of Veterans Affairs announced over the weekend that degarelix, a drug meant to treat prostate cancer "could be used as a treatment for patients infected with the coronavirus." The VA is launching clinical trials to determine of the drug, which is manufactured under the trade name Firmagon, "can be used to improve the outcome of almost 200 male veterans who have been hospitalized with COVID-19." VA Secretary Wilkie said in a statement, "Veterans who have contracted this virus are in need of immediate care. ... This trial is an important step in advancing knowledge of a potential treatment for those infected with COVID-19. We are here to do everything in our power to preserve and protect life."

Gottlieb: US Needs More Real Time Information To Combat Pandemic.

Former FDA Commissioner Scott Gottlieb writes in an op-ed for the Wall Street Journal (5/17, Gottlieb, Subscription Publication, 7.57M) that there are still many unknowns about the coronavirus. Gottlieb calls for greater real-time reporting of coronavirus-related findings in order to slow the spread and resume normal life.

Scientists Believe US Is Unprepared For Pandemic's Second Wave.

USA Today (5/17, Wagner, 10.31M) reports that "many scientists" believe the coronavirus pandemic "will dissipate over the summer only to return late this year in a second wave that could be worse than the first." USA questions whether the US is prepared "medically, economically and emotionally" for that second wave, and the "leading answer from epidemiologists, economists and futurists: probably not. But tomorrow depends in part on what we do as individuals, communities and a nation."

Federal Government To Gather, Publish Data On COVID-19 Deaths In Nursing Homes.

The Washington Post (5/17, Sacchetti, 14.2M) reports that nursing homes were "directed to report the number of coronavirus infections and deaths to the federal government by midnight Sunday so that health officials can assess the damage the pandemic has inflicted on sick and elderly residents and their caregivers in more than 15,000 homes nationwide." According to federal officials, the data will be collected weekly and published online "along with the names of nursing homes, by the end of May. The data will offer a first look at the impact in such states as Texas and Virginia that have declined to identify nursing homes with covid-19 infections." CMS said in an alert Friday that it "will be taking swift action and publicly posting this information so all Americans have access to accurate and timely information on COVID-19 in nursing homes."

Research Trial Combines Remdesivir With A Second Drug.

The CBS Weekend News (5/17, story 5, 2:20, Gianola, Lapook, 2.93M) reported that "the drug remdesivir has been shown to modestly shorten recovery time. But now in a new trial, researchers are adding even more firepower to the battle against COVID-19." CBS (Lapook) added that early results of a global trial "showed remdesivir reduced average hospitalizations from 15 to 11 day days." In the next phase of the trial , Dr. Aneesh Mehta, who was the lead investigator of the NIH trial at Emory University, and his colleagues are now "combining remdesivir to stop the virus from multiplying with a powerful anti-inflammatory drug, baricitinib, a so-called immune modulator that aims to prevent organ damage by calming down an inflamed immune system." Dr. Mehta's team "is looking at whether this powerful combination could make recovery even faster and possibly reduce the mortality rate in a way remdesivir alone has not yet been shown to do."

Governors Cautiously Optimistic About Reopening Schools In The Fall.

Politico (5/17, Beavers, 4.29M) reports that in television interviews Sunday, Colorado Gov. Jared Polis (D), Ohio Gov. Mike DeWine (R), and California Gov. Gavin Newsom (D) "expressed measured optimism about the possibility for schools in their states to reopen by the fall." On Fox News Sunday , Polis "outlined the most bullish vision of the three governors." Polis said, "Schools need to function, they are going to function. It's also going to be somewhat of a hybrid environment, meaning there might be times during the year there's an outbreak at a school that it has to convert to online for a period of weeks until it's reasonably safe to return to school. But by and large, I think, across our state and across our nation, kids are going to return to school in the fall, it's just not going to look like any other school year."

On CNN's State Of The Union (5/17, 1.15M), DeWine said, "What I have asked the schools to do is to assume they're going back, but to come up with all kinds of alternatives. Assume, if you're back, for example, how do you achieve some sort of distancing? ... But we hope to be open in August, when school starts back up in most places in Ohio, but we don't know yet, frankly."

Newsom said on CNN's State Of The Union (5/17, 1.12M) that the question of reopening schools is a "difficult one to answer in absolute terms. ... I think some schools will not be. Many schools will be. ... There's nuance. But we are moving forward, in hope and expectation that we can start that school year very strategically and methodically, again, based upon the health as a prime frame of reference in terms of those decisions."

Governors Weigh Reopening Amid Concerns About A Surge Of New Cases.

The New York Times (5/17, Rojas, Delkic, 18.61M) reports that "governors across the country are contemplating the risks of reopening, particularly if it produces a surge of new cases and deaths." While state officials "said that pressure was building to revive commerce and to

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chart a path for states to stagger back toward a semblance of normalcy," governors "acknowledged concerns about a fresh resurgence of the coronavirus, and they are haunted by images of restaurants and stores packed with patrons with uncovered faces."

PG County Lawmakers Criticize Hogan's Coronavirus Response.

The Washington Post (5/17, Natanson, Lazo, 14.2M) reports Prince George's County lawmakers on Sunday criticized Maryland Gov. Larry Hogan's (R) "response to the coronavirus outbreak, saying his administration has dismissed urgent requests for equipment and staffing needed to fight the virus in their county, which has a death toll among the highest in the Washington region." In a letter to Hogan, "the lawmakers cited numerous unmet promises from his administration regarding the allocation of resources to Prince George's, from personal protection equipment such as masks and gowns for hospital workers to testing kits and hospital beds." A Hogan spokesman "defended the state's response to the county, point-by-point, saying the letter 'lacks credibility.'"

As New Orleans Reopens, Residents, Tourists Hesitant To Go Out.

The Washington Post (5/17, Montgomery, Webster, 14.2M) reports that while the stay-at-home order in New Orleans has been lifted and the city "was supposed to begin coming back to life," residents "were hesitant to venture back out in a city that once was an epicenter of the novel coronavirus, even though social distancing has paid off with sharply decreased rates of infection." Likewise, "tourists were scarce." In what the Post describes as "a sign of the ambivalent nature of this reopening, several business owners said they were going to pass up the opportunity for now. To them, it's still too soon to bring customers in safely and make employees cook in cramped kitchens. And it doesn't make economic sense to operate at 25 percent capacity, they said, which all but guarantees they will lose money."

Transit Workers Suffering Amid Outbreak.

The Washington Post (5/17, George, Jaffe, 14.2M) reports that amid the coronavirus pandemic, essential workers such as doctors, nurses, and first responders have been called heroes, but "the lower-paid and largely minority transit workers said they are often abused by riders and insufficiently protected by their employers." With some areas reopening, "the return to normal life only exacerbates" transit workers' fears surrounding their exposure to COVID-19. Many transit and union officials "were slow to recognize the threat that the virus posed to their workforces" and "scrambled to implement new safety measures," but these "have not done much to lessen the anxiety of transit employees," who "are regularly being asked to take unprecedented risks" and have lost co-workers and brought to the disease to their families.

College Towns Feeling Impact Of Coronavirus Shutdowns.

The Wall Street Journal (5/17, Baer, Subscription Publication, 7.57M) reports that the pandemic has had a severe economic impact on college towns across the country as business have shut down and campuses have emptied out. The Journal story focuses on Blacksburg, Virginia, where business owners are now hopeful that the fall will see a return to in-person classes and home football games that bring business to local hotel rooms, bars, restaurants and other establishments.

People Breaking Social Distancing Amid "Quarantine Fatigue."

Kathy Park reported on NBC Nightly News (5/17, story 2, 2:30, Snow, 259K) that "quarantine fatigue [is] forcing people outside and on to beaches from coast to coast." Park details how people are going to beaches, parks, bars, and churches, often without masks or maintaining social distancing. "A church in northern California broke reopening rules and may have exposed nearly 200 people to the virus."

Teen's Suffering With Rare Coronavirus Condition Detailed.

The New York Times (5/17, Belluck, 18.61M) reports on how Jack McMorrow, 14, suffered the newly discovered severe inflammatory syndrome linked to the coronavirus, which "can cripple the heart," that the Centers for Disease Control and Prevention is calling Multisystem Inflammatory Syndrome in Children. The condition "has shaken widespread confidence that children were largely spared from the pandemic."

WSJournal Videos Shows How Easily Coronavirus Can Spread In Stadiums.

A video on the Wall Street Journal (5/17, Subscription Publication, 7.57M) titled, "Why Stadiums Are Incubators for Coronavirus Spread" describes why health experts view stadiums as one of the highest-risk places for the coronavirus to spread.

WPost: Trump Should Announce Drug He Touted Against COVID-19 Doesn't Work.

In an editorial, the Washington Post (5/15, 14.2M) writes that two large studies indicate that the drug hydroxychloroquine, touted by President Trump and Fox News for fighting COVID-19, "was essentially useless against the virus." With the drug having gone "into shortage for those who take it for approved uses" after Trump promoted it, the Post calls for the FDA to "revoke the emergency use authorization" for it and for Trump "to use his bully pulpit to tell the American people that his 'game changer' was nothing of the sort."

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Trump: Russia Probe Was "Greatest Political Crime" In American History.

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In a prerecorded interview on Fox News Sunday Morning Futures (5/17), President Trump said the Russia investigation "was the greatest

political crime in the history of our country. If I were a Democrat instead of a Republican, I think everybody would have been in jail a long time ago, and I'm talking with 50 year sentences. It is a disgrace what's happened this is the greatest political scam, hoax in the history of our country. And people should be going to jail for this stuff and hopefully, a lot of people are going to have to pay. No other President should have to go through and I'll tell you, General Flynn and others are heroes, heroes, because what's happened to them, they went after General Flynn. They wanted him to lie about me, make up a story, and with few exceptions, nobody did that."

Toluse Olorunnipa of the Washington Post said on CNN's Inside Politics (5/17, 896K), "It's clear that the President sees this as a key part of his re-election message. He can't have his re-election be all about this pandemic and the fact that we have depression levels of unemployment and he's trying to essentially change the narrative to a comeback playbook, a playbook in which he's fighting against the Democratic resistance, fighting against Democratic governors who have decided not to open up their states and casting it as a political scandal by trying to throw things back to the Obama Administration and say that President Obama and...Joe Biden are essentially criminals, treasonists, saying that they tried to block him from becoming president. So, he's running a playbook that's very similar to what he did in 2016, sowing division, trying to sow scandal on his opponent."

Jackie Kucinich of The Daily Beast said on CNN's Inside Politics (5/17, 896K) that if Trump is "talking about Obama, he's not talking about the response to the coronavirus, the lack of testing, and the fact that his re-election is very closely tie today the economy. Right now, the economy is struggling because of this pandemic. ... This is about changing the subject and getting into a space where he's more comfortable, which is playing the victim, which is this idea that everyone is out to get him."

Guy Benson of Townhall.com said on Fox News MediaBuzz (5/17, 536K), "I think that [Trump is] angry at what we are learning about and I think he has a right to be angry based on recently declassified documents and, of course, the inspector general report which seems like ancient history but is quite relevant. I think there is some question about Barack Obama himself knew and when because we learned that sally Yates, then at the DOJ, learned from the President, Barack Obama, herself, from the President himself that the Flynn investigation was happening and that seems interesting at the very least. I think we will know a lot more about what did what and if there were crimes were committed when John Durham swings into gear and either issues indictments or a report of some sort and I think that people should generally keep their powder dry and people until we hear from Mr. Durham."

Fox News correspondent Griff Jenkins said on Fox News MediaBuzz (5/17, 536K), "The crime that was committed that Flynn's name was leaked to the media, on January 12th, the exact day that Biden requested it. That's why President Trump was mentioning it. This list that includes top Obama officials that requested the unmasking of Flynn's name are simply possible suspects of who may have leaked it. We don't know and we may never know. On the other side of this is the view that this is the very common practice, the intelligence community uses. there were some 10,000 requests to unmask names last year." Jenkins added, "The Durham investigation should it find that there was some connection between this list of unmaskers and the name of Flynn being leaked to the Washington Post, that is going to be a prosecution."

Miranda Devine writes in the New York Post (5/17, Devine, 4.57M) that while the "presidential transition is supposed to be a peaceful handover of power from one administration to the next," but it is "a remarkable period of almost three months during which an unscrupulous administration can plant landmines for its successor to step on. And that, as becomes clearer each day, is what happened to the Trump administration." In their final days in power, the Obama Administration "used the intelligence agencies to trawl for dirt which they weaved into a barely plausible narrative that Trump was an 'asset' of Russian President Vladimir Putin." But "the landmines they planted for Trump in the transition are about to blow up on them."

In an editorial, the Wall Street Journal (5/17, Subscription Publication, 7.57M) objects to Obama Administration officials' answers to questions about the Flynn unmasking, such as former DNI James Clapper's claim that it was "perfectly legitimate." The Journal says spying on Trump officials and leaking information to promote a false story about collusion is not legitimate and the public needs to know the complete story of what occurred.

Johnson Pushes Back On Tapper's Use Of Phrase "Crackpot Conspiracy Theory." The Washington Examiner (5/17, Mastrangelo, 448K) reports that on CNN's State Of The Union Sunday, Sen. Ron Johnson (R-WI) "shot back at CNN anchor Jake Tapper after the host used the phrase 'crackpot conspiracy theory' and asked about Johnson's requests for transparency on Hillary Clinton's emails and information on the 'unmasking' requests by Obama officials regarding retired Lt. Gen. Michael Flynn." Johnson said, "You keep calling it a crackpot conspiracy theory. ... I'm just trying to find out what happened. What we do know, because we got these records out of the National Archives, what President Obama saw when he got those emails from Hillary Clinton was not hillaryclinton.statedepartment.gov.classified, it was clinton.com."

The Daily Caller (5/17, Ross, 716K) report that Tapper said Johnson "suggested that Russian interference in the 2016 election was a 'hoax,'" but "a tape of the interview shows that Johnson, the chairman of the Senate Homeland Security Committee, instead told Tapper that the now-debunked theory of Russian collusion with the Trump campaign was the hoax." Johnson "asserted in the interview that leaks to the media fueled 'this entire Russian collusion hoax.'"

Tapper Draws Fire For Accusing Trump Of Launching A "Smear Campaign."

Breitbart (5/17, Pollak, 673K) says CNN's Jake Tapper "was hit by a wave of criticism on social media Sunday after he accused President Donald Trump of 'launching an unprecedented smear campaign against any rival,' with many accusing him of hypocrisy." During a monologue on CNN's State Of The Union (5/17, 1.12M) Sunday, Tapper said, "The criticism from Obama comes at a time when President

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Trump and his team are launching an unprecedented smear campaign against any rival. Leveling wild and false allegations against critics in the media and political rivals that range from bizarre false conspiracy theories to spreading false allegations of pedophilia to even suggesting one TV anchor committed murder. These smear campaigns are unmoored from reality. They're deranged and indecent and seem designed to distract from us from this horrific health and economic crisis." Critics pointed out that "Tapper and CNN had relentlessly pushed a variety of smears against Trump and his administration."

Trump retweeted a post from conservative operative Arthur Schwartz, which said, "CNN's Fake @JakeTapper Blasted for Hypocrisy After Accusing Trump of 'Smear Campaign' Against Rivals." Schwartz's post included a link to the Breitbart story. In his tweet, Trump wrote, "They, and the Lamestream Media (including Jake), have spent 3 1/2 years illegally smearing me. They got caught!"

Brennan Says He Has "Nothing To Hide" From Durham Probe.

The Washington Examiner (5/17, Dunleavy, 448K) reports that former CIA Director John Brennan told MSNBC's All In last week that "he has no reservations about speaking with U.S. Attorney John Durham" for his investigation. Durham said, "Well it's clear that I am in their crosshairs. Ever since Donald Trump was inaugurated, I have spoken out against what I think has been the corruption, the incompetence, the mischaracterizations that he and individuals around him have made to the American public, and I will continue to speak out. ... And yes, John Durham who is a well-respected individual from the Department of Justice, and many years in the business, is conducting this investigation – I guess it's an investigation – and looking at what happened during those last months of the Obama administration and the first year or two of the Trump administration." Brennan "said he has not yet been interviewed by investigators, but noted he welcomes the opportunity" because "for too long the American public have been misled" by the Trump Administration. He added, "I have nothing to hide."

Trump Touts 184 Miles Of New Border Wall.

President Trump took to Twitter yesterday to write, "Wall is going up fast. 184 miles as of today!"

USCIS Seeks $1.2B In Emergency Funding.

The New York Times (5/17, Jordan, 18.61M) reports US Citizenship and Immigration Services has asked Congress for a $1.2 billion cash infusion amid the coronavirus pandemic "that has caused applications to plummet and brought it to the brink of insolvency." A "precipitous drop in applications for green cards, citizenship and other programs has threatened the solvency of the federal agency." The agency, "which relies on the fees that it charges applicants to fund its operations, said that it could run out of money by the summer."

Analysts: Extremist Groups Promoting False Narratives Of Arbery Shooting Online.

The Washington Post (5/17, Mekhennet, 14.2M) reports organizations that monitor online extremist activity say that far-right and neo-Nazi groups, seeking to promote their agendas, "are spreading racist and false information" on social media platforms about Ahmaud Arbery, a black jogger who was fatally shot in Georgia. The groups are seeking "to create false narratives about his death, analysts said," with the two suspects arrested over the death – Gregory McMichael and his son, Travis McMichael – cast as victims "of alleged anti-white bias in the mainstream media and perceived injustice against white people."

Police Enlisted Help Of Arbery Shooting Suspect. The Washington Examiner (5/17, Soellner, 448K) reports that one of the suspects in the death of Ahmaud Arbery, retired local police officer Greg McMichael, had been referred to by a property owner within the neighborhood in case they needed help, according to the Atlanta Journal-Constitution. Officer Robert Rash texted McMichael's number to Larry English, the owner of a home construction site. McMichael's number was to be called "day or night" when a motion-activated camera system at the site activated. LaGrange Police Chief Lou Dekmar, former president of the International Association of Chiefs of Police, "said the text is concerning because it encourages a citizen to contact a former officer if actual assistance from police was needed" and "gave the perception that McMichael had a relationship with local law enforcement," who are investigating Arbery's shooting.

WPost Calls For Training To Defuse "Suicide By Cop" Situations.

In an editorial, the Washington Post (5/17, 14.2M) calls for police to be "properly trained to deal with" people seeking "suicide by cop." The Police Executive Research Forum created a protocol for such situations, "ground-tested and found to be safe and effective," that includes techniques such as "backing away, creating safe distances and engaging in conversation." In the wake of Finan H. Berhe's fatal shooting by Montgomery County, Maryland Police Sgt. David Cohen, the Post is encouraged that Police Chief Marcus Jones said "the department is looking at implementing the forum's protocol for managing 'suicide by cop' situations."

Texas School Works To Help Poorer Students.

The CBS Weekend News (5/17, story 6, 2:10, Gianola, 2.93M) reported, "The coronavirus crisis has exposed the disparities between the country's wealthy and poor communities." CBS (Villarreal) added that the Como Leadership Academy in Fort Worth, Texas, where most of the students are economically disadvantaged, has teachers making regular home visits, recording lessons and posting them on line, and distributed "150 Chromebooks and 11 internet hot spots to families in need."

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WSJournal Blasts University Of California On Proposed Admissions Move.

In an editorial, the Wall Street Journal (5/17, Subscription Publication, 7.57M) criticizes the University of California of moving towards debasing the value of its degrees by no longer using standardized tests in its admissions. The Journal cites a UC faculty senate report on the value of the tests and attributes the proposed move to progressive criticism of the SAT and ACT, as well as an effort by the UC bureaucracy to gain its desired racial composition of students.

Democratic Sources: Ousted State IG Was Investigating Pompeo's Use Of Staff To Run Errands.

At the tail end of its report on the firing of State Department Inspector General Steve Linick, NBC Nightly News (5/17, story 4, 0:55, Nichols, 259K) reported that "according to two congressional officials, the IG was looking into whether or not [Secretary of State] Pompeo made a member of his staff, a political appointee, walk his dog, pick up his dry cleaning, and make reservations for Secretary and his wife." The New York Times (5/17, Wong, 18.61M) also reports the story, citing "Democratic aides." The Times adds "the details of Mr. Linick's investigation are not clear, and it may be unrelated to the previous allegations" of misuse of State staff, but "Democrats and other critics of Mr. Pompeo say the cloud of accusations shows a pattern of misuse of taxpayer money – one that may mean lawmakers will be less willing to give the administration the benefit of the doubt as congressional Democrats begin an investigation into Mr. Linick's dismissal."

The Hill (5/17, Wise, 2.98M) reports that "according to multiple reports," Trump "removed the inspector general tasked with overseeing the State Department after receiving a recommendation to oust him from...Pompeo." An "anonymous White House official told NBC News and Reuters that Pompeo 'recommended' Linick's firing and that...Trump agreed."

Navarro: President Had "Legal Authority" To Fire State IG. White House trade adviser Peter Navarro, on ABC's This Week (5/17, 2.81M), discussed President Trump's decision to fire the State Department inspector general on Friday night. Navarro said, "That's way out of my lane here. The President has the legal authority to do that. What I can tell you, based on my experience here, there's a bureaucracy out there – tremendous problem with some people call it 'the deep state.' I think that's apt. I don't mourn the loss of people when they leave this. There's always going to be somebody better to replace them, someone more loyal to the Trump agenda. That's what's important, the Trump agenda. This President has transformed the Republican Party into the party of the working class. I'm here because the President loves creating good jobs for Americans. Anybody who hates buy America, they don't really belong here. I support whatever this President does in terms of his hiring and firing decisions."

Johnson: IGs "Serve At The Pleasure Of The President." Sen. Ron Johnson (R-WI), on CNN's State Of The Union (5/17, 1.15M), said, "I'm very mindful of the fact that inspector generals don't work for Congress, they actually work for the Administration. They're part of the executive branch...and serve the President of the United States. I take a slightly different view of what they should be different from. They need to retain their independence from their agencies so they can provide information to their leadership. They serve at the President's will, that's true of every inspector general. Not all inspector generals are created equal. In our oversight work we've had two inspector generals resign. They left town ahead of the posse, so to speak. There are inspector generals that bring a political agenda as well as those that do a phenomenal job. So they're not all equal. In the end, they serve at the pleasure of the President and he's got the authority to hire and terminate."

Democrats Launch Investigation, Pelosi Says Administration Is "Supposed To Show Cause." USA Today (5/17, Shesgreen, 10.31M) reports, "Top congressional Democrats opened an inquiry Saturday into Secretary of State Mike Pompeo's ouster of a government watchdog and accused Pompeo of trying to shield himself from an internal probe." The Hill adds that "in a joint letter, Rep. Eliot Engel, chairman of the House Foreign Affairs Committee, and Sen. Bob Menendez, the top Democrat on the Senate Foreign Relations Committee, called on the White House and the State Department to 'preserve all records related to the firing' of Inspector General Steve Linick." Axios (5/16, Rummler, 521K) notes Engel and Menendez wrote, "President Trump's unprecedented removal of Inspector General Linick is only his latest sacking of an inspector general, our government's key independent watchdogs, from a federal agency. ... We unalterably oppose the politically-motivated firing of inspectors general and the President's gutting of these critical positions."

Reuters (5/17, Lynch, Chiacu) reports Speaker Pelosi said on CNN's "State of the Union" yesterday, "The president has the right to fire any federal employee, but the fact is if it looks like it's in retaliation for something the IG, the inspector general, was investigating, that could be unlawful." Pelosi also said on CBS' Face The Nation, "This is new to us, and typical of the White House, announcing something that is very unsavory, and they would do it late on a Friday night. The fact is, as you indicated, it is the fourth inspector general. Inspectors general, that office was created after Watergate to make sure there was integrity in the departments, the agencies of government. They are supposed to show cause. Even Republicans in Congress are concerned about it."

Along those lines, the Wall Street Journal (5/17, Restuccia, Subscription Publication, 7.57M) headlines its report "Some Republicans Object To Trump's Ousting Of State Department Watchdog," and quotes Sen. Susan Collins (R-ME) as saying, "The President has not provided the kind of justification for the removal of IG Linick required by this law." Sen. Chuck Grassley (R-IA) similar stated, "As I've said before, Congress requires written reasons justifying an IG's removal. A general lack of confidence simply is not sufficient detail to satisfy Congress." ABC World News Tonight (5/17, story 4, 0:30, Scott, 5.48M) also reported "Trump says he fired...Linick because he lost confidence in him, but...Collins and...Grassley say that alone is not a sufficient reason."

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USA Today (5/17, Cummings, 10.31M) reports "Sen. Mitt Romney of Utah, a Trump critic and the only Republican senator to vote to

convict the president on one of the articles of impeachment, went further in decrying the firing, which marked the fourth government watchdog Trump has removed in the last three months." Said Romney, "The firings of multiple Inspectors General is unprecedented; doing so without good cause chills the independence essential to their purpose. It is a threat to accountable democracy and a fissure in the constitutional balance of power." Romney's reaction, adds USA Today, "echoed that of congressional Democrats, who immediately said they plan to investigate the reasons for Linick's ouster."

The Washington Times (5/17, Meier, 492K) and Politico (5/17, Beavers, 4.29M), among other news outlets, also cover Pelosi's comments. Sen. Bernie Sanders (D-VT), on ABC's This Week , said, "This President thinks he's above the law, above criticism, he wants to get away with anything that he can and he does not understand that in the function of government you have a Congress, you have inspector generals who say, by the way, Mr. President, what you're doing is wrong and it may be illegal. This has been his MO from day one."

Zinke: Some IGs Working "In Coordination" With Democrats.

The Washington Examiner (5/17, Smith, 448K) reports, "Ryan Zinke says he came to the Interior Department as a reasonable guy, but it became increasingly clear Washington was an unreasonable world." In an interview, Zinke "says he was unfairly targeted, part of a pattern of attacks on Trump administration officials from within the government, led by agency staff who are supposed to be impartial watchdogs." Said Zinke, "You have the investigative arms of our government that are not being referees. They're wearing uniforms." Zinke "pointed to the situation unfolding with former national security adviser Michael Flynn as another example," and added that "in his own case, Zinke said he thinks the inspector general's office 'was in coordination with the opposition.'" Zinke stated, "I think I got sued eight times in the first day, before I even knew where my desk was."

Politico Examines Process Of Miller Beating Lyons For DPC Head.

Politico (5/17, Kumar, Lippman, 4.29M) reports that in early May White House Staff Secretary Derek Lyons appeared to be chosen as the Acting Domestic Policy Council Director, but "a week later, though, Brooke Rollins got the job, according to five people familiar with the situation, including two White House officials." The change was due to "several typical Trump-era factors: an announcement that got out early, conservative anger and differing internal messages." Lyons' likely appointment "frustrated some conservatives" due to his former affiliation with Jeb Bush's 2016 presidential campaign, and Chief of Staff Mark Meadows and Jared Kushner, Trump's son-in-law and senior adviser, "had yet to have Trump sign off on Lyons' appointment when the news broke, according to two White House officials." Following Rollins' selection to lead the DPC, Lyons gained the title of counselor, which "was seen internally by some as a face-saving measure and by others as a Kushner attempt to diminish" Senior Counselor Kellyanne Conway's status.

White House: NYTimes Story "Reads Like A Joe Biden Press Release."

White House Press Secretary Kayleigh McEnany called out the New York Times yesterday on Twitter for a story originally titled "Democrats Race To Assemble Governing Agenda For Pandemic Era" (as of last night, the story bore the headline "Seeking: Big Democratic Ideas That Make Everything Better.") Wrote McEnany, "The top of the New York Times website currently reads like a Joe Biden press release. This isn't journalism. These are DNC talking points." President Trump also weighed in, tweeting, "Fake Journalism. So bad for our Country!"

The New York Times (5/17, Burns, 18.61M) reports "the Democratic Party had all but settled on a conventional center-left agenda," but "the pandemic is forcing the Biden campaign and other leaders to redraw plans for 2021." With Joe Biden "leading...Trump in the polls, the former vice president and other Democratic leaders are racing to assemble a new governing agenda that meets the extraordinary times – and they agree it must be far bolder than anything the party establishment has embraced before." The Times adds Democrats say "they must be prepared to move to pump trillions more into the economy; enact infrastructure and climate legislation far larger than they previously envisioned; pass a raft of aggressive worker-protection laws; expand government-backed health insurance and create enormous new investments in public-health jobs, health care facilities and child care programs." Moreover, "discussions are also underway, some of them involving Republicans, about policies that would ban stock buybacks and compel big corporations to share more of their profits with workers."

Biden Team Will Not Respond To Attacks By Trump.

The Washington Post (5/16, A1, Scherer, Dawsey, 14.2M) reports on its front page that "in a return to his old fighting form last week, President Trump suggested that his electoral rival, Joe Biden, should go to prison for an unspecified offense." In response, "Biden did nothing, holding back in silence for hours...until the presumptive Democratic nominee's campaign finally sent out a tweet." It read, "There's nothing that the American people cannot accomplish when we stand together — one nation, united in purpose." To the Post, the "cheery non sequitur underscored a core presumption of Biden's senior team as it enters a new phase of the presidential campaign, one marked by hourly offensives from one of the most accomplished political pugilists in American history." Biden's advisers "describe themselves as dead set against being triggered by his provocations or engaging with him on his terms."

Trump Lauds Omar Challenger, Calls Incumbent "A Corrupt Disaster."

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President Trump yesterday retweeted a post from conservative commentator Bill Mitchell, who wrote, "Lacy Johnson is going up against the incredibly corrupt #AmericaLast Ilhan Omar in MN this Fall. He's a #MAGA Candidate and BIG Trump supporter. If you'd like to help Lacy

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defeat Omar, please give generously! Every penny helps! :-)" The President wrote, "Lacy will do a great job. Omar is a corrupt disaster!"

Trump Retweets Praise From James Woods.

President Trump On Sunday retweeted a post from actor James Woods, which said, "Let's face it. Donald Trump is a rough individual. He is vain, insensitive and raw. But he loves America more than any President in my lifetime. He is the last firewall between us and this cesspool called Washington. I'll take him any day over any of these bums. #Trump2020" In his tweet, Trump wrote, "I think that is a great compliment. Thank you James!"

Trump Superimposes His Face On Pullman's "Independence Day" Speech.

USA Today (5/17, Alexander, 10.31M) reports that in a tweet Saturday, President Trump "borrow[ed] the soaring oratory of a fictional presidential speech from 1996's blockbuster 'Independence Day.'" Trump posted "a digitally altered video of the famous film speech on Saturday. The new speech featured his head superimposed over former fighter pilot and Gulf War veteran President Thomas J. Whitmore, played by Bill Pullman." In the video, "Trump is speaking the inspiring words about the coronavirus battle, rather than Whitmore rallying his ragtag collection of fighter pilots with the speech before they go into battle against deadly alien invaders." In addition, faces in the crowd watching were "superimposed with the president's supporters" including Fox News' Sean Hannity, Sen. Ted Cruz (R-TX), Vice President Mike Pence, and Donald Trump Jr. Pullman "was not amused." In a statement to Deadline, he wrote, "My voice belongs to no one but me, and I'm not running for president – this year."

Republican, Conservative Outside Groups Coalesce Around King's Primary Challenger.

The Hill (5/17, Easley, 2.98M) reports, "Top Republicans and conservative outside groups are rallying around Rep. Steve King's (R-Iowa) challenger ahead of the June 2 primary election, worried that the nine-term lawmaker's record of inflammatory remarks will be a drag on the GOP everywhere." The Hill adds "Party leaders such as Karl Rove and Rep. Steve Stivers (R-Ohio), the former chairman of the National Republican Congressional Committee (NRCC), have donated to businessman Randy Feenstra, who has emerged as King's top challenger for the Republican nomination in Iowa's 4th Congressional District." Meanwhile, "national groups, including the US Chamber of Commerce, the National Association of Realtors and the Defending Main Street super PAC are spending heavily in favor of Feenstra. The challenger has also received endorsements from the National Right to Life Committee and the Republican Jewish Coalition." The Hill adds "Feenstra's internal polling shows he's within the margin of error and he's built a commanding money lead over King."

Politico Analyses: Growing Buzz For Demings As Biden Running Mate.

Politico (5/17, Caputo, 4.29M) runs a very favorable profile of "Rep. Val Demings, a favorite of House Speaker Nancy Pelosi" who "served as a House impeachment manager against President Donald Trump earlier this year." While Joe Biden's "shortlist for vice president is deep in Democratic talent, filled with governors, senators and former rivals for the presidential nomination," Demings, "one of the least-known among them," is "attracting an increasing amount of attention from Biden advisers, donors and Democrats in Congress." Demings "is African American – giving her an edge in the eyes of some activists and Biden backers – strong on television, and speaks in biblical cadences that can bring a black church to its feet and add a potential dose of energy to a campaign that lacks it, according to polls." She is also "a former police chief," which "would give the ticket a law-and-order sheen that Democrats often lack." Demings "told POLITICO that she's honored just to be considered by Biden."

Democratic Congressman From Nevada Admits Affair With Intern.

The New York Post (5/17, Brown, 4.57M) reports, "A married Nevada congressman has admitted having a longstanding affair with a former intern calling herself 'Love Jones' – after she exposed him in an explosive series of podcasts." Rep. Steven Horsford (D), "who had previously been Nevada's first African-American State Senate Majority Leader – came forward after Gabriela Linder detailed the affair in a podcast, 'Mistress for Congress.'" The Post indicates Linder told the Las Vegas Review-Journal that the affair "started in 2009 when she was a 21-year-old intern at then-Senator Harry Reid's Nevada office – and they only broke ties in April, the same month she started her podcast."

AOC Owes Back Taxes On Failed Business Venture.

The New York Post (5/17, Campanile, 4.57M) reports, "US Rep. Alexandria Ocasio-Cortez wants to raise taxes on the rich – just not pay her own," as "the Democratic socialist congresswoman from The Bronx still hasn't paid a 7-year-old tax bill leftover from a failed business venture." The Post adds "AOC had founded Brook Avenue Press, a publishing house that sought designers, artists and writers from urban areas to help paint The Bronx in a positive way in children's stories, in 2012." The state "dissolved the company in October 2016," as it does "when a business fails to pay corporate taxes or file a return." The Post also reports that "the state Tax Department then filed a warrant against her now-defunct business on July 6, 2017, over a $1,618.36 unpaid bill," and "as of Friday, the tax warrant had still not been satisfied, and the outstanding balance had grown to $2,088.78, the department said."

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Sanders Expects Biden To Win Support From His Former Backers.

Sen. Bernie Sanders (D-VT), on ABC's This Week (5/17, 2.81M), discussed Joe Biden's efforts to win over former Sanders supporters. Sanders said, "At the end of day, I think they'll be voting for Joe. But he has to say to those working class people, I understand your situation, I understand that you're graduating college with tens of thousands of dollars in debt. I understand you don't have any health insurance. You're working at a job that's paying 12 bucks an hour. ... I understand that you're concerned about not only the pandemic but climate change. Make sure the world comes together to address the existential threats. I understand that you're concerned about the racism within our criminal justice system and our immigration system. So I think Joe and his staff understand that, I think they're going to reach out to our supporters and come up with agenda that speaks to the needs of working families, of young families, of minority communities."

"Young Turks" Founder: Biden Should Focus On Removing Corporate Money From Politics. Cenk Uygur, CEO, founder and host of "The Young Turks," writes in the Wall Street Journal (5/17, Subscription Publication, 7.57M), to offer three suggestions for former vice president Joe Biden to gain the support of progressives. He urges Biden to stop saying that progressives will cost the Democrats the election; to pledge his support for Sen. Kirsten Gillibrand's Clean Elections Act; and to promise to work for a constitutional amendment to ensure public financing of election campaigns.

WTimes Analysis: Biden Betting Suburban Women Will Not Believe Tara Reade.

The Washington Times (5/17, McLaughlin, 492K) reports former vice president Joe Biden "is wagering that his advantage in the crucial battle for suburban female voters will hold despite Tara Reade's allegation of sexual assault." David Paleologos, director of the Suffolk University Political Research Center, said, "I would say that [suburban women] are a key demographic that he can't afford to lose." The Times adds that a survey by Marquette Law School "found that Mr. Biden has a 46% to 43% lead over President Trump" in Wisconsin, and that "Biden holds a 22-point lead among women, and Mr. Trump has an 18-point lead among men."

Army Using Esports To Recruit Amid Pandemic.

The Wall Street Journal (5/17, Kesling, Subscription Publication, 7.57M) reports that, unable to recruit soldiers in person, the Army is running video tournaments and having its full-time esports athletes on the Army Esports Team engage with potential recruits through computer games and online chat platforms.

NYTimes Contributor: Democrats In Montana Must Focus On Helping Voters.

Sarah Vowell, an opinion contributor, writes in the New York Times (5/17, 18.61M), that any Democrat running statewide in Montana must "persuade the skeptics east of the Rocky Mountain Front that you are a levelheaded, friendly, capitalist adult who won't be levitating the Pentagon." Vowell presents both Sen. Jon Tester (D-MT) and Gov. Steve Bullock (D-MT) as models, saying that for Bullock "good government and good politics are often indistinguishable." Bullock, Vowell adds, is "ahead but in a tight contest with" Sen. Steve Daines (R-MT). Vowell concludes by saying that Bullock "shows up in the news every day trying his hardest to help everybody. He has to. He needs every single vote."

NYTimes' Smith Sees "Shakiness" At Foundation Of Farrow's Reporting.

Ben Smith writes in the New York Times (5/17, Smith, 18.61M) that Ronan Farrow "has delivered stories of stunning and lasting impact, especially his revelations about powerful men who preyed on young women in the worlds of Hollywood, television and politics, which won him a Pulitzer Prize." But "some aspects of his work made me wonder if Mr. Farrow didn't, at times, fly a little too close to the sun. Because if you scratch at Mr. Farrow's reporting in The New Yorker and in his 2019 best seller, 'Catch and Kill: Lies, Spies, and a Conspiracy to Protect Predators,' you start to see some shakiness at its foundation." Farrow "does not always follow the typical journalistic imperatives of corroboration and rigorous disclosure, or he suggests conspiracies that are tantalizing but he cannot prove."

RCP Average Has Trump's Job Approval At 46.4%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 46.4%, and his disapproval at 51.5%. The President's approval and disapproval are unchanged since yesterday.

A Rasmussen poll of 1,500 "likely voters" (5/12-5/14) finds Trump's approval at 49%, and his disapproval at 50%.

A Gallup survey of 1,028 "adults" (5/1-5/13), meanwhile, has the President's job approval at 49%, and his disapproval at 48%. Commenting on the Gallup numbers on Twitter, Charlie Kirk wrote, "Presidential job approval after 1209 days in office, according to Gallup polling: George W. Bush—46% Barack Obama—47% Donald Trump—49% Imagine how much higher it would be if the media reported fairly and honestly on his administration." Trump also weighed in, tweeting, "Hard to believe considering the Lamestream Media is totally corrupt. The people understand!"

Financial International News

IMF Head Pushes Governments To Spend Big, Tech Companies To Demonstrate "Responsible Behavior."

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Politico (5/15, Heath, 4.29M) reported IMF Managing Director Kristalina Georgieva "predicts it could take until 2023 for the global economy to

return to its pre-coronavirus levels." Georgieva, during a Politico virtual event Friday, said, "The most severe shock has already occurred." Georgieva also "said she expects the global economy to shrink further beyond the current IMF estimate of -3 percent GDP in 2020, before a 'partial recovery' in 2021." Politico says governments facing debt problems "have long-dreaded IMF conditions on lending, including strict limits on government outlays and privatizing assets." However, "while Georgieva still urges governments to 'spend wisely,' the emphasis is now very much on the spending." Georgieva added, "Spend as much as you can, and then spend a bit more for your doctors, for your nurses, for the vulnerable people in your society."

Reuters (5/15, Shalal, Lawder) reported Georgieva also told the event "that the crisis was devastating the global economy, but it also offered an opportunity to tackle persistent inequality and other priorities such as climate change, if recovery funds were properly focused." Georgieva said, "I very much hope that the leadership of tech companies will see this as a chance to demonstrate responsible capitalism, responsible behavior." Georgieva also "said that the big winners from the coronavirus pandemic were the digital economy, and providers of e-commerce, e-government and e-learning services," adding that these companies should act in a manner that "is good for everybody for society as a whole. ... It will be extremely important for all of us to watch whether there is further division in access to the internet, to the digital economy."

Kenya Rejects G20 Debt Relief Plan Due To Overly Restrictive Terms.

Reuters (5/15, Miriri) reported Kenya "will not seek a suspension of debt payments under a G20 initiative aimed at helping poor countries weather the COVID-19 pandemic, its finance minister said on Friday, saying the terms of the deal were too restrictive." Minister Ukur Yatani "told Reuters in an interview he was also concerned about the impact that debt relief might have on Kenya's credit rating." Yatani "said he was concerned that terms of the deal limiting countries' access to international capital markets during the standstill could hinder Kenya's ability to finance its deficit later in the year," adding, "We fear we might unnecessarily create a crisis." Kenya "is instead engaging creditor countries including Germany, Sweden, Japan, China and France individually with the goal of securing moratoriums on debt service payments lasting around a year." Yatani said, "We have not concluded (negotiations), but it is progressing well."

Lebanese Food Prices Rising As Economic Crisis Worsens.

The Washington Post (5/16, Dadouch, 14.2M) reported that Lebanon's "escalating economic crisis and its collapsing currency are putting the price of many foodstuffs beyond the reach of the Lebanese." The prices of meat and tomatoes, for example, have doubled since March.

Leading International News

Trump: China "Could Have Stopped" Coronavirus.

The Washington Times (5/17, Muñoz, 492K) reports President Trump said Sunday "that he doesn't want to speak with Chinese President Xi Jinping." During an interview with Fox's Maria Bartiromo, Trump said that despite his frustrations "he still has a good relationship with the Chinese president and doesn't plan to renegotiate the massive $250 billion trade deal they secured back in January."

Trump told Fox News Sunday Morning Futures (5/17, 1.77M), "We have a lot of information, and it's not good, but you know the worst of all – whether it came from the lab or came from the bats – it all came from China, and they should have stopped it. They could have stopped it at that source. Right there."

Navarro Accuses China Of Using Air Travelers To "Seed" Virus. Bloomberg (5/17, Geimann, 4.73M) reports the Administration "stepped up its campaign of blaming China for the deadly coronavirus pandemic," with White House trade adviser Navarro "suggesting Beijing sent airline passengers to spread the infection worldwide." On ABC's This Week (5/17, 2.81M), Navarro said, "The virus was spawned in Wuhan province, patient zero was in November. The Chinese, behind the shield of the World Health Organization, for two months hid the virus from the world and then sent hundreds of thousands of Chinese on aircraft to Milan, New York and around the world to seed that."

ABC News (5/17, 2.97M) reports Navarro "accus[ed] the country of hiding the virus from the world and subsequently taking down the American economy," but "stopped short of claiming the it was the Chinese's intention to harm the American economy."

Chinese Official Confirms Beijing Ordered Labs To Destroy Coronavirus Samples. The Daily Caller (5/17, Hasson, 716K) reports that a "senior Chinese government official confirmed Friday that authorities ordered laboratories to destroy samples of coronavirus in early January." Liu Dengfeng, an official at China's National Health Commission, "conceded at a briefing on Friday that the agency had ordered the labs to destroy the samples, but said that the order was given for safety reasons." Liu said, "If the laboratory conditions cannot meet the requirements for the safe preservation of samples, the samples should be destroyed on the spot or transferred to a professional institution for safekeeping."

Kennedy: Trump First US President To Stand Up To China. Sen. John Kennedy (R-LA), on Fox News Sunday Morning Futures (5/17, 1.77M), said, "God created the world, but everything else is made in China. How did that happen? We let it. We allowed China to be admitted to the World Trade Organization on December 11, 2001. China started cheating December 12, and President Trump has been the first President to really stand up to them."

Collins: Congress Will Give Trump Tools To Sanction China. Rep. Doug Collins (R-GA), on Fox News Sunday Morning Futures (5/17, 1.74M), said, "China has a problem and the problem is they can't be honest with themselves and honest with the

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international community so we're going to put it to give the President a way to sanction and not tie his hands but give him every tool in the tool box to get them to compete in a way that is fair in the international market and if they don't then fine they will suffer the consequences for it."

China Threatens To "Hit Back" At Lawmakers Seeking Sanctions. The Washington Times (5/17, Dinan, 492K) reports China is "lashing out at American lawmakers who are seeking to have the country face accountability in US courts for the coronavirus, according to a government-controlled newspaper that reported that Beijing is ready to 'hit back' with its own sanctions." China is "suggesting it could halt investments in states represented by those who attempt to blame China for the virus that originated in Wuhan." At least four members of Congress "will be put on China's sanctions list," the Global Times reported, citing "sources close to the matter."

Trump Campaign Asks Whether Biden Offered China Something In Exchange For Son's Deal. On Twitter last night, President Trump shared a post from the Trump Campaign, which wrote, "Joe Biden's deadbeat son Hunter inked a $1.5 BILLION deal with China while Joe was Vice President. What did the Biden's offer China in return?" Trump added, "Enjoy the campaign Joe!"

China, South Korea See New Clusters Of Coronavirus Infections.

The Wall Street Journal (5/17, Yu, Schechner, Subscription Publication, 7.57M) reports several east Asian countries, including China and South Korea, which had made early progress containing the spread of coronavirus, are dealing with new clusters of infections.

China Continues Testing Wuhan Residents. The CBS Weekend News (5/17, story 4, 1:40, Gianola, 2.93M) reported, "Health workers in Wuhan have begun testing its 11 million inhabitants after a limited new outbreak last week. The goal is to find and isolate asymptomatic carriers before they can start a new wave. This massive testing program should also give the authorities in Wuhan some idea of what proportion of their inhabitants have been exposed to the virus and therefore have some immunity."

Sources: Trump Leaning Toward Preserving Total Funding Cut To WHO.

Jonathan Swan reports for Axios (5/17, Swan, 521K) that according to three unnamed sources, President Trump is "leaning toward preserving his total funding cut for the World Health Organization after being on the brink of announcing he'd restore partial funding." However, a fourth source, "a senior administration official, cautioned that the decision-making was fluid and was still subject to change." Trump spent the weekend at Camp David "with some of his closest Republican allies in the House," and a "source familiar with the private discussions" said House members pressed Trump "to not give a dime to WHO."

WHO Envoy Warns Pandemic Will Worsen Without Unified Global Plan.

NBC Nightly News (5/17, story 5, 2:05, Snow, 259K) reported on "a new warning from the World Health Organization" that "without a coordinated plan, the virus could return with ferocity in places already hit." The WHO's David Navarro, "This virus will just come back. It will come back very loudly. Roaring. And it will cause further, further distress." NBC (Simmons) added Navarro "says without a unified global plan, the pandemic will only get worse. ... The new warning comes as the US is set to pull an estimated $300 million from the global organization." Navarro: "I just wish the political leaders could understand now is not the time to do this. Don't threaten the organization. Don't take away its money. Don't demonize it. Instead, give us the space to do the work that has to be done."

Global Race To Develop Coronavirus Vaccine Continues.

The Wall Street Journal (5/17, Loftus, Subscription Publication, 7.57M) reports on the ongoing race to develop a coronavirus vaccine with many governments, pharmaceutical companies, and other parties competing against each other.

British, Italian PMs: World Cannot Wait For Vaccine. The AP (5/17, Barry) reports Prime Minister Giuseppe Conte and British Prime Minister Boris Johnson "told their citizens that the world needs to adapt to living with the coronavirus and cannot wait to be saved by the development of a vaccine." Conte, who "is allowing restaurants, bars and beach facilities to open" today, said, "We are facing a calculated risk, in the awareness...that the epidemiological curve could go back up. ... We are confronting this risk, and we need to accept it, otherwise we would never be able to relaunch." Johnson also "speculated Sunday that a vaccine may not be developed at all, despite the huge global effort to produce one."

UK Sees Lowest Daily Increase In Death Toll Since March.

Reuters (5/17, Holden) reports "the number of people who have died in the United Kingdom after testing positive for COVID-19 rose by 170 to 34,636, business minister Alok Sharma said on Sunday, the lowest increase in the official death toll since March 24."

France's Death Toll Tops 28,000.

Reuters (5/17, Vidalon) says French health authorities "reported 483 new coronavirus deaths on Sunday, bringing the total to 28,108." The heath ministry said the number of people in hospitals "fell to 19,361 from 19,432 on Saturday and the number of people in intensive care units dropped to 2,087 from 2,132 on Saturday."

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Greece Reopening After Reporting Just 163 Deaths.

ABC World News Tonight (5/17, story 7, 1:50, Llamas, 5.48M) reported, "Greece is emerging as Europe's unlikely hero on the battle against coronavirus. As its lockdown eases, its ancient sites prepare to reopen. The Parthenon will welcome local visitors again from tomorrow. But a modern miracle, its numbers. With nearly 11 million people, Greece has reported just 163 deaths and more than 2,800 cases." However, "major tests lie ahead: this is the first weekend Greeks have been allowed back onto the beach."

Brazil Surpasses Italy, Spain As Cases Surge.

Fox News (5/17, Aitken, 27.59M) reports Brazil has "now overtaken Spain and Italy in total confirmed coronavirus cases to become the world's fourth hardest-hit country during the pandemic." Brazil's Health Ministry announced "14,919 new confirmed cases on Saturday, bringing its total to 233,142 – fourth-most after the United States, Russia and the United Kingdom." Nationwide testing in Brazil, however, "lags far behind Europe, meaning the virus could be more widespread than what the numbers actually represent."

"Express Burials" Fuel Speculation Nicaragua Hiding Extent Of Pandemic.

The Washington Post (5/17, Ocampo, Sheridan, 14.2M) reports so-called "express burials" are becoming increasingly common in Nicaragua, "raising suspicions that the authoritarian government is trying to hide the extent of the coronavirus tragedy within its borders."

Khamenei: Americans To Be Expelled From Iraq And Syria.

Reuters (5/17, Dehghanpisheh) reports Iran's Supreme Leader Ayatollah Ali Khamenei said Sunday that Americans will be expelled from Iraq and Syria, according to his official website. Khamenei is quoted as saying, "The Americans won't stay in Iraq and Syria and will be expelled."

Ghani, Abdullah Strike Power-Sharing After Months-Long Stalemate.

Reuters (5/17, Sediqi, Shalizi) reports Afghan President Ashraf Ghani and "his rival" Abdullah Abdullah signed a power-sharing deal to end a months-long political stalemate, Ghani's spokesman said on Sunday, "a step that could smooth efforts to end the country's long-running war." Abdullah had "disputed the results of an election in September and announced the formation of a parallel government earlier this year, undermining Ghani's administration." Secretary of State Pompeo "welcomed the agreement but chided Ghani and Abdullah for taking so long."

The Washington Post (5/17, Hassan, George, 14.2M) reports that under the terms of the deal signed Sunday, Ghani will remain in his post as president while Abdullah "will lead peace negotiations with the Taliban and appoint half of the country's cabinet ministers." Also part of the deal, "controversial former vice president and former warlord, Abdurrashid Dostum will be promoted to the position of marshal and gain a seat on the national security council," Afghan officials said.

A Wall Street Journal (5/17, Subscription Publication, 7.57M) editorial welcomes Sunday's deal and expresses hope it will bring the Taliban back to the negotiating table.

Pompeo Warns China Against Threats To "Interfere" With US Journalists In Hong Kong.

The Washington Examiner (5/17, Becker, 448K) reports Secretary of State Pompeo "issued a warning to China over threats to interfere with the reporting of U.S. journalists in Hong Kong." In a statement, Pompeo said, "It has recently come to my attention that the Chinese government has threatened to interfere with the work of American journalists in Hong Kong. These journalists are members of a free press, not propaganda cadres, and their valuable reporting informs Chinese citizens and the world." Pompeo added, "Any decision impinging on Hong Kong's autonomy and freedoms as guaranteed under the Sino-British Joint Declaration and the Basic Law would inevitably impact our assessment of One Country, Two Systems and the status of the territory."

After Delays, Israel Swears In Netanyahu-Led Government.

Reuters (5/17, Heller) reports Israel's parliament on Sunday approved Prime Minister Benjamin Netanyahu's new unity government, "ending more than a year of political deadlock, but he still faces a trial starting next week for alleged corruption." The move also "opens the way for Netanyahu to proceed towards a pledged annexation of parts of the occupied West Bank."

The New York Times (5/17, Halbfinger, 18.61M) reports the new government pairs Netanyahu "with his erstwhile challenger, the centrist former army chief Benny Gantz," who holds the new title of "alternate prime minister," a "veto over most major decisions, control over half the government's ministries and an agreement to switch positions with Mr. Netanyahu on Nov. 17, 2021."

The AP (5/17, Heller) reports that over the weekend, both Netanyahu and Gantz "announced their appointments for the new government — the most bloated in Israeli history with an expected 36 Cabinet ministers and 16 deputies." The Washington Post (5/17, Eglash, 14.2M) says the power-sharing deal "could spare Israelis another round of elections for at least three years, but could also hamper its ability to function."

Chinese Ambassador Found Dead At Home In Israel. The New York Times (5/17, Halbfinger, Rasgon, 18.61M) reports China's ambassador to Israel, "who took up his post in February, was found dead at his home on Sunday morning in a coastal suburb north of Tel Aviv, officials said." Ambassador Du Wei was "found in his bed in Herzilya by an embassy worker, officials said," but the cause of death "was not immediately clear."

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Egypt Arrests Prominent Journalist During Interview.

The Washington Post (5/17, Raghavan, 14.2M) reports Egyptian security forces arrested "a prominent Egyptian journalist on Sunday as she interviewed the mother of a political prisoner outside Cairo's Tora Prison, the latest attack on press freedom by the government of President Abdel Fatah al-Sissi." Lina Attalah, the editor in chief of "one of the country's few remaining independent media outlets, was taken into custody Sunday afternoon as she tried to speak with Laila Soueif," who imprisoned son, Alaa Abdel Fattah, is on a hunger strike. Attalah was questioned by prosecutors and "ordered released on about $125 bail."

Housing

Pace Of Mortgages Going Into Forbearance Seems To Be Slowing.

CNBC (5/15, Olick, 3.62M) said, "Borrowers are piling into government and private lender mortgage relief programs, but the pace is finally slowing." According to DS News (5/15, Welborn), nearly 9 percent of "active mortgage loans" are "in forbearance as of this week, according to the latest data from Black Knight's McDash Flash." That implies the number of homeowners in forbearance now stands at 4.7 million, an increase from the "4.5 million loans reported one week ago." However, Black Knight's data indicates "that the pace of loans entering forbearance appears to be on a downward trend." DS News also said that "the total unpaid principal balance on loans in forbearance is $1 trillion," adding that "servicers must continue to advance principal and interest payments along with tax and insurance payments on behalf of these loans." Black Knight "noted that the Federal Housing Finance Agency will cap principal and insurance payments at four months for loans backed by the GSEs. However, this still amounts to $8.8 billion in advances to cover GSE loans currently in forbearance."

HousingWire (5/15, 23K) said, "Broken out by investor type, loans backed by Fannie Mae and Freddie Mac account for 7% of mortgages in forbearance, while loans backed the Federal Housing Administration and the Veterans Administration account for 12.4%"

Also reporting were National Mortgage News (5/15), Mortgage News Daily (5/15), National Mortgage Professional (5/15), and Seeking Alpha (5/15, Kiesche, 512K).

Brickman Named One Of 2020's "Best CEOs In The World."

Freddie Mac CEO David Brickman was named one of CEOWorld Magazine's (5/16, Ireland) "Best CEOs in the World for 2020."

Business Insider Highlights Questions To Ask Mortgage Lender When Payments Must Be Deferred Amid Pandemic.

Business Insider (5/16, Tarpley, 3.67M) presents questions for one's mortgage lender when one must defer payments amid the coronavirus pandemic. One question is, "Is deferment even an option?" According to Business Insider, "If you have a government-backed loan through Freddie Mac, Fannie Mae, FHA, USDA, or VA, you should be able to request up to 180 days of forbearance – and then ask for another 180-day extension if you're still financially struggling after your initial deferral period."

Business Insider Presents Questions To Ask One's Self Regarding Where Money Should Be Directed First During Crisis. In a separate piece, Business Insider (5/16, Loudenback, 3.67M) presents "five questions to ask yourself to figure out where your money should go first" during times of crisis. One question asks as to whether one's current income is enough to pay for basic living expenses. Business Insider says to request payments assistance on bills if that's not the case. The news outlet adds, "If you're a homeowner with a federally backed mortgage, you have the right to ask your lender to defer your payments for up to 12 months. If your loan is from Fannie Mae or Freddie Mac, you have options for when and how you want to repay those suspended payments."

Banking Regulators Loosen Leverage Requirement.

Reuters (5/15, Schroeder) reported, "U.S. banking regulators announced on Friday they were temporarily easing a leverage requirement for depository institutions by allowing banks to ignore certain safer assets and continue lending." With the move, banks now have "the option of excluding holdings in Treasury securities of deposits held at the Federal Reserve from calculating their 'supplemental leverage ratio,' which directs larger banks to hold more capital against their assets."

Wade's Nomination To Be Assistant Secretary Of HUD Drawing Applause.

DS News (5/15, Albanese) reports Dana Wade's "nomination as the next Assistant Secretary of the Department of Housing and Urban Development" is drawing praise. Housing Policy Council President Ed Demarco said, "Her past experience and tenure as Acting Federal Housing Commissioner and General Deputy Assistant Secretary for the Office of Housing will allow her to hit the ground running." Demarco "added that upon full Senate confirmation, Wade is expected to continue the 'important enhancements' enabling FHA and mortgage servicers to continue servicing borrowers through COVID-19." DS News adds that the Manufactured Housing Association for Regulatory Reform (MHARR) "sent a letter to the Senate Banking Committee pledging its support of Wade."

Trump Dismisses State Department's Inspector General, Who Was Previously IG Of FHFA.

The Washington Post (5/16, Rucker, Deyoung, Rein, Knowles, 14.2M) reports President Trump "accelerated his retaliatory purge of public servants by firing the State Department's inspector general, who had played a minor role in the president's impeachment proceedings and

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was said to have begun investigating alleged misconduct by Secretary of State Mike Pompeo." The Post adds that Trump, "acting on Pompeo's recommendation," terminated Linick on Friday, replacing him "with Stephen J. Akard, a trusted ally of Vice President Pence and the diplomat who directs the Office of Foreign Missions." Linick's past experience includes having been inspector general of the Federal Housing Finance Agency.

Among other news outlets reporting are the Epoch Times (5/16, 675K) and Bloomberg (5/16, 4.73M).

Morningstar Agrees To Pay $3.5M To Settle SEC Charges Regarding Alleged Conflict Of Interest Violations.

Reuters (5/15, Prentice) reported, "Morningstar Credit Ratings LLC has agreed to pay $3.5 million to settle U.S. Securities and Exchange Commission charges that it violated a conflict of interest rule, the agency said in a statement on Friday." The SEC "said that credit rating analysts of the Morningstar Inc unit who were dedicated to asset-backed securities also engaged in sales and marketing to prospective clients from mid-2015 to September 2016. The SEC said it found that the New York-based firm failed to maintain written policies and procedures that sufficiently separated the business development from analytical activities."

Some Homeowners Can't Take Advantage Of Benefit Available To Homeowners With Government-Backed Mortgages.

The New York Times (5/15, Bernard, 18.61M) said small business owner Edith Duran was permitted to halt her mortgage "payments for three months starting in early April, but the company that handles her mortgage made a seemingly impossible request: Pay back the $4,450 in skipped payments on July 1." While federal officials have enabled "borrowers with government-backed mortgages to suspend their payments for up to a year without immediately paying it back," roughly "30 percent of homeowners with mortgages are like Ms. Duran. Their loans are owned by banks or private investors and are not governed by the same rules." Among other news outlets reporting was Inside Mortgage Finance (5/15, Subscription Publication).

Report Sees Trend Of Homes Listed Since Coronavirus Pandemic Started Being Priced At Discounts.

HousingWire (5/15, 23K) reports that roughly 25 percent of "home sellers who listed their homes for sale since the outbreak of the coronavirus pandemic has priced them at discounts below pre-pandemic price levels, according to a new report from Weiss Analytics." The decreased prices are resulting in "market conditions that are more appealing to buyers." Weiss Analytics CEO Allan Weiss said, "These higher discounts for more expensive homes and current relative strength for lower-priced houses is significant," adding, "The implosion of the non-QM mortgage market is contributing to softer demand and more discounting by sellers at these higher price levels."

Landlords Threaten To Withhold Property Tax Payments As "Rent Strikes" Pop Up.

Real Deal (NY) (5/15, 124K) reported that the emergence of "rent strikes" around the country is prompting property owners to lobby for halts on property tax and mortgage payments. According to the Real Deal, some "even threatened to withhold property tax payments to put counter pressure on elected officials." While housing advocates argue that the CARES Act's relief "doesn't go far enough, real estate groups counter that little has been done for landlords, who have temporarily lost the ability to evict tenants in several states including New York, Florida, California, Pennsylvania and Colorado."

NAR Announces New Policy Addressing MLS Loophole.

HousingWire (5/15, 23K) reported, "The National Association of Realtors Board of Directors approved a new policy in Friday's board meeting, requiring MLSs to provide brokers with data feeds of their own listing content when requested." The policy "takes effect on Jan. 1, 2021, but according to NAR, MLSs could implement the policy earlier if they choose."

Wells Fargo Announces $175M Commitment To Housing Nonprofits.

According to M Report (5/17, Albanese), "Wells Fargo announced that it has provided funding for more than 500 nonprofits across the nation, as part of the Wells Fargo Foundation's $175 million commitment to keep people in their homes during the COVID-19 pandemic. More than 300 grants have been made since March to assist with urgent housing services for vulnerable populations." Wells Fargo Vice Chairman of Public Affairs Bill Daley said, "These grants for nonprofits across the U.S. will provide a critical safety net to help keep people housed and are part of our philanthropic focus to bring solutions to address housing security, small business stability, and consumer financial health."

Ted Tozer Sees Promise In Private Sector Of Mortgage Market Going Forward.

National Mortgage Professional (5/15) interviewed the Ted Tozer, senior fellow for the Milken Institute Center for Financial Markets and former head of Ginnie Mae. Tozer discussed "the current state of mortgage banking, why there could be a reduction in FHA and VA lending and the amount of lending to people with lower credit scores, the trouble with liquidity, why private-label securities need an overhaul," and more. According to NMP, "Tozer said there are a few options in talks to help the independent mortgage bankers. He questioned whether or

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not they can become an entity like American Express or Discover, where they do online deposits guaranteed by the FDIC or give them access to the Federal Bank system to borrow funds if they find themselves in financial difficulty. He believes that mortgage banking will be dominated by private sector companies that don't have any kind of support from the government at all."

NMHC's Rent Payment Tracker Shows Rent Payments Are Mostly Being Made.

The Denver Post (5/16, 720K) reports that despite the economic impact stemming from COVID-19, the National Multifamily Housing Council's (NMHC) Rent Payment Tracker "estimates 87.7% of apartment households made a full or partial rent payment for May as of May 13, based on a survey of 11.4 million professionally-managed apartment units across the country." Moreover, a survey from the Colorado Apartment Association indicates "Colorado apartment tenants are current at an even higher rate," with that survey having determined "that 88.8% of renters had paid something as of May 5."

Pennsylvania Housing Finance Agency Report: Concern About Housing Affordability Growing.

National Mortgage Professional (5/15) reports a study by the Pennsylvania Housing Finance Agency indicates concern regarding housing affordability is increasing among state residents. National Mortgage Professional also says the report determined "that this is especially true for low-income households and minorities who are disproportionately burdened by the cost of housing." PHFA Executive Director and CEO Robin Wiessmann said, "We are making this report public so that other public and private sector organizations can benefit from its insights."

More Than 90% Of Funds Meant To Help Arizonans With Rent Sitting Unused.

The Arizona Republic (5/15, 869K) reports Arizona Department of Housing data indicates that less than 400 renters in the state have gotten "money from an emergency state program designed to help people hurt economically by COVID-19 to stay in their homes." As such, 92 percent of the funding is "sitting unused while a record number of Arizonans are out of work and some struggle to pay rent." The Republic also provides several pieces of advice for people unable to pay their rent, among which is asking one's landlord whether they're mortgage is federally supported. Should that be the case, "the property owner can receive assistance from Fannie Mae and Freddie Mac in exchange for not evicting tenants" the COVID-19 breakout has adversely affected.

Demos: Investors Must Deal With Ramifications Upon Financial Firms Of Unmade Mortgage Payments.

In a Wall Street Journal (5/15, Subscription Publication, 7.57M) column, Telis Demos said Congress provided homeowners with a government-backed mortgage the ability to halt monthly payments in the event they encounter hardship. However, not enough time has passed to tell whether the move by Congress will avoid a surge of defaults, and Demos adds that investors must contend with what millions of unmade payments entail for financial companies in the mortgage sector. Demos also says that Fannie Mae's and Freddie Mac's regulator indicated in April that servicers would have to advance no more than four months of payments, with Fannie and Freddie funding missed payments after that.

Analysis: Solution For Addressing "COVID-19 Related Hardships" Fails To "Address Long-Term Affordability."

A HousingWire (5/15, 23K) analysis said that "the tail of this pandemic won't look like a short-term disaster. The shadow and timeline for addressing COVID-19 related hardships will be measured in years, not months, especially with the FHFA's current approach to offer short-term relief options and deferral of forborne payments." HousingWire added, "The solution offers some relief to servicers planning large staffing campaigns to address expected post-forbearance volume, but it does not address long-term affordability." A superior approach would entail utilizing technology to assess "and offer affordable payments, encourage continued payment behavior during the hardship, and gradually step the borrower up to scheduled payments."

Markets

10-Year Yield Rises.

MarketWatch (5/18, 1.67M) reports the 10-year Treasury yield rose to 0.644 percent.

Dollar Stays Firm.

Reuters (5/18, Westbrook) reports, "The dollar held its ground on Monday as concern about global tensions with China overshadowed improving sentiment from easing coronavirus lockdowns, while talk of negative interest rates pushed the pound to an almost two-month low." The dollar "was a touch firmer against the rangebound Japanese yen at 107.25 yen per dollar as Japan slipped into recession for the first time since 2015." The greenback was "flat against a basket of currencies at 100.380."

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Gold Rises To Highest In More Than Seven Years.

Reuters (UK) (5/18, Aranya) reports, "Gold rose 1% on Monday to its highest in more than seven years as dismal U.S. data underscored how

badly the COVID-19 pandemic has damaged the world's top economy, while palladium soared over 9% on better-than-expected demand outlook." Spot gold "was up 1% at $1,759.13 per ounce by 0708 GMT, after rising to its highest since Oct. 12, 2012 at $1,764.46 earlier." US gold futures "gained 0.9% to $1,772.70."

Oil Gains More Than $1.

Reuters (5/18, Tan) reports, "Oil prices climbed by more than $1 a barrel on Monday, supported by output cuts and signs of a gradual recovery in demand amid easing coronavirus curbs, with U.S. oil showing no signs of last month's contract expiry price rout." Brent crude "was up $1.33, or 4.1%, at $33.83 a barrel by 0634 GMT, after touching its highest since April 13." West Texas Intermediate crude "was up $1.65, or 5.6%, at $31.08 a barrel, after rising to its highest since March 16," while the "more active July contract CLc2 was at $31.05, up $1.53."

Cybersecurity

Celebrity Law Firm Targeted By Hackers Says Trump Was Never A Client.

The Hill (5/17, Bowden, 2.98M) reports Grubman, Shire, Meiselas & Sacks, PC, "the celebrity law firm targeted by a hacking group with a $42 million ransom demand said Sunday that it had no previous relationship with President Trump after the hackers threatened to release damaging information on Trump and others." A spokesperson for the firm "told CNN that the firm had never listed Trump among its list of high-profile clients, which include names behind top brands such as Vera Wang and Tommy Hilfiger."

The Hill (5/15, Seipel, 2.98M) reported in a previous article that the hackers "claimed in a post to the dark web on Friday that it had obtained documents on President Trump, and is threatening to release them and other hacked documents unless it receives a $42 million ransom." The hackers "are using ransomware attacks in which they lock up a network and demand payment to return access to systems and documents."

Forbes (5/15, 9.71M) contributor Davey Winder the "notorious" ReVIL hacking group "has claimed to have 'dirty laundry' on President Trump and has threatened to publish it next week if one of the biggest cyber-ransoms ever isn't paid." The group, "also known as Sodinokibi, has a long and inglorious history of attacks, including the devastating one against Travelex."

Wired (5/17, Barrett, 3.49M) reports last week the group "claimed to have stolen 756 gigabytes of data, and demanded a $21 million ransom to restore order." The firm refused to pay, and "REvil not only doubled the ransom to $42 million, but leaked what it says are 2.4 GB worth of Lady Gaga's legal documents." The group "also said they had 'dirty laundry' on Donald Trump, that they would release in a week if they weren't paid. Trump has apparently never been a GSMS client, though, making it entirely possible or even likely that REvil is bluffing." Also reporting are Fox News (5/15, 4.57M), NBC News (5/15, 6.14M), CNBC (5/15, 3.62M), and SFGate (CA) (5/15, 898K).

Texas Department Of Transportation Hit By Ransomware Attack.

The AP (5/17) reports the Texas Department of Transportation "has become the second part of the state government to be hit by a ransomware attack in recent days." The department said on its website that "some features are unavailable due to technical difficulties, but it is not clear what functions were affected by the attack." The agency was hacked "days after another ransomware attack took down the websites and case management systems of Texas' appellate and high courts. The courts and transportation agency both said they are working with the FBI to investigate."

Russian Rapper Turned Cybercriminal Profiled.

BBC World News (UK) (5/17, 3.28M) reports on the case of Maksim Boiko, a Russian rapper known as Plinofficial, who is in court in Pennsylvania on cybercrimes charges. The piece describes Boiko's career, saying he "fell into the hands of the FBI who had been studying his work and Instagram photos." The FBI says the Boiko "took up computer and banking fraud" in St. Petersburg. "They believe the rapper, who complained on social media that he kept forgetting to log out of his accounts on other people's computers, was turning into a significant cybercriminal."

FBI Reports Uptick In Number Of Child Sexual Extortion Cases.

The Paducah (KY) Sun (5/17, 58K) reports, "The FBI is reporting a significant increase in activity involving sexual extortion, also called sextortion," defining it as "a federal crime where an adult coerces a child to send them sexually explicit photographs over the internet." The piece reports that during the pandemic, children are online more, and quotes retired FBI Special Agent Scott Augenbaum saying, "Even before this happened, it was challenging to oversee what your children were doing."

TFI/Sanctions

Five Iran Tankers Sail To Venezuela In Circumvention Of US Sanctions.

The AP (5/17, Gambrell) reports that five Iranian tankers "likely carrying at least $45.5 million worth of gasoline and similar products are now sailing to Venezuela, part of a wider deal between the two US-sanctioned nations." The move comes after Venezuela's Nicolás Maduro "already turned to Iran for help in flying in chemicals needed at an aging refinery amid a gasoline shortage, a symptom of the wider economic

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and political chaos gripping" the nation.

Reuters (5/17, Dehghanpisheh), meanwhile, reports that Iran "summoned the Swiss ambassador, who represents US interests in the Islamic Republic, over possible measures Washington could take against an Iranian fuel shipment to Venezuela, the Mehr news agency reported." A senior Administration official "told Reuters on Thursday the United States was considering measures it could take in response to Iran's shipment of fuel to crisis-stricken Venezuela." Iran's Deputy Foreign Minister Abbas Araqchi "passed on a message to the ambassador on Sunday warning against any US threat against the Iranian tankers, according to a report on the foreign ministry website." Fox News (5/17, Aitken, 27.59M) also reports.

Senate Passes Bill Urging Sanctions On China Over Xinjiang Human Rights Violations.

The Hill (5/15, Pitofsky, 2.98M) reported the Senate last week "passed legislation urging President Trump to issue sanctions against those responsible for China's actions against its Uighur Muslim minority as the president and his GOP allies have ramped up pressure on China over its handling of the coronavirus." The legislation "introduced by Sen. Marco Rubio (R-Fla.) calls for the Trump administration to issue sanctions over the 'gross human rights violations' against Uighurs and other Muslim groups in the country." The bill "would condemn the internment of Uighurs and other Muslim groups in China's Xinjiang region and call for the country to close the camps." Rubio said in a statement, "The Chinese Government and Communist Party's systematic, ongoing efforts to wipe out the ethnic and cultural identities of Uyghurs and other Muslim minorities in Xinjiang is horrific and will be a stain on humanity should we refuse to act."

Federal Reserve

Powell Suggests Full Economic Rebound From Lockdowns May Take Until End Of 2021.

The New York Times (5/17, Smialek, 18.61M) reports "Jerome H. Powell, the Federal Reserve chair, said that the United States would have a slow recovery from what he called the 'biggest shock that the economy's had in living memory,' suggesting that a full rebound from virus-induced lockdowns could take until the end of 2021." During "an interview on '60 Minutes,' the CBS program, Mr. Powell reiterated that both Congress and the central bank may need to do more to help workers and businesses make it through the sudden and sharp slump caused by efforts to contain the coronavirus." Powell said, "This economy will recover; it may take a while. ... It may take a period of time, it could stretch through the end of next year, we really don't know."

The Wall Street Journal (5/17, Timiraos, Subscription Publication, 7.57M) reports Powell said it is reasonable to predict that the country's unemployment rate would continue to increase through June and then start to drop as more businesses open once more.

The AP (5/17, Rugaber) reports "Powell expressed optimism Sunday that the U.S. economy can begin to recover from a devastating recession in the second half of the year, assuming the coronavirus doesn't erupt in a second wave." However, "he suggested that a full recovery won't likely be possible before the arrival of a vaccine."

The Hill (5/17, Lane, 2.98M) reports "Powell added that a full recovery would depend how soon people could feel confident gathering in close spaces, which may take until an effective COVID-19 vaccine is widely available." He also "acknowledged Sunday that the U.S. gross domestic product (GDP) would shrink at an annualized rate of close to 30 percent between April and June with the unemployment rate rising to nearly 25 percent."

Bloomberg (5/17, Bull, 4.73M), CBS News (5/17, 3.68M), CNBC (5/17, Cox, 3.62M), Newsweek (5/17, Zhao, 1.53M), Fox Business (5/17, Henney, 1.73M), BBC News Online (UK) (5/18, 3.28M), The Financial Times (5/17, Fedor, Subscription Publication, 1.34M), and Reuters (5/17, Schneider) also report.

Fed Publishes Details Of Loans To Banks In Support Of PPP.

Bloomberg (5/16, Torres, Saraiva, 4.73M) reports the Fed on Saturday "published a spreadsheet of thousands of loans to regional banks in support of the Treasury Department's Paycheck Protection Program to aid small businesses during the Covid-19 pandemic." The PPP "is designed to encourage small businesses to keep workers on their payrolls for eight weeks, while much of the U.S. economy is shuttered to limit virus spread. The result has been historic plunges in sales, manufacturing output and employment, threatening the viability of thousands of enterprises." The Fed, "in an unusual act of fiscal cooperation, is providing banks with cash for the PPP loans to help free up bank balance sheet capacity." The spreadsheet – "published as part of the Fed's effort to be transparent about where virus assistance backed by taxpayer money is going – shows more than 3,000 individual advances by regional Fed banks to almost 600 lenders located across the nation."

Rubin: Powell, Unique Among Trump Appointees, Showing Independence Needed Amid Crises.

In her column for The Washington Post (5/17, 14.2M), Jennifer Rubin says the "temptation for President Trump's appointees is to engage in happy talk, amplifying the president's lies, exaggerations and wishful thinking. It is not easy to deliver bad news in an administration unwilling to hear anything but praise." However, Rubin says, Fed Chair Jerome Powell on Wednesday "did his best to level with Congress and the American people: There will be no 'V-shaped' recovery, and we need to spend a whole lot to prevent an even worse recession." Powell "reviewed the extraordinary steps the Fed has already taken, but warned: 'At the Fed, we will continue to use our tools to their fullest until the crisis has passed and the economic recovery is well under way. Recall that the Fed has lending powers, not spending powers.'" Rubin argues

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Powell "has demonstrated the role that an independent, far-sighted Federal Reserve can play in steadying the economy in the midst of an economic catastrophe."

Financial Regulatory Agencies

CFPB Accused Of Using Coronavirus Crisis To Advance Pro-Business Agenda.

Politico (5/16, O'Donnell, 4.29M) reports the Consumer Financial Protection Bureau "is relaxing rules designed to shield Americans from abuse during the coronavirus crisis, saying the moves are necessary to give businesses flexibility during the pandemic." However, "lawmakers and consumer advocates charge that the bureau is exploiting the crisis to further a pro-industry agenda. They're demanding that it set aside all rulemaking unrelated to the crisis and take a more forceful stance toward businesses that could use the chaos to rip off consumers." Senate Banking Committee ranking member Sen. Sherrod Brown (D-OH) told Politico, "The CFPB under President Trump has used this pandemic as an excuse to weaken protections for consumers – enabling predatory lending, watering down credit reporting protections and fair lending laws, and making it easier for credit card and debit card companies to rip off their consumers."

Office of the Comptroller of the Currency

Banking Regulators Loosen Leverage Requirement For Big Banks.

Reuters (5/15) reported federal banking regulators "announced on Friday they were temporarily easing a leverage requirement for depository institutions by allowing banks to ignore certain safer assets and continue lending." With the move, banks now have "the option of excluding holdings in Treasury securities of deposits held at the Federal Reserve from calculating their 'supplemental leverage ratio,' which directs larger banks to hold more capital against their assets."

American Banker (5/15, Subscription Publication, 31K) reported the Fed, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corp. "said the change would allow banks to expand their balance sheets to continue lending to customers and businesses feeling the economic effects from the pandemic." The temporary rule change "will remain in effect until March 31, 2021, but the agencies are also accepting feedback on the rule change for 45 days" after it is published in the Federal Register.

BNN Bloomberg (CAN) (5/15) and Finadium (5/16) provided similar coverage.

Bureau of Engraving and Printing

Paper Money Under Fire As Coronavirus Contamination Threat Pushes Digital Payments.

The Washington Post (5/15, Greenberg, 14.2M) reported paper money's fundamental dirtiness compared with digital transactions has sped up the transition to digital payments amid the coronavirus pandemic. Central banks are quarantining currencies after they return to their countries of origin. In the US, regulators have attempted to remove money from circulation during outbreaks of illness. Sen. Sherrod Brown (D-OH) in a proposal "called for the creation of 'digital dollars' for American citizens and residents," which "would reside in free digital wallets accessible through banks or post offices."

Editorial Wrap-Up

New York Times.

"How Many Covid Deaths? Don't Ask President Trump." A New York Times (5/17, 18.61M) editorial says President Trump and Administration officials "seem to suspect that the number of Covid-19 deaths is being overstated." Debate over the ac curacy of the CDC data "has become a hot topic at the White House, according to reporting this week from Axios, to the point that the task force is reassessing the mortality numbers as part of 'a much larger review of data quality issues,' an administration official told The Times." The Times argues that there is "a pressing need for accurate information about the progress of the pandemic. If the White House thinks the death toll is too high and should be adjusted, it owes people an explanation of why it is taking a position contrary to the conclusions of its own public health experts."

Washington Post.

"Will Facebook's Oversight Board Actually Hold The Company Accountable?" In an editorial, the Washington Post (5/17, 14.2M) writes that there are concerns that Facebook's oversight board may just be "a fig leaf of legitimacy that lets it avoid responsibility for controversial calls without actually changing much." In particular, the board currently doesn't deal with content that is not removed despite calls to do so. The Post calls for holding Facebook to expanding removing this limit and calls for the board to bring transparency to "determinations about who can say what" on Facebook, ensuring "those determinations are based on principle rather than profit," and that it applies to "all sorts of speech on Facebook, not just the kind the company chooses."

"Police Jurisdictions Must Do Better At Managing 'Suicide By Cop' Situations." In an editorial, the Washington Post (5/17, 14.2M) calls for police to be "properly trained to deal with" people seeking "suicide by cop." The Police Executive Research Forum created a protocol for such situations, "ground-tested and found to be safe and effective," that includes techniques such as "backing away, creating safe distances and engaging in conversation." In the wake of Finan H. Berhe's fatal shooting by Montgomery County, Maryland Police Sgt. David Cohen, the Post is encouraged that Police Chief Marcus Jones said "the department is looking at implementing the forum's protocol for managing 'suicide by cop' situations."

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"The Results Are In. Trump's Miracle Drug Is Useless." In an editorial, the Washington Post (5/15, 14.2M) writes that two large studies indicate that the drug hydroxychloroquine, touted by President Trump and Fox News for fighting COVID-19, "was essentially useless against the virus." With the drug having gone "into shortage for those who take it for approved uses" after Trump promoted it, the Post calls for the FDA to "revoke the emergency use authorization" for it and for Trump "to use his bully pulpit to tell the American people that his 'game changer' was nothing of the sort."

Wall Street Journal.

"Should Florida Bail Out New York?" In an editorial, the Wall Street Journal (5/17, Subscription Publication, 7.57M) writes that the federal government should not offer coronavirus aid to states and localities. Citing some statistics about New York and Florida, the Journal argues that the former is in financial difficulty due to mismanagement and union power, that other states are doing well due to good management, and that federal aid would be unfairly forcing the latter to support the former.

"Team Obama's Unmasking Dodge." In an editorial, the Wall Street Journal (5/17, Subscription Publication, 7.57M) objects to Obama Administration officials' answers to questions about the Flynn unmasking, such as former DNI James Clapper's claim that it was "perfectly legitimate." The Journal says spying on Trump officials and leaking information to promote a false story about collusion is not legitimate and the public needs to know the complete story of what occurred.

"California Defines Testing Down." In an editorial, the Wall Street Journal (5/17, Subscription Publication, 7.57M) criticizes the University of California of moving towards debasing the value of its degrees by no longer using standardized tests in its admissions. The Journal cites a UC faculty senate report on the value of the tests and attributes the proposed move to progressive criticism of the SAT and ACT, as well as an effort by the UC bureaucracy to gain its desired racial composition of students.

"Hopeful News In Afghanistan." A Wall Street Journal (5/17, Subscription Publication, 7.57M) editorial welcomes Sunday's power-sharing deal between Afghan President Ashraf Ghani and rival Abdullah Abdullah and expresses hope it will bring the Taliban back to the negotiating table.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

More Complexity, Fewer Customers: Auto Industry Tries To Reopen
Coronavirus Vaccine Front-Runners Emerge, Rollouts Weighed
With Earnings 'Out The Window,' Investors Turn To Survival Metrics
Silicon Valley's Next Big Office Idea: Work From Anywhere
We're Out Of Toilet Paper, Hand Sanitizer—And Golf Pushcarts?

New York Times:

Inspector General's Firing Puts Pompeo's Use Of Taxpayer Funds Under Scrutiny
Seeking: Big Democratic Ideas That Make Everything Better
'Straight-Up Fire' In His Veins: Teen Battles New Covid Syndrome
In The Shadows Of America's Smokestacks, Virus Is One More Deadly Risk
'License To Kill': Inside Rio's Record Year Of Police Killings
Why Driving In New York City Now Feels 'Post-Apocalyptic'

Washington Post:

As Limits End, Transit Worker Fears Rise
Ignoring Trump's Offensive, Biden Battles On Own Terms
'This Feels Great'A Boost In Tests, But Lack Of Takers
Trump Aide Raises Tensions With CDC
Trump Seems Poised To Let Others Lead On Reopening

Financial Times:

Europe Reopens But Travel Operators Fear Tourists Will Stay Away
Jay Powell Warns US Recovery Could Take Until End Of 2021
Mystery Of Prolonged Covid-19 Symptoms Adds To Unknowns
Reliance's Jio Bags Fourth Big Investor With General Atlantic Stake

Washington Times:

'Not Happy': Trump Eyes Compensation From China As Confrontations Increase
COVID-19 Testing Becomes Convenient As Antibody Tests Become More Widespread

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Joe Biden Bets Big That Suburban Women Won't Believe Tara Reade
'A Little Apprehensive': Retail, Restaurants Slowly Adjust As States' Ease Restrictions
Combat Vets Laments Military Changing Tobacco Policy: 'Government Run Amok'

Story Lineup From Last Night's Network News:
ABC: Reopening Economy; Navarro-CDC; Trump-Obama; Dems-State Dept. IG; Los Angeles-Hash Oil Factory Fire; Severe Weather; Reopening Overseas; Florida-Husband Faces Murder Charges; NFL-Players Arrested; Florida-Couple Adopts Baby Amidst Pandemic.
CBS: Trump-Obama; Navarro-CDC; Reopening Economy; Reopening Overseas; Remdesivir Treatments; Coronavirus-Lower Income Communities; Remembering Phyllis George; MLB Legend Runs Funeral Home; Atlas 5 Rocket Launch; Los Angeles-Hash Oil Factory Fire; Severe Weather; 40 Year Anniversary of Mt. St. Helen's Eruption; Pet Adoptions.
NBC: Reopening Economy; Quarantine Fatigue; Trump-Obama; Dems-State Dept. IG; WHO-Warning; Los Angeles-Hash Oil Factory Fire; Severe Weather; Reopening Restaurants; TV Shows to Binge; Drive Through Wedding.

Network TV At A Glance:
Reopening Economy – 10 minutes, 5 seconds
Trump-Obama – 4 minutes, 40 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Coronavirus-Rising Cases; New York-Gov. Cuomo Tested Live; Meat Prices Spike; Los Angeles-Hash Oil Factory Fire.
CBS: Reopening Economy; Coronavirus-Rising Cases; Return of NASCAR; Los Angeles-Hash Oil Factory Fire; Tropical Storm Arthur; Stocks.
FOX: House-Coronavirus Relief Bill; Tropical Storm Arthur; Jerome Powell-Economy Recovery; NASCAR Results.
NPR: Jerome Powell-Economy Recovery; New York-Expanded Testing; Los Angeles-Hash Oil Factory Fire; Tropical Storm Arthur.

Last Laughs

Late Night Political Humor.

John Oliver: "It feels like, as time goes on, we're about to find out more clear warning signs the Trump Administration flat-out ignored. I'm assuming we'll eventually learn Trump was personally delivered a report in January titled 'What To Expect When You're Expecting The Coronavirus To Kill 80,000 Americans In Four Months.'"

John Oliver: "Donald Trump posed with a gigantic Space Force flag while standing way too close to someone, referred to a 'super-duper missile,' and called the US 'the leader in space.' He truly has the spirit, brain, appetite, temper, patience, and wit of a child that you hate."

John Oliver: "There's also been a major scandal brewing in Washington surrounding North Carolina Senator and Chair of the Senate Intelligence Committee Richard Burr. ... The FBI seized Burr's cell phone on suspicion he may have used non-public information from coronavirus briefings to dump shares ahead of the market crash. Which, among other things, is a reminder that, at any moment, the FBI could barge into your house and confiscate your phone. So if the photo on your phone's home screen is something you don't want the FBI to see – like, I don't know, let's say a very tasteful image of a hamster in a Speedo – you should change it immediately."

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Participates in a roundtable with Restaurant Executives and Industry Leaders; and THE FIRST LADY participate in a Governors' Video Teleconference on COVID-19 response and ensuring the well-being of all Americans
- Vice President Pence — Joins THE PRESIDENT and THE FIRST LADY for a Governors' Video Teleconference on COVID-19 response and ensuring the well-being of all Americans

US Senate:

- Senate aims to end debate on U.S. district judge nominee – Senate convenes and proceeds to executive session to resume consideration of the nomination Scott Rash to be U.S. District Judge for the District of Arizona, with agenda include vote on a motion to invoke cloture on the nomination

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Location: U.S. Capitol, Washington, DC; 3:00 PM

***US House*:**

- No public schedule released

***Cabinet Officers*:**

- No public schedules released

***Visitors*:**

- No visitors scheduled

***This Town*:**

- Health Resources and Services Administration Advisory Commission on Childhood Vaccines virtual meeting; *9:00 AM*
- Defense Department Defense Health Board Federal Advisory Committee virtual meeting; *9:00 AM*
- U.S. Supreme Court convenes for public non-argument session

Location: Supreme Court of the United States, Washington, DC; 10:00 AM

- Federal Reserve Board of Governors closed meeting – Federal Reserve Board of Governors closed meeting to review and determine the advance and discount rates to be charged by the Federal Reserve Banks

Location: Federal Reserve System Board of Governors, 20th Street and Constitution Avenue NW, Washington, DC; 11:30 AM

- National Institutes of Health National Advisory Council for Human Genome Research meeting; *12:30 PM*
- VA Healthcare Summit held virtually – VA Healthcare Summit * Held virtually due to the coronavirus
- Compliance Week Annual Conference held virtually – Compliance Week Annual Conference. Speakers include former FBI Director James Comey * Held virtually due to the coronavirus (COVID-19) pandemic

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To: Treasury@BulletinIntelligence.com[Treasury@BulletinIntelligence.com]
From: Bulletin Intelligence[Treasury@BulletinIntelligence.com]
Sent: Thur 7/2/2020 10:06:07 AM (UTC)
Subject: [EXTERNAL] Treasury News Briefing for Thursday, July 2, 2020

iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, JULY 2, 2020 6:00 AM EDT

Holiday Message

In observance of the U.S. federal Independence Day holiday, we will not publish on Friday, July 3, 2020. Service will resume on Monday, July 6, 2020. We wish our readers a safe and happy holiday.

TODAY'S TABLE OF CONTENTS

Treasury in the News

• House Approves Extension For Small Business Loan Program, Sends It To Trump.
• Treasury To Acquire 30% Of Trucking Company For $700M Loan In "Unusual Deal."
• OECD Head Claims US Remains Committed To Digital Tax Talks Despite Pause Request.
• Senate Democrats Request FinCEN Briefing On Russian Bounty Intelligence.

Leading National News

• Trump Calls Russia Bounty Reports A "Hoax."
• Trump Touts "Record Growth In 2nd Quarter," Predicts "Record 2021."
• ADP: Employers Added 2.37M Jobs Last Month After Adding 3.1M in May.
• V-Shaped Economic Recovery Appears To Be Flattening Out.
• Trump Says He Backs Additional Direct Payments, Changes To Unemployment Benefits.
• Concerns Mount That Coronavirus Surge Could Halt Travel Sector Rebound.
• SoftBank Seeks To Terminate Partnership With Wirecard.
• Watchdog Faults FAA's Handling Of Boeing 737 MAX Issues.
• USMCA Goes Into Effect Amid Enforcement Questions.
• Trump Says He Is "Not Happy" With China.
• Trump Says He Will Veto Defense Bill Over Provision Renaming Military Bases.
• Trump Calls New York "Black Lives Matter" Mural A "Symbol Of Hate."
• Barr Commends Seattle Police Chief As Authorities Dismantle Violence-Ridden CHOP Zone.
• Carson: "Marxist-Driven Organization" Hijacking Floyd Protests.
• Congressional Black Caucus Seeks Reparations Commission.
• Senate Republicans Weigh Replacing Columbus Day Holiday With Juneteenth.
• House To Vote On Removal Of Segregationist Justice's Bust From Capitol.
• Richmond Mayor Orders Removal Of All Confederate Status From City.
• GOP Ad Slams Attacks On Presidential Statues.
• Three Cities Launch Commissions To Address Past Unjust Policing And Prosecution.
• New York Police Department's Budget Cut By $1B.
• Los Angeles Cuts Police Spending, Hiring.
• Minneapolis Sees Surge In Gun Violence.
• Mississippi State Flag Retired.
• Poll Shows More White Democrats Have Become Critical Of Police.
• Black National Convention Scheduled For Late August.
• FBI Gun Background Checks Jump To Record High In June.
• FBI Has Been Investigating Death Of McClain Since Last Year.
• Reports: Protests Do Not Seem To Have Spread Coronavirus.
• Tumulty: Biden's View On Flag Burning Has Evolved.
• Trump Says He Is "All For Masks," But Questions Need For Mandate.
• Trump Again Says Coronavirus Will "Sort Of Just Disappear."
• Trump Plans Fourth Of July Celebration On National Mall Despite DC Mayor's Concerns.
• Pence Visits Arizona As It Sets Record For Cases, Hospitalizations And Deaths.
• More Than 50,000 New COVID-19 Infections Reported Wednesday.
• Pfizer, BioNTech Announce Hopeful Early Results From Vaccine Trial.
• Public Health Experts Criticize US Remdesivir Acquisition.
• Democrats Seek Transparency In Regards To HHS/Palantir Tracking Program.
• Poll Finds Republicans Increasingly Concerned By Pandemic.
• Poll: Asian And Black Americans Have Faced Heightened Discrimination Amid Pandemic.
• Autopsy Studies Indicate COVID-19 Attacks Various Parts Of Body.
• Newsom Reintroduces Some Parts Of California Lockdown.
• Texas LG Says He Will No Longer Listen To Fauci.
• New York City Delays Plan To Restart Indoor Dining.
• Whitmer Orders Most Michigan Bars To Halt Indoor Service.

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• Judge Throws Out Racine, Wisconsin Coronavirus Ordinance.
• DOJ Official Says Former Aide's Testimony Was "Misleading."
• Trump-Appointed Judge Strikes Down Asylum Ban On Procedural Grounds.
• Oklahoma Voters Approve Medicaid Expansion.
• Incubate's Stanford Argues Against Price Controls On Pharmaceuticals.
• Senators Criticize US Global Media Chief Over Firings.
• WPost: SCOTUS Left CFPB's Authority To Regulate Intact.
• Judge Lifts Restraining Order On Publisher Of Trump Niece's Book.
• Drug Overdoses Have Soared During Pandemic.
• Axios Report: Trump Regrets Listening To Kushner's Advice On Criminal Justice Reform.
• Trump Mocks CNN And MSNBC Over Declining Ratings.
• Rumors Spread That Alito And Thomas May Retire.
• House Passes $1.5T Infrastructure Bill.
• HUD Proposal Would Allow Shelters To Refuse Transgender People Access To Single-Sex Facilities.
• The Hill Highlights Cheney's "High-Profile Breaks" With Trump.
• CNBC/Change Research Poll: Biden Leads In Six Swing States.
• Biden, DNC Raised $141M In June, Besting Trump And RNC's $131M Haul.
• WPost Report Details "Waves Of Fallout" From Trump's June 20 Tulsa Rally.
• Trump To Headline High-Dollar Fundraiser In Florida Next Week.
• Trump: Biden Read Answers At News Conference From Teleprompter.
• "Hundreds" Who Served In Bush Administration Reportedly Set To Back Biden.
• Poll: 72% Of Democrats Say It Is "Important" That Biden Select Woman Of Color For VP Slot.
• Pro-Trump Group Sponsoring NASCAR Team For Next Nine Races, Beginning Sunday.
• Politico Analysis: "Barrage Of Bad News" Hurting Senate GOP Ahead Of 2020 Election.
• After Claims Of Racism, College Democrats Force Leadership Changes.
• WSJournal: Whitehouse's Dealings With Clean-Energy Company Raises Questions About Corruption.
• RCP Average Has Trump's Job Approval At 41.5%.

Financial International News

• World Bank Head Says COVID-19 Widening Inequality Gap.
• IMF Official Tells UK To Invest In More Green Projects To Boost Economy.
• Ukraine Central Bank Head Abruptly Quits, Citing "Systematic Political Pressure."

Leading International News

• Trump Says China Could Have Halted Spread Of Coronavirus To Rest Of World.
• Pompeo: Europeans Have Responsibility To Keep People Safe With Travel Ban.
• Slow COVID Response Raises Concerns Over Safety Of Diplomats In Saudi Arabia.
• Tedros Urges US To Continue Working With WHO.
• Families Of US Troops Slain In Jordan Call On Congress To Press For Extraditions.
• France Pulls Out Of NATO Mission To Enforce Libya Arms Embargo.
• Pentagon Report Says Areas Of Afghanistan Remain "Terrorist Sanctuaries."
• Russians Overwhelmingly Back Extension Of Putin's Rule.
• Pompeo Denounces China's Imposition Of Stifling Security Law On Hong Kong.
• USCBP Seizes Human Hair Believed To Be Taken From Detained Chinese.
• Israel Delays West Bank Annexation Amid Talks With White House.
• Politico Report: Human Rights Groups Increasingly Alarmed Over US Actions.

Housing

• Freddie Mac Drives Increase In GSE MBS Issuance In June.
• Trade Groups Want More Time To Comment On FHFA's GSE Capital Plan.
• CFPB Moving Quickly On QM Rule Rewrite.
• GSEs Confirm Primary Mortgage Insurer Capital Requirements For Natural Disasters Apply To Pandemic-Related Defaults.
• CHLA Hires Craig Thomas As Communications Director.
• Trump Says He "May End" Obama-Era Housing Rule.
• Regulators Urge FIs To Continue Transition Away From Libor.
• HUD Proposal Would Allow Homeless Shelters To Refuse Transgender People Access To Single-Sex Facilities.
• Former HUD Secretary Julián Castro Calls On Congress To Invest "$100B In Direct Rental Assistance."
• MBA: Mortgage Application Fall Again This Week, Dipping 1.8%.
• Ellie Mae: Millennial Purchase Activity Picks Up As Mortgage Rates Hit All-Time Lows.
• Surge In COVID Cases, Fed Comments Drive Mortgage Rates Down.
• Fannie Mae Releases Report On Its Multifamily Green Bond Program.
• HECM Lending Plummeted In April After Surging In Q1.
• Mayopoulos Weighs In On Quicken, Fintech, And Innovation Catalysts Amid The Pandemic.
• Freedom Mortgage CEO Discusses Helping Borrowers Exiting Forbearance.
• Census Bureau: Construction Spending Falls 2.1% In May.
• First American: Millennials Likely To Fuel Huge Spike In Homebuying Demand.
• MIT Study: Boston Evictions Disproportionately Concentrated In Black Neighborhoods.
• Study Finds "High Levels" Of Discrimination Against Black Renters, Section 8 Vouchers In Boston.
• Mr. Cooper Starts Hedging MSRs.
• Pandemic Prompts Hope Now To Suspend Operations.

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• Beijing Lashes Out At US For "Oppressing Chinese Companies" After Huawei, ZTE Action.
• Bitcoin Demand Drives $1.4B Ransomware Industry In The US.
• Hackers Say Voter Registration, Not Voting Machines, Are The Real Problem.
• King Urges Congress To Create Of National Cyberdefense Program.
• Bipartisan Bill Could Revive Creation Of White House National Cyber Director.
• Op-Ed: Protecting Undersea Cables Must Be Made A National Security Priority.
• DOD IG Finds Pentagon Needs To Improve Artificial Intelligence Project Management.
TFI/Sanctions
• Administration Aims To Sanction Chinese Officials Tied To Persecution Of Minorities.
• Law360 Analysis: US Sanctions Developments In 2020.
• Commentary: Increased Ukraine Assistance, Targeted Sanctions Should Be Response To Russian Bounties.
Federal Reserve
• Trump "Getting More And More Happy" With Powell's Job As Fed Chair.
• Fed Minutes Show Officials Considering Pledge To Leave Interest Rates Low.
• Fed Hit By Thousands Of Requests To Expand Main Street Lending Program To Individuals.
• Daly: "Too Early To Tell" Whether US Economy Sees Best-Case Four To Five Year Recovery Scenario.
Financial Regulatory Agencies
• McWilliams Explains Why FDIC Wants To Eliminate Call Reports.
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• IRS Chief Gives Taxpayers Two Weeks To Collect $1.5B In Owed But Unclaimed Refunds.
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Treasury in the News

House Approves Extension For Small Business Loan Program, Sends It To Trump.

The New York Times (7/1, Cochrane, 18.61M) reports that on Wednesday, the House "agreed to extend for five weeks a popular pandemic relief loan program for small businesses, sending President Trump legislation to give companies more time to apply for federal help under an initiative created by the stimulus law." Hours prior to the House backing the legislation, the Senate "unexpectedly" concluded a deal for the extension. This "move to extend the Paycheck Protection Program through Aug. 8, which allows small businesses to secure low-interest loans to help maintain their payrolls, came as Republicans and Democrats remained divided over how much additional federal assistance to provide to businesses and individuals affected by the coronavirus and the economic hardship it has caused." Treasury Secretary Steven Mnuchin "told lawmakers on Tuesday that he had been discussing the possibility of repurposing the funds left in the program for businesses whose revenues had dropped significantly, such as restaurants and hotels."

CNN (7/1, Mattingly, 83.16M) reports, "The House passage completes a whirlwind several days for a program that was all but certain to shutter until bipartisan negotiations were sparked in the US Senate on Tuesday afternoon." For most of "Wednesday, House Democrats also debated how to handle the extension, with some pushing for additional changes to the program, according to several aides involved in the discussions." The AP (7/1, Taylor) reports Mnuchin and Senate Small Business Chair Marco Rubio (FL) "want to re-purpose the money in a way that's more targeted for businesses suffering during the upswing in cases."

USA Today (7/1, King, 10.31M) reports that this "extension came on the same day that House lawmakers were taking the Small Business Administration to task for another program designed to rescue mom-and-pop firms following the social distance guidelines instituted after the coronavirus landed on U.S. shores."

Among other news outlets covering the story are the Wall Street Journal (7/1, Andrews, Subscription Publication, 7.57M), Bloomberg (7/1, House, Wasson, 4.73M), The Hill (7/1, Moreno, 2.98M), and NPR (7/1, Neuman, 3.12M).

Treasury To Acquire 30% Of Trucking Company For $700M Loan In "Unusual Deal."

The Washington Post (7/1, Stein, Gregg, 14.2M) reports the Treasury Department announced Wednesday that it will loan $700 million to YRC Worldwide, "a trucking firm that ships military equipment, in exchange for having U.S. taxpayers acquire an almost 30 percent stake in the company." The Post adds "The U.S. government does not typically take ownership stakes in companies but was given permission to do so by Congress as a way to ensure taxpayer funds are not misspent." The deal is "the first under a $17 billion loan program approved as part

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of the broader stimulus by Congress in March." Treasury Secretary Steven Mnuchin said in a statement, "We are pleased for Treasury to make this loan pursuant to the CARES Act. This loan will enable a critical vendor to the Department of Defense to maintain significant employment while providing appropriate compensation to taxpayers."

The AP (7/1) reports that, by accepting the loan, YRC is required "to maintain employment levels and limit executive compensation, dividends and share repurchases." The Wall Street Journal (7/1, Davidson, Subscription Publication, 7.57M) reports the loan will allow YRC to keep about 30,000 trucking jobs and support the military supply chain and 200,000 US businesses. CFO (7/1, Sprouse, 1.19M) reports that in May, YRC "said there was 'substantial doubt' it could stay in business without federal help or a 'meaningful stabilization' of the economy." In June, "it said per-day shipments were down 20% during the quarter"

CNN (7/1, Isidore, 83.16M) reports the loan "was also praised by James Hoffa, general president of the Teamsters union, who thanked President Donald Trump, Treasury Secretary Steven Mnuchin and Congress for the assistance." Hoffa said in a statement, "They recognized the urgency and acted swiftly to avoid our members' health benefits from being cut and, in the long term, to protect 24,000 Teamster jobs."

Reuters (7/1, DiNapoli, Spalding, Herbst-Bayliss) and the Financial Times (7/1, Politi, Indap, Subscription Publication, 1.34M) also report.

OECD Head Claims US Remains Committed To Digital Tax Talks Despite Pause Request.

Reuters (7/1, Thomas) reports OECD Secretary General Angel Gurria said Wednesday that the US, in spite of its call to pause, remains committed to global negotiations regarding digital services taxes. Treasury Secretary Steven Mnuchin's "suggestion last month that a break was needed sparked European concerns about Washington's commitment to a deal on the first major rewriting of cross-border tax rules in a generation." Gurria said, "To be clear, contrary to some earlier media reports, the U.S. has not pulled out of the negotiations. ... Indeed, the presence of the U.S. delegation here today, notwithstanding the U.S. request for a delay on pillar one, confirms their ongoing engagement in this important work." Gurria added, "Pillar two will ensure that a minimum level of tax will be paid, no matter how much clever tax planning is undertaken by multinationals. This is why we need to reach an international agreement, whether partly in October and then later in 2021, or any other possible combination driven by the political agenda."

Senate Democrats Request FinCEN Briefing On Russian Bounty Intelligence.

The Hill (7/1, Moreno, 2.98M) reports that Democratic Sens. Sherrod Brown (OH), Jack Reed (RI) and Bob Menendez (NJ) are "requesting a briefing on wire transfers intercepted by U.S. intelligence connected to reports of bounties being offered by Russian forces to incentivize Taliban-linked militants to kill U.S. troops in Afghanistan." The senators – who are "the Democratic ranking members of the Senate Banking, Armed Services and Foreign Relations committees, respectively – are asking to be briefed on the evidence obtained by the Department of the Treasury." The senators, in a letter Wednesday to FinCEN Director Kenneth Blanco, wrote, "We request to be briefed by you directly within the next two days on these reports, including any intercept evidence developed by Treasury or other US government analysts to which FinCEN has access that would shed light on these allegations."

Leading National News

Trump Calls Russia Bounty Reports A "Hoax."

President Trump on Wednesday called media reports of Russia offering bounties to Taliban-linked militants to kill American service members in Afghanistan a "hoax by the newspapers and Democrats" to "slander" him and Republicans. Media reports describe Trump as dismissing and playing down the reports while members of the Administration are portrayed as defending the response to the intelligence and seeking to quiet the controversy over what the President knew and when.

Early Wednesday morning, Trump tweeted, "The Russia Bounty story is just another made up by Fake News tale that is told only to damage me and the Republican Party. The secret source probably does not even exist, just like the story itself. If the discredited @nytimes has a source, reveal it. Just another HOAX!" About an hour later, he tweeted, "'No corroborating evidence to back reports.' Department of Defense. Do people still not understand that this is all a made up Fake News Media Hoax started to slander me & the Republican Party. I was never briefed because any info that they may have had did not rise to that level"

In an interview with Fox Business (7/1, 1.73M) Wednesday, Trump said that "we never heard about it because intelligence never found it to be of that level where it would rise to that – when you bring something in to a President, I see many, many things and I'm sure I don't see many things that they don't think rose to the occasion. This didn't rise to the occasion, and from what I hear, and I hear it pretty good, the intelligence people didn't even – many of them didn't believe it happened at all. I think it's a hoax. I think it's a hoax by the newspapers and the Democrats."

The Military Times (7/1, Shane, 772K) reports that Trump "dismissed the ongoing scandal," and The Washington Times (7/1, Meier, 492K) says the Administration "is stepping up its pushback" on the reports. The AP (7/1, Jalonick, Miller, Laporta) says that as Trump "continued to play down the assessments," his Administration is "stepping up the defense of its response" to them, while Reuters (7/1) reports that Trump "aides tried to quell controversy over what Trump knew and when he knew it."

Secretary of State Pompeo was asked on Fox News' Special Report (7/1, 1.53M) if the President should have been told if there was intelligence dealing with bounties on American troops. Pompeo said, "Most intelligence that is read, there is, in fact, a consensus. Almost all analytical product has a consensus across the entire intelligence community. It is often the case that it is not. That happens. When that

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happens, we need to make sure that we get it right. ... When the intelligence community feels like something rises to the level that needs to get to the President, I am very confident they will consistently present it to him." Asked how damaging the leak of the story was, Pompeo said that "when periodicals report this information, it breaks my heart because it puts our intelligence officers and our military men and women at risk. It is dangerous. It is unlawful, and I hope we can figure out who did it and they'll be brought to justice."

The Washington Post (7/1, Wagner, 14.2M) reports that National Security Adviser O'Brien "disclosed that options had been drawn up to present to Trump on how to respond if the allegations were corroborated." During an interview with Fox News' Fox & Friends, O'Brien "reiterated...that national security officials decided not to present Trump with unverified intelligence regarding Russia's purported plans but indicated that they took the situation seriously enough to prepare options for the president." O'Brien said, "If this eventually becomes something that's proven, or something that we believe, we need to have options for the President to deal with the Russians. I can tell you this, if this information turned out to be true, and now we may never know, but if it turned out to be true, we had options ready to go, and the President was ready to take strong action, as he always is." NBC Nightly News (7/1, story 5, 1:40, Holt, 6.42M) reported that while the White House "has maintained the President was not initially briefed, even though some members of Congress were, because of the credibility of the intelligence," O'Brien "may have muddled that message by saying the Administration was preparing options to respond if necessary." Weijia Jiang of the CBS Evening News (7/1, story 4, 2:05, Garrett, 4.8M) reported that "O'Brien said the raw intelligence was worrisome enough to share with the military." O'Brien: "Even though it wasn't verified, because we were concerned about it, we gave it to US forces."

The Washington Examiner (7/1, Doyle, 448K) reports that O'Brien "said he stands by the decision not to brief President Trump...saying the decision was made by a career, senior spy." Speaking to reporters at the White House, O'Brien said, "The person who decided early on whether the President should be briefed on this in the Oval [Office] intelligence briefing was a career senior servant, a CIA officer, and she made that decision because she didn't have the confidence in the intelligence that came up. ... She made that call, and you know what, she made the right call. And knowing the facts I know now, I stand behind that call."

The Hill (7/1, Chalfant, 2.98M) reports that when O'Brien was asked at the White House about Trump's tweets calling the story a hoax, he said, "I think what is a hoax is the initial reporting, and I believe this was in The New York Times, that the President had been briefed about this unverified and uncorroborated intelligence and chose not to take action on it. ... That was a hoax, and there is no question about it."

The New York Times (7/1, Crowley, Schmitt, 18.61M) reports that O'Brien "said on Fox News that Mr. Trump's C.I.A. briefer, the person who delivers an in-person briefing to him every few days, had not brought it to his attention." O'Brien said, "The President was not briefed, because at the time of these allegations, they were uncorroborated. ... And as a result, the President's career CIA briefer decided not to brief him." The Times says it would be "unusual, if not unprecedented, for intelligence with grave implications to be withheld from the president on the grounds that it lacked definitive consensus." Townhall (7/1, Baumann, 177K) provides similar coverage of O'Brien's comments.

Jonathan Karl said on ABC World News Tonight (7/1, story 5, 1:00, Llamas, 7.23M) that while Trump called the reports a hoax, "none of his advisers are saying that. The White House Press Secretary this afternoon said the intelligence is still currently being assessed." On Thursday, "the top congressional leaders will be briefed by the President's national security team, including the Director of the CIA, the Director of the NSA." Karl added that "it is unlikely that those officials would be briefing the top congressional leadership about a, quote, hoax."

White House Has No Plans To Respond To Russia Bounty Intelligence. The Washington Post (7/1, Nakashima, Dawsey, Deyoung, Harris, 14.2M) cites "two senior administration sources" who say the White House "is not planning an immediate response to intelligence reports" of the bounties "because President Trump does not believe the reports are true or 'actionable.'" The Post says Trump "is not convinced he should do anything about the bounty issue," and cites an "administration official" who "said there is an internal White House dispute about how much information to declassify to support the president's skepticism of the intelligence." Citing the Post report, the Washington Examiner (7/1, Leonardi, 448K) also reports on the White House's plans.

Republican Lawmakers Defend Trump's Handling Of Russia Intelligence. The Hill (7/1, Bolton, 2.98M) reports that Senate Republicans "are defending" Trump's handling of the intelligence. They "argued that Democrats on the Senate Intelligence Committee had access to the same intelligence the president did and didn't sound an alarm, implying the recent controversy has a political motive with the election four months away." Sen. Todd Young (R-IN) said "major national newspapers" reported "on unverified and inconclusive intelligence as though it had been conclusively determined that Russia paid bounties on U.S. troops. ... Every single member, Republican and Democrat alike, of the Senate Select Committee on Intelligence is aware, should have been aware of the intelligence that I was briefed on. It's long been available." Sens. Joni Ernst (R-IA) and Ron Johnson (R-WI) "both disputed media reports that Russia paid bounties for the targeting of U.S. troops."

Rep. Guy Reschenthaler (R-PA) said on Newsmax TV (7/1, 431K), "The fact that this is so politically expedient for so many people to throw this in the trump administration right now makes me very suspect. Now, if it is true, we have got to look at it. I suspect that if it is true, it probably dates back to when Joe Biden was the Vice President and not when you had the Trump Administration in power. But I am incredibly skeptical when it comes to these claims."

Vespa: NYTimes Story Is "Trash." Matt Vespa writes on Townhall (7/1, 177K) that the New York Times story provides "no details. None. It was an intelligence leak and it's becoming quite clear that it's trash." Vespa adds that the Defense Department "said there was no corroborating evidence. Russia has denied it, even the Taliban has denied the story. When you get this unholy alliance of people saying this story is fake, you'd think the liberal media double-check everything, especially since their track record [illegible] the 2016 election was probably one of the biggest fiascos in recent memory."

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NYTimes Analysis: Administration Lacks A Strategy For Pushing Back On Russia. A New York Times (7/1, Sanger, Schmitt, 18.61M) analysis says the "list of Russian aggressions in recent weeks rivals some of the worst days of the Cold War." But, "missing from all this is a strategy for pushing back – old-fashioned deterrence, to pluck a phrase from the depths of the Cold War – that could be employed from Afghanistan to Ukraine, from the deserts of Libya to the vulnerable voter registration rolls in battleground states." While Trump's national security strategy describes Russia as a "'revisionist power' whose efforts to peel away NATO allies and push the United States out of the Middle East have to be countered. But the paper strategy differs significantly from the reality." Trump "rarely talks about Russia strategy other than to say it would be good to be friends. ... So it is little surprise that after three and a half years, there is often hesitation to bring Mr. Trump damning intelligence about Russia."

Politico Analysis: Russia Bounty Revelations Put Focus On Trump's PDB. A Politico (7/1, Bertrand, Cheney, 4.29M) analysis says the "furor" of the Russia bounty revelations "is pulling back the curtain on a highly secretive process that has had to adapt to Donald Trump's whims – the delivery of the President's Daily Brief." Politico describes "a two-tier briefing process: the text of the PDB itself, which Trump isn't known to read, and what the briefer – and more importantly, the president's senior national security aides – chooses to say out loud." According to "former intelligence officials" that is "not how the briefing system normally works – intelligence would not be included in the PDB while simultaneously being too unreliable to brief the president verbally about, because the assumption is that the president will read the PDB."

Officials Say Afghan Distributed Russian Cash To Kill Americans. The New York Times (7/1, Mashal, Schmitt, Rahim, Callimachi, 18.61M) reports that Rahmatullah Azizi, who neighbors and relatives describe as "a lowly drug smuggler," is "a central piece of a puzzle rocking Washington, named in American intelligence reports and confirmed by Afghan officials as a key middleman who for years handed out money from a Russian military intelligence unit to reward Taliban-linked fighters for targeting American troops in Afghanistan, according to American and Afghan officials." US intelligence officials "believe the program is run by Unit 29155, an arm of the Russian military intelligence agency known as the G.R.U." According to Us intelligence report, Azizi was "as a key middleman between the G.R.U. and militants linked to the Taliban who carried out the attacks. He was among those who collected the cash in Russia, which intelligence files described as multiple payments of 'hundreds of thousands of dollars.'"

Slotkin Says White House Explanation "Made No Sense." The New York Times (7/1, Cochrane, 18.61M) reports that Rep. Elissa Slotkin (D-MI), "a former White House national security aide and intelligence briefer whose tasks included ensuring that previous presidents were made aware of such potentially momentous reports," said in an interview, "If I had been at the National Security Council under either Bush or Obama, and this had come in, I would have slapped a cover note on top of it, sent it up the chain to the national security adviser and said, 'Sir, I want to flag this. ... There's some conflicting views. But it's important – I think we should flag it for the President ahead of his calls.'" To Slotkin, "the White House's explanation for Mr. Trump's ignorance of the intelligence...made no sense."

Clark: Trump's Inaction On Russia Bounties A "Dereliction Of His Duty." In an op-ed for USA Today (7/1, 10.31M), former NATO Supreme Allied Commander Gen. Wesley Clark writes that he finds it "galling that, as commander in chief of the U.S. armed forces, [Trump] has done nothing despite the fact Russia has put a bounty on U.S. troops in Afghanistan." Clark calls Trump's inaction "unfathomable," a "dereliction of his duty as commander in chief, an abandonment of the troops who depend upon him and a betrayal of leadership."

A USA Today (7/1, 10.31M) editorial is also critical of the President. The editorial asks if Trump has "expressed even an ounce of concern that a foreign leader...might have bought and paid for dead American troops? No." Trump's "first instinct was to tweet that the initial report about bounties was 'another phony ... Russia Hoax.'" USA Today suggests it is "more plausible that while Trump has been busy praising his relationship with Putin and urging that Russia be allowed back into the Group of Seven leading industrial nations...it would be politically damning to admit during a presidential election year that he was aware of Russian perfidy and did nothing?"

Trump Touts "Record Growth In 2nd Quarter," Predicts "Record 2021."

President Trump took to Twitter Wednesday to write, "WOW. Record Growth in 2nd Quarter! Under Corrupt Joe Biden and his MASSIVE Tax and Regulation increases, Markets, and your 401k's, will PLUNGE! Expect a Record 2021!" The New York Post (7/1, Fredericks, 4.57M) recounts "Biden told potential donors to his campaign Monday that his administration would end most of Trump's multitrillion-dollar tax cuts – even though 'a lot of you may not like that,' CNBC reported."

Trump was asked in an interview with Fox Business (7/1, 1.73M) about Biden's calls for taxes on the wealthy and corporate tax increases. Trump said, "I think what happens is if you do that, you are going to crash the market. ... You are going to crash the market. 401(k)s will be down the tubes. The wealth of the country will be down. No, he really wants to just to put it more accurately, he just wants to raise everyone's taxes because they want to spend it on nonsense. They want to spend it on things that don't work. They want to give the money away and I don't think people are going to stand for it." Trump added, "I think that frankly, the stock market is doing well, but it's an overhang. If he got elected, and they say this, if he got elected, that's an overhang over the market because the market would crash, would absolutely crash."

Stocks Finish Mixed. Reuters (7/1, Mikolajczak) reports "the S&P 500 and Nasdaq indexes closed higher on Wednesday to kick off the third quarter as increasing optimism for a safe and effective COVID-19 vaccine eased concerns that another round of business lockdowns was likely." The Dow "fell 77.91 points, or 0.3%, to 25,734.97, the S&P 500 gained 15.57 points, or 0.51%, to 3,115.86 and the Nasdaq Composite added 95.86 points, or 0.95%, to 10,154.63."

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ADP: Employers Added 2.37M Jobs Last Month After Adding 3.1M in May.

The Washington Post (7/1, Denham, 14.2M) reports that "according to payroll services firm ADP, the nation's private employers expanded by more than 2.37 million positions in June." ADP "also revised its May figures to show a net gain of 3.1 million jobs instead of the loss of 2.76 million reported last month." The Post adds that the Labor Department's June jobs report "will be released Thursday, a day earlier than usual because of the shortened holiday week." AP (7/1) points out ADP said that "small businesses reported the biggest increase, adding 937,000 jobs. Among industries, construction firms, restaurants and hotels, and retailers posted large gains in hiring." CNBC (7/1, Cox, 3.62M) also reports on its website that "hiring was especially strong in the pivotal leisure and hospitality industry."

The Hill (7/1, Lane, 2.98M) quotes Mark Zandi, chief economist at Moody's Analytics, as saying, "It looks like an economic recovery began in June. ... This reflects rehiring of workers in industries hard hit by the pandemic, including the leisure and hospitality industry, retail, healthcare, construction and manufacturing." To Reuters (7/1, Mutikani), meanwhile, Wednesday's numbers strengthened "views that the labor market and broader economic recovery from the COVID-19 pandemic would be a long slog." The recovery is also "under threat from surging coronavirus cases across large parts of the country, including the densely populated California, Florida and Texas."

Fox Business (7/1, Henney, 1.73M) reports on its website that "the data is typically a good indicator of what to expect in the more closely watched jobs report from the Labor Department, which is predicted to show the US economy added 3 million jobs last month, up from May's gain of 2.509 million, a record high." Fox adds "analysts anticipate unemployment will edge down to 12.3 percent from May's 13.3 percent as the economy gradually starts to recover."

Politico (7/1, Cassella, Rainey, 4.29M) cautions, however, that "Thursday's jobs report will likely look great on paper," but "those numbers are a deceiving bump – with the resurgence of the virus and a fresh wave of shutdowns, the reality of the job market is likely far bleaker."

V-Shaped Economic Recovery Appears To Be Flattening Out.

The Wall Street Journal (7/1, lp, Subscription Publication, 7.57M) reports the rapid economic rebound seen from mid-April through mid-June appears to have stalled out in the past two weeks. The development may be the result of a reversal in consumer spending in states where coronavirus cases have risen, a weakening of demand that had been sparked by stimulus checks, or a pause in business activity after the first phase of low-risk workplaces were allowed to reopen.

The New York Times (7/1, Tankersley, Casselman, 18.61M) reports it is a "pattern economists have been dreading, and a departure from the 'rocket ship' recovery that President Trump promised in June." According to the Times, "the next few months of recovery could be rocky even if the current infection surge abates." The Times says that "close to half of all those who have lost jobs" are "still out of work, with no immediate prospects for a return."

Fed Officials Raised Concerns In June That Continued Spike In Coronavirus Cases Could Hurt Recovery. The Washington Post (7/1, Siegel, 14.2M) reports, "Federal Reserve officials raised concerns about additional waves of coronavirus infections disrupting an economic recovery and triggering a new spike in unemployment and a worse economic downturn, according to minutes released Wednesday by the central bank about its June 9-10 meeting." Federal Reserve Chairman Jerome Powell has repeatedly stated "that the path out of this recession will depend on containing the virus and giving Americans the confidence to resume normal work and spending habits." But the minutes "from the two-day meeting reveal how interconnected Fed officials view an prolonged economic recession with the pandemic's continued spread."

Trump Says He Backs Additional Direct Payments, Changes To Unemployment Benefits.

CNBC (7/1, Breuninger, 3.62M) reports on its website that on Wednesday, President Trump "said...that he supports another round of direct payments to Americans – and claimed he wants to give out more money than Democrats have already proposed." The Washington Examiner (7/1, Krishan, 448K) reports Trump said during an interview on Fox Business, "I support it, but it has to be done properly. And I support larger numbers actually than the Democrats, but it's got to be done properly."

However, Reuters (7/1, Chiacu) reports Trump "said the structure of the last round of financial aid to struggling Americans created a disincentive for people to return to work." Trump said, "We want to create a very great incentive to work. So, we're working on that and I'm sure we'll all come together." His "remarks indicate the Trump administration will oppose an effort by Democrats in Congress to renew a $600 supplement to weekly jobless benefits set to expire at the end of July that was contained in earlier coronavirus relief legislation."

Politico (7/1, Guida, 4.29M) reports that also on Wednesday, Senate Minority Leader Schumer and Sen. Ron Wyden (D-OR) "introduced legislation that would tie enhanced unemployment benefits to joblessness levels in each state, the most prominent effort yet to expand federal policies that kick in automatically during a recession." According to Politico, "Under the bill, the additional $600 a week that jobless workers have been receiving during this economic crisis would be phased out in stages in each state as its unemployment rate drops below 11 percent." The legislation "would also allow Americans out of work to continue getting 13 weeks of extended benefits, provided under the CARES Act, until March 27 of next year," and "would extend unemployment benefits designed for gig workers and others who are not eligible for traditional unemployment insurance until March 2021."

Reuters (7/1) reports that on Tuesday, Senate Majority Leader McConnell "said he supports continuing expanded unemployment insurance benefits during the pandemic but said the size of the $600-per-week payments have discouraged some workers from returning to

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their jobs."

Trump Says He Will Release Statement On Minimum Wage In Next Two Weeks. President Trump was asked in an interview with Fox Business (7/1, 1.73M) about plans by states to raise the minimum wage. Trump said, "I'm going to have a statement on minimum wage. I feel differently than a lot of people on minimum wage. Some people in my own party but I will have a statement over the next two weeks on minimum wage. ... I think I'm going to have a very positive statement on minimum wage."

Reuters (7/1, Beech) reports Trump did not offer details on "what would be in the statement, but Republicans generally have been opposed to increases in the minimum wage."

Concerns Mount That Coronavirus Surge Could Halt Travel Sector Rebound.

The CBS Evening News (7/1, story 7, 1:50, Garrett, 4.8M) reported "part of a security checkpoint" at Atlanta's Hartsfield-Jackson was "closed after a TSA agent there tested positive for COVID-19." CBS' Kris Van Cleave added, "There is concern soaring COVID cases could halt the travel rebound." Van Cleave said, "The number of flyers in the US had been on the rise, and airlines expect to see a bump over the Fourth of July weekend, but they are still only averaging about 70 passengers a flight. That is down 75% from last year."

SoftBank Seeks To Terminate Partnership With Wirecard.

The Wall Street Journal (7/1, Ostroff, Patrick, Subscription Publication, 7.57M) reports SoftBank is seeking to terminate a five-year partnership with Wirecard under which Softbank was to help Wirecard gain customers and expand in Asia. Softbank helped arrange a $1 billion investment into Wirecard last year, and the German payments company filed for bankruptcy protection last week.

Watchdog Faults FAA's Handling Of Boeing 737 MAX Issues.

The Wall Street Journal (7/1, Pasztor, Subscription Publication, 7.57M) reports an investigation by the Transportation Department's inspector general found the Federal Aviation Administration mishandled Boeing's 737 MAX safety issues, wasting any opportunity US regulators could have had to prevent the second fatal crash. The watchdog's report buttresses arguments by FAA critics in Congress who claim agency officials wasted their chance to act expeditiously to prevent the second fatal accident.

USMCA Goes Into Effect Amid Enforcement Questions.

The New York Times (7/1, Swanson, 18.61M) reports that on Wednesday, President Trump's "promised rewrite of trade terms" between the US, Canada, and Mexico officially took effect. However, "many of the deal's requirements, like expanding worker rights or opening up the flow of agriculture, have not been fully met," and "industries as varied as automobiles and agriculture are still struggling to understand recent guidelines from the U.S. government and certify that their products satisfy the trade deal." Politico (7/1, Rodriguez, 4.29M) also says the USMCA is "far from an assured success," and "it's also landing amid rising trade tensions with Canada and widespread concern about Mexico's ability to enforce labor protections." According to Politico, "Any economic benefits and job gains are years away."

Agriculture Secretary Perdue said on Fox News (7/1, 896K) that the USMCA "changes things by leveling the playing field. President Trump knew instinctively, intuitively had for many years, actually, that the trade deals of the United States had almost given away jobs to foreign countries. ... We had the United States multinational corporations taking jobs away from the United States and sending them overseas or south of the border. That didn't need to happen. This levels that playing field." The President tweeted a link to an op-ed by Perdue on the USMCA from earlier in the week.

Energy Secretary Brouillette said on the Joe Pags Show (7/1), "This is the most comprehensive trade agreement that's ever been negotiated. The President stated the very outset of this Administration he was will look out first and foremost for American workers and that's what he's done. ... What we have done with USMCA in the case of energy is really strengthen our relationship with both Canada and Mexico. ... What USMCA does is allows us to bring those relationships closer to ensure that our energy industries are more closely connected." Brouillette was also interviewed on the Larry O'Connor Show (7/1).

Nexstar Media Group (7/1, 13K) showed a clip of USTR Lighthizer saying, "You're going to see new access on dairy products into Canada. You're going to see our wheat graded properly. You're going to see new rules of origin on automobiles with both Mexico and Canada."

Trump Says He Is "Not Happy" With China.

President Trump was asked in an interview with Fox Business (7/1, 1.73M) if he would make another trade deal with China if he is reelected. Trump said, "I will sort of hold that answer in abeyance. I'm not happy. We made a great deal, but the ink wasn't dry when we got hit with the plague and the plague came in from China. So I'm not happy."

Undersecretary of State for Economic Growth, Energy, and the Environment Keith Krach said on the Hugh Hewitt Show (7/1) that China's "stated doctrine is to seduce with money and to reinforce with intimidation and retaliation."

Trump Says He Will Veto Defense Bill Over Provision Renaming Military Bases.

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The AP (7/1, Taylor) reports President Trump "is vowing to veto a massive defense bill to keep military bases such as Fort Bragg named after

Confederate officers, swimming against sentiment in his own party and imperiling a 3% pay raise for the troops." Trump "took to Twitter late Tuesday to threaten a veto of a $741 billion annual Pentagon authorization bill because it would require a host of military bases named after Confederate figures to be renamed within three years." Politico (7/1, Forgey, 4.29M) recalls White House Press Secretary Kayleigh McEnany "previously told reporters at a news briefing last month that the president would not sign any legislation that includes provisions to rename the installations that honor Confederate military figures, describing such a bill as an 'absolute nonstarter.'"

The Washington Post (7/1, Bella, 14.2M) says "the measure, which was approved last month in a voice vote by the Republican-led Senate Armed Services Committee, has become a flash point at a time when nationwide protests over racial injustice and police brutality continue in the wake of the police killing of George Floyd in Minneapolis on Memorial Day."

The Washington Times (7/1, Meier, 492K) recounts that "a group of 36 Senate Democrats" led by Sen. Elizabeth Warren (D-MA) "introduced legislation to speed up the timeline to remove Confederate names from military bases and Pentagon assets within one year." However, "the Senate battle has extended beyond just the timing of when to implement the name changes as some Republicans are now seeking to remove any language that would mandate removing the Confederate honors." Sen. Josh Hawley (R-MO) "issued a counter push to the existing legislation and last week introduced an amendment to the NDAA that would eliminate the mandate and instead tasks a commission to hold public hearings, gather input from military families and veterans, and work with state and local communities to recommend a way forward."

Republicans "Shrug Off" Veto Threat, But McConnell Hopes Trump Will "Reconsider." Under the headline "Senate Republicans Shrug Off Trump's Veto Threat Over Renaming Confederate Bases," Politico (7/1, Desiderio, Levine, 4.29M) describes Senate Republicans as "unfazed Wednesday by...Trump's threat to veto the annual defense policy." Yet "the reactions from GOP senators reflected a political reality this week as the Senate prepares to pass the National Defense Authorization Act: That the provision is unlikely to be stripped from the final bill to placate the president." Senate Armed Services Chairman James Inhofe "acknowledged that it might be difficult to work through the amendment process on the behemoth yearly bill, but he noted that it would be several months before the legislation actually reaches Trump's desk, during which time it could be changed as a result of negotiations between the Senate and House."

Meanwhile, The Hill (7/1, Carney, 2.98M) reports, Senate Majority Leader McConnell "said he hopes...Trump does not veto a mammoth defense bill over" the renaming provisions. Said McConnell, "Well, I would hope the President really wouldn't veto the bill over this issue. ... I hope the President will reconsider vetoing the entire defense bill, which includes pay raises for our troops, over a provision in there that could lead to changing the names." McConnell's comments "are a break with Trump."

House Panel Approves Amendment Banning Use Of Confederate Flag On DOD Property. The New York Post (7/1, Fredericks, 4.57M) reports "the House Armed Services Committee on Wednesday approved an amendment to ban the display of the Confederate battle flag on all Defense Department property." The amendment to the National Defense Authorization Act was introduced by Rep. Anthony Brown (D-MD), "an Iraq War vet, and includes exceptions for museum exhibits, state-approved license plates and the gravesites of Confederate soldiers." The Military Times (7/1, Shane, 772K) points out the vote came "a week after Army officials announced they would not ban Confederate flags from service installations." Brown's proposal "would encompass military work spaces, break rooms, living quarters, bumper stickers and personal apparel. Individuals could face punishment for disobeying the order."

Trump Calls New York "Black Lives Matter" Mural A "Symbol Of Hate."

President Trump tweeted Wednesday, "NYC is cutting Police $'s by ONE BILLION DOLLARS, and yet the @NYCMayor is going to paint a big, expensive, yellow Black Lives Matter sign on Fifth Avenue, denigrating this luxury Avenue. This will further antagonize New York's Finest, who LOVE New York & vividly remember the horrible BLM chant, 'Pigs In A Blanket, Fry 'Em Like Bacon'. Maybe our GREAT Police, who have been neutralized and scorned by a mayor who hates & disrespects them, won't let this symbol of hate be affixed to New York's greatest street. Spend this money fighting crime instead!"

The Washington Post (7/1, Wagner, 14.2M) reports Trump "said painting 'Black Lives Matter' on New York's Fifth Avenue would be 'a symbol of hate' and wind up 'denigrating' the street outside Trump Tower, as he ratcheted up objections to a plan that he suggested the city's police could stop." The Post says Trump's comments "were his latest volley directed at New York Mayor Bill de Blasio (D), who last week ordered that the tribute to the Black Lives Matter movement be painted in large yellow letters in a move designed in part to antagonize the president." USA Today (7/1, Jackson, 10.31M) reports de Blasio "said he ordered the mural...to be placed right in front of Trump Tower for a reason." He told MSNBC Wednesday, "We're going to take this moment in history and amplify it by taking the 'Black Lives Matter' symbolism and putting it all over this city, including right in front of Trump Tower."

Townhall (7/1, Pavlich, 177K) headlines its brief report "President Trump Gives De Blasio Some Advice About How to Spend Taxpayer Money." ABC World News Tonight (7/1, story 4, 0:30, Llamas, 7.23M) and the CBS Evening News (7/1, story 5, 0:35, Garrett, 4.8M) both briefly reported on the tweet. The Washington Times (7/1, Boyer, 492K), Politico (7/1, Cohen, 4.29M), and Breitbart (7/1, Bleau, 673K) also have reports.

Judicial Watch Sues DC Over BLM Mural. The Washington Times (7/1, Dinan, 492K) reports Judicial Watch "went to court Wednesday demanding access to paint the streets of Washington with its own political message after the city wrote 'Black Lives Matter' on one street and allowed protesters to paint 'Defund the Police' next to it. The conservative group said the city has effectively turned its roadways into a public forum, and so it must allow those with differing viewpoints than BLM protesters to [illegible]

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Barr Commends Seattle Police Chief As Authorities Dismantle Violence-Ridden CHOP Zone.

The AP (7/1, Bellisle, Baumann) reports, "Seattle police turned out in force early Wednesday at the city's 'occupied' protest zone, tore down demonstrators' encampments and used bicycles to herd the protesters after the mayor ordered the area cleared following two fatal shootings in less than two weeks." The AP adds, "By late morning, police said 32 people had been arrested for failure to disperse, obstruction, assault and unlawful weapon possession." The Hill (7/1, Deese, 2.98M) reports Attorney General Barr "released a statement Wednesday praising Seattle Police Chief Carmen Best for leading authorities to retake control of the abandoned police precinct downtown near Capitol Hill." Said Barr, "I commend Police Chief Carmen Best for her courage and leadership in restoring the rule of law in Seattle. ... For the past several weeks, the Capitol Hill area of Seattle was occupied by protesters who denied access to police and other law enforcement personnel."

ABC World News Tonight (7/1, story 8, 1:05, Llamas, 7.23M) described police as "clashing with protesters as they cleared out tents, arresting more than 30 people" and "reclaiming their precinct in the area that saw crime skyrocket by more than 500% and two teens fatally shot." Protesters blocked "police from responding to at least one of those deadly incidents." Best was shown saying, "Our job is to support peaceful demonstrations, but what has happened here on these streets is lawless, and it's brutal, and bottom line, it is simply unacceptable." The CBS Evening News (7/1, story 6, 1:35, Garrett, 4.8M) showed Best saying, "What has happened here, on these streets, is lawless, and it's brutal, and bottom line, it is simply unacceptable. ... Black lives matter. And I too want to help propel this movement forward, but enough is enough."

NBC Nightly News (7/1, story 6, 0:55, Holt, 6.42M) reported that "protesters say they plan to march across the city with police bracing for any signs of retaliation." The New York Times (7/1, Abrams, Mervosh, 18.61M) says "the continuing problems" in Seattle "had drawn the attention of President Trump, who blasted Democratic officials in Seattle and Washington State for failing to clear the area earlier. 'If they don't do the job, I'll do the job,' the president said last month."

Fox News (7/1, Flood, 27.59M) reports on its website that "as protesters and armed anarchists seized control last month of a swath of Seattle's downtown that includes a police station, dubbing it Capitol Hill Organized Protest, the local and mainstream media largely echoed elected leaders by insisting it was a peaceful protest – until people started getting killed."

USA Today (7/1, Miller, 10.31M) indicates "at least two fatal shootings occurred in the CHOP in recent weeks, and police said other shootings, robberies and violence have occurred since protesters took over the area after police abandoned their East Precinct nearby." Reuters (7/1, Wasson) reports "Harry 'Rick' Hearns, a protester who said he volunteered to provide armed security at CHOP for 24 straight days, told Reuters he supported the police crackdown '1,000 percent,'" adding that "he blamed the violence on outsiders who had marred an otherwise successful month-long occupation." Said Hearns, "The outsiders come in with guns, violence, rocks, sticks." To the Washington Post (7/1, Berman, 14.2M), meanwhile, CHOP "gave way to scenes as varied as peaceful gatherings, tense faceoffs with police and violence visited on demonstrators." The Wall Street Journal (7/1, Wernau, Carlton, Subscription Publication, 7.57M), Politico (7/1, 4.29M), the Washington Times (7/1, Richardson, 492K), the Washington Examiner (7/1, Brest, 448K), Breitbart (7/1, Bleau, 673K), and Townhall (7/1, Rosas, 177K), among other news outlets, also cover the story.

Carson: "Marxist-Driven Organization" Hijacking Floyd Protests.

HUD Secretary Carson said on Fox News' The Story (7/1), "We are really talking about two different things. Do Black lives matter? I think everyone would agree that they do. But we are talking about something else when we are talking about a movement that espouses things like taking down the model of Western family structure, talking about defunding the police, and there are a host of things on their websites, the Marxist influence. ... I think there are a lot of innocent and good people who think 'Black Lives Matter' just means, we should be taking care of our Black citizens and making sure they are not discriminated against, and that is noble and laudable. But we have an organization that is taking advantage of the fact that people don't really know what's behind a Marxist-driven organization."

Congressional Black Caucus Seeks Reparations Commission.

The Washington Examiner (7/1, Ferrechio, 448K) reports, "Members of the Congressional Black Caucus outlined a list of legislation aimed at ending racial injustices, including a reparations measure that one lawmaker said will come up for a House floor vote in the future." Rep. Sheila Jackson Lee (D-TX) "told reporters Wednesday that Democratic leaders have promised to advance a measure that would establish a commission to study reparations for slavery, Jim Crow laws, and other policies that have hurt blacks and other people of color over the decades."

Senate Republicans Weigh Replacing Columbus Day Holiday With Juneteenth.

The Hill (7/1, Bolton, Enjeti, 2.98M) reports "Republican senators are debating whether Juneteenth, a day that commemorates the end of slavery in the United States, should replace Columbus Day on the federal government's list of official holidays." The Hill adds "a bipartisan bill" sponsored by Sen. John Cornyn (R-TX) "to make Juneteenth a federal holiday is being held up by an internal Senate GOP squabble," as Sen. Ron Johnson (R-WI), "an outspoken budget hawk, doesn't want to add another paid holiday to the calendar." Johnson "says if Juneteenth is made a federal holiday, another paid federal holiday should come off the schedule. He's proposing scrapping Columbus Day but is open to eliminating another holiday instead."

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Columbus Statue Removed From Columbus City Hall. The Columbus (OH) Dispatch (7/1, 367K) reports "crews early Wednesday

removed the statue of Christopher Columbus from in front of Columbus City Hall." The move "was hailed by groups that say Columbus statues depict the explorer's genocidal cleansing of the New World and exploitation of Native people, and opposed by Italian-Americans who say the statues are works of art that forge goodwill and should be preserved." The Federalist (7/1, Justice, 126K) points out "Democratic Mayor Andrew Ginther said the Columbus Art Commission had been tasked with replacing the Columbus statue with public artwork that more accurately represents the community, as if the Ohio capital were not named after the legendary explorer who changed world history."

House To Vote On Removal Of Segregationist Justice's Bust From Capitol.

Politico (7/1, Cohen, 4.29M) reports House Majority Leader Hoyer "said Wednesday the House will vote this month to remove the bust of one of the Supreme Court's most infamous justices from the Capitol building." The Washington Post (7/1, Sonmez, Kane, 14.2M) says the bill would replace the bust of Justice Roger Taney, a segregationist, "with a bust of Thurgood Marshall, the first African American member of the Supreme Court."

Richmond Mayor Orders Removal Of All Confederate Status From City.

ABC World News Tonight (7/1, story 10, 0:20, Llamas, 7.23M) reported on "sweeping changes in Richmond, Virginia, once the capital of the Confederacy," with "the mayor using his emergency powers, to order the immediate removal of all Confederate statues on city grounds." The Richmond (VA) Times-Dispatch (7/1, Robinson, 277K) describes "a crowd of an estimated thousand spectators stood in heavy rain Wednesday afternoon and watched as the bronze statue to Stonewall Jackson was removed from the granite base where it stood for more than 100 years."

Axios (7/1, Fernandez, 521K) recounts Virginia Gov. Ralph Northam (D) "ordered the removal of the statue of Confederate Gen. Robert E. Lee in June," and that "protesters in Richmond also toppled the statue of Jefferson Davis, president of the Confederacy." The AP (7/1, Lavoie) and the Washington Post (7/1, Schneider, Vozzella, 14.2M), among other news outlets, also cover the story.

GOP Ad Slams Attacks On Presidential Statues.

The Washington Times (7/1, Richardson, 492K) reports, "The Republican Attorneys General Association came Wednesday to the defense of presidential statues being vandalized by left-wing mobs with an ad warning of the dangers of the 'cancel culture.'" The Times adds "the one-minute ad called 'Erasing History' shows the four faces on Mount Rushmore fading, juxtaposed with news footage showing attacks on statues of George Washington, Thomas Jefferson, Theodore Roosevelt and Abraham Lincoln, as 'America the Beautiful' plays forlornly in the background." The caption as the end of the ad states, "Stop the madness. ... Defend the rule of law."

Wolf: DHS, DOJ Protecting Federal Property From "Violent Protesters, Rioters and Looters." Appearing on Fox News' Fox & Friends (7/1, 831K), Acting DHS Secretary Wolf said, "What we have seen is really this lawlessness over the past four weeks in a variety of communities. And the President, the Administration, we are taking some really strong action. We surged federal resources here into the DC area...to put down a lot of these violent protests. ... We have seen an executive order from the President. And what the department is doing as we go into this July Fourth holiday, we want to make sure that federal properties, federal facilities, buildings, statues, monuments, that the Department of Homeland Security protects, we want to make sure that we have the personnel there and ready. ... We have seen the Department of Justice arrest over 100 of these violent protesters, rioters and looters. We have also seen them charge four individuals in federal court for attempting to tear down a statue here in DC."

Agriculture Secretary Perdue said on Fox News (7/1, 896K), "All of us agree that our First Amendment rights are very important and protests, peaceful protests, but vandalism and taking down structures and creating damage is not within the First Amendment. So, I hope that we can have a great Fourth of July celebrating the independence of our nation peacefully."

Three Cities Launch Commissions To Address Past Unjust Policing And Prosecution.

The Washington Post (7/1, Jackman, 14.2M) reports, "The district attorneys of Philadelphia, Boston and San Francisco on Wednesday announced the launch of local 'Truth, Justice and Reconciliation' commissions to hear from people who feel they were victimized by unjust or racist policing or prosecution." The prosecutors devised the restorative-justice project "as civil rights protests continue in cities throughout the country, as a way to address past injustices and determine ways to prevent similar occurrences in the future." It was unclear Wednesday "whether the U.S. commissions will seek to create or revisit prosecutions of cases or create different paths to justice."

New York Police Department's Budget Cut By $1B.

On ABC World News Tonight (7/1, story 9, 1:00, Llamas, 7.23M), Janai Norman reported New York City's council has voted "to slash the NYPD's budget by $1 billion." Norman added, however, "the shootings in the city up by 40% from this time last year."

President Trump was asked in an interview with Fox Business (7/1, 1.73M) about the New York City Council's decision to cut the NYPD's budget by $1 billion. Trump said, "I'm a big fan of New York's finest. We call them New York's finest, policemen. What [New York City Mayor Bill de Blasio] has done to that group of incredible men and women is very sad. It's very sad. I don't mean just the billion dollars. That's a big thing. But even if you go long before this, when they turned around, they turned their backs, his relationship with the police of New York and these are incredible people, it's been very sad to watch, frankly."

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The Daily Caller (7/1, Talcott, 716K) reports Paul DiGiacomo, President of the NYPD Detectives' Endowment Association (DEA), "raised concerns regarding policing moving forward." DiGiacomo said, "It's going to diminish the police department, which is going to affect policing moving forward for the people of New York City. And it, plain and simple, is going to be more victims of crime in New York City."

The New York Post (7/1, Bowden, 4.57M) reports Rep. Alexandria Ocasio-Cortez (D-NY) and de Blasio are "engaged in another public spat – this time after Hizzoner called the lawmaker 'just wrong' when she accused him of fudging his $1 billion cut to the NYPD budget." During an interview on CNN on Wednesday, de Blasio disputed claims in a statement from Ocasio-Cortez "in which she said he was using 'budget tricks' and 'funny math' to make it look like he had defunded the city's police department." Ocasio-Cortez responded "with a tweet of a New York Times report that accused Big Apple officials of achieving the cuts with a 'budgetary sleight of hand: Moving school safety officers under the Department of Education.'"

In an op-ed for the New York Times (7/1, 18.61M), Mara Gay, a member of the editorial board, writes that a $1 billion cut to the budget of the New York Police Department is a reasonable ask. Gay admits "the budget cuts won't bring the kind of systemic changes in policing demanded by protesters and others in New York and in cities like Minneapolis." But "they represent a rejection of the department's once unquestioned political power in New York."

Los Angeles Cuts Police Spending, Hiring.

The Los Angeles Times (7/1, Reyes, 4.64M) reports the Los Angeles City Council on Wednesday voted "to cut hiring at the Police Department, pushing the number of sworn officers well below 10,000 and abandoning a budget priority once seen as untouchable by city leaders." Faced with a dour budget forecast and "deluged by demands for reductions in police spending, the council voted 12 to 2 to take the Los Angeles Police Department down to 9,757 officers by next summer – a level of staffing not seen in the city since 2008." The council's move "delivered a $150-million hit to the LAPD budget, much of it coming from funds earmarked for police overtime pay."

Minneapolis Sees Surge In Gun Violence.

The Minneapolis Star Tribune (7/1, Walsh, 1.04M) reports, "In an especially violent day amid skyrocketing gun violence since George Floyd's May 25 death at the hands of Minneapolis police, nine people were shot across the city on June 22." A shooting at a Minneapolis park on that day "prompted Police Chief Medaria Arradondo to pledge Wednesday that 'our children must be protected, and those who would dare to bring harm their way must be held accountable.'" Other shootings "elsewhere in the city that day...came in the midst of a troubling surge in shootings in Minneapolis since Memorial Day."

Mississippi State Flag Retired.

ABC World News Tonight (7/1, story 11, 0:20, Llamas, 7.23M) reported a crowd gathered in Jackson, Mississippi on Wednesday "to watch as the state flag was lowered from the capital for the last time." On Wednesday, Gov. Tate Reeves (R) "signed the bill, retiring the flag that featured the Confederate emblem."

Poll Shows More White Democrats Have Become Critical Of Police.

The AP (7/1, Stafford, Fingerhut) reports, "As a national reckoning over racism and policing grips the nation, white Democrats are far more likely now than they were a few years ago to think police brutality is a serious issue – a dramatic shift in public opinion that some say could shape the November presidential election." A majority of white Democrats "today say police officers are more likely to use deadly force against a Black person than against a white person, according to a recent poll from The Associated Press-NORC Center for Public Affairs Research, not unlike five years ago." However, "for the first time, the poll shows significant changes in how white Democrats view police brutality and the consequences: 64% now describe police violence against the public as very or extremely serious, compared with 29% in July 2015."

Black National Convention Scheduled For Late August.

The AP (7/1, Morrison) reports, "Thousands of Black activists from across the U.S. will hold a virtual convention in August to produce a new political agenda that seeks to build on the success of the protests that followed George Floyd's death. The 2020 Black National Convention will take place Aug. 28 via a live broadcast." According to an announcement by the Electoral Justice Project of the Movement for Black Lives, "a coalition of more than 150 organizations," the event "will feature conversations, performances and other events designed to develop a set of demands" ahead of this fall's elections.

FBI Gun Background Checks Jump To Record High In June.

The Washington Times (7/1, Mordock, 492K) reports, "Background checks for gun sales surged again in June, smashing the record for the highest number of background checks in a single month, according to FBI data released Wednesday." The FBI "said it conducted 3.9 million checks in the National Instant Criminal Background Check System (NICS), shattering the previous record of 3.7 million checks in March." According to the Times, "fueled by fears over the coronavirus and, more recently, the violent riots that followed the death of George Floyd in late May, the FBI is close to smashing last year's record for most background checks."

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FBI Has Been Investigating Death Of McClain Since Last Year.

ABC World News Tonight (7/1, story 7, 0:30, Llamas, 7.23M) reported the FBI and US attorney say they have been reviewing the "police-related death of Elijah McClain in Aurora, Colorado" for "a possible federal civil rights investigation since last year." On NBC Nightly News (7/1, story 7, 1:50, Holt, 6.42M), Gabe Gutierrez reported federal officials are "also now looking into whether some Aurora officers took potentially inappropriate pictures last week near this memorial."

Reports: Protests Do Not Seem To Have Spread Coronavirus.

The New York Times (7/1, Goldstein, 18.61M) reports that after "tens of thousands of New Yorkers poured into the streets, day and night, to protest police brutality and racism," some epidemiologists "braced for a surge of new coronavirus cases." However, according to the Times, "it has not come yet." The Times adds, "In interviews, several epidemiologists expressed either surprise or relief, and offered theories for what occurred. ... Conditions at the demonstrations may not have been conducive for transmission, mainly because the protests occurred outdoors, epidemiologists said."

Likewise, the AP (7/1, Stobbe, Forster) says that "according to public health experts," there is "little evidence that the protests that erupted after George Floyd's death caused a significant increase in U.S. coronavirus infections." The AP adds, "If the protests had driven an explosion in cases, experts say, the jumps would have started to become apparent within two weeks – and perhaps as early as five days. But that didn't happen in many cities with the largest protests, including New York, Chicago, Minneapolis, and Washington."

Tumulty: Biden's View On Flag Burning Has Evolved.

In her column for the Washington Post (7/1, 14.2M), Karen Tumulty writes that in 1989, Joe Biden, then a senator, supported measures to deter flag burning, a position he held throughout his career in the Senate. Biden campaign spokesman Andrew Bates now says "that Biden does not support a constitutional amendment to ban flag burning." In Tumulty's view, while Biden's "history on the flag burning issue is at odds with the Supreme Court's view of the First Amendment – and that of civil libertarians – it will make it harder for Trump to pin the former vice president as being in step with what the president terms liberal 'lowlifes.'"

Trump Says He Is "All For Masks," But Questions Need For Mandate.

Asked on Fox Business (7/1, 1.73M) about calls for a universal mask mandate, President Trump said, "I don't know if you need mandatory, because you have many places in the country where people stay very long distance. You talk about social distancing. But I'm all for masks. I think masks are good. I would wear – if I were in a group of people and I was close. ... I have. I mean, people have seen me wearing one."

All three broadcast networks covered what Major Garrett on the CBS Evening News (7/1, story 3, 2:10, 4.8M) called an "about-face" from the President "after months of mixed messages." On ABC World News Tonight (7/1, story 3, 1:15, Llamas, 7.23M), Jonathan Karl reported GOP congressional leaders "are now joining the chorus of voices urging the President to set an example by wearing a mask. But he has recently suggested wearing a mask is politically incorrect, calling it a 'double-edged sword.'" Lester Holt on NBC Nightly News (7/1, story 4, 1:40, 6.42M) said "despite pleas by health officials to wear them," there is "still no consensus among political leaders."

USA Today (7/1, Collins, 10.31M) reports Trump "has resisted wearing a mask in public," and the Washington Times (7/1, Howell, 492K) says Trump "hasn't offered much praise of masks, often highlighting the fact it's optional." The New York Post (7/1, Bowden, 4.57M) reports Trump on Wednesday "stopped short of supporting a nationwide order to make them mandatory in public." The Washington Examiner (7/1, Morrison, 448K), The Hill (7/1, Chalfant, 2.98M), and the Daily Caller (7/1, Datoc, 716K) are among the other outlets covering the President's statement.

Axios (7/1, Fernandez, 521K) reports HHS Assistant Secretary for Health Adm. Brett Giroir "urged Americans to wear masks and practice social distancing heading into July 4 weekend," and the Washington Times (7/1, Meier, 492K) reports White House Counselor Kellyanne Conway on Wednesday "backed calls for people to wear masks in public and when social distancing may be difficult and encouraged Americans to take steps to prevent the spread of COVID-19." Conway told Fox News, "Wearing masks, social distancing, all this stuff we know, it really does stop the spread. And I encourage people to do that."

Trump Again Says Coronavirus Will "Sort Of Just Disappear."

Axios (7/1, Axios, 521K) reports President Trump "told Fox Business in an interview Wednesday that he still believes the coronavirus will 'at some point just sort of disappear,' as he first claimed in February before the pandemic was declared." The President said, "We're heading back in a very strong fashion, with a V. And I think we're going to be very good with the coronavirus. I think at some point that's going to sort of just disappear, I hope. ... And I think we're going to have a vaccine very soon too."

Trump Plans Fourth Of July Celebration On National Mall Despite DC Mayor's Concerns.

The AP (7/1, Knickmeyer, Khalil) reports President Trump's Fourth of July "celebration on the National Mall will feature one of the largest fireworks displays ever and as many as 300,000 face masks will be given away to those who want them – but despite health concerns from D.C.'s mayor, no one apparently will be required to wear them." District of Columbia Mayor Muriel Bowser "doesn't have the right to shut down the holiday spectacle because it's on federal land," but she "warned the federal government about the obvious dangers of such a large

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crowd." Interior Secretary Bernhardt "said visitors would be encouraged to wear masks and keep a six-foot distance from one another."

The Washington Post (7/1, 14.2M) editorializes, "From the start of the outbreak of the novel coronavirus, President Trump has stubbornly and stupidly refused to follow the advice of health professionals." He has refused to wear a mask, "thumbed his nose at social distancing," and "now, as much of the country wisely cancels or scales back Fourth of July celebrations to protect people's health, Mr. Trump is ploughing full steam ahead with not just one – but two – massive events." The Post says "nothing – not health experts' concerns about large gatherings, not alarming spikes in recent days in virus case levels, not pleas from worried D.C. and Washington-area officials – gives pause to Mr. Trump about going ahead with these potentially dangerous events."

Pence Visits Arizona As It Sets Record For Cases, Hospitalizations And Deaths.

The AP (7/1, Coyle) reports that Arizona "recorded more coronavirus deaths, infections, hospitalizations and emergency-room visits in a single day than ever before Wednesday as the deepening crisis across the Sunbelt sent a shudder through other parts of the country and led distant states to put their own reopening plans on hold." The AP says "a masked" Vice President Pence visited the "increasingly dire" state on Wednesday.

The New York Times (7/1, 18.61M) reports Pence told Gov. Doug Ducey (R) "that the federal government would help the state with a request for 500 additional public health personnel by mobilizing doctors, nurses and technical personnel, and urged Arizonans to wear a mask 'when indicated by state and local authorities or when social distancing is not possible." CNBC (7/1, Kim, 3.62M) reports on its website that Ducey "rolled back the state's reopening plans and closed all bars, gyms, movie theaters and water parks Monday."

More Than 50,000 New COVID-19 Infections Reported Wednesday.

All three broadcast networks opened their Wednesday evening newscasts with the new surge in COVID-19 cases as the US surpassed 50,000 new cases in one day for the first time. On ABC World News Tonight (7/1, lead story, 5:10, 7.23M), Tom Llamas described the "major setbacks across America in slowing the spread of the coronavirus. Thirty-eight states now showing a rise in COVID-19 cases," and "more than 40% of the country has either halted or reversed reopening plans, just days before the Fourth of July." On the CBS Evening News (7/1, lead story, 3:25, 4.8M), Major Garrett said the nation is experiencing "a stunning surge in coronavirus cases across much of our country that is forcing states to close bars, beaches, and businesses, reimposing restrictions just days before the July Fourth holiday. Tonight, the number of new infections nationwide is nearly double what it was just two weeks ago. ... In what feels like a nightmarish flashback to the early days of this pandemic, overflowing emergency rooms in Houston are sending patients to other cities." Lester Holt said on NBC Nightly News (7/1, lead story, 3:00, 6.42M), "Sick and tired of closures, restrictions, and a virus that won't go away, Americans are confronted tonight with deeply troubling signs of how hard this country is being hit."

The Washington Post (7/1, Gearan, Hawkins, O'Grady, 14.2M) reports US COVID-19 infections "surged nearly 50 percent in June as states relaxed quarantine rules and tried to reopen their economies, data compiled Wednesday showed, and several states moved to reimpose restrictions on bars and recreation. More than 800,000 new cases were reported across the country last month, led by Florida, Arizona, Texas and California – bringing the nation's officially reported total to just over 2.6 million. ... More than 52,000 new cases were reported in the United States on Wednesday, the highest total since the start of the pandemic." NBC Nightly News (7/1, story 3, 2:10, Holt, 6.42M) aired a feature on the spread of COVID-19 infections.

The Washington Post (7/1, A1, Weiner, 14.2M) reports that "surging cases of the coronavirus across the Sun Belt are sparking unprecedented demand for testing, with lines stretching miles in the summer heat, supplies running out and medical workers left exhausted. ... There are also limits on collection sites, exacerbated by rising summer temperatures. Staff at testing sites, standing outside in full-body protective gear, must rotate more often to avoid heat stroke."

Deputy HHS Secretary Eric Hargan said on KTAR-FM Glendale, AZ (7/1, 125K), "We knew early on that the virus was going to spread. We were very open about that. The idea is to slow the spread as we said then and continue to say to flatten the curve to make sure that we have hospitals and health systems generally prepared for expected surges of cases."

Pfizer, BioNTech Announce Hopeful Early Results From Vaccine Trial.

The Wall Street Journal (7/1, Hopkins, Subscription Publication, 7.57M) reports researchers studying a vaccine candidate from Pfizer and partner BioNTech said a study showed healthy adult volunteers developed higher levels of antibodies to the novel coronavirus following a two-dose regimen than patients who had recovered from the disease and did not receive the vaccine. Saying the vaccine in question is among the most advanced of the vaccines currently under development, the Journal says much more testing will need to be done to verify its viability.

On ABC World News Tonight (7/1, story 2, 2:20, Llamas, 7.23M), Eva Pilgrim said there is "new hope in the urgent race for a coronavirus vaccine," while on NBC Nightly News (7/1, story 2, 2:10, Holt, 6.42M), Stephanie Gosk said "researchers for Pfizer and its German partner say this is as good a result as they could have hoped for." Bloomberg (7/1, Fourcade, 4.73M) said the new results put the Pfizer-BioNTech candidate "in the lead pack for a pandemic shot." The Washington Post (7/1, Johnson, 14.2M) also reports.

FDA Commissioner Hahn discussed the search for a vaccine on WPEC-TV West Palm Beach, FL (7/1, 33K), saying, "My message to the American people is we have hope. It is not false hope. We have new therapies. More are on the way that we are evaluating." Asked on

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WWL-TV New Orleans (7/1, 80K) if the FDA has felt any pressure to produce a vaccine before the presidential election, Hahn said, "We do not at all feel pressure with respect to when this vaccine or if this vaccine gets approved or authorized. ... We have unbelievable talent at FDA. ... They will not be influenced by outside pressure. They will not be influenced by political pressure. They will make the best decision on behalf of the American people."

WSJournal Profiles Vaccine Race Competitor Moderna. The Wall Street Journal (7/1, A1, Loftus, Zuckerman, Subscription Publication, 7.57M) has a 3,500-word front-page profile of Moderna, which is also a top competitor in the race for a coronavirus vaccine.

Public Health Experts Criticize US Remdesivir Acquisition.

The AP (7/1, Cheng) reports international public health experts are criticizing the US for securing a large supply of remdesivir, "the only drug licensed so far to treat COVID-19." HHS "said it had secured 500,000 treatments through September, which amounts to all but 10% of production in August and September." Ohid Yaqub of the University of Sussex "called the U.S. agreement 'disappointing news.'" Yaqub said, "It so clearly signals an unwillingness to cooperate with other countries and the chilling effect this has on international agreements about intellectual property rights."

Democrats Seek Transparency In Regards To HHS/Palantir Tracking Program.

The Washington Post (7/1, Albergotti, 14.2M) reports that "a growing number of Democratic lawmakers are sounding the alarm" about the HHS Protect Now program, intended to track the spread of coronavirus. The program "relies on technology from secretive and controversial Silicon Valley firm Palantir, better known for working with the U.S. military, national security agencies and immigration offices." In a letter sent to HHS Secretary Azar, Democratic senators "called for more transparency around the initiative," and "questioned whether any of the data gathered would be shared with [ICE] to round up undocumented immigrants."

Poll Finds Republicans Increasingly Concerned By Pandemic.

Reuters (7/1, Szekely, Bernstein) reports that a Reuters/Ipsos poll released on Wednesday "found that 81% of American adults said they are 'very' or 'somewhat' concerned about the pandemic, the most since a similar poll conducted May 11-12," and "concerns about the pandemic appear to be rising the most" among Republicans, who have "generally been less enthusiastic about imposing and maintaining restrictions to stop the spread of the virus such as sheltering at home or wearing face masks." According to Reuters, "About seven in 10 Republicans said they were personally concerned about the virus' spread, up from six in 10 Republicans in polls conducted over the past few weeks." Reuters adds, "About nine in 10 Democrats said they are similarly worried, a level of concern that has not changed over the past few weeks."

Poll: Asian And Black Americans Have Faced Heightened Discrimination Amid Pandemic.

Politico (7/1, King, 4.29M) reports, "The spread of the coronavirus has increased racial tensions across the country and Asian and African-Americans are facing the worst of it, according to findings from a new survey released on Wednesday." A poll conducted by the Pew Research Center found "40 percent of Black and Asian-American adults said they have been treated differently or subjected to slurs or jokes as a result of the pandemic." In the poll, "a plurality of both groups also expressed anxiety about wearing a mask in public out of fears that they would be viewed as a threat or physically attacked."

Autopsy Studies Indicate COVID-19 Attacks Various Parts Of Body.

The Washington Post (7/1, A1, Cha, 14.2M) reports, "Autopsies have long been a source of breakthroughs in understanding new diseases, from HIV/AIDS and Ebola, to Lassa fever – and the medical community is counting on them to do the same for [COVID-19], the disease caused by coronavirus." Since a vaccine is "likely many months away, autopsies are becoming a critical source of information for research into possible treatments." Among research "findings, consistent across several studies, is confirmation the virus appears to attack the lungs the most ferociously," although the pathogen has also been found "in parts of the brain, kidneys, liver, gastrointestinal tract, spleen and in the endothelial cells that line blood vessels, as some had previously suspected."

Newsom Reintroduces Some Parts Of California Lockdown.

The Washington Post (7/1, Farzan, 14.2M) reports that on Wednesday, California Gov. Gavin Newsom (D) "announced he was reviving parts of the state's sweeping lockdown, ordering bars to close and a range of other service-sector businesses in 19 counties to cease indoor operations amid a spike in coronavirus cases."

The Los Angeles Times (7/1, Willon, 4.64M) reports Newsom is "imposing the restrictions on indoor activities in advance of the July 4 holiday weekend, when officials fear disaster if Californians continue to ignore safety guidelines and businesses remain open in areas already experiencing significant spikes in COVID-19 infections." He is also "recommending the cancellation of all fireworks shows on the Fourth of July in the affected counties, and is urging all Californians to rethink having large get-togethers with friends and neighbors to celebrate the holiday."

USA Today (7/1, Daniels, 10.31M) reports, "The order is effective immediately and Newsom expects it to be in place for at least three weeks." Newsom said the restrictions are "designed to focus on indoor operations, which have been open for several weeks." California on

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Tuesday "reported 5,898 new COVID-19 cases and 110 virus-related deaths, with a positivity rate of 6% over the last 14 days, Newsom said. Two weeks ago, the state's positivity rate was 4.6%."

In an article titled "How Success Against The Coronavirus Turned To Crisis In California," the Wall Street Journal (7/1, Lovett, Subscription Publication, 7.57M) reports California was a success story in the fight against the coronavirus for most of the spring, but now, weeks after reopening, COVID-19 has exploded across the state. Public-health experts said the state may have wasted the work it did to contain the pandemic in March and April by giving counties too much control in decisions to reopen.

WSJournal: San Francisco Takes Wrong Approach To Homelessness During Pandemic. In an editorial, the Wall Street Journal (7/1, Subscription Publication, 7.57M) highlights a pair of lawsuits against San Francisco, which it says illustrate the deterioration of public order in the city. The lawsuits take aim at the city's lax policies regarding the homeless population and drug use during the pandemic.

Texas LG Says He Will No Longer Listen To Fauci.

The Austin American-Statesman (7/1, Cobler, Subscription Publication, 343K) reports Texas Lt. Gov. Dan Patrick (R) told Fox News' Laura Ingraham on Tuesday that "he will no longer listen to" NIAID Director Fauci. Patrick said, "Fauci said today that he's concerned about states like Texas that skipped over certain things. He doesn't know what he's talking about. We haven't skipped over anything. The only thing I'm skipping over is listening to him. ... He has been wrong every time on every issue."

Texas Hospitals Flooded With Coronavirus Patients. On the CBS Evening News (7/1, story 2, 1:30, Garrett, 4.8M), Janet Shamlian reported from Houston, "where a dire situation is unfolding," as "a surge of COVID patients has some hospitals here scrambling to find beds in other Texas cities." Shamlian said, "New infections in Texas soared to an all-time high, of 8,076 cases [Wednesday], more than 6900 are hospitalized with the virus." Shamlian added, "The number of patients hospitalized here has nearly quadrupled since Memorial Day when officials say people became overconfident and stopped adhering to the guide lines. And that is why tonight there is so much concern over the upcoming Fourth of July weekend."

New York City Delays Plan To Restart Indoor Dining.

The New York Times (7/1, McKinley, Ferré-Sadurní, 18.61M) reports New York Mayor Bill de Blasio (D) announced Wednesday that the city will "not resume indoor dining at restaurants next week as scheduled." The reason is that city officials "are increasingly concerned that the increase in virus cases in more than 30 states could trickle back to New York." The mayor said, "It is not the time to forge ahead with indoor dining." New Jersey Gov. Phil Murphy (D) earlier announced that New Jersey will "halt a planned restart of indoor dining that was to have gone into effect on Thursday." The Wall Street Journal (7/1, Hall, Subscription Publication, 7.57M) reports that New York City has delayed its reopening of indoor dining due to evidence that it is leading to greater spread of coronavirus in other states where indoor dining has been resumed.

Whitmer Orders Most Michigan Bars To Halt Indoor Service.

The Detroit Free Press (7/1, 1.52M) reports Michigan Gov. Gretchen Whitmer (D) on Wednesday "ordered bars in south and central Michigan to halt indoor service, saying the step was needed to control an increase in the spread of the coronavirus. The change was to take effect at 11 p.m. Wednesday and applies to licensed establishments that earn more than 70% of their gross receipts from alcohol sales." Most restaurants that serve alcohol "can still do so indoors, provided the patrons are seated at tables that are socially distanced, at least 6 feet apart, according to the order."

Judge Throws Out Racine, Wisconsin Coronavirus Ordinance.

The Milwaukee Journal Sentinel (7/1, Marley, 632K) reports Racine County, Wisconsin Circuit Judge Jon Fredrickson has thrown out Racine's "sweeping coronavirus ordinance Wednesday, saying it violated the state constitution because it interfered with the right to assemble and was so broadly written that ordinary citizens couldn't understand it." Fredrickson wrote, "It is likely the strictest, and most over-arching COVID-19 order or ordinance in the country. This court finds that no average person of ordinary intelligence can make sense of its sprawling breadth." The city immediately appealed the decision.

DOJ Official Says Former Aide's Testimony Was "Misleading."

Politico (7/1, Swan, 4.29M) reports that Makan Delrahim, the head of the Justice Department's Antitrust Division, "has pushed back on eyebrow-raising testimony" that John Elias, his former Chief of Staff, "delivered to Congress last week – and, in the process, alluded to how flummoxed department attorneys were with an unusually thorny legal issue: marijuana mergers." In a letter "to the top Republican and Democrat on the House Judiciary Committee," Delrahim said Elias' testimony was "misleading and lacks critical facts." Elias testified that Attorney General Barr "called Antitrust Division leaders to his office for a meeting and then ordered them to scrutinize mergers of marijuana companies because he himself held personal animus toward the industry." Delrahim wrote that the division sought the meeting "for the purpose of resolving significant policy questions at this complex intersection of criminal and civil law enforcement."

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Trump-Appointed Judge Strikes Down Asylum Ban On Procedural Grounds.

Politico (7/1, Mejdrich, 4.29M) reports that late Tuesday, US District Court Judge Timothy Kelly, who was nominated by President Trump, "struck down a Trump administration rule that would require migrants seeking to enter the U.S. to first seek asylum in countries they travel through on their way to the southern border." Kelly said the ban, which was published last summer "without a typical notice-and-comment period, failed to comply with the Administrative Procedure Act governing how agencies should implement rules." Reuters (7/1, Hesson) says Kelly's ruling "will likely have limited effect in the near term, since the administration instituted a separate coronavirus-related policy in March that allows U.S. border authorities to rapidly deport migrants without standard legal processes, cutting off a pathway to request asylum."

The New York Times (7/1, Kanno-Youngs, 18.61M) calls the ruling "the latest in a string of defeats the Trump administration has been dealt by judges who decided that administration officials, in their haste to make policy, violated federal law laying out how regulations must be carried out or rolled back. The Supreme Court last month preserved Obama-era protections for about 700,000 young undocumented immigrants known as Dreamers, ruling that the administration had violated procedures in rolling back the rule." The Washington Times (7/1, Dinan, 492K) similarly says this is "the second time in recent weeks that a major Trump immigration policy has succumbed" to a procedural argument in court.

Oklahoma Voters Approve Medicaid Expansion.

The New York Times (7/1, Kliff, 18.61M) reports that on Tuesday, voters in "deeply conservative" Oklahoma "narrowly approved a ballot initiative...to expand Medicaid to nearly 200,000 low-income adults, the first state to do so in the midst of the coronavirus pandemic." The Times adds, "The vote to expand the Affordable Care Act's reach once again put voters, many of them conservative, at odds with Republican leaders, who have worked to block it or invalidate it."

The Washington Post (7/1, Goldstein, 14.2M) says the "decision in a Republican-leaning state is rich in political significance. Oklahoma becomes the fifth state in which voters have passed ballot initiatives to expand Medicaid by employing a tool to circumvent the will of GOP governors and legislatures." The Post says the victory "shows that, even in red states, voters are significantly less hostile to the Affordable Care Act than President Trump."

Incubate's Stanford Argues Against Price Controls On Pharmaceuticals.

In an op-ed for the Wall Street Journal (7/1, Stanford, Subscription Publication, 7.57M), John Stanford, Executive Director of Incubate, a Washington-based coalition of life-science venture capitalists, writes that the measure to expand the ACA passed by House Democrats would place a cap on the price of widely-used pharmaceuticals at no more than 20% more than the average prices paid in Australia, Canada, France, Germany, and Japan. Stanford argues that the price controls would reduce private investment in research and undermine biomedical innovation.

Senators Criticize US Global Media Chief Over Firings.

The AP (7/1, Lee) reports, "Seven U.S. senators, including two strong allies of President Donald Trump, harshly criticized Trump's new chief of U.S.-funded global media on Wednesday for firing the heads of several international broadcasters without consulting Congress." Led by Sens. Lindsey Graham (R-SC) and Marco Rubio (R-FL), the group "expressed concern that the independent agency may become politicized." The senators "questioned the leadership of Michael Pack, Trump's pick to head the Agency for Global Media, which runs the flagship U.S. broadcaster Voice of America, Radio Free Europe/Radio Liberty, Radio Free Asia, Middle East Broadcasting Networks and the Cuba-focused Radio/TV Marti."

WPost: SCOTUS Left CFPB's Authority To Regulate Intact.

The Washington Post (7/1, 14.2M) says in a editorial that the CFPB emerged from a Supreme Court challenge to its constitutionality "with its authority to regulate payday lending, debt collection, mortgages and other pocketbook issues intact." While the agency's leadership "is now somewhat more subject to the winds of politics," the Post says this is "not the end of the world in practical terms." The High Court's ruling "opens the way" for Joe Biden, "if elected in November, to fire and replace the acting CFPB director President Trump installed in 2018."

Judge Lifts Restraining Order On Publisher Of Trump Niece's Book.

The Washington Post (7/1, Kranish, 14.2M) reports that the New York appellate Judge Alan D. Scheinkman "on Wednesday lifted a temporary restraining order against the publication of a book by President Trump's niece, enabling publisher Simon & Schuster to continue printing and distributing the explosive insider account by Mary L. Trump." A state Supreme Court judge "agreed to impose the restraining order to allow the parties to present their arguments next week, raising doubts about whether it would be published." But "the Supreme Court's appellate division on Wednesday lifted the restraining order that had been imposed on Simon & Schuster, while leaving in place the one regarding Mary Trump."

The New York Times (7/1, Haberman, Feuer, 18.61M) says Scheinkman "ruled that Simon & Schuster was not a party to – and thus could not be bound by – the confidentiality agreement, which was signed by Ms. Trump, Donald Trump and the president's two siblings, Robert S. Trump and Maryanne Trump Barry." he wrote, "Unlike Ms. Trump...S&S has not agreed to surrender or relinquish any of its First Amendment rights." Politico (7/1, Gerstein, 4.29M) reports that a Simon & Schuster spokesman "did not directly address the company's

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plans, but suggested the firm was waiting to see how the original judge on the case, Poughkeepsie-based Justice Hal Greenwald, rules on a preliminary injunction barring the memoir."

Drug Overdoses Have Soared During Pandemic.

The Washington Post (7/1, Wan, Long, 14.2M) reports that "nationwide, federal and local officials are reporting alarming spikes in drug overdoses – a hidden epidemic within the coronavirus pandemic." An increasing body of "evidence suggests that the continued isolation, economic devastation and disruptions to the drug trade in recent months are fueling the surge." Due to "how slowly the government collects data, it could be five to six months before definitive numbers exist on the change in overdoses during the pandemic," but the "data obtained by The Washington Post from a real-time tracker of drug-related emergency calls and interviews with coroners suggest that overdoses have not just increased since the pandemic began but are accelerating as it persists."

Axios Report: Trump Regrets Listening To Kushner's Advice On Criminal Justice Reform.

Jonathan Swan of Axios (7/1, 521K) reported on Wednesday that President Trump "has told people in recent days that he regrets following some of son-in-law and senior adviser Jared Kushner's political advice – including supporting criminal justice reform – and will stick closer to his own instincts." Swan cites "three people with direct knowledge of the president's thinking." Swan writes, "Behind the scenes: One person who spoke with the president interpreted his thinking this way: 'No more of Jared's woke s***,'" and "another said Trump has indicated that following Kushner's advice has harmed him politically." Swan notes that "a few weeks ago," Fox News' Tucker Carlson, "in a brutal monologue...blamed Kushner for giving Trump bad advice." Carlson is quoted as saying, "The President's famously sharp instincts, the ones that won him the presidency almost four years ago, have been since subverted at every level by Jared Kushner."

Trump Mocks CNN And MSNBC Over Declining Ratings.

President Trump took to Twitter Wednesday to write, "Can't believe how badly @CNN has done in the newly released TV ratings. They are so far below @FoxNews (thank you President Trump!) that you can barely find them. Fredo should be given a big pay cut! MSDNC also did poorly. As I have long said, Fake News does not pay!!!" Trump also wrote, "Congratulations to @foxandfriends on completely dominating the just released morning TV Ratings. Morning Joke, staring Psycho Joe Scarborough on MSDNC, a Concast Company, was a disaster. Even worse was the barely registering @CNN mess!"

Fox News Fires Ed Henry After Sexual Misconduct Investigation. USA Today (7/1, Ali, 10.31M) reports "Fox News fired Ed Henry following the completion of a sexual misconduct investigation, the news company announced Wednesday." Henry "was terminated after Fox News said they received a complaint on June 25 from a former employee's attorney regarding 'willful sexual misconduct in the workplace years ago.'" The Washington Free Beacon (7/1, Nester, 78K) recounts Fox "hired an independent law firm to investigate the claim and suspended Henry, according to a letter from CEO Suzanne Scott and president Jay Wallace." Scott and Wallace wrote, "FOX News Media strictly prohibits all forms of sexual harassment, misconduct, and discrimination. ... We will continue striving to maintain a safe and inclusive workplace for all employees."

The Washington Post (7/1, Barr, 14.2M) reports "the former colleague who accused Henry of sexual misconduct is represented by attorney Douglas Wigdor, who has represented women in a number of high-profile discrimination and sexual harassment cases, including 20 women who have leveled complaints over their treatment while working at Fox and several who made allegations against Hollywood producer Harvey Weinstein." Wigdor also "briefly represented Tara Reade, the former Senate staffer who accused Joe Biden of sexually assaulting her in 1993."

The New York Times (7/1, Grynbaum, 18.61M) says that "for Fox News, Mr. Henry's abrupt departure was an unfortunate echo of the network's past struggles with inappropriate workplace behavior by star personnel." The Daily Caller (7/1, Talcott, 716K), among other news outlets, also reports the story.

Rumors Spread That Alito And Thomas May Retire.

Breitbart (7/1, Pollak, 673K) reports, "Supreme Court Justices Samuel Alito and Clarence Thomas may be planning to retire soon, according to rumors in the media Wednesday." In the Washington Post, Robert Costa reported that the White House and Senate Republicans are "preparing for the possible retirement of Justice Clarence Thomas." In response to that article, Hugh Hewitt said on the Hugh Hewitt Show "that he did not believe Thomas would retire, but that he had been told Alito was considering retirement."

The Washington Examiner (7/1, Chaitin, 448K) reports, "Hewitt also listed some judges he believes could be nominated to take Alito's place, including Raymond Kethledge, a judge on the U.S. Court of Appeals for the 6th Circuit; David Stras, a judge on the U.S. Court of Appeals for the 8th Circuit; or Donny Willett, a judge on the U.S. Court of Appeals for the 5th Circuit." The Examiner adds that "one outside Trump political adviser told Costa that Judge Amul Thapar of the U.S. Court of Appeals for the 6th Circuit is the favorite of Senate Majority Leader Mitch McConnell and others if Thomas does decide to retire."

Republicans Hope To Use Conservative Anger At Roberts To Turn Out Voters. The Washington Post (7/1, Costa, 14.2M) reports, "The White House is trying to capitalize on conservative anger at Chief Justice John G. Roberts Jr. over his latest decisions by telling evangelical leaders and other activists that they need to turn out voters for President Trump so he can use a second term to continue

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nominating conservative judges to the nation's highest court." Some recent polls have indicated a drop "in support for Trump among evangelicals, who have long been among the president's strongest supporters." However, Roberts' role in cases "advancing both gay and abortion rights is now seen in the White House as an opening to shore up that part of Trump's political base."

Levey: Roberts Has Turned Into Next Anthony Kennedy. In an op-ed for the Washington Post (7/1, 14.2M), Curt Levey, President of the Committee for Justice, writes "the trio of recent votes by [Roberts] siding with the court's four liberal justices shows that Roberts has gone full Kennedy – that is, following in the disappointingly centrist footsteps of previous swing justice, Anthony M. Kennedy." Now, it appears that "short of adding a sixth GOP appointee to the court, the best conservatives can hope for is that Roberts's drift stops short of the example set by Justice David Souter, who was trumpeted by advisers to President George H.W. Bush as a 'home run' for conservatives but who turned out to be a liberal in disguise."

House Passes $1.5T Infrastructure Bill.

The Washington Post (7/1, Laris, 14.2M) reports that the House has passed "a $1.5 trillion far-reaching infrastructure bill that sharply increases spending on roads and transit, pushes for deep reductions in pollution, directs billions to water projects, affordable housing, broadband and schools, and upgrades hospitals and U.S. Postal Service trucks." While House Speaker Pelosi "said Democrats were making good on a promise to rebuild America" with "green, resilient, modern and job-creating infrastructure," House Republicans "objected to the bill's concentration on reducing carbon pollution and slammed the process that resulted in what they dismissed as the 'My Way or the Highway' bill." The bill "drew immediate criticism" from Senate Majority Leader McConnell, who said, "House Democrats appear addicted to pointless political theater. ... So naturally, this nonsense is not going anywhere in the Senate. It will just join the list of absurd House proposals that were only drawn up to show fealty to the radical left."

In an editorial, the Wall Street Journal (7/1, Subscription Publication, 7.57M) criticizes House Democrats for passing a $1.5 trillion infrastructure spending bill on Wednesday that contains Green New Deal subsidies. The Journal adds that the package does not include a Republican amendment that would have required certification that child labor is not used in the supply chain used to produce electric vehicle batteries.

HUD Proposal Would Allow Shelters To Refuse Transgender People Access To Single-Sex Facilities.

The New York Times (7/1, Cameron, 18.61M) reports that HUD has "proposed allowing homeless shelters to deny transgender people access to single-sex shelters of their gender identity." The announcement said the changes accommodate the "religious beliefs of shelter providers." The Administration "has been pushing the change, arguing that it would prevent men from surreptitiously gaining access to women's homeless shelters to abuse residents or track down spouses and partners," but "advocates for lesbian, gay, bisexual and transgender rights and civil libertarians said the rule would mean transgender women, potentially even other women mistaken as transgender, could be referred to shelters that also accommodate men, where they could face abuse or assault."

The Hill Highlights Cheney's "High-Profile Breaks" With Trump.

The Hill (7/1, Wong, 2.98M) reports that Rep. Liz Cheney (R-WY), "the highest-ranking GOP woman in the Capitol and the daughter of former Vice President Dick Cheney, has been challenging [President] Trump on key issues – from national security and his handling of the health crisis to his personal Twitter attacks – in an era where Republicans are expected to march in lockstep with Trump or risk facing political retribution." Cheney's "high-profile breaks with Trump have raised eyebrows on Capitol Hill, fueling speculation that" she "is positioning herself for a post-Trump world where there will be an all-out war for the soul of the" GOP. However, "some of her closest friends and colleagues say it'" Cheney's "long-held convictions and principles that are guiding her moves – not any carefully laid political strategy."

CNBC/Change Research Poll: Biden Leads In Six Swing States.

CNBC (7/1, Pramuk, 3.62M) reports on its website that a CNBC/Change Research poll of 3,729 likely swing state voters, taken June 26-28, shows that in Arizona, Joe Biden leads President Trump 51%-44%; in Florida, Biden leads Trump 50%-45%; in Michigan, Biden leads Trump 48%-43%; in North Carolina, Biden leads Trump 51%-44%; in Pennsylvania, Biden leads Trump 50%-44%; and in Wisconsin, Biden leads Trump 51%-43%.

Trump's Approval Rating Among White Evangelicals Has Dropped Seven Percentage Points Since March. The Washington Post (7/1, Bailey, 14.2M) reports that Trump's approval rating "has dropped among his base of white evangelicals, though the vast majority still plan to vote for him," according to a Pew survey. The Post adds, "White evangelicals remain the religious group most supportive of the president, with 72 percent saying they approve of the way Trump is handling his job," but "that is a decline of seven percentage points from March, when Trump saw his highest level of support from the group since his election." The Post adds, "If the election were held today, 82 percent of white evangelicals said they would vote for Trump or lean toward voting for him," while 17% would support Biden.

Parscale: Trump "Dominating" Biden On Race's "Most Important Factor, Enthusiasm." In a Washington Post (7/1, 14.2M) op-ed, Trump Campaign Manager Brad Parscale says that like then-President George W. Bush did in 2004, President Trump is facing "a

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barrage of...headlines predicting likely defeat – pointing to national polling and an anxious population combating a global pandemic. But Trump is following through on his promises to the American people, and his reelection campaign is well positioned to spread his pro-growth economic agenda and contrast the president to 47-year career politician Joe Biden – who epitomizes the very system that has led to the current protests, and in many instances, civil unrest." Parscale touts Trump's "reelection war chest" and his campaign's assembling of "the largest field program and data operation in Republican Party history," then adds that "when it comes to the most important factor, enthusiasm, President Trump is dominating. The unprecedented enthusiasm behind" Trump's "reelection efforts stands in stark contrast to the flat, almost nonexistent enthusiasm for Biden."

Biden, DNC Raised $141M In June, Besting Trump And RNC's $131M Haul.

Axios (7/1, Falconer, 521K) reports, "Joe Biden and the Democratic Party raised $141 million in June, his campaign announced on Wednesday night." The total represents "the most" Biden "has raised in a month. It's also more than the record $131 million President Trump's re-election campaign" and the RNC "raised last month. It's the second month in a row Biden's campaign has outraised Trump's."

The New York Times (7/1, Goldmacher, 18.61M) reports that Trump "on Wednesday announced by far his biggest cash haul of the 2020 campaign in June, bringing in $131 million between his campaign and the" RNC, "showing that his money machine continues to hum even as he has slipped in the polls." The June tally "represented a spike of $57 million more than Mr. Trump had raised in May, which was the first month that [Biden] had outraised the president. The Trump campaign said that it now had $295 million in the bank...and that it had raised nearly $950 million over the last two years."

Politico (7/1, Schneider, 4.29M) reports, "Trump and the RNC announced in an email Wednesday evening that they brought in $266 million during the second fundraising quarter, after raising $212 million in the first three months of 2020." Politico adds that at the end of May, Biden and the DNC "had about $122.2 million in cash on hand." Reuters (7/1, Renshaw) reports that the President's and RNC's "fundraising numbers suggest the Trump campaign is still increasing its re-election war chest despite the health and economic damage done by the novel coronavirus pandemic and nationwide protests against racism that have deeply disrupted American life and hurt the president in opinion polls." Said Trump Campaign Manager Brad Parscale, "The Trump campaign's monumental June fundraising haul proves that people are voting with their wallets and that enthusiasm behind President Trump's reelection is only growing."

The Hill (7/1, Moreno, 2.98M) reports that RNC Chair Ronna McDaniel said in a statement, "After yet another haul of record-breaking support, the voters are speaking loud and clear – they support President Trump." McDaniel added, "As Joe Biden remains hidden in his basement, President Trump is leading this country to a Great American Comeback that will reignite our economy, restore law and order, and usher in a new era of strength." Bloomberg (7/1, Parker, Allison, 4.73M) also reports on the story.

WPost Report Details "Waves Of Fallout" From Trump's June 20 Tulsa Rally.

The Washington Post (7/1, Dawsey, Leonnig, 14.2M) reports on the aftermath of President Trump's June 20 rally in Tulsa, Oklahoma, saying that over "the past two weeks, the campaign has contended with waves of fallout from the rally." The Post says that "hours before" the event, it was learned that a half-dozen "staff at the site had just tested positive for the coronavirus." A couple "more advance staffers tested positive after returning to Washington. And dozens of Secret Service agents on the trip were ordered to self-quarantine at home because two of the staff who tested positive in Tulsa were Secret Service employees." The Post says "some advisers now see the rally as ill-advised, an event that created a cascade of problems that have challenged the campaign and its staff."

Kushner Shakes Up Trump Campaign In Wake Of Tulsa Rally. Politico (7/1, Isenstadt, 4.29M) reports that White House senior adviser Jared Kushner "has engineered a shake-up" in Trump's reelection campaign "in the aftermath of a botched Tulsa rally." On Tuesday, Kushner "replaced chief operating officer Michael Glassner with Jeff DeWit, who held the same position in Trump's 2016 campaign." Politico adds that "the decision to remove Glassner, who has been overseeing the president's rallies, is being seen internally as an effort to designate blame for the Tulsa disaster." DeWit, "a former Arizona state treasurer, is a Trump loyalist who played a key role in the president's 2016 win," and was "later nominated him to serve as chief operating officer at NASA, a position DeWit stepped down from earlier this year."

Reacting to the Glassner news in a statement to the New York Post (7/1, Jacobs, 4.57M), campaign spokesman Tim Murtaugh said, "This is not a reaction to Tulsa. ... Glassner is moving into the long-term role of navigating the many legal courses we face, including suits against major media outlets, some of which will likely extend beyond the end of the campaign. He is one of the founding members of Team Trump and his dedication to the success of the President is unmatched."

Rove Suggests Steps Trump Camp Should Take To Change Dynamics Of Race. In his Wall Street Journal (7/1, Subscription Publication, 7.57M) column, Karl Rove says that after a disastrous June and with polls showing President Trump trailing Joe Biden, the Trump camp needs to take steps to turn around the dynamics of the 2020 race. To do so, Rove suggests Trump deliver an address outlining new policy issues or strike a dramatic shift in tone that would give the White House an opportunity to argue the nation is pivoting in a new direction. Rove says Trump's speech during the upcoming Republican National Convention would present the perfect opportunity for the President to take such a step.

Trump To Headline High-Dollar Fundraiser In Florida Next Week.

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The Washington Post (7/1, Dawsey, Lee, 14.2M) reports "President Trump is set to hold a high-dollar dinner at a private residence in Hillsboro Beach, Fla., next week to raise money for his campaign and the Republican National Committee, according to an invitation sent to

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top GOP donors, his first in-person fundraiser since mid-June." The Post adds "the invitation does not name the owner of the home hosting the $580,600-per-couple event," and that "a person familiar with the fundraiser who spoke on the condition of anonymity to describe the private event said all guests will be tested before interacting with the president."

Trump: Biden Read Answers At News Conference From Teleprompter.

President Trump on Wednesday tweeted, "Biden was asked questions at his so-called Press Conference yesterday where he read the answers from a teleprompter. That means he was given the questions, just like Crooked Hillary. Never have seen this before!"

AP, Politico Analysis: Trump Claim False. In a "Fact Check" piece, the AP (7/1, Jaffe) reports that Trump, in a pair of Wednesday interviews, claimed Joe Biden had read answers to reporters' questions from a teleprompter. The AP says that Trump "fabricated" the claim "Biden was fed questions at a news conference and read his answers from a teleprompter. This didn't happen." The AP asserts, "Biden did not read answers off a teleprompter. Nor did The Associated Press, which asked the first question at the briefing, submit questions in advance." Under the headline "Trump Falsely Accuses Biden Of Being Fed Reporters' Questions," Politico (7/1, Forgey, 4.29M) similarly says Trump "falsely asserted that...Biden responded to questions from reporters...with pre-written answers displayed on a teleprompter – despite video footage of Biden's interactions with the media demonstrably proving otherwise."

Biden Says He Is "Constantly Tested" For Mental Decline. The Federalist (7/1, Gottschalk, 126K) reports that during Tuesday's press conference, Biden "said he is 'constantly tested' for mental decline." Biden was asked by a reporter from Fox News, "Some have speculated that you are subject to some degree of cognitive decline. I'm 65. I don't have the word recollection that I used to have, I forget my train of thought from time to time. You got 12 years on me, sir. Have you been tested for some degree of cognitive decline?" Biden answered, "I've been tested, and I'm constantly tested."

"Hundreds" Who Served In Bush Administration Reportedly Set To Back Biden.

Reuters (7/1, Reid) reports that "hundreds of officials who worked for former Republican President George W. Bush are set to endorse [Joe Biden], people involved in the effort said, the latest Republican-led group coming out to oppose the re-election of Donald Trump." According to Reuters, "The officials, who include Cabinet secretaries and other senior people in the Bush administration, have formed a political action committee – 43 Alumni for Biden – to support the former vice president in his Nov. 3 race, three organizers of the group told Reuters." The super PAC was to "launch on Wednesday with a website and Facebook page."

The AP (7/1, Jaffe) reports that the super PAC "has recruited at least 200 former White House officials, campaign aides and Cabinet secretaries who worked under Bush to join the push against" Trump. The group plans "to roll out supportive testimonial videos featuring high-profile Republicans and launch a voter turnout effort in key states, aimed at turning out disaffected Republican voters." The AP adds, "Kristopher Purcell, who worked in the Office of Communications in the White House and in the State Department during the Bush administration, said many of the members of the group still consider themselves Republicans but see the need to defeat Trump as beyond their personal politics."

On its website, CNN (7/1, Duster, 83.16M) reports, "Karen Kirksey, the director of the committee and who worked on the Bush 2000 election campaign and in the Labor and Agriculture Departments, said the endorsement of Biden is 'not necessarily in full support of his political agenda but rather in full agreement with the urgent need to restore the soul of this nation.' 'For four years, we have watched with grave concern as the party we loved has morphed into a cult of personality that little resembles the Party of Lincoln and Reagan,' Kirksey said in a statement. 'Once elected, we look forward to working in a bipartisan way through civil, spirited debate on the many important issues facing Americans today and for decades to come,'" she added.

The Hill (7/1, Axelrod, 2.98M) quotes Jennifer Millikin, "a committee member of the group who served in the General Services Administration under Bush and the Small Business Administration under Trump," as saying, "We're looking for the largest conglomerate of folks who want to help, whether it's writing a check, making phone calls, helping to get out the vote, basic campaign 101. We just feel the time now is to restore dignity to the White House, and the current gentleman is not, so that's why we're supporting Joe Biden."

NYTimes Highlights Voters Who Backed Trump In 2016, But Have Since "Soured On" Him. The New York Times (7/1, Miller, Quealy, Cohn, 18.61M) reports on voters who supported Trump in 2016, but have since "soured on" him, making it "highly unlikely they will vote for him again. These voters, who backed Mr. Trump in 2016 but say there's 'not really any chance' they will this year, represent just 2 percent of all registered voters in the six states most likely to decide the presidency, according to New York Times/Siena College polls." The Times adds, "In interviews, many said they initially backed Mr. Trump because he was a businessman, not a politician. In particular, he was not Hillary Clinton. But they have soured on his handling of the presidency. Several mentioned his divisive style and his firing of officials who disagreed with him, and especially his response to the coronavirus and to the unrest in the aftermath of the death of George Floyd in police custody."

Poll: 72% Of Democrats Say It Is "Important" That Biden Select Woman Of Color For VP Slot.

USA Today (7/1, Page, Elbeshbishi, 10.31M) reports, "Seven of 10 Democrats in the new USA Today/Suffolk Poll say it is important to them that...Joe Biden picks a woman of color as his running mate. ... A third of Democrats, among both Blacks and whites, call it 'very important.'" USA Today adds, "Among Democrats, 35% said it was 'very important' to them that" Biden's "running mate be a woman of color, another 37% said it was 'somewhat important.' Only 26% said it was 'not very' or 'not at all' important." The Hill (7/1, Johnson, 2.98M) reports, "The

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survey of 345 Democrats, conducted from last Thursday through Monday, has a margin of error of 5.3 percentage points."

Pro-Trump Group Sponsoring NASCAR Team For Next Nine Races, Beginning Sunday.

Newsweek (7/1, McDonald, 1.53M) reports, "The political action committee (PAC) called Patriots for America that supports the 2020 reelection of President Donald Trump will sponsor a NASCAR team for the next nine races, starting with this Sunday's event at the Indianapolis Motor Speedway." A filing "shows Patriots for America has paid $350,000 to Go Green Racing, Inc., and the car will be driven by Corey LaJoie." The filing "declares the federal candidate supported on the 'moving display' is Donald J. Trump." Newsweek adds, "LaJoie will drive the No. 32 Ford with Go Fas Racing at the Big Machine Hand Sanitizer 400 Powered by Big Machine Records on Sunday."

Politico Analysis: "Barrage Of Bad News" Hurting Senate GOP Ahead Of 2020 Election.

Politico (7/1, Bresnahan, Levine, 4.29M) reports, "The high point of 2020 for Senate Republicans – if there is one – may have been Feb. 6. The Senate had acquitted President Donald Trump in his impeachment trial the day before, and he held an hour-long 'victory celebration' in the East Room of the White House." Since then, "the coronavirus pandemic has killed nearly 130,000 Americans and decimated the US economy." Meanwhile, "Trump has slumped badly in the polls due in no small part to his erratic response to the crisis." Politico says Trump's response to the fallout after "the death of George Floyd at the hands of Minneapolis police officers," and the "new scandal...over alleged Russian bounties paid to the Taliban to kill US soldiers," has also created havoc for Senate Republicans. The "seemingly unending barrage of bad news has made what was already going to be a tough cycle for Senate Republicans even more difficult."

After Claims Of Racism, College Democrats Force Leadership Changes.

The New York Times (7/1, Astor, 18.61M) reports, "The president of the College Democrats of America resigned on Wednesday, and members of the executive board pledged not to run for re-election, after the board's only Black member said he had experienced racism and classism from the organization's leadership. The Black board member, Matthew Nowling, who had been the group's communications director, will serve as interim president until a new election is held. In an open letter published Tuesday, 41 of the College Democrats' 47 federations...expressed solidarity with Mr. Nowling and said that if their demands were not met within two days, they would 'cut all ties with the organization and denounce it in its current form.'" Nowling "called the events of the past few days 'encouraging steps towards creating a more inclusive and accountable environment.'"

WSJournal: Whitehouse's Dealings With Clean-Energy Company Raises Questions About Corruption.

In an editorial, the Wall Street Journal (7/1, Subscription Publication, 7.57M) draws attention to the relationship between Sen. Sheldon Whitehouse (D-RI) and a green energy company that gives rise to questions about corruption. Top executives of Providence-based Utilidata in 2015 contributed to Whitehouse's Senate campaign, then, in 2016, Utilidata was represented in a roundtable co-hosted by Whitehouse with then-Energy Secretary Ernest Moniz on clean energy.

RCP Average Has Trump's Job Approval At 41.5%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 41.5%, and his disapproval at 56%. Trump's approval is up 0.3 since yesterday; his disapproval is down by 0.2.

A Rasmussen poll of 1,500 "likely voters" (6/28-6/30) finds Trump's approval at 44%, and his disapproval at 54%.

An Economist/YouGov poll of 1,198 "registered voters" (6/28-6/30) shows Trump's approval at 42%, and his disapproval at 57%.

A Reuters/Ipsos poll of 943 "registered voters" (6/17-6/20) finds Trump's approval at 41%, with 57% disapproving.

An IBD/TIPP poll of 1,005 "registered voters" (6/27-6/30) finds Trump's approval at 39%, with 56% disapproving.

A Monmouth poll of 733 "registered voters" (6/26-6/30) finds Trump's approval at 41%, and his disapproval at 54%.

A CNBC/Change Research (D) of 1,663 "likely voters" (6/26-6/28) shows Trump's approval at 43%, with 57% disapproving.

A Politico/Morning Consult survey of 1,984 "registered voters" (6/26-6/29), meanwhile, finds the President's job approval at 39%, with 59% disapproving of his performance.

Financial International News

World Bank Head Says COVID-19 Widening Inequality Gap.

Reuters (7/1, Lawder) reports World Bank President David Malpass "said on Wednesday that the coronavirus pandemic was exacerbating inequality throughout the world by hitting hardest those without a social safety net in developing countries while central bank asset purchases in advanced countries benefit the richest." Malpass "told a webcast event hosted by the Council of the Americas the coronavirus pandemic was a 'catastrophe' for the developing world that would bring long-term damage and global economic output would not recover to its pre-pandemic level for years."

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IMF Official Tells UK To Invest In More Green Projects To Boost Economy.

The Guardian (UK) (7/2, Partington, 4.19M) reports IMF Chief Economist Gita Gopinath said the UK government should make green projects a spending priority to create jobs and boost the post-pandemic economic recovery. Gopinath, in comments to members of Parliament on the Treasury committee, "said that mounting unemployment triggered by the Covid-19 crisis would require swift action to prevent lasting damage, and that spending on low-carbon projects could be used in response." Gopinath also "said countries such as the UK had an opportunity to 'do public investment that also addresses the need for a greener planet, and at the same time as a jobs-rich recovery.'" Gopinath added, "For many countries we can see a very good argument for them to undertake public investment spending, because this is going to be a crisis where people are going to hold back spending for a while. The private sector will hold back from spending for a while, so there is a role for public investment."

Ukraine Central Bank Head Abruptly Quits, Citing "Systematic Political Pressure."

Reuters (7/1, Zinets, Williams) reports Ukraine's Central Bank Governor Yakiv Smoliy "unexpectedly submitted his resignation on Wednesday, citing 'systematic political pressure' on the bank's activities and attempts to curb its independence." Reuters says the decision, if accepted by Ukrainian President Volodymyr Zelenskiy, "could derail a $5 billion loan programme that Ukraine agreed last month with the International Monetary Fund to fight a sharp economic slump, which is conditional on the central bank staying free of political meddling." Zelenskiy's office in a statement "gave reassurances that safeguarding the central bank's independence remained its 'unconditional priority,' but did not say whether Zelenskiy would accept the resignation or who a replacement might be."

The Financial Times (7/1, Hall, Olearchyk, Subscription Publication, 1.34M) also reports.

Leading International News

Trump Says China Could Have Halted Spread Of Coronavirus To Rest Of World.

President Trump said in an interview with Fox Business (7/1, 1.73M), "We understand this disease now. ... They could have stopped it in China. And they did stop it going into China for the most part, but they didn't stop it. Beijing had a little bit of an outbreak, I understand, recently but I would view that as somewhat different. They stopped it from going into China, but they didn't stop it from going to the US and the world and they should have been able to do that."

US Diplomats' Planned Return To China Delayed. Reuters (7/1, Pamuk) reports that the US "has postponed flights for dozens of American diplomats who had planned to return to China later this month, after failing to reach agreement with Beijing over issues including COVID-19 testing and quarantine." Reuters adds, "Five months after the coronavirus epidemic forced the evacuation of some 1,300 U.S. diplomats and family members from China, Washington and Beijing remain locked in negotiations over conditions for their return."

Pompeo: Europeans Have Responsibility To Keep People Safe With Travel Ban.

Secretary of State Pompeo was asked on Fox News' Special Report (7/1, 1.53M) about the European Union's decision to block travelers from the US. Pompeo said, "Remember, we're not allowing Europeans to come here today either. We are in close conversation with countries all around the world, including European countries, to make sure that when we reopen our country to travel from their nations that we do so in a way that keeps the American people safe and reduces risk from COVID here in the United States. They have a responsibility to that do that for their nations as well."

Slow COVID Response Raises Concerns Over Safety Of Diplomats In Saudi Arabia.

The New York Times (7/1, Mazzetti, Wong, 18.61M) reports a coronavirus outbreak in the American Embassy compound in Riyadh, Saudi Arabia sickened dozens of embassy employees last month, "and more than 20 others were quarantined after a birthday barbecue became a potential vector for the spread of the disease." An assessment from within the embassy circulated last month "said the response from the Saudi government – a close partner of the Trump White House – was insufficient, even as hospitals were getting overwhelmed and health care workers were falling ill." The Times says "the episode, based on accounts from eight current and one former official, highlights the perils facing American diplomacy with a global pandemic still raging, and the frictions between front-line diplomats, intelligence officers and defense officials on one side and senior Trump administration officials on the other who are eager to preserve relations with nations like Saudi Arabia that have special ties with the Trump White House."

Tedros Urges US To Continue Working With WHO.

In an op-ed for the Washington Post (7/1, Ghebreyesus, 14.2M), WHO Director-General Tedros Adhanom Ghebreyesus writes that the US has been a "vital partner" of the WHO since its creation and if the US withdraws from the organization, there would be "consequences" for everyone. Tedros cites the COVID-19 pandemic as evidence that "we need more international cooperation to address global health crises, not less." He concludes, "We hope the United States will keep working with the WHO so we can jointly continue the important progress we have made. There is so much more we can do together."

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Families Of US Troops Slain In Jordan Call On Congress To Press For Extraditions.

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The AP (7/1, Lee) reports, "The families of three Special Forces troops slain by a Jordanian soldier at a military base in Jordan in 2016 are

calling on Congress to suspend aid to the key U.S. Mideast partner until it extradites the killer." In addition, the families are "joining an effort to press Jordan to extradite a woman convicted in Israel of a 2001 bombing that killed 15 people, including two Americans." In their letters to lawmakers, the families of the US soldiers, "Matthew Lewellen, of Missouri, Kevin McEnroe, of Arizona, and James Moriarty, of Texas, said Congress should withhold or reduce foreign aid to Jordan unless both cases are resolved."

France Pulls Out Of NATO Mission To Enforce Libya Arms Embargo.

Politico (7/1, Momtaz, 4.29M) reports that France is "temporarily pulling out of a NATO naval operation in the Mediterranean, in a move that indicates there was not enough support from the alliance following an aggressive encounter with Turkish ships last month." France's Ambassador to NATO Muriel Domenach "sent a letter on Tuesday to NATO Secretary-General Jens Stoltenberg notifying him of the decision to pull out of Operation Sea Guardian, meant to control an arms embargo on Libya. In it she said a NATO report into an incident between a French ship and a Turkish ship in mid-June 'did not establish the facts,' according to a French defense ministry official."

Pentagon Report Says Areas Of Afghanistan Remain "Terrorist Sanctuaries."

The Washington Times (7/1, Wolfgang, 492K) reports that in a "sobering new report to Congress" Wednesday, the Pentagon warned that remote areas of Afghanistan continue to be home to "terrorist sanctuaries" and some Taliban members regularly cooperate with extremist groups like al Qaeda. The "congressionally mandated study," offers "a bleak picture of the security situation inside the country," as the Administration "forges ahead with a troop drawdown in Afghanistan, a central element of a landmark peace deal struck with the Taliban earlier this year."

Russians Overwhelmingly Back Extension Of Putin's Rule.

According to Reuters (7/1, Osborn, Soldatkin), "Russians appeared to have paved the way for Vladimir Putin to stay in power until 2036 by voting overwhelmingly for a package of constitutional changes which will also boost pensions, initial results of a nationwide vote showed on Wednesday." Reuters says "partial results, announced five hours before polls closed, indicate" Putin "who has ruled Russia for more than two decades as president or prime minister, will win the right to run for two more terms," which "means he could remain president for 16 more years." Russia's Central Election Commission "said just over 70% of votes counted across the world's largest country had supported changing the constitution," while "almost 29% had voted no of the 2.68% of ballots counted."

The AP (7/1, Isachenkov, Litvinova) reports that "with the nation's polls closed and 30% of all precincts counted, 74% voted for the constitutional amendments, according to election officials." The AP says that "for the first time in Russia, polls were kept open for a week to bolster turnout without increasing crowds casting ballots amid the coronavirus pandemic – a provision that Kremlin critics denounced as an extra tool to manipulate the outcome." According to the AP, "By the time polls closed in Moscow and most other parts of Western Russia, the overall turnout was at 65%, according to election officials. In some regions, about 90% of eligible voters cast ballots." The Washington Post (7/1, Khurshudyan, 14.2M) and Politico (7/1, Anderson, 4.29M), among other news outlets, also report the story.

Pompeo Denounces China's Imposition Of Stifling Security Law On Hong Kong.

Reuters (7/1) reports that on Wednesday, Secretary of State Pompeo "said...the new security law China has imposed on Hong Kong was an affront to all nations and Washington would continue to implement President Donald Trump's directive to end the territory's special status." According to Reuters, Pompeo "told a news briefing the United States was deeply concerned about the safety of everyone in Hong Kong and said Article 38 of the law passed on Tuesday purported to apply to offenses committed outside Hong Kong and likely included Americans." Pompeo is quoted as saying, "This is outrageous and an affront to all nations. ... Free Hong Kong was one of the world's most stable, prosperous and dynamic cities. Now, now it will be just another Communist-run city where people will be subject to the party elites' whims. ... We will continue to implement President Trump's directive to end Hong Kong's special status."

Fox Business (7/1, 1.73M) reports on its website that the Trump Administration is "moving to end special trade terms given to the territory," and "has also said it will bar defense exports to Hong Kong and will soon require licenses for the sale of items that have both civilian and military uses." Pompeo "said the law's adoption 'destroys the territory's autonomy and one of China's greatest achievements.'"

The CBS Evening News (7/1, story 10, 0:20, Garrett, 4.8M) reported also on Wednesday "authorities in Hong Kong used water canons and pepper spray to disperse thousands of pro-democracy protestors." The New York Times (7/1, Wang, Stevenson, 18.61M) reports that police in Hong Kong "moved swiftly on Wednesday to enforce China's new national security rules with the first arrests under the law, as the city immediately felt the chilling effect of Beijing's offensive to quash dissent in the semiautonomous territory." The Times adds, "On Wednesday, the anniversary of Hong Kong's return to Chinese control – usually observed by huge pro-democracy marches – a scattered crowd of thousands protested, only to be corralled by the police and risk arrest for crimes that did not exist a day earlier." The Wall Street Journal (7/1, Strumpf, Bird, Wang, Subscription Publication, 7.57M) reports that by the end of the day, police had arrested about 370 people, including 10 for offenses created under the new national security law.

The Washington Post (7/1, Dou, Mahtani, 14.2M) says, "Overnight, Hong Kong's 7.5 million residents were put under the same speech restrictions as the mainland, with possible life imprisonment for those deemed guilty of subversion – a standard charge used to jail political dissidents and human rights activists in China." The Post adds, "Still, tens of thousands braved arrest Wednesday to protest in defiance as

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Beijing dismantles their freedoms." The Post goes on to say, "Equally striking in China's move was the realpolitik logic underlying the new law: It signaled that China sees no need to abide by international agreements it made from a position of weakness in earlier years as a poorer nation."

According to Bloomberg (7/1, 4.73M), "the law shows that Xi [Jinping] sees Hong Kong foremost as the one place under his control where citizens could openly undermine the Chinese Communist Party's grip on power, and that could not stand no matter the consequences. Consulting with Hong Kong on a law designed to intimidate its residents into silence, therefore, might make it less effective both as a tool of coercion and as a message to China's neighbors and the world, according to Rush Doshi, director of the Brookings China Strategy Initiative."

The AP (7/1, Hui) says, "From Tokyo to Brussels, political leaders have swiftly decried Beijing's move to impose a tough national security law on Hong Kong. ... But the rhetoric has more bark than bite. For people in Hong Kong, the question is: Will international anger and statements of concern make any difference?" The AP adds, "China routinely dismisses all such criticism as interference in its domestic affairs," and "one of the crimes in the Hong Kong security law explicitly outlaws receiving funding or support from overseas to disrupt lawmaking in Hong Kong or impose sanctions on the city."

Reuters (7/1, Murdoch, Chow) reports that the new national security law "punishes crimes of secession, subversion, terrorism and collusion with foreign forces with up to life in prison, will see mainland security agencies in Hong Kong for the first time and allows extradition to the mainland for trial." According to Reuters, "Authorities in Beijing and Hong Kong have repeatedly said the legislation is aimed at a few 'troublemakers' and will not affect rights and freedoms, nor investors' interests. But critics fear it will end the pro-democracy opposition and crush freedoms, including an independent legal system and right to protest, that are seen as key to Hong Kong's success as a financial centre."

Pelosi Declines To Commit To Holding Vote On China's Hong Kong Suppression. Politico (7/1, Bade, 4.29M) reports that on Wednesday, House Speaker Pelosi "spoke out against China's new national security law for Hong Kong...but did not commit to take up a Senate-passed sanctions bill to penalize the nation for violating the territory's autonomy." Politico reports that last week, the Senate "unanimously passed a sanctions bill to penalize individuals, banks and other entities that enable China's new security law." According to Politico, "while Pelosi called for bipartisan action to combat Beijing's move, including 'visa limitations and economic penalties,' she did not commit to taking up that bill or companion legislation introduced in the House."

Ross: US Will Be "Doing Away With Hong Kong's Special Status" In Regards To Trade. Appearing on Fox Business' Mornings With Maria (7/1), Commerce Secretary Ross was asked about China's new national security law for Hong Kong that outlaws all pro-independence activities. Ross said, "We obviously think it's a gross violation of human rights and also gross violation of the original treaty under which they turned Hong Kong over from the British to the Chinese. And that's why...we are doing away with Hong Kong's special status in terms of our trade relations. China has made Hong Kong no longer a special haven. ... If it's not special to the Chinese, it couldn't be special to us."

WPost, WSJournal: China Has Betrayed Hong Kong. The Washington Post (7/1, 14.2M) editorializes "Hong Kong as it has been known – a bastion of free speech and rule of law, an autonomous, glittering capital of capitalism – has been smothered" after China's imposition of its new national security law. In doing so, "China has broken its promise to Britain on the handover of Hong Kong in 1997 to preserve the concept of 'one country, two systems' for 50 years." The development "makes it even more imperative for the West to stand by the vibrant democracy of Taiwan."

Likewise, the Wall Street Journal (7/1, Subscription Publication, 7.57M) editorializes the world should be alarmed at China's imposition of its national-security law on Hong Kong because it shows that China's Communist leaders aren't afraid to violate international commitments. The Journal urges the US to accept Hong Kong refugees and warns governments around the world not to trust Beijing's promises.

NYTimes: Trump Must Stand Up For Human Rights. The New York Times (7/1, 18.61M) editorializes, "It is now for President Trump, who has shown little enthusiasm so far for tangling with President Xi Jinping over human rights, to use the tools that Congress has placed at his disposal to show Beijing that its transgressions have consequences." However, the Times says "Trump's commitment to using these tools of statecraft to change China's behavior...is uncertain." Yet, the Times asserts that "the unanimous, bipartisan support for these bills, and Mr. Trump's signature on them, even if unenthusiastic, are an appropriately direct and clear signal to China that its behavior is contemptible and will have serious consequences."

USCBP Seizes Human Hair Believed To Be Taken From Detained Chinese.

The AP (7/1, Mendoza) reports that in New York on Wednesday, Customs and Border Protection "seized a shipment of weaves and other beauty accessories suspected to be made out of human hair taken from people locked inside a Chinese internment camp." According to the AP, "13 tons (11.8 metric tonnes) of hair products worth an estimated $800,000 were in the shipment." The AP says "this is the second time this year that CBP has slapped one of its rare detention orders on shipments of hair weaves from China, based on suspicions that people making them face human rights abuses."

China Asks US Media Outlets To Submit Details Of Their Operations. Reuters (7/1) reports that on Wednesday, the Chinese Foreign Ministry "asked some U.S. media outlets present in the country to submit information about their China operations." Ministry spokesman Zhao Lijian "named the Associated Press, National Public Radio, CBS and United Press International news agency as companies asked to submit the requested information in writing within seven days."

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The AP (7/1) reports Zhao said, "It should be pointed out that the above-mentioned measures by China are completely necessary

countermeasures and are completely legitimate defenses compelled by unreasonable suppression of the US side on Chinese media agencies in the United States."

Israel Delays West Bank Annexation Amid Talks With White House.

According to Reuters (7/1, Heller, Williams), "Israeli annexation in the occupied West Bank might be weeks away, a government minister said as a start date on Wednesday for cabinet discussions of the move slipped by in the absence of a green light from Washington." Reuters says that in May, "Israeli leaders decided...that cabinet and parliamentary deliberations on extending Israeli sovereignty to Jewish settlements and the Jordan Valley in the West Bank, in coordination with Washington, could begin as of July 1." However, "with no agreement with Washington yet on the modalities of the move under a peace proposal announced by" President Trump in January, "and talks with the White House still under way, no cabinet session was scheduled for Wednesday."

The New York Times (7/1, Halbfinger, 18.61M) reports "scenarios that continue to be floated in the Israeli news media only raise new questions." For example, "the latest, described as a counterproposal by Mr. Netanyahu to the Trump administration's original 'conceptual map' for possible annexation, showed Jewish enclaves deep in Palestinian-designated territory growing, presumably to appease right-wing settlers who objected to being marooned inside a potential Palestinian state." However, "it also called for compensating the Palestinians by handing them some of the hills overlooking Ben-Gurion International Airport, which Israeli hawks had once considered too strategically vital to give away." The Times adds "other options mentioned include annexing a small, purely symbolic area, taking the entire 30 percent or doing it in phases."

British PM Urges Israel Not To Annex West Bank. Reuters (7/1, Faulconbridge, Heller) reports that British Prime Minister Boris Johnson "cautioned Israel on Wednesday against annexation in the occupied West Bank, saying it would violate international law and harm its drive to improve relations with the Arab world. ... 'Annexation would represent a violation of international law,' Johnson said in an opinion piece for Yedioth Ahronoth, Israel's top-selling daily, echoing remarks he made in parliament last month." Johnson added, "Annexation would put in jeopardy the progress that Israel has made in improving relationships with the Arab and Muslim world."

Politico Report: Human Rights Groups Increasingly Alarmed Over US Actions.

Politico (7/1, Toosi, 4.29M) reports that as the United Nations Human Rights Council in June debated "launching a special investigation of racism in America after the killing of George Floyd," US officials scrambled "to avert a public relations disaster, dispatching its diplomats to pull strings and call in favors." Their work was successful – "the 47-member council didn't order a U.S.-focused probe, instead requesting a broader report on anti-Black racism worldwide." However, "that it came so close to doing so illustrates how international activists, groups and institutions are increasingly focusing on the United States as a villain, not a hero, on the subject of human rights." According to Politico, "while the U.S. has never fully escaped such scrutiny – consider the post-9/11 fury over torture, Guantanamo Bay and drone strikes – former officials and activists say that, under President Donald Trump, American domestic strife is raising an unusual level of alarm alongside U.S. actions on the global stage."

Housing

Freddie Mac Drives Increase In GSE MBS Issuance In June.

Behind a paywall, Inside Mortgage Finance (7/1, Bancroft, Subscription Publication) reports, "The mortgage-backed securities machines at Fannie Mae and Freddie Mac continued to run in overdrive in June, churning out $195.12 billion of new single-family product." According to IMF, GSE production was "up just 0.8% from May" in June, but it "still qualified as the third busiest month on record for the two secondary-market giants. While Fannie volume was down from May, Freddie recorded a solid 10.7% increase in June." IMF says refi activity "continued to drive Fannie/Freddie MBS issuance. However, purchase-mortgage activity has still not caught fire as the economic impact of the coronavirus dampens the peak season for home sales."

Trade Groups Want More Time To Comment On FHFA's GSE Capital Plan.

American Banker (7/1, Lang, Subscription Publication, 31K) reports that in a letter to FHFA Director Mark Calabria, 17 trade groups on Tuesday indicated that they want the agency to "double the comment period for a proposal to require Fannie Mae and Freddie Mac to hold more than five times their current capital levels." The American Bankers Association, Mortgage Banker Association, National Association of Realtors, Structured Finance Association, and 13 other groups said, "We believe that it is essential that market participants have time to focus on this complex proposed rule, which poses over 100 questions to respondents and has the potential to significantly affect both the cost and availability of mortgage financing, as well as affordability for homeowners and renters in both the single family and multifamily space."

CFPB Moving Quickly On QM Rule Rewrite.

Potentially behind a paywall, Bloomberg Law (7/1, Subscription Publication, 4K) reports that the CFPB "wants to provide more flexibility in determining what counts as a safer qualified mortgage, and is moving quickly to finalize a rule before a potential change in administrations." According to Bloomberg, the proposal to rewrite the QM standard "comes with a brief 60-day comment period and would take effect April 2021, a tight timeline for a major regulatory shift in how lenders underwrite mortgages." Bloomberg says that the quick turnaround "isn't an

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accident. The upcoming presidential election could result in the Democratic nominee, former Vice President Joe Biden, taking office in January and replacing CFPB Director Kathy Kraninger. The U.S. Supreme Court ruled Monday that the bureau's director [is] an at-will employee of the president." Potentially behind a paywall, Law360 (7/1, Hill, Subscription Publication, 8K) reports, "In a blog post announcing the publication of its latest regulatory agenda, the CFPB also highlighted other rulemaking activities that it is planning for the coming months, but didn't address when its overdue payday lending rule rewrite might cross the finish line."

GSEs Confirm Primary Mortgage Insurer Capital Requirements For Natural Disasters Apply To Pandemic-Related Defaults.

National Mortgage News (7/1, Finkelstein) reports that Freddie Mac ad Fannie Mae have confirmed that private mortgage insurer capital requirements that apply in natural disasters "also apply to coronavirus-related delinquencies." As a result, the six insurers can hold "less liquidity against forbearances." US Mortgage Insurers President Lindsey Johnson said, "This type of forbearance is often used for natural disasters such as hurricanes or other shorter-term disasters that occurred in a specific geographic area, and generally have a definite period for the event. However, due to the unprecedented nature of the COVID-19 disaster, including its national scope and the ongoing duration of the health and economic effects, the PMIERs language needed additional clarity, which we are pleased FHFA, Fannie Mae and Freddie Mac understood and provided."

CHLA Hires Craig Thomas As Communications Director.

Behind a paywall in its Short Takes, Inside Mortgage Finance (7/1, Muolo, Subscription Publication) reports the Community Home Lenders Association "hired Craig Thomas as its new communications director." IMF says Thomas "joins the trade group from Freddie Mac, where he worked for roughly 30 years in a number of external relations and public policy roles."

Trump Says He "May End" Obama-Era Housing Rule.

Politico (7/1, O'Donnell, 4.29M) reports that President Trump is "threatening to revoke a sweeping Obama-era fair housing rule, stepping up his administration's efforts to gut anti-discrimination laws amid a national reckoning with race." According to Politico, Trump "cast the 2015 Affirmatively Furthering Fair Housing rule as a campaign issue with a thinly veiled warning to the 'great Americans who live in the suburbs' that...Joe Biden would bring chaos to their neighborhoods." Trump tweeted, "At the request of many great Americans who live in the Suburbs, and others, I am studying the AFFH housing regulation that is having a devastating impact on these once thriving Suburban areas. Corrupt Joe Biden wants to make them MUCH WORSE. Not fair to homeowners, I may END!" The New York Times (7/1, Thrush, 18.61M) provides additional coverage.

Regulators Urge FIs To Continue Transition Away From Libor.

Reuters (7/1, Jones, Jones) reports, "Disruption to markets caused by the COVID-19 pandemic must not stop banks from ending their use of the Libor interest rate benchmark by the end of 2021, the Financial Stability Board said on Wednesday." The FSB said the Libor transition "remains an essential task that will strengthen the global financial system," urging financial institutions to ditch the reference rate even as many regulators continue to use it in pandemic relief measures. According to Reuters, "Moody's said in a report on Wednesday that without a transition plan, otherwise manageable issues such as increased costs and inadequate hedging, become more material and make it difficult to quantify risks."

HUD Proposal Would Allow Homeless Shelters To Refuse Transgender People Access To Single-Sex Facilities.

The New York Times (7/1, Cameron, 18.61M) reports that HUD has "proposed allowing homeless shelters to deny transgender people access to single-sex shelters of their gender identity." In an announcement Wednesday, the Department said the proposed regulation would ensure that shelters "must not discriminate based on sexual orientation or transgender status." The announcement said the changes accommodate the "religious beliefs of shelter providers." The Administration "has been pushing the change, arguing that it would prevent men from surreptitiously gaining access to women's homeless shelters to abuse residents or track down spouses and partners," but "advocates for lesbian, gay, bisexual and transgender rights and civil libertarians said the rule would mean transgender women, potentially even other women mistaken as transgender, could be referred to shelters that also accommodate men, where they could face abuse or assault."

Former HUD Secretary Julián Castro Calls On Congress To Invest "$100B In Direct Rental Assistance."

The Hill (7/1, Moreno, 2.98M) reports former HUD Secretary Julián Castro believes Congress "should pass direct rental assistance to avoid a housing crisis amid the coronavirus pandemic." Castro proposes that Congress allocate $100 billion in "direct housing assistance." According to The Hill, "The CARES Act, signed in late March, included a moratorium on evictions for tenants in units with federally-backed mortgages or other assistance who were unable to pay rent, which only applies to about a fifth of renters. The rest are subject to state and local moratoria, which have begun to expire." MSNBC (7/1, Tur, 7.86M) also covers Castro's proposal.

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MBA: Mortgage Application Fall Again This Week, Dipping 1.8%.

National Mortgage News (7/1, McCullom) reports, "Mortgage application volume was down for the second consecutive week, this time by 1.8%, as a new record low for rates was not enough to overcome diminished demand, according to the Mortgage Bankers Association." That the Purchase Index fell 1% on a seasonally adjusted basis from the prior week, while the unadjusted Purchase Index fell 2%. The Refinance Index fell 2%. The refi share fell slightly, dipping from 61.3% to 61.2%. The ARM share fell from 3.2% to 3.1%. The FHA share rose from 11.4% to 11.7%, while the VA share fell from 11% to 10.8%. The average rate for 30-year FRMs with conforming balances fell from 3.30% to 3.29%, while that for jumbos fell from 3.62% to 3.59%. The 15-year FRM average held flat at 2.81%. The 5/1 ARM average fell from 3.09% to 3.04%.

Mortgage News Daily (7/1, Swanson) reports MBA AVP Joel Kan said, "Mortgage applications fell last week despite mortgage rates hitting another record low in MBA's survey. Investors are contemplating the risks of the recent resurgence of COVID-19 cases to the labor market and economy, and Treasury rates and mortgage rates are moving lower as a result. After two months of strong growth, purchase applications declined for the second week in a row. The weakening in activity is potentially a signal that pent-up demand is starting to wane and that low housing supply is limiting prospective buyers' options. The average purchase application loan size increased to a record high in our survey – more proof that tight inventory conditions are leading to faster price growth."

Ellie Mae: Millennial Purchase Activity Picks Up As Mortgage Rates Hit All-Time Lows.

National Mortgage Professional (7/1, Persaud) reports Ellie Mae's Millennial Tracker "found that millennials are securing the lowest average interest rate on a 30-year mortgage since it began tracking the demographic in January 2016." With mortgage rates at record lows amid "peak homebuying season," Ellie Mae "reported a month-over-month increase in purchase share for the demographic." According to NMP, "The average interest rates for millennials dropped from 3.48% in April to 3.42% in May. Purchase share began to rise from 45% to 47%, which was the first month-over-month increase since November 2019, according to the report."

Surge In COVID Cases, Fed Comments Drive Mortgage Rates Down.

HousingWire (7/1, Howley, 23K) reports that a surge in coronavirus cases and the Fed's gloomy outlook on the US economy prompted a drop in mortgage rates. The average rate for a 30-year conforming FRM "fell to 3.12% on Monday and Tuesday, as measured by Optimal Blue. That's the second-lowest daily rate on record, following the 3.1% set on June 11." The drop in rates reflects increased investor demand for MBS.

Fannie Mae Releases Report On Its Multifamily Green Bond Program.

Mortgage Professional America (7/2, Johnston) reports that Fannie Mae "has been recognized as the largest issuer of green bonds in the world for the third consecutive year, with $22.8 billion issuances in 2019." According to MPA, "The GSE has issued $75 billion in green bonds and $9 billion in green securitizations over its decade-long life." Fannie Mae Multifamily EVP Jeffery Hayward said, "We are proud of the role our Green Financing program plays in building more sustainable and resilient communities and of what we have achieved for investors, lenders, borrowers, and the people who live in the properties we finance. We are excited to build upon the 10 years of progress we have made in green financing, and we will continue to look for new ways to advance this important work."

HECM Lending Plummeted In April After Surging In Q1.

Behind a paywall, Inside Mortgage Finance (7/1, Bhatia, Subscription Publication) reports that HECM lending rose 23.5% in Q1 from 4Q19. YoY, HECM lending rose 38.1% to $3.87 billion. According to IMF, "By comparison, forward originations in the overall mortgage market fell 7.6% from the fourth quarter to the first. Traditional HECMs, which exclude purchases and refinances, accounted for 70.5% of FHA-insured reverse mortgages originated during 1Q20." However, "In April, with the coronavirus pandemic at its presumed peak, HECM lending fell a stunning 45% to $607 million compared to March's tally of $1.11 billion."

Mayopoulos Weighs In On Quicken, Fintech, And Innovation Catalysts Amid The Pandemic.

DS News (7/1, Albanese) interviewed Blend President Tim Mayopoulos about the "rise of fintech in housing," Quicken Loans' IPO, Quicken's role in the fintech space, and the impact of the pandemic on technology in housing. According to Mayopoulos, Quicken's fintech push has "served as a catalyst for the entire industry," and there is "clearly a great demand for technological innovation in the mortgage industry." Mayopoulos said the pandemic is an "additional accelerant on the transformational change that's happening in housing finance."

Freedom Mortgage CEO Discusses Helping Borrowers Exiting Forbearance.

DS News (7/1, Albanese) interviewed Freedom Mortgage CEO Stanley Middleman about how the industry can "best assist homeowners coming out of forbearance." Middleman also discusses the differences between the current economic downturn and the Great Recession.

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Census Bureau: Construction Spending Falls 2.1% In May.

HousingWire (7/1, Howley, 23K) reports US construction spending fell 2.1% in May, though "the level of homebuilding was above the year-

ago level, according to a government report on Wednesday." HousingWire reports, "Combined homebuilding and nonresidential construction outlays totaled $1.36 trillion at a seasonally adjusted annualized rate, down from $1.39 trillion in April, the Census Bureau report said." NAR Chief Economist Lawrence Yun predicts that low mortgage rates should give construction a boost in the second half of 2020. Freddie Mac reported that the 30-year FRM averaged just 3.13% last week, an all-time low.

First American: Millennials Likely To Fuel Huge Spike In Homebuying Demand.

National Mortgage News (7/1, Centopani) reports First American predicts a surge in homebuying demand, thanks to millennials. First American's Homeownership Progress Index shows that millennials make up the largest generational demographic in the country, and homeownership demand among millennials rose three percentage points on an annual basis in 2019. According to First American Chief Economist Mark Fleming, "Though the pandemic presents new challenges to achieving homeownership, millennial lifestyle decisions will continue to support potential homeownership demand in the years ahead, meaning millennials may be poised to fuel a 'roaring 20s' of homeownership demand."

MIT Study: Boston Evictions Disproportionately Concentrated In Black Neighborhoods.

Potentially behind a paywall, Bloomberg (7/1, Capps, 4.73M) reports that a "new study" from MIT indicates that in Boston, eviction cases "filed since the start of the pandemic are overwhelmingly located in majority-Black neighborhoods." MIT's report shows that "78% of the Boston eviction cases currently suspended by the moratorium were filed in majority-minority neighborhoods."

Study Finds "High Levels" Of Discrimination Against Black Renters, Section 8 Vouchers In Boston.

The Springfield (MA) Republican (7/1, Bonner, 395K) reports a yearlong study has revealed high levels of discrimination against Black renters and those with Section 8 housing vouchers by landlords and real estate agents. Boston Foundation Senior Director of Housing and Neighborhoods Soni Gupta said, "The study demonstrates in vivid detail the added burden of discrimination that non-white and low-income families face when seeking housing. ... At a time when we know that access to a home is critical for a family's health and overall well-being, these findings underscore the need for equal rights and protections for all Greater Boston residents so they live in the homes and the communities of their choice."

Mr. Cooper Starts Hedging MSRs.

Behind a paywall, Inside Mortgage Finance (7/1, Muolo, Subscription Publication) reports that Mr. Cooper "is now actively hedging its positions" to "soften negative marks against its portfolio of 'owned' mortgage servicing rights." According to IMF, Mr. Cooper is also "maintaining a 'natural' hedge of running a high-volume call center focused on capturing run-off." IMF says Mr. Cooper likely "changed its mind" on hedging MSRs because of "30-year fixed-rate mortgages falling to 3.0%. The company's biggest concern, perhaps: By January 2021, thanks in part to the pandemic, rates may be even lower."

Pandemic Prompts Hope Now To Suspend Operations.

National Mortgage News (7/1, Sinnock) reports nonprofit Hope Now has suspended its operations, saying that its "primary approach to borrower assistance has been organizing and hosting large gatherings of consumers and servicers, an approach that is incompatible with the health risks posed by COVID-19." According to NMN, "Hope Now has provided in-person services to more than 200,000 families and hosted over 250 live events."

Markets

10-Year Yield Ticks Down.

MarketWatch (7/2, 1.67M) reports the 10-year Treasury yield fell to 0.674 percent.

Dollar Falls.

Reuters (7/2, Chatterjee) reports, "The U.S. dollar slipped to a one-week low against its rivals on Thursday as upbeat U.S. and European economic data sharpened risk appetite, with hopes for a COVID-19 vaccine breakthrough also helping sentiment." Against a basket of currencies, the dollar "is on track for its biggest weekly drop in a month, of 0.4%." The euro "advanced 0.1% to $1.1264."

Gold Edges Lower.

Reuters (UK) (7/2, Patel) reports, "Gold edged lower on Thursday, easing from a near eight-year peak hit in the last session, as solid U.S. manufacturing data and promising results from a COVID-19 vaccine trial revived hopes for a quick economic recovery, denting demand for safe havens." Spot gold "was down 0.1% to $1,768.56 per ounce by 0703 GMT, after touching $1,788.96 on Wednesday, its highest since October 2012. U.S. gold futures fell 0.1% to $1,778."

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Oil Rises.

Reuters (7/2, Paul, Peng) reports, "Oil prices rose on Thursday, reversing early losses, as a sharp drop in oil stockpiles outweighed concerns that a spike in U.S. coronavirus infections and revived lockdown measures in California could stall a recovery in fuel demand." West Texas Intermediate crude futures "rose 25 cents, or 0.6%, to $40.07 a barrel by 0632 GMT, adding to a 1.4% rise from Wednesday." Brent crude "was up 25 cents or 0.6% at $42.28 a barrel, after rising 1.8% in the previous session."

Cybersecurity

Beijing Lashes Out At US For "Oppressing Chinese Companies" After Huawei, ZTE Action.

The Hill (7/1, Bowden, 2.98M) reports Chinese officials on Wednesday "lashed out at the Trump Administration over actions the US has taken against two Chinese companies accused of close relationships with China's military." The Associated Press reported that "a spokesperson for China's foreign ministry accused the Trump Administration of 'abusing state power' to slander Chinese the Chinese companies Huawei and ZTE 'without any evidence.'" The spokesperson, according to the AP, said, "We once again urge the United States to stop abusing the concept of national security, deliberately discrediting China and unreasonably oppressing Chinese companies." Beijing's latest statement comes "as the FCC took action this week to block Chinese firms from receiving US government subsidies, and follows the body formally designating ZTE and Huawei companies as national security threats on Tuesday."

FCC Action Against Huawei Reflects Broader Split Between China And The West. The Washington Post (7/1, Marks, 14.2M) reports in the Cybersecurity 202 column that the US' move "to label Huawei as a national security threat and block it from billions of dollars in subsidies is its toughest move yet against the Chinese telecom." And with more allies "poised to follow suit, Washington's uphill diplomatic campaign to isolate the company is at a turning point – and it's a sign of deepening fissure between the West and China." US arguments are "gaining traction now amid Western anger over China's dissimulation about the initial spread of the coronavirus and more recently by its crackdown on Hong Kong." Huawei's reputation in the UK "is souring as Prime Minister Boris Johnson is increasingly signaling he'll step away from a plan to allow Huawei to build parts of the nation's next-generation 5G wireless networks." And other Western nations" such as Germany, Australia and Canada are expressing more concerns about Chinese influence over their computer networks."

Bitcoin Demand Drives $1.4B Ransomware Industry In The US.

Forbes (7/1, Tinianow, 9.71M) reports Bitcoin and other cryptocurrencies "are fueling a wave of ransomware attacks to the tune of $1.4 billion in the US." Hackers encrypt the victim's data "and then require the victim to pay a fee in bitcoin or certain other cryptocurrencies to obtain the decryption key needed to release the data." According to Coveware, which helps companies remediate ransomware, in Q4 2019, "victims who paid a ransom to receive decrypting software successfully decrypted 97% of their encrypted data." According to Liat Shetret, senior advisor for crypto policy and regulation for Elliptic, a blockchain analytics company, "privacy coins do not spur ransomware." She explains, "privacy coins are not the crypto asset of choice for ransomware because bitcoin is easier to obtain. With privacy coins, the cash-out options are more limited, and that minimizes the hackers ability to mobilize their money."

Hackers Say Voter Registration, Not Voting Machines, Are The Real Problem.

Digital Trends (7/1, Shwayder, 929K) reports white hat hackers "said the US is in no way ready to move any of its election processes online." Experts "said that, while a lot of attention has been focused on the vulnerability of new voting machines, the more imminent danger is the electronic infrastructure around elections." Jack Cable, a famed hacker and software expert now focused on the US elections, "said that the new voting machines that have attracted a lot of attention during the primaries aren't even the biggest concern." He "said voter registration system and election night reporting systems are far more vulnerable – and easy – to attack." While trying to register to vote, Cable "found massive vulnerabilities in the Illinois voter registration system that could have allowed hackers to see and potentially alter voter data." If a database of voters "is easily accessed and corrupted, election results could be unverifiable."

King Urges Congress To Create Of National Cyberdefense Program.

Government Technology (7/1, 2K) reports Sen. Angus King (I-ME) "took to the floor of the Senate on Tuesday to urge his colleagues to develop a national cyberdefense program that could fend off a potential 'catastrophic cyberattack' that could disrupt millions of lives and throw the country into chaos." King urged his colleagues "to consider the inclusion of vital cybersecurity amendments in the 2021 National Defense Authorization Act." King said during his speech before members of the Cyberspace Solarium Commission, "I want to describe a hypothetical threat: a threat that throws millions of people out of work almost overnight, causes a stock market collapse, cripples the airline industry, has people afraid to leave their homes, the state scrambling for materials to prepare and cope with the attack." King, who serves as co-chair of the Cyberspace Solarium Commission, "said such a cyberattack could disable the nation's electrical grid, its transportation system and the Internet."

Bipartisan Bill Could Revive Creation Of White House National Cyber Director.

CSO Magazine (7/1, Brumfield, 92K) reports a bipartisan group of US House of Representatives legislators "introduced the National Cyber Director Act to create the position of a national cyber director within the White House." The creation of this role is "one of the chief

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recommendations of an increasingly influential intergovernmental group known as the Cyberspace Solarium Commission." Two of the commission's leaders, "Cyberspace Solarium Chair Congressman Jim Langevin (D-RI) and Solarium Co-Chair Congressman Mike Gallagher (R-WI), introduced the bill."

Op-Ed: Protecting Undersea Cables Must Be Made A National Security Priority.

In a commentary in Defense News (7/1, 21K), Nadia Schadlow, a senior fellow at the Hudson Institute, and Brayden Helwig write, "Protecting undersea cable infrastructure must become a priority for US officials and lawmakers. Luckily, there are several steps they can take to address the problem. First, the US government should take more responsibility for repairing undersea infrastructure. ... Second, as a 2017 report from the ODNI suggested, the US should push for stronger protections for undersea infrastructure in international law, including criminalizing attacks on submarine cables. ... Third, telecommunications companies must better secure cable infrastructure against potential attacks. ... Finally, the Trump Administration should sound a louder alarm on Huawei Marine. In order to reduce or prevent the exfiltration of data, telecommunications companies should be required to use undersea infrastructure from verified suppliers."

DOD IG Finds Pentagon Needs To Improve Artificial Intelligence Project Management.

C4ISR & Networks (7/1, Eversden) reports the DOD's IG "warned in a July 1 report that poor management of artificial intelligence projects in DOD could erode the US' competitive advantage in the emerging technology." The DOD inspector general "suggested the Joint Artificial Intelligence Center, established to facilitate the adoption of artificial intelligence tools across the department, take several steps to improve project management, including determining a standard definition of artificial intelligence, improving data sharing and developing a process to accurately track artificial intelligence programs." The JAIC missed "a March 2020 deadline to release a governance framework." The IG "started the audit to determine the gaps and weaknesses in the department's enterprise-wide AI governance, the responsibility of the JAIC." After starting its audit, the DOD IG "determined the organization had not yet developed an department-wide AI governance framework."

TFI/Sanctions

Administration Aims To Sanction Chinese Officials Tied To Persecution Of Minorities.

Bloomberg (7/1, Wadhams, Leonard, 4.73M) reports that the US is "preparing to roll out long-delayed sanctions to punish senior Chinese officials over human-rights abuses against Muslims in Xinjiang...part of a toughening of the Trump administration's stance toward Beijing." According to Bloomberg, "The sanctions are likely to target Communist Party officials responsible for the internment and persecution of minorities in Xinjiang." Bloomberg goes on to report that the Trump Administration is "acting under the 2016 Global Magnitsky Human Rights Accountability Act, which give the U.S. broad authority to impose human-rights sanctions on foreign officials." Bloomberg says the sanctions were "delayed amid negotiations over a U.S.-China trade deal."

Reuters (7/1, Lawder, Psaledakis, Brunnstrom) reports that on Wednesday, the Departments of State, Treasury, Commerce, and Homeland Security "issued an advisory warning U.S. companies about the risks they face from maintaining supply chains associated with human rights abuses in China's western Xinjiang province." According to Reuters, "The advisory said that companies doing business in Xinjiang or with entities using Xinjiang labor face 'reputational, economic, and legal risks' from human rights abuses, including forced labor, mass detention and forced sterilization." Secretary of State Pompeo is quoted as saying, "CEOs should read this notice closely and be aware of the reputational, economic and legal risks of supporting such assaults on human dignity."

According to Politico (7/1, Palmer, 4.29M), "The rising tensions raise questions about whether China will continue to honor its commitments under a 'phase one' trade deal with the United States, which the Trump administration has trumpeted as a landmark achievement." Politico points out that the Commerce Department "previously has put 37 Chinese enterprises on its 'Entity List' for engaging in or enabling human rights abuses in Xinjiang, a move that further restricts their access to U.S. goods and technology through much tougher licensing requirements."

The Wall Street Journal (7/1, Mauldin, Subscription Publication, 7.57M) also reports.

House Passes Hong Kong Sanctions Bill, Sending It To Trump. Behind a paywall, Law360 (7/1, Subscription Publication, 8K) reports the House of Representatives on Wednesday "easily passed a bill to require sanctions on companies that help the Chinese government suppress Hong Kong's independence, sending the Senate-approved measure to the president for his signature." The Hong Kong Autonomy Act "would have the executive branch maintain a list of companies, individuals and other entities that 'materially contribute to the failure of the government of China to meet its obligations' to the semi-independent former British territory." The Chinese government "has recently moved to increase its control and restrict personal freedoms in the global financial hub."

Law360 Analysis: US Sanctions Developments In 2020.

In an expert analysis, Law360 (7/1, Adams, Hanifin, Siegle, Subscription Publication, 8K) reports the Treasury Department's Office of Foreign Assets Control "has remained active" in 2020 despite the COVID-19 pandemic. OFAC "has strengthened existing sanctions programs, issued a range of new guidance documents and announced enforcement actions that underscore OFAC's current sanctions compliance program expectations." These actions, "coupled with the prospect of new sanctions targeting China, presage an active second half of the year, underscoring that sanctions compliance efforts are indispensable, even in the face of a global pandemic."

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Commentary: Increased Ukraine Assistance, Targeted Sanctions Should Be Response To Russian Bounties.

In an op-ed for The Hill (7/1, 2.98M), former State Department Office of Counterterrorism Finance and Designations Director Jason Blazakis says the NYTimes "report that the Russian Federation incentivized the Taliban to target U.S. and coalition personnel in Afghanistan is troubling if true." Blazakis writes, "U.S. policy options in response to the Russian bounty program are limited. Any response likely requires a congressional push, especially since the Trump administration denies knowledge of a bounty program and has labeled the Times story 'fake news.'" Therefore, if the Administration "does anything, it likely will want to take the measured approach and sanction G.R.U officials. Congress, though, can still help" by ramping up "Ukraine-related military and foreign assistance beyond the Trump administration's requests. Doing so, coupled with targeted sanctions, may just get Putin's attention, especially given that a weak Ukraine also weakens NATO." However, Blazakis cautions, "If the Russian gambit goes unanswered, the U.S. should gird for more provocations."

Federal Reserve

Trump "Getting More And More Happy" With Powell's Job As Fed Chair.

Reuters (7/1, Lambert) reports that during an interview on Fox Business (7/1, 1.73M), President Trump "indicated he was warming to Federal Reserve Chairman Jerome Powell, whom he has harshly criticized for not cutting lending rates below zero," saying "he appreciated the central bank putting liquidity into the economy during the coronavirus pandemic." Trumps said, "I would say that I was not happy with him at the beginning. And I'm getting more and more happy with him. I think he's stepped up to the plate. He's done a good job."

Bloomberg (7/1, Matthews, Jacobs, 4.73M) and Fox Business (7/1, O'Halloran, 1.73M) also report.

Fed Minutes Show Officials Considering Pledge To Leave Interest Rates Low.

Reuters (7/1, Dunsmuir, Saphir) reports Fed policymakers "are looking at reviving a Great Recession-era promise to keep interest rates low until certain conditions are met, in a bid to deliver a more rapid recovery from the recession triggered by the coronavirus pandemic." Minutes from the Fed's June 9-10 policy meeting released Wednesday showed "policymakers 'generally indicated support' for tying rate-setting policy to specific economic outcomes." The minutes said a "A number" favored a commitment to leaving rates low until inflation has met or exceeds the Fed's goal of two percent. The Wall Street Journal (7/1, Timiraos, Subscription Publication, 7.57M), The AP (7/1, Crutsinger), CNBC (7/1, Cox, 3.62M), Fox Business (7/1, Henney, 1.73M), MarketWatch (7/1, Robb, 1.67M), the Financial Times (7/1, Politi, Smith, Subscription Publication, 1.34M), and The Hill (7/1, Lane, 2.98M) also report.

Fed Hit By Thousands Of Requests To Expand Main Street Lending Program To Individuals.

Reuters (7/1, Saphir, Dunsmuir, Marte) reports the Fed on Wednesday revealed it received thousands of letters from people, businesses, and nonprofits asking for the central bank to expand access to its Main Street Lending Program, which currently serves mainly medium-sized businesses. The feedback "paints a picture of a central bank, which once closely guarded its secrets, newly open to public feedback and willing to respond by reshaping its policies."

The Wall Street Journal (7/1, Kiernan, Subscription Publication, 7.57M) and Law360 (7/1, Huffman, Wolverton, Subscription Publication, 8K) also report.

Daly: "Too Early To Tell" Whether US Economy Sees Best-Case Four To Five Year Recovery Scenario.

Reuters (7/1, Saphir) reports San Francisco Fed President Mary Daly on Wednesday "painted a grim picture of the U.S. economic outlook, saying that even under her best-case scenario unemployment will still top 10% at year's end and won't return to pre-crisis levels for four or five years." Daly, speaking in a Washington Post Live virtual event, said, "If we can get the public health issues under control either through a really robust mitigation strategy or a vaccine, then we can reengage in economic activity really quickly. Then it could take just four years or five years; but if we end up with a pervasive long-lasting hit to the economy, then it could take longer." Daly also "said so far it is 'too early to tell' whether her best-case scenario will play out, or something worse." Daly added, "In the next couple of months we are going to really get a lot more information about what the virus has in store for our economy."

Financial Regulatory Agencies

McWilliams Explains Why FDIC Wants To Eliminate Call Reports.

In a BankThink piece for American Banker (7/1, Subscription Publication, 31K), FDIC Chair Jelena McWilliams explains why the agency is seeking to get rid of banks' quarterly data reporting. McWilliams says that with second quarter results expected 120 days after the quarter began, there is an acute information gap. For big banks, the FDIC "uses technology to fill the gap between call reports with robust, granular data feeds on liquidity, security exposures and asset quality." That depth of reporting "is not necessary for community banks that individually represent little to no systemic risk." But because "financial conditions across all community banks can be key indicators of strain in the economy, growing stress across the financial system and emerging risk at individual institutions," regulators must find a way "to promote more regular reporting from community banks – where technology levels vary greatly – without increasing reporting burdens or costs." As

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such, the FDIC has developed a prototyping competition "to develop a new approach to financial reporting."

Internal Revenue Service

IRS Chief Gives Taxpayers Two Weeks To Collect $1.5B In Owed But Unclaimed Refunds.

Bloomberg (7/1, Davison, 4.73M) reports the IRS "has $1.5 billion in unclaimed refunds for people who never filed a tax return for 2016 – and they have only two weeks to claim the money." IRS Commissioner Chuck Rettig said Wednesday in a statement, "The IRS wants to help taxpayers who are owed refunds but haven't filed their 2016 tax returns yet. Time is quickly running out for these taxpayers. There's only a three-year window to claim these refunds, and the window closes on July 15."

Editorial Wrap-Up

New York Times.

"President Trump Has Tools To Pressure China. Will He Use Them?" The New York Times (7/1, 18.61M) editorializes, "It is now for President Trump, who has shown little enthusiasm so far for tangling with President Xi Jinping over human rights, to use the tools that Congress has placed at his disposal to show Beijing that its transgressions have consequences." However, the Times says "Trump's commitment to using these tools of statecraft to change China's behavior...is uncertain." Yet the Times asserts that "the unanimous, bipartisan support for these bills, and Mr. Trump's signature on them, even if unenthusiastic, are an appropriately direct and clear signal to China that its behavior is contemptible and will have serious consequences."

Washington Post.

"It Seems Nothing Will Stop Trump From Moving Ahead With His Dangerous Fourth Of July Events." The Washington Post (7/1, 14.2M) editorializes, "From the start of the outbreak of the novel coronavirus, President Trump has stubbornly and stupidly refused to follow the advice of health professionals." He has refused to wear a mask, "thumbed his nose at social distancing," and "now, as much of the country wisely cancels or scales back Fourth of July celebrations to protect people's health, Mr. Trump is ploughing full steam ahead with not just one – but two – massive events." The Post says "nothing – not health experts' concerns about large gatherings, not alarming spikes in recent days in virus case levels, not pleas from worried D.C. and Washington-area officials – gives pause to Mr. Trump about going ahead with these potentially dangerous events."

"China Has Just Broken Its Solemn Promise To Hong Kong." The Washington Post (7/1, 14.2M) editorializes "Hong Kong as it has been known – a bastion of free speech and rule of law, an autonomous, glittering capital of capitalism – has been smothered" after China's imposition of its new national security law. In doing so, "China has broken its promise to Britain on the handover of Hong Kong in 1997 to preserve the concept of 'one country, two systems' for 50 years." The development "makes it even more imperative for the West to stand by the vibrant democracy of Taiwan."

"Its Director May Now Be Subject To Political Winds, But The CFPB Is Here To Stay." The Washington Post (7/1, 14.2M) says in a editorial that the CFPB emerged from a Supreme Court challenge to its constitutionality "with its authority to regulate payday lending, debt collection, mortgages and other pocketbook issues intact." While the agency's leadership "is now somewhat more subject to the winds of politics," the Post says this is "not the end of the world in practical terms." The High Court's ruling "opens the way" for Joe Biden, "if elected in November, to fire and replace the acting CFPB director President Trump installed in 2018."

Wall Street Journal.

"The Meaning Of Hong Kong." The Wall Street Journal (7/1, Subscription Publication, 7.57M) editorializes the world should be alarmed at China's imposition of its national-security law on Hong Kong because it shows that China's Communist leaders aren't afraid to violate international commitments. The Journal urges the US to accept Hong Kong refugees and warns governments around the world not to trust Beijing's promises.

"Sheldon Whitehouse's Favors." In an editorial, the Wall Street Journal (7/1, Subscription Publication, 7.57M) draws attention to the relationship between Sen. Sheldon Whitehouse (D-RI) and a green energy company that gives rise to questions about corruption. Top executives of Providence-based Utilidata in 2015 contributed to Whitehouse's Senate campaign, then, in 2016, Utilidata was represented in a roundtable co-hosted by Whitehouse with then-Energy Secretary Ernest Moniz on clean energy.

"The Green New Deal In Action." In an editorial, the Wall Street Journal (7/1, Subscription Publication, 7.57M) criticizes House Democrats for passing a $1.5 trillion infrastructure spending bill on Wednesday that contains Green New Deal subsidies. The Journal points out that the package does not include a Republican amendment that would have required certification that child labor is not used in the supply chain used to produce electric vehicle batteries.

"Hotel San Francisco." In an editorial, the Wall Street Journal (7/1, Subscription Publication, 7.57M) highlights a pair of lawsuits against San Francisco, which it says illustrate the deterioration of public order in the city. The lawsuits take aim at the city's lax policies regarding the homeless population and drug use during the pandemic.

The Big Picture

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Headlines From Today's Front Pages.

Wall Street Journal:

FAA's Handling Of Boeing 737 MAX Issues Faulted In Transportation Department Review
Hong Kong Police Quickly Enforce China's Security Law As Thousands Protest
Inside Moderna: The Covid Vaccine Front-Runner With No Track Record And An Unsparing CEO
Who Is The Mystery Shopper Leaving Behind Thousands Of Online Shopping Carts?
How Success Against The Coronavirus Turned To Crisis In California

New York Times:

Trump's New Russia Problem: Unread Intelligence And Missing Strategy
Late Action On Virus Prompts Fears Over Safety Of US Diplomats In Saudi Arabia
Why Surviving The Virus Might Come Down To Which Hospital Admits You
In Hong Kong, Arrests And Fear Mark First Day Of New Security Law
Meet The Supporters Trump Has Lost
City That Once Guided A Nation Now Shows Its Cracks

Washington Post:

Minneapolis Looked Progressive, But Prosperity Left Blacks Behind
Hunt For Biden Tapes Suggests New Foreign Effort
Demand Strains Testing Capacity As Infections Soar
Studies On Organs Of The Virus's Dead Are Revealing Clues To Help The Living
White House Won't Retaliate Over Kremlin Bounty Reports
Stonewall Jackson Statue Is Removed In Richmond

Financial Times:

HK Begins Crackdown Despite Foreign Condemnation
Europe Outperforms Wall Street As Investors Look Across The Atlantic
Tesla Overtakes Toyota To Become World's Most Valuable Carmaker

Washington Times:

Trump Veto Threat Falls Flat As Anti-Confederate Campaign Gains Steam
Misguided 'Defund Police' Movement Undercuts Effort To Change Culture, Experts Warn
Seattle Police Reclaim Autonomous Zone After Wave Of Violence, Two Deaths
'Terrorist Sanctuaries': Pentagon Warns Of Taliban Cooperation With Al Qaeda
DC Sued Over Black Lives Matter Painted On City Streets
'Help Is On The Way': Pence Pledges Aid As COVID Crisis Sweeps Arizona

Story Lineup From Last Night's Network News:

ABC: Coronavirus-Rising Cases; Coronavirus-Vaccine; Trump-Masks; Trump-BLM; Trump-Russian Bounties; Texas-Disappearance of Army Soldier; Colorado-Elijah McClain Investigation; Seattle-CHOP; NYPD Budget Cut; Statues Removed; Mississippi-State Flag; Severe Weather; Brooklyn-Building Collapse; Coronavirus-Mask Effectiveness; California-Bride Rescued By Lifeguards; New York-Community Celebrates UPS Worker.
CBS: Coronavirus-California; Coronavirus-Texas; Trump-Masks; Trump-Russian Bounties; Trump-BLM; Seattle-CHOP; Coronavirus-Airlines; Texas-Disappearance of Army Soldier; Severe Weather; Hong Kong-Protests; Florida-12 Year Old Singer Opens BET Awards.
NBC: Coronavirus-Rising Cases; Coronavirus-Vaccine; Coronavirus-Transmission; Trump-Masks; Trump-Russian Bounties; Seattle-CHOP; Colorado-Elijah McClain Investigation; Harvey Weinstein-Settlement; Online Scam; Teens Write Letter To Elderly To Help With Loneliness.

Network TV At A Glance:

Coronavirus – 22 minutes, 5 seconds
Trump-Masks – 5 minutes, 5 seconds
Trump-Russian Bounties – 4 minutes, 45 seconds
Seattle-CHOP – 3 minutes, 35 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Coronavirus-Testing Kits; Coronavirus-Rising Cases; Trump-Masks; Seattle-CHOP.
CBS: Coronavirus-Rising Cases; House-Infrastructure Bill; Trump-Russian Bounties; Texas-Disappearance of Army Soldier; Statues

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Removed.

FOX: Coronavirus-Rising Cases; Coronavirus-Arizona; Coronavirus-Mississippi; Tesla-Threatening To Fire Workers Afraid To Return.

NPR: Coronavirus-Testing Campaign; Coronavirus-Rising Cases; Congress-Loans To Small Businesses; Boeing-737 MAX.

Last Laughs

Late Night Political Humor.

All late-night talk shows were in re-run.

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks at Spirit of America Showcase
- Vice President Pence — No public schedule released

***US Senate*:**

• Senate Judiciary Committee Executive Business Meeting – Executive Business Meeting, with agenda including nominations of John Holcomb to be U.S. District Judge for the Central District of California, Brett Ludwig to be U.S. District Judge for the Eastern District of Wisconsin, R. Shireen Matthews and Todd Wallace Robinson to be U.S. District Judges for the Southern District of California, and Christy Criswell Wiegand to be U.S. District Judge for the Western District of Pennsylvania; and 'S. 3398, EARN IT Act of 2020'

Location: Rm 325, Russell Senate Office Building, Washington, DC; 10:00 AM

• NIH and CDC heads testify to Senate Appropriations subcommittee on Operation Warp Speed – Labor, Health and Human Services, Education, and Related Agencies Subcommittee hearing on 'Review of Operation Warp Speed: Researching, Manufacturing, & Distributing a Safe & Effective Coronavirus Vaccine', with testimony from National Institutes of Health Director Dr Francis Collins; CDC Director Dr Robert Redfield; and Biomedical Advanced Research and Development Authority Acting Director and Acting Deputy Assistant Secretary of Health and Human Services for Preparedness and Response Dr Gary Disbrow * Committee follows guidelines developed to protect the health of Members, witnesses, staff, and the public, including maintaining six-foot social distance spacing in the hearing room

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Helsinki Commission online hearing on human rights and U.S. leadership – Helsinki Commission online hearing on 'Human Rights at Home: Implications for U.S. Leadership' on U.S. human rights commitments and implications for U.S. leadership in foreign policy, with former U.S. Permanent Representative to the OSCE Ian Kelly, and Swedish MP and PACE Special Rapporteur on Racism Mamadou Malcom Jallow; *11:00 AM*

• Closed Briefing: Intelligence Matters

Location: CVC 217, U.S. Capitol Visitor Center, Washington, DC; 11:30 AM

• Senate breaks for Independence Day State Work Period

***US House*:**

• House Foreign Affairs Committee hearing on firing of State Department IG – Hearing on 'Why did the Trump Administration Fire the State Department Inspector General?', with testimony from Under Secretary of State for Management Brian Bulatao * State Department Inspector General Steve Linick was fired 15 May after President Donald Trump said he no longer had the 'fullest confidence' in him * Hybrid hearing, held via Cisco Webex and in Rm, 2172 Rayburn House Office Building; *9:00 AM*

• House Small Business subcommittee hearing on supply chain resiliency – Economic Growth, Tax, and Capital Access Subcommittee hearing on 'Supply Chain Resiliency', with testimony from Cornell University Professor of Trade Policy / Brookings Institution Senior Fellow Dr Eswar Prasad; Lynn Medical Instrumentation Company co-owner and Vice President Christine Fagnani; Kitsbow Cycling Apparel CEO David Billstrom; and RL Hudson COO and Vice President of Supply Chain Sheila Lawson * Members who wish to participate remotely may do so via Cisco Webex

Location: Rm 2360, Rayburn House Office Building, Washington, DC; 9:00 AM

• House Select Subcommittee on the Coronavirus Crisis hybrid hearing – Hybrid in-person/remote hearing on 'The Administration's Efforts to Procure, Stockpile, and Distribute Critical Supplies', with testimony from Joint Chiefs of Staff Supply Chain Stabilization Task

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Force Vice Director of Logistics Rear Adm. John Polowczyk; Assistant Secretary of Health and Human Services for Health Adm. Brett Giroir; and Assistant Secretary of Defense for Acquisition Kevin Fahey * In-person hearing held in Rm 2154, Rayburn House Office Building; *9:00 AM*

- Helsinki Commission online hearing on human rights and U.S. leadership – Helsinki Commission online hearing on 'Human Rights at Home: Implications for U.S. Leadership' on U.S. human rights commitments and implications for U.S. leadership in foreign policy, with former U.S. Permanent Representative to the OSCE Ian Kelly, and Swedish MP and PACE Special Rapporteur on Racism Mamadou Malcom Jallow; *11:00 AM*
- No votes in the House of Representatives

Cabinet Officers:

- No public schedules released

Visitors:

- No visitors scheduled

This Town:

- U.S. Supreme Court releases an order list; *9:30 AM*
- CBO releases 'An Update to the Economic Outlook: 2020 to 2030' – Congressional Budget Office releases 'An Update to the Economic Outlook: 2020 to 2030' – the agency's first complete set of 10-year economic projections since January, updating the interim projections published in May – online; *2:00 PM*
- National Guard Bureau chief speaks on Brookings online event – 'The National Guard in the era of COVID-19' Brookings Institution online discussion, with National Guard Bureau Chief Gen. Joseph Lengyel discussing 'its visibility and direct impact on local communities' during the coronavirus (COVID-19) pandemic; *2:00 PM*
- President's Commission on Law Enforcement and Administration of Justice hearing – Presidential Commission on Law Enforcement and the Administration of Justice holds hearing on 'Community Engagement and Respect for Law Enforcement', via teleconference – part of a series on accreditation and community engagement – featuring Game Changer founder Sean Sheppard, and Los Angeles Police Department Director of Police Training and Education Dr Luann Pannell; *2:00 PM*

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To: Treasury@BulletinIntelligence.com[Treasury@BulletinIntelligence.com]
From: Bulletin Intelligence[Treasury@BulletinIntelligence.com]
Sent: Tue 6/30/2020 9:57:52 AM (UTC)
Subject: [EXTERNAL] Treasury News Briefing for Tuesday, June 30, 2020

iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, JUNE 30, 2020 6:00 AM EDT

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• Commentary: GAO Report Criticizes SBA's Handling Of PPP Loans, Belies Lack Of Coordination.
• AP Report: Over $140B In PPP Funds Unclaimed As Deadline Approaches.

Leading National News

• White House Says Trump Was Not Briefed On Russian Bounty Intelligence.
• Kudlow: US Economy Headed For V-Shaped Recovery.
• Pelosi And Schumer Demand McConnell Begin Talks On Additional Emergency Spending.
• Banks Pull Back On Consumer Lending Amid Difficulties In Determining Creditworthiness.
• Amazon To Pay $500M In Bonuses For Frontline Workers.
• Supreme Court Asks Administration To Offer Input On PennEast Pipeline Lawsuit.
• Trump Retweets Video Of Gun-Carrying Couple Warning Off Trespassers.
• Trump Criticizes Princeton For Distancing Itself From Woodrow Wilson.
• McEnany Calls Questioning If Trump Is Glad South Lost Civil War "Absolutely Absurd."
• WPost Says Trump Was Wrong: Only 17 Of 20 Most Violent Cities Are Run By Democrats.
• Officers Charged In Floyd Death Appear In Court.
• New Initiative Underway To Address Racial Bias In Military.
• Defense Bill Expected To Include Timeline For Renaming Bases Named After Confederates.
• Student Makes First Court Appearance On Charges Of Trying To Damage Jackson Statue.
• Reeves Will Sign Bill To Alter Mississippi Flag.
• De Blasio Agrees To Cut $1B From NYPD Budget.
• Los Angeles CEO Proposes Cutting Police Budget.
• Teenager Killed, Another One Critically Wounded In Latest CHOP Shooting.
• Prosecutor Says Virginia Police Officer May Have Made Racially Motivated Traffic Stops.
• WPost Editor Deletes Tweet Suggesting "Revenge" Against White Women.
• Coronavirus Surging Across More Than Half The Nation.
• Administration Secures 500K Doses Of Remdesivir.
• Fauci Calls Large Crowds In Close Proximity "A Recipe For Disaster."
• Jacksonville, Site Of GOP Convention, Mandates Wearing Of Masks.
• Poll: Many Americans, Especially Republicans, Say Pandemic Has Been Overblown By Media.
• Republican Leaders Urge Americans To Wear Masks.
• Johns Hopkins Tracker Team Call Attention To Virus' Impact On Minority Communities.
• Report: Trump Was "Ill-Prepared," "Delusional" In Calls With Foreign Leaders.
• Barr Focusing On "Media Overkill" Of Russia Probe.
• Schiff Says Republicans Are Boycotting Intel Committee Briefings.
• Democrats' Proposal Would Strengthen Congress' Inherent Contempt Power.
• Pavlich: Biden Should Be Held Accountable For His False Statements On Flynn Probe.
• High Court Declines To Hear Challenge To Border Wall Construction.
• Biden Tells Donors He Will Eliminate Most Of Trump's Tax Cuts.
• WSJournal Criticizes Vacation Tax Credit Proposal.
• House Set To Approve ACA Expansion Bill Trump Has Threatened To Veto.
• Wyden Ends Partnership With Grassley On Prescription Drug Pricing Bill.
• Oklahomans Set Vote On Expanding Medicaid.
• Supreme Court Declines To Block Pending Federal Executions.
• American Academy Of Pediatrics Says Schools Should Aim To Reopen.
• Pandemic Driving Down Cost Of College For Some Families.
• Justices: CFPB Is Constitutional, But Director Can Be Fired By President.
• House Democrats Want USAID Political Appointee To Be Fired Over Islamophobic Statements.
• Bedard: McEnany Draws Ire For Pushing Back Against Media.
• Trump Jr. Seen At Maskless Party In The Hamptons.
• WPost Analysis: Opioid Epidemic Hit Native Americans Hard From 2006 To 2014.
• Roberts Joins With Liberal Justices To Strike Down Law Limiting Access To Abortions.
• Reddit Shuts Down Pro-Trump Forum, Twitch Suspends Official Trump Channel.
• Democrats Eye Filibuster Reform If They Win Senate Control.
• Grassley Criticizes Hannity For Not Following Up With Trump On Second-Term Agenda Questions.
• Trump Tweets He's "Getting VERY GOOD Internal Polling Numbers."

Archive Copy

• Georgia Poll: Biden Leads Trump 49%-45%; Senate Race Tight.
• CNBC Report: Trump Camp Reserves Over $16M In Swing-State TV Ads.
• NYTimes Analysis: Trump Has Wooed GOP Base At Expense Of Appealing To Swing Voters.
• Rasmussen Poll: 38% Of Americans Think Biden Has Dementia.
• Trump Touts His Record Of Endorsing Winning Candidates In Congressional Special Elections.
• Despite Stumbles, Hickenlooper A Big Favorite In Tuesday's Colorado Democratic Senate Primary.
• Huntsman In Tight GOP Utah Gubernatorial Primary Tuesday.
• NBC Examines States' Readiness To Expand Mail-In Voting.
• Judge Rejects Administration Bid To Hold Palestinian Man Who Completed Prison Term.
• RCP Average Has Trump's Job Approval At 41.2%.

Financial International News

• IMF Official: G20 Debt Relief Program Needs Private Sector Buy-In, Year-End Extension.
• EU Considers Giving Regulators More Power To Help Troubled Banks.
• German Parliament Moves Toward Agreement Backing ECB On QE Moves.
• IMF Says South Africa Talks On $4.2B Loan Proceeding At "Measured Pace."
• Second Senior Lebanese Finance Official Steps Down Amid Crisis.
• Argentina Debt Talks "Only A Whisker Apart" On Valuation, Yet "Legal Wrangles" Remain.

Leading International News

• WHO Team To Travel To China To Study Pandemic's Origin.
• EU Moving Toward Finalizing List Of Countries Whose Residents May Enter.
• Pearl's Killer Could Be Released This Week.
• Separatists Attack Karachi Stock Exchange.
• Macron Blasts Russia For Sending Mercenaries To Libya.
• Iran Asks Interpol To Assist In Arresting Trump Over Soleimani Killing.
• After Iranian Missile Facility Explodes, Conspiracy Theories Take Flight In Tehran.
• Mortar Strikes Kill At Least 20 Civilians In Afghanistan.
• NYTimes Profiles Young Afghan Activist Killed In Explosion Targeting Civilians.
• SCOTUS Upholds Rule Requiring Overseas Recipients Of AIDS Funding To Pledge To Oppose Prostitution.
• Lawyers Urge Trump To Rescind Sanctions Against ICC Members.
• US Curbs High-Tech Exports To Hong Kong In Response To China's National Security Law.
• India Bans Dozens Of Chinese Apps Following Border Clash.
• EU Extends Sanctions On Russia Over Ukraine.
• Johnson: UK Take "Rooseveltian Approach" To Stimulus Spending.
• Japan Expresses Opposition To Trump's Push To Include South Korea In G-7 Summit.
• Israeli Official Says Annexation May Get Pushed Back.
• Mexican President To Fly Commercial When He Visits US Next Week.
• Cuba Urges Citizens To Grow More Of Their Own Food As It Faces Looming Crisis.

Housing

• Donna Corley Named Head Of Freddie Mac Single-Family.
• FHFA Extends GSE Multifamily Forbearance Period For Three More Months.
• MBA: GSE Forbearance Rate Falls As Ginnie's Stays Flat.
• CFPB Research Shows Black Americans Still Struggle To Get Mortgages.
• PACE Improvement Loans Become Harder To Pay During Coronavirus Pandemic.
• Fannie Mae Survey Highlights Lenders' Top Pandemic-Related Challenges.
• NAR: Pending Home Sales Surged 44% In May, Far Exceeding Expectations.
• Redfin: Affordable Segment Of Housing Market Continues Seeing Price Growth.
• Analysis: Appraisal Waivers Could Make Refinancing Cheaper.

Markets

• 10-Year Yield Falls.
• Dollar Holds Steady.
• Gold Remains Near Eight-Year High.
• Oil Falls.

Cybersecurity

• FBI Warns Of Potential Increase In School Cyber Attacks.
• Nigerian Instagram Star Busted In $431 Million Cyber Scam.
• CISA Chief Discusses Efforts To Protect Health Sector During COVID-19 Crisis.
• Hackers Extorted $1.14M From University of California San Francisco.
• Op-Ed: Effective Communication Steps State And City Governments Can Take To Better Manage Cybercrimes.
• Cyberspace Solarium Committee-Related Amendments On Deck In NDAA Debate.
• Australia To Invest Nearly $1B In Cybersecurity.
• The Senate Seeks Answers About DISA's Network Security System.
• New Mexico State University Investigates Cyberattack On University Foundation.
• US Interest In OpenRAN Growing As A Potential Alternative To Huawei's Networking Equipment.
• Former NSA Chief Michael Rogers Talks About Cybersecurity.

Federal Reserve

• Fed Announces Opening Of Primary Corporate Credit Facility.
• Fed's Main Street Program Off To Slow Start, "Pretty Convoluted" For Business Owners.
• Powell Says Fed Will Keep Rates Low As Economy Faces Heightened Uncertainty.
• Daly: More Shutdowns A Threat To Economic Recovery.

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Office of the Comptroller of the Currency
• House Passes Resolution To Overturn OCC's CRA Rewrite.
• OCC: COVID-19 Elevated Risks To Banks' Profitability, Compliance.
• Justices Decline To Hear Attorney's Fight With OCC.
• Volcker Rule Changes Allow CLOs To Buy More Than Leveraged Loans.
• Wells Fargo Cuts Dividend Under Fed Capital Demands.
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Treasury in the News

Treasury Declines To Extend Tax Deadline Beyond July 15.

Politico (6/29, Faler, 4.29M) reports the Treasury Department "announced Monday that it will not be moving the tax-filing deadline for a second time, despite some pressure to do so because of the coronavirus pandemic." Following its consideration of an additional postponement, Treasury "said...that it is sticking with the current July 15 deadline, and that people who need more time can ask for a normal extension that would give them until mid-October to complete their returns." Treasury Secretary Steven Mnuchin said in a statement, "After consulting with various external stakeholders, we have decided to have taxpayers request an extension if more time is needed." Politico says Treasury's announcement "is sure to please many and disappoint others, all of whom had been anxiously awaiting the agency's decision after Mnuchin said last week he was considering an additional delay."

Fox Business (6/29, De Lea, 1.73M) reports Mnuchin said, "We are pleased that over 130 million taxpayers have filed returns and over 93 million refunds have been issued. ... I would encourage Americans to file their taxes as soon as possible, so those who are due refunds can receive them quickly."

The Wall Street Journal (6/29, Saunders, Subscription Publication, 7.57M), Law360 (6/29, Rosenberg, Subscription Publication, 8K), USA Today (6/29, Rivera, 10.31M), and Reuters (6/29, Beech) also report.

Advocate Says IRS Has 20M Backlog Of Notices To Mail, Leading To Taxpayer Confusion. Fox Business (6/29, De Lea, 1.73M) reports, "Millions of taxpayers are receiving outdated correspondence from the IRS, which may send people into a panic due to expired response dates." National Taxpayer Advocate Erin Collins "wrote in a report released Monday that the coronavirus-related closure of notice production centers led to a backlog of 20 million letters that needed to be mailed." Collins wrote, "While the IRS is providing additional time for payment (July 10, 2020 or July 15, 2020), it will still lead to widespread taxpayer confusion about deadlines to take certain actions."

MarketWatch (6/29, Keshner, 1.67M) also reports.

EU Finance Ministers Write Mnuchin Suggesting Phased Approach To Digital Tax.

Behind a paywall, Law360 (6/29, Subscription Publication, 8K) reports finance ministers from France, Spain, Italy, and the UK wrote to Treasury Secretary Steven Mnuchin "saying that threats by the U.S. to impose tariffs in response to national tax policies of other countries could damage good relationships between allies." In the letter, seen by Law360 on Monday, the ministers "suggest that a phased approach to the more effective taxation of digital giants, which initially focuses on automated digital services, could be the key to unlocking an agreement among 137 jurisdictions, including the U.S., that are negotiating a fundamental rethinking of the rules for taxing multinationals."

WPost Report: Mnuchin Deputy's Departure Signals "Exodus" From Trump's Economic Team.

The Washington Post (6/29, Stein, 14.2M) reports the Trump Administration "is facing an exodus of at least a half-dozen senior economic officials even as the economy remains trapped in one of the most turbulent periods in decades." A top deputy of Treasury Secretary Steven Mnuchin, Bimal Patel, "is departing the administration, according to three people familiar with the matter who spoke on the condition of anonymity to discuss internal matters. Patel, who will leave at the end of this week, has played a key role in overseeing the administration's $500 billion small-business rescue program and helps lead Treasury's efforts related to the banking system." However, NEC Director Larry Kudlow "said news of the administration's economic departures amounted to 'gossip' and that The Washington Post's reporting about the departures were 'inaccurate.'" Kudlow said, "Not only do we have a solid staff, Steve Mnuchin is still at Treasury; I'm still at the NEC; we can call Kevin Hassett whenever we want. ... CEA staff is doing a great job under Tyler Goodbody."

Commentary: GAO Report Criticizes SBA's Handling Of PPP Loans, Belies Lack Of Coordination.

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In a column for Bloomberg Opinion (6/29), Timothy L. O'Brien and Nir Kaissar write, "Last week, the Government Accountability Office issued the first comprehensive analysis of how trillions of dollars of taxpayer money is being spent to protect Americans, the economy and public services from the ravages of Covid-19. Its broad conclusions aren't reassuring." The "problems and recommendations the GAO lays out expose a...fundamental issue: The rescue effort needs a unifying framework that would allow it to be more easily administered, documented and reported to taxpayers." However, "as the GAO lays bare, the bailout is a patchwork of programs run by far-flung federal agencies that don't seem to communicate with one another very effectively." Although Treasury Secretary Steven Mnuchin "is meant to be a primary coordinating force in the bailout effort, there is not much coordination on display in the GAO report."

Also reporting is the American Spectator (6/29, Jiang, 160K).

AP Report: Over $140B In PPP Funds Unclaimed As Deadline Approaches.

The AP (6/29, Rosenberg) reports, "Billions of dollars offered by Congress as a lifeline to small businesses struggling to survive the pandemic are about to be left on the table when a key government program stops accepting applications for loans." The SBA as of Friday "had approved more than 4.7 million loans worth nearly $518 billion" under the PPP program. However, "more than $140 billion in loan money remained unclaimed out of $659 billion allocated by Congress." The PPP's "biggest appeal was its promise that loans would be forgiven, but confusion abounded about requirements owners had to meet to get that forgiveness." However, "Those requirements and information about the program kept changing: Between March 31 and June 15, the SBA issued 35 changes to program rules and its frequently asked questions," according to a GAO report issued last week. "It was not until May 22, seven weeks after the program began, that the SBA and the Treasury Department released the first instructions and applications for loan forgiveness."

Leading National News

White House Says Trump Was Not Briefed On Russian Bounty Intelligence.

On ABC World News Tonight (6/29, story 9, 2:04, 7.78M), Tom Llamas reported President Trump is "pushing back against an explosive report accusing Russia of paying bounties to Taliban fighters for killing US troops in Afghanistan." Trump is "insisting he was never briefed." White House Press Secretary Kayleigh McEnany: "Neither the President nor the Vice President were briefed on the alleged Russian bounty intelligence." ABC's Martha Raddatz: "Reporters then asking, 'Why not?'" McEnany: "There was not a consensus among the intelligence community. In fact, there were dissenting opinions within the intelligence community, and it would not be elevated to the President until it was verified."

The CBS Evening News (6/29, story 4, 2:33, Garrett, 4.6M) similarly reported, "The White House is insisting President Trump was never briefed on reports of a Russian plot to target Americans in Afghanistan." CBS' Weijia Jiang: "CBS News has learned the intelligence community knew about the allegations, and that while the CIA believed them to be legitimate, the National Security Agency questioned their validity. The White House says that's why President Trump did not hear about the assessment." Keir Simmons reported on NBC Nightly News (6/29, story 5, 1:51, Holt, 6.78M), "Officials familiar with the intelligence tell NBC News that the US gathered information showing that Russian operatives offered bounties to the Taliban. One official saying American service members and Afghan civilians died as a result – though other officials tell us the intelligence was uncorroborated."

Appearing on Fox News' Fox & Friends (6/29, 831K), McEnany said, "This President has been very tough on Russia, sanctioning innumerable Russian targets, closing Russian consulates." McEnany said the Russian bounty report is "based on anonymous sourcing that was just dead wrong." The AP (6/29, Miller, Laporta, Riechmann) reports McEnany "asserted that intelligence 'would not be elevated to the president until it was verified.'" The Washington Post (6/29, Wagner, Nakashima, 14.2M) reports the President "said late Sunday that he was not told of intelligence that a Russian military spy unit offered bounties to Taliban-linked militants to attack coalition forces in Afghanistan, including U.S. troops, because U.S. intelligence officials did not find it credible."

Politico (6/29, Oprysko, 4.29M) says McEnany's "insistence about the lack of 'consensus' on Monday contradicted the president," who said in his tweet that intelligence officials had concluded the information was not credible. The Hill (6/29, Samuels, Chalfant, 2.98M) says McEnany "sidestepped questions about reports that Russia offered bounties," while Townhall (6/29, Pavlich, 177K) reports McEnany called on the Times "to 'give back their Pulitzers' after getting another story wrong on Russia."

The New York Post (6/29, Bowden, 4.57M) reports some intelligence officials say the New York Times report "about Russia paying the Taliban to kill US troops in Afghanistan does not match 'verifiable' Taliban activity and was never presented to President Trump because it was not deemed credible." CBS' Catherine Herridge tweeted, "An intelligence official with direct knowledge tells CBS News there was an intel collection report and 'NSA assesses Report does not match well established and verifiable Taliban and Haqqani practices' + 'lack sufficient reporting to corroborate any links.' The official said the intelligence collection report reached 'low levels' NSC but did not go further, not briefed POTUS, or VP because it was deemed 'uncorroborated' and 'dissent intelligence community.'" The Daily Caller (6/29, Kruta, 716K) covers Herridge's tweet.

USA Today (6/29, Subramanian, Collins, 10.31M) reports McEnany told reporters the White House "briefed members of Congress over the intelligence reports Monday. ... McEnany declined to say who attended the administration's briefing," but said Chief of Staff Meadows had asked Senate Majority Leader McConnell and House Majority Leader Hoyer "to extend a bipartisan invitation to eight members of relevant committees." The Wall Street Journal (6/29, Lubold, Subscription Publication, 7.57M) reports House Minority Leader McCarthy and Reps. Liz Cheney (R-WY) and Michael McCaul (R-TX) were among those briefed, according to sources. The Journal could not be determine if any

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Democrats had been briefed. The Washington Times (6/29, Boyer, 492K) adds Reps. Adam Kinzinger (R-IL) and Mac Thornberry (R-TX) to the list of those who were briefed.

Politico (6/29, Cheney, Ferris, 4.29M) reports, "Republican-only attendees of Monday's briefing began characterizing the intelligence and defending Trump over allegations he let the bounty allegations languish for months without action." In another report, Politico (6/29, Desiderio, Levine, 4.29M) says Senate Republicans "made clear on Monday that they will press the White House for answers about the intelligence assessments, and GOP senators pushed [Trump] to exact severe punishments on the Kremlin if the claims are true – even as the president asserts that he was never briefed on the matter."

CQ Roll Call (6/29, Donnelly, 154K) reports House Armed Services Chairman Adam Smith and Thornberry, the ranking member of the committee, "have pressed the Pentagon for a briefing by Tuesday." In addition, the New York Times (6/29, A1, Savage, Schmitt, Fandos, Goldman, 18.61M) reports House Speaker Pelosi and Senate Minority Leader Schumer on Monday "each requested that all lawmakers be briefed on the matter and for C.I.A. and other intelligence officials to explain how President Trump was informed of intelligence collected about the plot." The Washington Times (6/29, Meier, 492K) reports Pelosi said, "Congress and the country need answers now. I therefore request an interagency brief for all House Members immediately."

House Intelligence Chairman Adam Schiff said on CNN's Situation Room (6/29, 1.91M), "We also want to look into this issue of whether the President was briefed on this, and if he was not briefed, why that was. Is this again a concern with speaking truth to power, that Donald Trump doesn't want to hear anything negative about Vladimir Putin." Pelosi said on CNN's The Lead (6/29, 1.68M) that the intelligence is "shocking" and "it would be my hope it isn't true. But it seems clear that the intelligence is real. The question is whether the President was briefed. If he was not briefed, why would he not be briefed? Were they afraid to approach him on the subject of Russia, and were they concerned if they did tell him, that he would tell Putin?"

The Washington Post (6/29, Board, 14.2M) says in an editorial that Trump's "reaction in recent days – that he wasn't told, that it is a hoax – has been utterly inadequate. ... Rather than address the highly disturbing news itself," Trump offered "distractions and denials. ... The intelligence reports, if true, demand a serious response. With Mr. Trump once again immobilized in the face of Russian provocation, Congress will have to step up."

Ratcliffe Says "Alleged Interference" Under Investigation. Axios (6/29, Falconer, 521K) reports DNI Ratcliffe "issued a statement Monday night after leading Republicans and Democrats demanded answers following reports that intel alleged Russian operatives placed bounties on U.S. troops, calling the leaking of sensitive information a 'crime.'" Ratcliffe said, "We are still investigating the alleged interference referenced in media reporting and we will brief the President and Congressional leaders at the appropriate time. ... Unfortunately, the unauthorized disclosures now jeopardize our ability to find out the full story with respect to these allegations."

CNN Report: Intel Was Included In President's Daily Brief "Sometime In The Spring." CNN (6/29, Starr, Leblanc, 83.16M) reports on its website that "the intelligence that assessed there was an effort by a Russian military intelligence unit to pay the Taliban to kill US soldiers" was included in one of Trump's "daily briefings on intelligence matters sometime in the spring, according to a US official with direct knowledge of the latest information. ... Trump is not known to fully or regularly read the President's Daily Brief, something that is well-known within the White House."

The New York Times (6/29, A1, Savage, Schmitt, Fandos, Goldman, 18.61M) reports, "A description of the intelligence assessment that the Russian unit had carried out the bounties plot was also seen as serious and solid enough to disseminate more broadly across the intelligence community in a May 4 article in the C.I.A.'s World Intelligence Review," according to two sources.

Mother Of Marine Killed In Afghanistan Seeks Investigation. CNBC (6/29, Mangan, 3.62M) reports on its website, "The mother of a Marine killed last year in Afghanistan said Monday that she wants a thorough investigation of reports that her son and two other Marines may have been the targets" of Taliban-linked fighters who collected a Russian bounty. Felicia Arculeo, "whose son Cpl. Robert Hendriks died in the April 8, 2019, attack, also told CNBC 'that the parties who are responsible should be held accountable, if that's even possible.'"

Kudlow: US Economy Headed For V-Shaped Recovery.

Reuters (6/29, Ahmann) reports, "The US economy still appears headed for a 'V'-shaped recovery despite some setbacks in efforts to reopen state economies that had been shuttered for the coronavirus, a top White House adviser said on Monday." NEC Director Kudlow told CNBC, "At the moment, the story looks very good. We're set for a V-shaped recovery. ... Might it change? Yes, it might and we'll be looking very, very carefully at this."

Pelosi And Schumer Demand McConnell Begin Talks On Additional Emergency Spending.

Politico (6/29, Levine, Ferris, 4.29M) reports that on Monday, House Speaker Pelosi and Senate Minority Leader Schumer "reiterated their demands for Senate Republicans to immediately take up additional coronavirus relief." In a letter to Senate Majority Leader McConnell, Schumer and Pelosi "called the GOP 'missing in action,' noting that the House passed its own massive relief package 45 days ago." Politico says the House legislation "included over $3 trillion in aid for states and local governments, hospitals and front-line workers." According to Politico, McConnell "has dismissed the House bill as nothing more than a Democratic wish list," and "signaled the Senate will not consider coronavirus relief until after the chamber's two-week July 4 recess."

The Washington Post (6/29, Werner, 14.2M) reports that the White House and Senate Republicans "have been eyeing late July as the timeframe for putting together another coronavirus bill." The Post reports that "in response to the Pelosi-Schumer letter, a McConnell

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spokesman pointed to comments McConnell made Friday in Kentucky, when he said: 'In July, we'll take a snapshot of where the country stands, see how the jobs are coming back, see where we think we are." The Post adds, "Meanwhile, some critical deadlines are approaching when relief measures will expire. Enhanced unemployment benefits passed as part of the $2 trillion Cares Act in March will expire on July 31," and the Paycheck Protection Program "will stop accepting new loan applications on Tuesday, even though about $100 billion is left in the program."

Reuters (6/29, Marte, Saphir) also notes that "the $600 supplement Congress added to weekly unemployment benefits is due to expire July 31." According to Reuters, "Without new support, recipients face a substantial loss of income – particularly devastating for those...who worked in hard-hit sectors like hospitality where new jobs are scarce." Reuters adds, "During high unemployment and a still-raging pandemic, the end of enhanced jobless benefits could drag on consumer spending, set off a wave of missed rent and mortgage payments and translate to a slower recovery, economists said."

Gore, Blood: Pandemic Presents Opportunity To Rework Capitalism. In an op-ed for the Wall Street Journal (6/29, Gore, Blood, Subscription Publication, 7.57M), Al Gore and David Blood of Generation Investment Management write that as economies across the country reopen, the US must seize the opportunity to pursue an egalitarian, sustainable model of capitalism. In their view, that means corporate executives who make the welfare of workers a priority, and accelerating the transition to a zero-carbon economy.

Banks Pull Back On Consumer Lending Amid Difficulties In Determining Creditworthiness.

The Wall Street Journal (6/29, Andriotis, Subscription Publication, 7.57M) reports banks have slowed lending to US consumers during the coronavirus crisis, partly due to the increased difficulty in determining the creditworthiness of customers. Millions of Americans have lost their jobs and are behind on their debts, but postponed payments are not being reflected in credit scores.

Amazon To Pay $500M In Bonuses For Frontline Workers.

The Motley Fool (6/29, Hunt, 1.22M) reports Amazon is giving front-line workers one-time bonuses worth $500 million in a show of appreciation for employees continuing working amid the pandemic, the company said Monday. Only employees "who worked throughout the entire month" of June will qualify, "but the number eligible still runs into hundreds of thousands of individuals."

Protesters Set Up Guillotine Outside Home Of Amazon CEO Bezos. The Washington Examiner (6/29, Colton, 448K) reports, "Activists were recorded standing outside of Amazon CEO and founder Jeff Bezos's Washington, D.C., home demanding his company be abolished." Videos posted on social media on Sunday "show a pair of protesters standing next to a guillotine, which gained popularity during the French Revolution to carry out executions." One of the protesters said in the video, "When they become threatened, and we have no voice, the knives come out." A poster at the scene said, "Support our poor communities not our wealthy men."

Supreme Court Asks Administration To Offer Input On PennEast Pipeline Lawsuit.

Axios (6/29, Harder, 521K) reports the Administration is "expected to weigh in on a lawsuit in the next couple of months that questions the legality of eminent domain to build a natural-gas pipeline, following a request from the Supreme Court on Monday." The case "turns conventional political wisdom upside down," and "experts say they expect the administration to be more likely to side with the pipeline and federal government, though the decision is still unknown." The additional review is expected to "delay the high court's consideration of the lawsuit – and thus the project itself – until at least next year."

Trump Retweets Video Of Gun-Carrying Couple Warning Off Trespassers.

Reuters (6/29) reports that on Monday, President Trump "posted a video showing a Missouri couple brandishing guns towards protesters calling for police reforms, again accentuating racial tensions in America." According to Reuters, "Without comment, Trump on Monday retweeted an ABC News video video showing a white couple brandishing guns towards Black and white protesters marching past a St. Louis home."

The AP (6/29) reports that the attorney for the couple "who stood outside their St. Louis mansion and pointed guns at protesters who were marching toward the mayor's home to demand her resignation," indicated on Monday that they "support the Black Lives Matter movement and don't want to become heroes to those who oppose the cause." ABC World News Tonight (6/29, story 8, 0:37, Llamas, 7.78M) reported that St. Louis' top prosecutor "announced that they are investigating, saying, quote, 'We must protect the right to peacefully protest and any attempt to chill it through intimidation or the threat of deadly force will not be tolerated.'" On its website, Fox News (6/29, Rosner, 27.59M) provides similar coverage of the couple.

Kirsten Welker said on NBC Nightly News (6/29, story 4, 1:58, Holt, 6.78M) that Trump "is again stoking tensions on Twitter" by sharing the video, and the New York Times (6/29, Karni, 18.61M) says Trump's "promotion of the St. Louis confrontation was the second time in two days that the president used his social media platforms...to exacerbate racial divisions as Americans have been protesting police brutality and demanding social justice reforms in the wake of the killing of George Floyd." The Times adds that on Sunday Trump "retweeted a video of one of his supporters at a retirement community in Florida yelling 'White power' during what appeared to be an angry clash over the president and race among white residents in the community."

Jonathan Karl reported on ABC World News Tonight (6/29, story 7, 1:29, Llamas, 7.78M), "More than a day after the President

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tweeted video of his supporters that included one yelling 'white power," the White House "has neither condemned the phrase nor the person who said it." White House Press Secretary Kayleigh McEnany: "His point in tweeting out that video was to stand with his supporters who are oftentimes demonized." The Miami Herald (6/29, Neal, 1.09M) reports that the mean heard yelling "White power" in the video "has been outed online" as former Miami-Dade County firefighter Roger Stokes. Stokes' former fire department, "took to Twitter to distance itself" from him.

Trump Criticizes Princeton For Distancing Itself From Woodrow Wilson.

President Trump took to Twitter Monday to write, "Can anyone believe that Princeton just dropped the name of Woodrow Wilson from their highly respected policy center. Now the Do Nothing Democrats want to take off the name John Wayne from an airport. Incredible stupidity!" The Washington Post (6/29, Wagner, 14.2M) reports "Princeton's board of trustees voted last week to remove Wilson's name, saying the late president's segregationist policies a century ago make him an 'especially inappropriate namesake' for a public policy school." The Post adds that Orange County Democrats "passed a resolution last week condemning...Wayne's 'racist and bigoted statements' made decades ago and called on the Orange County Board of Supervisors to remove his name and statue from the international airport in the county."

Politico (6/29, Cohen, 4.29M) says, "Trump's condemnation of Princeton's decision follows his recent defense of American historical figures whose place in society is being reevaluated." According to Politico, "At a rally with college students last week, Trump decried what he called the 'totalitarian' left for wanting to take down monuments to slave owners and Confederate figures."

McEnany Calls Questioning If Trump Is Glad South Lost Civil War "Absolutely Absurd."

The Daily Caller (6/29, Davis, 716K) reports that White House Press Secretary Kayleigh McEnany told Politico reporter Ryan Lizza that his question was "absolutely absurd" after Lizza asked if President Trump "was happy with the outcome of the Civil War." During a White House press briefing, Lizza asked, "Does President Trump believe that it was a good thing that the south lost the Civil War?" McEnany said, "Your first question is absolutely absurd. ... He's proud of the United States of America." Lizza also asked if Trump would ban Confederate flags from his rallies. McEnany "said that was a question for the campaign, but reiterated the administration's opposition to tearing down statues of historical figures." She said, "Americans oppose tearing down our statues. ... [The President] stands on the side of preserving our history."

WPost Says Trump Was Wrong: Only 17 Of 20 Most Violent Cities Are Run By Democrats.

AWR Hawkins writes on Breitbart (6/29, Hawkins, 673K) that the Washington Post says is has disproven President Trump's charge that "the 20 most dangerous cities are Democrat-run" because just "17 of the 20 most violent have Democrat mayors." In an analysis, the Post's Philip Bump "cedes that Trump is only 'slightly wrong' before launching into a discourse on why making this comparison means nothing, anyway." Bump wrote, "It may be the case that cities with more crime are more likely to have Democratic leaders. ... To a large extent, of course, Trump isn't really trying to make a point beyond 'cities and Democrats are scary.'"

On its website, Fox News (6/29, Flood, 27.59M) is also critical of Bump's analysis. Fox News says the Post "was lampooned over the weekend" for running the story. Fox adds that the data "essentially backed up the president's case and the paper ran it anyway."

Officers Charged In Floyd Death Appear In Court.

ABC World News Tonight (6/29, story 6, 1:19, Llamas, 7.4M) reported that the four officers charged in the death of George Floyd appeared in court in Minneapolis on Monday. ABC's Alex Perez reported the judge "admonish[ed] both sides, instructing them to limit pretrial publicity and argue this case in court, not the media. The former officers have not yet entered pleas, but court documents show J. Alexander Kueng intends to plead not guilty, arguing self-defense." The Minneapolis Star Tribune (6/23, Xiong, 1.04M) reports Hennepin County District Judge Peter Cahill said "public commentary on the case has reached inappropriate levels, specifically noting that people aligned with the prosecution are pushing it toward a change of venue."

Gabe Gutierrez reported on NBC Nightly News (6/29, story 3, 2:05, Holt, 6.78M), "Out on bail, two of the former Minneapolis officers stayed silent today as they left their pretrial hearing. Thomas Lane and Alex Kueng were rookie cops, their lawyers have said, and were following the lead of senior officer Derek Chauvin." The Washington Post (6/29, Bailey, Berman, 14.2M) reports Chauvin is charged with second-degree murder, while Kueng, Lane, and Tou Thao are "charged with aiding and abetting Chauvin." A March trial date has been tentatively set.

In the CBS Evening News (6/29, story 5, 1:48, Garrett, 4.6M) report on the hearing, Jamie Yuccas reported, "Floyd's last words of 'I can't breathe' sparked protests worldwide, with many asking for police reform. A recent New York Times study found that over the past decade, 70 people have died in law enforcement custody after saying those same words."

Minneapolis Park Police Say Child Was Sexually Assaulted In No-Police Encampment. The Washington Times (6/29, Chasmar, 492K) reports Minneapolis Park Police "say a child was sexually assaulted overnight Thursday in the ever-growing homeless encampment at Powderhorn Park, where neighbors have vowed not to call law enforcement" in the wake of recent protests. Police are "searching for a suspect accused of sexually assaulting a juvenile in the park. It is not clear whether the child was living in the encampment."

New Initiative Underway To Address Racial Bias In Military.

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The Wall Street Journal (6/29, Youssef, Subscription Publication, 7.57M) reports that a new initiative is underway in the US military to

eliminate discrimination and racial bias. While previous such efforts have failed, defense and military officials say the killing of George Floyd has prompted a conversation about discrimination and top officials have called on African American service members to come forward to describe their experiences.

Defense Bill Expected To Include Timeline For Renaming Bases Named After Confederates.

The Washington Post (6/29, Demirjian, 14.2M) reports that the Senate is "poised to challenge President Trump this week with legislation requiring the military to rename bases bearing the names of Confederate generals, a proposal that is shaping up to be one of the most contentious items in this year's annual defense bill." The bill "from the Republican-led Senate Armed Services Committee included a provision giving the Pentagon three years to come up with new names," while an amendment filed by Sen. Elizabeth Warren (D-MA) and 35 other Senate Democrats last week "would speed up that process, requiring the name changes within a year." The Post adds that "although there is still vocal opposition to removing the Confederate names at all...Republican support for the change suggests that it will survive any challenges," which "could eventually pitch Congress into a showdown with the president over the entire defense bill."

Student Makes First Court Appearance On Charges Of Trying To Damage Jackson Statue.

The Washington Post (6/29, Jackman, 14.2M) reports that 20-year-old George Washington University student Connor Matthew Judd "made his first appearance in federal court on Monday after being charged with attempting to damage a statue of former president Andrew Jackson in Lafayette Square on June 22." In addition to Judd, three other men "were charged with destruction of federal property." They are Lee Michael Cantrell, 47, of Virginia, Ryan Lane, 37, of Maryland, and Graham Lloyd, 37, of Maine. According to authorities "the other three have not yet been apprehended." Judd "appeared in D.C. Superior Court on Saturday, was released and the case transferred to federal court, prosecutors said."

Reeves Will Sign Bill To Alter Mississippi Flag.

ABC World News Tonight (6/29, story 13, 0:19, Llamas, 7.78M) reported Mississippi Gov. Tate Reeves (R) "says he will sign a bill to remove the Confederate emblem from the state flag 'in the coming days.' The state's Republican-led House and Senate vot[ed] in favor of its removal late Sunday night."

In an editorial, the Washington Post (6/29, Board, 14.2M) says the decision to remove the emblem from the flag is "a moment to be celebrated." The Post calls the flag a long-standing "source of controversy" and a "pain to African American residents of the state who saw it as an enduring reminder of white supremacy, terror, lynching and exclusion," but adds that "removing symbols that hurt and inflame is important but of course not enough. Laws, attitudes and practices all need to change to address police brutality, vote suppression and economic inequality," which is "why it is critical for people to get out and vote in November for candidates who will help lead the way."

De Blasio Agrees To Cut $1B From NYPD Budget.

Politico New York (6/29, Durkin) reports that New York City Mayor Bill de Blasio (D) said Monday that he has agreed to cut $1 billion from the NYPD's budget. Politico says "activists and City Council members have been demanding a billion-dollar cut to the police department's roughly $6 billion budget," but de Blasio "initially resisted the push." However, at a press briefing Monday, he confirmed that "he sent a proposal to the Council that included the $1 billion in savings." De Blasio's announcement comes as "local politicians are facing an intense new wave of pressure from protesters demanding police budget cuts as they attempt to balance keeping order in their cities and enacting reforms," Fox News (6/29, Olson, 27.59M) reports on its website.

The New York Times (6/29, Watkins, Kim, 18.61M) reports that New York's City Council will vote on the proposal to cut the NYPD budget next week. In addition, New York's Police Commissioner "said he was disbanding the New York Police Department's notoriously aggressive plainclothes anti-crime units," and the Council "passed a longstanding piece of proposed legislation known as the POST Act, which will require the police department to disclose many of its electronic surveillance tools." However, many protesters believe "there was still more to accomplish. The staying power of the state's early reforms remains to be seen, they said."

Los Angeles CEO Proposes Cutting Police Budget.

Fox News (6/29, McKay, 27.59M) reports on its website that Los Angeles CEO Sachi Hamai "has put forward a proposed budget with recommendations to cut some $145.4 million allocated to local police." Hamai's proposal "recommends the following LASD units be eliminated: Safe Streets Bureau (Gang Enforcement), Parks Bureau, Special Victims Bureau (Sexual/Physical Abuse of Children, Rape, Human Trafficking), Community Partnership Bureau (COPS Team), Fraud and Cybercrimes Bureau, Major Crimes Bureau." The proposal "earned a sharp rebuke from County Sheriff Alex Villanueva over the weekend." Villanueva said, "The budget cuts are targeted specifically to hurt public safety while sparing virtually every other function of county government from any reductions. ... These cuts come at a time when jails were depopulated of over 5,000 inmates in order to combat the COVID-19 pandemic. Now that restrictions are lifting, violent crimes, such as murder, are on the rise across the County. Now is not the time to cut vital law enforcement services, that should be the last thing cut."

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Teenager Killed, Another One Critically Wounded In Latest CHOP Shooting.

The Seattle Times (6/29, Brownstone, Clarridge, 935K) reports "a 16-year-old boy was killed and a 14-year-old boy was wounded early Monday morning when they were shot at 12th Avenue and Pike Street in the protest area known as CHOP, in Seattle's Capitol Hill neighborhood." The Times adds "Harborview Medical Center spokesperson Susan Gregg said two people were brought in with gunshot wounds, with one arriving in a private vehicle around 3:15 a.m. and the other brought in by Seattle Fire Department medics about 15 minutes later." KING-TV Seattle (6/29, 225K) recounts "detectives interviewed protesters who said they were in the CHOP at the time of the shooting," according to police "people are not cooperating" and "there is no suspect description at this time." This is "at least the fourth shooting in or near the CHOP in nine days."

The AP (6/29, Baumann) reports "witnesses reported seeing a white Jeep SUV near one of the makeshift barriers around the protest zone about 3 a.m. Monday, just before the shooting, a police statement said," and "callers to 911 said several people fired shots into the vehicle." The AP adds "the second victim, a 14-year-old boy," was "reported in critical condition." The police said in a statement, "Detectives searched the Jeep for evidence, but it was clear the crime scene had been disturbed."

The New York Times (6/29, Johnson, 18.61M) report "the city has said it wants a return to normal in the occupied protest zone, and a reopening of the Police Department's East Precinct, which was boarded up and abandoned as residents of the several-block area were left to police themselves." The Times adds "work crews with heavy equipment arrived on Friday to begin taking down barriers that were set up by protesters after the killing of George Floyd in Minneapolis in late May. But work was halted to avoid a confrontation." The New York Post (6/29, Steinbuch, Lapin, 4.57M), the CNN (6/29, Toropin, 83.16M) website, and The Hill (6/29, Bowden, 2.98M), among other news outlets, also report on the shooting.

Trump Slams "Seattle Looters, Agitators, Anarchists And 'Protesters.'" President Trump took to Twitter Monday to write, "Seattle Looters, Agitators, Anarchists and 'Protestors', are now refusing to leave the 'CHOP' Zone. They have ZERO respect for Government, or the Mayor of Seattle or Governor of Washington State! Not good!"

Prosecutor Says Virginia Police Officer May Have Made Racially Motivated Traffic Stops.

The Washington Post (6/29, Jackman, 14.2M) reports the Fairfax, Virginia Commonwealth's Attorney's Office said in a court filing that former Fairfax County police officer Jonathan Freitag "is under criminal and internal investigation by the Fairfax department on suspicion of lying about the reasons he stopped drivers, and there may have been a 'racial component' to his actions." According to the filing, the investigations also revealed "issues beyond and in addition to the unlawful stops," which have led to the FBI opening a "parallel criminal investigation." Freitag "has not been charged with any crimes and was not formally disciplined by the department, though he was suspended without pay during its investigation, a police spokesman said." Freitag "resigned last month after three years on the force."

WPost Editor Deletes Tweet Suggesting "Revenge" Against White Women.

The Federalist (6/29, Reynolds, 126K) reports that in a now-deleted tweet Sunday, the Washington Post's Global Opinions Editor Karen Attiah suggested that "white women are lucky that we are just calling them 'Karen's'. And not calling for revenge." In addition, she blamed the "'lies and tears' of white women for everything from a 1921 race massacre in Tulsa, Oklahoma to voting for President Trump." Sen. Ted Cruz (R-TX) called Attiah's words "sick, bigoted, racist, violent & wrong." Others "interpreted her tweet as a call for race-based violence." The Washington Free Beacon (6/29, Piro, 78K) reports that after Attiah deleted the tweet, she tweeted, "Non, je ne regrette rien," a French phrase that translates to, "No, I do not regret anything."

The Daily Caller (6/29, Talcott, 716K) reports that the Post's social media policy reads, "Post journalists must refrain from writing, tweeting or posting anything – including photographs or video – that could objectively be perceived as reflecting political, racial, sexist, religious or other bias or favoritism."

Coronavirus Surging Across More Than Half The Nation.

ABC World News Tonight (6/29, lead story, 2:53, Llamas, 7.78M) reported in its lead story that the coronavirus is "surging across more than half the country. At least 14 states pausing their reopening. Some putting newly lifted restrictions back in place. There are now more than 126,000 American lives lost. The WHO issuing a blunt warning, saying, quote, 'this is not even close to being over.'" ABC added that Florida has reported "thousands of new cases," while Texas has had "nearly 4,300 cases in 24 hours." ABC also described "alarming numbers in Los Angeles County," which now has "more than 100,000 cases after reporting its largest single-day increase." New York Gov. Andrew Cuomo (D) is "considering delaying phase three of reopening because of the rapid rise in cases in other parts of the country."

The CBS Evening News (6/29, lead story, 3:33, Garrett, 4.85M) reported in its lead story that "as we head into the July Fourth weekend, the second big holiday of the summer, experts are warning we may be paying a price for how states handled the first one, Memorial Day." In its lead story, NBC Nightly News (6/29, lead story, 2:38, Holt, 6.78M) described "desperate measures" by "many states trying to wrestle a surge in coronavirus infections."

Amid Spike In Cases, Arizona's Ducey Orders Bars, Gyms, Clubs To Close For 30 Days. Arizona Gov. Doug Ducey (R) "has ordered the closure of bars, gyms, movie theaters, nightclubs and water parks across the state for 30 days in an effort to combat a spike in coronavirus cases," Fox News (6/29, Casiano, 27.59M) reports on its website. Ducey also reimposed a ban "on indoor and outdoor gatherings of 50 or more people," and "delayed the start of school until Aug. 17." Ducey said at a news conference Monday, "Our numbers

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continue to increase. ... In Arizona, they're going in the wrong direction and we're going to take some additional action today to contain this virus and get back on track." ABC World News Tonight (6/29, story 5, 1:51, Llamas, 7.78M) reported that doctors in the state are "calling it a terrifying wave. Nearly 7,500 cases recorded this weekend alone. Hospitalizations have almost doubled in the last two weeks. ICU beds at 88% capacity."

Arizona Mayor Says He Won't Cancel Events Or Require Masks. The Arizona Republic (6/29, Jensen, 869K) reports Eagar, Arizona Mayor Bryce Hamblin "says he has no plans to cancel a slew of upcoming summer events or require masks, even as COVID-19 cases soar throughout the state." Hamblin said in a statement, "Over the past several weeks, I have been asked repeatedly what the Town of Eagar plans to do about COVID-19, masks, visitors, riots, etc. It is somewhat alarming how many expect and almost invite a more drastic infringement on their freedoms. ... My response from the onset of COVID-19 pandemic has been that we will err on the side of freedom."

Abbott Orders Texas Restaurants To Return To 50% Capacity. On NBC Nightly News (6/29, story 2, 1:55, Holt, 6.78M), Joe Fryer reported that in Houston, "strained hospitals are caring for more and more patients who are younger, many with underlying conditions." The CBS Evening News (6/29, story 2, 1:52, Garrett, 4.85M) reported that Texas Gov. Greg Abbott (R) "has ordered restaurants to return to 50% capacity." CBS added that there is "concern about what happens when school reopens. In one Texas district, 73% of parents said if cases keep growing, they will keep their children home."

Administration Secures 500K Doses Of Remdesivir.

Axios (6/29, Owens, 521K) reports that the Administration "has secured 500,000 doses of remdesivir, the first drug shown to be effective at treating hospitalized coronavirus patients, ensuring these doses will be for U.S. use." While the Administration "is not directly purchasing the drug," it will "use coronavirus hospitalization data to determine how to allocate it by state, and state health departments will decide which hospitals will get the drug."

HHS Secretary Azar told ABC's Good Morning America (6/29, 3.47M), "This is the drug that if you're hospitalized can reduce the length of your stay by a third, and we're working to make with our states to make sure it gets to the hospitals most in need." Azar said on CBS This Morning (6/29, 2.68M) that remdesivir "can reduce the length of stay by as much as one-third, and we're going to make sure that that drug gets to the hospitals that most need it to take care of American patients."

The Washington Post (6/29, Denham, 14.2M) reports that Gilead Sciences, the maker of remdesivir said Monday that "it will charge U.S. hospitals $3,120 for the typical patient with private insurance." The Post adds that the Administration "said it had secured nearly all of the company's supply of the drug for use in U.S. hospitals through September, with a contract for 500,000 treatment courses, which it will make available to hospitals at Gilead's price." CQ Roll Call (6/29, Kopp, 154K) says it is unclear "what uninsured patients will be charged, but senior Trump administration officials indicated on a call with reporters Monday that treatment for uninsured individuals could be paid for through a $100 billion fund approved by Congress to compensate hospitals for lost revenue." The Wall Street Journal (6/29, Walker, Subscription Publication, 7.57M) provides similar coverage.

Reuters (6/29, Erman, Burger, Maddipatla) reports that remdesivir is "believed to be" more "effective in treating patients earlier in the course of disease than dexamethasone, which reduced deaths in patients requiring supportive oxygen and those on a ventilator." Reuters adds, "Still, remdesivir in its currently formulation, is only being used on patients sick enough to require hospitalization as a five-day treatment course." According to Bloomberg (6/29, 4.73M), "Gilead's pricing decision is consequential because it sets a precedent for how much future Covid-19 treatments might cost. While it's higher than some patient groups had pushed for, it was close to a level that some drug-pricing watchdogs have said would be acceptable based on remdesivir's expected benefit."

Fauci Calls Large Crowds In Close Proximity "A Recipe For Disaster."

Politico (6/29, Forgey, 4.29M) reports that in an interview that aired on CNN Monday, NIAID Director Fauci "admonished Americans who have abandoned practicing personal mitigation measures to slow the spread of the coronavirus – asserting that such an 'all or none' approach has contributed to a surge of new Covid-19 cases across the country." Fauci said, "What has happened, I guess understandably, but nonetheless regrettably, [is] that people took the attitude in some places of either all or none. Either you're locked down, or you just let it fly and you just ignore many of the guidelines of social distancing, mask-wearing, abstaining from [not] shaking hands and avoiding large crowds." Fauci added, "Even in states that are telling their citizens to do it correctly. There are crowds. They are not physical distancing, and they're not wearing masks. That's a recipe for disaster." Reuters (6/29, Heavey, Caspani) reports that Fauci said, "Now we're seeing the consequences of community spread, which is even more difficult to contain than spread in a well-known physical location like a prison or nursing home or a meatpacking place."

Jacksonville, Site Of GOP Convention, Mandates Wearing Of Masks.

The Florida Times-Union (6/29, Hong, 203K) reports officials in Jacksonville, where the Republican National Committee will hold its convention, "announced Monday that people will be required to wear masks in public and indoor locations, as well as other places where they can't socially distance, beginning at 5 p.m." City officials "said Monday they haven't decided whether to mandate masks during the convention." It also remains "unclear exactly where people would be required to wear a mask," and "it's also unclear what measures the city will take to enforce the order."

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Politico (6/29, Caputo, 4.29M) reports that Monday's announcement marks a reversal for Jacksonville Mayor Lenny Curry, who has "been ideologically resistant to passing government mandates." But "a final turning point for Curry came after the decisions by the Coast Guard and Navy, which has two facilities in Jacksonville, to order indoor mask-wearing." Curry is "determined to have the GOP convention take place safely in Jacksonville, and those familiar with his thinking say he wants to do what he can to once again reduce infection rates and rising hospitalizations." In a statement, the RNC "indicated it will abide by the mask order in Jacksonville – if it's still in place."

USA Today (6/29, Garrison, Hong, 10.31M) reports, "Face masks have become a flashpoint in the political fight surrounding the COVID-19 pandemic." Attendees of President Trump's "first two large public events since the coronavirus outbreak began a rally in Tulsa, Oklahoma and a gathering in Phoenix, included some people who wore masks but thousands who didn't." The Washington Examiner (6/29, Simonson, 448K) reports, "Wearing masks, which virtually every public health expert agrees is a way to cut down the transmission of the coronavirus, has been a sore spot for Trump, who is often seen in public not wearing one." The AP (6/29, Schmall, Kurtenbach) reports Trump has "refused to wear a mask on recent trips to states and businesses that require them."

The Washington Times (6/29, Howell, 492K) reports White House Press Secretary Kayleigh McEnany "said Mr. Trump believes mask-wearing should be a personal choice. But he also thinks people should follow local rules." McEnany said, "He encourages people to make whatever decision is best for their safety, but he did say to me he has no problem with masks and to do whatever your local jurisdiction requests of you."

The Hill (6/29, Samuels, 2.98M) reports, "Trump is scheduled to deliver his speech on Aug. 27 at the VyStar Veterans Memorial Arena, which holds around 15,000 people." Trump had "demanded the Republican convention be allowed to move forward without restrictions on crowd size, and he opposed the idea of requiring masks or spacing out attendees."

The New York Times (6/29, Mazzei, 18.61M) reports, "The resurgence of the virus in Florida, where the number of new cases has been rising nearly every day, has turned the convention into an even riskier gamble." Recent polls have "shown that Jacksonville residents do not want the convention." A online poll of 2,524 registered Duval County voters released last week "found that 58 percent of respondents opposed hosting the convention, with 71 percent concerned that it would lead to virus spread, and 61 percent worried that it would result in unrest."

Poll: Many Americans, Especially Republicans, Say Pandemic Has Been Overblown By Media.

Fox News (6/29, Casiano, 27.59M) reports on its website, "An increasing share of Americans – especially Republicans – believe the coronavirus pandemic is being overexaggerated and see news about the outbreak with partisan viewpoints, according to a new Pew Research study." When COVID-19 "dominated the news cycle in April to late May – just before the death of George Floyd and the nationwide protests that have erupted since – the share of Americans who said the outbreak has been exaggerated grew from 29 percent to 39 percent." A little "under 50 percent of Republicans felt this way in late April compared to 63 percent by early June, the study said. Among Democrats, the increase in the same time period saw a slight uptick from 14 percent to 18 percent."

Republican Leaders Urge Americans To Wear Masks.

Reuters (6/29, Chiacu) reports that "in a rare break with mask-averse...Trump, fellow Republican leaders are advocating for face coverings as COVID-19 cases surge in some Republican-leaning states." Senate Majority Leader McConnell is quoted as saying, "Wearing simple face coverings is not about protecting ourselves, it is about protecting everyone we encounter." Likewise, House Minority Leader McCarthy "said Americans should follow the recommendations of health officials to wear masks and socially distance themselves to help slow the spread of infection. 'They should wear a mask,' McCarthy told CNBC on Monday."

The Washington Times (6/29, Muñoz, 492K) reports McConnell on Monday "urged Americans to 'take small steps' to help combat the spread of coronavirus, and endorsed wearing face masks as a common-sense solution." McConnell said, "We must have no stigma – none – about wearing masks when we leave our homes and come near other people."

Azar: Americans Should Wear Face Coverings When Social Distancing Isn't Possible. In an appearance on ABC's Good Morning America (6/29, 3.47M), HHS Secretary Azar said, "We're experiencing in many of the counties in the southern parts of the United States very serious outbreaks. The governors are reporting that the average age of people testing positive is 35 or younger, many asymptomatic. This is a real call to action. We have all got to, as Americans, act responsibly. ... We've got to practice social distancing. We've got to use face coverings when we can't practice social distancing."

On CBS This Morning (6/29, 2.68M), Azar was asked, "Did America reopen too soon?" Azar said, "We're seeing surges in new cases, especially in counties in the southern United States, and our governors...are reporting that the majority of these new cases are under age 35, many are asymptomatic." Azar added, "We've got to get this under control because those individuals can spread this disease even unknowingly to those who are most vulnerable. We all have got to practice social distancing. We need to wear facial coverings when we can't social distance, and we've got to engage in appropriates personal hygiene."

Cuomo: Trump Should Issue Order Mandating Mask Wearing. Reuters (6/29, Caspani, Layne) reports that on Monday, New York Gov. Andrew Cuomo (D) said President Trump "should issue an executive order mandating that people wear masks in public and he should lead by example and cover his face." Cuomo is quoted as saying, "The other states are just starting to do it now, states that were recalcitrant, governors who said 'we don't need to do this, masks don't work. Now they're doing a 180...let the President have the same sense and do that as an executive order." According to Reuters, Cuomo also "once again criticized the federal government's handling of the

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coronavirus pandemic, saying the White House has been 'in denial' from the start of the public health crisis, and that it was not doing enough to tackle a surge of in COVID-19 cases in several U.S. states that has emerged over the past few weeks."

Clyburn Raises Concerns About Republicans' Refusal To Wear Masks During Coronavirus Hearing. The Washington Examiner (6/29, Heflin, 448K) reports House Majority Whip Clyburn "expressed 'profound disappointment' on Monday that Republican members of the Coronavirus Crisis Select Subcommittee refused to wear masks during a Friday hearing." Clyburn wrote to House Minority Whip Scalise, "I am writing to express my profound disappointment that the Republican Members of the Select Subcommittee on the Coronavirus Crisis refused to wear masks during Friday's hearing. ... The Attending Physician of the Congress has issued clear, unequivocal guidelines that require Members to wear masks at all committee hearings."

Johns Hopkins Tracker Team Call Attention To Virus' Impact On Minority Communities.

The Washington Post (6/29, Swenson, 14.2M) reports that team behind Johns Hopkins University's Coronavirus Resource Center "wrestles with doubts about whether the numbers can truly capture the scope of the pandemic, or whether the public and policymakers are failing to absorb the big picture." One of the concerns is that "if authorities fail to contextualize the virus with other factors – like Zip codes, race or Medicaid usage – the hardest-hit communities can go unseen." For Lauren Gardner, an associate professor at the Johns Hopkins Whiting School of Engineering, "the U.S. map put a spotlight on inequalities that made the pandemic more heartbreaking." She said, "When you actually start looking at the affected populations, the breakdown of race and age and ethnicity and socioeconomic demographics, it becomes so much more human."

Report: Trump Was "Ill-Prepared," "Delusional" In Calls With Foreign Leaders.

The Washington Examiner (6/29, Smith, 448K) reports that Carl Bernstein reported Monday "that many former officials within the administration saw the president as being woefully ill-prepared for calls with foreign leaders and said that he pandered in conversation with them." Bernstein said two sources told him "that Trump was often 'delusional' during such calls, which caused concern to former national security advisers H.R. McMaster and John Bolton, former Defense Secretary James Mattis, former Secretary of State Rex Tillerson, and former White House chief of staff John Kelly." Bernstein said Trump was "so consistently unprepared for discussion of serious issues, so often outplayed in his conversations with powerful leaders like Russian President Vladimir Putin and Turkish President Recep Erdogan, and so abusive to leaders of America's principal allies" that officials feared that he "posed a danger to the national security" of the nation.

Bernstein writes on the CNN (6/29, 83.16M) website, "In hundreds of highly classified phone calls with foreign heads of state, President Trump was so consistently unprepared for discussion of serious issues, so often outplayed in his conversations with powerful leaders...and so abusive to leaders of America's principal allies, that the calls helped convince some senior US officials – including his former secretaries of state and defense, two national security advisers and his longest-serving chief of staff – that the President himself posed a danger to the national security of the United States."

Barr Focusing On "Media Overkill" Of Russia Probe.

The Washington Times (6/29, Scarborough, 492K) reports that when Attorney General Barr says the media were doing "all they could to sensationalize and drive" the Russia scandal, he may be referring to the Mayflower Hotel. The press "wrote scores of stories in 2017 about candidate Donald Trump's foreign policy speech at the downtown D.C. landmark." Those stories "promoted scandalous Russia ties and supposed out-and-out lying. They centered on three men who were in the same room that April 27, 2016: Mr. Trump, Russian Ambassador Sergey Kislyak" and then-Sen. Jeff Sessions (R-AL). The Times says Barr is "zeroing in on what he considers liberal media overkill in light of the fact that special counsel Robert Mueller found no Trump-Russia election conspiracy."

Toobin: Trump Should Be Thanking Mueller. Jeffrey Toobin writes in a piece for the New Yorker (6/29, Toobin, 5.82M) that more than a year after Mueller submitted his final report, Trump "remains obsessed" with the investigation, which he has called the "Greatest Political Crime in the History of the U.S., the Russian Witch-Hunt." The Administration hold that "Mueller and his team displayed an unseemly eagerness to uncover crimes that never existed." But Toobin argues that "the opposite is true. Mueller had an abundance of legitimate targets to investigate, and his failures emerged from an excess of caution, not of zeal." When it came to the President, Mueller "avoided confrontations that he should have welcomed. He never issued a grand-jury subpoena for the President's testimony, and even though his office built a compelling case for Trump's having committed obstruction of justice, Mueller came up with reasons not to say so in his report." To Toobin, Trump "shouldn't be denouncing Mueller – he should be thanking him."

Schiff Says Republicans Are Boycotting Intel Committee Briefings.

The Washington Examiner (6/29, Chaitin, 448K) reports that on MSNBC's All In Monday, House Intelligence Chairman Adam Schiff "said Republicans are "boycotting" briefings held by the panel. When talking about "a planned Trump administration briefing for Democratic lawmakers on Tuesday on alleged Russian bounties to Taliban militants to kill U.S. and coalition forces in Afghanistan after eight top Republicans were briefed by the White House about the intelligence on Monday," Schiff said, At the moment, the Republicans are boycotting the briefings that we are doing. ... They have been, yes, and we're not quite sure why. They don't have much of an explanation for it,"

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Democrats' Proposal Would Strengthen Congress' Inherent Contempt Power.

Politico (6/29, Cheney, 4.29M) reports that House Democrats are "increasingly frustrated by the Trump administration for defying subpoenas" and have proposed "legislation that would ratchet up their power to punish executive branch officials who reject their requests." Rep. Ted Lieu (D-CA) and five other members of the House Judiciary Committee have offered a rule change "to formalize and expand Congress' power of 'inherent contempt' – its authority to unilaterally punish anyone who defies a subpoena for testimony or documents."

Pavlich: Biden Should Be Held Accountable For His False Statements On Flynn Probe.

Katie Pavlich writes on Townhall (6/29, Pavlich, 177K) that Joe Biden claimed in a May 12 interview with ABC News that he was "'unaware' of the Obama era case and spying...against General Michael Flynn. ... When pressed, Biden changed his story, saying he was aware of an investigation but nothing more." However, "declassified documents, released in May, showed Biden as one of the Obama administration officials who unmasked Flynn during the 2016/2017 presidential transition period." Pavlich adds that Biden knew "about the details of the Flynn investigation" and suggested "ideas about how to go after him through the Logan Act." Pavlich questions "whether Biden will be held accountable for the discrepancies of his statements," and argues that he "should be asked about whether he plans, as President, to corruptly use the power of the federal government to go after his political enemies as members of the Obama administration regularly did."

Luttig: Court Of Appeals "Bungled" Flynn Case. In an op-ed for the New York Times (6/29, Luttig, 18.61M), former US Court of Appeals Judge J. Michael Luttig argues that the US Court of Appeals for the District of Columbia "bungled" former National Security Adviser Michael Flynn's case, and "the question now is whether the entire Court of Appeals will or should rehear this significant constitutional case." Luttig adds that "while the opinion of the three-judge panel is grievously wrong, and as premature and ill reasoned as its decision was, the court reached the result that almost certainly will be required by law after any hearing that the full court could constitutionally authorize Judge [Emmett] Sullivan to conduct."

High Court Declines To Hear Challenge To Border Wall Construction.

The AP (6/29) reports that the Supreme Court is "leaving in place a decision that rejected environmental groups' challenge to sections of wall the Trump administration is building along the US border with Mexico." On Monday, the court "declined to hear an appeal involving construction of 145 miles (233 kilometers) of steel-bollard walls along the border in Arizona, California, New Mexico and Texas." The Center for Biological Diversity, the Animal Legal Defense Fund, Defenders of Wildlife, and the Southwest Environmental Center "had challenged a federal law that allows the secretary of Homeland Security to waive any laws necessary to allow the quick construction of border fencing."

The Washington Times (6/29, Dinan, 492K) reports "Congress has given the executive branch wide authority to waive some of the country's most iconic laws in order to build border barriers, and past administrations have flexed that power." Trump, however, "has pushed the limits with his plans to construct more than 700 miles of new border wall." DHS "has cleared the way for construction by waiving everything from the Endangered Species Act and the Clean Water Act to the Religious Freedom Restoration Act, the Antiquities Act, the Native American Graves Protection and Repatriation Act and the Eagle Protection Act."

Reuters (6/29, Wolfe) reports "the environmental groups argued that the law was unconstitutional because it gave too much power to the executive branch – in this case the Department of Homeland Security – to get around laws like the Endangered Species Act and the National Environmental Policy Act without congressional input." The San Francisco Chronicle (6/29, Egelko, 2.67M) quotes Jean Su, an attorney at the Center for Biological Diversity, as saying, "We're disappointed that the Supreme Court won't consider the Trump administration's flagrant abuse of the law to fast-track border wall construction. ... This administration has made a mockery of the Constitution to build an enormously destructive wall. We'll continue to fight these illegal waivers and do everything possible to prevent further damage to the beautiful borderlands."

CNN (6/29, Alvarez, 83.16M) indicates on its website that "Jason Rylander, senior endangered species counsel at Defenders of Wildlife, one of the other groups that brought the challenge," also "said they are 'disappointed' in Monday's decision." The Fox News (6/29, Blitzer, 27.59M) website, The Hill (6/29, Beitsch, 2.98M), and Bloomberg (6/29, Stohr, 4.73M), among other news outlets, also cover the story.

Biden Tells Donors He Will Eliminate Most Of Trump's Tax Cuts.

On its website, CNBC (6/29, Breuninger, 3.62M) reports that Joe Biden on Monday "told potential donors to his campaign that his administration would end most of President Donald Trump's multitrillion-dollar tax cuts – even though 'a lot of you may not like that.'" The remarks came as Biden "laid out an ambitious suite of policy goals during a virtual campaign fundraiser" that raked in "at least $2 million." CNBC adds that "even before the coronavirus crisis effectively froze the US economy and sent unemployment skyrocketing, Trump's 'irresponsible sugar-high tax cuts had already pushed us into a trillion-dollar deficit,' Biden said. 'I'm going to get rid of the bulk of Trump's $2 trillion tax cut,' Biden continued, 'and a lot of you may not like that but I'm going to close loopholes like capital gains and stepped up basis.'"

WSJournal Criticizes Vacation Tax Credit Proposal.

In an editorial, the Wall Street Journal (6/29, Board, Subscription Publication, 7.57M) criticizes a proposal from Sen. Martha McSally (R-AZ) offering Americans a $4,000 tax credit to take vacations. The American Tax Rebate and Incentive Program Act is aimed at encouraging Americans to support the travel and tourism industries, which have been hit hard by the pandemic, but the Journal says the tax credit would

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subsidize spending that would have happened regardless.

House Set To Approve ACA Expansion Bill Trump Has Threatened To Veto.

The AP (6/29, Fram) reports that "a Democratic package expanding 'Obamacare' coverage approached House passage Monday, a measure doomed to advance no further that spotlights how the coronavirus pandemic and President Donald Trump's efforts to obliterate the law have fortified health care's potency as a 2020 campaign issue." House Speaker Pelosi said on CNN's The Lead . (6/29, 1.68M), "We're in the middle of a pandemic. You would think in the middle of a pandemic, the President of the United States would uphold the law instead of going to overturn the law, which provides affordable care to so many millions of people in our country."

Wyden Ends Partnership With Grassley On Prescription Drug Pricing Bill.

The Hill (6/29, Sullivan, 2.98M) reports Senate Finance Committee ranking member Sen. Ron Wyden (D-OR) "will not co-sponsor an updated version of what had been a bipartisan measure to lower drug prices, as his partnership" with Chairman Charles Grassley on the issue "appeared to fall apart on Monday. Wyden last year introduced a bipartisan bill to lower drug prices that he negotiated with Grassley." In a Wall Street Journal (6/29, Grassley, Subscription Publication, 7.57M) op-ed, Grassley argues that the nation needs more leadership on the issue of prescription drug prices. He stresses that the time for Congress to act on this key issue is now.

Oklahomans Set Vote On Expanding Medicaid.

Politico (6/29, Roubein, Goldberg, 4.29M) reports that on Tuesday, "voters in deep-red Oklahoma...could order Medicaid expansion for at least 200,000 poor adults, defying state and Trump administration officials fighting to limit the Obamacare program." If voters "approve a ballot measure...Oklahoma would become the first state to broadly expand government-backed health insurance to many of its poorest residents since the beginning of a pandemic that has stripped many people of coverage." Gov. Kevin Stitt (R) "is warning the program would be unaffordable while the state suddenly confronts an estimated $1.3 billion shortfall."

Supreme Court Declines To Block Pending Federal Executions.

The AP (6/29, Sherman) reports that on Monday, the Supreme Court "refused to block the execution of four federal prison inmates who are scheduled to be put to death in July and August," which "would mark the first use of the death penalty on the federal level since 2003." The AP says the justices "rejected an appeal from four inmates who were convicted of killing children," although Justices Ruth Bader Ginsburg and Sonia Sotomayor "noted that they would have blocked the executions from going forward." The AP adds that "the court's action leaves no obstacles standing in the way of the executions, the first of which is scheduled for July 13."

Politico (6/29, Gerstein, 4.29M) recalls that in December, the Supreme Court "issued a surprise ruling halting the executions so that the prisoners could pursue their legal arguments in a federal appeals court." However, Justices Samuel Alito, Neil Gorsuch and Brett Kavanaugh "signaled that they went along with the delay reluctantly, and that they considered the arguments being leveled by the inmates to be weak."

The Washington Post (6/29, Barnes, Berman, 14.2M) reports that a year ago, Attorney General Barr announced that the Justice Department "planned to resume executions using a new lethal-injection procedure that involves a single drug, pentobarbital." Solicitor General Noel Francisco "said that the lawsuit against the resumption of federal executions was simply a delay tactic, and that there was no argument that the proposed federal protocol was unsafe." USA Today (6/29, Wolf, 10.31M), Reuters (6/29, Hurley), The Hill (6/29, Kruzel, 2.98M), and the Washington Times (6/29, Swoyer, 492K), among other news outlets, also report the story.

American Academy Of Pediatrics Says Schools Should Aim To Reopen.

On NBC Nightly News (6/29, story 9, 1:53, Holt, 6.78M), Kate Snow reported, "Even as coronavirus cases spike, when it comes to school, the American Academy of Pediatrics says 'all policy considerations for the coming school year should start with a goal of having students physically present.' ... The AAP worries that without going to school, kids lose access to behavioral and mental health services, food programs, and are socially isolated. And students without Internet connections or devices are falling behind. But [some] parents...see things differently." Renee Parker, mother: "I will not allow my kids to go back to school in August, in the fall." Snow: "No matter what?" Parker: "No matter what." Snow: "The AAP suggests kids could be as close as three feet apart, particularly if wearing masks, assigned seating on school buses, doorways left open so no one has to touch the knobs."

DiSalvo: Teachers' Unions May Prevent School Reopenings. In a Wall Street Journal (6/29, DiSalvo, Subscription Publication, 7.57M) op-ed, Daniel DiSalvo of the City College of New York argues that while the American Federation of Teachers and the National Education Association have legitimate safety concerns about reopening schools, the two powerful unions may leverage the coronavirus crisis to win concessions. DiSalvo expresses concern that the unions will keep schools closed in order to do so.

Pandemic Driving Down Cost Of College For Some Families.

The Wall Street Journal (6/29, Mitchell, Subscription Publication, 7.57M) reports colleges are showing a greater willingness to offer discounts on tuition, as enrollment numbers are forecasted to drop this fall amid the pandemic. Families are also questioning whether the high cost of college is worth it, as unemployment hovers near record levels.

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Justices: CFPB Is Constitutional, But Director Can Be Fired By President.

CNBC (6/29, Mangan, Higgins, 3.62M) reports on its website that on Monday, the Supreme Court issued a ruling that "allowed the Consumer Financial Protection Bureau to continue operating, but said that the director of the consumer watchdog can be removed by the president of the United States 'at will.'" Chief Justice Roberts' decision "agreed with a California-based law firm's argument that the CFPB's leadership by a sole director who was removable 'only for cause' violated the separation of powers rule under the U.S. Constitution. ... 'The agency may ... continue to operate, but its Director, in light of our decision, must be removable by the President at will,' Roberts wrote in his majority decision, in which he was joined the court's other four conservative justices." The New York Times (6/29, Liptak, 18.61M) calls the ruling "a victory for the conservative movement to curb the administrative state," and the Washington Examiner (6/29, Krishan, 448K) "a victory for business groups."

The New York Post (6/29, Fredericks, 4.57M) also reports the 5-4 ruling states that "the Constitution requires the president have unfettered discretion to fire the head of the Consumer Financial Protection Bureau." Reuters (6/29, Hurley) notes that "under the 2010 Dodd-Frank Wall Street reform law that established the CFPB, the president could terminate a director only for 'inefficiency, neglect of duty or malfeasance in office," and the Washington Post (6/29, Marimow, Merle, 14.2M) indicates that Justice Elena Kagan, "writing for the court's liberals, said Congress should have the flexibility to impose limits on the president's power to get rid of agency heads," and "faulted the majority for second-guessing Congress that created the agency to 'address financial practices that had brought on a devastating recession, and could do so again.'"

USA Today (6/29, Wolf, 10.31M) quotes Kagan as saying, "Today's decision wipes out a feature of that agency its creators thought fundamental to its mission – a measure of independence from political pressure."

CQ Roll Call (6/29, Ruger, Saksa, 154K) reports that "in ruling the way it did, the Supreme Court stopped short of a decision that could have been a major disruption to the enforcement of consumer protection laws." To Politico (6/29, O'Donnell, 4.29M), "The decision could have significant implications for the future of the similarly structured Federal Housing Finance Agency, the overseer of mortgage giants Fannie Mae and Freddie Mac. Like the head of the CFPB, the FHFA director is appointed to a five-year term and can only be removed for cause." Politico says the CFPB is "the brainchild of" Sen. Elizabeth Warren (D-MA), who "cast the decision as a win for the agency even as she castigated the high court for 'ignor[ing] the intent of Congress' by giving the president greater power over the director." Warren is quoted as saying, "Let's not lose sight of the bigger picture: after years of industry attacks and GOP opposition, a conservative Supreme Court recognized what we all knew: the CFPB itself and the law that created it is constitutional. The CFPB is here to stay."

The Washington Post (6/29, Marimow, Merle, 14.2M) reports, meanwhile, that "the agency's director, Kathy Kraninger, said the decision 'brings certainty to the operations of the Bureau,'" and added, "We will continue with our important mission of protecting consumers with no question that we are fully accountable to the President." The Wall Street Journal (6/29, Kendall, Ackerman, Subscription Publication, 7.57M), among other news outlets, also reports the story.

In an editorial, the Wall Street Journal (6/29, Subscription Publication, 7.57M) hails the separation-of-powers ruling, but otherwise casts the court's decision as a lost opportunity to find the entire CFPB unconstitutional.

House Democrats Want USAID Political Appointee To Be Fired Over Islamophobic Statements.

Politico (6/29, Cohen, 4.29M) reports Reps. Joaquin Castro (D-TX) and Ilhan Omar (D-MN) on Monday "called for the firing of a controversial U.S. Agency for International Development appointee over his reported history of Islamophobic comments." Castro and Omar "wrote in a letter to acting USAID Administrator John Barsa that the agency's religious freedom adviser, Mark Kevin Lloyd, has a 'historical pattern of prejudice against the Islamic faith and the Muslim population' that is antithetical to the agency's mission." A 2016 investigation by the AP "revealed that Lloyd, then the Trump campaign's Virginia field director, shared a Facebook post calling Islam 'a barbaric cult.'"

Bedard: McEnany Draws Ire For Pushing Back Against Media.

In his column for the Washington Examiner (6/29, Bedard, 448K), Paul Bedard writes White House Press Secretary Kayleigh McEnany is ruffling the feathers of "media bigs, one of whom Monday described her as a threat to journalistic 'credibility.'" McEnany has been "cheered by fans for her style and regular challenges to questions from reporters, like one Monday on whether President Trump thinks it was a good thing the North won the Civil War," but "critics have claimed she is evasive and too quick to note media errors." For example, Bill Grueskin, a professor at Columbia Journalism School professor, laments "McEnany's criticism of the media, a tactic he said she uses to pivot from questions she doesn't like."

Trump Jr. Seen At Maskless Party In The Hamptons.

Page Six (6/29, Coleman, 1.6M) cites a "Hamptons insider" who says they saw Donald Trump Jr. and girlfriend Kimberly Guilfoyle at a "packed party" at a house in Bridgehampton that looked "as if COVID had never happened." The source "estimated there were about 100 partiers, who our source says were maskless, at the bash."

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WPost Analysis: Opioid Epidemic Hit Native Americans Hard From 2006 To 2014.

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The Washington Post (6/29, Horwitz, Cenziper, Carioti, 14.2M) reports, "At the height of the opioid epidemic, Native Americans overdosed

and died at a rate that rivaled some of the hardest-hit regions in Appalachia." Nationally, "from 2006 to 2014, Native Americans were nearly 50 percent more likely to die of an opioid overdose than non-natives, a Washington Post analysis found." While "more than 3,000 cities and counties – along with most states – pursue billions in settlement dollars from opioid manufacturers and distributors, tribal leaders are fighting for a fair share of the proceeds through a series of lawsuits filed by Indian tribes."

Roberts Joins With Liberal Justices To Strike Down Law Limiting Access To Abortions.

On Monday, Chief Justice John Roberts joined with the Supreme Court's four justices nominated by Democratic presidents to strike down a Louisiana law that limited access to abortion clinics. Though Reuters (6/29, Hurley) says Roberts "indicated his vote was a reluctant one and signaled he may back other abortion restrictions in future cases, with some legal challenges already in the pipeline," and the New York Times (6/29, 18.61M) editorializes that Roberts "appears to have decided that the circumstances of this case were not ideal for crippling reproductive rights" but "left the door open to doing so in the future," media reports reflect the anger at the Chief Justice on the part of anti-abortion activists.

The AP (6/29, Schor) reports that President Trump's reelection campaign "quickly invoked" the ruling "as part of a new appeal to voters – signaling its power to motivate religious conservatives who are a key part of his base ahead of November's election." Vice President Pence "summed up that argument, tweeting that the Supreme Court's decision made one thing clear: 'We need more Conservative justices on the US Supreme Court.'" The AP says "top pro-Trump religious conservatives noted pointedly that both justices he named to the high court dissented from Monday's decision, aligning with Pence in making the case that Trump should get another term in office to potentially tap more conservative nominees." Along those lines, Breitbart (6/29, Pollak, 673K) reports "many conservatives voted for...Trump in 2016 solely because the fate of the Supreme Court was at stake. They will have to do so again in 2020, because the Court remains liberal, and Democrats want to pack it further."

ABC World News Tonight (6/29, story 10, 1:41, Moran, 7.4M) reported that once again "it was...Roberts who declined to go with the conservatives, choosing stability and precedent and caution in the law, rather than rapid change made by this court." The CBS Evening News (6/29, story 3, 2:05, Garrett, 4.85M) also indicated that "siding with Liberals is becoming a familiar pattern with Roberts in some of these big cases, going back to 2012 when he provided that key fifth vote to save Obamacare, to the recent ruling preserving DACA. All big disappointments for Conservatives." NBC Nightly News (6/29, story 6, 1:46, Holt, 6.78M) said, meanwhile, it was "another surprising ruling from this Conservative Supreme Court and a victory for women seeking abortion."

The Washington Post (6/29, A1, Barnes, 14.2M) says the ruling "was perhaps the most dramatic example of Roberts's new role as the pivotal member of the court, and indicated that while he supports restrictions on abortion, he is unready at this point to overhaul the court's jurisprudence supporting the right of a woman to choose the procedure." The Post adds, "Trump's nominees, Justices Neil M. Gorsuch and Brett M. Kavanaugh, dissented," and "each of the court's four most consistent conservatives wrote separately to describe their disagreement."

The Washington Post (6/29, 14.2M) editorializes that "it is cause for optimism that the Supreme Court has voted to strike down a law in Louisiana that would have imposed strict but medically unwarranted regulations on that state's abortion providers." The ruling "is a victory for the right to choose and for women who rely on it. Equally, if not more important, however, it is a triumph for adherence to precedent." To the Post, "Credit goes to the four justices appointed by Democratic presidents" and to Roberts, whose "adherence to precedent despite personal disagreement...is all the more remarkable given that the chief justice can expect another round of condemnation from Republicans already furious with him for thwarting their preferred outcomes in previous cases." In an editorial, along those lines, the Wall Street Journal (6/29, Board, Subscription Publication, 7.57M) criticizes Roberts' reasoning in this as well as other controversial rulings as eminently political, and predicts Monday's decision will hurt the judiciary by keeping political matters in the legal arena.

CNBC (6/29, Higgins, 3.62M) reports on its website that Nancy Northup, President of the Center for Reproductive Rights, "which challenged the Louisiana abortion law at the top court, said in a statement that 'we're relieved that the Louisiana law has been blocked today but we're concerned about tomorrow.'" CNBC says Louisiana Gov. John Bel Edwards (D), "who voted in favor of the abortion law while in the Louisiana House of Representatives, said in a statement that he was 'disappointed' with the Supreme Court's ruling but that he respected the decision 'and trust that Louisiana and our nation will continue to move forward.'"

Reuters (6/29, Hurley) says Marjorie Dannenfelser, President of the anti-abortion Susan B. Anthony List, said, "Today's ruling is a bitter disappointment," and Louisiana Attorney General Jeff Landry (R) "said the ruling continued a 'heartbreaking line of decisions that places "access" to abortion above the health and safety of women and girls.'" Reuters reports that White House Press Secretary Kayleigh McEnany "also blasted the ruling, saying that 'unelected justices have intruded on the sovereign prerogatives of state governments by imposing their own policy preference in favor of abortion to override legitimate abortion safety regulations.'"

The Los Angeles Times (6/29, Savage, 4.64M) reports "it was the court's first abortion ruling since...Trump's two appointees took their seats, and it dashed hopes of abortion opponents who expected the more conservative court would move to repeal Roe vs. Wade or at least give states more power to narrow it." It also "marked the third major decision in the last two weeks in which the chief justice joined with the court's four liberals." USA Today (6/29, Wolf, 10.31M) also reports Roberts "has become the court's swing vote in recent years," and the New York Times (6/29, A1, Liptak, 18.61M) that he "has in the space of two weeks voted with the court's liberal wing in three major cases – on job discrimination against lesbian, gay, bisexual and transgender workers, on a program protecting young immigrants known as Dreamers and now on abortion."

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The Washington Examiner (6/29, Rowan, 448K) reports Roberts "enraged social conservatives" Monday, the Daily Caller (6/29, Olohan,

716K) that "conservatives ripped into Roberts on Monday," and Townhall (6/29, O'Brien, 177K) that "some argued that Justice David Souter was still the worst GOP-appointed SCOTUS justice, but agreed that Roberts is giving him a run for his money." The Federalist (6/29, Zempel, 126K) says, meanwhile, that "in keeping with a string of other unconstitutional maneuvers," Roberts "joined once again with the bench's leftists in...authoring" an opinion "that cut against the Constitution, life, and women."

The Washington Examiner (6/29, Russell, 448K) refers to "another surprising and disappointing 5-4 ruling," and adds "conservatives did presume Louisiana's law was legitimate." The Washington Free Beacon (6/29, Daley, 78K) points out "the contested law, called Act 620, requires that any Louisiana abortion provider have admitting privileges at a nearby hospital. The law will not take effect following Monday's decision."

The AP (6/29, Sherman) reports that Roberts and his "more liberal colleagues" ruled that "the law requiring doctors who perform abortions to have admitting privileges at nearby hospitals violates abortion rights the court first announced in the landmark Roe v. Wade decision in 1973." However, "the outcome is not the last word on the decades-long fight over abortion with dozens of state-imposed restrictions winding their way through the courts," even if it "was a surprising defeat for abortion opponents." The AP adds Roberts "had always voted against abortion rights before, including in a 2016 case in which the court struck down a Texas law that was virtually identical to the one in Louisiana."

Politico (6/29, Ollstein, 4.29M) reports that Justice Stephen Breyer, "in an opinion joined by rest of the court's liberal wing, wrote that the Louisiana law would make it 'impossible for many women to obtain a safe, legal abortion in the State and [impose] substantial obstacles on those who could.'" Roberts, "in a separate concurring opinion, disagreed with the liberal justices' reasoning but said he was bound by the precedent the court set just four years ago when it rejected a similar law in Texas." Roberts wrote, "The Louisiana law imposes a burden on access to abortion just as severe as that imposed by the Texas law, for the same reasons...therefore Louisiana's law cannot stand under our precedents."

The Washington Times (6/29, Swoyer, 492K) indicates that "the conservative wing of the court, meanwhile, said the abortion providers did not have sufficient legal injury to bring the case, saying the doctors and abortion clinics are wrongly asserting the legal rights that belong to their patients." Wrote Justice Samuel Alito, "The idea that a regulated party can invoke the right of a third party for the purpose of attacking legislation enacted to protect the third party is stunning. Given the apparent conflict of interest, that concept would be rejected out of hand in a case not involving abortion." CQ Roll Call (6/29, Raman, 154K) reports that in his dissent, Justice Clarence Thomas "said the Roe v. Wade precedent should be overturned altogether," writing, "Roe is grievously wrong for many reasons, but the most fundamental is that its core holding – that the Constitution protects a woman's right to abort her unborn child – finds no support in the text of the Fourteenth Amendment." The Hill (6/29, Kruzel, 2.98M), Bloomberg (6/29, Stohr, 4.73M) and the Wall Street Journal (6/29, A1, Bravin, Subscription Publication, 7.57M), among other news outlets, also cover Monday's ruling.

"Pipeline Of New Cases" On Abortion To Test Court's Majority. The AP (6/29, Schor) reports "abortion opponents vented their disappointment and fury," and the New York Times (6/29, Tavernise, Dias, 18.61M) that their "larger goal will have to wait – but perhaps not for long," as "the anti-abortion movement has a long pipeline of new cases that, if taken up by the Supreme Court, could present a more direct challenge to Roe v. Wade, the 1973 ruling that established federal protection for abortion. As of June, there were at least 16 abortion cases in federal appeals courts, the last step before the Supreme Court, according to lawyers at Planned Parenthood Federation of America."

Collins' Challenger Dings Her On Kavanaugh Support. The New York Times (6/29, Astor, Stevens, 18.61M) reports that the ruling, "and Justice Brett M. Kavanaugh's dissent, may create new challenges for Susan Collins and other Republican senators up for re-election," as "it did not take Sara Gideon long to leverage Monday's Supreme Court ruling on abortion in her race against...Collins," who "cast a decisive vote to confirm...Kavanaugh to the Supreme Court...on the premise that he would uphold precedent to preserve abortion rights." Gideon said on Twitter, "Do you still think Brett Kavanaugh believes Roe v. Wade is settled law, @SenSusanCollins?"

Reddit Shuts Down Pro-Trump Forum, Twitch Suspends Official Trump Channel.

Reuters (6/29, Culliford, Malara) reports Reddit has "shut down r/The_Donald, a forum used by supporters" of President Trump, while Amazon live-streaming platform Twitch "temporarily banned Trump's official channel for violating Twitch's policy on hateful speech." Reddit CEO Steve Huffman "said in a post detailing changes to its content policies that communities and users that promoted hate based on identity or vulnerability would be banned. He said Reddit was banning about 2,000 subreddits, the majority of which were inactive."

The New York Times (6/29, Isaac, 18.61M) reports r/The_Donald "is home to more than 790,000 users who post memes, viral videos and supportive messages" about the President. Reddit executives said the group, "which has been highly influential in cultivating and stoking Mr. Trump's online base, had consistently broken its rules by allowing people to target and harass others with hate speech." The Washington Post (6/29, Timberg, Dwoskin, 14.2M) says, "racism, misogyny, anti-Semitism, glorification of violence and conspiracy theories that flourished" on r/The_Donald, whose "volunteer moderators and much of the community had left in recent months."

Politico (6/29, Lima, 4.29M) reports Twitch "temporarily suspended [Trump's] channel and social media site Reddit banned a longtime forum used by his supporters in separate actions." Twitch confirmed that it has "separately suspended Trump's campaign channel on the platform for posting videos that ran afoul of its rules against content that 'promotes, encourages or facilitates discrimination, denigration, objectification, harassment or violence' based on an individual's identity."

Ford To Pause All Social Media Advertising. Reuters (6/29, Klayman) reports Ford said Monday it "will pause advertising on all social media platforms in the United States for the next 30 days, joining a growing list of companies that have stopped spending" on

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Facebook in support of a "campaign that called out the company for not doing enough to stop hate speech on its platform." The Washington Times (6/29, Lovelace, 492K) reports the advertising boycott "is gaining momentum and has already contributed to a shift by the social media giant toward more restrictive guidelines for posts about elections and voting."

In an editorial headlined "Woke Capital Targets Free Speech," the Wall Street Journal (6/29, Subscription Publication, 7.57M) says Facebook has already acted against hate speech, and that such actions represent a troubling effort by big corporations to influence free speech.

Democrats Eye Filibuster Reform If They Win Senate Control.

The Hill (6/29, Bolton, 2.98M) reports, "Democrats are stepping up talks about reforming or abolishing the filibuster if they win back the Senate and White House in November." Sen. Jeff Merkley (D-OR), "an outspoken liberal who has long championed revamping the procedural tactic," is spearheading the discussions.

Grassley Criticizes Hannity For Not Following Up With Trump On Second-Term Agenda Question.

USA Today (6/29, Behrmann, 10.31M) reports Sen. Charles Grassley (R-IA) on Monday "expressed frustration with last week's Fox News' town hall with President Donald Trump, saying the network wasn't working hard enough to get him reelected." Grassley, speaking with reporters, "took particular issue with Fox News host Sean Hannity, for not pressing Trump during the town hall to answer a question about his agenda for a second term more directly." Said Grassley, "Okay, so he says what's your plans for the next four years? So the President starts to answer it. And then digresses a little bit. Hannity should have got him back on the subject. So it's pretty simple: I just want the President to be reelected." Grassley is also quoted as saying, "I would blame Fox more than I blame the President, because the President, it's easy for him to digress here and there, but Hannity – you assume Fox wants him to get reelected."

Trump Tweets He's "Getting VERY GOOD Internal Polling Numbers."

In a Monday tweet, President Trump wrote, "Sorry to inform the Do Nothing Democrats, but I am getting VERY GOOD internal Polling Numbers. Just like 2016, the @nytimes Polls are Fake! The @FoxNews Polls are a JOKE! Do you think they will apologize to me & their subscribers AGAIN when I WIN? People want LAW, ORDER & SAFETY!"

In Tweet, Trump Says He Has "95% Approval Rating" In GOP. Trump on Monday wrote in a tweet, "95% Approval Rating of President Trump in the Republican Party. I would imagine the 5% are the RINOS' and stupid people who don't want to see great Judges & Supreme Court Justice's, a new & powerful Military, Choice for Vets, 2A Protection, big RegulationCuts, Life, & much more!"

Lotter Downplays Polls Showing Trump Trailing Biden. Trump 2020 Strategic Communications Director Marc Lotter, appearing Monday on Fox Business' Varney & Co. (6/29, 64K), discussed polls showing Joe Biden leading Trump. Lotter said, "I think as we see the economy improve, as we see people recovering from the coronavirus and they see the President's leadership on this, then you will see public sentiment change as well, but let's not make any illusions here. Most of the major media outlets had Ronald Reagan losing by eight points a week or two before the election in 1980 to Jimmy Carter. They had Michael Dukakis beating George H.W. Bush. The only people that get it wrong more than pollsters is probably TV weather casters."

Georgia Poll: Biden Leads Trump 49%-45%; Senate Race Tight.

In an exclusive, National Journal (6/29, Holt, Pisani, Subscription Publication, 35K) reports that a Public Policy Polling (D) survey of 734 Georgia voters, taken June 25-26, shows Joe Biden leading President Trump 49%-45%. In the crowded all-party special election to fill out the remaining term of ex-Sen. Johnny Isakson (R-GA), the same poll shows Rep. Doug Collins (R-GA) leading with 23%, followed by appointed Sen. Kelly Loeffler (R-GA) at 21%, Raphael Warnock (D) at 20%, Matt Lieberman (D) at 11%, and Ed Tarver (D) at 3%. If no candidate tops 50% in the November election, the top two finishers, regardless of party, will advance to a Jan. 5 runoff. In potential runoff matchups, Collins leads Warnock 43%-41%; Warnock leads Loeffler 43%-40%. The poll didn't test a possible Collins-Loeffler runoff. The poll was commissioned by End Citizens United.

The Hill (6/29, Greenwood, 2.98M) reports, "The poll is another sign that Trump's reelection prospects are on increasingly shaky ground. A Democrat hasn't won a presidential contest in Georgia since 1992, and Trump carried the state in 2016 by 5 points." The Washington Examiner (6/29, Simonson, 448K) also reports on the poll results.

CNBC Report: Trump Camp Reserves Over $16M In Swing-State TV Ads.

In an online article, CNBC (6/29, Schwartz, 3.62M) reports that President Trump's campaign, "facing a growing disadvantage in polls, has started reserving spots for a television ad blitz set to run in several swing states during the final months of the race. The ad buy, worth more than $16 million, comes as some in the Trump campaign see warning signs in multiple key states, including Michigan, Georgia and North Carolina, according to" sources. CNBC says, "Ad tracking firms Advertising Analytics and Medium Buying announced that Trump's campaign is reserving ad time starting in September in the key states of Arizona, Florida, Ohio, Wisconsin, Pennsylvania and North Carolina. Trump won all six states in 2016." CNBC adds, "The $16 million spend indicates that the Trump campaign is ramping up its defense in states he

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needs to win a second term."

NYTimes Analysis: Trump Has Wooed GOP Base At Expense Of Appealing To Swing Voters.

The New York Times (6/29, Nagourney, 18.61M) reports that as commander-in-chief, President Trump "has pursued policies and practiced politics with a single-minded focus on bedrock Republicans, showing little interest in appealing to independent voters. That has made him one of the most powerful figures ever in his party, and rewarded him with strong conservative support in his re-election campaign. But Mr. Trump's focus on his base at the expense of swing voters...is almost certainly not enough to win" reelection, "as even some Republicans concede." The Times adds, "Whether Mr. Trump can still expand his support at this point, especially in the battleground states...is an enormous challenge that the president, to date, has shown little interest in meeting. Much of the nation has recoiled from Mr. Trump's brash conduct and harsh language in office, and at the same time has moved to the left on health care, civil rights, same-sex marriage and other issues."

Lotter: Trump Camp "Not Done With Rallies By Any Stretch Of The Imagination." Trump 2020 Strategic Communications Director Marc Lotter was asked on Fox Business' Varney & Co. (6/29, 64K) when the President's next rally will be held. Lotter said, "We're still putting those final decisions together. It takes weeks to get these things planned. We want to be very cognizant of what is going on in local communities, especially with the coronavirus. But trust me, we're not done with rallies by any stretch of the imagination."

Rasmussen Poll: 38% Of Americans Think Biden Has Dementia.

The Washington Free Beacon (6/29, Stiles, 78K) reports, "Nearly 4 in 10 Americans" think Joe Biden "is suffering from dementia, according to the results of a poll published Monday." The survey, "conducted by Rasmussen, found that 38 percent of likely voters believe that Biden has dementia," including "20 percent of Democrats and 30 percent of independent voters. Nearly two-thirds of Republicans said they thought Biden has" dementia. The article adds, "A significant majority of voters – 61 percent – said it was important that Biden publicly address the dwindling dexterity of his brain, with 41 percent saying it was 'very important' to hear from Biden on the issue."

Seib: Biden Still Faces Series Of Crucial Tasks. In his Wall Street Journal (6/29, Seib, Subscription Publication, 7.57M) column, Gerald Seib says that with polls showing Biden leading President Trump, Democratic analysts, in interviews, identified four tasks Biden needs to take care of in order to seal the deal and win the presidency. According to Seib, those tasks are: 1) Lay out a detailed and sweeping economic plan; 2) Create a message on China policy that can both attack Trump and deflect broadsides from the President; 3) Perform well in the presidential debates; 4) Choose a running mate that doesn't turn off liberals, moderates or voters of color.

Trump Touts His Record Of Endorsing Winning Candidates In Congressional Special Elections.

In a Monday tweet, President Trump posted a virtual sign touting his record of endorsing winning candidates in special elections. The sign reads, "ENDORSEMENTS BY PRESIDENT TRUMP 6-0 Undefeated Record in Congressional Special Elections Since the 2018 Midterms."

Despite Stumbles, Hickenlooper A Big Favorite In Tuesday's Colorado Democratic Senate Primary.

Politico (6/29, Arkin, 4.29M) reports that the resume of former Colorado Gov. John Hickenlooper (D) "reads like a target list for the left: a moderate former elected official with a record of working with Republicans. But even a shaky performance down the stretch hasn't knocked him out of pole position in Tuesday's Colorado Senate primary." Hickenlooper, who is seeking to take on Sen. Cory Gardner (R-CO) this fall, "stumbled in the past month after entering the Senate race as a big Democratic favorite, inviting criticism from some allies and from" his primary foe, "liberal" Democratic ex-state House Speaker Andrew Romanoff. Still, Hickenlooper "looks likely to turn back the challenge and advance to the general election."

The Washington Times (6/29, Richardson, 492K) reports, "Once viewed as a can't-miss candidate...Hickenlooper enters Tuesday's Senate primary as damaged goods after a series of gaffes and missteps that have forced national Democrats to spend big to prop up his teetering campaign. Mr. Hickenlooper faced calls over the weekend to drop out of the primary race from activists after photos emerged of him wearing a feathered headdress and 'squaw' outfit at the One Shot Antelope Hunt, an annual sporting event in Lander, Wyoming." But despite a series of "politically incorrect comments, outright flubs, and an ill-timed run-in with the state ethics commission," Hickenlooper "is still the way to bet – a 9News/Colorado Politics poll released last week had him leading the primary race by 30 points."

The Washington Examiner (6/29, Dibble, 448K) highlights the controversy over photographs of Hickenlooper emerging "showing him dressed as a Native American. Hickenlooper was first blasted in a Sunday open letter from the Native American leaders who were outraged by his attendance at the One Shot Antelope Hunt in 2018, an annual event that uses many Native American stereotypes. At the event, winners sported headdresses, while those who lost were called 'squaw' and forced to dress as female Native Americans as an ode to the derogatory term. Hickenlooper was photographed in both outfits mocking Native American culture." Under the headline "'#DropOutHick': Outcry From Indigenous Women, Allies Over Hickenlooper In Red Face," The Hill (6/29, Srikanth, 2.98M) reports on the same controversy.

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Huntsman In Tight GOP Utah Gubernatorial Primary Tuesday.

Politico (6/29, King, 4.29M) reports on the bid by ex-Utah Gov. Jon Huntsman Jr. (R) bid to succeed retiring Gov. Gary Herbert (R), saying that ahead of Tuesday's GOP primary election, "Huntsman, despite once owning 90 percent approval ratings as governor and a surname that's legendary in Utah, is" locked in a tight race with GOP Utah Lt. Gov. Spencer Cox in the four-way Republican contest. Highlighting that Huntsman served as Ambassador to China in the Obama Administration and Ambassador to Russia in the Trump Administration, Politico says his "willingness to serve in both Democratic and Republican administrations – as well as his reputation for moderation that includes his role as a co-chair of the bipartisan group No Labels – is testing Utah Republicans' tolerance for the kind of technocratic governance he represents. ... Recent polls show the primary as a near-tie between Huntsman and Cox."

NBC Examines States' Readiness To Expand Mail-In Voting.

On NBC Nightly News (6/29, story 7, 2:58, 6.78M), Lester Holt asked, "With coronavirus raising safety concerns at polling places, how prepared is this country to expand mail-in voting? We contacted all 50 states to find out." NBC's Cynthia McFadden reported that "NBC News has reached out to election officials in all 50 states to see what measures they have put in place and what kind of resources they require. Thirty-three states offer no-excuse-needed absentee ballots, while 17 others offer them with an excuse. At least 10 of those states, however, are expanding absentee voting due to the coronavirus. Michigan election officials tell us they need another $30 million for PPE, postage, mailings, and public education. Minnesota officials say they need 30,000 poll workers for what they expect to be a tidal wave of absentee ballot applications and actual ballots."

Judge Rejects Administration Bid To Hold Palestinian Man Who Completed Prison Term.

The New York Times (6/29, Rosenberg, 18.61M) reports US District Judge Elizabeth A. Wolford in Rochester, New York has "rejected a Trump administration effort to use the Patriot Act to indefinitely detain a stateless Palestinian man after he completed a 15-year prison sentence for sending support to Islamic militants in the 1990s." Wolford gave ICE until Thursday to free Adham A. Hassoun "from the Buffalo Federal Detention Facility in Batavia, N.Y. She ordered six months of supervised release at the home of his sister, with an ankle monitor and other restrictions, including not associating with known terrorists or extremists."

RCP Average Has Trump's Job Approval At 41.2%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 41.2%, and his disapproval at 56%. Trump's approval is down 0.2 since yesterday; his disapproval is up by 0.2.

A Rasmussen poll of 1,500 "likely voters" (6/24-6/28) finds Trump's approval at 42%, and his disapproval at 55%.

Financial International News

IMF Official: G20 Debt Relief Program Needs Private Sector Buy-In, Year-End Extension.

Reuters (6/29, Shalal) reports IMF Chief Economist Gita Gopinath said Monday that participation from the private sector would be essential to the success of a G20 debt relief initiative. Gopinath also said the G20 offer of debt collection suspension for the poorest countries will likely need an extension through the end of 2020.

EU Considers Giving Regulators More Power To Help Troubled Banks.

Law360 (6/29, Subscription Publication, 8K) reports behind a paywall, "Europe's banking watchdog has said it is considering whether to give national regulators more power to help out troubled banks during the earlier stages of financial strife, after it found they are not making sufficient use of existing measures for rapid intervention." The European Banking Authority "said Friday it is launching a public consultation on proposals to strengthen so-called early intervention measures."

German Parliament Moves Toward Agreement Backing ECB On QE Moves.

Bloomberg (6/29, Jennen, 4.73M) reports, "A broad coalition of ruling and opposition parties in Germany has agreed on a draft motion to back the European Central Bank's bond buying program, according to officials familiar with the accord, likely ending a standoff that was triggered by the country's constitutional court last month." Representatives from a broad range of German political sectors, including Chancellor Angela Merkel's coalition partners, "agreed in principle on Monday to accept explanations the ECB provided on its so-called public sector purchase program, or PSPP, the officials said." The draft motion, seen by Bloomberg, says the German Bundestag "considers the ECB's statement to complete a proportionality check as comprehensive and the requirements of the ruling by the constitutional court thereby as fulfilled."

IMF Says South Africa Talks On $4.2B Loan Proceeding At "Measured Pace."

Bloomberg (6/29, Naidoo, 4.73M) reports the IMF's "discussions with South Africa over a $4.2 billion loan to support its fight against the coronavirus pandemic are taking place at a 'measured pace' because the country's deep and liquid capital markets ensure it still has access to financing," according to the IMF's Africa Department Director. Abebe Aemro Selassie said in a Monday virtual press conference, "The key is not so much urgency in us providing financing but rather because we are able to provide much cheaper financing than would otherwise be the case." Selassie said South Africa, under the rapid financing instrument, "would be able to access this financing at very low interest rates –

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almost negligible interest rates – relative to the higher cost of borrowing that South Africa faces."

Second Senior Lebanese Finance Official Steps Down Amid Crisis.

The AP (6/29, Mroue) reports Lebanese Finance Ministry Director General Alain Bifani, a member of the team negotiating with the IMF on an emergency bailout, "resigned from his post on Monday amid a rapidly worsening economic and financial crisis." Bifani "said he was protesting the way leaders were handling the crisis and that he refuses to be a partner in what is happening." Bifani's resignation "was the second in two weeks by a member of Lebanon's negotiating team with the IMF – an indication of the gravity of the crisis and the difficulties facing those talks." Bifani said Monday in a news conference, "I decided to resign because I refuse to be a partner or a witness to what is happening. Everyone should take a clear stance and my decision came after all efforts for the rescue have run out."

Reuters (6/29, Perry) reports Bifani "said negotiations with the International Monetary Fund were not dead but a different approach was needed."

Argentina Debt Talks "Only A Whisker Apart" On Valuation, Yet "Legal Wrangles" Remain.

Reuters (6/29, Strohecker, Garrison) reports Argentina's debt talks "have gone cold with the country at loggerheads with its creditors over the legal terms of a $65 billion bond restructuring after coming tantalisingly close to a financial agreement." Argentina's government "extended a deadline for talks earlier this month to July 24, the biggest delay yet, to allow time to defuse tensions." Reuters says the two sides are "only a whisker apart in terms of valuation of their proposals" and that now "the wrangling has shifted to the collective action clauses (CACs) which determine the requirements for any future changes made to the bond agreements."

Leading International News

WHO Team To Travel To China To Study Pandemic's Origin.

The Washington Post (6/29, Taylor, 14.2M) reports that the World Health Organization is "planning to send a team to China next week to try to understand the origins of the novel coronavirus." On Monday, WHO Director-General Tedros Adhanom Ghebreyesus said, "We can fight the virus better when we know everything about the virus, including how it started. We will be sending a team next week to China to prepare for that." According to the Post, "The statement came as Tedros and other WHO officials marked six months since the organization received the 'first reports of a cluster of cases of pneumonia of unknown cause in China' – what would eventually be categorized as SARS-CoV-2."

China Locks Down 400,000 Due To "At Least A Dozen" New Cases. Bloomberg (6/29, 4.73M) reports that China "put 400,000 residents of a northern county under lockdown over the weekend after at least a dozen coronavirus cases associated with the Beijing outbreak were reported there." Bloomberg adds, "In a sign that the resurgence of cases in the capital is proving difficult to stamp out even as officials say they've been largely contained, Hebei province's Anxin county has been sealed off and each household can assign only one person to go out for necessities daily." According to Bloomberg, "The containment measures in Anxin, located 140 km from Beijing, are more severe than in the capital itself where the cluster has grown to 311 people since it was first detected on June 12."

New Flu Strain That Could Become Pandemic Identified In China. BBC News (6/29, Roberts, 1.02M) reports on its website, "A new strain of flu that has the potential to become a pandemic has been identified in China by scientists." The virus "emerged recently and is carried by pigs, but can infect humans, they say." While the virus is "not an immediate problem, they say, it has 'all the hallmarks' of being highly adapted to infect humans and needs close monitoring."

EU Moving Toward Finalizing List Of Countries Whose Residents May Enter.

The AP (6/29, Cook) reports "the European Union is edging toward finalizing a list of countries whose citizens will be allowed to enter Europe again in coming days, with Americans almost certain to be excluded in the short term due to the number of U.S. coronavirus cases." According to Spain's foreign minister, "the list could contain 15 countries that are not EU members and whose citizens would be allowed to visit from July 1." EU diplomats expect "that the list would be made public on Tuesday."

Pearl's Killer Could Be Released This Week.

The New York Post (6/29, Fonrouge, 4.57M) reports that Ahmed Omar Saeed Sheikh, the British-born man "sentenced to death for kidnapping and beheading Wall Street Journal reporter Daniel Pearl in Pakistan could walk free this week, reports said Monday." Saeed Sheikh "was found guilty in 2002 of being the mastermind behind Daniel Pearl's brutal murder but his death sentence was overturned in April after Pakistani prosecutors failed to prove he was the killer, The Guardian reported at the time." A court commuted his sentence to seven years for kidnapping and Saeed Sheikh was set to be released. Appeals were filed and Saeed Sheikh was instead held on a 90-day detention order, expiring Thursday.

Separatists Attack Karachi Stock Exchange.

The Washington Post (6/29, Khan, 14.2M) reports that in Karachi, Pakistan on Monday, "four gunmen armed with assault rifles and grenades stormed the stock exchange...but security officials said the attack was foiled within minutes." According to the Post, "Police said one police officer and two private security guards who stopped the gunmen died. All four attackers were killed before they could enter the country's

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oldest and largest stock exchange." The Post says the Baloch Liberation Army "claimed responsibility for the attack in a tweet from an account that was later suspended by Twitter." The Post reports that the same group "has carried out a number of similar attacks in recent years aimed at destabilizing Pakistan's economy and undermining Chinese influence."

Macron Blasts Russia For Sending Mercenaries To Libya.

Reuters (6/29) reports that on Monday, French President Emmanuel Macron "condemned the role of Russian mercenaries in Libya, days after it was revealed they had, along with others, entered the Sharara oilfield last week."

Iran Asks Interpol To Assist In Arresting Trump Over Soleimani Killing.

Iran has issued an arrest warrant for President Trump, along with 35 others, over the assassination of Qassem Soleimani in Iraq on January 3. Reuters (6/29, Dehghanpisheh) says Iran "has asked Interpol for help." Tehran prosecutor Ali Alqasimehr "said the warrants had been issued on charges of murder and terrorist action," and "said Iran had asked Interpol to issue a 'red notice' seeking the arrest of Trump and the other individuals the Islamic Republic accuses of taking part in the killing of Soleimani." According to Reuters, Alqasimehr "said the group included other U.S. military and civilian officials but did not provide further details."

The Washington Times (6/29, Wolfgang, 492K) reports, "There was virtually no chance that the arrest warrant for Mr. Trump and 35 other foreign officials to Interpol would ever be enforced outside Iran's borders, and Interpol officials said they would not act on Iran's request." However, the move "shows that Iran is once again stoking tensions with the U.S. and feeling the heat from a U.S. pressure campaign on its military and economy." According to the Times, "both sides are plotting their moves as time winds down before the U.S. election in November."

After Iranian Missile Facility Explodes, Conspiracy Theories Take Flight In Tehran.

The New York Times (6/29, Sanger, Bergman, Fassihi, 18.61M) reports that following "a major explosion" at an Iranian missile production facility last week, it remains "unclear whether the cause was an accident, sabotage or something else." US and Israeli intelligence officials "insist they had nothing to do with it." However, "in Iran, where curating conspiracy theories is a national pastime, the sight of a huge explosion in eastern Tehran quickly merged on social media with news of a power outage in Shiraz, nearly 600 miles to the south," even though "there is no evidence the incidents were related."

Mortar Strikes Kill At Least 20 Civilians In Afghanistan.

The New York Times (6/29, Shah, Abed, 18.61M) reports, "At least 20 civilians were killed and dozens of others wounded when mortar rounds struck a crowded livestock market in southern Afghanistan on Monday, with the government and the Taliban pointing blame at each other." According to the Times, "several local elders said that the mortars had been fired by the Second Brigade of the Afghan Army," but "the Afghan government denied that its forces were behind the attack," and a statement from President Ashraf Ghani's office, "condemning the strike, called it a 'terrorist attack.'" A Taliban spokesman "blamed the Afghan forces for Monday's attack and said the Afghan government 'threw dust in people's eyes' by describing the mortar-shelling as a car-bomb so they could attribute the violence to the Taliban."

NYTimes Profiles Young Afghan Activist Killed In Explosion Targeting Civilians.

The New York Times (6/29, Mashal, 18.61M) profiles Fatima "Natasha" Khalil, 24, a human rights worker, who was killed on Saturday "in another of the all-too-ubiquitous explosions targeting civilians in Kabul." Khalil's death came "at a deeply uncertain time for the country, when an endless war often still claims more than 50 lives on many days." According to the Times, "a generation of young Afghans has grown up with liberties and opportunities that now feel threatened by the prospect of the insurgents returning to government." The Times adds that as "the bloodletting has intensified," many of those at risk "represent elements of the new life that has taken root since 2001: journalists and moderate religious scholars, cultural figures and activists – and women in public roles."

SCOTUS Upholds Rule Requiring Overseas Recipients Of AIDS Funding To Pledge To Oppose Prostitution.

USA Today (6/29, Wolf, 10.31M) reports, "The Supreme Court ruled Monday that the fight against HIV/AIDS overseas may require foreign groups receiving federal funds to pledge to oppose prostitution and sex trafficking." Reuters (6/29, Hurley) reports challengers to the rule argued it was a violation of the First Amendment. They "said the restrictions, part of a law enacted under Republican former President George W. Bush, interferes with the ability to provide advice and counseling to sex workers about the risks of HIV infection."

The AP (6/29) reports the court ruled 5-3 with Justice Brett Kavanaugh writing for the court's conservatives that "plaintiffs' foreign affiliates are foreign organizations, and foreign organizations operating abroad possess no rights under the U. S. Constitution." Justice Elena Kagan was recused from the case, "presumably because she worked on an earlier version of it when she served in the Justice Department before joining the court."

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Lawyers Urge Trump To Rescind Sanctions Against ICC Members.

The Washington Post (6/29, Nakashima, Morello, 14.2M) reports, "A group of 175 legal scholars and attorneys specializing in international law have urged President Trump to rescind his authorization of sanctions and visa denials for International Criminal Court staff members investigating war crimes in Afghanistan, including those allegedly committed by U.S. forces." In a statement, the lawyers "said that sanctioning prosecutors and investigators of alleged war crimes, rather than perpetrators, is 'wrong in principle, contrary to American values, and prejudicial to U.S. national security.'" Some of the signatories have "said they fear the order is so sweeping it could lead to sanctions against U.S. lawyers who have assisted the ICC and Americans who work on its staff," and others have raised concerns "the U.S. refusal to cooperate with the ICC would diminish American credibility."

US Curbs High-Tech Exports To Hong Kong In Response To China's National Security Law.

The New York Times (6/29, Swanson, 18.61M) reports the Administration "placed new restrictions on U.S. exports of defense equipment and certain high-technology products to Hong Kong on Monday, in response to a new Chinese law aimed at tightening Beijing's control over the territory." According to the Post, "in separate statements on Monday, the State Department said that it would end exports of U.S. military equipment to Hong Kong, while the Commerce Department said that Hong Kong would now be subject to the same types of controls on certain technology exports that apply to China." The impact of "the new restrictions announced Monday appears to be relatively limited in scope, given the small volume of trade the United States does with Hong Kong," but it "could have larger implications for some multinational companies, including some semiconductor firms, who now will be barred from sending products or sharing certain high-tech information with the territory."

AP Report: Muslim Women Imprisoned In China For Having Multiple Children. According to the AP (6/29, Press), China is "taking draconian measures to slash birth rates among Uighurs and other minorities as part of a sweeping campaign to curb its Muslim population, even as it encourages some of the country's Han majority to have more children." The AP says "the practice is far more widespread and systematic than previously known," and is "leading to what some experts are calling a form of 'demographic genocide.'" The AP goes on to report that Chinese authorities "regularly subject...minority women to pregnancy checks, and force...intrauterine devices, sterilization and even abortion on hundreds of thousands." The AP adds, "Having too many children is a major reason people are sent to detention camps...with the parents of three or more ripped away from their families unless they can pay huge fines."

Rick Scott: China Has Ambitions For "World Domination." In a "wide-ranging" interview with Ben Weingarten of the The Federalist (6/29, Weingarten, 126K), Sen. Rick Scott (R-FL) discussed "the Chinese Communist Party's (CCP) ambitions, partisanship on China and its effects on policy, the competition between our two nations for technological dominance, Wall Street's cozy relationship with the CCP, and a host of other topics." Scott said, "The Communist Party of China is in for world domination...and so it'll be a pretty dark world. ... I don't believe it'll happen...if we do our job."

India Bans Dozens Of Chinese Apps Following Border Clash.

The Wall Street Journal (6/29, Roy, Subscription Publication, 7.57M) reports India on Monday banned dozens of Chinese mobile applications, including the popular platform TikTok, amid growing calls within the country to retaliate following a deadly border clash.

The Washington Post (6/29, Slater, 14.2M) reports "the prohibited mobile applications represent a threat to national security and the privacy of Indian citizens, the country's Ministry of Electronics and Information Technology said in a statement." The apps were "stealing and surreptitiously transmitting users' data" to servers outside the country, an activity that "ultimately impinges on the sovereignty and security of India," the statement said.

The New York Times (6/29, Abi-Habib, 18.61M) reports, "While India has vowed to retaliate, it lags far behind China in military and economic power, leaving it with few options." However, "Chinese telecommunication and social networking companies have long eyed India's giant market and its enormous potential."

EU Extends Sanctions On Russia Over Ukraine.

The AP (6/29) reports that on Monday, the European Union "prolonged economic sanctions against Russia for six months for failing to live up to its commitments to the peace agreement in Ukraine." According to the AP, "The measures target Russia's financial, energy and defense sectors, as well as goods that can be used for both civilian and military purposes." The AP says the EU imposed "a raft of sanctions...on Russia in 2014 after it annexed Ukraine's Crimean Peninsula."

Johnson: UK Take "Rooseveltian Approach" To Stimulus Spending.

The AP (6/29, Lawless) reports that on Monday, British Prime Minister Boris Johnson "acknowledged...that the coronavirus pandemic has been a 'disaster' for Britain, as he announced a spending splurge designed to get the country – and his faltering Conservative government – back on track." According to the AP, Johnson "promised a 'Rooseveltian approach,' invoking the New Deal policies of President Franklin D. Roosevelt that helped wrench the United States out of the Great Depression."

Johnson: Britons Are "Significantly Fatter" Than Other Europeans. Politico (6/29, Casalicchio, Gehrke, 4.29M) reports that Johnson also indicated that "with Britain 'significantly fatter' than other nations, the government will look at interventions to stem obesity." According to Politico, Johnson "is said to have attributed his tough battle with the disease to his weight, which topped" 242 pounds "when he

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went into hospital," and "has woken up to the idea that the government must help Brits lose weight." Johnson is quoted as saying, "When you compare us to other countries, we are significantly fatter – apart from the Maltese, for some reason."

Japan Expresses Opposition To Trump's Push To Include South Korea In G-7 Summit.

The Washington Times (6/29, Taylor, 492K) reports, "President Trump's push to include South Korea in an upcoming Group of Seven summit is triggering backlash from Japan and threatening to reignite tensions that soared between Tokyo and Seoul last year." A "high level" Japanese official is said to have "lamented that South Korea is not in lockstep with the G-7 on Chinese and North Korean issues." In response to the media report, South Korea's Yonhap News Agency "cited an anonymous official from President Moon Jae-in's office in Seoul as saying Tokyo's protest reflected typical 'shameless' behavior by Japan toward South Korea."

Israeli Official Says Annexation May Get Pushed Back.

The Washington Times (6/29, Taylor, 492K) reports Israeli Defense Minister Benny Gantz on Monday suggested "that Prime Minister Benjamin Netanyahu's July 1 target date for a major annexation of West Bank territory is going to be delayed because of ongoing issues tied to the coronavirus pandemic." According to the Times, "while Mr. Netanyahu still clung to his vow to move ahead with the controversial annexation, Israeli media cited sources close to Mr. Gantz as saying the defense minister, who is also serving as alternative prime minister, told U.S. officials in a private meeting Monday to expect a delay." The developments were "the first major indication that the two men may now be feuding deeply behind the scenes over the annexation plan, which has triggered an international backlash, as well as sharp pushback from Arab powers across the Middle East."

In an article titled "Jericho Now Fears Israeli Annexation," the Washington Post (6/29, Eglash, 14.2M) reports, "In Jericho, the most populous town in the mainly agricultural Jordan Valley, there is concern among the 22,000 residents that expanded areas of Israeli control will make daily life unbearable." A map included in President Trump's Middle East plan "suggests that Israel will take control of the entire valley that runs along the border with Jordan southward to the Dead Sea." In such a scenario, "Israeli territory would encircle areas designated for the Palestinians and leave places like Jericho isolated."

Mexican President To Fly Commercial When He Visits US Next Week.

The Washington Post (6/29, Sieff, 14.2M) reports that next week, Mexican President Andrés Manuel López Obrador will be "the rare foreign head of state to fly commercial to meet the U.S. president." The populist leader is standing by "his pledge to travel only on commercial airlines, telling supporters he's saving the government millions of dollars." The Post says that "in his decision to lead a delegation on an indirect commercial flight to Washington," many in Mexico "see yet another sign of an irresponsible response to the pandemic."

Cuba Urges Citizens To Grow More Of Their Own Food As It Faces Looming Crisis.

Reuters (6/29, Marsh) reports that as Cuba faces a "looming food crisis," the government is urging "citizens to produce more of their own food, including in big cities, in whatever spaces they can find, from backyards to balconies." Food imports have "nosedived in recent years as aid from ally Venezuela shrank following its economic implosion" and President Trump "tightened the half century-old U.S. trade embargo." The coronavirus pandemic has "only exacerbated the situation."

Housing

Donna Corley Named Head Of Freddie Mac Single-Family.

Mostly behind a paywall, the Mecklenburg (NC) Times (6/29, Report, 2K) reports that Freddie Mac "has announced that Donna Corley has been named executive vice president and head of the company's Single-Family business." According to the Times, "Corley brings to the position nearly 25 years of experience in the financial services industry as well as deep expertise in risk management, capital markets and pricing."

FHFA Extends GSE Multifamily Forbearance Period For Three More Months.

Forbes (6/29, Williams, 9.71M) reports Freddie Mac and Fannie Mae "announced that multifamily property owners currently in forbearance can extend the payment suspension period for three more months for a total of half a year. As long as forbearance lasts, owners cannot evict renters." The FHFA "announced...measures intended to assist renters and landlords as the coronavirus pandemic wears on but federal protections begin to expire." While the CARES Act "allowed only for three months of forbearance for multifamily buildings," with FHFA's new announcement, multifamily property owners with loans in forbearance "can extend the payment suspension period for three more months for a total of half a year." According to Forbes, "As a result of FHFA's action, renters in apartment complexes with Fannie Mae or Freddie Mac mortgages would be shielded from evictions as long forbearance lasts." The ABA Banking Journal (6/29) reports that this is because "while properties are in forbearance, landlords must suspend all evictions for tenants unable to pay rent."

National Mortgage Professional (6/29) reports FHFA Director Mark Calabria said, "During the pandemic, FHFA has been focused on protecting renters and borrowers while ensuring the mortgage market functions as efficiently as possible. The multifamily mortgage forbearance extension announced today will help renters stay in their homes and help property owners retain their properties."

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HousingWire (6/29, 23K) reports, "According to Freddie Mac, any extension of the forbearance period will also extend the prohibition on evicting tenants solely for nonpayment of rent, which was part of its original forbearance program established in response to Hurricane Harvey in 2017."

Realtor (6/29, 25.12M) reports that the move "could potentially help about 4.2 million renters living in more than 27,000 properties that would qualify for this temporary relief, according to Freddie Mac." The Real Deal (NY) (6/29, 124K) reports Freddie Mac Multifamily EVP Debby Jenkins said, "Many borrowers are still facing hardship even though they may soon exhaust the 90-day forbearance granted in the initial iteration of our Covid-19 relief program. These additional relief options will provide more flexibility to borrowers and extend tenant protections for renters who also continue to struggle with the economic effects of the pandemic."

Providing additional coverage of the GSEs' extension of multifamily forbearance are RISMedia (6/29, 2K), American Genius (6/29), Seeking Alpha (6/29, Kiesche, 512K), and the National Council of State Housing Agencies (6/29).

MBA: GSE Forbearance Rate Falls As Ginnie's Stays Flat.

HousingWire (6/29, 23K) reports, "The forbearance share of mortgages backed by Fannie Mae and Freddie Mac dropped for the third straight week, while Ginnie Mae loans were unchanged, the Mortgage Bankers Association said in a report on Monday." The GSEs' forbearance rate fell from 6.31% to 6.26% in the week that ended on June 21, while the forbearance rate of FHA and VA loans in Ginnie Mae securities held flat at 11.83%. MBA Chief Economist Mike Fratantoni said, "The overall share of loans in forbearance declined for the second week in a row, led by the third straight drop in GSE loans. Many borrowers initially received a three-month forbearance term, and as of June 21, 17% of loans in forbearance have now been extended, with the largest share of those being Ginnie Mae loans."

Despite the MBA's encouraging data, DS News (6/29, Albanese) reports that "Black Knight's Director of Market Research told CNBC in an interview that rising forbearances may continue." Andy Walden "said a large number of forbearances were expected to expire at the end of June but borrowers could be deciding to stay in plans longer than expected." He also "said Black Knight will be watching [unemployment data] to see if it impacts the share of mortgages in forbearance." Black Knight's latest McDash Flash Forbearance Tracker indicated that 8.8% of all mortgages are in forbearance, up from 8.7% the prior week.

Providing additional coverage of the MBA's data are National Mortgage News (6/29), National Mortgage Professional (6/29) and Calculated Risk (6/29).

CFPB Research Shows Black Americans Still Struggle To Get Mortgages.

National Mortgage Professional (6/29) reports that "new research" from the CFPB "shows Blacks are more likely to be denied mortgages compared with white borrowers," although the numbers also "show an increase in the percentage of new home loans going to Black buyers." According to NMP, the "major reason for mortgage denial among the Black community is a reliance on debt-to-income ratios." The Urban Institute has said that DTI ratios are "much less significant predictors of loan performance than FICO scores and that many high-DTI loans have strong FICO scores." University of Buffalo professor Henry Louis Taylor Jr. told Marketplace that Black Americans are "not going to do well on that because of the low incomes that they have traditionally and because of the debts that they acquire just trying to make ends meet."

PACE Improvement Loans Become Harder To Pay During Coronavirus Pandemic.

The Los Angeles Times (6/29, Khouri, 4.64M) reports that "according to industry trade group PACENation, PACE-funded projects in California stood to save, over the lifetime of the improvements, 19.3 million gallons of water." But "the correct amount is 19.3 billion gallons of water." For many "years, the industry has been dogged by allegations that some home improvement contractors exploit a loan approval process with weak safeguards to mislead people into financing they can't afford, by telling them either that work would be free or that it would be less than it ultimately cost." Some "consumer attorneys say they were seeing PACE-driven foreclosures even before the current crisis and now fear a surge as the recession cuts off economic lifelines for people already living on the edge."

Fannie Mae Survey Highlights Lenders' Top Pandemic-Related Challenges.

According to M Report (6/29, Albanese), Fannie Mae "conducted of more than 200 senior mortgage executives in May," finding that "clarity on loan eligibility, supply chain disruption, and staff health" have been lenders' "primary challenges since the pandemic began impacting the U.S." Of those surveyed, 36% of loan originators cited "gaining clarity from secondary-market investors on loan eligibility guidelines" as their first or second top challenge tied to the pandemic. One executive said, "Many investors were making significant changes to guidelines. The changes were different from investor to investor and the timing of effective dates was also different. Very difficult to manage." HousingWire (6/29, 23K) provides similar coverage.

NAR: Pending Home Sales Surged 44% In May, Far Exceeding Expectations.

Reuters (6/29, Mutikani) reports that in May, "contracts to buy US previously owned homes rebounded by the most on record...suggesting the housing market was starting to turn around." The National Association of Realtors "said its Pending Home Sales Index, based on contracts signed last month, surged 44.3%, the largest gain since the series started in 2001. Still, contracts remain 10.6% below their level in February

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before businesses were shuttered in a bid to slow the spread of coronavirus." Reuters adds "economists...had forecast pending home contracts, which become sales after a month or two, rebounding 18.9% in May." According to CNBC (6/29, Olick, 3.62M), "Sales had fallen 22% for the month in April, as the economy shut down to slow the spread of the coronavirus." The AP (6/29, Ott) says "contract signings...have fallen 5.1% over the past year, but Monday's better-than-expected pending home sales data offers some optimism for the housing market, which was severely hampered by the coronavirus pandemic."

HousingWire (6/29, 23K) reports that the rebound came as "the average U.S. rate for a 30-year fixed mortgage fell to a record low of 3.15% at the end of May, as measured by Freddie Mac. Since then, rates in the last two weeks have set a new all-time low of 3.13%." NAR Chief Economist Lawrence Yun said, "This has been a spectacular recovery for contract signings, and goes to show the resiliency of American consumers. This bounce-back also speaks to how the housing sector could lead the way for a broader economic recovery." According to Yun, "The outlook has significantly improved, as new home sales are expected to be higher this year than last, and annual existing-home sales are now projected to be down by less than 10% – even after missing the spring buying season due to the pandemic lockdown."

Other media outlets covering NAR's data include Bloomberg (6/29, 4.73M), MarketWatch (6/29, Passy, 1.67M), Business Insider (6/29, Reinicke, 3.67M), Forbes (6/29, Hansen, 9.71M), Yahoo! Finance (6/29), Realtor Magazine (6/29), Mortgage News Daily (6/29), M Report (6/29, Albanese), National Mortgage Professional (6/29), Advisor Perspectives (6/29), and Seeking Alpha (6/29, Batavia, 512K).

Redfin: Affordable Segment Of Housing Market Continues Seeing Price Growth.

HousingWire (6/29, 23K) reports that housing demand is rising and boosting prices as inventory remains low, with the lower end of the segment seeing steep appreciation while the prices of higher-end homes are declining. According to HousingWire, "Between the date in March that the World Health Organization declared a pandemic and the week ending May 31, Redfin found that prices of houses ranked in the 6th to 35th percentile for value rose 5.5% year over year, while prices of homes in one of the top tiers – those from 66th-95th percentile – rose just 2%." Redfin Lead Economist Taylor Marr said, "Many Americans – especially Millennials – were already toying with the idea of buying their first house before the pandemic. Now they're actually taking the plunge because mortgage rates are so low and it's less attractive to live in a small apartment right next to the office." Redfin's data mirrors the YoY price gain of 5.5% reported by the FHFA in its House Price Index for the month of April.

Analysis: Appraisal Waivers Could Make Refinancing Cheaper.

Realtor (6/25, 25.12M) reports that appraisal waivers could help borrowers save money when they refinance. According to Realtor, "The guidelines for appraisal waivers are set by Fannie Mae and Freddie Mac." The GSEs offer "special underwriting software" that "evaluates properties by using data from millions of home sales, including appraisal reports," analyzes a loan, then "produces a simple yes or no recommendation for an appraisal waiver." From there, Realtor says, "your lender can choose to offer you the appraisal waiver or require an in-person appraisal."

Markets

10-Year Yield Falls.

MarketWatch (6/29, 1.67M) reports the 10-year Treasury yield fell to 0.632 percent.

Dollar Holds Steady.

Reuters (6/30, Sano) reports the dollar index on Tuesday "was little changed at 97.444." The dollar "climbed 0.1% to 107.70 yen, having touched a three-week high of 107.885 in the previous session, though it was capped by its 100-day moving average around that level." The euro "stood at $1.1244, having gained a tad against the U.S. currency on Monday."

Gold Remains Near Eight-Year High.

Reuters (IND) (6/30, Patel) reports, "Gold held close to a near eight-year peak on Tuesday, en route to its best quarter in more than four years, as worries over rising cases of the novel coronavirus and its economic fallout boosted safe-haven demand." Spot gold "was steady at $1,772.14 per ounce by 0703 GMT, just $6.92 shy of a near eight-year high of $1,779.06 hit last week. U.S. gold futures rose 0.3% to $1,787.30."

Oil Falls.

Reuters (6/30, Paul, Samanta) reports, "Oil prices slipped on Tuesday as traders took profits after sharp gains in the previous session and Libya's state oil company flagged progress on talks to resume exports, potentially boosting supply." Brent crude futures for September "fell 24 cents, or 0.6%, to $41.61 a barrel by 0610 GMT," while the August contract, which expires on Tuesday, "fell 24 cents to $41.47." West Texas Intermediate crude "was down 33 cents, or 0.8% at $39.37 a barrel."

Cybersecurity

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FBI Warns Of Potential Increase In School Cyber Attacks.

KTVK-TV Phoenix (6/29, Hechanova, 302K) reports from Tempe, Arizona, "As school districts come up with plans to safely return to the classroom this fall, the FBI warns districts to be prepared in case of a ransomware attack." KTVK-TV adds, "According to an FBI alert sent to the University of Advancing Technology in Tempe, hackers targeting K-12 schools and infecting computer systems with ransomware is likely to increase during the COVID-19 pandemic." The FBI "advises school districts never give into a ransomware hackers demands, because it's not guaranteed you'll get your files back and the hackers might hit the district again in the future and ask for even more money."

Nigerian Instagram Star Busted In $431 Million Cyber Scam.

The New York Post (6/29, Salo, 4.57M) reports, "A Nigerian Instagram star who boasted online about his lavish lifestyle of private jets, designer clothes and luxury cars has been busted in a $431 million cyber scam, according to a report." Raymond Abbas, "known as Hushpuppi to his 2.4 million followers, was nabbed earlier this month in Dubai for an alleged scheme that involved ripping off credit card information overseas, The Times of UK reported. 'The suspects targeted victims overseas by creating fake websites for well-known companies and banks in a bid to steal victims' credit card information and then launder the stolen money,' Dubai Police Brigadier Jamal al-Jalaf said." The Post adds, "The FBI and Interpol raided his Dubai apartment as he slept and seized more than £30 million, or $37 million, in cash, the report said."

CISA Chief Discusses Efforts To Protect Health Sector During COVID-19 Crisis.

MeriTalk (6/29) is "chronicling the untold stories – and lessons – of Federal IT operations during three months of pandemic." In this chapter, MeriTalk explores "cybersecurity operations at the Cybersecurity and Infrastructure Security Agency (CISA)." Bryan Ware, Assistant Director for Cybersecurity at CISA, "reveals the agency's massive efforts to protect the pharmaceutical, hospital, and public health agency sectors as the pandemic gathered force and slammed into the US." The agency has "identified and targeted 10,000 critical vulnerabilities, taken action to block 7,000 malware domains, and worked with the Department of Health and Human Services (HHS) to take down another 10,000 fraudulent domains." CISA has notified "more than 100 organizations that they are active threat targets, and offered help."

Hackers Extorted $1.14M From University of California San Francisco.

BBC News Online (UK) (6/29, 1.02M) reports a leading medical-research institution "working on a cure for Covid-19 has admitted it paid hackers a $1.14m (£910,000) ransom after a covert negotiation witnessed by BBC News." The Netwalker criminal gang "attacked University of California San Francisco (UCSF) on 1 June." Cyber-security experts "say these sorts of negotiations are now happening all over the world – sometimes for even larger sums – against the advice of law-enforcement agencies, including the FBI, Europol and the UK's National Cyber Security Centre." Netwalker alone has been "linked to at least two other ransomware attacks on universities in the past two months."

San Francisco News (6/29) reports UCSF is now "working with the FBI to investigate, and is also working to restore all affected systems." Student records, medical records, and research "were not released and still remain secure." According to a statement on UCSF's website, "Our investigation is ongoing, but, at this time, we believe that the malware encrypted our servers opportunistically, with no particular area being targeted. The attackers obtained some data as proof of their action, to use in their demand for a ransom payment. We are continuing our investigation, but we do not currently believe patient medical records were exposed. As additional facts become known, we will provide further updates."

Op-Ed: Effective Communication Steps State And City Governments Can Take To Better Manage Cybercrimes.

In a commentary in Forbes (6/29, 9.71M), David Fouse, a Partner and Lead Strategist with Pinkston, a Washington, DC-based strategic communications firm, writes, "While both the public and private sectors have been focused on containing the virus, cybercriminals have been using it as an opportunity to exploit long-standing weaknesses in cybersecurity infrastructure. Not long after the outbreak first took hold, dozens of hospitals, medical labs and health care organizations in the US and abroad were the victims of ransomware attacks. ... And today, with more Americans working from home, cybersecurity risks are at an all-time high." He contends, "Action during a crisis is difficult because the 'noise' level increases dramatically, so having a plan in place, not just for technical solutions but communication, is critical. Without it, recovery efforts and public confidence are hindered." Fouse offers "some key communication takeaways for state and municipal governments and agencies to consider."

Cyberspace Solarium Committee-Related Amendments On Deck In NDAA Debate.

Politico (6/29, Starks, 4.29M) reports in the Morning Cybersecurity column that Cyberspace Solarium Commission Co-chair Angus King (I-ME) this week "will push the Senate to adopt some of the panel's biggest recommendations." The 18 amendments "he filed last week to the fiscal 2021 defense authorization bill (S. 4049) include modifications that would create a Bureau of Cyber Statistics; designate a set term for the director of CISA; require cybersecurity risk reports from publicly traded companies; authorize the executive branch to declare a state of cyber distress; and propose a 'sense of the Senate' that it should establish a 'Select Committee of the Senate on Cyber.'" The Senate defense policy bill "already includes some of what the Solarium Commission sought, although it didn't embrace the most prominent

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commission recommendation to create a Senate-confirmed national cyber director."

Australia To Invest Nearly $1B In Cybersecurity.

Reuters (6/29) reports Prime Minister Scott Morrison "said on Tuesday Australia will invest AS1.35 billion ($926.10 million) in cyber security, including recruiting more specialists, amid an increasing wave of hacking attempts against the country." Morrison" said malicious cyber activity against Australia was increasing in frequency, scale and sophistication." He said, "The federal government's top priority is protecting our nation's economy, national security and sovereignty. Malicious cyber activity undermines that." The package will include "A$470 million to hire an extra 500 cyber security experts in the Australian Signals Directorate, which intercepts electronic communications from foreign countries." Defence Minister Linda Reynolds "said that the funding, which will be spread over the next decade, is part of a A$15 billion investment in cyber warfare capabilities that will form part of the country's 2020 defence plan."

The Senate Seeks Answers About DISA's Network Security System.

C4ISR & Networks (6/29, Eversden) reports a Senate committee's version of the annual defense policy bill "would ban DOD from spending money to deploy a controversial cybersecurity program on its secret network." The Senate Armed Services Committee's version of the NDAA for fiscal year 2021 "would preclude the department from spending fiscal 2021 funds on the Joint Regional Security Stacks (JRSS) program for use on its Secret Internet Protocol Router Network." JRSS, run by the Defense Information Systems Agency, "provides cybersecurity services for many DOD components through intrusion detection and prevention, enterprise management, and virtual routing." The Senate bill authorizes "cuts of about $11.6 million from the JRSS, including $11.1 million in JRSS procurement funds for SIPRNet and about $500,000 in research, development, testing and evaluation."

New Mexico State University Investigates Cyberattack On University Foundation.

The AP (6/29) reports New Mexico State University and the school's foundation "are investigating a cyberattack on the foundation's computers." University officials "said Monday that unusual network activity was first noticed last week". There's no evidence of "any data theft, but officials said the investigation is ongoing." Derek Dictson, president of the NMSU Foundation and NMSU's vice president for university advancement, "said the foundation moved quickly to contain any possible data loss by removing all affected devices from the network as a precaution."

US Interest In OpenRAN Growing As A Potential Alternative To Huawei's Networking Equipment.

An 1800 word report in The Washington Post (6/29, Whalen, 14.2M) details how Idaho-based Inland Cellular has used OpenRAN technology to cut the cost of operating its rural wireless network. The Post says that "interest in this new technology is growing beyond this rugged corner of Idaho – in part because some U.S. officials and lawmakers see it as a way to challenge Huawei, the Chinese company that has dominated global sales of equipment for wireless networks for years." Proponents of OpenRAN "say the ability to pick and choose hardware from different suppliers makes it cheaper than the complete equipment-and-software packages currently sold by Huawei and its two major rivals, Ericsson and Nokia."

Former NSA Chief Michael Rogers Talks About Cybersecurity.

The Washington Exec (6/29, Degges) reports that, "as part of the Upfront Summit, former NSA director and head of the Cyber Command, Michael Rogers, recently shared his thoughts on the state of cyberwarfare, the nation's approach to cybersecurity and the relationship between people and technology." When asked about the current state of nation activity in cyberspace, Rogers "spoke of the various ways nations use digital attacks as an offensive tool." He" said he has never seen any nation besides North Korea use cyberattacks to go after money." Iran uses cyberattacks "as a low-risk way to change behavior of their adversaries." Russia, on the other hand, "uses cyberattacks as a means to control the dynamic between cyber and information, while China uses this method for technological developments toward an economic advantage." He "said he believes the US needs to focus on offensive cyber development rather than respond to adversaries."

Federal Reserve

Fed Announces Opening Of Primary Corporate Credit Facility.

Bloomberg (6/29, Torres, 4.73M) reports the Fed "announced that the Primary Market Corporate Credit Facility opened for business Monday, the last of its nine pandemic emergency lending programs to become operational." According to details released by the Fed, purchases include bonds issued by companies such as AT&T, UnitedHealth Group, and Walmart. Reuters (6/29, Marte) reports that in a statement, the Fed said, "By standing ready to provide credit to qualifying issuers of corporate bonds in periods of stress, the PMCCF serves as a funding backstop, supporting market liquidity and the availability of credit for large employers."

The Washington Post (6/29, Siegel, 14.2M) reports the Fed's disclosure that it "could purchase the debt of massive companies such as Apple and Microsoft," triggered a "fresh debate about the central bank's norm-shattering response to the coronavirus crisis and whether its efforts are going to the neediest slices of the economy." CNBC (6/29, Cox, 3.62M) reports Kathy Jones, Director of Fixed Income at Charles

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Schwab, said, "It does sort of make you wonder if it makes sense for them to be buying bonds of Apple. Spreads are so tight and stocks are doing so well. You wouldn't think they would need support from the Fed." Jones added, "The reasoning I guess makes sense. But when you look at the outcome, you scratch your head and wonder whether this is where we need the money to go."

The Wall Street Journal (6/28, Timiraos, Subscription Publication, 7.57M) also reports.

Fed Purchases Nearly $40 Million In Bonds From Energy And Utility Companies. Politico (6/29, Tamborrino, 4.29M) reports the Federal Reserve released data Sunday showing that as of June 18 the bank has purchased $17.5 million in bonds from energy companies and $19.5 million in bonds from utilities as part of an effort to help the companies cope with the economic impact of the coronavirus pandemic. The Fed's data shows that it "has bought bonds on the secondary market issued by Exxon Mobil, Duke Energy, Williams Co., Phillips 66, Sabine Pass Liquefaction, FirstEnergy Corp., DTE Electric, Florida Power & Light and Marathon Petroleum." The Fed is planning to purchase bonds from several other companies, including: Pioneer Natural Resources, Chevron, Sempra Energy, Cimarex Energy, Apache Corp., Concho Resources, ConocoPhillips, Parsley Energy, Hess Corp., and Marathon Oil Corp.

Food, Ag Companies Included In Fed's $7B Bond Program. Politico (6/29, McCrimmon, 4.29M) reports that on Sunday, dozens of food and farm businesses were included in the New York Federal Reserve's $7 billion "shopping list for individual corporate bonds and exchange traded funds, reports Pro Financial Services' Victoria Guida." The list included PepsiCo, Quaker Oats, Coca-Cola, AB InBev, Campbell Soup, Kellogg, JM Smucker, Conagra, Costco, Starbucks, Unilever, and others. The program "is part of the central bank's unprecedented efforts to pump money into the economy and keep cash moving through financial markets."

Walmart, Other Major US Companies Have Debt Purchased By Federal Reserve. CNN (6/29, Horowitz, 21.56M) reports Walmart is one of the many large US companies that have had its debt purchased by the Federal Reserve in mid-June as "part of the central bank's unprecedented intervention in credit markets." The Federal Reserve "disclosed hundreds of millions of dollars in purchases of individual corporate bonds on Sunday, while identifying nearly 800 eligible issuers whose bonds it could buy down the line" in an effort to ease credit markets as the economy continues to feel the effects of the coronavirus pandemic.

Strategists Surprised By The Fed's Purchases Of Auto Makers' Bonds. Barron's (6/29, Scaggs, 1.07M) reports many strategists were surprised to see so many large global auto makers appear in the Fed's latest balance-sheet release. Barron's says, "That suggests that the central bank's geographical requirements may not be as strict as some on Wall Street thought." It appears that the Fed classifies auto makers in the "consumer cyclical" sector, which is the "second-largest in the central bank's index, making up 16% of the total size."

Fed's Main Street Program Off To Slow Start, "Pretty Convoluted" For Business Owners.

The AP (6/29, Rugaber) reports a small business owner's "pretty convoluted" experience with the Fed's Main Street Loan Program "underscores banks' surprising lack of interest in the...program, as well as the challenges potential borrowers are having accessing the program." Fed officials "say more than 200 banks have signed up to participate since the program began two weeks ago, but that's a small slice of the nation's roughly 5,000 lenders. None have made any loans yet."

Reuters (6/29, Saphir) reports Fed Chair Jerome Powell "said in remarks prepared for a Congressional hearing on Tuesday that the central bank's Main Street lending facility may prove valuable 'in the months ahead' for firms hit by a dramatic drop in economic activity during the pandemic."

Powell Says Fed Will Keep Rates Low As Economy Faces Heightened Uncertainty.

The AP (6/29, Crutsinger) reports Federal Reserve Chairman Jerome Powell "says the outlook for the U.S. economy is 'extraordinarily uncertain' and the success of the recovery effort will depend in large part on the country's ability to contain the spread of the coronavirus." In testimony he is scheduled to deliver Tuesday before the House Financial Services Committee, Powell says, "A full recovery is unlikely until people are confident that it is safe to reengage in a broad range of activities." In the testimony released Monday, "Powell repeats a pledge that the central bank will keep interest rates at their current ultra-low levels until it is sure the economy has weathered the pandemic crisis."

Other news outlets reporting include Reuters (6/29, Saphir), The Wall Street Journal (6/29, Timiraos, Subscription Publication, 7.57M), CNBC (6/29, Cox, 3.62M), the Financial Times (6/29, Politi, Subscription Publication, 1.34M), and Bloomberg (6/29, Torres, Miller, 4.73M).

Daly: More Shutdowns A Threat To Economic Recovery.

Reuters (6/29, Saphir) reports San Francisco Fed President Mary Daly said it is "far too early" to gauge the strength of the US economic recovery as the coronavirus shutdown winds down. Daly "said...the outlook will depend in large part on whether widespread shutdowns are again imposed or whether current mitigation strategies are enough to keep the virus in check but allow people to be back at their jobs." Economists polled by Reuters expect unemployment to fall to 12.3 percent in June from 13.3 percent in May.

The Wall Street Journal (6/29, Derby, Subscription Publication, 7.57M) also reports.

Office of the Comptroller of the Currency

House Passes Resolution To Overturn OCC's CRA Rewrite.

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Law360 (6/29, Subscription Publication, 8K) reports behind a paywall that the House on Monday passed a resolution that would reverse the

Office of the Comptroller of the Currency's controversial overhaul of the Community Reinvestment Act. The Democratic-sponsored measure "passed by a 230-179 vote strictly along party lines" and "would make use of Congress' regulatory lookback authority to nullify" the new rules.

Bloomberg Law (6/29, Subscription Publication, 4K) reports, "The House vote is the first step in eliminating the OCC's May 20 rule using the Congressional Review Act. The law requires simple majorities in the House and Senate plus the president's signature to kill a regulation within 60 legislative days of its finalization."

CQ Roll Call (6/29, Saksa, 154K) reports the resolution "faces long odds in the GOP-controlled Senate, and the White House said President Donald Trump would veto what is a rebuke of a Trump-chosen regulator's signature proposal." CQ Roll Call adds, "Even if the joint resolution dies in the Senate as expected, the rule change won't be completely in the clear: The National Community Reinvestment Coalition is suing to block it, saying the OCC didn't provide enough consideration to public feedback."

OCC: COVID-19 Elevated Risks To Banks' Profitability, Compliance.

American Banker (6/29, Pedersen, Subscription Publication, 31K) reports the Office of the Comptroller of the Currency on Monday released its semiannual report on the US banking system, highlighting "risks to bank profitability resulting from tightening net interest margins and mounting loan-loss provisions." The OCC said the COVID-19 pandemic will continue to pressure bank earnings and credit quality, but the total impact remains uncertain. The agency said "provision expenses [are] expected to remain high while net interest income and margin pressures increase from the collapse of the yield curve."

Law360 (6/29, Subscription Publication, 8K) reports the OCC also said the negative economic impacts of the pandemic combined with government programs such as the Paycheck Protection Program have elevated compliance and operational risks "as banks face economic woes tied to low interest rates and high loan volumes, according to the report." Banks "went into the pandemic in a strong position," but "recent conditions are weighing on them, the report suggested."

The ABA Banking Journal (6/29) provides similar coverage.

Justices Decline To Hear Attorney's Fight With OCC.

Law360 (6/29, Subscription Publication, 8K) reports behind a paywall that the US Supreme Court "declined Monday to review a D.C. Circuit decision that dismissed an ex-Greenberg Traurig LLP partner's First Amendment claims over allegations that the Office of the Comptroller of the Currency brought an unconstitutional enforcement action against him." Carlos Loumiet, who is "now a partner at Nelson Mullins Riley & Scarborough LLP, sued the OCC in July 2011, alleging he was maliciously prosecuted as revenge for his criticism of the agency's handling of a securities fraud investigation into a bank he audited in 2000 when he was at Greenberg Traurig."

Volcker Rule Changes Allow CLOs To Buy More Than Leveraged Loans.

Bloomberg Law (6/29, Subscription Publication, 4K) reports behind a paywall, "The $700 billion CLO market will soon be able to purchase junk bonds and potentially other, riskier securities alongside leveraged loans after U.S. regulators eased constraints on some of their biggest investors." The Office of the Comptroller of the Currency, the Federal Reserve, and the Federal Deposit Insurance Corp. last week "approved changes to the Volcker Rule...that expand the types of securities that banks can invest in, paving the way for CLOs to once again include bonds in their pools of assets." The moves could even possible allow CLOs "to buy equity and equity-like securities, according to some initial interpretations."

Meanwhile, Forbes (6/29, 9.71M) reports that the changes to the Volcker Rule "should be positive for not only the banking sector...but also for early-stage startup and emerging company investment. This should bode especially well for FinTech ventures that seek long-term partnership and/or investment from the industry they serve."

Wells Fargo Cuts Dividend Under Fed Capital Demands.

The Wall Street Journal (6/29, Eisen, Subscription Publication, 7.57M) reports Wells Fargo said it expects it will cut its dividend payment for the first time in over 10 years due to the economic hardship wrought by the coronavirus pandemic. Wells Fargo said it would cut its dividend from the previously-planned 51 cents, and that it would announce the exact amount at its second-quarter earnings call on July 14. Meanwhile, JPMorgan Chase, Bank of America, Citigroup, Morgan Stanley, and Goldman Sachs will hold dividend payments steady. Last week, the Federal Reserve said banks' dividends could not exceed their average quarterly earnings between the third quarter of last year and the second quarter of this year, meaning Wells Fargo had to cut its dividend as its earnings steeply fell last quarter.

CNBC (6/29, Pound, 3.62M) reports Wells Fargo CEO Charlie Scharf said in a press release that the bank expects to again increase its loan-loss provision to an amount "substantially higher" than last quarter's increase, which CNBC says "will put downward pressure on the bank's earnings." Scharf said, "These are certainly extremely challenging times for many and we remain committed to supporting our customers and communities, and we will continue to take appropriate measures to maintain strong capital and liquidity levels and to improve the earnings capacity of the company."

Barron's (6/29, English, 1.07M) and CNBC (6/29, Franck, Son, Pound, 3.62M) provide similar coverage.

Big Banks Boost Capital Buffer Following Fed Stress Test.

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American Banker (6/29, Alix, Subscription Publication, 31K) reports big banks including JPMorgan Chase, Goldman Sachs, Morgan Stanley, and Capital One "said they would set aside a stress test capital buffer greater than the minimum of 2.5%." The announcement was "hotly anticipated after the Federal Reserve released stress test results last week." According to American Banker, "The lower the stress capital buffer, the better the bank is seen to have performed under the stress test, with the minimum being an 2.5% required to be held starting in October through September 2021." Citigroup, Bank of America, Wells Fargo, and State Street "reported 2.5% stress capital buffers," while Goldman "reported a 6.7% stress capital buffer requirement, meaning its businesses were considered riskier than other banks and would have to hold a larger cushion."

Editorial Wrap-Up

New York Times.

"John Roberts Is No Pro-Choice Hero." In an editorial, the New York Times (6/29, 18.61M) says "the Supreme Court upheld abortion rights on Monday, with Chief Justice John Roberts concurring with the liberals," and adds Roberts' "disapproval of abortion" did not "outweigh his desire for the court to respect its own very recent precedent." The Times argues that Roberts "appears to have decided that the circumstances of this case were not ideal for crippling reproductive rights" but "left the door open to doing so in the future."

Washington Post.

"Mississippi's Removal Of A Confederate Symbol From Its Flag Should Be Celebrated." In an editorial, the Washington Post (6/29, Board, 14.2M) says the decision by Mississippi lawmakers to remove the Confederate emblem from the state flag is "a moment to be celebrated." The Post calls the flag a long-standing "source of controversy" and a "pain to African American residents of the state who saw it as an enduring reminder of white supremacy, terror, lynching and exclusion," but adds that "removing symbols that hurt and inflame is important but of course not enough. Laws, attitudes and practices all need to change to address police brutality, vote suppression and economic inequality," which is "why it is critical for people to get out and vote in November for candidates who will help lead the way."

"The Report Of Russia Putting Bounties On US Soldiers Is Disturbing. Trump's Response Is Stupefying." The Washington Post (6/29, Board, 14.2M) says in an editorial that President Trump's "reaction in recent days" to reports on Russian bounties for the killing of US soldiers – "that he wasn't told, that it is a hoax – has been utterly inadequate. ... Rather than address the highly disturbing news itself," Trump offered "distractions and denials. ... The intelligence reports, if true, demand a serious response. With Mr. Trump once again immobilized in the face of Russian provocation, Congress will have to step up."

"The Outcome Of The Louisiana Abortion Case Was A Victory For The Rule Of Law." The Washington Post (6/29, 14.2M) editorializes that "it is cause for optimism that the Supreme Court has voted to strike down a law in Louisiana that would have imposed strict but medically unwarranted regulations on that state's abortion providers." The ruling "is a victory for the right to choose and for women who rely on it. Equally, if not more important, however, it is a triumph for adherence to precedent." To the Post, "Credit goes to the four justices appointed by Democratic presidents" and to Roberts, whose "adherence to precedent despite personal disagreement...is all the more remarkable given that the chief justice can expect another round of condemnation from Republicans already furious with him for thwarting their preferred outcomes in previous cases."

Wall Street Journal.

"One Man's Supreme Court." In an editorial, the Wall Street Journal (6/29, Board, Subscription Publication, 7.57M) criticizes Chief Justice John Roberts' reasoning in the ruling on the Louisiana abortion law as well as other controversial rulings as eminently political, and predicts Monday's decision will hurt the judiciary by keeping political matters in the legal arena.

"The GOP's Lampoon Vacation." In an editorial, the Wall Street Journal (6/29, Board, Subscription Publication, 7.57M) criticizes a proposal from Sen. Martha McSally (R-AZ) offering Americans a $4,000 tax credit to take vacations. The American Tax Rebate and Incentive Program Act is aimed at encouraging Americans to support the travel and tourism industries, which have been hit hard by the pandemic, but the Journal says the tax credit would subsidize spending that would have happened regardless.

"The Court's Missed Opportunity On Consumer Financial Protection." In an editorial, the Wall Street Journal (6/29, Subscription Publication, 7.57M) hails the Supreme Court's separation-of-powers ruling, but otherwise casts the court's decision as a lost opportunity to find the entire CFPB unconstitutional.

"Woke Capital Targets Free Speech." In an editorial, the Wall Street Journal (6/29, Subscription Publication, 7.57M) says Facebook has already acted against hate speech, and that advertising boycotts by large businesses represent a troubling effort by big corporations to influence free speech.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Louisiana Abortion Law Struck Down By Supreme Court

Supreme Court Orders Restructuring Of Consumer-Finance Watchdog

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India Bans TikTok, Dozens Of Other Chinese Apps After Border Clash
'Flying Blind Into A Credit Storm': Widespread Deferrals Mean Banks Can't Tell Who's Creditworthy
How To Get A Big Break On The Cost Of College: Just Ask
Americans Ponder How To Throw A Party

New York Times:
Supreme Court Strikes Down Louisiana Abortion Law, With Roberts The Deciding Vote
The Supreme Court Stopped Anti-Abortion Momentum. For Now.
Three Words. 70 Cases. The Tragic History Of 'I Can't Breathe.'
Coronavirus Is Battering Africa's Growing Middle Class
'Our Luck May Have Run Out': California's Case Count Explodes
Trump Got Written Briefing In February On Possible Russian Bounties, Officials Say

Washington Post:
Hopkins Virus Trackers: Look Beyond The Red Dots
High Court Strikes Down Louisiana Abortion Law
Jericho Fears Its Vision For Peace Could Soon Be Lost
For Black Workers, A 2nd Job But No Pay
Did A Small Mutation Fuel Virus's Conquest?
At Center Of Bench, Roberts Resists A Swift Shift To Right

Financial Times:
Merkel Offers Olive Branch To 'Frugal Four' Over EU Crisis Fund
Wall Street Banks Net Record Fees For Pandemic Fundraisings
India Bans Dozens Of Chinese Mobile Apps
Defection Of White Seniors Is Troubling Sign For Trump

Washington Times:
Mayflower Hotel Meeting Drove Liberal Media Overkill, Empty Russia Scandal
'For The Greater Good': Governors Roll Back Reopenings As Coronavirus Cases Explode
'Sanctuary City For Unborn' Ordinances Take Off In Texas Despite Pro-Choice Pushback
Iran Issues Arrest Warrant For President Trump
Facebook Cracks Down On Political Content As Ad Boycott Spreads
Supreme Court Signals Hesitancy To Further Restrict Abortion With Strike Down Of Louisiana Law

Story Lineup From Last Night's Network News:

ABC: US-Coronavirus; White House-Coronavirus Comments; Coronavirus-Younger Patients; Coronavirus-Rare Inflammatory Disease; Arizona-Coronavirus; Minneapolis-Officers In Floyd Killing Appear In Court; Trump-Controversial Tweet; St. Louis Investigating Couple Over Controversial Video; Report-Russia, Taliban Relations; Supreme Court-Abortion Ruling; Golden State Killer Plea; US Southwest-Fires; Mississippi-State Flag Bill; Broadway To Stay Closed; Nurse Reunites With Family.

CBS: US-Coronavirus; Texas-Coronavirus; Supreme Court-Abortion Ruling; Report-Russia, Taliban Relations; Minneapolis-Officers In Floyd Killing Appear In Court; Oklahoma-Traffic Stop Shooting; Texas-Missing Fort Hood Soldier; Golden State Killer Plea; FAA-Boeing Test Flights; Pediatric Patient Draws For Nurses, Physicians.

NBC: US-Coronavirus; Texas-Coronavirus; Minneapolis-Officers In Floyd Killing Appear In Court; Trump-Controversial Tweet; Report-Russia, Taliban Relations; Supreme Court-Abortion Ruling; US-Mail-In Voting; Golden State Killer Plea; Reopening Schools; BET Awards.

Network TV At A Glance:
US-Coronavirus – 9 minutes, 10 seconds
Report-Russia, Taliban Relations – 6 minutes, 30 seconds
Supreme Court-Abortion Ruling – 5 minutes, 30 seconds
Minneapolis-Officers In Floyd Killing Appear In Court – 5 minutes, 15 seconds
Texas-Coronavirus – 3 minutes, 45 seconds
Trump-Controversial Tweet – 3 minutes, 30 seconds
Golden State Killer Plea – 3 minutes

Story Lineup From This Morning's Radio News Broadcasts:

ABC: US-Coronavirus; Arizona-Coronavirus; White House-Mask Comments; California-Coronavirus; PPP To Close; Golden State Killer Plea; Japan-Missile Detection Updates.

CBS: Report-Russia, Taliban Relations; Arizona-Coronavirus; New York-Coronavirus; Supreme Court-Abortion Ruling; Minneapolis-Officers In Floyd Killing Appear In Court; China-Hong Kong Security Law; Stocks.

FOX: California-Coronavirus; Arizona-Coronavirus; Golden State Killer Plea; California-Men In Security Guard Killing Indicted.

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NPR: Supreme Court-Abortion Ruling; Supreme Court-CFPB Watchdog Ruling; New Jersey-Coronavirus; China-Hong Kong Security Law.

Last Laughs

Late Night Political Humor.

All late-night talk shows were in rerun.

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Receives his intelligence briefing.
- Vice President Pence — Has no public schedule announced.

US Senate:

• Health agency chiefs testify to Senate HELP Committee hearing on 'getting back to work and school' – Hearing on 'COVID-19: Update on Progress Toward Safely Getting Back to Work and Back to School', with testimony from NIH National Institute of Allergy and Infectious Diseases Director Anthony Fauci; CDC Director Robert Redfield; Assistant Secretary of Health and Human Services for Health Adm. Brett Giroir; and Food and Drug Administration Commissioner Stephen Hahn

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Banking Committee remote hearing on 'The Digitization of Money and Payments' – Remote hearing on 'The Digitization of Money and Payments', with testimony from Willkie Farr & Gallagher Senior Counsel and former Commodity Futures Trading Commission Chairman J. Christopher Giancarlo; Paxos CEO and co-founder Charles Cascarilla; and Duke University School of Law Visiting Assistant Professor of Law Nakita Cuttino; *10:00 AM*

• Senate Foreign Relations Committee hearing on US international pandemic preparedness – Hearing on 'COVID-19 and US International Pandemic Preparedness, Prevention, and Response: Additional Perspectives', via videoconference, with testimony from Georgetown University Medical Center for Global Health Practice and Impact Co-Director Mark Dybul; Harvard Global Health Institute Director Dr Ashish Jha; former Assistant Secretary of Health and Human Services for Global Affairs Jimmy Kolker; and Center for Global Development Senior Policy Fellow Jeremy Konyndyk; *10:00 AM*

• Senate Finance Committee hearing on the 2020 filing season – Hearing on '2020 Filing Season and IRS COVID-19 Recovery', with testimony from Internal Revenue Service Commissioner Charles Rettig

Location: Rm 215, Dirksen Senate Office Building, Washington, DC; 10:15 AM

• Hearing on 'The Judicial Conference's Recommendation for More Judgeships'

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 2:30 PM

• Closed Briefing: Intelligence Matters

Location: CVC 217, US Capitol Visitor Center, Washington, DC; 2:30 PM

• Senate Transportation subcommittee hearing on traffic safety and NHTSA grant programs – Transportation and Safety Subcommittee hearing on 'Safety on Our Roads: Overview of Traffic Safety and NHTSA Grant Programs', with testimony from Lincoln, NE, Police Department Captain Chris Peterson; Governors Highway Safety Association Region Three Representative John Saunders; and National Safety Council Vice President of Government Affairs Jane Terry

Location: Rm 253, Russell Senate Office Building, Washington, DC; 2:30 PM

• Richard Gere testifies to Senate Finance subcommittee on 'Censorship as a Non-Tariff Barrier to Trade' – International Trade, Customs, and Global Competitiveness Subcommittee hearing on 'Censorship as a Non-Tariff Barrier to Trade', with testimony from actor and International Campaign for Tibet Chairman Richard Gere; Open Markets Institute Fellow Beth Baltzan; Information Technology and Innovation Foundation Associate Director of Trade Policy Nigel Cory; and Akin Gump Straus Hauer & Feld partner Clete Willems

Location: Rm 215, Dirksen Senate Office Building, Washington, DC; 2:30 PM

• Senate Natural Resources Committee hearing on coronavirus impacts in the territories – Hearing 'To Examine the Impact of COVID-19 to US Territories', with testimony from Northern Mariana Islands Rep. Gregorio Kilili Camacho Sablan; American Samoa Rep. Amata Coleman Radewagen; US Virgin Islands Rep. Stacey Plaskett; Puerto Rico Rep. Jenniffer Gonzalez-Colon; and Guam Rep. Michael San Nicolas * Members may participate in person or online. Committee follows guidelines developed to protect the health of members, staff,

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and the public, including maintaining six-foot social distance spacing in the hearing room and not accommodating in-person visitors

Location: Rm 366, Dirksen Senate Office Building, Washington, DC; 2:30 PM

• Senate Governmental Affairs Committee nominations hearing – Nominations hearing considers Derek Kan to be Office and Management and Budget Deputy Director, via videoconference; *2:30 PM*

US House:

• House Oversight subcommittee hearing on 'Empowering Women and Girls and Promoting International Security' – National Security Subcommittee hearing on 'Empowering Women and Girls and Promoting International Security', held via WebEx; *9:00 AM*

• House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 2 – Moving Forward Act'

Location: US Capitol, Washington, DC; 10:00 AM

• House Dems unveil 'comprehensive Congressional action plan to solve the climate crisis' – House Speaker Nancy Pelosi and House Select Committee on the Climate Crisis Chair Kathy Castor and members unveil 'a comprehensive Congressional action plan to solve the climate crisis', via press conference. Other participants include House Assistant Speaker Ben Ray Lujan and fellow Democratic Reps. Suzanne Bonamici, Julia Brownley, Jared Huffman, A. Donald McEachin, Mike Levin, Sean Casten, and Joe Neguse * Committee was created by Rep. Pelosi at the beginning of the 116th session of Congress to make 'science-based policy recommendations to the standing committees of jurisdiction on how to solve the crisis'

Location: East Front steps, US Capitol, Washington, DC; 10:00 AM

• House Commerce Committee hearing on legislation to improve mental health during crisis – Hearing on 'High Anxiety and Stress: Legislation to Improve Mental Health During Crisis', held via WebEx, with testimony from former Rep. Patrick Kennedy; American Psychological Association CEO Dr Arthur Evans Jr.; American Psychiatric Association President Jeffrey Geller; and Sandy Hook Promise Students Against Violence Everywhere (SAVE) Promise Club National Youth Advisory Board Member Arriana Gross; *11:00 AM*

• Treasury Secretary Mnuchin and Fed Chair Powell testify to House Financial Services Committee on coronavirus response – Hearing on 'Oversight of the Treasury Department's and Federal Reserve's Pandemic Response', with testimony from Secretary of the Treasury Steven Mnuchin; and Federal Reserve Board Chair Jerome Powell * Held in a 'hybrid' format, with Members participating remotely or in person. To ensure social distancing, access to the hearing room is limited to Members, Committee staff, and witnesses

Location: CVC-200, US Capitol Visitor Center, Washington, DC; 12:30 PM

• House Foreign Affairs subcommittee hearing on 'China's Maritime Ambitions' – Asia, the Pacific, and Nonproliferation Subcommittee hearing on 'China's Maritime Ambitions', with testimony from Center for Strategic and International Studies Asia Maritime Transparency Initiative Director Gregory Poling; and American Enterprise Institute Resident Scholar Dr Oriana Skylar Mastro * Held via Cisco Webex and in Rm 2172, Rayburn House Office Building; *3:00 PM*

Cabinet Officers:

• Health agency chiefs testify to Senate HELP Committee hearing on 'getting back to work and school' – Hearing on 'COVID-19: Update on Progress Toward Safely Getting Back to Work and Back to School', with testimony from NIH National Institute of Allergy and Infectious Diseases Director Anthony Fauci; CDC Director Robert Redfield; Assistant Secretary of Health and Human Services for Health Adm. Brett Giroir; and Food and Drug Administration Commissioner Stephen Hahn

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Treasury Secretary Mnuchin and Fed Chair Powell testify to House Financial Services Committee on coronavirus response – Hearing on 'Oversight of the Treasury Department's and Federal Reserve's Pandemic Response', with testimony from Secretary of the Treasury Steven Mnuchin; and Federal Reserve Board Chair Jerome Powell * Held in a 'hybrid' format, with Members participating remotely or in person. To ensure social distancing, access to the hearing room is limited to Members, Committee staff, and witnesses

Location: CVC-200, US Capitol Visitor Center, Washington, DC; 12:30 PM

• Assistant Secretary of Energy for Energy Efficiency and Renewable Energy Daniel Simmons hosts Facebook Live broadcast; *3:30 PM*

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• Atlantic Council online discussion on the KGB – 'Putin's People: How the KGB took back Russia' Atlantic Council online discussion,

with featured speakers including author Catherine Belton, University of Virginia Professor Philip Zelikow, Financial Accountability and Corporate Transparency Coalition Interim Executive Director Clark Gascoigne and journalist Casey Michel; *8:00 AM*

• GMF online discussion on 'Ukraine's Reform Stagnation' – 'Ukraine's Reform Stagnation: The Path Forward During a Crisis' online discussion hosted by German Marshall Fund of the US, with featured speakers including former member of Ukrainian Parliament Hanna Hopko, Ukrainian Ministry of Finance former Chief Economist Oleksandra Betliy and GMF Senior Fellows Jonathan Katz and Bruno Lete; *8:30 AM*

• CSIS online discussion on Russia and the Arctic – 'Russia's Military Posture in the Arctic' online discussion hosted by Center for Strategic and International Studies, with featured speakers including Europe Program Director Heather Conley, Norwegian Institute for Defence Studies Deputy Director Katarzyna Zysk and CNA Senior Research Scientist Michael Kofman; *9:00 AM*

• USIP discussion on Iraq's religions and ethnic minorities post-Islamic State group – 'Where Do Iraq's Religious and Ethnic Minorities Stand Post-ISIS?' US Institute of Peace online discussion, with Assistant Secretary of State for Democracy, Human Rights, and Labor Robert Destro, Alliance of Iraqi Minorities General Assembly and External Relations Committee member William Warda, Women Empowerment Organization Director Susan Aref, and USIP Iraq Senior Program Advisor Osama Gharizi; *9:00 AM*

• Carnegie Endowment virtual event on US-Japan tech collaboration – 'Technonationalism Redux: US-Japan Strategies to Compete with China' Carnegie Endowment for International Peace virtual event, on how the US and Japan are changing how they manage trade policy, export controls, investment rules, research and development strategies, supply chains, and even visa guidelines to gain a technological edge over China. Speakers include Nakasone Peace Institute Senior Research Fellow Jun Osawa, Japanese Cabinet Secretariat Senior Advisor Tatsuya Terazawa, Albright Stonebridge Group principal Amy Celico, and Carnegie Asia Program Senior Fellow James Schoff; *9:00 AM*

• Heritage Foundation webinar on the CCP's handling of the coronavirus pandemic – 'Responding to the Chinese Communist Party's Mishandling of COVID-19' Heritage Foundation online discussion, on 'how the party has silenced whistleblowers, forcibly disappeared citizen journalists, and misreported infection and death rates from coronavirus (COVID-19)'. Speakers include Human Rights Watch China Researcher Yaqiu Wang, American Enterprise Institute Visiting Fellow Michael Mazza, and Asian Studies Center Senior Policy Analyst Olivia Enos; *9:00 AM*

• President's Council of Advisors on Science and Technology meeting, via teleconference; *9:30 AM*

• Carnegie Endowment virtual event on US-China missile defense cooperation – 'Can Cooperation on Missile Defense Avoid a US-China Nuclear Arms Race?' Carnegie Endowment for International Peace online event, with Georgetown University Assistant Professor Oriana Mastro, former Acting Assistant Secretary of State for East Asian and Pacific Affairs Susan Thornton, and Carnegie-Tsinghua Center for Global Policy Senior Fellow Tong Zhao; *10:00 AM*

• Brookings online discussion on Dodd-Frank Reform Act – 'A decade of Dodd-Frank' online discussion hosted by Brookings Institution in conjunction with the University of Michigan Center on Finance, Law & Policy, with featured speakers including former Senate Committee on Banking, Housing, and Urban Affairs Chairmen Chris Dodd and Barney Frank, Federal Reserve Governor Lael Brainard, former Fed Governor Jeremey Stein, Chair Janet Yellen, and Vice-Chair Don Kohn, Securities and Exchange Commission Commissioner Hester Peirce, and former Consumer Financial Protection Bureau Director Richard Cordray; *10:00 AM*

• CSIS online discussion on the Chinese Navy – 'Party on the Bridge: Political Commissars in the Chinese Navy' online discussion hosted by Center for Strategic and International Studies, to examine the dual command structure of the Chinese Navy. Featured speakers include Nanyang Technological University China Program Senior Analyst Zi Yang, CSIS Freeman Chair in China Studies Jude Blanchette and CSIS International Security Program Military Fellow Jeff Benson; *10:00 AM*

• Wilson Center event on natural resources in Africa – 'Natural Resources, Sustainable Development, and Peace in Africa' Wilson Center online event, on the intersection of civil society and peacebuilding in natural resource-rich African countries. Speakers include Nigeria Extractive Industries Transparency Initiative Technical Advisor Dr Dauda Garuba, African Development Bank Natural Resources Center Director Dr Cosmas Milton Obote Ochieng, Initiative Prospective Agricole et Rurale Senior Economist Dr Seydina Ousmane Sene, and Makere University's Dr Resty Nalga; *10:00 AM*

• AGC and HSS release reports on construction job totals and highway work zone dangers – Associated General Contractors of America and HCSS unveil new survey results highlighting 'the dangers of highway work zones for motorists and workers' and release data that claims 'more people are working in construction in most cities compared to April', via virtual media briefing with AGC Chief Economist Ken Simonson, HCSS President and CFO Steve McGough, and Constructors Association of Western Pennsylvania Industry Relations Director Jason Koss; *10:00 AM*

• National Construction Safety Team Advisory Committee virtual meeting; *10:30 AM*

• CGD online discussion on Africa and coronavirus – 'Africa Beyond COVID-19' online discussion hosted by Center for Global Development, with featured speakers including Kenewendo Advisory Economist Bogolo Kenewendo, Georgetown University Assistant Professor Ken Opalo and CGD Non-resident Senior Fellow Nonso Obikili; *10:30 AM*

• National Park System Advisory Board meeting, via teleconference; *11:00 AM*

• Latvian PM discusses transatlantic economic recovery on Heritage Foundation webinar – Heritage Foundation hosts Latvian Prime Minister Krisjanis Karins, who discusses US-European Economic Partnership Recovery Plan and 'how allies can move beyond the current crisis together to foster increased economic freedom'; *11:00 AM*

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• Carnegie Endowment virtual event on coronavirus and the Kremlin – 'COVID and the Kremlin' Carnegie Endowment for International Peace virtual event, on the 1 Jul vote on constitutional changes that could extend President Vladimir Putin's term in office until 2036 and the Kremlin's response to the coronavirus (COVID-19) pandemic. Speakers include former Dozhd' editor-in-chief Mikhail Zygar and The Bell founder Elizaveta Osetinskaya; *11:00 AM*

• JHU virtual forum on 'World Order After COVID-19' – 'World Order After COVID-19 Forum' Johns Hopkins University virtual event, to discuss and chart world order after the coronavirus (COVID-19) pandemic, with content presented becoming the basis for the upcoming book, 'COVID-19 and World Order: The Future of Conflict, Competition, and Cooperation'. Includes keynotes from former Google CEO and Chairman Eric Schmidt and former Secretary of the Treasury Lawrence Summers; *11:00 AM*

• Legal Services Corporation Finance Committee meeting, via telephone; *12:00 PM*

• Global leaders speak on Atlantic Council event – 'Out in global leadership: Fighting coronavirus and injustice' Atlantic Council online discussion, with featured speakers including Luxembourger Prime Minister Xavier Bettel, Serbian Prime Minister Ana Brnabic, and Irish Tanaiste (and former Taoiseach) Leo Varadkar; *12:00 PM*

• Heritage Foundation webinar on 'Autocracy vs. Democracy' – Heritage Foundation holds online book event to discuss 'The Return of Great Power Rivalry', with author Matthew Kroenig explaining his argument 'hat the human and social values embodied in the American system makes it far stronger and enduring than autocratic regimes'. Other speakers include former Deputy National Security Advisor for Strategy Nadia Schadlow, International Republican Institute President Daniel Twining, and Kathryn and Shelby Cullom Davis Institute Vice President James Jay Carafano; *12:30 PM*

• Marine Fisheries Advisory Committee meeting continues, via teleconference and webinar; *1:00 PM*

• POLITICO Live Town Hall on policing and criminal justice reform – 'America at A Tipping Point' POLITICO Live Town Hall, to reflect on the recent demonstrations against police brutality and racial injustice, policing and criminal justice reforms that the killing of George Floyd has further pushed into the policy agenda, and how the national dialogue on racism has shifted. Speakers include Democratic Rep. Karen Bass, former Secretary of Housing and Urban Development Julian Castro, The Leadership Conference on Civil and Human Rights President and CEO Vanita Gupta, and Color of Change President Rashad Robinson; *1:00 PM*

• Axios discussion on 'Inequity in Venture Capital' – 'Inequity in Venture Capital' Axios live, virtual event on the impact of Black Americans' underrepresentation in venture capital, and how leaders are committing to making lasting, systemic change, with Precursor Ventures Managing Partner and Founder Charles Hudson, Cleo Capital Managing Director Sarah Kunst, and Bessemer Venture Partners Partner Elliot Robinson; *1:30 PM*

• Wilson Center event on USMCA prosperity – 'USMCA: Launching a New Phase of Prosperity in North America' online discussion hosted by Wilson Center, with featured speakers including Deputy Under Secretary of Commerce for International Trade Joseph Semsar, Mexican Secretariat of Economy's Luz Maria De La Mora, and Canadian Chief Trade Commissioner Ailish Campbell; *1:45 PM*

• Wilson Center event on women and the Arab Spring – Wilson Center Ground Truth Briefing, on the book 'Women Rising: In and Beyond the Arab Spring', which contains women's stories of their roles in the uprisings and protests. Speakers include Wilson Center Middle East Program Global Fellow Margot Badran, North Carolina State University's Rita Stephan, and University of Texas' Mounira Charrad; *2:00 PM*

• Atlantic Council online discussion on high-tech warfare – 'The future of high-tech warfare' Atlantic Council online discussion, to examine US great-power rivals. Featured speakers include Anduril Industries Chief Strategy Officer Christian Brose, WestExec Advisors Managing Partner Michele Flournoy and USMC (ret.) Gen. James Cartwright; *2:30 PM*

• Foreign Policy conference call with former New Zealand PM – 'Global Lessons for a More Resilient' Future Foreign Policy conference call, on 'the surprising links between coronavirus (COVID-19), climate change, and inclusive governance'. Speakers include former New Zealand Prime Minister Helen Clark; *3:00 PM*

• Assistant Secretary of Energy for Energy Efficiency and Renewable Energy Daniel Simmons hosts Facebook Live broadcast; *3:30 PM*

• New America event on how 2020 will change big tech – 'Will 2020 Change Big Tech?' New America event, on how this 'eventful' year could increase our reliance on tech giants like Amazon, Facebook, and Google even as growing employee activism has hinted at a 'more positive future'. Speakers include New America CEO Anne-Marie Slaughter and LinkedIn co-founder Reid Hoffman; *4:00 PM*

• Taiwanese digital minister discusses ensuring access to reliable information online – 'Combating Misinformation in Times of Crisis' Women's Foreign Policy Group event, on how companies and govts worked together during the early days of the coronavirus (COVID-19) pandemic to combat misinformation and elevate reliable information and the line between content moderation and censorship. Keynote from Taiwanese Digital Minister Audrey Tang, with other speakers including NYU Associate Professor Meredith Broussard; *7:00 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, JUNE 23, 2020 6:00 AM EDT

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Treasury in the News

Mnuchin Dismisses Bolton Claim Of Treasury Weakness On Sanctions.

Bloomberg (6/22, Mohsin, 4.73M) reports Treasury Secretary Steven Mnuchin "rejected John Bolton's assertion in a new book that he's afraid of imposing economic sanctions on adversaries, noting that President Donald Trump has made frequent use of the tool in his foreign policy." Mnuchin, in a Fox Business (6/22, 1.73M) interview Monday, said, "We've done more sanctions under President Trump in this administration than the previous administrations combined. ... For John Bolton to say that I or the president or the Treasury Department were weak on sanctions is ridiculous." Mnuchin said Bolton's book is "full of inaccuracies," adding, "When it comes to Iran, the president, myself and Secretary Pompeo were 100% aligned. Yes, it's true that John Bolton was not necessarily 100% aligned. ... Let me tell you, it was the president's policy, not John Bolton's policy." Real Clear Politics (6/22, Schwartz, 825K) also reports.

Sanders Blasts Bolton In Book Excerpt, Calls Mnuchin "Team Player." Fox News (6/22, Singman, 27.59M) reports former White House Press Secretary Sarah Sanders "shared a scathing passage pertaining to Bolton" from her forthcoming book "in a lengthy Twitter thread Monday morning." Fox says Sanders described "one instance when the administration visited the United Kingdom, noting that multiple members of the president's Cabinet boarded a bus, including Treasury Secretary Steven Mnuchin, then-acting chief of staff Mick Mulvaney, Deputy Chief of Staff Dan Walsh and other senior advisers." Sanders wrote, "Based on US protocol, Mnuchin, Mulvaney and Walsh all outranked Bolton. Mnuchin, one of the highest ranking officials in government, far outranked him. ... While en route, UK police directed us to pull to the side of the road because someone was coming through...we looked over to see who it was and sure enough here came Bolton and his motorcade." Sanders added that discussion on the bus "quickly moved from casual chit chat to how arrogant and selfish Bolton could be, not just in this moment but on a regular basis. If anyone on the team should have merited a motorcade it was Mnuchin, but he was a team player." The Hill (6/22, Bowden, 2.98M) and Axios (6/22, Allen, 521K) also report.

Mnuchin Calls China's Withholding Of COVID-19 Information "Not Acceptable."

Fox Business (6/22, Best, 1.73M) reports Treasury Secretary Steven Mnuchin "said Monday that there is a push within the Trump administration to hold the Chinese government accountable for its lack of transparency surrounding the coronavirus pandemic and the ensuing damage it wrought on America." Responding in an interview with Lou Dobbs to a question about whether the Administration has the "energy" to hold Chinese President Xi Jinping accountable for its handling of the COVID-19 pandemic, Mnuchin said, "I think there is energy. I would start with Secretary [Mike] Pompeo when he had his most recent meeting, was very clear in, 'We need answers.' So, It's not acceptable that China hasn't opened up, hasn't been forthright with what's gone on with this disease. And there's no question, the disease started there. How did it spread through the rest of the world, and it didn't spread through China? That's what we want to know."

Mnuchin Says Trump "May Consider" Decoupling From China. Newsweek (6/22, Villarreal, 1.53M) reports Mnuchin, in the same interview, "suggested that the Trump Administration may consider 'decoupling' itself from China." Mnuchin said, "There may be a time when we have decoupling, that's something that the president may consider."

Trump Projects More Stimulus Payments If Congress Can Pass Another Relief Deal.

Business Insider (6/22, Rapier, 3.67M) reports President Trump on Monday "said Americans would be receiving a second round of economic stimulus payments as part of a second bailout package, if it's passed." Although Treasury Secretary Steven Mnuchin "has floated the possibility of further payments, many Republican congressional leaders have opposed further individual aid, including the extension of a $600-per-week federal unemployment benefit which is set to expire at the end of July."

Democrats: Plan For PPP Disclosure "Inadequate."

The Hill (6/22, Jagoda, 2.98M) reports, "Three House Democratic committee chairs on Monday criticized the Trump administration's announcement that it will release certain information about Paycheck Protection Program (PPP) loan recipients, saying that the planned disclosures are insufficient." In a statement, House Ways and Means Committee Chairman Richard Neal (D-MA), House Financial Services Committee Chairwoman Maxine Waters (D-CA), and House Small Business Committee Chairwoman Nydia Velázquez (D-NY) said: "With this announcement, Treasury and [the Small Business Administration] have agreed to a minimum level of transparency, but still fall short of taxpayers' expectations." The article says the Trump Administration "announced its plans for disclosing this information after lawmakers criticized Treasury Secretary Steven Mnuchin for suggesting during a hearing that information about loan recipients wouldn't be made public."

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Mnuchin, Powell Will Testify Before House Panel June 30 On COVID-19 Response.

Reuters (6/22, Beech) reports Treasury Secretary Steven Mnuchin and Fed Chair Jerome Powell "will testify before the U.S. House of Representatives Financial Services Committee on June 30 about the coronavirus response, the panel said on Monday."

Tribe Slams Treasury's "Hyper-Technical" Position Over CARES Act Funds.

Law360 (6/22, Whitford, Subscription Publication, 8K) reports the Shawnee Tribe "urged an Oklahoma federal court Monday to freeze at least $12 million in federal coronavirus relief funds it was denied because of allegedly inaccurate population data, to ensure the money will still be there when the case wraps up." In its reply brief, the tribe "hit back at the U.S. Department of the Treasury, saying the government made a 'hyper-technical' argument opposing its request for a temporary restraining order and that the tribe properly notified the government that it intended to sue over distribution of funds made available by the Coronavirus Aid, Relief and Economic Security Act."

Leading National News

In Wake Of Pandemic, New Trump Order Temporarily Suspends Work Visas.

Media coverage of the President's executive order on immigration was largely unfavorable, with reports highlighting business opposition and casting Trump as using the coronavirus pandemic as an excuse to implement his agenda. Politico (6/22, McCaskill, 4.29M) indicates "the new order extends restrictions originally enacted in April due to the coronavirus pandemic and expands on the previous directive, which blocked most people from receiving a permanent residency visa – or green card." The new order also "prohibits visas for most guest workers who come to the US for temporary or seasonal work, but exempts farm workers, among others." The Washington Examiner (6/22, Giaritelli, 448K) estimates that "in all, the visas being suspended would prevent approximately 525,000 immigrants from entering the US through the end of 2020."

The Hill (6/22, Samuels, 2.98M) reports "a senior administration official said that the visa restrictions would free up more than half a million jobs for workers already in the country." However, adds The Hill, "many companies are laying off workers due to the pandemic, and economic experts have acknowledged some of those jobs may not return." Bloomberg (6/22, Sink, 4.73M) recounts that "Trump acted with the US facing an unemployment rate of 13.3% after businesses closed or reduced staff in response to the coronavirus pandemic." The order "won't affect immigrant workers who already hold the visas." Trump said in his order, "Under the extraordinary circumstances of the economic contraction resulting from the COVID-19 outbreak, certain nonimmigrant visa programs authorizing such employment pose an unusual threat to the employment of American workers."

Fox News (6/22, Shaw, 27.59M) says on its website that the new order also "extends the measure and goes further by pausing new H-1B tech worker visas, H-2B seasonal worker visas, certain J work and education exchange visitor visas and L executive transfer visas" – and "will be in effect until the end of the year and will not affect those who already have a visa." The New York Post (6/22, Bowden, 4.57M) recounts "Trump previously vowed to suspend all immigration to the United States but left guest worker programs in place which apply to immigrants who work on the nation's farms and meat processing plants, providing crucial labor." According to the NBC News (6/22, 6.14M) website, "Au pairs, university professors and people working in food processing, such as agriculture or seafood, are exempted from the visa suspensions." NBC News reports that "in all, the White House projects 525,000 American jobs will be saved or created by the executive order."

Reuters (6/22, Hesson) reports "critics of the measure say Trump is using the pandemic to enact his longstanding goal to limit immigration into the United States," and adds "Trump owned- or Trump branded businesses have used the H-2B program to hire seasonal guest workers." The Washington Post (6/22, Miroff, Romm, 14.2M) also says "critics of the moves say the president is using the pandemic to carry out the kind of border closures and immigration overhaul he has long extolled, allowing him to tout the measures on the campaign trail."

Axios (6/22, Kight, 521K) also says "Trump has leveraged emergency powers and economic concern from the coronavirus to slowly shut down large parts of the immigration system 00 even as he urges states to reopen." To the AP (6/22, Riechmann, Spagat), "the ban, while temporary, would amount to major restructuring of legal immigration if made permanent, a goal that had eluded the administration before the pandemic." USA Today (6/22, Jackson, Fritze, Collins, 10.31M) says "immigration groups, which have been bracing for the order for days, argue that Trump is targeting immigrants to placate his political base."

The New York Times (6/22, 18.61M) reports, meanwhile, that the order "is fiercely opposed by a broad swath of businesses – including high tech companies in Silicon Valley, manufacturers, and others – whose leaders say it will block their ability to recruit critically needed workers from overseas countries for jobs that Americans cannot or will not perform." Reuters (6/22, Hesson) also reports "businesses including major tech companies and the US Chamber of Commerce have said the visa suspension would stifle the economic recovery after the damage done by the novel coronavirus pandemic."

On the other hand, the Washington Times (6/22, Dinan, 492K) reports that "defying the Washington consensus that has long supported higher immigration, the White House said Mr. Trump is instead betting on American workers." The Washington Examiner (6/22, Bedard, 448K) also says "Trump's new moves" are "aimed at setting aside over half a million jobs for poor and middle class Americans laid off during the coronavirus crisis and stopping chain migration which substantially boosts immigration to the US."

On Fox News' Tucker Carlson Tonight, host Carlson said, "President Trump just signed an executive order today suspending most US work visas until at least the end of the year. Notably, the order that covers both H-2B guest workers and H-1B visas. Both of them…have been exploited for many years by Silicon Valley to drive down wages in the tech sector and prevent Americans from getting the jobs they train for at high expense."

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Breitbart (6/22, Binder, 673K) and the Wall Street Journal (6/22, A1, Hackman, Subscription Publication, 7.57M), among other news outlets, also cover the story.

Graham: Order Will Have "Chilling Effect" On Economic Recovery. Axios (6/22, Perano, 521K) reports Sen. Lindsey Graham (R-SC) "said on Monday that...Trump's expansion of legal immigration restrictions – including a temporary ban on high-skilled H-1B visas – will have a 'chilling effect' on the country's economic recovery." Graham also wrote on Twitter, "Those who believe legal immigration, particularly work visas, are harmful to the American worker do not understand the American economy. ... Unfortunately, I fear the President's decision today to temporarily shut down these programs will create a drag on our economic recovery."

Trump Says He "Brought Back Cars & Jobs" And "Will Do It Again."

President Trump, retweeting a tweet from cartoonist Scott Adams about Trump's unexpected victory in Michigan in 2016, wrote, "I brought back Cars & Jobs. Will do it again for Michigan, & everywhere else!!!"

Trump Says He Backs Second Round Of Direct Aid.

Reuters (6/22, Heavey) reports in a very brief item that President Trump said Monday that he "supported the idea of giving Americans a second round of financial aid amid the novel coronavirus pandemic." Trump told Scripps Networks "that he backed sending out a second check. 'We will be doing another stimulus package' with Congress, he added, saying the bipartisan measure would come 'over the next couple of weeks probably.'" Breitbart (6/22, Hanchett, 673K) also briefly covered the interview, reporting that when asked what the amount of the checks would be, Trump replied, "You'll find out about it."

AP Poll: 63% Say Economy Is "Poor."

The AP (6/22, Boak, Swanson) reports that according to a new AP-NORC poll, "Americans' outlook on the national economy has improved somewhat from its lowest points during the early weeks of the coronavirus pandemic, but...Democrats and Republicans are living in alternate economic realities amid the sharpest recession in the nation's history. Eighty-five percent of Democrats call economic conditions 'poor,' while 65% of Republicans describe them as 'good.'" Overall, 63 percent of respondents say "the economy is in poor shape, down somewhat from the 70% who felt that way in May."

Chao Says DOT Has Taken "Pro-Consumer Action" On Airline Refunds.

In a USA Today (6/22, 10.31M) op-ed, Transportation Secretary Chao says the "urgent need to protect" airline passengers from the coronavirus "and make them feel financially secure from flight cancellations and delays, cannot wait for years-long rulemaking or investigations. That's why DOT has already taken pro-consumer action on refunds" and has distributed "nearly 100 million cloth facial coverings to airports and aviation workers." Chao says she has "personally spoken with all the major airlines to reinforce the Department's consumer protection rules and to emphasize the importance of consistently following public health requirements for the welfare of passengers and crew."

Large Companies Rethink Investments Amid Economic Uncertainty.

The Wall Street Journal (6/22, Driebusch, Subscription Publication, 7.57M) reports large companies are reconsidering investments as continued economic uncertainty has increased the importance of cash on hand. Sanofi recently sold its entire take in Regeneron Pharmaceuticals, for example, while SoftBank says it intends to sell most of its $30 billion stake in T-Mobile US.

T.J. Maxx Has Made Few Changes During Pandemic.

The Wall Street Journal (6/22, Kapner, Nassauer, Subscription Publication, 7.57M) reports under the headline "Coronavirus Changed Everything. Except T.J. Maxx" that the discount chain, which includes HomeGoods and Marshalls as well as its namesake stores, has made few changes to its business model during the coronavirus pandemic. As of last week, about 85 percent of its stores had reopened.

In 8-1 Vote, SCOTUS Affirms SEC's Ability To Recoup Profits Acquired Through Fraud.

The Washington Post (6/22, Barnes, 14.2M) reports the Supreme Court ruled 8-1 Monday that the Securities and Exchange Commission has the authority "to force defendants to forfeit money acquired through investor fraud, but placed new limits on the practice." In a decision written by Justice Sonia Sotomayor, "the court said the money must be for the benefit of investors and cannot exceed the actual profits that came from the wrongdoing." Only Justice Clarence Thomas dissented, "saying the law does not give authority to the SEC for the practice."

Apple To Drop Intel Processors In Favor Of Its Own.

The Wall Street Journal (6/22, Mickle, Subscription Publication, 7.57M) reports Apple CEO Tim Cook said Monday that the company will stop using Intel processors in its Mac computers after 15 years, and will instead develop its own integrated chips. The Journal says the move is part of a plan to more fully integrate Macs with Apple's iPhone ecosystem.

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Trump, Kudlow Dispute Navarro's Claim That US-China Trade Deal Is "Over."

Axios (6/22, Swan, 521K) reports NEC Director Kudlow "disputed comments from Trump's trade adviser Peter Navarro, who said Monday night on Fox News the US-China trade deal is 'over.'" Kudlow told Axios, "The US remains engaged with China over the phase one trade deal signed last January and according to trade negotiator Bob Lighthizer the deal is going well. President Trump has made similar comments just recently." Trump tweeted "moments after Navarro's appearance on Fox News, 'The China Trade Deal is fully intact. Hopefully they will continue to live up to the terms of the Agreement!'"

EU Officials Urge China To Change Approaches To Trade. The AP (6/22, Cook) reports that in video talks with Chinese President Xi Jinping and Premier Li Keqiang on Monday, "top European Union officials...pressed China's leaders to open the country's markets further to European companies, show stronger leadership in reforming world trade's governing body and step back from the brink in Hong Kong." The AP adds, "With criticism mounting that the EU has been kowtowing to Beijing, European Council President Charles Michel and EU commission President Ursula von der Leyen attempted to strike a tougher tone than usual." Michel "fir[ed] off a list of outstanding issues like market access, subsidies, regulatory issues, public procurement, the forced transfer of technologies and WTO reforms." The New York Times (6/22, Erlanger, 18.61M), among other news outlets, also reports the story.

Brouillette: China Selling Reactors Made With Stolen US Technology. Energy Secretary Brouillette said on the Hugh Hewitt Show (6/22) that China is "competing to win, and it comes with it a number of different challenges. This is not just your basic economic challenge where you make a cheaper widget and that widget sells more in the marketplace than your higher priced widget. This is a situation in which the Chinese have in essence stolen intellectual property from the United States. And many of the reactors that they are selling around the world, it can be fairly argued, are US technology."

Supreme Court Rejects Challenge To Trump's Steel Tariffs.

Reuters (6/22, Hurley) reports that on Monday, the Supreme Court "turned away a challenge to President Donald Trump's tariffs on imported steel brought by an industry group that had argued that a key part of the law under which he imposed the duties violates the US Constitution." The justices "declined to hear the American Institute for International Steel's appeal of a February ruling by the US Court of Appeals for the Federal Circuit in favor of the administration." AIIS is "a pro-free trade group that represents steel importers and users of imported steel."

Politico (6/22, Palmer, 4.29M) says, "The decision could embolden Trump to take further tariff actions without worrying that the Supreme Court will strike them down," and "puts the onus on Congress to decide whether it wants to rein in Trump's tariff powers." Bloomberg (6/22, Stohr, 4.73M), among other news outlets, also covers the decision.

Senate Democrats Threaten To Block GOP Police Reform Bill.

Politico (6/22, Everett, Levine, 4.29M) reports Senate Democrats are "strongly signaling they will filibuster Republicans' police reform bill later this week absent more concessions" from Senate Majority Leader McConnell, who "set the Senate on a path to consider the legislation on Wednesday." Sen. Jon Tester (D-MT) said, "If nothing changes, I'm voting no. I need some assurances that we're going to vote on amendments that will fix this bill. And it needs a lot of fixing." Senate Minority Leader Schumer called the GOP bill "deeply and fundamentally flawed," and Senate Minority Whip Durbin said, "There's no clarity in what we're being offered by Sen. McConnell. I've faced similar Sen. McConnell offers in the past, on [coronavirus legislation], and the best thing that happened is we didn't accept his offer. We demanded a bipartisan approach."

The Washington Post (6/22, Sonmez, 14.2M) reports that bill's "political future...has been thrown into doubt after a trio of influential voices urged senators to oppose the measure." The NAACP Legal Defense and Educational Fund sent a letter to McConnell and Schumer on Monday "voicing opposition to the bill." Al Sharpton also issued a statement Monday urging senators to oppose the GOP bill, calling it "a nonstarter in the conversation to truly make a difference when it comes to the pervasive issue of over-policing Black communities."

Reuters Analysis: Neither Senate Nor House Police Reform Bill Likely To Become Law. Reuters (6/22, Morgan) reports that the Senate and the House "will vote this week on separate bills aimed at addressing police misconduct...but neither measure is likely to become law." The Senate "is expected to hold a procedural vote on a Republican bill by Wednesday, while the House is due to vote on more sweeping Democratic legislation on Thursday." However, Reuters says, "neither measure, as written, appears to have enough bipartisan support to win approval from both chambers and be signed into law."

The Hill (6/22, Carney, 2.98M) reports McConnell "will need 60 votes, including the support of at least seven Democrats, to overcome the hurdle," and "on Monday he urged Democrats to allow the bill to advance."

Trump Shares Video Of Attack On Macy's Employee By African American.

On Twitter Monday night, President Trump shared a video of a white Macy's employee being assaulted by an African American and wrote, "Looks what's going on here. Where are the protesters? Was this man arrested?"

Trump Calls Planned Removal Of Teddy Roosevelt Statue "Ridiculous."

The AP (6/22) reports, "The American Museum of Natural History will remove a prominent statue of Theodore Roosevelt from its entrance after years of objections that it symbolizes colonial expansion and racial discrimination," New York City Mayor Bill de Blasio (D) said Sunday.

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Reacting to the news on Twitter, President Trump wrote, "Ridiculous, don't do it!"

In an editorial, the Wall Street Journal (6/22, Subscription Publication, 7.57M) bemoans the move to remove the statue, casting it as part of a campaign to erase American history.

Interior IG To Probe Park Police's Clearing Of Protesters Near White House.

The AP (6/22, Knickmeyer) reports that the office of Interior Department Inspector General Mark Lee Greenblatt "will investigate law enforcement and security forces' violent clearing of protesters from a square in front of the White House earlier this month." The Interior Department's US Park Police "and other forces released chemical agents and at times punched and clubbed a largely peaceful of crowd of demonstrators to drive the public from Lafayette Square on June 1." The AP adds that Sen. Roy Wyden (D-OR), and Reps. Raúl Grijalva (D-AZ) and Debra Haaland (D-NM), had asked Greenblatt "to investigate the actions that night of the Park Police," and Greenblatt "agreed late last week, telling the lawmakers that Interior Secretary David Bernhardt had also asked for the review."

DC Protesters Declare "Black House Autonomous Zone."

In what the Washington Times (6/22, Morton, 492K) calls an "apparent imitation of the secessionist enclave in Seattle," demonstrators outside the White House have declared it a "Black House Autonomous Zone." The demonstrators "are marking the Zone by, among other things, desecrating St. John's Episcopal Church" with the letters "BHAZ" spray painted on its columns.

USA Today (6/22, Behrmann, 10.31M) reports that protesters on Monday night also "worked to remove the Andrew Jackson statue in Lafayette Square." President Trump tweeted, "Numerous people arrested in D.C. for the disgraceful vandalism, in Lafayette Park, of the magnificent Statue of Andrew Jackson, in addition to the exterior defacing of St. John's Church across the street. 10 years in prison under the Veteran's Memorial Preservation Act. Beware!"

CNN (6/22, LeBlanc, 83.16M) reports on its website that the Secret Service on Monday evening "told members of the White House press corps to immediately leave the White House grounds, a highly unusual decision that did not immediately come with an explanation. The decision came during an ongoing demonstration in Lafayette Square...where protesters were trying to bring down" the Jackson statue.

HUD Secretary Carson said on Fox News' Hannity, "These people are not lovers of George Floyd or anything like that, they are anarchists. And what you do with anarchists, you have to control them. They are like bullies. If you just leave them alone, they will grow and grow and grow and continue to take over. And look how quickly things can change. Look at Venezuela. Look how quickly they went down. Believe me, the same thing can happen in this country."

Sen. Tom Cotton (R-AR) said on Fox News' The Story (6/22, 27.59M), "In some cases in Washington, DC, the police were standing by and watching. One can only assume that the left-wing mayors and governors of some of the cities and states have directed the authority is not to intervene. ... It is unfortunate that so many local authorities are not standing idly by, letting mob rule rain in the streets. But also, there is no legal consequences after the fact, the destruction of public or private property. So if the local authorities are not going to protect our citizens, then the federal government has a job to do."

Secretary of State Pompeo said on Fox News' Hannity (6/22, 27.59M), "When I watch this, it reminds me of what our Founders understood clearly, the primary purpose of our government is to secure freedom and liberty. When you watch the things happenings where mayors and governors refused to take actions to protect the innocent, to protect people who are trying to live their lives...to protect their property rights, this is the most fundamental duty of government, and to see that not happening in cities and states across America is disheartening, and its governments need to step up."

On Fox News' Hannity (6/22, 27.59M), host Hannity said, "You are watching a rapid deterioration and disintegration of our major cities. Democratic mayors and governors who have been in charge for decades are now clueless, unable, unwilling to fix it. These are our fellow American citizens. They have failed their constituents here in, year out; now Americans are suffering. We are watching this far left radical agenda play out in real time and frankly, it is a scary picture."

After New Shooting In CHAZ, Seattle Mayor Says Police Will Return Soon.

The AP (6/22) reports "police in Seattle said one person was wounded in a second shooting in the city's protest zone in less than 48 hours." The shooting "happened late on Sunday night in the area near Seattle's downtown area known as Chaz, for 'Capitol Hill Autonomous Zone', and involved a 17 year old, who later declined to speak with detectives." Police "tweeted that one person was at a hospital with a gunshot wound." KIRO-FM Seattle, WA (6/22, 235K) indicates on its website that Seattle Mayor Jenny Durkan (D) says the police department "needs to return to the East Precinct to be able to respond to calls from the community." During a news conference Monday, the mayor "said SPD will return to the precinct, peacefully and in the near future."

The Seattle Times (6/22, Gutman, 935K) reports Durkan said the city "would not be using police to clear the zone. Rather, Durkan said, they'd be asking people to leave the area voluntarily at night." The Times recounts that "some organizers affiliated with the protest zone distributed an unsigned letter Sunday calling for 'suggested' CHOP hours of 8 a.m. to 8 p.m. to encourage the area 'to stop being a chaotic, immobile zone' in the overnight hours, though their plan called for some people to remain through the night."

Fox News (6/22, Casiano, 27.59M) reports on its website that "city leaders have faced mounting criticism – including from President Trump – over the protest zone amid reports of violence within the area and how police can respond to such incidents."

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NYTimes Analysis: Antifa Rumors Show Ways Information Spreads Locally.

The New York Times (6/22, Alba, Decker, 18.61M) examines how in recent weeks, "residents in at least 41 U.S. cities and towns became alarmed by rumors that the loose collective of anti-fascist activists known as antifa was headed to their area, according to an analysis by The New York Times. In many cases, they contacted their local law enforcement for help. In each case, it was for a threat that never appeared." On the local level, the analysis found that "the source of the false information has usually been more subtle, and shows the complexity of stunting misinformation online. The bad information often first appears in a Twitter or Facebook post, or a YouTube video there. It is then shared on online spaces like local Facebook groups, the neighborhood social networking app Nextdoor and community texting networks," which "can fall under the radar of the tech companies and online fact checkers."

Black Lives Matter Protests Spread To White, Rural Areas.

The Wall Street Journal (6/22, Carlton, Subscription Publication, 7.57M) reports that the protests for racial justice sparked by the police killing of George Floyd have quickly spread from big cities to small, rural towns that are predominantly white.

NYTimes Analysis: Outcry Over Floyd's Death Compelling Americans To Acknowledge Racism. The New York Times (6/22, Harmon, Burch, 18.61M) reports that the "sustained outcry" over George Floyd's death "has compelled many white Americans to acknowledge the anti-black racism that is prevalent in the United States – and to perhaps even examine their own culpability for it. It is as though the ability of white people to collectively ignore the everyday experience of black people has been short-circuited, at least for now."

The Wall Street Journal (6/22, Subscription Publication, 7.57M) editorializes that Floyd's killing has caused some useful reflection about race.

Public Lines Up To Pay Respects To Brooks Ahead Of Funeral.

NBC Nightly News (6/22, story 8, 1:45, Guthrie, 6.8M) reported, "Calls for racial justice are also growing in Atlanta today, where members of the public paid respects to Rayshard Brooks." NBC (Alexander) added, "Lying in a shining gold casket, the body of Rayshard Brooks arrived at Atlanta's Ebenezer Baptist Church, where Dr. Martin Luther King Jr. once served as pastor. Tomorrow, his daughter will speak at Brooks' memorial service." The CBS Evening News (6/22, story 6, 2:00, O'Donnell, 4.78M) reported, "The funeral for Rayshard Brooks will be held here tomorrow. As for the Atlanta police officer accused of shooting and killing him, he was expected to be in court tomorrow, but we found out late today that that hearing has been postponed." ABC World News Tonight (6/22, story 5, 1:35, Muir, 7.94M), among other news outlets, also reported on Tuesday's funeral.

NYPD Officer Facing Charges For Chokehold.

ABC World News Tonight (6/22, story 6, 0:20, Muir, 7.74M) reported the New York City "DA is now investigating Officer David Afanador for allegedly using a banned chokehold during a confrontation with a man yelling at police this weekend. The officer has been suspended without pay. He was acquitted of pistol whipping a suspect in 2016."

Shootings Rising Sharply In New York City. The New York Post (6/22, Moore, Celona, Feis, 4.57M), meanwhile, reports that shootings are occurring in "New York this month at a rate not seen in nearly a quarter century, according to the NYPD – and police sources warned that the recent run of gunplay may be the new normal."

In an editorial, the Wall Street Journal (6/22, Subscription Publication, 7.57M) welcomes news that in Chicago last weekend, only 14 people were killed in shootings, compared to the 24 over the last weekend in May. On the other hand, shootings are soaring in New York City after police disbanded the plainclothes anti-crime units.

NYPD Commissioner Details Protesters' Violent Attacks On Police Officers.

Reuters (6/22, Allen) reports that on Monday, New York City Police Commissioner Dermot Shea "testified...that his officers had been attacked with bricks, knives, trash cans and bottles during recent protests...saying it was some of the 'worst rioting' in the city for years." Shea's testimony "was part of a series of online public hearings held by New York Attorney General Letitia James, who is investigating the police response to widespread protests." Reuters adds that last week, "scores of protesters testified that New York Police Department officers kicked or shoved them, hit them with night sticks, doused them with pepper spray or cuffed wrists so tightly that hands turned blue."

YouGov Poll: Little Support For Defunding, Abolishing Police.

Breitbart (6/22, Bleau, 673K) reports, "A majority of Americans oppose defunding the police, and an even greater majority oppose "abolishing" the police, a recently released YouGov poll revealed." The survey found 53 percent "indicated that they oppose defunding police, while 24 percent said they support the proposal. What is more, nearly three-quarters of Americans, 73 percent, said they oppose 'abolishing' the police altogether, with just 11 percent supporting the call."

Bill To Allow Local Community To Abolish Police Reaches Georgia Governor's Desk.

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The AP (6/22) reports, "A bill to let local voters decide whether to abolish the scandal-plagued Glynn County police department has gone to Georgia Gov. Brian Kemp (R) for his approval or veto. The state House "voted 159-3 on Monday to approve Senate Bill 504, creating a

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nonbinding advisory referendum on whether to abolish the department and hand its law enforcement responsibilities back to the elected county sheriff in unincorporated parts of the coastal Georgia county."

Chicago Mayor: Cutting Police Budget Will Make Force Less Diverse.

In an interview with the New York Times (6/22, Marchese, 18.61M), Chicago Mayor Lori Lightfoot (D) said of the "defund the police" movement, "In our police department, about 90 percent of the budget is personnel. When you talk about defunding, you're talking about getting rid of officers. Most of our diversity lies in the junior officers. So when you're talking about defunding the police, you're talking about doing it in a context of a collective-bargaining agreement that requires you to go in reverse seniority, which means you're getting rid of the younger officers. Which means you're getting rid of black and brown people."

Feds Investigating Noose Found In Nascar Driver's Garage Stall.

The AP (6/22, Fryer) reports "Federal authorities on Monday confirmed they are investigating the discovery of a noose found in the Talladega Superspeedway garage stall of Bubba Wallace, NASCAR's only Black full-time driver who successfully pushed the stock car series to ban the Confederate flag at its venues less than two weeks ago." US Attorney Jay Town "said his office, the FBI and the Justice Department's Civil Rights Division were involved." USA Today (6/22, Gleeson, 10.31M) reports DOJ released a statement Monday that read, "The US Attorney's office for the Northern District of Alabama, FBI and the Department of Justice Civil Rights Division are reviewing the situation surrounding the noose that was found in Bubba Wallace's garage to determine whether there are violations of federal law. Regardless of whether federal charges can be brought, this type of action has no place in our society."

On ABC World News Tonight (6/22, story 3, 2:20, Muir, 7.94M), Victor Oquendo highlighted that at Talladega Superspeedway Monday, there was "an incredible slow of solidarity with driver Bubba Wallace before the race. Drivers and pit crews from every team marching along with Wallace's number 43 car." NBC Nightly News (6/22, story 7, 2:05, Guthrie, 6.8M) similarly referred to "a moving and dramatic show of solidarity...at the Talladega speedway."

The Washington Post (6/22, Brewer, 14.2M) reports, "Hate, not heritage. Pure hate. What else could prompt a person, or multiple people, to place a noose in the garage stall of Bubba Wallace, the man who nudged NASCAR into finally outlawing the Confederate flag? For such a racist, there is only one threat greater than a trailblazing black driver with aspirations of change: a trailblazing black driver who succeeds at change."

The Washington Post (6/22, Bieler, Boren, Clarke, 14.2M) also reports "the noose was discovered Sunday afternoon by a member of the No. 43 race team, who reported it to NASCAR." The Washington Times (6/22, Fryer, 492K) recounts that "disgruntled fans with Confederate flags drove past the main entrance to the Alabama race track prior to Sunday's race, while a plane flew above the track pulling a banner of the flag that read 'Defund NASCAR.'"

National Urban League President/CEO Marc Morial said on CNN's Situation Room (6/22, 554K), "Great admiration for Wallace's willingness to stand up in a sport that is overwhelmingly white and dominant among southerners in terms of audience that follows NASCAR. ... It was a positive sign to see the fact that NASCAR heeded the call, and eliminated the display of the Confederate flag at their events, and today to see all the drivers and the garage personnel stand with Bubba Wallace at a time in which his very integrity, his very life is threatened."

The Wall Street Journal (6/22, Beaton, Subscription Publication, 7.57M), among other news outlets, also reports the story.

CBC-Commissioned Study Found 73% Increase In Suicide Attempts By Black Teens.

NBC Nightly News (6/22, story 9, 2:55, Guthrie, 6.8M) reported on "a staggering rise in suicide attempts by black children." NBC (Ellis) added, "A study commissioned by the Congressional Black Caucus shows in recent years, self-reported disease suicide attempts by black teens increased by 73 percent. The rate decreased for white teens. Black children younger than 13 were twice as likely to die by suicide than white children."

Ex-Iraq Commander Sanchez Says Trump "Is A Racist."

The Atlantic (6/22, Freed, 3.47M) reports under the headline "The First U.S. General to Call Trump a Bigot" that retired Lt. Gen. Ricardo Sanchez, who commanded coalition forces in Iraq in 2003-2004, said in an interview, "I believe the President is a racist. The statement has to be made."

Kimmel Reportedly Used Racial Slur While Imitating Snoop Dogg In 1996.

Fox News (6/22, Re, 27.59M) reports online that Jimmy Kimmel "admitted years ago that he imitated rapper Snoop Dogg's voice for a track in a 1996 Christmas album – an original song in which Kimmel used the 'N-word' several times." The admission came in a January 2013 podcast "obtained this weekend by Fox News."

Wine Organization Drops Use Of Term "Master."

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The New York Times (6/22, Morales, 18.61M) reports that a "prestigious wine organization will stop its common use of 'master' with a

sommelier's surname as part of an effort to be more inclusive and to help diversify the wine industry." The Court of Master Sommeliers, Americas, said in a statement "that it wanted to play a part in diversifying the industry in the wake of nationwide unrest and conversations about institutional racism prompted by the killing of George Floyd."

Shaun King: "White Jesus" Images "Should All Come Down."

The Washington Times (6/22, Ernst, 492K) reports Shaun King said Monday that "it's time for anything resembling 'white Jesus' to be expunged from the public square." Said King, "All murals and stained glass windows of white Jesus, and his European mother, and their white friends should also come down. They are a gross form [of] white supremacy. Created as tools of oppression. Racist propaganda. They should all come down."

White House: Trump Never Asked For Slowdown Of Testing.

Reuters (6/22) reports that on Monday, White House Press Secretary Kayleigh McEnany indicated that President Trump "has not directed any slowdown in coronavirus testing...after the Republican president said at a weekend rally he had directed that less testing be done so fewer cases are identified." McEnany said, "It was a comment that he made in jest. ... Any suggestion that testing has been curtailed is not rooted in fact." The AP (6/22, Freking) points out McEnany also "said that Trump's comments were an effort to criticize the media for its coverage of the coronavirus and its 'failure' to understand that 'when you test more, you also find more cases.'"

The CBS Evening News (6/22, story 4, 2:10, O'Donnell, 5.04M) showed Trump saying in Tulsa, "So I said to my people, slow the testing down, please." The White House, added CBS, "said that remark Saturday in Tulsa was made in jest, but the President did not deny it" Monday. The Washington Post (6/22, Wagner, 14.2M) reports that Trump himself "declined in an interview...to directly answer whether he had told his administration to slow down coronavirus testing but asserted that the United States has done 'too good of a job' on that front." The President "made his comments in an interview with Scripps Television in which he was asked about telling supporters at a campaign rally in Tulsa on Saturday that he had told officials to 'slow the testing down, please' because it was showing too many cases compared with other countries." Trump is quoted as saying, "If it did slow down – frankly, I think we're way ahead of ourselves, if you want to know the truth. We've done too good of a job. ... The reason we have more cases is because we do more testing."

Several Democrats criticized the President over his Tulsa remarks. Sen. Tammy Duckworth (D-IL) said on MSNBC's All In (6/22, 251K), "In this case, we see into the real Donald Trump. Frankly, he cares more about what testing numbers are than 120,000 dead Americans. That's the President of the United States. He's supposed to care about Americans who are sick and who are in danger of losing their lives, and he's worried about how testing numbers make his politics look. It's shameful."

Rep. Val Demings (D-FL) said on CNN's Anderson Cooper 360 (6/22, 1.22M), "The President's primary responsibility is the health, safety, and well-being of the American people. But since day one, his response to COVID-19 has been pitiful, and as we experience an increase in cases around the country, remember, we're talking about a President who is planning an in-person convention in Florida where we have seen 4,000 additional cases over the last few days. This President has time and time again demonstrated that he has no interest in putting the health, safety, and well-being of the American people first."

Ex-HHS Secretary Kathleen Sebelius said on CNN's Anderson Cooper 360 (6/22, 1.22M), "I think the first time he talked about not wanting his numbers to be bad was early March when he was finally just admitting there might be a problem, and we're still in that same loop. Now, mind you, the President makes sure that every single person who gets anywhere near him daily in the White House, on the plane, dealing with his clothes, dealing with his rally, they get tested constantly, so he believes that testing is good to make sure he doesn't get the virus. He just doesn't believe that testing is good to make sure that the rest of America can be safe and secure."

The Washington Examiner (6/22, Brest, 448K), the New York Post (6/22, Nelson, 4.57M), Politico (6/22, Cohen, 4.29M), and The Hill (6/22, Hellmann, 2.98M), among other news outlets, also report the story.

Two Trump Campaign Workers Who Attended Tulsa Rally Test Positive. The New York Times (6/22, Karni, 18.61M) reports, "Two Trump campaign staff members who attended the president's indoor rally in Tulsa...tested positive for the coronavirus, a spokesman said Monday, despite earlier assurances that a small outbreak among campaign workers had been contained and no staffers who had tested positive had entered the arena."

White House Visitors No Longer Have To Have Their Temperature Checked. The AP (6/22, Freking) reports that "visitors are able to enter the White House complex without having their temperatures checked for the first time since mid-March, although several other coronavirus precautions remain in place." According to the AP, "Those who come near the president will still undergo temperature checks and testing for the virus." The White House Correspondents' Association "told members Monday that restrictions on attendance for covering press briefings and other events within the complex will remain in effect to allow for social distancing."

The New York Times (6/22, Karni, 18.61M) reports that "In announcing the new guidelines, the White House followed the lead of the city of Washington, which began the second phase of its reopening on Monday, allowing restaurants and gyms, among other establishments, to fully open for business with capacity limits." However, "they also reflected Mr. Trump's continued emphasis on returning to normal, days after he staged a 'comeback' rally in Tulsa."

AMERICAN OVERSIGHT

Amid Spikes In Cases, Kudlow Says "No Second Wave Coming."

In an interview with CNBC's Squawk Box (6/22, Quick, 53K) on Monday, NEC Director Kudlow said, "There is no second wave [of COVID-19] coming. It's just hot spots. They send in CDC teams, we've got the testing procedures, we've got the diagnostics, we've got the PPE. And so I really think it's a pretty good situation. ... Actually, I think nationwide the positivity rate is still quite low, well under 10 percent."

The Washington Times (6/22, Sherfinski, 492K) reports Kudlow "acknowledged that states such as Texas and Arizona are seeing recent upticks, but pointed out that numbers are trending down in other places like Colorado, Illinois, Michigan and the Washington, D.C., region."

A second Washington Times (6/22, Howell, 492K) report says White House Press Secretary Kayleigh McEnany told reporters Monday that it's "a tragedy anytime a life is lost to coronavirus," but the Administration "was pleased to see fewer than 300 deaths reported the previous day." Said McEnany, "We are trending in the right direction. We are aware when there are rises here and there. And those embers, we are equipped to go in and handle and put [them] out and to save as many lives as possible."

Meanwhile, all three networks led their broadcasts Monday night with the increase in cases. NBC Nightly News (6/22, lead story, 2:40, Guthrie, 6.8M) opened saying, "The coronavirus is making a disturbing comeback. Twenty-three states reporting cases are up, in some, dramatically. Experts say it's not just because of more testing. It's sick people in hospitals. And after crowded scenes like these unfolding from California to Texas and Florida, young people are increasingly in the cross hairs." The CBS Evening News (6/22, lead story, 3:20, O'Donnell, 5.04M) similarly reported that "the US is seeing a dangerous increase in coronavirus cases in the South and West that could have implications for the entire country, especially as more young people are becoming infected." ABC World News Tonight (6/22, lead story, 4:05, Muir, 7.74M) too reported on what it called "alarming news on the coronavirus here in the US."

According to the AP (6/22, Lush, Eligren, Webber), "Alarming surges in coronavirus cases across the South and West raised fears Monday that the outbreak is spiraling out of control and that hard-won progress against the scourge is slipping away because of resistance among many Americans to wearing masks and keeping their distance from others." The AP adds, "Confirming predictions that the easing of state lockdowns over the past month and a half could lead to a comeback by the virus, cases surpassed 100,000 in Florida, hospitalizations are rising dramatically in Houston, and a startling 1 in 5 of those tested in Arizona are proving to be infected."

Politico (6/22, Sarkissian, Oprysko, 4.29M) reports that officials in Florida "signaled concern Monday morning over a dramatic uptick in the state's coronavirus infection rate, urging residents – particularly young people – to stay vigilant about social distancing as the state prepares to host part of the Republican National Convention in two months. 'We are obviously extremely concerned,' Miami Mayor Francis Suarez, a Republican, said of the Sunshine State spike...noting that his city would not be moving into its third phase of reopening because of the increase in cases." Sen. Rick Scott (R-FL) "warned Floridians that the virus is 'still deadly' and reiterated that it was imperative to stay focused on the continued threat."

Politico (6/22, Diamond, Wheaton, 4.29M) says, "Public health experts cited multiple factors for why the fortunes of the United States have differed from Western Europe – starting with the intense politicization that worked against a disciplined response, and the federal government's decision to let individual states take the lead in reopening." Politico adds, "The decisions of some states to end their lockdowns as early as possible – at levels of infection considerably higher than those that triggered reopening in Western Europe – appear to have consigned the United States to a far longer battle with the virus."

Azar Defends Trump On Testing. HHS Secretary Azar said on Newsmax TV's Spicer & Co. (6/22, 431K), "President Trump has led the creation of this historic testing system here in the United States where we lead the world in testing. ... He's driving us toward ever-higher levels of testing, penetration of testing, over 25 million tests done. We did three and a half million tests just last week."

Fauci To Warn Of "Tremendous Burden" On Health System During Flu Season Amid Pandemic.

Bloomberg (6/22, Edney, 4.73M) reports that US health agencies are "preparing for a flu season that will be complicated by the coronavirus pandemic, which they don't expect to be mitigated by a vaccine anytime soon." NIAID Director Fauci will tell a House panel Tuesday that the coronavirus is expected to "continue for some time" and "could place a tremendous burden" on what Bloomberg calls "an already stretched health care system" if coupled with the influenza season.

WSJournal Analysis: Contact Tracing Apps Falling Short As US Continues To Reopen.

The Wall Street Journal (6/22, Winkler, Haggin, Subscription Publication, 7.57M) reports that local officials in Teton County, Wyoming, signed up for an MIT-developed coronavirus contact tracing app, but as tourists stream into local attractions, the app cannot accurately track location, is missing key features, and also faces data protection struggles.

Some Public Health Workers Leaving Positions Due To Political Pressure, Protests.

The Washington Post (6/22, Weiner, Cha, 14.2M) reports, "Public health workers, already underfunded and understaffed, are confronting waves of protest at their homes and offices in addition to pressure from politicians who favor a faster reopening." Even though "shutdown measures are broadly popular, a vocal minority opposes them vociferously," and "there have been attacks on officials' race, gender, sexual orientation and appearance."

AMERICAN OVERSIGHT

Gilead Announces Plans To Test Inhalable Version Of Remdesivir.

CFTC-22-0351-A-001251

The New York Times (6/22, Wu, 18.61M) reports Gilead Sciences announced Monday it "will soon start trials of an inhalable version of remdesivir, an antiviral drug that has shown promise as a therapeutic against the coronavirus in early trials." The drug "is currently given intravenously, which restricts its use to hospital settings."

Social Gatherings Fuel Rising Spread In Parts Of California.

The Los Angeles Times (6/22, Lin, 4.64M) reports that "elevated coronavirus transmissions and related hospitalizations are worsening in some parts of California, and a failure to wear masks in public and increased gatherings are partly to blame, health officials said." Both Riverside and San Bernardino counties have "recently appeared or reappeared on the state's list of counties needing targeted monitoring by state officials. In both counties, increases in gatherings were a factor in elevated disease transmission," as they were also a factor in "increasing hospitalizations in Santa Barbara, San Joaquin and Stanislaus counties."

Thermal Imaging Screeners Deployed At LAX. NBC Nightly News (6/22, story 10, 1:30, Guthrie, 6.8M) reported, "At LAX's international terminal today, a new layer of screening just before the TSA checkpoint: a thermal imaging camera now scanning thousands of passengers, both arriving and departing, all making a temperature reading within milliseconds. Anyone with a temperature above 100.4 will be approached for a secondary screening. If they have a fever, they will be asked not to fly. All information on arriving passengers showing fevers will be passed on to the CDC."

New York City Stores And Restaurants Reopen To Customers.

The AP (6/22, Peltz) reports that on Monday, New York City "ventured into a crucial stage of reopening as stores let people in...offices brought workers back, restaurants seated customers outdoors and residents both welcomed and worried about rebounding from the nation's deadliest coronavirus outbreak." Among the precautions in place: "Shoppers have to wear masks. Workers must undergo temperature checks. Makeup testing is temporarily banned, and clothes left in fitting rooms won't go back on the rack for 24 hours."

Reuters (6/22, Caspani, Layne) reports that "after more than 100 days of a coronavirus lockdown," the city was "the last region in New York state to move into Phase 2 of reopening with restaurants and bars offering outdoor service and many shops reopening." The Wall Street Journal (6/22, Li, Honan, Subscription Publication, 7.57M) reports that city officials estimate as many as 300,000 people could return to their offices during phase two, and the CBS Evening News (6/22, story 2, 1:25, O'Donnell, 5.04M) reported, "While this activity is one indication that the city is moving again, another perhaps more telling sign will be the New York City subway system, which before the outbreak averaged about 5.5 million riders a day. That then plummeted during the lockdown, but according to the transit authority, ridership is already back up to about two million a day."

NBC Nightly News (6/22, story 2, 1:45, Guthrie, 6.8M) reported that as some wonder "whether the state waited too long to reopen," Gov. Andrew Cuomo (D) on Monday "defended the cautious approach," saying, "Following the science works. It saved the lives." NBC (Gutierrez) added: "And he says he's now seriously considering restricting travel from other states like Florida that are seeing an uptick in COVID cases."

Whitmer Won't Cooperate With GOP Inquiry On Nursing Homes.

The Detroit News (6/22, Burke, 825K) reports Michigan Gov. Gretchen Whitmer (D) "has declined a request by congressional Republicans to turn over records and brief committee staffers on the state's handling of the novel coronavirus in Michigan's nursing homes." Whitmer indicated to Republicans on a House coronavirus committee "that she wouldn't cooperate with their inquiry, saying the panel's investigatory authority does not lie with individual members and the committee's jurisdiction cannot be 'stretched' to include the health and safety of a state and its residents."

Arizona Imposes New Mask Rules As Cases Spike.

The Wall Street Journal (6/22, Caldwell, Subscription Publication, 7.57M) reports Arizona has changed its public mask requirements amid a spike in coronavirus cases, but debate rages over whether residents of the state will comply, a sign of the issue's deep politicization.

South Carolina Activists Delay Protests As Some Demonstrators Become Infected.

The Washington Post (6/22, Shammas, Janes, Beachum, Bernstein, 14.2M) reports that South Carolina racial justice activists on Monday "said they would postpone future demonstrations or move them online after at least 13 people who took part in previous protests tested positive for the coronavirus." Organizers of "I Can't Breathe" protests in South Carolina "urged participants to get tested for the virus."

Mental Health And Addiction Services Appeal For Emergency Funding.

Politico (6/22, Roubein, Ehley, 4.29M) reports that mental health and addiction treatment centers and counselors "have been overwhelmed with work during the coronavirus pandemic and economic crash. But many are struggling to stay afloat amid confusion and delays over the federal bailout for the health care industry." According to Politico, "nearly a third haven't received any of the $175 billion HHS is doling out to hospitals and other health providers on the front lines of the coronavirus response. And now, they're [illegible] government for help."

AMERICAN OVERSIGHT

McEnany Defends Trump's Reference To "Kung Flu."

The AP (6/22, Peoples, Lemire) reports that during his rally in Tulsa on Saturday, President Trump "add[ed] new fuel to the nation's culture wars...making racist references to the coronavirus, which originated in China and which he called 'kung flu.'" On Monday, White House Press Secretary Kayleigh McEnany "defended Trump's use of the term 'kung flu,' telling reporters...'What the president does do is point to the fact that the origin of the virus is China. It's a fair thing to point out as China tries to ridiculously rewrite history. ... What President Trump is saying, 'no China, I will label this virus for its place of origin.'" The Washington Examiner (6/22, Dibble, 448K) quotes McEnany as saying, "To be clear, I think the media is trying to play games with the terminology of this virus where the focus should be on the fact that China let this out of their country."

NBC Nightly News (6/22, story 4, 0:35, Guthrie, 6.67M) described Trump as "using a racial slur to describe the coronavirus crisis," and on ABC World News Tonight (6/22, story 2, 2:50, Muir, 7.74M), Terry Moran reported "Trump once again us[ed] racist language to describe the virus."

Politico (6/22, Oprysko, 4.29M) also points out "the phrase has been identified by many – including counselor to the president Kellyanne Conway – as racist," and adds that the President said on Saturday, "It's a disease that without question has more names than any disease in history. ... I can name kung flu, I can name 19 different versions of names. Many call it a virus, which it is. Many call it a flu, what difference?"

Rep. Ted Lieu (D-CA) said on CNN's OutFront (6/22, 409K), "I served on active duty in the United States military to defend the right of any American to say stupid, racist stuff. I just never imagined it would be the President of the United States saying it. This is not the first time. He's made a number of racist comments in three and a half years, and even now, instead of trying to unify our country, he is trying to divide us."

Rep. Val Demings (D-FL) said on CNN's Anderson Cooper 360 (6/22, 1.22M), "Maya Angelou said when people show you who they are, believe them. This President demonstrated before he was elected who he is. This is the President that demanded that the first African American president prove that he was born in America, in addition to all of the other racist things he said like s-hole countries, for example."

Dana Bash said on CNN's Situation Room (6/22, 554K), "It's a racist term. Full stop. That's it. The Press Secretary was obviously ready for the question. ... And it was about as canned and as expected as you would think from this White House."

Deputy Assistant to the President Ja'Ron Smith appeared on the Wayne DuPree Podcast (6/22, 51.8M) to discuss the rally and other issues.

White House Says Trump Signed Off On Berman Dismissal.

The CBS Evening News (6/22, story 5, 1:45, O'Donnell, 4.78M) reported Attorney General Barr "is denying charges of political interference after he fired a key US attorney to make way for a nominee with no experience as a federal prosecutor. That firing has brought accusations that Barr is using the Justice Department to protect the President and his allies." CBS' Nancy Cordes reported Barr announced Friday that US Attorney Geoffrey Berman "was stepping down, but Berman...denied resigning and went to work on Saturday. ... Barr, with the President's blessing, then fired him outright." NBC Nightly News (6/22, story 6, 2:00, Guthrie, 6.8M) reported, "The questions are only growing tonight over the President's abrupt firing" of Berman, and "Democrats are crying foul."

Reuters (6/22) reports White House Press Secretary Kayleigh McEnany indicated on Monday that the President "signed off on a request" by Barr to dismiss Berman, and "said the move was made to make space for U.S. Securities and Exchange Commission Chairman Jay Clayton to take the job." The Washington Times (6/22, Sherfinski, 492K) reports McEnany said Berman "was not fired because of his role in overseeing investigations into associates of President Trump." The Hill (6/22, Samuels, 2.98M) reports McEnany "sought to downplay" the President's involvement, saying, "He was involved in a sign-off capacity."

Politico (6/22, Cheney, 4.29M) reports the House Judiciary Committee is preparing a subpoena to obtain Barr's testimony next week, Chairman Jerrold Nadler said Monday night. The Washington Times (6/22, Mordock, 492K) reports Senate Minority Schumer on Monday "demanded the investigation into the 'corrupt firing.'" But the Washington Post (6/22, Sonmez, 14.2M) reports Schumer's Republican colleagues "offered a muted response." Senate Majority Whip Thune said, "It's kind of like previous firings, I would say, but, these people all serve at the pleasure of the President." Sen. John Cornyn (R-TX) "describ[ed] the matter as a 'sideshow' and 'another tempest in the teapot.'"

The Wall Street Journal (6/22, Gurman, O'Brien, Subscription Publication, 7.57M) reports that one day before Barr announced plans to replace Berman, the DOJ asked Berman to sign a letter criticizing New York City Mayor Bill de Blasio (D) over the city enforcement of social distancing rules to block religious gatherings but not protests, which Berman refused to do.

Ex-FBI Deputy Director Andrew McCabe said on CNN's Anderson Cooper 360 (6/22, 1.22M), "The letter on Friday night clearly misrepresented the circumstances around Berman's leaving the post as the head of the southern district of New York, and the Attorney General's and President's conflicting stories about the firing on Saturday only made the matter even more confused. This repeated misrepresentation to the American people has to really undermine people's confidence in the Department of Justice in the way they are doing their job."

Berman's predecessor Preet Bharara said on CNN's Anderson Cooper 360 (6/22, 1.22M), "The saga dating back to Friday is incredibly unseemly. You have multiple people who understand that the chief law enforcement officer, federal enforcement officer in the country, made a misleading statement, some might say a lie, in an effort to oust Berman in a convenient way."

AMERICAN OVERSIGHT

Top South Korean Official Blasts Bolton Book As "Inaccurate" And "Dangerous."

The Washington Times (6/22, Meier, 492K) reports that "allies and adversaries alike are challenging some of the revelations in – and dealing with the fallout from – John R. Bolton's controversial new memoir." Officials in Israel, Japan and South Korea "are speaking out about revelations in the book, while China and Russia have issued notably muted reactions to some of the explosive charges."

Reuters (6/22, Shin) reports South Korea's national security adviser, Chung Eui-yong, said in a statement on Monday that "accounts by...Bolton of discussions between leaders of the United States and the two Koreas in his upcoming book are inaccurate and distorted." While reports have cited Bolton as writing that South Korean President Moon Jae-in, "had raised unrealistic expectations with both" North Korean leader Kim Jong-un and President Trump "for his own 'unification' agenda," Chung said Bolton's book "does not reflect accurate facts and substantially distorts facts," and warned that its publication sets a "dangerous precedent" because "unilaterally publishing consultations made based on mutual trust violates the basic principles of diplomacy and could severely damage future negotiations."

The Washington Post (6/22, Kim, Hudson, 14.2M) reports Chung "accused Bolton of 'being inaccurate' in his memoir and 'distorting the reality.'" However, according to the Post, Chung "did not specify which parts of Bolton's memoir he claimed were inaccurate or distorted."

Bolton Book Could Help Huawei CFO Avoid Extradition To US. Politico (6/22, Blatchford, 4.29M) reports that "allegations about President Donald Trump in a new book by...John Bolton could be a factor in Huawei executive Meng Wanzhou's fight to avoid extradition from Canada to the United States." According to Politico, "Passages from the book penned by Bolton...are likely to be explored as a way to boost arguments of political involvement in the case of the Chinese telecom giant's chief financial officer." Politico adds, "Of particular interest are moments in which Bolton says Trump linked the case to a potential U.S. trade deal with China. Bolton writes in the book that Trump viewed concerns raised by his advisers about Huawei and the ZTE telecom firm being national security threats as 'an opportunity to make personal gestures to' Chinese President Xi Jinping."

Politico (6/22, Forrest, Gardner, 4.29M) also reports that on Monday, Canadian Prime Minister Justin Trudeau "doubled down...and insisted China has 'made a direct link' between that country's detention of Michael Kovrig and Michael Spavor and Canada's arrest of" Meng. Trump is quoted as saying, "It has been obvious from the beginning that this was a political decision made by the Chinese government and we deplore it and have from the very beginning."

Trump: Bolton "Grossly Incompetent And A Liar." President Trump on Monday tweeted, "I gave John Bolton, who was incapable of being Senate confirmed because he was considered a wacko, and was not liked, a chance. I always like hearing differing points of view. He turned out to be grossly incompetent, and a liar. See judge's opinion. CLASSIFIED INFORMATION!!!"

NBC Nightly News (6/22, story 3, 1:15, Guthrie, 6.8M) reported Bolton is "unloading on the President...before the release of his new book" on Tuesday, but "President Trump [is] hitting back at Bolton, calling his former national security adviser a 'wacko,'" "grossly incompetent, and a liar.'"

Secretary of State Pompeo, meanwhile, said on Fox News' Hannity (6/22, 27.59M), "The President and others, myself included, had to cut him out of meetings because he was leaking or he would twist things or he would lie. It was a really difficult situation where John Bolton thought he was more important than the President of the United States and the American people. … This President's policy is something that John Bolton should've been proud of, and instead he stepped away in a way that fundamentally misrepresents what we've done."

Director of Trade and Manufacturing Policy Navarro said on Fox News' The Story (6/22, 27.59M), "What always surprises me about Dr. Strangelove here is that he never cared much about China, he was always trying to bomb Iran or send troops to the Middle East. … You have a province of Muslims that China took over decades ago, and in a violent act, and what is going on now is an ongoing ethnic cleansing and culture like they are doing in Tibet. Here's the thing: this President, Donald J. Trump, has actually done things about that. We have for example, decent restrictions on the people who run the camps. … The President has been very aggressive, as has [Pompeo], about denouncing these concentration camps."

Sarah Sanders: Bolton Was "Drunk On Power" At White House. The New York Post (6/22, Bowden, 4.57M) reports Bolton was "drunk on power" during his time in the White House, "acting like a diva on overseas trips and clashing with other officials, according to an upcoming tell-all book from former press secretary Sarah Huckabee Sanders." Bolton was "unpopular with other Administration officials even before his new book" according to Sanders' new memoir, previewed in an Axios report published Monday. Sanders writes, "Bolton was a classic case of a senior White House official drunk on power, who had forgotten that nobody elected him to anything."

McEnany: Bolton Wanted The US To Go To War Against Both Iran And North Korea. Appearing on Fox News' Fox & Friends (6/22, 831K), White House Press Secretary Kayleigh McEnany said, "John Bolton will be remembered as a failed national security adviser. He's a warmonger, someone who would have had us at war with North Korea and Iran if it was up to him. The President brought him in to be a counterbalancing voice, because the President appreciates alternative opinions. But, ultimately, President Trump's gut leads the way, and thank goodness it was President Trump at the helm who was able to deescalate tensions with those two countries, because John Bolton was a complete and utter disaster."

State Spokesperson Muted Reporter Asking About Bolton. Politico (6/22, Cohen, 4.29M) reports State Department spokesperson Morgan Ortagus "muted the line of a reporter asking about John Bolton's book during a briefing extolling press freedom." The telephone briefing was convened ahead of the "designation of four additional Chinese news outlets as foreign missions. But when David Brunnstrom, a journalist from Reuters, asked whether U.S. allies had reached out to the assistant secretary of State for East Asian and Pacific Affairs in the wake of Bolton's book, his line was muted."

AMERICAN OVERSIGHT

Bolton Won't Rule Out Testifying Before House. ABC World News Tonight (6/22, story 7, 1:35, Muir, 7.94M) reported that

during an interview Sunday with Martha Raddatz, Bolton was pressed "repeatedly why didn't he share the information in his book with the American people during the President's impeachment trial." Bolton told Raddatz that his testimony "would not have made any difference." Raddatz said that "Bolton isn't ruling out that he could still testify, and tonight, we know that top Democrats are seriously considering whether they should subpoena him."

In an interview with George Stephanopoulos for ABC's Good Morning America (6/22, 3.47M), Bolton was asked, "If Democrats subpoena you, will you testify?" Bolton replied, "The primary way that we rein presidents in is not through impeachment, it's through elections. And presidential behavior can be reckless, reprehensible, dangerous – doesn't necessarily make it impeachable. I think one of the mistakes the Democrats made – and they made plenty – is the idea that everything is resolved through the impeachment process. And they mishandled it badly. I called it 'impeachment malpractice' in the book."

House Intelligence Chairman Adam Schiff said on CNN's The Lead (6/22, 910K), "I think there's actually a lot of interest in Congress in hearing what [John] Bolton has to say, as incredibly belated as it is. And I hope, when we come back into session later this week, we will have an opportunity to make a decision on that. He's made some very serious allegations against the President, some of which were known. ... And yet there are other parts of this pattern of putting the President's interests, personal interests, above the country that are exposed for the first time, that he was reaching out to China."

Rep. Val Demings (D-FL) said on CNN's Anderson Cooper 360 (6/22, 1.22M), "He had an opportunity to put his country first, as opposed to his wallet, by coming before the impeachment trial, before the Senate, and testifying under oath. Mr. Bolton chose not to do that, and I'm very disappointed in him and his lack of patriotism. ... It would be great for the American people to hear John Bolton's testimony under oath."

More Than 6M Watched Bolton's ABC News Interview. The Washington Examiner (6/22, Brest, 448K) reports that "more than 6 million people" watched John Bolton's ABC News interview on Sunday night. However, the Examiner says "the audience size...paled in comparison to the ABC News interview former FBI Director James Comey got in 2018 in the run-up to the release of his tell-all book, A Higher Loyalty. Comey got 9.3 million viewers, according to Nielsen."

Appearing on Fox News' Fox & Friends (6/22, 831K), former Chief of Staff Mulvaney Mick Mulvaney said Bolton's interview with ABC was a "betrayal of confidence," and "really a classless display." Mulvaney added, "It was hard to watch. To have somebody in the Oval Office with the President almost every day sort of turn on him just because he didn't like the style, didn't like the policies. ... As a member of the inner circle of his team...you don't run and write a book about it and make a million bucks."

Trump On Steele Dossier: "We Caught Them."

The Washington Times (6/22, Scarborough, 492K) reports that "during an exclusive Oval Office interview last week," President Trump was asked about the so-called Steele Dossier. Trump "responded with an indictment of the FBI and his predecessor." Trump said, "It was an attempted overthrow of the government of the United States of America and duly elected President. And we caught them." Trump "did not directly address Russia's desire to smear him. Instead, he launched an attack on the agency that relied on the dossier, the FBI, and on [then-President] Obama's supposed involvement."

House Committee To Hold Hearing On Firing Of State IG Next Week.

Reuters (6/22, Zengerle) reports the House Foreign Affairs Committee has scheduled a July 2 hearing in its investigation of the firing of State Department Inspector General Steve Linick. Under Secretary of State for Management Brian Bulatao is expected to testify.

DOJ Defends FISA Warrant Requests In Court Filing.

The Washington Times (6/22, Mordock, 492K) reports the Justice Department "defended its record of submitting warrants under the Foreign Intelligence Surveillance Act, insisting that errors uncovered by a department watchdog were largely minor typographical errors that did not influence the court's decision, according to a court filing unsealed Monday." The DOJ's filing with the Foreign Intelligence Surveillance Court "said the errors 'were not capable of influencing the court's probable cause determination' and did not render the warrants invalid."

Trump To Mark Completion Of 200 Miles Of Border Wall In Arizona On Tuesday.

The Washington Examiner (6/22, Giaritelli, 448K) reports that on Tuesday, the President "will travel to the southern border...to attend a ceremony celebrating 200 miles of completed border wall construction under his administration." Trump "will visit Yuma, Arizona, for a roundtable briefing with US border officials on trade and travel operations and the progress of the southern border barrier's construction at the international boundary and then will participate in a wall 'commemoration' ceremony." The Examiner adds "the trip, less than five months ahead of the November election, gives Trump a chance to flout his success in following through on his campaign promise to secure the border with a wall."

On NBC Nightly News (6/22, story 5, 0:50, Guthrie, 6.8M), Geoff Bennett reported the event will take place "at an Arizona megachurch," where "leaders of that church in an online video today say they're using new technology they claim kills coronavirus." NBC added, "We reached out to the church for comment. So far no response, but organizers say they're requiring face masks at tomorrow's event."

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Erin Burnett said on CNN's OutFront (6/22, 409K), "The President shows no signs of slowing down. Tomorrow he heads to Phoenix in Arizona for an event at a church that can hold 3,000 people. This is a state where hospitalizations are on the rise. Masks are not mandatory at Trump's campaign event in the church, though the city of Phoenix has made them mandatory. The President flaunting the rules that apply to everyone else in the city he is visiting."

Jonathan Reiner of the George Washington University School of Medicine and Health Sciences said on CNN's OutFront (6/22, 409K), "The risk here is accelerating this pandemic. People are worrying about a second wave, but we're squarely in the first wave in the South. Over the weekend, about 10 percent of the cases in the United States were recorded in Arizona. Why would we have a public gathering, particularly one that doesn't enforce basic social distancing or a mask, during the high point for the virus?"

Trump Objects To Fox Report On Wall, Touts 200-Mile Mark. The President took to Twitter Monday to write, "Could somebody please explain to reporter Doug Mckelway of @FoxNews that the Border Wall has long been under construction, the battle (war) is won, the Dems have FINALLY given in. In fact, I will be in Arizona tomorrow to celebrate the 212th plus mile of completion. @BretBaier." Trump also tweeted, "Rather hard to believe that @FoxNews didn't know that the Border Wall is well under construction, fully financed, & already over 200 miles long? Will soon be finished! They just reported that 'it is something that Dems are unlikely to budge on in this election year' @BretBaier."

The tweet referred to a comment McKelway made during a Fox News Special Report (6/22, 27.59M) story on DACA that "many Republicans would like to see permanent status for Dreamers tied to comprehensive immigration reform, including a border wall, something Democrats will be unlikely to budge on in this election year." Later in the broadcast, anchor Bret Baier, noting the President's tweet, said, "I think the President may be watching," saying the tweet "just popped up about a story that we did about DACA and some of the kids involved."

GOP Lawmakers Fear Push To Repeal ACA Could Imperil Them.

The New York Times (6/22, Stolberg, 18.61M) reports that increasingly, Republicans are concerned "their decade-long push to repeal the Affordable Care Act will hurt them in the November elections, as coronavirus cases spike around the country and millions of Americans who have lost jobs during the pandemic lose their health coverage as well." This "issue will come into sharp focus this week, when the White House is expected to file legal briefs asking the Supreme Court to put an end to" the ACA. House Speaker Pelosi, "seizing on the moment, will unveil a Democratic bill to lower the cost of health care, with a vote scheduled for next week in the House."

Pandemic Has Increased New York City Criminal Court Backlog To More Than 39K Cases.

The New York Times (6/22, A1, Feuer, Hong, Weiser, Ransom, 18.61M) has a 2,400-word report on what it calls New York City's "legal limbo," where "the backlog of pending cases in the city's criminal courts has risen by nearly a third" to 39,200 due to the coronavirus pandemic. The Times says "hundreds of jury trials in the city have been put on hold indefinitely," and "arraignments, pleas and evidentiary hearings are being held by video, with little public scrutiny."

Trump: Grenell Will Return To Administration "At A High Level."

The Washington Examiner (6/22, Leonardi, 448K) reports that in an interview with the Daily Caller conducted on Friday, President Trump said former Acting DNI Richard Grenell "will take up a 'high-level' position in his administration after a short 'breather.'" Trump is quoted as saying, "He'll come back in some form, at a high level. He was fantastic, the job he did."

White House Stands By Tata After Inflammatory Anti-Obama Tweets Resurface.

Townhall (6/22, McCarthy, 177K) reports "President Trump nominated retired one-star Army Gen. Anthony Tata to assume the third-highest position at the Pentagon, as the Undersecretary of Defense for Policy." The nomination's initial "glowing, bipartisan support...was upended when a handful of Gen. Tata's controversial tweets from 2018 resurfaced. In 2018, he deemed former President Obama a 'terrorist leader' and said that Islam is the 'most oppressive violent religion' that he knew of." However, "given his impressive resume, the White House stands behind Gen. Tata." Deputy White House Press Secretary Judd Deere told Townhall, "His education, background, and record has earned him bi-partisan praise, and the Senate should not delay his confirmation."

Hassett Leaving White House For Second Time.

The Washington Post (6/22, Stein, 14.2M) reports that Kevin Hassett, "one of President Trump's most trusted economic advisers, will leave the White House this summer." Hassett, "who returned to the White House as an unpaid volunteer in March, said in an interview that his departure is in line with the administration's initial plan when he was brought back." Hassett "said his agreement was to return to the White House for about 90 days, and he has already stayed for more than that amount of time." The Washington Examiner (6/22, Brest, 448K) reports that "another member of the National Economic Council, Andrew Olmem, a special assistant to the president for financial policy, left his position on Friday." Reuters (6/22, Mason), among other news outlets, also covers Hassett's departure.

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McEnany Denies Trump Was Angry Over Tulsa Rally Crowd Size.

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On ABC's Good Morning America (6/22, 3.47M), Terry Moran said, "It was a rocky start for President Trump back on the campaign trail.

He bragged there wouldn't be an empty seat in Tulsa on Saturday night, his first big rally since March 2. ... But in the end, the President was a bit of a bust in Tulsa. ...Tulsa's fire department saying about 6200 people showed up in an arena that held 19,000 for the President. Afterwards, Trump was said to be furious. He won Oklahoma by 36 percent, so campaign manager Brad Parscale's job may be in some trouble. But the bottom line here is really this was evidence that perhaps the President's support has taken a hit in recent weeks. Polls certainly show that, but more than anything else, people may be wary in the middle of a pandemic of showing up at a large indoor event where masks were optional and a lot of people in there were maskless."

On CBS This Morning (6/22, 2.69M), Weijia Jiang said, "On Saturday, the President looked out into a sea of blue empty seats," and "sources familiar with the Trump Campaign tell CBS News that President Trump was frustrated and angry over the turnout." On NBC's Today (6/22, 3.24M), Craig Melvin said, "That event did not deliver in terms of the expected turnout, but this morning there's a big debate over precisely why." Geoff Bennett went on to report that "the President and his allies had ginned up expectations for a packed-to-the-rafters crowd...but that massive crowd he expected didn't materialize. ... Now a Trump adviser tells NBC News that Saturday's rally was 'a bad night for our effort,' adding, 'Everything was awful. Crowd size, lack of focus in the speech, way too many riff stories.'"

Appearing on Fox News' Fox & Friends (6/22, 831K), White House Press Secretary Kayleigh McEnany was asked "how angry was the President that there was just a sea of blue empty chairs" at the rally. McEnany said, "The President was not angry at all. The President was quite energized. I was with him after the rally. It was a huge success. His speech got rave reviews. He was in good spirits. ... He was in a great mood. It was a great night and there was a lot to celebrate. ... His speech was very good, focusing on all of the accomplishments of this Administration." Fox's Steve Doocy replied, "You're saying he was not furious? Because we've known Donald Trump – he was on this show every Monday for years. That guy, who used to be on our show, would have been furious that something went haywire."

Trump: Rally Gave Fox News Largest Saturday Night Audience Ever. President Trump tweeted, "WOW! The Trump Rally gives @FoxNews the 'LARGEST SATURDAY NIGHT AUDIENCE IN ITS HUSTORY'. Isn't it amazing that virtually nobody in the Lamestream Media is reporting this rather major feat!"

AP Analysis: Tulsa Rally Highlighted Weaknesses In Trump Campaign. The AP (6/22, Peoples, Lemire) reports President Trump's Tulsa rally "highlighted growing vulnerabilities and crystallized a divisive reelection message that largely ignores broad swaths of voters" including "independents, suburban women and people of color." The AP adds that "there are signs that independents and educated voters – particularly suburban women – have turned against him," and party "strategists increasingly believe that only a dramatic turnaround in the economy can revive his reelection aspirations." The AP also reports that people in the White House and the campaign were upset about the turnout at the rally being less than they expected.

WPost Accuses Trump Of Choosing "Bigotry" And "Division" Over "Conciliation And Healing." The Washington Post (6/22, 14.2M) in an editorial says that Trump "faced a moment of truth" at his Tulsa rally, in which he might have focused on "the politics of division, hoping to energize the minority of Americans who reliably support him and prevent or discourage as many others as possible from voting," or he might offer "conciliation and healing," and so "expand the pool of voters willing to vote for him." Trump, the Post says, chose the former and "opted for bigotry, division and mean-spiritedness." The Post also says that it may have been "naive to think he could change his tune...even to save himself as he plummets in the polls."

WPost Analysis: Trump Obsessed With Defending His Mental And Physical Fitness.

The Washington Post (6/22, Parker, Dawsey, 14.2M) reports on an "early June meeting in the Cabinet Room" to provide an "update on President Trump's reelection campaign," at which President Trump focused on "a cognitive screening test" he had taken during his 2018 physical, and "waxed on about how he'd dazzled the proctors with his stellar performance." Trump also said that Joe Biden would not do well "and suggested challenging him to take the test." The Post says that this is "part of Trump's growing preoccupation in recent weeks over perceptions of his mental and physical health," and also says that "the attacks Trump has previously levied against Biden...have boomeranged back on him."

LGBTQ Advocates Sue Administration In Wake Of Supreme Court Ruling.

Politico (6/22, Luthi, 4.29M) reports that on Monday, "a coalition of advocacy groups sued the Trump administration...over its rollback of LGBTQ patient protections, arguing that last week's Supreme Court decision extending workplace legal protections to gay and transgender employees invalidates the new rules." According to Politico, "The suit marks the first challenge stemming from the 6-3 high court decision that anti-discrimination protections based on sex also apply to a person's gender identity and sexual orientation." Politico says "advocates including the Los Angeles LGBT Center, the Association of LGBTQ Psychiatrists as well as doctors and clinics, contend that the ruling nullifies the Trump administration's final rules exempting transgender patients from Obamacare's civil rights protections in health care."

WPost Slams HHS' "Cruel" Transgender Rights Rule. The Washington Post (6/22, 14.2M) editorializes that when HHS "proposed a rule last summer seeking to roll back non-discrimination protections for transgender people in health care, 155,966 public comments came through in response. Yet the final product released this month is nearly identical to the original – just as insidious and now, according to the precedent set by the Supreme Court last week, just as likely illegal." To the Post, "Yanking away access to health care for a vulnerable population would be cruel at any moment. Doing it amid a pandemic is especially dangerous."

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House Infrastructure Bill Includes Wind, Solar Tax Credit Extensions.

The Washington Examiner (6/22, Smith, 448K) reports, "House Democrats are proposing to extend wind and solar tax credits by at least five years as part of their $1.5 trillion infrastructure package, teeing up a fight with Senate Republicans." The Moving Forward Act "incorporates a discussion draft released late last year by Democrats on the House Ways and Means Committee that would extend a variety of clean energy tax credits. ... In addition to the wind and solar tax credits...the legislation would extend incentives for carbon capture technology and offshore wind."

Major Cable Systems Do Not Carry OAN.

Bloomberg (6/22, Smith, 4.73M) reports that One America News Network, "the conservative TV station that's been criticized for sharing conspiracy theories, has found a loyal fan in Donald Trump." but "the hard part will be parlaying that exposure into a larger audience." Bloomberg says that "unlike the networks it wants to compete with – Fox News, MSNBC and CNN – OAN has never been carried by big pay-TV providers like Comcast Corp., Charter Communications Inc. and Dish Network Corp." Bloomberg adds that "to reach its audience, the network depends heavily on its largest distributor, AT&T Inc.'s DirecTV, which has been losing subscribers at a rapid clip." OAN "says it's available in about 35 million U.S. TV homes.," and "finding a spot on systems owned by Comcast, Charter and Dish would more than double that number. ... For comparison, as of last June, Fox News had about 84 million subscribers."

Trump Tweets Against Voting By Mail.

USA Today (6/22, Garrison, 10.31M) reports that President Trump has added "a new line of attack" to his opposition to mail-in ballots, "warning without evidence that it could lead to 'foreign countries' printing ballots to undermine results." While USA Today says, "voting experts and election officials swiftly disputed the claim," Trump tweeted, "RIGGED 2020 ELECTION: MILLIONS OF MAIL-IN BALLOTS WILL BE PRINTED BY FOREIGN COUNTRIES, AND OTHERS. IT WILL BE THE SCANDAL OF OUR TIMES!" On Sunday Attorney General Bill Barr told Fox News, adds USA Today, that voting by mail "absolutely opens the floodgates to fraud." USA Today cited experts describing security measures to make that unlikely.

Trump also tweeted, "Because of MAIL-IN BALLOTS, 2020 will be the most RIGGED Election in our nations history – unless this stupidity is ended. We voted during World War One & World War Two with no problem, but now they are using Covid in order to cheat by using Mail-Ins!"

Trump further tweeted, "If people can go out and protest, riot, break into stores, and create all sorts of havoc, they can also go out and VOTE – and keep our Election Honest. With millions of mail-in ballots being sent out, who knows where they are going, and to whom?"

Pence Continues To List Indiana Governor's Mansion As Primary Address To Vote. The AP (6/22) reports Vice President Pence continues to use the Indiana governor's mansion as his primary address for the purposes of absentee voting in Indiana, despite the fact that he has not lived in Indiana since 2017. The Hill (6/22, Pitofsky, 2.98M) reports Pence and Second Lady Karen Pence "mailed in their ballots for the June GOP primary in their home state of Indiana on April 13," and he "voted absentee by mail for the...general election in 2018." The article says that it "is not illegal for the couple to use their previous address to vote by mail."

WPost Analysis: Election Results Could Take Weeks Due To Number Of Mail-In Ballots. The Washington Post (6/22, Gardner, 14.2M) reports that just as after recent elections in Pennsylvania, Georgia, and Nevada "some races hung in the balance for days" while officials counted absentee ballots, so in Kentucky and New York on Tuesday, "officials have already announced that some results will not be available for as long as a week." That is due to "an avalanche of mail ballots." The Post adds that indicates that this fall, "an election night result in the race for the White House" may not happen. The Post says, "a close race" may "take days, even weeks, to resolve." The Post also reports Trump's tweets against mail-in ballots, and adds as USA Today did, "There is no evidence that such wide-scale fraud is possible, and election officials across the country have disputed both Trump's and Barr's claims."

Democratic Secretaries Of State: GOP Voting Rights Efforts "Rooted In White Supremacy."

The Washington Post (6/22, Williams, 14.2M) reports, "As President Trump continues to rail about a 'rigged 2020 election' on Twitter, the group representing Democratic secretaries of state released its own social media campaign, accusing Trump and the Republican Party of engaging in voter suppression that is 'rooted in white supremacy.'" The Post adds "the video ad by the Democratic Association of Secretaries of State makes the issue of voting rights a part of the current conversation about addressing systemic racism," and "uses images of black protesters from the 1950s and '60s demanding voting rights, alongside those of current protests over police violence, sparked by the death of George Floyd in Minneapolis police custody."

WTimes Analysis: Arguments About Voter Suppression Will Play Important Role In 2020. The Washington Times (6/22, Mordock, Lovelace, 492K) reports that the "ghostly presence" of "voter suppression" may "haunt the 2020 elections." The left, says the Times, "says voter suppression is real, happening all around you and will get worse – and Republicans are behind it," while "conservatives say voter suppression is a myth and propaganda."

WPost Analysis: Trump Campaign Targets Women.

The Washington Post (6/22, Scherer, Dawsey, 14.2M) reports, "The college-educated female rebellion against the president in 2018...has begun to register more deeply in recent months among non-college educated and older women," and the Tulsa rally, says the Post,

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"reinforced the sentiments that political strategists say have driven women to desert him." Meanwhile, the Post adds that Trump's campaign believes "that growing his support among women is critical" to victory. Trump campaign spokesman Ken Farnaso said, "What women want is a safe and strong America, opportunity for a better tomorrow, more money in their pockets, and lower taxes." The campaign, says the Post, has targeted women with adds attacking Joe Biden on measures he polls well with women on, while the Biden campaign has tried "to avoid easy characterization that could decrease women's support."

Trump And His Campaign Portray Biden As Diminished By Age.

Politico (6/22, Siders, 4.29M) reports that President Trump "and his allies" have "signaled the beginning of a scorched earth campaign," and on Friday, the Trump campaign "released an ad...depicting [Joe] Biden as aged and confused, calling him 'clearly diminished' and lacking 'mental fortitude.'" Politico says that during his rally in Tulsa on Tuesday, Trump "continued to suggest without evidence that Biden has health issues, saying, 'There's something wrong with Biden.'"

The Washington Examiner (6/22, Lim, 448K) reports that some "Democratic figures and strategists...have been arguing Biden is 'fine in his basement.'" But "Trump staffers are trying to neutralize the tactic by urging cable news outlets to broadcast gaffe-prone Biden's town halls, listening sessions, and addresses in full. They're also highlighting how it's been more than 80 days since his last press conference."

Biden Campaign Agrees To Three Debates.

The Washington Post (6/22, Viser, 14.2M) reports that on Monday, Joe Biden's campaign "committed to three scheduled debates with President Trump in September and October and criticized the president for taking varied positions on whether he would participate in debates and how many." According to the Post, the Biden campaign's letter to the Commission on Presidential Debates, which was written by Biden campaign manager Jen O'Malley Dillon, "stated that Biden will participate in the debates already planned by the commission, which would be on Sept. 29, Oct. 15, and Oct. 22." The Post notes that "the letter came several days after top Trump aides...began pushing for four debates and called for them to be held earlier than usual so Americans voting early can make their decisions."

The Washington Examiner (6/22, Larsen, 448K) reports that the Trump campaign has also "complain[ed] that two of the debates are scheduled for Thursday evenings, conflicting with NFL games." According to the Examiner, "The thinking is that Biden will perform poorly in debates and that Trump can better define him and his record in voters' minds." The Examiner says "one of the debate commission chairmen said last week if the two candidates agree on participating in a fourth debate, they will work to make it a reality."

University Of Michigan To Withdraw From Hosting Presidential Debate. The Detroit Free Press (6/22, Jesse, 1.52M) reports that according to unnamed sources, the University of Michigan will not host a presidential debate this fall. The university is reportedly concerned about risks from the COVID-19 pandemic.

Progressives Seeking Gains In New York Democratic Congressional Primaries.

Politico (6/22, Montellaro, Ferris, Mutnick, 4.29M) reports that "progressives are plotting to shake up New York's congressional delegation" in New York's Democratic primaries on Tuesday. Rep. Eliot Engel (D-NY) is "their best shot to oust," but "nearly every sitting House Democrat in New York City and its suburbs faces some level of threat from the left." Rep. Yvette Clarke (D-NY) "is perhaps the most endangered incumbent after Engel." Rep. Alexandria Ocasio-Cortez (D-NY) "has a well-funded primary challenger – as does moderate Democratic Rep. Tom Suozzi on Long Island." In NY15, progressives are concerned that City Council Member Rubén Díaz Sr. (D) "could slip through and win the nomination." Diaz, says Politico, has "publicly voiced his support for" President Trump. In NY17, Rep. Nita Lowey (D-NY) is retiring and there is no "clear frontrunner."

US Soldier Charged With Plotting Terror Attack With "Occult-Based Neo-Nazi" Group.

The Army Times (6/22, Rempfer, 346K) reports "a US soldier assigned to an installation in Europe has been charged with trying to plan a deadly ambush on members of his own unit during an upcoming deployment with the help of an 'occult-based neo-Nazi' group known as the 'Order of the Nine Angles,' according to an indictment unsealed Monday." Pvt. Ethan P. Melzer "confessed to plotting what he intended to be a mass casualty attack during an interview with US agents on May 30, according to the US Attorney's Office for the Southern District of New York." The Order of the Nine Angles "is described by the Justice Department as a racially motivated violent extremist group." Members have "espoused violent, neo-Nazi, anti-Semitic, and Satanic beliefs, and have expressed admiration for both Nazis, such as Adolf Hitler, and Islamic jihadists, such as Usama Bin Laden."

On ABC World News Tonight (6/22, story 4, 1:00, Muir, 7.74M), Pierre Thomas said, "The plan [was] allegedly diabolical. The London-based neo-Nazi group was to pass the information to jihadist terrorists so they could attack the soldiers."

The CBS Evening News (6/22, story 3, 1:10, O'Donnell, 4.78M) reported "the indictment does not make clear how it was supposed to be carried out or where, although the Order of Nine Angels is reportedly based in England," and Stars And Stripes (6/22, Olson, 30K) that Audrey Strauss, acting US attorney for the Southern District of New York, said "Melzer was 'motivated by racism and hatred as he attempted to carry out this ultimate act of betrayal.'" Axios (6/22, Perano, 521K), USA Today (6/22, Phillips, 10.31M), the New York Times (6/22, Feuer, 18.61M), and the AP (6/22, Neumeister), among other news outlets, also cover the indictment.

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RCP Average Has Trump's Job Approval At 42.9%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 42.9%, and his disapproval at 55.3%. Trump's approval is down 0.1 since yesterday; his disapproval is up by 0.2.

A Rasmussen poll of 1,500 "likely voters" (6/17-6/21) finds Trump's approval at 46%, and his disapproval at 52%.

Financial International News

World Bank Head Bullish On Debt Relief, Wants Greater Private Sector Participation.

Reuters (6/22, Shalal) reports World Bank President David Malpass said Monday that the G20 countries had made good progress toward providing debt relief to the world's poorest countries, though he said the effort needed additional relief and more participation from private sector creditors. Malpass "told Reuters in an interview that 35 of 73 eligible countries were participating in the G20 debt relief initiative, and more had expressed interest." Bloomberg (6/22, Martin, 4.73M) also reports.

BOE's Bailey Signals Shift In Strategy For Removing Emergency Stimulus.

Reuters (6/22, Milliken) reports Bank of England Governor Andrew Bailey on Monday "said...that the central bank should start to sell government bonds back to the market before it raises interest rates significantly, which would represent a reversal of long-standing BoE policy." Although bond sales "are some way off," as the BoE last week "increased its bond purchase target by 100 billion pounds to 745 billion pounds ($922 billion)," Bailey said this level of quantitative easing "shouldn't always be taken for granted." In an op-ed for Bloomberg, Bailey wrote, "When the time comes to withdraw monetary stimulus, in my opinion it may be better to consider adjusting the level of reserves first without waiting to raise interest rates on a sustained basis."

German Deputy Finance Minister Says Banks Should Prepare For Hard Brexit.

Reuters (6/22, Martin) reports Germany's Deputy Finance Minister Joerg Kukies said Monday at the Frankfurt Finance Summit that banks should be prepared for a hard Brexit, "adding there is a very strong risk of a tough situation ahead." He said, "Every financial institution has to make sure that they are prepared for a hard Brexit, if and when it happens. We don't want that and we hope that it can be avoided. But anyone who listens to the progress updates of the negotiating teams has to take into account that there is a very significant risk that we will go into a difficult situation."

Leading International News

American Among Dead In Britain's Latest Terrorist Attack.

Reuters (6/22, Nicholls) reports that the English town of Reading "held a minute's silence on Monday for the victims of a stabbing that killed three people including an American in the latest terrorism-linked attack." The Philadelphia Inquirer reported one of the dead was US citizen Joe Ritchie-Bennett, 39, "who had lived in Britain for 15 years." US Ambassador Woody Johnson "sent condolences to families of victims."

WSJournal Welcomes IAEA Call For Access To Iranian Nuclear Sites.

In an editorial, the Wall Street Journal (6/22, Subscription Publication, 7.57M) welcomes a call last week by the IAEA to Iran for greater access to the country's nuclear sites.

Trump Says He Will Only Meet With Maduro To Discuss His "Peaceful Exit."

Reuters (6/22, Heavey, Holland) reports that on Monday, President Trump "walked back comments that he would consider meeting Venezuelan President Nicolas Maduro, saying he would only do so to discuss Maduro's departure from office." In an interview with Axios published on Sunday, "Trump said he would consider meeting Maduro and played down his earlier decision to recognize opposition leader Juan Guaidó as Venezuela's legitimate leader." However, on Monday, Trump tweeted, "My Admin has always stood on the side of FREEDOM and LIBERTY and against the oppressive Maduro regime! I would only meet with Maduro to discuss one thing: a peaceful exit from power!" Trump told Axios on Friday, "I would maybe think about [meeting with Maduro]. ... Maduro would like to meet. And I'm never opposed to meetings, but at this moment, I've turned them down."

The Washington Post (6/22, Wagner, 14.2M) reports that in his interview with Axios, Trump "suggested he has had second thoughts about his decision to recognize [Guaidó] as the legitimate leader of Venezuela after the country's disputed election and said he is open to honoring a request from Maduro to meet. 'Trump talks tough on Venezuela, but admires thugs and dictators like Nicolas Maduro," Joe Biden said on Twitter "in response to Trump's comments in the interview." Sen. Marco Rubio (R-FL) "took a gentler tone but also made clear in a tweet that he thought granting Maduro a meeting he has sought would be a mistake."

To Politico (6/22, Dixon, Fineout, 4.29M), "Trump on Monday distanced himself from his own comments that signaled an openness to talks" with Maduro, but says "the reversal is unlikely to prevent a political mess in Florida and still complicates the GOP's 2020 attempt to brand Democrats as socialists." McClatchy (6/22, Smiley, Torres, Wilner, Chambers, 19K) similarly says his willingness to meet with Maduro could "complicate Trump's reelection campaign, which has aggressively courted Hispanic voters in Florida, home to narrowly decided presidential elections and the largest community of Venezuelan exiles in the country."

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Reuters (6/22) reports that on Monday, White House Press Secretary Kayleigh McEnany said, "Nothing has changed. He continues to recognize Juan Guaidó as the leader of Venezuela. ... He has not lost confidence at all." The Washington Times (6/22, Sherfinski, 492K) also reports McEnany's comments.

Reuters (6/22, Jones), meanwhile, reports Maduro and Guaidó's "legal tug-of-war...over $1 billion of the country's gold stashed deep under the Bank of England in London." According to Reuters, "In a High Court hearing due to last four days, the Venezuelan central bank (BCV), controlled by Maduro's government, is seeking an order to force the Bank of England to release the bullion that, like many countries, it stores there for safe keeping."

US Envoy Mocks China For Not Attending Nuclear Weapons Talks.

Reuters (6/22) reports that on Monday, US special envoy Marshall Billingslea, who is meeting with his Russian counterparts in Vienna to discuss the New START nuclear weapons treaty, "taunted China for refusing to attend, posting a picture of Chinese flags placed at empty seats around the table, which Beijing mocked as an act of 'performance art.'" Politico (6/22, Herszenhorn, 4.29M) reports that Billingslea tweeted, "Beijing still hiding behind #GreatWallofSecrecy on its crash nuclear build-up, and so many other things."

US Designates Four Chinese Media Outlets As Foreign Missions. Reuters (6/22, Brunnstrom, Pamuk) reports the US "will start treating four major Chinese media outlets as foreign embassies, it said on Monday, a move that will restrict their operations on American soil." Assistant Secretary of State for East Asia David Stilwell told reporters the designation would affect China Central Television, the China News Service, the People's Daily and the Global Times, and "reflected their real status as 'propaganda outlets' under the control of the Chinese Communist Party."

The AP (6/22, Fox) reports that as a result of the move, the four media outlets "will be required to submit a list of everyone who works for them in the U.S. and any real estate holdings. None are being ordered to leave at this time, but a similar action in February against five other outlets preceded a cap on the number of people who could work for those organizations in the U.S." The New York Times (6/22, Wong, 18.61M) says the move is "likely to lead to some form of retaliation from China." The Wall Street Journal (6/22, Mauldin, Subscription Publication, 7.57M), among other news outlets, also reports the move.

FCC Shuts Down Chinese-Run Radio Station In Phoenix. The Washington Free Beacon (6/22, Kredo, 78K) reports that a "radio station controlled by the Chinese Communist Party propaganda outlet Phoenix TV has been ordered by the Trump administration to cease its broadcasts within 48 hours." The Federal Communications Commission ruled Monday that "a Mexico-based radio station owned in part by Phoenix TV – one of the Communist regime's leading propaganda organs – must end its broadcasts due to its failure to disclose its ties to China." The Washington Times (6/22, Gertz, 492K), among other news outlets, also reports the move by the FCC.

US Officials To Meet This Week On Israeli Annexation Plans.

Reuters (6/22, Holland, Spetalnick) reports that "US officials will gather this week to discuss whether to give Israel a green light for its plan to annex Jewish settlements in the occupied West Bank, as Israeli Prime Minister Benjamin Netanyahu's target date of July 1 approaches." A "senior administration official" said Monday that US Ambassador to Israel David Friedman will be in Washington to meet officials including Secretary of State Pompeo, Jared Kushner, and Middle East envoy Avi Berkowitz. The official said President Trump could also join in the talks.

The New York Times (6/22, Halbfinger, Crowley, 18.61M) reports that during the talks, "a fundamental question will hover overhead: Is the prospect of annexation a pressure tactic to get the Palestinians to engage with the administration's peace plan, or is the peace plan just a smokescreen for annexation?" US and Israeli officials, however, are said to be "deeply divided on the question, an issue that could determine how and when any annexation proceeds."

Belarus President Accuses Russia Of Meddling In Upcoming Election.

The New York Times (6/22, Higgins, 18.61M) that Aleksandr Lukashenko, "the longtime authoritarian leader of Belarus," is "under threat like never before ahead of what was supposed to be just another rigged election," and is "taking a surprising new tack that he hopes will win him sympathy in the West: blaming Russian election meddling." The Times says Lukashenko "has become so unsettled by a surge of discontent and support for prospective rivals in the August 9 election that he has turned his propaganda machine on Moscow, long his closest ally and principal benefactor."

Housing

CFPB Proposes Eliminating QM Rule's DTI Cap, Replacing "GSE Patch."

American Banker (6/22, Berry, Subscription Publication, 31K) reports the CFPB on Monday "proposed two rulemakings concerning competitive advantages that Fannie Mae and Freddie Mac enjoy in connection with underwriting requirements," saying that it would revise the definition of "qualified mortgage" and extend the "GSE patch." American Banker says the CFPB's proposal would replace the current 43% DTI limit with a "price-based threshold measured by comparing a loan's annual percentage rate against the average prime offer rate for a comparable transaction." A loan would meet the QM definition "only if the APR exceeds average prime offer rate by less than two percentage points for as of the date the interest rate is set. The proposal would provide higher price thresholds for smaller loans." M Report (6/22,

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Welborn) says CoreLogic reports that the second NPRM proposes an extension of the Patch until the first amendment takes effect.

National Mortgage Professional (6/22) reports CFPB Director Kathy Kraninger said, "The GSE Patch's expiration will facilitate a more transparent, level playing field that ultimately benefits consumers through promoting more vigorous competition in mortgage markets. The Bureau is proposing to replace the Patch with a price-based approach to QM loans to preserve consumer access to mortgage loans while also making sure consumers have the ability to repay them. The Bureau is committed to ensuring a smooth and orderly mortgage market throughout its consideration of these issues and any resulting transition away from the GSE Patch." According to the Credit Union National Association (6/22), "Absent regulatory action the CFPB estimates that approximately 957,000 mortgage loans would be affected by the expiration of the GSE Patch."

NAR, ABA Welcome CFPB's Proposals; NCLC Critical. HousingWire (6/22, Ramirez, 23K) reports NAR President Vince Malta said, "America's Realtors applaud the CFPB's action to provide a temporary QM patch extension, and commend the bureau and Director Kraninger for acting on behalf of our nation's consumers and homebuyers at a time when market stability is so critical. Perhaps most importantly, we appreciate the Bureau's decision to eliminate a hard DTI standard, and we look forward to more closely examining the proposed replacements and their impact on homebuyers over the coming months."

The ABA Banking Journal (6/22) reports, "The American Bankers Association is currently in the process of reviewing both proposals and will submit comments. The association welcomed this long-awaited action by the CFPB to ensure market viability, provide greater clarity and reach a permanent solution with respect to the GSE patch."

However, in a press release, National Consumer Law Center (6/22) criticized the CFPB's proposed rules, saying that they would "encourage unaffordable mortgage lending and threaten access to credit."

Providing additional coverage of the CFPB's proposals are Bankers Online (6/23), Seeking Alpha (6/22, Kiesche, 512K), and LexBlog (6/22), as well as paywalled pieces from Inside Mortgage Finance (6/22, Yang, Subscription Publication), Law360 (6/22, Subscription Publication, 8K), and Dodd Frank Update (6/22).

MBA: Fewer Americans Are Skipping Mortgage Payments.

MarketWatch (6/22, Passy, 1.67M) says fewer homeowners are in forbearance plans, according to data released on Monday by the Mortgage Bankers Association. As of June 14, "only 4.2 million homeowners were in forbearance plans, down from 4.3 million the week prior," MarketWatch reports. This was the first time the MBA's data has shown a dip in forbearances since the emergence of the pandemic. The share of loans backed by Freddie Mac and Fannie Mae that were in forbearance "fell for the second consecutive week" from 6.38% to 6.31%. The forbearance share of loans in private-label securities also fell, but the forbearance share of loans guaranteed by Ginnie Mae held flat at 11.83%. National Mortgage News (6/22, Centopani) reports, "Forbearance requests as a percentage of servicing portfolio volume decreased to 0.15% on June 14 from 0.19% on June 7. Call center volume as a percentage of portfolio volume also decreased, going to 7.7% from 8%."

National Mortgage Professional (6/22) reports MBA Chief Economist Mike Fratantoni said, "The lower share of loans in forbearance was led by declines in GSE and portfolio and PLS loans, as more of those borrowers exited than entered a new forbearance plan. Fewer homeowners in forbearance underscores the continued improvements in the job market, and provides another sign of the fundamental health of the housing market, which has rebounded considerably over the past several weeks."

HousingWire (6/22, Roha, 23K) reports Fratantoni added, "The big unknown with respect to this positive development is the extent to which it relies upon policy measures put in place to help families through this crisis. Particularly the stimulus payments and enhanced unemployment insurance benefits that were key parts of the CARES Act."

Seiberg: CFPB's Constitutionality Case Could Complicate GSEs' Release From Conservatorship.

HousingWire (6/22, Howley, 23K) reports that the Supreme Court is expected to "issue a major ruling" on whether or not the single-director structure of the CFPB is constitutional. According to HousingWire, "The decision is seen as also impacting the Federal Housing Finance Agency, which is set up in a similar way and has a challenge pending in court related to its structure." The high court's ruling will "influence whether Fannie Mae and Freddie Mac are able to exit conservatorship," Cowen analyst Jaret Seiberg said in a note to clients. According to Seiberg, "If the single-director structure is constitutional, the path out of conservatorship is simpler."

New York State's Eviction Moratorium Expires, NYC's Housing Courts Reopen, And #CancelRent Trends.

The New York Times (6/22, Haag, 18.61M) reports, "Eviction cases are expected to soar in New York City as housing courts reopen and landlords seek to recoup income lost during the pandemic." Over the weekend, New York State's moratorium on evictions expired, "raising fears that tens of thousands of residents" may be "called into housing courts, which reopened on Monday." According to the Times, housing rights groups warn that 50,000 to 60,000 cases may be filed in New York City's housing courts in coming days. Meanwhile, "thousands of cases that were already in progress but were paused in March can now resume."

HousingWire (6/22, Falcon, 23K) reports that protestors "rallied outside housing courts" on Monday, "protesting their reopening and demanding an extension or permanent ban on evictions." According to HousingWire, "the hashtag #cancelrent was trending on Twitter

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Monday morning" as the protestors demanded extensions or permanent bans on evictions, and "more than 50 New York legislators and organizations have called on Gov. Cuomo to extend the eviction moratorium, urging Cuomo to issue a new order."

Priority Financial Sues New Rez, AO Over Aborted Non-QM Purchases.

Behind a paywall, Inside Mortgage Finance (6/22, Muolo, Subscription Publication) reports that Priority Financial, which was once an "active originator" of non-QM loans, has "filed two lawsuits against top-shelf secondary market players, saying they reneged on their commitments to buy loans from the company this spring during the height of the COVID-19 crisis." According to IMF, the nonbank "has sued New Residential Investment Corp. and Angel Oak Mortgage Solutions, alleging breach of contract, among other things." CEO Mark Shenkman "said he's considering filing claims against at least one other former business partner of Priority," as well.

NAR Joins Chamber Of Commerce's Equality Of Opportunity Initiative.

Mortgage Professional America (6/22, Smith) reports that the National Association of Realtors has "joined the U.S. Chamber of Commerce's Equality of Opportunity initiative," which MPA says is "part of a national effort to examine economic inequality." The program is "supported by more than 400 organizations across the country," assembling "business and policy leaders to advance economic inclusion and examine potential solutions to inequality of opportunity." NAR CEO Bob Goldberg said, "NAR has spent recent years examining how our 1.4 million members can best lead the fight against discrimination, bigotry and injustice. We believe that building a better future in America begins with equal access to housing opportunity."

MBA: Mortgage Lending Poised To Hit A 14-Year High In 2020.

HousingWire (6/22, 23K) reports that the MBA forecasts that originations will likely total $2.65 trillion in 2020, a 14-year high, thanks to rock-bottom mortgage rates. MBA Chief Economist Mike Fratantoni predicts that home-financing volume will be nearly evenly split between refis and purchases. In a video conference on Monday, Fratantoni predicted that purchases will total $1.3 trillion, and refis will total $1.35 trillion. However, he cautioned that purchase is "a trickier forecasting exercise because many more variables come into play."

Depositories' Q1 Mortgage Banking Income Among Worst Quarters Ever.

Behind a paywall, Inside Mortgage Finance (6/22, Bancroft, Subscription Publication) reports that commercial banks and savings institutions had "one of their worst quarters ever for mortgage banking income" in Q1, reporting aggregate mortgage banking income (including originations, secondary marketing, and servicing) of "just $2.61 billion." This represented a sequential decline of 32.3% According to IMF, "Thanks to the coronavirus, it was the worst earnings for mortgage banking since the fourth quarter of 2008, the midst of the financial meltdown, when banks managed to earn just $289.2 million and thrifts weren't yet reporting the results of their mortgage banking income. Arguably, the worst quarter ever was the second quarter of 2011, when Bank of America reported a staggering $13.2 billion loss on mortgage banking in its earnings report, stemming from a $14.0 billion provision for anticipated representations and warranty expenses."

UWM's Ishbia Sees Strength In Broker Channel And His Own Firm's Use Of Technology.

Mortgage Professional America (6/22, Smith) interviewed United Wholesale Mortgage CEO Mat Ishbia, who believes that the mortgage sector, and particularly the broker channel, are thriving amid the pandemic. Ishbia credits the mortgage industry for "holding up and helping the economy come out of this tough time faster." He believes that UWM has benefited from its "900 technology team members," explaining, "Letting our team members work from home, letting out clients do everything virtually – that's kind of always how we've done business. Getting all of our team members to work from home is a transition that took about a day." Ishbia believes that the broker channel is having a resurgence because brokers "have access to multiple lenders with multiple products" and price points. Ishbia quips, "A broker has access to multiple lenders. If my pricing is not good, you send it to Caliber Home Loans. If Caliber's technology sucks, you don't use them."

Vista Point Set To Issue Its First Non-QM MBS.

Behind a paywall, Inside Mortgage Finance (6/22, Ivey, Subscription Publication) reports that Vista Point Mortgage is "set to issue its first non-QM mortgage-backed security, a $439.2 million deal that was in the works before volatility from the coronavirus hammered the non-agency market." The firm's founder and CEO, William Ashmore, was a co-founder of Impac Mortgage Holdings back in 1995. In late 2017, Ashmore left Impac to start Vista around one year later. According to IMF, "Vista Point aggregates non-qualified mortgages from various originators. The top contributors to the deal are theLender with a 39.8% share and Oaktree Funding Corp. at 20.3%. In general, the collateral has seasoned for an average of eight months. Roughly 2.1% are in forbearance. (All were current on their payments as of June 1)."

NAR: In May, Existing Home Sales Fell To Lowest Level Since 2010.

MarketWatch (6/22, Passy, 1.67M) reports, "Sales of previously-owned homes slid 9.7% in May as the coronavirus pandemic continued to weigh on the U.S. real estate market." Existing-home sales ran at a seasonally-adjusted annual pace of 3.91 million, the National Association of Realtors reported Monday. This was the "lowest level for existing-home sales since July 2010." According to a more widely paywalled piece from Bloomberg (6/22, Golle, Pickert, 4.73M), economists had predicted a rate of 4.09 million. Compared with a year ago, "purchases were

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down 26.6%, the biggest annual slide since February 2008."

Mortgage News Daily (6/22, Swanson) reports that the "median existing-home price for all housing types in May was $284,600, a 2.3 percent gain from May 2019 ($278,200), as prices increased in every region." May was "the 99th straight month of year-over-year gains," with the median existing single-family home price rising an annual 2.4% to reach $287,700, 2.4 percent annual growth. However, "condo prices declined 1.6 percent $252,300" over the same period. Providing similar coverage are pieces from HousingWire (6/22, 23K), M Report (6/22, Albanese), International Business Times (6/22, 265K), Yahoo! Finance (6/22, Mattspeakman), World Property Journal (6/22), Advisor Perspectives (6/22), and Seeking Alpha (6/22, Kiesche, 512K).

Economists React To Consensus Miss. Behind a paywall, Inside Mortgage Finance (6/22, Muolo, Subscription Publication) reports NAR Chief Economist Lawrence Yun said, "Sales completed in May reflect contract signings in March and April – during the strictest times of the pandemic lockdown and hence the cyclical low point. Home sales will surely rise in the upcoming months with the economy reopening, and could even surpass one-year-ago figures in the second half of the year."

Reuters (6/22, Mutikani) reports MUFG Chief Economist Chris Rupkey commented, "Home sales may bounce with pent-up demand following the shutdown of the economy starting in March, but the massive scale of job losses and cautious consumers rebuilding their savings may limit the sales turnover of the housing stock."

Business Insider (6/22, Winck, 3.67M) reports Pantheon Chief Economist Ian Shepherdson said, "We aren't worried about the undershoot to consensus, which was signaled by the weakness of the April pending sales index."

Fed Report: US Households Generally Reported Feeling Financially Comfortable In 4Q19.

DS News (6/22, Welborn) reports that the Fed's latest Report on the Economic Well-Being of U.S. Households provided "results from the responses to the 2019 Survey of Household Economics and Decision making (SHED), as well as from responses to a follow-up survey conducted in April 2020." At the end of 2019, 76% of adults said they were "doing ok" or "living comfortably financially," unchanged from 2018. Almost two-thirds of adults owned homes, including 85% of respondents 60 years of age and older and 26% of respondents aged 18 to 29 years old.

Sprout Mortgage Announces Three Modifications To Non-QM Program.

HousingWire (6/22, 23K) reports Sprout Mortgage last week "announced the release of three modifications to complement its May 27 non-QM program release after a short freeze on non-QM lending." Now, Sprout is "offering up to 85% LTV, according to the release. Sprout also stated it has reduced rates across the entire program offering, and increased maximum loan amounts at lower LTV levels on the Select program series."

Perspective: Pandemic Is Giving RONs More Attention.

In a Perspective piece for the Washington Post (6/22, 14.2M), real estate attorney Harvey Jacobs says that "many real estate transactions are still being conducted the old-fashioned, high-contact way," but the pandemic has "forced county recording clerks, mortgage lenders and the title insurance industry to expedite rules to permit remote online notarization (RON) closings under strict guidelines." Freddie Mac and Fannie Mae, which together "buy more than 40 percent of residential mortgage loans, have modified their single-family seller guidelines to permit RON closings in 43 states. Freddie Mac has specific temporary regulations regarding RON for closing documents, powers of attorney and electronic promissory notes."

Analysis: These Eight Mortgage Lenders Are The Best For First-Time Buyers.

The Mortgage Reports (6/22, 26K) released its list of the "8 best mortgage lenders for first time home buyers." Topping the list was Guaranteed Rate, followed by PrimeLending, Better Mortgage, Flagstar Bank, New American Funding, CitiMortgage, Caliber, and Veterans United. The "standout feature" of both Guaranteed Rate and Flagstar was down payment grants. PrimeLending stood out for its "closing cost assistance," and Caliber was notable for its "jumbo loans with 5% down." CitiMortgage's "low rates" were highlighted, as were Better Mortgage's "$0 fees and transparent pricing." New American Funding was best for borrowers with lower credit scores, while Veterans United stood out for helping veterans build credit.

Markets

10-Year Yield Rises.

MarketWatch (6/23, 1.67M) reports the 10-year Treasury yield rose to 0.714 percent.

Dollar Stays Flat.

Reuters (6/23, Sano) reports, "The U.S. dollar was on the backfoot on Tuesday, while its Australian counterpart and other risk-sensitive currencies stood firm as markets clung on to hopes of an economic recovery from the pandemic despite rising infections in some parts of the world." Against a basket of currencies, the dollar "was little changed at 97.021 after a fall of 0.68% on Monday." Meanwhile, the euro "jumped back to $1.12705, about a cent above Monday's low," and the yen "was little moved, stuck at 106.90 yen per dollar."

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Gold Eases.

Reuters (UK) (6/23, Patel) reports, "Gold eased on Tuesday on expectations of positive manufacturing data from the euro zone, but concerns over a second coronavirus wave kept the safe-haven metal near its highest level in more than a month." Spot gold "was down 0.3% at $1,749.80 per ounce by 0701 GMT," while US gold futures "eased 0.2% to $1,762.30."

Oil Holds Steady.

Reuters (6/23, Jaganathan, Sheldrick) reports, "Oil prices steadied on Tuesday after a volatile session sparked by confusion over the status of the U.S.-China trade deal." Brent crude "fell 10 cents, or 0.2%, to $42.98 a barrel by 0649 GMT," while West Texas Intermediate oil "was down 16 cents, or 0.4%, at $40.57 a barrel, having dropped to a low of $39.76."

Cybersecurity

New Zealand Authorities Seize $90 Million From Russian Digital Currency Laundering Suspect.

Reuters (6/22) reports police in New Zealand have "seized assets worth NZ$140 million ($90.68 million) linked to" Alexander Vinnik, "a Russian man suspected of laundering billions of dollars in digital currency." The assets "were being held in a New Zealand company owned by...Vinnik, who is accused of masterminding a bitcoin laundering ring and is wanted by both France and the United States."

TFI/Sanctions

WPost: US Sanctions Warnings Failing To Dissuade Chinese Action In Hong Kong.

The Washington Post (6/22, 14.2M) editorializes that the "worst fears about China's ambitions to dominate Hong Kong and destroy its democratic ways are materializing" as Beijing moves "to impose a security law that will create a powerful new secret police." The Post argues that "President Trump's recent warning of sanctions appears to have done absolutely nothing to stop Beijing from steamrolling Hong Kong." It calls on the President to act, saying his "indifference" is "dangerous."

Federal Reserve

Main Street Lending Program Confronts Leery Banks, Lack Of Enthusiasm From Borrowers.

Bloomberg (6/22, Saraiva, Levitt, 4.73M) reports that the Federal Reserve's Main Street Lending Program, which is "still not fully up and running three months into the coronavirus crisis, faces other obstacles: a dearth of borrowers and reluctant banks." So far approximately 200 financial institutions have begun the registration process with the Fed, a pittance compared to the "nearly 5,000 banks that took part in the first round of the Paycheck Protection Program, the Small Business Administration-operated effort for the smallest U.S. companies." While the PPP proved so popular since "loans turned into grants if 75% of funds were spent on payroll," Main Street loans "will have to be paid back in full and come with a complex set of rules," meaning borrowers may seek out alternative sources of funding.

Fed Bond Buying Raises Bubble Fears.

CNBC (6/22, Cox, 3.62M) reports the Fed's latest move to purchase individual corporate bonds is stoking concerns over potential asset bubbles. CNBC says, "The worries are that the market has now gone too far as interest rates linger around record lows and issuers count on perpetual Fed support should buyer appetite wane." Yardeni Research founder Ed Yardeni said, "The goal was to restore liquidity to the credit markets," adding, "They are clearly functioning well again. If the Fed persists in flooding the markets with liquidity, the risk is that the Fed will create the greatest financial bubble of all times."

Rosengren: Second Half Of 2020 Will Be "Difficult."

Reuters (6/22, Saphir) reports Boston Fed President Eric Rosengren on Monday said the Main Street Lending Facility will offer "insurance" against what he forecast will be a tough second half of 2020. Rosengren said, "If I'm right and the second half of the year is more difficult than many people are anticipating, I think having this facility up and running will be an important insurance policy for the economy. ... I view every loan that we are going to be making as actually helping those businesses avoid very significant layoffs that they would get if they couldn't get the financing that the Federal Reserve's providing."

Internal Revenue Service

Supreme Court Rejects Appeal Of Ruling On IRS Rules.

The Wall Street Journal (6/22, Rubin, Subscription Publication, 7.57M) reports the Supreme Court on Monday declined to consider an appeal of a ruling on corporate tax regulations. The Journal says the decision will billions in higher costs for tech companies. Law360 (6/22, Subscription Publication, 8K) also reports.

Commentary: The IRS Should Start Fixing The "Tax Gap."

In an op-ed for The Washington Post (6/22, 14.2M), Lawrence H. Summers and Natasha Sarin write that every year the IRS "leaves billions

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of dollars in tax revenue on the table by failing to pursue high-income individuals who don't bother to file tax returns. A report released last month by the Treasury Department's inspector general estimated that the amount of lost revenue was nearly $50 billion between 2014 and 2016 alone – an outrage at a time of soaring deficits and growing needs." The report "exposes one piece of the larger 'tax gap,' the difference between what the government is owed and what it manages to collect," but Summers and Saris say the situation "can be fixed" because the "gap is a consequence of failing to adequately fund the IRS and the agency's failure, even with limited resources, to focus on collecting taxes from high-income filers."

Office of the Comptroller of the Currency

OCC, FDIC Lower Assessment Fees.

The ABA Banking Journal (6/22) reports, "Noting that many banks grew loans substantially in response to credit needs during the coronavirus pandemic," the OCC and FDIC on Monday "issued rules to ensure that banks do not pay increased assessments as a result of their increased lending amid the pandemic." Acting Comptroller of the Currency Brian Brooks said that in responding to the pandemic, "many banks took on significant volumes of additional assets while providing relief to their customers as part of these federal programs. Banks should not be penalized by these efforts to support our national recovery."

American Banker (6/22, Pedersen, Subscription Publication, 31K) reports that per the OCC's interim final rule, banks can use "pre-pandemic asset levels to calculate assessment fees this upcoming September." The "one-time change" will remain in effect until October – or for one assessment. Using call report data from December 31, 2019, rather than June 30, 2020, will "result in lower assessments for most banks under the jurisdiction of the OCC," according to the text of the interim rule.

Bloomberg Law (6/22, Subscription Publication, 4K) reports that in a similar move, the FDIC "announced that banks that participated in the PPP and other emergency programs would also get a break on their deposit insurance assessments." The FDIC "said in a final rule retroactively effective April 1 that it would not take any assets accumulated under the PPP and other programs into account when assessing deposit insurance fees."

Brown, Warren Urge Bank Regulators To Reverse Capital Change.

American Banker (6/22, Haggerty, Subscription Publication, 31K) reports, "Two Democratic senators are calling on regulators to reverse their recent decision to ease a key capital requirement for banks." Sens. Sherrod Brown (D-OH) and Elizabeth Warren (D-MA) "said in a letter Friday that a change to the supplementary leverage ratio that was announced in May 'is dangerous and puts the economy and hardworking families at risk.'" In a letter to Acting Comptroller of the Currency Brian Brooks, Federal Reserve Vice Chair of Supervision Randal Quarles, and Federal Deposit Insurance Corp. Chair Jelena McWilliams, the senators wrote, "There is no justifiable reason to relax a key safety and soundness restraint by arguing that it is necessary for banks to support lending while simultaneously allowing banks to distribute capital to enrich their shareholders."

OCC's Brooks Among Top Speakers At Online Conference Unitize.

The CoinTelegraph (6/22, 14K) reports Acting Comptroller of the Currency Brian Brooks "will be among those offering their insights" at online conference Unitize. Organized by BlockShow and San Francisco Blockchain Week, the conference will take place from July 6 through July 10. The goal of Unitize "is to celebrate the industry's progress so far in 2020 and to foster further collaboration and engagement."

Former Comptroller Ludwig Calls For Expansion Of CRA To Include Nonbanks.

American Banker (6/22, Pedersen, Subscription Publication, 31K) reports, "Just two years after finalizing the first significant regulatory overhaul of the Community Reinvestment Act in the 1990s, then-Comptroller of the Currency Eugene Ludwig" pitched the expansion of the law beyond banks. In a recent interview, Ludwig said now is the time for Congress to expand CRA to included nonbanks including credit unions, online lenders, student loan servicers, hedge funds, and more. Doing so "could make a big difference in this tumultuous period of widespread protests against racial inequality amid the coronavirus pandemic and a recession, he says."

House To Debate Resolution Challenging OCC's CRA Rewrite Starting Friday.

CQ Roll Call (6/22, McPherson, 154K) reports the House on Friday is set to begin debating "a joint resolution providing congressional disapproval for Community Reinvestment Act regulations issued by the Office of the Comptroller of the Currency."

Editorial Wrap-Up

Washington Post.

"China's Hong Kong Policy: One Country, One Brutal System." The Washington Post (6/22, 14.2M) editorializes that the "worst fears about China's ambitions to dominate Hong Kong and destroy its democratic ways are materializing" as Beijing moves "to impose a security law that will create a powerful new secret police." The Post argues that "President Trump's recent warning of sanctions appears to have done absolutely nothing to stop Beijing from steamrolling Hong Kong." It calls on the President to act, saying that "indifference is dangerous."

"Trump Faced A Moment Of Truth In Tulsa. He Chose The Low Road." The Washington Post (6/22, 14.2M) in an editorial says

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that President Trump "faced a moment of truth" at his Tulsa rally, in which he might have focused on "the politics of division, hoping to energize the minority of Americans who reliably support him and prevent or discourage as many others as possible from voting," or he might offer "conciliation and healing," and so "expand the pool of voters willing to vote for him." Trump, the Post says, chose the former and "opted for bigotry, division and mean-spiritedness." The Post also says that it may have been "naive to think he could change his tune...even to save himself as he plummets in the polls."

"A Cruel HHS Regulation Shows The Battle For Transgender Rights Isn't Over." The Washington Post (6/22, 14.2M) editorializes that when HHS "proposed a rule last summer seeking to roll back non-discrimination protections for transgender people in health care, 155,966 public comments came through in response. Yet the final product released this month is nearly identical to the original – just as insidious and now, according to the precedent set by the Supreme Court last week, just as likely illegal." To the Post, "Yanking away access to health care for a vulnerable population would be cruel at any moment. Doing it amid a pandemic is especially dangerous."

Wall Street Journal.

"America's Jacobin Moment." The Wall Street Journal (6/22, Subscription Publication, 7.57M) editorializes that George Floyd's killing has caused some useful reflection about race.

"When Cops Aren't On The Beat." In an editorial, the Wall Street Journal (6/22, Subscription Publication, 7.57M) welcomes news that in Chicago last weekend, only 14 people were killed in shootings, compared to the 24 over the last weekend in May. On the other hand, shootings are soaring in New York City after police disbanded the plainclothes anti-crime units.

"Teddy Roosevelt Gets Canceled." In an editorial, the Wall Street Journal (6/22, Subscription Publication, 7.57M) bemoans the move to remove Teddy Roosevelt's statue from New York City's American Museum of Natural History, casting it as part of a campaign to erase American history.

"Iran's Other Nuclear Violations." In an editorial, the Wall Street Journal (6/22, Subscription Publication, 7.57M) welcomes a call last week by the IAEA to Iran for greater access to the country's nuclear sites.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Trump Moves To Temporarily Suspend New H-1B, Other Visas Amid Covid-19 Pandemic
MLB Is Set To Impose An Abbreviated 2020 Season
Apple Drops Intel For In-House Chips In Major Makeover Of Mac Computers
America Is Reopening. Coronavirus Tracing Apps Aren't Ready.
'They Ate Their Friends!': Butterfly Kits Backfire

New York Times:

Bars, Strip Clubs And Churches: US Virus Outbreaks Enter Unwieldy Phase
Trump Suspends Visas Allowing Hundreds Of Thousands Of Foreigners To Work In the US
NY's Legal Limbo: Pandemic Creates Backlog Of 39,200 Criminal Cases
There's A Reason Trump Is Fighting Hard For Arizona
White Americans Say They Are Waking Up To Racism. What Will It Add Up To?
Eating Thai Fruit Demands Serious Effort But Delivers Sublime Reward

Washington Post:

At Talladega, NASCAR Shows What It Wants To Be And Finds Out How Far It Has To Go
Day-Of Results Unlikely Nov. 3
To Shore Up Support, Trump Looks To Women
Trump Orders Limits On Many Foreign Workers
Activists Halt SC Protests After Some Are Infected
Kenyan Fathers Silently Suffer Loss, Injustice

Financial Times:

France Shows Europe Can Keep Covid-19 In Check After Reopening
Wirecard Fights For Survival As It Admits Scale Of Fraud
US Disease-Fighting Agency Struggles As It Seeks To Avoid Trump's Ire
Japan Rushes UK To Agree First Post-Brexit Trade Deal

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Washington Times:

Trump To Cut 525,000 Foreign Guest-Workers To Speed COVID Jobs Recovery

EXCLUSIVE: 'We Caught Them': Trump Hits FBI Leaders On Dossier Hoax
Suppression Or Fraud? 2020 Election Poses Challenges That Threaten Confidence In Results
FCC Takes Down Chinese 'Border Blaster' Over Propaganda Fears
'Trending In The Right Direction': White House Says COVID Spike Isn't 'Second Wave'
Film Warns Of 'One World Government,' Rise Of The Anti-Christ If Trump Isn't Reelected

Story Lineup From Last Night's Network News:
ABC: Coronavirus-Rising Cases; Trump-Tulsa Rally; FBI-NASCAR Investigation; US Army-Terrorism Charges Against Soldier; Atlanta-Rayshard Brooks Shooting; NYC-Officer Facing Charges For Chokehold; John Bolton-Book; North Carolina-Shark Attack; Weather Report; Director Joel Schumacher Dies; Father Works With Two Daughters As Nurses.
CBS: Coronavirus-Rising Cases; NYC-Reopening; US Army-Terrorism Charges Against Soldier; Trump-Tulsa Rally; Barr-Berman Removal; Atlanta-Rayshard Brooks Shooting; FBI-NASCAR Investigation; Idaho-Children's Remains Found; Chicago-Pizzeria Makes Face Shields For Hospitals.
NBC: Coronavirus-Rising Cases; NYC-Reopening; John Bolton-Book; Trump-Tulsa Rally; Trump-Arizona Visit; Barr-Berman Removal; FBI-NASCAR Investigation; Atlanta-Rayshard Brooks Shooting; Black Children Suicide Rates; Coronavirus-LAX Screening; Virtual ESPY Awards.

Network TV At A Glance:
Coronavirus – 11 minutes, 35 seconds
FBI-NASCAR Investigation – 6 minutes, 5 seconds
Trump-Tulsa Rally – 5 minutes, 35 seconds
Atlanta-Rayshard Brooks Shooting – 5 minutes, 20 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Coronavirus-Rising Cases; Trump-Green Card Ban; Seattle-CHOP To Be Dismantled; FBI-NASCAR Investigation.
CBS: Coronavirus-Rising Cases; FBI-NASCAR Investigation; Seattle-CHOP To Be Dismantled; DC-Protesters Try To Tear Down Statue of Andrew Jackson; North Carolina-Shooting; US Army-Terrorism Charges Against Soldier.
FOX: Seattle-CHOP To Be Dismantled; DC-Protesters Try To Tear Down Statue of Andrew Jackson; Trump-Arizona Visit; MLB-Abbreviated Season.
NPR: House Judiciary Committee-Barr Subpoena Process; Seattle-CHOP To Be Dismantled; Coronavirus-Rising Cases; Coronavirus-Testing Issues.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Bubba Wallace spoke out against racism, and clearly someone wanted to send a reminder of what can happen to black people who don't know their place. And, you know, because NASCAR has so many Confederate flag fans, this is something that might not stop for Bubba. ... I wouldn't be shocked if Bubba starts getting pulled over during the race. (As Officer) 'Sir, we have been getting calls you have been circling the neighborhood for a couple of hours. License and registration.'"

Trevor Noah: "I will say this, though, as much as this story is infuriating, it also is wonderful how these racists expose themselves, because all these Confederate-flag-loving people always say the same thing: 'This has nothing to do with race! The flag is about heritage; it has nothing to do with racism!' But as soon as a black man stands up against the Confederate flag, the first thing they do is respond with racism. Like they say, the flag is just about Southern heritage, but nobody showed up to [Bubba Wallace's] garage with a Georgia peach cobbler."

Trevor Noah: [On former National Security Adviser John Bolton saying he will write in a conservative Republican's name on his ballot come November as opposed to voting for Trump or Biden] "Donald Trump is a danger to the survival of the country, but you're going to vote third party? ... Get...out of here, man. Sometimes in life, you only have two choices, okay. Pepsi or Coke. Boxes or briefs. Mario or Luigi."

Trevor Noah: "Bolton spent the entire interview talking about how unprepared, incompetent, and corrupt the President is, but the weird thing is Bolton joined the Trump Administration over a year into Trump's term. So, I mean, he probably should have already known all of this, right? Why does it feel like everyone goes confidently into the Trump White House, like, 'I'll be the one to tame Donald Trump,' and they walk out six months later, like, 'He made fun of me and said all my ideas were dumb, and you can read all about it in my book coming out next week!'"

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Stephen Colbert: "It was a bit of a tough [weekend] for President Trump. His rally was a bust, Bolton's book got the go-ahead, and to top it off, he got a card yesterday reminding him he's Eric's father."

Stephen Colbert: "Saturday night's rally was supposed to be Trump's big moment. He's been jonesing for the frothed-up crowd for three months. His campaign was advertising it as 'The Great American Comeback Festival.' That's right. This indoor rally of thousands of screaming fans was a chance for a comeback for Trump and COVID-19. One of them's gonna have a really good fall."

Stephen Colbert: "Trump's team was so overconfident about attendance, they built an 'overflow' stage outside for a pre-rally speech by Trump and Pence, for their estimated crowd of 40,000. Instead, the crowd was 25 people. That's not a presidential rally; that's the private party room at the Olive Garden."

Stephen Colbert: "According to those in the know, before the rally started, Trump and several staff members stood backstage and gazed at the empty Bank of Oklahoma center in horror. So the campaign sent out a last-ditch-effort text reading, 'Doors are open at the BOK center. President Trump can't wait. There's still space!' Come on, guys. Have a little chill. That's like group-texting your co-workers: 'Doors are open at my birthday party in my back yard! Bowl of baby carrots can't wait! There's still ranch!'"

Jimmy Fallon: "Well, guys, if you thought watching a talk show with no crowd was weird, wait until you see what President Trump did with his rally. ... 6,200 people. Trump's had more former staffers write books about him than that. Six thousand two hundred people isn't a rally; it's a graduation at a small liberal arts college."

Jimmy Fallon: "You can tell the Trump campaign may be lowering expectations because the next rally is being held inside the birthday room at Dave & Buster's."

Jimmy Fallon: "Hey, if Trump wants fewer people showing up for tests, he should just hold his next rally at a testing site."

Jimmy Fallon: [On Trump calling the virus 'Kung flu'] "Maybe the lowest point of the evening came when Trump introduced his new nickname for the coronavirus. ... Trump is just making sure that there aren't any minorities he forgets to offend before the election."

Seth Meyers: "President Trump held a campaign rally over the weekend in Tulsa, Oklahoma, and drew a smaller than expected crowd. Yeah, I'll say this doesn't even look like a rally. This looks like the meeting to plan the rally."

Seth Meyers: "President Trump's campaign manager Brad Parscale yesterday denied reports that anti-Trump people on social media were responsible for the lower than expected turnout for last weekend's Tulsa rally. So you're saying the truth is, Trump just isn't as popular as you thought? Good save, Brad."

Seth Meyers: "In his new book, former National Security Adviser John Bolton reportedly said President Trump is, quote, 'stunningly uninformed.' Said Trump, 'John Bolton? Never heard of him, so now who's stunningly uninformed?'"

Seth Meyers: "Peter Navarro said that the Trump Administration is preparing for a potential second wave of coronavirus in the fall. They say that with good planning and a little luck, they're pretty sure they can cause one."

James Corden: "On Saturday, President Trump held a campaign rally in Tulsa, Oklahoma, which he claimed earlier in the week had had almost one million ticket requests. ... Only 6,200 people showed up. And I will say, I never thought I would say this, I think more people than that watched the 'Late, Late Show.' And I have never been able to say that before."

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James Corden: "The most interesting part of the story is that Trump's poor rally attendance may have been the result of the most powerful political forces in the world banding together. I am, of course, talking about K-Pop Stans with TikTok accounts. ... This is great, Trump was taken down by a group of teens like the '80s movie villain he is. And he would've gotten away with it, too, if it weren't for those meddling kids!"

James Corden: "Then the President moved on to more pressing topics of national interest, like why he recently had trouble walking down a ramp. ... What about the poor general, a man who has commanded troops in ferocious battle, listening to someone whine about his expensive shoes? You know, Trump dodged military service in Vietnam, and I'm starting to think that that was for the best."

James Corden: "All in all, he spoke for over 13 minutes about the ramp before moving on to a display of physical prowess, showing that contrary to popular belief, he actually can take a drink of water with one hand, and the crowd went wild. ... Wow. He showed us. He can drink water. There goes Biden's entire campaign strategy."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — visits Yuma, AZ, where he participates in a roundtable briefing on border security; participates in a Commemoration of the 200th Mile of New Border Wall; delivers an Address to Young Americans at Dream City Church
- Vice President Pence — Kicks off 'Faith in America' tour in Pewaukee, WI, with President's Counselor Kellyanne Conway

***US Senate*:**

- Senate HELP Committee hearing on lessons learned from coronavirus – Hearing on 'COVID-19: Lessons Learned to Prepare for the Next Pandemic', with testimony from former Senate Majority Leader William Frist; Michigan Department of Health and Human Services Chief Medical Executive and Chief Deputy Director for Health Joneigh Khaldun; Merck & Company Executive Vice President and Chief Patient Officer / CSIS Commission on Strengthening America's Health Security Co-Chair Julie Gerberding; and former Secretary of Health and Human Services Michael Leavitt

Location: Rm 430, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Senate Banking Committee hearing on the EXIM Bank – Hearing on 'Oversight of the Export-Import Bank of the United States', with testimony from Export-Import Bank of the United States President and Chairman of the Board of Directors Kimberly Reed

Location: Rm 562, Dirksen Senate Office Building, Washington, DC; 2:30 PM

- Hearing on 'The Foreign Sovereign Immunities Act, Coronavirus, and Addressing China's Culpability'

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 2:30 PM

- Senate Governmental Affairs subcommittee hearing on the National Commission on Military, National, and Public Service – Regulatory Affairs and Federal Management Subcommittee hearing on 'Improving Public Service: A Review of Recommendations Made by the National Commission on Military, National, and Public Service', held via videoconference, with testimony from Commission Chairman Joseph Heck and Commissioner Shawn Skelly; *2:30 PM*
- Closed Briefing: Intelligence Matters

Location: CVC 217, U.S. Capitol Visitor Center, Washington, DC; 2:30 PM

***US House*:**

- House Commerce Committee hearing on administration coronavirus response – Hearing on 'Oversight of the Trump Administration's Response to the COVID-19 Pandemic', with testimony from National Institute for Allergy and Infectious Diseases Director Anthony Fauci; Food and Drug Administration Commissioner Stephen Hahn; Centers for Disease Control and Prevention Director Robert Redford; and Assistant Secretary for Health Adm. Brett Giroir * Hybrid hearing, held via Cisco Webex and in Rm 2123, Rayburn House Office Building; *11:00 AM*
- House Armed Services subcommittee marks up FY'21 National Defense Authorization Act – Tactical Air and Land Forces Subcommittee markup hearing on 'H.R. 6395 – National Defense Authorization Act for Fiscal Year 2021' * Held virtually and in Rm 2118,

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Rayburn House Office Building; *11:00 AM*

• House Appropriations Committee virtual 'Member Day' hearing – 'Member Day Testimony for FY21 Appropriations' virtual hearing, held via Cisco Webex, with testimony from Members of Congress; *11:00 AM*

• House Science subcommittee online hearing on healthy air travel – Space and Aeronautics Subcommittee online hearing on 'R&D to Support Healthy Air Travel in the COVID-19 Era and Beyond', held via Cisco Webex, with testimony from Government Accountability Office Physical Infrastructure Issues Director Heather Krause; Alan Levin Department of Mechanical and Nuclear Engineering Professor Byron Jones; and Emory University Nell Hodgson Woodruff School of Nursing Center for Data Science Professor and Director Vicki Hertzberg; *11:30 AM*

• House Armed Services subcommittee marks up FY'21 National Defense Authorization Act – Military Personnel Subcommittee markup hearing on 'H.R. 6395 – National Defense Authorization Act for Fiscal Year 2021' * Held virtually and in Rm 2118, Rayburn House Office Building; *1:00 PM*

• House Veterans Affairs subcommittees joint oversight hearing on VA telehealth during coronavirus – Technology Modernization Subcommittee and Health Subcommittee joint oversight hearing on 'VA Telehealth During the COVID-19 Pandemic: Expansion and Impact'

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 1:00 PM

• Worker & Family Support Subcommittee remote hearing on 'The Child Care Crisis and the Coronavirus Pandemic'; *2:00 PM*

• House Budget Committee virtual hearing on coronavirus and health and wealth disparity – Virtual hearing on 'Health and Wealth Inequality in America: How COVID-19 Makes Clear the Need for Change', held via WebEx, with testimony from Princeton University Woodrow Wilson School Senior Scholar Sir Angus Deaton; American Medical Association President Patrice Harris; University of Chicago Harris School Associate Professor Dr Damon Jones; and Foundation for Research on Equal Opportunity President Avik Roy; *2:30 PM*

• House Armed Services subcommittee marks up FY'21 National Defense Authorization Act – Readiness Subcommittee markup hearing on 'H.R. 6395 – National Defense Authorization Act for Fiscal Year 2021' * Held virtually and in Rm 2118, Rayburn House Office Building; *3:00 PM*

• House Armed Services subcommittee marks up FY'21 National Defense Authorization Act – Seapower and Projection Forces Subcommittee markup hearing on 'H.R. 6395 – National Defense Authorization Act for Fiscal Year 2021' * Held virtually and in Rm 2118, Rayburn House Office Building; *4:30 PM*

• House of Representatives not in session

Cabinet Officers:

• No public schedules released

Visitors:

• No visitors scheduled

This Town:

• HHS Physician-Focused Payment Model Technical Advisory Committee meeting concludes – Department of Health and Human Services Physician-Focused Payment Model Technical Advisory Committee meeting concludes; *9:00 AM*

• Bill and Melinda Gates speak with U.S. Chamber of Commerce Foundation – U.S. Chamber of Commerce Foundation hosts 'Path Forward Special Edition: A Conversation with Bill and Melinda Gates', to explore the Gates Foundation work to support the development of coronavirus (COVID-19) diagnostics, therapeutics, contact tracing and vaccines; why the international response to coronavirus is important to the U.S.; why it's important for the U.S. to support efforts to control the virus beyond its borders; barriers to a response reopening; the importance of quality digital learning; and how to reduce inequality in education and overcome the digital divide; *12:00 PM*

• NASA Astrophysics Advisory Committee virtual meeting, via teleconference and WebEx; *12:00 PM*

• U.S. Advisory Commission on Public Diplomacy meeting – U.S. Advisory Commission on Public Diplomacy public meeting, focusing on Data Driven Public Diplomacy Six Years Later, based on a review of the 2014 report, 'Data-driven Public Diplomacy: Progress Towards Measuring the Impact of Public Diplomacy and International Broadcasting Activities'; *12:00 PM*

• Former Italian PM Prodi speaks on state of world economy post-coronavirus – Johns Hopkins University School of Advanced International Studies hosts former Italian Prime Minister Romano Prodi, who discusses 'The World Economy after COVID-19); *12:30 PM*

• Department of Labor compliance assistance webinar – Department of Labor compliance assistance webinar with Wage and Hour Division Administrator Cheryl Stanton; *1:00 PM*

• Cato Institute discussion on 'A Fed for Next Time' – 'Modernizing Liquidity Provision' Cato Institute online policy forum, part of a series on 'A Fed for Next Time: Ideas for a Crisis-Ready Central Bank' series, Speakers include Federal Reserve Bank of St. Louis Senior Vice

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President David Andolfatto, Bank Policy Institute Executive Vice President and Chief Economist William Nelson, and C.D. Howe Institute Research Associate Director Jeremy Kronick; *1:00 PM*

• GOP Rep. Carlos Curbelo discusses building greater resilience for U.S. national security – 'Building Greater Resilience for U.S. National Security' Wilson Center event, on improving transparency and communication of risk data to help set incentives and regulations at all levels of decision-making and paying for upfront costs and financial consequences. Keynote from Republican Rep. Carlos Curbelo, with other speakers including Council on Foreign Relations Senior Fellow for Climate Change Policy Alice Hell, Risk Cooperative co-founder Les Williams, and Stanford Woods Institute for the Environment Director Chris Field; *1:00 PM*

• 'America's New Playbook for Infrastructure' released – 'America's New Playbook for Infrastructure' released at the online New Partnership for Infrastructure Forum, offering recommendations 'uniquely informed by interviews with mayors and appointed officials on the frontlines', and calling for an 'overhaul of how infrastructure is financed by the federal govt to empower and incentivize local govt infrastructure investment'. Speakers include mayors Eric Garcetti (Los Angeles), Quentin Hart (Waterloo, IA), David Holt (Oklahoma City), Nan Whaley (Dayton, OH), Andy Berke (Chattanooga, TN), and Kate Gallego (Phoenix, AZ); *2:00 PM*

• Wilson Center online discussion on Korea's Demilitarized Zone – 'Bridges and Blockades: Life at the DMZ' Wilson Center event, on the impact of the Korean War on daily life on the peninsula today and how the DMZ serves as a reminder of the threat of war. Speakers include United Nations Command Security Battalion-Joint Security Area at the DMZ Commander Sean Morrow and Hyundai Motor-Korea Foundation Center for Korean History and Public Policy Director Jean Lee; *3:00 PM*

• NOAA National Sea Grant Advisory Board meeting – National Oceanic and Atmospheric Administration National Sea Grant Advisory Board virtual meeting; *3:00 PM*

• Federal Energy Regulatory Commission conference on market efficiency – Federal Energy Regulatory Commission conference, to discuss opportunities for increasing real-time and day-ahead market efficiency and enhancing the resilience of the bulk power system through improved software

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TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, JUNE 19, 2020 6:00 AM EDT

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CFTC-22-0351-A-001273

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• Equifax: HELOC Lending Running Well Below Year-Ago Levels.
• WSFS Mortgage Highlights Anxieties Of Aspiring Homebuyers.
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• Remax: May Home Sales Nosedive YoY, But Buying Season Likely Just "Deferred For Several Weeks."

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CARES Act Oversight Panel Finds Small Business Relief Effort Primarily Benefits Large Companies.

CQ Roll Call (6/18, Saksa, 154K) reports the Congressional Oversight Commission (COC) "questioned whether the Federal Reserve's emergency lending facilities have done enough to help smaller companies and workers during the coronavirus crisis, in a report released Thursday." The COC's "second report on the Fed and Treasury Department's handling of the $500 billion Congress provided in March to inject liquidity into the economy applauded the help for large corporations but worried that others were being left behind." The report said, "In some areas of the economy, such as the ability of larger companies to issue debt to continue operations, the agencies' actions have had a clear and powerful impact." However, the report added, "there is less evidence that the actions of the Treasury and the Federal Reserve have been as beneficial for small and mid-sized businesses and state and local governments." Roll Call says the report "criticized Treasury and the Fed's plans" to enforce the requirement that borrowers make "commercially reasonable efforts" to keep workers, saying the plans enforced that requirement "broadly, rather than monitoring individual businesses." Though the CARES Act "included a provision for a Fed lending facility aimed at mid-sized companies with even stricter job retention and capital distribution requirements, it only said that Treasury Secretary Steven Mnuchin 'shall endeavor' to create such a program, rather than require it."

Politico (6/18, Guida, 4.29M) reports the commission "overseeing $500 billion in coronavirus relief funds said Thursday that the Federal Reserve and the Treasury Department have done more to aid large corporations than smaller businesses or state and local governments." The commission, "which has four members but no appointed chair yet, was set up to monitor the Fed's emergency programs, which are backed by funds given to Treasury under the CARES Act relief package." The report "includes the most complete explanation so far from Fed Chair Jerome Powell and Treasury Secretary Steven Mnuchin of their decisions in designing these programs." Mnuchin and Powell "said they will monitor the program's contributions to the economic recovery and employment 'rather than on a borrower-by-borrower basis,' explaining that the goal for each company is to 'contribute to the health of the business and its ability to support employment over the longer term.'"

The Wall Street Journal (6/18, Timiraos, Davidson, Subscription Publication, 7.57M) and American Banker (6/18, Haggerty, Subscription Publication, 31K), among other outlets, also report.

Commentary: CARES Act Stimulus Falling "Woefully Short" Of Initial Goals. In a piece for TIME (6/18, 18.47M), Alana Abramson analyzes the CARES Act, arguing the "disbursement of the money so far has been riddled with complaints and analyses showing it has disproportionately gone to the wealthiest corporations and individuals." Abramson writes the PPP loan program "has become one of the most heavily scrutinized components of the CARES Act. It was the first program to launch and has spent the most money. It has also become a case study in the ways in which the law has fallen woefully short in distributing relief equitably." While the concept of the PPP "earned broad praise," it was "structurally flawed." Abramson adds, "Because PPP required banks to act as intermediaries, it created a dynamic wherein larger, more established companies – often with existing relationships and lines of credit with banks – received funds before smaller operations, who feared their collapse was imminent." In addition, its definitions were "problematic," which allowed "large, multi-million dollar chains" to receive PPP loans. Abramson adds, "Finally, lawmakers failed to allocate even close to enough money to meet small businesses'

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needs. When PPP first launched on April 3, the $350 billion fund was depleted within two weeks."

White House Advised Agencies To Ignore Oversight Reporting Requirements.

Reuters (6/18, Prentice) reports, "When Congress approved $2 trillion pandemic aid in March, many Democratic and Republican lawmakers agreed on safeguards against fraud and abuse to ensure that companies receiving the money use it to save American jobs." However, the Administration has "advised agencies that they can largely ignore reporting requirements in the legislation designed to help a newly created watchdog group track how the money is spent, according to public documents and four people with knowledge of the matter." The dispute between the Pandemic Recovery Accountability Committee and the Office of Management and Budget is "the latest sign of tensions between independent investigators tasked with overseeing taxpayer money and Trump administration officials who have resisted calls for greater transparency in several key relief programs." Treasury Secretary Steven Mnuchin "has resisted naming businesses that got money from a $660 billion small business rescue fund, calling their names and amounts received 'confidential' and 'proprietary' business information." However, Mnuchin on Monday "softened his stance, tweeting that he would discuss potential disclosures with Congress."

House Democrats Accuse SBA Of Stonewalling GAO. Fox Business (6/18, Henney, 1.73M) reports House Democrats "accused the Small Business Administration of illegally stonewalling efforts by a congressional watchdog to oversee the distribution of coronavirus aid money." The lawmakers, in a Wednesday letter to SBA Administrator Jovita Carranza, said the SBA has refused to provide the GAO with interviews, documents, and data needed to fulfill its oversight responsibilities of the $2.2 trillion CARES Act. The letter stated, "We are deeply troubled by SBA's failure to comply with GAO's independent and nonpartisan oversight of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the largest emergency appropriations package in United States history. SBA's withholding of information is in violation of the law." Secretary Mnuchin "said last week while testifying before the Senate Small Business Committee that the agency would not disclose the names of loan recipients; however, on Monday, Mnuchin said he plans to talk with lawmakers about program oversight."

White House Divisions Send Mixed Messages On Additional Stimulus Spending.

The Washington Post (6/18, Stein, 14.2M) reports that on June 12, White House trade adviser Peter Navarro "said in a mostly-overlooked television interview that President Trump wanted the next congressional stimulus package to cost more than $2 trillion and include big measures designed to boost domestic manufacturing." However, that position "appeared to be a sharp departure from what other White House officials were considering, and...other Trump administration officials" dismissed Navarro. The Post says Navarro's "push comes at a time when Treasury Secretary Steven Mnuchin, who has led the administration's negotiations with Congress, faces challenges from Republicans on Capitol Hill and inside the administration." A "number of GOP lawmakers...have complained that the spending bills Mnuchin has brokered with House Speaker Nancy Pelosi (D-Calif.) have been too generous to Democrats and allowed spending and other policy changes that run counter to GOP priorities."

Politico (6/18, Warmbrodt, 4.29M) reports there is "emerging bipartisan support for new government-backed lending that would last much longer than lawmakers first envisioned with the Paycheck Protection Program, which was designed to delay mass layoffs in the early days of the pandemic." Politico says Mnuchin last week "left open the door to supporting a continuation of the" PPP. Mnuchin "said restaurants and hotels are among those that do need more help and that 'we're very seriously going to look at' allowing businesses to apply for second loans if there is bipartisan support." The Wall Street Journal (6/18, Hughes, Subscription Publication, 7.57M) reports a bipartisan group of congressional lawmakers is calling for $120 billion in COVID-19 assistance for restaurants.

Bloomberg (6/18, Niquette, 4.73M) reports that on Thursday, lawmakers put forward "new proposals...to help restaurants and other small businesses still dealing with fallout from the coronavirus outbreak, as a federal relief program is set to end on June 30 with leftover funds and Congress weighs another round of stimulus." The article says, "Bipartisan and bicameral legislation was introduced to create a $120 billion bailout fund for small food and beverage establishments, as well as a separate proposal to allow any remaining funds from the Paycheck Protection Program to be used for small firms that need the most help." These measures "come as Congress and the White House are expected to negotiate a potential fourth round of stimulus next month," which "would include additional aid for small businesses that were left out of earlier rounds or are still trying to re-open and recover." Mnuchin "said last week the U.S. needs additional fiscal stimulus even as the economy starts to rebound, and that a fourth round of fiscal stimulus should include help for restaurants and travel, retail and leisure businesses, as well as possibly more cash for American families."

The Hill (6/18, Gangitano, 2.98M) and CNBC (6/18, Stankiewicz, 3.62M) also report.

European Officials Slam US Withdrawal From Digital Taxation Talks As "Provocation."

The AP (6/18, Adamson) reports European countries "are slamming the Trump administration's withdrawal from negotiations over a major tax on big tech companies." French Finance Minister Bruno Le Maire, "speaking on France Inter," responded to "a letter in which U.S. Treasury Secretary Steven Mnuchin told the finance ministers of France, Spain, Italy and the United Kingdom that he was suspending talks on the tax" and "said France will still implement the tax regardless of the U.S. change of heart." Le Maire said, "This letter is a provocation. It is a provocation against all the partners at the OECD (the Organization for Economic Co-operation and Development) when we were centimeters away from a deal on the taxation of digital giants." Assistant Treasury Secretary Monica Crowley "said the U.S. 'has suggested a pause' in the talks as countries focus on fighting COVID-19 and reopening their economies."

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Politico (6/18, Scott, Palmer, Braun, 4.29M) reports that "after Washington confirmed Wednesday that it had pulled out of talks on global

rules for taxing the digital economy, officials including Bruno Le Maire, the French finance minister, and Paolo Gentiloni, the European economy commissioner, threw their weight behind national or EU-wide digital levies – plans that would likely bring retaliation from the US." Politico says Mnuchin's "decision to walk away puts the OECD talks in serious jeopardy" and "is expected to reignite a transatlantic trade dispute that has been simmering for more than a year." Politico adds that "the looming spat also may sour an already tense relationship between the U.S. and EU at a time of deepening wariness, while also potentially exposing divisions within Europe as countries remain split over how to force companies like Google and Amazon to pay more into national coffers."

The Financial Times (6/18, Subscription Publication, 1.34M) editorial board writes on how to save global cooperation on taxation from collapsing. Financial Times (6/18, Fleming, Brunsden, Giles, Mallet, Subscription Publication, 1.34M), Reuters (6/18, Nienaber), The Wall Street Journal (6/18, Toplensky, Subscription Publication, 7.57M), and The Guardian (UK) (6/18, Sweney, 4.19M) also report.

EU Vows To Press On With Digital Tax Plans, Pushes Washington To Help Find Solution. The Washington Post (6/18, 14.2M) reports the EU on Thursday "said it could impose taxes on digital giants such as Google, Amazon and Facebook even without a global agreement by year's end, after Washington quit talks and stoked fears of a new trade war." The latest transatlantic row "was ignited when the US on Wednesday said it was withdrawing from negotiations with European countries over new international tax rules on digital firms, saying talks had made no progress." OECD Secretary General Ángel Gurría said, "A trade war, especially at this point in time, where the world economy is going through a historical downturn, would hurt the economy, jobs and confidence even further." The talks "aim to reach agreement by the end of 2020, but that deadline is now slipping out of reach with Washington's latest move and the US presidential election in November."

BBC News Online (UK) (6/18, Islam, 1.02M) reports UK Chancellor of the Exchequer Rishi Sunak and the finance ministers from France, Italy, and Spain, in a letter obtained by the BBC, "told the US Treasury Secretary, Steven Mnuchin, that the pandemic had increased the need for such levies." The officials wrote, "The current Covid-19 crisis has confirmed the need to deliver a fair and consistent allocation of profit made by multinationals operating without – or with little – physical taxable presence." The letter continues: "The pandemic has accelerated a fundamental transformation in consumption habits and increased the use of digital services, consequently reinforcing digital business models' dominant position and increasing their revenue at the expense of more traditional businesses. ... Digital giants, no matter where they are headquartered, will emerge from the current crisis more powerful and more profitable. ... These companies benefit from free access to the European market. It is fair and legitimate to expect that they pay their fair share of tax within countries where they create value and profit." The letter "says a solution is still possible this year."

Bolton Memoir Hits Mnuchin Over Sanctions Opposition, "Panda Hugger" China Views.

Bloomberg (6/18, Mohsin, Wadhams, Jacobs, 4.73M) reports Treasury Secretary Steven Mnuchin "emerges as the chief opponent of the Trump administration's increased reliance on economic sanctions in John Bolton's new book, worried that an over-reliance on such measures will weaken the global primacy of the dollar." In "encounter after encounter," Bolton "describes Mnuchin standing in the way of tough economic punishment – against Venezuela, Russia, China and others. He feared other nations would stop using dollars and that the stress on the global financial system would be too great, Bolton writes." Bolton also writes that Mnuchin "argued that blocking others' access to the U.S. financial system 'would undermine the status of the dollar as the world's reserve currency and encourage others like Russia and China to conduct transactions in euros or through counter trade and other techniques.'" The book's "claims about Mnuchin highlight one of the biggest divides between Bolton's hawkish foreign policy approach and that of many Democrats and some Republicans." Mnuchin "said in a statement Thursday that the excerpts of the book he reviewed 'are full of lies and factual inaccuracies' and that 'the Treasury Department has deployed our sanctions authorities with unprecedented effectiveness to address a broad range of threats.'"

The Hill (6/18, Samuels, 2.98M) reports Bolton "mocked Treasury Secretary Steven Mnuchin for his belief that 'a deal was always in sight' no matter who the other party was." The book "is stocked with recurring criticisms from the author of...Mnuchin in particular." Bolton "bemoans that Mnuchin 'seemed as concerned with mitigating the impact of sanctions as with imposing them to begin with.'" The New York Times (6/18, Wong, Crowley, 18.61M) reports Bolton called Mnuchin a "panda hugger" due to his perspective on China as a business opportunity. Real Clear Politics (6/18, Wegmann, 825K) reports Bolton "mocks Treasury Secretary Steve Mnuchin as a political opportunist."

Newsweek (6/18, Murdock, 1.53M) reports Bolton wrote that President Trump in May 2018 urged Mnuchin to "'go after bitcoin' in May 2018, reportedly referencing the crypto during a conversation about trade sanctions and tariffs on China." Mnuchin "then reinforced the stance in press briefings and media appearances, repeatedly criticizing cryptocurrencies." Mnuchin "called on crypto firms to comply with the Bank Secrecy Act and said they have to register with FinCEN, the Treasury's Financial Crimes Enforcement Network."

The Daily Beast (6/18, Mercer, Montgomery, 1.39M) reports Secretary of State Mike Pompeo "on Thursday evening hit back at former National Security Adviser John Bolton's depictions of the Trump administration's inner workings in his new memoir with a scathing statement." Pompeo said, "I've not read the book, but from the excerpts I've seen published, John Bolton is spreading a number of lies, fully-spun half-truths, and outright falsehoods." Secretary Mnuchin "echoed Pompeo in a statement released Thursday: 'John Bolton has put self-promotion ahead of the truth and of the interests of his country.'"

The Guardian (UK) (6/18, McKernan, 4.19M) also reports.

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Conservative Groups Push Mnuchin To Delay Tax Payment Deadlines Until 2021.

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The Hill (6/18, Jagoda, 2.98M) reports a "group of conservative organizations is urging Treasury Secretary Steven Mnuchin to extend the July

15 tax deadlines into next year, arguing that this should be an 'immediate priority.'" The groups, in a Thursday letter to Mnuchin, said, "We ask that you use your authority under the law to defer these tax payment deadlines into 2021. Doing so would not reduce a penny of tax owed, but would give the economy some much-needed breathing room to recover cash flow, transition to hiring unemployed workers, and rebuild shattered small businesses." Over 20 groups "signed the letter, including the National Taxpayers Union Foundation, Americans for Tax Reform and FreedomWorks."

Leading National News

Trump Decries "Highly Political" SCOTUS Ruling On DACA, Calls For "New Justices."

In a 5-4 decision Thursday, the Supreme Court rejected the Trump Administration's move to end the Deferred Action for Childhood Arrivals Program. ABC World News Tonight (6/18, lead story, 3:50, Muir, 7.39M) reported in its lead story that "within hours of the ruling, President Trump fired off a few furious tweets." On Twitter, the President wrote, "These horrible & politically charged decisions coming out of the Supreme Court are shotgun blasts into the face of people that are proud to call themselves Republicans or Conservatives. We need more Justices or we will lose our 2nd. Amendment & everything else. Vote Trump 2020!" He added minutes later, "Do you get the impression that the Supreme Court doesn't like me?"

Later in the day, the President took to Twitter again to write, "The recent Supreme Court decisions, not only on DACA, Sanctuary Cities, Census, and others, tell you only one thing, we need NEW JUSTICES of the Supreme Court. If the Radical Left Democrats assume power, your Second Amendment, Right to Life, Secure Borders, and Religious Liberty, among many other things, are OVER and GONE!" He added, "As President of the United States, I am asking for a legal solution on DACA, not a political one, consistent with the rule of law. The Supreme Court is not willing to give us one, so now we have to start this process all over again."

Trump also announced, "I will be releasing a new list of Conservative Supreme Court Justice nominees, which may include some, or many of those already on the list, by September 1, 2020. If given the opportunity, I will only choose from this list, as in the past, a Conservative Supreme Court Justice... Based on decisions being rendered now, this list is more important than ever before (Second Amendment, Right to Life, Religous Liberty, etc.) – VOTE 2020!"

Reuters (6/18, Chiacu) reports that being "hit by a second US Supreme Court loss in four days," the President "said he would update his current list for the high court, compiled by conservative legal activists, by Sept. 1" as he seeks reelection. The Washington Times (6/18, Boyer, 492K) notes that during his 2016 campaign, Trump "released a list of conservative jurists that he promised to use for his high court nominees if elected." The "unusual move was credited with winning over many conservatives."

To CNBC (6/18, Mangan, 3.62M) in an online report, "Trump's ire possibly was enhanced by the fact that Republican-appointed Supreme Court justices...outnumber Democrat-appointed justices, but that 5-4 margin has not guaranteed Republicans and conservatives a number of victories in the court that they might have expected." The AP (6/18, Sherman) says Thursday's 5-4 loss "seems certain to elevate the issue in Trump's campaign, given the anti-immigrant rhetoric of his first presidential run in 2016 and immigration restrictions his administration has imposed since then." CQ Roll Call (6/18, Ruger, 154K) likewise says the ruling "inserts the huge immigration issue...back into presidential politics just months ahead of the November elections."

The Washington Post (6/18, Wagner, 14.2M) says the President "lashed out" at the court "after being dealt a second major defeat this week," calling its decisions "shotgun blasts into the face" of conservatives and questioned whether the court "doesn't like me." To USA Today (6/18, Jackson, 10.31M), "Trump also turned his tweets into an election pitch," saying "we need more Justices or we will lose our 2nd. Amendment & everything else. Vote Trump 2020!" The tweets, says The Hill (6/18, Samuels, 2.98M), "escalated his criticism of the Supreme Court."

Under the headline "Trump Rallies Base Reeling From Court Losses On Gay Rights, DACA," Bloomberg (6/18, Fabian, 4.73M) reports Trump "seized on Supreme Court defeats on gay rights and immigration this week to rally his conservative base, pledging to redouble his efforts to transform federal courts."

An AP (6/18, Gresko, Sherman) analysis, however, says that "if the president is steaming at the court's decisions this week, however, he may still in short order be singing the justices' praises. The court has a series of high-profile decisions important to the president left to release before the justices go on their summer break," including "the president's tax returns, abortion, the president's power to fire the head of an independent agency and Trump administration changes to the Affordable Care Act. Some or all of them could still be big wins."

An analysis by the Washington Post (6/18, Scherer, 14.2M) says that while both the President and Joe Biden have "made shaping the Supreme Court's agenda central to their campaign pitches, with Biden promising to appoint the first black woman and someone who embraces abortion rights to the bench, while Trump has warned of an end to conservative governance if Biden has his way," this week's rulings are "showcasing the shakiness of such promises."

The AP (6/18, Sherman) calls Thursday's ruling "the second stunning election-season rebuke from the court in a week," Reuters (6/18, Hurley) refers to a "major setback" for Trump's "hardline immigration policies," the Los Angeles Times (6/18, Savage, 4.64M) to a "striking rebuke." According to the Times, "Trump had been confident that the high court, with its majority of Republican appointees, would rule in his favor." The New York Times (6/18, A1, Liptak, Shear, 18.61M) reports the decision "was the second this week in which the court reached a result in a major case that elated liberals."

NBC Nightly News (6/18, lead story, 2:15, Holt, 6.63M) opened its broadcast Thursday night, "A stunning blow to President Trump today and a victory for undocumented immigrants known as Dreamers." NBC's Pete Williams reported, "President Obama launched

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DACA...in 2012 with the stroke of a pen by executive order. ... President Trump could have shut it down the same way, by executive order. Instead, his Justice Department declared it illegal, and the Department of Homeland Security ordered it ended." The high court, however, "said that was too much of a shortcut."

The Washington Post (6/18, Barnes, 14.2M) reports the court "rejected the Trump administration's attempt to dismantle the program protecting undocumented immigrants brought to the country as children," granting "a reprieve for nearly 650,000" Dreamers. The 5-4 decision was written by Chief Justice John G. Roberts Jr. and joined by the court's four liberals. Roberts wrote, "We do not decide whether DACA or its rescission are sound policies. We address only whether the [Department of Homeland Security] complied with the procedural requirement that it provide a reasoned explanation for its action."

The Washington Times (6/18, Dinan, 492K) reports the high court ruled "that the Trump administration cut too many corners when it moved to revoke the Obama-era DACA program." In what it calls "a severe blow to President Trump and his team," the court "said the administration does have the power to revoke DACA. But a majority of justices said Mr. Trump's team didn't establish a sufficient legal and procedural basis for doing so, and that violated the Administrative Procedure Act."

The CBS Evening News (6/18, lead story, 3:25, O'Donnell, 4.56M) showed the President saying, "These aren't people. These are animals." CBS' Jan Crawford reported that "in a separate opinion, Justice Sonia Sotomayor, the court's first Hispanic justice, says remarks like those create the strong perception President Trump's decision was 'contaminated by impermissible discriminator animus.'"

The Washington Examiner (6/18, Giaritelli, 448K) reports Justice Clarence Thomas, backed by Justices Samuel Alito and Neil Gorsuch, wrote in his dissent to the majority ruling that it was "incorrect" and "would hamstring all future agency attempts to undo actions that exceed statutory authority." Thomas added, "Today's decision must be recognized for what it is: an effort to avoid a politically controversial but legally correct decision."

USA Today (6/18, Gomez, 10.31M) says the court's ruling "means that the Deferred Action for Childhood Protection (DACA) program created by President Barack Obama in 2012 will endure, allowing more than 650,000 DACA recipients to continue legally living and working" in the US. Politico (6/18, Gerstein, Rainey, 4.29M) says "it seems unlikely the administration will be able to put in place a new framework to end DACA before November's presidential election," but to CQ Roll Call (6/18, Dechalus, Misra, 154K), the ruling "leaves the door open for the Trump administration to make another attempt at ending" DACA.

Appearing on Fox News' Hannity (6/18, 535K), Acting DHS Secretary Wolf said, "We have been begging Congress to address the DACA recipients. They have decided not to do this time and time again. The President has been a clear on this. He wants a legal solution and not a political solution to this issue."

Similarly, Acting DHS Deputy Secretary Ken Cuccinelli said on CNN's Cuomo Prime Time (6/18, 1.25M), "The President was negotiating with Nancy Pelosi and Chuck Schumer to address this problem and they pulled out of that discussion when a district court froze the case in place at the time and they thought they'd bought time. So they let the 640,000 folks just kind of stew in their political juices and the President wanted to finish that discussion and that opportunity was gone when those two leaders from Congress walked away. So this has been attempted once. The President was committed to that discussion."

The Washington Post (6/18, 14.2M) editorializes that Dreamers "are safe from immediate deportation. This is good news for them, and good news for the country. But they are still not safe from President Trump's arbitrary whims and the malice of the anti-immigration fanatics he has brought into government."

The Washington Free Beacon (6/18, Daley, 78K) says the ruling "capstones a first term for Trump that has seen little progress on immigration, to the disappointment of his supporters." The Wall Street Journal (6/18, Kendall, Bravin, Hackman, Subscription Publication, 7.57M) and McClatchy (6/18, Madan, Daugherty, 19K), among other news outlets, similarly report Thursday's ruling.

The CBS Evening News (6/18, story 2, 2:40, O'Donnell, 4.56M) reported on "the reaction of the people impacted most by this decision: Dreamers," and the New York Times (6/18, Jordan, 18.61M) reports "there was celebration Thursday in front of the Supreme Court in Washington and among young immigrants across the country, who had feared that the court would side with the government and clear the way for a speedy end to their legal lifeline." The Times spoke with several Dreamers about their reaction.

The Washington Times (6/18, A1, Dinan, 492K) reports many Dreamers "took to social media to celebrate the Supreme Court ruling, though many of them acknowledged they were surprised the case turned out that way."

A Wall Street Journal (6/18, Subscription Publication, 7.57M) editorial criticizes the ruling, saying it is not a matter for the court, but rather Congress, to decide.

Republican Senators Criticize Ruling, Roberts. The Hill (6/18, Carney, 2.98M) reports, "Conservative senators are fuming over the Supreme Court's ruling...and, in particular, Chief Justice John Roberts." Sen. Tom Cotton (R-AR) said Roberts was posturing as a "Solomon who will save our institutions from political controversy and accountability." Sen. Ted Cruz (R-TX) "railed against Roberts during a Senate floor speech," saying, "Chief Justice Roberts has been playing games with the court to achieve the policy outcomes he desires." Sen. Marco Rubio (R-FL), meanwhile, said the Court increasingly "appears to be legislating."

Obama, Biden Praise Decision. The CBS Evening News (6/18, lead story, 3:25, O'Donnell, 4.56M) reported "on Twitter, President Obama praised the decision and urged Americans to elect Joe Biden and a Democratic Congress that does its job."

ABC World News Tonight (6/18, lead story, 3:50, Muir, 7.39M) reported Joe Biden responded on Twitter, saying, "Here's my promise to you. On day one, I'll send a bill to Congress that creates a clear road map to citizenship for Dreamers, TPS holders, undocumented migrants into our country."

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Trump Sees US On Path Toward "Super V" Economic Recovery.

Breitbart (6/18, Spiering, 673K) reports President Trump on Thursday "cheered on the economic recovery after the coronavirus shutdown, describing the economic curve as a 'super v' at a White House event." NEC Director Kudlow "shared several positive economic numbers with the group, noting that the economy was growing again quickly." Kudlow said, "We will be back to where we were in 2019, we will have made up for the lost ground. It's not going to take five years, we will have made it up with some decent numbers by the first quarter of 2021." Trump said, "That's called a Super V. It's called a V Plus, that's where we're headed."

Appearing on Fox News (6/18, 896K), Director of Trade and Manufacturing Policy Navarro was asked for his thoughts on the economy. Commenting on the improving economic numbers, Navarro credited "Donald J. Trump, the greatest jobs President in modern history." Navarro said, "We are doing it again. We have to get back to a good place, There will be structural headwinds but, so far we are on the upswing. There is a lot of hard work ahead of us."

Economists Differ With Trump On Prospects Of Fast Recovery. Politico (6/18, Cassella, 4.29M) reports Trump has been "quick to declare victory against the coronavirus recession," but "that view stands in stark contrast to projections by the Federal Reserve, the Congressional Budget Office and many economists who say that though the economy is on its way back, a full recovery may take years." At the center of "the sharply different outlooks is the question of whether to focus on how far the economy has come, as Trump does, or how far it has left to go." The White House has touted "certain statistics to bolster its election-year narrative, but it rarely acknowledges that widespread recovery and a return to full employment will hinge largely on the country's ability to contain a virus that has infected about 2.2 million Americans and continues to spread."

Pence Visits Michigan Plants, Declares "The American Comeback Has Begun."

The Macomb (MI) Daily (6/18, Franz, 156K) reports Vice President Pence "visited two manufacturing plants in Sterling Heights," Michigan, "on Thursday, declaring that the nation's economic rebound is strong and crediting health care workers for their efforts during 'challenging times' caused by the COVID-19 pandemic." Said Pence, "Businesses are open again in this great state because we're opening up America again. ... The American comeback has begun." Pence also praised "the economic stimulus package pushed by President Donald Trump and approved by Congress, and the paycheck protection program, while crediting employers for doing their part when possible."

MLive (MI) (6/18, Barrett, 925K) says Pence "delivered an optimistic message about the ability of Michigan's economy to bounce back," and adds he and Labor Secretary Scalia "visited Macomb County, a key 2020 electoral battleground, to celebrate the reopening of Michigan's economy." Both officials "said the Trump administration can restore the US economy to its former glory after a historic period of economic expansion was cut short by the pandemic." WDIV-TV Detroit (6/18, Johncox, 460K) recounts "Pence also had lunch at Engine House in Mount Clemens prior to the tour and speech on Thursday." The restaurant "is owned by local Detroit firefighter Captain Greg Sisoy and former Detroit firefighter John Gusumano, who retired after 31 years of service."

The Detroit News (6/18, Mauger, Burke, 825K) reports "the Republican vice president did not wear a face covering Thursday during his stops in Macomb County."

SBA's Carranza Touts Trump's Engagement With Recipients Of PPP Loans.

Appearing on Fox Business' Mornings With Maria (6/18) on Thursday morning, SBA Administrator Carranza said she was scheduled to speak to a roundtable of business owners and governors later in the day about "how the President is working long and hard, and listening, not only to the governors, working with them very closely, but also engaging with the small business community, the recipients of the PPP, the Paycheck Protection Program. We are going to learn how expedient it was, how they have transitioned their businesses, and embraced the retention of employees."

New Unemployment Claims Continue To Fall At Slow Rate.

The AP (6/18, Rugaber) reports that "U.S. employers are still shedding jobs at a heavy rate, a trend that points to a slow and prolonged recovery from the recession." The AP adds "the number of laid-off workers seeking unemployment benefits barely fell last week to 1.5 million, the government said Thursday," which "was down from a peak of nearly 7 million in March, and...marked an 11th straight weekly drop." However, "the number is still more than twice the record high that existed before the pandemic," and "the total number of people receiving jobless aid remains a lofty 20.5 million." The New York Times (6/18, Casselman, Hsu, 18.61M) says "not all of the unemployment claims reported on Thursday necessarily reflect new layoffs," as "some states are working through backlogs of claims filed earlier in the crisis," and "in other cases, people filing under multiple programs may be double-counted."

NBC Nightly News (6/18, story 8, 1:30, Holt, 6.63M) referred to "a dire new report on unemployment," and the CBS Evening News (6/18, story 5, 1:10, O'Donnell, 4.56M) to "13 straight weeks of at least a million claims, and more than 45 million unemployed since the crisis began." The numbers come "as more states are reporting record numbers of new coronavirus infections, including the country's three most populous states, along with Oklahoma, where the President is holding a rally this weekend."

Reuters (6/18, Mutikani) reports that the Labor Department's "weekly jobless claims report...sketched a picture of a distressed labor market even though employers hired a record 2.5 million workers in May as businesses reopened after shuttering in mid-March to slow the spread of COVID-19." Reuters adds "at least 29 million people are collecting unemployment checks." Reuters adds that "stubbornly high

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joblessness could stifle the nascent signs of economic recovery that had been flagged by a record jump in retail sales in May and a sharp rebound in permits for future home construction."

Bloomberg (6/18, Pickert, 4.73M) also reports that "by several metrics, the economy has rebounded at a faster pace than many anticipated. Payrolls at companies increased by several million in May and consumer spending on cars, restaurant meals and more soared last month, exceeding expectations as states loosened restrictions." However, according to Bloomberg, "the jobless claims data remain a glaring blemish that shows churn and volatility in a labor market that entered the year in solid shape." The New York Times (6/18, 18.61M) reports, "Economists said recent layoffs, though smaller than the wave in March and early April, suggested that the crisis was reaching deeper into the economy." The AP (6/18, Rugaber), Politico (6/18, Rainey, 4.29M), and the Wall Street Journal (6/18, Morath, Subscription Publication, 7.57M), among other news outlets, also cover the story.

Record Number Of "Mega Bankruptcies" Predicted This Year.

The New York Times (6/18, Walsh, 18.61M) reports a number of companies have already succumbed to the pressures presented by the pandemic "and the wave of bankruptcies is going to get bigger." According to the Times, "in many cases, the coronavirus crisis exposed deeper problems, like staggering debts run up by companies whose business models were already struggling to deal with changes in consumer behavior." Using a "widely used method of predicting business failures," Edward I. Altman, a professor at New York University's Stern School of Business, has "estimated that this year will easily set a record for so-called mega bankruptcies – filings by companies with $1 billion or more in debt. And he expects the number of merely large bankruptcies – at least $100 million – to challenge the record set the year after the 2008 economic crisis."

Brown: Essential Workers Deserve To Be Treated As Valuable Assets.

In an op-ed for the Wall Street Journal (6/18, Subscription Publication, 7.57M), Sen. Sherrod Brown (D-OH) calls on business leaders to demonstrate they support their employees by raising pay and improving working conditions. Throughout the coronavirus crisis, Brown says, workers on the front lines have proved they are essential to business. Brown tells corporate leaders that essential workers deserve to be treated that way.

WSJournal: Lamont Right To Oppose Extending Enhanced Jobless Benefits.

In an editorial, the Wall Street Journal (6/18, Subscription Publication, 7.57M) says Connecticut Gov. Ned Lamont (D) is right to oppose extending enhanced unemployment benefits. His stance goes against Democratic orthodoxy, the Journal observes, and highlights the tension between state leaders who want their economies to rebound and Democrats in Washington who want to prolong economic shutdowns.

Wirecard Shares Plummet As Auditors Say €1.9B Missing.

The Wall Street Journal (6/18, Davies, Subscription Publication, 7.57M) reports on its front page that shares in payments company Wirecard fell nearly 62 percent on Thursday after auditors said they could not locate €1.9 billion of the company's cash. The German company delayed publication of its annual report and said its management board was working with Ernst & Young GmbH on the matter.

Group Claims US Farm Aid Violates Treaty Rules.

Bloomberg (6/18, Dorning, 4.73M) reports that the Environmental Working Group, "a critic of farm subsidies," claims President Trump's "billions in bailout payments for farmers probably pushed the U.S. past international treaty limits on subsidies, potentially inviting retaliation from trading partners." The EWG "calculated that the aid pushed 'trade distorting' subsidies covered under a 1994 international agreement to $34 billion in 2019, far above the pact's $19.1 billion cap for the US." Bloomberg adds, "The European Union, China and five other World Trade Organization members have already raised complaints that Trump's farm assistance payments may violate international rules."

Trump Says Under Democrats, "The Whole Country Will Be Minneapolis."

The Washington Post (6/18, Itkowitz, 14.2M) reports that President Trump "painted a dire image of America if he loses his reelection, warning in an interview with his son that the economy would collapse, law enforcement would disappear and the 'whole country will be Minneapolis.'" The President said, "I feel that if the Democrats get in, we are literally going to end up in a recession-slash-depression the likes of which you've never seen. There will be tremendous negative growth, there will be tremendous bedlam all over the place, there won't be law and order. You'll have a Seattle, you'll have a Minneapolis like you've never seen before. The whole country will be Minneapolis." Trump's remarks were in reference "to the looting and riots that beset the city for several nights following the death of George Floyd."

Twitter Adds "Manipulated Media" Warning To Trump Tweet.

The Washington Post (6/18, Zakrzewski, 14.2M) reports Twitter added "a warning label to one of President Trump's tweets after the company determined it violated its policies on manipulated media." The President "tweeted a doctored version of a popular video that went viral in 2019, which showed a black and a white toddler hugging. In the version Trump shared, the video has been edited with ominous music and a fake CNN headline that says, 'Terrified toddler runs from racist baby.'" The New York Times (6/18, Conger, 18.61M) says Twitter's move "is

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likely to escalate tensions" between Trump and the social media company.

Cotton Says Twitter "Threatened To Permanently Lock Down" His Account. Appearing on Fox News (6/18, 896K), Sen. Tom Cotton (R-AR) said, "Twitter threatened to permanently lock down my account if I didn't censor my own tweets about riots and lootings. ... We received shifting explanation and unclear guidance. I called Twitter's bluff and did not delete those tweets in 30 minutes and they got back to me and said they weren't going to take action. It's an example of how arbitrary and hypocritical some of the social media platforms can be."

Facebook Removes Anti-Antifa Trump Ads That Featured Symbol Once Used By Nazis.

The Washington Post (6/18, Stanley-Becker, 14.2M) reports that on Thursday, Facebook "deactivated dozens of ads placed by President Trump's reelection campaign that included a symbol once used by the Nazis to designate political prisoners in concentration camps." The Post says the "red inverted triangle" was in an ad that is "part of the campaign's online salvo against antifa and 'far-left groups.'" According to the Post, "The red triangle appeared in paid posts sponsored by Trump and Vice President Pence, as well as by the 'Team Trump' campaign page."

USA Today (6/18, Wu, 10.31M) says Anti-Defamation League CEO Jonathan Greenblatt noted on Twitter the symbol used in the ad was used by Nazis "to identify political victims in concentration camps." Tweeted Greenblatt, "Using it to attack political opponents is highly offensive. @POTUS' campaign needs to learn its history, as ignorance is no excuse for using Nazi-related symbols." The Hill (6/18, Rodrigo, 2.98M), Breitbart (6/18, Bokhari, 673K), and the Wall Street Journal (6/18, Glazer, Subscription Publication, 7.57M), among other news outlets, also report the story.

Trump Campaign: Triangle Is An Antifa Symbol, And Ad In Question Was About Antifa. The AP (6/18, Tucker, Ortutay) reports that "in a statement, Trump campaign communications director Tim Murtaugh said the inverted red triangle was a symbol used by antifa so it was included in an ad about antifa." Moreover, "he said the symbol is not in the Anti-Defamation League's database of symbols of hate." Added Murtaugh, "But it is ironic that it took a Trump ad to force the media to implicitly concede that Antifa is a hate group." Reuters (6/18, Culliford) points out Murtaugh also wrote, "We would note that Facebook still has an inverted red triangle emoji in use, which looks exactly the same, so it's curious that they would target only this ad."

The Washington Times (6/18, Lovelace, 492K) reports "the Trump campaign also defended its use of the symbol in a tweet responding to Media Matters." Trump's War Room wrote on Twitter, "This is an emoji. ... It's also a symbol widely used by Antifa. It was used in an ad about Antifa."

USA Today (6/18, Wu, 10.31M) confirms "the ads called on the president's supporters to sign a petition and 'stand with President Trump against ANTIFA.'" The New York Times (6/18, Karni, 18.61M) also reports "the Trump campaign had used the ads, with a picture of a large red triangle, to inveigh against antifa," whom the President "has blamed for violence and vandalism during the nationwide protests against racial injustice. There is scant evidence that antifa has been involved in any coordinated campaigns during the demonstrations."

Top State Official Resigns Over Trump's Handling Of Racial Tensions.

The Washington Post (6/18, Kim, 14.2M) reports Assistant Secretary of State for Legislative Affairs Mary Elizabeth Taylor, "who has served in the Trump administration since its first day," is resigning "over President Trump's recent handling of racial tensions across the country – saying that the president's actions 'cut sharply against my core values and convictions.'" Her "five-paragraph resignation letter...serves as an indictment of Trump's stewardship at a time of national unrest from one of the administration's highest ranking African Americans and an aide who was viewed as both loyal and effective in serving his presidency."

Tim Scott Recounts His Experiences With Police As He Promotes Legislation.

In a USA Today (6/18, 10.31M) op-ed, Sen. Tim Scott (R-SC) writes, "I, like many other Black Americans, have found myself choking on my own fears and disbelief when faced with the realities of an encounter with law enforcement. At the age of 21, I was pulled over for simply having an improper headlight, and yet the officer felt the need to place his hand on his weapon and call me 'boy.'" Scott writes that even now, he is "not immune to being stopped while driving at home or even while walking onto the grounds of the Capitol." Scott says his JUSTICE Act will bring about "police reform, accountability and transparency."

McEnany: Trump Worked "Very Closely" With Scott On Police Reform Bill. Appearing on Fox News' Fox & Friends (6/18, 831K), White House Press Secretary Kayleigh McEnany said, "The President, the Administration, we did work very closely with Sen. Scott. This is a great bill. It's one that closely tracks the President's executive order. It's very strong. It's fair. It's even-handed. We hope to see it pass."

The Wall Street Journal (6/18, A1, Campo-Flores, Jamerson, Subscription Publication, 7.57M) has a 2,700-word front-page feature on the years of pressure brought by Black Lives Matter activists and their allies that has resulted in the recent moves to overhaul police.

Cotton, Perdue Back Scott Bill. Appearing on Fox News (6/18, 896K), Sen. Tom Cotton (R-AR) said, "I want to commend Sen. Tim Scott for his thoughtful and careful approach to the JUSTICE Act which I'm proud to cosponsor. ... The Republican bill will provide more resources and guidance for police training and resourcing, and will hold officers accountable when they do the wrong thing as all good officers want to do. Unfortunately, the House Democrats' bill will try to essentially defund the police and put left-wing groups in charge of policing standards."

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Appearing on Fox News' Daily Briefing (6/18), Sen. David Perdue (R-GA) said, "The JUSTICE Act is our best effort to move quickly and

to do a couple of things. One, to make sure the police forces, demographically, reflect the communities they serve. That's not the case today. We believe they need more training about deescalation techniques and the right way to serve in addition to policing. And then when more data about problem cops that transfer from one district or jurisdiction to another."

Pelosi Orders Removal Of Portraits Of Ex-Speakers Who Served Confederacy.

ABC World News Tonight (6/18, story 6, 0:20, Muir, 7.39M) and the CBS Evening News (6/18, story 8, 0:15, O'Donnell, 4.56M) both briefly reported that House Speaker Pelosi has ordered the removal of portraits of four former House speakers who also served the Confederacy. Both quoted Pelosi as describing the portraits as symbols of "violent bigotry and grotesque racism."

The Washington Examiner (6/18, Ferrechio, 448K) reports Pelosi "said she has ordered House Clerk Cheryl L. Johnson to remove the portraits of former Speakers Robert Hunter of Virginia (1839-41), Howell Cobb of Georgia (1849-51), James Orr of South Carolina (1857-59), and Charles Crisp of Georgia (1891-95). ... All four men were part of the Confederacy in one form or another." The AP (6/18, Daly) and Reuters (6/18) also have reports.

Blunt Blocks Removal Of Confederate Statues From Capitol. The Hill (6/18, Carney, 2.98M) reports Senate Rules Chairman Roy Blunt "blocked the Senate from passing a bill to remove Confederate statues from the Capitol" after Senate Minority Leader Schumer and Sen. Cory Booker (D-NJ) tried to pass the measure by unanimous consent. Blunt said Congress "had an agreement with states and that he wanted time to consider giving the issue a hearing in the Rules Committee." The Washington Post (6/18, Wagner, Kane, 14.2M) reports that last week, Pelosi "sought to immediately remove 11 of the statues" – an idea Senate Majority Leader McConnell "rejected, saying it should remain a state issue."

WPost Analysis: Democrats Hope Confederate Legacy Issue Will Help In November. According to the Washington Post (6/18, Kim, 14.2M), "President Trump's pledge not to sign legislation that would rename military bases that honor Confederate leaders has left Senate Republicans struggling over how to respond to an issue that is at the forefront of the national debate over how the country deals with its racist past." The Post says Democrats are "looking to make the Confederacy an issue ahead of November's elections after a powerful Senate committee advanced a bill last week containing language that would rename all military assets' that bear the name of Confederate military officials."

In the Washington Post (6/18, Seidule, 14.2M), Ty Seidule offers suggestions for new names for military bases currently named for Confederates, including soldiers of various ethnicities who won the Medal of Honor.

Esper Tasks New Boards With Increasing Diversity In US Military.

Stars And Stripes (6/18, Dickstein, 30K) reports Defense Secretary Esper "announced Thursday that he would create two new groups charged with studying racial diversity challenges in the military in an effort to make the Pentagon a leader in a national conversation on systemic racism." Esper said "in a video to the force" posted Thursday morning, "We are not immune to the forces of bias and prejudice – whether visible or invisible, conscious or unconscious. ... These things have no place in our military. They have no place in our country." The new "internal board, dubbed the Defense Board of Diversity and Inclusion in the Military, is charged with reporting to the defense secretary in December with 'concrete, actionable recommendations.'" Esper also tweeted, "Bias & prejudice have no place in our military, or in our country. Prejudices – whether visible or invisible, conscious or unconscious – remain a burden to many. They hold back the diversity of the force, representation in our officer ranks, and experiences of our minority members."

The Washington Times (6/18, Wolfgang, 492K) reports Esper "also directed civilian and uniformed leadership inside the Pentagon to present other ideas that can be put into practice immediately." The Times adds "the Navy, Marine Corps and several other arms of the military also have banned all use of the Confederate flag, and Army officials say they're open to stripping the names of Confederate generals off of 10 military bases. President Trump, however, opposes that idea."

The Military Times (6/18, Myers, 772K) reports that "on day 23 of nationwide protests against police brutality and racial inequality in America's justice system, the Pentagon began an initiative to take a look at those issues in its own backyard." Along similar lines, the Washington Post (6/18, Lamothe, 14.2M) says "the announcements come amid a national reckoning after the death of George Floyd in Minneapolis police custody last month, and amid sharp criticism of...Trump's advocacy for using active-duty troops to quell unrest," and adds that Esper and JCS Chairman Gen. Mark Milley "were against doing so."

The New York Times (6/18, Cooper, 18.61M) reports "the military has long promoted itself as one of the most diverse institutions in the country. Indeed, about 43 percent of the 1.3 million men and women on active duty are people of color." However, "those making the crucial decisions, like how to respond to the coronavirus crisis and how many troops to send to Afghanistan, are almost entirely white and male." The Times adds that "of the 41 most senior commanders in the military – those with four-star ranks in the Army, Navy, Air Force, Marines and Coast Guard – only two are black."

Attorney Says Officer Charged In Brooks Death Has Not Agreed To Be Prosecution Witness.

Reuters (6/18, Layne) reports Devin Brosnan, "one of the two Atlanta police officers charged in the shooting death of Rayshard Brooks, has not agreed to be a witness for the prosecution, his lawyer said on Thursday, contradicting an assertion by the lead prosecutor on the case." Brosnan turned himself in at the Fulton County Jail on Thursday "and was soon released after filling out booking forms, getting fingerprinted and signing his own bond."

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All three broadcast networks covered the story along with other developments in the Brooks shooting case. On NBC Nightly News (6/18, story 2, 2:30, Holt, 6.63M), Blayne Alexander reported Brosnan's lawyer "den[ied] that his client failed to provide first aid and stood on Brooks' shoulders." Brosnan himself addressed the shooting on MSNBC, saying, "I think it is a tragic event, and it's a total tragedy that a man had to lose his life that night."

On ABC World News Tonight (6/18, story 2, 2:55, Muir, 7.39M), Steve Osunsami said, "The rank and file of Atlanta police believe the shooting was justified and that city leaders served these officers up for political reasons. Police across the city have been calling in sick. The official line from police is that the numbers are small, saying in statements, 'We have enough resources to maintain operations and remain able to respond to incidents.'" The CBS Evening News (6/18, story 3, 2:25, O'Donnell, 4.56M) covered both the sick-out and other developments.

Fox's Carlson: Ex-Officer's Stepmother Fired From Job. The Washington Examiner (6/18, Chaitin, 448K) reports Fox News' Tucker Carlson reported that Melissa Rolfe, "the stepmother of the former Atlanta police officer charged with fatally shooting" Brooks, has been fired from her job. Carlson said, "Rolfe was promised that her job was safe, but today she was told, and we're quoting, 'We have to terminate our relationship with you.' No other explanation was offered." The New York Times (6/18, 18.61M) reports that Garrett Rolfe "faces a total of 11 charges in connection with" Brooks' death.

NYPD May Be Mulling Massive July 4th "Sickout" To Give City Its "Independence."

The New York Post (6/18, McCarthy, Moore, 4.57M) reports, "A labor strike is brewing in the NYPD. A pair of flyers making their rounds among NYPD officers are encouraging them to call out sick July 4th – as retribution for police reform and a perceived anti-cop climate following the outrage over high-profile police killings of unarmed black men across the country, multiple cops told The Post." The Post adds "one message calls for the strike to kick off at 3 p.m. July 4," with the flyer reading, "NYPD cops will strike on July 4th to let the city have their independence without cops." The message "is being passed among cops via text, according to sources." The Post adds "it's unclear whether the messages are being written by other police officers."

The Washington Examiner (6/18, Mastrangelo, 448K) quotes Police Benevolent Association President Patrick Lynch as saying, "Over the past few weeks, we have been attacked in the streets, demonized in the media and denigrated by practically every politician in this city. ... Now, we are facing the possibility of being arrested any time we go out to do our job."

As Protesters Demanded, Seattle Police Union Expelled From Labor Council.

The AP (6/18) reports, "The largest labor group in the Seattle area has expelled the city's police union, saying the guild representing officers failed to address racism within its ranks." The vote "Wednesday night by the King County Labor Council to exclude the Seattle Police Officers Guild comes after weeks of protests in the city over police brutality and racism following the killing of George Floyd in Minneapolis." The Seattle Times (6/18, Takahama, 935K) also says it was "a decision pushed for by many protesters who have been demonstrating against police brutality and racism in recent weeks." The Times adds that "in an hourslong roll call vote, 45,435 of the Martin Luther King, Jr. County Labor Council delegates voted in favor of passing a motion approved May 20 by the executive board, effectively removing the Seattle Police Officers Guild from the council – while 36,760 of the delegates voted against."

Olympia Mayor Likens Protesters Who Vandalized Her Home To Domestic Terrorists. The New York Post (6/18, Jacobs, 4.57M) reports, "A Democratic mayor in Washington state spoke out this week against the protests supporting the Black Lives Matter movement – after a group of vandals damaged her home." Mayor Cheryl Selby "told The Olympian this week that she was 'really trying to process' the news that her home had been vandalized," but added, "It's like domestic terrorism. It's unfair. It hurts when you're giving so much to your community."

Noting CHAZ's "Wall," Trump Quips He Was "Ahead Of Our Times." President Trump tweeted Thursday, "First thing the anarchists did upon taking over Seattle was 'BUILD A WALL'. See, I was ahead of our times!"

Under Fire From Activists, Nashville Police Chief To Resign.

The Tennessean (6/18, Timms, 458K) reports, "Metro Nashville Police Chief Steve Anderson plans to retire this fall amid ongoing calls for police reform in Nashville and across the nation." Anderson "has been a central figure in the city through his 10 years leading the department," and "has been lauded for his response to previous protests against police brutality and for reforming the way Nashville responds to domestic violence." However, "as the nation faces a renewed call for police reform in the wake of the death of George Floyd, activists feel Anderson has become an impediment to change," as Anderson "has come under fire from activists and Nashville council members in recent weeks amid the local and national debate." WTVF-TV Nashville, TN (6/18, 137K) reports that during a news conference, Nashville Mayor John Cooper (D) "was asked several times whether he asked Chief Anderson to resign," but "Cooper did not provide a direct answer either way."

The AP (6/18) reports "Anderson has been criticized in recent years, particularly after two high-profile deadly shootings by white officers of black men in 2017 and 2018." Nashville "also has run into delays in trying to implement widespread use of body cameras for officers, with the mayor saying last week that the full deployment of the devices was beginning and that other precincts would begin getting them by February 2021 at the latest."

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Newsweek (6/18, Martin, 1.53M) also says "some lawmakers said" Anderson "was resistant to change, making any effort toward police reform difficult," and that "in June, 15 members of Nashville's City Council, out of 40 council members total, signed a resolution asking for Anderson to be removed." The Hill (6/18, Budryk, 2.98M) indicates the resolution called "for Anderson's resignation in furtherance of 'meaningful policy and behavioral change,' adding '[i]n order for police practices to change in Nashville and in order to build trust between the Metropolitan Nashville Police Department and communities of color in Nashville, a change in leadership is essential.'"

Police Union Survey: 71% Considering Leaving DC Police.

Breitbart (6/18, Wong, 673K) reports, "A D.C. Police Union survey of its members released Thursday showed that of nearly 600 who responded, 71 percent are considering leaving the Metropolitan Police Department." The survey "was in response to emergency legislation passed by the D.C. Council last week that the union said would have 'wide ranging negative impacts to the working condition of police officers in the District.'"

Milwaukee Public Schools To End Use Of Police Outside Schools, At Events.

The Milwaukee Journal Sentinel (6/18, Johnson, 632K) reports Milwaukee Public Schools "will end the use of police officers outside schools, at athletic events and recreational activities under a resolution unanimously approved by board members" on Thursday.

Duluth Officials Push To Remove "Chief" Form Job Titles.

The Minneapolis Star Tribune (6/18, Galioto, 1.04M) reports Duluth, Minnesota "city leaders are making a push to remove the word 'chief' from job titles, calling the term offensive to indigenous people." The Star Tribune adds that at a news conference Wednesday, Duluth Mayor Emily Larson (D) "implored City Council members to vote to approve the change next week 'so that we have more inclusive leadership and less language that is rooted in hurt and offensive, intentional marginalization.'"

Some Small-Town Police Brutality Protests Facing Armed Backlash.

The Washington Post (6/18, Stanley-Becker, 14.2M) reports "demonstrations against racial injustice and police brutality" have "made their way into small-town America, redrawing the geography of the Black Lives Matter movement." But unlike in larger metropolitan areas, the organizers "have faced fierce online backlash and armed intimidation, which in some places is unfolding with the apparent support of local law enforcement." The Posy says "the armed mobilization sheds light on the growth of the anti-government militia groups, whose efforts – often coordinated on Facebook and other online platforms – have expanded since the onset of the coronavirus pandemic" and the recent protests.

Arthur Ashe Statue Vandalized With "White Lives Matter" Graffiti.

The CBS Evening News . (6/18, story 9, 0:10, O'Donnell, 4.56M) briefly reported that in Richmond, Virginia on Wednesday, "a statue of African American tennis legend Arthur Ashe a native of the city, was defaced with 'WLM,' and 'White Lives Matter.'"

University Of Florida Bans "Gator Bait" Chant.

ESPN (6/18, Adelson, 14.75M) reports, "The University of Florida will no longer allow its 'Gator Bait' cheer at sporting events because of 'historic racist imagery associated with the phrase,' school president Kent Fuchs announced Thursday." The move was "part of a university-wide review to help the school take steps against racism," and "Fuchs highlighted the cheer as an action that will be taken immediately." The Washington Times (6/18, Chasmar, 492K) points out that "according to the Jim Crow Museum of Racist Memorabilia at Ferris State University in Michigan, the term 'alligator bait' was used as a racial slur against African Americans and some black babies may have even been used as actual alligator bait."

UCLA Professor: "What Kind Of Society Values Property Over Black Life?"

UCLA professor of American history Robin D.G. Kelley writes in the New York Times (6/18, 18.61M) that "the hackneyed emphasis on 'why loot?' obscures the critical question black people have been asking for centuries: What kind of society values property over black life? ... Philonise Floyd put it eloquently when he spoke about his brother's killing before the House Judiciary Committee: 'Is that what a black man's worth? Twenty dollars?'"

Trump Says Testing Is "Overrated," Touts "Greatest Testing Machine In History."

The Washington Post (6/18, Bellware, 14.2M) reports that in a Wall Street Journal interview, President Trump "called coronavirus testing 'overrated' and suggested...that some people wear masks not as a health precaution but to signal their disapproval of him." Trump is quoted as saying, "I personally think testing is overrated, even though I created the greatest testing machine in history." The Post says Trump "cited more testing as the reason there are more confirmed cases. 'In many ways, it makes us look bad,' he said." USA Today (6/18, Fritze, Rodriguez, 10.31M) notes Trump added "If we stop testing right now, we'd have very few cases, if any." USA Today adds that "asked about that statement, White House press secretary Kayleigh McEnany said it was 'entirely logical.'" Said McEnany, "Countries that don't do as

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much testing don't identify the same number of cases."

Coronavirus Cases Rising In US.

ABC World News Tonight (6/18, story 4, 2:05, Muir, 7.39M) reported the coronavirus is "surging here in the US." ABC's Matt Gutman said, "Twenty states reporting increases in new cases and hospitalization are increasing in at least 18 states."

The CBS Evening News (6/18, story 6, 1:00, O'Donnell, 4.56M) reported, "California reported almost 4,300 cases on Wednesday, a single-day record, and hospitalizations surged 11 percent over the last 24 hours in Texas. In Florida, daily cases reached a record high."

On NBC Nightly News (6/18, story 3, 2:05, Holt, 6.63M), Sam Brock reported, "The healthcare strain in Texas is more troubling – a 95 percent increase in COVID hospitalizations just since Memorial Day. In Ohio, new cases hit the highest mark in nearly a month, the Governor there now redeploying the National Guard."

Protests Haven't Yet Led To Significant Increase In COVID-19 Cases. The Wall Street Journal (6/18, Hernandez, Krouse, Abbott, Scott, Subscription Publication, 7.57M) reports early testing data from a few cities and states in the US seems to suggest the recent protests decrying racial injustices haven't led to a marked increase in new coronavirus cases. Public-health officials caution that the data is still preliminary, however, and cases linked to protests could still rise.

Fauci Says He Will Oppose Announcing Vaccine Unless It Is "Safe And Scientifically Sound."

McClatchy (6/18, Wilner, 19K) reports NIAID Director Fauci "pledged on Thursday to publicly oppose any effort by the Trump administration to rush an announcement of a COVID-19 vaccine by the November election unless the medicine has been proven 'safe and scientifically sound.'" In an interview, Fauci "said he disapproved of the use of the term 'Operation Warp Speed' – the name of the federal vaccine development project – because it incorrectly implies that critical scientific benchmarks for safety and effectiveness might be sidestepped in a rushed government effort to achieve a vaccine." Fauci said, "There is no chance in the world that I'm going to be forced into agreeing to something that I don't think is safe and scientifically sound. I'll guarantee you that."

Fauci: "Football May Not Happen This Year." Reuters (6/18, Keating) reports that on Thursday, Fauci "cast doubt on the National Football League playing this year. 'Unless players are essentially in a bubble – insulated from the community and they are tested nearly every day – it would be very hard to see how football is able to be played this fall,' Fauci said in an interview with CNN." Fauci added, "If there is a second wave, which is certainly a possibility and which would be complicated by the predictable flu season, football may not happen this year."

In an interview with the Washington Post (6/18, Caren, 14.2M), Fauci says, "Unfortunately for us, we still are in the first wave because even though there's variability throughout the country, where some places like New York City are going very nicely down, staying down so that they can start to reopen, simultaneously, we're seeing in certain states an increase in cases and even now an increase in some of the states of hospitalization. What that directly is related to is complicated. It's a combination of testing more, but not explained completely by testing more, because some of the states really do have a real increase in the percent of the tests that are positive."

Scientists Call On Journal To Retract Coronavirus Study Because Of Flawed Analysis.

The New York Times (6/18, Mandavilli, 18.61M) reports, "A group of leading scientists is calling on a journal to retract a paper on the effectiveness of masks, saying the study has 'egregious errors' and contains numerous 'verifiably false' statements." The study now under scrutiny was "published on June 11 in the journal Proceedings of the National Academy of Sciences." It "acknowledged that mask-wearing 'significantly reduces the number of infections' with the coronavirus but said that 'other mitigation measures, such as social distancing implemented in the United States, are insufficient by themselves in protecting the public.'" The study "also said that airborne transmission was the primary way the virus spreads." According to the Times, "many scientists believe that social distancing is a big factor in reducing transmission of the virus, and that airborne transmission, while it may occur, is not the primary means by which the virus spreads."

Study: Using Blood Plasma From People Who Recovered Is Safe, Possibly Beneficial Treatment.

The Washington Post (6/18, Johnson, 14.2M) reports a study of 20,000 hospitalized COVID-19 patients "who received transfusions of blood plasma from people who recovered found the treatment was safe and suggests giving it to people early in the disease may be beneficial." The study, published Thursday in Mayo Clinic Proceedings, is "the largest analysis yet of an experimental treatment rapidly deployed in the early weeks of the pandemic through a grass roots effort by physicians." The results showed that "severe adverse events were rare, in less than 1 percent of patients. But they also highlight the difficulty of conducting conclusive studies in the midst of a global pandemic – and add to a body of inconclusive and sometimes conflicting evidence about the approach."

Newsom Orders Californians To Wear Masks In Indoor Public Spaces.

The Los Angeles Times (6/18, Willon, 4.64M) reports Gov. Gavin Newsom (D) on Thursday "ordered all Californians to wear face coverings while in public or high-risk settings, including when shopping, taking public transit or seeking medical care, following growing concerns that an increase in coronavirus cases has been caused by residents failing to voluntarily take that precaution." The New York Times (6/18, 18.61M)

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says Newsom "issued the order as California reported more than 4,000 new cases on Wednesday, a new one-day record. The new guidance states that 'people in California must wear face coverings' in indoor public spaces from offices to Ubers to apartment hallways, and outdoors if it is not possible to stay six feet away from people in other households." The AP (6/18, Cava, 10.31M) and Wall Street Journal (6/18, Calfas, Subscription Publication, 7.57M), among other news outlets, also report the story.

Cuomo May Order Quarantine For Visitors From States With Case Spikes.

CNBC (6/18, Higgins-Dunn, Kim, 3.62M) reports on its website that on Thursday, New York Gov. Andrew Cuomo (D) "said...he's considering imposing a quarantine on travelers arriving to New York from states like Florida where coronavirus cases have spiked. 'I haven't made a decision yet, but I have had experts advise me of that. It is a real concern,' Cuomo said when asked about whether he'd consider imposing some sort of quarantine measure or taking health precautions at airports where travel has increased." Cuomo is quoted as saying, "The number of people who are getting infected and getting sick and walking into a hospital is going up in these states. Undeniably. And you can go state by state. It's Arizona. It's Texas. It's Florida. It's North Carolina. It's South Carolina. It's Utah. It's Montana. It's Alaska. It's 20 states on the increase."

De Blasio, Cuomo: Many NYC Businesses Will reopen On Monday. The New York Times (6/18, Gold, 18.61M) reports that New York City "will enter its next phase of reopening on Monday, with as many as 300,000 employees expected to return to their jobs as outdoor dining, in-store shopping and office work resumes." Mayor Bill de Blasio (D) said on Thursday, "I'm very comfortable now saying that we will start Phase 2 on Monday,." Also on Thursday, Cuomo "said...that the state would not make its final decision on easing more restrictions until Friday." However, Cuomo adds, "My advice to New York City businesses: plan to reopen Monday in Phase 2."

New York Hospital Prepares For Potential Second Wave. NBC Nightly News (6/18, story 5, 3:10, Holt, 6.63M) provided a look inside one of the COVID units of a New York City hospital. NBC's Gabe Gutierrez reported, "Inside Lennox Hill hospital in Manhattan, the fight against the coronavirus has changed drastically." Gutierrez said "they won the battle," but they are "now preparing for a potential second wave this year coinciding with flu season," so "the war may not be over."

Michigan Supreme Court Asked To Clarify Whitmer's Emergency Powers.

The Detroit News (6/18, LeBlanc, 825K) reports, "A federal judge asked the Michigan Supreme Court Thursday to clarify" whether Gov. Gretchen Whitmer (D) "has the authority to continue issuing or renewing executive orders under either of the two state laws that govern her emergency powers." US District Judge Paul Maloney's "request came on the same day that Whitmer extended Michigan's state of emergency through July 16." Federal and state lawsuits are "seeking answers to whether state law allowed for the governor's emergency powers to continue after April 30, even without legislative approvals, and whether the emergency laws giving Whitmer virtually limitless authority violate the separation of powers between the governor and Legislature in Michigan's Constitution."

Michigan Lifts Barber's License Suspension. The AP (6/18) reports "the state of Michigan has lifted the suspension of a barber's license, but he still faces a hearing for cutting hair while shops and salons were closed" by Whitmer. The AP adds "an administrative law judge on Tuesday granted the state's request to lift Karl Manke's suspension," as "regulators said an 'imminent threat' to public health no longer exists at the Owosso barbershop."

Arizona Sheriff Critical Of Lockdown Tested Positive At White House.

The Washington Post (6/18, Bella, 14.2M) reports that "as the rest of Arizona followed a stay-at-home order imposed by the governor in May, Pinal County Sheriff Mark Lamb proclaimed that the state's attempt to curb the spread of the novel coronavirus was unconstitutional." The Post adds, "On Wednesday, less than two months after publicly challenging the state's efforts to slow the spread of a virus that has now spiked in Arizona, Lamb announced he had tested positive for the coronavirus before a scheduled meeting with President Trump." Lamb "was invited on Tuesday to the White House as part of Trump's meeting with law enforcement officials and the signing of his executive action on policing. As part of a mandatory coronavirus screening for all White House visitors, he learned he had the virus."

Nebraska Governor Threatens To Withhold Federal Funds From Counties With Mask Mandates.

The Omaha World-Herald (6/18, 641K) reports Nebraska Gov. Pete Ricketts (R) has "told counties that they won't receive any of the $100 million in federal COVID-19 money if their 'customers' are required to wear masks. ... The no-mask mandate has been poorly received in some corners of the state, with officials criticizing the loss of local control. It also runs counter to the advice of public health officials, who have stressed the importance of wearing masks."

Airlines Increase Safety Protocols As Summer Travel Increases.

The Wall Street Journal (6/18, Sider, Subscription Publication, 7.57M) reports on the jump in travel bookings as Americans feel ready to begin traveling again by plane. Airlines are adding more domestic flights, as well as new sanitation and safety protocols. For instance, they are implementing stricter cleaning regimens in areas including bathrooms, ticket counters, and more.

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Trump Says "Wacko" Bolton's Book "Is A Compilation Of Lies."

President Trump continued to criticize former National Security Adviser John Bolton on Thursday, tweeting at 9:08 a.m., "Bolton's book, which is getting terrible reviews, is a compilation of lies and made up stories, all intended to make me look bad. Many of the ridiculous statements he attributes to me were never made, pure fiction. Just trying to get even for firing him like the sick puppy he is!" A little more than an hour later, Trump tweeted, "When Wacko John Bolton went on Deface the Nation and so stupidly said that he looked at the 'Libyan Model' for North Korea, all hell broke out. Kim Jong Un, who we were getting along with very well, went 'ballistic', just like his missiles – and rightfully so. He didn't want Bolton anywhere near him. Bolton's dumbest of all statements set us back very badly with North Korea, even now. I asked him, 'what the hell were you thinking?' He had no answer and just apologized. That was early on, I should have fired him right then & there!"

All three broadcast networks covered the controversy over Bolton's new book. On ABC World News Tonight (6/18, story 5, 2:45, Muir, 7.39M), Martha Raddatz said Trump is "attacking [Bolton] as a 'wacko,' calling his book a compilation of lies and made-up stories. ... Bolton had some strong words for President Trump when he sat down with me for a wide-ranging interview, after 17 months at the President's side." Bolton: "I don't think he's fit for office. I don't think he has the competence to carry out the job. There really isn't any guiding principle that I was able to discern other than what's good for Donald Trump's reelection."

On the CBS Evening News (6/18, story 4, 2:15, O'Donnell, 4.56M), Ben Tracy reported, "Trump is fighting back," calling Bolton "a liar; his bombshell book, 'pure fiction.' But in front of reporters, the President would not answer questions about his former aide's scathing critique. ... He did, however, angrily unload on Twitter." Peter Alexander reported on NBC Nightly News (6/18, story 6, 1:30, Holt, 6.63M), "Bolton writes President Trump was so focused on a trade deal with China, which he hoped could help his reelection, that he told President Xi he'd support China's controversial prison camps for minority Muslims. ... Bolton also says President Trump told him directly that he wanted to withhold security aid to Ukraine until all the Russia materials related to [Hillary] Clinton and [Joe] Biden had been turned over."

The New York Times (6/18, Baker, 18.61M) reports, "The book, 'The Room Where It Happened,' describes Mr. Bolton's 17 turbulent months at Mr. Trump's side through a multitude of crises and foreign policy challenges, but attention has focused mainly on his assertions that the president took a variety of actions that should have been investigated for possible impeachment beyond just the pressure campaign on Ukraine to incriminate Democrats." The Washington Post (6/18, Helderman, Hamburger, 14.2M) reports Bolton's book "highlights Trump's pattern of welcoming foreign political help and a casual comfort with what was once unthinkable in American politics – foreign intervention in U.S. elections. ... Experts fear that Trump's behavior may embolden nations to try to sway U.S. voters in the 2020 campaign."

Gabriel Sherman of Vanity Fair (6/18, 9.08M) writes that his publication "has seen unredacted pages from the book and it's clear why the White House tried to keep Trump's words secret: they are deeply embarrassing and illustrate Trump's naked politicization of America's foreign policy. According to an unredacted passage shown to Vanity Fair by a source, Trump's ask is even more crudely shocking when you read Trump's specific language. 'Make sure I win,' Trump allegedly told Xi during a dinner at the G20 conference in Osaka, Japan last summer. 'I will probably win anyway, so don't hurt my farms. ... Buy a lot of soybeans and wheat and make sure we win.'"

The Washington Post (6/18, Gearan, Dawsey, 14.2M) reports, "Reverberations from Bolton's forthcoming tell-all account of working for Trump extended to Capitol Hill, where Republicans mostly sought to avoid commenting in detail on Bolton's allegations, among them that Trump had sought China's help to win reelection." The Post says the President's "ferocious focus on the book failed to prevent details from spilling out, and may have backfired as Trump amplifies public attention on Bolton's unflattering portrait of the president as a mendacious, inattentive leader chiefly focused on bettering his own political fortunes."

The Washington Post (6/18, Hudson, 14.2M) says the book "exposes alleged fissures" between the President and Secretary of State Pompeo, "a man who elevated himself into Trump's inner circle through unmatched loyalty and messaging discipline." The Washington Examiner (6/18, Gehrke, 448K) reports Pompeo "condemned John Bolton as 'a traitor who damaged America' with his memoir," while Politico (6/18, Cohen, 4.29M) quotes Director of Trade and Manufacturing Policy Navarro saying, "I was in a staff meeting one time; he walked in and he was absolutely giddy at the prospect of a coup in Venezuela. It was like weird, and I'm thinking to myself, 'Wait a minute. This is a serious, serious matter and he is giddy. There's something wrong with that dude.'" The Washington Examiner (6/18, Doyle, 448K) reports Navarro also told Fox News, "Big Lie Bolton, it's Book Deal Bolton – he is doing it for the money, that is pretty clear, and my view is it [is] the Washington swamp's equivalent of revenge porn."

White House Counselor Kellyanne Conway said on Fox News' Special Report (6/18, 1.53M), "When people do tell-all books, I prefer that they tell us all what they accomplished in those positions. ... Much of the national security accomplishments that happened, and there are many in the Donald Trump presidency, happened before he got there or after he left."

Appearing on Fox News' Fox & Friends (6/18, 831K), White House Press Secretary Kayleigh McEnany said, "John Bolton has discredited himself. He is a misguided hawk on foreign policy. ... This man is someone who praised President Trump as being 'strong on foreign policy,' 'not making the mistakes of previous administrations,' being 'perfectly prepared.' These are all quotes from John Bolton. ... He's discredited on both sides of the aisle."

The Wall Street Journal (6/18, Subscription Publication, 7.57M) says in an editorial that the book makes both its author and the President look bad, and says it reveals little about Trump's character and leadership style that voters did not already know. Philip Bump of the Washington Post (6/18, 14.2M) writes, "For all of the valid criticism President Trump has faced during his time in office, his ability to be effective is constrained by one recurring problem. Someone keeps hiring staffers who Trump thinks are terrible."

House Democrats Consider Seeking Bolton Testimony. Politico (6/18, Cheney, 4.29M) reports that "top House Democrats say they're seriously considering" whether Bolton "should appear before them – either voluntarily or under subpoena – to testify about explosive

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allegations contained in his new book, including that Trump encouraged China to construct internment camps for Uighurs, urged [Xi] to purchase American agricultural products in order to help his reelection bid and promised autocrats like Turkey's Recep Tayyip Erdogan that he would do legal favors for an ally facing a U.S. indictment."

Bloomberg (6/18, 4.73M) reports that House Speaker Pelosi "told reporters Thursday that the former national security adviser 'chose royalty over patriotism' in making a book deal after refusing to appear before the House's impeachment hearings without a subpoena." The New York Post (6/18, Moore, 4.57M) reports Pelosi told reporters, "I'm not paying any money for a book. I don't want to pay any money for a book that was a substitute for testifying before Congress about the well-being of the American people."

Dismissal Of Defamation Suit Against Steele Upheld In Appeals Court.

The Miami Herald (6/18, Hall, 1.09M) reports ex-British spy Christopher Steele "scored a major victory Thursday when an appellate court upheld the dismissal of a defamation lawsuit against him by two powerful Kremlin-linked Russian oligarchs." A three-judge panel of the District of Columbia Circuit Court of Appeals upheld a lower court's "dismissal of the lawsuit against Steele and his investigative firm...brought by Russians Mikhail Fridman, Petr Aven and German Khan." They "are the ultimate owners of Russia's Alfa Group and had alleged that Steele had defamed them with his collection of reports about then-candidate Donald J. Trump and his possible ties to Russia."

Businessman Sues DOJ, Mueller Over Report Footnote.

The Washington Times (6/18, Mordock, 492K) reports, "A businessman has filed a $100 million defamation lawsuit against former special counsel Robert Mueller and the Justice Department claiming that a footnote in the Mueller report falsely links him to an unverified, salacious accusation against President Trump." Giorgi Rtskhiladze, a US citizen "from the former Soviet republic of Georgia, claimed in the Thursday lawsuit that the Mueller report falsely describes him as a 'Russian businessman' and wrongly claimed he knew of supposed tapes of Mr. Trump in a Moscow hotel in 2013."

Vindman In Line For Promotion To Full Colonel.

The New York Times (6/18, Schmitt, 18.61M) reports that the potential promotion of Lt. Col. Alexander Vindman, "an Army officer who was a prominent witness in the impeachment inquiry into President Trump last year, is imperiled in what Pentagon and congressional officials say could be another flash point between the president and the military." Vindman, "who served on the staff of the White House's National Security Council, is among scores of officers who have been picked to be promoted to full colonel this year. Typically, such promotions are backed by Army and Pentagon officials before moving to the White House for final approval and then to the Senate for a confirmation vote."

Trump Announces Transportation Funding For Nearly Two Dozen States.

President Trump took to Twitter Thursday evening to announce a series of transportation grants. In Michigan, Trump said, "Proud to propose a $25M award to @MichiganDOT to replace and expand the Blue Water Bridge port of entry in @Port_Huron. CRITCAL for security, operations, and commerce at our country's third BUSIEST U.S.-Canada border crossing!"

Trump also wrote, "Great news for Louisiana! $135M proposed to @La_DOTD from @USDOT to build 8.3 miles of elevated highway from Leeville Bridge to Golden Meadow to protect access to the area against flooding."

The President further tweeted, "I'm proud to propose a $6.8M award to @WisconsinDOT from @USDOT to complete the last phase of the Merrimac Bridge rehabilitation – more efficient and lower cost rail car travel over Lake Wisconsin!"

Trump also announced, "@WVDOT will be awarded $12 million from @USDOT to help finish the Corridor H project between Kerens and Parsons, key to a booming economy in the Great State of West Virginia!"

"Great things," Trump added, "headed to Tennessee! $11.2M is headed to @myTDOT from @USDOT to install fiber optic communications on I-40 from Memphis to Nashville. This is HUGE for safety info and broadband in a lot of communities that need it!"

In South Carolina, Trump tweeted, "@SCDOTPress will have $34.6M headed its way for a new interchange on I-77 in Rock Hill! This will facilitate access to a 234-acre development site at Exit 81. HUGE innovation and development coming to the area! @RockHillSCCity @YorkCountySC @YorkCountySCGov"

He also announced, "@TulsaPort, $6.2M is coming your way from @USDOT to bring major upgrades and improve rail transportation to the port. HUGE for JOBS and the economy in the region!"

Trump also said, "Port Tampa Bay in Florida will be awarded $19.9 million from @USDOT to improve Hooker's Point container facility, adding much-needed capacity to keep commerce moving and allowing the region to GROW!"

In Washington state, the President tweeted, "Proposing $73.7M to @wsdot for the Puget Sound Gateway Program from @USDOT. Will build "missing links" to the Ports and improve commerce and safety – BIG boost to the economy and JOBS!"

Trump announced that "@Port_Houston in Texas is set to receive $79.5M from @USDOT for much-needed restoration and upgrades to the Barbours Cut Container Terminal. This will increase capacity and efficiency of the terminal. GREAT for economic growth in this busy region!"

In Rhode Island, the President said, "@RIDOTNews is set to be awarded $65 million from @USDOT to complete multiple safety improvements and repairs to the RI-246 corridor – greatly improving travel through the region!"

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Trump announced, "$25M coming your way @NCDOT! The great state of North Carolina is set to be awarded @USDOT funding to help complete highway improvements in the US 74 corridor in Cleveland, Columbus, and Robeson Counties. Huge for travel and growth in the area!"

In Nevada, the President said he is "proposing a $50M award to @nevadadot from @USDOT to reconstruct the Tropicana Avenue/I-15 interchange. So important for improving and reducing traffic in this booming area!"

He further announced on Twitter, "$71.5M will be headed to @MississippiDOT from @USDOT to finish the Greenville Bypass in Washington County. So important for economic growth in the area and reducing travel times through Western Mississippi on US 82!"

Trump announced "Floridians will get $10M grant from @USDOT for @MyFDOT's I-4 to improve technology to provide travelers with better information and important messages in real time! Will make getting BACK TO WORK easier. Great work @GovRonDeSantis!"

In Delaware, the President said he is "designating $56.8M to @DelawareDOT to construct a redesigned interchange at I-95 and SR 896 in New Castle County. Huge improvement for traffic flow and safety in this important area!"

He also tweeted, "Big news for @EagleCounty, Colorado! $60.7M proposed to @ColoradoDOT from @USDOT for improvements and enhanced safety to the Vail Pass on I-70, between miles 180-190. HUGE for safe travel through the region!"

In Kentucky, the President announced, "$55.15M will be on its way to @KYTC to widen 2mtnparkway from two lanes to four lanes between the KY 191 overpass and the KY 205 interchange. Must keep the people of Kentucky moving efficiently and safely!"

In Maine, Trump said he is "designating $38.1 million to @MaineDOT1 from @USDOT to replace SEVEN bridges and improve FIVE locations in Kennebec, Oxford, Penobscot, and Somerset Counties. Very important for keeping our bridges safe and people moving in the Great State of Maine!"

The President also said he has "$40M proposed to @AnokaCounty in Minnesota from @USDOT for the Ramsey Gateway Project on US Highway 10/169. Will help congestion and make travel safer and more efficient in the area!"

Finally, Trump announced, "Great things coming to Arkansas! $40M to be awarded to @myARDOT from @USDOT to reconstruct and improve US 67 in @PulaskiAR and Lonoke Counties. Will reduce congestion and travel time – a huge boost for economic growth!"

Sowell Defends Charter Schools.

In the Wall Street Journal (6/18, Subscription Publication, 7.57M), Thomas Sowell of Stanford University's Hoover Institution argues on behalf of charter schools, saying such schools raise performance levels among non-white and poorer students. Sowell says teachers' unions are to blame for slowing expansion of charters.

New Head Of VOA Parent Agency Draws Bipartisan Criticism Over Firings.

The AP (6/18, Lee) reports that Michael Pack, "the new chief of U.S.-funded global media, is facing a conservative backlash over his decision to fire the heads of two international broadcasters, adding to concerns about the direction of the agency, which oversees the Voice of America and other outlets." According to the AP, "Trump allies, including former adviser Sebastian Gorka, have offered public support for the ousted head of the Middle East Broadcasting Networks, Alberto Fernandez, while others have taken issue with the firing of the head of Radio Free Europe/Radio Liberty, Jamie Fly." Pack, "a conservative filmmaker and onetime associate of Trump adviser Steve Bannon, sacked both of them late Wednesday in a purge of USAGM's outlets, which also include Radio Free Asia and the Cuba-focused Radio/TV Marti."

The Washington Post (6/18, Farhi, 14.2M) says "the speed and sweep of the firings – Pack began work only Monday after a bruising Senate confirmation battle – raised fears that Trump was trying to exert greater control over the output of such venerable organizations." Fernandez, "a former State Department official whose agency oversees the Arabic-language Alhurra TV networks and Radio Sawa, said in an interview Thursday that his dismissal after three years was 'unexpected,'" and "offered no theories about why Pack opted to remove him."

Pentagon Official Passed Over For Top Intelligence Post Resigns.

Politico (6/18, Seligman, Lippman, 4.29M) reports that Kathryn Wheelbarger, "the Pentagon's top official overseeing international security affairs, resigned on Thursday after the White House abruptly nixed her nomination for a permanent senior role over White House concerns that she was not loyal enough" to the President. Politico adds "news of the resignation...comes just days after the White House announced a new choice for the No. 2 position at the Pentagon overseeing military intelligence after souring on Wheelbarger, its initial pick." Instead, President Trump "intends to nominate Bradley Hansell, a retired Army Special Forces officer, to be deputy undersecretary of defense for intelligence and security." Politico adds, "It also comes two days after acting comptroller Elaine McCusker submitted her resignation, following the White House's decision to pull her nomination to be permanent comptroller."

Reuters (6/18, Stewart) reports "both current and former US officials accused the White House of passing over Wheelbarger because of her past work" with then-Sen. John McCain (R-AZ), "a fierce Trump critic and former chairman of the Senate Armed Services Committee." The Washington Times (6/18, Meier, 492K), among other news outlets, also reports the story.

Former DIA Analyst Sentenced To 30 Months In Prison Over Leaks Of Classified Intel.

The Washington Times (6/18, Mordock, 492K) reports, "A former Defense Intelligence Agency official was sentenced to 30 months in prison Thursday for leaking classified information to two journalists, including one with whom he was in a relationship." Henry Kyle Frese "pleaded

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guilty in February to the willful transmission of Top Secret national defense information. He had faced up to 10 years in prison." The New York Times (6/18, Goldman, 18.61M) points out Frese is a "former Pentagon counterterrorism analyst," and that his arrest "was part of the Trump administration's effort to crack down on illegal leaks of classified information, a push that dates to the second half of the George W. Bush administration and intensified under former President Barack Obama."

Trump Says He "Made Juneteenth Very Famous."

The Wall Street Journal (6/18, Bender, Subscription Publication, 7.57M) reports that in an interview, President Trump said there is some systemic racism in the US and took credit for expanding awareness of Juneteenth. On the first point, the President said, "I'd like to think there is not [systemic racism], but unfortunately, there probably is some. I would also say it's very substantially less than it used to be."

It is the latter point that is drawing most media attention. On NBC Nightly News (6/18, story 7, 0:50, Holt, 6.63M), Peter Alexander said, "On the return of his campaign rallies this Saturday in Oklahoma, the President pushed back after criticism he scheduled it for Juneteenth. ... Trump now says, 'I did something good. I made Juneteenth very famous. It is actually an important event. It is an important time, but nobody had heard of it.'" ABC World News Tonight (6/18, story 3, 2:05, Muir, 7.39M) reported Trump "says he deserves credit for making Juneteenth 'very famous.'" Politico (6/18, Oprysko, 4.29M) reports Trump "took credit for popularizing Juneteenth, a day commemorating the end of slavery in the United States, citing the backlash over his plans to hold a campaign rally on the holiday amid a national reckoning over racism and police brutality." The Tulsa World (6/18, 205K) also highlights the comment.

The Miami Herald (6/18, Chambers, 1.09M) reports HUD Secretary Carson said Thursday that he has been a part of White House conversations about making Juneteenth a federal holiday. Carson said, "It's a topic worthy of consideration and discussion. I think just recognizing that this country sort of came of age, and recognize that an abominable practice came to an end, is certainly worthy of all of our recognition."

The Washington Post (6/18, 14.2M) says in an editorial, "The country needs education in the symbolic power of Juneteenth, which it is now getting amid a stunning surge of protests for racial justice. The date connotes a moment when America's promise of full equality seemed about to be realized at last, only to be postponed – and yet, the 'dreams that once dwelt in their hearts' never died."

Tulsa Rally Going Forward. USA Today (6/18, Fritze, Jackson, 10.31M) reports that on Thursday, Oklahoma Gov. Kevin Stitt (R) told Trump that "his state is ready to host a pivotal campaign rally Saturday, dismissing warnings from health officials about hosting a large gathering during the coronavirus pandemic." Stitt is quoted as saying, "We're so excited to have you. ... Oklahoma's ready for your visit." On the CBS Evening News (6/18, story 7, 1:30, O'Donnell, 4.56M), Omar Villafranca reported, "Trump's supporters are energized and already lined up for Saturday's rally." On NBC Nightly News (6/18, story 4, 1:10, Holt, 6.63M), Tulsa County Commissioner Karen Keith (D) was shown saying of the President, "I would beg him as a national leader to call this off."

The New York Times (6/18, Karni, Haberman, Epstein, 18.61M) reports that it was Trump campaign manager Brad Parscale's idea to hold President Trump's first post-lockdown rally in Tulsa because it was "a city with a supportive Republican mayor" and "where the coronavirus was no longer having a deep impact on daily life." However, according to the Times, the decision is creating controversy "instead of offering Mr. Trump a glide path back into the campaign season, where he could sell a message about a country overcoming daunting challenges." The Washington Times (6/18, Howell, 492K) reports Trump's opponents "say he is courting disaster by scheduling a mass gathering during a pandemic."

Appearing on Fox News' Special Report (6/18, 1.53M), White House Counselor Kellyanne Conway was asked if the Tulsa rally is still planned. Conway answered, "The information I have from the campaign is that it's happening and that people want to get out there and express their beliefs peaceably. We've seen people see it through protest. People in Tulsa or otherwise, they want to participate in our great democracy."

Samantha Whiteside, a Tulsa emergency physician, writes in the Tulsa World (6/18, 205K), "As a physician, my oath is to do no harm, and to sit silently on this matter feels wrong. I was raised in a conservative, pro-life, Southern Baptist household and continue to have these values today with my own family. It's not about President Trump. For me, it doesn't matter if the rally is for a Republican, Democrat or Queen Elizabeth herself. It's a terrible idea."

Senate Confirms Walker Nomination To DC Court Of Appeals.

The Louisville Courier-Journal (6/18, Wolfson, 368K) reports, "Louisville native Judge Justin Walker was confirmed Thursday by the US Senate for a seat on what is considered the nation's second-most powerful court." The Senate "voted 51-42 for the nomination to the US Court of Appeals for the District of Columbia," continuing "Walker's meteoric ascendancy in the federal court system." The new Appeals judge "is only 38 and was appointed to the federal district bench just last October," but he "had a powerful ally" in Senate Majority Leader McConnell, "a family friend and mentor." Fox News (6/18, Olson, 27.59M) says on its website that "the vote was nearly along party lines, with only GOP Maine Sen. Susan Collins joining Democrats in opposition."

The Washington Times (6/18, Lovelace, 492K) indicates that Collins, "facing a tough reelection battle in November, supported...Walker's confirmation to the lower court last year but voted against" him on Thursday. Senate Minority Leader Schumer "pointed to Ms. Collins' reversal as evidence that Senate Republicans moved too quickly to elevate Judge Walker to the federal appellate court." Said Schumer, "There is no reason to do this nomination now. This is about the Republican leader and his relentless pursuit of a right-wing judiciary."

Axios (6/18, Allassan, 521K) says "Walker's appointment to one of the most powerful courts in the country illustrates how President

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Trump has reshaped the federal judiciary during his first term," as this "appointment is the 199 to the federal bench since Trump took office." NBC News (6/18, Kapur, 6.14M) indicates on its website that Trump's "200th judicial confirmation...is teed up for next week. It's a number not achieved by any president at this stage in four decades." NBC also reports, however, that Trump "has been somewhat of a bystander in his own towering judicial legacy, delegating the task to McConnell and activists on a mission to curtail legislative and regulatory authority."

To the New York Times (6/18, Hulse, 18.61M), meanwhile, "His Senate majority may be teetering and the nation reeling from cascading crises, but...McConnell is following his one true credo: Leave no judicial vacancy behind." The Times adds that "next up is Cory Wilson of Mississippi, another nominee aggressively opposed by Democrats," who "would be the 53rd circuit court judge nominated by Mr. Trump and placed on the bench under the stewardship of Mr. McConnell. Upon Judge Wilson's confirmation, no vacancies would exist on the nation's appeals courts." McConnell told the Times, "It is a source of considerable satisfaction."

The AP (6/18, Daly) recalls "Walker drew a 'Not Qualified rating from the American Bar Association when Trump nominated him last year to be a federal judge in Kentucky." However, "the group changed its rating just before the May 6 hearing, calling Walker 'Well Qualified' to serve on the appeals court."

The Hill (6/18, Carney, 2.98M) recounts "Democrats homed in on Walker's comments on the 2012 Supreme Court ruling, written by Chief Justice John Roberts, that upheld ObamaCare's individual mandate by classifying it as a tax." Walker told an audience in Kentucky, "The greatest words you can hear from Justice Kennedy are: 'You're hired.' ... And the worst words are: 'The chief justice thinks this might be a tax.'" Walker "told the Senate Judiciary Committee last month that the remarks were a joke." Reuters (6/18, Wolfe) recalls Walker was also "a vocal ally of Supreme Court Justice Brett Kavanaugh during his confirmation battle in the Senate in 2018." CQ Roll Call (6/18, Cioffi, 154K), Politico (6/18, Levine, 4.29M), and the Wall Street Journal (6/18, Kendall, Subscription Publication, 7.57M), among other news outlets, also cover the Senate vote.

Democrats Unveil $1.5T Infrastructure Bill.

Reuters (6/18, Cowan) reports House Democrats "on Thursday unveiled a $1.5 trillion infrastructure bill that they will seek to pass in coming weeks, arguing it has been made more urgent by the coronavirus pandemic." House Speaker Pelosi "said she would push for passage of the sprawling bill, which also would bring broadband service to more rural areas, before a July 4 congressional recess." Politico (6/18, Wolfe, 4.29M) explains "the House is preparing to merge several typically unrelated bills into one massive 'infrastructure' package." Pelosi "gathered the heads of some of the largest House committees to discuss their pieces of the legislation, which she called 'Moving America Forward.'"

The Hill (6/18, Beitsch, 2.98M) calls the bill "the latest attempt to advance an infrastructure package that has been discussed since the early days of the Trump administration but continuously fails to gain traction," and adds "lawmakers are more optimistic this time around as Congress considers more spending to help stabilize the economy amid fallout from the coronavirus."

In Autobiography, Top Donor To Pro-Trump Super PAC "Used Racial Stereotypes To Describe" Blacks.

The Washington Post (6/18, Lee, 14.2M) reports, "The top donor supporting President Trump's reelection and GOP congressional lawmakers is a reclusive heir to the wealthy Mellon family fortune who used racial stereotypes to describe African Americans in a self-published autobiography. Timothy Mellon, the 77-year-old founder of a rail and freight company, who poured $30 million into three GOP super PACs in five months, wrote that black people were 'even more belligerent' after the expansion of social programs in the 1960s and 1970s and that Americans who rely on government assistance were 'slaves of a new Master, Uncle Sam.'" The Post says Mellon wrote the comments "in a self-published 2015 autobiography." Mellon "gave his first major pro-Trump donation in April, with a $10 million check to America First Action, the main super PAC supporting the president's reelection."

Advertisers Flee Carlson's Fox Program While Ratings Remain Steady.

The New York Times (6/18, Grynbaum, Hsu, 18.61M) reports, "Amid a backlash and an ad boycott, 'Tucker Carlson Tonight' is still attracting big audiences, another sign of the nation's political divide." In recent weeks, Carlson has "challenged the Black Lives Matter movement, dismissed demonstrators as 'criminal mobs,' accused a Texas police chief of 'sounding more like a therapist than a cop' and mocked a CNN children's special about racism that featured Elmo, the 'Sesame Street' puppet." But Carlson's show was "seen by 4.2 million people on Monday, making it the most-watched television program in the country that night."

Gaetz Reveals He Has A Cuban-American Son.

The Washington Examiner (6/18, Yilek, 448K) reports Rep. Matt Gaetz (R-FL) has "revealed he has a 19-year-old son," writing on Twitter, "This is my son Nestor [Galban]. We share no blood but he is my life. He came from Cuba (legally, of course) six years ago and lives with me in Florida. Nestor turned 19 a few days ago & will be off to University. He arrived here at 12. As you can imagine, I was triggered when (to make an absurd debate point) a fellow congressman diminished the contributions of Republicans because we don't raise non-white kids. Well, I have."

Fox News (6/18, Phillips, 27.59M) reports on its website that Gaetz was referring to "a fiery exchange" with Rep. Cedric Richmond (D-LA) a day earlier. During the argument "over the House police reform bill, Richmond said he was 'angry as hell' at his Republican colleagues

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who 'keep introducing amendments that are a tangent and a distraction' and asking them to not 'make a mockery of the pain that exists in my community.'" Business Insider (6/18, Sheth, 3.67M) recounts that "after Richmond discussed the injustice that Black people like him and his son face, Gaetz interjected and asked, 'Are you suggesting that you're certain none of us have nonwhite children? Because you reflect on your Black son, and you said none of us could understand.'"

Fox News National Poll: Biden Leads Trump 50%-38%, Up From An Eight-Point Edge In May.

On its website, Fox News (6/18, Blanton, 27.59M) reports that a Fox News national poll of 1,343 voters, taken June 13-16, shows Joe Biden leading President Trump 50%-38%. Fox News says, "That 12-point advantage is statistically significant, and up from Biden's 8-point lead last month (48-40 percent)." Fox News adds, "Biden supporters are far more likely to say fear that Trump might win is behind their vote choice (63 percent) than to say it is enthusiasm for Biden (31 percent). The opposite is true among those backing Trump, as almost twice as many of his supporters say enthusiasm is the motivation (62 percent) rather than fear Biden could win (33 percent)."

Politico (6/18, Choi, 4.29M) reports that the Fox survey "was conducted amid weeks of protests over race and police brutality, a period where Trump attempted to establish himself as a 'law and order' president and threatened federal force to quell demonstrators. Some 61 percent of respondents disapproved of Trump's handling of race relations, compared to only 32 percent approving. Last month, those figures were at 56 percent and 37 percent respectively."

Quinnipiac National Poll: Biden Leads Trump 49%-41%. The Hill (6/18, Greenwood, 2.98M) reports that a Quinnipiac University national poll of 1,332 "self-identified registered voters," taken June 11-15, shows Biden leading Trump 49%-41%, "a significant lead, sitting outside the survey's 2.7 percentage-point margin of error, albeit smaller than the 11-point lead Biden held in a similar Quinnipiac poll released last month."

Democracy Fund/UCLA Nationscape Project National Poll: Biden Leads Trump 50%-39%. USA Today (6/18, Wu, 10.31M) reports that a Democracy Fund/UCLA Nationscape Project national poll of 10,601 voters, taken May 28-June 20, shows Biden leading Trump 50%-39%. USA Today says, "The Democracy Fund + UCLA Nationscape Project is a large-scale study of the American electorate. Throughout the 2020 election cycle, the researchers aim to conduct 500,000 interviews about policies and the presidential candidates."

New Hampshire Poll: Biden Leads Trump 49%-42%. On its website, WMUR-TV Manchester, NH (6/18, DiStaso, 239K) reports that a Saint Anselm College Survey Center poll of 1,072 New Hampshire voters, taken June 13-16, shows Biden leading Trump 49%-42%. According to the poll, "58 percent of Granite Staters view...Trump unfavorably, while 42 percent view him favorably." However, "Biden is also 'under water' in the Granite State, with 52 percent viewing him unfavorably and 47 percent viewing him favorably."

Trump's Approval Rating At 39% In New AP Poll. Under the headline "AP-NORC Poll: Trump Adds To Divisions In An Unhappy Country," the AP (6/18, Pace, Swanson) reports that according to an AP-NORC Center for Public Affairs Research poll, "most Americans – including 63% of Republicans – say the country is heading in the wrong direction. And close to two-thirds – including 37% of Republicans – say Trump is making America more divided." The AP adds, "Just 24% say the country is headed in the right direction, down from 33% a month ago and 42% in March. ... Overall, 37% of Americans say they approve of Trump's handling of the coronavirus outbreak – a dip from 44% in March." The AP adds, "Trump's overall approval rating...sits at 39%," which is "down slightly from the 43% who approved of his job performance in February and March," but "well within the narrow range where his ratings have stayed throughout his time in office."

Reuters (6/18, Oliphant, Kahn, Mason) reports that Biden "now has a 13-point lead over Trump, the biggest recorded by the Reuters/Ipsos poll since Democrats began their state nominating contests earlier this year, powered by substantial gains among suburban residents, independents and high-income earners." Reuters adds, "Even traditionally Republican-leaning groups – men, white suburban women and those older than 55 – have recently flipped for Biden, the polling analysis shows. Trump led elderly voters until May."

Trump Says He Will Only Lose If Democrats Exploit Mail-In Voting.

In an exclusive, the Washington Times (6/18, Boyer, 492K) reports on a Thursday interview it conducted with President Trump, who was "asked how he assesses the race against [Joe] Biden compared with [Hillary] Clinton in 2016." Trump replied that Biden is "weaker, but the machine is stronger, because they're desperate.'" The Times adds, "Pointing to increased hiring and retail sales in May as states reopened from the coronavirus shutdowns," Trump "said the economy will be a 'better platform' for him to win in November." Trump "said his chief concern about the election is the push to allow more voting by mail." Said Trump, "Mail-in voting is the only way I'm going to lose, because they [Democrats] cheat and rob and steal. They don't send [ballots] to certain areas, mostly Republican areas. There's so much illegal voting."

Trump Campaign Wants Four Debates.

Politico (6/18, Isenstadt, 4.29M) reports that President Trump's campaign "has tapped former New York Mayor Rudy Giuliani to spearhead a campaign to press for more debates this fall, starting earlier than usual and to have a say in choosing the moderators. The changes sought by the Trump campaign amount to a major reversal. Trump last year threatened to boycott the debates; now he wants more one-on-one encounters with...Joe Biden, which advisers think will sow doubts about the former vice president's stamina for the job." Politico says that on Thursday, Giuliani "held a...conference call with Trump campaign manager Brad Parscale and Frank Fahrenkopf, co-chairman of the nonpartisan Commission on Presidential Debates." Giuliani and Parscale "pushed for the debates to begin before early voting starts," and "also requested a fourth debate."

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Under the headline "Getting Biden Out Of The Basement: Giuliani Tasked By Trump With Securing Extra Debates," the Washington Examiner (6/18, Doyle, 448K) reports that the Trump camp wants Giuliani "to lead an effort demanding extra presidential debates, believing Trump will gain from them by shining a spotlight on...Biden." The Examiner adds, "Trump officials began shifting course as the former vice president moved closer to clinching the Democratic Party nomination. White House counselor Kellyanne Conway pressed for extra presidential debates, calling in May for 'more of them than usual' because of Biden's time spent largely out of view."

Trump Campaign Ad: Biden "Received Endorsements By Osama Bin Laden."

The Washington Examiner (6/18, Leonardi, 448K) reports that the Trump campaign is out with an ad hammering Joe Biden. In the spot, a narrator says, "Joe Biden received endorsements by Osama bin Laden. After our brave warriors took him out, which Joe Biden was against doing, bin Laden planned to attack Obama to make Joe Biden president, thinking that would be enough of a US disaster in and of itself." The narrator adds, "Joe Biden: China's candidate, Iran's candidate, and Osama's candidate. We need a president who terrorists and tyrants fear." The Examiner says, "Secretive documents, which were first reported by the Washington Post in 2012, showed bin Laden wanted to kill former President Barack Obama and US Gen. David Petraeus so Biden would become the president."

Biden Airing Ads In Six States Trump Carried In 2016.

The New York Times (6/18, Goldmacher, 18.61M) reports that Joe Biden is "making his first television ad buy of the general election, a $15 million television, digital, radio and print advertising blitz starting Friday for five weeks across six fall battlegrounds – all states that President Trump carried in 2016. The ads, which will air in Michigan, Pennsylvania, Wisconsin, Florida, Arizona and North Carolina, as well as on national cable, are evidence of Mr. Biden's improved financial position after he raised $80.8 million in May, as well as a forceful early effort to lock in and expand the consistent lead he has established in national polls over Mr. Trump." The Times adds that Trump "has so far advertised in the same six states where Mr. Biden is going up with ads, along with Iowa and Ohio, two states that Mr. Trump won more comfortably in 2016 and that were not initially expected to be crucial 2020 swing states."

Reuters (6/18, Reid) reports that Biden's ads "will be positive in nature, using Biden's own words to portray 'a voice of clarity and moral authority that the country desperately needs,' the campaign said." On its website, CNN (6/18, Saenz, Dean, 83.16M) reports, "The first ad, titled 'Unite Us,' features Biden's...words from his Philadelphia speech where he promised, 'I won't traffic in fear and division. I won't fan the flames of hate. I'll seek to heal the racial wounds that have long plagued our country, not use them for political gain' as it shows images of Trump's photo op at St. John's Church after peaceful protestors were forcibly cleared from the area a few weeks ago. It also features images of Biden wearing a mask while meeting with voters. The second ad, 'My Commitment,' is a positive message that features Biden speaking about the importance of essential workers, the need to pay them adequately, and portraying the role of a president as a 'duty to care, to care for all of us, not just those who vote for us.'"

Under the headline "Joe Biden's Ad Launch Signals New Strength In His Campaign To Unseat President Trump," the Los Angeles Times (6/18, Finnegan, 4.64M) reports that Biden's launch of the ads "reflects his growing strength in both fundraising and polling at a time when most Americans disapprove of Trump's response to the coronavirus pandemic and nationwide Black Lives Matter protests. It also offers voters in six of the most competitive states in the November election a counterpoint to Trump ads that attempt to portray Biden, 77, as a feeble old man who has failed to confront China." Fox News (6/18, Steinhauser, 27.59M) and The Hill (6/18, Axelrod, 2.98M) also report on the story.

Klobuchar Withdraws From VP Consideration, Urges Biden "To Put A Woman Of Color On That Ticket."

The New York Times (6/18, Epstein, 18.61M) reports Sen. Amy Klobuchar (D-MN) "announced late Thursday that she was withdrawing from consideration" to be Joe Biden's running mate, and told MSNBC "that she called Mr. Biden Wednesday night and told him he should choose a woman of color to be his running mate." Klobuchar said, "After what I've seen in my state and what I've seen across the country, this is a historic moment and America must seize on this moment. I truly believe, as I told [Biden] last night, that I believe that this is a moment to put a woman of color on that ticket."

A new Monmouth poll finds 59 percent of Democratic primary voters believe a woman of color would increase the ticket's chances of victory.

Carson: "Identity Politics" Would Be Behind Biden Choosing Black Woman As Running Mate. Appearing Thursday on Fox News' Ingraham Angle (6/18, 2.91M), HUD Secretary Carson was asked about Biden possibly an African American woman, such as Rep. Val Demings (D-FL) as his running mate. Carson said, "It's completely the opposite of what Dr. Martin Luther King said, evaluate people based on their character and not the color of their skin. It's all about identity politics. That way you can manipulate each one of the groups separately and make you think that you are their savior."

Clarke Mailer Shows NY9 Primary Challenger's Face "Noticeably Darkened."

The New York Daily News (6/18, Shahrigian, 2.52M) the reelection campaign of Rep. Yvette Clarke (D-NY) "is sending out mail with the skin color of her progressive challenger Adem Bunkeddeko noticeably darkened – a move he described as 'racist' – ahead of next Tuesday's

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Democratic primary." Bunkeddeko said in a Thursday statement to the Daily News, "As Democrats, we are supposed to be the party of equality, truth and facts. But instead, Ms. Clarke puts out a racist mailer that clearly darkens my skin. This is despicable. She needs to apologize to me and every single one of her constituents. ... At a time when we're rising up to say Black Lives Matter and demanding overdue reforms, re-creating the type of campaign attacks that have been used for generations of fear-mongering is inexcusable."

The Washington Free Beacon (6/18, Anderson, 78K) reports Clarke "did not respond to a request for comment from the Free Beacon on the decision to use the photo without Bunkeddeko's permission," but "her campaign denied the racism accusation in a statement" that read, "To suggest that our campaign for a Black woman, run by Black women would deliberately darken a Black man's face is preposterous."

Democrat McClellan Announces 2021 Bid For Virginia Governor.

The AP (6/18, Suderman) reports that Democratic state Sen. Jennifer McClellan (D) on Thursday announced a 2021 bid to succeed term-limited Virginia Gov. Ralph Northam (D), "which if successful would make her the nation's first African-American woman to ever lead a state." The AP adds that several other Democrats are "either officially running or eyeing a possible" 2021 bid, including "former Gov. Terry McAuliffe, Lt. Gov. Justin Fairfax, Attorney General Mark Herring and Del. Jennifer Carroll Foy, who like McClellan is also a black woman. If she were to win the 2021 contest, McClellan would be Virginia's first woman governor, the first African American female governor in the United States and only the second woman ever elected to statewide office in Virginia."

Politico (6/18, King, 4.29M) reports that McClellan, "one of two African American women who have announced their candidacies in the 2021 election, is making a timely entry into the Democratic primary. As issues of race in America have been pushed to the front of mind for more voters, at least four black women have drawn mention as vice presidential prospects for presumptive Democratic presidential nominee Joe Biden. One of them, Stacey Abrams, narrowly lost her 2018 gubernatorial bid in Georgia. Black women – one of the Democratic party's most influential voting blocs – are also seeing their numbers grow in Congress and state legislatures."

The Hill (6/18, Birenbaum, 2.98M) reports that in a Thursday interview, McClellan "framed her campaign in a historical context, referencing the New Deal and racial unrest in 1968, saying she would aim to use government as a force for progressive change. She said she would address the economic effects of the pandemic through guaranteeing economic and health care safety nets and expanding clean energy jobs in the state." On its website, CNN (6/18, Duster, 83.16M) reports that Fairfax, an African American, "said during a dinner in December 2019 that he 'was going to be planning to run for governor in 2021,'" and "is expected to launch a bid but has not made an official announcement."

Jean Kennedy Smith Dies At 92.

ABC World News Tonight (6/18, story 9, 0:20, Muir, 7.39M) reported Jean Kennedy Smith, the last surviving sibling of President John F. Kennedy, has died at the age of 92. The CBS Evening News (6/18, story 10, 0:15, O'Donnell, 4.56M) reported, "In the 1990s, Smith became the American ambassador to Ireland, where she played a key role in brokering the Northern Ireland peace accords." On NBC Nightly News (6/18, story 10, 1:10, Holt, 6.63M), Andrea Mitchell reported Smith "received the Medal of Freedom from President Obama in 2011."

RCP Average Has Trump's Job Approval At 42.6%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 42.6%, and his disapproval at 54.8%. The President's approval is down 0.2 since yesterday, but his disapproval is down 0.1.

The latest Quinnipiac (6/18, University) poll of 1,332 "registered voters" (6/11-6/15) finds Trump's approval at 42%, and his disapproval at 55%.

A Rasmussen poll of 1,500 "likely voters" (6/15-6/17) finds Trump's approval at 47%, and his disapproval at 51%.

Financial International News

IMF Says US Recovery Likely To Be Slower Due To Continued Lockdowns.

Reuters (6/18, Shalal) reports the IMF said Thursday that the US likely experienced a deeper-than-expected GDP contraction in the second quarter following its COVID-19 lockdown that lasted longer than expected. IMF spokesman Gerry Rice said in a briefing that details will be available in the IMF's updated World Economic Outlook to be released June 24, adding that the US economic recovery may be slower given the continued lockdowns. Rice also "said the Chinese economy was gaining momentum, with high frequency data showing a stronger-than-expected recovery in investment and services through May. Overall, the balance of risks remained on the downside, he said."

ECB Gives Out €1.31T To Cushion COVID-19 Economic Impact.

The AP (6/18, McHugh) reports the ECB "has handed out 1.31 trillion euros ($1.46 trillion) in long-term, ultra-cheap credit to hundreds of banks as part of its emergency support aimed at cushioning the impact of the coronavirus pandemic on businesses and workers." The loans "are aimed at making sure banks can keep lending to companies so they don't run out of money and go out of business during the crisis. That would cause a cascading loss of jobs and income and hurt the long-term recovery from the severe interruptions to business due to the measures aimed at limiting the spread of the virus." The ECB "said Thursday that 742 banks across the 19 countries that use the euro currency took up the credit offer, which can carry a negative interest rate of as low as minus 1.0% so long as banks keep up their lending to

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businesses. That means banks are getting paid by the ECB to borrow the money, an offer that many found hard to refuse." The ECB "cut the rate on the offer from minus 0.5% at its April 30 meeting as the virus lockdowns slammed the European economy."

Bank Of England Boosts Bond-buying By £100bn But Slows The Pace.

The Financial Times (6/18, Giles, Subscription Publication, 1.34M) reports, "The Bank of England voted to pump an additional £100bn into the UK economy on Thursday but, with financial markets more stable than in March..."

The Independent (UK) (6/18, 1.36M), The Guardian (UK) (6/18, Inman, 4.19M), Bloomberg (6/18, Bn, 4.73M), Barron's (6/18, Briançon, 1.07M), and MarketWatch (6/18, Goldstein, 1.67M) also report.

Leading International News

Swedish Health Officials Investigating Treatment Of Elderly Patients In Nursing Homes.

The Wall Street Journal (6/18, Pancevski, Subscription Publication, 7.57M) reports the coronavirus has taken a high toll on the elderly population in Sweden, particularly in long-term care facilities, raising questions whether official triage guidelines may have precluded elderly patients from receiving vital care and resulting in unnecessary deaths. In response to the public outcry, Swedish healthcare authorities have launched a probe into the treatment of older patients in nursing homes and hospitals in Stockholm.

NYTimes: US Immigration Policies Exacerbating Spread Of Coronavirus Abroad.

In an editorial, the New York Times (6/18, 18.61M) questions the US policy for holding asylum seekers and immigrants in facilities where the coronavirus "easily spreads only to later send them to other nations," calling it "a public health hazard – here and abroad." The Times finds it unconscionable that the US is "continuing to deport thousands of immigrants, many infected with the coronavirus, to poor countries ill equipped to cope with the disease." The editorial urges "Congress, the courts and nongovernmental organizations to continue seeking an end to the administration's dangerous deportation drive, and to expose its immigration policies for the assault on American values that they represent."

US Resists Getting Dragged Into Libya's Conflict As Proxy War Between Turkey And Russia Escalates.

The Washington Times (6/18, Taylor, Glenn, 492K) reports, "Libya's slow-burning civil war is boiling over once again as an expanding proxy war between Turkey and Russia, each of which is seeking greater influence in the oil-rich North African nation and across the region in the absence of a clear U.S. policy or role in the conflict." While Turkey has sought to draw the Administration "into an alliance in Libya and the Pentagon has escalated its warnings about Russian mercenary activity there, the White House has spent the past three years trying to avoid getting sucked into the power vacuum left by the overthrow of strongman Moammar Gadhafi nearly a decade ago."

McKenzie: New Iran Rocket Attacks Won't Force US Hand In Iraq Troop Drawdown.

The Military Times (6/18, South, 772K) reports that a "recent, steady flow of rocket attacks in the past week on facilities housing U.S. troops in Iraq...may be attempts of Iranian-backed groups to pressure an American exit. But the region's top military commander sees little effect." CENTCOM Commander Gen. Kenneth McKenzie said in an interview with Washington Post columnist David Ignatius, "We're not going to quit the region in response to Iranian pressure." Iran, he added, "needs to understand that the United States controls the final steps in an escalatory ladder."

Iranian FM: "Agreeable Solution" Possible For IAEA Inspection Request.

Reuters (6/18, Dehghanpisheh) reports Iranian Foreign Minister Mohammad Javad Zarif tweeted Thursday that "an agreeable solution is possible" for the IAEA's request this week for access to two nuclear sites in the country.

Trump Signs Bill That Could Sanction Chinese Officials Over Detention Camps.

The Washington Post (6/18, Shih, 14.2M) reports that on Wednesday, President Trump "signed a measure...to potentially sanction Chinese officials for their role in interning ethnic Uighurs amid new claims by...John Bolton that Trump told President Xi Jinping he approved of China's construction of large-scale camps to forcibly reeducate Muslim minorities." The Post says the bill that passed the Senate and House unanimously "drew a furious response from Beijing on Thursday during a delicate moment" when Secretary of State Pompeo was meeting in Hawaii with Chinese counterpart Yang Jiechi. According to the Post, Trump signed the bill on Wednesday "without a ceremony...as reports of Bolton's account emerged," and "later told the Wall Street Journal (6/18, Bender, Subscription Publication, 7.57M) that his signing the legislation proved he was in fact tough on China and that Bolton was a 'liar.'" The Post says the Chinese Foreign Ministry "immediately responded to express 'strong indignation' that the law interfered with China's domestic affairs."

The New York Times (6/18, Myers, 18.61M) says, "Bolton's account underscored the jarring contradictions of Mr. Trump's policies toward China, which have confused and angered the Chinese leadership." According to the Times, Bolton portrays a president pleading with Mr. Xi for political help, particularly through a truce in the trade war that would increase Chinese purchases of American products." The Times

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adds, "Now, however, the Trump administration's fury with China is a pillar of his re-election strategy – and that of many Republican lawmakers." The Times goes on to report that Chinese officials "portrayed the meeting between Mr. Yang and Mr. Pompeo – which was hastily arranged and conducted in unusual secrecy – as a constructive dialogue, signaling that perhaps the two countries would step back from a confrontation that has plunged relations to the lowest level in decades."

On Twitter, Trump Says "Complete Decoupling" From China Remains An Option. President Trump on Thursday posted on Twitter, "It was not Ambassador Lighthizer's fault (yesterday in Committee) in that perhaps I didn't make myself clear, but the U.S. certainly does maintain a policy option, under various conditions, of a complete decoupling from China. Thank you!"

Top US, China Diplomats Meet In Hawaii Amid Rising Tensions. Reuters (6/18, Pamuk, Brunnstrom, Munroe) reports Pompeo met Yang in Hawaii "in high-level face-to-face talks that have become rare amid tensions between the two strategic rivals." According to Reuters, "Yang told Pompeo that Washington needs to respect Beijing's positions on key issues, halt its interference on matters such as Hong Kong, Taiwan and Xinjiang, and work to repair relations, China's foreign ministry said in a statement." Pompeo stressed "the need for fully-reciprocal dealings between the two nations," State Department spokeswoman Morgan Ortagus said in a statement.

Rogin: China Must Change Behavior If It Wants To Improve Relationship With US. In his column for the Washington Post (6/18, 14.2M), Josh Rogin writes that despite claims by Chinese leaders that "they want better relations with the United States," there is "little concrete evidence that they are willing to change their bad behavior one iota – or even cooperate honestly on the global pandemic their actions helped spawn." Rogin asserts that "the only way to have better U.S.-China relations is for Beijing to be a better partner and a better global citizen. Absent that, tensions will continue to rise."

Tensions Remain High Between India And China Amid Attempts To Deescalate Situation.

The AP (6/18, Sharma, Schmall) reports, "India said Thursday it was using diplomatic channels with China to de-escalate a military standoff in a remote Himalayan border region where 20 Indian soldiers were killed this week." In response "to China's claim to the disputed Galwan Valley, India's External Affairs Ministry spokesman Anurag Srivastava said both sides agreed to handle the situation responsibly." Foreign Ministry spokesperson Zhao Lijian, "citing Chinese Foreign Minister Wang Yi in a call with his Indian counterpart, said that 'mutual respect and support serves our long-term interests.'"

The New York Times (6/18, Gettleman, 18.61M) reports that "a wave of anti-Chinese anger is cresting across India as the nation struggles to absorb the loss of 20 Indian soldiers beaten to death this week by Chinese troops in a high-altitude brawl along India's disputed border with China." According to the Times, "Indian and Chinese generals continued to meet on Thursday to discuss de-escalation at the border high up in the Himalayas where the brawl erupted, officials said. But military analysts and satellite imagery indicated that Chinese troops had yet to pull back." The Times reports that "by some accounts, in recent weeks they have taken about 23 square miles of territory claimed by India and show no signs of leaving." The Times adds that "western intelligence officials said that India would not accept this and that the chances of more fighting remained high."

Democrats Introduce Bill To Block Trump From Withdrawing Troops From Germany.

Reuters (6/18, Zengerle) reports Democrats introduced legislation on Thursday to stop President Trump from removing "9,500 troops from close ally Germany by prohibiting funding for a withdrawal of U.S. forces from Europe without congressional approval." Sen. Bob Menendez (D-NJ) and House Foreign Affairs Chairman Eliot Engel "introduced the bill, reflecting concern in Congress from Democrats as well as Trump's fellow Republicans about the plan to cut troops." The legislation would "prohibit the use of funds to withdraw or reduce the presence of U.S. armed forces in Europe unless the host government requests it, or the president declares the intent 180 days in advance, justifies the decision, Congress approves it and the secretaries of State and Defense testify about it."

Surge Of Piracy In Gulf Of Mexico Prompts US Warning.

The New York Times (6/18, Semple, 18.61M) reports that a "surge of piracy in the southern Gulf of Mexico...prompted an American government security alert on Wednesday." According to the Times, "the attacks – mainly on vessels and offshore platforms associated with the Mexican oil industry – have added another hefty burden to Mexico's overstretched security forces and threatened to chill foreign investment in Mexico's oil sector." On Wednesday, the US government "issued a special security alert about the danger of pirates in Mexican waters of the Gulf, particularly in a vast bight called the Bay of Campeche, where offshore oil wells are concentrated."

Australia's Morrison Says Foreign State Ramping Up Cyberattacks.

The AP (6/18, McGuirk) reports, "Australia is under increasing cyberattack from a 'sophisticated state-based cyber actor,' the Australian prime minister said Friday." Prime Minister Scott Morrison "would not name the state, and he said he made the growing threat public to raise awareness." Morrison declined to "comment on the inevitable speculation that the cyberattacks were part of Australia's increasingly hostile rift with China."

Housing

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Freddie Mac Reports Mortgage Rates Fall To New All-Time Lows; 30-Year FRM Dips From

3.21% To 3.13%.

The Washington Post (6/18, Orton, 14.2M) reports that the "latest data released Thursday by Freddie Mac" indicates the 30-year FRM average fell from 3.21% a week ago to a "record-low 3.13 percent" this week, surpassing the "previous low of 3.15 percent set at the end of last month." According to the Post, "This is the fourth time the 30-year fixed rate has fallen to a new low in the past couple of months." Meanwhile, the 15-year FRM average fell from 2.62% a week ago to 2.58% this week, and the 5/1 ARM average fell from 3.10% a week ago to 3.09% this week. Bankrate.com "found nearly two-thirds of the experts it surveyed expect rates to stay about the same in the coming week." According to Bloomberg (6/18, 4.73M), "Rates are sliding toward a theoretical floor for lenders who have to cover their fixed costs. They've tumbled as the Federal Reserve holds its benchmark rate near zero and buys mortgage bonds as part of its plan to stimulate the economy."

The AP (6/18) reports in a piece carried by NBC News (6/18, 6.14M) that Freddie Mac Chief Economist Sam Khater said he sees signs of slow recovery in the economy following the havoc induced by the pandemic. MarketWatch (6/18, Passy, 1.67M) reports Khater stated, "Mortgage rates have hit another record low due to declining inflationary pressures, putting many home buyers in the buying mood." HousingWire (6/18, Howley, 23K) reports Khater explained, "While the rebound in the economy is uneven, one segment that is exhibiting strength is the housing market. Purchase demand activity is up over twenty percent from a year ago, the highest since January 2009." However, National Mortgage News (6/18) reports Khater added, "it will be difficult to sustain the momentum in demand as unsold inventory was at near record lows coming into the pandemic and it has only dropped since then."

Providing additional coverage are Business Insider (6/18, 3.67M), M Report (6/18, Albanese), National Mortgage Professional (6/18), RISMedia (6/18, 2K), the Houston (TX) Chronicle (6/18, 730K), the Orange County (CA) Register (6/18, 546K), MoneyWise (CAN) (6/18, Whiteman, 182K), Florida Realtors (6/18, 18K), Seeking Alpha (6/18, Kiesche, 512K), and the Washington (DC) Post's (6/18, Press, 14.2M) Business Highlights.

Moody's Report: Agency Multifamily MBS Performing Better Than Non-Agency Multifamily CMBS.

In a piece accessible to subscribers, GlobeSt. (6/18) says that a "new report from Moody's Analytics and loan special servicer CWCapital examines the crisis' impact on commercial mortgage-backed security loans by property type, finding that fully 96% of the loans transferred to special servicing from March 1 through the third week in May were for hotel and retail properties." Multifamily loans are "likely to be less hard-hit, because of the necessity of housing and because rent growth and vacancy levels for rental housing were strong before the Covid-19 crisis hit, the report said." The report also "found that agency multifamily MBS loans, issued by the quasi-governmental agencies Government National Mortgage Association (Ginnie Mae), Federal National Mortgage Association (Fannie Mae), and Federal Home Loan Mortgage Corporation (Freddie Mac), were performing far better than non-agency multifamily CMBS loans."

HUD Secretary Delivers Report To President On Opportunity Zones.

M Report (6/18, Welborn) says HUD Secretary Carson "delivered a report this month" to President Trump "outlining Opportunity Zone best practices and examples of revitalization occurring across the nation." The report "identifies legislation and executive actions that States have taken to aid the Federal Opportunity Zones mission," and discusses efforts of state agencies to "become involved in the Opportunity Zones space." In addition, the report "outlines ways that State-specific actions regarding Opportunity Zones have created certainty and stability for investors."

Ellie Mae: Average FICO Score For Closed Mortgages Rose To 750 In May.

Mortgage Orb (6/18) reports, "The average FICO score on all closed mortgages increased to 750 in May, up from 749 in April to reach the highest level in more than two years, according to Ellie Mae's Origination Insight Report." Ellie Mae reported that the refi share held at 65%, and the ARM share fell from 3.9% to 3.8%. The 30-year FRM average for conventional loans averaged 3.44% in May, down from 3.48% in April. Ellie Mae CEO Jonathan Corr said, "Interest rates continued to decline in May, but we are seeing signs of refinances leveling out as the percentage of closed refinances held at 65 percent for the second month. As we enter the summer months that typically bring a busier purchase market, we will watch to see if the numbers shift further as homebuyers continue to take advantage of low rates and a loosening of inventory after a tight March and April driven by the shelter in place."

NAR/72Point Survey Shows Nearly Half Of Homeowners Considered Selling Home Due To Pandemic.

HousingWire (6/18, 23K) reports that "52% of people said they are routinely concerned about making their mortgage payments and 47% said they have considered selling their home because they are unable to afford their mortgage payments," according to a "new poll from 72Point and the national Association of Realtors." Thirty-five percent of respondents also said that they have skipped or missed a mortgage payment since the beginning of the pandemic. According to HousingWire, "Out of those who said they were financially insecure, 35% said they were worried about losing their homes. Unexpected financial distress as a result of the pandemic was expected to [illegible] homeowners."

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Equifax: HELOC Lending Running Well Below Year-Ago Levels.

The Wall Street Journal (6/18, McCaffrey, Subscription Publication, 7.57M) reports that although many Americans are now unemployed or short on cash thanks to the pandemic, borrowers generally are not taking out home equity lines of credit. Equifax data shows that new HELOCs fell 19% from March through May, when compared to the same period last year. This could be attributed in part to the tightening of credit standards at many lenders, and the complete pause on HELOC lending at JPMorgan Chase and Wells Fargo.

WSFS Mortgage Highlights Anxieties Of Aspiring Homebuyers.

National Mortgage Professional (6/18) reports that a "regional study conducted by WSFS Mortgage revealed that homebuyers in Delaware and greater Philadelphia are feeling stressed out when it comes to purchasing a home. The study examined Gen Xers, millennials and those in Generation Z, who plan to purchase a home within two years." According to the report, 83% of respondents "believe they know what to do to get a mortgage, with young millennials (85%) exhibiting the most confidence. However, one third (34%) of those who don't own a home today are extremely anxious, with another 52% somewhat anxious about the homebuying process."

ENotaryLog RON Now Certified By MISMO.

Mortgage Professional America (6/18, Mendoza) reports that eNotaryLog has "announced that its remote online notary (RON) platform" is now certified by the Mortgage Industry Standards Maintenance Organization (MISMO). eNotaryLog Chief Technology Bisaillon said, "The MISMO RON Certification is the first industry compliance standard for remote online service providers. We fully support a transparent certification for remote online service providers to make it easier for partners and vendors to measure compliance."

Remax: May Home Sales Nosedive YoY, But Buying Season Likely Just "Deferred For Several Weeks."

National Mortgage News (6/18) reports that May sales "plummeted from the year-over-year average, with the coronavirus effect socking the housing market for the second straight month, according to Remax." Although May is usually a "top month for home purchases," NMN says, "Closed transactions dove 33.7% year-over-year and 3.9% from April 2020. Annual sales dropped by double digits in all 53 of the top housing markets analyzed." Remax CEO Adam Contos said, "We believe the spring selling season was largely deferred for several weeks. And, with home being the center of people's lives this year, we could see the effect of pent-up demand play out in a significant way. Absent another major coronavirus wave, inventory levels and the unemployment rate may well be the governors on how strong the housing market performs this year."

Markets

10-Year Yield Ticks Down.

MarketWatch (6/19, 1.67M) reports the 10-year Treasury yield fell to 0.719 percent.

Dollar Slightly Lower.

Reuters (6/19, Howcroft) reports, "The dollar slipped overnight but recovered in early London trading and was still heading for its best week in a month. Against a basket of currencies it was at 97.415, down less than 0.1% on the day."

Gold Rises.

Reuters (UK) (6/19, Patel) reports, "Gold prices rose on Friday as concerns about a second wave of coronavirus infections dented hopes for a swift global economic recovery." Spot gold "was up 0.5% at $1,731.49 per ounce by 0750 GMT." while US gold futures "rose 0.5%, to $1,740.10."

Oil Rises.

Reuters (6/19, Howcroft) reports, "Oil prices rose around 1%, adding to gains in the previous session, after OPEC producers and their allies promised to meet commitments on cutting supply and two major oil traders said demand was recovering well." Brent crude futures "were up 1.8% at $42.27 a barrel," while West Texas Intermediate crude futures "rose 2.1% to $39.64 a barrel."

Cybersecurity

FBI Warns Of COVID-19 Phishing Scams.

The El Paso (TX) Times (6/18, Martinez, 123K) reports, "The COVID-19 pandemic has forced millions of Americans to work from home and scammers are trying to take advantage of the pandemic and the increased use of technology." According to the Times, "FBI El Paso Complex Financial Crimes Squad special agent Chris Goldschmidt said that across the nation the agency has seen a rise in internet and email related scams due to the large number of companies having in employees work from home. 'During the last few months with the COVID-19 pandemic, we are starting to see what I would describe as traditional frauds and swindles but capitalizing on the pandemic due to the

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unprecedented amount of people we are seeing teleworking and working from home,' Goldschmidt said. 'Scammers will exploit people's fear and develop platforms they think will be more successful in their scams. They take successful platforms that are already existing, and they tweak them a little bit to fit the current crisis.' The FBI's Internet Crime Complaint Center, also known as IC3, has received 750 reports of phishing scams in the state of Texas with a reported loss of $130 million between January to June 15, Goldschmidt said."

Michigan Man Charged In 2014 UPMC Server Hack.

The Johnstown (PA) Tribune-Democrat (6/18, Pesto, 2K) reports, "A Michigan man has been accused by federal authorities of hacking into UPMC's human resources databases, stealing employees' personal information and selling it online, United States Attorney Scott W. Brady announced Thursday." Justin Sean Johnson, 29, "was arrested on Tuesday morning in Detroit on charges of conspiracy, wire fraud and aggravated identity theft, according to Brady's office. The 43-count indictment naming him was returned by a federal grand jury in Pittsburgh on May 20 and unsealed on Thursday. 'Justin Johnson stands accused of stealing the names, Social Security numbers, addresses and salary information of every employee of Pennsylvania's largest health care system,' Brady said. 'After his hack, Johnson then sold UPMC employees' (personally identifiable information) to buyers around the world on dark web marketplaces, who in turn engaged in (a) massive campaign of further scams and theft. His theft left over 65,000 victims vulnerable to years of potential financial fraud.'"

Senior Tech Industry Officials Testify On Election Security.

Politico (6/18, Levine, 4.29M) reports in the Morning Tech column that top tech industry leaders "are signing online today to testify at a virtual House Intel hearing on social media's role in foreign influence operations and election security." The panel is expected "to question the officials on their firms' post-2016 progress fighting election interference; how tech companies are sharing information with each other and the government to detect and prevent foreign meddling; and the state of state-backed disinformation across their platforms." Beyond this election focus, lawmakers also plan to "examine misinformation tied to the pandemic and the protests prompted by the recent killing of George Floyd by Minneapolis police."

USA Today (6/18, Jansen, 10.31M) reports tech companies such as Facebook and Twitter "told a House panel Thursday that they have removed dozens of networks of participants spreading misinformation about elections and coronavirus, but Democratic lawmakers worried about continued interference in the 2020 election." Nick Pickles, director of global public policy strategy and development at Twitter, told the House Intelligence Committee, "The threat of interference is real and evolving." The committee held a "virtual hearing with officials from Facebook, Twitter and Google." But Republicans, who have "complained about Democrats holding remote hearings by teleconference, refused to participate." Rep. Adam Schiff (D-CA), the chairman of the House Intelligence Committee, said, "A tweet or Instagram photo or a YouTube video can be viewed by millions of Americans in the span of hours. A policy that only identifies and acts upon misinformation, whether from a foreign or domestic source, after millions of people have seen it is only a partial response at best."

Commissioners Call For Changes To Federal Hiring Practices To Fill Critical Cyber, AI Positions.

The Wall Street Journal (6/18, Rundle, Subscription Publication, 7.57M) reports legislators called for changes in federal hiring practices in order to fill thousands of jobs in cybersecurity and artificial intelligence left vacant due to stiff competition from private industry. Officials from the Cyberspace Solarium Commission, the National Security Commission on Artificial Intelligence and the National Commission on Military, National, and Public Service said the long delays in garnering security clearances and government assistance in education are key barriers that need to be addressed.

New Report Finds Google Chrome Users May Have Been Impacted By A Massive Spying Campaign.

CNN (6/18, Iyengar, Business, 83.16M) reports a new study concludes Google Chrome extensions "downloaded more than 32 million times were used to spy on the popular browser's users in a massive global surveillance campaign." Cybersecurity firm Awake Security "found at least 111 'malicious or fake' Chrome extensions capable of taking screenshots, stealing login credentials and capturing passwords as users typed them." The report "said that the campaign impacted a wide range of sectors including financial services, healthcare and government organizations." The new report "highlights the potential for fraudulent extensions to do harm and compromise a wide variety of systems." Researchers at Awake said, "The actors behind these activities have established a persistent foothold in almost every network."

NBC News (6/18, 6.14M) reports Google "said it removed more than 70 of the malicious add-ons from its official Chrome Web Store after being alerted by the researchers last month." Google spokesman Scott Westover told Reuters, "When we are alerted of extensions in the Web Store that violate our policies, we take action and use those incidents as training material to improve our automated and manual analyses." Based on the number of downloads, it "was the most far-reaching malicious Chrome store campaign to date," according to Awake co-founder and chief scientist Gary Golomb.

Tips Offered For Protecting How Consumers Shop Online.

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CNN (6/18, Iyengar, 83.16M) reports, "Retail stores may be slowly reopening across the US, but many consumers continue to shop online for

everything from groceries to bicycles." The piece says that it is "likely that your personal and credit card information has been stored in more places over the past few months," and "now is as good of a time as any to make sure you're...protecting how you shop online." CNN offers several precautions to consider, such as keeping track of card information and being vigilant about web browsing.

Delaware Quietly Removes Deployed Online Voting System.

NPR (6/18, Parks, 3.12M) reports Delaware briefly "deployed a controversial Internet voting system this summer but scrapped it amid concerns about security and public confidence." Before the online option was closed, voters "returned more than 2,700 ballots electronically – and those votes still will be counted," according to the state. Delaware Election Commissioner Anthony Albence "said the decision to stop using the cloud-based return option was made to protect public perception of the election." Albence said, "We have had no problems with the system. We have confidence in the system, but we want everyone to be fully confident in anything that we do." The system, "which was offered by the Seattle-based voting technology company Democracy Live, allows voters to mark their ballots through a web portal and then upload them to a cloud accessed by election administrators, who print them out and count them."

Hackers Targeting Smaller Firms Tied To Larger Institutions, Creating Major Disruptions.

The Wall Street Journal (6/18, Strasburg, Subscription Publication, 7.57M) reports smaller businesses are confronting an increase in cyberattacks that are largely not publicly discussed, creating a risk for major companies and institutions that rely on their services. Analysts are identifying activities by cybercriminals that are attacking lesser-known targets but that are closely tied to larger, influential companies.

Op-Ed: Cybersecurity Rules And Passwords Need To Be More User Friendly.

In an op-ed in the Wall Street Journal (6/18, Subscription Publication, 7.57M), technology researcher Alexandra Samuel discusses the challenge of generating and retaining passwords, especially given the need for more complex passwords demanded by systems. However, she contends that relying on password manager software can be problematic at times. She argues that two-factor authentication is better, it is also cumbersome to use. She asserts that the industry needs to develop a painless verification for use with some apps that confirm a user's identity immediately.

Huawei Hires Lobbyists To Expand Artificial Intelligence Research In Canada.

The Globe and Mail (CAN) (6/18, 1.04M) reports Huawei "has hired lobbyists in Ottawa to discuss artificial intelligence research in Canada and how the government supports foreign investment – a sign the company is seeking to further benefit from Canadian expertise in a branch of computing science vital to technology companies and to China itself." According to the federal lobbyists' registry, earlier this year, Huawei "tasked Joe Jordan, a former parliamentary secretary to prime minister Jean Chrétien, with lobbying the federal government about 'the location of an artificial-intelligence research centre in Canada.'" Mr. Jordan "works for Bluesky Strategy Group, an Ottawa-based lobbying firm." He and Bluesky co-founder Tim Barber give "a Huawei artificial-intelligence research centre as an objective in their listings with the federal Registry of Lobbyists."

Cyber Command's ISIS Operations Offer Lessons Learned For Future Information Warfare.

C4ISR & Networks (6/18, Pomerleau) reports DOD's information warfare leaders "want to know what they can learn from US Cyber Command's online offensive against the ISIS." Defense officials have been "applying lessons learned in combat to the hotly contested information space." To date, this process has "involved a variety of reorganization efforts across the services, but the approach is changing." One starting point includes "Joint Task Force-Ares – US Cyber Command's online offensive against the Islamic State group – and its Operation Glowing Symphony, the command's largest and most complex operation." The task force's former director of plans and strategy, Col. Brian Russell, "is now leading II Marine Expeditionary Force Information Group, or MIG, one of the Marine Corps' new information warfare units." Russell "told C4ISRNET that the Navy and Marine Corps can perform successful information operations by understanding how Joint Task Force-Ares organized and conducted cyber operations."

Financial Reform

Regulators To Vote On Volcker Rule Trading Limits And Swaps Margin Demands.

Bloomberg Law (6/18, Hamilton, Subscription Publication, 4K) reports, "Two of the major rules for Wall Street banks are poised for approval next week as the Federal Deposit Insurance Corp. sets June 25 votes on changes to Volcker Rule trading limits and swaps margin demands." The changes would "ease constraints on banks' interactions with investment funds," and "remove requirement for posting margin between a bank's affiliates." The OCC and Fed "must also approve the swaps margin change."

TFI/Sanctions

US Imposes Sanctions On Mexican Firms, Individuals Tied To Venezuelan Oil Trade.

Reuters (6/18, Psaledakis, Parraga) reports the US on Thursday "blacklisted Mexico's Libre Abordo and related companies, accusing them of helping Caracas evade US sanctions in the first formal action by the Treasury Department against Mexican firms involved in trading

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Venezuelan oil." Treasury "said in a statement it imposed sanctions on three individuals, eight entities and two vessels for activities related to a network attempting to skirt US sanctions on Venezuela aimed at ousting President Nicolas Maduro." Among those blacklisted "were Mexico-based Libre Abordo and related Schlager Business Group, as well as their co-owners, Olga Maria Zepeda and Veronica Esparza." The Treasury also" targeted Mexican Joaquin Leal Jimenez, accusing him of having worked with Alex Saab, recently arrested in Cape Verde, Libre Abordo and Schlager for brokering the resale of millions of barrels of Venezuelan crude." The Associated Press (6/18, Smith), Bloomberg (6/18, Kassai, 4.73M), and The Wall Street Journal (6/18, Talley, Subscription Publication, 7.57M) also report.

OFAC Exempts Medicines, PPE, Other Items From Sanctions On Iranian Manufacturing Due To Covid-19.

Reuters (6/18, Abdelhady) reports the COVID-19 pandemic has triggered "concerns that US sanctions impede Iran's access to medicine, medical supplies, and other essentials needed to respond to the novel coronavirus." The Treasury Department's Office of Foreign Assets Control (OFAC) on March 6 "published Guidance Related to Humanitarian Assistance with Regard to the Coronavirus Disease 2019 outbreak in Iran (COVID-19) (OFAC FAQ No. 828)." The guidance "explained that existing US sanctions allowed for certain sales, exports, and humanitarian donations of medicines, medical supplies, and food to Iran." OFAC indicated "for the first time that persons in Iran manufacturing certain essential products would be exempted from sanctions promulgated by Executive Order 13902 of January 10, 2020." OFAC then published "four new FAQs on June 5, expanding on the April fact sheet."

Iran Rejects US Sanctions On Syria, Vows To Boost Trade With Damascus.

Reuters (6/18) reports Iran on Thursday "condemned as inhumane a fresh round of U.S. sanctions against its regional ally Syria and said it would expand its trade ties with Damascus." Foreign Ministry spokesman Abbas Mousavi told state media, "As the world is involved with the Corona pandemic, the imposition of such inhumane sanctions will only exacerbate the suffering of the Syrian people."

Federal Reserve

Congressional Watchdog Says Fed Should Shift Focus Away From Bond Buying.

Bloomberg (6/18, Mohsin, 4.73M) reports the Congressional Oversight Commission said it's an "open question" whether the Fed should continue using public funds to purchase corporate bonds, and urged the central bank to do more for small businesses, states, and cities. This came following a report on Thursday showing that several of the lending facilities aimed to help smaller businesses aren't fully in operation. The report said, "In some areas of the economy, such as the ability of larger companies to issue debt to continue operations, the agencies' actions have had a clear and powerful impact." The report added, "There is less evidence that the actions of the Treasury and the Federal Reserve have been as beneficial for small and mid-sized businesses and state and local governments." The Economist (6/19, 2.36M) advocates a similar changing of the Fed's priorities.

Mester Predicts "Another Year Or Two" Before US Economy Returns To Pre-COVID Levels.

Reuters (6/18, Marte) reports Cleveland Fed President Loretta Mester said Thursday that the US economy may need a year or two before it returns to pre-pandemic levels. Mester "said she expects the economy to decline by 6% in 2020 and for the unemployment rate to remain elevated at around 9% at the end of this year," saying in a virtual chat, "We're going to see the economy recovering, but to get back to pre-pandemic levels, it's going to take another year or two." The Wall Street Journal (6/18, Derby, Subscription Publication, 7.57M) also reports.

Kaplan: Systemic Racism "All Of Our Problems."

Reuters (6/18, Burns) reports Dallas Fed President Robert Kaplan on Friday "said systemic racism in the United States is everyone's problem and addressing it effectively would improve the country's economic performance." Kaplan, in an interview on Marketplace, said, "Yes, it's all of our problems. ... And the challenge is there are a number of things that we're going to need to do to address it. I've spent a lot of time here at the Dallas Fed talking about, in particular, improving early childhood literacy, expanding pre-K, improving educational attainment, as well as beefed-up skills training. Those would be some examples of real changes that we're making progress on, but we can do much better. I think that would help close this gap and would give us better GDP growth as a country."

Bullard Says US Economy "Definitely" Not Yet "Out Of The Woods."

Reuters (6/18, Marte) reports St. Louis Fed President James Bullard "said on Thursday that he is hopeful the worst of the economic crisis caused by the coronavirus pandemic may have passed in April, but the U.S. economy is not yet in the clear." Bullard, during a virtual conference, said, "I definitely don't think we're out of the woods. ... We're still at a high, high risk level here. Any crisis, I think you have to keep in mind that many things can happen – many twists and turns can occur." Bullard "said he expects the U.S. economy to rebound more quickly than it did during the 2007 to 2009 financial crisis, but that the pace of the recovery will depend on the coronavirus." Bullard added, "If you get massive business failures, you'll face depression risk or financial crisis risk or both. And we want to stay out of those situations."

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Kashkari: US Economic Recovery Will Not Be Smooth Or Strong.

Reuters (6/18, Saphir) reports Minneapolis Fed President Neel Kashkari said Thursday that America's economic recovery will not be smooth or strong, given the likely resurgence of COVID-19 cases. Kashkari said, "My base-case scenario is that we are going to continue to see peaks, second waves, et cetera, unfortunately, for the rest of the year, until we get to some form of effective therapy or some form of vaccine or very, very widespread testing, and we are not there yet." Kashkari added, "That means our economic recovery is likely to be bumpy and it's going to be more muted."

Financial Regulatory Agencies

Trump Announces Nominee For Democratic Seat On SEC.

The Hill (6/18, Lane, 2.98M) reports on Thursday, President Trump "announced his intention to nominate Securities and Exchange Commission (SEC) senior counsel Caroline Crenshaw to fill an open Democratic seat" on the commission, to replace former commissioner Robert Jackson Jr. Crenshaw had previously "served as counsel to Jackson and former Democratic commissioner Kara Stein."

Consumer Complaints To CFPB Rose 31% Over Last Year In First Five Months.

Axios (6/18, Rabouin, 521K) reports, "Consumer complaints to the Consumer Financial Protection Bureau rose 31% in the first five months of 2020," over the year before to 142,782. Axios says that the findings indicate that "the lower-than-expected number of Americans taking advantage of mortgage forbearance and other financial hardship programs may be due to a lack of knowledge rather than a lack of interest."

Internal Revenue Service

IRS Will Review Hundreds Of Returns From High-Wealth Filers.

Behind a paywall, Law360 (6/18, Olivo, Subscription Publication, 8K) reports the IRS "will soon begin examining several hundred returns from global high-wealth individuals to learn how their related businesses are applying the 2017 tax overhaul," according to one official.

Office of the Comptroller of the Currency

OCC's Brooks Responds To Community Activists' Concerns About CRA.

Marketplace (6/18, Marshall-Genzer, 32K) reports that under the Community Reinvestment Act, in 1977, "the three agencies that regulate banks — the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corp. and the Federal Reserve — started requiring banks to make loans anywhere they took in deposits." But now, adds Marketplace, "community activists are worried about changes to the Community Reinvestment Act," because, "they say the Office of the Comptroller of the Currency...is loosening the act's requirements with a new rule." Marketplace adds that Acting Comptroller of the Currency Brian Brooks "said he's aware of these concerns," and that the banks "will still have to prove that the big projects...help their communities, possibly by creating jobs." Brooks said, "We're focused on sustainable, full-time jobs created by these things, not on the idea that there might be some seasonal, part-time employment but that there's full-time employment associated with the project."

Alaska's Congressional Delegation Asks OCC, FDIC, And Fed To Examine Whether Banks Are Discriminating Against Alaska Natives.

The AP (6/18) reports that Alaska's congressional delegation – Sens. Lisa Murkowski (R) and Dan Sullivan (R), and Rep. Don Young (R) on Tuesday wrote to the OCC, FDIC, and Fed asking them "to investigate possible discrimination against Alaska Natives by large banks refusing to fund Arctic oil and gas projects." They wrote that "banks may be discriminating against Alaska Natives who depend on the oil and gas industry for their livelihoods." The banks in question "include Citigroup Inc., Wells Fargo & Co., The Goldman Sachs Group Inc., JPMorgan Chase & Co., and Swiss bank UBS."

Big Banks Still Unsure Of Loan Forgiveness Rules Under PPP.

American Banker (6/18, Yacik, Subscription Publication, 31K) reports on "new loan forgiveness forms" announced by the Treasury Department and the Small Business Administration for the Paycheck Protection Program on Wednesday. But, major banks, including JPMorgan Chase, Bank of America and Wells Fargo, have said "that they were still not in a position to begin accepting applications for loan forgiveness."

TD Bank Training Customers And Employees To Combat Increasing Fraud Under Pandemic.

American Banker (6/18, Crosman, Subscription Publication, 31K) reports that TD Bank "has seen an escalation in fraud attempts involving commercial wire transfers" during the pandemic, and is providing training to "customers and employees about how to spot scammers and establish proper controls to deter them." American Banker adds that "criminals are taking advantage of the fact that so many businesses are shifting to ACH payments now that they can't deposit checks at bank branches."

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Bank Of America Recently Doubled Size Of Racial Equality Initiative To $1 Billion Over Four Years.

American Banker (6/19, Alix, Subscription Publication, 31K) reports that Bank of America "had been working for over a year on a $500 million racial equality initiative," but in response to recent events, it "moved quickly, doubling its commitment to $1 billion over the next four years." Vice Chair Anne Finucane's task is "to make sure BofA delivers on its promises." Finucane is "responsible for the company's environmental, social and governance (ESG) strategy."

Chicago Chase Branches Close Temporarily Over Protesters' Demands.

USA Today (6/18, Menton, 10.31M) reports, "A handful of Chase branches temporarily closed in Chicago this week after protesters demanded" that it "boost its lending programs to the city's African American neighborhoods." They also "are calling for reparations from Chase to make up for unequal lending practices," including "$1 billion in grants for African-American homebuyers and small business owners for start-up costs," and "$10 billion to cover home mortgage, small business and investment loans."

Wells Fargo Names New Head Of Wealth And Investment Management.

Barron's (6/18, Snel, 1.07M) reports that Wells Fargo has named Barry Sommers, formerly CEO of wealth management at JPMorgan Chase, to be "head of wealth and investment management." Sommers will report to CEO Charlie Scharf and will be a member of the bank's operating committee.

Wells Fargo Investment Institute To Sell Feeder Fund Platform To ICapital.

Reuters (6/18) reports that Wells Fargo announced Thursday that "its investment adviser Wells Fargo Investment Institute will sell its feeder fund platform to fintech firm iCapital Network for an undisclosed amount." The platform, the article explains, "provides brokerage and wealth management clients the ability to invest in private equity, private debt, hedge funds, private real estate and direct private investments." Wells also said it would make an investment of an undisclosed size in iCapital.

The Wall Street Journal (6/18, Kellaher, Subscription Publication, 7.57M) also reports the story.

U.S. Bank names Lawlor New Private Wealth Management President.

Investment News (6/18, 177K) reports U.S. Bank has named Beth Lawlor as its new President of Private Wealth Management. Prior to her new role, Lawlor spent more than 25 years in increasingly senior roles at UBS, Merrill Lynch, Morgan Stanley, Wells Fargo Advisors and Smith Barney. In her new role, Lawlor "will set the strategic direction and oversee all aspects of the business, managing teams across the U.S."

The Minneapolis-St. Paul (MN) Business Journal (6/18, Subscription Publication, 833K) reports U.S. Bank Wealth Management President Mark Jordahl said, "Beth is exceedingly client-focused and driven by leading a sales organization. She's a terrific cultural fit for the bank. Not only will she advance growth for our clients and our business, but she also thrives in a team-based environment."

Black Americans Report Bad Experiences At Banks.

The New York Times (6/18, Flitter, 18.61M) reports, "For many black Americans, going to the bank can be a fraught experience," as an attempt "to cash a check or open a bank account can lead to suspicious employees summoning the police, causing anxiety and fear — and sometimes even physical danger — for the accused customers." The Times adds that while "there is no data on how frequently the police are called" in such cases, it does have "its own social media hashtag: #BankingWhileBlack." The Times recounts a series of incidents reported by bank customers and says that there is little recourse under the law for the black customers.

Editorial Wrap-Up

New York Times.

"Why Is The United States Exporting Coronavirus?" In an editorial, the New York Times (6/18, 18.61M) questions the US policy for holding asylum seekers and immigrants in facilities where the coronavirus "easily spreads only to later send them to other nations," calling it "a public health hazard – here and abroad." The Times finds it unconscionable that the US is "continuing to deport thousands of immigrants, many infected with the coronavirus, to poor countries ill equipped to cope with the disease." The editorial urges "Congress, the courts and nongovernmental organizations to continue seeking an end to the administration's dangerous deportation drive, and to expose its immigration policies for the assault on American values that they represent."

Washington Post.

"The 'Dreamers' Are Saved – But Still Vulnerable." The Washington Post (6/18, 14.2M) editorializes that Dreamers "are safe from immediate deportation. This is good news for them, and good news for the country. But they are still not safe from President Trump's arbitrary whims and the malice of the anti-immigration fanatics he has brought into government."

"150 Years Later, Americans Have A Chance To Fulfill The Legacy Of Juneteenth." The Washington Post (6/18, 14.2M) says in an editorial, "The country needs education in the symbolic power of Juneteenth, which it is now getting in the midst of a wave of protests for racial justice. The date connotes a moment when America's promise of full equality seemed about to be realized at last, only to be

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postponed – and yet, the 'dreams that once dwelt in their hearts' never died."

Wall Street Journal.

"On Daca, Obama Can, But Trump Can't." A Wall Street Journal (6/18, Subscription Publication, 7.57M) editorial criticizes the Supreme Court ruling on DACA, saying it is not a matter for the court, but rather Congress, to decide.

"Ned Lamont Says The Unspeakable." In an editorial, the Wall Street Journal (6/18, Subscription Publication, 7.57M) says Connecticut Gov. Ned Lamont (D) is right to oppose extending enhanced unemployment benefits. His stance goes against Democratic orthodoxy, the Journal observes, and highlights the tension between state leaders who want their economies to rebound and Democrats in Washington who want to prolong economic shutdowns.

"The Confessions Of John Bolton." The Wall Street Journal (6/18, Subscription Publication, 7.57M) says in an editorial that former National Security Adviser John Bolton's book makes both its author and the President look bad, and says it reveals little about Trump's character and leadership style that voters did not already know.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Facebook Removes Trump Campaign Ads For Violating Policy On Use Of Hate Symbol
Trump's Bid To End DACA Blocked By Supreme Court
Black Lives Matter's Years Of Pressure Paved Way For Sudden Police Overhaul
Rollerblading For Grown-Ups Is Back, And It's Not Just Like Riding A Bike
Eddie The Repo Man Has Time On His Hands: What Happens When Your Debt Is Suspended
Payments Giant Wirecard's Shares Plunge On $2 Billion Audit Deception

New York Times:

Trump Can't Immediately End DACA, Supreme Court Rules
Seizing The Presidency To Suit His Own Needs
The Biggest Obstacle To China Policy: President Trump
Police Decisions Are Scrutinized After Rayshard Brooks's Fatal Encounter
7 Lessons (And Warnings) From Those Who Marched With Dr. King
The Pandemic Isn't Over. New Yorkers Are Acting As If It Were.

Washington Post:

High Court Blocks Trump's Bid To End DACA
In 24 Hours, Two Sharp Rebukes Of Trump's Claim He Can 'Do Whatever'
Rulings Weaken Notion Of A Court Made In President's Image
Young Immigrants Surprised, Elated And, For Now, Relieved
An Architect Of Peace In Northern Ireland
Book Bolsters Pattern Of Foreign Political Appeals

Financial Times:

Wirecard Says €1.9BN Of Cash Is Missing
Wall Street Takes Aim At Ocasio-Cortez In Party Primary
Supreme Court Thwarts Trump's Push To End 'Dreamers' Protection

Washington Times:

Trump Rally Grows Into Grand Spectacle As Crowd Swells, Controversy Swirls
Supreme Court Leaves DACA In Place; Justices Say Trump Cut Corners To End Program
From Valedictorians To Convicts: 'Dreamers' Symbol Of A Broken Immigration System
US Absence In Libya's Civil War Allows Proxy Fight Between Turkey And Russia To Develop
EXCLUSIVE: Trump Says Biden Weaker Than Hillary Clinton; Predicts Historic Economic Recovery
Police Unions Loom As 'Huge Obstacles' In Bid To Weed Out Bad Cops

Story Lineup From Last Night's Network News:

ABC: SCOTUS-DACA; Atlanta-Rayshard Brooks Shooting; Trump-Juneteenth; Coronavirus-Rising Cases; John Bolton-Book; Pelosi-Confederate Portraits; Wildfires; New York-Attempted Rikers Island Escape; Death of Jean Kennedy Smith; Remembering WWII-Era Singer Dame Vera Lynn.

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CBS: SCOTUS-DACA; DACA Recipients' Reactions; Atlanta-Rayshard Brooks Shooting; John Bolton-Book; Unemployment; Coronavirus-Rising Cases; Tulsa-Trump Rally; Pelosi-Confederate Portraits; Virginia-African American Statue Defaced; Death of Jean Kennedy Smith; Man Posts Life Skills For Kids Without Dads On YouTube.
NBC: SCOTUS-DACA; Atlanta-Rayshard Brooks Shooting; Coronavirus-Rising Cases; Tulsa-Trump Rally; Coronavirus-NYC Hospital; John Bolton-Book; Trump-Juneteenth; Unemployment; North Carolina-Restaurant Celebrates Juneteenth With Special Menu; Death of Jean Kennedy Smith; Nightly News Kids Edition.

Network TV At A Glance:
SCOTUS-DACA – 9 minutes, 10 seconds
Coronavirus – 8 minutes, 20 seconds
Atlanta-Rayshard Brooks Shooting – 7 minutes, 50 seconds
John Bolton-Book – 6 minutes, 30 seconds
Death of Jean Kennedy Smith – 1 minute, 45 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Coronavirus-Rising Cases; Mississippi-State Flag Controversy; Iran-Nuclear Testing; John Bolton-Book; Pakistani Activist Graduates.
CBS: Coronavirus-Rising Cases; SCOTUS-DACA; Biden Campaign-Sen. Klobuchar Removes Herself From VP Contest; John Bolton-Book; Australia-Cyber Attack; Alaska-Wrecked Bus Removed; Wall Street.
FOX: California-Mask Mandate; Oregon-Mask Mandate; John Bolton-Book.
NPR: SCOTUS-DACA; Virginia-Robert E. Lee Statue Lawsuit; Coronavirus-Rising Cases; Wall Street.

Last Laughs

Late Night Political Humor.

Trevor Noah: "What a momentous week for the Supreme Court. On Monday, they ruled the LGBTQ community are protected by the Civil Rights Act, and then today, they announced Trump can't just arbitrarily decide to end protections for Dreamers. At this rate, tomorrow they're going to announce Trump has to retroactively serve in Vietnam."

Trevor Noah: "What's interesting about the Court's ruling is that it also said that Trump does have the power to terminate DACA, but only in accordance with the process laid out by the Administrative Procedures Act. Basically to put that in terms that the President would understand, the court has said, 'You can color Sebastian any color you want – blue, yellow, whatever – but you have to color within the lines.'"

Trevor Noah: "Now, of course, President Trump isn't taking the news well. I mean, after the decision was announced, he tweeted that it was a 'shotgun blast to the face of Republicans,' and then he asked, 'Do you get the impression that the Supreme Court doesn't like me?' Which is crazy – the Supreme Court is not supposed to like you. They're supposed to like the Constitution. But Trump thinks everything is about him. When the sun goes down at night, he probably thinks it's because him and the sun have a beef."

Trevor Noah: "According to Bolton, Trump's shady dealings with other countries went far beyond Ukraine. He was promising to personally kill any investigations into Turkish companies, and he was begging China to help him win reelection. And, you know, that's not just corrupt; it's also really embarrassing. Because Bolton's book makes Trump sound less like a President and more like a crackhead who's out of cash. (As Trump) 'Come on, Xi, just help me get one more term, and I'll – did I tell you about my electoral college ratings? So strong.'"

Trevor Noah: " How do you become the President of the United States without knowing if Finland is its own country?"

Trevor Noah: "So just from the excerpts that we've seen, John Bolton's book has painted Trump as corrupt, dumb, and amoral, but my favorite thing that has come out of this book so far, it also showed us Trump is, like, really weird. ... The President of the United States obsessed with getting a CD to Kim Jong-un like some teenager giving a mix tape to his crush. ... It's...weird that Trump thinks Kim Jong-un listens to CDs. Dude, he's the President of North Korea. The man listens to cassettes."

Trevor Noah: "Trump's response to all these revelations is pretty predictable. He claims Bolton is lying. He calls him a disgruntled, boring fool, which is basically what he says about any former employees who criticized him. He's also suing Bolton to try to prevent the book

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from being released because clearly, Trump is afraid this book will tarnish his reputation. But, Mr. President, don't worry about that at all, because whatever is in this book, I promise you will in no way change our opinion of you."

Stephen Colbert: "This morning, the 'Supreme Court ruled against Trump's attempt to end DACA, a win for undocumented 'Dreamers' brought to the US as children.' Of course, Trump doesn't care about immigrants brought to the US as children. He barely cares about immigrants he brought to the US as wives."

Stephen Colbert: "Trump was not pleased with this decision or the one Monday that said employers cannot fire people just because they're LGBTQ. He tweeted, 'These horrible and politically charged decisions coming out of the Supreme Court are shotgun blasts into the face of people that are proud to call themselves Republicans or Conservatives. We need more justices or we will lose our second amendment and everything else. Vote Trump 2020!' So, essentially, your argument is 'this is as bad as getting shot in the face' and 'aren't guns great? We should keep them.'"

Stephen Colbert: "[Trump] went on to tweet, 'Do you get the impression that the Supreme Court doesn't like me?' Yes, I do. They wear black robes. Some of your fans have been known to wear the white ones."

Jimmy Fallon: "Well, guys, it's another day and another Supreme Court setback for President Trump. ... So Dreamers can keep dreaming, while Trump's still having a four-year nightmare."

Jimmy Fallon: "Yeah, at first, Trump was confused. He thought DACA was the AC/DC cover band opening for his rally in Tulsa."

Jimmy Fallon: "Actually, DACA is how Trump asks for a Diet Coke when he is cranky. 'DACA! DACA, DACA!'"

Jimmy Fallon: "Trump wanted to roll back LGBTQ rights, and the Court said, 'No.' Trump tried to end DACA, and the court said, 'No.' Basically, Trump's trying to dunk on Obama, but Ruth Bader Ginsberg is blocking all his shots.'"

Jimmy Fallon: "Trump was pretty upset by the decision 'cause he actually did tweet, 'Do you get the impression that the Supreme Court doesn't like me?' Then minorities, immigrants, scientists, doctors, women, CNN, MSNBC, the New York Times, and every former staffer was like, 'Hey, don't forget about us!'"

Jimmy Fallon: "Trump also tweeted, 'These horrible and politically charged decisions coming out of the Supreme Court are shotgun blasts to the face of people that are proud to call themselves Republicans or Conservatives.' And this is strange – right after he said 'shotgun blasts to the face,' Dick Cheney suddenly appeared."

Jimmy Fallon: [On Trump wanting to give Kim Jong-un a CD] "Here is one of the most bizarre [revelations of Bolton's book] involving Trump and Kim Jong-un. ... Giving someone a Cd isn't diplomacy; it's how you tell someone you have a crush on them in eighth grade."

Seth Meyers: "The Supreme Court today blocked the Trump Administration's attempt to end the Deferred Action for Childhood Arrivals program that protects more than 700,000 immigrants from deportation. Man, how many times is the Supreme Court going to shut him down this week? Tomorrow, are they going to say, 'We're also making it illegal to wear suits that look like trash bags'?"

Seth Meyers: "President Trump tweeted today about former National Security Adviser John Bolton's new book and said, quote, 'Wacko John Bolton's exceedingly tedious 'New York Times' book is made up of lies and fake stories, said all good about me in print until the day I fired him. A disgruntled, boring fool who only wanted to go to war and never had a clue, was ostracized and happily dumped. What a dope.'

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Okay, but everyone already knew that, and then you hired him. Trump's like a McDonald's manager who puts a golden retriever on the register and then gets mad about the long line. It was never going to work."

Seth Meyers: "In a new interview, former National Security Adviser John Bolton said he believes that Putin thinks he can play President Trump, quote, 'like a fiddle.' I don't know, fiddles are notoriously hard to play. If anything, Putin is playing Trump like a drum machine."

Seth Meyers: "The organizers of hundreds of LGTBQ Pride events across the world have announced that they will hold a virtual experience later this month, which will include speeches from former Vice President Joe Biden and Canadian Prime Minister Justin Trudeau. But other than that, it should be a lot of fun."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Receives his intelligence briefing
- Vice President Pence — No public schedule released

***US Senate*:**

- No schedule released

***US House*:**

- House Science subcommittee online hearing on repurposing therapeutic drugs for coronavirus – Investigations and Oversight Subcommittee online hearing on 'Repurposing Therapeutic Drugs for COVID-19: Research Challenges and Opportunities', held via Cisco Webex, with testimony from Center for Science in the Public Interest President Dr Peter Lurie; National Jewish Health Respiratory Centers of Excellence Director Dr James Finigan; Argonne National Laboratory Associate Director for Computing, Environment and Life Sciences Dr Rick Stevens; and Harvard Medical School Postdoctoral Research Fellow Dr Benjamin Rome; *1:30 PM*
- House of Representatives not in session

***Cabinet Officers*:**

- Secretary of State Pompeo and Taiwanese president speak at virtual Copenhagen Democracy Summit – Copenhagen Democracy Summit 2020, held virtually due to the coronavirus (COVID-19) pandemic, gathering 'leaders and thinkers from business and politics, civil society, media, academics, and students' from around the world to discuss the state of democracy. Day two speakers/participants include Secretary of State Mike Pompeo and former Secretaries John Kerry and Madeleine Albright, Taiwanese President Tsai Ing-wen, former NATO Secretary General / former Danish Prime Minister Anders Fogh Rasmussen, former Australian PM Malcolm Turnbull, Microsoft President Brad Smith, NATO Deputy Secretary General Mircea Geoana, and European Commission for Values and Transparency Vice-President Vera Jourova

***Visitors*:**

- No visitors scheduled

***This Town*:**

- Juneteenth march to demand '#DefundMPD and #CanceltheRents' – One DC, Right to the City Alliance, Serve Your City, and Party for Socialism and Liberation – DC march to Washington, DC defund the Metropolitan Police Department and cancel the rent * March begins at Judiciary Square, before walking past the John A. Wilson Building and joining the Movement for Black Lives demonstration on the National Mall

Location: Washington, DC; 12:00 PM

- International Space Station crew members speak with students – NASA astronauts Robert Behnken, Chris Cassidy and Douglas Hurley, on board the International Space Station, hold Earth-to-space conversation answering questions K-12 students from the

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Challenger Center's national network of learning centers. Call also features pre-recorded opening remarks from Challenger Center President and CEO Lance Bush; *1:10 PM*

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, JUNE 16, 2020 6:00 AM EDT

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• FDA Revokes Emergency Authorization For Malaria Drugs Touted By Trump.
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• Cuomo Warns New Yorkers Over Lax Adherence To Social Distancing Rules.
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• Bipartisan Proposal Would Expand Tax Break For Charitable Gifts.
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• Director Resigns As Trump Ally Is Set To Head Up VOA.
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• Trump To Travel To Alabama For Rally In Support Of Tuberville.
• Conway: Trump Giving Seniors More Tools To Fight Financial Fraud.
• Report Finds Racial Bias In Mortgage Lending.
• NYTimes Analysis: Federal "Midlevel Managers" Trying To "Undermine Climate Change Science."
• Iowa Poll: Trump Leads Biden 44%-43%, Down From A 10-Point Edge In March.
• Trump Camp, RNC Raise $14M On President's Birthday, Their Best Online Fundraising Day Ever.
• Trump Says He's Done More In Less Than Four Years Than Biden Did In Over 40 Years.
• Across US, Local GOP Chairs Are Convinced Trump Will Win Reelection.
• Biden, DNC Raise Almost $81M In May.
• In 1993, Biden Said Confederate Heritage Group Included "Many Fine People."
• Planned Parenthood Endorses Biden.
• In Letter, Group Of Liberals Press Biden To Select Warren As Running Mate.
• Hillary Clinton Endorses Engel In NY16 Primary.
• DNC Climate Council's $16T Plan Creates Intra-Party Tension.
• Trump Lawyer Targeting State Voting Laws Profiled.
• RCP Average Has Trump's Job Approval At 42.4%.

Financial International News

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• Candidates To Replace WTO Head Battle For Trust Of "Big Three" US, China, EU.

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• Tens Of Thousands Tested In Beijing Following New Outbreak.
• European Borders Reopen, But International Travelers Remain Prohibited.
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• Canada, Mexico Discuss USMCA Trade Deal.
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• Israel Building Road Connecting Settlements As It Mulls West Bank Annexation.
• US Pilot Killed When Fighter Crashes In North Sea.
• WPost: Philippines Sliding Toward Autocracy.

Housing

• Freddie Mac And Fannie Mae Announce Hiring Of Financial Advisers JPMorgan Chase And Morgan Stanley.
• FHFA In Annual Report Asks Congress For Legislative Reforms, Announces It Will Repropose Financial Eligibility Requirements For Freddie Mac And Fannie Mae.
• MBA Finds Mortgages In Forbearance Rose .02 Percent In First Week Of June, While Those Backed By Fannie Mae And Freddie Mac Declined.
• Multifamily Finance.
• FHFA Raises Concerns With Several FHL Banks.
• Arbor Realty Trust Originates $59 Million In Fannie Mae Financing For Apartment Property In Chelsea, Massachusetts.
• Sentinel Real Estate Gets $40 Million Fannie Mae Loan For Parker, Colorado Property.
• Aspen Square Management Receives $268.4 Million Fannie Mae Refinancing.
• Fannie Mae Forecasts Lower Mortgage Rates Through 2021.
• CoreLogic Home Equity Report Shows Gain Of 6.5 Percent Of Equity In First Quarter Of 2020 Over First Quarter Of 2019.
• Survey Shows Most 2020 Homebuyers Concerned About Making Payments Due To Pandemic.
• Central Florida Sales Fell In May, But Market Sees Rise In Pending Sales, New Listings.

Markets

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• Dollar Slips.
• Gold Rises.
• Oil Edges Higher.

Cybersecurity

• FBI Warns Of Increased Cybercrime Risk.
• FBI Warns Of Increase In Ransomware Attacks.
• Commerce Department Says US Companies Can Work With Huawei On 5G.
• New Study Proposes Government Actions To Boost Security For Internet Of Things.
• DDoS Attacker Rakhshan Receives 5-Year Prison Term After Pleading Guilty.
• Op-Ed: Private Lawsuits Against Nation-States Will Not Resolve US Cyber Threats.
• Sen. Peters Introduces Two Bills To Bolster Cyber Defenses.
• Magecart Skimmed From Claires For Nearly Two Months.
• Lawyers Of Detained Huawei Executive Allege Abuse Of Process In Canada.

TFI/Sanctions

• Greek Shipping Manager Trio Declare Halt To Venezuela Trade After US Imposed Sanctions.
• Syria Facing "Acute Economic Crisis" With US Sanctions Looming.

Federal Reserve

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• Fed To Resume Bank Exams But Keep Activities Off-Site.
• Bostic Says US Unemployment Likely To Remain High.
• Fed's Kaplan Expects Economy Will Rebound In Second Half Of 2020.
• Daly Downplays Usefulness Of "Little Helper" Yield Curve Control.

Office of the Comptroller of the Currency

• OCC's Brooks Pushes For Payments Charter, While Future Of Fintech Charter Remains Uncertain.
• Cowen: OCC's Brooks Is "Most Important Crypto Advocate" In Trump Administration.
• Goldman Pledges Additional $250M To Fund PPP.
• JPMorgan Plans To Return More Traders To Manhattan Next Week.
• Big Banks Stick To Branch Expansion Plans Despite Pandemic.

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Treasury in the News

Mnuchin Says He Will Talk With Congress About Disclosing PPP Loan Recipients.

CNBC (6/15, Hirsch, 3.62M) reports on its website that on Monday, Treasury Secretary Steven Mnuchin "said...he will be talking with the Senate and others on a 'bipartisan basis' about striking a balance between protecting the privacy of recipients of small business loans and ensuring proper oversight of the funds." Mnuchin "said in a tweet he will be having discussions with the Senate Small Business Committee and others 'to strike the appropriate balance for proper oversight' of the Paycheck Protection Program loans 'and appropriate protection of small business information.'" Mnuchin "angered Democrats last week when he indicated in testimony before the Senate Small Business Committee that the administration may not disclose the names of those who took out loans aimed at helping smaller businesses stay afloat during the coronavirus pandemic."

Reuters (6/15, Schroeder) reports Mnuchin's "resistance was met with blowback from both Republicans and Democrats, who said it is difficult to appropriately guide government aid during the pandemic without knowing where the money is going." Furthermore, they argued "the public has a right to see where taxpayer dollars are spent."

The AP (6/15, Jalonick, Daly) reports that the House Select Subcommittee on the Coronavirus Crisis, which is "investigating billions of dollars in coronavirus aid," is "demanding that the Treasury Department, the Small Business Administration and several large banks turn over detailed information about which businesses applied for and received federal loans." The AP says "the requests came after Treasury Secretary Steven Mnuchin told Congress last week that the names of loan recipients and the amounts disbursed as part of the $600 billion-plus Paycheck Protection Program are 'proprietary information.'" According to the AP, Democrats "say there is nothing proprietary or confidential about businesses receiving millions of taxpayer dollars." Democrats, in their letter to Mnuchin and SBA Administrator Jovita Carranza, urged more transparency "so American taxpayers can understand whether federal funds are helping vulnerable businesses and saving jobs, or are being diverted due to waste, fraud, and abuse."

Politico (6/15, Warmbrodt, Cheney, Swan, 4.29M) says Democrats "have applied new pressure on the administration since Mnuchin said last week he did not plan to disclose details on borrowers receiving the aid because the information was 'proprietary' and 'confidential.'" The Democrats said in the letter, "Contrary to Secretary Mnuchin's recent testimony, there is nothing 'proprietary' or 'confidential' about a business receiving millions of dollars appropriated by Congress, and taxpayers deserve to know how their money is being spent."

CNBC (6/15, Hirsch, 3.62M) reports on its website that "in letters to bank executives, the lawmakers said they are seeking a number of materials from the banks, including 'all formal or informal guidance' from the Treasury or SBA about PPP requirements and communication with the departments about the 'prioritization or exclusion' of loan applicants in underserved or rural markets. They also requested 'all internal communications' and policies pertaining to the program." The Democrats "joined a growing chorus of critics of Mnuchin's statement last week that the administration does not plan to disclose the names of those who took out loans from the program." The lawmakers "demanded in their letter that the SBA and Treasury disclose a list of all PPP applications received and loans they have issued."

Bloomberg (6/15, Davison, Niquette, 4.73M) reports the letters sent by the committee Monday stated, "Some large lenders apparently created a two-tier system for processing PPP loan applications. The banks' wealthiest clients had access to a personalized application process that ensured their applications were processed first." The letters said, "Other applicants had to use poor-performing electronic portals, faced significant processing delays, and sometimes needed to find another lender to consider their application." The letters "called on Treasury Secretary Steven Mnuchin and SBA Administrator Jovita Carranza to release details about which companies received funding and in what amount after Mnuchin testified at a Senate committee hearing last Wednesday that such information would be withheld because it's proprietary or confidential with payroll information."

The New York (NY) Times (6/15, Cochrane, Rappeport, 18.61M), American Banker (6/15, Haggerty, Subscription Publication, 31K), Fox Business (6/15, Henney, 1.73M), and The Hill (6/15, Jagoda, 2.98M) also report.

IGs Leading COVID-19 Oversight Committee Say Administration Blocking Relief Funds Scrutiny. The Washington Post (6/15, Hamburger, Stein, O'Connell, Gregg, 14.2M) reports the Trump Administration's "intensifying efforts to block oversight of its coronavirus-related rescue programs is raising new alarms with government watchdogs and lawmakers from both parties amid concerns about the anonymity of companies receiving unprecedented levels of taxpayer funds." The Post says "inspectors general leading the Pandemic Response Accountability Committee (PRAC), an independent panel created to oversee implementation of the Cares Act, expressed concern" in a letter Thursday to members of Congress "that previously unknown Trump administration legal decisions could substantially block their ability to oversee more than $1 trillion in spending related to the coronavirus pandemic." The Post says the letter and Secretary Mnuchin's "insistence that the PPP data will not be released come after the White House has repeatedly rebuffed efforts to scrutinize where the taxpayer funding is going."

Politico (6/15, Cheney, 4.29M) reports the letter, "first revealed by The Washington Post, was signed by the Justice Department inspector general, Michael Horowitz, who leads a panel of inspectors general charged with coronavirus-related oversight known as the Pandemic Response Accountability Committee, and its executive director, Robert Westbrooks." The Hill (6/15, Klar, 2.98M), CNN (6/15, Mattingly, 83.16M), and Reuters (6/15, Prentice, Qing) also report.

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Commentary: Administration Reversed Vow Of Transparency On COVID Relief Spending. In her column for the Washington

Post (6/15, 14.2M), Catherine Rampell writes that "taxpayers should be asking" what the Administration is "hiding" as it "refuses to reveal where a half-trillion dollars of our hard-earned cash has gone." Rampell says senior officials, including Secretary Mnuchin, "repeatedly pledged 'full transparency on anything we do.'" Rampell argues Mnuchin, in spite of "his alleged commitment to transparency," testified to "lawmakers last week that information on loan recipients and amounts would not be released because it is 'proprietary' and 'confidential.'" Responding to Mnuchin's tweet Monday, Rampell said, "Maybe he means it this time, but this feels a bit like Lucy and the football."

Hannah Levintova writes for Mother Jones (6/15, 881K) that in April, "Treasury Secretary Steven Mnuchin pledged that when it came to giving out billions in coronavirus relief funds, the Trump administration would strive for 'full transparency.'" However, on Sunday, "White House economic adviser Larry Kudlow told CNN that the Trump administration had never promised to release the names of companies that received a total of more than $500 billion in forgivable loans under the Paycheck Protection Program, enacted by Congress this spring as part of a sweeping stimulus package to mitigate the economic effects of the pandemic."

In an editorial, the San Francisco Chronicle (6/15, 2.67M) says "there is no way of knowing" whether the PPP is working as intended because the SBA "has provided only top-line data such as the sum of loans that have been awarded." Previously the SBA "was deflecting questions from Congress, journalists and public-interest groups about where, specifically, the money was going. It cited a priority of getting the relief funds into the hands of employers to save jobs. Transparency would have to wait." Now, the waiting "is officially over. Public accountability is not coming. In testimony before Congress last week, Treasury Secretary Steven Mnuchin said the names of recipients and the level of loans they received is 'proprietary information' and thus confidential." The Chronicle says this "is utter nonsense."

COVID Was Never "Under Control" In America.

Shannon Palus writes for Slate (6/15, 1.58M) that Treasury Secretary Steven Mnuchin has suggested there are some places where "COVID is under control." Palus says the notion that "we can have the virus 'under control,' without doing work, like refraining from meals out even as spread appears low, is a fantasy that the Trump Administration has been pushing for the length of the pandemic."

Judge Orders Treasury To Release $679M COVID-19 Relief Funds To Tribal Governments.

The AP (6/15, Fonseca) reports DC District Judge Amit Mehta on Monday ordered the Treasury Department to release $679 million in COVID-19 funding for Native American tribes it had planned to withhold while waiting for a court challenge to the Department's initial payments to tribal governments to play out in court. Judge Mehta "said the agency doesn't have discretion to withhold the money that is part of a federal relief package that included $8 billion for tribes" and "ordered the Treasury Department to disburse it among tribal governments by Wednesday." Mehta said, "Continued delay in the face of an exceptional public health crisis is no longer acceptable."

Law360 (6/15, Atkinson, Subscription Publication, 8K) also reports.

Leading National News

Trump Expected To Sign Executive Order On Policing Tuesday.

President Trump said Monday that he will on Tuesday sign an executive order on policing in the US. While media reports say Trump said little about what the order will entail, Administration representatives said it will focus on proper police training, better training in deescalation, and a larger role for social workers in responding to certain nonviolent incidents, among other policies.

Reuters (6/15, Mason, Beech) reports the President "will sign an executive order on Tuesday that will seek to improve how police officers treat African Americans and others by improving credentialing, training and mental health resources, administration officials said." The order "comes after Trump has struck a strict 'law and order' tone in his response to protests around the country sparked by the death" of George Floyd while in police custody. On ABC World News Tonight (6/15, story 6, 0:30, Muir, 7.94M), Jonathan Karl said, "We still don't have many specifics, but the White House says this will encourage better practices on the use of force and on deescalation, and more transparency about officers who have been accused of misconduct. The President, we are told, will sign it at an event tomorrow here at the White House attended by both police officers and those who have been killed by police officers."

On its website, NPR (6/15, Wise, 3.12M) quotes the President saying, "Basically, we're going to be talking about things we've been watching and seeing for the last month. And we're going to have some solutions – I think some good solutions. And some of it, as you know, it's about great people. We need great people in our police departments. And we have mostly great people, I would say that. I would say that with certainty. We have mostly great people. ... But we will do better, even better." The CBS Evening News (6/15, story 8, 0:15, O'Donnell, 5.04M) very briefly mentioned the upcoming executive order.

Bloomberg (6/15, Sink, 4.73M) reports Trump "didn't say what the order would do." However, the Wall Street Journal (6/15, Leary, Duehren, Subscription Publication, 7.57M) reports Fraternal Order of Police President Patrick Yoes said in a statement that the organization had reviewed the order and "supports its goals and methodology." The Hill (6/15, Chalfant, Samuels, 2.98M) reports, "Senior administration officials told reporters Monday afternoon that the order would incentivize police departments to use best practices when it comes to use of force; encourage information sharing so that officials can track officers who have excessive use of force complaints; and call for co-responder programs in which social workers accompany police when responding to nonviolent reports involving homelessness, mental health, and drug and alcohol addiction."

USA Today (6/15, Jackson, 10.31M) says the President is "under political pressure over protests against police brutality." The executive order "comes down as Trump, down in pre-election polls to Democratic challenger Joe Biden, faces criticism over his handling of nationwide

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protests over Floyd's death." The Washington Post (6/15, Nakamura, 14.2M) reports White House aides "said the executive action is the result of months of deliberation by a policing commission Trump established in late December, well before" Floyd's death. Trump "intends to use a White House event Tuesday to call on Congress to pass legislative reforms, but he felt compelled to act to 'turn the anger in the country now into action and hopefully bring some unification and some healing,'" an Administration official said. Politico (6/15, Cook, 4.29M) says with the order, Trump "hopes to acknowledge a nationwide uproar over police brutality while preventing rifts with police and other law enforcement groups integral to his political future."

Asked Monday on Fox News (6/15) about the executive order, White House Counselor Kellyanne Conway said, "He will announce that tomorrow, but it won't surprise you that they'll be talking about the rule of law enforcement, making sure that people understand the role is to keep the community safe and the neighborhoods protected." On Fox News' Hannity (6/15, 1.5M), White House Press Secretary Kayleigh McEnany said the order will include "an incentive structure for police departments across the country to implement correct training so that things like what we saw with George Floyd never happen again."

Deputy Assistant to the President Ja'Ron Smith said on Fox News' Fox & Friends (6/15, 831K) that the President's "approach is working with the police in the communities to bring them together through community policing." Smith added, "There are many communities that are violent, and we want to quell the violence, and also allow for a safe and peaceful atmosphere. And the only way that you can do that is to bring the police and community together, and that's what President Trump is focused on, instead of defunding the police."

Trump Calls Brooks Shooting "A Terrible Situation," "Very Disturbing." The Washington Times (6/15, Boyer, 492K) reports that on Monday, for the first time, Trump addressed the Friday night shooting of Rayshard Brooks by an Atlanta police officer. NBC Nightly News (6/15, story 4, 0:40, Holt, 6.8M) showed Trump saying, "I thought it was a terrible situation. I studied it closely. To me, it was very disturbing." David Muir opened ABC World News Tonight (6/15, lead story, 4:10, 7.94M) by reporting that in the short time since the shooting, "the officer has now been fired, the Atlanta police chief has resigned," and Atlanta's Mayor has "order[ed] new rules for police." The New York Times (6/15, 18.61M) reports Mayor Keisha Lance Bottoms (D) "said the Atlanta police will now 'use only the amount of objectively reasonable force necessary to successfully protect themselves and others, to effect an arrest, or to bring an incident under control.' Officers will have to use de-escalation techniques before resorting to deadly force, she said, and will be 'duty bound to intercede' when they see colleagues go too far."

On NBC Nightly News (6/15, lead story, 3:40, 6.8M), Lester Holt said, "The movement that has sparked protests and forced change in police departments across the country is mourning yet another name. Protesters in Atlanta tonight marching in the memory of Rayshard Brooks, a black man fatality shot by a white police officer on Friday after a struggle and foot chase over a taser gun. And while the circumstances are different than the death of George Floyd, the outcome and its impact is the same."

The Wall Street Journal (6/15, Siddiqui, Calvert, Subscription Publication, 7.57M) reports protesters marched to the Georgia State Capitol in Atlanta to protest police brutality. Norah O'Donnell of the CBS Evening News (6/15, lead story, 3:25, 5.04M) reported, "Demonstrators rallied...after a weekend of protests in Atlanta, including the burning of the Wendy's where the shooting happened." CBS' Mark Strassmann: "What many in this community now want is accountability [and] justice." The Washington Post (6/15, Zapotosky, 14.2M) says Atlanta "has emerged as the new epicenter of nationwide protests against police brutality, with tensions already simmering after the February killing" of Ahmaud Arbery and "turmoil last week with problems during the primary election, including mailed ballots that may not have been counted and long lines at polling places in heavily black precincts."

On the CBS Evening News (6/15, story 2, 2:10, O'Donnell, 5.04M), Jeff Pegues reported that Fulton County District Attorney Paul Howard, who is African American, "says these types of cases further erode public trust." Howard: "People from our community, my own son, they do not trust the police." Pegues: "Your own son?" Howard: "Doesn't trust the police. My son is 25. He came and asked me, he said, 'Daddy, are the police going to do something to me?'" The Washington Post (6/15, 14.2M) says in an editorial, "The world is watching, and yet police keep killing unarmed black people. Last week's shooting in Atlanta reveals how broken this country's law enforcement system remains, even as protesters across the country cry out for fixing it."

Trump Blasts Inslee, Durkan Over Seattle Protesters. The Hill (6/15, Samuels, 2.98M) reports the President "laced into" Washington Gov. Jay Inslee (D) and Seattle Mayor Jenny Durkan (D) on Monday "for failing to break up a group of protesters who have occupied a portion of the city, though he declined to offer specifics on when or how he might intervene." The President said, "You have a Governor who doesn't do a damn thing about it, and you have a Mayor that doesn't know she's alive. If they don't do the job, I'll do the job." The Hill reports, "When pressed for specifics, the president demurred. He suggested he could do 'about 10 different things' to disperse the gathering, then launched into a diatribe accusing the news media of failing to give the protest adequate attention."

The President tweeted Monday morning, "LAW & ORDER!" Townhall (6/15, O'Brien, 177K) headlines its brief report on Trump's comments "Trump Absolutely Rips The Lack Of Leadership In Seattle." NBC Nightly News (6/15, story 7, 1:25, Holt, 6.8M) reported protesters "continue occupying part of the city and demanding police reform." NBC's Jo Ling Kent said the "protesters showing no sign of leaving this six-block area, taking it over a week ago."

Carson On Trump Understanding NFL Players' Grievances: "He'll Get There." The AP (6/15, Freking) reports that in a radio interview Monday, HUD Secretary Carson, "the lone African American member" of the Cabinet, said he would work with the President on the issue of athletes "taking a knee during the national anthem, though Trump has shown no signs of softening." The AP reports that "when asked on the Hugh Hewitt Show if he might persuade the president not to be upset with players kneeling during the anthem, Carson replied: 'Well, I don't think he has manifested as much animosity in that region lately. And I think we just continue to work with him. He'll get there.'"

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The Washington Post (6/15, Wagner, 14.2M) reports that over the weekend, Trump "made clear in a pair of tweets that he has no plans to watch sports in which players kneel during the national anthem." Politico (6/15, Forgey, 4.29M) similarly reports the President "has remained adamant in his condemnation of kneeling during the anthem, lashing out last week at NFL Commissioner Roger Goodell after he acknowledged the league was 'wrong for not listening' to players earlier and encouraged 'all to speak out and peacefully protest.'"

Senate Republicans Expected To Propose Chokehold Ban. The AP (6/15, Mascaro) reports Senate Republicans are "poised to unveil an extensive package of policing changes that includes new restrictions on police chokeholds and other practices as [Trump] signals his support." The AP says the measure crafted by Sen. Tim Scott (R-SC) "doesn't go as far as a sweeping Democratic bill heading toward a House vote," but "shares similar provisions as Congress rushes to respond." Politico (6/15, Desiderio, Everett, 4.29M) reports the Senate is not expected to take up the bill "until after the Independence Day recess...raising the prospect that it could be a month or longer before a measure heads" to the President's desk.

The Washington Free Beacon (6/15, Lehman, 78K) reports Democrats including Senate Minority Leader Schumer have criticized the emerging legislation, even though it has not yet been rolled out. However, House Speaker Pelosi said on CNN's Situation Room (6/15, 695K), "Let's do the best we can, not the minimum that we can in this. This is about justice. It's about redressing past grievances. It's about, let's see what we can do."

SCOTUS Declines To Hear Cases Challenging Officers' Qualified Immunity. The AP (6/15, Gresko) reports the Supreme Court is "for now declining to get involved in an ongoing debate by citizens and in Congress over policing, rejecting cases Monday that would have allowed the justices to revisit when police can be held financially responsible for wrongdoing." The AP says the justices "turned away more than half a dozen cases involving the legal doctrine known as qualified immunity, which the high court created more than 50 years ago," and which "shields officials, including police, from lawsuits for money as a result for things they do in the course of their job." Reuters (6/15, Hurley, Chung) reports that in Congress, Democrats and Republicans "have been pulling together their own versions of police reform legislation," and "a Democratic plan unveiled in the House would roll back qualified immunity for law enforcement officers."

USA Today (6/15, Wolf, 10.31M) says that by "refusing to hear a case, the court is not necessarily signaling that it will never abolish qualified immunity or significantly scale it back. Chief Justice John Roberts, in particular, prefers baby steps to big changes in court precedent." The Washington Post (6/15, Barnes, Marimow, 14.2M) reports, "An extraordinary coalition of organizations on the left, right and middle – one federal judge called it 'perhaps the most diverse amici ever assembled' – has called on the court to revisit the issue." The Post adds, "And so have two members of the court who represent its opposite ideological wings" – Justices Sonia Sotomayor and Clarence Thomas.

NYPD To Disband Plainclothes Teams. The New York Times (6/15, Watkins, 18.61M) reports New York City Police Commissioner Dermot Shea "announced on Monday that he was disbanding the Police Department's anti-crime units: plainclothes teams that target violent crime and have been involved in some of the city's most notorious police shootings. Roughly 600 officers serve in the units, which are spread out across the city and work out of the department's 77 precincts." Shea said the units "were part of an outdated policing model that too often seemed to pit officers against the communities they served." The Washington Examiner (6/15, Halaschak, 448K) also covered the decision.

New Jersey AG Orders Disclosure Of Names Of Disciplined Officers. The Wall Street Journal (6/15, De Avila, Subscription Publication, 7.57M) reports New Jersey Attorney General Gurbir Grewal (D) has directed all law enforcement agencies in the state to start disclosing the names of officers who have been disciplined for serious violations and misconduct. Grewal said, "Today we end the practice of protecting the few to the detriment of the many."

Liberal Groups Criticize Biden's Stance On Policing. The Washington Post (6/15, Linskey, 14.2M) reports "more than 50 liberal groups" have signed a letter to Biden "criticizing his response to the emerging protest movement against police brutality, warning that failing to embrace more aggressive agenda risks alienating the African American voters he needs to win the election. The letter pointed to Biden's recent promise to add $300 million for community policing programs, a plan that activists say would undermine their efforts to push for systemic changes such as defunding police forces."

National Pride At Lowest Level In History Of Gallup's Tracking. Axios (6/15, Fernandez, 521K) reports 63 percent of US adults "say they are either 'extremely' or 'very' proud to be American – a seven-point decline from 2019 and the lowest figure since Gallup began tracking the question in 2001." The poll found 49 percent of white respondents "said they were 'extremely' proud to be American, compared to just 24% for nonwhite respondents."

Trump Posts Link To Favorable Coverage On Coronavirus Stimulus.

On Twitter, President Trump posted a link to Washington Times article published last week with the title "Trump Team Should Get 'A Lot Of Credit' For Fast Coronavirus Stimulus: CBO."

Trump Agrees With Economist Who Projects V-Shaped Recovery.

On Twitter, President Trump on Monday quoted Chetan Ahya, Chief Economist at Morgan Stanley, who said, "We have greater confidence in our call for a V-shaped recovery, given recent upside surprises in growth data and policy action."

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Experts Offer Advice On How To Travel Safely During Pandemic.

CFTC-22-0351-A-001315

On NBC Nightly News (6/15, story 10, 1:35, Holt, 6.8M), Tom Costello reported that for families making summer vacation plans, "even with

airlines disinfecting their planes, road trips seem more popular." Costello added, "Because it's easier to limit exposure to others, disease experts generally recommend driving rather than flying." Costello said, "In the air or on the road, experts say it is all about taking smart precautions."

Hawley Proposing To Limit Big Tech's Section 230 Immunity.

Politico (6/15, Lima, 4.29M) reports that Sen. Josh Hawley (R-MO) is "preparing legislation that could require major online platforms like Google and Facebook to stop selling certain targeted ads to keep key legal protections." Politico says "the proposal would make industry protections under Section 230 of the Communications Decency Act – a 1996 law that shields online businesses from lawsuits over user content – contingent for some platforms on not allowing advertisers to target users based on behavioral data, which includes information such as web-browsing history and online activity." Politico says "it's the latest GOP-led plan to target Section 230, which has come under fire from" President Trump, who "has called for the legal shield to be 'revoked' over GOP allegations that social media companies stifle conservative viewpoints."

Bezos Willing To Testify Before House Panel Probing Tech Antitrust Issues.

The New York Times (6/15, McCabe, 18.61M) reports that an attorney for Amazon says CEO Jeff Bezos is willing to testify before a House panel in regards to an "antitrust investigation into the market power of major tech companies." The Times says Amazon "had earlier resisted making [Bezos] available to the House Judiciary Committee...prompting lawmakers to threaten to legally compel Mr. Bezos to testify." According to the Times, "The chief executives of the other companies under investigation by lawmakers – Apple, Facebook and Google – have all testified at various points in recent years on other matters." The Times says the committee "has been pushing for them to return to testify" as well.

The Washington Post (6/15, Romm, 14.2M), which is owned by Bezos, says members of Congress are "still seething over reports that Amazon employees tapped data from third-party sellers in the company's marketplace to make decisions about launching its own competing products" The Post adds, "Lawmakers' inquiry coincides with a probe into Amazon by the Federal Trade Commission...which is reviewing whether the e-commerce giant violated antitrust laws. In Europe, meanwhile, regulators as soon as this week are expected to issue charges against Amazon over its harnessing of third-party sellers' data." Politico (6/15, Lima, 4.29M) and Reuters (6/15), among other news outlets, also cover the announcement regarding Bezos' willingness to testify.

Tesla In Talks With Texas County On Incentives For New Assembly Plant.

The Austin American Statesman (6/15, Hawkins, Subscription Publication, 343K) reports, "Tesla is negotiating terms of a possible incentives deal with Travis County that could bring the electric car maker's next U.S. assembly plant – and thousands of jobs – to Austin, the American-Statesman has learned." The Travis County Commissioners Court is "scheduled to discuss the terms of the potential incentives deal in an executive session on Tuesday, according to people with knowledge of the proceedings." Previous coverage had reported that "Tesla had chosen Austin and Tulsa as finalists for the assembly plant," but "it was unclear Monday whether the negotiations with Travis County signal that Tesla has settled on Austin, or if the company is also continuing to negotiate with Tulsa on possible incentives."

At Least 19 Alleged Cases Of Vehicles Ramming Demonstrators.

The Washington Post (6/15, A1, Satija, Davies, Bennett, 14.2M) reports on its front page that there have been "at least 19 cases in the past few weeks in which witnesses or police say civilian vehicles were driven through massive" police brutality demonstrations. According to the Post, "in at least eight of the events, a driver faces charges for what prosecutors described as a deliberate act, according to arrest and court filings." The allegations "echo the 2017 vehicle attack at a white-supremacist rally in Charlottesville that killed Heather Heyer, a counterprotester. They occur amid a resurgence of Internet memes featuring messages such as 'All lives splatter' and 'Run them over' and pictures of bloodied trucks."

FBI, California AG To Oversee Probe Of African American Man Found Hanging From Tree.

The AP (6/15) reports, "State and federal authorities will monitor the investigation into the death of a black man found hanging from a tree in the Southern California city of Palmdale, officials said Monday following large weekend protests." The FBI and the California Attorney General's office "will oversee the investigation, which is being led by the Los Angeles County sheriff's homicide bureau."

All three broadcast networks covered the death of 24-year-old Robert Fuller. On ABC World News Tonight (6/15, story 2, 1:50, 7.94M), David Muir reported Fuller's family "has said they do not believe it was a suicide." On the CBS Evening News (6/15, story 9, 1:40, O'Donnell, 5.04M), Jonathan Vigliotti reported investigators are "in full retreat, walking back early claims" that Fuller killed himself. Vigliotti added, "An autopsy has also been ordered in another suspicious death. Thirty-eight-year-old Malcolm Harsch was found hanging from a tree in neighboring San Bernardino County." On NBC Nightly News (6/15, story 8, 2:00, 6.8M), Lester Holt said there are "calls for an independent investigation tonight into two separate deaths with striking similarities."

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Minneapolis 911 Dispatcher Called Supervisor During Floyd Arrest.

ABC World News Tonight (6/15, story 3, 0:30, Muir, 7.74M) briefly reported that audio newly released Monday indicates that a Minneapolis 911 police dispatcher was "so concerned" about an officer's actions in the arrest that led to George Floyd's death that "she called a supervisor to respond to the scene."

Second Man Charged With Murder In Dorn Death.

The St. Louis Post-Dispatch (6/15, Currier, 685K) reports, "Prosecutors have charged a second man with murder in the June 2 fatal shooting of retired St. Louis police Capt. David Dorn during looting at a pawn shop." Mark Jackson "was charged Thursday with second-degree murder (also called felony murder), robbery, burglary, stealing and three counts of armed criminal action."

WPost Profiles Ferguson Six Years Later.

In the wake of protests over George Floyd's death, the Washington Post (6/15, Gowen, 14.2M) profiles Ferguson, Missouri, six years "after a white police officer fatally shot unarmed black teen Michael Brown Jr."

Trump, Pence: Increase In COVID-19 Cases Due To Improved Testing.

President Trump tweeted that the United States is seeking an increase in COVID-19 cases because "Our testing is so much bigger and more advanced than any other country." Similarly, Bloomberg (6/15, Sink, 4.73M) reports, Vice President Pence said the flare-ups of cases in several states are the result of a "dramatic increase" in testing.

On a call with governors, Pence encouraged them to echo that Administration's position that the new coronavirus outbreak reports are due to increased testing, "even though evidence has shown that the explanation is misleading," according to the New York Times (6/15, 18.61M). However, an analysis of data collected by the Times found that "in at least 14 states, the positive case rate is increasing faster than the increase in the average number of tests." Pence also "was dismissive of the idea that community spread is a culprit," despite officials in several states "specifically" pointing to community spread.

Kudlow: There Has Been No "Second Wave." Appearing on Fox News (6/15, 896K), NEC Director Kudlow was asked about his insistence last week that there was "no second wave" of coronavirus despite reports of upticks in new cases across the country. Kudlow said, "I understand the growing concerns," but added, "These are relatively small bumps." Kudlow also said, "I think it is something we have to get used to you. I think it is controllable. ... We are not intending to close down the economy. "

On CNBC's Closing Bell (6/15, 108K), Kudlow was asked whether a spike in cases will slow down the economic recovery. Kudlow answered that "there are so many green shoots" that he believes "the v-shape economy is right there. ... Our view is you're going to get plus 20 percent in the second half of the year and with good policies, you're going to get a big bang economy in 2021."

The Washington Post (6/15, 14.2M) reports that Kudlow confirmed that President Trump "is opposed to national lockdown measures even if coronavirus data were to show a drastically worsening outbreak." Additional coverage includes Bloomberg (6/15, Sink, 4.73M).

US Coronavirus US Cases Rising. NBC Nightly News (6/15, story 3, 2:05, Holt, 6.8M) reported, "As more of the country reopens, cases of COVID-19 are surging in some areas." Researchers affiliated by the University of Washington offered "a dire forecast" that more than 201,000 people in the country could be dead by COVID-19 by October. NBC (Brock) added that in the last week Florida's COVID-19 cases have "soared by 10,000." While Gov. Ron DeSantis (R) attributes the total to increased testing, "health officials are worried about the trend." Across the nation "at least 16 states [are] showing a spike" in cases, with Texas seeing "a record number of hospitalizations for COVID-19."

ABC World News Tonight (6/15, story 4, 2:45, Muir, 7.74M) reported coronavirus cases are rising in 21 states and Puerto Rico, with hospitalizations "up in 11 states." ABC's Marcus Moore added that Arizona hospitals are "seeing a record number of patients on ventilators and people showing up at the ERs." Manuel Bojorquez reported on the CBS Evening News (6/15, story 4, 2:25, O'Donnell, 4.78M), "Health experts' concerns are growing as quickly as the crowds."

Bloomberg (6/15, 4.73M) reports COVID-19 cases "continued to climb in a number of U.S. states over the weekend, threatening recent efforts to relax restrictions and revive businesses after months of lockdowns." Bloomberg says that on Sunday, both Texas and Florida "reported record numbers" of new infections. According to Bloomberg, "The recent surge in illnesses in those states and others, including Arizona and North Carolina, has led to concern among public-health officials that reopening the economy has come at the cost of spreading the new coronavirus." Bloomberg goes on to report that "state authorities are also bracing to see whether three weeks of demonstrations across the country...could cause spikes in cases."

CNBC (6/15, Lovelace, 3.62M) reports on its website that Texas officials "said there were 2,287 patients sickened with" COVID-19 across its hospitals on Sunday, "the sixth new high for coronavirus hospitalizations in the state in less than a week." According to CNBC, "In the past week, Wednesday was the only day that Texas didn't set a new record for hospitalizations."

Even as coronavirus infections continue to rise in many parts of the country, the Washington Post (6/15, A1, Bernstein, Weiner, Achenbach, 14.2M) reports, public health recommendations are "under attack from communities tired of staying home and officials eager to restart local economies." Experts attributed "the tension between warnings issued by public health experts and the reality in places where cases are increasing" to multiple factors, including people not yet having been personally affected by the outbreak, people moving around more in good weather, and political leaders "refusing to issue a consistent public health message about wearing masks and maintaining

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social distance." However, NIH Director Collins said, "I understand how people must be very tired of this at this point. But the virus doesn't care that we're tired. The virus is still out there."

Miami, Miami Beach Mayors "Sounding The Alarm" On New COVID-19 Cases But Won't Reverse Reopenings. The Miami Herald (6/15, Leibowitz, 1.09M) reports that Miami Mayor Francis Suarez (R) and Miami Beach Mayor Dan Gelber (D) held a news conference in which they expressed concern about the increasing totals and positive test rates of novel coronavirus cases in Miami-Dade County. Suarez said that if the current trend continues, "we're gonna be put in a situation where we have to make tough choices." He added, "We're kind of sounding the alarm." However, both said that they don't yet plan to reverse the reopening of their cities' economies or require residents stay home. Meanwhile, at his own news conference, Miami-Dade County Mayor Carlos Gimenez (R) "suggested the county's increasing number of COVID-19 cases is a direct result of increased testing."

FDA Revokes Emergency Authorization For Malaria Drugs Touted By Trump.

Marcus Moore reported on ABC World News Tonight (6/15, story 4, 2:45, Muir, 7.74M) that the FDA is "revoking emergency authorization for hydroxychloroquine and chloroquine, saying the two malaria drugs are 'unlikely to be effective' in fighting COVID-19." HHS Secretary Azar said, "If a doctor wishes to prescribe it working with a patient, they may prescribe it for any purpose that they wish to do so. And this actually removes a potential barrier to that."

Reuters (6/15, Beasley, Mishra) reports the FDA's move "quickly came under fire from" President Trump, who "said only U.S. agencies have failed to grasp its benefit in fighting the coronavirus" and "said there had been 'great reports' out of France, Spain and other places, without offering any evidence or further explanation." The FDA also "warned that the drugs have been shown in lab studies to interfere with" remdesivir – the only medicine that clinical trials have shown provides a benefit against COVID-19.

The AP (6/15, Perrone) reports that there is growing evidence that the malaria drugs, promoted by President Trump "for treating COVID-19...don't work and could cause serious side effects." The FDA, "citing reports of heart complications," said the drugs' unproven benefits "do not outweigh the known and potential risks." The AP points out that the drugs are "still available for alternate FDA-approved uses, so U.S. doctors could still prescribe them for COVID-19."

The Washington Post (6/15, McGinley, Johnson, 14.2M) reports the FDA's "change in position was outlined in a letter from Denise Hinton, the agency's chief scientist, to Gary Disbrow, the acting director of the Biomedical Advanced Research and Development Authority, who requested the revocation. The FDA noted in the letter that the request was an 'interagency effort' prompted by new clinical trial results and other information." The Post reports that "for months," President Trump "touted hydroxychloroquine as a 'game changer,'" and "it was also talked up by many of his close associates," including Rudy Giuliani.

Reuters (6/15, Mishra, Beasley) reports that "in recent weeks," doctors "had already pulled back on the use of hydroxychloroquine for COVID-19, after several studies suggested it is not effective and may pose heart risks for certain patients." According to Reuters, "Half of hospitals responding to a mid-May survey conducted by the American Society of Health-System Pharmacists (ASHP) reported excess supplies of hydroxychloroquine that they expected to return to wholesalers."

The New York Times (6/15, 18.61M) reports that members of Congress "have questioned increases in the F.D.A.'s granting of emergency use authorizations during the pandemic for certain drugs as potential treatments. They have also questioned authorizations for antibody and diagnostic tests whose data had not been thoroughly vetted before approval, and for certain types of masks and other devices." According to the Times, Democrats "have criticized the Trump administration for pressuring the agency into issuing too many emergency approvals."

Some Concerned White House Pressure Will Cause Approval Of Ineffective COVID-19 Vaccine.

Politico (6/15, Owermohle, 4.29M) reports that with President Trump seeking reelection and "eager to fulfill his promise" that a coronavirus vaccine will be available to all Americans before next year, "public health experts are growing increasingly worried that" the FDA will be pressured "to approve the first vaccine candidate to show promise – without proof that it provides effective, reliable protection against the virus." Such a move, which could make millions of doses available outside of clinical trials, would increase the difficulty of enrolling enough people in such trial to actually to show the vaccine works and could "squeeze other – potentially better – candidates out of the market." FDA Commissioner Hahn said, "Under no circumstances will the FDA allow political pressure to affect our decision-making."

Human Challenge Trials Under Consideration For COVID-19 Vaccine Candidates, But Thorny Issues Loom. The Washington Post (6/15, A1, Guarino, Johnson, 14.2M) reports there are "preliminary discussions" about using human challenge trials – in which healthy volunteers receive an experimental vaccine and are exposed to a pathogen – to study novel coronavirus vaccine candidates. NIH Director Collins said they are "on the table for discussion – not on the table to start designing a plan." Some experts are concerned that traditional Phase 3 trials could "take too long or not gather enough evidence to be conclusive"; in contrast, challenge trials can involve as little as 100 subjects take two or three months. However, infecting healthy people with a potentially lethal virus that there is no treatment for "raises some of the most fraught ethical, scientific and philosophical issues in the history of medicine." Despite the risks, the new online organization 1Day Sooner has more than 28,000 other volunteer to be part of such trials.

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Survey: COVID-19 Deaths Hitting African Americans Disproportionately.

FOIA-22-0351-A-001318

The AP (6/15, Stafford, Fingerhut) reports that three COVID Impact surveys conducted between April and June by NORC at the University of

Chicago for the Data Foundation lay "bare how black Americans have borne the brunt of the" coronavirus pandemic. They found that 11 percent of African Americans "say they were close with someone who has died from the coronavirus, compared with 5% of Americans overall and 4% of white Americans." Additionally, an AP analysis of data from state and local health departments found that nationwide "more than a quarter of all COVID-related deaths nationwide have been black victims," almost double the share of the African American population in the sampled areas, and "in a number of states, the disparity was even more outsized."

Cuomo Warns New Yorkers Over Lax Adherence To Social Distancing Rules.

The New York Times (6/15, McKinley, Ferré-Sadurni, 18.61M) reports that New York's coronavirus indicators "clearly turned a corner," but over the weekend many people in New York City "openly disregarded social-distancing rules." Responding to videos and reports, Gov. Andrew Cuomo (D) "singled out bar owners and patrons in Manhattan and the Hamptons on Long Island for flouting the rules." He warned that, absent local crackdowns on such behavior, "there is a very real possibility that we would roll back the reopening in those areas" and that restaurants and bars could loose their liquor licenses. Cuomo said that if people violate the rules a second wave of infections ":will come. And once it comes, it's too late."

Next Year's Oscars Pushed Back Due To Pandemic.

USA Today (6/15, Truitt, 10.31M) reports the 93rd Academy Awards has been pushed back from Feb. 28, 2021 to April 25 due to the coronavirus pandemic, and the eligibility period for Academy Awards consideration has been extended to Feb. 28, 2021, instead of ending with the year.

SCOTUS Declines To Hear Administration Challenge To California Sanctuary Law.

The New York Times (6/15, Liptak, 18.61M) reports that on Monday, the Supreme Court "turned down an appeal from the Trump administration seeking to challenge a California 'sanctuary law.'" Justices Clarence Thomas and Samuel Alito "said they would have granted the administration's petition seeking review." According to the Times, "The California law prohibits state officials from telling federal ones when undocumented immigrants are to be released from state custody and restricts transfers of immigrants in state custody to federal immigration authorities." The Times says "a unanimous three-judge panel of the United States Court of Appeals for the Ninth Circuit, in San Francisco, ruled that the federal government is not entitled to commandeer a state's resources to further its immigration agenda."

The AP (6/15) reports, "The case is at the heart of long-running tensions between the state and the Trump administration over immigration enforcement." The Los Angeles Times (6/15, Savage, 4.64M) reports, "At issue was a clash between federal power and states' rights," and the late Justice Antonin Scalia's "state's rights doctrine" – that state and local officials are not required to carry out federal enforcement – "appears to have prevailed."

The Washington Post (6/15, Barnes, Marimow, 14.2M) reports that Solicitor General Noel Francisco "had asked the Supreme Court to take the case, saying the law intrudes on what is a federal responsibility." California Attorney General Xavier Becerra countered that the law is "consistent with the longstanding principle that the Constitution allows states to decline to use their own resources to carry out federal regulatory programs." Bloomberg (6/15, Stohr, 4.73M) and Reuters (6/15, Hesson), among other news outlets, also cover the ruling.

In an editorial, the Los Angeles Times (6/15, 4.64M) writes that the Court reaffirmed "that states and cities can't be forced to support" President Trump's "pernicious effort," since he took office to wage "a mean-spirited, costly and unnecessary war against undocumented immigrants." The Times adds, "Communities are safer when police and local law enforcement officers stay out of the deportation business."

Bipartisan Proposal Would Expand Tax Break For Charitable Gifts.

The Wall Street Journal (6/15, Rubin, Subscription Publication, 7.57M) reports a bipartisan effort to expand tax breaks for charitable donations is gaining support in Congress. Senators are proposing to allow taxpayers deduct charitable gifts, even if they do not itemize their deductions, in an effort to help nonprofit groups that are struggling during the pandemic, as well as middle-class donors.

Barr Announces Resumption Of Federal Executions.

The Washington Examiner (6/15, Dunleavy, 448K) reports Attorney General Barr said four federal death row inmates convicted of murdering children will be executed in July and August, the first federal executions "in nearly two decades." Last summer, Barr announced new guidelines on resuming capital punishment under federal law and directed that the three drugs previously used in federal executions be replaced with just the barbiturate phenobarbital.

SCOTUS Declines To Hear Cases Pushed By Pro-Gun Groups.

The Washington Post (6/15, Barnes, 14.2M) reports that on Monday, the Supreme Court "declined to take up new cases for next term that gun rights groups claimed denied Second Amendment rights." According to the Post, "The court did not accept a batch of nearly a dozen cases that gun groups had hoped the court, fortified with more conservative members, might consider." The AP (6/15) reports the Court left in place restrictions on carrying weapons in public, a ban on some semi-automatic firearms and large-capacity ammunition magazines, a handgun control law, and a federal ban on interstate handgun sales.

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WPost Analysis: DeVos Seizing Opportunity To Push School Choice During Pandemic.

The Washington Post (6/15, Meckler, 14.2M) reports Education Secretary DeVos has "said little" about how public schools should confront the challenges posed by the pandemic, and instead, has "pressed her central agenda: that students and families should have choices beyond their traditional public schools, and that tax dollars should follow those choices." The pandemic, DeVos has said, "offers a 'silver lining,' showing Americans that traditional schooling is not the only way." In appearances on talk shows, DeVos has "said the remote education forced on schools this spring has taught people there is more than one way for students to learn. She spent less time discussing the challenges of students, parents and teachers who have tried but struggled under this system, or the challenges faced by schools and families with less money or less access to tools to make remote learning work."

Trump: Bolton Will Break The Law If He Publishes Book.

ABC World News Tonight (6/15, story 10, 0:20, Muir, 7.94M) reported President Trump "would not confirm reports but strongly suggested the White House could sue to stop publication of" former National Security Adviser John Bolton's new book, due out next week. He said the book was full of classified information and that publishing it would break the law.

NBC Nightly News (6/15, story 6, 0:20, Holt, 6.8M) reported that President Trump is "bracing" John Bolton's upcoming book. Trump was shown saying, "Any conversation with me is classified." However, "Bolton's lawyer has said the White House has months to review the book and says it does not contain classified information." The CBS Evening News (6/15, story 6, 0:20, O'Donnell, 4.78M) reported Trump is threatening to sue Bolton. Reuters (6/15, Mason) reports that at an event with Trump, Attorney General Barr said Bolton did not complete the process required to publish the book.

Bloomberg (6/15, Fabian, Sink, 4.73M) reports a person familiar with the matter said that the Administration is expected to seek a court injunction to block the book's publication, which is scheduled for June 23, and if unsuccessful could still sue Bolton for breach of contract. In a Wall Street Journal op-ed published last week, Bolton attorney Charles Cooper wrote that the assertion the memoir contained classified information and would violate nondisclosure agreements came after four-month review and weeks of silence from the White House. Meanwhile, failing to prevent the book's publication could "backfire by generating free publicity for its author."

Schumer Seeks Inquiry On Hiring Of Trump Ally To Head Post Office.

The Washington Post (6/15, Bogage, 14.2M) reports that in "the latest salvo in a growing political battle over the future" of the US Postal Service, Senate Minority Leader Schumer wrote to Postal Service Board of Governors Chairman Robert M. Duncan requesting communication with the White House about the appointment of new Postmaster General DeJoy, "a seasoned businessman and top fundraiser for President Trump." Schumer questioned whether DeJoy was "selected for reasons of politics or patronage" and how he'll distance himself from the GOP and "rid his extensive portfolio of any holding that conflicts with his new role." The letter comes as the Administration has sought to leverage the agency's deteriorating finances during the pandemic "to pull the independent agency into its sphere of influence."

Senate Democrats Denounce Pentagon Policy Chief Nominee.

Politico (6/15, O'Brien, 4.29M) reports that six Democrats on the Senate Armed Services Committee will oppose Anthony Tata, President Trump's "pick to be the next Pentagon policy chief, amid scrutiny over past tweets calling former President Barack Obama a 'terrorist leader.'" According to Politico, "The shot across the bow, led by ranking Democrat Jack Reed of Rhode Island, just days after Tata was officially nominated spells trouble for his nomination for undersecretary for policy." Politico says "the rebuke from Reed is a rare early rejection of a nominee on a committee that typically functions through bipartisan consensus." Politico says that on Friday, CNN "reported...that Tata has a history of making Islamophobic remarks and derogatory comments toward Democrats, including calling Obama 'a terrorist leader' and referring to Islam as 'the most oppressive violent religion I know of,' in since-deleted tweets from 2018."

Director Resigns As Trump Ally Is Set To Head Up VOA.

The AP (6/15, Fox) reports that Voice of America Director Amanda Bennett and Deputy Director Sandy Sugawara resigned Monday "following recent clashes with the Trump administration that have sparked fears for its independence." Bennett and Sugawara "announced they were leaving the organization as Trump ally and conservative filmmaker Michael Pack takes over leadership of the agency that oversees VOA." According to the AP, "Democrats objected to the nomination of Pack, a one-time associate of former Trump adviser Steve Bannon, in part for his refusal to answer questions about past business dealings," but "that didn't stop his confirmation by the Senate."

The Washington Post (6/15, Farhi, Izadi, 14.2M) reports that VOA's "relationship with the Trump administration was already fraught, but over the weekend, a new rift developed. After news emerged that the Centers for Disease Control had instructed its communications staff to deny interviews to VOA reporters – a policy prompted by the White House's criticism of the agency – Bennett issued a strongly worded statement condemning the policy. 'Efforts such as those outlined in the CDC memo can result in the kind of chilling effect on our journalism that we regularly see in the markets we broadcast to that have no free press,' Bennett wrote in response."

Politico (6/15, Forgey, 4.29M) reports that the CDC's "mandate came in an April 30 email sent from CDC official Logan Rich, which detailed in part the process for approving interview requests before they are forwarded to the Department of Health and Human

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Services or Office of the Vice President. 'NOTE: as a rule, do not send up requests for Greta Van Sustern [sic] or anyone affiliated with Voice of America,' the email states." Van Susteren is "a longtime news anchor and attorney who now works as a host for VOA." According to Politico, Rich, "who was named communications director at the Agriculture Department last year, had been detailed to the CDC to assist with communications related to the coronavirus."

The New York Times (6/15, Wong, 18.61M) reports, "Trump has placed extraordinary pressure on Voice of America in recent months by personally denouncing its work." Many journalists at organizations overseen by the US Agency for Global Media, such as Voice of America, "have been nervous" about Pack's leadership and "whether he intends to maintain editorial independence from the White House and other parts of the government," as VOA "is supposed to."

First Lady Announces National Youth Art Project On Women's Suffrage.

The AP (6/15, Superville) reports First Lady Melania Trump on Monday "announced a youth art project to coincide with the ratification nearly 100 years ago of the constitutional amendment that granted women the right to vote." She "said children should be included in conversations about the upcoming centennial so they can learn the history behind the women's suffrage movement, including peaceful protests like those they see taking place in response to the killing of George Floyd by police in Minneapolis."

The Washington Examiner (6/15, Yilek, 448K) reports the First Lady said in a statement, "For decades, women leaders lobbied, marched, and protested for equality and their right to vote in the United States. It is my hope that this project will both support and expand the important conversations taking place on equality and the impact of peaceful protests, while encouraging children to engage in the history behind this consequential movement in their own home state."

Trump's Niece To Publish Tell-All Next Month.

The New York Times (6/15, Vigdor, Alter, 18.61M) reports that Mary Trump, the President's niece, "will divulge a series of damaging stories about him in an upcoming book, the first time that the president could be forced to grapple with unflattering revelations by a member of his own family." Mary Trump "will release the book, 'Too Much and Never Enough: How My Family Created the World's Most Dangerous Man,' on July 28," according her publisher, Simon & Schuster. The Times says that in the book, she "will say she was a primary source for The New York Times's coverage of Mr. Trump's finances and provided the newspaper with confidential tax documents." The Times reports that Mary Trump is "the daughter of Fred Trump Jr., the president's older brother, who died in 1981," and "has mostly kept out of the public eye, except for a family feud over the will of the Trump family patriarch, Fred Trump Sr., who died in 1999."

Gorsuch Joins Roberts And Liberal Justices In Barring Discrimination Based On Sexuality.

The Hill (6/15, Samuels, 2.98M) reports that on Monday, President Trump said, "we live with" the Supreme Court's ruling earlier in the day that civil rights laws protect gay and transgender employees against employer discrimination. While the Administration had argued on behalf of the employers in the case, Trump said the justices "have so ruled."

NBC Nightly News (6/15, story 2, 2:10, Holt, 6.8M) reported that in a "landmark decision" the Supreme Court ruled "the nation's most important civil rights law also bans discrimination against gay and transgender workers." NBC (Williams) added that in "a stunning ruling from a more conservative Supreme Court," the 1964 Civil Rights Act was held to ban job decisions because of sexual orientation and gender identity, "because they're forms of sex discrimination." Williams said, "Even more surprising" was that Justice Neil Gorsuch, President Trump's first Supreme Court appointee, who wrote the ruling.

Terry Moran, reporting on ABC World News Tonight (6/15, story 7, 2:00, Muir, 7.74M) called the ruling a "stunning victory for LGBTQ Americans." Meanwhile, Justice Samuel Alito's 100-page dissent "warned of dire consequences" from the ruling, "from bathrooms at workplaces to pronouns." The CBS Evening News (6/15, story 3, 2:10, O'Donnell, 4.78M) offered similar coverage.

Calling the ruling "a resounding victory for LGBT rights from a conservative court," the AP (6/15, Sherman) reports that the Supreme Court's decision was 6-3, with Justices Alito, Kavanaugh, and Thomas dissenting. Gorsuch wrote, "An employer who fires an individual for being homosexual or transgender fires that person for traits or actions it would not have questioned in members of a different sex."

According to Politico (6/15, Gerstein, Rainey, 4.29M), "The conservative Gorsuch embraced arguments that seemed radical to many liberals just a few years ago: that the 1964 Civil Rights Act's prohibition on sex discrimination in employment also effectively banned bias based on sexual orientation or gender identity, even though few if any members of Congress thought they were doing that at the time." To Politico, the decision is "a rout for social conservatives and a defeat for President Donald Trump's administration, which had urged the justices to take a narrow view of the half-century-old law."

The Washington Post (6/15, Barnes, 14.2M) says Gorsuch "acknowledged that lawmakers in 1964 were probably not protecting gay and transgender workers. But the words of the statute they wrote do that, he said. 'Likely, they weren't thinking about many of the act's consequences that have become apparent over the years, including its prohibition against discrimination on the basis of motherhood or its ban on the sexual harassment of male employees,' he wrote." Gorsuch added, "The limits of the drafters' imagination supply no reason to ignore the law's demands."

The New York Times (6/15, Liptak, 18.61M) reports that "until Monday's decision, it was legal in more than half the states to fire workers for being gay, bisexual or transgender." According to the Times, "The decision, covering two sets of cases, was the court's first on lesbian,

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gay, bisexual and transgender rights since the retirement in 2018 of Justice Anthony M. Kennedy, who wrote the majority opinions in all four of the court's major gay rights decisions."

USA Today (6/15, Wolf, 10.31M) reports the ruling "is likely to have a sweeping impact" in the areas of education, healthcare, housing, and financial credit. Additionally, it could imperil the Administration's new rule narrowing the legal definition of sex discrimination in healthcare to omit transgender people. However, discrimination in public accommodations based on sex is not barred by federal law.

In an analysis, the New York Times (6/15, Shear, 18.61M) reports, "Justice Gorsuch has largely echoed" the legal philosophy of Justice Antonin Scalia, who he succeeded, and "has repeatedly said he is a staunch believer in 'textualism.'" Conservative legal scholars, who "were instrumental" in persuading Trump to nominate Gorsuch and pushed for his confirmation, "denounced his opinion, calling it a travesty for conservative legal thought." With this opinion, Gorsuch "assumed the role of his mentor, former Justice Anthony M. Kennedy, who played a pivotal role in many of the biggest gay rights cases of the last quarter-century."

Similarly, the Wall Street Journal (6/15, A1, Bravin, Kendall, Subscription Publication, 7.57M) reports that Gorsuch used Scalia's approach of examining the language Congress enacted, in contrast to considering wider exploration of legislators' goal or relying on broad constitutional principles of due process and equal protection.

Reuters (6/15, Hurley) and Bloomberg (6/15, 4.73M), among other news outlets, also cover the ruling.

In an editorial, the Wall Street Journal (6/15, Subscription Publication, 7.57M) writes that the decision was a win for Justice Elena Kagan's efforts to redefine Scalia's jurisprudence. The Journal adds that the majority opinion essentially rewrites Title VII of the 1964 Civil Rights Act using her views, distorts textualism, and usurps Congress. The Journal concludes that the opinion makes textualism meaningless and allow the law to force transgender females' competition in women's sports, provision of gender neutral restrooms, and the compliance of religious institutions.

In an editorial, the New York Times (6/15, 18.61M) welcomes the ruling as "an emphatic win for civil rights, equal justice and common sense" that should have been unanimous. The Times criticizes Justice Samuel Alito's dissent as "sound[ing] like it was written in 1964" and pointing out that if the Court, as he argued interpreted statutes to "mean what they conveyed to reasonable people at the time they were written," then the Second Amendment would apply only to bayonets and muskets. Still, the Times warns that when textualism is "applied too rigidly it can lead to very unjust results."

The decision "helped make America a better country," the Washington Post (6/15, 14.2M) writes in an editorial, calling it another "major civil rights advance" that didn't come from Congress, which "should have acted years before now to remove any doubt that the law protects LGBTQ people." The Post criticizes the GOP for continuing to trail "society's welcome evolution on questions of fair treatment for all."

Supreme Court Allows Pipeline Crossing Appalachian Trail.

Reuters (6/15, Hurley) reports that in a 7-2 ruling the Supreme Court handed Dominion Energy Inc. and the Trump Administration a victory, holding that the Forest Service has authority to grant the proposed $7.5 billion Atlantic Coast Pipeline a right of way where it would cross the Appalachian Trail, which is overseen by the National Park Service. The ruling removes just one of "several obstacles facing the project."

In an editorial, the Wall Street Journal (6/15, Subscription Publication, 7.57M) celebrates environmentalists' loss. The Journal casts opponents of the trail – and the rulings supporting them – as contrary to common sense and seeking to stop US energy production.

Trump Contrasts Health Media Warnings About His Rallies With Justifications For Protests.

The CBS Evening News (6/15, story 5, 1:05, O'Donnell, 4.78M) reported President Trump on Monday rejected "concerns that his upcoming campaign rally in Tulsa, Oklahoma on Saturday will expose his supporters to COVID-19." CBS' Ben Tracy added, "Despite the recent spike in coronavirus cases, President Trump says he won't be shamed into canceling his campaign rally and is still planning to pack an arena in Tulsa, Oklahoma on Saturday."

Politico (6/15, Oprysko, 4.29M) reports that Trump "claimed to be a victim of double standards when it comes to perception of his decision to resume campaign rallies in the midst of the coronavirus pandemic, declaring that attempts to 'covid shame' his campaign 'won't work!'" Politico says the President "complained about discrepancies in media coverage of his upcoming rally in Tulsa, Okla., compared to that of mass protests across the country over police killings of unarmed black Americans." Trump wrote on Twitter, "The Far Left Fake News Media, which had no Covid problem with the Rioters & Looters destroying Democrat run cities, is trying to Covid Shame us on our big Rallies." According to Politico, public health experts, who "have faced accusations of hypocrisy for backing the protests," have "argued that, while still dangerous, mass gatherings are safer outdoors than indoors, as Trump's rally will be."

The Washington Post (6/15, Elfrink, 14.2M) reports that Tulsa Health Department Director Bruce Dart "warned over the weekend that a rally expected to draw more than 19,000 Trump supporters could ignite a bigger crisis." According to the Post, "The conflict hints at the significant challenges of campaigning during a pandemic, a particularly acute problem for Trump, who has built a movement centered on the giant gatherings that health officials warn are among the riskiest events for transmitting the coronavirus." Also, The Hill (6/15, Chalfant, 2.98M) reports, "The editorial board of Tulsa World has called on Trump to reconsider hosting the campaign rally in the city, calling it the 'wrong time' to do so during the pandemic."

The Washington Times (6/15, Boyer, 492K) reports, "The Trump campaign said Monday it has received more than 1 million requests for tickets to the president's next campaign rally, even as the top health official in Tulsa, Oklahoma, warned that people could contract the COVID-19 disease in the enclosed arena." On Twitter, Trump wrote on Monday, "Almost One Million people request tickets for the Saturday

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Night Rally in Tulsa, Oklahoma!" On NBC Nightly News (6/15, story 5, 1:00, Holt, 6.8M), Peter Alexander reported Trump "says to accommodate ticket requests, they will fill the 19,000 seat arena and the convention hall next door. The type of gathering the CDC classifies as highest risk of spreading coronavirus."

The Tulsa World (6/15, 205K) reports Vice President Pence on Monday said he will join Trump in Tulsa on Saturday. Pence tweeted, "Thrilled to be joining President @realDonaldTrump in Tulsa, Oklahoma on Saturday! We are Making America Great Again! #FourMoreYears"

Reuters (6/15, Chiacu, Lange) reports people attending the campaign rally on Saturday will "receive temperature checks, masks and hand sanitizer before entering the arena, the Republican's campaign said." The Washington Examiner (6/15, Crilly, 448K) reports Deputy Campaign Communications Director Erin Perrine said, "The campaign takes the health and safety of rallygoers seriously and is taking precautions to make the rally safe. Every single rallygoer will have their temperature checked, be provided a face mask and hand sanitizer."

Axios (6/15, Fernandez, 521K) reports Republican National Committee Chair Ronna McDaniel "said Monday that masks would be optional, telling Fox News: 'The American people can make decisions for themselves, we're all pretty informed about Covid at this point.'" Axios points out that "two of Trump's recent high-dollar fundraisers had more rigorous safety precautions for top Republican donors than the rally will, including requiring a negative coronavirus test, a wellness questionnaire and temperature checks," according to NBC News.

On ABC World News Tonight (6/15, story 5, 1:40, Muir, 7.74M), Jonathan Karl reported that "the President's top economic adviser recommended masks for everybody, but was less emphatic about those attending the rally." When asked during an appearance on CNN if people should be wearing masks at the rally, NEC Director Kudlow answered, "Well, okay, probably so."

On Fox News' Hannity (6/15, 535K), White House Press Secretary Kayleigh McEnany addressed media criticism of President Trump's planned campaign rally in Tulsa. Speaking of the media, McEnany said, "This is how much they have Trump Derangement Syndrome. They see a million people registering for a rally so they are so contradictory, praising the crowd of protesters, criticizing the million people who signed up for a Trump rally. We saw this with the churches when President Trump opened the churches, socially distanced. They criticized that but then in the same breath laud the protests a week later. It's so wrong. People see directly through this and it's all because President Trump is succeeding."

Trump To Travel To Alabama For Rally In Support Of Tuberville.

CNN (6/15, Collins, 83.16M) reports on its website that President Trump will "travel to Mobile, Alabama, next month to rally on behalf of Tommy Tuberville, who is running against his former attorney general, Jeff Sessions, as he attempts to reclaim his old US Senate seat." Calling it "a blow" to Sessions, CNN says "the rally will be held in his hometown days before the runoff election scheduled for July 14." Sessions responded to the news by telling the President his time "would be far better spent in swing states he must win to be reelected."

Conway: Trump Giving Seniors More Tools To Fight Financial Fraud.

On Fox News (6/15), White House Counselor Kellyanne Conway discussed President Trump's roundtable with senior citizens he was scheduled to hold on Monday. Conway said Trump is focused on tackling "the financial fraud that is hurting our seniors all across this country." Conway said, "We are giving banks more leeway and more guidance. If you see a senior citizen withdrawing his or her life savings, they probably have gotten one of those calls or texts or emails or threatening notes to do that. There's a ton of financial fraud. We are getting seniors more tools to help them fight against that."

Report Finds Racial Bias In Mortgage Lending.

NBC Nightly News (6/15, story 9, 2:50, Holt, 6.8M) reported, "For millions, owning a home remains at the heart of the American dream. But many black Americans have been left out by a decades old practice many say was driven by racism." NBC's Steve Patterson reported an analysis of Chicago mortgages found 68 percent of the money "went to majority white neighborhoods; black neighborhoods got only eight percent. ... The report also found a disparity in the number of loans. Financial institutions granting four times as many in white neighborhoods than in black or Latino."

NYTimes Analysis: Federal "Midlevel Managers" Trying To "Undermine Climate Change Science."

According to the New York Times (6/15, Friedman, 18.61M), "Efforts to undermine climate change science in the federal government, once orchestrated largely by President Trump's political appointees, are now increasingly driven by midlevel managers trying to protect their jobs and budgets and wary of the scrutiny of senior officials." The Times says "government experts said they have been surprised at the speed with which federal workers have internalized President Trump's antagonism for climate science, and called the new landscape dangerous." The Times says an EPA IG report "found that almost 400 employees surveyed in 2018 believed a manager had interfered with or suppressed the release of scientific information, but they never reported the violations."

Iowa Poll: Trump Leads Biden 44%-43%, Down From A 10-Point Edge In March.

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The Des Moines Register (6/15, Pfannenstiel, 404K) reports that a Des Moines Register/Mediacom Iowa Poll of 674 likely Iowa voters, taken June 7-10, shows President Trump leading Joe Biden 44%-43%. The Register says that Trump "carried Iowa by 9 percentage points in his

2016 contest against Democrat Hillary Clinton." The Register adds that a similar poll taken in March showed Trump leading Biden 51%-41%.

National Poll: Biden Leads Trump 49%-35%. An Abacus Data national poll of "registered voters," taken July 11-13, shows Biden leading Trump 49%-35%. The write-up accompanying the poll doesn't indicate how many "registered voters" were surveyed, saying only that "1,500 American adults" were polled.

WPost's Blake Rehashes Trump Attorney's Back-And-Forth With Stelter Over CNN Poll. Writing in "The Fix" blog on the website of the Washington Post (6/15, 14.2M), Aaron Blake rehashed Trump campaign attorney Jenna Ellis' Sunday back-and-forth with CNN's Brian Stelter over a poll conducted by CNN that showed Biden with a 14-point edge over Trump. Blake says Ellis "claimed the CNN poll was 'junk' because it included adults who aren't registered voters," though "Stelter rightly noted, this is not at all uncommon with polls – including Washington Post polls – and the 14-point lead the poll showed was based only upon registered voters, not all adults." Blake adds that Ellis later tweeted a different poll at Stelter showing a closer race between Biden and Trump, but Blake says "the poll she tweeted wasn't even a presidential preference poll. Instead, it was a poll of who people thought would win the presidential race. The poll from Zogby Analytics showed people thought Trump would win by a 51-43 margin."

WPost's Bump Slams OAN Report On Poll As "Dishonest" and "Fake News." In an online analysis for the Washington Post (6/15, 14.2M), Philip Bump highlights what he says was an example of One American News offering a "dishonest" report on a Gravis Marketing poll testing Biden and Trump in Florida. Bump says the OAN report on the poll included "fake news...invented, cherry-picked and deceptively framed information meant not to convey actual information but, instead, to placate the president and his supporters. It is to news what your mom's evaluation of your performance in your Little League game was – reassuring but hardly objective."

Trump Camp, RNC Raise $14M On President's Birthday, Their Best Online Fundraising Day Ever.

In an exclusive, Fox News (6/15, Re, 27.59M) reports on its website that President Trump's campaign and the Republican National Committee "posted their largest online fundraising day ever on Sunday, bringing in $14 million across three entities on the president's birthday – smashing their previous online fundraising record of $10 million on Oct. 19, 2016." Fox News adds, "Trump and the RNC – which have been building a fundraising juggernaut for more than three years – have roughly $255 million cash on hand, compared with the approximately $100 million the Joe Biden campaign and DNC have in their coffers. A competitive primary with numerous candidates on the Democratic side essentially stalled their effort to consolidate donations for months."

The Hill (6/15, Manchester, 2.98M) reports, "Fundraising is expected to increase in the coming months, with Trump slated to resume his in-person campaign events this weekend in Tulsa, Oklahoma. Trump hosted a high-dollar fundraiser at his Bedminster, New Jersey golf club on Saturday, with tickets going as high as $250,000 per person."

On its website, NBC News (6/15, Alba, 6.14M) reports that Trump's reelection effort "raised more than $27 million in the span of four days after an extensive digital fundraising effort and resumption of in-person fundraising. The team announced it raised $14 million online on Sunday in a push to mark the president's 74th birthday, resulting in its largest single-day fundraising total to date." NBC adds, "And late last week, the Trump campaign and" RNC "resumed in-person fundraising, raking in $10 million at a private home in Dallas and $3 million in Bedminster, N.J. over the weekend." The Washington Times (6/15, Sherfinski, 492K) also reports on the story.

Trump Says He's Done More In Less Than Four Years Than Biden Did In Over 40 Years.

President Trump on Monday tweeted, "I've done more in less than 4 years than Biden's done in more than 40 years, including for Black America. Biden has been a part of every failed decision for decades. Bad Trade Deals, Endless Wars, you name it, he has shown a complete lack of leadership. He's weak & shot!!!"

Across US, Local GOP Chairs Are Convinced Trump Will Win Reelection.

Politico (6/15, Siders, 4.29M) reports, "By most conventional indicators, Donald Trump is in danger of becoming a one-term president." Yet, throughout the GOP's "vast organization in the states, the operational approach to Trump's re-election campaign is hardening around a fundamentally different view. Interviews with more than 50 state, district and county [GOP] chairs depict a version of the electoral landscape that is no worse for Trump than six months ago – and possibly even slightly better. According to this view, the coronavirus is on its way out and the economy is coming back. Polls are unreliable, Joe Biden is too frail to last, and the media still doesn't get it." Robeson County, NC GOP chief Phillip Stephens told Politico, "We're calling him 'Teflon Trump.' Nothing's going to stick, because if anything, it's getting more exciting than it was in 2016. ... We're thinking landslide." The Washington Examiner (6/15, Doyle, 448K) reports on the story drawing from Politico's article.

Biden, DNC Raise Almost $81M In May.

Politico (6/15, Caputo, 4.29M) reports that Joe Biden's campaign on Monday "announced it raised $81 million last month, fueled by his rise in the polls against President Trump and growth in his online fundraising operation. The $80.8 million haul by Biden and two committees associated with the Democratic Party came as Biden's campaign tripled the number of online donors since February and counted 1.5 million new supporters 'in the last few weeks,' according to an email sent Tuesday to supporters." Politico says "the new fundraising numbers partly

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reflect the full fundraising weight of the Biden Victory Fund, a joint enterprise with the Democratic National Committee established in May. Before the fund was established, Biden and the DNC raised $60.5 million in April, 30 percent less than the sum the campaign announced Monday."

The New York Times (6/15, Goldmacher, 18.61M) reports that the haul represented Biden's and the DNC's "biggest fund-raising month of the campaign...as large and small donors alike consolidated behind the presumptive Democratic nominee ahead of his fall contest with President Trump." The Times adds that May "was also the first full month that Mr. Biden had an agreement to raise money in tandem with the DNC through what is known as the Biden Victory Fund, which allows a single donor to give more than $620,000."

The AP (6/15) describes the nearly $81M haul as "a massive sum that shows the extent to which Democrats have unified behind" Biden "as he seeks to defeat Republican President Donald Trump. Then on Monday," Biden "broke his own single-event record by taking in $6 million during an online fundraiser" with Sen. Elizabeth Warren (D-MA) "that was attended by over 600 people. The amount of money Biden is pulling in suggests he won't have difficulty amassing the resources needed to compete with Trump, even in the midst of a pandemic that has tanked markets, forced many out of work, or otherwise crimped peoples' ability to spend." On its website, CNN (6/15, Bradner, 83.16M) reports a fundraiser with Sen. Kamala Harris (D-CA) last week "raised $3.5 million, underscoring how Biden is leaning on his former rivals – and the fundraising bases they built – for the general election."

Reuters (6/15, Ax) reports that Biden said in a statement, "Just a few months ago, people were ready to write this campaign off. Now, we are making huge dents in Donald Trump's war chest." Bloomberg (6/15, Allison, 4.73M) says that "during the primaries, Biden's campaign lagged behind rivals like Bernie Sanders and Elizabeth Warren in attracting those smaller, grassroots donations. Through the end of March, Sanders had raised $114 million from small-dollar donors, those giving less than $200, compared to $53 million for Biden, FEC records show." The Hill (6/15, Greenwood, 2.98M) reports, "The Biden campaign said that half of those who contributed in May were new donors. The average online donation to the campaign last month was $30." The Washington Times (6/15, McLaughlin, 492K) reports briefly on the story.

Obama Slated To Headline Virtual Fundraiser For Biden On June 23. The Washington Post (6/15, Sonmez, Lee, 14.2M) reports that former President Obama "will host a virtual fundraiser next week for...Biden, marking the first time that the 44th president will host an event for his former vice president's 2020 White House bid." Biden's "campaign announced the event Monday night, encouraging supporters to 'chip in any amount to attend our grassroots fundraiser with President Obama' on June 23." Axios (6/15, Nichols, 521K) reports that Biden's "campaign is looking to surpass a virtual event with former candidate Pete Buttigieg, which raised $1 million from approximately 36,000 donors." The Hill (6/15, Coleman, 2.98M) also reports on the story.

In 1993, Biden Said Confederate Heritage Group Included "Many Fine People."

On its website, Fox News (6/15, Re, 27.59M) reports, "A recently resurfaced video clip shows Joe Biden calling members of a Confederate heritage group 'fine people' in 1993 – nearly mirroring President Trump's 2017 remarks that some protesters opposing the removal of Confederate statues in Charlottesville, Va., were 'very fine people.'" During a Senate Judiciary Committee hearing on July 22, 1993, Biden made a positive remark about the United Daughters of the Confederacy, "which has been linked to the Ku Klux Klan." Praising a speech by then-Sen. Howell Heflin (D-AL), Biden said, "As a son of the Confederacy, acknowledging that it was time to change and yield to a position that Sen. Carol Moseley-Braun raised on the Senate floor, not granting a federal charter to an organization made up of many fine people who continue to display the Confederate flag as a symbol.' That was a reference to Moseley-Braun remarks earlier in the day concerning the UDP."

Planned Parenthood Endorses Biden.

Reuters (6/15, Ax) reports, "The political advocacy arm of reproductive-services provider Planned Parenthood on Monday endorsed Democrat Joe Biden for US president, calling his race against Republican President Donald Trump a 'fight for our country's very survival.'" Reuters adds, "Planned Parenthood Action Fund, which earlier this year launched a $45 million campaign to support Democratic candidates, had been expected to endorse the Democratic candidate for president, as it has in recent elections."

In Letter, Group Of Liberals Press Biden To Select Warren As Running Mate.

The Washington Post (6/15, Sullivan, 14.2M) reports, "More than 100 liberal activists, leaders and celebrities signed a letter" urging Joe Biden to choose Sen. Elizabeth Warren (D-MA) as his running mate, "intensifying pressure on the presumptive Democratic nominee from the left as he faces competing demands to pick a black woman." The letter casts Warren "as the best prepared prospect to serve as president and one uniquely capable of helping Biden politically in the November election. It asserts that he is 'already strong' among nonwhite voters but could use help winning over disaffected voters who" had supported Sen. Bernie Sanders (I-VT) during "the primary – even as some of them have soured on Warren."

USA Today (6/15, Santucci, 10.31M) reports, "Jane Fonda, whose recent activism includes a slew of arrests at climate protests, signed the letter," as did "progressive health care activist Ady Barkan, Pulse nightclub shooting survivor and gun violence activist Brandon Wolf and a wide range of left-leaning scholars and public figures." USA Today adds that Biden "is faced with the challenge of picking a VP who will help him energize young voters and voters of color. Some Democrats have called on him to choose a Latina or African American running mate to reach key voting blocs. Those calls have intensified as massive protests against racism and police brutality take place across the country."

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Hillary Clinton Endorses Engel In NY16 Primary.

The New York Times (6/15, Goldmacher, 18.61M) reports, "Hillary Clinton delivered her first Democratic primary endorsement in a 2020 House race on Monday, throwing her support behind" Rep. Eliot Engel (D-NY), who is "trying to fend off a serious challenge from his left after more than three decades in Congress." Sen. Bernie Sanders (I-VT) and Rep. Alexandria Ocasio-Cortez (D-NY) are among those backing Engel's "leading challenger, Jamaal Bowman, a middle school principal."

DNC Climate Council's $16T Plan Creates Intra-Party Tension.

Reuters (6/15, Hunnicutt, Volcovici) reports that the Democratic National Committee's council on climate change "irked party leadership when it published policy recommendations this month that ventured beyond presidential candidate Joe Biden's plan." The DNC's Environment and Climate Crisis Council "published proposals for the party's four-year platform on June 4 in a press release, calling for up to $16 trillion in spending to shift the US economy away from fossil fuels while banning hydraulic fracturing and oil and gas exports." Reuters says that "far exceed Biden's current climate plan, which bans new oil and gas permits on public lands and dedicates $1.7 trillion to accelerate the transition to renewable energy, but allows continued fracking and exports in the meantime."

Trump Lawyer Targeting State Voting Laws Profiled.

The New York Times (6/15, Hakim, Saul, 18.61M) profiles attorney William Consovoy, whose "firm [has] argued against affirmative action at Harvard and for virtually outlawing abortion in Georgia." Consovoy's "work for Mr. Trump has centered on the president's efforts, now before the Supreme Court, to keep his tax returns private – in the course of which Mr. Consovoy famously claimed that the president could not be prosecuted while in office, even for shooting someone in the middle of Fifth Avenue." The Times adds, "But it is his work on voting cases across the country that is drawing increasing attention. .. In recent weeks, his firm, Consovoy McCarthy, has fought against extending the deadline for mail-in voting in Wisconsin, sought to thwart felons from being re-enfranchised in Florida and sued to block California's plan to send absentee ballots to all registered voters."

USA Today: Ability To Vote By Mail "Even More Important" During Pandemic. In an editorial, the USA Today (6/15, 10.31M) writes that the coronavirus pandemic "renders mail-in voting even more important, particularly as epidemiologists warn of a possible second coronavirus surge come fall." Though President Trump has tweeted "outrageous outbursts about the issue," USA Today says, "Trump himself votes by mail. All 50 states allow it to some degree. One in four Americans voted by mail in 2016 and 2018. And the practice dates to Union troops voting absentee in the Civil War. ... The reality is that mail voting is a prudent step in a health crisis, and the risks of fraud are tiny."

In an opposing USA Today (6/15, 10.31M) op-ed, elections attorney Harmeet Dhillon, who says she "represent[s] Republicans suing in California to prevent millions of ballots being sent to inactive voters," argues that "expanding vote-by-mail systems takes an immense amount of equipment, time, staff and funding," and "is less secure than in-person voting."

RCP Average Has Trump's Job Approval At 42.4%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 42.4%, and his disapproval at 55.3%. The President's approval is unchanged since yesterday, but his disapproval is up 0.2.

A Rasmussen poll of 1,500 "likely voters" (6/10-6/14) finds Trump's approval at 43%, and his disapproval at 56%.

Financial International News

ECB Considers Next Move Amid Inflation Uncertainty.

Bloomberg (6/16, Look, 4.73M) reports the ECB's next move in response to the economic downturn resulting from the pandemic "could turn on whether it listens more to consumers or investors about the risk of deflation." Executive Board member Isabel Schnabel "highlighted the dilemma last week when she noted that financial markets have been pricing in 'significant risks' of a downward spiral in prices because of the coronavirus, while households expect just the opposite." Bloomberg says the right answer to that dilemma "matters hugely for the ECB because policy makers have justified their unprecedented support by saying it's geared toward their mandate of price stability, defined as inflation 'below, but close to, 2%.'" Numerous ECB officials "have said their decision this month to extend and almost double their pandemic bond-buying program was motivated by fear that prices will start a broad-based decline."

BOJ Head: Interest Rates Likely To Remain Ultra-Low Past 2022.

Bloomberg (6/16, Fujioka, Ito, 4.73M) reports Bank of Japan head Haruhiko Kuroda "said interest rates would likely remain ultralow into 2023 and warned that the pandemic could end up having a longer-than-expected impact on the economy." Kuroda "said that firms were still under severe financing stress, adding that he was determined to support businesses with lending for as long as needed during the crisis." Kuroda said, "Whether it's the fiscal year 2021 or 2022, I do feel we're a long way from a situation where we can raise rates." Kuroda "added that it would be difficult to move before the Federal Reserve, which hinted last week it would keep rates low through 2022 last week."

Reuters (6/16, Kihara, Kaneko, Kajimoto) also reports on Kuroda's comments.

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Candidates To Replace WTO Head Battle For Trust Of "Big Three" US, China, EU.

The Financial Times (6/15, Beattie, Subscription Publication, 1.34M) reports, "The race to succeed the Brazilian Roberto Azevêdo as head of the World Trade Organization is turning into a battle between candidates who..."

Leading International News

Tens Of Thousands Tested In Beijing Following New Outbreak.

The New York Times (6/15, Buckley, 18.61M) reports that "authorities in Beijing placed a swath of the city under lockdown on Monday and tested tens of thousands of people as they rushed to contain a new coronavirus outbreak that marked an unnerving breach in China's capital." According to the Times, Chinese President Xi Jinping "had said from the outset that Beijing, the seat of Communist Party power and a crowded metropolis, should be a fortress against the pandemic, and local officials have imposed strict measures to keep infections low." The Times says that "until now, the efforts appeared to have protected the capital against the virus."

The Washington Post (6/15, Fifield, 14.2M) reports that "after dozens of new cases were reported over the weekend, continuing into Monday, Chinese authorities mobilized almost 100,000 community workers to carry out tests on everyone who has worked in or visited the Xinfadi market in the southwest of Beijing." According to the Post, Xinfadi is "the largest fruit, vegetable and meat market in the capital, which is home to some 21 million people, and supplies 70 percent of the city's fresh vegetables and 80 percent of its fruit." The Post reports that "after discovering more than 90 new infections linked to the market over the weekend, and a further 36 being reported Monday, Beijing's health authorities are taking military-style action to try to ensure the virus doesn't spread further."

In a front-page article, the Wall Street Journal (6/15, A1, Hua, Subscription Publication, 7.57M) reports that residents, who had been returning to normal life as strict pandemic controls eased, were rattled by the new outbreak.

The AP (6/15) reports that the WHO's Michael Ryan "said he 'fully expects' China to share the genetic sequences from the resurgence of coronavirus that have recently hit Beijing, even though they have not yet done so." According to the AP, "Chinese officials said that their examination of the virus shows it originated in Europe, but they have not yet shared the sequences with WHO or the global scientific community."

US, China Agree To Allow Four Flights A Week. Reuters (6/15, Shepardson, Rucinski) reports that, "easing a standoff on travel restrictions," the US Transportation Department said that Washington and Beijing agreed to allow four weekly flights between the two countries. The agency said, "As the Chinese government allows more flights by U.S. carriers, we will reciprocate."

WHO Head To Deliver Graduation Speech At Chinese University. The New York Post (6/15, Nelson, 4.57M) reports that on Sunday, WHO Director-General Tedros Adhanom Ghebreyesus, "whose alleged pro-China bias prompted President Trump to withdraw US funding," will deliver a graduation speech at China's Tsinghua University School of Economics and Management.

European Borders Reopen, But International Travelers Remain Prohibited.

The AP (6/15, Moritsugu, Moulson, Hadjicostis) reports that on Monday, European countries "reopened borders...after a three-month coronavirus shutdown, although international visitors are still being kept away and there was uncertainty over whether many Europeans will quickly embrace travel outside their home countries." Germany and France "dropped border checks nearly two weeks after Italy opened its frontiers." However, the EU is not "expected to start reopening to visitors from outside the continent until at least the beginning of July and possibly later."

Pakistan Has Many More Confirmed Cases Since Easing Lockdown Than Beforehand.

The New York Times (6/15, Ur-Rehman, Masood, Abi-Habib, 18.61M) reports that "before reopening, Pakistan had recorded about 25,000 infections. A month later, the country recorded an additional 100,000 cases – almost certainly an undercount – and the pandemic shows no signs of abating. At least 2,356 people have died" of COVID-19, according to official figures released last week. According to the Times, Pakistan is "now reporting so many new cases that it is among the World Health Organization's top 10 countries where the virus is on the rise," and the WHO "wrote a letter criticizing the government's efforts on June 7 and recommended that lockdown be reimposed, stating that Pakistan did not meet any of the criteria needed to lift it."

Canada, Mexico Discuss USMCA Trade Deal.

Reuters (6/15, Martinez) reports Mexican President Andrés Manuel López Obrador said Monday "he had a half-hour phone call with Canada's Prime Minister Justin Trudeau and the two heads of state spoke about the bilateral economic relationship and the USMCA trade deal."

Johnson Agrees To Press Ahead With EU Trade Talks.

The New York Times (6/15, Erlanger, 18.61M) reports British Prime Minister Boris Johnson, "in his first direct talks with Brussels about Brexit since his country left the European Union at the end of January, agreed with European leaders on Monday to push ahead with intensified talks in July and August to try to reach a trade deal by the end of the year." After a videoconference with the union's three presidents – Ursula von der Leyen of the European Commission, Charles Michel of the European Council and David Sassoli of the European Parliament – the two sides "praised" their negotiators but "agreed nevertheless that new momentum was required."

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The Washington Post (6/15, Booth, Aries, Adam, 14.2M) reports that despite the coronavirus pandemic, Brexit "is still a big deal" for Johnson, "whose political career is built upon delivering it, even if pollsters say most Britons now care much more about the flatlining economy and the virus."

IAEA Head Calls For Greater Access In Iran.

The AP (6/15, Rising) reports IAEA Director General Mariano Grossi "said Monday that Iran must provide inspectors access to sites where the country is thought to have stored or used undeclared nuclear material." Grossi told reporters after a meeting of the agency's board in Vienna, "We need this cooperation. I regret that at this point we have this disagreement."

Senators Ask Pentagon If $1B In Afghan Aid Was Cut.

Reuters (6/15, Mohammed) reports Sens. Robert Menendez (D-NJ) and Jack Reed (D-RI) on Monday asked Defense Secretary Esper "what happened to $1 billion in aid for Afghanistan the Trump administration said it would cut nearly three months ago, according to a letter reviewed by Reuters." The two senators "demanded Esper explain whether the funds had been cut and if so from which accounts." In a letter to Esper, they write, "If the administration has determined that this cut in security assistance does not diminish our ability to pursue our national security objectives, what conditions have changed to create such a sizeable surplus?"

Trump Confirms Plans To Cut US Military Presence In Germany.

USA Today (6/15, Jackson, Subramanian, 10.31M) reports President Trump on Monday confirmed he is planning to withdraw "a little more than half of the U.S. troops now stationed in Germany, despite concerns that such a move would reduce American influence throughout Europe." Claiming Germany is "not paying enough toward the NATO military alliance, Trump said the total deployment of American troops in Germany would drop to 25,000." The Wall Street Journal (6/15, Gordon, Subscription Publication, 7.57M) quotes Trump as saying, "Until they pay, we're removing our soldiers, a number of our soldiers. Germany has been delinquent. And why should we be doing what we're doing if they don't pay, and they're supposed to pay."

Sources: Pompeo To Meet With Chinese Delegation This Week In Hawaii.

Reuters (6/15, Pamuk, Brunnstrom) reports Secretary of State Pompeo "is planning to meet a Chinese delegation at a U.S. military base in Hawaii this week to discuss bilateral ties that have soured deeply since the start of the year, sources familiar with the matter said." Hong Kong's South China Morning Post newspaper "cited an unidentified source as saying that Yang Jiechi, a state councilor and member of the Communist Party's powerful politburo, will represent the Chinese side for the meeting with Pompeo" at Hawaii's Hickam Air Force base.

Huawei CFO's Defense Expected To Cite Trump's Comments About Potential Intervention. Politico (6/15, Blatchford, Nylen, 4.29M) reports that President Trump's "musings about a trade deal with China will be under a legal microscope Monday as lawyers for Huawei executive Meng Wanzhou formally allege her extradition case to the U.S. has been tainted by politics." Meng, Huawei's CFO, "was arrested by Canadian police in December 2018 on an extradition request from the United States," and "her case, based on fraud charges connected to her alleged violation of U.S. sanctions on Iran, has infuriated Beijing and damaged the Canada-China diplomatic relationship." In 2018, Trump "said he would be willing to intervene in Meng's case if it would help the U.S. secure a trade deal with China or serve other American national security interests – comments her defense team plans to seize on to prevent her extradition before a court in Vancouver on Monday."

US Companies Will Be Allowed To Work With Huawei On 5G Standards. Reuters (6/15, Freifeld) reports exclusively that the Administration "will amend its prohibitions on U.S. companies doing business with China's Huawei to allow them to work together in standards setting for next-generation 5G networks." The Commerce Department "and other agencies signed off on the rule change, and it is awaiting publication in the Federal Register." However, Reuters adds that "industry officials say the rule change should not be viewed as a sign of weakening U.S. resolve against Huawei."

Whelan Conviction Prompts Speculation About Potential US-Russia Prisoner Swap.

The New York Times (6/15, Nechepurenko, 18.61M) reports that on Monday, Paul Whelan, a Marine veteran arrested in Moscow in December 2018, was "sentenced...to 16 years in a high-security prison on espionage charges that he and his family have described as a tool to increase his value in a potential future trade for Russians held in the United States." Whelan "had been a frequent visitor to Russia before his last trip to the country ended...with an arrest at a luxury hotel in Moscow, where he was attending a wedding, by agents of the Federal Security Service."

The Washington Post (6/15, Khurshudyan, 14.2M) reports Whelan "said throughout the trial that he was framed," and his attorney, Vladimir Zherebenkov, "said his client was unwittingly handed a flash drive containing 'state secrets' while visiting Russia for a wedding in late 2018." According to the Post, "speculation is rife about a possible prisoner exchange," and Zherebenkov "said he was told Konstantin Yaroshenko, a pilot who was arrested in 2010 for conspiracy to smuggle cocaine into the United States, and Viktor Bout, a gun runner...are the people the Kremlin is focused on as possible trades for Whelan's release." Reuters (6/15, Osborn, Heavey) reports that the Russian Foreign Ministry "told the Russian news agency RIA it had proposed detailed prisoner swaps to Washington many times but gave no further

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details."

ABC World News Tonight (6/15, story 8, 0:20, Muir, 7.94M) reported, "US authorities are outraged" over Whelan's conviction; the "US Ambassador in court call[ed] it a mockery of justice." The AP (6/15, Isachenkov) reports that in a statement, Secretary of State Pompeo said, "We have serious concerns that Mr. Whelan was deprived of the fair trial guarantees that Russia is required to provide him in accordance with its international human rights obligations." The CBS Evening News (6/15, story 7, 0:20, O'Donnell, 4.78M) reported "Pompeo called it an outrage, and accused the Russians of conducting a secret trial with secret evidence."

On its editorial page, the Wall Street Journal (6/15, Subscription Publication, 7.57M) calls Whelan's conviction a reminder of why US-Russian relations have not improved.

US Accuses Maduro Of Seeking To Rig Upcoming Election.

Reuters (6/15, Berwick) reports the Administration on Monday "accused Venezuelan President Nicolas Maduro of 'illegally' installing a new national electoral council to oversee parliamentary elections due to take place later this year." Secretary of State Pompeo, in a statement, "said Maduro was manipulating Venezuela's constitution and the new council would fail to implement the conditions required to hold free and fair elections."

Cape Verde May Send Suspect To US Without Extradition Treaty. The AP (6/15) reports that a "Colombian businessman linked to the Venezuelan government who is wanted in the United States could be extradited from the Cape Verde islands even though Washington and the West African country have no bilateral extradition treaty, according to Cape Verde's attorney general." Attorney General José Landim says suspect Alex Saab was arrested Friday night "when his plane stopped to refuel in the former Portuguese colony on the way to Iran."

Grenell: White House To Host Kosovo Peace Talks.

Politico (6/15, Gray, 4.29M) reports US special envoy Richard Grenell said Monday that the White House will host leaders from Serbia and Kosovo" later this month in an effort to kickstart stalled efforts to reach a permanent peace settlement." Grenell "said each side had made commitments to allow the White House talks to take place."

Israel Building Road Connecting Settlements As It Mulls West Bank Annexation.

Reuters (6/15, Farrell, Lubell, Ayyub) reports that "construction is under way on a major new ring road for Jerusalem that Israeli officials say will benefit all of its residents, but critics of the project say is another obstacle to Palestinian hopes to make East Jerusalem the capital of a future state." The bypass, called The American Road, "will connect Jewish settlements in the occupied West Bank that are north and south of Jerusalem."

EU Ministers Urge US To Revive Mideast Peace Talks. The AP (6/15, Cook) reports on Monday, EU foreign ministers "urged the United States to join a new effort to breathe life into long-stalled peace talks between Israel and the Palestinians," but they rejected President Trump's Middle East plan "as the basis for any international process." EU foreign policy chief Josep Borrell "said the Europeans 'recognize the merit of the U.S. plan because it has created a certain momentum where there was nothing.'" But Borrell "insisted that any new initiative must respect the 'internationally agreed parameters.'"

US Pilot Killed When Fighter Crashes In North Sea.

The AP (6/15, Kirka) reports the US Air Force announced on Monday the pilot of a fighter jet that "crashed into the North Sea, off the coast of northern England, has been found dead." The jet was on "a routine training mission from RAF Lakenheath when it crashed at 9:40 a.m. The cause of the crash wasn't immediately clear." ABC World News Tonight (6/15, story 11, 0:15, Muir, 7.94M) reported the F-15 pilot's body "has been recovered," but "the name has not been released." The CBS Evening News (6/15, story 10, 0:20, O'Donnell, 5.04M) also briefly reported the crash, as does Reuters (6/15) and the New York Times (6/15, Mueller, 18.61M), among other news outlets.

WPost: Philippines Sliding Toward Autocracy.

The Washington Post (6/15, 14.2M) editorializes that it surprised "no one when Rodrigo Duterte, the Philippines' autocratic-minded president, found himself at odds with the country's most prominent journalist," Maria Ressa. However, the Post says "what ought to be shocking to democratic nations was Ms. Ressa's conviction Monday on libel charges – the first of eight court cases against her orchestrated by the Duterte government." The Post says the Trump Administration "has been largely silent" on the matter and argues that the Philippines' "slide toward dictatorship deserves much greater resistance from Washington – if not from the White House, then from Congress."

Housing

Freddie Mac And Fannie Mae Announce Hiring Of Financial Advisers JPMorgan Chase And Morgan Stanley.

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Reuters (6/15, Schroeder) reports that "Fannie Mae and Freddie Mac announced on Monday they had hired Morgan Stanley and JPMorgan Chase, respectively, as financial advisers on any potential plan to exit government control."

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The Wall Street Journal (6/15, Ackerman, Subscription Publication, 7.57M) reports the GSEs announced the hires, and adds that the

Federal Housing Finance Agency had hired Houlihan Lokey in February to advise it.

HousingWire (6/15, Howley, 23K) reports, Fannie Mae "said it has chosen Morgan Stanley while Freddie Mac said it will use J.P. Morgan." Freddie Mac CEO David Brickman said, "We look forward to working with J.P. Morgan to continue meeting the milestones necessary to begin our new chapter as soon as possible." Brickman added, "At the same time, our focus on supporting borrowers, renters and lenders in the face of COVID-19 is stronger than ever."

National Mortgage News (6/15, Lang) reports that Houlihan Lokey will "assist in evaluating" the plans developed by the GSEs and their advisers to "facilitate the road map out of government control." Fannie Mae's President and CEO Hugh Frater said, "Today's announcement marks another important step toward a responsible exit from conservatorship, and we look forward to working with FHFA, Treasury, and Morgan Stanley to chart a strong course forward for Fannie Mae."

Bloomberg (6/15, Westbrook, 4.73M) also reports the news.

FHFA In Annual Report Asks Congress For Legislative Reforms, Announces It Will Repropose Financial Eligibility Requirements For Freddie Mac And Fannie Mae.

HousingWire (6/15, Howley, 23K) reports Federal Housing Finance Agency on Monday issued its annual report to Congress, that includes "several legislative steps it is seeking including the ability to examine the books of mortgage servicers." HousingWire adds, "The Financial Stability Oversight Council and the Government Accountability Office both have recommended that Congress authorize the FHFA to examine third parties that do business with the GSEs."

The ABA Banking Journal (6/15) reports FHFA Director Mark Calabria wrote in a cover letter to the annual report, "Only Congress has the authority to enact the legislative reforms necessary to address the structural flaws in the current model." Calabria added, "I reiterate my recommendation that Congress remove unnecessary statutory exemptions and other advantages afforded the Enterprises and grant FHFA the authorities, similar to those of other financial regulators, to develop capital standards for the Enterprises and to issue new enterprise charters."

M Report (6/15, Albanese) reports the FHFA on Monday announced "that it will be re-proposing the updated minimum financial eligibility requirements for Fannie Mae and Freddie Mac." The agency stated in a release, "FHFA has determined that it is prudent to work with the Enterprises to reassess and re-propose these requirements, including incorporating lessons learned from the evolving COVID-19 national emergency."

National Mortgage News (6/15, Sinnock) reports, "Smaller players in the housing finance industry requested a delay in the proposal's implementation and welcomed the move."

MBA Finds Mortgages In Forbearance Rose .02 Percent In First Week Of June, While Those Backed By Fannie Mae And Freddie Mac Declined.

USA Today (6/15, Menton, 10.31M) reports the Mortgage Bankers Association announced on Monday that "nearly 4.3 million homeowners were in forbearance plans during the first week of June," though the "growth rate was small, rising just two percentage points to 8.55% from 8.53% the prior week." USA Today adds that the share of homeowners in forbearance with "mortgages backed by Fannie Mae and Freddie Mac fell from 6.4% to 6.38%, while the percentage for loans backed by the Federal Housing Administration and the Veterans Administration remained flat at 11.83%."

National Mortgage News (6/15, Centopani) reports the growth rate was "nearly flat" for the week, and Mike Fratantoni, the MBA's senior vice president and chief economist, said that it was "primarily driven by a larger share of portfolio and PLS loans in forbearance." The News adds that there is "good news" in that mortgages "purchased by Fannie Mae and Freddie Mac — in forbearance actually decreased." It also reports that "Ginnie Mae mortgages — Federal Housing Administration, Department of Veterans Affairs and U.S. Department of Agriculture Rural Housing Service products — remained the highest percentage of loans in forbearance by investor type, but stayed static at 11.83%."

National Mortgage Professional (6/15) reports "the total number of loans now in forbearance rose slightly over last week" and "the share of Ginnie Mae loans in forbearance remained flat" while "the share of Fannie Mae and Freddie Mac loans in forbearance decreased."

Multifamily Finance.

- ***Freddie Mac Loan Aids Fairstead's Purchase Of Affordable Housing Property In Sunrise, Florida.*** The Commercial Observer (NY) (6/15, Cunningham) reports Capital One Multifamily Finance "provided $33.1 million in agency financing" for Fairstead's purchase of Federation Sunrise, a 123-unit "three-story affordable housing property," in Sunrise, Florida, while Meridian Capital Group "negotiated the 16-year Freddie Mac loan." The property is "subject to a long-term Section 8 contract."

FHFA Raises Concerns With Several FHL Banks.

American Banker (6/15, Lang, Subscription Publication, 31K) reports the FHFA in its annual report to Congress "identified several safety and soundness concerns with the Federal Home Loan Bank of Des Moines and the Federal Home Loan Bank of San Francisco." For the San Francisco bank, "the agency flagged concerns with the bank's credit risk underwriting and credit risk management, compliance with rules and

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regulations, and collateral management practices." With respect to the Des Moines bank, the agency "heightened its oversight of the bank and is working closely with the bank's president and CEO, Kristina Williams," who started in January. The agency raised concerns regarding "supervisory issues, including with the bank's management." The agency also reported that the Federal Home Loan Banks of San Francisco, Des Moines, New York, Cincinnati and Chicago all "needed to improve their diversity and inclusion programs."

Arbor Realty Trust Originates $59 Million In Fannie Mae Financing For Apartment Property In Chelsea, Massachusetts.

Commercial Real Estate Direct (6/15, Mandzy) reports, "Arbor Realty Trust Inc. has originated $59 million of Fannie Mae financing against the 222-unit One North of Boston II apartment property" in Chelsea, Massachusetts.

Sentinel Real Estate Gets $40 Million Fannie Mae Loan For Parker, Colorado Property.

Multi-Housing News (6/15, Morosanu) reports, "Sentinel Real Estate has received a $40 million Fannie Mae loan for Enclave at Cherry Creek" in Parker, Colorado. Enclave is a 285-unit community that "comprises one-, two- and three-bedroom apartments ranging in size from 592 to 1,359 square feet in five four-story buildings on a 37-acre site."

Aspen Square Management Receives $268.4 Million Fannie Mae Refinancing.

Multi-Housing News (6/15, Cazacu) reports, "Aspen Square Management has received a refinancing package of $268.4 million for a nationwide multifamily portfolio including properties in Arizona, Florida and Massachusetts." The News adds, "Walker & Dunlop originated the two senior loans through Fannie Mae," which "replaces a $197.6 million Fannie Mae line of credit from Capital One." The portfolio includes properties in Surprise, Arizona; Clermont, Florida; Tallahassee, Florida; Naples, Florida; Jacksonville, Florida; New Bedford, Massachusetts; and College Station, Texas.

Fannie Mae Forecasts Lower Mortgage Rates Through 2021.

HousingWire (6/15, Howley, 23K) reports Fannie Mae forecast on Monday that mortgage rates "are heading lower," as "the annual average rate for 2020 will be 3.2%," and "2.9% in 2021."

CoreLogic Home Equity Report Shows Gain Of 6.5 Percent Of Equity In First Quarter Of 2020 Over First Quarter Of 2019.

National Mortgage Professional (6/15) reports the CoreLogic Home Equity Report shows that in the first quarter of 2020 US homeowners with mortgages had "equity increase by 6.5% year-over-year, representing a gain of $590 billion since the first quarter of 2019." Meanwhile, the percentage of homeowners with negative equity fell "3.1% to 1.8 million homes or 3.4% of all mortgaged properties." Dr. Frank Nothaft, chief economist for CoreLogic, said, "The pandemic recession will likely lead to price declines in many areas during the next year and weaken home equity gains," but, Nothaft added, "price declines will be far less than those experienced during the Great Recession," as "our latest forecast shows the national index to have a peak-to-trough decline of 1.5%."

Survey Shows Most 2020 Homebuyers Concerned About Making Payments Due To Pandemic.

National Mortgage News (6/15, Finkelstein) reports a Clever Real Estate survey shows that "nearly 80% of those that purchased a home in 2020 are concerned about making their mortgage payment in the coming months due to the coronavirus." The survey also shows that "only 56% of 2020 homebuyers are paying their mortgage in full each month." In an April 28 survey, "83.6% of borrowers said they were able to make their mortgage payments as usual."

Central Florida Sales Fell In May, But Market Sees Rise In Pending Sales, New Listings.

The Orlando (FL) Sentinel (6/15, Glenn, 536K) reports according to the Orlando Regional Realtors Association, home sales in the Orlando area "sunk dramatically in May," to 2,127, 44% lower than May 2019 which had 3,806 sales, and 11% lower than April 2020 with 2,393 sales. Still ORRA president Reese Stewart said there are "signs of eagerness" as pending sales have risen to 4,930, up 34% over 3,679 in April, and there are 3,717 new listings, up 32% over the month before. Stewart said, "All indicators are, once this passes, we're going to be in a strong real estate market."

Markets

10-Year Yield Rises.

MarketWatch (6/16, 1.67M) reports the 10-year Treasury yield rose to 0.739 percent.

Dollar Slips.

Reuters (6/16, Westbrook) reports, "The dollar slipped and riskier currencies rallied on Tuesday as the U.S. Federal Reserve prepared to

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start its corporate bond buying scheme, while a report flagging the possibility of more fiscal stimulus helped underpin investor sentiment." Against a basket of currencies, the dollar "was broadly steady at 96.489, about 1% below Monday's high of 97.396." Meanwhile, the euro "edged up to $1.1343."

Gold Rises.

Reuters (IND) (6/16, Patel) reports, "Gold rose on Tuesday after the U.S. Federal Reserve widened its program of buying corporate debt to combat the financial toll of the pandemic as worries grow about a second wave of coronavirus infections." Spot gold "was up 0.1% at $1,726.20 per ounce by 0647 GMT, after falling more than 1% on Monday. U.S. gold futures rose 0.3% to $1,733."

Oil Edges Higher.

Reuters (6/16) reports, "Oil prices made marginal gains on Tuesday, reversing out of earlier losses, as hopes for further cuts in crude supplies took the sting out of concerns that a resurgence of new coronavirus infections around the world could hamper fuel demand." Brent crude "edged up 9 cents, or 0.2%, at $39.81 a barrel by 0659 GMT," while West Texas Intermediate crude "gained 3 cents, or nearly 0.1%, to $37.15 a barrel, after closing 2.4% higher in the previous session."

Cybersecurity

FBI Warns Of Increased Cybercrime Risk.

KVOA-TV Tucson, AZ (6/15, 17K) reports that the FBI "raised awareness about cybercrimes targeting Arizona seniors in recognition of World Elder Abuse Awareness Day on Monday." The press release "said the latest FBI Internet Crime Complaint Center or IC3 report showed residents over the age of 60 made up the majority of Arizona cyber-crime victims in 2019."

FBI Warns Of Increase In Ransomware Attacks.

WBIR-TV Knoxville, TN (6/16, Sullivan, 216K) reports, "The City of Knoxville is just the latest to learn a single click can have costly consequences. Hackers took its servers hostage late last week and are still holding them for ransom. 'The FBI recommends not paying that ransom and that's for several reasons,' FBI Supervisory Special Agent Jason Jarnigan said. 'For one, it encourages the ransomware to continue. There would be no ransomware if people did not pay the ransom.'" Jarnigan "said the bureau is seeing more ransomware attacks – and not just on governments or big companies. Hackers target home computers and cell phones too. 'In fact many computers are infected and you may not even know it,' Jarnigan said."

Commerce Department Says US Companies Can Work With Huawei On 5G.

Reuters (6/15, Freifeld, Shepardson) reports the US on Monday "confirmed a Reuters report that it will amend its prohibitions on US companies doing business with Huawei to allow them to work together on setting standards for next-generation 5G networks." The Commerce Department and other agencies "signed off on the rule change, which is awaiting publication in the Federal Register." Commerce Secretary Wilbur Ross "confirmed the action in a statement to Reuters." Ross said, "The US will not cede leadership in global innovation. The department is committed to protecting US national security and foreign policy interests by encouraging US industry to fully engage and advocate for US technologies to become international standards."

New Study Proposes Government Actions To Boost Security For Internet Of Things.

Politico (6/15, Starks, 4.29M) reports in the Morning Cybersecurity column that the Atlantic Council "said in a report published today that securing the internet of things will require stronger FTC enforcement authority, a clearer baseline set of security standards, international cooperation and a labeling system." The paper "proposes an approach focused on applying 'strategic upward pressure' on IoT products' supply chains." The paper "says that by 'applying regulatory pressure on the distributor to sell products that adhere to a specified set of design and manufacturing standards,' the US government can create a ripple effect that leads to compliant companies crowding out noncompliant ones, thus encouraging noncompliant firms to pressure suppliers to improve their components' security." The authors "wrote that Congress should amend the FTC's founding statute to explicitly empower regulators to punish companies for 'unsafe acts or practices."

DDoS Attacker Rakhshan Receives 5-Year Prison Term After Pleading Guilty.

Gov Info Security (6/15, Field) reports a federal judge has "sentenced an Iranian-born, US naturalized citizen to five years in prison for one in a series of distributed denial-of-service attacks over the course of at least five years." Andrew Rakhshan, formerly known as Kamyar Jahanrakhshan, "pleaded guilty to one count of conspiracy to commit computer fraud in February." He was also fined $520,000. Beginning in 2015, Rakhshan "conducted a series of DDoS attacks against websites that had posted legal information about his prior conviction for fraud in Canada," according to the Justice Department. One of the sites that "Rakhshan targeted with a DDoS attack, called Leagle.com, is based in Canada but it's servers are housed in Texas."

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Op-Ed: Private Lawsuits Against Nation-States Will Not Resolve US Cyber Threats.

In a commentary in Lawfare (6/15), Allison Peters, Deputy Director of the National Security Program at Third Way, assesses US efforts to confront malicious cyber activity, including increased efforts by private entities to sue other countries. Peters writes, "Congress should be taking more action to deal with these threats and impose consequences on the bad actors behind them. Legislators are understandably tempted to enact the Homeland and Cyber Threat Act (H.R. 4189, HACT Act), which would allow private lawsuits against foreign states for alleged unauthorized cyber activity. Yet this response is deeply misguided and would create more problems than it solves." Peters contends, "Because of the potential conflicts between private litigation and national security considerations, the executive branch has typically opposed Congress's steps to carve out novel additional exceptions to foreign state immunity."

Sen. Peters Introduces Two Bills To Bolster Cyber Defenses.

MeriTalk (6/15, Polit) reports Sen. Gary Peters (D-MI) introduced "two bills – the Continuity of Economy Act of 2020 and the National Guard Cyber Interoperability Act of 2020 – with the goal of bolstering the US' cyber defenses." The ranking member of the Homeland Security and Governmental Affairs Committee, Peters "introduced the legislation on June 12." Peters "explained that the Continuity of Economy Act of 2020 would direct the president to 'develop a plan to ensure essential functions of the economy are able to continue operating in the event of a cyberattack.'" It is "based on a recent recommendation from the Cyber Solarium Commission to incorporate continuity operations in the event of a cyberattack, as well as other significant events – such as the COVID-19 pandemic – that impact the economy." The National Guard Cyber Interoperability Act of 2020 "would focus on enabling the National Guard to provide remote cybersecurity support and technical assistance to help states respond to cyber incidents."

Magecart Skimmed From Claires For Nearly Two Months.

SC Magazine (6/15, Jaffee) reports International retailer Claire's "was hit with a Magecart scheme that skimmed PPI, including credit card data, for nearly two months." Discovered by researchers at security firm Sansec, "the malware injection began on April 20 and stopped on June 13." An anonymous party "reserved the claires-assets.com URL that ultimately unleashed the attack, whose financial damage is unknown, on a server hosted on the Salesforce Commerce Cloud, previously known as Demandware." Sansec informed Claire's on June 12 "of its discovery, and the retailer took immediate action to investigate and address the breach by removing the code and taking additional measures to reinforce the security of the e-commerce platform." According to Sansec, "it's unlikely the Salesforce platform itself was breached or that Salesforce was responsible for Claire's hacking."

Gov Info Security (6/15, Field) reports the attackers appear "to have infiltrated the company's Salesforce Commerce Cloud environment for at least seven weeks, although the security firm that spotted the breach says there's no indication that the underlying Salesforce platform itself had a flaw or was hacked."

Lawyers Of Detained Huawei Executive Allege Abuse Of Process In Canada.

AFP (6/15) reports lawyers for Huawei executive Meng Wanzhou on Monday "accused Canadian police and border agents, in collusion with the FBI, of abuse of process in her arrest on a US warrant." At a British Columbia Supreme Court hearing, defense lawyer David Martin "argued that Canadian officials purposely delayed her arrest by several hours during a December 2018 stopover in Vancouver in order to gather evidence for the FBI." In court filings, the defense "said this 'pre-planned scheme' allowed authorities to snoop through her electronic devices under the pretense of a customs inspection."

Beijing Points To CSIS Report To Bolster Claim Meng Wanzhou's Arrest Was A "Political Conspiracy." The Globe and Mail (CAN) (6/15, 1.04M) reports the Chinese government is "using a recently released report from one of Canada's spy agencies to bolster its allegation that the arrest of Meng Wanzhou was a political scheme concocted by the US." Two top spokespersons from China's Ministry of Foreign Affairs on Monday "pointed to a report from the Canadian Security Intelligence Service to support Beijing's claim that the Dec. 1, 2018, detention of the Huawei executive at Vancouver International Airport was unjustified."

TFI/Sanctions

Greek Shipping Manager Trio Declare Halt To Venezuela Trade After US Imposed Sanctions.

Reuters (6/15, Saul) reports three Greece-based shipping companies "said they have halted trade with Venezuela after the United States imposed sanctions on vessels under their management, as Washington ramps up commercial heat on Caracas." One of the companies, Athens-based Dynacom Tankers Management, said Monday in a statement it was "committed to refraining from any future business involving Venezuela." The company "added that the tanker's owner Seacomber Ltd, which Washington also designated, was co-operating with U.S. authorities to resolve the matter." Another firm, NGM Energy SA, said Friday it had implemented "a strict policy against servicing vessels intending to call at Venezuela or to load cargo of Venezuelan origin in the future, absent express U.S. authorization." The third firm, Thenamaris, "said it was fully cooperating with U.S. authorities to resolve sanctions against the Seahero tanker that it manages and the vessel's owner Adamant Maritime Ltd."

Syria Facing "Acute Economic Crisis" With US Sanctions Looming.

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The New York Times (6/15, Hubbard, 18.61M) reports Syrian President Bashar al-Assad "has mostly won Syria's civil war," but "now faces an

acute economic crisis that has impoverished his people, brought about the collapse of the currency and fueled a rare public rift in the ruling elite." Government salaries have "become nearly worthless," and "the government is so strapped for cash that it is squeezing wealthy businessmen to help fund the state, a move that prompted a powerful Syrian tycoon to openly criticize the government." To the Times, "That the tycoon, a member of Mr. al-Assad's inner circle, had the temerity to go public with his dispute suggests a weakening of his power. And strict American economic sanctions that take effect Wednesday are likely to make matters worse."

Federal Reserve

Fed To Begin Buying Individual Corporate Bonds.

Politico (6/15, Guida, 4.29M) reports the Fed announced that it will start buying debt from large corporations on Tuesday. The Wall Street Journal (6/15, Timiraos, Subscription Publication, 7.57M) reports the Fed will make the purchases by creating a portfolio based on a broad, diversified market index of corporate bonds. The AP (6/15, Rugaber) reports the Fed's purchases "should hold down corporate bond yields, making it cheaper for companies to borrow. But by also lowering the return from investing in those bonds, the Fed's actions will likely encourage investors to shift money from corporate bonds to stocks in hopes of achieving a higher return." The Hill (6/15, Lane, 2.98M), MarketWatch (6/15, Oh, 1.67M), Business Insider (6/15, Winck, 3.67M), CNBC (6/15, Cox, 3.62M), and Reuters (6/15, Marte, Dunsmuir), among other outlets, also report.

Fed To Resume Bank Exams But Keep Activities Off-Site.

American Banker (6/15, Lang, Subscription Publication, 31K) reports the Federal Reserve will resume bank examinations, "but all exams will still be conducted remotely due to the coronavirus pandemic, the central bank said Monday." The Fed in March said it would cut back on regular exams so banks could focus on responding to the pandemic. "Since that time, banks have had time to implement contingency operating plans and adapt their operations, so exam activity will resume," the Fed said in a press release. However, until "conditions improve," the Fed said all examination activities will be conducted off-site. The Fed's announcement comes less than one week after Acting Comptroller of the Currency Brian Brooks "signaled a return to on-site exams for his agency in the near future." In an op-ed, the head of the Office of the Comptroller of the Currency said, "Our work is too important to rely solely on a phone, a webcam and a broadband connection."

Separately, American Banker (6/15, Pedersen, Subscription Publication, 31K) reports, "With coronavirus cases still on the rise in several states, workplace health experts says it is possible to manage the risks of in-person bank examination responsibly. But bankers and some other observers are urging caution about the pace of regulators' re-entry into financial institutions." OCC Chief Operating Officer Blake Paulson "said Monday the agency still intends to make use of remote monitoring methods." Paulson said, "The agency has learned the benefits of performing some examination activities remotely and appreciates the flexibility banks and examiners have shown during this pandemic to support the ongoing supervision of national banks and federal savings associations." But while the agency prioritizes "the health of its examiners, Paulson said, in-person supervision has benefits that the current process lacks."

Also reporting are the ABA Banking Journal (6/15), Reuters (6/15, Schroeder), and Law360 (6/15, Hill, Subscription Publication, 8K).

Bostic Says US Unemployment Likely To Remain High.

Bloomberg (6/15, Matthews, 4.73M) reports Atlanta Fed President Raphael Bostic "said he expects U.S. unemployment will be around 10% in the fourth quarter, with an uneven recovery from the Covid-19-induced recession." Bostic said in a telephone interview, "We are going to see sort of some bumps on our journey through recovery" while also "noting that the downturn especially is hurting minorities and low-income workers." Bostic added, "I think the second half of the year is going to be pretty strong, certainly much stronger than the first half, but I am not anticipating this will be a smooth, straight line up."

Fed's Kaplan Expects Economy Will Rebound In Second Half Of 2020.

Reuters (6/15, Marte) reports, "The US economy will experience a 'significant, historic' contraction in the second quarter before it starts to rebound, and unemployment will remain elevated at the end of 2020, Dallas Federal Reserve President Robert Kaplan said on Monday." Kaplan "said he projects that gross domestic product will drop by an annualized rate of 35% to 40% in the second quarter and that it should start to recover in the second half of the year." Kaplan said, "If people wear masks widely, if we have extensive testing and contact tracing, if businesses and us as individuals follow good procedure, we're going to grow faster." The Wall Street Journal (6/15, Derby, Subscription Publication, 7.57M) also reports.

Daly Downplays Usefulness Of "Little Helper" Yield Curve Control.

Reuters (6/15) reports San Francisco Fed President Mary Daly on Monday "downplayed the usefulness of yield curve control for U.S. monetary policy, saying that while it could be a 'little helper' should other tools fail to deliver, it would not be a first choice." Daly said to reporters, "Targeting forward guidance and quantities on the balance sheet would be the policies I would want to use before we go to yield curve control." Daly added, "you can think of yield curve control as a little helper...but if we have very robust forward guidance then a lot of that movement in rates at the short end and even at the longer end, that gets done without having to go to yield curve control."

Office of the Comptroller of the Currency

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OCC's Brooks Pushes For Payments Charter, While Future Of Fintech Charter Remains Uncertain.

Payments Source (6/16, Heun) reports that given the "fairly choppy legal ride" the OCC has endured in trying to establish a special charter for fintech companies, it may be "somewhat surprising that Acting Comptroller Brian Brooks is pushing the idea for a similar charter for payments companies – which he'd like to have in place for applicants within a few months." In a recent podcast interview, Brooks said the rubric for such charters is that OCC regulations "for more than 20 years...have said that a bank is anything that takes deposits and makes loans, or engages in payments." The backdrop is that the OCC's fintech charter "did not garner full support from traditional banks" or state banking regulators "at least in part because they felt unique charters were not as stringent as a standard charter." For Brooks and the OCC, "it's more of a question of how to get payments companies on a level playing field with banks and, at the same time, address how regulators and consumers alike should be envisioning future financial services."

Cowen: OCC's Brooks Is "Most Important Crypto Advocate" In Trump Administration.

Bloomberg Law (6/15, Maranz, Subscription Publication, 4K) reports behind a paywall that Acting Comptroller of the Currency Brian Brooks "could become a 'longer-term policy positive' for Facebook's Libra stable coin project and other crypto efforts, if President Donald Trump were to win re-election in November, according to Cowen. Brooks, who previously worked at crypto exchange Coinbase and has ties to Treasury Secretary Steven Mnuchin, is the 'most important crypto advocate within the Trump administration,' Cowen analyst Jaret Seiberg wrote in a note."

Goldman Pledges Additional $250M To Fund PPP.

Reuters (6/15, Hussain) reports Goldman Sachs on Monday "pledged an additional $250 million to fund the" Paycheck Protection Program "to help businesses hurt by the COVID-19 pandemic." This "addition will take the bank's total commitments to $775 million." Goldman Sachs "will not issue these loans directly, but rather provide the financing to community development financial institutions and other mission-driven lenders that then loan it out to the clients."

JPMorgan Plans To Return More Traders To Manhattan Next Week.

Reuters (6/15) reports JPMorgan Chase plans to start returning traders to their Manhattan trading floors next week, ramping up to about 50 percent occupancy in sales and trading by the middle of July. Other departments have not yet finalized their return strategies.

CNBC (6/15, Son, 3.62M) reports workers will wear masks in common areas, and desks will be marked according to whether they are open for employees to use.

Big Banks Stick To Branch Expansion Plans Despite Pandemic.

American Banker (6/16, Alix, Subscription Publication, 31K) reports that the coronavirus pandemic has "led to weeks of branch closures and accelerated a consumer shift to digital," raising "questions about whether banks would cancel or scale back" their expansion efforts. However, executives of several big banks "have insisted their plans are largely unchanged and that there is still value in adding branches." Bank of America remains committed to adding more than 500 branches through 2022, head of consumer banking Dean Athanasia said at the Morgan Stanley Virtual US Financials conference. But Athanasia said that the bank may use those branches differently given what it's learned during the pandemic. "We'll do a lot more outbound calling from our financial centers than we ever have," he said. "We could add to them, enhance them and make them better and make them more efficient."

Editorial Wrap-Up

New York Times.

"Gay Rights Are Civil Rights." In an editorial, the New York Times (6/15, 18.61M) welcomes the Supreme Court's ruling that civil rights laws protect gay and transgender employees against employer discrimination as "an emphatic win for civil rights, equal justice and common sense" that should have been unanimous. The Times criticizes Justice Samuel Alito's dissent as "sound[ing] like it was written in 1964" and pointing out that if the Court, as he argued interpreted statutes to "mean what they conveyed to reasonable people at the time they were written," then the Second Amendment would apply only to bayonets and muskets. Still, the Times warns that when textualism is "applied too rigidly it can lead to very unjust results."

Washington Post.

"The Supreme Court's Ruling On LGBTQ Rights Is A Sweeping Victory For Fairness." The Supreme Court's decision that civil rights laws protect gay and transgender employees against employer discrimination "helped make America a better country," the Washington Post (6/15, 14.2M) writes in an editorial, calling it another "major civil rights advance" that didn't come from Congress, which "should have acted years before now to remove any doubt that the law protects LGBTQ people." The Post criticizes the GOP for continuing to trail "society's welcome evolution on questions of fair treatment for all."

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"The Philippines Slides Toward Autocracy." The Washington Post (6/15, 14.2M) editorializes that it surprised "no one when

Rodrigo Duterte, the Philippines' autocratic-minded president, found himself at odds with the country's most prominent journalist," Maria Ressa. However, the Post says "what ought to be shocking to democratic nations was Ms. Ressa's conviction Monday on libel charges — the first of eight court cases against her orchestrated by the Duterte government." The Post says the Trump Administration "has been largely silent" on the matter and argues that the Philippines' "slide toward dictatorship deserves much greater resistance from Washington — if not from the White House, then from Congress."

"The Atlanta Shooting Shows Hows Broken Our Law Enforcement System Is." The Washington Post (6/15, 14.2M) says in an editorial, "The world is watching, and yet police keep killing unarmed black people. Last week's shooting in Atlanta reveals how broken this country's law enforcement system remains, even as protesters across the country cry out for fixing it."

Wall Street Journal.

"Another Win For The Kagan Court." In an editorial, the Wall Street Journal (6/15, Subscription Publication, 7.57M) celebrates environmentalists' loss to the 7-2 ruling by the Supreme Court that held that the Forest Service has authority to grant the proposed $7.5 billion Atlantic Coast Pipeline a right of way where it would cross the Appalachian Trail, which is overseen by the National Park Service. The Journal casts opponents of the trail – and the rulings supporting them – as contrary to common sense and seeking to stop US energy production.

"The Lorax Loses At The Supreme Court." In an editorial, the Wall Street Journal (6/15, Subscription Publication, 7.57M) writes that the Supreme Court's decision that civil rights laws protect gay and transgender employees against employer discrimination was a win for Justice Elena Kagan's efforts to redefine Scalia's jurisprudence. The Journal adds that the majority opinion essentially rewrites Title VII of the 1964 Civil Rights Act using her views, distorts textualism, and usurps Congress. The Journal concludes that the opinion makes textualism meaningless and allow the law to force transgender females' competition in women's sports, provision of gender neutral restrooms, and the compliance of religious institutions.

"From Russia With Malice." On its editorial page, the Wall Street Journal (6/15, Subscription Publication, 7.57M) calls Marine veteran Paul Whelan's conviction a reminder of why US-Russian relations have not improved.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Supreme Court Rules For Gay And Transgender Rights In The Workplace
New Covid-19 Outbreak In China Rattles Beijing
Tech Firms Are Spying On You. In A Pandemic, Governments Say That's OK.
Tomato? Potato? Face Masks Lead To Misunderstandings
Justice Department Charges Former eBay Staff With "Cyberstalking Campaign"

New York Times:

Civil Rights Law Protects Gay And Transgender Workers, Supreme Court Rules
A Half-Century On, An Unexpected Milestone For LGBTQ Rights
Syria's Economy Collapses Even As Civil War Winds To A Close
When Rich New Yorkers Fled, These Workers Kept The City Running
A Conspiracy Made In America May Have Been Spread By Russia
Cup Foods, A Minneapolis Corner Store Forever Tied To The Death Of George Floyd

Washington Post:

Trump's Effort To Resist Gay Rights Runs Into His Supreme Court Pick
High Court Affirms LGBTQ Worker Protections
Virus Guidance Ignored As Case Numbers Rise
Latest Death Puts Atlanta At Epicenter Of Protests
Drivers Hit Protesters, Echoing 2017 Attack
Many Ready To Risk Lives For Vaccine

Financial Times:

Antiracism Protesters March On Georgia State Capital
BP To Take Up To $17.5BN Hit On Assets After Cutting Energy Price Outlook
New York's Poorest Borough Flares As It Suffers Highest Death Rate
Berlin To Buy Stake In Covid-19 Vaccine Player CureVac

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Washington Times:

Pandemic, Protests Threaten Trump's Once-Promising Black Outreach
Under Siege: Anti-Police Sentiment Could Fuel Suicide Epidemic, Advocates Fear
Supreme Court Rules LGBT Employees Can Sue Employer For Discrimination
From Mao's China To Foggy Bottom: Miles Yu A Key Player In New Approach To Beijing
Trump Threatens Crackdown On Seattle 'Autonomous Zone' As Occupiers Dig In
Spike In Coronavirus Cases Forces Leaders To Halt Reopenings

Story Lineup From Last Night's Network News:
ABC: Atlanta-Rayshard Brooks Shooting; California-Young Black Man Found Hanging From Tree; George Floyd-New Audio; Coronavirus-Rising US Cases; Trump-Tulsa Rally; Trump-Executive Order; SCOTUS-LBGTQ Rights; Russia-Whelan; eBay-Former Employees Charged With Cyberstalking; Trump-Bolton Book; UK-American Fighter Jet Crash; Food Recall; Celebrating Essential Workers.
CBS: Atlanta-Rayshard Brooks Shooting; Rayshard Brooks Shooting-Expert Analysis; SCOTUS-LBGTQ Rights; Coronavirus-Rising US Cases; Trump-Tulsa Rally; Trump-Bolton Book; Russia-Whelan; Trump-Executive Order; California-Young Black Man Found Hanging From Tree; UK-American Fighter Jet Crash; eBay-Former Employees Charged With Cyberstalking; CBS New Reporter Surprises Mom In Nursing Home.
NBC: Atlanta-Rayshard Brooks Shooting; SCOTUS-LBGTQ Rights; Coronavirus-Rising US Cases; Trump-Executive Order; Trump-Tulsa Rally; Trump-Bolton Book; Seattle-Protests; California-Young Black Man Found Hanging From Tree; Homeownership & Racism; Coronavirus-Travel Safety; SCOTUS-LBGTQ Rights Final Thoughts.

Network TV At A Glance:
Atlanta-Rayshard Brooks Shooting – 13 minutes, 25 seconds
Coronavirus – 8 minutes, 50 seconds
SCOTUS-LBGTQ Rights – 7 minutes, 25 seconds
California-Young Black Man Found Hanging From Tree – 5 minutes, 30 seconds
Trump-Tulsa Rally – 3 minutes, 45 seconds
Trump-Executive Order – 1 minute, 25 seconds
Trump-Bolton Book – 1 minute, 0 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Atlanta-Rayshard Brooks Shooting; Trump-Executive Order; Coronavirus-Rising Cases; FDA-Hydroxychloroquine; SCOTUS-LBGTQ Rights.
CBS: Atlanta-Rayshard Brooks Shooting; Trump-Seattle; Trump-Bolton Book; Coronavirus-Rising Cases; Oscars-Delayed 2021 Ceremonies; Stocks.
FOX: SCOTUS-LBGTQ Rights; Atlanta-Rayshard Brooks Shooting; California-Young Black Man Found Hanging From Tree; Seattle-Police Reform.
NPR: SCOTUS-LBGTQ Rights; HHS-LGBTQ Healthcare Rule; Coronavirus-Rising Cases; Prison Reform; Stocks.

Last Laughs

Late Night Political Humor.

Jimmy Kimmel: "Donald Trump had quite a weekend. He put on a bigly presentation at West Point on Saturday, where he showed up to give a commencement speech, whether the graduates wanted it or not. The cadets at West Point were sent home in March because of the virus. But then Trump decided he wanted to give a speech in person, and so all the cadets were ordered to return to campus and stay in quarantine for two weeks. They were literally a captive audience."

Jimmy Kimmel: "On Sunday, Donald Trump turned 74. Seventy-four years ago yesterday, Rosemary had a baby. And that little baby grew into a bigger baby. And now that big old baby is our President."

Jimmy Kimmel: "Trump's family went all out for daddy's big day, too. He got a card from his daughter [Ivanka]: 'Thank you for every job I've ever had.' Jared said, 'I'm a mannequin standing in front of an orangutan.' Here's one from Melania, 'Happy birthday to best husband. Get away.' ... And this one: 'Dads like you are an endangered species, but we promise not to shoot. Eric and Don Jr.' And from Tiffany: 'Here's my routing number.' And finally, Trump's most loyal admirer said, 'Hope you have a ball on your birthday. You already have both of mine. Woof, woof. Mike Pence.'"

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Stephen Colbert: "I don't know if you've noticed, but we're living through some extremely dark times. If God submitted the year 2020 to 'Black Mirror,' they would have rejected the script."

Stephen Colbert: "Some cities are trying new approaches, like in Seattle, where protesters have set up camp around an abandoned police precinct, calling it the Capitol Hill Autonomous Zone, or 'CHAZ.' A rare instance of the name 'CHAZ' appearing in the news without the words 'intoxicated' and 'catamaran.'"

Stephen Colbert: "The people within the CHAZ insist they're improvising as they go along, saying there wasn't an overarching goal to build a commune. In fact, 'CHAZ' is 'largely leaderless, and lacking a clear idea for its future.' So, like the rest of America, but with free snacks."

Jimmy Fallon: "Today started off with big news from the Supreme Court. ... Oh, my gosh! It's 2020, I thought good news was illegal. .. Yep, the decision protects gay and transgender workers from discrimination in the workplace. Unfortunately, thanks to Trump's handling of the pandemic, there is no workplace."

Jimmy Fallon: "The court decided employers can't fire workers based on their sexual orientation or gender identity. They'll have to stick to the usual reason workers get fired – not muting themselves on Zoom."

Jimmy Fallon: "Yep, it's a tough day for the Trump Administration. We're just one more 'Will & Grace' reboot away from this being the worst day of Mike Pence's life."

Jimmy Fallon: "Another Trump tell-all book. It's crazy that after all these tell-all books, there's still more to tell. Trump's tell-all books are starting to feel like a 3:00 a.m. infomercial. 'But wait, there's more!'"

James Corden: "On Saturday, President Donald Trump gave the commencement address at West Point, and Twitter went absolutely bonkers over this slow walk down a ramp as he left the stage. ... Now for months, President Trump has refused to wear a mask out of fear he might look foolish. And all it took was a slight decline to make him look foolish. And of course, the President remained cool after the video. I'm kidding, he went to Twitter."

James Corden: [On Trump's West Point tweet regarding him walking down the ramp] "Now, this tweet creates more questions than it does answers, like why is the word 'fall' in quotation marks. Tweeting about this only draws more attention to it. It is like sending an office-wide email with the subject line 'The mustard stain on my shirt today.'"

Seth Meyers: "President Trump's birthday was yesterday. So let me be the first to say – happy 104th?"

Seth Meyers: "The Supreme Court ruled today that federal law forbids job discrimination on the basis of sexual orientation or transgender status. Now the only thing you could be fired for is actually showing up to the office."

Seth Meyers: "During an interview with Fox News last week, President Trump pushed back against critics who worry if he will leave office willingly if he doesn't win re-election in November. Of course he will. Trump hates working. If he loses, he'll have a 9:00 a.m. tee time on November 4 and never look back. You know, you're still President until January."

Seth Meyers: "Republican party officials announced last week that this year's convention will be held in Jacksonville, Florida, and even hearing that was enough for Mike Pence to sunburn."

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Seth Meyers: "A new book about first lady Melania Trump titled 'The Art Of Her Deal' will be released this week. And it shares details about her life that even her husband doesn't know. (As Trump) 'Wow, you're Slovenian. Get out of town.'"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks and signs an Executive Order on Safe Policing for Safe Communities; receives his intelligence briefing.
- Vice President Pence — No public schedule released.

***US Senate*:**

- Fed Chair Powell presents Monetary Policy Report to Senate Banking Committee – Senate Committee on Banking, Housing, and Urban Affairs remote hearing on 'The Semiannual Monetary Policy Report to the Congress', with testimony from Federal Reserve Board Chair Jerome Powell; *10:00 AM*
- Senate Energy Committee hearing on coronavirus impacts on the energy industry – Hearing 'To Examine the Impacts of COVID-19 on the Energy Industry', with testimony from Energy Information Administration Deputy Administrator Stephen Nalley; International Energy Agency Acting Deputy Executive Director David Turk; Business Council for Sustainable Energy President Lisa Jacobson; American Petroleum Institute Senior Vice President of Policy, Economics and Regulatory Affairs Frank Macchiarola; and National Association of State Utility Advocates President Jackie Roberts * Members may participate in person or online. Committee follows guidelines developed to protect the health of members, staff, and the public, including maintaining six-foot social distance spacing in the hearing room and not accommodating in-person visitors

Location: Rm 366, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- FCC head testifies to Senate Appropriations subcommittee on spectrum auctions – Financial Services and General Government Subcommittee hearing on 'Oversight of FCC Spectrum Auctions Program', with testimony from FCC Chairman Ajit Pai * Committee follows guidelines developed to protect the health of Members, witnesses, staff, and the public, including maintaining six-foot social distance spacing in the hearing room

Location: Rm 124, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Senate Judiciary Committee hearing on police use of force – Hearing on 'Police Use of Force and Community Relations' * Protests, riots, and unrest emerged in cities across the country following the death of George Floyd in Minneapolis police custody last month, with social media users also continuing to call for the arrests of the officers involved in the fatal shooting of the sleeping Breonna Taylor during the execution of a no-knock warrant in Kentucky in March and highlighting apparent police uses of violence during recent Black Lives Matter protests

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 2:30 PM

- Senate Commerce, Science, & Transportation Committee nominations hearing – Nominations hearing considers Joel Szabat to be Under Secretary of Transportation for Policy; Michael O'Rielly to be a Federal Communications Commission member; Nancy Beck to be Consumer Product Safety Commission Chairman; Michael Walsh Jr. to be Department of Commerce General Counsel; and Mary Toman to be Under Secretary of Commerce for Economic Affairs

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 2:30 PM

***US House*:**

- House Energy subcommittee virtual hearing on coronavirus impacts on the energy sector – Energy Subcommittee virtual hearing on 'Reviving our Economy: COVID-19's Impact on the Energy Sector', held via Cisco Webex, with testimony from Energy Futures Initiative President and CEO (and former Secretary of Energy) Ernest Moniz; American Council on Renewable Energy President and CEO Gregory Wetstone; and ClearPath Executive Director Rich Powell; *12:00 PM*
- House Homeland Security subcommittee virtual hearing how DHS can safely resume operations – Oversight, Management, & Accountability Subcommittee virtual hearing on 'Business as Usual? Assessing How DHS Can Resume Operations Safely', with testimony from American Federation of Government Employees National President Dr Everett Kelley; National Treasury Employees Union National President Anthony Reardon; and National Border Patrol Council National President [illegible]

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- House Armed Services subcommittee hearing on how to fix racial disparity in the military justice system – Military Personnel

Subcommittee hearing on 'Racial Disparity in the Military Justice System – How to Fix the Culture', with testimony from Protect our Defenders President Col. (Ret.) Don Christensen; Government Accountability Office Defense Capabilities and Management Team Director Brenda Farrell; U.S. Army Judge Advocate General Lt. Gen. Charles Pede; U.S. Navy Judge Advocate General Vice Adm. John Hannink; U.S. Air Force Judge Advocate General Lt. Gen. Jeffrey Rockwell; and U.S. Marine Corps Commandant's Staff Judge Advocate Maj. Gen. Daniel Lecce * Held in person and virtually

Location: Rm 2118, Rayburn House Office Building, Washington, DC; 12:00 PM

- House Financial Services subcommittee virtual hearing on 'bad actors exploiting the financial system during coronavirus' – National Security, International Development and Monetary Policy Subcommittee virtual hearing on 'Cybercriminals and Fraudsters: How Bad Actors Are Exploiting the Financial System During the COVID-19 Pandemic', with testimony from VMware Head of Cybersecurity Strategy Tom Kellerman; National Cyber Security Alliance Executive Director Kelvin Coleman; Alabama Securities Commission Chief Deputy Director Amanda Senn (on behalf of North American Securities Administrators Association); and National Security Institute founder Jamil Jaffer; *12:00 PM*
- House Foreign Affairs subcommittee virtual hearing on objectives of U.S. arms sales to the Gulf – Middle East, North Africa, and International Terrorism Subcommittee virtual hearing on 'Objectives of U.S. Arms Sales to the Gulf: Examining Strategic Goals, Risks and Benefits', held via Cisco Webex, with testimony from former Deputy Assistant Secretary of Defense for Middle East Policy Dr Andrew Exum; Carnegie Endowment for International Peace Democracy, Conflict, and Governance Program Nonresident Scholar / Transparency International Defense and Security Program U.S. Research and Policy Manager Lt. Col. (Ret.) Dr Jodi Vittori; and Foundation for Defense of Democracies Center on Military and Political Power Senior Director Bradley Bowman; *2:00 PM*
- House Natural Resources subcommittee virtual legislative hearing – National Parks, Forests, and Public Lands Subcommittee virtual legislative hearing on 'H.R. 244, Advancing Conservation and Education Act', 'H.R. 1267, B-47 Ridge Designation Act', 'H.R. 2611, Public Lands Telecommunications Act', 'H.R. 3682, Land Grand and Acequia Traditional Use Recognition and Consultation Act', 'H.R. 5040, Aerial Incursion Repercussion (AIR) Safety Act of 2019', 'H.R. 7045, To require the Secretary of Agriculture to conduct a study on lands that could be included in a National Forest in Hawai'i, and for other purposes', and 'H.R. 7099, To provide for the conveyance of a small parcel of Coconino National Forest Land in the State of Arizona'; *3:30 PM*
- House of Representatives not in session

Cabinet Officers:

- No public schedules released.

Visitors:

- No visitors scheduled.

This Town:

- Kenyan president speaks on Atlantic Council discussion – Atlantic Council online discussion with Kenyan President Uhuru Kenyatta, who discusses the U.S.-Kenya free trade agreement. Other speakers include Financial Times U.S. Foreign Policy & Defense Correspondent Katrina Manson, and Atlantic Council CEO Frederick Kempe and Africa Center Director of Programs and Studies Bronwyn Bruton; *8:00 AM*
- Brookings online discussion on the trans-Atlantic relationship after coronavirus – 'Rebuilding the trans-Atlantic relationship after COVID-19' online discussion hosted by Brookings Institution, with featured speakers including Irish Finance Minister Paschal Donohoe and Spanish Foreign Affairs Minister Arancha Gonzalez Laya, plus Suzanne Maloney and Constanze Stelzenmuller (both Foreign Policy), Henry Alt-Haaker (Robert Bosch Stiftung), Ivan Krastev (Institute for Human Sciences), Mark Leonard (European Council on Foreign Relations), and Thomas Wright, Giovanna De Maio, Fiona Hill, Kemal Kirisci, Amanda Sloat, Celia Belin, Victoria Nuland, and Molly Montgomery (all Brookings Center on the U.S. and Europe); *9:00 AM*
- CSIS online discussion with UNICEF executive director – Center for Strategic and International Studies holds online 'armchair' discussion with UNICEF Executive Director Henrietta Fore, on the effect of the coronavirus (COVID-19) pandemic on children in both the developed and developing world, including additional challenges children face in fragile or conflict-affected countries; *10:00 AM*
- Hudson Institute virtual event on reasserting U.S. influence in the Arctic – 'Reasserting U.S. Influence in the Arctic' Hudson Institute virtual event, with U.S. Ambassador Carla Sands discussing America's strategic relationship with the Kingdom of Denmark and U.S. efforts to address shared challenges and priorities in the Arctic; *12:00 PM*
- GOP Rep. Michael Burgess speaks on Heritage Foundation webinar – 'How Did Florida Respond to COVID-19, and What Can We Learn from It?' webinar hosted by The Heritage Foundation, with featured speakers including Republican Rep. Michael Burgess, Florida Agency for Health Care Administration Secretary Mary Mayhew and Domestic Policy Studies Visiting Fellow Doug Badger; *2:00 PM*

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• U.S. Chamber of Commerce Foundation discussion on coronavirus' impact on children – 'State of the Pandemic + What COVID-19 Means for Children' U.S. Chamber of Commerce Foundation event, on what schools and others are doing to protect young people from infection. Speakers include former FDA commissioner Margaret Hamburg, YMCA of the USA President and CEO Kevin Washington, and Denver Public Schools Superintendent Susan Cordova; *3:00 PM*

• National Urban League 17th Annual Legislative Policy Conference continues – National Urban League 17th Annual Legislative Policy Conference continues, held virtually. Day two speakers include Senate Majority Leader Mitch McConnell; Senate Minority Leader Chuck Schumer; Senate Minority Whip Dick Durbin; House Republican Whip Steve Scalise; Democratic Reps. Ayanna Pressley and Robin Kelly; Until Freedom co-founder Tamika Mallory; National Action Network President and founder Rev. Al Sharpton; National Coalition on Black Civic Participation President and CEO Melanie Campbell; LULAC National President Domingo Garcia; UNIDOSUS President and CEO Janet Murguia; Sacramento Urban League President and CEO Cassandra Jennings; T-Mobile Vice President of Federal Government and External Affairs Marie Silla-Dixon; OCA-Asian Pacific American Advocates National President Sharon Wong; Louisiana state Rep. Ted James; Advancement Project Director Judith Browne Dianis; and National Urban League President and CEO Marc Morial and Washington Bureau Executive Director Clint Odom

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, JANUARY 7, 2020 6:00 AM EST

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Treasury in the News

French Finance Minister: Mnuchin And I Spoke On Digital Tax Compromise, Set Two Week Deadline.

Reuters (1/7, Van Overstraeten, Kar-Gupta) reports French Finance Minister Bruno Le Maire said to reporters Tuesday, "I had a long talk with U.S. Treasury Secretary Steven Mnuchin. We have decided to step up efforts to try and find a compromise, within the OECD, on digital tax." Le Maire said, "We gave each other precisely 15 days, until our next meeting, which is planned on the sidelines of Davos at the end of January." The AP (1/7, Corbet, 14.2M) reports Le Maire said that the US and France had agreed in the phone call "to intensify efforts in the coming days to try to find a compromise" on the tax. Bloomberg (1/7, Horobin, Davison, 4.73M) also reports.

Community Groups Mobilizing To Oppose CRA Proposal.

Politico (1/6, Guida, 4.29M) reports, "Community groups across the U.S. are mobilizing to oppose" Comptroller of the Currency Joseph Otting's plan to revise the Community Reinvestment Act, and Otting is the groups' "main target." The groups plan "a major public awareness campaign" saying the proposal undercuts the law's intent of combating discriminatory lending by allowing "lenders a wide berth to satisfy the law's requirements through big dollar projects...without consulting local residents." Otting entered office "with the motivation to reform CRA based on his experiences during his long career in banking" as the law "gave him headaches when he ran OneWest, a lender co-founded by current Treasury Secretary Steven Mnuchin." Otting says he seek "to modernize regulations that haven't been updated in more than two decades and address the lack of measurable data on banks' CRA activities."

Credit Union Group Warns USDA Hemp Rules Conflict With Treasury Guidelines.

Law360 (1/6, Subscription Publication, 8K) reports the Ohio Credit Union League, in a letter made public Monday, urged the US Department of Agriculture the US Treasury's "definition of a 'key participant' in a hemp company as someone who holds a 25% ownership share in the business," warning that proposed USDA rules differ from Treasury guidelines, which "could create challenges for banks and other financial institutions" doing business with the newly legal industry.

Don Layton Says Treasury Will Ultimately Decide Fate Of Fannie And Freddie.

Behind a paywall, Inside Mortgage Finance (1/6, Hollier, Subscription Publication) says, "Fannie Mae, Freddie Mac and the Federal Housing Finance Agency all have a role in ending the 11-year conservatorships of the GSEs. But, the final say...rests with the Treasury Department. That's the main takeaway from the latest paper from Don Layton, the former CEO of Freddie Mac turned fellow at Harvard's Joint Center for Housing Studies." Layton's paper "comprises a list of 14 'investor-centric' issues that have to be resolved before a commercial bank could successfully underwrite a capital raise of the size the GSEs will require." According to IMF, "This conceit allows Layton to raise some interesting points. For example, his hypothetical capital market executive makes a guess about the commitment fee that Fannie and Freddie will have to pay for Treasury's backstop."

Leading National News

Trump Defends Soleimani Strike As Democrats Move To Curtail His War Powers.

President Trump called the Rush Limbaugh Show (1/6, 165K) Monday to discuss the strike on Qassem Soleimani. Trump said, "This should have been done for the last 15 to 20 years, him in particular. He was their real military leader. He is a terrorist. He was designated a terrorist by President Obama and then Obama did nothing about it except give them $150 billion dollars – and even more incredibly $1.8 billion in cash. ... He should have been taken out a long time ago and we had a shot at it and we took him out and we're a lot safer now because of that. We'll see what happens. We'll see what the response is, if any, but you've seen what I have said our response will be." Jonathan Karl of ABC World News Tonight (1/6, story 3, 2:15, Muir, 7.55M) reported that in the interview, "the President made no mention to an imminent threat," and the CBS Evening News (1/6, story 4, 1:45, O'Donnell, 5M) that it "has learned some military commanders were opposed" to the strike "because of possible retaliation by Iran." The President had earlier written on Twitter, "IRAN WILL NEVER HAVE A NUCLEAR WEAPON!"

ABC World News Tonight (1/6, story 3, 2:15, Muir, 7.55M) reported, meanwhile, that "amid rising tensions, Democrats...are demanding the White House make public the intelligence they used to justify taking out Qassem Soleimani." Senate Minority Leader Schumer was shown saying, "Knowledge of the actions and justification should be shared with the American people in a timely manner." The CBS

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Evening News (1/6, story 4, 1:45, O'Donnell, 5M) said House Speaker Pelosi "is planning a vote this week to limit the President's military actions against Iran, as Democrats demand more answers about the...attack." On NBC Nightly News (1/6, story 2, 2:00, Holt, 6.18M), Kristen Welker said "Democrats are rallying behind a resolution that would require the President to seek congressional approval before taking any further military action." However, "the Senate's top Republican" is "urging Democrats not to rush to judgment." Senate Majority Leader McConnell was shown saying, "In this toxic political environment, some of our colleagues rush to blame our own government before knowing the facts."

USA Today (1/6, Wu, 10.31M) also reports that "in a letter to Democratic members of the House, Pelosi said the 'provocative and disproportionate' airstrike on Soleimani 'endangered our servicemembers, diplomats and others by risking a serious escalation of tensions with Iran.'" To Townhall (1/6, Pavlich, 177K), "Pelosi isn't just condemning...Trump's decision to (rightfully) take out Iranian terrorist leader...Soleimani, she's submitting a resolution to tie his hands in the future."

Politico (1/6, Ferris, Caygle, Zanona, 4.29M) also says "House Democrats are preparing a powerful rebuke of...Trump," and adds that the "resolution is expected to easily pass the House as early as Wednesday, with nearly every Democrat likely to support it. Adoption will force a vote on the Senate floor in the coming days, because it is privileged." Democrats "hope it will pose a tough loyalty test for Republicans, who were also mostly blindsided by Trump's strike." At any rate, as the Washington Times (1/6, Dinan, 492K) indicates the measure "would face a presidential veto and would require a two-thirds vote of both chambers in order to override the veto and constrain Mr. Trump." The Hill (1/6, Klar, 2.98M) reports the resolution will be led by Rep. Elissa Slotkin (D-MI), "a former CIA and Department of Defense analyst specializing in Shia militias," and adds that Sen. Tim Kaine (D-VA) "has introduced a similar legislation in the Senate."

The AP (1/6, Burns, Lemire) reports that Schumer and Sen. Robert Menendez (D-NJ), the former Chairman of the Senate Foreign Relations Committee, yesterday "called on" Trump to "immediately declassify the administration's reasoning for the strike on the Iranian official." Schumer and Menendez wrote, "It is critical that national security matters of such import be shared with the American people in a timely manner. ... An entirely classified notification is simply not appropriate in a democratic society." The Washington Times (1/6, Lovelace, 492K) reports "White House counselor Kellyanne Conway told reporters Monday that the Democrats' letter amounted to 'chest-thumping' and said that Congress would be briefed at the Pentagon's discretion."

Reuters (1/6, Zengerle) reports that Trump "broke precedent by failing to inform congressional leaders before the attack on Soleimani, and by making classified his formal notification to Congress of the attack on Saturday." Reuters adds, "By making the War Powers notification classified, Trump limited lawmakers' ability to talk about it, and sidestepped the law's goal of keeping Americans informed about military action, some legal experts said."

Sen. Bernie Sanders (I-VT) said on CNN's Anderson Cooper 360 (1/6, 768K), "I think it was an assassination. I think it was in violation of international law. This guy was a bad news guy, but he was a ranking official of the Iranian government, and once you get into violating international law in that sense, you can say there are a lot of bad people all over the world running governments. ... Once you start this business of a major country saying, hey, we have the right to assassinate, then you're unleashing international anarchy."

Sen. Mazie Hirono (D-HI) said on CNN's Situation Room (1/6, 726K), "I think that the President is so concerned about the impending impeachment trial that this is a heck of a way to distract us, using basically the lives of our troops and not to mention the civilians in this area."

Rep. Abigail Spanberger (D-VA) said on CNN's Situation Room (1/6, 726K) that Soleimani "was at the helm of this organization, the Quds Force, that meant to do harm constantly and consistently to America and its allies. I think the challenge though is I don't think anyone is under any illusion that he was the one who was going to be leading a militia to attack an American base or that he would be the one driving a truck bomb. Those individuals are still out there. ... He spent years upon years building this infrastructure. So, I think as we are looking to what are next steps are, we need to know that while removing him from the battlefield, removing him as a threat is one potential step, the hundreds, if not thousands, of people he trained remain there."

In an editorial, the Wall Street Journal (1/6, Subscription Publication, 7.57M) lauds Trump's decision to eliminate Soleimani's threat, but takes issue with his threat to "put very big sanctions on Iraq" and to attack Iran's "cultural sites," which is casts as unnecessary distractions. The Journal encourages the President to be ready to follow up in his campaign against the Iranian regime, and calls on him to craft a coalition of foreign allies and even Democrats as he furthers his challenge to the mullahs.

Administration Officials To Brief Lawmakers On Wednesday, But Schiff Planning "Open Hearings." Politico (1/6, McGraw, 4.29M) reports that the White House is "working to schedule a briefing this Wednesday for members of Congress and the so-called Gang of Eight congressional leaders on the killing of...Soleimani." Politico adds that "among those expected to brief the Senate at 2:30 p.m. on Wednesday, according to a Senate aide, will be key advisers...Trump consulted with before making his decision to strike Soleimani: Secretary of State Mike Pompeo, Secretary of Defense Mark Esper, Chairman of the Joint Chiefs of Staff Mark Milley and CIA Director Gina Haspel." The Daily Caller (1/6, Talcott, 716K) says "the entire US Senate will be briefed."

In the Washington Post (1/6, 14.2M), meanwhile, Greg Sargent recounts his interview with House Intelligence Chairman Adam Schiff, who "told me...he wants to see the House hold open hearings on multiple aspects of this spiraling situation" in Iran. Said Schiff, "I think there should be open hearings on this subject. ... The President has put us on a path where we may be at war with Iran. That requires the Congress to fully engage." The Washington Examiner (1/6, Ferrechio, 448K) reports "Defense Department officials on Wednesday will begin briefing Congress on the strikes, but will do so in a closed-door setting."

Axios (1/6, 521K) says "Schiff's suggestion comes after Trump reiterated a threat to Iranian cultural sites in addition during an Air Force One gaggle with reporters and threatened deep sanctions on Iraq if it moves to limit the US military presence there."

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USA Today (1/6, 10.31M) editorializes, "Administration officials are finally scheduling a meeting with members of Congress on Wednesday to brief them on the Soleimani killing. There are a host of crucial questions: What was the proof Soleimani was planning imminent attacks? Has the threat ended with his death? And, most important, what's the ultimate goal? ... Americans deserve to hear a better strategy than can be communicated by bursts of invective on Twitter." In an accompanying op-ed in USA Today (1/6, 10.31M), CEO of the Foundation for Defense of Democracies Mark Dubowitz writes that "while wary of conflict," Trump's "red line was American blood. Tehran attacked US allies and global energy assets for the past year without a response," and "then Soleimani killed an American and wounded four others in Iraq, and was reportedly plotting additional attacks."

WPost Analysis: Effort To Limit Trump's Options Breaking Along Sharply Partisan Lines. The Washington Post (1/6, Demirjian, 14.2M) reports that "Congressional Democrats' attempts to limit...Trump from acting militarily against Iran are shaping up to be largely partisan exercises, as some of the GOP's most influential critics of unauthorized war have balked at crossing Trump's decision to take out...Soleimani." Democrats "seem unlikely to win the support of several key Republican figures who have backed previous efforts to check Trump's power as commander in chief but now vocally defend his decision to kill Soleimani." Said Rep. Mark Meadows (R-NC), "I would be very shocked if any Republican votes for this resolution. ... It's going to be seen all as a political ploy to try to ding the President of the United States – and it's very hard to side with Iran and a terrorist against the President of the United States."

Haley: Democrats "The Only Ones Mourning" Soleimani. The Washington Times (1/6, Richardson, 492K) reports "former US Ambassador to the UN Nikki Haley said Monday that the Democratic leadership and 2020 presidential candidates are 'the only ones mourning' the death of...Soleimani." Haley said on Fox News' Hannity, "I'll tell you this: You don't see anyone standing up for Iran. You're not hearing any of the Gulf members, you're not hearing China, you're not hearing Russia. ... The only ones that are mourning the loss of Soleimani are our Democrat leadership and our Democrat presidential candidates." Haley also said that Soleimani's death "should be celebrated," and added, in reference to Trump critics, "You go tell that to the 608 American families who lost a loved one. ... Go tell that to the military members who lost a limb. This was something that needed to be done, and should be celebrated."

Conway "A Little Sick" Of Soleimani "Hero Worship" From Trump Critics. Appearing on Fox News' Fox & Friends (1/6, 831K), Conway said Trump "knows he was on solid ground, constitutionally, legally strategically, to have taken out one of the world's best-known most blood-thirsty and brutal terrorists. And the world is safer because Soleimani is now dead. ... We've got Americans who have buried their sons and daughters" because of Soleimani, and "thousands of other Americans maimed and injured. ... So I'm a little sick already of hero worship...of Soleimani." Conway added that in regard to Congressional Democrats, "I'm not going to be lectured by people who voted affirmatively to fork over $130 billion in cash to Iran, which helped to fund the Quds Force. I don't think it went to economic development and women's freedom and liberation in Iran, do you? ... I'm disappointed but not surprised the Democrats who see in this moment of Soleimani's death some kind of partisan political opportunity."

Hannity Mocks "Lectures From The Benghazi Democrats." Along similar lines, Sean Hannity said on Fox News' Hannity (1/6, 535K) that Pelosi "announced a resolution trying to tell the Commander-in-Chief what he can do and cannot do in Iran. Pelosi obviously knows nothing about the US Constitution" and "separation of powers. He is the elected Commander-in-Chief, not her. This totally unenforceable, non-binding resolution is nothing more than the latest political hit job to undermine the President and, frankly, make us less safe as a country. ... Now we are getting lectures from the Benghazi Democrats, the bribe Iranian mullah appears in the swamp. How did that Biden/Obama $150 billion bribe work out for any of us? The answer, we now know, it was a disaster. Now the President is cleaning up their...mess."

HuffPost/YouGov Poll: Public Favors Strike By 43%-38% Margin. The Hill (1/6, Wise, 2.98M) reports, "About 4 in 10 Americans approve of President Trump's decision to order the airstrike that killed a top Iranian military commander, according to a new HuffPost-YouGov survey." The poll "found that 43 percent of registered voters surveyed said they supported Trump's order to kill...Soleimani," while 38 percent "said they disapproved of the military action" and 19 percent were undecided. The New York Post (1/6, Moore, 4.57M) points out "Republicans overwhelmingly – 84 percent – back Trump's ordering the air strike as do 14 percent of Democrats," while "eight percent of Republicans and 71 percent of Democrats disapprove."

Media Analyses Slam Trump's Iran Strategy. Under the headline "What Is Trump's Iran Strategy? Few Seem To Know," Max Fisher of the New York Times (1/6, 18.61M) writes, "Friend and foe alike are left puzzled over what...Trump aimed to achieve by killing a top Iranian general, what he might do next or how Tehran could mollify him." Fisher quotes Ellie Geranmayeh, an analyst at the European Council on Foreign Relations, as saying, "There's not a single person that I've spoken to who can tell you what Trump is up to with Iran. ... It just doesn't add up." Fisher adds, "It's not that experts or foreign officials suspect a secret agenda, but that the administration's action fit no clear pattern or long-term strategy."

In an analysis titled "Qassem Soleimani Killing Leaves Trump's Middle East Strategy in Tatters," Bloomberg (1/6, Wadhams, Wainer, 4.73M) says, "US policy in the region seems to be going in the opposite direction of what Trump has long promised – with more US troops going in, not fewer; an Iran defiant, not cowed and broken by sanctions; and regional allies giving only lukewarm support to Trump's airstrike instead of rallying around it." Bloomberg adds, "Economic costs of the strike are also mounting: oil surged above $70 a barrel on Monday and equities around the world extended losses. Havens climbed, with gold rising to the highest in more than six years."

Philip Bump of the Washington Post (1/6, 14.2M) writes, "Trump's decision to target...Soleimani, an act that escalated tensions with that country and prompted his subsequent threat, was itself a dramatic demonstration of Trump's splashy interest in demonstrating his style of deploying American military assets." Bump adds, "His casual threat to attack cultural institutions is something more akin to the shrug he

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offered to waterboarding: They deserve it anyway, for what they're doing."

The Washington Post (1/6, 14.2M) accuses Trump of "issuing bombastic threats, hinting at a desire to commit war crimes and mocking congressional powers. If 'deescalation' is actually the administration's aim, as Secretary of State Mike Pompeo insists, then the president is actively thwarting it." Trump "may believe this bluster will deter Iranian action," but "it almost certainly won't" and "may end up ensnaring the United States in the full-scale war with the Islamic republic that the president says he does not want."

Ocasio-Cortez "Likes" Tweet From "Russian-Funded Operative" Claiming Iran Doesn't Target Civilians. The Washington Free Beacon (1/6, Griswold, 78K) reports Rep. Alexandria Ocasio-Cortez (D-NY) "liked a tweet from a Russian-funded operative claiming that Iran, the world's most prolific state sponsor of terrorism, does not target civilians." Rania Khalek wrote, "A friend flying into the US says he hasn't seen so much security since 9/11. ... The US is terrified of how Iran will retaliate. Iran won't attack civilians, that's what al Qaeda does. But it shows this assassination did the opposite of making Americans safer and our leaders know it." Khalek "is a host for In the Now, a viral media company funded by the Russian government that was kicked off Facebook for its pro-Russia propaganda. She previously served as an editor for anti-Israel site The Electronic Intifada but resigned after speaking at a pro-Bashar al-Assad conference in Syria."

Omar: Trump Could Go To War To Defend His Business Interests. Breitbart (1/6, Caplan, 673K) reports Rep. Ilhan Omar (D-MN) "floated the theory that...Trump could go to war against Iran if the Islamic regime targets his hotel properties in response to the US's deadly strike on...Soleimani." Omar wrote on Twitter, "Trump needs to immediately divest from his businesses and comply with the emoluments clause. Iran could threaten Trump hotels *worldwide* and he could provoke war over the loss of revenue from skittish guests. His business interests should not be driving military decisions."

Fox News' Earhardt: "So Interesting" Trump Critics Skeptical Of Intel Community's Assessment. The Daily Caller (1/6, Caruso, 716K) reports "Fox News host Ainsley Earhardt remarked that it is 'so interesting' that Americans are skeptical of...Trump's strike on Iranian Quds Gen. Qasem Soleimani." Said Earhardt, "It's so interesting that people are critical of the President's decisions, of our intelligence community's decisions, our general's decisions. ... We heard Pompeo over the weekend saying, everything that we have, the intelligence community has, he said I ran the CIA at one point, we can't release everything. We can't release all of our intelligence information. We'll release as much as we can, but you just have to trust us basically."

Ford Vehicle Sales Down 1.3% In Q4.

Reuters (1/6) reports Ford "posted a 1.3 percent fall in fourth-quarter vehicle sales as soft demand for passenger cars outweighed stable sales of larger sport utility vehicles (SUVs) and pickups. ... Discounts during the key holiday season and lower interest rates helped pushed sales of Ford's trucks to 330,075 in the quarter, up from 284,859 trucks a year earlier."

UAW Official Pearson Faces New Criminal Charge.

The Detroit News (1/6, Snell, 825K) reports, "Vance Pearson, a close aide to former United Auto Workers President Gary Jones, is expected to plead guilty for his role in an embezzlement conspiracy involving Jones and other labor leaders." Prosecutors filed a new criminal charge against Pearson, "accusing him of embezzling union funds spent on personal luxuries, including cigars, golfing, clothes and tips for caddies."

Market In Riskier Corporate Loans Slows.

The Wall Street Journal (1/6, Davies, Subscription Publication, 7.57M) reports the market for low-rated corporate loans has declined in recent months, according to S&P Global Market Intelligence. At the state of December, the percentage of loan trading at less than 70 percent of face value was at a three-year high.

Pier 1 Imports Could Close Nearly Half Its Stores.

The New York Times (1/6, Maheshwari, 18.61M) reports specialty furniture chain Pier 1 Imports said Monday "that it might close up to 450 of its 936 stores, as well as some distribution centers, and lay off an unspecified number of corporate employees. ... Pier 1 made the announcement while reporting a quarterly sales decline of 13 percent and a loss of $59 million."

AP Analysis: Lyft Loses "Good Guy" Image.

The AP (1/6, Bussewitz) writes that while "for years, Lyft has been the good guy of ride-hailing," that changed "when dozens of women filed lawsuits against Lyft in recent months, claiming that they were sexually assaulted by the company's drivers. The women said Lyft did not do enough to keep them safe, and several said that when they reported the incidents, Lyft did little or nothing to make it right." A spokeswoman told the AP that Lyft has "launched more than 15 new safety features in the past few months."

Bayer's Roundup Faces New Challenger In Corteva's Enlist.

The Wall Street Journal (1/6, Bunge, Subscription Publication, 7.57M) reports that with Bayer's Roundup weed killer at the center of court cases alleging it causes cancer, seed and pesticide maker Corteva has moved in with a new weed spray called Enlist. Roundup had been the unrivaled leader of the market, but a Corteva representative said Roundup's woes have offered a new opportunity

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IKEA To Pay Parents Of Toddler Killed By Recalled Dresser $46M.

ABC World News Tonight (1/6, story 11, 0:10, Muir, 7.03M) reported IKEA has agreed to "a major settlement. IKEA says it will pay $46 million to the parents of a toddler who was killed when one of its recalled dressers toppled onto him in California." The CBS Evening News (1/6, story 9, 0:20, O'Donnell, 5M) reported, "IKEA has already paid a total of $50 million to settle three earlier suits following the deaths of children killed in similar accidents."

WSJournal: Climate Activists' Focus On Banks And Insurers Hurts Competitiveness.

The Wall Street Journal (1/6, Subscription Publication, 7.57M) says in an editorial that climate activists are putting pressure on banks and insurers as a means of coercion, with some insurers now refusing to insure companies that make a significant percentage of their revenues in fossil fuels. The Journal says such refusals will not slow climate change but will only hurt US competitiveness.

New Research Concludes Tariffs Hurting US Businesses And Consumers Hardest.

The New York Times (1/6, Smialek, Swanson, 18.61M) reports US businesses and consumers, "not China, are bearing the financial brunt of President Trump's trade war, new data shows, undermining the president's assertion that the United States is 'taxing the hell out of China.'" A National Bureau of Economic Research working paper concludes, "U.S. tariffs continue to be almost entirely borne by U.S. firms and consumers." The Times calls the findings "the latest evidence that voters and American businesses are paying the cost of Mr. Trump's penchant for using tariffs to try to rewrite the terms of trade."

NYTimes Analysis: Wine Industry Wracked With "Fear And Dread" Over Possible 100% Tariffs.

The New York Times (1/6, Asimov, 18.61M) reports "the last month has passed in a blur of fear and dread" inside the wine industry as it contemplates President Trump's "threat to impose 100 percent tariffs on all wines imported from the European Union, along with a variety of other goods including foods, spirits and clothing." Such a tariff, the Times says, "would be catastrophic for Americans in the beverage and hospitality industry," and US jobs "may be lost."

Chinese Newspaper Hints At Beijing's Doubts About "Phase One" Trade Deal.

The Washington Times (1/6, Sands, 492K) reports Beijing's Global Times, "typically a reliable indicator of official policy," said in a Monday editorial that China "should not rush to sign a much-touted Phase One trade deal with the Trump administration, hinting that some key details in the agreement have yet to be nailed down." Despite its importance to China's economy, "'a speedy signing is not of the essence, but the actual content of the deal and its implementation are,' the news outlet wrote in an unsigned editorial."

US Chamber's Brilliant Gives Mixed Assessment Of Trump's Trade Record.

Politico (1/6, Palmer, 4.29M) says President Trump has "threatened to blow up the established order of international trade to get fairer terms for the United States," and "after three years of tariff hikes and trade negotiations that have yielded some gains, the jury is still out on whether his get-tough approach has produced better results than the tactics of predecessors." Myron Brilliant, head of international affairs at the US Chamber of Commerce, said, "The Administration has made progress on the trade front, but it's not come without risks and uncertainty. ... We are at halftime and we don't know yet the final score. ... We'd like to understand how they will connect all the dots and address important issues to the business community that remain problematic."

Saudi Envoy Dispatched To Washington Amid Tensions With Iran.

Barak Ravid reports for Axios (1/6, 521K) that a "senior Saudi envoy has arrived in Washington and will meet Monday with Secretary of State Mike Pompeo and senior White House and Pentagon officials in an attempt to de-escalate the crisis in the Gulf." Deputy Defense Minister Prince Khaled bin Salman, a former ambassador to the US, was "urgently sent to Washington" by Crown Prince Mohammed bin Salman amid concerns that the Kingdom "could become engulfed in uncontrolled escalation between the US and Iran."

In Apparent Contradiction With Trump, Pentagon Rules Out Striking Iranian Cultural Sites.

The New York Times (1/6, Baker, Haberman, 18.61M) reports Defense Secretary Esper "sought to douse an international outcry on Monday by ruling out military attacks on cultural sites in Iran if the conflict with Tehran escalates further, despite President Trump's threat to destroy some of the country's treasured icons." Speaking to reporters, "Esper acknowledged that striking cultural sites with no military value would be a war crime, putting him at odds with the president, who insisted such places would be legitimate targets." Asked if cultural sites could be targeted Esper responded, "We will follow the laws of armed conflict."

Johnson: UK Will Not Back Targeting Of Iran's Cultural Sites. In what the Washington Post (1/6, Booth, Adam, 14.2M) calls "his first big foreign policy test since his landslide election victory," Prime Minister Boris Johnson warned Monday that Britain will not support President Trump's threat to target cultural sites in Iran. Johnson also issued a joint statement, alongside German Chancellor Angela Merkel and French President Emmanuel Macron, calling on "all parties to exercise utmost restraint and responsibility. The current cycle of violence in

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Iraq must be stopped." To the Post, Johnson is "trying to strike a balancing act" as he is "under pressure to support Trump" but "remembers well how former British prime minister Tony Blair was seen as the gullible, junior partner to President George W. Bush and his headlong rush to war in Iraq."

The New York Times (1/6, Landler, 18.61M) similarly says "Britain is caught between its traditional alliance with Washington – one that Mr. Johnson promised voters he would deepen with a post-Brexit trade agreement – and the new, still-undefined, relationship with Europe." Johnson, it adds, "is walking a tightrope that officials said could become even more treacherous if Mr. Trump's showdown with Iran opens a new trans-Atlantic rift."

White House Tightens Security Amid Iran Threat.

Politico (1/6, Cook, Lippman, Orr, 4.29M) reports President Trump's "top aides were met Monday with stark reminders of the new risks facing the administration in the new year: enhanced security measures across the White House including additional Secret Service agents, tighter security at entrances and greater scrutiny of visitors." A White House official "said the new posture involved guards taking a bit more time, or more closely screening cars entering the complex, 'but nothing over the top that would disrupt entry for people with legitimate reasons to enter.'" Senior Administration officials "also have been told to be on the lookout for cyberattacks that often arrive in inboxes as suspicious emails."

Iranian Officials Hint At Possible Attacks On Trump Properties. The New York Post (1/6, Fredericks, 4.57M) reports that "senior Iranian officials are using Twitter to hint at threats against President Trump's properties – including his Mar-a-Lago Club resort in Florida and Trump Tower in Manhattan – over the killing of Iran's top military commander." For example, Hesameddin Ashena, a top adviser to President Hassan Rouhani, "tweeted a link to a Forbes magazine profile that listed the properties, none of which is fortified to withstand a military attack, along with a quote from the late Ayatollah Ruhollah Khomeini," which stated, "I tell the whole world that if the world wants to stand up to our religion, we will stand up against their whole world." The Washington Times (1/6, Boyer, Howell, 492K) also reports on the heightened security at Trump properties, including the Trump International Hotel in Washington.

Susan Rice: Soleimani's Death Will Lead To Attacks On US. The Washington Examiner (1/6, Dibble, 448K) reports former national security adviser Susan Rice "claimed that terrorists embedded in the United States 'could be activated' as Iran inches toward conflict with the US." Writing in the New York Times over the weekend, Rice argued that President Trump's decision to kill Gen. Qasem Soleimani "made Iranian attacks against Americans inevitable." She wrote, "Despite President Trump's oft-professed desire to avoid war with Iran and withdraw from military entanglements in the Middle East, his decision to order the killing of [Soleimani] now locks our two countries in a dangerous escalatory cycle that will likely lead to wider warfare."

Esper Disavows Letter Suggesting US Troops Are Preparing To Leave Iraq.

Reuters (1/6, Hafezi, Mason) reports that Defense Secretary Esper said Monday that the Administration does not intend to withdraw US troops from Iraq "following reports...of a US military letter informing Iraq officials about the repositioning of troops in preparation to leave the country." Esper is quoted as saying, "There's been no decision whatsoever to leave Iraq. ... I don't know what that letter is... We're trying to find out where that's coming from, what that is. But there's been no decision made to leave Iraq. Period." Reuters says that for his part, Gen. Mark Milley, Chairman of the Joint Chiefs of Staff, said of the letter sent to Iraqi authorities, "Poorly worded, implies withdrawal. That's not what's happening."

An earlier Reuters (1/6, Foundation) dispatch had indicated that "the United States-led military coalition against Islamic State said on Monday that it was pulling out of Iraq and would be repositioning forces over the next few days and weeks, a letter seen by Reuters showed." The letter "from United States Marine Corps Brigadier General William H. Seely III, the commanding general of Task Force Iraq," read, "Sir, in deference to the sovereignty of the Republic of Iraq, and as requested by the Iraqi Parliament and the Prime Minister, CJTF-OIR will be repositioning forces over the course of the coming days and weeks to prepare for onward movement." The Washington Post (1/6, Dadouch, O'Grady, 14.2M) says that after the letter was reported on, Milley "called Gen. Kenneth F. McKenzie Jr., the commander of US Central Command, which oversees the Middle East," who "told [Milley] the draft letter was an honest mistake, 'but used other words that were a little more colorful than mistake,' Milley said."

NBC Nightly News (1/6, lead story, 2:50, Holt, 6.18M) also reported "the Pentagon is scrambling to clarify US troop deployments after what it says was a leaked draft of a memo sent to the Iraqis that strongly implied the US was leaving the country for good." At any rate, "Esper said there has been no decision whatsoever to leave Iraq. US military officials tell NBC News instead, a few hundred military trainers and administrative personnel may leave from Baghdad, sent to safe areas, primarily in Kuwait." Along similar lines, the CBS Evening News (1/6, lead story, 2:40, O'Donnell, 5M) reported that "the Secretary of Defense could not have been more emphatic: the US military is not about to leave the country it invaded 17 years ago."

Politico (1/6, Bender, 4.29M) reports "the misfire added yet another layer of confusion to an already murky situation days after the region erupted in response to the US drone attack," and the Washington Post (1/6, Deyoung, Ryan, Sonne, 14.2M) that "the quickly quelled uproar was indicative of what Milley called the 'highly dynamic situation' in which the United States finds itself after Friday's killing of...Soleimani." The Post adds, "A policy afterthought for the past three years, while it served as a hub for military efforts against the Islamic State and a place from which to keep a close eye on Iran, Iraq has suddenly become a problem for the United States."

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The AP (1/6, Abdul) says "it was not clear what steps caretaker Iraqi Prime Minister Adel Abdul-Mahdi would take following the

parliament's vote" Sunday to expel foreign troops as "experts were split on whether, as a resigned prime minister, he has the authority to request the termination of the US presence." At any rate, the New York Times (1/6, 18.61M) reports that the Iraqi government "has begun to consider new parameters for the American military in Iraq after lawmakers voted 170-0 on Sunday in favor of expelling United States troops from their country. The troops will be limited to 'training and advising' Iraqi forces, but will not be allowed to move off their bases or to fly in Iraqi airspace while plans are being made for their departure, said Brig. Gen. Abdul Karim Khalaf, the military spokesman for Prime Minister Adel Abdul Mahdi," who "drafted the language and submitted the bill to Parliament, leaving little doubt about his support for the expulsion." The Times reports that on Monday, Mahdi met with Matthew Tueller, the US ambassador to Iraq, regarding the vote to expel US troops.

Sen. Mazie Hirono (D-HI) said on CNN's Situation Room (1/6, 726K), "I conclude that there is ongoing chaos with this Administration. Clearly that the Iraqi parliament wants us to leave, and this letter actually seemed to comport with it, and only to be told moments later it is a mistake. ... I don't think that there is an end game that this Administration thought about, because this is the way that the President makes his decisions."

Rep. Abigail Spanberger (D-VA) said on CNN's Situation Room (1/6, 726K), "There is confusion within the American government. There is confusion about what this means. I think we can be certain that there is confusion within the Iraqi government as to what their partners, the United States, means by this letter. It speaks to a little bit of chaos and freneticism, and forward looking, we must be concerned about what strategy exists to move our country forward, protect our national security interests and ensure that our US personnel overseas are operating on an order and on a strategic plan that will keep them safe, and meet the US objectives."

WPost Analysis: US Withdrawal From Iraq Would Benefit Russia. In an article titled "Russia Stands To Benefit As Middle East Tensions Spike After Soleimani Killing," the Washington Post (1/6, Dixon, 14.2M) reports that "some of the loudest critics of President Trump's order to kill a senior Iranian commander – other than Iranians – are Russian officials, who have denounced it as an illegal assassination and a politically motivated election-year decision." However, the Post suggests that Trump's decision "might...benefit" Russia if it leads to US troops withdrawing from Iraq, "much as it benefited in Syria after Trump ordered a troop pullout there last fall." The Post adds that "a hasty U.S. departure would give Iran what it has sought for years," and "could also create a void for Russia to exploit, although it is more likely to do so through diplomatic overtures, trade deals and arms sales than by taking up any military slack."

Iraqi Consulate In Detroit Open For Condolences For "Righteous Martyrs," Soleimani. The Detroit Free Press (1/6, Parvez, 1.52M) reports "the Consulate General of the Republic of Iraq in Detroit announced that it will be open for condolences for Iranian Major General Qassem Soleimani who was killed in a US airstrike in Baghdad Friday." The consulate "announced 'the opening of a record of my condolences for the lives of the righteous martyrs who were killed as a result of the recent American raids in Iraq.'" The consulate also "will be accepting condolences for Commander Abu Mahdi Al-Mohandes, who was killed in the same airstrike." The Free Press adds "people have taken to social media to share their disdain for the event, even tagging the FBI to stop it."

US Troops In Region Preparing For Attacks From Iran.

The New York Times (1/6, Gibbons-Neff, 18.61M) reports that US military units stationed in Iraq and Syria "are readying for attacks from either Iranian forces or their proxies" in the wake of Soleimani's death. While it is "unclear what an Iranian retaliatory attack would look like," already, "American forces in the region are reinforcing their outposts, bases and airfields" and the Pentagon "directed about 4,500 additional troops to the region atop the roughly 50,000 already there." The CBS Evening News (1/6, story 2, 1:05, O'Donnell, 5M) reported "the likely targets of any attack would be US military installations. Right now, there are more than 60,000 Americans deployed in the Middle East. That includes an aircraft carrier group. Those in Iraq may be at the highest risk of attack."

NBC Nightly News (1/6, story 3, 1:35, Holt, 6.18M) reported, "As the policy and politics of [Soleimani's death] play out, the real life consequences are being felt tonight by American military families as thousands of servicemen and women are deployed to the region." Kerry Sanders reported from Fort Bragg, "More soldiers with the 82nd Airborne [are] on route to the Middle East. By midweek, as many as 3,500 men and women in uniform will join those already stationed in the region. The Army hasn't deployed this many this quickly in 30 years." In addition to US troops, ABC World News Tonight (1/6, story 2, 2:35, Muir, 7.55M) reported, "Six B-52 bombers are reportedly being relocated to the Indian Ocean tonight."

Former Acting CIA Director Mike Morrell said on the CBS Evening News (1/6, story 5, 2:00, O'Donnell, 5M), "I think we're closer to war [with Iran] than any time in the last 30 years. Given the President's red line, we're one dead American away. So as the mourning period ends, what I'm most concerned about is a missile attack in Iraq against a US diplomatic or military facility that kills an American, thereby forcing the President to either live up to his red line and attack Iran, in which case we're at war, or he doesn't do that, and he looks weak."

Security Heightened At DC-Area Military Installations. The Washington Times (1/6, Kaplan, 492K) reports that "D.C.-area military bases have increased their security protocols following a heightened conflict with Iran." Maj. Mark Lazane, "speaking for the Army bases in the region," said, "While we will not discuss specifics, US Northern Command is implementing additional force protection condition measures to increase security and awareness for all installations in the US NORTHCOM area of responsibility."

Khamenei Declares Retaliation Must Carried Out By Iranian Forces Directly. According to the New York Times (1/6, Fassihi, Kirkpatrick, 18.61M), Iranian Supreme Leader Ayatollah Ali Khamenei, "in a departure from Iran's usual tactics of hiding behind proxies," wants "any retaliation" for the killing of Soleimani "to be carried out openly by Iranian forces." Three Iranian sources said Monday that in the house after Soleimani's death, Khamenei "made a rare appearance at a meeting of the government's National Security Council to lay down the parameters for any retaliation," insisting that "it must be a direct and proportional attack on American interests" that is "openly carried out

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by Iranian forces themselves."

Soleimani Adviser Has History Of Targeting US Troops. The Washington Times (1/6, Scarborough, 492K) reports Soleimani "leaves a legacy in Iraq of more than 100,000 Shia militia loyalists and one of his closest advisers, a Quds Force general who serves as Iran's ambassador in Baghdad." The ambassador is Brig. Gen. Iraj Masjedi, "long a practitioner of targeting US troops, according to Iran's main opposition group."

Paul Criticizes US Policy Toward Iran.

Sen. Rand Paul (R-KY) said on CNN's Situation Room (1/6, 695K), "I think the stated purpose by the Administration was that they were going to prevent attacks on Americans. I think if you ask the question now, 'Is it more or less likely that there will be attacks on Americans?', I think it's much more likely." Paul added, "When Secretary of State Pompeo is out there saying, 'Maximum pressure. Our goal is to get them back to the negotiation table,' no naive child would believe that. You would have to be brain-dead to believe that. We tear up the [nuclear] agreement, we put an embargo on you, and we kill your major general, and they are just going to crawl back to the table and say, 'What do you want America?'"

Oil Prices Rise Above $70 Per Barrel Amid US-Iran Tensions.

The AP (1/6, O'Brien) reports the "global benchmark for crude oil rose above $70 a barrel on Monday for the first time in over three months, with jitters rising over the escalating military tensions between Iran and the United States." The Brent contract for oil hit a high of $70.74 a barrel on Monday, "the highest since mid-September, when it briefly spiked over an attack on Saudi crude processing facilities."

Rouhani Warns Trump Against Threatening Iran As Crowds Mourn Soleimani.

On NBC Nightly News (1/6, lead story, 2:50, Holt, 6.18M), Ali Arouzi reported from Tehran, "Extraordinary scenes of grief and anger, punctuated with chants of revenge and 'Death to America.'" Monday's funeral for Gen. Qassem Soleimani was "the largest funeral gathering since the death of the founder of the Islamic Republic in 1989." On ABC World News Tonight (1/6, lead story, 3:40, Muir, 7.03M), Martha Raddatz reported from Tehran, "The emotion was so high here today. We saw many people weeping, but it was mixed with anger and a real desire for revenge and anger clearly aimed at President Trump."

The AP (1/6, Karimi, Gambrell) reports the funeral "drew a crowd said by police to be in the millions in the Iranian capital, filling thoroughfares and side streets as far as the eye could see." Although there "was no independent estimate, aerial footage and Associated Press journalists suggested a turnout of at least 1 million, and the throngs were visible on satellite images of Tehran taken Monday." According to the AP, "Authorities later brought his remains and those of the others to Iran's holy city of Qom, turning out another massive crowd."

Reuters (1/6, Hafezi, Mason) reports Supreme Leader Ayatollah Ali Khamenei "wept in grief with hundreds of thousands of mourners thronging Tehran's streets on Monday." Responding to Trump's threats to hit Iranian sites if Tehran retaliates for his death, President Hassan Rouhani "pointedly" tweeted: "Never threaten the Iranian nation." The Wall Street Journal (1/6, Eqbali, Rasmussen, Subscription Publication, 7.57M) reports Soleimani's successor as the commander of the Quds Force also vowed Monday that he would continue on his path. Brig. Gen. Esmail Qaani told state television, "The minimum retribution for us is to remove America from the region."

Calling it "the largest gathering in decades," the CBS Evening News (1/6, story 3, 1:50, O'Donnell, 5M) said the funeral procession "stretched nearly four miles as Iran's leaders made new vows to avenge the death" of Soleimani. CBS (Palmer): "Soleimani's daughter was also on hand. Her father's death, she said, 'would bring dark days to America.'"

Azadeh Moaveni, an analyst with the International Crisis Group, writes in the New York Times (1/6, 18.61M) that "Iranians have turned out to mourn [Soleimani] on an extraordinary scale, in scenes unmatched since the funeral of the Ayatollah Ruhollah Khomeini himself in 1989." The mourning, he argues, "is Iran's first act of retaliation."

WPost's Ryan Criticized For Comparing Funeral Turnout To Trump's Inauguration. The Washington Examiner (1/6, Brest, 448K) says Washington Post reporter Missy Ryan "shared a comparison of the crowds" gathered for Soleimani's funeral and for President Trump's inauguration. Ryan retweeted the comparison on Monday. The original tweet has the caption: "Hard to resist not retweeting this."

Europeans May Back Reimposition Of Iran Sanctions.

Reuters (1/6, Emmott, Irish) reports Britain, France and Germany – parties to the 2015 Iran nuclear deal – "could launch a dispute resolution process this week that might lead to renewed UN sanctions on Tehran." Politico says there will be "an emergency meeting of the European Union's 28 foreign ministers" on Friday. An anonymous "EU diplomat" is quoted as saying of the potential for the reimposition of sanctions, "It is increasingly likely, but not yet decided. Friday will be key." Another "European diplomat" tells Politico Europe, "The deal is all but dead, but we will do everything to slow and limit the (nuclear) proliferation slope that has been taken to try and save what can be saved."

Grenell Faults EU Allies For Failing To Condemn Iran's Actions In Iraq. Politico Europe (1/6, Desiderio, Cheney, 8K) reports Richard Grenell, US Ambassador to Germany, said Monday that European allies of the US "agreed that" Soleimani "was a terrorist threat, but were wrong to focus so much on de-escalation." Grenell said German Foreign Minister Heiko Maas has "made very clear that General Soleimani was a terrorist and he was on the EU terrorist list." However, "referring to calls from European capitals for a de-escalation in the

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wake of the general's killing," Grenell added: "The language of just de-escalation is not fair. We have seen the Iranians escalate over the last several months. And there has been no, or I should say little response from the European governments. ... If you want to de-escalate, and you think that it's really important to de-escalate, I would say then you must condemn all the way up the ladder of escalation, and that was not done."

WPost Analysis: Soleimani's Death A Boon For Netanyahu.

The Washington Post (1/6, Hendrix, Eglash, 14.2M) reports that the airstrike targeting Qasem Soleimani last week "gave Israeli Prime Minister Benjamin Netanyahu three things he dearly wanted: a strong blow against Iran, relief from growing fears that President Trump was backing out of the Middle East and a change of subject from the corruption indictments dogging him two months before a national election." According to the Post, "After growing frustration at Trump's apparent unwillingness to confront Iran more directly, his surprise decision to target the powerful Iranian commander was deemed a 'strategic miracle' by at least one Israeli commentator." Israeli officials "have declined to say whether they were briefed ahead of the U.S. operation, although most analysts assume the Netanyahu administration was given at least some notice." Israeli officials "were equally mum on the more sensitive question of whether Israel provided intelligence or other support to the operation."

CAIR Claims Iranian-Americans Crossing Into US From Canada Were Profiled.

The AP (1/6) reports that "civil rights groups and lawmakers demanded information from federal officials Monday following reports that dozens of Iranian-Americans were held up and questioned at the border as they returned to the United States from Canada over the weekend." The Washington state chapter of the Council on American-Islamic Relations "said more than 60 Iranians and Iranian-Americans were detained and questioned for hours at the Peace Arch Border Crossing in Blaine, Washington." The "unusual delays in clearing travelers of Iranian descent continued until Sunday afternoon but appeared to have ended by Monday, the civil rights groups said."

The Washington Post (1/6, Hauslohner, 14.2M) reports that a "CBP spokesman denied that Iranians were being delayed based on their national origin," instead saying the "extended wait times – of two to four hours – at that specific port of entry on Saturday were the combined result of lowered holiday staffing, high border traffic, and an 'enhanced posture' of security implemented at border crossings due to 'the current threat environment.'"

Politico Analysis: Pompeo Acting As Trump's Shadow Defense Secretary.

Politico (1/6, Toosi, 4.29M) reports that "in recent days, one aide to President Donald Trump has blitzed the media to talk about troop deployments, deterrence and the likelihood of American bombs raining down on Iranian soil," and "it's not the man who leads the Pentagon." Instead, Secretary of State Pompeo "has seized the spotlight amid the escalating US confrontation with Iran. As he's done so, he's come across to some observers as an unofficial secretary of defense, overshadowing the actual defense secretary." To Politico, Pompeo's "omnipresence illustrates the extraordinary influence he wields in Trump's inner circle."

NYTimes Analysis: Fox Host's Shift On Trump Foreign Policy Emblematic Of GOP.

The New York Times (1/6, Steinhauer, 18.61M) reports that "immediately after President Trump ordered the killing of...Suleimani...some of the loudest applause was heard from Pete Hegseth, a Fox News host and a decorated veteran of the Iraq and Afghanistan wars." Said Hegseth on Fox News' Fox & Friends, "He's a terrorist who has killed Americans. We knew where he was and the President took a bold move to get rid of him, and people around the globe are thankful for that." Hegseth's views, which "have greatly evolved since his time in the Army and his tenure leading two conservative veterans organizations, are emblematic of the seismic shift among many Republicans under Mr. Trump on long-held foreign policy positions." To the Times, "they also reflect a slow but significant souring among veterans on the post-9/11 conflicts that many believe have cost the nation too much in lives and money."

Walter Russell Mead writes in his Wall Street Journal (1/6, Subscription Publication, 7.57M) column that by ordering Soleimani's death last week, Trump was seeking to appeal to his base, which viewed the move as demonstrating his courage and resolve and doesn't care whether or not it was permissible under international law.

Gosar Tweets Fake Photo Of Obama And Rouhani.

The Arizona Republic (1/6, Hansen, 869K) reports Rep. Paul Gosar (R-AZ) "sparked his first social-media muddle of the new year after tweeting a doctored picture on Monday of former President Barack Obama and Iranian President Hassan Rouhani in which he seemed not to realize the foreign leader remains in power." Gosar posted on his personal Twitter account a photo purporting to show the two leaders shaking hands, writing, "The world is a better place without these guys in power." The photo "apparently came from a 2011 meeting Obama had with now-former Indian Prime Minister Manmohan Singh," who was digitally replaced with Rouhani.

Biden And Sanders Use Iran Tensions To Tout Their Foreign Policy Stances.

The New York Times (1/6, Ember, Glueck, 18.61M) reports that both former Vice President Joe Biden and Sen. Bernie Sanders (I-VT) are "aggressively seizing on the escalating tensions with Iran to press their starkly divergent cases for the presidency as they compete for an

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overlapping slice of the electorate." According to the Times, "Both men seemed newly energized on the campaign trail, treating the Iran confrontation as a clarifying political moment, as well as a tailor-made opportunity to showcase their long records on international affairs. And yet no two candidates better illustrate the sharp divisions in the party about what American leadership abroad should look like." The Times says that while Biden "has focused on highlighting his decades-long résumé in foreign policy and his relationships overseas," Sanders is "emphasizing his long-held aversion to war."

WPost Analysis: New Foreign Policy Focus Has Perils For Biden. The Washington Post (1/6, Wootson, 14.2M) reports, "In the days since President Trump authorized the killing of a top Iranian leader, [Biden] has made his extensive foreign policy experience a central part of his campaign pitch." But the effort includes "significant risks" for Biden, who in recent days "has overstated his initial opposition to the Iraq War" and faced questions about his role in US foreign policy during his decades in the Senate.

CNN "Fact Check:" Biden Again "Dishonestly" Says He Opposed Iraq War From Start. In an online "Fact Check" piece, CNN (1/6, Dale, 83.16M) says Biden "dishonestly suggested on Saturday that he had opposed the war in Iraq 'from the very moment' it began in 2003," despite his campaign saying "in September that he 'misspoke' when he made a similar claim. Biden was responding Saturday to a voter in Des Moines, Iowa, who told him, 'I'm with you 90% of the way' but questioned his judgment in part because 'you were for the second Gulf War, which was a mess.' Biden said that 'from the very moment' President George W. Bush launched his 'shock and awe' military campaign, and 'right after' that occurred, 'I opposed what he was doing, and spoke to him.'" CNN asserts, "It's false that Biden opposed the war from the moment Bush started it in March 2003. Biden repeatedly spoke in favor of the war both before and after it began."

Trump: Impeachment A Democratic "Con Game," And "Not What The Founders Had In Mind."

In a tweet early Monday morning, President Trump argued that his impeachment was "not what the Founders had in mind," and is a waste of his and Congress' time when the nation has "important matters pending." Trump wrote, "Congress & the President should not be wasting their time and energy on a continuation of the totally partisan Impeachment Hoax when we have so many important matters pending. 196 to ZERO was the Republican House vote, & we got 3 Dems. This was not what the Founders had in mind!"

In another tweet, Trump called impeachment a Democratic "con game" to help them in the election. Trump wrote, "The Impeachment Hoax, just a continuation of the Witch Hunt which started even before I won the Election, must end quickly. Read the Transcripts, see the Ukrainian President's strong statement, NO PRESSURE – get this done. It is a con game by the Dems to help with the Election!"

Trump Now Favors Short Senate Trial, Swift Resolution.

The Washington Examiner (1/6, Crilly, 448K) cites "senior Republican sources" who said that the White House "has backed down from its demand to call a string of witnesses during President Trump's Senate impeachment trial," and now favors "a swift resolution." While the President "has previously demanded that Joe Biden and his son Hunter give evidence as part of a trial that he said would reveal the extent of the corruption in U.S. politics and confirm the need for him to 'clean the swamp,' Republican officials "say the White House is in lock step" with Senate Majority Leader McConnell, "who has been pushing for a swift resolution."

Trump's Legal Team Has Its Trial Strategy In Place. Politico (1/6, Samuelsohn, Zanona, 4.29M) says Trump's lawyers "have their strategy in place. ... All they need now is a start date." Over the past month, "the White House counsel's office and the president's team of private lawyers have prepared a detailed legal brief pushing back against last month's House-passed impeachment articles," According to "a person familiar with the Trump legal strategy," the document "is modeled after one that President Bill Clinton's lawyers submitted at the start of his 1999 Senate impeachment trial – which ended a month later with his acquittal." Politico adds that White House Counsel Pat Cipollone "is primed to have the lead speaking role and will be backed up by his top deputies, Michael Purpura and Patrick Philbin." Trump's personal attorney Jay Sekulow "also is expected to have a presence on the Senate floor during the trial, though it's still unclear whether that includes making any public remarks."

McConnell Has The Votes To Keep Trial Short. Citing a report from The Hill, Townhall (1/6, Baumann, 177K) says McConnell "has the votes to keep the Senate trial short, meaning new witness testimony and documents would not be included." Townhall adds that Sens. Susan Collins (R-ME) and Lisa Murkowski (R-AK) are "siding with McConnell." They "believe the precedent set during the Clinton impeachment trial should be followed." Both "want to see House impeachment managers and Trump's defense team make their opening statement. Then, if necessary, the Senate could subpoena for additional documents and witness testimony."

Trump Jokes With Limbaugh About Mueller's Conclusions.

The Washington Post (1/6, Wagner, 14.2M) reports that in an interview with Rush Limbaugh Monday, President Trump "continued to criticize House Democrats for impeaching him, calling the process a 'hoax.'" The Post adds that Trump "also claimed the results of the investigation led by" Robert Mueller "proved that Democrats found 'nothing' on him." Trump said , "Even I was impressed with how clean I am, Rush." The Post says Trump "also renewed his attacks on" House Speaker Pelosi, "accusing [her] and other Democrats of trying to influence the 2020 election by withholding the articles of impeachment." Trump said , "I think what they're trying to do is affect the election, illegally. ... They are a joke. They are not crimes. There is nothing there. They found nothing."

Bolton Says He Is "Prepared To Testify" In Senate Impeachment Trial.

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The AP (1/6, Miller) reports former national security adviser John Bolton said Monday that he is "prepared to testify" in an impeachment trial is he is subpoenaed by the Senate. Bolton "said that he has weighed the issues of executive privilege" and that after "careful consideration and study," concluded that he would comply with a Senate subpoena. Mary Bruce said on ABC World News Tonight (1/6, story 5, 1:05, Muir, 7.03M) it is "unclear why Bolton is making this move now."

Politico (1/6, Desiderio, Cheney, 4.29M) cites "a source familiar with the matter" who said that before his announcement, Bolton "gave a heads up to [Senate Majority Leader] McConnell informing the majority leader of his decision," which the Wall Street Journal (1/6, Andrews, Subscription Publication, 7.57M) increases pressure on Republicans to call him. Jim Acosta said on CNN's Situation Room (1/6, 695K), "Bolton's testimony could be explosive, especially when it comes to Rudy Giuliani and his role in the Administration's alleged scheme to find dirt on Joe Biden in Ukraine."

USA Today (1/6, Shesgreen, Jackson, 10.31M) says Bolton's "unexpected" statement "plays into the hands of" House Speaker Pelosi "and Senate Democrats," while the New York Times (1/6, Fandos, Schmidt, 18.61M) calls it "a dramatic turn that could alter the dynamic of the impeachment proceeding." The Times says Democrats "quickly seized" on Bolton's statement, "arguing that it strengthened their case that the Senate must hear from Mr. Bolton and other senior officials as part of Mr. Trump's impeachment trial."

Bloomberg (1/6, 4.73M) reports Pelosi said in a tweet that Trump and McConnell "have run out of excuses" and "must allow key witnesses to testify, and produce the documents Trump has blocked, so Americans can see the facts for themselves." Reuters (1/6, Cornwell, Hosenball) reports Senate Minority Leader Schumer said in a statement, "If any Senate Republican opposes issuing subpoenas to the four witnesses and documents we have requested they would make absolutely clear they are participating in a cover up." The Washington Times (1/6, Muñoz, 492K) reports that in a tweet, House Intelligence Chairman Adam Schiff "said the responsibility for securing Mr. Bolton's testimony now lies with the Senate." Schiff wrote, "Bolton refused to testify in the House, following Trump's orders. Now he is willing to come forward. The Senate must allow testimony from him, [Acting Chief of Staff] Mulvaney and others. The coverup must end."

Nancy Cordes said on the CBS Evening News (1/6, story 6, 1:50, O'Donnell, 5M) that "a few Senate Republicans" said Monday that "they're interested in hearing what Bolton has to say and that it might even be favorable to the President. But allowing him to testify could open the door to other witnesses that the White House tried to block the first time around."

In her Washington Post (1/6, 14.2M) column, Ruth Marcus questions why "any senator charged with the grave responsibility of trying the president on articles of impeachment" would "not want to hear Bolton's account? How could any senator justify refusing to hear from someone so central to Trump's handling of Ukraine?"

Romney Says He Would Love To Hear From Bolton. Kasie Hunt said on NBC Nightly News (1/6, story 4, 1:45, Holt, 6.18M) that four Republican senators would need to vote with Senate Democrats in order to call Bolton. Hunt added that Sen. Mitt Romney (R-UT) said Monday that "he would love to hear from Bolton" Politico (1/6, Levine, Bresnahan, 4.29M) says Romney "stopped short of saying he would vote with Democrats to subpoena" Bolton. Democrats "were hoping moderate Republicans like Sens. Susan Collins of Maine, Lisa Murkowski of Alaska," and Romney would "endorse their efforts to bring in Bolton and [Mulvaney] to testify at the trial." However, "on Monday, Collins and Murkowski both signaled they wanted to begin the trial first."

Axios (1/6, Treene, 521K) reports that "key Senate Republicans are refusing to give a clear answer" on whether Bolton should be subpoenaed. Axios says these senators "either are facing tough re-election fights, have previously bucked Trump and" McConnell "or are retiring and may feel less pressure to stick to the party line." Axios cites comments from Collins, Murkowski, and Romney, as well as Sens. Joni Ernst (R-IA) and Thom Tillis (R-NC).

Rubio Argues Senate Should Not Call Bolton. The Washington Post (1/6, Wagner, 14.2M) reports that in a tweet Monday, Sen. Marco Rubio (R-FL) "pour[ed] cold water on the idea of Bolton testifying before the Senate." Rubio argued "that the Senate should not consider any documents or witness testimony beyond what the House has already reviewed." He wrote, "The testimony & evidence considered in a Senate impeachment trial should be the same testimony & evidence the House relied upon when they passed the Articles of Impeachment. Our job is to vote on what the House passed, not to conduct an open ended inquiry."

Hawley Resolution Would Allow Dismissal Of Impeachment Charges If Pelosi Does Not Send Articles.

The Washington Times (1/6, Swoyer, 492K) reports Republican senators are considering a measure to "change Senate rules allowing them to dismiss the impeachment charges against the president if Speaker of the House Nancy Pelosi continues to refuse to transmit the articles of impeachment to the upper chamber." Sen. Josh Hawley (R-MO) "introduced the measure Monday and accused Ms. Pelosi of obstructing a Senate trial, which is to occur after the House votes to impeach a sitting president under the U.S. Constitution." Hawley said on Fox News' Fox & Friends (1/6, 831K) that Pelosi "is attempting to obstruct a Senate trial. ... Here's what needs to happen: we need to change the Senate rules to allow the Senate to dismiss this case if she refuses to send the articles over." The Washington Times (1/6, Swoyer, Muñoz, 492K) describes "increasing pressure" on Pelosi, who, as of Tuesday, will have withheld the articles for 20 days to send them to the Senate. The Times adds that Hawley said on the Senate floor, "Now when it's time to put up or shut up – actually put the evidence forward to be judged – now Speaker Pelosi is saying she may withhold the articles indefinitely. ... We now have the longest delay in American history."

The Hill (1/6, Carney, 2.98M) says Hawley's resolution "would give the House 25 days to send articles of impeachment over to the Senate." According to the proposal, at the end of that period, a senator could offer a motion to dismiss "with prejudice for failure by the House of Representatives to prosecute such articles" with a simple majority vote.

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Nunes: House Republicans Investigating Intelligence Community IG.

The Washington Examiner (1/6, Chaitin, 448K) reports Rep. Devin Nunes (R-CA), the ranking member on the House Intelligence Committee, said Monday that House Republicans are investigating Intelligence Community Inspector General Michael Atkinson. Atkinson "notified Congress of the whistleblower complaint that sparked an impeachment effort against President Trump." Nunes told The Sara Carter Show that he still faces "serious questions" in the wake of his testimony in October, "which to this day remains under wraps." Nunes said, "Everyone needs to see that testimony," and added that it has not been released "because it's very damaging, not only to the whistleblower but also to Atkinson himself." Nunes said House Republicans have "an active investigation" into Atkinson.

State Department Struggled With How To Handle Information From Steele.

The Daily Caller (1/6, Ross, 716K) reports that State Department emails from 2014 obtained via lawsuit filed by the Daily Caller News Foundation and Judicial Watch "show that officials deliberated how best to handle information from Christopher Steele, who would go on to write the infamous Trump dossier." Officials "decided that one official, Jonathan Winer, would send Steele's reports from his personal email account to an assistant, who would then forward them to the department's classified system." The Daily Caller adds that officials "were concerned about security problems with the State Department's unclassified computer network, and so they came up with a solution," in which Winer, "an aide to former Secretary of State John Kerry and longtime Steele friend, would send the reports from his personal email account to a State Department contractor," who would then "strip identifying information from the documents and send them to a small group of State Department officials on 'the high side,' or the agency's classified network."

GOP's Joint Fundraising Platform Sees Surge In Donations Due To Impeachment.

The AP (1/6, Miller) reports that the President's impeachment has "prompted a surge of donations to Republican Party groups through its new joint fundraising platform," WinRed. The "long-awaited answer to Democratic powerhouse ActBlue, brought in $101 million in the second half of last year, most of it since the Oct. 31 party line vote by the House paving the way for its impeachment of Trump." WinRed "was launched in June to maximize the Republican Party's small-dollar giving and now unites the Republican National Committee, every state Republican Party and most House and Senate campaigns on the same platform." According to the group, fundraising appeals using the terms "impeach" or "impeachment" took in "300% more than those without those terms."

PI Says Hunter Biden Used Dead Brother's Name To Conceal His Identity.

The Washington Examiner (1/6, Neale, 448K) reports private investigator Dominic Casey "has claimed in an Arkansas paternity case that former Vice President Joe Biden's son Hunter Biden tried to conceal his whereabouts by using the identity of his dead older brother Beau." Casey said in a court document "that stolen identities were used to check Biden into an Arizona rehabilitation facility as Joseph R. Beau Biden III and Joseph McGee. The identities were reportedly found by police after responding to reports of suspicious items inside a Hertz rental car on Oct. 28, 2018."

DHS Sharing Citizenship Data With Census Bureau.

The AP (1/6) reports DHS "is agreeing to share citizenship information with the U.S. Census Bureau" as part of President Trump's "order to collect data on who is a citizen following the Supreme Court's rejection of a citizenship question on the 2020 Census form." Trump's order is "being challenged in federal court, but meanwhile the Department of Homeland Security two weeks ago announced the agreement in a report."

CBP Now Collecting DNA Information From Migrants.

The Daily Caller (1/6, Hopkins, 716K) reports Customs and Border Protection "has launched a small-scale pilot program that collects DNA samples from detained migrants, and plans to dramatically expand its reach in the near future." On Monday, CBP began "collecting DNA information from migrants who are detained near Detroit, as well as individuals detained at the Eagle Pass, Texas port of entry."

Mexican Asylum Seekers May Be Sent To Guatemala.

Reuters (1/6, Rosenberg) reports that Mexican citizens who are seeking asylum in the US "could be sent to Guatemala under a bilateral agreement signed by the Central American nation last year." According to Reuters, US Citizenship and Immigration Services field staff were told Saturday that "Mexican nationals will be included in the populations 'amenable' to the agreement with Guatemala." Reuters says an "agreement, brokered last July" between the Trump Administration and "the outgoing Guatemalan government, allows U.S. immigration officials to send migrants requesting asylum at the U.S.-Mexican border to apply for protection in Guatemala instead."

The New York Times (1/6, Kanno-Youngs, 18.61M) reports, "Andrew Meehan, a homeland security spokesman when the deal was signed, said that 'Mexican nationals were not under consideration' to be sent to Guatemala. He is no longer with the administration. ... The addition of Mexicans to the deal comes as homeland security officials have in recent weeks searched for ways to prevent them from crossing" the border.

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At Least 41 Governors Have Said Their States Will Continue To Accept Refugees.

The Washington Times (1/6, Dinan, 492K) reports governors "have overwhelmingly refused President Trump's offer to exercise a veto over new refugees being sent to their states. ... New York and Alaska added their names to the list late last week, activist groups said, making at least 41 governors who have now said they will continue to accept refugees." The Times calls the "striking groundswell of support" a "rebuff of sorts" for the President.

Civil Rights Groups Say Boston Public Schools Proving Information To ICE.

The Washington Times (1/6, Dinan, 492K) reports civil rights groups claimed Monday that "Boston's public schools have for years been indirectly providing information to ICE on unruly" migrant students, resulting in "at least one of them getting deported. ... The groups said they'd obtained new documents as part of their lawsuit against the city that detailed what they called the 'school-to-deportation pipeline.'" School officials "denied sharing information directly with ICE, but acknowledged they send incident reports to the Boston Police Department."

American Boy Killed In Shootout On Mexican Road Near Border.

NBC Nightly News (1/6, story 7, 1:15, Holt, 6.18M) reported, "For the second time in two months, Americans came under attack in Mexico. It happened near the US border and left an American boy dead and others wounded." NBC's Miguel Almaguer said the American boy was "killed in a violent shootout on a Mexican road. His family says he was with relatives in [a] silver car with Oklahoma plates leaving Mexico, headed home to the States. The US State Department confirming two other US citizens were also injured. Today Mexican authorities say one survivor is in grave condition, offering no motive for the attack." ABC World News Tonight (1/6, story 10, 0:20, Muir, 7.55M) ran a brief item on the attack.

Tens Of Thousands Of Mexicans Disappeared In Last Decade. The Washington Post (1/6, A1, Sheridan, 14.2M) reports that Mexican authorities announced Monday that "more than 61,000 people have disappeared in Mexico...sharply raising their estimate of those who have vanished in more than a decade of extreme violence by and among organized-crime groups." The government of President Andrés Manuel López Obrador "released the new figure after an exhaustive analysis of data from state prosecutors. Previously, authorities had estimated the number of victims at 40,000."

DOJ Will Seek Death Penalty In MS-13 Kidnapping And Murder Case.

The Washington Post (1/6, Weiner, 14.2M) reports the Justice Department will "pursue the death penalty for a member of the MS-13 gang accused in the kidnappings and killings of two Virginia teenagers in 2016." Elmer Martinez "is alleged to be the leader of the Fairfax County clique that authorities say killed a 17-year-old suspected of belonging to a rival gang and a 14-year-old who revealed that crime to the victim's family."

FBI: Gun Background Checks Hit Record High In 2019.

The Washington Times (1/6, Mordock, 492K) reports in a brief item that "background checks on gun purchases in the United States hit a record high in 2019, the FBI said Monday." The FBI conducted "more than 28.3 million background checks last year. ... That represents a 3 percent increase from the record 27.5 million set in 2016."

NYTimes Examines School Shootings Outside Of Class Hours.

The New York Times (1/6, Smith, Lu, 18.61M) reports on "an overlooked epidemic of school shootings": those that happen "after class lets out. ... Since mid-August, gunfire has erupted more than 20 times at or near school sporting events around the country, more shootings than took place during school hours. Since the start of 2013, at least 19 people have been killed and more than 100 wounded in shootings with some connection to school sporting events."

US Ambassador To Afghanistan Leaving His Post.

The New York Times (1/6, Jakes, 18.61M) reports that John Bass, the US Ambassador to Afghanistan, is "leaving his post after two years in Kabul." The Times says Bass' exit "comes as the United States is again trying to negotiate a tentative peace agreement with the Taliban that could withdraw American forces from Afghanistan in exchange for reduced violence." Citing an anonymous State Department official, the Times reports Bass was "not being removed from his assignment because of any disagreement with the administration, and that his departure had in fact been long planned." In fact, the Washington Post (1/6, George, 14.2M) reports the State Department said in a statement that Bass' departure "is long-planned and part of the normal rotation cycle."

Pompeo Tells McConnell He Is Not Running For Senate.

CNN (1/6, Zeleny, Hansler, 83.16M) reports on its website that Secretary of State Pompeo told Senate Majority Leader McConnell Monday "that he does not plan to run for the US Senate seat in Kansas, a Republican familiar with the conversation told CNN, appearing to end months of speculation about Pompeo's political plans." CNN adds "that source said that although the filing deadline for Pompeo to run for the

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open seat in Kansas has not passed, the secretary of state told McConnell not to wait for him and the National Republican Senatorial Committee should assume he's not running." Citing "two people familiar with the meeting," Politico (1/6, Isenstadt, Arkin, 4.29M) also reports the story.

The Kansas City (MO) Star (1/6, Lowry, Wilner, Shorman, Dumain, 549K) reports Pompeo's "decision ends widespread Republican hopes that he would enter the race in his home state, where the party's failed 2018 nominee for governor, Kris Kobach, currently leads the GOP field." The Star quotes a "source" who said, "Leader McConnell believes Secretary Pompeo is doing an incredible job as Secretary of State and is exactly where the country needs him right now."

The New York Times (1/6, Haberman, Martin, Burns, 18.61M) reports "the secretary of state's decision most likely ends Republicans' hopes of securing a potentially dominant candidate for the open seat in Kansas, his home state." The Times adds Pompeo "has quietly explored a campaign for months." The Washington Post (1/6, Dawsey, Hudson, 14.2M) says "Pompeo had regularly visited Kansas and was consulting with Ward Baker, a prominent GOP strategist close to McConnell." He "had fueled speculation of a bid in recent weeks by creating personal social media accounts that regularly featured him with his family dog, cheering on sporting events and even drinking beer in his kitchen." The AP (1/6, Fram, Mascaro), USA Today (1/6, Shesgreen, 10.31M), Bloomberg (1/6, Jacobs, Wadhams, 4.73M) and Reuters (1/6, Holland), among other news outlets, also report the story.

Esper's Chief Of Staff Leaving For Private Sector Job.

Politico (1/6, Morgan, O'Brien, 4.29M) reports that Eric Chewning, Chief of Staff to Defense Secretary Esper, is "stepping down at the end of the month, the latest in a series of high-profile civilians to leave the Pentagon." Chewning will be "replaced by Jen Stewart, the top Republican staffer on the House Armed Services Committee and a former top adviser to the chairman of the Joint Chiefs." A Pentagon spokesman "confirmed that Chewning will take a new job in the private sector," but did "not offer additional details, including the reason for the departure or any specifics about Chewning's professional plans."

Trump: Democratic-Run Cities Should "Politely Ask" For Federal Help With Homelessness.

In a tweet Monday afternoon, President Trump said homelessness in Democrat-run cities like Los Angeles and San Francisco is a local problem, but if those cities ask "politely," the Federal government will consider intervening. Trump wrote, "The homeless situation in Los Angeles, San Francisco, and many other Democrat Party run cities throughout the Nation is a state and local problem, not a federal problem. If however, the city or state in question is willing to acknowledge responsibility, and politely asks for help from the Federal Government, we will very seriously consider getting involved in order to make those poorly run Democrat Cities Great Again!"

Trump also retweeted a post from Fox News host Tucker Carlson promoting a segment on his show. Carlson's tweet said, "San Francisco's left-wing government has turned the city into an 'American Dystopia' – Our shocking & exclusive 5-part series premieres tonight at 8pm ET and runs all week on @FoxNews." In the segment, Carlson said that the reality of San Francisco "is even worse than you may have heard. Civilization itself is coming apart in San Francisco right there in broad daylight on the city sidewalks, which are littered with junkies and feces and dirty needles." Carlson added that the city's "left-wing officials no longer enforce so-called quality of life crimes like public urination or defecation or even open-air drug use."

Trump Reportedly Plans To Attend College Football National Championship Game.

Bloomberg (1/6, 4.73M) reports that President Trump is "scheduled to attend the college football national championship game between Louisiana State University and Clemson University on Jan. 13 in New Orleans."

Trump Calls Ocasio-Cortez, Omar, Tlaib Anti-Semitic.

Breitbart (1/6, Key, 673K) reports that in an interview Monday with the Rush Limbaugh Show. , President Trump "said Democrats like Reps. Alexandria Ocasio-Cortez (D-NY), Ilhan Omar (D-MN) and Rashida Tlaib (D-MI) were antisemitic." Trump said, "If you go back and 10 years or eight years maybe even five years, Israel was the King of the Congress. Our Congress protected Israel and fought for Israel. You look at the way the Democrats in Congress are treating where you have AOC, and you have Tlaib, and you have Omar they are actually, you know, Antisemitic. They are totally against Israel. The things they've said. You go back to the past. You look at the things that they've said about Israel and Jewish people. It's incredible. Ten years ago, that would be unacceptable."

Group Names Omar "Anti-Semite Of The Year." The Washington Free Beacon (1/6, Kredo, 78K) reports that the group StopAntiSemitism.org has named Omar its "2019 anti-Semite of the year."

EPA Introduces New Limits On Truck Emissions.

The New York Times (1/6, Davenport, 18.61M) reports the Administration on Monday "took its first step toward tighter pollution controls on trucks, an anomalous move for a government known for weakening environmental policies but one that would pre-empt tougher state rules." EPA Administrator Wheeler "began the legal and regulatory process for curbing highway emissions of nitrogen dioxide, which has been linked to asthma and other respiratory diseases." Wheeler said, "Through this initiative, we will modernize heavy-duty truck engines, improving their efficiency and reducing their emissions, which will lead to a healthier environment." The Washington Post (1/6, Dennis, 14.2M) says "some

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environmental advocates said they feared that the EPA's proposal could preempt even more stringent rules being considered in California."

Campaign Finance Lawyers Urge Trump, Congress To Restore A Voting Quorum To FEC.

The Washington Post (1/6, Lee, 14.2M) reports that in a letter to President Trump and congressional leaders Monday, a "bipartisan group of campaign finance lawyers" urged them "to restore a voting quorum on the Federal Election Commission, which cannot monitor compliance with election laws even as presidential primaries begin in a month." The attorneys, "whose clients are regulated by federal campaign finance law," called for "swift attention to this situation, which has languished for far too long." They wrote, "In representing those clients, we often find ourselves in adversarial positions in the legal arena. ... Yet we are united in our commitment to the rule of law and the need for the agency tasked with regulating federal campaign finance laws to fully function and carry out the mission assigned to it by Congress."

Newly Empowered Virginia Democrats Moving Quickly To Shift State's Course.

The New York Times (1/6, Williams, 18.61M) reports Virginia Democrats have gained "full control of state government for the first time in a generation," and "lawmakers are rushing to shift the state's course as quickly as possible." According to the Times, they want to "ban assault-style rifles," abolish "statues honoring Confederate leaders in dozens of Virginia cities," and "give undocumented people licenses to drive," all in the next 60 days. The Times says Democrats "now hold both chambers in 19 states, including Virginia. The result has been a wave of legislation to expand voting access, add anti-discrimination rules and bolster protections for abortion rights." However, "control also carries political risk. ... Democrats may find that control of state government does not always translate into overwhelming legislative success, political analysts said."

WPost Calls On Virginia Lawmakers To Enact "Sensible" Gun Safety Measures. A Washington Post (1/6, 14.2M) editorial says that with "extremists" set to join "conventional gun rights advocates" in Richmond later this month to "protest proposed firearms legislation, Virginia authorities must take care to apply lessons learned from the chaos in Charlottesville" in 2017. The Post argues that while these protesters "are entitled to exercise their constitutional rights," they "must not be allowed to brawl and use their weapons as they did in Charlottesville." the Post adds that "in the face of attempted intimidation, the right response from lawmakers is to enact sensible and widely popular gun-safety measures that Republicans were able to spike when they controlled the General Assembly."

Authorities Investigating Swarms Of Drones Sited Over Colorado, Nebraska.

The CBS Evening News (1/6, story 8, 1:30, O'Donnell, 5M) reported that the FBI, FAA, and Air Force are investigating "swarms of drones" that have appeared "in the skies over Colorado and Nebraska." CBS (Shamelin) added, "The military and local companies have denied responsibility." A sheriff's office "says it is now looking for a closed box trailer with antenna or a large suspicious van, and is asking anyone who has seen it to call authorities."

Cuomo Helps Man In Traffic Accident.

NBC Nightly News (1/6, story 9, 0:20, Holt, 6.18M) reported that New York Gov. Andrew Cuomo (D) was "caught on camera, helping a man out of a van that tipped over in an accident on the highway. Cuomo's team passed the wreck. The Governor stopping to cut the man out of his seat belt. No life threatening injuries reported but an example of your government in action."

Chelsea Clinton Has Made $9M Since 2011 As Member Of Corporate Board.

Citing a report from the financial publication Barron's, the New York Post (1/6, Lapin, 4.57M) says Chelsea Clinton took in "around $9 million since 2011 for her work on the board" of IAC/InterActiveCorp, "which is controlled by business and television mogul Barry Diller," who is "a pal of her mom's." Chelsea Clinton "has received an annual retainer of $50,000 for serving on the board," but "it's the $250,000 worth of restricted IAC stock units Clinton received on top of the retainer that lead to the windfall, according to the report." The former first daughter reported to the SEC last month "that she owned $8.95 million worth of IAC stock."

Gervais Objects To Criticism Of His Golden Globes Performance As "Right Wing."

Breitbart (1/6, Ng, 673K) reports Ricky Gervais is taking issue with "mainstream media criticism of his performance as host of the Golden Globes, pointing out that he took humorous aim at targets that liberals usually love to hate, like large corporations and the super wealthy." Gervais argued in a tweet Monday "that people have been calling his Golden Globes jokes 'right wing' despite the populist angle of his routine." Breitbart says the tweet appeared to a be a response "to comments like those from Vanity Fair writer and former Entertainment Weekly editor Mark Harris, who complained in a Twitter rant Monday that making fun of hypocritical celebrities is a 'right-wing talking point.'"

Trump To Rally Base, Tout His Accomplishments Over Next Couple Of Weeks.

Politico (1/6, Kumar, 4.29M) reports that President Trump, gearing up for his reelection bid, "will hit the campaign trail in 2020 with a pair of rallies in Ohio and Wisconsin over the next week. He's then expected to give a traditional presidential interview during the Super Bowl – often the most watched TV event of the year. And two days after that, he'll deliver his State of the Union address to tens of millions of people watching at home. And, of course, there's always Twitter," where he often blasts "the House impeachment investigation" and touts "his

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accomplishments. But he'll also try to divert attention away from impeachment," heralding "what he describes as his accomplishments – the economy, a new trade deal with Mexico and Canada and the killing of Iran's military leader, Qassem Soleimani. To his allies, it's a critical message the public needs to hear."

Trump To Hold Rally In Van Drew's District January 28.

The AP (1/6, Miller) reports that President Trump "is making a campaign stop in deep-blue New Jersey later this month to reward" freshman Rep. Jeff Van Drew (R-NJ) "for switching parties and voting against his impeachment. Trump will travel to Wildwood, New Jersey, in Van Drew's district on Jan. 28 to hold a rally, his campaign announced." Politico (1/6, Friedman, 4.29M) reports, "According to the Trump campaign, the rally is scheduled for 7 p.m. at the Wildwoods Convention Center. Van Drew is not mentioned on the invitation, but he had told local media outlets that he expected Trump to come to the" NJ2.

NJ News (1/6, Johnson, 1.72M) quotes Trump campaign Chief Operating Officer Michael Glassner as saying in a statement, "President Trump looks forward to returning to the Garden State to celebrate his message of 'Promises Made, Promises Kept.'" NJ News adds that Van Drew "told NJTV last month that Trump was planning to visit in January or February." The Hill (1/6, 2.98M) reports that Trump carried NJ2 "by 4.6 percentage points in 2016." The Hill adds, "Polling indicated Van Drew would have faced a difficult reelection bid as a Democrat. Van Drew's party switch was seen as a coup for Trump and his Republican allies who have sought to paint impeachment as a partisan exercise led by Democrats."

Wife Of Ex-Rhode Island Rep. Kennedy Seeking Van Drew's Seat. Meanwhile, the New York Times (1/6, Tully, 18.61M) reports that Amy Kennedy, the wife of former Rep. Patrick Kennedy (D-RI), on Monday announced a 2020 bid to unseat Van Drew. Kennedy, "who described herself as a former teacher and a mother of five in a minute-long YouTube video announcing her candidacy, did not mention Mr. Van Drew's defection from the Democratic Party last month or his pledge of 'undying support' for...Trump. But the video did include an image of Mr. Van Drew shaking the president's hand in the Oval Office as he announced he would join the Republicans, one day after the South Jersey lawmaker voted against impeaching Mr. Trump."

The Washington Post (1/6, Wagner, 14.2M) quotes Kennedy as saying in the video, "Too many of our leaders have lost their moral compass. Trump and Van Drew are symptoms of a bigger sickness infecting our country and our politics." NJ News (1/6, Johnson, 1.72M) reports that in the video, Kennedy, "the daughter of former Atlantic County Freeholder Jerry Savell, also touted her Jersey heritage." Said Kennedy, "As a fourth-generation South Jerseyan, I will never turn my back on the people of this district. I'll be an independent voice in Congress and work to get us back on the right track."

Politico (1/6, Friedman, 4.29M) reports that Kennedy joins a crowded Democratic primary that includes, among others, Atlantic County Freeholder Ashley Bennett, ex-Sen. Cory Booker (D-NJ) aide Will Cunningham, and Montclair State University Professor Brigid Harrison. The Philadelphia Inquirer (1/6, Verma, 814K) reports that Harrison "is considered the front-runner and a favorite of establishment Democrats." CQ Roll Call (1/6, Pathé, 154K) reports, "Inside Elections with Nathan L. Gonzales shifted the race from Tilts Democratic to Tilts Republican after the initial reports of Van Drew's party switch."

Pence To Reach Out To Puerto Rican Voters In Central Florida.

The Miami Herald (1/6, Smiley, 1.09M) reports that Vice President Pence will visit Central Florida next week "to hold a Latinos for Trump campaign event in Osceola County, home to Florida's largest concentration of Puerto Ricans." The campaign stop "could give Pence an opportunity to woo voters who comprise one of Florida's most-coveted voting blocs – and also may be one of Trump's biggest stumbling blocks." The herald adds that Puerto Ricans "have emerged as a crucial swing demographic in a state known for narrow election margins," but Trump "enters his reelection campaign with the support of barely one in five island transplants."

Politico Analysis: Pence Preparing For His Own Eventual Presidential Campaign. Politico (1/6, Orr, 4.29M) reports that "aides and allies" of Vice President Pence "insist his sole focus...is helping" President Trump get reelected, which "means his schedule for the next 11 months will look much like it did on Dec. 18, when [Pence] rode a campaign RV through" Saginaw County, Michigan, "a majority white area...that Trump captured by just over 1 percent in 2016." However, according to Politico, "the more Pence utilizes this particular campaign strategy...the harder it becomes to distinguish between a vice president who is simply doing the pedestrian politicking his counterpart loathes, and one who is using this stage to prep for his own future presidential run." Politico says Pence's "current deployment strategy could work for 2020, while also benefiting" his "long-term ambitions." Politico says that "whereas Trump plays to his base...Pence focuses on easing prospective Trump voters into supporting the president even if they abhor his personality."

Biden Slams Trump In Des Moines Register Op-Ed.

In a Des Moines (IA) Register (1/6, 404K) op-ed, ex-Vice President Joe Biden decries what he says is the "damage President Donald Trump has done to our communities," criticizing the President on healthcare, trade policy, and for "a tax cut that largely benefited the wealthiest Americans." However, Biden says "worse, somehow, than his policy failures has been the damage he's done to the soul of our nation" by, among other things, fanning "the flames of hate groups at home," embracing "murderous dictators abroad," ripping "children from their mothers' arms at our border," and pressuring "foreign nations to interfere in our elections." Biden touts his own candidacy and urges Iowa Democratic caucusgoers to "choose a candidate who can build a broad, diverse coalition to unify this nation around our common values."

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Julián Castro Endorses Warren.

The AP (1/6) reports that ex-HUD Secretary Julián Castro, who quit the 2020 Democratic presidential race last week, on Monday endorsed Sen. Elizabeth Warren (D-MA), calling her "the most qualified, best-equipped candidate to win the nomination" and beat President Trump. The AP says, "In an online video posted Monday featuring the two former 2020 White House rivals, Castro tells Warren, 'No one is working harder than you.'" Politico (1/6, Oprysko, 4.29M) reports that Castro "ended his campaign last week after not making the last two primary debates and failing to gain traction in the polls. And his quick endorsement comes at a crucial time for Warren," who "enters the home stretch before the Iowa caucuses at a diminished position following a recent surge by former South Bend Mayor Pete Buttigieg and steady strength" from former Vice President Joe Biden and Sen. Bernie Sanders (I-VT).

Similarly, the New York Times (1/6, Herndon, 18.61M) reports that the endorsement by Castro, "whose progressive presidential candidacy did not make significant inroads with Democratic voters but earned plaudits from the party's left wing," offers Warren "a possible lift for her candidacy less than one month before the Iowa caucuses." The Washington Post (1/6, Janes, 14.2M) reports that Castro's endorsement "is in keeping with the lack of hesitation he demonstrated during his campaign: Other than Rep. Tim Ryan (D-Ohio), who endorsed former vice president Joe Biden a few weeks after ending his campaign, none of the major players in this year's Democratic race have announced their endorsements."

On its website, CNN (1/6, Diaz, Lee, 83.16M) reports that Castro's "decision to formally back Warren is in many ways not surprising. The two shared a publicly complimentary relationship as 2020 rivals, publicly complimenting each other's' ideas and policy positions. During his run, Castro repeatedly criticized candidates like former South Bend, Indiana, Mayor Pete Buttigieg and former Vice President Joe Biden, but remained on good terms with Warren and her campaign." Reuters (1/6, Becker), McClatchy (1/6, Earls, 19K), and the Wall Street Journal (1/6, Jamerson, Subscription Publication, 7.57M) also report on the story.

Buttigieg Targets New Hampshire Counties Trump Carried.

Reuters (1/6, Renshaw) reports that ex-South Bend Mayor Pete Buttigieg, "sitting at or near the top in the polls in Iowa and New Hampshire and backed by a big campaign war chest," is "betting his moderate politics will lure disaffected voters in counties" President Trump "flipped and propel him to victory in the pivotal early primary states." According to Reuters, "Buttigieg's latest four-day swing marked his 15th trip to New Hampshire, where he has racked up more campaign stops than other front-runners." Reuters says Buttigieg "has focused more than his chief rivals on historically Republican counties and those that Trump flipped from Democratic support in the 2016 election."

WSJournal Profiles Buttigieg Camp's National Investment Chairwoman Mylavarapu. The Wall Street Journal (1/6, Bykowicz, Subscription Publication, 7.57M) profiles Silicon Valley investor Swati Mylavarapu, who serves as national investment chairwoman for the Buttigieg campaign. The Journal says that Mylavarapu has played a key role in developing fundraising strategies for Buttigieg, who has raked in approximately $76 million since launching his White House bid last year.

In Op-Ed, Ex-Marines Say Buttigieg Over-Hypes His Military Service. In a Wall Street Journal (1/6, Subscription Publication, 7.57M) op-ed, ex-Marine Greg Kelly, a host at Newsmax TV, and ex-Marine Katie Horgan, a consultant, say that Buttigieg over-hypes his service in the Navy, in which he served in a non-combat role after having joined by way of a direct commission in the reserves, a much easier path than most in the military face.

Bloomberg Nearly Doubles Biden In Campaign Staff.

Reuters (1/6, Lange) reports that former New York City Mayor Michael Bloomberg "has hired about 800 staff members as part of a plan to compete in the 14 states that hold Super Tuesday primary contests on March 3." According to Reuters, "Bloomberg's staffing levels gives his campaign a sizable nationwide presence." Reuters says Bloomberg "has hired about 500 staff members in more than 30 states, in addition to about 300 at his New York campaign headquarters." Reuters says ex-Vice President Joe Biden's campaign "has more than 400 staff members across the country."

AP Analysis: Bloomberg Views California As A Template For Rest Of US. The AP (1/6, Blood) reports that Bloomberg "likes a lot of what he sees in" California "and thinks its efforts on climate change, gun control and criminal justice reform sets a benchmark for other states to emulate. 'I think that California can serve as a great example for the rest of this country,' Bloomberg told supporters at the opening of his Angeles headquarters." The AP adds that "California 'is something the rest of the country looks up to,' Bloomberg said. 'California has been a leader in an awful lot of things.' His comments marked a sharp departure from views of President Donald Trump, whose administration has been in a long-running feud with" California "over issues from environmental protection to homelessness."

"Judge Judy" Appears In Bloomberg Ad. Bloomberg (1/6, 4.73M) reports that Judy Sheindlin, "who presides over the daytime television courtroom show 'Judge Judy,' appears in a new campaign ad endorsing...Bloomberg." The article says, "In a USA Today opinion piece before Bloomberg announced his candidacy, Sheindlin encouraged him to run because 'he represents our best chance to bring America together again and begin the long national process of healing.'" The Washington Times (1/6, Sherfinski, 492K) also reports on the story.

GOP Ex-Rep. Taylor To Seek 2020 Rematch With Luria In VA2.

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The Washington Post (1/6, Portnoy, 14.2M) reports that ex-Rep. Scott Taylor (R-VA) on Monday dropped his bid to oust Sen. Mark Warner

(D-VA) and announced that he will seek a 2020 rematch with Rep. Elaine Luria (D-VA), who unseated him in 2018. The Post says Taylor, "a former Navy SEAL, is one of several Republicans vying for the party nomination, including Ben Loyola, a retired Navy captain and defense contractor."

The AP (1/6) reports that Taylor's 2018 reelection bid in VA2 "was plagued by an election-fraud scandal that resulted in charges being filed against a former campaign staffer. A handful of Taylor's staff members were accused of forging signatures to place an independent 'spoiler' candidate on the ballot to siphon votes away from Luria. A former staffer was charged in May with two counts of false statements and election fraud. Taylor has maintained that he was unaware of any wrongdoing." The Richmond (VA) Times-Dispatch (1/6, Cain, 277K) reports that of the 2018 scandal, Taylor said in a Monday interview, "I am responsible for my campaign. I'm responsible for their actions, no matter what happened. I was very disappointed, obviously."

The Newport News (VA) Daily Press (1/6, Hafner, Subscription Publication, 176K) reports, "When asked if polling contributed to his decision to shift gears from the Senate to the House, Taylor said 'there's no polling.' 'I still think that we need change at the state level. I think it's very clear in Virginia right now that we're not being represented properly,' he said. 'The last straw for me was impeachment.' He said Luria was 'using her military background to justify impeachment, which is taking away from the needs of the district.' Luria voted last month to impeach President Donald Trump." CQ Roll Call (1/6, Pathé, 154K) reports that Trump "carried the Norfolk-area district by 3 points in 2016. ... Inside Elections with Nathan L. Gonzales rates the race for Virginia's 2nd District as Leans Democratic."

RCP Average Has Trump's Job Approval At 45.2%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45.2%, and his disapproval at 52.6%. The President's job approval is up 0.2 since yesterday; his disapproval is up by 0.1.

A Rasmussen poll of 1,500 "likely voters" (12/30-1/5) finds Trump's approval at 49%, with 50% disapproving.

A The Hill/HarrisX survey of 1,001 "registered voters" (1/3-1/4), meanwhile, has the President's job approval at 47%, and his disapproval at 53%.

WPost's Olsen: Trump Approval, 2020 Standing On The Rise. Writing for the Washington Post (1/6, 14.2M), Henry Olsen says "tensions with Iran have rightly dominated the news in the past week, but one important item has escaped attention: President Trump's job approval rating has regained all the ground lost after his telephone call with Ukrainian President Volodymyr Zelensky came to light and now stands close to a three-year high. This should worry Democrats." Trump's "approval rating as of Monday afternoon is 45.2 percent in the RealClearPolitics average," and it "hasn't been this high since Feb. 20, 2017, a mere month after he was inaugurated." That means "three years of nonstop attacks have done nothing to dent his support." Trump is "also moving up in national polls against his potential Democratic rivals," and "this surely shocks and infuriates liberals," who "have to wonder if anything can bring this man down."

Financial International News

Japan's Finance Minister Sees Economy Still In Moderate Recovery Despite Increasing Pressure From Global Slowdown.

Reuters (1/7) reports Japanese Finance Minister Taro Aso "said on Tuesday there was no change to the view that the economy remains in moderate recovery, despite rising pressure from a global slowdown." Aso said to reporters following a cabinet meeting, "It's true that manufacturers are mainly being affected by global slowdown. But fundamentals that support domestic demand remains solid." Aso "also said he did not expect a repeat of deep declines in demand as happened during the previous sales tax hike in 2014."

Issues Expected To Continue For European Banks.

The Wall Street Journal (1/6, Toplensky, Subscription Publication, 7.57M) reports European banks aren't expected to have much good news this year as last year's issues continue. If revenues rise, they aren't expected to do so much, and the region's economic growth is forecast to remain anemic. Meanwhile, banks will need to spend on technology to streamline systems and add digital services. Also, British banks will continue to need to deal with Brexit uncertainty.

Leading International News

Additional US Troops Sent To Kenya After Al Shabaab Kills Three Americans.

Reuters (1/6, Stewart) reports that the Pentagon "deployed additional forces to Kenya on Monday to bolster security at a key airfield after an attack by al Shabaab militants on Sunday that killed three Americans." Reuters goes on to report that "as speculation swirls about how Tehran might respond to the strike, the US military sought to separate the two events, saying: 'The US Africa Command does not assess yesterday's attack by al Shabaab is linked to Iran.'" The AP (1/6, Odula, Anna) points out that the Pentagon "said its East Africa Response Force had arrived to increase security there. It did not say how many troops were involved."

The Washington Post (1/6, Bearak, Ombuor, 14.2M) reports that Africa Command has "acknowledg[ed] that one US service member and two American private contractors had been killed, and that six aircraft used by the U.S. military had been damaged or destroyed." The Post adds that "locals say one Kenyan civilian was killed by gunfire and that at least 10 militants escaped during the attack and moved through nearby villages." The Post goes on to report that "accounts indicate that the al-Shabab attack lasted around nine hours." The White

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House "has not commented on the attack or on the deaths of the Americans."

ABC World News Tonight (1/6, story 4, 0:25, Muir, 7.03M) briefly reported on the attack in Kenya, "where US forces are supporting African troops in their fight against terror." The Wall Street Journal (1/6, Subscription Publication, 7.57M) writes in an editorial that US and Kenyan forces should not have been caught by surprise by al-Shabaab. The Journal also argues that while Africans will eventually have to take the lead role against the terror group, for now the US will need to continue providing its African hosts with the firepower and know-how to keep the Islamists from gaining ground.

Haftar Loyalists Say They Have Taken Key Libyan City.

Reuters (1/6, Al-Warfalli) reports, "Libyan forces loyal to eastern-based commander Khalifa Haftar said on Monday they had taken control of the strategic coastal city of Sirte in a rapid advance preceded by air strikes." Reuters says "holding Sirte would be an important gain for Haftar, who since April has been waging a military offensive" on Tripoli, "home to Libya's internationally recognized Government of National Accord."

Young Women Studying At College Among Somalia Bombing Fatalities.

The New York Times (1/6, Dahir, 18.61M) has a feature on some of the 82 people killed in the December 28 bombing in Somalia's capital under the headline "Mogadishu Bombing Took The Lives Of The 'Best And The Brightest.'" Sixteen of those killed "were students at Benadir University – most of them young women studying sciences, in a country where precious few women have access to higher education."

Abrams Says US Considering More Sanctions On Venezuela.

Reuters (1/6, Brunnstrom, Psaledakis) reports US Special Envoy Elliott Abrams said the US "is looking at additional sanctions to step up pressure on the Venezuelan government...after Venezuela's ruling Socialist party moved forcefully to install a new head of Congress." Abrams told reporters in Washington, "We are looking at additional sanctions – personal sanctions, economic sanctions – that we think will bring more pressure yet on the regime." In an editorial, the Wall Street Journal (1/6, Subscription Publication, 7.57M) says the Maduro government's forced takeover of Venezuela's parliament has completed the destruction of democracy in the country.

Officials Say China May Be Manipulating Social Media To Sway Taiwan Election.

The New York Times (1/6, Zhong, 18.61M) reports, "As Taiwan gears up for a major election this week, officials and researchers worry that China is experimenting with social media manipulation to sway the vote." They say such an operation "would be easy...in the island's rowdy democracy, where the news cycle is fast and voters are already awash in false or highly partisan information." However, "polls suggest...that Beijing's heavy-handed ways might be backfiring and driving voters to embrace" President, Tsai Ing-wen.

WPost: Australia Wildfires Should Serve As Global Warning.

The Washington Post (1/6, 14.2M) editorializes, "Australia's wildfires are a disaster on a scale hard to fathom. ... This is the future humanity is writing for itself, right now, every day world governments waste failing to respond to climate change." The Post says that "even without human help, Earth can be at times inhospitable. All the more reason to avoid priming the planet for worse – extreme weather, intense heat waves, more drought, more flooding, rising seas, species die-offs, disease proliferation, and more foreseeable and unforeseeable consequences."

Housing

Freddie Mac Launches CreditSmart Homebuyer U.

National Mortgage News (1/6) reports, "Borrower education stands as a barrier to homeownership for younger consumers and Freddie Mac is trying to change that. The government-sponsored enterprise on Monday launched CreditSmart Homebuyer U — a free, comprehensive online resource to walk people through the homebuying cycle. Freddie Mac broke out the course into six learning modules, spanning everything from saving, to securing a loan, to purchasing a house and homeownership preservation." Freddie Mac Single-Family SVP Danny Gardner said, "Becoming a homeowner is an important responsibility and Freddie Mac is committed to providing the tools and resources to ensure a successful path toward sustainable homeownership. The goal of this exceptional program is to empower those who are pursuing the dream of homeownership with knowledge to make informed, responsible decisions." Providing similar coverage are National Mortgage Professional (1/6) and Mortgage News Daily (1/6, Swanson).

New Conforming Loan Limits Kick In.

Realtor Magazine (1/6) reports, "The Federal Housing Finance Agency's new loan limits for 2020 have gone into effect; Fannie Mae and Freddie Mac, which are operated by the FHFA, began backing larger loans last week when the new year started. The cap on Fannie and Freddie loans has increased to $510,400 from 2019's $484,350 limit." According to Realtor Magazine, this marks "the fourth consecutive year that the FHFA has raised conforming loan limits, which can stretch even higher in areas with expensive median home values. High-cost areas will be capped at $765,600, or 150% of the $510,400 limit. The maximum conforming loan limit is higher in 2020 than ever before in counties in the U.S." Inman News (1/6, McPherson, 10K) provides similar coverage, and Maui (HI) Now (1/6) reports on the impact that the new caps

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could have on homebuying in Hawai'i.

Experts Believe Low Rates, Strong Job Market Should Help Housing Market In 2020.

The Washington Post (1/6, Orton, 14.2M) reports, "A strong job market and low mortgage rates should sustain the housing market in 2020. The problem will be finding enough homes for buyers." Unemployment remains at a "50-year low," and mortgage rates are still "well below historical norms." According to Freddie Mac data, the 30-year FRM average has stayed below four percent for the past eight months. However, "the real estate industry is being dragged down by scarcity in housing stock, especially at lower price ranges. Not enough homes are being built, and homeowners are staying put longer, creating a bottleneck." NAR Chief Economist Lawrence Yun said, "In 2020, more home-building activity and consequent growth in supply should tame down home price gains. That's a healthy development for potential home buyers. Southern cities should once again do better than most other markets."

CUNA Supports FHFA's Promotion Of Credit Unions' Access To Secondary Market.

Valuation Review (1/6) reports that the Credit Union National Association (CUNA) "supports the Federal Housing Finance Agency's (FHFA) proposal to require the Government Sponsored Enterprises (GSEs) Fannie Mae and Freddie Mac to rely upon larger, multiple-lender pools, CUNA stated in a written letter." CUNA said, "CUNA recognizes and applauds FHFA's efforts to ensure the efficiency and effectiveness of the UMBS in order to facilitate the security's smooth transition into the To Be Announced (TBA) market. Because a key component of CUNA's Credit Union Principles for Housing Finance Reform is ensuring that the transition from the current system to any new housing finance system is reasonable and orderly, we encourage the agency to continue its efforts to maximize the effectiveness of the UMBS, while promoting access for credit unions and other smaller lenders to the enterprises' secondary market programs."

JV Acquires Bronx Portfolio With Freddie Mac Financing.

Real Estate Weekly (1/6) reports, "LIHC Investment Group (LIHC), Belveron Partners (Belveron) and Camber Property Group (Camber) today announced the acquisition of eight buildings totaling 1,275 units of affordable housing in the Bronx. The joint venture partners reached an agreement to purchase the property from Cammeby's International Group for $166 million including the assumption of existing debt. ... To finance the project, the JV partners assumed New York State Housing Finance Agency and Freddie Mac loans serviced by Citibank, N.A. and JLL Capital Markets."

NKF Originates $61M In Freddie Mac Debt For Chicago Suburb Apartments.

Commercial Observer (NY) (1/6) reports Newmark Knight Frank's multifamily capital markets group "has originated just over $61 million in Freddie Mac-backed debt to a joint venture between Cantor Fitzgerald and BH Equities to finance its acquisition of Railway Plaza," a "garden-style multifamily property" in Naperville, Illinois.

Administration Proposes New Guidelines For Regulation Of AI In Medicine, Other Industries.

The AP (1/6, O'Brien) reports "the Trump administration is proposing new rules to guide future federal regulation of artificial intelligence used in medicine, transportation and other industries." However, "the vagueness of the principles announced by the White House is unlikely to satisfy AI watchdogs who have warned of a lack of accountability as computer systems are deployed to take on human roles in high-risk social settings, such as mortgage lending or job recruitment." US "agencies such as the Food and Drug Administration will be bound to follow the new AI principles, which makes the rules 'the first of their kind from any government,' said Michael Kratsios, the U.S. chief technology officer, in a call with reporters Tuesday."

Administration To Propose Rollback Of Obama-Era Rules Intended To Increase Construction Of Low-Income Housing.

The Wall Street Journal (1/6, Kusisto, Subscription Publication, 7.57M) says that the Administration on Tuesday is set to release a proposal to roll back Obama-era rules that encouraged local governments to incentivize construction of low-income housing in higher-income areas. According to The Journal, this policy was crafted in an attempt to reverse years of housing discrimination. However, it also required local officials to deal with a significant surge in paperwork. HUD Secretary Carson said, "HUD's commitment to fair housing remains as steadfast as ever before.... Mayors know their communities best, so we are empowering them to make housing decisions that meet their unique needs, not a mandate from the federal government." Politico (1/6, O'Donnell, 4.29M) provides additional coverage.

After Dropping Out Of Presidential Race, Julián Castro Endorses Elizabeth Warren.

The AP (1/6) reports that former HUD secretary Julián Castro endorsed Sen. Elizabeth Warren today, "saying the Massachusetts senator is 'the most qualified, best-equipped candidate to win the nomination' and defeat President Donald Trump." According to the AP, "In an online video posted Monday featuring the two former 2020 White House rivals, Castro tells Warren, 'No one is working harder than you.'" Politico (1/6, Oprysko, 4.29M), the New York Times (1/6, Herndon, 18.61M), and the Washington Post (1/6, James, 14.22M) also cover Castro's endorsement.

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Options On SOFR Futures Are Now Trading.

Potentially behind a paywall, Bloomberg (1/6, 4.73M) reports, "Options on SOFR futures became available for trading Monday, and at least one transaction was done – a straddle, in which a put and a call with the same strike are bought, anticipating an increase in volatility. The trade involved the 98.625 strike in December 2020 options on three-month SOFR futures, according to Chris Grams, a spokesman for CME Group Inc., which lists the contracts. Five straddles were traded at a price of 37 ticks, according to several traders familiar with the transactions who asked not to be identified because they aren't authorized to speak publicly." Bloomberg says that SOFR futures "were rolled out in 2018 by CME," and CME "has proposed that in the event that Libor becomes unavailable, existing eurodollar futures and options contracts will be settled based on SOFR."

NAHB: 2010s Decade Saw 7M Single-Family Housing Starts, 3M Multifamily Starts.

HousingWire (1/6, Falcon, 23K) reports, "Housing production had a long way to go in order to catch up after the recession, with a shortage of homebuilding materials, shortage of labor and the lingering economic effects of the crisis impacting homebuilding. Despite that, there were still nearly 7 million single-family houses built in the last decade." According to the NAHB, there were 6.9 million single-family starts from 2010 to 2019, and over half of these were in the South region. There were 3.1 million multifamily starts over the same decade, although the sector has "leveled off" since peaking in 2015.

CoreLogic: Texas, Florida Lead Country In New Home Sales.

M Report (1/6, Albanese) says Texas had "the top-two markets with the highest share of new home sales from October 2018 to September 2019 – Dallas and Houston. Dallas had more than 32,000 new homes over that one-year span, followed by Houston at nearly 30,000. This increase occurred during the same period where Texas grew by 367,000 people. Florida was second in growth, adding 233,000 residents." CoreLogic "states that of the metros with more than a 15% increase in sales, more than half were located in Texas and Florida." CoreLogic said in its report, "These places had lower housing costs than in high-cost markets and had a collective unemployment rate that was two-tenths of a percentage point lower than the U.S. rate."

Realtor.com: Boston, New York Have Priciest Real Estate Per Square-Foot.

M Report (1/6, Albanese) says, "A study by realtor.com found Boston, Massachusetts, to be the priciest real estate market, based on pricing per-square-foot. Based on the national average sale price of $305,000, buyers in Boston can expect to get 263-square-feet and pay $1,160 per-square-foot." According to Re/Max Unlimited broker Elias Papdopoulos, this could pose problems for Boston's housing market in the near future, as when "the housing prices climb to a level where the possible income someone would earn is not enough to offset the housing, people will stop moving to the area." Coming in second on Realtor.com's list was New York, New York, with an average sales price of $305K grabbing an 276 square-feet, thereby costing buyers $1,106 per square-foot.

UWM Generates $107.7B In Loan Volume In 2019.

National Mortgage Professional (1/6, Hall) reports that United Wholesale Mortgage "announced that it set a company record of $107.7 billion in mortgage loan volume in 2019." UWM "noted this level was double it's 2018 production of $41.5 billion and broke a mortgage wholesale industry record of $103.3 billion set in 2005 by the now-defunct Countrywide Financial." Behind a paywall, Inside Mortgage Finance (1/6, Muolo, Subscription Publication) provides additional coverage.

Sagent Lending Technologies Agrees To Acquire Mortgage Tech Provider ISGN Corporation.

According to Mortgage Professional America (1/6, Mendoza), "Sagent Lending Technologies has entered an agreement to acquire Australian mortgage technology provider ISGN Corporation. The mortgage servicing technology provider said that the acquisition would expand Sagent's loan servicing products. Sagent also said that it aims to enhance its 'comprehensive capabilities within the mortgage and consumer lending market' through the transaction."

Quontic Bank Thriving During All-Digital Transformation.

American Banker (1/6, Crosman, Subscription Publication, 31K) reports, "Quontic Bank, a $400 million-asset bank in midtown Manhattan that has been transforming itself into an all-digital institution," saw retail deposits grow 261 percent to $200 million in 2019. The bank focuses "on digital access and digital marketing, and the goal is to beat challenger banks like Chime and Varo Money." The bank's high interest rates on checking accounts are enabled by "its lack of a branch network" reducing costs, as well as "the revenue stream its mortgage business pulls in."

Markets

10-Year Yield Rises.

MarketWatch (1/7, 1.67M) reports the 10-year Treasury yield rose to 1.812 percent.

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Dollar Firms.

Reuters (1/7) reports, "The yen fell from a three-month high versus the dollar, although sentiment remains fragile due to continued worries about armed conflict between the U.S. and Iran." Reuters adds, "Against a basket of currencies the dollar index firmed 0.1% to 96.772," and the dollar "rose 0.2% against the euro to $1.1176."

Gold Rises On US-Iran Tensions.

Reuters (1/7, Sistla) reports Gold prices "inched up on Tuesday, as fears of a widespread conflict between the United States and Iran persisted." Spot gold increased "0.2% to $1,569.27 per ounce by 0741 GMT" and "U.S. gold futures edged 0.2% higher to $1,571.10."

Oil Falls.

Reuters (1/7, Adinarayan) reports, "Oil pulled back from multi-month highs on Tuesday after dramatic post-new year moves, as investors judged prospects of an all-out conflict between the United States and Iran had eased." Brent crude futures dropped "49 cents to $68.42 a barrel," and "U.S. crude dropped 42 cents to $62.85."

Cybersecurity

California Medical Center Reschedules Procedures After Ransomware Attack.

Becker's Hospital Review (1/6, Garrity, 81K) reports, "Chico, Calif.-based Enloe Medical Center was forced to reschedule some elective procedures following a ransomware attack on Dec. 31, according to local ABC affiliate KRCR." According to Becker's, "Staff have been unable to access information stored on the hospital's network since it was encrypted. Enloe Medical Center is working with the FBI and a security consultant to restore its systems. 'Our caregivers did an incredible job responding to the cybersecurity incident and are doing everything possible to return our core systems to functionality, protect patient information and partner with law enforcement agencies, including the FBI,' Enloe Medical Center's Director of Advancement and Communications Jolene Francis told KRCR."

Pensacola Warns About 57,000 People That Cyberattack May Have Compromised Personal Information.

The Pensacola (FL) News Journal (1/6, Little, 170K) reports the city of Pensacola "will be mailing notices to nearly 57,000 people by the end of this week to notify them that their personal information may be at risk in the wake of a cyberattack against the city." Mayor Grover Robinson "said Monday at his weekly press conference that city officials have seen nothing to indicate anyone's personal information was compromised in the attack." Robinson said, "At the same time, we just thought it was the right thing to do to protect people." Pensacola's computer network "was attacked in the early morning hours of Dec. 7 with software called 'ransomware' designed to lock data down until a ransom is paid to the attackers." A cyber-criminal group "calling itself Maze took credit for the attack and published more than 2 GB of data on a public website last month before the website was taken down."

White House Proposes New Rules For Regulating Use Of AI.

The AP (1/7, O'Brien) reports, "The Trump administration is proposing new rules to guide future federal regulation of artificial intelligence used in medicine, transportation and other industries," but "the vagueness of the principles announced by the White House is unlikely to satisfy AI watchdogs who have warned of a lack of accountability as computer systems are deployed to take on human roles in high-risk social settings, such as mortgage lending or job recruitment." The AP adds, "A document from the White House said that in deciding regulatory action, U.S. agencies 'must consider fairness, non-discrimination, openness, transparency, safety, and security.'" The rules "won't affect how federal agencies such as law enforcement use AI; they are specifically limited to how federal agencies devise new AI regulations for the private sector," and "there's a month-long public comment period before the rules take effect."

UK's Cyber Security Centre Denies London Stock Exchange Outage Due To Cyberattack.

Computer Business Review (1/6, Targett, 70K) reports the UK's National Cyber Security Centre (NCSC) today "denied claims in the Wall Street Journal that intelligence officials are digging into an August outage at the London Stock Exchange, fearing it may have signaled malicious cyber-activity or the possibility of it." A spokesman told Computer Business Review, "The NCSC has not treated the LSE outage as a cyber security related incident and has not investigated it as such." Officials "said that the WSJ is incorrect, responding to the August 5 report that said officials were 'examining whether a trading outage blamed on a software hiccup at the London Stock Exchange in August may actually have been caused by a cyberattack aimed at disrupting market.'"

Bosch Deploys AI To Prevent Attacks On Cars' Electronic Systems.

The Wall Street Journal (1/6, Rundle, McCormick, Subscription Publication, 7.57M) reports Germany-based engineering company Robert Bosch GmbH is using artificial intelligence to reduce the risk that hackers will be able to trick cars' electronic systems into misinterpreting road signs. Traffic-sign recognition is one of the key tools required for autonomous vehicles. Thanks to road-sign standardization, this technology

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is well-suited to machine-learning and deep-learning processes that can identify images.

Opinion: The Military's Ban Of TikTok Is Just The Beginning.

In a commentary in Slate (1/6, 1.58M), Josephine Wolff writes, "The DOD hasn't specified exactly what prompted the ban or what threat TikTok poses beyond warning employees of a 'potential risk associated with using the TikTok app.' But the most likely explanation is that the Pentagon is concerned that the data being collected by the video app is accessible to the Chinese government." Wolff contends, "By making these decisions app by app, service by service, it's hard to see exactly how the military will keep up with a changing technological landscape." She argues, "To its credit, the military has clearly been trying to be proactive about the risks that new apps and technologies may pose. In addition to warning personnel about TikTok, it also recently advised against using home genetic testing kits." However, Wolff concludes, "The vastness of the mobile software ecosystem makes it almost impossible to keep up with all the security risks posed by new and lesser-known services."

TFI/Sanctions

"Senior Administration Officials" Drafting Sanctions Against Iraq.

The Washington Post (1/6, Stein, Dawsey, 14.2M) reports "senior administration officials have begun drafting sanctions against Iraq after...Trump publicly threatened the country with economic penalties if it proceeded to expel US troops, according to three people briefed on the planning." The Post adds "the Treasury Department and White House would likely play a lead role if the sanctions are ultimately implemented, the officials said. Such a step would represent a highly unusual move against a foreign ally that America has spent almost two decades and hundreds of billions of dollars supporting." The "officials...stressed that talks were preliminary and that no final decision has been made on whether to impose the sanctions." According to "one of the officials," the plan "was to wait 'at least a little while' on the sanctions decision in order to see whether Iraqi officials followed through on their threat to push US troops out of the country." The Hill (1/6, Wise, 2.98M) also reports.

Sanctions Experts Say Additions Iran Sanctions May Have Little Impact.

The Wall Street Journal (1/6, Sun, Subscription Publication, 7.57M) reports sanctions experts believe the US will impose more sanctions on officials in, and companies connected to, Iran following the killing of Qassem Soleimani in Iraq. However, The Journal quotes several of those experts saying any additional sanctions will have a very limited impact on Iran beyond what has already been imposed.

Federal Reserve

Fed Adds $76.9B To The Markets On Monday.

The Wall Street Journal (1/6, Derby, Subscription Publication, 7.57M) reports the New York Fed on Monday added $76.9 billion in temporary liquidity to the markets. Banks sought less than the Fed offered, but more than in previous such operations.

Internal Revenue Service

IRS Personal Income Tax Audits Fall To Historically Low Level Due To Budget Cuts, Heavier Workload.

The Wall Street Journal (1/6, Rubin, Subscription Publication, 7.57M) reports tax enforcement by the IRS has fallen to its lowest level in over 40 years, and as a result taxpayers today are half as likely to be audited compared to 2010. The Journal says the decline in tax enforcement has resulted from years of budget cuts combined with a heavier workload for the IRS.

Office of the Comptroller of the Currency

House To Hold Hearings On CRA Proposal.

American Banker (1/6, Lang, Subscription Publication, 31K) reports the House Financial Services Committee will hold two January hearings on the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corp.'s proposal to overhaul the Community Reinvestment Act. While the plans is cast as a way "to provide institutions with more flexibility to serve their communities, Democrats and consumer groups worried the plan would dilute CRA-available resources in the areas that need them the most."

Analysis: OCC, FDIC Have Incentive To Rush CRA Changes.

In an analysis, American Banker (1/6, Pedersen, Subscription Publication, 31K) reports the Office of the Comptroller of the Currency and Federal Deposit Insurance Corp. "have a powerful incentive to move quickly" on their proposed changes to the Community Reinvestment Act, as a potential Democratic sweep in the 2020 elections "could enable Congress to scrap the plan" through the Congressional Review Act, which allows Congress to overturn any recently-enacted regulation with a majority vote. Meanwhile, Democrats are asking for the 60-day public comment period to be doubled, and "some in the industry are sympathetic to the calls for additional time to analyze the proposal's impact." However, "a spokesperson for the OCC disputed that parties would not have enough time to fully review and understand the proposed changes."

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Continuing Coverage: Former Wells Fargo Execs Under Criminal Investigation.

In continuing coverage, the San Francisco Business Times (1/6, Calvey, Subscription Publication, 880K) reports, "Several former Wells Fargo & Co. senior executives are under criminal investigation resulting from the bank's fake-accounts scandal," according to American Banker. The executives are said to be under the scrutiny of "a federal criminal investigation...conducted by the U.S. Justice Department in California and North Carolina, with help from the Office of the Comptroller of the Currency and the Securities and Exchange Commission." Banking Dive (1/6, Hrushka) also covers this story.

PNC Bank Closing Eight Branches.

The Cincinnati Business Courier (1/6, Watkins, Subscription Publication, 840K) reports PNC Bank is closing eight bank branches – in Ohio, Michigan, New Jersey, and Pennsylvania – "according to regulatory filings with the Office of the Comptroller of the Currency." PNC spokeswoman Marcey Zwiebel said, "Increasingly, year over year customers are using more convenient, alternative channels such as online banking, mobile banking and ATMs to conduct the basic transactions that they once visited a branch to complete."

Editorial Wrap-Up

Washington Post.

"Australia's Apocalyptic Fires Are A Warning To The World." The Washington Post (1/6, 14.2M) editorializes, "Australia's wildfires are a disaster on a scale hard to fathom. ... This is the future humanity is writing for itself, right now, every day world governments waste failing to respond to climate change." The Post says that "even without human help, Earth can be at times inhospitable. All the more reason to avoid priming the planet for worse – extreme weather, intense heat waves, more drought, more flooding, rising seas, species die-offs, disease proliferation, and more foreseeable and unforeseeable consequences."

"Virginia Officials Must Show They Learned The Lessons From Charlottesville." A Washington Post (1/6, 14.2M) editorial says that with "extremists" set to join "conventional gun rights advocates" in Richmond later this month to "protest proposed firearms legislation, Virginia authorities must take care to apply lessons learned from the chaos in Charlottesville" in 2017. The Post argues that while these protesters "are entitled to exercise their constitutional rights," they "must not be allowed to brawl and use their weapons as they did in Charlottesville." the Post adds that "in the face of attempted intimidation, the right response from lawmakers is to enact sensible and widely popular gun-safety measures that Republicans were able to spike when they controlled the General Assembly."

"If Deescalation With Iran Is The Goal, Trump Is Actively Thwarting It." The Washington Post (1/6, 14.2M) accuses President Trump of "issuing bombastic threats, hinting at a desire to commit war crimes and mocking congressional powers. If 'deescalation' is actually the administration's aim, as Secretary of State Mike Pompeo insists, then the president is actively thwarting it." Trump "may believe this bluster will deter Iranian action," but "it almost certainly won't" and "may end up ensnaring the United States in the full-scale war with the Islamic republic that the president says he does not want."

Wall Street Journal.

"Trump's Post-Soleimani World." In an editorial, the Wall Street Journal (1/6, Subscription Publication, 7.57M) lauds President Trump's decision to eliminate Qassem Soleimani's threat, but takes issue with his threat to "put very big sanctions on Iran" and to attack Iran's "cultural sites," which is casts as unnecessary distractions. The Journal encourages the President to be ready to follow up in his campaign against the Iranian regime, and calls on him to craft a coalition of foreign allies and even Democrats as he furthers his challenge to the mullahs.

"Venezuela's Latest Coup." In an editorial, the Wall Street Journal (1/6, Subscription Publication, 7.57M) says the Maduro government's forced takeover of Venezuela's parliament has completed the destruction of democracy in the country.

"The Terrorist Horn Of Africa." The Wall Street Journal (1/6, Subscription Publication, 7.57M) writes in an editorial that US and Kenyan forces should not have been caught by surprise by al-Shabaab. The Journal also argues that while Africans will eventually have to take the lead role against the terror group, for now the US will need to continue providing its African hosts with the firepower and know-how to keep the Islamists from gaining ground.

"Climate Of Investment Fear." The Wall Street Journal (1/6, Subscription Publication, 7.57M) says in an editorial that climate activists are putting pressure on banks and insurers as a means of coercion, with some insurers now refusing to insure companies that make a significant percentage of their revenues in fossil fuels. The Journal says such refusals will not slow climate change but will only hurt US competitiveness.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

US Adds Troops To Mideast As Iranians Call For Revenge At General's Funeral
Boeing Considers Raising Debt As MAX Crisis Takes Toll
Roundup Ruled The Farm, Now Its Maker Has A Challenger

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Your Tasting Menu Is BYOB – Prepare To Lug Half A Crate Of Wine
John Bolton Says He Will Testify In Senate Impeachment Trial If Subpoenaed

New York Times:
Khamenei Wants To Put Iran's Stamp On Reprisal For US Killing Of Top General
Bolton Is Willing To Testify In Trump Impeachment Trial, Raising Pressure For Witnesses
Pentagon Rules Out Striking Iranian Cultural Sites, Contradicting Trump
Harvey Weinstein Charged With Rape In Los Angeles As NY Trial Starts
Democrats, Newly Dominant In Virginia, Race To Make New Laws
Biden And Sanders Differ On Foreign Policy. They're Happy To Tell You So.

Washington Post:
Status Of Troops In Iraq Muddled
Strike Becomes A Factor In Candidates' Strategies
At Funeral In Tehran, Crowds Call For Revenge
Bolton's Shift Raises Stakes For Senate GOP
Ghosts Of Mexico's Drug War: Over 60,000 Missing
New Weinstein Charges As New York Trial Begins

Financial Times:
Weinstein Faces New Sexual Assault Charges In LA
Soleimani's Successor Vows To Expel US From Middle East
'Lithium Fever' Grips Portugal As Mining Project Raises Hackles
UK Ex-Serviceman And Dubai Group Add To Ghosn Puzzle

Washington Times:
Pressure Mounts On Pelosi As GOP Moves To Toss Impeachment Charges
'Low-Hanging Fruit': Trump Properties Add To Security Woes Amid Tehran Tensions
'Flame Of Compassion': 41 Governors Buck Trump On Local Veto, Open Doors To Refugees
Middle East On Edge As Iran Vows 'Severe Revenge' For Slain General
Trump Accelerated Iran Crisis By Renouncing Nuclear Deal, Imposing Sanctions

Story Lineup From Last Night's Network News:
ABC: US/Iran Tensions; Iraq-US Troops; Trump-Iran; Kenya-Terror Attack; Impeachment-Bolton; Puerto Rico-Earthquake; Weather Report; Harvey Weinstein-Trial; Australia-Wildfires; Mexico-Americans Attacked Near US Border; IKEA-Settlement; Jeopardy Championship.
CBS: Iraq-US Troops; Iraq-Retaliation Threats; US/Iran Tensions; Trump-Iran; Iran-Expert Comment; Impeachment-Bolton; Harvey Weinstein-Trial; Drone Mystery Out West; IKEA-Settlement; Air Canada-Flight Loses Wheel; Teacher Helps Student With Prosthetic Arm Learn Cello.
NBC: US/Iran Tensions; Trump-Iran; Military Families Prepare for Deployment; Impeachment-Bolton; Harvey Weinstein-Trial; Australia-Wildfires; Mexico-Americans Attacked Near US Border; Texas-Woman Charged With Kidnapping; New York-Gov. Cuomo Helps Man In Wreck; Tech Privacy Concerns; Australia-Mission to Save Animals.

Network TV At A Glance:
US/Iran Tensions – 8 minutes, 20 seconds
Trump-Iran – 6 minutes, 0 seconds
Harvey Weinstein-Trial – 5 minutes, 15 seconds
Impeachment-Bolton- 4 minutes, 40 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Iraq-US Troops; Senate Trial; Puerto Rico-Earthquake; Carlos Ghosn-Nissan To Still Pursue Action; SpaceX-Satellites Launched.
CBS: US/Iran Tensions; Iraq-US Troops; Impeachment-Bolton; Harvey Weinstein-Trial; JetBlue-Sustainability Investment.
FOX: Congressional Dems-Iran; Iraq-US Troops; Senate Trial; Impeachment-Bolton; Wall Street.
NPR: Congressional Dems-Iran; Senate Trial; Boeing-American Airlines Settlement; Stocks.

Last Laughs
Late Night Political Humor.

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Trevor Noah: "Venezuela is a country in chaos. The economy crashed. People can't afford food and two men claim to be the leader. President Nicolas Maduro and Juan Guaido. Over the weekend, an awkward moment where Guaido showed up at the office, and Maduro changed the locks. ... Politicians are trying to climb over the fence just to vote. That would never happen in America. Can you imagine Mitch McConnell climbing a fence to try to get into Congress? Although he probably wouldn't climb, he would probably just try to ooze through the bars."

Trevor Noah: "It is officially 2020. New decade, new year, new goals. ... There is someone who made a New Year's resolution, the 45th President of the United States Donald Trump. ... On December 31, Donald Trump said his dream was for peace, specifically in the Middle East. And then on January 2, he did this. ... Sweet Jesus! Donald Trump ordered the killing of Iran's top general. What happened to peace? When most people break resolutions, they eat ice cream instead of working out. This guy rained fire down...and ate ice cream while doing it!"

Trevor Noah: "You have to admit this is wild. Trump kills Iran's top general and then, when Iran threatens to retaliate, Trump says, 'You better not or I'll destroy your culture.' What's next? Will he send a text? 'You think I'm crazy? Well, I'm loco, si.'"

Trevor Noah: "Destroying cultural sites is a war crime, you can't do that. According to Geneva convention, in war, the things you destroy are supposed to be for the purpose of the war, not just to be [jerks]. Secondly, there's no way Trump knows anything about Iranian cultural sites. If Iranians are smart, they will use this to get Trump to destroy things they don't want. 'Don't destroy the karaoke bar next to my house, that stays open till 3:00 a.m.! Don't do it, Donald!'"

Trevor Noah: "I think it's safe to say this thing is not going according to plan. You realize now America is sending more troops to the Middle East? Also, how is Trump going to flat-out refuse to leave someone else's country? He would be the worst Airbnb tenant of all time."

Trevor Noah: "I know this might not be a popular opinion, but this is where I don't blame Trump. Pentagon officials gave Trump a ton of options, but then they were shocked when he chose the most extreme one? ... Have you seen Trump's apartment? What part of his life makes you think he's ever going to pick middle-of-the-road options? If you don't want Trump to pick something, why do you give him the option in the first place? Donald Trump will always pick the most extreme option on the menu, whether military strike or KFC, he will pick the most extreme thing."

Jimmy Kimmel: "Speaking of fun couples, the President rang in the new year at Mar-a-Lago in Palm Beach where they were asked about their resolutions for 2020. ... I love also that Melania's resolution is peace on the world. First of all, that's not a resolution, it's a wish. It's a wish that it seems her husband doesn't share."

Jimmy Kimmel: "We are the talk of the world. We might even end the world. If you haven't been following the news, the President, the guy who Sharpie'd a hurricane, authorized a military strike that killed the number two most powerful man in Iran. And now we have a big mess."

Jimmy Kimmel: "Our President continues to escalate the situation. He tweeted a threat that he would attack Iran with our best weapons if they retaliate. Even threatened to release the movie 'Cats' over there if he has to. Scary stuff."

Jimmy Kimmel: "According to the failing New York Times, the officials presented him a list of options, including targeting the general he targeted, General Soleimani, mainly to make other options seem reasonable. This is like a decoy. When President Trump chose the option of killing General Soleimani, top officials were flabbergasted. Three years into the administration, you didn't know he was going to pick the craziest choice? That's what he does. You don't want him to make a crazy choice, don't give him crazy things to choose from. The only thing Donald Trump should be allowed to choose is Popeye's or KFC, that's it."

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Stephen Colbert: "Now, the reason that I'm a little on edge tonight is that on Thursday, in response to Iranian-sponsored militia attacks on the US embassy in Baghdad, President Trump ordered a drone strike, killing the top Iranian commander in Baghdad, Qassem Soleimani. ...

Bombing Iranian cultural sites could be a war crime. ... When he was asked about it, Trump immediately said, 'They're allowed to kill our people, they're allowed to torture and maim our people, they're allowed to use roadside bombs and blow up our people, and we're not allowed to touch their cultural sites? It doesn't work that way.' That's a really strange use of the word 'allowed. 'Your honor, Ted Bundy was allowed to murder over 30 people in the 1970s. I can't stab one guy?' Doesn't work that way."

Stephen Colbert: "Normally, when a President takes an action this big, he preempts our stories and addresses the nation to reassure us. Trump didn't do that. ... Also, presidents usually inform something called the 'gang of eight,' which is the top Democrat and Republican of the House and Senate, as well as the chairs and ranking members of each chamber's intelligence committee, but top Democratic leaders in Congress received no advance notification of the strike. Yeah, they didn't need to know because they weren't staying at a Trump hotel."

Stephen Colbert: "Apparently, days before the strike, Trump roamed the halls of Mar-a-Lago, telling friends that he was working on a 'big' response to the Iranian regime that they would be hearing about very 'soon.' Can you imagine checking into that hotel? 'Okay, the pool is to the left, there's a fitness center on seven, and if you make your way into the courtyard, there's an old man giving away state secrets.'"

Stephen Colbert: "Here's how it went down: Trump's advisers went to Mar-a-Lago and military officials put the option of killing Soleimani – which they viewed as the most extreme response – on the menu they presented to President Trump. They didn't think he'd do it. They tacked on the choice of targeting General Soleimani to make other options seem reasonable. Quick note to the generals: The only way Trump isn't going to order something on a menu is if it comes with vegetables."

Stephen Colbert: "(As Trump) 'Let's see here, what if we got? What if we got? Oooh, oh, I've got to say, the killing Soleimani looks tempting. Oh, it comes on a bed of spinach. Can you hold that? No? Then I'll have the chicken-fried sanctions.'"

Jimmy Fallon: "First up, since President Trump ordered a strike on Iran's top general, people have been warning that World War III could break out. A lot of experts say the strike was a bad idea, almost as bad as eating 50 pizzas in 30 days."

Jimmy Fallon: "Listen to this: Before the Iran strike, Trump told some guests at Mar-a-Lago that something huge was coming, but he never told Congress. Which means there's a really good chance that Sugar Ray's Mark McGrath heard about the strike before Nancy Pelosi."

Jimmy Fallon: "Past presidents including George W. Bush declined taking out Iran's top commander because it could lead to war. You know things are bad when even George W. Bush was like, 'This could really mess things up in the Middle East.'"

Jimmy Fallon: "After the attack, Iran said it was pulling out of the 2015 nuclear deal. So this morning, Trump tweeted, 'IRAN WILL NEVER HAVE A NUCLEAR WEAPON.' Because nothing calms tensions quite like an all-caps threat on social media."

Jimmy Fallon: "According to a new poll, Republicans' top choices for President in 2024 include Ivanka and Donald Trump Jr. Meanwhile, Eric just got his tongue unstuck from a pole he licked on Christmas."

Seth Meyers: "President Trump yesterday dismissed concerns that Iran might retaliate for his strike on a military leader, saying quote, 'If it happens, it happens.' Wow, you're talking about the possibility of World War III, and you sound like Courtney Cox talking about a 'Friends' reunion. 'Look, if they want to do it, I'll show up.'"

Washington's Schedule

Today's Events In Washington.

White House:

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- President Trump — and THE FIRST LADY participate in the arrival of the Prime Minister of the Hellenic Republic and Mrs. Mitsotakis;

and THE FIRST LADY participate in a meeting with the Prime Minister of the Hellenic Republic and Mrs. Mitsotakis; participates in an expanded bilateral meeting with the Prime Minister of the Hellenic Republic.

• Vice President Pence — has no public schedule released.

***US Senate*:**

• Senate Finance Committee marks up USMCA implementation bill – Executive Session, to consider 'H.R. 5430, a bill to implement the United States-Mexico-Canada Agreement Implementation Act' * The renegotiation of the North American Free Trade Agreement (NAFTA) was signed by all three countries at the end of 2018 with a revised version agreed to last month. The House of Representatives passed it 19 Dec, although, as well as the Senate, it will also need ratification in Mexico and Canada before it can take effect

Location: Rm 215, Dirksen Senate Office Building, Washington, DC; 9:30 AM

***US House*:**

• House Rules Committee hearing – Hearing on 'H.R. 535 – PFAS Action Act of 2019'

Location: H-313, U.S. Capitol, Washington, DC; 5:00 PM

***Cabinet Officers*:**

• Secretary of State Mike Pompeo attends meetings and briefings at the State Department

***Visitors*:**

• President Trump meets Greek PM at the White House – President Donald Trump and First Lady Melania Trump welcome Greek Prime Minister Kyriakos Mitsotakis and his wife Mareva Grabowski-Mitsotakis to the White House, to 'celebrate the strong economic, security, and cultural ties between the two countries'

Location: The White House, 1600 Pennsylvania Ave NW, Washington, DC

***This Town*:**

• USAID Administrator Green keynotes 'A Governance Agenda for Preventing Violence in a Fragile World' event – 'A Governance Agenda for Preventing Violence in a Fragile World: Mobilizing the International Community to Strengthen State-Society Relations in Fragile States; event hosted by the U.S. Institute of Peace, National Democratic Institute, and George W. Bush Institute, with keynote from USAID Administrator Mark Green, and other speakers including former Secretary of State Madeleine Albright, former National Security Advisor Stephen Hadley, Crown the Woman-South Sudan founder and board member Aluel Atem, #Anataban Campaign founding member and media coordinator Jacob Bul Bior, Mombasa County Government (Kenya) Director of Countering Violent Extremism Munira Hamisi, YIAGA Africa Executive Director Samson Itodo, International Institute of Human Development President Emna Jeblaoui, USIP President and CEO Nancy Lindborg, and NDI President Derek Mitchell

Location: U.S. Institute of Peace, 2301 Constitution Ave NW, Washington, DC; 9:00 AM

• Greek PM Mitsotakis speaks at the Atlantic Council – Greek Prime Minister Kyriakos Mitsotakis speaks at Atlantic Council Town Hall Conversation on the current state of U.S-Greek cooperation in a shifting global context, Greece's role in the transatlantic relationship, and the political and economic situation in the Eastern Mediterranean and the international implications

Location: Atlantic Council, 1030 15th St NW, Washington, DC; 10:15 AM

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TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, MARCH 6, 2020 6:00 AM EST

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• Fannie Mae Commits To Invest Up To $50M In LIHTC Fund For Disaster Areas.
• MFA Financial Preps Its First Non-Agency MBS Backed By Expanded-Credit Loans.
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• Housing Tech Rundown Features Updates On Snapdocs, Informative Research, Roostify.
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American Oversight

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Treasury in the News

Trump Administration May Need To Do More To Shield Economy From Coronavirus.

The Wall Street Journal (3/5, Davidson, Timiraos, Subscription Publication, 7.57M) reports officials and economists warn the Trump Administration to step up responses to help households and firms dealing with declining incomes and revenues due to COVID-19. However, the Journal says the Administration doesn't see an immediate need for a broader fiscal-policy response to the virus, due to the current strength of the economy. Although Trump has suggested passing a payroll-tax cut through Congress, Treasury Secretary Steven Mnuchin has said that idea is not being considered.

However, in his Bloomberg Opinion (3/5) column, Michael R. Strain reports there "are other stimulus ideas in the works," including from House Ways and Means Chairman Richard E. Neal (D-MA), who "believes that a stimulus package should be based on infrastructure spending." Treasury Secretary Steven Mnuchin "has reportedly expressed his support for including infrastructure spending in a stimulus bill."

US Sanctions Nicaragua Police Force Over Human Rights Abuses.

Reuters (3/5, Psaledakis, Lambert) reports the US on Thursday "imposed sanctions on the Nicaraguan National Police over accusations of human rights abuse, in the Trump administration's latest move to pressure the leftist government of President Daniel Ortega." The Treasury Department "said in a statement it blacklisted Nicaragua's police over its role in significant acts of violence, including 'using live ammunition against peaceful protesters and participating in death squads, as well as carrying out extrajudicial killings, disappearances, and kidnappings.'" Treasury Secretary Steven Mnuchin said in the statement, "The Ortega regime has utilized the Nicaraguan National Police as a tool in its campaign of violent repression against the Nicaraguan people." The Wall Street Journal (3/5, Sun, Subscription Publication, 7.57M) also reports.

Bloomberg Profile: Kudlow's Optimism Vs. Coronavirus.

In a lengthy profile on White House economic adviser Larry Kudlow, Bloomberg (3/5, Donnan, 4.73M) reports Kudlow "occupies a special place in the administration" from which he has "waged economic policy battles, pushing for a truce in the trade war with China, and taken a stand against such ideas as intervening in currency markets or imposing tariffs on cars imported from Europe." Bloomberg says that, as the Fed announced its rate cut Tuesday, Kudlow was in his office with no TV or computer screens except "a pair of smartphones. When one buzzes, Kudlow picks up. It's Treasury Secretary Steven Mnuchin. Powell has just held a press conference, he informs Kudlow, who seems unaware: 'Was it a presser this morning? I didn't see.'" According to Bloomberg, Kudlow told Mnuchin on the call that Powell "stayed with our line: The market is fundamentally strong." Kudlow said of Mnuchin after the call, "He's a good friend and policy ally."

New Documents Show Secret Service Paid Trump Organization $628,000 Since 2017.

The Washington Post (3/5, Fahrenthold, Partlow, O'Connell, Leonnig, 14.2M) reports, "President Trump's company charged the Secret Service $157,000 more than was previously known – billing taxpayers for rooms at his clubs at rates far higher than his company has claimed, according to a new trove of receipts and billing documents released by the Secret Service." The documents show the Trump Organization has "charged the Secret Service more than $628,000 since he took office in 2017." In response to questions about the Secret

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Service payments, "Eric Trump has said the company charges the Secret Service 'at cost' but declined to provide more details."

The Hill (3/5, Moreno, 2.98M) reports similar coverage, and says Senate Judiciary Committee Democrats "have requested details on Trump's travel costs as part of negotiations over legislation regulating the Secret Service." However, Treasury Secretary Steven Mnuchin "has told the committee that he opposes releasing that information until December, after the general election."

Judge Gives Democrats Additional Time In Trump Tax Return Case.

The Hill (3/5, Jagoda, 2.98M) reports, "A federal judge on Thursday gave House Democrats one week to figure out how they want to move forward in their lawsuit to obtain President Trump's tax returns from the administration." House Democrats are "seeking Trump's returns both under a subpoena from House Ways and Means Committee Chairman Richard Neal (D-Mass.) and through a provision under the federal tax code."

The Washington (DC) Post (3/5, Hsu, 14.2M) reports the House "sued the administration last July after Treasury Secretary Steven Mnuchin refused to comply with a subpoena for Trump's business and tax records issued in May." Mnuchin "has said the subpoena 'lacks a legitimate legislative purpose' and is instead part of 'a long-running, well-documented effort to expose the President's tax returns for the sake of exposure,' according to Trump's court filing."

Leading National News

Amid Widespread Outrage, Schumer Walks Back Comments About Supreme Court Justices.

Critics from across the political spectrum – including the President, GOP senators, the ABA and the editorial pages of the Washington Post and USA Today – took Senate Minority Leader Schumer to task yesterday for comments many deemed threatening toward conservative Supreme Court justices. NBC Nightly News (3/5, story 9, 1:35, Hunt, 6.1M), the only major network newscasts to mention the story, recounted that Schumer's remarks sparked a "stunning rebuke [on Wednesday] of the Senate's top Democrat by Supreme Court Chief Justice John Roberts." NBC went on to show Trump telling Fox News, also on Wednesday night, "That was a terrible thing he said. If that were a Republican, you would see really bad things happening." Yesterday, the President took to Twitter to write, "Schumer has brought great danger to the steps of the United States Supreme Court!" Trump said during a town hall with Fox News (3/5, 27.59M) last night that Schumer's comment "was a real intimidation. The best you can say is they are trying to intimidate so that the judges, the justices vote their way. That is no good either but that was physical. If a Republican did what Schumer did, they would be in jail right now."

Politico (3/5, Desiderio, 4.29M) indicates "Schumer was roundly criticized, including by some liberal legal scholars, for his comments on Wednesday," and the Washington Post (3/5, 14.2M) editorializes that the New York senator yesterday "walked back the offensive comments" Thursday, saying "he 'shouldn't have used the words I did.' That is an understatement." The Post adds "the negative reaction" to Schumer's remarks "was swift and ran the gamut from liberal Harvard law professor Laurence Tribe to...Roberts Jr., who immediately, publicly – and justifiably – responded that 'threatening statements of this sort from the highest levels of government are not only inappropriate, they are dangerous.'" To the Post, "Schumer and his fellow Democrats need to learn from this episode," and he "should remember the next time he's tempted to fight the president with his own methods." USA Today (3/5, 10.31M) similarly editorializes that for Schumer to "furiously shout words that sound very much like a threat against two high court justices is unseemly and warrants a full-throated apology." Fox News (3/5, Blitzer, 27.59M) reported, meanwhile, that "the American Bar Association said they were 'deeply troubled' by Schumer's remarks."

The Washington Times (3/5, Swoyer, 492K) reports, meanwhile, that "a group of Republican senators introduced a resolution...to formally rebuke...Schumer over his threatening rhetoric against Trump-appointed justices." Sen. Josh Hawley (R-MO) "sponsored a motion to censure the New Yorker, calling on senators to respect the independence of the judiciary. Censure is a formal reprimand condemning the remarks." The Kansas City (MO) Star (3/4, Lowry, Dumain, 549K) says "Hawley's censure resolution, which has 14 Republican co-sponsors, invoked the shooting of House Minority Whip Steve Scalise, R-Louisiana, in 2017 and Schumer's comments about the dangers of violent rhetoric at the time of that incident." Hawley "said he discussed censure with Senate GOP leadership and during a White House meeting Thursday," but "declined to reveal President Donald Trump's reaction or whether he expected leadership's support." Sen. Tim Scott (R-SC), "one of Hawley's co-sponsors," called Schumer's comments "dangerous," saying, "There's not many consequences for lifetime appointments, so one could easily interpret it to mean things that would really be outside the norm."

Fox News (3/5, Blitzer, 27.59M) reports "Senate Majority Leader Mitch McConnell...called out" Schumer "on the Senate floor Thursday morning," saying of the New Yorker's comments, "There is nothing to call this except a threat." USA Today (3/5, Wu, 10.31M) reports that though "McConnell called on Schumer to withdraw his remarks and apologize...he did not mention" Hawley's resolution. McConnell is quoted as saying, "If any American had these words shouted at them from a sidewalk outside their office, they would hear those threats as personal. And most likely they would hear them as threatening or inciting violence." Politico (3/5, Desiderio, 4.29M) says that in his "scathing address from the Senate floor," McConnell also "attacked the Democratic Party as a whole, accusing lawmakers of undermining and threatening US institutions." Along those lines, Kimberley A. Strassel writes in the Wall Street Journal (3/5, Subscription Publication, 7.57M)that Schumer's comments were in sync with the standard Democratic reaction to the Supreme Court, which is to seek to attack and intimidate conservative justices.

Appearing on Fox News' Fox & Friends (3/5, 831K), Sen. Ted Cruz (R-TX) similarly said Schumer was "threatening" Gorsuch and Kavanaugh "quite directly. ... That is an unambiguous threat and now, whether it's a threat of political retribution, or something even worse, that's not clear, but whatever it is, it's judicial intimidation. It's not right," and "I think the Senate should seriously consider taking disciplinary

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steps when you have the leader of one of the two parties going to the steps of the Supreme Court, threatening and trying to intimidate Supreme Court justices, that undermines the rule of law and undermines the judiciary and it's just flat out wrong. ... One of the possibilities being debated is censure."

In an "exclusive" to Townhall (3/5, McCarthy, 177K), Sen. David Perdue (R-GA) also "eviscerated...Schumer's hyper partisan attack on the Supreme Court," saying, "Threatening two sitting Supreme Court justices is not only disgraceful, it is dangerous. This shows how far the radical left is willing to go to realize their socialist agenda. Schumer's actions threaten the very balance of our three-branch government. It was irresponsible, inappropriate, and unacceptable. I hope the Senate will stand together and condemn this unacceptable behavior."

NBC Nightly News (3/5, story 9, 1:35, Hunt, 6.1M) referred to Schumer, "after intense backlash...walking back what many saw as a threat against two Supreme Court justices appointed by...Trump." Schumer was shown saying, "I shouldn't have used the words I did, but in no way was I making a threat." NBC recounted that "Wednesday at an abortion rights rally of the steps of the court, Schumer saying this --" Schumer: "I want to tell you, Gorsuch. I want to tell you, Kavanaugh. You have released the whirlwind, and you will pay the price. You won't know what hit you if you go forward with these awful decisions."

Media Analyses: Schumer's Explanation Yesterday "Short Of A Full Apology." While Schumer walked back the wording of his barrage against the justices, Reuters (3/5, Hurley, Cowan) reports, he "seemed to stop short of a full apology." The New York Times (3/5, Hulse, 18.61M) points out Schumer "chalked up his sharp tongue to his Brooklyn upbringing" and "refused to apologize for the spirit of his remarks, saying that Republicans would pay a political price if the court struck down abortion rights." National Review (3/5, Hoonhaut, 731K) also reports that "after a deluge of criticism, including a statement from...Roberts on the 'dangerous' comments, Schumer held his ground and did not apologize," and the AP (3/5, Jalonick, Sherman) that Schumer only "said...that he 'should not have used the words I used.'"

The Washington Post (3/5, Wagner, 14.2M) quotes Schumer as saying, "I shouldn't have used the words I did, but in no way was I making a threat. I never – never – would do such a thing." Politico (3/5, Desiderio, 4.29M) indicates that Schumer also "said Republicans were 'manufacturing outrage' against him, insisting that he was only trying to make a point about Republicans 'working hand in glove' with the courts to undermine abortion rights." Politico adds that "some of Schumer's Democratic colleagues were eager to back his mea culpa or defend him," and Senate Minority Whip Dick Durbin "said it was ironic that Trump was condemning Schumer for verbal attacks since the president has previously attacked the federal judiciary."

Marge Baker, executive vice president for policy and program at People For the American Way, writing in USA Today (3/5, 10.31M), says "Trump and others on the right have responded disingenuously to...Schumer's remarks, choosing to deliberately misconstrue his meaning. And their reasons are all too obvious," as "the courts really are on the ballot this November." Schumer "gave exceptionally loud voice to that Wednesday, but he isn't the only one who knows it. And Republicans are running scared."

To the Washington Examiner (3/5, Adams, 448K), "Schumer wrapped himself in self-righteousness Thursday after he was admonished on the floor of the US Senate for threatening" Gorsuch and Kavanaugh, claiming "he was merely passionate about abortion." The Washington Free Beacon (3/5, Griswold, 78K), the Daily Caller (3/5, Olohan, 716K) and The Hill (3/5, Carney, 2.98M), among other news outlets, also cover Schumer's remarks yesterday.

Appearing on Fox News' Fox & Friends (3/5, 831K), Rep. Jim Jordan (R-OH) said, "This is not the first time...Schumer has tried to intimidate someone. It didn't work with...Trump. I don't think it's going to work with...Gorsuch and...Kavanaugh. But it still is wrong. You don't do those kind of things." Rep. Mark Meadows (R-NC) remarked, "The interesting thing is, his spokesman puts out this unbelievable declaration that supposedly he was talking to Senate Republicans. There is only two problems with that. He was standing in front of the Supreme Court and he mentioned two Supreme Court justices."

Townhall (3/5, O'Brien, 177K) reports Schumer's "incendiary words made House Speaker Nancy Pelosi's life a lot harder Thursday on Capitol Hill, because even after his attempted apology, she couldn't justify them." Said Pelosi, "I believe he also said on the floor today that his words were not appropriate. ... And I support him in that." Added Pelosi, "It's unfortunate because as you can see, I think the Republicans say it's okay if the president does it, but it's not okay if other people do. It wasn't right for anybody to do and Chuck recognized those words."

Along those lines, the New York Post (3/5, Bowden, Moore, 4.57M) reports "Senate Democrats and party leaders on Thursday refused to call out...Schumer after he was roundly condemned for threatening two Supreme Court justices." Sen. Sherrod Brown (D-OH) said, for example, "I've seen the reports. ... I don't have much feeling about it." Pelosi "also tied herself in knots at her weekly press conference, trying to blame...Trump for lowering public discourse."

Trump Says Economy Is Strong Because He Eliminated Regulations.

President Trump said during a town hall with Fox News (3/5, 27.59M), "I say simply, I want to have the cleanest air on the planet, I want to have crystal clear, beautiful water on the planet. Our conditions now are much better than they were three years ago. ... I've cut regulations more than any President...in the history of our country and I did in less than three years. This is why I was able to get the country going because so many jobs were stopped by not only EPA, so many other agencies where you would have to get 11 different permits for essentially the same thing. ... One of the reasons the economy is so strong is because what we did with regulations. If the other side – we will call it the other side, affectionately – got in, they would've made regulations much tougher."

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Former UAW President Faces Corruption Charges.

The AP (3/5, White) reports that former UAW president Gary Jones has been "charged...with corruption." Prosecutors "alleg[e] he conspired

with others to embezzle more than $1 million to treat themselves to private villas, golf outings, boozy meals, good cigars and horseback rides on beaches." The AP adds "the federal government has been marching toward Gary Jones for months, after an embarrassing public search of his Detroit-area home and a series of guilty pleas from others in a sweeping investigation of UAW leaders living the high life while representing blue collar workers." Jones was UAW president "for about 1 1/2 years before quitting under a cloud in November."

The New York Times (3/5, Boudette, Scheiber, 18.61M) reports that Jones is "the highest-ranking UAW official to be prosecuted in the inquiry, in which more than a dozen people have been charged. Among them are three former Fiat Chrysler executives, including the company's chief negotiator with the union." The Detroit (MI) Free Press (3/5, Lawrence, 1.52M), Wall Street Journal (3/5, Naughton, Foldy, Subscription Publication, 7.57M), Reuters (3/5, Klayman) and Bloomberg (3/5, 4.73M), among other news outlets, also cover the charges.

In an editorial, the Wall Street Journal (3/5, Subscription Publication, 7.57M) puts the charges against the former UAW official in the context of what it sees as widespread corruption with the Labor movement, indicating that since the beginning of 2019 at least 60 union officials have either been convicted or pleaded guilty to union-related crimes.

Russia Mulling OPEC's Proposed Output Cut.

Reuters (3/5, El Gamal, Lawler, Ghaddar) reports that in Vienna yesterday, OPEC "agreed...to cut oil output by an extra 1.5 million barrels per day (bpd) in the second quarter of 2020 to support prices that have been hit by the coronavirus outbreak, but made its action conditional on Russia and others joining in." Russia and Kazakhstan, "both members of the broader and informal group known as OPEC+, said they had not yet agreed to a deeper cut, raising the risk of a collapse in cooperation that has propped up crude prices since 2016." Saudi Arabia "has been pushing OPEC and its allies, including Russia, for a big cut up to 1.5 million bpd for the second quarter of 2020, alongside extending existing cuts of 2.1 million bpd, which expire this month, to the end of 2020." However, "Riyadh, OPEC's biggest producer, has struggled to win over Moscow."

Ford Could Pay Hundreds Of Millions In Settlement Over Defective Transmissions, Lawyers Say.

The Detroit Free Press (3/5, Howard, 1.52M) reports, "A federal judge approved on Thursday a Ford Motor Co. class-action settlement that will result in the repurchase of thousands of defective Ford Fiesta and Focus vehicles for up to $22,000 apiece, according to lawyers who crafted the agreement." According to the article, "nearly 2 million owners and former owners stand to be affected by the settlement, which also includes a minimum $30 million in cash payments from Ford to customers that are separate from the buyback program." Michael Kirkpatrick, a lawyer at the nonprofit Public Citizen consumer advocacy group, said, "You could see where this settlement could end up costing Ford hundreds of millions of dollars, potentially $500 million."

Boeing's New CEO Tackles Its Challenges.

In a "wide-ranging interview" with the New York Times (3/5, Kitroeff, Gelles, 18.61M), Boeing's chief executive, David L. Calhoun, "largely laid the blame for the company's 737 Max crisis on his predecessor." Calhoun said Boeing's previous chief executive, Dennis A. Muilenburg, "had turbocharged Boeing's production rates before the supply chain was ready, a move that sent Boeing shares to an all-time high but compromised quality." To turn around the company, Calhoun said, "he is working to mend relationships with angry airlines, win back the confidence of international regulators and appease an anxious President Trump — all while moving as quickly as possible to get the grounded 737 Max back in the air."

Families Of 737 MAX Tragedy Seek Boeing's Help To Commemorate Crash Site. The Wall Street Journal (3/5, Sider, Wexler, Subscription Publication, 7.57M) reports the grieving survivors of the Ethiopian Airlines Boeing 737 Max tragedy want to commemorate the crash site with a permanent memorial, but they need Boeing's financial assistance and the airline's cooperation, putting the families in the tough position of having to accept help from the companies that are linked to their source of pain.

Bill Would Hold Tech Firms Accountable For Online Distribution Of Child Sex Abuse Imagery.

The New York Times (3/5, Keller, 18.61M) reports bipartisan legislation "announced on Thursday aimed at curbing the spread of online child sexual abuse imagery would take the extraordinary step of removing legal protections for tech companies that fail to police the illegal content." The new bill, called the EARN IT Act, "would create a 19-member commission — including members representing law enforcement, the tech industry and child advocates — to recommend a set of strategies: for instance, how to spot illegal material, categorize it in standardized ways and verify users' ages." However, "despite some strong support, the bill faces opposition not only from the tech industry, which considers the reforms too broad, and a threat to its offering services like encryption, but also from some victim advocates who view it as too narrow an approach to combating harms online."

Trump Blasts Democrats' "Fake News And Disinformation" On Coronavirus.

President Trump tweeted yesterday, "I NEVER said people that are feeling sick should go to work. This is just more Fake News and disinformation put out by the Democrats, in particular MSDNC. Comcast covers the CoronaVirus situation horribly, only looking to do harm to the incredible & successful effort being made!" Trump also tweeted, "With approximately 100,000 CoronaVirus cases worldwide, and 3,280

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deaths, the United States, because of quick action on closing our borders, has, as of now, only 129 cases (40 Americans brought in) and 11 deaths. We are working very hard to keep these numbers as low as possible!"

In response to a question about his Administration's handling of the coronavirus response during a Fox News (3/5, 27.59M) town hall, Trump said, "Actually, we are [being] given tremendous marks. You look at Gallup poll and other polls for the way we have handled it. One of the things I did as I closed on the borders to China and other areas that are badly affected and really having a lot of troubles, countries and Areas of countries that have a lot of problems and I closed them down very early against the advice of almost everybody and we've been given rave reviews."

Asked during the town hall with Fox News (3/5, 27.59M) about the potential impact of coronavirus on the economy and his reelection, Trump said, "I think people are viewing us as having done a very good job. What we have to do is do a very professional job. Nobody is blaming us for the virus. I haven't heard that even from some of these so-called enemies or whatever you want to call them, they aren't blaming us."

Surgeon General Jerome Adams said on Fox News The Daily Briefing (3/5), "I want to be straight with the American people. I want them to know that this virus is a new situation that is changing. We're learning about it each and every day. But I do want America to know the risk right now is low to the average American. We know there are higher risk groups. We know that if you are older, if you have medical comorbidities such as diabetes, heart disease, you're at higher risk. I want to give you perspective really quickly. Eighteen thousands people have died of the flu in this country this year so far," while "11 people have died from coronavirus. While our hearts go out to each and every family who has lost an individual, it's important that we keep things in perspective and we recognize that we can do things to keep our country safe."

In an interview with Newsy (3/5, 11K) that aired on a number of local stations, Adams said, "What keeps me up at night about this situation is that panic will win out over preparedness and that, unfortunately, fear will win out over facts. When you look at infectious disease outbreaks, in many cases more people die from panic and fear than from the disease itself. How does that play out? Well it plays out with stigma. We've heard cases of people of Asian descent being discriminated against, being treated horribly in the midst of this coronavirus outbreak People also do things like hoard. I put out a tweet this weekend telling people in the general public [saying] there is no advantage to you buying or wearing a mask, and as a matter of fact, it can be a disadvantage."

Asked on Fox News' Fox and Friends First (3/5, 483K) about the WHO's claim that the global death rate from coronavirus is 3.4 percent and whether he expects that number to be better on the US, Adams said, "I expect it to be much better. Here is the thing about death rates: They are going to depend on where you are. Ebola kills more people in Africa than what it does in the United States. Right now we are seeing other countries where the death rates are much lower closer to flu death rates. At the end of the day, I want Americans to know you have for the best healthcare system in the world, you've got the best team in the world working for you. ... Americans, I think, are going to be okay by the time this is all said and done if they do things to protect themselves."

Transportation Secretary Chao was asked on WIBC-FM (Indianapolis (3/5, 6K), "The whole Administration it's totally focused on ensuring public health and safety.... The President himself has taken up a very visible role in communicating with the public about what is happening with this virus and the Vice President has been put in charge and they're doing things every single day to communicate more accurate news about what's happening and what needs to be done. At the Department of Transportation, I just met with the CEO of United Airlines...who came in personally to talk to me about their flights and how they're reconfiguring their flight patterns that because United Airlines is the major carrier to Asia." Chao added, "We want to take precautions but we also need to be careful that we are not hampering ourselves in carrying our daily lives."

Trump Contrasts His Handling Of Coronavirus With 13,000 Swine Flu Deaths In 2009-2010. The President also took to Twitter yesterday to write, "Gallup just gave us the highest rating ever for the way we are handling the CoronaVirus situation. The April 2009-10 Swine Flu, where nearly 13,000 people died in the US, was poorly handled. Ask MSDNC & lightweight Washington failure @RonaldKlain, who the President was then?"

CBS Says "Some Experts" Agree With Trump On WHO Estimate; Other Analyses Slam President. On CBS This Morning (3/5, 2.91M), Ben Tracy reported that the President on Wednesday night "challenged an estimate from the World Health Organization this week that 3.4 percent of coronavirus patients worldwide have died." Trump was shown saying, "I think 3.4 percent is really a false number. Now, this is just my hunch, because a lot of people will have this and it's very mild. Personally, I'd say the number is way under one percent." Tracy said "some experts agree with [Trump], because they say, at this point, we don't know the full scale of the outbreak."

On the other hand, Politico (3/5, Kenen, 4.29M) says Trump is "vastly complicating the work of public health officials scrambling to contain the spread of" the coronavirus. Politico adds that "in the latest example alarming the scientific community, the president on Fox News forcefully contradicted the World Health Organization, which earlier in the week pegged the global mortality rate for the coronavirus at 3.4 percent." According to Politico, "Public health experts have noted the WHO's estimate may change as more is learned about the spread of the virus" because "thousands of non-fatal cases likely have gone undetected," and "the death rate may dip below 3.4 percent."

Last night, NBC Nightly News (3/5, story 5, 1:50, Jackson, 6.1M) showed Trump saying, "Well, I think the 3.4% is really a false number." Added NBC, "The reality? It's not a false number, but the actual estimate released by the World Health Organization. Although it could still change as more data comes in."

To the Washington Post (3/5, Olorunnipa, 14.2M), meanwhile, "The president has repeatedly misstated the number of Americans who have tested positive for the virus and claimed it would 'miraculously' disappear in the spring." He has also "given a false timeline for the

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development of a vaccine, publicly questioned whether vaccinations for the flu could be used to treat the novel coronavirus and dismissed the World Health Organization's coronavirus death rate estimate, substituting a much lower figure and citing a 'hunch.'" The Post adds that Trump's "running commentary about the coronavirus, untethered to script or convention, indicates that the Trump administration's greatest obstacle to sending a clear message about the outbreak may be Trump himself."

Cruz: Trump's Order Stopping Flights From China Prevented Early Spread Of Coronavirus. Appearing on Fox News' Fox & Friends (3/5, 831K), Sen. Ted Cruz (R-TX) said, "I chaired a hearing yesterday with the Center for Disease Control, and with the Border Patrol and the Department of Transportation, to talk about what steps are we taking to secure our borders, to screen people. And one of the things that we heard testimony from the doctors and the experts is that when the President froze civilian air travel to and from China – and he did that right at the beginning of this outbreak – that step...played a major role in stopping the spread of the virus. ... Had the President not acted swiftly at the outset, the testimony we heard yesterday is that those numbers in the US would have been much, much higher."

Pence Visits Mask-Maker 3M And Hard-Hit Washington State.

Bloomberg (3/5, Parker, Kinery, 4.73M) reports Vice President Pence yesterday visited "surgical-mask maker 3M Co. and one of the U.S. areas hardest hit by the novel coronavirus" today, "as the Trump administration tries to show it has the outbreak under control." Pence "met 3M executives in Minneapolis to discuss ramping up mask production," and "from there, he'll travel to Olympia, Washington, to meet with Governor Jay Inslee after the state reported its 10th death from the illness." Pence "said Wednesday that he had no reservations about visiting Washington, and he complimented the work of Inslee, a Democrat, in dealing with the outbreak."

The Minneapolis Star Tribune (3/5, Montemayor, 1.04M) reports that "arriving Thursday at the 3M Innovation Center in Maplewood," Pence "described an 'all hands on deck effort' to combat the spread of coronavirus," and "expressed confidence about the availability of coronavirus test kits, but acknowledged, 'we don't have enough tests today to meet what we anticipate will be the demand going forward.'" Pence "was met by 3M company CEO Mike Roman, Minnesota Gov. Tim Walz and other government and industry officials." 3M "is a maker of the N95 respirator, a type of facemask used as personal protective equipment against airborne particles." Pence "credited 3M for going to full production level for respiratory masks as the virus started spreading in January," saying, "You are playing a vital role in the health of our nation."

The AP (3/5, Madhani) points out Pence also "pledged Thursday that federal officials would "lean into" the fight against the new coronavirus as he visited with a leading maker of masks being used to stem the spread of the virus. He asked Americans to refrain from buying masks unless they're sick." Said Pence, "You should know we're ready and we're going to continue to bring the full resources of the federal government to bear to confront the spread of the coronavirus in the United States."

The New York Post (3/5, Fredericks, 4.57M) recounts Pence also "alluded to the cruise ship Grand Princess, which was being held off the coast of California until all on board were tested." Said Pence, "We're focused very much on a cruise ship just off the California coast today. The Coast Guard delivered a sufficient number of tests for the passengers on that ship."

The CBS Evening News (3/5, story 4, 1:50, Reid, 4.58M) reported Pence was also in Washington State last night "for a briefing on the outbreak." The Olympian (WA) (3/5, Drew, 79K) indicates Pence said "Washington is setting a 'great example' for states in how to handle the coronavirus outbreak," and that "in a meeting with the state's congressional delegation and local government Thursday afternoon at Camp Murray, Pence also thanked...Inslee for his leadership." Said Pence, "The President wanted me to be here today to make it crystal clear that we are with you. We are here to help."

The Washington Times (3/5, Howell, 492K) quotes Pence as also saying, "Washington state is setting a great example as states around the nation continue to experience the advent of the coronavirus in their communities. ... We're going to continue to look to the example that you've set here."

Azar's Absence From Pence Trip Noted. Politico (3/5, Diamond, Owermohle, McGraw, 4.29M) reports that there was "a notable omission" when Pence visited "Washington state Thursday as part of the Trump administration's coronavirus response: health Secretary Alex Azar." According to Politico, on Wednesday, the White House "also benched Azar from a coronavirus task force press briefing, the latest sign of diminished standing for an official who was the face of the U.S. response to the disease just a week ago." Citing "two individuals with knowledge of events," Politico adds that Azar "has in the last week emerged as a target inside and outside the administration," and Pence "asked Azar not to attend Wednesday's press conference."

Senate Approves $8.3 Billion Coronavirus Spending Package, Sending It To Trump.

Reuters (3/5, Whitcomb) reports that on a 96-1 vote, the Senate yesterday "passed an $8.3 billion bill to combat" the coronavirus "a day after the House of Representatives overwhelmingly approved it. The bill will now go to President Donald Trump for his signature." The Washington Times (3/5, Howell, 492K) points out "Sen. Rand Paul, Kentucky Republican, voted 'no' after his attempts to pay for the measure by trimming foreign aid were rejected."

Axios (3/4, Axios, 521K) reports "the agreed-upon package is larger than the $2.5 billion that the Trump administration had originally asked for to combat the virus – and slightly less than the $8.5 billion counter offered up by Senate Minority Leader Chuck Schumer." The AP (3/5, Taylor) says "the money would pay for a multifaceted attack on a virus that is spreading more widely every day, sending financial markets spiraling again Thursday, disrupting travel and potentially threatening the US economy's decade-long expansion."

USA Today (3/5, Hayes, 10.31M) recounts "Senate Majority Leader Mitch McConnell applauded the 'swift bipartisan action' and said it

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was 'only possible because members in both chambers put the actual needs of experts and health care professionals ahead of partisan posturing.'" Chairman of the Senate Appropriations Committee Richard Shelby (R-AL), "who helped lead the negotiations between the House and Senate, said he was also grateful that the deal came together so quickly to get the money to the communities that need it."

At the tail end of a story that criticizes President Trump's handling of the coronavirus issue, NBC Nightly News (3/5, story 5, 1:50, Jackson, 6.1M) mentioned that "lawmakers approved an emergency $8.3 billion coronavirus deal, now sending it to the President's desk." The CBS Evening News (3/5, story 4, 1:50, Reid, 4.58M) also mentioned the spending package at the end of its coronavirus coverage, saying it is "three times what the White House originally requested, suggesting the Trump Administration did not anticipate the scope of this crisis." CQ Roll Call (3/5, Shutt, 154K), The Hill (3/5, Carney, 2.98M) and Politico (3/5, Scholtes, Emma, 4.29M), among other news outlets, also report the story.

Morgan: CBP "Ready To Do What CDC Recommends" On Border Closure.

Acting CBP Commissioner Morgan said on Fox Business Cavuto: Coast to Coast (3/5), "CBP, along with other operational components, have been involved in this from the very first stages of this. ... We are part of the task force and we are taking our direction from the medical experts, from CDC and HHS, as they continue to assess the health risk as it continues to change, shift, and grow." Asked if any consideration is being given to closing the US border, Morgan said, "It depends on what the health risk is for that specific country. ... I think what we are doing is we are being methodical yet decisive and CDC are continuing to evaluate the health risk. If we get to that point and they ask us operationally to do something based on the health risk, I can tell you, CBP is ready to do what CDC recommends, what's in the best interest of the health and safety of this country."

Cruise Ship Barred From California Port Until Passengers Tested.

The AP (3/5, Rodriguez, Geller) reports that "officials ordered a cruise ship with 3,500 people aboard to stay back from the California coast Thursday until passengers and crew can be tested, after a traveler from its previous voyage died of the disease and at least two others became infected." A Coast Guard helicopter "lowered test kits onto the...Grand Princess by rope as the vessel lay at anchor off Northern California, and authorities said the results would be available on Friday." California Gov. Gavin Newsom (D) said, "The ship will not come on shore until we appropriately assess the passengers." The New York Times (3/5, Mervosh, 18.61M) reports that "a patient who died from the virus had previously traveled on the vessel," and "about 20 people on board are showing symptoms."

In its lead story last night, NBC Nightly News (3/5, lead story, 3:10, Holt, 6.1M) reported that 35 passengers have "shown flu-like symptoms," while four passengers were "on a previous cruise" and have now "tested positive for coronavirus. One of them died. Authorities are working to contact thousands who were on that voyage and have since traveled home." ABC World News Tonight (3/5, lead story, 4:10, Muir, 7.17M) reported in its lead story that passengers are "telling us all 2,400 of them are now ordered to confine themselves to their rooms." The Grand Princess is "operated by the same company that ran the Diamond Princess cruise ship, where 700 of the 3,700 onboard were infected off Japan." The CBS Evening News (3/5, lead story, 2:45, O'Donnell, 4.58M) similarly reported on the cruise ship last night.

The Los Angeles Times (3/5, Chabria, Karlamangla, Wigglesworth, Barboza, 4.64M), meanwhile, reports that "authorities in Santa Clara County on Thursday announced that a Sunnyvale man might be California's second death connected to the coronavirus." The 72-year-old man "had been on a cruise where others contracted the coronavirus."

San Francisco Reports Two Coronavirus Cases; Four More Reported In Los Angeles County. The Los Angeles Times (3/5, Chabria, Karlamangla, Wigglesworth, Barboza, 4.64M) says San Francisco reported its first cases of the new coronavirus Thursday. The two San Francisco patients "are not related and have no travel history to areas where the coronavirus has spread." Additional cases were announced elsewhere in the state yesterday, "including four in Los Angeles County, all of whom had recently returned from Italy."

Number Of Cases In New York Double To 22.

Reuters (3/5, Whitcomb) reports that "the number of people who have the novel coronavirus in New York state doubled to 22 on Thursday following an increase in testing, as Tennessee and the city of San Francisco reported cases of the fast-spreading illness for the first time." Of the new cases in New York, "eight are connected in some way to a Manhattan lawyer who lives in Westchester County and was previously diagnosed with the virus, two are in New York City and one in nearby Nassau County." The New York Post (3/5, Hogan, Feis, 4.57M) reports that the eight new cases in Westchester are "connected to a single New Rochelle lawyer, identified by sources as 50-year-old Lawrence Garbuz." Garbuz's "wife, son and daughter have also tested positive, as have a friend, his wife and three of their four kids."

ABC World News Tonight (3/5, story 2, 2:50, Muir, 7.17M) reported New York City Mayor Bill de Blasio is calling the spread "unpredictable" and "worrisome." The New York Times (3/5, Paybarah, Goldstein, 18.61M) reports New York City officials also said yesterday that the city is "aggressively monitoring the 2,773 people who have self-quarantined."

New Jersey Reports First Coronavirus Case.

The New York Times (3/5, Vigdor, 18.61M) reports officials in New Jersey announced late Wednesday "that initial testing of a man in his 30s showed that he had the coronavirus, which would make him the state's first officially confirmed case." The state Department of Health "said it was waiting for a more detailed analysis" by the CDC to confirm "presumptive positive results," but "the presence of the virus in New Jersey

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would bring the total number of states with patients to 17."

Maryland Confirms First Coronavirus Cases.

The Washington Post (3/5, Noack, Berger, Horton, Freedman, Knowles, 14.2M) reports Maryland Gov. Larry Hogan (R) announced Thursday that "three positive coronavirus cases were confirmed in the state," its first cases, "and that the patients contracted the virus while traveling overseas. They are quarantined in their homes in Montgomery County, a suburb of about 1 million people outside Washington, D.C."

Fifth Coronavirus Case Reported In Illinois.

The Chicago Tribune (3/5, Schencker, 2.65M) reports that a fifth person in Illinois has tested positive for the coronavirus, state health officials announced Thursday. The patient is "a Cook County resident in his 20s who flew into O'Hare International Airport earlier this month after traveling from Italy where he caught the illness, health officials said."

Sanders: We Need Scientists, Not Politicians, In Charge Of Response.

Democratic presidential hopeful and Sen. Bernie Sanders argues in USA Today (3/5, 10.31M) that "as reported cases of the coronavirus continue to grow and spread in our country and around the world, it is becoming clear that both the Trump administration and our current health care system are failing that test. We must do better." In the midst of what he calls "a global healthcare crisis," Sanders questions "how could anybody gain public confidence by appointing Mike Pence to lead the coronavirus task force — a politician with no scientific background." Sanders writes that "the time has come for Donald Trump to stop playing politics with this deadly virus and put scientists and health experts back in charge."

Experts Concerned US Testing Facilities May Be Overwhelmed.

In its lead story, the CBS Evening News (3/5, lead story, 2:45, O'Donnell, 4.58M) reported, "There are least 12 deaths and more than 200 cases confirmed right here in the US, but the Vice President today admitted the country does not currently have enough test kits to find out if others are sick." The Washington Post (3/5, Goldstein, Johnson, Sun, McGinley, 14.2M) reports that a day after "Pence touted a new policy allowing 'any American' to be tested for the novel coronavirus with a doctor's order, some health officials and physicians expressed concern that people with mild symptoms might overwhelm the nation's still-limited testing capability." Pence's announcement "drew praise from experts who said the previous guidelines from the Centers for Disease Control and Prevention were far too restrictive." However, "other health experts warned the action might inadvertently send the wrong message, prompting a surge in demand for tests from people with mild symptoms who should simply stay home until they recover. They also noted that laboratory capacity for virus testing, while on the rise, is still lagging."

Reuters (3/5) reports Administration officials yesterday "said...they expect to be able to get enough coronavirus tests to public laboratories this week to test about 400,000 people, and acknowledged the challenge for doctors seeking to get patients screened for the disease. Officials expect to ship additional test kits to cover between 1.5 and 1.7 million people by the end of next week," HHS Secretary Azar told reporters. Azar is quoted as saying, "Right now, it is a challenge if you are a doctor wanting to get somebody tested. ... That experience will get better over the next week, week and a half, two weeks. But do not be surprised if you hear concerns of doctors saying: 'I have a patient. I don't know how to get this done.'"

Bloomberg (3/5, 4.73M) reports that after getting a briefing from officials yesterday, senators said the Administration "won't be able to meet its promised timeline of having a million coronavirus tests available by the end of the week." Sen. Rick Scott (R-FL) said, "There won't be a million people to get a test by the end of the week." Scott and other lawmakers "said the government is 'in the process' of sending test kits out and people still need to be trained on how to use them. The entire process could take days or weeks, they said."

Officials: Insurers Will Cover Cost Of Test Kits, But Some Patients May Still Get Bills. The AP (3/5, Alonso) reports a day after Vice President Mike Pence "assured Americans that lab tests for coronavirus would be covered by private and government health insurance, that promise appears to be less than airtight." Medicare, Medicaid, and Affordable Care Act insurance plans "will cover the tests, officials said Thursday." Major insurers "also said they will cover such tests," but people "with employer-provided insurance should check with their plan because copays and deductibles may apply."

The Hill (3/5, Hellmann, 2.98M) reports the federal government "will rely heavily on commercial labs to run the vast majority of coronavirus tests." Those labs, "along with hospitals and academic institutions, could bill patients and their insurance companies for testing." CMS Administrator Seema Verma "told reporters Thursday that Medicaid and Medicare would cover testing, likely without cost-sharing requirements," but she also "acknowledged that people with private plans should ask their insurance companies if cost-sharing will be required."

Healthcare Workers Concerned About Shortage Of Equipment, Protective Gear.

The Washington Post (3/5, Mettler, Hernandez, Wan, Bernstein, 14.2M) reports healthcare workers are increasingly concerned about a shortage of staff, key medical equipment, and protection gear amid the coronavirus outbreak. Moreover, "some health care worker advocates say hospital administrators are not adequately protecting their staff." Notably, "National Nurses United, the largest labor union for nurses, said

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only 30 percent of the 6,000 nurses it has surveyed in 48 states believe their workplace has sufficient protective gear to handle an influx of coronavirus patients." Additionally, "Some nurses reported that hospitals are keeping N95 masks, which are the most effective at blocking respiratory droplets that spread the disease, and other specialized equipment off-site to prevent hoarding, preventing immediate access to one if a nurse needs it for a walk-in patient." The New York Times (3/5, Stockman, Baker, 18.61M) has a similar report.

Parents Search For Childcare Amid School Closures.

NBC Nightly News (3/5, story 3, 1:55, Holt, 6.1M) reported, "Across the country, we're seeing more schools temporarily closing their doors to limit the spread of the virus. And with kids potentially missing class for weeks, a lot of parents right now are trying to figure out the childcare issue."

The Washington Post (3/5, Denyer, Kashiwagi, 14.2M) reports UNESCO estimated Wednesday "that more than 290 million students — from prekindergarten to grade 12 — have had their education disrupted by the school closures linked to the coronavirus."

Workplaces Around The World Preparing For Coronavirus Disruptions.

The New York Times (3/5, Yaffe-Bellany, 18.61M) reports that "from Seattle to New York to London, companies of all sizes have spent the last week preparing for the coronavirus outbreak that started in China to disrupt workplace routines. They have put employees through work-from-home drills, built up inventory to weather a possible shutdown and dusted off emergency-response plans." Some have also "banned all nonessential travel."

The CBS Evening News (3/5, story 2, 1:50, O'Donnell, 4.58M), meanwhile, reported from inside an emergency room in Chicago, "where doctors hope telemedicine could also help prevent spreading the coronavirus."

Trans-Pacific Shipping Impacted By Outbreak.

The Wall Street Journal (3/5, Newman, Smith, Subscription Publication, 7.57M) reports the coronavirus is causing a Trans-Pacific shipping crisis and pushing up transportation prices for US exporters. Fewer ships have made the return journey from China and the normal turnover of containers has stalled. Some shipping lines have surcharges that roughly doubled shipping costs to China and other Asian destinations.

Industry Group: Outbreak Could Erase $113B In Global Airline Revenue This Year.

The New York Times (3/5, A1, Chokshi, 18.61M) reports the coronavirus could wipe out up to $113 billion in worldwide airline revenues this year, the International Air Transport Association "said, a significant blow to an industry already hurt by the Boeing crisis." Just within the past few days, "several carriers — including United Airlines, JetBlue and Lufthansa — announced new route closings."

States Cracking Down Coronavirus-Related Price Gouging.

NBC Nightly News (3/5, story 7, 1:40, Holt, 6.1M) reported, "States across the country cracking down on coronavirus price gouging." NBC (Kent): "As fears grow, products like masks and hand sanitizer are selling out in stores and online. Prices on Amazon, Walmart, and Facebook Marketplace from third-party sellers are skyrocketing. $220 for a box of ten masks on Amazon, 11-times the regular price. And for a bottle of hand sanitizer on Walmart.com, $48, normally, less than $4. Amazon tells NBC News it's blocked or removed more than one million products. Both Amazon and Walmart also say they're actively working to take down overpriced items." The CBS Evening News (3/5, story 3, 1:55, O'Donnell, 4.58M) reported, "New York City is cracking down, issuing $500 fines to any stores found price gouging starting this week."

WHO Urges All Countries To Take Steps To Fight Coronavirus.

The AP (3/5, Sedensky, Leicester) reports on "a vigorous appeal Thursday from the World Health Organization for governments to pull out 'all the stops' to slow the epidemic." WHO Director-General Tedros Adhanom Ghebreyesus said in Geneva, "This is not a drill. This is not the time for giving up. This is not a time for excuses. This is a time for pulling out all the stops. Countries have been planning for scenarios like this for decades. Now is the time to act on those plans."

The Wall Street Journal (3/5, Calfas, Hobbs, Subscription Publication, 7.57M), meanwhile, says that as more cases of the virus were reported globally some health officials warned it would be impossible to fully contain it. On the CBS Evening News (3/5, story 5, 1:25, O'Donnell, 4.58M), medical contributor Dr. David Agus said, "My gut is it's going to be the new normal. My gut is that this virus will infect most people or a good number of people around the globe. Most people will have a mild course, and it won't be significant. Obviously, the elderly and people with medical conditions, we worry about, and the reason we go to draconian measures now and the measures talking about closing schools and workplaces is to protect them. We need a national plan for what's going to happen over the next weeks to month with this virus."

Study: Disinfecting Effective At Eliminating Coronavirus. ABC World News Tonight (3/5, story 3, 1:35, Muir, 7.17M) reported on a "study out of Singapore that looked at the rooms of patients, bedrooms and bathrooms of the patients, it showed a significant amount of the coronavirus in the rooms. When they tested, 87 percent of the surfaces test[ed] positive." ABC (Ashton) added that after cleaning and disinfecting "it went down dramatically...showing that surface cleaning does work. We don't know exactly how long this strain of coronavirus

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can exist and live on hard surfaces like glass and metal, but from other coronaviruses, the range could be anywhere from two hours to nine days."

On NBC Nightly News (3/5, story 6, 0:40, Holt, 6.1M), Dr. John Torres said, "There's no evidence this virus lingers in the air. And according to the CDC, the people who should be quarantined, includes anyone who has come in direct contact with someone sick with the coronavirus. That means either you're living with a patient or you have been sitting within six feet of an infected person, like at work or on a plane. ... The vast majority of Americans can go about their daily lives."

Pompeo: US Offered To Help Iran With Coronavirus.

The Washington Times (3/5, Howell, 492K) reports Secretary of Mike Pompeo said Thursday that the US has offered to help Iran combat the coronavirus and he hopes Tehran "heeds" their offer of humanitarian aid and supplies.

Axios (3/5, Lawler, 521K), meanwhile, reports that "Iran's coronavirus outbreak has reached the upper echelons of power, and ordinary citizens fear that the information filtering down can't be trusted." No one "knows how widely the coronavirus has spread in Iran, but based on data from hospitals in Tehran leaked to the Washington Post (3/4, Cunningham, Bennett, 14.2M), epidemiologist Ashleigh Tuite estimated that there were now 28,000 cases."

Italy Now Has Almost 4,000 Confirmed Cases As Death Toll Hits 148.

ABC World News Tonight (3/5, story 4, 0:25, Muir, 7.17M) briefly said that Italy is "reporting in 41 new deaths from the coronavirus just today. The death toll there, now 148, the most outside China." The New York Times (3/5, 18.61M) reports that "in the hardest-hit European countries, the number of cases saw the biggest one-day jumps so far: from 3,089 to 3,858 in Italy; from 262 to 482 in Germany; and from 285 to 423 in France. In Netherlands, infections more than doubled, from 38 to 82. The death toll in Italy, the source of outbreaks in several other countries, leapt from 107 to 148, the highest figure outside of China." Britain and Switzerland "reported their first coronavirus deaths on Thursday, and Spain had its second. In Berlin, officials said three of the 13 cases could not be traced to any others, suggesting that the virus was spreading undetected in the city."

State Dept. Spokeswoman: Cooperation With China On Coronavirus Improving.

State Department spokeswoman Morgan Ortagus said on Bloomberg TV's Bloomberg Markets Americas (3/5), "We are going to continue to have to keep the pressure on the Chinese. The White House has indicated, especially CDC and the people that we have on the ground have indicated that they are working closely with them. We certainly were explicit that in the early days that the Chinese were not as transparent as the international community and the WHO had hoped for. The cooperation has been better in recent days."

Xi Cancels Planned Trip To Japan. The Washington Post (3/5, Taylor, 14.2M) reports China "remains the worst-hit country overall, with deaths surpassing 3,000 and confirmed cases topping 80,000," and yesterday, President Xi Jinping "canceled a planned state visit to Japan." However, "the epidemic is now slowing in China, while other countries are seeing outbreaks grow rapidly."

Chinese Official: New Infections May Drop To Zero By End-March In Wuhan. Reuters (3/5, Woo, Sun, Tian, Liangping, Goh, Chen) reports Wuhan, "the epicenter of China's coronavirus epidemic, will likely see new infections drop to zero by the end of this month, an expert with the country's top panel on battling the illness said on Thursday, even as the city reported a quicker rise in new confirmed cases." An official "said almost all regions outside Hubei province, where Wuhan is the capital, had managed to halt new infections by end of last month, according to an interview with the official People's Daily." The official "estimated other cities in Hubei will hit such a target by mid-March, based on data on how the outbreak has evolved, but did not give details."

South Korea Declares "Special Care Zone" As Coronavirus Spreads.

Reuters (3/5, Smith, Shin) reports South Korea declared a "special care zone" on Thursday around "a second city hit hard by the coronavirus and the US military confirmed two new cases among relatives of its troops in the country." The South Korean government declared a "special care zone" around Gyeongsan, "a city of about 275,000 people 250 kms (150 miles) southeast of Seoul, promising extra resources such as face masks and warning people from traveling there." The move comes as the city has "seen a spike in new cases."

Bethlehem's Church Of The Nativity Closed Amid Coronavirus Fears.

Reuters (3/4, Qawasma) reports Bethlehem's Church of the Nativity was ordered closed on Thursday and foreign tourists "were banned from West Bank hotels after four suspected coronavirus cases were found in the Palestinian town." The measures announced by the Palestinian Authority's tourism ministry "came as a particular blow to the Biblical town, whose businesses are largely dependent on Christian visitors to the church."

First Known Human-To-Animal Transmission Of Coronavirus Reported In Hong Kong.

The Washington Post (3/5, Brulliard, 14.2M) reports "a pet dog in Hong Kong has a 'low-level' infection of the coronavirus that causes covid-19 in people, city authorities said this week." The case may mark "the first known human-to-animal transmission of the coronavirus." This new case in Hong Kong raises "the specter that dogs might be swept into the epidemic, which, even now, public health officials say does

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not appear to infect or be spread by pets." However, "experts say that much remains unknown about the dog's infection, including whether it causes disease in dogs, and they emphasized that the lone case is not yet cause for alarm or reassessments about interactions with pets."

WPost: China Using Coronavirus To Escalate Its Repression In Hong Kong. The Washington Post (3/5, 14.2M) editorializes that the pro-democracy demonstrations "that rocked Hong Kong last year have lulled, in part because the city is under partial lockdown to prevent the spread of the coronavirus. You'd think Chinese Communist authorities and their hugely unpopular representatives in the city would breathe a sigh of relief and focus on keeping the population healthy. Instead, they chose last week to escalate the repression of opposition leaders."

Judge Bars FBI Agents Who Wiretapped Page From Other Surveillance Cases.

The Daily Caller (3/5, Ross, 716K) reports Judge James Boasberg, who presides over the Foreign Intelligence Surveillance Court, has barred the FBI agents "involved in the process of wiretapping Carter Page" from "taking part in other investigations involving surveillance warrants while they are under disciplinary or criminal review." Boasberg "implemented a new rule that any FBI or Justice Department employees under disciplinary or criminal review will be unable to participate in future surveillance matters." The move is "the latest fallout from a Justice Department watchdog's report on FBI and Justice Department abuses of the surveillance process against Page."

FISA Court Mistakenly Says Fusion GPS Was Seeking Dirt On Clinton. The Washington Examiner (3/5, Dunleavy, 448K) reports a FISA Court ruling on Wednesday "mistakenly said Fusion GPS, the opposition research firm which hired British ex-spy Christopher Steele in 2016, was looking for dirt on former Secretary of State Hillary Clinton rather than on then-candidate Donald Trump." The court "said it would fix the glaring error after the Washington Examiner brought it to its attention."

Nunes: "Lunatics" In Media Trying To Link Him To Russia.

The Washington Times (3/5, Scarborough, 492K) reports Rep. Devin Nunes (R-CA) said on Fox Business' Lou Dobbs Tonight Wednesday that he is being stalked by "lunatics in the media" who are trying to "try to tie him to the Russian side when he has been one of Congress' fiercest anti-Moscow hawks for years." Nunes said, "No one has been put into the middle of this Russia nonsense more than me, other than maybe the president, obviously the president. ... Every time they resurrect the Russia hoax they insert me into it. ... For almost four years now, every chance these lunatics get, and I say lunatics because the lunatics in the media get, they tied me and Trump to Russia."

Democrats Urge Biden To Punch Back On Trump's Ukraine Attacks.

Politico (3/5, Cheney, Caygle, Matishak, 4.29M) reports that with the President preparing to "unleash a fusillade against former Vice President Joe Biden over his son's ties to Ukraine, Biden's allies on Capitol Hill have some advice for their candidate: Be ready to punch back – hard." Democrats have privately expressed concern that Biden has not responded "forcefully enough," Now that he is the frontrunner for the Democratic presidential nomination, "lawmakers say he needs to showcase a clear and effective response that can withstand months of Trump attacks." Politico cites interviews with "more than a dozen Capitol Hill Democrats," who say "the vice president needs to fine tune his response, pivoting away from the at times emotional and defensive rebuttals he's offered on the campaign trail." Politico adds that "Democrats widely agreed that the Burisma matter wouldn't weigh heavily on Biden's chances because it's been thoroughly debated for months and the facts are on his side."

Senate Republicans Are Stepping Up Probe Of Hunter Biden. The New York Times (3/5, Fandos, 18.61M) reports that as Biden "re-emerges as President Trump's chief rival for the presidency," Senate Republicans are using their majority power "to intensify an election-year investigation of Hunter Biden's work for a Ukrainian energy firm." The Times says Senate Republicans "are effectively picking up where the president left off last year when he pressed" Ukraine's "leaders to investigate the Bidens, an effort that led to his impeachment." Senate Homeland Security Chairman Johnson "plans to hold a vote next week despite Democratic objections to issue a rare Senate subpoena to Andrii Telizhenko, a former Ukrainian official who worked for Burisma, the energy firm." While Republicans "insist Burisma is a matter of longstanding interest unrelated to Mr. Biden's presidential candidacy, and no evidence has emerged to suggest that either Biden acted improperly," Johnson "acknowledged that his investigation could affect the election and said that was as it should be."

President Trump said in an interview on Fox News' Hannity (3/4, 535K) Wednesday night, "That will be a major issue in the campaign. I will bring that up all the time because I don't see any way out. ... I don't believe they will be able to answer those questions. That was purely corrupt." During a town hall with Fox News (3/5, 27.59M) Thursday, Trump said, "I think that [Joe] Biden has been damaged. ... You look at his son. Here's a guy, didn't have a job, the military was a very sad experience for him. He goes out and gets $3 million plus $183,000 a month to be a board member of a company that a lot of people said was corrupt. Just as bad, China. ... His son walks out of China with a billion and a half dollars for a fund."

Romney: GOP's Burisma Probe "Appears Political." The Washington Examiner (3/5, Yilek, 448K) reports Sen. Mitt Romney (R-UT) told reporters Thursday that Republicans' investigation into Hunter Biden and Burisma "appears political." Romney said, "There's no question but that the appearance of looking into Burisma and Hunter Biden appears political, and I think people are tired of these kind of political investigations." Politico (3/5, Desiderio, 4.29M) says Romney "has hinted that he could vote against" issuing a subpoena for records from "from a Democratic public relations firm related to the panel's investigation of conflict-of-interest allegations against the Bidens."

Hunter Biden Touted His Connections When He Sought Law School Job. The Federalist (3/5, Justice, 126K) reports that Hunter Biden "is family name and political connections to pursue a major gig as a law professor at the University of California Los Angeles,

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according to emails reviewed by the Daily Caller News Foundation." Hunter Biden was seeking a job teaching "a course on drug policy and identified a list of possible guest speakers with close ties to his leading 2020 presidential candidate father." The Washington Examiner (3/5, Leonardi, 448K) provides similar coverage.

Judge Says Barr's Handling Of Mueller Report Was "Distorted" And "Misleading."

The Washington Times (3/5, Mordock, 492K) reports US District Judge Reggie Walton ordered the Justice Department Thursday "to turn over former special counsel Robert Mueller's full unredacted report, saying he doesn't trust that Attorney General William Barr truthfully represented the report's conclusions." Walton said the Department "must submit the report to him because he saw discrepancies between Mr. Barr's depiction of the special counsel's report and the publicly released version." The Times calls Walton's "stunning rebuke" a "rare move from the courts, which traditionally shy away from ascribing political motivations to the nation's top law enforcement official." The New York Times (3/5, Savage, 18.61M) says Walton "sharply criticized" Barr's handling of the report, "saying that Mr. Barr put forward a 'distorted' and 'misleading' account of its findings and lacked credibility on the topic."

Politico (3/5, Gerstein, 4.29M) says Walton "excoriated" Barr in a "stinging 23-page opinion," that "said Barr's efforts to spin the report before its public release last year raised serious doubts about whether the Justice Department faithfully applied the law when deleting certain information from the publicly disclosed version." USA Today (3/5, Santucci, 10.31M) says Walton "determined that the court should conduct a private review of the Mueller Report to validate the Department of Justice's redactions and decide whether any information should be made public."

The Washington Post (3/5, Hsu, Barrett, 14.2M) calls Walton's decision "the latest indication of growing concern among federal judges in Washington about politicization at the Justice Department."

WPost: Court Should Not Duck Ruling On McGahn Case.

The Washington Post (3/5, 14.2M) says that if the ruling from the US Court of Appeals for the District of Columbia Circuit "that it could not order former White House counsel Donald McGahn to appear before the House Judiciary Committee, though the committee issued a subpoena that Mr. McGahn flouted, on President Trump's orders," is allowed to stand, it "would shred Congress's ability to oversee the executive branch." The Post argues that although the court "refused to act, to the benefit of the president, under the legal doctrine that courts should avoid involving themselves in political controversies," the "the legal question in this case is simple: Is the subpoena valid? The courts should answer, not duck."

Trump Says Administration Is Running "Remaining Portion" Of Obamacare Well.

President Trump said during a town hall with Fox News (3/5, 27.59M) that healthcare is "probably the thing that I'm most disappointed that I haven't been able to say what a good job we've done. ... First of all, I got rid of the individual mandate, which was the worst part of ObamaCare. ... We have many healthcare plans now where it is 60 percent, even 65 percent less-expensive than Obamacare. It is better than Obamacare. What we really have left is the carcass of Obamacare or you could call it, new health care, because without the whole thing of the individual mandate, it's a whole different ball game, it's a much different plan. What we would like to do is totally kill it but come up before we do that, with something that's great. We've really managed Obamacare, the remaining portion – we got rid of the bad part – but the remaining portion really well."

Report: VA Turned Away Thousands With Other-Than-Honorable Discharges Illegally For Decades.

The Washington Post (3/5, Horton, 14.2M) says that for decades the Department of Veterans Affairs has "unlawfully turned away thousands of veterans with other-than-honorable discharges, rendering some of the most vulnerable veterans invisible and desperate for help, according to a" report from the Veterans Legal Clinic at Harvard Law School. The article says that "systemic misunderstanding of the law within VA about which veterans it should care for – and which should be denied services – has triggered improper mass denial of care since 1980, the Veterans Legal Clinic at Harvard Law School said in the study, leaving an estimated 400,000 more at risk of never gaining access to health care they may have earned."

Trump Vows To Withhold Funds From "Sanctuary Cities."

President Trump took to Twitter yesterday to write, "As per recent Federal Court ruling, the Federal Government will be withholding funds from Sanctuary Cities. They should change their status and go non-Sanctuary. Do not protect criminals!"

The Washington Times (3/5, Boyer, 492K) recounts that "a three-judge panel of the Second Circuit Court of Appeals in Manhattan ruled unanimously last week that the federal government has the discretion to impose conditions when distributing grant money." The judges also "noted that the Supreme Court has consistently upheld the federal government's authority over states on immigration policy." Reuters (3/5, Heavey, Rosenberg) reports Trump's "battle against Democratic-led 'sanctuary' jurisdictions focuses on laws and policies that limit local law enforcement cooperation with federal U.S. Immigration and Customs Enforcement (ICE) officials."

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ICE Bolsters Efforts To Enforce Immigration Laws In Sanctuary Cities. The New York Times (3/5, Dickerson, Kanno-Youngs,

Correal, 18.61M) reports that ICE is "boosting its operations in sanctuary cities to arrest and deport undocumented immigrants, conducting round-the-clock surveillance in addition to deploying elite tactical agents." According to the Times, ICE "plans to deploy hundreds of additional officers in unmarked cars in the coming weeks to increase arrests in cities where local law enforcement agencies do not cooperate with federal immigration enforcement." The Times says ICE "has requested at least 500 special agents who normally conduct long-term investigations into dangerous criminals and traffickers to join the enhanced arrest campaign rolling out in sanctuary cities." The Times adds that the request "follows an earlier decision, made public last month, to deploy elite tactical BORTAC agents – immigration SWAT teams that are normally assigned to risky border smuggling, rescue and intelligence operations – to help arrest and deport immigrants in sanctuary cities."

DHS Now Easing Immigration Backlog As Deportations Overtake Border Arrests.

The Washington Times (3/5, A1, Dinan, 492K) reports, "Illegal immigration across the southwestern border is down so much that the Department of Homeland Security is deporting more people each month than it captures coming across, officials announced Thursday, meaning they are now able to eat into the backlog of cases that built up during last year's surge." The Times adds that "over the past five months, 14,000 more people were removed or returned across the Mexican border than arrived, including 1,170 in February."

CBP Reports Slight Uptick In Border Apprehensions Last Month. The Washington Post (3/5, Miroff, 14.2M) reports that "the number of migrants detained by U.S. authorities along the border with Mexico rose slightly in February," which the Post says is "a sign that the administration's deterrent strategy may be stalling." US Customs and Border Protection "released figures showing a slight uptick in arrests in February, the first time in nine months that unauthorized crossings have increased. Authorities detained 37,119 border crossers last month, up from 36,660 in January, the latest figures show."

The Washington Times (3/5, A1, Dinan, 492K) reports Acting CBP Commissioner Mark A. Morgan "said the number of illegal crossings ticked up slightly in February but was still far below the heights of last year's wave." Morgan "said an increase from January to February is typical, though this year's is the second smallest in the past decade."

WPost Analysis: Barr Shows He Is Willing To Overrule Immigration Courts.

The Washington Post (3/5, Bellware, 14.2M) reports that Attorney General Barr "quietly intervened in an immigration asylum case last week when he issued a decision that narrowed the definition of torture for asylum seekers who invoke it as a grounds for staying in the United States." Barr "used a process known as 'certification,' a historically little-used power of the attorney general that allows him to overrule decisions made by the Board of Immigration Appeals and set binding precedent." According to the Post, "Half a dozen immigration experts who spoke to The Post said Barr's use of his certification power in this case erodes the neutrality and due process that should exist in immigration court. They also cited recent moves by Justice Department, such as creating an office to denaturalize immigrants or using an immigrant's confidential therapy notes in a deportation case against them, as evidence of the Trump administration's willingness to break norms to achieve its goals."

Trump: 500 Miles Of Wall Will Be Completed By Early Next Year.

President Trump posted a clip from his town hall on Fox News Thursday night in which he discusses progress on the construction of the border wall. Trump wrote, "The WALL is well under construction. So far we're up to 129 miles, and by early next year we will have 500 miles completed!"

Trump Meets With GOP Senators On Plan For DREAMers.

The Daily Caller (3/5, Datoc, 716K) reports that the President met Thursday with Senate Republicans "to discuss a new plan for children who illegally immigrated to the United States." During his campaign, Trump "promised to end DACA," but since entering office, "he has been hesitant to outright end the program." Nonetheless, he "still sought to do so...in order to gain an advantage over Democrats while negotiating additional immigration reforms, including funding requests for the southern border wall." The Daily Caller adds that Trump's stance "might have flipped once again...as his fiscal year 2021 budget requested a significantly smaller amount of funds for border wall construction." Sen. Lindsey Graham (R-SC), who "has previously pushed for legalizing the so-called DREAMers," said, "I think the president will win in court on DACA that he can set aside the Obama-era DACA rules, then what do you do? ... I mean If you're going to give them legal status I hope we get something for it."

Morgan: Under Trump, CBP Has "Dramatically Reduced" Catch And Release.

Acting CBP Commissioner Morgan said on Fox Business' Lou Dobbs Tonight (3/5, 49K), "This President's strategy has given us more tools in our tool box than we have ever had. For the last five months, we have actually been removing more illegal aliens that we have been apprehended. Since the hype in May to this past January, we have dramatically reduced those number of people that we were just releasing into the United States. We dramatically reduced almost all catch and release and that is because this President's initiatives and this President's tools that he provided us."

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Study: "Public Charge" Rule Will Impact Small Number Of Would-be Immigrants.

The Washington Times (3/5, Dinan, 492K) reports that an analysis by the Migration Policy Institute says the Administration's new "public charge" rule will impact "only a small fraction of would-be immigrants," a finding that "undercuts some of the vehement criticism from immigrant-rights activists." The rule allows USCIS to "refuse to grant green cards, signifying permanent legal status, if they see a history of welfare use involving programs such as Medicaid or food stamps or housing assistance." According to the study, "relatively few people in that pool of potential applicants are eligible to take part in those kinds of programs, so few people are likely be snared by the get-tough policy."

IG Audit: Administration's Zero Tolerance Border Policy Caught HHS By Surprise.

The Washington Times (3/5, Dinan, 492K) reports an audit by the HHS Inspector General Thursday found that the Administration's "2018 zero tolerance border policy, which led to separation of families, caught the Health and Human Services Department by surprise, with top leaders only learning about it from the media." The Department was left "woefully unready to handle the thousands of children separated from parents and sent to the Health Department for care and placement with sponsors, the department's inspector general said." In addition, Department leaders "disregarded specific, repeated warnings" from "lower-level staffers at the Office of Refugee Resettlement who'd seen an uptick for months in children who'd been knowingly separated by Homeland Security and the Justice Department."

DHS To Add 35,000 Seasonal Guest-Worker Visas In 2020.

The Washington Times (3/5, Dinan, 492K) reports DHS "announced Thursday that it will boost the H-2B seasonal guest worker program this year by adding 35,000 more visas, or more than 50% higher than Congress originally set." The agency "insisted it's coupling the increase with new anti-fraud measures, and also said it's setting aside 10,000 of the guest-workers for migrants from Guatemala, Honduras and El Salvador, rewarding them for their help in stemming last year's illegal immigration surge."

Judge Orders Deportation Of Former Nazi Concentration Camp Guard.

The Washington Post (3/5, Cenziper, Baldauf, 14.2M) reports that an immigration judge in Memphis "has ordered the deportation of a longtime Tennessee resident and German citizen who acknowledged having served as a guard at a concentration camp in Germany and is still receiving a pension for work that includes his wartime service." The removal order announced by the Justice Department and Immigration and Customs Enforcement on Thursday says "Friedrich Karl Berger served at a subcamp of the Neuengamme concentration camp system, near Hamburg."

Palantir Wins Navy Logistics Management Contract.

The Washington Post (3/5, Gregg, 14.2M) reports that Palantir Technologies "has sealed its first major deal with the US Navy," which the Post says is "a major step forward for a West Coast tech company that has long struggled to break into the Pentagon's insular information technology industry." According to the Post, "The sole-source contract, worth about $80 million, calls for a logistics management system for the service branch's warships and aircraft scattered across the globe."

Alabama Executes Inmate Despite Public Outcry.

USA Today (3/5, Lyman, 10.31M) reports an Alabama man was "executed Thursday evening on a 2005 conviction of being an accomplice to the murder of 3 police officers." Nathaniel Woods was "put to death amid a storm of appeals and protests from supporters who noted that Woods did not actually kill officers Charles Bennett, Carlos 'Curly' Owen and Harley Chisholm III on June 17, 2004, that Woods' attorneys missed key deadlines in his appeals, and that the trigger man – also on death row – said Woods was not involved." According to USA Today, "the Woods family and hundreds of thousands of people appealed to Alabama Gov. Kay Ivey to extend clemency to Woods. Ivey allowed the execution to proceed."

The Washington Examiner (3/5, Pearce, 448K) reports the Supreme Court "denied a request to stay the execution" of Woods. Earlier on Thursday, the article says, Justice Clarence Thomas had issued a stay of execution, but "the court then vacated Thomas's order, allowing the execution to proceed as planned."

The New York Times (3/5, Rojas, 18.61M) reports an although a jury disagreed on the death penalty, Woods was "condemned by a judge" because "Alabama is unique in allowing a judge to sentence a defendant to death without a jury voting unanimously in favor of it." According to the article, "the lack of a unanimous verdict has fueled some of the concerns over his case as death penalty activists and civil rights groups have urged the courts and Gov. Kay Ivey to intervene."

FEMA Administrator Focused On Making Agency Prepared For Catastrophic Disasters.

WPRI-TV Providence, RI (3/5, 5:12 p.m. EST, 54K) profiled FEMA Administrator Gaynor, who said of his new post, "There are times it is very surrealistic. Going to the White House, Going to the Oval Office to brief the President. Being on Air Force One or Marine One with the Vice President, or with local elected leaders out on disaster sites." WPRI added, "Gaynor led Rhode Island's emergency management agency for about four years." Gaynor: "I don t think you ever really leave Rhode Island. You always come back." WPRI added that Gaynor is "taking his more than 10 years of experience in the smallest state in the country to our nation s capitol." Gaynor: "Both local, state and now federal.

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So I think I have a pretty good perspective about what emergency management is at the lowest level and what it is at the highest level."

In a segment broadcast later, WPRI-TV Providence, RI (3/5, 6:13 p.m. EST, 66K) reported that Gaynor "says right now his agency is supporting the Department of Health and Human Services as it monitors the spread of the coronavirus. They are also monitoring tragedies ranging from natural disasters to terrorist attacks." Gaynor: "One of our core goals is to prepared for catastrophic disaster. We are trying to make sure that we are ready for it and our partners our ready for it." WPRI added, "Gaynor says when it comes to acts of terrorism FEMA administers homeland security grants that states can use to prepare." Gaynor: "Billions of dollars open for locals and states to close their gaps on things they need to become stronger when it comes to terrorism. it has to have a terrorist nexus. So, things like cybersecurity is a big deal. Fusion centers, Training exercises, equipment." WPRI added, "Gaynor says his agency s greatest challenge right now is trying to convince people they need to be prepared for disaster."

Trump: Reports On Rural School Closures "More Fake News."

The President took to Twitter yesterday to write, "The Department of Education is NOT closing hundreds of schools in rural areas of our Country. This is just more Fake News. We are investing greatly in our schools, and always will!"

Education Block Grant Plan Faces Resistance In Senate.

CQ Roll Call (3/5, Simon, 154K) reports, "Senate Republicans showed openness Thursday to a Trump administration proposal to streamline 29 federal education programs into a single $19.4 billion state block grant and other changes to federal policies, but a key GOP appropriator suggested those initiatives would still not make it into final fiscal 2021 appropriations language." Democrats on the Senate Labor-HHS-Education Appropriations Subcommittee were "uniformly critical of the $66.6 billion proposal, which would reduce current funding by 7.8 percent." Subcommittee Chairman Roy Blunt (R-MO) "indicated the committee was unlikely to shift primary and secondary education programs addressing school safety, STEM education and after-school education into a state block grant, and would almost certainly not cut TRIO programs or the federal work-study program."

Virginia Increases Protections For Transgender Students.

The Washington Post (3/5, Natanson, 14.2M) reports, "Transgender students attending public school in Virginia can expect more comprehensive safeguards against harassment from peers, teachers and administrators under a measure signed Wednesday by Gov. Ralph Northam (D)." The legislation "requires the Virginia Department of Education to develop and publish rules regulating the treatment of transgender students in elementary, middle and high schools. The guidelines will span topics including bullying, dress codes, school record-keeping and the use of bathrooms."

Carey: Doctorates Face Bleak Job Prospects In Academia.

In a piece for the "UpShot" of the New York Times (3/5, 18.61M), Kevin Carey, the director of the education policy program at New America, discusses the history behind the current "job crisis" in academia, as "young Ph.D.s...despair of ever finding a steady job." Because of supply and demand, the increase in contingent or adjunct faculty has vastly outpaced those achieving tenure, producing a system that is resistant to change because it is "in many ways, good for the winners," Kevin Carey writes. When a "flood of Ph.D.s desperate to keep a toehold in academia depresses adjunct wages, that makes it cheaper for universities to hire them to teach classes and free up time for tenured researchers to do what they enjoy: conduct research." The more tenure becomes a "rare prize, the more the victors may see themselves as uniquely deserving" and until that "changes, the academic labor market will most likely continue to feel like a wasteland."

Trump Retweets Post Praising Brown's Nomination As Air Force Chief Of Staff.

President Trump retweeted a post from Donald Trump Jr. praising the President's nomination of Gen. Charles "CQ" Brown to be Air Force Chief of Staff. Trump Jr. wrote, "Incredible news. If it would have been done by someone other than [LRI]@realDonaldTrump[PDI] you would have heard all about it. But hey, I'll pass it on. White House Nominates Nation's 1st African American Military Service Chief." The President wrote, "My great honor!"

Kushner Divests Stake In Company That Pursued Federal Tax Break.

The New York Times (3/5, Lipton, 18.61M) reports, "President Trump's son-in-law and adviser Jared Kushner is selling his stake in Cadre, a New York-based real estate start-up that has sought to profit from a special tax break included in the package Mr. Trump signed into law in late 2017." According to the article, "as of last year, the venture had moved in at least four cities – including Los Angeles and Nashville – to invest in real estate projects in so-called opportunity zones, which were created by the Treasury Department in 2018 under a provision of the 2017 tax law that was intended to encourage new investment in low-income neighborhoods." However, "a spokesman for Mr. Kushner said he was selling the stake in Cadre, valued on his financial disclosure form at between $25 million and $50 million, because his involvement with the firm was complicating efforts to bring in new investors...given Mr. Kushner's White House work on international affairs."

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Trump To Nominate Judge For DC Appeals Court.

The Washington Post (3/5, Marimow, 14.2M) reports, "The surprising retirement announcement Thursday of a judge on the influential appeals court in Washington gives President Trump another opportunity to make his mark on the federal judiciary." Judge Thomas B. Griffith "told court officials he plans to retire in September just two months before the 2020 presidential election," clearing "the way for Trump to add a third judge to the US Court of Appeals for the DC Circuit, which has been a pipeline for nominees to the Supreme Court." The Post adds "the new vacancy on the D.C. Circuit means Trump will be able to shape the future of the court, which has ruled on a set of separation-of-powers cases involving access to Trump's financial and tax records, congressional subpoenas and administration policies."

Trump Says He Has To Fight Back Against "Fake Media" That Is Part Of Democratic Party.

President Trump said during a town hall with Fox News (3/5, 27.59M), "We get hit so hard and we have a media that is – I say to a large extent it's a part of the Democrat Party, it really is – it's terrible, it's unfair. I call it fake news. I've used that and people are using that I guess all over the world right now and that's the way it is. We have to fight back. If we don't fight back you won't be a fan of mine very long."

Trump Slams Media's Failure To Note All Candidates He Endorsed Won On Tuesday.

President Trump took to Twitter yesterday write, "@GOPLeader Kevin McCarthy informed me that I was 20 for 20 on Tuesday with respect to my Endorsement of candidates. Sadly, I didn't get that information from the Fake News Media. They don't report those things, or the far more than Dems cumulative votes, despite no opposition!"

Gaetz Dismisses Reports Of Bad Blood Between Trump And DeSantis.

Politico (3/5, Dixon, 4.29M) reports that President Trump's "close relationship" with Florida Gov. Ron DeSantis (R) "is souring, and the bad blood is threatening to spill into the president's reelection effort in the nation's biggest swing state." DeSantis "was a Trump loyalist when the president helped propel the two-term Republican congressman into the governor's mansion in 2018." But Trump's Republican allies in the state are saying "behind the governor's back" that "DeSantis isn't doing enough to repay the political debt." However, Rep. Matt Gaetz (R-FL), who is an ally of both Trump and DeSantis, said, "Some selfish politicians and political operatives observe the special relationship between the president and governor with envy, so they try to cast their own hurt feelings as conflict through anonymous quotes to reporters." Gaetz "said the relationship between the two is 'at a zenith,' noting they've worked together on Everglades restoration, hurricane relief, and prescription drug prices."

Facebook Removed Trump Ads That Look Like Census Forms.

USA Today (3/5, Berry, Wu, 10.31M) reports "Facebook will immediately remove Trump reelection campaign ads on its social media site that civil rights groups and Democrats, including House Speaker Nancy Pelosi, complained looked like official Census forms." Facebook said in a statement, "There are policies in place to prevent confusion around the official US Census and this is an example of those being enforced." USA Today adds "the move came just hours after Pelosi criticized Facebook for not stopping Republicans from posting ads that she said could mislead people." The AP (3/5, Schneider, Seitz) notes the ad in question states, "President Trump needs you to take the Official 2020 Congressional District Census today."

The New York Times (3/5, Kang, 18.61M) reports "candidates in this year's presidential election are expected to spend hundreds of millions of dollars on political ads, and the companies have already struggled to enforce consistent policies." Facebook "has taken the most permissive – and most criticized – approach to political speech, allowing candidates and their campaigns to post misleading information and target those messages to specific audiences." The Wall Street Journal (3/5, Glazer, Adamy, Subscription Publication, 7.57M), among other news outlets, also reports the story.

Trump Says Obama And Biden Left A "Mess" Across The Board.

The Washington Times (3/5, Boyer, 492K) reports that during a town hall meeting Thursday in Scranton, Pennsylvania, the birthplace of former Vice President Joe Biden, that was broadcast on Fox News President Trump "criticized the Democratic frontrunner for leaving the country in a 'mess' under former President Barack Obama on everything from trade to military readiness." Trump "acknowledged that his only real conversation with Mr. Obama came in the Oval Office, on the day after he won the election in 2016 and visited the White House to talk about the transition." He said, "It was probably our only meeting, that was enough for me." Trump added that he "did speak to Mr. Obama once more briefly, at the funeral of President George H.W. Bush in 2018." Trump said, "I sat next to him and I said hello. And then I said goodbye. ... That's about it. No, I didn't like job he did, I didn't like the job that he and Biden did. I didn't like the position they put us in. I didn't like what he did to our military."

Politico (3/5, Choi, 4.29M) says Trump "contrasted his acts as president with those of his predecessor, while also complaining that a barrage of Democratic accusations about his conduct had hindered him from fulfilling his entire agenda." Politico describes a "tempered performance" by Trump during the event, Politico says it marked "a stark contrast to the bombast and ire of his campaign rallies, though the substance of what he said often echoed those regular events."

The Scranton (PA) Times Tribune (3/5, Horvath, 174K) reports that supporters who attended the event "used similar words to describe the unconventional commander in chief – authentic, genuine, real." Many "described the president as sincere and misunderstood."

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At Town Hall, Trump Mocks Biden Gaffes, Says "There's Something Going On There."

The New York Post (3/5, Garger, 4.57M) reports that during a Fox News-hosted town hall event held in "Joe Biden's hometown of Scranton, Pennsylvania," President Trump on Thursday "mocked the former vice president's recent series of campaign gaffes, saying, 'there's something going on there.'" Trump "took the shot at Biden when asked...which Democratic candidate he'd rather run against – Bernie Sanders or Biden. 'Mentally, I'm all set for Bernie, communist,' Trump told the audience. 'And then we have this crazy thing that happened on Tuesday, which he thought was Thursday,' he said, referring to a Biden flub where he mixed up the day of Super Tuesday at a Monday campaign stop. 'But he also said 150 million people were killed with guns, and that he was running for the US Senate,' Trump continued."

The New York Times (3/5, Crowley, 18.61M) reports that after making those remarks, Trump added, "There's something going on there," which drew "laughter from the crowd of a few hundred local supporters. The setting, in which he took questions from the audience prescreened by Fox News, was an unusual one for" Trump, "who regularly delivers hour-plus monologues before thousands at campaign rallies in large arenas. His quiet exchanges with polite questioners was a far cry from the shouted slogans and bawdy call-and-response of his typical 'Keep America Great' events." Writing at Townhall (3/5, 177K), Bronson Stocking says, "The crowd laughed as Trump recalled some of Biden's most recent gaffes, but there were several more the president could have mentioned. Trump said, 'in a certain way Bernie would be tougher because he's got a base.' But, after Super Tuesday, the president concluded, 'I think it's going to be very hard for him to come back.'"

Daily Caller: GOP Plans To Take Aim At Biden's Mental "Capacity." Meanwhile, the Daily Caller (3/5, Hasson, 716K) reports, "Republicans are preparing a full court press on...Biden's mental fitness for office in the event that he wins the Democratic presidential nomination," according to "GOP sources." The report adds, "A Trump campaign official told the [Daily Caller] that Biden's 'capacity' will be an issue in a potential general election matchup, echoing language used by Democratic New York Rep. Alexandria Ocasio-Cortez." The Daily Caller adds that Trump "has repeatedly taken shots at Biden, saying the former vice president is 'not playing with a full deck' and 'has lost his fastball.' Trump's campaign has already churned out videos highlighting Biden's struggles."

Florida Poll: Biden 60%; Bloomberg 14%; Sanders 12%; Warren 5%.

The Hill (3/5, Greenwood, 2.98M) reports on a St. Pete Polls survey of 1,882 likely Florida Democratic primary voters, taken March 4, that shows ex-Vice President Joe Biden leading the state's Democratic presidential primary with 61%, followed by ex-New York City Mayor Mike Bloomberg – who dropped out of the race on Wednesday – at 14%, Sen. Bernie Sanders (I-VT) at 12%, and Sen. Elizabeth Warren (D-MA) – who dropped out of the contest on Thursday – at 5%. The Hill says the poll was conducted "the day after Super Tuesday." The New York Post (3/5, Campanile, 4.57M) reports that in a similar poll released late last month, Biden led with 34%, followed by Bloomberg at 25%, Sanders at 13%, and Warren at 4%.

Reuters/Ipsos Poll: Biden Leads Sanders 55%-45% In Head-To-Head National Matchup. Reuters (3/5, Kahn) reports that a Reuters/Ipsos national poll of 568 Democrat and Democrat-leaning independent voters, taken March 4-5, shows Biden leading Sanders 55%-45% in a head-to-head match-up in the Democratic presidential primary. Reuters adds that Biden "is again considered to be the candidate with the best shot at beating [President] Trump. When the poll asked which of the presidential contenders is the most electable, twice as many Democrats picked Biden as those who picked Sanders. Last week, the poll showed Sanders was considered the most electable candidate."

Sanders Focusing On Michigan As Biden Racks Up Key Endorsements In State.

Reuters (3/5, Lewis) reports that "after losing the momentum in the Democratic presidential" primary, Sen. Bernie Sanders (I-VT) "has work to do – and little time to do it – to build the 'multiracial, multigenerational movement' he says will propel him to victory...in November." Reuters says the Sanders campaign "sees Michigan, which votes on Tuesday, as the next major battleground, and launched TV ads there attacking [former Vice President Joe] Biden's support of trade deals that Sanders says sent jobs in the industrial Midwest overseas." According to Reuters, Sanders "canceled a speech in Mississippi planned for Friday to schedule more events in Michigan, an aide said."

Politico (3/5, Caputo, Korecki, 4.29M) reports that in response to Sanders' ads, the Biden campaign is "framing Sanders as a divisive party outsider who won't accept defeat," and "pointed to his bitter Democratic primary fight four years ago with his party nemesis, Hillary Clinton," which "ended with a chaotic nominating convention and...Trump's election months later." According to Politico, "Biden's strategy capitalizes on Clinton's successful effort to brand Sanders as more unlikable than Biden among women, who favored the former vice president by 12 percentage points during his 10-state romp Super Tuesday, according to exit poll averages."

Politico (3/5, Forgey, 4.29M) reports that "although" Sanders "triumphed over Clinton in Michigan during the party's 2016 nominating contest, a Detroit News/WDIV-TV poll released Tuesday shows Biden ahead of Sanders by nearly 7 percentage points in the state." Nevertheless, the New York Times (3/5, Ember, 18.61M) reports that "Sanders aides are confident that Mr. Sanders lines up favorably against Mr. Biden in the industrial Midwest."

On ABC World News Tonight (3/5, story 7, 0:40, Muir, 7.17M), Mary Bruce highlighted Gov. Gretchen Whitmer's (D) Thursday endorsement of Biden, and added, "The Michigan primary will be a critical test on Tuesday, as" Biden and Sanders "battle for working class voters. Now, Bernie Sanders is of course hoping for a repeat of his win there four years ago. Today, canceling a planned rally in Mississippi so he can spend more time in Michigan, instead." Bruce called Sanders' move "a clear sign he's now going all-in on the Midwest."

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Michigan Governor, Detroit Free Press Endorse Biden. The AP (3/5, Eggert) reports Michigan Gov. Gretchen Whitmer (D) on Thursday endorsed Biden ahead of Michigan's March 10 "Democratic primary, giving the former vice president another boost after his success on Super Tuesday. Whitmer, who had not been planning to endorse a 2020 candidate at this time, said Biden 'has our backs.' She cited his work with President Barack Obama to add health coverage for millions of people and to rescue two of the Detroit Three automakers, General Motors and Chrysler, from financial ruin."

The Detroit Free Press (3/5, Egan, 1.52M) reports that Whitmer "is also joining the Biden campaign as one of four national co-chairs, the Biden campaign announced." The Detroit News (3/5, Mauger, 825K) reports, "Appearing on MSNBC's 'Morning Joe,' Whitmer credited Biden for 'working to protect health care,'" and "also highlighted the efforts of...Obama and Biden to save the auto industry during the economic recession." Said Whitmer, "I think the blueprint from 2018 about showing up, focusing on the dinner table issues and getting things done is exactly what Joe Biden represents. And that's why he has my enthusiastic support."

The Washington Post (3/5, Wagner, 14.2M) reports, "In the 2018 Michigan gubernatorial primary, Sanders endorsed one of Whitmer's opponents, Abdul El-Sayed, a former city health director for Detroit." The Hill (3/5, Axelrod, 2.98M) reports that Whitmer, "who was endorsed by Biden during her 2018 gubernatorial bid, has steadily gained a national profile after winning the gubernatorial election two years ago and delivering the Democratic Party's response to President Trump's State of the Union in February. Her endorsement comes just one day after" ex-Gov. Jennifer Granholm (D-MI) "also threw her support behind" Biden. Politico (3/5, Forgey, 4.29M) also reports on the story.

In an editorial, the Detroit Free Press (3/5, 1.52M) on Thursday endorsed Biden. The Free Press says, "The election of either...Biden or...Sanders would signal the resurgence of endangered democratic norms — allegiance to the rule of law, respect for career public servants, and human decency chief among them – that have been under relentless attack since...Trump's inauguration. But the nation, and our closely divided state, would be far better served by the succession of [Biden], whose four decades of experience in Congress and the West Wing have uniquely prepared him to meet the challenges awaiting the next president."

NYTimes' Brooks: With Biden's Surge, "The Establishment Gets One Last Chance." In his New York Times (3/5, 18.61M) column, David Brooks expresses joy over Biden's surge in the Super Tuesday primaries, saying that "the election results this week filled me with more hope than I've felt in years. ... The angry and putrid shouting that has marked the last four years – and that would mark a Trump vs. Sanders campaign – might actually come to an end." However, says Brooks, "the results carried a more portentous message as well. For those of us who believe in our political system, it's put up or shut up time. The establishment gets one last chance."

De Blasio: Blacks Backed Biden Because They Weren't Familiar Enough With His Record. The New York Times (3/5, Taylor, 18.61M) reports that New York City Mayor Bill de Blasio "drew anger on Thursday by suggesting that many African-American voters supported former...Biden...because his record had not been sufficiently examined beyond his connection to former President Barack Obama." Responding to a question on why Sanders "lost decisively to Mr. Biden among black voters in recent" primary contest, "de Blasio suggested those voters did not know enough about Mr. Biden – remarks that some called offensive and condescending." Appearing on MSNBC, de Blaiso said, "It stands to reason if people have a certain amount of information – and I don't blame them for this, I understand it. ... The information that I think people received about Joe Biden was some of his historic connection, which, understandably, means something to people." After host Willie Geist asked, "To Barack Obama, you mean?" de Blasio replied, "Of course."

WPost Analysis: Monday Of This Week Proved To Be A Key Day For Biden's Campaign. Under the headline "The Day Everything Went Joe Biden's Way," the Washington Post (3/5, Johnson, Viser, Janes, 14.2M) reports on how Monday of this week proved to be a critical day for Biden. On that day, ex-South Bend Mayor Pete Buttigieg, who dropped out of the race Sunday, Sen. Amy Klobuchar (D-MN), who ended her campaign Monday, and ex-Rep. Beto O'Rourke (D-TX), a former presidential candidate, all endorsed Biden – moves that the Post says "brought a chaotic cascade of good news for Biden's presidential effort and a mad scramble to maximize a sense of drama and momentum that Biden's campaign had rarely, if ever, enjoyed."

NYTimes Analysis: Soviet Union Sought "To Exploit" Sanders' "Antiwar Agenda."

The New York Times (3/5, Troianovski, 18.61M) reports that then-Burlington, Vermont Mayor Bernie Sanders in the 1980s "wrote to a Soviet counterpart in a provincial city that he wanted the United States and the Soviet Union to 'live together as friends.' Unbeknownst to him, his desire for friendship meshed with the efforts of Soviet officials in Moscow to 'reveal American imperialism as the main source of the danger of war.'" The Times reports on what it describes as "the Soviet effort to exploit Mr. Sanders's antiwar agenda for their own propaganda purposes," citing "89 pages of letters, telegrams and internal Soviet government documents," which, among other things, reveal "how the Kremlin viewed these sister city relationships as vehicles to sway American public opinion about the Soviet Union. 'One of the most useful channels, in practice, for actively carrying out information-propaganda efforts has proved to be sister-city contact,' a Soviet Foreign Ministry document provided to Yaroslavl officials said."

Bloomberg Creates Group Aimed At Aiding Eventual Democratic Nominee.

On the CBS Evening News (3/5, story 7, 0:50, O'Donnell, 4.58M), Ed O'Keefe reported that "CBS News has learned that Mike Bloomberg continues to spend his personal fortune to defeat President Trump. He plans to deploy staff to six key swing states." O'Keefe added that the staff is "going to be tasked with helping the Democratic nominee turn out the vote. The mayor remains deeply committed to defeating the President, his aides say." The Washington Post (3/5, Scherer, 14.2M) reports that Bloomberg "has decided to form an independent expenditure campaign that will absorb hundreds of his presidential campaign staffers in six swing states to work to elect the Democratic

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nominee this fall." The organization "would also be a vehicle for Bloomberg to spend money on advertising to attack...Trump and support the Democratic nominee, according to a" source. Bloomberg, "who is worth more than $50 billion, also has not ruled out using the group to spend money to support former vice president Joe Biden during his primary fight against Sen. Bernie Sanders (I-Vt.)."

Under the headline "Biden Looks To Expand Staff As Bloomberg Weighs How To Help Him," the New York Times (3/5, Martin, Burns, 18.61M) reports that Biden "is moving to hire new aides who he hopes can quickly help him secure the Democratic presidential nomination and then guide him through the general election. Mr. Biden is looking to broaden his communications and political teams and reorder some of the senior-most roles in the operation, according to multiple" sources. The Times adds that Biden "received a new burst of support this week when...Bloomberg...endorsed him and conveyed in a private phone call that he intended to be helpful to Mr. Biden's campaign."

Returning Fire, Trump Mocks Bloomberg With "Spaceballs" Meme. On its website, Fox News (3/5, Wulfsohn, 27.59M) reports that in a Thursday tweet, Trump "lit up Twitter...using a 'Spaceballs' meme to mock...Bloomberg." Fox News says Trump and Bloomberg had traded shots on Twitter a day earlier after Bloomberg quit the Democratic presidential race, with the former Mayor responding to a barb from the President "by sharing a clip from the first "Star Wars" film where Obi-Wan Kenobi battles Darth Vader." On Thursday, Trump "fired back with a meme created by the Twitter account 'Mad Liberals' featuring the 1987 Mel Brooks parody 'Spaceballs' where Lone Star uses his height to his advantage over Dark Helmet. However, Trump and Bloomberg's faces are used. 'Mini Mike, you're easy!' Trump tweeted."

Yang Forming Nonprofit Group Aimed At Promoting Ideas He Pitched During Campaign.

The New York Times (3/5, Stevens, 18.61M) reports that entrepreneur Andrew Yang, "who last month ended his long-shot presidential campaign in which he promoted a universal basic income, argued for data as a property right and called for a 'humanity first' approach to capitalism, announced Thursday that he would create a nonprofit organization tasked with advancing those ideas." The group, "called Humanity Forward, aims to bring Mr. Yang's ideas into the mainstream through conferences and a podcast, and to build pilot programs that might put his ideas into practice." The organization, "which will be based in New York, will focus first on a 'data dividend' project and campaign that would fight on behalf of consumers who want the rights to their personal data, Mr. Yang said."

Warren Ends Campaign Without Endorsing Biden Or Sanders.

Sen. Elizabeth Warren (D-MA) ended her presidential campaign on Thursday, but declined to endorse either Joe Biden or Sen. Bernie Sanders (I-VT). The AP (3/5, Weissert) reports that "outside her Cambridge, Massachusetts, home Thursday, Warren said she wasn't going to endorse anyone right away. 'I need some space and I need a little time right now,' she said, standing next to her husband." Bloomberg (3/5, Pager, Green, Egkolfopoulou, 4.73M) reports "Warren said she believed she could be a bridge between the progressive and centrist wings of the Democratic Party, but the election results showed that was not the case." The CBS Evening News (3/5, story 6, 1:00, O'Donnell, 4.58M) showed Warren saying, "There are two lanes-- a progressive lane that Bernie Sanders is the incumbent for, and a moderate lane that Joe Biden is the incumbent for. And there's no room for anyone else in this. I thought that wasn't right, but, evidently, I was wrong."

Politico (3/5, Thompson, 4.29M) reports that "according to a person with her campaign, Warren is contemplating not endorsing in the 2020 race, endorsing Bernie Sanders, or even endorsing Joe Biden, behind whom the more moderate candidates have consolidated." The New York Times (3/5, Goldmacher, Herndon, 18.61M) reports that Warren's "potential endorsement is highly sought, and both Mr. Sanders and Mr. Biden have spoken with her in the days since Super Tuesday losses sealed her political fate, though she revealed precious little of her intentions on Thursday." According to the Times, "Warren's impact on the race was far greater than just the outcome for her own candidacy. She effectively drove former Mayor Michael R. Bloomberg of New York...out of the race with a slashing debate performance last month."

USA Today (3/5, King, Morin, Groppe, 10.31M) reports Warren's exit has "removed any competition" Sanders "faced for progressive voters," but "that doesn't mean he'll automatically get her supporters." Though Sanders shares the Warren's "liberal ideology and her efforts to rein in the reach of corporations, her supporters tended to be college-educated women who backed structural changes rather than the political 'revolution' Sanders consistently champions." Additionally, "some Warren supporters remain angry at Sanders for not getting out of the race in 2016 and endorsing Hillary Clinton sooner than he did, and for allegedly telling Warren in December that a woman could never win the presidency – a claim he characterized as 'ludicrous.'"

The Washington Post (3/5, Wang, Linskey, 14.2M) reports that "in December's Democratic debate, moderators poked at a dispute that had been brewing for days between Warren and Sanders over a private meeting in 2018 during which Sanders reportedly said a woman could not win the presidency. Onstage, Sanders flatly denied making any such remarks," but Warren, "who insisted she was 'not here to try to fight with Bernie,' said she disagreed with Sanders – suggesting that he had in fact made those remarks."

Reuters (3/5, Ax, Becker) reports Warren "had finished well behind the two front-runners on Tuesday in 14 states, including her home state of Massachusetts, leaving her path to the nomination virtually nonexistent." According to the article, "the vague notion of 'electability,' a frequent buzzword on the campaign trail as Democrats prioritized defeating Republican President Donald Trump over all other concerns, seemed especially damaging for Warren and other non-white male candidates."

On NBC Nightly News (3/5, story 8, 2:05, Holt, 6.1M), Andrea Mitchell reported Warren was asked whether gender played a role in the campaign. ABC World News Tonight (3/5, story 6, 2:55, Muir, 7.17M) showed Warren responding, "Gender in this race? You know, that is the trap question for every woman. If you say, 'yeah, there was sexism in this race,' everyone says, 'whiner.' And if you say, 'no, there

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was no sexism,' about a bazillion women think, 'what planet do you live on?' I promise you this. I will have a lot more to say on that subject later on."

The Washington Times (3/5, Miller, McLaughlin, 492K) reports Warren also "lamented the nation is going to have to wait at least another four years before electing its first female president." The Wall Street Journal (3/5, Jamerson, Subscription Publication, 7.57M) reports Warren called the contest narrowing to two men one of the "hardest parts" about her decision to drop out.

Trump: Warren Did Sanders "No Favors" By Staying In Race Through Super Tuesday. President Trump said during a town hall with Fox News (3/5, 27.59M) that if Sen. Elizabeth Warren (D-MA) were "a true progressive, which probably she is, she should have dropped out three days ago. It would've been a whole different race. Texas was close. She got votes. She didn't do well but she got a lot of votes, far more than the difference. Think about Maine. Maine was almost a tie, they had to wait a day and a half before they could even call it. She came in third and it was a very distant third but she got a lot of votes. ... Bernie Sanders would have won five, six, seven states. ... So, when you look at it, she did him no favors, that was not a good friendship."

Pelosi Blames "Misogyny" And "Insecurities" For Disappointing Showing By Female Candidates. The Washington Examiner (3/5, Pearce, 448K) reports House Speaker Pelosi "said misogyny in the Democratic Party played a part in how the 2020 Democratic presidential primary has played out." Pelosi said, "I do think there is a certain element of misogyny that is there. Some of it isn't really mean-spirited. It just isn't their experience. Many of them will tell you they had a strong mom, they have strong sisters, they have strong daughters, but they have their own insecurities, I guess you would say."

USA Today (3/5, Groppe, Morin, King, 10.31M) reports Pelosi "said she nearly cries every time she is introduced as the most powerful woman in the country." She said, "Because I wish that was not true. I so wish that we had a woman president of the United States. And we came very close to doing that, a woman who was better qualified than so many people who have sought that office and even won it." The article adds that "Pelosi said she has no doubt that America is ready for a female president. But, she said, girls may need to start thinking about being president from the day they're born, the way some men might."

The New York Times (3/5, Lerer, 18.61M) reports that despite "the historic number of women in the 2020 field," the end of Warren's campaign on Thursday raises the question why "no women remained as a serious contender for the nomination." According to the article, "the female candidates made strategic miscalculations, struggled with fund-raising, building support and the rigors of the campaign trail," and "any missteps heightened the doubts that voters already harbored." The Times says "female voters worried the most about the viability of female candidates," pointing to a CNN poll in January that found "eighteen percent of Democratic women said that a woman could not win the White House, compared with 7 percent of men." Additionally, female candidates failed to win endorsements from "prominent women in the party," such as House Speaker Pelosi and Hillary Clinton, and "women's organizations also largely stayed out of the fight."

Likewise, Politico (3/5, Barrón-López, 4.29M) reports, "Elizabeth Warren's exit from the presidential race has left Democrats, including those who supported or ran rival campaigns, evaluating how the party arrived at Joe Biden and Bernie Sanders as the last two candidates standing." According to the article, "Warren likely failed for reasons more than gender: She was competing with Sanders for the progressive mantle, while also arguing she could bridge the two wings of the party better than her opponents." However, "there's few denying, including the candidate herself, that gender played a key role."

Pelosi Faces Challenge From Democratic Socialist.

The Washington Times (3/4, Blake, 492K) reports House Speaker Pelosi will face a challenge from democratic socialist Shahid Buttar in the November general election. Pelosi on Tuesday "easily won the primary contest upon receiving roughly 72.5%, of the vote," and Buttar, while "receiving only 12.7% of the vote," placed second, which "means his name will also appear on the ballot when Californians return to the polls this fall." According to the article, "Mr. Buttar, a 45-year-old lawyer and activist, previously ran in 2018 to replace Mrs. Pelosi but ultimately placed third in the state's primary."

Former Congressman Aaron Schock Comes Out As Gay.

The New York Times (3/5, Zaveri, 18.61M) reports, "Aaron Schock, the Republican who resigned from Congress in 2015 as he faced questions about his adherence to spending rules, came out as gay on Thursday, writing in a lengthy post on his website about the challenges of growing up in a religious household and saying he was wrong to oppose gay marriage." Schock "said he hoped that sharing his story could 'shine a light for young people, raised the way I was, looking for a path out of darkness and shame.'" However, "many people were quick to criticize Mr. Schock on social media, noting that he had opposed L.G.B.T.Q. causes a number of times, including votes against the legalization of same-sex marriage and the repeal of the 'Don't Ask, Don't Tell' policy, and that he did not apologize for those stances in his announcement on Thursday."

Bill Clinton Says He Had Affair With Monica Lewinsky To "Manage My Anxieties."

The New York Post (3/5, Brown, 4.57M) reports, "Bill Clinton claims in a new documentary the affair with Monica Lewinsky that almost destroyed his presidency was one of the 'things I did to manage my anxieties.'" Clinton "says in the Hulu series 'Hillary' that his affair was 'something that will take your mind off it for a while,' according to DailyMailTV." Clinton said, "Everybody's life has pressures and disappointments, terrors, fears of whatever."

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WSJournal: USDA Regulators Should Be Reined In From Rule-Making By Memo.

The Wall Street Journal (3/5, Board, Subscription Publication, 7.57M) editorializes there is some confusion over whether the Department of Agriculture is moving forward with new cattle-identification requirements, despite President Trump's executive orders seeking to restrict agencies from issuing regulatory guidance. With ranchers turning to a federal judge, the Journal says the court should act to restore regulatory clarity.

WSJournal: Supreme Court Should Extend Janus Reasoning To Protect Free Speech Of Lawyers.

In an editorial, the Wall Street Journal (3/5, Subscription Publication, 7.57M) says the Supreme Court on Friday will consider a petition to extend its 2018 Janus decision that struck down mandatory public union fees in a matter involving state bar association dues. While the Journal supports extending the reasoning behind the Janus decision to protect the First Amendment rights of lawyers, as well as in all cases in which governments require individuals to join organizations that engage in political speech, it argues the Court should wait for a stronger case to decide on the constitutionality of state bar association dues.

RCP Average Has Trump's Job Approval At 45%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45%, and his disapproval at 52.4%. The President's job approval is unchanged since yesterday; his disapproval is up by 1.

A Rasmussen poll of 1,500 "likely voters" (3/2-3/4) finds Trump's approval at 48%, with 50% disapproving.

A Reuters/Ipsos survey of 943 "registered voters" (3/2-3/3), meanwhile, has the President's job approval at 44%, and his disapproval at 54%.

Financial International News

No Fiscal Policy Changes Coming In China.

The Financial Times (3/5, Mitchell, Subscription Publication, 1.34M) reports China has no plans to follow the fiscal policy changes the US, South Korea, and Italy made to fight the effects of coronavirus on its economy.

Leading Lebanese Politician Says Country Must Work With IMF To Secure Aid Funds.

Reuters (3/5, Perry) reports leading Druze politician Walid Jumblatt said on Thursday that Lebanon will need to cooperate with the IMF if it wants to secure much-needed international aid, calling for a "joint program" with the Fund. Jumblatt "a major figure in Lebanese politics, also urged close cooperation with Hezbollah to assure the powerful Shi'ite Muslim group that IMF-backed reforms were no threat to Lebanon's sovereignty." In comments to Reuters, Jumblatt "said an IMF-backed programme was the only way for Lebanon to secure financial support," adding, "I just don't see any other way. Neither the Arabs nor the Americans nor even the French are ready to help us without the coordination of the IMF. This is my impression."

Ukraine's New PM Says "Constructive" Work With IMF Will Continue.

Reuters (3/5, Williams, Zinets) reports Ukraine's new PM Denys Shmygal on Thursday "said the government would continue 'constructive' work with the" IMF. Shmygal "outlined a proposal on Wednesday to increase social spending including on pensions, which he signaled would be offset by cuts elsewhere." Shmygal wrote on Facebook Thursday, "Changing the government means that we want even better and faster reforms in Ukraine. The government will continue prudent fiscal policy and constructive cooperation with the International Monetary Fund and other creditors of Ukraine."

IMF Says Argentina Talks "Productive" Despite Little Concrete Progress.

Reuters (3/5, Garrison, Jourdan) reports an IMF team "currently in Argentina has held 'productive' talks with local officials, a spokesman said on Thursday, though there was little detail on concrete progress about reaching a deal over the country's debt crisis." A spokesman for the IMF "said a team in Buenos Aires would complete its trip on Friday and return to Washington to push forward with technical work." The spokesman told Reuters, "Exchanges have been and remain very productive. We will communicate more details about next steps once we have more information."

Leading International News

State Department Spokeswoman: IAEA Reports Show Iran Hiding Nuclear Activities.

State Department spokeswoman Morgan Ortagus said on Fox Business Making Money (3/5) that two new IAEA reports on Iran's nuclear activities "are monumental reports. These show...that we now have more and more evidence of Iran hiding their activities, hiding materials, not being fully compliant. These are things that are not surprising to any of us who had to deal with the Islamic Republic of Iran and a regime that has been hell-bent on pursuing this path. We will continue our maximum economic pressure campaign. ... President Trump has said

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unequivocally that Iran will never obtain a nuclear weapon as long as he is President."

Archive Of Secret Iranian Documents Draws Fresh Scrutiny.

The Washington Post (3/5, Warrick, 14.2M) reports that "in early 2003, a group of Iranian scientists began scouring the country on a secret quest for a place to dig an unusual tunnel," and "finally found what seemed to be the right spot, a Mars-like dead zone regarded as one of the hottest and driest places on Earth." The tunnel was never constructed, "but 17 years later the images and surveys still exist, part of a recently unearthed trove of secret Iranian nuclear documents. The records, now being studied in major Western capitals, are drawing fresh attention as weapons experts seek to answer a suddenly timely question: How quickly could Iran build a nuclear bomb if it decided to do so?"

Putin And Erdogan Reach Idlib Ceasefire Deal.

The AP (3/5, Fraser, Isachenkov) reports that in Moscow yesterday, Russian President Vladimir Putin and Turkish President Recep Tayyip Erdogan announced that they had "reached agreements on a cease-fire to take effect at midnight Thursday in northwestern Syria, where escalating fighting had threatened to put forces from the two countries into a direct military conflict." Putin and Erdogan "also said the deal also envisions setting up a security corridor along a strategic highway in Idlib province." Both presidents "had underlined the need to reach agreement at the start of the Kremlin talks, which lasted more than six hours. One goal had been to prevent damage to their bilateral relations and blossoming Russia-Turkey trade."

The New York Times (3/5, Higgins, 18.61M) reports that the agreement calls for "joint patrols by Russian and Turkish troops of a seven-mile wide corridor along a highway that runs through Idlib eastward from the Mediterranean coast toward the border with Iraq." The Times adds, "The deal, like a previous agreement over Idlib reached by Mr. Putin and Mr. Erdogan in September 2018, is unlikely to end the war in Syria," but "it should at least tamp down a rapidly escalating crisis in Idlib" that has "pushed Russia, a nuclear armed global power, and Turkey, a member of NATO, toward direct military confrontation, a prospect that both countries have been eager to avoid."

The Washington Post (3/5, Khurshudyan, Dadouch, 14.2M) reports that Turkey "has deployed thousands of troops to Syria to prevent President Bashar al-Assad's forces from defeating rebel groups, including Turkish-backed factions, and consolidating government control in Idlib and nearby areas. 'Turkey reserves the right to respond to any attack by the [Syrian] regime's troops,' Erdogan said Thursday." The Post also reports, "Since Feb. 3, 58 Turkish soldiers have been killed by Syrian airstrikes and ground attacks...including two killed Thursday after the talks began." The Post adds that Erdogan claims Turkey "has killed more than 3,200 Syrian soldiers, in addition to destroying tanks, weaponry, air power and ammunition depots." Reuters (3/5, Vladimir Soldatkin/Andrey Ostroukh/, Kiselyova) also covers the agreement.

Trump Says Taliban Can Be Trusted, Want To Make A Peace Deal.

President Trump was asked during a town hall on Fox News (3/5, 27.59M) if the Taliban can be trusted. Trump said, "These warriors, we have been there for 20 years. We are really serving more as a law enforcement group than a military group. We could win the war very easily but I don't feel like killing millions of people in order to do that. ... I had a very good conversation with [the Taliban leader]" and "I believe they really want to make a deal. I think after 19 actually going very close to 20 years, they're also very tired of fighting believe it or not."

Pompeo: Violence Must Ease For Peace Deal To Advance. The AP (3/5, Lee, Baldor) reports that "less than 24 hours after" President Trump said he had a "very good talk" with a Taliban leader and "insisted the militants want to end the violence, a US military drone targeted the group in retaliation for an uptick in attacks against Afghan forces." To the AP, "it made clear the fragility of the US-Taliban deal signed last weekend aimed at ending America's longest war." Speaking to reporters at the State Department yesterday, Secretary of State Pompeo said, "We know that the road ahead will be difficult. We expected it. We were right. The upsurge in violence in parts of Afghanistan over the last couple days is unacceptable. In no uncertain terms violence must be reduced immediately for the peace process to move forward."

A Nexstar (3/5, 31K) report that aired on several of the company's stations across the country, meanwhile, said both the Afghan government and the Taliban are threatening to ignore the provisions of the new peace agreement." State Department spokeswoman Morgan Ortagus was shown saying, "President Trump is committed to bringing our troops home and we are delivering on that promise." The Nexstar reporter said Ortagus "says despite a shaky start to the afghan peace plan, the Administration still believes thousands of us troops should be coming home in the next few months." Secretary Pompeo: "The best chance for peace in a generation," but "we know that the road ahead will be difficult.

Esper Confirms Secret Addenda In Peace Deal. The Washington Examiner (3/5, Mahshie, 448K) reports Defense Secretary Esper said yesterday "that secret addendums to the peace agreement with the Taliban" signed in Doha last week "address violence reduction, reversing prior statements." Speaking to reporters, Esper said, "There are also two implementing arrangements that are not available to the public that address things such as the Taliban's counterterrorism commitments and the withdrawal of forces." He added, "I may be mistaken, but as I recall, the agreement says once signed, we would begin a continued reduction of violence that will continue downward, and as part of the intra-Afghan negotiations, we would move toward a comprehensive cease-fire across the country." The Examiner notes that when questioned last week in the House Armed Services Committee about the existence of "any secret side deals with the Taliban," Esper "denied that any existed."

The New York Times (3/5, Ismay, 18.61M), meanwhile, reports on reactions to the peace among US military veterans who served in Afghanistan.

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Special Operations To Serve As "Backbone" Ahead Of US Withdrawal. The Washington Post (3/5, Lamothe, 14.2M) reports that a "new network of Special Operations forces will serve as the backbone of a smaller US military mission in Afghanistan, hunting Islamic State fighters as the United States withdraws and providing firepower against the Taliban if a peace agreement with the group crumbles, military officials said." The network was established as Army Gen. Austin "Scott" Miller, the top US commander in Afghanistan, "prepared to shrink the number of US troops last summer." According to the Post, the idea was "to improve coordination between coalition and Afghan forces in a way that would still be possible if the number of US service members shrinks, relying on WhatsApp to share information."

Ghani's Rival Backs Release Of Thousands Of Taliban Prisoners. Reuters (3/5, Sediqi) reports Abdullah Abdullah, Afghan President Ashraf Ghani's "main political rival," has said he "supports a Taliban demand for the release of thousands of their prisoners before they will take part in peace talks with the government." Abdullah's "position on the prisoner dispute [is] at odds with that of Ghani."

NYTimes Analysis: Afghan Peace Deal An "Ideal Outcome" For Pakistan. The New York Times (3/5, Mazzetti, Khan, 18.61M) reports that more than 18 years after the 9/11 attacks and "years of secret machinations by Pakistan's spy service to help equip and finance the Taliban, a fragile deal brokered last weekend holds the promise of an ideal outcome for Islamabad: a weak and pliable neighbor that Pakistan can influence long into the future." Pakistan "has long hoped for an end to the grinding violence in Afghanistan and the eventual withdrawal of American forces from the country," but "regional experts warn that Pakistan risks playing a dangerous game if the American military withdrawal leads to a further descent into chaos."

Pompeo: US Will Take "All Necessary Measures" To Bar ICC War Crimes Probe.

USA Today (3/5, Shesgreen, 10.31M) reports Secretary of State Pompeo said Thursday the Administration would take "all necessary measures" to shield US military and other personnel from a war crimes investigation by the International Criminal Court. The international court, based in the Hague, "ruled Thursday that its prosecutors could move forward with an investigation into possible war crimes and crimes against humanity committed by the Taliban, Afghan forces and American military and CIA personnel." Speaking to reporters, Pompeo said, "This is a truly breathtaking action by an unaccountable political institution masquerading as a legal body. It is all the more reckless for this ruling to come just days after the United States signed a historic peace deal on Afghanistan, which is the best chance for peace in a generation." Politico (3/5, Seligman, 4.29M) reports t Pompeo noted the US is not "a party" to the ICC and "indicated Washington will continue its refusal to cooperate with the court."

The Washington Post (3/5, George, 14.2M) reports the Administration "has taken a strong stand against the court's authority, describing attempted investigations involving U.S. forces as attacks on U.S. sovereignty that would subject Americans to unjust inquiries." In April, the Administration "revoked the entry visa of the court's chief prosecutor, and last year Pompeo threatened 'economic sanctions, if the ICC does not change its course,' referring to the investigation of U.S. forces in Afghanistan."

Asked on Fox Business Making Money (3/5) about Pompeo's comments State Department spokeswoman Morgan Ortagus said, "We do not think that is any sort of court or judicial mechanism that of course Americans are used to in the United States. These are at best, a bunch of political actors. This is something that the government of Afghanistan did not want. This is something that the United States did not want. ... We are not a party to the ICC." Ortagus added, "The American people should know that Secretary of State Mike Pompeo and President Donald Trump will do everything to protect Americans, to protect our servicemembers, to protect our diplomats, to protect members of intelligence of the community from rogue multinational political hack organizations like the ICC."

The Washington Times (3/5, Taylor, 492K) says the ICC's decision, "marking the first time the court's 18 year history that prosecutors have been authorized to investigate US forces, flew in the face of longtime rejections by American officials to the court's jurisdiction." Reuters (3/5, Berg) notes that Afghanistan is a member of the ICC, but "Kabul has argued that any war crimes should be prosecuted locally."

US To Clear Israeli Annexations If Palestinians Refuse To Negotiate.

Axios (3/5, Ravid, 521K) reports White House senior adviser Jared Kushner "told senators in a closed-door briefing Wednesday that the Trump administration is pressing ahead with its Middle East peace plan, even with the Palestinians boycotting the process and without a stable government in Israel." With Israel set "to annex areas of the West Bank envisioned as part of Israel under the plan," the Administration is "urging the Palestinians to negotiate, warning that its current plan will move forward without their input if they don't." According to the article, "despite the ongoing political chaos in Israel, the White House feels that because Netanyahu and Benny Gantz, his primary rival, both support the plan it can move ahead."

US Joins Four Other Counties In Introducing New Initiative To Combat Online Child Abuse.

USA Today (3/5, 10.31M) reports Attorney General Barr "announced a new initiative to combat online child abuse in collaboration with four other countries and several technology companies." Barr hoped the voluntary principles will be adopted as a "baseline" in the industry to protect against exploitation.

Sudan Hopes To Persuade US To Remove It From State Sponsor Of Terrorism List.

The Washington Times (3/5, Onyulo, 492K) reports that as Sudan transitions to a new government following "the ouster of longtime ruler Omar al-Bashir in April," it faces spiraling inflation and a shortage of goods. Many in the country are looking to the US "for relief," saying "the

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first crucial step to a real recovery is persuading the Trump administration to remove Sudan from the dreaded list of official state sponsors of terrorism." According to the article, "not all international economists agree, but the feeling is strong in Sudan that shedding the 'state sponsor of terrorism' label will clear the way for a spate of foreign investment and allow the country to receive much-needed International Monetary Fund and World Bank support and help with its $60 billion debt."

Guterres Says He's Pursuing Gender Parity Within UN.

In an interview with the New York Times (3/5, Donner, Gupta, 18.61M), United Nations secretary general António Guterres discussed his pursuit of gender parity in the international organization. Under his watch, the article says, "the U.N. has achieved gender parity at the most senior levels of management, two years ahead of a schedule that he himself set, and he has plans to bring parity to all levels of the organization by 2028." However, critics say Guterres "hasn't done enough to push for gender equality in countries where progress has stalled, or even been reversed," and "more broadly," Guterres has "been criticized for not calling out serious human rights abuses in specific countries."

WSJournal: Macron's Push For Pension Reform Will Help French Economy.

In an editorial, the Wall Street Journal (3/5, Subscription Publication, 7.57M) supports French President Emmanuel Macron's effort to reform the country's public pensions, which he has been pursuing in the face of fierce opposition. If Macron stands firm, the Journal says, he has the opportunity to reshape the French people's relationship with work and help the French economy as well.

Housing

Freddie Mac: Mortgage Rates Fall To All-Time Lows; 30-Year FRM Drops From 3.45% To 3.29%.

The Wall Street Journal (3/5, McCaffrey, Eisen, Subscription Publication, 7.57M) reports mortgage rates fell to a record low Thursday on worries over the economic cost of the coronavirus epidemic. The average rate on a 30-year fixed-rate mortgage dropped to 3.29% from 3.45% last week, according to Freddie Mac – reaching what the Washington Post (3/5, Orton, 14.2M) deems the "lowest level in the history of Freddie Mac's survey of mortgage lenders, which dates to 1971." Meanwhile, the 15-year FRM average fell from 2.95% to 2.79%, and the 5/1 ARM average fell from 3.2% to 3.18%. MarketWatch (3/5, Oh, 1.67M) reports, "The slump in long-term borrowing costs comes after the Federal Reserve carried out a surprise 50 basis point rate cut on Tuesday in face of heightened worries around how the COVID-19 outbreak could threaten the U.S. economic expansion."

Also covering Freddie's latest rates are pieces from the Associated Press (3/5), Bloomberg (3/5, 4.73M), Business Insider (3/5, 3.67M), the New York Post (3/5, Press, 4.57M), Forbes (3/5, Yale, 9.71M), a paywalled piece from Inside Mortgage Finance (3/5, Muolo, Subscription Publication), the Orange County (CA) Register (3/5, 546K), MarketWatch (3/5, Passy, 1.67M), and the Washington (DC) Post's (3/5, Press, 14.2M) Business Highlights.

Khater: Housing Market Continues To Boost Economy. HousingWire (3/5, 23K) reports Freddie Mac Chief Economist Sam Khater said, "Mortgage applications increased 10 percent last week from one year ago and show no signs of slowing down. Given these strong indicators in rates and sales, as well as recent increases in new construction, it's clear the housing market continues to be a positive force for the broader economy." According to MarketWatch (3/5, Passy, 1.67M), however, "An emerging risk that those looking to refinance may want to consider is the possibility of government orders to shelter in place amid the coronavirus outbreak." Furthermore, a shortage of available homes may continue to challenge prospective buyers.

Also reporting on Khater's analysis are National Mortgage News (3/5), M Report (3/5, Albanese), National Mortgage Professional (3/5), Realtor (3/5, 25.12M), Yahoo! Finance (3/5), Newsy (3/5), Dodd Frank Update (3/5), and Seeking Alpha (3/5, Kiesche, 512K).

Capacity Constraints Leading To Wider Spreads.

National Mortgage News (3/5) reports, "Capacity constraints among mortgage lenders are leading to wider spreads between mortgages and the 10-year Treasury yield even after it remained below 1% for an extended period this week. As a result, mortgage rates have stayed flat or even been raised at some lenders. Originators have been overly busy in recent weeks, and higher rates are a tool to manage the flow of business." Behind a paywall, Inside Mortgage Finance (3/5, Muolo, Subscription Publication) reports, "According to Anthony Hsieh, founder and CEO of top-10 lender loanDepot, the mortgage industry might want to ponder creating a 'reservation' system for incoming applicants. At least that's what the veteran mortgage banker suggested on LinkedIn this week." NMN reports that before Freddie released its latest PMMS, Freddie Mac Deputy Chief Economist Len Kiefer said that "spreads on mortgage-backed securities relative to Treasurys which increased last week but are starting to close this week." He added, "Over time I expect to see movements in the 30-year mortgage rate that consumers see to align more closely with 10-year Treasury yields."

Behind a paywall in its Short Takes, Inside Mortgage Finance (3/5, Muolo, Hollier, Subscription Publication) says that although investors currently seem "quite comfortable" with Treasurys, "the benchmark mortgage bond is the 2.50% UMBS (the Fannie Mae/Freddie Mac common security). At some point, investors will realize they can make a lot more money by owning MBS."

Freddie Mac Multifamily Increasing Spreads. Meanwhile, Multi-Housing News (3/5, Fiorilla) reports, "Property owners are furiously

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trying to take advantage of plunging interest rates by attempting to lock in long-term mortgages. ... It may be too soon to judge the ultimate impact of the coronavirus on the economy but borrowing rates have never been lower and property owners are eager to take advantage." Freddie Mac VP of Investor Relations Amanda Nunnink "said about 90 percent of the requests are fixed-rate and about two-thirds are refinancings." According to MHN, "Freddie wins on average just under 40 percent of the deals it quotes, but at the same time both government-sponsored enterprises are subject to a cap of $100 billion of loans in the five quarters between 4Q19 and the end of 2020, so they must decide how to handle the extra requests. At times in the past, the GSEs have raised spreads in order to slow the pace of originations so as not to burn through allocations too quickly. Nunnink said the agency has increased spreads in recent weeks and has maintained a floor on the all-in rate that is 15 basis points below where loan rates are set."

Hunt Arranges $38M Freddie Mac Lease-Up Financing For Winston-Salem Apartments.

In a piece accessible to subscribers, GlobeSt. (3/5, McCurry) reports, "Hunt Real Estate Capital recently secured a $38.2 million Freddie Mac conventional lease-up multifamily loan for EBSCO West End's purchase of a mid-rise apartment building" in Winston-Salem, North Carolina.

Ellie Mae: Millennials Drawn To Refinances By January's Low Rates.

Mortgage Professional America (3/5, Randall) reports, "Refinance activity among millennials borrowers increased in January following several months of decline," according to Ellie Mae's latest Millennial Tracker. The refi bump "corresponded with the average interest rate on all 30-year loans closed by millennials in January dropping to 3.94% from 3.95% in December. The previous two months saw rates rise." Refis made up 31% of all loans closed by millennials in January, compared to 27% in December.

National Mortgage News (3/5) reports, "The average millennial FICO score jumped to 728 from January 2019's 722, but stayed constant from December. At 31.3 years, the average age for millennial borrowers increased from 30.6 the year before and 30.4 month-to-month. Married individuals represented approximately 55% of loans closed, while 45% of primary borrowers were single. Nearly 60% were male, 31% female and 10% unspecified. The average loan amount jumped to $211,218 from $196,140 year-over-year and $206,572 from December."

Fannie Mae Completes Its First Two CIRT Transactions Of 2020.

DS News (3/5, Welborn) reports that after completing its third CAS transaction of 2020, Fannie Mae has now "completed its first two Credit Insurance Risk Transfer transactions" of the year. According to DS News, "CIRT 2020-1 and CIRT 2020-2 together cover $30.7 billion in unpaid principal balance of 21-year to 30-year original term fixed rate loans, previously acquired from July 2019 through October 2019. Combined, these two deals transferred nearly $1 billion of mortgage credit risk, as part of Fannie Mae's ongoing effort to reduce taxpayer risk by increasing the role of private capital in the mortgage market. To date, Fannie Mae has committed to acquire approximately $11.6 billion of insurance coverage on $435.2 billion of single-family loans through the CIRT program, measured at the time of issuance, for both post-acquisition (bulk) and front-end transactions."

Fannie Mae Commits To Invest Up To $50M In LIHTC Fund For Disaster Areas.

DS News (3/5, Welborn) reports that Fannie Mae "has announced that it has committed to invest up to $50 million" in a LIHTC fund that will "support properties in disaster-stricken areas" as part of the GSE's "ongoing commitment to affordable rental housing in underserved markets." According to Affordable Housing Finance (3/5, 32K), "The Federal Housing Finance Agency approved Fannie Mae's reentry into the LIHTC market as an equity investor in November 2017." Since then, Fannie has committed "over $1 billion to LIHTC investments through a diverse group of funds in high-needs areas, including rural and Native American locations." The GSE has also supported "a range of projects for formerly homeless families and individuals and other targeted populations, as well as mixed-income tax-exempt bond transactions."

MFA Financial Preps Its First Non-Agency MBS Backed By Expanded-Credit Loans.

Behind a paywall, Inside Mortgage Finance (3/5, Ivey, Subscription Publication) reports, "MFA Financial is set to issue its first non-agency MBS backed by expanded-credit loans." According to IMF, "All of the collateral in the $406.9 million security was originated by Citadel Servicing Corp., which was recently acquired by HPS Investment Partners."

MBA Cancels Technology Solutions Conference & Expo Over Coronavirus Worries.

HousingWire (3/5, Lane, 23K) reports that the Mortgage Bankers Association "announced Thursday that it is canceling its upcoming Technology Solutions Conference & Expo in California over health concerns" regarding the outbreak of the coronavirus. The MBA said on its website, "MBA is closely following the spread and impact of coronavirus within the context of a large number of upcoming MBA conferences, meetings and MBA Education event. Rest assured that the health and safety of our members, students, and attendees is our top priority."

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ATTOM: Home-Flipping Activity Rose In 2019 Even As Returns Fell.

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HousingWire (3/5, Falcon, 23K) reports that although home-flipping profits "slipped over the past few months...activity continues to increase."

A "new report from ATTOM Data Solutions" indicates that US home flipping has "increased to an eight-year high in 2019," even as "returns have dropped to an eight-year low." ATTOM Chief Product Officer Todd Teta said, "Home-flipping profits across the U.S. dropped again in 2019 as the business of buying and selling houses absorbed its worst year since the housing market was mired in the fallout from the Great Recession. This happened as the cost of buying properties continued to rise faster than gains on resale. That's not to say that the home-flipping industry is tanking or losing its allure for investors because home flipping rates are higher than they've been in eight years. But profits did continue to decline again for investors."

Housing Tech Rundown Features Updates On Snapdocs, Informative Research, Roostify.

In its latest Housing Tech Rundown, HousingWire (3/5, Lloyd, 23K) reports that digital closing platform Snapdocs "announced an integration with the Ellie Mae Digital Lending Platform," fintech Informative Research announced a partner with Finicity, and digital lending platform Roostify "announced that TD Bank has added its home equity solution to the bank's digital home lending platform." M Report (3/5, Albanese) provides additional coverage of Snapdocs' partnership with Ellie Mae.

Column: Housing Industry Needs To Adapt Messaging To Shifting Idea Of The "American Dream."

HousingWire (3/5, 23K) columnist Kristin Messerli says that homebuying is "a unique example of an industry that has largely remained undisrupted through the drastic changes in technology and lifestyle over the last few decades." According to her, "The digital mortgage experience is improving rapidly and many companies are adopting new technology, but the messaging and approach to homeownership seems to be the same as it was in the 1960s. The American Dream still consists of a house in the suburbs with 2.5 children." Last week, Fannie Mae VP Jonathan Lawless said, "The average home was built 35-40 years ago and many homes well before then, but all when the needs were very different. Most of the homes were built in a timeframe when we had totally different demographic living in them."

Researchers Say Reverse Mortgages Still Considered A "Last Resort" To Prep For Retirement.

M Report (3/5, Albanese) says that a "recent report from Reverse Mortgage Daily (3/2, Clow, 43K) highlights a research paper by Peter Knaak, Margaret Miller, and Fiona Stewart on behalf of the World Bank's Finance, Competitiveness and Innovation Global Practice." According to M Report, "Their research claims that even though reverse mortgages could potentially heighten in demand as the world's population ages, such mortgages are still seen as a 'last resort' versus a real option in preparation for retirement." This is "mostly attributed to limited supply and demand, as well as a limited number of providers."

Markets

10-Year Yield Falls.

MarketWatch (3/6, 1.67M) reports the 10-year Treasury yield fell to 0.767 percent.

Dollar Falls To Yen And Euro.

Reuters (IND) (3/5, Cole) reports, "The dollar nursed savage losses against the yen and euro on Friday as a plunge in US yields to record lows wiped out the currency's single greatest attraction for investors – higher interest rates." The dollar sank "to a six-month low on the yen at 105.96 having shed 1.2% overnight." Meanwhile, the euro was "at $1.1226 on Friday having surged 0.9% overnight and a world away from the February trough of $1.0775."

Gold Rises.

Reuters (IND) (3/6, Sistla) reports, "Gold rose on Friday, on track to post its biggest weekly gain since late October 2011, over fears that the global coronavirus outbreak could deal a hard blow to the world economy." Spot gold "was up 0.2% to $1,674.20 per ounce by 0813 GMT," while US gold futures "rose 0.4% to $1,675.20."

Oil Drops 1%.

Reuters (3/6, Zhang) reports, "Oil slid 1% on Friday as worries about global oil demand and economic growth slowdown caused by the coronavirus outbreak were heightened by concern over non-OPEC crude producers not yet having agreed to cut output further to support prices." Brent crude "fell 49 cents, or 0.98%, to $49.50 per barrel by 0735 GMT," while West Texas Intermediate "was down 46 cents, or 1%, at $45.44 per barrel."

Cybersecurity

DOJ Releases Guidance On Gathering Threat Intel From Dark Web.

MeriTalk (3/5) reports, "The Department of Justice (DoJ) is offering up a list of legal considerations for industry to consider when gathering online cyber threat intelligence and possibly viewing or acquiring data from illicit sources." MeriTalk adds, "The document was prepared by DoJ's Cybersecurity Unit (CsU) in response to questions from industry, and is intended to 'help organizations adopt effective cybersecurity

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practices,' and make sure they do that legally. 'This document focuses on information security practitioners' cyber threat intelligence gathering efforts that involve online forums in which computer crimes are discussed and planned and stolen data is bought and sold,' the documents reads. 'It also contemplates situations in which private actors attempt to purchase malware, security vulnerabilities, or their own stolen data – or stolen data belonging to others with the data owners' authorization – in 'Dark Markets.'"

Government Computer News (3/5, Johnson) reports, "Researchers have many questions about the legality of cybersecurity intelligence gathering. For instance, passively lurking on online forums to gather intelligence – even information that touches on criminal conduct – is usually legal as long as the researcher is using legitimate credentials. However, DOJ said using exploits or 'other techniques' to access or gather information from the server or system on which the forum operates could be viewed as gaining unauthorized access. More active actions, like posing questions or directly soliciting advice, can also present a 'marginal legal risk' to researchers depending on whether their interaction furthers a crime." JD Supra (3/5, 3K) also reports.

Lankford Says US Boosts Election Security As Russia Interference Continues.

The Edmond (OK) Sun (3/5, 29K) reports Sen. James Lankford (R-OK) said Russia continues its effort to interfere with American elections. He said, "A lot has changed in election security from 2016 to 2018, and now certainly to 2020." Lankford "said that whether progressive, moderate, or conservative, Oklahomans don't want their votes tampered with by a foreign government. Russia is responsible for attempting two distinct types of election interference." Lankford told The Edmond Sun, "One is the tampering – trying to get into devices. The other one is false information and influence." Lankford "added that millions of dollars has been invested into election security both in Washington, DC, and among the 50 states, including $5 million in federal dollars to Oklahoma."

T-Mobile Discloses "Sophisticated Attack" May Have Exposed Customers' Personal Information.

The Washington Times (3/5, Blake, 492K) reports T-Mobile has begun "informing its wireless customers that a recently detected data breach may have resulted in the compromise of their personally identifiable information." Notices posted on T-Mobile's website "says the telecommunications company recently became aware of a 'sophisticated attack' that could have potentially exposed customer records." The notices read, "Our Cybersecurity team recently identified and shut down a malicious attack against our email vendor that led to unauthorized access to certain T-Mobile employee email accounts, some of which contained account information for T-Mobile customers and employees."

US Cyber Command Determining Appropriate Structure To Achieve Mission.

Politico (3/5, Starks, 4.29M) reports in the Morning Cybersecurity column that US Cyber Command "said will work to determine if its Cyber Mission Force is constructed properly to meet all of its recent missions." Army Gen. Paul Nakasone "said during a House Armed Services subpanel hearing. The 133-team, roughly 6,200-person cadre of personnel that conduct cyber operations was conceived in 2012 and since then has taken on election support, combating foreign influence operations and defending the data and weapons systems of the armed forces." He said, "What we are doing, given all of those missions, is, through a series of exercises this year, looking to gather data. What is the right size force that we need? Obviously as a commander I would tell you that I never have enough forces. But what I do need is I need the ability to show that in data."

Federal Computer Week (3/5, Williams, 263K) reports the head of Cyber Command is "preparing to ask for more personnel as the organization's election security role expands and cybersecurity threats evolve." During a March 4 budget hearing of the House Armed Services Subcommittee on Intelligence and Emerging Threats and Capabilities, Nakasone "said the organization is 'gathering data' to determine whether it has the right number of personnel to match current responsibilities." He said, "We see across our services the necessity, not just to defend networks, but also to be very careful in defending our data and our weapons systems."

Nakasone Prioritizes National Election Security. ExecutiveGov (3/5) reports Nakasone "considers election security as his priority and said federal agencies are ready to address potential foreign interferences." He discussed this priority "to a panel during a House Armed Services subcommittee hearing that took place Wednesday." Nakasone "said his command and other agencies have been coordinating on election threats, making the 2018 elections seem like a 'pickup game' in comparison with Tuesday's primary election."

DOD Official Says Canadian, US Military Equipment Vulnerable To Cyberhacking.

The National Post (CAN) (3/5, 75K) reports top defense officials said in Ottawa Thursday that Canada and the US are collaborating "to make their high-tech military equipment less hackable, but they have a lot of work to do." Speaking to the Ottawa Conference on Security and Defence, Ellen Lord, the US undersecretary of defence for acquisition and sustainment, "suggested US military officials have long made excuses for not addressing the vulnerabilities in their equipment." Lord said, "That is no longer acceptable. We are going to start shutting equipment down if they are not brought up to standards because every day we see the intel, we see how much has been compromised in what we do." Lord's comments follow "a growing recognition about the extent to which cyberattacks threaten not only targets such as computer networks, but all manner of devices – including fighter jets and warships – in an increasingly connected world."

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House Approves Bill Banning TikTok On TSA Devices.

The Hill (3/5, Miller, 2.98M) reports the House on Thursday "approved a bill that would ban TSA officials from downloading social media app TikTok onto government-issued devices." The ban was approved "as part of the Rights for Transportation Security Officers Act, which a bipartisan majority of the House passed by a vote of 230-171." The ban on TikTok "was added to the bill by an amendment approved unanimously." Rep. Abigail Spanberger (D-VA), the lead sponsor of the amendment, "said on the House floor ahead of the vote that TikTok 'presents a significant counterintelligence threat.'"

In reaction to the closer oversight, the Wall Street Journal (3/6, Wells, Subscription Publication, 7.57M) reports TikTok announced that it had hired a chief information security officer in an effort to reassure regulators and lawmakers that it is effectively protecting users' data. The new cybersecurity official, Roland Cloutier, arrives at TikTok from ADP, where he was the top security official at the payroll-services provider. Reuters (3/5, Wang) reports, TikTok's new cyber security expert Roland Cloutier is it's first chief information security officer and will make him "the most senior official in the company in charge of cyber security." Prior to ADP, Cloutier spent more than "a decade serving in the United States Air Force, Department of Defense and Department of Veterans Affairs."

UK Conservative MPs Will Seek To Ban Huawei Equipment From 5G Network.

The Financial Times (3/5, Payne, Subscription Publication, 1.34M) reports senior British Conservative MPs intend to approve a law next week blocking the inclusion of Huawei equipment in the UK's telecoms networks, including 5G infrastructure, after 2022.

Trump Administration Reviewing Removal Of Military, Intelligence Assets From UK Over Huawei Deal.

National Review (3/5, Hoonhout, 731K) reports the Trump Administration's National Security Council "launched a review this week of what military and intelligence assets will be withdrawn from Great Britain if the UK goes ahead with its 5G deal with Huawei." US officials "told Bloomberg's Eli Lake that the assessment is being conducted in response to Huawei 'putting smart antennas and computers run by the Chinese Communist Party all over our closest ally.'" President Trump "reportedly 'tore into' Johnson in a phone call over the deal, as the US has warned allies in the past that there would be consequences for dealing with Huawei, but has struggled to come up with 5G alternatives to the Chinese giant."

US, UK And Estonia Accuse Russia Of Cyber Attack On Georgia.

The AP (3/5) reports The US, UK and Estonia "accused Russia's military intelligence Thursday of conducting cyber attacks against the Georgian government and media websites in an attempt 'to sow discord and disrupt the lives of ordinary Georgians.'" The three countries "raised the issue at the Security Council after Georgia's ambassador wrote to the UN's most powerful body in February about the large-scale attack in October." Estonian Ambassador Sven Jurgenson read a statement afterward, "saying the cyber attacks 'are part of Russia's long-running campaign of hostile and destabilizing activity against Georgia and are part of a wider pattern of malign activity.'" The three Western countries "said the attacks demonstrate 'a continuing pattern of reckless ... cyber operations against a number of countries' by Russia's GRU military intelligence."

Federal Reserve

Williams: Central Bankers Aligned In Fighting Coronavirus Fallout.

The New York Times (3/5, Smialek, 18.61M) reports New York Fed President John C. Williams "made clear on Thursday evening that officials viewed the emergency rate cut they approved earlier this week as part of an international push to cushion the economy as the coronavirus threatens global growth." To the Times, Williams' statement "is significant, in part because global policymakers were criticized for failing to satisfy market expectations for a coordinated rate cut among major economies." The Wall Street Journal (3/5, Derby, Subscription Publication, 7.57M), Reuters (3/6, Marte), and Fox Business (3/5, De Lea, 1.73M) also report.

Kaplan To Reassess Fed Plan To Wind Down Bond Purchases.

Reuters (3/6, Saphir) reports Dallas Fed President Robert Kaplan "said on Thursday that he will be reviewing whether the Fed ought to continue with its plan to curtail bond purchases and repo operations this spring, after the Fed earlier this week delivered an emergency rate cut to soften the impact of a slowdown due to the spread of the coronavirus." Kaplan said in comments to reporters, "I would not at this point talk about making changes to that plan, but I think we will have to continue to monitor it and assess it, and we have time to do that." Bloomberg (3/6, 4.73M), The Wall Street Journal (3/5, Derby, Subscription Publication, 7.57M), and MarketWatch (3/5, Robb, 1.67M) also report.

Kashkari: Fed's Emergency Cut Appropriate, Could Presage Further Cuts If Coronavirus Impact Worse Than Expected.

Reuters (3/6) reports Minneapolis Fed President Neel Kashkari "said on Thursday that he supported the U.S. central bank's emergency interest rate cut this week, and added the Fed could cut rates further if the impact of the coronavirus [illegible] Kashkari said, "This was an insurance that we took out because nobody knows how bad the virus is going to be," adding that the uncertainty would likely

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cause companies to ramp down their operations.

Regulators Postpone CRA Conference Citing Coronavirus.

American Banker (3/5, Lang, Subscription Publication, 31K) reports the Federal Reserve, OCC, and FDIC "are postponing next week's National Interagency Community Reinvestment Conference due to growing health concerns about the coronavirus, the agencies said Thursday." The biennial conference was set to take place in Denver from March 9 to 12 and be co-hosted with the Fed's regional banks in San Francisco, Kansas City and Chicago. The event was meant to provide updates on the Community Reinvestment Act reform, as well as "compliance training for banks and discussions on new community development trends and issues."

Reuters (3/5, Dunsmuir) reports that in a statement, the agencies said they "jointly made this decision out of an abundance of caution to help safeguard the health and well-being of the more than 1,300 registered conference participants."

Bloomberg Law (3/5, Subscription Publication, 4K) and HousingWire (3/5, Howley, 23K) provide similar coverage.

Major Banks' Demand For Fed Liquidity Stayed Strong Thursday.

The Wall Street Journal (3/5, Derby, Subscription Publication, 7.57M) reports major banks' demand for liquidity from the Fed stayed strong Thursday, though demand for overnight loans reduced slightly. The Fed's overnight repos totaled $87.36 billion, under the $100 billion the central bank was ready to offer. The overall level of repos fell by $17.6 billion to $177.4 billion due to the expiration of old operations. Reuters (3/5, Pierog) also reports.

Financial Regulatory Agencies

FDIC To Offer 1,200 Voluntary Buyouts To Thwart Retirement Wave.

American Banker (3/5, Subscription Publication, 31K) reports the FDIC "will offer 1,200 of its permanent employees – representing 20% of the agency's permanent workforce – voluntary early retirement and separation buyout packages, the agency said Thursday." The move is intended "to thwart the FDIC's coming retirement wave and ensure better continuity in its workforce as it prepares to confront future challenges to the banking industry." The agency's inspector general predicted in a February report that more than 42 percent of FDIC staff will be eligible to retire within five years, warning that a wave of retirements could leave the agency "short-staffed in the event of a banking crisis."

Internal Revenue Service

Former Head Of IRS Criminal Investigation To Lead New Fraud Enforcement Office.

Law360 (3/5, Moroses, Subscription Publication, 8K) reports the IRS on Thursday "announced that the former head of its criminal investigation unit will be the director of its newly formed fraud enforcement office."

Office of the Comptroller of the Currency

OCC Announces Proposals Regarding Licensing Requirements For National Banks.

American Banker (3/5, Pedersen, Subscription Publication, 31K) reports the OCC on Thursday "announced a flurry of new regulatory relief proposals" regarding licensing requirements for banks "seeking to engage in certain corporate transactions or other activities." Proposed changes "include allowing national banks to follow certain procedures now more relevant for state-chartered banks, expanding an expedited review process related to a bank's operating subsidiaries, and permitting banks to invest in certain entities that have not agreed to OCC oversight, among other things."

The ABA Banking Journal (3/5) provides similar coverage.

OCC Publishes Third-Party Risk Management FAQs.

The ABA Banking Journal (3/5) reports the OCC on Thursday "clarified its expectations for banks' management of relationships with third-party providers, including fintech firms, cloud services providers and data aggregators." The OCC "published a set of FAQs intended to supplement 2013 guidance on third-party risk management and reflect evolving industry trends."

Waters Calls On Wells Fargo Board Members To Resign.

The New York Times (3/5, Flitter, 18.61M) reports Rep. Maxine Waters (D-CA) on Thursday called for two members of Wells Fargo's board of directors to resign, saying they neglected their duties. Waters said Wells Fargo directors Betsy Duke and James Quigley "had a clear dereliction of duty as board members." Waters' call came the day after the House Financial Services Committee "released details of an investigation of Wells Fargo," which "found that senior Wells Fargo leaders took a cavalier approach to dealing with the bank's problems." Waters also told reporters, "I'm looking very closely and considering whether or not there will be a referral to the Department of Justice about that." Comptroller of the Currency Joseph Otting in a statement Thursday called Wells Fargo's behavior and its failure to fix its problems "unacceptable for this or any other bank." Otting added that he was "encouraged" by early actions taken by Wells Fargo's board.

Reuters (3/5, Moise, Schroeder) The Washington Post (3/5, Merle, 14.2M), and The Hill (3/5, Lane, 2.98M) provide similar coverage.

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OCC Clashes With Waters' Staff Over Wells Fargo Probe. Politico (3/5, Warmbrodt, 4.29M) reports that a yearlong congressional probe into Wells Fargo "ended in a standoff" between House Financial Services Chairwoman Maxine Waters (D-CA) and the Office of the Comptroller of the Currency "over the potential public release of sensitive information." The OCC "warned" Waters "in a letter Wednesday just before the release of her findings that committee staff had ignored the agency's concerns about disclosing information that could affect OCC probes, enforcement actions related to former Wells Fargo executives and supervision of the bank." OCC Chief Operating Officer Morris Morgan "said in the letter to Waters that the House committee staff had argued that it was in the public's interest to know the internal details of how Wells Fargo is supervised." But that justification "ignores the fact that the best interest of the public is also served by the OCC being able to perform its supervisory work without the disruptions that will inevitably flow from a disclosure of this depth and breadth," Morgan wrote. Comptroller Joseph Otting "did not publicly weigh in on the dispute."

House Report Reveals How Regulators Worked To Oust Ex-Wells Fargo CEO Tim Sloan. American Banker (3/5, Wack, Subscription Publication, 31K) reports, "At a congressional hearing in March 2019, Wells Fargo CEO Tim Sloan testified that the bank was in compliance with provisions of an 11-month-old regulatory order." The next day, OCC staff "shared copies of the hearing transcript and questioned the accuracy of Sloan's testimony, according to a new report from House Democrats." In an internal email, a senior agency official asked, "Have we told them they are in compliance?" Another official "responded that the San Francisco bank was not in compliance with one of two portions of its remediation plans." Sloan was out as CEO less than two weeks later, and while the bank said Sloan decided to retire, the report "reveals previously undisclosed moves that regulators made behind the scenes to force a change at the top" of Wells Fargo. The report "confirms long-standing suspicions that the OCC helped to oust Sloan, though it also shows that the Federal Reserve Board played a significant role."

Law360 (3/5, Subscription Publication, 8K) and The Hill (3/5, Lane, 2.98M) provide general coverage of the House report.

Regulators' Madden Fixes Prompt Calls For National Rate Cap.

American Banker (3/6, Subscription Publication, 31K) reports on the lack of progress in Congress on setting a national rate cap. However, "calls for a national rate cap from progressive members have picked up in response to proposals by the Office of the Comptroller of the Currency and Federal Deposit Insurance Corp. that dealt with loans sold across state lines." In response to Madden v. Midland Funding, the agencies "clarified that when a national bank sells a loan, the same interest rate can survive to both ends of the transaction."

Editorial Wrap-Up

Washington Post.

"What Schumer Needs To Learn From His Dangerous Supreme Court Comments." The Washington Post (3/5, 14.2M) editorializes that Senate Minority Leader Chuck Schumer yesterday "walked back the offensive comments" Thursday, saying "he 'shouldn't have used the words I did.' That is an understatement." The Post adds "the negative reaction" to Schumer's remarks "was swift and ran the gamut from liberal Harvard law professor Laurence Tribe to...Roberts Jr., who immediately, publicly – and justifiably – responded that 'threatening statements of this sort from the highest levels of government are not only inappropriate, they are dangerous.'" To the Post, "Schumer and his fellow Democrats need to learn from this episode," and he "should remember the next time he's tempted to fight the president with his own methods."

"The McGahn Ruling Could Shred Congress's Ability To Oversee The Executive Branch." The Washington Post (3/5, 14.2M) says that if the ruling from the US Court of Appeals for the District of Columbia Circuit "that it could not order former White House counsel Donald McGahn to appear before the House Judiciary Committee, though the committee issued a subpoena that Mr. McGahn flouted, on President Trump's orders," is allowed to stand, it "would shred Congress's ability to oversee the executive branch." The Post argues that although the court "refused to act, to the benefit of the president, under the legal doctrine that courts should avoid involving themselves in political controversies," the "the legal question in this case is simple: Is the subpoena valid? The courts should answer, not duck."

"China Is Using The Cover Of Coronavirus To Escalate Its Repression In Hong Kong." The Washington Post (3/5, 14.2M) editorializes that the pro-democracy demonstrations "that rocked Hong Kong last year have lulled, in part because the city is under partial lockdown to prevent the spread of the coronavirus. You'd think Chinese Communist authorities and their hugely unpopular representatives in the city would breathe a sigh of relief and focus on keeping the population healthy. Instead, they chose last week to escalate the repression of opposition leaders."

Wall Street Journal.

"Big Labor's Big Crooks." In an editorial, the Wall Street Journal (3/5, Subscription Publication, 7.57M) puts the charges against the former UAW official in the context of what it sees as widespread corruption with the Labor movement, indicating that since the beginning of 2019 at least 60 union officials have either been convicted or pleaded guilty to union-related crimes.

"Free Speech For Lawyers." In an editorial, the Wall Street Journal (3/5, Subscription Publication, 7.57M) says the Supreme Court on Friday will consider a petition to extend its 2018 Janus decision that struck down mandatory public union fees in a matter involving state bar association dues. While the Journal supports extending the reasoning behind the Janus decision to protect the First Amendment rights of lawyers, as well as in all cases in which governments require individuals to join organizations that engage in political speech, it argues the Court should wait for a stronger case to decide on the constitutionality of state bar association dues.

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"Macron Doesn't Blink On Pension Reform." In an editorial, the Wall Street Journal (3/5, Subscription Publication, 7.57M) supports French President Emmanuel Macron's effort to reform the country's public pensions, which he has been pursuing in the face of fierce opposition. If Macron stands firm, the Journal says, he has the opportunity to reshape the French people's relationship with work and help the French economy as well.

"Cowboy Regulators Need To Be Lassoed." The Wall Street Journal (3/5, Board, Subscription Publication, 7.57M) editorializes there is some confusion over whether the Department of Agriculture is moving forward with new cattle-identification requirements, despite President Trump's executive orders seeking to restrict agencies from issuing regulatory guidance. With ranchers turning to a federal judge, the Journal says the court should act to restore regulatory clarity.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Stocks Close Sharply Lower As Anxiety About Virus Returns
Mortgage Rates Hit Record Low, But Coronavirus May Deter Buyers
JPMorgan CEO Jamie Dimon Is Recovering After Emergency Heart Surgery
"Sometimes They're Angry With Us And That's OK": Boeing And 737 MAX Families Form Painful Partnership
Everyone Wanted To Touch The Orb. Then It Was Gone.

Washington Post:

As Warren Exits, Gender Issue Arises Anew
Cruise Ship In Limbo Off Calif. Over Virus Fears
State Of Emergency Declared In Md. After 3 Confirmed Cases
If Iran Wants A Bomb, It Won't Start From Scratch
Drug Firms' Facebook Ads Spur Privacy Concerns

New York Times:

'Almost Without Precedent': Airlines Hit Hard By Coronavirus
Elizabeth Warren, Once A Front-Runner, Drops Out Of Presidential Race
Was It Always Going To Be The Last Men Standing?
Judge Calls Barr's Handling Of Mueller Report 'Distorted' And 'Misleading'
As Bernie Sanders Pushed For Closer Ties, Soviet Union Spotted Opportunity
'It's Pure Panic': A Wrenching Wait At Nursing Home Where Coronavirus Took Hold

Financial Times:

Elizabeth Warren Ends US Presidential Campaign
US Official Hits Out At Hoarding Of Coronavirus Medical Supplies
Dubai Ruler Oversaw Threats To Wife And Abduction Of Daughters, Court Rules
James Murdoch Makes Investment To Combat Fake News

Washington Times:

'Tip Of The Spear': Pence Praises Washington State's Effort To Battle Coronavirus
More Than A Dozen Republican Senators Move To Censure Schumer
Border Officials Tackle Deportation Backlog As Illegal Immigration Arrests Plunge
Warren Strands Supporters By Exiting Without Endorsement
Free Of Strongman, Sudan Looks To US For Financial Relief

Story Lineup From Last Night's Network News:

ABC: Coronavirus-CA; Coronavirus-NYC; Coronavirus-Expert Comment; Coronavirus-Global Impact; Stocks; Dems 2020-Warren; Dems 2020; Weather Report; Weinstein-Transferred to Rikers; Idaho-Missing Children; NYC-Violent Police Arrest; Los Angeles-Driver Collides With Commuter Train; Tennessee-Couple Married for 58 Years Die Together in Tornado.

CBS: Coronavirus; Coronavirus-Virtual Patient Visits; Coronavirus-Price Gouging; Coronavirus-Pence; Coronavirus-Expert Comment; Dems 2020-Warren; Dems 2020; Idaho-Missing Children; 'Time' Magazine-Accomplishments of 100 Women; NASA-7th Graders Wins Essay Contest To Name New Mars Rover; Tennessee-Celebs Donate Money; Tennessee-Volunteers Help Clean Up Nashville.

NBC: Coronavirus; Coronavirus-Pence; Coronavirus-Childcare; Stocks; Coronavirus-Trump; Coronavirus-Expert Comment; Coronavirus-Price Gouging; Dems 2020-Warren; Schumer-Apology; Tennessee-Celebs Donate Money; Weinstein-Transferred to Rikers; Harry And Meghan Royal Farewell.

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Network TV At A Glance:
Coronavirus – 30 minutes
Dems 2020-Warren – 6 minutes

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Coronavirus; Coronavirus-Pence; Alabama-Execution of Prisoner Who Killed Officers in 2004; Biden v. Bernie; Tenessee-Tornado Damage.
CBS: Coronavirus; Stocks; Dems 2020-Warren; Tenessee-Tornado Damage; UAW President Charged With Corruption; Wall Street.
FOX: Coronavirus-Pence; Coronavirus-NYC; Alabama-Execution of Prisoner Who Killed Officers in 2004.
NPR: Coronavirus; Coronavirus-Pence; Dems 2020-Warren; ICE-Migrant Children Therapy Sessions Notes; Wall Street.

Last Laughs

Late Night Political Humor.

Conan O'Brien: "Elizabeth Warren announced she's ending her presidential bid. Yeah. Apparently America isn't ready to have a President who is only 70."

Conan O'Brien: "Last night, President Trump appeared on Fox News and says he has, quote, 'a hunch' the coronavirus isn't as bad as health experts say. And, ladies and gentlemen, I have a hunch we're all gonna die."

Trevor Noah: [On Sen. Elizabeth Warren commenting on if gender was a factor in the presidential campaign] "Elizabeth Warren has a good point, yeah, because, like it or not, there was some truth she dropped there. A woman addressing sexism or ignoring it while running for President is either going to be seen as a whiner, or living on another planet. Which is unfair, especially since the President is already a whiner who lives on another planet."

Trevor Noah: "Whether you think sexism played a role or not, you have to admit it's pretty strange that a race that started with a broad tap industry of candidates is now basically down to two old white men. They're so old, no matter which one wins, Donald Trump will be the youngest person in the race. Think about that."

Trevor Noah: "And now the big question is, who is Elizabeth Warren going to endorse? Biden or Bernie? Is she going to swipe right or really far left?"

Trevor Noah: "Yes, good news! Trump has a hunch that coronavirus is not as deadly as people think. In fact, he personally has a feeling that the death rate is lower than one percent. ... Honestly, I don't know why Trump is doing this. Why is he being, like, it's not that bad, acting like the virus is no big deal. No one is blaming Trump for coronavirus. People just don't want him ignoring it like it will just go away. This is a global pandemic, not his son Eric."

Jimmy Kimmel: [On Pres. Trump saying he has a 'hunch' that the coronavirus is a mild illness] "Donald Trump has a hunch. Here's thing. If you're President of the United States, you don't go with hunches. You have the world's greatest scientists, you go with them, you listen to them. The only hunch you should have is the one in your back when you're leaning over that 12-piece bucket of KFC."

Stephen Colbert: "Yet another candidate has dropped out of the Democratic race, and we're getting a clearer picture of America's future, and it looks a lot like America's past."

Stephen Colbert: "Warren is gone now. That's it. She's out of the race. Further proof that America cannot have nice things."

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Stephen Colbert: "[Warren] had a plan for everything: a healthcare plan, an immigration plan, a student loan plan. And her most popular

plan of all: knee-capping Michael Bloomberg with a croquet mallet."

Stephen Colbert: [On Sen. Warren's comment that the Democratic party only has two lanes] "Yes, despite her best effort, that Democratic road still has just two lanes, and two drivers who probably should have their keys taken away."

Stephen Colbert: [On Sen. Warren saying that she had to break pinky promises] "Are you happy America? You made Elizabeth Warren break her pinky promise. Now she has to hope to die and stick a needle in her eye."

Stephen Colbert: "So now it's down to Biden and Sanders. Showdown at high noon, right before they both eat dinner."

Stephen Colbert: "Coronavirus continues to spread...so last night, Donald Trump went on Fox News to lie about everything. Specifically, he lied about the most recent World Health Organization estimate that the global death rate of the coronavirus is 3.4%. ... Science is not based on hunches. That's why Bill Nye the Science Guy is more successful than his rival Phil Munch, Man of Hunch."

Stephen Colbert: "Trump backed up his fake hunch with fake math. ... This isn't 'The Art of the Deal!' You can't negotiate with science!"

Stephen Colbert: [On Pres. Trump saying people with coronavirus go to work and are fine] "Go to work? Maybe some of them do go to work, but they shouldn't go to work. Because that's a good way to spread a pandemic. Trump's like the mayor in 'Jaws,' but worse. (As Trump) 'Don't listen to the sheriff. The beaches are open for summer! A lot of people going to get attacked by a shark, but a lot of people aren't. You never hear about the hundreds of thousands of people who don't get chomped up. Some of them will get their leg eaten off. But they'll come to shore, and they'll get better just by sitting around. Their legs will grow back; I have a hunch.'"

Stephen Colbert: "For once, Congress has stepped up, because first the House – and then today, the Senate – both passed an $8.3 billion emergency spending package to respond to the coronavirus outbreak. Dang, with that kind of money, you could go on Amazon and buy six face masks!"

Jimmy Fallon: "Well, you guys, earlier today, Elizabeth Warren announced that she is dropping out of the presidential race. Yeah, after a lot of thought and reflection, Warren realized she was overqualified for the job."

Jimmy Fallon: "Elizabeth Warren suspended her campaign. Most Democrats were pretty sad, while Mike Bloomberg threw a party and got back in the race."

Jimmy Fallon: "Now that Warren is out of the race, Joe Biden and Bernie Sanders are both trying to win her support. That's right, two guys in their late 70s are fighting over a woman. This doesn't sound like an election; it sounds like an episode of 'The Golden Girls.'"

Jimmy Fallon: "Meanwhile, ahead of Michigan's primary, Joe Biden was just endorsed by Detroit's top two newspapers. Yeah, Biden and newspapers have something in common. They both can't believe they're still around."

Jimmy Fallon: "But after a disappointing finish on Super Tuesday, Bernie Sanders says he needs more young voters. And keep in mind, if you're Bernie Sanders, pretty much every voter is a young voter."

Seth Meyers: "Sen. Elizabeth Warren announced today she's dropping out of the presidential race. Warren was incredibly competent, pragmatic, intelligent, and well-spoken. In other words, she never had a chance."

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Seth Meyers: "That's right, Elizabeth Warren is dropping out of the presidential race. And it kind of feels like when your favorite teacher retires. You're sad to see her go, but also happy for her because she doesn't have to deal with your annoying classmates anymore."

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Visits the CDC; visits tornado-hit Tennessee; participates in a roundtable with supporters; delivers remarks at a joint fundraising committee dinner.
- Vice President Pence — No public schedule released.

US Senate:

- No schedule released.

US House:

- House Financial Services subcommittee field hearing on underbanked and excluded communities in New York – Consumer Protection and Financial Institutions Subcommittee field hearing on 'Modern-Day Redlining: the Burden on Underbanked and Excluded Communities in New York', with testimony from Association for Neighborhood and Housing Development (ANHD) Senior Campaign Analyst Jaime Weisberg; Chhaya CDC Executive Director Annetta Seecharran; Inclusiv President and CEO Cathie Mahon; National Association For Latino Community Asset Builders (NALCAB) Executive Director Noel Andres Poyo; Neighborhood Assistance Corporation of America (NACA) CEO Bruce Marks; and National Bankers Association President and CEO Kim Saunders

Location: Jamaica Performing Arts Center, New York, NY; 10:00 AM

- House Infrastructure subcommittee field roundtable on the next Water Resources Development Act – House Committee on Transportation and Infrastructure Water Resources and Environment Subcommittee field roundtable on 'America's Water Resources Infrastructure: Concepts for the Next Water Resources Development Act (WRDA)', featuring Los Angeles Mayor Eric Garcetti, Los Angeles County Supervisor Hilda Solis, Metropolitan Water District of Southern California Board of Directors Chairwoman Gloria Gray, Orange County Director of Public Works Shane Silsby, San Gabriel Valley Water Association's Tony Zampiello, Water Replenishment District of Southern California General Manager Robb Whitaker, and County of Santa Barbara Deputy Public Works Director Thomas Fayram

Location: Baldwin Park City Hall, Baldwin Park, CA; 1:00 PM

- No votes scheduled in the House of Representatives

Cabinet Officers:

- Melania Trump and AG Barr keynote DoJ National Opioid Summit – Department of Justice National Opioid Summit concludes, with keynotes from First Lady Melania Trump and Attorney General William Barr, and other speakers including Executive Office of the President State, Local and Tribal Affairs Coordinator E. Thomas Murphy III, Huntington, WV, Mayor Steve Williams, U.S. Attorney for the Northern District of Texas Erin Cox, and U.S. Attorney's Office for the Eastern District of Kentucky Victim Witness Specialist Jenny Parker * Day one took place Wednesday

Location: Department of Justice, 950 Pennsylvania Avenue, Washington, DC; 9:00 AM

- Secretary of State Mike Pompeo no public appointments announced

Visitors:

This Town:

- Melania Trump and AG Barr keynote DoJ National Opioid Summit – Department of Justice National Opioid Summit concludes, with keynotes from First Lady Melania Trump and Attorney General William Barr, and other speakers including Executive Office of the President State, Local and Tribal Affairs Coordinator E. Thomas Murphy III, Huntington, WV, Mayor Steve Williams, U.S. Attorney for the Northern District of Texas Erin Cox, and U.S. Attorney's Office for the Eastern District of Kentucky Victim Witness Specialist Jenny

AMERICAN OVERSIGHT

Parker * Day one took place Wednesday

Location: Department of Justice, 950 Pennsylvania Avenue, Washington, DC; 9:00 AM

• NASA and Boeing discuss independent investigation into Starliner Orbital Flight Test – NASA and Boeing discuss the outcome of the joint independent review team investigation into the primary issues detected during the uncrewed Orbital Flight Test for Boeing's CST-100 Starliner spacecraft in December, via teleconference call with NASA Human Exploration and Operations Mission Directorate Associate Administrator Douglas Loverro and Commercial Crew Program Manager Kathy Lueders, and Boeing Space and Launch Senior Vice President Jim Chilton and CST-100 Starliner Program Vice President and Manager John Mulholland * The Starliner spacecraft launched on a ULA Atlas V rocket in December for its uncrewed Orbital Flight Test to the International Space Station – one of a number of tests conducted by NASA and its industry partners as part of the agency's Commercial Crew Program to prove that space systems meet its requirements for certification to carry astronauts to and from the ISS; *11:00 AM*

• U.S. Chamber of Commerce event on Eastern Mediterranean natural gas reserves – U.S. Chamber of Commerce host luncheon convening Eastern Mediterranean Gas Forum leadership and U.S. govt stakeholders, to encourage stronger cooperation among the countries and private sector actors that are working to develop natural gas reserves in the region

Location: U.S. Chamber of Commerce, 1615 H St NW, Washington, DC; *12:00 PM*

• Dem Rep. Eleanor Holmes Norton hosts discussion on queer women in leadership – Democratic Rep. Eleanor Holmes Norton hosts a panel discussion celebrating the professional accomplishments of queer women in Washington, DC. Panelists include Tagg Magazine founder and Editor-in-Chief Ebone Bell, 3F06 ANC Commissioner Monika Nemeth, restauranteur Carlie Steiner, and Presidential Innovation Fellow Joy Whitt

Location: Adams Morgan Community Center, 1770 Euclid St NW, Washington, DC; 6:00 PM

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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, MARCH 5, 2020 6:00 AM EST

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Novel Coronavirus Outbreak Exposes Gaps In US Healthcare System's Ability To Effectively Respond To Epidemics.

The Washington Post (3/4, Rowland, Whoriskey, 14.2M) reports "the growing coronavirus outbreak in the United States is revealing serious gaps in the health system's ability to respond to a major epidemic, forcing hospitals and doctors to improvise emergency plans daily, even as they remain uncertain how bad the crisis will get." Nursing homes are "emerging as especially vulnerable to the virus, with more than a million residents, many of them frail. Many of the facilities have a history of struggling to contain even mundane infections." However, "the gaps are spread out across the country and affect medical facilities of all types."

TIME (3/4, Abrams, 18.47M) reports that "as government officials race to limit the spread of the new coronavirus, fundamental elements of the U.S. health care system – deductibles, networks, and a complicated insurance bureaucracy – that already make it tough for many Americans to afford medical care under normal conditions will likely make the outbreak worse." Although "the government will cover the cost of testing for Medicaid and Medicare patients, and for tests administered at federal, state and local public health labs, it's unclear how much patients will be charged for testing at academic or commercial facilities, or whether those facilities must be in patients' insurance networks."

The Wall Street Journal (3/4, Armour, Subscription Publication, 7.57M) reports that US officials and legislators, concerned about the novel coronavirus' spread, are trying to fix the country's healthcare system's gaps that may worsen the outbreak by keeping people from being tested for the virus, such as high medical care costs and a lack of paid sick days and insurance. Treasury Secretary Steven Mnuchin said on Tuesday that Administration officials are starting to consider measures for supporting workers without paid sick leave. The San Francisco (CA) Chronicle (3/4, Gardiner, 2.67M) also reports.

Mnuchin: Trump Administration Taking "Whole-Of-Government Approach" To Combating Coronavirus.

CNBC (3/4, 3.62M) reported on their broadcast that Treasury Secretary Steven Mnuchin, in comments to reporters before a Congressional hearing Wednesday, said, "Most Americans who are healthy, even if they get this virus, they will be fine, and we're taking a whole-of-government approach." Mnuchin said he thought "the Fed's action yesterday was very precautionary, and the right thing to do." Mnuchin added, "I'd be very comfortable getting on a commercial plane today if I were personally traveling."

Mnuchin: Marijuana Businesses' Cash-Only Nature Poses Challenge For IRS.

The Hill (3/4, Jagoda, 2.98M) reports Treasury Secretary Steven Mnuchin "said Wednesday that the cash-only nature of marijuana businesses poses challenges for the IRS." Mnuchin, speaking at a House Appropriations subcommittee hearing, said, "This creates significant problems for the IRS." The Hill says members of Congress from both parties "asked Mnuchin at the hearing about marijuana banking issues." Rep. Charlie Crist (D-FL) said during the hearing, "I'm hearing from financial institutions large and small alike that they still face uncertainty over whether they can provide financial services to legally operating marijuana businesses." Rep. David Joyce (R-OH) "asked Mnuchin if the Treasury Department would keep the Appropriations Committee informed about the challenges it faces on the cannabis banking issue." Mnuchin "declined to take a policy position but said that cash-only businesses create a concern for the IRS." Mnuchin said, "We have to build cash rooms to take in large amounts of cash where people owe us taxes, because we want to collect the taxes, and those entities are not banked. And I would say that creates risk to our IRS employees and to the people in the community." Fox Business (3/4, De Lea, 1.73M) also reports.

Mnuchin Maintains Tax Cuts Will Pay For Themselves Despite Rising Coronavirus Impact On Economy.

Business Insider (3/4, Heeb, 3.67M) reports Treasury Secretary Steven Mnuchin "said Wednesday that a $1.5 trillion Republican-led tax cut package would still pay for itself through higher economic growth, even as a coronavirus outbreak raised concerns about a potential downturn in the US and elsewhere." Mnuchin, during a House Appropriations subcommittee hearing, "was pressed on the longstanding claim that the 2017 Tax Cuts and Jobs Act would bolster enough gross domestic product growth to make up for steep losses in government revenue. Nearly every major independent forecaster has disputed that claim." Mnuchin said, "Here's the good news, this is just math," and that the Treasury Department had "internal projections" showing the economy on track to achieve the necessary growth for the tax cuts to be paid for with increased revenue. Mnuchin "acknowledged that the disruptions would affect the US economy but added that he expected a recovery in the short term."

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Congress Pushes Treasury To Delay Carbon Tax Credit Requirement.

Behind a paywall and under the headline "Guidance Delay Fuels Calls For Carbon Tax Credit Extension," Law360 (3/4, Ota, Subscription Publication, 8K) reports, "Delays in the U.S. Treasury's proposed regulations for an expanded carbon sequestration tax credit have sparked a drive on Capitol Hill to extend" a provisional requirement for the tax credit by one year.

Leading National News

Roberts Condemns Schumer's Comments Regarding Gorsuch And Kavanaugh.

Media coverage was extensive of comments made by Senate Minority Leader Schumer on Wednesday stating that Supreme Court Justices Neil Gorsuch and Brett Kavanaugh would "pay the price" for their decision in an abortion case out of Louisiana. Many outlets highlighted Chief Justice John Roberts' response to Schumer's remarks, calling it a "rare" and "highly unusual" rebuke.

The Washington Post (3/4, A1, Barnes, Itkowitz, 14.2M) reports Roberts "issued a rare rebuke of a sitting member of Congress on Wednesday, chastising [Schumer] for saying at [a] rally outside the Supreme Court that President Trump's two nominees to the court would 'pay the price' for a vote against abortion rights." USA Today (3/4, Santucci, 10.31M) reports Roberts said in his statement that the justices "will continue to do their job, without fear or favor, from whatever quarter."

Fox News (3/4, Re, 27.59M) reports on its website that Roberts "issued a highly unusual and forceful rebuke," calling Schumer's "seemingly threatening remarks directed at Associated Justices Neal Gorsuch and Brett Kavanaugh 'irresponsible' and 'dangerous.'" Roberts wrote: "This morning, Senator Schumer spoke at a rally in front of the Supreme Court while a case was being argued inside. ... Senator Schumer referred to two Members of the Court by name and said he wanted to tell them that 'You have released the whirlwind, and you will pay the price. You will not know what hit you if you go forward with these awful decisions.' ... Justices know that criticism comes with the territory, but threatening statements of this sort from the highest levels of government are not only inappropriate, they are dangerous."

On ABC World News Tonight (3/4, story 6, 1:25, Muir, 7.52M), Terry Moran described it as a "sharp and extraordinary rebuke," as Roberts tries "to protect the court in these difficult times." On the CBS Evening News (3/4, story 8, 1:55, O'Donnell, 4.82M), Jan Crawford reported Roberts has a history of putting forth "a strong defense of an independent judiciary" in response to criticism.

Politico (3/4, Gerstein, 4.29M) reports, "After Roberts' criticism, Schumer doubled down. A spokesman declined to apologize for the senator's remarks and argued that Roberts' rebuke undermined his own impartiality." Justin Goodman, a Schumer aide, said, "Sen. Schumer's comments were a reference to the political price Senate Republicans will pay for putting these justices on the court, and a warning that the justices will unleash a major grassroots movement on the issue of reproductive rights against the decision." He added, "For Justice Roberts to follow the right wing's deliberate misinterpretation of what Sen. Schumer said, while remaining silent when President Trump attacked Justices Sotomayor and Ginsburg last week, shows Justice Roberts does not just call balls and strikes."

The New York Times (3/4, Liptak, 18.61M) reports Schumer's comments "suggested that Democrats see a political advantage in criticizing the court, which they expect to issue consistently conservative decisions after the departure in 2018 of Justice Anthony M. Kennedy." The Washington Examiner (3/4, Gage, 448K) reports Schumer earlier in the day had accused Kavanaugh and Gorsuch of "taking away 'fundamental rights' as the Supreme Court is hearing a case about a Louisiana law that regulates abortion providers, which opponents have argued unconstitutionally limits abortion access by placing an undue burden upon those seeking abortions."

The Washington Times (3/4, Lovelace, 492K), Breitbart (3/4, Hanchett, 673K), and Townhall (3/4, Pavlich, 177K) are among the other outlets covering the comments.

Trump Calls For "Serious Action" After Schumer's Comments Targeting Supreme Court Justices. The Washington Examiner (3/4, Pearce, 448K) reports President Trump suggested Schumer "should be arrested or removed from office after the Senate minority leader threatened two Supreme Court justices." Trump tweeted on Wednesday, "There can be few things worse in a civilized, law abiding nation, than a United States Senator openly, and for all to see and hear, threatening the Supreme Court or its Justices. This is what Chuck Schumer just did. He must pay a severe price for this!" Trump also tweeted, "This is a direct & dangerous threat to the U.S. Supreme Court by Schumer. If a Republican did this, he or she would be arrested, or impeached. Serious action MUST be taken NOW!"

Trump said in an interview on Fox News' Hannity (3/4, 535K), "As far as Schumer is concerned, it was terrible thing he said. I was amazed by it and if that were a Republican you would see really bad things happening. It is very unequal justice and it is a disgrace that he was able to say something like that."

The Washington Times (3/4, Morton, 492K) reports Sen. Thom Tillis (R-NC) said Schumer's comment was "beyond disgusting and dangerous." He said, "This is a stark example of how unhinged Democrats have become as they embrace the extreme ideology and tactics of the far-left. Every Democrat needs to condemn Sen. Schumer's remarks and support the rule of law. Anything less than that is unacceptable."

Hawley To Introduce Motion To Censure Schumer For "Intimidation" Of Supreme Court. The Daily Caller (3/4, Morefield, 716K) reports Sen. Josh Hawley (R-MO) "plans to introduce a Senate motion to censure [Schumer] for attempting to intimidate" the two justices. Hawley called Schumer's remarks "disgusting, shameful, and frankly, WEAK" before vowing to "introduce a motion to censure Schumer for his pathetic attempt at intimidation" of the Supreme Court.

WSJournal: Schumer's Comments Deserve To Be Rebuked. In an editorial, the Wall Street Journal (3/4, Subscription Publication, 7.57M) applauds Roberts for denouncing Schumer's comments, and urges all who believe in institutional democratic norms to follow in rebuking him. The Journal adds that it is confident Justices Gorsuch and Kavanaugh will disregard Schumer's threats and rule on the merits of the case.

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Conservative Writers Contrast Schumer's Criticism With Past Remarks. Writing for Breitbart (3/4, 673K), Joel Pollak calls Schumer's remarks "shocking," but points out "it was also not the first time Schumer has bullied the Supreme Court." Pollak writes that in 2010, Schumer leaped up to "applaud" then-President Obama when he "rebuked the members of the Supreme Court seated before him in the State of the Union" after the Citizens United decision. According to Pollak, "for Schumer, such threats or attacks on the Court are not unusual or unprecedented – 'inappropriate' and 'dangerous' though they may be."

For the "Tipsheet" of Townhall (3/4, 177K), Julio Rosas writes Schumer "sang a different tune about attacks on judges when President Trump criticized the judge who was overseeing the case of his friend and Republican political operative Roger Stone in February." In February, Schumer "called for Roberts to speak out against Trump's words aimed at Judge Amy Berman Jackson." In a speech floor in the Senate chamber, Schumer said, "Well President Trump is once again attacking a federal judge...the nation now looks again to Chief Justice Roberts to make clear to President Trump that these attacks are unacceptable."

Roberts, Kavanaugh Could Cast Crucial Votes In Louisiana Abortion Case. The Washington Post (3/4, Barnes, Marimow, 14.2M) reports Roberts and Kavanaugh "seemed key to the outcome of the Supreme Court's consideration of a restrictive abortion law from Louisiana, with both wondering Wednesday how a 2016 decision striking down an identical law from Texas should guide their judgment." The Post says "Roberts could cast the deciding vote in the court's first examination of abortion since President Trump's two nominees joined the bench," given that the four liberals on the Court appeared "convinced that the Louisiana law is unconstitutional." The Court is "examining whether the state's 2014 law requiring doctors at abortion clinics to have admitting privileges at nearby hospitals unduly burdens women's access to abortion."

The New York Times (3/4, Liptak, 18.61M) reports that Wednesday's arguments "yielded few clues about whether the justices are prepared to uphold a Louisiana law that its opponents say would leave the state with only one doctor in a single clinic authorized to provide abortions." Roberts and Kavanaugh, whose votes may be crucial, "focused their questions on whether they were bound by a 2016 decision that struck down an identical Texas law." The Times says, "Only Justice Samuel A. Alito Jr. asked questions consistently supportive of the Louisiana law. Justices Clarence Thomas and Neil M. Gorsuch asked no questions."

The Washington Times (3/4, Swoyer, 492K) reports both Roberts and Kavanaugh "wanted to know whether the benefits and impact of the safety regulation vary from state to state." Meanwhile, "the four Democratic-appointed justices were in lockstep, suggesting there is no medical need for the increased requirements placed on abortion providers."

The Wall Street Journal (3/4, Kendall, Bravin, Subscription Publication, 7.57M) reports that the suit was filed by two physicians and an abortion clinic who contend the law seeks to prevent abortions and is harmful to women. For its part, Louisiana argues that the law's restrictions aim to safeguard patients' health.

Politico (3/4, Ollstein, Gerstein, 4.29M) reports "the court also took up the separate matter of whether the abortion clinics and doctors challenging the law have legal standing." The Court's left wing "warned that embracing that stance would upend a half century of jurisprudence in abortion cases." Alito "rallied behind Louisiana's arguments on that point, contending it was strange that doctors and not patients were the ones filing suit." However, Roberts and Kavanaugh "did not weigh in on the standing issue, raising doubts about whether a majority of the court is prepared to make a major shift in how the courts deal with abortion litigation."

CQ Roll Call (3/4, Raman, 154K) reports "a decision is expected before the current term ends in June, which could stir interest in abortion as the presidential campaign heats up."

Broyde: Ginsburg Should Recuse Herself From Cases Related To Trump. In an op-ed for the Wall Street Journal (3/4, Subscription Publication, 7.57M), Michael J. Broyde of Emory University argues Justice Ruth Bader Ginsburg should recuse herself from matters related to President Trump because of her blatant bias against the President. Broyde points to public interviews in 2016 in which Ginsburg effectively campaigned against Trump by asserting that he was not fit for office.

Media Analyses: Stocks Bounce Back On Biden's Super Tuesday Performance.

Reuters (3/4, Singh, Shivdas) reports that in trading on Wednesday, the Dow Jones Industrial Average and the S&P 500 both gained more than four percent. Reuters says Joe Biden's "strong showing in the 'Super Tuesday' primary contests jolted healthcare stocks and upbeat economic data helped soothe worries about the coronavirus impact." The S&P 500 "gained 126.72 points, or 4.22%, to 3,130.09 and the Nasdaq Composite added 334.00 points, or 3.85%, to 9,018.09." ABC World News Tonight . (3/4, story 7, 0:20, Muir, 7.52M) reported the Dow climbed "more than 1,100 points, up 4.5 percent."

The New York Times (3/4, 18.61M) also says "investors responded to...Biden's strong showing in the Democratic Party's primaries." According to the Times, "Though the spreading coronavirus and its impact on global economic growth has dominated financial headlines for the past two weeks, Wall Street has also worried about" plans by Sen. Bernie Sanders (I-VT) "to take on banks and tax stock and bond trades." The Times adds that Sanders "aims to eliminate most private health insurance as part of a single-payer health care plan. Health care stocks led the gains on Wednesday, rising more than 5 percent. Shares of insurers like UnitedHealth Group, Cigna and Anthem Health rose more than 10 percent."

Axios (3/4, Brown, 521K) reports on Wednesday, "Congress struck a bigger-than-expected emergency funding package to stem the coronavirus outbreak." The Washington Post (3/4, Telford, Heath, 14.2M) reports the International Monetary Fund on Wednesday "announced that it is proposing $50 billion in emergency funding to combat the coronavirus for low-income and emerging market countries."

Reuters (3/4, Culp) reports, "On the economic front, data showed stronger-than-expected private sector hiring, and the services sector

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expanding at its fastest pace in a year, according to reports from ADP and the Institute for Supply Management, respectively." Also, the Mortgage Bankers Association "reported that the average 30-year fixed contract mortgage rate fell last week to a seven-year low."

The Wall Street Journal (3/4, A1, Webb, Subscription Publication, 7.57M) reports some international stock markets gained in early trading Wednesday, after a sell off in US markets a day earlier when an emergency interest-rate cut failed to calm investors' worries about the economic cost of the coronavirus epidemic.

The Washington Post (3/4, Telford, Heath, 14.2M), Bloomberg (3/4, 4.73M), and Reuters (3/4, Dunsmuir) also cover Wednesday's market news.

WSJournal: Biden's Victories Revitalizes Ailing Market. In an editorial, the Wall Street Journal (3/4, Subscription Publication, 7.57M) observes that health stocks, including insurers and hospital chains, popped on Wednesday as the threat of Sanders' Medicare for All diminished with Biden's victories. The Journal says the market's volatility over the past two weeks shows that investors were just as worried about a socialist President in office as they are about the coronavirus epidemic.

Saudis And Russia Disagree On Proposed OPEC+ Production Cut.

Reuters (3/4, El Gamal, Lawler, Astakhova) reports from Vienna that "Saudi Arabia and other OPEC members struggled on Wednesday to win support from Russia to join them in additional oil output cuts in a bid to prop up prices which have tumbled by a fifth this year because of the coronavirus outbreak. A panel of several ministers from OPEC, Russia and other producers failed to clinch a preliminary agreement for additional cuts, OPEC sources said." According to Reuters, Russia "proposed keeping existing cuts by the group known as OPEC+ until the end of the second quarter." However, Saudi Arabia "wants extra cuts of 1 million to 1.5 million barrels per day (bpd) for the second quarter while keeping existing cuts of 2.1 million bpd in place until the end of 2020."

Bloomberg (3/4, 4.73M) reports that the OPEC+ Joint Ministerial Monitoring Committee, "which oversees the accord between the Organization of Petroleum Exporting Countries and it allies, didn't choose between the Russian and Saudi proposals. ... Instead, it has been left to OPEC's full ministerial meeting on Thursday to consider both approaches." According to Bloomberg, "This isn't the first time that the two biggest producers in the OPEC+ coalition have appeared to be far apart just days before crucial decisions on oil production. Yet since the group was formed in late 2016, the two nations have usually found a way to resolve their differences and forge a common policy that supports crude prices."

Former Uber Executive Files For Bankruptcy After Order To Pay Google $179M.

The Washington Post (3/4, Albergotti, 14.2M) reports Anthony Levandowski, "who once ran Uber's self-driving car unit, was ordered Wednesday to pay $179 million to rival Google, prompting the software engineer to file for bankruptcy protection." The "enormous award, which was approved by a Superior Court judge in San Francisco and was confidential but disclosed in a Securities and Exchange Commission filing, casts new light on one of Silicon Valley's most heated dramas." The Post says the award is "also another blow to Levandowski, once a rising star in the tech industry who now faces criminal charges for allegedly possessing trade secrets that belong to Google."

French Court Rules Uber Driver Should Be Recognized As Employee.

The Wall Street Journal (3/4, Schechner, Rana, Subscription Publication, 7.57M) reports France's top court on Wednesday ruled that one of Uber's former drivers should be recognized as an employee rather than as an independent contractor. Although the decision by the Cour de Cassation doesn't immediately impact the employment status of other drivers in France, it could pave the way for them to ask for reclassification by a French employment tribunal.

First Coronavirus Death In California Brings Confirmed US Total To 11.

David Muir reported on ABC World News Tonight (3/4, lead story, 4:00, 7.52M) that the coronavirus "death toll in the US" has risen "to at least 11," including "the first death from California, a passenger on a cruise ship during a round-trip voyage from San Francisco." ABC's Whit Johnson reported health officials say a "Grand Princess cruise ship is likely linked to the state's first death from the coronavirus, and a second infection. An elderly patient [was] possibly exposed while traveling from San Francisco to Mexico. The CDC [is] now investigating a 'small cluster of cases of COVID-19' in Northern California traced back to that ship." Miguel Almaguer similarly reported on NBC Nightly News (3/4, lead story, 2:50, Holt, 6.46M) that "the 11th fatality" was announced Wednesday, "the first in California – an elderly passenger on a cruise ship from San Francisco to Mexico. There are now more than 150 cases in a growing number of states." On the CBS Evening News (3/4, lead story, 2:25, 4.82M), Norah O'Donnell reported that "as California is reporting its first death...we're now learning a worker at LAX, who was screening passengers for the virus, has tested positive."

The Los Angeles Times (3/4, Karlamangla, Shalby, Luna, Gutierrez, 4.64M) reports the California patient who died "was an elderly adult with underlying health conditions and was the county's second confirmed case of COVID-19." The article adds that several cities in California have declared public health emergencies and more potential cases of COVID-19 are under investigation. Reuters (3/4, Gorman, Kearney) reports the Placer County, California public health department "said in a statement that the patient tested presumptively positive on Tuesday at a California lab and was likely exposed from Feb. 11-21 on a Princess cruise ship to Mexico from San Francisco."

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Pence To Travel To Washington After State Announces 10th Death. The AP (3/4) reports, "Washington state has reported a 10th death from the new coronavirus." The state Department of Health "released updated figures Wednesday morning, showing that nine people had died in King County, the state's most populous, and one person in Snohomish County." The Wall Street Journal (3/4, Calfas, Carlton, Subscription Publication, 7.57M) also reports Washington reported its 10th death. The Washington Times (3/4, Howell, 492K) reports Vice President Pence said Wednesday that he will travel to Washington to meet with Gov. Jay Inslee (D).

The New York Times (3/4, Weise, Harmon, Fink, 18.61M) reports, "Officials are recommending that residents of Seattle and surrounding communities who are 60 or older or have underlying health conditions remain in their homes and that community groups cancel events that would bring together more than 10 people and could possibly further spread the coronavirus."

Coronavirus Fears Spread In New York. On the CBS Evening News (3/4, story 2, 1:30, O'Donnell, 4.82M), Meg Oliver reported New Rochelle, New York "is Ground Zero as the coronavirus infects at least 11 people. It started a week ago when 50-year-old Lawrence Garbuz went to the hospital. ... Today, we learned another family of five who had close contact with the attorney tested positive. New York disease detectives are racing to track down anyone else who may have come into contact with the Manhattan attorney." The New York Times (3/4, Gold, Ferré-Sadurní, 18.61M) reports that "nine people connected to the man who was confirmed as New York's second case of the new coronavirus have all tested positive for the illness."

The Washington Post (3/4, Guarino, Bailey, Schwartzman, 14.2M) reports that while Gov. Andrew Cuomo (D) "urged calm, news of the virus's latest victims spread through close-knit Orthodox communities in the family's hometown of New Rochelle and across New York City, where pockets of Jews frequent the same kosher restaurants and attend the same schools, weddings, bar mitzvahs and funerals."

Anxiety Reportedly Spreading Across US. The Washington Post (3/4, Judkis, Selk, 14.2M) reports that many people in the US are worried about becoming infected with coronavirus. The article quotes an official from the American Psychological Association discussing coronavirus anxiety and how it is far more prevalent than coronavirus.

Trump: Estimated Death Rate Is A "False Number," Possibly Closer To "Fraction Of One Percent."

President Trump said in an interview on Fox News' Hannity (3/4, 535K) that he thinks the 3.4 percent global death rate from coronavirus "is a false number. Now, this is just my hunch, but based on a lot of conversations with a lot of people that do this, because a lot of people will have this, and it is very mild. They will get better very rapidly, they don't even see a doctor, they don't even call a doctor. ... So if, you know, we have thousands or hundreds of thousands of people that get better, just by, you know, sitting around and even going to work, some of them go to work, but they get better and then, when you do have a death...all of a sudden it seems like three or four percent, which is a very high number, opposed to a fraction of one percent."

Trump Says Obama Administration Decision Was "Detrimental" To Ability To Respond To Coronavirus.

The New York Times (3/4, Baker, Kaplan, 18.61M) reports President Trump "sought on Wednesday to deflect criticism of his administration's response to the coronavirus onto his predecessor, complaining that a federal agency decision" under President Obama "had made it harder to quickly enact widespread testing for the virus." The President said, "The Obama Administration made a decision on testing that turned out to be very detrimental to what we're doing, and we undid that decision a few days ago so that the testing can take place in a much more accurate and rapid fashion." The Times says it was "not entirely clear what he was referring to. Health experts and veterans of the government during Mr. Obama's presidency said they were unaware of any policy or rule changes during the last administration that would have affected the way [the FDA] approved tests during the current crisis."

The New York Post (3/4, Nelson, 4.57M) reports, "Spokespeople for the White House and Vice President Mike Pence were unable to provide additional information on the specific regulation," and HHS "did not immediately respond to a request for information." The Daily Beast (3/4, Tucker, 1.39M) reports the President referred questions to CDC Director Robert Redfield, "who said that private labs were previously allowed to conduct clinical tests, but noted that 'in the previous administration that became regulated. For someone to do that they had to file with the FDA.'" The Daily Caller (3/4, Datoc, 716K) says "the rule in question previously required state-run laboratories to only run medical tests pre-approved" by the FDA.

The Week (3/4, O'Donnell, 1.94M) reports "critics were quick to jump on his attempt to blame Obama, pointing out that it was his administration that disbanded the team directly responsible for global health security and potential pandemics in 2018." Bloomberg (3/4, Jacobs, Langreth, 4.73M) also reports on Trump's comments. For his part, Obama did not respond directly, but tweeted Wednesday, "Protect yourself and your community from coronavirus with common sense precautions: wash your hands, stay home when sick and listen to the @CDCgov and local health authorities. Save the masks for health care workers. Let's stay calm, listen to the experts, and follow the science."

Trump Criticizes Obama Administration's Handling Of H1N1 Outbreak. Trump said in an interview on Fox News' Hannity (3/4, 535K), "The H1N1...went from around April of '09 to April of '10 where there were 60 million cases of swine flu and you had...a lot of deaths and they didn't do anything about it. ... They never did close the borders. I don't think they ever did have the travel ban. And we did and...they lost at least 13,000, could be as high as 17,000 people."

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Pence: Trump "Took Unprecedented Action" To Confront Coronavirus.

Vice President Pence said in an interview on Fox Business' Lou Dobbs Tonight (3/4, 49K), "I think the most important thing the American people should know is that according to all of our experts, the risk of contracting the coronavirus for the average American remains low. Nevertheless, beginning in January, this President took unprecedented action, suspending all travel from China, quarantining Americans that came home. We've established screening in Italy and in South Korea while we put travel advisories on areas of those countries. But our focus is specifically now on putting the health and safety of Americans first. ... The American people can be confident that we are ready, thanks to the leadership of this President."

Pence: Therapeutics Could Be Available "In A Matter Of Months."

Vice President Pence said in an interview on Fox Business' Lou Dobbs Tonight (3/4, 49K), "Our pharmaceutical companies have now formed a consortium to share information in the development – not just of vaccines, which, we think a vaccine will be in clinical trials in six weeks, will be available to the public in a year or a year and a half – but, we think long before that, therapeutics – the medicines that people can take if they contract the coronavirus to get relief – we think that could literally be available in a matter of months."

Azar Says Vaccine Will Take "12 To 18 Months." HHS Secretary Azar said on Fox News (3/4, 896K), "The doctors that the President met with yesterday, they actually designed a vaccine within three days of getting the genetic sequence of this virus from China. ... Just two days ago the FDA granted approval for the NIH...to begin what's called phase one clinical testings in about five weeks. That's where we are going to test the safety of this vaccine probably in about 40 to 50 people. It is going to take overall 12 to 18 months, though, before you could see a possible vaccine because you are putting a vaccine in otherwise healthy people."

Carson Says Politicians Should Work Together As Well As Pharma Companies Are. The Daily Caller (3/4, Datoc, 716K) reports HUD Secretary Carson "chided elected officials Wednesday he viewed as politicizing the effort to stop the spread of the coronavirus outbreak." Carson said pharmaceutical companies, "'who normally are rivals,' have been working 'together voluntarily' along with members of the coronavirus task force to develop therapeutic medications and other remedies to stop the spread of the virus. 'Wouldn't that be a great lesson for the politicians,' he concluded."

Macron Hails "Excellent" Talk With Trump On Coronavirus Coordination.

Politico Europe (3/4, Momtaz, 8K) reports French President Emmanuel Macron said he had an "excellent" talk with President Trump Wednesday on coordinating responses to the coronavirus. Macron tweeted, "Excellent discussion with @realDonaldTrump. To better deal with Covid-19, we are ready to coordinate our scientific, health and economic response within the framework of the US G7 Presidency." According to Politico Europe, Macron "suggested it might be a good thing for the US to tackle head-on the issue of coronavirus at June's G7 meeting in the US."

House Passes $8.3B Emergency Coronavirus Spending Measure 415-2.

The AP (3/4, Taylor) reports the House voted 415-2 Wednesday afternoon to pass "an $8.3 billion measure...to battle the coronavirus outbreak." According to the AP, "The swift and sweeping bipartisan vote was a relative rarity in a polarized Washington and came just nine days after the president outlined a $2.5 billion plan that both Trump's GOP allies and Democratic critics said was insufficient." USA Today (3/4, Hayes, 10.31M) reports, "The package includes more than $3 billion for research and the development of vaccines and $2.2 billion that will help in prevention, preparedness and responding to the threat of the virus," according to a House Democratic aide. The total "is more than triple the amount" President Trump originally requested. The President tweeted, "Congress has agreed to provide $8 Billion to fight Coronavirus! This means @CDCgov, @HHSGov, and @DHSgov will have the resources they need to Keep America Safe and keep the risk to workers and families very low. This is great news for our Health, our Economy, and our Nation!"

The New York Times (3/4, Cochrane, 18.61M) reports that "the quick action was a recognition of the urgent need described by government health officials to respond to the virus, and mounting dissatisfaction among lawmakers in both parties with the funding request initially submitted by the Trump administration." According to the Times, "Lawmakers and their aides negotiated through the weekend over the provisions of the bill, but talks stalled earlier this week over Democratic efforts to further limit the expense of vaccines or treatments." The Washington Post (3/4, Werner, Debonis, 14.2M) reports that the Senate may vote on the spending package "as soon as Thursday," and that Trump is "expected to sign the legislation."

Politico (3/4, Emma, Scholtes, 4.29M) reports that "the deal comes after several days of partisan bickering over vaccine affordability and other issues that had ensnared the bipartisan, bicameral talks. Negotiators ultimately agreed to include $300 million 'to help ensure that, when a vaccine is developed, Americans can receive it regardless of their ability to pay,' according to a House Democratic aide."

Breitbart (3/4, Caplan, 673K) reports the legislation was largely hammered out by Senate Appropriations Chairman Richard Shelby and House Appropriations Chairwoman Nita Lowey. Shelby said in a statement, "This should not be about politics; this is about doing our job to protect the American people from a potential pandemic. We worked together to craft an aggressive and comprehensive response that provides the resources the experts say they need to combat this crisis." Reuters (3/4, Morgan, Cowan), Bloomberg (3/4, 4.73M), the Washington Times (3/4, Muñoz, 492K), and CQ Roll Call (3/4, Shutt, 154K) are among the other sources covering the agreement.

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CDC Expands Guidelines For Coronavirus Testing.

The New York Times (3/4, Rabin, 18.61M) reports the CDC on Wednesday "broadened the guidelines for coronavirus testing, allowing anyone who has symptoms like a fever, cough or difficulty breathing to receive a test if a doctor agrees." Under the expanded guidelines, doctors "were encouraged to first rule out other causes of respiratory illness, such as influenza, and to take into consideration whether there are other local coronavirus cases, officials said." Previous guidelines "required a patient to have symptoms of respiratory illness as well as a clear route of exposure, such as recent travel to China or a number of other affected countries, contact with a known coronavirus patient, or hospitalization with a severe and unexplained respiratory illness."

Paula Reid reported on the CBS Evening News (3/4, story 3, 1:50, O'Donnell, 4.82M) that Vice President Pence "said the greatest concern is access to tests for the virus, which he said would be expanded after initially restricting widespread screening." Pence: "We have more than 2,500 kits that are being distributed around the country this week that will make more than 1.5 million tests available at hospitals that have requested them." ABC World News Tonight (3/4, story 2, 0:30, Muir, 7.52M) reported, "The White House [is] now saying that those tests will be covered by your insurance."

HHS Secretary Azar said on Fox News (3/4, 896K), "If your doctor or public health official think you ought to get tested, you are going to be able to be tested. We have tested thousands of samples already. We haven't had a backlog at the CDC with a highly validated test that CDC did. ... But, we're radically expanding the capability to test in the United States."

NYTimes Analysis: Coronavirus Puts Trump's "Economic Cheerleading" To The Test.

The New York Times (3/4, Tankersley, Casselman, 18.61M) writes under the headline "Trump's Economic Cheerleading Is Suddenly Tested" that "one of President Trump's greatest strengths in his presidential campaign is his economic salesmanship," and his "ability to set the economic narrative is buoyed by an 11-year economic expansion, with rising wages and unemployment at a 50-year low." But "Trump's cheerleading is often overstated and parts of the economy are slowing, including manufacturing," which, the Times says, "helps explain why Mr. Trump has played down economic damage from the coronavirus and dismissed the stock market plunge."

Services Sector Activity Showed Strong Economy Before Coronavirus Outbreak. Reuters (3/4, Mutikani) reports US services sector activity "jumped to a one-year high in February, suggesting strength in the economy before a recent escalation of recession fears ignited by the coronavirus epidemic that prompted an emergency interest rate cut from the Federal Reserve." The Institute for Supply Management "said its non-manufacturing activity index increased to a reading of 57.3 last month, the highest level since February 2019, from 55.5 in January. A reading above 50 indicates expansion in the services sector."

US Gasoline Prices Decline. USA Today (3/4, Brown, 10.31M) reports, "While the coronavirus is upending travel and walloping stocks, the widespread respiratory illness has also lead to cheaper prices at the pump. Over the past three weeks, with China largely shut down and fewer people traveling, gas prices in the U.S. have fallen 6 cents per gallon" to a national average of $2.41.

United Airlines Slashes Service, Announces Hiring Freeze.

The New York Times (3/4, Chokshi, 18.61M) reports "the latest example of the [coronavirus] outbreak's toll" came Wednesday when United Airlines "became the first U.S. carrier to announce a widespread cut to domestic service, signaling that fear over the virus was starting to erode ticket sales far from the hot spots of the epidemic." International service in April will be cut "by about 20 percent and domestic service by about 10 percent, with similar cuts possible in May." The carrier "also announced a hiring freeze through June and said workers in the United States could apply for voluntary unpaid leave."

On NBC Nightly News (3/4, story 4, 1:55, Holt, 6.46M), Tom Costello reported, "For the travel industry, the coronavirus has been a body blow. Cruise ships quarantined, meetings and conferences called off, corporate travel curtailed, and study abroad programs and school trips cancelled. Now with demand dropping, United Airlines is announcing unprecedented deep cuts to its schedule." USA Today (3/4, Gilbertson, 10.31M) similarly says the "unprecedented steps" are "the first by a U.S. airline since the outbreak began."

The Washington Post (3/4, Aratani, 14.2M) reports, "Earlier Wednesday, U.S. airline executives met with Vice President Pence, who has been charged with leading the administration's response to the coronavirus outbreak. President Trump made a surprise appearance at the gathering, where airline executives emphasized their commitment to keeping their customers and employees safe."

Foreign Plants That Make F-35 Parts Closed.

The Washington Times (3/4, Glenn, 492K) reports coronavirus concerns have "resulted in the closure of facilities in Italy and Japan that produce components for the F-35 Lightning II combat fighter," according to Undersecretary of Defense for Acquisition and Sustainment Ellen Lord, who "said Lockheed Martin employees in Italy will be temporarily working from home while an F-35 assembly plant in Japan will be shuttered for a week."

Ford Confirms Two Employees In China Had Coronavirus; UAW And GM Restrict Travel.

The Detroit Free Press (3/4, Howard, 1.52M) reports two Ford Motor employees in China "were quarantined after being diagnosed with coronavirus and have made a full recovery, but the company declined to provide details about the situation or the patients." Ford spokesman T.R. Reid said Wednesday, "The coronavirus has had the attention of Ford senior executives from (CEO) Jim (Hackett) on down since late January. We identified the potential for an issue and the need to be on top of it from the start." GM, meanwhile, said Wednesday there are no

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known cases of coronavirus within the company and "asked people who traveled to China, South Korea, Iran, Japan and Italy within the past 14 days to not attend meetings at any GM facility in North America." Elsewhere yesterday, the UAW announced "a domestic and international travel ban for all staff as a precaution related to the fast-moving contagion."

Cities, Industries Mull Cancellation Of Major Public Events.

NBC Nightly News (3/4, story 5, 1:30, Holt, 6.46M) reported Hollywood is "now feeling the impact of the coronavirus. The release of the new James Bond movie has been pushed back as concerns grow over public gathering places like movie theaters, concerts, and sports events." NBC's Joe Fryer: "From movies to music festivals, questions are swirling around large public events. In Texas, major companies like Twitter and Facebook pulled out of the South by Southwest Festival, which starts in nine days," and "in Miami, officials are debating whether to postpone a major dance music festival this month." However, "the NCAA's March Madness is still going on as planned."

AIPAC Warns Attendees May Have Had Contact With Coronavirus Patient.

The Washington Examiner (3/4, Pearce, 448K) reports the American Israel Public Affairs Committee (AIPAC) "warned attendees after its annual conference that a group of participants may have been in contact with someone who is now quarantined with coronavirus." The Washington, D.C. health department "warned AIPAC officials after its conference ended that a group of attendees may have coronavirus and are under observation," the group said in a statement Wednesday. The group said that "none of the conference attendees have tested positive for the disease."

Coronavirus Death Toll In Italy Jumps To 107, All Schools Shut.

Reuters (3/4, Fonte, Jones) reports Italy "closed all schools and universities and prepared other emergency measures on Wednesday to try to slow the spread of the coronavirus in Europe's worst-hit country as the death toll and number of cases jumped." The total number of dead in Italy "rose to 107 after 28 people died" of the virus over the past 24 hours, the Civil Protection Agency said. Education Minister Lucia Azzolina said schools and universities "all over the country would be closed from Thursday until at least March 15."

Chinese State Media Suggesting CIA Behind Outbreak.

The Washington Times (3/4, Gertz, 492K) reports, "Four months after the outbreak of the coronavirus disease in China, investigators are still no closer to determining the origin" of the coronavirus outbreak. Still, "Chinese state-run media outlets are increasingly been promoting a new disinformation theory that the virus originated in the U.S., reports that have prompted rumors spreading throughout China and Asia that the CIA was behind the outbreak."

China Pivots To Preventing Reintroduction Of Coronavirus From Other Countries. The Washington Post (3/4, Fifield, 14.2M) reports that "having largely contained the virus at home...China now faces the prospect of imported infections as the outbreak rages beyond its borders." China "appears mindful that other governments might lack the techno-authoritarian tools to shut down the spread like it did," and government "authorities are taking measures to prevent people who have traveled to new hotspots – South Korea, Iran, northern Italy and Japan – from bringing the disease back." To the AP (3/4, Tanner), "the slowdown in coronavirus cases out of China offers a sliver of hope that the global outbreak can be controlled, but whether that can happen anytime soon without drastic measures remains to be seen, public health authorities say."

The Wall Street Journal (3/4, Journal, Subscription Publication, 7.57M), meanwhile, profiles Dr. Zhang Xiaochun, who has been working to stop the spread of the virus in Wuhan, China.

China Erecting Physical Barriers In Neighborhoods To Contain Outbreak. The New York Times (3/4, Liu, Li, 18.61M) reports that "to stop the coronavirus from spreading further, the Chinese government is thinking up new ways to separate its people." To this end, "barriers have risen up at the neighborhood level" in many cities, in addition to quarantining entire regions. In addition, "guards now surround many residential complexes," and "in some places, only one member of a household can leave home at a time to go grocery shopping or just get a breath of fresh air."

DHS Official Links Coronavirus To Chinese Migrants Crossing Southern Border. The Washington Times (3/4, Dinan, 492K) reports, "Some 328 illegal immigrants from China have been nabbed jumping the US-Mexico border so far this year, according to Homeland Security data that raises the prospect a coronavirus carrier could sneak into the country via the border." An unnamed "Homeland Security official" told the Times, "The journey to the US border puts migrants in poor conditions. We don't know if they have come into contact with someone who has the flu, there is no passport, medical history, or travel manifest."

Saudi Arabia Bans Pilgrimage In Mecca Over Fears About Coronavirus.

The AP (3/4, Vahdat) reports Saudi Arabia has "banned citizens and residents from performing the Muslim pilgrimage in Mecca over fears about the coronavirus." The announcement Wednesday "gave no time frame for how long the suspension will stand."

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London Book Fair Canceled Over Coronavirus Fears.

The New York Times (3/4, Alter, 18.61M) reports the London Book Fair, "one of the publishing industry's biggest international events of the

year, was canceled on Wednesday because of concerns related to the coronavirus." The fair, "which was scheduled to take place next week, is one of several major book industry events that have been abruptly called off as governments and businesses respond to growing fears" over the virus.

Senate Committee Poised To Release Report On Bidens And Burisma.

Politico (3/4, Desiderio, Cheney, Matishak, 4.29M) reports that Senate Republicans on Wednesday "announced a new phase of their investigation targeting" Joe Biden and his son, Hunter. Senate Homeland Security Chairman Ron Johnson told reporters "he is likely to release an interim report within one to two months on his panel's probe of Hunter Biden's ties to a Ukrainian gas company, Burisma." Johnson said, "These are questions that Joe Biden has not adequately answered. And if I were a Democrat primary voter, I'd want these questions satisfactorily answered before I cast my final vote." Politico adds that Johnson "insisted that the timing of his probe has nothing to do with the election calendar. But the renewed focus on Biden...has alarmed House Democrats as they brace for an all-out GOP assault on Biden and his son."

President Trump said in an interview on Fox News' Hannity (3/4, 535K), "That will be a major issue in the campaign. I will bring that up all the time because I don't see any way out. ... I don't believe they will be able to answer those questions. That was purely corrupt."

White House Counselor Kellyanne Conway said on Fox News' The Story (3/4), "This is not picking on somebody's kids. We certainly know what that is all about in the Trump White House, don't we?" Conway added that "all we have heard about of Biden and China of late is the billions of dollars that, I guess his son got in business deals there. The Ukraine issue has not been resolved. There is a reason the Democrats, who talked about Ukraine, vomited every other word out of their mouth 'Ukraine' for months and now don't want to talk about it."

DiGenova Suggests Durham Is Looking Into Burr, Warner.

The Washington Examiner (3/4, Chaitin, 448K) reports former US Attorney Joe DiGenova said in a radio interview this week that Senate Intelligence Chairman Richard Burr and Vice Chairman Mark Warner "are likely 'very concerned' about the Justice Department review of the Russia investigation." According to DiGenova, the senators "appear to be under scrutiny" by US Attorney John Durham's team. DiGenova said, "I...think that Burr and Warner are very, very concerned about where the Durham probe is going in looking into activities of those two senators with various lawyers and nonlawyers, including journalists in the run-up to the leaking of the Carter Page affidavit." The Examiner says DiGenova "appeared to be alluding to the case of James Wolfe, a longtime Senate Intelligence Committee aide who pleaded guilty in late 2018 to lying to investigators looking into leaks of classified information."

Appeals Court Allows "Remain In Mexico" Policy To Continue.

The New York Times (3/4, Jordan, 18.61M) reports that "while insisting that a policy that has forced 60,000 asylum seekers to wait in Mexico violates United States law, a federal appeals court on Wednesday granted the Trump administration's request to keep the 'Remain in Mexico' restrictions in effect until March 11 for review by the Supreme Court." The US Court of Appeals for the Ninth Circuit "reaffirmed its decision last week that the policy violates both United States and international law, "stating that the policy is causing "extreme and irreversible harm." However, the court "temporarily stayed its injunction against enforcing the so-called Migrant Protection Protocols after the government warned that the order could prompt thousands of migrants to try to enter the country and overwhelm the southwestern border."

Police Rule Out Retaliation Against Racism As Motive Behind Milwaukee Shooting.

The Milwaukee Journal Sentinel (3/4, Luthern, 632K) reports, "The shooter who killed five people before killing himself last week at a Milwaukee brewery does not appear to have been influenced or motivated by retaliation for racist acts in the workplace, Milwaukee police said Wednesday." The department said in a statement, "As a result of the preliminary investigation, neither race nor racism has been identified as a factor in this incident." The department also "added that, based on the initial investigation, police officials are not aware 'of any of the victims targeted in the mass shooting being involved in any inappropriate or racist behavior toward the suspect.'"

The Washington Post (3/4, Gowen, Zezima, 14.2M) reports "current and former employees of the Molson Coors brewery" in Milwaukee "say there is a long-held culture of racism, including racist cartoons placed in workspaces, the n-word scrawled in break rooms and bathrooms and nooses hung at the facility – one on the locker of an employee who killed five co-workers there last week." Authorities have "not provided a motive for the Feb. 26 rampage;" and police "also have not said racism played a part in the shooting deaths." Milwaukee Police Chief Alfonso Morale said, "I don't believe that was a factor."

NOAA To Triple Supercomputing Capacity In Effort To Improve Weather Forecasting.

The Washington Post (3/4, Freedman, 14.2M) reports the National Oceanic and Atmospheric Administration is "moving to close the computer modeling gap between the United States and international weather and climate agencies, such as the European Center for Medium-Range Weather Forecasts (ECMWF)." NOAA on Feb. 20 "announced it signed a contract that would provide two new supercomputers from Cray Computing, a division of HP, which would triple the computing capacity of the machines devoted to running the agency's weather forecasting and research models." However, "while the new machines will provide additional speed to run NOAA's computer models and allow for more data to be fed into them, large differences will still remain between how NOAA operates and how the European model is researched and run

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each day," meaning NOAA could "continue to lag behind...in accuracy for years to come."

Education Department Reverses Plan To Cut Rural School Funding.

The New York Times (3/4, Green, 18.61M) reports that amid "a bipartisan backlash led by Republican lawmakers," the Administration is "backing off a bookkeeping change that would have drastically cut federal funds for rural schools – at least for a year." Education Secretary DeVos "will allow states to more easily qualify for funding under the Rural and Low-Income School Program, after hundreds of districts faced cuts when the department abruptly began using eligibility requirements it had not enforced in 17 years." The Education Department's "decision to reverse course, first reported by Bloomberg Government, came hours after 21 senators – 13 of them Republicans," including Senate Majority Leader McConnell – "signed a bipartisan letter urging Ms. DeVos to abandon the new methodology."

Change To Charter School Funding In Budget Proposal Worries Proponents.

CQ Roll Call (3/4, Simon, 154K) reports the Education Department's fiscal 2021 budget request would eliminate the Charter Schools Program, "which in fiscal 2020 received $440 million to support new charter schools and the expansion of existing ones," and be replaced by "a block grant that would allow states to determine how they spend a major chunk of their federal education dollars." Education Secretary DeVos "says this would give states freedom to allocate money to suit their specific needs, including to charter schools." However, supporters of charter schools point out that states have differing views on charter schools. Tressa Pankovits of the Progressive Policy Institute "worries that GOP-led states could shift charter school funding to vouchers to help low-income people pay for tuition at private or religious schools, while Democratic states could use it to hire more teachers for public school systems that have struggled to produce positive outcomes."

Williams: Progressives Misguided In Criticism Of Charter Schools. In an op-ed for the Wall Street Journal (3/4, Subscription Publication, 7.57M), Conor P. Williams, a fellow at the Century Foundation, writes that many of the attacks lobbed against charter schools by Democrats are unfounded, adding that some of the same criticisms also hold true for public schools. Williams argues that a better way to frame the debate would be to focus on student performance. In this way, ineffective charters can learn from effective ones, and criticism can be focused on low-performing charter models, such as for-profit and online schools.

Anti-Semitism Allegations At New Jersey High School Prompts Federal Lawsuit.

The New York Times (3/4, Otterman, 18.61M) profiles a teenager identified only as "Paige," who was subjected to anti-Semitism at her New Jersey high school, the Marine Academy of Science and Technology. Paige's treatment prompted "an investigation by the state attorney general, which in October found probable cause that the school and district had discriminated against Paige based on her religion." It also inspired "a lawsuit against the school, which was filed Wednesday in federal court in Trenton, accusing the district and faculty of discrimination."

NYTimes Profile: Grenell "Undiplomatic" And "Confrontational."

The New York Times (3/4, Williamson, Vogel, 18.61M) profiles Acting DNI Grenell, who it says "has a remarkable record of being undiplomatic." To the Times, "His confrontational style touches such raw nerves that one top Obama administration official, Susan E. Rice, recently called him 'one of the most nasty, dishonest people I've ever encountered,' and some German politicians demanded that he be recalled from his post as United States ambassador to Berlin." While "bombastic perseverance and ostentatious attention-seeking may be problematic traits for some employers," the Times says "they have helped fuel Mr. Grenell's rapid rise under President Trump."

Trump Reelection Campaign Offers Supporters Chance To Meet First Lady.

The AP (3/4, Superville) reports First Lady Melania Trump is "set to make a rare foray onto the 2020 campaign fundraising trail." President Trump's reelection campaign is "asking supporters to make a donation for a chance to meet the first lady in California." According to the article, "a date for the event was not included" in campaign literature, "though it is believed to be scheduled for mid-March."

First Lady Helps Recognize 12 Women For "Acts Of Courage."

The AP (3/4, Superville) reports First Lady Melania Trump "drew parallels Wednesday between her youth welfare initiative and a group of women from around the world whom the State Department has recognized for acts of courage in their countries." Although the "Be Best" initiative is focused on youth, she said the program "ties nicely into the accomplishments of the women who share the stage with me." At the ceremony presenting the International Women of Courage Awards, the First Lady said, "Without positive support, guidance and well-being, which are just some of the attributes today's children need, they will not enter adulthood with the empathy and strength needed to help others as selflessly as the women here today."

Kardashian West Visits White House To Discuss Criminal Justice Reform.

Townhall (3/4, Baumann, 177K) reports Kim Kardashian West on Wednesday "blasted the mainstream media for failing to cover President Donald Trump's criminal justice reform policies. The First Step Act was a public policy win for the president, especially considering Democrats tout criminal justice reform as one of their issues." Townhall writes, "It's not surprising the mainstream media isn't covering this. After all,

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Democrats have long-touted criminal justice reform as one of their 'go-to' topics," and "instead of talking about it President Trump has delivered."

Trump To Visit Tennessee On Friday In Wake Of Tornadoes.

On Twitter, President Trump announced on Wednesday that he will be "going to the Great State of Tennessee on Friday. The USA stands with the people of Tennessee 100%, whatever they need! The tornadoes were of record size & velocity. God bless your loved ones & all of the families affected! Thanks to @GovBillLee&@MarshaBlackburn."

ABC World News Tonight (3/4, story 4, 2:15, Muir, 7.52M) reported the tornadoes killed at least 25, "including five children, the youngest, just two." The CBS Evening News (3/4, story 4, 2:10, O'Donnell, 4.82M) reported "three tornado victims are still missing in Tennessee." Volunteers are "helping in the search, while those who lost everything are telling harrowing stories of survival." On NBC Nightly News (3/4, story 7, 2:30, Holt, 6.46M), Catie Beck reported, "Heartbroken communities are grappling with Tennessee tornadoes," with "homes destroyed and debris for miles."

Trump Says His Administration's Accomplishments Are Unprecedented.

President Trump said in an interview on Fox News' Hannity (3/4, 535K), "I think what we've done is unprecedented. The largest tax cuts in history. Trade deals all over the place. ... We've rebuilt the military. We have taken care of our vets. We've got choice. Nobody thought we were going to get choice. They've been trying to get chose for over 40-years. ... What we've done is unprecedented. Nobody has done more in the first three-years than we have. Environmentally, we have the cleanest air, we have the cleanest water. Our air is as clean or cleaner than it has ever been, and yet we're not spending trillions of dollars giving it to foreign countries under the Paris Accord."

Trump Announces Keane Will Receive Medal Of Freedom.

On Twitter, President Trump announced Wednesday, "Retired Four Star General Jack Keane will receive the PRESIDENTIAL MEDAL OF FREEDOM next week!"

Trump Tweets It Was "Great Honor" To Address Latino Coalition.

On Twitter, President Trump said Wednesday that "it was my great honor to address the @LatinoCoalition Legislative Summit. With the hard work, love & devotion of millions of incredible Hispanic-Americans, our Country is thriving, our people are prospering, and our future has never looked brighter!"

Trump Blasts Los Angeles Mayor On Homelessness Problem.

On Twitter, President Trump on Wednesday took aim at Los Angeles Mayor Eric Garcetti for the "terrible" homelessness problem. Trump said Garcetti is seeking federal help "to fix the terrible problem he and the Dems have caused," but then goes on to "talk 'trash'" about him.

Trump Says He Has Some "Difficulties" With Fox News.

President Trump said in an interview on Fox News' Hannity (3/4, 535K), "I have my own little difficulties with" Fox News, "if you want to know the truth. They put people on that I think are inappropriate and say very, very false things and people don't challenge them. I think they're trying to be very politically correct or fair and balanced is term. But I think they hurt themselves, if you want to know the truth."

Pentagon Weakens Military Housing Bill Of Rights After Hearing From Industry.

Reuters (3/4, Pell) reports, "A sweeping U.S. military housing reform plan, pitched as a way to protect service families from shoddy homes and unresponsive landlords, has been watered down to remove several protections tenants and Congress had sought." The Defense Department took out three measures from a tenant-rights bill for military families "after Pentagon officials sat down with the private housing contractors to craft final details." They include "the ability for military families to withhold rent to protest unsafe conditions, obtain full maintenance histories of their homes upon moving in, and challenge landlords through a dispute resolution process." According to the article, "fifteen other measures are going ahead as planned."

Senators Reach Deal To Boost Funding For Conservation, National Park Maintenance.

The AP (3/4, Daly) reports, "Senate leaders and the Trump administration have reached an election-year deal to double spending on a popular conservation program and devote more than a $1 billion a year to clear a growing maintenance backlog at national parks." The plan, "announced Wednesday by senators from both parties," proposes $900 million to "fully fund" the Land and Water Conservation Fund and "add $1.3 billion a year for parks maintenance." According to the article, "the proposed $900 million for land and water conservation is nearly double the $485 million Congress approved for the program this year and 60 times larger than the amount Trump proposed in his budget plan just last month."

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Jury Decides Smiley, Accused Of Sexual Misconduct, Must Pay PBS $1.5M.

The AP (3/4, Long) reports, "A jury decided Wednesday that former television talk show host Tavis Smiley, who was fired amid allegations of workplace sexual misconduct at the height of the #MeToo movement, must pay about $1.5 million to his former employer, the Public Broadcasting Service." According to the article, "at issue was the network's 'morals' clause, which bars romantic relationships in the office and also disallows employees from acting in a way that would impact the employee or network in a negative way." Smiley had sued PBS, "contending that racial bias contributed to his dismissal and he was wrongly terminated without proof," and "the network counter-sued, arguing in part that Smiley owed the network for a season that didn't air."

Michigan Poll: Biden 29%; Sanders 23%; Bloomberg 11%; Warren 7%.

The Detroit News (3/4, Burke, LeBlanc, 825K) reports that a Detroit News/WDIV-TV poll of 600 likely Michigan Democratic primary voters, taken Feb. 28-March 3, shows Joe Biden leading the state's March 10 Democratic presidential primary with 29%, followed by Sen. Bernie Sanders (I-VT) at 23%, Michael Bloomberg at 11%, Sen. Elizabeth Warren (D-MA) at 7%, Pete Buttigieg at 6%, and Sen. Amy Klobuchar (D-MN) at 3%. Bloomberg dropped out of the race on Wednesday and endorsed Biden. Buttigieg and Klobuchar have also dropped out of the race and backed Biden. The News says Sanders had been "viewed as an early favorite in Michigan because he staged a narrow upset victory" over Hillary Clinton in 2016. The Hill (3/4, Axelrod, 2.98M) reports that Michigan's "primary is set to be a test of the support for both Biden and Sanders among white, working-class voters, though Biden is expected to have an edge among African American voters in the populous precincts in and around Detroit."

Trump Campaign Shifts Focus To Biden.

Norah O'Donnell said on the CBS Evening News (3/4, story 6, 2:05, 4.82M) that Joe Biden's candidacy was "on the ropes as recently as last Friday," and on NBC Nightly News (3/4, story 2, 2:35, 6.46M), Lester Holt said Biden is "now the undisputed frontrunner" for the Democratic presidential nomination "after a big Super Tuesday."

Politico (3/4, Isenstadt, 4.29M) reports that President Trump's "political operation is shifting its focus" Biden and "ramping up its efforts to convince Bernie Sanders' supporters he's being robbed of the nomination." Jim Acosta said on CNN's Situation Room (3/4, 846K), "President Trump is not exactly getting the outcome he wanted as Joe Biden is gaining momentum. For weeks, Trump campaign advisers have said privately they want to see Bernie Sanders win the nomination." Major Garrett said on the CBS Evening News (3/4, story 7, 1:40, O'Donnell, 4.82M) that "trying to sow divisions among the Democratic party" is "a central strategy for President Trump and the Republican National Committee."

White House Counselor Kellyanne Conway said on Fox News' The Story (3/4), "The fact is, the President has said clearly...that it doesn't matter who he runs against, because they have to run against the Trump economy, the Trump record on national security and terrorism, the Trump record on nearly 200 federal judges confirmed to the courts, the Trump record on these trade deals. ... I think he is Hillary all over again. I think Joe Biden is Hillary 2.0."

A New York Times (3/4, Haberman, Karni, 18.61M) analysis describes a "bad week" for Trump. Despite what the Times calls "concerted efforts" by Trump to paint Biden "as corrupt," Biden "pulled off one of the most remarkable political comebacks in recent history on Tuesday night." The Times reports, "Privately, several advisers said on Wednesday that they were not surprised that voters coalesced around Mr. Biden, even if the president was."

In a pair of tweets Wednesday morning, Trump took aim at Sen. Elizabeth Warren (D-MA). Trump called Warren the "all time great spoiler," and said that her decision to remain is hurting Sanders. If she were not in the race, Trump argued, Sanders would have won Massachusetts. In one tweet, Trump wrote, "So selfish for Elizabeth Warren to stay in the race. She has Zero chance of even coming close to winning, but hurts Bernie badly. So much for their wonderful liberal friendship. Will he ever speak to her again? She cost him Massachusetts (and came in third), he shouldn't!" Later in the morning, he tweeted, "Wow! If Elizabeth Warren wasn't in the race, Bernie Sanders would have EASILY won Massachusetts, Minnesota and Texas, not to mention various other states. Our modern day Pocahontas won't go down in history as a winner, but she may very well go down as the all time great SPOILER!"

Trump said in an interview on Fox News' Hannity (3/4, 535K) that if Sanders "were able to convince Elizabeth Warren to endorse him or even to just drop out because she is doing terribly, he would have won a large number of the states that he lost [Tuesday] night."

WPost's Blake Dismisses Claim That Democratic Primary Is "Rigged." Aaron Blake writes in the Washington Post (3/4, 14.2M) that Biden's strong showing on Super Tuesday "severely impeded" Sanders' "march toward the Democratic nomination," and "the whole thing has reunited some Sanders supporters and President Trump behind a familiar argument: This is being rigged." On Wednesday, Trump "re-upped his increasingly frequent argument that Sanders is somehow getting a raw deal." Trump tweeted, "The Democrat establishment came together and crushed Bernie Sanders, AGAIN! Even the fact that Elizabeth Warren stayed in the race was devastating to Bernie and allowed Sleepy Joe to unthinkably win Massachusetts. It was a perfect storm, with many good states remaining for Joe!" Blake calls such claims "dangerous" and says the argument that the primary is rigged "is even thinner than it was in 2016. At least back then, there were legitimate arguments that Democratic National Committee officials did problematic things, even if it wasn't clear that those things had any significant impact."

Politico's Harris: Biden's Resurgence Has Sanders And Trump "Staring Into Their Political Graves." John F. Harris writes in his Politico Magazine (3/4, 4.24M) column that Biden "dug two big holes on Super Tuesday" and now Sanders and President Trump "are both staring into their political graves." Harris says Biden "summoned high turnout from precisely the diverse constituencies of African

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Americans, suburbanites, working-class and older voters" that House Speaker Pelosi "marshaled to retake the House in 2018." The "achievement indicated that Sanders has no convincing path to defeating this coalition with young people or previous nonvoters," and for the general election, "the implications of Tuesday are equally urgent for Trump. Voter turnout in the primaries was up from 2016 in almost every state," and "the overwhelming evidence is that it is Trump, not any Democrat, who is stimulating this surge." Trump "must also stimulate new voters or it is shovel time for him, too."

Bloomberg Ends His Campaign, Throws Support Behind Biden.

USA Today (3/4, Morin, 10.31M) reports Michael Bloomberg ended his presidential campaign Wednesday. In a statement, Bloomberg "said staying in the race would make it more difficult for Democrats to defeat President Donald Trump." Bloomberg also announced his support for Joe Biden. He said, "I've always believed that defeating Donald Trump starts with uniting behind the candidate with the best shot to do it. After yesterday's vote, it is clear that candidate is my friend and a great American, Joe Biden."

The Los Angeles Times (3/4, Hook, Barabak, 4.64M) says Bloomberg's departure has made the race for the Democratic presidential nomination "a two-person contest" between Biden and Sen. Bernie Sanders (I-VT). A Wall Street Journal (3/4, Subscription Publication, 7.57M) editorial says that despite his poor showing on Tuesday, Bloomberg deserves credit for entering the race and trying instead of complaining about the field of candidates from the sidelines.

The Wall Street Journal (3/4, Bykowicz, Day, Subscription Publication, 7.57M) says Biden and Sanders are set to represent two factions within the Democratic Party, with Sanders standing for liberals and Biden for moderates, including the party's establishment. That division is evident in a story from the AP (3/4, Fram, Taylor) which says "mainstream Democrats were rejoicing" about Biden's "rousing Super Tuesday performance that bolstered his bid for the Democratic presidential nomination, easing worries over the havoc they fear awaits down-ticket moderates should [Sanders] become the party's standard-bearer."

Bloomberg Expected To "Spend Heavily" For Biden. The New York Times (3/4, Burns, Ruiz, 18.61M) reports that Bloomberg is "said to be weighing his plans to spend heavily for Mr. Biden and other Democrats in the 2020 general election." The Washington Post (3/4, Wang, 14.2M) reports that Bloomberg senior adviser Tim O'Brien said Bloomberg intends to put his fortune and political infrastructure "in the broadest way possible behind Joe Biden's candidacy." According to Bloomberg (3/4, 4.73M), it was "not immediately clear whether Bloomberg would air ads on Biden's behalf or deploy the staff and field offices in battleground states that he's pledged to keep through the November election for the nominee. A Bloomberg campaign aide, speaking on condition of anonymity, said it will take a few days to structure the aid to Biden."

Andrea Mitchell said on NBC Nightly News (3/4, story 3, 1:15, Holt, 6.46M) that Bloomberg "cannot legally donated more than $2,800 to Biden, but he can start a super PAC, provide boots on the ground in battleground states, and help Biden's online fundraising."

Trump: Bloomberg, Steyer Found They "Can't Buy The Election." In a tweet Wednesday afternoon, President Trump said Bloomberg, and billionaire Tom Steyer, who ended his campaign on Saturday, found out that they "can't buy the election." Trump wrote, "Pandering Mini Mike Bloomberg, along with his wacky friend, Tom Steyer, have found out the hard way that you can't buy the election! They both wish they had it to do over again!"

Trump Says Bloomberg Is "Surrounded By Losers." Trump said in an interview on Fox News' Hannity (3/4, 535K) that once Bloomberg debated, "I said, 'He is going to be in trouble because that's not his thing.' ... He has got a very bad political instinct. He is surrounded by people that I know, in some cases, I know pretty well. They're losers. He is really surrounded by losers but they become winners because they ripped him off for a lot of money. They really took him to the cleaners. Some of these guys are really third rate people, and they wanted him to keep going. The longer he goes, the more money they make."

Bloomberg News Says It Will Resume "Normal Coverage Of The Election." Axios (3/4, Rummler, 521K) reports that after Bloomberg ended his campaign Wednesday, "Bloomberg News editor-in-chief John Micklethwait announced that the organization would" resume its "normal coverage of the election." Bloomberg News said in November that it would "extend its policy of not investigating" Bloomberg "to all Democrats running for president in 2020." The move "led President Trump's campaign to blacklist Bloomberg News from its events in December. It's not yet clear if the Trump campaign will walk back that policy now that Bloomberg is out of the race."

Two More Florida Democrats Endorse Biden. The Washington Post (3/4, Wagner, Sonmez, 14.2M) reports that Biden's campaign on Wednesday "continued to roll out new congressional endorsements, including those of two more Democrats from the Florida delegation: Reps. Kathy Castor and Lois Frankel." According to the Post, Biden "now claims seven House backers from Florida, which holds its Democratic primary March 17."

Media Analyses: Sanders Faces Difficult Path To Democratic Nomination.

A Wall Street Journal (3/4, Subscription Publication, 7.57M) editorial says the possibility of having a socialist at the top of the ticket to take on Trump drove many Democratic voters away from Sen. Bernie Sanders (I-VT) and to Joe Biden on Super Tuesday. But Kristen Welker said on NBC's Today (3/4, 3.37M) that although Sanders "didn't have the strong night he was looking for" Tuesday, he "is still very much in contention." Similarly, Karl Rove writes in the Wall Street Journal (3/4, Subscription Publication, 7.57M) that the race is not over. Rove says the race could be long due to Sanders' support among Latinos, young people, and progressives.

However, media analyses say Sanders now faces a difficult road. For example, Nate Cohn of the New York Times (3/4, 18.61M) writes that on Tuesday, Biden "opened a clear path to amassing enough delegates to clinch the nomination by the Democratic National

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Convention," and Bloomberg (3/4, Crane, Pager, Korte, 4.73M) says Sanders faces "a far more difficult path" to the Democratic presidential nomination "than it seemed just a few weeks ago, as the map, the momentum and the demographics all favor a newly resurgent Joe Biden – who is in a strong position to pull away from the Vermont senator coming out of Super Tuesday." Primaries on March 10 and March 17 "go through states where Biden is poised to do well," such as Michigan, Florida, and Ohio. April 28 "sees six important states that Biden could sweep, including New York and his home state of Delaware." Bloomberg adds that Biden also has "the thing Sanders had just a week ago, momentum and the feeling of being a winner."

Politico (3/4, Siders, Otterbein, 4.29M) says Michigan "may break" Sanders. Even before Biden's wins on Super Tuesday, "a Detroit News/WDIV-TV poll put Biden ahead of Sanders by nearly 7 percentage points in Michigan." While Sanders' advisers "believe Michigan could work in the Vermont senator's favor next week, with a victory re-establishing his foothold in the race," Politico says "the signs of weakness were evident everywhere in the results on Tuesday."

Nonetheless, the AP (3/4, Peoples, Weissert) reports that Sanders "lashed back in a Wednesday news conference in Vermont, declaring himself in a 'neck-and-neck' race with" Biden, "despite the former vice president's overwhelming support from the Democratic establishment." The Washington Times (3/4, McLaughlin, Miller, 492K) says Sanders "saw Tuesday as a chance to reset the race as a choice between sticking with the status quo and delivering the sort of change need to lift up the middle-class and the working poor."

The Washington Post (3/4, Viser, Wang, 14.2M) reports that Sanders "adopted a more aggressive tone" with Biden Wednesday. Reuters (3/4, Lange) says Sanders "attempted to draw a stark contrast between himself and Biden." He "attacked Biden's record voting in favor of trade deals that he says had devastated parts of the Midwest, Biden's votes in favor of the Iraq war and a bankruptcy bill, and his past record on Social Security." The Washington Examiner (3/4, Larsen, 448K) reports that Sanders said Biden is a "decent human being" but he is "heavily supported by the corporate establishment."

Politico (3/4, Forgey, 4.29M) reports that the Sanders campaign On Wednesday "unleashed a trio of new TV ads...including spots targeting Biden on Social Security and touting praise from former President Barack Obama."

Campaign Co-Chair Says Sanders Will Seek To Appeal To Older Voters, Mainstream Democrats. Politico (3/4, Otterbein, 4.29M) reports that Sanders' "strategy changed overnight." Sanders campaign co-chair Rep. Ro Khanna (D-CA) "said his candidate will work to appeal more to older voters and mainstream Democrats." Khanna said, "We need to make the case that single-payer [health care] will provide long-term care, dental and vision for seniors, that our policies are pro-innovation and -economic growth...and that we are very proud of the accomplishments of the Democratic Party, starting from FDR, and are building an inclusive coalition to complete the New Deal." Politico adds, however, that "the question for Sanders now is whether his shift is too little, too late."

Jennifer Finney Boylan writes in the New York Times (3/4, 18.61M) that Sanders often "seems to be driven less by joy than by fire." Like the Incredible Hulk, she writes, Sanders "is driven, at times, by what seems like rage. And he's right: We should be filled with rage" because "of all the ways in which our democracy does not work," and "because we are at the mercy of Donald Trump, a man who resembles the previous 43 presidents less than he resembles a villain out of Marvel Comics."

Pelosi Sets Aside Sanders' Legislative Agenda. The Washington Times (3/4, Muñoz, 492K) reports that while Sanders "says he is building a nationwide movement of people who back free college and government-run health care," Democratic leaders in the House "hope to prevent his plans from seeing daylight." House Speaker Pelosi "says she's not about to let the Democrats' majority be sunk by having to cast votes on bills that would expose the deep ideological split within the party." Pelosi has instead "pursued legislation on gun control, election reform and prescription drug price reductions." Pelosi called the initiative "mainstream and non-menacing" legislation on which "she can guarantee a near-unanimous vote from her troops."

Sanders Praised Cuba, According To An American Who Was Jailed There. The New York Post (3/4, Steinbuch, 4.57M) reports that Alan Gross, an American "who was locked up in Cuba for five years for trying to expand its Jewish community's access to the internet has accused Bernie Sanders of praising the Communist dictatorship when he visited him behind bars," according to an NPR report. Gross told NPR that Sanders, "who visited Cuba as part of a congressional delegation in 2014, told him he didn't understand why people criticized the country."

WPost: Sanders, Biden Must Avoid A "Scorched-Earth" Nomination Fight. A Washington Post (3/4, 14.2M) editorial says the race for the Democratic presidential nomination is now between Biden and Sanders. Both candidates "insist that their overriding goal is to beat President Trump." The Post says they "should be judged on whether they avoid scorched-earth tactics that poison the chances of a Democratic victory in November."

Warren Reassessing Her Candidacy.

The New York Times (3/4, Epstein, 18.61M) reports that Sen. Elizabeth Warren (D-MA), "who last summer rose to the top of polls in several presidential primary states, on Tuesday reached the nadir of her bid for the White House: a third-place finish in her home state, Massachusetts. ... The result represented her worst-case scenario. Ms. Warren had already finished in third place or worse in the early nominating states of Iowa, New Hampshire, Nevada and South Carolina."

Mary Bruce said on ABC World News Tonight [illegible] (3/4, story 3, 3:40, Muir, 7.52M) that some supporters of Sen. Bernie Sanders (I-VT) "are turning up the heat on" Warren "to drop out and endorse her fellow progressive," but the AP (3/4, Peoples, Weissert) reports that Warren "was reassessing" her candidacy Wednesday "as the winnowing process in the Democrats' 2020 nomination race entered a consequential Super Tuesday." Warren "was huddling with advisers on Wednesday to determine if there was a reason to stay in the race

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after her Super Tuesday wipe-out. She didn't win a single state and finished in third place, after Biden and Sanders, in her own home state of Massachusetts."

Reuters (3/4, Lange) quotes a Warren campaign aide as saying the senator is "talking to her team to assess the path forward." Politico (3/4, Thompson, 4.29M) reports that Warren's campaign manager, Roger Lau, "sent a frank email to staffers [Wednesday] morning." Lau wrote that the "decision is in her hands, and it's important that she has the time and space to consider what comes next."

The Washington Post (3/4, Wagner, 14.2M) reports that "the leaders of the Congressional Progressive Caucus, who have endorsed Sanders's presidential bid, said Wednesday that Warren should take a hard look at her options but did not call on her to quit."

House Democrats Want Secret Service Protection For Biden, Sanders.

Reuters (3/4) reports that Democratic members of Congress want "Secret Service protection for Democratic presidential candidates after Joe Biden's wife and a senior staffer shielded the former vice president from protesters during a victory speech on Super Tuesday." According to Reuters, "Biden's remarks in Los Angeles were briefly interrupted on Tuesday night when a pair of protesters leapt onto the stage, Jill Biden and senior adviser Symone Sanders charged them and ushered them offstage." The House Homeland Security Committee "requested Secret Service protection for both" Biden and Sen. Bernie Sanders (I-VT).

The Washington Post (3/4, 14.2M) says in an editorial that the Administration "should heed [House Homeland Security Chairman Bennie] Thompson's call for prompt action and take the steps needed to ensure the safety of the presidential candidates."

Voters In Texas, California Say They Had Trouble Voting On Tuesday.

NBC Nightly News (3/4, story 9, 1:45, Holt, 6.46M) reported on "frustration and anger" among voters in Texas and California, "the two biggest Super Tuesday states." NBC's Cynthia McFadden added that voters across Los Angeles County "had a particularly tough time casting their ballots." Both California and Texas switched from "neighborhood polling stations to super vote centers, designed to make voting easier." As a result, some voters waited "hours and hours and hours" to vote. In addition, there were "troubles with LA County's brand new voting machines that had cost taxpayers $300 million."

Gail Collins Concerned By Age Of Remaining Presidential Contenders.

In her column for the New York Times (3/4, 18.61M), Gail Collins writes "the finalists" for the Democratic presidential nomination, Bernie Sanders, who is 78, and Joe Biden, 77, are facing off to run against President Trump, 73. According to Collins, "either Biden or Sanders, if elected, would be the oldest American entering a first presidential term," adding that "as of right now the record is held by Trump, who was 70, followed by Ronald Reagan, who was 69." Collins wonders if health and mental capacity could become an issue during the run-up to the election.

Trump Mocks Sessions For Failing To Avoid Alabama Senate Runoff.

The AP (3/4) reports that President Trump on Wednesday "lashed out...at his former attorney general, Jeff Sessions, as the Alabama Republican advanced to a primary runoff in his quest to win back his old Senate seat." The AP says Sessions "securely held the Alabama Senate seat for two decades, but was forced into a runoff" against ex-Auburn University football coach Tommy Tuberville "after being wounded by Trump's prior criticisms of his recusal in the Russia investigation." In a Wednesday tweet, Trump wrote, "This is what happens to someone who loyally gets appointed Attorney General of the United States & then doesn't have the wisdom or courage to stare down & end the phony Russia Witch Hunt. Recuses himself on FIRST DAY in office, and the Mueller Scam begins!" The AP says the tweet "could further damage Sessions' hopes of a political resurrection."

The Washington Post (3/4, Debonis, 14.2M) reports that Tuberville, "who has portrayed himself as a Trumpian outsider who would be completely loyal to the president – immediately endorsed the tweet: 'Mr. President, I could not agree more, and in 27 days help will be on the way!'" Alabama Live (3/4, Hrynkiw, 734K) reports that Sessions "served as Alabama's junior senator for 20 years before resigning in 2017 to become the country's 84th Attorney General under Trump. Tuberville, who coached the Tigers from 1999 to 2008, spoke during his election night speech about Sessions' strained relationship with Trump." Said Tuberville, "We're going to finish what President Trump started when he looked at Jeff Sessions from across the table and said, 'You're fired.'"

Bloomberg (3/4, Hunter, 4.73M) reports that Tuberville "has used Trump's firing of Sessions in ads and has supported Trump's plans to 'investigate the investigators,' while Sessions has ripped Tuberville on immigration and for previous criticisms of Trump." USA Today (3/4, Jackson, 10.31M) reports, "While Trump did not explicitly endorse Tuberville in his anti-Sessions tweet, many Trump associates took it that way. 'I think President Trump just ended the Alabama Senate contest with his tweet,' said Jason Miller, a senior communications adviser for Trump's campaign in 2016. 'Whether or not there's a formal endorsement is secondary at this point.'"

On its website, CNN (3/4, Rogers, 83.16M) reports that whomever wins the March 26 GOP primary runoff will face off against Sen. Doug Jones (D-AL) this fall "in a state Trump won in 2016 by over 27 points." The Hill (3/4, Chalfant, 2.98M) reports that Jones "is considered the most vulnerable Democratic senators facing reelection in 2020." Vox (3/4, Zhou, 2.27M) reports, "Cook Political Report currently rates the seat as 'Lean Republican.'" The Washington Times (3/4, Boyer, 492K), the Fox News (3/4, Blitzer, 27.59M) website, and Breitbart (3/4, Spiering, 673K) also report on the story.

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Multiple Reports: Bullock Appears Likely To Challenge Daines In Montana.

The New York Times (3/4, Martin, 18.61M) reports that term-limited Gov. Steve Bullock (D-MT) is "poised to reverse himself and" mount a 2020 bid to unseat Sen. Steve Daines (R-MT), "according to three Democratic officials, a decision that would hand the party a coveted recruit who could help reclaim a majority in the chamber. After months of insisting he would no" enter the contest, "Bullock, who ran for president last year, has told Democrats in the last week he is now inclined to run in what would immediately become one of the marquee Senate races of 2020." The Times says Bullock "has only a few days to finalize his decision: The filing deadline to run in Montana is Monday."

The AP (3/4, Volz, Mascaro) reports that Bullock, "who has insisted he won't run for the Senate, is poised to do just that, according to two people familiar with his plans." The AP says, "Democrats are straining to win back the Senate and they see a Bullock matchup with Daines as key to that strategy. Daines is increasingly allied with President Donald Trump and got a shoutout from the president Wednesday." In a tweet, Trump wrote "The great people of Montana can have no better VOICE than Senator @SteveDaines. He is doing an incredible job! Whoever the Democrat nominee may be, please understand that I will be working hard with Steve all the way, & last night I was 20 for 20 (per @GOPLeader). WE NEED STEVE!"

The Great Falls Tribune (3/4, Drake, 114K) highlights the New York Times' report, and adds that Bullock "has repeatedly said he would not run for the Senate, however, he has been prodded" by former President Obama and Senate Minority Leader Schumer "to change his mind." In an online story, CNN (3/4, Zeleny, Rogers, 83.16M) reports that Bullock "is making plans to run for the US Senate, telling Democratic leaders that he intends to declare his candidacy in the coming days, a reversal that improves the party's chances for winning a majority in the Senate. Two Democratic officials familiar with the matter tell CNN that" the Democrat "is now opening a door that he repeatedly insisted was closed."

Politico (3/4, Arkin, Levine, 4.29M) reports, "Democrats are increasingly optimistic" that "Bullock will run for Senate this year, according to multiple people familiar with the matter." Politico adds that Bullock "has not publicly indicated an interest in the race, and it is not certain" he "will run, according to multiple Democratic sources. But the increased interest marks a serious departure from the previous widespread belief that recruiting Bullock into the race was a long shot."

CQ Roll Call (3/4, Cioffi, 154K) reports Nathan L. Gonzales of Inside Elections "said that if Bullock enters the race, it's a 'legitimate game-changing event.' 'With the governor in the race, Democrats would have another takeover opportunity,' said Gonzales, who had rated the Montana race Solid Republican." However, The Hill (3/4, Wilson, 2.98M) reports that if he enters the race, Bullock "faces an uphill climb ahead. President Trump is all but certain to win Montana's electoral votes in November; he beat Hillary Clinton by 20 points in Montana in 2016. Daines won his seat with nearly 58 percent of the vote in 2014, and he ended the year with more than $5 million in the bank."

Female GOP Candidates Backed By Stefanik PAC Roll To Primary Wins.

Writing at Townhall (3/4, 177K), Reagan McCarthy says that on Super Tuesday, E-PAC, the leadership PAC of Rep. Elise Stefanik (R-NY), "saw overwhelming victories from endorsed [GOP] primary candidates. E-PAC's mission is to engage, empower and elevate Republican women to elected office." McCarthy highlighted a number of tweets from Stefanik, who touted the wins by GOP female candidates her group had endorsed. McCarthy says Stefanik "launched the PAC after the 2018 midterm elections, which demonstrated a deficit of GOP women in Congress, largely" due to "a lack of resources in place to encourage Republican women to run for office." McCarthy adds that Stefanik "has been at the center of the fight to bring more women into the Republican Party, and to Congress."

WPost Urges Virginia Lawmakers Move Forward On Plan To End Gerrymandering.

In an editorial, the Washington Post (3/4, 14.2M) urges Democratic state lawmakers in Virginia "to reform" the state's "blatantly partisan redistricting procedure so it serves voters, not politicians." The Post urges Democrats to follow through on a constitutional amendment that would establish a bipartisan commission and make Virginia's Supreme Court the "ultimate arbiter" of disputes. The Post concludes, "Virginia Democrats, now in control, can show the state they are prepared for real leadership – and that their demands over the past decade for a bipartisan approach to redistricting will not fall victim to political opportunism now that they are in the driver's seat."

IG Report: FBI Missed Chances To Stop Deadly Domestic Terror Attacks.

The Washington Times (3/4, Mordock, 492K) reports the FBI "missed opportunities to stop domestic terrorists from killing Americans because field offices failed to further investigate individuals who had been labeled homegrown violent extremists, the Justice Department watchdog said in a scathing report released Wednesday." According to the Justice Department inspector general, "at least six terrorists who later carried out attacks killing a total of 70 people were on the FBI's radar prior to the attacks," but "agents quickly closed the cases, concluding the suspects were not threats to national security." Among the "more high-profile individuals the FBI failed to recognize as a potential source of terrorism" were Omar Mateen, who killed 49 individuals at the Pulse nightclub in Orlando in 2016, and Nidal Hasan, who killed 13 people at Fort Hood, Texas, in 2009.

The Washington Post (3/4, Zapotosky, 14.2M) reports Inspector General Michael Horowitz "chided the FBI for failing to fully address weaknesses in how it assesses possible homegrown terrorists." In a letter included in Horowitz's report, Suzanne Turner, chief of the FBI's External Audit and Compliance Section, wrote that the Bureau has "made changes to implement best practices and make recommended changes."

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Federal Judge Orders 9/11 Victims' Attorneys To Detail Alleged Threats Against Witnesses.

The Washington Post (3/4, Jacobs, 14.2M) reports a federal judge has ordered "lawyers for 9/11 families suing Saudi Arabia to detail threats allegedly made against witnesses they may depose as part of their effort to prove the kingdom was involved in the 2001 terrorist attacks." The victims' attorneys have "argued they need to protect for now the identities of potential witnesses, pointing to the murder of journalist Jamal Khashoggi as an example of the kind of danger faced by those who speak out against Saudi Arabia." US Magistrate Judge Sarah Netburn said she was "troubled by the allegations" that witnesses were threatened and "asked for a submission from the plaintiffs' lawyers 'documenting in greater detail the information that you have' by March 18."

RCP Average Has Trump's Job Approval At 45%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45%, and his disapproval at 52.3%. The President's job approval is down 0.7 since yesterday; his disapproval is up by 1.

A Rasmussen poll of 1,500 "likely voters" (2/28-3/3) finds Trump's approval at 48%, with 49% disapproving.

Financial International News

Georgieva: Virus Will Push This Year's Growth Below 2019 Levels.

Reuters (3/4, Lawder) also reports Georgieva said the coronavirus' continued spread will push global growth this year below 2019 levels, "adding that the IMF will again revise its forecasts downward in the coming weeks." The IMF in January "had estimated 2019 global growth at 2.9% and 2020 growth at 3.3%. In February, the Fund said the outbreak could shave 0.1 percentage point from 2020 growth." However, Georgieva said, "Growth this year will fall below the level of last year," though she "declined to say whether the virus crisis could push the world into a recession," adding, "It is the duration of the outbreak that at this time is difficult to predict." The Guardian (UK) (3/4, Inman, 4.19M), Bloomberg (3/4, Martin, 4.73M), and Business Insider (3/4, Heeb, 3.67M), among other outlets, also report.

Georgieva: IMF Ready To Disburse $50B To Low-Income, Emerging Market Countries Hit By Virus.

Reuters (3/4, Shalal, Dunsmuir) reports IMF Managing Director Kristalina Georgieva said Wednesday that the IMF would act with speed to process requests for low- or zero-interest loans from countries impacted by the spread of the coronavirus. Georgieva "said the IMF had $50 billion in such assistance available for quick disbursement" and "emphasized the need for concerted and immediate action by countries around the world to contain the spread of the disease that originated in China." Georgieva added, "Now is the time to put in place precautionary measures should the outbreak become more severe." CNBC (3/4, Pound, 3.62M) , BBC News Online (UK) (3/5, 1.02M), and The Financial Times (3/4, Politi, Subscription Publication, 1.34M), among other outlets, also report.

Bank Of Korea Says Fed Cut Gives It More Room For Policy Maneuvering Due To Reduced Capital Outflow Risk.

Reuters (3/4, Kim) reports South Korea's central bank "said on Wednesday that the U.S. Federal Reserve's emergency interest rate cut gives it more policy room to maneuver by reducing the risks of capital outflows from Asia's fourth-largest economy." In a statement following "an urgently scheduled meeting in Seoul, the Bank of Korea (BOK) said outflow risks had eased as the Fed's overnight 50 basis-point cut to a range of 1.00% to 1.25% put policy rates of the two countries at a similar level." However, the Bank "stressed that the bank needs to consider factors other than capital movements when conducting policy, and said taking its rate down to an 'effective lower bound'...deserves comprehensive study."

Leading International News

DOD Contract Linguist Accused Of Disclosing US Intelligence Assets To Hezbollah.

The AP (3/4) reports the Justice Department announced Wednesday that Mariam Taha Thompson, "a Defense Department contract linguist," has been charged with "giving classified information, including the names of American intelligence assets, to a Lebanese national with ties to the militant group Hezbollah." Prosecutors said that "during a six-week period starting in late December," Thompson "repeatedly accessed dozens of files that she had no need to review" that "included the names of human assets, their photographs and cables detailing the information that the sources provided to the U.S. government." The Washington Free Beacon (3/4, Kredo, 78K) says FBI agents "arrested Thompson in late February at an overseas US military facility, where she was employed as a linguist holding top secret security clearance. A search of Thompson's living space revealed Arabic-language documents containing classified US materials."

The New York Times (3/4, Goldman, Barnes, 18.61M) reports law enforcement officials "suggested that the potential loss of classified information was grave and that the prosecution was one of the most serious recent counterintelligence cases they had seen." Reuters (3/4, Lynch) reports John Demers, the Justice Department's assistant attorney general for national security, "called Thompson's alleged conduct a 'disgrace' to her country." The Wall Street Journal (3/4, Strobel, Subscription Publication, 7.57M) and Washington Post (3/4, Hsu, 14.2M), among other news outlets, also report Thompson's arrest.

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Putin And Erdoğan Set To Meet In Hopes Of Averting Further Fighting In Syria.

Reuters (3/4, Tsvetkova, Isik) reports Russia is "racing to reinforce its troops in Syria by sea and air before talks between" President Vladimir Putin and Turkish President Recep Tayyip Erdoğan in Moscow on Thursday. Putin and Erdoğan "agreed to meet after a surge in tensions between their countries over fighting in Syria's Idlib province between Russian-backed Syrian government forces and rebels allied to Turkey."

The Washington Post (3/4, Khurshudyan, 14.2M) says Thursday's meeting "will mark their first face-to-face encounter since Syrian government forces – backed by ally Russia – launched a major offensive in Idlib." Previous talks, it notes, "have produced stopgap measures on Syria, but nothing sustainable," and the two nations "have accused each other of breaching the terms of a 2018 deal."

The AP (3/4) similarly says that "with a looming new migration crisis at Europe's borders, all eyes will be on Moscow, where the two main power brokers in Syria will see if they can hammer out yet another deal carving up northern Syria, tailored to their own agendas." But cautions that "whatever deal they can work out, it will likely bring only a temporary halt" to fighting.

Taliban Have Launched At Least 76 Attacks Since Signing Deal With US.

Reuters (3/4, Sediqi, Greenfield) reports the US military on Wednesday "carried out its first air strike on Taliban fighters in Afghanistan since the two sides signed a troop withdrawal agreement on Saturday." A US forces spokesman "confirmed the incident in southern Helmand province," hours after President Trump spoke with chief Taliban official Mullah Baradar Akhund on Tuesday. In a tweet, spokesman Col. Sonny Leggett said the Taliban fighters "were actively attacking an (Afghan National Security Forces) checkpoint. This was a defensive strike to disrupt the attack." The AP (3/4) reports Leggett also said the Taliban "conducted 43 attacks on Afghan troops on Tuesday in Helmand."

The New York Times (3/4, Rahim, Mashal, 18.61M) reports the Taliban "resumed attacks against Afghan forces soon after signing a deal to end their war with the US military, raising concerns that the Americans are leaving their Afghan allies vulnerable to an insurgency unwilling to let go of violence as its main leverage." According to a spokesman for Afghanistan's national security council, "The Taliban have carried out at least 76 attacks across 24 Afghan provinces since Saturday, when they finalized an agreement for a troop withdrawal by the United States."

The Washington Post (3/4, George, 14.2M) also reports that "violence across Afghanistan has spiked in recent days following a Taliban announcement Monday that it had resumed offensive operations against Afghan security forces. ... Over the past 24 hours, the Taliban has conducted 30 attacks that have killed four civilians and 11 security force members and wounded 18 others, said Nasrat Rahimi, a spokesman for the Ministry of Interior Affairs." According to the Post, "A drop in violence was a critical precondition in the lead-up to the deal's signing, but the agreement did not specify violence levels moving forward."

Esper Voices Concerns About Open Skies Treaty.

The Washington Times (3/4, Meier, 492K) reports Defense Secretary Esper on Wednesday told a Senate panel he has "a lot of concerns" about an international treaty that allows US intelligence flights over Russia, "citing Moscow's repeated violations of the agreement." In testimony before the Senate Armed Services Committee to defend the Pentagon's 2021 budget request, Esper said Russia has been cheating the Open Skies Treaty "for many years," adding, "We need to speak out more clearly about Russian noncompliance."

Bipartisan Bill Urges Olympic Committee To Move 2022 Winter Games Out Of China.

The Washington Times (3/4, Meier, 492K) reports that a "bipartisan group of senators is calling on the International Olympic Committee (IOC) to move the 2022 Winter Olympics out of China, citing humanitarian rights violations committed by Beijing against Hong Kong protesters and the detainment of more than 1 million ethnic Muslims." Led by Sen. Rick Scott (R-FL), "members unveiled legislation that urges the IOC to rebid the next winter games to a country 'that recognizes and respects human rights.'" In a Tuesday statement, Scott said, "The Olympic Games are an incredible opportunity to allow the world's best athletes to represent their countries and unite our nations, and should not be hosted by one of the world's worst human rights abusers."

WPost Analysis: US Democrats Increasing Wary Of Netanyahu.

The Washington Post (3/4, Tharoor, 14.2M) reports that after this week's election, Israeli Prime Minister Benjamin Netanyahu "may feel vindicated in his right-wing agenda – which [President] Trump has backed aggressively," but US Democrats "are increasingly wary of the Israeli prime minister and the trajectory of his rule. And there's a growing divide between American Jews, particularly the younger generations, and the Israeli voting public." To the Post, this divide "was on stark display at the American Israel Public Affairs Committee's annual conference this week," where "some leading candidates for the Democratic presidential nomination opted out of attending this year, including, most significantly," Sen. Bernie Sanders (I-VT), who "could be the country's first Jewish president." Sanders did "not just politely decline his invitation to address AIPAC; he issued a statement attacking the organization for giving a platform to far-right figures," and "branded Netanyahu a 'reactionary racist.'"

Media Analyses: Netanyahu Has "No Clear Path" To Securing Majority Coalition. The AP (3/4, Goldenberg) reports Israeli Prime Minister Benjamin Netanyahu "has fallen short of capturing the majority needed to form a government...deepening a year of political deadlock and appearing to dash the long-serving leader's hopes for a decisive victory." Netanyahu, "in an apparent concession that he did not have the parliamentary support to form a new government right away. But he still tried to claim victory as he lashed out at his main

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opponent and disparaged the leading Arab party – the third largest in parliament – as irrelevant." With "over 99% of the votes counted, Netanyahu's Likud led the way with 36 seats, ahead of challenger Benny Gantz's Blue and White party, with 33 seats. Yet with his allies, Netanyahu's right-wing camp held a total of only 58 seats, three shy of the 61 needed to form a government and no clear path to reaching the threshold."

The New York Times (3/4, Halbfinger, 18.61M) says that "just one defector – whose political career could be ended, analysts said, by such a betrayal of the voters who elected him or her – would be a lot to ask. Three would seem a miracle, even for Mr. Netanyahu. And the likeliest candidates to be wooed by Mr. Netanyahu all insisted they were holding fast to their promises to see him into retirement and could not be bought off, no matter the inducement."

Palestinians Protest As Israeli Bulldozers Clear Land In West Bank. Reuters (3/4, Sawafta, Al-Mughrabi) reports Palestinians have "launched protests in the occupied West Bank after Israeli bulldozers began clearing land in what villagers fear is an attempt to confiscate it for future Jewish settlements." Villagers from "nearby Qusra challenged troops guarding Israeli bulldozers as they worked in a field close to Migdalim settlement in the northern West Bank." In another nearby village, Beita, "residents protested over several days, planting a Palestinian flag and erecting a tent on the hilltop of al-Arma to defend it against settlers from Itamar settlement, near the city of Nablus."

Ukraine's Zelensky Fires His Cabinet.

The New York Times (3/4, Kramer, 18.61M) reports Ukraine's President Volodymyr Zelensky fired his cabinet Wednesday "after suggesting in a speech that they had become overly solicitous of Western nations that financially support Ukraine by appointing foreigners to the boards of state companies." In a speech to Parliament, Zelensky said, "With all respect to our international partners and with all appreciation for their help, the citizens of our country on governing boards of our companies are feeling like an ethnic minority." While Zelensky "also faulted the ministers for poor performance," he "offered praise and thanks that none had become entangled in a corruption scandal in the six months they served." Zelensky "asked Parliament to vote on the cabinet's dismissal in a special session Wednesday evening. Of the 450 members of Parliament, 335 voted in favor."

Police Face Off With Migrants Seeking To Breach Turkey-Greece Border.

Reuters (3/4, Papadimas, Shakhshir) reports that "Greek and Turkish riot police deployed on their shared border fired tear gas on Wednesday as hundreds of migrants tried again to cross into Greece, amid an escalating war of words between Athens and Ankara about what was happening." According to Reuters, "Turkey accused Greek forces of shooting dead one migrant and wounding five others, a charge strongly denied by Greece, which said Turkish police were using tear gas to help the migrants illegally cross onto its territory." Reuters says "more than 10,000 migrants have been trying to breach the border since Turkey said last Thursday it would no longer abide by a 2016 deal with the European Union to halt illegal migration flows to Europe in return for billions of euros in aid."

Congo Rainforest Losing Ability To Absorb Carbon Dioxide.

The Washington Post (3/4, Grossman, 14.2M) reports that "scientists have determined that trees in the Congo Basin of central Africa are losing their capacity to absorb carbon dioxide, raising alarms about the health of the world's second-largest contiguous rainforest and its ability to store greenhouse gases linked to climate change." A study published Wednesday in the journal Nature "found that some sites in the Congo Basin showed signs of weakened carbon uptake as early as 2010, suggesting that the decline in Africa may have been underway for a decade." The study predicts that by 2030, "the African jungle will absorb 14 percent less carbon dioxide than it did 10 to 15 years ago," and "by 2035, Amazonian trees won't absorb any carbon dioxide at all."

Housing

UI Report: As Mortgage Industry Transitions To SOFR, Many Will Look To GSEs, FHFA For Guidance.

The Urban Institute (3/4, 1K) released a released an "examination of the status of the US mortgage market in preparing for the transition at the end of 2021" from Libor to SOFR. The authors of the report, Laurie Goodman and Edward Golding, wrote that they see "signs of progress, albeit less than might have been expected. They believe that many market participants will look to Fannie Mae, Freddie Mac, and their regulator, the Federal Housing Finance Agency (FHFA), for guidance on how to handle the shift from LIBOR to SOFR with minimal disruption to the US mortgage market."

According to a piece from GlobeSt. (3/5, Borland) that is accessible to subscribers, "Last year, Freddie Mac adopted SOFR and phase out LIBOR, and the move is triggering a trend throughout the lending community. More and more lenders are referencing SOFR in their loan documents, following Freddie Mac's lead to shift away from LIBOR."

GSEs Take CECL In Stride.

Behind a paywall, Inside Mortgage Finance (3/5, Hollier, Subscription Publication) reports, "After wringing their hands for nearly two years about how the Current Expected Credit Losses accounting standard might decimate earnings when launched at the beginning of 2020,

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Fannie Mae and Freddie Mac executives now seem to be saying, 'Not so much.'" According to IMF, "Under the new standard, which went into effect on Jan. 1, the GSEs are now required to set aside reserves to cover all expected future losses on an asset at the time of acquisition. Prior to CECL, the two entities used the incurred loss methodology." Although "many analysts anticipated that the implementation of CECL would balloon the loan loss reserves of the GSEs, cutting deeply into their profits in the first quarter of 2020," now that the "CECL implications have been fully digested, both enterprises are downplaying the accounting standard's potential impact on first quarter earnings."

Five Star Government Forum To Feature Discussions With Officials From GSEs, Ginnie Mae, FHFA, CFPB.

DS News (3/4, Welborn) reports, "On Wednesday, April 1, leaders from numerous government agencies and the mortgage servicing industry will convene at the Ronald Reagan Building in Washington, D.C., for the 11th annual Five Star Government Forum (FSGF)," which is described as an annual event to "bring together officials making critical decisions on the direction of the housing economy with representatives of the mortgage industry in order to ensure that sensible regulations are in place to protect the industry and the customers that it serves." This year, "the CFPB, HUD, FHFA, Fannie Mae, Freddie Mac, Ginnie Mae, and others" will be represented at the forum.

Saudi Arabia's Fannie-Freddie Equivalent Raises Its Volume Goal For 2020.

Potentially behind a paywall, Bloomberg (3/4, 4.73M) reports that Saudi Arabia's "first mortgage refinancing firm aims to raise its holdings of home-loan portfolios by 10 times this year, as a government push to boost home ownership spurs lending." According to Bloomberg, "The Saudi Real Estate Refinance Company – the state-owned equivalent of Fannie Mae and Freddie Mac in the U.S. – plans to buy more than 23 billion riyals ($6.1 billion) of mortgage portfolios from banks in 2020, Housing Minister Majed Al-Hogail said in an interview with Bloomberg TV in Riyadh. That's a sharp jump from the 2.25 billion riyals it held at the end of last year."

Berkadia Arranges $34M Freddie Mac Loan For OKC Apartments.

Multi-Housing News (3/4, Marinescu) reports, "Berkadia has arranged a $33.8 million Freddie Mac loan for the purchase of Sycamore Farms Apartments, a 398-unit community in Oklahoma City."

Coronavirus Throws A Wrench In Companies' CECL Predictions.

The Wall Street Journal (3/4, Maurer, Subscription Publication, 7.57M) reports that the Current Expected Credit Losses standard went into effect for large public companies in the US in December, but the outbreak of the novel coronavirus is hurting companies' ability to accurately predict credit risk. According to NYU accounting professor Stephen Ryan, it is unlikely that even the CDC could currently forecast the way the virus will evolve with any significant degree of confidence.

Democratic Lawmakers Criticized Proposed Cuts To HUD Funding.

The Hill (3/4, Moreno, 2.98M) reports, "Democrats on a House Appropriations Committee subpanel pressed Housing and Urban Development (HUD) Secretary Ben Carson Wednesday on his department's proposal to slash funds for housing assistance." Rep. David Price (D-NC) said of HUD's $48 billion FY 2021 budget, "This is woefully inadequate to the task at hand." According to The Hill, the proposal amounts to "a cut of $8.6 billion or 15 percent compared to the current levels."

CFPB Says Servicers Failed To Carry Out Loss-Mitigation Procedures Required By RESPA.

Behind a paywall, Inside Mortgage Finance (3/4, Yang, Subscription Publication) reports, "Residential servicers are violating loss-mitigation practices established by the Consumer Financial Protection Bureau when dealing with property damage from natural disasters, according to a new supervisory report." The CFPB said, "Examiners determined that one or more servicers violated Regulation X [of RESPA], by failing to provide certain required loss-mitigation notices, providing incomplete notices or not providing notices within the time required by the regulation." According to IMF, however, "the violations were, in part, due to an unexpected surge in applications following natural disasters."

MBA: Mortgage Applications Rose 15% This Week As Mortgage Rates Fell.

HousingWire (3/4, 23K) reports, "mortgage applications jumped 15.1% from one week prior, according to the Mortgage Bankers Association." The Refinance Index rose 26% this week. The seasonally adjusted Purchase Index fell 3%, while the unadjusted Purchase Index rose 11%. The refinance share rose from 60.8% to 66.2% of total applications. The ARM share rose to 6.4%. The FHA share fell from 10.5% to 9.3%, while the VA share fell from 11.8% to 10.5%. The average rate for 30-year FRMs with conforming loan balances fell from 3.73% to 3.57%, while that for jumbos held steady at 3.72%. The 15-year FRM average fell from 3.18% to 3.03%. The 5/1 ARM average fell from 3.21% to 3.12%. According to Mortgage News Daily (3/4, Swanson), "The average size of a loan increased from $332,000 to $359,300 and purchase loans rose to $349,400 from $347,800."

National Mortgage News (3/4) reports MBA Chief Economist Mike Fratantoni said, "The 30-year fixed-rate mortgage dropped to its lowest level in more than seven years last week, amidst increasing concerns regarding the economic impact from the spread of the coronavirus, as well as the tremendous financial market volatility. Refinance demand jumped as a result, with conventional refinance

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applications increasing more than 30%. Given the further drop in Treasury rates this week, we expect refinance activity will increase even more until fears subside and rates stabilize." Behind a paywall, Inside Mortgage Finance (3/4, Muolo, Subscription Publication) reports, "This week, thanks to the stock market continuing its meltdown (courtesy of the coronavirus), the yield on the 10-year fell to a new all-time low of 0.91%." MBS Highway's Barry Habib now predicts "an eventual yield of just 0.50% on the bond." For lenders, IMF says, this means the "lowest rates ever, a refi boom and fatter profit margins."

M Report (3/4, Albanese) also covers the MBA's latest mortgage applications survey.

Following Emergency Fed Cut, Libor Stages Biggest Single-Day Drop In A Decade.

Potentially behind a paywall, Bloomberg (3/4, 4.73M) reports that Libor "staged its biggest one-day drop in more than a decade Wednesday in a sign that markets are bracing for even lower U.S. borrowing costs in the face of the spreading coronavirus." According to Bloomberg, "The three-month London interbank offered rate for dollars...sank 31.4 basis points to 1.00063%. That's the biggest one-day slide since October 2008, the height of the global financial crisis. The move reflects a market that's catching up with front-end rates that had already begun pricing additional Federal Reserve rate cuts even after Tuesday's emergency half-point reduction. Fed officials have a scheduled meeting on March 17-18."

Black Knight: Low Rates Boost Refi-Eligible Population.

HousingWire (3/4, Howley, 23K) reports new data from Black Knight indicates that "low borrowing costs have made 11.1 million US mortgages 'refi eligible.'" Freddie Mac reported last week that the 30-year FRM averaged 3.45%. According to Black Knight, the average borrower could save $268 per month. The aggregate savings, HousingWire says, "if all eligible borrowers got new mortgages, would be $3 billion a month." Black Knight said, "Given the increasing refinance incentive, it would not be surprising to see another surge in refinancing activity."

USA Today (3/4, Menton, 10.31M) reports that Bankrate.com Chief Financial Analyst Greg McBride said of the drop in rates, "This blows the refinancing door wide open, particularly for borrowers that had taken loans a year ago. Knocking $150 off your monthly mortgage payment creates valuable breathing room in the household budget." CNN International (3/3, Bahney) reports Bankrate senior economic analyst Mark Hamrick said, "It's definitely a good time for someone looking to buy a home to get financing. Home prices have risen, and it is rough for those looking for a bargain, but the financing has gotten better."

Compass And Better.com Report: Women Gaining Power In Homebuying, Thanks To Digitization.

HousingWire (3/4, Falcon, 23K) says that a "new report" from Compass and Better.com "says that an increasing amount of women are taking hold of the housing market." National Mortgage News (3/4, Centopani) says that this is "thanks in part to the digitization of the mortgage and real estate industries." According to NMN, "The rise of fintech in some contexts led to less discriminatory lending to underserved groups," and in 2019, "about 58% of Compass agents reported women made up the majority of their clients. Approximately, 83% of agents said their share of female customers increased over the last five years and 71% said single women were entering the housing market earlier than single men." Meanwhile, Better.com found that "certain pockets of its female borrowers" are growing "exponentially." Single minority women borrowers "increased by five times last year," and "those in the 30- to 40-year-old demographic with monthly salaries between $10,000 and $20,000 grew four and a half times." Better.com's female borrower base "had an average credit score of 770."

Quicken, JPM, UWM, Caliber On Hiring Sprees As Rates Plummet.

According to a potentially paywalled Bloomberg (3/4, 4.73M) piece carried by National Mortgage News (3/4), "A drop in interest rates in response to the coronavirus outbreak is adding urgency to a hiring spree across the mortgage industry. Executives at four of the nation's 15 biggest mortgage lenders, already gearing up for a busy 2020, anticipate hiring thousands of employees this year to keep up with what they expect to be a flood of demand for purchase loans and refinancings." Quicken Loans reportedly had its busiest day for mortgage applications in the company's entire history on Monday, and it "expects to hire a few hundred new employees this month." United Wholesale Mortgage "plans to hire another 2,000 people in 2020 after it doubled in size last year to roughly 5,400 employees." Meanwhile, Caliber Home Loans has "nearly doubled its call center staff over the past six months and anticipates hiring at least 25% more loan officers and back-office workers in the coming months," and JPMorgan Chase "told home-equity staff last week that half of the team would be transferred to mortgages to keep up with demand." NMN reports, "Interest rates for the typical 30-year mortgage should fall below 3.25% and remain there for the rest of the year, said Mike Patterson, chief operating officer at New Jersey-based Freedom Mortgage Corp. Mortgage investors were privately discussing on Tuesday how to price a new Ginnie Mae 30-year fixed-rate mortgage security that would yield just 2%, a first, Patterson said."

Continuing Coverage: 50bps Emergency Fed Cut Expected To Drive Rates To Record Lows. According to

Fannie Mae Prices Third CAS Offering Of 2020.

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DS News (3/4, Welborn) reports, "Fannie Mae has priced its first Connecticut Avenue Securities (CAS) Seasoned B-Tranche transaction,

representing the third CAS transaction of 2020. CAS 2020-SBT1 is a $966 million security offering that references loans that were included in 2015 and 2016 CAS deals." Fannie Mae VP of Credit Risk Transfer Laurel Davis said, "This marks our second transaction in an ongoing program to transfer risk on our seasoned loan book. These transactions offer investors a different profile than our ongoing benchmark CAS REMIC transactions. We were pleased to see the strong demand for the deal, especially in light of the backdrop of global market volatility. We plan to return to the market in late March with our next benchmark CAS REMIC." National Mortgage News (3/4, Finkelstein) also covers the transaction.

M&A Activity On The Rise.

National Mortgage News (3/4, Sinnock) reports, "Mortgage-related companies finalized four partnerships, a servicing-retention firm went up for sale, and a long-delayed insurance-related transaction moved forward this week in a wave of industry merger and acquisition activity." According to NMN, "Mortgage technology vendor Black Knight finalized its acquisition of Collateral Analytics, AboutMYMortgage announced plans to sell, purchase-loan marketing fintech Home Captain closed on its purchase of Redefy, and Genworth struck a deal with New York that could help it complete the pending sale of its mortgage and life insurance affiliate to China's Oceanwide Holdings."

National MI Expands Integration With VirPack.

Mortgage Professional America (3/4, Mendoza) reports, "National MI and VirPack, a provider of document management and workflow automation platform for mortgage lenders, have broadened their integration to allow direct transfer of loan documents to National MI." According to MPA, "The expanded integration enables lenders using VirPack to electronically deliver loan files for mortgage insurance underwriting directly to National MI," and it "includes a direct delivery process for National MI's Delegated Assurance Review (DAR) program, along with other non-delegated programs."

Opinion: Lenders Should Keep An Eye On Disparate Impact As Use Of Alternative Data Grows.

In an opinion piece for American Banker (3/4, Subscription Publication, 31K), Marketplace Lending Association Executive Director Nathaniel Hoopes argues that as digitization grows, the mortgage industry should "work to maintain" the "disparate impact" framework in fair lending regulation and the implementation of the Equal Credit Opportunity Act. According to him, "It doesn't just protect borrowers; it protects innovation. And it particularly protects the very use of alternative data that is expanding access to credit and lowering loan pricing for people of color and other borrowers poorly served by traditional underwriting."

Markets

10-Year Yield Rises.

MarketWatch (2/18, 1.67M) reports the 10-year Treasury yield rose to 0.976 percent.

Dollar Struggles.

Reuters (3/5, Westbrook) reports, "The dollar struggled to make headway on Thursday, as very low US yields and the prospect of even more monetary easing held back gains, while virus fears supported the safe-haven yen." The dollar rose "0.3% higher on the euro overnight." Meanwhile, the yen rose "0.2% through Thursday and last trading at 107.33 per dollar."

Gold Edges Higher.

Reuters (3/5, Sistla) reports, "Gold edged up on Thursday on safe-haven buying fuelled by worries about the fast-spreading coronavirus, but a rise in equity markets limited bullion's gains." Spot gold "inched 0.2% higher to $1,638.70 per ounce by 0451 GMT," while US gold futures "were down 0.2% at $1,639.50."

Oil Rises More Than 1%.

Reuters (3/5, Jaganathan) reports, "Oil prices rose more than 1% on Thursday, recouping losses from the previous day on a smaller-than-expected rise in crude oil inventories in the United States, although the gains were capped by uncertainties over cuts by major oil producers." Brent crude "rose by 78 cents, or 1.5%, to $51.91 per barrel by 0202 GMT," while West Texas Intermediate "was up by 69 cents, or 1.5%, at $47.47 per barrel."

Cybersecurity

Nakasone Says Election Security Is US Cyber Command's "Top Priority."

The Hill (3/4, Miller, 2.98M) reports US Cyber Command leader Gen. Paul Nakasone "told a House panel Wednesday that election security is his 'top priority,' emphasizing strides made in combating threats in the years since Russia interfered in the 2016 presidential election." Nakasone, "testifying during a House Armed Services subcommittee hearing on US Cyber Command's proposed fiscal 2021 budget," said, "We are 244 days from the 2020 presidential election. My top priority is a safe and secure election that is free from foreign influence." Nakasone "emphasized that even if foreign actors try to interfere in US elections, federal agencies are prepared." Nakasone warned,

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"Malicious actors are trying to test our defenses and our resolve. We are ready for them and any others who try to interfere in our democratic processes."

Bloomberg (3/5, 4.73M) reports Nakasone "said an intensive US government effort to protect the Super Tuesday primaries from foreign interference made efforts in the 2018 midterm election look 'like a pick-up game.'" Nakasone "said his team gathered at 6 a.m. and joined a 'chat system' with other agencies – including the DOD, DHS, and intelligence community." He said, "This is all different than what we were doing in 2018. In 2018, I look back on that, even though very successful, it looks like a pick-up game compared to what I saw yesterday."

US Cyber Officials Monitor Voting Amid Russian Disinformation Campaign.

TIME (3/4, Walcott, 18.47M) reports that, as Super Tuesday voting got underway, officials from four national security agencies "huddled in a nondescript office building just across the Potomac River from Washington to monitor the presidential primaries for any signs of foreign interference." Two intelligence officials "said that, over the course of the day, the four agencies connected to state and local election officials via a text messaging platform to allow communication in case poll workers saw issues at voting stations, or federal officials got word of efforts to meddle from abroad." The officials "said the exercise included DHS, the FBI, NSA, and the US Cyber Command, and it found no signs of direct foreign meddling." The foremost threat of "direct meddling in the election outcomes, say experts inside and out of government, remains Russia."

Sen. Hawley To Introduce Bill Banning TikTok On Government Devices.

The Hill (3/4, Rodrigo, 2.98M) reports Sen. Josh Hawley (R-MO) on Wednesday "said he will introduce legislation banning federal employees from using TikTok on government devices." Hawley said during a Senate Judiciary subcommittee hearing on big tech's connections to China, "This is a necessary step to protect the security of the US and the data security of every American." The legislation comes "as several agencies that deal with national security and intelligence issues have completely banned their employees from using TikTok." However, enforcement of those bans "has been spotty, with many military members, for example, still posting on TikTok." Nexstar (3/4) reports on concerns raised about TikTok on Capitol Hill as "lawmakers raised concerns about apps' potential ties to the Chinese government." National security officials are concerned TikTok "could give Beijing unfettered access to Americans' data." Hawley called on all federal agencies "to ban their employees from using the app, something the Department of Homeland Security, the Pentagon and the Department of State have already done."

Breitbart (3/4, 673K) reports Clyde Wallace, an official in the FBI's cyber division, told the hearing, "TikTok is one example of an application where the average citizen doesn't understand the implications of what's behind it. It's basically controlled by a state-sponsored actor." While the various data points "collected by TikTok may not seem sensitive, Wallace said the information may be aggregated and 'used for many purposes.'" In his written testimony, Wallace "said Chinese-owned social media applications may collect personal data including biometrics, contact lists, location data and bank and credit card details." He said, "Any and all data can be transferred to other locations and associated entities to include the Chinese parent company."

Senate Passes Bill To Boost US Oversight Of Security Threats To 5G Telecom Networks.

The Wall Street Journal (3/4, Ferek, Subscription Publication, 7.57M) reports the Senate approved a bill that would require the US government to find security threats and pursue potential fixes within the equipment and software that support 5G wireless networks. The bill, approved by a wide margin, highlights congressional concerns that other nations may spy on the data flows emerging from the 5G networks. US officials have expressed worry that Huawei equipment would facilitate Chinese spying on US citizens.

Telecom Executives Testify At Senate Hearing On Preventing Huawei Gaining Stronger Role In US 5G Networks. The Hill (3/4, Miller, 2.98M) reports lawmakers on Wednesday "heard from executives at top telecommunications companies as the Senate Commerce Committee weighed measures to prevent Chinese giant Huawei from getting a foothold in the emerging US 5G network." The hearing on '5G supply chain security' "featured executives from companies including Nokia and Ericsson, who touted their technology as a viable and secure alternative and offered their support for legislation to help American telecom providers replace Huawei equipment." Jason Boswell, the head of security for Ericsson's Network Product Solutions, "testified that Ericsson saw their products as 'the best in the world.'" He "argued that should the US decide to rely on Ericsson for 5G equipment, the company saw no 'restrictions on our ability to meet manufacturing demand.'"

US Senators Urge UK's Boris Johnson To End 5G Deal With Huawei. The Telegraph (UK) (3/4, Tominey, 956K) reports a group of US senators "has written to MPs expressing 'significant concern' about Huawei and urging the government to rethink the decision to grant the Chinese firm access to the UK's 5G network." The letter comes after Tory MPs "called on the government to reduce the state-subsidised telecoms company's involvement in Britain's 'fifth generation' infrastructure to zero by 2023." The US senators' letter said: "While banning companies like Huawei from the UK's 'core' 5G network infrastructure may address some security threats, in practice it could prove very challenging, if not impossible, to separate 'core' equipment from that considered to be on the periphery. Given the significant security, privacy, and economic threats posed by Huawei, we strongly urge the UK to revisit its recent decision, take steps to mitigate the risks of Huawei, and work in close partnership with the US on such efforts going forward."

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Executive Says Huawei Will Build French Factory Regardless Of 5G Decision. Reuters (3/4, Rosemain, Piotard) reports a Huawei executive "said the company will build a factory in France regardless of the government's decision on whether to use its equipment in

a new 5G network." Huawei "said last week that it planned to build a manufacturing plant in France to ease worldwide concerns stoked by US charges that Beijing could use Huawei's equipment for spying." Europe has become a "major battleground in this and France's cybersecurity agency is screening 5G equipment, including from Huawei, for deployment in its new network." Huawei France's deputy chief executive Minggang Zhang told Reuters, "The plant will be built in France, whatever the French government's decision, as it is part of our strategy."

Huawei Pleaded Not Guilty To Racketeering Charges In US Federal Court. Bloomberg (3/4, 4.73M) reports Huawei pleaded "not guilty Wednesday to racketeering charges filed last month by US prosecutors who accused the Chinese telecommunications equipment giant of a 20-year pattern of corporate espionage." The company had called "the charges 'unfounded and unfair' prior to entering its plea Wednesday in federal court." The escalation of the criminal case "comes as the Trump Administration continues to brand Huawei a threat to national security while the company competes in the global battle for supremacy in fifth-generation wireless technology, or 5G."

Nokia And Ericsson Tell Senate Hearing They Are 5G Alternative To Huawei. CNET News (3/4, Reardon, 1.99M) reports European telecom equipment makers "were on Capitol Hill Wednesday to reassure lawmakers that their 5G gear is a safe and secure alternative to equipment from Chinese giant Huawei." Their testimony comes "as new legislation, allocating $1 billion in subsidies to rip and replace Huawei gear in rural wireless networks, awaits the signature of President Trump." The Senate Commerce Committee's hearing "featured executives from Nokia and Ericsson." The executives made "the case for why the US should trust them to supply the nation's wireless carriers as they build out their 5G networks." Jason Boswell, chief of security for Ericsson's Network Product Solutions, "reassured members of Congress that his company's products are 'the best in the world.'" And he "said that the company was up to the task of keeping up with manufacturing demand for its products to fuel US 5G networks."

Hackers Using Coronavirus To Scam Companies. The Wall Street Journal (3/4, Rundle, Stupp, Nash, Subscription Publication, 7.57M) reports criminals are exploiting worries about the coronavirus epidemic to infect computer systems with their own viruses. They are creating fake emails mentioning the outbreak that look like they are sent by business partners or public institutions to persuade users to open the messages. Cybersecurity firm Proofpoint indicates that the number of such fake emails have increased substantially since the beginning of the year.

Russian Propagandists Pushing New "News" App As Free Streaming Service.

The Daily Beast (3/4, 1.39M) reports Russian propagandists are "pushing a 'news' app that poses as a 'free streaming service,' but which is linked directly to the Russian propaganda outlet RT." It describes itself "as a 'one-of-a-kind free streaming service & TV library of news programs, talk shows, business updates, professional sports highlights and comedy.'" However, the only shows "available on Portable. TV are produced by RT America, including shows like Redacted Tonight with self-proclaimed comedian Lee Camp and The World According to Jesse with former Minnesota Gov. Jesse Ventura." The only shows "actually available on the app are those found on a Russian propaganda channel." There isn't "a single show on Portable. TV that didn't originate on RT." The app also comes "a few years after the ODNI issued a report highlighting RT's central role in propagating Russian interference efforts during the 2016 elections."

Federal Reserve

Fed Finalizes New Capital Rules For Big Banks.

Reuters (3/4) reports the Federal Reserve released new rules integrating "capital requirements stemming from the Fed's annual bank stress tests with regular capital standards" to create "a 'stress capital buffer' to determine how much banks must hold in reserve to guard against downturns."

The Wall Street Journal (3/4, Ackerman, Subscription Publication, 7.57M) reports Fed Vice Chairman for Supervision Randal Quarles said in a statement that the move simplifies rules for big banks. Fed Governor Lael Brainard opposed the plan, saying it would cause big banks to reduce their capital buffers.

American Banker (3/4, Subscription Publication, 31K) reports, "Under the new system, each bank subject to the Comprehensive Capital Analysis and Review will have to meet a unique benchmark based on its performance of how much capital to hold in the following year to combat stress." The new plan "is expected to result in higher capital requirements for the largest banks, while some smaller institutions still subject to CCAR may get a break." The final stress capital buffer – which will be in place for this year's stress tests – "will calculate a bank's stress capital buffer as the difference between a bank's starting and projected capital ratios under the 'severely adverse' stress test scenario."

Additional coverage includes Bloomberg (3/4, 4.73M) and the Financial Times (3/4, Noonan, Subscription Publication, 1.34M).

Bullard: Interest Rates Now Appropriate For Addressing Virus Risks Following Fed's Emergency Cut.

Reuters (3/4) reports St. Louis Fed President James Bullard said Wednesday that risks of the coronavirus becoming more serious than expected are rising, but that interest rates following the Fed's emergency cut Tuesday are now appropriate. Bullard said, "We got the policy rate to the right place for now, given the information we have now. And we took out some insurance against the possibility that this will cause a growth slowdown in the U.S." Bullard "said he was going to support a rate cut at the March meeting and did not see a reason to wait. The emergency cut moved up the Fed's action, lessening the need for another move at the March meeting, Bullard said, but policymakers are tracking developments closely." Bullard added, "It will be temporary. Eventually, we'll get through this. But the question is, how severe is it going to be and how long is it going to last?" The Wall Street Journal (3/4, Derby, Subscription Publication, 7.57M) also reports.

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New York Fed Accepts $100 Billion In Overnight Repo Bids.

Reuters (3/4, Chavez-Dreyfuss) reports the New York Fed "on Wednesday accepted $100 billion of the $111.478 billion in overnight bids from primary dealers in a repurchase agreement (repo) operation meant to keep the federal funds rate within the target range." The Wall Street Journal (3/4, Derby, Subscription Publication, 7.57M) also reports.

Financial Regulatory Agencies

Fifth Circuit Affirms Constitutionality Of CFPB Structure.

Law360 (3/4, Subscription Publication, 8K) reports a panel of the Fifth US Circuit Court of Appeals "affirmed on Tuesday the special tenure protections enjoyed by the director of the Consumer Financial Protection Bureau as 'valid and constitutional' in a 2-1 split, siding with other circuit courts that have ruled on the agency's constitutionality." All American Check Cashing Inc. "had argued that a CFPB enforcement action accusing it of abusive business practices should be void because of constitutional flaws in the CFPB's structure – namely, that it is led by a single director, currently Kathleen Kraninger, who cannot be fired by the president except for cause."

Reuters (3/5, Grzincic) reports the 5th Circuit is now "the third federal appeals court to find the leadership structure of the Consumer Financial Protection Bureau passes constitutional muster, even as the US Supreme Court heard argument on the same question."

Former CFPB Official To Return As Acting Deputy Chief.

American Banker (3/4, Subscription Publication, 31K) reports FDIC executive Leonard Chanin "has been tapped as acting deputy director at the Consumer Financial Protection Bureau" on a part-time basis. Chanin "will still remain at the FDIC. Previously a top lawyer at the CFPB in the agency's early days, Chanin has been serving as deputy to FDIC Chair Jelena McWilliams since March 2019."

Office of the Comptroller of the Currency

Congressional Report: Wells Fargo Not Complying With Regulatory Settlements.

Reuters (3/5) reports a Congressional report released Wednesday said Wells Fargo is failing to comply with the terms of multiple settlements related to its fake-accounts scandal. The House Financial Services Committee "released the findings of its year-long probe into the bank ahead of hearings next week that will see its new CEO Charles Scharf and its chair Betsy Duke testify before the committee for the first time."

Politico (3/4, Guida, 4.29M) reports the committee "said its yearlong investigation into Wells Fargo shows that board members fell down on the job of oversight and the bank's management didn't take regulators' demands seriously enough in the wake of multiple consumer abuse scandals." In its report, the committee "also slammed financial regulators, saying they knew for years about serious company-wide deficiencies in managing potential problems." The report pointed to an email from former chief risk officer Michael Loughlin to former CEO Tim Sloan. According to the committee, Loughlin wrote, "If any of the $200MM [in proposed customer remediation] is left over, we promise to give it to charity – only after the CFPB and the OCC let us out of the consent orders. If they do not, no donation. Put the onus back on them."

The House report also revealed, according to The New York Times (3/4, Flitter, 18.61M), that Eric Blankenstein, a Consumer Financial Protection Bureau official "who was forced out over racist comments," promised "political oversight of regulatory actions" to Wells Fargo. Blankenstein, an enforcement official at the agency, "privately offered reassurances to Wells Fargo's chief executive at the time that there would be 'political oversight' of its enforcement actions, according to a report issued Wednesday by the House Financial Services Committee." The report "said the agency had promised that the unresolved regulatory matters, such as an inquiry into the bank's aggressive practice of closing customers' accounts, would be settled in private, without further fines."

Wells Fargo Names Douglas Edwards Acting Legal Chief As Parker Exits.

Bloomberg Law (3/4, Baxter, Subscription Publication, 4K) reports Wells Fargo "has appointed Douglas Edwards to serve as acting legal chief and a member of the bank's operating committee." Edwards' promotion requires approval of the OCC "under the terms of a 2018 consent order in which the federal banking regulator was given input on the selection of Wells Fargo senior executives and board members." An OCC spokesman "said the agency would not comment on specific individuals." Two lawyers who have worked in-house at the bank within the last year "told Bloomberg Law that the OCC has taken an active role in monitoring law department developments at the company, with chief bank examiner Tanya Smith addressing an off-site gathering of hundreds of bank lawyers last year in Salt Lake City." Former general counsel-turned-interim CEO C. Allen Parker left the bank February 7.

Law360 (3/4, Subscription Publication, 8K) provides similar coverage.

Former US Bank Risk Officer Fined $450,000 In Money Laundering Case.

Reuters (3/4) reports former US Bancorp Chief Operational Risk Officer Michael LaFontaine has been fined $450,000 "for his role in failing to prevent violations of the US anti-money laundering law." LaFontaine "admitted he failed to take steps to implement and maintain an effective compliance program to prevent money laundering, the Financial Crimes Enforcement Network (FinCEN) said on Wednesday."

PYMNTS (3/4, 12K) reports that in February 2018, FinCEN, the Office of the Comptroller of the Currency, and the US Department of Justice fined the bank $185 million for related charges. Two subordinates "alerted LaFontaine that they had [illegible] were insufficient due to the alert limits." The OCC also "warned US Bank that capping the system due to staff size and available resources could trigger

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enforcement." FinCEN Director Kenneth A. Blanco said, "Mr. LaFontaine was warned by his subordinates and by regulators that capping the number of alerts was dangerous and ill-advised. His actions prevented the proper filing of many, many SARs, which hindered law enforcement's ability to fully combat crimes and protect people. FinCEN encourages technological innovations to help fight money laundering, but technology must be used properly."

The Wall Street Journal (3/4, Broughton, Subscription Publication, 7.57M) and Law360 (3/4, Subscription Publication, 8K) provide similar coverage.

CFBP Plans Fifth Third Probe Over Fake Accounts.

PYMNTS (3/4, 12K) reports the Consumer Financial Protection Bureau plans to file enforcement action against Fifth Third Bank "over the generation of fake accounts allegedly done by employees." The bank, which disclosed the information in a regulatory filing, said it will "vigorously" defend itself.

American Banker (3/4, Subscription Publication, 31K) reports Fifth Third spokeswoman Laura Trujillo said the bank will "fully cooperate with any regulatory and government inquiries," but did "not say what types of accounts are under investigation by the CFPB." Fifth Third recently converted from a state charter in Ohio to a national bank charter. American Banker says, "Because it was not previously supervised by the Office of the Comptroller of the Currency, the bank likely was not part of a broad examination by the national bank regulator in 2018 into whether more than 40 banks under the OCC's purview had also opened unauthorized accounts."

LendingClub-Radius Deal Likely To Face Intense Regulatory Scrutiny.

American Banker (3/5, Subscription Publication, 31K) reports LendingClub's agreement to acquire Radius Bank "will likely invite intense regulatory scrutiny that could set ground rules for future deals involving fintechs buying banks." LendingClub executives expect a 12- to 15-month review process, but that time frame "could hinge on how thorough regulators will be with their evaluation and any conditions they set for the San Francisco lender before signing off on a $185 million acquisition that will provide LendingClub with a bank charter." The Federal Reserve and the Office of the Comptroller of the Currency "will likely be the most involved – and most vocal – regulators reviewing the transaction, industry experts said."

Big Banks Test Disaster Recovery Sites Amid Coronavirus Fears.

The Financial Times (3/4, Noonan, Subscription Publication, 1.34M) reports Goldman, JPMorgan, Morgan Stanley, and Citigroup have all been testing their disaster recovery sites in the US and London so they can keep their businesses running through a coronavirus outbreak.

Editorial Wrap-Up

Washington Post.

"It's Clear That Biden And Sanders Need Secret Service Protection." The Washington Post (3/4, 14.2M) says in an editorial that the Administration "should heed [House Homeland Security Chairman] Thompson's call for prompt action and take the steps needed to ensure the safety of the presidential candidates."

"Democrats, A Scorched-Earth Competition Will Only Help Trump." A Washington Post (3/4, 14.2M) editorial says the race for the Democratic presidential nomination "is now between former vice president Joe Biden and Vermont Sen. Bernie Sanders (I). Both candidates insist that their overriding goal is to beat President Trump." The Post says they "should be judged on whether they avoid scorched-earth tactics that poison the chances of a Democratic victory in November."

" Time To End Gerrymandering In Virginia." In an editorial, the Washington Post (3/4, 14.2M) urges Democratic state lawmakers in Virginia "to reform" the state's "blatantly partisan redistricting procedure so it serves voters, not politicians." The Post urges Democrats to follow through on a constitutional amendment that would establish a bipartisan commission and make Virginia's Supreme Court the "ultimate arbiter" of disputes. The Post concludes, "Virginia Democrats, now in control, can show the state they are prepared for real leadership — and that their demands over the past decade for a bipartisan approach to redistricting will not fall victim to political opportunism now that they are in the driver's seat."

Wall Street Journal.

"The Sanders Vs. Biden Stakes." A Wall Street Journal (3/4, Subscription Publication, 7.57M) editorial says the possibility of having a socialist at the top of the ticket to take on Trump drove many Democratic voters away from Sen. Bernie Sanders (I-VT) and to former Vice President Biden on Super Tuesday.

"Joe Biden's Stock-Market Tonic." In an editorial, the Wall Street Journal (3/4, Subscription Publication, 7.57M) observes health stocks, including insurers and hospital chains, popped on Wednesday as the threat of Sen. Bernie Sander's (I-VT) Medicare for All diminished with Joe Biden's victories in Super Tuesday primaries. The Journal says the market's volatility over the past two weeks shows that investors were just as worried about a socialist President in office as they are about the coronavirus epidemic.

"Schumer Threatens The Court." In an editorial, the Wall Street Journal (3/4, Subscription Publication, 7.57M) applauds Chief Justice John Roberts for denouncing Senate Minority Leader Schumer's comments directed at Justices Gorsuch and Kavanaugh on the

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abortion case out of Louisiana, and urges all who believe in institutional democratic norms to follow in rebuking him. The Journal adds that it is confident Justices Gorsuch and Kavanaugh will disregard Schumer's threats and rule on the merits of the case.

"Bloomberg's Contribution." A Wall Street Journal (3/4, Subscription Publication, 7.57M) editorial says that despite his poor showing on Tuesday, former New York City Mayor Michael Bloomberg deserves credit for entering the race and trying instead of complaining about the field of candidates from the sidelines.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Biden, Sanders Look To Next Contests As Bloomberg Exits
Stocks Rally As Super Tuesday Results Buoy Health Insurers
One Doctor's Life On The Coronavirus Front Lines. 'If We Fail, What Happens To You All?'
Marvel's Next Superhero Idea Focuses On…Brexit
Uber Ruling In France Boosts Gig Workers' Rights

New York Times:

Bloomberg Endorses Biden As Sanders Laments Turnout Of Younger Voters
Coronavirus Testing Offered With Just A Doctor's Approval, CDC Says
'When Can We Go To School?' Nearly 300 Million Children Are Missing Class.
Biden's Delegate Lead Is Small, But Could Be Hard To Overcome
Why Did Biden Suddenly Sweep Virginia? Credit Trump, These Voters Say
New We Spoke To Six Americans With Coronavirus

Washington Post:

Tennesseans Rise To Help
Care Gaps Emerging As Virus Spreads Outbreak Exposes Gaps In Health Care
In NY Jewish Communities, The Outbreak Propels Worry
Schumer's Comments Elicit A Rare Reproach
Warren Weighs Quitting To Let Liberals Line Up For Sanders
In Super Tuesday Victories, Signs Of A Broad Coalition Build

Financial Times:

Bloomberg Ends White House Bid And Backs Biden
Fed Cut Piles Pressure On Lagarde To Take Action
IMF Sets Aside $50BN For Coronavirus-Hit Countries

Washington Times:

'Non-Menacing' Bills: Pelosi, House Democrats Bury Sanders' Agenda
Deja Vu: Sanders Stews As 'Corporate Establishment' Hops Biden Bandwagon
FBI Missed Chances To Stop Domestic Terror Attacks Because Of Lack Of Follow-Up: DOJ Watchdog
Trump's Taliban Deal Thrown Into Question By Wave Of Attacks And US Strike
'Here We Go': Turkey Reignites Refugee Crisis In Europe
Spending Deal Reached On Emergency Coronavirus Funds

Story Lineup From Last Night's Network News:

ABC: Coronavirus; Coronavirus-Testing; Dems 2020; Tennessee-Tornado; Weather Report; SCOTUS-Abortion Case; Stocks; American Airlines-Passenger Dragged Off Plane; Los Angeles-Road Rage; Miami-Airline Mechanic Sentenced for Sabotaging Plane; Mick Jagger-Heart Surgery Recovery; Alex Trebek-Anniversary of Pancreatic Cancer Diagnosis.

CBS: Coronavirus-Washington State; Coronavirus-NYC; Coronavirus-Testing; Tennessee-Tornado; Weather Report; Dems 2020; Election 2020-Expert Comment; SCOTUS-Abortion Case; Alex Trebek-Anniversary of Pancreatic Cancer Diagnosis; Vermont-College Basketball Player Recovers From Car Crash On Court.

NBC: Coronavirus; Dems 2020; Bloomberg-Biden Support; Coronavirus-Travel; Coronavirus-Public Events; Coronavirus-Hospital Readiness; Tennessee-Tornado; Alex Trebek-Anniversary of Pancreatic Cancer Diagnosis; Super Tuesday-Voting Frustrations; New Jersey-Cheer Dads.

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Network TV At A Glance:

Coronavirus – 18 minutes, 25 seconds

Dems 2020 – 8 minutes, 20 seconds
Tennessee-Tornado – 6 minutes, 55 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Coronavirus-California Cruise Ship; Coronavirus-Testing; Coronavirus-Travel; Dems 2020; Tennessee-Tornado; Bernie Madoff-Early Release Denied.
CBS: Coronavirus; SCOTUS-Abortion Case; Tennessee-Tornado; Weather Report; Wall Street.
FOX: Coronavirus-House Spending Bill; Coronavirus; Dems 2020; Tennessee-Tornado.
NPR: Coronavirus-Travel; Bloomberg-Biden Support; Dems 2020; Trump-Sessions.

Last Laughs

Late Night Political Humor.

Sam Bee: "Yesterday was Super Tuesday, one of the most important nights in the 2020 election. Fourteen states had their primaries, and it now looks like it's a close race between Bernie, Biden, and the coronavirus, which is projected to infect them all. "

Sam Bee: "The big winner of the night was Joe Biden, who won 10 states, and much of his success could be attributed to other moderate candidates dropping out of the race and giving him their endorsement. Amy Klobuchar laid down her comb and stapler after throwing them at her staffers one last time, while Pete Buttigieg gave up his dream of becoming America's first white Obama."

Sam Bee: "I know that last night's primary results were probably disappointing for some of you, and it may seem now that Democrats are more divided than ever. This primary has become bigger than the candidates. It's starting to seem like it's about the very soul of the Democratic party, a race between unapologetic progressive values and the color beige."

Conan O'Brien: "Yesterday, Joe Biden won three states he didn't even visit. That's true. Yeah. That explains Biden's new campaign slogan: 'Vote for me or I'll come talk to you.'"

Conan O'Brien: "I don't know if you saw this during a speech last night. Protesters rushed toward Joe Biden. And his wife, Jill, jumped in the way to keep her husband safe. ... Today Melania Trump said, 'Why would she do that? ... She had a chance. A chance to be free!'"

Conan O'Brien: "At 77 years old, Biden is actually the youngest man still in the Democratic primary. ... When Bernie was a freshman in college, Joe was a mere senior in high school. That's a whole year younger. Yeah. Joe might be 77, but his teeth are only three years old. Lightly spiced food? Joe's young belly can handle it. Agile Joe's shower only has two grab bars."
he's the youngest.

Trevor Noah: "Going into Super Tuesday, the Democratic field had been narrowed down to four main candidates, which is a long way from the original 6,000."

Trevor Noah: "And as the dust began to settle, it became clear there were two winners and two losers. Elizabeth Warren, one of the night's losers. She failed to pick up a single state. And to add insult to injury, in her home state of Massachusetts, she came in third. Yeah. Which is pretty rough. Like, you came home to find your parents had replaced you with another child. They would be like, 'Sorry, honey, we would like Joe Biden to be our daughter now.'"

Trevor Noah: "Another candidate who hit the low point was Mike Bloomberg. ... I'm not going to lie. I still can't believe Mike Bloomberg spent $500 million to not be President. Now like, I'm also not going to be the President, but I spent nothing. In a certain way, I feel like I saved $500 million, you know?"

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Trevor Noah: [On Jill Biden stopping protesters who stormed the stage at Joe Biden's speech] "Jill Biden, see that, stepped in and blocked

that protester like a white lady Jackie Chan. Bam! ... [Joe Biden] has more women protecting him than T'Challa. ... No wonder he won the black vote."

Trevor Noah: "Don't forget this contest is far from over. ... And even with his good night last night, Biden is still basically neck and neck with Bernie in the delegate count. Up until this point, these two have been super-friendly on the campaign trail. ... The gloves are officially off. The dentures are in. And things are about to get messy between these two. ... And Bernie, if you are going to attack Joe Biden, I wish you the best of luck. But remember not to get too close. Because then you will have to deal with Jill."

Jimmy Kimmel: "There's so much going on with the coronavirus, Genesis reuniting, and on top of all that, Joe Biden has risen from the dead. Super Tuesday was like Easter Sunday for Joe Biden."

Jimmy Kimmel: "Some voters here in Los Angeles waited three hours to vote, and if I'm waiting in line for three hours, I better get a Popeye's chicken sandwich at the end of it."

Jimmy Kimmel: "It's essentially a two-man contest. Joe and Bernie fighting for the nomination like it's the last bowl of Jell-O at the senior center. Isn't your late 70s a weird time to start a new job? The only job you should start in your 70s is Walmart greeter."

Jimmy Kimmel: "We already have a rule that you can't be younger than 35 to be President. ... By the way, why is the minimum age 35? If we want somebody who's 33 and great, we can't have that person? Jesus died at 33. He would have been ineligible to be President of the United States. I feel like the reason that we go for the old white guys is because when we were growing up, we were told that's what God looked like."

Jimmy Kimmel: "[Mike Bloomberg] dropped out of the race. The only place he won was American Samoa. It would have been cheaper for him to just buy American Samoa for that much money."

Stephen Colbert: "Fourteen states held primaries last night, and Biden won ten of them, including states he was never expected to win, like Texas. Apparently, down there, he appealed to Hispanic voters, because like many of them, his first language is not English."

Stephen Colbert: [On Jill Biden stopping protesters who stormed the stage at Joe Biden's speech] "I don't know if Joe can win the presidency, but Jill is definitely going to win summer slam."

Jimmy Fallon: "Last night was Super Tuesday, and today for Mike Bloomberg, it was, 'Oh my God, I-wasted-a-billion-dollars Wednesday.'"

Jimmy Fallon: "After finishing fourth in Iowa and fifth in New Hampshire, Biden won ten states. It's like going from the middle seat on Spirit Airlines to Beyonce's private jet."

Jimmy Fallon: "Seriously, no one saw Biden becoming the front-runner again. Right now, even Jesus is thinking, 'Wow, this is a crazy comeback.'"

Jimmy Fallon: "There was a scary moment last night during Biden's victory speech when a woman stormed the stage. Thankfully, no charges were pressed, and she was able to be our lead guest tonight. Hillary Clinton is here, ladies and gentlemen!"

AMERICAN OVERSIGHT

Jimmy Fallon: "That's right, though. Protesters rushed the stage and Biden's wife, Dr. Jill Biden, stepped in to stop them. ... Forget first lady

– she should be Secretary of Defense. The bad news is, this morning Jill got drafted by the Cincinnati Bengals."

Jimmy Fallon: "Super Tuesday went so poorly for Bloomberg that this morning, he dropped out of the race. But good news, Mike: compared to De Blasio and Giuliani, you're still every New Yorker's favorite mayor."

Seth Meyers: "Former Vice President Joe Biden is projected to have won yesterday's Super Tuesday primaries, including five states he did not campaign in. Turns out it was a smart move to have him talk to voters as little as possible."

Seth Meyers: "Former New York Mayor Mike Bloomberg announced today that he is dropping out of the presidential race. And then Elizabeth Warren announced, 'You're damn right he is.'"

Seth Meyers: "[Trump] actually did it. He found a way to blame the coronavirus on Barack Obama. Dude, Obama's been out of office for over three years. Let it go. The man's been wind surfing, white water rafting, and from the looks of him, playing a Hollywood agent in a remake of 'Entourage.' ... Seriously, who's Trump going to blame next, Hillary Clinton? 'I heard a rumor that one of Hillary's missing emails had the subject line, Secret Plan To Spread Coronavirus.'"

Seth Meyers: "One thing I think we can all enjoy is the fact that ex-Republican billionaire Mike Bloomberg had to drop out today after spending $500 million in an attempt to buy the election. ... Bloomberg spent half a billion dollars, and all he got was a nationally televised atomic wedgie from Elizabeth Warren in the debates."

Seth Meyers: "And honestly, it's insane that we're still talking about electability three years into the presidency of the least electable person in the history of elections. I mean, Donald Trump is like a lab experiment where a bunch of scientists got together and tried to create the most unelectable candidate possible. I mean, they mixed the racism of George Wallace with the corruption of Bernie Madoff, the trench coat of a mob boss, and the tan line of a hairless sphinx."

James Corden: "Of course, the big news today is that Joe Biden is back after his campaign had fizzled out last week. He pulled off a stunning Super Tuesday comeback, winning nine states. This means Biden has a very real chance of being the Democratic nominee. And one thing is for sure: When it happens, those debates between Biden and Trump are definitely going to need subtitles."

James Corden: "Here is how impressive Joe Biden's victory was yesterday. He won five states he never even campaigned in. I know Biden is the front-runner now, but it can't be a great sign that his number one constituency is people who don't want to see or hear from Joe Biden."

James Corden: "The candidate that had the most disappointing showing was Mike Bloomberg. He did so poorly he dropped out of the race early in morning. First Tom Steyer dropped out. Now Bloomberg. Billionaires just can't catch a break these days, can they?"

James Corden: "Bloomberg spent hundreds of millions of dollars of his own money on his campaign. It just goes to show you, you can't buy the American presidency. You can steal it with the help of Russians, but you can't buy it."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Meets with the Secretary of State; participates in a live FOX News Channel Town Hall.
- Vice President Pence — Meets with Mike Roman, Chairman and CEO of 3M; leads a White House Coronavirus Task Force conference call; meets with Governor Jay Inslee, Governor of the State of Washington; tours the [illegible] Operations Center; participates in a press briefing with Governor Jay Inslee.

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***US Senate*:**

• Senate Energy Committee hearing on U.S. energy outlook – Hearing 'For the Energy Outlook of the U.S. from the Perspective of IEA', with testimony from International Energy Agency Executive Director Dr Fatih Birol

Location: Rm 366, Dirksen Senate Office Building, Washington, DC; 9:30 AM

• Senate Governmental Affairs Committee hearing on coronavirus response and global pandemic preparedness – Hearing on 'The Federal Interagency Response to the Coronavirus and Preparing for Future Global Pandemics', with testimony from Acting Deputy Secretary of Homeland Security Ken Cuccinelli; and Assistant Secretary of Health and Human Services for Preparedness and Response Robert Kadlec

Location: Rm 342, Dirksen Senate Office Building, Washington, DC; 9:30 AM

• Senate Armed Services Committee hearing on U.S. Navy posture – Hearing on 'Posture of the Navy', with testimony from Acting Secretary of the Navy Thomas Modly; Chief of Naval Operations Adm. Michael Gilday; and U.S. Marine Corps Commandant Gen. David Berger

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 9:30 AM

• Senate Urban Affairs Committee hearing on 'state-owned threats to public transportation' – Hearing on 'Threats Posed by State-Owned and State-Supported Enterprises to Public Transportation', with testimony from bipartisan Sens. John Cornyn and Tammy Baldwin; Railway Supply Institute President Michael O'Malley; Alliance for American Manufacturing President Scott Paul; Horizon Advisory Principal Emily de La Bruyere; and Auburn University McCrary Institute for Cyber and Critical Infrastructure Security and Center for Cyber and Homeland Security Director Frank Cilluffo

Location: Rm 538, Dirksen Senate Office Bldg, Washington, DC; 10:00 AM

• Education Secretary DeVos testifies to Senate Appropriations subcommittee on FY'21 budget – Labor, Health and Human Services, Education, and Related Agencies Subcommittee hearing on 'Review of the FY2021 Budget Request for the U.S. Department of Education', with testimony from Secretary of Education Betsy DeVos

Location: Rm 124, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Foreign Relations subcommittee hearing on the Global Engagement Center – State Department and USAID Management, International Operations, and Bilateral International Development Subcommittee hearing on 'The Global Engagement Center: Leading the United States Government's Fight Against Global Disinformation Threat', with testimony from the Global Engagement Center Coordinator Lea Gabrielle; American Enterprise Institute Director of Asian Studies and Resident Fellow Daniel Blumenthal; and Center for European Policy Analysis President and CEO Dr Alina Polyakova

Location: Rm 419, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Judiciary Committee Executive Business Meeting – Executive Business Meeting, with agenda including nominations of Fernando Aenlle-Rocha, Stanley Blumenfeld, and Mark Scarsi to be U.S. District Judges for the Central District of California; John Hinderaker to be U.S. District Judge for the District of Arizona; John Leonard Badalamenti to be U.S. District Judge for the Middle District of Florida; William Scott Hardy to be U.S. District Judge for the Western District of Pennsylvania; John Heil III to be U.S. District Judge for the Northern, Eastern and Western Districts of Oklahoma; David Cleveland Joseph to be U.S. District Judge for the Western District of Louisiana; Anna Manasco to be U.S. District Judge for the Northern District of Alabama; Drew Tipton to be U.S. District Judge for the Southern District of Texas; and Grace Karaffa Obermann, Stephen Sidney Schwartz, Kathryn Davis, and Edward Hulvey Meyers to be U.S. Court of Federal Claims Judges

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM

***US House*:**

• Congressional Steel Caucus hearing – Congressional Steel Caucus hearing on the state of the steel industry and key steel industry priorities for Congress and the administration, with witnesses from organizations including the American Iron and Steel Institute (AISI), United Steelworkers (USW), Steel Manufacturers Association, Committee on Pipe and Tube Imports (CPTI), and American Institute of Steel Construction (AISC) * Hosted by Chairman Democratic Rep. Conor Lamb and Vice-Chairmen Republican Reps. Mike Bost and Rick Crawford

AMERICAN OVERSIGHT

Location: Rm 2020, Rayburn House Office Building, Washington, DC; 8:00 AM

• House Veterans Affairs subcommittee oversight hearing on the go-live of electronic health record modernization – Technology Modernization Subcommittee oversight hearing on 'Getting it Right: Challenges with the Go-live of Electronic Health Record Modernization'

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 9:00 AM

• House Appropriations subcommittee hearing on defense health programs – Defense Subcommittee hearing on 'Defense Health Program (DHP)', with testimony from U.S. Army Surgeon General Lt. Gen. R. Scott Dingle; U.S. Navy Surgeon General Rear Adm. Bruce Gillingham; U.S. Air Force Surgeon General Lt. Gen. Dorothy Hogg; Assistant Secretary of Defense for Health Affairs Thomas McCaffery; Defense Health Agency Director Lt. Gen. Ronald Place; and Defense Healthcare Management Systems Program Executive Officer Bill Tinston

Location: Rm 2359, Rayburn House Office Building, Washington, DC; 9:00 AM

• House Science Committee hearing on infectious diseases – Hearing on 'Beyond Coronaviruses: Understanding the Spread of Infectious Diseases and Mobilizing Innovative Solutions', with testimony from Smithsonian's National Zoo & Conservation Biology Institute Program Director for the Smithsonian Global Health Program Dr Suzan Murray; Harvard Medical School Professor / Boston Children's Hospital Chief Innovation Officer Dr John Brownstein; Baylor College of Medicine National School of Tropical Medicine Dean / Texas Children's Hospital Center for Vaccine Development Co-Director Dr Peter Hotez; and Johns Hopkins Bloomberg School of Public Health Assistant Professor Dr Tara Kirk Sell

Location: Rm 2318, Rayburn House Office Building, Washington, DC; 9:00 AM

• House Judiciary subcommittee hearing on presidential clemency – Subcommittee on the Constitution, Civil Rights, and Civil Liberties hearing on 'Presidential Clemency and Opportunities for Reform', with testimony from Kemba Smith Foundation founder Kemba Smith; American Civil Liberties Union National Policy Advocacy Department Deputy Director Cynthia Roseberry; University of St. Thomas School of Law Professor Mark Osler; and New York University School of Law Center on the Administration of Criminal Law Faculty Director Rachel Barkow * Department of Justice figures show around 14,000 clemency petitions have not been addressed, although President Donald Trump has issued clemency to 25 people during his presidency, including controversial figures Bernard Kerik, Paul Pogue, Michael Milken, Conrad Black, Dinesh D'Souza, Scooter Libby, and Joe Arpaio

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 9:00 AM

• House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 1140 – Rights for Transportation Security Officers Act of 2020' and possible consideration of emergency supplemental funding related to coronavirus (COVID-19)

Location: U.S. Capitol, Washington, DC; 9:00 AM

• House Armed Services subcommittee hearing on U.S. Army and Marine Corps modernization – Tactical Air and Land Forces Subcommittee hearing on 'The Fiscal Year 2021 Army and Marine Corps Ground Modernization Programs', with testimony from Assistant Secretary of the Army for Acquisition, Logistics, and Technology Dr Bruce Jette; Army Futures Command Commanding General Gen. John Murray; U.S. Army Deputy Chief of Staff (G-8) Lt. Gen. James Pasquarette; Marine Corps Combat Development Command Commanding General and U.S. Marine Corps Deputy Commandant for Combat Development and Integration Lt. Gen. Eric Smith; and Assistant Secretary of the Navy for Research, Development, and Acquisition James Geurts

Location: Rm 2212, Rayburn House Office Bldg, Washington, DC; 9:30 AM

• House Appropriations subcommittee hearing on Architect of the Capitol budget – Legislative Branch Subcommittee 'Architect of the Capitol FY2021 Budget Hearing', with testimony from Architect of the Capitol J. Brett Blanton

Location: HT-2, U.S. Capitol, Washington, DC; 10:00 AM

• Congressional Tri-Caucus press conference on the 2020 Census – Congressional Tri-Caucus members hold press conference on the 2020 Census and 'the impact of the historical undercount of communities of color in the decennial Census'. Speakers include Congressional Asian Pacific American Caucus Chair Democratic Rep. Judy Chu, Congressional Black Caucus Chair Democratic Rep. Karen Bass, and Congressional Hispanic Caucus Chair Democratic Rep. Joaquin Castro, plus House Speaker Nancy Pelosi, Majority Leader Steny Hoyer, and Democratic Caucus Chairman Hakeem Jeffries and Vice Chair Katherine Clark, and fellow Democratic Reps. Steven Horsford, Jose Serrano, and Carolyn Maloney

Location: HVC 117, U.S. Capitol Visitor Center, Washington, DC; 10:15 AM

• House Appropriations subcommittee hearing on GPO budget – Legislative Branch Subcommittee 'Government Publishing Office FY2021 Budget Hearing', with testimony from Government Publishing Office Director Hugh Halpern

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Location: HT-2, U.S. Capitol, Washington, DC; 11:00 AM

• NTEU Employee Rally with Members of Congress – National Treasury Employees Union Employee Rally with Members of Congress, on the final day of the NTEU Legislative Conference, with Democratic Reps. Deb Haaland, Gerry Connolly, Don Beyer, Jennifer Wexton, and other members of Congress, and NTEU National President Tony Reardon. The rally highlights issues facing the federal workforce this year, including pay, retirement, agency funding, workplace fairness and health care

Location: West Lawn, Capitol Hill, Washington, DC; 11:30 AM

Cabinet Officers:

• Secretary of State Mike Pompeo attends meetings and briefings at the State Department

• Education Secretary DeVos testifies to Senate Appropriations subcommittee on FY'21 budget – Labor, Health and Human Services, Education, and Related Agencies Subcommittee hearing on 'Review of the FY2021 Budget Request for the U.S. Department of Education', with testimony from Secretary of Education Betsy DeVos

Location: Rm 124, Dirksen Senate Office Building, Washington, DC; 10:00 AM

Visitors:

• No visitors scheduled.

This Town:

• AAAE/ACI-NA Washington Legislative Conference – AAAE/ACI-NA Washington Legislative Conference. Day one speakers include Republican Sens. Ted Cruz and Mike Lee; Republican Reps. Rodney Davis, Mario Diaz-Balart, John Katko, Thomas Massie, and Pete Stauber; Democratic Reps. Lou Correa, Earl Blumenauer, David Price, and Rick Larsen; and Federal Aviation Administration Administrator Steve Dickson

Location: Liaison Washington Capitol Hill, 415 New Jersey Ave NW, Washington, DC; 7:00 AM

• Association of the United States Army 'Hot Topic: Army Air and Missile Defense' Symposium – Association of the United States Army 'Hot Topic: Army Air and Missile Defense' Symposium, themed 'Army Space and AMD: Protection of the U.S. Homeland, Forces Abroad, Allies and Partners'. Speakers include U.S. Space Commander Deputy Commander Lt. Gen. James Dickinson, U.S. Navy Missile Defense Agency Director Vice Adm. Jon Hill, and Association of the U.S. Army President and CEO Gen. (Ret.) Carter Ham

Location: Sullivan Conference and Event Center, 2425 Wilson Blvd, Arlington, VA; 7:00 AM

• American Immigration Lawyers Association National Day of Action – American Immigration Lawyers Association National Day of Action. Agenda includes congressional meetings, Capitol Hill (9:00 AM EST), lunch with congressional speakers, Russell Senate Office Bldg, 2 Constitution Ave NE (12:00 PM EST), and DC Immigrant Achievement Awards, The Capitol View at 400, 444 N Capitol St NW (5:30 PM EST)

Location: Washington, DC; 7:30 AM

• Mississippi River Cities and Towns Initiative Capitol Meeting continues – Mississippi River Cities and Towns Initiative Capitol Meeting continues, with speakers today including Republican Sen. Chuck Grassley, and press conference with mayors to unveil the 2020 Federal Policy Program

Location: Washington Court Hotel, 525 New Jersey Ave NW, Washington, DC; 8:00 AM

NASA Astrophysics Advisory Committee meeting

Location: NASA Headquarters, Washington, DC; 9:00 AM

• Atlantic Council discussion on U.S.-Brazil economic relations, with GOP Rep. Darin LaHood – 'US-Brazil economic relations: The path to a trade agreement' Atlantic Council event, on 'what actions the Brazil and the U.S. can pursue to achieve short term collaboration'. Agenda includes launch of the 'US-Brazil 2.0: Enhancing the Bilateral Economic Relationship'. Speakers include Republican Rep. Darin LaHood, Brazilian Charge d'Affaires to the U.S. ad interim Nestor Forster, ApexBrasil President Sergio Segovia, Acting Under Secretary of Commerce for International Trade Joe Semsar, Dow Chemical Company Global Director of Trade and Investment Policy Lisa Schroeter, S&P Latin American Sovereign Ratings Managing Director Lisa Schineller, Albright Stonebridge Group Senior Advisor Kenneth Hyatt, AmCham Brasil Executive Vice President Abrao Neto, and Atlantic Council Adrienne Arsht Latin America Center Director Jason Marczak and Associate Director Roberta Braga

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Location: Atlantic Council, 1030 15th St NW, Washington, DC; 9:30 AM

• NASA Administrator Bridenstine discusses Moon to Mars Plan at CSIS – 'Strategic Implications of NASA's Moon to Mars Plan' Center for Strategic and International Studies event, with NASA Administrator Jim Bridenstine. Discussion is followed by a public Q&A moderated by Aerospace Security Project Director Todd Harrison

Location: Center for Strategic and International Studies, 1616 Rhode Island Ave NW, Washington, DC; 11:00 AM

• NTEU Employee Rally with Members of Congress – National Treasury Employees Union Employee Rally with Members of Congress, on the final day of the NTEU Legislative Conference, with Democratic Reps. Deb Haaland, Gerry Connolly, Don Beyer, Jennifer Wexton, and other members of Congress, and NTEU National President Tony Reardon. The rally highlights issues facing the federal workforce this year, including pay, retirement, agency funding, workplace fairness and health care

Location: West Lawn, Capitol Hill, Washington, DC; 11:30 AM

• Housing advocates protest HUD policies – Tenants, housing advocates, and people affected by homelessness and housing insecurity protest outside the Department of Housing and Urban Development, to denounce the department's 'continued efforts to dismantle affordable housing protections' and demand action on affordable housing

Location: U.S. Department of Housing & Urban Development, 451 7th St SW, Washington, DC; 11:30 AM

• NASA announces name of Mars 2020 rover – NASA announces the name of the agency's Mars 2020 rover – currently scheduled to launch in July – during a live event with Mars lander with NASA Science Mission Directorate associate administrator Thomas Zurbuchen and Planetary Science Division director Lori Glaze, Future Engineers founder and CEO Deanne Bell, and the student who submitted the winning name and essay (1:30 PM EST), followed by media teleconference about the mission and naming (3:30 PM EST). *; 1:30 PM*

• Dem Rep. Nancy Pelosi speaks at GU Politics / SiriusXM Women's History Month celebration – House Speaker Nancy Pelosi speaks at Women's History Month celebration hosted by Georgetown University Institute of Politics and Public Service and SiriusXM, discussing the impact the 19th Amendment has had on U.S. history and culture over the last 100 years and the women who have influenced her life and career path, in conversation with SiriusXM's 'The Press Pool with Julie Mason' host Julie Mason * Following the conversation, Rep. Pelosi participates in Q&A session with the Georgetown Community

Location: Gaston Hall – Georgetown University, 37th & O Streets, NW, Washington, DC; 2:00 PM

• RTDNF Annual First Amendment Awards Dinner – Radio Television Digital News Foundation First Amendment Awards Dinner, honoring news leaders for their 'commitment to the First Amendment and excellence in journalism'. Honorees include Democratic Sen. Richard Blumenthal (First Amendment Defender Award); ABC News' David Muir (Leonard Zeidenberg First Amendment Award); CBS News' '60 Minutes' (First Amendment Award); NBC News' Robert Horner (First Amendment Service Award); Hearst Television's Barbara Maushard (First Amendment Leadership Award); Telemundo's Lori Montenegro (First Amendment Clarity Award); and WFLA-TV's Steve Andrews (Lifetime Achievement Award)

Location: Marriott Marquis Washington, DC, 901 Massachusetts Ave NW, Washington, DC; 6:00 PM

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From: Bulletin Intelligence[Treasury@BulletinIntelligence.com]
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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: WEDNESDAY, MAY 13, 2020 6:00 AM EDT

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• Mnuchin, Powell To Testify Before Senate Banking Panel Next Tuesday On COVID-19 Response.
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• Transit Agencies Call For Additional $33B In Federal Aid.
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• Musk Thanks Trump For Backing Him On Plant Reopening.
• Food Prices Highest In Almost 50 Years.
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• Trump Says Governors Owe Their High Marks For Handling Coronavirus To Him.
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• DC Suburbs In Virginia And Maryland Will Be Allowed To Delay Reopening.
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• Nicholas: Trump Trying To Deflect Criticism Over Coronavirus By Attacking Biden.
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• CNBC Report: Top Democratic Fundraisers Optimistic About Retaking Senate.
• Republicans Win WI7 Special Election, Lead In CA25.
• Ocasio-Cortez Won't Be On Working Families Party Ballot Line After Petition Challenge.
• Presidential Electors: We Should Not Be Bound By Result Of Popular Vote.
• RCP Average Has Trump's Job Approval At 45.1%.

Financial International News

• IMF Head Says COVID-19 "Very Likely" To Further Impact Growth Forecasts.
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• California Senate Leaders Unveil Proposals To Provide Long-Term Aid For Renters, Landlords Amid Pandemic.
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• Federal Agencies Share List Of Top Ten Most-Exploited Vulnerabilities.
• Estonia Passes "Huawei Law" For Telecom Security Reviews.
• Op-Ed: Congress Needs To Act On Cybersecurity Commission Calls For International Cooperation, Resilience And Retaliation.
• Hacker Hits Magellan Health With Ransomware Attack.
• Florida Remains Undecided In Tapping Federal Election Security Funding.
• Cyberthreats Could Derail Race To Develop A Coronavirus Vaccine.
• Security Chiefs Confront Declining Cybersecurity Funding During Business Downturn.
• NSA Guidance Calls On Teleworkers To Use End-To-End Encryption.
• CISA Launches SAFECOM Website For Centralized Emergency Communications.

TFI/Sanctions
• Republican Senators Unveil Legislation To Impose Sanctions On China.
• Huawei Could Face Financial Sanctions Reserved For Terrorists In Legislative Proposal.
• Iron Mountain Discloses Subsidiary's Possible Sanctions Violations.
• Swedish Refiner Says It Is No Longer Subject To US Sanctions After Split With PDVSA.

Federal Reserve
• Trump Pushes Again For Fed To Lower Interest Rates Below Zero.
• Fed Begins Purchasing Corporate Debt ETFs In "Totally Uncharted Territory."
• Fed Faces Pressure To Expedite, Expand Emergency Loans.
• Fed Says It Will Provide Monthly Disclosures On PPP Recipients.
• Fed Could Curb Banks' Dividends Based On Pandemic-Focused Stress Tests.
• Fed Presidents Stress COVID-19 Vaccine As Path To Economic Recovery.

Financial Regulatory Agencies
• FDIC Proposes Steps To Ensure PPP Lenders Don't Have Higher Deposit Insurance Premiums.

Internal Revenue Service
• IRS Makes It Easier For Workers To Make Adjustments To Health Insurance Plans.

Office of the Comptroller of the Currency
• Senate Panel Presses Bank Regulators On Coronavirus Efforts, CRA Reform.
• Opinion: Banks Avoided Criticizing CRA Proposal Because They're "Content With The Status Quo."
• Small Businesses Turn Away From Big Banks To Get Loans.
• SBA Raises Lending Limit For SBA Express Loans.

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Treasury in the News

Treasury Approves Billions In Payroll Assistance For Nation's Airlines.

Bloomberg (5/12, Mohsin, Been, 4.73M) reports five large airlines account for "the lion's share of federal aid Treasury Secretary Steven Mnuchin has approved in the past six weeks as the industry copes with an economy forced to shut down by the coronavirus pandemic." Out of "the $35 billion set aside for payroll support," the story says Mnuchin "has approved $25 billion in payroll assistance for 362 applicants, which included contractors, passenger and cargo airlines." Out of these applicants, American Airlines received the largest payroll assistance funding from Treasury at $5.8 billion. Mnuchin said in a statement, "Treasury is committed to the highest standards of public transparency as we provide this critical relief."

Florida-Based Charter Goes Bankrupt Waiting For Answer From Treasury To Loan Application. Politico (5/12, Mintz, 4.29M) reports in its daily "Morning Transportation" rundown that Miami Air International "has gone bust due to the coronavirus, after waiting weeks for the Treasury Department to respond to its application for CARES Act assistance." The Florida-based charter airline "had filed for bankruptcy in March but told employees it was ending operations on Friday, according to Airways Magazine, after an application to the Treasury Department went unanswered for weeks even as the agency started sending checks for billions to major airlines." Association of Flight Attendants-CWA President Sara Nelson is quoted saying Treasury Secretary Steven Mnuchin "actively ignored Miami Air's less than $10 million dollar payroll grant application for six weeks, and instead pushed the company off a cliff." Politico adds that "congressional scrutiny of the Treasury Department's allocation of CARES Act grants is ramping up" after Sens. Roger Wicker (R-MS) and Mike Crapo (R-ID) "sent a letter to Mnuchin asking about the implementation of the stimulus law for the aviation industry."

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Administration's Holding Pattern On New COVID-19 Aid Could Garner Rising Pressure To Act.

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Bloomberg (5/12, Wingrove, Mohsin, 4.73M) reports President Trump "and allies are holding off on more coronavirus-related stimulus as his

team tracks the impact of some $5 trillion already poured into the economy, – and banks on an economic rebound as shutdown measures are eased." However, "they may find themselves under more pressure to act again, sooner than they expected, if efforts to reopen the economy don't rapidly bear fruit." The actions the government "has already taken are still working their way into the economy." Treasury Secretary Steven Mnuchin "has so far used less than half of $454 billion Congress authorized as backstops for Fed lending programs." Mnuchin has "said he's waiting for four more lending programs the Fed has yet to launch before deciding which ones should be expanded." According to Bloomberg, "For each dollar Mnuchin pledges to the central bank through the Treasury's Exchange Stabilization Fund, the Fed can leverage $10 in lending to corporations, small and medium sized businesses, and state and local governments."

Michigan Lawmakers Ask Mnuchin To Arrange Auto-Supplier Credit Vehicle.

The Detroit News (5/12, Noble, 825K) reports a number of Michigan lawmakers "are calling on U.S. Treasury Secretary Steven Mnuchin to direct existing COVID-19 relief funds toward auto suppliers in need of cash." Ten members of the Michigan congressional delegation, "led by U.S. Sen. Gary Peters and Reps. Fred Upton and Haley Stevens," said in a letter to Mnuchin that many auto components manufacturers face losses in working capital for start-up costs as they resume production this week. The letter said, "While there are many large suppliers with operations in the U.S., two-thirds of this industry's employment is generated by small and mid-sized manufacturers. These entities are often U.S.-based with limited financial resources to meet the growing needs of this crisis." The lawmakers "are requesting a 'special purpose vehicle' that would focus on serving the auto suppliers with short-term loans to help them pay for raw materials and other costs needed to resume production."

GOP Proposal To Grant States Flexibility In COVID-19 Aid Gets "Positive Reception" From Trump.

Politico (5/12, Levine, 4.29M) reports several GOP senators "met with President Donald Trump and his senior aides at the White House on Tuesday to discuss...a proposal from Sen. John Kennedy [R-LA]...to give state and local governments more flexibility when it comes to spending federal dollars from the coronavirus rescue package." Kennedy "said when he described his legislation, he 'got a very positive reception.'" Kennedy said after the meeting, "I asked the chief and the president and Jared Kushner on a call over the weekend to talk about coming over and pitching my bill. We pitched the bill, we talked at length about the merits of it." Politico says that, along with Trump, "the meeting included Treasury Secretary Steven Mnuchin, White House chief of staff Mark Meadows, White House press secretary Kayleigh McEnany and senior adviser and son-in-law Jared Kushner."

Brouillette: Trump Asked Me, Mnuchin To Evaluate Relief Programs To Ensure Energy Industry's Access.

Bloomberg (5/12, Mohsin, Natter, 4.73M) reports Energy Secretary Dan Brouillette said Tuesday that the Trump Administration has asked the Fed to modify the Main Street Lending Program so as to include mid-sized companies, thus helping oil firms to cope with the drop in oil prices. Brouillette said Treasury Secretary Steven Mnuchin "worked very closely with the Federal Reserve. We adjusted the program – the Main Street Lending Program – and made that program available to what we refer to as mid-cap size companies." Brouillette "said the president directed both him and Mnuchin 'to evaluate the programs that were passed by the Congress and ensure that there is access for these energy industries to those programs. And that's what we've done.'" The Hill (5/12, Beitsch, 2.98M) also reports.

Mnuchin, Powell To Testify Before Senate Banking Panel Next Tuesday On COVID-19 Response.

Reuters (5/12, Schneider) reports Treasury Secretary Steven Mnuchin and Fed Chair Jerome Powell "will testify via the web before the Senate Banking Committee next Tuesday in the first required update to Congress on the economic response to the coronavirus pandemic." The committee "said the first quarterly hearing required under the CARES act would be held remotely beginning at 10 a.m. Eastern time."

Small Businesses Confused By PPP Rule Changes.

The Wall Street Journal (5/12, Simon, Rudegeair, Subscription Publication, 7.57M) reports changes made to the Paycheck Protection Program by the SBA and the Treasury Department are confusing small business owners who are trying to decide whether they actually qualify for the loans or if they will be able to pay them back. The agencies have issued nine "interim final rules" and over 40 pieces of guidance since the program rolled out in April.

Senate Committee Advances WH Lawyer Nominated To Virus Relief Watchdog Post.

Law360 (5/12, Kragie, Subscription Publication, 8K) reports the Senate Banking Committee on Tuesday voted "to advance a White House lawyer's nomination to monitor the U.S. Treasury Department's coronavirus relief efforts, with all but one Democrat opposed and questioning his independence." Brian D. Miller, "who currently works in the White House counsel's office but previously served as watchdog for the General Services Administration, saw a 14-11 committee vote to send to the Senate floor his nomination to be Special Inspector General for Pandemic Relief." The special IG technically "is limited to programs the Department of the Treasury establishes under the new law, but

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that can still allow for a broad scope." CQ Roll Call (5/12, Saksa, 154K) also reports.

Treasury Reports Record $738B Deficit For April.

Reuters (5/12, Dunsmuir) says that the Treasury Department yesterday "reported a record $738 billion budget deficit in April as an explosion in government spending and a shrinking of revenues amid the novel coronavirus pandemic pushed it deeply into the red." The Treasury Department "said the budget deficit in April was the first to reflect the enormity of government spending that has been authorized to try to mitigate the economic impact of the crisis. The previous record budget deficit for any month was $235 billion in February 2020."

Bloomberg (5/12, Golle, 4.73M), The Associated Press (5/12, Crutsinger), The Wall Street Journal (5/12, Kiernan, Subscription Publication, 7.57M), Axios (5/12, Perano, 521K), MarketWatch (5/12, Robb, 1.67M), and Newsweek (5/12, Lemon, 1.53M), among other news outlets, also report.

Commentary: Failed Auctions For Treasury Bonds Could Be Black Swan Event.

In an op-ed for Bloomberg Opinion (5/12), Jared Dillian says it is "now clear in hindsight that a global pandemic was one of those things that financial markets never truly considered a real threat," but he asks "the question of what other so-called black swans might be lurking out there?" Dillian suggests one "that might happen sooner rather th[an] later: a failed auction of government bonds by the U.S. Treasury Department." Dillian says that, "if demand seriously wanes, and there simply aren't enough bidders to participate in the auction, the expectation will be that the Federal Reserve will step in as the buyer of last resort, and participate in bond auctions as a direct bidder. This would have both political and economic significance, for it would be signal the direct monetization of debt."

Leading National News

Media Analyses: High Court Skeptical Of House Subpoena Of Trump Records.

Most mainstream media reports, including stories on all three major network newscasts, describe the Supreme Court as signaling unease with House Democrats' subpoena of the President's financial records. On the other hand, media analyses saw a bigger chance that the Court could approve New York's subpoena, which is related to an investigation of payments to adult film performer Stormy Daniels. NBC Nightly News (5/12, story 8, 0:50, Holt, 7.26M) reported, for example, that "it did seem a majority of the court is prepared to rule that House Democrats went too far in seeking years of financial records from...Trump and his family members," and the CBS Evening News (5/12, story 6, 1:30, O'Donnell, 5.29M) that "even liberals like Justice Stephen Breyer indicated there has to be a stopping point." Breyer was heard saying, "The fact that what I hold today will also apply to a future Sen. McCarthy asking a future Franklin Roosevelt or Harry Truman exactly the same questions, that bothers me." ABC World News Tonight (5/12, story 6, 0:45, Muir, 8.35M) also reported on the "mixed responses" from the justices, who "asked: where is the line between oversight and political harassment?" However, "observers say it seemed they might be more sympathetic to a New York prosecutor's pursuit of records involving hush money paid" to Daniels.

Likewise, Axios (5/12, Baker, 521K) indicates that to the justices, "Congressional investigations must have a 'legislative purpose' and can't be an exercise in law enforcement," and Politico (5/12, Gerstein, Cheney, Warmbrodt, 4.29M) that "the House's bid to subpoena...Trump's financial records appeared imperiled Tuesday as justices of all ideological stripes raised concerns that blessing the lawmakers' efforts could unleash an avalanche of such requests that might paralyze Trump and future presidents." Under the headline "Supreme Court Appears Ready To Cap Lawmakers' Power To Subpoena Presidents," CQ Roll Call (5/12, Ruger, 154K) also reports the court "expressed concern Tuesday that allowing congressional subpoenas for tax and financial records of President Donald Trump and his businesses now would give lawmakers a 'limitless' way to harass political opponents in the future." Roll Call adds "a theme that emerged during questions from Chief Justice John G. Roberts Jr. – and then picked up by other key justices, including one member of the liberal wing – showed a majority see the need for courts to put some type of cap on when Congress could demand the private records of a president."

The Washington Free Beacon (5/12, Daley, 78K) says "a split outcome may be in the offing, with the president prevailing over House Democrats but losing" in the New York dispute. In an article titled "US Supreme Court Wary Of Presidential 'Harassment' In Trump Finances Fight," meanwhile, Reuters (5/12, Hurley, Chung) reports that the justices "appeared divided over...Trump's bid to prevent congressional Democrats from obtaining his financial records but seemed more open toward a New York prosecutor's attempt to secure similar records." The court's "conservative majority signaled concern about improper 'harassment' of Trump...by three Democratic-led House of Representatives committees seeking his records."

The Washington Times (5/12, Swoyer, 492K) reports Roberts "asked the lawyer representing the House Democrats how harassment should be measured when there are several different House committees investigating the president, all seeking the same personal financial information." Asked Roberts, "At what point does the number of committees investigating the President's personal papers become a factor?" Justice Clarence Thomas "followed the chief justice's questioning by noting, 'At some point, there is a straw that breaks the camel's back.'" The Wall Street Journal (5/12, Bravin, Kendall, Subscription Publication, 7.57M) quotes Trump attorney Patrick Strawbridge as saying, "The subpoenas at issue here are unprecedented in every sense. ... These subpoenas are overreaching. ... They're an obvious distraction."

The New York Times (5/12, Liptak, 18.61M) reports that "the court's ruling, expected by July, could require disclosure of information the president has gone to extraordinary lengths to protect. Or the justices could rule that Mr. Trump's financial affairs are not legitimate subjects of inquiry." However, the Times adds that "some of the justices' questions raised a third possibility: that the court could return the cases to

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lower courts for reconsideration under stricter standards," which the Times says "would have the incidental effect of deferring a final decision beyond the 2020 presidential election." In fact, says the Washington Post (5/12, Marimow, 14.2M), "several justices suggested there might be more work for lower courts to do, which could delay any turnover of the documents being sought by congressional Democrats and Manhattan's district attorney until after November's election."

To Bloomberg (5/12, 4.73M), meanwhile, "Most of the justices suggested they wanted to balance the competing interests of lawmakers, state prosecutors and the president. Although the justices showed little interest Trump's bid for an absolute ban on state grand jury subpoenas involving a sitting president, a majority seemed inclined to put some limits on what lawmakers and prosecutors can seek."

Along similar lines, the AP (5/12, Sherman) reports that the Supreme Court "appeared likely to reject...Trump's claim that he is immune from criminal investigation while in office," but "seemed less clear about exactly how to handle subpoenas from Congress and the Manhattan district attorney for Trump's tax, bank and financial records." The AP says "there was no apparent consensus about whether to ratify lower court rulings that the subpoenas to Trump's accountant and banks are valid and should be enforced."

USA Today (5/12, Wolf, 10.31M) similarly recounts that "justices challenged...Trump's lawyer Tuesday about efforts to keep Trump's personal and corporate financial records out of Congress's hands." USA Today adds that "in previous separation-of-powers battles over documents or testimony, the Supreme Court ruled unanimously against Presidents Richard Nixon in 1974 and Bill Clinton in 1997." The Hill (5/12, Kruzel, 2.98M) cautions, however, that "the justices' seeming lack of consensus over some of the core constitutional questions suggests they may not achieve the unanimity that marked prior Supreme Court decisions on executive privileges and immunities which handed defeats to...Nixon and Clinton."

Likewise, CNBC (5/12, Higgins, Mangan, 3.62M) reports on its website that "attorneys for the president faced skepticism from both liberals and conservatives over whether allowing Trump to keep his tax records shielded would unconstitutionally limit the power of Congress or put the president above the law." However, as do other outlets, CNBC says "several of the court's conservatives...expressed concern that rulings against Trump could open up the presidency to a wave of burdensome investigations and requests for documents." According to CNBC, Trump's personal lawyer, Jay Sekulow "said that Trump cannot be criminally charged by a state prosecutor while in office, much less subjected to a grand jury subpoena."

The New York Post (5/12, Golding, 4.57M) also reports that in the case "involving an attempt by Manhattan District Attorney Cyrus Vance Jr. to get Trump's tax returns, the justices didn't seem to accept the arguments of Trump lawyer Jay Sekulow that a president can't be subject to criminal probes." That case "involves Manhattan District Attorney Cyrus Vance Jr.'s attempt to subpoena copies of Trump's tax returns and other documents for an investigation into hush-money payments" to Daniels "and former Playboy model Karen McDougal before the 2016 election."

Trump Touts Recovery Of Oil Industry Combined With Record Low Gas Prices.

President Trump tweeted yesterday, "Crude Oil prices going up as Saudi Arabia cuts production levels. Our great Energy Companies, with millions of JOBS, are starting to look very good again. At the same time, gasoline prices at record lows (like a big Tax Cut). The BEST of all Worlds. 'Transition To Greatness.'"

Brouillette: Future Of Energy In US Is A Diversity Of Supply. Energy Secretary Brouillette said on Fox Business' Varney & Co. (5/12, 64K), "I think the future of energy in America is going to continue to be a diversity of supply. We need all forms of energy. Wind energy, solar energy, they are important components in the delivery of electricity all throughout the country. But it's important that we maintain a diversity of supply, so we are going to need natural gas, we are going to need nuclear energy as well." Brouillette added, "I think there's still a bright future for coal. We have seen a transition away from coal for the production of electricity in the United States in certain parts of the world. But there are other parts of the world where coal is a critical component to their electricity generation. ... Importantly as well, there's an important role for coal to play in the provision of critical minerals for the development of battery technologies as we go forward." Brouillette was also interviewed on Bloomberg TV (5/12) Tuesday.

Consumer Prices See Largest Decline Since 2008.

Reuters (5/12, Mutikani) reports, "US consumer prices dropped by the most since the Great Recession in April, weighed down by a plunge in demand for gasoline and services including airline travel as Americans stayed home during the coronavirus crisis." The Labor Department report also "showed a record decrease in underlying prices last month, raising the specter of a bout of deflation as the economy sinks deeper into a recession triggered by lockdowns to slow the spread of COVID-19, the respiratory illness caused by the coronavirus." USA Today (5/12, Davidson, 10.31M) warns that "low prices don't do much good if consumers aren't spending. What's more, deflation is not good for the economy," as "it prompts people to put off purchases on the expectation that prices will fall further, hurting economic growth."

Pelosi Proposes Additional $3T In Emergency Spending.

The AP (5/12, Mascaro, Taylor) reports that House Speaker Pelosi yesterday "unveiled a more than $3 trillion coronavirus aid package...providing nearly $1 trillion for states and cities, 'hazard pay' for essential workers and a new round of cash payments to individuals." According to the AP, the House is "expected to vote on the package as soon as Friday," but Senate Majority Leader McConnell "has said there is no 'urgency.'" The AP goes on to report that "the so-called Heroes Act from Democrats is built around nearly $1 trillion for states, cities and tribal governments to avert layoffs, focused chiefly on $375 billion for smaller suburban and rural municipalities largely left

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out of earlier bills." In addition, "the bill will offer a fresh round of $1,200 direct cash aid to individuals, increased to up to $6,000 per household, and launches a $175 billion housing assistance fund to help pay rents and mortgages. There is $75 billion more for virus testing."

The New York Times (5/12, Cochrane, Fandos, 18.61M) reports that "unlike" previous coronavirus relief "packages, which were the product of intense bipartisan negotiations among lawmakers and administration officials who agreed generally on the need for rapid and robust action, the House bill represents an opening gambit in what is likely to be a bracing fight over what is needed to counter the public health and economic tolls of the pandemic."

USA Today (5/12, King, 10.31M) quotes Pelosi as saying, "There are those who said let's just pause. ... But the families who are suffering know that hunger doesn't take a pause. The rent doesn't take a pause. The bills don't take a pause. The hardship of losing a job or tragically losing a loved one doesn't take a pause." The Washington Examiner (5/12, Ferrechio, 448K), meanwhile, reports McConnell said of Pelosi's bill, "If we reach a decision, along with the administration to move to another phase, that'll be the time to interact with the Democrats. ... But what you've seen in the House is not something designed to deal with reality but designed to deal with aspirations. This is not a time for aspirational legislation. This is a time for practical response to the coronavirus pandemic."

Along those lines, Reuters (5/12, Morgan) reports that Republicans "say they want to hold off on new coronavirus relief legislation to assess the impact of nearly $3 trillion in response assistance that Congress has allocated since early March, as states move to reopen a shuttered US economy." The Washington Post (5/12, Werner, 14.2M) recounts that Republicans "rejected the legislation even before they saw it, describing it as a liberal wish list that would go nowhere in the Republican-led Senate." The Post reports that "other parts of the bill would increase nutrition assistance benefits by 15 percent," and "$25 billion for the US Postal Service – a frequent target of attacks from President Trump." The Post adds, "Protections are included for legitimate cannabis-related businesses, and there is $3 billion to increase mental health support."

NEC Director Kudlow said on the Hugh Hewitt Show (5/12), "You can hear the President talk about it almost daily on restrictions, on liability restrictions, or shields or safeguards. This has got to be an integral part of any new package that may emerge in the next month or two, got to be for all these reasons. I mean, look, restaurants being the obvious one, but it's not only restaurants. It's, you know, it could be haircutters or small stores, things of that sort. If they know they're going to be sued and hauled off to court, then they're not going to open. And if they do open and get sued, they don't have the money to go to court and so forth. So this is something we have got to pay enormous attention to. This has to be part of any new package, and the President has said that many times."

Kudlow said on Fox News' Hannity (5/12, 535K), "I doubt very much whether President Trump is going to go for another $3 trillion in spending before we see what the total impact has been of the prior $3 trillion in spending. That's point number one. So we are going to pause for a bit. We will price out Speaker Pelosi's proposal and take a look at it. But having said that, contrast her spending with President Trump's pro-growth tax and deregulation program. ... We should provide growth incentives and not go through various wish lists."

Politico (5/12, Caygle, Ferris, Bresnahan, 4.29M) reports that Reps. Pramila Jayapal (D-WA) and Mark Pocan (D-WI), co-chairs of the Congressional Progressive Caucus, "have objected that one of their chief priorities – federal funding to cover payrolls for businesses – wasn't included in the House measure." Jayapal "pushed hard for inclusion of the 'Paycheck Guarantee' program in the new bill," but House Ways and Means Chairman Richard Neal "turned it down, saying the proposal is too costly and complicated." Politico says Jayapal's plan – "which is backed by more than 60 House Democrats – has a price tag of more than $600 billion for six months." Bloomberg (5/12, Wasson, Davison, 4.73M), Axios (5/12, Treene, 521K), The Hill (5/12, Marcos, 2.98M), Washington Times (5/12, Muñoz, Sherfinski, 492K), Washington Examiner (5/12, Ferrechio, 448K) and New York Post (5/12, Nelson, 4.57M), among other news outlets, also report the story.

Cuomo: New York Needs $61B Federal Bailout. The New York Times (5/12, 18.61M) reports that "with New York making steady progress in its battle against the virus and three upstate regions poised to start a gradual reopening by this weekend," Gov. Andrew Cuomo (D) "reiterated the importance of federal aid as the state charts its recovery. ... 'To get this economy up and running, we're going to need an intelligent stimulus bill,' Mr. Cuomo said." According to the Times, Cuomo indicated that New York state "needs an estimated $61 billion in federal support to avoid enacting 20 percent cuts to schools, local governments and hospitals."

Relief Bill Includes Provision Eliminating Voter ID Laws. The Washington Times (5/12, Dinan, 492K) reports, "Tucked inside House Democrats' new coronavirus bill is language that would create a loophole in states' voter ID requirements, allowing people to cast ballots without having to prove who they are." The Times adds "one section of the bill would require states to allow at least 15 days of in-person early voting before Election Day this year, and to also allow voting by mail for any reason, overriding states that have more limited policies."

McConnell Preparing Broad Coronavirus Liability Bill.

Reuters (5/12, Morgan) reports Senate Majority Leader McConnell said Tuesday that "he is helping to spearhead a broad legislative package that would provide protection against coronavirus-related litigation for businesses and a range of other entities." On the Senate floor, McConnell said, "Our legislation is going to create a legal safe harbor for businesses, nonprofits, governments and workers and schools who are following public health guidelines." He did not say when the legislation would be introduced.

Lawmakers Make Case For Paycheck Guarantee Act.

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In an op-ed for the Washington Post (5/12, 14.2M), Reps. Sean Casten (D-IL), Pramila Jayapal (D-WA), Adam Schiff (D-CA), and Haley Stevens (D-MI) argue that if Congress' "goal is to stop mass unemployment, we must admit that we have not accomplished what we hoped."

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They write that under their proposal, the Paycheck Guarantee Act, employers would "file a sworn statement with the IRS on the amount of revenue lost" due to COVID-19, and "the IRS would use 2019 tax filings to calculate a grant that totals the percentage of revenue loss multiplied by payroll and benefits for workers up to a salary cap of $90,000. Businesses would also receive an additional 25 percent to cover operating costs, such as rent, so they don't close permanently." They argue that the measure "is a clear, simple and streamlined solution that matches the scale of the crisis" and should be included in the next relief package Congress passes.

The CBS Evening News (5/12, story 5, 1:50, O'Donnell, 5.29M) reported on "the economic pain that many Americans are feeling." CBS' Mark Strassmann spoke to an Atlanta woman who has lost her job and is "two months behind on rent, almost $3,000."

Transit Agencies Call For Additional $33B In Federal Aid.

Politico (5/12, Maldonado, 4.29M) reports that amid the ongoing pandemic, the leaders of transit agencies from five states on Tuesday "called upon the federal government to include about $33 billion in funding for public transportation" in the next COVID-19 aid package. New York Metropolitan Transportation Authority CEO Pat Foye and New Jersey Transit CEO Kevin Corbett joined San Francisco Bay Area Rapid Transit General Manager Bob Powers, Southeastern Pennsylvania Transportation Authority General Manager Leslie Richards and Metropolitan Atlanta Rapid Transit Authority CEO Jeffrey Parker "on a conference call to make the case that transportation plays a key role in fighting the pandemic and in the nation's eventual economic recovery." Foye said, "This is a national disaster that requires a continued national response. The ongoing impacts of the pandemic are outpacing the historic levels of support previously included in the CARES Act."

DOT: US Air Travel Fell 51% In March.

Reuters (5/12, Shepardson) reports the Department of Transportation said Tuesday that "US airlines carried 51% fewer passengers in March amid the massive coronavirus pandemic travel collapse to the lowest air travel level in nearly two decades." Airlines carried "slightly more total, domestic and international passengers in March 2020 than in September 2001, the month of the Sept. 11 attacks on New York and Washington."

Boeing CEO Predicts Major US Airline Will "Most Likely" Go Out Of Business. NBC Nightly News (5/12, story 6, 1:55, Holt, 7.26M) reported, "Calling the threat to the airline industry grave, the prediction from Boeing's CEO to Savannah Guthrie on 'Today' sent shock waves through Wall Street and airline offices." Guthrie: "Do you think there might be a major US carrier that just has to go out of business?" Boeing CEO Dave Calhoun: "I don't want to get too predictive on that subject, but yes, most likely. You know, something will happen when September comes around."

Chao Reminds Airlines They Must Provide Refunds If They Cancel Flights. Gray Television (5/12, 26K) Washington Bureau Chief Jacqueline Policastro reported that if an airline cancels a flight, "you are entitled to a refund." The Department of Transportation "is reporting a big increase in complaints, many from people having a difficult time getting their refund. ... We asked Transportation Secretary Elaine Chao how the agency is responding to frustrated travelers." Chao: "We actually work with individual passengers on resolving their individual disputes with the airline companies and I myself have spoken with several airlines CEOs asking them to pay attention to the whole issue of refunds." Chao told WISN-TV Milwaukee (5/12, 89K), "The airlines are doing the best they can. Most of them are following the law. They are finding, obviously, these ambiguities in what is a prompt refund, what is considered a delay to be confusing as well."

Musk Thanks Trump For Backing Him On Plant Reopening.

President Trump took to Twitter yesterday to write, "California should let Tesla & @elonmusk open the plant, NOW. It can be done Fast & Safely!" Elon Musk replied, "Thank you!" CNBC (5/12, Bursztynsky, 3.62M) reports on its website that Musk "has been pushing to restart its California production that had stopped March 23 due to the coronavirus pandemic," though "attempts to return have been met with heavy resistance from local authorities." Reuters (5/12, Shepardson) recounts Musk "said production was resuming at the automaker's sole US vehicle factory, defying an order to stay closed and saying if anyone had to be arrested, it should be he." Reuters notes that Musk tweeted "Thank you!" to Trump. The AP (5/12, Krisher, Margot) also reports, "Tesla's factory reopened Monday with Musk practically daring local authorities to arrest him. The plant apparently continued operations on Tuesday."

In an editorial, the Wall Street Journal (5/12, Subscription Publication, 7.57M) argues that while it is not endorsing law-breaking, Musk's decision to defy local authorities and open his plant could serve to clarify the landscape of disparate ordinances – and do away with edicts by some increasingly dictatorial officials.

Food Prices Highest In Almost 50 Years.

ABC World News Tonight (5/12, story 7, 0:20, Muir, 8.35M) reported, "The cost of groceries jumping in the US." The Labor Department is reporting "overall prices rising 2.6 percent in April. That's the biggest one-month increase in nearly 50 years. Meat, poultry, and eggs among the biggest price hikes. Ground beef up almost seven percent."

NBC Nightly News (5/12, story 4, 2:05, Holt, 7.26M) reported, "Compared to last year, prices are up for items like eggs, bread, chicken, and milk. In fact, in just one month, the average price for a dozen eggs jumped 16 percent, more than $3 in some places. Poultry, fish, meat, and eggs were up more than four percent. Cereal and bakery products saw the largest monthly increase ever, about three percent. Even though people are eating the same amount, most are doing it from the safety of home, which is why a lot of produce and dairy

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are getting wasted. Suppliers are unable to repackage the food that would have gone to restaurants and redirect it to supermarkets."

ABC World News Tonight (5/12, story 9, 1:40, Muir, 8.35M), meanwhile, reported that with "farmers forced to discard aging food and spoiling milk," a group of college students have started FarmLink, "connecting farmers with food banks."

Politico Report: Farm Workers Lack Workplace Protections.

Politico (5/12, Evich, Crampton, 4.29M) reports the Administration has "deemed the millions" of farmworkers "essential workers" but is "doing little to keep them healthy during the pandemic." According to Politico, "The lack of federal action has left state and industry leaders scrambling to shield their farmworkers from the coronavirus. As harvest season ramps up, farmers across several major produce states have installed more hand-washing stations, instructed workers to keep their distance and provided face masks – but those efforts have been inconsistent and largely voluntary."

Some Returning To Work Despite Health Concerns.

ABC World News Tonight (5/12, story 3, 2:30, Muir, 8.35M) aired a feature on "the millions of workers who do want to go back to work, but who are still worried about their health." ABC's Matt Gutman reported Chrysler, Ford, and GM all reopened "in compliance of state orders...bringing thousands of assembly line workers in Michigan in for a phased reopening, and they aren't starting production until Monday. Some manufacturers [are] struggling with handling the risks reopening, food plants in particular, deemed essential and ordered back in the Defense Production Act, but only after applying new safety precautions. Tyson Foods in Portland, Maine closed down for six days after an outbreak, then reopened last week. But now reports 51 people have tested positive, 12 percent of the work force."

After Closing Stores Early In Pandemic, Patagonia Is Cautious About Reopening.

The New York Times (5/12, Maheshwari, 18.61M) reports the retailer Patagonia announced the closure of its brick-and-mortar stores and its online business in North America March 13, making it "one of the first major retailers to take such a drastic step" early on in the coronavirus pandemic. At the time, "the company's chief executive thought the situation would last about a month," and now the company "is being very cautious in deciding how to open up again."

If Workers Stay At Home, Manhattan Could Face A "Real Estate Reckoning."

The New York Times (5/12, Haag, 18.61M) reports that Manhattan's business district provides workspace to hundreds of thousands of office workers, but "as the pandemic eases its grip, companies are considering not just how to safely bring back employees, but whether all of them need to come back at all." According to the Times, "when the dust settles, New York City could face a real estate reckoning." The Times adds, "Entire economies were molded around the vast flow of people to and from offices, from the rush-hour schedules of subways, buses and commuter rails to the construction of new buildings to the survival of corner bodegas. Restaurants, bars, grocery stores and shops depend on workers for their survival." In addition, "real estate taxes provide about a third of New York's revenue, helping pay for basic services like the police, trash pickup and street repairs. Falling tax revenue would worsen the city's financial crisis and hinder its recovery."

Big Advertisers Look To Walk Back Commitments To TV Networks.

The Wall Street Journal (5/12, A1, Vranica, Subscription Publication, 7.57M) reports that many big advertisers are seeking to walk back ad commitments made to TV networks. Companies have the option to cancel up to 50 percent of third-quarter ad spending. Ad buyers estimate around $1.5 billion in commitments for the quarter could be canceled.

Uber Seeks To Acquire GrubHub.

The Wall Street Journal (5/12, Lombardo, Subscription Publication, 7.57M) reports that Uber Technologies Inc. is in talks to acquire GrubHub Inc. People familiar with the matter say Uber approached GrubHub earlier this year and the companies are in discussions.

Reuters Report: China Working To Abide By Phase One US Trade Deal.

Citing "three Chinese sources," Reuters (5/12) reports China is "committed to its Phase 1 trade deal with the United States and is working towards meeting its promise to boost U.S. purchases, even though the pace of buying has been restrained by the coronavirus outbreak." Reuters notes that "under the Phase 1 deal signed in January, Beijing pledged to buy at least $200 billion in additional U.S. goods and services over two years and Washington agreed to roll back tariffs in stages on Chinese goods." According to Reuters, "China's April imports of U.S. goods slumped 11.1% in dollar terms from a year earlier, weighed by weaker domestic demand because of the epidemic." However, Chinese officials "have on many occasions in recent months discussed how to fulfill China's commitments under the deal to the fullest extent, two officials in Beijing who are familiar with the situation told Reuters on Tuesday."

Fauci, Other Top Health Officials Warn Against Hasty Reopening Of Economy.

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Several Administration health officials playing leading roles in coronavirus response appeared remotely at a hearing of the Senate Health, Education, Labor, and Pensions Committee on Tuesday, but the vast majority of the coverage focuses on the testimony of NIAID Director

Fauci, with reports saying his blunt assessment that a prompt reopening of the economy would result in more deaths puts him at odds with President Trump. All three broadcast networks opened with the story.

David Muir said on ABC World News Tonight (5/12, lead story, 5:35, 8.35M) that both Fauci and CDC Director Redfield had "candid words about reopening the country too quickly, Dr. Fauci warning if we're not careful, it could trigger an outbreak that we can't control. ... All of this as the death toll approaches 82,000 lives lost in this country, Dr. Fauci acknowledging the real number is 'almost certainly higher.' ... Fauci not only warn[ed] about the potential of an outbreak if reopening is done without great care, he also said that could deal another setback to the economy." ABC's Mary Bruce said Fauci offered "a stark warning for the 45 states moving to reopen without meeting the federal guidelines." Sen. Patty Murray (D-WA): "If a community or a state or a region doesn't go by those guidelines and reopens, the consequences could be pretty dire, correct?" Fauci: "The consequences could be really serious. There is a real risk that you will trigger an outbreak that you may not be able to control, which in fact, paradoxically, will set you back, not only leading to some suffering and death that could be avoided, but could even set you back on the road to trying to get economic recovery." Bruce: "Fauci's message, at odds with President Trump, who insists the country is ready to get back to work." Sen. Elizabeth Warren (D-MA): "I'd just like to hear your honest opinion. Do we have the coronavirus contained?" Fauci: "If you think that we have it completely under control, we don't. I think we're going in the right direction, but the right direction does not mean we have, by any means, total control of this outbreak."

On the CBS Evening News (5/12, lead story, 4:15, 5.29M), Norah O'Donnell similarly said Fauci and his colleagues offered "a stark warning" that "the US is not out of the woods and is at risk of a resurgence of coronavirus. ... Fauci told senators we could know as early as late fall or early winter if the vaccines currently being tested are successful, though he said it will not be in time for the start school year." CBS' Nancy Cordes: "Fauci said the virus is still not contained, a point underscored by the sight of four of the nation's top health officials and many senators attending the hearing remotely, accompanied only by their dogs. The White House revealed today that President Trump and Vice President Pence are now distancing from one another after both came in contact with infected staffers."

Lester Holt opened NBC Nightly News (5/12, lead story, 4:00, 7.26M) by saying, "There will be consequences – more outbreaks, more deaths. A blunt warning from Dr. Anthony Fauci against reopening the country too soon. Fauci and other top government health officials stepping out from under the shadow of the White House today and into a videoconference to break the bad news to a Senate committee hearing that the COVID outbreak is not under control, testing still falls short, and that grim days are still ahead." NBC's Jeff Bennett called it "a reality check from the nation's top infectious disease expert, which stands in stark contrast to President Trump's push to reopen the country."

The AP (5/12, Neergaard, Alonso) reports Fauci "warned bluntly...of 'really serious' consequences of suffering, death and deeper economic damage if state and local officials lift stay-at-home orders too quickly," even as President Trump "pushes them to act to right a free-falling economy." Fauci and other health officials "stressed that pandemic danger persists, even as testing increases and work toward a vaccine and treatments continues. More COVID-19 infections are inevitable as people again start gathering, but how prepared communities are to stamp out those sparks will determine how bad the rebound is, Fauci told the senators."

Reuters (5/12, Brice, Cowan) quotes Fauci as saying, "I think we're going in the right direction, but the right direction does not mean we have by any means total control of this outbreak." Fauci "urged states to follow health experts' recommendations to wait for signs, including a declining number of new infections, before reopening." According to Bloomberg (5/12, Litvan, Sink, 4.73M), Fauci's "call for caution puts him in conflict with...Trump's race to reopen the country for business and ease restrictions that have crushed the economy." The Washington Post (5/12, Wagner, Kim, 14.2M) reports that Fauci "at one point contradicted statements made last week by Trump, when the president proclaimed the virus would disappear in coming months even without a vaccine. ... 'That is just not going to happen,' Fauci said of the notion the virus would disappear on its own."

Politico (5/12, Cancryn, 4.29M) reports that "the vast majority of states have yet to meet the most basic reopening benchmarks set out by the White House by last month, even as most move in stages toward lifting their social distancing guidelines," and "that means that new outbreaks are likely as public life resumes, Fauci said, prolonging the coronavirus fight if states are not adequately prepared to respond. ... 'There is no doubt even under the best of circumstances when you pull back on mitigation, you will see some cases appear,' he said."

CQ Roll Call (5/12, McIntire, 154K) reports Fauci's "warning comes as many states have already begun to partially reopen" and as Trump "has shifted his focus to lifting restrictions and jumpstarting the economy." The Hill (5/12, Hellmann, 2.98M) reports, "Experts say far more testing and contact tracing capacity is needed before the country can safely reopen. Testing availability varies dramatically from state to state, and some public health departments are still hiring and training workers who will trace contacts of confirmed COVID-19 cases and link them to testing." CNBC (5/12, Feiner, Lovelace, 3.62M) reports on its website that "as drugmakers across the world race to develop a coronavirus vaccine," Fauci said "there's no guarantee that the vaccine is actually going to be effective. ... Another worry among epidemiologists, Fauci said, is that the vaccine backfires and strengthens the virus."

The Daily Caller (5/12, Davis, 716K) reports Fauci "agreed with" Sen. Tim Kaine (D-VA) that the US coronavirus death rate "is 'unacceptable' compared to other nations." Kaine said, "The US has the seventh-highest per capita death rate in the world. ... If we want to open up our economy and schools we have to learn the lessons of nations that have managed this well." Kaine "then asked Fauci if the U.S. death rate compared to other countries is 'unacceptable,' which Fauci agreed it was."

Politico (5/12, Everett, Desiderio, Levine, 4.29M) reports, "Fauci's Tuesday testimony clashes with the GOP's vision, and it's fueling growing fatigue among Republicans with one of the government's most trusted public health leaders at a critical moment." The Daily Caller (5/12, Caruso, 716K) reports Sen. Rand Paul (R-KY) told Fauci that "'one-size-fits-all' lockdowns are [illegible]." Paul also said, "As much as I respect you, Dr. Fauci, I don't think you're the end-all. I don't think you're the one person that gets to make the decision. We can

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listen to your advice, but there are people on the other side saying there's not going to be a surge and that we can safely open the economy, and the facts will bear this out." Fauci replied, "I'm a scientist, a physician, and a public health official. I give advice according to the best scientific evidence. There are a number of people that come into that and give advice that are more related to the number of things that you spoke about, about the need to get the country back open again and economically." Breitbart (5/12, Spiering, 673K) headlines its report "Dr. Fauci: We Do Not Have Coronavirus Completely Under Control." Axios (5/12, Fernandez, 521K) and Townhall (5/12, McCarthy, 177K) are among the other sources covering Fauci's testimony.

White House Deputy Press Secretary Hogan Gidley said on the Brian Kilmeade Show (5/12), "Time and time again Dr. Fauci has told the truth to the American people. The problem is the media just don't want to acknowledge what he said in the past because so because much of it has to do with praising this Administration and how quickly it moved to protect the American people. Lives were saved because of Donald Trump. That's the bottom line." Gidley was also interviewed on WMAL-FM Washington (5/12) and the Joe Pags Show (5/12).

During an interview with Fox News' Fox & Friends (5/12, 831K) prior to the hearing, White House Press Secretary Kayleigh McEnany responded to Senate Minority Leader Schumer's claim that Fauci has not been allowed to testify about the President's response to the pandemic. McEnany said, "Perhaps Sen. Schumer was napping every Sunday morning when we put Dr. Fauci out on the Sunday shows, when we put Dr. [Deborah] Birx out on the Sunday shows. They have routinely had an opportunity to speak directly to the American people."

In an interview on ABC's Good Morning America (5/12, 3.64M) before the hearing, Joe Biden said, "Dr. Fauci talks about, if we open needlessly or open soon, there will be needless deaths. And we have to have things in place. Everybody wants to open. The governors want to open, but they want to open in a rational way. The President hasn't done his work. The President hasn't done what he's supposed to do."

The Wall Street Journal (5/12, Armour, Subscription Publication, 7.57M) reports other top Administration health officials who testified Tuesday also stressed the need for caution. The Washington Post (5/12, Abutaleb, Gearan, Wagner, 14.2M) reports officials warned of "new coronavirus outbreaks and possibly a broad resurgence nationwide if states and cities reopen too quickly, setting up a potential conflict" with the President. The New York Times (5/12, Stolberg, 18.61M), under the headline "At Senate Hearing, Government Experts Paint Bleak Picture Of The Pandemic," reports both Fauci and Redfield "predicted dire consequences if the nation reopened its economy too soon, noting that the United States still lacked critical testing capacity and the ability to trace the contacts of those infected." Redfield "pleaded with senators to build up the nation's public health infrastructure, even as he acknowledged that the C.D.C. had not filled 30 jobs authorized by Congress last year to expand its capacity to track outbreaks, and had yet to put in place a 'comprehensive surveillance' system to monitor outbreaks in nursing homes, which have been hard hit by the pandemic."

The Washington Post (5/12, Wagner, Kim, 14.2M) reports that HHS Assistant Secretary for Health Adm. Brett Giroir "told senators the U.S. could be performing up to 50 million tests a month by September – but that would still amount to fewer than the 2 million to 3 million tests a day that experts have said is needed to ensure that people returning to work are infection-free." Politico (5/12, Lim, 4.29M) quotes Giroir as saying, "We project that our nation will be capable of performing at least 40 to 50 million tests per month if needed at that time." According to Politico, "A significant portion of that capacity – 25 million to 30 million tests – would come from 'point of care' tests that can be analyzed in hospitals and doctors' offices, he added."

The AP (5/12) reports Sen. Mitt Romney (R-UT) took "a swipe at the Trump administration's pandemic response," and "chided...Giroir for taking part in a White House event celebrating nearly 9 million coronavirus tests in the U.S. ... 'I find our testing record nothing to celebrate whatsoever,' Romney said."

Before Hearing, Trump Tweeted That US Testing Is "BEST In The World." Trump tweeted Tuesday morning, "Our Testing is the BEST in the World, by FAR! Numbers are coming down in most parts of our Country, which wants to open and get going again. It is happening, safely!"

Pew Poll: Most Think Testing Responsibility Lies With Federal, Not State, Government. Politico (5/12, Ward, 4.29M) reports that a Pew Research Center survey released Tuesday found that 61 percent of US adults "say it's primarily the federal government's responsibility" to "ensure there's adequate coronavirus testing," compared with 37 percent "who say the responsibility mainly falls on state governments to make sure there are enough tests to safely lift restrictions. These numbers shift when divided among Democrats and Republicans, with 78 percent of Democrats and Democratic-leaning independents placing the primary responsibility on the federal government," compared with 57 percent "of Republicans and Republican-leaning independents."

NBC: "Undisclosed" White House Task Force Data Show "Troubling Spike" In Cases. On NBC Nightly News (5/12, story 3, 2:45, Holt, 7.26M), Miguel Almaguer reported, "In some of the very regions reopening across our nation, a troubling spike in COVID cases, according to new, undisclosed numbers obtained by NBC News. The data, compiled by the White House pandemic task force, shows the top 10 areas recording surges of at least 72 percent over the previous week. Atop the list, Central City, Kentucky, where a prison has helped fuel a 650 percent increase in infections. Other hot spots include Nashville, Tennessee, Amarillo, Texas, and Des Moines, Iowa, where there was never state-wide stay-at-home orders."

The Washington Post (5/12, 14.2M) editorializes, "Studies drawn from completed contact tracing...are showing that sustained, close contacts and close quarters are the biggest risks." This indicates "that the virus spreads when and where people are congregating, and among households, family and close contacts. This insight must be taken into account for every decision about opening up the country."

Kudlow Predicts "Big Reopening." NEC Director Kudlow said on the Hugh Hewitt Show (5/12), "Public safety goes hand in hand with economic growth. So I believe we will do both. I think the President has been right to adopt the [illegible] I think the shutdowns did help bring the virus to heel. I think we're coming down the home stretch on this, and I think we're going to see a big reopening.

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And frankly, I think the second half of this year, you're going to see much stronger growth." Kudlow said on Fox News' Hannity (5/12, 535K), "I think the President's mitigation has succeeded in large measure. In a short period of time, he has completely built a safe healthcare infrastructure with PPE and masks and testing and the tracing and so forth. I think now, we should be focusing on how to safely reopen the economy."

Energy Secretary Brouillette said on Fox Business' Varney & Co. (5/12, 64K), "I have a smile on my face because we are beginning a transition to greatness as the President said this morning. That's what's really exciting about this particular economy. What we are seeing in the markets today are stability. That's what's important for these energy companies to survive this pandemic and to explode with economic activity on the other side of this pandemic." Brouillette was also interviewed on Bloomberg TV (5/12) Tuesday.

NYTimes' Baker: Democracy "Has Gone Digital." Peter Baker of the New York Times (5/12, 18.61M) observes how "American democracy in the coronavirus era has gone digital or at least more distant, however fitfully and incompletely," as seen by the presence of Senate HELP Chairman Lamar Alexander's dog "lounging contentedly on a dog bed behind the Republican in a wood-paneled den as he kicked off Tuesday's coronavirus hearing from his Tennessee home" and "the Red Hot Chili Peppers poster on the red walls" behind Sen. Bernie Sanders (I-VT). The New York Post (5/12, Fonrouge, 4.57M) reports on the considerable online chatter about "Fauci's vast book collection and [CD] spinner from the 1990s."

Trump, Pence To Avoid Contact With One Another "For The Time Being."

The Washington Post (5/12, Armus, Farzan, 14.2M) reports that President Trump and Vice President Pence "will limit their physical interaction with each other after a Pence staffer tested positive for the novel coronavirus and as the White House cracks down on its mask-wearing rules." The Post cites a "senior administration official," who indicated that Trump and Pence, "for the time being," are "likely to keep away from each other, which includes being in the same room." White House Press Secretary Kayleigh McEnany is quoted as saying, "The vice president has made the choice to keep his distance for a few days. And I would just note that that's his personal decision to make that as to how many days he does it."

NYTimes Describes Coronavirus Testing Process For White House Staff Members. The New York Times (5/12, White, Collins, 18.61M) reports that White House staff members "are frequently being tested" for COVID-19. One of the "main devices being used can produce a result in less than 15 minutes." The Times goes on to describe the testing process.

NYTimes Columnists Criticize Trump's Resistance To Wearing A Mask. Michelle Cottle writes in the New York Times (5/12, 18.61M) that the President and Vice President are exempt from the requirement that all West Wing staff and visitors wear masks, but, "the primary purpose of a nonmedical mask isn't to protect the wearer but rather those around him or her, not exactly a top priority for Mr. Trump." Nonetheless, "it was a notable reversal – and surely a painful concession – by a president who has long made clear his anti-mask bias." Aides "have said that Mr. Trump's resistance stems in part from not wanting to look ridiculous," which Cottle says "comports perfectly with the warped logic of Trumpian machismo: Masks are for the weak – read: losers – and he is all about strength." Trump, she adds, "is increasingly desperate to project strong leadership because he has so utterly failed to provide strong leadership." In his New York Times (5/12, 18.61M) column, Frank Bruni describes masks as a metaphor. He writes, "Trump demands protection from everybody around him, but nobody is protected from Trump. Story of America."

Trump Says Governors Owe Their High Marks For Handling Coronavirus To Him.

President Trump argued in tweet Tuesday morning that governors who are seeing high approval for their handling of the coronavirus pandemic owe that success to him. Trump wrote, "Remember this, every Governor who has sky high approval on their handling of the Coronavirus, and I am happy for them all, could in no way have gotten those numbers, or had that success, without me and the Federal Governments help. From Ventilators to Testing, we made it happen!"

Trump To Visit Pennsylvania Thursday.

President Trump tweeted Tuesday morning that he will visit Allentown, Pennsylvania on Thursday. Trump wrote, "Looking forward to being in Allentown, Pennsylvania, on Thursday. I love the State, and for very good reason!"

USA Today (5/12, Jackson, 10.31M) reports Trump will "visit a medical supply business in the politically pivotal state pf Pennsylvania." Trump "plans to use the trip to spotlight his argument that the economy can be re-opened safely and life can soon return to normal, even as lawmakers and his own health advisers warn that moving too quickly could trigger a deadly new wave of the coronavirus." USA Today adds that Trump "has encouraged protesters who have demonstrated against lockdowns in their states – including Pennsylvania, a state that is probably essential" to his reelection bid.

Small Pennsylvania Town With Big Hospital Has Few COVID-19 Cases, Zero Deaths. The Washington Post (5/12, Frankel, 14.2M) reports that the rural town of Danville, Pennsylvania, which is home to Geisinger Medical Center, has "one of the highest concentrations of hospital workers in the nation. Social distancing comes easy in these parts, and with just 50 [COVID-19] cases and zero deaths, there is little apparent need to mobilize forcefully against the virus." But, "almost everyone here is bracing for a medical battle, akin to the feeling of a military town on war-footing." to the Post, "This rare combination shows how the push to reopen the economy and the need to control a deadly virus can coexist, with fewer of the tensions that have popped up across the country."

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Kushner Not Sure If Election Can Be Postponed.

TIME (5/12, Berenson, Bennett, 18.47M) reports, "When asked if there was a chance the presidential election could be postponed past November 3 due to the pandemic," Jared Kushner "said that isn't his decision. 'I'm not sure I can commit one way or the other, but right now that's the plan,' he said."

Navarro Will Not Appear At House Hearing On Bright Allegations.

The Washington Post (5/12, Costa, 14.2M) reports Director of Trade and Manufacturing Policy Navarro – "who repeatedly warned colleagues about the coronavirus in memos earlier this year – is declining to testify before a House panel Thursday about a whistleblower's complaint that mentions him at length." Navarro "had been invited to appear before the House Energy and Commerce subcommittee on health" to answer questions about allegations made by ousted Biomedical Advanced Research and Development Authority Director Rick Bright.

Pentagon IG To Review Navy's Coronavirus Response.

The Washington Times (5/12, Wolfgang, 492K) reports the Defense Department Inspector General is opening a review of the Navy's handling of the COVID-19 outbreak "to examine whether Navy leaders took strong enough action to stop the virus' spread aboard ships, and whether their plan was effectively implemented" across the US fleet. The review, "slated to begin before the end of the month, comes amid high case counts aboard U.S. ships and recent news that Chief of Naval Operations Adm. Michael Gilday has self-isolated after potential contact with someone who tested positive for the virus."

FDA Fast-Tracks Moderna Coronavirus Vaccine Candidate.

The CBS Evening News (5/12, story 3, 1:50, O'Donnell, 5.29M) reported the FDA "is fast-tracking a possible coronavirus vaccine being developed by drug maker Moderna with the help of the National Institutes of Health." CBS' Jon Lapook: "Moderna says its vaccine...works differently from traditional vaccines by using genetic material known as 'messenger RNA' to instruct the body's immune system to fight the virus. The company says just two months after the NIH received the genome sequence for COVID-19 from China, a vaccine was ready for clinical trials. ... The Moderna vaccine is one of eight being tested in human trials worldwide, and one of three being based in this country."

Federal Government Partners With Startup Firm On Syringe Production.

On NBC Nightly News (5/12, story 7, 2:10, Holt, Gutierrez, 7.26M), Gabe Gutierrez reported, "With the global race to make a vaccine underway, scientists are now sounding the alarm about how to mass produce it." NIH Director **Collins**: "People are worried about, do we have enough medical glass to be able to put all of these doses of the vaccine into vials so that they can be administered, and that is a serious issue to think about right now." Gutierrez: "The Trump Administration announced a new $138 million effort called Project Jumpstart to dramatically increase domestic production of syringes." The Defense Department and HHS "will now partner with health startup Apiject Systems America. The company makes plastic pre-filled syringes." Apiject CEO Jay Walker: "Nobody has ever used an injectable, pre-filled syringe made of plastic in the tens or millions or even in the millions, because nobody has ever figured out how to attach a needle to a plastic-filled container with a drug."

CDC Preparing Response To Pediatric Illness Believed Linked To COVID-19.

Both ABC World News Tonight (5/12, story 2, 2:15, Muir, 8.35M) and NBC Nightly News (5/12, story 2, 2:30, Holt, 7.26M) aired reports on an illness believed linked to COVID-19 that is affecting children. ABC's Stephanie Ramos reported 13 states are "reporting that rare inflammatory syndrome possibly linked to the virus. New York [is] investigating about 100 cases, three kids have died." Ramos said NIAID Director Fauci "warn[ed] we're still learning about the virus' impact on children." Fauci: "I think we better be careful [that] we are not cavalier in thinking that children are completely immune to the deleterious effects." NBC's Kristen Dahlgren reported a CDC spokesman said the agency is "preparing a nationwide alert to help track pediatric multi-system inflammatory syndrome. Symptoms can include prolonged fever, rash, abdominal pain, and the inflammation can attack organs like the heart or kidneys."

Waters' Sister Dies Of Coronavirus.

The Washington Post (5/12, Itkowitz, 14.2M) reports that Rep. Maxine Waters (D-CA), "who last month stood on the House floor and dedicated her support for a coronavirus relief package to her gravely ill sister, has lost her" to COVID-19. Waters "shared the news of her sister's passing with the Grio last week, describing it as 'one of the most painful things that I've ever had to experience in my life. ... She had suffered. And so we are going through a very difficult time. It was not easy, but in many ways, I'm so glad she's out of pain." The Post adds that Velma Moody, 86, "contracted the highly contagious virus at Grand Manor Nursing Home in St. Louis."

Newsom Lays Out Guidelines For Reopening California.

The CBS Evening News (5/12, story 2, 2:15, O'Donnell, 5.29M) reported California Gov. Gavin Newsom (D) "is laying out guidelines for opening businesses in his state." CBS' Jamie Yuccas reported Newsom is "issuing new guidelines to partially reopen the world's fifth-largest

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economy." Newsom: "We're reopening in-room dining, outdoor museums, botanical gardens." However, Yuccas reported, "almost all California State University campuses now will close in the fall, except for online classes." Newsom: "The worst mistake we can make is to just throw those face coverings off. It's still virulent. It's still deeply, deeply deadly." Yuccas: "Newsom says when California restaurants are finally allowed to open, you'll get a throw-away menu and tables likely will be empty with no salt and pepper allowed. While there is no overall timeline, the governor says he will be more flexible with smaller communities that have fewer cases."

The New York Times (5/12, Hubler, 18.61M) reports California State University said Tuesday "that classes at its 23 campuses would be canceled for the fall semester, with instruction taking place almost exclusively online."

Whitmer's Legal Team Calls Lawmakers' Lawsuit A "Power Grab."

The Detroit News (5/12, Mauger, 825K) reports that the legal team for Michigan Gov. Gretchen Whitmer (D) "issued a blistering response Tuesday to the Michigan Legislature's challenge against her emergency powers." The argued that Republican lawmakers sought "to build a constitutional crisis atop a public health crisis." The Republican House and Senate "sued the Democratic governor in the state Court of Claims, contending that she had exceeded her authority in continuing unilateral actions to combat the COVID-19 pandemic." In a response filed Tuesday, three assistant attorneys general and one assistant solicitor general argued, "Having lost that political gamble, they are doubling down on this lawsuit. ... But this is more than a political bluff for a dissatisfied coequal branch of government holding a losing hand under applicable law. ... It is a power grab cloaked in the fineries of unfounded legal reasoning."

Armed Militia Helps Michigan Barber Reopen In Defiance Of State Orders. The Washington Post (5/12, Balingit, 14.2M) reports that armed members of the Michigan Home Guard stood outside Karl Manke's barbershop Monday to blockade the door if police arrived so Manke could reopen is shop "in defiance of state orders." the Post says "dozens" joined the militia, wearing Trump sweatshirts and Trump cowboy hats and waving Trump flags." They gathered to rail against Whitmer's approach to fighting the coronavirus outbreak in Michigan, one of the nation's worst hotspots. They were channeling President Trump's support of such protests, but some also were taking aim at the state's Republicans, who they say have not done enough to 'liberate' the state from safety measures that have ground life to a halt."

Poll Finds Partial Split Among Wisconsin Voters Over Coronavirus Restrictions.

The Milwaukee Journal Sentinel (5/12, Glauber, Marley, 632K) reports that a Marquette University Law School poll released Tuesday shows that "partisan splits have emerged in the fight against the coronavirus pandemic even as the public at large supports social-distancing and other measures." According to the poll, 69 percent "said it was appropriate to close schools and businesses and restrict public gatherings, while 26% said it was an overreaction. In March, 86% said those measures were appropriate while just 10% said it was an overreaction." The Journal Sentinel adds that in March, "83% of Republicans said closures were appropriate, compared with 49% in the new poll." Support among Democrats "slipped from 95% in March to 90% in the current poll while among independents support slipped from 79% to 69%." The poll of 811 registered Wisconsin voters "was conducted May 3 through 7 with a margin of error of plus or minus 4 percentage points."

Arizona Governor Says Pro Sports Can Resume Without Fans On Saturday.

The AP (5/12) reports Arizona Gov. Doug Ducey (R) announced Tuesday "that professional sports, including MLB, NBA, NHL and NFL can resume without fans on Saturday." Ducey "said he's had discussions with 'leaders of some of these leagues' but did not say which ones or elaborate on what activities might take place in Arizona."

Virginia Contractor Fails To Deliver 10M Masks Promised To FEMA.

The Washington Post (5/12, Stanley-Becker, 14.2M) reports that the "little-known Virginia-based defense company" Panthera Worldwide LLC, which "was awarded a $55 million federal contract to provide 10 million N95 masks for the U.S. government's coronavirus response failed to deliver and had its contract canceled on Tuesday, according to the Federal Emergency Management Agency." The company "had promised to deliver the much-needed personal protective equipment by May 1, despite having no history of providing such materials to the government." They "sought a 10-day extension to May 11 and ultimately did not furnish the items." A FEMA spokeswoman "said Tuesday the company requested another four-day extension, to May 15, but the agency denied the request. The agency moved to cancel the contract Tuesday, a day after the deadline."

DC Suburbs In Virginia And Maryland Will Be Allowed To Delay Reopening.

The Washington Post (5/12, Hedgpeth, 14.2M) reports that Virginia Gov. Ralph Northam (D) "issued an executive order Tuesday allowing jurisdictions in the Washington suburbs to delay a gradual 'phase one' reopening, waiting two weeks after the rest of the state begins easing restrictions because of a concentration of cases in the region."

The Washington Post (5/12, Chason, Cox, Tan, Vozzella, 14.2M) reports in a separate story that Maryland Gov. Larry Hogan (R) "has told leaders of the Washington suburbs and other places hard-hit by coronavirus that they will be able to opt out of a gradual reopening he plans to announce Wednesday, according to officials involved in the conversations." A Hogan spokesman "would not confirm those plans, but said the governor – who is under pressure to reopen from Republicans in more rural parts of the state – has discussed a regional approach with local leaders."

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WPost: Contact Tracing Alone Will Not Solve Coronavirus Crisis.

The Washington Post (5/12, 14.2M) says in an editorial, "Technologists have created contact tracing systems to help get us out of" the coronavirus "crisis and out of our houses, but the narrow debates surrounding the inventions miss a reality: Any digital solution to our problem that's sufficiently privacy-protective also won't be sufficiently useful without a lot of humans in the loop." Once contact tracing is in use, the Post says, "what happens then will depend on old-fashioned public health policy. Authorities could ask people who receive exposure pings to stay indoors, but they could also ask them to take self-assessments providing information about, say, any gatherings in large groups or other risky activity – and then, perhaps, to call a manual contact tracer."

NYTimes: Agencies Using Pandemic As Excuse To Ignore FOIA Requests.

The New York Times (5/12, 18.61M) says in an editorial that the Freedom of Information Act "has proved to be a valuable tool for taxpayers and the press to keep a check on dealings by public officials that would otherwise be shrouded in secrecy," but "far too many agencies have...interpreted the arrival of the coronavirus pandemic and necessary shelter-in-place orders as a justification for either further delaying or failing entirely to respond to FOIA requests." However, the Times says, "Local and federal government agencies continue to operate, albeit under altered circumstances, and the delays degrade the public's trust in elected officials."

Nicholas: Trump Trying To Deflect Criticism Over Coronavirus By Attacking Biden.

Peter Nicholas writes for The Atlantic (5/12, 3.47M) that while Joe Biden "didn't play a lead role" in the Obama Administration's response to swine flu, but President Trump "is trying to convince voters that the swine flu was at least a dry run, and Biden stumbled." Trump's political advisers have also argued that Biden "is too close to China, a relationship they argue could compromise America's national security and public health. Tying Biden to China fits within a larger strategy of demonizing that country and reviving the economic-nationalist argument that Trump successfully invoked in the 2016 race." Nicholas adds, "The deflection is obvious: Facing criticism that he gave China cover while Americans fell ill, Trump wants to depict his opponent as enthralled with China's leadership." But "inside GOP circles, some are finding Trump's routine exhausting. When I spoke with a Senate aide about Trump's methods, he described the attacks on Biden as 'revisionist history.'"

Trump Lawyers Push Immunity Argument In Zervos Case.

The Washington Post (5/12, Jacobs, Helderman, 14.2M) reports that President Trump's lawyers this week "reiterated their argument that a defamation lawsuit from a woman who alleges Trump groped and kissed her without consent should be halted because the president is immune from lawsuits filed in state courts while serving in office." The 28-page brief filed Monday "is Trump's latest salvo in a multi-front legal battle to limit the ability of private citizens, Congress and even law enforcement to investigate him as a sitting president."

Grenell Gave DOJ List Of Obama Officials Who Unmasked Flynn.

The New York Times (5/12, Barnes, Benner, 18.61M) reports that Acting DNI Grenell "has declassified an Obama-era document related to President Trump's former national security adviser Michael T. Flynn, according to the Office of the Director of National Intelligence, in a highly unusual move that prompted accusations that he was trying to discredit the Justice Department's Trump-Russia investigation." According to officials, Grenell declassified "a list of Obama administration officials who sought to learn the identities of Trump associates swept up in surveillance of foreign officials" and "gave it to the Justice Department." While the department "does not intend to release it," and "Grenell's office declined to a provide a copy," GOP lawmakers "could demand that Mr. Grenell's office release the list." The Washington Post (5/12, Harris, Zapotosky, 14.2M) says it was unclear "if Grenell would release the names on his own. ... Releasing the names would be an unprecedented action and risk turning powerful authorities to declassify intelligence toward political ends, current and former intelligence officials said."

Grenell Declassifying Information Showing Brennan Suppressed Intelligence On Russia Wanting Clinton To Win. The Washington Examiner (5/12, Chaitin, 448K) reports that Grenell "is declassifying information that shows former CIA Director John Brennan 'suppressed' intelligence on Russia wanting Hillary Clinton to win the 2016 election." Fox News' Ed Henry said on Fox News' Tucker Carlson Tonight (5/12), "There's other intel that may have been more serious suggesting that Russia wanted Hillary Clinton to win, rather than balancing that out in the assessment they put out there in that assessment, and set the narrative that Russia wanted Trump to win." Henry "said he has a separate intelligence source who confirmed this intelligence is among the four or five batches of documents" that Grenell "is working to declassify."

Biden Denies, Then Admits Knowledge Of Flynn Investigation.

The Federalist (5/12, Justice, 126K) reports that in an appearance on ABC's Good Morning America Tuesday, Joe Biden "admitted...he was aware of federal prosecutors' plans to question incoming National Security Advisor Michael Flynn after denying knowledge of any investigation." Asked what he knew about the FBI's operations in 2017, Biden said, "I know nothing about those moves to investigate Michael Flynn." He added, "This is all about diversion. This is a game this guy plays all the time. The country [is in crisis - but he's] trying to always divert attention from the real concerns of the American people." When George Stephanopoulos followed up, "adding that Biden was

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present at a Jan. 5, 2017 Oval Office meeting where he and President Barack Obama was briefed by top White House national security officials on plans to question Flynn over conversations with then-Russian Ambassador Sergey Kislyak as the presidential transition was underway," Biden said, "I thought you asked me whether or not I had anything to do with him being prosecuted. I was aware that there was, that they asked for an investigation, but that's all I know about."

The Washington Examiner (5/12, Colton, 448K) says White House Press Secretary Kayleigh McEnany "pushed back" Tuesday on Biden's claim that the focus on Flynn's case is a "diversion" from the coronavirus pandemic. Appearing on Fox News' Fox & Friends, McEnany said, "Look, it is not a distraction to bring this up. Any time the FBI writes down on a piece of paper, asking whether their motive in interviewing someone, if their end goal is to 'get someone to lie,' in this case getting Michael Flynn to lie, that should trouble each and every American. And they go on to say, 'So that we can get him fired.' This is incredible what the FBI did and again it's not our hardworking rank and file at the FBI – those men and women are heroes. This was some of the top officials in the Obama era, and there are very real questions now that we know that President Obama was aware of the Flynn unmasking and the former vice president, too."

Similarly, White House Deputy Press Secretary Hogan Gidley said on the Brian Kilmeade Show (5/12), "A diversion from what? I am sure that Joe Biden and I am sure that Barack Obama don't want anyone looking into their behavior and their activities and whether or not they broke the law and whether they wiretapped and spied on the American citizen, which we now know they did, whether they tried to coerce somebody or entrap somebody in Gen. Flynn to tell a lie. I'm sure they don't want people looking into that. I'm sure they would prefer lots of distractions, things that don't matter like Russia collusion are dossier or a hoax about impeachment whatever it may be that Democrats have come up with." Gidley was also interviewed on WMAL-FM Washington (5/12) and the Joe Pags Show (5/12).

Grassley: It's Time To Find Out What Obama, Biden Knew About Flynn Probe And When They Knew it. Townhall (5/12, Pavlich, 177K) reports that Sen. Charles Grassley (R-IA) argued on the Senate floor this week for "more information about the previous administration's targeting" of Flynn. Grassley said, "The public knows a lot more than it did in 2017 when the news first broke about the Flynn case. ... On January 5, 2017, the day after [Peter] Strzok moved to keep the Flynn case open, President Obama met with [then-FBI] Director Comey, Deputy Attorney General Sally Yates, Vice President Biden, and National Security Advisor Susan Rice. In that meeting they briefed Obama on the Russia investigation. It's unclear to what extent they discussed the details of the investigation amongst each other. Given all that we know now regarding the fake foundation to the inquiry, it's time we asked: what did Obama and Biden know and when did they know it?"

Senate Republicans Examining Susan Rice Email About Conversation With Obama About Flynn.

Citing a Fox News report, the New York Post (5/12, Fredericks, 4.57M) says Senate Republican investigators are "taking a closer look" at a January 2017 email former National Security Adviser Susan Rice sent to herself "to document a meeting she'd earlier had with then-President Barack Obama about Michael Flynn." Rice wrote to herself, "President Obama began the conversation by stressing his continued commitment to ensuring that every aspect of this issue is handled by the intelligence and law enforcement communities 'by the book.' ... The president stressed that he is not asking about, initiating or instructing anything from a law enforcement perspective. He reiterated that our law enforcement team needs to proceed as it normally would by the book."

Sullivan Delays DOJ Move To Drop Charges Against Flynn.

The New York Times (5/12, Lafraniere, 18.61M) reports Judge Emmet G. Sullivan, who is overseeing the criminal case of former national security adviser Michael Flynn "opened the door late Tuesday for legal experts and other outside parties to oppose the Justice Department's motion to drop the case, suggesting he has at least some skepticism about the government's argument that Mr. Flynn should never have been charged." The Washington Times (5/12, Mordock, 492K) says Sullivan "issued a fairly lengthy order saying 'at the appropriate time' he will set a schedule for interested parties – known as amicus curiae – to comment on the case. The move will allow critics and supporters of dropping the criminal charges against Flynn to offer their opinions."

The Washington Post (5/12, Hsu, Leonnig, 14.2M) reports that Sullivan "put on hold" the DOJ effort to drop the charges against Flynn. His invitation to allow comments on the case "could set the stage for an adversarial proceedings in which one or more attorneys argue against the Justice Department. It would also permit, if the judge chooses, to require sides to produce evidence and revisit the case for and against Flynn." USA Today (5/12, Johnson, 10.31M) provides similar coverage.

The Washington Examiner (5/12, Dunleavy, 448K) reports that Flynn's legal team "criticized the judge's openness to considering 'amicus' filings in the case." Sidney Powell "filed a six-page motion Tuesday evening opposing any outside intervention in the case, stating that a group that dubbed itself 'Watergate Prosecutors' had moved to file an amicus brief on Monday." She said, "This Court has consistently – on 24 previous occasions – summarily refused to permit any third party to inject themselves or their views into this case." Powell argued that "the proposed amicus brief has no place in this Court."

O'Brien Backs DOJ Decision To Drop Flynn Prosecution.

National Security Adviser O'Brien said on Fox Business' Varney & Co. (5/12, 64K), "I think Attorney General Barr has made it very clear that that prosecution was an improper prosecution, that it was not well-founded and the Justice Department made the right decision to ask the

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judge to drop the prosecution and to reverse the guilty verdict. I think that was the right decision. I've got a lot of confidence in Attorney General Barr and the investigation he undertook to reach that conclusion." Asked if "this thing goes all the way to the top," to former President Obama, O'Brien said, "I think we are going to have to see what Mr. Durham, the US Attorney for Connecticut, has to say. He's undertaken an investigation. I think there's going to be more information that Gen. Barr hinted would be declassified this coming week. So we will have to see where the documents take us. But it's a very unfortunate situation, no doubt about it."

Paul Suggests Obama Was Aware Of FISA Court Abuses By His Administration.

The Washington Examiner (5/12, Mastrangelo, 448K) reports Sen. Rand Paul (R-KY) on Tuesday "claimed it is highly unlikely former President Barack Obama was unaware of the FISA Court abuses allegedly committed by members of his administration." Paul tweeted, "You are the president of the US, and you're allowing your intelligence community to spy on your political opponents? I'd be surprised if President Obama didn't know about the abuses that occurred against @realDonaldTrump! We need to fix FISA now so it never happens again!"

Durham's Team Stacked With Veteran Prosecutors, FBI Agents.

The Washington Examiner (5/12, Dunleavy, 448K) reports that US Attorney John Durham, who was tapped by Attorney General Barr "to carry out an inquiry into the origins of the Trump-Russia investigation and conduct of U.S. law enforcement and spy agencies, has added additional members to his team, which is 'going full throttle' and 'looking at everything,' according to sources cited by Fox News." The Examiner says Durham's team "is stacked with veteran prosecutors and former FBI agents."

Media Analyses: "Obamagate" Is Trump's Latest Effort To Distract From Unwelcome News.

Politico (5/12, Nguyen, 4.29M) reports in an analysis that President Trump "is trying to keep his presidency afloat with another theory about his predecessor: Obamagate." Trump "has tweeted and railed about unproven claims that President Barack Obama, in his final days in office, orchestrated a plot to damage the incoming president." The term "Obamagate" has "become an all-caps rallying cry for Trump." Politico says the "trumpeting of an anti-Obama narrative is a tactic Trump has employed throughout his political career. Over the years, Trump's attacks on Obama have veered from the baseless...to exaggerations and falsehoods about his predecessor's record." Trump "has used these stories to distract from unwelcome stories while elevating himself and exciting his base. The questionable details are rarely important."

The Washington Post (5/12, Olorunnipa, 14.2M) says that throughout his presidency, "Trump has responded to criticism of his performance or comments by suggesting or outright asserting that his critics are criminals." Now, he is "reverting to a familiar political tactic as he faces the most significant challenge of his presidency, said Russell Riley, a presidential historian at the University of Virginia's Miller Center." Said Riley, "He's using this as a means of distraction. ... As we've seen over the years, when the pressure on him gets turned up, there's an attempt to deflect attention onto his political opponents."

NBC's Todd Apologizes For Airing Edited Barr Clip.

The New York Post (5/12, Garger, 4.57M) reports Chuck Todd, host of NBC's Meet The Press, apologized Tuesday "for taking remarks by [Attorney General] Barr out of context by only airing a shortened version of an interview" Barr gave to another network. Todd admitted making the "mistake," but "said that when the network on Sunday aired a CBS interview of Barr speaking about his handling of the Michael Flynn case, they were unaware it was not the full clip." Todd said, "Now, we did not edit that out. ... That was not our edit. We didn't include it because we only saw the shorter of two clips that CBS did air."

Hume: Media Coverage Of Russia Collusion Was "A Disaster."

The Washington Examiner (5/12, Soellner, 448K) reports Fox News senior political analyst Brit Hume "called the media's coverage of President Trump's alleged collusion with Russia the 'worst journalistic fiasco' he's seen in his 50-year career." On Fox News' The Story, Hume "blasted the pursuit of the 'collusion narrative' by top newspapers such as the New York Times and the Washington Post in a relentless chase that eventually landed the coverage Pulitzer Prizes in 2018." He said, "It was the worst journalistic fiasco of now my more than 50 some years in journalism. ... It was a disaster."

President Trump included a link to the Examiner story and video of Hume's comments in a tweet Tuesday night. Trump wrote, "Fake @PulitzerPrizes must be taken back. These 'journalists' got everything wrong. Give them to the real journalists who got it right!"

WSJournal: Transcripts Show Schiff Lied About Evidence Of Collusion.

A Wall Street Journal (5/12, Subscription Publication, 7.57M) editorial says newly released congressional testimony shows that House Intelligence Chairman Adam Schiff lied for three years about Russia and Donald Trump, claiming he had evidence of collusion despite the fact that his own committee had no such evidence. The Journal questions why the media continues to put Schiff on the air and argues that nothing he says can be believed.

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Wolf Inspects New Wall Construction In Arizona, California.

The Washington Examiner (5/12, Giaritelli, 448K) reports Acting DHS Secretary Wolf "is headed to the US-Mexico border to tour new wall

construction being installed in Arizona and California during the coronavirus pandemic." Wolf was in Arizona yesterday to "go on an aerial tour to see new fencing the Trump administration has installed in parts of southern Arizona since 2017." Wolf will travel to San Diego "to see completed primary and secondary border wall installed under the Trump administration."

The Arizona Republic (5/12, Carranza, 869K) reports "Arizona is the epicenter of construction" for President Trump's border wall, as "crews are replacing 161 miles of barriers along the state's international border with Mexico, while an additional 80 miles of construction are in the pipeline. Once completed, the new 30-foot barriers will cover nearly two-thirds of the state's border with Mexico." The Republic adds that "construction at the sites Wolf will tour on Tuesday has continued full-speed ahead, even as the COVID-19 pandemic paralyzed nearly all other activity along the US-Mexico border." Arizona Public Media (5/12, Reznick) recounts that in a press release Tuesday, Rep. Raúl Grijalva (D-AZ) "reiterated his call to halt construction and divert funds to address the public health crisis."

Citing Risk To Jaguar, Conservation Groups Sue Administration Over Border Wall.

The Hill (5/12, Frazin, 2.98M) reports, "A coalition of conservation groups is suing the Trump administration over its signature border wall, arguing that the transfer of military funds for the wall's construction is unconstitutional and claiming that the administration did not have the right to waive certain environmental requirements." The Center for Biological Diversity, Defenders of Wildlife and the Animal Legal Defense Fund filed the lawsuit in federal court in Washington on Tuesday. The Washington Times (5/12, Dinan, 492K) reports the environmentalist groups argue that "if President Trump is allowed to use Defense Department money to complete his border wall, it will be the final step in eliminating the endangered jaguar from US territory."

Georgia AG Asks For Probe Of Local Prosecutors In Arbery Case.

The AP (5/12, Martin, Bynum) reports the Georgia prosecutors who "first handled the fatal shooting of a black man, before charges were filed more than two months later, were placed under investigation Tuesday for their conduct in the case." Georgia Attorney General Chris Carr "announced that he asked the Georgia Bureau of Investigation and federal authorities to investigate how local prosecutors handled the killing of 25-year-old Ahmaud Arbery, who was pursued by a white father and son before being shot on a residential street just outside the port city of Brunswick." Gregory and Travis McMichael "were not charged with murder until last week, after the release of a video of the Feb. 23 shooting."

ABC World News Tonight (5/12, story 5, 2:00, Muir, 8.35M) reported "state authorities...are joining federal investigators who are looking into the actions of two local prosecutors who removed themselves from this investigation because of apparent connections to the McMichaels." On the CBS Evening News (5/12, story 7, 1:30, O'Donnell, 5.29M), Omar Villafranca indicated "next month could be the earliest a grand jury hears this case."

The New York Times (5/12, Fausset, Rojas, 18.61M) reports, meanwhile, that "an autopsy report released Tuesday showed that Ahmaud Arbery...was shot twice in the chest, had a third wound on a wrist and had no drugs or alcohol in his system."

Professor: Black Joggers Often Subject To Fear, Intimidation. Natalia Mehlman Petrzela, a marathon runner and associate professor of history at the New School, writes in the New York Times (5/12, 18.61M) that "when video surfaced of the killing of...Arbery, the young black jogger gunned down in South Georgia, distance runners became a new voice among the usual chorus of social justice activists who grimly parse such tragedies. But among runners, reactions largely differed by one important factor: race." Petrzela adds that "Black runners recounted their own routines, intended to deflect the sort of suspicions that turned deadly for Mr. Arbery: steering clear of certain neighborhoods, going out only in daylight, wearing an Ivy League sweatshirt to broadcast respectability. Many white runners, by contrast, were aghast that the sense of peace they feel when hitting the open road reflected their racial privilege." That "disparity should come as no surprise."

ADL Details Increase In Anti-Semitic Incidents.

The New York Times (5/12, Diaz, 18.61M) indicates that the Anti-Defamation League yesterday "reported more than 2,100 anti-Semitic incidents in the United States, a 12 percent jump and the most in any year since it began tracking them four decades ago." The Times adds, "The surge in reports, grouped in the categories of assault, harassment and vandalism, came as Jewish communities in Monsey, N.Y., Jersey City, N.J., and Poway, Calif., were the targets of deadly attacks last year." The ADL identified "61 cases of assault, a 56 percent increase from 2018."

The Washington Times (5/12, Richardson, 492K) reports the "record-setting surge in anti-Semitic incidents in 2019" was "led by dramatic increases in assaults and harassment against Jews in New York and New Jersey. ... The most dramatic increases were found in New York, where overall incidents rose by 26% and assaults soared by a staggering 106%, and New Jersey, which saw incidents jump by 73% and assaults climb from two to five for an increase of 150%."

California Voters To Consider Ballot Proposal On Parole.

The New York Times (5/12, Cramer, 18.61M) reports Brian Beinlich, whose criminal history includes "committing a series of robberies over a 12-day period to pay for cocaine," is one of an "estimated 6,000 people...who have been freed or had their sentences reduced since 2012, when Californians" voted to soften the state's Three Strikes law. In November, California "residents will be asked to vote on whether to go in

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the other direction and toughen some of the measures that have made many inmates eligible to be considered for an early parole." The new ballot proposal is opposed by political strategist Dan Newman, who claims that it would eliminate "even the opportunity to start the rigorous parole application process for people convicted of minor drug possession or petty shoplifting."

ED Garnishes Wages Of 54,000 Student Loan Borrowers Despite Moratorium.

The Washington Post (5/12, Douglas-Gabriel, 14.2M) reports that the paychecks of "about 54,000 people are still being shorted to repay past-due student loans, despite a federal moratorium that has been in place for six weeks, according to court documents filed late Monday by the Trump administration." While consumer advocates view the revelation "as an indictment of the administration's failings, the Education Department says it shows the federal agency is doing everything within its power to help borrowers." In March, the Administration imposed a 60-day moratorium on the collection of defaulted student loans by the federal government during the coronavirus pandemic. However, "a group of borrowers filed a class-action lawsuit in April" against Education Secretary DeVos and the department "for allegedly mismanaging the moratorium." Justice Department attorneys representing DeVos and the Education Department said in the report the agency is "continuing to endeavor to halt all wage garnishments."

California Community Colleges Sue DeVos Over Emergency Stimulus Funds.

The Washington Times (5/12, Vondracek, 492K) reports Education Secretary DeVos is bring sued by California community colleges "for barring emergency stimulus funds from students who are ineligible for federal financial aid, including hundreds of thousands of undocumented immigrants and asylum applicants." State Attorney General Xavier Becerra (D) filed a request for an injunction against DeVos on Monday in the US District Court for the Northern District of California in San Francisco. The suit "argues that Congress did not explicitly stipulate eligibility rules in the Coronavirus Aid, Relief and Economic Security (CARES) Act, which allocated more than $6 billion in emergency grants to be distributed by colleges and universities to students harmed by the pandemic." Becerra "says that by limiting emergency dollars only to students eligible for federal financial aid, Ms. DeVos is creating a stricture never spelled out by Congress, which made the funds available to help students with housing, meals and other costs associated with the loss of on-campus learning."

Politico Profile: Meadows Receiving Bipartisan Praise From Congress.

Politico (5/12, Zanona, Everett, 4.29M) says White House Chief of Staff Meadows "spent his entire congressional career trying to divorce the Republican Party from its moderate wing," but "now he's trying to make it work with centrist Republicans and even Democrats on Capitol Hill." Politico adds, "So far...Meadows is receiving bipartisan praise as accessible, personable and good-natured," which Politico says is "a surprise for the man who previously chaired the hard-line House Freedom Caucus and once helped take down a speaker from his own party." Politico goes on to report that Meadows "set up a special hotline for members to expedite action on emergency coronavirus issues," and "also has orchestrated frequent calls between the administration and Capitol Hill, regularly texts with members at all hours of the day and has personally fought for pet issues on behalf of lawmakers whom he wasn't even particularly close with."

Trump Temporarily Drops Controversial Plan For Mar-A-Lago Dock.

The Washington Post (5/12, Roig-Franzia, 14.2M) reports President Trump has "temporarily withdrawn a controversial dock proposal at his Palm Beach resort that had raised larger questions about the legality of the change of his official residency from New York to Florida." The decision was disclosed "in a letter sent to the Palm Beach mayor and town council on Monday." Trump had come under criticism "from his Palm Beach neighbors and their attorneys who accused him and his legal team of attempting to jam through the dock request at the Mar-a-Lago resort" while the town's council is "only able to hold meetings electronically." Trump's Palm Beach attorney, Harvey Oyer III, "said the president would revisit the proposal when the council resumes regular meetings."

Trump Appears To Suggest Scarborough Murdered Staffer In 2001.

Politico (5/12, Forgey, 4.29M) reports that on Twitter Tuesday, President Trump "explicitly suggested MSNBC's Joe Scarborough had committed murder." Politico says Trump "lashed out in a tweet posted just before 7 a.m." He wrote, "When will they open a Cold Case on the Psycho Joe Scarborough matter in Florida. Did he get away with murder? Some people think so. Why did he leave Congress so quietly and quickly? Isn't it obvious? What's happening now? A total nut job!" According to Politico, "Trump was apparently referring to the 2001 death of Lori Klausutis, who worked as a staffer in Scarborough's Fort Walton Beach, Fla., office when he served as a Republican House lawmaker from the state's 1st Congressional District." Politico says Klausutis' autopsy "revealed she had an undiagnosed heart condition," and "was not struck by another person." Politico also reports that Scarborough was "in Washington at the time of her death."

In his Washington Post (5/12, 14.2M) column, Scarborough writes, "With the prospects of a historic Democratic landslide building with every Trump news conference, every deranged tweet, every racist remark, wouldn't now be the time for Republican candidates to stand up, speak out and finally stop following a man so ill-equipped for the presidency?"

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Kudlow: Administration Working To Improve Barrasso's Infrastructure Bill.

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NEC Director Kudlow said on the Hugh Hewitt Show (5/12) that the President "likes infrastructure, as he's said many, many times. And we

want to have smart infrastructure, which probably does mean getting it down as far as we can into the local level. But we'd like smart infrastructure. ... We've penned several executive orders for much faster permitting, particularly with respect to environmental regulations where a lot of the locals stopped infrastructure because of ideological problems, all the green stuff. But we will try to be as smart as we can if we go forward with an infrastructure bill. There's a good bill" from Sen. John Barrasso (R-WY). "Elaine Chao at Transportation, my own team at NEC, and others have been working on making that bill better. There's some pretty reasonable Democrats, in my view, on the House side who we think we could work with on an infrastructure package. So we'll see how that works out in the next round of discussions."

Perdue Stock Arrangement Draws Scrutiny.

The Atlanta Journal-Constitution (5/12, Mitchell, 895K) reports Sen. David Perdue (R-GA) "was allowed to hold onto shares of a Georgia startup even after resigning from its board, a deal that earned him millions of dollars when the company went public several years later." The agreement Perdue had with the data marketing firm Cardlytics was first disclosed by The Intercept, "which reviewed Securities and Exchange Commission documents from shortly before he took office." According to the report, Perdue "made more than $6 million as a result."

Senators Accuse Federalist Society Of Mounting "Dark Money" Campaign To Influence Judiciary.

The New York Times (5/12, Protess, Ruiz, 18.61M) reports that a group of Democratic senators on Tuesday "accused the Federalist Society of supporting a conservative 'dark money' campaign to influence the federal judiciary, including who gets selected to become a judge and how he or she rules once on the bench." In a "sharply worded letter" written by Sen. Sheldon Whitehouse (D-RI) and signed by Senate Minority Leader Schumer, Senate Minority Whip Durbin, and Sens. Richard Blumenthal (D-CT), Sherrod Brown (D-OH), Mazie Hirono (D-HI), and Patrick Leahy (D-VT), the senators "said they supported a proposal by a judicial ethics panel that would ban membership among judges in the conservative legal group." They "suggested the group had become the 'de facto gatekeeper for judicial nominations in the Trump administration' and was 'in league with' special interest groups seeking to shape the outcome of court cases."

Trump Hits People He "Beat So Badly" Who Are Now Telling Him "How To Run For Office."

In a tweet Tuesday morning, President Trump took a shot at the people he "beat so badly" who are now telling him "how to run for office." Trump argued that many of them are Republicans who should "love" his accomplishments, but they "don't like that I beat them." Trump wrote, "So interesting to see all of these people I beat so badly, pundits & consultants that never had a chance, telling me how to run for office. Many are Republicans who should LOVE our 280 new Judges, rebuilt Military, 2A, great V.A. Low Taxes, etc. Just don't like that I beat them!"

NYTimes Analysis: Coronavirus Response Hurts Trump's Efforts To Sway Black Voters.

The New York Times (5/12, Haberman, Karni, 18.61M) reports efforts by President Trump's reelection campaign "to gain more black support...have now run into one of the grimmest realities of the coronavirus: It is killing African-Americans at disproportionately high rates, and depriving them of jobs in high numbers as well." The President "has only fleetingly addressed the virus's outsize impact on black Americans, and made no apparent effort to aggressively tackle the racial disparities, even as he continues his online appeals to black voters." In a new CNN poll, "79 percent of black respondents said the federal government had done a bad job trying to contain the virus. That was compared with 50 percent of white respondents and 55 percent of Latino respondents."

Steube Bill Could Ban Trump Campaign Spending At Trump Properties.

The Daily Beast (5/12, 1.39M) reports Rep. Greg Steube (R-FL), a "steadfast ally of President Trump has introduced legislation that would inadvertently ban the president's reelection campaign from spending money at Trump-owned businesses." Steube "introduced a bill this month explicitly designed to target campaign spending by" Rep. Ilhan Omar (D-MN). But the "language of his legislation would very likely bar Trump campaign payments to Trump businesses as well, and his office could not muster an explanation otherwise."

Biden Widens Lead Over Trump To Six Points In Reuters/Ipsos Poll.

Reuters (5/12, Kahn) reports a new Reuters/Ipsos poll shows Joe Biden leading President Trump 46 percent to 38 percent nationally, compared to Biden's two-point lead in the same poll one week ago. Biden "has routinely led Trump among polls of registered voters this year. But his lead had been steadily eroding until this week." The online poll "gathered responses from 1,112 American adults, including 973 who identified as registered voters."

Biden Has Three-Point Lead In Wisconsin Poll, Far Ahead Among Oldest. The Week reports a Marquette University Law School poll released Tuesday shows Biden leading Trump in Wisconsin "by 3 percentage points, 46 percent to 43 percent, within the margin of error. But mind the age gap: Trump leads Biden among voters 30-59, 'a pattern that has held in most of the Marquette Law School polls since August,' Marquette notes, but Biden's lead among voters 60 and older – 18 points – is larger than his 10-point advantage in voters 18 to 29."

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Biden's Favorability Among Women Declines Following Reade Accusation.

The Washington Examiner (5/12, Leonardi, 448K) reports Joe Biden's support among women "is declining amid allegations of sexual assault and harassment" by ex-staffer Tara Reade. According to a new Morning Consult poll, "Biden's favorability among women fell more than 6 points since mid-April, with only 44% viewing him favorably and 46% viewing him positively. ... Despite Biden's declining support among women, he still holds an 8-point lead ahead of President Trump."

Biden Makes Case That He Is "On The Campaign Trail" While Remaining At Home. The New York Times (5/12, Epstein, 18.61M) reports that in a Tuesday interview with ABC's George Stephanopoulos, Biden "rejected the notion that he is 'hiding' at his Delaware home amid the coronavirus pandemic, arguing that he is complying with public health guidelines and declaring that he is 'winning'" against Trump. Biden has "faced mounting concerns from Democratic donors, former Obama administration officials and aides to former 2020 primary rivals that his from-the-basement campaign has left him far less visible to American voters than Mr. Trump." However, the Times says Biden, asked "when he will 'be back on the campaign trail'...said he is 'on the campaign trail now.'"

According to the Washington Post (5/12, Sullivan, 14.2M), "Trump and his allies have sought to paint Biden's decision to campaign from his house in a negative light." But Biden "pointed to public opinion polls showing him beating Trump, disputing any notion that his lack of travel has hurt him politically. 'I reject the premise that somehow this is hurting us. There's no evidence of that. I'm following the rules,' he said." Politico (5/12, Forgey, 4.29M) reports that Biden "also fiercely criticized almost all aspects of the administration's federal response, including its struggles to ramp up testing capabilities, and has warned against Trump's eagerness to rapidly reopen the national economy."

CNBC Report: Top Democratic Fundraisers Optimistic About Retaking Senate.

CNBC (5/12, Schwartz, 3.62M) reports on its website that "big money donors are rushing to support Democrats in competitive U.S. Senate races as they sense an opportunity to take back the chamber." According to CNBC, "These wealthy fundraisers are targeting Republican-held seats in Maine, Colorado, North Carolina and Arizona that are seen as toss-ups this fall." In addition, Politico says they are "also focusing on states such as Iowa and Montana, where the Senate races are rated 'lean Republican' by the online political analysis organization Cook Political report."

Republicans Win WI7 Special Election, Lead In CA25.

The Milwaukee Journal Sentinel (5/12, Schulte, Stringer, 632K) reports Republican Tom Tiffany defeated Democrat Tricia Zunker in the WI7 special election, holding a GOP seat. The AP (5/12, Bauer) reports that Tiffany, "a state senator endorsed by" President Trump, "easily won" the special election. Trump "won Wisconsin by less than a point, but carried the district by 20 points, in 2016." Tiffany won 57 percent to 43 percent.

The Los Angeles Times (5/12, John, 4.64M) reports Republican Mike Garcia "jumped to an early lead" over Democrat Christy Smith in the CA25 special election, "raising GOP hopes of flipping a blue California Congressional District for the first time since 1998." Vox (5/12, 2.27M) reports that with 85 percent of votes counted, Garcia led 56 percent to 44 percent.

Ocasio-Cortez Won't Be On Working Families Party Ballot Line After Petition Challenge.

The New York Times (5/12, Mays, 18.61M) reports Rep. Alexandria Ocasio-Cortez (D-NY) "will not be appearing on the Working Families Party ballot line in the June primary or in the November general election" in NY14 because she did not collect the 15 required petition signatures. Democratic primary challenger Michelle Caruso-Cabrera successfully challenged a number of signatures on the petition.

Presidential Electors: We Should Not Be Bound By Result Of Popular Vote.

Bret Chiafalo, Esther John, Michael Baca, Polly Baca, and Robert W. Nemanich, who served as presidential electors from Colorado and Washington state in the 2016 presidential election, write in the Washington Post (5/12, 14.2M) that the Supreme Court will hear two cases dealing with whether members of the electoral college "can implement the will of the voters, who either don't know what the electoral college is or just expect the electors to be robots and vote for the winner of the popular vote in the state – no matter what." They argue that they "should be allowed the 'vote' the Framers of our Constitution gave us, one based on our honor and discretion."

The Wall Street Journal (5/12, Subscription Publication, 7.57M), meanwhile, argues in an editorial that members of the Electoral College should be bound by their states' voters.

RCP Average Has Trump's Job Approval At 45.1%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45.1%, and his disapproval at 50.7%. The President's approval is up 0.6 since yesterday; his disapproval is up by 0.1.

A Rasmussen poll of 1,500 "likely voters" (5/7-5/11) finds Trump's approval at 46%, and his disapproval at 52%.

A CNN poll of 1,001 "registered voters" (5/7-5/10) shows Trump with a 46% approval rating and 51% disapproval.

A The Hill/HarrisX survey of 957 "registered voters" (5/6), meanwhile, has the President's job approval at 51%, and his disapproval at 49%.

Trump Touts Approval Among Republicans, Forecasts Win In November. The President took to Twitter yesterday to write, "96% APPROVAL RATING IN THE REPUBLICAN PARTY. THANK YOU! We will win against a tired, exhausted man, Sleepy Joe Biden, in

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November."

Financial International News

IMF Head Says COVID-19 "Very Likely" To Further Impact Growth Forecasts.

Reuters (5/12, Lawder) reports IMF Managing Director Kristalina Georgieva "said on Tuesday that it was 'very likely' that the Fund will cut global growth forecasts further as the coronavirus is hitting many economies harder than previously projected." Georgieva said during a webcast put on by the Financial Times, "Incoming data from many countries is worse than our already pessimistic projections. ... Very likely we are going to come up with the update to our projections sometime in June, and at that point...our expectation is that there would be a bit more bad news in terms of how we see 2020."

IMF Head Will Back Chilean Loan Request, Fund Says.

Reuters (5/12, Shalal) reports the IMF on Tuesday "said its managing director would recommend approval of Chile's request for a two-year, $23.8 billion flexible credit line, given the Latin American country's 'very strong fundamentals' and track record." The IMF "said its executive board discussed Chile's request during an informal session on Tuesday, and Managing Director Kristalina Georgieva would endorse the step when the board meets to take a formal decision in coming weeks."

Ukraine PM: Government Hopes To Have Signed Memorandum For $5B IMF Loan By End Of May.

Reuters (5/12, Zinets) reports Ukraine's government "hopes to sign a memorandum with the International Monetary Fund for a new $5 billion loan package by the end of May, Prime Minister Denys Shmygal said on Tuesday." Shmygal said in a statement that $3.5 billion of the loan would go straight into the state budget. Shmygal said, "It's not just financial support. This is a guarantee of receiving funds from other international financial organisations and an indicator that we are on the path of systemic reforms."

Lebanon's Finance Minister Says IMF Talks Will Start Within Two Days.

Reuters (5/12, Francis) reports Lebanon "will begin negotiations with the International Monetary Fund in the next two days, the finance minister said on Tuesday, after Beirut officially requested IMF assistance this month." Finance Minister Ghazi Wazni told reporters, "There is contact with the IMF and in the coming two days we will start the negotiation sessions."

Leading International News

Trump: Asian Americans "Very Angry" At China Over Pandemic.

President Trump yesterday tweeted, "Asian Americans are VERY angry at what China has done to our Country, and the World. Chinese Americans are the most angry of all. I don't blame them!"

Cuomo Blames "European Virus" For New York Outbreak. Townhall (5/12, Rosas, 177K) reports New York Gov. Andrew Cuomo (D) placed blame on the coronavirus pandemic within his state "on Europe instead of China, where the novel virus originated from, during his daily press conference on Monday." Cuomo said the state was "worse off because the 'European virus' attacked them and no one saw it coming." Said Cuomo, "We were really at a very, very bad place. Again, through no fault of our own. Virus came from Europe. Whoever would have figured that? Somebody should have, but above my pay grade."

Cheney Alleges China Spread Coronavirus On Purpose. The Washington Times (5/12, Scarborough, 492K) reports Rep. Liz Cheney (R-WY) said Tuesday that "China made a strategic decision to spread the coronavirus to make sure the world, not just Beijing, suffered economic hardship." Appearing on Fox News' Fox & Friends, Cheney said China cannot be "a member of civilized community of nations because of what they've done." The "evidence, she said, is that China realized it had an epidemic on its hands in the city of Wuhan and Hubei Province and responded by restricting domestic travel. But the ruling communist party continued to let Wuhan-area citizens fly internationally."

Administration Tells Federal Retirement Fund Not To Invest In China. The AP (5/12, Riechmann) reports the Administration has "directed the U.S. federal employee retirement fund to scrap its plan to place more than $4 billion into Chinese investments," and "has given the board overseeing the Thrift Savings Plan until Wednesday to comply with the president's directive." On Monday, NEC Director Kudlow and National Security Adviser O'Brien wrote a letter to Labor Secretary Scalia "calling on the retirement fund's board to keep money out of Chinese equities," and "warn[ing] that such investments present significant national security and humanitarian concerns because they operate in violation of U.S. sanction law and help China bolster its military and oppress religious minorities living in the country."

O'Brien said on Fox Business' Varney & Co. (5/12, 64K), "There's a security angle here. ... The federal savings plan is basically the 401(k) retirement program for federal employees and unfortunately, about $5 billion of those retirees' savings were going to be shifted to China and a number of the companies that were going to be invested in were Chinese military companies or surveillance state companies. We thought that was risky for US national security but we also thought it was risky for the investors because those companies don't have to comply with the same gap rules and other rules that you would have to if you were listed on the stock exchange."

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Chinese Official: Beijing Wants To Help World Fight Coronavirus. Xie Feng, Commissioner of the Chinese Foreign Ministry in

Hong Kong, writes in the Wall Street Journal (5/12, Subscription Publication, 7.57M) that China was the first to identify the virus and share its genome sequence with the World Health Organization and the rest of the world. Xie rejects accusations that China tried to cover up the outbreak and insists that nations much work together to fight the virus.

China Retaliates Against Australia Over Call For WHO Investigation. The Washington Post (5/12, Shih, 14.2M) reports China has "suspended a significant portion of beef imports from Australia and hinted at the imminent introduction of steep agricultural tariffs, raising pressure on the Australian government just days before it is set to formally propose an international investigation into the origins of the coronavirus pandemic." China "appears to be following through on a warning conveyed in April by its ambassador, Cheng Jingye, who said China could stop purchasing key Australian agricultural products if Canberra moved ahead with an inquiry proposal that has become highly sensitive for the Chinese government."

The Wall Street Journal (5/12, Page, Khan, Subscription Publication, 7.57M) reports Beijing appears to be stalling international investigation efforts to find the source of the virus. On its editorial page, the Wall Street Journal (5/12, Subscription Publication, 7.57M) backs Australia's call for an inquiry and criticizes China's move to punish Canberra.

Senate Approves Bill To Help Taiwan Rejoin WHO. The New York Post (5/12, Jacobs, 4.57M) reports the Senate "unanimously approved a bill on Monday calling on the State Department to develop and submit a plan to help Taiwan regain its World Health Organization status and participate in next week's World Health Assembly."

All 11M Wuhan Residents To Be Tested By End Of Next Week. The Washington Post (5/12, Fifield, 14.2M) reports that "authorities in the Chinese city of Wuhan plan to test all 11 million residents for the novel coronavirus by the end of next week in a massive push to extinguish any remnants of the virus from the original epicenter of the global pandemic." To the Post, "The scope of the endeavor underscores official sensitivities about any new flare-up in Wuhan," and "comes after officials reported six new coronavirus cases in two days, confounding health experts after a 35-day streak without infections." The Washington Times (5/12, Meier, 492K) also reports on the testing effort.

Administration's Efforts To Blame China Ensare US Laboratory. The Washington Post (5/12, Sonne, Harris, 14.2M) reports, "An American nonprofit received millions of dollars from the U.S. government during the Obama and Trump administrations to identify unknown viruses in bats that could infect humans and cause a global pandemic." Now, the New York City-based EcoHealth Alliance "has found itself at the center of a political maelstrom" over its "longtime Chinese partner in identifying unknown bat viruses, the Wuhan Institute of Virology." To the Post, the "story of how EcoHealth became a target in the Trump administration's effort to deflect criticism and focus blame on China illustrates the promise and perils of international cooperation on public health research between two superpowers that are increasingly at odds."

NYTimes Analysis: China's Reopening Could Serve As A Model For US. The New York Times (5/12, Stevenson, Li, 18.61M) reports that throughout China, "three months after the authorities virtually shut down the country to stop the outbreak, its workers have returned to their jobs with the aim of restarting the country's vast growth machine without igniting another outbreak." The Times adds, "If Chinese factories and offices can successfully restart without major infections, they could serve as a model for President Trump and other leaders who want to get their economies back on track." According to the Times, "While restrictions have eased since China sharply limited movement around the country earlier in the outbreak, local authorities still sometimes erect temporary barriers, especially in places where sporadic infections have emerged."

WPost Calls For Release Of Chinese Lawyer That Criticized Regime's Handling Of Pandemic. The Washington Post (5/12, 14.2M) editorializes, "It's well known that people in China who speak up" about COVID-19 "are risking online harassment, arrest or worse from Communist authorities. ... So consider the courage of Zhang Xuezhong, a legal scholar who on Saturday posted an open letter on WeChat addressed to the National People's Congress" criticizing the government's handling of the epidemic. On Sunday, Zhang was taken from his tome by security forces. The Post calls on China to release him and says he should be "applauded for speaking truth to power."

Several Countries Hit With Second Wave After Easing Lockdowns.

The New York Times (5/12, 18.61M) reports that "several nations that have been hailed for curbing the spread of the pandemic are finding that victory over the coronavirus can be elusive and fleeting – especially after they start lifting lockdowns." The Times sites Singapore, which it says was "once a model for its speed and efficiency in tracing the contacts of infected people," but where "cases...have ballooned to more than 23,000." The Times adds that in South Korea, "which has been a pioneer in using technology for contact tracing, more than 100 new cases have emerged after an infected man visited bars and clubs in a Seoul nightlife district. Just days after some restrictions were relaxed, the mayor ordered nightspots closed indefinitely."

ABC World News Tonight (5/12, story 4, 1:50, Muir, 8.35M) reported South Korea is "racing to contain the possible outbreak connected to one man." ABC (Pannell) added, "One 29-year-old man visiting five clubs, later testing positive. Thousands are now being tracked and traced. Phone records, credit card bills, even CCTV being used to identify who was in the area. More than 100 now testing positive. Despite Korea's success in tackling the pandemic, the risks of reopening are proving very real."

Europe Moves To Reopen Schools.

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The Wall Street Journal (5/12, Bender, Kostov, Subscription Publication, 7.57M) reports that nations across Europe are preparing to or have already reopened schools. Nations, however, diverge on the risk children pose in contracting and spreading the virus. While Germany and

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Hungary have reopened schools for older children with younger children following afterward, France and Poland are doing the opposite, bringing back the youngest first.

UK Death Toll Surpasses 40,000.

Reuters (5/12, Bruce) reports data from the Office for National Statistics for England and Wales indicate that the UK's "COVID-19 death toll now exceeds 40,000, by far the worst yet reported in Europe, raising more questions about Prime Minister Boris Johnson's handling of the coronavirus crisis."

Sweden Does Not Tout Approach As Model For Other Nations.

The Washington Post (5/12, Tharoor, 14.2M) reports Sweden's "seemingly lax measures" in response to the coronavirus "attracted the attention of lockdown skeptics elsewhere," but Swedish officials are "hardly championing their own experiment as a template for the rest of the world." In an interview, Karin Ulrika Olofsdotter, Sweden's Ambassador to the United States, said, "This is a marathon, this is not over by any means." The Post points out that the country "is by no means coronavirus-free. As of Monday evening, Sweden had registered 3,256 coronavirus-related deaths and more than 26,000 confirmed cases."

The CBS Evening News (5/12, story 4, 1:30, O'Donnell, 5.29M) reported, "With Europe beginning to lift strict lockdowns, Sweden stands as the one country that never imposed a mandatory shutdown. Officials recommended social distancing, but schools and businesses and bars largely stayed open. Its COVID death rate is higher than the US, but officials say the infection rate appears to be slowing. It remains to be seen whether the strategy of herd immunity has paid off."

Nursing Homes Account For Majority Of Deaths In UK, Sweden.

Reuters (5/12, Grey, McNeill) reports that "at least 20,000 people have died in care homes in England and Wales as a consequence of the coronavirus pandemic." Reuters says that "in the eight weeks to May 1, there were 37,627 people who died in care homes of all causes in England and Wales, according to data from the Office of National Statistics (ONS)." Based on "a comparison of the average of weekly deaths in care homes in the same period over five years, Reuters calculated that excess deaths have totalled over 19,900 in England and Wales."

Bloomberg (5/12, 4.73M) reports that "like elsewhere," Sweden's COVID-19-related deaths "have disproportionately hit the elderly. But critics argue that many of those fatalities could have been avoided if the authorities had taken more steps to focus attention on the most vulnerable demographic."

DHS Officials Concerned About Infected US Citizens Returning From Mexico.

Reuters (5/12, Hesson, Landay, Rosenberg) reports US officials are "concerned that dual US-Mexico citizens may flee to the United States if the coronavirus outbreak in Mexico gets worse, putting more stress on US hospitals, especially near the border." The fears "come as hospitals in the San Diego area in southern California have pressed the Trump administration to do more to limit the threat of the virus crossing into the United States." However, "while senior US Department of Homeland Security officials have expressed their concerns about dual nationals in daily departmental calls, there are no plans at present to bar entry to them or make other changes to border operations."

San Diego, Tijuana Form Working Group To Address Cross-Border Coronavirus Surge. The San Diego Union-Tribune (5/12, Sisson, 755K) reports that as local hospitals "struggle to cope with a large number of COVID-19 patients – a surge doctors attribute to legal border-crossings from Tijuana – leaders are forming a binational working group to track cases." San Diego Mayor Kevin Faulconer and Tijuana Mayor Arturo González Cruz announced on Tuesday "a new regional binational working group to track and monitor cross-border coronavirus impacts in the region."

NYTimes Analysis: Latin America's Outbreaks Now Rival Europe's.

The New York Times (5/12, Kurmanaev, Andreoni, Casado, Taj, 18.61M) reports that as the coronavirus' toll "eased in New York and in European capitals, a devastating wave has struck cities in Latin America, one that rivals the worst outbreaks in the world, an analysis of mortality data by The New York Times has found." While the "catastrophes in Europe and the United States were closely monitored, playing out under intense international media scrutiny, much of Latin America's pain is unfolding far from global view, under governments that can't – or won't – offer a full tally of the dead." To determine the number of deaths, the Times compared "the total number of people who have died in recent months against the average in each place over the past several years."

Reuters (5/12, Miranda), meanwhile, reports that the coronavirus pandemic "will make a bad economic situation worse for women, indigenous people, migrants and people of African descent in Latin America, a region already plagued by deep-rooted inequality, a United Nations agency said in a report issued on Tuesday." Unequal access to "potable water, sanitation, healthcare and housing could also mean higher rates of infection and death among these higher-risk populations, the Economic Commission for Latin America and the Caribbean (ECLAC) said in the report."

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Modi Announces $260B Coronavirus Rescue Package.

The New York Times (5/12, Gettleman, Kumar, 18.61M) reports that in a televised address Tuesday night, Indian Prime Minister Narendra

Modi announced "an economic rescue package of more than $260 billion for a nation that, although relatively successful in controlling coronavirus infections, has been left economically devastated." Modi, however, "was short on details but said the relief package, which amounts to around 10 percent of India's gross domestic product and was larger than expected, would help all classes, from farmers and migrant laborers to big businesses." The move came as Modi "has been under intensifying pressure to announce a rescue package."

Putin Spokesman Hospitalized With Coronavirus.

The AP (5/12, Litvinova) reports Kremlin spokesman Dmitry Peskov said Tuesday he has been hospitalized with the coronavirus. Peskov, a "key aide" of Russian President Vladimir Putin, told the Interfax news agency, "Yes, I've gotten sick. I'm being treated." However, "it wasn't immediately clear if Peskov's hospitalization reflects the gravity of his condition or was an extra precaution."

NBC Nightly News (5/12, story 5, 1:10, Holt, 7.26M) said Peskov is "Putin's right hand man," working for the Russian leader "for 20 years." Peskov, however, "said he hasn't seen Putin in a month."

WHO Sees "Potentially Positive Data" In Coronavirus Treatments.

Reuters (5/12, Farge) reports the World Health Organization said Tuesday "that some treatments appear to be limiting the severity or length of the COVID-19 disease and that it was focusing on learning more about four or five of the most promising ones." Spokeswoman Margaret Harris told reporters, "We do have some treatments that seem to be in very early studies limiting the severity or the length of the illness but we do not have anything that can kill or stop the virus." She added, "We do have potentially positive data coming out but we need to see more data to be 100 percent confident that we can say this treatment over that one." Harris did not name the treatments.

Analysts: Iran Likely To Lash Out To Compensate For Recent Military Blunders.

The Washington Times (5/12, Wolfgang, 492K) reports Iran "captured world attention by launching its first military satellite into orbit just weeks ago, but its armed forces remain plagued by high-profile mishaps that undermine the Islamic Republic's carefully crafted image as a major regional power." For example, the "death of 19 Iranians in a friendly-fire missile debacle Monday follows a pattern that saw Tehran's military embarrassingly shoot down a civilian airliner, killing all 176 people on board four months ago." Some regional analysts "warn that Tehran could seek to cover up its costly military mistakes by lashing out at Riyadh or Washington."

ISIS Blamed For Attacks On Hospital And Funeral That Left At Least 40 Dead.

Reuters (5/12, Sediqi, Shalizi, Sultan) reports that "gunmen disguised as police attacked a hospital" in Kabul yesterday, "killing 16 people including two newborn babies from a maternity clinic run by the international humanitarian organisation Doctors Without Borders." Reuters says that "in a separate attack the same day, a suicide bomber struck the funeral of a police commander, attended by government officials and a member of parliament, in the eastern province of Nangahar, killing at least 24 people and injuring 68." According to Reuters, "There was no immediate claim of responsibility for either attack." While the Taliban "says it has halted attacks on cities under a US troop withdrawal deal," and "denied involvement in both," Islamic State "operates in Nangahar and has carried out a number of high-profile attacks in Kabul in recent months."

The New York Times (5/12, Mashal, Abed, 18.61M) reports that the Afghan Interior Ministry "declared the attack [in Kabul] over and the three assailants dead after about five hours of fighting." The Washington Post (5/12, Hassan, 14.2M) indicates that there has been a "surge in violence in Afghanistan, nearly three months after the United States and the Taliban signed a landmark peace deal." However, the Post points out that the Taliban "denied responsibility for both attacks," and says "the shooting in Kabul echoes earlier attacks on Afghan minority groups carried out by the Islamic State." Nevertheless, according to the Post, "In response to Tuesday's violence, Afghan President Ashraf Ghani ordered Afghan forces to resume attacks on the Taliban, switching from 'active defensive' footing to 'offensive' mode – in a move that could further jeopardize the peace deal."

US, Taliban Dispute Casualty Figures In Rocket Attack.

The New York Times (5/12, Gibbons-Neff, 18.61M) reports that "when 16 rockets were fired at a small American base in southern Afghanistan last fall, the Taliban trumpeted the attack as a blood bath, claiming they had killed 'tens' of Americans." The US-led mission in Kabul, however, "downplayed it. The insurgents were lying, an American military spokesman said on Twitter; there were no coalition casualties. The rockets were inaccurate and injured two Afghan civilians, he said." However, "interviews with those present and previously unreported military documents obtained by The New York Times portray an event that came dangerously close to killing several Americans, just weeks after President Trump said the United States was striking the Taliban harder than it had in a decade. The incident revealed that the Taliban could still infiltrate a provincial capital, get within yards of a well-fortified American base and attack at will even after more than 18 years of fighting."

Netanyahu Poised To Oversee Annexation Of West Bank Territories.

The Washington Post (5/12, Hendrix, Gearan, 14.2M) reports that Israel's new government, "which was sworn in Thursday, could soon confront renewed political upheaval over Prime Minister Benjamin Netanyahu's proposed annexation of dozens of Jewish settlements built in

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the West Bank over recent decades." The Post adds that "the Middle East is bracing for an explosive turning point in the Israeli-Palestinian conflict if Netanyahu makes good on his campaign promise to extend Israeli sovereignty to large parts of the occupied West Bank." The Post says "uncertainty about the extent of any annexation has set off a scramble by officials and activists from Washington to the West Bank to influence the process." Secretary of State Pompeo is expected to be in Israel on Wednesday "to discuss annexation with Netanyahu and former Army Chief Benny Gantz, his rival-turned-governing partner, who will serve as alternate prime minister and defense minister."

Israeli Soldier Killed By Rock In The West Bank. The New York Times (5/12, Halbfinger, 18.61M) reports that "a 21-year-old Israeli soldier was killed early Tuesday when he was struck in the head by a heavy rock as his unit was completing a nighttime arrest mission in a Palestinian village near Jenin, in the northern West Bank." It was "the first combat fatality for the Israeli military this year, and it came as the region was bracing for a possible uptick in violence in response to an Israeli push to annex land in the occupied West Bank that the Palestinians have long counted on for a future state."

Bolsonaro And His Supporters Call For Military Takeover.

The Washington Post (5/12, McCoy, Traiano, 14.2M) reports that "as Latin America's largest nation grapples with its gravest health and economic challenges in a generation," and Brazilian President Jair Bolsonaro "flounders under the pressure, the specter of the armed forces is looming larger over public life than at any time since the fall of the military dictatorship in 1985." As scandals have "engulfed his presidency," the former Army captain has "broadened the powers of the generals and former generals in his administration, allowing one to introduce a large economic aid package, undercutting his own finance minister." Now, Bolsonaro's "most radical supporters are urging a military takeover of the government – and Bolsonaro has attended their rallies, amplifying their calls." The Post says the "threat of military force in domestic affairs – no matter how unlikely – has further unsettled the unpredictable political situation."

Rodman Describes Wild Night With Kim.

The New York Post (5/12, Lapin, 4.57M) reports former NBA player Dennis Rodman "dished on his longtime bromance" with North Korean leader Kim Jong-un, "revealing how the pair partied with 'hotties and vodka' when they first met." Appearing on Mike Tyson's HotBoxin' podcast last week, Rodman said during his 2013 visit to Pyongyang, "Kim invited him to his home for a wild party."

Housing

Freddie Mac CEO David Brickman Shares Predictions Regarding The Post-Pandemic Future Of Real Estate.

Behind a paywall, Business Insider (5/12, 3.67M) interviews ten CEOs about the "post-pandemic future of how we'll buy, build, and use real estate." According to Freddie Mac CEO David Brickman, "COVID-19 will just accelerate the digital transformation of the home buying and financing processes and move it more quickly from forms to phones." He adds, "While the crises have not even subsided, there is likely to be widespread acceptance that this, or something like it, will occur again. As a result, the mortgage finance industry is likely to see changes in its composition and growth that highlight the importance of liquidity and recognize that different parts of the industry rely on different operating models. We know technology provides tremendous advantages and will continue to be a primary area of focus, but it has not proven to be an effective substitute for a solid balance sheet and financial resiliency."

CFPB, FHFA, HUD Release Joint Website With Finance, Security Resources Related To Pandemic.

American Banker (5/12, Berry, Subscription Publication, 31K) reports the CFPB, FHFA, and HUD launched a joint website to be a central access point for housing relief and scam information related to the coronavirus pandemic. The website "describes potential strategies for both homeowners and renters economically affected by COVID-19," and offers homeowners tools to figure out if they have Freddie Mac, Fannie Mae, or FHA mortgage. CFPB Director Kathy Kraninger said, "A growing concern for many [homeowners] is the notion that they would have to make a balloon payment at the end of the mortgage forbearance." FHFA Director Mark Calabria said, "Protecting and empowering borrowers and renters while ensuring the mortgage market functions as efficiently as possible has been a priority for FHFA during the national health emergency."

Providing additional coverage of the launch of the website are DS News (5/12, Albanese), National Mortgage Professional (5/12), and Credit Union Insight (5/8).

MBA: Unemployment Increase Drives Surge In Forbearance Requests.

Forbes (5/12, Richardson, 9.71M) reports that a "new survey by the Mortgage Bankers Association reveals a sharp uptick in the number of mortgage loans in forbearance." As the unemployment rate "soared to 14.7%," in April, the "total number of home loans now in forbearance increased from 7.54% of servicers' portfolio volume in the prior week to 7.91% as of May 3 as homeowners continue to seek relief from mortgage payments amid the coronavirus crisis. According to MBA's estimate, approximately 4 million homeowners are in forbearance plans." Ginnie Mae-backed loans "once again showed the largest overall share of loans in forbearance by investor type at 10.96%. The number of loans in forbearance for depository servicers such as commercial banks and credit unions rose to 8.75%, while the number of

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loans in forbearance for independent mortgage bank servicers increased to 7.54%." Meanwhile, Mortgage Professional America (5/12, Smith) reports, "The share of Fannie Mae and Freddie Mac loans in forbearance increased from 5.85% to 6.08%"

Real Deal (NY) (5/12, 124K) reports MBA Chief Economist Mike Fratantoni "warned...that servicer call volume picked up from last week, which could signal that more borrowers are inquiring about their options as monthly due dates loom. Calls from borrowers jumped to 8.6 percent of servicing portfolio volume from 7.2 percent last week." National Mortgage News (5/12) provides additional coverage.

Mortgage Delinquencies Spike As Forbearances Become Overdue.

HousingWire (5/12, 23K) reports, "The delinquency rate in 2020's first three months was below the 4.42% in the year-ago quarter, reflecting the timing of the pandemic. States began closing businesses and issuing stay-at-home orders in mid-March, in the final two weeks of the period, to stem the spread of COVID-19. Broken out by loan type, the delinquency rate for loans backed by the Federal Housing Administration rose by 113 basis points to 9.69%. The rate for loans backed by the Veterans Administration rate rose by 78 basis points to 4.65%, the MBA report said," compared to "a delinquency rate of 3.16% for conventional loans, which could include Fannie Mae and Freddie Mac mortgages, up from 2.82% in the fourth quarter."

National Mortgage Professional (5/12) reports, "The mortgage delinquency rate in the fourth quarter of 2019 was at its lowest rate since MBA's survey began in 1979. Fast-forward to the end of March, and it is clear the COVID-19 pandemic is impacting homeowners. Mortgage delinquencies jumped by 59 basis points – which is reminiscent of the hurricane-related, 64-basis-point increase seen in the third quarter of 2017. The major variances from the fourth quarter of 2019 to this year's first quarter are tied to the increase in early-stage delinquencies for all loan types. For example, the 30-day FHA delinquency rate rose by 113 basis points, the second-highest quarterly ramp-up in the survey series. The 30-day VA delinquency rate rose by 78 basis points – the highest quarterly increase." National Mortgage News (5/12) and Mortgage Professional America (5/12, Jarvis) provide additional coverage.

With Servicers' Call Centers Swamped, Some Borrowers Are Mistakenly Put In Forbearance, Prevented From Refinancing.

CNBC (5/12, Olick, 3.62M) reports, "More than four million homeowners are now delaying their monthly mortgage payments as part of both government and private lender relief programs – but some have been put into forbearance by mistake and are having a hard time getting out." After the government "authorized a massive mortgage bailout under the CARES Act," which "specifically states that servicers should not ask any questions of their borrowers, nor...require any documentation of hardship in order to accommodate them," some borrowers' "inquiries" were reportedly "misunderstood." As a result, "some servicers, swamped with hundreds of thousands of calls, just put the borrowers into the program." According to CNBC, "That's precisely what happened to a Massachusetts borrower who called his servicer to get information and later found out his mortgage was in forbearance." CNBC says, "Fannie Mae and Freddie Mac, which, along with FHA and VA, fund or insure the vast majority of mortgages from lenders, do not allow borrowers with a loan in forbearance to either refinance or obtain a new loan until one year after the loan payments are up to date again."

Fed Buys Agency MBS With 2% Coupon For First Time In History.

Bloomberg (5/12, Nasiripour, Maloney, 4.73M) reports that the New York Fed "bought contracts for $240 million of mortgage bonds with a coupon of 2% on Monday, the first time it's ever purchased mortgage securities promising to pay so little interest, according to a Fed spokeswoman." According to Bloomberg, "Since March, when the Fed unleashed a wave of stimulus in response to the coronavirus, the central bank has bought $628 billion of mortgage bonds issued by Fannie Mae, Freddie Mac, and the government agency Ginnie Mae, central bank data show, with nearly two-thirds of that concentrated among 30-year bonds with coupons of 2.5% and 3%."

Homebuilders Roll Out Special Deals And Incentives To Bring In Buyers.

Realtor (5/12, 25.12M) reports homebuilders are offering special deals and incentives on new construction in an effort to entice buyers. For example, "Lennar is offering an additional $5,000 to $10,000 off the selling price of its homes. And its mortgage company is also offering mortgages with interest rates of just 2.7% on 30-year fixed-rate loans for select homes through May. The 30-year fixed-rate mortgage recently dropped to a record low of 3.26% for the week ending May 7, according to Freddie Mac."

Multifamily Sector's Outlook Reportedly Improving, With GSEs Making Loans With Sub-Three-Percent Fixed Rates.

The National Real Estate Investor (5/12, 131K) reports, "With some states taking cautious steps to reopen, the nation approaching nearly 400,000 COVID-19 tests per day and the commercial real estate sector having a better sense of what the long-term outlook might be, lenders are willing to talk about refinancing deals again. This is particularly true for the multifamily sector, where agencies, life companies, banks and other sources have shown some willingness to do deals on well-positioned assets." Freddie Mac and Fannie Mae lenders "are now making loans with all-in, fixed interest rates at 3 percent or even lower."

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Podcast: American Action Forum's Wade Says Administration Seems To Be Moving Toward

Releasing GSEs.

In the latest episode of DS News' (5/12, Welborn) DS5 Podcast, the American Action Forum's Thomas Wade discusses "challenges involved in transitioning Fannie Mae and Freddie Mac out of conservatorship." According to Wade, the current Administration "does seem to be moving towards releasing the GSEs from conservatorship." Wade says, "I, and many others, were disappointed that the GSEs are likely to retain many of the advantages of inherent systemic riskiness post-conservatorship that characterizes them now."

Brian Montgomery Confirmed As Deputy HUD Secretary.

DS News (5/12, Welborn) reports that Brian Montgomery has been confirmed as Deputy HUD Secretary. According to DS News, "As the second most senior official at HUD, Montgomery will manage the day-to-day operations of the agency and will advise and assist the Secretary in leading the Department's nearly 8,000 employees." Montgomery has served as FHA Commissioner since June 2018, managing the FHA's "more than $1.4 trillion mortgage insurance portfolio, which includes its Single Family, Multifamily, and Health Care programs. As Assistant Secretary for Housing, he has overseen HUD's Project-based Section 8 rental assistance housing program, the Office of Housing Counseling, and HUD's Manufactured Housing Program." National Mortgage Professional (5/12) provides additional coverage.

Federal Court Tells SEC And DOJ To Review RBS Whistleblower Suit.

Reuters (5/12, Price, Cruise) reports, "The U.S. Justice Department and Securities and Exchange Commission must review whether an ex-Royal Bank of Scotland employee is owed a whistleblower payout and provide documents relating to his case," the US Second Circuit Appeals Court "said on Tuesday." According to Reuters, "Former RBS risk manager Victor Hong sued the agencies in February alleging they flouted the law 'in bad faith' when assessing whether he was due a payout for helping federal probes into the British bank's mis-selling of mortgage bonds in the run-up to the 2007-08 financial crisis. In August 2018, RBS agreed to pay $4.9 billion to end the probes, which were led by the Justice Department. No portion of that fine has ever been deemed eligible for a reward under the whistleblower program, public records show." Filings "suggest Hong's information also 'significantly' contributed to the success of a separate $5.5 billion settlement RBS agreed with the Federal Housing Finance Agency (FHFA) in 2017 on behalf of housing finance giants Fannie Mae and Freddie Mac which had bought mortgage bonds from RBS."

California Senate Leaders Unveil Proposals To Provide Long-Term Aid For Renters, Landlords Amid Pandemic.

The Orange County (CA) Register (5/12, Hansen, 546K) reports that "in two ambitious proposals to help the state recover from the coronavirus, California senate leaders on Tuesday unveiled new plans to provide long-term aid for struggling renters and landlords and create a $25 billion economic recovery fund." One "proposal would allow landlords to receive tax credits for rent payments missed by their tenants, in exchange for promising to halt evictions." Tenants would be allowed "to repay the state over 10 years for missed rent under the voluntary program."

Avail: Incomplete Rent Payments Rise 93% From March To May.

HousingWire (5/12, Falcon, 23K) reports, "As more rent payments are made incomplete or not at all, Avail said that the total number of incomplete rent payments rose 93% between March and May. Avail said that nationwide, about 22% of landlords said they did not receive rent in full in March, while 33% did not receive rent in full in April and 42% did not receive rent in full in May." According to HousingWire, 60% of landlords "said they didn't receive a full rent payment in May because their tenants could not pay or did not pay."

Markets

10-Year Yield Falls.

MarketWatch (5/13, 1.67M) reports the 10-year Treasury yield fell to 0.668 percent.

Dollar Eases.

Reuters (5/13, Sano) reports, "The dollar held below a three-week high on Wednesday ahead of a speech by Federal Reserve Chairman Jerome Powell on growing speculation that the United States could introduce negative interest rates." Against a basket of currencies, the dollar index "edged 0.1% lower to 99.98, hovering below the three-week high of 100.44 hit on Tuesday."

Gold Holds Steady.

Reuters (IND) (5/13, Aranya) reports, "Gold held steady on Wednesday as market participants stayed away from making big bets ahead of a speech by Federal Reserve Chairman Jerome Powell amid rising speculation the United States could one day adopt negative interest rates." Spot gold "was unchanged at $1,701.51 per ounce by 0326 GMT," while US gold futures "fell 0.1% to $1,704.50 per ounce."

Oil Falls.

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Reuters (5/13, Sheldrick) reports, "Oil prices fell on Wednesday on concerns about a possible second wave of coronavirus cases in countries easing lockdowns, which could prompt renewed movement restrictions, while industry data showed U.S. crude inventories are still rising." Brent crude "dropped 40 cents, or 1.3%, to $29.58 a barrel by 0658 GMT." West Texas Intermediate crude futures "fell 10 cents, or 0.4%, to $25.68 a barrel, after rising 6.8% in the previous session."

Cybersecurity

Texas Courts Hit By Ransomware Attack.

The AP (5/12, Bleiberg) reports from Dallas, Texas, "Texas courts have been hit with a ransomware attack that took down the website and case management systems for the state's appellate and high courts." The AP adds, "The attack on the courts' network was discovered by staff Friday morning after beginning overnight, according a statement the Office of Court Administration issued Monday. It says staff limited the damage by disabling part of their network and that the courts will not will not pay any ransom." According to the AP, "Local trial courts appear to have been unaffected and there is no current evidence that sensitive or personnel information was compromised, according to the statement." The hack "left Texas' top civil and criminal courts without a working case management system or internet in their offices and led staff to put out rulings over Twitter, Blake Hawthorne, the top administrator of the Supreme Court of Texas, said Tuesday."

Op-Ed: Cyber Command Needs New Acquisition Authorities.

In a commentary in Lawfare (5/12), Erica Borghard, Senior Director and Lead, Task Force One, for the Cyberspace Solarium Commission, writes, "Given the dynamic nature of the cyberspace environment, the rapidly changing pace of technological development, and the speed at which adversaries operate, Congress should accept the recommendation in the Cyberspace Solarium Commission's March 2020 report to create a major force program (MFP) category for cyberspace as part of the fiscal 2021 National Defense Authorization Act (NDAA)." She concludes, "While the Cyberspace Solarium Commission, following its remit from Congress, focused on the more specific issue of an MFP for Cyber Command, it is also worth assessing the extent to which the broader MFP construct – hardly altered since the 1960s – should be reexamined in terms of its appropriateness for the contemporary needs of the military."

Federal Agencies Share List Of Top Ten Most-Exploited Vulnerabilities.

ZDNet (5/13, Cimpanu, 299K) reports, "Two US cyber-security agencies published this week a list of the top 10 most commonly exploited software vulnerabilities across the last four years, between 2016 and 2019." According to ZDNet, "The report, authored by the Department of Homeland Security Cybersecurity and Infrastructure Security Agency (DHS CISA) and the Federal Bureau of Investigation (FBI), urges organizations in the public and private sector to apply necessary updates in order to prevent the most common forms of attacks encountered today. This includes attacks carried out by state-sponsored, non-state, and unattributed threat actors." Federal officials "argue that applying patches could degrade the cyber arsenal of foreign actors targeting US entities, as they'd have to invest resources into developing new exploits, rather then relying on old and tested bugs. 'Exploitation of these vulnerabilities often requires fewer resources as compared with zero-day exploits for which no patches are available,' US officials said."

Estonia Passes "Huawei Law" For Telecom Security Reviews.

Reuters (5/12) reports Estonia's parliament "approved on Tuesday a new Electronics Communications Act to ensure security reviews for telecom gear needed in the development of future networks." The act, which lawmakers "dubbed the 'Huawei law,' leaves detailed implementation to the government and includes intelligence services among the reviewing authorities." EU and transatlantic NATO alliance member Estonia "shares the US government's security worries over new 5G networks." Washington has "accused Huawei of spying on the West, allegations it denies."

Op-Ed: Congress Needs To Act On Cybersecurity Commission Calls For International Cooperation, Resilience And Retaliation.

In a commentary in Government Technology (5/12, 2K), Benjamin Jensen, American University School of International Service and Chris Inglis, US Naval Academy, write, The Solarium Cybersecurity Commission "lays out a comprehensive plan of action based on a new strategy: layered cyber deterrence. The proposed strategy breaks new ground in two ways. First, it asserts that contrary to conventional wisdom, it is possible to deter cyberattacks. Second, the strategy calls for coordinating activities in three layers to secure cyberspace." They contend, "This won't eliminate all bad behavior in cyberspace any more than traditional law enforcement has completely banished crime in the physical world. But it will improve how the US government and the private sector respond to cyberthreats." They conclude, "For the recommendations that require changes in law, the commission drafted legislative language to assist Congress. ... Implementing the strategy will involve changes in procedure, authority, law and ultimately in the behavior of cyberspace stakeholders."

Hacker Hits Magellan Health With Ransomware Attack.

Fox Business (5/12, Leggate, 1.73M) reports Fortune 500 company Magellan Health announced that it "fell victim to a hack that compromised some personal information in a ransomware attack last month." The hacker accessed Magellan's systems via a phishing email impersonating a client on April

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6. The attacker reportedly "accessed one corporate service with some information like names, addresses, tax details and Social Security numbers, and used malware designed to steal passwords." According to the article, the FBI's Internet Crime Complaint Center had 2,047 reports of ransomware with nearly $9 million in losses in 2019.

Florida Remains Undecided In Tapping Federal Election Security Funding.

The Washington Post (5/12, Marks, 14.2M) reports in the Cybersecurity 202 column that Florida is "shaping up as a battleground over election security efforts during the pandemic." Officials there have "yet to say whether they'll accept $20 million in federal money that lawmakers and experts say is vital to manage a surge in voting by mail and other changes brought on by the novel coronavirus." The money is Florida's "share of $400 million in election security funding Congress included in the coronavirus stimulus bill in March." But Congress also "mandated states match that money with 20 percent of their own funds." Rep. Stephanie Murphy (D-FL) said, "Florida doesn't have a great record of administering elections during normal times, so during a pandemic the lack of planning and the lack of additional resources could be catastrophic." Florida is the only "remaining state that hasn't signaled its intentions regarding the federal money."

Cyberthreats Could Derail Race To Develop A Coronavirus Vaccine.

CNBC (5/12, Bukszpan, 3.62M) reports cybercriminals are attacking "pharmaceutical companies, and while these attacks pose a threat to customers' privacy rights, some wonder if they might also interfere with the development of a vaccine." Sivan Nir, threat intelligence team leader at the cybersecurity company Skybox Security Research Lab, "said that many cybercriminals have pledged not to attack health-care providers during the coronavirus outbreak." Pharmaceutical companies, on the other hand, "are not so lucky." He said, "There is a certain amount of 'honor amongst thieves' that exists within cybercriminal communities/ At the onset of the Covid-19 crisis, a number of ransomware operators said that they will no longer be targeting medical or health organizations during the pandemic. This compassionate approach, however, does not extend to pharmaceutical companies."

Security Chiefs Confront Declining Cybersecurity Funding During Business Downturn.

The Wall Street Journal (5/12, Stupp, Subscription Publication, 7.57M) reports market experts worry companies may be reducing budgets for cybersecurity as the effects of the economic downturn spur businesses to furlough employees and freeze capital investments amid the pandemic. In turn, these financial strains my press firms to sever ties with third-party suppliers of cybersecurity services.

NSA Guidance Calls On Teleworkers To Use End-To-End Encryption.

Security Boulevard (5/12, Berlove) reports NSA recently issued "guidelines for using collaboration services." At the top of "the NSA's list is the recommendation that collaboration services employ end-to-end encryption." It's inclusion in "the NSA's list highlights its shift to the mainstream by an organization known to seek the highest levels of security for themselves and their technologies." The NSA "notes that by following the guidelines it defines, users can reduce their risk exposure and become harder targets for bad actors."

CISA Launches SAFECOM Website For Centralized Emergency Communications.

ExecutiveGov (5/12, Rivers) reports, "The Cybersecurity and Infrastructure Security Agency (CISA) has launched a website for public safety communications that uses resources under the SAFECOM unit, Federal Partnership for Interoperable Communications and National Council of Statewide Interoperability Coordinators." CISA "said Thursday that the new SAFECOM website includes features and guidelines for local authorities and emergency responders to conduct self-assessment tests, issue communications grants and implement encryption for radio systems The new website collates data and sources from its predecessor under the Department of Homeland Security (DHS) as part of efforts to migrate SAFECOM to the CISA domain. Gerald Reardon, chair of SAFECOM, said that having a consolidated website is a "tremendous advantage" to members of the larger public-safety community."

TFI/Sanctions

Republican Senators Unveil Legislation To Impose Sanctions On China.

The Washington Times (5/12, Meier, 492K) reports Sen. Lindsey Graham (S-SC) on Tuesday unveiled legislation that would impose sanctions on China for "failing to cooperate with ongoing inquiries into the origins of the coronavirus outbreak." In a statement, Graham said, "I'm convinced that without Chinese Communist Party deception the virus would not be here in the United States." He called the measure a "hard hitting piece of legislation," and said lawmakers "must determine how the virus came about and take steps, like closing the wet markets, to ensure it never happens again."

Reuters (5/12, Brunnstrom) reports Graham said his "COVID-19 Accountability Act" would require the President to make a certification to Congress within 60 days that China had "provided a full and complete accounting to any COVID-19 investigation led by the United States, its allies or U.N. affiliate such as the World Health Organization (WHO)."

The Hill (5/12, Coleman, 2.98M) also reports.

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Huawei Could Face Financial Sanctions Reserved For Terrorists In Legislative Proposal.

Newsweek (5/12, Roos, 1.53M) reports a bipartisan group of congressional leaders "introduced a bill Tuesday targeting Huawei and other 5G companies either in violation of sanctions or suspected of participating in corporate espionage. The bill, which was introduced by Republican Arkansas Senator Tom Cotton and Republican Representative Mike Gallagher of Wisconsin, drew support from both political parties in both chambers of Congress, with Representatives Ruben Gallego (D-AZ), Liz Cheney (R-WY) and Chrissy Houlahan (D-PA) signing on alongside Senators Chuck Schumer (D-NY) Rick Scott (R-FL) and Chris Van Hollen (D-MD)."

Iron Mountain Discloses Subsidiary's Possible Sanctions Violations.

The Wall Street Journal (5/12, Sun, Subscription Publication, 7.57M) reports information management and storage company Iron Mountain said it had notified regulators that it may have potentially violated sanctions on Iran, as well as on entities allegedly linked to weapons of mass destruction proliferation. The company said a foreign subsidiary provided services and products for over a decade to two or more entities the US has blacklisted.

Swedish Refiner Says It Is No Longer Subject To US Sanctions After Split With PDVSA.

Reuters (5/12, Cohen, Parraga) reports Swedish oil refiner Nynas AB "said on Tuesday it was no longer subject to U.S. sanctions and that Venezuela's state-owned oil company Petroleos de Venezuela had sold its majority stake in the company." Nynas, "part-owned by Finland's Neste Oil, last year entered a court-administered process to reorganize its business, trying to disentangle itself from sanctions on PDVSA that are part of Washington's efforts to oust socialist President Nicolas Maduro." Nynas "said PDVSA had sold 35% of its shares to an independent Swedish foundation, Nynässtiftelsen, and now owned just 15% of all Nynas shares issued." The Treasury Department, "which enforces sanctions, said on Tuesday Nynas was no longer blocked under the sanctions."

Federal Reserve

Trump Pushes Again For Fed To Lower Interest Rates Below Zero.

Reuters (5/12, Heavey) reports President Trump on Tuesday reiterated previous calls for the Fed to adopt negative interest rates, citing benefits seen by other countries whose central banks have gone into negative interest rate territory. Trump said on Twitter, "As long as other countries are receiving the benefits of Negative Rates, the USA should also accept the 'GIFT'. Big numbers!" Barron's (5/12, Scaggs, 1.07M) also reports.

Reuters (5/12, Saphir) also reports Dallas Fed President Robert Kaplan on Tuesday became the latest US central banker to unequivocally reject negative interest rates as a monetary policy tool.

Fed Begins Purchasing Corporate Debt ETFs In "Totally Uncharted Territory."

The New York Times (5/12, Smialek, 18.61M) reports the Fed began purchasing corporate debt ETFs on Tuesday, "stepping into totally uncharted territory," saying Monday night that it would start directly buying bonds "in the near future." The announcement that it would set up the programs back in March revived the corporate debt market, "allowing companies to issue debt to raise needed cash amid the coronavirus economic downturn." The programs will purchase newly-issued primary debt and existing secondary market debt. BlackRock will run the program for the first three months. CNBC (5/12, Cox, 3.62M) also reports.

Reuters (5/12, Schneider) reports Richmond Fed President Thomas Barkin said on Tuesday that the theory behind the Fed's purchase program is that a "relatively small investment would keep private trading on track."

Fed Faces Pressure To Expedite, Expand Emergency Loans.

The Hill (5/12, Lane, 2.98M) reports the Federal Reserve "is facing bipartisan pressure to quickly launch and expand two emergency lending programs" – the Main Street Lending Program and the Municipal Liquidity Facility. On Tuesday, during a hearing with the Senate Banking Committee, Fed Vice Chair for Supervision Randal Quarles was urged to roll out both programs "as soon as possible with access to a wider array of potential borrowers." Quarles said, "I don't think we're looking at months, but it would be premature for me to say exactly how many weeks it would be before they will be operational." Sen. Thom Tillis (R-NC) said "that he was concerned about the prospects of businesses that are too small to qualify for Fed emergency loans, but too big to apply for loans through the Small Business Administration's Paycheck Protection Program (PPP), which cuts off businesses with more than 500 employees."

American Banker (5/12, Hoopes, Subscription Publication, 31K) reports that while most Americans "have done their part by staying at home to prevent the spread of coronavirus, the Federal Reserve must do more to meet consumer credit needs as they emerge from the crisis."

Fed Says It Will Provide Monthly Disclosures On PPP Recipients.

On its website, CNBC (5/12, Cox, 3.62M) reports that the Federal Reserve "outlined how it will make loans through another of its loan programs and said Tuesday it will provide detailed monthly information for who is getting the funds." As part of its "Term Asset-Backed Loan Facility, a financial crisis-era program aimed at the asset-backed securities market, the Fed said it will issue up to $100 billion in three-year loans." The Fed "also said it will provide monthly disclosures on both that lending facility and the Paycheck Protection Program," which "will

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include the name of participants, amounts borrowed, interest rates charged and value of pledged collateral. The information also will include costs, revenues and fees for the programs."

The AP (5/12, Crutsinger), American Banker (5/12, Lang, Subscription Publication, 31K), and Reuters (5/12, Schneider) also report.

Fed Could Curb Banks' Dividends Based On Pandemic-Focused Stress Tests.

Bloomberg (5/12, Hamilton, 4.73M) reports the Federal Reserve "could curtail Wall Street banks' ability to pay dividends by cranking up the amount of capital they need to maintain due to the coronavirus crisis, Governor Randal Quarles said Tuesday." At a virtual Senate Banking Committee hearing, Quarles said the central bank's annual stress tests, which will include a current-events analysis, could change the capital buffer that dictates how much banks can return to shareholders. He said, "We are doing the analysis. ... And that will determine the ability of any of the banks to conserve capital." He "also said the stress tests could be concluded well before the June 30 deadline."

Fed Presidents Stress COVID-19 Vaccine As Path To Economic Recovery.

Reuters (5/12, Marte) reports Cleveland Fed President Loretta Mester said Tuesday that the US can only begin to grow again when sufficient progress is made on testing and treatment for coronavirus that will enable people to feel safe again. Mester said, "A reasonable baseline outlook is that as some of the stay-at-home restrictions are lifted, the economy will begin to grow again in the second half of this year and unemployment will begin to move down." She added that a more pessimistic scenario involving a second wave of shutting down businesses is "almost as likely" if necessary testing and treatment conditions go unmet.

The Wall Street Journal (5/12, Derby, Subscription Publication, 7.57M) reports Mester said the economy will contract by 5 percent or more this year, and that the jobless rate will be in the high single or low double digits. Mester expects inflation to stay low for the year. MarketWatch (5/12, Robb, 1.67M) reports Mester said Congress needs to allocate more funds to make sure the economy can recover and avoid "dire scenarios" that could develop as the coronavirus pandemic continues. Mester said, "I think that we need more direct fiscal policy and support to try to try to limit the possibilities of those very dire scenarios."

Reuters (5/12, Saphir) reports Minneapolis Fed President Neel Kashkari said on Tuesday that the economy may not fully bounce back until a vaccine is discovered.

Reuters (5/12, Marte) reports Philadelphia Fed President Patrick Harker said Tuesday the recovery could falter or even reverse if businesses open too soon leading to a second wave. Harker said a pessimistic scenario in which recovery hits some sectors before others – such as manufacturers coming back before hospitality and travel – could cause problems for the financial sector, "which is 'heavily exposed' to troubling sectors like commercial real estate."

Bloomberg (5/12, Matthews, Boesler, Saraiva, 4.73M) reports St. Louis Fed President James Bullard warned of "business failures on a grand scale" and risks of going "into depression" if shutdowns are not lifted.

Financial Regulatory Agencies

FDIC Proposes Steps To Ensure PPP Lenders Don't Have Higher Deposit Insurance Premiums.

American Banker (5/12, Pedersen, Subscription Publication, 31K) reports the FDIC on Tuesday "proposed steps to ensure banks participating in the Paycheck Protection Program (PPP) and other coronavirus relief programs do not face higher deposit insurance premiums as a result." The regulator said banks lending through the Fed's PPP Lending Facility (PPPLF) or Money Market Mutual Fund Liquidity Facility could trigger risk measures used to calculate assessments if no action is taken. The proposed change would remove PPP loans from lending portfolios when calculating premiums, loans pledged to the PPP Lending Facility from a financial institution's asset total, and other PPPLF-related borrowings from total liabilities. Eligible loans would also be excluded from the equation used to determine certain adjustments to banks' premiums.

Internal Revenue Service

IRS Makes It Easier For Workers To Make Adjustments To Health Insurance Plans.

The New York Times (5/12, Sanger-Katz, Lieber, 18.61M) reports that the IRS on Tuesday "made it easier for employers to allow workers to make adjustments to their health insurance plans and flexible spending accounts in response to the coronavirus pandemic." New guidance issued Tuesday allows employers to "let their workers drop out of their health insurance if they have another option, or sign up if they failed to earlier in the year. Workers could also be allowed to add more family members to their plan, or switch from one workplace plan to another." The Times adds, "The changes could make it easier for workers who are furloughed to drop benefits temporarily and resume them when they return to work. They may also be attractive to workers who decided against buying health insurance earlier in the year but feel different now that they are worried about their risk of catching the coronavirus."

Office of the Comptroller of the Currency

Senate Panel Presses Bank Regulators On Coronavirus Efforts, CRA Reform.

Reuters (5/12, Price, Schroeder) reports that on Tuesday, Comptroller of the Currency Joseph Otting, Fed Vice Chair of Supervision Randal Quarles, Federal Deposit Insurance Corp. Chair Jelena McWilliams, and National Credit Union Administration Chairman Rodney Hood

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appeared remotely before the Senate Banking Committee "to defend their efforts" to help "ease the pain" caused by the pandemic. The Trump-appointed regulators "were pressured by Democrats who were skeptical that their efforts were effectively delivering relief to all Americans without creating undue risk in the financial system."

American Banker (5/12, Haggerty, Subscription Publication, 31K) reports Democrats "appeared to home in on comments" by Otting that the OCC is moving forward with a revamp of the Community Reinvestment Act, "despite criticism that regulators should pause the effort in light of the coronavirus pandemic." While Democrats on the panel urged the OCC the slow down and postpone any rulemaking given the current state of the economy, Otting disagreed, "saying that the coronavirus pandemic amplifies the need to move quickly with the CRA revamp." He said, "Actually, we think we should accelerate it, because it would drive more dollars into low and moderate income communities across America." The hearing also "highlighted a sense of urgency" among both Republican and Democratic lawmakers for the Fed make its Main Street Lending Program and Municipal Liquidity Facility operational. Quarles did not give a specific time frame but said "it is the highest priority at the Fed right now" to get those two facilities up and running. However, "because those are innovations, that is taking time," he added.

Outlets providing similar coverage include Bloomberg Law (5/12, Weinberger, Subscription Publication, 4K), CQ Roll Call (5/12, Saksa, 154K), The Credit Union Journal (5/12, Angell), and CU Today (5/12).

Opinion: Banks Avoided Criticizing CRA Proposal Because They're "Content With The Status Quo."

In an opinion piece for The Hill (5/12, 2.98M), Kenneth H. Thomas, President of Community Development Fund Advisors, LLC, writes that bankers have been "criticizing their regulators from a safe distance," what he calls "regulatory distancing," on the recent notice of proposed rulemaking to update the Community Reinvestment Act. While 22 percent of comments on the OCC's advance notice from August 2018 were from banks and their trade groups, only nine percent of comments submitted on the actual proposal in January came from the industry. Thomas says "most banks chose to avoid directly criticizing the notice and indirectly" its OCC and FDIC authors, because "they are content with the status quo: CRA exams have a 98 percent pass rate, with relatively low compliance costs, compared to more costly regs such as the Bank Secrecy Act." In addition, most banks "do not want a major overhaul that is widely perceived as complex and excessively burdensome."

Small Businesses Turn Away From Big Banks To Get Loans.

Bloomberg (5/12, Rockeman, 4.73M) reports, "As millions of entrepreneurs adapt to survive the coronavirus pandemic, many are ending their relationships with major banks that can't keep pace with more nimble" financial institutions, such as fintechs and CDFIs. In the first weeks of the PPP, big banks "lagged behind in handling applications, leaving desperate applicants to explore alternate sources of financial help." Business owners interviewed by Bloomberg said they received funding through PayPal and Square, as they were unable to get PPP loans fast enough through their primary banks. The experiences, Bloomberg says, "may have a lasting impact on the reputations of big banks, even as they now pull ahead in arranging loans during the second round of the federal program."

In a Boston-area news roundup, Politico Playbook (5/12, 4.31M) reports that many regional small businesses "have turned to local sources of help – like a $2 million small business relief program [Boston Mayor Marty] Walsh announced in April, which is funded through federal grants and city taxpayer dollars." In addition, Politico says PPP activity in Massachusetts "slowed significantly last week, with the US Small Business Administration approving an average of about 1,100 loans a day statewide – a fraction of the nearly 10,000-a-day pace of the previous week."

SBA Raises Lending Limit For SBA Express Loans.

American Banker (5/12, Subscription Publication, 31K) reports that the SBA "has acted on another key provision of the coronavirus stimulus package by temporarily increasing the maximum size of SBA Express loans." Overshadowed by the PPP, "SBA Express has been a steady source of small-business capital since its creation in 1995." The program does not offer loan forgiveness the way the PPP does, but it "gives borrowers more flexibility to cover a wider range of expenses," and "with its lending limit increased from $350,000 to $1 million, the program could become a critical tool for businesses looking to rebound as the pandemic passes, lenders said."

Editorial Wrap-Up

New York Times.

"No, Your FOIA Request Cannot Wait 'Until This Emergency Is Over.'" The New York Times (5/12, 18.61M) says in an editorial that the Freedom of Information Act "has proved to be a valuable tool for taxpayers and the press to keep a check on dealings by public officials that would otherwise be shrouded in secrecy," but "far too many agencies have...interpreted the arrival of the coronavirus pandemic and necessary shelter-in-place orders as a justification for either further delaying or failing entirely to respond to FOIA requests." However, the Times says, "Local and federal government agencies continue to operate, albeit under altered circumstances, and the delays degrade the public's trust in elected officials." The Times adds, "Organizations from the Air Force to the F.B.I. to the Department of Health and Human Services and the Federal Emergency Management Agency are either changing policies regarding FOIA requests or are not responding to them."

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Washington Post.

"Apple And Google's Tools Alone Aren't Enough For Contact Tracing." The Washington Post (5/12, 14.2M) says in an editorial, "Technologists have created contact tracing systems to help get us out of" the coronavirus "crisis and out of our houses, but the narrow debates surrounding the inventions miss a reality: Any digital solution to our problem that's sufficiently privacy-protective also won't be sufficiently useful without a lot of humans in the loop." Once contact tracing is in use, the Posy says, "what happens then will depend on old-fashioned public health policy. Authorities could ask people who receive exposure pings to stay indoors, but they could also ask them to take self-assessments providing information about, say, any gatherings in large groups or other risky activity – and then, perhaps, to call a manual contact tracer."

"The Coronavirus Spreads In Close Quarters. That Should Factor Into Reopening Decisions." The Washington Post (5/12, 14.2M) editorializes, "Studies drawn from completed contact tracing...are showing that sustained, close contacts and close quarters are the biggest risks." This indicates "that the virus spreads when and where people are congregating, and among households, family and close contacts. This insight must be taken into account for every decision about opening up the country."

"A Chinese Lawyer Criticized The Regime's Handling Of The Pandemic. Then He Disappeared." The Washington Post (5/12, 14.2M) editorializes "it's well known that people in China who speak up about the covid-19 epidemic are risking online harassment, arrest or worse from Communist authorities. ... So consider the courage of Zhang Xuezhong, a legal scholar who on Saturday posted an open letter on WeChat addressed to the National People's Congress" criticizing the government's handling of the epidemic. On Sunday, Zhang was taken from his tome by security forces. The Post calls on China to release him and says he should be "applauded for speaking truth to power."

Wall Street Journal.

"All The Adam Schiff Transcripts." A Wall Street Journal (5/12, Subscription Publication, 7.57M) editorial says newly released Congressional testimony shows that House Intelligence Chairman Schiff lied for three years about Russia and Donald Trump, claiming he had evidence of collusion despite the fact that his own committee had no such evidence. The Journal questions why the media continues to put Schiff on the air and argues that nothing he says can be believed.

"'Faithless Electors' At The Supreme Court." The Wall Street Journal (5/12, Subscription Publication, 7.57M), meanwhile, argues in an editorial that members of the Electoral College should be bound by their states' voters.

"Elon Musk Isn't Taking It Anymore." In an editorial, the Wall Street Journal (5/12, Subscription Publication, 7.57M) argues that while it is not endorsing law-breaking, Elon Musk's decision to defy local authorities and open his plant could serve to clarify the landscape of disparate ordinances – and do away with edicts by some increasingly dictatorial officials.

"China's Beef With Australia." On its editorial page, the Wall Street Journal (5/12, Subscription Publication, 7.57M) backs Australia's call for an inquiry and criticizes China's move to punish Canberra.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Fauci, Other Top Health Officials Emphasize Testing Before Easing Lockdowns
Supreme Court Hears Trump Lawyers' Appeal To Stop Handover Of Tax Documents
Uber Technologies Makes Takeover Approach To Grubhub
On The Ground In Wuhan, Signs Of China Stalling Probe Of Coronavirus Origins
Nothing Irritates A Masked Walker Like An Unmasked Runner
From PepsiCo To GM, Big Advertisers Set To Cancel Commitments To TV Networks

New York Times:

At Senate Hearing, Government Experts Paint Bleak Picture Of The Pandemic
Supreme Court Hints At Split Decision In Two Cases On Obtaining Trump's Financial Records
Latin America's Outbreaks Now Rival Europe's. But Its Options Are Worse.
Manhattan Faces A Reckoning If Working From Home Becomes The Norm
Judge Hesitates To Accept Justice Dept. Move To Drop Flynn Charge
In Israel, Modern Medicine Grapples With Ghosts Of The Third Reich

Washington Post:

As Virus Rages, The President Chooses To Rage Against Foes
After Attack, Afghan Anti-Taliban Operations Restart
Top Health Officials Warn Of Reopening's Perils
Justices Seem Split Over Trump Subpoenas

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Requiring Mask Use – Or Not – Takes On Ideological Weight
Despite Rescue Efforts, Vast Swath Of Small Businesses Close Forever

Financial Times:
Uber Eyes Takeover Of Meal Delivery Rival Grubhub
California Wildfire Victims Face Dilemma Over Settlement Offer
Saudi Aramco Sticks To $18.8BN Dividend Despite 25% Drop In Profits

Washington Times:
Democrats Unveil $3 Trillion-Plus Coronavirus Spending Package
Government Trillions Won't Save Some Sectors From Coronavirus, Economists Say
New York, New Jersey Lead Nation In Surge Of Anti-Semitism, ADL Audit Shows
Iranian Aggression To Compensate For Recent Military Blunders Likely, Analysts Warn
Anthony Fauci Warns Of 'Needless Suffering And Death' If US Reopens Too Soon

Story Lineup From Last Night's Network News:
ABC: Senate-Dr. Fauci; Coronavirus-Impact on Children; Reopening Economy; Coronavirus-Overseas; Georgia-Ahmaud Arbery Case; SCOTUS-Oversight Cases; Food Supply; Florida-Small Plane Crash; College Students Connect Farmers With Food Banks.
CBS: Senate-Dr. Fauci; Reopening Economy; Coronavirus-Vaccine; Coronavirus-Overseas; Unemployment; SCOTUS-Oversight Cases; Georgia-Ahmaud Arbery Case; Dallas-High School Principal Celebrates Every Senior.
NBC: Senate-Dr. Fauci; Coronavirus-Impact on Children; Reopening Economy; Food Supply; Coronavirus-Overseas; Coronavirus-Airlines; Coronavirus-Vaccine; SCOTUS-Oversight Cases; Florida-Small Plane Crash; Severe Weather; Nightly News Kids Edition.

Network TV At A Glance:
Coronavirus – 15 minutes, 10 seconds
Senate-Dr. Fauci – 13 minutes, 50 seconds
Reopening Economy – 7 minutes, 30 seconds
SCOTUS-Oversight Cases – 3 minutes, 5 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Reopening Economy; Senate-Dr. Fauci; Nebraska-Presidential Primary Results.
CBS: Senate-Dr. Fauci; House Dems-Aid Bill; SCOTUS-Oversight Cases; North Carolina-Reopening Protests; Wall Street.
FOX: House Dems-Aid Bill; Senate-Coronavirus Task Force; Nebraska-Presidential Primary Results.
NPR: Senate-Dr. Fauci; Reopening Economy-Effect on Markets; Los Angeles-Stay At Home Extended; House Dems-Aid Bill.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Justin Trudeau, Canada's Prime Minister and America's sexy upstairs neighbor. As Canada continues its battle against coronavirus, Trudeau has decided to become a little more hands-on. ... Justin Trudeau is going to help Canadian kids with their homework. This is the sort of thing you can only get away with if you're Prime Minister because any other dude offering kids help on the internet, yeah, they're just getting a visit from the cops."

Trevor Noah: "I hope Trudeau inspires other world leaders to offer homework lessons, like Vladimir Putin ... 'This is easy way to solve math problem. You from KGB, poof, math problem disappear.'"

Trevor Noah: "Last week, President Trump's Justice Department unexpectedly dropped charges against Michael Flynn ... Even though Flynn pleaded guilty...Trump says the investigation itself was the real crime and the ringleader behind it was former President Barack Hussein Jihad Obama. ... According to Trump, Obama committed the worst political crime in American history, but Trump won't tell us what the crime is, because it's so obvious you don't even need to ask. Even though everyone needs to ask."

Trevor Noah: "I don't know what Obamagate is. Trump doesn't know either. I think he learned from Watergate things he doesn't like should have the word 'gate' after it. Obamagate, Saladgate, Ericgate."

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Trevor Noah: "Today, the Supreme Court will hear arguments that will determine whether criminal investigators will be allowed to dig through Trump's laundry. ... Honestly, at this point, Trump only has himself to blame for this thing even getting this far. I mean, he's resisted releasing his tax returns for so long he's made it into a secret that we have to know what's in there. Tax crimes? A treasure map? A drawing of boobs?"

Trevor Noah: "One thing that's always amazed me is how long it takes these issues to get to the Supreme Court. We have been talking about this guy's tax returns since 2015, and now, five years later, the Supreme Court is on the case. You think the DMV moves slow? The Supreme Court is out here like, 'And now for case 874, New York versus President Reagan.'"

Trevor Noah: "Because of Trump's antics, [Dr. Anthony Fauci] keeps having to come up with new ways to say, 'Please stay inside, or you might die.' ... Fauci has said this to Trump a million times, but I bet this time, Trump is way more likely to listen because now he's watching it on TV. Normally when you're talking to him in real life, he's too distracted by how much he wants to watch it on TV."

Jimmy Kimmel: "[Dr.] Fauci told the New York Times yesterday that re-reopening the country too soon could lead to 'needless suffering and death.' Which, I believe, is Trump's new campaign slogan."

Jimmy Kimmel: "Fauci and Trump seem to have opposite views of how to handle this. Trump says we have 'prevailed' on the same day everyone at the White House was required to wear masks. So I guess it just comes down to who you believe: the doctor, who is one of the world's leading experts on infectious disease, or our personal pan President."

Jimmy Kimmel: "Thanks to our President, there is a divide among party lines about whether or not we should be staying at home. Which is silly, because viruses don't care who you vote for, so I'm going to try to summarize what Dr. Fauci said today with a metaphor. Think of this lockdown as a scab. A big, ugly scab on our nation's face. It's not pretty. In fact, it's ugly, it's awful, but it's doing an important job. It's healing and containing the wound. The best thing you can do with a scab is be patient and let it fall off. Unfortunately, there are some impatient people who want to dig their tiny, orange fingernails into the scab and rip it off. ... And while that would feel good for a minute, if you rip off the scab and the wound is still bleeding, you have to start all over again with a new scab. So what Dr. Fauci is saying is the same thing your mother said: 'Don't pick the scab.'"

Jimmy Kimmel: "The virus is surging across the Midwest. And the South. ... A restaurant in Castle Rock, Colorado...decided to open on Mother's Day, despite an order that bans in-house dining throughout the state. ... No one was protecting themselves. Well, if it's mom's last meal, you might as well make it delicious."

Jimmy Kimmel: "At Fox News, which is the little engine behind the 'back to work' movement, they just decided to keep their own offices closed through June 15. Isn't that something? Fox News, the ones who are making fun of people cowering at home, is advising its employees to stay at home. Because apparently they don't get their news from Fox News."

Jimmy Kimmel: "As part of increased safety measures, the President and Vice President will keep social distance from each other. They decided to separate Pence from Trump because research has shown that in some rare cases, the coronavirus can be spread by pets, and they don't want the President to get it."

Jimmy Kimmel: "Even though the President says everything is great, he is also desperate to blame the fact that it isn't on anyone but him. His new thing is 'Obamagate.' He doesn't know what Obamagate is, but he's going with it."

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Jimmy Kimmel: [On Sen. Mitch McConnell calling former President Barack Obama 'classless'] "Wait, Obama is classless? He's joking now, right? Of all the wildly hypocritical things anyone has said about anything during this ordeal, the idea that Obama is classless and shouldn't

say bad things about another President, that might take the cake! The tonnage of terrible things Trump has said about Obama, I would put them all on screen, but no one in the world has a big enough screen to see them all! The screen over the field where the Dallas Cowboys play isn't big enough. So he had to be kidding. Mitch, you dirty little snapping turtle, you got us again!"

Stephen Colbert: "The country is starting to open up a little bit, but maybe too much a little bit, at least according to infectious disease expert...Dr. Anthony Fauci. In a preview of his testimony today, Fauci warned that reopening the economy too soon would cause 'needless suffering and death.' No need to sugarcoat it, doc. Although, sugarcoating is a good way to get Trump's attention. It's what Eric does."

Stephen Colbert: "Fauci was testifying from home because he was in modified quarantine after two members of the Trump Administration tested positive for coronavirus. And apparently, the President is freaking out. A former official called Trump 'a total germaphobe.' You know, for a germaphobe, Trump sure is anxious to get the rest of us out in the hot zone. It's the ultimate 'This milk smells funny. You drink it. Also, this bleach smells funny. Drink that, too.'"

Stephen Colbert: "Trump's fears may be why yesterday, the Administration released a memo ordering most White House officials to wear masks in the West Wing. Well, it's about time. The rest of us have been wearing them for the last two months, and if they had any shame, they should have been hiding their faces for the last three years."

Stephen Colbert: "Trump's been feeling a little stir crazy, so he planned a visit to a Pennsylvania factory that produces PPE materials. The factory made big news back in the day, because employees there went the extra mile at the beginning of the quarantine to make sure their workspace was uncontaminated. Dozens of them lived for 28 days inside the factory. So, while the rest of us were working from home, these folks were homing from work. Given the contamination risks, the factory turned the White House down, 'worried that a visit from Trump could jeopardize the safety of the workers.' Wow. We've all felt this way, but now someone can finally tell Donald Trump, 'Listening to you talk might kill me.'"

Stephen Colbert: "French-language experts have determined that the acronym 'COVID-19' is officially feminine. Well, we should have known COVID-19 is female. It explains why Trump doesn't take her seriously."

Seth Meyers: "During today's Supreme Court arguments concerning President Trump's financial records, Trump's lawyer Jay Sekulow argued that Trump is, quote, 'asking for temporary presidential immunity.' Temporary? He has seven months left in a four-year term. It's like going to work and asking for a six-hour lunch break."

Seth Meyers: "During today's Supreme Court arguments, the lawyer representing House Democrats told the justices that lawmakers need access to Trump's tax returns to see if he's, quote, 'subject to foreign leverage.' 'Oh, come on! That's just ridiculous,' said Justice Putin."

Seth Meyers: "During a coronavirus briefing yesterday, President Trump told an Asian American reporter to, quote, 'ask China' in response to a question about coronavirus rates. Okay, I'm starting to think Melania's Be Best program isn't working."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Meets with the Governor of Colorado and the Governor of North Dakota
- Vice President Pence — No public schedule released

***US Senate*:**

- Senate Governmental Affairs Committee hearing on cybersecurity, via videoconference – Hearing to examine 'Evolving the U.S. Cybersecurity Strategy and Posture: Reviewing the Cyberspace Solarium Commission Report', with testimony from

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Commission Co-Chairs Angus King Jr. and Mike Gallagher and Commissioners Suzanne Spaulding and Thomas Fanning; *9:30 AM*

• Senate Commerce Committee hearing on broadband during coronavirus – Hearing on 'The State of Broadband Amid the COVID-19 Pandemic', with testimony from Competitive Carriers Association President and CEO Steven Berry; NTCA – The Rural Broadband Association CEO Shirley Bloomfield; Public Knowledge Senior Advisor Gene Kimmelman; and USTelecom – The Broadband Association President and CEO Jonathan Spalter

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Closed Briefing: Intelligence Matters

Location: CVC 217, U.S. Capitol Visitor Center, Washington, DC; 2:00 PM

• Senate Foreign Relations Committee nominations hearing, via videoconference – Nominations hearing, via videoconference, considers Natalie Brown to be U.S. Ambassador to Uganda; Ramsey Coats Day to be USAID Assistant Administrator; Sandra Clark to be U.S. Ambassador to Burkina Faso; William Ellison Grayson to be U.S. Ambassador to Estonia; and Henry Wooster to be U.S. Ambassador to Jordan; *2:30 PM*

• Senate due to debate House-passed USA FREEDOM Reauthorization Act – Senate due to debate 'H.R.6172 – USA FREEDOM Reauthorization Act of 2020', which would reauthorize provisions related to intelligence gathering under the Foreign Intelligence and Surveillance Act (FISA) through 1 Dec 2023 * The bill passed the House of Representatives, by 278 votes to 136, in March

Location: U.S. Capitol, Washington, DC

US House:

• House Dems hold roundtable on ICE response to coronavirus – House Committee on the Judiciary Chairman Jerrold Nadler and fellow Democratic Reps. Zoe Lofgren, Pramila Jayapal, J. Louis Correa, Sylvia Garcia, Joe Neguse, Debbie Mucarsel-Powell, Veronica Escobar, Sheila Jackson Lee, and Mary Gay Scanlon hold virtual forum on 'the inadequate response by Immigration and Customs and Enforcement (ICE) to the coronavirus (COVID-19) pandemic' and current conditions in ICE detention; *12:30 PM*

• Dem Reps. Kathleen Rice, Yvette Clarke, and Nanette Barragan host 'Coronavirus and Homeland Security' virtual forum – House Committee on Homeland Security Democratic members Kathleen Rice, Yvette Clarke, and Nanette Barragan host 'Coronavirus and Homeland Security Part Eight: The Role of Immigrants in COVID-19 Response & Recovery' a virtual forum, on the contribution of immigrants in the healthcare, service, and agriculture sectors, featuring U.S. Chamber of Commerce Executive Director of Immigration Policy Jon Baselice, and America's Voice DHS Watch Director Ur Jaddou; *1:00 PM*

• House Financial Services Committee virtual roundtable with financial regulators – House Committee on Financial Services virtual roundtable discussion on 'Update from Prudential Regulators', featuring National Credit Union Administration Chairman Rodney Hood; Federal Deposit Insurance Corporation Chairman Jelena McWilliams; Comptroller of the Currency Joseph Otting; and Federal Reserve Board Vice Chairman for Supervision Randal Quarles

Cabinet Officers:

• Secretary of State Pompeo visits Israel – Secretary of State Mike Pompeo visits Israel, meeting Prime Minister Benjamin Netanyahu and Knesset Speaker Benny Gantz to discuss U.S. and Israeli efforts to fight the coronavirus (COVID-19) pandemic, as well as 'regional security issues related to Iran's malign influence" * Last month, despite running on an election campaign to oust PM Netanyahu from power, opposition leader Gantz announced that he was prepared to join a govt with him. Under the terms of the deal, Gantz will become PM in 18 months, serving before then as defense minister with veto power over most legislative and policy matters

Location: Jerusalem

• National Law Enforcement Officers Memorial Fund virtual Candlelight Vigil – National Law Enforcement Officers Memorial Fund 32nd Annual Candlelight Vigil, to commemorate new names added to the monument, held virtually rather than on the National Mall due to the coronavirus (COVID-19) pandemic. Speakers include Acting Secretary of Homeland Security Chad Wolf, House Majority Leader Steny Hoyer, actors Tom Selleck and Joe Mantegna, TV host John Walsh, New York Police Commissioner Dermot Shea, National Organization of Black Law Enforcement Executives National President Cerelyn Davis, Fraternal Order of Police National President Patrick Yoes, and the chief executives of some of the nation's Fortune 500 corporations. Event includes the reading of the names of each of the 307 men and women that will be added this year * Part of National Police Week; *8:00 PM*

Visitors:

• No visitors scheduled

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***This Town*:**

• Peterson Institute for International Economics holds a virtual event with Federal Reserve Chair Jerome Powell; *9:00 AM*

• U.S. Supreme Court hearings, via teleconference, on presidential electors casting Electoral College votes violating state laws – U.S. Supreme Court hearings, via teleconference: 'Chiafalo v. Washington' (Whether enforcement of a Washington state law that threatens a fine for presidential electors who vote contrary to how the law direct is unconstitutional because a state has no power to legally enforce how a presidential elector casts his or her ballot, and a state penalizing an elector for exercising his or her constitutional discretion to vote violates the First Amendment?) * 'Colorado Department of State v. Baca' (Whether a presidential elector who is prevented by their appointing state from casting an Electoral College ballot that violates state law lacks standing to sue their appointing state because they hold no constitutionally protected right to exercise discretion? Does Article II or the Twelfth Amendment forbid a state from requiring its presidential electors to follow the state's popular vote when casting their Electoral College ballots?); *10:00 AM*

• Bertelsmann Foundation webinar on digital democracy – 'Transatlantic Responses to Privacy During the Pandemic' Bertelsmann Foundation webinar, on recent policy developments on both sides of the Atlantic and address the potential implications of coronavirus (COVID-19) on privacy, data protection, and civil liberties in the digital age. Speakers include European Parliament Adviser on Civil Liberties, Justice and Home Affairs Ralf Bendrath, Senate Committee on Commerce, Science, and Transportation Senior Counsel Jared Bomberg, Office of Sen. Ron Wyden Technology Advisor Allison Hutchings, and Bertelsmann Foundation Transatlantic Legislative Affairs Manager Emily Benson; *10:00 AM*

• Aspen Institute webinar on cash infusions – 'Cash Infusions: Stability now, Security Later' Aspen Institute online event, on the various ways policymakers, funders, nonprofits, and business leaders are proposing getting more money into citizens' bank accounts. Speakers include Senior Advisor for Tax and Economic Policy to Sen. Michael Bennet Charlie Anderson, Economic Security Project Senior Fellow Mia Birdsong, Springboard To Opportunities CEO Aisha Nyandoro, former Chicago Alderman Ameya Pawar, PayPal, Consumer Financial Services Senior Director of Product Management Emerging Markets and QR Code Prashanthi Ravanavarapu, Family Independence Initiative FII Lauren Renaud, and LIFT National Program Director Helah Robinson; *1:00 PM*

• House Select Subcommittee on the Coronavirus Crisis holds first member briefing – House Select Subcommittee on the Coronavirus Crisis holds first member briefing, on 'Testing, Tracing, and Targeted Containment', featuring former Food and Drug Administration Commissioner Dr Scott Gottlieb, former FDA Commissioner / former Centers for Medicare and Medicaid Services Administrator Dr Mark McClellan, Harvard Global Health Institute Director Dr Ashish Jha, Johns Hopkins Bloomberg School of Public Health Center for Health Security Director Dr Tom Inglesby, and American Public Health Association Executive Director Dr Georges Benjamin; *3:00 PM*

• National Law Enforcement Officers Memorial Fund virtual Candlelight Vigil – National Law Enforcement Officers Memorial Fund 32nd Annual Candlelight Vigil, to commemorate new names added to the monument, held virtually rather than on the National Mall due to the coronavirus (COVID-19) pandemic. Speakers include Acting Secretary of Homeland Security Chad Wolf, House Majority Leader Steny Hoyer, actors Tom Selleck and Joe Mantegna, TV host John Walsh, New York Police Commissioner Dermot Shea, National Organization of Black Law Enforcement Executives National President Cerelyn Davis, Fraternal Order of Police National President Patrick Yoes, and the chief executives of some of the nation's Fortune 500 corporations. Event includes the reading of the names of each of the 307 men and women that will be added this year * Part of National Police Week; *8:00 PM*

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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, MAY 5, 2020 6:00 AM EDT

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Leading National News

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- Costco Latest Chain To Limit Fresh Meat Purchases Amid Supply Shortages.
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- J.Crew First Major Retailer To File For Bankruptcy Amid Pandemic.
- Amazon Web Services VP Resigns In Protest Over Employee Firings.
- United Airlines Will Eliminate More Than 3,400 Management And Administrative Jobs.
- Carnival To Restart Some US-Departing Cruises On August 1.
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- Interior Secretary Granted Permission For Trump Fox News Lincoln Memorial Event.
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- Northam Says Virginia Could Begin Soft Reopening Next Week.
- Maryland Playing A Large Role In Battle Against Coronavirus.
- New Mexico Governor Extends Closure Of Roads In Gallup.
- New USS Roosevelt Commander Won't Wait For Entire Crew To Clear Quarantine To Go Back To Sea.
- Politico Analysis Questions Portrayal Of Biden's Role In Swine Flu Pandemic.
- WSJournal Criticizes Harvard Study Linking Climate Change, Coronavirus.
- Judge Rules Trump Tweets Are Not Declassification Orders.
- House Judiciary Republicans Call On Wray To Review FBI Handling Of Flynn Case.
- Georgian-American Businessman Demands Barr Apologize Over Mueller Report Mention.
- NYTimes: Trump Considers Efforts To Hold Him Accountable "Illegitimate."
- Trump Says California Is Lucky Border Is "Very Tight" Thanks To Him.
- Pandemic Has "Drastically" Curbed Migration Around The World.
- Documents Show How DOJ Hiring Changes Have Altered Immigration Appeals Board.
- White House Reportedly Considering Payroll Tax Suspension.
- Kadlec's Dealings With Former Client Draw Scrutiny.
- Blase: Trump Should Veto Democrats' Medicaid Funding Plan If It Reaches Him.
- NYTimes Analysis: Ratcliffe Has "Easier Path" To DNI Confirmation On Second Attempt.
- Hovakimian Will Reportedly Be Nominated To Be ODNI General Counsel.
- Trump Boasts Of "Big Record" On Judicial Confirmations.
- Trump Alludes To Intern's Death In Tweet Criticizing Scarborough.

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• Trump Recommends Crenshaw Book.
• Vanity Fair: Trump Aims To "Take Down" Fox News.
• Senate Reconvenes, With McConnell Calling Work "Essential."
• State Audit Shows Mississippi Allowed Poverty Funds To Be Misused.
• Trump Criticizes "RINO Republicans" Of Lincoln Project.
• Trump: In Denying Reade Allegation, Biden's "Choice Of Words Weren't Very Good."
• Trump: Biden Should Pick Warren As Running Mate, Because She's "Responsible" For Him Winning.
• Biden Announces Plan To Boost African American Community.
• Biden Camp's Field Organizers Reach Agreement On Union Contract.
• Axelrod And Plouffe Offer Biden Advice On Campaign Strategy.
• Georgia Poll Shows Trump Leading Biden 45%-44%, Possibly Competitive Senate Races.
• Iowa Poll: Trump Leads Biden 48%-46%.
• NYTimes Analysis: Presidential Conventions Could Become Thing Of The Past.
• In Tweet, Trump Backs GOP Challenger Johnson's Bid To Unseat Omar In MN5.
• WSJournal: SCOTUS' Telephone Oral Arguments Give Thomas Chance To Be Heard.
• RCP Average Has Trump's Job Approval At 44.3%.

Financial International News

• Germany's High Court To Rule On Legality Of ECB's Bond Purchases.
• Private Creditors Group Raises Concerns About Debt Relief Plan.
• IMF Head Says Call On Lebanon Recovery Plan "Productive" As Hezbollah Leader Backs Aid Request.
• Argentina Confronts Make-Or-Break May In Effort To Avoid Default.

Leading International News

• US Declines To Contribute To EU-Organized Pandemic Fund.
• Québec, Except Montreal, Starts Gradual Reopening.
• Experts Argue Government Missteps Exacerbated Pandemic In UK.
• Italy Cautiously Begins Reopening.
• Small Businesses In Spain Allowed To Reopen.
• France May Allow Religious Services To Restart This Month.
• Brazil Surpasses China In Total COVID-19 Infections, Deaths.
• Peruvian Finance Minister Rolls Out Massive Stimulus Package.
• WSJournal: US Should Consider Sweden's Approach To Coronavirus.
• US Awards 29 Purple Hearts For Brain Injuries Sustained In Iran Attack.
• Iran Using Pandemic To Crack Down On Intellectuals.
• Low Oil Prices And Lockdown Threaten Collapse Of Iraq's Economy.
• US Troop Reduction In Afghanistan Advances.
• US, Guaidó Deny Ties To Coup Plotters.
• Pennsylvania Teacher Released From Egyptian Prison.
• Israel's Supreme Court Mulls Fate Of Netanyahu Coalition.
• Eight Indian Soldiers Killed By Militants In Kashmir.
• WPost: New Evidence Reinforces Suspicion Russia Downed MH17 Over Ukraine.

Housing

• Freddie Mac, Fannie Mae, And FHFA Roll Out Eviction Protection Tools For Renters.
• MBA: Rate Of Mortgage Forbearance Requests Rose From 7% To 7.5% In Week Ending April 26.
• Fed's MBS Purchases Spark $5B In Margin Calls.
• Cash-Out Refis Drop After FHFA Excludes Them From GSEs' Purchases Of Single-Family Forbearance Loans.
• After Freddie Reported Mortgage Rates Hit All-Time Lows, Wells Fargo Halts All New HELOCs.
• Multifamily Financing
• Policymakers Extend Protections To Stave Off Evictions And Foreclosures.
• Justice Department "Doubling Down" On Anti-Discrimination Efforts During Pandemic.
• Freedom Debt Relief Survey: More Than A Third Of Americans "Likely" To Miss Housing Payments.

Markets

• 10-Year Yield Rises.
• Dollar Edges Lower.
• Gold Falls.
• Oil Extends Gains.

Cybersecurity

• FBI Warns Of Increased Cybercrime During Pandemic.
• FBI Offers Advice On Teleconference Security.
• Security Pros Form Alliance To Support Hospitals Confronting Hacking Threats.
• Ransomware Attacks Surge Against Healthcare Institutions.
• Catfishing During Coronavirus On The Rise.
• Cybersecurity Lobbying Spending Rises As Firms Seek To Influence New Security Legislation.
• SAP Acknowledges Cybersecurity Shortfalls.
• Some States Trying Online Voting To Work Around Pandemic Issues.
• Election Assistance Commission Confirms States Can Use CARES Funds For Internet Voting.
• New Executive Order Seeks To Ban "Foreign Adversary"-Made Grid Equipment.
• Op-Ed: This Year's NDAA May Have Cyber Surprises.

Federal Reserve

• Fed Enters A Risky New World With 'Main Street' Loan Program.

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• NY Fed Report Says Future Of Fed's Balance Sheet "Highly Uncertain."
• Barkin: Changes To Business Practices, Job Retraining Will Be Key For US Recovery.
Internal Revenue Service
• Deadline Arrives For Disabled Vets To Register For COVID-19 Stimulus Checks.
• Lawmakers Want IRS To Aid Companies Paying Health Benefits During Outbreak.
Office of the Comptroller of the Currency
• OCC Gives Wells Fargo "Outstanding" Community Lending Score.
• Schumer Calls For Regulators To Take Action Against Loan Sharks.
• Regulators Issue Timely Reminder About Responsibility For Cloud Security.
• Banks Tightening Lending Standards Across Loan Types.
• Big Banks Dominate Second Round Of PPP.
• BofA Names Itself Top Lender In PPP Round Two.
Editorial Wrap-Up
• New York Times.
• Washington Post.
• Wall Street Journal.
The Big Picture
• Headlines From Today's Front Pages.
Last Laughs
• Late Night Political Humor.
Washington's Schedule
• Today's Events In Washington.
Treasury in the News

Mnuchin Says PPP Has Allowed 60M Americans To Retain Their Jobs.

Appearing Monday on Fox Business' Mornings With Maria (5/4), Treasury Secretary Steven Mnuchin discussed the second tranche dedicated to the Paycheck Protection Program. Mnuchin said, "There is $175 billion of $310 billion that has been used. And all the systems have been caught up. We couldn't be more pleased. In this round, 2.2 million loans already done at average loan size of $79,000. ... This is more capacity than the SBA has done probably in its entire history at this point. And now the systems are up and running. This will impact about 60 million people by the time this round is concluded. So 60 million more people will be back to work, small businesses being able to open."

Mnuchin: Only Congress Can Make Loan Changes Sought By Restaurants. Politico (5/4, Warmbrodt, 4.29M) reports that Secretary Mnuchin on Monday "signaled that he will not ease restrictions on how small businesses must use emergency government-backed loans." Mnuchin was "asked about pressure...to revise the terms of the Paycheck Protection Program loans." Politico says the Treasury Department and SBA "require that businesses spend at least 75 percent of the money to pay workers and do so within an eight-week window to have the loans forgiven," but "the restaurant industry" maintains that "the payroll requirement is problematic for businesses with high rent costs and...the window to use the money is unworkable" because restaurants are now closed. However, according to Politico, Mnuchin "didn't indicate any willingness to change the terms and put the onus on Congress." Mnuchin is quoted as saying, "This is the way the program was designed by Congress. ... It has the right intent to get the money to employees. So I don't have the flexibility to change that." The Hill (5/4, Jagoda, 2.98M) and MarketWatch (5/4, Reklaitis, 1.67M) also report.

Wisconsin Judge Rules Strip Clubs Eligible to Receive Emergency Loans In Lawsuit Filed Against Mnuchin, Carranza. Newsweek (5/4, Roos, 1.53M) reports a Wisconsin judge "filed a preliminary injunction Friday on behalf of the owners of four strip clubs after their applications for small business coronavirus relief loans were denied." The rejections "were made because of the nature of the businesses and thus violated the Constitution on First Amendment grounds, U.S. District Judge Lynn Adelman argued." The article adds the lawsuit named Secretary Mnuchin and SBA Administrator Jovita Carranza as defendants in the case. Adelman's injunction said, "Congress did not single out any industry for ineligibility under the PPP, much less specify that sexually oriented businesses are ineligible for PPP loans. Such business must make payroll and pay rent and utility bills, just like any other business. Their contributions to the national economy are no different than the contributions made by small businesses in other industries." Newsweek says the injunction also "called for the SBA and Mnuchin to grant the owners' banks approval to proceed with their loan applications by noon on Monday."

Orszag: Pandemic Response "Beginning Of The End" Of Thinking Only Shareholders Matter. In his column for Bloomberg Opinion (5/4) reports, Peter R. Orszag writes that even before COVID-19, "the view was gaining momentum that company executives should care about people beyond their shareholders." Orszag says the pandemic "will be Econ 101's death knell, at least for the next several years and perhaps beyond," and that going forward, "corporate decision-makers will need to weigh effects of corporate activity on workers, communities and others." Orszag argues that one "early marker of the shift is the way Treasury Secretary Steven Mnuchin has called on publicly traded companies, private high schools and universities and others to turn away government support under the CARES Act, even though they technically qualify for them." Mnuchin's stance "is entirely appropriate under the circumstances," but it is "a remarkable indication of Econ 101's demise for a Treasury secretary – in a Republican administration at that – to suggest instead that just because decision-makers can do something doesn't mean they should."

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Mnuchin Says "Too Hard To Tell" If International Travel Will Resume This Year, Encourages US Exploring.

USA Today (5/4, Thompson, Gilbertson, 10.31M) reports Treasury Secretary Steven Mnuchin "encouraged Americans to focus on domestic travel this year as the international travel outlook for the rest of 2020 remains uncertain amid the coronavirus pandemic." On Monday, in response to a question on Fox Business' Mornings With Maria about whether international travel will be opened up this year, Mnuchin responded, "Too hard to tell at this point." Mnuchin then "clarified that there may be some room for limited international travel: 'Obviously, for business people that do need to travel, there will be travel on a limited basis.'"

The Washington Post (5/4, Zapotosky, Iati, Wagner, 14.2M) reports that Mnuchin also "made a pitch for U.S. residents 'to explore America' in the meantime." The Post quotes Mnuchin: "But this is a great time for people to explore America. ... A lot of people haven't seen many parts of America. I wish I could get back on the road soon." The Hill (5/4, Elis, 2.98M), The Daily Beast (5/4, Wilstein, 1.39M), Politico Playbook (5/4, Sherman, Palmer, Ross, Okun, 4.31M), and The Financial Times (5/4, Politi, Badkar, Subscription Publication, 1.34M) also report.

Mnuchin: Trump Seeking "Ways To Stimulate Travel." Reuters (5/4, Heavey) reports Mnuchin "said bipartisan discussions are underway over whether more U.S. government relief funding is needed amid the nation's novel coronavirus outbreak, but that President Donald Trump is focused on taxes and travel." Mnuchin said in the Fox Business interview that the Administration "was prepared to back additional coronavirus stimulus money for American businesses if needed, but that right now it was carefully monitoring the economy as some states restart activity." Mnuchin said, "The President's also looking about ways to stimulate travel. As the economy opens up, I think you'll see demand coming back." The Wall Street Journal (5/4, Hughes, Gershman, Subscription Publication, 7.57M), The Hill (5/4, Gangitano, 2.98M), Financial Times (5/4, Dodd, Subscription Publication, 1.34M), MarketWatch (5/4, Schroeder, 1.67M), The Independent (UK) (5/4, Connolly, 1.36M), Fox Business (5/4, Henney, 1.73M), and New York Magazine's Intelligencer (NY) (5/4, Levitz, 1.1M) also report.

Administration Weighs Steps To Punish Beijing For Pandemic As Trade Issues Loom Large.

The Hill (5/4, Chalfant, Elis, 2.98M) reports the Trump Administration "is weighing steps to punish Beijing" for the COVID-19 outbreak, "including leveling new tariffs on imports from China." Treasury Secretary Steven Mnuchin "threatened harsh retaliation if China pulls back from its promise to buy an additional $50 billion of agricultural products from the United States, a condition it seems unlikely to meet."

However, The Wall Street Journal (5/4, Mauldin, Areddy, Subscription Publication, 7.57M) reports senior Administration officials on Monday signaled that, if Beijing abides by those trade commitments it made earlier this year, the Administration will not endeavor to punish China economically. The Journal says Mnuchin told Fox Business that China failing to stick to the agreement would produce "very significant consequences in the relationship and in the global economy as to how people would do business with them."

Meanwhile, Reuters (5/4, Shalal, Heavey) reports President Trump "plans an executive order soon to address the lack of medical product manufacturing in the United States during the novel coronavirus outbreak, the White House said on Monday." White House trade adviser Peter Navarro "told Fox News in an interview that an order would soon require federal agencies to purchase U.S.-made medical products, saying the novel coronavirus outbreak had exposed the nation's reliance on China." However, that issue "has divided the White House and some of Trump's key advisers, with U.S. Treasury Secretary Steven Mnuchin and White House economic adviser Larry Kudlow pushing back against the proposed order, according to current and former officials."

Treasury Department To Boost US Borrowing By $3 Trillion To Support US Economy Amid Pandemic.

The Washington Post (5/4, Siegel, 14.2M) reports the Treasury Department "plans to borrow $2.99 trillion from April through June to cover the federal government's massive response to the coronavirus pandemic, issuing a tremendous level of debt to try to limit the economic impact on U.S. businesses and workers." The department "said it planned to borrow an additional $677 billion from July through September." Last year, Treasury "borrowed $1.28 trillion over 12 months." In a front-page article, The Wall Street Journal (5/4, Davidson, Subscription Publication, 7.57M) reports the borrowing is needed to address the growing budget deficit amid the coronavirus as economies have shut down and as Congress authorizes trillions in emergency relief funds.

Bloomberg (5/4, McCormick, Mohsin, 4.73M) reports Treasury Secretary Steven Mnuchin "plans to boost U.S. borrowing from April through June by an unprecedented $3 trillion to support an economy entering a recession caused by the coronavirus." The AP (5/4, Crutsinger) reports the amount "is more than five times the government's previous record borrowing for a quarter, $569 billion, set in the depths of the 2008 financial crisis." The Washington Examiner (5/4, Heflin, 448K) reports, "During the first quarter of 2020, Treasury borrowed $477 billion. The increase in borrowing during the second quarter is primarily driven by the effects of the coronavirus outbreak, including the over $3 trillion in new spending that Congress has recently approved and the fact that deadlines for tax receipts have been postponed."

Politico (5/4, Emma, 4.29M), Reuters (5/4, Burns), Fox News (5/4, Phillips, Lawrence, 27.59M), Axios (5/4, Allassan, 521K), The Hill (5/4, Elis, 2.98M), CNBC (5/4, Cox, 3.62M), MarketWatch (5/4, Robb, 1.67M), and NPR (5/4, Horsley, 3.12M), among other outlets, also report.

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Mnuchin Among Officials Schumer Says Senate "Needs To Hear From."

Fox News (5/4, DeMarche, 27.59M) reports Senate Minority Leader Charles Schumer (D-NY) "said in an interview Monday that there is a chance the nation's top disease doctor, Anthony Fauci, will testify in the Senate next week despite the White House's decision last week to prevent the coronavirus taskforce member from testifying before a House subcommittee." Schumer "tweeted that the 'Senate needs to hear from Dr. Fauci, Dr. Brix, Sec. Mnuchin. We need to know why so many small businesses have had trouble getting loans. We need to know why unemployment insurance checks are failing to get to workers. We need to know we still don't have enough tests!'"

The Hill (5/4, Bolton, 2.98M) reports that on Monday, the Trump Administration "issued new guidelines for coronavirus task force members barring them from accepting invitations to appear before congressional panels this month unless [White House Chief of Staff Mark] Meadows grants permission."

Committee Leaders Write Mnuchin Urging Administration To Reverse IRS Tax Credit Decision.

The Wall Street Journal (5/4, Rubin, Subscription Publication, 7.57M) reports in a letter sent to Treasury Secretary Steven Mnuchin on Monday, Senate Finance Committee and House Ways and Means Committee leaders Sen. Chuck Grassley (R-IA), Sen. Ron Wyden (D-OR) and Rep. Richard Neal (D-MA) urged the Administration to reverse a decision the IRS made last week that would make employers who are providing employees health benefits without paying wages ineligible for the employee retention tax credit.

Senate Democrats Set To Challenge COVID-19 Bailout Watchdog Nominee.

Bloomberg (5/5, Mohsin, Davison, 4.73M) reports Senate Democrats "are ready to challenge a vow of 'fairness and impartiality' by Brian Miller, President Donald Trump's nominee to oversee trillions of dollars being spent in the effort to rescue the economy from the coronavirus pandemic." Miller, in remarks released ahead of his scheduled Tuesday appearance before the Senate Banking Committee, said, "I will be vigilant to protect the integrity and independence of the Office of Special Inspector General" and will work "to uncover fraud, waste and abuse." The committee is set to weigh Miller's nomination as Special Inspector General for Pandemic Recovery (SIGPR), which "will operate inside of the Treasury to oversee Secretary Steven Mnuchin's work, with an operating budget of about $25 million over five years, and is supposed to submit quarterly reports to Congress." Miller "said he has 'close to 30 years of experience in the federal government,' and supporters have emphasized his roles as a watchdog under presidents of both parties, probing health-care fraud for the Justice Department and monitoring spending at the General Services Administration." However, "Democrats on the Republican-led committee are expected to question his independence in light of his current post – as a White House lawyer who participated in Trump's impeachment defense."

Biden Campaign Aims To Tout His Role In Implementing 2009 Stimulus.

The New York Times (5/4, Thrush, 18.61M) reports that "during a private lunch in February 2009," then-Vice President Joe Biden asked President Obama to let him head up "the implementation of the $787 billion economic stimulus that had been rammed through Congress a few days earlier in the depths of recession," and Obama consented. The Times says Biden's "work on the rollout, implementation, oversight and selling of the 2009 stimulus – officially the American Recovery and Reinvestment Act – was the most sustained, and perhaps the most significant, assignment of his time in office." Now, amid "an election season defined by pandemic, economic collapse and a far-larger relief package, Mr. Biden's campaign is hoping to leverage his stewardship of the 2009 stimulus as a point of contrast with President Trump," who has "not embraced oversight as Mr. Obama did, nor has he deployed Vice President Mike Pence in the Biden watchdog role, leaving the task to various administration officials, like Treasury Secretary Steven Mnuchin."

Tribes Have Yet To Receive $8B In COVID-19 Relief.

The AP (5/4) reports the Treasury Department "has not sent any payments to tribal governments from a coronavirus relief package approved in late March." Treasury "said it has not determined how to allocate $8 billion in funding that was set aside for tribes. It said it would post details on its website, but nothing appeared as of Monday." The department "was named as a defendant in a federal lawsuit brought by tribes that sought to keep the money out of the hands of Alaska Native corporations. U.S. District Court Judge Amit Mehta in Washington, D.C., agreed last week to limit funding to the country's 574 federally recognized tribes while he settles the larger question of eligibility."

Law360 (5/4, Subscription Publication, 8K) reports Treasury Secretary Steven Mnuchin "must immediately disperse $8 billion in coronavirus relief funding promised to tribes or risk imposing irreparable harm, eight tribes said in papers submitted in D.C. federal court." Mnuchin "has already missed Congress' April 26 deadline to disperse the funds, according to the tribes, in violation of the Administrative Procedure Act." The tribes said Sunday that "many tribal members and non-members alike rely on tribal enterprises for employment and health insurance" and thus meet the threshold for irreparable harm needed for a preliminary injunction, followed by a temporary restraining order.

Treasury Says California First State To Borrow Federal Funds To Cover Unemployment Benefits.

The Wall Street Journal (5/4, Chaney, Subscription Publication, 7.57M) reports California has become the first state to borrow federal funds to continue payment of unemployment benefits. The state borrowed $348 million after receiving approval to tap up to $10 billion for unemployment claims through the end of July, the Treasury Department said Monday. Fox News (5/4, O'Reilly, 27.59M) also reports.

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China Pushes Back Against US Claims Coronavirus Originated In Wuhan Lab.

A day after the Administration said the coronavirus originated in a laboratory in Wuhan, CNN (5/4, Gan, 83.16M) reports on its website that "a nationalist tabloid controlled by the Chinese Communist Party has dismissed" the claims, "as the war of words over the pandemic escalates between Washington and Beijing." On Sunday, Secretary of State Pompeo said there was "enormous evidence" COVID-19 originated in a Wuhan lab. Responding to Pompeo's comments, China's state-owned Global Times newspaper said in an editorial Monday that Pompeo had "stunned the world with groundless accusations." It said, "Since Pompeo said his claims are supported by 'enormous evidence,' then he should present this so-called evidence to the world, and especially to the American public who he continually tries to fool." Breitbart (5/4, Hayward, 673K) also reports on the Global Times editorial, while the Wall Street Journal (5/4, Areddy, Subscription Publication, 7.57M) reports the official Xinhua on Monday similarly accused Pompeo of speaking "nonsense" and telling "lies," while a news reader on China Central Television called Pompeo "evil" and said he was "spitting poison."

Regarding the President's comments Sunday that he too had seen evidence, "two White House officials" told NBC News (5/4, Dilanian, Kube, Lee, 6.14M) "that by saying he'd seen convincing evidence, Trump wasn't saying he'd seen an intelligence assessment." Yahoo! News (5/4, Winter, Weinberger, 12.82M), however, reports that "amid a concerted push to blame China for the coronavirus pandemic, the Trump administration has issued an intelligence analysis claiming China purposely delayed notifying the World Health Organization about the spread of the contagion in order to stockpile medical equipment, according to two recent government documents obtained by Yahoo News." The analysis, "which some former officials and experts are questioning based on its limited methodology, relies exclusively on trade data to draw its conclusions."

ABC World News Tonight (5/4, story 2, 2:45, Muir, 9.79M) reported the President "is sharpening his criticism of China tonight, after a US intelligence report found China hid the severity of the outbreak and then hoarded vital medical supplies." ABC's Jonathan Karl added, "To President Trump, there is no doubt who is to blame for the coronavirus pandemic." Trump: "It came from China. It should have been stopped. It could have been stopped on the spot. They chose not to do it, or something happened. Either there was incompetence, or they didn't do it for some reason. And we're going to have to find out what that reason was." Karl: "The US is accusing China of covering up how devastating the virus was when it first hit. A report by the US Department of Homeland Security obtained by ABC News concludes, 'The Chinese government intentionally concealed the severity of the COVID-19 from the international community in early January while it stockpiled medical supplies.'"

The CBS Evening News (5/4, story 2, 2:25, O'Donnell, 5.55M) likewise reported on what it called a "startling new report" from the Department of Homeland Security that "says the Chinese government intentionally concealed the severity of COVID-19 from the international community in early January while it stockpiled medical supplies, such as face masks, surgical gowns, and gloves."

Appearing on Fox News (5/4, 896K), Director of Trade and Manufacturing Policy Navarro made similar claims, saying, "I think that what's important for the American people to understand very clearly is that China lied, people died. ... That's absolutely correct and there is this bigger issue that China spawned the virus and they had the virus for about six weeks, which allowed that virus to escape Wuhan and infect the world. And then during that time, China hoarded an enormous amount of personal protective gear. They essentially went around the world vacuuming up over two billion masks."

Politico (5/4, Forgey, 4.29M), meanwhile, reports that Deputy National Security Adviser Matt Pottinger on Monday "insisted...the United States is not considering 'punitive measures' against China over its handling of the coronavirus pandemic." Said Pottinger, "The US isn't looking at punitive measures here. What President Trump is looking at doing is continuing with the policy that he ran on, the policy that he's implemented – which is to have a reciprocal and fair relationship with China. ... Not one in which the US allows ourselves to be taken advantage of in the hope that somehow China will just automatically liberalize."

The Washington Times (5/4, Gertz, 492K) reports Pottinger also hailed the "Chinese doctors who sounded the alarm over the government cover-up" of the disease as "heroes of democracy." Pottinger "said several doctors including Li Wenliang were persecuted by Chinese authorities for seeking to alert people."

Politico (5/4, Wertime, 4.29M) says that to the Chinese government "the audience at home is the one that really matters, and among that vast cohort, the verdict is unsparing: China has outperformed, while America has disastrously faltered." Politico adds that "it's a sentiment shared by even educated, internationalized Chinese observers – the very group once inclined to look to America as an exemplar." Reuters (5/4, Hirschberg), meanwhile, says "an internal Chinese report warns that Beijing faces a rising wave of hostility in the wake of the coronavirus outbreak that could tip relations with the United States into confrontation." The report, "presented early last month by the Ministry of State Security to top Beijing leaders including President Xi Jinping, concluded that global anti-China sentiment is at its highest since the 1989 Tiananmen Square crackdown."

Fauci: Evidence Against Artificial Or Deliberate Creation Of Virus. In an interview with National Geographic (5/4, Akpan, Jaggard, 30.44M), NIAID Director Fauci said, "If you look at the evolution of the virus in bats and what's out there now, the scientific evidence is very, very strongly leaning toward this could not have been artificially or deliberately manipulated. ... Everything about the stepwise evolution over time strongly indicates that [this virus] evolved in nature and then jumped species."

WHO Has Not Received Any Evidence From US On Wuhan Lab. The AP (5/4, Keaten) reports the World Health Organization's "emergencies chief said Monday that it has received no evidence from the US government to back up allegations" by Trump and Pompeo that

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the coronavirus could have originated at a Wuhan lab. Michael Ryan told reporters in Geneva, "From our perspective, this remains speculative. We have not received any data or specific evidence from the US government relating to the purported origin of the virus." He added that WHO would be "very willing" to receive any such information the US has.

The New York Post (5/4, Salo, 4.57M), meanwhile, reports Maria Van Kerkhove, WHO's "technical lead on COVID-19, said all evidence suggests that the virus originated in bats – but the organization still doesn't know how it jumped to humans before spreading around the world."

NYTimes Report: China Suppressing Efforts To Hold Wuhan Officials Accountable. The New York Times (5/4, Wang, Qin, Wee, 18.61M) reports that "Chinese authorities are clamping down as grieving relatives, along with activists, press the ruling Communist Party for an accounting of what went wrong in Wuhan, the city where the coronavirus killed thousands before spreading to the rest of China and the world." According to the Times, "Lawyers have been warned not to file suit against the government. The police have interrogated bereaved family members who connected with others like them online." The Times adds that "volunteers who tried to thwart the state's censorship apparatus by preserving reports about the outbreak have disappeared."

Trump: Media "Trying To Protect China." The President tweeted last evening, "MSDNC and FAKE NEWS CNN are going wild trying to protect China!"

The Federalist (5/4, Clark, 126K), meanwhile, reports that "corporate media outlets are parroting the authoritarian government's propaganda, even in the midst of an outbreak the CCP [China's Communist Party] worsened through a cover-up. Many of those media outlets have financial ties to Chinese companies with intense oversight from the CCP." For example, it notes Mexican billionaire Carlos Slim, who owns 17.4 percent of The New York Times, has close ties to China, where his Giant Motors has a joint venture with China's JAC Motors.

US "Turbocharging" Initiative To Remove Global Industrial Supply Chains From China. Reuters (5/4, Pamuk, Shalal) reports the Administration "is 'turbocharging' an initiative to remove global industrial supply chains from China as it weighs new tariffs to punish Beijing for its handling of the coronavirus outbreak, according to officials familiar with U.S. planning." Specifically, the coronavirus pandemic is "driving a government-wide push to move U.S. production and supply chain dependency away from China, even if it goes to other more friendly nations instead, current and former senior U.S. administration officials said."

Former Assistant Secretary of State Roger F. Noriega writes in the Washington Examiner (5/4, 448K) that "for the first time since China launched its economic outreach in the Americas 20 years ago, the COVID-19 pandemic has compelled the United States to work with hemispheric neighbors to reduce their dependence on Beijing." Noriega argues that "the Inter-American Development Bank should convene a virtual summit to challenge private sector leaders and policy makers to bolster supply chains and economic ties in the Americas."

Four Chinese Companies Testing COVID-19 Vaccines. The New York Times (5/4, Wee, 18.61M) reports China "wants to beat the world in the race to find a coronavirus vaccine – and, by some measures, it is doing just that." According to the Times, "Desperate to protect its people and to deflect growing international criticism of how it handled the outbreak, it has slashed red tape and offered resources to drug companies." As a result, the "four Chinese companies have started testing their vaccine candidates on humans, more than the United States and Britain combined."

Esper: China Continuing Provocations In South China Sea. The Washington Times (5/4, Glenn, 492K) reports that "about a week after Chinese officials claimed they expelled an American Navy destroyer from disputed waters in the South China Sea," the Pentagon is continuing to track "very aggressive" behavior from naval and air units of the People's Liberation Army. During an online discussion sponsored by the Brookings Institution, Defense Secretary Esper on Monday said Beijing is "claiming territory or space that simply is not theirs." Esper added, "We are continuing to watch closely what the Chinese are doing."

Banks To Introduce Bill To Stop China's "Predatory" Acquisitions Of US Companies. Breitbart (5/4, Wong, 673K) reports Rep. Jim Banks (R-IN) will introduce a bill on Tuesday "to prevent the Chinese government from making 'predatory' investments in American companies during the coronavirus pandemic." In a statement, Banks said, "Our job is to ensure the Chinese Communist Party doesn't profit off a pandemic of their own making. President Trump won an election vowing to stop China from taking advantage of Americans. I am glad to be working with him now to stop Chinese predation."

House GOP Seek Information On Chinese Ties To US Universities. Reuters (5/4, Zengerle) reports that a group of House Republicans "released a letter on Monday charging China with seeking to indoctrinate American students, the latest anti-China statement from congressional allies" of President Trump. The "ranking Republicans on seven House committees" sent a letter to Education Secretary DeVos "asking for information and accusing China of providing funds to US universities in an effort to spread Communist party propaganda and restrict research into COVID-19."

The Hill (5/4, Miller, 2.98M) quotes the letter as saying, "We write to seek a better understanding of the Department's efforts to address unreported foreign direct investment into the US higher education system. This joint inquiry is in furtherance of Congressional Republican's efforts to investigate the Chinese government's propaganda and cover-up campaign surrounding this pandemic."

The Washington Times (5/4, Mordock, 492K) reports the Republican lawmakers "said that not only does China's investments make US universities more vulnerable to intellectual property theft, but it also creates a national security threat because they want to steal US military secrets and technology."

Chinese Sending Uighur Detainees To Other Regions To Work. The Washington Examiner (5/4, Gehrke, 448K) reports that "Uighur Muslims held in Chinese Communist detention camps are being sent around the country to fill labor shortages, according to activists and local reports." Chinese officials are now "jump-starting a plan to distribute camp 'graduates' throughout the country, according to local

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media, pursuant to a policy adopted last year that was delayed" by the emergence of the coronavirus. World Uighur Congress President Dolkun Isa told the Examiner, "It's modern-day slavery. They don't have free movement. And this is another type of the camps."

Wall Street Closes Higher. Reuters (5/4, Krauskopf) reports US stocks "ended higher on Monday as gains in large tech and Internet companies and rising oil prices outweighed concerns sparked by fresh US-China tensions and downbeat sentiment from the annual meeting of Warren Buffett's Berkshire Hathaway." The Dow Jones Industrial Average "rose 26.07 points, or 0.11%, to 23,749.76, the S&P 500 gained 12.03 points, or 0.42%, to 2,842.74 and the Nasdaq Composite added 105.77 points, or 1.23%, to 8,710.72."

Reuters (5/4, Ahmed, Joyner) reports separately that investors are "treating the U.S. equity market's blistering rally with a dose of caution, socking away cash, staying on the sidelines or buying insurance against a reversal even as markets scream higher in the midst of the coronavirus pandemic."

Liability Shield Seen As Next Coronavirus Assistance Dispute.

The Wall Street Journal (5/4, A1, Hughes, Gershman, Subscription Publication, 7.57M) reports on its front page that efforts by Senate Republicans to shield companies from liability during the coronavirus pandemic foreshadow a showdown with Democratic lawmakers as representatives of businesses and labor dispute terms under which the economy will open up. Senate Majority Leader McConnell has called liability protections a necessary item for Republicans, vowing not to support Democratic proposals for further state and local aid without it.

USDA To Purchase $470M Of Dairy, Produce, Seafood To Combat Supply Chain Disruption.

Politico (5/4, Evich, 4.29M) reports the USDA "said Monday that it will spend $470 million to buy more surplus food amid the widespread disruption to the food supply as a result of the coronavirus." The purchases will "target fruits and vegetables, meat, dairy and seafood – which have seen their markets turned upside down as restaurants and other food service businesses have closed." A "large portion" of the funds will be used to purchase "surplus dairy ($120 million), followed by potatoes and turkey products ($50 million each) and strawberries ($35 million)."

O'Rourke, Iowans Say SNAP, Not USDA Program, Best Food Fix. In a New York Times (5/4, 18.61M) op-ed, ex-Rep. Beto O'Rourke (D-TX), Robert Leonard of Iowa radio stations KNIA and KRLS, and Iowa farmer Matt Russell write that the USDA's Coronavirus Food Assistance Program "isn't smart food policy." It is a "solution driven by ideology rather than practicality. ... Food banks aren't up to feeding tens of millions of hungry Americans indefinitely. We already have an amazingly efficient and effective program to do this. The Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps, empowers Americans in literally hours and days to go to their local grocery store and get the food they need."

Costco Latest Chain To Limit Fresh Meat Purchases Amid Supply Shortages.

NBC Nightly News (5/4, story 4, 2:00, Holt, 7.62M) reported, "With the virus forcing some big meat processing plants to shut down, the ripple effect is growing, with major grocery chains now limiting how much meat shoppers can buy." NBC's Gabe Gutierrez: "With more and more empty shelves, Kroger now says it will limit ground beef and poultry purchases in some of its stores, and Costco is restricting fresh beef, pork, and poultry items to three per customer."

Reuters (5/4) reports Costco said Monday it is limiting the number of meat products customers can buy as stores prepare for "massive shortages of meat supplies following coronavirus-induced supply disruptions." Costco is "temporarily limit fresh beef, pork and poultry purchases to a total of 3 items per Costco member." USA Today (5/4, Murphy, 10.31M) reports, "Other grocers have adopted similar limits on meat purchases. Grocery giant Kroger said it has purchase limits on ground beef and fresh pork, while New York-based supermarket chain Wegmans has set limits on family packs of boneless, skinless chicken breasts and 80% Ground Beef."

Matt Gutman reported on ABC World News Tonight (5/4, story 5, 1:20, Muir, 9.79M), "Demand for meat [is] up an estimated 40 percent, while production of beef and pork is down at least 25 percent. ... The result: Wholesale meat prices are up 60 percent. Beef prices [are] the highest in decades, according to industry insiders. And that's precisely what supermarkets hope the rationing will avoid."

Tyson Foods Says Pork Processing Capacity Has Dropped 50%. The Washington Post (5/4, Reiley, 14.2M) reports that on Monday, Tyson Foods said US hog processing capacity "had dropped by 50 percent." The Post adds, "The company has been severely affected," as three of its "six main U.S. processing facilities remain closed, and three others are operating at reduced capacity, the company said."

Shopping Looks "Very Different" As Some Malls And Stores Reopen.

Blayne Alexander reported on NBC Nightly News (5/4, story 3, 1:55, Holt, 7.62M), "As states and stores start to reopen, things are looking very different. At malls, masks, blocked-off areas, and arrows taped to the ground are now the norm, trying to strike that balance between the safety of Americans and the health of the economy. ... [And] open malls do not mean open stores." At two shopping centers near Atlanta, "only a handful of stores were open."

J.Crew First Major Retailer To File For Bankruptcy Amid Pandemic.

The Wall Street Journal (5/4, Mou, Subscription Publication, 7.57M) reports J.Crew Group has become the first major retail chain to seek Chapter 11 bankruptcy protection directly linked to the coronavirus pandemic downturn. J.Crew closed about 500 stores in March and has

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said it expects to lose $900 million in sales as a result of the pandemic.

More Retailer Bankruptcies May Follow. Jericka Duncan reported on the CBS Evening News (5/4, story 5, 1:55, O'Donnell, 5.4M), "Many of the nation's giant retailers like J.Crew are crumbling under the weight of the pandemic. Neiman Marcus, Lord & Taylor, JCPenney, and others are reportedly in talks to file for bankruptcy."

Victoria's Secret Sale To Sycamore Partners Called Off. The New York Times (5/4, Maheshwari, 18.61M) reports a plan to sell Victoria's Secret to private equity firm Sycamore Partners, "was mutually terminated" on Monday after the buyer "tried to back out of the deal because it said it did not agree with steps the lingerie brand took in response to the coronavirus pandemic." Victoria's Secret owner L Brands had originally agreed to sell a majority of Victoria's Secret for about $525 million.

Amazon Web Services VP Resigns In Protest Over Employee Firings.

The New York Times (5/4, Zaveri, 18.61M) reports, "A prominent engineer and vice president of Amazon's cloud computing arm said on Monday that he had quit 'in dismay' over the recent firings of workers who had raised questions about workplace safety" during the coronavirus pandemic. Tim Bray "wrote in a blog post that his last day at the company was on Friday. He criticized a number of recent firings by Amazon," including that of warehouse employee Christian Smalls, "who had led a protest in March calling for the company to provide workers with more protections."

United Airlines Will Eliminate More Than 3,400 Management And Administrative Jobs.

The Chicago Tribune (5/4, Zumbach, 2.65M) reports United Airlines "plans to eliminate more than 3,400 management and administrative positions Oct. 1 as the airline reels from the coronavirus pandemic. ... The cuts represent 30% of United's roughly 11,500 management and administrative employees."

Carnival To Restart Some US-Departing Cruises On August 1.

Axios (5/4, Fernandez, 521K) reports Carnival announced Monday that it will restart some cruises departing from the US on August 1. Axios says "cruise ships, including some under Carnival's Princess brand, became hot beds for coronavirus infections earlier this year, resulting in thousands of infections and dozens of deaths around the world." The CBS Evening News (5/4, lead story, 4:30, O'Donnell, 5.4M) briefly reported in its lead story on the plan.

Russia Cuts Siberian Oil Production Despite Previously Saying It Was Impossible.

The New York Times (5/4, Kramer, 18.61M) says that "for most of the post-Soviet period, energy officials in Russia have resisted OPEC entreaties to participate in production cuts to help prop up oil prices, arguing that doing so was impossible because of the country's cold climate." However, "this week, confronted by a gusher of unsaleable oil and no place to put it, Russian energy executives unveiled plans to reduce production by a fifth by shutting down wells, many of them in the Arctic." Oil analysts "have called the cold weather claim one of the global oil industry's biggest geopolitical bluffs, one which Russian officials carried off with a straight face for decades to deflect OPEC demands for help with prices."

Trump Says Administration Is Getting "Great Reviews" For Pandemic Response.

President Trump tweeted Monday morning, "Getting great reviews, finally, for how well we are handling the pandemic, especially our strong production of desperately needed ventilators, the building of field hospitals & beds, and soon, the great things we are doing on testing. People are really working well together!"

Trump Sees "A Great Optimism" In The Country. The New York Post (5/4, Nelson, Bowden, 4.57M) reports that during an Oval Office interview Monday, Trump said "there's a great optimism" in America and he "predicted a strong economic rebound from the coronavirus crisis during the fourth quarter of 2020." Trump said Americans are "starting to feel good now. The country's opening again. We saved millions of lives, I think. ... You have to be careful, but you have to get back to work. ... People want the country open... I guess we have 38 states that are either opening or are very close." The Post adds that Trump "also foresaw a dramatic rise in economic indicators by the end of year." He said, "We'll open it up and I think your fourth quarter is going to be very good. ... We did the right thing and now we're bringing the country back. And I think there's a great optimism. I don't know if you see it, but I think there's a great optimism now."

The Washington Times (5/4, Boyer, 492K) reports that Trump's campaign "has launched a new seven-figure ad called 'American Comeback,' telling viewers that Mr. Trump built a strong economy and that his leadership will help to build it again."

Trump Cheers Governors Moving To Reopen Their States. The Washington Post (5/4, Olorunnipa, Witte, Bernstein, 14.2M) reports that while some states "are moving swiftly to reopen their economies despite failing to achieve benchmarks laid out by the White House," their "biggest cheerleader is President Trump." States such as Texas, Indiana, Colorado and Florida "have pushed forward with relaxing social distancing guidelines even as the number of people testing positive in many states has increased in recent weeks and testing continues to lag." Although "White House recommendations released last month encouraged states to wait to see a decline in cases over a two-week period as well as having robust testing in place for front-line workers before entering 'Phase One' of a gradual comeback," Trump "and some of his aides have backed away from their own guidelines, opting instead to hail the broad economic reopening that health experts

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say has started too quickly."

Politico (5/4, Cook, Goldberg, Cancryn, 4.29M) says the White House "has tried to distance itself from governors' actions by insisting its reopening guidelines are merely suggestions, not the rule of law." Politico adds that Trump "is latching himself onto the message that America is ready to reopen." He "has pivoted his attention squarely to the U.S. economy, even as he revised upward his own expectations for the death toll" caused by COVID-19.

Trump Hits Congress For Rejecting Offer Of Coronavirus Tests.

The New York Post (5/4, Moore, 4.57M) reports that in a tweet Monday, President Trump "lambasted Congress after congressional leaders rebuffed his offer to provide coronavirus tests so they could return to Capitol Hill." Trump wrote, "Interesting? By Congress not wanting the special 5 minute testing apparatus, they are saying that they are not 'essential'. In any event, we have great testing capacity, and have performed 6.5 million tests, which is more than every country in the world, combined!" Trump's tweet came after Senate Majority Leader McConnell and House Speaker Pelosi "turned down the Trump administration's plan to make three rapid-result testing machines available to the lawmakers." In a joint letter Saturday, they wrote, "Congress is grateful for the Administration's generous offer. ... Congress wants to keep directing resources to the front-line facilities where they can do the most good the most quickly."

Pelosi said on CNN's Situation Room (5/4, 2.02M), "The fact is we have said that the tests should go to those on the front line who have direct communication, contending with this. Our Capitol physician has said we don't need to have them in terms of the exposure that we have. The testing organization said to us, you are not next. We can bump you in line and push other people out of the way, but you are not next in terms of essential workers. ... I don't know there is one member of Congress who says i want to have a test before my constituent who really needs one gets one."

Politico (5/4, Forgey, 4.29M) reports that House Minority Leader McCarthy said Monday that he disagreed with the decision. McCarthy said, "I do believe it would be critical to have the testing here because there will be a flare-up. Remember how many people from other parts of the country come to this location." On the other hand, Senate Minority Leader Schumer, "who has castigated McConnell for bringing back the Senate without a more clear focus on the coronavirus, said he agreed with the decision."

Trump Optimistic Coronavirus Vaccine Will Be Developed Soon.

ABC World News Tonight (5/4, story 3, 2:35, Muir, 9.79M) reported on an "intensifying" race to find a coronavirus vaccine. Officials in Washington State "say they're going at record speed using a new process in the first of only two trials in the US." In England, "Oxford's trial is showing the most promise. Researchers say it works on monkeys, and they could get first results in humans by mid-June." ABC added that President Trump is "optimistic about rolling out a vaccine soon." But the CBS Evening News (5/4, story 4, 1:45, O'Donnell, 5.55M) reported that while Trump "says the US should have a vaccine available by the end of the year...they often take many years to develop." CBS added that currently, "there are around 100 competitors, and tests on humans are already under way in the US, China, the United Kingdom, and Germany."

Anyone Who May Come In Contact With Trump In Arizona Will Be Tested For COVID-19.

USA Today (5/4, Jackson, 10.31M) reports Administration officials said Monday that "anyone who might come into contact" with the President during his visit to Arizona Tuesday will be tested for COVID-19. White House spokesman Judd Deere said, "Those who will be in close proximity to the President will be tested for COVID-19." Trump will visit a Honeywell aerospace plant in Phoenix that manufactures protective masks, USA Today says security plans for the visit "mimic policy at the White House. Visitors expected to meet with" the President and Vice President Pence "are given tests designed to detect coronavirus." The tests "are ongoing so that results will be available before he lands in Phoenix mid-day Tuesday."

Pence's Handling Of Coronavirus Response Draws Praise From Governors Of Both Parties.

Breitbart (5/4, Boyle, 673K) cites "White house advisers" who say Vice President Pence's "close personal relationship with governors of both parties has been a key to the federal response to the coronavirus pandemic." Pence "has used his experience as a governor to build upon relationships with governors in fighting the coronavirus as the chairman of the White House Coronavirus Task Force. He has regular calls with governors...where he and the president address whatever their needs are – from testing to ventilators to personal protective equipment to anything else that may come up." Breitbart adds, "Governors in both parties, Democrat and Republican, have praised Pence for his handling of the response."

Navarro: "Lockdown Indirectly Kills Americans."

Appearing on Fox News (5/4, 896K), Director of Trade and Manufacturing Policy Navarro, who has been coordinating White House efforts to ensure there is adequate medical supplies in the US, said, "The original death estimate was about two million Americans dying in the absence of any kind of mitigation or containment, and the President took the very tough choice of entering into a mitigation phase in a containment phase. ... The estimates would basically take that down to 100 to 200,000 deaths. And that is a number that is still out there. We know what the numbers are today. We are just moving through time trying to simultaneously protect the American people from the effects of

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the China virus, killing them directly. But it's also through the lockdown indirectly kills Americans through the economic effects, with a higher suicide rate, depression, alcoholism, drug addiction, and all that. So what the President has been trying to do is thread that needle."

In an editorial, the Wall Street Journal (5/4, Subscription Publication, 7.57M) cites a paper from the National Bureau of Economic Research which concludes that targeted lockdowns to protect the most vulnerable, combined with policies such as social distancing, will reduce the death rate by more than universal lockdowns, and would cause less economic harm.

WPost Analysis: US Healthcare Industry Has Been Crushed By Lockdown. The Washington Post (5/4, Frankel, Romm, 14.2M) reports that even as the COVID-19 pandemic "draws attention and resources to the nation's doctors and hospitals, the health-care industry is suffering a historic collapse in business that is emerging as one of the most powerful forces hurting the U.S. economy and a threat to a potential recovery." According to the Post, "health care spending declined at an annualized rate of 18 percent in the first three months of the year, according to Commerce Department released last week, the largest reduction since the government started keeping records in 1959," which, in turn, "proved the biggest factor in driving the annualized 4.8 decline in first-quarter gross domestic product." The Post says that "more than 200 hospitals...have furloughed workers."

Interior Secretary Granted Permission For Trump Fox News Lincoln Memorial Event.

The New York Times (5/4, Rogers, 18.61M) reports that when President Trump appeared at the Lincoln Memorial on Sunday for "a coronavirus-focused virtual 'town hall,' it was because a directive issued" by Interior Secretary Bernhardt has permitted it. While Trump "and many other presidents have hosted inauguration concerts and gatherings on the memorial's steps, any event meant to draw an audience inside the interior...is prohibited. ... When asked to comment on the specifics of the decision to host the event at the memorial, a White House official called it at a 'joint decision' with Fox News, though three people involved in the planning said the decision had been made by the White House."

Coronavirus Task Force Members Prohibited From Testifying Before Congress This Month.

The Hill (5/4, Brufke, 2.98M) reports that a new guidance issued by the Administration on Monday prohibits members of the White House White House coronavirus task force members from testifying before Congress this month. The guidance instructs members of the task force and key deputies "not to accept invitations to participate in congressional hearings in May, while other agencies responding to the pandemic are being advised to limit the number of hearings they attend." According to Administration officials, "the coronavirus task force and the primary agencies responding to the pandemic need to focus their attention and resources on response efforts, and that having them testify could use up critical hours."

House Speaker Pelosi said on CNN's Situation Room (5/4, 2.17M) , "I was hoping they would spend more time on the crisis instead of those daily shows that the President put on. But the fact is that we need to allocate resources for this. In order to that, any appropriations bill must begin in the House and we have to have the information to act upon. So, the fact that they say we are too busy being on TV to come to the Capitol is business as usual for them." Pelosi added, "It's interesting, they said we are not going to the House, but [NIAID Director] Fauci can go to the Senate. I guess [Chief of Staff] Meadows, being until a week or so ago a member of the House of Representatives, knows that we will be very strictly insisting on the truth and they might be afraid of truth."

FDA Increases Oversight Of Coronavirus Antibody Tests.

On NBC Nightly News (5/4, story 7, 2:20, Holt, 7.62M), Stephanie Gosk reported that the FDA on Monday "put the brakes on antibody tests." In recent weeks, some 200 such tests have hit the market, but the agency now "says guard rails are needed." the FDA wrote, in part, "We unfortunately see unscrupulous actors marketing fraudulent test kits to take advantage of Americans." The AP (5/4, Perrone) says "companies will now have to show their tests work or risk having them pulled from the market." CNBC (5/4, Lovelace, Feuer, 3.62M) reports on its website that the FDA is "ordering manufacturers to submit emergency use authorization forms and data proving the tests work within 10 days or face possible removal." Currently, "12 antibody tests have been authorized by the FDA for emergency use, and more than 250 tests are currently the subject of a pre-EUA."

The New York Times (5/4, Kaplan, 18.61M) says the FDA acted in the wake of "a report by more than 50 scientists, which found that only three out of 14 antibody tests gave consistently reliable results, and even the best had flaws." An evaluation by NIH, "working with other federal health agencies, has also found 'a concerning number' of commercial tests that are performing poorly." According to the Times, the FDA, "has also been under fire from several members of Congress, with numerous lawmakers raising questions about the validity of some of the tests."

Politico (5/4, Lim, 4.29M) reports that the FDA's announcement follows a congressional investigation launched by Rep. Raja Krishnamoorthi (D-IL), Chairman of the House Oversight Economic and Consumer Policy Subcommittee. Politico says "the FDA's former policy allowed companies to validate their own tests and bring them to market without an agency review, if they included a disclaimer with test results." However, "a senior FDA official told Politico the policy change was not a direct result of pressure from Congress." The official "said that having a dozen authorized tests on the market was a natural inflection point to reevaluate the agency's approach to oversight."

The Washington Post (5/4, McGinley, 14.2M) reports that "many scientists say that even for good tests evidence is lacking that the tests can prove someone has immunity from the coronavirus or for how long." FDA Commissioner Hahn on Monday "emphasized those uncertainties" in a call with reporters. The Wall Street Journal (5/4, Burton, Subscription Publication, 7.57M) provides similar coverage.

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Roche Antibody Test Is More Than 99% Accurate. The CBS Evening News (5/4, story 3, 2:00, O'Donnell, 5.55M) reported that an FDA-approved antibody test from Roche "uses blood drawn from a vein rather than from a finger public as others do. The greater amount of blood helps make the test more than 99 percent accurate." ABC World News Tonight (5/4, story 3, 2:35, Muir, 9.79M) called the Roche test "a potential breakthrough."

White House Distances Itself From Forecast Of 3,000 Coronavirus Deaths A Day By June.

The New York Times (5/4, 18.61M) reports that the Administration "is privately projecting a steady rise in the number of coronavirus cases and deaths over the next several weeks. The daily death toll will reach about 3,000 on June 1, according to an internal document obtained by The New York Times, nearly double the current number of about 1,750. The projections, based on government modeling pulled together in chart form by the Federal Emergency Management Agency, forecast about 200,000 new cases each day by the end of the month, up from about 25,000 cases a day currently."

On its website, CNBC (5/4, Breuninger, Mangan, 3.62M) says the document's "sobering projections come as President Donald Trump has pushed to start reopening the country, and expressed support for protesters against state restrictions on businesses and social gatherings in the face of the coronavirus outbreak," while Politico (5/4, Oprysko, 4.29M) calls the modeling "alarming" and says it "underscores fears that moving too fast to relax strict social distancing restrictions could fuel a dangerous second wave of infections."

The New York Times (5/4, Stolberg, Sullivan, 18.61M) reports, "Public health experts and epidemiologists say they were not surprised by the administration's numbers. Many do not expect the virus to slow down until 60 to 70 percent of the population is infected, creating what experts call 'herd immunity.'"

NBC Nightly News (5/4, lead story, 2:35, Holt, 7.62M) led its broadcast with coverage of the new projections, which it described as "a stunning and brutal reality check." NBC's Peter Alexander said that "sobering new projection inside a draft government report from the Trump Administration" comes as "more states [are] starting to ease restrictions and reopen their economies." However, NBC also reported that "the White House and the CDC are disavowing the draft document."

Likewise, the Washington Examiner (5/4, Crilly, 448K) says the White House "distanced itself" from the "bleak administration forecast." White House Deputy Press Secretary Judd Deere "said the data did not reflect the models analyzed by the president's team." Deere said, "This is not a White House document nor has it been presented to the coronavirus task force or gone through interagency vetting. ... This data is not reflective of any of the modeling done by the task force or data that the task force has analyzed. The President's phased guidelines to open up America again are a scientific-driven approach that the top health and infectious disease experts in the federal government agreed with." The Washington Post (5/4, Wan, Bernstein, McGinley, Dawsey, 14.2M) says both the White House and the CDC "disavowed the report, although the slides carry the CDC's logo." The Hill (5/4, Samuels, 2.98M) provides similar coverage.

But Tom Llamas said in the lead story for ABC World News Tonight (5/4, lead story, 5:55, Muir, 9.45M) that the President is "now acknowledging the death toll could climb to 100,000." Trump: "We're going to lose anywhere from 75, 80 to 100,000 people. That's a horrible thing."

Health Officials Say State Coronavirus Numbers Could Be Artificially Low.

USA Today (5/4, Salman, Keemahill, 10.31M) reports that mapping coronavirus numbers across the country shows "stark variations in reported cases between counties separated by state lines." While the CDC said that "areas should make decisions about loosening restrictions based on a 'data-driven, county-by-county approach,'" each state's "reporting standards and test capabilities vary, and even counties within the same state can differ," which can cause issues in analyzing data. According top public health officials, "the virus has probably swept into many of these communities where numbers indicate otherwise. They fear artificially low counts will give government officials and residents a false sense of security about reopening and venturing out of self-quarantine."

Six States Partially Reopen As Others Keep Restrictions In Place.

NBC Nightly News (5/4, story 2, 2:35, Holt, 7.62M) reported, "With a course of protests growing louder across the country, tempers are flaring at capitols...city centers and on street corners. In New York, a police officer punched a bystander after attempting to enforce social distancing orders. In Michigan, three people now charged with killing a security guard who was shot after a dispute with a customer over a face mask." In Arizona, "where emergency orders were extended, at least two county sheriffs say they won't enforce the measures." NBC added that on Monday "six more states partially reopened." The Wall Street Journal (5/4, Calfas, Campo-Flores, Sylvers, Subscription Publication, 7.57M) reports that Florida is beginning to ease restrictions. The first phase of its reopening plan allows restaurants and stores in most parts of the state to operate at 25 percent of their indoor capacity beginning on Monday, while schools, bars, gyms and salons will remain closed.

Tom Llamas said in the lead story for ABC World News Tonight (5/4, lead story, 5:55, Muir, 9.45M), "Some of those states opening up have not seen the recommended 14-day decline in cases."

Trump Adviser Moore Touts Red-State Governors Easing Lockdowns. Politico (5/4, McCaskill, 4.29M) reports that Georgia Gov. Brian Kemp (R) "rejected charges...that Republican governors who have begun reopening their states care more about saving businesses than saving lives." The conservative groups Committee to Unleash Prosperity and FreedomWorks "hosted a Reopen America

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news briefing with Kemp" and Govs. Kim Reynolds (R-IA) and Kevin Stitt (R-OK), "all of whom were given A grades in a report card the groups released assessing the steps governors have taken to reopen their economies." Politico says Stephen Moore, co-founder of the Committee to Unleash Prosperity and a member of President Trump's "council to reopen the country, noted that while the report is 'not a partisan study whatsoever,' it's 'striking' that traditionally red states have been reopening sooner than traditionally blue states."

Newsom Says California Can Begin Reopening This Week.

The Los Angeles Times (5/4, Luna, 4.64M) reports California Gov. Gavin Newsom (D) announced Monday "that some retail stores across the state can reopen with modifications as early as Friday amid growing pressure to ease the stay-at-home order that has cratered the California economy." Newsom told a news conference, "We are entering into the next phase this week. ... This is a very positive sign and it's happened only for one reason: The data says it can happen." Newsom "said bookstores, music stores, toy stores, florists, sporting goods retailers and others can reopen for pickup as early as Friday. He said more detailed guidelines on the businesses that can reopen would be released later this week." the Times says there have been growing calls for Newsom to lift the restrictions "with large protests at the state Capitol and in Orange County as a handful of small rural counties moved to open their communities in defiance of the governor." NBC Nightly News (5/4, story 2, 2:35, Holt, 7.62M) described "open defiance from local leaders and businesses."

California Progressives Use Pandemic To Push Long-Sought Initiatives. The New York Times (5/4, Arango, Fuller, 18.61M) reports, "Propelled by the urgency of the coronavirus crisis, and despite severe economic headwinds, liberal Californians see this moment as an opening to push through an agenda that addresses some of the state's most intractable and long-debated problems." According to the Times, "Already, thousands of people have been let out of the state's jails and prisons, cash bail has been eliminated for most crimes, thousands of homeless people now have roofs over their heads, and children in rural and poor areas of the state are being sent tens of thousands of laptop computers for distance learning – temporary measures to confront the pandemic that leaders are hoping will become durable solutions to longstanding problems of inequity."

Cuomo Outlines Plan For Gradually Reopening New York.

CNBC (5/4, Higgins-Dunn, Breuninger, Mangan, 3.62M) reports on its website that New York Gov. Andrew Cuomo (D) said Monday "that the state is now 'on the other side of the mountain' as the daily number of hospitalizations, rate of new infections and deaths" related to COVID-19 continue to decline. CNBC adds that Cuomo "said the state was hoping for a faster drop in the number of hospitalizations than it's currently experiencing," but "the number is still falling, which is 'good news,' he said." An additional 226 people died on Sunday, he said, "which makes four consecutive days that daily figure has been below 300." CNBC goes on to report that Cuomo "outlined some criteria the state can use to begin rolling back restrictions, and said some parts of the state could reach these benchmarks earlier than others."

The New York Times (5/4, 18.61M) reports that Cuomo "provided new details about the process that New York plans to follow for reopening as the coronavirus continues to decline in the state." According to the Times, Cuomo "listed seven requirements each of the state's 10 regions must meet before restrictions meant to slow the virus's spread could be eased in those areas." Reuters (5/4, Layne, Caspani) says Cuomo "did not give a timeline, but the state's stay-at-home order is due to expire on May 15."

In a separate story, the New York Times (5/4, McKinley, 18.61M) says the move to reopen the state "comes as New York's budget is under immense pressure: The state's coffers are being drained by the cost of the outbreak – nearly $3 billion spent, at last report – and a precipitous fall in various types of tax revenue."

Ocasio-Cortez's District Among Worst Hit By Pandemic. The New York Times (5/4, Leibovich, 18.61M) reports that Rep. Alexandria Ocasio-Cortez (D-NY) "says the toll of the virus in her district has made the case for more health care and less income inequity." According to the Times, Ocasio-Cortez "represents the nation's most devastated hot zone of the coronavirus outbreak." The Times reports that NY14, "which includes the working-class immigrant clusters of the Bronx and Queens, has had 19,200 coronavirus cases as of April 30, more than all of Manhattan, despite having almost a million fewer people." The Times says Ocasio-Cortez "knows many who have died, as well as others who were sickened with the virus, or left hungry or jobless."

Politico (5/4, Ferris, Caygle, 4.29M) reports that Ocasio-Cortez is "the lone Democrat to oppose any of the four rescue packages drawn up by congressional leaders." According to Politico, Ocasio-Cortez is "skeptical that many more progressive lawmakers will threaten to defect, potentially squandering a chance to shape the critical next phase of relief because it's simply too hard to vote down aid – even if they think it's not enough."

Ohio State Representative Cites Religion As Reason For Not Wearing Mask.

The Hill (5/4, Folley, 2.98M) reports Ohio state Rep. Nino Vitale (R) says he will not wear a face mask as recommended by Gov. Mike DeWine (R) because of his religious beliefs. Vitale said, "This is the greatest nation on earth founded on Judeo-Christian principles. One of those principles is that we are all created in the image and likeness of God. That image is seen the most by our face. I will not wear a mask."

Mitchell Sues Whitmer Over Michigan Shutdown Order.

The Detroit Free Press (5/4, Egan, 1.52M) reports Rep. Paul Mitchell (R-MI) filed suit against Michigan Gov. Gretchen Whitmer (D) "in federal court Monday, alleging she has violated the constitution in her management of the coronavirus pandemic." Mitchell "said he wants a judge to

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'define the limits of a state's police power.'"

Three Arrested In Michigan Family Dollar Shooting. The AP (5/4) reports, "A woman, her adult son and husband have been charged in the fatal shooting of a security guard who refused to let her daughter enter a Family Dollar in Michigan because she wasn't wearing a face mask to protect against transmission of the coronavirus." Calvin Munerlyn "was shot Friday at the store just north of downtown Flint a short time after telling Sharmel Teague's daughter she had to leave because she lacked a mask, according to Genesee County Prosecutor David Leyton."

Northam Says Virginia Could Begin Soft Reopening Next Week.

The Washington Examiner (5/4, Neale, 448K) reports that Virginia Gov. Ralph Northam (D) "announced a soft reopening of the economy as soon as next week." During his daily coronavirus briefing, Northam "said he was considering phase one of a plan to reopen, which will allow Virginians to get their hair cut and restaurants to serve customers with limited seating." Northam said, "We flattened the curve, and our hospitals have not been overwhelmed. ... I am keenly aware that it has come with a tremendous cost. Now, we can start to move into a new phase of our response." However, Northam cautioned that the coronavirus was "still here," he said, "We must not relax our vigilance or think that the risk has passed." The Washington Post (5/4, Schneider, Vozzella, Nirappil, 14.2M) says Northam's plans "appear to be a departure from the coordinated effort staged so far by leaders in Virginia, Maryland and the District of Columbia. Neither Maryland Gov. Larry Hogan (R) nor D.C. Mayor Muriel E. Bowser (D) has said they are close to rolling back restrictions."

DOJ Supports Church's Challenge To Virginia's Restrictions. USA Today (5/4, Johnson, 10.31M) reports that the Justice Department is supporting a Virginia church that is challenging a state shutdown order that limits the size of religious gatherings, "claiming it violates constitutional guarantees of free expression." On Sunday, federal authorities filed notice of their support for the Lighthouse Fellowship Church in the town of Chincoteague Island "after the pastor was cited last month by local police for hosting a service attended by 16 people – six more than allowed for such in-person gatherings during the coronavirus health emergency." The church "has asserted that the restrictions ordered in March" by Northam violate religious freedom. The DOJ intervention comes in the wake of Attorney General Barr warning last week "that the Justice Department was reviewing shutdown orders issued by the states to guard against overly-restrictive policies."

The Washington Times (5/4, Mordock, Boyer, 492K) says Vice President Pence "cheered" the Justice Department's move. In a tweet, Pence praised the Justice Department "for acting quickly to protect prayer and worship during these unprecedented times." Pence wrote, "We cannot experience an American Comeback if we stand idly by while the rights of the men and women of this great Country are infringed."

Maryland Playing A Large Role In Battle Against Coronavirus.

The Washington Post (5/4, McCartney, 14.2M) reports that the Maryland biotechnology company Emergent BioSolutions "has signed deals to do initial production of three" coronavirus vaccine candidates. If one of them works, "the firm has a factory in place to manufacture hundreds of millions of doses a year." The firm's "readiness illustrates the outsize role that Maryland is playing in the battle against the novel coronavirus. In Montgomery County's biotech corridor...multiple companies have pivoted to work on possible vaccines and cures, and to expand testing." Meanwhile, "at Johns Hopkins University in Baltimore, 260 scientists are working on 25 projects" for COVID-19, and "the nation's best-known expert on the disease, Anthony S. Fauci, works at the Bethesda-based National Institutes of Health." While there is "plenty of competition" from other cities in the US and abroad, Maryland "may have an advantage because it has so much experience in gene and cell therapies, and in vaccines, all of which will be critical in fighting the coronavirus."

New Mexico Governor Extends Closure Of Roads In Gallup.

The AP (5/4) reports New Mexico Gov. Michelle Lujan Grisham (D) "extended to Thursday the closure of all roads to nonessential traffic in Gallup, one of the largest communities bordering the Navajo Nation, where a surging coronavirus outbreak has already prompted widespread restrictions and weekend lockdowns." The extension of the order "also required that businesses in Gallup close from 5 p.m. to 8 a.m. in the city of about 20,000 people along Interstate 40, which remained open to through traffic." The New York Times (5/4, Romero, 18.61M) reports, "The lockdown comes as state and local authorities grapple with one of the worst coronavirus outbreaks in the United States on the nearby Navajo Nation, the country's largest Indian reservation, and a surge in detected cases in places near the reservation."

New USS Roosevelt Commander Won't Wait For Entire Crew To Clear Quarantine To Go Back To Sea.

The CBS Evening News (5/4, story 6, 1:45, O'Donnell, 5.4M) interviewed Capt. Carlos Sardiello, the new commanding officer of the USS Theodore Roosevelt. Asked about the mood of the crew after the previous commander was relieved of duty, Sardiello said, "The mood of the crew was a challenging situation." Asked what he told the crew, Sardiello said, "We have a job to do. It's like no other job that we have ever faced. You know me, I know you. I had your back before, I am going to have your back now." CBS added, "Sardiello told CBS News he won't wait for all the crew to clear quarantine before he heads back to sea." Sardiello: "We have taken 45 days off from that business. It's a dangerous business. And so, we have a lot of training to complete."

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Politico Analysis Questions Portrayal Of Biden's Role In Swine Flu Pandemic.

In an analysis, Politico (5/4, Korecki, 4.29M) reports that as Joe Biden "prepares to take on" President Trump in a presidential election "marked by a far more lethal pandemic," than the H1N1 epidemic the Obama Administration faced in 2009-10, Biden's former Chief of Staff Ron Klain "and other Biden intimates have seized on the idea that the former vice president is the man for this moment," and Biden "has insisted he is uniquely equipped to confront the coronavirus pandemic." However, Politico says "an extensive review of the handling of H1N1, including the examination of public records and congressional testimony, suggests the response was not the panacea portrayed by the Biden camp and its defenders: Biden's role, while significant, was not equivalent to leading the response." Politico adds that while Biden "took the threat of a pandemic very seriously," by "issuing warnings that others in the administration weren't prepared to endorse, he contributed to a muddled message."

WSJournal Criticizes Harvard Study Linking Climate Change, Coronavirus.

In an editorial, the Wall Street Journal (5/4, Subscription Publication, 7.57M) criticizes a study from Harvard University's T.H. Chan School of Public Health concluding that there is a link between climate change and an increased risk of death from COVID-19. The Journal says that the research was sloppy and that the study was intended to reach a result fitting a political agenda.

Judge Rules Trump Tweets Are Not Declassification Orders.

The Washington Examiner (5/4, Dunleavy, 448K) reports that US District Court Judge Amit Mehta has "ruled against a multiyear effort to further declassify information from Foreign Intelligence Surveillance Act filings related to onetime Trump campaign associate Carter Page." Mehta "agreed with the Justice Department in a three-page opinion that President Trump's tweets and a White House press release did not constitute formal declassification orders. The Monday ruling reinforced a March decision, which reached a similar conclusion."

House Judiciary Republicans Call On Wray To Review FBI Handling Of Flynn Case.

Axios (5/4, Treene, 521K) reports that Rep. Jim Jordan (R-OH), the ranking Republican on the House Judiciary Committee, and Rep. Mike Johnson (R-LA), the ranking Republican on the panel's Subcommittee on the Constitution, Civil Rights, and Civil Liberties, sent a letter to FBI Director Wray on Monday "demanding he review his agency's handling of its investigation into Trump's former national security adviser Michael Flynn, according to a copy of the letter obtained by Axios." According to "sources familiar with the document," it is "a direct rebuke of Wray, and that it reflects a growing frustration among congressional Republicans who question whether he can be trusted to expose what they see as a corrupt FBI." In addition, the letter "casts doubt on Wray's motives for not disclosing what they describe as 'the FBI's misconduct,' and questions whether he and other top FBI officials intentionally 'prevented or delayed the disclosure of additional exculpatory information' regarding Flynn."

Georgian-American Businessman Demands Barr Apologize Over Mueller Report Mention.

The Daily Caller (5/4, Ross, 716K) reports that Georgian-American businessman Giorgi Rtskhiladze "says he has spent more than $100,000 on legal fees, on top of the damage to his reputation and businesses, as a result of" an Oct. 30, 2016 text message to Michael Cohen. Rtskhiladze wrote in the message, "Stopped flow of some tapes from Russia but not sure if there's anything else. Just so u know." While the message "was interpreted by President Trump's critics as a possible reference to the Steele dossier's most salacious allegation: that the Kremlin has video tapes of Trump with prostitutes in Moscow," Rtskhiladze "says that he had no direct knowledge of Trump-related tapes and that his full exchange with Cohen shows it." He is "waging a reputation rehabilitation campaign," and is calling on Attorney General Barr "to formally apologize over the descriptions of him in Special Counsel Robert Mueller's report of the Russia probe."

NYTimes: Trump Considers Efforts To Hold Him Accountable "Illegitimate."

The New York Times (5/4, 18.61M) argues in an editorial that the President's "move Friday night to replace the top watchdog" for HHS is "the latest in a series of direct attacks on statutory oversight of his administration." Trump "has been working to cleanse his administration of officials he considers insufficiently loyal," and he "has displayed a particular hostility to inspectors general." Trump "has made clear that he considers any efforts to hold him accountable to be, by definition, illegitimate" and Republicans "have done little to disabuse him of this notion."

Trump Says California Is Lucky Border Is "Very Tight" Thanks To Him.

President Trump tweeted Monday morning that since California wants to stop the flow of people over its southern border due to "very big coronavirus problems" in Mexico, it is "lucky" that he is President because the border is "very tight" and the wall is being built. Trump wrote, "Mexico is sadly experiencing very big CoronaVirus problems, and now California, get this, doesn't want people coming over the Southern Border. A Classic! They are sooo lucky that I am their President. Border is very tight and the Wall is rapidly being built!"

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Pandemic Has "Drastically" Curbed Migration Around The World.

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The New York Times (5/4, A1, Semple, 18.61M) reports as a result of "border closures, suspended asylum programs, interruptions in global

transportation and stay-at-home lockdowns," migration has "drastically" declined around the world, "particularly from poorer nations to rich ones." While "once-crowded migratory routes that led from South America, through Central America and Mexico and to the United States have gone quiet, with the Trump administration seizing on the virus to close the border to almost all migrants," the "phenomenon extends well beyond the Americas. The number of East Africans crossing the Gulf of Aden to seek work in the Gulf States has plunged. Farms in western Europe are contending with severe labor shortfalls as travel bans have blocked the movement of seasonal migrant laborers from Eastern Europe." The Times adds that in some areas, "migratory flows have seemingly made a U-turn, as migrants no longer able to earn a living abroad have decided to return home."

Documents Show How DOJ Hiring Changes Have Altered Immigration Appeals Board.

CQ Roll Call (5/4, Misra, 154K) reports documents outlining hiring changes made by the Justice Department to the Board of Immigration Appeals "reveal additional ways the Trump administration may be achieving its goal of reducing immigration." The changes to the process have led to the hiring of "immigration judges with records of high asylum denial rates, many with a history of formal complaints."

White House Reportedly Considering Payroll Tax Suspension.

Politico (5/4, Cook, 4.29M) reports that President Trump is "preparing to spend the coming weeks cheering for a swift economic bounce-back from coronavirus – launching new proposals to accelerate the recovery despite uneasiness among health care experts." According to Politico, the White House is "preparing a proposal for tax and regulatory changes to boost the economy that it tentatively plans to release at the end of this week." Politico reports that the President "spent the weekend weighing the recommendations of his top advisers about which policy levers the White House should push to juice the economy in the third and fourth quarters." Among them are "a cut in payroll taxes, or a suspension altogether – an idea the president has championed for months, but one that would need to pass a divided Congress."

House Speaker Pelosi was asked on CNN's Situation Room (5/4, 2.17M) about Trump's demand that any bill include a payroll tax cut. Pelosi said, "This is all to be related to the coronavirus. ... Let's start now and do things in a positive way. Nobody is putting anything on the table saying, 'Unless we have this, we are not doing that.' He shouldn't either." Asked what she would do if the President said he would agree to most of what she wants if she agrees to the payroll tax cut, Pelosi said, "I am not negotiating with the President on television, right here. And he didn't say that. He started denigrating governors who are fighting the fight in their states to save lives and save livelihoods."

Kadlec's Dealings With Former Client Draw Scrutiny.

The Washington Post (5/4, Swaine, O'Harrow, Davis, 14.2M) reports that "after Robert Kadlec was confirmed as President Trump's top official for public health preparedness in 2017, he began pressing to increase government stocks of a smallpox vaccine." The Post says Kadlec's office "ultimately made a deal to buy up to $2.8 billion of the vaccine from a company that once paid Kadlec as a consultant, a connection he did not disclose on a Senate questionnaire when he was nominated." According to the Post, "Under the agreement struck last year with Emergent BioSolutions, Kadlec's office at the Department of Health and Human Services is paying more than double the price per dose it had previously paid for the drug."

Blase: Trump Should Veto Democrats' Medicaid Funding Plan If It Reaches Him.

In an op-ed for the Wall Street Journal (5/4, Subscription Publication, 7.57M), Brian Blase, who served as a special assistant to President Trump at the National Economic Council, takes issue with a measure offered by House Democrats to increase the federal reimbursement for state Medicaid spending by 4.8 percentage points for each point state's unemployment rate exceeds a certain threshold, meaning the higher a state's unemployment rate, the less it would have to pay for Medicaid. Blase says the proposal would result in the federal government paying for almost all of state's Medicaid costs this year and calls on President Trump to veto it if it reaches his desk.

NYTimes Analysis: Ratcliffe Has "Easier Path" To DNI Confirmation On Second Attempt.

The New York Times (5/4, Fandos, Barnes, 18.61M) reports under the headline "Trump Ally Sees Easier Path To Intelligence Post In Second Attempt" on the confirmation prospects of DNI-designate Rep. John Ratcliffe (R-TX). The Times writes that while when Trump nominated Ratcliffe for the post the first time last year, "resistance in the Republican Senate was so firm that Mr. Ratcliffe's name was withdrawn before his nomination ever became official," eight months later he "is back" and his "prospects have vastly improved as Republican opposition has softened." The Times says the "reversal in fortune has been remarkable, even by the standards of Trump-era Washington," and "arguably has as much to do" with controversial Acting DNI Grenell as it does with Ratcliffe, "officials involved in the confirmation process said."

The Washington Post (5/4, Nakashima, Harris, Kim, 14.2M) reports, "Trump put Ratcliffe forward a second time in early March, and although he is expected to receive a grilling from the committee's Democratic minority, observers said he will probably be confirmed by the Republican-controlled Senate. The DNI post has been held by an acting official ever since Daniel Coats stepped down in August."

Ratcliffe's Campaign Twitter Account Follows QAnon Profiles. The Daily Beast (5/4, 1.39M) reports Ratcliffe "draws on some unusual sources of information." His "official, verified campaign Twitter account follows several accounts on the political fringe, including a 9/11 Truther account with just one follower besides himself and four promoting the outlandish QAnon conspiracy theory, which posits that the world is run by a cabal of Democratic pedophile-cannibals – and has been ruled a potential source of domestic terrorism by the FBI."

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Hovakimian Will Reportedly Be Nominated To Be ODNI General Counsel.

Politico (5/4, Lippman, 4.29M) reports, "The White House has picked a top Justice Department lawyer to serve as the new general counsel of the Office of the Director of National Intelligence, according to two senior administration officials." Patrick Hovakimian, Chief of Staff to Deputy Attorney General Jeffrey Rosen, "will be nominated to ODNI to serve as the intelligence community's top lawyer," according to the officials.

Trump Boasts Of "Big Record" On Judicial Confirmations.

President Trump tweeted Monday morning, "Republicans love the biggest Tax Cuts, Rebuilt Military, Choice for Vets, saving 2nd Amendment and many other things my Administration has done, but what they love beyond all else is 252 (so far!) Federal Judges, not including two great Supreme Court Justices. A Big Record!"

DC Appeals Court Judge Wants Roberts To Look Into Circumstances Of Vacancy. The New York Times (5/4, Hulse, 18.61M) reports District of Columbia Court of Appeals Chief Judge Sri Srinivasan has "publicly advanced a call by a progressive group for an ethics investigation into the circumstances of a plum vacancy. Just days before a high-profile Senate confirmation hearing to fill a vacancy on the prestigious" court, Srinivasan asked Chief Justice John Roberts "to assign another circuit to look into a complaint filed by the progressive advocacy group Demand Justice, which questioned the timing and circumstances of Judge Thomas B. Griffith's retirement announcement in early March." The group claims Senate Majority Leader McConnell "had been contacting appeals court judges nominated by Republican presidents to encourage them to retire."

Trump Alludes To Intern's Death In Tweet Criticizing Scarborough.

President Trump tweeted Monday morning, "'Concast' should open up a long overdue Florida Cold Case against Psycho Joe Scarborough. I know him and Crazy Mika well, used them beautifully in the last Election, dumped them nicely, and will state on the record that he is 'nuts'. Besides, bad ratings! #OPENJOECOLDCASE". The Hill (5/4, Concha, 2.98M) reports Trump "referred to the accidental death of an intern" in the then-GOP congressman's office "to take a shot at" Scarborough in "the latest example of Trump attacking Scarborough over the death of Lori Klausutis."

Trump Recommends Crenshaw Book.

President Trump tweeted Monday evening, "A great new book, 'Fortitude: American Resilience in the Era of Outrage' by former Navy Seal, and current Texas Congressman @DanCrenshawTX, is now available. A fantastic guy – get your copy today!"

Vanity Fair: Trump Aims To "Take Down" Fox News.

Gabriel Sherman of Vanity Fair (5/4, 9.08M) writes, "When liberals look at Fox News, they tend to see Trump TV. ... But that is not the way Donald Trump himself sees it." Sherman says the President's view "that Fox is insufficiently loyal has motivated him to look for a more reliable media partner. ... Trump now is on the verge of having that alternative. According to sources, an investor group aligned with his son Don Jr. and the Dallas-based Hicks family has acquired a major stake in One America News Network, the fledgling conservative cable-news channel that features hosts like Jack Posobiec, a chief promoter of the Pizzagate conspiracy." A source told Sherman, "This is all about building a Fox competitor. Trump is really aiming to take down Fox."

Trump Campaign Video Shows Trump Beheading CNN, MSNBC. The Daily Caller (5/4, Caruso, 716K) reports President Trump's reelection campaign "posted an edited video from the 'Star Wars' series on its Twitter on Monday depicting Trump, edited to be Yoda, 'beheading' CNN and MSNBC, edited as soldiers. The Trump campaign's tweet predictably delighted some while worrying others."

Senate Reconvenes, With McConnell Calling Work "Essential."

The AP (5/4, Mascaro) reports, "The Senate reopened Monday in a Capitol largely shuttered by the coronavirus, but prospects for quick action on a new aid package are uncertain with a deepening debate over how best to confront the deadly pandemic and its economic devastation." The Senate is "convening for the first time since March, while the House is staying away due to the health risks."

Reuters (5/4, Zengerle, Morgan) reports, "Party leaders raised partisan differences as soon as the Senate opened over the next step in how to combat the pandemic, nominations for senior government posts" put forward by President Trump, "and even the decision to return." Senate Majority Leader McConnell said, "If it's essential that the brave healthcare workers, grocery store workers, truck drivers and many other Americans continue to carefully show up for work, then it's essential that their US senators carefully show up ourselves and support them." But Senate Minority Leader Schumer "accused McConnell of calling senators back to pursue a Republican political agenda, not help the country."

The Washington Times (5/4, Muñoz, 492K) reports McConnell said, "I don't think anybody could seriously argue that filling critical national security posts is not essential Senate business."

State Audit Shows Mississippi Allowed Poverty Funds To Be Misused.

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The New York Times (5/4, Fausset, 18.61M) reports Mississippi "allowed tens of millions of dollars in federal anti-poverty funds to be used in ways that did little or nothing to help the poor, with two nonprofit groups instead using the money on lobbyists, football tickets, religious

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concerts and fitness programs for state lawmakers, according to a scathing audit" by the state auditor's office. The Jackson Clarion Ledger (5/4, Ramseth, 275K) reports the "routine annual audit...follows criminal indictments this year related to the welfare spending. White called that case Mississippi's largest embezzlement scandal, involving about $4 million in welfare money known as the Temporary Assistance for Needy Families program."

Trump Criticizes "RINO Republicans" Of Lincoln Project.

In a Twitter thread posted at 12:46 a.m., President Trump wrote, "A group of RINO Republicans who failed badly 12 years ago, then again 8 years ago, and then got BADLY beaten by me, a political first timer, 4 years ago, have copied (no imagination) the concept of an ad from Ronald Reagan, 'Morning in America', doing everything possible to get even for all of their many failures. You see, these loser types don't care about 252 new Federal Judges, 2 great Supreme Court Justices, a rebuilt military, a protected 2nd Amendment, biggest EVER Tax & Regulation cuts, and much more. I didn't use any of them because they don't know how to win, and their so-called Lincoln Project is a disgrace to Honest Abe. I don't know what Kellyanne did to her deranged loser of a husband, Moonface, but it must have been really bad. John Weaver lost big for Kasich (to me). Crazed Rick Wilson lost for Evan 'McMuffin' McMullin (to me). Steve Schmidt & Reed Galvin lost for John McCain, Romney's campaign manager (?) lost big to 'O', & Jennifer Horn got thrown out of the New Hampshire Republican Party. They're all LOSERS, but Abe Lincoln, Republican, is all smiles!"

The Lincoln Project posted an ad critical of Trump titled "Mourning In America" online early Monday.

Trump: In Denying Reade Allegation, Biden's "Choice Of Words Weren't Very Good."

The New York Post (5/4, Nelson, Bowden, 4.57M) reports that President Trump on Monday blasted Joe Biden's "denial of a decades-old sexual assault allegation by a former Senate staffer – and said that Republicans get treated far more harshly than Democrats when accused of sexual misconduct. 'I mean, his choice of words weren't very good when he, you know, dismissed the allegation,' Trump said of Biden during an interview with The Post in the Oval Office. 'But he's got to fight his own battles, and we'll see how he does.'" The President "did not specify what part of Biden's denial he found fault with, but said he believes that Republicans face far harsher scrutiny when accused of sexual misconduct. During his 2018 confirmation hearings, Supreme Court Justice Brett Kavanaugh 'was treated more unfairly than any human being I've ever seen. I've never seen anything like,' Trump said."

Senate Secretary Says Office Can't Release Files Tied To Biden Accuser. The AP (5/4, Jaffe) reports that the Secretary of the Senate has "declined...Biden's request to release any potential documents pertaining to an allegation of sexual assault against him" by ex-Senate aide Tara Reade, "citing confidentiality requirements under the law." On Friday, Biden "made the request...after delivering his first public comments responding to" Reade's accusation "that he sexually assaulted her in the basement of a Capitol Hill office building in the spring of 1993. Biden has denied the allegation." The AP says the Secretary of the Senate "told Biden's legal counsel in an email that after reviewing the Government Employee Rights Act of 1991 and a Senate resolution regarding the release of Senate records, 'based on the law's strict confidentiality requirements,' the Senate legal counsel has advised the Secretary 'has no discretion to disclose any such information.'"

The Washington Post (5/4, Sullivan, Viser, 14.2M) reports that Reade "has [said] that her complaint dealt with harassment in the office, not assault," and "that she cannot recall the office to which she filed her complaint and that she does not have a copy." The Post reports that Reade was "employed in Biden's Senate office for nine months, ending in 1993," and she "said she filed a complaint that year with a congressional human resources or personnel office." The Post adds, "After the secretary of the Senate's statement, Biden campaign attorney Bob Bauer responded with follow-up questions about the possibility for a more limited release. 'Is just the existence of any such records subject to the same prohibition on disclosure?' Bauer asked, according to a statement from the campaign."

USA Today (5/4, Santucci, 10.31M) reports that Bauer asked "for further clarity on three points: whether the existence of any such records is also confidential; if any such record could be lawfully disclosed to anyone such as Reade herself; and whether the Senate could release procedures, forms or instructions that would have been used in 1993 by the Office of Senate Fair Employment Practices when processing such complaints. The office responded later Monday that disclosing the existence of any such record would 'amount to a prohibited disclosure' and that it was not aware of an exception that would allow the office to share that information with anyone, 'even to original participants in a matter.'" The New York Times (5/4, Ember, 18.61M) reports, "The exchanges have thrown into confusion Mr. Biden's attempt to make public any documents related to the allegation, a level of transparency he promised when he appeared on MSNBC Friday to address the issue for the first time, saying unequivocally that the assault 'never happened.' Even the Biden campaign itself appears uncertain of how to proceed."

Politico (5/4, Ward, 4.29M) reports that Biden "initially said Reade's complaint, if it exists, would only be housed at the National Archives, but the search for Biden's records has thus far proved circular. In response to Biden's request on Friday, the Archives said it did not possess the records the former vice president said it did and that the documents in question were instead maintained by the Senate. But Senate rules suggest that those documents are maintained by the General Services Administration, which, in turn, said the records are at the National Archives." Bloomberg (5/4, 4.73M) says Reade "has called on Biden to release the records that she says are being held at the University of Delaware, but Biden has said those records do not include any personnel files. Those records are sealed until two years after Biden retires from public life."

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Townhall's Benson Sees Hypocrisy In Democrats' Defense Of Biden. Writing at Townhall (5/4, 177K), Guy Benson says that in

the wake of Reade's accusation of sexual assault against Biden, Democrats are "totally and shamelessly abandoning their previous standards over such allegations. ... As members of the political media, Democratic politicians and lefty activists rediscover the value of evidence, skepticism and fairness, they'd enhance their own credibility by apologizing en masse to Supreme Court Justice Brett Kavanaugh." Benson goes on to discuss what he sees as hypocrisy in Democrats' talking points defending Biden in comparison to how they treated Kavanaugh.

Trump: Biden Should Pick Warren As Running Mate, Because She's "Responsible" For Him Winning.

The New York Post (5/4, Bowden, Nelson, 4.57M) reports that Trump "has announced his unlikely pick for Joe Biden's veep: [Sen.] Elizabeth Warren." Speaking on Monday with the Post, Trump "said he believed [Biden] 'owes' the Massachusetts senator the top spot on his ticket because he never would have gotten this far without her help. 'I think Elizabeth Warren is responsible for Joe Biden's win because she didn't drop out and [Sen.] Bernie [Sanders] would have won every single state on Super Tuesday,' Trump said, claiming Warren split the progressive vote. 'I think he should pick Elizabeth Warren because Elizabeth Warren, more than any other person...is responsible for the win of Joe Biden.'"

Simonson: As VP Nominee, Cortez Masto Could Aid Biden With Latino Voters. Writing for the Washington Examiner (5/4, 448K), Joseph Simonson says that Sen. Catherine Cortez Masto (D-NV) "is getting mentioned increasingly as a potential running mate for Biden, particularly by her political mentor, former Senate Majority Leader Harry Reid of Nevada, whom she succeeded in the chamber in early 2017. Among her political attributes, Cortez Masto could help build support among Latino voters, a crucial voting bloc for Biden."

Biden Announces Plan To Boost African American Community.

Reuters (5/4, Hunnicutt) reports that the Biden campaign "on Monday unveiled a broad policy targeted toward helping reduce racial wealth and health gaps among new policies aimed at reaching black voters. As part of the wide-ranging plans," Joe Biden "pledged to open a new Public Credit Reporting Agency that could compete with Equifax Inc, Experian Plc and TransUnion and, according to the campaign, minimize racial disparities in lending." Biden "also promised a new tax credit for first-time homeowners, $900 million over eight years to finance efforts to save 12,000 lives in high-crime cities as well as to expand the Small Business Administration's efforts to lend money to African American-owned enterprises."

The Hill (5/4, Manchester, 2.98M) reports that Biden's "plan will also aim to increase access to high-quality education by ending the funding gap between majority white and majority nonwhite school districts by tripling Title I funding. Under the plan, the Obama administration's policies to diversify schools would also be reinstated." In addition, Biden's "campaign announced that [he] would invest over $70 billion in historically black colleges and universities and minority-serving institutions. Biden's plan will also aim to eliminate disparities in health due to race." It "would establish a public health insurance option, increase subsidies for the Affordable Care Act and expand federal investments in Medicaid."

Michelle Obama Criticizes "Our Folks" For Not Voting In 2016 Elections, Earlier Midterms. The Washington Examiner (5/4, Dibble, 448K) reports that Michelle Obama is blaming "nonvoters, not Republicans, for President Trump's election in 2016. In her soon-to-be-released Netflix documentary, Becoming," Obama speaks "about her frustration with those who didn't vote in the 2016 election," claiming "it was the fault of apathetic citizens that Trump won in 2016 and that President Obama didn't have a Democratic majority in the House and Senate when he was in the White House. 'So, the day I left the White House, and I write about how painful it was to sit on that [inauguration] stage,' Obama explained. 'A lot of our folks didn't vote. It was almost like a slap in the face.'" Obama added, "It wasn't just in this election. Every midterm. Every time Barack didn't get the Congress he needed, that was because our folks didn't show up. After all that work, they just couldn't be bothered to vote at all. That's my trauma."

Biden Camp's Field Organizers Reach Agreement On Union Contract.

The Washington Post (5/4, Sullivan, 14.2M) reports, "Unionized field organizers working for Joe Biden's campaign have ratified a contract with his campaign, officials announced Monday, setting the stage for the first time a major party's apparent presidential nominee will employ unionized workers under a collective bargaining agreement. The Biden campaign and Teamsters Local 238 announced the agreement in a joint statement. The union's secretary-treasurer, Jesse Case, said it 'includes overtime pay for all hours worked after 40 in a week, 100 percent employer-paid health insurance, a six-day work week, a union grievance procedure and other protections afforded by a union contract.'" Axios (5/4, Perano, 521K) reports, "The agreement also guarantees a $15 per hour minimum wage that will generate 'an overall average increase of $1,900 in annual wages for field organizers,' according to the campaign."

Axelrod And Plouffe Offer Biden Advice On Campaign Strategy.

In a New York Times (5/4, 18.61M) op-ed, David Axelrod and David Plouffe, former aides to President Obama, say that amid the pandemic, Joe Biden "is mired in his basement, speaking to us remotely," unable to hit the campaign trail. The writers says, "In order to break through and be heard," Biden must "up the tempo of his campaign, fully utilize his army of powerful surrogates and embrace a new suite of virtual, data-driven tools and creative tactics." Among other things, the writers advise Biden: "Act like an insurgent, not an incumbent. You don't

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defeat an incumbent president by playing defense"; and gird "for an onslaught," as President Trump's "team knows they can't win a referendum on his leadership, so they will try to disqualify Mr. Biden...with an extensive campaign, led by the president, regularly questioning the mental acuity and physical stamina of the man he has branded 'Sleepy Joe.'"

Georgia Poll Shows Trump Leading Biden 45%-44%, Possibly Competitive Senate Races.

The Atlanta Journal-Constitution (5/4, Bluestein, 895K) reports that a Cygnal (R) poll of 591 likely Georgia voters, taken April 25-27, shows President Trump leading Joe Biden 45%-44%. The poll also "suggests trouble for" appointed Sen. Kelly Loeffler (R-GA) in this fall's special election. The survey, commissioned by the Georgia House GOP caucus, shows Rep. Doug Collins (R-GA) leading the all-party primary with 29%, followed by Loeffler, and Democrats Matt Lieberman and the Rev. Raphael Warnock "essentially tied" at 11%. If no candidate tops 50% in November's election, the top two finishers, regardless of party affiliation, will advance to a runoff. Meanwhile, in the state's second US Senate race this fall, the poll shows Sen. David Perdue (R-GA) leading Democrat Jon Ossoff 45%-39% in a hypothetical matchup; 12% were undecided. Ossoff faces several other Democrats in a competitive primary. The Washington Times (5/4, Varney, 492K) also reports on the story.

Iowa Poll: Trump Leads Biden 48%-46%.

The Hill (5/4, Manchester, 2.98M) reports that a Public Policy Polling (D) survey of 1,222 Iowa voters, taken April 30-May 1, shows President Trump leading Joe Biden 48%-46%. The Hill adds, "Trump won the state by 9 points in 2016, but Democrats made inroads in the state in 2018, flipping two House seats."

NYTimes Analysis: Presidential Conventions Could Become Thing Of The Past.

The New York Times (5/4, Nagourney, Flegenheimer, 18.61M) reports that "some Democratic leaders are discussing replacing" their national convention "with a virtual gathering, and some Republicans are unsure about holding the big spectacle that President Trump wants." The Times adds that "even before the pandemic, a more fundamental debate was playing out: Has the American political convention become a ritual holdover from another age? ... In interviews with over a dozen emissaries and operatives from both parties, there was a strong view, especially among younger generations, that the value of conventions has flagged as the rules of politics have changed."

WPost: Pandemic Has Altered Presidential Campaign. The Washington Post (5/4, 14.2M) editorializes, "American politics has long run on door-knocking, rally-throwing, baby-kissing and all manner of other activities that have suddenly become unsafe in the age of the novel coronavirus. Candidates are more dependent than ever on a realm that was created for mass connection: the Internet." Joe Biden "is confined to his basement," struggling to "compete with the freewheeling afternoon show" President Trump's "reelection team churns out nightly. ... That's not to mention President Trump's ready-made platform in the White House briefings, which guarantees him a national audience."

In Tweet, Trump Backs GOP Challenger Johnson's Bid To Unseat Omar In MN5.

The Minneapolis Star Tribune (5/4, Condon, 1.04M) reports that President Trump tweeted support on Monday for Republican Lacy Johnson, who is challenging Rep. Ilhan Omar (D-MN) in MN5. Retweeting "a posting from Johnson two days earlier in which he introduced himself to potential supporters and touted last week's Republican endorsement for his bid," Trump wrote, "And I'm Endorsing you also Lacy, you truly deserve it. You are doing a great job, and Omar is a disaster who wants much higher taxes, hates our Military & our Vets, demands Open Borders, and is fighting to take away our great 2nd Amendment. Good luck Lacy!" The Hill (5/4, Chalfant, 2.98M) reports that Trump "has long targeted Omar...for criticism, accusing her of being anti-Semitic. Omar, in exchange, has accused the president of racism."

WSJournal: SCOTUS' Telephone Oral Arguments Give Thomas Chance To Be Heard.

In an editorial, the Wall Street Journal (5/4, Subscription Publication, 7.57M) says the Supreme Court's decision to hear oral arguments by telephone has unexpectedly given the public a chance to hear the usually quiet Justice Clarence Thomas, and expresses hopes the format will let Americans come to see Thomas as a thoughtful thinker and questioner.

RCP Average Has Trump's Job Approval At 44.3%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.3%, and his disapproval at 50.8%. The President's approval is up 0.2 and his disapproval is unchanged since yesterday.

A Rasmussen poll of 1,500 "likely voters" (4/29-5/3) finds Trump's approval at 46%, with 53% disapproving.

Financial International News

Germany's High Court To Rule On Legality Of ECB's Bond Purchases.

Reuters (5/4, Koranyi) reports Germany's Constitutional Court "will rule on the legality of the European Central Bank's bond purchases on Tuesday, settling an existential challenge to a scheme credited with keeping the euro zone afloat during the [illegible] coronavirus pandemic." The ECB "has long relied on quantitative easing to support the economy. With much of the euro zone now in lockdown to halt the

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spread of the virus, it plans to print another trillion euros to keep borrowing costs down for companies and governments." However, "a group of academics in Germany has long argued that the ECB is overstepping its mandate, and that these buys constitute direct financing of governments – a contravention of the central bank's obligations under the European Treaty." The European Court of Justice "has already cleared the asset purchase scheme, meaning the German court would need to find justification to reject the higher court's ruling – a prospect that would open a whole new can of legal worms." CNBC (5/4, Amaro, 3.62M) also reports.

Private Creditors Group Raises Concerns About Debt Relief Plan.

Reuters (5/4, Green, Arnold) reports the Institute of International Finance (IIF), "a trade association comprising the world's largest financial institutions, has outlined obstacles to the private sector joining a plan to ease the debt of the world's poorest nations." The G20 "announced on April 15 that they had agreed with the Paris Club group of major creditor nations to freeze debt payments for the 77 poorest countries from May 1 to the end of the year, as requested, to free up cash for the fight against the coronavirus pandemic." However, "the IIF, which last month issued a rallying call to the private sector to join the initiative, has written to the heads of the International Monetary Fund (IMF), World Bank and Paris Club to raise the concerns of creditors about their involvement in such a move." IIF head Timothy Adams wrote a letter dated May 1 that "said that its communications with more than 100 companies investing in or lending to countries within the initiative's scope showed there was 'deep appreciation for the challenges facing these most vulnerable countries and strong interest in finding ways to support them and the proposed debt service suspension.'"

IMF Head Says Call On Lebanon Recovery Plan "Productive" As Hezbollah Leader Backs Aid Request.

Reuters (5/4, Shalal) reports IMF Managing Director Kristalina Georgieva "said on Monday she had a 'productive' discussion with Lebanese Prime Minister Hassan Diab on the country's economic recovery plan, and an IMF team would begin talks with Lebanese authorities soon." Georgieva, "in a tweet, called the Lebanese reform plan 'an important step forward to address #Lebanon's economic challenges.'" Georgieva added, "We agreed that our teams will soon start discussions on much needed reforms to restore sustainability and growth for the benefit of the Lebanese people."

The AP (5/4) reports Hezbollah leader Sayyed Hassan Nasrallah "threw his support Monday behind the government in seeking financial assistance from the International Monetary Fund but warned that the terms should be negotiated carefully." Nasrallah's comments "came four days after the country's prime minister said Lebanon will seek a rescue deal from the IMF to help the nation find a way out of a crippling financial crisis." Nasrallah said in a televised speech, "We are not against Lebanon requesting assistance from any side in the world," adding that what is unacceptable "is that we go hand over our necks to the International Monetary Fund or any other organization." Reuters (5/4, Francis, Bassam) also reports.

Argentina Confronts Make-Or-Break May In Effort To Avoid Default.

Reuters (5/4, Raszewski) reports Argentina "is entering a crucial period this month for a precarious debt-restructuring process that will determine whether or not the country falls into default for a third time in just two decades." Following months of negotiations, Argentina "made a proposal in April to restructure $65 billion of its foreign debt. This offer expires on May 8, while a grace period for paying interest on three dollar bonds ends on May 22." Argentina's leaders "are racing to win over wary creditors, who have already rejected the initial offer, with bankers and investors increasingly concerned that no deal will be reached – at least not in time."

Leading International News

US Declines To Contribute To EU-Organized Pandemic Fund.

Reuters (5/4, Emmott, Guarascio) reports that "world leaders and organisations pledged $8 billion to research, manufacture and distribute a possible vaccine and treatments for COVID-19...but the United States refused to contribute to the global effort." Organizers of the virtual event included the European Union and non-EU countries Britain, Norway and Saudi Arabia, while leaders from "Japan, Canada, South Africa and dozens of other countries joined." China, however, was "only represented by its ambassador to the European Union." The AP (5/4, Cook) reports Russia also did not send a representative to the virtual conference.

The Washington Post (5/4, Booth, Johnson, Morello, 14.2M) reports that a "senior Trump administration official" said Monday the US "welcomes" the efforts of the conference participants, but "did not explain why the United States did not join them." Said the senior Administration official, "Many of the organizations and programs this pledging conference seeks to support already receive very significant funding and support from the US government and private sector."

Québec, Except Montreal, Starts Gradual Reopening.

Reuters (5/4, Lampert, Malo) reports the Canadian province of Québec, "worst hit by the coronavirus, gradually began reopening its economy on Monday but pushed back plans for a restart in the city of Montreal, citing health concerns." Québec is "allowing stores with an outside entrance for customers to serve customers but this does not apply to Montreal." Retail establishments in Montreal "were supposed to open on May 11 but premier Francois Legault said this had been put back to May 18 because there were not enough free hospital beds to cope with a

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possible surge of new cases."

Experts Argue Government Missteps Exacerbated Pandemic In UK.

The AP (5/4) reports that "as the coronavirus continues to infect people across Britain in what will likely turn out to be Europe's worst outbreak, the government has come under criticism from scientists, who say it has neglected the fundamentals of epidemic control." According to the AP, "Hundreds of outbreak experts have questioned the U.K's pandemic response, ridiculing the government's claim of 'following the science.'" The UK's death toll "has now reached 28,446," which is "only slightly less than Italy, Europe's worst-hit nation with 28,884 confirmed deaths." Epidemic experts had "warned that Britain's overwhelming focus on testing ignored an equally essential element of outbreak control: the tracking and isolation of contacts of cases."

Italy Cautiously Begins Reopening.

NBC Nightly News (5/4, story 8, 1:40, Holt, 7.62M) reported, "Tonight, one of the hardest hit countries is finally starting to reopen." NBC's Richard Engel added, "Italy was hard hit by COVID, with around 1,000 deaths a day. Now, deaths are down up to 75 percent on some days, but Italy is opening cautious cautiously. ... The deputy health minister told me businesses were chosen that don't draw crowds as a test for the rest." ABC World News Tonight (5/4, story 4, 2:15, Muir, 9.45M) reported, "This is essentially a test. In two weeks, shops are scheduled to reopen. Two weeks after that, cafes and restaurants. If at any time there is a big second wave, all of that stops."

The AP (5/4) reports Italy on Monday "began opening up cautiously after its two-month shutdown." The Washington Post (5/4, Harlan, Morris, 14.2M) notes that the nation "had one of the West's strictest lockdowns, so as momentous as Monday felt for many people, the country was merely shifting to a phase that puts it in line with nations under shelter-in-place orders." Retail stores, museums and theaters remain closed, however, and "travel remains highly restricted between regions." To the Post, "the most significant change...came with the restart of factories and construction projects, as more than 4 million people – about a fifth of the Italian labor force – returned to their jobs."

Small Businesses In Spain Allowed To Reopen.

The New York Times (5/4, 18.61M) reports Spain on Monday "kicked off the start of a four-stage plan to return the country to a 'new normalcy' by late June, with small stores and businesses like hairdressers reopening." According to the Times, "Deaths there have dwindled in recent days, with just 164 reported in the previous 24 hours on Monday, the lowest since before the lockdown."

The Washington Post (5/4, Rolfe, 14.2M) reports that "for the first time in seven weeks, millions in Spain...ventured outdoors this weekend as the government gingerly eased Europe's strictest nationwide lockdown. But there were rules – and plenty of them. People were allowed outside to exercise...only during specific times designated by age group, to keep crowds relatively thin and to protect seniors from possible exposure."

France May Allow Religious Services To Restart This Month.

Reuters (5/4) reports French Prime Minister Edouard Philippe on Monday "said France might allow religious services to resume before the end of May if a gradual easing of lockdown rules from May 11 did not result in the rate of coronavirus infections increasing." According to Reuters, "The government had indicated religious ceremonies would be banned until June 2 at the earliest, but Philippe told the Senate this might be advanced by four days." Reuters adds, "In a week's time, secular France plans to join countries such as Italy, Spain and Germany in relaxing unprecedented curbs on public life as it seeks to reboot its economy and ease the frustration of citizens cooped up in their homes."

Brazil Surpasses China In Total COVID-19 Infections, Deaths.

The Wall Street Journal (5/4, A1, Magalhaes, Sciaudone, Subscription Publication, 7.57M) reports on the impact COVID-19 has had on Brazil, which has reported 105,222 cases and 7,288 deaths, surpassing China on both accounts. In Brazil, on a daily basis, deaths are increasing by almost 500, and infections are rising by more than 5,000.

Peruvian Finance Minister Rolls Out Massive Stimulus Package.

The Wall Street Journal (5/4, Dube, Subscription Publication, 7.57M) reports Peruvian Finance Minister María Antonieta Alva is rising in popularity after rolling out a massive stimulus package in response to the coronavirus pandemic amounting to 12 percent of gross domestic product.

WSJournal: US Should Consider Sweden's Approach To Coronavirus.

In an editorial, the Wall Street Journal (5/4, Subscription Publication, 7.57M) argues that Sweden has taken a relatively permissive approach in its response to the coronavirus. The Journal suggests that American governors study the Swedish model as they begin relaxing lockdowns.

US Awards 29 Purple Hearts For Brain Injuries Sustained In Iran Attack.

The AP (5/4, Baldor) reports, "Six Army soldiers who were injured in a ballistic missile attack in Iraq in January have been awarded Purple Hearts, and 23 others have been approved for the award and will get them later this week," US Central Command said Monday.

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Iran Using Pandemic To Crack Down On Intellectuals.

The Washington Examiner (5/4, Chudnovsky, 448K) reports that "poor management of the COVID-19 pandemic (that Iran has blamed on the United States and Israel) has led to a sharp criticism of the country's leaders by Iran's intellectual elite." In response, Iran has "adopted the political doctrine to never let a good crisis go to waste." Last month, the Islamic Revolutionary Guard Corps' Basij Force "arrested 3,600 citizens for 'spreading rumors about coronavirus,'" and "more arrests are forthcoming."

Low Oil Prices And Lockdown Threaten Collapse Of Iraq's Economy.

The Washington Post (5/4, Loveluck, Salim, 14.2M) reports, "The coronavirus epidemic has pushed Iraq's economy to the brink of catastrophe, experts say, with the outbreak aggravating the risk of public desperation and renewed social unrest if the needs of millions of Iraqis are not met by sweeping reforms." According to the Post, Iraq's "political system" "became riddled with corruption while politicians grew rich on the spoils. But the epidemic has accelerated the crisis, tanking global oil prices and the oil revenue that keeps Iraq afloat – while forcing a lockdown that is ruining livelihoods and forcing families to go hungry."

US Troop Reduction In Afghanistan Advances.

The Washington Times (5/4, Wolfgang, 492K) reports the Pentagon is "forging ahead with a dramatic cut in combat troop levels in Afghanistan even as the Taliban ramps up attacks and specialists warn that the COVID-19 outbreak could destabilize the fragile country and fuel even greater chaos." Pentagon officials tell the Times "that the US expects to meet its commitment to draw down forces in Afghanistan from between 12,000 and 13,000 to 8,600 by mid-July." The officials "also said the COVID-19 pandemic has not slowed down their plan so far, even though the Defense Department has instituted strict limits on the movement of troops abroad."

US, Guaidó Deny Ties To Coup Plotters.

The AP (5/5, Smith, Goodman) reports interim Venezuelan President Juan Guaidó on Monday "denied having anything to do with an ex-Green Beret who claimed responsibility for a deadly beach invasion aimed at arresting socialist leader Nicolás Maduro." The government, meanwhile, "said it has mobilized more than 25,000 troops to hunt for other rebel cells." In a statement, Guaidó said he has "no relationship nor responsibility for any actions" taken by American Jordan Goudreau, "who repeated assertions that Guaidó had a contract with his security company, though he said he was paid only a tiny share of the amount agreed upon." To the AP, "that claim could pose a danger for Guaidó."

The Washington Times (5/4, Taylor, 492K) reports the Administration also "sought Monday to distance itself from an apparently abortive attempt to topple" Maduro. While the Administration "has long supported efforts to oust Mr. Maduro...there were far more questions than answers about the shadowy operation, which reportedly left eight people dead and deepened a mystery over who authorized and financed the assault." A State Department spokesperson said, "The United States Government had no connection to this weekend's events, nor with Jordan Goudreau."

Pennsylvania Teacher Released From Egyptian Prison.

The Washington Post (5/4, Raghavan, 14.2M) reports that a Pennsylvania teacher, "held in an Egyptian prison for nearly 10 months without trial and on flimsy charges, was released Sunday and returned to the United States with her teenage son, human rights advocates said on Monday." Reem Mohamed Desouky, a dual US-Egyptian citizen, was arrested last July, accused of "criticizing Egypt's government on Facebook."

Israel's Supreme Court Mulls Fate Of Netanyahu Coalition.

According to the Washington Post (5/4, Eglash, 14.2M), "Israel's democratic process and the fate of Prime Minister Benjamin Netanyahu has come under legal scrutiny this week as the country's highest court weighs whether a person charged with serious crimes should be allowed to form a government and whether a deal between Netanyahu and his main rival to end a year-long political stalemate is legal." The Post says the court could "derail...the government that Netanyahu is trying to form with onetime challenger Benny Gantz." But "Netanyahu's supporters...have warned that a court decision rejecting any part of the coalition deal signed with Gantz's Blue and White faction as unconstitutional or illegal could trigger yet another general election, a fourth since April 2019."

Eight Indian Soldiers Killed By Militants In Kashmir.

Reuters (5/4, Bukhari) reports that "three Indian soldiers were killed in a gunbattle with militants in the disputed Himalayan region of Kashmir on Monday, a day after a similar incident in which five were killed." According to Reuters, "Juniad Khan, a senior paramilitary force officer, told Reuters that militants attacked the men from the Central Reserve Police Force (CRPF) in North Kashmir." Reuters adds that "on Sunday, five Indian soldiers, including a high-ranking army officer, were killed in a forest area of North Kashmir during an operation against a group of militants, two of whom were later killed."

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WPost: New Evidence Reinforces Suspicion Russia Downed MH17 Over Ukraine.

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The Washington Post (5/4, 14.2M) editorializes that "a fair amount of detail has been gathered about the shooting down of Malaysian Airlines

Flight 17 on July 17, 2014, in eastern Ukraine, which killed all 298 people aboard." While the plane was hit by "a Russian-made Buk missile launched by the 53rd Anti Aircraft Missile brigade based at Kursk, Russia," Russia has "insisted it did not shoot down MH17." The Post argues that the "body of evidence, however, clearly points to Russia, and now a new piece of evidence reinforces that suspicion." The open-source investigative group Bellingcat, along with its Russian partner the Insider and the McClatchy Washington Bureau, "reports that a high-ranking official of the Federal Security Service," Col. Gen. Andrey Ivanovich Burlaka, "oversaw the separatists and deployment of the missile."

Housing

Freddie Mac, Fannie Mae, And FHFA Roll Out Eviction Protection Tools For Renters.

According to National Mortgage Professional (5/4), "To help renters find out if they are protected from evictions during the COVID-19 national health emergency, the Federal Housing Finance Agency (FHFA) announced that Fannie Mae and Freddie Mac have created online multifamily property lookup tools." NMP says that the tools "allow renters to find out if the multifamily property where they reside has an Enterprise-backed mortgage." By doing so, they can see if they are covered by the CARES Act's "temporary eviction moratorium," which applies to renters in properties with Enterprise-backed mortgages. FHFA Director Mark Calabria said, "Today's tool protects renters and empowers them to find out if they live in a multifamily property covered by the eviction moratorium. Landlords with Enterprise-backed mortgages cannot evict tenants for failing to pay their rent if they are affected by COVID-19. Renters who can pay their rent should." The ABA Banking Journal (5/4) reports that the FHFA added that "renters are still expected to pay their rent during the eviction moratorium period if they can," directing those facing hardship to reach out to their landlord and go over their options. Also reporting on the new tools are the San Antonio Express-News (5/4, 762K), Florida Realtors (5/4, 18K), and RISMedia (5/4, 2K).

MBA: Rate Of Mortgage Forbearance Requests Rose From 7% To 7.5% In Week Ending April 26.

Reuters (5/4, Scuffham) reports that "mortgage firms facing billions of dollars of missed home loan repayments are continuing to push for emergency government support as data published Monday" by the Mortgage Bankers Association "showed a further rise in borrowers asking to halt payments." According to Reuters, "The number of people seeking to have mortgage payments paused or reduced rose to 7.5% as of April 26 from 7.0% a week earlier as the economic effects of the novel coronavirus outbreak stretched household finances, figures from the [MBA] showed. The MBA estimates that 3.8 million homeowners are now in forbearance." Due to the CARES Act, "lenders must allow struggling borrowers to postpone mortgage payments. The law allows borrowers of mortgages backed by government entities Fannie Mae and Freddie Mac to delay up to a year's worth of repayments." The FHFA "said last month it would cap the number of payments mortgage companies must advance to investors in some government-backed mortgage bonds." However, Greenspoon Marder partner David Merkur, who represents servicers, "said there was still a serious danger of some firms going bust if a facility was not introduced."

National Mortgage News (5/4, Centopani) reports that the MBA's data indicates that the share of loans in forbearance at independent mortgage bank servicers grew from 6.52% the week prior to 7.13%, while depositories saw an increase from 7.87% to 8.41% over the same period. NMN reports, "The share of conforming mortgages, those purchased by Fannie Mae and Freddie Mac, in forbearance rose to 5.85% from 5.46%. The share of forbearance of private-label securities and portfolio loans – products which were not addressed by the coronavirus relief act – jumped to 8.3% from 7.52% one week prior." Meanwhile, the group consisting of Ginnie Mae mortgages "maintained its hold on the highest percentage of loans in forbearance by investor type, going up to 10.45% from 9.73%."

HousingWire (5/4, Howley, 23K) reports that before the pandemic struck, the overall mortgage forbearance rate stood at 0.25%. MBA Chief Economist Mike Fratantoni said, "With millions more Americans filing for unemployment over the week, the level of job market distress continues to worsen. That is why we expect that the share of loans in forbearance will continue to grow, particularly as new mortgage payments come due in May."

Continuing Coverage: Black Knight Reports Forbearances Figures Could Spike In Early May As Unemployment Swells.

Mortgage News Daily (5/4, Swanson) reports that the MBA's data "confirmed the findings that Black Knight reported on Monday morning that, while the number of forbearances in effect as a result of the COVID-19 pandemic continues to rise, the rate of increase slowed as April progressed."

National Mortgage News (5/4, Centopani) says, "Even though the April forbearance count followed a declining curve" in April after a "deluge" at the start of the month, "the total increased by almost 2.8 million in the 19 business days from April 6 through April 30. With unemployment growing, May could chart the same trend." Black Knight "[estimated] an estimated 7.3% of all mortgages currently sit in forbearance totaling almost 3.9 million loans. On April 13, the company predicted the delinquency rate could eclipse the Great Recession's." According to NMN, "In a hopeful scenario, in which forbearance volume decreases 10% per day, the requests would peak at 4.5 million through mid-June. If current volumes track, over 8 million borrowers would enter forbearance by that time, totaling about 16% of all home loans." Servicers will face heavier strain as more borrowers delay payments. Black Knight "appraised total forbearances at a monthly average of $4.7 billion in principal and interest plus $1.7 billion for taxes and insurance." Freddie Mac and Fannie Mae "account for $1.9 billion in monthly P&I and $700 million in monthly T&I, with the FHA and VA registering $1.1 billion and $500 million, respectively."

In its coverage of Black Knight's data, DS News (5/4, Welborn) reports, "According to Black Knight CEO Anthony Jabbour, the recent Federal Housing Finance Agency (FHFA) announcement of a four-month limit on advance obligations for servicers of mortgages backed by Fannie Mae and Freddie Mac provides the industry with some much-needed clarity." Jabbour said, "Having a four-month end date on the

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period in which servicers need to advance principal and interest payments on behalf of homeowners in forbearance is extremely helpful to our servicing clients. Still, even knowing that time limit, with today's number of forbearance plans, servicers are still looking at more than $7 billion dollars in advances over those four months. And the forbearance numbers are climbing steadily, day by day. Clearly, this remains a challenging situation all around."

Providing similar coverage of Black Knight's latest data are National Mortgage Professional (5/4), Dodd Frank Update (5/4), and Seeking Alpha (5/4, Kiesche, 512K).

Continuing Coverage: WPost Report Suggests May's Missed Payments Could Spark A New Housing Crisis. National Mortgage Professional (5/4, Persaud) reports that a "Washington Post report revealed that the May 2020 payment period could be the next crisis the housing industry faces after tackling the hardships brought forth by the COVID-19 pandemic. The report states that this is especially true for high-priced regions for those making under $75,000, as the $1,200 stimulus check may not have been enough to help them cover rent or mortgage payments." This NMP piece also recaps the findings of both Black Knight and the MBA.

Fed's MBS Purchases Spark $5B In Margin Calls.

Potentially behind a paywall, Bloomberg (5/4, Nasiripour, 4.73M) reports, "The Federal Reserve's emergency rescue of the U.S. mortgage market should have set off a celebration among lenders trying to keep up with demand from borrowers. Instead, executives at Quicken Loans got a hefty margin call." The Fed's mid-Mach announcement regarding its planned purchases of MBS, although intended to "steady the market," instead "caught many lenders by surprise and tipped their routine hedges deep into the red," adding "strains throughout the industry that have left the gap between mortgage rates and benchmark Treasuries the widest since 2009." According to Bloomberg, "Fannie Mae and Freddie Mac...are offering to pay significantly less for debts than their implied value in related mortgage securities, industry executives said. ... Data on Optimal Blue's platform suggest the price cuts alone are forcing lenders to offer household mortgage rates up to 0.5 percentage point higher than normal." However, a Fannie Mae representative "said the company's pricing derives directly from mortgage-backed securities and reflects market rates," and a "spokesperson for Freddie Mac echoed that, adding that mortgage lenders' capacity constraints are what's driving the divergence between interest rates on new loans and yields on mortgage securities."

Cash-Out Refis Drop After FHFA Excludes Them From GSEs' Purchases Of Single-Family Forbearance Loans.

American Banker (5/4, Subscription Publication, 31K) reports that mortgage lenders "have released new rate sheets in the past week showing higher credit scores and loan-to-value ratios plus added fees for cash-out refis" in response to "the Federal Housing Finance Agency's policy last month that excludes cash-out refinancing from the single-family loans that Fannie Mae and Freddie Mac will buy in forbearance." According to American Banker, "Last year, roughly 13% of homeowners with loans owned by Freddie Mac took out roughly $91 billion through cash-out refis, according to Freddie data. Cash-out refis hit a peak in 2006, when Freddie borrowers alone tapped $320.5 billion in home equity."

After Freddie Reported Mortgage Rates Hit All-Time Lows, Wells Fargo Halts All New HELOCs.

DS News (5/4, Albanese) reports that on Monday, Wells Fargo announced that it will no longer accept any applications for new home equity lines of credit (HELOCs). Wells Fargo VP Michale King cited "uncertainty around the timing and scope of the anticipated economic recovery," explaining, "The temporary suspension of HELOC applications will continue until our analysis of market conditions indicates that it is appropriate to resume the responsible extension of HELOCs to homeowners." DS News says, "A report by the Charlotte Business Journal revealed JPMorgan Chase & Co. stopped accepting applications for HELOCs in April," although Bank of America "continues to offer new HELOCs." DS News says Wells Fargo "will have employees move from working on HELOCs to processing mortgages for home purchases and refinances, which is a growing segment of the market due to low-interest rates." Meanwhile, last week's Freddie Mac Primary Mortgage Market Survey "revealed the average rate for a 30-year fixed-rate mortgage fell to 3.23% – the lowest rate in the 49-year history of the survey." Freddie Mac Chief Economist Sam Khater said, in part, that the "size and depth of the secondary mortgage market are helping to keep rates at record lows," but "it's important to remember that not all people are able to take advantage of them given the current pandemic."

Continuing Coverage: MBA Reports Drop In Mortgage Credit Availability. Realtor (5/4, 25.12M) also covers Freddie's latest rates, reporting that HELOCs are not the only part of the industry with tightening standards. According to Realtor, mortgage credit availability credit "dropped 16.1% in March – a clear indication that lending standards are tightening up, "the Mortgage Bankers Association reported. This is the index's lowest level since "mid-2015."

Multifamily Financing

- ***CPC Mortgage Company Closes $4M Freddie Mac Optigo SBL Refi For Williamsburg Apartments.*** The New York Real Estate Journal (5/5) reports, "CPC Mortgage Company LLC, a subsidiary of The Community Preservation Corp. (CPC), closed a $3.9 million Freddie Mac Optigo Small Balance Loan (SBL) to refinance a nine-unit apartment building in the Williamsburg neighborhood."
- ***Black Point Capital LP Buys CO Apartments With Freddie Mac Financing.*** The Colorado Real Estate Journal (5/4) reports, "Black Point Capital LP purchased Bears Village Apartments, a 98-unit complex just blocks from the University of Northern Colorado at

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509 18th St. in Greeley, from seller Philip Schuman, an owner of Schuman Cos." Unique Properties Inc. represented both the buyer and seller. Unique's Phil Dankner said, "(The buyer) locked an incredible Freddie Mac rate. They timed the closure perfectly, so they didn't have to have any principal interest escrow, and they were able to get it closed prior to all the new COVID-related lending requirements."

- ***PAC Buys Florida Apartments With Freddie Mac Financing.*** Multi-Housing News (5/4) reports, "Preferred Apartment Communities Inc. (PAC) has acquired a one-year-old, Class A apartment community" in Panama City, Florida. According to MHN, "The decision to move ahead with the acquisition was based on strong April 2020 rent collection and a favorable Freddie Mac first-mortgage loan obtained two months earlier. The loan has a fixed annual rate of 3 percent over a 10-year term, is interest-only for the first two-years and amortized on a 30-year schedule."

Policymakers Extend Protections To Stave Off Evictions And Foreclosures.

DS News (5/4, Welborn) reports on the ways that states' policymakers are working to prevent evictions and foreclosures as the pandemic continues to weigh on homeowners and renters. Dallas "has announced that it is launching a program" to help affected Americans, announcing that pre-screening for applications will be carried out on a first-come, first-serve basis. Meanwhile, "Kansas Governor Laura Kelly announced that the state's ban on evictions and foreclosures due to COVID-19 have been extended through May 31." According to DS News, "With dramatic increases in unemployment, delinquencies and defaults can be expected to increase for the foreseeable future, even during forbearance, according to Black Knight."

Justice Department "Doubling Down" On Anti-Discrimination Efforts During Pandemic.

Disability Scoop (5/5, Heasley, 1K) reports federal officials "say they are doubling down on efforts to root out discrimination against people with disabilities and other groups while the nation contends with coronavirus." The Justice Department "said in a [newly-released] statement that those with disabilities should be on guard for discrimination that may arise in a host of [settings] ranging from education to housing and health care and they should speak up if their rights are violated." If people with disabilities "believe they have been discriminated against, they should file a [complaint] with the Justice Department or contact the civil rights division directly, the agency said."

Freedom Debt Relief Survey: More Than A Third Of Americans "Likely" To Miss Housing Payments.

DS News (5/4, Welborn) reports, "According to a survey from Freedom Debt Relief, 90% of Americans say their financial situation has been impacted by the COVID-19 pandemic to some extent. Nearly a third (32%) of participants say they have experienced a reduction in pay or work hours due to the pandemic." Of respondents, "65% say that the pandemic relief check is not enough to get them through the current economy, and 45% report that they already are struggling to make their rent or mortgage payments. Another 36% say they will likely miss their mortgage or rent payment within the next six months."

Markets

10-Year Yield Rises.

MarketWatch (5/5, 1.67M) reports the 10-year Treasury yield rose to 0.673 percent.

Dollar Edges Lower.

Reuters (5/5, Westbrook) reports, "The dollar handed back a sliver of recent gains to commodity currencies on Tuesday as oil prices bounced back, but hung on against the yuan as traders weighed optimism about a coronavirus recovery in China against fears about rising Sino-U.S. tensions." The yen was ahead slightly at 106.53 per dollar, while the euro "last sat at $1.0914, close to a week-low hit overnight."

Gold Falls.

Reuters (5/4, Editorial) reports, "Gold prices slipped on Tuesday as risk sentiment was lifted by easing coronavirus restrictions, while brewing tensions between the United States and China over the outbreak kept the safe-haven metal near the key $1,700 per ounce level." Spot gold "fell 0.1% to $1,699.56 per ounce by 0133 GMT," while US gold futures "were down 0.5% to $1,705.50 per ounce."

Oil Extends Gains.

Reuters (UK) (5/5, Zhang) reports, "Oil prices jumped again on Tuesday on hopes for a recovery in vehicle traffic and fuel demand, as some U.S. states and countries in Europe and Asia start to ease coronavirus lockdown measures." West Texas Intermediate crude futures "surged 9.9%, or $2.01, to $22.40 per barrel as of 0705 GMT," rising for a fifth consecutive day. Brent crude futures "were up 6.9%, or $1.87, at $29.07, rising for a sixth straight day."

Cybersecurity

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FBI Warns Of Increased Cybercrime During Pandemic.

WSPA-TV Greenville, SC (5/4, Pisani, 30K) reports, "The Federal Bureau of Investigation wants you to be careful when you go online: The agency says cyber crimes are on the rise in the time of COVID-19. 'It's really too early to tell the exact numbers but I can assure you the trend is up,' said FBI Public Affairs Officer Don Wood." Wood "told 7News cyber criminals have tailored some traps to trick those thinking about the coronavirus pandemic. 'People will be looking for more information on coronavirus,' he said. 'They may be sent a fraudulent link to the CDC website.' That fake CDC website could then prompt visitors into clicking more links. For example, it could offer free personal protective equipment just by following a link. 'Once you click the link, you could be downloading a virus,' Wood said." WSPA-TV adds, "A more classic scam that is still tricking many Americans is the email extortion scam. These emails will threaten the recipient to pay a sum of money or run the risk of the sender leaking compromising photos, personal data or financial information. 'They're blackmailing you over the internet,' Wood said."

FBI Offers Advice On Teleconference Security.

Spectrum News Rochester (NY) (5/4, 44K) reports, "Many of us are using virtual teleconferencing applications as we work and attend school from home, and the FBI has some advice for you so you don't become a victim of so-called 'zoom-bombing.' 'We've seen a lot of what we would call "virtual teleconferencing hijackings," where somebody would get on and display a pornographic image or hate crime language or some kind of a threat during the middle of those meetings,' FBI Public Affairs Officer Maureen Dempsey says." Dempsey "says it's a problem nationwide, and while she cannot comment on specific cases, she confirms the FBI is looking into cases in our area. 'We've recognized the conversation that these things are happening in our district,' she said." The FBI "says anyone using the virtual teleconferencing, like Zoom, could be a target. 'On Zoom…or any virtual teleconferencing platform, I would argue if you're connected through the Internet, there's always a possibility that you can be hacked,' Dempsey says."

Security Pros Form Alliance To Support Hospitals Confronting Hacking Threats.

The Washington Post (5/4, Marks, 14.2M) reports in the Cybersecurity 202 column that cybersecurity companies and professionals "are banding together to offer free digital defenses to hospitals that are being pummeled with digital attacks during the coronavirus pandemic." The group, "which calls itself the Cyber Alliance to Defend our Healthcare, struck deals with 87 hospitals and four national health-care services in Europe over the past month." Organizers "hope to make similar arrangements with numerous US hospitals this month." The effort could be "a lifeline as criminals take advantage of coronavirus to lock hospital employees out of their computer systems in exchange for ransoms." André Pienaar, founder of C5 Capital, a cybersecurity-focused investment firm that launched the alliance, said, "This becomes a matter of life and death because hospitals have their IT systems locked down, sometimes medical devices, too, and can't function."

Ransomware Attacks Surge Against Healthcare Institutions.

TechRepublic (5/4, 73K) reports cybercriminals are making millions "by holding the data of healthcare institutions hostage until they get paid." Ransomware attacks on hospitals "are causing increased worry in the cybersecurity industry as hackers and groups go after healthcare organizations with increasing frequency." Nnenna Nwakanma, chief web advocate of the World Wide Web Foundation, "told a conference call organized by the UN in April that many around the globe were also concerned about the increase in cyberattacks now that more people were using the internet in general." Ransomware attacks on healthcare providers "rose 350% in the fourth quarter of 2019, and Emsisoft research shows that more than 759 healthcare providers were hit with ransomware last year."

Catfishing During Coronavirus On The Rise.

NBC News (5/4, 6.14M) reports deception has been "part of the Internet since its earliest days as a consumer tool, but the practice of using stolen photos arose as more people began creating social media and online dating profiles in the early 2000s." By 2012, catfishing "had become a cultural phenomenon with an MTV documentary show that year chronicling the deceptions of online dating." Despite increased awareness, "taking people's photos for fake accounts is growing more common as internet impersonating scams continue to rise." More than 19,470 people "reported being victims of confidence fraud and romance cybercrimes worth about $475 million," according to the FBI's 2019 Internet Crime Report; that's up by 1,000 reports since 2018. And as more of "the world shifts online because of stay-at-home orders amid the coronavirus pandemic, some cybersecurity experts are warning consumers to be on high alert."

Cybersecurity Lobbying Spending Rises As Firms Seek To Influence New Security Legislation.

The Wall Street Journal (5/4, Rundle, Uberti, Subscription Publication, 7.57M) reports cybersecurity firms are directing large sums toward lobbying Washington in an effort to sway policymakers as they revise privacy and security laws. Companies are engaging lawmakers and seeking to assist with designing bills and issues in their early stages. Government activities, such as defense-related programs, also have garnered growing attention from cybersecurity firms, which are interested in garnering contracts with DOD and other US agencies.

SAP Acknowledges Cybersecurity Shortfalls.

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Bloomberg (5/4, 4.73M) reports SAP, Europe's largest software maker, "said several of its cloud-computing products do not meet the company's cybersecurity standards." The company "said Monday in a statement that he vulnerabilities impact 9% of SAP's 440,000

customers." It plans "to fix the problems in the second quarter to meet contractually agreed or statutory security standards." There are no "known breaches or security incidents that have resulted from the shortcomings, which affect products from companies that SAP acquired, including SuccessFactors Inc., Concur Technologies Inc. and Callidus Software Inc."

Some States Trying Online Voting To Work Around Pandemic Issues.

The Wall Street Journal (5/4, Corse, Volz, Subscription Publication, 7.57M) reports some states are permitting voters to vote on the Internet in future elections, overriding warnings from cybersecurity experts about the risks of tampering or technical glitches as election officials struggle with voting amid the pandemic. Three states – Delaware, New Jersey and West Virginia – reportedly will permit a small share of their voters to use an online voting tool for upcoming presidential primaries or local elections. The eligible voters are mostly those residing overseas, in the military, or sick or disabled.

Election Assistance Commission Confirms States Can Use CARES Funds For Internet Voting.

Politico (5/4, Starks, 4.29M) reports in the Morning Cybersecurity column that the Election Assistance Commission "confirmed state election officials can use the grants they received in the CARES Act (H.R. 748) to fund Internet voting projects." Mona Harrington, the agency's acting executive director, "said in an email that the rollout of Internet voting is a permitted use of the grants if it is done 'in response to [the] coronavirus and the 2020 election.'". News that states "can use the grants for Internet voting comes as three states prepare to let some residents vote online in upcoming contests, with two of them adding the option due to the ongoing pandemic." Election security experts "lambasted the decision, saying the government was effectively putting its seal of approval on a technology they consider highly dangerous." Congress did not "address specific technologies when it authorized $400 million for 'election security grants' in the CARES Act."

New Executive Order Seeks To Ban "Foreign Adversary"-Made Grid Equipment.

MeriTalk (5/4, Weingarten) reports an executive order "issued May 1 by President Trump declares a national emergency regarding the threat posed by 'the unrestricted acquisition or use' in the US of bulk-power system electric equipment made by 'foreign adversaries,' and lays the groundwork for the government to ban the use of that equipment going forward." The order does not "identify any particular foreign adversaries by name, but warns they are 'increasingly creating and exploiting vulnerabilities' in the US bulk-power system that 'supports our national defense, our vital emergency services, our critical infrastructure, our economy, and our way of life.'" The White House "said the order 'prohibits certain future transactions' involving bulk-power equipment if the government determines the equipment is connected to a foreign adversary."

Op-Ed: This Year's NDAA May Have Cyber Surprises.

In a commentary in Bloomberg Law (5/4, Subscription Publication, 4K), attorney Megan L. Brown writes, "the Cyberspace Solarium Commission report offers over 80 recommendations and dozens of legislative proposals on cybersecurity. As policymakers review it, questions are mounting about the process to implement them." Brown contends, "Some recommendations seem likely candidates for inclusion in the National Defense Authorization Act (NDAA), one of the few pieces of 'must pass' legislation every year, but this may provide little opportunity for input on new obligations. The NDAA has become a vehicle to regulate private sector activity. Commissioners and staff of the Solarium Commission" made clear that many of its recommendations would be targeted for inclusion in the NDAA." The fiscal year 2021 NDAA is moving and it is likely to contain – for better and worse – obligations for the private sector." Brown concludes, however, that "the process to draft the NDAA is not as transparent as other legislation and may not leave time for input."

Federal Reserve

Fed Enters A Risky New World With 'Main Street' Loan Program.

The AP (5/4, Rugaber) reports, "With the U.S. economy sinking into a severe recession, the Federal Reserve is set to launch a high-risk program through which it will lend money to small and medium-sized companies outside the banking industry for the first time since the Great Depression. More than the eight other lending facilities the Fed has established in the nearly two months since the viral outbreak shut down the economy, its Main Street Lending Program will be the most complex and challenging yet, economists say. It will likely draw the Fed into more public scrutiny than it has faced since the 2008 financial crisis." Fed Chairman Jerome Powell "reiterated Wednesday that the Fed cannot lend to insolvent companies or 'grant money to particular beneficiaries.' In those cases, Powell suggested, the small business lending program in the federal relief package would be a better option. Those loans, from the Small Business Administration's Paycheck Protection Program, can be forgiven for companies that used most of the money to maintain their staffs or rehire all their laid-off workers. Congress has allocated $660 billion to that effort."

Central Banks Battle Against COVID-19 Could Become "Infinity War." Reuters (5/4, Schneider, Koranyi) reports big central banks "are buying from an expanding menu of government bonds, corporate debt and consumer loans to help businesses and households through the coronavirus pandemic – and no one knows whether they can stop." The best-case scenario "sees infection rates slow, commerce resume and people return to work this year." However, in the "extreme case that a recurring virus requires further damaging lockdowns, the U.S. Federal Reserve and its peers float the whole boat – government debt, corporate debt, perhaps even financing for mortgages and

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paychecks. The social, political and economic implications of taking economies offline for an extended period, underwritten by governments and struggling to return to normal, could run deep." Fed Chair Jerome Powell said this week, "We're still putting out the fire. We're still trying to win. And I think we'll be at that for a while. ... We won't run out of money."

NY Fed Report Says Future Of Fed's Balance Sheet "Highly Uncertain."

Reuters (5/4, Marte, Saphir) reports a NY Fed report said the outlook for the Fed's balance sheet is "highly uncertain" due to the economic fallout of the coronavirus pandemic. The central bank previously projected its balance sheet would rise to $6.3 trillion in a baseline scenario, but its balance sheet last month reached $6.7 trillion as it purchased assets in moves designed to maintain market stability.

NY Fed Says ETF Purchases Will Begin In "Early May." Bloomberg (5/4, Boesler, 4.73M) reports the Federal Reserve will soon stand up "two corporate lending programs that could buy up to $750 billion in debt and exchange-traded funds under its emergency coronavirus actions." On its website Monday, the New York Fed "announced...it expects to begin purchasing shares of eligible ETFs in early May through its Secondary Market Corporate Credit Facility. Lending through the Fed's Primary- and secondary-market corporate credit facilities via purchases of corporate bonds will begin soon thereafter, it said."

Reuters (5/4, Marte) and CNN (5/4, Egan, 83.16M) provide similar coverage.

Barkin: Changes To Business Practices, Job Retraining Will Be Key For US Recovery.

Reuters (5/4, Dunsmuir) reports Richmond Fed President Thomas Barkin said Monday that changes to current work practices and job retraining will need to be enacted to make sure employment is safe as U.S. economy recovers from the coronavirus crisis. Barkin, in a Richmond Fed website post, "also said that new productivity investments will need some government incentive to restore confidence in such an uncertain environment, in comments similar to those he made last week in a webcast."

Internal Revenue Service

Deadline Arrives For Disabled Vets To Register For COVID-19 Stimulus Checks.

Military Times (5/4, Shane, 772K) reports, "Veterans who missed out on economic stimulus checks connected to the coronavirus outbreak have only until tomorrow to register dependents with the Internal Revenue Service or miss out on potentially hundreds of dollars until 2021." Last month, Treasury Department officials "set a May 5 deadline for those veterans to update their eligibility information for the payments, which can total $1,200 per individual and $500 per dependent." Department of Veterans Affairs officials late last month "announced they had partnered with the Treasury department to use veterans' benefits accounts to route the stimulus money." However, "because of the way those disability accounts are set up, IRS officials could not see whether those disabled veterans also had eligible dependents. Without registering that information, those additional payouts will be delayed until veterans tax returns next spring." IRS Commissioner Chuck Rettig said in a statement, "(Veterans) need to act quickly and use the non-filers tool on IRS.gov to get the extra $500 per child added to their payment."

Bacon: IRS Made The Right Decision To Remove Barriers Blocking Stimulus Checks. In an op-ed for The Hill (5/4, 2.98M), Rep. Don Bacon (R-NE) praises the IRS' decision to remove the requirement that Social Security recipients file a tax return in order to receive COVID-19 stimulus checks. Bacon writes, "This was a barrier for many recipients of Social Security – which includes veterans, individuals with disabilities and seniors – who fall below the required income threshold for having to file a return." He continued, "The country's most vulnerable groups were almost stuck dealing with extra paperwork and red tape to get the checks they need."

Lawmakers Want IRS To Aid Companies Paying Health Benefits During Outbreak.

The New York Times (5/4, Tankersley, 18.61M) reports a group of lawmakers including Senate Finance Chairman Charles Grassley, ranking member Sen. Ron Wyden (D-OR), and House Ways and Means Chairman Richard Neal have asked the IRS "to allow companies that continue paying the cost of health benefits for furloughed workers to remain eligible for a new tax credit." The tax credit for retaining employees "essentially reimburses companies for as much as half the wages they continue to pay workers who are furloughed amid the coronavirus pandemic."

Office of the Comptroller of the Currency

OCC Gives Wells Fargo "Outstanding" Community Lending Score.

American Banker (5/4, Wack, Subscription Publication, 31K) reports the Office of the Comptroller of the Currency has awarded Wells Fargo an "outstanding" score "in connection with its obligations to meet the credit needs of communities in which it operates," three years after giving the bank a "needs to improve" rating "as a result of what regulators described as egregious evidence of discriminatory and illegal credit practices." In a report released Monday, the OCC assigned Wells Fargo the highest possible rating under the Community Reinvestment Act for the bank's activities from 2012 to 2018. The OCC's 2017 rating "took into account Wells Fargo's fake-account scandal," but "it pre-dated findings of misconduct in the bank's mortgage and auto lending units." The OCC on Monday "noted the more recent misconduct, but nonetheless gave the bank the top CRA rating, pointing to steps Wells Fargo has taken to remedy past misconduct."

Reuters (5/4) provides similar coverage.

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Schumer Calls For Regulators To Take Action Against Loan Sharks.

WROC-TV Rochester, NY (5/4) reports Senate Minority Leader Chuck Schumer (NY) "is warning Americans of the growing prevalence of loan sharking during the pandemic." Schumer "claims that loan sharks are asking for interest rates as high as 800%" and is urging the OCC, the FDIC, the CFPB, and the FTC "to use all their muscle to crack down on these loan sharks and put them out of business now."

Regulators Issue Timely Reminder About Responsibility For Cloud Security.

American Banker (5/4, Crosman, Subscription Publication, 31K) reports, "Federal banking regulators' latest warning about cloud security seems to have stemmed from recent data breaches and the accelerated use of cloud computing by people working from home during the pandemic." In a statement, the Federal Financial Institutions Examination Council "reiterated existing recommendations that regulators have made to banks for years." The OCC and the FDIC, two agencies part of the FFIEC, declined to explain why they issued the reminder, but American Banker says the "point was clear: If you use a cloud provider, you still have some responsibility for security."

Banks Tightening Lending Standards Across Loan Types.

American Banker (5/4, Lang, Subscription Publication, 31K) reports banks are tightening lending standards across the board amidst an economy left sputtering due to the impact of the coronavirus. The Fed said in its April summary of a survey that most banks reported stricter lending standards "as the economic outlook shifted." More banks also "said they had either significantly or somewhat tightened commercial real estate lending standards compared to other types of loans." According to the survey, 52.4 percent of banks reported tightened standards for construction and land development CRE loans, while 47.6 percent said their standards hadn't changed over the past three months.

Reuters (5/4) and Bloomberg (5/4, 4.73M) also report.

Big Banks Dominate Second Round Of PPP.

Bloomberg (5/4, 4.73M) reports the nation's biggest banks "stepped up lending to dominate the U.S. government's small-business rescue program after playing an undersized role in its early days." Banks with assets of $10 billion or more "processed 68% of Paycheck Protection Program loans last week, data released on Sunday show, compared with about 40% during the program's first round from April 3 to April 16." According to Bloomberg, "that translates to about $24 billion of PPP loans a day from the largest banks, more than double the daily pace set by that group in the first phase."

BofA Names Itself Top Lender In PPP Round Two.

Bloomberg (5/4, Nguyen, 4.73M) reports Bank of America has "received approval for 265,500 small-business loans totaling $24.9 billion in relief funds from the Small Business Administration's Paycheck Protection Program." During the second round of funding, the bank "sent 213,000 promissory notes to small businesses informing them that their loans were approved by the SBA, Bank of America said Monday in a statement." That figure makes Bank of America the top lender in the PPP's second round, according to the company.

Editorial Wrap-Up

New York Times.

"Mr. Trump's War On Accountability." The New York Times (5/4, 18.61M) argues in an editorial that the President's "move Friday night to replace the top watchdog for the Department of Health and Human Services," is "the latest in a series of direct attacks on statutory oversight of his administration." Trump "has been working to cleanse his administration of officials he considers insufficiently loyal," and he "has displayed a particular hostility to inspectors general." Trump "has made clear that he considers any efforts to hold him accountable to be, by definition, illegitimate" and Republicans "have done little to disabuse him of this notion."

Washington Post.

"New Evidence Reinforces The Suspicion That Russia Was Behind The Downed MH17 Plane." The Washington Post (5/4, 14.2M) editorializes that "a fair amount of detail has been gathered about the shooting down of Malaysian Airlines Flight 17 on July 17, 2014, in eastern Ukraine, which killed all 298 people aboard." While the plane was hit by "a Russian-made Buk missile launched by the 53rd Anti Aircraft Missile brigade based at Kursk, Russia," Russia has "insisted it did not shoot down MH17." The Post argues that the "body of evidence, however, clearly points to Russia, and now a new piece of evidence reinforces that suspicion." The open-source investigative group Bellingcat, along with its Russian partner the Insider and the McClatchy Washington Bureau, "reports that a high-ranking official of the Federal Security Service," Col. Gen. Andrey Ivanovich Burlaka, "oversaw the separatists and deployment of the missile."

"We're Asking An Extraordinary Amount From State And Local Governments. They Deserve More Aid." The Washington Post (5/4, 14.2M) editorializes in support of additional funding for state and local governments in the next COVID-19 stimulus package. The Post says the "major funding should have guardrails," but "rather than a punitive approach that emphasizes harsh consequences for mistakes, the federal government should implement structures to help states and localities spend the money appropriately, like a federal coordinator who can provide real-time support and guidance to local decision-makers."

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"What This Year's Election Campaign Will Look Like Online." The Washington Post (5/4, 14.2M) editorializes, "American politics

has long run on door-knocking, rally-throwing, baby-kissing and all manner of other activities that have suddenly become unsafe in the age of the novel coronavirus. Candidates are more dependent than ever on a realm that was created for mass connection: the Internet." Joe Biden "is confined to his basement," struggling to "compete with the freewheeling afternoon show" President Trump's "reelection team churns out nightly. ... That's not to mention President Trump's ready-made platform in the White House briefings, which guarantees him a national audience."

Wall Street Journal.

"Weighing Sweden's Coronavirus Model." In an editorial, the Wall Street Journal (5/4, Subscription Publication, 7.57M) argues that Sweden has taken a relatively permissive approach in its response to the coronavirus. The Journal suggests that American governors study the Swedish model as they begin relaxing lockdowns.

"The Fossil Fuel-Virus Nexus? Not." In an editorial, the Wall Street Journal (5/4, Subscription Publication, 7.57M) criticizes a study from Harvard's T.H. Chan School of Public Health concluding that there is a link between climate change and an increased risk of death from COVID-19. The Journal says the research was sloppy and that the study was intended to reach a result fitting a political agenda.

"Targeted Lockdowns Are Better." In an editorial, the Wall Street Journal (5/4, Subscription Publication, 7.57M) cites a paper from the from the National Bureau of Economic Research which concludes that targeted lockdowns to protect the most vulnerable combined with policies such as social distancing will reduce the death rate by more than universal lockdowns, and would cause less economic harm.

"Justice Thomas's Question Time." In an editorial, the Wall Street Journal (5/4, Subscription Publication, 7.57M) says the Supreme Court's decision to hear oral arguments by telephone has unexpectedly given the public a chance to hear the usually quiet Justice Clarence Thomas, and expresses hopes the format will let Americans come to see Thomas as a thoughtful thinker and questioner.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

US Treasury Expects To Borrow $4.5 Trillion In Fiscal Year As Stimulus Spending Soars
Liability Shield Is Next Coronavirus Aid Battle In Congress
NBCUniversal To Combine TV, Streaming Operations In Broad Restructuring
Coronavirus Sweeps Across Brazil, A Land Ill-Equipped To Fight It
Can We Keep The Sweatpants On After Lockdown Ends?

New York Times:

As Trump Pushes To Reopen, Government Sees Virus Toll Nearly Doubling
A Family Business Survived One Pandemic. It's Determined To Do It Again.
As World Comes To Halt Amid Pandemic, So Do Migrants
2 Die From The Virus At A Bronx Bus Depot, And Drivers Are Rattled
Don Shula, NFL Coach Who Won, And Won, And Won, Dies At 90
Biden Camp Finds Selling Point In Ailing Economy: His Work On 2009 Recovery

Washington Post:

Trump Applauds States Reopening Ahead Of Guidance
Health-Care Industry's Woes Become Economy's
Hard-Hit Italy Loosens Its Lockdown
J. Crew Files For Chapter 11 Amid Tailspin For Retailers
Antibody Tests Will Get More Federal Oversight
HHS Official Shifted Stockpile's Focus

Financial Times:

Europe Prepares To Exit Lockdown Amid Business And Labour Concerns
GE Cuts 10,000 More Aviation Jobs
Tanzania Hiding True Number Of Covid Deaths, Opposition Says
VP At Amazon Web Services Resigns Over Whistleblower Firings

Washington Times:

Hopes Rise For 'American Comeback' As Restrictions Give Way To Reopenings
Pence Praises DOJ Action Siding With Va. Church Cited For 16-Person Worship Service
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White House Hails Doctors Who Exposed Coronavirus Cover-Up In Rare Chinese-Language Address

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FDA Cracks Down On Faulty Antibody Tests
Harvard Quietly Backtracks On Air Pollution-Coronavirus Deaths Link

Story Lineup From Last Night's Network News:
ABC: States Reopening; Trump-China; Coronavirus-Vaccine; Italy Reopening; Meat Sales; Severe Weather; NFL Coach Don Shula Dies; Celebrating 2020 High School Grads.
CBS: States Reopening; Trump-China; Coronavirus-Antibody Tests; Coronavirus-Vaccine; Coronavirus-Retail Chains; USS Roosevelt-New Commanding Officer Interview; NFL Coach Don Shula Dies; Massachusetts-9 Year Old Uses Gift Card To Buy Groceries For Food Bank; Mother Daughter Cooking Tradition.
NBC: Coronavirus-Projections; States Reopening; Coronavirus-Retail Chains; Meat Sales; Travel Changes; Coronavirus-Symptoms in Children; Coronavirus-Antibody Tests; Italy Reopening; NFL Coach Don Shula Dies.

Network TV At A Glance:
Coronavirus – 16 minutes, 45 seconds
States Reopening – 13 minutes, 0 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Meat Sales; California-Lifting Restrictions; Louisiana-Nursing Homes Testing; Florida-Reopening; Coronavirus-Projections; McConnell-Senate 'Essential'; US Treasury-$2.9 Trillion Borrowed.
CBS: Coronavirus-Projections; States Reopening; SCOTUS-Cases By Telephone; Google/Apple-Location Tracking; World Leaders Vaccine Summit; Payment Protection Plan.
FOX: McConnell-Senate 'Essential'; Payment Protection Plan; Michigan-Security Guard Shot At Family Dollar; Wall Street.
NPR: Senate-In Session; House-Staying in Recess; US Treasury-$2.9 Trillion Borrowed; California-Lifting Restrictions; World Leaders Vaccine Summit; Wall Street.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Since COVID-19 emerged from Wuhan, suspicions about the origins have been rampant. And today, the US Department of Homeland Security leaked a report that when the outbreak started, the Chinese government hid the severity of the problem in order to hoard medical supplies before other countries could stock up. ... I should have known that China was up to no good. My fortune cookie tried to warn me."

Trevor Noah: "Right now, 2020 Mother Nature is out of control. A killer virus is one thing. But murder hornets? Sounds like someone is combining the scariest words together. What is next, nunchuck wolves?"

Trevor Noah: "Murder hornets just sound like psychos. They cut off the heads of bees and mash up the thorax into meatballs, and fly back to feed their larvae. I thought only Rudy Giuliani fed his family that way."

Trevor Noah: [On Trump tweeting that he was pleased that Kim Jong-un is okay] "Yes, of course Trump is happy Kim Jong-un is back. 'Thank God, I'm no longer definitely the worst person on Earth.'"

Jimmy Kimmel: "As if we didn't have enough to worry about, as if things weren't already insane, the country is now being invaded by something called murder hornets. These are hornets. They're two inches long. And they kill people and bees. So looks like we're never leaving our houses again."

Jimmy Kimmel: "The President continues to play both sides. Last night, he was on Fox News for a virtual town hall set in front of the Lincoln Memorial. And while his top health experts are telling us to stay at home, he is ready to get back out on the road. ... He misses his rallies. He needs to get out there. He needs to be cheered. It's what keeps him going. He's like a shark. He has to keep moving, and he has a hammer for a head."

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Jimmy Kimmel: "Trump has repeatedly predicted we're going to have a vaccine by the end of the year, which is something no one who actually knows anything about developing vaccines seems to agree with. But that's not how our President's brain works. ... He looked into his crystal bald spot, and expects to have a vaccine by the end of the year. It will be administered by mall Santa Clauses."

Stephen Colbert: "It was a beautiful weekend. Warm weather and sunny across the country. What a disaster. We've all been staying inside for over seven weeks, and we know we should stay inside, but the beautiful weather was just too tempting. ... While public health officials are worried, one person wasn't too concerned: Donald Trump. He had a Fox News virtual town hall last night and he said it was time to hit the beach. ... I seriously doubt you'll ever hear 'Trump did a great job. He really just lost one and a half Vietnams.'"

Stephen Colbert: "Trump thinks that getting the economy moving is the only way he can get re-elected, so he's going to try to do it, no matter what the risk is to Americans. I haven't seen a campaign strategy this dangerous since William Henry Harrison's 'Tippecanoe And A Scorpion Down Your Pants.'"

Stephen Colbert: [On Trump saying at his town hall that he thinks folks who are unemployed now due to the virus will be able to get higher-paying jobs] "The town hall was supposed to be about reopening the country, and was titled, 'America together: Returning to work.' And Trump not only thought it would happen, he actually thought this disaster might actually make things better. ... Really? A better job with more money? So it's good the virus happened? (As Trump) 'I think it's going to be even better because the pigs that just flew out of my butt told me they're hiring.'"

Stephen Colbert: "As part of his 'blame China' initiative, Trump's been pushing unsubstantiated claims that the disease started in a laboratory in Wuhan. Yesterday, his conspiracy theory got the support of Secretary of State Mike Pompeo. ... Pompeo did provide evidence that two things can be true at the same time. For instance, that footage made Pompeo look like both a liar and an idiot."

Seth Meyers: "President Trump participated in a Fox News virtual town hall at the Lincoln Memorial yesterday. Said Lincoln, 'This is literally the worst thing that's ever happened to me.' "

Seth Meyers: "Newly appointed White House Press Secretary Kayleigh McEnany had her first formal briefing on Friday and told reporters she will, quote, 'never lie to them.' Oh, really? Even the way you spell 'Kayleigh' is a lie. G-H? Come on now."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Participates in a Roundtable Discussion on Supporting Native Americans; participates in a tour of Honeywell International Inc. Mask Production Assembly Line; delivers remarks at Honeywell International Inc. Mask Production Facility
- Vice President Pence — No public schedule released

***US Senate*:**

• Senate Intelligence Committee considers DNI nominee – chamber's first committee hearing since return from recess – Nominations hearing considers Republican Rep. John Ratcliffe to be Director of National Intelligence * Represents the first committee hearing in the Senate since its return yesterday from an extended six-week recess amid the coronavirus (COVD-19) pandemic. Due to ongoing social distancing protocols, attendance limited to senators, witnesses, and some staff * President Donald Trump nominated Rep. Ratcliffe in February, having removed Acting DNI Joseph Maguire a week earlier and replaced him with Richard Grenell, also in an acting capacity. The last permanent DNI, Dan Coats, left the role in August 2019. In July 2019, President Trump had announced that he intended to nominate Rep. Ratcliffe as Coats' replacement, but announced just five days later that he was withdrawing the nomination due to 'unfair scrutiny' from the 'lamestream media', amid reports that Rep. Ratcliffe has misrepresented his own role in prosecuting terrorism and immigration cases

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Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 9:30 AM

• Closed Briefing: Intelligence Matters

Location: CVC 217, U.S. Capitol Visitor Center, Washington, DC; 2:00 PM

• Senate Banking, Housing, and Urban Affairs Committee nominations hearing – Nominations hearing considers Brian Miller to be Department of the Treasury Special Inspector General for Pandemic Recovery; and Dana Wade to be Assistant Secretary of Housing and Urban Development

Location: Rm 106, Dirksen Senate Office Bldg, Washington, DC; 2:30 PM

***US House*:**

• House meets in pro forma session – House of Representatives meets in pro forma session * Chamber remains on extended recess, from 30 Mar

Location: U.S. Capitol, Washington, DC; 10:30 AM

• House Dems host roundtable on 'administration push to deregulate heavy polluters during coronavirus' – House Committee on Natural Resources hosts livestreamed roundtable on 'Behind the Curtain: The Trump Administration's Fossil Fuel Agenda During the Pandemic'. Features Committee Chair Raul Grijalva and fellow Democratic members Deb Haaland, Jared Huffman, and Alan Lowenthal, with speakers Center for American Progress Senior Vice President for Energy and Environment Policy Christy Goldfuss, Accountable. US President Kyle Herrig, and Natural Resources Defense Council Senior Attorney for Environmental Justice Sara Imperiale, and Georgia Institute of Technology Global Change Program Director Dr Kim Cobb; *1:00 PM*

***Cabinet Officers*:**

• No public schedules released

***Visitors*:**

• No visitors scheduled

***This Town*:**

• CSIS online discussion on 'Korea Update' – 'Korea Update' Center for Strategic and International Studies online event, with State Department Deputy Assistant Secretary for Korea and Japan Marc Knapper discussing the recent South Korean elections, coronavirus (COVID-19) responses, and diplomacy with North Korea; *8:00 AM*

• U.S. Supreme Court hearing, via teleconference – U.S. Supreme Court hearing, via teleconference: 'USAID v. Alliance for Open Society International' (Whether the First Amendment further bars enforcement of Congress' directive that U.S.-based organizations that receive federal funds to fight HIV/AIDS abroad must 'have a policy explicitly opposing prostitution and sex trafficking' as a condition of accepting those funds with respect to legally distinct foreign entities operating overseas that are affiliated with them?). All Justices and counsel participate remotely * Live audio feed expected to be provided to news media, not made publicly available * Hearings from March and April were postponed due to the coronavirus (COVID-19) pandemic. The Court also postponed arguments in 1918 in response to the Spanish flu epidemic, and shortened its arguments in 1793 and 1798 in response to yellow fever outbreaks; *10:00 AM*

• CDC Board of Scientific Counselors virtual meeting; *11:00 AM*

• Department of Veterans Affairs Advisory Committee on Cemeteries and Memorials meeting; *1:00 PM*

• NALEO Educational Fund hosts 'Censo de Mayo' town hall event – NALEO Educational Fund holds Spanish virtual town hall to mark 'Censo de Mayo' and promote a full and accurate count of the Latino community in the 2020 Census. Speakers include Mexican Ambassador to the U.S. Amb. Martha Barcena, LatinoJustice PRLDEF General Counsel and President Juan Cartagena, Mexican American Legal Defense and Educational Fund Regional Counsel Andrea Senteno, Mi Familia Vota Executive Director and CEO Hector Sanchez Barba, and NALEO Educational Fund CEO Arturo Barba and National Census Program Director Lizette Escobedo; *2:00 PM*

• State Department ITAC meeting – State Department International Telecommunication Advisory Committee and Preparations for Upcoming International Telecommunications meetings

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, APRIL 28, 2020 6:00 AM EDT

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• Lack Of Federal Distribution Plan Had Food Rotting In Field As Food Banks Run Low.
• WSJournal A1: Detroit Automakers Tentatively Plan May 18 Restart To US Factories.
• GM Hiring Workers To Build Ventilators.
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• US Imposes New Restrictions On Semiconductor Exports To China.
• US Biggest Spender As Global Military Expenditures Approach $2T.

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• Supreme Court Dismisses Challenge To Repealed New York City Gun Restriction.
• Schools Consider Changes For Reopening Amid Pandemic.
• Think Tank Study Criticizes Common Core.
• NYTimes Analysis: McEnany Defending Trump's Pandemic Response.
• Senate, House To Reconvene On May 4.
• Schiff Concerned Trump "Will Try To Disenfranchise Millions" Of Voters In 2020 Election.
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• Ohio Poll: Biden Leads Trump 45%-44%.
• Pelosi, Jayapal Endorse Biden.
• "Two More Sources" Corroborate Parts Of Reade Assault Allegation Against Biden.
• Sanders Camp, Allies Rip Decision To Cancel New York Presidential Primary.
• Sweet: Duckworth Among Those Viewed As Possible Biden VP Pick.
• Tuesday's MD7 Special Election To Test State's Plan For Mail-In Balloting.
• Netflix To Release Michelle Obama Documentary On May 6.
• RCP Average Has Trump's Job Approval At 45.6%.

Financial International News

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• BOJ Broadens Stimulus, Pledges Unlimited Bond-Buying.
• Inflation Targeting May Lose Its Appeal To Central Bankers After COVID-19.
• IMF Offical: Mideast Sovereign Wealth Funds Should Work To Boost Regional Economies.

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• Trump: US Investigating Chinese Response To Coronavirus Outbreak.
• Azar Speaks With Taiwanese Counterpart About Pandemic Response.
• House Panel Probing Administration's Defunding Of WHO.
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• Johnson Says UK Not Ready To Ease Lockdown.
• Sweden Relying On Herd Immunity As Economy Remains Open.
• Japan's Early Response Relied On Contact Tracing Amid Lack Of Testing.
• Scientists Fear Brazil Could Emerge As Next Coronavirus Hotspot.
• Latin America's Prisons At Risk For Becoming Hot Spots.
• Jordan Eases Curfew, Reopens More Businesses.
• US Military Announces Somalia Strike Campaign Killed Two Civilians.
• Separatists' Declaration Splits Anti-Houthi Coalition In Yemen.
• Libya's Haftar: National Army Accepting "Popular Mandate" To Rule Country.
• Administration Vows To "Enforce And Expand" Pressure On Iran.
• South Korean Officials, "Senior US Defense Official" Say Kim Is Not Dead.
• UK Government Again Insists Brexit Deadline Will Not Be Extended.
• WPost: Under MBS, Saudi Regime Most Repressive And Reformist In Recent History.

Housing

• Freddie Mac, Fannie Mae, And FHFA Clarify: GSE Borrowers Are Not Required To Pay A "Lump Sum" Following Forbearance Period.
• Freddie Mac's Total Mortgage Portfolio Grew An Annualized 0.2% In March, Hitting $2.37T.
• GSEs Reportedly Considering Yanking MSR Portfolios.
• MBA: Almost 7% Of US Mortgages Were In Forbearance As Of April 19.
• CFPB's Kate Fulton Joining FHFA As New COO.
• Latest DS5 Podast Focuses on What Fed's Plan For MBS, Recent Actions By FHFA And GSEs.
• Multifamily Financing
• Trepp: CMBS Late Payments Are Rising Sharply.
• FHFA Likely Prepping LLPAs On Forbearance Loans.
• First American: Real House Prices Fell 1.6% From January To February.

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• Dollar Holds Steady.
• Gold Falls 1%.
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• Florida State Attorney Candidate Reports Racial Slurs, Nazi Imagery During Zoom Event.
• Cyberspace Solarium Commission Recommendations For Military's Cyber Operations Progressing.
• Hackers Publish Pharma Giant's Data After Ransomware Attack.
• Trump's 2021 Budget Proposes $237M For Quantum Information Science.
• NSA Offers Agencies Guidance For Choosing Videoconference Tools.

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• Fed Likely To Hold Off On More Pandemic Relief Initiatives, Assess Impact Of Past Moves.
• Fed Taking Previously Taboo Actions To Support Economy Amid Pandemic.
• Fed, FDIC Mull Changes To Bank 'Living Will' Deadlines.

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Office of the Comptroller of the Currency
• Banks Under Scrutiny For Prioritizing Certain PPP Applicants.
• AML Enforcement Drops To Record Low In 2019.
• Study Shows PPP Loans Didn't Go To Businesses Most Affected By Coronavirus.
• Opinion: US Big Banks Should Be Ashamed Of Their COVID-19 Response.
• JPMorgan Pauses PPP Applications To Work Through Existing Backlog.
• Wells Fargo Names BNY Mellon Exec As New Operations Head.
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Treasury in the News

Small Business Lending Portal Crashes After $310B Funding Injection.

The New York Times (4/27, Cowley, 18.61M) reports the SBA's online portal for submitting applications for Paycheck Protection Program funding crashed "minutes" after it opened on Monday, "and it kept crashing all day, much to the frustration of bankers" and "desperate clients." On Sunday the SBA warned of "pacing" limits, accepting just 350 applications per hour from each lender, "but bankers said they weren't able to get anywhere near that volume through the system." However, the SBA said that despite technical problems it "processed more than 100,000 loans under the program on Monday from 4,000 lenders." The Times says Community Spirit Bank CEO Brad Bolton "summarized his experience" by tweeting a picture of the SBA site's error message. Bolton's tweet, "directed at the S.B.A. and Treasury, also said: 'Your failure to be ready is unacceptable.'"

Reuters (4/27, Schroeder, Price) reports Rob Nichols, Chief Executive of the American Bankers Association, "tweeted that bankers were 'deeply frustrated' with the technology issues that he had raised 'at the highest levels.'" Reuters adds, "With the nation's lenders already sitting on hundreds of thousands of backlogged applications, the fresh funds are expected to be burned through in days – leaving swaths of mom-and-pop enterprises out in the cold again, banking groups said." The Treasury Department and the SBA on Sunday "tried to address concerns that big banks would suck up the second round of funds by capping the amount a lender can process at $60 billion, although few, if any, banks are likely to hit that high ceiling during the second round."

Bloomberg (4/27, Niquette, Levitt, 4.73M) reports the Treasury Department and SBA had "sought to avoid pitfalls from the first round" by issuing "new guidance last week reaffirming that companies must certify they were affected by the pandemic and telling large firms with access to other capital they shouldn't apply – and that firms can return loans by May 7 without penalty. Hedge funds and private-equity firms were told they were ineligible."

ABC News (4/27, Turner, 2.97M) reports on its website that Consumer Bankers Association President Richard Hunt said in a CNBC interview, "This is very much in demand. ... We think there are more loans in the pipeline than there were distributed in the first go around." Treasury Secretary Steven Mnuchin, "who was integral with lawmakers in creating the program, said it was good news that the money was flying out the door to millions of businesses." Mnuchin said Sunday, "It's not a matter of how long it lasts. Actually, I think the sooner the money is dispersed, the better. So the first round impacted about 30 million workers. I think this round will be about the same. That will be close to 50% of the private workforce, so I actually hope we run out of money quickly."

The Washington Post (4/27, A1, Gregg, Merle, 14.2M) and American Banker (4/27, Subscription Publication, 31K) also report.

Senators Urge Administration To Do More To Ensure Small Businesses Can Get Loans. CNBC (4/27, Pramuk, 3.62M) reports Sen. Amy Klobuchar (D-MN) "and 21 other senators on Monday urged the Trump administration to take more steps to ensure the small businesses devastated most during the coronavirus pandemic do not get shut out of a key government lifeline." The senators, in a letter to Secretary Mnuchin and SBA Jovita Carranza, "urged the administration to make public the measures it will put in place to make sure loans are not 'unjustly enriching' companies in less dire financial need." The letter said, "Every loan that provides a windfall for an applicant who does not truly need it results in one fewer loan made to a struggling small business owner whose employees could be truly helped by this funding." The Los Angeles (CA) Times (4/27, Haberkorn, 4.64M) also reports.

McGahn Blasts Critics Of Large Businesses Seeking PPP Funds. Former White House Counsel Don McGahn in an op-ed in the Wall Street Journal (4/27, Subscription Publication, 7.57M), condemns politicians and government officials criticizing large companies for accessing Paycheck Protection Program. He argues that the Cares Act sought to quickly distribute money to businesses and its lax standards were intended. McGahn says Secretary Mnuchin has warned, as a response to critics, of "severe consequences" for businesses obtaining PPP loans in bad faith.

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Schumer Announces The "No PR Act" To Prevent Trump, Pence From Signing Stimulus Checks.

Politico (4/27, Levine, 4.29M) reports Senate Minority Leader Schumer revealed Monday the "No PR Act," which would "prohibit the use of federal dollars toward any material that promotes Trump or Vice President Mike Pence's names or signatures." Schumer's proposal "comes after the Treasury Department ordered that Trump's name appear on millions of stimulus checks sent out by the IRS following the passage of a $2 trillion rescue package in March." Schumer said, "President Trump unfortunately appears to see the pandemic as just another opportunity to promote his own political interests." He continued, "The No PR Act puts an end to the president's exploitation of taxpayer money for promotional material that only benefits his re-election campaign."

Forbes (4/27, Ziv, 9.71M) reports the bill "takes aim at the Treasury Department, which instructed the Internal Revenue Service (IRS) to print Trump's name on the 'memo' line of the stimulus checks."

Also reporting are USA Today (4/27, Cummings, 10.31M), The Hill (4/27, Wise, 2.98M), and National Review (4/27, Hoonhout, 731K).

US Citizen Sues Trump, Mnuchin, McConnell Over Stimulus Denial Due To Immigrant Spouse. CBS News (4/27, Picchi, 3.68M) reports President Trump "faces a lawsuit over the federal government declining to make $1,200 stimulus checks to U.S. citizens who are married to immigrants without Social Security numbers." The lawsuit "comes after the IRS said only married couples who both hold valid Social Security numbers will receive the payments." The suit, "filed by a U.S. citizen and Illinois resident identified only as 'John Doe,' alleges that the ban violates the Constitution and is a form of discrimination 'based solely on whom he chose to marry.'" The lawsuit "also names Senate Majority Leader Mitch McConnell and Treasury Secretary Steven Mnuchin as defendants." Law360 (4/27, Subscription Publication, 8K) reports the man is claiming that Trump, Mnuchin, and McConnell "deprived him of his rights of association, of due process and equal protection under the law" and "discriminated against him on the basis of whom he chose to marry and based on the alienage of his spouse."

US Expats Organization Urges Treasury To Streamline Stimulus Application. Law360 (4/27, Subscription Publication, 8K) reports, "Many American citizens living abroad have not yet received pandemic relief payments because of administrative and technical difficulties," American Citizens Abroad, "an organization representing expatriates has, told the U.S. Treasury Department." ACA, in a letter sent Friday, "urged the department and the Internal Revenue Service to streamline the application process and to mount a public awareness campaign to notify taxpayers of potential workarounds. The organization also said it could help those citizens directly by helping them set up U.S. bank accounts, one of the requirements for receiving the payment through direct deposit."

Administration Open To Infrastructure, Broadband In Next COVID-19 Relief Package.

The AP (4/27, Mascaro) reports Congress "is plunging ahead on a new coronavirus relief package, but deepening partisan divide and uncertainty in the schedule could stall the federal response to the health crisis and deteriorating U.S. economy." Although the pandemic has done "the unthinkable in Washington, sparking a rare bipartisanship accord between Democrats and Republicans on the biggest rescue package in history – a $2 trillion effort last month, followed by $500 billion last week – it may not extend to the new effort." The AP says Treasury Secretary Steven Mnuchin "is seeking a broad package that could include infrastructure and broadband investment as part of Trump's long-running campaign promises."

The Hill (4/27, Carney, 2.98M) reports that a question being asked on Capitol Hill "is whether lawmakers will continue funding PPP in future pieces of legislation." Treasury Secretary Steven Mnuchin "said during a White House coronavirus task force briefing that they expect the latest round 'is the last tranche,\' but added a caveat that they could 'always reconsider that.'" Lawmakers "have proposed including new strings for additional funding that would tighten who can get help after reports that large chain restaurants were able to qualify for tens of millions in loans."

White House Gives Mixed Messages As Advisers Offer Contradicting Outlooks.

NBC News (4/27, 6.14M) reports that as President Trump "shifts from a self-described wartime president battling the coronavirus pandemic to a cheerleader for reopening the U.S. economy, the mixed messages coming from his administration risk confusing the markets, private industry and local and state officials." Treasury Secretary Steven Mnuchin "is predicting the economy will surge over the summer" while Kevin Hasset, a top economic adviser to Trump, "is warning of unemployment rates in coming months that Americans haven't seen since the Great Depression." Hassett "warned on Sunday that 'the next couple of months are going to look terrible.'" The same day, on "Fox News Sunday," Mnuchin said, "What I do think is, as we open up the economy in May, in June, you will begin to see the economy bounce back in July, August, September, and my expectation is that you'll see an increasing rate of growth in those three months." Hassett on Monday "played down any differences within the president's economic team. He said Mnuchin is optimistic about a quick recovery, and pointed to negotiations with Congress on a fourth economic relief package." Newsweek (4/27, Lemon, 1.53M) also reports.

Group Of Scientists, Billionaires Seeks To Influence Administration's Pandemic Response Plan. The Wall Street Journal (4/27, Copeland, Subscription Publication, 7.57M) profiles a small group of scientists and billionaires, dubbed Scientists to Stop COVID-19, who say they have a solution to the pandemic and are working to present their plan to the White House. The Journal mentions how Boston Celtics co-owner Steve Pagliuca passed a version of the groups report to Goldman Sachs CEO David Solomon, who then passed it to Secretary Mnuchin.

Nobel Prize-Winning Economist Says $100B Needs To Be Spent On Testing. The Washington Post (4/27, Long, 14.2M) reports that "Nobel Prize-winning economist" Paul Romer "says a return to nearly normal life is possible this summer if the United States does wide-scale testing for the coronavirus." According to the Post, Romer is "calling on the U.S. government to test everyone in the nation once every two weeks and isolate people who test positive." The Post says Romer "estimates that doing so would cost $100 billion, a hefty sum but

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far less than the $2 trillion Congress has spent so far and less than the cost of keeping the economy partly closed for months to come." Top officials at the White House "voiced support for more testing over the weekend." Secretary Mnuchin "said on Fox News Sunday that the Trump administration would 'balance' reopening the economy with 'more testing' to 'monitor this very, very carefully.'"

Trump Administration Lacks Agility To Respond To Increasingly Dire Oil Market Developments.

The Washington Post (4/26, Mufson, 14.2M) reports the Trump Administration's options to protect the ailing US oil industry are growing limited, as oil market developments are coming more rapidly than the government can generate an effective response. Monday, US crude prices "plunged more than 20 percent, an oil services company declared bankruptcy, and a flotilla of about 20 Saudi Arabian supertankers continued their approach to the Gulf of Mexico." Treasury Secretary Steven Mnuchin "said on Sunday that the Trump administration is considering government loans to help out the industry, an extreme step to try to limit more economic damage." Rather than expecting an oil price recovery, however, investors are "expecting the oversupply to increase" on continued demand declines.

Legislators, State Officials Say Trump Administration Is "Unreasonably" Restricting How Local Governments Can Use Federal Aid Amid Pandemic.

The New York Times (4/27, Hulse, 18.61M) reports "lawmakers and state officials say the Trump administration is unreasonably restricting how local governments can spend federal aid as they struggle to stay afloat during the pandemic and Republicans raise doubts about providing added financial relief to hard-pressed communities." Those "officials say new Treasury Department rules that prohibit local governments from using their share of $150 billion provided last month for 'revenue replacement' are impractical." Sen. Sherrod Brown (D-OH) "said he discussed the flexibility issue by telephone on Monday with Treasury Secretary Steven Mnuchin, who has been negotiating with Democrats. Mr. Mnuchin, according to Mr. Brown, said that he would address the concern in upcoming legislation and that the Treasury would be liberal in its interpretation of what costs were directly related to the pandemic until then."

Judge Rules Alaska Native Corporations Ineligible For Tribal Government Relief Funds.

Law360 (4/27, Subscription Publication, 8K) reports a D.C. federal judge "handed a group of tribes a major win Monday by preventing the Treasury Department from sending any of $8 billion in funding to fight the COVID-19 pandemic to Alaska Native corporations, but stopped short of awarding federally recognized tribes all the money." Treasury Secretary Steven Mnuchin "had argued that it would be unfair to block the for-profit corporations, known as ANCs, from receiving some of the $8 billion in direct tribal funding in the $2 trillion Coronavirus Aid, Relief and Economic Security Act, saying that they met the requisite definitions to be eligible for funding." However, "in granting an injunction Monday to the Confederated Tribes of the Chehalis Reservation and more than a dozen other federally recognized tribes, U.S. District Judge Amit P. Mehta said that 'presently, no ANC satisfies the definition of 'tribal government' under the CARES Act and therefore no ANC is eligible for any share of the $8 billion allocated by Congress for tribal governments.'"

IRS Improves COVID-19 Rebate "Get My Payment" Web Tool.

The Hill (4/27, Jagoda, 2.98M) reports the Treasury Department and IRS "have announced enhancements to a web tool that people can use to check the status of their coronavirus relief payment." The enhancements "to the 'Get My Payment' tool come after many taxpayers experienced challenges in using the application." Treasury Secretary Steven Mnuchin "has said that millions of people have been successfully able to use the tool." However, "some taxpayers have expressed frustrations with the tool, reporting that they have had difficulty inputting their information or had received a message from the tool that their payment status was not available." Mnuchin said in a statement Sunday, "Treasury and the IRS have made substantial enhancements to the 'Get My Payment' app to ensure more Americans can get their money fast and track its delivery. This Administration has already delivered over 88 million payments in less than three weeks, with millions more on their way. We encourage people who still need to input their information or want to track their payment to use the app."

Airlines Have Received $12 Billion In Federal Aid As DOT Allows Route Exemptions.

The Washington (DC) Post (4/27, Aratani, 14.2M) reports that the Department of the Treasury has paid out $12.4 billion of the $29 billion in grants that were allocated to airlines through the CARES Act. The delivery of the aid to airlines "has been relatively trouble-free – a relief to an industry reeling from the worst financial crisis in its history." Treasury Secretary Steven Mnuchin said in a statement, "The financial assistance the Treasury Department is providing under Title IV of the CARES Act is essential to help American workers, preserve our aviation industry, and assist businesses that are critical to maintaining national security. Treasury is fully committed to delivering relief to the American people and supporting the economy."

NYMagazine Profiles Mnuchin, Highlights Foreclosure Work In '08 Crisis.

New York Magazine's Intelligencer (NY) (4/27, Levitz, 1.1M) reports in a lengthy profile on Treasury Secretary Steven Mnuchin, "Thus far, the COVID-19 crash has been as kind to Mnuchin as the Great Recession once was. If the last global economic meltdown was enough to purchase a lofty perch in our government, this one is making the Treasury secretary powerful enough to claim a prominent place in U.S.

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history." Prior to the pandemic, Mnuchin's "most memorable achievement as a public servant may have been commandeering a government plane for a solar-eclipse-themed day trip. Since the pandemic sickened global markets, he has brokered the largest stimulus legislation ever passed and won control of a multi-trillion-dollar bailout fund." The piece sums up: "We've put one of the primary beneficiaries of America's inequitable response to the last economic crisis in charge of crafting our nation's response to this one."

Leading National News

White House Offers Coronavirus Testing Guidance As More States Move To Reopen.

The White House released new guidance for states on coronavirus testing Monday as more states continued to move toward partial reopenings of their economies. Norah O'Donnell said on the CBS Evening News (4/27, lead story, 3:55, 5.63M), "The guidelines...require individual states to find testing supplies and conduct their tests rather than the federal government. The new plan comes as more and more Americans are suffering with what's being called 'quarantine fatigue,' a desire to return to a more normal life after weeks of staying home. That burnout, combined with rising unemployment, is leading 19 states to loosen restrictions an reopen some businesses and restaurants."

Weijia Jiang reported on the CBS Evening News (4/27, story 2, 2:20, O'Donnell, 5.63M), "Facing mounting pressure, [Trump] announced that national plan, which is really much more a list of suggestions for states. President Trump continues to claim the Administration has made great progress when it comes to coronavirus testing. ... But this new plan does not provide specifics about the supply chain or a roadmap for growing testing capacity, and the burden remains largely on the states." Kristen Welker reported on NBC Nightly News (4/27, story 7, 0:55, Holt, 8.35M), "The White House says the federal government's role will be to provide strategic direction and technical assistance to states, but in documents released late [Monday], the White House cautioned the federal government should be viewed as a 'supplier of last resort.'"

The AP (4/27, Miller) reports the White House released the new guidelines as Trump "sought to regain his footing after weeks of criticism and detours created in part by his sideshows. Trump appeared reluctant to cede the spotlight, with on-off-on plans for a press conference to capture the flurry of action." The AP says "Monday's developments were meant to fill critical gaps in White House plans to begin 'reopening' the nation, ramping up testing for the virus while shifting the president's focus toward recovery from the economic collapse caused by the outbreak."

USA Today (4/27, Subramanian, Jackson, 10.31M) reports the White House "blueprint outlines the federal government's role in assisting states with access to testing platforms, increasing testing and laboratory supplies as well as enhancing sample collection." The Washington Post (4/27, Sun, Dawsey, 14.2M) reports the guidelines have "sparked sharp debates within the administration between public health experts and other officials who fear that the guidelines could restrict worship services, damage the profitability of restaurants and upend daily life in a way they deem unnecessary."

David Muir reported on ABC World News Tonight (4/27, lead story, 5:00, 10.32M) that Trump is "calling on several private companies." The Washington Times (4/27, Boyer, Howell, 492K) reports, "Members of the coronavirus task force said they will marshal the public and private sector to expand rapid testing at pharmacies like CVS and Walgreens, tap unused lab capacity and make sure governors have the supplies they need." However, the Washington Post (4/27, DeBonis, Mooney, Eilperin, 14.2M) reports, "a previous high-profile public-private initiative announced by the president in March – partnering with companies to open up scores of testing sites on their properties across the country – has been slow to materialize."

The New York Post (4/27, Nelson, 4.57M) reports the White House Coronavirus Task Force announced that it will provide states with enough supplies for eight million tests per month. The Wall Street Journal (4/27, Bender, Subscription Publication, 7.57M) reports the Administration says it can send enough tests to all states to test at least 2.6 percent of their residents. HHS Assistant Secretary for Health Adm. Brett Giroir said on Fox News' The Story (4/27), "Every state really has their own individual circumstance depending on how many cases they have. ... We believe that every state should have the capacity – that means the swabs, the testing, the drive-through sites – to test at least two percent of their individuals per month. ... Many states want three percent, four percent, six percent. What I am happy to say is as we moved into the next stages, we are able to fully supply their chains to allow them to do that."

Acting DHS Secretary Wolf said on the Brian Kilmeade Show (4/27), "We inherited a testing regime that was based on state-relied-upon testing facilities. What we have done is we've expanded that, not only through the state systems but also the commercial labs. I think part of what the President is talking about, and the Administration has been talking about with governors, is making sure that governors understand the capability and the capacity in each of their states." However, the New York Times (4/27, Tankersley, 18.61M) says in an analysis that "state and federal officials have nowhere near the testing capacity that experts say is needed to track and limit the spread of the virus." Efforts to "quickly restart economic activity risk further dividing Americans into two major groups along socioeconomic lines: one that has the power to control its exposure to the coronavirus outbreak and another that is forced to choose between potential sickness or financial devastation."

The New York Times (4/27, Stolberg, 18.61M) reports, "Governors have been complaining that they do not have nearly enough tests to give them the kind of information they need to make difficult decisions about reopening. They say they are competing with one another – and other countries – for the components that make up the testing kits. ... Congress has been pushing the Trump administration to come up with a clearer strategy." Bloomberg (4/27, Parker, LaVito, 4.73M) also covers the new guidelines.

In addition to rolling out the guidelines, The Hill (4/27, Samuels, Chalfant, 2.98M) reports the White House is changing the way it will handle messaging on its response to the coronavirus amid growing GOP fears that President Trump is hurting his party's chances in this fall's

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elections with his daily White House briefings on the pandemic." The Washington Post (4/27, Chiu, 14.2M) says the daily coronavirus news briefings were "meant to inform the public," but "have instead been largely taken over by the president and transformed into 'de facto political rallies.'" Politico (4/27, Ward, 4.29M) similarly says Trump's "marathon briefings have been the subject of stepped-up criticism of late, especially in the wake of the president's dangerous suggestion last week that Americans inject or ingest disinfectants as a coronavirus remedy."

Trump Urges Governors To Consider Reopening Schools. On ABC World News Tonight (4/27, story 2, 1:15, Muir, 11.02M), Tom Llamas reported the President is urging governors "to seriously consider reopening the nation's schools. ... The President pointed out the school year is almost over, but he said several schools could open for a short period of time. He didn't say exactly where. He also added that young people seem to do well with this virus."

Politico: Hicks Faces "Difficult Task" In Setting Future Course For Trump. Politico (4/27, Cook, McGraw, 4.29M) reports that White House counselor Hope Hicks "faces the difficult task of formulating a new path for Trump out of an emergency that shows no sign of abating, even as the economy starts to reopen in a handful of states." According to Politico, Hicks "must position the president in a way he wants to be viewed as the man in charge, while guarding against the threat of overexposure that many aides and allies say poses a substantial political risk to Trump and his party just six months before a general election."

Some Antibody Tests "Giving Too Many False Positives." Politico (4/27, Brennan, Lim, 4.29M) reports that the FDA is "dealing with a flood of inaccurate coronavirus antibody tests after it allowed more than 120 manufacturers and labs to bring the tests to market without an agency review." According to Politico, "Normally, the FDA does its own quality check before allowing tests on the market," but "agency leaders have said they tried to create more flexibility for makers of antibody tests to help inform discussions about when people can safely return to work and school, and to identify survivors whose antibody-rich blood could help treat the sick."

The CBS Evening News (4/27, story 3, 2:00, O'Donnell, 5.63M) reported, "Antibodies can give a better picture of just how many people have been exposed to the coronavirus, even if they never had symptoms, but there are more than 100 unproven antibody tests on the market. We still don't know what level of immunity coronavirus antibodies give you." Gabe Gutierrez reported on NBC Nightly News (4/27, story 6, 2:15, Holt, 7.96M), "The latest results of [New York's] antibody testing program showed nearly one in four people in New York City tested positive for COVID-19 antibodies. ... There are still questions about the accuracy and meaning of the test. The World Health Organization now says, 'We expect that most people who are infected with COVID-19 will develop an antibody response, but we don't yet know is the level of protection or how long it will last.'" ABC World News Tonight (4/27, story 3, 2:35, Muir, 11.02M) had an update on the progress of finding effective antibody tests.

Nobel Prize-Winning Economist Says $100B Needs To Be Spent On Testing. The Washington Post (4/27, Long, 14.2M) reports that "Nobel Prize-winning economist" Paul Romer "says a return to nearly normal life is possible this summer if the United States does wide-scale testing for the coronavirus." According to the Post, Romer is "calling on the U.S. government to test everyone in the nation once every two weeks and isolate people who test positive." The Post says Romer "estimates that doing so would cost $100 billion, a hefty sum but far less than the $2 trillion Congress has spent so far and less than the cost of keeping the economy partly closed for months to come."

Stocks Up On Hopes Of Shutdown Relaxations. Reuters (4/27, Culp) reports, "Wall Street gained more than 1% on Monday at the onset of a hectic earnings week, as investors turned a hopeful eye toward several U.S. states that are relaxing shutdown restrictions put in place to curb the spread of the COVID-19 pandemic." The Dow Jones Industrial Average closed up 358.51 points at 24,133.78, the S&P 500 was up 41.74 points to 2,878.48, and the Nasdaq gained 95.64 points to close at 8,730.16.

The AP (4/27) attributes stocks' gains in the US and elsewhere to "governments prepar[ing] to gradually lift restrictions they imposed on businesses to slow the sweep of the coronavirus pandemic." The New York Times (4/27, 18.61M) also reports that US stocks "rose and global markets rallied...as governments around the world discussed when and how to reopen businesses and get their economies back on track." Likewise, the Washington Post (4/27, Telford, Heath, 14.2M) reports, "European and Asian stocks closed on an upswing Monday as investors warily eye national economies as they exit the lockdown."

Research Shows More Americans Leaving Their Homes. USA Today (4/27, Yancey-Bragg, 10.31M) reports researchers led by Lei Zhang of the University of Maryland "have found Americans are venturing out of their homes more for the first time since social distancing guidelines were put in place in mid-March, despite warnings from experts strongly encouraging people to practice social distancing." Smartphone data show that from early March through April 14, the percentage of people staying within a mile of home "increased or stayed the same" each day, but has dropped since then.

Miguel Almaguer reported on NBC Nightly News (4/27, story 2, 1:45, Holt, 8.35M), "This is what quarantine fatigue looks like as Americans leave home amid stay-at-home orders. ... In San Diego minutes after beaches opened [Monday], a wave of surfers the hit the water. ... From packed parks in Georgia to crowded green ways in Hawaii, a new study suggests more Americans are spending less time at home."

Data Indicate Political Divide Among Essential Workers. The New York Times (4/27, Rothwell, 18.61M) reports Gallup data indicate a political divide among essential workers. Those "who identify with the Democratic Party are more likely to be concerned about getting the virus (66 percent) than their Republican Party counterparts (45 percent). They also have far greater confidence in social distancing. Three out of four (73 percent) essential workers who affiliate with the Democratic Party say that they are very confident that social distancing saves lives, compared with 27 percent of essential workers who identify as Republicans."

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Ohio, Texas Among States Taking Steps Toward Reopening. Lester Holt said in opening NBC Nightly News (4/27, lead story,

3:00, 8.35M), "Ready or not, and with nearly a million confirmed COVID-19 cases in the US since the start of this outbreak, parts of America are moving on tonight. The simple touchstones of life as we remember it, from shopping in a store to dining at a restaurant, [are] rapidly returning in a country dividing over how far to go to halt the spread of the virus, which has claimed over 55,000 lives here."

The New York Times (4/27, Healy, Fernandez, Baker, 18.61M) reports, "Numerous states, including some of the largest, began the process of lifting shelter orders in what could be a pivotal stage in the U.S. response to the pandemic." The Wall Street Journal (4/27, Purnell, Subscription Publication, 7.57M) reports states including Ohio and Texas took steps Monday toward reopening their economies. Politico (4/27, Cadelago, 4.29M) reports, "While the biggest protests calling for an end to stay-at-home orders and business restrictions have hit Democratic governors, conservative activists and groups are intensifying pressure on GOP governors they say are being too deliberative as their economies stagger and jobless rates spiral."

The Washington Times (4/27, Sherfinski, 492K) reports in a brief item that Ohio Gov. Mike DeWine (R) on Monday announced plans for some businesses "to start reopening their doors on May 4." DeWine said "manufacturing, distribution, and construction companies and general business offices can reopen starting on May 4, with retailers to follow on May 12." Axios (4/27, Perano, 521K) reports Texas Gov. Greg Abbott (R) "announced on Monday that he will allow the state's stay-at-home order to lapse on April 30, at which point Texas will begin 'phase one' of its reopening plan." Abbott said "all retail stores, restaurants, movie theaters and malls will be permitted to reopen on May 1 as long as occupancy is limited" to 25 percent.

Reuters (4/27, McKay) reports that Georgia on Monday "allowed residents to dine at restaurants for the first time in a month, as more U.S. states began easing restrictions where the coronavirus outbreak has taken a relatively light toll." The AP (4/27, Brumback and Bynum) reports Gov. Brian Kemp (R) has "issued 39 requirements that restaurants must follow if they reopen, including observing a limit of 10 customers per 500 square feet and ensuring that all employees wear face coverings all the time."

Politico (4/27, White, 4.29M) reports that Colorado and Nevada have "joined a coalition of Western states coordinating a gradual lifting of coronavirus restrictions." Politico says "the governors of California, Washington and Oregon had already announced a regional pact aimed at restarting their economies as the pandemic's spread has slowed." According to Politico, "The addition of two more states means the group will encompass some 60 million Americans, or about a fifth of the nation's population." The Washington Post (4/27, Klemko, Hernández, 14.2M) reports Colorado Gov. Jared Polis (D) "said the state 'achieved what we wanted to achieve' during the stay-at-home order, including slowing the spread of the virus and increasing health-care capacity. ... But the state landscape will not be uniform." Denver Mayor Michael Hancock (D) "has extended the city's stay-at-home order until May 8, and suburban counties have followed suit."

Cuomo, Murphy Begin Considering Reopening Standards. The New York Times (4/27, 18.61M) reports New York Gov. Andrew Cuomo (D) announced Monday "that 337 more people had died of the virus" in the state, while New Jersey Gov. Phil Murphy (D) "reported an additional 106 deaths." The one-day tolls "were less than half of what the two states reported at their peaks," and both governors "have begun to offer details on reopening in the months ahead." Reuters (4/27, Layne, Caspani) reports that Cuomo said "his stay-at-home order will likely be extended beyond May 15 in many parts of the state, but that restrictions could be relaxed in some regions if they have sufficient hospital capacity and meet other criteria." Bloomberg (4/27, Clukey, Young, 4.73M) and the New York Post (4/27, Hogan, Feis, 4.57M) also report on Cuomo's comments.

Politico (4/27, Friedman, 4.29M) reports that Murphy "outlined four broad goals that need to be achieved before the state can begin to reopen for business, but gave no specific date for when that would happen." On Tuesday, Murphy "plans to announce members of a Restart and Recovery Commission to plan which businesses may open first based on how essential they are to the state's economy and how much disease transmission risk they pose." The New York Times (4/27, Tully, 18.61M) reports, "When pressed on the timing of a phased-in reopening, [Murphy] was noncommittal, but suggested it could come by Memorial Day, the unofficial start to summer at the Jersey Shore."

Politico (4/27, Friedman, 4.29M) reports New Jersey Republicans criticized Murphy for inviting Rep. Tom Malinowski (D-NJ), who is "in a tough reelection fight," to speak at his daily coronavirus briefing. A Murphy spokesperson "said all members of New Jersey's federal delegation – both Republican and Democrat – have been invited to participate in the briefings."

Illinois Judge Says Pritzker Order Exceeded His Authority. The Washington Times (4/27, Tareen, O'Connor, 492K) reports Clay County, Illinois Circuit Judge Michael McHaney ruled Monday that the stay-at-home order issued by Gov. J.B. Pritzker (D) "exceeds his emergency authority and violates individual civil rights. ... Pritzker has relied on an April 2 statewide disaster declaration as authority to close schools, shut down nonessential businesses and limit movement by individuals from their homes." The Chicago Tribune (4/27, Pearson, Munks, Petrella, 2.65M) reports the ruling said Pritzker "was prohibited 'from in any way enforcing the March 20 executive order against Darren Bailey forcing him to isolate and quarantine in his home,' or any subsequent orders that would do the same."

Whitmer To Seek Extension Of Emergency Powers. The Detroit News (4/27, Mauger, 825K) reports Michigan Gov. Gretchen Whitmer (D) "outlined Monday her next steps for reopening the state's economy as a potential fight nears with the Republican-controlled Legislature over her emergency powers." Whitmer "said construction and other low-risk workplaces will soon see loosened restrictions. She provided few specifics but said in the 'coming weeks,' the state will re-engage additional industries after shutting down most businesses" on March 23. Whitmer also announced that she is "seeking a 28-day extension of her emergency declaration from the Legislature."

Some Nonessential Wisconsin Business Will Reopen. The Milwaukee Journal Sentinel (4/27, Spicuzza, 632K) reports Wisconsin Gov. Tony Evers (D) said Monday that some nonessential businesses in the state "will be allowed to reopen this week. Those companies, including animal groomers and small engine repair shops, can reopen for business Wednesday with some changes, such as curbside drop-off of goods and animals."

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North Carolina Reopening Activist Tested Positive For COVID-19. WNCN-TV Raleigh-Durham, NC (4/27) reports on its website, "A leader of the ReOpen NC group revealed in a Facebook post that she tested positive for COVID-19." Audrey Whitlock, "one of the administrators of the ReOpen NC Facebook page" that has helped organize Raleigh protests against the stay-at-home order issued by Gov. Roy Cooper (D), "described herself as an 'an asymptomatic COVID19 positive patient.'"

Author Says New Orleans' Path Back From Katrina Offers Guidance. In a Wall Street Journal (4/27, Subscription Publication, 7.57M) op-ed, Emily Chamlee-Wright of the Institute for Humane Studies, co-author of "How We Came Back: Voices from Post-Katrina New Orleans," says that in the aftermath of the 2005 storm, it was business and community leaders, not state political leaders, who led the way in recovery and resumption of normal activity, and that the coronavirus comeback can follow the same course.

Trump: Democrats To Blame For Any Delay In Enhanced Unemployment Insurance.

President Trump took to Twitter yesterday to write, "Blame the Democrats for any 'lateness' in your Enhanced Unemployment Insurance. I wanted the money to be paid directly, they insisted it be paid by states for distribution. I told them this would happen, especially with many states which have old computers."

Hassett: GDP May Decline 30% This Quarter, Additional Stimulus Required.

Appearing on CNBC's Squawk Box (4/27, 173K) Monday, White House economic adviser Kevin Hassett said that in regards to US GDP, "You're looking at something like minus 20 percent to minus 30 percent in the second quarter. ... I'm expecting when we see the unemployment rate for...the first week of May, we're going to see a number that's going to be maybe 16, 17 percent. Right now, if you take what happened at the end of the first quarter, we're getting that first quarter GDP number this week, then you're looking like it's pretty likely you get a negative number. Second quarter GDP will be the biggest negative number since the Great Depression."

Reuters (4/27, Lambert) reports that during the interview, Hassett also said, "We're going to probably need another phase of stimulus of some sort. We've built a bridge to the other side of this crisis we believe and it looks like we're getting close to opening up in many places around the country. With that, we have to think about what's it going to take to make sure we go back to thriving. ... And I don't think that absent another round of stimulus that it's very likely that you would see a V-shape."

Pelosi Suggests She Is Open To Universal Basic Income.

The Washington Post (4/27, Werner, Wagner, 14.2M) reports that House Speaker Pelosi "said that Congress might need to consider offering a guaranteed income to some Americans to help the country recover from the economic impact of the coronavirus pandemic." Pelosi is quoted as saying, "We may have to think in terms of some different ways to put money in people's pockets. Others have suggested a minimum income, a guaranteed income for people. Is that worthy of attention now? Perhaps so." According to the Post, "A number of Democrats in the House and Senate have advanced proposals that would ensure a guaranteed paycheck for workers impacted by the coronavirus. These include a plan" by Rep. Pramila Jayapal (D-WA) "that would create a three-month federal guarantee for 100 percent of worker salaries of up to $100,000." Reuters (4/27) reports that Pelosi "also pushed the need for additional funding to state, local and tribal governments as Congress considers the next massive relief legislation to help prop up the U.S. economy."

McConnell Hostile To Democrats' Coronavirus Aid Plans, Seeks To Prevent COVID-19 Suits. The Washington Examiner (4/27, Ferrechio, 448K) reports Senate Majority Leader McConnell apparently rejected Democratic plans for the next coronavirus aid package, warning against being "distracted by preexisting partisan wish lists" and "tangential, left-wing daydreams." Democrats have proposed giving aid to states, granting hazard pay to those in the front-lines of the pandemic, and helping the Postal Service. McConnell said that the next package should be focused on "concrete steps" and said there was an "urgent" need to prevent "opportunistic lawsuits" against businesses and healthcare professionals.

Millions Awaiting Stimulus Checks.

The CBS Evening News (4/27, story 4, 1:55, O'Donnell, 5.63M) reported, "As of last week, about 90 million Americans have received their $1,200 stimulus check," meaning about 60 million haven't. CBS (Shamlian) added that reasons that millions "are still waiting include a change of address or bank account since their last tax filing."

Tyson Foods Warns US Meat Supply Is At Risk.

NBC Nightly News (4/27, story 4, 2:40, Holt, 8.35M) reported that in "a stark warning," Tyson Foods, one of the nation's biggest meat companies, said that plant closures will result in stores having "limited supplies of its products" and warned "the food supply chain is breaking." NBC (Schwartz) added that over 1,000 meat processing employees testing positive for COVID-19 forced at least 15 plants to temporarily close. ABC World News Tonight (4/27, story 5, 2:10, Muir, 11.02M) and the CBS Evening News (4/27, story 5, 2:10, O'Donnell, 5.63M) also mention Tyson's statement.

The Washington Post (4/27, Shepherd, 14.2M) reports that Tysons used "in a full-page newspaper ad published in The Washington Post, the New York Times and the Arkansas Democrat-Gazette on Sunday" to warn the coronavirus pandemic could "disrupt the U.S. food supply chain and raise the price of meat." The Post says Tyson also "defended itself from criticism that it has not adequately protected its

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workers and pleaded for more government assistance in doing so." According to the Post, Tyson "warned that shuttering processing plants would cause 'millions of pounds of meat' to disappear from the markets, reducing what's available on grocery store shelves and raising the prices."

The AP (4/27) says meat "isn't going to disappear from supermarkets. ... But as the meat plants struggle to remain open, consumers could face less selection and slightly higher prices." The AP adds, "Industry leaders acknowledge that the U.S. food chain has rarely been so stressed and that no one is sure about the future, even as they try to dispel concerns about shortages." However, according to the AP, "Nationally, although the reduced meat supply is expected to cause consumer prices to rise, expectations are that the increases will be slight." The USDA "said late last week that it expects beef prices to climb 1% to 2% this year, poultry as much as 1.5% and pork between by from 2% and 3%."

On the other hand, Bloomberg (4/27, 4.73M) reports that "meat prices are surging on the supply disruptions. U.S. wholesale beef has surged to a record, and wholesale pork soared almost 30% last week."

Lack Of Federal Distribution Plan Had Food Rotting In Field As Food Banks Run Low.

The CBS Evening News (4/27, story 5, 2:10, O'Donnell, 5.63M) reported, "Farmers say their crops...are rotting" even as "food banks are running low and lines are long," due to "lack of a federal plan the distribute the food." CBS (Bojorquez) added, "Farmers and food banks have pleaded with the US Department of Agriculture to connect the oversupply with the growing need," but despite this, the agency "didn't announce a plan until ten days ago." The USDA "said it's working as quickly as possible and plans to start purchasing food for distribution by the end or actually over the next week."

ABC World News Tonight (4/27, story 5, 2:10, Muir, 11.02M) reported that farmers are "forced to discard aging produce, milk, and now meat." ABC (Osunsami) added New York Gov. Andrew Cuomo (D) said, "We have people downstate who need food. We have farmers upstate who can't sell their product. We have to put those two things together." He "announced a plan to get food from farms in New York state to the food banks that need it," as well as "working with companies like Cabot Cheese and Chobani to process all this extra milk and turn it into yogurt and cheese products that will be given to food charities." Meanwhile, Farms to Food Banks is raising money to buy food from farmers and feed those who need it.

WSJournal A1: Detroit Automakers Tentatively Plan May 18 Restart To US Factories.

In a front-page article, the Wall Street Journal (4/27, A1, Colias, Foldy, Subscription Publication, 7.57M) reports people familiar with the plans say that General Motors, Ford, and Fiat Chrysler tentatively plan to restart some produce at US factors on May 18, following talks with United Auto Workers leaders and the office of Michigan Gov. Gretchen Whitmer (D). The people said that the companies are working with the union on creating safety protocols for reducing workers' exposure risk. However, the Detroit News (4/27, Noble, 825K) reports Fiat Chrysler announced the indefinite delay of plans to resume vehicle production in North America starting May 4. GM and Ford previously indefinitely delayed their restarts.

GM Hiring Workers To Build Ventilators.

The CBS Evening News (4/27, story 6, 2:40, O'Donnell, 5.63M) reported General Motors is hiring 1,000 new workers at the Kokomo, Indiana plant "to help build 30,000 ventilators by August." CBS profiled workers building the ventilators.

New York AG: Amazon May Have Violated Laws By Firing Warehouse Worker Who Lead Protest.

The New York Times (4/27, Weise, 18.61M) reports New York Attorney General Letitia James sent Amazon a letter saying the company "may have violated federal worker safety laws and New York State's whistle-blower protections" by Christopher Smalls, an employee in Amazon's Staten Island warehouse, who "agitated for more worker protections" amid the coronavirus outbreak. Amazon put Smalls on quarantine, then fired him, "saying Mr. Smalls had violated its policies by leaving his quarantine to attend the protest at the site." Lawmakers said that leaked notes from an Amazon executives meeting April 1 showing they discussed making Smalls "the face of the entire union/organizing movement" indicate Amazon "planned to 'smear'" Smalls.

Workers Allege Unjust Firings At Minnesota Amazon Fulfillment Center. The Minneapolis Star Tribune (4/27, Kumar, 1.04M) reports that workers at Amazon's fulfillment center in Shakopee, Minnesota workers "protested what they said were unjust firings of multiple workers." Workers said Faiza Osman was "fired for issues related to taking unpaid time off" and Bashir Mohamed was fired after "circulating petitions and raising concerns about safety issues." Rep. Ilhan Omar (D-MN) sent a letter to the Occupational Safety and Health Administration requesting a "comprehensive investigation" into the firings. Additionally, at least 25 workers at the facility "walked off their shift to demand an extension of unlimited unpaid time off for workers who don't feel safe working or need to stay home during the pandemic."

Apple To Delay 2020 Flagship iPhone Production Ramp-Up.

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The Wall Street Journal (4/27, Kubota, Subscription Publication, 7.57M) reports that with the coronavirus pandemic weakening global consumer demand and disrupting manufacturing, people familiar with the changes say that Apple Inc. is pushing back by a month its flagship

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iPhone production ramp-up but continues to plan to release four new iPhone models later this year. The company's annual product refresh drives most iPhone sales of each year.

Airbus CEO Says Losses "May Threaten The Existence Of Our Company."

The New York Times (4/27, 18.61M) reports that "just two months ago, Airbus had so many orders that the company's factories were struggling to keep up. Now, with the coronavirus pandemic sapping those deals for new aircraft, the European plane maker is warning of severe financial distress and cutting back on work." Airbus CEO Guillaume Faury is quoted as saying, "We are bleeding cash at an unprecedented speed, which may threaten the existence of our company. ... We face a severe and immediate imbalance between our revenues and costs." According tot he Times, "Before the pandemic hit, Airbus was thriving on demand from customers around the world, while rival Boeing was struggling with the grounding of its most important plane, the 737 Max," but "now Airbus, too, is paring back output."

Oil Traders Turning To US Vessels To Store Oil.

Reuters (4/27, Saul, Kumar) reports that, "In a sign of the energy industry's desperation for places to park petroleum amid a 30% drop in worldwide demand," five shipping sources said that oil traders are hiring US vessels to store gasoline or ship it overseas. Such vessels are "expensive" and normally only used for domestic shipments to meet the requirements of the century-old Jones Act.

US Oil Prices Drop 25%. CNBC (4/27, Stevens, 3.62M) reports on its website that in trading on Monday, US oil prices "plunged nearly 25%...on fears that worldwide storage will soon fill as the coronavirus pandemic continues to roil demand." According to CNBC, "West Texas Intermediate for June delivery fell 24.56%, or $4.16, to settle at $12.78 per barrel, after earlier trading as low as $11.88. International benchmark Brent crude fell 6.76% to settle at $19.99." CNBC adds, "WTI for July delivery fell more than 14% to $18.18 while the August contract slipped more than 9% to $21.50, suggesting the Street doesn't see a meaningful recovery in the next few months." Reuters (4/27, Kelly) says that "even as governments worldwide are taking tentative steps towards reducing restriction on movement to help economies rebound, fuel demand remains weak. Fuel demand is down 30% globally, and storage is becoming precious, with roughly 85% of worldwide onshore storage full as of last week."

Houston Suffering Effects Of Oil Market Chaos In Addition To Pandemic. The New York Times (4/27, Fernandez, Montgomery, 18.61M) reports Houston, like many cities, is "struggling under the economic shadow of the coronavirus," but it also has to deal with a simultaneous "collapse" in its "fundamental industry" – oil – at the same time, as cratering demand drove oil prices negative. Despite the city's economy and population having diversified in past decades, Mayor Sylvester Turner recently declared "the worst budget that the city will deal with in its history." Some estimates predict the Houston area "may lose 200,000 to 300,000 jobs – a blow worse than the Great Recession of 2008 and 2009."

Trump Holds News Conference After Canceling Coronavirus Task Force Briefing.

The Hill (4/27, Chalfant, Samuels, 2.98M) reports that the White House canceled a coronavirus task force briefing that had been scheduled for Monday and later announced that President Trump "would hold a news conference in the Rose Garden." To The Hill, the Rose Garden news conference "had all the trappings of the daily White House Coronavirus Task Force press conferences, which have come under increasing criticism from Republicans who worry they are doing more political harm than good for the president." The event, "though rebranded, felt like the briefings of old if tighter – it lasted about an hour. It all suggests Trump sees some benefit from briefings after all, and will raise questions about what's to come."

The New York Times (4/27, Baker, 18.61M) says Trump "resumed his daily coronavirus news briefings" to "the surprise of exactly no one." Trump "relishes the spotlight and spends hours a day watching television," and "the idea of passing on his daily chance to get his message out turned out to be untenable despite his anger over his coverage." The Times says the event "was on the more sedate side of the spectrum" but "even as he talked about the crisis that has killed almost as many Americans as the Vietnam War, Mr. Trump attacked 'Sleepy Joe' Biden, complained about being persecuted and made some of his favorite false claims."

White House Press Secretary Kayleigh McEnany said on Fox News (4/27, 896K), "The briefings were a great opportunity for the President to directly speak to the American people. That's why millions and millions tune in to the President's briefings to see what he has to say. They recognize leadership. Leave it to the Washington Post to mischaracterize those briefings, but the American people can see for themselves a President who is leading."

Trump Denies Responsibility For Increase In Poison Control Calls About Disinfectant Misuse.

USA Today (4/27, Behrmann, 10.31M) reports that after President Trump speculated about injecting disinfectants as a treatment for coronavirus, there has been "a spike in cases of people misusing disinfectants." However, President Trump "said he takes no responsibility" for it. When asked about the increase, Trump said, "I can't imagine why," and when pressed about taking responsibility, said, "No, I don't." States, companies, and federal agencies warned against dangerous disinfectant use following Trump's comments. Michigan and New York City are among places citing increased calls to poison control on the issue.

HUD Secretary Carson said on Cheddar TV (4/27), "You have to listen to what" President Trump is saying. "He is kind of musing" about how to take advantage of UV light killing the coronavirus. "I don't think he was saying, 'Let's put ultraviolet lights inside of people'" or

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"'Let's put disinfectants inside of people,'" but instead, "he was saying, 'Is this information somehow, something that we can use to help get a handle on this?'"

Scientists Concerned Trump Bleach Comments Will Invigorate Phony Elixir Fringe Movement. The New York Times (4/27, Jacobs, 18.61M) reports some scientists fear President Trump's public statements about using disinfectants to treat the coronavirus "could breathe life into a fringe movement" in which "pseudoscientists and purveyors of phony elixirs" promote and sell bleach as a cure for medical conditions from autism to malaria. Scientists and the FDA warn of the harm and ineffectiveness of such practices.

UV Treatment Company CEO Laments Politicization In Wake Of Trump Comment. Aytu BioScience Inc CEO Josh Disbrow, in an op-ed in the Wall Street Journal (4/27, Disbrow, Subscription Publication, 7.57M), writes about his company's product, Healight, which uses ultraviolet light as an antimicrobial. After President Trump's comments about treating COVID-19 with ultraviolet light, the company has had videos pulled and its Twitter account suspended. Disbrow laments that politics is so acrimonious – and engaging online – that it crowds out data. He concludes that should his treatment pan out as helping with COVID-19 and gain FDA approval, it will help people of all parties.

Trump Questions Why "Poorly Run" Cities, States Should Be Bailed Out.

The New York Post (4/27, Bowden, 4.57M) reports that in a tweet Monday morning, President Trump "dismissed calls for the administration to open federal coffers to bailout coronavirus-stricken states, instead accusing Democratic state leaders of fiscal mismanagement." Trump wrote, "Why should the people and taxpayers of America be bailing out poorly run states (like Illinois, as example) and cities, in all cases Democrat run and managed, when most of the other states are not looking for bailout help? I am open to discussing anything, but just asking?" Politico (4/27, Forgey, Gronewold, 4.29M) says White House economic adviser Kevin Hassett "elaborat[ed] on the president's position in an interview" with Fox News (4/27). Hassett said, "I think that the President has said that he is not eager to go around bailing people out, but he's willing to negotiate."

Reuters (4/27, Ahmann, Chiacu, Heavey, Zargham) says Trump's tweet "appeared to back" Senate Majority Leader McConnell, "who last week said on conservative talk radio he 'would certainly be in favor of letting states enter bankruptcy." In a separate story, Reuters (4/27, Zargham, Beech) says McConnell "on Monday predicted that Congress would approve further funding for states and cities whose budgets have been hit hard by the coronavirus pandemic." McConnell told Fox News Radio, "There probably will be another state and local funding bill but we need to make sure that we achieve something that will go beyond simply sending out money."

Politico (4/27, Everett, 4.29M) says McConnell "is open to cutting a deal to provide reeling states and cities with relief during the pandemic-fueled recession. But it will come at a price." While McConnell said the next coronavirus response bill will aid local governments, he "also wants Congress to limit the liabilities of health care workers, business owners and employees from lawsuits as they reopen in the coming weeks and months." McConnell told Politico, "We probably will do another bill. What I'm saying is it won't just be about money. ... The next pandemic coming will be the lawsuit pandemic in the wake of this one. So we need to prevent that now when we have the opportunity to do it."

The Washington Post (4/27, McCartney, 14.2M) says McConnell "would rather see states declare bankruptcy than give them federal aid," and cites "officials and analysts" who say that is "a recipe for turning a potentially short recession." In an op-ed for the New York Times (4/27, 18.61M), Jodie Adams Kirshner, a research professor at New York University's Marron Institute of Urban Management, says McConnell's suggestion "is a terrible idea" that will not "not bring back lost jobs or shuttered businesses," or "magically reconstruct a tax base." As an example, Kirshner cites "Detroit's 2013 bankruptcy and the experiences of people who endured," which "demonstrate the limits of a bankruptcy declaration as a cure-all." Kirshner adds that it is "important to invest in people directly."

Sen. Rick Scott (R-FL) makes a similar argument in an op-ed for the Wall Street Journal (4/27, Subscription Publication, 7.57M). Scott writes that while Congress has taken steps to address the economic crisis caused by the coronavirus and there is more it can do, it should not intervene to protect states like Illinois, New York, and California from bad decisions made over recent decades.

A New York Times (4/27, 18.61M) editorial says the idea of "red states propping up blue states has long been a Republican canard." The Times says New York receives 91 cents for "every dollar in federal taxes it pays." Connecticut "receives 84 cents for each dollar," and New Jersey and Massachusetts "both receive 90 cents per dollar." Meanwhile, Kentucky, McConnell's home state, "rakes in $2.41 for every tax dollar it sends Washington," which means Kentucky "is effectively subsidized by blue states like New York and New Jersey." The Times argues, "Allowing state budgets to collapse is shortsighted and counterproductive. Democratic lawmakers need to hold the line in this round of relief negotiations."

Trump: Media Has Never Been "More Vicious Or Hostile."

In a pair of tweets Monday morning, President Trump complained that the media has never been more "vicious or hostile" even "in the midst of a National Emergency," and again described the media as "the enemy of the people." Trump wrote, "There has never been, in the history of our Country, a more vicious or hostile Lamestream Media than there is right now, even in the midst of a National Emergency, the Invisible Enemy!" He followed that tweet with another saying, "FAKE NEWS, THE ENEMY OF THE PEOPLE!"

Officials Say President's Daily Brief Repeatedly Warned Of Coronavirus Pandemic.

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The Washington Post (4/27, Miller, Nakashima, 14.2M) cites "current and former US officials" who say US intelligence agencies "issued warnings about the novel coronavirus in more than a dozen classified briefings prepared for President Trump in January and February,

months during which he continued to play down the threat." The warnings were delivered "in issues of the President's Daily Brief," which for weeks "traced the virus's spread around the globe, made clear that China was suppressing information about the contagion's transmissibility and lethal toll, and raised the prospect of dire political and economic consequences." However, those warnings "appear to have failed to register with the president, who routinely skips reading the PDB and has at times shown little patience even for the oral summary he now takes two or three times per week, according to the officials who spoke on the condition of anonymity to discuss classified material."

WTimes Analysis: In Early Days Of Outbreak, Media And Politicians Were Focused On Impeachment. The Washington Times (4/27, Dinan, 492K) reports in an analysis that while "Democrats and the media accuse" the President "of being slow off the mark in confronting the COVID-19 pandemic," a "review of who said and did what and when shows few heroes inside the Beltway in the early weeks of the outbreak. The press and politicians were more consumed with phone calls to Ukraine than a virus killing people in China."

Daily Beast Analysis: Kushner's Failures Underscore Administration's Coronavirus Response.

An analysis by The Daily Beast (4/27, Bianco, Suabsaeng, 1.39M) reports that was the White House "scrambled to handle the growing coronavirus epidemic" in February, Jared Kushner "stepped into what officials described as a crucial role: forging a partnership between the private sector and the federal government so they could together contain the rapidly spreading virus." More than a month later, "administration officials, state representatives, and health-care workers say they are still searching for answers." The Daily Beast adds, "Kushner's failures were, to some degree, predictable," but they "underscore the larger shortcomings of the administration's handling of the pandemic: the pursuit of a resolution to the crisis has often been defined by the search for a silver bullet or overwhelmed by the whims and interests of the president."

Emergency Spending Oversight Panel Names IG As Executive Director.

Politico (4/27, Cheney, 4.29M) reports that the Pandemic Response Accountability Committee, "a council of inspectors general that went dark" after President Trump "removed the top coronavirus relief watchdog earlier this month, resurfaced Monday, naming a top staffer to oversee the government's pandemic response and launching a website that will catalog the IGs' efforts." The "panel of two dozen federal inspectors general charged with coordinating work to investigate the coronavirus relief effort, named Robert Westbrooks, a veteran inspector general, as its executive director on Monday." According to Politico, Westbrooks, "the inspector general of a massive federal retirement benefit program, has held senior watchdog positions" at the Small Business Administration, Transportation Department, US Postal Service, and National Archives.

Coalition: Vaccine Could Potentially Be Available Later This Year.

Bloomberg (4/27, Paton, 4.73M) reports that a coronavirus vaccine "could be available as early as this year for vulnerable groups such as health-care workers, even faster than initially thought," according to a group leading the global development effort. The Coalition for Epidemic Preparedness Innovations, "which is funding nine different coronavirus vaccine projects, has previously suggested a shot could be ready within 12 to 18 months, an already ambitious target." Richard Hatchett, the head of the Oslo-based organization, told reporters Monday, "These are all things we are looking at now as potential opportunities to perhaps deliver vaccines even faster than the 12 to 18 months we were discussing."

Oxford Researchers Say Vaccine Could Be Available In September. The New York Times (4/27, Kirkpatrick, 18.61M), meanwhile, reports that in the "worldwide race for a vaccine to stop the coronavirus, the laboratory sprinting fastest is at Oxford University." While "most other teams have had to start with small clinical trials of a few hundred participants to demonstrate safety," scientists at Oxford's Jenner Institute "had a running start on a vaccine, having proved in previous trials that similar inoculations – including one last year against an earlier coronavirus – were harmless to humans. That has enabled them to leap ahead and schedule tests of their new coronavirus vaccine involving more than 6,000 people by the end of next month." The Oxford researchers "now say that with an emergency approval from regulators, the first few million doses of their vaccine could be available by September" if it proves to be effective.

US, China In Race To Discover Vaccine. The Washington Examiner (4/27, Doyle, 448K) reports the US and China are "locked in a race to develop a coronavirus vaccine, with global influence and the power to inoculate their populations first on the line." China "quickly followed the US last month in announcing clinical trials for an experimental vaccine," and development in China "has already been militarized. President Xi Jinping demanded faster progress as he visited the Academy of Military Medical Sciences" last month.

CDC Expands List Of Possible Coronavirus Symptoms.

The New York Times (4/27, Belluck, 18.61M) reports the CDC "has expanded its list of possible symptoms of the coronavirus, a step that reflects the broad variation and unpredictability in the way the illness can affect individual patients." The agency's website now mentions "possible indicators of [COVID-19], the infection caused by the coronavirus," may include "chills, repeated shaking with chills, muscle pain, headache, sore throat, and new loss of taste or smell." Previously, it "listed just three symptoms: fever, cough and shortness of breath." The Washington Post (4/27, Fritz, Judkis, 14.2M) says the additions "confirm what patients and doctors have been reporting anecdotally for weeks. In particular, the loss of taste or smell has been known to appear in patients since at least mid-March."

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Researchers Studying Whether Heartburn Drug Helps With COVID-19.

ABC World News Tonight (4/27, story 4, 1:45, Muir, 11.02M) reported that Northwell Health in New York is examine whether famotidine, the active ingredient in the heartburn treatment Pepcid, could treat COVID-19. ABC's Eva Pilgrim added that doctors "are giving the drug intravenously to some patients in a study, coupled with hydroxychloroquine, that controversial anti-malaria drug." However, while the "drug is considered to be generally safe, researchers warn you should not go out and buy the drug for home treatment of the virus" and that "they don't know yet if it works."

WPost Analysis: Early US Coronavirus Deaths May Have Been Underestimated.

The Washington Post (4/27, Brown, Tran, Reinhard, Ulmanu, 14.2M) reports that the US "recorded an estimated 15,400 excess deaths" in the early weeks of the coronavirus pandemic. The Post says an analysis of federal data conducted "by a research team led by the Yale School of Public Health," found that the total is "nearly two times as many as were publicly attributed" to COVID-19 at the time. Those "excess deaths – the number beyond what would normally be expected for that time of year – occurred during March and through April 4, a time when 8,128 coronavirus deaths were reported." The Post says the analysis "suggests that the deaths announced in the weeks leading up to April 4, based on reports from state public health departments, failed to capture the full impact of the pandemic."

Barr Orders Prosecutors To Look For State, Local Anti-Pandemic Measures To Challenge.

The Washington Times (4/27, Mordock, 492K) reports Attorney General Barr ordered US attorneys "to pursue legal action against governors whose efforts to prevent the spread of the coronavirus infringe upon Americans' civil rights." Barr instituted Assistant Attorney General for Civil Rights Eric Dreiband and US Attorney for the Eastern District of Michigan Matthew Schneider as overseers of "the department's efforts to monitor state and local policies."

The Washington Post (4/27, Zapotosky, 14.2M) reports Barr directed prosecutors to "'be on the lookout' for state and local coronavirus-related restrictions that might run afoul of the Constitution." The Post says Barr has been "outspoken" in his "wariness of aggressive restrictions" seeking to stem the pandemic.

Cuomo, Trump Discussed Retaining Temporary NYC Hospitals In Case Of Second Wave.

CNBC (4/27, Breuninger, Feuer, 3.62M) reports on its website that New York Gov. Andrew Cuomo (D) indicated that he spoke with President Trump Monday "about keeping temporary health-care facilities in New York running in case the coronavirus flares up in a second wave later this year." Cuomo is quoted as saying, "We're now talking about the possibility of a second wave of the COVID virus or COVID combining with regular flu season in September, which could be problematic again for the hospital capacity. ... The facilities that were built, I spoke to the President about leaving them in place until we get through the flu season. God forbid we need extra capacity again." CNBC says that "with the help of the U.S. Army Corps of Engineers, New York City quickly converted numerous buildings and areas into makeshift hospitals to help health-care workers from being overwhelmed by the flood of coronavirus patients."

New York ER Doctor Takes Own Life.

Stephanie Gosk reported on NBC Nightly News. (4/27, story 3, 2:05, Holt, 8.35M) that Lorna Breen, an emergency room doctor at New York's Presbyterian Hospital, committed suicide. While Breen survived COVID-19, her father said, in NBC's words, that "the grueling work" of caring for those affect by the pandemic "took a grave toll." Gosk added, "for many health workers, the coronavirus experience has been more difficult and more emotional" than dealing with the "life and death struggles [that] are part of the job at any hospital."

US Northern Command Shifts To Stabilizing Effort In Fight Against Coronavirus.

The Washington Times (4/27, Scarborough, 492K) reports that "a Pentagon source" said Monday that US Northern Command, "which is overseeing the military role for fighting COVID-19, has shifted to a stabilizing effort with an eye to scaling down anti-virus support activities." According to the source, NorthCom had been in "phase 3, respond" and has ordered a move to phase 4. The Times cites the order as a possible "sign that the country is turning the corner on blunting the pandemic."

At Least 955 USS Roosevelt Crew Members Have Tested Positive For COVID-19.

The Washington Times (4/27, Meier, 492K) reports that according to the US Navy, "at least 955 crew members aboard the U.S.S. Theodore Roosevelt have tested positive for COVID-19." Fourteen crew members have recovered as of Monday.

Coronavirus Cases Aboard USS Kidd Rise To 47.

The Washington Times (4/27, Meier, 492K) reports that 47 crewmembers aboard the Navy destroyer the USS Kidd have tested positive for the coronavirus, an increase from 33 cases on Saturday. As of Monday, 45 percent of the ship's crew has been tested.

Stars And Stripes (4/27, Kenney, 30K) reports that "the first sailor was evacuated from the ship four days ago." The amphibious assault ship the USS Makin Island "is providing medical support for the Kidd while at sea." Stars and Stripes says 15 sailors from the Kidd "have been transported to the Makin Island due to persistent symptoms but none of them are in intensive care or on ventilators, according to the Navy."

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Man Recovers From COVID-19 After 32 Days On A Ventilator.

ABC World News Tonight (4/27, story 10, 1:30, Muir, 11.02M) reported that after 32 days on a ventilator, Jim Bello, a 49-year-old from Hingham, Massachusetts, recovered from COVID-19 and headed home from the hospital.

Drones, Smartwatches Could Help Deal With Pandemic.

NBC Nightly News (4/27, story 9, 1:50, Holt, 8.35M) reported on "how cutting edge technology is helping us deal with the pandemic's daily challenges." NBC's Tom Costello added that UPS and Google drones are delivering medical samples and prescriptions, even takeout food and toilet paper. Meanwhile, Stanford University researchers say some smart watches could provide early warnings of infections, which "could alert communities to how quickly a disease is spreading."

Fox News Cuts Ties With Diamond & Silk Over Coronavirus Conspiracy Theories.

The Daily Beast (4/27, Cartwright, 1.39M) reports, "Fox News has cut ties with MAGA vlogging superstars Diamond & Silk, who had contributed original content to the network's streaming service Fox Nation since shortly after its late 2018 launch." The "sudden split comes after the Trump-boosting siblings have come under fire for promoting conspiracy theories and disinformation about the coronavirus," including musing about "whether 5G technology was being used to infect people with coronavirus in an effort to fill 'empty' hospitals," saying they would "refuse to take any coronavirus vaccine that tech giant Bill Gates was involved in because he's pushing for 'population control,'" and "claim[ing] that the number of American coronavirus deaths has been inflated to make [President] Trump look bad."

WPost Blasts Governments As Negligent On COVID-19 In Elder-Care Facilities.

In an editorial, the Washington Post (4/27, 14.2M) laments that despite elder-care facilities seeing almost a quarter of identified US COVID-19 cases, they suffer from "government negligence and lack of transparency." Governments have largely made no effort to test inside and around such facilities, and when the disease hits one some states refuse to disclose the information. This leaves many homes unsure whether they are dealing with the virus, families unsure whether they should have their relatives in a nursing home, and hospitals transferring patients to homes with outbreaks. The Post concludes, "The government's abdication has left most nursing homes flying blind in a pandemic that has made them uniquely vulnerable."

Public Health Researchers Warn Against Punitive Enforcement Of Social Distancing.

Brandon D.l. Marshall and Abdullah Shihipar, an associate professor of epidemiology and master's degree candidate at the Brown University School of Public Health, respectively, in an op-ed in the New York Times (4/27, 18.61M), warn against using police to enforce social distancing, warning it "risks exacerbating stark inequities in our society." Like the war on drugs, punitive enforcement "will unfairly burden the black and Latinx communities that have already been hit hard by the coronavirus" while ignoring the underlying issues minority communities face. It could also lead to worse health outcomes, as minorities, out of fear of the police, forgo or delay getting groceries or medications. Instead, Marshall and Shihipar suggest alternatives to punitive enforcement such as public health officials or trained volunteers offering education to those violating social distancing. Other policies that could help include guaranteed partial wages or paid sick leave, government-distributed masks, and food deliveries to vulnerable people, all of which have been implemented abroad.

Media Analyses: High Court Signals It May Not Hear Case On Trump's Tax Records.

CNBC (4/27, Higgins, 3.62M) reports on its website that the Supreme Court yesterday "called for more arguments in two cases over whether President Donald Trump may keep his financial records shielded from congressional investigators." The court "asked the parties to the case and the Department of Justice's solicitor general to provide briefs on 'whether the political question doctrine' applies to the cases," which CNBC says "refers to the practice in which courts sometimes leave some heated issues to the political branches." CNBC adds, "The request for new briefings ahead of oral arguments in the cases next month suggests at least some justices are eyeing a potential way out of having to issue a decision in the high-profile disputes."

Mother Jones (4/27, Choma, 881K) reports the court's request was "a fancy way to say the Court wants to know whether this is a real legal question or just a political bickering match that doesn't deserve a Supreme Court decision. It was an odd request, and not one that had been widely expected – and it's not clear exactly how it would play out."

The Washington Post (4/27, Barnes, 14.2M) reports "the order from the court caught lawyers by surprise and raised at least the possibility that the justices were looking for a way to avoid deciding the case's merits," but "it may also be less dramatic than that," as "the request could reflect the interest of just one or a small group of the nine justices."

CQ Roll Call (4/27, Ruger, 154K) quotes Georgetown University Law Center professor Joshua Geltzer as saying, "It reads like an invitation to make up a way out for the Court. ... Let's hope it's not." Bloomberg (4/27, Stohr, 4.73M) says, "Should the justices say the courts lack power to hear Trump's suits over the House subpoenas, the ruling could lead to his tax returns becoming public before the November election" because "the banks and the accounting firm aren't contesting the subpoenas and have said they will comply with their legal obligations."

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Attorney Says Flynn's Plea Was Coerced.

The Washington Examiner (4/27, Chaitin, 448K) reports that former National Security Adviser Michael Flynn's attorney Sidney Powell "said documents filed under seal last week could be publicly revealed as soon as Tuesday." In an interview on Fox News' Hannity Monday, Powell "said an assistant U.S. attorney assigned to the case has advised her that they're working to redact the documents that were filed under seal on Friday" so "they can be disclosed publicly either tomorrow or Wednesday.'" Powell said Flynn's plea was "coerced by lack of information and threat to indict his son."

Cleveland: Sullivan Likely To Allow Flynn To Withdraw His Guilty Plea. Margot Cleveland writes for The Federalist (4/27, 126K) that the case against Flynn "imploded Friday" after the US attorney for the District of Columbia "provided Flynn's legal team with documents discovered by an outside review of the Flynn prosecution – documents withheld for years." In addition, Powell, "filed new documents in the case, revealing a secret 'lawyers' understanding' not to prosecute Flynn's son if the retired lieutenant general pleaded guilty." Cleveland adds that it "seems unfathomable that Judge [Emmet] Sullivan will reject Flynn's motion to withdraw his guilty plea. But Sullivan should do more: He should dismiss the charges against Flynn to make clear that outrageous prosecutorial misconduct will not be tolerated."

Steele Met With Lawyers For DNC, Clinton Campaign.

The Daily Caller (4/27, Ross, 716K) reports that Christopher Steele told a British court last month that a lawyer representing the DNC and the Clinton campaign provided him "with information in 2016 regarding an alleged secret communications channel between the Trump Organization and a Russian bank." The "now-debunked tip, from Perkins Coie lawyer Michael Sussmann, set off a chain of events that led to Steele publishing a Sept. 14, 2016 memo accusing the founders of the bank, Alfa Bank, of having 'illicit' ties to Vladimir Putin, according to a court transcript obtained by the Daily Caller News Foundation." According to the transcript, a week after writing the memo, Steele "had another meeting with Sussmann's colleague, Marc Elias."

Graham Seeks DOJ Documents That "Undercut" Steele Source. The Washington Examiner (4/27, Dunleavy, 448K) reports Senate Judiciary Chairman Lindsey Graham has asked the Justice Department "to hand over documents that he said 'undercut'" one of Steele's sources. In a two-page letter to Attorney General Barr Monday, Graham asked that his committee "be provided with five tranches of still-classified documents referenced in DOJ Inspector General Michael Horowitz's report on the FBI's Russia investigation." Graham asked for "all records related to the FBI's interviews with Steele's primary subsource in January, March, and May 2017 including the 'lengthy written summary' of a January 2017 interview written by FBI agents dubbed 'Supervisory Intel Analyst' and 'Case Agent 1,'" as well as "the two-page 'Intelligence Memorandum' provided to Crossfire Hurricane leader Bill Priestap by the supervisory intel analyst in late 2017, which discussed 'aspects of the Primary Sub-source's interview' that raised red flags about Steele."

Trump Jr.: Schiff Is "Trying To Hide" Witness Interview Transcripts From Russia Probe.

The Washington Examiner (4/27, Chaitin, 448K) report that in a tweet Sunday, Donald Trump Jr. "drew attention to reports that say" House Intelligence Chairman Adam Schiff "is blocking the release of witness interview transcripts from the panel's investigation into Russian election interference." Trump Jr. "raised the possibility that the California Democrat is 'trying to protect' prominent figures from the Obama administration and the FBI's investigation into potential ties between the Trump campaign and Russia." He wrote, "Adam Schiff is desperately trying to hide these transcripts (including mine) from the American people. Who do you think he's trying to protect? Me or Susan Rice, Samantha Power, Sally Yates and Andy McCabe?"

Whitaker Says Book Will Detail DOJ Plot To Sabotage Trump.

The Washington Times (4/27, Mordock, 492K) reports a book due to be released next month by former acting Attorney General Matthew Whitaker will detail what Whitaker "says was a Justice Department plot to sabotage President Trump." In "Above the Law: The Inside Story of How the Justice Department Will Try to Subvert President Trump," Whitaker says he will reveal how former FBI Director James Comey "and other top Justice Department figures openly worked against Mr. Trump and how a so-called "deep state" of Washington insiders use the media to achieve its goals." The Times adds that the book "will also reportedly disclose how former special counsel Robert Mueller quickly concluded members of the Trump campaign did not collude with Russia but kept the investigation active 'as an act of political subversion.'"

Wolf, Morgan Say Trump's Immigration Suspension Is "Reasonable."

Acting DHS Secretary Wolf said on the Brian Kilmeade Show (4/27), "The executive order temporarily suspends the entry of new immigrants coming into the US. These are the individuals that would be able to work in the US, compete with American for jobs, basically any job in any industry. So, what the President did is he temporarily suspended that for 60 days. It's a reasonable, it's a short term measure designed to make sure that we get Americans back into American jobs as we come out of a pandemic and the economy keeps rolling."

Acting CBP Commissioner Morgan said on WMAL-FM Washington (4/27), "It really is a reasonable, common-sense first step. ... The President has been very clear from the first days of the Administration that protecting the American people is his number one priority, and that includes protecting American jobs...although we don't know the exact numbers because it really depends on the new migrants, how many would come in or would attempt to come in. ... This may not encompass millions of jobs but it does encompass enough that it really will help go towards that economic recovery, at least to give it a jump start."

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Projections For Border Wall Construction Reduced By 22 Miles.

The Washington Times (4/27, A1, Dinan, 492K) reports that President Trump's border wall "just got 22 miles shorter." The $15 billion Trump "has won from Congress or siphoned from other Pentagon accounts" can build 731 miles of wall, "which would be more border fence than every previous president combined has built," but is "22 miles shorter than the Department of Homeland Security and the Army Corps of Engineers were projecting at the beginning of April." John B. Mennell, assistant chief at CBP headquarters, "said the earlier, larger assessment was made based on rough order of magnitude estimates for one $3.8 billion chunk of money in the Defense Department's drug interdiction account, projected to cover 177 miles of wall in segments from San Diego to Del Rio, Texas. Once specific projects were finalized, though, they had to recalculate how far the $3.8 billion would stretch."

Senate Democrats Call On DeVos To Grant DACA Recipients Coronavirus College Assistance.

The Washington Times (4/27, Dinan, 492K) reports that Senate Democrats on Monday sent a letter to Education Secretary DeVos demanding that the Trump Administration grant "'Dreamers' in college the same access to federal coronavirus assistance that citizens are entitled to." In a letter to the Education Department, more than two dozen senators wrote "DACA recipients attending institutions of higher education across the country face challenges like other students, many with the added burden of supporting their parents and siblings or being the first in their families to attend college. ... These students should not be excluded from critical emergency financial aid. Indeed, those who are especially vulnerable to economic hardship are exactly whom these funds were designed to help."

US Imposes New Restrictions On Semiconductor Exports To China.

Reuters (4/27, Freifeld) reports that the Commerce Department announced yesterday that "it will impose new restrictions on exports to China to keep semiconductor production equipment and other technology away from Beijing's military." Reuters adds, "The new rules will require licenses for US companies to sell certain items to companies in China that support the military, even if the products are for civilian use. They also do away with a civilian exception that allows certain U.S. technology to be exported without a license, if the use is not connected to the military." Commerce Secretary Ross issued a statement reading, "It is important to consider the ramifications of doing business with countries that have histories of diverting goods purchased from US companies for military applications."

US Biggest Spender As Global Military Expenditures Approach $2T.

Stars And Stripes (4/27, Vandiver, 30K) reports the US "continues to drive growth in global military spending, which saw its largest annual increase in a decade as European countries also ramped up expenditures, a new report on defense spending said." Global military spending "rose by 3.6% year-on-year to reach $1.9 trillion in 2019, the highest level since the 2008 financial crisis gutted many military budgets," said the report released Sunday by the Stockholm International Peace Research Institute. Since 2010, global military spending has increased by 7.2%, with the US "by far the biggest spender."

Supreme Court: Insurers Can Collect $12B From Government To Cover ACA Losses.

The AP (4/27, Sherman) reports that the Supreme Court yesterday "ruled...that insurance companies can collect $12 billion from the federal government to cover their losses in the early years of the health care law." Insurers "are entitled to the money under a provision of the 'Obamacare' health law that promised the companies a financial cushion for losses they might incur by selling coverage to people in the marketplaces created by the health care law, the justices said by an 8-1 vote." The Washington Times (4/27, Swoyer, 492K) recounts that "Congress later passed legislation to limit the government's financial responsibility," and "both the Obama and Trump administrations had argued that measure means the government didn't have to pay the insurers."

However, Politico (4/27, Luthi, 4.29M) reports, "the high court agreed with insurers that the congressional spending restrictions didn't release the government from its original promise to fund" the Affordable Care Act program, as "the court said Congress had created 'a rare money-mandating obligation' that later appropriations language couldn't repeal." To USA Today (4/27, Wolf, 10.31M), "the decision represents the high court's views on Congress' power of the purse: Lawmakers cannot promise funding in legislation and then disavow that pledge."

The Washington Post (4/27, Barnes, 14.2M) quotes Justice Sonia Sotomayor, who authored the majority opinion, as saying "the decision reflects 'a principle as old as the nation itself: The government should honor its obligations.'" Justice Samuel Alito, "the lone dissenter," wrote "the court should not provide a 'bailout' for the companies who decided to participate in the ACA's 'risk corridor' program, which has since ended." The New York Times (4/27, Liptak, 18.61M) and Wall Street Journal (4/27, Kendall, Subscription Publication, 7.57M), among other news outlets, also report the story.

In an editorial, the Wall Street Journal (4/27, Subscription Publication, 7.57M) argues that the ruling illustrates the ACA's staggering price tag for taxpayers, and predicts the court's decision will lead to an increase in lawsuits and demands for government payments. On the other hand, the Washington Post (4/27, 14.2M) editorializes that the ruling "caps a run of Republican Obamacare sabotage that turned out to be not just counterproductive but also expensive and wasteful. ... This is just one more bad result that could have been avoided if Republicans had tried to fix and adjust, rather than cripple, the Affordable Care Act."

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Supreme Court Dismisses Challenge To Repealed New York City Gun Restriction.

The New York Times (4/27, Liptak, 18.61M) reports that the Supreme Court yesterday "said...that it would not decide what would have been its first decision on the scope of the Second Amendment in almost a decade, finding that New York City's repeal of the gun control regulation under challenge had made the matter moot." The Times adds that "when the court agreed to hear the case, the possibility of such a ruling alarmed gun control proponents, who urged New York officials to repeal the regulation." New York City "did so, and state lawmakers later enacted a law that seemed to make it impossible for city officials to change their minds."

The Washington Post (4/27, Barnes, 14.2M) reports that the case "involves now-rescinded restrictions unique to New York City about whether citizens who have a license to keep a gun in their homes may transport them to firing ranges outside the city or to a second home in the state." The dismissal of the case "disappoint[ed] Second Amendment activists and several conservative justices, who said the court had been manipulated." The Post also reports that "the decision dismissing the case was unsigned, but three justices filed a dissent. 'By incorrectly dismissing this case as moot, the court permits our docket to be manipulated in a way that should not be countenanced,' wrote Justice Samuel A. Alito Jr., joined by Justices Clarence Thomas and Neil M. Gorsuch." The AP (4/27, Sherman) indicates that "other guns cases remain in the high court's pipeline, including whether gun owners have a constitutional to carry their weapons in public."

In an editorial, the Wall Street Journal (4/27, Subscription Publication, 7.57M) criticizes the court's ruling as an abandonment of its constitutional responsibility, musing that Chief Justice John Roberts may have acted out of fear of Democrats' anger. To the Journal, yesterday's decision cements Roberts' image as a very political chief justice.

Schools Consider Changes For Reopening Amid Pandemic.

The Washington Post (4/27, Meckler, Strauss, Balingit, 14.2M) reports that with pressure "building to reopen the nation's schools," the learning environment may change greatly from before the pandemic. Adaptations may include "include one-way hallways, kids and teachers in masks," lunch inside classrooms, half-empty buses, student temperatures taken prior to entering schools, and students switching between distance and in-person learning in shifts. However, "many teachers are scared of going back too early, and teachers unions are cautioning against it," concerned about reopening before it is safe and some believe "it would be nearly impossible to prevent virus transmission in a school." Feasibility also is an issue, with older buildings lacking many sinks for hand washing or even soap. Poor districts also need children to share supplies from crayons to calculators, allowing transmission of disease.

Think Tank Study Criticizes Common Core.

The Washington Examiner (4/27, Mastrangelo, 448K) reports a Pioneer Institute study said that since 2013 and "the adoption of Common Core curriculum in schools," reading and math scores have seen an "historic" dip. Pioneer Institute Executive Director Jim Stergios said in a statement, "The proponents of this expensive, legally questionable policy initiative have much to answer for."

NYTimes Analysis: McEnany Defending Trump's Pandemic Response.

The New York Times (4/27, Williamson, 18.61M) reports that "just two weeks into her new job," White House Press Secretary Kayleigh McEnany's "energetic spinning of the administration's struggle against the coronavirus has earned her undying enmity on social media but some grudging respect for her sheer doggedness." Like her predecessor, Stephanie Grisham, the Times notes McEnany "has not held a news briefing, but her defense of her boss – and her castigations of the press – appear to be unperturbed by his shifting narratives, breaks from logic and flights of fantasy." McEnany "appears regularly on Fox News and Twitter, bashing the news media and defending the president on his coronavirus response, while other Republicans increasingly decline to do so."

Senate, House To Reconvene On May 4.

Politico (4/27, Everett, 4.29M) reports that the Senate will reconvene on May 4 "after an extended recess amid the coronavirus pandemic," though "it's not clear whether the House will follow." However, the Washington Post (4/27, Werner, Wagner, 14.2M) reports that House Majority Leader Hoyer "told Democrats on a conference call that the House, too, would be reconvening on Monday."

Axios (4/27, Allassan, 521K) reports Senate Majority Leader McConnell "said that senators will 'modify routines' to continue their work in 'in ways that are smart and safe,'" and "argued that it was 'essential' for the Senate to return if it was also essential for 'doctors, nurses, health care workers, truck drivers, grocery-store workers and many other brave Americans to keep carefully manning their own duty stations.'" The Washington Times (4/27, Dinan, 492K) and The Hill (4/27, Carney, 2.98M), among other news outlets, also report the story.

Schiff Concerned Trump "Will Try To Disenfranchise Millions" Of Voters In 2020 Election.

The New York Post (4/27, Jacobs, 4.57M) reports that House Intelligence Chairman Adam Schiff "said he worries more that President Trump will try to keep 'millions of Americans' from voting safely in November than he does that the commander-in-chief would try to delay election day. Asked on MSNBC Sunday about Joe Biden's concern that Trump would try to delay the November election because of coronavirus," Schiff said the President "did not have the authority to do so." Said Schiff, "I'm more worried he will try to disenfranchise millions of Americans than that he will try to put off the election. He's already talking down absentee voting, making false claims about absentee voting even when he votes by absentee himself."

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Trump Campaign Blasts NRSC Leadership Over "Don't Defend Trump" Memo.

Politico (4/27, Isenstadt, 4.29M) reports that the National Republican Senatorial Committee this month "circulated a memo with shocking advice to GOP candidates on responding to coronavirus: 'Don't defend Trump, other than the China Travel Ban – attack China.' The Trump campaign was furious." Yesterday, "Trump political adviser Justin Clark told NRSC executive director Kevin McLaughlin that any Republican candidate who followed the memo's advice shouldn't expect the active support of the reelection campaign and risked losing the support of Republican voters. McLaughlin responded by saying he agreed with the Trump campaign's position and, according to two" sources, "clarified that the committee wasn't advising candidates to not defend Trump over his response." Politico asserts, "The episode illustrates how the Trump political apparatus demands – and receives – fealty from fellow Republicans and moves aggressively to tamp down on any perceived dissent within the GOP."

Ohio Poll: Biden Leads Trump 45%-44%.

The Cleveland Plain Dealer (4/27, Richardson, 895K) reports that a Baldwin Wallace University poll of 797 Ohio voters, taken April 20-25, shows Joe Biden leading President Trump 45%-44%. The article says, "The close race in the poll appears to be a function of Trump losing support rather than Biden gaining it. In the March Great Lakes Poll, Trump led Biden 47% to 43%. That's backed up by the president's slightly worse approval rating than last month. In the latest poll, 49.4% approved of Trump's job performance while 48.7% disapproved. In the Great Lakes Poll from March, 51% of registered voters Ohio said they approved of Trump's job performance while 46.1% said they disapproved." The Hill (4/27, Greenwood, 2.98M) also reports on the poll.

National Poll: Biden Leads Trump 44%-38%. USA Today (4/27, Page, 10.31M) reports on a USA Today/Suffolk University national poll of 1,000 voters, taken April 21-25, that shows Biden leading Trump 44%-38%. In a similar poll taken in December, Trump led Biden 44%-41%, according to USA Today. In the new poll, Trump's "backing in the GOP remains rock-solid: More than nine of 10 Republicans say they will vote for him. But among independents, his standing has plummeted by 18 percentage points since the poll taken in December, to 27% from 45%." Biden has "gained significant 8 points among independents, but one in three now say they are undecided or would vote for a third-party candidate." The President "also has lost support by double digits among men, a group that has been part of his political base. While men still back Trump over Biden 46% to 35%, that's a narrower advantage than in December, when it was 56% to 30%. Women now support Biden 53% to 30%."

Pelosi, Jayapal Endorse Biden.

The AP (4/27) reports that Joe Biden on Monday "renewed his party unification efforts...with bookend endorsements from" House Speaker Pelosi and Rep. Pramila Jayapal (D-WA), co-chair of the Congressional Progressive Caucus, which "sometimes battles the speaker from the left." The AP says "the twin announcements...highlight Biden's effort to avoid a repeat of the 2016 presidential election, when tensions between establishment Democrats and the party's progressive flank hobbled Hillary Clinton." The AP adds that the CPC "want[s] sweeping expansion of the federal government's role in the economy, notably through a single-payer 'Medicare for All' insurance plan that Biden and Pelosi do not favor."

USA Today (4/27, Cummings, 10.31M) reports that in a video statement, Pelosi called "Biden a 'battle-tested leader who will fight for the people.'" In addition, Pelosi "said that during the coronavirus pandemic, Biden – who has offered his perspective on how to manage the outbreak in media interviews and videos filmed at his home – 'has been a voice of reason and resilience, with a clear path to lead us out of this crisis.'"

The New York Times (4/27, Astor, 18.61M) reports that "as many of her rank-and-file members fretted in February about the down-ballot implications of nominating" Sen. Bernie Sanders (I-VT), "then the front-runner, Ms. Pelosi said she believed Democrats would 'wholeheartedly support' whomever the party nominated." However, the Times says that "at the same time, she was laying the groundwork to distinguish House Democrats from Mr. Sanders if he won the nomination."

The Washington Post (4/27, Scherer, 14.2M) reports that "earlier this year, when many moderate Democrats in the House feared Sanders would win the nomination and jeopardize their seats, Pelosi asked for party unity, even as she made clear that the House would not necessarily run" on Sanders' policy platform. Reuters (4/27, Singh) says Pelosi's endorsement "comes at an opportune time for Biden, who has struggled to maintain a high profile during the COVID-19 pandemic and sustain the momentum he had built up in his lightning-quick run toward becoming the Democratic nominee."

"Two More Sources" Corroborate Parts Of Reade Assault Allegation Against Biden.

Writing for Business Insider (4/27, 3.67M), Rich McHugh says that in March, when Tara Reade, a former aide to then-Sen. Joe Biden, accused Biden "of sexually assaulting her in 1993," Reade's brother and a anonymous friend "came forward to say that" she "told them of the incident shortly after it allegedly occurred." However, "two more sources have come forward to corroborate certain details about Reade's claims." McHugh writes That "a former neighbor of Reade's" – says "that Reade disclosed details about the alleged assault to her in the mid-1990s. 'This happened, and I know it did because I remember talking about it,' Lynda LaCasse" said. The second "source, Lorraine Sanchez, who worked with Reade in the office of a California state senator in the mid-'90s, told Insider that she recalls Reade complaining at the time that her former boss in Washington, DC, had sexually harassed her, and that she had been fired after raising concerns."

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The Washington Post (4/27, Viser, 14.2M) reports, "Some allies of President Trump pointed Monday to new claims by a woman who said she was told about sexual assault allegations against...Biden decades ago, renewing attention to questions about [his] past behavior. ... Apparent corroboration surfaced this week for elements of two" of Reade's allegations, "one involving harassment and the second a sexual assault." The Post highlights the comments LaCasse and Sanchez made to Business Insider and an apparent call made by Reade's mother to Larry King Live in 1993, in which she referred to "unspecified 'problems' her daughter was having with her employer, whom she called 'a prominent senator.'" The Post adds that Donald Trump Jr. "has repeatedly tweeted about the accusations against Biden in recent days. On Monday afternoon, he retweeted the Business Insider story."

Drawing from the Business Insider story, Townhall (4/27, Baumann, 177K) quotes LaCasse as saying of Reade, "I remember her saying, here was this person that she was working for and she idolized him. And he kind of put her up against a wall. And he put his hand up her skirt and he put his fingers inside her. She felt like she was assaulted, and she really didn't feel there was anything she could do." Townhall says that LaCasse "is a Democrat and could face political repercussions for speaking out against the presumed Democratic nominee. 'I personally am a Democrat, a very strong Democrat,' she told Business Insider. 'And I'm for Biden, regardless. But still I have to come out and say this."

The Federalist (4/27, Justice, 126K) reports on the comments of LaCasse and Sanchez, drawing from the Business Insider article, and adds that "with multiple sources corroborating Reade's claims, the former Senate aide's story checks out to be far more credible than allegations lodged against Supreme Court Justice Brett Kavanaugh just a year and a half ago. Kavanaugh's primary accuser, Christine Blasey Ford, failed to provide any evidence that the two had even ever met, let alone bring forward a single witness to back up her story that apparently took place more than 30 years ago. Even Ford's lifelong friend, Leland Keyser could not offer evidence to support Ford's claims." Breitbart (4/27, Caplan, 673K) and the New York Post (4/27, Lapin, 4.57M) also report on the Business Insider story.

The Hill (4/27, Carney, 2.98M) reports that Senate Majority Leader McConnell "on Monday accused Democrats and the media of a double standard in their response to a sexual assault allegation against...Biden. McConnell, during a Fox News Radio interview, was asked to compare the response from national Democrats and reporters to the handling of sexual assault allegations made against [Kavanaugh] during his 2018 confirmation." McConnell replied, "At the very least it's pretty obvious that the same people who were outraged about...unproven allegations against Justice Kavanaugh when he was in high school seem to have little or no interest, or certainly not as much interest, in suggestions of improper behavior by an adult who is in the Senate. I think these things ought to be dealt with symmetrically."

On its website, Fox News (4/27, Re, 27.59M) reports, "Last year, it took just a day for...Biden to release an in-person video directly addressing accusations of inappropriate contact with multiple women. Now, more than a month after...Reade publicly accused him of sexual assault in a podcast on March 25, Biden himself remains silent – and even though he has conducted numerous interviews, no one in the media has asked Biden about the matter, either."

CNN's Cillizza: Biden Needs To Publicly Address Reade's Allegations. In an online analysis for CNN (4/27, 83.16M), Chris Cillizza says, "At the core of Biden's messaging in this campaign is the need to bring respect and dignity back into the White House and the country, to rid America off the cynicism and hypocrisy of Trump's presidency, to expunge the idea that the President doesn't have to follow the rules. ... Given both his pledge to do better than Trump...and accusations of improper touching that have surfaced in the past, the allegations by Reade are not the sort of thing Biden can or should be allowed to deny via a senior female campaign staffer. Reade's allegation needs to be directly addressed by the candidate himself."

The Cut's Traister: Woman Biden Picks For VP "Will Wind Up Drinking From A Poisoned Chalice." Writing for The Cut (4/27, 856K), Rebecca Traister highlights the corroborating statements made by Reade's former neighbor and her former co-worker in the Business Insider article and the 1993 call made to Larry King Live, and adds, "Such strong pieces of corroboration should surely imperil Biden's position at the top of the ticket, though it remains to be seen whether... there is any chance that they will. And part of what's sickeningly clear is that if Biden remains the Democratic nominee, whichever woman gets the nod to be his running mate will wind up drinking from a poisoned chalice. Because the promise to choose a woman ensures that whoever she is, she will be forced to answer – over and over again – for Biden's treatment of other women, including the serious allegations of assault leveled by...Reade."

Sanders Camp, Allies Rip Decision To Cancel New York Presidential Primary.

The New York Post (4/27, Bowden, 4.57M) reports the campaign of Sen. Bernie Sanders (I-VT) on Monday "condemned New York's unprecedented decision to cancel its June 23 Democratic primary – calling for the Empire State to lose its delegates if the move isn't overturned. In an email to supporters, senior advisor Jeff Weaver said the decision by the state Board of Elections was an 'outrage' and a 'blow to American democracy,' and called for the Democratic National Committee to overrule it." Weaver is quoted as writing in the email, "Just last week Vice President Biden warned the American people that President Trump could use the current crisis as an excuse to postpone the November election. Well, he now has a precedent thanks to New York state."

The New York Times (4/27, Saul, Corasaniti, 18.61M) reports that the cancellation of the presidential primary prompted "an immediate backlash" from the Sanders campaign "and his legion of progressive supporters who had hoped to amass convention delegates and help shape the party's platform in August." In announcing the decision, "the Democratic chair of the New York State Board of Elections called the primary 'essentially a beauty contest' that the state could ill-afford in the face of the coronavirus pandemic. The vote followed a decision this month by Mr. Sanders to suspend his presidential campaign, effectively conceding the Democratic nomination to" Joe Biden.

The Washington Post (4/27, Sullivan, 14.2M) reports that Weaver "suggested that instead of terminating the primary, New York should have changed it to an entirely vote-by-mail system to alleviate safety concerns about voting during the coronavirus pandemic. 'If this is not

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remedied, New York should lose all its delegates to the 2020 Democratic National Convention and there should be a broader review by the Democratic Party of New York's checkered pattern of voter disenfranchisement,' Weaver said." The AP (4/27, Villeneuve, Peltz) reports, "The move sets up a potential showdown with the national party and Sanders over the New York delegation to Democrats' summer convention, scheduled for the week of Aug. 17 in Milwaukee."

The New York Daily News (4/27, Sommerfeldt, Slattery, 2.52M) reports, "The decision to boot Sanders, made possible by language tucked into the state budget, strips New York Democrats of their chance to choose delegates to represent the state at the Democratic National Committee convention in August, progressives argue. 'New York's Democratic Party just sent a clear message to progressives that their voice and their values do not matter,' said New York Working Families Party State Director Sochie Nnaemeka. 'Voting for Bernie Sanders would have allowed New York's progressive voters to send progressive delegates to the convention so we could have a voice in shaping the Democratic Party platform that we know we need at this moment: Medicare for All, a real response to the climate disaster that awaits us, and student debt relief.'"

USA Today (4/27, Campbell, 10.31M) reports, "The decision to cancel the primary was made possible by a clause inserted into New York's state budget, which [Gov. Andrew] Cuomo and state lawmakers approved early this month amid the growing coronavirus outbreak. The clause allowed a party's election commissioners to remove names from the presidential primary ballot if the candidate publicly dropped out of the race or otherwise asked for their name to be removed. ... Asked Monday about the election commissioners' decision on the Democratic primary, Cuomo said he doesn't want to 'second guess' it. 'I know there are a lot of election employees...who are nervous about conducting elections,' said Cuomo, a Biden supporter. 'But I'll leave it up to the Board of Elections.'"

Politico (4/27, Montellaro, 4.29M) reports, "The move infuriated Sanders supporters and cut directly against the wishes of the campaign, which called on the DNC to step in and overturn the decision. The national party doesn't have the ability to force a state elections agency to make changes, but it could threaten the state party with delegate penalties." The Hill (4/27, Klar, 2.98M) reports that Rep. Alexandria Ocasio-Cortez (D-NY) on Monday ripped the move, saying in a tweet, "It is completely wrong for the BOE to cancel New York's Presidential Primary. This decision is not informed by public health: the state is still holding elections for every other seat that day, & so far the only way your ballot will 100% be counted in NY is to vote in person!" Reuters (4/27, Lewis, Hunnicutt) and Fox News (4/27, Phillips, 27.59M) also report on the story.

Sweet: Duckworth Among Those Viewed As Possible Biden VP Pick.

In her Chicago Sun-Times (4/27, 875K) column, Lynn Sweet says that with Joe Biden "poised to formally kick off his vice president search this week," Sen. Tammy Duckworth (D-IL) is "among those mentioned as a potential contender. Biden has already promised to pick a female running mate." Sweet lists "11 women Biden may be considering," and adds, "In handicapping stories, the Washington Post listed Duckworth 8th on their list, and in CNN's weekly rankings, Duckworth has been 6th and 7th dropping to 8th last week." Of Duckworth, Sweet says that she "is in play but a long shot."

Tuesday's MD7 Special Election To Test State's Plan For Mail-In Balloting.

The Washington Post (4/27, Portnoy, Wiggins, 14.2M) reports that Maryland will "carry out the state's first mostly mail-in election" on Tuesday, a special election in MD7 to fill the seat of late Rep. Elijah Cummings (D-MD). The Post says the election will "help officials work out any kinks in the process before the large-scale primary on June 2, which will include the presidential race and crowded contests for Baltimore mayor, City Council seats and congressional offices."

Netflix To Release Michelle Obama Documentary On May 6.

Michelle Obama took to Twitter yesterday to announce, "I'm excited to share that on May 6, @Netflix will release BECOMING, a documentary directed by Nadia Hallgren that shares the stories of the amazing people I met after the release of my memoir. During this difficult time, I hope you'll find some inspiration and joy in this film." Says Essence Magazine (4/27, Essence, 6.95M), "If you were one of the unlucky ones and didn't score a highly coveted ticket to Michelle Obama's book tour, then you're in good company." But "don't worry, ladies. Our Forever First Lady made sure we didn't miss anything because she documented the entire experience for a new documentary coming to Netflix next month."

The Hollywood Reporter (4/27, Feinberg, 1.89M) recounts that "the doc, which marks the feature directorial debut of cinematographer Nadia Hallgren (Trouble the Water), shares the name of the former first lady's best-selling 2018 memoir and recounts some of the same history of her life." However, "it also picks up where that story left off by following her on the 34-city tour that she undertook while promoting her book."

Deadline Hollywood (4/27, White, 1.05M) reports "the film is directed by Nadia Hallgren, a filmmaker and cinematographer from the Bronx." She "is best known as the DP on Oscar-nominated and Sundance Grand Jury Prize-winner Trouble the Water and CNN's When We Rise: Michelle Obama's Mission to Educate Girls Around the World as well as Motherland, a detailed depiction of a Manila maternity ward with director Ramona Diaz, and has worked on films including Fahrenheit 9/11, Searching for Sugarman and The Hunting Ground."

To the Washington Post (4/27, Rao, 14.2M), "'Becoming' arrives at a defining moment in Obama's life. A few years removed from the East Wing, the widely admired first lady's influence remains evident." Mrs. Obama has "maintained a foothold in American culture," and Joe Biden "recently said he would choose her as his running mate 'in a heartbeat.'" While "she's made clear that she does not want to run for

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office," Biden's "remark raises the same question Obama asks of herself in the film: How will she choose to wield her power?" The New York Times (4/27, Coleman, 18.61M) says "Michelle and Barack Obama have already found some success with Netflix," as "their production company, Higher Ground Productions...struck a multiyear deal with the streaming service in 2018 to create films and television shows." In fact, "one of their first projects, 'American Factory,' won this year's Oscar for best documentary," and "another recent documentary, 'Crip Camp: A Disability Revolution,' was released on the platform last month to positive reviews." Rolling Stone (4/27, Shaffer, 12.8M), People (4/27, Carlson, 50.07M) and Vanity Fair (4/27, Desta, 9.08M), among other news outlets, also report the story.

RCP Average Has Trump's Job Approval At 45.6%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45.6%, and his disapproval at 52%. The President's approval is down by 0.2 since yesterday; his disapproval is unchanged.

A Rasmussen poll of 1,500 "likely voters" (4/23-4/25) finds Trump's approval at 44%, with 54% disapproving.

Financial International News

EU To Follow Fed In Offering Banks Capital Relief.

Reuters (4/27, Jones) reports European banks will "receive more capital relief so they can help companies struggling in the coronavirus pandemic, without having to make crippling loan provisions to reflect a looming deep recession, sources said on Monday." EU financial services chief Valdis Dombrovskis is expected on Tuesday to propose that the bloc "emulate in some form" a move by the US Federal Reserve "to allow banks to ease how they calculate their leverage ratio, sources familiar with the package said." The Fed "proposed that until March 2021 banks do not have to include holdings of U.S. government bonds and deposits parked at the central bank in their assets tally for calculating the leverage ratio," freeing up their balance sheets to provide more loans to virus-hit companies.

BOJ Broadens Stimulus, Pledges Unlimited Bond-Buying.

Reuters (4/27, Kihara, Kajimoto) reports the Bank of Japan on Monday expanded monetary stimulus and pledged to purchase an unlimited amount of bonds in order "to keep borrowing costs low, as the government tries to spend its way out of the growing economic pain from the coronavirus pandemic." The BOJ will increase by "three-fold the maximum amount of corporate bonds and commercial paper it buys to 20 trillion yen ($186 billion)." The BOJ also "sharply cut its economic forecast and projected inflation would fall well short of its 2% target for three more years, suggesting its near-term focus will be to battle the crisis."

The Financial Times (4/27, Lewis, Subscription Publication, 1.34M) reports the BOJ's move could leave it owning one-sixth of Japan's corporate bonds and half its outstanding commercial paper.

WSJournal: Central Bank Corporate Debt Purchases Can Hurt Adaptation To Post-Pandemic Economy. In an editorial, the Wall Street Journal (4/27, Subscription Publication, 7.57M) condemns the Bank of Japan's expanded purchases of corporate debt and equities as exacerbating the already extent problem of its ownership of an outsize portion of the country's listed equity distorting prices by investors betting on the BOJ instead of corporate managers or the economy. With the Fed, ECB, and Bank of England also buying more corporate-debt, they move towards market suffocation, preventing investors purchasing from sending signals about companies' preparations for post-pandemic supply chains and social distancing.

Inflation Targeting May Lose Its Appeal To Central Bankers After COVID-19.

CNBC (4/27, Taylor, 3.62M) reports, "Central banking mandates could be permanently refocused away from inflation after the coronavirus crisis, economists have told CNBC." Oxford Economics global strategy services head Gabriel Sterne said the pandemic would "almost certainly" shift the focus of central banks away from inflation targets. Sterne said in a phone call, "I think coronavirus will definitely have a big impact on inflation and views towards policy – I think it could tip the monetary frameworks over the edge. ... Most central banks do inflation targeting, but the problem with inflation targets is that they are both too high and too low." The Financial Times (4/27, Subscription Publication, 1.34M) editorializes that deflation is currently a more frightening prospect for the world than hyperinflation.

IMF Offical: Mideast Sovereign Wealth Funds Should Work To Boost Regional Economies.

Reuters (4/27, Barbuscia) reports IMF Middle East and Central Asia Department Director Jihad Azour said Monday that Middle Eastern countries should use their sovereign wealth funds to boost growth in the region amid the economic slowdown caused by the pandemic. Azour "said oil exporters needed to find new areas of growth amid the current downturn caused by plunging oil prices and the new coronavirus outbreak," saying during a virtual conference, "Sovereign wealth funds can play a role, regional institutions can play a role."

Leading International News

More Than 3M Worldwide Have Tested Positive For Coronavirus.

Reuters (4/27, Cadell) reports that "global confirmed coronavirus cases surpassed 3 million on Monday, as the United States neared 1 million cases." The 3 million confirmed infections "in less than four months are comparable in number with the roughly 3.5 million cases of severe illness caused by seasonal influenza around the world each year, according to the World Health Organisation." The death toll from the virus,

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meanwhile, "stood at more than 205,000 as of Monday, and almost one in seven reported cases of the disease has been fatal."

Trump: US Investigating Chinese Response To Coronavirus Outbreak.

Breitbart (4/27, Wong, 673K) reports resident Trump said at a White House news briefing Monday that the Administration "is conducting 'serious investigations' to hold China accountable for the spread of the coronavirus that originated from within its borders and has killed hundreds of thousands around the world." Speaking to reporters, Trump said, "There are a lot of ways you can hold them accountable. We're doing very serious investigations, as you probably know. And we are not happy with China. We are not happy with that whole situation, because we believe it could have been stopped at the source. It could have been stopped quickly, and it wouldn't have spread all over the world."

Navarro: China Exporting Faulty Antibody Tests. Appearing on Fox News' Fox & Friends (4/27, 831K), Director of Trade and Manufacturing Policy Navarro said, "One of the things that's on my radar that's really troublesome is there is a lot of these antibody tests coming in from China now that are low-quality, false readings and things like that. We have to be really careful. Those are the kinds of things I'm watching...as we try to ramp up our medical supply chain to meet all the needs we need."

Navarro, on CNN (4/27, 918K), said, "One of the things I'm very concerned about right now the antibodies testing is we're seeing an influx of poor quality Chinese tests coming in to the market, and that...threatens the American people." Navarro added that in the US, "there's numerous companies, as we speak, moving through the FDA process" to get their tests approved, so that "we will be able to ramp up rapidly in the testing just as we did in ventilators."

The Washington Times (4/27, Sherfinski, 492K) reports Navarro also accused China of "profiteering" off the coronavirus pandemic. Said Navarro, "They hid it for six weeks. They could have contained it in Wuhan. They vacuumed up the world for personal protective equipment – over two billion masks – depriving public health care workers around the world from the defenses they need, and today China's profiteering, basically, from this situation."

China: "Sinister" Pompeo "An Enemy Of World Peace." Breitbart (4/27, Martel, 673K) reports China's state media "urged the world on Sunday to ignore 'sinister' Secretary of State Mike Pompeo's assertions that the Communist Party could have stopped the Chinese coronavirus outbreak from becoming a pandemic," deeming him "the worst U.S. secretary of state in its history." The state-run publication Global Times published "a scathing editorial on Sunday accusing Pompeo of 'a string of violent attacks' on China, despite Pompeo never calling for any violence against the Chinese state, merely an investigation into how the pandemic grew."

ABC Criticized For Report On Wuhan "Success" Battling Coronavirus. Townhall (4/27, Rosas, 177K) reports ABC News "came under fire on social media on Sunday for uncritically sharing Chinese propaganda about the country's 'success' on combating" the coronavirus. ABC News reported Wuhan "no longer has hospitalized COVID-19 patients," citing a report from China's state-run media organization Xinhua, "who was citing Mi Feng, a spokesperson for China's National Health Commission."

Azar Speaks With Taiwanese Counterpart About Pandemic Response.

Bloomberg (4/27, 4.73M) reports HHS Secretary Azar on Monday "spoke to his Taiwanese counterpart about fighting the coronavirus outbreak," which Bloomberg says was "a rare Cabinet-level contact between the two governments that's certain to anger Beijing." Azar "discussed giving Taiwan a bigger role in the global fight" against COVID-19 in a telephone call with Minister of Health and Welfare Chen Shih-chung, and "also discussed U.S. support for Taiwan's inclusion in the World Health Organization, according to a summary of the meeting released by Taiwan's foreign ministry." To Bloomberg, the call "signals a strong display of support for Taiwan given that successive U.S. administrations have limited high-level contacts."

The Wall Street Journal (4/27, Subscription Publication, 7.57M) editorializes that Taiwan's outbreak response should serve as a model to other nations. The nation of 24 million has just 429 confirmed cases and only six deaths and expects to declare the virus eradicated by June.

House Panel Probing Administration's Defunding Of WHO.

Reuters (4/27, Zengerle) reports the House Foreign Affairs Committee has "launched an investigation...of President Donald Trump's blocking of funds for the World Health Organization, giving the State Department a week to provide information about the decision as the world faces the coronavirus pandemic." Chairman Eliot Engel "said the U.N. health agency is 'imperfect' and that he would support reforms. 'But, certainly, cutting the WHO's funding while the world confronts the COVID-19 tragedy is not the answer,' he said in a letter" to Secretary of State Pompeo.

The Washington Times (4/27, Meier, 492K) reports Engel said in his letter that "attacking the WHO, rather than the COVID-19 outbreak, will only worsen an already dire situation by undermining one of our key tools to fight the spreading disease."

HUD Secretary Carson said on Cheddar TV (4/27), "Certainly the mission of the World Health Organization is a very good mission. There's some indication that there may be some corruption there. Is it time to pause and take a look at what's going on there, evaluate it? I think there is very good reason to do that. It doesn't mean that we're not going to support them in the future, but it may be necessary to make some changes there so that it works the way it's supposed to."

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China Pledged $30M To WHO After Trump Halted Funding. The Washington Post (4/27, Rauhala, 14.2M) reports, "Days after President Trump announced he would freeze U.S. funding to the World Health Organization, China made a very different statement: a $30

million pledge to the group." The President "and his allies argue the WHO's response to the novel coronavirus has been ineffectual and 'China-centric' – and some outside the administration agree." Trump's "largely unpopular decision this month to suspend funding to the global health agency for 60 days in the middle of a pandemic could have impacts that reverberate beyond the current crisis: Enhancing China's standing in the world while reinforcing perceptions of the United States as an unpredictable partner."

WPost: Administration's Strategy Against WHO Dangerous, Based On Skewed Information. In an editorial, the Washington Post (4/27, 14.2M) says not only is the Administration's strategy to starve the WHO "of funds and support from the United States" amid the pandemic "misguided and potentially harmful to millions of people, it is also based on skewed claims about the agency's role, notably by" Pompeo. The Post calls on Republicans to "join with Democrats to block the administration's counterproductive moves," and urges Trump and Pompeo "to quit making the WHO a scapegoat for their own management failures in combating the virus."

Italy And Spain Among Countries Loosening Lockdown Restrictions.

Reuters (4/27, Vagnoni, Faulconbridge) reports that "countries from Italy to New Zealand have announced the easing of coronavirus lockdowns." Italy, "which has the world's second-highest number of coronavirus deaths at more than 26,000, will allow factories and building sites to reopen from May 4 and permit limited family visits as it prepares a staged end to Europe's longest coronavirus lockdown." In Norway, "schoolchildren from first to fourth grades returned to classes for the first time since mid-March, while a range of small businesses, including hairdressers, were allowed to open." In addition, Spain "cautiously prepared further steps to loosen one of Europe's toughest coronavirus lockdowns on Monday and played down concerns that letting children outside after six weeks had led to crowds forming in public spaces."

Johnson Says UK Not Ready To Ease Lockdown.

Reuters (4/27, Faulconbridge, Holton) reports British Prime Minister Boris Johnson "returned to work on Monday after recovering from COVID-19 and warned that it was still too dangerous to relax a stringent lockdown wreaking havoc on Britain's economy, for fear of a deadly second outbreak." With British unemployment "soaring, many companies crippled and a recession looming, Johnson said he understood the concerns of business and would consult with opposition parties pressing for clarity on a pathway out of lockdown. But with Britain posting one of the world's highest death tolls – 21,092 hospital deaths and thousands more yet to be quantified in care homes – he stressed it was still a time of maximum risk."

The New York Times (4/27, Landler, Castle, 18.61M) reports Johnson returned to work, "declaring that the coronavirus that nearly killed him was like an 'unexpected and invisible mugger' the British people had begun to wrestle to the floor but had not yet fully disabled." To the Times, "Johnson's message to his lockdown-weary nation was somber, underscoring the hard choices that Britain faces as the economy languishes and the death toll from the virus soars above 21,000."

The AP (4/27, Lawless) reports that "despite the death toll, Johnson's government is under mounting pressure to set out a blueprint for easing the lockdown." ABC World News Tonight (4/27, story 7, 0:55, Muir, 11.02M) likewise reported Johnson "was out of action for weeks after catching coronavirus, but he has a lot of work to do. His government has faced a lot of criticism for how it's handled this crisis." The Washington Post (4/27, Booth, Adam, 14.2M), among other news outlets, also reports Johnson's remarks.

Sweden Relying On Herd Immunity As Economy Remains Open.

NBC Nightly News (4/27, story 8, 2:30, Holt, 8.35M) reported that to date, "Sweden has seen over 2,000 COVID deaths in a population of 10 million, similar to the mortality rate per capita as the US. And polls suggest the softer policies are popular here. Sweden's policy relies on herd immunity, protecting the elderly and sick who do face lockdowns and testing, while leaving everything else more or less alone so they catch the virus and are in theory better defended against it later. Sweden has more deaths than its neighbors, but says its is a long-term solution with little economic impact, and its education and healthcare system in tact."

Japan's Early Response Relied On Contact Tracing Amid Lack Of Testing.

The Washington Post (4/27, Denyer, 14.2M) reports that the "centerpiece of Japan's coronavirus strategy has been identifying clusters of infection, tracking them to their source – and then tracing and isolating people who might have been exposed. But the virus detectives running Japan's infection control team eventually found a series of cases they couldn't crack." Bars, clubs and gambling halls have become "weak links in Japan's efforts" to control COVID-19, but they are "only one part of a much broader story – of a government reluctant to impose blanket lockdown and desperate to minimize the economic pain of its virus response." Japan's response has "also been limited by a lack of testing capacity, and the government's initial reluctance to allow private-sector testing."

Scientists Fear Brazil Could Emerge As Next Coronavirus Hotspot.

The AP (4/27, Biller) reports "Brazil is emerging as potentially the next big hot spot for the coronavirus amid President Jair Bolsonaro's insistence that it is just a 'little flu' and that there is no need for the sharp restrictions that have slowed the infection's spread in Europe and the US." The country has "officially reported about 4,500 deaths and almost 67,000 confirmed infections." However, "the true numbers there, as in many other countries, are believed to be vastly higher given the lack of testing and the many people without severe symptoms who haven't sought hospital care." To that end, "some scientists said over 1 million in Brazil are probably infected."

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Latin America's Prisons At Risk For Becoming Hot Spots.

The AP (4/27, Vergara, Verza) reports the "spreading specter of the new coronavirus is shaking Latin America's notoriously overcrowded, unruly prisons, threatening to turn them into an inferno." The Puente Alto prison in Santiago, Chile, has already had "the largest of Latin America's largest prison virus outbreaks so far, with more than 300 reported cases." Latin America's prisons hold 1.5 million inmates, and "so far, national officials have reported close to 1,400 confirmed cases of COVID-19 among inmates and prison staff."

Jordan Eases Curfew, Reopens More Businesses.

Reuters (4/27, Al-Khalidi) reports Jordan on Monday "eased restrictions on movement aimed at containing the spread of the coronavirus and allowed more businesses to reopen to help jump-start the cash-strapped economy, officials said." Amman residents "can now drive their private vehicles as of Wednesday between 0800 and 1800 in the first such move since a nationwide curfew nearly 40 days ago that ordered the country's population of 10 million to stay at home." Minister of Trade and Industry Tariq Hammouri also "said barbershops, beauty parlors, dryclean and cosmetics shops could now open" as well.

King Abdullah: World Must Work Together To Defeat Virus. In a Washington Post (4/27, 14.2M) op-ed, Jordan's King Abdullah II writes, "I cannot recall a time when every leader on the planet had the exact same item at the top of his or her agenda. This captures how truly surreal this moment in history is. But common concern does not necessarily translate into coordinated action." He adds, "If we wish to defeat [the coronavirus], we must do what seems counterintuitive: Put politics and popularity aside. We must also do the exact opposite of what the doctor ordered: Come together and get to work. To face this single threat, we must have singular focus – the survival and well-being of human lives everywhere."

US Military Announces Somalia Strike Campaign Killed Two Civilians.

Stars And Stripes (4/27, Vandiver, 30K) reports, "A review of civilian casualties connected to its airstrike campaign in Somalia found two noncombatants were killed during a February 2019 attack, US Africa Command said Monday." AFRICOM "said it's likely that two civilians were unintentionally killed and three were injured as a result of an airstrike on Feb. 23, 2019." That strike also "killed two al-Shabab terrorists, who were the intended targets, AFRICOM said." The AP (4/27, Baldor) says "the deaths...mark only the second time Africa Command has determined that civilians were killed in a military strike in Somalia." The AP also reports "US airstrikes against the al-Qaida linked al-Shabab extremist group this year are increasingly outpacing 2019 totals. Already there have been 39 airstrikes in 2020, compared to last year's total of 63."

The New York Times (4/27, Cooper, 18.61M) reports that "for years, Africa Command had maintained that no civilians had been killed in American airstrikes and raids in Somalia, disputing charges from human rights organizations that President Trump's decision to relax rules for preventing civilian casualties during American counterterrorism operations had led to more civilian casualties." While the US "has carried out occasional counterterrorism airstrikes in Somalia for more than a dozen years...the frequency has risen considerably under the Trump administration and continues to increase." The Hill (4/27, Budryk, 2.98M) and Al Jazeera English (4/27, English, 80K), among other news outlets, also report the story.

Separatists' Declaration Splits Anti-Houthi Coalition In Yemen.

The Washington Post (4/27, Raghavan, 14.2M) reports that "a declaration of self-rule by the most influential Yemeni southern separatist group has triggered concerns that Yemen's conflict could escalate just as the United Nations is seeking a nationwide cease-fire to prevent the spread of the novel coronavirus." The United Arab Emirates, "the separatists' main backer, said Monday it opposes the declaration and urged the group to honor a peace deal it signed last year with the internationally recognized government affirming shared control of the south." Saudi Arabia "called for the separatists to reverse their move, describing it as 'an escalatory action.'"

The AP (4/27, Gambrell) reports that "the statement by Saudi Arabia comes after the separatists' Southern Transitional Council again claimed sole control on Sunday of Aden, a Red Sea port that serves as the seat of the internationally recognized government as Yemen's Shiite rebels, known as Houthis, hold the country's capital, Sanaa." The AP says the Saudis "urged the council to return to the terms of the November 2019 Riyadh agreement, which ended earlier fighting between the separatists and the government forces – ostensible allies in the war against the Houthis – after the council seized control of Aden just a few months earlier."

Libya's Haftar: National Army Accepting "Popular Mandate" To Rule Country.

Reuters (4/27, Al-Warfali) reports, "Libya's eastern-based military leader Khalifa Haftar said on Monday his Libyan National Army (LNA) was accepting a 'popular mandate' to rule the country, apparently brushing aside the civilian authorities that nominally govern eastern Libya." Reuters adds that Haftar "did not spell out in his brief televised speech on Monday what form the new power structure would take and the wider political ramifications were not immediately clear."

Administration Vows To "Enforce And Expand" Pressure On Iran.

The Washington Free Beacon (4/27, Kredo, 78K) reports the Administration is "working on new efforts to enforce and expand its maximum pressure campaign on Iran in the wake of increased military threats, including Tehran's launch last week of a spy satellite." A "senior Trump

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administration official" told the Free Beacon the White House will continue to increase economic pressure on Iran until it comes to the table for "comprehensive negotiations." The official said, "The President has been clear that the United States will enforce and expand maximum pressure to impose costs on Iran's malign behavior so the regime will enter comprehensive negotiations." Officials are said to be contemplating "an array of options including sanctions on Iran's sponsorship of regional terror groups operating in Iraq, Yemen, Syria, and Lebanon."

South Korean Officials, "Senior US Defense Official" Say Kim Is Not Dead.

Reuters (4/27, Shin, Smith) reports that South Korean officials "emphasise they have detected no unusual movements in North Korea and caution against reports" that Kim Jong-un "may be ill or is being isolated because of coronavirus concerns." Reuters adds, "At a closed-door forum on Sunday, South Korea's Unification Minister Kim Yeon-chul, who oversees North Korea engagement, said Seoul had the intelligence capabilities to say with confidence there were no indications of anything unusual." Martha Raddatz reported on ABC World News Tonight (4/27, story 8, 0:50, Muir, 11.02M), "President Trump says he knows 'relatively speaking' what is going on with Kim Jong-un, but he can't say now." At any rate, "a senior US defense official [said] the reports that Kim Jong-un is dead are 'hogwash,' but said that something is clearly up."

USA Today (4/27, Shesgreen, 10.31M) also reports on the South Korean assurances, while the AP (4/27, Hyung) recounts that "the rumors about Kim's health began to swirl after he missed the April 15 commemoration of the 108th birthday of his grandfather, North Korea founder Kim Il Sung." North Korea's "state media has since made no mention of Kim's health or his public activities, though they said he had received some messages of greeting from foreign countries." Yesterday, "North Korea's state TV said Kim sent his thanks to workers and officials at a tourist resort construction site on the east coast." The Washington Times (4/27, Meier, 492K) also reports on the story, while the CBS Evening News (4/27, story 7, 0:25, O'Donnell, 5.63M) recounted that "as proof of life, the North is [also] offering letters it claims Kim has written in recent days, including one at President of South Africa."

The AP (4/27, Tong) says, "At the heart of the intelligence shortcomings about North Korea is its extremely closed nature. But there is also plenty of blame leveled in South Korea at efforts there." The AP goes on to report that "supporters of South Korea's current liberal government, which remains eager for inter-Korean engagement, lament the previous decade of conservative rule there, when exchanges between diplomats, government and business leaders, aid groups and others stopped under hard-line polices toward North Korea's nuclear ambitions. This, they say, deprived spies of high-quality information sources."

Townhall (4/27, Vespa, 177K) also reports on the latest developments in a story titled "Sorry, Liberal Media, Kim Jong Un Is Still Not Dead."

UK Government Again Insists Brexit Deadline Will Not Be Extended.

The AP (4/27) reports that the British government yesterday "insisted...that it won't extend the deadline for striking a post-Brexit deal with the European Union, despite the upheaval caused by the coronavirus." UK Cabinet Office Minister Michael Gove "said 'it is still entirely possible' to seal an agreement by the Dec. 31 deadline." The AP adds that the EU is "considerably more pessimistic," and Michel Barnier, "chief negotiator for the 27-nation bloc, called a round of negotiations last week 'disappointing' and accused the U.K. of refusing to 'engage seriously' on fundamental issues."

WPost: Under MBS, Saudi Regime Most Repressive And Reformist In Recent History.

The Washington Post (4/27, 14.2M) editorializes that the "current Saudi regime, controlled by Crown Prince Mohammed bin Salman, has the strange distinction of being both the most repressive in recent Saudi history – and also, in some respects, the most reformist." To the Post, that "seeming paradox was on vivid display last week when, after the death in prison of one of the kingdom's foremost liberal activists, authorities disclosed the abolition of flogging of criminals and capital punishment for crimes committed by children." MBS "would have it both ways: free to brutally suppress all independent voices in the kingdom while reaping credit at home and abroad for reforms he dispenses as a benevolent despot," but "it's not a workable strategy in the 21st century."

Housing

Freddie Mac, Fannie Mae, And FHFA Clarify: GSE Borrowers Are Not Required To Pay A "Lump Sum" Following Forbearance Period.

Bloomberg (4/27, 4.73M) reports in a potentially paywalled piece carried by American Banker (4/27, Subscription Publication, 31K), "Fannie Mae and Freddie Mac's regulator said Monday that borrowers benefiting from programs that let them skip mortgage payments due to the coronavirus pandemic won't have to make lump-sum repayments when the crisis passes." FHFA Director Calabria said the announcement was meant to "combat ongoing misinformation" about forbearance options that homeowners are entitled to seek.

DS News (4/27, Welborn) reports Calabria said, "No lump sum is required at the end of a borrower's forbearance plan for Enterprise-backed mortgages. To help homeowners navigate the forbearance process, FHFA partnered with CFPB on the Borrower Protection Program to provide homeowners accurate information about forbearance and address concerns noted in some consumer complaints. While today's statement only covers Fannie Mae and Freddie Mac mortgages, I encourage all mortgage lenders to adopt a similar approach." Providing

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similar coverage are NPR (4/27, Arnold, 3.12M), Realtor Magazine (4/27), DS News (4/27, Welborn), the Houston (TX) Chronicle (4/27, 730K), the South Florida Sun Sentinel (4/27, Hurtibise, 545K), the ABA Banking Journal (4/27), and Banker and Tradesman (4/27).

Mortgage News Daily (4/27, Swanson) reports, "Freddie Mac has laid out options that borrowers who have been granted forbearance on its loans have when it comes to repayment. The company's CEO David Brickman stressed that borrowers will never be asked to repay missed payments in one lump sum." HousingWire (4/27, 23K) reports Brickman said, "Simply put, if you are a homeowner seeking forbearance and Freddie Mac owns your loan, you are never required to make up missed payments in a lump sum. Our policies offer a number of options to bring borrowers current, including repayment plans, resuming normal payments or lowering your monthly payment through a modification. We encourage homeowners facing hardship to work with their servicer to identify the plan that's appropriate for their unique situation."

Mortgage Orb (4/27, Bates) reports, "Freddie Mac borrowers facing a hardship are entitled to up to 12 months of forbearance. Servicers will start with a shorter plan and reassess to see if an extension for up to 12 months is necessary." Fannie Mae "has also made it clear that lump-sum payments are not required."

Forbes (4/27, Williams, 9.71M), another Forbes (4/27, Williams, 9.71M) piece, National Mortgage Professional (4/27), and Seeking Alpha (4/27, Kiesche, 512K) provide similar coverage. Behind a paywall in its Short Takes, Inside Mortgage Finance (4/27, Hollier, Muolo, Subscription Publication) recaps the statements made by the FHFA Director and GSE CEOs.

Freddie Mac's Total Mortgage Portfolio Grew An Annualized 0.2% In March, Hitting $2.37T.

Seeking Alpha (4/27, Kiesche, 512K) reports, "Freddie Mac's total mortgage portfolio increases at annualized rate of 0.2% in March to $2.37T." According to Seeking Alpha, "Single-family refinance-loan purchase and guarantee volume was $33.3B in March, representing 63% of total single-family mortgage portfolio purchases and issuances." The single-family delinquent rate "remained flat at 60 basis points" and the multifamily delinquency rate "also remained flat at 8 bps during the month." The measure of FMCC's "exposure to changes in portfolio value averaged $150M in March," and the "duration gap averaged 1 month."

GSEs Reportedly Considering Yanking MSR Portfolios.

Behind a paywall, Inside Mortgage Finance (4/27, Muolo, Subscription Publication) reports, "Special servicers that can deal in COVID-19-related forbearance programs, especially those of the Fannie Mae/Freddie Mac variety, are now looking at a growth industry, one that could last for half a decade or more. And although the two mortgage giants aren't ready to entertain questions from the media on the topic, it's common knowledge among servicing professionals that Fannie and Freddie are contemplating yanking a handful of portfolios away from their current contractual owners." According to IMF, "One advisory veteran, requesting anonymity, said he has a client that recently struck a deal to process government-sponsored enterprise loans for a price of $150 per unit. This source maintains that Fannie and Freddie are actively looking for well-capitalized sub- and specialty servicers that can survive the economic damage that's currently blistering the U.S. economy."

MBA: Almost 7% Of US Mortgages Were In Forbearance As Of April 19.

Reuters (4/27) reports, "About 3.5 million mortgage borrowers have had their payments paused or reduced as the novel coronavirus outbreak in the United States continues to throw millions out of work, a survey from the Mortgage Bankers Association showed on Monday. The share of mortgage loans in forbearance rose to 6.99% from 5.95% from April 13-19, the industry lobbying group said. The number of new requests for relief fell relative to the prior week but were still 100 times greater than in early March." Ginnie Mae loans increased the most, rising 1.47% from last week. Ginnie loans "also had the highest percentage of loans in forbearance by investor type, at 9.73% of loans." According to Reuters, "For FHA and VA borrowers, the share of loans in forbearance stood at roughly 10 percent." Meanwhile, HousingWire (4/27, 23K) reports that "the share of Fannie Mae and Freddie Mac loans in forbearance also increased, rising from 4.64% to 5.46%. The share of other loans (those included in private-label securities or held in portfolio) in forbearance rose from 6.43% to 7.52%."

National Mortgage News (4/27) reports MBA Chief Economist Mike Fratantoni said, "Forbearance requests fell relative to the prior week, but remain roughly 100 times greater than the early March baseline. While the pace of job losses have slowed from the astronomical heights of just a few weeks ago, millions of people continue to file for unemployment." Bloomberg Law (4/27, Subscription Publication, 4K) reports Fratantoni said, "We expect forbearance requests will pick up again as we approach May payment due dates." On a more optimistic note, National Mortgage Professional (4/27) reports Fratantoni added, "The combination of stimulus payments, expanded unemployment insurance benefits, further fiscal and monetary actions, and states reopening will hopefully begin to stabilize forbearance requests and the overall economy." Providing additional coverage of the MBA's survey are Yahoo! Finance (4/27) and Dodd Frank Update (4/27).

Continuing Coverage: Black Knight Reported On Thursday That 5.6% Of GSE Loans And 6.4% Of All Mortgages Were In Forbearance. While the MBA's survey highlights forbearance levels for the week ending April 19, M Report (4/27, Welborn) says Black Knight reported on Thursday that 6.4% of all mortgages have entered forbearance. Mortgage Orb (4/27, Bates) reports, "As of April 23 more than 3.4 million homeowners...had entered into COVID-19 mortgage forbearance plans," representing "$754 billion in unpaid principal and includes 5.6% of all GSE-backed loans and 8.9% of all FHA/VA loans, according to the firm's McDash Flash data set."

Mortgage Professional America (4/27, Smith) reports Black Knight Director of Public Relations Mitch Cohen said, "At today's level, mortgage servicers would need to advance a combined $2.8 billion [per] month to holders of government-backed mortgage securities on COVID-19-related forbearances. Another $1.3 billion in lost funds will be faced each month by those with portfolio-held or privately securitized

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mortgages (some 5.7% of these loans are in forbearance as well)." Even with Ginnie Mae's recently-announced pass through assistance program and the FHFA's capping of P&I advance payments at four months for servicers of GSE loans, Cohen says that "given today's number of loans in forbearance (and these numbers are climbing every day), servicers of GSE-backed loans still face more than $7 billion in advances over that four-month period."

CFPB's Kate Fulton Joining FHFA As New COO.

DS News (4/27, Welborn) reports, "The Federal Housing Finance Agency (FHFA) has announced that Kate Fulton will join FHFA as COO on May 26, 2020. Fulton comes to FHFA from the Consumer Financial Protection Bureau (CFPB) where she currently serves as COO under Director Kathy Kraninger." Bringing "extensive experience in federal agency operations, including personnel law, administrative operations, information technology, and financial management," Fulton joins the agency as it deals with the COVID-19 crisis. This week, the FHFA "reiterated that borrowers in forbearance with a Fannie Mae or Freddie Mac-backed mortgage are not required to repay the missed payments in one lump sum."

Latest DS5 Podast Focuses on What Fed's Plan For MBS, Recent Actions By FHFA And GSEs.

In the latest DS News (4/27, Welborn) DS5 podcast, PCMA CEO John Lynch and NerdWallet mortgage specialist Holden Lewis discuss the ways that the mortgage industry is working with borrowers to mitigate disruptions in serivices. According to Lynch, "we're waiting for the Fed to step in and support non-agency RMBS," but this is likely not at the top of the Fed's list of priorities. Lewis believes that the Fed's purchases of agency MBS will help to stabilize the market. In addition, DS News says, "Mortgages that are delinquent for more than four months, historically, were purchased out of MBS pools by the GSEs. Loans with COVID-19 payment forbearance shall be treated 'like a natural disaster event' and will remain in the MBS pool."

Multifamily Financing

- ***Hunt Real Estate Capital Provides $24point5M Freddie Mac Acquisition Loan For SC Apartments.*** REBusiness Online (4/27) reports that Hunt Real Estate Capital "has provided a $24.5 million Freddie Mac acquisition loan for Lullwater at Saluda Pointe, a 280-unit apartment complex" in Lexington, South Carolina. MidlandsBiz (4/27) also covers the deal.
- ***Berkadia Arranges Freddie Mac Financing For Sun Holdings' Acquisition Of San Antonio Garden-Style Community.*** Multi-Housing News (4/27, Inizian) reports, "Sun Holdings Group has purchased Tradehouse at Bulverde Marketplace, a 330-unit, Class A, garden-style community in San Antonio. Berkadia secured acquisition financing through Freddie Mac."

Trepp: CMBS Late Payments Are Rising Sharply.

Multi-Housing News (4/24) reports, "Although the federal government has mandated that loans originated through government-sponsored enterprises Fannie Mae and Freddie Mac must be afforded 120 days of forbearance, servicers of non-agency CMBS must review each request individually. Some servicers say borrowers are going too far in their requests. For one thing, borrowers must prove that the loss of property income is due only to the impact of the pandemic." According to Trepp's CRE Finance Council, as of April, more than a fifth of hotel loans and a tenth of retail loans in CMBS pools were more than 30 days late on mortgage payments. In March, less than two percent of loans in each of these categories were delinquent.

FHFA Likely Prepping LLPAs On Forbearance Loans.

Behind a paywall, Inside Mortgage Finance (4/27, Muolo, Subscription Publication) reports, "The FHA this week is expected to release some type of statement detailing its policy on guaranteeing residential loans in progress that are the subject of COVID-19-related forbearance requests," industry lobbyists said. According to IMF, the "big question" is how much it will cost the lender. One mortgage insurance official said, "One thing's for certain: They're taking on a lot more risk." IMF reports, "Last week, the Federal Housing Finance Agency announced that Fannie Mae and Freddie Mac will begin purchasing single-family mortgages that are in COVID-19-related forbearance, but at a cost: 500 basis points for mortgages made to first-time homebuyers and 700 bps for 'all other loans.' It's unclear, at this point, what type of loan-level price adjustments, if any, the FHA might charge on forbearance loans. It's possible that some other fee may be assessed."

First American: Real House Prices Fell 1.6% From January To February.

Mortgage Orb (4/27) reports that First American's February Real House Price Index (RHPI) "shows that real house prices decreased 1.6 percent between January 2020 and February 2020 and declined 5.8 percent between February 2019 and February 2020. These figures suggest real house prices are 19.8 percent less expensive than they were in January 2000." According to Mortgage Orb, homebuying power rose 2.5% from January to February, climbing 14.6% year over year. Unadjusted, house prices "are now 10.3 percent above the housing boom peak in 2006." However, "real, house-buying power-adjusted house prices remain 42.8 percent below their 2006 housing boom peak." First American Chief Economist Mark Fleming said, "As the coronavirus outbreak continues to affect the domestic and global economy, the housing market has shown that it is not immune to its impact. While mortgage rates have fallen due to the current economic uncertainty, stay-

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at-home orders have made it more difficult for potential home buyers to take advantage of the affordability boost, and first-time home buyers may have an even more difficult time as lenders have tightened credit availability."

Markets

10-Year Yield Rises.

MarketWatch (4/17, 1.67M) reports the 10-year Treasury yield rose to 0.663 percent.

Dollar Holds Steady.

Reuters (4/28, Westbrook) reports, "The dollar steadied on Tuesday as currency markets entered a holding pattern ahead of U.S. Federal Reserve and European Central Bank meetings later this week and as a fresh tumble in oil prices cautioned against risk taking." The dollar "held steady against a basket of currencies at 100.100 – about where it has been parked for a month." The dollar "was a fraction softer against the yen at 107.17 yen per dollar and tad firmer on the euro and pound."

Gold Falls 1%.

Reuters (4/28, Singh) reports, "Gold fell nearly 1% on Tuesday as risk appetite was boosted by some countries easing coronavirus-induced restrictions, although recession fears and hopes for more stimulus kept the bullion near the $1,700 level." Spot gold "eased 0.7% to $1,702.00 per ounce by 0701 GMT, after falling as much as 1.4% during the session." US gold futures "fell 0.4% to $1,716.20 per ounce."

Oil Drops.

Reuters (4/28, Paul) reports, "Oil prices slumped again on Tuesday amid concern about dwindling capacity to store crude worldwide, heightened by fears that fuel demand may be slow to pick up once countries ease curbs imposed on business and social life to combat the coronavirus pandemic." West Texas Intermediate crude futures "fell to as little as $10.64 a barrel on Tuesday, and were off 12.8%, or $1.64, at $11.14 a barrel as of 0635 GMT." Brent crude futures "fell to a low of $18.85 and were last down 4.3%, or 85 cents, at $19.14 a barrel."

Cybersecurity

Pandemic Response Will Lead To Lasting Security Changes.

Government Computer News (4/27, Kanowitz) reports, "The changes to government security practices wrought by the COVID-19 pandemic are unlikely to dissipate when the virus does, current and former government officials said during a recent webinar. 'Public safety and in particular the intelligence community has access to more data … than they ever had,' former FBI Assistant Director Kevin Brock said. 'The question becomes should they collect it and can they collect it constitutionally.'" Brock "spoke during one panel an April 23 webinar titled 'Flattening the Curve,' hosted by Carbyne, a public-safety technology firm. The event gathered state, local and federal officials to discuss how government's response to the virus has revealed areas for improving cybersecurity, data sharing and emergency preparedness."

Florida State Attorney Candidate Reports Racial Slurs, Nazi Imagery During Zoom Event.

The Miami Herald (4/27, Ovalle, 1.09M) reports, "The lawyer challenging Miami-Dade's longtime state attorney says a campaign Zoom meeting was interrupted by hackers who broadcast racist slurs and 'Nazi imagery.'" Melba Pearson, "a former prosecutor and deputy director of Miami's American Civil Liberties Union, said on Monday that she reported the incident to the FBI, as well as Zoom. The incident happened Friday night during an online event, which was simultaneously broadcast on Facebook." Cybersecurity "has become a major issue for Zoon, the popular video conferencing site that has skyrocketed in use as the coronavirus pandemic has forced huge swaths of the world's labor force to work from home. The technology has become particular vital for the public sector: Across South Florida, court hearings, city council meetings and teacher gatherings are all regularly being held on Zoom. But the virtual meetings have attracted online trolls bent on disruption in what have become called 'Zoom bombs.'"

Cyberspace Solarium Commission Recommendations For Military's Cyber Operations Progressing.

Politico (4/27, Starks, 4.29M) reports in the Morning Cybersecurity column that the Cyberspace Solarium Commission's publicity tour "for its sweeping report might have been drowned out somewhat by the coronavirus pandemic, but in the next few months Congress is likely to approve many of its recommendations for boosting the military's cyber operations and protecting national security networks from hackers." A congressional aide and a tech industry representative "said the Armed Services panels plan to include many, if not most, of the commission's military-related recommendations in the fiscal 2021 National Defense Authorization Act." The tech industry representative "said that these recommendations...'will be part of the base text of the NDAA.'" It's still unclear "exactly which military-focused recommendations will make it into the NDAA...but the tech industry representative said commissioners and staffers want to include 'as much' of the military section 'as possible.'"

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Hackers Publish Pharma Giant's Data After Ransomware Attack.

TechCrunch (4/27, Whittaker, 605K) reports US pharmaceutical giant ExecuPharm "has become the latest victim of data-stealing ransomware." ExecuPharm "said in a letter to the Vermont attorney general's office that it was hit by a ransomware attack on March 13, and warned that Social Security numbers, financial information, driver licenses, passport numbers and other sensitive data may have been accessed." But TechCrunch has "now learned that the ransomware group behind the attack has published the data stolen from the company's servers." It's an increasingly "popular tactic used by ransomware groups, which not only encrypts a victim's files but also exfiltrates the data and threatens to publish the data if a ransom isn't paid." The data was "posted to a site on the dark web associated with the CLOP ransomware group." The site contains "a vast cache of data, including thousands of emails, financial and accounting records, user documents and database backups, stolen from ExecuPharm's systems."

Trump's 2021 Budget Proposes $237M For Quantum Information Science.

CNBC (4/27, Wood, 3.62M) reports, "The Trump administration's 2021 budget request...proposes slashing the overall funding for scientific research by nearly 10 percent but boosts spending on quantum information science by about 20 percent, to $237 million." According to CNBC, "A quantum network would offer decisive advantages for certain applications: Researchers could use it to develop drugs and materials by simulating atomic behavior on networked quantum computers, for instance, and financial institutions and governments would benefit from next-level cybersecurity."

NSA Offers Agencies Guidance For Choosing Videoconference Tools.

NextGov (4/27, Baksh) reports NSA is offering guidance "to help federal workers choose commercial telework tools for 'safely using collaboration services.'" The guide, which NSA released Friday, "applies only to commercial applications, and one strong recommendation from the agency is that, when possible, workers use US government services such as Defense Collaboration Services, Intelink Services and others, which were designed specifically for secure government communications." But government workers still need "to interact with external entities which might be sending them invitations via commercial applications, and the NSA has detailed a number of factors for them to weigh in deciding which ones to facilitate."

Federal Reserve

Fed Expands Municipal Bond-Buying Program To Smaller Cities And Counties.

Reuters (4/27, Schneider) reports the Federal Reserve on Monday announced the expansion of its municipal bond-buying program to include "counties with as few as 500,000 residents and cities with as few as 250,000 residents," as well as all state governments and some "multistate" entities. The facility, through which the Fed is buying $500 billion of state and local government bonds, was originally restricted "to about two dozen of the largest local governments when it was announced earlier this month." The Fed also expanded the duration of bonds it will purchase from two years to three years and said the facility will remain open until December instead of September's planned closing date.

The Financial Times (4/27, Politi, Smith, Subscription Publication, 1.34M), The Hill (4/27, Lane, 2.98M), Barron's (4/27, Scaggs, 1.07M), The AP (4/27, Rugaber), The Wall Street Journal (4/27, Timiraos, Subscription Publication, 7.57M), CNBC (4/27, Cox, 3.62M), MarketWatch (4/27, Robb, 1.67M), and American Banker (4/27, Subscription Publication, 31K) also report.

Fed Likely To Hold Off On More Pandemic Relief Initiatives, Assess Impact Of Past Moves.

CNBC (4/27, Cox, 3.62M) reports the Fed "is likely to pause any additional initiatives until it has more information about how those moves are working and what lies ahead." The Fed already cut its benchmark rate to near zero in addition to launching a host of other programs that seek to get funds to households and businesses affected by the pandemic. The central bank is expected "to keep a lid on interest rates into the foreseeable future and continue to run its liquidity and lending programs for as long as it takes to get the U.S. economy back on its feet and financial markets running smoothly." Some of its intentions "could be revealed when the Federal Open Market Committee wraps up its meeting Wednesday," at which economists and experts potentially expect "more explicit guidance about how long rates will stay low, some tinkering with other rates to make sure the benchmark funds level is where it should be, and asset purchases targeted toward driving down longer-term rates."

Fed Taking Previously Taboo Actions To Support Economy Amid Pandemic.

The Wall Street Journal (4/27, Timiraos, Hilsenrath, Subscription Publication, 7.57M) reports that, in seeking to mitigate the economic effects of the coronavirus pandemic by lending widely to businesses, states, and cities the Federal Reserve is crossing red lines that sought to prevent politicization and controversy by choosing who gets money, with what terms, and how to deal with localities that unable to pay it back. Fed leaders don't like the moves but see littler alternative. However, the Fed risks blowback should programs fail to help, politicians seeking to use the Fed to solve problems its tools aren't designed to address, and the erosion of its authority.

Fed, FDIC Mull Changes To Bank 'Living Will' Deadlines.

Reuters (4/27) reports federal banking regulators "announced Monday they were considering changing deadlines for when banks submit 'living wills' in response to the coronavirus pandemic." In a statement, the Federal Reserve and Federal Deposit Insurance Corp. "said they

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were extending by 30 days a comment period for guidance on resolution plans submitted by large foreign banks, including Barclays, Credit Suisse and Deutsche Bank."

Office of the Comptroller of the Currency

Banks Under Scrutiny For Prioritizing Certain PPP Applicants.

American Banker (4/27, Subscription Publication, 31K) reports, "As lenders dole out a new round of financing under the Paycheck Protection Program, banks are being scrutinized for where they direct loans following criticism that they prioritized high-profile firms." The Office of the Comptroller of the Currency (OCC) last week encouraged banks to "prudently document their implementation and lending decisions," as well as to "identify and track the PPP loans made to small-business borrowers that have annual revenues of $1 million or less and are located in low- and moderate-income areas." But as agencies attempt to tweak the PPP to ensure that the right businesses receive emergency funding, "some say the reports that banks prioritized wealthy clients over smaller businesses highlights a fundamental issue with the PPP structure – that banks are involved in executing a government loan program."

AML Enforcement Drops To Record Low In 2019.

The Money Laundering (4/27, Bethencourt, Pasquali) reports that US anti-money laundering enforcement actions "dropped to a record low again in 2019," while "sanctions enforcement stayed robust" and New York's Department of Financial Services "slapped the industry for hundreds of millions of dollars in penalties." Last year, FinCEN, the OCC, the Fed, and the FDIC "concluded only 22 AML enforcement actions last year, down from the 36 they completed in 2018 and their previous low of 28 in 2017, according to data compiled by ACAMS moneylaundering.com."

Study Shows PPP Loans Didn't Go To Businesses Most Affected By Coronavirus.

Bloomberg (4/27, Dmitrieva, 4.73M) reports that a new paper from researchers at MIT, the University of Chicago, and the National Bureau of Economic Research found that about 15 percent of regions hit hardest by Covid-19 received funds from the Paycheck Protection Program (PPP) so far, while the districts least affected saw twice that amount. The data suggests that funds went to "areas with better employment outcomes, fewer Covid-19 related infections and deaths, and less social distancing." The researchers used SBA data paired with a database of payroll and scheduling support. The study also found that the four biggest banks accounted for less than three percent of the distributed PPP loans, which could be in part because their branches are located in areas that received less funding. Meanwhile, KeyCorp "made up a greater share of total PPP volume than Bank of America, Wells Fargo, and Citigroup combined – even though its share of small business loans is usually much less, according to the analysis."

Opinion: US Big Banks Should Be Ashamed Of Their COVID-19 Response.

In The Hill (4/27, Marks, 2.98M), Gene Marks, founder of The Marks Group, a small-business consulting firm, writes that US big banks should be ashamed of themselves. Marks writes, "For all these years, America's big banks have been telling America's small businesses just how much they care about them and how much they want their business. But now, when the chips are down, we get to see their true colors." Marks adds, "Turns out they couldn't care less about small businesses. Which is why I hope many small businesses take their business to smaller community, independent and regional banks and consider other fintech providers that provide quicker, more affordable service."

JPMorgan Pauses PPP Applications To Work Through Existing Backlog.

Bloomberg (4/27, 4.73M) reports JPMorgan Chase ceased taking Paycheck Protection Program loans before the program relaunched on Monday, telling its customers that it was attempting to work through the backlog of existing applications. Head of JPMorgan's consumer business-banking division Jennifer Roberts said in a note to clients, "I wish we could help every business through this program, but funds could run out again quickly and we have preexisting applications in our queue." The relaunched program carries a fresh $320 billion over the initial $349 billion that ran out in 13 days.

Wells Fargo Names BNY Mellon Exec As New Operations Head.

American Banker (4/28, Subscription Publication, 31K) reports Wells Fargo has hired Lester Owens, global head of operations at BNY Mellon, "as part of its ongoing effort to implement a more unified structure across the 260,000-person company." Lester Owens will serve in the newly created position of Wells Fargo's head of operations, reporting to COO Scott Powell. Owens "will lead a team of employees who will drive consistent execution across Wells Fargo's business operations functions, Powell said in a press release Monday."

Editorial Wrap-Up

New York Times.

"Republicans, Who Do You Think Is Bailing Out Your State?" A New York Times (4/27, 18.61M) editorial says the idea of "red states propping up blue states has long been a Republican canard." The Times says New York receives 91 cents for every dollar in federal taxes it pays." Connecticut "receives 84 cents for each dollar," and New Jersey and Massachusetts "both receive 90 cents per dollar)." Meanwhile,

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Kentucky, McConnell's home state, "rakes in $2.41 for every tax dollar it sends Washington," which means Kentucky "is effectively subsidized by blue states like New York and New Jersey." The Times argues, "Allowing state budgets to collapse is shortsighted and counterproductive. Democratic lawmakers need to hold the line in this round of relief negotiations."

Washington Post.

"Trump And Pompeo Need To Stop Making The WHO A Scapegoat For Their Failures." In an editorial, the Washington Post (4/27, 14.2M) says not only is the Administration's strategy to starve the WHO "of funds and support from the United States" amid the pandemic "misguided and potentially harmful to millions of people, it is also based on skewed claims about the agency's role, notably by Secretary of State Mike Pompeo." The Post calls on Republicans to "join with Democrats to block the administration's counterproductive moves," and urges Trump and Pompeo "to quit making the WHO a scapegoat for their own management failures in combating the virus."

"The MBS Paradox Is On Full Display." The Washington Post (4/27, 14.2M) editorializes that the "current Saudi regime, controlled by Crown Prince Mohammed bin Salman, has the strange distinction of being both the most repressive in recent Saudi history — and also, in some respects, the most reformist." To the Post, that "seeming paradox was on vivid display last week when, after the death in prison of one of the kingdom's foremost liberal activists, authorities disclosed the abolition of flogging of criminals and capital punishment for crimes committed by children." MBS "would have it both ways: free to brutally suppress all independent voices in the kingdom while reaping credit at home and abroad for reforms he dispenses as a benevolent despot," but "it's not a workable strategy in the 21st century."

"Nursing Homes Are Flying Blind During A Pandemic. They Deserve Better." In an editorial, the Washington Post (4/27, 14.2M) laments that despite elder-care facilities seeing almost a quarter of identified US COVID-19 cases, they suffer from "government negligence and lack of transparency." Governments have largely made no effort to test inside and around such facilities, and when the disease hits one some states refuse to disclose the information. This leaves many homes unsure whether they are dealing with the virus, families unsure whether they should have their relatives in a nursing home, and hospitals transferring patients to homes with outbreaks. The Post concludes, "The government's abdication has left most nursing homes flying blind in a pandemic that has made them uniquely vulnerable."

"The Country Is Paying A Lot For The GOP's Obamacare Sabotage." The Washington Post (4/27, 14.2M) editorializes that the Supreme Court ruling "caps a run of Republican Obamacare sabotage that turned out to be not just counterproductive but also expensive and wasteful. ... This is just one more bad result that could have been avoided if Republicans had tried to fix and adjust, rather than cripple, the Affordable Care Act."

Wall Street Journal.

"The Chief Justice Ducks On Gun Rights." In an editorial, the Wall Street Journal (4/27, Subscription Publication, 7.57M) criticizes the court's ruling as an abandonment of its Constitutional responsibility, musing that Chief Justice Robert may have acted out of fear of Democrats' anger. To the Journal, yesterday's decision cements Roberts' image as a very political chief justice.

"ObamaCare's Latest Taxpayer Beating." In an editorial, the Wall Street Journal (4/27, Subscription Publication, 7.57M) argues that the Supreme Court ruling illustrates the ACA's staggering price tag for taxpayers, and predicts the court's decision will lead to an increase in lawsuits and demands for government payments.

"The Central Bank That Ate Japan." In an editorial, the Wall Street Journal (4/27, Subscription Publication, 7.57M) condemns the Bank of Japan's expanded purchases of corporate debt and equities as exacerbating the already extent problem of its ownership of an outsize portion of the country's listed equity distorting prices by investors betting on the BOJ instead of corporate managers or the economy. With the Fed, ECB, and Bank of England also buying more corporate-debt, they move towards market suffocation, preventing investors purchasing from sending signals about companies' preparations for post-pandemic supply chains and social distancing.

"Taiwan's Coronavirus Example." The Wall Street Journal (4/27, Subscription Publication, 7.57M) editorializes that Taiwan's outbreak response should serve as a model to other nations. The nation of 24 million has just 429 confirmed cases and only six deaths and expects to declare the virus eradicated by June.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Small-Business Loan Program Resumes With Reports Of Delays

Detroit Car Makers Target May 18 US Restart Date

Positive Covid-19 Test Results Can Linger, Prevent Plasma Donation

The Secret Group Of Scientists And Billionaires Pushing A Manhattan Project For Covid-19

The Federal Reserve Is Changing What It Means To Be A Central Bank

New York Times:

US Governors Move Ahead With Reopening, Despite Health Worries

Job Or Health? Restarting The Economy Threatens To Worsen Economic Inequality

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Bankers Rebuke SBA As Loan System Crashes In Flood Of Applications
In Race For A Coronavirus Vaccine, An Oxford Group Leaps Ahead
'Afraid To Be A Nurse': Health Workers Under Attack
'It Was Just Too Much': How Remote Learning Is Breaking Parents

Washington Post:
Back To School, But Not Back To Normal
US Deaths Surged Early In Pandemic
New Round Of Loans Faces Fresh Problems
Stumping Via Webcam: Politicking Is Transformed
US Testing 'Blueprint' Keeps Onus On States
After Mardi Gras Ministry, He Never Made It Home

Financial Times:
US Crude Prices Tumble As Largest Oil ETF Cuts Stake
How Kim's Sister Could Be Next In Line To Rule North Korea
InterContinental Reopens Nearly All Hotels In China

Washington Times:
Trump To Deploy 'Full Power' Of Federal Government To Help States With Testing
Virus Timeline Finds Few Heroes Inside Beltway As Impeachment Consumed Congress
'Doesn't Make Any Sense': First Responders Denied Basic Coronavirus Alert Due To Privacy Laws
US Navy Releases Three 'Unidentified Aerial Phenomena' Videos
Trump's Border Wall Plans Reduced As Cost Estimates Increases

Story Lineup From Last Night's Network News:
ABC: Reopening States; Trump-New Guidelines; Coronavirus-Testing; Coronavirus-Pepcid; Food Supply; Small Business Aid; Coronavirus-UK; North Korea-Kim Jong-un Speculation; Coronavirus-Airlines; Coronavirus-Man Recovering After Spending One Month on Ventilator.
CBS: Reopening States; Trump-New Guidelines; Coronavirus-Testing; Small Business Aid; Food Supply; GM-Ventilators; North Korea-Kim Jong-un Speculation; Minnesota-Community Celebrates Child Undergoing Last Chemo Treatment; Couple Celebrates 50th Anniversary.
NBC: Reopening States; Quarantine Fatigue; Coronavirus-Toll on Healthcare Workers; Food Supply; Small Business Aid; Coronavirus-Testing; Trump-New Guidelines; Coronavirus-Europe; Coronavirus-Technology; New York-Pre-K Child Says Pledge of Allegiance Every Morning.

Network TV At A Glance:
Coronavirus – 17 minutes, 40 seconds
Reopening States – 11 minutes, 55 seconds
Food Supply – 7 minutes, 0 seconds
Trump-New Guidelines – 4 minutes, 30 seconds
Small Business Aid – 3 minutes, 40 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Small Business Aid; CDC-Revised Priorities for Testing; Reopening States; New Jersey-Extension of Stay At Home; Trump-Schools.
CBS: Reopening States; Trump-New Guidelines; Food Supply; SCOTUS-Gun Case; Severe Weather; Wall Street.
FOX: Trump-New Guidelines; Reopening States; New York-Men Arrested For PPE Scam; Milwaukee-Shooting.
NPR: Trump-New Guidelines; CDC-Revised Priorities for Testing; San Francisco-PPE Shortage; Boeing-Impact from Coronavirus; Wall Street.

Last Laughs

Late Night Political Humor.

Trevor Noah: "From the beginning of this crisis, Donald Trump has been saying a lot of not smart things. He said the coronavirus would disappear like a miracle. He said people had nothing to lose by experimenting with hydroxychloroquine, and he even said that the virus can't see you if you don't move. I think he was confusing it with 'Jurassic Park.'"

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Trevor Noah: [On President Trump suggesting injecting disinfectants into the body will work against coronavirus] "President Trump...created

shock waves of stupidity with his latest and probably greatest unlicensed medical opinion yet. ... This is maybe the first time in documented history that we've seen someone not thinking out loud. Injecting disinfectant into your body? This is the problem when the dumbest person in the room thinks they're the smartest person."

Trevor Noah: "Trump is like Neville Longbottom, but with Hermione's confidence."

Trevor Noah: "I almost don't even blame Trump, because there's no way he even understands what bleach is. Like, do you think Donald Trump has ever cleaned anything in his life? You think he's ever actually used disinfectant? Cleaning supplies might as well be magical potions to him."

Trevor Noah: "As crazy as the disinfectant line was, I don't think we should be so quick to dismiss Trump's UV lights idea. Because Trump spends most of his time under UV lights, and other than looking like hickory-smoked bacon, he's the healthiest man in the world. I mean, he's even outlived Kim Jong-un."

Trevor Noah: "People were actually calling their local health departments to ask if they should try to cure themselves with disinfectant. Because that means that even the people who are dumb enough to drink bleach are still smart enough not to trust something Donald Trump says."

Jimmy Kimmel: "I'm actually feeling great today. This morning, I woke up, I rolled up my sleeves, and I injected a big syringe of formula 409 into my arm, and I am now coronavirus-free. The Tide pods appear to be turning against President Wackadoodle. Dr. Donald Jingleheimer Trump spent the weekend trying to pretend he wasn't really suggesting that maybe we should inject disinfectants into our bodies. He claimed he was being sarcastic with reporters. ... Can we claim we were being sarcastic when we elected him President?"

Jimmy Kimmel: "Trump's own Environmental Protection Agency quickly posted guidelines for using disinfectants that included the phrase 'do not ingest disinfectant products.' ... Even the company that makes Lysol put out a statement. They wrote, 'As a global leader in health and hygiene products, we must be clear that under no circumstance should our disinfectant products be administered into the human body.' ... I think this might be the first President ever to embarrass a cleaning product."

Jimmy Kimmel: "So then usually when a human being says something that is dangerous and dumb and gets a ton of backlash for it, they either apologize, or at the very least, reel it in. But when you're Donald Trump, you don't do that. You just keep talking and talking and try to bury it all under a mountain of nonsense."

Jimmy Kimmel: "There was a story in the New York Times that said [President Trump] has been watching a ton of TV and eating fast food. ... His new chief of staff, this lucky fellow named Mark Meadows, ran to the New York Post to tell them that Trump is so busy working he often misses lunch. Well, not according to his pants, he doesn't. If Trump misses lunch, it's only because he's still eating breakfast."

Stephen Colbert: "One of the most frustrating aspects of this whole lockdown is that there isn't one consistent message from our leadership. How come I'm still grounded and Georgia gets to go out and play? It's not fair! We both made the mistake of being mortal! I'm sorry!"

Stephen Colbert: [On President Trump suggesting injecting disinfectants into the body will work against coronavirus] "He's suggesting injecting bleach to fight coronavirus. It's not enough that his supporters are all white on the outside."

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Stephen Colbert: "Trump got so much heat for the comment that he threatened to stop doing press briefings at all, tweeting, 'What is the purpose of having White House news conferences when the lamestream media asks nothing but hostile questions, and then refuses to report

the truth or facts accurately. They get record ratings, and the American people get nothing but fake news. Not worth the time and effort!' Yes, it's so hostile to quote the President to himself!"

Stephen Colbert: "[President Trump] didn't show up for the press briefing yesterday, although the White House explained that it was Melania's birthday. They celebrated by spending a quiet evening in separate rooms. They were social distancing years before it was cool."

Stephen Colbert: "In June, Trump will travel to West Point to speak at the US military academy graduation. Unless he comes down with throat spurs."

Jimmy Fallon: "I saw that the CDC has added six new possible coronavirus symptoms to its list that includes chills, shaking, and a headache. So, if you're experiencing any of those, you either have the virus, or you're Dr. Birx watching Trump's press conference."

Seth Meyers: "After facing criticism for suggesting last week that injecting disinfectants and light could work as treatments for the coronavirus, President Trump claimed he was just being sarcastic. Like when he took the oath of office. 'Uh, yeah, I'll uphold the Constitution.'"

Seth Meyers: "President Trump claimed yesterday that people who know him and the history of our country say he is the, quote, 'hardest working President in history.' You've got to be kidding me. Abraham Lincoln worked harder than you after he went to that play."

Seth Meyers: "According to the New York Times, President Trump rarely attends the coronavirus task force meetings that precede the press conferences, which isn't surprising at all. Trump is like the kid in your group project in high school who didn't do any of the work. But the only difference is that kid never volunteered to give the presentation. He just stood in the back and held up a Styrofoam planet or something. ... Fauci, get him a Styrofoam planet."

Seth Meyers: "Following a New York Times report last week that President Trump stays in his bedroom until noon each day, White House aides have defended Trump's work habits and said there are days when he doesn't even have lunch. Yep, it's just breakfast, brunch, and straight on 'til dinner."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Meets with the Governor of Florida; receives his intelligence briefing; delivers remarks on supporting our Nation's small businesses through the Paycheck Protection Program
- Vice President Pence — Visits Mayo Clinic facilities in Minnesota supporting coronavirus research

***US Senate*:**

- Senate on recess from 25 Mar – 4 May

***US House*:**

- House meets in pro forma session – House of Representatives meets in pro forma session * Chamber is on recess from 30 Mar – 4 May; *9:00 AM*
- House Dems hold livestreamed roundtable on coronavirus and environmental and economic inequalities – 'Environmental Justice Community Impacts From the Coronavirus Health and Economic Crises' livestreamed roundtable discussion hosted by House Committee on Natural Resources Chair Raul Grijalva and fellow Democratic Reps. Donald McEachin, Deb Haaland and Alan Lowenthal, to discuss 'how coronavirus (COVID-19) has exacerbated longstanding environmental and economic inequalities in society and how Congress should respond', with speakers including Michele Roberts (Environmental Justice Health Alliance for Chemical Policy Reform),

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Dr Francesca Dominici (Harvard T.H. Chan School of Public Health), Sylvia Betancourt (Long Beach Alliance for Children With Asthma), Matt Bruenig (People's Policy Project), Rev. F. Wayne Henley (Cedar Grove Baptist Church), and Cecilia Martinez (Center for Earth, Energy & Democracy); *1:00 PM*

Cabinet Officers:

- No public schedules released

Visitors:

- No visitors scheduled

This Town:

- NTSB meets to discuss 2018 Missouri duck boat sinking – National Transportation Safety Board meeting, to determine the probable cause of the fatal sinking of an amphibious passenger vessel, duck boat or DUKW, in Branson, MO, 19 Jul 2018. One crewmember and 16 passengers died in the accident, which occurred when weather conditions deteriorated on Table Rock Lake; *9:30 AM*
- Africa CDC director speaks at Atlantic Council on coronavirus response – Africa Centres for Disease Control and Prevention Director Dr John Nkengasong speaks at Atlantic Council Africa Center virtual discussion on coronavirus (COVID-19) response and challenges in Africa, with additional remarks from U.S. Ambassador to the African Union Jessye Lapenn; *10:00 AM*
- Dr Anthony Fauci speaks at Economic Club of Washington, DC, event on coronavirus – Economic Club of Washington, DC, holds webinar to discuss the coronavirus (COVID-19) pandemic with National Institute of Allergy and Infectious Diseases Director Dr Anthony Fauci, Marriott International President and CEO Arne Sorenson, and United Way of the National Capital Area President and CEO Rosie Allen-Herring; *10:00 AM*
- U.S. Commission on International Religious Freedom releases annual report – U.S. Commission on International Religious Freedom releases 'USCIRF's 2020 Annual Report: Key Findings and Recommendations', with this year's report 'reflecting significant developments over the past year, with important progress in some countries bringing positive change, as well as a sharp downward turn in other nations who enacted controversial laws and regulations targeting religious minority communities' and 'including changes in format and structure and featuring new actionable recommendations to the president, secretary of state, and Congress intended to deter religious persecution and promote freedom of religion and belief abroad'; *12:00 PM*
- POLITICO briefing with Dem Rep. Karen Bass on coronavirus and minority communities – POLITICO virtual briefing with Democratic Rep. Karen Bass and Advancing Health Equity founder and CEO Uche Blackstock discussing why the coronavirus (COVID-19) pandemic 'is hitting minority communities especially hard and what can be done to mitigate the impact'; *4:00 PM*
- Federal Open Market Committee meeting – Federal Open Market Committee first day of two-day meeting, with interest rates decision tomorrow * The FOMC announced 3 Mar that the target range would be lowered to 1-1.25% in response to the risks to economic activity posed by the coronavirus (COVID-19) pandemic and in support of achieving its maximum employment and price stability goals, and this was lowered again to 0-0.25% on 15 Mar after an unscheduled meeting

Location: Washington, DC

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TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, APRIL 24, 2020 6:00 AM EDT

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• State Attorneys General Want FHFA, HUD To Further Delay Mortgage Borrowers' Payments.
• Freddie Mac: 30-Year FRM Average Rises From 3.31% To 3.33%.
• FHFA Stands By COVID-LLPAs, Saying Pricing Is Better Than Private Market Would Offer.
• Urban Institute Researchers: GSEs' Verification Of Employment Changes Are A Step In Right Direction.
• Multifamily Financing
• FHFA: FHLBanks To Provide More Liquidity For PPP Lenders.
• NCUA Allows Credit Unions To Delay Appraisals Until Four Months After Mortgage Closing.
• Pence Holds Conference Call With Mortgage Industry Representatives.
• Black Knight: Pandemic Causes Mortgage Defaults To Rise, But Eviction Moratoriums Send Foreclosure Starts Down.
• Pandemic Reportedly Accelerating Digital Mortgage Innovation.
• AICPA: American Personal Financial Satisfaction Plummets In Q1 Due To Pandemic.
• Real Capital Analytics: CRE Deals Are Falling Apart Due To Pandemic.
• New-Home Sales Fell By More Than 15% In March, According To Census/HUD Data.
• NAR: Pandemic Not Taking A Toll On Listing Prices So Far.
• Opinion: Government Needs To Realize That Risk Management Is A Critical Function.
• Opinion: Mortgage Forbearance Should Require Borrowers To Provide Documentation Of Hardship.
• Opinion: CARES Act Provides Only Temporary Help For Renters.

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Treasury in the News

Treasury Issues New Guidance On Small Business Loans, Prompting Large Companies To Return Funds.

Bloomberg (4/23, Niquette, 4.73M) reports, "Companies seeking aid from the next round of small business relief will be required to attest to their need for the loan and could be asked to prove it, as the Trump administration seeks to prevent mom-and-pop operations from being crowded out." Treasury Secretary Steven Mnuchin "has said the fund is intended for small businesses, and large companies that have already taken loan funding are being given until May 7 to return it without penalty amid an uproar over Shake Shack Inc. and the operator of Ruth's Chris steak houses and other firms getting relief aid." The Treasury Department and SBA released new guidance Thursday emphasizing that companies must "certify in good faith" their economic need for PPP financing.

The New York Times (4/23, Rappeport, Smialek, 18.61M) reports Mnuchin "has warned businesses that they will be investigated and could face penalties if they improperly accept small-business money" and "has urged businesses to return those funds." Treasury's new guidance "does not, however, force companies to return the money or accelerate repayments." The Times says it "remains unclear how the Treasury Department or the Small Business Administration will pursue investigations of loans that were given to borrowers that should not have been eligible." Business seeking to have the loans forgiven "are required to demonstrate to banks that they met requirements to maintain staffing levels for eight weeks. The documentation that they provide could be subject to audits by the Internal Revenue Service."

Additional news outlets reporting include Reuters (4/23, Lawder, Lambert, Delevingne), The Hill (4/23, Lane, 2.98M), MarketWatch (4/23, Reklaitis, 1.67M), The Los Angeles (CA) Times (4/23, Wire, Haberkorn, 4.64M), USA Today (4/23, King, 10.31M), The Financial Times (4/23, Weaver, Subscription Publication, 1.34M), and Axios (4/23, Allassan, 521K).

Commentary: Oversight Of Relief Fund Dispersal Highly Lacking. In his column for Bloomberg Opinion (4/23), Timothy L. O'Brien writes the initial $349 billion PPP fund "evaporated in just a couple of weeks, and perhaps only about 5% of the nation's 30 million small businesses – and possibly significantly less – got their hands on it." O'Brien says, "Upon learning that Shake Shack disgorged its $10 million in public aid, Treasury Secretary Steven Mnuchin, who stewards the small-business program, took to Twitter on Monday to note that he was 'glad' the company did so." However, O'Brien says Mnuchin "might stow his joy for the moment" given that it "was his team's responsibility to make sure banks properly vetted and prioritized borrowers to avoid foul-ups before taxpayers' money went out the door, not after." O'Brien adds that Mnuchin "has used selective data to spin the first round of aid as a success," and that he and the SBA "haven't released enough information about exactly who was funded, and how much they received, to convince outside observers to agree with him."

New Jersey Governor Blasts Relief Fund Limitations, Says Mnuchin's Assurances "Were Empty."

Politico (4/23, Friedman, 4.29M) reports Gov. Phil Murphy (D) on Thursday "blasted the Trump administration for its 'empty assurances' on how New Jersey could use billions of dollars of Covid-19 rescue funds after the U.S. Treasury Department issued guidance on how the money could be spent." The guidance "specifically bars state and local governments from using the funds as a form of revenue replacement."

NJ News (4/23, Johnson, Salant, 1.72M) reports Murphy "said he was assured during a recent discussion with U.S. Treasury Secretary Steven Mnuchin, that states would have more flexibility in how they spent the money." Murphy said, "I was assured this funding would be able

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to be used flexibly by states, filling holes that we now must deal with. Those assurances apparently were empty." Sen. Robert Menendez (D-NJ), "a member of the Senate Finance Committee that also oversees Treasury, said Mnuchin told him the same thing." Menendez said, "I took Secretary Mnuchin's word in good faith when he told Governor Murphy and me that states would have flexibility to use these stabilization funds to address their urgent needs and maintain essential services. The Treasury guidance also flies in the face of the president's recent commitment that any fiscal relief to hard-hit states be allowed to cover lost revenues as a result of COVID-19."

The Hill (4/23, Carney, 2.98M) reports both Mnuchin and President Trump "have indicated they are open to including additional state and local assistance in the next coronavirus relief bill, which is not expected to pass Congress until at least May."

The AP (4/23, Mulvihill) also reports.

Administration May Use $10B Loan As Leverage To Force Changes At USPS.

The Washington Post (4/23, Bogage, Rein, 14.2M) reports, "The Treasury Department is considering taking unprecedented control over key operations of the U.S. Postal Service by imposing tough terms on an emergency coronavirus loan from Congress, which would fulfill President Trump's longtime goal of changing how the service does business." According to "two people familiar with the matter," officials have warned USPS in recent weeks that Treasury Secretary Mnuchin could use the $10 billion loan "as leverage to give the administration influence over how much the agency charges for delivering packages and how it manages its finances."

Other outlets reporting include Reuters (4/23, Bartz), The Los Angeles Times (4/23, Megerian, Bierman, 4.64M), The Hill (4/23, Moreno, 2.98M), and Business Insider (4/23, Panetta, 3.67M).

Treasury Department Unsure It Can Disburse Funds To Tribes By Sunday.

The AP (4/23, Fonseca) reports Treasury Department said late Thursday that Alaska Native corporations are eligible to receive part of $8 billion in COVID-19 relief funds earmarked for tribes, "setting the stage for a court battle." A group of Native American tribes "have sued the federal government to try to keep the money out of the hands of the corporations" under the contention that "it should go only to the 574 tribes that have a government-to-government relationship with the United States." The Treasury Department "said a plain reading of the CARES Act makes the corporations set up under a 1971 settlement among the U.S., Alaska Natives and the state of Alaska eligible for the funding."

Law360 (4/23, Westney, Subscription Publication, 8K) reports Treasury Secretary Steven Mnuchin "told a D.C. federal judge Thursday that Alaska Native Corporations can claim a share of $8 billion in funding for tribal governments fighting the COVID-19 pandemic, saying it would be unfair to cut them out in favor of federally recognized tribes." Mnuchin "asked the court to reject a bid by a group of eleven tribes to prevent any of the $8 billion in direct tribal funding in the $2 trillion Coronavirus Aid, Relief and Economic Security, or CARES, Act from going to the for-profit corporations, which were created to resolve indigenous land claims in Alaska."

Mnuchin Considering Lending Program For Oil Industry.

Bloomberg (4/23, Mohsin, 4.73M) reports Treasury Secretary Steven Mnuchin is weighing whether to provide a lending facility for US oil companies seeking federal aid. The secretary "would not say whether the lending program would be housed at his agency or at the Federal Reserve." Were his department to take the lead on lending to the oil industry, Mnuchin would "need permission from Congress to loan funds directly from the $2.2 trillion coronavirus stimulus passed last month." Speaking on specifics, Mnuchin said, "Investment-grade companies will be able to either access the normal capital markets or will be able to access the Fed's investment-grade facility. ... That's the priority." For those that "aren't credit-worthy enough to tap the Fed, Mnuchin said he is discussing 'alternative structures with banks.'" Reuters (4/23, Venkat) reports that last week, Energy Secretary Brouillette "told Reuters he was working with Mnuchin to roughly double the size-limit on loans available to mid-tier U.S. energy companies under the recently passed CARES Act stimulus package to $200 million-$250 million." Law360 (4/23, Cooper, Subscription Publication, 8K) also reports.

Mnuchin: Companies Critical To National Security Must Offer Equity Stakes To Receive COVID-19 Aid.

Bloomberg (4/24, Mohsin, 4.73M) reports Treasury Secretary Steven Mnuchin "will require public companies deemed critical to national security that seek a share of $17 billion in virus-related relief to offer an equity stake to the government." For private companies, Mnuchin "may, in his discretion, accept senior debt instruments" or other financial interests, according to a Treasury Department loan application posted to its website late Thursday. The requirements "are similar to those for passenger and cargo airlines seeking payroll assistance from the $2.2 trillion coronavirus stimulus package passed by Congress." Borrowers "must have a priority level contract with the government and currently operate under a 'top secret facility clearance,' according to the application on Treasury's website late Thursday." Mnuchin said in an interview Thursday, "This pot of money was designed to consider the needs of defense contractors, key suppliers to DOD and other companies that carry classified information."

Mnuchin: US Has No Plans To Create Fed Funding Facility For Mortgage Servicers.

Bloomberg (4/23, Mohsin, 4.73M) reports Treasury Secretary Steven Mnuchin "said the U.S. has no current plans to create a Federal Reserve facility to inject funding into non-bank mortgage servicers, as recent government moves will help the firms get through the risk of

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millions of borrowers missing their mortgage payments." Mnuchin "pointed to Ginnie Mae's decision last month to facilitate payments to mortgage bondholders themselves, thus covering an obligation that would have fallen on servicers. That combined with steps taken this week by the Federal Housing Finance Agency, which regulates mortgage giants Fannie Mae and Freddie Mac, will 'deal with liquidity concerns,' he said in a Bloomberg News interview on Thursday."

Senate Dems Press Mnuchin To Ensure COVID-19 Relief Payments Quickly Reach Social Security Recipients.

The Hill (4/23, Jagoda, 2.98M) reports, "A group of Democratic senators are urging the Trump administration to ensure that Social Security recipients quickly receive the full amount of their coronavirus rebate, after an IRS deadline passed for beneficiaries to act in order to promptly receive the payments for their children." The senators wrote to Treasury Secretary Steven Mnuchin and Social Security Commissioner Andrew Saul on Thursday, saying, "To continue assisting struggling families during the COVID-19 crisis, we strongly urge your agencies to ensure that non-filers receive their stimulus payments – including additional payments for dependent children – as quickly as possible." The senators "said they are concerned that many families may not receive the full amount of cash assistance that they are entitled to until 2021," writing, "Many eligible families will not have been able to meet this short, 48-hour deadline."

Rubin: Policies Pushed By Trump's "Millionaire Advisers" Show How "Out Of Touch" He Is.

In her column for The Washington Post (4/23, Rubin, 14.2M), Jennifer Rubin writes, "It is a measure of just how out of touch President Trump is: His retinue of millionaire advisers (e.g., National Economic Council director Larry Kudlow, Treasury Secretary Steven Mnuchin) and the right-wing media collectively decided it would be good politics to goad governors into reopening businesses, schools and public spaces while the pandemic still raged with no cure, vaccine or even testing/tracking/quarantine program in place." Rubin asks, "Did they really expect people to risk their lives so the Dow Jones would pick up?" Rubin adds in an "aside" that this is "a good example of why it is a mistake to surround yourself with finance guys rather than those who have spent time with middle-class workers, families and local government officials."

On Economy, Poll Shows Two-Thirds Of Americans Trust Their State Governor, 51% Mnuchin, 47% Trump.

The Hill (4/23, Johnson, 2.98M) reports over two-thirds of Americans "have confidence in their state's governor when it comes to handling economic matters, higher than any other elected official in the country, a recent Gallup poll finds." The survey results show "68 percent of those polled said that they either had 'a great deal' or a 'fair amount' of confidence in their state's top official to make the right economic decisions." Fed Chair Jerome Powell and Treasury Secretary Steve Mnuchin "ranked next at 58 and 51 percent, respectively, while President Trump came in at 47 percent."

Pre-paid Card Providers Want To Take Part In Stimulus Payments Disbursement: Industry Groups.

Reuters (4/23, Johnson) reports, "Industry groups for U.S. providers of pre-paid cards and mobile wallets are in talks with the U.S. Treasury Department about allowing stimulus payments designed to help millions of Americans struggling due to coronavirus lockdowns be made via their products, the groups said." Jodie Kelley, chief executive of the ETA, "said talks took a step forward last week when the Consumer Financial Protection Bureau (CFPB) waived a rule that hinders agencies from requiring that a consumer receive government payments through a specific third-party." The agency "still has to work through other issues," including "whether to take competitive bids for the contract or potentially use emergency powers to quickly pick a provider, according to the ETA, which represents companies including PayPal Inc, Visa and Mastercard, and two lawyers familiar with the discussion."

Sen. Scott: All Americans "Have A Role In Responsibly Re-Opening The Economy."

In an op-ed for The Tampa Bay (FL) Times (4/23, 742K), Florida Sen. Rick Scott (R) writes that if all Americans "take responsibility and create a clear plan, we can put our country and our economy back on a path to recovery." The federal government, he says "must support efforts by state and local governments to expand testing capacity, including monoclonal antibody testing and contact tracing," allowing for anyone "who wants to be tested...to get tested." Scott also says the Treasury Department and the SBA "must provide more clarity to banks and small businesses about the Paycheck Protection Program and protect against potential fraud."

Leading National News

State Department Report: China, Russia, Iran Working Together To Blame US For Coronavirus Pandemic.

Business Insider (4/23, Orecchio-Egresitz, 3.67M) reports that according to a State Department report, "China, Iran, and Russia are each using the COVID-19 pandemic as an opportunity to spread disinformation related to the United States." According to a "public report from earlier this week, all three countries are pushing similar narratives, including the baseless claim that the coronavirus is an American

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bioweapon being spread by US troops, the US is using the crisis to score political points, and that unlike the US, the three countries are managing the crisis well.

Townhall (4/23, Rosas, 177K) reports that during an April 15 briefing, the State Department "confirmed to staff members of the House Committee on Oversight and Reform" that the state-run media in the three countries "are working in together to blame the Wuhan coronavirus pandemic on the United States, according to an internal GOP Oversight and Reform Committee report." The report "also laid out how the World Health Organization and China had been misleading on the severity of COVID-19 during the early stages of the pandemic."

Al Jazeera English (4/23, 80K) reports China's Ambassador to the UK Liu Xiaoming said Thursday that China did not cover up the coronavirus outbreak and that the US should not seek to bully his country. Liu said, "I hear quite a lot of this speculation, this disinformation about China covering up, about China hiding something – this is not true. ... The Chinese government was transparent and very quick to share data. ... Some politicians, some people, want to play at being the world's policeman – this is not the era of gunboat diplomacy, this is not the era when China was a semi-colonial, semi-feudal society. ... China is not an enemy of the United States – if they regard China as an enemy they chose the wrong target."

US Begins Shifting WHO Funds To Other Groups. In what The Hill (4/23, Kelly, 2.98M) casts as "an escalation in President Trump's fight with the WHO," the US has started to shift its contributions to the agency "to other health-focused groups." Jim Richardson, Director of Foreign Assistance at the State Department, said at a news briefing Wednesday, "For every contract or dollar flowing today, we're just taking WHO off the table. ... We're going to provide that assistance to these other organizations in order to get the job done. Our system simply can't wait." The Hill adds that Secretary of State Pompeo "has started laying the groundwork for a U.S. exit from the WHO, accusing the agency's leadership of failing to exercise authority over China for its handling of the outbreak."

Townhall (4/23, Pavlich, 177K) says that in remarks to reporters at the State Department this week, Pompeo "warned the Wuhan Institute of Virology, where the Wuhan coronavirus likely originated, is not the only lab in the country conducting experiments." Pompeo said "these labs are still open inside of China, these labs that contain complex pathogens that were being studied. It's not just the Wuhan Institute of Virology. There are multiple labs inside of China that are handling these things. It's important that those materials are being handled in a safe and secure way such that there isn't accidental release. ... So this is an ongoing obligation that the Chinese Government has as well as an ongoing obligation of the World Health Organization that has responsibility for compliance with the rules."

Pompeo said on Fox News' Hannity (4/23, 535K), "I am very confident that the Chinese Communist Party will pay a price for what they did here, certainly from the United States. I don't know what form that will take. Our focus today isn't on that. It's on making sure we keep America safe, take down the health risks, keep people healthy as we can, and get this economy going back, but I'm confident."

Reuters (4/23, Brunnstrom, Pamuk) reports that on Fox News' Ingraham Angle on Wednesday night, Pompeo "said a fundamental reform of the World Health Organization was needed following its handling of the coronavirus pandemic and that the United States, the WHO's biggest donor, may never restore funding to the U.N. body." The Washington Times (4/23, Scarborough, 492K) reports that Pompeo told Laura Ingraham that WHO Director-General Tedros Adhanom Ghebreyesus "may have to step down before Washington restarts suspended contributions of nearly $1 billion of WHO's $2.4 billion annual budget." Asked about a demand for Tedros' ouster, Pompeo said, "Even more than that, it may be the case that the United States can never return to underwriting, having US taxpayer dollars go to the WHO. We may need to have even bolder change than that."

Pompeo said on the Larry O'Connor Show (4/23) Thursday, "It is important for everybody to remember that this isn't the first time that the World Health Organization has failed in its mission to help the world stay safe. You'll recall the SARS challenge that the world faced previously. Here too, the World heath Organization didn't get this information right at the beginning. They talked about how China was being transparent when it was blatantly clear that they were not being. So, we have done reforms there before. That clearly has been insufficient to ensure that the WHO can perform its primary function. So, we are looking at how else we might do this."

State Department spokeswoman Morgan Ortagus said on CNN International (4/23) that the US "gave between $400 and $500 million to the WHO last year. That money is only four percent of all of the money that we give in global health each year. So 96 percent of the funds that the American people give around the world for global health is still going unimpeded. .... What State and USAID...announced yesterday is that we are looking to directly fund global health programs around the world. ... So every penny of global health funding that the Congress has allotted to State Department, USAID will continue to go to global health." Ortagus told Fox News' Fox & Friends (4/23, 831K), "We need what Secretary Pompeo is calling for: real transparency out of China." Ortagus was also interviewed on WLW-AM Cincinnati (4/23, 19K) Thursday.

Australia Calls For International Investigation Of Coronavirus' Origins. The Washington Post (4/23, Deyoung, 14.2M) reports that Australia has joined the US in calling for "an international investigation into the origins and spread of the novel coronavirus, focusing on the behavior of China and the World Health Organization."

Democrats Call On Trump To Restore WHO Funding. Democrats have called on the President to restore funding to the WHO. According to the Washington Times (4/23, Meier, 492K), the Democrats argue "the funding freeze was an attempt to shift blame away from the administration's 'failed response' to the coronavirus pandemic within its borders." In a letter to Pompeo and Acting USAID Administrator Barsa, Democrats led by House Foreign Affairs Chairman Eliot Engel wrote, "Halting funding to the WHO at this time is like cutting funding to the fire department in the middle of a blaze. ... Retreating from global health institutions at this time will only hinder our ability to fight the coronavirus, thus putting our national security and American lives at risk."

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China Pledges Additional $30M To WHO. The New York Times (4/23, 18.61M) reports that China announced Thursday "that it

would donate an additional $30 million to the World Health Organization after President Trump's order this month to suspend American funding to the agency." The Times says US "donations to the organization have historically outstripped China's: Of the $5.6 billion that the agency received in 2018 and 2019, the United States contributed about $893 million and China gave $86 million."

NYTimes: Pandemic Is "Shaking Fundamental Assumptions About American Exceptionalism." A New York Times (4/23, Bennhold, 18.61M) analysis says "images of America's overwhelmed hospital wards and snaking jobless lines" have people "on the European side of the Atlantic...looking at the richest and most powerful nation in the world with disbelief." The Times says the pandemic "is shaking fundamental assumptions about American exceptionalism – the special role the United States played for decades after World War II as the reach of its values and power made it a global leader and example to the world." It has "exposed two great weaknesses that, in the eyes of many Europeans, have compounded one another: The erratic leadership of Mr. Trump, who has devalued expertise and often refused to follow the advice of his scientific advisers, and the absence of a robust public health care system and social safety net."

China's Medical Goods Supply Chain Becoming A Free-For-All. The Wall Street Journal (4/23, Lin, Xiao, Subscription Publication, 7.57M) reports that China's medical goods supply chain is becoming a free-for-all as governments, hospitals, and businesses vie for masks, ventilators and other protective gear. The Journal says the situation highlights countries' desperation to obtain the supplies amid the coronavirus pandemic.

China Imposes New Restrictions On Some Northern Cities. The New York Times (4/23, Mozur, Myers, 18.61M) reports that Chinese officials "have imposed new limits on movement in some northern parts of the country following a spate of new coronavirus infections, in a sign of how difficult it will be to fully recover from an outbreak that virtually paralyzed the country." Restrictions imposed over the past week "include the city of Harbin, a city of 10 million in northeastern China where a number of new infections have been reported." According to the Times, "other cities in the region have also imposed restrictions, which include preventing outsiders from visiting other neighborhoods and warning residents to stay away from high-risk areas."

Romney: Free Nations Must Develop A Strategy To Counter China. In an op-ed for the Washington Post (4/23, 14.2M), Sen. Mitt Romney (R-UT) writes that "from medicines to masks" the US is "at Beijing's mercy. Embarrassed by the revelation of this vulnerability, politicians in Washington will certainly act to remedy our medical dependence," but "China's stranglehold on pharmaceuticals is only a small sliver of its grand strategy for economic, military and geopolitical domination." Romney calls for "a unified strategy among free nations to counter China's trade predation and its corruption of our mutual security." Romney argues, "When the immediate health crisis has passed, the United States should convene like-minded nations to develop a common strategy aimed at dissuading China from pursuing its predatory path."

House Passes $484B Relief Package As Battle Lines Are Drawn Over State Aid.

The Washington Post (4/23, Werner, 14.2M) reports the House "overwhelmingly passed a $484 billion spending package Thursday as the unemployment crisis deepened, a stark illustration of how policymakers continue trying to rescue an unraveling economy amid growing despair." The AP (4/23, Taylor, Fram) reports, "Anchoring the bill is the Trump administration's $250 billion funding request to replenish a fund to help small- and medium-size businesses with payroll, rent and other expenses. ... It also contains $100 billion demanded by Democrats for hospitals and a nationwide testing program, along with a $60 billion set-aside for small banks," and "$60 billion for small-business loans and grants delivered through the Small Business Administration's existing disaster aid program."

Politico (4/23, Caygle, Ferris, 4.29M) reports that President Trump "offered a strong endorsement of the legislation earlier this week and is expected to quickly sign the aid bill after House passage." USA Today (4/23, Hayes, 10.31M) reports the measure passed 388-5, with Reps. Andy Biggs (R-AZ), Ken Buck (R-CO), Jody Hice (R-GA), Thomas Massie (R-KY), and Alexandria Ocasio-Cortez (D-NY) voting against the measure. Rep. Justin Amash (I-MI) voted present. According to the article, "House leaders applauded the near-unanimous vote, with Democrats noting the additional provisions they negotiated into the bill." Republicans also "praised the passing of the measure but blamed Democrats for the delay in getting the funds to businesses."

According to the AP (4/23, Taylor, Fram), "Easy passage of the measure belies a potentially bumpier path ahead as battle lines are being formed for far more ambitious future legislation that may prove far more difficult to maneuver through Congress." Likewise, the Washington Post (4/23, Werner, 14.2M) reports that "lawmakers from both parties are already talking about pursuing more large spending bills...but the measure on Thursday could be the last one for at least several weeks as divisions emerge between the parties about how much further to go." The Post adds, "Congress has now committed almost $3 trillion in emergency spending...but there are fresh signs that policy makers are becoming more wary of the public backlash that has begun over some of their decisions." The Post reports that President Trump and Democrats are "pushing for quick action on another giant rescue bill that would include funding for cities and states," but Senate Majority Leader McConnell "has expressed opposition," and indicting that "perhaps some states should have the option of falling into bankruptcy," which the Post says "elicited fury from some governors and House Democrats."

The Washington Post (4/23, Wagner, 14.2M) reports that McConnell "drew flak Thursday from governors in both parties after suggesting that states hit hard by the coronavirus outbreak should be allowed to seek bankruptcy protections rather than be given a federal bailout." The Post adds, "McConnell's comments, made during a radio interview Wednesday, came amid a renewed push from states for help from Washington to cover lost tax revenue that has been among the dire consequences of the ongoing pandemic. 'This is really one of the dumb ideas of all time,' New York Gov. Andrew M. Cuomo (D) said during a briefing in Albany in which he warned that declarations by multiple states would lead to 'a collapse of this national economy.'" Reuters (4/23, Zengerle, Cowan) reports that the President "has said he

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supports more funding for states, and has promised to back it in future legislation," but Republicans in Congress "have resisted."

The New York Times (4/23, 18.61M) reports that the National Governors Association "wrote federal officials this week pleading for $500 billion to help them make up for lost tax revenues during what they called 'the most dramatic contraction of the U.S. economy since World War II.'" On Thursday, NGA Chairman Maryland Gov. Larry Hogan (R) "said in an interview...that he thought Mr. McConnell would come to 'regret' his remarks. 'The last thing we need in the middle of an economic crisis is to have the states all filing bankruptcy all across America and not able to provide services to people who desperately need them,' he said."

Politico New York (4/23, Niedzwiadek) quotes Cuomo as saying, "You want to see [the] market fall through the cellar – let New York state declare bankruptcy." According to Politico, Cuomo "said tersely that he has not been in contact with McConnell, nor does he plan to reach out to him." Politico goes on to report that McConnell "also drew a rebuke" from Rep. Peter King (R-NY), who tweeted that McConnell's remarks "were 'shameful and indefensible' and called McConnell the 'Marie Antoinette of the Senate.'" New Jersey Gov. Phil Murphy (D), "who attacked McConnell over the bankruptcy comments on Wednesday, doubled down during his daily press briefing on Thursday afternoon, saying that the revenue shortfalls his state faces...apply to 'many of our sister states, red and blue alike.'"

Reuters (4/23, Chiacu) reports that House Speaker Pelosi "has said more money for state and local governments would be included in the next coronavirus relief package in Congress," and Senate Minority Leader Schumer "said the federal government must help cities and states or risk 'huge mayhem.'"

Carl Hulse of the New York Times (4/23, 18.61M) says Democrats "have now blocked two consecutive coronavirus rescue packages pushed by Republicans and withstood withering criticism to win concessions – and hundreds of billions of dollars – they said were vital." Hulse points out that "at nearly $500 billion, the latest measure to move through Congress this week ended up being almost twice the size and much broader in scope than the original bill" McConnell "tried to ram through two weeks earlier without negotiations." Hulse notes that on Thursday, McConnell said, "My overall observation is it's pretty hard to win a spending contest with a Democrat. They always want to spend more on everything." According to Hulse, McConnell "has evidently had enough of a dynamic that seems to be empowering Democrats."

The New York Times (4/23, Hulse, 18.61M) reports, "States are facing severe financial strain, as sales tax revenues dry up amid quarantines that have shuttered restaurants, movie theaters, gyms and nail salons. That pain has been compounded by the number of people losing their jobs and filing for state unemployment benefits." According to the Times, "at least three states – California, New York and Ohio – are expected to deplete their trust funds within two weeks, with Kentucky, Texas and Massachusetts close behind."

Waters Dedicates Bill To Sister Infected With Coronavirus. The Hill (4/23, Axelrod, 2.98M) reports House Financial Services Chairwoman Maxine Waters "dedicated Congress's $484 billion relief package to her sister, who she said is dying from the coronavirus." On the House floor, she said, "I not only rise in support of this legislation. I also would like to rise in support of what we're doing for the healthcare enhancement act in this bill. And I'm going to take a moment to dedicate this legislation to my dear sister who is dying in a hospital in St. Louis, Missouri right now infected by the coronavirus."

Pelosi Blames Republicans For Delay In Coronavirus Relief Funds. The Washington Times (4/23, Muñoz, 492K) reports Pelosi "defended the delay on passing emergency coronavirus relief funds Thursday, saying Republicans refused to spend much-needed money in other areas." Pelosi said, "What we have on the floor today is the result of – not the time we delayed the legislation – but the time that the Republicans refused to accept the facts that we needed $100 billion for our hospitals and our testing. I think it's really important for people to understand what this fight is about."

Frustrations Mount Over Delays In Stimulus Checks. The Wall Street Journal (4/23, Rubin, Subscription Publication, 7.57M) reports people who are still waiting for their stimulus checks are growing more frustrated, as the IRS deals with electronic payments bouncing back. Taxpayers are also complaining of error messages on the IRS website, which has seen an increase of 77 percent in traffic from an equivalent week last year.

Whitehouse, Doggett: Real Estate Businesses Unjustly Benefit From "Corrupt Tax Provision" In CARES Act. In an op-ed for USA Today (4/23, 10.31M), Sen. Sheldon Whitehouse (D-RI) and Rep. Lloyd Doggett (D-TX) call attention to the "corrupt "tax provisions inserted in the CARES Act by Republicans. The provisions "allow certain investors – particularly real estate speculators and hedge fund managers – to cut their tax bills by shifting losses to prior tax years." The "giveaway" amounts to $195 billion, with "43,000 million-dollar-plus income earners" receiving "over 80% of the windfall." The lawmaker are "offering legislation to unwind this massive tax giveaway, to recover the lost revenues and to use them to combat the pandemic and help small businesses and those truly in need during this challenging time."

WPost: States Deserve, Need More Support From Washington. In an editorial, the Washington Post (4/23, 14.2M) says that McConnell "churlishly spoke of governors trying to get 'free money' and mused about passing a new law to let distressed states go through bankruptcy, as Puerto Rico and Detroit have done." The Post says "there is no issue of 'moral hazard' – rewarding bad behavior – when it comes to providing federal aid to state and local governments, just as there was no such issue in coming up with aid to the private sector." The Post concludes that "objective analysis will show that state and local governments need and deserve more emergency support from Washington."

Another 4.4M Applied For Jobless Benefits Last Week.

The AP (4/23) reports that the Labor Department revealed Thursday that "more than 4.4 million laid-off workers applied for U.S. unemployment benefits last week as job cuts escalated across an economy that remains all but shut down." Overall, "Roughly 26 million people have now filed for jobless aid in the five weeks since the coronavirus outbreak began forcing millions of employers to close

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their doors." The AP adds, "About one in six American workers have lost their jobs in the past five weeks, by far the worst string of layoffs on record. That's more than the number of people who live in the 10 largest U.S. cities combined." The AP (4/23, Crary, Cano, Charlton) in a separate story said, "Unemployment in the U.S. is swelling to levels last seen during the Great Depression of the 1930s, with 1 in 6 American workers thrown out of a job by the coronavirus."

ABC World News Tonight (4/23, story 3, 2:10, Muir, 10.29M) reported, "More than 26 million Americans have now filed for unemployment benefits since this outbreak began." ABC added, "Tonight, unemployment in America has gone from bad to worse. The toll across this country visible in those massive lines at food banks, from Florida to New Jersey, and Texas, where many...are going to a food bank for the first time."

NBC Nightly News (4/23, story 3, 2:15, Holt, 8.03M) reported on "the staggering toll on the work force, with another 4.4 million Americans filing for unemployment just last week." NBC's Jo Ling Kent added, "Tonight, the number of workers devastated by unemployment continues to skyrocket. More than 26 million jobless claims have been filed since March, and it's hitting low income workers especially hard. More than half say they or someone in their household lost a job or has taken a pay cut. Among the states hurting the most, Florida." NBC also reported, "One problem plaguing many states, those decades-old computer systems simply overwhelmed."

The CBS Evening News (4/23, lead story, 3:40, O'Donnell, 5.54M) reported, "We're going to begin with two staggering numbers that illustrate the devastating toll the coronavirus is having on American life. As we come on the air tonight, one in every six American workers has lost a job since this crisis began. In the last week alone, 4.4 million people filed for unemployment benefits. That's more than 26 million Americans that are now out of work." Also, "More than 47,000 Americans have now been killed by the virus, and confirmed cases in the US now top 860,000. But there is some surprising new evidence tonight suggesting even more people may have been infected. Test results in New York City show one in five people appear to have antibodies for COVID-19." CBS (Strassmann) added, "Eight states have bled at least 20 percent of their work forces. 37 states, at least 10 percent."

According to the New York Times (4/23, 18.61M), "The report is likely to intensify the debate over when to lift restrictions that have helped fight the virus's spread but placed the economy in a stranglehold." The Washington Post (4/23, Siegel, Van Dam, 14.2M) reports that "economists estimate the national unemployment rate sits between 15 and 20 percent, much higher than it was during the Great Recession in 2008 and 2009." The Post adds that "the new weekly jobless claims figure came in around economists' predictions, which were expected 'to be staggering, but not growing, which is a small mercy,' said Julia Pollak, a labor economist at ZipRecruiter. For comparison, 5.2 million people filed unemployment claims for the week ending April 11."

The Wall Street Journal (4/23, Chaney, Guilford, Subscription Publication, 7.57M) reports that some economists think that unemployment claims hit the top in March, while others are expecting a new boom in the coming weeks. The Federalist (4/23, Justice, 126K) reports the country is "on course to hit between 15 to 20 percent unemployment when new jobs figures are revealed on May 8." Politico (4/23, 4.29M), Reuters (4/23, Mutikani), The Hill (4/23, Lane, 2.98M), and Bloomberg (4/23, Pickert, 4.73M) also cover the new unemployment data.

Unemployment Claims Skyrocket In Key Midwestern Swing States. Politico (4/23, Cassella, 4.29M) reports that "battleground states that handed Donald Trump the presidency four years ago are seeing higher-than-average layoffs amid an economic downturn wreaking havoc across the country – a dynamic that could hold major implications for November's election." According to Politico, "Job losses are piling up in places like Michigan, where more than one in four workers applied for unemployment benefits in the past five weeks. ... In Pennsylvania, another key Rust Belt state that voted for Trump in 2016, nearly one-fourth of the workforce has filed an unemployment claim since mid-March. Ohio is seeing more than 17 percent of workers filing jobless claims, outpacing the national average of 16.1 percent, as is Minnesota, a state Trump narrowly lost."

Scalia: People Must Leave Work Involuntarily To Be Eligible For Unemployment. Labor Secretary Scalia was asked on CNBC's The Exchange (4/23, 366K) if the extra $600 per week in unemployment benefits the federal government is providing could provide an incentive for companies to lay people off. Scalia said, "That concern has been expressed. I think providing a generous benefit that got workers as near as we could to the income that they were losing was considered important, given the sacrifice they were making, really for our national health. That said, people need to be leaving work involuntarily. We can't have people quit to take that benefit and they're not eligible for it. We're certainly reinforcing that with the states and of course, this is the short-term. We are very focused on reopening, as the President is and bringing employees back to work and keeping them safe once they're there, as well."

WPost Analysis: Millions Of Americans Still Waiting For Unemployment Benefits. The Washington Post (4/23, Romm, Long, 14.2M) reports "more than 26 million workers nationwide" are "seeking unemployment benefits," and many are "still waiting for approval." There is "a national backlog of at least 3 million unpaid jobless claims, according to a new analysis by the Washington Post, threatening Americans around the country with even more financial hardship than they anticipated." The Post adds that "the true backlog is likely far greater, following the release of new federal data Thursday showing an additional 4 million people filed for unemployment just last week."

Florida Lags In Processing Unemployed Claims. The New York Times (4/23, Mazzei, Tavernise, 18.61M) reports, "Many states are scrambling to process an avalanche of jobless claims, struggling with overloaded websites and phones that don't answer. But Florida has emerged as one of the slowest in the nation." According to the Times, "the debacle has become an embarrassment" for Gov. Ron DeSantis (R), "who has had to repeatedly address the shortcomings." DeSantis "called the system 'cumbersome' last week and acknowledged that only 4 percent of 850,000 pending claims had been paid. He appointed an unemployment czar and signed executive orders waiving some requirements to ease the traffic on the website." However, "the fixes follow what experts say has been a decade-long overhaul of the unemployment system over a decade, aimed at reducing taxes on employers, that has left Florida particularly ill-equipped to handle the

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crisis."

SBA Clarifies Rules Barring Big Companies From Accessing Aid Meant For Small Businesses.

CNBC (4/23, Son, 3.62M) reports on its website that the Small Business Administration on Thursday "issued new guidance...making it less likely that big publicly traded companies can access the next round of funding for the U.S. government's small business relief program," and "also stepped up pressure on public companies that have tapped funds to return the money." According to CNBC, "The update comes after a public furor that large companies tapped the facility, known as the Paycheck Protection Program, for hundreds of millions of dollars in loans while thousands of small businesses have yet to receive funding." CNBC adds, "While the spirit of the PPP, a key component of the Trump administration's $2 trillion-plus economic response to the coronavirus pandemic, was to help small businesses, the rules during the program's initial round allowed large restaurant and hotel companies to apply for loans of up to $10 million."

ABC World News Tonight (4/23, story 3, 2:10, Muir, 10.29M) reported, "It's a move to try and make sure that this money ends up in the hands of those small businesses who need it most. But experts tell us that this fund, because the need is so great, could run out of money again within a week." NBC Nightly News (4/23, story 3, 2:15, Holt, 8.03M) reported, "Even with an additional $310 billion in the Paycheck Protection Program, some small businesses worry they'll miss out again, after the first round allowed bigger restaurant chains with fewer than 500 employees per location to qualify."

The Washington Post (4/23, O'Connell, Gregg, 14.2M) reports the guidance states, "All borrowers must assess their economic need for a PPP loan under the standard established by the CARES Act and the PPP regulations at the time of the loan application. Borrowers still must certify in good faith that their PPP loan request is necessary." The guidance says that borrowers "must make this certification in good faith, taking into account their current business activity and their ability to access other sources of liquidity sufficient to support their ongoing operations in a manner that is not significantly detrimental to the business."

According to Politico (4/23, Warmbrodt, 4.29M), "The guidance doesn't change the formal rules of the program and wouldn't necessarily stop large companies from continuing to seek the loans, which are so attractive because they can be forgiven if a company maintains its payroll. But it marked the SBA's first public response to revelations that big public firms including Shake Shack, Ruth's Hospitality Group and Potbelly were among the first to receive the government-backed loans, which were intended to fight layoffs" during the COVID-19 outbreak. Politico added, "The loans were aimed at businesses with fewer than 500 employees, but the law included exemptions for larger restaurant and hotel operators to access the money as well."

The Wall Street Journal (4/23, Rudegeair, Simon, Subscription Publication, 7.57M) reports Ruth's Hospitality Group, the owner of the Ruth's Chris Steak House chain, said Thursday it would return $20 million.

Bankers Warn That Most Or All New Small Business Aid Is Already Spoken For. According to the AP (4/23), small business owners "still applying for loans under the government's coronavirus relief program may end up disappointed" because "the $310 billion being added to the program may already be spoken for." The AP adds, "Banking industry groups say the volume of applications already sent to the Small Business Administration makes it likely that much, if not all, the new money will go to those already in the queue. ... 'The majority if not all of the funding Congress is considering right now is already exhausted,' said Nick Simpson, a spokesman with the Consumer Bankers Association." The AP goes on to report that Bank of America analysts "say businesses will ultimately need as much as $900 billion in aid."

Hotels Run By Sondland, Trump Donor Bennett Received PPP Funds. Bloomberg (4/23, McLaughlin, Clark, Brody, 4.73M) reports, "A Dallas hotel executive and major donor" to President Trump "has emerged as the biggest winner from the coronavirus bailout for small businesses. A combined total of $59 million from the small business lending package went to three lodging companies chaired by Monty Bennett, according to regulatory filings." Bennett "donated $150,000 in the last six months to a fundraising committee for Trump's reelection campaign and for Republicans," according to Federal Election Commission records. Ex-US Ambassador to the EU Gordon Sondland "was also a beneficiary of the small-business relief package. Provenance Hotels, the hotel chain he founded, received a PPP loan, according to a spokeswoman."

Roy, Knight: Federal Relief Program Does Little For Small Restaurants. In an op-ed for the Wall Street Journal (4/23, Subscription Publication, 7.57M), Rep. Chip Roy (R-TX) and Emily Williams Knight, President/CEO of the Texas Restaurant Association, write that the Payroll Protection Program does little to help small restaurants because of its restrictive conditions. Moreover, restaurant owners who are looking to hire are finding that the Cares Act created a disincentive to work, because of the additional $600 a week in unemployment benefits.

Carson: HUD Eager To Help Renters, Landlords And Loan Servicers.

In an interview with WNYW-TV New York Good Day New York (4/23, 91K), HUD Secretary Carson said, "We are obviously very concerned about people's dwelling places. The last thing they need to be worried about is whether they might lose that when they are worried about losing their lives and their loved ones. Very early on, one of the first things we did obviously was impose a moratorium on foreclosures, but also on evictions. For multi-tenant properties that are receiving some of the emergency funding, they're not permitted to evict tenants while they receiving the emergency funds. We are really kind of looking at the whole cascade of events, because it's not just the renter – it's also the landlord, it's also the servicer. So unless we keep all that intact, we destroy our infrastructure and that's going to be very difficult to repair."

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Carson said on WIBC-FM Indianapolis (4/23, 6K), "What we have to do is not panic and do things that will destroy the infrastructures

that exist, including the whole housing finance system. If you have tenants who generally pay their rent but now they've fallen on hard times, obviously we've made provisions so that they cannot be evicted and we've been in contact with various landlords the PHAs about other things that they can do. ... When it comes to mortgages, the same thing. If you hare having trouble, contact the servicer and the servicer can provide a whole cascade of options for you."

Administration's Plan To Send Extra Farm Goods To Needy Faces Challenges.

The Washington Post (4/23, Reiley, 14.2M) discusses the challenges the Trump Administration must overcome to "purchase...$3 billion in dairy, produce and meat products that will go to food banks and those in need." The plan comes amid an "unprecedented disconnect...between where food is produced and the food banks and low-income neighborhoods that desperately need it." The Post says the challenges include transporting fresh produce and dairy "from farms to food banks in refrigerated trucks." Then, there must be refrigerator and freezer storage space "available on the receiving end to accommodate a surge of frozen meat." These and other measures must "occur while maintaining social distancing and without increasing the demand for labor because food banks, while running low on supplies, are running even lower on volunteers."

Plant Closures Raise Fears Of Meat Shortage. The Wall Street Journal (4/23, A1, Bunge, Nassauer, Kang, Subscription Publication, 7.57M) reports on its front page that grocers are bracing for a meat shortage as they struggle to secure supplies amid rising consumer demand. Retailers are paying higher prices and finding that some orders are being delivered incomplete as operations at major plants are hobbled by the coronavirus.

Another Meat Plant Halts Operations Due To Coronavirus Concerns. Bloomberg (4/23, Munshi, 4.73M) reports, "Another huge meat plant has been closed indefinitely in the U.S., with experts saying the country is just weeks away from shortages." Tyson Foods "said Thursday it was shutting its beef facility in Pasco, Washington, while team members undergo testing" for COVID-19. The plant "produces enough beef in one day to feed four million people, according to the company."

Restaurants Step Up To Feed The Hungry. On the CBS Evening News (4/23, story 5, 1:50, O'Donnell, 5.54M), Meg Oliver reported that a CBS story about a food pantry that had run out of supplies spurred a restaurant owner to take action with the help of World Central Kitchen, led by celebrity chef José Andrés. According to Oliver, "The partnership is part of World Central Kitchen's commitment to purchase one million meals from small local restaurants during the crisis."

Volunteers Trucking Food From Farms To People In Need. On ABC World News Tonight (4/23, story 6, 1:45, Muir, 10.29M), Steve Osunsami reported that ABC's story "about farmers who were pouring milk down the drain and watching vegetables rot in their fields" prompted John Botti, a money manager, to come up with a plan to "send semi-trailers to the nation's farms and bring back free food to people in need." Osunsami added, "This has now grown into an operation, with three large trucks, hundreds of volunteers, and even small businesses donating their relief money from the federal government."

UAW Says It Is Not Ready To Reopen North American Auto Plants.

The Detroit News (4/23, Hall, 825K) reports on Thursday, United Auto Workers President Rory Gamble issued a statement saying, "At this point in time, the UAW does not believe the scientific data is conclusive that it is safe to have our members back in the workplace." Gamble's statement "comes as General Motors Co. on Thursday sent out alerts to some workers notifying them that the automaker is 'actively preparing plans to safely restart our operations.'" GM, Ford Motor Co., and Fiat Chrysler all said they were working with the UAW to ensure workers were safe when plants reopened, though Fiat Chrysler "is the only Detroit carmaker to publicly set a target to begin restarting plants: May 4." Gamble said the UAW is "happy with the auto companies' response and cooperation on working through the health and safety protocols we will need in the workplace when it is appropriate to restart."

Volatility In Oil Prices Continues With Huge Jump On Thursday.

The Wall Street Journal (4/23, Wallace, Hodari, Subscription Publication, 7.57M) reports oil prices soared Thursday, as traders brace for further volatility in the coming weeks. Reuters (4/23, Disavino) reports oil extended "its rebound after major oil-producing nations said they would accelerate planned production cuts to combat the dramatic slump in demand due to the COVID-19 pandemic." Brent rose 5.8 percent to $21.56 a barrel, while West Texas Intermediate rose 22 percent to $16.78.

Drillers Dismissive Of Trump's Plan To Fill Strategic Petroleum Reserve. Reuters (4/23, Kumar) reports that President Trump's "plan to fill the U.S. emergency crude oil stockpile has become the centerpiece of his administration's strategy to shield drillers from a meltdown in energy demand – but company officials and industry groups say the program has been too slow and won't be enough to save them." Reuters says that on March 13, Trump "announced his intention to fill the U.S. Strategic Petroleum Reserve 'to the top'...as global oil prices went into freefall amid the coronavirus outbreak as governments issued stay-at-home orders that have obliterated fuel demand." According to Reuters, drillers "say they are balking at the government's offer to take their oil because it is hard for them to move it from inland fields to the SPR delivery sites on the Gulf Coast, and because they worry placing it in the reserve could compromise the oil's quality."

WSJournal: Exxon Mobil Helping In Fight Against Coronavirus. In an editorial, the Wall Street Journal (4/23, Subscription Publication, 7.57M) pushes back against anti-carbon activists that target oil companies, pointing out that Exxon Mobil has ramped up production of a key ingredient used in disinfectants and hand sanitizer amid the pandemic. Exxon is also boosting production of a material used in medical masks and gowns.

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Administration Task Force Outlines Steps To Support US Uranium Miners.

The AP (4/23, Knickmeyer) reports that the Trump Administration has "urged government intervention to rescue U.S. uranium mining and nuclear fuel industries in a tough global marketplace, from making it easier to mine public lands out West to blocking some imports of foreign nuclear fuel." According to the AP, "The recommendations, which include [President] Trump's earlier request to Congress for $1.5 billion over 10 years to buy domestic uranium to create a national stockpile, are meant to 'pull America's nuclear industrial base back from the brink of collapse,' a task force" appointed by Trump in July said in Thursday's report. The AP says Energy Secretary Brouillette warned that the US "risked losing position in the industry globally, costing it leverage when it comes to encouraging safe nuclear use around the world." On Thursday, Brouillette said that "threatens our national interest and our national security."

Reuters (4/23, Gardner) reports that the task force "recommended granting U.S. energy regulators the ability to block imports of nuclear fuel from Russia and China and detailed plans for setting up a government stockpile of uranium sourced from domestic miners." Reuters says Trump established the task force in July after he "rejected a request by two U.S. uranium mining companies, Energy Fuels Inc and Ur-Energy Inc., seeking quotas for domestic uranium production to protect them against foreign competition."

Amazon Used Third-Party Data To Design, Sell Competing Products.

The Wall Street Journal (4/23, Mattioli, Subscription Publication, 7.57M) reports Amazon has used third-party data to develop its own products, a practice that goes against its stated policy. An analysis of documents and interviews with former Amazon employees by the Journal found that the company has used data from third-party merchants selling on its site to design and market competing products. Amazon has long maintained that it does not use third-party information it collects from its platform to create its own products.

Europe Sees Unprecedented Collapse In Economic Activity.

The Wall Street Journal (4/23, Hannon, Subscription Publication, 7.57M) reports economic activity in Europe tumbled in April as governments ordered social distancing restrictions to limit the spread of the coronavirus. According to data firm IHS Markit A measure of activity in the eurozone's private sector dropped to a record low of 13.5 in April from 29.7 in March.

EU Recovery Fund Expected To Top $1T. The AP (4/23, Cook) reports, "European Union leaders agreed Thursday to revamp the EU's long-term budget and set up a massive recovery fund to tackle the impact of the coronavirus and help rebuild the 27-nation bloc's ravaged economies, but deep differences remain over the best way to achieve those goals." The AP (4/23, Crary, Cano, Charlton) reports that "while no figure was put on the plan, officials said 1-1.5 trillion euros ($1.1-1.6 trillion) would be needed."

The New York Times (4/23, Stevis-Gridneff, 18.61M) reports while European Union leaders "did approve the bailout package in a teleconference on Thursday night, they also shifted their attention to what more still needs to be done, asking the bloc's executive arm to come up with a proposal for a recovery fund from what is set to be an economic calamity unseen on the continent outside wartime." However, "what that fund will do, how big it will be, when it will be introduced – and virtually every other detail pertaining to its function – is still to be determined, and those gaping blanks lay bare just how far away the bloc's leaders are from agreeing on a bolder joint effort."

The New York Times (4/23, 18.61M) reports that "southern European countries led by Italy and Spain are calling for a recovery fund of more than a trillion euros that will be able to extend grants to nations rather than loans. But the idea of grants does not appeal to northern countries." EC President Ursula von der Leyen is quoted as saying, "There will be a sound balance of grants and loans and this will be a matter of negotiation with member states, so we find a good mixture."

Trump Says He Disagrees With Fauci On Status Of US Testing.

The Washington Examiner (4/23, Brest, 448K) reports President Trump said Thursday that he disagreed with NIAID Director Fauci, "who said the United States is not where it should be regarding coronavirus testing." Trump said, "As I've said many times, we are very advanced in testing. ... When they look at statistics, statistically, we are doing phenomenally, in terms of mortality, in terms of all of the different elements that you can judge. If he said that, I don't agree with him."

Pence: US Has Tested Nearly 5M People. Vice President Pence said on the Rush Limbaugh Show (4/23, 165K), "It is remarkable to think that one month ago our nation had tested 80,000 people for the coronavirus. And as we sit here today, we are rapidly approaching having tested five million people in our nation. The only reason it happen is because President Trump early on in this process brought in all of the top commercial laboratories in the country and basically created an alliance between them to scale up testing at a level that had never been seen in the history of this country."

Hahn Says FDA Has "Approved 62 Diagnostic Tests." FDA Commissioner Hahn said on CNN (4/23, 2.16M), "We've approved 62 diagnostic tests. That includes both the antibody test as well as the diagnostic test. Of those 62, four are antibody tests. But we have 390 laboratory test developers, academic labs as well as commercial labs, in line working with us on their laboratory tests. So, what I can provide assurance to the American people is that those tests that we have reviewed and that we have authorized have gone through the criteria established for validity, reliability and reproduceability by the FDA."

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Rasmussen Poll: Voters Think Trump Puts Country's Interests First In Coronavirus Response.

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Breitbart (4/23, Starr, 673K) reports, "Voters believe putting the interest of Americans first is more important" to President Trump than House

Speaker Pelosi "when it comes to handling the coronavirus crisis, according to a recent poll." The Rasmussen Reports poll "revealed that voters are split along party lines pretty evenly when it comes to who better to handle the crisis – 45 percent say Trump, while 44 percent pick Pelosi – however, 50 percent of respondents believe putting the best interest of Americans first is more important to Trump than Pelosi (47 percent)." Also, "the poll found that Republicans are more firmly behind Trump on his handling of the coronavirus and its impact on the country (82 percent) than Democrats are in their support for Pelosi (69 percent)."

Federalist's Marcus: Data Suggest Trump Was Right About Coronavirus Fatality Rate.

David Marcus writes in The Federalist (4/23, 126K) that while President Trump "was lambasted" for saying on Sean Hannity's show in early March that "he had a hunch the coronavirus fatality rate, which the World Health Organization pegged then at 3 to 4 percent, was in fact much lower, under 1 percent," it "looks now like the president night well have been right." Data from random antibody tests conducted in New York State "suggest that as many as 2.7 million people statewide have had the coronavirus. That along with the just over 15,000 deaths that have occurred leads to a fatality rate for the virus of .5 percent" according to New York Gov. Andrew Cuomo (D).

Aides Say Trump Is Focused on Media's Portrayal Of His Coronavirus Response.

The New York Times (4/23, Rogers, Karni, 18.61M) reports that President Trump "arrives in the Oval Office these days as late as noon" after watching cable television in the White House master bedroom from as early as 5 a.m. The Times says Trump "sees few allies no matter which channel he clicks. He is angry even with Fox, an old security blanket, for not portraying him as he would like to be seen." The Times cites "more than a dozen administration officials and close advisers who spoke about Mr. Trump's strange new life.," who said that he "is isolated from the supporters, visitors, travel and golf that once entertained him." His "primary focus, advisers said, is assessing how his performance on the virus is measured in the news media, and the extent to which history will blame him." Trump "frequently vents about how he is portrayed."

Glasser: Trump "Refuses To Mourn" COVID-19 Victims. Susan Glasser of the New Yorker (4/23, 5.82M) writes under the headline "Fifty Thousand Americans Dead From The Coronavirus, And A President Who Refuses To Mourn Them" that President Trump "has offered his opinion on matters small and large. ... Despite the flood of words, though, what has struck me the most this week is what Trump does not talk about: the mounting toll of those who have died in this crisis. So voluble that he regularly talks well past dinnertime at his nightly briefings, the President somehow never seems to find time to pay tribute to those who have been lost."

Trump Campaign Uses Newsom's "Promises Kept" Comment In Videos.

Politico (4/23, White, 4.29M) reports that California Gov. Gavin Newsom (D) said in a briefing Thursday that "the federal government had sent California 90,000 testing swabs out of a promised initial shipment of 100,000 – assistance that Trump had committed to during a Wednesday conversation with Newsom." Newsom said, "Promise made, promise kept," which is a phrase that "Trump's election campaign has regularly deployed to make his case for a second term." Politico adds that a Trump campaign account "recogniz[ed] that echo" and "swiftly blasted out a clip of Newsom's praise to more than 600,000 followers with the hashtag #PromisesMadePromisesKept." Trump's campaign "has already turned Newsom's praise into videos seeking to showcase bipartisan support for the president's coronavirus leadership – the type of development that would have been unthinkable months ago."

Study: Coronavirus Deaths Of Elderly Trump Voters Could Cost Him The Election. Politico (4/23, Cadelago, 4.29M) reports, "Mass casualties from the coronavirus could upend the political landscape in battleground states and shift contests away" from Trump, according to a new analysis. Academic researchers writing in Administrative Theory & Praxis "conclude that when considering nothing other than the tens of thousands of deaths projected from the virus, demographic shifts alone could be enough to swing crucial states to Joe Biden in the fall." Andrew Johnson, the lead author and a professor of management at Texas A&M University-Corpus Christi, said in an interview, "The pandemic is going to take a greater toll on the conservative electorate leading into this election – and that's simply just a calculation of age. The virus is killing more older voters, and in many states that's the key to a GOP victory."

Biden's Strength With Older Voters Could Threaten Trump's Reelection Chances. The Washington Post (4/23, Olorunnipa, 14.2M) reports, "A string of recent polls show troubling signs for President Trump with older voters, a group central to his reelection effort that appears to be drifting away from him amid a pandemic that has been especially deadly for senior citizens." Biden, "whose support from older voters helped him lead the primaries, appears to be carrying over some of that appeal into the general election. With Trump seeing sagging approval ratings over his handling of the coronavirus crisis, Biden's campaign is attempting to capitalize with a group that has traditionally leaned Republican."

CDC's Schuchat: "Vaccine Work Is Moving Faster Than Ever."

CDC Principal Deputy Director Anne Schuchat said on WIVB-TV Buffalo, NY (4/23, 43K), "The vaccine work is moving faster than ever, but faster than ever isn't as fast as everybody would like. There are clinical trials of more than one vaccine going on right now, and as soon as those results come in, they can move to larger-scale testing. But to have large, large amounts of vaccine for the whole country is going to take some time."

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Clinical Trial Underway For Coronavirus Vaccine. NBC Nightly News (4/23, story 6, 2:10, Holt, 8.03M) provided a look "inside

the clinical trial for a coronavirus vaccine and the volunteer who signed up after losing someone close to him." NBC's Richard Engel reported the vaccine is "being produced by a Pennsylvania based company called Inovio. Their approach is to inject part of the virus' DNA code to fool our bodies into thinking we've been infected for real and start producing virus fighting antibodies." Engel added, "The Gates Foundation gave $5 million to support the research."

Gilead Disputes Report That Remdesivir Failed To Help COVID-19 Patients In Chinese Trial.

Reuters (4/23, Banerjee, Joseph, Venkat) reports Gilead Sciences' remdesivir "failed to help patients with severe COVID-19 in a clinical trial conducted in China, but the drugmaker said the study's results were inconclusive because it was terminated early." Reuters adds that "in the Chinese trial remdesivir, given by intravenous infusion, failed to improve patients' condition or reduce the pathogen's presence in the bloodstream, according to draft documents published accidentally by the World Health Organization (WHO)," however, "details were thin and suggested limitations in interpreting the data that has not yet been fully reviewed."

STAT (4/23, Sheridan, 24K) reports Gilead spokesperson Amy Flood "said the company believes 'the post included inappropriate characterization of the study.' Because the study was stopped early because it had too few patients, she said, it cannot 'enable statistically meaningful conclusions.'" However, Flood said, "trends in the data suggest a potential benefit for remdesivir, particularly among patients treated early in disease."

Ousted HHS Official Hires Blasey Ford's Lawyers To Represent Him In Whistleblower Complaint.

The Washington Free Beacon (4/23, Goodman, 78K) reports Rick Bright, "the federal health official who claims he was demoted for opposing the Trump administration's alleged politicization of coronavirus treatments has hired Christine Blasey Ford's legal team to represent him in a whistleblower complaint against the government." Bright, who was "ousted on Tuesday as director of the Biomedical Advanced Research and Development Authority (BARDA)," has "has retained prominent Democratic activist lawyers Debra Katz and Lisa Banks, who previously represented Supreme Court Justice Brett Kavanaugh's sexual assault accuser Christine Blasey Ford. Bright said he plans to file a whistleblower complaint with the HHS inspector general."

The Daily Caller (4/23, Talcott, 716K) says a New York Times report about Bright, "who claims he was fired for opposing hydroxychloroquine," has "quickly fallen apart." Times reporters Michael D. Shear and Maggie Haberman "pushed Bright's 'scorching statement' following his dismissal, but heavily downplayed other key reports that contradict the former director's claims." According to March 28 release from the FDA, in March, Bright requested that the agency "issue an Emergency Use Authorization (EUA) for emergency use of oral formulations of chloroquine phosphate and hydroxychloroquine sulfate" for treatment of COVID-19. In addition, according to Politico, "three people with knowledge of HHS' recent acquisition of tens of millions of doses of those drugs say that Bright had supported those acquisitions in internal communications."

Politico (4/23, Diamond, 4.29M) reports, "Administration officials had discussed removing Bright from his post last year amid management complaints, according to interviews that Politico conducted in January." Joel Pollak writes on Breitbart (4/23, 673K) that according to information tweeted by Politico reporter Dan Diamond, Bright "was already going to lose his job months before" the hydroxychloroquine controversy.

Pallone Calls On HHS IG To Investigate Bright's Ouster. The Hill (4/23, Weixel, 2.98M) reports House Energy and Commerce Chairman Frank Pallone "is calling for an investigation" into Bright's ouster. Pallone wrote a letter Thursday asking the HHS Office of Inspector General "to investigate Bright's abrupt transfer to a more narrow role at the National Institutes of Health. Pallone said he is concerned that the Trump administration has been politicizing public health agencies."

Eshoo To Hold Hearings On Bright's Removal. The New York Times (4/23, Haberman, Stolberg, Vogel, 18.61M) reports Rep. Anna Eshoo (D-CA), Chairwoman of the House Energy and Commerce health subcommittee, said on Thursday that she plans to hold hearings into Bright's removal. Eshoo said, "I know that life is difficult for members to travel, but we can't let that get in the way and I'm sure that other members would want to be a part of a hearing as well." Eshoo said she would like to hear from HHS Secretary Azar as well as HHS Assistant Secretary for Preparedness and Response Robert Kadlec, who supervised Bright.

Hahn: FDA Will Focus On Clinical Trials In Assessing Hydroxychloroquine. FDA Commissioner Hahn said on CNN (4/23, 2.16M), "With respect to hydroxychloroquine and chloroquine, there are anecdotal reports, and we've seen one this week that suggests that there is benefit, but also that suggest that there might not be benefit. These are observational studies. They're not actually clinical trials. And what we're going to use at the FDA are actually the results of randomized clinical trials to help us make the best decision. Of course, we want to include all the data that comes forward to us, including this real-world evidence from observational studies and that's really important for individual physicians to take into account as they make decisions for their patients."

WPost Criticizes Trump's "Reckless" Promotion Of Hydroxychloroquine. A Washington Post (4/23, 14.2M) editorial says "it is important to grasp the lessons of President Trump's reckless recommendation of a drug without evidence of efficacy. Especially at a time of grave distress, the lesson is: demand evidence, seek proof and don't listen to quacks anywhere." The Post says the US "has built a process of drug testing and approvals considered the gold standard around the world, involving three phases of clinical trials to test safety, dosage, efficacy and possible side effects of a new drug or vaccine. The fear inspired by the coronavirus must not undermine this rigorous procedure."

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US Nursing Homes Lack Access To Tests For Staff And Residents.

The AP (4/23, Condon, Sedensky, Mustian) reports that "after two months and more than 11,000 deaths that have made the nation's nursing homes some of the most terrifying places to be during the coronavirus crisis, most of them still don't have access to enough tests to help control outbreaks among their frail, elderly residents." According to the AP, "Neither the federal government nor the leader in nursing home deaths, New York, has mandated testing for all residents and staff," and "an industry group says only about a third of the 15,000 nursing homes in the U.S. have ready access to tests."

Latinos "Disproportionately Impacted" By Coronavirus.

Norah O'Donnell reported on the CBS Evening News (4/23, story 4, 2:05, 5.54M), "Like the African American community, the nation's Latinos are being disproportionately impacted by the coronavirus. The CDC says Latinos represent more than 27 percent of COVID deaths in hot spots, even though they are just 18 percent of the population." CBS' Adriana Diaz spoke with some members of the community about their concerns.

Many Americans Increasingly Worried About Second Wave Of Coronavirus.

NBC Nightly News (4/23, story 5, 2:20, Holt, 8.03M) reported on "the growing concern about a second wave of COVID-19 infections this fall, as many Americans are concerned about lifting stay-at-home orders too soon during this current outbreak." NBC's Tom Costello reported that "as the world's health experts warn a second wave of the coronavirus is very likely in the fall and winter, President Trump is down playing those risks." Costello added, "A CBS News poll finds if stay-at-home orders were lifted, 48 percent say they would not return to public places until the outbreak is over."

Researchers: Many More Infected In US On March 1 Than Previously Thought.

Citing Northeastern University researchers, the New York Times (4/23, Carey, Glanz, 18.61M) reports that "by the time New York City confirmed its first case of the coronavirus on March 1, thousands of infections were already silently spreading through the city." In addition, "hidden outbreaks were also spreading almost completely undetected in Boston, San Francisco, Chicago and Seattle, long before testing showed that each city had a major problem." The Times adds, "In five major U.S. cities, as of March 1 there were only 23 confirmed cases of coronavirus. But according to the Northeastern model, there could have actually been about 28,000 infections in those cities by then."

On NBC Nightly News (4/23, story 4, 1:55, Holt, 8.03M), Miguel Almaguer reported a study of New Yorkers found "nearly 14 percent of the 3,000 residents randomly tested had COVID-19 antibodies, meaning they had the virus. With nearly 20 million people in the state, some 2.7 million New Yorkers may have already been infected."

On ABC World News Tonight (4/23, story 4, 2:00, Muir, 10.29M), Kaylee Hartung reported that "the discovery of an early death" is "rewriting the timeline of the COVID outbreak in America." Patricia Dowd "died in Santa Clara County, California back on February 6, three week before the first documented COVID death in the country." California Gov. Gavin Newsom (D) is now "telling coroners statewide to investigate cases as far back as December."

States Each Tackling Their Own Health Crisis.

ABC World News Tonight (4/23, lead story, 5:50, Muir, 10.29M) reported the coronavirus "is still moving through this country at a dangerous pace." ABC reported, "At least 47,000 lives now, more than 900 deaths in just the last 24 hours." ABC's Eva Pilgrim added, "Across the country, each state battling its own challenge. California marking its deadliest day yet, 117 people dying overnight."

Governors, Scientists Hope Warmer Weather Slows Coronavirus Transmission.

The Washington Times (4/23, Howell, 492K) reports, "The COVID-19 pandemic is entering a critical phase, with governors and scientists hopeful that warmer, wetter weather tamps down transmission while cautioning that it's too soon to ease social distancing and other social restrictions." Spring and summer humidity "yanks infectious droplets to the ground. The moisture that surrounds the virus when it is expelled from an infected person tends to evaporate quickly in colder months, allowing the virus to float in the air. Dry air can also make it harder for people to clear the virus from their nasal passages."

ABC World News Tonight (4/23, story 2, 0:45, Muir, 10.29M) reported President Trump on Thursday announced "some hopeful results of a new DHS study...which could give us new clues about what could happen with this virus as the weather gets warmer." ABC's Eva Pilgrim reported "sunlight seems to have an effect on killing the virus, the same with warmer temperatures and even humidity," according to a top DHS official.

Polls Find Majority Of Americans Support Maintaining Lockdown Restrictions.

The AP (4/23, Pace, Fingerhut) reports that a new AP-NORC poll has found that "just 28% of Americans say they're regularly getting information from [President] Trump about the coronavirus, while as many do so on occasion. Twenty-three percent say they have high levels of trust in what the president is telling the public, and another 21% trust him a moderate amount." The AP adds that while "confidence in Trump is higher among his supporters," only about "half of Republicans say they have a lot of trust in Trump's information on the pandemic."

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Another "30% trust information he provides a moderate amount," and "22% say they have little or no trust in what he says about the COVID-19 outbreak." The AP also reports that the poll "found the vast majority of Americans – 80% – continue to back requiring Americans to stay in their homes, and a majority doubt that it will be safe to ease restrictions soon."

Politico (4/23, Forgey, 4.29M) reports that a CBS News poll published Thursday found that "70 percent of respondents believe the country's top priority should be to 'try to slow the spread of coronavirus by keeping people home and social distancing, even if the economy is hurt in the short term.'" On the other hand, "only 30 percent think the top national priority should instead be to 'try to get the economy going by sending people back to work, even if it means more people might be exposed to coronavirus.'"

Paula Reid said on the CBS Evening News (4/23, story 3, 2:20, O'Donnell, 5.54M) that according to the CBS poll, "over 80 percent of Americans think governors and local officials should choose when to reopen for business, not the President. Part of the reason is the contradictory messaging from the President and his top health officials." Reid added that Trump "regularly claims the country has the testing capacity needed to reopen," but on Thursday, NIAID Director Fauci "said the opposite."

Antibody Survey Shows Wide Exposure To Coronavirus In New York.

The AP (4/23, Matthews, Caruso) reports, "More evidence is emerging that far more New Yorkers have had the coronavirus than the number confirmed by lab tests, officials said Thursday, offering insight that could help authorities decide how and how quickly to let people stop isolating from friends and return to work." The New York Times (4/23, Goodman, Rothfeld, Ferré-Sadurní, 18.61M) reports Gov. Andrew Cuomo (D) announced that preliminary results from coronavirus antibody testing suggest around 14 percent of New York State residents have been infected by the virus. Around 3,000 people were tested and the results suggest that 21 percent of those in New York City have been infected compared to 16.7 percent on Long Island, 11.7 percent in Westchester and Rockland counties, and 3.6 percent in the rest of the state.

Politico New York (4/23, Young) reports the samples were "collected over a two-day period at grocery and big box stores in 19 counties and 40 localities across New York." Reuters (4/23, Goldberg, Layne) reports the results would suggest that "2.7 million residents across the state may have been infected with the disease," which is far more than the number of confirmed cases in the state." However, Cuomo said the results "may not be representative of the state, since those tested were out shopping, rather than at home.

Study: Nearly All Hospitalized Coronavirus Patients In New York City Had Chronic Health Issues. The New York Times (4/23, Rabin, 18.61M) reports, "A new study of thousands of hospitalized coronavirus patients in the New York City area, the epicenter of the outbreak in the United States, has found that nearly all of them had at least one major chronic health condition, and most – 88 percent – had at least two." Only six percent of the patients "had no underlying health conditions." Karina Davidson, Senior Vice President at the Feinstein Institutes for Medical Research, who was the paper's senior author, said, "The number of patients who had chronic comorbidities surprised us."

NYTimes Profiles NYC's Food Deliverers. The New York Times (4/23, Stewart, Bhaskar, 18.61M) has a feature on food drivers in the city, working "to feed the city's hungry" by delivering to food pantries "and to people stuck at home more essential than ever."

Michigan Republicans Take Aim At Whitmer's Emergency Powers.

The AP (4/23, Eggert, White) reports, "Republicans who control the Michigan Legislature said they will meet Friday to pass bills to rein in the emergency powers" of Gov. Gretchen Whitmer (D) "and create a committee to oversee the state's response to the coronavirus outbreak, a dramatic strike against the Democrat amid the health crisis." A spokeswoman for Whitmer "promised a veto and said Republicans were 'playing dangerous partisan games' while the governor is focused on saving lives and controlling the spread of the virus." According to the article, "the flap could explode into a legal fight because one state law gives the governor broad authority to unilaterally declare an emergency, while another one requires input from the Legislature. In issuing her stay-home orders, Whitmer has cited both laws."

Georgia Leads States In Reopening Businesses.

NBC Nightly News (4/23, lead story, 3:45, Holt, 8.03M) reported Georgia is "calculating it's better to send people back to work, even as President Trump questions whether their plans to reopen tomorrow go too far." NBC's Blayne Alexander reported, "One new model shows Georgia is set to hit the peak next week, days after businesses open their doors." Alexander added, "And more states to follow. In Tennessee and Ohio, some businesses start reopening May 1, and tomorrow, openings in Alaska and Oklahoma, where spas, salons, and pet groomers will see the first business in weeks."

The Washington Examiner (4/23, Brest, 448K) reports Oklahoma Gov. Kevin Stitt (R) "announced certain nonessential businesses will be allowed to open starting on Friday, in an effort to restart the economy." Stitt "explained at a Wednesday press conference the state's three-phase plan to reopen the economy, which is based on coronavirus testing and tracing." The first phase of the state's plan "allows for personal care businesses to reopen starting on Friday for appointments only, while following strict sanitation protocols." The businesses "included under the plan include hair salons, barbershops, spas, nail salons, and pet groomers, and these guidelines are only applicable in communities that do not have more restrictions in place."

The Minneapolis Star Tribune (4/23, Olson, 1.04M) reports, "An estimated 80,000 to 100,000 employees could return to work Monday under a plan" by Gov. Tim Walz (D) "to dial back the state's stay-at-home order, which was imposed to reduce or delay the spread of the COVID-19 pandemic." The plan is "tailored to manufacturers and offices that don't have face-to-face interaction with clients and weren't

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deemed critical industries that were exempt from the stay-at-home order." According to the Star Tribune, "Minnesota appears nowhere near its peak in the COVID-19 pandemic, with the Health Department reporting one-day records Thursday of 21 deaths and 221 new lab-confirmed infections."

On NBC Nightly News (4/23, story 2, 2:25, Holt, 8.03M), Steve Patterson reported from Las Vegas, where "another day along an eerily empty strip representing millions in lost revenue." Patterson reported Las Vegas Mayor Carolyn Goodman, "who has no jurisdiction over the Strip, has repeatedly pressed for its swift reopening, but on CNN Wednesday, didn't offer any guidance on how businesses could do that safely."

The Washington Post (4/23, Stanley-Becker, Weiner, 14.2M) reports, "Governors preparing to roll back restrictions put in place to slow the spread of the novel coronavirus are in some cases acting without the input and against the wishes of their own medical and emergency management staff." Georgia Gov. Brian Kemp (R) announced his plans" to reopen without receiving guidance from the panel of doctors tapped to advise him and without giving advance notice to regional health departments responsible for carrying out his orders, according to physicians and state officials." In Utah, the Post says, "the governor lifted a statewide lockdown on elective procedures before his medical supply team had finished estimating how quickly hospitals would exhaust their supply of personal protective equipment, according to members of the state's response team." The Post says "the apparent rush in Georgia and other states has alarmed some local leaders, who fear political considerations are overriding detailed assessments of the data."

Deputy HHS Secretary Eric **Hargan** said on the Brian Kilmeade Show (4/23), "The federal government's role in this is to provide advice and recommendations to the state and local leaders. They are the ones who are primarily responsible for the restrictions on businesses, on social activities that they put in place there. ... The governor, the mayors and the country officials take that advice and then they look at their local system and decide what they think is best for their own population. ... That is a decision that local leaders, state leaders make for themselves using federal guidelines. The President expressed his opinion about what is going on there. The governor made his decision."

Vice President Pence said on the Rush Limbaugh Show (4/23, 165K), "There's no one in America that wants to reopen this country more than President Donald Trump. And that was the reason why one week ago today the President directed the White House Coronavirus Task Force to lay out guidelines for opening up America again. And it's all reflective of the President's sense, all of our sense, that America works when America is working." Pence added, "I have to tell you, seeing protests around the country, seeing people stepping forward, I share their passion. I know the President shares their passion for reopening America, getting America working again. But we want to do it in a way that ensures that we won't have a resurgence of the coronavirus and that once we open America again, that we'll keep America open. That's what we're working toward every single day."

NEC Director Kudlow was asked on Fox Business' Lou Dobbs Tonight (4/23, 49K) if the money the federal government is putting into the economy will be enough. **Kudlow** said, "That's a very hard question to answer. ... Health and safety must come first. President Trump repeats that again and again. ... The numbers, new case numbers have come almost to the flattening point. They are plus three percent daily rate of increase. There was 45 percent a month ago. That gives me hope in terms of your question. ... That gives me hope we are entering a transition period. Some states may come in before May 1. But May will be a transition period and that will get us to a reopening. Hopefully, that will lead to better economic conditions."

CDC Principal Deputy Director Anne **Schuchat** WIVB-TV Buffalo, NY (4/23, 43K), "the CDC has worked with the White House task force to identify guidance, indicators or metrics that we can follow to see whether thing are going in the right direction for long enough with sufficient testing capacity for us to move from phase zero to phase one to phase two to phase three and we really want to follow the data and follow the preparedness. We don't want to reopen everything all at once. We want to understand what the risks and benefits are."

Hannity Criticizes Georgia Governor For Reopening State. The Washington Examiner (4/23, Brest, 448K) reports Fox News host Sean Hannity criticized Kemp "over his plans to have certain nonessential businesses reopen later this week." Hannity, during an interview with Sen. Lindsey Graham (R-SC), "criticized the order because he thought it could end up hurting the Republican Party." Hannity said, "If this guy in Georgia, Kemp, he's a Republican, I don't care – he does this wrong, they are going to bludgeon him and not want to open anything. We don't need the tattoo parlors open yet, that's a dumb idea, and some other of his ideas are pretty dumb. They are going to bludgeon him to stop all openings in this economy can't survive until we open safely. There's a way to open safely just like the guys stocking the shelves."

DC Mayor Forms Advisory Group On Lifting Coronavirus Restrictions. The Washington Post (4/23, Olivo, Nirappil, Cox, 14.2M) reports District of Columbia Mayor Muriel Bowser (D) "announced plans Thursday for an advisory group focused on when and how to lift" COVID-19 restrictions, a day before Maryland Gov. Larry Hogan (R) "plans reveal his blueprint for reopening the economy and pulling the Washington region back toward normalcy." Bowser "said the 'Reopen D.C. Advisory Group' will include a dozen committees that will focus on health disparities in the city and what reopening would mean for restaurants, food retailers and the real estate and construction industries."

NYTimes Analysis: Trump's Inconsistent Positions Keep Governors On Their Toes. The New York Times (4/23, Fausset, Rojas, 18.61M) reports on President Trump's "seemingly contradictory series of positions regarding when to relax social distancing measures and reopen American businesses." According to the Times, "the result is that governors, even those allied with Mr. Trump, are all but forced to pay close attention to the administration's guidance on the timing of opening up their economies." Critics say the guidance is "all over the place."

Gates Outlines Tools US Needs Before Economy Can Be Reopened. In an op-ed for the Washington Post (4/23, 14.2M), Bill Gates, a co-chair of the Bill & Melinda Gates Foundation, outlines the "innovative new tools" the United States needs to help "detect, treat and prevent" COVID-19 before it "can return to business and life as usual." First, "to reopen the economy, we need to be testing enough

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people that we can quickly detect emerging hotspots and intervene early." Next, the US needs innovation in contact tracing. Finally, the US needs to develop treatment options and a vaccine.

Wisconsin's Partisan Divide Sharpens Over Coronavirus.

The New York Times (4/23, Epstein, 18.61M) reports in Wisconsin, "officials from both parties rushed to familiar corners this week, with Democrats rallying behind" Gov. Tony Evers (D) for deciding "to extend the state's stay-home ordinance through May 26, while Republicans are stoking anger over what they depict as an assault on civil liberties." The state's "decade-long partisan war will once again be on display Friday, as right-wing protesters prepare to mass outside the State Capitol in Madison to assail Mr. Evers and the restrictions he put in place to curb the spread of the virus." Republicans, "in need of a show of force after badly losing a State Supreme Court contest this month, have sued Mr. Evers to block the extension, discussed removing his public health secretary and, in recent days, amplified protesters' calls to reopen the state while covertly helping to coordinate the Madison rally and other satellite gatherings across the state."

Obama: Still No "Coherent National Plan" On COVID-19.

The Washington Times (4/23, Chasmar, 492K) reports former President Obama "took a subtle dig at his successor on Twitter, saying the country is still waiting for President Trump to outline 'a coherent national plan' for combating the coronavirus pandemic." In a tweet, Obama on Wednesday "praised the states that are taking their own initiatives in tackling the pandemic." He tweeted, "While we continue to wait for a coherent national plan to navigate this pandemic, states like Massachusetts are beginning to adopt their own public health plans to combat this virus – before it's too late."

Warren's Oldest Brother Dies Of Coronavirus.

The Boston Globe (4/23, Bidgood, 972K) reports Donald Reed Herring, the oldest brother of Sen. Elizabeth Warren (D-MA), "died on Tuesday night in Norman, Okla., about three weeks after testing positive for the coronavirus. Herring, a 20-year veteran of the US Air Force, was 86." Warren said, "I'm grateful to the nurses and other front-line staff who took care of my brother, but it is hard to know that there was no family to hold his hand or to say 'I love you' one more time. And now there's no funeral for those of us who loved him to hold each other close. I will miss my brother."

WSJournal Urges Adoption Of Coronavirus Liability Reform Legislation.

The Wall Street Journal (4/23, Subscription Publication, 7.57M) says in an editorial that attorneys are eyeing the healthcare and economic crises brought about by the coronavirus pandemic, and urges congressional Republicans to pass liability reform legislation.

Durham Expands Team Of Investigators.

The Washington Examiner (4/23, Dunleavy, 448K) reports US Attorney John Durham "has expanded his team as his review of the Trump-Russia investigators ramps up." In recent weeks, Durham has added "agents from the FBI as well as the chief of the Violent Crimes and Narcotics Trafficking Section for the U.S. attorney's office in Washington, Anthony Scarpelli."

Steele Told UK Court He No Longer Has Documents Used In Dossier.

The Daily Caller (4/23, Ross, 716K) reports Christopher Steele "told a British court last month that he no longer has documents and other information from his meetings with the main source for his Trump dossier, suggesting that the former British spy has no way of backing up his side in a dispute" with the Justice Department Inspector General, according to a deposition transcript. Steele "also told the court that his communications regarding the dossier, including with Fusion GPS, were 'wiped' in December 2016 and January 2017."

Trump Signs Executive Order Suspending Immigration.

President Trump retweeted his Monday night tweet announcing "an Executive Order to temporarily suspend immigration into the United States," writing, "Fully signed and ready to go!" Breitbart (4/23, Binder, 673K) reports Trump "signed an executive order slowing some green card processing, though a prior draft of the order was much more expansive and broad." The executive order "halts a modest level of legal immigration from employment-based green card categories and extended family green card categories while exempting all visa worker programs."

Labor Secretary Scalia said on CNBC's The Exchange (4/23, 366K), "The President, really from the time he ran for office, has been focused maybe more than anything else on preserving jobs for American workers and rebuilding our economy. ... The President recognizes...that among the things that might make it a little bit harder for American workers to get back into jobs, is competition from people coming in from abroad. So this is a 60-day suspension of permanent immigration to make it easier, as businesses reopen, for American workers to get into those jobs."

Acting DHS Secretary Wolf said on Fox News' The Story (4/23), "I think what we see here is this is a targeted approach that the President has taken. It affects new immigrants that are coming to the US. These are individuals that are competing with Americans for jobs, basically any job in any industry. That's really what the President is targeting. ... We have 26 million Americans that are filing unemployment

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claims. We want to make sure those individuals can rejoin the economy, maintain their jobs, regain their jobs."

Appearing on Fox News' Fox & Friends (4/23, 831K), Acting DHS Deputy Secretary Ken Cuccinelli said of the executive order, "The goal, of course, is for the President to be able to focus on rebuilding the American labor pool. And he doesn't want to be enlarging that pool artificially with foreign workers right now when Americans are filing unemployment claims at a record level." Cuccinelli said on WMAL-AM Washington (4/23), "The President has made abundantly clear that after health and safety, his first priority is getting American citizens back to work. ... I think he knows what he is doing on the economic side and certainly those of us in DHS are going to be aggressive in laying before him an entire menu of options going forward."

White House Mulling Restricting H-1B Visas. Reuters (4/23, Hesson) reports the executive order "included a number of exemptions and was not a full suspension of legal immigration, as suggested by a Trump tweet late on Monday night." Reuters reports that a "senior administration official" said the White House is "considering a separate action that could deal with skilled workers who enter the country on H-1B visas and others affected by U.S. immigration policy."

High Court Rules Legal Immigrants Who Commit Crimes Can Be Deported.

The AP (4/23) reports the Supreme Court is "making it harder for noncitizens who are authorized to live permanently in the United States to argue they should be allowed to stay in the country if they've committed crimes." The AP says the decision "split the court 5-4 along ideological lines." Reuters (4/23, Chung) reports that the majority "found a legal permanent resident from Jamaica named Andre Martello Barton ineligible to have his deportation canceled under a U.S. law that lets some longtime legal residents avoid expulsion." According to Reuters, Barton "was targeted for deportation after criminal convictions in Georgia for drug and gun crimes." Reuters says the ruling "could affect thousands of immigrants with criminal convictions – many for minor offenses – who reside legally in the United States."

The Washington Examiner (4/23, Leonardi, 448K) says the ruling "broaden[ed] the scope of crimes that make immigrants, including green card holders, ineligible to have their deportation orders canceled." Justice Brett Kavanaugh wrote for the court, "The immigration laws enacted by Congress do not allow cancellation of removal when a lawful permanent resident has amassed a criminal record of this kind." In dissent, Justices Stephen Breyer, Ruth Bader Ginsburg, Elena Kagan, and Sonia Sotomayor "argued that the majority decision was at fault for 'contorting the statutory language,' and that the laws did not apply to Barton as a permanent resident who was already admitted."

US Adds Surveillance Cameras, More Troops To US-Mexico Border.

The AP (4/23, LaPorta, Watson) reports the Administration "has been quietly adding military surveillance cameras at the U.S.-Mexico border in response to the coronavirus pandemic." According to documents it obtained, the AP adds, the Defense Department, at the request of DHS, "sent 60 mobile surveillance cameras and 540 additional troops to the southwest border this month." In addition, CDC Director Redfield "has extended the rules largely shutting down the asylum system until May 20." CBP spokesman Matthew Dyman said the cameras are there only for the duration of the pandemic.

Around 32,000 ICE Detainees Include Some Held Since They Were Minors.

The New York Times (4/23, Kanno-Youngs, 18.61M) reports that "around 32,000 migrants remain in custody on civil charges" as ICE "faces growing pressure to address the health concerns posed by the spreading coronavirus, including scores...who were initially taken into custody as minors, then held long enough to age into the adult detention center." The Times says ICE "has confirmed 253 cases of the virus among detainees and 32 cases among staff members." Earlier this year, lawyers representing two migrants argued in a class-action suit that DHS and ICE "had violated a statute that mandates how migrant children should be protected," and, "as a result, instead of minors going to a group home, they are ending up in ICE jails."

NYTimes: Nonviolent Offenders Should Be Considered For Release During Pandemic.

In an editorial, the New York Times (4/23, 18.61M) says inmates in prison for nonviolent or minor offenses should be considered for release during the coronavirus pandemic. Writing that "the first inmate in a federal prison known to have died" of COVID-19 "was serving time for a nonviolent drug offense," the Times argues that incarceration may amount to a death sentence for some of these offenders.

WPost: SCOTUS Correct To Reverse "Anomaly" On Convictions By Non-Unanimous Juries.

The Washington Post (4/23, 14.2M) editorializes that in 1972, the Supreme Court "gave its blessing to [an] anomaly" in Louisiana and Oregon that "allowed non-unanimous juries to convict people – in major cases, up to two jurors can dissent. ... This week the court renounced that decision and restored a core constitutional protection to defendants in all states." The Post backs the decision, writing that while "the court must avoid flip-flopping whenever possible...doing so was justified in this case."

Caputo Deleted Tweets Featuring "Racist And Derogatory Comments."

CNN (4/23, Kaczynski, McDermott, Steck, 83.16M) reports on its website that new HHS Assistant Secretary for Public Affairs Michael Caputo "in a series of now-deleted tweets made racist and derogatory comments about Chinese people, said Democrats wanted the coronavirus to kill millions of people and accused the media of intentionally creating panic around the pandemic" to hurt President Trump. Caputo, "a prolific

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user who often tweeted insults and profanity, recently erased nearly his entire Twitter history from before April 12."

Tata Reportedly Trump's Choice To Be Next Pentagon Policy Chief.

Politico (4/23, Lippman, Seligman, 4.29M) reports that Anthony Tata, "a retired Army brigadier general, novelist and Fox News regular, will be tapped as the next Pentagon policy chief." Politico says Tata "would replace John Rood, who was forced out in February" as part of President Trump's "loyalty purge."

Trump Organization Seeks UK Government Aid For Furloughed Scotland Workers.

The National (UK) (4/23, Learmonth) reports, "Billionaire Donald Trump has asked the UK Government to bail out his golf courses in Scotland as they struggle to cope with the economic chaos of the coronavirus crisis." The Trump Organization "is looking to furlough workers at its Ayrshire and Aberdeenshire courses." The company is reportedly "seeking government aid to pay most of the salaries of bartenders, bagpipers and other employees at its three money-losing golf resorts in Scotland and Ireland."

USA Today (4/23, Hjelmgaard, 10.31M) reports, "There is nothing improper about the applications. Companies across Ireland and the United Kingdom are making use of the government programs that fund up to 80% of workers' salaries, with a $3,100 monthly cap, if they are put on leave and not laid off. But the easy access to state aid for financially struggling Trump Organization golf resorts in Europe stands in contrast" to US economic relief for the President's "family company – to which it is mostly barred."

Democrats Press GSA Over Trump Hotel Lease.

The Washington Post (4/23, O'Connell, Fahrenthold, Partlow, 14.2M) reports, "Congressional Democrats are pressing the General Services Administration for information about President Trump's D.C. hotel lease, after Trump's company said it asked the federal government to include it in any accommodations it may make for private tenants during the coronavirus shutdown." In a Thursday letter, Sen. Chris Van Hollen (D-MD) asked GSA Administrator Murphy "to produce the agency's policies governing possible changes to its lease agreement with the Trump Organization, which rents the D.C. hotel building from the federal agency." House Oversight Chairwoman Carolyn Maloney and Rep. Gerald Connolly (D-VA) "previously called on the GSA not to modify the lease."

Supreme Court Rules Against Trump Administration In Clean Water Case.

The AP (4/23, Sherman) reports that the Supreme Court ruled Thursday "that sewage plants and other industries cannot avoid environmental requirements under landmark clean-water protections when they send dirty water on an indirect route to rivers, oceans and other navigable waterways." The AP says that in a 6-3 vote, the court "reject[ed] the Trump administration's views," and instead found "that the discharge of polluted water into the ground, rather than directly into nearby waterways, does not relieve an industry of complying with the Clean Water Act." According to the AP, "The decision came in a closely watched case from Hawaii about whether a sewage treatment plant needs a federal permit when it sends wastewater deep underground, instead of discharging the treated flow directly into the Pacific Ocean."

The Washington Post (4/23, Barnes, 14.2M) reports that Justice Stephen Breyer's "compromise language said an Environmental Protection Agency permit is required when a discharge is "the functional equivalent" of a direct release into navigable waters." According to the Post, "The decision was a step back from a victory that environmentalists had won in a lower court, but one they were happy to accept. 'This decision is a huge victory for clean water,' said David Henkin, an attorney for Earthjustice who argued the case." The Post says Breyer was "joined by Chief Justice John G. Roberts Jr. and Justices Ruth Bader Ginsburg, Sonia Sotomayor, Elena Kagan and Brett M. Kavanaugh."

USA Today (4/23, Wolf, 10.31M) reports the court "sided loosely with environmentalists" and "devised a compromise interpretation of federal law under which Hawaii's Maui County could be found in violation of the Clean Water Act for injecting treated sewage into groundwater that later reached the Pacific Ocean." USA Today said the "four liberal justices" were joined by Roberts and Kavanaugh "in a ruling that threatens business and municipal polluters," so long as the discharge is the "functional equivalent of a direct discharge." USA Today adds that "the ultimate impact will be left to lower courts that will have to determine whether pollution that starts above or below ground before reaching navigable waterways is indirect or the 'functional equivalent' of direct pollution." Justices Samuel Alito, Neil Gorsuch, and Clarence Thomas "dissented, accusing the court's majority of making up a new regulatory standard." Alito wrote, "The court makes up a rule that provides no clear guidance and invites arbitrary and inconsistent application."

The Hill (4/23, Kruzel, 2.98M) reports the court "sided with environmentalists by giving a broad reading to the types of water-borne pollution covered by the Clean Water Act." Thomas was joined in his dissent by Gorsuch, while Alito wrote a separate dissent.

The New York Times (4/23, Liptak, 18.61M) reports, "The decision was on balance a victory for environmental groups," though Breyer "rejected both sides' positions in the case as too extreme." Breyer stated, "Virtually all water, polluted or not, eventually makes its way to navigable water," so, he added, the question is whether "the addition of the pollutants through groundwater is the functional equivalent of a direct discharge from the point source into navigable waters."

Axios (4/23, Knutson, 521K) reports the court ruled "that sewage plants and other industries must abide by environmental requirements under the Clean Water Act when sending dirty water on an indirect route to rivers and oceans."

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Reuters/Ipsos Poll: Biden Leads Trump In Michigan, Pennsylvania, Wisconsin.

Reuters (4/23, Kahn) reports that a Reuters/Ipsos poll shows President Trump trailing Joe Biden "among registered voters in three Midwestern battleground states that he narrowly carried in 2016 and are seen as crucial to winning November's election." The survey of registered voters, conducted "from April 15-20 in Michigan, Wisconsin and Pennsylvania," shows Biden leading Trump 45%-39%. In the individual states, the survey shows Biden with "an advantage of 3 percentage points among registered voters in Wisconsin, 6 points in Pennsylvania and 8 points in Michigan." The survey "was conducted online with 612 registered voters in Michigan, 578 in Pennsylvania and 645 in Wisconsin." USA Today (4/23, Cummings, 10.31M) also reports on the Reuters/Ipsos poll, as well as several other surveys that showed Biden leading Trump in Florida, Michigan, Pennsylvania, and Wisconsin.

Separate Pennsylvania Poll: Biden Leads Trump 48%-42%. PoliticsPA (4/23, Cole) reports that a FOX43/Susquehanna Polling and Research survey of 693 Pennsylvania voters, taken April 14-20, shows Biden leading Trump 48%-42%.

New Jersey Poll: Biden Leads Trump 54%-38%. The New Jersey Globe (4/23, Wildstein) reports on a Monmouth University poll (4/23) of 635 New Jersey voters, taken April 16-19, that shows Biden leading Trump 54%-38%. The Hill (4/23, Manchester, 2.98M) reports, "The Garden State is considered a reliably blue state, with the nonpartisan Cook Political Report rating New Jersey as safe for the Democratic Party in 2020. Former Secretary of State Hillary Clinton won the state handily in 2016, with roughly 55 percent of the vote to Trump's 41 percent."

Bloomberg Analysis: Number Of Undecided Voters Rising Amid Pandemic. Bloomberg (4/23, 4.73M) says that Trump's "handling of the coronavirus pandemic and the economic collapse has shaken voters' confidence in him, with the percentage of undecided voters more than doubling in the last two weeks." Bloomberg says Biden "is also seeing voters take a second look at their support. ... Three weeks ago, only 5% of voters overall were undecided in the 2020 race. That number has jumped to 12% and in one Fox News poll, 16% as voters appear to find both candidates wanting during a national emergency." Bloomberg adds, "Pollsters caution that it's too early to draw conclusions, given the seven months still to go before the November election and deep uncertainty about where the country will be in terms of the pandemic and the economy."

Politico Analysis: Biden Sexual Assault Accusation Poses Challenge To #MeToo Movement.

Politico (4/23, Otterbein, Caputo, 4.29M) reports on the response among those aligned with the #MeToo movement to the claim by Tara Reade, a former aide to then-Sen. Joe Biden, that Biden sexually assaulted her in 1993. Politico says, "After making it more socially acceptable for sexual assault survivors to come forward and helping bring down dozens of powerful men, the #MeToo movement is facing a new challenge: how to grapple with the allegations against Biden without tearing itself apart." Supporters of President Trump, "who has been accused of sexual assault and misconduct by multiple women, have seized on Biden and other Democrats' past comments about believing women's accusations as proof of hypocrisy. And victims fear that what they see as the botched handling of Reade's allegations by fellow activists, the media and politicians has threatened one of the movement's hardest-fought gains."

Progressives Call On Biden To Be Transparent About His Transition Team.

Bloomberg (4/23, 4.73M) reports that "thirty progressive and good-government groups are urging Joe Biden to commit to transparency and strict ethics rules around his White House transition team, which the presumptive Democratic presidential nominee has indicated he is beginning to build." In a letter released Thursday, the groups "call[ed] on Biden to announce the leaders of his transition team in the coming days or weeks and demand that he outline its governance policies and appoint an 'ethics czar' by June 1." Bloomberg says the groups include Americans for Financial Reform, Citizens for Responsibility and Ethics in Washington, Common Cause, MoveOn and the Revolving Door Project.

Abrams: Trump "Afraid" Of Mail-In Ballots, Is "Illegitimate And Should Not Hold Office."

The Washington Examiner (4/23, Miller, 448K) reports that Stacey Abrams "said Thursday that President Trump is an 'illegitimate' leader and that he opposes mail-in ballots because he's 'afraid' it will increase voter turnout." Appearing on David Axelrod's podcast, Abrams said, "When Donald Trump says he doesn't like vote-by-mail, he says it despite the fact that he has used it himself. And he dislikes it despite the fact that there is no evidence of fraud. ... The challenge that he sees is that it will increase the likelihood of those that are confined to home actually using that time to participate in the election. And anytime a leader is afraid of people speaking their minds and making their selections, he is illegitimate and should not hold office."

McClatchy Analysis: African Americans, Liberals Don't Want Klobuchar As Biden's Running Mate.

McClatchy (4/23, Catanese, 19K) reports that the vice presidential prospects of Sen. Amy Klobuchar (D-MN) "are facing stiff headwinds from progressives and African American activists who are increasingly vocalizing their opposition" her "joining the Democratic ticket." McClatchy says Klobuchar "is widely thought to be near the top of Joe Biden's running mate list due to her moderate political profile, midwestern roots and timely endorsement of the former vice president ahead of his string of Super Tuesday primary victories. But to her most ardent critics," selecting "Klobuchar would amount to a stinging snub of two of the Democratic Party's most vital constituencies: liberals and women of color."

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Trump Endorses 12 Republicans For Reelection On Twitter.

In a series of tweets, President Trump on Thursday endorsed a number of Republicans for reelection: Reps. Troy Balderson (R-OH), John Curtis (R-UT), Warren Davidson (R-OH), Bill Johnson (R-OH), Dave Joyce (R-OH), Bill Posey (R-FL), Chris Stewart (R-UT), Steve Stivers (R-OH), Mike Turner (R-OH), and Brad Wenstrup (R-OH); Gov. Jim Justice (R-WV); and Utah Attorney General Sean Reyes.

Kansas GOP Chief Urges Pair Of Republican Senate Candidates To Drop Bids.

The Kansas City Star (4/23, Lowry, 549K) reports that Kansas GOP chief Mike Kuckelman "sent letters Thursday to two Republican candidates" bidding to succeed retiring Sen. Pat Roberts (R-KS) "asking them to drop out of the" contest "for the good of the party. In nearly identical April 23 letters to Kansas Senate President Susan Wagle and former Johnson County Commissioner Dave Lindstrom, Kuckelman cited poor fundraising and polling data to argue that the candidates lack a viable path to the Republican nomination" and "that continuing their campaigns will endanger the party's ability to hold the seat" this fall. The concern, alluded to in the letters, is that GOP ex-Kansas Secretary of State Kris Kobach, who lost to now-Gov. Laura Kelly (D) in 2018, could win a crowded Republican Senate primary and then lose the general election.

Porter Has Raised Nearly $4.6M For CA45 Reelection Bid.

CQ Roll Call (4/23, Bowman, 154K) reports that freshman Rep. Katie Porter (D-CA) "has built up a massive campaign war chest, ending the first fundraising quarter of 2020 with nearly $4.6 million on hand. That's more than 30 times the total" of her CA45 GOP challenger, Mission Viejo Councilman Greg Raths, "who had $151,000 in the bank on March 31."

NYTimes Urges Support For Fresh Air Fund.

In an editorial, the New York Times (4/23, 18.61M) urges readers to support the Fresh Air Fund during the current pandemic, writing that the organization "hopes to reach thousands of New York City children from low-income families this year." It is "exploring ways to adapt its traditional summer programming if needed."

RCP Average Has Trump's Job Approval At 46%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 46%, and his disapproval at 51.5%. The President's approval is unchanged since yesterday; his disapproval is up by 0.8.

A Rasmussen poll of 1,500 "likely voters" (4/20-4/22) finds Trump's approval at 44%, with 55% disapproving.

Financial International News

UN Body Proposes Cancelling $1T Of Developing Countries' Debt.

Reuters (4/23, Bavier) reports the UN Conference on Trade and Development (UNCTAD) has proposed a global deal to cancel around $1 trillion in debt owed by developing countries "to help them overcome the impact of the coronavirus pandemic." Developing economies, "which were already struggling with a rapidly growing debt burden, must now confront a record global downturn, plummeting prices for their oil and commodities exports and weakening local currencies." Simultaneously, "they need to spend more money on healthcare and to protect their economies. Some 64 low-income countries currently spend more on debt service than their health systems, according to UNCTAD." UNCTAD Division on Globalisation and Development Strategies Director Richard Kozul-Wright said during a video press conference, "This is a world where defaults by developing nations on their debt is inevitable."

ECB To Keep Junk Bonds Outside QE Scope For Now.

Bloomberg (4/23, Vossos, 4.73M) reports, "Junk bonds will remain outside the European Central Bank's quantitative easing universe for now, even after changes to rating criteria that make recently downgraded bonds eligible as collateral for liquidity operations." An ECB spokesman said Wednesday's decision only applies to lending operations, adding, "We do not exclude that we make further changes in the future but for now, BBB- remains one of the criteria for the CSPP." The ECB "said Wednesday it would accept debt ranked as low as BB, two steps below the investment-grade threshold, as collateral for its loans to banks, as long as they held an investment-grade rating on April 7." However, "for the time being at least, the ECB's support for junk bonds remains implicit, rather than direct."

India Requires Banks To Submit Daily Reports To Boost Lending.

Reuters (4/23, Anand, Ahmed) reports that in an effort to push banks to boost lending amid the nationwide lockdown, India's government is demanding that lenders "submit a daily report detailing the volume and scale of loans sanctioned." In an April 17 letter, the finance ministry "asked banks to furnish detailed data on new loans, including particulars on what sectors were getting them."

Ukraine Central Bank Head Expects IMF Deal In May.

Reuters (4/23, Zinets, Williams) reports Ukrainian Central Bank Governor Yakiv Smoliy "said on Thursday he expected the government to

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sign a new loan deal with the International Monetary Fund in May and the first loan tranche to be disbursed no later than June. Speaking after the central bank sharply cut its key interest rate, Smoliy also said he expected inflation to remain below 3% in April."

Bosnia Receives $361M Loan From IMF Despite Spending Plan Dispute.

Reuters (4/23, Zuvela) reports the IMF "transferred a $381 million loan to Bosnia on Thursday, the central bank said, even though the Balkan country's government has yet to formally approve borrowing plans to help fight the coronavirus crisis." Bosnia's central cabinet "said on Monday that Bosniak, or Bosnian Muslim, cabinet ministers had delayed approval of the plans over demands they meet local requirements on borrowing, debt and guarantees by the state." Finance Minister Vjekoslav Bevanda on Tuesday "called the demands unacceptable and said they could indefinitely delay the disbursement of funds approved under the IMF's Rapid Financing Instrument."

Leading International News

Pompeo: State Department Has Repatriated Nearly 70,000 Americans Since Pandemic Began.

Secretary of State Pompeo said on the Larry O'Connor Show (4/23) that since the coronavirus pandemic began, the State Department has helped repatriate nearly 70,000 Americans. Pompeo said, "We are proud of the work we have done. We have still got folks who are out there, and we are working to make sure we get everybody back just as safely and as quickly as we can."

State Department spokesperson Morgan Ortagus said on CNN International (4/23), "American citizens, green cardholders will always be able to come home to the United States. ... Just today we're at over 65,000 Americans from over 100 countries, where airports were closed, the country's borders were closed and we had to repatriate them. That effort continues." Ortagus was also interviewed on WLW-AM Cincinnati (4/23, 19K).

US Considering Adversaries' Possible Use Of Coronavirus As Bioweapon.

Politico (4/23, Bertrand, Lippman, Seligman, 4.29M) reports the Defense Department and US Intelligence Community "are more forcefully investigating the possibility that adversaries could use" the coronavirus "as a bioweapon, according to defense and intelligence officials, in a shift that reflects the national security apparatus' evolving understanding of the virus and its risks." However, "officials emphasized that the change does not mean they believe the virus was purposefully created to be weaponized – the intelligence community is still investigating the virus' potential origins, but there is currently no hard intelligence or scientific evidence to support the theory that it spread from a lab in China, people briefed on the matter said."

WHO: Nursing Homes Account For Up To Half Of Europe's COVID-19 Deaths.

The Washington Post (4/23, Birnbaum, 14.2M) reports the World Health Organization said Thursday that "up to half of coronavirus-related deaths in Europe are taking place in long-term care facilities such as nursing homes," an assessment that "suggests public health authorities may have allowed the pandemic to rage among some of their most vulnerable populations as they focused on hospitals and other aspects of their response." According to the Post, "Many European countries have banned family visits to nursing homes. ... But those bans, though well-intentioned, may have deprived the elderly of advocates as conditions swiftly deteriorated."

Italy Charting Path To Reopen Economy.

The Washington Post (4/23, Harlan, Pitrelli, 14.2M) reports "Italy in the coming days is expected to map out the specifics of how it might emerge from the West's longest lockdown, and it is considering measures that would fundamentally alter how people commute, work, vacation and think about their privacy."

Study Suggests Coronavirus Was Circulating In Spain By Mid-February.

Reuters (4/23, Laudette, Landauro) reports "Spain's government apologized for causing confusion over new lockdown rules for children on Thursday, while a scientific study suggested the new coronavirus may have been circulating among the population longer than previously thought." Earlier this week, "after initially ruling out recreational walks for children, the government bowed to public pressure – including pot-banging protests on balconies – and allowed short, supervised outings for the first time in more than a month."

Pandemic "Still At The Beginning," Merkel Warns.

Reuters (4/23, Carrel, Martin) reports German Chancellor Angela Merkel on Thursday urged "endurance and discipline to get through the coronavirus pandemic that is 'still at the beginning.'" Merkel expressed concern "that Germans are relaxing their social distancing efforts after the federal and regional governments agreed to reopen some shops this week." She also "called for a bigger European Union budget to support economic recovery in the bloc."

UK Economy "Crumbling," Government Borrowing Soars.

Reuters (4/23, Faulconbridge, Bruce) reports the British economy "is crumbling under the strain of the coronavirus lockdown and government borrowing is soaring to the highest levels in peacetime history, increasing pressure on the government to set out an exit strategy." Prime

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Minister Boris Johnson, "recuperating at his country residence after being seriously ill with COVID-19, is facing criticism from opposition politicians and some epidemiologists for reacting too slowly to the novel coronavirus outbreak."

Critics Allege UK Government's Scientific Advisory Group for Emergencies Lacks Transparency. The New York Times (4/23, Landler, Castle, 18.61M) discusses the reported secrecy of the UK government's Scientific Advisory Group for Emergencies, which "operates as a virtual black box." That is, "its list of members is secret, its meetings are closed, its recommendations are private and the minutes of its deliberations are published much later, if at all." SAGE's "lack of transparency has become a point of contention, as officials struggle to explain why they waited until late March to shift from a laissez-faire approach to the virus to the stricter measures adopted by other European countries."

Russian Rights Groups Call For Regulation Of Expanded Surveillance Measures.

Reuters (4/23, Marrow) reports Russian rights groups Agora and Roskomsvoboda warned Thursday that "expanding surveillance measures to police Russia's coronavirus lockdown...need regulating to ensure they are temporary and proportionate," Police say Moscow's "178,000 facial recognition cameras had caught 200 people breaking coronavirus lockdown restrictions by mid-March. The cameras are capable of tracking individuals using just their silhouette and of detecting groups standing too close to each other, according to the firm which supplied them."

Epidemic In Ecuador "Even Worse" Than Many Realize.

The New York Times (4/23, Cabrera, Kurmanaev, 18.61M) reports that in Ecuador, where the coronavirus outbreak "is among the worst in the world," the epidemic "is even worse than many people in the country realize. The death toll in Ecuador during the outbreak was 15 times higher than the official number" of deaths reported by the government, according to an analysis of mortality data by the Times. By Thursday evening, the country had more than 11,000 official cases, with 560 deaths.

Haiti May Face Coronavirus Surge Due To Workers Returning From Dominican Republic

. The New York Times (4/23, Porter, Dugan, 18.61M) reports that while "coronavirus has been slow to come to Haiti, partly because protests and political violence virtually shut down tourism and drove away the foreigners who could have brought the disease to the country," an "influx of workers returning from the Dominican Republic, where there have been 5,044 cases and 245 deaths" from COVID-19, may set up the island for a surge in cases.

Pakistani Imams Defy Ban On Gatherings During Ramadan.

The New York Times (4/23, Abi-Habib, Ur-Rehman, 18.61M) reports that "while clerics and governments across the Muslim world will greet Ramadan this week under lockdown, working together to shut mosques and urging worshipers to pray at home, in Pakistan, some of the most prominent imams have rallied their devotees to ignore the anti-pandemic measures." According to the Times, in Pakistan, "pandemic or no pandemic, hard-line clerics are calling the shots, overriding the government's nationwide virus lockdown, which began late last month."

Ramaphosa Says Trump Pledged To Help Africa Combat Pandemic.

Bloomberg (4/23, 4.73M) reports that South African President Cyril Ramaphosa said that in a Thursday phone call, President Trump "pledged to help South Africa and Africa in its fight to stop the spread of coronavirus." The AP (4/23) reports that Africa "registered a 43% jump in reported COVID-19 cases in the last week, highlighting a warning from the World Health Organization that the continent of 1.3 billion could become the next epicenter of the global outbreak." The AP adds, "The surge in infections on the continent is almost certainly under-reported and even higher in reality, say medical experts."

Spanish Police Arrest ISIS Fighter.

The New York Post (4/23, Brown, 4.57M) reports Abdel-Majed Abdel Bary, 29, "a British rapper turned notorious suspected ISIS fighter, who was once pictured proudly holding up a severed head, has been arrested in Spain." The Post adds that his father "is serving 25 years for bombing US embassies in Kenya and Tanzania." Bary was arrested in Almeria, Spain. An unnamed official said, "At this point, we have no evidence on whether he was planning to stay in Spain or continue his trip." Turkish police, adds the Post, "said they lost track of him by late 2015."

Iran Responds To Trump's Threat To Destroy IRG Boats.

The AP (4/23) reports that Gen. Hossein Salami, the leader of Iran's Revolutionary Guard, warned Thursday "that he has ordered his forces to potentially target the U.S. Navy after President Donald Trump's tweet the previous day threatening to sink Iranian vessels." According to the AP, Iran "also summoned the Swiss ambassador, who looks out for America's interests in the country, to complain about Trump's threat coming amid months of escalating tensions between the two countries." Salami is quoted as saying, "We have ordered our naval units at sea that if any warships or military units from the naval force of America's terrorist army wants to jeopardize our security in the Persian Gulf or our combat vessels, they must target those warships or naval units."

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The Washington Post (4/23, Cunningham, 14.2M) reports that the Pentagon has "said that vessels belonging to the Revolutionary Guard came dangerously close to U.S. ships in the area last week," but Salami "blamed the incident on U.S. forces, accusing the American ships of 'unprofessional and dangerous behavior.'"

Reuters (4/23, Hafezi) reports Salami said, "I am telling the Americans that we are absolutely determined and serious in defending our national security, our water borders, our shipping safety, and our security forces, and we will respond decisively to any sabotage."

The Washington Times (4/23, Meier, 492K) says Iran "hit back at" Trump, as Salami said on state TV, "I have ordered our naval forces to destroy any American terrorist force in the Persian Gulf that threatens security of Iran's military or non-military ships."

Pompeo Says Trump Wants Navy To Defend Itself. Secretary of State Pompeo said on Fox News' Hannity (4/23, 535K), "This Administration behaves totally different than the previous one. You'll recall when they took our Navy sailors, made them kneel down, and [then-Secretary of State John] Kerry apologized to get them back. This President has taken a completely different approach. He's told the Iranian regime, 'Enough, we are not going to permit this, we are going to defend our soldiers, our sailors, our airmen, and Marines.' I think the Iranians understand that as well."

US Believes Iranian Satellite Launch Was Overseen By Officer Involved In Attacks On US Targets.

Reuters (4/23, Holland) reports, "The United States believes an Iranian military satellite launch this week was overseen by" Amir Ali Hajizadeh, the head of the Revolutionary Guards Aerospace Force, who was "involved in past attacks on American targets," including "the downing of a U.S. military drone in the Gulf last June, a missile attack on U.S. service members in Iraq in January, and the downing of a Ukrainian Airlines flight near Tehran the same month."

Pompeo Says Iran Spending Money On Terror While Claiming Poverty. Secretary of State Pompeo said on the Larry O'Connor Show (4/23) that Iran is "spending all this money on all of these dangerous activities while claiming that the regime doesn't have enough money to take care of its own people, demanding sanctions relief, claiming they don't have money for medicine for their own people when we know they are really taking the wealth that they have and spending it on terror."

Former Syrian Official Who Defected To Opposition On Trial In Germany.

The Washington Post (4/23, Morris, 14.2M) reports that a regional court in the German town of Koblenz "began to hear a landmark case against two alleged former Syrian regime officials" Thursday. According to the Post, "German prosecutors used the principle of 'universal jurisdiction' – which allows the prosecution of serious international crimes committed in another country – to bring charges against the two Syrian nationals who had claimed asylum in Germany." Anwar Raslan, "alleged to have been head of investigations at a branch of Syria's General Intelligence Directorate, has been charged with crimes against humanity, 58 murders, rape and sexual assault." Eyad al-Gharib "is charged with aiding a crime against humanity." Syrian

According to the New York Times (4/23, Hubbard, 18.61M), "Complicating Mr. Raslan's status is his defection to the opposition in 2012, less than a year into the war. In 2014, he even joined the opposition delegation to peace talks sponsored by the United Nations in Geneva." Some legal advocates "fear that prosecuting someone like Mr. Raslan could dissuade other former Syrian officials from serving as inside witnesses to help build other cases because they might fear facing trial themselves."

US To Open Greenland Consulate, Offer $12M In Development Aid.

The Washington Post (4/23, Morello, 14.2M) reports the US "will open a consulate in Greenland and give $12 million in development aid to the Arctic island, which President Trump mused about buying from Denmark last year. Danish and U.S. officials jointly announced the financial and diplomatic package Thursday, in what the Trump administration characterized as an effort to counter growing Russian and Chinese interest in the Arctic."

Guaidó Denies Talks On Power-Sharing Agreement.

The Washington Times (4/23, Meier, 492K) reports Venezuelan opposition leader Juan Guaidó "shot down reports Thursday he and his aides were negotiating with the regime of socialist President Nicolas Maduro on a power-sharing deal that could lead to new elections. ... 'No, there are no negotiations or remediations whatsoever,' Mr. Guaido said via translator during a virtual conversation hosted by the Atlantic Council."

WSJournal: China May Be Using Pandemic To Exert South China Sea Strength.

The Wall Street Journal (4/23, Subscription Publication, 7.57M) says in an editorial that China may be taking advantage of the world's focus on the coronavirus pandemic to exert military strength in the South China Sea. The Journal backs the US decision to respond to Chinese provocations with the Seventh Fleet, and urges continued vigilance.

Housing

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Many Homeowners Fear A Ballooning Payment Due Once Forbearance Period Ends.

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The Wall Street Journal (4/23, Kiernan, Subscription Publication, 7.57M) reports that many homeowners are not getting the relief they were

hoping for, as mortgage forbearance policies cemented in the CARES Act do not specify when their forbearance period ends. As a result, many homeowners fear that they will be forced to come up with a lump-sum payment. An FHFA spokesman said that borrowers with loans backed by Freddie Mac and Fannie Mae are not required to pay their forbearance back in a lump sum, and the FHFA encourages borrowers to contact the CFPB if they feel their servicer is taking advantage of them and misrepresenting payment options.

Montgomery: FHA May Soon Have "Something Similar" To GSEs' Purchasing Of Loans In Forbearance.

American Banker (4/24, Subscription Publication, 31K) reports, "Currently, FHA is considering whether it should follow in the footsteps of the Federal Housing Finance Agency and insure loans in forbearance." After the FHFA "announced Wednesday that Fannie Mae and Freddie Mac would begin purchasing loans in forbearance in order to ease origination pressure," FHA Commissioner Brian Montgomery said, "I expect we'll probably have something next week that will help address some of that issue relative to borrowers who have closed but haven't been securitized yet and go into forbearance." Meanwhile, American Banker says Ginnie Mae's recently-launched PTAP program "allows Ginnie to advance the payments to investors that can't be met by mortgage servicers." M Report (4/23, Albanese) interviewed Montgomery on a range of issues relating to the pandemic and the FHA's response.

State Attorneys General Want FHFA, HUD To Further Delay Mortgage Borrowers' Payments.

American Banker (4/23, Subscription Publication, 31K) reports, "A bipartisan coalition of state attorneys general is recommending that homeowners who skip mortgage payments because of the coronavirus pandemic be allowed to delay those payments until the end of the loan's term." The attorneys general sent letters on Thursday to FHFA Director Mark Calabria and HUD Secretary Carson, "urging them to revise current forbearance programs to help borrowers remain in their homes." According to American Banker, "Currently, once the forbearance period ends, borrowers are being asked either to repay the missed payments in a lump sum or enter into a more permanent loss mitigation agreement. Although Fannie Mae and Freddie Mac have announced a deferral program allowing borrowers to wait until the end of a term to make skipped payments, that program may not get off the ground until next year." The Reno (NV) Gazette-Journal (4/23, 183K) provides additional coverage.

Freddie Mac: 30-Year FRM Average Rises From 3.31% To 3.33%.

The Washington Post (4/23, Orton, 14.2M) reports, "Rates continued to level off this week as the federal government stepped in to help mortgage companies concerned about the increasing number of borrowers who have stopped making payments." According to "the latest data released Thursday by Freddie Mac," the 30-year FRM average rose from 3.31% a week ago to 3.33% this week. Meanwhile, the 15-year FRM average rose from 2.80% to 2.86%, and the 5/1 ARM average fell from 3.34% to 3.28%. The Post says that the FHFA "announced this week that it will allow Fannie Mae and Freddie Mac to buy mortgages that go into forbearance. However, there are restrictions on which loans they will buy." The AP (4/23) reports, "Fannie and Freddie, which are under government control, together back about half the home mortgages in the $11 trillion U.S. market. They put the mortgage relief programs in effect several weeks ago to help homeowners hit by the economic shutdown, giving borrowers relief on payments for up to one year and suspending late charges and penalties."

National Mortgage News (4/23) reports Freddie Mac Chief Economist Sam Khater said, "Mortgage rates have stabilized over the last few weeks as the market searches for direction in the fog of economic data. While financial markets initially rallied on the news of Federal Reserve support and are improving due to the Senate's passage of a new small business stimulus, we continue to see a deep economic contraction amidst uncertainty about the recovery formation." Providing similar coverage are HousingWire (4/23, 23K), M Report (4/23, Albanese), National Mortgage Professional (4/23), the Orange County (CA) Register (4/23, 546K), Seeking Alpha (4/23, Kiesche, 512K), and a MoneyWise piece carried by Yahoo! Finance (4/23, Whiteman).

MarketWatch (4/23, Passy, 1.67M) reports, "Mortgage rates rose this week in spite of the 10-year Treasury note's yield, which fell in response to major volatility in energy markets globally. Historically, mortgage rates have roughly followed the direction of long-term bond yields, but that relationship has weakened amid the coronavirus crisis."

FHFA Stands By COVID-LLPAs, Saying Pricing Is Better Than Private Market Would Offer.

Behind a paywall, Inside Mortgage Finance (4/23, Muolo, Subscription Publication) reports, "The Federal Housing Finance Agency is standing by the new loan-level price adjustments it established that allow Fannie Mae and Freddie Mac to purchase single-family loans subject to COVID-19-related forbearance." IMF says, "The LLPAs – a hefty 500 basis points for mortgages made to first-time homebuyers and 700 bps for 'all other loans' – have been heavily criticized by trade group officials, lending executives and their investment bankers. If a seller/servicer agrees to pay the LLPA charge it will result in a steep loss on each transaction." However, an FHFA spokesman told IMF that the pricing is "fair and reasonable," adding, "We have heard these loans would sell for much lower prices (15-20% discounts) in private markets." IMF says that the spokesman "also noted lenders have no obligation sell COVID-19 forbearance loans to Fannie and Freddie."

Urban Institute Researchers: GSEs' Verification Of Employment Changes Are A Step In Right Direction.

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Mortgage News Daily (4/23, Swanson) reports, "Two Urban Institute (UI) researchers pose a pertinent question in a recent paper. Laurie Goodman and Aaron Klein ask, 'What is the purpose of the Fed lowering short term rates to zero and buying hundreds of billions of mortgages to lower mortgage interest rates if people cannot functionally access a mortgage?'" The researchers "point out that the mortgage process, whether to purchase a home or refinance it, has a long to-do list," and if "any of those items cannot be checked off, the ability to get a mortgage is jeopardized." Freddie Mac and Fannie Mae are "temporarily allowing email verification by the employer as well as use of a current pay stub or bank statement and for verification to be provided up to the time of loan delivery. UI says these are important steps and ones that probably should not be temporary." However, "lenders are also expected to verify continuity of income for their GSE loans and Goodman and Klein say this is a burden on lenders and one that may not be possible to achieve. This could result in the self-employed having difficulty getting refinancing." Goodman and Klein also "urge" the FHFA and GSEs to "prioritize their social purpose over profitability."

Multifamily Financing

- ***Citadel Lande $25M Freddie Mac Acquisition Loan For SC Community.*** Multi-Housing News (4/23, Cazacu) reports, "Citadel Real Estate Group has received a $24.5 million acquisition loan to purchase Lullwater at Saluda Pointe, a 280-unit property in Lexington, S.C. Hunt Real Estate Capital originated the 12-year Freddie Mac loan."
- ***NKF Arranges $22M Freddie Mac Loan For CO Apartments.*** REBusiness Online (4/23, Works) reports, "Newmark Knight Frank (NKF) has arranged a $22.4 million Freddie Mac loan to refinance Copper Ridge Apartment Homes, located at 240 McCaslin Blvd. in Louisville."
- ***Universe Holdings Gets $17M Freddie Mac Small Balance Loan For Inglewood Portfolio.*** Real Estate News Television (4/23) reports, "Freddie Mac's Small Business Loan (SML) program provided Universe Holdings with a $16.93 mil blended rate loan with three years interest-only to refinance a portfolio of six properties with a total of 77 units in Inglewood."

FHFA: FHLBanks To Provide More Liquidity For PPP Lenders.

American Banker (4/23, Long, Subscription Publication, 31K) reports, "The Federal Home Loan banks will begin accepting loans made through the Small Business Administration's Paycheck Protection Program as collateral when making advances to their members, the Federal Housing Finance Agency said Thursday." The FHFA said that the move should give small and community banks more liquidity to "support the small businesses in their communities." According to American Banker, "It is designed to serve smaller members who don't have access to the Federal Reserve's Paycheck Protection Program Liquidity Facility." The FHLBanks "will be able to accept loans made under the SBA program as collateral, as long as the loans are in compliance with certain safety and soundness requirements outlined by the FHFA." The FHFA is "mandating that Home Loan Bank System members have a Camels rating of 3 or better in order to pledge PPP loans as collateral," and has "limited the amount of loans that FHLB members can pledge to no more than $5 billion." The move came on the heels of the FHFA's Wednesday announcement "that Fannie Mae and Freddie Mac would begin purchasing mortgages in forbearance." The ABA Banking Journal (4/23) provides additional coverage.

NCUA Allows Credit Unions To Delay Appraisals Until Four Months After Mortgage Closing.

HousingWire (4/23, 23K) reports, "Federal banking regulators last week moved to allow banks to delay getting an appraisal on a property for as many as 120 days after a mortgage closes, and now, credit unions can do the same thing." The National Credit Union Administration "will allow credit unions to postpone obtaining an appraisal until four months after a mortgage closes." According to HousingWire, "As with the bank rule, the credit union rule only applies to loans held in credit unions' portfolios. Loans sold to or guaranteed by the Federal Housing Administration, Department of Housing and Urban Development, Department of Veterans Affairs, Fannie Mae or Freddie Mac will still require an appraisal before closing, per each agency's or company's rules. And just as the banking regulators did, the NCUA cited a need to ensure liquidity in the mortgage market as a reason for making this change."

Pence Holds Conference Call With Mortgage Industry Representatives.

M Report (4/23, Albanese) reports Vice President Pence "addressed business and mortgage leaders during a conference call on Thursday, discussing the federal government's response to COVID-19." Pence "told the mortgage and business leaders that 'we are making real progress' in slowing the spread of COVID-19, and that social-distancing efforts are helping to flatten the curve." He said, "As of this morning, I am pleased to report that the numbers on the west coast continue to be low and steady but even in the New York metro area, including New Jersey and Connecticut and of course all of New York City's broader area we believe that we are past the peak." He continued, "Every single day we are one day closer to putting this epidemic in the past and I want to assure you that we are going to continue to use the full weight of the local government to support."

Black Knight: Pandemic Causes Mortgage Defaults To Rise, But Eviction Moratoriums Send Foreclosure Starts Down.

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National Mortgage News (4/23, Centopani) reports, "After two months of default totals sitting at 15-year lows, the number of mortgaged

properties in default or foreclosure rose in March, according to Black Knight. It marked the first time default rates notched an increase in March since the turn of the century, said the company, which credited COVID-19's economic impact for the spike." According to NMN, "Default or in-foreclosure properties totaled over 2.01 million in March, with 37,000 added month-over-month. There were 155,000 fewer defaults in March 2020 than there were at the same time last year." Black Knight "anticipates significant jumps in the coming months." Despite the rise in delinquencies, "foreclosure starts decreased to the lowest level on record with help from coronavirus moratoriums."

Pandemic Reportedly Accelerating Digital Mortgage Innovation.

National Mortgage News (4/23, Finkelstein) reports, "If anything good were to come out of the coronavirus outbreak for the mortgage industry, it is that the pandemic was a catalyst that finally drove broad-based industry acceptance of e-mortgages, e-notes and digital closings." Armando Falcon, CEO of Falcon Capital Advisors, which is working with Ginnie Mae on its digitization efforts, commented, "It has incredibly accelerated both the interest and need for digital mortgages." According to Docutech EVP Harry Gardner, the SECURE Act could pave the way for widespread acceptance of remote online notary eclosings around the country. He explained, "The key question that determines RON is whether the investor will purchase a RON-signed e-note (for Fannie Mae and Freddie Mac, that's now 42 states plus the District of Columbia), and whether the county recorder will erecord a RON-notarized deed of trust. If the SECURE Act passes, ensuring national coverage for RON, it would certainly help adoption by providing all players with broader assurance in RON e-closings."

AICPA: American Personal Financial Satisfaction Plummets In Q1 Due To Pandemic.

DS News (4/23, Welborn) reports, "The COVID-19 pandemic has caused the largest drop in American financial satisfaction in nearly a decade, according to The American Institute of CPAs (AICPA) Q1 2020 Personal Financial Satisfaction index. The report measured 32.9, a 20% (8.29 point) decrease from the previous quarter." According to DS News, "This is the largest quarterly drop the PFSi has experienced since the Great Recession (Q4 2009)." Due to the pandemic, "Many Americans are struggling to pay for things including their rent and mortgage." Black Knight "reports that as of April 16, more than 2.9 million homeowners, or 5.5% of all mortgages," and a "new survey by the Mortgage Bankers Association (MBA) found that the number of home loans in forbearance rose from 2.73% to 3.74% during the week of March 30 to April 5. Mortgages backed by Ginnie Mae had the largest weekly growth of 1.58% and the highest overall share in forbearance requests (5.89%)."

Real Capital Analytics: CRE Deals Are Falling Apart Due To Pandemic.

Mortgage Professional America (4/23, Johnston) says, "Commercial real estate deals are collapsing amid the coronavirus outbreak and market players are fewer and further between, with the worst yet to be seen. A new report by Real Capital Analytics says signs of the COVID-19 crisis are starting to appear in the U.S. market for commercial property assets." Real Capital Analytics SVP Jim Costello said, "There are a number of steps that buyers and potential sellers will go through before adjusting their expectations in the light of an economic shock. Deals that fail to close and a reduction in market players are leading indicators for changes in market pricing."

New-Home Sales Fell By More Than 15% In March, According To Census/HUD Data.

MarketWatch (4/23, Passy, 1.67M) reports, "Sales of new U.S. homes fell by more than 15% in March as the coronavirus pandemic weighed on buyer traffic. New home sales dropped to a seasonally adjusted annual rate of 627,000, according to the monthly report from the U.S. Census Bureau and the Department of Housing and Urban Development." Realtor.com Chief Economist Danielle Hale said, "Because new home sales are based on contract signings, an early step in the home buying process, they showed a larger decline than existing home sales data, which came out earlier this week."

NAR: Pandemic Not Taking A Toll On Listing Prices So Far.

Behind a paywall, Inside Mortgage Finance (4/23, Volkova, Subscription Publication) reports, "Despite the COVID-19 pandemic complicating the sale of homes and the closing of mortgages, homeowners selling their properties, for the most part, are remaining calm, according to a new study published by the National Association of Realtors. NAR found that 74% of sales agents working with sellers this week reported their clients are not reducing listing prices, a sign that panic has yet to seep in." NAR Chief Economist Lawrence Yun said, "Consumers are mostly abiding by stay-in-shelter directives, and it appears the current decline in buyer and seller activity is only temporary, with a majority ready to hit the market in a couple of months. The housing market faced an inventory shortage before the pandemic. Given that there are even fewer new listings during the pandemic, home sellers are taking a calm approach and appear unwilling to lower prices to attract buyers during the temporary disruptions to the economy."

Opinion: Government Needs To Realize That Risk Management Is A Critical Function.

Bloomberg Opinion (4/23) columnist Justin Fox argues that the federal government must "embrace its role" as the "ultimate risk manager." Historian David Moss "raised the concern that three huge government firefighting efforts within 20 years might indicate a certain failure of risk management." Moss speculated that one factor "could be a continued unwillingness to accept in normal times that risk management is a key government role." Fox explains, "There's a sense in which we try to deny ex ante that this is something we would want to do ex post. People

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wanted to deny that Fannie Mae and Freddie Mac had a government guarantee, until the federal government had to guarantee them. There are some similar factors here. If government is going to provide extensive bailouts and support after a crisis strikes, there needs to be a lot of work done on gaming it out in advance. We need to think hard about the risk management piece beforehand."

Opinion: Mortgage Forbearance Should Require Borrowers To Provide Documentation Of Hardship.

National Review (4/23, 731K) trustee David Bahnsen argues that mortgage forbearance as mandated by the CARES Act is "seriously flawed," and that applicants "should be required to provide at least basic documentation for their claim that COVID-19 has affected them." Bahnsen says, "I do understand that included in those with 'Federally backed mortgage loans' (these include loans sponsored by Fannie Mae, Freddie Mac, and the Federal Housing Administration, so roughly 65 percent of all American mortgages) are some who would genuinely and perhaps even desperately need mortgage forbearance. ... However, where such legitimate need exists, the actual codification that they not be required to document their need whatsoever is simply surreal."

Opinion: CARES Act Provides Only Temporary Help For Renters.

Writing for The Conversation (4/23, 62K), University of Kansas Professor of Urban Planning Kirk McClure says renters are "still left out in the cold," despite "temporary coronavirus protection" from emergency relief measures. According to him, moratoriums on evictions "won't last for long," and "millions of families and individuals" will struggle to "pay their landlords." According to McClure, the CARES Act "provides considerable support to homeowners but much less to renters. Homeowners with government-supported mortgages such as those that are guaranteed by Fannie Mae or Freddie Mac, accounting for 70% of all outstanding mortgages, can skip mortgage payments for up to 12 months without risk of foreclosure. Missed payments will instead by added to their mortgage balances. Renters are afforded some protection. ... But rental protection is unlikely to last more than a few months – less if stays on eviction are not enforced, as has been the case in a number of states."

Markets

10-Year Yield Falls.

MarketWatch (4/17, 1.67M) reports the 10-year Treasury yield fell to 0.604 percent.

Dollar Gains.

Reuters (4/24, Chatterjee) reports, "The dollar gained on Friday and is set for its biggest weekly rise since early April as the euro weakened after a European Union meeting on Thursday to build a trillion euro emergency fund fell short of satisfying investors' concerns." The euro "weakened broadly on Friday, falling 0.4% against the U.S. dollar to a one-month low at $1.07275 and a three-year low versus the yen at 115.55 yen." The euro's losses sent the dollar "on track for its biggest weekly rise since early April." Against a basket of its rivals, the dollar "was up 0.2% at 100.72. On a weekly basis, it has strengthened more than 1%."

Gold Eases.

Reuters (UK) (4/24, Singh) reports, "Gold eased on Friday as investors booked profits after a 1% rise in the previous session, but weak economic data from the United States and Europe due to the novel coronavirus kept bullion on track for a weekly gain." Spot gold "slipped 0.4% to $1,724.05 per ounce by 0619 GMT, but was up over 2.3% for the week so far." US gold futures "were little changed at $1,745.10 per ounce."

Oil Rises.

Reuters (4/24, Sheldrick) reports, "Oil prices climbed on Friday, adding to gains from earlier sessions after producers such as Kuwait said they would move to cut output and the United States approved another package to cope with the turmoil caused by the coronavirus outbreak." Brent crude "was up 24 cents, or 1.1%, at $21.57 by 0622 GMT, after rising more than $1 earlier and jumping 5% on Thursday." West Texas Intermediate "was up 38 cents, or 2.3%, at $16.88 a barrel, having surged 20% in the previous session."

Cybersecurity

FBI Warns Social Media Trends Can Expose Data To Cybercriminals.

The Pittsburgh Tribune-Review (4/23, Erdley, 380K) reports the FBI is warning that "games" being played on social media platforms "could benefit identity thieves," quoting acting Pittsburgh SAC Eugene Kowel saying, "This is a hard time for everyone and we know social media has been a boon to help people stay connected, but it also can create new vulnerabilities." The paper highlights as an example "the popular movement on Facebook to post your high school graduation pictures as a gesture of support for the Class of 2020," noting that "Kowel said friends sharing high school graduation pictures might also unwittingly be sharing the name of their school, the year they graduated and their high school mascot. Those are all common security retrieval questions for password-protected online accounts, Kowel said." KPIX-TV San Francisco (4/23, 110K) reports FBI officials in San Francisco issued a similar warning Thursday.

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Massachusetts Police Launch Hate Crime Investigation After Online Church Service Is Zoom-Bombed.

The Salem (MA) Patch (4/23, 1.03M) reports police in Salem, Massachusetts, "are investigating a possible hate crime after hackers played a Ku Klux Klan video and made racist comments" during a local church's online service on Sunday. The number of such attacks has risen as the coronavirus pandemic has driven more meetings "online to platforms like Zoom. Last month, the FBI's office in Boston said it was seeing an increase in reports of so-called 'Zoom-bombing.'"

Activists Report Spike In Child Pornography During Pandemic.

NBC News (4/23, 6.14M) reports child safety activists and law enforcement officials say there is "a flood of child sexual exploitation material that has risen during the coronavirus pandemic. And with tech companies' moderation efforts also constrained by the pandemic, distributors of child sexual exploitation material are growing bolder, using major platforms to try to draw audiences." Meanwhile, "distributors of child sexual abuse images are trading links to material in plain sight on platforms including YouTube, Facebook, Twitter and Instagram using coded language to evade the companies' detection tools, according to child safety experts and law enforcement." The article quotes Brian Herrick, assistant chief of the FBI's Violent Crimes Against Children and Human Trafficking Section, saying, "Activity is peaking on the platforms where it takes place, very similar to how it peaks around holiday time when people are off work."

Apple: No Evidence Email App Flaw Has Been Used Against Users.

Reuters (4/24) reports Apple said Thursday that "it has found 'no evidence' a flaw in its email app for iPhones and iPads has been used against customers, and that it believes the flaw does 'not pose an immediate risk to our users.'" However, Zuk Avraham, CEO of San Francisco-based security firm ZecOps, "on Wednesday detailed a flaw that it said may have left more than half a billion iPhones vulnerable to hackers," saying that "he found evidence the vulnerability was exploited in at least six cybersecurity break-ins."

TFI/Sanctions

Rosneft Nears Sale Of Trading Arm Impacted By US Sanctions.

The Financial Times (4/23, Foy, Hume, Sheppard, Subscription Publication, 1.34M) reports Russian state-controlled oil company Rosneft is nearing the close of its trading arm, following two months under US sanctions for handling Venezuelan oil.

Federal Reserve

Fed To Publish Monthly Reports On Economic Relief Programs' Performance.

The AP (4/23, Crutsinger) reports the Fed announced Thursday that it will publish monthly reports on some of its economic relief programs supported by the $2 trillion CARES Act. Fed Chair Jerome Powell said the central bank is "committed to transparency and accountability by providing the public and Congress detailed information about our actions to support the economy during this difficult time," and will supply details about participants in the programs including names, amounts borrowed, and interest charges, as well as other costs. The programs have "come under criticism after disclosures that some major publicly traded companies had obtained forgivable loans from the government's Paycheck Protection Program."

Also reporting are Reuters (4/23, Saphir, Schneider, Dunsmuir), Politico (4/23, Guida, 4.29M), The Wall Street Journal (4/23, Timiraos, Patterson, Subscription Publication, 7.57M), Bloomberg (4/23, Saraiva, Torres, 4.73M), MarketWatch (4/23, Robb, 1.67M), The Hill (4/23, Lane, 2.98M), and American Banker (4/23, Haggerty, Subscription Publication, 31K).

Fed To "Shortly" Announce Rules Expanding PPP Facility Access.

Reuters (4/23, Schneider) reports the Fed "said on Thursday it will 'shortly' announce new rules to expand access to a small business lending program beyond banks, so that a broader set of institutions can participate." The SBA's Paycheck Protection Program loans "are being made by an array of institutions, including many deposit-taking banks but also Community Development Financial Institutions, financial technology firms and others." The Fed program "currently allows only banks to use their PPP loans as collateral to borrow from the Fed."

Fed To Focus On Lending Program Implementation As Big Policy Questions Loom.

The Wall Street Journal (4/23, Timiraos, Subscription Publication, 7.57M) reports the Fed next week will move from announcing new initiatives to planning and implementing the new emergency lending programs it has created. Big question will need to be addressed on such topics as the Fed's bond-buying moves and other decisions.

States See Fed's Municipal Bond Moves As Helpful But Inadequate, Turn To Congress For Fiscal Aid.

Politico (4/23, Mejdrich, 4.29M) reports the Fed's move this month "to bail out the municipal bond market with $500 billion in short-term debt was a historic step by the central bank to directly intervene in local government finances for the first time." However, "it's just not nearly

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enough, local officials say." The Fed's action "will barely make a dent in resolving local government needs caused by the coronavirus pandemic, which is threatening to create thousands of fiscal disasters nationwide. Officials say Congress must provide hundreds of billions more – but this time in direct federal grants – in the next economic rescue package."

Fed Relaxes Rules To Increase Availability Of Intraday Credit.

Reuters (4/23, Schroeder) reports the Federal Reserve "on Thursday temporarily eased requirements for banks to access intraday credit from Fed banks to ensure that lending continues during the coronavirus pandemic." The Fed "said in a statement it was temporarily waiving limits on uncollateralized intraday credit and overdraft fees for banks that are eligible for its primary credit program." The central bank "also streamlined the process for secondary credit banks to seek collateralized credit."

New York Fed $293M Of Agency-CMBS Thursday.

Reuters (4/23, Marte) reports the Federal Reserve Bank of New York "purchased $293 million in agency commercial mortgage-backed securities out of more than $1.4 billion offered by primary dealers on Thursday."

Fed Buys $59.9B Agency MBS, Sells $4.25B.

Reuters (4/23) reports that the Federal Reserve bought $59.909 billion of agency MBS in the week from April 16 to 22, compared with $59.403 billion purchased the prior week, the New York Fed said on Thursday. The New York Fed "said on its website the Fed sold $4.25 billion in mortgage securities" guaranteed by Fannie Mae, Freddie Mac, or Ginnie Mae in the latest week. It sold $1 billion the prior week.

WPost: Fed Must Set Clear Rules For Main Street Lending Program.

In an editorial, the Washington Post (4/23, 14.2M) urges the Federal Reserve to set clear rules for its Main Street Lending Program, which is "necessary and appropriate" to help the economy. Without clear rules, the Post warns, "the Fed faces the risk of favoritism and arbitrary selection, actual or perceived, in the allocation of credit." In order "to inject as much money as possible, as fast as possible, into areas of the economy that need it most, while minimizing unwarranted discretion," the Post says the Fed must "set clear and consistent rules right from the start – then get on with the program."

Office of the Comptroller of the Currency

Big Banks Gain Record $1T In Deposits In Q1.

The Wall Street Journal (4/23, Benoit, Subscription Publication, 7.57M) reports US banks were flooded with a record $1 trillion in deposits in the first quarter as markets plunged and the economy shut down in response to the novel coronavirus. The $590 billion in deposits that flowed into the four largest banks – JPMorgan Chase, Bank of America, Wells Fargo, and Citigroup – in the first quarter nearly doubled the entire US banking industry's previously quarterly record, according to Federal Deposit Insurance Corp. data.

Bankers, Borrowers Fret Over Details Of Middle-Market Rescue Plan.

American Banker (4/22, Subscription Publication, 31K) reports that "ever since the Federal Reserve announced a $600 billion loan program to help midsize companies survive in a pandemic-stricken economy, bankers have been trying to make sense of how exactly it will work." Details of the Main Street Lending Program are still being written, leaving many lenders and borrowers "hesitant to dive into the program with the same enthusiasm shown for the federal government's highly sought-after Paycheck Protection Program for small businesses" as they grow concerned that strings attached such as a requirement that banks hold 5% interest in each loan "might be too much to bear."

Small-Business Owners Seek Suspension Of Wells Fargo's Virus Relief Loans Policy.

Law360 (4/23, Subscription Publication, 8K) reports two small-business owners "asked a Texas federal judge on Wednesday to block Wells Fargo from limiting eligibility for its federal coronavirus relief lending, seeking an emergency court order against the bank similar to one that Bank of America avoided last week." The plaintiffs urged the judge "to issue a temporary restraining order" suspending Wells Fargo's "policy of allowing only its preexisting business checking clients to apply for a Paycheck Protection Program loan from the bank."

Zoom Use Soars, But Some Banks Forbid Use Over Security Worries.

American Banker (4/23, Crosman, Subscription Publication, 31K) reports the popularity of teleconferencing service Zoom has skyrocketed as the coronavirus pandemic has meant that most employees able to work remotely are now doing so. Bank security teams are now concerned with threats accompanying the use of the service, including "Zoombombings," in which hackers play intrusive and sometimes obscene material in a video conference. Standard Chartered is among banks who have banned the platform due to security concerns, and a survey from Blind found that 28 percent of financial employees were concerned they'd been compromised through videoconferencing platforms, while 12 percent stopped using Zoom and 10 percent decreased usage. 56.6 percent of Visa employees reported they'd stopped using Zoom altogether, as did 55.6 percent of surveyed American Express employees.

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Editorial Wrap-Up

New York Times.

"No Death Sentences For Minor Offenses." In an editorial, the New York Times (4/23, 18.61M) says inmates in prison for nonviolent or minor offenses should be considered for release during the coronavirus pandemic. Writing that "the first inmate in a federal prison known to have died" of COVID-19 "was serving time for a nonviolent drug offense," the Times argues that incarceration may amount to a death sentence for some of these offenders.

"A Breath Of Fresh Air." In an editorial, the New York Times (4/23, 18.61M) urges readers to support the Fresh Air Fund during the current pandemic, writing that the organization "hopes to reach thousands of New York City children from low-income families this year." It is "exploring ways to adapt its traditional summer programming if needed."

Washington Post.

"The Supreme Court Should Respect Precedent. But This Is One Decision It Was Right To Overturn." The Washington Post (4/23, 14.2M) editorializes that in 1972, the Supreme Court "ave its blessing to [an] anomaly" in Louisiana and Oregon that "allowed non-unanimous juries to convict people – in major cases, up to two jurors can dissent. ... This week the court renounced that decision and restored a core constitutional protection to defendants in all states." The Post backs the decision, writing that while "the court must avoid flip-flopping whenever possible...doing so was justified in this case."

"States Aren't Angling For 'Free Money,' Sen. McConnell. They're Trying To Stay Afloat In A Time Of Crisis." In an editorial, the Washington Post (4/23, 14.2M) urges the Federal Reserve to set clear rules for its Main Street Lending Program, which is "necessary and appropriate" to help the economy. Without clear rules, the Post warns, "the Fed faces the risk of favoritism and arbitrary selection, actual or perceived, in the allocation of credit." In order "to inject as much money as possible, as fast as possible, into areas of the economy that need it most, while minimizing unwarranted discretion," the Post says the Fed must "set clear and consistent rules right from the start — then get on with the program."

"The Fed Needs To Set Clear Rules For Its New Lending Program. And Then Get The Money Flowing." In an editorial, the Washington Post (4/23, 14.2M) urges the Federal Reserve to set clear rules for its Main Street Lending Program, which is "necessary and appropriate" to help the economy. Without clear rules, the Post warns, "the Fed faces the risk of favoritism and arbitrary selection, actual or perceived, in the allocation of credit." In order "to inject as much money as possible, as fast as possible, into areas of the economy that need it most, while minimizing unwarranted discretion," the Post says the Fed must "set clear and consistent rules right from the start — then get on with the program."

"The Lessons From Trump's Reckless Recommendation Of Hydroxychloroquine." A Washington Post (4/23, 14.2M) editorial says "it is important to grasp the lessons of President Trump's reckless recommendation of a drug without evidence of efficacy. Especially at a time of grave distress, the lesson is: demand evidence, seek proof and don't listen to quacks anywhere." The Post says the US "has built a process of drug testing and approvals considered the gold standard around the world, involving three phases of clinical trials to test safety, dosage, efficacy and possible side effects of a new drug or vaccine. The fear inspired by the coronavirus must not undermine this rigorous procedure."

Wall Street Journal.

"Stopping A Lawsuit Epidemic." The Wall Street Journal (4/23, Subscription Publication, 7.57M) says in an editorial that attorneys are eyeing the healthcare and economic crises brought about by the coronavirus pandemic, and urges congressional Republicans to pass liability reform legislation.

"Big Oil To The Coronavirus Rescue." In an editorial, the Wall Street Journal (4/23, Subscription Publication, 7.57M) pushes back against anti-carbon activists that target oil companies, pointing out that Exxon Mobil has ramped up production of a key ingredient used in disinfectants and hand sanitizer amid the pandemic. Exxon is also boosting production of a material used in medical masks and gowns.

"Watch Out In The South China Sea." The Wall Street Journal (4/23, Subscription Publication, 7.57M) says in an editorial that China may be taking advantage of the world's focus on the coronavirus pandemic to exert military strength in the South China Sea. The Journal backs the US decision to respond to Chinese provocations with the Seventh Fleet, and urges continued vigilance.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Millions Of US Workers Filed For Unemployment Benefits Last Week

Ruth's Chris To Repay Loan Amid Outcry Over Rescue Program

China's Medical-Goods Market Is "Wild West" Amid Surging Coronavirus Demand

Grocers Hunt Meat As Coronavirus Hobbles Beef And Pork Plants

Zoom Fatigue Is Real

Amazon Scooped Up Data From Its Own Sellers To Launch Competing Products

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New York Times:

Jobless Numbers Are 'Eye-Watering' But Understate The Crisis
New York Put Recovering Virus Patients In Hotels. Soon, 4 Were Dead.
1 In 5 New Yorkers May Have Had Covid-19, Antibody Tests Suggest
State By State: Comparing Coronavirus Death Rates Across the US
The Secretive Group Guiding The UK On Coronavirus
Home Alone At The White House: A Sour President, With TV His Constant Companion

Washington Post:

For 28 Days, They Lived On A Calling In A Factory
Muslims, Already Feeling At Risk In India, Face Virus Vitriol
House Passes $484 Billion In Aid
An Uncertain Academic Year Ahead For Colleges
Millions Are Still Awaiting Unemployment Benefits
Legislators Help Propel State Capitol Protests

Financial Times:

Merkel Warns Against Lifting Lockdown Too Quickly
Gilead Antiviral Drug Remdesivir Flops In First Trial
Lockdowns Lower Personal Grooming Standards, Says Unilever

Washington Times:

Coronavirus Fight Enters Critical Phase As Warmer, Wetter Weather Looms
House Passes $484 Billion Emergency Coronavirus Relief Package
Coronavirus Proving More Deadly For Men Than Women As Idiosyncrasies Emerge
'Walls Are Closing In': People Resort To Driving As Escape From Stay-At-Home Orders
Pandemic Threatens To Permanently Shutter Churches As Donations Dry Up
FBI Forced Trump Dossier Into Intelligence Community's Election Assessment

Story Lineup From Last Night's Network News:

ABC: Coronavirus-Health Crisis; DHS-Coronavirus & Warm Weather Study; Unemployment; Coronavirus-Hidden Outbreaks; Coronavirus-Strokes in Younger Patients; Food Supply; Severe Weather; NFL Draft; Tom Hanks-Gifts Typewriter to Young Australian Boy; Families Around America Donate to Disabled Vet's Family.
CBS: Unemployment; Coronavirus-Health Crisis; Trump-Contradictory Messages; Coronavirus-Latino Community; Food Supply; Severe Weather; Coronavirus-Blood Clots; Dogs Cheer Owners Up.
NBC: Coronavirus-Reopening States; Las Vegas-Reopening; Unemployment; Coronavirus-Hidden Outbreaks; Coronavirus-Second Wave; Coronavirus-Vaccine; NFL Draft; Severe Weather; Nightly News: Kids Edition Plug.

Network TV At A Glance:

Coronavirus – 26 minutes, 40 seconds
Unemployment – 8 minutes, 5 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Coronavirus-Health Crisis; Trump-Heat Treatment; Congress-Relief Bill; Stay At Home Extended In Some States; Unemployment.
CBS: House-Stimulus Bill; Unemployment; GM-Reopening Comments; California-Ammunition Background Checks; NFL Draft; Wall Street.
FOX: House-Stimulus Bill; Gov. Cuomo-McConnell Comments; Pence-Reopening States.
NPR: Trump-Reopening Economy; Tyson Meat Plant; Unemployment; Wall Street.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Ever since coronavirus started, nothing has been the same. ... But there's one thing that's remained surprisingly constant, and that's been the chaos within the Trump Administration. Because where most administrations would be galvanized by an external threat, they seem to think of chaos as an essential service that they need to keep providing."

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Trevor Noah: "We're in the middle of a pandemic, and Trump's people are squabbling like they're on an Andy Cohen reunion show."

Trevor Noah: "Trump [said he] has never heard of the guy in charge of finding a vaccine. And you know what? To be honest, part of me is not surprised. 'Sir, do you want to meet the top scientist working on a vaccine?' (As Trump) 'Scientist? Eww, gross. I'd rather meet my son Eric.'"

Trevor Noah: "Last week, Trump encouraged the governors to reopen their economies. But now that Georgia's Trump-loving governor Brian Kemp did exactly that, Trump was, 'Oh, snap, you on your own, son.' ... Trump didn't just throw Brian Kemp under the bus. He looked up the bus schedule in advance and then told Brian Kemp to meet him in the road at 3:15. And then guess who was driving?"

Stephen Colbert: "Last night, I talked about the governors who have decided to reopen their states in opposition to the federal guidelines, but one day later, I'm happy to report that cooler heads have prevailed in our nation's leadership, because the Insane Clown Posse is calling off its annual gathering of the Juggalos festival. ... Yesterday, the Clown Posse's record label, Psychopathic Records, issued a statement: 'With thousands of deaths during the Covid-19 outbreak, we refuse to risk even one juggalo life by hosting a gathering during these troubling times.' So, these guys respect science more than the governor of Georgia. Makes sense."

Stephen Colbert: "You know who I wish believed in science as much as the Insane Clown Posse? The insane clown President."

Stephen Colbert: "During the pandemic, Congress has been approving money for states that are struggling. But that could all end soon, thanks to Senate Majority Leader...Mitch McConnell. Yesterday, McConnell said that instead of getting any more money from the federal government, states should consider bankruptcy. Bankruptcy? Really? They're American states, not Trump casinos."

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Participates in a signing ceremony for H.R. 266, Paycheck Protection Program and Health Care Enhancement Act; receives a briefing on NASA COVID-19 Response; receives his intelligence briefing.
- Vice President Pence — No public schedule released.

US Senate:

- Senate on recess from 25 Mar – 4 May

US House:

- House of Representatives on recess from 30 Mar – 4 May

Cabinet Officers:

- No public schedules released

Visitors:

- No visitors scheduled

This Town:

- U.S. Supreme Court meets in private conference to discuss cases and vote on petitions for review

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, APRIL 21, 2020 6:00 AM EDT

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• Coronavirus-Related Cyberattacks Jump In April.

Leading National News

• Hassett: Q2 GDP Likely To Be "One Of The Biggest Negative Numbers" We've Seen.
• Researchers Predict Recession Will Cause Millions To Fall Below Poverty Line.
• Companies Reducing Executive Pay During Economic Downturn.
• Automakers, UAW Discussing Safety Measures To Reopen Plants.
• Boeing Among US Manufacturers Restarting Production.
• Amazon Workers Plan "Mass Call Out" To Demand Coronavirus Protections.
• Lord & Taylor Considers Filing For Bankruptcy Protection.
• NYTimes: "Essential" Workers Need Better Coronavirus Protections.
• Rubio: US Economy Must Be More Resilient.
• Trump Tweets He Will "Temporarily Suspend Immigration," Offers No Details.
• Trump Says Democrats Playing "Very Dangerous Political Game" With Testing.
• Trump To Meet With Cuomo At White House On Tuesday.
• Trump Congratulates Florida's The Villages.
• NYTimes Analysis: Trump Spreading "Anti-Government Message."
• WPost Examines Daily "Trump Show" Of Coronavirus News Briefings.
• O'Brien Outlines Administration's Key Coronavirus Decisions.
• Perdue: Infected Food Processing Workers Causes Concern Over Food Supply Chain.
• Wilkie Says VA Is Carefully Rationing Equipment To Meet COVID-19 Challenge.
• GAO Preparing At Least 30 CARES Act Audits.
• White House Tells Federal Agencies To Start Preparing To Reopen Offices.
• CMS To Require Nursing Homes To Provide Data On COVID-19 Cases, Deaths.
• CMS To Release Data On Medicare COVID-19 Patients In Early May.
• Politico Analysis: Administration Has Not Explained How It Will Pay For Coronavirus Treatment.
• Politico Analysis: Trump Has Not Touted Malaria Drug In Almost A Week.
• Pentagon Extends Troop Travel Restrictions Through June.
• Hospitals Moving Toward Restarting Elective Surgeries, Procedures.
• COVID-19 Causing Blood Clots, Heart Damage.
• Pandemic Disrupting Healthcare For Many With Other Health Problems.
• Vaccine Trials Being Run At Emory University Hospital.
• Some Areas Show Signs Of Worsening.
• Three Southern States Take Steps To Ease Lockdown Measures.
• Newsom Resists Calls To Ease Coronavirus Restrictions.
• Daily New York Deaths Below 500 For First Time Since April 2.
• Poll: Michigan Residents Prefer Whitmer's Coronavirus Handling Over Trump's.
• Trump Golf Tweeted Video Of Daly Saying Vodka Can "Kill This Coronavirus."
• Andrés Calls For Appointment Of Food Czar To Address Food Crisis.
• Zuckerberg: Facebook Can Help Provide Data To Combat COVID-19.
• Gates Asks To Serve Remaining Sentence At Home.
• DeVos: Communities, Educators Working Together To Continue Teaching Students.
• WPost Examines Giroir's "Ouster" From Texas A&M.
• Politico Analysis: Administration Reducing Surgeon General's Public Appearances.
• Supreme Court Rules State Juries Must Be Unanimous In Criminal Cases.
• Supreme Court Refuses Appeals From Death Row Inmates In Nebraska And Missouri.
• Drudge Denies Trump's Claim That He Is Losing Readers.
• NBC/WSJournal Poll: Biden Leads Trump 49%-42%.
• Trump Campaign Video Mocking Biden Features Faux Obama.
• Biden Raised $46.7M In March, Entered April With $26.4M.

CFTC-22-0351-A-001590

• Media Analyses: Democrats Disagree On Whom Biden Should Tap As Running Mate.
• Democrats Raised $533M Via ActBlue In Q1.
• RNC Raised $24M In March.
• Bloomberg Spent Over $1B On Presidential Bid.
• Politico Analysis: Senate Majority "Within Reach" For Democrats.
• Trump Tweets Endorsements Of GOP Candidates In CA25, WI7 Special Elections.
• WPost Urges Congress To Reform Postal Service.
• WSJournal Criticizes Removal Of Native American Woman From Land O'Lakes Package.
• RCP Average Has Trump's Job Approval At 46%.

Financial International News

• Georgieva: Developing Countries Will Likely Bear Worst Of Pandemic's Economic Impact.
• Malpass: Pandemic Has Caused "Deep" Recession, Hurting Poorest Countries Most.
• World Bank Projects First Global Poverty Jump Since 1998.
• Analysts Say Debt Relief For Developing Economies More Difficult Than It Sounds.
• Brazil Central Bank Says Bond-Buying Will Aim To Fix Market Dysfunction.

Leading International News

• WHO Chief: Nothing Hidden From Member States, CDC Experts.
• Navarro: China "Vacuumed Up" PPE After "Hiding" Outbreak.
• South Korea Relaxes Social-Distancing Rules.
• NYTimes Analysis: Most New Cases In Singapore Are Migrant Laborers.
• Number Of New Cases In Italy Continue To Fall.
• Rate Of New Infections In Spain Falling More Than Officials Anticipated.
• France's Death Toll Exceeds 20,000, But Hospitalizations And ICU Cases Continue To Fall.
• Johnson Accused Of Failing To Adequately Prepare UK For Pandemic.
• Germany Allows Small Shops To Reopen.
• Denmark Reopens Schools As Europe Eases Lockdowns.
• NYTimes Analysis: Death Toll In Turkey May Be Higher Than Publicly Stated.
• "Immunity Passport" To Allow Recovered Patients In Chile To Return To Work.
• India's Lockdown Eased To Allow Farms And Manufacturers To Reopen.
• Erdoğan Accuses Syria Of Violating Idlib Ceasefire.
• Amid Pandemic, US Warns Rivals Not To Seek Advantage.
• Reports: Kim Recovering From Cardiovascular Procedure.
• US Ambassador Denounces Russia's "Secret" Trial Of American Veteran Charged With Spying.
• Netanyahu And Gantz Form Power-Sharing Unity Government.
• Trudeau To Push Gun Control Following Mass Shooting.

Housing

• Sources: FHFA Considering Letting GSEs Buy Loans In Forbearance.
• MBA: Forbearance Level Rises To 5.95%.
• CMBS Borrower Relief Requests Climb; Requests From Borrowers With Freddie Mac Loans Spike 500 Percent.
• UI: Pandemic Starting To "Constrict The Mortgage Credit Box."
• Multifamily Financing
• LBA Ware Report: LO Commissions Soar In March.
• Remax: Annual Home Sales Rose In March.

Markets

• 10-Year Yield Falls.
• Dollar Edges Up Against Key Rivals.
• Gold Eases.
• WTI Rises, While Brent Falls.

Cybersecurity

• FBI Sees Cybercrime Reports Increase Fourfold During Pandemic.
• Trenton Police Suffers Two Cyberattacks In Last Six Months.
• FBI Warns About Sharing Personal Data On Social Media.
• FBI Warns COVID-19 Researchers Targeted By Foreign Hackers.
• Pandemic Spurring Cyberattacks On Hospitals, Infrastructure.
• Cybercriminals Target Bay Area Residents As Online Shopping Surges Amid Pandemic.

TFI/Sanctions

• Treasury Acknowledges Sanctions Compliance Difficulty Amid Pandemic.
• Chevron's Venezuela Waiver Set To Expire Wednesday.
• US Fast-Tracks Coronavirus Assistance To North Korea.
• Rouhani Denounces US Sanctions During Pandemic As "Barbaric Crime."

Federal Reserve

• Fed May Soon Expand Plans To Buy Municipal Bonds, Potentially Entering Fraught Territory.
• Chicago Fed's National Activity Index Falls To Recession Levels.
• Minneapolis Fed Research Shows US Shutdown May Be Twice As Strong As Necessary.

Internal Revenue Service

• IRS Focused On Coronavirus Relief Payments.

Office of the Comptroller of the Currency

• OCC Appoints Blake Paulson As New Chief National Bank Examiner.

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• Rep. Meeks: CRA Rewrite Would Increase Banking Deserts In Communities Of Color.
Editorial Wrap-Up
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Treasury in the News

Deal On Small Business Aid Not Yet Reached; Progressives Signal Their Opposition.

The AP (4/20, Yen, Mascaro) reports the Administration and Congressional leaders "indicated Monday they were working toward agreement on a coronavirus aid package the Senate could take up as soon as Tuesday, with more than $450 billion to boost a small-business loan program that's out of money, help for hospitals and virus testing." Treasury Secretary Steven Mnuchin – "the administration's point man in the talks with Democrats – said he was hopeful of a deal that could pass Congress quickly and get the Small Business Administration program back up by midweek." However, "optimism regarding an immediate deal was tempered."

Politico (4/20, Everett, Caygle, Levine, 4.29M) reports that "while Democrats and the Trump administration say they have nearly clinched a deal to provide roughly $300 billion in new money for the exhausted Paycheck Protection Program, there is still a fight behind the scenes on several key components." Politico says Democrats "have not relented on demands for more money for state and local governments, despite Republicans insisting that is a red line in the current talks." Politico adds that "there's angst among some progressives about the bill. Rep. Alexandria Ocasio-Cortez (D-N.Y.) said she will not support the deal."

Reuters (4/20, Chiacu, Cornwell) reports Democrats have "sought more funds for state and local governments and hospitals, as well as food aid for the poor." And "the lack of more funds for state and local governments was one reason a leading progressive Democrat...Ocasio-Cortez, said she expected to oppose the bill." CNBC (4/20, Pramuk, 3.62M) reports Speaker Pelosi and Senate Minority Leader Schumer have "argued for more funds for community-based lenders and Small Business Administration disaster assistance loans and grants." According to CNBC, "The developing deal would put $60 billion toward relief for rural and minority-owned businesses, and another $60 billion into the SBA's Economic Injury Disaster Loan program."

Bloomberg (4/20, House, Litvan, Wasson, 4.73M) reports that "a person familiar with the negotiations said Monday that Democrats and Republicans still had a disagreement over the formula to distribute health-care aid to the states. But House members have been put on notice of a possible vote on Wednesday, indicating leaders in both parties anticipate reaching an agreement." According to Bloomberg, Pelosi is "coming under pressure from her party's liberal wing to wring more concessions, including aid for state and local governments that the GOP is resisting putting in the package. 'It is going to be very difficult to support a package that doesn't have what we need in terms of help for state and local governments,' Pramila Jayapal, head of the Congressional Progressive Caucus, said on a conference call."

The Washington Post (4/20, A1, Werner, 14.2M) is reporting Pelosi "told lawmakers on a conference call Monday evening that she expected an agreement to be clinched within hours." The package includes $25 billion for testing, which it says "emerged on Monday as one of the last things to resolve." Schumer said Democrats want "free testing for all, and expanding reporting and contact tracing." However, according to the Post, Secretary Mnuchin "and other Trump administration officials were seeking a 'state-driven approach and flexibility,' according to a senior administration official." The Post adds, "The differing approaches echoed the dispute growing nationally, as governors blame the federal government for the shortage of tests, while President Trump and other administration officials insist there have been record numbers of tests performed and that governors need to try harder."

American Banker (4/20, Yacik, Subscription Publication, 31K), Fox Business (4/20, Henney, 1.73M), The Hill (4/20, Bolton, 2.98M), and Vox (4/20, Zhou, 2.27M) also report.

Revelations That Large Chains Got Money Meant For Small Businesses Sparks Outrage. The Washington Post (4/20, A1, O'Connell, 14.2M) reports that "the federal government gave national hotel and restaurant chains millions of dollars in grants before the $349 billion program ran out of money Thursday, leading to a backlash that prompted one company to give the money back and a Republican senator to say that 'millions of dollars are being wasted.'" According to the Post, "Thousands of traditional small businesses were unable to get funding from the program before it ran dry," and "as Congress and the White House near a deal to add an additional $310 billion to the program, some are calling for additional oversight and rule changes to prevent bigger chains from accepting any more money." The Post says Ruth's Chris Steak House, "a chain that has 150 locations and is valued at $250 million, reported receiving $20 million in funding from...the Paycheck Protection Program," and "the Potbelly chain of sandwich shops, which has more than 400 locations and a value of $89 million, reported receiving $10 million last week." Shake Shack, "a $1.6 billion burger-and-fries chain based in New York City, received $10 million." However, "after complaints from small business advocates when the fund went dry," Shake Shack "announced Sunday evening that they would return the money." Reuters (4/20, Bhalla, Balu) reports Secretary Mnuchin "in a tweet said he was 'glad to see' that Shake Shack would return the loan."

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The AP (4/20, Rosenberg, Dee) reports that "the government program, which is overseen by the Treasury and administered by the

Small Business Administration, limits loan recipients to businesses with fewer than 500 employees and revenue of less than $2.5 billion. But it makes an exception for restaurants and other food service businesses that employ fewer than 500 people per location, meaning that restaurant chains are as eligible for the loans as a neighborhood restaurant or bar."

The Hill (4/20, Elis, Lane, 2.98M) reports the Treasury Department "was still putting out rules and regulations the night before" the small business loan program "was set to launch. Banks and lenders struggled to adapt, and many initially offered the loans only to their existing clients, freezing out entire swaths of the business community." Democrats "have since called for rules that would ensure smaller, community banks, particularly those that service minority and underbanked populations, have a leg up in the lending process." The centrist Blue Dog Democrats wrote in a letter to Secretary Mnuchin on Monday: "If these smaller institutions are not able to help their communities, we fear the PPP will fail to achieve the goal of keeping small businesses afloat, and instead, leave small businesses and farmers in rural and underserved communities without access to necessary capital to survive."

CNBC (4/20, Hirsch, 3.62M) reports the retail industry "is reeling, as stores shutter and thousands of people lose their jobs while the coronavirus spreads." Now the Treasury Department "must decide whether the risk of the industry toppling is worth putting taxpayer money where many others would not." Secretary Mnuchin "has shown little appetite for risk and losses, even as he attempts to support a cratering economy." According to CNBC, the small business lending program's risk "will be borne by the Treasury Department, which is using taxpayer money to backstop the loan programs offered by the Federal Reserve." Mnuchin, "himself a former banker, has demonstrated limited tolerance for risk in the program and keen focus on ensuring taxpayers get their money."

Politico (4/20, Warmbrodt, 4.29M), The Financial Times (4/20, Politi, Fedor, Subscription Publication, 1.34M), American Banker (4/20, Prior, Subscription Publication, 31K), Fox Business (4/20, Gasparino, 1.73M), Law360 (4/20, Dixon, Subscription Publication, 8K), and Newsweek (4/20, Hutzler, 1.53M) also report.

Carranza: SBA, Treasury Working "Day And Night" To Add Lending Capacity. In an op-ed for USA Today (4/20, 10.31M), SBA Administrator Jovita Carranza said the SBA has approved 1.6 million forgivable loans since the launch on April 3 of the small business relief program. Carranza says the SBA "has been working day and night, seven days a week, to add capacity and to identify and correct technical challenges. We are working with the Treasury Department to provide legal and regulatory guidance to thousands of financial institutions and, most important, to maintain the overall functionality and stability of the program."

Treasury Reviewing Whether It Can Prevent Banks Seizing Stimulus Payments.

The Washington Post (4/20, Stein, Merle, 14.2M) reports that according to "a person familiar with the internal deliberations" at the Treasury Department, Treasury is examining "whether it has the legal authority to prevent banks and private debt collectors from seizing $1,200 government stimulus payments." The review comes amid a growing "blowback...over private lenders clawing back parts of the emergency financial relief package." The Post's source said the review is being conducted by the Department's legal counsel and it is unclear when a determination would be made. The Post says the Treasury Department "was warned weeks ago about the potential danger of letting the payments be siphoned off" after Sens. Sherrod Brown (D-OH) and Josh Hawley (R-MO) sent a joint letter to Treasury Secretary Steven Mnuchin "urging him to prevent the funds from going to private collectors settling prior debts." The Hill (4/20, Jagoda, 2.98M) also reports.

States Quickly Burning Through Unemployment Trust Funds. The Wall Street Journal (4/20, A1, Chaney, Subscription Publication, 7.57M) reports that an analysis of Treasury Department data shows states are rapidly burning through funds set aside for unemployment programs as millions of people apply for benefits. According to the Journal, since the end of February, nearly half of US states have seen double-digit percentage declines in their trust fund balances.

Tribe Representatives Urge Judge To Order Mnuchin To Send Relief Money Directly To Tribes.

Law360 (4/20, Westney, Subscription Publication, 8K) reports, "A group of federally recognized tribes urged a D.C. federal judge Monday to block any of the $8 billion allocated for tribes combating the coronavirus from going to Alaska Native corporations, saying the Treasury Department is planning to illegally send 'desperately needed funds' meant for tribal governments to the for-profit companies." Six tribes, three each from Alaska and the lower 48, "asked U.S. District Judge Amit P. Mehta for a preliminary injunction and temporary restraining order, after filing their suit Friday challenging Treasury Secretary Steven Mnuchin's plan to let the corporations, known as ANCs, share in $8 billion in direct tribal funding in the $2 trillion" CARES Act. The tribes' motion "urged Judge Mehta to order that Mnuchin this week send the entire $8 billion to the 574 federally recognized tribes, saying rapid action is needed because Treasury is expected to distribute the money by Friday." Mother Jones (4/20, 881K) also reports.

Treasury Says Paper Checks Are Already Being Sent Out.

ABC News (4/20, Vann, 2.97M) reports the Treasury Department "has confirmed that economic impact paper checks from the $2.2 trillion coronavirus stimulus relief package have already started going out and are in the mail." Treasury officials "are walking back Treasury Secretary Steven Mnuchin's comments at a White House gaggle with reporters where he said they would start going out 'next week.'" A Treasury Department spokesman told ABC in an emailed statement, "There is no delay whatsoever. We encourage people to go to IRS.gov/coronavirus/get-my-payment to sign up for direct deposit to get their payment fast. To the extent that paper checks are needed, millions of them are on the way, hitting mailboxes over the next few days if they haven't begun to arrive already." Axios (4/20, Knutson, 521K) and Fox News (4/20, Singman, 27.59M) also report.

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Coronavirus Relief Package Oversight Systems Said To Still Be Largely Dormant.

The Los Angeles Times (4/20, Haberkorn, 4.64M) reports that "oversight systems are still largely dormant for the $2 trillion in coronavirus economic relief passed by Congress last month, leaving gaping holes in accountability just as the Treasury Department prepares to give hundreds of billions of dollars in aid to corporations." Democrats' biggest area of concern "is the nearly $500-billion fund that the Treasury Department – with significant control by Secretary Steven T. Mnuchin – will use to buoy corporations." Moreover, critics "say the White House's frequent past refusals to respond to congressional inquiries make the oversight bodies' work all the more important."

Rubin: Trump Administration Displaying "Cavalier" Indifference To American Lives.

In her column for The Washington Post (4/20, Rubin, 14.2M), Jennifer Rubin writes President Trump has "for weeks now...led a jaw-dropping, cavalier display of indifference to human life. He has boosted efforts to characterize opening the economy – and tolerating covid-19 deaths on a possibly massive scale – as the lesser of two evils compared to a recession, an ideology shared by senior advisers and others, such as: Treasury Secretary Steven Mnuchin" and numerous others.

Businesses Welcome Delay In Tariff Payments, But Say More Relief Is Needed.

Reuters (4/20, Shalal, Mason, Ahmann) reports that retailers and business groups welcomed the Administration's decision "to allow importers to defer for three months any tariff payments they owe the government, but said they needed more tariff relief to deal with the pandemic." While the President signed an executive order Sunday "allowing deferral of payments of some tariff," the order "does not extend to importers of goods caught up in several trade conflicts, such as solar panels, steel, aluminum and a range of Chinese products," the Treasury Department said.

Treasury Department Has Disbursed $2.9B To Airlines.

Reuters (4/20, Shepardson) reports the Treasury Department "said on Monday it had disbursed $2.9 billion in initial payroll assistance to 54 smaller passenger carrier and two major passenger airlines, while it finalized grant agreements with six major airlines." Treasury said it had "finalized grant agreements with Allegiant Air, American Airlines Group Inc, Delta Air Lines Inc, Southwest Airlines Co, Spirit Airlines Inc, and United Airlines Holdings Inc." Bloomberg (4/20, Mohsin, 4.73M) also reports.

Coronavirus-Related Cyberattacks Jump In April.

The Hill (4/20, Miller, 2.98M) reports research released Monday by software group Check Point "found cyberattacks targeting COVID-19 relief checks shot up in recent weeks, while hackers in general continued using the ongoing pandemic prey on individuals." According to The Hill, "One key aspect of these attacks has involved targeting COVID-19 relief checks currently being sent out to the public by the Treasury Department as part of the $2 trillion stimulus package signed into law by President Trump last month." Check Point reported "seeing an average of 14,000 coronavirus-related cyberattacks per day over the past week, six times the average daily attacks seen in the second half of March." This number "jumped further to 20,000 attacks per day since April 7." The vast majority of these attacks "were through phishing emails, in which a hacker tries to tempt the individual targeted to click on a link or download an attachment in order to access their network."

Leading National News

Hassett: Q2 GDP Likely To Be "One Of The Biggest Negative Numbers" We've Seen.

Senior Adviser to the President Kevin Hassett said on Fox Business' Mornings With Maria (4/20), "I think it is quite likely that the second quarter is going to be one of the biggest negative numbers that we have ever seen and it is because we basically stopped the economy. I think the question is what happens to the quarters around that. ... Ultimately, I think what is going to happen is it is going to depend on bounce back. What we've done with all of these policies, is we have kind of built a bridge to the other shore. We don't know exactly where the other shore is, but hopefully we are going to get there soon and then once we get there because we built this good bridge, the hope that is we can take off pretty sharply right away."

Researchers Predict Recession Will Cause Millions To Fall Below Poverty Line.

The Washington Post (4/20, Ingraham, 14.2M) reports that Columbia University researchers are warning that "the coronavirus recession" is "likely" to "drive U.S. poverty rates to five-decade highs." The Post adds, "If unemployment hits 30 percent and stays there, as a recent Federal Reserve report has warned, one widely used measure of poverty would skyrocket more than 50 percent, from 12.4 percent to 18.9 percent, according to report by Zachary Parolin and Christopher Wimer at the Center on Poverty and Social Policy." According to the Post, "This would add more than 21 million people to the poverty rolls and mark the highest recorded poverty rate since at least 1967," and "even under a best-case scenario, where employment levels recover rapidly after the summer, 'the annual poverty rate will reach levels comparable to the Great Recession.'"

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Companies Reducing Executive Pay During Economic Downturn.

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The Wall Street Journal (4/20, Francis, Jones, Pulliam, Subscription Publication, 7.57M) reports that as companies have laid off workers and

reduced other costs during the economic downturn caused by the coronavirus pandemic, many have reduced the salaries of top leaders and given them new equity grants.

Automakers, UAW Discussing Safety Measures To Reopen Plants.

Reuters (4/20, Carey) reports Detroit automakers and the United Auto Workers "are in talks about safely restarting U.S. production halted by the coronavirus pandemic, but local union leaders said on Monday any workers who feel sick must be allowed to self quarantine without losing pay." While the parties have yet to announce a deal, "the Detroit automakers all are aiming to restart at least some U.S. assembly plants in early May." According to the article, "the safety practices and sick leave policies the automakers and the UAW agree to would offer a template for auto suppliers and potentially other manufacturing industries."

Boeing Among US Manufacturers Restarting Production.

The AP (4/20, Long) reports, "Boeing and at least one other U.S. heavy-equipment manufacturer resumed production" Monday. Boeing "said it is putting about 27,000 people back to work this week building passenger jets at its Seattle-area plants." In addition, Doosan Bobcat, "a farm equipment maker and North Dakota's largest manufacturer, announced the return of about 2,200 workers at three factories around the state." The companies "that start operating again are likely to engender good will with the Trump administration at a time when it is doling out billions to companies for economic relief." However, "reopening carries major risks, especially since people can spread the virus without even knowing they are infected."

Amazon Workers Plan "Mass Call Out" To Demand Coronavirus Protections.

CNBC (4/20, Palmer, 3.62M) reports on its website that Amazon warehouse workers are staging a "mass call out" this week to "call attention to what they call a lack of protections for employees who continue to come to work amid the coronavirus outbreak." According to the worker rights group United for Respect, "more than 300 Amazon workers across at least 50 facilities have signed up to take part in the protest." To participate, workers will call out of work "en masse across the country" starting Tuesday and through the week.

Lord & Taylor Considers Filing For Bankruptcy Protection.

Reuters (4/20, Dinapoli, Spector) cites "people familiar with the matter" who say Lord & Taylor is considering filing for bankruptcy protection "after it was forced to temporarily shut all of its 38 U.S. department stores in the wake of the coronavirus outbreak." Some of the sources said bankruptcy is one of several options under consideration along with "trying to negotiate relief from creditors and finding additional financing."

NYTimes: "Essential" Workers Need Better Coronavirus Protections.

The New York Times (4/20, 18.61M) says in an editorial that grocery store and warehouse workers deemed "essential" during the coronavirus pandemic "say not enough is being done to protect them from exposure." The Times says it is "apparent that not nearly enough is being done to protect these front-line workers, even as their continued labor ensures that a semblance of normality endures for their fellow Americans." The Times says OSHA "has taken a largely hands-off approach to the pandemic," and calls on the agency to "go beyond C.D.C. guidelines to require measures such as staggered shifts and lunch breaks and construction of barriers to protect employees in jobs like manufacturing and meatpacking that require close quarters." The Times concludes, "If the spread of the disease is to slow, millions of workers deserve far better protection."

Rubio: US Economy Must Be More Resilient.

In an op-ed for the New York Times (4/20, 18.61M), Sen. Marco Rubio (R-FL) writes that while "resilience is one of the defining traits of an American," it has been "absent from our public policy for too long. And this has become devastatingly clear in the current crisis." Rubio writes that "many of the serious problems we face originated in our economic relationship with China. ... For decades America made the conscious choice to facilitate offshoring to China. ... And look at what happened the moment the world faced a pandemic. ... Having monopolized those critical supply chains, the Chinese Communist Party pointed them inward." Rubio argues that America will overcome the pandemic, but "the society that follows should not be what it was before. ... We need a new vision to create a more resilient economy," including "the re-shoring of supply chains integral to our national interest – everything from basic medicines and equipment to vital rare-earth minerals and technologies of the future."

Trump Tweets He Will "Temporarily Suspend Immigration," Offers No Details.

President Trump tweeted at 10:06 p.m., "In light of the attack from the Invisible Enemy, as well as the need to protect the jobs of our GREAT American Citizens, I will be signing an Executive Order to temporarily suspend immigration into the United States!"

In its brief report, the AP (4/20) says Trump "offered no details as to what immigration programs might be affected by the order. The White House did not immediately elaborate on Trump's tweeted announcement." The Washington Post (4/20, Iati, Beachum, Taylor, 14.2M) similarly says, "It was not immediately clear what Trump was referring to or whether such an order would be possible."

NBC News (4/20, Stelloh, 6.14M) reports on its website, "Trump previously barred travel from China and Europe to stop the spread of

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the coronavirus." The New York Times (4/20, 18.61M) reports, "In recent weeks, the Trump administration has moved swiftly to bar asylum seekers and undocumented immigrants from entering the country, alarming immigration advocates who have said Mr. Trump and his advisers are using a global pandemic to further hard-line immigration policies." The Hill (4/20, Samuels, 2.98M) writes, "The decision to suspend all immigration is sure to draw fury from Democrats and immigrant rights groups, some of whom argue the president has continued to push controversial parts of his agenda even as the coronavirus pandemic receives the bulk of public attention."

Breitbart (4/20, Binder, 673K) says the "upcoming executive order to pause immigration to the U.S. is widely supported by American voters. An Ipsos poll released this month" found that 79 percent of Americans "want a full halt on immigration" to the US. Reuters (4/20, Singh), the Wall Street Journal (4/20, Ballhaus, Hackman, Subscription Publication, 7.57M), the Washington Times (4/20, Swoyer, 492K), and the Washington Examiner (4/20, Halaschak, 448K) also have very brief items on the tweet.

Trump Says Democrats Playing "Very Dangerous Political Game" With Testing.

On Twitter, President Trump said Monday, "Last month all you heard from the Radical Left, Do Nothing Democrats was, 'Ventilators, Ventilators, Ventilators.' They screamed it loud & clear, & thought they had us cold, even though it was the State's task. But everyone got their V's, with many to spare. Now they scream.... ... (4/20, 16.75M) 'Testing, Testing, Testing,' again playing a very dangerous political game. States, not the Federal Government, should be doing the Testing – But we will work with the Governors and get it done. This is easy compared to the fast production of thousands of complex Ventilators!"

On ABC World News Tonight (4/20, story 2, 2:50, Muir, 11.02M), Whit Johnson reported there is "growing consensus that the key to reopening the country is ramped-up testing." But across the nation, "the demand" is "outweighing the supply," and governors are "pleading for help." On the CBS Evening News (4/20, story 2, 1:45, O'Donnell, 5.74M), Weijia Jiang reported governors are "still begging the White House to help them get testing supplies. One senior official who works for a Democratic governor who listened in on that call said it is quote, 'insane and criminal the Administration is not doing more to help.'" However, "once again, the President said the burden is on the states."

The Hill (4/20, Samuels, Weixel, 2.98M) reports, "President Trump on Monday lashed out at governors who have clamored for more widespread coronavirus testing, accusing them of playing politics or simply being ignorant of resources in their own states." Trump and other Administration officials spent "a significant portion of the daily coronavirus press briefing to outlining efforts to scale up the production of testing materials as governors across the country warn more federal help is needed to increase capacity." According to the article, "the briefing at times appeared intended to rebuke the criticism directly, with Trump insisting his administration had already done a commendable job and that those who disagreed were trying to score political points."

The Washington Examiner (4/20, Halaschak, 448K) reports, "President Trump said his administration has provided governors with lists detailing information on laboratories and additional coronavirus testing sites after some 'didn't understand' their state's capacity." During a Monday news conference, Trump said, "Vice President Pence spoke with governors from all 50 states about our unified effort to defeat the virus. He had a great call. Prior to the call, we provided each governor with a list of the names, addresses, and phone numbers of the labs where they can find additional testing capacity within their states."

The Washington Post (4/20, Deyoung, 14.2M) reports that during the news conference, "Trump directed some of his ire" at Maryland Gov. Larry Hogan (R), the head of the National Governors Association, "who he said 'didn't understand much about what was going on' when he criticized the federal government's performance in addressing the testing issue." Pence "said he assured governors that there was sufficient testing capacity for all and that the federal government would continue to assist them 'in every way.'"

According to Politico (4/20, Cook, 4.29M), President Trump is "preparing for a long battle with America's governors to save himself from the political fallout from coronavirus." Politico says the President "has said the onus for reopening states lies with their leaders, but he has simultaneously tried to pressure governors into restarting businesses and relaxing health guidelines as soon as possible." Politico goes on to report that "senior administration officials and Trump advisers say the level of hostility between the president and governors will probably only increase in the coming days, in part because Trump sees so much political opportunity in stoking those divisions during his reelection campaign."

The New York Times (4/20, Rojas, 18.61M) reports, "Governors facing growing pressure to revive economies decimated by the coronavirus said on Sunday that a shortage of tests was among the most significant hurdles in the way of lifting restrictions in their states." In interviews on Sunday morning talk shows, governors "said they needed the swabs and reagents required for the test, and urged federal officials to help them get those supplies." They "bristled at claims from the Trump administration that the supply of tests was adequate."

The AP (4/20, Suderman) reports that "governors from both parties pushed back hard Monday after...Trump accused Democrats of playing 'a very dangerous political game' by insisting there is a shortage of tests for the coronavirus." According to the AP, the governors "countered that the White House must do more to help states do the testing that's needed before they can ease up on stay-at-home orders." The AP says the governors' "plea for stepped-up coordination came on the latest day when the Trump administration provided discordant messaging: Trump blasted state leaders on Twitter for being too dependent on federal government, while Vice President Mike Pence assured governors the government was working around-the-clock to help them ramp up testing."

The Washington Post (4/20, Nirappil, Cox, Vozzella, 14.2M) reports Hogan said Monday the state spent $9 million to acquire 500,000 test kits from South Korea over the weekend. Hogan "said he turned abroad in late March in the absence of support from the federal government, and was able after weeks of efforts to procure about one test for every 12 Marylanders. 'Hogan said the administration made it clear over and over again they want the states to take the lead and we have to go out and do it ourselves. So that's exactly what we did."

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The Wall Street Journal (4/20, Calfas, Calvert, Dvorak, Subscription Publication, 7.57M) reports New York on Monday began tests to help determine what percentage of its population has been infected. California Gov. Gavin Newsom (D) said the state aimed to run 25,000 tests per day by the end of the month.

Fauci: Expansion Of Testing Capacity Requires Federal-State Partnerships. Appearing on ABC's Good Morning America (4/20, 3.87M), NIAID Director Fauci said, "What we need to do is make a better connectivity with the tests that are available as well as the capacity that in some cases is not used, through no fault of the governor or the local people. There are now, or should be, between one and a half to two-plus million tests per week. There are people out there who say we need more, we need maybe two or three times that. We're striving for that goal, but in the meantime, with what we have, if it is used strategically, we feel we would be able to have most people enter into Phase One after they pass that 14-day gating period. ... We need a partnership between the federal government and the local people including the governors to help them get to things that they maybe may not have any access to."

Trump To Meet With Cuomo At White House On Tuesday.

Politico (4/20, Oprysko, 4.29M) reports President Trump "said he would meet with New York Gov. Andrew Cuomo (D) at the White House on Tuesday." Trump told reporters at a coronavirus news briefing Monday, "He's coming to the Oval Office tomorrow afternoon. Andrew is going to be coming in with some of his people so we look forward to that."

The New York Post (4/20, Bowden, Hogan, 4.57M) reports the meeting "comes after the two leaders traded blows on Friday – with Trump telling Cuomo he needed to do less complaining and get on with his job. An angry Cuomo immediately snapped back, throwing the president's projections back at him and mocking him for his stint as the host of 'The Apprentice' TV series."

Trump Says He Is Working With Walz To Provide Him With Everything He Needs. On Twitter, President Trump on Monday said he had "a very nice call" with Minnesota Gov. Tim Walz (D). Trump continued, "We are working closely on getting him all he needs, and fast. Good things happening!"

Trump Congratulates Florida's The Villages.

On Twitter, President Trump said Monday, "Congratulations to all of my many friends at The Villages in Florida on having done so well, and with such great spirit, during these rather unusual times. So proud of everyone! Mark Morse & Gary Lester have really stepped up to the plate. Hope to see everyone soon."

NYTimes Analysis: Trump Spreading "Anti-Government Message."

Under the headline "Trump, The Head Of Government, Leans Into An Anti-Government Message," the New York Times (4/20, Haberman, 18.61M) reports that "with his poll numbers fading after a rally-around-the-leader bump as the coronavirus spread, the president is stoking protests against stay-at-home orders and nursing grievances." The Times says that "in the past few days, President Trump has nurtured protests against state-issued stay-at-home orders aimed at curtailing the spread of the coronavirus." The Times adds that "when Mr. Trump on Friday tweeted 'LIBERATE,' his all-capitalized exhortations against strict orders in specific states – including Michigan – were in keeping with how he ran in 2016: saying things that seem contradictory, like pledging to work with governors and then urging people to 'liberate' their states, and leaving it to his audiences to hear what they want to hear in his words."

Reuters (4/20, Layne, Goldberg) reports New York Gov. Andrew Cuomo (D) "said on Monday he understood why some people were protesting against the lockdowns imposed to stem the coronavirus outbreak, but said restrictions must be lifted in a way that prevented further outbreaks. ... 'You don't need protests to convince anyone in this country that we have to get back to work and we have to get the economy going and we have to get out of our homes. Nobody,' Cuomo told a daily briefing."

Networks Draw Attention To Polls Showing Strong Support For Social Distancing. In the lead story for CBS This Morning (4/20, 3.01M), Gayle King reported, "Over the weekend, America surpassed 759,000 reported cases of this virus. The reported nationwide death toll is now more than 40,000, and that's nearly double what it was a week ago." Anthony Mason reported that "despite those terrible numbers, the economic strain is driving some Americans to protest stay-at-home orders. But there are questions about how the rallies consisting largely of the President's supporters were organized." Mason added, "Florida is already moving to reopen nonessential businesses." Manuel Bojorquez reported from Miami, "Many of those protesters across the country say for them, this is about civil liberties, but, at the end of the day, a lot of it is also about jobs. And as the lockdowns linger, the demonstrations continue to grow. ... President Trump weighed in on the protests during his Sunday White House briefing."

On ABC's Good Morning America (4/20, 3.87M), Whit Johnson reported that "frustration is boiling over. Protests erupting coast to coast with calls to end stay-at-home orders. Thousands lining the streets of Wisconsin. ... Rallying cries from Washington to Colorado to Maryland." At the opening of NBC's Today (4/20, 3.64M), Hoda Kotb said, "The death toll topped 40,000 in the US, with more than 755,000 confirmed cases. Despite that surge, protests against stay-at-home orders have expanded to more than a dozen states, including a large rally in Colorado yesterday that saw demonstrators being confronted by health care workers." Kotb added that a new NBC News/Wall Street Journal poll found that "58 percent of voters worry the US will move too quickly to loosen restrictions leading to another spike in cases and deaths."

Conway: Protesters Are The "Forgotten Men And...Women Economically." Appearing on Fox News (4/20, 896K), White House

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Counselor Kellyanne Conway said, "First and foremost, we want people to adhere to the COVID-19 guidelines. People should read those guidelines. We need physical distancing of six feet. ... But at the same time some of this governors have physically distanced from common sense. In Michigan, you can basically smoke grass but not cut your grass. This doesn't make sense to many people. ... This is not fomenting domestic rebellion."

The New York Post (4/20, Golding, 4.57M) reports Conway said, "I look at those people and I see the forgotten men and forgotten women, economically." Conway continued, "They're saying, 'Look, I'm in a low-infection area, I'm asymptomatic, not exposed, I want to get back to work.'"

Fauci Warns Reopening Too Early Could Crush Any Economic Recovery. Bloomberg (4/20, 4.73M) reports that in an appearance on ABC's Good Morning America, NIAID Director Fauci "pushed back against protesters demonstrating against stay-at-home orders, saying the U.S. economy won't recover until the virus is 'under control.'" According to Bloomberg, Fauci "said his message to the protesters is that 'this is something that is hurting from the standpoint of economics' but that re-opening too soon could cause even more harm." Fauci is quoted as saying, "Unless we get the virus under control, the real recovery economically is not going to happen. ... So what you do if you jump the gun and go into a situation where you have a big spike, you're going to set yourself back."

Reuters (4/20, Renshaw, Resnick-Ault) also reports that Fauci "told ABC News there would be no real economic recovery until authorities got the virus under control and that jumping the gun could lead to a big spike in cases. 'It's going to backfire, that's the problem,' he said."

Protests Demanding End To Coronavirus Restrictions Intensify. Reuters (4/20, Renshaw) reports, "The U.S. debate over when to lift restrictions to curb the coronavirus outbreak intensified on Monday, with protesters describing mandatory lockdowns as 'tyranny' and health workers and officials portraying them as a matter of life and death." President Trump "has said state governors should have the final say but has favored an early end to the lockdowns, and many protesters in the past week have sported pro-Trump signs and campaign gear." Reuters adds that "Republican lawmakers in several states have also backed the protesters, some of whom have failed to wear face masks and practice the social distancing that health officials say is key to getting the virus under control."

On NBC Nightly News (4/20, story 2, 1:50, Holt, 7.96M), Stephanie Gosk reported protests have "spread across the country. In some cases, organized by anti-government groups, anti-vaxxers, and gun rights activists." Gosk added, however, "there are also those who show up to the protests to express real concerns about the economy and the toll the shutdown is already taking on their families."

About 2,000 Rally In Support Of Lifting Coronavirus Restrictions In Pennsylvania. USA Today (4/20, Jansen, 10.31M) reports, "About 2,000 people honked, cheered and jeered against coronavirus restrictions Monday in Harrisburg, Pa., the latest and one of the largest rallies in a growing movement nationwide against governors balancing healthcare and economic concerns." The Harrisburg (PA) Patriot-News (4/20, Marroni, 427K) reports the Reopen PA rally was held to call on Gov. Tom Wolf (D) "to allow businesses to reopen and people to go back to work, but organizers say it was also an exercise in civil liberties, and that they have the right to gather, despite stay-at-home orders." Several Republican lawmakers "spoke at the rally, too, calling for Wolf to either roll back his restrictions or sign the Senate bill that would reopen a significant number of businesses across the state – a bill Wolf pledged to veto."

Kentucky Sees Highest Increase In Coronavirus Infections After Lockdown Protests. The New York Post (4/20, Salo, 4.57M) reports, "Kentucky experienced its highest single-day spike in coronavirus cases after protests broke out in the state to lift lockdowns, according to reports." Kentucky Gov. Andy Beshear (D) "announced there were 273 new cases Sunday, bringing the total to 2,960, news station WCPO reported." The article adds that "it's unclear whether the protests had any impact on the surge of deaths reported Sunday in the state."

Wyoming Urging Caution As Protests Call For Coronavirus Restrictions To Be Lifted. The Washington Post (4/20, Klemko, 14.2M) reports that while coronavirus "has been linked to more than 42,000 U.S. deaths, there were protests" in Cheyenne, Wyoming on Monday "arguing that all restrictions should be lifted in the Cowboy State, which has seen the lowest number of confirmed cases" and deaths in the country "in part because of its low population and wide open spaces." Still, amid "rising calls for a return to normalcy, there are notes of caution, as the state has experienced a few worrisome outbreaks."

Facebook Removes Pages Of Anti-Lockdown Protest Organizers. Politico (4/20, Overly, 4.29M) reports that Facebook is "blocking anti-quarantine protesters from using the site to organize in-person gatherings that violate states' stay-at-home orders – a move that had brought an immediate backlash from conservatives including" Donald Trump Jr. and Sen. Josh Hawley (R-MO). According to Politico, Facebook "has removed protest messages in California, New Jersey and Nebraska from its site, a company spokesperson said Monday, after days of rallies across state capitals where protesters – many carrying pro-Trump signs – called for an end to the health restrictions." Politico reports that a Facebook spokesperson "said that 'events that defy government's guidance on social distancing aren't allowed on Facebook' and had been removed following guidance from individual states."

WPost: Trump Recklessly Endangering Lives With Call To "Liberate" States. In an editorial, the Washington Post (4/20, 14.2M) says President Trump was "exceedingly reckless to incite protests with three tweets on Friday saying 'LIBERATE' Michigan, Minnesota and Virginia, all of which have Democratic governors." By doing so, Trump "undermined his own published public health guidelines and his own reopening plan." The Post raises concerns "his comments could inspire additional disobedience and spark new outbreaks and another round of restrictions that would be even harder to impose." In contrast, the Post says, "a responsible leader would express empathy with the millions of Americans who have followed the rules, reinforce why they are necessary and offer reasonable expectations about what comes next. To fail at this is to fail at a central function of the presidency."

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WPost Examines Daily "Trump Show" Of Coronavirus News Briefings.

In a fairly critical 2,100-word feature, the Washington Post (4/20, Zak, Terris, Ellison, 14.2M) examines the evening "Trump show" that begins each afternoon around 5 p.m. as the President begins his daily coronavirus news briefing. The Post writes, "Theaters are closed, sports are iced, the news has tunnel vision, and Donald Trump has a captive audience. TV viewership for these briefings has sometimes exceeded 10 million. ... The briefing is also a pity party, a patriotic pep talk, a media scrum, a tantrum, a sermon, a mood ring, an infomercial, an airing of grievances, a rally without ralliers, a wrestling match without chokeholds, a glimpse of an alternate reality, a hard look at actual reality, and a jargon-filled lecture on epidemiology."

Eugene Robinson writes in his Washington Post (4/20, 14.2M) column, "In theory, regular updates from the commander in chief at a time of grave crisis could help forge national unity and resolve." But Trump's "daily 'briefings'...offer an unprecedented challenge to both the media and the general public. If journalists take seriously our responsibility to report truth rather than falsehoods, we need to devise some sort of filter."

O'Brien Outlines Administration's Key Coronavirus Decisions.

National Security Adviser O'Brien, in a Wall Street Journal (4/20, Subscription Publication, 7.57M) op-ed, lists seven key decisions he says the Administration has made since January to stem the spread of the coronavirus, including barring foreign nationals who had recently been in China from entering the US, the initial "15 Days to Slow the Spread" initiative, and making remdesivir available to patients in emergency situations and in a clinical trial.

Perdue: Infected Food Processing Workers Causes Concern Over Food Supply Chain.

Agriculture Secretary Perdue was asked on Fox News' Your World (4/20, 1.04M) about concerns over the safety of the food supply given that workers in food plants have contracted the coronavirus. Perdue said, "The health of the workers is paramount. That is what companies have been doing, trying to protect their workers. ... These companies are providing barriers in between the workers, face shields and other protective equipment for them. But there is a concern over the food supply chain. If we don't have enough food processing workers to manage these plants, then that backs up our food supply." Perdue made similar comments on Newsmax TV (4/20, 431K).

Coronavirus Outbreaks Shut Down Meat Plants. The Minneapolis Star Tribune (4/20, Hughlett, 1.04M) reports JBS USA "said Monday it is indefinitely idling its sprawling Worthington pork plant, laying off over 2,000 workers and dealing a big blow to Minnesota's hog farmers." It became the latest meat processor "to temporarily close after COVID-19 began racing through many facilities." On Saturday, Hormel Foods "closed two plants, one each in Kansas and Illinois."

On NBC Nightly News (4/20, story 6, 2:25, Holt, 7.96M), Blayne Alexander spoke with a worker at the Smithfield pork processing plant in South Dakota, which is "now a coronavirus hot spot, linked to nearly 900 cases." The worker described the conditions at the facility, saying that practicing social distancing is "nearly impossible," according to Alexander.

On ABC World News Tonight (4/20, story 5, 1:55, Muir, 10.32M), Matt Gutman reported "employees who say they might have to go back to work" at the Smithfield plant "or plants across the Midwest tell us they're concerned of additional outbreaks, that they could be infected by fellow employees who are asymptomatic."

Coronavirus Impacts Packaged-Food Production. The Wall Street Journal (4/20, Newman, Gasparro, Subscription Publication, 7.57M) reports the pandemic has resulted in packaged-food plant closures and infected farmworkers at a time when demand for foodstuffs is increasing. Production at facilities for Frito-Lay, Kraft Heinz, Conagra, Cargill, JBS, and Empire Kosher Poultry have all been impacted by infected workers. Farmworkers that supply packaged-food companies are also falling ill.

Wilkie Says VA Is Carefully Rationing Equipment To Meet COVID-19 Challenge.

NPR's All Things Considered (4/20) reported that VA Secretary Wilkie says the VA is "competing for the same scarce resources as the rest of the country and the world." Wilkie: "As the national emergency kicked in, the normal supply chains that we have dried up." NPR added that Wilkie "says no VA hospital has run out but that's because the VA has been forced to carefully ration equipment." Wilkie: "For those who are on the front lines in the emergency rooms and the COVID wards, who are in the nursing homes, they have the normal supply of equipment. It is those who do not have that direct contact with patients that we've asked to follow CDC guidelines." Wilkie added that "in following those CDC guidelines we are ensuring that those on the front lines have what they need. Does everyone in hospital have all of the changes in gear that we would have in a normal situation? No."

GAO Preparing At Least 30 CARES Act Audits.

Politico (4/20, Cheney, 4.29M) reports that Congress "handed" President Trump "$2 trillion in coronavirus relief – and then left town without activating any of the powerful new oversight tools meant to hold his administration accountable." However, the Government Accountability Office, "with little fanfare...is preparing a blizzard of audits that will become the first wide-ranging check on Trump's handling of the sprawling national rescue effort." Politico says that "by the end of April, at least 30 CARES Act reviews and audits...are expected be underway, according to interviews with senior investigators."

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White House Tells Federal Agencies To Start Preparing To Reopen Offices.

Bloomberg (4/20, Sink, 4.73M) reports the White House "ordered federal agencies on Monday to begin preparing to return workers to offices, telling them to align their coronavirus reopening plans with those of the states and municipalities where they're located." OMB Director Vought wrote in a memo, "Agencies are encouraged to allow federal employees and contractors to return to the office in low-risk areas." However, "the memo said to allow employees to work from home until state and local authorities begin reopening their economies under the three-phase plan the White House outlined last week."

CMS To Require Nursing Homes To Provide Data On COVID-19 Cases, Deaths.

The Washington Post (4/20, Cenziper, Jacobs, Mulcahy, 14.2M) says almost "one in ten nursing homes in America has a publicly reported case of the coronavirus, a count that has soared in the past three days as several hard-hit states released the names of facilities after weeks of pressure from families, journalists and watchdog groups." Data compiled by the Post indicate more than 1,300 nursing homes have reported a death linked to COVID-19. The total figure is in the thousands. On Sunday, the Centers for Medicare & Medicaid Services "announced new reporting requirements, mandating that nursing homes inform residents, their families and the federal government" about cases of COVID-19. And on Monday, CMS Administrator Verma said "the data, including deaths among residents and staff members, would be publicly released 'in short order.'"

The AP (4/20, Choi) reports that, referring to nursing homes as "ground zero of the coronavirus crisis, federal officials said Monday they plan to start tracking and publicly sharing information on infections and deaths in such facilities to help spot trends and early signs the virus is spreading in communities." This "move comes as critics, industry officials and local leaders have called for more aggressive actions by the federal government to track infections in homes and contain outbreaks by helping them get greater access to testing and masks, especially given the vulnerability of elderly residents." Commenting on the matter, Verma said, "It's our intention to make that information public." The AP says its own analysis has found "at least 8,426 deaths linked to coronavirus outbreaks in nursing homes and long-term care facilities nationwide."

CDC Says Nursing Home Workers Diagnosed with COVID-19 Can Return To Work. The CBS Evening News (4/20, story 6, 2:20, O'Donnell, 5.74M) reported the CDC is "taking a controversial step to try and ease staff" shortages at nursing homes. CBS' Jonathan Vigliotti said "COVID-positive health workers could be allowed to return to their jobs as last resort." Vigliotti added that the CDC says "it is now up to nursing homes to decide to let sick staff back to work, but without proper PPE, how they will do so safely remains unclear."

CMS To Release Data On Medicare COVID-19 Patients In Early May.

CQ Roll Call (4/20, Clason, 154K) reports CMS Administrator Verma told reporters Monday that "data on the ethnicity of COVID-19 Medicare patients will likely be released in early May." Verma said the Medicare "billing code for COVID-19 only went live on April 1," so it will not be till early May that there will be "data that are sufficient to evaluate and publish."

Politico Analysis: Administration Has Not Explained How It Will Pay For Coronavirus Treatment.

Politico (4/20, Luthi, Roubein, 4.29M) reports that "over two weeks ago," the White House "pledged...to cover coronavirus treatment for uninsured Americans – but the administration still doesn't have a plan for how to do it." According to Politico, "Trump officials are still grappling with key questions about how exactly to implement the treatment fund, including how to determine if a patient qualifies for the new federal dollars, an administration source said." Politico says "there was little time to fully vet the plan before President Donald Trump announced it earlier this month," and the Administration "still hasn't explained how the federal government will pay out a separate funding pot covering diagnostic testing for uninsured Americans," which was "approved a month ago by Congress, about two weeks before the administration also promised to cover treatment for the uninsured."

Politico Analysis: Trump Has Not Touted Malaria Drug In Almost A Week.

Politico (4/20, Forgey, 4.29M) says President Trump "and his allies in conservative media have subtly scaled down their hyping of hydroxychloroquine as a potential cure for the coronavirus." According to Politico, "Although Trump had repeatedly promoted the decades-old malaria drug since the early days of the disease's outbreak in the United States, his public statements regarding hydroxychloroquine have diminished significantly over the past week for reasons that remain unclear." Politico says Trump's "most recent mention of the drug at the White House's daily coronavirus news conferences came last Tuesday, when the president announced his administration had deployed roughly 28 million doses of hydroxychloroquine from the federal government's Strategic National Stockpile."

Pentagon Extends Troop Travel Restrictions Through June.

The AP (4/20, Burns) reports, "The Pentagon is extending military travel restrictions through June, indicating a concern that the coronavirus remains a threat to troops even as the Trump administration pushes for some states to begin opening up in May." The restriction, which Defense Secretary Esper "ordered in March, had been set to expire May 11."

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Pentagon Expecting Three-Month Delay On Major Projects. The Washington Times (4/20, Glenn, 492K) reports, "Pentagon

officials anticipate a three-month delay across several of its big-ticket projects as a result of the manufacturing closures brought on by the coronavirus pandemic." Ellen Lord, the Defense Department's acquisitions chief, on Monday "told reporters the impact is hitting both the largest defense contractors and smaller vendors." Lord "said 106 major companies and 427 vendor-based operations had to shut down."

Hospitals Moving Toward Restarting Elective Surgeries, Procedures.

The Washington Post (4/20, Sellers, Goldstein, Bernstein, 14.2M) reports that "some hospitals in communities less affected by coronavirus moved cautiously Monday toward resuming non-emergency surgeries and procedures – a hopeful sign for patients awaiting that care and a medical system badly in need of the revenue those services provide." Acting on guidance released Sunday night by federal officials, medical centers with relatively few COVID-19 patients "readied some cancer, heart and other care that has been postponed by a nationwide call to halt such procedures." CMS Administrator Verma said, "This is a phased process." She "noted the recommendations are intended for communities where the incidence of COVID-19 is low, new cases are relatively sparse, and hospitals have adequate capacity in case of a surge." She also "emphasized the decision whether to resume elective work rests with state or local officials."

Emergency Physicians Having Pay Cut As Hospitals Lose Money From Postponed Elective Procedures. The CBS Evening News (4/20, story 7, 2:00, O'Donnell, 5.74M) reported, "We spoke with ER doctors in nearly a dozen states who say they're taking pay cuts of up to 40 percent. The American College of Emergency Physicians says cutting benefits and shifts could force some emergency rooms to shut down." CBS (Battiste) added, "Thousands of hospitals across the country [are] losing money fast. Most make half or more of their revenue from elective procedures, which have been put on hold. Add to those losses at least a 30 percent decline in emergency room visits."

COVID-19 Causing Blood Clots, Heart Damage.

ABC World News Tonight (4/20, story 4, 1:50, Muir, 10.32M) reported on "growing data that" COVID-19 "also could have an effect on the heart." ABC's Steve Osunsami added, "Doctors trying to save the lives of patients fighting the coronavirus are seeing more of what happened to Broadway actor Nick Cordero, a blood clot, that in his case cost the Tony nominee his right leg." ABC continued that in addition to blood clots, "we're also learning that the virus itself can do damage to the muscle layers of the heart." Because of the danger of clots, Spanish physicians have begun "prescribing blood thinners to all patients who are admitted to hospital with COVID-19. Here in the US, many hospitals tonight are choosing to do the same thing."

Pandemic Disrupting Healthcare For Many With Other Health Problems.

The New York Times (4/20, Grady, 18.61M) reports that as the pandemic overwhelms the healthcare system, many people with other health problems are struggling to receive treatment. The Times quotes physicians describing how the pandemic is interfering with patient care and shares stories of people who have died while awaiting treatment that was delayed due to the pandemic. For example, earlier this year, Patrick Carr "suffered a relapse of the blood cancer that he has had for eight years," and later died as blood supplies were being rationed in Philadelphia "and he couldn't get enough of the transfusions needed to alleviate his anemia and allow chemo to begin." Maria Kefalas, Carr's widow, says the pandemic "expedited his death."

Vaccine Trials Being Run At Emory University Hospital.

NBC Nightly News (4/20, story 8, 2:00, Holt, 8.35M) reported, "In the search for solutions, tonight, we're going inside the race for a vaccine." NBC (Costello) added, "At Emory University Hospital in Atlanta, volunteers are receiving the first injections for a potential vaccine against COVID-19." NBC continued, "researchers think they could have a COVID-19 vaccine for widespread rollout in 12 to 18 months." At present, "there are dozens of vaccine candidates with two clinical trials underway in the US." NBC concluded, "Because the study seems to be going well, researchers are now opening the study up to elderly participants, as well."

Some Areas Show Signs Of Worsening.

The New York Times (4/20, 18.61M) reports some regions are showing "signs that things are getting worse, not better," including Massachusetts, Chicago, and Los Angeles County. Also, "there have been significant workplace-based clusters in Iowa, Kansas, Minnesota, North Dakota, South Dakota, Tennessee and other states, suggesting that the pandemic is just beginning to sink into some communities." Additionally, "nursing homes and prisons also continue to be hot spots."

Coronavirus Cases In Massachusetts Surge. The AP (4/20, Richer) reports, "Massachusetts has become a hot spot of coronavirus infections, drawing the concern of federal officials and promises of aid from hard-hit New York as the state's death toll prepares to double in less than a week." COVID-19 fatalities are "expected to surpass 2,000 this week in Massachusetts, where officials are scrambling to boost hospital capacity and trace new infections to curb the spread of the disease." Vice President Pence "said the White House is closely watching the Boston area, and the coordinator of the federal coronavirus task force, Dr. Deborah Birx, said officials are 'very much focused' on Massachusetts."

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Three Southern States Take Steps To Ease Lockdown Measures.

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On NBC Nightly News (4/20, lead story, 3:10, Holt, 7.96M), Miguel Almaguer reported "the fight over how and when to safely reopen the

country" is "intensifying ten days before the national guidelines on staying home are set to expire." ABC World News Tonight (4/20, lead story, 3:40, Muir, 10.32M) reported, "The President saying we're going to have an economic resurgence. He said it's critical to continue the medical war, but we must to reopen carefully, and Americans should follow the guidelines." On the CBS Evening News (4/20, lead story, 4:40, O'Donnell, 5.74M), Janet Shamlian reported the moves to reopen come "amid increasing protests across the country, people demanding their economies reopen."

The New York Times (4/20, 18.61M) reports South Carolina "allowed retail shops to open on Monday with social distancing guidelines, and the governors of Georgia and Tennessee announced plans to ease restrictions on businesses in their states in the coming days." South Carolina "allowed retail shops ranging from department stores to flea markets to reopen Monday afternoon, shortly after" Gov. Henry McMaster (R) "signed an executive order reversing some of the closings he ordered earlier this month." According to the Times, "Tennessee's stay-at-home order will expire April 30, allowing most businesses there to reopen on May 1," Gov. Bill Lee (R) said on Monday. Georgia "will allow gyms and other indoor facilities to open later this week," said Gov. Brian Kemp (R), "who made a point to say that local officials would not be able to impose their own rules."

Some South Carolina Business Allowed To Begin Reopening. The Columbia State (4/20, Schechter, Bustos, 390K) reports, "Rolling back an executive order issued just two weeks ago to curb the spread of the coronavirus," McMaster on Monday "reversed restrictions on some businesses, allowing some retail stores to reopen as state public health officials continue to fight the novel virus that has so far claimed more than 100 lives in the state." McMaster described "the move that took effect Monday" as "a gradual step, saying repeatedly during a press conference that data and science are guiding him." However, when "asked by reporters on Monday to elaborate on what data and evidence specifically are informing officials that reopening some businesses is a safe for the public," McMaster responded "the public's 'compliance' with social distancing recommendations and South Carolinians' 'common sense' were guiding his decision, not any specific data point."

Many Tennessee Businesses To Reopen Next Week. The Tennessean (4/20, Allison, 458K) reports Lee "announced Monday that his stay-at-home order will not be extended past April 30, and that some businesses around the state will begin reopening next week." He did not say "what types of businesses will be targeted to reopen first next week." However, "the green light to quickly reopen businesses doesn't necessarily extend to Tennessee's largest cities, where local authorities must still determine when restrictions can be eased."

Georgia To Allow Some Businesses To Reopen. The Atlanta Journal-Constitution (4/20, Bluestein, 895K) reports Kemp "outlined plans Monday to allow some businesses shuttered amid the coronavirus pandemic to reopen by the end of the week, as he starts to ease restrictions that have ravaged the state's economy to stem the spread of the disease." Kemp's "order will allow gyms, bowling alleys, salons and some other indoor facilities closed under his shelter in place order to resume operations by Friday if they comply with social distancing requirements and meet other safety standards." Also restaurants, "which were banned from in-person dining, will be allowed to reopen on April 27 if they meet guidelines his office will release later this week."

Florida Governor Looks To Reopen Economy. The Washington Post (4/20, Rozsa, 14.2M) reports Florida Gov. Ron DeSantis (R) is "in a hurry to open the state for business and gave a specially appointed committee five days to come up with ways to do it." DeSantis on Monday "announced a 'Re-Open Florida Task Force' as a stay-at-home order due to the novel coronavirus is set to expire." DeSantis "said Florida can 'bounce back in a very thoughtful, safe, and efficient way,' and having fast, reliable coronavirus tests available is the key to doing so." He mentioned that President Trump had "floated the possibility of sending DeSantis a rapid testing machine, which states have been desperately trying to procure."

Scalia: States Should Be Start Preparing For Reopening Economies Using White House Guidelines. Labor Secretary **Scalia** said on the Larry O'Connor Show (4/20) that the President's guidelines for reopening the economy is "really an excellent document that sets forth a process based on the data that governors can use to take stock of illness levels and what their hospital capacity is and the like and then gradually us getting back open to business. We know that some governors of feel ready to go and obviously we are we're looking toward others moving forward as soon as it's safe to do so." Scalia added, "It's certainly time for everybody to be planning for the day when we get these places back open and that's what the President has laid out."

Adams Urges States To Reopen In Phases. In an interview with Sinclair Broadcasting Group (4/20, 40K), Surgeon General Adams was asked if he is concerned that discussing moving through the phases of reopening the economy will cause people to believe they can begin relaxing the rules. **Adams** said, "To be perfectly honest with you, that is going to be a worry, but that is going to happen whenever we decide to reopen. So, we have to make sure we are messaging the people that look, this is a thought process we are going through right now. This doesn't mean go out and shoot hoops. It doesn't mean go out and get together in these large gatherings." Asked about the protests occurring around the country, **Adams** said, "The right to protest is one of the most cherished rights in our country. But if you are going to do it, please, for heaven's sake, do it in a safe manner."

Nexstar Media Group (4/20, 46K) correspondent Jessie Turnure reported that Adams "is urging governors to reopen their states in phases." **Adams**: "That's how we deal with resurgences." Turnure added, "Last week, the Trump Administration said states should reopen when they have adequate testing, contact tracing and healthcare capacity." **Adams**: "To make sure when these blips occur, we can quickly deal with them and they don t turn into large outbreaks." Turnure added, "Once more of the country starts to reopen, the Surgeon General worries about divisions growing between groups of various risk factors." **Adams**: "We don't want to stigmatize anyone for having the virus or not having the virus." Turnure also reported, "Adams says it is still unknown whether antibodies will protect people from the virus for a few months, a few years or for the rest of their life." **Adams**: "That, again, is why we can't rely solely on an antibody test or a singular test to say,

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look, you're safe, you can go back to what you were doing before."

Adams told Gray Television (4/20, 49K), "There is not just one test. It is making sure we have surveillance for influenza-like activity like we do for the flu. It is making sure we have diagnostic testing for people who have symptoms. It is making sure we are testing people who are asymptomatic in certain areas, that we are doing sampling so that we know what the spread is like even among people who are not symptomatic. And it is antibody testing. So, there is going to be a package that communities need to look at based on their burden of disease to figure out a comfort level with reopening."

Hearst Television (4/20, 87K) correspondent Sally Kidd reported, "Governors from both parties continue to plead for federal help in meeting supply-chain demand for testing materials. ... Adams says the Administration is working on it." **Adams:** "What happens in Omaha, Nebraska is going to look different from what happens in New York City. So, it really has to be locally led, but it has to be federally supported. I don't want to anyone to hear me saying that the federal government doesn't have a strong responsibility and role here."

Newsom Resists Calls To Ease Coronavirus Restrictions.

The Los Angeles Times (4/20, Willon, 4.64M) reports California Gov. Gavin Newsom (D) on Monday "acknowledged that pressure from Californians and local governments is building to modify the statewide stay-at-home order carried out to stem to spread of the coronavirus, but he said restrictions will remain in place until the threat to public health subsides and adequate testing and other safeguards are implemented." He "said that while areas across the state have been affected differently by the pandemic, the 'virus knows no jurisdiction, knows no boundaries' and could easily spread into neighboring counties if restrictions are eased prematurely." Newsom "promised that his administration will discuss each" request "with local officials 'to make sure it's a health-based decision. Not any other type of decision-making. Health first, science and data. Everything else follows from that.'"

Daily New York Deaths Below 500 For First Time Since April 2.

The New York Times (4/20, 18.61M) reports New York Gov. Andrew Cuomo (D) announced Monday that "478 more people had died in New York, the first time the one-day toll was below 500 since April 2." The Times adds that "after saying in recent days that the virus appeared to have reached or passed a peak in the state, Mr. Cuomo said the authorities were now trying to ascertain how gradual the decrease in infection might be in the weeks to come." The Times goes on to report that the "three-day average in the number of hospitalized virus patients" was "also down for the sixth straight day, to 16,428, from a peak of nearly 19,000." In addition, "The state reported that 4,726 more people had tested positive for the virus, the lowest one-day figure since March 21."

As New York Begins Antibody Testing Questions Are Raised About Reliability. NBC Nightly News (4/20, story 3, 2:50, Holt, 8.35M) reported, "Health officials continue to say that widespread testing is the key to reopening America safely, but there is growing concern about the quality of some antibody tests." NBC (Nguyen) added, "New York health officials are beginning antibody tests on 3,000 New Yorkers," but "there is also a new warning about some of the rapid antibody tests available right now." According to one "diagnostic lab...70 percent of the tests gave inconsistent results." NBC added that Denver's police have "seen a high level of accuracy with the antibody test they're using," though "Denver's test has not been approved by the FDA." The agency "has only approved four antibody tests." NBC also reported that NIAID Director Fauci "says it's reasonable to assume recovered patients have some level of immunity, but right now that's still unproven."

ABC World News Tonight (4/20, story 3, 2:35, Muir, 10.32M) reported that according to "a large-scale antibody test in Los Angeles County...the number of COVID-19 cases may be 55 times higher than first thought." ABC (Hartung) added, "USC testing nearly 900 people for antibodies, now estimating as many as 442,000 in the county had the virus as of April 9." But, ABC also reported, "questions remain about whether antibodies provide immunity," and "critics say the FDA is allowing these tests, many coming from China, too quickly before being proven reliable."

The CBS Evening News (4/20, story 5, 2:30, O'Donnell, 5.74M) reported, "Health officials say these tests are key to reopening the economy, but there are concerns about the accuracy of these tests." CBS' Mola Lenghi added, "New York State kicked off the most aggressive antibody test survey in the nation, randomly sampling 3,000 people for evidence they've been infected by the coronavirus," and, continued CBS, "Already, more than 35,000 New Yorkers have reached out to Mount Sinai to see if they qualify for the antibody test." Meanwhile, "demand has spawned dozens of tests on to the market, and the FDA is being criticized for allowing them to be sold without scrutiny."

Poll: Michigan Residents Prefer Whitmer's Coronavirus Handling Over Trump's.

The Detroit News (4/20, LeBlanc, 825K) reports, "Michigan residents favor Gov. Gretchen Whitmer's handling of the coronavirus over that of President Donald Trump," according to a new poll released Monday. A survey of 600 Michiganians found 57 percent approved of Whitmer's "handling of the COVID-19 pandemic compared with 37% of respondents who disapproved." By contrast, the poll conducted for the Detroit Regional Chamber found 44 percent approved of Trump's "handling of the COVID-19 crisis while 50% disapproved."

Trump Golf Tweeted Video Of Daly Saying Vodka Can "Kill This Coronavirus."

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The Hill (4/20, Coleman, 2.98M) reports, "President Trump's golf company tweeted out a video earlier this month in which pro golfer John

Daly suggested that drinking a bottle of vodka a day can 'kill this coronavirus.' Trump Golf tweeted a video on April 9 of Daly telling viewers to 'be healthy and be smart' before they can resume golfing." He continued, "But I kind of got a cure for this. I only drink one drink a day – it just happens to be a bottle – of good old Belvedere." Public health experts "have said drinking alcohol does not protect people from the virus and that heavy consumption could weaken the immune system."

Andrés Calls For Appointment Of Food Czar To Address Food Crisis.

José Andrés, owner of ThinkFoodGroup and founder of World Central Kitchen, writes in the Washington Post (4/20, 14.2M), "until reliable supplies of food and medicine are guaranteed, people cannot return to normal." Andrés contends that "we have a food crisis," and "our food supply should be a national security priority." He calls for the appointment of "a food czar who sits on the National Security Council," and proposes an "America Eats Now plan" that includes using "shuttered arenas and convention centers" as "large-scale food banks and community kitchens," and restaurants "to prepare and deliver food to the elderly and sick."

Zuckerberg: Facebook Can Help Provide Data To Combat COVID-19.

Facebook founder and CEO Mark Zuckerberg writes in the Washington Post (4/20, 14.2M), on the necessity of good data to combat COVID-19, saying, "better data can help governments determine where to send resources...and eventually which areas are safe to start opening up again." Zuckerberg argues that "with a community of billions of people globally, Facebook can uniquely help researchers and health authorities get the information they need to respond to the outbreak and start planning for the recovery."

Gates Asks To Serve Remaining Sentence At Home.

Reuters (4/20, Acharya) reports President Trump's "former deputy campaign chairman Rick Gates has asked to serve his remaining 45-day 'intermittent' prison sentence from his home over fears of contracting the coronavirus." Gates said that "he fears that he could carry the virus home from the prison, posing a heightened risk to his wife, who is getting treated for cancer." Gates "was one of several former Trump aides and advisers to be charged in Robert Mueller's investigation," and "pleaded guilty in February 2018 to conspiracy against the United States and lying to investigators."

DeVos: Communities, Educators Working Together To Continue Teaching Students.

Education Secretary DeVos said on the John Fredericks Show (4/20), "It has been very, very heartening to hear about how local communities have banded together and educators and education leaders have worked really hard to meet the needs of their students." Asked about school districts in which students do not have access to the Internet, DeVos said, "Learning does not have to happen only via the Internet. There are schools and districts and communities that are doing distance learning in a more traditional, more paper and packets oriented way, with teachers calling their students and having office hours by phone and various approaches that are more low-tech. ... In the meantime there many communities that are also working hard to get that additional technology to their students."

WPost Examines Giroir's "Ouster" From Texas A&M.

The Washington Post (4/20, Kranish, 14.2M) reports HHS Assistant Secretary for Health Adm. Brett Giroir, who is "the federal official overseeing coronavirus testing efforts, says that his experience working on vaccine development projects at Texas A&M University helped prepare him for this historic moment." However, the Post says that "after eight years of work on several vaccine projects, Giroir was told in 2015 he had 30 minutes to resign or he would be fired." The Post adds that governors "have blasted the lack of federal help on testing," and the criticism "has focused attention on Giroir and whether he can deliver results under pressure." The Post says Giroir "blamed his ouster on internal politics at the university, not on any problems with the project."

Politico Analysis: Administration Reducing Surgeon General's Public Appearances.

Politico (4/20, Diamond, 4.29M) reports in an analysis that the Administration "took Surgeon General Jerome Adams off television last week after his controversial remarks" on COVID-19's "threat to minorities," and he "made just one TV appearance last week," compared to "the ten-plus TV appearances he made the prior week" and "hasn't made an appearance at a White House press briefing since April 10." while Adams had been criticized by liberals for his April 10 comments which they said were "racially insensitive," others "fear that minimizing Adams means the White House is retreating from questions about its work on behalf of minority communities." An unnamed HHS official said, "No one at the task force is really talking about this, consistently, but Jerome."

Supreme Court Rules State Juries Must Be Unanimous In Criminal Cases.

The Washington Post (4/20, Barnes, 14.2M) reports on Monday in a 6-3 decision, the Supreme Court ruled "that state court juries must be unanimous to convict a defendant of a serious crime," which the Post says "scrambled...usual ideological lineups and prompted soul-searching among some justices about when to overturn precedent." Justice Neil Gorsuch wrote for the court "in a decision that overrules a 1972 decision finding that unanimous verdicts were not required by the Sixth Amendment at a state trial. Gorsuch was joined in his decision, though not all of his opinion, by Justices Ruth Bader Ginsburg, Stephen G. Breyer, Sonia Sotomayor, Clarence Thomas, and Brett

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M. Kavanaugh. Dissenting were Chief Justice John G. Roberts Jr., and Justices Samuel A. Alito Jr., and Elena Kagan." The case is Ramos v. Louisiana.

The New York Times (4/20, Liptak, 18.61M) reports "the decision was badly fractured." The Times also reports that Louisiana no longer allows non-unanimous verdicts in criminal cases. Justice Alito in his dissent joined by Chief Justice Roberts and Justice Kagan criticized the ruling for following a current trend in that it "attempts to discredit an argument not by proving that it is unsound but by attacking the character or motives of the argument's proponents." The Times says the dispute among the justices was "mostly a debate over respect for precedent." Gorsuch wrote that "the Apodaca decision was not entitled to be treated as precedent" while Thomas agreed with the result "but would have applied a different provision of the 14th Amendment," and Sotomayor wrote that "while overruling precedent must be rare, this court should not shy away from correcting its errors."

WSJournal: Case Shows Diversity Of Conservative Justices. The Wall Street Journal (4/20, Subscription Publication, 7.57M) editorializes on Ramos v. Louisiana, saying that Democrats have accused conservative judges of all being uniform partisans, but the Ramos decision and many others show a good deal of diversity among conservative jurists. The Journal says that Gorsuch and Thomas have shown themselves quite willing to overturn precedents they conclude are in conflict with the original understanding of the Constitution, while Alito and Roberts have been more attentive to the dangers of instability and unpredictability when precedents are freely overturned.

Supreme Court Refuses Appeals From Death Row Inmates In Nebraska And Missouri.

The AP (4/20) reports on Monday, the Supreme Court "declined to hear appeals brought by Nikko Jenkins and Craig Wood" death row inmates in Nebraska and Missouri respectively who contended that "juries must find all facts necessary to impose a death sentence."

Drudge Denies Trump's Claim That He Is Losing Readers.

The Washington Times (4/20, Chasmar, 492K) reports that in response to President Trump's Saturday tweet claiming that Matt Drudge's Drudge Report was losing readers, Drudge "said his web traffic is better than ever." He wrote to CNN, "The past 30 days has been the most eyeballs in Drudge Report's 26 year-history." According to CNN, web data show "no significant traffic dips since January 2019."

NBC/WSJournal Poll: Biden Leads Trump 49%-42%.

In an online article, NBC News (4/20, Murray, 6.14M) reports that an NBC News-Wall Street Journal national poll of 900 US voters, taken April 13-15, shows Joe Biden leading President Trump 49%-42%, down from a 52%-43% edge the Democrat held in a similar poll taken in March. NBC added that "when the race is reduced to 11 swing states – Arizona, Colorado, Florida, Maine, Michigan, Minnesota, Nevada, New Hampshire, North Carolina, Pennsylvania and Wisconsin" – Biden leads Trump 49%-43%.

Harvard CAPS/Harris Poll: Biden Leads Trump 54%-46%. The Hill (4/20, Easley, 2.98M) reports that a Harvard CAPS/Harris national online poll of 2,394 US voters, taken April 14-16, shows Biden leading Trump 54%-46%. The Hill says, "When the field of voters was narrowed to only 'very likely' voters, Biden's lead narrowed to 4 points – 52 to 48 – suggesting Trump's voters are more energized." The Hill adds that the survey "found Trump's job approval rating at 49 percent, the highest since March 2017."

National Security Action Poll: Undecided Voters Say Trump Has Made US "Less Respected." Axios (4/20, Lawler, 521K) reports, "A poll designed to test President Trump's vulnerabilities on foreign policy finds that 56% of voters in 12 battleground states believe he has made America less respected in the world, compared to 31% who say America is now more respected. ... Among the 16% of voters who remain undecided ahead of November's election, 59% agree that Trump is making the U.S. less respected, compared to 16% who say the U.S. is now more respected." The poll was commissioned by National Security Action, "a group founded by former Obama administration officials to advise Democrats on foreign policy."

Trump Campaign Video Mocking Biden Features Faux Obama.

President Trump on Monday tweeted out a campaign video featuring Joe Biden making some odd comments about his time as a lifeguard. As Biden speaks on television, a group of four men, one of them with former President Obama's head digitally superimposed in place, look on incredulously from a living room and turn their eyes to the faux Obama, who shrugs and asks, "What?"

WTimes Analysis: Team Trump Aims To Link Biden To Hillary Clinton. The Washington Times (4/20, McLaughlin, 492K) reports that when Biden's "top campaign advisors" planned "the rollout of key endorsements this spring, Hillary Clinton's name flew under the radar." The Times says Clinton "has gone from being the face of her party to being persona non grata among Democrats. 'There is too much at stake to be fighting old political battles, which is why I think figures like Obama, [Sen. Bernie] Sanders, and [Sen. Elizabeth] Warren will play a great role between now and November,' said a major Democratic fundraiser." However, President Trump "and his reelection team are intent on keeping Mrs. Clinton in the mix," viewing "her as an albatross around the neck of Mr. Biden and down-ticket Democrats."

Biden Raised $46.7M In March, Entered April With $26.4M.

Reuters (4/21, Lange, Smith) reports that Joe Biden "raised $46.7 million in March for his campaign, his largest one-month haul yet despite the coronavirus health crisis that has disrupted fundraising and hit donor finances. The sum for his fundraising in March, announced in an email by his campaign, was well above the $18.1 million Biden gathered in February." Politico (4/20, Bland, 4.29M) reports that the March

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haul, "prompted by Biden's strong win in South Carolina's primary on the last day of February and a cascade of Super Tuesday victories, amounted to more than half of what Biden had raised in the entire campaign prior to that month. Biden raised just over $88 million from the second quarter of 2019 through the end of February. Biden spent $32.5 million and ended March with $26.4 million in his campaign account."

Pro-Biden Super PAC Reserves $65M In Ad Time Across Six Battleground States. The Hill (4/20, Easley, 2.98M) reports that Priorities USA, a Democratic-aligned super PAC backing Biden's candidacy, "has reserved $65 million in airtime across six battleground states." The group on Monday announced "it has made reservations of $17 million in Michigan, $13 million in Pennsylvania, $13 million in Florida, $10.4 million in Wisconsin, $6.5 million in Arizona and $4.8 million in North Carolina." The Hill added that "the largest pro-Trump outside group, America First Priorities, recently announced its first wave of spending, with nearly $40 million in air time reserved in Michigan, Wisconsin, Pennsylvania, North Carolina and Florida."

Congressional Black Caucus PAC Endorses Biden. The AP (4/20, Stafford) reports on Monday, the Congressional Black Caucus PAC backed Biden for president in a unanimous decision, "further cementing his support among the nation's influential black political leadership."

Media Analyses: Democrats Disagree On Whom Biden Should Tap As Running Mate.

Writing for the Los Angeles Times (4/20, 4.64M), Janet Hook says that as Joe Biden starts "his search for a running mate, it seems everyone has an opinion about what kind of woman he should pick," arguing "his vice president should be an African American. Or a Midwesterner. A leftist. Someone with the youth and pizzazz Biden lacks. Biden, however, has made it clear that he's starting with more basic concerns: He wants a running mate who is ready to step into the role of president on a moment's notice. He wants someone who is 'simpatico,' someone he is comfortable with. He is, in short, thinking more about whom he'd like to run the country with than about the short-term political benefits of a running mate's race, ideology or regional ties."

Politico (4/20, Caputo, 4.29M) reports that Biden's search for a running mate "is already taking shape along familiar fault lines, mirroring the ongoing debate over whether the Democratic Party should focus more on winning back the white working class Rust Belt voters it lost to Donald Trump in 2016 or re-energizing the minority-powered coalition that elected Barack Obama to two terms." Politico adds, "Most of the pool of a dozen or so candidates that are either known or figure to be in consideration divide neatly into those geographical and demographic camps." Sens. Tammy Baldwin (D-WI) and Amy Klobuchar (D-MN), and Gov. Gretchen Whitmer (D-MI), "are white and hail from the industrial Midwest – all from states that figure to be closely contested." Sen. Kamala Harris (D-CA) and Stacey Abrams "are African-American." And Sen. Catherine Cortez Masto (D-NV) and Gov. Michelle Lujan Grisham (D-NM) "are Latina."

Politico Analysis: Democrats Pining For Michelle Obama To Be Biden's VP Choice. In a separate story, Politico (4/20, Caputo, 4.29M) reports that a "strong sentiment is commonplace among party leaders, operatives, [and] rank-and-file voters" that Michelle Obama should "be Biden's vice presidential pick." Politico adds, "Of the roughly dozen or so names Biden is seriously considering, Mrs. Obama isn't one of them. She has made clear that she would rather focus on her work to register and turn out voters through her new organization 'When We All Vote.'" Even so, Obama's "refusals haven't stopped Democrats from asking her to reconsider."

Democrats Raised $533M Via ActBlue In Q1.

Politico (4/20, Bland, 4.29M) reports that ActBlue, the Democrats' "digital money machine, had its biggest quarter ever to start this year, as online donors poured cash into the presidential primary and helped congressional Democrats build a financial advantage in many of their biggest House and Senate races." According to Politico, "More than 4.3 million donors gave $533 million through ActBlue, the online donor platform used by thousands of Democratic candidates and organizations, in the first three months of 2020." Politico adds, "Democratic presidential candidates accounted for a large portion of the first-quarter fundraising. ... But even taking the presidential candidates out of the equation, Democrats saw a big fundraising jump via ActBlue last quarter – a huge boon to Democratic Senate challengers and House incumbents, after predictions that the presidential campaign would siphon away the online money that powered so many Democratic victors in the 2018 midterm elections."

RNC Raised $24M In March.

Politico (4/20, Isenstadt, 4.29M) reports the Republican National Committee "raised a record $24 million last month, an early indication that President Donald Trump's fundraising machine could be able to withstand the economic collapse brought on by the coronavirus." Politico says it was the RNC's "best March fundraising performance in history," although "slightly less than the $26 million it raised in February." Politico goes on to report that "Trump's fundraising success has not necessarily filtered down to Republicans running down-ballot," and "an array of Republicans in competitive House and Senate races were outraised by their Democratic opponents in the first quarter."

RNC Chief Says Party Currently Moving "Full Steam Ahead" With Plans For Convention. In an online article, CNN (4/20, Klein, 83.16M) reports the RNC, Trump campaign, and host committee "are moving 'full steam ahead' in planning the 2020 convention in Charlotte later this summer, but will assess in late June or early July as to whether contingencies need to be made due to the coronavirus, GOP Chairwoman Ronna McDaniel said Monday." McDaniel, during a briefing call with reporters, said, "We are full steam ahead planning a traditional convention, working with our team on the ground, (2020 Convention CEO) Marcia Lee Kelly, to conduct a traditional convention. We do not think at this time we have to switch to an alternative plan, but of course, we will monitor circumstances and adjust accordingly." The Hill (4/20, Coleman, 2.98M) reports that McDaniel "added the RNC will reassess in late June or early July to see if adjustments need to

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be made because of the coronavirus pandemic, but that the convention is required by bylaws to be held in-person."

Bloomberg Spent Over $1B On Presidential Bid.

Politico (4/20, Montellaro, 4.29M) reports Michael Bloomberg spent over $1 billion in seeking the Democratic nomination for president, according to the latest report he filed with the Federal Election Commission. Politico says Bloomberg "spent more than $17 million for each delegate acquired." Meanwhile, Sen. Bernie Sanders (I-VT) "spent a total of $198.5 million on his campaign through the end of March." Joe Biden "has not yet filed his campaign finance report covering March."

Politico Analysis: Senate Majority "Within Reach" For Democrats.

Politico (4/20, Arkin, 4.29M) says Republicans "started this election cycle as heavy favorites to keep their Senate majority, with a lineup of elections mostly in red-tinted states and GOP incumbents favored over a slate of relatively unknown and untested challengers." However, according to Politico, "Now, nearly six months out from the election, Democrats are making them sweat." Politico goes on to report that Republicans are "still more likely than not to maintain control, but Democrats strengthened their hand with a slate of challengers raising massive sums of money in races that represent the heart of the battle for the majority, putting control of the Senate within reach."

Trump Tweets Endorsements Of GOP Candidates In CA25, WI7 Special Elections.

President Trump on Monday tweeted his "Complete and Total Endorsement" of GOP military veteran Mike Garcia, who is battling Democratic California Assemblywoman Christy Smith in the May 12 special election to replace ex-Rep. Katie Hill (D-CA) in CA25. Trump wrote, ".@MikeGarcia2020 will be a tremendous fighter for the U.S. and the State of California. An Annapolis graduate, he served our Country as a highly decorated Navy Fighter Pilot and will be a great Congressman (#CA25). Loves our Military, and Vets. ... He is Strong on Crime, the Border, and Second Amendment. Mike has my Complete and Total Endorsement! Turn your Ballots in now and track them, watching for dishonesty. Report to Law Enforcement."

The President on Monday also tweeted his "Complete and Total Endorsement" of GOP Wisconsin state Sen. Tom Tiffany, who faces Democratic Wausau School Board President Tricia Zunker in the May 12 special election to succeed ex-Rep. Sean Duffy (R-WI) in WI7. Trump wrote, "Tom Tiffany (@TomTiffanyWI) is a Great Advocate for the incredible people of Wisconsin (WI07). We need Tom in Congress to help us Make America Great Again! He will Fight for Small Business, supports our Incredible Farmers, Loves our Military and our Vets. ... He is Strong on Crime, the Border, and Second Amendment. Tom has deep roots in Wisconsin, is a big Tax Cutter, and will help me DRAIN THE SWAMP! Tom has my Complete and Total Endorsement. Vote for Tom Tiffany!"

WPost Urges Congress To Reform Postal Service.

The Washington Post (4/20, 14.2M) editorializes in favor of a postal service as "an essential element of any advanced nation's infrastructure," and urges Congress to undertake "structural reform" of the US Postal Service in order to prevent it from being "forced to scrounge for cash indefinitely." The Post says Congress must address the Postal Service's major problems, "the decline of first-class mail, over-regulation and vast unfunded retiree benefit liabilities." Congress should, the Post argues, offer "generous financial assistance...in return for substantial structural reform" that includes "an end to mandatory Saturday mail delivery...greater regulatory latitude to set prices and develop new products; closing or consolidating underutilized postal facilities; and shifting retiree health benefits to Medicare."

WSJournal Criticizes Removal Of Native American Woman From Land O'Lakes Package.

The Wall Street Journal (4/20, Subscription Publication, 7.57M) editorializes against Land O'Lakes removing the figure of a Native American woman from its butter packaging, adding that the current figure was the work of an Ojibwe artist in the 1950s, whose son lamented the disappearance, suggesting that political correctness was likely the reason for its going.

RCP Average Has Trump's Job Approval At 46%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 46%, and his disapproval at 50.9%. The President's approval and disapproval are unchanged since yesterday.

A Rasmussen poll of 1,500 "likely voters" (4/15-4/19) finds Trump's approval at 46%, with 53% disapproving.

Financial International News

Georgieva: Developing Countries Will Likely Bear Worst Of Pandemic's Economic Impact.

Reuters (4/20, Tsolova, Lopatka) reports IMF Managing Director Kristalina Georgieva said Monday that developing countries will likely take the hardest economic hit from the COVID-19 pandemic, and that the IMF is ready to help. The IMF and the World Bank "have appealed for rapid international action to help African countries and other emerging markets respond to the pandemic." According to Georgieva, the IMF, "with $1 trillion in lending capacity, has already approved emergency funding for 21 of 103 countries which have asked to for it and prepared different instruments to help its members." Georgieva said, "The countries that are now worst hit by the pandemic are not necessarily the ones that will be worst hit economically. I am most worried about the developing and emerging countries."

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Malpass: Pandemic Has Caused "Deep" Recession, Hurting Poorest Countries Most.

Fox Business (4/20, Henney, 1.73M) reports World Bank President David Malpass said Monday that as a result of the pandemic, "I'm afraid there's a deep recession. That's pretty clear. It's the poorest countries [that are hurt] the most." Malpass "estimated that at least 50 million people will fall into 'extreme poverty' as a result of the outbreak, leading to higher infant mortality rates and stunted growth rates for children. The length of economic recovery in the world's poorer nations hinges on advanced economies, he said." Malpass added, "I think it's urgent that we find a way to shorten the time to get going."

World Bank Projects First Global Poverty Jump Since 1998.

Politico (4/20, Ward, 4.29M) reports the World Bank on Monday "predicted that 2020 would see the first increase in global poverty in more than two decades." World Bank economists "calculate that the pandemic will push 40 million to 60 million people into extreme poverty, with its 'best estimate being 49 million,' according to a post on the bank's Data Blog." Such an increase in global poverty "would be the first since 1998, when the Asian financial crisis hit."

Analysts Say Debt Relief For Developing Economies More Difficult Than It Sounds.

Reuters (4/20, Jones, Arnold) reports, "Some high-profile sovereign creditors are signalling a tentative willingness to help poorer countries with debt relief during the coronavirus pandemic – but many also caution that it won't be as simple as it sounds." Last week's G20 agreement "to freeze as many as 77 poorer nations' debt payments for the rest of the year came with a warning from the head of the World Bank that private investors shouldn't expect a 'free ride.'"

Brazil Central Bank Says Bond-Buying Will Aim To Fix Market Dysfunction.

Reuters (4/20, McGeever) reports Brazil central bank president Roberto Campos Neto on Monday "said any bond-buying the bank conducts will be to fill liquidity gaps and ensure smooth market functioning, rather than flatten the yield curve and reduce longer-term borrowing costs." Campos Neto, speaking in a virtual debate, "said blanket 'quantitative easing' bond purchases are more effective when official interest rates are near zero, which is not where Brazil is, adding that monetary policy in emerging markets is different from developed economies."

Leading International News

WHO Chief: Nothing Hidden From Member States, CDC Experts.

Reuters (4/20, Nebehay, Farge) reports WHO Director-General Tedros Adhanom Ghebreyesus said Monday that "US experts have been an important part of the...fight against COVID-19 since the outbreak began, and nothing has been "hidden" from any member state." Said Tedros, "Having US CDC staff means there is nothing hidden from the US, from day one."

Milbank: US, WHO Officials In China Were "In Constant Contact." Washington Post (4/20, 14.2M) columnist Dana Milbank writes that "as President Trump, his advisers and his allies in Congress continue to try to frame the World Health Organization for Trump's failure to prepare for the pandemic, new evidence shows that US and WHO officials in China were in constant contact with each other in the crucial days of January, as the virus spread." According to Milbank, "US personnel working in the US Embassy in Beijing met extensively with WHO officials there in the month of January, the time when Trump accuses the WHO of conspiring with China to hide the true danger" of the outbreak.

Navarro: China "Vacuumed Up" PPE After "Hiding" Outbreak.

Director of Trade and Manufacturing Policy Navarro said on Fox Business' Lou Dobbs Tonight (4/20, 49K), "One of the things that I find troubling about the whole thing besides spawning the virus and hiding it from us for six weeks behind the shield of the World Health Organization, China vacuumed up all the personal protective equipment around the world while it was hiding the virus. I have evidence directly from the Chinese government customs duty union that shows that in the months of January and February, they bought 18 times more amount of masks, it was over two billion masks alone. ... All these countries now, India, Brazil, Europe, others getting infected, the reason why they don't have adequate PPE there and in New York City and Boston and Chicago and Detroit is because China basically is hoarding it. And now they are also selling it back to the world at prices that are obscene."

Breitbart (4/20, Hanchett, 673K) reports Navarro also "suggested that China might have hidden coronavirus data from the US so they can create a vaccine first and they view it as 'a business proposition so that they can sell the vaccines to the world.'"

Wuhan Lab Director Rejects Linkage To "Patient Zero." The New York Times (4/20, 18.61M) reports the Administration has "suggested that a Chinese laboratory may have been the source of the coronavirus outbreak, but a senior scientist at the lab in question has rejected the accusations, saying there are no signs that the virus was the product of human tampering." Yuan Zhiming, "the director of a high-security virus research lab that is part of the Wuhan Institute of Virology, pushed back against the surge of speculation that the lab may have accidentally leaked the virus or was part of a conspiracy to release it." Referring to Sen. Tom Cotton (R-AR), Yuan said, "Without any evidence, and without any relationship to logic, he makes these allegations that are totally founded on speculation."

Bloomberg (4/20, 4.73M) reports Yuan "rejected theories that the yet-to-be identified 'Patient Zero' [redacted] Institute, saying none of its employees, retirees or student researchers were known to be infected." According to Bloomberg, Yuan "said...Cotton and

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Washington Post journalists were among those 'deliberately leading people' to mistrust the facility and its 'P4' top-level-security pathogen lab."

Poll: 60% Of Democratic Voters Blame Trump Not China For Coronavirus Crisis. The Washington Times (4/20, Harper, 492K) reports that the coronavirus pandemic has "sparked a partisan blame game. Most Democratic voters – 60% – now blame President Trump rather than China, for the health emergency now underway nationwide, according to a Rasmussen Reports survey released Monday." Among "all voters, 42% also pointed the finger at the president," but "not so Republicans. The poll found that 71% disagreed with the idea, along with 46% of independents."

WPost: China Using Pandemic As Cover For More Repression In Hong Kong. The Washington Post (4/20, 14.2M) editorializes that in "a sign of these remarkable, pandemic-afflicted times, and of the determination of China's Communist regime to exploit them," 15 Hong Kong democracy activists were arrested over the weekend. The Post calls the arrests a "major new effort by the government of Xi Jinping and its puppet administration in Hong Kong to crush the pro-democracy movement, using the novel coronavirus outbreak as a cover."

South Korea Relaxes Social-Distancing Rules.

Reuters (4/20, Shin, Yang) reports South Koreans are "returning to work and crowding shopping malls, parks, golf courses and some restaurants as South Korea relaxes social distancing rules amid a continued downward trend in coronavirus cases." According to Reuters, "Parks, mountains and golf courses brimmed with visitors over the weekend, while shopping malls and restaurants were slowly returning to normal." Reuters says the South Korean government "extended its social distancing policy for another 16 days on Sunday but offered some relief for religious and sports facilities previously subjected to strict restrictions."

NYTimes Analysis: Most New Cases In Singapore Are Migrant Laborers.

The New York Times (4/20, Beech, 18.61M) reports that "after recording its first coronavirus case on Jan. 23," Singapore "meticulously traced the close contacts of every infected patient, while keeping a sense of normalcy on its streets." The Times says, "Borders were shut to populations likely to carry the contagion, although businesses stayed open. Ample testing and treatment were free for residents." However, "over the past few days, Singapore's coronavirus caseload has more than doubled, with more than 8,000 cases confirmed as of Monday, the highest in Southeast Asia." According to the Times, "Most of the new infections are within crowded dormitories where migrant laborers live."

Number Of New Cases In Italy Continue To Fall.

Reuters (4/20) reports, "Deaths from the COVID-19 epidemic in Italy rose by 454 on Monday, slightly up on Sunday's tally, while the number of new cases dropped to 2,256, the lowest level in well over a month." Reuters adds that Italy's "total death toll stood at 24,114, the second highest in the world after that of the United States, while the number of confirmed cases, which includes those who have fully recovered and those who have died of the disease, was 181,228. ... New cases on Sunday totalled 3,047, while on Saturday, the figure stood at 3,491. Monday's tally was the lowest since March 10."

Rate Of New Infections In Spain Falling More Than Officials Anticipated.

Reuters (4/20, West, Allen) reports that the coronavirus "has infected more than 200,000 people in Spain, although the spread of the disease is slowing, ... The cumulative death toll from the virus rose to 20,852 after 399 fatalities were recorded in the previous 24 hours." However, Health Emergency Chief Fernando Simon "told a news conference that the rate of new infections continues to fall despite an increase in testing, suggesting the overall prevalence of the disease could be lower than expected in the population."

France's Death Toll Exceeds 20,000, But Hospitalizations And ICU Cases Continue To Fall.

Reuters (4/20) reports that France on Monday "officially registered more than 20,000 deaths from the coronavirus, becoming the fourth country to pass that threshold after Italy, Spain and the United States, and the pace of increase in fatalities and infections sped up again after several days of slowing." However, France's public health chief Jerome Salomon "said the number of people in intensive care had fallen for the 12th consecutive day, to 5,683 – the lowest since March 31 – suggesting the national lockdown is having positive effects in containing the disease. Another encouraging signal was a decline for the sixth day in a row in people hospitalized for COVID-19, even though the total, at 30,584 versus 30,610 on Sunday, is going down only slowly."

Johnson Accused Of Failing To Adequately Prepare UK For Pandemic.

According to the Washington Post (4/20, Booth, 14.2M), "The coronavirus epidemic in Britain has reached the blame phase, with Prime Minister Boris Johnson and his ministers coming under criticism that they underestimated the threat, were slow to act and are bungling the response." The Post says that "over the weekend, the most-talked-about article was a Sunday Times report, headlined '38 days when Britain sleepwalked into disaster,' which revealed that Johnson failed to attend five high-level emergency meetings." The Post goes on to report that "the most damning, most tweetable quote came from an anonymous source, described as a 'senior adviser to Downing Street,' who complained that Johnson 'didn't chair any meetings. He liked his country breaks. He didn't work weekends. There was a real sense that he didn't do urgent crisis planning. It was exactly like people feared he would be.'"

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Reuters (4/20) reports Finance Minster Rishi Sunak said the government was "following scientific advice by allowing major sporting events such as the Liverpool-Atletico Madrid soccer match and Cheltenham horse racing festival to go ahead days before the coronavirus lockdown." The AP (4/20) reports, "Four weeks after the British government ordered most people to stay indoors to slow the spread of the coronavirus, health care workers across the country complain they still do not have enough masks, face shields, gowns and other protective equipment." According to the AP, "Health care workers worldwide have reported similar shortages, but the frustration is heightened in Britain because of the revered position held by the National Health Service."

Germany Allows Small Shops To Reopen.

The Washington Post (4/20, Noack, 14.2M) reports that, along with South Korea, Germany has been a "role model...in handling the outbreak," and is also "slowly reversing some of the restrictions put in place weeks ago, embarking on a careful and long path back to normality that could serve as a template for other nations." According to the Post, "In Germany, some scientists have argued that the country should ramp up restrictions until new infections reach a rate that makes tracking and contact tracing more easy, a strategy they say will allow for a greater degree of freedom in the long run. But political pressure has been mounting for a return to normality, with some German states pushing for greater freedoms as shops under 8,600 square feet began to open Monday."

Denmark Reopens Schools As Europe Eases Lockdowns.

ABC World News Tonight (4/20, story 8, 1:30, Muir, 10.32M) reported, "Back to school. These Danish students are back in class after weeks in lockdown. Some of the first in Europe, a continent slowly crawling back to life. Germany, Italy, and Spain among other countries easing restrictions, but nowhere more so than Denmark." The WHO chief, however, "says the worst is yet to come. Now, it's not clear what he means by this, but a lot of countries are worried about a second wave."

NYTimes Analysis: Death Toll In Turkey May Be Higher Than Publicly Stated.

The New York Times (4/20, Gall, 18.61M) reports that "for weeks," President Recep Tayyip Erdoğan "has presented Turkey's performance in handling the coronavirus as one of the world's most successful, as he maintained strict control over information about the outbreak." But data compiled by the New York Times "from records of deaths in Istanbul indicate that Turkey is grappling with a far bigger calamity from the coronavirus than official figures and statements would suggest." The city recorded "about 2,100 more deaths than expected from March 9 to April 12, based on weekly averages from the last two years, far more than officials reported for the whole of Turkey during that time."

"Immunity Passport" To Allow Recovered Patients In Chile To Return To Work.

The Washington Post (4/20, Bartlett, 14.2M) reports Chilean officials said Monday they are moving ahead with plans to issue "the world's first 'immunity passports,' cards that would allow people who have recovered from the coronavirus to return to work, over the concerns of physicians who warned" that much about COVID-19 immunity "remains unknown." Paula Daza, an undersecretary in the Chilean health ministry, "said more than 4,600 people have recovered from the virus, and will now be eligible to receive physical or digital cards." Other applicants will "be tested for the presence of antibodies to determine eligibility."

India's Lockdown Eased To Allow Farms And Manufacturers To Reopen.

The AP (4/20) reports that India "recorded its biggest single-day spike in coronavirus cases on Monday as the government eased one of the world's strictest lockdowns to allow some manufacturing and agricultural activity to resume." According to the AP, "An additional 1,553 cases were reported over 24 hours, raising the national total past 17,000. At least 543 people have died from COVID-19." According to the AP, "Starting Monday, limited industry and farming were allowed to resume where employers could meet social distancing and hygiene norms, and migrant workers were allowed to travel within states to factories, farms and other work sites."

Erdoğan Accuses Syria Of Violating Idlib Ceasefire.

Reuters (4/20) reports Turkish President Recep Tayyip Erdoğan "said on Monday that the Syrian government was violating a ceasefire in the northwestern Idlib region," and "warn[ed] that Damascus would suffer 'heavy losses' if it persisted." Turkey and Russia "agreed on March 5 to halt hostilities in northwestern Syria."

Amid Pandemic, US Warns Rivals Not To Seek Advantage.

The Wall Street Journal (4/20, Lubold, Nissenbaum, Subscription Publication, 7.57M) reports that amid the coronavirus pandemic in recent week, President Trump and his top military officials have voiced concerns that the nation's adversaries could take advantage of the crisis. China, for example, has conducted naval operations in the South China Sea.

Reports: Kim Recovering From Cardiovascular Procedure.

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Reuters (4/20, Shin) reports North Korean leader Kim Jong-un is "receiving treatment after undergoing a cardiovascular procedure early this month, a South Korean media report said, amid speculation over Kim's health following his absence from a key anniversary event." North

Korea marked the anniversary of the birthday of its founder and Kim's grandfather, Kim Il Sung, "as a national holiday on April 15, but Kim was not seen in attendance."

On its website, CNN (4/20, Sciutto, 83.16M) reports the US "is monitoring intelligence that [Kim] is in grave danger after a surgery, according to a US official with direct knowledge." The South Korean-based newspaper Daily NK reports Kim underwent the procedure because of "excessive smoking, obesity, and overwork," and is "now receiving treatment in a villa in Hyangsan County." CNN cited an anonymous US official who said Kim was in "grave danger." The AP (4/20, Kim) reports, "South Korea's presidential office says no suspicious activities have been detected in North Korea" amid reports that Kim "was in fragile condition after recent heart surgery."

US Ambassador Denounces Russia's "Secret" Trial Of American Veteran Charged With Spying.

Reuters (4/20, Balmforth) reports US Ambassador to Russia John Sullivan "accused Russian authorities on Monday of making a mockery of justice after he was turned away for a second time from what he called a 'secret' trial behind closed doors of an ex-U.S. Marine charged with espionage." In March, Russia began the trial of Paul Whelan "on charges of spying after his arrest by Russian security agents in a hotel room sting operation in December 2018." The Russian court "had said the trial would involve classified information and would therefore not be open to the public, but...Sullivan said he had tried to attend the hearing in Moscow on Monday and had been turned away. 'The fact that it is a closed hearing, that it is a secret trial – Paul hasn't seen the evidence against him – it makes a mockery of justice,' Sullivan said."

NYTimes Probes Potential Mission Of Doomed Russian Sub. The New York Times (4/20, Glanz, Nilsen, 18.61M) reports, "There could hardly have been a more terrifying place to fight a fire than in the belly of the Losharik, a mysterious deep-diving Russian submarine. Something, it appears, had gone terribly wrong in the battery compartment as the sub made its way through Russian waters 250 miles north of the Arctic Circle on the First of July." According to the Times, "The only thing more mysterious than what exactly went wrong that day is what the sub was doing in a thousand feet of water just 60 nautical miles east of Norway in the first place." The Times says the accident "may offer yet another a clue to Russia's military ambitions in the deep sea, and how they figure into a plan to leverage Arctic naval power to achieve its strategic goals around the globe – including the ability to choke off vital international communication channels at will."

Netanyahu And Gantz Form Power-Sharing Unity Government.

Reuters (4/20) reports Israeli Prime Minister Benjamin Netanyahu and his "centrist election rival" Benny Gantz on Monday signed an agreement "to form an emergency coalition government that would end a year of political deadlock." According to Reuters, "Israeli media reported they would take turns as prime minister, with Netanyahu going first." The AP (4/20, Goldenberg) says "the power-sharing agreement means that Netanyahu will almost certainly remain in office for the duration of his upcoming trial on corruption charges."

The New York Times (4/20, Kershner, Halbfinger, 18.61M) says the deal "extends Mr. Netanyahu's tenure as Israel's longest-serving leader and, coming after his conservative coalition failed to win a majority, cements his reputation as a canny political survivor who can never be counted out." For Gantz, however, the agreement "may end up having the opposite effect. The move was a stunning turnabout after his repeated campaign vows that he would never serve with a prime minister under criminal indictment, and a disappointment to many of his supporters who see it as a capitulation to a leader they had wanted to oust."

Likewise, the Washington Post (4/20, Hendrix, 14.2M) says the deal "represents a triumph for Netanyahu." The Post adds, "Critics have bemoaned and observers marveled that Israel's longest-serving prime minister has once again outrun the political obituaries written for him after his party and its allies failed to regain their majority in three straight national elections and he was indicted on corruption charges along the way."

Trudeau To Push Gun Control Following Mass Shooting.

The CBS Evening News (4/20, story 8, 0:20, O'Donnell, 5.63M) briefly reported that "investigators in Nova Scotia are trying to find a motive for a weekend shooting rampage." Reuters (4/20) reports the death toll from "the worst mass shooting in Canadian history rose to 19, including a police officer and the gunman, Canadian police said on Monday, adding that they expect fatalities from the weekend killings to rise further." The AP (4/20) reports Royal Canadian Mounted Police Superintendent Chris Leather "told a news conference Monday that police expect to find more victims once they are able to comb through all the crime scenes, some of which were left in smoldering ruins."

In wake of the shooting, the Washington Post (4/20, Coletta, 14.2M) reports Prime minister Justin Trudeau "said Monday his government would move ahead on the gun control legislation he promised during last year's election campaign." Trudeau said his government had been "on the verge" of introducing legislation to ban "assault-style weapons" when the coronavirus pandemic hit Canada. The New York Times (4/20, Magra, Austen, 18.61M) reports that because of the pandemic, "Trudeau said that a national vigil for the victims will be held online Friday."

Housing

Sources: FHFA Considering Letting GSEs Buy Loans In Forbearance.

The Wall Street Journal (4/20, Ackerman, Subscription Publication, 7.57M) reports that sources close to the matter say that the FHFA is considering allowing Fannie Mae and Freddie Mac to help servicers navigate a cash crunch by buying loans that have entered forbearance

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due to the pandemic. According to The Journal, nonbank mortgage companies would benefit from this, but the GSEs recently announced that they would not buy loans in forbearance any longer. The Journal's sources said that details were still being worked out, but the FHFA should announce an update as soon as this week.

MBA: Forbearance Level Rises To 5.95%.

Potentially behind a paywall, Bloomberg (4/20, Maloney, Gopal, 4.73M) reports, "Almost 6% of U.S. mortgage borrowers have stopped making their payments following the passage of the CARES Act, which allows for easy forbearance. The share of home loans in forbearance jumped to 5.95% during the week ended April 12, up from 3.74% the previous week, according to a survey from the Mortgage Bankers Association. Only 0.25% of all loans were in forbearance during the week of March 2." Ginnie Mae-backed loans "again showed the largest weekly growth, with the share in forbearance climbing 2.37 percentage points to 8.26%. However, loans backed by Fannie Mae and Freddie Mac increased almost as fast – by 2.20 percentage points – to 4.64%." HousingWire (4/20, Hall, 23K) provides similar coverage.

NPR (4/20, Arnold, 3.12M) reports that forbearance measures under the CARES Act cover "the vast majority of outstanding home loans – those backed by various government agencies or by Fannie Mae and Freddie Mac," while the "biggest increase in forbearances is happening with loans backed by the Federal Housing Administration and the Department of Veterans Affairs." CBS News (4/20, 3.68M) and National Mortgage News (4/20, Centopani) provide similar coverage.

National Mortgage Professional (4/20) reports MBA Chief Economist Mike Fratantoni said, "With over 22 million Americans filing for unemployment over the past month, homeowners are contacting their mortgage servicers seeking relief, leading to a sharp increase in the share of loans in forbearance across all loan types. Mortgage servicers continue to receive a very high level of forbearance requests, but volumes were down somewhat compared to the prior week."

Dodd Frank Update (4/20) also reports.

Continuing Coverage: Black Knight Reported Nearly 3M Mortgages Were Already In Forbearance. Mortgage Professional America (4/20, Smith) reports that the rise in forbearance "could put a strain on mortgage servicers, who must make advance principal and interest payments on the loans they service each month, regardless of the loans' forbearance status." Black Knight recently reported that more than 2.9 million mortgages were already in forbearance, making up 5.5% of all mortgages in the country. Together, these loans account for $651 billion in unpaid principal, including 4.9% of GSE-backed loans and 7.6% of FHA/VA loans. DS News (4/20, Welborn) provides similar coverage.

Continuing Coverage: Servicers Still Hoping For Liquidity Backstop. American Banker (4/20, Subscription Publication, 31K) reports that despite "recent comments" by FHFA Director Mark Calabria, who "questioned the need to aid the mortgage sector, servicers are holding out hope that a government liquidity backstop could still be rolled out within days." According to American Banker, "Some servicers and other mortgage industry observers say a federal liquidity facility appears to be on the table to cover skipped payments by homeowners hit by the coronavirus pandemic. But several obstacles remain before a plan can be announced, they said."

DS News (4/20, Welborn) reports, "Ed DeMarco, President of the Housing Policy Council (HPC), has released a statement describing the challenges of funding the CARES Act's mortgage forbearance program and urging federal agencies to quickly announce liquidity support for nonbank mortgage servicers." DeMarco said, "HPC supports quick government action to affirm its support of financially sound nonbank mortgage servicers' liquidity needs in an effort to reassure markets, ease building systemic risk, and ensure continued mortgage origination activity."

The Real Deal (NY) (4/20, 124K) reports that in late March, "MBA, the Housing Policy Council and the Structured Finance Association urged federal regulators to provide relief." However, "their pleas appear to have fallen on deaf ears. Federal Housing Finance Agency director Mark Calabria said the agency has no plans to provide liquidity through its mortgage agencies Fannie Mae and Freddie Mac to those nonbank lenders."

CMBS Borrower Relief Requests Climb; Requests From Borrowers With Freddie Mac Loans Spike 500 Percent.

The Commercial Observer (NY) (4/20) reports, "The number of commercial mortgage-backed securities (CMBS) borrowers who are searching for relief from their servicers nearly doubled in the first two weeks of this month, bringing the total volume of CMBS debt in question to north of $100 billion. Additionally, requests from borrowers with securitized Freddie Mac, federally-insured loans have jumped a staggering 500 percent over the period as these sponsors sought to capitalize on COVID-19 relief efforts being deployed by the government-sponsored enterprises (GSEs)." The Real Deal (NY) (4/20, 124K) also reports.

UI: Pandemic Starting To "Constrict The Mortgage Credit Box."

DS News (4/20, Albanese) reports that an analysis from the Urban Institute "says the COVID-19 health crisis is beginning to 'constrict the mortgage credit box' similar to what happened during the period following the Great Recession from 2010 to 2013." Urban's report "adds that for the past six years, Fannie Mae and Freddie, along with the Federal Housing Administration, have made strides in expanding the credit box to borrowers." According to Urban, as of march, borrowers with credit scores of 720 and above received rates as much as 78 basis points lower than borrowers with credit scores of 660 and lower.

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Multifamily Financing

- ***Berkadia Arranges Freddie Mac Financing For Houston Apartments.*** Mostly behind a paywall, Commercial Real Estate Direct (4/20, Moynihan) reports, "One Real Estate Investment has bought the Sunswept Townhomes, a 211-unit apartment property in Houston. The buyer and purchase price were not disclosed. Berkadia arranged Freddie Mac financing on behalf of One Real Estate."
- ***Twin Real Estate Gets $2point3M Freddie Mac SBL Refi For Michigan Apartments.*** REBusiness Online (4/20) reports, "Twins Real Estate has received a $2.3 million Freddie Mac small balance loan for the refinancing of Hidden Lane Apartments in Battle Creek, about 25 miles east of Kalamazoo."

LBA Ware Report: LO Commissions Soar In March.

National Mortgage News (4/20) reports, "The average commission earned per loan officer in March was over $8,000 higher than compared with January's average – even as housing market activities were affected by the coronavirus spread, a report from LBA Ware found. ... The 9,042 loan officers tracked in the study pulled in nearly $171 million in total commissions during March, earned from $16.7 billion in funded loan volume. That worked out to an average per-loan commission of $18,907." NMN says, "The expected shift to a refinance market – Freddie Mac recently forecast $1.26 trillion of refis versus $1.1 trillion of purchase volume for 2020 – will likely result in lower average compensation for the rest of the year."

Remax: Annual Home Sales Rose In March.

National Mortgage News (4/20) reports, "Annual home sales rose in March for the fourth consecutive month, though the coronavirus inhibited what's typically the biggest monthly boost of the year, according to Remax. Closed transactions increased 2.7% from March 2019 and 23.8% from February 2020. The growth into March from February is normally the largest monthly spike of the year, as the spring home-buying season heats up." Remax CEO Adam Contos said, "As expected, the strong market of January and February continued into March, setting up a very good first quarter. But then the coronavirus and the initial mitigation measures arrived, disrupting our industry along with everything else."

Markets

10-Year Yield Falls.

MarketWatch (4/17, 1.67M) reports the 10-year Treasury yield fell to 0.579 percent.

Dollar Edges Up Against Key Rivals.

Reuters (4/21, White) reports, "The dollar gave up some gains against the currencies of oil producers after U.S. crude futures pared some of their massive losses in Asia, but the historic collapse in energy demand is likely to keep safe-haven assets well supported." The dollar "edged up slightly to 107.70 yen," while the euro "held steady" at $1.0863. Separately, Reuters (4/21, Narayanan) reports the dollar "rose against key rivals."

Gold Eases.

Reuters (4/21, Narayanan) reports, "Gold slipped on Tuesday due to a stronger dollar, but losses were capped by falling equities after U.S. crude futures plunged below zero for the first time ever in the previous session." Spot gold "eased 0.2% to $1,689.17 per ounce by 0611 GMT, having jumped as much as 1% on Monday as the oil market crash increased safe-haven demand." US gold futures "fell 0.3% to $1,706.70."

WTI Rises, While Brent Falls.

Reuters (4/20, Chung) reports, "U.S. oil prices hobbled back into positive territory on Tuesday after sinking below $0 for the first time ever, but international benchmark Brent dipped as the global coronavirus crisis severely reduces demand for crude." West Texas Intermediate crude for May delivery "was up $38.99 in thin trade at $1.36 a barrel by 0622 GMT after settling down at a discount of $37.63 a barrel in the previous session." The more-active June contract "rose 94 cents, or 4.6%, to $21.37 a barrel." Meanwhile, global benchmark Brent crude for June delivery "was down 48 cents, or 1.9%, at $25.09 per barrel."

Cybersecurity

FBI Sees Cybercrime Reports Increase Fourfold During Pandemic.

Engadget (4/20, England, 437K) reports the FBI announced "instances of cybercrime appear to have jumped by as much as 300 percent since the beginning of the coronavirus pandemic." The bureau's Internet Crime Complain Center (IC3) "said last week that it's now receiving between 3,000 and 4,000 cybersecurity complaints every day, up from the average 1,000 complaints per day the center saw before COVID-19 took hold." The FBI "says a lot of the increased cybercrime is coming from nation states seeking out COVID-19-related research." Deputy assistant director of the FBI's Cyber Division, Tonya Ugoretz, said that "Countries have a very high interest in information on the virus … such

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as information on a vaccine. We have certainly seen reconnaissance activity and some intrusions into some of those institutions, especially those who have identified themselves as working on COVID research."

Trenton Police Suffers Two Cyberattacks In Last Six Months.

The Trentonian (NJ) (4/20, 106K) reports the Trenton Police "suffered another serious cyberattack over the weekend, the second since October, according to sources." The police department hadn't "fully recovered from the first one, a ransomware attack in which hackers demanded $50,000 to unlock the encrypted data, according to sources, when it was hit by this second, less serious one." While the Administration "never made public the first attack, city spokesman Connor Ilchert on Monday confirmed the police department's network has been compromised again." Mayor Reed Gusciora "told The Trentonian in a phone interview that the city's IT department was forced to 'reinvent the wheel' to try to overcome the last attack."

FBI Warns About Sharing Personal Data On Social Media.

The Fayetteville (NC) Observer (4/20, Brown-Peyton, 151K) reports the FBI Charlotte office on Monday "said social media users should pay close attention to the information they share online." The FBI said in a news release, "A number of trending social media topics seem like fun games, but can reveal answers to very common password retrieval security questions. Fraudsters can leverage this personal information to reset account passwords and gain access to once-protected data and accounts." The high school support photo trend "encourages people to share their high school photo to support the class of 2020." Many people are "including the name of their schools and mascots, and the year they graduated." The FBI said, "All three are answers to common password retrieval security questions."

FBI Warns COVID-19 Researchers Targeted By Foreign Hackers.

ExecutiveGov (4/20) reports Tonya Ugoretz, deputy assistant director of the FBI's cyber division, "said at an online panel discussion that nation-state hackers have targeted US medical research institutions that are studying COVID-19 and developing vaccines against the novel coronavirus." She "told participants during the Aspen Institute-hosted virtual event Thursday the bureau has traced reconnaissance activity and cyber intrusion into organizations that have publicly disclosed R&D efforts related to the novel coronavirus." Ugoretz noted, "Countries have a very high desire for information … about how other countries are responding – about things like research on vaccines, what's happening in the US healthcare sector in our research institutes."

Pandemic Spurring Cyberattacks On Hospitals, Infrastructure.

The Washington Post (4/20, Marks, 14.2M) reports in the Cybersecurity 202 column that attempted cyberattacks "against several hospitals and an airport in the Czech Republic show the coronavirus pandemic has not slowed down the West's digital adversaries." Czech leaders "fear more attacks from highly sophisticated adversaries are on the way." The nation's top cybersecurity agency "has warned it expected imminent 'serious cyberattacks' against its health-care sector aimed at disabling computers and destroying data." Czech officials "didn't name the suspected attacker but the language they used suggested greater concern about hackers backed by a national government rather than criminals." The attacks should be "a warning sign for the US that global hacking conflicts have not only continued even as the public health crisis rages – but have become even more dangerous as they threaten to disrupt medical care and cost patients' lives."

Cybercriminals Target Bay Area Residents As Online Shopping Surges Amid Pandemic.

KGO-TV San Francisco (4/20, Finney. Yip, 144K) reports that cybercriminals are targeting Tampa Bay residents as at-home workers move to online shopping amid the pandemic. Rick Holland of Digital Shadows says, "This is almost like Black Friday, November and December, all over again. Just like some of the commercial legitimate businesses are talking about spikes in sales they're seeing on e-commerce. This is an unseasonable opportunity for cybercriminals." It's something the "San Francisco office of the FBI is already noticing." Sanjay Virmani of the FBI said, "They know people are online more now, looking for shopping. So they're looking. Clearly the online shopping sector is something they're looking at." Holland "says his team at Digital Shadows is monitoring the dark web and watching cybercriminals excitedly discuss increased opportunities to steal your credit and debit card numbers."

TFI/Sanctions

Treasury Acknowledges Sanctions Compliance Difficulty Amid Pandemic.

Law360 (4/20, Godoy, Subscription Publication, 8K) reports the Treasury Department "told companies on Monday that it 'understands' they may be running into issues covering their compliance bases amid the global pandemic and that if a shift in resources leads to a violation, the government will take that into account in any eventual enforcement." OFAC "issued a statement on Monday encouraging companies to continue taking a risk-based approach to complying with U.S. sanctions, which may mean shifting resources to account for difficulties that arise because of the novel coronavirus." OFAC "said that it 'understands' companies may be 'facing technical and resource challenges' because of the pandemic. As such, companies may respond by 'reallocating' sanctions compliance resources." OFAC said it will "evaluate this as a factor in determining the appropriate administrative response to an apparent violation that occurs during this period."

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Chevron's Venezuela Waiver Set To Expire Wednesday.

Bloomberg (4/20, Biesheuvel, Crowley, Bochove, 4.73M) reports Chevron and four oilfield-service providers will learn "in the coming days whether they may continue operating in Venezuela as a 90-day sanctions waiver comes up for renewal." Since late 2018, the waiver has been renewed four times. The current waiver expires April 22. The US Treasury Department's decision "has become a fraught quarterly ritual for the companies, which also include Baker Hughes, Halliburton, Schlumberger and Weatherford International Ltd." With oil prices low due to the coronavirus pandemic, "the Treasury's assessment comes at a time of extreme stress both for Venezuela and the companies involved." The Trump Administration "is seeking to replace President Nicolas Maduro's regime in the country that's home to the world's largest crude reserves."

US Fast-Tracks Coronavirus Assistance To North Korea.

Newsweek (4/20, O'Connor, 1.53M) reports "the United States has fast-tracked assistance to North Korea in response to the coronavirus pandemic."

Rouhani Denounces US Sanctions During Pandemic As "Barbaric Crime."

Reuters (4/20) reports Iranian President Hassan Rouhani "said on Monday that American pressure on Iran in the middle of the coronavirus pandemic was 'inhumane.'" In a call with Italian Prime Minister Giuseppe Conte, Rouhani said, "In these difficult conditions, American pressure on the people of Iran is more inhumane than at any other time and the continuation of it is a barbaric crime against a great people and against all human principles and international regulations." The Washington Times (4/20, Meier, 492K) reports "Iranian officials have blamed the crippling US sanctions for the massive spread of the virus and high death toll."

The AP (4/20) reports Iran yesterday "began opening intercity highways and major shopping centers to stimulate its sanctions-choked economy, gambling that it has brought under control its coronavirus outbreak – one of the worst in the world – even as some fear it could lead to a second wave of infections."

Federal Reserve

Fed May Soon Expand Plans To Buy Municipal Bonds, Potentially Entering Fraught Territory.

The New York Times (4/20, Smialek, 18.61M) reports the Federal Reserve "could soon expand its plans to buy municipal bonds, as lawmakers from both parties pressure the central bank to do more to support smaller cities and counties suffering amid fallout from the coronavirus." Fed officials "said on April 9 that they would begin purchasing municipal bonds using their emergency lending powers, pledging to buy up to $500 billion in bonds from states and the biggest cities and counties. In doing so, they crossed a line they have long treated as sacred: buying local bonds is potentially charged territory for the politically independent Fed." These plans "have been met with both hope and criticism. ... Lawmakers and analysts have been blasting the program for not going far enough. It is open only to states, counties with populations of more than two million, and cities of one million or more." The Fed "made it clear from the outset that it could push the program further, saying in a statement on April 9 that it would continue monitoring markets and would 'evaluate whether additional measures are needed to support the flow of credit and liquidity to state and local governments.'" Fed Chair Jerome H. Powell "reiterated that message on Monday, telling a Democratic lawmaker that the central bank was looking at how it could make the program broader."

Reuters (4/20, Beech) reports Senate Minority Leader Chuck Schumer "said he had urged Federal Reserve Chairman Jerome Powell in a phone call on Monday to open Fed's Main Street Lending program to nonprofits and local governments." Schumer, in a statement, said Powell "indicated to me that the Fed is actively working on solutions, and nonprofits will very likely be included." Schumer also said Powell "assured me that the Fed was similarly working to make the program directly accessible to more cities and counties."

Chicago Fed's National Activity Index Falls To Recession Levels.

Reuters (4/20, Schneider) reports the Chicago Fed's National Activity Index "plunged to recessionary levels in March as the [US] responded to the coronavirus pandemic, a broad and swift turnaround from growth that had been well above trend just weeks before." In just a month, the index has already reached "near the bottom it hit over 19 months during the 2007 to 2009 Great Recession." If the index is at 0, the economy is growing more or less at its estimated trend rate.

Minneapolis Fed Research Shows US Shutdown May Be Twice As Strong As Necessary.

Reuters (4/20, Schneider, Saphir) reports research from the Minneapolis Fed released Monday shows current economic restrictions in the US may be twice as strong as necessary to balance economic needs with the risks of the pandemic. The paper containing the research "was explicit in its topic and its methodology, setting the 'value of a statistical life' at $11.5 million, in line with other federal agencies like the Department of Transportation. It used that figure to analyze the trade-offs between keeping more workers idled and easing social distancing." The research concluded that the current restrictions "are shifting benefits from younger workers, who would be better off with looser rules, to older individuals for whom protection from the coronavirus is more vital. A middle ground, with more modest restrictions left in place until the end of July, produces the 'optimal' outcome, it said."

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Internal Revenue Service

IRS Focused On Coronavirus Relief Payments.

Politico (4/20, Lorenzo, 4.29M) reports "the coronavirus pandemic has nearly crippled" the IRS "just as it is most needed to help pump money into the ailing economy." It has closed "all of the agency's processing and taxpayer assistance centers" and "turned most of its attention to implementing" the coronavirus relief payments under the CARES Act. Politico says that means "millions of individual taxpayers and businesses could face lengthy delays before they receive refunds they desperately need," while those "disputing how much they owe or waiting to see if they qualify for tax credits also could have to wait indefinitely." Politico adds that the IRS has "another big test next week" as it is expected to begin sending paper checks next week for coronavirus relief for those the agency does not have bank accounts for. Meanwhile, Politico says, this year's returns "along with refunds, are still being processed, at least the ones that are filed electronically."

Office of the Comptroller of the Currency

OCC Appoints Blake Paulson As New Chief National Bank Examiner.

ABL Advisor (4/20, Perer) reports Comptroller of the Currency Joseph Otting has "announced that Blake Paulson would become the agency's Chief National Bank Examiner at the end of the month." Paulson will continue to serve as Senior Deputy Comptroller for Midsize and Community Bank Supervision.

Rep. Meeks: CRA Rewrite Would Increase Banking Deserts In Communities Of Color.

In a BankThink piece for American Banker (4/20, Subscription Publication, 31K), Rep. Gregory Meeks (D-NY) writes that the OCC and FDIC's proposed CRA reform "fundamentally undermines the law's original civil rights intent." The proposal "is expected to worsen the prevalence of banking deserts, further limit access to mortgage and small-business loans for low-income communities, and communities of color across the country."

Similarly, NeighborWorks America President and CEO Marietta Rodriguez writes in the National Mortgage News (4/20) that making major changes to the CRA amid the coronavirus pandemic could cause more harm to lower-income communities, which usually "experience the most severe consequences" when "health and economic crises strike." Rodriguez says, "Because it may be impossible to accurately account for the unprecedented nature of this situation in the regulations, reconsidering the proposal to revise and instead delay implementation of a new CRA rule during this time of economic turmoil could play a critical role in safeguarding communities."

Editorial Wrap-Up

New York Times.

"'You're On Your Own,' Essential Workers Are Being Told." The New York Times (4/20, 18.61M) says in an editorial that grocery store and warehouse deemed "essential" during the coronavirus pandemic "say not enough is being done to protect them from exposure." The Times says it is "apparent that not nearly enough is being done to protect these front-line workers, even as their continued labor ensures that a semblance of normality endures for their fellow Americans." The Times says OSHA "has taken a largely hands-off approach to the pandemic," and calls on the agency to "go beyond C.D.C. guidelines to require measures such as staggered shifts and lunch breaks and construction of barriers to protect employees in jobs like manufacturing and meatpacking that require close quarters." The Times concludes, "If the spread of the disease is to slow, millions of workers deserve far better protection."

Washington Post.

"Congress Gave The Postal Service A Band-Aid. It Needs A Permanent Fix." The Washington Post (4/20, 14.2M) editorializes in favor of a postal service as "an essential element of any advanced nation's infrastructure," and urges the Congress to undertake "structural reform" of the US Postal Service in order to prevent it from being "forced to scrounge for cash indefinitely." The Post says Congress must address the postal service's major problems, "the decline of first-class mail, over-regulation and vast unfunded retiree benefit liabilities." Congress, should, the Post argues, offer "generous financial assistance...in return for substantial structural reform" that includes "an end to mandatory Saturday mail delivery...greater regulatory latitude to set prices and develop new products; closing or consolidating underutilized postal facilities; and shifting retiree health benefits to Medicare."

"The Xi Regime Is Taking Aim At Democracy In Hong Kong, Using Covid-19 As A Cover." The Washington Post (4/20, 14.2M) editorializes that in "a sign of these remarkable, pandemic-afflicted times, and of the determination of China's Communist regime to exploit them," 15 Hong Kong democracy activists were arrested over the weekend. The Post calls the arrests a "major new effort by the government of Xi Jinping and its puppet administration in Hong Kong to crush the pro-democracy movement, using the novel coronavirus outbreak as a cover."

"Trump's Reckless Incitement To 'Liberate' States Endangers Lives." In an editorial, the Washington Post (4/20, 14.2M) says President Trump was "exceedingly reckless to incite protests with three tweets on Friday saying 'LIBERATE' Michigan, Minnesota and Virginia, all of which have Democratic governors." By doing so, Trump "undermined his own published public health guidelines and his own reopening plan." The Post raises concerns "his comments could inspire additional disobedience and spark new outbreaks and another round of restrictions that would be even harder to impose." In contrast, the Post says, "a responsible leader would express empathy with the millions of Americans who have followed the rules, reinforce why they are necessary and offer reasonable expectations about what comes next. To

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fail at this is to fail at a central function of the presidency."

Wall Street Journal.

"Care To Store Some Oil?" A Wall Street Journal (4/20, Subscription Publication, 7.57M) editorial says downward pressure on oil prices will continue until the pandemic passes. The Journal says demand will resume when global growth returns.

"The Court's Conservatives Clash." The Wall Street Journal (4/20, Subscription Publication, 7.57M) editorializes on Ramos v. Louisiana, saying that Democrats have accused conservative judges of all being uniform partisans, but the Ramos decision and many others show a good deal of diversity among conservative jurists. The Journal says that Justice Gorsuch and Justice Thomas have shown themselves quite willing to overturn precedents they conclude are in conflict with the original understanding of the Constitution, while Justice Alito and Chief Justice Roberts have been more attentive to the dangers of instability and unpredictability when precedents are freely overturned.

"Mia Land O'Lakes, 1928-2020." The Wall Street Journal (4/20, Subscription Publication, 7.57M) editorializes against Land O'Lakes removing the figure of a Native American woman from its butter packaging, adding that the current figure was the work of an Ojibwe artist in the 1950s, whose son lamented the disappearance, suggesting that political correctness was likely the reason for its going.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

US Oil Costs Less Than Zero After A Sharp Monday Selloff
States Burn Through Cash For Unemployment Payments
Businesses Strive To Reopen From Coronavirus Shutdown
What's Become Of Office Plants Abandoned In The Coronavirus Shutdown
In Race For Small-Business Loans, Winning Hinged On Where Firms Bank

New York Times:

'I Don't Think The New York That We Left Will Be Back For Some Years'
Trump Plans To Suspend Immigration To US
The Pandemic's Hidden Victims: Sick Or Dying, But Not From The Virus
Two ER Workers Worry: If They Died, Who'd Take Care Of Their Son?
Netanyahu's Power Is Extended As Rival Accepts Israel unity Government
Too Much Oil: How A Barrel Came To Be Worth Less Than Nothing

Washington Post:

Oil Below $0? An Anomaly – But Also A Worrisome Omen.
Many Small Firms Left Behind As Aid Ran Out
As Government Power Swells With Its Aid, Big Debate Looms
Calls For Freedom In Wide Open Spaces
Israeli Rivals End Standoff, Agree To Unity Government Will Govern Together – Temporarily
Trump, Hill Near A Deal For Added Relief Funds

Financial Times:

US Oil Price Below Zero For First Time In History
Latin American Gravediggers Fear Virus Death Toll Higher Than Admitted
Denmark To Test Everyone With Coronavirus Symptoms

Washington Times:

'Unlawful Mandates': Conservatives Rebel Against COVID Restrictions, Rally For Reopening
Double Standard? Biden Accusation Dings #MeToo Movement, Not Campaign
Hillary Who? Biden, Dems Content To Keep Clinton On Sidelines – But GOP Has Other Plans
China's Effort To Hide Outbreak Would Have Blocked CDC Researchers On Ground, Experts Say
'Perfect Storm': Coronavirus Latest Challenge Facing Embattled Iraq
Maryland Gov. Larry Hogan Says South Korea Sent 500,000 Coronavirus Tests

Story Lineup From Last Night's Network News:

ABC: Reopening America; Governors-Coronavirus Testing; Antibodies Test; Coronavirus-Blood Clots; Coronavirus Outbreaks at Meat Plants; Oil Prices; Congress-Stimulus; Denmark-Reopening; Severe Weather; Families & Children Spread Love.

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CBS: Reopening America; Governors-Coronavirus Testing; Congress-Stimulus; Trump-Coronavirus Response; Antibodies Test; Coronavirus-Nursing Homes; Coronavirus-Healthcare System Financial Issues; Canada-Shooting; Florida-Tornado; New York-Broadway Legend Sings to Neighborhood Every Evening.
NBC: Reopening America; Stay At Home Protests; Antibodies Test; Congress-Stimulus; Oil Prices; Coronavirus-Outbreaks at Meat Plants; Coronavirus-Healthcare Workers; Coronavirus-Vaccine Trials; New Jersey-Husband Gets Hero's Welcome Upon Leaving Hospital.

Network TV At A Glance:
Coronavirus – 14 minutes, 55 seconds
Reopening America – 11 minutes, 30 seconds
Antibodies Test – 7 minutes, 55 seconds
Congress-Stimulus – 2 minutes, 55 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Trump-Suspending US Immigration; Governors-Coronavirus Testing; Reopening America; Oil Prices; Pence-Coronavirus Surveillance; MLB Lawsuit for Refunds.
CBS: Stay At Home Protests; Governors-Coronavirus Testing; WHO-Virus Spreading; Congress-Stimulus; Oil Prices; Wall Street.
FOX: North Korea-Speculation of Kim Jong-un's Health; Trump-Suspending US Immigration; Trump-Reopening America; Congress-Stimulus; Coronavirus-US Deaths.
NPR: Governors-Coronavirus Testing; Gov. Cuomo-Reopening New York; Oil Prices; Stocks.

Last Laughs

Late Night Political Humor.

Trevor Noah: "You may have heard the $350 billion relief fund for small businesses quickly ran out of money just before most businesses could get their loans. Well, now we're finding out why the money dried up so fast. It turns out, a lot of those loans were claimed by businesses that are, uh, how do we say it, not actually small. ... Meanwhile, Harvard University is also coming under fire because, even though they have a $41 billion endowment fund, they still decided to take $9 million from the relief package. Yeah, $9 million. Last time Harvard got that much money out of the blue, they had to accept Jared Kushner."

Trevor Noah: "All around the country over the weekend, protests popped up, demanding an immediate end to lockdowns. Let's be honest, people, this is both insane and counterproductive, because the more you gather in groups, the longer the lockdown will have to go on. ... Now, it would be a lot easier to not take these protests seriously if they were just being fueled by Fox News and internet conspiracy theories. The problem is, all these morons also have the support of the moron in chief. ... What makes what Trump is doing particularly vile is that on Thursday, he announced guidelines for when states should open back up, and then he spends the rest of the weekend urging his followers to fight back against the same guidelines that he released. Which is insane. It's like Trump is the head coach who told his team to kick a field goal, but now he's on the sidelines heckling them for doing it. 'Boo! What a bunch of losers! You should have gone for the touchdown!'"

Jimmy Kimmel: "The governor of Florida reopened the beach in Jacksonville, and of course, no one followed the rules. Fortunately, there are no old people living in Florida who might be at risk."

Jimmy Kimmel: "And thousands of Americans in more than a dozen states have gathered to protest 'stay at home.' ... In Denver, Colorado, there was a standoff between protesters and an angry healthcare worker. Well, you know what they say: It ain't over till the fat lady screams crazy right-wing talking points at a medical professional who's trying to save her family's lives."

Jimmy Kimmel: "A big reason why these protesters are gaining steam is because our President is encouraging them. Despite everyone who works for him telling people to stay at home, despite the official White House mandate being shelter in place, over the weekend, the guy who runs the White House tweeted, 'Liberate Michigan, liberate Minnesota, and liberate Virginia.' This from a man who refuses to even liberate Melania."

Jimmy Kimmel: "I'm starting to think that these characters who support Trump might be suicidal. They seem to fight hardest for the things that will kill them. They want freedom to gather in large groups during an epidemic. They want guns. They want to bleed it out. They want to die and they're taking us down with them. It's like if the Titanic was headed toward the iceberg, and half of the passengers were like,

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'Can you please speed this thing up?'"

Jimmy Kimmel: "You remember a guy named Hunter Biden? You may recall the President had some concerns about him getting paid because his father was Vice President. Well, turns out the Trump campaign has been paying the wife and girlfriend of Trump's sons $180,000 a year apiece. Those donations people make to his MAGA campaign, $30,000 a month of that goes to Lara Trump and Kimberly Guilfoyle. Which I guess makes sense. I mean, did we really expect a woman to date Donald Trump Jr. for free?"

Stephen Colbert: "We've all been self-isolating for over a month now, and some of us are starting to go a little kooky. Like a handful of idiots who were out this weekend protesting against social distancing. For instance, this man in Washington state, carrying the sign 'Give me liberty, or give me Covid-19.' Buddy, you're in a large crowd, you're not wearing a mask, you're not six feet away from people – you might not need to choose."

Stephen Colbert: "Many of the protesters lamented the loss of their everyday activities, like this woman in Wisconsin with the sign 'I want a haircut.' Looks like your sign has an error, here's a fixed one for you. It says, 'I want to endanger the lives of your grandparents in exchange for frosted tips.'"

Stephen Colbert: "I get that this is a land of liberty, but these protesters aren't just putting themselves at risk. The whole reason we are social-distancing is to prevent spreading the virus, especially to our older relatives. I mean, there's a reason the Boston tea partiers didn't throw Nana in the harbor."

Stephen Colbert: "On Thursday, even Trump encouraged social distancing. And the next day, he tweeted in support of the protests. 'Liberate Minnesota!' 'Liberate Michigan!' And 'Liberate Virginia! And save your great Second Amendment. It is under siege!' Yes, the Second Amendment. So important right now 'cause if you run out of Lysol, you can shoot your groceries with an AR-15."

Stephen Colbert: "Thanks to the pandemic, small businesses are suffering more than ever, which is why last month, the President signed off on $349 billion in grants known as the Paycheck Protection Program, or PPP. Of course, Trump's top advisers have their own Paycheck Protection Program known as DAD."

Jimmy Fallon: "Last night, ESPN aired the first two parts of their Michael Jordan docuseries, 'The Last Dance.' ... President Obama was interviewed for the series, and a lot of people laughed at the description the filmmakers gave him. ... They just call him 'former Chicago resident.' That's like calling Jesus 'former carpenter.' And they were like, 'Our mistake, it should have just said 'Michelle's husband.'"" **Washington's Schedule**

Today's Events In Washington.

***White House*:**

- President Trump — Meets with the Governor of New York.
- Vice President Pence — Visits GE Healthcare facility in Wisconsin to highlight ventilator production during coronavirus.

***US Senate*:**

- Senate on recess from 25 Mar – 4 May

***US House*:**

- House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 30 Mar – 4 May

Location: U.S. Capitol, Washington, DC; 10:30 AM

***Cabinet Officers*:**

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- No public schedules released

Visitors:

- No visitors scheduled

This Town:

- Bipartisan, Bicameral Members of Congress Discuss Coronavirus' 'Threat' To Rural Health Care – 'COVID-19 Exposes Threat to America's Broken Rural Health Care System: BPC Task Force Policy Recommendations' Bipartisan Policy Center webinar, to discuss policy proposals aiming to stabilize hundreds of rural hospitals that are at risk of closing and create pathways for transforming these facilities into models of care. Speakers include Republican Sens. Chuck Grassley and Bill Cassidy, Democratic Rep. Xochitil Torres Small, former Sens. Tom Daschle and Olympia Snowe, former Rep. Tom Tauke, Jennings S Policy Strategies President Chris Jennings, and Project HOPE Senior Fellow Gail Wilensky; *10:00 AM*
- New America webcast on the security risks of working from home – 'Digital Security Needs a Work-From-Home Makeover' New America webcast, on the security risks and benefits of popular work from home technologies, including conferencing platforms, video calls, connected devices, and home assistants. Speakers include Consumer Reports Consumer Privacy and Technology Policy Director Justin Brookman and Policy Counsel Katie McInnis and New America Open Technology Institute Technologist Nat Maysenburg; *11:00 AM*
- Dem Rep. Bennie Thompson hosts 'Coronavirus and Homeland Security' conversation with former DHS Secretary Jeh Johnson – House Committee on Homeland Security Chairman Bennie Thompson hosts 'Coronavirus and Homeland Security Part One' conversation with former Secretary of Homeland Security Jeh Johnson, a public virtual forum moderated by journalist and political analyst April Ryan; *2:00 PM*

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DATE: WEDNESDAY, FEBRUARY 26, 2020 6:00 AM EST

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• NLRB Reverses Obama-Era Rules Making Companies Responsible For Franchisees' Actions.
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• Disney CEO Iger Steps Down.
• Amazon Opens First Cashierless Supermarket, Looking To License System To Other Retailers.
• Bezos' Climate Pledge Raises Concerns Private Sector Will Have Outsized Influence On Issue.
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• FBI Raids Offices Of Fashion Executive Nygard In Sex-Trafficking Probe.
• Pence Promotes Administration Trade Record In Address To Michigan Farmers.
• US Trade Panel Rejects Duties On Fabricated Steel.
• Trump Accuses Schiff, Democrats Of Leaking Information To Hurt Him And Sanders.
• Barr Discusses FISA Reforms With Republican Senators.
• Graham: McCabe Needs To Explain How He Knew FBI Field Office Had Steele Dossier.
• Attorney Questions Whether Obama's DOJ Leaked Flynn's Calls With Kislyak.
• Judge In Stone Trial Says Trump Comments Helped Fuel Threats To Jury.
• Attorney Says Assange Tried To Call White House, Hillary Clinton About Dump Of Diplomatic Cables.
• Reuters, NYTimes Analyses: Justices Skeptical Of Law Against Encouraging Illegal Immigration.
• High Court Bars Mexican Family's Lawsuit Against Border Patrol.
• ICE Using Subpoenas In Battle Against Sanctuary Jurisdictions.
• ICE: 86% Of Deportations Biden Would Halt Involve Criminal History.
• Illinois Sheriffs Say Under New Policy, Criminals Facing Deportation Are Being Set Free.
• WPost Agrees With Mulvaney's Claim That US Needs More Immigrants.
• Esper To Defend Trump's Pentagon Budget Request Before Lawmakers Wednesday.
• Gramm, Early: Despite Democrats' Claims, Rich Do Pay Their Fair Share Of Taxes.
• US Health Officials Urge Preparation For Coronavirus "Pandemic," Disruption Of Daily Life.
• GOP Senators Criticize Administration Officials Over Handling Of Coronavirus.
• Dow Down More Than 879 Points On Coronavirus Concerns.
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• Healthcare Facilities Use Temporary Doctors To Cope With Physician Shortage.
• New Mexico Governor: Sheriffs Should Enforce New Red-Flag Gun Law Or Resign.
• NYTimes Analysis: Trump Budget Reflects Administration's Lack Of Support For Charter Schools.
• Trump: Purge Of Disloyal Staffers Is For "Good Of The Country."
• Sources: Ratcliffe Again Under Consideration For DNI.
• Grenell Asks Pierson To Remain In Post.
• Barr Names Carvajal As New Federal Prison System Director.
• Report Finds State Department Struggling To Increase Diversity In Hiring.
• TSA Freezes Hiring In Order To Pay For Cost-Of-Living Raises.
• Mallinckrodt Agrees To $1.6B Deal to Settle Opioid Lawsuits.
• Trump: Sotomayor And Ginsburg Should Recuse Themselves From "Trump Related" Cases.
• Trump Highlights Weinstein's Ties To Top Democrats Including Michelle Obama, Hillary Clinton.
• Trump Says Fox News Leading Cable Ratings Because Of Favorable Coverage.
• Trump Proposal To Cut Environmental Reviews Draws Criticism.
• Rubio Anticipates Administration Will Not Try To End Offshore Drilling Moratorium.
• After Trump Mocks New York Sea Wall, Study Is Halted.
• Pence Blasts Sanders' Comments On Castro.
• Trump Nominee To Federal Court Once Argued For Elimination Of Social Security, Federal Agencies.
• Bipartisan Group Of Former Senators Bemoans Focus On Judicial Confirmations.
• Oregon Republicans Stage Walkout To Block Climate Legislation.
• Louisiana Evaluating Projects To Restore Coastline.

Attorney Work Product

• First Woman Expected To Join Army's Green Berets.
• "Miracle On Ice" Team Face Backlash After Wearing "Keep America Great" Hats At Trump Rally.
• McConnell: GOP Shouldn't Speculate On Which Democrat Will Be Easiest To Beat.
• Ocasio-Cortez Suggests Voters Should Disregard Cynicism Over Politics To Defeat Trump.
• Conservatives Urge Republicans To Vote In South Carolina's Democratic Primary.
• Media Analyses: Frontrunner Sanders Faces Fierce Attacks During Chaotic Debate.
• Reuters/Ipsos Poll: Sanders Surpasses Biden In Support Among African Americans.
• Politico Analysis: Sanders Might Not Be Unstoppable.
• At South Carolina Event, Biden Said He Is A Candidate For US Senate.
• Bloomberg's Girlfriend Says People Bothered By NDAs Should "Get Over It."
• In Weekend Meeting, Schumer Urged Bullock To Challenge Daines.
• WSJournal: Federal Judges Association Should Explain "Emergency" Meeting.
• WSJournal: Democrats Sow Chaos With Early Voting Efforts.
• Meacham: Religion Offers "Best Hope" Against Trump.
• Declassified Study Shows Costly NSA Phone Program Provided Limited Results.
• Man Charged With Plotting To Blow Up Car At Pentagon.
• NYTimes Report: Calls For Law Targeting Domestic Terrorism Growing.
• RCP Average Has Trump's Job Approval At 46.3%.

Financial International News

• IMF Calls Talks With Lebanon "Productive" As Hezbollah Declares Opposition To IMF Managing Crisis.
• Japan Signals Readiness To Counteract Economic Damage From Coronavirus.
• Malpass: First-Half Global Growth Likely To Suffer Blow From Coronavirus.

Leading International News

• US Airstrike Kills Al Shabaab Leader Tied To Attack On Kenyan Base.
• Escalation Of Yemeni Civil War Could Provide Opening For AQAP Resurgence.
• Army Judge Proposes 2022 Trial In USS Cole Bombing Case.
• Iranian Security Official Accuses US Of Withholding Information About Missile Attack In Iraq.
• Ebadi: Iranian Revolution Was A Mistake.
• Pompeo: Informal Truce With Taliban "Working Perfectly" So Far.
• US Says Afghan Election Results Should Be Reviewed.
• Governments Increasingly Ordering Internet Shutdowns To Quell Dissent.
• Chinese Court Sentences Swedish Bookseller To 10 Years In Prison.
• Macron Pension Plan That Sparked Protests Set To Become Law.
• Mubarak Dies At Age 91.

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• Calabria Discusses State Of GSE Reform Efforts, Goals Going Forward, And Timeline Predictions.
• Calabria Talks About Pre-Crisis G-Fee Deals.
• Bove: Government Is Making GSEs Less Competitive, Disincentivizing Investment.
• Role Of GSEs In Multifamily Sector Evolves As They Move Toward Privatization.
• CBRE Arranges Freddie Mac Acquisition Financing For Denver-Area, Garden-Style Community.
• HUD Announces Changes To FHA's CWCOT Program.
• US Mortgage Rates Hit Eight-Year Lows.
• Non-Agency Jumbo Production Rose Significantly In 2019, Despite Slowing In Q4.
• Case-Shiller HPI: Home Prices Rose An Annual 3.8% In December.
• FHFA House Price Index Rises 0.6% In December From November.
• NAR Data Shows That Homeownership Is Less Attainable For People Of Color.
• Shares Of Mobile Home Park Companies Have Soared Since Housing Crash.

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• Gold Edges Higher.
• Oil Rises.

Cybersecurity

• Ex-Microsoft Employee Convicted In Digital Currency Scheme.
• Lack Of Transparency Over Florida's Efforts To Protect Election Security Threatens To Sow Mistrust.
• RSA Conference Will Focus On Chinese Hackers, CISA Role.
• CISA Chief Krebs Discusses Cybersecurity Threats To Voter Registration Databases Ahead Of The Election.
• US Assistant Attorney Demers Discusses US-China Cybersecurity Relationship.
• US Transportation Command Chief Says Cyber Is The Most "Consequential" Issue Facing Sector.
• Trump Official Asserts Huawei Is Like "The Mafia" As White House Combats Company's Role In 5G.

TFI/Sanctions

• Trump Administration Discussing Possible Renewal Of Chevron License In Venezuela.

Federal Reserve

• Clarida, Kaplan Say "Too Soon" To Make Monetary Policy Decision In Response To Virus Outbreak.
• Fed Meeting Minutes Show All 12 Regional Banks Want To Keep Rates For Emergency Loans Unchanged.
• Pivotal GOP Senators Unconvinced By Trump's Pick Of Judy Shelton For Fed Board.
• NY Fed Accepts $49.5B In Overnight Repo Bids.

Financial Regulatory Agencies

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• CFPB Deputy Director Brian Johnson To Leave Agency.
• CFPB's Kraninger Promises Qualified Mortgage, Remittances Policy Revisions No Later Than May.
• CFPB May Allow Collectors To Contact Consumers Over Debt Past Its Statute Of Limitations.
• Industry Observers Question Effect Of NCUA's New Sub Debt Rule.
Office of the Comptroller of the Currency
• Otting Discusses CRA Reform, Wells Fargo, Health Of Banking Industry.
• OCC To Host Risk, Compliance Workshops This Spring.
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Treasury in the News

Georgieva Names Former Liberian Finance Minister As IMF Deputy Managing Director.

Reuters (2/25, Lawder) reports IMF Managing Director Kristalina Georgieva on Tuesday "nominated former IMF official Antoinette Sayeh to become a deputy managing director at the Fund." Sayeh, of Liberian origin, was IMF African Department Director in 2008-16 and has since "been at the Center for Global Development think tank in Washington, having served as Liberia's finance minister from 2006 to 2008 and spent 17 years at the World Bank." Sayeh "would serve as one of four deputy managing directors under Georgieva, but would not replace David Lipton as first deputy managing director, the Fund's No. 2 role, which has strong influence over policies." Geoffrey Okamoto, "a 35-year-old U.S. Treasury acting assistant secretary has emerged as a leading candidate to replace Lipton, backed by U.S. Treasury Secretary Steven Mnuchin."

Leading National News

Trump Announces $3B Arms Deal, Declines To Comment On Indian Citizenship Law.

As he completed his two-day stay in India yesterday, President Trump announced India will buy $3 billion worth of military equipment from the US and said the two nations made progress in talks on a bilateral trade deal. Media reports, however, focused largely on the President's decision not to comment on a controversial new citizenship law in India that is at the center of deadly protests.

Reuters (2/25, Holland, Ahmed) reports the Trump announced "that India will buy $3 billion worth of military equipment, including attack helicopters, as the two countries deepen defense and commercial ties in an attempt to balance the weight of China in the region." Following one-on-one talks with Prime Minister Narendra Modi, Trump "said his visit had been productive with the conclusion of deals to buy helicopters for the Indian military." According to Reuters, India is buying "24 SeaHawk helicopters from Lockheed Martin equipped with Hellfire missiles worth $2.6 billion and also plans a follow-on order for six Apache helicopters."

In the 17th paragraph of a report focused on the controversial immigration law, the New York Times (2/25, Baker, Crowley, Gettleman, 18.61M) briefly mentioned the deal, writing, "While the two leaders were together, it was all sunshine, long on florid language about the strength of their relationship and short on concrete results. Mr. Trump and Mr. Modi celebrated a series of modest agreements that were set before the visit, including a $3 billion arms purchase and a letter of cooperation between Exxon Mobil and India's energy sector."

The Washington Post (2/25, Slater, 14.2M) reports Modi and Trump yesterday "once again praised each other," but "the praise could not mask the fact that Trump's 36-hour visit was long on symbolism and short on substance. A much-discussed deal to resolve long-standing differences over trade remains elusive." However, the Post says the "prospects for partnership remain promising in the security realm, where both the United States and India are looking to counter a rising China. While in India, Trump announced that the two countries were moving ahead with a $3 billion sale of American military equipment including maritime helicopters."

The New York Times (2/25, Baker, Crowley, Gettleman, 18.61M) reports the President also said he and Modi "had made progress toward what he hopes will be a landmark trade agreement between the two economic giants. But there was no breakthrough to announce after formal talks on the second and final day of the president's visit." Trump told reporters, "Our teams have made tremendous progress on a comprehensive trade agreement, and I'm optimistic we can reach a deal that will be of great importance to both countries." The Times, however, writes that while "Trump had said before departing the United States that 'we may make a tremendous deal there,' the two sides appeared far apart on major points of a trade pact."

Politico (2/25, Kumar, 4.29M) likewise reports Trump "will close out his 36-hour trip to India...without striking a long-coveted trade deal to ease tariffs – but that won't stop him from selling it as a victory." Politico says "the self-proclaimed master deal-maker is arguing that he is holding out for a bigger and better deal." A "senior Administration official" is quoted as saying, "The trade and economic relationship with India is critically important to the United States, and I think also access to the United States market is critical to the Indian government. ... We do want to make sure that we get this balance right. We want to address a bunch...of concerns, and we're not quite there yet."

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Trump yesterday shared a tweet from Modi, who wrote, "Yet another excellent meeting and talks with my friend @realDonaldTrump. Relations between India and USA are not merely ties between two governments. Ours is a friendship that is people-driven and people centric. Our nations are cooperating extensively, which is a great sign."

White House Deputy Director of Communications Adam Kennedy said on "The Kuhner Report" on WRKO-AM . Boston (2/25, 9K) that "the major goal" of Trump's India trip "is to reassure and to shore up the foundations of such a strong relationship that we have with the Indian government and the Indian people. I think we have seen both here in the United States and now in India that the President really resonates with that community. We have incredibly strong trade relationships. We have incredibly strong national security relationships and protecting a free and open Indo-Pacific. The President wants to make sure that that relationship with one of the most important countries in the world remains strong and continues to get stronger."

Axios (2/25, Lawler, Basu, 521K), meanwhile, reports that "while President Trump enjoys a hero's welcome in India, that nation's capital is being torn apart by violent protests between Hindus and Muslims." The AP (2/25, Lemire, Colvin), however, says Trump, "defending the host who has showered him with pageantry...refused...to speak out publicly against an Indian citizenship law pushed by...Modi that has sparked deadly protests over discrimination against Muslims during the president's visit." With "at least 10 people killed in violent protests during his two-day visit, Trump told reporters that he didn't want to discuss" the measure. Said the President, "I want to leave that to India and hopefully they will make the right decision."

To the Washington Times (2/25, Boyer, 492K), "Trump refused to be drawn into a public debate...over a new citizenship law in India," Politico (2/25, Kumar, 4.29M) and USA Today (2/25, Subramanian, 10.31M) both say he "sidestepped questions" about the law, and the Los Angeles Times (2/25, Stokols, Bierman, 4.64M) says he "declined...to condemn India's new citizenship law" during a news conference in which he "appeared visibly uncomfortable and tentative at times as he tried to deflect thorny questions."

To the Washington Post (2/25, Gearan, Slater, Kim, Masih, 14.2M), Trump "avoided any public criticism of his host – whose political biography is also built partly on religious and cultural divisions – along with any comparison of Modi's policies with his own treatment of Muslim immigrants." Said the President, "We did talk about religious freedom, and I will say that the prime minister was incredible in what he told me. He wants people to have religious freedom and very strongly."

The New York Times (2/25, Gettleman, Raj, Yasir, 18.61M) reports that on Tuesday, "In one part of New Delhi, President Trump was sightseeing and talking about his warming relationship with...Modi," while "in another, a neighborhood was ripping apart in flames, along religious lines." Reuters (2/25, Ghoshal, Kumar) says New Delhi "has been a hotbed of protests against the new Citizenship Amendment Act (CAA), which eases the path of non-Muslims from three neighboring Muslim-dominated countries to gain Indian citizenship."

AP Analysis: Ahmedabad Rally A Recognition By Modi Of What Trump Likes. An analysis by the AP (2/25, Sullivan) says Monday's "Namaste Trump" rally in Ahmedabad attended by "more than 100,000 people" was not only a sign that "Trump is genuinely popular in India," but also "about Asian geopolitics, China's growing power and a masterful Indian politician who gave his American visitor exactly what he wanted." Modi "is doing this not necessarily because he loves Trump," said Tanvi Madan, the Director of the India Project at the Brookings Institution in Washington. "It's very much about Trump as the leader of the US and recognizing what it is that Trump himself likes," Madan added.

Bond Yields Drop As Worries Mount Over Global Growth.

The Wall Street Journal (2/25, A1, Ostroff, Subscription Publication, 7.57M) reports on its front page that bond yields around the world dropped on Tuesday as investors crowded into safe debt instruments amid fears that the coronavirus outbreak will hurt global growth. The yield on the 10-year Treasury slid to 1.347 percent, nearing the July 8, 2016, historic low of 1.364 percent.

NLRB Reverses Obama-Era Rules Making Companies Responsible For Franchisees' Actions.

The Washington Examiner (2/25, Higgins, 448K) reports the National Labor Relations Board "rolled back an Obama administration-era effort to help unions organize franchisor corporations such as McDonald's through the so-called joint employer rule, dealing a blow to organized labor." The Labor Department readopted the pre-Obama standard last month and the NLRB "followed suit Tuesday." NLRB Chairman John Ring said, "This final rule gives our joint-employer standard the clarity, stability, and predictability that is essential to any successful labor-management relationship and vital to our national economy."

The New York Times (2/25, Scheiber, 18.61M) reports that the rollback "makes it harder to challenge companies over their labor practices, potentially affecting the rights of millions of workers." According to the Times, "The rule, which will take effect on April 27, scales back the responsibility of companies like McDonald's for labor-law violations by their franchisees, such as firing workers in retaliation for attempts to unionize. The rule also applies to workers employed through contractors like staffing agencies or cleaning services." The Times says the new regulation "is a reversal of the doctrine that the board adopted late in the Obama administration, which had made it possible to deem a much wider range of parent companies to be so-called joint employers."

Democrats Propose Legislation To Tighten FAA Oversight After Boeing 737 Max Crashes.

The Washington Post (2/25, Duncan, 14.2M) reports, "Three Democratic senators introduced legislation Tuesday to tighten federal oversight of aircraft manufacturers following the deadly crashes of two Boeing 737 Max jets, saying the current setup allowed the company to prioritize profits over safety." The "sweeping" legislation "targets the Federal Aviation Administration's relationship with industry, which lawmakers have

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said has been revealed to be too cozy." The three sponsors of the legislation, Sens. Richard Blumenthal (D-CT), Edward Markey (D-MA), and Tom Udall (D-NM), are members of the Senate Commerce Committee, "which oversees aviation," and the bill "has the support of the Air Line Pilots Association and other major transportation unions." However, its "ultimate prospects of success in the Republican-controlled Senate are not clear."

Former Boeing Manager Suspected Of Spying For China Claims Investigation Was Flawed.

The Washington Post (2/25, Nakashima, 14.2M) reports, "A former Boeing manager suspected of spying for China is charging that a secret government warrant to search his house for evidence was riddled with errors, raising fresh concerns about the classified process used to carry out national security investigations." The Justice Department in 2014 acquired "a secret warrant seeking evidence that Keith Gartenlaub facilitated the theft of material on Boeing's C-17 military transport plane." However, "Gartenlaub says documents he has reviewed strongly suggest the classified warrant – which neither he nor his lawyers have been allowed to see – was based on inaccurate assertions, including that he had access to the stolen data as part of his job at Boeing."

NTSB Chairman Slams Regulators For "Scant Oversight" Of Tesla's Autopilot Technology.

The Los Angeles Times (2/25, Mitchell, 4.64M) reports, "The chairman of the National Transportation Safety Board slammed Tesla and unnamed 'government regulators' for jeopardizing traffic safety by not taking measures to prevent 'foreseeable abuse' of Tesla's Autopilot driver-assist feature." Robert Sumwalt, Chairman of the NTSB, said at a board meeting Tuesday that "government regulators have provided scant oversight" of Autopilot and other driver-assist systems.

The New York Times (2/25, Chokshi, 18.61M) reports "the board's staff and members issued sharp criticism for the National Highway Traffic Safety Administration, which they accused of taking a 'misguided' and 'hands-off' approach to regulating such technology." In a statement, NHTSA "said that all crashes caused by distracted driving, including those in which driver-assistance systems were in use, were a 'major concern' and that it planned to review the board's report."

The Washington Post (2/25, Laris, 14.2M) reports Sumwalt also warned drivers who use Autopilot as if it were a self-driving system, pointing to a "lack of system safeguards to prevent foreseeable misuses of technology." Sumwalt said, "Industry keeps implementing technology in such a way that people can get injured or killed. If you own a car with partial automation, you do not own a self-driving car. Don't pretend that you do."

NBC Nightly News (2/25, story 10, 0:40, Holt, 6.45M) reported the hearing centered on "a deadly crash" while a Tesla was "operating in Autopilot mode." The NTSB says there was no alert before the crash, and the emergency braking system did not engage.

Disney CEO Iger Steps Down.

The CBS Evening News (2/25, story 9, 0:15, O'Donnell, 4.63M) reported that after 15 years as Disney CEO, Bob Iger "resigned on Tuesday, effective immediately." Iger will "stay on as executive chairman through next year." ABC World News Tonight (2/25, story 5, 2:20, Muir, 7.48M) reported that "stepping in as CEO will be Bob Chapek, who had been chairman of Disney Parks, Experiences, and Products."

The Wall Street Journal (2/25, A1, Watson, Flint, Fritz, Subscription Publication, 7.57M) reports on its front page that Chapek's experience in key leadership roles at Disney over three decades put him over the top of other potential successors, including the executive who runs the company's streaming service, Kevin Mayer.

Amazon Opens First Cashierless Supermarket, Looking To License System To Other Retailers.

NBC Nightly News (2/25, story 12, 1:40, Holt, 6.45M) reported Amazon opened "its first full-sized grocery store without cashiers" on Tuesday. NBC's Jo Ling Kent reported the store uses technology to allow shoppers to pick up merchandise and leave without stopping to check out. Kent added that a major labor union raised alarms that the technology presents a "danger to millions of good jobs" if the system becomes widespread.

The Wall Street Journal (2/25, Herrera, Tilley, Subscription Publication, 7.57M) reports Amazon is hoping the new store will serve as a showcase for other retailers interested in adopting the concept. The company plans to license the system to other businesses.

Bezos' Climate Pledge Raises Concerns Private Sector Will Have Outsized Influence On Issue.

The Washington Post (2/25, Kaplan, Freedman, 14.2M) reports that while the announcement that Jeff Bezos will provide $10 billion in funding to fight climate change opens new possibilities for those in the field, some are also concerned "about the implications of one person funding the fight against a problem that affects many." According to the article, "as federal funding for climate research has stagnated and the U.S. government has forfeited its leadership on the issue, Bezos is one of a growing cadre of philanthropists who see an opportunity to set the agenda for climate mitigation and adaptation." While the funding is welcome, scientists and activists express "caution against private individuals driving climate science and the search for solutions."

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Lawsuit Claims Waldorf Astoria Hotel In California Used Mole To Steal Secrets.

CFTC-22-0351-A-001625

The Wall Street Journal (2/25, Karmin, Subscription Publication, 7.57M) reports a lawsuit filed Tuesday claims a Hilton luxury brand hotel in

California stole corporate secrets and guest information in a plot to win business from VIP clients. The Peninsula Beverly Hills claims that the former general manager of the Waldorf Astoria Beverly Hills conspired with a Peninsula employee who acted as a mole for over a year, and that the employee stole more than 45,000 documents.

FBI Raids Offices Of Fashion Executive Nygard In Sex-Trafficking Probe.

The New York Times (2/25, Barker, Porter, 18.61M) reports, "Federal agents and New York Police detectives raided the Manhattan headquarters of the fashion company run by a Canadian fashion executive on Tuesday morning, seeking evidence in a sex-trafficking investigation, according to two law enforcement officials who spoke on condition of anonymity because they were not authorized to discuss an ongoing investigation." Peter Nygard has been "under investigation for at least five months by a joint child-exploitation task force of the F.B.I. and the New York Police Department, an inquiry overseen by the U.S. attorney's office based in Manhattan. At least four women who have accused Mr. Nygard in a recent lawsuit of sexually assaulting them when they were 14 and 15 in the Bahamas have also met with the task force."

Pence Promotes Administration Trade Record In Address To Michigan Farmers.

The Lansing (MI) State Journal (2/25, Thompson, 206K) reports Vice President Pence "brought an optimistic message to Michigan Farm Bureau members on Tuesday, addressing a crowd at the Lansing Center on East Michigan Avenue." The State Journal adds that "touting tax cuts, regulatory roll-backs and a re-written North American trade agreement," Pence praised President Trump "and promised the administration would continue pushing agricultural interests." Said Pence, "We're willing to go to work to make sure America's farmers and ranchers prosper like never before." MLive (MI) (2/25, Barrett, 925K) indicates "Pence thanked Michigan framers for 'standing strong' with the Trump administration while facing financial hardship under the president's trade wars," and said "past administrations stood by while China took advantage of the United States." Pence also "acknowledged the dueling tariffs imposed by China and the U.S. created some "uncertainty," but argued it was necessary to level the playing field." Said Pence, "The era of economic surrender to China is over. ... We stood strong. Michigan Farm Bureau and farmers across this country stood strong with us. The way farmers really stood in the pocket was inspiring."

WOOD-TV Grand Rapids, MI (2/25, Albin, 138K) says on its website that "selling Trump as a strong negotiator," Pence, "praised phase one of a new trade deal with China...and the replacement of the North American Free Trade Agreement with the U.S.-Mexico-Canada Agreement, which he said would expand U.S. access to the Canadian agriculture market." Said Pence, "The man that wrote 'The Art of the Deal' got a great deal for the American people. The USMCA is here and it's a huge win for American farmers." The Detroit News (2/25, LeBlanc, 825K) quotes Pence as saying, "This President and this entire Administration have supported agriculture from the very beginning. ... And just as you've stood with us...we will always stand with you."

To the Washington Examiner (2/25, Doyle, 448K), Pence scored "face time with voters in an effort that could help secure the state for...Trump in 2020 – and maybe for Mike Pence in 2024." Pence "has been dispatched to Wisconsin and more recently to Pennsylvania, where he addressed a diner packed with local supporters, taking the president's message on the road in states the campaign hopes to keep in its column in November." The Examiner adds that "at the Fleetwood Diner on Tuesday, a packed crowd chanted 'Trump-Pence' and called for 'four more years.' ... Many attendees said they had never seen the place so full." The Lansing (MI) City Pulse (2/25, Ashley) also reports "Pence was spotted at the Fleetwood Diner during his busy trip to Mid-Michigan."

US Trade Panel Rejects Duties On Fabricated Steel.

Reuters (2/25, Lawder) reports the US International Trade Commission "on Tuesday threw out the U.S. anti-dumping and anti-subsidy duties on fabricated structural steel from Canada and Mexico, ruling that such imports do not harm U.S. producers," in a vote of 3 to 2. The ruling is "a rare rejection of U.S. duties imposed by the U.S. Commerce Department in an anti-dumping and anti-subsidy case." The decision "eliminates U.S. anti-dumping and anti-subsidy duties on imports of steel structures prefabricated from beams, girders, columns, plates, and flanges for use in construction."

Trump Accuses Schiff, Democrats Of Leaking Information To Hurt Him And Sanders.

The New York Times (2/25, Sullivan, 18.61M) reports that in India Tuesday, President Trump accused House Intelligence Chairman Adam Schiff "of leaking information about Russia's efforts to interfere in the 2020 election, dismissed the intelligence as 'exaggerated' and refused to acknowledge that Moscow was behind similar efforts in 2016." According to the Times, "without evidence," Trump said, "Schiff leaked it, in my opinion – and he shouldn't be leaking things like that. ... And if they don't stop it, I can't imagine that people are not going to go after them and find out what's happening." Similarly, the AP (2/25, Lemire, Riechmann) says Trump "suggested" that "Democrats who don't want Bernie Sanders to win their party's presidential nomination tried to hurt the senator's chances by leaking information about Russian activities promoting his campaign," but "gave no evidence for his claim." Trump said, "Bernie is probably winning – looks like he's winning and he's got a head of steam. ... And they maybe don't want him for obvious reasons. ... So they put out a thing that Russia is backing him.'"

Bloomberg (2/25, 4.73M) reports that the President's comments suggested that he "still disputes official U.S. conclusions that Russia interfered in the 2016 election to help secure his election."

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Trump Says He Doesn't Want And Didn't Get Election Help From A Foreign Country. Reuters (2/25, Holland) reports that during a news briefing in India Tuesday, President Trump "said...that no country was trying to help him win the November election." Trump said, "I want no help from any country and I haven't been given help from any country." His comment came "after a top intelligence official told lawmakers Russia was interfering in the 2020 presidential vote to help Trump win a second term."

Trump To CNN's Acosta: "You Ought To Be Ashamed Of Yourself." Politico (2/25, Okun, 4.29M) reports that during Tuesday's news conference, Trump "couldn't resist a...spat with an old standby from back home: CNN's Jim Acosta." After Trump "took aim at CNN's credibility," Acosta said, "Mr. President, I think our record on delivering the truth is a lot better than yours sometimes, if you don't mind me saying." Trump said, "Let me tell you about your record. ... Your record is so bad you ought to be ashamed of yourself." Acosta replied, "I'm not ashamed of anything, and our organization's not ashamed," as Trump continued, "You probably have the worst record in the history of broadcasting."

The Daily Caller (2/25, Caruso, 716K) says the exchange came after Acosta asked Trump to "pledge to the American people that you will not accept any foreign assistance in the upcoming election." Trump said, "First of all, I want no help from any country. ... And I haven't been given help from any country, and if you see what CNN, your wonderful network, said, I guess they apologized in a way for – didn't they apologize for the fact that they said certain things that weren't true? Tell me, what was their apology yesterday? What did they say?" USA Today (2/25, 10.31M) posted video of the exchange on its website.

Warzel: Attacks Over Election Meddling Play Into Russia's Hands. In the New York Times (2/25, 18.61M), opinion writer-at-large Charlie Warzel says that while recent reports about Russian interference in the 2020 election "offered very little information about the scope of the interference," that "hasn't prevented the scant news from being weaponized by interested parties." Warzel argues that "play[s] directly into the hands of adversaries already seeking to divide." Warzel adds, "If we don't adapt to this information war, our panic over election meddling could become self-fulfilling. And we will become useful idiots in the undermining of our own electoral legitimacy."

Barr Discusses FISA Reforms With Republican Senators.

The AP (2/25) reports that Attorney General Barr met with Republican senators Tuesday "to discuss the Foreign Intelligence Surveillance Act and other government intelligence laws." The AP adds that "some of those lawmakers supporting Barr are pushing for reforms to the government's secret surveillance program for those posing a national security risk." Those efforts "have intensified after the Justice Department's inspector general in December issued a scathing report that detailed significant errors and omissions in four applications to the secretive Foreign Intelligence Surveillance Court to eavesdrop on former Trump campaign aide Carter Page as part of the FBI's Russia investigation."

The Washington Times (2/25, Mordock, Muñoz, 492K) reports that following the "closed-door lunch meeting," GOP senators said Barr "is set to make internal reforms to the Foreign Intelligence Surveillance Act (FISA) process, but the details are still up in the air." Senate Judiciary Chairman Lindsey Graham said, "He's going to do internal attorney general regulation changes, which he has the power to do. ... I'll let you talk to him about what they are." Graham "said the attorney general appeared to be in favor of a House bill that will give a three-year extension to the FISA provisions." Sen. Ted Cruz (R-TX) said Barr "is considering several FISA changes." Cruz said, "He was discussing a number of reforms he was working on within the Department of Justice in response to the inspector general and the very significant abuses we saw. ... I'll let him make his own announcements."

McConnell Says Barr Has GOP Senators' "Overwhelming Support." Reuters (2/25, Zengerle, Brice) reports that Senate Majority Leader McConnell said after the meeting that the Attorney General still has the support of Senate Republicans. McConnell told reporters that Barr has their "overwhelming support."

Graham: McCabe Needs To Explain How He Knew FBI Field Office Had Steele Dossier.

The Washington Examiner (2/25, Chaitin, 448K) reports Senate Judiciary Chairman Lindsey Graham said Monday that former FBI Deputy Director Andrew McCain needs to explain to lawmakers how he knew an FBI field office had the so-called Steele dossier. On Fox News' Hannity, Graham discussed "his review of the FBI's Crossfire Hurricane investigation and Foreign Intelligence Surveillance Act orders targeting onetime Trump campaign adviser Carter Page." Graham said he wants to ask McCabe about July 2016, when, "they apply for a FISA warrant for Carter Page; it's turned down. McCabe says, 'Why don't you go to New York, they've got a document that may help you.' It turned out to be the Steele dossier." Graham said he ants to know how McCabe knew the dossier was in New York and "why didn't they check it out before they used it" to obtain FISA warrants to wiretap Page.

Attorney Questions Whether Obama's DOJ Leaked Flynn's Calls With Kislyak.

Attorney Wilson Miller writes at The Federalist (2/25, 126K) that "one of the great mysteries of the Trump-Russia saga" is "who leaked Gen. Michael Flynn's calls with Russian Ambassador Sergey Kislyak." Miller questions whether then-Deputy Attorney General Sally Yates or anyone else at DOJ "leak[ed] or arrange[d] the leak of Flynn's call with Kislyak to get around the FBI's efforts to keep secret the investigation of Flynn? And did they confirm to the Washington Post that Flynn was under investigation for Logan Act violations?"

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Judge In Stone Trial Says Trump Comments Helped Fuel Threats To Jury.

Politico (2/25, Samuelsohn, Gerstein, 4.29M) reports US District Court Judge Amy Berman Jackson on Tuesday "swung back" at President Trump "over his heated criticism" of the Roger Stone case, "warning that the president's commentary about his longtime associate's conviction had helped fuel threats to the jury." Jackson "cited Trump's public comments and Twitter posts, as well as an accompanying campaign from the president's conservative media allies to identify and critique the jury, as one of the reasons for her decision to clamp down on public access to a hearing on Stone's request for a new trial." Reuters (2/25, Lynch) reports Jackson "warned" Stone's lawyers "to protect the privacy of the jurors who found him guilty ahead of a hearing in which the defense was seeking a new trial." Jackson "told Stone's lawyers and journalists covering the case that the safety of the jurors could be put at risk if their identities are made public." She said, "Any attempt to invade the privacy of the jury or harass and intimidate them is certainly antithetical to our entire system of justice."

The New York Times (2/25, Montague, Lafraniere, 18.61M) reports that Jackson "agreed in part" to a request from Stone's lawyers "to open to the public a hearing on whether to grant him a new trial over allegations of juror misconduct." Jackson "said that because of the high-profile nature of the case, and the flood of attempts to identify jurors throughout the trial, additional precautions were called for to protect them. She said that to shield the jurors' identities, she would allow members of the public and journalists only to listen to the proceedings from another room and would not allow any courtroom sketch artists to be present."

USA Today (2/25, Phillips, 10.31M) says Stone's attorneys "asked for a new trial after the president took to Twitter to attack one of the jurors who convicted Stone. At issue is whether the juror, who ended up becoming the forewoman in Stone's jury, falsely answered questions in the jury questionnaire and whether she failed to follow instructions during the trial and deliberations." Stone attorney Seth Ginsberg "said the juror did not disclose her political views. He said the juror made either false or intentionally misleading answers to questions about fairness and neutrality in the jury questionnaire during the trial." Ginsberg "cited social media posts in which the juror retweeted criticisms of Stone, shared stories about his arrest and posted about the president and the special counsel's Russia investigation. Ginsberg said the posts implied bias against Stone." Bloomberg (2/25, Larson, 4.73M) says Jackson "did not issue a ruling at the end of a Tuesday hearing on Stone's request," but she "said a juror's social media posts criticizing President Donald Trump did not necessarily mean she was biased against Stone."

The Washington Post (2/25, Hsu, Zapotosky, Duggan, 14.2M) reports that Trump "doubled down on those attacks while the hearing was ongoing Tuesday." Trump tweeted, "There has rarely been a juror so tainted as the forewoman in the Roger Stone case. Look at her background. She never revealed her hatred of 'Trump' and Stone. She was totally biased, as is the judge. Roger wasn't even working on my campaign. Miscarriage of justice. Sad to watch!"

Trump also retweeted a post by Andrew Napolitano which included a link to a story on the Fox News website about his interview on Fox Nation with former Democratic Party lawyer David Schoen, who suggested that Jackson "may have jeopardized the trial by injecting her own personal bias into the proceedings." Trump wrote, "A total miscarriage of justice!"

Juror Says Stone Got A Fair Trial. In an op-ed for the Washington Post (2/25, 14.2M), Seth Cousins, a juror in the Stone trial, says the forewoman "was actually one of the strongest advocates for the rights of the defendant and for a rigorous process." Cousins adds, "There is no factual basis to say that the Stone jury was tainted or otherwise biased against the defendant."

Attorney Says Assange Tried To Call White House, Hillary Clinton About Dump Of Diplomatic Cables.

Reuters (2/25, Holden) reports that Julian Assange's attorney told Assange's London extradition hearing Tuesday that the WikiLeaks founder "tried to contact Hillary Clinton and the White House when he realised that unredacted U.S. diplomatic cables given to WikiLeaks were about to be dumped on the internet." Attorney Mark Summers also denied allegations that Assange helped Chelsea Manning, then a US soldier known as Bradley Manning, break a government password and "encouraged the theft of secret data and knowingly put lives in danger." Summers called the allegations "lies, lies, and more lies."

Reuters, NYTimes Analyses: Justices Skeptical Of Law Against Encouraging Illegal Immigration.

Reuters (2/25, Chung) reports "US Supreme Court justices on Tuesday signaled skepticism toward a federal law that made it a felony to encourage illegal immigrants to come or stay in the United States as they heard a bid by President Donald Trump's administration to revive the measure after it was struck down by a lower court." The court heard arguments in the Administration's appeal after the Ninth Circuit Court of Appeals in 2018 "invalidated the law as a violation of the US Constitution's First Amendment guarantee of free speech." Yesterday, "conservative and liberal justices alike expressed concern that the decades-old law may be too broad, repeatedly pressing the administration about what kind of speech could be criminalized." The New York Times (2/25, Liptak, 18.61M) also points out "several justices appeared skeptical, saying that the ordinary meaning of the word 'encourage' could subject countless people to criminal liability."

High Court Bars Mexican Family's Lawsuit Against Border Patrol.

Reuters (2/25, Chung, Hurley) reports the Supreme Court on Tuesday "barred a lawsuit against a Border Patrol agent for fatally shooting a 15-year-old Mexican boy on Mexican soil from across the border in Texas, refusing to open the door for foreign nationals to pursue civil rights cases in American courts in such incidents." Reuters adds that "with its conservative justices in the majority and its liberal justices dissenting,

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the court voted 5-4 to uphold a lower court's dismissal of the lawsuit against the agent, Jesus Mesa, who was standing on the U.S. side of the border when he shot Sergio Adrian Hernandez Guereca in the face in 2010." USA Today (2/25, Wolf, 10.31M) says Justice Samuel Alito "wrote the opinion and was joined by the court's four other conservatives." Wrote Alito, "A cross-border shooting claim has foreign relations and national security implications. ... In addition, Congress has been notably hesitant to create claims based on allegedly tortious conduct abroad."

The Washington Post (2/25, Barnes, 14.2M) reports "courts have struggled with the cross-border implications of the case," and "Hernández's parents were attempting to sue under a 1971 precedent from the court, Bivens v. Six Unknown Fed. Narcotics Agents." In that case, the court "allowed people to sue over unconstitutional actions by federal officials, even if such suits had not been explicitly authorized by Congress. But since then, the court has been more likely to restrict so-called Bivens complaints than expand them." The New York Times (2/25, Liptak, 18.61M) points out that "in a concurring opinion, Justice Thomas, joined by Justice Gorsuch, called on the court to overrule the" lower court decision "entirely," and CQ Roll Call (2/25, Ruger, 154K) that Justice Ruth Bader Ginsburg, "in a dissent joined by the three other justices who make up the court's liberal wing, wrote that the boy's exact location...when he was shot 'should not matter one whit' when the United States has jurisdiction to govern a Border Patrol agent's conduct in this country." The Los Angeles Times (2/25, Savage, 4.64M), among other news outlets, also reports the story.

ICE Using Subpoenas In Battle Against Sanctuary Jurisdictions.

Reuters (2/25, Hesson) reports the Administration is "turning to federal courts to force state and local officials to turn over records about immigrants in custody in a novel effort to circumvent so-called 'sanctuary' policies." According to the article, "ignoring a subpoena for documents or evidence can result in a fine or jail time, making it difficult for local law enforcement to push back." A spokeswoman for ICE "said the agency will continue using the strategy if it proves effective."

ICE: 86% Of Deportations Biden Would Halt Involve Criminal History.

The Washington Examiner (2/25, Bedard, 448K) reports Joe Biden's "new promise to halt deportations" during his first 100 days in office "would keep free thousands of serious criminals with long rap sheets sought by Immigration and Customs Enforcement, a government report on removals suggests." A report by ICE Enforcement and Removal Operations "said that 86% of those seized in fiscal 2019 were 'aliens with criminal convictions or pending criminal charges.'" The report said that the agency "made 123,128 arrests and that 'the criminal history for this group represented 489,063 total criminal convictions and pending charges.'"

Illinois Sheriffs Say Under New Policy, Criminals Facing Deportation Are Being Set Free.

The AP (2/25) reports the Illinois Sheriffs' Association "said Tuesday that some violent felons who had faced deportation are instead being released into local communities after their prison terms end as a result of a policy change" by the Administration of Gov. J.B. Pritzker (D). Sheriffs took issue with the cancellation of a process under which convicted felons were transferred to detainment center under contract with the Immigration and Customs Enforcement. However, "an immigration expert said the practice violates the state Trust Act, the 2017 law that limits local law enforcement agencies' cooperation with federal immigration officials."

WPost Agrees With Mulvaney's Claim That US Needs More Immigrants.

In an editorial, the Washington Post (2/25, 14.2M) says Acting Chief of Staff Mulvaney "let slip" a few days ago in England "that the United States needs more immigrants, lest severe labor shortages and anemic birth rates sap economic growth." The Post says Mulvaney's comments are "in line with the views of most economists and employers in an array of worker-hungry industries, not to mention Republican orthodoxy until Donald Trump, having weaponized nativism, devoured the GOP." The Post argues that "it makes sense to recalibrate immigration policy to meet the labor market's future demands, including by admitting more high-skilled workers," and "it's self-defeating to use immigration as a political whipping boy, which will only put Mr. Mulvaney's self-evident prescription further out of reach."

Esper To Defend Trump's Pentagon Budget Request Before Lawmakers Wednesday.

The Washington Times (2/25, Meier, 492K) reports that when Defense Secretary Esper appears before the House Armed Services Committee Wednesday to make "his first public defense of President Trump's Pentagon budget request," he is "likely to face questions on a range of hot-button issues from shipbuilding cuts and troop withdrawals in Africa and Afghanistan to the president's decision – again – to tap the Pentagon's budget to pay for his wall along the border with Mexico." The Times adds, "Lawmakers are expected to zero in on President Trump's plans to redirect some $7.2 billion in Defense Department money earmarked for construction, health and other military programs for the border wall project, a shift that has angered lawmakers of both parties."

Gramm, Early: Despite Democrats' Claims, Rich Do Pay Their Fair Share Of Taxes.

In an op-ed for the Wall Street Journal (2/25, Subscription Publication, 7.57M), ex-Sen. Phil Gramm (R-TX) and John Early, who served twice as assistant commissioner at the Bureau of Labor Statistics, that despite claims from Democrats that the rich do not pay their fair share in taxes, the average household in the top one percent pays more than 219 times as much in taxes as the average household in the bottom-

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quintile.

US Health Officials Urge Preparation For Coronavirus "Pandemic," Disruption Of Daily Life.

David Muir opened ABC World News Tonight (2/25, lead story, 4:00, 7.48M) by reporting on the "new warning from the CDC about the coronavirus here in the US, saying it is not a question of if, but when, and saying Americans should prepare. Tonight, the CDC reports the number of those sickened stands at 57 in the US, all of them in quarantine and in treatment." President Trump said Tuesday that "he thinks it's going to work out fine, but lawmakers on the Hill [are] asking questions." National Center for Immunization and Respiratory Diseases Director Nancy **Messonnier**: "We are asking the American public to work with us to prepare and the expectation that this could be bad." ABC's Steve Osunsami: "In their most clear warning yet, the CDC all but promises that the coronavirus will spread here, and that Americans need to prepare." **Messonnier**: "We expect we will see community spread in this country. It's not so much a question of if this will happen anymore, but rather more a question of exactly when this will happen, and how many people in this country will have severe illness. We really want to prepare the American public for the possibility that their lives will be disrupted because of this pandemic."

Lester Holt said in the lead story on NBC Nightly News (2/25, lead story, 2:35, 6.45M), "Americans are being told today it's just a matter of time before the coronavirus begins spreading in this country. The CDC stressing the current risk here is low, but warning in the bluntest of terms major disruptions to daily life could be in our future." National Institute of Allergy and Infectious Diseases Director Anthony **Fauci**: "When you have influx of individuals who are infected from multiple countries, then the danger of that outbreak in this country increases substantially." NBC's Tom Costello said the CDC "is now advising employers and schools to think about planning for widespread disruptions like limiting travel and large meetings, allowing workers to telework, and closing schools or allowing Internet schoolwork." **Fauci** said on Fox News' Special Report (2/25, 1.53M), "It would be unrealistic not to realize that when you have multiple countries in which you have sustained outbreak, that the chances of there being spillover into our country, namely a pandemic if you want to use that terminology, which will involve virtually every country in the world, you have to be prepared for it." **Fauci** said on CNN's Situation Room (2/25, 934K), "If you have community spread of multiple generations of infections in a variety of different countries, you have the makings of a potential pandemic."

On NBC Nightly News (2/25, story 3, 0:30, Holt, 6.45M), medical correspondent John Torres said, "The CDC is hoping the coronavirus turns into a seasonal-type virus that goes away when the warm weather hits, much like the flu does. But officials are preparing in case it becomes a year-round issue. With more infections showing up around the globe, they say it's not a matter of if, but when, we'll get more outbreaks in the US."

USA Today (2/25, Bacon, 10.31M) reports Messonnier "said the coronavirus has caused sickness and death and sustained person-to-person transmission. That's two of the three factors for a pandemic, she said." On the CBS Evening News (2/25, story 3, 2:25, O'Donnell, 4.63M), Kris Van Cleave reported Messonnier "said she told her own children to prepare for a significant disruption, and parents should ask their schools about plans for dismissal if the illness becomes serious in their communities." The Wall Street Journal (2/25, Abbott, Subscription Publication, 7.57M) reports Messonnier encouraged communities, businesses, and schools to begin preparing for potential outbreaks, and the New York Times (2/25, Belluck, Weiland, 18.61M) reports **Messonnier** "said that cities and towns should plan for 'social distancing measures,' like dividing school classes into smaller groups of students or closing schools altogether. Meetings and conferences may have to be canceled, she said. Businesses should arrange for employees to work from home." The Daily Caller (2/25, Safi, 716K) has a story based on the Times report.

Breitbart (2/25, Caplan, 673K) reports, "The illness that originated in the Chinese city of Wuhan has now infected more than 80,000 people globally. 77,000 cases have been confirmed in China with others in parts of Europe and the Middle East. To date, 57 cases have been confirmed in the U.S., including 40 cases of people who the government transported from the Diamond Princess cruise ship from Japan." The New York Post (2/25, Salo, Lapin, 4.57M) headlines its report "CDC Urges Americans To Prepare For Coronavirus Outbreak: 'This Might Be Bad.'" Bloomberg (2/25, Langreth, Cortez, Jacobs, 4.73M), Politico (2/25, Ehley, 4.29M), and The Hill (2/25, Weixel, 2.98M) also cover the CDC warning.

Trump Says "Whole Situation Will Start Working Out." The Washington Post (2/25, Werner, Abutaleb, Bernstein, Sun, 14.2M) reports the warnings about coronavirus from the CDC and other agencies "contrasted sharply with assessments from President Trump and other White House officials, who have largely dismissed concerns about the virus." USA Today (2/25, Subramanian, Fritze, 10.31M) reports Trump on Tuesday "downplayed concerns of the global outbreak of coronavirus, saying it was 'very well under control in our country,' a day after the White House requested $2.5 billion in emergency funding to deal with the epidemic." At a news conference in New Delhi, Trump said, "We have very few people with it. The people are getting, they're all getting better. ... I think the whole situation will start working out." The Los Angeles Times (2/25, Stokols, Bierman, 4.64M) also reports Trump "tried to downplay the threat" even though "the reach of the deadly virus has increased quickly and there is no known cure or vaccine." However, Jim Acosta said on CNN's Situation Room (2/25, 1.37M), "Sources say behind the scenes, the President has been ripping into Administration officials over how they are handling the spread of the virus."

The New York Times (2/25, Baker, Crowley, Gettleman, 18.61M) reports Trump "also addressed growing alarm over the coronavirus and the return of 14 Americans infected with coronavirus to the country last week. He defended that action, even though he was privately furious about it." The President said, "I felt that we should bring them back. They're Americans – we should bring them back."

The Hill (2/25, Wise, 2.98M) reports NEC Director Kudlow also "sought to downplay the significance of the coronavirus outbreak,

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claiming that the virus had been contained in the U.S. and that the economic consequences would be limited." **Kudlow** said on CNBC's The Exchange (2/25, 255K), "We have contained this. We have contained this – I won't say airtight, but pretty close to airtight. We have done a good job in the United States. Hats off to our public health people." **Kudlow** added that while this is a "human tragedy," on "the business side and the economic side, I don't think it's going to be an economic tragedy at all."

Director of Trade and Manufacturing Policy **Navarro** said on Fox News' Tucker Carlson Tonight (2/25), "The President has been working on this from the day that he pulled down the planes from China on January 29. We're focused like a laser beam on this to keep the public secure. We're hoping for the best, preparing for the worst, and we are doing it all on Trump time." White House Deputy Director of Communications Adam Kennedy similarly said on "The Kuhner Report" on WRKO-AM Boston (2/25, 9K) that "from the very beginning, the President has taken the coronavirus incredibly seriously. We have been prepared. We had systems in place from the very beginning."

The Washington Post (2/25, Stein, Dawsey, 14.2M) says, "The rosy sheen that Trump, Kudlow and other White House officials have tried to express about the economic impact of the coronavirus outbreak has now collided with reality: The coronavirus is spreading, quickly, to more countries. The death toll is rising, and the outbreak is wreaking havoc on global supply chains." The Week (2/25, 1.94M) headlines a report "White House's Rosy Coronavirus Comments Are The Exact Opposite Of What Career Health Officials Are Saying."

GOP Senators Criticize Administration Officials Over Handling Of Coronavirus.

The AP (2/25, Alonso) reports, "Senators of both political parties questioned Tuesday whether the White House's request for $2.5 billion is enough to prepare the United States for a possible coronavirus outbreak." During a budget hearing, Senate Appropriations Chairman Richard Shelby said to HHS Secretary Azar that "if the virus keeps spreading, 'it could be an existential threat to a lot of people in this country.'" The Hill (2/25, Hellmann, 2.98M) reports Shelby said "he is concerned the Trump administration is 'low-balling its request for emergency funding to respond to the coronavirus outbreak." Azar "defended the government's response, even as [President] Trump hours earlier sought to minimize fears about the virus spreading" throughout the US. But on the CBS Evening News (2/25, story 3, 2:25, O'Donnell, 4.63M), Kris Van Cleave reported Azar said HHS "has only stockpiled 30 million respirators or face masks. They'll need 300 million for healthcare workers alone in an outbreak."

Politico (2/25, Roubein, Ollstein, 4.29M) reports Sen. John Kennedy (R-LA) criticized Acting DHS Secretary Wolf "for not providing enough information about risks from the outbreak." Kennedy said, "You're supposed to keep us safe, and the American people deserve some straight answers on the coronavirus, and I'm not getting them from you." The Hill (2/25, Bolton, 2.98M) reports Sen. Mitt Romney (R-UT) "confronted administration officials at a private briefing on Capitol Hill," saying he "does not think the administration has done enough to prepare for the infectious virus spreading widely among the domestic population." Romney said, "I'm very disappointed in the degree to which we've prepared for a pandemic, both in terms of protective equipment and in terms of medical devices that would help people once they are infected."

Azar said on Fox Business' Lou Dobbs Tonight (2/25, 49K), "Our messaging has been consistent throughout. From Day One, we said we'll have additional cases in the United States. But thanks to President Trump's historically aggressive containment efforts, we have actually contained the spread of the virus here in the United States at this point." Asked about the CDC's warning about the prospect of a pandemic, Azar said, "What we have said and what the CDC said...is there is a progression. If we see additional cases as we think we will here in the United States and if we see and ask community-based transmission...we will work aggressively to mitigate the impact of that."

Schumer Seeks At Least $3.1B For Coronavirus Response. CQ Roll Call (2/25, Siddons, Sword, 154K) reports Senate Minority Leader Schumer "took to the floor Tuesday to call for at least $3.1 billion upfront, including more reimbursements to state and local health officials and to avoid cutting other programs." Reuters (2/25, Cowan) reports Schumer said the "additional money 'is the amount our public health organizations say is necessary.'" In an editorial, the Wall Street Journal (2/25, Subscription Publication, 7.57M) says Schumer's figure is arbitrary and that he and other Democrats have not backed up their calls for more funding with specifics.

The President tweeted, "Cryin' Chuck Schumer is complaining, for publicity purposes only, that I should be asking for more money than $2.5 Billion to prepare for Coronavirus. If I asked for more he would say it is too much. He didn't like my early travel closings. I was right. He is incompetent!" The President later tweeted, "CDC and my Administration are doing a GREAT job of handling Coronavirus, including the very early closing of our borders to certain areas of the world. It was opposed by the Dems, 'too soon', but turned out to be the correct decision. No matter how well we do, however, the Democrats talking point is that we are doing badly. If the virus disappeared tomorrow, they would say we did a really poor, and even incompetent, job. Not fair, but it is what it is. So far, by the way, we have not had one death. Let's keep it that way!"

Appearing on Fox Business' Mornings With Maria (2/25), House Minority Leader McCarthy discussed the Administration's funding request in response to the coronavirus outbreak. McCarthy said, "We will make sure we have enough money to take care of this, no question. ... I think you will look at probably from [the $3 billion to $4 billion] range...because we don't want to have to look back at this say that we didn't have enough for the opportunity to stop it early."

Dow Down More Than 879 Points On Coronavirus Concerns.

David Muir reported on ABC World News Tonight (2/25, story 3, 0:50, 7.48M) that the coronavirus warning from the CDC is "fueling new fears on Wall Street. The Dow plunging for a second day now, falling 879 points, nearly 2,000 points in two days." The Wall Street Journal (2/25, Ostroff, Subscription Publication, 7.57M) reports the Dow Jones Industrial Average closed down 879.44 points at 27,081.36, while the

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S&P 500 was down 97.68 points to 3,128.21 and the Nasdaq down 255.67 points to 8,965.61. The AP (2/25, Veiga, Choe) reports the "benchmark S&P 500 has lost 7.6% over the last four days," which represents its "worst such stretch since the end of 2018. Tuesday also marked the first back-to-back 3% losses for the index since the summer of 2015."

The New York Times (2/25, Phillips, Bradsher, 18.61M) says, "For weeks, American investors had largely shrugged off the economic risks of the virus even as it disrupted global supply chains and shut down factories in China. As recently as last Wednesday, the S&P 500 was at a record high. But since then, growing outbreaks in Europe and elsewhere in Asia have raised fears that the virus will continue to drag on the global economy." Bloomberg (2/25, Hajric, Ballentine, 4.73M) reports that according to Federal Reserve Vice Chairman Richard Clarida, officials are "closely monitoring the spreading coronavirus, but it is 'still too soon' to say whether it will result a material change to the outlook."

The Washington Post (2/25, Siegel, 14.2M) reports that "increasingly worrisome forecasts about the coronavirus, which is spreading faster and more broadly than thought," are "renewing recession anxiety." According to the Post, "The blue chip index went into full retreat after health officials warned it was only a matter of time before the deadly virus becomes a public health threat in the United States." Reuters (2/25, Carew) also reports on the stock market plunge.

Trump Predicts Market Crash If He Is Not Reelected. Reuters (2/25, Holland) reports President Trump "said on Tuesday the U.S. stock market will crash if he loses the election this year. During a trip to India, Trump told business leaders stocks will jump higher if he is re-elected, but 'if I don't win you're going to see a crash like you've never seen before.'"

Zandi: Outbreak Will Reduce US Growth By 0.6% In Q1. USA Today (2/25, Davidson, 10.31M) reports, "As the coronavirus spreads and raises the risk of recession, some analysts are further downgrading their forecasts for the U.S. economy." Mark Zandi of Moody's "estimates the outbreak will reduce growth during the first three months of 2020 by six-tenths of a percentage point to 1.3%, more than his previous forecast of a four- to five-tenths of a point."

NYTimes Analysis: Democratic Presidential Candidates See Opening On Economy. The New York Times (2/25, Vigdor, 18.61M) reports, "With the Dow Jones industrial average suffering its worst two-day loss in history on fears of the spread of the novel coronavirus, the Democratic presidential contenders on Tuesday night tried to turn the tables on President Trump in an area long perceived as one of his strengths: the economy." Michael Bloomberg accused Trump of undermining the CDC, while Sen. Bernie Sanders (I-VT) said Trump "was ill informed about the scope of the public health threat, which has disrupted supply chains and prompted a stock sell-off."

Faulty Component Restricts CDC's Testing Capability.

The Washington Post (2/25, Johnson, McGinley, Sun, 14.2M) reports that "problems with a government-created coronavirus test have limited" US capacity "to rapidly increase testing," and "experts are increasingly concerned that the small number of U.S. cases may be a reflection of limited testing, not of the virus's spread." While South Korea "has run more than 35,000 coronavirus tests, the United States has tested only 426 people, not including people who returned on evacuation flights. Only about a dozen state and local laboratories can now run tests" outside of the CDC "because the CDC kits sent out nationwide earlier this month included a faulty component."

Europe, Asia Confront "Rising Death Toll."

NBC Nightly News (2/25, story 2, 2:10, Holt, 6.45M) reported that as US officials "make plans to deal with any [coronavirus] outbreak, Europe and Asia are in the throes of it, dealing with the rapid spread of the disease and a rising death toll." Reuters (2/25, Hafezi, Woo) reports, "Iran's coronavirus death toll rose to 16 on Tuesday, the highest outside China, increasing its international isolation." The AP (2/25, Winfield) reports Italy "reported a 45% one-day increase in people infected with the coronavirus as other countries in Europe recorded their first cases Tuesday, producing evidence that travelers are carrying the virus from the European outbreak's current epicenter." On the CBS Evening News (2/25, story 4, 1:10, O'Donnell, 4.63M), Mark Phillips reported, "The bulk of the virus cases in Italy have been from within [a] cordoned-off area, but there have been a few cases reported now elsewhere in the country."

The Wall Street Journal (2/25, Cheng, Subscription Publication, 7.57M) reports that on Tuesday, Chinese officials say the number of new coronavirus cases at the epidemic's epicenter in Hubei province fell to nine, raising hopes that the outbreak has peaked there. Still, the AP (2/25) reports Secretary of State Pompeo said Tuesday, "Had China permitted its own and foreign journalists and medical personnel to speak and investigate freely, Chinese officials and other nations would have been far better prepared to address the challenge."

Death Toll In China Rises To 2,666. The AP (2/25, Geller, Tong) reports, "As of Tuesday, the spread of the illness had sickened some 80,000 people worldwide and caused about 2,700 deaths." According to the AP, "The vast majority of those infections remain in China, where 518 new cases were reported Tuesday and another 71 deaths, 68 of them in the central city of Wuhan, where the epidemic was first detected in December. The updates bring mainland China's totals to 77,780 cases and 2,666 deaths, according to the World Health Organization," which "said the fatality rate was between 2% and 4% in Wuhan and 0.7% elsewhere in China."

South Korea Not Implementing Extreme Measures China Has Turned To.

The Washington Post (2/25, Kim, Denyer, 14.2M) reports that "when a spokesman for South Korean's ruling party suggested Tuesday that the government would be rolling out a 'maximum lockdown' on the coronavirus-hit southern city of Daegu, the backlash was immediate and the political retreat swift." Hong Ihk-pyo "soon clarified that he didn't mean a 'Wuhan-style lockdown' or any blockade on travel into and out of the city – along the lines that China's Communist Party has imposed on Wuhan and surrounding areas at the center of the covid-19

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outbreak." The Post says President Moon Jae-in "soon chimed in. There would be no regional blockade, he said, only a full-scale effort to contain the spread of the virus."

US Soldier In South Korea Tests Positive For Coronavirus. The AP (2/25) reports the US military "says one of its soldiers based in South Korea tested positive for a new virus, the first U.S. service member infected." The "23-year-old man is in self quarantine at his off-base residence," according to a statement.

South Korean Coronavirus Official Says He Is Member Of Cult Linked To Outbreak. Business Insider (2/25, Mahbubani, 3.67M) reports, "A senior health official in Daegu – the city that lies at the center of South Korea's coronavirus outbreak – confessed to being a follower of a controversial doomsday church cult after testing positive for the virus. The unnamed official leads the Infection Preventive Medicine Department in the city that is home to 681 of the 833 COVID-19 cases in the country. ... Over 450 of those Daegu residents have been found to be members of the Temple of the Tabernacle of the Testimony, a fringe religious sect that belongs to the Shincheonji Church of Jesus."

Senate Democrats Block Two Late-Term Abortion Measures.

The Washington Times (2/25, Swoyer, 492K) reports that Senate Democrats on Tuesday blocked two bills "aimed at criminalizing the failure to give medical aid to babies born after a failed abortion, as well as banning some abortions after 20 weeks, displaying their support for unlimited abortion rights." One measure, by Sen. Lindsey Graham (R-SC), "would have imposed criminal penalties, including a fine or a possible five-year prison term, for medical providers who perform abortions after a fetus reaches five months gestation. ... The vote rejecting to move forward with the 20-week ban was 53- to 44." Another measure, by Sen. Ben Sasse (R-NE), "was blocked 56 to 41." It would have "required health care workers to give medical care to a baby born alive after a botched abortion, ensuring the child is admitted to a hospital."

Healthcare Facilities Use Temporary Doctors To Cope With Physician Shortage.

The Washington Times (2/25, Tan, 492K) reports that a survey by the healthcare staffing firm Staff Care found that 85 percent of healthcare facilities "had used temporary doctors in the past year to fill in gaps caused by a national shortage of physicians." According to the survey, "an estimated 52,000 doctors, about 6% of all active and licensed physicians, worked on a temporary basis in 2019." Temporary physicians "are filling openings that can last from a few days to more than a year as health care facilities grapple with trying to find primary care physicians and specialists. Temporary doctors also are called on when health care facilities experience turnover of their medical staff," according to Staff Care President Jeff Decker.

New Mexico Governor: Sheriffs Should Enforce New Red-Flag Gun Law Or Resign.

The AP (2/25, Lee) reports that New Mexico Gov. Michelle Lujan Grisham (D) on Tuesday "signed a red-flag gun bill...that will allow state district courts to order the temporary surrender of firearms, and she urged sheriffs to resign if they still refuse to enforce it." The Times says some sheriffs "from mostly rural areas opposed the bill in committee hearings as a violation of constitutional guarantees to due process, free speech and the right to bear arms." While Lujan Grisham "said sheriffs should have the opportunity to oppose any recommended policy change," she said "they cannot not enforce. ... If they really intend to do that, they should resign as a law enforcement officer and leader in that community."

NYTimes Analysis: Trump Budget Reflects Administration's Lack Of Support For Charter Schools.

The New York Times (2/25, Green, 18.61M) reports that "public charter schools – caught between growing Democratic disenchantment and a Trump administration shift toward private schools – are preparing for political battle, as the long-protected education sector finds itself on the verge of abandonment." Education Secretary DeVos "proposed major changes this month to a federal education fund that for decades has driven growth of charter schools." In President Trump's budget proposal for the next fiscal year, "the stand-alone charter schools fund would be dissolved into a broad educational block grant to the states." The Times adds that the Administration's "shift in emphasis toward private school support comes at a precarious time" because "Democratic lawmakers have targeted the same federal charter fund."

Trump: Purge Of Disloyal Staffers Is For "Good Of The Country."

The Washington Times (2/25, Boyer, 492K) reports President Trump "said Tuesday that his new White House director of personnel is ferreting out disloyal administration staffers" because "we want to have people that are good for the country." Speaking at a news conference in India, Trump "acknowledged that Director of Presidential Personnel Johnny McEntee is looking at various agencies for people who oppose the president." Said Trump, "I don't think it's very many people. We want to have people that are good for the country, that are loyal to our country. Because that was a disgraceful situation."

House Panel Requests Documents On McEntee's Security Clearance. The Hill (2/25, Marcos, 2.98M), meanwhile, reports the House Oversight Committee on Tuesday "demanded that the White House turn over documents regarding the security clearance" of McEntee. McEntee, it notes, "was fired in March 2018 for undisclosed security reasons but rehired earlier this month." House Oversight Chairwoman Carolyn Maloney sent a letter to White House Counsel Pat Cipollone "renewing a request for documents the panel had

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previously requested last year about McEntee's security clearance and background check," pointing "to reports that McEntee was fired from the White House two years ago because of a gambling addiction and that he was under investigation by the Department of Homeland Security for financial crimes."

Top McEntee Aide A College Senior. Politico (2/25, Lippman, McGraw, 4.29M), meanwhile, reports "the White House has hired a college senior to be one of the top officials in its powerful Presidential Personnel Office, according to three administration officials familiar with the matter." James Bacon, a 23-year-old senior at George Washington University, is "acting as one of the right-hand men" to McEntee, "according to the officials." According to Politico, Bacon "worked for McEntee on the Trump campaign's earliest days and also did some work on the advance team. He later did operations on the Trump transition."

Sources: Ratcliffe Again Under Consideration For DNI.

Citing unnamed sources, The Hill (2/25, Beavers, 2.98M) reports Rep. John Ratcliffe (R-TX) is "back under consideration as a potential pick to serve as President Trump's next Director of National Intelligence." Ratcliffe was considered for the role last year, "but he withdrew from consideration in August amid media scrutiny about his résumé and questions about his experience." At the time, Trump "blamed the media for derailing Ratcliffe," but he "also faced resistance from key GOP senators."

Grenell Asks Pierson To Remain In Post.

The New York Times (2/25, Barnes, 18.61M) reports acting DNI Grenell "has asked an intelligence official who angered some lawmakers with a briefing about Russian interference in the 2020 election to stay on in her role." To the Times, Grenell's move is "a peace offering to the 17 intelligence agencies he oversees." According to the Times, "some administration officials feared that the official who briefed the lawmakers, Shelby Pierson, would be removed" after she "was subjected to withering criticism" following "her briefing to a classified hearing of the House Intelligence Committee on Feb. 13 touched off a fierce partisan debate over the nature of Russia's interference in the 2020 election." In a brief interview Tuesday, Pierson "would not address the substance of her briefing, noting that it was classified, and said only that she would keep her job." Said Pierson, "Ambassador Grenell has not asked me to leave. In fact, he has encouraged and affirmed his support for my position here in the organization."

German Lawmakers Ask That Grenell Be Replaced As Ambassador. The Los Angeles Times (2/25, Kirschbaum, 4.64M) reports Grenell "will hold onto his post at the U.S. Embassy in Germany while leading the coordination of intelligence agencies in Washington. That has drawn criticism from some German leaders, who fear the lack of a full-time ambassador shows the US has downgraded the relationship." Nils Schmid, a leader in Parliament for the center-left Social Democrats, told Der Spiegel, "President Trump should name a successor who isn't a biased propaganda machine but instead will present Germany's position in Washington." Alexander Lambsdorff, another leader in Parliament for the opposition Free Democrats, said, "It's just not possible to coordinate 17 intelligence agencies and work on German-American relations at the same time, no matter how hard you work. In times like these, we need a full-time US ambassador."

Barr Names Carvajal As New Federal Prison System Director.

The AP (2/25, Balsamo) reports exclusively that Attorney General Barr has named a new director of the federal Bureau of Prisons, "months after shaking up the agency's top leadership following the death of wealthy financier Jeffrey Epstein, three people familiar with the matter" said. Barr reportedly named Michael Carvajal as the new director on Tuesday, replacing Kathy Hawk Sawyer, "who he had personally asked to return to run the agency in the wake of Epstein's death." Carvajal is currently the assistant director of the department's correctional programs division.

Report Finds State Department Struggling To Increase Diversity In Hiring.

The Washington Post (2/25, Morello, 14.2M) reports the State Department has "struggled to recruit and promote women and minorities despite a nearly three-decade effort and lags behind the average for the federal government as a whole, according to a federal report released Tuesday." The report, published by the Government Accountability Office, found Latinos "working for the government's premier Cabinet agency rose from 5 percent to 7 percent of the workplace, while African Americans dropped from 17 percent to 15 percent." It also found "women and minorities were promoted to management and executive ranks at a lower rate than their white and male counterparts."

TSA Freezes Hiring In Order To Pay For Cost-Of-Living Raises.

The Washington Post (2/25, Duncan, 14.2M) reports the Transportation Security Administration "has temporarily frozen hiring and overtime so it can afford across-the-board cost-of-living raises for employees, a move that leaders of the agency's employee union said could lead to long waits at airport checkpoints during spring break." The Post adds that Hydrick Thomas, "the union's president, said agency officials told him last week that the freezes would be in place until April or May." Said Thomas, "You're going to have long lines," adding, "That's just the way it works." According to the Post, "While the TSA said in its statement that it was prioritizing resources for the busiest time of the year, information from the Bureau of Transportation Statistics shows passenger counts jumped last March after the two quietest months of the year in January and February."

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Mallinckrodt Agrees To $1.6B Deal to Settle Opioid Lawsuits.

The Washington Post (2/25, Zezima, Mettler, 14.2M) reports Mallinckrodt Pharmaceuticals, "one of the largest manufacturers of generic opioids," has "tentatively agreed to pay $1.6 billion to settle thousands of lawsuits in a major federal case attempting to determine who should pay for the ravages of the opioid crisis." Under the agreement, Mallinckrodt's generics division would file for Chapter 11 bankruptcy, and "plaintiffs would also receive warrants for 20 percent of the generic company's outstanding shares." Mallinckrodt "reached the agreement with a group of lawyers representing thousands of municipalities that have sued companies up and down the opioid supply chain. "

Trump: Sotomayor And Ginsburg Should Recuse Themselves From "Trump Related" Cases.

The AP (2/25, Sherman) reports that "a month before the Supreme Court takes up cases over his tax returns and financial records," President Trump yesterday "made the unusual suggestion that two liberal justices," Justices Ruth Bader Ginsburg and Sonia Sotomayor, "should not take part in those or any other cases involving him or his administration." Supreme Court justices "decide for themselves when to step aside from cases the court is considering, and it is highly unlikely either justice would sit out cases involving Trump, including two cases the court will hear on March 31 over subpoenas for Trump's tax, bank and financial records." The President "wants the justices to reject demands for the records issued by House committees and the Manhattan district attorney." Politico (2/25, Okun, 4.29M) recounts that on March 31, the Supreme Court "will hear back-to-back oral arguments on cases that ask whether the president must comply with congressional subpoenas for his financial records and if he is immune from state criminal investigations while serving in the White House."

The New York Times (2/25, Baker, 18.61M) says Trump "seized on a dissenting opinion last week by" Sotomayor and "a years-old comment" from Ginsburg to "demand" that they recuse themselves from "Trump-related" cases. On Twitter, the President quoted Fox News' Laura Ingraham, who wrote, "Sotomayor accuses GOP appointed Justices of being biased in favor of Trump." Trump wrote, "This is a terrible thing to say. Trying to 'shame' some into voting her way? She never criticized Justice Ginsberg when she called me a 'faker'. Both should recuse themselves on all Trump, or Trump related, matters!" According to the Times, "Besides ignoring the entreaties of" Attorney General Barr, the President's "attack on the two justices also risked provoking a reaction from" Chief Justice Roberts, who, in 2018, "admonished Mr. Trump for calling a Supreme Court justice who ruled against one of his administration's policies, 'an Obama judge.'"

NBC Nightly News (2/25, story 5, 1:40, Holt, 6.45M) recounted that "in a rare move for a Supreme Court Justice, back in 2016...Ginsburg criticized then candidate Trump as a faker, saying, 'I can't imagine what this country would be with Donald Trump as our President.' Ginsburg later said those remarks were ill-advised." NBC added, "Sotomayor in a dissent last week accused the court's conservatives of putting a thumb on the scale in favor of the Trump Administration, but never specifically accused anyone of bias."

The Washington Post (2/25, Flynn, Shammas, 14.2M) reports that Trump "doubled down on his criticism during a news conference Tuesday in New Delhi, telling reporters that the basis for his belief that the justices should recuse themselves was very obvious.'" Trump told reporters, "I always thought, frankly, that Justice Ginsburg should do it, because she went wild during the campaign when I was running. I don't know who she was for – perhaps she was for Hillary Clinton, if you can believe it – but she said some things that were obviously very inappropriate. ... She later sort of apologized. I wouldn't say it was an apology, but she sort of apologized. And then Justice Sotomayor said what she said yesterday. You know very well what she said yesterday. It was a big story. And I just don't know how they can not recuse themselves for anything having to do with Trump or Trump-related." Reuters (2/25, Holland), among other news outlets, also reports the story.

Trump Highlights Weinstein's Ties To Top Democrats Including Michelle Obama, Hillary Clinton.

The New York Times (2/25, Baker, 18.61M) reports that in India on Tuesday, President Trump "called the conviction of...Harvey Weinstein on two felony sex crime charges 'a great victory' for women that 'sends a very strong message' about sexual misconduct, even as he sought to highlight the defendant's ties to Democrats." The Times says Trump "stressed that he had never liked Mr. Weinstein even though they knew each other through New York circles," and "then noted that the Hollywood producer had been an active friend and fund-raiser for Democratic politicians over the years. 'I was just not a fan of his,' Mr. Trump told reporters." Trump added, "I will say the people that liked him were the Democrats. Michelle Obama loved him, loved him. Hillary Clinton loved him. And he gave tremendous money to the Democrats, and I guess my question is will the Democrats be asking for that money back because he gave a lot of money to the Democrats." NBC Nightly News (2/25, story 6, 0:25, Holt, 6.45M) showed Trump saying, "I was never a fan of Harvey Weinstein, as you know. In fact, he said he was going work hard to defeat me in the election. How did that work out, by the way?"

The Washington Examiner (2/25, Crilly, 448K) reports that "Trump, who himself has denied inappropriate relations with several women, said it was a 'great victory' for women that 'sends a very strong message' for the #MeToo movement." The Washington Post (2/25, Wagner, 14.2M) also highlights that Trump "has denied accusations of sexual misconduct against him leveled by more than a dozen women." Under the headline "Trump Says He Was 'Never A Fan' Of Harvey Weinstein Despite Photo Of Them Together," Business Insider (2/25, Epstein, 3.67M) reports Trump "claimed that he did not know the disgraced Hollywood mogul." The Insider similarly reports that "more than 20 women have accused president Trump of sexual misconduct or assault over the years." Vice (2/25, Blest, 2.11M), among other news outlets, also reports the story under the headline "Trump Turned The Weinstein Verdict Into A Slam On Democrats."

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Trump Says Fox News Leading Cable Ratings Because Of Favorable Coverage.

On Twitter, President Trump on Tuesday commented on Fox News Channel's record viewership numbers. Trump said, "That is because they cover your favorite President relatively well. @CNN & MSDNC are dying in the ratings!"

Trump Proposal To Cut Environmental Reviews Draws Criticism.

The AP (2/25, Knickmeyer) reports the White House's Council on Environmental Quality at a Tuesday hearing in Washington heard objections to its proposal "to cut back environmental reviews and restrict public comment on new highways, pipelines and other projects under the 1970 landmark National Environmental Policy Act, or NEPA." Many of those raising concerns about the proposed rollback at the hearing were "African American, Latino and tribal local activists from communities already dealing with pollution from oil refineries, chemical plants, government facilities and other big sources." On the other hand, "business representatives at Tuesday's hearing complained about yearslong environmental reviews under the current rules."

WTimes Analysis: Environmentalists Refuse To Credit Trump As US Leads World In Reducing Emissions. The Washington Times (2/25, Richardson, 492K) reports the United States under President Trump "led the world in reducing carbon-dioxide emissions in 2019," but "International Energy Agency data released earlier this month showing that U.S. emissions dropped by 2.9% last tear failed to make an impression with Democrats, environmentalists and climate activists, who either shrugged off the data or argued that Mr. Trump's climate-denialism was somehow thwarted." According to the article, "such responses drew an eye-roll from Republicans." But "at the same time, the climate skeptics who have backed Mr. Trump's push to boost coal, bring back manufacturing, and pull out of the Paris agreement warned against doing backflips over the continued U.S. decline in greenhouse gases."

Rubio Anticipates Administration Will Not Try To End Offshore Drilling Moratorium.

Reuters (2/25, Gardner) reports that Sen. Marco Rubio (R-FL) yesterday "said he was confident" the Trump Administration "will extend a ban on oil and gas drilling off Florida, despite its enthusiasm for opening much of the country's coasts to petroleum development. 'I expect that the Trump Administration will not act to oppose or defeat my efforts to extend the offshore drilling moratorium in the Eastern Gulf of Mexico beyond its current expiration in 2022,' Rubio...said in a statement." Reuters adds that in December, Rubio "lifted a hold he had placed on the confirmation of Katharine MacGregor as deputy secretary of the Interior Department. He had voiced concern that MacGregor, a proponent of Trump's expansive oil and gas production policy, would work to lift the ban off Florida."

After Trump Mocks New York Sea Wall, Study Is Halted.

The New York Times (2/25, Barnard, 18.61M) reports the Administration has "unexpectedly halted a project to protect the New York City region from flooding during dangerous storms like Hurricane Sandy – a decision that came six weeks after President Trump took to Twitter to ridicule the study's most expensive proposal, a giant sea wall that could have cost billions of dollars." The announcement by the Army Corps of Engineers "that the project was 'indefinitely postponed' surprised some of its own officials, and local politicians and advocates said the decision was stunning at a time when climate change is threatening New York's future with intensifying storms." According to the article, while Trump "cannot single-handedly cancel a Corps project – the funding is allocated by Congress, and its work plan is determined jointly by Corps officials, the Department of Defense and the White House Office of Management and Budget – the unusual suspension of an ongoing project quickly led to speculation that politics had played a role."

Pence Blasts Sanders' Comments On Castro.

Todd Starnes (2/25) reports on his website that in an interview on his radio show Tuesday, Vice President Pence "slammed" Sen. Bernie Sanders (I-VT) for "doubling down on his defense of the murderous Cuban dictator Fidel Castro." Sanders is "facing massive backlash" for saying in an interview with CBS that Castro "had a massive literacy program. Is that a bad thing, even though Fidel Castro did it?" Pence told Starnes, "I think there were jaws dropping all over the country. ... Castro had a literacy program so people could read Karl Marx. It was so he could indoctrinate the youth of Cuba into Marxism and Communism. ... People across the country know that what was once one of the most prosperous in our hemisphere has been (impoverished) by decades of dictatorship and socialism. And we are happy to have that debate and put out those facts." Pence "said the Trump administration will continue to stand strong for the people of Cuba."

Mary Bruce said on ABC World News Tonight (2/25, story 4, 2:25, 7.48M) that Sanders' comments created "shock waves. A spokeswoman for the DNC says, 'We are very clear in the Democratic party that we speak out against brutal dictatorships like those of Castro.'"

Morgan Radford reported on NBC Nightly News (2/25, story 4, 1:55, Holt, 6.45M) that Sanders is "doubling down on his controversial comments about Fidel Castro." Sanders: "Teaching people to read and write is a good thing. I have been extremely consistent and critical of all authoritarian regimes all over the world, including Cuba."

Cuban Press Praises Sanders' Comments. The Miami Herald (2/25, Torres, 1.09M) reports that Sanders' comments on Castro "received glowing, front-page reviews" in Cuba. The Communist Party newspaper Granma "prominently displayed a report about Sanders and his praise of 'some of the social programs implemented by the historic leader of the Cuban Revolution Fidel Castro.'" The paper said Sanders, "today one of the strongest candidates for the nomination of the Democratic Party to the November presidential elections,

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recognized Cuba's role in sending doctors worldwide." Several other state media outlets reported on Sanders' comments but they all "left out the senator's reference" to "the authoritarian nature of Cuba."

Trump Nominee To Federal Court Once Argued For Elimination Of Social Security, Federal Agencies.

The Washington Post (2/25, O'Harrow, 14.2M) reports, "A Trump nominee to serve on a court that hears claims against the government once argued that several federal agencies should be eliminated and that Social Security should be abolished because economic disparity 'is a natural aspect of the human condition.'" Stephen Schwartz, nominated to the US Court of Federal Claims, "spelled those ideas out 15 years ago in a student newspaper as an undergraduate at Yale." Schwartz argued "that the departments of Transportation, Agriculture and Education lack a 'constitutional basis,' and that Social Security benefits were intended to prevent 'outright starvation' but had become a 'standard component of most retirement programs.'"

Bipartisan Group Of Former Senators Bemoans Focus On Judicial Confirmations.

The Washington Post (2/25, Kane, 14.2M) reports, "A bipartisan group of 70 former senators is trying to stage what amounts to an intervention with their counterparts of today, believing the Senate is withering away as an institution that is no longer an equal branch of government." The group "contends that the Senate has lost relevance over the past decade, particularly the past two years when the chamber has shied away from almost any contentious debate in favor of confirming President Trump's nominees to sub-Cabinet positions and the federal judiciary." In a letter published Tuesday as an op-ed in the Washington Post (2/25, 14.2M), they write, "The Senate – and the proper functioning of our Republic – are simply too important to be allowed to continue on their present course." According to the article, "the group's main complaint is that the Senate no longer holds wide-ranging debate on prominent issues of the day – in 2019, 75 percent of all votes pertained to confirming Trump's nominees, a dramatic increase from a decade earlier when less than 10 percent of roll calls related to confirmations."

Oregon Republicans Stage Walkout To Block Climate Legislation.

The Washington Times (2/25, Richardson, 492K) reports, "The Oregon state legislature adjourned Tuesday after House Republicans joined their Senate counterparts in walking out over cap-and-trade bills designed to combat climate change." The move "came as Republican legislators accused the majority Democrats of attempting to ram through the aggressive emissions restrictions on industry and business, arguing that the proposed limits should be placed on the ballot for the voters to decide." According to the article, "the House walkout came a day after Senate Republicans staged their own exit, denying Democrats the two-thirds majority needed to reach a quorum and conduct floor business, including reading and passing bills."

Louisiana Evaluating Projects To Restore Coastline.

The New York Times (2/25, Schwartz, Luong, 18.61M) reports on "an ambitious project to rebuild Louisiana's vanishing coast, which is rapidly being lost to rising seas and sinking land." Engineers have constructed "a scale model of a bend in the river in Louisiana" to test whether "their design for a river 'diversion' – an enormous mechanism for restoring eroded wetlands – will work." Louisiana "developed a $50 billion-dollar, 50-year master plan for coastal restoration and protection," but "planners have come to realize that they cannot restore all of the land lost over the decades, and have had to become strategic about what areas can be protected and how."

First Woman Expected To Join Army's Green Berets.

The New York Times (2/25, Gibbons-Neff, 18.61M) reports, "A National Guard soldier is set to become the Army's first female Green Beret in coming weeks, according to military officials, following the Pentagon's opening of all combat and Special Operations jobs to women in 2016." The enlisted soldier is "in the final stage of training before graduating from the roughly yearlong qualification course, or Q Course, as a Special Forces engineer sergeant. Her graduation is almost guaranteed, officials said, although occasionally soldiers have failed the course this late in the training or withdrawn because of injuries."

"Miracle On Ice" Team Face Backlash After Wearing "Keep America Great" Hats At Trump Rally.

The Washington Times (2/25, Chasmar, 492K) reports, "The 'Miracle on Ice' hockey team that famously defeated the Russians during the 1980 Olympics is facing fire for wearing 'Keep America Great' hats during a campaign rally for President Trump in Nevada." Trump "honored 14 of the 20 players from the legendary team in Las Vegas on Friday to celebrate the 40-year anniversary of their shocking win over the Soviet Union, which paved the way for their gold medal victory over Finland." A Twitter account claiming to represent the team "responded to the flurry of criticism against the photos, claiming that the team did not mean to make a political statement."

The Washington Post (2/25, Nakamura, 14.2M) reports that "if he had to do it again," Mike Eruzione, who served as the team's captain said he would not put on the hat. Eruzione, now serving as the director of special outreach at his alma mater Boston University, said he has received angry calls and messages from the school's alumni." Eruzione said, "If we knew we were going to p--- off this many people, we

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probably would not have put the hats on. That's the big question here. A lot of the stuff I got was, 'You guys said it's not political, but when you put the hats on, you made it political.'"

USA Today (2/25, Bumbaca, 10.31M) reports Eruzione added, "I just put (the hat) on. I wasn't thinking. Maybe this shows I'm naive, shows I'm stupid. I don't know. I don't follow politics. I know he's had some issues and said a lot of things people don't like."

McConnell: GOP Shouldn't Speculate On Which Democrat Will Be Easiest To Beat.

The Washington Times (2/25, Swoyer, 492K) reports Senate Majority Leader McConnell "said Tuesday it's 'foolish' for Republicans to speculate which Democratic presidential hopeful is the easiest to beat in November, adding the field has moved too far to the left as a whole." He said, "It looks like moderate Democrats are an endangered species, or may have disappeared already." McConnell added, "There is not a whole lot of difference between any of them. They all look pretty much the same to me."

Ocasio-Cortez Suggests Voters Should Disregard Cynicism Over Politics To Defeat Trump.

The Washington Times (2/25, Ernst, 492K) reports Rep. Alexandria Ocasio-Cortez (D-NY) "says voters who are tired of broken promises should embrace a 'suspension of disbelief' for one day if they want to defeat President Trump's reelection bid." During an appearance on "The Breakfast Club" Tuesday morning, Ocasio-Cortez "pitched a temporary abandonment of reality as a means of securing victory." She said, "I understand the cynicism of not voting 10,000 percent, because how many politicians have come through and promised things and then just ended up being major disappointments? Ultimately, at least, if we're not suspending our disbelief for one day, or two days, on Election Day, you know – we can go back to the cynicism [afterward], we're just asking for two days out of the year to just cast a vote because the system that we have now is with the electorate that we have now."

Conservatives Urge Republicans To Vote In South Carolina's Democratic Primary.

The New York Times (2/25, Rojas, 18.61M) reports that while the Republican Party of South Carolina canceled the state's presidential primary, "some conservative activists, eager to unearth any political advantage, are encouraging Republicans to vote this weekend anyway – for a Democrat." Backers of the effort are encouraging Republicans to take advantage of the state's open primary system. While organizers "conceded that they relished the chance to roil Democrats," they "said they were motivated by a larger mission: For years, conservative activists have sought to close South Carolina's open primaries, and this election offered ideal circumstances for creating a live demonstration of the flaws they see in the system."

Media Analyses: Frontrunner Sanders Faces Fierce Attacks During Chaotic Debate.

Coverage of Tuesday night's Democratic presidential debate in Charleston, South Carolina largely casts the event as a chaotic and feisty affair, in which the candidates – particularly frontrunner Sen. Bernie Sanders (I-VT) and to a somewhat lesser degree, Michael Bloomberg – faced fierce attacks from their rivals. The Charleston (SC) Post and Courier (2/25, Lovegrove, 290K) reports, "In a cacophonous two-hour debate," the "seven 2020 Democratic presidential candidates sparred over gun control, healthcare, their voting records and which of them would be most likely to defeat President Donald Trump. The combative" event, "which at many times was overrun by crosstalk as the contenders yelled over each other, underscored the high stakes in South Carolina's 'First in the South' primary this Saturday, with several campaigns on the ropes." Although Joe Biden "has led polls in South Carolina," it was Sanders "who took the most incoming fire" after having "emerged as the frontrunner in the overall race."

Under the headline "Bernie Sanders Absorbs Brunt Of Rivals' Attacks in Debate Free-For-All," Bloomberg (2/25, Niquette, Epstein, Pager, 4.73M) reports that Sanders "felt the burden of his front-runner status in the Democratic presidential race as all six of his rivals delivered an onslaught of attacks" designed to slow "his momentum." The article says Sen. Elizabeth Warren (D-MA) "accused Sanders of stealing details of her health-care plan," Bloomberg "said Russia's intelligence services favor" Sanders "because Vladimir Putin wants President Donald Trump to be re-elected," Biden hit Sanders over his "past stances on gun control," and Pete Buttigieg "accused him of living in the past. 'I've been hearing my name mentioned a little bit tonight,' Sanders said."

The Washington Post (2/25, Viser, Linskey, Sullivan, Wootson, 14.2M) reports that during the debate, Sanders "came under withering and sustained criticism," with his opponents launching "urgent attempts to stop the candidate who has the clearest path to the Democratic nomination." The Post says Sanders "faced attacks from all sides on matters including his inconsistent record on gun control, his praise for leftist dictators, the cost of his signature Medicare-for-all plan and the damage other candidates believe he would inflict on the Democratic Party if he were the nominee. 'I'm hearing my name mentioned a little bit tonight!' Sanders...said, with a mixture of glee and sarcasm. 'I wonder why?'"

Politico (2/25, Caputo, McCaskill, 4.29M) reports that during the debate, Sanders "got a taste of being the frontrunner," while Bloomberg "was once again in the hot seat," and Biden "slid under the radar without too much trouble." Still, Politico says the event "probably didn't do much to change the race, which could be good news for Sanders and Biden. Sanders, who won the most votes in the first three nominating states, has established himself as the one to beat – and the candidate the others needed to stop but haven't. Biden is staking his candidacy on a win in South Carolina in its Saturday primary, and judging by the applause in the audience, he's still the favorite in the Palmetto State."

The AP (2/25, Peoples, 1.04M) reports that Sanders' Democratic rivals "unleashed a roaring assault" against him "and seized

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on...Bloomberg's past with women in the workplace during a contentious debate....that tested the strength of the two men at the center of the party's presidential nomination fight. As the undeniable Democratic front-runner, Sanders faced the brunt of the attacks," including "for one of the few times" from "fellow progressive...Warren," who "pressed the case that she could execute ideas that" Sanders "could only talk about." The AP adds, "A group of moderates, meanwhile, fought to emerge as the chief Sanders alternative." However, they "did little to draw separation among themselves, a dynamic that has so far only benefited" Sanders.

The New York Times (2/25, Martin, Burns, 18.61M) reports that delivering "a barrage of criticism against their party's emerging front-runner," Sanders' rivals portrayed "him as a divisive figure with unrealistic ideas, even as they continued to batter...Bloomberg for his extreme wealth, his record on policing and his alleged behavior toward women." The Times says Sanders "cut a combative but perhaps not a commanding figure, firmly defending his left-wing agenda on subjects like health care and foreign policy against attacks from all sides. The forum plunged repeatedly into an unsightly spectacle of flailing hands and raised voices, and even outright chaos, with candidates talking over one another and the moderators struggling and failing at times to direct an orderly argument."

Under the headline "Rivals Question Front-Runner Sanders' Electability At Rowdy South Carolina Democratic Debate," Reuters (2/25, Renshaw, Hunnicutt) reports that Sanders, the "surging Democratic presidential front-runner," drew "withering fire in a boisterous debate." with his rivals attacking "the high cost of his ambitious economic agenda and warn[ing] he would cost the party the White House and control of Congress. In a debate that featured candidates repeatedly shouting over one another and ignoring their time limits, Sanders' opponents united in attacking the...self-avowed democratic socialist as a risky choice to lead Democrats against Republican President Donald Trump in November."

USA Today (2/25, King, Behrmann, Groppe, Collins, 10.31M) reports that Sanders "felt the burn during Tuesday's debate. The frontrunner for the Democratic presidential nomination took fire...from his Democratic rivals on a number of fronts – his comments about Fidel Castro's Cuba, his harsh words against a prominent Jewish lobby, his general electability against...Trump if he wins the nomination." USA Today adds, "Facing pressure to prove both why they should stay in the race and why Sanders shouldn't get the nomination, other candidates attacked him on the practicality of his plans, his ability to implement his promises and whether he would cause Democrats to lose not just the White House but Congress as well."

In a "news analysis," the New York Times (2/25, Flegenheimer, Ember, 18.61M) reports, "Onstage for the first time as the unambiguous front-runner and object of his peers' attention, Mr. Sanders made clear in the debate...that the changing circumstances – strong showings in South Carolina and on Super Tuesday could propel him to a runaway delegate lead – would not much change the man. He was never surprised, never entirely smooth and, when it was done, not necessarily looking any less the favorite than he did going in." Even so, says the Times – citing his remarks on Cuba and Castro – Sanders "at once reinforced the reservations that many in the party still have about him and laid bare the power and peril of his politics: his own unyielding worldview – and just how unlikely he is to adapt it to anyone else's definition of electability."

The Washington Times (2/25, McLaughlin, Swoyer, 492K) reports, "Fearing Mr. Sanders is poised to run away with the nomination, his" rivals "took their best shots" at him, "hoping to convince his growing number of supporters that he is political suicide for Democrats. But they also swarmed...Bloomberg, fearing the billionaire is too well-positioned to be the Sanders alternative in next week's Super Tuesday primaries, where the nomination could be settled."

The Los Angeles Times (2/25, Barabak, Mason, 4.64M) reports, "With Sanders threatening to run away with the" race for the Democratic presidential nomination, "other candidates did all they could to trip him up." But while he "seemed peeved at times," Sanders "largely parried the attacks by falling back on staples such as the virtues of his Medicare for all plan. ... In fact, it was the audience that got deepest under Sanders' skin, when they booed his answer explaining his praise for Cuba's literacy programs. 'Really?' he shouted over the jeers. 'Really?'" The Times adds that after "his widely panned debate performance last week in Las Vegas," Bloomberg "for the most part...cleared the rather low bar set by his previous performance."

The New York Post (2/25, Bowden, 4.57M) reports that Sanders "refused to retreat from his romantic views on Cuba and its late dictator...Castro, even as the audience of the Democratic presidential debate in Charleston loudly booed him." Sanders "took repeated incoming fire from fellow candidates on stage after he lauded Castro's literacy program in the 1960s in a CNN town hall on Monday and '60 Minutes' the night before. 'What I said is what Barack Obama said in terms of Cuba – that Cuba made progress on education,' Sanders said to loud boos from the audience. 'When dictatorships, whether it's the Chinese or Cubans, do something good, you acknowledge that,' he continued."

In a separate story, the New York Post (2/25, Report, 4.57M) reports that Sanders "withstood a barrage of attacks – some withering – Tuesday night from his six rivals, who mounted the last best effort to slow his momentum heading into the South Carolina primary, said Post debate expert Monica Klein," who is quoted as saying, "Bernie was the one to beat on the stage and no one landed a real lasting punch as we head into South Carolina. Without Bloomberg on the stage, Bernie would have received the brunt of everyone's attacks. Instead, they had a second target to shoot at, which helped insulate Bernie."

USA Today (2/25, Morin, 10.31M) reports that Sanders "was hit harder than he has been in any other debate," but "ended the night on a high note. He received loud applause after quoting Nelson Mandela for the motto 'that moves me the most.' 'Mandela said, 'Everything is impossible until it happens,'' Sanders said." He "prefaced the quote by saying that the biggest misconception about him is that 'the ideas I'm talking about are radical.' 'They're not,' he said. 'In one form or another, they exist in countries all over the world.'"

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Writing for The Atlantic (2/25, 3.47M), Russell Berman says, "Well, that was loud," adding that the candidates "shouted their way through

the...debate." Berman says, "They interrupted one another, bickered over one another, and bitterly accused one another of all manner of political and moral failings." Berman adds, "For Biden, and indeed for several of the candidates onstage," the debate "was perhaps their final opportunity to rejigger the Democratic race before...Sanders can dramatically widen his delegate lead next week in the Super Tuesday contests. ... In their voices you could hear not only anger but panic."

Writing for the New Yorker (2/25, 5.82M), Eric Lach says that Sanders entered the debate "as the undisputed front-runner for the Democratic nomination. And, from the jump, he got treated that way by his opponents." However, "there were six of them, and one of him, and the dynamic that has defined the past few weeks of the race – all of the non-Sanders candidates being unable to claim the mantle of strongest non-Sanders candidate – played out onstage. There were simply too many voices, and not enough time, which led to long stretches of muddy argument and several episodes of unintelligible shouting."

Politico (2/25, 4.29M) reports that Sanders "had to defend his record on guns, his words about authoritarian countries around the world, and how he would pay for his plans" as his rivals "tried to knock the frontrunner down a peg. But Sanders was also able to lean on well-worn campaign slogans and even faded into the background for large portions of an ill-tempered debate marred by cross-talk and marked by a number of other conflicts."

Axios (2/25, Basu, 521K) reports, "A revitalized sense of urgency permeated the performance of nearly every candidate on stage, as Sanders threatens to run away with an insurmountable delegate lead after Super Tuesday." Axios says that Buttigieg, "who clashed with Sanders several times, said: 'If you want to keep the House in Democratic hands, check with the people that turned the House blue. 40 Democrats are not running on Sen. Sanders' platform – they're running away from it as fast as they possibly can." Axios adds, "The coronavirus, the humanitarian catastrophe in Idlib, and President Trump's interference in the rule of law have been among the biggest global storylines over the past few weeks, but they received little to no attention at Tuesday's debate."

The New York Post (2/25, Lapin, 4.57M) reports that Bloomberg and Sanders, "the only two Jewish candidates in the Democratic primary race, spoke about Israel and whether they would relocate the American embassy from Jerusalem back to Tel Aviv, if elected." Sanders "said he would consider reversing...Trump's controversial action, but didn't commit to making the change." For his part, Bloomberg "said he wouldn't move the embassy. 'You can't move the embassy back,' Bloomberg, 78, said. 'It was done, and you will have to leave it there.'"

Writing in "The Fix" blog on the website of the Washington Post (2/25, 14.2M), Aaron Blake lists Biden and Warren as the debate "winners" and Bloomberg, Sanders, and the moderators as the debate "losers." Under the headline "Who Won The Democratic Debate? Experts Weigh In," the New York Times (2/25, Astor, 18.61M) highlights Twitter reactions to the debate from various political observers and operatives. The Charleston (SC) Post and Courier (2/25, Brown, 290K) and the New York Times (2/25, 18.61M) run fact-check pieces examining the various claims made in the debate. Ahead of the debate, Major Garrett, one of the event's moderators, said on the CBS Evening News (2/25, story 2, 1:45, O'Donnell, 4.63M) that the debate represented "the last opportunity anyone not named Bernie Sanders has to slow his momentum. Bernie Sanders' momentum is real. It's not an abstraction. And every other Democrat on the stage tonight knows that."

Warren Accuses Bloomberg Of Telling Pregnant Employee To "Kill It." One debate exchange is the focus of some media coverage: Warren's claim that Bloomberg told one of his employees to have an abortion. USA Today (2/25, Siano, Young, 10.31M) reports, "During the debate, Warren said she lost a teaching job due to her pregnancy at age 21. She used the opportunity to attack Bloomberg. 'At least I didn't have a boss who said to me, 'Kill it,' the way that Mayor Bloomberg alleged to have said to one of his pregnant employees,' she said." Firing back, Bloomberg asserted, "I never said that. And for the record, if she was a teacher in New York City, she would never have had that problem. We treated our teachers the right way, and the unions will tell you exactly that."

The Washington Times (2/25, Swoyer, 492K) says that Warren "was referencing a lawsuit lobbed against Mr. Bloomberg years ago by an employee, which has been detailed in media reports." Axios (2/25, Perano, 521K) reports, "Per the Washington Post, a former saleswoman has alleged workplace discrimination against Bloomberg and his company and says Bloomberg told her to "kill it" when he learned she was pregnant. Bloomberg denied the allegation under oath and entered a confidential settlement with the woman." Bloomberg is quote as saying during the debate, "Categorically never said it. When I was accused of doing it, we couldn't figure out what she was talking about. But right now, I'm sorry if she heard what she thought she heard or whatever happened, I didn't take any pleasure in that."

The New York Post (2/25, Lapin, 4.57M) reports that Warren "also trashed Bloomberg LP's practice of having women sign nondisclosure agreements binding them to silence, as she did during last week's debate in Nevada. 'If he says there is nothing to hide here, then sign a blanket release and let those women speak,' she said." Bloomberg "criticized Warren for again bringing up the NDAs, and said he had, as Warren had called for in last week's debate, signed a blanket release to allow the women who signed the documents speak out. 'The trouble is with this senator is enough is never enough,' he said."

Daily Caller: Bloomberg Said During Debate He "Bought" Democratic House Majority. The Daily Caller (2/25, Davis, 716K) reports that Bloomberg said during the debate "that he 'bought' the Democrats' majority in the House of Representatives. 'They talk about 40 Democrats, 21 of those were people that I spent $100 million to help elect,' Bloomberg said. 'All of the new Democrats that came in and put Nancy Pelosi in charge, and gave the Congress the ability to control this president, I bought, I got them.' Bloomberg's slip up went unnoticed on stage."

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Biden Mistakenly Says 150 Million People Have Been Killed By Guns Since 2007. The Washington Examiner (2/25, Brest, 448K) reports that during the debate, Biden "erroneously claimed more than 100 million people in the United States have been killed by guns

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in the last decade and a half." He made the claim "while touting his record on gun control and taking a dig at...Sanders. 'Imagine if I said we give immunity to drug companies, we give immunity to tobacco companies. That has caused carnage on our streets. One hundred and fifty million people have been killed since 2007 when Bernie voted to exempt the gun manufacturers from liability. More than all the wars,' he said." The article adds, "The Biden campaign told the Washington Examiner, 'He meant 150k. He's used that line multiple times before.'"

Media Analyses: Moderators Let Debate Get Out Of Control. Writing for the Daily Caller (2/25, 716K), Anders Hagstrom says that "the story of the night was candidates incessantly speaking over one another and moderators unwilling or unable to rein them in." Hagstrom identifies the debate moderators as "Norah O'Donnell, Gayle King, Margaret Brennan, Major Garrett and Bill Whitaker," and adds that "candidates frequently spoke over one another to the point where it was difficult to follow what was being said."

Similarly, Emily Stewart writes for Vox (2/25, 2.27M), "There was a lot of yelling at the Democratic debate in South Carolina on Tuesday. Like to the point that sometimes it was really unclear what was going on." Stewart adds that "the debate went off the rails pretty quick, and it never really got back on track." The New York Times (2/25, Goldmacher, Epstein, Paz, 18.61M) reports, "It was a messy two-hour affair, marked by moderators who went missing for long stretches as cross-talk, over and over, made the conversation intelligible."

Politico (2/25, Ward, 4.29M) reports that the debate "had something of an awkward ending – a cliffhanger that kept candidates at their podiums, uncertain about whether or not it was over." After one question was presented as the last of the debate, moderator King asserted that the debate wasn't over, and CBS cut to a commercial. Politico adds, "When the station returned to the debate from commercial, the candidates were still in place. King then officially marked the end with a clearer closing. 'Thank you,' King said. 'That concludes our debate.'"

Reuters/Ipsos Poll: Sanders Surpasses Biden In Support Among African Americans.

Reuters (2/25, Kahn) reports that a Reuters/Ipsos national poll released on Tuesday shows that Sen. Bernie Sanders (I-VT) "has widened his lead for the Democratic presidential nomination and overtaken Joe Biden in support among African Americans." According to the poll, 26% of "registered Democrats and independents...said they would vote for Sanders, while 15% said they were backing [Michael] Bloomberg and another 15% supported Biden." Among African-Americans, "26% said they would vote for Sanders,," 23% "said they would back Biden...and 20% would support Bloomberg." Reuters says the findings "could spell trouble for Biden. ... To remain a viable contender, Biden has been banking on a strong showing in Saturday's South Carolina primary, a state where black voters make up more than half of the Democratic electorate."

Poll: Sanders Has Widespread Support Among California's Communities Of Color. The Los Angeles Times (2/25, Lauter, 4.64M) reports that "a poll conducted by Strategies 360 from Feb. 12 through 19" found that Sanders has "widespread support among communities of color in California, outstripping his nearest Democratic rivals," Biden and Bloomberg. The Times adds, "Asked to pick among the leading Democrats and President Trump and say who they would most like to see as the next president, a third of Latino adults, one quarter of African Americans and just over 1 in 5 Asian Americans chose the Vermont senator." About "1 in 8 Latinos and Asian Americans" and "1 in 6 African Americans" chose Bloomberg. Biden "drew the same support as Bloomberg among Latinos," but "did slightly better among African Americans and significantly worse among Asian Americans, being the top pick of fewer than 1 in 10."

Politico Analysis: Sanders Might Not Be Unstoppable.

In an analysis, Politico (2/25, Harris, Mahtesian, 4.29M) considers "some of the reasons to say 'not so fast' in assuming" that the "impressive momentum" Sen. Bernie Sanders (I-VT) has "coming out of the Nevada caucuses makes him unstoppable." Politico says attacks on Sanders from his rivals in debates could change his "perceived juggernaut status." In addition, if Joe Biden "can for once exceed expectations with a decisive South Carolina showing the Democratic contest suddenly look quite different." Also, the "two most widely respected figures in the Democratic Party – Barack Obama and Nancy Pelosi – are worried that a Sanders nomination could be disastrous for the party in the fall." Party leaders may not "wield the same levers of power in an era of online ideological movements," but that "doesn't mean they have no leverage." Politico also questions "the assumption that the Democratic National Convention couldn't dare deny the nomination to Sanders if he has a first-round plurality."

Internal Bloomberg Poll Says Sanders Would Drag Down Vulnerable Democrats. Politico (2/25, Cadelago, Barrón-López, 4.29M) reports that a poll conducted by Michael Bloomberg's presidential campaign shows that Sanders at the top of the Democratic ticket "could drag down vulnerable House Democrats trying to hold onto their competitive districts." The poll "found that Sanders is less popular than Trump and loses significant support when hit for holding socialist positions." While the poll "found Sanders essentially running even with Trump in a head-to-head match-up across the districts, trailing the incumbent by just one point," Trump "opens up 6-point advantage after a list of negative messages about Sanders' ideology and alleged ineffectiveness in the Senate is presented to poll respondents." In addition, a "plurality of voters, 39 percent, say they will be less likely to vote for a Democrat for Congress if Sanders is the Democratic nominee and his ideas are folded into the party platform." The New York Post (2/25, Campanile, 4.57M) says the poll claims that Sanders "would 'jeopardize' the re-election of 42 House Democrats in battleground districts and therefore the party's majority rule." Townhall (2/25, McCarthy, 177K) provides similar coverage of the poll.

NRCC Chairman Says Democrats In Trump Districts Are Panicked Over Sanders. Politico (2/25, 4.29M) reports that NRCC Chairman Rep. Tom Emmer (R-MN) "reveled...in Democratic panic" over Sanders' "frontrunning campaign for the party's presidential nomination, expressing confidence that the GOP would be a shoo-in to retake control of the House with a self-described democratic socialist atop the opposite ticket." Emmer is quoted as saying, "The Democrats' embrace of socialism will cost them their majority in the House. They

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know that. ... You look right now. You have in the 30 seats that Donald Trump won two years ago that have Democrats currently in them. These folks are in an all-out panic."

Townhall: CNN Anchor Appeared Shocked To Learn About Sanders' Past Writings. Townhall (2/25, Rosas, 177K) reports Michael Bloomberg's campaign adviser Tim O'Brien "held nothing back in his criticisms" of past writings by Sanders "regarding women fantasies and cancer." On CNN's New Day , Tuesday, O'Brien said, "Bernie has all of this loopy stuff in his background saying things like, you know, women get cancer from having too many orgasms or toddlers should run around naked and touch each other's genitals to insulate themselves from porn. ... He has written about women's rape fantasies. That hasn't been surfaced. That's the loony side of Bernie."

WPost: Sanders Is Promising "Impossible Levels Of New Spending." A Washington Post (2/25, 14.2M) editorial criticizes spending promises by Sanders. The Post argues that "it takes no courage to promise impossible levels of new spending and programs that could not work as advertised. It takes courage to level with voters." As an example, the Post cites Sanders' "plan to enable all Americans to get child care," which would cost twice as much as similar plans from Sen. Elizabeth Warren (D-MA) and Pete Buttigieg. The Post argues, "True progressives recognize that federal money is scarce and must be spent carefully, with the poorest first in line."

At South Carolina Event, Biden Said He Is A Candidate For US Senate.

The New York Post (2/25, Jacobs, 4.57M) reports that during a Democratic event in South Carolina Monday, Joe Biden referred to himself as "a Democratic candidate for the United States Senate." At the "First in the South Dinner," Biden "delivered remarks about returning the White House and the Senate to Democratic control before making the error." As he was "wrapping up his speech, he confused which elected office he was seeking." Biden said, "You're the ones who sent Barack Obama the presidency. And I have a simple proposition here: I'm here to ask you for your help. Where I come from, you don't go very far unless you ask. My name's Joe Biden. I'm a Democratic candidate for the United States Senate."

Biden Says He Worked On Paris Agreement With Leader Who Died In 1997. The New York Post (2/25, Bowden, 4.57M) reports that during a campaign stop in South Carolina Saturday, Biden claimed "to have worked on the 2016 Paris Climate Accord with a Chinese leader who died 19 years earlier." Biden said, "One of the things I'm proudest of is getting passed, getting moved, getting in control of the Paris Climate Accord. ... I'm the guy who came back after meeting with Deng Xiaoping and making the case that I believe China will join if we put pressure on them. We got almost 200 nations to join." Deng Xiaoping "died in 1997." The Post adds, "It's unclear if Biden was referring to China's current President Xi Jinping, who took power in 2013 and oversaw China's involvement in the 2016 climate deal."

WPost: Biden Uses Obama To Attack His Opponents. A Washington Post (2/25, Hohmann, 14.2M) analysis says Biden is "no longer content to merely cite" former President Barack Obama "as validation." He "now invokes his old boss to attack his opponents – specifically Bernie Sanders and Tom Steyer, who are nipping at his heels in South Carolina by making inroads with African American voters." The Post says Biden "exudes a new sense of urgency as he makes what could be his last stand ahead of Saturday's primary, in which the majority of voters will be black." Biden said, "When we were president – when Barack was president, and I was vice president – we went to HBCUs," in a reference to historically black colleges and universities.

NYTimes Highlights How Biden's Sister Has Benefited From His Political Career. The New York Times (2/25, Saul, 18.61M) reports that Biden's sister, Valerie Biden Owens, "managed all of his Senate campaigns and his first two presidential races, playing a central role in her brother's career – as his confidante, closest political adviser and one of his top surrogates on the campaign trail." In addition, she has "benefited from her connections to her brother, receiving jobs, appointments and speaking engagements over the years." It is, the Times adds, "not the first time that Mr. Biden's family have raised questions." The Times goes on to highlight a number of examples.

Hunter Biden Seeks To Delay Child Support Deposition Until After Key Primaries. The Washington Examiner (2/25, Yilek, 448K) reports that Hunter Biden has asked a judge to delay his child support deposition, which is scheduled for this week "until after key voting contests for his father, Democratic presidential candidate Joe Biden, are over." According to a court motion filed Tuesday, Hunter Biden "is seeking to push it back to April 1."

Bloomberg's Girlfriend Says People Bothered By NDAs Should "Get Over It."

Townhall (2/25, McCarthy, 177K) reports that when he was confronted during last week's Democratic presidential debate about "his company's Non-disclosure agreements (NDA), with regard to potential sexual harassment allegations against" employees of his company, Michael Bloomberg "initially brushed off the idea of female employees being limited by NDAs after employment, but then released a statement admitting that at least 3 NDAs were signed by women who may have filed grievances against Bloomberg himself, and the former mayor has agreed to release the women from the NDAs if they so choose." Townhall adds that the situation "took a turn" Tuesday morning when Bloomberg's "longtime girlfriend, Diana Taylor, outright dismissed any claims of misconduct, telling those speculating to 'get over it.'"

Ed O'Keefe reported in the lead story for the CBS Evening News (2/25, lead story, 2:55, O'Donnell, 4.63M), "In an exclusive interview with CBS News," Taylor "defended the former mayor's use of nondisclosure agreements." Taylor: "It was 30 years ago. Get over it. ... In none of them was he accused of doing anything or saying something nasty to a woman. That is not who he is. Life has changed." David Muir said on ABC World News Tonight (2/25, story 4, 2:25, 7.48M) that the Bloomberg campaign was "quick to distance itself from the comments." Mary Bruce added, "Bloomberg's team says Taylor was speaking for herself there and not for the Bloomberg campaign."

WPost Analysis: 9/11 Attacks Fueled Bloomberg's Rise To NYC Mayor, Presidential Candidate. In a 5,000-word analysis, the Washington Post (2/25, Schwartzman, 14.2M) reports that Bloomberg was a Republican mayoral candidate when the 9/11 attacks

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occurred and "what Bloomberg did not know in that moment – what no one could have known – is that the deadliest foreign attack on American soil would fuel his unlikely rise as New York's mayor and become a foundation for his race for the White House." Bloomberg "invokes his stewardship of post-9/11 New York to cast himself as the competent, even-keeled antidote to President Trump's turbulent reign."

In Weekend Meeting, Schumer Urged Bullock To Challenge Daines.

Politico (2/25, Everett, Arkin, 4.29M) reports that Senate Minority Leader Schumer met with term-limited Montana Gov. Steve Bullock (D) last weekend "as Democrats make a last-ditch effort to woo him to" mount a 2020 challenge to Sen. Steve Daines (R-MT), "according to multiple sources." Politico says that Bullock "has repeatedly said he has no plans to" enter the race. However, "the state's filing deadline is just over two weeks away, and Democrats have continued to pitch Bullock on seeking the Senate seat before the window closes." Politico adds, "Democrats believe that if Bullock were to" enter the race, "it would instantly put Montana in play this fall and give them a wider path to taking back the chamber. Republicans have a 53-47 majority."

WSJournal: Federal Judges Association Should Explain "Emergency" Meeting.

In an editorial, the Wall Street Journal (2/25, Subscription Publication, 7.57M) says that media reports last week of an emergency meeting called by Federal Judges Association in the wake of President Trump's criticisms over the sentencing of Roger Stone raise questions about judicial impartiality. The Journal urges the group to give further clarification into the purpose of the planned meeting to allay concerns about the independence of the judiciary.

WSJournal: Democrats Sow Chaos With Early Voting Efforts.

The Wall Street Journal (2/25, Subscription Publication, 7.57M) editorializes that Democratic efforts to expand early voting could result in mayhem on Election Day, delaying results, increasing the risk of mistakes and misbehavior, and undermining the legitimacy of the process. The Journal says early voting means leads on Election Day could disappear in the following days as absentee ballots roll in, and voters may be casting ballots for candidates months before new developments shift the political landscape.

Meacham: Religion Offers "Best Hope" Against Trump.

In an op-ed for the New York Times (2/25, 18.61M), author Jon Meacham writes, "For many Americans, especially non-Christians, the thought that Christian morality is a useful guide to much of anything these days is risible, particularly since so many evangelicals have thrown in their lot with a relentlessly solipsistic American president who bullies, boasts and sneers." But according to Meacham, "history suggests that religiously inspired activism may hold the best hope for those in resistance to the prevailing Trumpian order." He acknowledges that "Christianity has been an instrument of repression," but adds that "in the living memory of Americans it has also been deployed as a means of liberation and progress – which feeds the hope that it can become a force for good once more."

Declassified Study Shows Costly NSA Phone Program Provided Limited Results.

The New York Times (2/25, Savage, 18.61M) reports a newly declassified study indicates an NSA system that evaluated "logs of Americans' domestic phone calls and text messages cost $100 million from 2015 to 2019, but yielded only a single significant investigation." The study, produced by the Privacy and Civil Liberties Oversight Board and provided to Congress on Tuesday, "said only twice during that four-year period did the program generate unique information that the FBI did not already possess." The study concluded, "Based on one report, FBI vetted an individual, but, after vetting, determined that no further action was warranted. The second report provided unique information about a telephone number, previously known to US authorities, which led to the opening of a foreign intelligence investigation." To the Times, the large cost and "low utility of the call records collected sheds new light on the NSA's decision in 2019 to shutter the program amid recurring technical headaches."

Man Charged With Plotting To Blow Up Car At Pentagon.

The AP (2/25) reports "an Arkansas man was arrested on charges he tried to blow up a car outside the Pentagon, federal officials said Tuesday." CNN (2/25, Cole, 83.16M) recounts on its website that "Matthew Dmitri Richardson, 19, of Fayetteville, was approached by a Pentagon police officer standing by the car with a cigarette lighter and a piece of fabric stuffed in the car's gas tank, according to a criminal complaint." Richardson "allegedly told the officer that he wanted to 'blow this vehicle up.'" The Washington Times (2/25, Glenn, 492K) reports "Richardson pulled free and ran away when the Pentagon police officer tried to grab him," and "surveillance video cameras later spotted him climbing a fence into Arlington National Cemetery, according to court documents." He "was later discovered near Arlington House inside the cemetery grounds." The Washington Examiner (2/25, Dibble, 448K) says "the owner of the vehicle targeted at the Pentagon was found to be an active-duty service member who does not know Richardson." Reuters Holland, MI (2/25, Inc., 399) and the Herndon (VA) Patch (2/25, Belt, 1.03M), among other news outlets, also report the story.

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NYTimes Report: Calls For Law Targeting Domestic Terrorism Growing.

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The New York Times (2/25, Macfarquhar, 18.61M) reports that "when the New Jersey Office of Homeland Security and Preparedness issued

its terrorism threat assessment for 2020 last week, it noted a marked shift. The threat level from violent, homegrown extremists, and specifically white supremacists, was marked in red as the top category: 'High.' The threat from the Islamic State, Al Qaeda and their ilk was demoted to third, in green: 'Low.'" The Times also reports that "terrorism experts believe that holds true for the entire United States," and adds that "even as the menace from homegrown extremists grows more explicit, however, law enforcement is wrestling with how to combat it. That challenge has spawned a fervent debate over whether the United States needs a new law to specifically criminalize domestic terrorism, or whether such a statute would threaten basic First Amendment rights."

RCP Average Has Trump's Job Approval At 46.3%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 46.3%, and his disapproval at 50.6%. The President's job approval is up 0.6 since yesterday and his disapproval is down by 0.6.

A Rasmussen poll of 1,500 "likely voters" (2/20-2/24) finds Trump's approval at 52%, with 47% disapproving. The President tweeted in reaction to the numbers, "52% in the new Rasmussen Poll. 95% Approval Rating in the Republican Party. Thank you!"

A Politico/Morning Consult survey of 1,192 "registered voters" (2/21-2/23), meanwhile, has the President's job approval at 45%, and his disapproval at 52%.

Financial International News

IMF Calls Talks With Lebanon "Productive" As Hezbollah Declares Opposition To IMF Managing Crisis.

Reuters (2/25, Lawder) reports the IMF in a statement "said on Tuesday its staff held five days of 'very informative and productive' talks with Lebanese authorities on their plans to deal with debt and economic challenges and stand ready to provide further technical advice." IMF spokesman Gerry Rice, in the statement, "said the IMF team met with Prime Minister Hassan Diab as well as the country's deputy prime minister, central bank governor, finance minister, and other officials." The statement "made no mention of debt restructuring or the possibility of IMF financial assistance to Lebanon."

Reuters (2/25, Perry, Francis, Bassam, Nakhoul, Arnold) also reports Hezbollah said Tuesday it is against giving the IMF a role in managing Lebanon's financial crisis, saying it would oppose any bailout from the IMF that comes with tough conditions for the indebted country. Hezbollah deputy leader Sheikh Naim Qassem said, "We will not accept submitting to (imperialist) tools ... meaning we do not accept submitting to the International Monetary Fund to manage the crisis. ... Yes, there is nothing to prevent consultations ... and this is what the Lebanese government is doing."

Japan Signals Readiness To Counteract Economic Damage From Coronavirus.

Reuters (2/25, Leussink, Wada) reports Japan's Vice Finance Minister for International Affairs Yoshiki Takeuchi "said on Tuesday the government and the central bank may need to take further action if the fallout from the coronavirus outbreak on the economy broadens." Takeuchi "also said a communique issued by Group of 20 finance leaders over the weekend confirmed their shared understanding that stable currency moves were important." Takeuchi told reporters, "Financial markets have been volatile since the start of this week. (The G20 finance leaders) agreed to continue monitoring market developments with a sense of urgency, given heightened market volatility." Takeuchi added, "Depending on developments, the government may need to consider what more it can do with cooperation from the Bank of Japan."

Malpass: First-Half Global Growth Likely To Suffer Blow From Coronavirus.

Bloomberg (2/25, Kearns, 4.73M) reports World Bank President David Malpass "said global economic growth in the first half of 2020 is likely to fall short of the 2.5% pace that the lender has forecast for the full year." Malpass said Tuesday in Washington, "The good news is that was slightly higher than what the growth rate was in 2019, but the bad news is, for one, the first half is probably to be slower than that given the coronavirus. But also, even at 2.5% real growth for the world, that simply is not enough growth to really lift developing countries." Malpass said the coronavirus is the number one topic at the Bank, adding, "We are looking at ways to respond or to make available resources for developing countries. We're also very closely coordinating with WHO, the World Health Organization, which is on the front line of the virus, and we have a range of tools that the bank can use as the pandemic spreads."

Leading International News

US Airstrike Kills Al Shabaab Leader Tied To Attack On Kenyan Base.

Citing the Pentagon, Reuters (2/25) reports that a US airstrike over the weekend in Somalia "killed an Islamist militant who helped plan last month's attack on a military base in Kenya in which three Americans died." Africa Command (AFRICOM) said in a statement the Saturday strike killed a senior member of al Shabaab "who was in charge of planning and directing terrorist operations on the Kenya border region, including the recent attack on Manda Bay" and his wife, who was described as a "witting and active" al Shabaab member. On January 5, "three Americans – one US military service member and two contractors – were killed during an attack by al Shabaab on the Manda Bay military base in Kenya used by both US and Kenyan forces."

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Escalation Of Yemeni Civil War Could Provide Opening For AQAP Resurgence.

The Washington Post (2/25, Raghavan, 14.2M) reports that last month's death of the leader of al Qaeda's Yemen branch in a US drone strike "has dealt a blow to the group's ambitions, but Western officials and analysts warn that a recent escalation in Yemen's conflict could allow it to regroup to some extent." Over the past 10 years, "al-Qaeda has bounced back a few times, regaining territory and recruits by taking advantage of security vacuums arising from the conflicts among Yemen's myriad warring factions." Now, after "a relative lull in the war, fighting is intensifying in at least four provinces, including in or near areas where both al-Qaeda and the Islamic State have a presence or support from local tribes."

Army Judge Proposes 2022 Trial In USS Cole Bombing Case.

The New York Times (2/25, Rosenberg, 18.61M) reports Army judge Col. Lanny J. Acosta Jr. yesterday proposed a February 2022 trial date for the death penalty tribunal of a Saudi man who is accused of orchestrating the bombing of the USS Cole that killed 17 sailors off Yemen two decades ago. Acosta included the date "in a four-page order that set out a series of deadlines for pretrial litigation over the next two years" in the case against Abd al-Rahim al-Nashiri.

Iranian Security Official Accuses US Of Withholding Information About Missile Attack In Iraq.

Reuters (2/25, Dehghanpisheh) reports, "Ali Shamkhani, secretary of Iran's top national security body, accused the White House on Tuesday of withholding information about an Iranian missile attack on a U.S. base in Iraq." Shamkhani "did not give details in a tweet reacting to accusations" by Secretary of State Pompeo on Tuesday "that the Islamic Republic may have withheld information about the spread of coronavirus inside the country." The US military "has said that more than 100 U.S. soldiers were diagnosed with traumatic brain injury from the Iranian attack while Iranian military officials have said the missile strike killed several American soldiers."

Ebadi: Iranian Revolution Was A Mistake.

In an op-ed for the Washington Post (2/25, 14.2M), Shirin Ebadi, a lawyer, human rights activist, and recipient of the Nobel Peace Prize, writes that her generation made a "mistake" 41 years ago by supporting Ruhollah Khomeini in overthrowing the Pahlavi dynasty. Ebadi writes that "with the benefit of hindsight, most of us can agree that 1979 was not the time for a revolution. What we needed most was reform, not the total destruction of the system." The mistake has rippled down to today, she writes, as "economic mismanagement and political repression have created a profound sense of hopelessness among the younger generation." She asks for forgiveness from the younger generation, and wonders why her generation was "unable to create a better society for our children to be born into."

Pompeo: Informal Truce With Taliban "Working Perfectly" So Far.

The Washington Times (2/25, Taylor, 492K) reports Secretary of State Pompeo expressed "cautious optimism Tuesday that a formal truce with the Taliban will be signed this weekend," saying a temporary truce with the militants is "working perfectly," but also warning the path ahead will be "arduous" and "complex." To Reuters, Pompeo's remarks at a State Department news conference "came amid mounting uncertainty over what will occur after a more lasting truce gets inked." The Secretary, however, "said he's confident the next step of intra-Afghan talks between the Taliban, the US-backed Afghan government and a wide spectrum of other Afghans will occur. But he steered clear of commenting on political disarray currently gripping Kabul."

USA Today: Trump, Khalilzad Deserve Credit For Peace Progress. USA Today (2/25, 10.31M) editorializes that "if the reduction [in violence] continues through this week, the United States and the Taliban are to sign an agreement Saturday that could be a first step toward ending the war" in Afghanistan. USA Today says President Trump and his chief negotiator, special envoy Zalmay Khalilzad, "deserve credit for bringing the process this far. It has been a long time coming." It argues that "a glimmer of peace is finally coming to light from Afghanistan, though much rests on a tangled process that lies ahead."

US Says Afghan Election Results Should Be Reviewed.

The Washington Free Beacon (2/25, Kredo, 78K) reports that more than a week after Afghanistan announced the results of its presidential election, the US is "demanding a review of the outcome in comments likely to complicate the president's efforts to foster a peace accord with the Taliban." The Administration, "which had remained quiet since the results were first announced, said on Tuesday that the results should be reviewed." In a statement the Free Beacon says is "likely to complicate efforts...to ink a landmark peace accord with the Taliban," State Department spokeswoman Morgan Ortagus said, "Concerns have been raised about the election process. We expect these concerns to be handled in accordance with constitutional and legal procedures."

Governments Increasingly Ordering Internet Shutdowns To Quell Dissent.

The Wall Street Journal (2/25, A1, Solomon, Subscription Publication, 7.57M) reports on its front page that governments around the world are cutting off access to the Internet with increasing frequency and scant transparency. Human-rights advocates claim the shutdowns are being ordered to silence critics and quash protests.

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Chinese Court Sentences Swedish Bookseller To 10 Years In Prison.

The AP (2/25, Wang, Olsen) reports that "a court in eastern China has sentenced a Swedish seller of books that took a skeptical look at the ruling Communist Party to 10 years in prison for 'illegally providing intelligence overseas.'" Gui Minhai "first disappeared in 2015, when he was believed to have been abducted by Chinese agents from his seaside home in Thailand. He and four others who worked for the same Hong Kong publishing company all went missing at around the same time, only to turn up months later in police custody in mainland China." The AP adds that "for years, Gui sold gossipy books about Chinese leaders in...Hong Kong."

According to the New York Times (2/25, Ramzy, 18.61M), Gui's case "angered residents in Hong Kong who saw his detention by the Chinese authorities as a stark sign of the erosion of civil liberties under Beijing's growing influence." The Times adds that "the outcry over China's reach took on international dimensions because Mr. Gui was secretly spirited to China from Thailand and held in custody for two years. Then, in 2018, he disappeared again in dramatic fashion when he was snatched from a train bound for Beijing while accompanied by two Swedish diplomats."

The Washington Post (2/25, 14.2M) editorializes that the sentencing of Gui to 10 years in prison is another example of Chinese leader Xi Jinping's "arrogant disregard for the rule of law not only inside China but also in other countries." In the Post's view, "Gui's case is a particularly shocking example of the Xi regime's attempts to intervene in other countries, a campaign that has included pressuring critical academics at Western universities, demanding that U.S. airlines and the National Basketball Association toe Beijing's line on Hong Kong and pulling the visas of three China-based Wall Street Journal reporters because of a headline on an opinion column."

Macron Pension Plan That Sparked Protests Set To Become Law.

The New York Times (2/25, Nossiter, 18.61M) reports that "the weeks of strikes that began in December and stretched into the New Year against" French President Emmanuel Macron's "plans to overhaul the French pension system have fizzled, even if the anger has not." According to the Times, Macron is "poised to win his latest battle," and "his government is hoping that his plan to eliminate France's 42 different pension schemes and merge them into one will pass the lower house of Parliament, where his party has a lock, by mid-March." The Times adds that "would change France deeply, like his other programs."

Mubarak Dies At Age 91.

The AP (2/25, Magdy) reports "Hosni Mubarak, the Egyptian leader who was the autocratic face of stability in the Middle East for nearly 30 years before being forced from power in an Arab Spring uprising, died Tuesday, state-run TV announced. He was 91." Mubarak "was a stalwart US ally, a bulwark against Islamic militancy and guardian of Egypt's peace with Israel." According to State TV, he "died at a Cairo hospital where he had undergone an unspecified surgery." In an editorial, the Washington Post (2/25, 14.2M) argues that neither President Trump "nor Egypt's new strongman has learned the lessons of Mr. Mubarak's failure," as "the Arab world's most populous nation continues to lag behind other developing nations," and "sadly, the repressive, stagnant regime that Mr. Mubarak created has become Egypt's standard."

Housing

Calabria Discusses State Of GSE Reform Efforts, Goals Going Forward, And Timeline Predictions.

FHFA Director Mark Calabria was interviewed on Bloomberg TV Bloomberg Markets: Balance of Power (2/25, 4.73M), discussing the state of the GSEs' conservatorship, his goals as regulator, limitations on what actions the FHFA can take, and a potential timeline for the GSEs' exit. Calabria said that the GSEs' "primary role" is to provide "countercyclical liquidity" to the market. While Calabria wants to promote homeownership to the greatest extent possible, he stressed that the GSEs are today focused on promoting "sustainable" homeownership. Calabria said that there are certain actions that require action from congress; for example, he has requested that congress grant him the ability to charter more competitors to the GSEs (which he says should reduce systemic risk). Calabria reiterated that the timeline for the GSEs' release is "process"-driven, not "calendar"-driven. Raising capital is crucial, and the GSEs are currently not "in the position" for a big capital raise. Calabria said that the necessary steps on the path to the GSEs' release from conservatorship will likely take at least a year to complete, as the GSEs and the FHFA need to prepare themselves for ushering in and operating in a post-conservatorship landscape.

On its website, Bloomberg (2/25, 4.73M) posted an eight-minute segment of its interview with FHFA Director Calabria. At [4:19], Calabria said that "only Congress could come in" and give the GSEs an explicit government guarantee, so "we are calling for Congress to come in and define the situation." Calabria believes that "any guarantee should be on MBS only." Calabria said that FHFA "will be re-proposing a capital rule soon" in "coming months," but "at this point, we don't have a number." Calabria said that the GSEs also need to be "well-run institutions," adding that there are "a number of supervisory matters that they need to fix." At [6:15], Calabria said that preparing the market for such a large public offering could involve multiple tranches, multiple equity raises, and launching both equity raises either at once or sequentially. Asked if he believes it is more likely that the GSEs will "go sequentially," Calabria responded, "I think so." The FHFA's financial advisor, Houlihan Lokey, is currently helping the agency explore these options. At [7:19], Calabria discusses the Treasury Department's stake in the GSEs.

In an article recapping the interview, Bloomberg (2/25, Dexheimer, 4.73M) reports that Calabria said, "The shareholders will be heavily diluted when we raise capital. So at the end of the day I am not focused on whether there's a windfall, because I don't think there's really

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going to be that big of a windfall." He noted that the shareholders haven't had a dividend in more than a decade.

Calabria Talks About Pre-Crisis G-Fee Deals.

Behind a paywall in its Short Takes, Inside Mortgage Finance (2/25, Muolo, Subscription Publication) reports, "On Monday, Federal Housing Finance Agency Director Mark Calabria let his hair down a bit on the topic of guarantee fee deals (pre-crisis) between Fannie Mae/Freddie Mac and their mortgage banking customers." Speaking at a CUNA conference, Calabria said, "You may recall that, when I came in the door, we had limitations on Fannie's and Freddie's pricing strategies. For those of you who remember, before the conservatorship it wasn't unusual when the Countrywides of the world (I don't mean to speak ill of the dead) would come into Fannie or Freddie and pay something like 12 basis points, and a credit union would come in and pay 20 bps, in terms of the guarantee fee. ... Fannie and Freddie, pre-crisis, drove the consolidation in origination business in a way that I believe disadvantaged small players."

Bove: Government Is Making GSEs Less Competitive, Disincentivizing Investment.

Value Walk (2/25, 1K) reports that Odeon Capital analyst Dick Bove "believes the government is...making the government-sponsored enterprises less attractive to investors." In a note to clients this week, Bove "responded to the questions that were asked by a group of Democratic senators and answered by the Treasury Department and Federal Housing Finance Agency." Bove said that the answers were "broad and ill-defined," promising "nothing." Bove said that some of the responses "clearly indicate the government's intent to reduce the profit and growth capacity of these two companies."

Role Of GSEs In Multifamily Sector Evolves As They Move Toward Privatization.

In a piece accessible to subscribers, GlobeSt. (2/25, Dolce) reports, "Recently the Federal Housing Finance Agency created a new group with the goal of ensuring that both Fannie Mae and Freddie Mac foster a competitive, liquid and resilient multifamily market." During the MBA CREF conference, FHFA associate director for multifamily Siobhan Kelly said, "By creating a new group, it speaks to a commitment and dedication to focus on affordability in multifamily." According to GlobeSt., although HUD provides a significant amount of capital in the multifamily sector, the GSEs "remain the industry heavyweights. Their mission, though, is evolving as they inch towards privatization." Freddie Mac EVP Deborah Jenkins, head of the GSE's multifamily division, reportedly "noted that this is the first quarter the GSEs have had the 5 cap." Jenkins said, "In looking at the next steps, there is actually progress happening now on the exit train. What we will be looking at is how those steps actually impact the market. Also, we will look at what will the cap be for 2021."

CBRE Arranges Freddie Mac Acquisition Financing For Denver-Area, Garden-Style Community.

New Kerala (IND) (2/25) reports, "Orion Real Estate Partners (Orion) announced today that it has closed on the acquisition of Continental Court Apartments, a garden-style apartment community in Denver, Colorado. ... This is Orion's sixth acquisition in the Denver MSA with a continued favorable long-term outlook on both job and population growth outpacing national averages. CBRE Multifamily Capital provided an attractive 10-year floating rate acquisition loan through Freddie Mac."

HUD Announces Changes To FHA's CWCOT Program.

DS News (2/25, Albanese) reports that on Tuesday, HUD "announced changes" to the FHA's Claims Without Conveyance of Title (CWCOT) program. According to DS News, "Changes proposed by HUD include: Providing for a second appraisal once a property becomes vacant; Expanding the number of states for marketing services and auction services into the judicial states; Modifying the 'haircut' structure in a manner more specific to the value of that property; and changes to reimbursement for property preservation and eviction expenses." Dror Oppenheimer, Senior Advisor to the Assistant Secretary for Housing-Federal Housing Commissioner at HUD, commented, "We think these changes will improve the take-up rate of the CWCOT program, which has already gone from 25% to 75%. We think this is going to expand way beyond the 75% and provide real benefit for servicers and the FHA. We look forward to hearing back from the industry." National Mortgage News (2/25, Sinnock) reports that Oppenheimer said that HUD would "like the feedback in two weeks."

US Mortgage Rates Hit Eight-Year Lows.

CBS News (2/25, Brooks, 3.68M) reports US mortgage rates have fallen to eight-year lows, "a boon for house-hunters and homeowners looking to refinance." The 30-year mortgage charges 3.34 percent, while 15-year mortgages sit at 3.09 percent, down over a full point in just a year.

Non-Agency Jumbo Production Rose Significantly In 2019, Despite Slowing In Q4.

Behind a paywall, Inside Mortgage Finance (2/25, Ivey, Subscription Publication) says that non-agency jumbo mortgage originations "increased significantly in 2019, though growth slowed in the final three months of the year." According to IMF, "An estimated $413.0 billion of jumbos were produced in 2019, up 47.0% on an annual basis and the highest yearly volume in the sector since 2006 ($480 billion). The increase looks to be 'a rising tide lifts all boats' scenario, as total first-lien mortgage originations increased by 45.7%." Non-agency jumbos

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made up 17.4% of total mortgage originations in 2019, "up slightly from a 17.2% share the year prior." However, "the estimated $122.0 billion of fourth-quarter production was only a 1.7% increase on a sequential basis."

Case-Shiller HPI: Home Prices Rose An Annual 3.8% In December.

The AP (2/25) reports that home prices "rose at a faster pace in December as mortgage rates remained low and a falling supply of available properties set off bidding wars between buyers." According to a PRNewswire (2/25) press release, "The S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 3.8% annual gain in December, up from 3.5% in the previous month. The 10-City Composite annual increase came in at 2.4%, up from 2.0% in the previous month. The 20-City Composite posted a 2.9% year-over-year gain, up from 2.5% in the previous month." According to MarketWatch, "Phoenix, Charlotte and Tampa reported the highest year-over-year gains among the 20 cities."

HousingWire (2/25, 23K) reports S&P Dow Jones Indices managing director Craig Lazzara said, "At the national level, home prices are 59% above the trough reached in February 2012, and 15% above their pre-financial crisis peak. At a regional level, Phoenix retains the top spot for the seventh consecutive month, with a gain of 6.5% for December. Charlotte and Tampa rose by 5.3% and 5.2% respectively, leading the Southeast region. The Southeast has led all regions for the past year. ... As was the case last month, after a long period of decelerating price increases, the National, 10-City, and 20-City Composites all rose at a faster rate in December than they had done in November. It is, of course, too soon to say whether this marks an end to the deceleration or is merely a pause in the longer-term trend."

FHFA House Price Index Rises 0.6% In December From November.

The Wall Street Journal (2/25, Parker, Subscription Publication, 7.57M) reports that the pace of home price appreciation accelerated at the end of 2019, according to the FHFA's House Price Index and the Case-Shiller Home Price Index. The FHFA's index showed that prices rose 5.1% annually in Q4, and also rose in every state. Potentially behind a paywall, Bloomberg (2/25, Dmitrieva, 4.73M) reports that FHFA's index showed that "home prices climbed 0.6% in December from the previous month, the most since September, and were up 1.3% in the fourth quarter."

On its website, Bloomberg (2/25, 4.73M) posted an eight-minute video segment of its interview with FHFA Director Calabria, which began with Calabria's comments on the FHFA House Price Index. Asked if he believes we are near the "top of a housing cycle," Calabria said, "We continue to see positive appreciation, but it's also important" to consider that "the rate of increases started to slow over the last couple of years, so I think we're still going to have another couple of years of positive appreciation, but it's going to be a little bit lower."

HousingWire (2/25, Lloyd, 23K) reports that FHFA Deputy Director for Research and Statistics Lynn Fisher said, "Falling interest rates and steady job growth renewed housing demand in 2019 and may have arrested the recent deceleration in home prices that began in 2018." Fisher also said that this was the first time in two years that the index did not show a slowdown in home-price gains. National Mortgage Professional (2/25, Hall) reports that Fisher said, "The revised measure of home price growth in the third quarter was also 5.1 percent. Prices in the Mountain region had the highest gains, posting a 6.7 annual growth rate in the fourth quarter." According to NMP, "The FHFA's seasonally adjusted monthly index for December was up 0.6 percent from November. House prices rose in 97 of the top 100 largest metropolitan areas over the last four quarters and have risen for 34 consecutive quarters, or since September 2011."

M Report (2/25, Albanese) says that state-by-state, "Idaho led the nation with an annual home-price appreciation of 12%. Utah came in at second at 8.1%, Arizona saw price growth rise at 7%, Washington reported 7% growth, and Indiana had 5% growth. Connecticut's annual price growth of 1.9% was the smallest in the nation." Looking at cities, Realtor (2/25, 25.12M) reports that the FHFA's index showed that Boise, Idaho had the nation's highest annual price growth, with a gain of 12.7%. MarketWatch (2/25, Passy, 1.67M) reports that Boise was "followed by Colorado Springs, Colorado (11%) and Orlando, Florida (10%)." National Mortgage News (2/25, Centopani) reports, "Values in Albany, N.Y., actually lost 1.75%, followed by a 25-basis-point decline in Baton Rouge, Louisiana, and a 14-basis-point drop-off in Bridgeport, Connecticut."

Mortgage News Daily (2/25, Swanson) reports, "FHFA reports prices based on purchase mortgages acquired by the GSEs Fannie Mae and Freddie Mac. The HPI was benchmarked to 100 in January 1991. The November 2019 reading was 283.0." According to Seeking Alpha (2/25, Kiesche, 512K), FHFA's House Price Index swept pass consensus predictions, rising 0.6% compared to an expected 0.3% and doubling the prior reading of +0.3%. The +5.2% Y/Y growth exceeded the +4.9% previous (unrevised) reading.

Also reporting on the FHFA's House Price Index are: a Dow Jones piece carried by Morningstar (2/25, Parker, 73K), Eye On Housing (2/25, Fu), Advisor Perspectives (2/25, Mislinski), Capital Economics (2/25), Newsmax TV (2/25, 431K), People's Pundit Daily (2/25), the International Business Times' (2/25, 265K) "Tuesday Close," the International Business Times (2/25, 265K) "Tuesday Open," Sharecast (UK) (2/25), ForexLive (2/25), the Charlotte (NC) Business Journal (2/25, Subscription Publication, 883K), the Baton Rouge (LA) Business Report (2/25), GoldPrice.org, and a GuruFocus piece carried by Yahoo! Finance (2/25).

Carrying Bloomberg's coverage are National Mortgage News (2/25, Centopani), and Investing (CAN) (2/25), and The Nation (THA).

A number of media outlets released economic data calendars featuring FHFA's HPI, including: Mortgage News Daily (2/25, Chrisman), TheStreet (2/25, Guilfoyle, 362K), Yahoo! News (2/25, Kelly, 12.82M), Yahoo! Finance (2/25), BNN Bloomberg (CAN) (2/25), RTT News (2/25), ForexLive (2/25), Investors Observer (2/25, 1K), EarnForex, the Buffalo (NY) Business First (2/25, Subscription Publication, 812K), and FinanzNachrichten (DEU) (2/25).

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Several local television outlets broadcast "Business First with Angela Miles," which featured FHFA's index as one of three items on its

economic calendar. Carrying this coverage were: KSWL-TV (2/25, 2.77M), KLRT-TV (2/25, 878), KONG-TV (2/25, 819), and KSWT-TV (2/25, 142).

NAR Data Shows That Homeownership Is Less Attainable For People Of Color.

SFGate (CA) (2/25, 2.13M) reports, "Achieving the American dream of homeownership has become a benchmark that many folks use to measure their success. But it isn't as attainable for many people of color – particularly black Americans – and that's better or worse depending on where they live." NAR recently found that "just 8% of black residents living in Montana and North Dakota owned their home." Nationwide, "black Americans had the lowest homeownership rate of any group, at just 44% in the last quarter of 2019, according to the U.S. Census Bureau. And that percentage has been steadily rising over the past few years. But it's significantly lower than that for white Americans, who had the highest homeownership rate, at 73.7%. And it's less than that of other minorities, including Asian Americans, at 57.6%, and Hispanic Americans, at 48.1%."

Shares Of Mobile Home Park Companies Have Soared Since Housing Crash.

The Wall Street Journal (2/25, Dezember, Subscription Publication, 7.57M) reports shares of trailer-park companies have soared since last decade's housing crash, vastly outpacing the general market. Big mobile-home park owners like Sun Communities and Equity LifeStyle Properties have benefited from rising housing prices, a low-risk business model, and local regulations that limit the construction of new parks.

Markets

10-Year Yield Falls.

MarketWatch (2/18, 1.67M) reports the 10-year Treasury yield rose to 1.36 percent.

Dollar Remains Little Changed.

Reuters (2/26, Sano) reports, "The dollar nursed losses on Wednesday as rising expectations of a US rate cut and warnings from US health officials about the spread of the coronavirus called into question the perceived strength of US financial assets." The dollar index against a basket of six major currencies "stood at 99.081, little changed on the day but down 0.9% from a near three-year high of 99.915 hit last week." Against the yen, the dollar "traded at 110.37 yen, gaining 0.1% in Asia." Meanwhile, the euro "fetched $1.08815, extending its rebound since it hit near three-year low of $1.0778 on Thursday."

Gold Edges Higher.

Reuters (2/25, Singh) reports, "Gold edged higher on Wednesday after a sharp drop in the previous session, as investors sought safe haven assets following a warning from the United States over the potential domestic spread of the coronavirus." Spot gold "was up 0.3% at $1,639.74 per ounce, as of 0340 GMT," while US gold futures "eased 0.5% to $1,641.80."

Oil Rises.

Reuters (2/26, Obayashi) reports, "Crude prices inched higher on Wednesday as investors covered short positions after three sessions of losses and eyed potential supply cuts, even as fears of a coronavirus pandemic deepened." Brent crude "rose 33 cents, or 0.6%, to $55.28 a barrel by 0513 GMT," while West Texas Intermediate crude "gained 41 cents, or 0.8%, to $50.31 a barrel."

Cybersecurity

Ex-Microsoft Employee Convicted In Digital Currency Scheme.

The AP (2/25) reports, "A jury on Tuesday convicted a former Microsoft worker of wire fraud and other charges in what prosecutors described as a scheme to steal $10 million in digital currency." Federal prosecutors in Seattle "said Ukrainian citizen Volodymyr Kvashuk, 25, helped test Microsoft's online retail sales platform. He was accused of stealing digital currency such as gift cards that could be redeemed for Microsoft products, then reselling them on the Internet and using the proceeds to buy a $160,000 Tesla vehicle and a $1.7 million lakefront home. Kvashuk faces up to 20 years in prison when he is sentence in June."

Lack Of Transparency Over Florida's Efforts To Protect Election Security Threatens To Sow Mistrust.

The Tallahassee (FL) Democrat (2/25, Schweers, 180K) reports, "Florida's March 17 presidential primary will be a referendum on state and county elections officials' efforts to build a wall to stop hacking attempts that are constantly bombarding the system." According to the article, "at a time when 59 percent of the public doesn't trust the election process, state elections officials have thrown a veil of secrecy over that work, refusing to disclose details about the weaknesses detected in their systems and whether they've been fixed." But such efforts "threaten to make a casualty out of transparency in the Sunshine State."

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RSA Conference Will Focus On Chinese Hackers, CISA Role.

Politico (2/25, Starks, 4.29M) reports in the Morning Cybersecurity column that today is the "real kickoff of the RSA Conference, with the meat of it going through Thursday and tailing off on Friday." The president of RSA (the company, not the conference), Rohit Ghai, "gets things started with a speech on the 'human element' of cyber, entitled 'Reality Check: The Story of Cybersecurity.'" Panels on Tuesday featured, among others: "John Demers, assistant attorney general for national security; William Evanina, director of the National Counterintelligence and Security Center; Thomas Murphy, director of the Protecting Critical Technology Task Force at the Office of the Secretary of Defense; Robert Kolasky, assistant director of the DHS National Risk Management Center; and James Murphy, private sector lead at CISA."

CISA Chief Krebs Discusses Cybersecurity Threats To Voter Registration Databases Ahead Of The Election.

Business Insider (2/25, Elder, 3.67M) reports the head of cybersecurity for DHS "told the RSA Security conference Tuesday in San Francisco. Ransomware or other attacks on voter registration databases are a key election security concern." Christopher Krebs, director of CISA at DHS "said the DHS is looking at 'the areas where information is centralized.'" Krebs "noted that the decryption 'keys' often don't work, and victims are better off not paying." He "said his department is working with state and local law enforcement and said, 'We can figure this out together.'" Krebs "aid that the risk to voter registration databases is compounded by the technical challenge for the government of protecting 8,800 election jurisdictions across the country." Krebs "said his department is also looking to warn the public about fake news on social media and elsewhere by determining and explaining 'this is what they're going to try to say.'"

US Assistant Attorney Demers Discusses US-China Cybersecurity Relationship.

Bloomberg (2/25, 4.73M) reports John Demers, US Assistant Attorney General for National Security, is interviewed on Bloomberg Markets about "what the Trump Administration alleges is major data thefts by the Chinese government as well as the broader bilateral cybersecurity relationship."

US Transportation Command Chief Says Cyber Is The Most "Consequential" Issue Facing Sector.

Defense News (2/25, Pomerleau, 21K) reports cybersecurity remains a "critical concern for US Transportation Command, the organization's leader said Feb. 25." Gen. Stephen Lyons, commander of Transportation Command, told the Senate Armed Services Committee, "The way I would characterize the cyber vulnerabilities is it's probably the most consequential to the mobility enterprise. We've included contract language in all of our contracts. We check compliance, we have a self-reporting mechanism. We believe that their level of cyber hygiene is increased significantly from this level of effort." Given the heavy reliance "on hundreds of commercial companies to move people and resources across the globe, cyber has long been a major concern for Transportation Command leaders." Lyons "said he doesn't have that authority. DOD leaders have become increasingly concerned that adversaries are targeting the defense industrial base for critical information."

Trump Official Asserts Huawei Is Like "The Mafia" As White House Combats Company's Role In 5G.

CNBC (2/25, Javers, 3.62M) reports a senior Trump Administration official "denounced the Chinese telecom as 'the Mafia' and suggested it could spy on the British Parliament as the White House ratcheted up its war of words against Huawei." In comments to CNBC, the official "denounced Huawei as an 'utterly nonmarket player' that wants to wipe out competition through dumping, theft and racketeering." The official, who "declined to be named due to the sensitivity of the subject," said, "How do we deal with that when the largest player is in essence the Mafia? What do you do? It means there is some kind of a role for government." The official declined "to specify how the US government will respond."

TFI/Sanctions

Trump Administration Discussing Possible Renewal Of Chevron License In Venezuela.

Reuters (2/25, Pamuk, Gardner) reports the Trump Administration's Special Representative for Venezuela Elliott Abrams said the US is engaged in discussions regarding a renewal of Chevron Corp's license for operations in Venezuela. Abrams "said in an interview on Monday that he would not talk about specific future activities on Chevron," adding there are "conversations taking place and at the appropriate moment OFAC will say whatever it needs to say." The Trump Administration "has been divided on whether to revoke California-based Chevron's ability to continue operations in Venezuela, home to the world's largest oil reserves and where the company has been active for about 100 years. It has renewed the license for Chevron and four other U.S.-based companies several times and the current one expires on April 22."

Federal Reserve

Clarida, Kaplan Say "Too Soon" To Make Monetary Policy Decision In Response To Virus Outbreak.

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Reuters (2/25, Dunsmuir) reports Fed Vice Chair Richard Clarida on Tuesday echoed Kaplan, saying, "It is really just too soon to tell the extent to which this does impact global activity and the extent to which it might impact the U.S. economic activity and whether or not it will be material and persistent. ... What we've said is that we're really going to be looking at all the data on this." The New York (NY) Times (2/25, Smialek, Rappeport, 18.61M) and The Financial Times (2/25, Greeley, Smith, Subscription Publication, 1.34M) also report.

Reuters (2/25, Chatterjee) reports Dallas Fed President Robert Kaplan "said on Tuesday events are still too fluid around the coronavirus outbreak to say the U.S. central bank needs to lower short-term rates," adding that "it's too soon to make a judgment about how it might relate to monetary policy." The Wall Street Journal (2/25, Derby, Subscription Publication, 7.57M) also reports.

Fed Meeting Minutes Show All 12 Regional Banks Want To Keep Rates For Emergency Loans Unchanged.

Reuters (2/25, Dunsmuir) reports minutes from the Fed's discussion Tuesday show all 12 regional Fed banks wanted to keep the rate commercial banks pay for emergency loans unchanged. The Fed "plans to keep rates on hold this year, barring a 'material' change in the US economic outlook." The Wall Street Journal (2/25, Timiraos, Subscription Publication, 7.57M) and Barron's (2/25, Beilfuss, 1.07M) also report.

Pivotal GOP Senators Unconvinced By Trump's Pick Of Judy Shelton For Fed Board.

American Banker (2/25, Reosti, Subscription Publication, 31K) reports three key Republicans on the Senate Banking Committee – Sens. John Kennedy (R-LA), Richard Shelby (R-AL), and Pat Toomey (R-PA) – "said Monday that they remain undecided on President Donald Trump's nomination of Judy Shelton to the Federal Reserve Board." Kennedy "said he's still reviewing Shelton's work, trying to determine where she stands on policy issues regarding the Fed." He added that her position has "changed pretty dramatically." A single no vote from the panel could block Shelton's nomination if Democrats unite in opposition as well, but a vote on her nomination hasn't yet been scheduled.

NY Fed Accepts $49.5B In Overnight Repo Bids.

Reuters (2/25, Kerber) reports the NY Fed "said it accepted $49.46 billion in overnight bids from primary dealers in a repurchase agreement (repo) operation, a move intended to keep the federal funds rate within its target range."

Financial Regulatory Agencies

CFPB Deputy Director Brian Johnson To Leave Agency.

American Banker (2/25, Haggerty, Subscription Publication, 31K) reports the Consumer Financial Protection Bureau's Deputy Director Brian Johnson is leaving the agency next month to become a partner at Alston & Bird. Johnson "spent more than two years serving under both former acting Director Mick Mulvaney and current Director Kathy Kraninger."

CFPB's Kraninger Promises Qualified Mortgage, Remittances Policy Revisions No Later Than May.

American Banker (2/25, Haggerty, Subscription Publication, 31K) reports Consumer Financial Protection Bureau Director Kathy Kraninger said Tuesday the bureau will issue proposed change to the "qualified mortgage" rule and a revised policy on remittances no later than May. Kraninger "said both steps will come as part of an ongoing review of agency rules, and show her 'commitment under the law to be effective and evidence based' to provide clarity to stakeholders." The qualified mortgage regulation requires lenders to verify ability to repay and includes protections for a certain category of loans with safe features including a debt-to-income limit of 43 percent.

CFPB May Allow Collectors To Contact Consumers Over Debt Past Its Statute Of Limitations.

The Washington Post (2/25, Merle, 14.2M) reports the Consumer Financial Protection Bureau "could spark a fight about what should happen to consumers' old debt." According to the Post, "Debt collectors lose the right in many states to sue consumers after their debt reaches their statute of limitations, typically three or more years." However, under the bureau's new proposal, "debt collectors could continue to try to collect on those old debts but would have to tell consumers upfront they are outside their statutes of limitations and the consumer can no longer be sued to recoup the money." The Post says "the proposal is part of a broad revision of debt collection rules the CFPB implemented last year that include allowing debt collectors to call consumers seven times a week and to send unlimited texts and emails."

Industry Observers Question Effect Of NCUA's New Sub Debt Rule.

American Banker (2/26, Subscription Publication, 31K) reports, "While the National Credit Union Administration is considering letting hundreds of additional credit unions issue subordinated debt, there is a growing belief among industry observers that investor appetite might be limited." Peter Duffy, managing director at Piper Sandler, commented, "There's a real question about what the demand is going to be for credit union issuance and what the cost is going to be." Since January 1996, "only low-income credit unions have been allowed to access secondary capital," but the NCUA's new rule would allow complex credit unions to raise secondary capital, as well. However, "very few appear eager to take advantage of the opportunity," in part, because the proposed regulation "doesn't expand the number of credit unions able to include subordinated debt in net worth calculations, said Dennis Dollar, principal partner at Dollar Associates."

AMERICAN OVERSIGHT

Office of the Comptroller of the Currency

Otting Discusses CRA Reform, Wells Fargo, Health Of Banking Industry.

Yahoo! Finance (2/25) reports in video its interview with Comptroller of the Currency Joseph Otting about a range of topics, including his agency's proposal to reform the Community Reinvestment Act, supervision of big banks such as Wells Fargo, and the health of the industry. Otting outlined the four key areas of the CRA plan and said the OCC believes its proposal would add $100 billion to what goes into communities annually via CRA activities. Otting confirmed that he has talked "with most of the major bank CEOs," saying, "I think people are really pleased and supportive that we've took this initiative on." Of the banking industry, Otting said it is safe and secure, and banks have the best capitalization and liquidity we've ever seen.

OCC To Host Risk, Compliance Workshops This Spring.

Compliance Week (2/26, Orie, 75K) reports the Office of the Comptroller of the Currency is hosting two separate workshops this spring. "Risk Governance: Improving Director Effectiveness," a one-day workshop designed for community banks and federal savings associations to enhance their understanding of the OCC's risk-based supervision, will take place March 17 in Washington, D.C. "Compliance Risk: What Directors Need to Know," on March 18, is meant to help banks "understand the critical elements of an effective compliance risk management program."

Experts Say Wells Fargo And Its Former Execs Are Not "Out Of The Woods" Yet.

Reuters (2/25, Prentice) reports that despite Wells Fargo's $3 billion settlement with the US Department of Justice and Securities and Exchange Commission last week over abusive sales practices, "the bank and its former executives are not out of the woods yet, legal and regulatory experts said." Last week's deal did not address issues with the bank's "mortgage and auto-lending businesses, where customers were enrolled in unwanted products that charged fees. Nor does it preclude potential charges against individuals who were in charge at the time of sales abuses." Former CEO John Stumpf and ex-head of community banking Carrie Tolstedt "were among eight former Wells Fargo executives sanctioned by the Office of the Comptroller of the Currency" last month. US authorities have also been investigating individuals, according to sources.

Radius Bank CEO Talks About Regulatory Response To LendingClub Acquisition.

Bank Director Magazine (2/26, Buker, 75K) reports on its interview with Radius Bancorp President and CEO Mike Butler about the bank's acquisition by LendingClub. Asked about regulators' response to the deal, Butler said, "LendingClub has been in the de novo application process for over a year, predominantly with the Office of the Comptroller of the Currency. ... [R]egulators were positioned to issue a de novo charter to LendingClub, but LendingClub felt...that an acquisition was a faster path." In Radius' discussions "about the opportunity for a fintech to buy a bank," Bulter continued, "we're extremely confident that the Federal Reserve and the OCC – and both of their offices of innovation – recognize the inevitability of this type of event and want to participate in helping the future and being a part of it, rather than not being part of it." As such, he added, "we're excited and optimistic about how the process will go."

Editorial Wrap-Up

Washington Post.

"Trump Says America Is 'Full.' Mick Mulvaney Lets Slip That Isn't True." In an editorial, the Washington Post (2/25, 14.2M) says Acting Chief of Staff Mulvaney "let slip" a few days ago in England "that the United States needs more immigrants, lest severe labor shortages and anemic birth rates sap economic growth." The Post says Mulvaney's comments are "in line with the views of most economists and employers in an array of worker-hungry industries, not to mention Republican orthodoxy until Donald Trump, having weaponized nativism, devoured the GOP." The Post argues that "it makes sense to recalibrate immigration policy to meet the labor market's future demands, including by admitting more high-skilled workers," and "it's self-defeating to use immigration as a political whipping boy, which will only put Mr. Mulvaney's self-evident prescription further out of reach."

"China Kidnapped Gui Minhai. Now It Wants To Lock Him Away." The Washington Post (2/25, 14.2M) editorializes that the sentencing of a book publisher to 10 years in prison is another example of Chinese leader Xi Jinping's "arrogant disregard for the rule of law not only inside China but also in other countries." In October 2015, Gui Minha, a Swedish citizen, was "living in Hong Kong and preparing to publish an uncensored biography of Mr. Xi when he was abducted from his vacation home in Thailand and spirited into China." In the Post's view, "Gui's case is a particularly shocking example of the Xi regime's attempts to intervene in other countries, a campaign that has included pressuring critical academics at Western universities, demanding that U.S. airlines and the National Basketball Association toe Beijing's line on Hong Kong and pulling the visas of three China-based Wall Street Journal reporters because of a headline on an opinion column."

"Egypt Hasn't Learned From Hosni Mubarak's Failure." In an editorial, the Washington Post (2/25, 14.2M) argues neither President Trump "nor Egypt's new strongman has learned the lessons of Mr. Mubarak's failure," as "the Arab world's most populous nation continues to lag behind other developing nations" and "sadly, the repressive, stagnant regime that Mr. Mubarak created has become Egypt's standard."

AMERICAN OVERSIGHT

"Bernie Sanders's Big-Spending Promises Aren't A Sign Of Courage." A Washington Post (2/25, 14.2M) editorial criticizes Sen. Bernie Sanders' (I-VT) spending promises. The Post argues that "it takes no courage to promise impossible levels of new spending and programs that could not work as advertised. It takes courage to level with voters." As an example, the Post cites Sanders' "plan to enable all Americans to get child care," which would cost twice as much as similar plans from Sen. Elizabeth Warren (D-MA) and former South Bend, Indiana Mayor Pete Buttigieg (D). Sanders "would make government-sponsored child care free to all," while Warren and Buttigieg "would ask families that could afford to pay something to do so." The Post argues, "True progressives recognize that federal money is scarce and must be spent carefully, with the poorest first in line." Sanders "presents himself as the only one who really cares about issues such as health care, climate change and pre-K," the Post says other Democrats "are treating these issues with the seriousness they deserve."

Wall Street Journal.

"The Spending Virus." In an editorial, the Wall Street Journal (2/25, Subscription Publication, 7.57M) says Senate Minority Leader Schumer's $3.1 billion figure for coronavirus response is arbitrary and that he and other Democrats have not backed up their calls for more funding with specifics.

"The Federal Judges' Mystery Meeting." In an editorial, the Wall Street Journal (2/25, Subscription Publication, 7.57M) says that media reports last week of "an emergency meeting" called by Federal Judges Association in the wake of President Trump's criticisms over the sentencing of Roger Stone raises questions about judicial impartiality. The Journal urges the group to give further clarification into the purpose of the planned meeting allay concerns about the independence of the judiciary.

"March Primary Madness." The Wall Street Journal (2/25, Subscription Publication, 7.57M) editorializes that Democratic efforts to expand early voting could result in mayhem on Election Day, delaying results, increasing the risk of mistakes and misbehavior, and undermining the legitimacy of the process. The Journal points out early voting means leads on Election Day could disappear in the following days as absentee ballots roll in, and voters may be casting ballots for candidates months before new developments shift the political landscape.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

CDC Warns It Expects Coronavirus To Spread In US
Yield On 10-Year US Treasury Note Hits Record Low
Disney CEO Bob Iger Steps Aside; Bob Chapek Named New Head
Internet Shutdowns Become A Favorite Tool Of Governments: 'It's Like We Suddenly Went Blind'
Translating Harry Potter Into Yiddish Isn't Totally Meshugge

New York Times:

CDC Officials Warn Of Coronavirus Outbreaks In The US
'I Felt Like Crying': Coronavirus Shakes China's Expecting Mothers
Amid Insults And Interruptions, Sanders Absorbs Burst Of Attacks In Debate
Trump, In India, Demands 2 Liberal Justices Recuse Themselves From His Cases
As Emmanuel Macron's Impact Grows, So Does French Disdain
Kerik Had 'Hit Bottom.' Then Trump Pardoned Him.

Washington Post:

Coronavirus Will Spread In US, CDC Says
Administration's Economic Optimism Runs Into Outbreak
Trump Takes Court Fight To More Personal Level
Democrats Gang Up On Sen. Bernie Sanders
Sanders Takes Fire In An Unruly Debate That Left No Candidate Truly Enhanced
Trump Praises Modi As Violence Erupts In India

Financial Times:

Wall Street Falls Sharply For Second Day On Virus Fears
Haiti President Fights 'PetroCaribe' $2BN Oil Corruption Scandal
LSE's $27BN Deal For Refinitiv Faces Heat In Brussels

Washington Times:

Not-So-Friendly Fire: Bernie, Bloomberg Take Beating In Democratic Debate
Climate Activists Refuse To Credit Trump As US Emissions Decline

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CDC Warns Coronavirus Spread In US Coming: 'More A Question Of When'
Trump Says Purge Of Disloyal Staffers Is For The 'Good Of The Country'
'We Simply Don't Have Enough': Hospitals Turn To Temporary Doctors To Cover Physician Shortage

Story Lineup From Last Night's Network News:

ABC: Coronavirus; Coronavirus-Expert Comment; Wall Street-Coronavirus Impact; South Carolina-Democrats; Disney-New CEO; Weather Report; Weinstein Trial; Florida-6-Year-Old Girl Arrested At School; Florida-Deacon Attacked During Mass; Hawaii-Kayakers Surrounded by Whales; Kansas City-Photos Found At Closed Studio Being Matched To Owners.

CBS: South Carolina-Democrats; Democrat Debate; Coronavirus; Coronavirus Overseas; Weinstein Trial; Florida-6-Year-Old Girl Arrested At School; Idaho-Search for Two Missing Children; Weather Report; Disney-New CEO; University of Oregon-Female Basketball Player Makes History; South Carolina-Coffee Shop Hires People With Disabilities.

NBC: Coronavirus; Coronavirus Overseas; Coronavirus-Expert Comment; South Carolina-Democrats; Trump-SCOTUS; Trump-Weinstein; Weinstein Trial; Weather Report; College Admissions Scam; NTSB-Tesla Crash; Florida-6-Year-Old Girl Arrested At School; Amazon-Cashierless Grocery Store; Columbus Zoo-World's First In Vitro Cheetah Cubs.

Network TV At A Glance:

Coronavirus – 14 minutes, 55 seconds
South Carolina-Democrats – 7 minutes, 15 seconds
Florida-6-Year-Old Girl Arrested At School – 4 minutes, 25 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Democrat Debate; South Korea-US Soldier Quarantined for Coronavirus; Wall Street-Coronavirus Impact; St. Louis-Janitor Charged with First Degree Murder.

CBS: Democrat Debate; Coronavirus; Florida-6-Year-Old Girl Arrested At School.

FOX: Democrat Debate; South Korea-US Soldier Quarantined for Coronavirus; Coronavirus; College Admissions Scam.

NPR: Democrat Debate; SCOTUS-Border Patrol Case; Wall Street-Coronavirus Impact; Coronavirus.

Last Laughs

Late Night Political Humor.

Trevor Noah: "All right, the South Carolina Democratic presidential debate has just wrapped up, and guys, it was a little crazy. ... It was wild tonight. I haven't seen white people go at each other that hard since khakis were on sale at Banana Republic."

Trevor Noah: "This debate is the last one before the South Carolina primary this weekend and, remember, a few days after that is Super Tuesday. That's when 15 states all hold their primaries at the same time. And they do it at the same time because they got a deal on Groupon."

Trevor Noah: "Michael Bloomberg was so bad at the first debate he got slammed by everyone – CNN, NBC, Fox, even 'The Bachelor.'"

Trevor Noah: "Bernie didn't give [Bloomberg] a chance. Right, he doesn't mess around. If Bernie was a boxer, he would hit you in the locker room before the fight."

Trevor Noah: "Now, if Bernie Sanders was the...appetizer, Elizabeth Warren brought the main course. ... Man, when it comes to Bloomberg, Elizabeth Warren is relentless. She destroyed him in the first debate, and she came after him tonight. I bet when he got in his car, she popped up in the back seat like, 'Oh, and another thing!'"

Trevor Noah: [On Pete Buttigieg promoting his website for campaign contributions during the debate] "You see, folks, that's what happens when you let a teenager join the debate. They stop talking about policy, and they ask you to raise their allowance."

Jimmy Kimmel: "This is debate number ten for the Democrats, and one of the big questions going into this is how Mike Bloomberg would respond to his poor showing at the debate last week. So far, Bloomberg spent about $500 million to get [illegible] Elizabeth Warren on television."

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Jimmy Kimmel: "Bernie has a lot of plans, expensive plans. He's no dummy. Every time one of the other candidates asks who's going to pay for these programs, he points to Bloomberg and says, 'Him!'"

Jimmy Kimmel: "Meanwhile, President Trump is on his way back home from India where he was well buttered. This is going to surprise you. He believes the reception he got was like nothing the Indian people had ever given before. ... Of course he got a big reception. They love cows in India."

Jimmy Kimmel: "We did learn some interesting things about Donald Trump's health today as the former White House doctor Ronny Jackson told the New York Times that he regrets not being able to do more to improve the President's diet and exercise. This is a real quote from a man who was the actual doctor for the actual President of the United States, all right? 'We were working on his diet. We were making the ice cream less accessible. We were putting cauliflower into the mashed potatoes.' That is what we do with our 5-year-old at home."

Stephen Colbert: [On Pete Buttigieg saying imagine spending 2020 with Bernie Sanders instead of Donald Trump] "This time, it wasn't just Bloomberg attacking Sanders. All the candidates had their torches out to set fire to the wicker Bernie. For instance, Mayor Pete proposed a thought experiment. ... Personally, I think it would be great because Bernie and Trump are the only two impressions I can do. It's really hard to do a Mayor Pete."

Jimmy Fallon: "Tonight's debate in South Carolina aired on CBS. When people first saw Bernie, Bloomberg, and Biden, they thought it was a live audition for 'Old Sheldon.'"

Jimmy Fallon: "After a rough debate last week, Mike Bloomberg tried preparing for tonight a little differently. For instance, this time he prepared."

Jimmy Fallon: "And this is interesting: After last debate, people are saying that Pete Buttigieg and Amy Klobuchar don't like each other. That's crazy. Buttigieg and Klobuchar don't sound like rivals, they sound like furniture at IKEA. 'Honey, what do you think? We'll get the Buttigieg in ivory.'"

Jimmy Fallon: "Meanwhile, I saw that President Trump just wrapped up his big trip to India. When he first got to India, he was like, 'Wow, I can't believe Mike Pence used to be governor of this place.'"

James Corden: "As you know, tonight was the tenth Democratic presidential debate. And it was hosted right here on this network, CBS. ... That means CBS is now home to both 'The Amazing Race' and 'the really long, annoying race.'"

James Corden: "CBS is, of course, also home to the long-running soap opera 'The Bold And The Beautiful.' And in an effort to draw in those viewers, here's how they promoted tonight's debate: 'The Old And The Buttigieg.'"

James Corden: "Last week's debate had six people onstage, but there were seven tonight, because long-shot billionaire Tom Steyer was a last-minute qualifier. So there you have it. Six presidential candidates and Tom Steyer. Tom Steyer is the guy at the party who busts through the door and is like, 'I'm back!' And everyone's like, 'Oh, I didn't realize you'd left.'"

Seth Meyers: "President Trump's former White House doctor said he would put cauliflower in Trump's mashed potatoes in an effort to improve his diet. Of course, the hard part was getting the mashed potatoes into his bacon cheeseburger."

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Seth Meyers: "That's right, Trump's doctor would put cauliflower into Trump's mashed potatoes to improve his diet. I mean, it's interesting. If that works, can we try it out with other stuff? 'I only signed it because it was in my mashed potatoes.'"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — and THE FIRST LADY return to the White House.
- Vice President Pence — No public schedule released.

***US Senate*:**

• House / Senate Veterans' Affairs Committees joint hearing with VSOs – Senate Committee on Veterans' Affairs and House Committee on Veterans' Affairs joint hearing on 'Legislative Presentation of Multiple Veterans Service Organizations (WWP, BVA, NASDVA, JWV, VVA, MOPH, AMVETS)', with testimony from Wounded Warrior Project CEO Lt. Gen. (Ret.) Michael Linnington; Blind Veterans Association National President Dr Thomas Zampieri; National Association State Directors of Veterans Affairs President John Hilgert; Jewish War Veterans National Commander Harvey Weiner; Vietnam Veterans of America National President John Rowan; Military Order of the Purple Heart of the U.S.A. National Commander Felix Garcia III; and American Veterans National Commander Jan Brown

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 2:00 PM

***US House*:**

• HHS Secretary Azar testifies to House Appropriations subcommittee hearing on budget – Labor, Health and Human Services, Education, and Related Agencies Subcommittee hearing on 'Department of Health and Human Services Budget Request for FY 2021', with testimony from Secretary of Health and Human Services Alex Azar

Location: Rm 2358-C, Rayburn House Office Building, Washington, DC; 9:30 AM

• House Commerce subcommittee hearing on lack of transparency in the live event ticketing industry – Oversight and Investigations Subcommittee hearing on 'In the Dark: Lack of Transparency in the Live Event Ticketing Industry', with testimony from Ticketmaster President and COO Amy Howe; AXS CEO Bryan Perez; StubHub Vice President and General Counsel Stephanie Burns; Vivid Seats Vice President for Legal Affairs Ryan Fitts; TicketNetwork co-founder and CEO Don Vaccaro; and Tickets.com President and CEO Joe Choti

Location: Rm 2123, Rayburn House Office Building, Washington, DC; 10:00 AM

• Defense Secretary Esper testifies to House Armed Services Committee on FY'21 budget – Hearing on 'The Fiscal Year 2021 National Defense Authorization Budget Request from the Department of Defense', with testimony from Secretary of Defense Mark Esper; and Joint Chiefs of Staff Chairman Gen. Mark Milley

Location: Rm 2118, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Natural Resources Committee legislative hearing – Legislative hearing on 'H.R. 5435, the American Public Lands and Waters Climate Solution Act' and 'H.R. 5859, the Trillion Trees Act', with testimony from professional ski mountaineer and 'Protect Our Winters' ambassador Caroline Gleich; Colorado State University Center for the New Energy Economy founder and Director (and former Colorado Governor) Bill Ritter Jr.; BlueGreen Alliance Executive Director Jason Walsh; Yale University Associate Professor of Ecology and Evolutionary Biology Dr Carla Staver; and Reaching America President Derrick Hollie

Location: Rm 1324, Longworth House Office Building, Washington, DC; 10:00 AM

• House Agriculture subcommittee hearing on 'innovative wood products' – Conservation and Forestry Subcommittee hearing on 'Innovative Wood Products: Promoting Rural Economies and Healthy Forests'

Location: Rm 1300, Longworth House Office Bldg, Washington, DC; 10:00 AM

• House Transportation and Infrastructure Committee marks up its views and estimates letter – Markup hearing on 'Fiscal Year 2021 Budget Views and Estimates of the Committee on Transportation and Infrastructure', amending Committee rules, approving revised membership and leadership of the Subcommittee on Economic Development, Public Buildings, and Emergency Management, 'H. Con. Res. 90, authorizing the use of the Capitol Grounds for the National Peace Officers Memorial Service and the National Peace Officers Memorial Honor Guard and Pipe Band Exhibition', 'H.R. 4470, to rename the Saint Lawrence Seaway Development Corporation the Great Lakes St. Lawrence

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Seaway Development Corporation', 'H.R. 5756, Resiliency Enhancement Act of 2020', 'H.R. 5912, Expedited Delivery of Airport Infrastructure Act of 2020', 'H.R. XX, Preventing Disaster Revictimization Act', General Service Administration capital investment and leasing program resolutions, and an amendment in the nature of a substitute to 'H.R. 2914, Housing Survivors of Major Disasters Act of 2019'

Location: Rm 2167, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Dem Caucus media availability – House Democratic Caucus leaders – Chairman Hakeem Jeffries and Vice Chair Katherine Clark – hold weekly press conference

Location: HC-8, United States Capitol, Washington, DC; 10:15 AM

• House Ways and Means Committee hearing on U.S.-China trade and competition – Hearing on 'U.S.-China Trade and Competition', with testimony from former Assistant U.S. Trade Representative for China Affairs Tim Stratford; U.S.-China Economic and Security Review Commission Commissioner Thea Lee; Massachusetts Institute of Technology (MIT) President L. Rafael Reif; International Association of Machinists and Aerospace Workers (IAM) Chief of Staff Owen Herrnstadt; Dufault Farms' Tim Dufault; and Illinois Farm Bureau President Richard Guebert Jr.

Location: Rm 1100, Longworth House Office Building, Washington, DC; 10:30 AM

• Acting DHS Secretary Wolf testifies to House Appropriations subcommittee on budget – Homeland Security Subcommittee hearing on 'Department of Homeland Security Budget Request for FY2021', with testimony from Acting Secretary of Homeland Security Chad Wolf

Location: Rm 2359, Rayburn House Office Building, Washington, DC; 10:30 AM

• Hearing on 'Voter Suppression in Minority Communities: Learning from the Past to Protect Our Future'

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 11:00 AM

• House Majority Leader Steny Hoyer pen-and-pad briefing

Location: H-107, U.S. Capitol, Washington, DC; 11:00 AM

• SBA Administrator Carranza testifies to House Small Business Committee hearing on FY'21 budget – Hearing on 'A Discussion with SBA Administrator Jovita Carranza: Current Issues and the FY2021 Budget', with testimony from Small Business Administration Administrator Jovita Carranza

Location: Rm 2360, Rayburn House Office Building, Washington, DC; 11:30 AM

• House votes on Emmett Till Antilynching Act – House of Representatives meets for legislative business, with agenda including vote on 'H.R. 35 – Emmett Till Antilynching Act', as amended, which would designate lynching as a hate crime under federal law

Location: U.S. Capitol, Washington, DC; 12:00 PM

• House GOP discuss agricultural labor reform with National Potato Council – National Potato Council holds press conference as part of the 2020 Potato DC Fly-In, to advocate for the Senate to pass the 'Farm Workforce Modernization Act (H.R. 5038).' Speakers include Republican Reps. Mike Simpson, Dan Newhouse, and Mario Diaz-Balart, National Potato Council President Britt Raybould and Legislative and Government Affairs Vice President RJ Andrus, and U.S. Apple Association President and CEO Jim Bair

Location: House Triangle, Washington, DC; 1:00 PM

• HHS Secretary Azar and agency chiefs testify to House Commerce subcommittee on FY'21 budget and coronavirus – Health Subcommittee hearing on 'The Fiscal Year 2021 HHS Budget and Oversight of the Coronavirus Outbreak', with testimony from Secretary of Health and Human Services Alex Azar, and Assistant Secretary for Preparedness and Response Robert Kadlec; NIH National Institute for Allergy and Infectious Diseases Director Anthony Fauci; Food and Drug Administration Commissioner Stephen Hahn; and CDC Director Robert Redfield

Location: Rm 2123, Rayburn House Office Building, Washington, DC; 1:30 PM

• House Labor subcommittee hearing on 'how the DoL failed to oversee the black lung disability trust fund' – House Committee on Education and Labor subcommittee hearing on 'Asleep at the Switch: How the Department of Labor Failed to Oversee the Black Lung Disability Trust Fund', with testimony from Government Accountability Office Director of Education, Workforce and Income Security Cindy Brown Barnes; and Department of Labor Office of Workers' Compensation Programs Director Julia Hearthway

AMERICAN OVERSIGHT

Location: Rm 2175, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Homeland Security subcommittee latest hearing on 'confronting the rise in anti-Semitic domestic terrorism' – Intelligence &

Counterterrorism Subcommittee hearing on 'Confronting the Rise in Anti-Semitic Domestic Terrorism, Part II', with testimony from Assistant Secretary of Homeland Security for Threat Prevention and Security Policy Elizabeth Neumann; Cybersecurity and Infrastructure Security Agency (CISA) Assistant Director for Infrastructure Security Brian Harrell; and FBI Counterterrorism Division Assistant Director Jill Sanborn

Location: Rm 310, Cannon House Office Building, Washington, DC; 2:00 PM

• House Appropriations subcommittee hearing on budget for the judiciary – Financial Services and General Government Subcommittee hearing on 'Judiciary Department Fiscal Year 2021 Budget Request', with testimony from Administrative Office of the U.S. Courts Director James Duff; and Judicial Conference of the United States Committee on the Budget Chair John Lungstrum

Location: Rm 2362-A, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Natural Resources subcommittee oversight hearing on the border wall and destruction of sacred sites – Indigenous Peoples of the United States Subcommittee oversight hearing on 'Destroying Sacred Sites and Erasing Tribal Culture: The Trump Administration's Construction of the Border Wall', with testimony from Assistant Secretary of the Interior for Indian Affairs Tara Sweeney (invited); Government Accountability Office Director of Natural Resources and Environment Dr Anna Maria Ortiz; Tohono O'odham Nation Chairman Ned Norris Jr.; and Association on American Indian Affairs Executive Director Shannon Keller O'Loughlin * Border wall construction recently involved 'controlled blasting' in the Organ Pipe Cactus National Monument in Arizona (which is a designated UNESCO Biosphere Reserve), including at the Tohono O'odham Nation burial site Monument Hill

Location: Rm 1324, Longworth House Office Building, Washington, DC; 2:00 PM

• House / Senate Veterans' Affairs Committees joint hearing with VSOs – Senate Committee on Veterans' Affairs and House Committee on Veterans' Affairs joint hearing on 'Legislative Presentation of Multiple Veterans Service Organizations (WWP, BVA, NASDVA, JWV, VVA, MOPH, AMVETS)', with testimony from Wounded Warrior Project CEO Lt. Gen. (Ret.) Michael Linnington; Blind Veterans Association National President Dr Thomas Zampieri; National Association State Directors of Veterans Affairs President John Hilgert; Jewish War Veterans National Commander Harvey Weiner; Vietnam Veterans of America National President John Rowan; Military Order of the Purple Heart of the U.S.A. National Commander Felix Garcia III; and American Veterans National Commander Jan Brown

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 2:00 PM

• House Financial Services Committee markup hearing begins – House Committee on Financial Services markup hearing begins * Continues tomorrow

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 2:00 PM

• Homeland Security Subcommittee 'Member Day' hearing, with testimony from Members of Congress

Location: Rm 2008, Rayburn House Office Building, Washington, DC; 2:30 PM

• House Judiciary Committee markup hearing – Markup hearing on 'H.R. XXX, the USA FREEDOM Reauthorization Act of 2020', 'H.R. 2733, the Savannas Act', 'H.R. 2438, the Not Invisible Act of 2019', and 'H.R. XXX, the Strengthening the Opposition to Female Genital Mutilation Act' (or the 'STOP FGM Act')

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 2:30 PM

• House Rules Committee hearing – Hearing on 'H.R. 2339' – the legislative vehicle for the Protecting American Lungs and Reversing the Youth Tobacco Epidemic Act of 2020

Location: H-313, U.S. Capitol, Washington, DC; 4:00 PM

Cabinet Officers:

• AASHTO Washington Briefing continues – American Association of State Highway and Transportation Officials Washington Briefing continues, with speakers today including Secretary of Transportation Elaine Chao; Republicans Sen. John Barrasso and Reps. Rodney Davis and Sam Graves; and Democratic Reps. Peter DeFazio and Earl Blumenauer

Location: Washington Court Hotel, 525 New Jersey Ave NW, Washington, DC; 7:00 AM

• HHS Secretary Azar testifies to House Appropriations subcommittee hearing on budget – Labor, Health and Human Services, Education, and Related Agencies Subcommittee hearing on 'Department of Health and Human Services Budget Request for FY 2021', with testimony from Secretary of Health and Human Services Alex Azar

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Location: Rm 2358-C, Rayburn House Office Building, Washington, DC; 9:30 AM

• Defense Secretary Esper testifies to House Armed Services Committee on FY'21 budget – Hearing on 'The Fiscal Year 2021 National Defense Authorization Budget Request from the Department of Defense', with testimony from Secretary of Defense Mark Esper; and Joint Chiefs of Staff Chairman Gen. Mark Milley

Location: Rm 2118, Rayburn House Office Building, Washington, DC; 10:00 AM

• Acting DHS Secretary Wolf testifies to House Appropriations subcommittee on budget – Homeland Security Subcommittee hearing on 'Department of Homeland Security Budget Request for FY2021', with testimony from Acting Secretary of Homeland Security Chad Wolf

Location: Rm 2359, Rayburn House Office Building, Washington, DC; 10:30 AM

• HHS Secretary Azar and agency chiefs testify to House Commerce subcommittee on FY'21 budget and coronavirus – Health Subcommittee hearing on 'The Fiscal Year 2021 HHS Budget and Oversight of the Coronavirus Outbreak', with testimony from Secretary of Health and Human Services Alex Azar, and Assistant Secretary for Preparedness and Response Robert Kadlec; NIH National Institute for Allergy and Infectious Diseases Director Anthony Fauci; Food and Drug Administration Commissioner Stephen Hahn; and CDC Director Robert Redfield

Location: Rm 2123, Rayburn House Office Building, Washington, DC; 1:30 PM

• Secretary of State Mike Pompeo delivers remarks at the Global Chiefs of Mission Conference Open Forum

Location: State Department, Washington, DC; 4:15 PM

Visitors:

This Town:

• NASDA 2020 Winter Policy Conference concludes – National Association of State Departments of Agriculture 2020 Winter Policy Conference concludes, with agenda today including 'Regulatory Partners Program' event at the Department of Agriculture, with Secretary of Agriculture Sonny Perdue, EPA Administrator Andrew Wheeler, FDA Commissioner Dr Stephen Hahn, Under Secretary of Agriculture for Marketing and Regulatory Programs Greg Ibach, and Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs Ted McKinney. Other speakers today include John Deere Washington Affairs Director and Counsel John Rauber; The Rural Broadband Association Senior Vice President of Industry Affairs and Business Development Michael Romano; and FCC Telecommunications Access Policy Division Chief Ryan Palmer

Location: Renaissance Arlington Capital View Hotel, 2800 S Potomac Ave, Arlington, VA; 6:30 AM

• The Hill presents 'America's Opioid Epidemic' discussion – The Hill presents 'America's Opioid Epidemic: Lessons Learned and a Way Forward', a discussion with policymakers and medical examiners on expanding access to treatment and helping 'those battling opioid addiction to begin the journey toward long-term recovery'. Speakers include Republican Rep. Dave Joyce, Democratic Rep. Paul Tonko, National Institute on Drug Abuse Director Nora Volkow, American Society of Addiction Medicine Regional Director Dr Anika Alvanzo, University of South Carolina Associate Professor Christina Andrews, Medication Assisted Recovery Support Founding Project Director Walter Ginter, and Harm Reduction Coalition Executive Director Monique Tula

Location: 1777 F Street, NW, Washington, DC; 8:00 AM

• National Academy of Sciences 'The Endless Frontier' symposium, with bipartisan senators – 'The Endless Frontier: The Next 75 Years in Science' National Academy of Sciences symposium, on 'the best way to structure and support scientific research in order to meet known issues such as coronavirus and climate change and other unanticipated, future challenges'. Speakers include Democratic Sen. Chris Van Hollen, Republican Sen. Lamar Alexander, White House Office of Science and Technology Director Kelvin Droegemeier, National Academy of Sciences President Marcia McNutt, National Academy of Medicine President Victor Dzau, Association of American Universities President Mary Sue Coleman, and National Science Foundation Director France Cordova

Location: National Academy of Sciences, 2101 Constitution Ave NW, Washington, DC; 8:15 AM

• Women Leaders in Defense and Aerospace Law & Compliance conference – Women Leaders in Defense and Aerospace Law & Compliance conference, including keynote by NASA Johnson Space Center Associate Center Director Donna Shafer

Location: Washington Plaza Hotel, 10 Thomas Cir, Washington, DC; 9:00 AM

• U.S. Supreme Court hearing – U.S. Supreme Court hearing: 'Lomax v. Ortiz-Marquez' (Does a dismissal without prejudice for failure to state a claim count as a strike under Title 28 Section 1915(g) of the United States Code?)

AMERICAN OVERSIGHT

Location: Supreme Court of the United States, Washington, DC; 10:00 AM

• National Council on U.S.-Arab Relations hosts Iraq Ambassador to the U.S. Amb. Fareed Yasseen

Location: Ronald Reagan Building and International Trade Center, 1300 Pennsylvania Ave NW, Washington, DC; 10:00 AM

• Nikki Haley speaks on capitalism at Hudson Institute – Hudson Institute hosts former U.S. Ambassador to the United Nations Nikki Haley, who discusses why capitalism remains 'the best' economic system with Hudson Institute Senior Fellow Peter Rough

Location: Hudson Institute, 1201 Pennsylvania Ave NW, Washington, DC; 10:00 AM

• Hudson Institute discussion on 'stable transformation' in the Korea Peninsula – 'Prospects for a Stable Transformation of the Korean Peninsula' Hudson Institute event, with agenda including remarks from U.S. Deputy Special Representative for North Korea Alex Wong on nuclear negotiations and a panel discussion. Panelists include U.S. Institute of Peace Senior Policy Analyst Dr Patricia Kim, Heritage Foundation Senior Research Fellow Bruce Klinger, Sejong Institute Center for Chinese Studies Director Dr Seong-hyon Lee, Korea Institute for Defense Analyses Research Fellow Dr Jina Kim, and Hudson Institute Senior Fellow Patrick Cronin

Location: Hudson Institute, 1201 Pennsylvania Ave NW, Washington, DC; 10:00 AM

• WRI discussion on the global and local fight against air pollution – 'Connecting Global to Local in the Fight for Clean Air' World Resources Institute discussion, part of the Greening Governance seminar series, on the Convention on Long-Range Transboundary Air Pollution's success and what cities can learn from it in integrating airshed governance strategies into their air pollution management plans and policies. Speakers include NASA Atmospheric Scientist Sarah Strode

Location: World Resources Institute, 10 G St NE, Washington, DC; 12:30 PM

• CPAC pre-conference events – Conservative Political Action Conference begins with direct action training and reception, with speakers including Republican Reps. Dan Crenshaw and Mark Meadows; Trump for President Senior Advisor Katrina Pierson, National Press Secretary Kayleigh McEnany, Director of Communications Tim Murtaugh, and Mercedes Schlapp; and American Conservative Union Chairman Matt Schlapp

Location: Gaylord National Resort and Convention Center, 201 Waterfront St, National Harbor, MD; 3:00 PM

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AMERICAN OVERSIGHT

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, FEBRUARY 25, 2020 6:00 AM EST

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Treasury in the News

AMERICAN OVERSIGHT

Democrats Urge Administration To Impose Sanctions On Russia. CFTC-22-0351-A-001662

Politico (2/24, Levine, 4.29M) reports Senate Minority Leader Chuck Schumer (D-NY) has called on Secretary of State Mike Pompeo and

Treasury Secretary Steven Mnuchin "to impose sanctions on Russia amid concerns that the country is again meddling in US presidential elections." In a letter to the Secretaries, Schumer, along with Sen. Robert Menendez (D-NJ), ranking member on the Senate Foreign Relations Committee, and Sen. Sherrod Brown (D-OH), ranking member on the Senate Banking Committee, wrote, "We urge you to immediately and forcefully impose sanctions on the government of the Russian Federation, any Russian actors determined to be responsible for such interference, and those acting on their behalf or providing material or financial support for these election interference efforts." The letter "lists several sanction tools the administration could impose, including the 2017 Countering America's Adversaries Through Sanctions Act, which imposed new sanctions on Russia, North Korea and Iran." Reuters (2/25, Zengerle), The Hill (2/24, Miller, 2.98M), and Newsweek (2/24, Touchberry, 1.53M), among other outlets, also report.

Menendez said on CNN's Situation Room (2/24, 802K), "The consequences of not acting are the same consequences that we've had under this Administration, that it only emboldens Putin and Russia and sends a global message to any other nefarious actors that you can do this and get away, undermining American elections, undermining American democracy." Menendez added that the Administration "has laws" and "executive orders on the books. It doesn't even need a new law. All it needs is to use the powers that we've given the President to go after Putin, to go after the nefarious actors and make it very clear in no equivocal terms that, in fact, this will not be tolerated but that has not happened under this administration."

Rep. Jim Himes (D-CT) said on CNN's Situation Room (2/24, 815K), "Quite frankly, the Obama Administration's response to the 2016 electoral meddling that the Russians did was inadequate. The message that the Kremlin took away was that you can mess around in US elections and basically get a wrist slap for that. So, not only would I favor being really aggressively forward leaning with sanctions on people that we believe are in the process of trying to meddle again, I would be fairly direct, probably quietly, with the threat that if there is another assault on our election, there will be United States offensive counter measures that exact a cost from those who seek to meddle at the very heart of our democracy."

FBI Official: Russia Wants America To "Tear Ourselves Apart." The AP (2/24, Tucker) reports David Porter, an assistant section chief with the FBI's Foreign Influence Task Force, warned Monday that Russia wants to watch Americans "tear ourselves apart" ahead of the 2020 elections. As an election security conference on Capitol Hill, Porter "accused Russia of conducting brazen operations aimed at spreading disinformation, exploiting lines of division in society and sowing doubt about the integrity of U.S. elections and the ability of its leaders to govern effectively." While he "did not address the briefing or whether Russia had a preference for particular candidates," he "aid Russia was generally engaged in 'information confrontation' aimed at blurring fact from fiction, eroding American confidence in democratic institutions and driving wedges into society's fracture lines." Said Porter, "The primary objective is not to create a particular version of the truth but rather cloud the truth and erode our ability to find it, creating a sentiment that no narrative or news source can be trusted at all."

Leading National News

Media Analyses: Huge Crowds Welcome Trump To India, But Visit Lacks "Substance."

Coverage of President Trump's trip to India details the warm welcome he received and notes the huge crowd that came to see him at a rally – dubbed "Namaste Trump" – yesterday in Ahmedabad. A number of reports, however, also assert that the President is not likely to advance any policy objectives while in India, despite suggesting earlier that the two countries might seal a trade deal during his visit.

All three networks covered the rally, but dedicated less than a minute in combined airtime to the story. NBC Nightly News (2/24, story 6, 0:10, Holt, 6.67M) reported the President "was greeted by massive crowds" of "more than 100,000 people." ABC World News Tonight (2/24, story 6, 0:15, Muir, 7.63M) likewise referred to "enormous crowds" of "more than 100,000 people cheering for him" and the CBS Evening News (2/24, story 5, 0:25, O'Donnell, 4.89M) similarly reported on "what was called a 'Namaste Trump' rally."

Reuters (2/24, Holland, Pal) reports that Trump "was cheered by more than 100,000 Indians at the opening of the world's largest cricket stadium on Monday, promising 'an incredible trade deal' and 'the most feared military equipment on the planet' at his biggest rally abroad." Some in the crowd "wore cardboard Trump masks and 'Namaste Trump' hats to welcome the US president at the huge new Motera stadium in Prime Minister Narendra Modi's own political homeland, the western city of Ahmedabad."

To the New York Times (2/24, Crowley, 18.61M) the "Namaste Trump" rally, "a daylong affair featuring popular singers, dancers and pounding music," was "an unabashed homage to Mr. Trump, whose name and image appeared in dozens of banners and billboards throughout the stadium." The President "looked out with satisfaction at the grand display, and said it had made a lasting impression on him." According to the Fox News (2/24, Aaro, 27.59M) website, the "Namaste Trump" rally "was a sequel to the 'Howdy, Modi' event Trump held with prime minister Narendra Modi in Houston last September."

Townhall (2/24, Barkoukis, 177K) reports that "to say President Trump was welcomed in India is an understatement. While thousands of people lined the streets to greet America's 45th president, that was just the beginning. ... The 110,000-seat arena was completely filled." Breitbart (2/24, Spiering, 673K) has a similar report under the headline "Trump Addresses Roaring Crowd Of Over 100,000 People In India At 'Namaste Trump' Rally."

Business Insider (2/24, Cranley, 1.82M) says "Trump spent his first day in India amid a whirlwind of adoring crowds," and People (2/24, Carlson, 50.07M) reports on its website that his visit "so far has included a lavish presentation...including more than 100,000 attendees at a 'Namaste Trump' rally." The President tweeted video highlights of his speech at the rally, along with a tweet from Modi, who wrote, "During his speech at the #NamasteTrump programme, @POTUS @realDonaldTrump highlighted aspects of his visit for USA. He also spoke at length about India's greatness as well as the greatness of our culture, ethos, people and more. I thank him for his kind words."

AMERICAN OVERSIGHT

Appearing on Fox News' Fox & Friends (2/24, 831K), House Minority Leader McCarthy said, "If India isn't today, they will be next year, they will be larger than China. To have this relationship changes the course of history going forward. I give this President great deal of credit. And what Indian-Americans have contributed to our society and others, this just creates a much bigger bond. And so for the President to do this and build with Modi, this makes the world stronger."

To Politico (2/24, Kumar, 4.29M) yesterday's rally "at times...felt a little like one of Trump's MAGA rallies in the US. Some attendees went out of their way to criticize journalists, blast the mainstream media and praise Fox News." The Los Angeles Times (2/24, Stokols, 4.64M) likewise compared the atmosphere to a Trump rally back home, but says he "avoided the more charged, controversial rhetoric that typically marks his rally speeches" in the US. Breitbart (2/24, Spiering, 673K), meanwhile, noted that a "sea of white hats replace[d] Trump's trademark red MAGA hats" the yesterday's rally. The hats said "Namaste Trump" and featured the US and Indian flags on the brim.

In a report headlined "Trump's India Visit Prioritizes Pageantry Over Policy," the AP (2/24, Colvin, Lemire) reports the President, "prioritizing pageantry over policy...basked in India's welcoming embrace on a day that featured a mega-rally with cheering crowds, a mutual admiration show with his counterpart and a sunset tour of the famed Taj Mahal." Trump used the first day of "his whirlwind 36-hour visit to India to reaffirm close ties with...Modi and tease progress on a trade deal down the road. But the day was largely devoted to a trio of enviable photo-ops."

Under the headline "Trump's India Visit Opens With More Symbolism Than Substance As He Celebrates Ties With A Fellow Nationalist," the Washington Post (2/24, Gearan, Kim, Slater, Masih, 14.2M) reports that Trump has "offer[ed] no public critique of recent actions by...Modi that have been widely condemned as discriminatory." Trump also "did not mention Modi's controversial citizenship law passed in December or the state of emergency his Hindu nationalist government imposed on Kashmir." Instead, Trump and Modi "celebrated their warm personal bond and shared nationalist political philosophy while talking up economic and military cooperation that is a bulwark to China."

Modi, MSNBC (2/24, Benen, 7.86M) reports on its website, "opted to appeal to Mr. Trump's first love – crowd size – as he stages a rally of more than 100,000 people in Ahmedabad on Monday after a drive in from the airport along roads where perhaps 100,000 more will line the motorcade route." Indians, it adds, hope it will "satisfy his need for affirmation."

The Indo-Asian News Service (2/24) notes that Modi said Trump's name "22 times during the "Namaste Trump' event," while Trump said Modi's name "12 times and mentioned India 50 times in his speech." An AP (2/24, Yen, Schmall) "Fact Check" of the President's address, meanwhile, says he "overstated India's progress in achieving universal access to electricity, skirted facts about sanitation and exaggerated his own administration's record." Still, Tunku Varadrajan, Executive Editor of Stanford University's Hoover Institution, writes in the Wall Street Journal (2/24, Subscription Publication, 7.57M) that Trump's address sounded like it could have been delivered by former President Obama.

Bloomberg (2/24, 4.73M) reports the President also announced yesterday that the US and India "will sign military deals worth more than $3 billion with India on Tuesday." Said Trump, "We make the greatest weapons ever made. Airplanes. Missiles. Rockets. Ships. We make the best and we're dealing now with India. But this includes advanced air-defense systems and armed and unarmed aerial vehicles."

According to The Hill (2/24, Chalfant, 2.98M), the two countries, "will also continue discussions on a possible trade agreement over the next two days, though a final deal is not expected, given various points of contention." With regards to a possible trade deal, Politico (2/24, Behsudi, 4.29M) reports that "over the last few weeks," the Administration "has struggled to clinch a miniature agreement that will result in some modest access for medical devices, motorcycles and milk products in a market of more than 1.3 billion people." According to Politico, "The president has already tamped down expectations last week, saying that a 'big deal' may only be possible after he wins a second term." A "senior administration official" is quoted as saying, "We want to address a lot of concerns and we're not quite there yet. We will likely have discussions with the prime minister about these concerns."

Axios (2/24, Falconer, 521K), meanwhile, reports that after yesterday's "massive" rally in Ahmedabad, President Trump visited the Taj Mahal. BBC World News (2/24, 3.28M) notes the First Lady joined the President on the visit. The Wall Street Journal (2/24, Agarwal, Bender, Subscription Publication, 7.57M), among other news outlets, also have reports on the President's visit.

Gidley Says Trump Drew "125 Million People" To Rally. White House Deputy Press Secretary Hogan Gidley said on Fox News (2/24, 896K) that Trump's reception in India was "electric. I woke up to seeing some of these images and I couldn't believe it. I should be able to understand and know this was going to happen considering I've been to enough rallies at this point and seen tens of thousands of people filling arenas for this President. ... What's so amazing here is this President can go overseas, pull 125 million people into the world's largest cricket stadium. Democrats can't pull 125 at a convention center in South Carolina." Gidley added, "A lot of people in India appreciate what the President has been able to do, quite frankly, because of the relationship he has developed with Prime Minister Modi. They have a strong bond. They are working to expand energy partnerships and exports and imports between the two countries but also working on a safe and secure Indo-Pacific, as well."

Police Officer Killed During Protests In New Delhi. The AP (2/24) reports that in New Delhi on Monday, "Hindu nationalist and communist groups held pro- and anti-US street demonstrations in the capital." According to the AP, "One police officer was killed in the violence. ... Eleven police officers also were injured as they were hit by rocks trying to separate rival groups." The Press Trust of India "said three protesters also were killed during clashes in several parts of the Indian capital."

Supreme Court Hears Arguments In Atlantic Coast Pipeline Case.

AMERICAN OVERSIGHT

The New York Times (2/24, Liptak, 18.61M) reports on Monday, the Supreme Court heard oral arguments in Atlantic Coast Pipeline v. Cowpasture River Preservation Association in which opponents are seeking to stop the Atlantic Coast Pipeline from going under the

Appalachian Trail, and, according to the Times, "even some of the court's more liberal members express[ed] skepticism about the breadth of the groups' legal theory." The Forest Service approved the pipeline, but opponents and the US Court of Appeals for the Fourth Circuit argued that no agency has the power to approve a pipeline crossing "lands in the National Park System." Justice Samuel Alito suggested that the trail is on the surface while the pipeline would be traveling "600 feet below the surface" and so will not cross the trail.

Vaping Manufacturers Face May Deadline To Show FDA Public Health Benefits Of Products.

The Washington Post (2/24, McGinley, 14.2M) reports that "by May 12, for the first time ever, vaping manufacturers must file applications to the Food and Drug Administration proving their products benefit public health – or risk having them yanked from the market." The article says that "for public health groups, May 12 represents a milestone in the FDA's sluggish, long-overdue effort to regulate e-cigarettes." Meanwhile, for small vaping companies, "the deadline looms as an existential threat."

Juul To Present New Version Of Vaporizer As Part Of FDA Application. The Wall Street Journal (2/24, Maloney, Subscription Publication, 7.57M) reports Juul Labs plans to present to the FDA a new version of its vaporizer that will only unlock for users who can verify they are at least 21 years old as part of an application that the company must file to keep its products on shelves. The submission will also include scientific studies, marketing materials, and an update on its efforts to prevent illegal sales to minors, according to a Juul official.

Intuit To Buy Credit Karma For $7.1B.

The New York Times (2/24, Popper, De La Merced, 18.61M) reports Intuit, "the parent company of TurboTax and Mint, agreed on Monday to pay $7.1 billion for Credit Karma, a start-up that has become one of the most popular financial applications for young consumers." The deal is "expected to create a Silicon Valley financial technology company that can help people easily get their credit scores, calculate and file their taxes and better access loans." Credit Karma "says it has 100 million customers, including a third of all Americans who have a credit profile and half of all millennials." Intuit "belongs to an older generation of online financial firms and has been looking for ways to appeal to younger audiences."

Report Finds Most States Have Contracts With Chinese Tech Companies That May Threaten Security.

The Washington Times (2/24, Gertz, 492K) reports, "Leading Chinese technology companies have sold equipment to state governments in the U.S. that can be used by Beijing to obtain sensitive information," according to a report by Strand Consult released by China Tech Threat on Monday and announced by Sen. Marco Rubio (R-FL). The report found that "contracts for China-based Lexmark and Lenovo permit the companies to send data and information they receive from state and local government work to China." The report found that "more than 30 states have contracts with Lenovo and 10 states have deals with Lexmark." The report also said that the two companies are "banned by multiple military and intelligence agencies in the U.S. and around the globe."

Chu, Raskin Say FBI Being Too Hard On Chinese-American Scientists.

The Washington Times (2/24, Mordock, 492K) reports, "The feds have arrested and/or convicted a slew of Chinese nationals on charges of stealing intellectual property from U.S. businesses," but according to Reps. Judy Chu (D-CA) and Jamie Raskin (D-MD), "the FBI is too tough on friendly visitors." They wrote to FBI Director Wray, "The FBI has arrested and charged many Chinese-American scientists who have turned out to be innocent."

Trump: Schiff Should Not Have Access To Intelligence.

In a tweet Monday night, President Trump highlighted an exchange between Fox News anchor Martha MacCallum and Fox News legal analyst Gregg Jarrett on Fox News' The Story and argued the House Intelligence Chairman Adam Schiff "should not have access to intelligence." Trump wrote, "'U.S. Intelligence official overstated assessment of Russian efforts to help Trump.' @FoxNews @GreggJarrett They supposedly told Crazy Bernie that Russia was looking at him, not me. This is all a big scam between Intel and the Democrats. They want Bernie OUT, & hate 'Trump.' It has been a scam right from the beginning with the illegally started Mueller Report, FISA, the leaking, lying & more. Schiff should not have access to Intelligence, he is a corrupt pol. 'Amazing that they went to Bernie Sanders, but not to President Trump.' @marthamaccallum"

Intel, National Security Officials Refute Claim Russia Working To Reelect Trump.

Breitbart (2/24, Mora, 673K) reports that "intelligence and national security officials have reportedly refuted the claim that Russia is interfering in the 2020 elections to help" President Trump's reelection, "arguing in media reports published over the weekend that the United States does not have evidence to support the allegation." The New York Times reported on Sunday that intelligence officials "now maintain that the House members either misheard or misinterpreted a key part of the briefing, and that the Office of the Director of National Intelligence [ODNI] did not mean to say that it believes the Russians are currently intervening in the election explicitly to help President Trump." CNN cited three unnamed national security officials who said the US "does not have evidence that Russia's interference efforts include aiming at reelecting Trump."

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On Fox News (2/24, 896K) Monday, White House Deputy Press Secretary Hogan Gidley said, "This is a joke. It's another Russian witch hunt hoax. It started when this President took over in the White House and it continues today. They cannot get past themselves on these Russian lies. ... I don't know how many times journalists have to get leaks from Adam Schiff or his staffers that are completely false and proven to be a lie before they just start discounting everything he says. It's absolutely incredible to watch what they are trying to do to this President."

House Judiciary Committee Planning To Debate FISA Reform Legislation.

The Washington Post (2/24, Nakashima, 14.2M) reports the House Judiciary Committee is "poised to debate a bill this week that would repeal NSA's authority to collect large amounts of Americans' phone call data, ending any possibility that the government could revive a now-dormant program that had stoked controversy over its impact on privacy." The bill also proposes "modest reforms aimed at enhancing oversight of surveillance in national security investigations." The reforms, however, "do not substantively address issues raised by a DOJ IG report in December that found significant procedural and substantive errors in an application to wiretap Carter Page, a former campaign aide for Donald Trump that the department suspected of being a Russian agent, according to privacy advocates." The bill, which was "drafted in consultation with the House Intelligence Committee, would outlaw a 'call detail record' program."

The New York Times (2/24, Savage, 18.61M) reports the bill "would be the first legislative response to" the DOJ IG report. It is not clear "whether Republicans will sign onto the legislation, which is expected to be formally introduced on Tuesday and marked up at a Judiciary Committee hearing on Wednesday." The timing of the legislation "is driven by the March 15 expiration of three counterintelligence investigation powers." The Hill (2/24, Carney, 2.98M) reports that, "among the expiring provisions that Congress needs to make decisions on is a controversial records program, known as Section 215, that gathered metadata on domestic text messages and phone calls." They'll also need "to make decisions on two other provisions – one authorizing 'roving' wiretaps and the other on lone wolf surveillance authority." The biggest sticking point "will be the metadata program that will put a spotlight on divisions between privacy hawks and leadership, the House and Senate and even GOP lawmakers and the White House."

DOJ IG: FBI Agent "Primarily Responsible" For FISA Errors, Omissions. The Washington Examiner (2/24, Chaitin, 448K) reports that the Justice Department Inspector General referred FBI agent Stephen Somma, a counterintelligence investigator in the Bureau's New York filed office, "for disciplinary review after an investigation into alleged Foreign Intelligence Surveillance abuses." Inspector General Michael Horowitz's report identified Somma only as "Case Agent 1," but a New York Times report cited sources who said Somma is that agent. According to Horowitz, Somma was "primarily responsible for some of the most significant errors and omissions" while obtaining FISA warrants to "wiretap Trump campaign adviser Carter Page in 2016 and 2017."

Stone Juror Claimed She Was "Not Sure" If She Posted About Russia Investigation.

The Daily Caller (2/24, Ross, 716K) reports that while Tomeka Hart, a former Democratic congressional candidate and the lead juror in Roger Stone's trial, "said in a written questionnaire for prospective jurors that she was 'not sure' whether she posted online about the Russia investigation or Stone, and that she 'may have shared an article' on social media on the topics," her Twitter feed "shows that she indeed posted multiple times about the Russia probe and at least once about Stone." Stone's lawyers argued in a Feb. 14 motion "that Hart's social media activity shows that she was biased against President Donald Trump and Stone." Judge Amy Berman Jackson "said last Tuesday that she would decide after Stone's sentencing whether to grant a retrial." Although Jackson "did not comment directly on reports about Hart during Stone's sentencing," she "did say that the jury in Stone's case acted with 'integrity.'" The Washington Post (2/24, Hsu, Weiner, 14.2M) says Jackson "has scheduled a closed-door hearing for Tuesday afternoon regarding his request for a new trial based on allegations of juror misconduct."

"Public Charge" Rule Barring Immigrants Who Rely On Government Benefits Takes Effect.

The Washington Times (2/24, Dinan, 492K) reports that the Administration on Monday took a "major step" toward a longtime conservative goal of creating "an immigration system that rewards immigrants who won't be a burden on society and discourages those who will." The "public charge" rule which took effect Monday gives USCIS "the authority to refuse green cards...to people who have used a wide range of nonemergency welfare programs." The Times says the rule "has survived an onslaught of court challenges, howls of complaints from Democrats on Capitol Hill and fierce opposition of immigration rights groups, who called it racist and elitist." The AP (2/24, Snow) says the guidelines "are part of the Trump administration's broader effort to reduce immigration, particularly among poorer people." Critics say the amount to a "wealth test."

DHS Deputy Secretary Cuccinelli said on Fox News' Fox & Friends (2/24, 831K), "It's not a moral judgment on individuals. It is an economic one. And we expect in America, as we have for over 140 years, that people seeking to be long-term immigrants here, and maybe join us as citizens, will be able to stand on their own two feet, and are willing to stand on their own two feet. ... So they won't become a burden on taxpayers. It's been a major priority for the President." In a report that aired on Nexstar Media Group (2/24, 12K) stations across the country, Cuccinelli was shown saying that the rule "reinforces and effectively reinstates the American legal transition of self-sufficiency for people coming here to live their lives with us here in America. ... The public charge rule will filter out a small portion of people who apply for green cards."

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NYTimes Links 11% Decline In Legal Immigration To Trump's Policies.

The New York Times (2/24, Kanno-Youngs, 18.61M) attributes a more than 11 percent decline in legal immigration to President Trump's immigration policies, "like travel bans and visa restrictions or refugee caps and asylum changes." According to an analysis of government data by the National Foundation for American policy, "the number of people who obtained lawful permanent residence, besides refugees who entered the United States in previous years, declined to 940,877 in the 2018 fiscal year from 1,063,289 in the 2016 fiscal year." The Times adds that "a report released on Monday projected a 30-percent decline in legal immigration by 2021 and a 35-percent dip in average annual growth of the U.S. labor force."

Mexico On Track To Boost Extradition Of Criminal Suspects To US This Year.

The New York Times (2/24, Semple, 18.61M) reports, "The Mexican government is on track to dramatically increase the number of extraditions of criminal suspects to the United States this year, as the Trump administration has pressured Mexico to step up its fight against organized crime." So far in 2020, "the government already has extradited at least 30 suspects to the United States," compared to 58 for all of 2019, 69 in 2018, and 57 in 2017. The Times adds that Mexican President Andrés Manuel López Obrador "has struggled to show gains in his government's effort to rein in organized crime." Attorney General Barr has been to Mexico twice "for bilateral meetings with the Mexican authorities."

Krugman: Republican Cynicism About Deficits Benefits Trump.

Paul Krugman writes in his column for the New York Times (2/24, 18.61M) that Republicans are guilty of "the most cynical policy reversal of modern times" in having criticized "Barack Obama's auto bailout" but not criticizing Trump's aid to farmers, and changing from "insisting that federal debt posed an existential threat under Obama to complete indifference to budget deficits under Trump." Krugman says "this cynicism may win Trump the election." That's because, contends Krugman, "the biggest factor working in Trump's favor is a strong economy," and, he writes, "what's driving the U.S. economy now is the very deficit spending Republicans pretended to be horrified by during the Obama years."

White House Requests $2.5B To Combat Coronavirus.

The AP (2/24, Taylor) reports the White House on Monday sent Congress "an urgent budget request for $2.5 billion to address the deadly coronavirus outbreak." According to the White House budget office, "the funds are for vaccines, treatment, and protective equipment." the Administration is seeking "$1.25 billion in new funding and wants to transfer $535 million more in funding from an Ebola preparedness account. It anticipates shifting money from other HHS accounts and other agencies to complete the $2.5 billion response plan." Earlier in the day Monday, White House Deputy Press Secretary Hogan Gidley told Fox News (2/24, 896K), "We need some funding here to make sure that we protect all Americans. ... We need to combat this, we need to make sure our people are safe and the President is always going to take action to do that."

The Washington Times (2/24, Howell, 492K) says Democrats "panned the request as belated and lackluster." The Washington Post (2/24, Werner, 14.2M) reports House Appropriations Chairwoman Nita Lowey called it "woefully insufficient to protect Americans" and criticized the Administration for "trying to 'raid' money from other public health accounts." The New York Times (2/24, Weiland, Cochrane, Haberman, 18.61M) says Senate Minority Leader Schumer said in a statement that request was "too little too late." Schumer said, "That President Trump is trying to steal funds dedicated to fight Ebola – which is still considered an epidemic in the Democratic Republic of the Congo – is indicative of his towering incompetence and further proof that he and his administration aren't taking the coronavirus crisis as seriously as they need to be."

Poll: 70% Favor Quarantine For People Who Recently Visited China.

The Washington Times (2/24, Harper, 492K) reports that "wide-ranging Economist/YouGov poll" shows that Americans "appear to favor a strident approach" to combating coronavirus. The poll found that 70 percent of US voters "say the government should 'quarantine people in the United States who have recently been to China.'" In addition, 53 percent "say that the government should deny entry to any 'foreigner' who has been diagnosed with coronavirus."

Number Of Coronavirus Cases In US Climbs To 53.

ABC World News Tonight (2/24, story 2, 2:55, Muir, 7.64M) reported that "the number of COVID-19 cases in the US climb[ed] to 53, after tests confirm[ed] new cases among those former cruise ship passengers. It comes as towns fight plans to move infected patients into isolation in their communities."

Judge Says California City Does Not Have To House Coronavirus Patients. The New York Times (2/24, Stockman, Keene, 18.61M) reports that, in a decision that "could complicate California's efforts to deal with the coronavirus crisis," a federal judge ruled Monday that the city of Costa Mesa, California does not have to house coronavirus patients. Judge Josephine L. Staton "kept a temporary restraining order in place that would prevent the infected patients from being moved to Costa Mesa, at least for now." Staton "said she would reconsider the issue after state and federal authorities provide more details about how they plan to protect the health of the community, as well as the people with coronavirus."

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WHO: World Not Ready For Major Coronavirus Outbreak.

The New York Times (2/24, Myers, Wee, 18.61M) reports the WHO "warned" Monday that "the world was not ready for a major" coronavirus outbreak. The Wall Street Journal (2/24, McKay, Stancati, Yoon, Subscription Publication, 7.57M) reports the WHO said it is not yet clear whether the virus can be stopped from spreading further. While some infectious disease experts believe it will be impossible to stop the virus from spreading more widely, the WHO said that is not yet clear.

On NBC Nightly News (2/24, story 3, 2:10, Holt, 6.67M), Richard Engel said, "The coronavirus is looking more and more like a global pandemic, spreading far beyond mainland China." However, the AP (2/24, Tong) quotes WHO Director General Tedros Adhanom Ghebreyesus as saying, "The past few weeks has demonstrated just how quickly a new virus can spread around the world and cause widespread fear and disruption. ... Does this virus have pandemic potential? Absolutely, yes." But, he added, "for the moment we're not witnessing the uncontained global spread of this virus.'" The Washington Post (2/24, Taylor, 14.2M) and the New York Times (2/24, 18.61M) provide additional updates on the spread of the virus and the global response.

In an editorial, the Washington Post (2/24, 14.2M) says that while case data from China which suggest that the coronavirus epidemic there "is easing" is hopeful, "a moment of optimism should not distract from preparations for a less favorable outcome."

WHO: China's Measures May Have Prevented Hundreds Of Thousands Of Transmissions.

The New York Times (2/24, Myers, Wee, 18.61M) reports that the WHO "praised China's aggressive efforts to wrest the [coronavirus] epidemic under control." A WHO team sent to China has "concluded that the draconian measures China imposed a month ago may have saved hundreds of thousands of people from infection." Bloomberg (2/24, 4.73M) reports Bruce Aylward, an Assistant Director General at the WHO, "praised the sometimes extreme measures China has taken to prevent the spread, including locking down most of Hubei province, which has a population of about 60 million." According to Aylward, the approach "changed the course of the virus."

Coronavirus Death Toll In Italy Rises To Seven.

Reuters (2/24, Pollina, Za) reports that in Italy, "the death toll in Europe's largest coronavirus outbreak rose to seven on Monday and new cases climbed above 220." Authorities in the northern regions of Lombardy and Veneto "banned public gatherings including the famed Venice carnival." Reuters adds that "local authorities announced four new deaths on Monday – three men in their 80s and a 62-year-old. Three previous fatalities recorded since Friday were also elderly people. All those who have died had underlying health problems."

The AP (2/24) reports that "the majority of those known to be infected with COVID-19 hail from two main clusters – some 10 towns in Lombardy and another area in the neighboring region of Veneto." The Washington Post (2/24, Harlan, Pitrelli, Denyer, 14.2M) reports that Italy "has responded aggressively. Checkpoints outside hot spot towns are allowing only those with special permission to enter or leave." Furthermore, "if the virus expands across Italy, neighboring governments could face public pressure to back away from the continent's open border ideals in the name of security." However, "European officials in Brussels on Monday emphasized there was no plan to close borders." Mark Phillips said on the CBS Evening News (2/24, story 3, 2:00, O'Donnell, 4.89M) that Italian health authorities "say the next few days will be critical to see whether they've contained it."

Iran Dismisses Claim That 50 Have Died From Coronavirus There.

The AP (2/24, Batrawy) reports that the Iranian government "said Monday that 12 people had died nationwide from the new coronavirus, rejecting claims of a much higher death toll by a lawmaker from the city of Qom that has been at the epicenter of the virus in the country." Iran's Health Ministry "said the total number of infections have risen to 61 while deaths stood at 12. But a lawmaker from Qom, Ahmad Amirabadi Farahani, was quoted by the semi-official ILNA news agency as saying that the death toll was 50."

The New York Times (2/24, Kirkpatrick, Fassihi, Mashal, 18.61M) says Iran is "emerging as the second focal point after China for the spread of the disease. Cases in Iraq, Afghanistan, Bahrain, Kuwait, Oman, Lebanon, the United Arab Emirates – even one in Canada – have all been traced to Iran, sending tremors of fear rippling out from Kabul to Beirut."

Iranian Theology Student In Iraq Tests Positive. Reuters (2/24) reports that "Iraq's first coronavirus case, an Iranian theology student, has been detected in the holy city of Najaf...leading authorities to briefly close the gates to one of holiest sites for Shi'ite Muslims." According to Reuters, "The patient entered Iraq before the government shut border crossings and banned the entry of non-Iraqis coming from Iran."

Ninth Circuit Upholds Trump Administration Abortion Rules.

The AP (2/24, Johnson) reports the Ninth Circuit Court of Appeals has upheld Trump Administration rule changes that include a ban on "taxpayer-funded clinics in the Title X program from making abortion referrals and prohibit[ing] clinics that receive federal money from sharing office space with abortion providers." The court "found that the U.S. Supreme Court had already approved nearly identical regulations in a 1991 decision." The Washington Examiner (2/24, Dibble, 448K) says the "reliably liberal" Ninth Circuit has been "tilted it to the Right" by Trump judicial nominees approved by the GOP-controlled Senate.

McConnell To Force Votes On Abortion Bills In Bid To Energize Conservatives. The New York Times (2/24, Seelye, 18.61M) reports Senate Majority Leader McConnell "is about to plunge the Senate into the nation's culture wars with votes on bills to sharply restrict

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access to late-term abortions and threaten some doctors who perform them with criminal penalties." The Times says McConnell "is expected to bring the bills up for votes on Tuesday. Both lack the necessary 60-vote supermajority to advance, and the Senate has voted previously to reject them. But by putting them on the floor again," McConnell "hopes to energize the social conservatives" who helped elect President Trump "and whose enthusiasm will be needed to help Republicans hold on to the Senate this year."

Virginia Senate Committee Approves Seven Of Eight Gun Control Bills After Amending Two.

The Washington Post (2/24, Schneider, 14.2M) reports a Virginia state Senate committee on Monday "advanced seven of the eight gun-control bills" advocated by Gov. Ralph Northam (D), "a week after killing a proposed assault weapons ban." Two of the seven "were scaled back to help preserve support among more centrist members of the Democratic caucus, and another has already failed once on the floor of the Senate." The Post adds, "Democrats have made gun control the centerpiece of this year's session" and "the House of Delegates passed all eight measures recommended by Northam."

"DC Sniper" Malvo Withdraws Supreme Court Appeal After Virginia Passes Parole For Juveniles.

The New York Times (2/24, Liptak, 18.61M) reports the Supreme Court, "which heard arguments in October about the fate of one of the men who terrorized the Washington region in the fall of 2002 with deadly sniper attacks, has been asked not to decide the case after all." Saying that a new Virginia law, "rendered the case effectively moot," attorneys for the man, Lee Malvo, "and prosecutors in Virginia submitted a letter to the court on Monday asking the justices to dismiss his case." A Supreme Court decision would not have necessarily have helped Malvo, since he has received a separate sentence for murders in Maryland, and could face charges in other states, "but scores of other inmates who committed murders before they turned 18 might have obtained new sentences had the court ruled for Mr. Malvo."

The Washington Post (2/24, Jackman, 14.2M) reports "there are more than 700 inmates in Virginia who were juveniles when sentenced to adult prisons. Of those, 233 would be eligible for parole in the next six years, according to the Virginia Department of Corrections, including Malvo."

Smollett Pleads Not Guilty To New Charges In Alleged Fake Attack.

The Chicago Sun-Times (2/24, Grimm, Sneed, 875K) reports Jussie Smollett on Monday "pleaded not guilty to a new, six-count indictment charging him with falsely reporting he was the victim of a hate-crime attack near his Streeterville apartment on a frigid night in January 2019." Smollett was "released on his own recognizance" after signing "a written promise that he'll appear at future court hearings." Smollett's next court date is "set for March 18 – one day after a primary election where State's Attorney Kim Foxx is seeking a second term as four opponents are seeking to make the race a referendum on how her office handled Smollett's case."

The Chicago Tribune (2/24, Crepeau, Meisner, 2.65M) reports, "After Monday's brief arraignment, Smollett's attorneys said they had no intention of negotiating any plea deal" with special prosecutor Dan K. Webb, "and that they would take the case all the way to trial if need be." They have also "filed an emergency petition with the Illinois Supreme Court asking that the indictment and Webb's appointment as prosecutor be thrown out altogether." Smollett's attorneys are also asking Judge James Linn to throw out the case, "contending it violates Smollett's double-jeopardy protections."

USA Today (2/24, Hauck, 10.31M) reports, "Olabinjo and Abimbola Osundairo, the brothers who claim Smollett hired them to stage the attack, were present in court Monday, raising some questions about why they were present. Should Smollett's case go to trial, the brothers would be key witnesses." Gloria Schmidt Rodriguez, who represents the Osundairos, "said that they were present to support the criminal justice process."

NBC Nightly News (2/24, story 8, 0:15, Holt, 6.67M) reported "the charges are similar to those dropped by prosecutors last year." On the CBS Evening News (2/24, story 7, 1:15, O'Donnell, 4.93M), Dean Reynolds reported "those original charges were abruptly dropped without much of a reason" and "a judge appointed a special prosecutor to take another look."

The New York Times (2/24, Chiarito, 18.61M) reports Foxx's "campaign denounced the 'James Comey-like timing' of the new charges, referring to the former F.B.I. director's public pronouncements about the investigation into Hillary Clinton's email server just before she lost to Mr. Trump." Webb "said that he had not found any wrongdoing by Ms. Foxx's office, but that he was still investigating."

WPost: Weinstein Conviction A Landmark Moment Of #MeToo Era.

In an editorial, the Washington Post (2/24, 14.2M) says a jury's verdict on Monday finding Harvey Weinstein guilty of two felony sex crimes was "a singular moment in the #MeToo movement, a statement that any man who sexually mistreats women in the workplace, no matter his wealth or prestige, can be held to account." While the jury acquitted Weinstein of the "most serious charges," the Post says that "the not-guilty findings on those charges, which would have rested on a pattern of conduct, don't diminish the importance of the justice rendered in a case that was fraught with legal complexities and social and political overtones." The Post hopes "the bravery of these women coming forward to tell their stories under terrifying circumstances – and the fact that they were believed – will empower others who have been victimized."

NYTimes: To Empower Sexual Assault Victims, Criminal Justice System Needs To Change. The New York Times (2/24, 18.61M) editorializes that "the hard-won, long-overdue conviction" shows the "obstacles presented by the American legal system to

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successfully prosecuting abusers." For a "more balanced legal approach to sexual assault," the Times supports changes to state statutes of limitations "to give victims the opportunity to come forward even years after a traumatic assault." The Times also says "law enforcement authorities need to let women know that they will be listened to, and that their cases will be prosecuted quickly and thoroughly."

WPost: Maryland Education Plan Calls For More Spending Without Addressing Underlying Problems.

In an editorial, the Washington Post (2/24, 14.2M) criticizes the high "price tag" of Maryland's education plan, which "would require $4 billion a year in new spending from state and local governments," because it would do enough to solve underlying issues. The Post, pointing out that the state spends more than the national average on certain metrics, argues that "just spending more without attacking the inherent problems or insisting on real accountability is misguided." It concludes that the plan "comes with a high cost while doing far too little."

Conway, Gidley Defend Effort To Remove Officials Who Do Not Back Trump Agenda.

Jim Acosta said on CNN's Situation Room (2/24, 815K), "CNN has confirmed an effort is underway to identify so-called 'Never Trumpers' working inside the Administration and push them out, and top White House officials are all but endorsing the effort." White House Counselor Kellyanne Conway said on Fox News (2/24), "We should not have people in government who are undermining the President's agenda. The President got elected because his issues, his ideas prevailed, and the woman he beat, hers failed." White House Deputy Press Secretary Hogan Gidley similarly said on Fox News (2/24, 896K), "The President has been pretty clear about the fact that he wants people in this Administration who want to forward his agenda. Donald Trump was the only one elected. He was the only one the American people voted for. They didn't vote for someone at any of these other agencies, any of these other departments."

Ginni Thomas Has Been Active In Efforts To Dismiss Those Disloyal To Trump. The New York Times (2/24, Haberman, 18.61M) reports Ginni Thomas, "a politically active conservative who for nearly seven years has led a group called Groundswell" and the spouse of Supreme Court Justice Clarence Thomas, has been a leader in an effort to press President Trump to remove officials seen as disloyal or insufficiently committed to his agenda from government posts. Among her "top targets have been officials at the National Security Council, the former head of the White House personnel office, Sean Doocey, and other top White House aides." Another target was ex-US Attorney Jessie Liu, who left her job "for a job in the Treasury Department that was later withdrawn by the White House."

Grenell's Past PR Consulting, Commentary Facing Fresh Scrutiny.

The Washington Post (2/24, Brown, Reinhard, Bennett, 14.2M) reports that before he was nominated by the President to be US Ambassador to Germany, Richard Grenell, who the President last week named Acting DNI, "wrote an op-ed about Nigeria's highly charged 2015 presidential race." A year later, he "defended the government of Moldova against corruption allegations from a whistleblower." In addition, his public relations firm "was paid to do work for a U.S. nonprofit funded almost entirely by the Hungarian government led by far-right Prime Minister Viktor Orban." The Post says Grenell's "public relations consulting and foreign policy commentary, as well as his reputation as a vocal loyalist of Trump's, are part of an unusual résumé for a leader of the U.S. intelligence community," and Grenell's promotion to that job "is drawing fresh scrutiny" of his past, "including his foreign affairs commentary and consulting work after he served as U.S. spokesman at the United Nations during the George W. Bush administration."

Sen. Collins Says Grenell Lacks Needed Intel Experience. The Washington Examiner (2/24, Halaschak, 448K) reports Sen. Susan Collins (R-ME) said Monday that she disagrees with the President's selection of Grenell to serve as Acting DNI. Collins said, "I would have much preferred that the President nominate Acting Director Maguire for the post. ... I care deeply about that position and believe the person needs experience in the intelligence community, which regrettably Ambassador Grenell does not have." Collins "is the first Republican to push back on Trump's pick."

Mar-A-Lago At Center Of Massive Fundraising Effort For Trump Campaign.

The Washington Examiner (2/24, Doyle, 448K) reports President Trump's Mar-a-Lago property is "a fundraising powerhouse where the campaign deploys the president, family members, and aides to a campaign coffer-swelling effect." Political fundraising at the estate has "raised tens of millions of dollars for Trump's reelection campaign." Trump has "visited Palm Beach more than 30 times since becoming president and has hosted close to a dozen Mar-a-Lago fundraisers during the winter season. His next event is scheduled for March 8."

Lara Trump, Bloomberg's Daughter To Host Rescue Dog Fundraiser At Mar-A-Lago.

The Washington Examiner (2/24, Doyle, 448K) reports, "Michael Bloomberg's daughter Georgina Bloomberg and President Trump's daughter-in-law Lara Trump are putting rescue dogs above politics at Mar-a-Lago to host a high-dollar fundraiser" on March 14, that will feature "a celebrity dog fashion show." The Wine, Women, and Shoes event for Big Dog Ranch Rescue "is expected to draw hundreds of attendees," and last year, a similar event "raised $1.5 million."

Trump Faults Sotomayor For Accusing Other Justices Of Pro-Trump Bias.

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President Trump on Twitter, cited Fox News' Laura Ingraham as reporting that Justice Sotomayor "accuses GOP appointed Justices of being

biased in favor of Trump," and commented, "This is a terrible thing to say. Trying to 'shame' some into voting her way? She never criticized Justice Ginsberg when she called me a 'faker'. Both should recuse themselves on all Trump, or Trump related, matters! While 'elections have consequences', I only ask for fairness, especially when it comes to decisions made by the United States Supreme Court!"

Trump Recommends New Book On Conservative Values And Liberalism's Failures.

On Twitter, President Trump on Monday recommended a new book, "Taken for Granted, How Conservatives Can Win Back Americans That Liberalism Failed", by Gianno Caldwell. Trump calls Caldwell "a young winner" and says Caldwell will be "at the Ronald Reagan Library, Simi Valley, California, on Thursday at 6 PM, PT." Later, Trump followed up with a tweet correcting the spelling of Caldwell's name.

Wasserman Schultz Reportedly Mulling Bid For House Appropriations Chair.

Politico (2/24, Ferris, Caygle, 4.29M) reports that "a battle to lead the powerful House Appropriations Committee has broken out behind the scenes, as a trio of lawmakers vie for the coveted leadership post that oversees all federal spending." Politico says Rep. Rosa DeLauro (D-CT), "who has spent 27 years on the panel, remains the frontrunner," but some Democrats "are already speculating about a potential last-minute shakeup led by dark horse challenger" Rep. Debbie Wasserman Schultz (D-FL). In addition, Rep. Marcy Kaptur (D-OH) "is mounting a long-shot bid."

WPost Profiles Clyburn Proposal That Some Democrats See As "Practical Restitution."

The Washington Post (2/24, Jan, 14.2M), under the headline "Reparations, Rebranded," profiles "a race-neutral anti-poverty program" House Majority Whip Clyburn "conceived a decade ago [that] is now catching fire among candidates for the Democratic nomination as a way to provide practical restitution for slavery." The program "targets federal spending on certain high-poverty areas" and "allocates federal funding to persistently poor counties." But casting it "as reparations has drawn criticism from African Americans living in poor urban neighborhoods."

Supreme Court To Hear Case On Philadelphia Foster Care Agency's Stance On Same-Sex Couples.

The Wall Street Journal (2/24, A1, Kendall, Bravin, Subscription Publication, 7.57M) reports the Supreme Court on Monday agreed to decide whether the Philadelphia may exclude a Catholic agency that does not place children with same-sex couples due to its religious beliefs from the city's foster care program. The court will hear the case when their next term begins in October.

The Washington Free Beacon (2/24, Daley, 78K) reports the case could have "have far-reaching implications" on "questions of religious liberty and nondiscrimination," because in addition to the asking the court to require the city to renew its contract with the agency, the plaintiffs are also "asking the justices to overturn the 1990 case Employment Division v. Smith, which held that religious believers cannot claim exemptions from laws that apply to everyone in a neutral way.",

The Washington Post (2/24, Barnes, 14.2M) reports the decision in the 1990 case, written by Justice Antonin Scalia, "has become unpopular, and the court's four most conservative members – Justices Clarence Thomas, Samuel A. Alito Jr., Neil M. Gorsuch and Brett M. Kavanaugh – have said they are open to reconsidering it."

The New York Times (2/24, Liptak, 18.61M) reports the case, Fulton v. City of Philadelphia, is also "broadly similar to that of a Colorado baker who refused to create a wedding cake for a same-sex couple." In 2018, the Supreme Court punted on "the central issue in that case: whether businesses may claim exemptions from anti-discrimination laws on religious grounds." It held "instead that the baker had been mistreated by members of the state's civil rights commission who had expressed hostility toward religion."

Oregon Senate Republicans Leave, Denying Democrats Quorum To Approve Climate Bill.

The New York Times (2/24, Baker, 18.61M) reports, "Less than a year after Oregon's Senate Republicans fled the state with passports in hand and hid out in Idaho cabins to avoid voting on a climate change bill, they have disappeared again." The Times adds that "most Republicans refused to attend a floor session on Monday morning, and a search by the Senate chamber's sergeant-at-arms failed to find them." The Senate was, therefore, "one short of a quorum," which "threatened to derail a range of bills" as the session ends in two weeks. Senate Republican leader, Herman Baertschiger Jr., "said in a statement that Democrats had refused to work with Republicans and had voted down all their proposed amendments." The Democrats have 18 of the 30 seats in the Senate, but 20 senators must be present to conduct business.

Sheriff Says Former DHS Official's Death Has Not Been Determined To Be A Suicide.

The Washington Examiner (2/24, Picket, 448K) reports on the death of Philip Haney, 66, "former Department of Homeland Security official during the Obama administration," who "was found dead with a bullet wound on Friday morning about 40 miles east of Sacramento, California." The Amador County Sheriff's office said, "Unfortunately, there was misinformation immediately being put out that we have determined Mr. Haney's death to be a suicide. This is not the case." The office added, "No determination will be made until all evidence is examined and analyzed." The sheriff's office also said, "we have reached out to our law enforcement partners at the Federal Bureau of Investigation to assist in analyzing documents, phone records, and a laptop that were recovered from the scene and Mr. Haney's RV."

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Schumer Confirms Spending $8,600 Over A Decade On Cheesecake.

USA Today (2/24, Cummings, 10.31M) reports Senate Minority Leader Schumer "admitted Sunday that he has dropped almost $9,000 on his favorite cheesecake over the years." At a news conference, Schumer "responded to a New York Post report that said Federal Election Commission filings reveal he spent $8,600 on cheesecake from Junior's, a restaurant that boasts it has the best cheesecake in New York, over the course of a decade." Schumer spokesman Angelo Roefaro "told CNN that no taxpayer money was used to purchase the desserts."

Poll Finds Plurality Of Democrats See Sanders As Strongest Trump Challenger.

The Hill (2/24, Easley, 2.98M) reports "a plurality of Democrats" in a Morning Consult survey believes Sen. Bernie Sanders (I-VT) is the party's "best shot at defeating President Trump in November." In the poll, 33% of Democrats called Sanders "the best candidate they could put up in a head-to-head match-up against Trump," followed by Joe Biden at 23% and Michael Bloomberg at 18%.

Tim Scott: Sanders Would Be Strongest Democrat Against Trump. Politico (2/24, Ross, 4.29M) reports that in a Monday interview with CBS, Sen. Tim Scott (R-SC) said, "If [Trump] on his game, as he was at the State of the Union, I don't think there's a candidate in the country that can beat him. If there is a second choice, other than himself, it would be Bernie Sanders. Bernie Sanders brings that outside game in a similar fashion that President Trump did in 2016." The Washington Times (2/24, Sherfinski, 492K) also covers Scott's comments. The Washington Examiner (2/24, Drucker, 448K) reports "GOP strategists say" a Sanders-led ticket "would solve President Trump's most concerning November liability – the leftward drift of suburban voters that has plagued the Republican Party since 2016."

Conway: Sanders "Can't" Beat Trump. White House Counselor Kellyanne Conway was asked on Fox News (2/24) about Sanders' claim that he can beat the President. Conway said, "He can't. But I can't blame him for saying it, because electability is the mother's milk of the Democratic nomination this time. They have all claimed they are the ones who can beat Donald Trump. ... Electability is no match for electricity, though, and the President has that."

Rothenberg: Sanders Nomination Would Preclude Referendum On Trump. Stuart Rothenberg writes in CQ Roll Call (2/24, 154K), "Whatever you think about Sanders...there should be little doubt that the Vermont senator is a controversial, even divisive, figure. ... So instead of a November matchup between Trump and Sanders being 'about' the man currently in the White House – about his vulgarity, his profanity, his lies, his efforts to undermine key institutions (like the FBI, the CIA and a free press), his efforts to undercut the power of Congress and his anger and divisiveness – suddenly a 2020 general election becomes as much 'about' Bernie Sanders as it would be 'about' Donald Trump."

Polls Show Biden Leading In South Carolina, With Sanders Gaining.

The CBS Evening News (2/24, story 4, 2:35, O'Donnell, 4.89M) reported, "Our news CBS News battleground poll has Joe Biden leading the pack here in South Carolina ahead of Saturday's primary. But Bernie Sanders is closing in fast" following "his convincing win in the Nevada caucus over the weekend." NBC Nightly News (2/24, story 7, 2:00, Holt, 6.67M) also reported that its own "new poll shows Bernie Sanders gaining on Joe Biden there."

On its website, NBC News (2/24, Murray, 6.14M) reports that an NBC News/Marist poll of 539 likely South Carolina Democratic primary voters, taken Feb. 18-21, shows Biden leading with 27%, followed by Sanders at 23%, Tom Steyer at 15%, Pete Buttigieg at 9%, Sen. Elizabeth Warren (D-MA) at 8%, and Sen. Amy Klobuchar (D-MN) at 5%. NBC News says the poll "was conducted...before the results were known from Saturday's Nevada caucuses, which Sanders easily won, beating Biden by more than 2 to 1."

Bloomberg (2/24, Beckwith, 4.73M) reports that a Public Policy Polling (D) survey of 866 likely South Carolina Democratic primary voters, taken Feb. 23-24, shows Biden leading with 36%, followed by Sanders at 21%, Warren at 8%, Buttigieg and Steyer each at 7%, and Rep. Tulsi Gabbard (D-HI) at 6%; no other contender tops 3%. The Hill (2/24, Greenwood, 2.98M) reports, "Most recent polls have shown a tightening race between Biden and Sanders in South Carolina. A CBS News/YouGov survey released on Sunday showed" Biden's "lead narrowing to just 5 points. And a Winthrop University poll released last week also showed a 5-point race between Biden and Sanders."

NY Poll: Sanders 25%; Bloomberg 21%; Biden 13%; Warren 11%; Buttigieg 9%; Klobuchar 9%. The Rochester Democrat & Chronicle (2/24, Spector, 360K) reports on a Siena College poll of 315 New York State Democratic voters, taken Feb. 16-20, shows Sanders leading with 25%, followed by Michael Bloomberg at 21%, Biden at 13%, Warren at 11%, and Buttigieg and Klobuchar each at 9%. New York's presidential primary will be held April 28.

The Hill (2/24, Klar, 2.98M) reports that Sanders' "support in the state shot up 12 points since the same poll in November. ... Biden had previously held a 10-point lead in the poll, with 24 percent of respondents backing him in November." The Syracuse Post-Standard (2/24, Weiner, 531K) reports, "All six Democratic presidential candidates would easily defeat [President] Trump in New York by margins of 14 to 25 percentage points, according to the" survey's larger sample of 658 New York voters.

National Poll: Sanders 32%; Bloomberg 19%; Biden 18%; Buttigieg 11%; Warren 11%. A Morning Consult national tracking poll of 2,631 Democratic primary voters, taken Feb. 23, shows Sanders leading with 32%, followed by Bloomberg at 19%, Biden at 18%, and Buttigieg and Warren each at 11%; no other contender tops 4%.

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Florida Democrats Concerned Sanders' Castro Comments Would Cost Ticket The State.

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Reuters (2/24, Renshaw) reports Sen. Bernie Sanders (I-VT) "came under fire" on Monday for comments about Fidel Castro in a weekend

interview with CBS' 60 Minutes. Sanders said, "We're very opposed to the authoritarian nature of Cuba but you know, it's unfair to simply say everything is bad. ... When Fidel Castro came into office, you know what he did? He had a massive literacy program. Is that a bad thing? Even though Fidel Castro did it?" Reuters says that comment "drew blowback from elected Democrats in Florida...home a large population of people who fled Cuba during Castro's rule and their descendants."

Ed O'Keefe reported on the CBS Evening News (2/24, story 4, 2:35, O'Donnell, 4.89M), "His response infuriated Democratic lawmakers from South Florida, a key swing state where public support for the Castro regime is a non-starter." Rep. Donna Shalala (D-FL): "He made more than a mistake. It's what he believes, and it's unacceptable to our community." ABC World News Tonight (2/24, story 5, 3:00, Muir, 7.63M) Sanders is "facing new scrutiny" over the remarks, "including from South Carolina's most powerful Democrat," House Majority Whip Clyburn. ABC's Byron Pitts: "What did you make of Sanders' comment on Sunday about the virtues of Castro's communist Cuba?" Clyburn: "I thought, when I heard that, I shivered. That reinforced the fear that South Carolinians have about his so-called democratic socialism. I think that was an unforced error."

The Miami Herald (2/24, Daugherty, 1.09M) reports Sanders "lost the 2016 Democratic primary by 31 percentage points in Florida, and Florida Democrats are wary of a party nominee offering anything other than unequivocal condemnation of left-leaning authoritarian leaders like Castro and Venezuela's Nicolás Maduro." The Washington Post (2/24, Wagner, 14.2M) quotes Florida Democratic Party Chair Terrie Rizzo saying, "Florida Democrats condemn dictators who toppled democracies across the globe and stand in solidarity with the thousands of people who have fled violent dictatorships in Cuba, Venezuela and Nicaragua." Politico (2/24, Caputo, 4.29M) reports state Rep. Javier Fernandez (D) said, "Donald Trump wins Florida if Bernie is our nominee."

The New York Times (2/24, Mazzei, 18.61M) says "Cuban exiles and Democrats...angrily rejected" Sanders' comments – which, the Times says, "threatened to undercut his candidacy for the Democratic nomination in the nation's largest presidential swing state." The New York Post (2/24, Campanile, 4.57M) calls the comments "just the tip of the iceberg," writing that Sanders "had a romance with the Marxist Sandinista government of Nicaragua in the 1980s and even honeymooned with wife Jane in the Soviet Union in 1988." The Washington Post (2/24, Witte, 14.2M) looks at Sanders' trips at that time under the headline "In Cold War Travels, Bernie Sanders Found Much To Admire Behind Enemy Lines. Now That's A Problem For His Campaign."

The Wall Street Journal (2/24, Subscription Publication, 7.57M) says in an editorial that Sanders gets Cuba's history wrong, writing that the country had a high literacy rate before Castro took power, and that nations like Colombia and Ecuador came from behind to surpass Cuba in development while Castro's Cuba stagnated.

NYTimes Analysis: Sanders Has Yet To Show He Can Bring In New Voters. In an analysis, the New York Times (2/24, Ember, Cohn, 18.61M) says that while Sanders has asserted "that his progressive movement will bring millions of nonvoters into the November election, driving record turnout especially among disaffected working-class Americans and young people," so far, he has "prevailed by broadening his appeal among traditional Democratic voters, not by fundamentally transforming the electorate."

Sanders' "Hidden Health Records" Draw Scrutiny. USA Today (2/24, Alltucker, 10.31M) reports under the headline "'It's The Classic Glass Half Empty': Bernie Sanders Hidden Health Records Raise Questions" that "more than four months after suffering a heart attack on the campaign trail, [Sanders] refuses to release detailed medical records that might yield clues about his overall health." Sanders says he does not intend to release further records, though "the lack of transparency raises questions about the Democratic frontrunner's health that medical experts say could be answered – and silenced – with the release of detailed records." The Washington Post (2/24, Viser, Bernstein, 14.2M) reports that though presidential candidates until recently released health records as a matter of course, "that sense of obligation has vanished. ... Four of the six major Democratic candidates are 70 or older," and "the candidates, for the most part, have declined to release full dossiers on their health."

Sanders Proposes $1.5T Early-Education Plan. Politico (2/24, Perez, 4.29M) reports Sanders on Monday "outlined a pitch to replace the country's onerous child care and early childhood education system with a federally funded and universal program." Sanders' plan "offers free, full-day child care for every child from infancy through age 3, and free pre-kindergarten education for every child in the country, starting at age 3," according to his campaign.

Rivals Step Up Anti-Sanders Messaging. Politico (2/24, Korecki, 4.29M) reports under the headline "Sanders Under Fire In South Carolina From All Directions" that Joe Biden's campaign is airing a new digital ad in South Carolina that accuses Sanders "of trying to undermine Barack Obama's 2012 reelection by threatening to primary him." The ad says in part, "When it comes to building on Barack Obama's legacy, Bernie Sanders just can't be trusted." In another piece, Politico (2/24, Oprysko, 4.29M) reports that Michael Bloomberg "unleashed one of his strongest attacks yet" on Sanders on Monday, "lashing the Democratic primary frontrunner's record on gun control." Bloomberg tweeted, "The NRA paved the road to Washington for Bernie Sanders. He spent the next three decades making sure they got a return on their investment. We deserve a president who is not beholden to the gun lobby."

The Washington Times (2/24, McLaughlin, 492K) reports Pete Buttigieg "told voters at a campaign event in North Charleston that the Sanders brand of politics is too divisive to develop a winning coalition in the 2020 general election."

AIPAC Responds To Sanders' Boycott. The Washington Times (2/24, Chasmar, 492K) reports, "The pro-Israel lobbying group American Israel Public Affairs Committee (AIPAC) issued a blistering statement" criticizing Sanders "for claiming the organization gives a platform for 'bigotry.'" Sanders said over the weekend "that he would be keeping in tradition by not attending AIPAC's annual conference this year, writing that the Palestinian people deserve 'peace and security' just like the Israelis." The Washington Examiner (2/24, Kim, 448K) reports Sanders last year "spoke at an Islamic conference that featured a parade of anti-Semitic speakers who have denied Israel's

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legitimacy." The New York Post (2/24, Jacobs, 4.57M) also reports.

Facebook Investigated Suspicious Content Promoting Sanders. The Wall Street Journal (2/24, Glazer, Volz, Subscription Publication, 7.57M) reports Facebook has recently investigated suspicious content supporting Sanders, but was unable to substantiate claims that Russian actors or supporters of the President were involved.

Biden Says He Will Win South Carolina "By Plenty."

The AP (2/24, Peoples) reports, "Joe Biden expressed confidence on Monday that he would win this weekend's South Carolina primary." Biden "said he would win 'by plenty' in Saturday's contest in South Carolina, the first state with a sizable black population to weigh in on the Democratic race." The AP (2/24, Foreman) reports that there is a "generational split among black voters" that could hurt Biden, who has led "among black Democratic voters overall" while trailing Sen. Bernie Sanders (I-VT) nationally among African American voters under 35.

Biden Releases $640B Housing Plan. Bloomberg (2/24, 4.73M) reports that Biden on Monday "unveiled a $640 billion housing plan that includes tax credits for first-time homebuyers and low-income renters, as well as more federal assistance for the country's poorest renters." According to Bloomberg, Biden's advisers think the plan is "especially important in aiding African Americans and Latinos."

Stern: Trump "Loves" Bloomberg, "Knows How Strong The Guy Is."

The Washington Examiner (2/24, Yilek, 448K) reports that radio host Howard Stern on Monday "claimed President Trump has a soft spot" for Michael Bloomberg "and doesn't want to run against the former New York City mayor. 'I've talked to Donald a million times privately about Bloomberg. We both agree that he was one of the best [expletive] mayors on the planet,' Stern said...on his SiriusXM radio show. 'Donald loves Bloomberg,' he added. 'That's why he doesn't want him running.'" The article adds that Trump has stepped up "his attacks on Bloomberg in recent weeks, mocking his height and debate performance." However, "Stern asserted it's all a farce. 'He knows how strong the guy is,' Stern said. 'He loves him. We all love him. Donald would even say, 'He's better than I am.'"

South Carolina's Largest Newspaper Endorses Buttigieg For Democratic Nomination.

The Columbia State (2/24, 390K) endorses Pete Buttigieg for the Democratic presidential nomination, writing that the party's nominee "will face a formidable general election opponent" in President Trump, "an incumbent armed with a strong economic record and a force of personality that has spawned a fiercely loyal base of supporters. It is vital, then, for the Democrats to nominate an energetic, disciplined candidate who can offer voters a powerful yet pragmatic vision of a better America." The State says that candidate is Buttigieg, who has a "message of unity [that] is an inspiring and empowering one."

Protesters Criticize Buttigieg's Participation In South Carolina Minimum Wage March. Reuters (2/24, Renshaw) reports Pete Buttigieg marched on Monday with McDonald's workers in Charleston, South Carolina "who are demanding a $15 minimum wage. Buttigieg joined the front of the line, helping carry a large sign that read 'Unions for All' while workers chanted." But "a group of counter-protesters wearing shirts that read 'Black Voters Matter' disrupted the speeches with chants: 'Pete can't be our president. Where was $15 in South Bend?'" Buttigieg "briefly addressed them, saying, 'No matter who you support for president, I support you and I support unions and a $15 minimum wage.'"

Liberal Groups Upset Klobuchar Voted For Several Trump Judicial Nominees.

The New York Times (2/24, Lerer, Corasaniti, 18.61M) reports that Sen. Amy Klobuchar (D-MN) has been touting "her years of experience as a lawmaker and her bipartisan appeal as a pragmatist as the central assets that would make her the toughest Democratic nominee to face off against President Trump. But one aspect of her record in particular has frustrated and even outraged some [Democrats]: her support for Mr. Trump's judges." In 2019, her "willingness to aid the Trump administration in its sweeping transformation of the federal judiciary earned Ms. Klobuchar an F grade from a liberal advocacy group focused on the federal judiciary. From 2017 to 2018, Ms. Klobuchar voted to advance Mr. Trump's judicial confirmations 64 percent of the time, according to Demand Justice, the advocacy group."

Man Whose Murder Conviction Is Being Questioned Points Finger At Klobuchar. ABC News (2/24, Carrega, 2.97M) reports on its website, "A Minneapolis inmate who spent more than half his life so far behind bars says he was wrongfully convicted for murder and blames...Klobuchar, in part, for standing by what he calls an injustice. Myon Burrell, now 33, was convicted for the 2002 first-degree murder of 11-year-old Tyesha Edwards, who was shot by a stray bullet as she was doing homework inside her house. Burrell, who was 16 when he was arrested," and "Hans Williams and Ike Tyson, two men in their early 20s at the time and not previously known to Burrell, were convicted and sentenced the following year. At the time, Klobuchar was the chief prosecutor of Hennepin County, where the case took place." Last month, the AP reported, according to ABC News, "there were several flaws with Burrell's case at the time of the investigation – flaws that Burrell claims should lead to his exoneration."

The Minneapolis Star Tribune (2/24, Xiong, 1.04M) reports that Hennepin County Attorney Mike Freeman on Monday came to Klobuchar's defense regarding Burrell's murder conviction. The article says that Burrell "was convicted in 2003 when Klobuchar served as Hennepin County attorney at the time, and again in 2008 when Freeman ran the office. 'Amy Klobuchar was not the trial attorney on the case,' Freeman said in a written statement. 'It should not be treated like a political football.'" The article adds, "A brief clip of Burrell's interview posted on the ABC News website showed him responding to a reporter's question about Klobuchar's culpability. 'Personally, I feel like she is

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the source of everything that happened,' Burrell said. ... Klobuchar has said any new evidence in the case should be reviewed."

Steyer's Spending In African American Community Draws Scrutiny.

The New York Times (2/24, Saul, 18.61M) reports Tom Steyer "has lavished money on the black community – employing black-owned businesses, hiring African-Americans for his staff and buying ads with black-owned news organizations." However, the Times says that "as he tries to forge connections with the black community, some of Mr. Steyer's transactions have drawn increased scrutiny, and prompted suggestions that he is trying to wield influence through his spending." That spending "includes commercial rent payments to a company owned by Jennifer Clyburn Reed," daughter of House Majority Whip Clyburn, "whose endorsement is considered a seal of approval for candidates hoping to win [South Carolina]'s critical African-American vote."

WTimes Analysis: In 2020 Democratic Race, Little Talk Of Potential SCOTUS Vacancies.

The Washington Times (2/24, Swoyer, 492K) reports, "The unexpected death of Supreme Court Justice Antonin Scalia on the day of the 2016 Republican debate in South Carolina made the high court a top issue in the race and ultimately rallied conservative voters to help put Donald Trump in the White House." In this year's Democratic presidential race, however, "the tilt of the Supreme Court is barely a blip on the radar." The Times says "the issue of potential Supreme Court vacancies hasn't been raised much – if at all – in the nine debates the Democratic Party has held." University of Tennessee-Knoxville political scientist Richard Pacelle "said the Democrats are skipping over Supreme Court nominees to get to subjects where they clash more violently, such as on health care." Said Pacelle, "You are looking for the distinctions between the candidates rather than the things they agree on. But I think they do this to their own peril.'"

NYTimes Analysis: Nevada Caucuses Had Similar "Errors And Consistencies" As Iowa Contest.

The New York Times (2/24, Collins, Lu, Smart, 18.61M) reports, "The final results of the Nevada Democratic caucuses were released on Monday, and the data appears to contain errors and inconsistencies similar to those that plagued the contests in Iowa a few weeks ago." The Times says an "analysis" it conducted "found flaws in the results of at least 9 percent of precincts, including some instances in which delegates appeared to have been given to the wrong candidates." The Times adds, "Shortly after the final caucus results were released, the Nevada State Democratic Party chairman, William McCurdy, said in a statement that the state should consider abandoning caucuses." Said McCurdy, "I believe we need to start having a serious conversation ahead of next cycle about the limitations of the caucus process and the rules around it. It's time for our state party and elected leaders to look at shifting to a primary process moving forward."

MSNBC's Matthews Apologizes For Comparing Sanders Nevada Win To Nazi Conquest Of France.

The New York Times (2/24, Grynbaum, 18.61M) reports MSNBC's Chris Matthews "issued an unusual apology" to Sen. Bernie Sanders (I-VT) on Monday night "after he compared his victory in the Nevada caucuses to the Nazi takeover of France in World War II." Matthews said, "Sen. Sanders, I'm sorry for comparing anything from that tragic era in which so many suffered, especially the Jewish people, to an electoral result of which you were the well-deserved winner." The Times calls it "a moment of humility for the veteran 'Hardball' anchor," who "who has a reputation for pugnacious commentary."

Upton Will Seek Reelection In MI6.

The Detroit News (2/24, Mauger, 825K) reports that Rep. Fred Upton (R-MI), "who's increasingly become a Democratic target, will run for an 18th term" this fall, "he said Monday night. The decision by Upton, who said he had 'unfinished business,' ensures that Republicans will have a well-funded incumbent to run in what could be a competitive" race in MI6. In 2018, "a year when Democrats flipped two other US House seats in the state, voters re-elected Upton by 4.5 percentage points." The News adds, "Known as a moderate Republican, Upton has, at times, publicly disagreed with President Donald Trump. He said his 'unfinished business' included fighting the opioid epidemic, immigration reform and protecting the Great Lakes. He also touted his willingness to work across the aisle."

The AP (2/24) reports Upton "was being watched closely as a potential House retiree as Republicans attempt to regain the chamber majority in the November elections. He entered the House in 1987." The AP adds that Upton "said in an interview that the rise" of Sen. Bernie Sanders (I-VT) "as front-runner for the Democratic presidential nomination 'probably' was a factor in his decision to run again. Many Republicans believe a Sanders nomination would dramatically increase their chances of capturing House control. Upton told [the AP] he believed Sanders would hurt the campaigns of down-ballot Democratic candidates, saying Sanders is 'too much to chew on' for many Michigan voters."

Bloomberg Analysis: Pence Has "Early Edge" In 2024 GOP Race.

In an article titled "Mike Pence's 2024 Presidential Campaign Has Already Begun," Bloomberg (2/24, 4.73M) reports that President Trump's reelection campaign is giving Vice President Pence "an early edge in the race that's already shaping up for the Republican nomination in 2024." According to Bloomberg, Pence "has lately been a mainstay at Trump's signature campaign rallies, seldom missing the opportunity to

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introduce the president while test-driving a few crowd-pleasing lines of his own. The vice president has his own political action committee and has been steadily expanding his travel as a surrogate for Trump, with a particular focus on Michigan, Wisconsin and Pennsylvania."

WSJournal Backs Suit Against California's Restrictions On Officials' Comments About Unions.

The Wall Street Journal (2/24, Subscription Publication, 7.57M) in an editorial writes that after the Supreme Court's 2018 Janus v. Afscme ruling, California established rules that the Journal says undermined the decision, by prohibiting public officials from speech that may be understood as critical of union membership or union dues, but on Friday seven California officials sued, contending that the prohibition violates the First Amendment and is also unconstitutionally vague. The Journal agrees with their objections.

Campaign Finance Law Criticized As Benefiting Wealthy Candidates And Media.

Bradley A. Smith, Chairman of the Federal Election Commission, 2001-2005, and John R. Lott Jr., President of the Crime Prevention Research Center, write in the Wall Street Journal (2/24, Subscription Publication, 7.57M), arguing that campaign finance law gives advantages to Michael Bloomberg not only because he is free to spend his own money, but also because he is free to use Bloomberg Media to attack President Trump. Smith and Lott add that while Democrats have objected to corporate involvement in politics after the Supreme Court's 2010 Citizens United decision, Bloomberg has already spent more money in the 2020 cycle than did all corporations combined for the entire 2016 cycle.

Man Arrested After Exhibiting Suspicious Behavior At Pentagon.

The Washington Times (2/24, Wolfgang, 492K) reports, "A man was arrested after 'acting suspiciously' in a Pentagon parking lot Monday and is now being questioned by the FBI, military officials said." The man was "approached by Pentagon security forces about 10:45 on Monday morning and then fled the area, spurring a chase through nearby Arlington National Cemetery." According to officials, "authorities have searched the Pentagon's north parking lot and all surrounding vehicles and the area is now considered safe."

Rival Shiite Parties Seek Al-Sadr's Help In Quelling Anti-Government Protests.

Reuters (2/24, Davison) reports, "When the grip of Iraq's Tehran-backed Shi'ite Muslim parties and militias threatened to slip following the killing of Iranian general Qassem Soleimani, they turned to an unpredictable rival. At meetings in the Iranian holy city of Qom, they struck a deal with populist Shi'ite cleric Sayyed Moqtada al-Sadr, who commands a following of millions of Iraqis." Citing "senior Iraqi officials and militia insiders," Reuters says the parties "promised Sadr a greater say forming a new Iraqi government and an augmented spiritual leadership role among Shi'ite paramilitary groups. In return, he would draw on his mass following to weaken the anti-government and anti-Iran dissent that has erupted on Iraqi streets, and redirect the unrest toward demands for the withdrawal of U.S. forces from Iraq."

Trumps Received $88K In Gifts From Foreign Leaders In 2018.

The AP (2/24, Lee) reports, "Foreign leaders appear to have scaled back their generosity when it comes to gifts given to President Donald Trump, his family and top officials," according to an accounting posted to the Federal Register website on Monday. The list reveals "that Trump, his wife, Melania, his daughter Ivanka and son-in-law Jared Kushner reported receiving $88,420 worth of gifts from foreign leaders in 2018. That's down from more than $140,000 they reported in 2017." According to the article, "virtually all the gifts to the Trumps were turned over to the National Archives for display or storage, but as government employees, they have the option to purchase them."

Administration Mulling Expelling Chinese Journalists From US.

Bloomberg (2/24, 4.73M) reports that the Administration "is weighing whether to expel Chinese journalists after China kicked out three Wall Street Journal reporters, part of a push by the Trump administration to show leaders in Beijing that it will resist restrictions on Americans working in China." According to Bloomberg, "The administration's options were to be discussed in a meeting of senior administration leaders at the White House later Monday led by Matt Pottinger, the deputy national security adviser who was once a Wall Street Journal reporter in Beijing." Bloomberg says "there's an intense debate over how severely to respond to the expulsions last week. Some advocate ordering dozens – and perhaps hundreds – of Chinese reporters to leave, while others say that's not legally possible or in keeping with American values on freedom of the press."

The New York Times (2/24, Wong, Barnes, 18.61M) reports the Administration is also looking to limit "intelligence collection efforts in the United States by expelling journalists who have contact with intelligence agencies, people familiar with the discussions said." Among the Administration's "concerns is a belief that, unlike American journalists, some of the Chinese journalists working for state-run news organizations in the United States are filing reports, at least part of the time, for Chinese intelligence agencies, according to people familiar with the matter." According to the article, "retaliation by the United States could lead to escalating cycles of retribution involving the two governments, private and state-run news organizations and intelligence agencies."

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Lawyer For US Claims Assange Put Lives In Danger.

The New York Times (2/24, Santora, 18.61M) reports that in London on Monday, a lawyer representing the US government "began laying out

its extradition case against" Wikileaks' Julian Assange "by arguing that he had put lives at risk." Attorney James Lewis said, "Reporting or journalism is not an excuse for criminal activities or a license to break ordinary criminal laws." The Times says Assange" has been indicted on 17 counts of violating the Espionage Act for his role in obtaining and publishing secret military and diplomatic documents and he could face as many as 175 years in prison if found guilty on all charges."

Reuters (2/24, Holden) reports that Lewis "said hundreds of people across the world had to be warned after the WikiLeaks disclosures. Some had to be relocated. Others later disappeared, he said, although he said the United States would not try to prove that was directly a result of the disclosures. Some WikiLeaks information was found at Osama bin Laden's hideout in Pakistan, he added."

The AP (2/24) reports that Edward Fitzgerald, Assange's lawyer, "countered that the WikiLeaks publisher was being victimized by a 'lawless' American government that wanted to make an example of him." According to the AP, Fitzgerald "also said the 'inhuman' conditions Assange was likely to face in an American prison would put him at high risk of suicide." The Washington Post (2/24, Booth, Adam, 14.2M) reports Fitzgerald also "argued that Assange would not receive a fair trial in the United States because of his foreign nationality and his political opinions."

Malaysian Governing Coalition Collapses.

The New York Times (2/24, Beech, 18.61M) reports that Mahathir Mohamad, "the 94-year-old prime minister of Malaysia," and "his perennial presumptive heir," Anwar Ibrahim, "were the oddest of political colleagues: a nonagenarian onetime autocrat and the former protégé he had jailed for sodomy." But they "joined forces in 2018 to oust a governing party to which both had once belonged," and which was "at the center of the 1MDB scandal, the brazen looting of billions of dollars of Malaysia's public funds." The Times says "the unwieldy coalition that brought Mr. Mahathir and Mr. Anwar together crumbled on Monday. After a flurry of meetings...Mahathir submitted his letter of resignation as prime minister on Monday afternoon." However, the Times says "the move...did not appear to be designed to result in Mr. Mahathir actually giving up leadership of Malaysia. ... Malaysia's constitutional monarch accepted the resignation letter on Monday evening but then named Mr. Mahathir the interim prime minister."

Developer Abandons Canada Oilsands Plan Amid Political, Economic Uncertainty.

The New York Times (2/24, Krauss, 18.61M) reports, "A major effort to expand development of Canada's oil sands has collapsed shortly before a deadline for government approval, undone by investor concerns over oil's future and the political fault lines between economic and environmental priorities." The project "would have increased Canada's oil production by roughly 5 percent," but "it would have also slashed through 24,000 acres of boreal forest and released millions of tons of climate-warming carbon dioxide every year." The "unexpected withdrawal" by developer Teck Resources "relieves" Prime Minister Justin Trudeau "of a choice that was sure to anger environmentalists or energy interests, if not both."

WPost: Journalist Punished For Seeking To Hold Azerbaijan's Autocratic Ruler Accountable.

In an editorial, the Washington Post (2/24, 14.2M) accuses Azerbaijani President Ilham Aliyev of "high-level corruption and cronyism," and practicing "retribution and repression" against dissidents. The Post says Aliyev is "continuing to punish one of the journalists who investigated his family riches, Khadija Ismayilova, while also presiding over a phony parliamentary election." The Post lauds Ismayilova as "a courageous journalist struggling to carry out the very essence of democratic ideals – holding the powerful to account – under a regime with no tolerance of free expression or rule of law."

WSJournal Faults UK Prime Minister's High-Speed Rail Project.

The Wall Street Journal (2/24, Subscription Publication, 7.57M) in an editorial criticizes UK Prime Minister Boris Johnson's decision to approve HS2, a high-speed rail line from London to Manchester, that is to cut travel time between the two cities in half to one hour with top speeds of over 250 miles per hour. The Journal cites estimates that its final cost may be more than double the original estimate of £50 billion with the completion date now expected to be 2036 rather than the original 2027. The Journal argues that England would be better served by an array of less expensive projects to improve its train service rather than focusing on a single very expensive project.

RCP Average Has Trump's Job Approval At 45.7%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45.7%, and his disapproval at 51.2%. The President's job approval is down 0.3 since yesterday and his disapproval is up 0.2.

A Rasmussen poll of 1,500 "likely voters" (2/19-2/23) finds Trump's approval at 49%, with 50% disapproving.

Financial International News

G20 Urges Countries To Adopt Cryptocurrency Regulations.

Law360 (2/24, Subscription Publication, 8K) reports behind a paywall that the G20 on Monday "urged more countries to adopt regulations that would compel cryptocurrency exchanges to collect customer information as a means of combating money laundering and terrorist financing, plus other potential macroeconomic problems." The G20's statement "referred to guidelines adopted last June by the Financial Action Task

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Force that it sees as key to stopping financial crimes." The FATF's "so-called travel rule aims to limit money laundering by calling on 'virtual asset service providers,' such as cryptocurrency exchanges, to collect extensive identifying information about individuals involved in cryptocurrency transactions. The G20 formally endorsed the FATF's guidelines last July."

EU Ministers Set To Approve Mandate For Negotiating Post-Brexit UK Trade Deal.

Reuters (2/25, Strupczewski, Strauss) reports governments in the EU "are set to adopt a negotiating mandate for their executive European Commission on Tuesday to clinch a deal with Britain this year on future ties after it left the bloc in January." The mandate "aims to offer Britain, which sells 45% of exports and buys 53% of imports from the 27-nation bloc, no tariffs and no quotas in the future." In exchange, the EU "wants London not to undercut European companies with lower – and therefore less costly – environmental, labor, tax and state aid standards." However, the UK "does not want to make such a commitment, stressing its 'primary objective in the negotiations is...economic and political independence' and that it could accept tariffs and quotas similar to a deal the bloc has with Canada."

Le Maire: France Will Support Lebanon, Including An IMF Program.

Reuters (2/24, El Yaakoubi) reports French Finance Minister Bruno Le Maire told reporters in Abu Dhabi that France is assessing options to assist Lebanon recover from its ongoing financial crisis, options that could include an IMF aid program should Beirut seek one. Le Maire "also told reporters in Abu Dhabi that he had discussed the situation in Lebanon with the United Arab Emirates leadership," saying, "We are very concerned. ... We are looking at different options, maybe an IMF programme if the Lebanese government asks for one... but we will not manage any effort to help Lebanon."

Leading International News

Inhofe Says Esper Told Him There Are No Plans To Reduce US Troops In West Africa.

The Washington Times (2/24, Meier, 492K) reports Defense Secretary Esper "is privately assuring nervous lawmakers that no African troop drawdown is in the works after getting significant pushback on Capitol Hill." According to Senate Armed Services Chairman James Inhofe, Esper "said, if anything, we could be increasing the troops in the western part of Africa … he said I want to make sure that we make very clear we have no plans to decrease our presence specifically in West Africa." Inhofe, the Times adds, "last week led a delegation of lawmakers to Africa to highlight the importance of continued military cooperation in the region."

Supreme Court Justices Appear To Favor Higher Damages For Embassy Bombing Victims.

The AP (2/24, Gresko) reports the Supreme Court "suggested Monday that it's inclined to allow a bigger award of money to victims of the 1998 bombings of the U.S. embassies in Nairobi, Kenya, and Dar es Salaam, Tanzania." The case "involves lawsuits filed by victims and their families against Sudan that accused the country of causing the bombings by aiding al-Qaida and leader Osama bin Laden, who lived in Sudan in the 1990s." On Monday, the article says, "both conservative and liberal Supreme Court justices peppered Sudan's lawyer with often skeptical questions and seemed more open to the arguments of the victims' lawyer and a U.S. government attorney arguing on their side."

Islamic Jihad Fires More Rockets At Israel After Announcing Stoppage.

Reuters (2/24, Al-Mughrabi, Ayyub) reports, "Gaza militants on Monday fired rockets toward Israel, which responded with air strikes, in the second day of an escalation that ebbed but did not come to an end despite the Palestinian militant group Islamic Jihad announcing a halt to its attacks." According to Reuters, Islamic Jihad "has fired 80 rockets toward Israeli communities along the Gaza border since Sunday, an Israeli military spokeswoman said, while Israel has attacked sites in Gaza and Syria that have killed three Islamic Jihad members." Reuters reports that Islamic Jihad "said earlier on Monday it had ended its 'military response' to Israel. But it then reversed course and resumed firing rockets, saying Israel had continued air strikes after the militants' apparent de-escalation."

Housing

Nomura's Howlett: Sanders Nomination Could Accelerate Current Administration's Push To Release GSEs.

Bloomberg (2/24, Maranz, 4.73M) reports, "As U.S. stocks tumbled on Monday, hit by mounting coronavirus fears, analysts also flagged the possibility that investors haven't been taking Bernie Sanders seriously enough, after the Vermont senator's surprisingly broad support in the Nevada caucus Saturday." Bloomberg says that "Sanders winning the Democratic nomination would boost the chances the Trump administration will end the conservatorship of Fannie Mae and Freddie Mac ahead of the November election," according to Nomura's Matthew Howlett. He "recommends clients buy Fannie Mae and Freddie Mac common stock ahead of the Democratic convention." Howlett said, "It may sound counterintuitive, but we believe Bernie Sanders (who is coming off a strong showing Saturday and continues to increase his lead in the polls), as the Democratic nominee for president greatly increases the chances the GSEs will be released from conservatorship prior to any potential change at the White House in Jan. 2021."

Odeon's Bove Disagrees With Nomura's "Buy." Seeking Alpha (2/24, Kiesche, 512K) reports that "Any move by the Treasury and Federal Housing Finance Agency regarding their plan to release of Fannie Mae and Freddie Mac from government conservatorship leads

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Nomura Instinet to reiterate its Buy recommendations on both Fannie and Freddie, while Odeon's Dick Bove says the answers were 'ill-defined and promised nothing.'" Disagreeing with Howlett's take, Bove wrote in a note, "While the Treasury has set out a framework as to what is to be done, the hard work of creating specific recommendations from these concepts has not been completed – or perhaps not even begun."

GSE Multifamily Originations Slowed In Q4.

Behind a paywall, Inside Mortgage Finance (2/24, Hollier, Subscription Publication) reports, "Originations of multifamily loans for delivery to the government-sponsored enterprises slowed in the final three months of 2019 as the industry adjusted to the new investment limits set for Fannie Mae and Freddie Mac." In September, the FHFA "increased the cap on Fannie's and Freddie's multifamily lending to $100 billion each through the end of 2020, with at least 37.5% of their business earmarked for affordable housing. Previously, the two GSEs' multifamily lending was individually capped at $35 billion per year, with exceptions for affordable-housing and energy- or water-efficiency loans." According to IMF, "Walker & Dunlop, one of the top originators of GSE multifamily loans, produced $3.22 billion of the product in the fourth quarter of last year, a 31.6% decline from the last quarter of 2018." W&D said, "Fannie and Freddie origination volumes were lower than a typical fourth quarter but in line with our expectations … as the GSEs pulled back on their lending at the beginning of the quarter, resulting in lower market-wide GSE volumes."

Equifax: HELOC Market May Be In For A Rebound.

National Mortgage News (2/24) reports, "The HELOC business is booming, but traditional lenders risk losing market share. Rising home values, flat wage growth, record levels of consumer debt and interest rate uncertainty have driven home equity line of credit (HELOC) loan origination to record highs. In fact, a 2018 report from Freddie Mac projects that HELOCs will continue to be a key market driver well into the future." NMN adds that according to a "recent report from J.D. Power, online lenders receive higher customer satisfaction scores than traditional home equity lenders. More importantly, that same study found that HELOC borrowers are more likely to look for alternative lending sources before choosing a home equity loan."

Joe Biden Releases $640B Housing Plan.

The Hill (2/24, Budryk, 2.98M) reports that on Monday, Democratic presidential hopeful Joe Biden released a $640 billion housing plan. According to Biden's campaign, on top of improving affordability, the proposal would establish a "Homeowner and Renter Bill of Rights." The proposal is based on six "Biden principles for housing," including: "affordability, stability, safety/health, accessibility, energy efficiency/resilience and proximity to good schools and jobs." Biden's plan would strengthen eviction protections, and crack down on exclusionary zoning and land use restrictions. Biden reportedly also "pledged to address discriminatory practices by financial institutions by expanding upon 2013 legislation enacted by the Obama administration."

Bloomberg (2/24, Epstein, 4.73M) reports, "Biden would also aim to work with Congress on a tax credit for low-income renters who make too much money to qualify for Section 8 vouchers but still struggle to pay their housing costs. It would aim to reduce rent and utilities to 30% of annual income and would cost $5 billion annually, according to his plan. It would also fully fund the Section 8 program so that all eligible families can benefit, according to Biden's campaign."

National Mortgage Professional (2/24, Hall) reports, "Furthermore, Biden is proposing the creation of a $100 billion affordable housing fund to build new homes and upgrade existing ones. This would include $20 billion for the Housing Trust Fund, paid for with an increase in the assessment on Fannie Mae and Freddie Mac."

Newsweek (2/24, 1.53M) provides additional coverage of Biden's housing plan.

FHFA To Reexamine FHLBanks' Membership Guidelines.

American Banker (2/24, Subscription Publication, 31K) reports, "The Federal Housing Finance Agency is taking a closer look at its membership guidelines for the Federal Home Loan banks in light of 'conduit arrangements' between Home Loan bank members and entities that are not allowed to belong to the system. In a request for information issued Monday, the FHFA said it would be conducting an overview of how it regulates the 11 Home Loan banks to ensure that they are complying with the mission of the Home Loan Bank System to advance community development, and that they can withstand an economic downturn." FHFA Director Mark Calabria said, "We've only heard of a handful of instances where people were trying [to take advantage of conduit deals], but if you could imagine, it is one of those things where if you get a handful that have figured out a way to do that … you're opening the door." National Mortgage News (2/24) and Asset Securitization Report (2/24) carry American Banker's coverage.

National Mortgage Professional (2/24, Hall) reports that Calabria said, "We look forward to hearing from all interested parties about how FHFA's membership regulations affect the safety and soundness and mission of the FHLBanks. There is no predetermined outcome for this RFI, other than to ensure that membership rules are clear, consistently applied to all applicants, and that access to the Banks' low cost advances do not jeopardize the System's role as a key source of liquidity to support housing finance."

The ABA Banking Journal (2/24) reports, "Comments on the RFI are due in 120 days and will be used to inform any potential rulemaking FHFA may deem appropriate. The American Bankers Association welcomed the FHFA's efforts to ensure the safety and soundness of the

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FHLB system and allow adequate time for the industry to provide feedback."

Calabria Wants FSOC To Look Into Potential Systemic Risks Posed By Nonbank Mortgage Lenders.

Behind a paywall, Bloomberg Law (2/24, Subscription Publication, 4K) reports that FHFA Director Mark Calabria "says he's encouraged fellow members of the Financial Stability Oversight Council to look into potential systemic risks posed by the mortgage market." Calabria told reporters on Monday, "It would be my hope that FSOC begins a process this year to look more broadly at an activities based framework for the overall mortgage market." While Calabria said that he does not wish to "prejudge the process," he hopes the FSOC will probe issues like how regulators cooperate to address concerns about a nonbank. Bloomberg BNA (2/24, 4K) carries Bloomberg Law's coverage.

Calabria Stresses Importance Of CUs, Community Lenders At CUNA Conference.

According to the Credit Union National Association (2/24), FHFA Director Mark Calabria "talked about credit unions from the regulator perspective Monday at CUNA's Governmental Affairs Conference." Calabria said that credit unions and other community lenders are the "backbone of the mortgage finance system." CUNA says that Calabria "expressed admiration for credit unions and said he was committed to making a strong mortgage market that works for all, with credit unions an important part. Calabria encouraged credit unions to reach out to FHFA with recommendations on policy changes and ways to streamline regulations." Calabria said, "I think it's so important that what you do is special, and how you do it is special. No one else in the mortgage origination business can say their borrowers are other members. I think it's fair to say that the last thing you'd ever want to do is foreclose on a member; rather, you'd like to help them stay in their home through good times and bad."

Republicans Seek To Slash Regulatory Costs To Promote Affordable Housing.

The Hill (2/24, Bucchino, 2.98M) reports, "Republicans at the state and federal level are pushing for lower costs associated with regulations as a way to address the nation's affordable housing crisis." Rep. Ralph Norman (R-SC) and North Carolina state Sen. Paul Newton (R) "highlighted regulations at a forum last week in Charlotte, N.C., hosted by The Hill, arguing that cutting those costs, while creating more sustainable housing, would help with homeowner stability."

Agency MBS Trading Starts 2020 Off With A Bang.

Behind a paywall, Inside Mortgage Finance (2/24, Muolo, Subscription Publication) says, "The average daily trading volume in agency MBS started the year on a high note at $251.5 billion for January, according to figures compiled by Securities Industry and Financial Markets Association. It was the strongest reading over the past 13 months and then some, coming at a time when bond market watchers are unsure of which way rates might be headed." According to IMF, "New MBS creation was strong in January, a month that typically brings weak volumes." According to "figures compiled" by IMF, "Ginnie Mae issuers placed $55.0 billion of bonds with investors during the month, a sequential gain of 6.7%. Fannie Mae and Freddie Mac issuance came in at $61.2 billion and $51.1 billion, respectively, representing slight declines for both. All three agencies together managed a combined gain of 1.0%."

First American: Low Rates, Millennial Demand Drive Housing Market Potential To A Two-Year High.

HousingWire (2/24, Lloyd, 23K) reports that low mortgage rates "drove the nation's housing market potential to a two-year high in January, according to First American." Chief Economist Mark Fleming said, "Housing market potential increased 1.4% in January 2020 relative to the previous month, and grew 4.7% year over year, an increase of 240,050 potential existing-home sales and the highest rate of yearly growth since December 2017. Actual existing-home sales exceeded housing market potential by 1%, or an estimated 53,900 seasonally adjusted annualized sales." According to Fleming, low mortgage rates and rising demand from Millennials are primary drivers. He said, "In 2020, 4.8 million Millennials will turn 30 – the peak age for home-buying. They're fortunate to be entering the housing market at a time of historically low mortgage rates and a strong economy. However, there are challenges. Millennials face a very limited supply of existing homes available for sale, especially homes in the entry-level price range."

VA Originations Soar In 4Q19.

Behind a paywall, Inside Mortgage Finance (2/24, Brooks, Subscription Publication) says, "Mortgage firms originated a record $75.7 billion worth of VA loans in the fourth quarter, a sequential improvement of 16.3%." According to IMF, "For the full year, production soared by 42.7% to $216.8 billion, also a record. The driver: strong refinance volume driven by low interest rates. VA purchase lending fell 14.3% to $28.7 billion from the third to the fourth quarter. However, for all of 2019, purchase loans improved a modest 7.5%." The decline in Q4 purchase activity "was a disappointment given the rising trend in the VA purchase loan market during the three previous quarters. Nonetheless, purchase lending accounted for a substantial share of total VA business in 2019." IMF says, "In terms of full-year origination volume, Veterans Home Loans led the pack with $15.5 billion, followed by Quicken Loans ($14.0 billion) and [illegible]

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Altisource: AI Gains New Importance In Competitive Origination Market.

M Report (2/24, Albanese) says that Altisource's recently-released "State of the Originations Industry" report indicated "that 22% of those surveyed said artificial intelligence as the most important factor in a competitive mortgage market." Altisource VP Ben Hall said, "While the cost to originate a mortgage has continued to rise in recent years, advances in technology are providing opportunities to improve the bottom line. It is more important than ever for organizations to invest in technology and work with vertically integrated third-party service providers to leverage leading technology solutions." According to Altisource's report, "POS solutions are being used to improve the customer experience by making the process of applying for a loan more simple and consistent. Back-office workflow incorporates AI and machine learning to improve quality, drive efficiency and enhance margins for early adopters. Two examples of how organizations are using these technologies include high-volume document processing and intelligent data extraction."

Industry Leaders Praise Nomination Of Dana Wade For FHA Commissioner.

DS News (2/24, Albanese) reports, "Insiders from the housing market reacted favorably to President Donald Trump's announcement that he intends to nominate Dana T. Wade to be the new Federal Housing Commissioner." Five Star Global CEO Ed Delgado said, "Dana is ideally suited to succeed Commissioner Montgomery as head of FHA and I applaud the nomination." The Collingwood Group Chairman Tim Rood said, "President Trump's choice to nominate Dana Wade for Assistant Secretary for HUD & FHA Commissioner is well deserved and well-timed." USMI President Lindsey Johnson said that her organization "applauds" Wade's nomination.

Singletary: Reverse Mortgages Allow Older Adults To "Borrow For Retirement."

In her column for the Washington Post (2/24, 14.2M), Michelle Singletary discusses how reverse mortgages allow older adults to borrow for retirement. She explains, "Unlike a traditional mortgage, with this loan product, you don't have to make monthly payments. Reverse mortgage borrowers don't pay back their loans until they move, sell or die." Then, "once the home is sold, any equity that remains after the loan is repaid is distributed to the person's estate." Singletary highlights a February paper by researchers at the Center for Retirement Research at Boston College, which "looked at whether a reverse mortgage is worth it for older homeowners who need money and have equity in their homes." The researchers wrote, "For many households, particularly those with less wealth, their home equity is larger than their financial assets," and "tapping home equity in retirement could provide millions of retirees with a way to make ends meet or to maintain their standard of living." But, there are costs, which means that "a reverse mortgage works best if you plan to stay in your home for a long time."

Angel Oak EVP: QM Patch Expiration Will Push Volume Into Non-QM Market.

Writing for National Mortgage Professional (2/24), Angel Oak EVP Tom Hutchens says that on January 10, 2021, "the Consumer Financial Protection Bureau's (CFPB) "QM Patch" will expire, meaning that Fannie Mae and Freddie Mac will no longer be allowed to back loans for consumers with DTI greater than 43 percent." According to him, "The impact on loan officers will be dramatic," and when the QM Patch expires, "the non-QM market will certainly spike as far fewer loans will be eligible for Fannie Mae and Freddie Mac participation."

Analysis: Demand For Rental Housing Is Recession-Proof.

Writing for National Real Estate Investor (2/24, 131K), Pat Jackson says that "it does appear that demand for rental housing is impervious to economic downturns and other key real estate variables." Arguing that "current trends support constant demand for multifamily units," Jackson urges readers to consider "the government agencies' role and commitment to multifamily." According to him, "Both Freddie Mac and Fannie Mae are mission-driven when it comes to housing. However, their vision is not myopic. They solve their housing goals by deploying numerous strategies, whether long duration, fixed-rate or other debt types. Unsurprisingly, rental housing remains a critical component of their strategy."

Markets

10-Year Yield Falls.

MarketWatch (2/18, 1.67M) reports the 10-year Treasury yield fell to 1.357 percent.

Dollar Stays Flat.

Reuters (2/25, Westbrook) reports, "The dollar checked its march higher on Tuesday, as investors sharply raised bets that the growing fallout from the coronavirus outbreak would prompt US interest rate cuts." The dollar index against a basket of currencies "was flat at 99.321." The yen, meanwhile, "rebounded hard overnight," but "handed back a bit of its rise as Asian traders still fret about its exposure to China."

Gold Falls.

Reuters (2/25, Narayanan) reports, "Gold prices fell on Tuesday as investors booked profits from a jump to a seven-year high in the previous session and as equities regained some footing, but a spike in coronavirus cases outside of China capped bullion's losses." Spot gold "was down 0.7% at $1,648.36 per ounce as of 0605 GMT," while US gold futures "fell 1.6% to $1,650.60."

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Oil Rises.

Reuters (2/25, Obayashi) reports, "Oil climbed on Tuesday as investors sought bargains after crude benchmarks slumped almost 4% in the previous session, although concerns about the coronavirus spreading out of China and curbing major economies and fuel demand capped gains." Brent crude "rose 49 cents, or 0.9% to $56.79 a barrel by 0751 GMT," while West Texas Intermediate crude futures "gained 42 cents, or 0.8%, to $51.85, recovering from a 3.7% drop in the previous session."

Cybersecurity

August Trial Set For Backpage.com Founders In Sex-Ad Case.

The AP (2/24) reports, "An Aug. 17 trial in Phoenix has been scheduled for the founders of Backpage.com in what federal authorities have described as a scheme to knowingly publish ads for sexual services and launder money earned from the ads." According to the AP, "Founders Michael Lacey and James Larkin and the four employees of the classified advertising site have pleaded not guilty to the charges. Additionally, the site's chief executive and sales and marketing director have pleaded guilty." Backpage.com "is accused of ignoring warnings to stop running advertisements promoting prostitution, sometimes involving children, because the site has brought in $500 million on prostitution-related revenues since its inception in 2004."

Experts Say US Should Not Be Confident About Security Of 2020 Election.

The Washington Post (2/24, Marks, 14.2M) reports in the Cybersecurity 202 column that an informal survey of more than 100 cybersecurity experts of The Network found 57 percent of respondents were not confident about security for the 2020 election. Dave Aitel, a former NSA computer scientist who is now CEO of the cybersecurity company Immunity, said, "There are no signs that any part of our institutions are capable of providing an election that is reasonably secure from tampering and manipulation." Bruce Schneier, fellow and lecturer at the Harvard Kennedy School of Government, added, "Every part of the voting process is vulnerable. This includes the voter registration process, the voting itself, the vote tabulation, and the results-reporting system." The Network features experts "from the US government, private sector and the security research community."

US Agencies Reacting To Security Concerns With TikTok.

The Hill (2/24, Birnbaum, 2.98M) reports that, despite TSA's move to bar its employees from using the TikTok app, the episode also "highlighted frustration that various government agencies have been slow to recognize the potential threat from TikTok – and how difficult it can be to manage employees' personal social media presences." The TSA move came "after criticism from Senate Minority Leader Charles Schumer (D-NY), who along with other China hawks have raised concerns about government employees using the app, which they claim could allow China to access sensitive information about people in the US." Schumer wrote in a Sunday letter to TSA Administrator David Pekoske, "Recently, both the US military and the DHS, which oversees the TSA, detailed social media policies and guidelines as it relates to use of the China-owned app TikTok due to security and privacy concerns."

European Commission Moves To Messaging App "Signal" To Boost Security.

The Verge (2/24, Porter, 2.05M) reports the European Commission has "told its staff to switch to the encrypted Signal messaging app in a move that's designed to increase the security of its communications." Politico reports that, earlier this month, "a message on the commission's internal messaging boards notified employees about the change." According to Politico, Signal "will not be used for all communication." Encrypted emails will be "used to send non-classified but sensitive information, and classified documents use tighter security measures still." The UK's Conservative party "also recently switched to the service." The initiative comes as "the EU is attempting to lock down the security of its communications in the wake of high-profile hacks."

Pentagon Issues Guidelines For Battlefield AI.

The Washington Times (2/24, Wolfgang, Glenn, 492K) reports on Monday, the Department of Defense "rolled out a sweeping set of ethical guidelines to govern the use of artificial intelligence on the battlefield," which the Times calls "a major step forward in the military's campaign to establish firm controls over 21st-century technology." The guidelines were "developed after 15 months of consultation with top technology industry leaders." Under the guidelines, "AI will be employed only in a given situation after an explicit, well-defined purpose has been laid out and is thoroughly understood by all involved," and will always be subject to being overridden by a person. Defense Secretary Esper said, "AI technology will change much about the battlefield of the future, but nothing will change America's steadfast commitment to responsible and lawful behavior."

The AP (2/24, O'Brien) reports the Pentagon is "adopting new ethical principles as it prepares to accelerate its use of artificial intelligence technology on the battlefield." The new principles "call for people to 'exercise appropriate levels of judgment and care' when deploying and using AI systems, such as those that scan aerial imagery to look for targets." Air Force Lt. Gen. Jack Shanahan, director of the Pentagon's Joint Artificial Intelligence Center "said that decisions made by automated systems should be 'traceable' and 'governable,' which means 'there has to be a way to disengage or deactivate' them if they are demonstrating unintended behavior."

The Hill (2/24, Rodrigo, 2.98M) reports Secretary of Defense Mark Esper said in a statement, "The US, together with our allies and

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partners, must accelerate the adoption of AI and lead in its national security applications to maintain our strategic position, prevail on future battlefields, and safeguard the rules-based international order." The recommendations, which were "developed over 15 months, follow the guidelines released by the White House in January." The White House's Office of Science and Technology Policy "said in a memo circulated to federal agencies that proposed regulations should encourage 'fairness, non-discrimination, openness, transparency, safety, and security.'"

TFI/Sanctions

PDVSA Moves Oil Shipments To Different Rosneft Unit As US Threatens Further Sanctions.

Reuters (2/24, Parraga) reports internal documents from Venezuelan state-owned oil company PDVSA showed the company "has shifted several oil cargoes from Rosneft Trading SA, which was hit by U.S. sanctions last week, to another affiliate of the Russian oil giant." Reuters says the documents showed "four cargoes carrying some 6.7 million barrels of Venezuelan oil which had previously been allocated to Rosneft Trading for February loading were changed in recent days to another unit of the Russian firm, TNK Trading." The Trump Administration's Special Representative for Venezuela Elliott Abrams "told Reuters on Monday that he was aware of the cargoes shifted to TNK Trading," saying, "I'd only say that if they play games like that with OFAC, all that will happen is additional companies will get sanctioned."

Federal Reserve

Fed Rate Cut Now Expected By The Middle Of The Year

According to the Washington Post (2/24, Siegel, 14.2M), "Central bank chiefs may be ill-equipped to battle the economic consequences" of the epidemic because interest rates are "already in negative territory in Europe and near historic lows in the United States." The Post reports "making credit less expensive – the Fed's standard tool for combating a slump – may offset some of the financial upheaval, but will do little to remedy broken supply chains or ease worker and consumer fears of contagion." Nevertheless, the Post reports that "some investors now expect the Fed to cut rates to counteract some of the economic weakness."

The Wall Street Journal (2/24, McCabe, Subscription Publication, 7.57M) reports that there is still very little expectation among economists that a recession in the U.S. is imminent. The Journal also reports that federal-funds futures indicate that traders think there is an 85% probability that the Fed will cut rates by the middle of the year. Reuters (2/24, Burns) reports that "a month ago that was seen as a roughly 50-50 prospect." According to Reuters, "Contracts expiring in early 2021 were priced for a Fed policy rate of around 1% or lower, compared with the current level of between 1.50% to 1.75%, where it sits after three rate cuts last year." However, "Top U.S. central bank officials have signaled repeatedly that they see no need to cut rates further any time soon because they see the American economy performing well and it is too soon to judge the risk from coronavirus."

Mester: Coronavirus Could Threaten US Economy But Too Soon To Assess Need For Rate Changes.

Bloomberg (2/24, Hajric, Ossinger, 4.73M) reports that Cleveland Fed President Loretta Mester on Tuesday "said the worsening coronavirus outbreak represents a threat to the U.S. economy, but not one that yet justifies any change in monetary policy." Mester, "who is a voter this year on the Federal Open Market Committee," is quoted as saying, "At this point, it is difficult to assess the magnitude of the economic effects. ... In my view, our current policy stance is appropriate given the outlook of growth near its trend pace," and "solid labor market conditions." The AP (2/24, Rugaber), Reuters (2/24, Dunsmuir), The Financial Times (2/24, Greeley, Subscription Publication, 1.34M), and CNBC (2/24, Cox, 3.62M) also report.

Fed Accepts $40.75B In Overnight Repo Operation.

Reuters (2/24, Kerber) reports the New York Fed "said it accepted $40.75 billion in overnight bids from primary dealers in a repurchase agreement operations, a move intended to keep the federal funds rate within its target range."

Office of the Comptroller of the Currency

Otting Discusses CRA Reform With Operation HOPE's John Hope Bryant.

The Atlanta SaportaReport (2/24) features a video on its site of Comptroller of the Currency Joseph Otting and senior executives at the OCC speaking with Operation HOPE Chairman John Hope Bryant about Community Reinvestment Act reform.

Editorial Wrap-Up

New York Times.

"The Lessons Of #MeToo's Monster." The New York Times (2/24, 18.61M) editorializes that "the hard-won, long-overdue conviction" of Harvey Weinstein "shows the obstacles presented by the American legal system to successfully prosecuting abusers." For a "more balanced legal approach to sexual assault," the Times supports changes to state statutes of limitations "to give victims the opportunity to come forward even years after a traumatic assault." The Times also says "law enforcement authorities need to let women know that they will be listened to, and that their cases will be prosecuted quickly and thoroughly."

AMERICAN OVERSIGHT

Washington Post.

"Coronavirus Dangers Loom. Complacency Is One Of Them." In an editorial, the Washington Post (2/24, 14.2M) says that while case data from China which suggests that the epidemic there "the epidemic there is easing" is hopeful, "a moment of optimism should not distract from preparations for a less favorable outcome."

"The Weinstein Verdict Was A Singular Moment In The #MeToo Movement." In an editorial, the Washington Post (2/24, 14.2M) reports a jury's verdict on Monday finding Harvey Weinstein guilty of two felony sex crimes was "a singular moment in the #MeToo movement, a statement that any man who sexually mistreats women in the workplace, no matter his wealth or prestige, can be held to account." While the jury acquitted Weinstein of the "most serious charges," the Post says that "the not-guilty findings on those charges, which would have rested on a pattern of conduct, don't diminish the importance of the justice rendered in a case that was fraught with legal complexities and social and political overtones." The Post hopes "the bravery of these women coming forward to tell their stories under terrifying circumstances — and the fact that they were believed — will empower others who have been victimized."

"An Education Plan That Trades A High Cost For Far Too Little." In an editorial, the Washington Post (2/24, 14.2M) criticizes the high "price tag" of Maryland's education plan, which "would require $4 billion a year in new spending from state and local governments," because it would do enough to solve underlying issues. The Post, pointing out that the state spends more than the national average on certain metrics, argues that "just spending more without attacking the inherent problems or insisting on real accountability is misguided." It concludes that the plan "comes with a high cost while doing far too little."

"In Azerbaijan, A Travel Ban And A Sham Election." In an editorial, the Washington Post (2/24, 14.2M) accuses Azerbaijan President Ilham Aliyev of "high-level corruption and cronyism," and practicing "retribution and repression" against dissidents. The Post says Aliyev is "continuing to punish one of the journalists who investigated his family riches, Khadija Ismayilova, while also presiding over a phony parliamentary election." The Post lauds Ismayilova as "a courageous journalist struggling to carry out the very essence of democratic ideals — holding the powerful to account — under a regime with no tolerance of free expression or rule of law."

Wall Street Journal.

"A Market Pandemic." A Wall Street Journal (2/24, Subscription Publication, 7.57M) editorial seems to caution investors against panicking over the coronavirus' effect on the global economy. The Journal argues that the US economy is strong, with low unemployment, solid wage growth and strong consumer spending. Given that stock prices are high, the Journal adds, a market correction does not foreshadow a recession.

"Bernie's Cuba Illiteracy." The Wall Street Journal (2/24, Subscription Publication, 7.57M) says in an editorial that Sen. Bernie Sanders (I-VT) gets Cuba's history wrong, writing that the country had a high literacy rate before Castro took power, and that nations like Colombia and Ecuador came from behind to surpass Cuba in development while Castro's Cuba stagnated.

"California's Janus Jiu Jitsu." The Wall Street Journal (2/24, Subscription Publication, 7.57M) in an editorial, writes that after the Supreme Court's 2018 Janus v. Afscme ruling, California established rules that the Journal says undermined the decision, by prohibiting public officials from speech that may be understood as critical of union membership or union dues, but on Friday seven California officials sued, contending that the prohibition violates the First Amendment and is also unconstitutionally vague. The Journal agrees with their objections.

"The Train That Ran Over Boris Johnson." The Wall Street Journal (2/24, Subscription Publication, 7.57M) in an editorial criticizes UK Prime Minister Boris Johnson's decision to approve HS2, a high-speed rail line from London to Manchester, that is to cut travel time between the two cities in half to one hour with top speeds of over 250 miles per hour. The Journal cites estimates that its final cost may be more than double the original estimate of £50 billion with the completion date now expected to be 2036 rather than the original 2027. The Journal argues that England would be better served by an array of less expensive projects to improve its train service rather than focusing on a single very expensive project.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Dow Industrials Close 1,000 Points Lower As Coronavirus Cases Mount
Coronavirus's Global Spread May Not Be Contained, WHO Says
Supreme Court To Consider Religious Rights Case Involving Same-Sex Couples
Harvey Weinstein Convicted Of Some Sex Crimes, Acquitted Of Others
Where's My Cup? Offices Find It's Not Easy Going Green

New York Times:

Harvey Weinstein Is Found Guilty Of Sex Crimes In #MeToo Watershed
With Weinstein Conviction, Jury Delivers A Verdict On #MeToo
US Stocks Plunge As Coronavirus Crisis Spreads

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As Trump Barricades The Border, Legal Immigration Is Starting To Plunge
Katherine Johnson Dies At 101; Mathematician Broke Barriers At NASA
Sanders Says He'll Attract A Wave Of New Voters. It Hasn't Happened.

Washington Post:
Rivals Rip Sanders's Past Praise Of Communists
One Of NASA's 'Hidden Figures'
As Modi Roils India, Trump Hails Its 'Unity'
Global Markets Tumble As Virus's Reach Expands
Weinstein Is Found Guilty Of Sexual Assault
Grenell's Commentary, Hungary Ties Draw Scrutiny

Financial Times:
Trump Presses Modi To Bolster US Ties Amid Trade Frictions
Global Stocks Have Worst Day In Two Years As Virus Fears Spread
Iran Faces Further Isolation After Jump In Coronavirus Deaths
Harvey Weinstein Found Guilty Of Sex Crimes At Trial

Washington Times:
'To Their Own Peril': 2020 Democrats Sidestep Fight For Supreme Court
'Clear The Field': Dems Scramble As Sanders' Surge Fuels Fears Of Electoral Nightmare
Stocks Plunge As Coronavirus' Spread Takes Toll On Global Business
Pentagon's New Rules For Autonomous Weapons, Combat AI Called 'Ethics-Washing Project'
Harvey Weinstein's Sex-Crimes Conviction Buoys #MeToo Activists
Chinese Tech In US Funnels Data To Beijing's Intelligence Services

Story Lineup From Last Night's Network News:
ABC: Weinstein Verdict; Coronavirus; Wall Street-Coronavirus Impact; Kobe Bryant Tribute; South Carolina Primary; Trump-India; Germany-Driver Runs Into Crowd During Parade; Weather Report; Washington-Injured Runner Crawls 11 Hours To Get Help; Florida-Driver Rescued from Sinking SUV; Remembering NASA Mathematician Katherine Johnson.
CBS: Weinstein Verdict; Wall Street-Coronavirus Impact; Coronavirus; South Carolina Primary; Trump-India; Kobe Bryant Tribute; Jussie Smollett-New Charges; South Carolina-Healthcare; Smart Speakers; Daytona 500-Ryan Newman Injuries; Remembering NASA Mathematician Katherine Johnson.
NBC: Weinstein Verdict; Kobe Bryant Tribute; Coronavirus; Wall Street-Coronavirus Impact; Germany-Driver Runs Into Crowd During Parade; Trump-India; South Carolina Primary; Jussie Smollett-New Charges; Weinstein Trial-Impact; Controversial Amazon Series 'Hunters'; Remembering NASA Mathematician Katherine Johnson.

Network TV At A Glance:
South Carolina Primary-Bernie Sanders – 7 minutes, 35 seconds
Coronavirus – 7 minutes, 5 seconds
Remembering NASA Mathematician Katherine Johnson – 5 minutes, 20 seconds
Wall Street-Coronavirus Impact – 3 minutes, 20 seconds
Trump-India – 0 minutes, 50 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Coronavirus; Wall Street-Coronavirus Impact; Weinstein Verdict; South Carolina Primary; Indiana-Man Declines Right to Jury Trial.
CBS: Weinstein Verdict; Wall Street-Coronavirus Impact; South Carolina Primary; Jussie Smollett-New Charges; Trump-India; Stocks.
FOX: Weinstein Verdict; Coronavirus; Wall Street-Coronavirus Impact; Bernie Sanders Campaign.
NPR: Coronavirus; Wall Street-Coronavirus Impact; Stocks; Sen. Rubio-Senate Climate Solutions Caucus; Weinstein Verdict.

Last Laughs

Late Night Political Humor.

Conan O'Brien: "Bernie Sanders is now the front-runner. ... He's getting a lot of attention. People are asking a lot of harder questions. For example, Bernie Sanders is now refusing to release his full medical records. That is true. Yeah, the senator defended himself. He said, 'It's not my fault. No one kept records during the bubonic plague.'"

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Conan O'Brien: "President Trump is in India. ... Yes, and 100,000 people came to a stadium to hear him speak. Which, keep in mind, in India, that's like playing to an empty house. That's nothing."

Conan O'Brien: "President Trump arrived in India, and there was kind of an awkward moment when Trump pulled out his laptop and said, 'Who can help me?'"

Trevor Noah: "Last night, [President Trump] flew 8,000 miles for his first state visit to India. Seven million people came out to see Trump go from the airport to the stadium. That's impressive. Although, to be fair, it's also India. There's 7 million people between any two locations."

Trevor Noah: "It is true that Donald Trump is very popular in India. All right? Some like him because of his anti-Muslim rhetoric. Some like him because of his business savvy. All of them like him because his skin looks like tikka masala."

Trevor Noah: "They're trying so hard to impress Trump that they're even building a wall to hide their slums. Trump has to love that: 'They built a wall, and I haven't seen a single Mexican.'"

Stephen Colbert: "A lot of moderate Democrats are concerned about having a democratic socialist at the top of the ticket. Last night, '60 Minutes' aired an interview with Bernie, and he didn't do much to put his critics at ease. ... Bernie, are you trying to kill everyone at MSNBC? You sound like Fidel Castro's mom. 'Now I know Fidel did a lot of murder, but look at this macaroni picture he made in the third grade. These little rotini down here are the graves of his enemies.'"

Stephen Colbert: "While the Democrats battle it out back home, Trump is abroad in India. ... Trump's first stop was at the home of Mahatma Gandhi, where he got the chance to spin a replica of the wheel that Gandhi used to make his own clothes. That's lovely. Now he knows what it feels like to work in one of Ivanka's factories."

Stephen Colbert: "The day's big event was a giant political rally for the President called 'Namaste Trump,' which I really hope means he had to publicly do yoga."

Stephen Colbert: "'Namaste Trump' was Modi's way of thanking Trump for a rally in September, when Trump joined the prime minister in Texas for an event called 'Howdy Modi!' Which went a lot better than Trump's event with the Chinese President, 'That's What Xi Said.'"

Stephen Colbert: "There is one challenge for Trump in India because Modi is a devoted vegetarian and plans to serve vegetarian food to the President. Oh, my God. We're going to war with India."

Jimmy Kimmel: "You know, a week from tomorrow, it's Super Tuesday. Fourteen states – including ours, California – vote. And if you're voting for a Democrat, you have to pick a candidate. ... Unfortunately, most people I talk to about this still don't know which one. Do you go with the candidate who has the best chance to beat Donald Trump? Do you go with the one you like the most? Or the candidate with the strongest teeth and bones?"

Jimmy Kimmel: "Boy, the debate on Wednesday was a disaster for Mike Bloomberg. The Democrats put on a...it was a real Vegas magic show. Elizabeth Warren sawed Bloomberg's campaign in half in Las Vegas."

Jimmy Kimmel: "You know, [Bloomberg]'s spending a lot of money. He's spent more than $500 million so far. He's buying everything – commercials, social media, billboards. He even hired the Houston Astros to go around stealing the other candidates' signs."

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Jimmy Kimmel: "What I think the candidates should do, and I know this is not the traditional way they do it, but this isn't a traditional election. ... Instead of waiting for the nomination, I think the candidates should pick their running mates now to make it easier for us. Mike Bloomberg, for instance. He spent a ton of money and it worked, but he got hammered in the debate with stop-and-frisk and these harassment-related confidentiality agreements. What Michael Bloomberg needs is a strong running mate, and that running mate – I thought about this a lot – should be Denzel Washington. ... You'd get a huge chunk of the black vote. And while a lot of women want a female President, you know what else a lot of women want? Denzel Washington. That's right. Bloomberg-Washington. That's a strong ticket."

Jimmy Kimmel: "Next you have Joe Biden, another old white man whose biggest problem is that he's not progressive enough. So who do we pair him with? Flo. Energetic, woman, only person in the world with more commercials than Mike Bloomberg. She's got name recognition. She's literally progressive. She works for the company. And if anyone can figure out this insurance mess, she's been on that for years. And on top of that, Joe and Flo – great bumper sticker. Even Joe Biden could remember that."

Jimmy Kimmel: "Now we have Elizabeth Warren. She's tough, intelligent, almost too intelligent. Kind of the grown-up version of the smart kid no one likes that much in school. Very bright. But she needs someone fun. She needs someone like Lizzo. Liz and Lizzo."

Jimmy Kimmel: "Next we have Amy Klobuchar. She doesn't have a lot of support, doesn't have a lot of charisma. Out of money. Amy Klobuchar's only hope right now is Oprah Winfrey."

Jimmy Kimmel: "And the other wild card is Buttigieg. Mayor Pete. He's got some hurdles, though. He's too young. He's too clean. He's gay, which sadly is going to bother some people. And he's from South Bend, Indiana, which is just slightly bigger than a Walmart."

Jimmy Kimmel: "Meanwhile, the President is in India right now for a two-day 'Eat, Pray, Love Himself' tour."

Jimmy Kimmel: "The Indian prime minister organized a huge rally to welcome Trump at the largest cricket stadium in the world. Trump doesn't know much about cricket. The only cricket Trump knows are the ones he hears when he asks Melania if he can sleep in her room."

Seth Meyers: "President Trump and First Lady Melania Trump visited Taj Mahal today in India, and it must have been upsetting to Trump that Taj Mahal has been there for 400 years, but his declared bankruptcy after a year."

Seth Meyers: "While in India today, President Trump and First Lady Melania Trump visited Mahatma Gandhi's former home. Said Trump, 'Cool, where's he live now?'"

James Corden: "Of course, the other huge contest over the weekend was the Nevada caucuses. Bernie Sanders won big, which means he has now firmly established himself as the Democratic front-runner. Bernie is, of course, thrilled about this. This must be an incredible feeling. Almost nobody spends the weekend in Vegas and feels good about how things turned out."

James Corden: "Meanwhile, President Trump is making an official visit overseas. Today, he arrives in India for his first trip there. President Trump and First Lady Melania took some time to do a little sightseeing today. Here they are visiting the world famous Taj Mahal. Trump described the Taj Mahal as 'too understated.'"

Washington's Schedule

Today's Events In Washington.

White House:

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• President Trump — and THE FIRST LADY participate in a Welcome Ceremony and THE FIRST LADY participate in a Wreath Laying and Tree Planting Ceremony participates in a restricted bilateral program; participates in an expanded bilateral program; delivers a joint press statement with the Prime Minister of the Republic of India; participates in a social lunch with the Prime Minister of the Republic of India; participates in a business roundtable; participates in an Embassy Meet and Greet; holds a press availability; and THE FIRST LADY participate in a courtesy call with the President of India; and THE FIRST LADY participate in a State Banquet Welcome Ceremony; and THE FIRST LADY participate in a State Banquet.
• Vice President Pence — 'Keep America Great' event in Michigan.

US Senate:

• Senate Armed Services Committee hearing on EUCOM and USTRANSCOM – Hearing on 'United States European Command and United States Transportation Command', with testimony from U.S. European Command Commander / NATO Supreme Allied Commander Europe Gen. Tod Wolters; and U.S. Transportation Command Commander Gen. Stephen Lyons

Location: Rm 216, Hart Senate Office Building, Washington, DC; 9:30 AM
• Senate Urban Affairs Committee hearing on surface transportation reauthorization – Hearing on 'Surface Transportation Reauthorization: Public Transportation Stakeholders' Perspectives', with testimony from American Public Transportation Association President and CEO Paul Skoutelas; American Association of State Highway Transportation Officials President Patrick McKenna; Community Transportation Association of America Executive Director Scott Bogren; U.S. Chamber of Commerce Vice President for Transportation and Infrastructure Ed Mortimer; and AFL-CIO Transportation Trades Department President Larry Willis

Location: Rm 538, Dirksen Senate Office Bldg, Washington, DC; 10:00 AM
• Hearing on 'Rule by District Judge: The Challenges of Universal Injunctions'

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM
• Senate Natural Resources Committee hearing on USFS FY'21 budget – Hearing 'To Examine the President's FY 2021 Budget Request for the USDA Forest Service', with testimony from U.S. Forest Service Chief Victoria Christiansen

Location: Rm 366, Dirksen Senate Office Building, Washington, DC; 10:00 AM
• Acting DHS Secretary Wolf testifies to Senate Appropriations subcommittee hearing on FY'21 budget – Homeland Security Subcommittee 'Hearing to review the Fiscal Year 2021 funding request and budget justification for the U.S. Department of Homeland Security', with testimony from Acting Secretary of Homeland Security Chad Wolf

Location: Rm 138, Dirksen Senate Office Building, Washington, DC; 10:00 AM
• HHS Secretary Azar testifies at Senate Appropriations subcommittee hearing on FY'21 budget – Labor, Health and Human Services, Education, and Related Agencies Subcommittee 'Hearing to review the Fiscal Year 2021 funding request and budget justification for the U.S. Department of Health and Human Services', with testimony from Secretary of Health and Human Services Alex Azar

Location: Rm 124, Dirksen Senate Office Building, Washington, DC; 10:30 AM
• House / Senate Veterans' Affairs Committees hear legislative presentation from vets group – House Committee on Veterans Affairs and Senate Committee on Veterans Affairs joint hearing on 'Legislative Presentation of the Disabled American Veterans', with testimony from DAV National Commander Stephen Whitehead, National Service Director Jim Marszalek, National Legislative Director Joy Ilem, Washington Headquarters Executive Director Randy Reese, National Adjutant J. Marc Burgess, National Headquarters Executive Director Barry Jesinoski, Chief Communications and Outreach Officer Dan Clare, and DAV Auxiliary National Commander Diane Franz

Location: Rm G50, Dirksen Senate Office Bldg, Washington, DC; 2:00 PM
• Senate Foreign Relations subcommittee hearing on North Korea policy – East Asia, the Pacific, and International Cybersecurity Policy Subcommittee hearing on 'North Korea Policy One Year After Hanoi', with testimony from Center for Strategic and International Studies Senior Adviser Robert King, and Korea Chair Senior Fellow Dr Sue Mi Terry; and Heritage Foundation Senior Research Fellow for Northeast Asia Bruce Klingner * President Donald Trump and North Korean leader Kim Jong Un held their second summit meeting last year in Vietnam

Location: Rm 419, Dirksen Senate Office Building, Washington, DC; 2:15 PM
• Senate Armed Services Committee closed briefing on EUCOM and USTRANSCOM – Closed briefing on 'United States European Command and United States Transportation Command', given by U.S. European Command Commander / NATO Supreme Allied Commander Europe Gen. Tod Wolters; and U.S. Transportation Command Commander Gen. Stephen Lyons

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Location: SVC-217, U.S. Capitol Visitor Center, Washington, DC; 2:30 PM

• Closed Briefing: Intelligence Matters

Location: Rm 219, Hart Senate Office Building, Washington, DC; 2:30 PM

***US House*:**

• House / Senate Veterans' Affairs Committees hear legislative presentation from vets group – House Committee on Veterans Affairs and Senate Committee on Veterans Affairs joint hearing on 'Legislative Presentation of the Disabled American Veterans', with testimony from DAV National Commander Stephen Whitehead, National Service Director Jim Marszalek, National Legislative Director Joy Ilem, Washington Headquarters Executive Director Randy Reese, National Adjutant J. Marc Burgess, National Headquarters Executive Director Barry Jesinoski, Chief Communications and Outreach Officer Dan Clare, and DAV Auxiliary National Commander Diane Franz

Location: Rm G50, Dirksen Senate Office Bldg, Washington, DC; 2:00 PM

• House meets for legislative business – House of Representatives meets for legislative business, with agenda including consideration of 'H.R. 2227 – Gold Star Spouses and Spouses of Injured Servicemembers Leasing Relief Expansion Act of 2019', as amended, 'H.R. 4852 – GIVE Act', 'H.R. 3749 – Legal Services for Homeless Veterans Act', as amended, 'H.R. 561 – Protecting Business Opportunities for Veterans Act of 2019', as amended, and 'H.R. 4613 – VA Reporting Transparency Act' under suspension of the rules

Location: U.S. Capitol, Washington, DC; 2:00 PM

***Cabinet Officers*:**

• Secretary of State Pompeo speaks at Global Chiefs of Mission Conference – Secretary of State Mike Pompeo delivers remarks at the Global Chiefs of Mission Conference (8:15 AM EST, closed press), and later hosts a dinner for attendees (6:00 PM EST, closed press)

Location: State Department, Washington, DC; 8:15 AM

• Acting DHS Secretary Wolf testifies to Senate Appropriations subcommittee hearing on FY'21 budget – Homeland Security Subcommittee 'Hearing to review the Fiscal Year 2021 funding request and budget justification for the U.S. Department of Homeland Security', with testimony from Acting Secretary of Homeland Security Chad Wolf

Location: Rm 138, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• HHS Secretary Azar testifies at Senate Appropriations subcommittee hearing on FY'21 budget – Labor, Health and Human Services, Education, and Related Agencies Subcommittee 'Hearing to review the Fiscal Year 2021 funding request and budget justification for the U.S. Department of Health and Human Services', with testimony from Secretary of Health and Human Services Alex Azar

Location: Rm 124, Dirksen Senate Office Building, Washington, DC; 10:30 AM

***Visitors*:**

• Royal Thai Army chief lays wreath at Tomb of the Unknown Soldier – Armed Forces Full Honor wreath-laying ceremony at the Tomb of the Unknown Solider by Royal Thai Army Commander-in-Chief Gen. Apirat Kongsompong, as part of his official visit to the U.S., hosted by Joint Staff J-8 Force Protection Deputy Director Maj. Gen. Sean Gainey * Earlier in the day Army Chief of Staff Gen. James McConville hosts Full Honor Arrival for Gen. Kongsompong at Whipple Field Joint Base Myer-Henderson Hall, Virginia (10:00 AM EST)

Location: Tomb of the Unknown Soldier, Arlington, Fort Myer, VA; 10:00 AM

***This Town*:**

• NASDA 2020 Winter Policy Conference continues – National Association of State Departments of Agriculture 2020 Winter Policy Conference continues, with speakers today including remarks from NASDA President Doug Goehring and CEO Barb Glenn; U.S. Farmers & Ranchers Alliance CEO Erin Fitzgerald; American Farm Bureau Federation Chief Economist John Newton; and Department of Agriculture Chief Economist Rob Johansson * Followed by Congressional Reception at the Capitol Visitors Center (6:00 PM EST)

Location: Renaissance Arlington Capital View Hotel, 2800 S Potomac Ave, Arlington, VA; 6:30 AM

• NAHU Capitol Conference continues – NAHU Capitol Conference continues, with speakers today including Republicans Sens. Mike Rounds and Todd Young and Rep. Adrian Smith, and Democratic Reps. Lauren Underwood, Joe Courtney, Kurt Schrader and Ann Kuster

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Location: Hyatt Regency Washington on Capitol Hill, 400 New Jersey Avenue Northwest, Washington, DC; 7:00 AM

• Fed vice chair speaks at NABE Economic Policy Conference – Annual NABE Economic Policy Conference concludes. Speakers today include Federal Reserve Board Vice Chair Richard Clarida, Federal Housing Finance Agency Director Mark Calabria, World Bank Group President David Malpass, The Cook Political Report founder Charlie Cook, Moody's Analytics Chief Economist Mark Zandi, Harvard Kennedy School Practice of Economic Policy Professor Jason Furman, American Action Forum President Douglas Holtz-Eakin, and Robert Half International Vice Chairman and CEO M. Keith Waddell

Location: Capital Hilton, 1001 16th Street NW, Washington, DC; 7:30 AM

• CMS Quality Conference – CMS Quality Conference. Speakers today include CMS Administrator Seema Verma and Assistant Secretary of Health and Human Services for Health Adm. Brett Giroir

Location: Hilton Baltimore, 401 W Pratt St, Baltimore, MD; 8:00 AM

• U.S. Supreme Court hearing – U.S. Supreme Court hearing: 'United States v. Sineneng-Smith' (Whether the federal criminal prohibition against encouraging or inducing illegal immigration for commercial advantage or private financial gain, in violation of Title 8 Section 1324(a)(l)(A)(iv) and (B)(i) of the United State Code, is facially unconstitutional?)

Location: Supreme Court of the United States, Washington, DC; 10:00 AM

• American Association of State Highway and Transportation Officials Washington Briefing

Location: Washington Court Hotel, 525 New Jersey Ave NW, Washington, DC; 10:00 AM

• GOP Sen. Dan Sullivan keynotes Brookings event on China's foreign relations – 'Global China: Assessing China's relations with the great powers' Brookings Institution event, to discuss how the country's global ambitions have significant implications for relations with the U.S., India, Japan, Russia, and the EU. Keynote from Republican Sen. Dan Sullivan, with other speakers include Brookings' Center on the United State and Europe Director Thomas Wright and Nonresident Senior Fellow Angela Stent, Center for East Asia Policy Studies Director Mireya Solis and Foreign Policy Fellow Ryan Haas, and The India Project Director Tanxi Madan

Location: Brookings Institution, 1775 Massachusetts Ave NW, Washington, DC; 1:00 PM

• CRFB 2020 Better Budget Process Summit – Committee for a Responsible Budget 2020 Better Budget Process Summit: Building Momentum for Meaningful Reform, with remarks from Republican Sen. Mike Enzi and Democratic Sen. Sheldon Whitehouse on the 'Bipartisan Congressional Budget Reform Act', the first bipartisan budget process reform bill to pass the Senate Budget Committee in 30 years. Other speakers include Republican Sen. James Lankford, Maya MacGuineas (CRFB), Bill Dauster (University of Pennsylvania), and Bill Hoagland (Bipartisan Policy Center

Location: Hyatt Regency Washington On Capitol Hill, 400 New Jersey Ave NW, Washington, DC; 1:15 PM

• Jamestown Foundation discussion on energy in the Balkans – 'Balkan Energy Battlegrounds Gas Pipelines and Geopolitics' Jamestown Foundation event, on discussing the emerging geopolitical competition over natural gas supplies to Southeastern Europe. Speakers include former Hungarian Ambassador to the U.S. Reka Szemerkenyi, East European Gas Analysis Managing Director Mikhail Korechemkin, Jamestown Foundation Senior Fellow Margarita Assenova, BP America Head of International Affairs Robert Scher, Caspian Policy Center Board Member Robert Cekuta, and The Middle-East Institute Senior Fellow Rauf Mammadov

Location: Carnegie Endowment for International Peace, 1779 Massachusetts Ave NW, Washington, DC; 1:30 PM

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TO: THE SECRETARY AND SENIOR STAFF
DATE: WEDNESDAY, FEBRUARY 12, 2020 6:00 AM EST

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• Rose, Soufan Make Case For Designating White Supremacist Groups As Terrorist Organizations.
• Esper Wants NATO To Step Up Role In Fight Against ISIS.
• RCP Average Has Trump's Job Approval At 45.1%.

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• Argentina Delays $1.47B Bond Payment Ahead Of IMF Talks.
• Egypt's Central Bank Governor Says Talks Occurring With IMF On Technical Assistance, Structural Reforms.

CFTC-22-0351-A-001691

• Lebanon's New Government Wins Confidence Vote As Mass Protests Continue.

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• McConnell Urges Senate To Oppose Bill Constraining Trump's Iran War Powers.
• Pompeo Warns Iran's Space Efforts Could Help Development Of Missile Program.
• Hezbollah Reportedly Increased Cooperation With Iraqi Militias After Soleimani Strike.
• UAE's Gargash Supports Iran Deescalation.
• Syrian Army Recaptures Strategic Highway Held By Rebels Since 2012.
• Doctor Featured In Documentary Was Only Woman Running A Hospital In Rebel-Held Syria.
• Trump Gives Conditional Approval To Peace Deal With Taliban.
• Six Killed In Kabul Bombing Targeting Military Academy.
• Trumps To Host State Dinner For Spanish Royals.
• Grenell: Evidence Shows Trump's Foreign Policy Style Is Working.
• CIA's Secret Ownership Of Encryption Company Enabled Expansive Espionage For Decades.
• At UN, Abbas Denounces Trump's Plan For Israel And Palestine.
• Philippines Tells US It Intends To Exit Security Agreement.
• NYTimes Analysis: Merkel Heir's Exit Exacerbates Concerns About German Leadership.
• Guaidó Says He Is Back In Venezuela.
• WPost Analysis: Increasing Role Of Military In Latin American Countries Reflects Dissatisfaction With Democracy.
• Official: Sudan To Turn Bashir Over To ICC.
• Australians' Support For Coal Shaken By Climate Concerns.
• WPost: Western Governments Should Help Belarus Resist Putin.

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• Freddie Mac Survey Reveals Most Renters Mistakenly Believe They Pay Less Than Homeowners.
• Multifamily Executives At MBA CREF 2020 Conference Are Optimistic.
• NY Fed: US Household Debt And Mortgage Debt Hit Another Highs In Q4.
• MBA Releases Commercial And Multifamily Servicer Rankings.
• Podcast: DeMarco Discusses QM And ATR Rule, GSE Reform.
• Multifamily Financing.
• KeyBank Provides $23M Freddie Mac Refi For Louisiana Tech Student Housing.
• CBRE Originates $20M Freddie Mac Acquisition Loan For Denver Community.
• Freddie-Financed Atlanta Property Refinanced.
• Research Suggests CECL Could Prompt Federal Banking Regulators To Loosen Capital Requirements.
• NAR Panel Focuses On Closing The Racial Homeownership Gap.
• With Latest Drop In Rates, Mortgage Investors Prepare For A New Wave Of Refis.
• CoreLogic: National Overall Delinquency Rate Was 3.9% In November.
• Industry Still Has Questions About QM And ATR.
• LoanDepot Survey: Millennials, Gen Z Expect Help From Parents When Buying First Home.
• NAR Studies Impact Of Legal Marijuana On Real Estate.
• Some San Francisco Bay Area Builders Embracing Tiny Homes After ADU Restrictions Loosened.
• CVS To Invest $75 Million In Affordable Housing.
• Analysis: Hiring Of Houlihan Lokey Moves Government Closer To Ending GSE Conservatorship.
• Analysis: Mortgage Company Investors Should Understand Cross-Default Risk.

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• Puerto Rican Bank To Resolve US Money Laundering Probe For $1 Million.

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• Dollar Holds Onto Gains.
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• China Denies PLA Was Behind Equifax Hack.
• New Warrant Reveals How Apple Detects Child Pornography.
• Senior DNI Officials Warn Of Rising Cyber Threats.
• US Officials Say Huawei Can Access Mobile Phone Networks Through "Back Doors."
• Republican Senators Block Three Election Security Bills.
• DHS' Cybersecurity Agency Releases 2020 Election Security Plan.
• New Study Finds Cryptocurrency Crime Losses Doubled To $4.5B In 2019.
• FBI Issues New 2019 Internet Crime Report.
• State Officials Argue For More Federal Funding To Fight Cyberattacks.
• Seattle Pushing Limits Of Electronic Balloting Despite Iowa Fiasco.
• Proposed 2021 Federal Spending On Cyber Issues Has Winners And Losers.
• New Study Finds Mac Cyber Threats Outpaced Windows By Two To One.

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• Upcoming Stress Tests To Focus On Leveraged Lending.

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• Nicaragua Creates New State Fuel Companies Following US' December Sanctions.

Federal Reserve

• Powell Upbeat On Economy, Sees No Reason To Raise Or Cut Rates.

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• Bullard: Repo Interventions Mean Fed's Message "Blurred" On Monetary Policy.
• Kashkari: Central Bank's Monetary Policy Only Providing Small Boost To Economy.
• NYTimes: Shelton Is Disastrous Choice For Federal Reserve.
Internal Revenue Service
• IRS Has Not Ruled On Carbon-Capture Tax Credit Approved In 2018.
Office of the Comptroller of the Currency
• Scharf To Divide Wells Fargo's Business Units, Change Reporting Hierarchy.
• Fifth Third Notifies Customers Of Data Breach.
Editorial Wrap-Up
• New York Times.
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Treasury in the News

More Than 100 New Coronavirus Deaths Confirmed, Total Now Tops 1,000.

The AP (2/11, McDonald) reports that "the daily death toll in China from a new virus topped 100 for the first time, pushing the total fatalities above 1,000 Tuesday." According to the AP, "Despite the official end of the extended Lunar New Year holiday, China remained mostly closed for business as many remained at home, with some 60 million people under virtual quarantine." The AP goes on to report that "with the death toll reaching 1,016 in mainland China and no end in sight, heads are beginning to roll. ... State media reported Tuesday that the top health officials in Hubei province, home to the epicenter of Wuhan, have been relieved of their duties."

Reuters (2/11, Kirton, Nebehay) reports that "layoffs were beginning despite assurances by President Xi Jinping that widespread sackings would be avoided, as supply chains for global firms from car manufacturers to smartphone makers ruptured." According to Reuters, "Statistics from China indicate about 2% of people infected with the new virus have died, and many had pre-existing medical conditions or were elderly. But the spread of the virus, which causes fever, cough and breathing difficulties, has already caused widespread disruption."

The CBS Evening News (2/11, story 6, 1:35, O'Donnell, 4.69M) reported the World Health Organization is "using its strongest language yet, calling that deadly coronavirus a very grave threat that could have powerful consequences, more powerful consequences than a terrorist attack." The New York Times (2/11, 18.61M) and the Washington Post (2/11, Denyer, 14.2M) have more updates on the coronavirus epidemic.

Crowley: Trump Administration Closely Monitoring Situation. Treasury Department Assistant Secretary for Public Affairs Monica Crowley said on WOR-AM New York (2/11, 17K), "Administration-wide we are really keeping a close eye on the coronavirus out of China and how it's spreading internationally as well. There are members of the Administration and the President's economic team who are keeping a close eye on this. They have said publicly – including the Treasury Secretary Steven Mnuchin, Peter Navarro, the trade adviser, Larry Kudlow, the President's chief economic adviser – they have all said that we are taking a wait-and-see approach on this. They want to see if and when the coronavirus may peak, but certainly, they're keeping a close watch on any kind of economic impact that it might have."

Crowley: Trump Has "Delivered For American Communities."

Treasury Department Assistant Secretary for Public Affairs Monica Crowley said on WOR-AM New York (2/11, 17K) that when Trump "came into office, he pledged that he would revive the US economy through tremendous economic growth and that is exactly what we are seeing. Since his election, over seven million jobs have been created. The President has been talking about a blue collar boom – 100 percent. ... Just in the month of January, 44,000 construction jobs created. Wages rising now faster for lower income workers, which is the reverse from the tends that we saw under the previous Administration. ... When you pair that with unemployment at or near record lows for African-Americans, Hispanic-Americans, Asian-Americans, women, Americans with disabilities, military veterans, poverty levels at or near record lows. ....This President and his Administration have delivered for American communities, American businesses and they're delivering for you."

Trump Withdraws Former US Attorney For DC As Nominee For Treasury Post.

Axios (2/11, Swan, Basu, 521K) reports President Trump is "withdrawing his nomination for former U.S. attorney for D.C. Jessie Liu to serve as the Treasury Department's undersecretary for terrorism and financial crimes, a top position overseeing economic sanctions, according to two sources with direct knowledge." Liu "stepped down from the U.S. attorney's office last month after Trump announced his intention to nominate her to the Treasury position in December 2019." Liu's confirmation hearing with the Senate Banking Committee was scheduled for this Thursday, but she was "informed that Trump was pulling her nomination Tuesday afternoon." Axios says the move to pull the nomination "was 'the president's call,' according to a former administration official familiar with the situation," and was made today. However, the decision

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"has administration officials questioning the circumstances that led to Trump changing his mind – with the developments in the Roger Stone case today being the only new information they are aware of." Among other outlets, The New York (NY) Times (2/11, Baker, 18.61M), CBS News (2/11, Reid, Watson, Hymes, 3.68M), NBC News (2/12, Lee, Dilanian, Alexander, 6.14M), The Week (2/11, Krawczyk, 1.94M), The Hill (2/11, Moreno, 2.98M), Fox News (2/11, O'Reilly, 27.59M), and Fox Business (2/11, Shiff, 1.73M) also report.

Trump Administration Floats Treasury Official For Number Two Job At IMF.

Reuters (2/11, Lawder) reports the Trump Administration "is considering filling the No. 2 job at" the IMF "with Geoffrey Okamoto, a 35-year-old acting assistant secretary at the U.S. Treasury, three people familiar with the selection process said." The appointment of Okamoto "could strengthen the Republican administration's influence over the IMF, an institution Trump officials view as an ally in their efforts to rein in China's trade and economic practices." Okamoto "would replace David Lipton as the IMF's longest-serving first deputy managing director, whose departure was announced on Friday, 19 months before the end of his official term." Okamoto "has worked at the Treasury since 2017 and been involved in U.S.-China trade negotiations, planning and negotiations for the G20 and G7 meetings in addition to other international finance and development issues including debt relief for Somalia." Bloomberg (2/11, Martin, Mohsin, 4.73M) also reports.

Lawmakers Spar Over Treasury Rulemaking Process For Trump Tax Law.

The Hill (2/11, Jagoda, 2.98M) reports lawmakers at a House Ways and Means Committee hearing Tuesday "debated regulations meant to implement provisions for businesses in President Trump's 2017 tax-cut law, the latest round in the messaging battle between Democrats and Republicans over the president's signature legislative accomplishment." Democrats on the panel "argued that Treasury Department regulations were overly favorable to businesses as a result of lobbying from corporations." Ways and Means Chairman Richard Neal (D-MA) said, "Unfortunately, Treasury gave away the store by issuing some regulations that give even more tax breaks to corporations, and that are likely to further the deficit." Conversely, Committee Republicans "defended the Treasury Department's rule-making process and pushed back against the idea that the regulations will lead to additional increases in the deficit." Rep. Kevin Brady (R-TX) said, "We heard some criticism about Treasury here today. It seems to me, that when you rewrite the tax code as we did, it's a major undertaking. Rules and regulations have to be drawn to both implement and interpret what Congress intended."

Treasury's Bureau Of Fiscal Service Launches Pilot Programs Looking At Blockchain, AI.

Federal News Network (2/11, Brust, 220) reports the Bureau of the Fiscal Service's Office of Financial Innovation and Transformation (FIT), housed in the Treasury Department is launching two pilots, "one on distributed ledger technology, or blockchain, and another on artificial intelligence." These pilots will strive to answer the question of how digital workforces "can improve financial management and federal agencies' customer service." Adam Goldberg, "FIT's executive architect," told FNN that he thinks there should be an agency focused on "thinking about the future." Goldberg said, "Where we sit within the government at Treasury, there's many opportunities to really explore how an agency interacts with us, and how that might change how citizens interact with us, and how that may change and how any other entity like a bank is also interacting with Treasury." Goldberg, speaking on uses for blockchain, "said that about half the time FIT has pursued the application proactively. Half the time it's responding to possible uses which present themselves."

Leading National News

Sanders Narrowly Defeats Buttigieg In New Hampshire; Klobuchar Strong Third, Biden Fifth.

Sen. Bernie Sanders (I-VT) won the New Hampshire Democratic presidential primary Tuesday, but much of the initial coverage focuses on the very strong showings by Pete Buttigieg and Sen. Amy Klobuchar (D-MN) and the weak fifth-place finish by former Vice President Joe Biden. With just over 90% of votes counted, Sanders had 25.9%, Buttigieg 24.2%, Klobuchar 19.9%, Sen. Elizabeth Warren (D-MA) 9.3%, Biden 8.7%, Tom Steyer 3.6%, Rep. Tulsi Gabbard (D-HI) 3.2%, Andrew Yang 2.8%, Deval Patrick 0.4%, and Sen. Michael Bennet (D-CO) 0.3%.

The AP (2/12, Peoples) reports Sanders "won New Hampshire's presidential primary Tuesday night, edging moderate rival Pete Buttigieg and scoring the first clear victory in the Democratic Party's chaotic 2020 nomination fight." Sanders and Buttigieg "represent different generations, see divergent paths to the nomination and embrace conflicting visions of America's future." Reuters (2/12, Whitesides, Becker) says "it was also a good night" for Klobuchar, while Biden "finished in a disappointing fifth place." As for Warren, she "said it would be a long, drawn-out battle for the nomination and the race was far from over." Bloomberg (2/12, 4.73M) says the "tight finish allows multiple candidates to claim success, even though Sanders came out on top. Voters looking for a moderate alternative to Sanders' democratic socialism were left without a clear choice."

The New York Times (2/12, Martin, Burns, 18.61M) reports Sanders "narrowly won" the primary, "consolidating support on the left and fending off a late charge by two moderate rivals to claim his second strong showing in two weeks and establish himself as a formidable contender for the Democratic nomination." The results "raised immediate questions about how much longer Mr. Biden and Ms. Warren, onetime front-runners, could afford to continue their campaigns." USA Today (2/12, Morin, Cummings, Wu, Garrison, 10.31M) reports, "Since 1972, no Democratic candidate finishing lower than second in the New Hampshire primary has gone on to win the nomination."

The Washington Post (2/12, Viser, Sullivan, 14.2M) says Sanders "claimed unchallenged control of the Democratic Party's left wing"

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while Buttigieg "and a newly surging" Klobuchar "vied for the opposition mantle in a campaign that has been remade over the past eight days." Klobuchar's showing "represented a remarkable turnabout for a candidate who placed fifth in the [Iowa] caucuses in the state next door to her own." The New Hampshire Union Leader (2/12, Landrigan, 109K) reports Klobuchar "declared a clear victory after a disappointing fifth place in the Iowa caucus." She "said her showing was a validation that she's a candidate who can win crossover support from independents and even moderate Republicans." The Minneapolis Star Tribune (2/12, Condon, 1.04M) reports, "After languishing most of last year in low single digits in early-state and national polls, and landing in fifth place in Iowa despite a heavy investment in the state, Klobuchar shot into contention over the weekend in a show of resilience just ahead of a potential make-or-break contest."

New Hampshire's Foster's Daily Democrat (2/12, 17K) says the "unexpectedly strong performance" gave Klobuchar "a path out of New Hampshire as the contest moves on to the string of state-by-state primary contests that lie ahead." WMUR-TV Manchester, NH (2/12, Enstrom, 239K) reports on its website that Warren "praised Sanders and Buttigieg and noted Klobuchar's strong showing." She said, "Right now, it is clear that Sen. Sanders and Mayor Buttigieg had strong nights. And I also wanna congratulate my friend and colleague Amy Klobuchar for showing just how wrong the pundits can be when they count a woman out."

The Boston Globe (2/12, 972K) reports Sanders "thanked New Hampshire for 'a great victory tonight,'" while Buttigieg "congratulated Sanders on his 'strong showing tonight' but vowed to continue on the campaign trail." Buttigieg "said he 'might get dismissed as a naive newcomer,' but 'a fresh outlook is what makes new beginnings possible. It is how we build a new majority.'" The Boston Herald (2/12, Cotter, 410K) says Sanders "squeaked out a win." New Hampshire Public Radio (2/12) says on its website that it was Sanders' "second consecutive" New Hampshire primary victory after winning there in 2016 by a much wider margin. Despite the closeness of the race, the Wall Street Journal (2/12, Day, Collins, Jamerson, Subscription Publication, 7.57M) says Sanders' win shows his continued resilience just months after a heart attack.

The Los Angeles Times (2/12, Barabak, 4.64M) says Sanders "eked out a narrow victory" over "a pair of more moderate Midwestern rivals who together out-polled the champion of progressive Democrats on his New England home turf. ... It was the second contest in a row – after last week's Iowa caucuses – in which Sanders failed to meet the high expectations generated by big crowds and his enormous nationwide fundraising success." CNN (2/11, 83.16M) reports on its website that though Sanders "won Iowa's popular vote," he "had fewer awarded delegates" than Buttigieg.

Politico (2/11, Siders, Murray, Spiner, Caputo, 4.29M) says Sanders "assert[ed] himself as the tentative frontrunner in a still-muddled Democratic primary field" as Klobuchar "sparked to life with a third-place finish." MSNBC (2/11, 7.86M) reports on its website that NBC exit polls "showed that 48 percent of the state's Democratic primary voters made up their mind within the past few days – a substantial increase from 25 percent saying they did in 2016 and 38 percent in 2008. The same amount of Democratic voters, 48 percent, said Friday's debate, in which Klobuchar's performance was widely praised, was either the most important or an important factor in their choice."

The AP (2/12, Woodall) writes, "New Hampshire Democrats gave Bernie Sanders a win, but also a warning." His "durability, based both on his 2016 campaign and the first two contests this year, cannot be questioned. ... But Sanders' liabilities are also clear, at least among a large segment of voters in the party who are wary of the 78-year-old self-identified democratic socialist, and how that label could be demonized" by President Trump.

Fox News (2/11, Re, 27.59M) reports on its website, "Sanders and Buttigieg will likely each receive 9 delegates to the Democratic National Convention after Tuesday's primary, because the state awards them proportionally; Klobuchar will receive 6." The Washington Times (2/12, McLaughlin, Sherfinski, 492K) reports Warren and Biden "were projected to lose out on winning any of the state's 24 delegates, which are distributed proportionately to those who finish above 15% either statewide or in a congressional district."

The New York Times (2/12, Flegenheimer, Glueck, 18.61M) says in an analysis that Warren and Biden – "the two fading former favorites who once seemed to have a hold on the liberal establishment and the moderate establishment...lost, badly. Two other professed unity candidates," Buttigieg and Klobuchar, "performed well in New Hampshire but have shown little capacity to resonate with nonwhite voters so far." The AP (2/12, Barrow) reports Biden moved on to South Carolina Tuesday, "staking his hopes for a comeback on the loyalty of black voters in the state." However, Susan Page writes in USA Today (2/12, 10.31M) that "the collapse of his support into single digits will not only make raising money and rallying supporters more difficult. It also raises questions about whether his campaign can survive until the Super Tuesday contests now three weeks away."

Dan Balz writes in the Washington Post (2/12, 14.2M), "Democrats braced themselves Tuesday night for a long and divisive contest for their party's presidential nomination after New Hampshire voters added new uncertainty to a race already scrambled by last week's caucuses in Iowa. ... The likely prospect now is that Sanders and several other candidates will divide the vote and delegates the rest of this month and into March, when more than 60 percent of the pledged delegates will be chosen." After the New Hampshire results were known, FiveThirtyEight updated its forecast and projected that while Sanders has a 38 percent chance of winning a majority of pledged delegates before the Milwaukee convention in July, there is a one-in-three chance that no candidate will secure a majority. On its website, NBC News (2/11, 6.14M) shows Buttigieg coming out of New Hampshire with a total of 23 delegates, Sanders 21, Warren eight, Klobuchar seven, and Biden six. A candidate needs 1,991 delegates to win the nomination.

The New York Times (2/11, 18.61M) reports that a national Monmouth University poll released Tuesday showed Sanders with "an outright lead" over Biden "for the first time since Monmouth began polling this election cycle." The poll had Sanders at 26%, Biden 16%, Buttigieg and Warren at 13% each, and Michael Bloomberg at 11%. Bloomberg (2/11, 4.73M) reports that the Monmouth poll "highlighted how Biden's fourth place finish in the Iowa caucuses last week has reshaped the nomination fight."

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Before the polls closed Tuesday, Buttigieg told the CBS Evening News (2/11, story 4, 0:50, O'Donnell, 4.69M), "It will be very important for us to put up a very good showing, even knowing that we are competing against some competitors who are from right here in New England." In her own interview with the CBS Evening News (2/11, story 3, 1:50, O'Donnell, 4.69M), Klobuchar expressed optimism saying, "People are realizing, you know, what? She's actually doing better than anyone thought. And I think that's the story of my life, and that's the story of this campaign." The Hill (2/11, Manchester, 2.98M), Axios (2/11, Perano, 521K), and Vox (2/11, Nilsen, 2.27M) are among the other outlets with additional coverage of the Democratic race. ABC World News Tonight (2/11, lead story, 3:25, Muir, 7.77M), the CBS Evening News (2/11, lead story, 2:15, O'Donnell, 4.69M), and NBC Nightly News (2/11, lead story, 2:40, Holt, 6.35M) all led their newscasts with coverage before polls closed.

Trump Wins GOP Primary With 86% Of Vote. President Trump won the Republican primary with 86.1% of the vote. Ex-Gov. Bill Weld (R-MA) received 9.1%, with the remainder divided between minor candidates and write-ins. The New Hampshire Union Leader (2/11, 109K) reports supporters "chanted 'four more years' at a victory party Tuesday night, confident that the Democratic opposition will bolster the incumbent's chances of re-election." WMUR-TV Manchester, NH (2/11, Enstrom, 239K) reports on its website that the President "was not in New Hampshire, but his son, Donald Trump Jr., was in the Granite State and said his father has strong support in the state because of his record as president." Trump Jr. said, "He's the first politician in generations to actually do the things he said he was going to do, to actually implement the policies that he talked about."

At 11:45 p.m., the President tweeted, "The Fake News Media is looking hard for the Big Democrat Story, but there is nothing too fabulous. Wouldn't a big story be that I got more New Hampshire Primary Votes than any incumbent president, in either party, in the history of that Great State? Not an insignificant fact!" The Washington Times (2/11, Boyer, Sherfinski, 492K) says Weld "was banking most of his long-shot hopes on a strong performance in his backyard, and the lopsided loss could hasten his withdrawal from the race." The Week (2/11, 1.94M), however, says Weld did "surprisingly well." Reuters (2/11, Chiacu), the Fox News (2/11, O'Reilly, 27.59M) website, Politico (2/11, Oprysko, 4.29M), and The Hill (2/11, Axelrod, 2.98M) also report on Trump's victory.

Meanwhile, Politico (2/12, Oprysko, 4.29M) reports Trump "freely shared his thoughts on his potential rivals" on Twitter as the Democratic results came in, "throwing out insults to the underperformers and some rare praise to those who had a strong evening." At 9:21 p.m., Trump tweeted, "Elizabeth Warren, sometimes referred to as Pocahontas, is having a really bad night. I think she is sending signals that she wants out. Calling for unity is her way of getting there, going home, and having a 'nice cold beer' with her husband!" At 9:34 p.m., the President tweeted, "Impeachment King Steyer (how did that work out?) spent 200 Million Dollars and got less than 1% of the vote in Iowa, and only 3% of the Vote in New Hampshire. Could it be that something is just plain missing? Not easy to do what I did, is it?" At 10:23 p.m., Trump tweeted, "Bootedgeedge (Buttigieg) is doing pretty well tonight. Giving Crazy Bernie a run for his money. Very interesting!"

Bennett, Yang End Campaigns; Patrick May Soon Follow. Bennet and Yang ended their White House bids after their poor showings in New Hampshire. The AP (2/11, Burnett) reports that Yang, "an entrepreneur who created buzz for his presidential campaign by talking about his love of math and championing a universal basic income that would give every American adult $1,000 per month, suspended his 2020 bid." Yang told supporters, "I am the math guy, and it is clear to me from the numbers that we are not going to win this race. ... I have been persuaded that the message of this campaign will not be strengthened by my staying in the race any longer." The AP calls Yang "one of the breakout stars of the Democratic primary race, building a following that started largely online but expanded to give him enough donors and polling numbers to qualify for the first six debates."

USA Today (2/11, Lalljee, Morin, 10.31M) says Yang's candidacy "comes to an end following an unexpected rise last year, where he outlasted a New York City mayor, former and current governors, and even several U.S. senators in his quest for the presidency. Despite being relatively unknown when he first announced his candidacy, Yang grew an energetic and passionate base – known as the Yang Gang – that propelled him into a household name." The New York Times (2/11, Stevens, 18.61M) calls his bid "one of the Democratic primary's most surprising story lines, removing a candidate who developed a fiercely loyal following of disaffected voters from across the ideological spectrum and intrigued even skeptics with his wit, levity and relentless positivity." The Washington Post (2/11, Weigel, Wang, 14.2M) says his "sometimes bleak message on the campaign trail was contrasted with his upbeat, irreverent style of campaigning." Fox News (2/11, Pappas, 27.59M) writes on its website, "Though he didn't make it past the two early voting states, Yang's rise is remarkable for someone who was hardly famous before entering the race."

The Los Angeles Times (2/11, Barabak, 4.64M) reports Bennet entered the race "as a long shot and never rose beyond also-ran status." He "joined the contest relatively late, in May 2019, and offered little politically to stand apart in the sprawling field of contestants." The Denver Post (2/11, Murray, 720K) reports Bennet told supporters in New Hampshire, "I think it's fitting that we end the campaign tonight. Tonight is not going to be our night. But let me say to New Hampshire – you may see me once again." CQ Roll Call (2/11, 154K) reports, "As a moderate, policy-minded senator, he lacked the national profile to break through in a crowded Democratic field. He struggled to raise money and qualify for the most recent debates." Aaron Blake of the Washington Post (2/12, 14.2M) writes, "Michael Bennet, we hardly knew ye. It's tough to think back to a sitting senator who made less of a showing in a campaign and yet actually stuck around for the votes."

Reuters (2/11, Ax, Chiacu), the Wall Street Journal (2/11, Collins, Subscription Publication, 7.57M), Politico (2/11, Daniels, 4.29M), and The Hill (2/11, Manchester, 2.98M) also cover the two exits, while Matt Stout of the Boston Globe tweeted, "With results filtering in, @DevalPatrick said he and his wife are going to go home tonight and 'make some decisions' tomorrow morning about future of campaign. Said he needed the 'winds of from New Hampshire to carry us on.'" At 9:47 p.m., President Trump tweeted, "Pocahontas and Democrat sore-pouts tonight, very low political I.Q."

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MSNBC's Tur Encounters Trump Supporter Outside Sanders Rally. Writing at Townhall (2/11, 177K), Cortney O'Brien says that MSNBC's Katy Tur "camped outside" a Sanders rally on Tuesday "expecting to find some of the senator's fervent fans," and encountered a supporter of the President. Asked why Sanders did not appeal to him, the man said, "The whole ideology would be destructive to the country. It's anti-growth, it's anti-family, it's anti-American."

Sanders told NBC Nightly News (2/11, story 2, 2:50, Holt, 6.35M) Tuesday, "In 2016, Trump ran as a 'friend' of the working families of this country. He lied. So what I would say to those people, many of them are hurting. Many of them work longer hours for lower wages. Many have seen their jobs go to China or Mexico. Check my record. I have a lifetime of service and fighting for the working class of this country."

Scalia Says Economy Is "Booming" By "Any Objective Measure."

Labor Secretary Scalia said on WDBO-AM Orlando, FL (2/11), "We've got a situation that most of us haven't seen in our lifetimes – just an extraordinary job market and you can see that by looking at a few different things. ... First, the unemployment number we just released Friday is 3.6 percent in January, just a great number. ... Job creation has been huge. More than six million jobs created since President Trump took office. Wages are going up. When you have low unemployment, that forces employers to do more to help workers and one thing they do is they raise wages and they are raising them more for lower-paid workers." Scalia added that "really by any objective measure, things are booming. And like the President said in his State of the Union last week, it's a blue-collar boom that is helping lower-paid workers especially."

Trump Touts "Best USA Economy In History." The President took to Twitter yesterday to write, "BEST USA ECONOMY IN HISTORY!"

Pelosi Looks To Shift Focus Of Attacks On Trump From Impeachment To Economy.

Politico (2/11, Caygle, Ferris, 4.29M) reports House Speaker Pelosi is "looking to make a sharp pivot from the heated politics of impeachment and lash President Donald Trump in another key area: the economy." According to the article, "in a series of private meetings this week, Pelosi has all but explicitly told her members that with the election just nine months away, it's time for Democrats to shift the spotlight away from the Ukraine scandal and other controversies ensnaring Trump." Pelosi "hosted a special speaker's meeting on Tuesday with a top Obama economics adviser to explain to Democrats why the economy isn't actually as strong as Trump claims and how they can message that to voters."

Study: Democrats' Payroll Tax Hikes Would Depress Wages And Growth.

Bloomberg (2/11, Davison, 4.73M) reports that according to a study from the "right-leaning" Tax Foundation, "proposals by several Democratic presidential candidates to shore up Social Security by raising payroll taxes could have a downside: lower economic growth and reduced wages." Former Vice President Joe Biden and Sen. Bernie Sanders (I-VT) are among those "proposing higher payroll taxes as some voters grow concerned that the Social Security trust fund they're paying into won't be there when it's time for them to retire." The Tax Foundation study reads: "An increase in the payroll tax rate or the payroll tax base results in lower wages for workers, as payroll taxes are fully borne by labor. This results in lower economic growth and lower after-tax incomes, ranging from a drop in economic output from -0.28% for Biden's proposal to -1.17% for Sanders'."

The Daily Caller (2/11, Hopkins, 716K) reports that Biden has pledged to "slap a 12.4% payroll tax on wages higher than $400,000." Sen. Amy Klobuchar (D-MN) and Pete Buttigieg "have pushed for levying a 12.4% tax on wages above $250,000," and Sen. Elizabeth Warren (D-MA) "has called for a 14.8% tax on waves higher than $250,000." The Daily Caller adds that Sanders' plan "would generate the most for Social Security, with the self-described socialist calling for not only a 12.4% payroll tax on wages above $250,000, but also an additional 7.5% payroll tax on employers, but with an exemption for the first $2 million in paid wages."

Scalise: Election Will Pit Trump's Job Creation Against Democrats' "Move Towards Socialism." Appearing on Fox Business' Mornings With Maria (2/11), House Minority Whip Scalise said, "We had a great jobs' report...come out at the end of the last week. ... You are seeing the record numbers of job creation. ... And with the sign that chances for recession are even lower because the economy continues to be strong, that is going to be dominant force the in this election. The President wants to keep this going, said the best is yet to come. The Democrats want to move towards socialism. I don't think this country is a socialist nation and never will be."

FTC Expands Antitrust Review Of Big Tech Companies.

The New York Times (2/11, Kang, McCabe, 18.61M) reports, "The Federal Trade Commission said on Tuesday that it had ordered Amazon, Apple, Facebook, Google's parent company Alphabet and Microsoft to turn over information about past acquisitions, broadening its review of the power of big tech companies." The FTC "said it requested information about hundreds of smaller deals made by the five tech companies over the past decade that weren't required to be reported to regulators by law and could provide insights into antitrust abuses." In examining the smaller transactions, the FTC "signaled it was looking specifically into a tech industry practice, known as 'killer acquisitions,' that smaller rivals have said was used to choke off competition. Under that strategy, the large tech companies purchase a nascent competitor to protect their dominance and prevent the smaller company from growing into a bigger threat."

The Wall Street Journal (2/11, McKinnon, Subscription Publication, 7.57M) reports FTC Chairman Joseph Simons said, "Digital technology companies are a big part of the economy and our daily lives. This initiative will enable the commission to take a closer look at

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acquisitions in this important sector, and also to evaluate whether the federal agencies are getting adequate notice of transactions that might harm competition. This will help us continue to keep tech markets open and competitive, for the benefit of consumers."

Federal Judge Blocks States' Bid To Stop Sprint/T-Mobile Merger.

NBC Nightly News (2/11, story 10, 0:20, Holt, 6.35M) reported a judge on Tuesday approved T-Mobile's takeover of Sprint "for more than $26 billion." The AP (2/11, O'Brien, Anderson) reports the judge "rejected claims by more than a dozen states that the deal would mean less competition and higher phone bills." The AP says that "though the deal still needs a few more approvals, T-Mobile expects to close it as early as April 1."

Reuters (2/11, McLymore, Bartz) reports that "during a two-week trial in December, T-Mobile and Sprint argued the merger will better equip the new company to compete with top players Verizon Communications Inc and AT&T Inc as the third-largest U.S. wireless carrier, creating a more efficient company with low prices and faster internet speeds."

ABC World News Tonight (2/11, story 11, 0:15, Muir, 7.77M) reported, "Thirteen states sued to block the deal over fears of higher prices and job cuts." The New York Times (2/11, Lee, 18.61M) reports that Judge Victor Marrero of the United States District Court in Manhattan "rejected an unusual challenge led by attorneys general from 13 states and the District of Columbia." The Times says the suit was "brought in June after regulators at the Department of Justice and Federal Communications Commission approved the deal." The Times reports that in his ruling, Marrero "praised T-Mobile, calling it 'a maverick that has spurred the two largest players in its industry to make numerous pro-consumer changes.'"

The Wall Street Journal (2/11, FitzGerald, Krouse, Kendall, Subscription Publication, 7.57M) reports the ruling also means Dish Network will enter the wireless market as the fourth major carrier, under a deal brokered by federal regulators. Marrero said he was persuaded that Dish could operate as a viable competitor, and that its entry will benefit consumers. The Washington Post (2/11, Telford, 14.2M) and Bloomberg (2/11, 4.73M) also cover the ruling.

WSJournal: Merger Will Boost Competition, Benefit Consumers. In an editorial, the Wall Street Journal (2/11, Subscription Publication, 7.57M) welcomes Marrero's decision, arguing that it will increase competition in the wireless space and speed up the rollout of 5G across the US. The Journal also praises Marrero, an Obama appointee, for resisting calls from Democratic state attorneys general to scuttle the merger.

Prosecutors Say Former UAW Official Used Kickbacks To Pay For Homes, Cosmetic Surgery.

The Detroit News (2/11, Snell, 825K) reports, "The $1.5 million in kickbacks a corrupt United Auto Workers official received included cash and $10,000 worth of cosmetic surgery for a relative, federal prosecutors said Tuesday." According to the article, "the new details were revealed as prosecutors asked a federal judge to sentence former UAW official Mike Grimes to two years in federal prison for his role in a bribery and kickback scheme that involved two others, including former union vice president Joe Ashton." Prosecutors "portrayed" Grimes "as a vindictive shakedown artist, demanding kickbacks from UAW vendors who supplied union-branded merchandise and penalizing one UAW contractor who initially refused his demands."

Vice Media, Struggling To Make Profit, Faces Large Payments To Investor.

The Wall Street Journal (2/11, Mullin, Hagey, Rizzo, Subscription Publication, 7.57M) reports Vice Media Group, which raised money from an investor valuing the company at $5.7 billion in 2017, is now facing large payments to that investor at a time when it is struggling to make a profit and trying to execute a turnaround plan. Under a deal in which private-equity firm TPG invested $450 million, Vice agreed to make payments worth up to nearly $400 million between 2020 and 2024. The TPG deal now threatens to dilute the holdings of other investors and their returns.

Madison, Wisconsin's Real Estate Market Lifted By Job Opportunities.

The Wall Street Journal (2/11, Flint, Subscription Publication, 7.57M) reports Madison, Wisconsin's residential real estate market has been rising, fueled in part by strong hiring by health records software company Epic. Epic has been attracting young, tech talent to its offices in Verona, one of the 14 communities making up greater Madison.

National Chain Of Wedding Venues Closes Abruptly.

The CBS Evening News (2/11, story 10, 1:25, O'Donnell, 4.69M) reported "a national chain of wedding venues" has "abruptly closed." CBS' Janet Shamlian reported "2,800 weddings and special events across the country are now at risk after" Noah's shut down, and customers are "out more than $7 million." Shamlian added, "Noah's filed for bankruptcy last May after investor allegations of fraud" and a judge last week ordered "it to close immediately."

Trump Vows To Address US Trade Deficit With EU.

Reuters (2/11, Shalal, Lawder) reports that an "emboldened" President Trump has "set his sights on correcting a $151 billion US trade relationship with the European Union, raising the specter of another major trade war as the global economy slows and he seeks re-

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election." Trump "has long complained that the EU's position on trade is 'worse than China,'" and yesterday told governors "that he was training his sights on Europe. ... 'Europe has been treating us very badly,' he said. 'Over the last 10, 12 years, there's been a tremendous deficit with Europe. They have barriers that are incredible ... So we're going to be starting that. They know that.'" Reuters adds, "European officials say they are willing to work with Trump to address some irritants in the relationship. But they warn that they will retaliate against any US move to impose tariffs on cars and other products, as Trump has threatened."

WPost: Trump Budget "A Dishonest Exercise."

The Washington Post (2/11, 14.2M) says in an editorial that President Trump's proposed budget for Fiscal Year 2021 "is a dishonest exercise. ... Trump is hardly the first president to obey his legal requirement to present a spending plan to Congress by sending one that has no chance of passing," nor is he "the first to engage in rosy forecasting – but in this case, the exaggeration is especially flagrant." The Post says Trump's proposal "serves but one useful purpose: to record the warped priorities upon which Mr. Trump is willing to campaign for a second term."

In an analysis, the Washington Post (2/11, Werner, Stein, 14.2M) writes that Medicaid "was one of several social safety net programs the White House targeted for major cuts, and one the Obama administration fought to expand." However, the Post says "even with the proposed cuts, Trump's decision to wall off Social Security, Medicare and the Defense Department from big reductions would keep the government's fiscal picture largely out of balance."

Trump Budget Includes More Than $800M For New Air Force One. The Washington Times (2/11, Wolfgang, Boyer, 492K) reports Trump's budget request "sets aside more than $800 million for a revamped Air Force One, complete with a new red, white and blue paint job." Pentagon budget documents "include a rendering of the new presidential plane, which will feature a white top half, a darker blue bottom half, and a red stripe through the center."

NYTimes Examines Changes To Federal Budget Under Trump. On its website, the New York Times (2/11, Parlapiano, Bui, 18.61M) looks at how Trump's budget proposal breaks down per person, offering "a selection of well-known federal programs that make up about 80 percent of the federal budget, and how their funding per person has changed during Mr. Trump's presidency."

Furman: US Corporate Tax Revenue As Share Of GDP Second-Lowest Among Developed Countries.

CQ Roll Call (2/11, Sword, 154K) reports Harvard University economist Jason Furman told the House Ways and Means Committee Tuesday that corporate tax revenue "as a share of gross domestic product is lower in the United States than any of 30 developed countries – with the exception of Latvia." Furman, who served as Chairman of the Council of Economic Advisers under President Obama, told the committee, "Corporate revenue collections are very low."

WPost Backs Northam's Plan To Raise Gas Tax.

In an editorial, the Washington Post (2/11, 14.2M) argues in favor of a proposal by Virginia Gov. Ralph Northam (D) "to raise the state's current gas tax, which is among the lowest in the nation, by roughly 75 percent over the coming three years." Virginia drivers currently "pay less in taxes to fill up their tanks than they would in neighboring Maryland and North Carolina – and nowhere near enough to cover the cost of maintaining and repairing the roads they use." The Post says "drivers want and need more funding for roads, without which congestion will worsen," so Northam's plan to raise the per-gallon tax on gas is sensible.

Trump Says Military Should Consider Disciplinary Action Against Vindman.

The Washington Times (2/11, Boyer, 492K) reports President Trump told reporters Tuesday that the military "should look at disciplinary action against Lt. Col. Alexander Vindman, who gave testimony against the president in the impeachment inquiry." Trump said the White House removed Vindman from the NSC last week "and that the military can deal with him any way it wants." However, Trump "said he wasn't happy with Lt. Col. Vindman or his brother, Yevgeny, who also worked for the NSC and was removed from that job last week." He "said the brothers falsely reported information about his phone calls with Ukraine's president last year, conversations that led to the impeachment." Trump said if a possible disciplinary review, "If you look at what happened, I would imagine they would certainly take a look at that. ... It's up to them. We sent him on his way to a much different location. The military can handle him any way he wants."

The Washington Post (2/11, Rucker, Kane, 14.2M) reports on Trump's comments under the headline "Trump Escalates Campaign Of Retribution As Republican Senators Shrug." The Post says Senate Republicans "resigned themselves this week to the reality that they are unable to check or even influence Trump." The New York Times (2/11, Baker, 18.61M) calls Trump "an aggrieved and unbound president," who in the wake of his acquittal in the Senate impeachment trial, "has sought to even the scales as he sees it." The Times says the "war between Mr. Trump and what he calls the 'deep state' has entered a new, more volatile phase as the president seeks to assert greater control over a government that he is convinced is not sufficiently loyal to him." Trump "has shown a renewed willingness to act even if it prompts fresh complaints about violating traditional norms."

In Wake Of Trump Trial, Lawmakers Consider Changes To Impeachment Process.

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The New York Times (2/11, Hulse, 18.61M) reports that while President Trump's impeachment trial is over, "in the Senate, the fight over how to conduct the next one – of him or a future president – is just beginning." While Republicans "want to make it more difficult to impeach and try a president for high crimes and misdemeanors," Democrats "are working to require that any such trial allow new evidence." Those "dueling proposals reflect the polar opposite stances of the two parties on Mr. Trump's impeachment, but they also underscore deep worries among Republicans and Democrats alike that the exercise is likely to become more frequent, given persistent and intense partisanship." The Times goes on to list proposals being offered by lawmakers from both sides of the aisle, but adds that "some senior lawmakers warn that the Senate should not act hastily in making underlying changes to the rules when emotions remain raw."

Poll Finds Utah Reaction To Romney Impeachment Vote Favorable By 49%-40% Margin.

Utah's Deseret News (2/11, Romboy, 308K) reports, "Reaction to Sen. Mitt Romney's vote to remove President Donald Trump from office has ranged from outrage to praise across the country and in Utah," and "those mixed emotions are reflected in a new Deseret News/Hinckley Institute of Politics poll with KSL showing 22% of Utahns are disappointed and 21% are proud to have Romney as their senator in light of his vote to convict Trump." The poll also "found that 14% are encouraged, 13% are pleased, 11% are embarrassed and 8% are angry. Another 11% weren't sure." The News concludes that "given those results, Utah voters overall reaction to Romney's decision was 49% positive to 40% negative, with 11% not sure," even as "Romney's approval rating dropped slightly" and "Trump's went up a sliver compared to the Deseret News/Hinckley Institute poll conducted in January before the Senate impeachment trial started."

Politico (2/11, Everett, 4.29M) reports that "fresh off a series of scathing attacks from...Trump for his vote to remove the president from office," Romney "spent the day hunting for votes for the president's agenda." Politico adds "Senate Republicans – including Romney – have already moved on," and "there will be no retribution on Trump's behalf."

Stone Prosecutors Resign After DOJ Rejects Sentencing Recommendation.

NBC Nightly News (2/11, story 5, 1:35, Holt, 6.35M) reported on a "stunning" development "in the Roger Stone case," with DOJ "backpedaling on the suggested sentence for the convicted ally Trump hours after the President called it unfair. Now all four prosecutors resigning from the case." Jeff Pegues on the CBS Evening News (2/11, story 5, 1:35, O'Donnell, 4.69M) recounted that "the controversy started yesterday when prosecutors asked a judge to sentence Stone to seven to nine years in prison," and "President Trump responded overnight on Twitter, calling it 'horrible' and a 'miscarriage of justice.'" On ABC World News Tonight (2/11, story 3, 2:15, Muir, 7.77M), Dan Abrams said, "For the Attorney General to step in, in this way, at this point, is practically unheard of." ABC added that DOJ "says the decision to reverse the recommendation came before the President's tweet, insisting there was no White House involvement." Trump was shown saying, "No, I didn't speak to – I'd be able to do it if I wanted, I have the absolute right to do it. I stay out of things to a degree that people wouldn't believe. But I didn't speak to them." David Spunt said on Fox News (2/11, 27.59M), "Trump did not comment on a pardon, though some believe it is possible."

Politico (2/11, Gerstein, Lippman, 4.29M) reports "the sudden withdrawal of the entire prosecution team assigned to Stone's case – including two veterans of special counsel Robert Mueller's office – following the Justice Department's decision to back away from the government's original sentencing proposal seemed to embolden and energize Trump." A "jubilant president took to his favorite social media venue, Twitter, on Tuesday night to celebrate and settle more scores." Trump tweeted, "This is a horrible and very unfair situation. The real crimes were on the other side, as nothing happens to them. Cannot allow this miscarriage of justice!" Moreover, he added, "a swamp creature with 'pull' was just sentenced to two months in jail for a similar thing that they want Stone to serve 9 years for. A phony Mueller Witch Hunt disgrace. Caught! ... Whatever happened to Hillary campaign manager Podesta's BROTHER? Wasn't he caught, forced to leave his firm, with BIG BAD things to happen? Why did nothing ever happen to him, only to the 'other' side?" Trump also wrote on Twitter, "Is this the Judge that put Paul Manafort in SOLITARY CONFINEMENT, something that not even mobster Al Capone had to endure? How did she treat Crooked Hillary Clinton? Just asking!"

Reuters (2/11, Lynch) points out "the abrupt change of course" on the part of DOJ "came just hours after Trump criticized the proposed sentence of seven to nine years as a 'miscarriage of justice,'" though the AP (2/11, Balsamo) reports that DOJ "said the decision to shorten the sentencing recommendation was made Monday night – before Trump's tweet – and that prosecutors had not spoken to the White House about it." Nevertheless, the AP says "the move was sure to raise questions about political interference and whether Trump's views hold unusual sway over the Justice Department." The New York Times (2/11, Benner, 18.61M) also reports that "senior Justice Department officials...intervened to overrule front-line prosecutors and will recommend a more lenient sentencing for" Stone, who the Times says was "convicted last year of impeding investigators in a bid to protect his longtime friend...Trump." The Times adds "the move is highly unusual and is certain to generate allegations of political interference."

The Daily Caller (2/11, Ross, 716K) reports that "prosecutors in the US attorney's office in Washington, D.C,. recommended Monday that Stone serve between 87 months and 108 months in prison on charges that he made false statements to the House Intelligence Committee and committed witness tampering during the Russia investigation." The Washington Post (2/11, Zapotosky, Barrett, 14.2M) indicates, meanwhile, that "top" DOJ officials "professed to be blindsided by the seven-to-nine-year penalty prosecutors urged a judge to impose." A "senior Justice Department official" is quoted as saying, "That recommendation is not what had been briefed to the department. ... The department finds the recommendation extreme and excessive and disproportionate to Stone's offenses." The Wall Street Journal (2/11, Viswanatha, Tau, Subscription Publication, 7.57M), New York Post (2/11, Fredericks, 4.57M), Axios (2/11, Basu, 521K), and Bloomberg

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(2/11, Strohm, Larson, 4.73M), among other news outlets, run similar reports.

Wolf Blitzer said on CNN (2/11, 664K) that all four federal prosecutors have resigned from the case "after the Justice Department reduced its original sentencing recommendation for Stone following public criticism by the President." Earlier in the day, Jake Tapper said on CNN (2/11, 628K) that the prosecutors' resignations was "a stunning turn of events, and I cannot imagine what would happen, what a Republican Congress or Senate would do if President Obama had done something like that for a Democratic crony, interfering, involving himself in the course of justice like that."

Sen. Richard Blumenthal (D-CT) said on CNN (2/11, 664K), "It is the equivalent of a Saturday Night Massacre, and obviously timed so that it would be overlooked on the night of the New Hampshire primary. ... I have called for an investigation by the Office of Inspector General in the Department of Justice. I'm also going to call for hearings by [Senate Judiciary Chairman Lindsey] Graham. ... He owes it to the committee to have hearings immediately."

WPost Analysis: Trump "Leaning Heavily" On Immigration As He Seeks Reelection.

The Washington Post (2/11, Miroff, 14.2M) reports in an analysis that President Trump "is closer than ever to delivering on his promise for a United States with taller walls, tighter immigration laws and fewer foreigners entering the country." Trump "has hardened the nation's immigration system into an obstacle course of physical and bureaucratic barriers, causing illegal border crossings to plummet and legal immigration to slump." The Post says Trump ran on that message in 2016 and he is "leaning heavily" on it again. Trump "has told aides he plans to run for reelection on his immigration record and his pledge to complete more than 500 miles of new barriers along the Mexico border by early next year."

Apprehensions At US-Mexico Border Rise For Eighth Straight Month.

The Washington Post (2/11, Hauslohner, 14.2M) reports that according to CBP officials, "the number of migrants taken into custody along the U.S.-Mexico border declined for an eighth straight month in January, but unauthorized crossings by Mexican nationals are on the rise." Acting CBP Commissioner Mark Morgan said Tuesday that 36,679 migrants were apprehended or deemed "inadmissible" in January, but "he said the number of Mexican adults taken into custody has climbed 32 percent from this time last year." Morgan attributed the increase to smugglers "scrambling to come up with new tactics." Said Morgan, "While this number represents the eighth straight month of declines, smuggling organizations are changing their tactics. ... They're looking to other vulnerable groups." Morgan credited the Administration's immigration policies for the overall decline.

Americans Who Have Been Quarantined For 14 Days Set To Be Released Tuesday.

Reuters (2/11, Erman, Mishra, Lambert, Trotta) reports that "nearly 200 Americans evacuated from the epicenter of the coronavirus outbreak in China could be released from quarantine at a U.S. Air Force base in California on Tuesday after 14 days." Reuters says this "first group of U.S. citizens to be evacuated from the coronavirus-stricken Chinese city of Wuhan are mostly U.S. State Department employees and their families." Reuters adds that last Wednesday, "two more planes carrying about 350 Americans out of Wuhan arrived at two other military base in California and are subjected to 14-day quarantines."

On NBC Nightly News (2/11, story 6, 1:50, Holt, 6.35M), Miguel Almaguer reported that "the all-clear" at the California air base "comes during a scare at another nearby. In San Diego at Miramar, the CDC confirms the 13th case of coronavirus in the United States." The patient was "mistakenly released from a local hospital before returning for treatment after officials realized the mix-up."

Cruise Ship Passengers Remain Confined To Rooms. ABC World News Tonight (2/11, story 4, 2:00, Muir, 7.77M) reported thousands on a "cruise ship, right off the coast of Japan," remain "confined to their rooms." The passengers "have no windows" and are "allowed to get air on an upper deck just once every four days."

Xi Reportedly Told Officials Virus Response Was Hurting Economy. Reuters (2/11) reports that last week, Chinese President Xi Jinping "warned top officials...that efforts to contain the new coronavirus had gone too far, threatening the country's economy...days before Beijing rolled out measures to soften the blow." According to Reuters, "After reviewing reports on the outbreak from the National Development and Reform Commission (NDRC) and other economic departments, Xi told local officials during a Feb. 3 meeting of the Politburo's Standing Committee that some of the actions taken to contain the virus are harming the economy." Reuters says Xi "urged them to refrain from 'more restrictive measures.'"

Some People In Wuhan Reportedly Question Coronavirus Test Results. The Wall Street Journal (2/11, Deng, Subscription Publication, 7.57M) reports that some people in Wuhan are questioning the accuracy of diagnostic tests for coronavirus. Possible flaws in testing has raised concerns that the extent of the outbreak could be larger than the official data suggests. The possibility of undiagnosed cases has sparked calls to use chest scans for diagnosis, instead of swab tests.

Pakistani Students Told To Remain In Wuhan. The New York Times (2/11, Abi-Habib, 18.61M) reports Pakistan "has asked...800...Pakistani students in Wuhan to stay put, the result of a grim government calculus." According to the Times, "Pakistan's health care system is in shambles. Already strained hospitals lack trained doctors and supplies. If infected nationals return home, the virus would likely spread unabated across the country."

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Cotton Backs Extending Targeted Travel Ban Due To Coronavirus Epidemic. Appearing on CNBC's Squawk Box (2/11,

58K), Sen. Tom Cotton (R-AR) said, "We are currently excluding any foreign nationals who have been in China in the last 14 days, or any Americans that have been in Wuhan province...they are being quarantined for 14 days. And it's only a prudent step to stop more than 20,000 persons traveling through our country from the Chinese mainland every day, given how many uncertainties there are about the very dangerous virus." Asked about the origins of the virus, Cotton said, "There were reports that it started in the food market, and we now know that it did not start in the market. It went into the market and went out of it. I do know that we need to get to the bottom of it. And we do need to ask questions about the super laboratory that is in Wuhan. There's too many unanswered questions and China has been too deceitful for us to just take the word of the Chinese Communist Party."

Administration Closely Monitoring Situation. Undersecretary of State for Economic Growth Keith Krach said on Fox Business' Claman Countdown (2/11), "As President Trump has said, the first thing is to protect the American citizens, and I can tell you, coming from the private sector and watching the White House, the State Department, the inter-agency and decisiveness in terms of how fast we have moved, and everybody working together, this what is we are really built for." Krach added, "We are erring on the side of caution. The other thing, too, is that the United States is the most generous country in the world. As we were picking up some of our diplomats, we brought in about 18 tons of aid in terms of equipment. There's been over a quarter of a billion donated between the United States government and the private sector, and over the last three years, the United States has donated $43 billion in terms of viral diseases like this."

McConnell Says GOP "Internal Divisions" Preventing Drug Price Bill From Moving Forward.

The Hill (2/11, Sullivan, 2.98M) reports Senate Majority Leader McConnell said that Republican senators are divided over a bill that would aim to lower drug prices. Sen. Charles Grassley (R-IA) has been pushing the bill for months, saying it is supported by the White House and several vulnerable Republicans up for reelection in 2020. However, McConnell said that "internal divisions" among Republicans are stopping the bill from coming to the floor.

Senate Committee Holds Hearing On "Born Alive" Abortion Bill.

CQ Roll Call (2/11, Raman, 154K) reports, "Senate Republicans signaled in a hearing Tuesday that they intend to keep courting abortion opponents on the campaign trail by talking about a bill they say would protect infants born during attempted abortions, legislation that Democrats call redundant." The Senate Judiciary Committee's hearing on the legislation "comes the day before a House Energy and Commerce Health Subcommittee holds its own hearing on Democrats' interest in expanding abortion rights." According to the article, two of President Trump's "key priorities for Congress are passing this bill and passing legislation that would ban abortions after 20 weeks."

Breitbart (2/11, Kraychik, 673K) reports the Born-Alive Abortion Survivors Protection Act offers Democrats the "opportunity to reject infanticide," Sen. Joni Ernst (R-IA) said during an interview Tuesday. The Daily Caller (2/11, Olohan, 716K) reports "Democrats highlighted race and downplayed the need for infanticide legislation" at the hearing. They "focused on infant mortality rates and racial biases in health care while suggesting that Republican lawmakers were pushing the bill out of anti-abortion bias."

Planned Parenthood Sues Over Abortion Payment Rule. The Washington Times (2/11, Vondracek, 492K) reports, "Planned Parenthood of Maryland filed a lawsuit Tuesday seeking to block a new rule by the Trump administration that would increase paperwork for insurers and patients seeking abortions." Attorneys for Planned Parenthood argue "the rule released in December by the Department of Health and Human Services (HHS) and the Centers for Medicare and Medicaid Services (CMS) would force insurance companies in the Obamacare exchanges to send two separate bills to customers for abortions."

Driver Who Targeted GOP Voter Registration Tent Motivated By Opposition To Trump.

Politico (2/11, Ward, 4.29M) reports that Gregory Timm, "the Florida man who drove his van into a Republican voter registration tent was motivated by his opposition to President Donald Trump," according to the Duval County Sheriff's Office report on his arrest. Timm "reportedly accelerated his vehicle toward the tent and tables, while multiple victims moved to avoid being struck." He then "knocked over several tables, chairs and the tent with his car, according to the report, and got out of his vehicle, took out his phone and 'flipped them off' before driving away." The report says he "'willingly' showed officers the video, which cuts off before he struck the tent," and adds that "the suspect was upset that the video ended before 'the good part.'" The Daily Caller (2/11, Hasson, 716K) says Timm, who is "facing six criminal charges, including two counts of aggravated assault on a person 65 years or older," told police he drive through the tent because "someone had to take a stand." The police report states, "The suspect advised that he does not like President Trump."

Movie About "Elites" Hunting "Deplorables" To Hit Theaters In March.

The Washington Examiner (2/11, Brest, 448K) reports that "The Hunt," a "horror movie about liberal elites hunting conservatives for fun, will hit theaters after a monthslong delay." The movie, which tells "the story of a group of 'elites' who hunt other people known as 'deplorables,'" was "slated to hit theaters in September, but Universal Studios pulled it after the mass shootings in El Paso, Texas, and Dayton, Ohio." A new trailer posted Tuesday says the movie "will now hit theaters on March 13." The New York Times (2/11, Barnes, 18.61M) provides similar coverage.

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Barr: "Rogue DAs" Are Contributing To Rise In Violent Crime In Cities.

The Washington Times (2/11, Dinan, 492K) reports that in a speech to the Major County Sheriffs of America on Tuesday, Attorney General Barr blasted "rogue DAs," who "he said are sabotaging the sanctity of the criminal justice system by bringing lesser charges or pleading down cases in order to keep people out of prison." Barr argued that the "self-styled 'social justice' reformers" are contributing to the increase in violent crimes in the nation's largest cities despite an overall trend in the opposite direction. Barr said, "These DAs think they are helping people, but they end up hurting them. These policies actually lead to greater criminality. ... By allowing young lawbreakers entirely off the hook the first time – or the second time or even the third time – these DAs are potentially placing them on a conveyor to further and heightened criminality."

Milbank: Barr's DOJ Awards Trump Friends, Punishes Trump Enemies. In his Washington Post (2/11, 14.2M) column, Dana Milbank criticizes senior Justice Department officials for denying grants "to highly rated Catholic Charities in Palm Beach, Fla., and Chicanos Por La Causa in Phoenix" and instead giving "more than $1 million combined to lower-rated groups called the Lincoln Tubman Foundation and Hookers for Jesus." Milbank says "the head of the Catholic Charities affiliate had been active with Democrats and the Phoenix group had opposed President Trump's immigration policies," while "Hookers for Jesus is run by a Christian conservative and the Lincoln Tubman group was launched by a relative of a Trump delegate to the 2016 convention." Milbank argues that this "says much about Barr's Justice Department. Friends of Trump are rewarded. Opponents of Trump are punished. And the nation's law enforcement apparatus becomes Trump's personal plaything."

Virginia House Passes Assault Weapons Ban.

The Daily Caller (2/11, Davis, 716K) reports that on a "near party line vote" Virginia's House of Delegates on Tuesday passed "a package of gun control proposals" that includes "a ban on the sale of several firearms defined as 'assault weapons,' including the popular AR-15." While Virginians who own the firearms "will not be forced to participate in a mandatory buyback program as had initially been considered by state Democrats," the measure "gives the state government the authority to confiscate certain types of ammunition that are considered 'high capacity.'" The Washington Examiner (2/11, Neale, 448K) says that with the bill's passage, "Democrats in the Virginia General Assembly took another step toward restricting the lawful ownership of loosely defined 'assault' weapons."

After Attacks On NYPD Officers, Union Lashes Out At De Blasio.

The New York Times (2/11, Fitzsimmons, Mays, 18.61M) reports that after a gunman attempted to kill several NYPD officers, "police labor leaders lashed out at Mayor Bill de Blasio, with one union head 'declaring war' on the mayor and blaming him for fostering an anti-cop atmosphere in the city." Edward D. Mullins, the President of the Sergeants Benevolent Association, tweeted, "Mayor de Blasio, the members of the N.Y.P.D. are declaring war on you! We do not respect you. Do not visit us in hospitals. You sold the N.Y.P.D. to the vile creatures, the 1 percent who hate cops but vote for you." The Times says it is not clear if the comments "reflect the feelings of regular rank-and-file officers; Mr. Mullins is known for his tendency to make incendiary remarks, especially against the mayor." De Blasio "told reporters that he 'was disgusted' by Mr. Mullins's comments, which he said did not represent the views of officers."

Smollett Indicted On Charges Of Staging Fake Hate Crime.

The Chicago Sun-Times (2/11, Sneed, Grimm, 875K) reports, "After having the charges initially dropped against him, Jussie Smollett was indicted Tuesday again in connection with allegedly staging a fake hate crime attack." Smollett now "faces six charges related to making four separate false reports to police. He is scheduled to be arraigned Feb. 24." The Chicago Tribune (2/11, Crepeau, Meisner, 2.65M) also reports the story, and Page Six (2/11, Lapin, 1.6M) recalls "Smollett was accused of hiring two brothers to stage an attack on himself that included tales of a noose and bigots screaming racist, homophobic slurs." However, "Chicago police ultimately determined that Smollett made the whole thing up to advance his career."

All three major network newscasts covered the indictment last night. NBC Nightly News (2/11, story 7, 1:25, Holt, 6.35M) reported "authorities said prosecuting Smollett is in the interest of justice, and because police expended so many resources to investigate the false reports. Attorneys for Smollett have not responded to" the "new charges." The CBS Evening News (2/11, story 9, 0:30, O'Donnell, 4.69M) briefly indicated "a grand jury returned six new charges against Smollett," as did ABC World News Tonight (2/11, story 7, 0:15, Muir, 7.77M). The Washington Post (2/11, Izadi, Andrews, 14.2M), New York Times (2/11, Jacobs, 18.61M) and USA Today (2/11, Trepany, 10.31M), among other news outlets, also report the story.

WSJournal: Report Finds Testing Helps Disadvantaged Groups.

In an editorial, the Wall Street Journal (2/11, Subscription Publication, 7.57M) highlights a finding by a University of California task force that test scores are helpful in the college admissions process. The Journal points out that it is a conclusion from a liberal faculty that is contradictory with social justice orthodoxy. Noting that the report by the task force says that test scores actually help schools select candidates from underrepresented groups, the Journal argues that the key to expanding access to higher education isn't to ban testing but to increase choice and accountability in K-12 schools.

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O'Brien Says He Is "Reforming" NSC.

Bloomberg (2/11, Fabian, 4.73M) reports that on Monday, while traveling with President Trump to New Hampshire, National Security Advisor O'Brien "said his staff was 'bloated' when he took over last year and that he plans to reduce it to about 100 people, after an aide who testified in the House impeachment inquiry was dismissed on Friday." O'Brien is quoted as saying, "We think a more efficient NSC and leaner NSC is a more effective NSC. ... This is something that people in both parties have been concerned about in the past, the size of the NSC. ... So I think we've streamlined it. We're reforming it."

Meadows: "Parts" Of Administration Are Working Against Trump. On Fox News' Fox & Friends (2/11, 831K), Rep. Mark Meadows (R-NC) said that in the wake of President Trump's acquittal following his impeachment trial, "There's a renewed sense of energy. ... Not only did the President have the best week he's had in three years with acquittal and the State of the Union, but the jobs report and everything else." Meadows went on to say that "this is the only President who can run on his accomplishment in the first three years, and still run against his own Administration. Because part of his Administration is trying to defeat the Trump agenda. ... Can you imagine what this President could have accomplished if everyone were in the boat rowing the same way?"

O'Brien Reportedly Pushing Trump To Nominate Stewart For DNI Post.

The New York Times (2/11, Barnes, Haberman, Fandos, 18.61M) reports Rep. Chris Stewart (R-UT) has "emerged as a top contender to be the next director of national intelligence in the weeks before the acting intelligence chief must by law give up the post, people briefed on the matter said on Tuesday." National Security Adviser O'Brien is said to be pushing President Trump to nominate Stewart for the position. Stewart is "well-liked by congressional Republicans and is thought to enjoy support from Senate Republicans, who would confirm him if he is nominated." However, "Democrats are likely to balk at the selection of a House lawmaker" who "vigorously defended" Trump during the impeachment process.

Mar-A-Lago Trespasser Testifies She Was Simply A Confused Tourist.

The Miami Herald (2/11, Nehamas, Blaskey, 1.09M) reports Lu Jing, "the Chinese woman accused of trespassing at Mar-a-Lago and resisting an officer without violence, unexpectedly testified in her own defense in a Palm Beach County court Tuesday, saying she was a harmless and confused tourist who walked through the open and unguarded main entrance of [President Trump's] private club and home to take pictures" in December. Speaking through a Mandarin interpreter, Lu said, "It was an open gate that was very pretty." Lu, "who police say is in the country on an expired visa, faces the two misdemeanor charges, as well as eventual deportation."

New Hampshire Man Seeks To Aid Homeless Mired In Opioid Crisis.

The CBS Evening News (2/11, story 11, 1:50, O'Donnell, 4.69M) reported on the efforts of a New Hampshire man who was inspired to help the homeless after he lost his son to opioids. Peter Kelleher started out "making soup for the homeless" and his nonprofit "Support the Soupman" has expanded to include donations of care packages and warm clothes.

Senate Confirms Trump Appointee To 11th Circuit Court Of Appeals.

The Atlanta Journal-Constitution (2/11, Mitchell, 895K) reports the US Senate yesterday "confirmed US District Judge Andrew Brasher to the 11th Circuit Court of Appeals, which handles cases filed in Georgia, Florida and Alabama." The 52-43 vote "fell strictly along party lines." The Washington Times (2/11, Swoyer, 492K) points out "liberal advocacy groups decried the confirmation of...Brasher, who has been a judge for the Middle District of Alabama since May of 2019," but "conservatives cheered" it, "applauding the president's historic number of federal court appointments."

Fox News (2/11, Olson, 27.59M) reports on its website that "the 38-year-old Brasher is Trump's 51st judge confirmed to the appeals courts and 188th overall, according to a Heritage Foundation count." Brasher "was confirmed to the Middle District Court of Alabama last year and was previously the Alabama Solicitor General, a job in which he argued before the Supreme Court and the 11th Circuit, the bench Trump and Senate Republicans would like him to join." Fox adds that "also a former white-collar criminal defense lawyer and civil litigator, Brasher received a unanimous "Well-Qualified" rating from the American Bar Association for his nomination to the 11th Circuit."

McConnell Touts Remake Of Ninth Circuit. The Washington Times (2/11, Swoyer, 492K) reports Senate Majority Leader McConnell, who "is keeping his chamber focused on filling judicial vacancies," told "conservative radio host Hugh Hewitt that Senate Republicans have been able to remake the 9th US Circuit Court of Appeals so it doesn't lean so far to the left." Said McConnell, "We've changed the Ninth Circuit. ... My motto for the year is 'leave no vacancy behind.'"

Thomas Advocates For Judicial Restraint During Dedication Ceremony. The Atlanta Journal-Constitution (2/11, Rankin, 895K) reports, "Judges must adhere to the rule of law and not substitute their own racial, religious or partisan preferences to achieve a desired result, US Supreme Court Justice Clarence Thomas said Tuesday." Speaking at a dedication ceremony for the new Nathan Deal Judicial Center in Atlanta, Georgia, "Thomas preached his long-held belief of the need for judicial restraint." Thomas said, "Our decisions should not be driven by a desire to be revered or lionized for reaching certain outcomes. We are not mass media icons. We are judges, nothing more and nothing less."

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Wheeler: One Trillion Trees Initiative Shows Trump's Commitment To Environment.

In an op-ed for USA Today (2/11, 10.31M), EPA Administrator Wheeler writes that in another example that President Trump is committed to the environment, the US will join the One Trillion Trees Initiative, "an ambitious effort to bring together government and the private sector to plant new trees in America and around the world." In Wheeler's view, "Americans should be optimistic with the environmental progress we are making and with the vision President Trump has for our future." Wheeler writes that "from 1970 to 2018, America has reduced the six main criteria air pollutants by 74% while the economy grew over 275%, all of which have seen reductions over the past three years under President Trump."

USA Today: More Needs To Done To Address Climate Change. In an editorial, USA Today (2/11, 10.31M) argues that tree planting is "just one of many steps needed to help stave off catastrophic global warming," but Trump "seems to regard it as a substitute for other necessary and substantive actions." The editorial observes that Trump is withdrawing the US from the Paris climate agreement and "working to reverse Obama-era plans for cutting power plant and vehicle carbon pollution." Moreover, "Trump wants more logging, mining and development of the Tongass National Forest in Alaska, America's largest natural reservoir for carbon storage."

Oil Production From Federally Managed Lands And Waters Increased 13% Last Year.

The AP (2/11, Brown) reports that "oil production from US- managed lands and waters topped a record 1 billion barrels last year...as technological advances helped drive development in new areas and the Trump administration eases rules on the industry." The AP adds "the production figure was up 122 million barrels, or more than 13 percent, from 2018." Acting Assistant Secretary of the Interior Casey Hammond told the AP "that breaking the billion-barrel threshold marks a major milestone in the Trump administration's drive to increase domestic energy production."

Montana Mining Town Warily Awaits Cleanup Plan For Superfund Site.

The Washington Post (2/11, McLaughlin, 14.2M) reports residents of Butte, Montana have "been waiting years to learn how the Environmental Protection Agency will finish cleaning up" Berkeley Pit, "now a mile-long, 900-foot-deep poison lake, and a vast network of contaminated subterranean tunnels." Parties in charge of the Superfund "cleanup have negotiated privately; the outcome may be revealed within weeks, if not days." But "many residents are exhausted by the closed-door dealings, technical and bureaucratic jargon and the seemingly endless process." They are also skeptical of "regulators' insistence that public input has been critical to their decision-making."

WTimes Analysis: Equal Rights Amendment Raises LGBTQ Issues.

The Washington Times (2/11, Dinan, 492K) reports, "Virginia's purported ratification of the Equal Rights Amendment last month created a legal mess. Among the questions raised is whether the equality promised for two sexes would apply to the growing LGBTQ movement." The ERA would guarantee equality of rights on "account of sex," but the article says "what that means exactly is contentious," and "if the amendment is added to the Constitution, it would create a morass of legal questions – chief among them whose vision of sex would control it."

Virginia Lawmakers Approve Bill To Award Electoral Votes Based On National Popular Vote.

The Washington Times (2/11, Richardson, 492K) reports, "The Virginia House of Delegates passed Tuesday a bill to award its electoral votes to the winner of the national popular vote as the newly elected Democratic majority sought to join the pact to leapfrog the Electoral College." The state House "voted 51-46 to enter into the National Popular Vote Interstate Compact, sending H.B. 177 to the state Senate despite opposition from Republicans who argued that the measure would upend the intent of the Framers." If the bill is signed into law by Gov. Ralph Northam (D), "Virginia would join 15 states and the District of Columbia in the agreement to have their electors cast their ballots for the presidential candidate who gains the most popular votes nationwide, instead of the statewide winner."

Nevada Democrats' New Caucus Plan "Unlikely To End Growing Concerns" About Process.

The Washington Post (2/11, Bailey, Stanley-Becker, 14.2M) reports that having scrapped two "apps similar to the one that caused chaos in Iowa, the Nevada State Democratic Party said it would use paper ballots and an online check-in process in its presidential caucuses, a plan unlikely to end growing concerns about the coming vote. In a memo distributed to representatives of the 2020 campaigns on Monday night, party officials outlined several new procedures for early caucusing, set to begin Saturday," including "the use of an online Google check-in form designed to help party officials 'track participants and streamline data collection' and the assignment of a numeric 'voter PIN' and separate identification number tied to state voter registration to help route a participant's ballot to their home precinct." Still, "experts warned that this new proposal would leave the caucuses vulnerable to big security threats. They said, too, that they were puzzled by how the plan would work."

In 2015 Audio Clip, Bloomberg Says "All The Crime" Is In Minority Neighborhoods.

The AP (2/11, Jaffe, Lemire) reports ex-New York City Mayor Michael Bloomberg is "under fire" over resurfaced audio in which he says that to bring down murder rates "put a lot of cops" in minority neighborhoods because that is where "all the crime is." Bloomberg made the comments during a 2015 appearance at the Aspen Institute as he was defending "his support for the controversial 'stop and frisk' policing

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tactic that has been found to disproportionately affect minorities." The New York Post (2/11, Jacobs, Golding, 4.57M) reports that in the audio, Bloomberg says, "Ninety-five percent of murders, murderers and murder victims fit one M.O. You can just take a description, Xerox it, and pass it out to all the cops. ... They are male, minorities, 16 to 25. That's true in New York, that's true in virtually every city (inaudible)." Bloomberg also says that "the way you get the guns out of the kids' hands is to throw them up against the wall and frisk them," and suggests "that the ends of 'stop-and-frisk' justified the means." He added, "If you can stop them from getting murdered, I would argue everything else you do is less important."

The New York Times (2/11, Burns, Haberman, 18.61M) points out that Bloomberg "apologized for his administration's law-enforcement tactics in November just before he entered the race," but "he had previously spent years insisting that the policy was justified and effective, showing no indication that he had developed serious misgivings about stop and frisk." The Times adds that in the audio, Bloomberg offers "a particularly blunt defense" of the policy.

Bloomberg (2/11, 4.73M) reports that the audio "surfaced hours after a Quinnipiac poll came out Monday showing Bloomberg rising in presidential preference polls among black voters." According to the poll, his "support among black voters jumped 15 percentage points since an earlier poll on Jan. 28, from 7% to 22%." At the same time, former Vice President Joe Biden's "once-overwhelming advantage among the same voter pool dropped from 49% to 27%." Andrea Mitchell said on NBC Nightly News (2/11, story 4, 1:45, Holt, 6.35M) that Bloomberg has "soar[ed] to third place in a national poll," and is "siphoning off critical African American support from Joe Biden." But he is "now a target."

In Now-Deleted Tweet, Trump Called Bloomberg A "Total Racist." Axios (2/11, Green, 521K) reports that in a now-deleted tweet, President Trump posted the audio and called Bloomberg a "TOTAL RACIST." The Washington Times (2/11, Boyer, 492K)says Trump campaign manager Brad Parscale also tweeted out the audio and wrote, "All the money in the world can't undo this." The New York Times (2/11, Burns, Haberman, 18.61M) says, "The highlighting of Mr. Bloomberg signals a change in approach for the broader Trump apparatus, which has mostly ignored Mr. Bloomberg even as the president has fretted about the billionaire's profligate spending." Jonathan Karl said on ABC World News Tonight (2/11, story 2, 3:20, Muir, 7.77M) that "Trump himself has repeatedly promoted stop and frisk." Trump: "It worked very well in New York. It brought the crime rate way down."

Trump also retweeted a photo of himself and Bloomberg, apparently on a golf course, and wrote, "Mini Mike is a short ball (very) hitter. Tiny club head speed. KEEP AMERICA GREAT!"

Bloomberg responded to Trump's tweet calling him a "total racist" by accusing the President of being a racist. Reuters (2/11, Lange) reports that Bloomberg issued a statement in which he "cited what he called his commitment to criminal justice reform and racial equity," and added, "In contrast, President Trump inherited a country marching toward greater equality and divided us with racist appeals and hateful rhetoric." The Daily Caller (2/11, Talcott, 716K) quotes Bloomberg as saying in the statement, "President Trump's deleted tweet is the latest example of his endless efforts to divide Americans. ... Make no mistake Mr. President: I am not afraid of you and I will not let you bully me or anyone else in America." A Wall Street Journal (2/11, Subscription Publication, 7.57M) editorial criticizes Trump's tweet calling Bloomberg a racist, since he has faced unfair allegations of racism himself. The also argues that while Bloomberg's comments were politically incorrect, they were basically true.

Meanwhile, Politico (2/11, Forgey, 4.29M) says Bloomberg's "Democratic rivals mostly dodged questions regarding the clip Tuesday, declining to engage with the controversy as they campaigned in New Hampshire." However, Politico says Biden "suggested he would reference 'stop-and-frisk' during the primary debate next week in Las Vegas." Biden said, "We're going to debate him there. And so I'm anxious to talk about it." Politico adds that Tom Steyer "challenged Bloomberg most directly." Steyer said, "The racist stereotypes he uses have no place today, and anyone running for the presidential nomination should disavow them."

Trump Says He'd Rather Run Against Bloomberg Than Sanders. Breitbart (2/11, Spiering, 673K) reports that Trump said Tuesday that he would rather run against Bloomberg than Sanders. Trump said, "Frankly I'd rather run against Bloomberg than Bernie Sanders because Sanders has real followers. ... He has followers, Bloomberg's just buying his way in."

NYTimes Analysis: Bloomberg Controversy Showed Trump Is A Master At "Hijacking" A News Cycle. A New York Times (2/11, Shear, Haberman, 18.61M) analysis says Tuesday could have been a day in which Trump "saw himself losing control of the narrative in the face of wall-to-wall coverage of his Democratic rivals in the presidential primary in New Hampshire." But, with the Bloomberg audio, Trump saw "an opportunity to try to shape the coverage of the Democratic contest more to his liking." Trump "poured accelerant on the story, aided by his oldest son, Donald Trump Jr., and his campaign manager." The Times says it was "a reminder, if anyone needed one, that the first reality show star turned president has mastered the art of hijacking the modern internet-dominated news cycle, taking old but not well-known information and hyping it to make it feel new and potentially damaging for one of his political enemies."

Sanders Says He Has "A Real Problem" With Bloomberg Trying To "Buy The Election." The New York Post (2/11, Fredericks, 4.57M) reports that in an interview with NBC, Sen. Bernie Sanders (I-VT) said he has a "real problem" with Bloomberg spending millions o dollars of his own money for his presidential campaign. Sanders said, "I don't begrudge his wealth, but I do begrudge a billionaire thinking he can buy the election. He has every right in the world to run for office…But he doesn't have the right to buy an election. This is exactly the problem with American politics." Sanders said he has "a real problem with multibillionaires literally buying elections."

Former CNBC Anchor To Challenge Ocasio-Cortez In NY14 Democratic Primary.

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The New York Post (2/11, Moore, 4.57M) reports "former CNBC anchor Michelle Caruso-Cabrera filed paperwork to challenge freshman Rep. Alexandria Ocasio-Cortez in the Democratic primary for her Bronx-Queens congressional seat." Caruso-Cabrera, who "left the network in

2018 and will no longer be a CNBC contributor, filed late Monday as a Democrat." On its website, CNBC (2/11, Calia, Javers, 3.62M) quotes Caruso-Cabrera as saying, "I am the daughter and granddaughter of working class Italian and Cuban immigrants. ... I am so lucky to have had such a wonderful career and I want everybody to have the opportunity that I've had. That's why I'm running."

To the Washington Examiner (2/11, Lowe, 448K), "Ocasio-Cortez may finally face a serious possible threat to her seat." The Examiner adds that "as a fellow Latina granddaughter of working-class immigrants, Caruso-Cabrera's background remarkably matches Ocasio-Cortez's, rendering the identity politics debate of Democratic primaries all but useless." The AP (2/11) recounts that "Caruso-Cabrera became a CNBC contributor when she left her full-time position at the network in September 2018." She "served as chief international correspondent and as co-host of 'Power Lunch'" during her 20-year career at the network." The Washington Times (2/11, Harper, 492K) indicates "she will be the 15th candidate to campaign against the outspoken freshman lawmaker, who is currently on the road" with Sen. Bernie Sanders (I-VT) "in his bid for the White House."

Axios (2/11, Knutson, 521K) says "the race pits Caruso-Cabrera, a proponent of free markets and limited government, against Ocasio-Cortez, a democratic socialist and one of the most popular progressive politicians in the country." USA Today (2/11, Cummings, 10.31M) reports that "in her 2010 book, 'You Know I'm Right: More Prosperity, Less Government,'" Caruso-Cabrera "described herself as a fiscal conservative and social liberal who was 'part of a new and growing crowd of "sort-of' Republicans.'" She also "said Ronald Reagan was her favorite president, followed by Bill Clinton."

Lawyer For Accused 9/11 Plotter Seeks To Be Excused From Case.

The New York Times (2/11, Rosenberg, 18.61M) reports James P. Harrington, the "long-serving capital defense lawyer" for Ramzi bin al-Shibh, "one of the five men accused of plotting the Sept. 11, 2001 attacks, asked the judge on Tuesday to be excused from the case, citing his health and other issues, casting doubt on whether the trial can begin as scheduled next year." Col. W. Shane Cohen, the judge, "recessed what was meant to be a week of pretrial hearings to allow" Harrington "to put his request to leave the case in writing."

Rose, Soufan Make Case For Designating White Supremacist Groups As Terrorist Organizations.

In an op-ed for the New York Times (2/11, 18.61M), Rep. Max Rose (D-NY) and former FBI special agent Ali H. Soufan write that "the enemy we currently face is not a jihadist threat. It's white supremacists – in the United States and overseas." They argue that "so-called domestic terrorism" is not domestic at all and cite "the existence of a global network of white supremacist extremists that stretches across North America, Europe and Australia. White supremacists today are organizing in a similar fashion to jihadist terrorist organizations, like Al Qaeda, in the 1980s and 1990s." But US law "has not caught up to the new threat we face." Because "international white supremacist groups are still not designated as foreign terrorist organizations," law enforcement and intelligence agencies "cannot access the full suite of tools available to them in countering groups like ISIS and Al Qaeda."

Esper Wants NATO To Step Up Role In Fight Against ISIS.

The AP (2/11, Burns) reports Defense Secretary Esper "said Tuesday he is looking to NATO allies for more help countering the Islamic State extremist group in Iraq and in bolstering US defense efforts in the Middle East more broadly." The AP adds that "in an interview while flying to Brussels to attend a NATO defense ministers meeting, Esper told reporters he wants NATO countries to do more to help Iraq's security forces." Said Esper, "As they put more forces in, that could allow us to decrease" the US military's role.

RCP Average Has Trump's Job Approval At 45.1%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45.1%, and his disapproval at 52.1%. The President's job approval is down 0.1 since yesterday; his disapproval is up by 0.1.

A Rasmussen poll of 1,500 "likely voters" (2/6-2/10) finds Trump's approval at 49%, with 49% disapproving.

Financial International News

Argentina Delays $1.47B Bond Payment Ahead Of IMF Talks.

Reuters (2/11, Raszewski, Bronstein) reports Argentina "has decided to postpone a $1.47 billion principal payment on the country's AF20 bond until Sept. 30, the economy ministry said on Tuesday, potentially complicating a wider debt restructuring program." In a statement, the government "said it planned to continue making scheduled interest payments on the bond. But investors may still frown on Argentina changing payment terms without consulting the bondholders." Reuters quotes Goldman Sachs emerging markets analyst Alberto Ramos saying, "It is a unilateral decision by the debtor, and not a move that creates goodwill in the market." The announcement comes "on the eve of talks with Argentina's biggest creditor," the IMF, "over the government's strategy for getting out of recession," a strategy that "starts with re-negotiating IMF loans and sovereign bonds." The AP (2/11) also reports.

Egypt's Central Bank Governor Says Talks Occurring With IMF On Technical Assistance, Structural Reforms.

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Reuters (2/11, Laessing) reports Egypt's central bank governor "said on Tuesday that Egypt is in talks with the International Monetary Fund (IMF) about technical assistance regarding structural reforms. Governor Tarek Amer added that the priority was to grow the economy." Bloomberg (2/11, 4.73M) also reports.

Lebanon's New Government Wins Confidence Vote As Mass Protests Continue.

Reuters (2/11, Perry, Nakhoul, Francis, Bassam, Knecht) reports Lebanon's new government "won a vote of confidence from parliament on Tuesday as protesters trying to block the session clashed with security forces, leaving hundreds injured." The government's new cabinet, "formed last month with the backing of the powerful Hezbollah group, is hoping a financial rescue plan that formed the basis of its confidence vote in parliament can help pull the country from a deep financial crisis." It will need to do so fast, as Lebanon "must quickly decide how it will deal with maturities including a $1.2 billion Eurobond due in March, part of $2.5 billion owed this year." Reuters says Parliament Speaker Nabih Berri "was quoted saying Lebanon should seek IMF technical help to draw up an emergency plan but should not 'surrender' to the IMF because the nation could not bear its conditions."

Leading International News

McConnell Urges Senate To Oppose Bill Constraining Trump's Iran War Powers.

The Washington Times (2/11, Meier, 492K) reports Senate Majority Leader McConnell on Tuesday "vowed to vote against a war powers resolution that would restrict President Trump's military authority in Iran." In a speech on the Senate floor, McConnell "called the measure 'blunt and clumsy,' and claimed that if passed, the resolution 'would tie our own hands.'" McConnell "called on his fellow Senate colleagues to join him in rejecting the legislation."

Pompeo Warns Iran's Space Efforts Could Help Development Of Missile Program.

The Washington Times (2/11, Meier, 492K) reports Secretary of State Pompeo on Tuesday "criticized Iran's recent failed satellite launch, calling the attempt 'reckless.'" The US has "warned the satellite launch – that Iran claims was intended to gather geographic imagery and data – was part of a larger effort to further a nuclear program and has expressed concerns that the long-range ballistic missile technology used to launch the satellites could be linked to nuclear development." Pompeo said "the technologies used to launch satellites into orbit are virtually identical and interchangeable with those used in the longer-range systems, including intercontinental ballistic missiles."

Hezbollah Reportedly Increased Cooperation With Iraqi Militias After Soleimani Strike.

Reuters (2/11) reports that "shortly after Iranian Major General Qassem Soleimani was killed in a U.S. drone strike in Iraq," Hezbollah "urgently met with Iraqi militia leaders, seeking to unite them in the face of a huge void left by their powerful mentor's death." According to Reuters, "The meetings were meant to coordinate the political efforts of Iraq's often-fractious militias, which lost not only Soleimani but also Abu Mahdi al-Muhandis, a unifying Iraqi paramilitary commander, in the Jan. 3 attack at Baghdad airport." Citing "sources in a pro-Iran regional alliance," Reuters says Hezbollah "has stepped in to help fill the void left by Soleimani in guiding the militias."

UAE's Gargash Supports Iran Deescalation.

Reuters (2/11, Khalek) reports, "United Arab Emirates minister of state for foreign affairs Anwar Gargash said on Tuesday his country supports calls for de-escalation with Iran and to reach a political solution, Al Arabiya TV reported." Gargash "added that preventing Iran from having nuclear weapons under the Vienna accord as the sole restriction is not enough."

Syrian Army Recaptures Strategic Highway Held By Rebels Since 2012.

Reuters (2/11) reports the Syrian army yesterday "seized control of a highway in northwest Syria for the first time since 2012...as they pressed their campaign to eradicate the last rebel strongholds in Idlib province and the Aleppo countryside." Citing the Syrian Observatory for Human Rights, Reuters says Syrian soldiers have "seized the entire length of the M5 highway," which "runs from Aleppo in the north to the capital Damascus then on to southern Deraa." Reuters goes on to report that in Ankara, "talks between Turkey and Russia ended without agreement on stopping clashes in which 13 Turkish soldiers have been killed in Syria in one week."

The AP (2/11, Mroue, Fraser) reports that in northern Syria, unidentified "rebels" shot down a Syrian helicopter "killing its crew members in a fiery crash." According to the AP, "The Syrian helicopter gunship was shot down by insurgents amid fighting near the village of Nairab as rebels, backed by Turkish artillery, tried to retake it after losing it last week." The AP says Turkey, "a main backer of the rebels, has rolled armored vehicles into Idlib, apparently to prevent government forces from reaching the border areas with Turkey."

Doctor Featured In Documentary Was Only Woman Running A Hospital In Rebel-Held Syria.

The New York Times (2/11, Gupta, 18.61M) profiles Amani Ballour, a Syrian doctor featured in the Oscar-nominated film "The Cave." Ballour studied medicine at Damascus University and almost immediately after graduating, she "started volunteering at a hospital in eastern Ghouta – a rebel stronghold near Damascus – as one of the few doctors in the area. The hospital, which was under construction when she intended to be a large, six-story medical hub, but the work was abandoned as government forces ramped up attacks and seized the area, forcing the team

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of 13 doctors to move operations into the winding, subterranean space that made up the foundation of the unfinished building. Soon enough, the new, underground clinic came to be known as the cave." In 2016, she was promoted to manager, "making her the first and only woman in charge of a hospital in rebel-occupied Syria."

Trump Gives Conditional Approval To Peace Deal With Taliban.

The New York Times (2/11, Mashal, Jakes, 18.61M) reports, "More than 18 years after the United States invaded Afghanistan, President Trump has conditionally approved a peace deal with the Taliban that would withdraw the last American troops from the country, potentially beginning the end of America's longest war, according to Afghan and American officials." However, "the deal will only be signed if the Taliban prove their commitment to a durable reduction of violence over a test period of about seven days later this month." The Times adds that "if the Taliban do end hostilities and a deal is signed, the United States would then begin a gradual withdrawal of American troops, and direct negotiations would start between the Taliban and Afghan leaders over the future of their country." Secretary of State Pompeo "informed Afghanistan's top leaders in separate phone calls on Tuesday that Mr. Trump had given tentative approval to this approach, according to a senior Afghan official briefed on one of the calls."

Earlier yesterday, Reuters (2/11, Landay, Nair) reported "Afghan President Ashraf Ghani said on Tuesday he was told by...Pompeo that 'notable progress' had been made in talks between the United States and the Taliban on an agreement for a US troop withdrawal from Afghanistan." On Twitter, Ghani said "Pompeo had informed him in a telephone call that the Taliban had made a proposal 'with regards to bringing a significant and enduring reduction in violence.'" Reuters added "Ghani's tweet indicated a possible breakthrough in talks between US and Taliban negotiators."

The Washington Post (2/11, DeYoung, 14.2M) reports "Ghani and Afghan Chief Executive Abdullah Abdullah, who received separate calls from Pompeo, both expressed optimism about a potential 'reduction in violence,' but indicated in statements on Twitter that no final agreement had been reached."

Six Killed In Kabul Bombing Targeting Military Academy.

The Washington Post (2/11, Hassan, Salahuddin, 14.2M) reports that "after months of relative calm in the Afghan capital, a suicide bombing on Tuesday morning outside a military academy left at least six dead and 12 wounded." The Post adds "bombings in Kabul have dropped off in recent months as peace talks between the United States and Taliban insurgents have reached a critical stage. In addition, large-scale military operations in the country's east have disrupted the extremist Islamic State group's ability to plan and carry out attacks." The Kabul military academy that was attacked "has been the target of attacks in the past claimed by the Islamic State," but "no group immediately claimed responsibility for the latest attack."

Trumps To Host State Dinner For Spanish Royals.

The AP (2/11, Superville) reports that in April, President Trump and First Lady Melania Trump "will host the administration's third state dinner...for King Felipe VI and Queen Letizia of Spain." King Felipe and Trump "met in the Oval Office in June 2018 during a royal tour of the US to mark the 300th anniversaries of the founding of New Orleans and San Antonio, cities with historical ties to Spain." The AP adds that Trump, "at the time, praised the 'outstanding' relationship between the US and Spain and cited excellent cooperation between them on trade and military defense."

Grenell: Evidence Shows Trump's Foreign Policy Style Is Working.

US Ambassador to Germany Rick Grenell said on the Hugh Hewitt Show (2/11), "I really believe in this new foreign policy for conservatives. And I really think that there's a lot of successes that President Trump has had. So I'm happy and humbled to be a part of it. I truly am. So I'm going to do what the President wants. I will say this, that you know, there's a lot of talk about President Trump's style. And I'm somebody who takes that bait every single time someone brings it up. I would love to engage on this idea of whether or not President Trump's style is working, because I think we've got a lot of evidence to show that it actually is working. And so we should be thankful that we have a President with President Trump's style, because it works."

Grenell Cites Progress In Efforts To Serbia-Kosovo Relations. Grenell was asked on the Hugh Hewitt Show (2/11) about efforts to normalize relations between Kosovo and Serbia. Grenell said there has been "some progress." Grenell said he "found that they just really wanted a normalization on the economic front. And so our goal became how do we begin to move commerce to a more normal level. ... We needed to have the first flight from Pristina to Belgrade in 21 years," and "we were able to get an agreement. ... It's really the Trump goal of trying to use the economy to really drive forward political issues." Grenell added, "I do think in a typical Donald Trump Administration fashion, we are pushing the parties together, and trying to not have this kind of US-centric idea that's imported...onto these countries, but to really say to" both sides, "do you all have the political will to move forward, create jobs for your young people, and really change the economic outlook?"

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CIA's Secret Ownership Of Encryption Company Enabled Expansive Espionage For Decades.

CFTC-22-0351-A-001709

The Washington Post (2/11, Miller, 14.2M) reports a Swiss company that supplied encryption devices to governments around the world "well

into the 21st century" was "secretly owned by the CIA" for years in a classified "partnership with West German intelligence." The spy agencies "rigged" Crypto AG's devices "so they could easily break the codes that countries used to send encrypted messages." The operation was "successful beyond their wildest projections," and generated profits that were used to fund other projects.

At UN, Abbas Denounces Trump's Plan For Israel And Palestine.

Reuters (2/11, Holland, Mohammed) reports that in an appearance before the United Nations Security Council, Palestinian President Mahmoud Abbas "angrily rejected" President Trump's "Middle East peace proposal...as a gift to Israel and unacceptable to Palestinians." Abbas, "waving a copy of a map that the US plan envisions for a two-state solution for Israel and Palestine...said the state carved out for Palestinians looked like a fragmented 'Swiss cheese.'" Reuters also reports that "in a potential rebuke to the Trump plan, a draft UN Security Council resolution being circulated to council members by Tunisia and Indonesia would condemn an Israeli plan to annex its settlements in the West Bank."

The New York Times (2/11, Gladstone, 18.61M) similarly reports "Abbas categorically repudiated everything about the plan, which Mr. Trump unveiled with great fanfare two weeks ago in Washington with Prime Minister Benjamin Netanyahu of Israel at his side." The plan "would give Israel most of what it wanted while offering the Palestinians the possibility of a state with limited sovereignty." To the New York Post (2/11, Moore, 4.57M), meanwhile, "the proposal, the culmination of a three-year effort by Trump's son-in-law Jared Kushner, doubles the territory under Palestinian control and offers a path to statehood if the Palestinians meet a number of conditions," though "it also recognized Israel's sovereignty over settlements in the West Bank."

The Washington Times (2/11, Frantzman, 492K) reports "Israel has waited a long time for President Trump's vaunted 'deal of the century,' and now it is waiting some more." While "the peace plan...was widely seen as a diplomatic triumph and security coup for Israeli Prime Minister Benjamin Netanyahu...he is finding his country in a state of suspended animation" ahead of "a national election March 2." The Times adds "the US and Israel are looking to the March 2 elections in hopes that they will provide clarity and an Israeli government that can act."

Palestinian Push For UNSC Vote Condemning US Plan Fizzles. The Washington Post (2/11, Gearan, 14.2M) reports "the Trump administration claimed a symbolic victory at the United Nations on Tuesday, as an effort to formally condemn the new US Middle East peace plan fizzled." The Post adds "a UN Security Council vote that would have been a referendum against the plan never happened, an indication that there were not votes to approve the Palestinian-backed measure."

Axios (2/11, Ravid, 521K) reports that "the White House is signaling that it's willing to make changes to the plan if the Palestinians return to the table," with "senior US officials" saying "their goal was to show the Palestinians that they won't get anywhere through the UN and would be better off negotiating with Washington." Said one such "senior official," "Today, by not putting forward a polarizing resolution, the United Nations Security Council demonstrated that the old way of doing things is over."

Natan Sharansky, a political prisoner in the Soviet Union who served in four Israeli cabinets, and Gil Troy, a professor of history at McGill, defend the Administration proposal in the Wall Street Journal (2/11, Subscription Publication, 7.57M), pointing out that Palestinian leaders have rejected peace plan after peace plan. To Sharansky and Troy, the issue is that Palestinian leaders are not seeking peace and will continue to refuse to recognize Israel as a Jewish state. Instead, to the authors, Israel and international actors should forego Abbas and negotiate with Palestinian pro-democracy business leaders.

Philippines Tells US It Intends To Exit Security Agreement.

The New York Times (2/11, Gutierrez, 18.61M) reports the Philippines announced yesterday that it "had officially informed the United States that it was scrapping a military pact that has given the longtime American ally a security blanket for the past two decades." The agreement "still remains in force, but the notice to terminate it, delivered to the American Embassy in Manila, starts a clock under which it will remain in effect for 180 days before lapsing." The Times adds "the notice to terminate the pact, the Visiting Forces Agreement, comes as President Rodrigo Duterte has warmed up to China while distancing himself from the United States, the Philippines' former colonial ruler. The move also comes as the Philippines has shown increasing reluctance to stand up to China over its territorial claims in the South China Sea."

Reuters (2/11, Lema, Petty) reports that "the mercurial Duterte, who has clashed with the former colonial ruler over several issues, decided to pull the plug on the two-decade troop rotation pact to enable the Philippines to be more independent in its relations with other countries, spokesman Salvador Panelo said." Said Panelo, "The President will not entertain any initiative coming from the US government to salvage the VFA, neither will he accept any official invitation to visit the United States."

The AP (2/11, Gomez) reports Defense Secretary Esper "said Tuesday in Brussels, Belgium, that he only received notice of Duterte's order on Monday evening and had not yet fully digested the details." Esper called the development "unfortunate," adding, "I do think it would be a move in the wrong direction."

NYTimes Analysis: Merkel Heir's Exit Exacerbates Concerns About German Leadership.

The New York Times (2/11, Bennhold, Erlanger, 18.61M) reports that "even before Chancellor Angela Merkel's chosen successor announced this week that she would step aside, sending German politics into deeper disarray, there were complaints about German leadership in Europe." The Times adds "those concerns will come into even sharper focus this week, with the opening on Friday of the annual Munich Security Conference." To the Times, "It is telling that, 30 years after German reunification, Germany and its stagnant government, split

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ideologically and with Ms. Merkel in her last year in office, will barely feature on the agenda," and "the resignation on Monday of Ms. Merkel's chosen successor, Annegret Kramp-Karrenbauer, will only intensify questions about where Germany is headed."

Guaidó Says He Is Back In Venezuela.

Reuters (2/11, Kinosian) reports interim Venezuela President Juan Guaidó on Tuesday "wrote on Twitter that he has arrived in his country after traveling in North America and Europe." The Washington Post (2/11, Zuñiga, Faiola, 14.2M) recounts that "the opposition said a caravan of pro-Guaidó lawmakers traveling to greet him was stopped by police, prompting some to start a miles-long walk toward the airport. About 40 other lawmakers who had traveled separately managed to arrive by early afternoon to await Guaidó's return."

WPost Analysis: Increasing Role Of Military In Latin American Countries Reflects Dissatisfaction With Democracy.

The Washington Post (2/11, Brigada, Sheridan, 14.2M) reports a "show of force" by El Salvadoran soldiers who marched into a legislative assembly "this week has fueled an outcry over the increasingly visible role of the military in Latin America's nascent, in some cases fragile democracies." According to analysts, "the growing tendency of political leaders to turn to the military to assert their power reflects a mounting frustration with democracy." The Post says "the military is often viewed as less corrupt, more patriotic and better able to restore order than politicians." Leaders "turn to the armed forces to give luster to their governments, or legitimacy to their decisions."

Official: Sudan To Turn Bashir Over To ICC.

The AP (2/11) reports, "A top Sudanese official said Tuesday the country's transitional authorities and rebel groups have agreed to hand over officials wanted by the ICC, presumably referring to long-time autocrat Omar al-Bashir, who is wanted for war crimes including mass killings in Darfur." Al-Bashir, "overthrown by the military last year amid a public uprising, is wanted by the ICC on charges of crimes against humanity and genocide related to the Darfur conflict." The New York Times (2/11, Walsh, Dahir, 18.61M) cautions that "an official at the International Criminal Court said on Tuesday that the court had received no communication about a handover from Sudan's government, and that there were no negotiations at the moment." The Washington Post (2/11, Bearak, 14.2M), among other news outlets, also reports the story.

Australians' Support For Coal Shaken By Climate Concerns.

The Washington Post (2/11, Wilson, 14.2M) reports, "As much of a warming world considers alternatives to coal, Australia embarked last year on one of the largest expansions of the industry in a generation." However, "a series of ominous signs over the last three years have shaken the rock-solid support among Australians for their country's leading export." For instance, recent wildfires have forced many Australians "to confront the global impact of the Australian coal industry and along with it, the future of a national economy built in large part on briquettes."

WPost: Western Governments Should Help Belarus Resist Putin.

To counter Russian President Vladimir Putin's push "to subjugate Belarus," an editorial by the Washington Post (2/11, 14.2M) urges Western governments to support Belarusan President Alexsander Lukashenko, who is resisting Putin's calls to "implement a 20-year-old agreement that would merge the two countries, essentially turning Belarus into a province." Opposing Putin could result in harming the Belarusan economy, and in that case, the Post says "the United States and the E.U. should do what they can to ease the pain, while continuing to press for improvements in human rights."

Housing

Freddie Mac Survey Reveals Most Renters Mistakenly Believe They Pay Less Than Homeowners.

Mortgage News Daily (2/11) reports, "Renters questions in a new Freddie Mac survey expressed a rather unfortunate misconception. In its new Profile of Today's Renter and Owner, the company said it found that 'An unprecedented number of renters believe renting is more affordable than owning. Eighty-four percent of respondents stated that belief, up 17 percentage points from the February 2018 survey and an all-time high. However, the survey also found that 42 percent of renters paid more than one-third of their income on rent compared to 24 percent of homeowners who paid that much on their mortgage.'"

According to M Report (2/11, Albanese), Freddie Mac CEO David Brickman said, "The housing market is strong and, based on our survey, the low mortgage rate environment may inspire both renters and owners to make an educated move this spring. While Baby Boomers tend to be satisfied with their current housing situation, younger generations are still struggling to determine whether to rent or purchase a home, largely due to lack of supply and affordability constraints." The Mecklenburg (NC) Times (2/11, Baughman, 2K) and ETF Trends (2/11) provide similar coverage.

Multifamily Executives At MBA CREF 2020 Conference Are Optimistic.

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The National Real Estate Investor (2/11, 131K) reports on nine "takeaways" from the first day of the MBA CREF 2020 Conference. Among other topics, NREI reports that multifamily lenders "see little risk to their business right now," other than those in markets facing rent

regulation. Freddie Mac Multifamily EVP Deborah Jenkins said, "In the core [multifamily] businesses, there's nothing that's making me nervous, especially on the middle-market, workforce side, so maybe [this cycle] is a double header." PGIM Real Estate Finance Managing Director Michael McRoberts was also optimistic, stating, "I think we can roll for a while and have a period of time when returns are not as good as they have been, but they are still fine."

Scotsman Guide (2/11, Aurellano) reports, "At its 2020 Commercial Real Estate Finance/Multifamily Housing Convention & Expo in San Diego, the Mortgage Bankers Association (MBA) announced that 2020 will mark a rebound in commercial and multifamily mortgage maturities." The rise "should kick off a stabilization in mortgage maturation patterns after a rollercoaster ride in the last few years, according to Jamie Woodwell, the MBA's vice president of commercial real estate research." Woodwell said, "This year marks the beginning of a 'return to normalcy' after the so-called 'wall of maturities' in 2016 and 2017, and the 'trough of maturities' in 2018 and 2019." According to him, the volume of 2020 maturities is "muted," even with the rebound. Woodwell said, "This is particularly true for multifamily mortgages held or guaranteed by Fannie Mae, Freddie Mac and FHA, of which less than 2 percent of the outstanding balance will mature. Loans made by investor-driven lenders, such as mortgage REITs, debt funds and credit companies, tend to be shorter-term, which is why nearly one-quarter of the outstanding balance of those loans will mature in 2020."

NY Fed: US Household Debt And Mortgage Debt Hit Another Highs In Q4.

American Banker (2/11, Subscription Publication, 31K) reports that US household debt "hit another all-time high in the fourth quarter, as outstanding balances on mortgages, student loans, auto loans and credit cards all climbed to record levels, according to data released Tuesday by the Federal Reserve Bank of New York. Total consumer debt rose to $14.15 trillion, up nearly 5% from the end of 2018 and roughly 27% from 2013, when debt levels started rising again after years of belt-tightening." In Q4, "mortgage originations rose by $223 billion from the previous quarter, as many homeowners used falling interest rates as an opportunity to refinance their debt. With average on rates on a 30-year fixed-rate mortgages falling to 3.45% last week – their lowest level in three years, according to a survey by Freddie Mac – observers expect the purchase market to perk up as well." Freddie Mac Chief Economist Sam Khater said, "The combination of very low mortgage rates, a strong economy and more positive financial market sentiment all point to home purchase demand continuing to rise over the next few months."

MBA Releases Commercial And Multifamily Servicer Rankings.

REBusiness Online (2/11, Tostado) reports, "The Mortgage Banker Association (MBA) has released its 2019 ranking of commercial and multifamily mortgage servicers, which is calculated by deal volume." The MBA "ranked a few different categories in its report, including ranking the top agency servicers. For Fannie Mae loans, Wells Fargo, Walker & Dunlop, Berkadia, CBRE and Newmark Knight Frank (NKF) are the top five servicers. For Freddie Mac, Wells Fargo, KeyBank, PNC, CBRE and Berkadia are the top five performers. ... Orix Real Estate Capital, Walker & Dunlop, Berkadia, Greystone and Wells Fargo were the top Federal Housing Authority (FHA) and Ginnie Mae servicers."

Podcast: DeMarco Discusses QM And ATR Rule, GSE Reform.

HousingWire (2/11, 23K) reports, "Housing Policy Council President and former Federal Housing Finance Agency Interim Director Ed DeMarco visited HousingWire Monday to talk about the latest developments on the Qualified Mortgage and the Ability-to-Repay rule." In a "special podcast episode, DeMarco talks about the shifts in the QM rule, and what it would mean to remove the debt-to-income requirement from Ability-to-Repay." At the end of the podcast, DeMarco also discusses "GSE reform, and what it means to have someone like FHFA Director Mark Calabria at the helm as Fannie Mae and Freddie Mac prepare to exit conservatorship."

Multifamily Financing.

KeyBank Provides $23M Freddie Mac Refi For Louisiana Tech Student Housing.

REBusiness Online (2/11) reports, "KeyBank Real Estate Capital has provided a $23.2 million Freddie Mac refinancing loan for University Crossing Apartments, a 552-bed student housing community located near Louisiana Tech University in Ruston."

CBRE Originates $20M Freddie Mac Acquisition Loan For Denver Community.

Multi-Housing News (2/11) reports, "Montgomery Partners has purchased the 168-unit Aspenwood in Aurora, Colo., for $30 million from a private investor, Yardi Matrix data shows. CBRE Capital Markets originated a $19.6 million Freddie Mac loan for the new owner. The financing matures in 2027."

Freddie-Financed Atlanta Property Refinanced.

Commercial Real Estate Direct (2/11, Moynihan) reports, "Walker & Dunlop has originated $26 million of Fannie Mae financing against the 210-unit Reserve at Johns Creek Walk apartments in the Atlanta suburb of Johns Creek, Ga. The loan allowed the property's owner, JLL Income Property Trust, to retire a $22.8 million Freddie Mac loan that was securitized through FREMF 2013-K713."

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Research Suggests CECL Could Prompt Federal Banking Regulators To Loosen Capital Requirements.

The Wall Street Journal (2/11, Maurer, Subscription Publication, 7.57M) reports that a study by researchers from the University of Minnesota and the Netherlands' Tilburg University suggests that the Current Expected Credit Loss (CECL) accounting standard could lead United States banking regulators to loosen capital requirements for financial institutions. Lenders, who have generally criticized the rule, could stand to benefit, according to the research.

NAR Panel Focuses On Closing The Racial Homeownership Gap.

Mortgage Professional America (2/11, Smith) reports that the homeownership gap between white and black Americans is growing wider, according to the National Association of Realtors. Last year, the gap was "larger than it was more than 50 years ago," according to MPA. At a panel in Washington, DC, experts "discussed the factors putting homeownership out of reach for many Americans and proposals to alleviate housing-supply constraints, improve access to credit, and increase post-purchase and support programs." Bryan Greene, NAR's director of fair housing policy, said at the conference, "In 2020, there is still a persistent gap in homeownership rates between whites, African Americans, Hispanic Americans and Asian Americans. On one hand, you might expect there to be a lower homeownership rate among minority Americans, as a history of discrimination in this country has left many with lower incomes … and less generational wealth to pass on for down payments and the like."

With Latest Drop In Rates, Mortgage Investors Prepare For A New Wave Of Refis.

Bloomberg (2/11, 4.73M) reports, "With the 30-year mortgage rate just 14 basis points above its all-time low of 3.31% seen in November 2012, mortgage-backed security investors are bracing themselves for a wave of refinancings in the coming months. The prevailing sentiment for higher prepayments ahead is shown by a Bloomberg Barclays U.S. MBS index duration that is just 2.62 years, down from 4.71 one year ago and approaching the trailing-one year low of 2.34 seen on Sept. 4, according to data compiled by Bloomberg." Bloomberg reports that "about 60% of conventional (Fannie Mae and Freddie Mac) and 70% of government (FHA and VA) home owners" now have "at least 0.50% of incentive to refinance."

CoreLogic: National Overall Delinquency Rate Was 3.9% In November.

M Report (2/11, Albanese) says, "CoreLogic found that the nation's overall delinquency was 3.9% in November 2019, which is a marginal decline from last year's 4%. November's reading was the lowest reading for November in more than 20 years." The delinquency rate in November "historically peaked in 2009 at 11.5%," but since March 2018, "the overall delinquency rate each month has been lower than the pre-crisis period from 2000 to 2006. The rate averaged 4.7% during that time." CoreLogic reported that the serious delinquency rate has held steady at 1.3% since April 2019.

Industry Still Has Questions About QM And ATR.

In its Pipeline Press rundown, Mortgage News Daily (2/11) reports, "The QM Patch will not become permanent given the feedback from FHFA and CFPB. And Appendix Q is detailed to the level of being paralyzing." One compliance expert said, "The industry is wondering, if ATR is 'consider and verify' in the 8 categories, how is QM standard different, if at all?" MND says, however, that "investors in securities backed by mortgages have many options. There are different maturities, different geographic breakdowns, different guarantees, or no guarantees/insurance at all! Lately investors have turned their eye on non-Agency MBS for various reasons spelled out in this article."

LoanDepot Survey: Millennials, Gen Z Expect Help From Parents When Buying First Home.

National Mortgage Professional (2/11, Hall) reports that a new survey from LoanDepot revealed that Millennials and Gen Zers are "still getting assistance from the Bank of Mom and Dad to help finance their property purchasing." According to NMP, "The survey, which polled 1,045 adults, found 77 percent of Millennials and Gen Zers are expecting to receive financial assistance from their parents to purchase their first home. The most common expectations included downpayment assistance (38 percent), co-signing the mortgage (31 percent) and covering closing costs (24 percent). Of those expecting down payment assistance, the majority of respondents were looking for less than $10,000, while 19 percent anticipated $10,000 or more."

NAR Studies Impact Of Legal Marijuana On Real Estate.

Mortgage News Daily (2/11, Swanson) reports that study from the National Association of Realtors "grew out of a survey conducted with over 150,000 of its members, equally divided between those who operate in the commercial area (including building owners and managers) and those who practice residential real estate." According to MND, "The study looked at states where marijuana has been legalized for medical purposes, for recreation, and for both, examining how it is grown, harvested, stored, sold, and consumed within those states. ... In states were marijuana is legal in some form, between 9 percent and 23 percent of members who responded to the survey said they believe the inventory of available homes is tight for multiple reasons, including all-cash purchases from within the marijuana industry. While most respondents hadn't seen any changes in property values near dispensaries, between 7 percent and 12 percent said they had seen an

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increase in values while 8 percent to 27 percent said they had seen values decline." Scotsman Guide (2/11, Aurellano) provides further coverage.

Some San Francisco Bay Area Builders Embracing Tiny Homes After ADU Restrictions Loosened.

KNTV-TV San Francisco (2/10, 138K) reports "some enterprising builders" in the San Francisco Bay Area "are thinking small" when it comes to solutions for the area's housing crisis. Several groups have begun offering accessory dwelling units, which they expect to become more popular "now that the state has streamlined the permitting process, and loosened restrictions on renting them out."

CVS To Invest $75 Million In Affordable Housing.

Forbes (2/11, 9.71M) contributor Bruce Japsen writes, "CVS Health will increase investments in affordable housing to address social determinants of health as insurers intensify strategies to reduce costs and improve outcomes beyond covering traditional medical treatments." In 2020, CVS "will invest $75 million in affordable housing in several communities on top of $67 million invested in 2019." Karen Lynch, CVS Health's executive vice president and president of Aetna said, "Providing affordable housing options to people who are facing significant challenges can be their first step on a path to better health," and "we work with community organizations to provide access to services such as independent living skills, cooking and nutrition...client centered treatment plans and social support."

FierceHealthcare (2/11, Minemyer, 146K) reports that in addition to the 2019 investments going to "new permanent supportive housing units," the investment "also backed the creation of 450 units for seniors, 59 for veterans and their families and 38 dedicated to Native Americans and their families." The article covers various housing investments made by CVS last year including a low-income community and a "permanent supportive housing facility for individuals with mental health issues."

Analysis: Hiring Of Houlihan Lokey Moves Government Closer To Ending GSE Conservatorship.

In a The Motley Fool (2/11, Nyitray, CFA, 1.22M) analysis piece, CFA Brent Nyitray discusses the FHFA's hiring of Houlihan Lokey and the next steps in the Administration's push to end the conservatorships of the GSEs. According to Nyitray, "In many ways, the common stock of Fannie Mae and Freddie Mac represents a litigation lottery ticket. Much will depend on the opinion of the president's administration." Nyitray believes that a "big question will remain regarding Fannie Mae and Freddie Mac's mission and government guarantee."

Analysis: Mortgage Company Investors Should Understand Cross-Default Risk.

In a guest piece for National Mortgage News (2/11), Mayer Brown partner Lauren Pryor shares what "buyers and sellers should be aware of the following five issues that may pose transaction risk for buyers and sellers in U.S. mortgage company investments." One of these is "cross-default risk." According to Pryor, "Buyers may consider whether an equity investment in a Fannie Mae or Freddie Mac seller/servicer or a Ginnie Mae issuer would pose "cross default" risk with another servicer or issuer under common ownership or control with the target company. The Ginnie Mae mortgage-backed securities guide, Fannie Mae selling and servicing guides and Freddie Mac seller/servicer guide all include cross-default provisions applicable to parties under common ownership or control. The cross-default provisions provide that a default under the applicable guide or servicing agreement by one entity may be deemed to be a default with respect to another entity under common ownership or control."

Puerto Rico Recovery

Puerto Rican Bank To Resolve US Money Laundering Probe For $1 Million.

The Wall Street Journal (2/11, Sun, Subscription Publication, 7.57M) reports that the Justice Department said on Tuesday that Bank of San Juan Internacional Inc. has agreed to pay $1 million to settle a federal probe of alleged money laundering. Federal prosecutors alleged that the bank laundered millions of dollars related to transactions and loan agreements with Venezuela's state-owned oil company Petróleos de Venezuela SA.

Markets

10-Year Yield Rises.

MarketWatch (1/27, 1.67M) reports the 10-year Treasury Yield rose to 1.61 percent.

Dollar Holds Onto Gains.

Reuters (2/12, Westbrook) reports, "Asian currencies found support on Wednesday from a slowdown in the spread of coronavirus, but a strong dollar and caution about the rising death toll kept gains in check, while the New Zealand dollar jumped after the central bank dropped its easing bias." The euro "clambered from a four-month low to trade at $1.0916," while the yen "was steady at 109.86 per dollar."

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Gold Remains Flat.

Reuters (2/12, Sistla) reports, "Gold was little changed on Wednesday, as equities rose after the number of new coronavirus cases fell, while uncertainty over the economic impact of the outbreak underpinned bullion." Spot gold "was flat at $1,567.82 per ounce by 0348 GMT," while US gold futures "edged 0.1% higher to $1,571.20."

Oil Rises.

Reuters (2/12, Chung) reports, "Oil prices extended gains on Wednesday as China reported its lowest daily number of new coronavirus cases since late January, stoking investor hopes that fuel demand in the world's second-largest oil consumer may begin to recover from the epidemic." Brent crude "was up $1.12, or 2.1%, at $55.13 per barrel at 0748 GMT," while West Texas Intermediate "rose 74 cents, or 1.5%, to $50.68 a barrel."

Cybersecurity

China Denies PLA Was Behind Equifax Hack.

The Washington Post (2/11, Fifield, 14.2M) reports China "has flatly denied – again – any suggestion that its operatives are conducting cyberattacks or espionage in the United States, following the Justice Department's move to charge four members of the Chinese military with a 2017 hack of the Equifax credit reporting agency," which "compromised the personal information, including Social Security numbers and birth dates, of about 145 million people." Foreign Ministry spokesman Geng Shuang said, "The Chinese government, military and relevant personnel never engage in cybertheft of trade secrets."

The AP (2/11) reports that Geng "said China was committed to 'firmly oppose and combat cyberattacks of any kind,' adding that it is a staunch defender of cybersecurity." Geng "also turned the accusation back on the U.S., saying past events had shown Washington is 'engaging in large-scale, organized and indiscriminate cyberstealing, spying and surveillance activities on foreign governments, enterprises and individuals.' 'China is also a victim of this,' Geng said."

CNET News (2/11, Ng, 1.99M) reports that Geng said, "It has long been an open secret that the US government and relevant departments, in violation of international law and basic norms governing international relations, have been engaging in large-scale, organized and indiscriminate cyber stealing, spying and surveillance activities on foreign governments, enterprises and individuals."

AFP (2/11) reports, "The US Justice Department on Monday accused the hackers of stealing the sensitive personal information of some 145 million Americans, in one of the world's largest-ever data breaches. Four members of the Chinese army's 54th Research Institute were charged with multiple counts of hacking, computer fraud, economic espionage and wire fraud." US officials "said it took well over a year to track them through the 34 servers in 20 countries they allegedly used to hide their tracks. 'This was an organized and remarkably brazen criminal heist of sensitive information of nearly half of all Americans, as well as the hard work and intellectual property of an American company, by a unit of the Chinese military,'" Attorney General Barr said.

The Washington Examiner (2/11, Yilek, 448K) reports, "None of those charged are in custody and aren't likely to be arrested any time soon. U.S. officials said the charges serve to publicly shame those responsible and would allow the U.S. to arrest them if they travel."

CBS News (2/11, 3.68M) reports, "The DOJ said there was no evidence the stolen information was being used, though according to electronic privacy expert Alan Butler, that might not be the case for long. 'There's no assurance that the use of this data is going to be limited to the Chinese military, it very well could end up on the black market,' he told CBS News' Anna Werner." Butler "noted that Equifax's problems occurred when hackers exploited a known vulnerability in a software program that the company had previously failed to fix. 'Companies are collecting far too much data,' he warned. 'They're not storing it securely, and we don't have a legal regime in the United States that addresses the types of vast quantities of data that these companies are collecting.'"

In a piece for Wired (2/11, 3.49M), Garrett M. Graff writes, "China's hoovering of Americans' private data has long been one of the biggest open secrets of modern intelligence. Gradually, over years, the Justice Department and US government publicly pointed the finger at China for each breach in turn." According to Graff, "Monday's detail-heavy indictment against Chinese military personnel marks the first time that the US has directly gone after Chinese government hackers since its groundbreaking May 2014 indictment against five PLA members for economic espionage – a case that came down even as Chinese hackers were, unbeknownst to the US, already inside the OPM system. Barr's announcement and the accompanying charges also directly tied the Chinese Communist Party to the case, as part of a larger 'China strategy' that the Justice Department has been pushing to raise the costs of China's rampant intellectual property theft and economic espionage."

In a piece for Lawfare (2/11), Graham Webster writes, "At first glance, the Department of Justice's Feb 10. announcement that it indicted four Chinese People's Liberation Army (PLA) service members in connection with the 2017 Equifax breach bears a resemblance to its 2014 indictment of five PLA officers. Both indictments allege individuals participated in Chinese state-sponsored hacking of U.S. targets. Both allege theft of trade secrets. And both have miniscule chances of going to trial, let alone resulting in convictions," but "there is one major difference." According to Webster, "The new indictment alleges economic espionage along with wire fraud and typical hacking crimes. But it makes one strange claim in order to support the economic espionage charge. It labels the 'personally identifiable information' of U.S. citizens and 'database schemas,' which can be understood as blueprints of how information is stored, allegedly stolen by the hackers as Equifax's 'trade secrets.' Economic espionage is usually understood to be theft for commercial gain, and it's hard to imagine what significant commercial advantage the PLA or its hypothetical business clients could be seeking through theft of U.S. personal information and a map of how it's stored."

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In a piece for Slate (2/11, 1.58M), Josephine Wolff writes that "the conception of Equifax's customers' personal data as a form of 'trade secret' is so bizarre it really feels like the U.S. government grasping at straws to turn this into a case of economic espionage and thereby bolster its broader contention that China is busy stealing U.S. intellectual property." According to Wolff, "The Equifax breach looks an awful lot like political espionage. The stolen information is very far from nuclear power plant plans – it's hard to see how it could be classified as intellectual property or provide Chinese companies with a clear competitive advantage."

New Warrant Reveals How Apple Detects Child Pornography.

Business Insider (2/11, Hamilton, 3.67M) reports, "A police warrant unearthed by Forbes has given some insight into how Apple monitors for child pornography images being sent over its devices." The warrant "shows Apple's systems flag messages that could contain child abuse images using a technique called 'hashing.' Hashes are like digital watermarks which can be assigned to images or videos which have previously been identified as child abuse." According to BI, "When Apple's servers detect a hashed piece of content, they flag the message or the file and immediately quarantine it, so it doesn't reach the intended recipient. Apple then tips off the relevant authority or law enforcement, and an Apple employee inspects the quarantined content along with any attached messages and compiles a small report." BI adds, "In this specific case, Apple detected suspected child pornography being uploaded by an iCloud user. An Apple employee inspected a series of emails containing a total of 16 images."

Senior DNI Officials Warn Of Rising Cyber Threats.

WTOP-FM Washington (2/11, 385K) reports on increased warnings from senior DNI officials on cyber threats facing the US. Director of the National Counterintelligence and Security Center (NCSC) William R. Evanina said, "The lights are blinking faster and brighter." He was referring "specifically to nation-state cyber threats to critical infrastructure, such as energy, financial and telecommunications enterprises." Evanina "said improvement in detection capabilities has led to a better understanding of the thinking, skill sets and operations of adversaries." He pointed out that "foreign adversaries could take the failure of the voting app in the Iowa caucuses on Feb. 3 and 'pour gasoline on it.'" His concern is that "a well-oiled disinformation machine...could explode the Iowa app collapse into a wave of doubt about the security of election infrastructure in the US."

Marsden: NSCS Threat Report An Excuse To Justify More Federal Spending. In her syndicated column in the Minneapolis Star Tribune (2/11, 1.04M), Rachel Marsden writes, "In case you were wondering why you should hide under the covers these days (aside from the coronavirus), the US National Counterintelligence and Security Center has just released a report itemizing the top threats facing the country. ... he report also serves as a blueprint for how to funnel cash into the pockets of federal agencies and their military-industrial cronies to keep the charade going." She concludes, "National security has become grossly synonymous with financial security – not for the average American, but for those who rely on the endless flow of your tax dollars. The audience for this report is meant to be you – not so much to inform you about threats you can do nothing about, but rather to convince you that you need protection from far-flung menaces and that you must pay government for that privilege."

US Officials Say Huawei Can Access Mobile Phone Networks Through "Back Doors."

The Wall Street Journal (2/11, Pancevski, Subscription Publication, 7.57M) reports that according to US officials, for more than a decade, Huawei Technologies Co. has had the ability to access mobile-phone networks worldwide using "back doors" created for use by law enforcement. Huawei is denying the allegations, which come as the US is seeking to convince allies to keep the company off their networks. The New York Times (2/11, Barnes, 18.61M) reports US intelligence officials have long "said privately that Huawei has so-called back doors that could allow the company to obtain data that flows on the networks they build and maintain." But publicly, officials "have spoken mostly about the potential that Huawei could provide Chinese officials with access to all kinds of data, without offering concrete proof." Digital Trends (2/11, Matyus, 929K) reports, citing the WSJournal, that officials said that "they have been aware of the backdoor access since 2009 but declined to say if the company actually used this access since it was discovered." Huawei did not immediately "respond to our request for comment but denied claims that it had any sort of access in a statement to the Journal."

Germany's Merkel Reportedly Not Supporting Complete Local Ban Of Huawei 5G. Reuters (2/11, Rinke) reports sources "said legislators from German Chancellor Angela Merkel's ruling conservatives have backed a position paper on 5G mobile networks that recommends tougher rules on foreign vendors while stopping short of banning China's Huawei." The document was drafted "by Christian Democrat leaders to address the concerns of party rebels who see Huawei as a threat to national security." It is intended "to lay the ground for Merkel's coalition government to adopt a common position on 5G after months of divisive debate." The move pushes back against President Trump's calls "on Washington's allies to bar the Chinese telecoms giant from next-generation networks after Britain stopped short of an outright ban and the EU backed a rules-based approach."

New Poll Shows Canadian Opposition To Huawei 5G Is Waning. AFP (2/11) reports new polling showed opposition "to Huawei telecommunications equipment being deployed in fifth generation wireless networks in Canada is waning." According to the Angus Reid Institute, "only 56 percent of Canadians would support a ban, down from 69 percent at the end of 2019." Ottawa has not yet made a decision. Canada's intelligence agencies are "reportedly split on the issue, while military leaders were said by the Globe and Mail on Monday to favor a ban."

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Republican Senators Block Three Election Security Bills.

Axios (2/11, Allassan, 521K) reports Sen. Marsha Blackburn (R-TN) on Tuesday "blocked an attempt by Sen. Mark Warner (D-VA) to pass three election security-related bills via 'unanimous consent,' calling them a 'federal power grab.'" The Democratic-controlled House "passed several election security bills last year, but none have been taken up by Senate Majority Leader Mitch McConnell (R-KY)." Two of the bills "proposed by Senate Democrats Tuesday would require campaigns to call the FBI if they're offered help from a foreign power." Another bill would "provide funding for the Election Assistance Commission and would ban voting machines from being connected to the Internet." The Hill (2/11, Carney, 2.98M) reports Blackburn "accused Democrats of trying to move the bills knowing that GOP lawmakers would block them and giving them fodder for fundraising efforts." She said, "They are attempting to bypass this body's Rules Committee on behalf of various bills that will seize control over elections from the states and take it from the states and where do they want to put it? They want it to rest in the hands of Washington, DC bureaucrats."

DHS' Cybersecurity Agency Releases 2020 Election Security Plan.

CQ Roll Call (2/11, DeChiaro, 154K) reports the DHS' Cybersecurity and Infrastructure Security Agency "will focus on four key objectives to secure this year's elections from hacking and other interference: protecting election infrastructure, assisting political campaigns, increasing public awareness about foreign intrusion, and facilitating the flow of information on vulnerabilities and potential threats between the public and private sectors." The blueprint follows "a GAO report that said the agency would struggle to execute a nationwide strategy without a finalized agenda." The strategic plan "describes the agency's plans to work with federal law enforcement and state and local election officials on a "whole-of-nation effort" to defend electoral systems." ExecutiveGov (2/11, Martin) reports CISA "said it is engaging with partners to protect the US election infrastructure and develop resilience against foreign adversaries under the #Protect2020 effort." The agency intends "to spread awareness, boost local engagement, further risk initiatives, apply lessons learned and improve security practices for this year's national elections."

Nakasone: DOD Will Play A Key Role In 2020 Election Security. ExecutiveGov (2/11, Martin) reports NSA chief Gen. Paul Nakasone "said DOD plays a vital role in the security of national elections." Nakasone said at the Reagan National Defense Forum, "The biggest success was we put in place, both organizationally and from a business practice standpoint, a focus on an enduring mission to protect the democratic process." The group works "to investigate adversaries that pose cyber threats to election security." The Election Security Group was created in reaction to Russia's interference during the 2018 midterm elections.

New Study Finds Cryptocurrency Crime Losses Doubled To $4.5B In 2019.

Reuters (2/11, Chavez-Dreyfuss) reports a study by blockchain forensics company CipherTrace concludes "losses from cryptocurrency crime surged to $4.52 billion last year, as insider theft soared even as hacking losses declined." Last year's losses "were up nearly 160% from 2018's total of $1.74 billion." The report found cryptocurrency user and investor "losses due to fraud and misappropriation in 2019 increased by more than five times, while hacks and thefts fell by 66%." Dave Jevans, CipherTrace chief executive officer, said, "We noticed a significant uptick in malicious insiders scamming unsuspecting victims or leaching on their users through Ponzi schemes. Attacks from the inside of organizations lead to significant exits with major consequence to the crypto-ecosystem."

FBI Issues New 2019 Internet Crime Report.

KNTV-TV San Francisco (2/11, Jackson, 138K) reports new FBI data indicate that "more than 50,000 Californians reported being victims of online crime last year." The FBI added that the "combined losses totaled more than half-a-billion dollars." The FBI's 2019 Internet Crime Report "summarizes cyber-crime complaints reported through the agency's Internet Crime Complaint Center, or IC3, and offers a broad look at the billions of dollars Americans lost to thieves lurking online." The FBI "said it received 467,361 Internet crime complaints last year, or about 1,300 per day." That led to "more than $3.5 billion in reported losses by crime victims, both businesses and individuals." ZDNet (2/11, Cimpanu, 299K) reports the FBI "said that almost half of the reported losses – an estimated $1.77 billion – came from reports of BEC (Business Email Compromise), also known as EAC (Email Account Compromise) crimes." BEC/EAC is "a sophisticated scam targeting businesses and individuals performing wire transfer payments." The FBI says the BEC scheme "at its heart...relies on the oldest trick in the con artist's handbook: deception,"

State Officials Argue For More Federal Funding To Fight Cyberattacks.

The Hill (2/11, Miller, 2.98M) reports top federal and state officials "pressed a Senate committee on Tuesday to provide more resources and authorities to fight cyberattacks, an issue of increasing concern in the wake of debilitating attacks on governments entities this past year." Senior cybersecurity and tech leaders "from Michigan and Texas noted during their testimony before the Senate Homeland Security and Governmental Affairs Committee that efforts to combat cyberattacks have been hampered by a lack of federal resources, particularly from DHS." Christopher DeRusha, the chief security officer within Michigan's Cybersecurity and Infrastructure Protection Office, told lawmakers. "We see the intent everyday of DHS trying to get everywhere across the state, particularly in the run-up to the elections, and I think it's just a matter of they need more boots on the ground, and they need a specific state representative to get more familiar with [each state]."

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Seattle Pushing Limits Of Electronic Balloting Despite Iowa Fiasco.

The Washington Post (2/11, Greene, 14.2M) reports the failure last week "of an app meant to help tally the results of Iowa's caucuses, leading to days of partial and unreliable results, prompted concerns." Despite issues in Iowa, "mobile voting has its supporters." Nonetheless, in Seattle, besides "making mobile ballots available to all voters, Seattle-based Democracy Live, which is providing the voting technology, is instituting a digital signature feature for mobile devices in which voters use their fingers to sign, similar to ones used by mobile payment systems such as Square." That way, election officials "can compare their signatures with the ones kept on file for each registered voter." Andrew Appel, a computer science professor at Princeton University who studies digital election security, "said that mobile voting is prone to cybersecurity breaches just as other forms of election technology are." New digital voting efforts "exacerbate the concerns of those already nervous about the susceptibility of election systems."

Proposed 2021 Federal Spending On Cyber Issues Has Winners And Losers.

Politico (2/11, Starks, 4.29M) reports in the Morning Cybersecurity column that President Trump's proposed fiscal 2021 budget wasn't "all rainbows and teddy bears for federal cyber spending." The president is "seeking a $258 million cut for CISA." The Administration also wants to "reorganize elements of CISA's budget to streamline it." Budget documents "boast of unspecified amounts of funding at DHS to support Trump's executive order on the cyber workforce, and contend that shifting the Secret Service from DHS to Treasury will aid cybercrime investigations." The Pentagon's digital budget "would see a slight increase under the president's request."

New Study Finds Mac Cyber Threats Outpaced Windows By Two To One.

Forbes (2/11, Winder, 9.71M) reports the 2020 Malwarebytes 'State of Malware Report,' "took a deep dive into the real-world threats that faced Android and iOS users, browser-based attacks and both Mac and Windows PCs." The report concludes that "the volume of Mac threats increased by more than 400% year-on-year in 2019, outpacing Windows 'threats per endpoint' by a ratio of nearly two to one." That latter number "being the more important as it allows for the fact that Malwarebytes has a larger Mac userbase than Windows." The report suggests "that only one of the Mac threats in 2019 didn't involve tricking the user into downloading and executing something malicious."

Financial Reform

Upcoming Stress Tests To Focus On Leveraged Lending.

American Banker (2/12, Dobbs, Subscription Publication, 31K) reports that leveraged lending's rise in popularity "has drawn the attention of regulators, to the point that leveraged loans will play a key role in the Fed's annual Comprehensive Capital Analysis and Review test." The Fed will use the stress test "to pull in more data on how leveraged loans and [collateralized loan obligations] will perform in a recession." According to industry experts, the research "is important because leveraged loans can be an early indicator of deteriorating credit quality, which in turn could hurt banks' profitability and usher in an economic slump."

TFI/Sanctions

Nicaragua Creates New State Fuel Companies Following US' December Sanctions.

The AP (2/11, Selser) reports Nicaragua's Parliament "approved the creation Tuesday of four state companies that will handle the importation, storage, distribution and sales of oil and gas, two months after the country's main energy company was sanctioned by Washington for allegedly laundering money for family members of President Daniel Ortega and then sold to the government days later." The measure creating the companies "passed without debate, analysis in committee or consultation with other government or business entities under rules for urgent legislation in a Parliament controlled by Ortega's Sandinista party." Members of the opposition, "who have accused Ortega of running the petroleum sector without being accountable to Parliament, saw self-interest behind the measure." Opposition lawmaker Jimmy Blandón said the new companies were created in an attempt "to evade the U.S. Treasury Department sanctions, in case they sanction them again."

Federal Reserve

Powell Upbeat On Economy, Sees No Reason To Raise Or Cut Rates.

The AP (2/11, Crutsinger) reports that Federal Reserve Chair Jerome Powell, testifying before the House Financial Services Committee yesterday, "said...that the US economy appears durable, with steady growth and unemployment near a half-century low, but faces risks from the broadening viral outbreak that began in China." Powell "also said that the Fed is content with where interest rates are, suggesting that no further rate cuts would be contemplated unless economic conditions were to change significantly." Politico (2/11, Guida, 4.29M) also reports that Powell "emphasized that the central bank does not currently see a need to adjust interest rates, and he struck an upbeat tone about the US economic expansion, the longest in the country's history, pointing to healthy job gains and rising wages."

Reuters (2/11, Timmons) quotes Powell as saying, "We find the US economy in a very good place, performing well. ... There is no reason why the expansion can't continue." Reuters reports that in response to lawmakers' questions, Powell "defended the Fed's plan to ease strains in the banking system with Treasury bill purchases and repo operations, and said the central bank will keep reserves at an appropriate level of reserves around mid-year." Bloomberg (2/11, Condon, Reyes, 4.73M) indicates that Powell "also responded to lawmakers on a range of

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issues including volatility in money markets, Libor, minimum wages, digital currency and community banking."

To the New York Times (2/11, Smialek, 18.61M), meanwhile, "the Fed is treading cautiously as the economy continues to add jobs but inflation remains low." While "an initial trade deal with China has eased one major source of economic uncertainty...tariffs remain on Chinese goods and tensions with other nations could reignite." Moreover, "the new virus – which has killed more than 1,000 people and sickened tens of thousands – has emerged as an economic wild card."

The Wall Street Journal (2/11, Timiraos, Subscription Publication, 7.57M), USA Today (2/11, 10.31M), CNBC (2/11, 3.62M), Barron's (2/11, Beilfuss, 1.07M), and MarketWatch (2/11, 1.67M), among other outlets, also reports.

Powell: Federal Budget Needs To Be Put On A "Sustainable Path." The Washington Post (2/11, Long, 14.2M) reports that Powell, in his testimony yesterday, warned about the size the federal budget deficit, which the Post says is "expected to top $1 trillion this year." Powell is quoted as saying, "Putting the federal budget on a sustainable path when the economy is strong would help ensure that policymakers have the space to use fiscal policy to assist in stabilizing the economy during a downturn." Powell's "warning comes as the US federal debt has grown by about $3 trillion since President Trump took office, and the president's latest budget proposal submitted this week would add another $5 trillion to the debt over the coming decade." The Hill (2/11, Lane, 2.98M) also reports.

Lawmakers Press Powell On CRA Reform. American Banker (2/11, Haggerty, Subscription Publication, 31K) reports House lawmakers questioned Fed Chair Jerome Powell Tuesday "on a host of regulatory issues including the Community Reinvestment Act, a new capital buffer for big banks, the transition to a new interest rate benchmark and the impact of climate change on the financial system." Powell hinted at the Fed possibly putting forth its own CRA proposal after the central bank held back support for the overhaul proposed in December by the OCC and the FDIC. Powell also "reaffirmed his support of Fed Gov. Lael Brainard's criticism" of the OCC and FDIC's approach, saying he is "very comfortable with the thinking" she outlined in a recent speech. Democrats urged Powell to ensure that the CRA isn't weakened, while "Republicans, who have largely supported the OCC's proposal, pushed Powell to get in sync with the OCC and FDIC in order to provide regulatory clarity to banks."

The ABA Banking Journal (2/11) reports Powell "declined to say whether the Fed would issue its own CRA modernization proposal," but he "indicated that the agency would carefully study the comments received on the joint proposal issued by the FDIC and the OCC." He said, "We want to be very sure that what comes out of this is a proposal...that will leave all major participants in CRA better off," adding that "we think it's important that each metric, each change that we make is grounded in data."

Powell Sees No Need For Legislation Aimed At Libor Transition. Behind a paywall, Law360 (2/11, Subscription Publication, 8K) reports that Powell "told House lawmakers Tuesday that his agency doesn't see a need for any new federal legislation to help the financial industry smoothly ride out the impending end of the London Interbank Offered Rate, a benchmark used in pricing trillions of dollars of financial instruments." Powell "said federal regulators are working hard to make sure banks and other financial services firms are ready by the end of next year for Libor's cessation, but he didn't bite when the prospect of congressional intervention was floated."

House Democrat Questions Powell For Attending Bezos Party. Bloomberg (2/11, Boesler, 4.73M) reports Rep. Katie Porter (D-CA) "chided" Federal Reserve Chair Jerome Powell "during his semi-annual congressional testimony Tuesday for his attendance at a Washington party thrown by Amazon.com Inc. Chief Executive Officer Jeff Bezos last month." Porter "grilled Powell over whether the people in attendance – including Bezos, Ivanka Trump and Jared Kushner, Kellyanne Conway and Jamie Dimon – were in a position to benefit financially from the ability to weigh in on monetary policy in private conversations with the Fed chair." Porter asked, "Can you imagine how attending a lavish party at Jeff Bezos's $23 million home – along with Jared and Ivanka, and the CEO of JPMorgan Chase, Jamie Dimon – might give off the sense to the public that you are not, in fact, immune from external pressures?" She added, "I would just suggest that attendance at this kind of event with these kinds of people is inconsistent with what I would otherwise commend you on."

AFP (2/11) reports Porter asked, "Would you say that someone like Jeff Bezos, one of the richest men in the world, could benefit from having influence over the Fed's decisions?" Reuters (2/11, Timmons) reports that after Porter "suggested that appearing there might show the Fed is under their sway," Powell said, "I would certainly hope not." Powell added "that he did not speak with any of the attendees Porter named."

CNN (2/11, Borak, 83.16M) reports "Powell said he was there to escort his son and his daughter-in-law, who are newly married, and he introduced the couple to General James Mattis, Trump's former defense secretary." Rep. Warren Davidson (R-OH) "came to Powell's defense." Davidson said, "I don't know we want to say just because you're at event somehow this is nefarious. ... The way that these things are linked for political motives is embarrassingly partisan and bad."

Bullard: Repo Interventions Mean Fed's Message "Blurred" On Monetary Policy.

Reuters (2/11, Schneider) reports St. Louis Fed President James Bullard said continuing Fed interventions in repo markets have "blurred" the central bank's messaging on monetary policy. Bullard was also "again advocating that the Fed set up a permanent 'repurchase' program to make those interventions less necessary." Bullard said, "The blurring between what the (Federal Open Market Committee) is trying to do with monetary policy and what the (New York Fed) is trying to do to control short-term rates is inappropriate. We need to get going on this," to establish a permanent solution for those liquidity issues.

Reuters (2/11, Schneider) also reports that while speaking to CFA Society St. Louis, Bullard said the Chinese economy is expected to "slow noticeably" because of efforts to contain the coronavirus. Bullard said, "The efforts to bring the outbreak under control are substantial enough that the Chinese economy is expected to grow noticeably slower in the first quarter of 2020 than it otherwise would have."

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MarketWatch (2/11, Robb, 1.67M) reports Bullard said that while global trade policy uncertainty has declined, policy makers must wait and see whether it has declined enough to encourage global manufacturing.

Kashkari: Central Bank's Monetary Policy Only Providing Small Boost To Economy.

Reuters (2/11, Saphir) reports Minneapolis Fed President Neel Kashkari said Tuesday that the Fed' monetary policy is only delivering a small boost to the economy. Kashkari said the Fed's current 1.5 percent to 1.75 percent targeted range puts policy "close to neutral or slightly accommodative today, but not very accommodative."

NYTimes: Shelton Is Disastrous Choice For Federal Reserve.

In an editorial, the New York Times (2/11, 18.61M) opposes the nomination of Judy Shelton to the board of the Federal Reserve, saying it "amounts to an attack on the Fed's congressional mandate." Specifically, the Times takes issue with her "advocacy of an international gold standard" and her shifting views on monetary policy depending on the political climate. In short, the Times is concerned about the likelihood that Shelton will "simply vote for policies that served" President Trump's "short-term political interests."

The Hill (2/11, Lane, 2.98M) reports Shelton "is considered Trump's most viable chance to place an ally within the Fed after Senate Republicans rejected his past two picks, economist Stephen Moore and Herman Cain, who were both seen as sharp critics of the bank." However, Shelton's "reversal on monetary policy has raised questions about her ideological integrity and whether she'll prioritize the Fed's legal mandate over Trump's political prospects."

Internal Revenue Service

IRS Has Not Ruled On Carbon-Capture Tax Credit Approved In 2018.

According to the New York Times (2/11, Plumer, 18.61M), "A rare policy enacted under President Trump to address climate change has run into an unexpected hurdle: the tax man." In 2018, Congress "approved a lucrative tax break for companies that use carbon capture technology to trap carbon dioxide produced by industrial sites before the gas escapes into the atmosphere and heats the planet." The Times adds that "at least a dozen carbon capture projects, potentially representing billions of dollars in investments, have been announced since" 2018, "but two years later, those plans remain blocked because the Internal Revenue Service has yet to explain how, exactly, companies can claim the tax credit that would make the projects viable." Sen. John Barrasso (R-WY) is quoted as saying, "The delay is unacceptable and will only further slow much-needed investment in carbon capture."

Office of the Comptroller of the Currency

Scharf To Divide Wells Fargo's Business Units, Change Reporting Hierarchy.

The Wall Street Journal (2/11, Eisen, Subscription Publication, 7.57M) reports Wells Fargo CEO Charles Scharf's first effort to overhaul the bank's corporate structure following its scandal with fake accounts will be to change its reporting hierarchy. The bank will split its current three business divisions into five, with the former wholesale division split into commercial and investment banks, while its former consumer bank will be split into small business and consumer-focused divisions. The heads of each of the new units will report directly to Scharf, who began his tenure in October.

M Report (2/11, Albanese) reports the bank "is continuing to reshape its executive team" following the fake-accounts scandal. Last month, federal officials announced that former head of Wells Fargo John Stumpf has been banned for life from the industry. In a press release, Comptroller of the Currency Joseph Otting said, "The actions announced by the [Office of the Comptroller of Currency] today reinforce the agency's expectations that management and employees of national banks and federal savings associations provide fair access to financial services, treat customers fairly, and comply with applicable laws and regulations."

American Banker (2/11, Kline, Subscription Publication, 31K) reports Wells Fargo is hiring Mike Weinbach to head its newly-created position of consumer lending head. Weinbach previously worked as JPMorgan's home lending CEO, and will join Wells Fargo in May, where "he will have responsibility for home lending, auto loans, personal loans, credit cards, and merchant services."

Bloomberg (2/11, 4.73M), Reuters (2/11, Moise, Manikandan), The Financial Times (2/11, Armstrong, Subscription Publication, 1.34M), Fox Business (2/11, 1.73M), and Bank Innovation (2/11, Hornblass) provide similar coverage.

Fifth Third Notifies Customers Of Data Breach.

The Cincinnati Business Courier (2/11, Subscription Publication, 840K) reports Fifth Third Bank "has notified customers that some of its employees have stolen customer information." A small number of Fifth Third employees provided privileged client information to people outside the bank; those employees have since been terminated. The bank's internal investigation uncovered the information theft which was then referred to law enforcement. While authorities continue their investigation, Fifth Third is cooperating fully and said "we look forward to seeing justice served." Fifth Third said it has notified customers who may be impacted and will provide identity theft monitoring to them at no cost.

The Cincinnati Enquirer (2/11, Coolidge, 223K) reports Fifth Third "wouldn't say how they discovered the irregularities or what authorities were investigating." The bank "did not provide any status on the investigation," and officials with the OCC, the bank's primary regulator,

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"declined to discuss the breach or whether they are one of the 'authorities' investigating."

Editorial Wrap-Up

New York Times.

"This Is No Way To Run A Central Bank." In an editorial, the New York Times (2/11, 18.61M) opposes the nomination of Judy Shelton to the board of the Federal Reserve, saying it "amounts to an attack on the Fed's congressional mandate." Specifically, the Times takes issue with her "advocacy of an international gold standard" and her shifting views on monetary policy depending on the political climate. In short, the Times is concerned about the likelihood that Shelton will "simply vote for policies that served" President Trump's "short-term political interests."

Washington Post.

"Trump's Proposed Budget Is Entirely Dishonest – Except In Its Alarming Clues About A Second Trump Term." The Washington Post (2/11, 14.2M) says in an editorial that President Trump's proposed budget for Fiscal Year 2021 "is a dishonest exercise. ... Trump is hardly the first president to obey his legal requirement to present a spending plan to Congress by sending one that has no chance of passing," nor is he "the first to engage in rosy forecasting – but in this case, the exaggeration is especially flagrant." The Post says Trump's proposal "serves but one useful purpose: to record the warped priorities upon which Mr. Trump is willing to campaign for a second term."

"Putin Has Set His Eyes On Belarus. The West Can Help It Resist." To counter Russian President Vladimir Putin's push "to subjugate Belarus," an editorial by the Washington Post (2/11, 14.2M) urges Western governments to support Belarusan President Alexsander Lukashenko, who is resisting Putin's calls to "implement a 20-year-old agreement that would merge the two countries, essentially turning Belarus into a province." Opposing Putin could result in harming the Belarusan economy, and in that case, the Post says "the United States and the E.U. should do what they can to ease the pain, while continuing to press for improvements in human rights."

"Why Ralph Northam's Proposal To Raise The Gas Tax Is A Good Idea." In an editorial, the Washington Post (2/11, 14.2M) argues in favor of a proposal by Virginia Gov. Ralph Northam (D) "to raise the state's current gas tax, which is among the lowest in the nation, by roughly 75 percent over the coming three years." Virginia drivers currently "pay less in taxes to fill up their tanks than they would in neighboring Maryland and North Carolina – and nowhere near enough to cover the cost of maintaining and repairing the roads they use." The Post says "drivers want and need more funding for roads, without which congestion will worsen," so Northam's plan to raise the per-gallon tax on gas is sensible.

Wall Street Journal.

"Sprinting To Faster 5G." In an editorial, the Wall Street Journal (2/11, Subscription Publication, 7.57M) welcomes Judge Victor Marrero's decision approving T-Mobile's takeover of Sprint, arguing that it will increase competition in the wireless space and speed up the rollout of 5G across the US. The Journal also praises Marrero, an Obama appointee, for resisting calls from Democratic state attorneys general to scuttle the merger.

"Michael Bloomberg's 'Racism.'" A Wall Street Journal (2/11, Subscription Publication, 7.57M) editorial criticizes President Trump's tweet calling Democratic presidential candidate and former New York City Mayor Michael Bloomberg a racist, since Trump has faced unfair allegations of racism himself. The also argues that while Bloomberg's comments on stop-and-frisk policing were politically incorrect, they were basically true.

"Liberal Faculty Endorse Testing." In an editorial, the Wall Street Journal (2/11, Subscription Publication, 7.57M) highlights a finding by a University of California task force that test scores are helpful in the college admissions process. The Journal points out that it is a conclusion from a liberal faculty that is contradictory with social justice orthodoxy. Noting that the report by the task force says that test scores actually help schools select candidates from underrepresented groups, the Journal argues that the key to expanding access to higher education isn't to ban testing but to increase choice and accountability in K-12 schools.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

FTC Expands Antitrust Investigation Into Big Tech
US Officials Say Huawei Can Covertly Access Telecom Networks
Bernie Sanders, Pete Buttigieg Lead In New Hampshire Primary
Prosecutors Quit Roger Stone Case After Justice Department Seeks Less Prison Time
Does Gaudi's Church Need A Big Staircase? Grand Vision Divides Barcelona

New York Times:

Bernie Sanders Scores Narrow Victory In New Hampshire Primary
Prosecutors Quit Roger Stone Case After Justice Dept. Intervenes On Sentencing

AMERICAN OVERSIGHT

Trump's War Against 'The Deep State' Enters A New Stage
Who Won In New Hampshire? Not The Establishment
A Store, A Chalet, An Unsealed Pipe: Coronavirus Hot Spots Flare Far From Wuhan
A Pedophile Writer Is On Trial. So Are The French Elites.

Washington Post:
Prosecutors Quit Stone Case After Justice Steps In Stone
Keen Focus In Trump's Vision For US As Fortress
'The Intelligence Coup Of The Century'
On 'Grit,' Klobuchar Rises From Bottom Tier
With Win In N.H., Sanders Controls Democrats' Left Wing
N.H. Twist Sets Stage For Long, Fractious Slog

Financial Times:
Barnier Rebuffs UK Pitch For 'Permanent Equivalence'
Big Tech Ordered To Reveal Details Of Smaller Deals
Biden Seeks A 'Miracle' Comeback in New Hampshire
Fed 'Closely Monitoring' Coronavirus Outbreak: Powell

Washington Times:
Bernie Sanders Wins New Hampshire Primary
Equal Rights Amendment's Intentions Hijacked By LGBTQ Movement
Trump Denies Speaking To DOJ Officials About Roger Stone Sentence
WHO Avoids 'Stigmatizing' China With New Coronavirus Name
Trump's 'Deal Of The Century' Delayed By Israel's Fractured Politics

Story Lineup From Last Night's Network News:
ABC: New Hampshire Primary; Bloomberg Campaign; Roger Stone-Sentencing; Coronavirus; South Carolina-Search For 6-Yr-Old; Sarah Lawrence College-Student's Father Charged With Sex Trafficking; Jussie Smollett; Weather Report; Idaho-Two Missing Children; NTSB-Seat Belts on Buses; T-Mobile/Sprint Merger; Westminster Dog Show.
CBS: New Hampshire Primary; New Hampshire-Dems Fighting for Survival; Sen. Klobuchar Interview; Buttigieg Interview; Roger Stone-Sentencing; Coronavirus; Sarah Lawrence College-Student's Father Charged With Sex Trafficking; Idaho-Two Missing Children; Jussie Smollett; National Chain of Wedding Venues Closes Abruptly; New Hampshire-Opioid Deaths.
NBC: New Hampshire Primary; Sen. Sanders Interview; Inside NBC Decision Desk; Bloomberg Campaign; Roger Stone-Sentencing; Coronavirus; Jussie Smollett; Weinstein Trial; NTSB-Seat Belts on School Buses; T-Mobile/Sprint Merger; NBA Star Shares Child's Transgender Story on 'Ellen.'

Network TV At A Glance:
New Hampshire Primary – 8 minutes, 20 seconds
Coronavirus – 5 minutes, 25 seconds
Roger Stone-Sentencing – 5 minutes, 25 seconds
Jussie Smollett- 2 minutes, 10 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: New Hampshire Primary Results; New Hampshire Exit Polls; Yang & Bennet End Campaigns.
CBS: New Hampshire Primary Results; Yang & Bennet End Campaigns; New Hampshire-Buttigieg Speech; Roger Stone-Sentencing; Coronavirus; Weather Report.
FOX: New Hampshire Primary Results; Wall Street.
NPR: New Hampshire Primary Results; Yang & Bennet End Campaigns; Roger Stone-Sentencing; T-Mobile/Sprint Merger.

Last Laughs

Late Night Political Humor.

Conan O'Brien: "Because he voted to impeach President Trump, Republicans are now referring to Mitt Romney as Judas. Yeah. Of course, if Romney is Judas, that makes President Trump a Jesus that was married three times and got with a porn star. That Jesus gets around."

AMERICAN OVERSIGHT

Conan O'Brien: "Today, Joe Biden said that Mickey Mouse could run against President Trump and have a shot. Then Biden found out that he was polling third behind Mickey Mouse."

Trevor Noah: "New Hampshire – it's the state always asking Vermont to do something about the weed smell. But today, they were the state holding the second Democratic primary, and because normally the most exciting thing to do in New Hampshire is watch mountains grow, election day gets the people going like nothing else."

Stephen Colbert: "Today was the New Hampshire primary. ... Before the votes were even counted, Biden and his wife flew out to a South Carolina launch party. That doesn't exactly sound confident. That's like a guy on his wedding day saying, 'To love, honor, and cherish 'til death do us part. Now, if you'll excuse me, I have a date.'"

Stephen Colbert: "It was announced that the Justice Department will take the extraordinary step of lowering the recommended prison time for Roger Stone. ... So Donald Trump and his Attorney General are using the Justice Department to go easy on his cronies. The only difference between this and a banana republic is that Trump does not eat fruit."

Jimmy Kimmel: "Tonight, it was New Hampshire's time to shine. The polls have closed. And, if all goes well, we should have the final results of the Democratic caucus by June 28."

Jimmy Kimmel: "This caucus system, it's confusing. But the reason they start them, the reason the primaries begin in Iowa and go to New Hampshire, is so that we know what the very whitest people think first."

Jimmy Kimmel: "A tape has emerged of a tape of [Bloomberg] touting the stop-and-frisk policy. This morning, Trump tweeted, 'Wow, Bloomberg is a total racist,' which is amazing, because a lot of people think the President might be racist himself. ... By the way, 'stop and frisk' is also Trump's policy backstage at his beauty pageants. Did you know?"

Jimmy Fallon: "Today was the New Hampshire primary. The polls close at 8:00 p.m., and when they declared a winner, Iowa was like, 'Pssh, show-off.'"

Jimmy Fallon: "Yep, the New Hampshire primary was held today, and good news – if anyone's in the market for some Joe Biden campaign merchandise, I think it's about to get a whole lot cheaper. Based on a lot of polls, Joe Biden was on track to finish the night in fourth or fifth place. I'm not saying Biden is in trouble, but the coronavirus is polling ahead of him."

Jimmy Fallon: "Today, Biden actually left New Hampshire early to start campaigning in South Carolina. And since it was Joe Biden, he didn't really leave early as much as wander off."

Jimmy Fallon: "But this morning, Warren, Biden, and Buttigieg were all spotted at Dunkin' Donuts. Dunkin' was like, 'You can't buy this kind of publicity.' Then Mike Bloomberg was like, 'Yeah, you can.'"

Seth Meyers: "Federal prosecutors yesterday recommended that former Trump adviser Roger Stone be sentenced to seven to nine years in prison for lying to Congress. Then today, the Department of Justice issued a statement calling for much less prison time for Stone, and Trump said that he had the right to tell the Justice Department what to do. Then all four prosecutors in the Stone case resigned in protest, and then, Trump called for the military to pursue legal action against Lieutenant Colonel Alexander Vindman for testifying against him in the impeachment trial. And Senate Republicans blocked three bills to prevent foreign interference in our elections. And Lindsey Graham and Don Jr. showed up on Fox News in matching Trump merch. I guess what I'm telling you is, by this time tomorrow, we might be a cooking show."

AMERICAN OVERSIGHT

Seth Meyers: "During an event this weekend, former Vice President Joe Biden responded to a question about his electability by calling a woman a, quote, 'lying dog-face pony soldier.' But don't worry, it was just a joke that nobody understood because he's 100."

Seth Meyers: "Voting in today's New Hampshire primary started at midnight last night in the 12-person town of Dixville Notch. 'Dixville Notch' is also what Joe Biden called a voter that disagreed with him."

Seth Meyers: "The Justice Department is being criticized following a report that it gave over $1 million to unfamiliar nonprofit organizations, including one called Hookers for Jesus. Said Trump, 'You had me at hookers, and lost me at Jesus.'"

James Corden: "Of course, it was a big day for Democratic presidential candidates. The nation's first primary was held today in New Hampshire. Wow. New Hampshire already. It feels like they just started campaigning – six hundred years ago."

James Corden: "And while we don't have final results at the time of this taping, it appears Bernie Sanders is going to win. And if he does, Bernie plans to splurge on a big pigeon-feeding trip to the nearest park bench."

James Corden: "And shortly after midnight last night, it was announced that Mike Bloomberg won in a place called Dixville Notch. Dixville Notch. I'm just amazed we can say that on CBS. 'Dixville Notch' sounds less like a place and more like something Joe Biden would scream after stubbing his toe. 'Dixville Notch!'"

James Corden: [On the small New Hampshire town of Dixville Notch] "This is true – five residents voted. That's right, five. And Bloomberg won with three votes ... What a weird tradition. It shouldn't be a news story that someone won an election with the same number of votes as there are Jonas brothers."

James Corden: "Two other New Hampshire towns voted at midnight last night, and they were both won by Amy Klobuchar. Before you Klobuchar fans get too excited, those two towns combined have a population of 62 people. Or as the people of Dixville Notch call that, 'those big, ol' fancy cities.'"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Has lunch with the Vice President; and THE FIRST LADY participate in the arrival of the President of the Republic of Ecuador and Mrs. Rocio Gonzales De Moreno; and THE FIRST LADY meet with the President of the Republic of Ecuador and Mrs. Rocio Gonzales De Moreno; participates in an expanded bilateral meeting with the President of the Republic of Ecuador; delivers remarks at a Fundraising Committee Reception.
- Vice President Pence — Has lunch with the PRESIDENT.

***US Senate*:**

- Bicameral Dems keynote Congressional briefing on 'After Trump, Defining a Progressive U.S. Policy for the Middle East' – The Century Foundation hosts Congressional briefing on 'After Trump, Defining a Progressive U.S. Policy for the Middle East', including keynotes from Democrats Sen. Chris Murphy and Rep. Ro Khanna, followed by a panel discussion featuring foreign policy experts Open Society Foundations Director of U.S. Foreign Policy Sarah Margon, and TCF President Mark Zuckerman, Senior Fellow Michael Wahid Hanna, and Fellow Dina Esfandiary

  Location: SVC 208/209, U.S. Capitol Visitor Center, Washington, DC; 8:30 AM
- Senate Aging Committee hearing on home health care in rural regions – Hearing on 'There's No Place Like Home: Health Care in Rural America', with testimony from Northern Light Home Care & Hospice Director of Home Health and Specialty Programs LeighAnn

AMERICAN OVERSIGHT

Howard; National Association for Home Care & Hospice President William Dombi; Home Health Care Association of Louisiana CEO Warren Hebert; and home care worker Francis Adams

Location: Rm 366, Dirksen Senate Office Building, Washington, DC; 9:00 AM

• Senate Homeland Security Committee roundtable on protecting the U.S. from global pandemics – Senate Committee on Homeland Security and Governmental Affairs roundtable on 'Are We Prepared? Protecting the U.S. from Global Pandemics', featuring Government Accountability Office Health Care Team Managing Director Nikki Clowers, former CDC Director Julie Gerberding, former Food and Drug Administration Commissioner Scott Gottlieb, former National Security Council Director for Medical and Biodefense Preparedness Luciana Borio, and Bipartisan Commission on Biodefense Executive Director Asha George

Location: Rm 342, Dirksen Senate Office Building, Washington, DC; 9:30 AM

• Senate Judiciary Committee nominations hearing – Nominations hearing considers John Leonard Badalamenti to be U.S. District Judge for the Middle District of Florida; Anna Manasco to be U.S. District Judge for the Northern District of Alabama; Drew Tipton to be U.S. District Judge for the Southern District of Texas; and Kathryn Davis to be a U.S. Court of Federal Claims Judge

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Fed Chair Powell presents Monetary Policy Report to Senate Banking Committee – Senate Committee on Banking, Housing, and Urban Affairs hearing on 'The Semiannual Monetary Policy Report to the Congress', with testimony from Federal Reserve Board Chair Jerome Powell

Location: Rm 538, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Commerce Committee hearing on 'space missions of global importance' – Hearing on 'Space Missions of Global Importance: Planetary Defense, Space Weather Protection, and Space Situational Awareness', with testimony from NASA Associate Administrator for the Science Mission Directorate Dr Thomas Zurbuchen; National Oceanographic and Atmospheric Administration Space Weather Prediction Center Director William Murtagh; Department of Commerce Office of Space Commerce Director Kevin O'Connell; and University of Texas Associate Professor of Advanced Sciences and Technology Research in Astronautics Dr Moriba Jah

Location: Rm 216, Hart Senate Office Building, Washington, DC; 10:00 AM

• Senate Foreign Relations Committee hearing on U.S.-Libya policy – Hearing on 'U.S.-Libya Policy', with testimony from Assistant Secretary of State for Near Eastern Affairs David Schenker, and Deputy Assistant Secretary for European and Eurasian Affairs Christopher Robinson

Location: Rm 419, Dirksen Senate Office Building, Washington, DC; 10:15 AM

• Dem Sen. Ben Cardin and GOP Rep. Mike Kelly speak at Habitat for Humanity rally – Habitat for Humanity Rally on Capitol Hill event, with local Habitat organizations and housing advocates calling for affordable housing policy solutions. Democratic Sen. Ben Cardin and Republican Rep. Mike Kelly attend, discussing the Neighborhood Homes Investment Act, with other speakers including Habitat for Humanity International CEO Jonathan Reckford

Location: United States Capitol, East Capitol St NE & First St SE, Washington, DC; 11:30 AM

• Hearing on 'The President's Fiscal Year 2021 Budget', with testimony from Secretary of the Treasury Steven Mnuchin

Location: Rm 215, Dirksen Senate Office Building, Washington, DC; 1:00 PM

***US House*:**

• Bicameral Dems keynote Congressional briefing on 'After Trump, Defining a Progressive U.S. Policy for the Middle East' – The Century Foundation hosts Congressional briefing on 'After Trump, Defining a Progressive U.S. Policy for the Middle East', including keynotes from Democrats Sen. Chris Murphy and Rep. Ro Khanna, followed by a panel discussion featuring foreign policy experts Open Society Foundations Director of U.S. Foreign Policy Sarah Margon, and TCF President Mark Zuckerman, Senior Fellow Michael Wahid Hanna, and Fellow Dina Esfandiary

Location: SVC 208/209, U.S. Capitol Visitor Center, Washington, DC; 8:30 AM

• House Appropriations subcommittee hearing concludes – Interior, Environment, and Related Agencies Subcommittee 'American Indian and Alaska Native Public Witness Day 2' hearing * Began yesterday

AMERICAN OVERSIGHT

Location: Rm 2007, Rayburn House Office Building, Washington, DC; 9:00 AM

• House Natural Resources Committee markup hearing – Markup hearing on 'H.R. 644, Navajo Utah Water Rights Settlement Act of

2019', 'H.R. 1904, Indian Water Rights Settlement Extension Act', 'H.R. 4444, Western Area Power Administration Transparency Act', 'H.R. 5316, Move Water Now Act', 'H.R. 5347, Disadvantaged Community Drinking Water Assistance Act', 'S. 832, A bill to nullify the Supplemental Treaty Between the United States of America and the Confederated Tribes and Bands of Indians of Middle Oregon, concluded on November 15, 1865', and 'a committee resolution authorizing issuance of subpoenas related to mismanagement, waste, fraud, abuse, and wrongful conduct in relation to functions within the jurisdiction of the Committee on Natural Resources'

Location: Rm 1324, Longworth House Office Building, Washington, DC; 9:00 AM

• House Foreign Affairs subcommittee hearing on the Middle East peace process – Middle East, North Africa, and International Terrorism Subcommittee hearing on 'The Middle East Peace Process: An Analysis from Former U.S. Negotiators', with testimony from former U.S. Special Envoy for Israeli-Palestinian Negotiations Frank Lowenstein; former Deputy U.S. Special Envoy for Middle East Peace Mara Rudman; and former National Security Council Senior Director for Middle East Affairs Michael Singh * Last month, President's Senior Advisor (and son-in-law) Jared Kushner unveiled 'Peace to Prosperity: A Vision to Improve the Lives of the Palestinian and Israeli People' – a plan for peace in the Middle East that has been criticized for having a strongly pro-Israel bias

Location: Rm 2172, Rayburn House Office Building, Washington, DC; 9:30 AM

• House Science, Space, and Technology Committee markup hearing – Markup hearing on 'H.R. 2986, the Better Energy Storage Technology (BEST) Act', 'H.R. 4230, the Clean Industrial Technology (CIT) Act of 2019', 'H.R. 5374, the Advanced Geothermal Research and Development Act of 2019', 'H.R. 5428, the Grid Modernization Research and Development Act of 2019', and 'H.R. 5760, the Grid Security Research and Development Act'

Location: Rm 2318, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Ways and Means Committee markup hearing – Markup hearing on 'H.R. XXX, the HOSPICE Act', 'H.R. XX, The Transparency in Health Care Investments Act of 2020', and 'H.R. XXX, the Consumer Protections Against Surprise Medical Bills Act'

Location: Rm 1100, Longworth House Office Building, Washington, DC; 10:00 AM

• House Committee on Oversight and Reform hearing with testimony from U.S. Census Bureau Director Steven Dillingham

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Homeland Security Committee markup hearing – Markup hearing on 'H.R. 5736, the Transnational White Supremacist Extremism Review Act', 'H.R. 5780, the Safe Communities Act of 2020', 'H.R. 5802, the TSA Child Care Availability and Resources for Employees Act' (or 'TSA Child CARE Act'), 'H.R. 5804, the DHS Blue Campaign Enhancement Act', 'The State and Local Cybersecurity Improvement Act', 'The Federal Law Enforcement Training Research and Reporting Act of 2020', 'The TSA Personnel Workplace Improvement Act of 2020', 'The DHS Illicit Cross-Border Tunnel Defense Act', 'The Homeland Security Acquisition Professional Career Program Act', and 'S.2035, the TSA Credential and Endorsement Harmonization Act of 2019'

Location: Rm 310, Cannon House Office Building, Washington, DC; 10:00 AM

• Economic Development, Public Buildings, and Emergency Management Subcommittee hearing on 'Animals in Disasters'

Location: Rm 2167, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Judiciary Committee markup hearing – Markup hearing on 'H.R. 2214, the National Origin-Based Antidiscrimination for Nonimmigrants Act' (or the NO BAN Act), 'H.R. 5581, the Access to Counsel Act of 2020', 'H.R. 5546, the Effective Assistance of Counsel in the Digital Era Act', 'H.R. 3283, To amend title 4, United States Code, to permit the flag of the United States to be flown at half-staff in the event of the death of the Mayor of the District of Columbia', and 'H. Res. 694, Recognizing the Importance of the Civil Rights Act of 1866 and the Laws Derived Therefrom'

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Veterans Affairs subcommittee oversight hearing on VA protection of vets' personal data – Technology Modernizations Subcommittee oversight hearing on 'Data Privacy and Portability at VA: Protecting Veterans' Personal Data'

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 10:00 AM

• House Appropriations subcommittee hearing on FCA budget – Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee 'Budget Hearing: Farm Credit Administration', with testimony from FCA Chairman and CEO Glen Smith; and Farm Credit System Insurance Corporation Chairman Jeffery Hall

AMERICAN OVERSIGHT

Location: Rm 2362-A, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• House Appropriations subcommittee hearing on the Office of Congressional Workplace Rights budget – Legislative Branch

Subcommittee hearing on 'Office of Congressional Workplace Rights FY 2021 Budget Request', with testimony from Office of Congressional Workplace Rights Executive Director Susan Tsui Grundmann

Location: HT-2, U.S. Capitol, Washington, DC; 10:00 AM

• House Financial Services subcommittee hearing on diversity and inclusion at the nation's large banks – Diversity and Inclusion Subcommittee hearing on 'A Review of Diversity and Inclusion at America's Large Banks', with testimony from Securities Industry and Financial Markets Association (SIFMA) Diversity and Inclusion Council President and CEO Kenneth Bentsen; American Bankers Association Senior Vice President for Diversity, Equity and Inclusion Dr Naomi Mercer; The Greenlining Institute Senior Economic Equity Program Manager Rawan Elhalaby; Working Mother Media President Subha Barry; and Mercer Workforce Strategy and Analytics Principal Dr Gail Greenfield

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• House Intelligence subcommittee hearing on 'Posturing the U.S. Intelligence Community for Success' – Strategic Technologies and Advanced Research Subcommittee hearing on 'Emerging Technologies and National Security: Posturing the U.S. Intelligence Community for Success', with testimony from In-Q-Tel CEO Chris Darby; Venrock advisor Dr DJ Patil; Insight Ventures Senior Advisor Nick Sinai; and Massachusetts Institute of Technology Vice President for Research Dr Maria Zuber

Location: Rm 2020, Rayburn House Office Building, Washington, DC; 10:00 AM

• OMB Acting Director Vought testifies to House Budget Committee – Hearing on 'The President's 2021 Budget', with testimony from Office of Management and Budget Acting Director Russell Vought

Location: Rm 210, Cannon House Office Building, Washington, DC; 10:00 AM

• House Commerce subcommittee hearing on protecting women's access to reproductive health care – Health Subcommittee hearing on 'Protecting Women's Access to Reproductive Health Care', with testimony from advocate Holly Alvarado; professor of law Teresa Stanton Collett; Anglicans for Life President / Silent No More Awareness Campaign co-founder Georgette Forney; Center for Reproductive Rights President and CEO Nancy Northup; and Alabama Women's Center for Reproductive Alternatives Medical Director Dr Yashica Robinson

Location: Rm 2123, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Energy subcommittee hearing on improving energy efficiency and storage – Energy Subcommittee hearing on 'Saving Energy: Legislation to Improve Energy Efficiency and Storage', with testimony from Under Secretary of Energy Mark Menezes; Energy Storage Association CEO Kelly Speakes-Backman; U.S. Green Building Council Legislative Director Bryan Howard; HKS Principal Julie Hiromoto (on behalf of American Institute of Architects); American Council for an Energy-Efficient Economy Senior Policy Advisor Lowell Ungar; McIntyre Builders President Arn McIntyre (on behalf of National Association of Home Builders); and Federal Performance Contracting Coalition Executive Director Jennifer Schafer

Location: Rm 2322, Rayburn House Office Building, Washington, DC; 10:30 AM

• House Appropriations subcommittee hearing on the CBO budget – Legislative Branch Subcommittee hearing on 'Congressional Budget Office FY 2021 Budget Request', with testimony from CBO Director Dr Phillip Swagel

Location: HT-2, U.S. Capitol, Washington, DC; 11:00 AM

• House Small Business Committee hearing on employee ownership – Hearing on 'Challenges and Benefits of Employee-owned Small Businesses', with testimony from Folience President and CEO Daniel Goldstein; National Cooperative Bank Vice President of Advocacy and Government Programs R.L. Condra; South Mountain Company CEO and co-owner John Abrams; and Messer Construction Company Senior Vice President Mark Gillming

Location: Rm 2360, Rayburn House Office Building, Washington, DC; 11:30 AM

• Dem Sen. Ben Cardin and GOP Rep. Mike Kelly speak at Habitat for Humanity rally – Habitat for Humanity Rally on Capitol Hill event, with local Habitat organizations and housing advocates calling for affordable housing policy solutions. Democratic Sen. Ben Cardin and Republican Rep. Mike Kelly attend, discussing the Neighborhood Homes Investment Act, with other speakers including Habitat for Humanity International CEO Jonathan Reckford

Location: United States Capitol, East Capitol St NE & First St SE, Washington, DC; 11:30 AM

• House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 2546 – Protecting America's Wilderness Act of 2019' and 'H.J.Res. 79 – Removing the deadline for the ratification of the equal rights amendment', plus consideration of 'H.R. 1980 – Smithsonian Women's History Museum Act' under suspension of the rules

AMERICAN OVERSIGHT

Location: U.S. Capitol, Washington, DC; 12:00 PM

• Dem Rep. Ilhan Omar launches 'Pathway to Peace' foreign policy – Democratic Rep. Ilhan Omar holds a keynote and panel discussion to launch her 'Pathway to Peace' foreign policy proposal, seven bills that 'rethink the country's approach to foreign policy' and 'outlines a bold vision for a progressive foreign policy'. Speakers include Quincy Institute's Trita Parsi, Human Rights Watch's Tara Speheri Far, Center for International Policy's William Hartung, and Win Without War's Kate Kizer

Location: Rm 2203, Rayburn House Office Building, Washington, DC; 1:00 PM

• House Veterans Affairs subcommittees joint oversight hearing on new VA community care program – Health Subcommittee and Oversight and Investigations Subcommittee joint oversight hearing on 'Mission Critical: Examining Provider Relations During the Transition to VA's New Community Care Program'

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 2:00 PM

• House Financial Services task force hearing on 'ways to reduce AI bias' – Artificial Intelligence Task Force hearing on 'Equitable Algorithms: Examining Ways to Reduce AI Bias in Financial Services', with testimony from University of Massachusetts Amherst College of Information and Computer Sciences Autonomous Learning Lab co-director Dr Philip Thomas; Brookings Institution Race, Prosperity, and Inclusion Initiative Governance Studies Fellow Dr Makada Henry-Nickie; University of Pennsylvania Department of Computer and Information Science Professor Dr Michael Kearns; attorney and emerging tech AI and privacy advisor Bari Williams; and Carnegie Mellon University Machine Learning Department and Heinz College of Information Systems and Public Policy Distinguished Career Professor Rayid Ghani

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 2:00 PM

• House Armed Services subcommittee hearing on land-based ranges – Readiness Subcommittee hearing on 'Land Based Ranges: Building Military Readiness While Protecting Natural and Cultural Resources', with testimony from Principal Deputy Assistant Secretary of the Army for Energy, Installations, and Environment Jordan Gillis; Principal Deputy Assistant Secretary of the Navy for Energy, Installations, and Environment Todd Mellon; and Principal Deputy Assistant Secretary of the Air Force for Energy, Installations, and Environment Jennifer Miller

Location: Rm 2212, Rayburn House Office Building, Washington, DC; 2:30 PM

Cabinet Officers:

• Secretary of State Pompeo and Ivanka Trump celebrate one year of W-GDP Initiative – Secretary of State Mike Pompeo and President's Advisor (and 'First Daughter') Ivanka Trump co-host event celebrating the one-year anniversary of the launch of the White House's Women's Global Development and Prosperity (W-GDP) Initiative

Location: State Department, Washington, DC; 9:00 AM

• Hearing on 'The President's Fiscal Year 2021 Budget', with testimony from Secretary of the Treasury Steven Mnuchin

Location: Rm 215, Dirksen Senate Office Building, Washington, DC; 1:00 PM

Visitors:

• President Trump meets Ecuadorian counterpart at the White House – President Donald Trump and First Lady Melania Trump welcome Ecuadorian President Lenin Moreno Garces and First Lady Rocio Gonzalez de Moreno to the White House, with agenda including expanded bilateral meeting between the presidents

Location: The White House, 1600 Pennsylvania Ave NW, Washington, DC

This Town:

• National Rural Health Association Policy Institute continues – National Rural Health Association Policy Institute continues. Day two speakers include U.S. Surgeon General Jerome Adams, Centers for Medicare and Medicaid Services Administrator Seema Verma, Democratic Sen. Dick Durbin, and Republicans Sen. Marsha Blackburn and Rep. Brad Wenstrup

Location: Hilton Washington DC National Mall, 480 L'Enfant Plaza SW, Washington, DC; 7:00 AM

• ACCT National Legislative Summit concludes – Association of Community College Trustees National Legislative Summit concludes, with final day speakers including Democratic Rep. Mark Takano

AMERICAN OVERSIGHT

Location: Marriott Marquis Washington, DC, 901 Massachusetts Ave NW, Washington, DC; 8:00 AM

• NARC National Conference of Regions concludes – NARC National Conference of Regions concludes with Congressional Breakfast, featuring Republican Rep. Rodney Davis and Democratic Reps. Ben McAdams, Earl Blumenauer and Chris Pappas

Location: HC-8, United States Capitol, Washington, DC; 8:00 AM

• Wreath-laying and observances at the Lincoln Memorial to mark Abraham Lincoln's birthday – U.S. Armed Forces conduct Presidential Full Honor wreath-laying ceremony at the Lincoln Memorial in honor of Abraham Lincoln, to mark the 211th anniversary of his birth * Hosted by Joint Force Headquarters – National Capital Region and U.S. Army Military District of Washington Commanding General Maj. Gen. Omar Jones IV

Location: Lincoln Memorial, 2 Lincoln Memorial Circle NW, Washington, DC; 8:00 AM

• National Congress of American Indians Executive Council Winter Session continues – National Congress of American Indians Executive Council Winter Session (aka Tribal Nations Legislative Summit) continues, with speakers today including Secretary of Education Betsy DeVos; House Speaker Nancy Pelosi; Democratic Sen. Martin Heinrich and Rep. Denny Heck, Gwen Moore, Tom O'Halleran; Republicans Sen. John Hoeven and Rep. Paul Cook; and Deputy Secretary of Agriculture Stephen Censky

Location: Capital Hilton, 1001 16th St NW, Washington, DC; 8:30 AM

• STEM4US! 2020 Black History Month Conversation, with Dem Rep. Bill Foster – STEM4US! holds 2020 Black History Month conversation and reception with financial services and education leaders, with this year's focus on providing 'black and brown-led tech companies with a fair shot at the investment needed to build products and services. Speakers include Democratic Rep. Bill Foster, NASDAQ Government Relations Associate Vice President Jameel Johnson, and DC Department of Insurance, Securities, and Banking Office of Financial Empowerment Director Michelle Hammonds

Location: 1100 New York Ave NW, Washington, DC; 6:00 PM

• Tracy's Kids 17th Annual Red Carpet Movie Event, with Second Lady Karen Pence – Tracy's Kids holds 17th annual Red Carpet Movie Event a fundraising gala, with guests walking a red carpet before watching a choice of films, including several of this year's Oscar's best picture nominees. Second Lady Karen Pence presents the Tracy's Kids 2020 Courage Award to Gayle Wicker, with other attendees including Democrats Sens. Chris Van Hollen, Patrick Leahy, Krysten Sinema, Tim Kaine, Doug Jones, Sheldon Whitehouse, Ben Cardin, and Jacky Rosen, and Reps. Ted Deutch and Debbie Dingell, and Republicans Sen. Pat Toomey, and Reps. Greg Walden, Fred Upton, Bill Johnson, and Doug Collins

Location: Lucky Strike Washington DC, 701 7th St NW, Washington, DC

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TO: THE SECRETARY AND SENIOR STAFF
DATE: MONDAY, FEBRUARY 10, 2020 6:00 AM EST

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Treasury in the News

House Democrat Pens Letter To Mnuchin Criticizing Treasury Over Hunter Biden Docs.

The Hill (2/7, Jagoda, 2.98M) reported Rep. Bill Pascrell (D-NJ) "is criticizing the Treasury Department for providing Republican senators with financial records as part of their probe concerning Hunter Biden." Pascrell, in his letter to Treasury Secretary Steven Mnuchin, "blasted the department for turning over the documents while at the same time refusing to provide House Democrats with President Trump's tax returns." Pascrell wrote, "Continuing to violate the law to shield Donald Trump's tax returns while simultaneously aiding a blatantly partisan investigation is an affront to public service."

Johnson, Grassley Say Democrats Undermining Investigation Into Hunter Biden. The Hill (2/7, Carney, 2.98M) reported Senate Homeland Security and Governmental Affairs Chairman Ron Johnson and Senate Finance Chairman Chuck Grassley "are accusing Democrats of trying to undercut an ongoing investigation involving Hunter Biden and Ukraine." The Hill said Johnson and Grassley "accused 'one or more' Democrats of trying to 'actively seek to undermine our legitimate oversight by selectively leaking information to the press'" after the office of Senate Finance Committee Ranking Member Ron Wyden (D-OR) on Thursday "disclosed...that the Treasury Department had been complying with a request from Johnson and Grassley as part of their months-long investigation." Fox News (2/7, Olson, 27.59M) also reported.

Commentary: Treasury Department Assisting In "Trump Revenge-A-Thon." Jennifer Rubin, in her column for The Washington Post (2/9, 14.2M) regarding Sen. Mitt Romney's (R-UT) vote against President Trump in the impeachment trial, writes that the Treasury Department, "failing to measure up to the high standards of the Ukrainian government, continued its inquest into Hunter Biden, providing confidential financial information to senators." Robert Schlesinger wrote in an NBC News (2/8, 6.14M) column that the Treasury Department "has reportedly already sent sensitive financial records pertaining to the younger Biden to Grassley and Johnson" and is "the same agency which has for years – and recently in violation of federal law – refused to divulge Trump's tax returns and participated in Trump's evidentiary obstruction and coverup during the impeachment proceedings." Kevin Drum of Mother Jones (2/7, 881K) wrote that the Treasury Department "has complied with the Republican requests in nearly record time. Meanwhile, when it comes to records about Donald Trump that Treasury is legally required to turn over, they've told Democrats to 'pound sand,' as Sen. Ron Wyden puts it. Welcome to America, our planet's newest banana republic."

Trump 2021 Budget Proposes Large Non-Defense Spending Cuts, Leaves Medicare, Social Security Untouched.

The AP (2/9, Taylor) reports President Trump "is offering a $4.8 trillion budget plan for the upcoming fiscal year that rehashes previously rejected spending cuts while leaving Social Security and Medicare benefits untouched." Trump "has succumbed to the Washington temptation to deliver spending increases and tax cuts first and then deal – or not – with their impact on the deficit." Trump and Administration officials such as Treasury Secretary Steven Mnuchin "had promised that Trump's signature cuts to corporate and individual tax rates would pay for themselves; instead the deficit spiked by more than $300 billion over 2017 to 2019, falling just short of $1 trillion." Reuters (2/9, Mason) also reports.

WPost Report: Secret Service Pays Up To $650 Per Night In Trump's Hotels, Mnuchin Opposes Cost Disclosure.

The Washington Post (2/7, A1, Fahrenthold, O'Connell, Leonnig, Dawsey, 14.2M) reported President Trump's company "charges the Secret Service for the rooms agents use while protecting him at his luxury properties – billing U.S. taxpayers at rates as high as $650 per night, according to federal records and people who have seen receipts." The Post says the "full extent of the Secret Service's payments to Trump's company is not known. The Secret Service has not listed them in public databases of federal spending, as is usually required for payments over $10,000." Senate Democrats "have asked the Trump administration to provide more details on the costs of Trump's travel as part of negotiations over a bill governing the Secret Service." However, Treasury Secretary Steven Mnuchin "has told the Senate committee that he opposes a requirement to deliver those details until December 2020 at the earliest, which falls after the election." Vox (2/7, 2.27M) also

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reported.

White House Backs Shifting Secret Service From DHS To Treasury, Sources Say.

The AP (2/7, Long) reported the White House "is throwing its support behind a plan to transfer the U.S. Secret Service back to the Treasury Department to better focus on the growing threat of online financial crimes," according to five Administration officials, who told the AP that although Congress would have to approve the change, President Trump "is confident enough that he plans to include the Secret Service under the Treasury's budget in his proposal expected Monday." Treasury Secretary Steven Mnuchin said last week on Fox Business, "We think it will very much help us in combating money laundering and terrorist activities." The Hill (2/7, Moreno, 2.98M) also reported.

Watchdog Poll Names DeVos As Most Unpopular Trump Administration Official.

A survey conducted by Global Strategy Group on behalf of government watchdog Allied Progress found that Education Secretary Betsy DeVos "received the lowest approval rating of any Trump administration official tested," Salon (2/7, Derysh, 88K) reported. The survey showed DeVos with an approval rating of 28 percent and "also found overwhelming support for congressional investigations into whether DeVos abused taxpayer funds or used her position to benefit herself or her family." Derek Martin, the director of Allied Progress, said, "If Secretary DeVos was hoping Americans are too distracted by President Trump's scandals to notice or care are about her efforts to sell out student borrowers, she's in for a shock."

Yahoo! Finance (2/7, Swaminathan) reported the poll found the second and third least popular Administration officials are Acting White House Chief of Staff Mick Mulvaney at 33 percent and Treasury Secretary Steve Mnuchin at 25 percent.

Some In Congress Question Payouts From Aid Program For Farmers To Subsidiary Of Brazilian Firm.

The New York Times (2/9, Haberman, Rappeport, 18.61M) reports the Administration "plans to shutter its bailout program for farmers hurt by tariffs." The Times says, "About $67 million in bailout funds have gone to JBS USA, the subsidiary of JBS S.A., a Brazilian company that is the world's biggest meat-processing firm." Sens. Marco Rubio (R-FL) and Bob Menendez (D-NJ) along with Rep. Rosa DeLauro (D-CT) "have asked" Agriculture Secretary Perdue "to investigate JBS S.A." Sens. Rubio and Menendez have also asked the Treasury Department "to investigate possible ties that JBS S.A. has with the government of Nicolás Maduro in Venezuela, whom the United States does not recognize as the rightful president."

Leading National News

Trump Faults "Weak Leadership" By Cuomo, De Blasio In Wake Of Bronx Attacks On Police.

The New York Post (2/9, Sosa, Moore, 4.57M) reports President Trump "slammed Gov. Andrew Cuomo and Mayor Bill de Blasio for 'weak leadership' after two cops were shot in the Bronx this weekend." The President tweeted Sunday morning, "I grew up in New York City and, over many years, got to watch how GREAT NYC's 'Finest' are. Now, because of weak leadership at Governor & Mayor, stand away (water thrown at them) regulations, and lack of support, our wonderful NYC police are under assault. Stop this now!" The New York Daily News (2/9, Shahrigian, 2.52M) reports that in addition to the shootings, Trump "was referring to incidents over the summer in which cops were seen on video being soaked with water in humiliating attacks." USA Today (2/9, Bacon, 10.31M) reports Trump "tweeted that he grew up in the city and appreciated the great work by police." The Washington Examiner (2/9, Mastrangelo, 448K) also covers Trump's tweet.

NBC Nightly News (2/9, story 2, 1:50, Snow, 3.6M) reported, "A gunman is in custody in tonight after what the mayor of New York City is calling 'assassination attempts' on two police officers. The ambush shootings were both caught on camera." NBC's Erin McLaughlin reported, "Just before 8:00 a.m., the 41st Precinct was under attack. ... The suspect lays on the ground, authorities say, only after he runs out of bullets. One officer was shot in the arm. He's expected to make a full recovery." Suspect Robert Williams "was paroled in 2017 for attempted murder. Twelve hours earlier, authorities allege Williams was two blocks away. Surveillance footage shows the moment the suspect opens fire as the police van drives away. One officer was shot in the neck, released from the hospital today." The CBS Weekend News (2/9, story 7, 0:25, Quijano, 9.6M) had a brief report.

De Blasio tweeted, "This morning a gunman walked into the 41st Precinct in the Bronx and shot an officer. I'm relieved to report the officer is stable, and the gunman is in custody. This vicious assassination attempt is the second one we've seen in 24 hours – and an attack on our NYPD officers is an attack on ALL New Yorkers. This despicable hatred is an attempt to divide our city and undermine our safety. We cannot and will not let that happen." Cuomo tweeted, "Horrified by the multiple attacks on @NYPD officers in the Bronx. NY's law enforcement officers put their lives on the line every day to keep us safe. These attacks are heinous. Those responsible will be brought to justice & held accountable to the fullest extent of the law." The Wall Street Journal (2/9, Chapman, Honan, Subscription Publication, 7.57M) covers de Blasio's tweet.

The AP (2/9, Rosenbaum, Hajela) reports New York City Police Commissioner Dermot Shea said at a news conference, "It is only by the grace of God and the heroic actions of those inside the building that took him into custody that we are not talking about police officers murdered inside a New York City police precinct." Shea "called the gunman a 'coward' and said he had a lengthy criminal history, including a 2002 shooting and carjacking in which he also fired a gun at police officers."

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The New York Times (2/9, Brown, Levenson, Watkins, 18.61M) reports the gunman "carr[ied] out brazen attacks against officers in a patrol van and a precinct station house that left two wounded and the department shaken. Local officials called the shootings 'assassination attempts.'" The Washington Post (2/9, Mettler, 14.2M) reports, "The first attack took place at 8:30 p.m. Saturday, when a man shot into a marked police van in the 41st precinct, striking an officer in the chin and neck with bullets that narrowly missed his carotid artery, authorities said. The second shooting occurred just before 8 a.m." at the headquarters of the precinct. Fox News (2/9, Sorace, 27.59M) reports on its website that police "are conducting tests on the suspect's weapon to determine whether it was used" in the Saturday night attack. Among the other outlets with straightforward accounts of the incidents are Reuters (2/9, O'Brien), TIME (2/9, Law, 18.47M), and the WNBC-TV New York (2/9, 344K) website.

Moody's: Large Companies Expanded In 2019; Smaller Firms Did Not For First Time Since 2010.

The Wall Street Journal (2/9, Simon, Subscription Publication, 7.57M) reports a Moody's Analytics analysis of ADP payroll data found that businesses with 500 or more employees continued to hire more people last year for the tenth consecutive year, while companies with fewer than 20 employees did not. The Journal says 2019 was the first year since 2010 that smaller companies did not increase their employment. Moody's chief economist Mark Zandi said that small businesses were having trouble finding people to hire and that larger businesses will have the same problem unless the US relaxes immigration controls.

Study Finds Pay Increases For Low-Income Workers Mostly Due To Minimum Wage Increases.

USA Today (2/9, Davidson, 10.31M) reports a study by the National Employment Law Project (NELP) found that as President Trump said in his State of the Union address, that pay is "rising fastest for low-income workers," but, according to the study, "a large portion of those gains can be traced to minimum wage increases in more than half the states." The study found that "in the 26 states that lifted their base wages at least once from 2013 to 2018 – real or inflation-adjusted – median hourly pay rose 3.8% from the end of the recession in 2009 through 2018," while "in the 24 states without a minimum wage hike, real median pay fell half a percentage point." The study also found "that trend appeared to continue in Trump's administration."

Few S&P 500 CEOs Sold Stock Last Year.

The Wall Street Journal (2/9, Gryta, Subscription Publication, 7.57M) reports that just 80 S&P 500 CEOs have sold stock in their companies while the S&P 500 index rose 30 percent to record highs in 2019. That number included Amazon's Jeff Bezos and Facebook's Mark Zuckerberg, and in both cases they are still the company's largest individual shareholder. One corporate governance adviser said that CEOs should not sell stock until three years after they leave the company.

House Panel Will Consider Autonomous Vehicle Regulations.

Reuters (2/9, Shepardson) reports a House Energy and Commerce Committee subcommittee "will hold a hearing Tuesday on autonomous vehicles as lawmakers try to hammer out legislation to advance self-driving cars." Congress "has worked for four years on legislation that would remove regulatory barriers but has not reached agreement."

WSJournal A1: Tesla's Share Price Rise Closely Watched By Critics, Fans.

The Wall Street Journal (2/9, Banerji, Zuckerman, Subscription Publication, 7.57M) reports in a front-page story on Tesla shares that investors who have shorted the company have lost $8.4 billion since January as the stock has continued to climb, rising about 79 percent in that period. Meanwhile, other investors have profited from the short-sellers losses. The Journal says that Tesla's critics point to the lack of profits, while its supporters are confident profits will come.

More Companies Offering Time Off After Miscarriage.

NBC Nightly News (2/9, story 9, 3:15, Snow, 3.6M) reported, "It's estimated up to a quarter of pregnancies end in miscarriage. Tonight, we look at how employers respond. Some companies now offer paid time off after a pregnancy loss. But it's still not the norm." NBC recounted some women's experience and cites Reddit as offering two months of paid time off following a miscarriage. It also quoted one advocate of such policies as saying that there is movement among more companies to recognize the need for time off to grieve and to recover.

WPost Uses New Hampshire Town As Example Of Rural Areas Still Facing Economic Hardship.

The Washington Post (2/9, Witte, 14.2M) reports on the situation in Berlin, New Hampshire, where unemployment "is down to 3 percent" and "property values are climbing," but, says the Post, Berlin "hardly feels like a city on the mend." That's because "residents say just about the only jobs available pay minimum wage with no benefits" and "the last elementary school shuttered last year." The Post also reports that in New Hampshire, "poverty has fallen to the lowest rate in America." The Post comments, "If Berlin is an example of a 'one-dollar boom,' as Trump called it this week, residents shudder to imagine a bust."

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New York City Program Brings Tech Employees Into CUNY Classrooms As Instructors.

The Wall Street Journal (2/9, King, Subscription Publication, 7.57M) reports that tech companies in New York City, including Google, LinkedIn and Spotify, are helping the City University of New York meet demand for tech instruction by supplying employees as instructors. Tech companies' employees are instructors in 22 courses at CUNY this spring under the Tech-in-Residence Corps program. The city is planning to expand the program to offer more courses.

WSJournal: House Approves Pro-Union Bill After Trumka Threatens Democrats.

The Wall Street Journal (2/9, Subscription Publication, 7.57M) in an editorial entitled "Big Labor's Payoff Day" says that the Democratic majority in the House of Representatives last week approved the PRO Act, in what it calls the most pro-union legislation since 1935's Wagner Act. The Journal says the bill would make it easier for unions to organize employees and end employees' right to a secret ballot and would overturn right-to-work laws. According to the Journal, the House approved the bill after AFL-CIO President Richard Trumka said the union would not help any Democrat who did not vote for the bill.

WPost: Congress' Failure To Protect Privacy Means Government Can Track Everyone's Cellphone.

The Washington Post (2/9, 14.2M) in an editorial says that the US government is buying location data "that charts the movements of millions of citizens' cellphones from a company called Venntel." The Post says, "Congress has failed to pass a comprehensive privacy statute that shields people from having their every move logged in a database," and "now, this lack of privacy from corporate actors has become an excuse for government to bypass the right to privacy from the state that the Constitution is supposed to enshrine."

WSJournal Warns Opponents Of .Org Sale Are Seeking Their Own Interests.

The Wall Street Journal (2/9, Subscription Publication, 7.57M) in an editorial argues that opponents attempted to create hysteria in response to the net neutrality policy favored by FCC Chairman Ajit Pai, but that policy was approved and has not led to the threatened problems. The Journal says some of the same people are now trying to frighten people by the prospect of the sale of the .org web-registry to Ethos Capital. The Journal warns opponents are simply seeking their own interests and worries that they will intimidate regulators that must approve the sale.

US-China Trade Disputes Credited With Slowing Global Trade Growth.

The Wall Street Journal (2/9, A1, Zumbrun, Solomon, Lewis, Subscription Publication, 7.57M) reports that what it calls a trade war between the US and China led to global growth in trade of just one percent last year. Some countries, it says, benefited because both China and the US turned to other countries to supply the goods they were not buying from each other. The Journal identifies as the major beneficiaries of increased US trade: Vietnam, Mexico, Taiwan, South Korea, Thailand, Malaysia and the Philippines. Among countries that suffered fallout from the trade disputes, the Journal mentions Germany and Japan which lost trade because China's economy slowed. The Journal also reports that the International Monetary Fund expects global trade growth to rise to three percent for 2020, though it says that estimate was made before the coronavirus appeared.

WPost Says Trump Trade Policy Harms "Friends," Reduces Economic Efficiency.

The Washington Post (2/9, 14.2M) in an editorial criticizes the Administration's trade policy, while saying, "superficially, the news on trade and the U.S. economy is encouraging" with "the smallest trade deficit in six years," and "prospects...for a relatively less volatile trade year in 2020." Yet, the Post warns that "both the China deal and USMCA" are agreements in which trade is decided by "politicians – not determined by economic criteria." The Post also says that tariffs imposed on some finished aluminum and steel goods "will be heavily felt by U.S. users of those goods, as well as by the countries that sell them to us – principally Taiwan, Japan and the European Union." The Post concludes, "These are U.S. friends, not threats to our security," and accuses the Administration of "compound[ing] injuries to economic efficiency with insults to the truth."

Trump Blasts Manchin, Romney, Jones Over Impeachment Votes.

In a series of tweets over the weekend, President Trump lashed out at Sen. Joe Manchin (D-WV) over his vote to convict Trump on two articles of impeachment. On Saturday, Trump tweeted, "Can't say I mind the fact that the great people of West Virginia are furious at their puppet Democrat Senator, Joe Manchin. They will never forget his phony vote on the Impeachment Hoax. All he had to do is read the Transcripts, sadly, which he wouldn't understand anyway. But, just like the people of West Virginia will no longer look at weak & pathetic Joe Manchin the same (I got the Pension Bill approved, Manchin couldn't do it), the wonderful people of Utah will never look at "grandstander" Mitt Romney with anything but contempt & disgust!" Trump followed that with a tweet on Sunday in which he again said the people of West Virginia are mad at Manchin over the vote. Trump wrote, "They are really mad at Senator Joe Munchkin in West Virginia. He couldn't understand the Transcripts. Romney could, but didn't want to!"

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The Washington Times (2/9, Howell, 492K) says Trump "was reportedly hoping Mr. Manchin, who's cozied up to the White House at

times, would buck his party and vote to acquit him of charges he abused his power and obstructed Congress."

USA Today (2/9, Cummings, 10.31M) reports that Manchin defended his vote, writing in a tweet, "No Democrat has worked harder in a bipartisan way in the hopes that you would succeed." Manchin added, "I've read the transcripts thoroughly & listened to the witnesses under oath. ... Where I come from a person accused defends themselves with witnesses and evidence."

Trump also took aim at Sen. Mitt Romney (R-UT) for his vote to convict. Trump retweeted a post from the Wall Street Journal's Kimberly Strassel, who wrote, "Mitt Romney may think he's taking a shot at POTUS. But any real damage he causes will in fact be to Senate Rs in tough races. [Senate Minority Leader] Schumer's goal with all this was retaking the Senate. If he succeeds, he'll hopefully remember to send Romney a thank you." Trump wrote, "Romney hurt some very good Republican Senators, and he was wrong about the Impeachment Hoax. No clue!"

In addition, Trump lashed out at Sen. Doug Jones (D-AL), who he called a "do nothing stiff." Trump tweeted, "So good to see that Republicans will be winning the Great State of Alabama Senate Seat back, now that lightweight Senator @DougJones cast a partisan vote for the Impeachment Hoax. Thought his boss, Cryin' Chuck, would have forced him to vote against the Hoax. A Do Nothing Stiff!"

Sen. Sherrod Brown (D-OH) said on MSNBC's AM Joy (2/9, 762K), "I watched the President, as we all did, in the East Room, right after the exoneration, and to watch all the sycophantic politicians sitting there and laughing with them and clapping with him and clapping for him was just untoward of any of this. I so like what Adam Schiff said when he talked about cords of steel will bind them to this President for all of history. And that's exactly right. They're going to be embarrassed by this vote. It might be next month. It might be three months from now. It might be a year from now when more things come out. We know that."

Trump: Wray Testimony Shows "Whole Scam Investigation" Was "A Fixed Hoax."

In a reference to FBI Director Wray's testimony before the House Judiciary Committee last week, President Trump argued in a tweet that Wray's comments show "the whole scam investigation" and "everything else" was "a fixed hoax." Trump wrote, "FBI Director Christopher Wray just admitted that the FISA Warrants and Survailence [sic] of my campaign were illegal. So was the Fake Dossier. THEREFORE, THE WHOLE SCAM INVESTIGATION, THE MUELLER REPORT AND EVERYTHING ELSE FOR THREE YEARS, WAS A FIXED HOAX. WHO PAYS THE PRICE? This is the biggest political crime in American History, by far. SIMPLY PUT, THE PARTY IN POWER ILLEGALLY SPIED ON MY CAMPAIGN, BOTH BEFORE AND AFTER THE ELECTION, IN ORDER TO CHANGE OR NULLIFY THE RESULTS OF THE ELECTION. IT CONTINUED ON WITH THE IMPEACHMENT HOAX. Terrible!"

Rep. Doug Collins (R-GA) said on Fox News' Sunday Morning Futures (2/9) that Wray's testimony was "good and bad. Number one, Chris Wray actually has taken care of a lot of the senior leadership at the FBI that we all know was part of that corrupt cabal of Strzok, Comey, Page that we have been fighting against for so long. But then he also was not real clear on what he was going to on how, besides implementing the instructions from the Horowitz report, is their other things that can be done? The lower level folks who are involved in this, what has happened to them? He wouldn't comment on that."

Nunes: Whistleblower Testimony Would Reveal "Fake Impeachment Hoax."

Rep. Devin Nunes (R-CA) said on Fox News' Sunday Morning Futures (2/9), "I think as soon as the whistleblower actually gets called...before the Senate and conducts an interview, you will be able to fit the pieces in between the Democrats in the House and their staff who met with the whistleblower and the scam that the [intelligence community inspector general] is under, who refuses to provide the evidence for his outlandish claims that you didn't need to have firsthand information, you only had to have second hand information and that somehow miraculously the form was changed. None of those stories actually make any sense. When you put all that together, I think you are going to find a fake impeachment hoax."

Professor: Paul Revealing Alleged Whistleblower's Name Was Wrong. In an op-ed for the New York Times (2/9, 18.61M), Joanne Freeman, a professor of history and American studies at Yale, argues that Sen. Rand Paul (R-KY) exposing the name of the alleged whistleblower during a Senate floor speech last week was "not strictly speaking illegal," but his actions "were wrong, and some Republican colleagues said as much, privately admitting that they 'probably' wouldn't have done it." Freeman argues that fr Paul, "violating norms was the point. By exposing the name – and getting away with it – he was warning off potential whistle-blowers-to-be." Freeman adds that if one potential informant is dissuaded from stepping forward, or even given pause to do so, "Paul has scored a victory. President Trump's public name-calling and bullying have done much the same, frightening people into compliance for fear of vengeance in Washington or back home."

Tim Scott: Trump's Impeachment "Started In January Of 2017."

Sen. Tim Scott (R-SC) said on Fox News' Sunday Morning Futures (2/9), "If you look at the very foundation of impeachment, it did not start three or four months ago. It actually started in January of 2017. One of the first headlines of the Washington Post was, 'Impeachment Begins,' and what happened immediately, the Russia investigation. ... The entire foundation, the presumption of innocence has been void for this President the entire time he's been in office. It is the closest thing to a witch hunt we've seen of a President in my lifetime."

Graham Defends Removal Of Vindman, Sondland.

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Natalie Brand reported on the CBS Weekend News (2/9, story 2, 2:10, Quijano, 9.6M) Senate Judiciary Chairman Lindsey Graham

"defended the Administration's removal of impeachment witnesses EU Ambassador Gordon Sondland and Lt. Col. Alexander Vindman from the National Security Council." Bloomberg (2/9, Brody, 4.73M) reports Graham called their removal "justified." Bloomberg says Vindman and Sondland "were dismissed in an act of retribution" following Trump's acquittal in the Senate impeachment trial. Both "offered damaging details" during the trial "about Trump's pressure campaign on Ukraine to investigate his political rivals." On CBS' Face The Nation , Graham said of Vindman, "I don't think he could be effective at the NSC," and he "suggested without evidence that Vindman may have improperly provided information to an administration whistle-blower who first raised concerns about Trump." Graham said that like other ambassadors, Sondland "serves at the pleasure of the President." The Washington Times (2/9, Howell, 492K) provides similar coverage of Graham's comments.

John King said on CNN's Inside Politics (2/9, 474K), "Several Republican senators urged the President not to fire Sondland. But a Trump aide defended the firings, it was, quote, 'necessary,' describing them as, quote, 'flushing out the pipes.' Anyone who thought the President was going to show restraint after this was foolish. That's a kind word."

Michael Shear of the New York Times said on CNN's Inside Politics (2/9, 511K), "Any restraint that you would normally think a politician, a president would have – certainly Bill Clinton when he was in essentially the same position after his acquittal in this impeachment trial, went the other direction and tried to offer some contrition and apologies. But that isn't this President. And I think...anybody that expected that from him is ridiculous."

Johnson Criticizes Trump's Removal Of Sondland. Politico (2/9, Lippman, 4.29M) reports that in an interview Sunday, Sen. Ron Johnson (R-WI) criticized Trump's removal of Sondland. Johnson told Politico he "would have handled it a different way." Johnson said, "Gordon was pretty resigned he was going to be leaving the post anyway and I think it would have been nice to give him the ability to exit on his own terms and in his own time in a few weeks." However, like Graham, Johnson "did note that since Sondland was a political appointee who served at the pleasure of the president, firing him was ultimately Trump's call." Politico adds that Johnson "said he made several phone calls to the White House before Sondland was removed to urge the president to not fire him."

Graham Says He Will Investigate FISA Abuses, Hunter Biden.

Politico (2/9, Beavers, 4.29M) reports that after a "somewhat cryptic tweet" from President Trump which said, "DeFace the Nation will tell @LindseyGrahamSC that he must start up Judiciary and not stop until the job is done. Clean up D.C. now, last chance!", Senate Judiciary Chairman Lindsey Graham "addressed the president directly...as he pledged to carefully investigate Joe Biden's son." Graham told CBS' Face The Nation (2/9, 2.76M), "If he's watching the show, here's what I would tell the President: I'm going to get to the bottom of the [Foreign Intelligence Surveillance Act] process, because it was an abuse of power at the Department of Justice and the FBI. ... We'll make sure Hunter Biden's conflict of interest is explored, because it's legitimate." Graham said, "Here's what I want to tell the President: I'm not going to be the Republican Christopher Steele. So, Rudy Giuliani last night said he's got the goods on Hunter Biden. ... I called the Attorney General this morning, and Richard Burr, the chairman of the Intel Committee, and they told me take very cautiously anything coming out of the Ukraine against anybody."

The Washington Post (2/9, Kane, 14.2M) reports Graham "said Sunday that the Justice Department is vetting information" from Giuliani "regarding Hunter Biden's work on the board of a Ukrainian energy company." Citing a conversation with Attorney General Barr, Graham "said that...Giuliani is giving his information to national security experts and that he would back off his own plans to use the Senate Judiciary Committee as a vehicle to investigate the Biden family." Graham said, "The Department of Justice is receiving information coming out of the Ukraine from Rudy to see – he told me that they have created a process that Rudy could give information and they would see if it's verified." The Post says Graham "warned that Giuliani might be getting bad information from his trips to Ukraine as part of a disinformation campaign by Russian security experts." The New York Times (2/9, Edmondson, 18.61M) says a Justice Department spokeswoman "declined to comment" on Graham's assertion that Barr told him the Department was "receiving information coming out" of Ukraine delivered by Giuliani.

The AP (2/9, Superville) reports Graham "said anything Giuliani has obtained from Ukraine needs to be given to the Justice Department or Congress' intelligence committees" because "it could be Russian propaganda." The New York Post (2/9, Moore, 4.57M) quotes Graham as saying, "If Rudy Giuliani has any information coming out of the Ukraine, he needs to turn it over to the Department of Justice because it could be Russian propaganda."

The Washington Examiner (2/9, Mastrangelo, 448K) says Graham "complained that the media are turning a blind eye to 'legitimate' concerns" the Bidens' business dealings in Ukraine. Graham said, "I just think the media's so in the tank over this issue, it makes me sick to my stomach. ... I don't think you take it seriously." Axios (2/9, Knutson, 521K) provides similar coverage of Graham's comments.

Biden Says His "Anger" Over Attacks On Hunter Won't Stop His Campaign. Politico (2/9, Dugyala, 4.29M) reports that on ABC's This Week , Joe Biden "said that his 'anger' at seeing his son become a 2020 campaign target cannot overshadow his platform." Biden said, "I can't let my anger overcome the desire and the need to have unite, heal this country. ... I've got to move beyond me and beyond my family. Because it's about your family, it's about everybody else's family, not mine." Biden said President Trump's attacks on his son are "pure sham," but added, "I'll be damned – I've been hit a lot. But It's not going to work on me and I'll be damned if I'm going to walk away and not take this country back."

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Giuliani: Bolton Is "Either A Liar Or A Backstabber."

Rudy Giuliani was asked on Fox News' Sunday Morning Futures (2/9) about former National Security Adviser John Bolton's claim in his

manuscript that Giuliani, Acting Chief of Staff Mulvaney, and White House Counsel Pat Cipollone were present when the President asked Bolton to call Ukrainian President Zelensky and "paved the way for [Giuliani] to go investigate." Giuliani said, "I was never in any such meeting. ... I do not know what John is talking about. ... At no time during the entire period this was going on did John Bolton...come up to me and say, 'Rudy, I'm concerned about what you're doing, I'm worried about what you're doing.' Never. Instead, he says he went around my back to the Secretary of State and complained. The Secretary of State said he didn't, by the way. So, I don't know what John is up to. He's either a liar or a backstabber."

Prosecutors Seek To Delay Flynn Sentencing.

Politico (2/9, Gerstein, 4.29M) reports that federal prosecutors are seeking to delay former National Security Adviser Michael Flynn's sentencing, "arguing that his request to withdraw his guilty plea may require testimony from his former lawyers." In what Politico describes as "unusual Sunday morning court filings," prosecutors "did not explicitly call for a postponement of Flynn's scheduled Feb. 27 sentencing on a single felony charge of making false statements to the FBI, but suggested putting off looming deadlines in a way that would make it unlikely for any sentencing to take place this month." In the new filings, they argue that Flynn's claims that he received ineffective assistance from his former attorneys "will require information and perhaps testimony from those attorneys."

The Hill Says Impeachment Trial Is "Wild Card" In Battle For Senate Control.

The Hill (2/9, Bolton, 2.98M) reports that President Trump's impeachment trial is a "wild card" in the upcoming fight for control of the Senate. The near party-line votes on the two articles of impeachment "are most likely to impact the reelection bids" for Sens. Susan Collins (R-ME) and Doug Jones (D-AL), "who were already considered two of the most vulnerable senators heading into November." While Collins has cast herself "as an independent," that "branding took a hit" when she voted to acquit the President on both articles. Her Democratic challenger, Maine House Speaker Sara Gideon, "quickly seized on Wednesday's vote to tie her opponent to Trump" and Senate Majority Leader McConnell. The Hill adds that Jones' "votes to convict Trump on both articles of impeachment likely will seal his defeat, but given his long-shot path to victory, they won't change the calculus for Senate control greatly."

Pitt Uses Oscar Speech To Criticize Impeachment Trial.

The Washington Times (2/9, Morton, 492K) reports that in the first acceptance speech during Sunday's Oscar ceremony, Brad Pitt, who won the best supporting actor prize, took aim at the Senate impeachment trial. Pitt "immediately noted that he had 45 seconds for his acceptance speech." He said, "That's 45 seconds more than John Bolton got" before the Senate. Pitt suggested that his director, Quentin Tarantino, make "a movie about it and the adults do the right thing."

Grijalva Says Border Wall Crews Are Blasting Sites In Areas Sacred To Native Americans.

The Washington Post (2/9, Firozi, 14.2M) reports that according to Rep. Raúl Grijalva (D-AZ), construction crews have started "blasting sites within Arizona's Organ Pipe Cactus National Monument as part of the construction of President Trump's border barrier, and the affected areas include sites sacred to" the Tohono O'odham Nation and other Native American groups. In a statement, CBP said, "The construction contractor has begun controlled blasting, in preparation for new border wall system construction, within the Roosevelt Reservation at Monument Mountain. The controlled blasting is targeted and will continue intermittently for the rest of the month."

Trump Budget Would Reduce Border Wall Request, Would Not Eliminate Deficit Within Decade.

The Washington Post (2/9, Stein, Werner, 14.2M) reports, "The White House is preparing to propose a budget that would fail to eliminate the federal deficit over the next 10 years, according to an internal summary of the plan" obtained by the Post. White House officials instead "plan to say that their budget proposal would close the deficit by 2035. The White House last year claimed their budget plan would eliminate the deficit by 2034." The budget proposal expected to be released Monday "calls for about $2 trillion in cuts to 'non-defense discretionary programs,' a category of government spending that does not include Social Security or Medicare." The Wall Street Journal (2/9, A1, Davidson, Restuccia, Subscription Publication, 7.57M) reports the budget deficit would be $966 billion next year under the plan, down from 2020's $1 trillion but more than twice the President's projection in 2017.

The New York Times (2/9, Rappeport, Kanno-Youngs, Sanger-Katz, 18.61M) says the proposal "is expected to be roughly in line with the $4.75 trillion budget request last year" and will include a 7 percent increase for CBP and a 23 percent increase for ICE. The Wall Street Journal (2/9, Hackman, Subscription Publication, 7.57M) reports the planned request of $2 billion for border wall construction compares to the $8.6 billion in related funding requested last year. The Daily Caller (2/9, Datoc, 716K) reports that though the plan "requests fewer funds for border wall construction than in previous years," a "senior White House official explained how the administration has 'now shifted from securing funds to being able to build more wall.'" The official said, "The President has kept his promise to secure the border. With funding available, the Administration will build up to approximately 1,000 miles of border wall along the southwest border." Politico (2/9, Emma, 4.29M) also highlights the border wall funding request.

Reuters (2/9, Mason) reports the President will also "seek to make a 21% cut in foreign aid in the proposal, which seeks $44.1 billion in

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the upcoming fiscal year compared with $55.7 billion enacted in fiscal year 2020, an administration official said."

USA Today (2/9, Jackson, Collins, 10.31M) reports House Budget Chairman John Yarmuth "said based on initial reports 'this destructive and irrational president is giving us a destructive and irrational budget.'" Bloomberg (2/9, Sink, Wasson, 4.73M) and the Washington Times (2/9, Boyer, 492K) also report on the cuts.

As Coronavirus Death Toll Exceeds That Of SARS, Wolf Discusses Administration Efforts To Protect Americans.

Acting DHS Secretary Wolf said on Fox News' Sunday Morning Futures, "The President has been very clear we need to protect Americans" from the coronavirus. Wolf added, "We put together a multilayered strategy, an across agency task force to address this issue. We put measures in place at air ports of entry, land ports of entry and maritime ports of entry. We are allowing flights from China to 11 airports, and that includes other individuals flying from other countries who have been to China, to make sure they get the right medical screening and care they need at the 11 airports. What we hear from the CDC is that 14 day period, whether you are symptomatic is very critical. We are looking at that and making sure folks have the right medical care and if they need to be government quarantined or a self-imposed quarantine, that they do that."

The CBS Weekend News (2/9, story 5, 2:05, Quijano, 9.6M) reported that "more than 900 people have died" from the coronavirus, a death toll the Wall Street Journal (2/9, Woo, Subscription Publication, 7.57M) exceeds that of the SARS epidemic nearly twenty years ago. Mola Lenghi said on the CBS Weekend News (2/9, story 6, 1:55, Quijano, 9.6M), "Hundreds of Americans remain under a two-week quarantine on military bases in Omaha, San Antonio, and Fairfield, California."

NBC Nightly News (2/9, story 3, 2:30, Snow, 3.6M) reported that "desperation is growing in China as officials try to find places to help care for the tens of thousands who are ill." NBC (Frayer) added that "anxiety...is rampant, and conditions in Wuhan, outright desperate." The Washington Post (2/9, Shih, 14.2M) says China "faces a crucial test beginning Monday as laborers from across the country trickle back to work in major cities that have been effectively emptied and shut down since the Lunar New Year in late January." Reuters (2/9, Zhou, Patton) reports that Liu Xiaoming, China's ambassador to Britain, told the BBC Sunday that the virus is "the enemy of mankind," but it "is controllable, is preventable, is curable."

The Wall Street Journal (2/9, A1, Page, Subscription Publication, 7.57M) reports on Shen Wufu, who visited Wuhan on Jan. 18 as part of a multicity trip as an example of how far the virus may heave spread before China's government confirmed it could transfer from person to person. According to the Journal, more than 40 people came into contact with were quarantined.

Ambassador Says China Would Welcome US Participation In WHO Effort To Address Coronavirus. China's Ambassador to the US, Cui Tiankai, told CBS' Face The Nation (2/9, 1.94M), "We welcome the American experts to participate in our efforts, and we are coordinating with the World Health Organization, because a lot of things are done under the auspices of the World Health Organization. We certainly welcome American experts to join the group that the WHO is assembling. And I'm sure they will be going to China very soon." The New York Times (2/9, Myers, Zraick, 18.61M)says Cui "declined to say whether a team of experts from the C.D.C would also be allowed into China. He suggested instead that American experts could be admitted as part of the W.H.O. or as individuals."

The Washington Times (2/9, Howell, 492K) reports that in response to a question about "suggestions" by Sen. Tom Cotton (R-AR) "and others that the coronavirus may have come from a Chinese 'super laboratory' instead of popping up in a live-animal market in Wuhan, China," Tiankai said rumors about the virus' origin would spark rumors and "stir up xenophobia." Tiankai said, "How can we believe all these crazy things? ... It's probably coming from some animal, but we have to discover more about this. ... A lot is still unknown, and our scientists...are doing their best to learn more about the virus. It's very harmful, very dangerous to stir up rumors."

Sen. Collins Receiving "Credible" Death Threats In Wake Of Impeachment Vote.

The AP (2/9) reports Sen. Susan Collins (R-ME) "says she's getting death threats after her vote to acquit President Donald Trump at his impeachment trial, saying three of them were deemed 'credible' and are being investigated." Collins "made the disclosure Friday while addressing the Maine Chiefs of Police Association winter conference," saying, "I just want you to know that I've always loved you and appreciated you. But now I have a real personal appreciation for all that you do to keep us safe."

Florida Man Looking To "Assassinate" Trump Arrested Near White House.

The Washington Post (2/9, Laris, 14.2M) reports, "A Florida man with a knife in a sheath on his hip was arrested about a block from the White House on Saturday for threatening to kill the president, authorities said Sunday." According to District of Columbia police, suspect Roger Hedgpeth, told a Secret Service officer, "I am here to assassinate President Donald Trump. ... I have a knife to do it with." The New York Post (2/9, Brown, 4.57M) indicates "Hedgpeth was found with a 3 1/2-inch knife in a sheath on his left hip, and an empty pistol holster on his right one."

Man Arrested After Driving Through GOP Voter Registration Tent In Florida.

WJXT-TV Jacksonville, FL (2/8, Jones, Henning, 298K) reported that "hours after a van plowed through a Republican Party tent where volunteers were registering voters, Jacksonville police arrested a 27-year-old man on two counts of aggravated assault on a person over 65

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years old, criminal mischief and driving without a license." Gregory William Loel Timm "was identified as the person behind the wheel of the van that struck the tent set up the parking lot of a Walmart Superstore at the corner of Atlantic and Kernan boulevards about 3:50 p.m. Saturday." The AP (2/9) indicates "the county GOP said via Twitter that six volunteers for President Donald Trump's campaign 'were intentionally targeted while registering voters.'"

The Daily Caller (2/9, Ross, 716K) reports "no injuries were reported from the incident, but a party volunteer told Jacksonville's Channel 4 news that she was almost hit." The Washington Post (2/9, Mettler, 14.2M) points out "no one was hurt in the incident," and reports Duval GOP Chairman Dean Black said in a statement, "We are outraged by this senseless act of violence toward our great volunteers. ... The Republican Party of Duval County will not be intimidated by these cowards and we will not be silenced." The Post also reports that "as word spread and Republican Party leaders and elected officials weighed in, Trump issued a warning on Twitter," writing, "Be careful tough guys who you play with!" Trump made the remark "alongside a statement from GOP Chairwoman Ronna McDaniel," who "called the incident an 'unprovoked, senseless' attack and said 'these disgusting acts will only make us work harder to win in November.'"

The New York Post (2/9, Moore, 4.57M) reports that "after slamming into the tents, the driver stopped to take video of the mayhem and 'flipped off' the campaign volunteers gathered in a Walmart parking lot before driving off." The Florida Times-Union (2/9, Stepzinski, 203K) says "one of the victims was able to give police cell phone photographs of the fleeing van," and that "detectives with the Sheriff's Office Intelligence Unit were leading the investigation."

NIH And CDC Funded To Conduct Research On Gun Safety.

USA Today (2/9, Hauck, Ellis, Filby, 10.31M) reports, "Firearm-related injuries kill nearly 40,000 Americans each year...and the nation's firearm homicide rate is more than 25 times that of comparable affluent countries." USA Today adds, "Congress approved $25 million in federal funding to study gun safety," which will "be split evenly between the National Institutes of Health and Centers for Disease Control and Prevention."

US Cities To Use Surveillance Planes To Help Solve Crimes.

NBC Nightly News (2/9, story 8, 3:10, Snow, 3.6M) reported on "controversial crime fighting surveillance planes that could be filming everything happening in your city." NBC's Gabe Gutierrez added that Ross McNutt, an Air Force veteran, founded Persistent Surveillance Systems in Ohio and "wants to roll out the battlefield technology in US cities after he developed it for the military in Iraq." The system is described as a Cessna "equipped with 12 powerful cameras" that "can hover more than a mile above a city for hours at a time, capturing everything in public view." NBC continued, "Once someone calls police and reports a crime, technicians can zoom in on a recording of a particular area, essentially turning back the clock to look for evidence." NBC also reported, "Baltimore plans to start a pilot program in May. St. Louis is also considering it."

Girl Highlighted In SOTU Address Attends "Sought-After Charter School."

The Washington Post (2/9, Meckler, 14.2M) reports, "The Philadelphia fourth-grader whom President Trump singled out during his State of the Union address as one of thousands of students 'trapped in failing government schools' actually attends a sought-after charter school." Trump said Janiyah Davis "was one of thousands of students on a waiting list for private school scholarships, and he urged Congress to pass a federal tax break that would reward donations to these scholarship programs." Davis "attends the popular Math, Science and Technology Community Charter School III, known as MaST III."

Some Jailed Over Unpaid Medical Bills.

The CBS Weekend News (2/9, story 10, 3:30, Quijano, 9.6M) reported, "There is at least one issue a divided electorate can agree on this election year. A recent poll finds 90 percent of those surveyed agreed on the importance of making healthcare more affordable." CBS (Oliver) describes a situation in Coffeyville, Kansas in which people owing medical bills are summoned to court to declare they cannot afford the bill and if they do not appear are jailed for contempt of court. Nusrat Chowdhury of the ACLU said, "What's happening here is a jail shakedown for cash. That is the criminalization of private debt." The situation is reported to be common in the US.

WPost: DC Rise In Opioid Deaths In 2019 Came Despite More Vigorous Efforts By Government.

The Washington Post (2/9, 14.2M) in an editorial says that during a peak in opioid overdoses in the District of Columbia, "it was clear that one of the factors was the city government's sluggish – some said negligent – approach to the problem," but, adds the Post, even though Mayor Muriel E. Bowser has had "a far more robust response ... 2019 saw another dramatic and dispiriting spike in overdose deaths." That's after "the number of deaths had dropped substantially in 2018." The Post hopes that new efforts will be more effective.

Trump Focused On Increasing Share Of Black Vote In 2020.

The Hill (2/9, Chalfant, Samuels, 2.98M) reports the President "is increasingly highlighting his pitch to African-Americans," though it adds that this is "despite a history of divisive rhetoric on race." The Hill also says that the President's "effort was on prime-time display last

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week" in the "Super Bowl advertisement on criminal justice" and the "State of the Union address and speech in Charlotte, N.C., peppered with appeals to black voters." According to campaign adviser Ken Blackwell, the campaign is focused "on a group of seven to nine states, including Pennsylvania, Wisconsin, and Michigan." Blackwell said, "We believe that we can get anywhere from 12 to 18 percent in 2020." The Hill adds, "Any efforts to improve his standing among minority groups could have the added effect" of helping among suburban voters who voted Democratic in 2018.

The Washington Examiner (2/9, Mastrangelo, 448K) reports that on CBS' "Face The Nation," political analyst Jamal Simmons "listed off a series of accomplishments President Trump has achieved that will help him with African American voters," mentioning "Trump's public friendship with celebrity power couple Kim Kardashian and Kanye West, the extradition of rapper A$AP Rocky from Sweden, and an uptick in federal money given to Historically Black Colleges and Universities."

Activists Seek To Convince Puerto Ricans To Identify As Black. The New York Times (2/9, Alford, 18.61M) reports, "More than three-quarters of Puerto Ricans identified as white on the last census...down from 80 percent 20 years ago, but activists and demographers say it is still inaccurate and they are working to get more Puerto Ricans of African descent to identify as black on the next census." One activist said that the Administration's "slow response after Hurricane Maria and other natural disasters has made many Puerto Ricans reconsider their decision to identify as white Americans."

Luntz: Media's Bias Against Trump Making His Reelection More Likely.

Pollster Frank Luntz said on Fox News' MediaBuzz (2/9, 536K), "Our press has become like in is in the United Kingdom, where there's a right wing, a center and a left and that has never been part of what America was supposed to be and you lose the faith and trust in the media to hold people accountable because they keep picking sides. ... I actually think this makes Donald Trump reelection more likely not less because if the public feels that there's a deliberate bias against the President, they will rally around him."

Emerson NH GOP Poll: Trump 84%, Weld 16%.

An Emerson Polling (2/9) poll of 500 likely New Hampshire Republican primary voters, taken Feb. 8-9, shows President Trump at 84% and ex-Gov. Bill Weld (R-MA) at 16%.

Iowa Democratic Party Says Buttigieg Won Most Delegates; Sanders Camp To Seek Recanvass.

The New York Times (2/9, Gabriel, 18.61M) reports, "Nearly a full week after the Iowa caucuses, the state Democratic Party on Sunday released results" showing ex-South Bend Mayor Pete Buttigieg "was the winner after it updated data from 55 precincts. But errors in the result tabulations have led several news organizations...to refrain from calling the race." Meanwhile, Faiz Shakir, who manages the campaign of Sen. Bernie Sanders (I-VT), "said the campaign would be calling for a partial recanvass of the results. The deadline for a campaign to make such a request is noon Central time on Monday. The party's re-examination did not change earlier projections that Mr. Buttigieg led in the count of national delegates, but it moved one more into his column." According to the party, Buttigieg "received 14 delegates," followed by Sanders with 12, Sen. Elizabeth Warren (D-MA) with eight, ex-Vice President Joe Biden with six, and Sen. Amy Klobuchar (D-MN) with one.

The Washington Post (2/9, 14.2M) reports, "Late Sunday, Sanders adviser Jeff Weaver said the campaign would seek a partial recanvass – a process that Weaver said would put the senator from Vermont on top in the delegate count. Sanders won the popular vote, netting support from about 6,000 more caucus-goers on the first expression of preferences, known as an alignment, than Buttigieg. But the delegate allocation is based on projected support for each candidate at the state convention, known as state delegate equivalents or SDEs, which is traditionally the metric used to declare a winner of the caucuses." The Post says that Buttigieg and Sanders both "have declared victory in Iowa."

The AP (2/9, Jaffe) reports, "The Associated Press remains unable to declare a winner because it believes the results may not be fully accurate and are still subject to potential revision." And "with the slim margin separating Buttigieg and Sanders, the slightest mathematical or reporting mistake could have a significant impact on the race. In its request for a recanvass, campaigns must provide 'an explanation about how the national delegation could be altered as a result of the problem or its correction,' according to the Iowa Democratic Party's delegate selection plan. A Sanders aide said the campaign will be asking the state party to review the results from 20 to 30 precincts. The potential recanvass would further extend a process already clouded by uncertainty."

Sanders, appearing Sunday on CNN's State Of The Union (2/9, 619K), said, "All I can say about Iowa is it was an embarrassment. It was a disgrace to the good people of Iowa who take their responsibilities in the caucuses very seriously. They screwed it up badly, is what the Iowa Democratic Party did. But at the end of the day, to me what is most important, I don't know anybody can debate it, we ended up on the first ballot 6,000 votes ahead of anybody else. And after the realignment process, which is a fine process, we ended up 2,500 votes ahead of Mayor Buttigieg. When you win an election by 6,000 or 2,500 votes from where I come from, you win the primary or the caucus. So we are confident that we, in fact, won the Iowa caucuses and I thank the people of Iowa for that."

On NBC's Meet The Press (2/9, 2.92M), Sanders said, "The voter turnout in Iowa was not what I wanted. I think other candidates were not able to bring out their voters as well. But at the end of the day, we won the Iowa vote by 6,000. We won the realignment vote by 2,500. Where I come from, that's a victory. Here's something not talked about a whole lot. The young vote of people under 29 years of age

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increased by 33 percent over where it was four years ago and was even higher than Obama's extraordinary victory in 2008. So young people did come out in very big numbers, which I think is a great omen for the 2020 campaign."

Sanders, on CNN's State Of The Union (2/9, 619K), outlined his plan for the rest of the 2020 primary. He said, "The truth is that our agenda is precisely the agenda that the overwhelming number of people want. Among young people, people under 29 years of age, we increased the voter turnout [in Iowa's caucuses] by some 33 percent. That's a huge voter turnout. We do that all over the country, I think you're going to see incredible gains for down ballot Democrats."

Buttigieg, appearing Sunday on CNN's State Of The Union (2/9, 619K), said of the Iowa caucus results, "It was a great night for Bernie and it was a phenomenal night for us. This is a campaign that began a year ago with no money, no national name recognition. Our exploratory committee staff started out, I think, with four people in a tiny office. I don't have any personal fortune. We built this. What we were able to build is, I think, a different vision for what America can be. We're turning the page, leaving the politics of the past in the past and what I'm especially encouraged by is that the result that we had in Iowa came from rural and urban and suburban communities. We did well in counties that had voted for President Obama and then voted for [President] Trump and really demonstrated, I think, how we can put that majority together to win."

On Fox News Sunday (2/9, 1.13M), Buttigieg said, "For the last year candidates have been claiming that we are the ones who can put the campaign together that is going to ultimately going to defeat Donald Trump. The process of proving that began in Iowa. I was especially pleased we had a coalition of suburban, rural, and urban voters, caucusgoers. We had older and younger caucusgoers supporting us. We did particularly well in some of those counties that had swung from President Obama to vote for Trump. But that is one state and one day. New Hampshire is a state with a very strong independent streak. We know we have to earn every vote here so I will continue to be on the ground doing events, taking questions, being on the ground with voters making sure that they hear our vision and I hear their concerns."

WPost Analysis: Post-Iowa "Infighting" Between Democrats May Hurt Party's Odds Of Defeating Trump. The Washington Post (2/9, Scherer, Sullivan, 14.2M) reports, "Democratic leaders have edged toward the brink of open war with one another in recent days after a series of jarring setbacks that could jeopardize the party's chances against President Trump, who continues to solidify his iron-fisted control over the Republican election apparatus. The infighting focuses largely on the failed caucus process in Iowa, with state and national Democratic leaders at odds over who deserves blame, as well as an increasingly bitter dispute over the rules governing who gets into future nationally televised candidate debates – a process that could allow billionaire Mike Bloomberg to make the stage later this month. In a particularly stark sign, supporters of...Sanders...have returned to bashing the" DNC, "reviving grievances from the divisive 2016 primary race."

Democrats Concerned Over Lower-Than-Expected Turnout In Iowa Caucuses. Meanwhile, the New York Times (2/9, Lerer, Herndon, 18.61M) reports that "after the first test of the 2020 presidential nominating season, the Iowa caucuses, Democrats are awakening to a troubling possibility: Their #Resistance energy may be flickering. Turnout for the Iowa caucuses fell far short of expectations. The leading campaigns were prepared for as many as 300,000 people to show up – 60,000 more than the record set in 2008" – but "just 176,000 showed up, less than 3 percent more than in 2016. While that's higher than 2016, it's a striking change from just a few years ago, when turnout in the midterm elections reached the highest level in a century and Democrats took control of the House of Representatives." The Times adds that "the lagging results in Iowa have raised concerns about Democrats' ability to marshal their force in November, particularly against an incumbent president likely to spur a groundswell of support within his own party."

NYTimes Analysis: Iowa Caucus Debacle "Was A Total System Breakdown." The New York Times (2/9, Epstein, Ember, Gabriel, Baker, 18.61M) reports, "As disastrous as the 2020 Iowa caucuses have appeared to the public, the failure runs deeper and wider than has previously been known, according to dozens of interviews with those involved. It was a total system breakdown that casts doubt on how a critical contest on the American political calendar has been managed for years. Until now, the main public villain in the Iowa caucus fiasco has been the reporting app, created by a company called Shadow Inc., along with a 'coding issue' in a back-end results reporting system that state party officials blamed for the chaos. But the crackup resulted from cascading failures going back months."

DNC May Take Away Elections From State Parties After Iowa Caucus Problems. DNC Chair Tom Perez, appearing Sunday on CNN's State Of The Union (2/9, 619K), discussed the party's difficulties during the Iowa caucuses. He said, "I think it needs to be state election officials running elections. One of the conversations we had after the 2016 election, in addition to the super delegate reform to return power to the people, we incentivized states to go from caucuses to primaries. There were 14 states that held caucuses four years ago, seven are now primary states. Iowa chose to keep their caucus status, and I think what we learned from all of the mistakes that were made, it's undeniably unacceptable. I'm frustrated. I'm mad as hell and everybody is. I think what we're going to do at the end of this cycle is have a further conversation about whether or not state parties should be running elections. We are really good at building parties, building and organizing, building the best voter file, winning elections."

Axios' Allen: Democrats Had Their "Worst Week" Since Trump's Election. Writing for Axios (2/9, 521K), Mike Allen says, "This was the worst week for Democrats since Donald Trump's election-night shocker of 2016. ... In less than 200 hours, Democrats botched Iowa, watched Trump hit an all-time popularity high, debated ousting the DNC chair, and watched a socialist soar and an ideological civil war intensify." Allen adds, "There's a new fatalism in my conversations with Democrats, with many telling me that what once seemed unthinkable – Trump's re-election in November – is now starting to look more likely than ever."

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New Hampshire Polls Show Sanders Leading Buttigieg.

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The Boston Herald (2/9, Battenfeld, 410K) reports that a Franklin Pierce University/Boston Herald/NBC10Boston poll of 512 likely New

Hampshire Democratic primary voters, taken Feb. 5-8, shows Sen. Bernie Sanders (I-VT) leading the race for the 2020 Democratic presidential nomination with 23%, followed by ex-South Bend Mayor Pete Buttigieg at 20%, Sen. Elizabeth Warren (D-MA) at 16%, ex-Vice President Joe Biden at 14%, and Sen. Amy Klobuchar (D-MA) at 6%; no other contender tops 3%. The Herald says Buttigieg's support is up eight points "in just one week."

The Boston Globe (2/9, Pindell, 972K) reports that a Boston Globe/WBZ-TV/Suffolk University daily tracking poll of 500 likely New Hampshire Democratic primary voters, taken Feb. 7-8, shows Sanders leading with 24%, followed by Buttigieg at 22%, Warren at 13%, Biden at 10%, and Klobuchar at 9%. The Globe says Buttigieg's support is down three percentage points from the previous day, while Klobuchar's support is up three percentage points. The Globe says that poll results "reflect a two-day rolling average of 500 likely voters." On its website, WBZ-TV Boston (2/9, 92K) reports that Klobuchar "appears to be the only candidate to get a boost from Friday's debate, with two-thirds of the poll taken during and after that event."

In an online article, CBS News (2/9, Salvanto, De Pinto, Khanna, 3.68M) reports that a CBS News Battleground Tracker poll of 848 likely New Hampshire Democratic primary voters, taken Feb. 5-8, shows Sanders leading with 29%, followed by Buttigieg at 15%, Warren at 17%, Biden at 12%, and Klobuchar at 10%. CBS News says that Buttigieg's support is up "12 points since" January, while Sanders' support is up two points since then.

On its website, CNN (2/9, Agiesta, 83.16M) reports that a CNN/University of New Hampshire tracking poll of 384 likely New Hampshire Democratic primary voters, taken Feb. 5-8, shows Sanders leading with 28%, followed by Buttigieg at 21%, Biden at 12%, Warren at 9%; and Klobuchar at 6%. CNN says that Sanders and Buttigieg held "even with their performance in the previous day's" poll. Axios (2/9, Axios, 521K) reports on the results of the CNN/University of New Hampshire and WBZ/Boston Globe/Suffolk University polls. The Washington Examiner (2/9, Leonardi, 448K) reports on the results of the CNN/University of New Hampshire poll.

With New Hampshire Primary Election Looming, Biden, Buttigieg And Sanders Trade Attacks.

On NBC Nightly News (2/9, lead story, 2:30, Snow, 3.6M), Kate Snow reported that ahead of Tuesday's election, "the Democratic candidates are jockeying for position in New Hampshire." In the wake of "a disappointing finish in Iowa, former Vice President Joe Biden has a new strategy: Criticizing the Iowa front runners, Pete Buttigieg and Bernie Sanders." NBC's Stephanie Ruhle added that Biden "is on the attack," taking aim at Buttigieg over "his inexperience." Biden was shown saying, "This guy is not Barack Obama." Ruhle: "Buttigieg firing right back." Buttigieg was shown saying, "Well he's right. I'm not. Neither is he." Ruhle said that Biden is also targeting "Sanders' electability." Biden was shown saying, "Bernie calls himself a Democratic Socialist. ... You're going to win with that label?" Ruhle: "Sanders, who currently leads in New Hampshire polls, directing his fire at Buttigieg, who's polling a close second. Hitting him on contributions he takes from corporate executives."

On the CBS Weekend News (2/9, lead story, 2:00, Quijano, 9.6M), Nikole Killion reported that Biden and Sanders are "on defense." Biden was shown saying, "I didn't attacked Pete. Pete's been attacking me. He has completely misunderstood or misrepresented my record." Killion: "Against a surging Pete Buttigieg, now digging into" Biden's "moderate support." The Wall Street Journal (2/9, Day, Torry, Subscription Publication, 7.57M) reports that during a Sunday campaign event in Nashua, Buttigieg, referring to the attacks from Biden, said, "As some folks would say, what business does a mayor have running for president? You don't have an office in Washington, DC, you don't have decades of establishment experience, you're not even from one of the biggest cities in the United States. To which I say, that's very much the point. We need to bring new voices to Washington, DC."

On CBS' Face The Nation (2/9, 2.76M), Buttigieg addressed an attack ad launched by the Biden campaign that hits him on racial issues, among other things. Buttigieg said, "It's a typical political attack that doesn't tell most of the story. It makes no mention of the work that we did, for example, in my administration, appointing the first African American top lawyer for the city, helping the first city-wide executive African-American woman get elected in South Bend. And I know that a lot of mayors are speaking up today about the idea that what happens in communities doesn't count. Maybe my community does look small from the perspective of Washington, but to us, a lot of times, it's the in-fighting in the Washington establishment that looks small and the work that we're doing on the ground in communities that are tired of being treated as a Washington punch line."

On NBC's Meet The Press (2/9, 2.92M), Buttigieg said that "one of the things [Biden] made fun of, an infrastructure investment, was an investment in minority-owned businesses in corridors on our city's west side because on the ground you have to do these things. We have faced these issues, rolled up our sleeves and gotten a real measurable track record of results. Cutting black unemployment, cutting black poverty. Our city was nationally recognized for work on economic empowerment. It's not that we solved all these issues in South Bend, just like no one has solved these issues in the country. But I will stack up my record against anybody else who is running for President, all of whom are implicated in the realities that our country faces, especially when it comes to racial and economic inequality."

Sanders, on Fox News Sunday (2/9, 1.13M), said, "Here's the problem, everybody knows this, whether you are a conservative or progressive. It is the billionaires and the big money interests that control what goes on politically, what goes on legislatively in this country. If you do, as Mayor Buttigieg does, take huge amounts of contributions from the CEOs of the pharmaceutical industry, from financiers in the fossil fuel industry, from the insurance companies, from Wall Street, does anyone seriously believe that you are going to stand up to those powerful entities and represent working people?" On CBS' Face The Nation (2/9, 2.76M), Sanders said that "we're going to contrast our views with Mayor Buttigieg. One of the areas of contrast, to be honest with you, is that at last count, he has about 40 billionaires who are contributing to his campaign, the heads of the CEOs of the large pharmaceutical industries, the insurance companies and so forth."

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On NBC's Meet The Press (2/9, 2.92M), Sanders said, "Let's talk about money and politics. Right now our campaign, as you know at this moment, has received more campaign contributions from more Americans averaging $18.50 than any candidate in the history of the American politics. That's extraordinary. We are funded by the working families of America. Teachers are the profession that is contributing most. We had a lot of contributions from Amazon workers and so forth." Sanders added that Buttigieg "has received, I believe, contributions from over 40 billionaires. Joe Biden, the same. ... And Mike Bloomberg has every right in the world to run. He was mayor of New York City, he has a right to defend his record. But I think it speaks to a corrupt political system when billionaires can buy elections. You wanted to run for President? That's fine, but you should not be able to spend hundreds and hundreds and hundreds of millions of dollars."

Buttigieg, on CNN's State Of The Union (2/9, 619K), said, "Bernie's pretty rich and I would happily accept a contribution from him. Look, this is about making sure we bring everybody into the fight at a moment when we're going to be going up against Donald Trump who, with his allies, $25 million bucks in one day. This is a fight of our lives. I'm not a fan of the current campaign finance system, but I'm also insistent that we've got to go into this with all of the support we can get. And by the way, my campaign is where it is because hundreds of thousands of individuals, no corporate PACs, individuals have contributed...two million plus contributions. The average under $40 bucks. I'm the mayor of South Bend. It's not like that's an establishment fundraising powerhouse. We were able to get here by putting together a movement and that movement is the one that is going to turn the page."

On ABC's This Week (2/9, 2.69M), Buttigieg said, "The Trump campaign raised $25 million bucks in one day. If someone wants to donate to a campaign, fine, we need to accept and encourage and welcome help from everybody who's part of this cause. And by the way, we rely very heavily on grassroots donations. ... The average is under $40 bucks. Someone like the mayor of South Bend doesn't become a major presidential candidate as an establishment powerhouse. We're here because we built a movement and that's going to carry us to the White House." On Fox News Sunday (2/9, 1.13M), Buttigieg said, "We have two million contributions in this campaign. I think the average is under $40. We are building a movement that is going to defeat Donald Trump. I want everybody to help out, I want everybody who shares that vision to be at our side. I think Donald Trump and his allies raised $25 million in one day. I am building a campaign that is not defined by who we reject, it is defined by belonging, it is defined by inclusion, it is defined by pulling together in the coalition to get the job done."

On CBS' Face The Nation (2/9, 2.76M), Buttigieg said that "my campaign has been built from the grassroots. We have hundreds of thousands of supporters, most of whom went on peteforamerica.com and chipped in a few bucks because they share this vision we have for the future. Being the mayor of South Bend, Indiana, is not an establishment powerhouse. We're here because this message and this vision I'm offering is connecting with voters of all backgrounds. At a time like this, if somebody is ready to help us put together the campaign that's going to defeat Donald Trump, then I welcome that support, no matter how they voted in the past, no matter if they got a lot of money or not, I want their help, because let me tell you, Donald Trump and his allies right now are doing everything they can to hold on the power."

The Washington Post (2/9, Sullivan, Janes, 14.2M) reports that Buttigieg and Sanders "are not fighting to win over the same pool of New Hampshire voters." Instead, "according to strategists in both campaigns, each is trying to energize his supporters by vowing to block the other from winning the Democratic nomination – with Sanders, the democratic socialist, portraying Buttigieg as a captive to his billionaire donors, and the more centrist Buttigieg railing against Sanders as a 'my way or the highway' leftist." In a front-page story headlined "Democrats Turn Combative To Gain Edge In Tight New Hampshire Primary," the Wall Street Journal (2/9, A1, Siddiqui, McCormick, Thomas, Subscription Publication, 7.57M) similarly reports on the attacks launched by the leading Democrats ahead of tomorrow's primary election.

USA Today (2/9, Page, 10.31M) reports, "The volatility in the New Hampshire electorate and the high stakes of its primary fueled an escalation in political attack and counterattack during a fierce final weekend of campaigning. Whatever happens Tuesday, the results are likely to clarify the contest, streamline the field and signal the Democratic message ahead."

WPost Analysis: Biden, Warren Brace For Disappointing Finish In New Hampshire. The Washington Post (2/9, Wootson, Viser, Sonmez, 14.2M) reports that as Buttigieg and Sanders battle "to win Tuesday's primary" in New Hampshire "and seize the momentum in a highly unpredictable race, another drama is playing out with serious implications for the other high-profile candidates in the Democrats' once-sprawling field." The Post says Sen. Elizabeth Warren (D-MA) faces "the prospect of losing badly in a state neighboring her home of Massachusetts, while...Biden's campaign is bracing for another potentially humiliating defeat and, as a result, a new round of anxiety among its top donors and questions about the viability of a former vice president once seen as the Democrats' best hope to defeat President Trump. The grim question facing Warren and Biden is not whether they can win New Hampshire, according to strategists, but how low they will finish – and what that result would mean for their candidacies."

Warren Allies Unhappy With Lack Of Campaign Help In NH From Kennedy. Politico (2/9, Thompson, Murray, 4.29M) reports, "All of...Warren's big-name political surrogates are hitting the trail in New Hampshire this weekend as she tries to stage a comeback from her disappointing third-place finish in Iowa. All, that is, except for one: Rep. Joe Kennedy III." The Massachusetts congressman – "a former student of Warren's at Harvard Law School who introduced her when she formally announced for president – has made only two campaign appearances for Warren since then," popping "over twice to New Hampshire." Politico says, "Kennedy's absence has frustrated some Warren allies who feel he could be an eloquent and forceful presence on the trail in the final stretch, when she needs all the help she can get." Kennedy is mounting a primary challenge to Sen. Ed Markey (D-MA).

On Sunday Shows, Buttigieg Pitches His Candidacy.

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Ex-South Bend Mayor Pete Buttigieg, on ABC's This Week (2/9, 2.69M), discussed his plans for the New Hampshire election and the rest of the 2020 primary. He said, "If we're talking about a voter interested in progressive change, I'd be the most progressive President we've had

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in a half century. I'm calling everyone into a sense of belonging that will unite Democrats who had been at our side all along and some independents and some Republicans who know we need a different President. That's how we're going to win and govern. In a moment where our country is frighteningly polarized, we'll need some healing in the name of our values."

On CNN's State Of The Union (2/9, 619K), Buttigieg said, "We are in a new moment calling for a different kind of leadership. Look, we are facing the most disruptive President in modern times and I don't think the same playbook that helped us get here is going to work against him. We're also facing the most divisive President in modern times, which is why I'm equally concerned about a message that says if you're not either for revolution you must be for the status quo, because I think that leaves most people out. I'm building a campaign that is about calling as many people as possible in. Standing together to make sure that we not only defeat Donald Trump, but face the issues that our country is going to be confronting."

On NBC's Meet The Press (2/9, 2.92M), Buttigieg said, "The way to beat Donald Trump is certainly not to rely on the familiar playbook. And it's also, in my view, not to say that we need either a revolution or you must be for the status quo. The reason my campaign was so effective, especially in places that supported Barack Obama and then Donald Trump in the caucuses, is that we are reaching out to everybody, putting together a majority that is prepared not only to stand up for replacing this President, unified in what we're against, but even more so unified on what we're for, the need for economic empowerment, the need for higher wages, the need for healthcare, dealing with climate change and gun violence. There's a powerful American majority right now ready not only to win but to govern. And my campaign is about how to galvanize and not polarize that majority. That's how we're going to beat Donald Trump."

On CBS' Face The Nation (2/9, 2.76M), Buttigieg said, "New Hampshire is a state that likes to think for itself, and we'll be engaging Democrats as well as a lot of undeclared voters and maybe handful of Republicans who know that they won't agree with me on everything but are just sick of looking their kids in the eye and trying to defend or explain this President. That kind of hard work we'll be putting in all the way until polls close on Tuesday, and we're confident that it's going to lead to a great night."

Politico's Lizza Examines Buttigieg's "Barrier-Breaking" Bid As A Gay Candidate. Under the headline "Buttigieg Reluctantly Embraces His Barrier-Breaking Candidacy," Ryan Lizza writes in a piece for Politico (2/9, 4.29M) that Buttigieg "likes to say that he's 'not running to be the gay president of the United States,' but rather 'to be a president for everybody.'" Lizza says that "for the most part, the historical impact of a gay man winning Iowa has been something that has been thrust upon Buttigieg – by the media, by proud gay activists, by [his husband,] Chasten in [a] moment backstage – rather than something that he has boasted about." Lizza adds that Buttigieg "is in the complicated space of being a barrier breaker: He's willing to celebrate and ruminate on the history when pressed, but being defined as a gay candidate is not part of his strategy to win."

Buttigieg, on NBC's Meet The Press (2/9, 2.92M), addressed a video of a supporter attempting to withdraw her vote after learning he was married to a man. Buttigieg said, "First is what I have to say to that voter, which is I'm saddened that she sees things that way, but I'm running to be her President, too. No matter who she votes for as President, I'm going to get up in the morning and try to do a good job for her and for every American. Another thing I was struck by in that exchange is how well our volunteer handled the situation, reflecting the values of this campaign. Look, the reality is prejudice is still out there and you've got to deal with it. I would not have been able to get reelected where I did in Mike Pence's Indiana if people were not able to look past that."

Buttigieg Looks To Earn Support From Minority Communities. Buttigieg, on ABC's This Week (2/9, 2.69M), outlined his efforts to gain support from minority communities. He said, "I'll have to work to earn that vote just as did in South Bend. I returned to office by a multiracial coalition. Now, I know especially heading into the South, I'm now getting a second look from a lot of voters who frankly weren't sure we were competitive in the first place. We're prepared to build a campaign that calls everybody in, that will defeat Donald Trump and that's exactly the work we're doing. This is about belonging both within our campaign and across our country."

Buttigieg Plans To Decriminalize Drug Possession. Buttigieg, on Fox News Sunday (2/9, 1.13M), outlined his plan to decriminalize drug possession. He said, "I think what we need to focus on is where you have distribution. ... The point is not the legal niceties, the point is that we have learned through 40 years of a failed war on drugs that criminalizing addiction does not work. Not only that, incarceration does more harm than the offense that it's intended to deal with. This is not saying that these substances are okay, it is saying when someone develops a kind of addiction, throwing them in jail, or being in a situation where jail is the closest thing they will ever get to in-patient treatment, shows a profound failure in our country's mental health and addiction treatment system. ... Frankly, expecting the law enforcement system, first-responders and jails to be the front lines of mental health is just no way to run the United States of America."

On CNN's State Of The Union (2/9, 619K), Buttigieg said that "all of us are implicated in these problems and I take responsibility for everything good, bad, and indifferent that we did in our city. I also take responsibility for the fact that arrest rates for black residents in my city on drug charges were lower than in the state and around the country. But, look, that doesn't get any of us off the hook. These systemic disparities and the systemic discrimination that goes on throughout our system are one of the reasons that I am calling not only for us to legalize marijuana but for us to end incarceration as a response to drug possession altogether."

Buttigieg Looks To End Electoral College. Buttigieg, on Fox News Sunday (2/9, 1.13M), discussed his proposal to end the Electoral College. When asked if that would lead to candidates excluding small states in favor of large population centers, Buttigieg said, "I don't think that would be the effect. The reason is we run every other election in this country in the traditional fashion. When you're running for governor of a state of any size, you go to the big cities and you go to the small towns. We don't run governors' races with some Electoral College system or where some counties count more than other counties. If you want to earn that office, you campaign everywhere. I think the same is true for the country, at the end of the day. ... It doesn't even benefit small states. It just benefits some states. I think it is more fair for

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everybody's vote to count the exact same like we do in every other election that we run in this country."

Sanders: "My Socialism" Helps Working Families, "Trump's Socialism" Helps "Billionaires."

The Washington Times (2/9, Howell, 492K) reports that Sen. Bernie Sanders (I-VT) on Sunday "accused President Trump, who frequently rails against Democrats and their 'socialism,' of leveraging that same ideology to prop up his business and the rich." Sanders, on Fox News Sunday (2/9, 1.13M), defended his stance on democratic socialism. He said, "In many respects, we are a socialist society today. We have a huge budget, it puts money into all areas. Donald Trump, before he was President, was a private business person. He received $800 million in tax breaks and subsidies to build luxury housing in New York. Now, what does that mean? When the government gives you $800 million in tax breaks and subsidies. The fossil fuel industry, whose product happens to be destroying our plane, t right now receives tens of billions of dollars in tax breaks and subsidies, so does the pharmaceutical industry. The difference between my socialism and Trump's socialism is I believe the government should help working families, not billionaires. ... I believe, in fact, that the rich must start paying their fair share of taxes when you have massive levels of income and wealth inequality."

On NBC's Meet The Press (2/9, 2.92M), Sanders said, "How do you talk about an economy that's working when the people on top are making hundreds of billions of dollars more and the average worker is making 17 cents. We need an economy that works for working people. And my agenda is that agenda. That's raising the minimum wage, that's healthcare for all, that's making sure that all of our kids, regardless of their income, can get to college or trade school by imposing a modest tax on Wall Street speculation. ... Half of the American people are living paycheck to paycheck. Today you've got half a million people sleeping out on the streets, when you've got three people owning more worth than the bottom half of America. ... Please don't tell me that this economy is working well for all people. It is working phenomenally well for Trump's billionaire friends, not for working people."

Sanders Says Medicare For All Will Cost Less Than Insurance Payments. Sanders, on Fox News Sunday (2/9, 1.13M), outlined his healthcare plans in more detail. He said, "First of all, we pay for everything that we propose. In terms of healthcare, the question that Trump, Joe Biden, anybody else has got to answer is if we leave the status quo alone, the next ten years we're going to be spending $50 trillion. We are now spending twice as much per person, $11,000 a year, as do the people of any other country on earth. We are spending a fortune for healthcare, yet we have 87 million Americans uninsured or underinsured. 30,000 die each year because they don't get to a doctor. Unbelievably, 500,000 people go bankrupt because of medically related illnesses, they get cancer, they go bankrupt, that is insane. Medicare for all will cost the average American less than the $12,000 a year they are paying right now to the insurance company."

On CBS' Face The Nation (2/9, 2.76M), Sanders said that "the problem is we already are spending about 50 percent of our healthcare dollars which already come from the federal government. We are going to add the other 50 percent. But here's the main point that people should appreciate. If we do nothing, according to Health and Human Services, we'll be spending $50 trillion. We spend twice as much per capita on healthcare as do the people of Canada or Europe. So, of course we can provide healthcare to all people spending less than we are doing now, because we're going to end the $100 billion in profiteering that goes to the drug companies, that goes to the insurance companies and the hundreds of billions in administration of thousands of separate plans, an enormously complicated and wasteful system."

Sanders Emphasizes Need To Address Climate Change. Sanders, on Fox News Sunday (2/9, 1.13M), discussed his efforts to combat climate change. He said, "In terms of climate change, I do propose a lot of money. You know why? The scientists are telling us the future of the planet is at stake. We spent $60 billion dealing with Hurricane Sandy. You see what is happening in Puerto Rico, you see what is happening in Australia right now. What the scientists are telling us is we have an existential crisis. How much you think it is going to cost when we have more and more extreme weather disturbances? ... The Green New Deal, by the way, creates up to 20 million good paying jobs, transforming our energy system away from fossil fuel to energy efficiency. ... We need a forceful response. That is not Bernie Sanders, that is what the scientific community is telling us. By the way, it is a disgrace that we have a President who ignores that reality."

Sanders Says He Is In Good Health. Sanders, on NBC's Meet The Press (2/9, 2.92M), discussed his fitness for office after having suffered a heart attack in September. He said, "The American people have a right to know whether the person they're going to be voting for for president is healthy. We will certainly release our medical records before the primary. Certainly before the first votes are cast. ... We have released as much documentation I think as any other candidate. ... We have released the substantive part of our medical records. We have doctors and cardiologists who have confirmed I am in good health. I am in good health."

Biden Defends Record Amid Uphill New Hampshire Primary.

In a prerecorded interview on ABC's This Week (2/9, 2.69M), former Vice President Joe Biden outlined his plans for the Democratic primary. He said, "Let's be realistic, it'll be an uphill fight running against two of the neighboring senators. I think it's an uphill fight." When asked about his ads about Mayor Buttigieg, Biden said, "I didn't attack Pete. He's been attacking me. I think he has completely misunderstood or misrepresented my record. I've done a great deal. I have gotten a lot done both as a senator and as vice president. ... I was able to get Detroit back on its feet. I've been able to get the chemical weapons treaty passed. I was responsible in large part for what happened in Paris with John Kerry and so on. I don't understand how those things don't matter and I don't understand when they talk about the past why Barack was such a lousy President, I think he was a pretty darn good President."

Biden Uses John Wayne Quip To Answer Woman's Question About Iowa Caucuses, Calling Her A "Lying, Dog-Faced Pony Soldier." The Hill (2/9, Klar, 2.98M) reports former Vice President Joe Biden in response to a woman asking him about his performance in the Iowa caucuses" asked her, "Ever been to a caucus?" After she said yes, Biden said, "No you haven't, you're a lying, dog-

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faced pony soldier. You gotta be honest." The Hill said it was "a joke his campaign said he has made before." One Biden aid tweeted, "It's from a John Wayne movie and he's made it plenty of times before." Biden also told "the woman he doesn't think the Iowa caucus is a good measure of how a candidate will perform in other states."

The Washington Post (2/9, Wootson, 14.2M) reports the woman, Madison Moore, 21, a student at Mercer University in Georgia, asked, "How do you explain the performance in Iowa, and why should voters believe that you can win the national election?" According to the Post, Moore was "a little shaken" by Biden's response.

Warren Says Campaign Is Built To "Go The Distance."

Sen. Elizabeth Warren (D-MA), on ABC's This Week (2/9, 2.69M), discussed her efforts moving forward in the primary. She said, "I don't think in terms of strategy but the opportunity to get out and talk about the things people really care about. I have been doing town halls and taking unfiltered questions for a year now and things that people ask about, whether we can do universal child care and whether we can expand social security payments, want to know how that would work. I have plans for all of those. ... The way I see this it's going to be a long campaign. When I made the decision not to spend 75 percent of my time raising money from billionaires and corporate executives and lobbyists I had more time to go around the country. I have been to 31 states. We have built a campaign to go the distance. And that's what I think is going to happen here."

Sanders, Steyer Making Strong Effort In South Carolina.

The AP (2/9, Kinnard) reports former Vice President Joe Biden "is facing increasingly formidable competition in South Carolina," as Sen. Bernie Sanders (I-VT) and Tom Steyer "are challenging" him there, in a state the AP calls "an important gauge of black support." Sanders, the AP says, "has generated enthusiasm from younger black voters," while Steyer "is flooding the South Carolina airwaves with millions of dollars in ads, building a robust staff and making numerous visits." The AP also reports, "Biden's aides remain confident in his chances in South Carolina."

Politico (2/9, King, 4.29M) reports on Steyer's effort in South Carolina, where "he's spent $14 million in TV and radio ads, spent over $100,000 on ads in black-owned newspapers, hired 93 staffers, an army of volunteers and assembled the largest state-wide operation of any other campaign." He has, adds Politico "been in double-digits in all three surveys released this month," and "is second only to Joe Biden in the state, with Bernie Sanders a close third." Steyer has also, says Politico, "been endorsed by a growing number of South Carolina black leaders."

Bloomberg-Supported Center At NYU Places Climate Activists In State Attorney General Offices.

The Washington Times (2/9, Richardson, 492K) reports former New York City Mayor Michael Bloomberg "is advancing his climate change agenda behind the scenes with the help of one Democratic state attorney general at a time." The Times says, Bloomberg's "State Energy & Environmental Impact Center at New York University School of Law has quietly planted climate lawyers – paid by the center – with Democratic attorneys general in nine states and the District of Columbia." And, adds the Times, "emails obtained by Energy Policy Advocates showed the office of Michigan Attorney General Dana Nessel entering into discussions to bring on a Bloomberg-funded 'special assistant attorney general.'" So far, "the center has embedded climate lawyers in attorneys general offices in Connecticut, Delaware, the District of Columbia, Connecticut, Illinois, Maryland, Massachusetts, Minnesota, New Mexico, New York and Oregon."

Republican Primary To Succeed Hunter In CA50 Is Focused On Who Will Best Support Trump.

The Los Angeles Times (2/9, Clark, 4.64M) reports on the campaign to succeed Rep. Duncan Hunter (R-CA) who resigned last month, focusing on former San Diego City Councilman Carl DeMaio (R) and ex-Rep. Darrell Issa (R-CA), who "have traded pointed barbs for months in TV ads, tweets, mailers and forums – all about who would be the strongest and most ardent supporter of President Trump if elected to Congress."

First Film From Obamas' Production Company Wins Oscar For Best Documentary Feature.

The Hill (2/9, Kurtz, 2.98M) reports, "'American Factory,' the first Netflix film from former President Obama and first lady Michelle Obama's production company," won the Academy Award for Best Documentary Feature Sunday evening. The "project from filmmakers Steven Bognar, Julia Eichert and Jeff Eichert followed the story of an Ohio factory after it was reopened by a Chinese billionaire. ... [The Obamas] didn't appear on the Oscars stage to accept the award, but Bognar and the Eicherts thanked the Obamas' production company, Higher Ground, during their acceptance speech." The Obamas were not "personally nominated for the Academy Award."

Fox News (2/9, Napoli, 27.59M) reports on its website, "The former President tweeted Sunday: 'Congrats to Julia and Steven, the filmmakers behind American Factory, for telling such a complex, moving story about the very human consequences of wrenching economic change. Glad to see two talented and downright good people take home the Oscar for Higher Ground's first release.'"

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NYTimes Examines QAnon.

The New York Times (2/9, McIntire, Roose, 18.61M) reports on QAnon, saying it "began online more than two years ago as an intricate, if baseless, conspiracy theory that quickly attracted thousands of followers [and] has since found footholds in the offline world," appearing "in political campaigns, criminal cases, merchandising and at least one college class." Online, "QAnon fans shared groundless theories online linking the liberal billionaire George Soros to technological problems that hobbled the [Iowa] caucuses, and passed around bogus and potentially dangerous 'treatments' for" the coronavirus. The Times says, "The seepage of conspiracy theorizing from the digital fever swamps into life offline is one of the more unsettling developments of the Trump era," and adds that the President "has relentlessly pushed groundless conspiracies to reshape political narratives to his liking."

Guantanamo Reportedly Unprepared To Host Major 9/11 Trial Next Year.

The New York Times (2/9, Rosenberg, 18.61M) reports that in the military court in Guantanamo Bay, Cuba "in the case of the five men accused of plotting the Sept. 11, 2001, attacks," Judge Col. W. Shane Cohen "has scheduled jury selection...to begin early next year," but, says the Times, "Guantánamo is not yet ready." There will be "a substantial influx of people to the base – potential jurors, legal teams, journalists and relatives of victims," and "flights and housing have to be sorted out." The Times describes in some detail the shortcomings of facilities for lodging, dining, the press, and transportation.

Ransomware Attacks Increasing In Frequency And Costs.

The New York Times (2/9, Popper, 18.61M) reports on ransomware attacks in which "hackers have taken to locking down entire computer networks and demanding payments to let users back into their systems." The Times says that according to Emsisoft, which aids companies subjected to such attacks, last year, "205,280 organizations submitted files that had been hacked in a ransomware attack – a 41 percent increase from the year before." Security firm Coveware found that "the average payment to release files spiked to $84,116 in the last quarter of 2019, more than double what it was the previous quarter." But, according to Coveware, cities "are among the only victims who have to report the attacks," and "public sector organizations represented only around 10 percent of all victims last year." According to Europol, ransomware is the "most widespread and financially damaging form of cyberattack."

RCP Average Has Trump's Job Approval At 45.5%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 45.5%, and his disapproval at 51.8%. The President's job approval and disapproval are unchanged since yesterday.

A Rasmussen poll of 1,500 "likely voters" (2/4-2/6) finds Trump's approval at 49%, with 49% disapproving.

A The Hill/Harris survey of 1,000 "registered voters" (2/6-2/7), meanwhile, has the President's job approval at 49%, and his disapproval at 51%.

Financial International News

IMF Deputy Director To Depart As Georgieva Forms Team.

Reuters (2/7, Lawder) reported IMF Managing Director Kristalina Georgieva on Friday "made her first major personnel move since taking over the institution last October, announcing that her top deputy, David Lipton, will leave at the end of February." The IMF said in a statement that Lipton's departure was "in the context of changes she will be making to the leadership team," adding that the search for Lipton's replacement would commence shortly. Reuters said that, traditionally, the IMF "has been headed by a European, while the No. 2 spot has been held by an American, reflecting the U.S. status as the Fund's largest shareholder." Bloomberg (2/7, Kearns, 4.73M), The Independent (UK) (2/7, Thornton, 1.36M), and The Wall Street Journal (2/7, Talley, Zumbrun, Subscription Publication, 7.57M) also reported.

VP Fernandez: Argentina Will Not Pay "Even Half A Cent" While Recession Continues.

Reuters (2/9, Marsh) reported Argentina's Vice President Cristina Fernandez de Kirchner "said on Saturday that the government will not pay 'even half a cent' of its debt back" to the IMF prior to ending the country's current recession. Fernandez de Kirchner, speaking at a book presentation, said, "The first thing we have to do in order to be able to pay is to exit the recession. ... If there is a recession no-one will pay even half a cent and the way you exit recession is through a lot of state investment."

Kudlow Says Xi Told Trump China Will Meet Trade Commitments Despite Coronavirus.

Reuters (2/7, Lambert) reported White House adviser Larry Kudlow said Friday on Bloomberg Television that Chinese President Xi Jinping has told President Trump that China will still meet its purchasing targets under the Phase One trade deal, despite delays associated with the coronavirus. Kudlow "said there was no tension between the United States and China over the handling of the fast-moving virus outbreak."

Credit Suisse CEO Resigns Following Spying Scandal.

The New York Times (2/7, Tsang, De La Merced, 18.61M) reported Credit Suisse CEO Tidjane Thiam announced his resignation, with Thiam having been "brought down over a spying scandal involving his neighbor, the bank's former head of wealth management, Iqbal Khan." According to the Times, "The dispute between [the] two men, who had homes in the Lake Zurich area, stemmed from an argument Mr. Khan

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had with Mr. Thiam's partner over some trees on the Thiam property, according to news reports." Khan eventually left Credit Suisse, which commenced surveillance of him "to see if he was trying to poach employees or clients, which would have been a breach of his Credit Suisse contract." An inquiry commenced by Credit Suisse which was carried out "by an outside law firm" determined "that Mr. Thiam and other executives had not been aware of the surveillance effort." However, "the incident was damaging for the bank."

In a front-page article, the Wall Street Journal (2/7, A1, Patrick, Subscription Publication, 7.57M) reported Thiam will depart this coming week after 4.5 years as head of Credit Suisse. He will be succeeded by Thomas Gottstein.

Bank Of Italy Says Europe Needs Crisis Tools For Small Banks.

Reuters (2/8, Mandala, Za) reported, "The Bank of Italy on Saturday called for European rules to handle smaller banks' crises and urged them to consider mergers to cut excessively high costs." At the annual Assiom-Forex conference of financial markets' participants, Bank of Italy Governor Ignazio Visco "said European banking rules introduced after the global financial crisis made it harder to find solutions when a small lender ran into trouble." He added that mergers could allow smaller banks to achieve much-needed scale. Costs at smaller peers "with a traditional business model run on average at 72% of their income, compared with 66% at bigger rivals, he said."

Leading International News

US, Other Donors Consider Suspending Aid To Yemen After Houthi Rebels Announce "Tax" On Aid.

The Washington Post (2/9, Ryan, Hudson, 14.2M) reports the Administration "is considering suspending much of its humanitarian assistance to Yemen" because of "new restrictions imposed by Iran-linked Houthi rebels." The US, according to an official at the State Department, is "coordinating with other donor nations and aid organizations on possible responses to a 2 percent 'tax' on assistance projects and other new measures in swaths of Yemen administered by the Houthis." The donor nations will be meeting in Brussels next week to discuss the matter.

Iran Again Fails To Launch Satellite Into Orbit.

The AP (2/9, Vahdat, Gambrell) reports, "An Iranian rocket failed to put a satellite into orbit on Sunday, state television reported, the latest setback for a program the US claims helps Tehran advance its ballistic missile program." Defense Ministry space program spokesman Ahmad Hosseini told state TV, "Stage-1 and stage-2 motors of the carrier functioned properly and the satellite was successfully detached from its carrier, but at the end of its path it did not reach the required speed for being put in the orbit." Hosseini "still sought to portray the failure as a 'remarkable' achievement for its space program," as "previous Simorgh launches of the 80-ton satellite carrier suffered other failures."

At any rate, the Washington Examiner (2/9, Pearce, 448K) reports, "the latest mishap is the fourth time a satellite launched from the Khomeini spaceport has failed to reach outer space. The previous failed attempted happened on Aug. 29." The Examiner recalls that "after the August failure, the Trump administration placed sanctions on the Iranian Space Agency for the first time in its history," because "US officials said that Iran is using its space agency, purportedly meant for space research, as a covert means of placing satellites carrying ballistic missiles into space."

The Washington Times (2/9, Meier, 492K) says Iran's "latest unsuccessful attempt came amid heightened tensions between Washington and Tehran and just over a month after the US killed a top Iranian military commander, which led Iran to launch a missile strike on a US military base in Iraq."

WSJournal Criticizes Democratic Candidates' Answer To Soleimani Question.

A Wall Street Journal (2/9, Subscription Publication, 7.57M) editorial criticizes former Vice President Joe Biden, Sen. Bernie Sanders (I-VT) and former South Bend, Indiana Mayor Pete Buttigieg for their answers during last Friday's Democratic presidential debate to a question about President Trump's decision to order a strike on Iranian Gen. Qassem Soleimani. All three were critical of the decision, and the Journal argues that while Sanders' reply was not surprising, Biden and Buttigieg missed an opportunity to show that they, like Trump, would act to stop anyone who would kill Americans.

China Investing Heavily To Build Influence In Middle East.

The Washington Times (2/9, Wolfgang, 492K) reports China is "banking on forging multibillion-dollar partnerships with Iraq, Pakistan and even war-torn Syria to provide fuel in its quest to supplant the U.S. as the world's top power." The Times adds, "Iraq's unexpected announcement last fall that it intends to join Beijing's massive Belt and Road Initiative...is just one example," as China has spent "about $24 billion" in Iraq since 2005, and "across the Middle East and North Africa, China has invested roughly $200 billion over the past 15 years." The Times also states, "China's economic clout carries serious geopolitical ramifications," and "often come[s] at the expense of American companies." In response, Secretary of State Pompeo "and other top Trump administration officials in recent weeks have warned nations in the region to be wary of doing business with Beijing," but "it seems unlikely that Middle Eastern countries will heed those warnings."

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Two American Soldiers Killed In Insider Attack In Afghanistan.

Reuters (2/9, Sediqi, Ali) reports, "Two US soldiers and an Afghan soldier were killed when an individual in an Afghan uniform opened fire on them with a machine gun in eastern Afghanistan, the US military and two senior Afghan officials said on Sunday." Colonel Sonny Leggett said in a statement, "Current reports indicate an individual in an Afghan uniform opened fire on the combined US and Afghan force with a machine gun." The Washington Post (2/9, George, Hassan, 14.2M) points out "some Afghan officials said the attacker was a member of the Afghan security forces."

NBC Nightly News (2/9, story 4, 1:45, Nichols, 3.6M) that "the ambush that took the lives of" the two US soldiers "was quick and violent. An individual in an Afghan uniform opened fire on the combined US and Afghan force with a machine gun, according to the Defense Department." The militant unloaded "his weapon at the end of a meeting with local leaders in Nangarhar Province, a nest for Taliban and ISIS combatants." The CBS Weekend News (2/9, story 3, 0:25, Quijano, 9.6M) briefly covered the story last night.

The AP (2/9) reports "six US service members have been killed in Afghanistan since the start of 2020, including Saturday's casualties. Last year, 22 US service personnel died in combat there." The New York Post (2/9, Lapin, 4.57M) indicates "officials on Sunday identified the two US soldiers killed in an apparent insider attack in Afghanistan."

The San Antonio Express-News (2/9, Quinn, 762K) reports on the identity of the US fatalities: "Sgt. 1st Class Javier Jaguar Gutierrez, 28, was from San Antonio, according to officials." Gutierrez "was killed along with Sgt. 1st Class Antonio Rey Rodriguez, 28, from New Mexico."

Campaign Against ISIS In Afghanistan May Have Displaced, Not Destroyed, Group.

The Washington Post (2/9, George, O'Grady, Hassan, 14.2M) reports that though the US-Afghan action against ISIS in Afghanistan late last year "appeared to be a success," with attacks in Kabul subsiding and hundreds of displaced villagers returning home, "it has now become clear that military operations also scattered many fighters they aimed to defeat: The group's senior leadership fled further into the Spin Ghar mountains, crossing into Pakistan or pushing north," while "others simply went into hiding."

US Ambassador Warns Israel Against "Unilateral" Annexation Of West Bank.

The AP (2/9) reports "the US ambassador to Israel...cautioned Israel against 'unilateral action' in annexing West Bank settlements, warning that such a move could endanger the Trump administration's recently unveiled Mideast plan." Ambassador David Friedman "wrote Sunday on Twitter that 'the application of Israeli law to the territory which the Plan provides to be part of Israel is subject to the completion of a mapping process by a joint Israeli-American committee.'" The Jerusalem Post (2/9, Havrov, Lazarov, 90K) notes Friedman added, "Any unilateral action in advance of the completion of the committee process endangers the plan and American recognition." Friedman "expanded upon his comments during at event at the Jerusalem Center for Public Affairs in which he clarified that the Trump administration does not obviously control the Israeli government." Said Friedman, "The US cannot prevent Israel from doing anything. Israel is a sovereign nation, and Israel can do what it wants to do, and we have no control over Israel and its sovereign actions."

Reuters (2/9, Williams) reports Prime Minister Benjamin Netanyahu "initially pledged a speedy 'application of Israeli law' – de facto annexation – to Jewish settlement blocs and the Jordan Valley, delighting his religious-rightist base ahead of Israel's March 2 election, where he hopes to win a fifth term," but "was forced to backpedal after the White House made clear it wanted a US-Israeli mapping process – likely to take weeks or more – completed first." Reuters adds Friedman "intervened" after "Defence Minister Naftali Bennett and other Israeli ultra-nationalists" urged "an immediate cabinet vote on sovereignty in the West Bank." The Wall Street Journal (2/9, Schwartz, Subscription Publication, 7.57M), among other news outlets, also reports the story.

Israel Imposes Ban On Palestinian Agricultural Exports. AFP (2/9, Ezzedine) reports "Israel on Sunday imposed a ban on Palestinian agricultural exports, in a move the Palestinians blasted as a "dangerous" escalation in a five-month trade war." COGAT, "the Israel defence ministry unit that oversees civilian activities in the Palestinian territories," said in a statement, "Starting from today...export abroad of Palestinian agricultural product through the Allenby crossing will not be allowed." AFP adds "the Israeli-controlled Allenby border crossing between Jordan and the occupied West Bank is the only route through which Palestinian goods can reach foreign markets." AFP also reports "COGAT said the measure was in response to a Palestinian decision in October to stop importing calves from Israel."

Thousands Rally Against US Mideast Plan In Morocco. The AP (2/9) reports "thousands of people marched in Morocco's capital Sunday to protest US President Donald Trump's peace plan for the Mideast and to oppose what they see as the Moroccan government's lenient position toward it." The AP adds "Moroccan political leaders, from Islamists to left-wing figures, took part in the march through Rabat alongside union members, activists, and members of civil society groups." The marchers "expressed frustration with Moroccan Foreign Minister Nasser Bourita, who declared his country's 'appreciation' for Trump's plan and urged its citizens not to be 'more Palestinian than the Palestinians themselves.'"

AFP (2/9) points out "some of the demonstrators, who wore red-black-green-white scarves in the colours of the Palestinian standard, burned an Israeli flag and spoke against any attempt by Morocco 'to normalise' ties with the Jewish state." Morocco "has warming but quiet relations with Israel, and no formal diplomatic ties." The two nations "opened 'liaison' offices in each other's countries in the mid-1990s but Rabat closed them after an escalation of Palestinian-Israeli violence in 2000."

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Trump Hopes To Ease Dispute Between Egypt And Ethiopia Over Dam On Nile.

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The New York Times (2/9, Walsh, Sengupta, Boushnak, 18.61M) reports, "A colossal hydroelectric dam being built on the Nile...in the

lowlands of Ethiopia, threatens to further constrict Egypt's water supply – and is scheduled to start filling this summer." The dam "has become a national preoccupation in both countries, stoking patriotism, deep-seated fears and even murmurs of war." Egyptian President Abdel Fattah el-Sisi has said, "The Nile is a question of life, a matter of existence to Egypt." President Trump has been mediating the issue, and "has suggested that his efforts might merit a Nobel Prize." The US "is pushing for an agreement by the end of February."

Sinn Féin May Enter Irish Government After Strong Election Results.

The New York Times (2/9, Mueller, 18.61M) reports that according to election results released yesterday, Sinn Féin, "a leftist party long ostracized from Irish politics over its ties to sectarian violence, won the popular vote and seized its largest-ever share of parliamentary seats in the country's national elections this weekend." The Times adds that "the vote loosened a 90-year stranglehold on power by two center-right parties in Ireland and put Sinn Fein on the doorstep of joining a coalition government, a remarkable rebuke to a political establishment that tried to paint it as aberrant and unelectable throughout the campaign."

The Washington Post (2/9, Ferguson, Noack, 14.2M) also reports Sinn Féin "shattered the country's center-right status quo with its strongest-ever performance in this weekend's general election, throwing Irish politics into uncertainty." Sinn Féin is now "on par with or ahead of the two mainstream parties that have dominated Irish politics for nearly a century, with young voters embracing the long-marginalized party en masse." Meanwhile, "the center-right Fine Gael party of Prime Minister Leo Varadkar suffered humiliating losses." The Belfast Telegraph (2/9, Young) reports "the leader of Fianna Fail...failed to rule out entering government with Sinn Fein in the Republic."

The Guardian (2/9, Carroll, 4.19M) also says Sinn Féin "will try to form a government in Ireland after apparently winning more votes than any other party in Saturday's general election – a historic result that upended the political system." Sinn Féin, "once a pariah for its IRA links, won almost a quarter of first-preference votes, possibly pipping Fine Gael and Fianna Fáil, two centrist rivals that have taken turns ruling Ireland for a century." The party "rode a wave of anger over homelessness, soaring rents and hospital waiting lists as well as disillusionment with the traditional political duopoly."

Hungary Concerned About Surge In Illegal Border Crossing Attempts.

Breitbart (2/9, Tomlinson, 673K) reports "Hungarian authorities have seen a surge in attempted border crossings so far this year, with a recent attempt allegedly motivated by false information given to migrants in Serbia." Hungary "re-opened its border crossing at the town of Tompa on Friday, after roughly 500 migrants had gathered there and demanded to be let into the European Union, holding English-language signs claiming, 'We are only refugees, not criminals.'" Breitbart adds "the action followed a surge in the number of migrants attempting to cross from Serbia, which is not part of the European Union, into Hungary, which is, over the course of this year, with French newspaper Le Figaro claiming that around 3,400 migrants made attempts on border in January – several hundred more than in January of 2019."

Some In Congress Question Payouts From Aid Program For Farmers To Subsidiary Of Brazilian Firm.

The New York Times (2/9, Haberman, Rappeport, 18.61M) reports the Administration "plans to shutter its bailout program for farmers hurt by tariffs." The Times says, "About $67 million in bailout funds have gone to JBS USA, the subsidiary of JBS S.A., a Brazilian company that is the world's biggest meat-processing firm." Sens. Robert Menendez (D-NJ) and Marco Rubio (R-FL), along with Rep. Rosa DeLauro (D-CT), have asked Agriculture Secretary Perdue to investigate JBS S.A. Sen. Debbie Stabenow (D-MI) has alleged that money from the program "was being concentrated in the south, that certain crops were being unfairly favored and that large and foreign companies were receiving big benefits while small farms struggled." She also "specifically pointed to JBS USA."

Pesticides Have Become Among Most Lucrative Of Counterfeited And Smuggled Products.

The Washington Post (2/9, A1, McCoy, 14.2M) reports on the smuggling of pesticides, which "has quietly grown into one of the world's most lucrative and least understood criminal enterprises." The pesticides, "adulterated in labs and garages, hustled like narcotics, co-opted by gangs and mafias...are flooding developed and developing countries alike, with environmental and social consequences that are 'far from trivial,'" according to the UN Environment Program. The World Health Organization estimates that "pesticides poison 3 million people and kill more than 200,000" annually. While US food corporations say they test for pesticides and train suppliers in the use of them, "analysts say tests cannot determine whether produce was grown with counterfeit pesticides." The Organization for Economic Cooperation and Development estimates that "roughly 10 percent of the agrochemical trade" is illicit, and the OECD believes it to be 14 percent in Europe and 20 percent in Brazil, which is "the world's biggest pesticide market."

Housing

Freddie Mac Planning To Sell Up To $8B Of Guaranteed PCs In 2020.

Commercial Mortgage Alert (2/7) reports, "Freddie Mac is ramping up issuance of securities backed by single loans that don't match the profile of its main K-Series securitization program. Freddie plans to sell as much as $8 billion of so-called guaranteed participation certificates in 2020, or twice the amount it sold last year. In 2018, its output of 'multi-PC' deals totaled just $1 billion." Freddie Mac Multifamily SVP Robert Koontz said, "It's all about pipeline management. This is just another tool for transferring risk."

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Industry Reacts To FHFA's Proposed Servicer Liquidity Requirements For Nonbank Servicers.

Behind a paywall, Inside Mortgage Finance (2/7, Muolo, Subscription Publication) says, "When the Federal Housing Finance Agency late last week proposed tightening capital and liquidity requirements for nonbank seller/servicers, the market initially shuddered. But now, after taking a closer look at the proposal, few in the industry believe it's much of a game changer." MIAC Capital Markets President Steve Harris said, "The mortgage community has expected these increased standards for some time. It's very topical given the counterparty reviews being conducted by Ginnie Mae." SitusAMC Managing Director Mark Garland said, "It's only a big deal if you're one of those smaller servicers that happens to be undercapitalized." According to IMF, "Garland and other industry advisors interviewed over the past two weeks say nonbanks are not overly concerned because they made so much money on originations last year. In other words, they have cash in the bank and meeting FHFA's proposed guidelines shouldn't be a stretch."

"Leading Voices In Real Estate" Listed Among Top Real Estate Podcasts.

Business Insider (2/7, Nicoll, 3.67M) lists 15 of the top podcasts for listeners working in real estate and the mortgage industry. According to Business Insider, "Leading Voices in Real Estate" is hosted by Matt Slepin, "the founder of real estate executive search firm Terra Search Partners. Slepin interviews a range of real estate executives. Recent guests include Fifth Wall cofounder and managing partner Brad Greiwe and Freddie Mac CEO David Brickman."

Multifamily Financing:

- ***Berkadia Arranges Freddie Mac Acquisition Financing For Houston Apartments.*** The San Antonio Express-News (2/7, Feser, 762K) reports, "Dallas-based Lantower Residential sold Magnolia Grove, a 268-unit, garden style apartment complex at 12601 S. Green Drive in southeast Houston, to a private Dallas-based company. ... Berkadia's Dallas office arranged a 10-year, floating rate Freddie Mac loan on behalf of the buyer."
- ***KeyBank Secures $23M Freddie Mac Refi For Louisiana Student Housing Facility.*** Student Housing Business (2/7) reports, "KeyBank Real Estate Capital has secured a $23.2 million refinancing for University Crossing Apartments, a 552-bed student housing community located near Louisiana Tech University in Ruston. Hayley Suminski and Amanda Kutia of KeyBank secured the floating rate financing through Freddie Mac on behalf of the borrower, WFInvestments."
- ***Orion Buys Denver Apartments With $10M Freddie Mac Financing.*** Mostly behind a paywall, Commercial Real Estate Direct (2/7, Mandzy) reports, "Orion Real Estate Partners has paid $13.5 million, or $137,755/unit, for the 98-unit Continental Court Apartments at 3129 West Arkansas Ave. in Denver. ... The seller had purchased the property in 2016 for $10.1 million, and financed it with an $8.3 million loan from Banner Bank of Santa Monica, Calif. Orion's acquisition was financed with a $10.13 million Freddie Mac loan written by CBRE."
- ***Waterton Buys Nashville Apartments With Freddie Mac Financing.*** Commercial Observer (NY) (2/7) reports, "A Chicago-based investor is using three Freddie Mac loans from Wells Fargo totaling $105M to buy a multifamily development in Nashville, Tennessee."
- ***Berkadia Arranges Freddie Mac Financing For College Station Apartments.*** The Texas A&M Real Estate Center (2/7, 38K) reports, "Lantower Residential has sold Magnolia Grove, a 268-unit apartment community at 12601 S. Green Dr. ... Berkadia represented the seller and secured a Freddie Mac loan on behalf of the buyer, a Dallas-based private investor."
- ***Continuing Coverage: Insula Cos Gets $46M Freddie Mac Refi For Kissimmee Apartments.*** Multi-Housing News (2/7) reports, "Insula Cos. has obtained a $45.9 million Freddie Mac loan to refinance Ridge @ 4100, a 320-unit community in Kissimmee, Fla. Working on behalf of the borrower, Berkadia originated the 10-year, floating-rate loan with five years of interest-only payments."

NAR: Tax Cuts And Jobs Act "Disincentivized" Homeownership.

RISMedia (2/9, 2K) reports, "The Tax Cuts and Jobs Act disincentivized homeownership, the housing industry says, bearing broad consequences in the economy, for household wealth, and more." At a NAR forum on Thursday, "experts and legislators met on policy, addressing affordability, credit, gaps in the homeownership rate and supply, and the far-reaching implications of the legislation. In tandem, NAR released reports on accessory dwelling units, tenure and zoning, and, most notably, a research white paper, prepared by Rosen Consulting Group (RCG), to advocate for incentivizing ownership. Among its provisions, the TCJA cut down the mortgage interest deduction, imposed a limit on state and local tax deductions – which include property taxes – and doubled the standard deduction, deterring filers from itemizing, the RCG research shows."

Real Estate Groups Challenge NY Ban On Broker Fees For Renters.

The New York Times (2/7, Haag, 18.61M) reports the Real Estate Board of New York on Friday "said it would file a lawsuit on Monday accusing the New York Department of State...of abusing its authority and failing to follow the proper steps before adopting a new rule" after it announced "a new, far-reaching rule declaring that tenants no longer have to pay a broker's fee." The Times says the New York State Association of Realtors will also join the lawsuit.

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California Voters To Take Second Look At Statewide Expansion Of Rent Control.

The AP (2/8) reports California voters "will consider expanding rent control statewide in November, the secretary of state's office said Monday, as they weigh in on the controversial issue for the second time in two years amid a worsening homelessness crisis." Secretary of State Alex Padilla "said the measure qualified for the fall ballot after election officials determined that a sufficient number of the nearly 1 million signatures submitted by supporters in December are valid." The initiative "would end current restrictions in state law, allowing cities and counties to implement and expand rent control policies that limit how much rents can increase each year." Voters in 2018 "rejected a similar initiative after a $100 million battle between advocates and the real estate industry."

Bowser Lays Out Goals For Addressing DC's Housing Restrictions.

The Washington Post (2/8, Stein, 14.2M) reports on an event regarding Washington, DC's housing crunch that was held in Shaw on Saturday and featured a conversation with DC Mayor Muriel Bowser. Said Bowser, "There has been displacement of black people out of this city." She added, "We have to confront the decisions that the government made to encourage that and deal with this head on. Some of them the local government made. And many more the federal government made – and for much longer." According to the Post, "The event was consistent with her administration's political messaging that affordable housing is a social justice effort and residents from all backgrounds need to be supportive." Bowser's "administration has blamed the uneven distribution of affordable housing across the city on decades of housing policies that she said would take a generation of 'focused and sustained effort' to address."

President Trump Touts Opportunity Zones At North Carolina Summit.

The Washington Post (2/7, Wagner, Thebault, 14.2M) reports President Trump at an event in North Carolina on Friday "ticked off a range of programs advanced by his administration, including opportunity zones and prison reform, that he said demonstrated its commitment to helping African Americans and others in disadvantaged communities. 'We're one American family. We rise together, we thrive together, and we win together,' Trump said."

The AP (2/7) reports that the President "was speaking to a friendly crowd at the Charlotte summit on economic opportunity for those in low-income areas." According to the AP, "The event took on the feel of one of his raucous political rallies, with audience members at one point leaping to their feet and breaking into chants of 'Four More Years, Four More Years.'" The AP says Trump "revived portions of this week's State of the Union address and made a few overt appeals for support from African Americans, a demographic that polls show he fares poorly with." The President delivered closing remarks at the North Carolina Opportunity Now Summit at Central Piedmont Community College. AP reports that "it's the first in a series of trips he will be taking to promote opportunity zones."

Wells Fargo Mortgage Borrowers' Suit Amended To Exclude Subclasses.

Law360 (2/7, Subscription Publication, 8K) reports a suit by Wells Fargo mortgage borrowers claiming wrongful denials on loans modifications was amended on Thursday to exclude subclasses. A judge previously ruled "that subclasses for a nationwide class bringing intentional emotional distress claims and various state consumer protection claims were too individualized to fulfill federal class action requirements."

Agency MBS Issuance Held Strong Over The Winter.

Behind a paywall, Inside Mortgage Finance (2/7, Bancroft, Subscription Publication) reports, "New single-family MBS issuance from Fannie Mae, Freddie Mac and Ginnie Mae often slows down over the winter as housing-market activity hits a seasonal lull. This winter has been different." According to IMF, "The three agencies issued $167.24 billion of single-family MBS in January, a 1.0% increase from December," and "purchase-loan volume was actually up 4.3% to its highest level since October, while the refinance sector saw a modest decline." January's new issuance "was more than double the total produced in the first month of 2019." IMF says, "While the two GSEs had modest month-to-month declines, Ginnie posted a 6.7% gain to $55.02 billion, which doesn't include MBS backed by FHA reverse mortgages. It was Ginnie's second-highest monthly volume ever, with October 2019 holding the record."

Fannie Mae's HPSI Rises For Third Consecutive Month.

According to M Report (2/7, Albanese), Fannie Mae's Home Purchase Sentiment Index (HPSI) "rose for the third consecutive month, growing 1.3 points in January to 93 – just in sight of the survey's high of 93.8." Four of the six HPIS components, "including the share of Americans who believe mortgage rates will go down over the next year, increased from December." The share of Americans "who believe mortgage rates will go down is now 55%." On a year-over-year basis, the HPSI "is up 8.3 points, and according to Fannie Mae, this is due in part to the consumers' 'increasingly positive view' that it is a good time to buy a home."

Mortgage News Daily (2/7, Swanson) reports Fannie Mae Chief Economist Doug Duncan said, "The HPSI posted another strong reading to open the new year, helped in large part by the upward trend in the share of consumers saying they expect mortgage rates to remain steady," said Doug Duncan, Senior Vice President and Chief Economist. "Low rates continue to be a key driver of consumer optimism about both current homebuying and home-selling conditions. Favorable views on job security and personal finances also reflect the strength of the labor market, which we believe will continue to bolster housing demand."

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Fannie Mae Economist: Mortgage Rates Offer Historic Opportunity For Spring Season.

The Wall Street Journal (2/8, McCaffrey, Subscription Publication, 7.57M) reported that the US housing market is poised for a boost entering the critical spring selling season thanks to mortgage rates that are at a three-year low. With the average 30-year fixed-rate mortgage at 3.45 percent, Fannie Mae Chief Economist Doug Duncan called this a "historic opportunity."

Inventory Of Homes For Sale Tumbled 14 Percent In January, Realtor.com Finds.

HousingWire (2/7, Howley, 23K) said that the nation's inventory of homes for sale "tumbled 14% in January, falling to the lowest level since at least 2012, according to a Realtor.com report." The inventory of entry-level homes "saw the steepest drop in the series that goes back to 2012, the report said." The supply of properties "priced under $200,000 fell 19%, while homes priced $200,000 to $750,000 declined 12%." A supply shortage "is choking the housing market, as evidenced by December's 4.9% drop in pending home sales, the largest in almost a decade, according to the National Association of Realtors."

Yardi Matrix: Rent Prices Still Have Room To Rise.

HousingWire (2/7, Falcon, 23K) reports, "Despite a prolonged multifamily growth schedule, there is still room for rent prices to go up, according to Yardi Matrix. A healthy job market means that economic growth will remain moderate, so rent gains should remain healthy in most metros." HousingWire says, "Nationally, rent growth only dipped below the 2.5% long-term average early in the cycle. The report attributes the growing rent prices to a high occupancy rate and growing wages. More than 1.5 million units have been delivered over the last five years, with an expectation of 300,000 units to be delivered in 2020."

Housing Choices Are Limited For People With Developmental Disabilities, Survey Finds.

Disability Scoop (2/10, 1K) reports a national report from The Arc "finds housing choices are limited for people with developmental disabilities who often get little say about where they might live when they leave home." Based on a survey of 615 people, the report found that "about 75 percent of adults with disabilities live with an aging parent or caregiver and most are not utilizing public supports or services" and "more than half of families have no plan for the future."

Whalen: Calabria-Driven Changes Could Provide Some Respect For Non-Banks.

In a National Mortgage News (2/7, Whalen) opinion piece, Whalen Global Advisors LLC Chairman Christopher Whalen says that FHFA Director Mark Calabria "promised to change his agency," and so far he "is not disappointing." On top of "pushing to move Fannie Mae and Freddie Mac out of federal conservatorship, he is also making some changes to how all four government-sponsored enterprises – the others being Ginnie Mae and the Federal Home Loan Banks – operate and are regulated." The mixture so far "is a combination of positives and negatives, but the long-suffering independent mortgage banks – also known as nonbanks – may yet get some respect."

BankThink: Big Banks' Mortgage Lending Strategies Are "Flirting With Disaster."

In a BankThink piece for American Banker (2/7, Subscription Publication, 31K), Nations Lending Corp. CEO Jeremy Sopko argues that banks "have experienced record profits in recent years," but they are "ignoring all of the warning signs in their peripherals. Without action, they may find themselves caught – with all the tunnel vision money can buy – in a failing long game." According to Sopko, "Large banks withstood an average loss of $4,803 for every retail mortgage originated in 2018 (compared with a net profit of $376 per loan for independent mortgage bankers). Appetite for these kinds of losses is increasing. Wells Fargo, JPMorgan Chase and Bank of America have all shown an affinity for originating loans with negative margins, by offering certain mortgages with no origination fees, for example."

Markets

10-Year Yield Falls.

MarketWatch (1/27, 1.67M) reports the 10-year Treasury yield fell to 1.575 percent.

Dollar Holds Firm.

Reuters (2/10, Westbrook) reports, "The dollar held gains on Monday after job market data provided the latest sign of US economic strength, while worries about the coronavirus epidemic kept other trade-exposed currencies subdued." The dollar reached "milestone highs against other majors and safe-haven currencies such as the yen trading firmly." Against the euro, the greenback "was just below a four-month high of $1.0940 hit on Friday at $1.0948."

Gold Steadies.

Reuters (2/10, Sistla) reports, "Gold prices held steady on Monday as rising concerns over the severity of the coronavirus outbreak offset a slight reprieve for equities after China eased some work and travel restrictions." Spot gold "was little changed at $1,570.50 per ounce by 0746 GMT, while US gold futures were up 0.1% to $1,575.60."

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Oil Falls.

Reuters (2/10, Tan) reports, "Oil prices slipped lower on Monday as traders assessed China's oil demand following the coronavirus outbreak and waited to see if major producers will cut output further to balance markets." Brent crude "slipped to $53.63 a barrel in early Asian trade, the lowest since Jan. 2, 2019, before recovering to $54.32 by 0804 GMT, down 15 cents." West Texas Intermediate "fell 17 cents to $50.15 a barrel after striking a low of $49.56."

Cybersecurity

North Miami Beach Police Department Hit By Ransomware Attack.

The Miami Herald (2/8, Smalls, 1.09M) reports, "The North Miami Beach Police Department is the latest agency to suffer a cyberattack." According to the Herald, "City officials confirmed the breach Friday evening, saying they discovered the ransomware on Tuesday. The affected computer systems were immediately shut down, but public safety services haven't been interrupted, the city said. 'Our Police Department continues to conduct all operations to keep our residents and streets safe,' a statement from the city says, 'and citizen calls for assistance will continue to be responded to promptly.'" The Herald adds, "An ongoing investigation has yet to conclude whether other departments or services were hacked. Early indications suggest they might have escaped without incident, city officials said. Federal investigators are assisting with these efforts. According to the FBI, the number of ransomware attacks has increased 300 percent since 2015."

FBI Reportedly Says Wisconsin Ransomware Attack Came From Russia.

The Racine (WI) Journal Times (2/9, Rogan, 114K) reports, "Despite some city staff members and social media posts theorizing that "the Russians" were behind the ransomware virus that crippled the City of Racine's internal online networks since at least Jan. 31, it still isn't known who (or what) exactly was behind the attack, city spokesman Shannon Powell told The Journal Times," but "another cyberattack that hit the City of Oshkosh at about the same time appears to have come from a group of Russian hackers, Oshkosh City Manager Mark Rohloff said, citing what he was told by the FBI. 'The FBI folks said this (cyberattack) was (staged by) a Russian group that was known to them,' Rohloff told The Journal Times." Powell and Rohloff "both said there is no evidence that the attacks on Oshkosh and Racine were coordinated," but "Racine's Management Information Systems Department told Powell that the source of the attack does not appear to be local and likely originated outside of Wisconsin."

Pence Declines To Endorse Barr Suggestion For Countering Huawei.

Reuters (2/7, Shepardson) reports Vice President Pence on Friday "declined to endorse an unusual suggestion from" Attorney General Barr that the US "consider taking control of two major foreign rivals of China-based Huawei Technologies Co Ltd." Reuters says that on Thursday, Barr "said...the United States and its allies should consider taking a 'controlling stake' in Finland's Nokia and Sweden's Ericsson to counter Huawei's dominance in next-generation 5G wireless technology." On CNBC, Pence said, "Great respect to Attorney General Barr, but we believe the best way forward is what [FCC Chairman] Ajit Pai announced just over the last several days." Reuters says Pence was "referring to" Pai's "efforts to free up more spectrum for 5G wireless use." Pence said, "That's the plan the president has endorsed and will be carrying forward."

Meanwhile, Reuters (2/7) reports NEC Director Kudlow was asked about the UK government's decision to include Huawei in its 5G network and the implication on the upcoming post-Brexit US-UK trade talks. Kudlow said, "We will be working with our British cousins on 5G. We think we can work with them and show them options. We'd love to do a free trade agreement."

Navarro Raises Alarm Over Chinese Counterfeits. On Fox News Tucker Carlson Tonight (2/7), White House Trade Adviser Peter Navarro discusses the volume of counterfeit goods coming from China and their potential dangers.

US Blocks Google, Facebook From Using Internet Link To Hong Kong. The Wall Street Journal (2/7, FitzGerald, O'Keeffe, Subscription Publication, 7.57M) reports that a DOJ national security panel blocked the efforts of Google and Facebook to use an 8,000 mile Pacific Light Cable Network that would've made Hong Kong a key global data hub. According to the Journal, the decision is reflective of the US' growing concern over China's ambitions in the technology sector.

China Calls On France To Not Discriminate Against Huawei.

Reuters (2/9) reports the Chinese embassy in Paris on Sunday "urged the French government not to discriminate against Huawei as it selects suppliers for its 5G mobile network, saying it feared the company would face more constraints than rivals." France is in the "early stages of rolling out its next-generation wireless technology, and the government's stance over Huawei's possible role still lacks clarity, according to some telecoms industry trade bodies." Some French media outlets "have reported in recent months that the company could face restrictions in several cities." The Chinese embassy s"aid in a statement on its website that it was 'shocked and worried' by such reports, adding that French President Emmanuel Macron and other officials had given repeated assurances that all companies would be treated fairly."

Swedish Digital Minister Says US Interest In Ericsson Makes Sense. Reuters (2/7, Hellstrom, Johnson) reported, "Sweden's digital minister stressed Ericsson's importance for jobs and technology in Europe on Friday after a US official suggested the US buy stakes in the telecoms gear maker or Finland's Nokia to counter Huawei's dominance in 5G." Reuters reports Swedish Minister for Energy and Digital

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Development Anders Ygeman "said potential U.S. interest in Ericsson made sense, given that no U.S. company offers a full suite of 5G products, but he stressed the company's importance for Swedish business." Cevian Capital managing partner said in an email to Reuters, "A U.S. interest in Ericsson is clearly positive for Sweden, the company and the shareholders. ... A potential deal would have to be based on a completely different valuation level than today's ridiculous share price for Ericsson. The board and management need to drive and handle this question with the highest priority."

Opinion: Huawei Must Be Stripped From UK Networks. In an op-ed in the Telegraph (UK) (2/9, 956K), former leader of the Conservative Party Iain Duncan Smith writes, "The Foreign Secretary admitted that the UK Government accepted that China was a threat. Yet at the same time, the Government decided to give Huawei significant involvement in our next generation communications structure – 5G. This makes no logical sense. It is inconceivable that such a decision should be made in the face of all the evidence of the threat that China poses to us and our allies." He contends, "The problem is that nearly two decades ago, the Communist government of China made it a national priority to capture the global market in telecommunications. On the current trajectory, in 10 or 20-years' time, that domination will be complete." He concludes, "I believe that the best course for the Government, given that it has inherited the existing involvement of Huawei, is to plan to clear the firm out of our systems as quickly as possible."

German Legislator: EU Will Not Cooperate With US On 5G If It Faces A Trade War. Reuters (2/8, Shalal) reported, "Norbert Roettgen, a member of German Chancellor Angela Merkel's Christian Democrats, said he told U.S. officials during a visit to Washington that he saw opportunities for greater transatlantic cooperation on 5G that would benefit both sides." Roettgen said that "it must be clear that cannot happen if there is simultaneously the threat of trade war on the table." President Trump "has threatened to slap 25% tariffs on European car imports, a move Brussels says it would counter with tariffs of its own." The two parties have also been in disagreement "over digital services taxes, aircraft subsidies, and Huawei."

How The JPL Works To Secure Its Missions From Nation-state Adversaries.

TechCrunch (2/9, 605K) talked with a key "NASA cyber security researcher, about that work, which is a fascinating mix of 'totally representative of infosec today' and 'unique to the JPL's highly unusual concerns.'" The key message is "firmly in the former category, though: information security has to be proactive, not reactive." Each mission at JPL is "like its own semi-independent startup, but their technical constraints tend to be very unlike those of Valley startups." For instance, mission software" is usually homegrown/innovative, because their software requirements are so much more stringent: for instance, you absolutely cannot have software going rogue and consuming 100% of CPU on a space probe."

New Cybersecurity System Protects Networks With LIDAR.

C4ISR & Networks (2/7, Atherton) reported that "when it comes to identifying early cyber threats, it's important to have laser-like precision." Mapping out "a threat environment can be done with a range of approaches, and a team of researchers from Purdue University created a new system for just such applications." They are calling that "approach LIDAR, or 'lifelong, intelligent, diverse, agile and robust.'" Purdue's LIDAR is "a kind of architecture for network security." It can adapt to "threats, thanks in part to its ability to learn three ways." These include "supervised machine learning, where an algorithm looks at unusual features in the system and compares them to known attacks."

UK's National Cyber Security Centre Launches CyberFirst Girls Competition.

BBC News Online (UK) (2/8, 1.02M) reported hundreds of girls "across the UK are trying their hand at being spies." On 8 February, girls "across the UK will be using their laptops to solve a series of online puzzles." It's part of "the National Cyber Security Centre's CyberFirst Girls Competition." The competition is for "young female codebreakers." The aim is to "try and help discover the spies of the future and get more girls interested in cyber security." The female cyber spies "will be working in teams of up to four to take on a series of codebreaking challenges."

Prominent Disinformation Investigator Ben Nimmo Profiled.

The New York Times (2/9, Satariano, 18.61M) provides a profile on Ben Nimmo, a pioneer in disinformation investigations. The Times writes, "For the last five years, Mr. Nimmo, a founder of the Atlantic Council's Digital Forensic Research Lab, has been a leader of a small but growing community of online sleuths. These researchers serve as an informal internet police force that combats malicious attempts to use false information to sway public opinion, sow political discord and foment distrust in traditional institutions like the news media and the government." His efforts came to the "fore after the 2016 American presidential election, when intelligence agencies concluded that Russia had used Facebook and other internet platforms to influence voters." His research has since "caused Facebook and other companies to ban thousands of disinformation-related accounts; he has also been tapped as an expert by governments studying foreign interference."

TFI/Sanctions

US Blacklists Venezuelan Airline Conviasa: Treasury Website.

Reuters (2/7, Heavey) reported that according to a notice "posted on the Department of Treasury's website," the US applied new sanctions to Venezuela Friday, "targeting its state-run airline carrier Conviasa."

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Reuters (2/7, Campos) also reported that US Special Envoy For Venezuela Elliott Abrams "said on Friday that the U.S. government talks frequently with Spain and oil major Repsol, which operates in the South American country." Reuters says Abrams' remarks "come after a U.S. official warned oil companies including Repsol who do business with Venezuelan state oil company PDVSA, which Washington sanctioned last year, to 'tread carefully.'" Speaking in Spanish, Abrams stated, "If the conditions, the sanctions, change, we will talk to Repsol."

In Caracas, Russian Foreign Minister Blasts US Sanctions Targeting Maduro Regime. Reuters (2/7, Ellsworth, Buitrago) reported that Russian Foreign Minister Sergei Lavrov in Caracas, Venezuela on Friday "slammed U.S. sanctions against Venezuela...providing a public show of support for President Nicolas Maduro as Washington mulls ramping up pressure on" his regime. Reuters says Lavrov "arrived in Caracas on Thursday, only hours after the State Department suggested its Venezuela sanctions program could begin targeting Russia, whose oil companies have helped Maduro by buying much of the OPEC nation's crude. ... 'We consider sanctions to be unacceptable,' said Lavrov during a televised meeting with his Venezuelan counterpart, Jorge Arreaza, and other Venezuelan officials." Lavrov is quoted as saying, "It is outrageous that unilateral actions by the United States affect social and humanitarian projects."

GOP Senators Demand Twitter Block Sanctioned Iran Officials.

CNBC (2/7, Feiner, 3.62M) reported Sens. Ted Cruz, (R-TX), Tom Cotton, (R-AR), Marsha Blackburn, (R-TN), and Marco Rubio, (R-FL) "wrote to Twitter CEO Jack Dorsey on Thursday that the company would be subject to U.S. sanctions law if it did not end its service for sanctioned Iranian leaders, including Supreme Leader of the Islamic Republic Ayatollah Ali Khamenei and Iranian Foreign Minister Javad Zarif." The Senators said "that an exception for internet-based communications services created by the Obama administration in 2014 would not apply when the person receiving the service has been designated to a special list kept by the Treasury Department, as is the case for Khamenei and Zarif." Fox News (2/7, Casiano, 27.59M), The Hill (2/7, Rodrigo, 2.98M), and Axios (2/7, McGill, 521K) also reported.

Study Finds North Korea Using Internet To Evade Sanctions.

The New York Times (2/9, Sanger, 18.61M) reports, "North Korea has vastly expanded its use of the internet in ways that enable its leader, Kim Jong-un, to evade a 'maximum pressure' American sanctions campaign and turn to new forms of cybercrime to prop up his government," according to a study by Recorded Future. The study indicates that since 2017, "the North's use of the internet has surged about 300 percent," with "nearly half of that traffic now flow[ing] through a new connection in Russia."

Federal Reserve

Central Bank Watchers Turn To AI For Help Analyzing Officials' Statements.

The Wall Street Journal (2/9, Hookway, Subscription Publication, 7.57M) reports that a growing trend among investors is to use artificial intelligence to analyze statements from Fed officials and predict what actions they will take. The Journal also touches on other ways central bank watchers evaluate the statements from policymakers around the world.

Fed Cautions Coronavirus To Pose Economic Risk.

The Wall Street Journal (2/7, Timiraos, Subscription Publication, 7.57M) reported the Federal Reserve on Friday said the coronavirus could weigh on its outlook for the US economy. Reuters (2/7), Bloomberg (2/7, Condon, Torres, 4.73M), and CBS News (2/7, Sherter, 3.68M), among others, also reported.

Fed Report Signals Rates Likely To Stay Unchanged For Now.

The AP (2/7, Crutsinger) reports the Fed released its semi-annual monetary policy report on Friday, in which it "did not signal any imminent changes in its benchmark interest rate, which it cut three times last year to the current historically low range of 1.5 to 1.75 percent." Fed Chair Powell will testify before Congress about the report on Tuesday and Wednesday.

Trump Fed Pick Faces Challenge Getting Confirmed In GOP-Controlled Senate.

In the lead story of its daily "Finance 202" rundown, the Washington Post (2/7, Newmyer, 14.2M) reported President Trump "has gone an ignominious zero-for-four on winning Senate confirmation of his most recent picks for the Federal Reserve Board. His latest controversial pick, Judy Shelton, will face a trial by fire Thursday when she takes questions from Republicans on the Senate Banking Committee." Shelton, the Post said, "has a history of expressing policy views outside the mainstream. While she has met with some with senators, the pressure will be on to sand off the rough edges when she appears before the committee."

NY Fed Accepts $42.75B In Repo Operation.

Reuters (2/7) reported the New York Fed "said it accepted $42.75 billion in overnight bids from primary dealers in a repurchase agreement (repo) operation, a move intended to keep the federal funds rate within its target range." The Wall Street Journal (2/7, Derby, Subscription Publication, 7.57M) also reported.

Financial Regulatory Agencies

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CFPB Order Against Citizens Bank Stumps Industry Watchers.

American Banker (2/9, Berry, Subscription Publication, 31K) reports that "just as banks were starting to see clarity" about the CFPB's enforcement strategy, the bureau's recent order "order against Citizens Bank is challenging assumptions about the [its] approach." Industry observes and GOP lawmakers "are still scratching their heads about the recent CFPB lawsuit filed against Citizens Bank...over how the $165.7 billion-asset institution handled credit card fraud debates," questioning why the bureau sued the bank "five years after Citizens says it self-reported the issues in 2015." The case is also drawing attention "because the tough stance by the Trump-appointed CFPB Director Kathy Kraninger is the opposite of what the industry expected." Moreover, it is "rare, in general, for the CFPB to penalize a bank (versus a nonbank) and for the bank to challenge the agency's findings in court."

Office of the Comptroller of the Currency

OCC Releases 2020 Stress Test Scenarios.

DS News (2/7, Welborn) reported the OCC "released economic and financial market scenarios for use in the upcoming stress tests for covered institutions." In a statement, the OCC said, "The results of the company-run stress tests provide the OCC with forward-looking information used in bank supervision and will assist the agency in assessing the company's risk profile and capital adequacy." The scenarios for 2020 "can be found on the OCC's stress test website."

Lawmakers Consider Steps To Eliminate Fake Comments On Proposed Rules.

S&P Global Market Intelligence (2/7, Hood) reported, "Congress may take steps to deter interest groups attempting to influence policymakers through the submission of phony comment letters." As the OCC and the FDIC work to finalize revisions to the Community Reinvestment Act, "lawmakers on the Oversight and Investigations Subcommittee expressed concern during a Feb. 6 hearing over which voices policymakers are listening to." Comptroller of the Currency Joseph Otting, who is leading the effort to modernize the CRA, "has touted that he has read all 1,500 comments submitted to the agency regarding the proposal." In a recent letter, House Financial Services Committee Chair Maxine Waters (D-CA) asked Otting "to detail submission procedures for reviewing comments and detecting false identities." She also asked if any fake comments were submitted to the OCC during a 2018 advanced notice for proposed rulemaking period, citing the recent history of an industry group that submitted phony comments to the SEC.

Twenty-Four AGs Say New Lending Rules Could Support Predatory Lenders.

The Triangle (NC) Business Journal (2/7, Ohnesorge, Subscription Publication, 839K) reported behind a paywall that 24 attorneys general are pushing back against the OCC and the FDIC's proposals "meant to eliminate uncertainty" resulting from a 2015 Second Circuit ruling holding "that a nonbank that purchased charged-off loans from a national bank could not charge the same rate of interest on the loan that federal regulations allowed the national bank to charge." The group of AGs in a letter to FDIC Chair Jelena McWilliams outlined their objections, arguing that the proposed rules would effectively overturn that ruling.

LATimes: OCC, FDIC Proposals Would "Bless Rent-A-Bank Schemes." In an editorial, the Los Angeles Times (2/7, 4.64M) criticized the OCC and the FDIC's proposals that would allow lenders to issue loans with interest rates above state interest caps, calling the proposed rules "outrageous." The Times said the proposed rules would reopen the door to "rent-a-bank" schemes, adding that "If the Administration doesn't abandon its effort to promote predatory loans, the courts should stop it."

Banks, Fintechs Battle Over Customers' Data.

Politico (2/7, Guida, 4.29M) reported that US banks "are locked in a bitter fight" with fintech startups "over the control of their customers' financial data – and the consumers whose personal information is at stake are mostly spectators." Major lenders including JPMorgan Chase and PNC "are threatening to limit the access of middlemen that are hired by financial apps like Venmo and Betterment to grab customers' account information from the banks' websites." Bank regulators such as the OCC "don't have the same ability to oversee" the middlemen, known as "screen-scrapers," as they would over firms "specifically contracted by banks to perform an outside function because the banks usually don't have a formal relationship" with the screen-scrapers.

Editorial Wrap-Up

Washington Post.

"Apps Are Selling Your Location Data. The U.S. Government Is Buying." The Washington Post (2/9, 14.2M) in an editorial says that the US government is buying location data "that charts the movements of millions of citizens' cellphones from a company called Venntel." The Post says, "Congress has failed to pass a comprehensive privacy statute that shields people from having their every move logged in a database," and "now, this lack of privacy from corporate actors has become an excuse for government to bypass the right to privacy from the state that the Constitution is supposed to enshrine."

"Trump's Trade Policy Is Injurious And Insults The Truth." The Washington Post (2/9, 14.2M) in an editorial criticizes the Administration's trade policy, while saying, "superficially, the news on trade and the U.S. economy is encouraging." The "trade deficit in six years," and "prospects...for a relatively less volatile trade year in 2020." Yet, the Post warns that "both the China deal and

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USMCA" are agreements in which trade is decided by "politicians – not determined by economic criteria." The Post also says that tariffs imposed on some finished aluminum and steel goods "will be heavily felt by U.S. users of those goods, as well as by the countries that sell them to us – principally Taiwan, Japan and the European Union." The Post concludes, "These are U.S. friends, not threats to our security," and accuses the Administration of "compound[ing] injuries to economic efficiency with insults to the truth."

"New Data On D.C.'s Opioid Deaths Is Disheartening." The Washington Post (2/9, 14.2M) in an editorial says that during a peak in opioid overdoses in the District of Columbia, "it was clear that one of the factors was the city government's sluggish – some said negligent – approach to the problem," but, adds the Post, even though Mayor Muriel E. Bowser has had "a far more robust response ... 2019 saw another dramatic and dispiriting spike in overdose deaths." That's after "the number of deaths had dropped substantially in 2018." The Post hopes that new efforts will be more effective.

Wall Street Journal.

"Market Phobia Comes To Cyberspace." The Wall Street Journal (2/9, Subscription Publication, 7.57M) in an editorial argues that opponents attempted to create hysteria in response to the net neutrality policy favored by Federal Communications Commission Chairman Ajit Pai, but that policy was approved and has not led to the threatened problems. The Journal says some of the same people are now trying to frighten people by the prospect of the sale of the .org web-registry to Ethos Capital. The Journal warns opponents are simply seeking their own interests and worries that they will intimidate regulators that must approve the sale.

"The Democrats On Soleimani." A Wall Street Journal (2/9, Subscription Publication, 7.57M) editorial criticizes former Vice President Joe Biden, Sen. Bernie Sanders (I-VT) and former South Bend, Indiana Mayor Pete Buttigieg for their answers during last Friday's Democratic presidential debate to a question about President Trump's decision to order a strike on Iranian Gen. Qassem Soleimani. All three were critical of the decision, and the Journal argues that while Sanders' reply was not surprising, Biden and Buttigieg missed an opportunity to show that they, like Trump, would act to stop anyone who would kill Americans.

"Big Labor's Payoff Day." The Wall Street Journal (2/9, Subscription Publication, 7.57M) in an editorial says that the Democratic majority in the House of Representatives last week approved the PRO Act, in what it calls the most pro-union legislation since 1935's Wagner Act. The Journal says the bill would make it easier for unions to organize employees and end employees' right to a secret ballot and would overturn right-to-work laws. According to the Journal, the House approved the bill after AFL-CIO President Richard Trumka said the union would not help any Democrat who did not vote for the bill.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Trump To Propose $4.8 Trillion Budget With Big Safety-Net Cuts
Democrats Turn Combative To Gain Edge In Tight New Hampshire Primary
'I'm So Sorry': Coronavirus Survivor's Cross-China Travel Left Dozens Quarantined
The Agony Of The Tesla Bears: $8.4 Billion Of Losses In Five Weeks
Smallest US Firms Struggle To Find Workers
In The Eternal Quest To Decode Fedspeak, Here Come The Computer

New York Times:

How The Iowa Caucuses Became An Epic Fiasco For Democrats
'Parasite' Wins The Oscar For Best Picture, Making History
Her Grandmother Got The Coronavirus. Then So Did The Whole Family.
Sanders And Buttigieg Clash, Aiming For A Two-Person Race
What Happens When QAnon Seeps From The Web To The Offline World
'Do Not Make Any Loud Noises': A Thai Soldier's 18-Hour Shooting Rampage

Washington Post:

N.H. City Left Behind By 'Boom' Sees Little Hope In Either Party
Sanders, Buttigieg In Rivalry With A Twist
Chaos In Iowa Reopens Wounds
Islamic State Threat Persists For Afghans
In Brazil, A Growing Hazard: The Illegal Trade In Pesticides

Financial Times:

Sinn Fein Seeks Irish Government Role After Poll Gains
China Seeks To Restart Economy Despite Virus Outbreak
Biden Sets Sights On Buttigieg As Ex-VP Stumbles In Democratic Race

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Hedge Fund 'Masters Of Mayfair' Are No More, Says Man CEO

Washington Times:
'Shrink' Government: Trump's Budget Reduces Spending By $4.4 Trillion, Makes 2017 Tax Cuts Permanent
Pete Buttigieg Runs As A Moderate While Championing Far-Left Policies
Bloomberg's Climate Lawyers Promote Green Agenda Behind Scenes In State Governments
Pompeo's Warning On China: 'More Repression ... More Aggressive Military'
Iraq Turns To China's 'Belt And Road,' Challenging US Dominance In Middle East

Story Lineup From Last Night's Network News:
CBS: Dems 2020; Trump-Removal of Impeachment Witnesses; Afghanistan-Two Soldiers Killed; Thailand-Mall Shooting; Coronavirus; Coronavirus-Impact on Lunar New Year; NYC-Bronx Police Shooting; Oscars; Actor Robert Conrad Dies; Election 2020-Affordable Healthcare; Italy-Venice's Carnival; British Airways-Record Breaking Flight; Mexico-Zoo Receives New Lion Cubs; California-Golden Retriever is Mayor of Small Town.
NBC: Dems 2020; NYC-Bronx Police Shooting; Coronavirus; Afghanistan-Two Soldiers Killed; Thailand-Mall Shooting; Boeing-Hard Landing in Russia; British Airways-Record Breaking Flight; Surveillance Planes Controversy; Paid Time Off for Pregnancy Loss; California-High School Celebrated for Kindness On & Off Basketball Court.

Network TV At A Glance:
Coronavirus – 4 minutes, 35 seconds
Dems 2020 – 4 minutes, 30 seconds
NYC-Bronx Police Shooting – 2 minutes, 15 seconds
Afghanistan-Two Soldiers Killed – 2 minutes, 10 seconds
British Airways-Record Breaking Flight – 0 minutes, 40 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Oscars; New Hampshire-Sen. Warren; Afghanistan-Two Soldiers Killed; Astros Cheating Scandal.
CBS: Oscars; New Hampshire-Dem Candidates Poll; Trump-New Hampshire Rally; Coronavirus.
FOX: Iowa Caucus Results; Dems 2020; Trump-Budget Release; Oscars.
NPR: Coronavirus; Afghanistan-Two Soldiers Killed; New Hampshire-Sen. Warren; Oscars.

Last Laughs

Late Night Political Humor.

Colin Jost (Saturday Night Live): "President Trump then spoke at the National Prayer Breakfast and held up a headline about his acquittal. I assume to prove that prayers don't work. Then he went and attacked Mitt Romney, a devout Mormon who voted to convict him. Trump said I don't like people who use their faith as a justification for doing what they know is wrong. At which point, even the leaders of the National Prayer Breakfast were like, 'Jesus Christ, dude.'"

Colin Jost (Saturday Night Live): "During the State of the Union Address, Trump gave a medal to Rush Limbaugh and celebrated the creation of the Space force, a moment that was predicted by a 'Mad Lib' I did in 1992."

Colin Jost (Saturday Night Live): "Trump also railed against public schools, calling them failing government schools. Okay, but you went to private school and you don't even know where Kansas City is. After the Chiefs won the Super Bowl, Trump mistakenly tweeted congratulations to the state of Kansas, despite the fact that the Chiefs are from Kansas City, Missouri. Incidentally, Kansas also has the only Manhattan where Trump is still welcome."

Colin Jost (Saturday Night Live): "The results for the Iowa caucuses were delayed after officials found inconsistencies due to a problem with a new voting app. So I guess it's no surprise that Iowa's voters chose the candidate who looks like the grandson that fixes your computer. This problematic voting app was developed by a company called Shadow Inc. Remember in the 2016 primaries where the Democrats' main problem was transparency? And then this time, they hired a company called Shadow Inc. That's like losing half your money in wire fraud and then putting everything you have left into something called 'Nigerian Prince National Bank.'"

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Michael Che (Saturday Night Live): "On Friday, Lt. Col. Alexander Vindman who testified in President Trump's impeachment trial was escorted from the White House and fired. Now, you might recall that Vindman received a Purple Heart due to a wound in combat, while Trump has a purple heart because his blood type is hamburger grease."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Delivers remarks at the White House Business Session with our Nation's Governors; has lunch with the Secretary of State; greets Parkland Families; delivers remarks at a Keep America Great Rally.
- Vice President Pence — Delivers remarks at the National Governors' Winter Meeting; delivers remarks at a Cops for Trump Event; delivers remarks at a Keep America Great Rally.

***US Senate*:**

- Senate aims to end debate on judicial nominee – Senate convenes and proceeds to executive session to resume consideration of the nomination of Andrew Lynn Brasher to be U.S. Circuit Judge for the Eleventh Circuit, including vote on a motion to invoke cloture on the nomination

Location: U.S. Capitol, Washington, DC; 3:00 PM

***US House*:**

- President Trump's FY'21 Budget released – President Donald Trump's Fiscal Year 2021 Budget delivered to the House Committee on the Budget, Rm 210, Cannon House Office Building, Washington, DC (8:00 AM EST) * Government Publishing Office and Office of Management and Budget later hold release event, GPO, 710 N Capitol St NW, Washington, DC (12:30 PM EST)

Location: Washington, DC; 8:00 AM

- 'The Racial Justice Summit and Congressional Briefing' – National Organization for Women (NOW) and Office of Democratic Rep. Gwen Moore present 'The Racial Justice Summit and Congressional Briefing: Addressing the Intersects of Gender, Health, Economics, Violence and Race'. Speakers include Dem Reps. Gwen Moore, Eleanor Holmes Norton, Sharice Davids, Rashida Tlaib, and Raul Grijalva, and author Dr Gary Ford Jr., while panelists include Ashley Allison (The Leadership Conference for Civil & Human Rights), Barbara Arnwine (Transformative Justice Coalition), Amy Hinojosa (MANA, A National Latina Organization), Marcia Johnson-Blanco and Dariely Rodriguez (both Lawyers' Committee for Civil Rights Under Law), Virginia Kase (League of Women Voters), Ola Ojewumi (PPMW DC Advocates Council), Reyna Taylor (National Council for Behavioral Health), Kenyette Tisha Barnes (#MuteRKelly), and Sung Yeon Choimorrow (National Asian Pacific American Women's Forum)

Location: Rms 2044-2045, Rayburn House Office Building, Washington, DC; 9:00 AM

- House Budget Committee chairman holds media pen and pad – House Committee on the Budget Chairman John Yarmuth holds pen and pad with reports, following the release of President Donald Trump's Fiscal Year 2021 budget earlier today and ahead of the Committee's hearing on 'The President's 2021 Budget' on Wednesday

Location: Rm 208, Cannon House Office Building, Washington, DC; 3:00 PM

- House Rules Committee hearing – Hearing on 'H.R. 2546' – the legislative vehicle for the Protecting America's Wilderness Act – and 'H.J. Res. 79 – Removing the deadline for the ratification of the equal rights amendment'

Location: H-313, U.S. Capitol, Washington, DC; 5:00 PM

***Cabinet Officers*:**

- AG Barr speaks at National Sheriffs' Association Conference – National Sheriffs' Association Winter Legislative and Technology Conference continues, with speakers today including Attorney General William Barr and Axon Enterprise Founder and CEO Rick Smith

Location: JW Marriott Washington, DC, 1331 Pennsylvania Ave NW, Washington, DC; 7:00 AM

- THE PRESIDENT has lunch with the Secretary of State

***Visitors*:**

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- No visitors scheduled.

This Town:

- NARUC Winter Policy Summit continues – NARUC Winter Policy Summit continues, with speakers today including Republican Sen. Roger Wicker and Democratic Rep. Bennie Thompson

Location: Renaissance Washington, DC Downtown Hotel, 999 9th St NW, Washington, DC; 7:00 AM

- ACCT National Legislative Summit continues – Association of Community College Trustees National Legislative Summit continues, with speakers today including Assistant Secretary of Labor for Employment and Training John Pallasch and The Cook Political Report Publisher Charlie Cook

Location: Marriott Marquis Washington, DC, 901 Massachusetts Ave NW, Washington, DC; 7:00 AM

- NARC National Conference of Regions continues – NARC National Conference of Regions continues, for regional councils and metropolitan planning organizations to determine key policy issues and a legislative agenda. Speakers today include Federal Highway Administration Administrator Nicole Nason and Democratic Rep. Sean Casten

Location: Washington Court Hotel, 525 New Jersey Ave NW, Washington, DC; 8:30 AM

- NOW holds racial justice summit marking Black History Month – National Organization for Women hosts 'Racial Justice Summit and Congressional Briefing: Addressing the Intersects of Gender, Health, Economics, Violence and Race' event, marking Black History Month. Speakers include National Council for Behavioral Health Vice President of Public Policy Reyna Taylor, MANA President and CEO Amy Hinojosa, League of Women Voters CEO Virginia Kase, and Lawyers' Committee for Civil Rights Under Law Economic Justice Project Director Dariely Rodriguez * Sponsored by Democratic Rep. Gwen Moore

Location: Rms 2044 and 2045, Rayburn House Office Building, 45 Independence Ave SW, Washington, DC; 9:00 AM

- GOP Sen. Tim Scott holds African American panel discussion 'highlighting diversity of thought' – Republican Sen. Tim Scott holds panel discussion 'highlighting the diversity of thought in the black community'. Other speakers include Charlamagne Tha God, REFORM Alliance CEO Van Jones, Pine Street Strategies CEO Don Calloway, Heritage Foundation President Kay Cole James, Federal Housing Finance Agency Press Secretary Raphael Williams, and GOP strategist Rob Smith

Location: Auditorium, U.S. Capitol Visitor Center, Washington, DC; 1:00 PM

- U.S. Army Corps of Engineers press conference on FY'21 budget – U.S. Army Corps of Engineers release details of President Donald Trump's fiscal year 2021 budget for the U.S. Army's Civil Works program, via press conference featuring Assistant Secretary of the Army for Civil Works R.D. James and USACE Commanding General Lt. Gen. Todd Semonite

Location: USACE HQ, Government Accountability Office, 441 G St NW, Washington, DC; 3:00 PM

- NPC 'Covering Coronavirus' event – National Press Club 'Covering Coronavirus: Expert Tips for Journalists and Communicators' educational panel discussion, with speakers including CDC National Center for Immunization and Respiratory Diseases Director Dr Nancy Messonnier, Resolve to Save Lives Prevent Epidemics team senior vice president Amanda McClelland, and Association for Professionals in Infection Control and Epidemiology president-elect Ann Marie Pettis

Location: National Press Club, 529 14th St NW, Washington, DC; 6:00 PM

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TO: THE SECRETARY AND SENIOR STAFF
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• Amazon, Saudi Arabia Partnership Has Stalled Since Khashoggi's Murder.
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• Louis Vuitton Parent Company Bids To Take Over Tiffany.
• WSJournal: Amazon Challenging Seattle's Far Left Government.
• Ratcliffe: Change In Durham Probe To A Criminal Investigation "Is Not A Coincidence."
• Pence: Trump's Call With Zelensky Showed No Quid Pro Quo.
• Republicans Say Democrats Are Limiting Their Access To Impeachment Documents.
• Book: Push To Impeach Trump Began Long Before Whistleblower Call.
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• Thousands Hold Vigil To Remember Tree Of Life Shooting Victims.
• New York City Agency Accused Of Abusing Impoverished Clients.
• Klobuchar Plans To Offer Free Two-Year, Technical School Education.
• DC Crowd Boos Trump At Game 5 Of World Series.
• California Governor Declares Statewide Emergency Over Wildfires, Orders Mass Evacuations.
• Gas Prices In California About $1.50 Per Gallon Higher Than National Average.
• "Rising Democratic Star" Hill Announces Resignation Over Sex Scandal.
• Trump 2016 Campaign Adviser: Democrats Will Again Win Popular Vote, But Lose Election.
• Tlaib Endorses Bernie Sanders For President.
• Biden Says Obama Will Campaign For Him When He's The Nominee.
• NYTimes Analysis: Buttigieg's Sexuality Complicates Pitch To Black Voters.
• Husbands Of Democratic Hopefuls Consider Public, Private Campaign Roles.
• Conyers Passes Away At Age 90.
• WPost: GOP Embracing "Voter Suppression As A Strategy For Party Survival."
• WPost: Democratic Wins This Year To Decide Whether "The Center In Virginia Will Hold."
• McKeon, Schaerr: Patriot Act's Section 215 Must Be Amended.
• RCP Average Has Trump's Job Approval At 41.6%.

Financial International News

• Peronistas Appear Poised To Regain Argentinean Presidency.
• IMF Managing Director Applauds Trump's Use Of Tax Cuts To Spur Growth.

CFTC-22-0351-A-001763

• ECB Will Restart Bond Purchases Oct 30, Stop Before Christmas.

Leading International News

• Biden Questions Kushner's Credentials To Negotiate Middle East Peace.
• Hong Kong Police Fire Tear Gas To Clear Protesters.
• Far-Right Beats Merkel's CDU In Regional Election.
• WPost Criticizes Cambodia's "Authoritarian Prime Minister."

Housing

• Freddie Mac's Mortgage Portfolio Grew An Annualized 10.7% In September.
• NCSHA: Modifications To GSEs' Duty-To-Serve Plans Would "Substantially Scale Back" Purchase Targets For Some Products.
• Commentary Advises Condo Buyers About Making Informed Purchases.
• Sales In Southwest Michigan Housing Market Fall, Data Show.
• Fannie, Freddie's Role In Mortgage Interest Rates Highlighted.
• National General Lender Services EVP: GSEs Are Holding Servicers To "Increasing Levels Of Accountability."
• DOJ Responds To NAR's Motion To Dismiss Antitrust Cases.
• Secret Agreement Allows Homebuilders To Block Building Code Changes On Climate Change.
• Los Angeles Outlaws No-Fault Evictions Ahead Of Statewide Rent Control Law Implementation.
• Ginnie Mae Designates EOriginal As EVault Vendor.
• Data Highlight Markets Where Rental Occupancy Is Falling Rapidly.
• Leveraged Loan Segment Could Be Showing Signs Of Stress.

Markets

• 10-Year Yield Rises.
• Dollar Rises.
• Gold Holds Steady.
• Oil Falls.

Cybersecurity

• WSJournal A1 Details How Law Enforcement Officials Brought Romanian Hackers Behind Attack On Trump Inauguration To Justice.
• Ransomware Attacks Weigh On Insurance Companies.
• Legislator Seeks Answers From White House On Exodus Of Cybersecurity Staff.
• Battleground States Need To Do More To Prevent Voting Machine Hacks In 2020.
• Ohio Governor Signs Law Enhancing State's Efforts Against Cyberattacks.
• Hackers Ramped Up Cyberattacks Against Human Rights, UN Organizations.
• Blackberry Says Android And iOS App Stores Hide "Prolific" Spyware.
• Possible Florida Ransomware Incident May Block Law Firms From Official Records.

TFI/Sanctions

• Three Oil Tankers Bound For Asia After US Eases Sanctions.
• Trump Administration Moving To Isolate Iran Further From Global Financial System.

Federal Reserve

• Fed Faces Tough Decision On Signals For Future Rate Cuts.
• NY Fed Adds $77.3B To Financial Markets Through Repo Operation.

Office of the Comptroller of the Currency

• Otting Confident That Fintech Charter Will Be Affirmed On Appeal.
• Otting Speaks About Childhood, Career, CRA.
• OCC Closes Resolute Bank Of Maumee, OH.
• Regulators Approve Blue Ridge-Virginia Community Merger.
• Head Of Chase's Philadelphia Retail Expansion Vacating Role.
• Robinhood COO Aims For Scale, But At A Reasonable Pace.

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Treasury in the News

US, China Both Say Progress Made On "Phase-One" Trade Deal.

Politico (10/26, Tang, 4.29M), in a story published "as part of a content partnership with the South China Morning Post," reported that "China and the United States are making good progress on the 'phase-one' trade deal they hope to sign next month, with some sections now close to being finalized, the two sides said in separate statements." Politico adds "the announcements came after China's Vice-Premier Liu He spoke to Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin over the phone on Friday night, as they continued to look for ways to bring an end to a 15-month trade war that has damaged economies around the world." The New York Post (10/26, Levine, 4.57M) said that "while details are still emerging, it appears that agricultural issues have thus far dominated discussions."

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USTR Says US, China "Close To Finalizing" Parts Of Agreement. Reuters (10/25, Lawder, Shalal) reported the US Trade Representative's Office said Friday that US and Chinese trade officials "are 'close to finalizing' some parts of an agreement after high-level telephone discussions," adding that "deputy-level talks would proceed 'continuously.'" The USTR "provided no details on the areas of progress." Bloomberg (10/25, Donnan, 4.73M) reported USTR Lighthizer, Treasury Secretary Mnuchin, and Chinese Vice Premier Liu He spoke Friday morning. The Financial Times (10/25, Politi, Sevastopulo, Hampshire, Subscription Publication, 1.34M), CNBC (10/25, Pramuk, 3.62M), Business Insider (10/25, Reinicke, 3.67M), Fox Business (10/26, Henney, 1.73M), and The Hill (10/26, Axelrod, 2.98M) also reported on this story.

However, under the headline "Businesses Fear U.S., China Won't Reach Deal On Core Issues," the Wall Street Journal (10/25, Mauldin, Subscription Publication, 7.57M) reported corporate leaders are worried the Administration will not address economic issues of relevance to industry, including intellectual property issues.

Sources Say Navarro Fighting "Phase One" Of Agreement. CNBC (10/25, Tausche, 3.62M) reported that as the negotiations continue, "trade hawk Peter Navarro has been fighting the deal behind the scenes, according to three people close to the talks." CNBC adds Navarro "has taken particular issue with the shelving of certain protections for intellectual property and technology that appeared in earlier versions of the deal, according to these three sources, who are in regular contact with Trump and the administration. Navarro has urged Trump to force China to recommit to previous promises on IP protection or walk away from a deal." However,

Convicted Financier, "Longtime" Mnuchin Friend Could Gain From Changes He's Urging Trump Administration To Make.

The New York Times (10/26, Lipton, Drucker, 18.61M) reported that Michael Milken, the former "swashbuckling financier" who went to prison in the 1990s on insider-trading charges and has since worked to "rehabilitate his reputation through an influential nonprofit think tank," the Milken Institute, "is in a position to personally gain from some of the changes that his institute has urged the Trump administration to enact." The Milken Institute "is a leading proponent of a new federal tax break that was intended to coax wealthy investors to plow money into distressed communities known as 'opportunity zones.'" The institute's leaders "have helped push senior officials in the Trump administration to make the tax incentive more generous, even though it is under fire for being slanted toward the wealthy." And, in one case, "the Treasury secretary, Steven Mnuchin, directly intervened in a way that benefited Mr. Milken, his longtime friend." Further down, however, the Times added, "Treasury officials said the change was part of an effort to iron out inconsistencies in different Treasury rules."

In an analysis, The Week (10/26, O'Donnell, 1.94M) said the Treasury Department, "reportedly at the personal instruction of Mnuchin, made an area of land in Nevada owned by" Milken "eligible for a federal tax break that it did not previously qualify for after alleged pressure from Milken's business partner and other landowners." The IRS "expressed its doubts about the decision, arguing in an internal memo obtained by the Times that 'failure to apply the designation standards equally across the board will call into question the legitimacy of the process by which the designations were made.'" The IRS memo "also stated that the appearance of 'arbitrary' Treasury standards like this one could open the 'door for accusations that the determination process was influenced by political considerations or bias.'"

Deficit Hit $984B In FY2019, Expected To Top $1T In 2020.

Reuters (10/25, Dunsmuir) reported the federal government ended Fiscal Year 2019 "with the largest budget deficit in seven years as gains in tax receipts were offset by higher spending and growing debt service payments." Bloomberg (10/25, Dmitrieva, 4.73M) reported the budget deficit widened to $984 billion from $779 billion in FY2018. The New York Times (10/25, Rappeport, 18.61M) reported the Treasury Department also said the deficit "will top $1 trillion in 2020...as a slowing global economy and festering trade tensions weigh on economic growth" in the US.

The Washington Post (10/25, Long, Stein, 14.2M) reported, "The country's worsening fiscal picture runs in sharp contrast to President Trump's campaign promise to eliminate the federal debt within eight years. Since taking office, Trump has endorsed big spending increases and steered most Republicans to abandon the deficit obsession they held" during the Obama Administration. The Hill (10/25, Elis, 2.98M) said the deficit "was $587 billion in the last full fiscal year before Trump took office."

The AP (10/25, Crutsinger), the Wall Street Journal (10/25, Davidson, Subscription Publication, 7.57M), Bloomberg (10/25, Dmitrieva, 4.73M), CNN (10/25, Borak, 83.16M), CNBC (10/25, Franck, 3.62M), Fox Business (10/25, Leggate, 1.73M), Newsweek (10/26, Fearnow, 1.53M), and the Financial Times (10/25, Badkar, Subscription Publication, 1.34M) also reported on this story.

Neal Proposes Adding Pension Relief Legislation To New NAFTA Deal.

The Washington Post (10/25, Werner, Lynch, Sieff, 14.2M) reported that House Ways and Means Committee Chairman Richard E. Neal (D-MA) "has approached Treasury Secretary Steven Mnuchin about adding legislation that would rescue certain union pensions to the pending North American trade pact, a sign of intense final-stage dealmaking on the trade agreement." Neal's proposed addition to the bill "could act as a powerful sweetener for organized labor and wavering Democrats who are skeptical about agreeing to a rewrite of the North American Free Trade Agreement pushed by President Trump." Neal "said Mnuchin had a 'courteous' response to his suggestion about tacking the Butch Lewis Act onto the trade deal. The Butch Lewis bill, a longtime priority for Neal and other Democrats, would shore up failing pensions for more than a million American workers through the sale of Treasury bonds."

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Senators Hunt For GOP Support Of Bipartisan Bill Cracking Down On Anonymous Shell Companies.

CQ Roll Call (10/25, Saksa, 154K) reports, "After only 25 House Republicans voted for passage of a bill that would curb the use of anonymous shell companies, the bipartisan drafters of a Senate version are negotiating tweaks designed to win more GOP support." Both the Senate and House versions of the bill "would require corporate entities to report the identities of beneficial owners to the Treasury Department's Financial Crimes Enforcement Network (FinCEN), making it harder for criminals or terrorists to hide assets and launder money through a series of limited liability companies or corporations." The legislation "would also increase FinCEN staffing, encourage more coordination between FinCEN and Justice Department investigators, require the attorney general and Treasury secretary to consider raising the monetary threshold for banks filing suspicious activity reports, and update the definition of "coins and currency" to include cryptocurrencies."

Leading National News

Trump Says ISIS Leader Baghdadi Died "Whimpering And Crying" In US Raid.

President Trump's announcement Sunday morning that ISIS leader Abu Bakr al-Baghdadi was killed in a raid by US special forces in northwest Syria is being hailed as delivering a severe blow to the terror group. Reuters (10/27, Holland, Stewart), for example, refers to "a severe blow to Islamic State," the Washington Post (10/27, Ryan, Lamothe, 14.2M) refers to it as "an important breakthrough," and the AP (10/27, Miller) to "a milestone in the fight against [ISIS]," and "a significant foreign policy success for Trump." The Los Angeles Times (10/27, Stokols, Bulos, 4.64M) says Baghdadi's death "brought to a close a manhunt that lasted nearly a decade and dealt a significant blow to a jihadi group known for its extremism and brutality." In its lead story, ABC World News Tonight (10/27, lead story, 4:50, Llamas, 3.6M) called the raid "a strategic and political victory for the President," and Politico (10/27, Morgan, Toosi, 4.29M) writes that the raid was "immediately hailed by both parties as a major victory in the fight against Islamic terrorism."

A New York Times (10/27, Karni, Haberman, 18.61M) analysis says that "from the moment President Trump learned that Abu Bakr al-Baghdadi...had been killed in a commando raid in Syria, he handled the news in an unusual way." Saturday night, he tweeted, "Something very big just happened!" The Times says "an or so hour later, after convincing Mr. Trump that waiting until the morning to elaborate on his cryptic Twitter message was a better way to steer the news that would dominate the Sunday talk shows, the president's aides announced a rare, nationally televised presidential address in the morning." To the Times, the "Diplomatic Reception Room setting gave Mr. Trump the kind of made-for-television presidential moment he has long craved — a parallel to President Barack Obama's late-night announcement in 2011 that Osama bin Laden had been killed — at a time when he has been eager for a story line outside of impeachment."

David Nakamura writes in the Washington Post (10/27, 14.2M) that "for both Obama and Trump, the moments represented a measure of vindication — evidence that each had demonstrated the resolve as commander in chief to finish the job in the face of considerable risk and criticism from the opposing political party. But if Obama's nine-minute speech...was notable for his measured tones and appeals to the enduring strength of America's values, Trump's 50-minute performance in the Diplomatic Reception Room was marked by the overt showmanship, blunt language and airing of personal gripes."

Breitbart (10/27, Wong, 673K) likewise says Trump's "nearly 50-minute live press conference" was "a contrast to the statement from former President Obama when he announced the operation that killed al Qaeda leader Osama bin Laden, which was about nine minutes and contained few details about the operation." Martha Raddatz said in its lead story on ABC World News Tonight (10/27, lead story, 4:50, Llamas, 3.6M), "At one point, the President compar[ed] it to the killing of Osama bin Laden." The New York Post (10/27, Moore, 4.57M) quotes Trump as saying, "This is the worst ever. Osama bin Laden was very big but Osama bin Laden became big with the World Trade Center. This is a man who built a whole – as he would like to call it – a country, a caliphate. And was trying to do it again."

The Washington Times (10/27, Boyer, 492K) reports that in a televised address to the nation from the White House, Trump said, "Last night the United States' brought the world's Number One terrorist leader to justice." The Times says he also "provided graphic details of the raid," saying, "I got to watch much of it. He died after running into a dead-end tunnel, whimpering and crying and screaming all the way." Trump also "confirmed that al-Baghdadi killed himself, and three of his children, by detonating a suicide vest as he was cornered by US troops." Townhall (10/27, Baumann, 177K) reports Trump said Baghdadi's two wives, who "were also wearing suicide vests but they bombs did not detonate," were also killed in the raid.

The Washington Examiner (10/27, Halaschak, 448K) reports the President said "at least eight military helicopters carried US commandos to the compound where the roughly two-hour operation took place," and that an "on-site test" was conducted to confirm Baghdadi's identity. USA Today (10/27, Jackson, Subramanian, Collins, 10.31M) reports that no US personnel were killed in the raid. In what she called "a dramatic press conference," Kate Snow reported on NBC Nightly News (10/27, lead story, 3:35, Snow, 3.05M) that "Trump went into remarkable detail on just how the operation went down." Later on NBC Nightly News (10/27, story 3, 1:16, Snow, 3.05M), correspondent Courtney Kube warned, "It's possible that President Trump's bellicose language about the manner in which [Baghdadi] died could actually inspire some ISIS fighters to retaliate."

On the CBS Weekend News (10/27, lead story, 2:30, Quijano, 1.67M), David Martin reported, "A team of about 70 American commandos, led by the Army's Delta Force, assaulted the compound in northeastern Syria in a violent raid that began Saturday evening." According to Martin, "The US had been zeroing in on Baghdadi's whereabouts following information provided by one of his wives, who had

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been captured." But on NBC Nightly News (10/27, lead story, 3:35, Snow, 3.05M), Richard Engel said, "Kurdish officials tell us that they had a mole very close to Baghdadi. Someone who would visit him, was trusted by him, and was passing information to the Kurds right until the very end, and that they were passing that information along to the United States." ABC World News Tonight (10/27, lead story, 4:50, Llamas, 3.6M), meanwhile, said "a US official tells ABC that the break came after the arrest and interrogation of one of Baghdadi's wives and a courier. The information they provided was one of the keys in a long trail that eventually led them to Baghdadi's hideout after a lot of hard work by the CIA and Kurdish partners."

The New York Post (10/27, Moore, 4.57M) quotes Trump as saying, "The United States has been searching for Baghdadi for many years. Capturing or killing Baghdadi has been the top national security priority of my administration," and US special forces "accomplished their mission in grand style." Along similar lines, The Federalist (10/27, Clark, 126K) reports the "Administration considers this mission a massive success as Baghdadi's execution was one of the top national security priorities of [Trump's] administration."

The Washington Free Beacon (10/27, Press, 78K) reports Trump also "thanked Russia, Turkey, Syria, Iraq, and Syrian Kurds for their help in the mission." According to the Daily Caller (10/27, Kruta, 716K), the President "also stated that the mission had netted valuable intelligence about the origins of ISIS and had resulted in the deaths of a number of ISIS fighters — a number he promised would be released later."

To The Hill (10/27, Chalfant, 2.98M), "the announcement will serve as a boost for Trump, who has faced scrutiny in recent weeks for his decision to withdraw US troops from northern Syria." The New York Times (10/27, Baker, Schmitt, Cooper, 18.61M) likewise says "raid could help Mr. Trump with at least some hawkish Republican lawmakers who had broken with him over his Syria decision." Trump invited Sen. Lindsey Graham (R-SC), "usually a strong ally who had been the most outspoken critic of his Syria decision, to join him for the speech on Sunday morning and then sent Mr. Graham to brief reporters from the lectern in the White House briefing room, an unusual spectacle for a lawmaker." In fact, Politico (10/27, Levine, 4.29M) reports that the President "received widespread Republican criticism for his decision to withdraw troops from northern Syria just weeks ago," with the death of the Baghdadi, "Republicans are praising him for his efforts to fight terrorism." For example, Graham, who "previously denounced the troop withdrawal," said, hailed Baghdadi's killing is "a game changer in the war on terror."

The New York Post (10/27, Schultz, 4.57M) reports Graham also called on the President's "worst critics" to give him a round of applause. Said Graham, "Last night the best of America confronted the worst of mankind and the good guys won. This is a moment where President Trump's worst critics should say, 'Well done.'" The Washington Examiner (10/27, Dibble, 448K) likewise says "Graham called on President Trump's critics to applaud his decision to kill...Baghdadi."

Appearing on Fox News Sunday Morning Futures (10/27, 1.18M), Graham said, "The caliphate has been destroyed because President Trump changed the rules and allowed our military to get the job done. Obama had one hand tied behind his back. President Trump unleashed the military to destroy the caliphate."

Bloomberg (10/27, Jacobs, Wingrove, 4.73M) and the Wall Street Journal (10/27, A1, Bender, Lubold, Abdulrahim, Subscription Publication, 7.57M), are among other news outlets also reporting on Trump's announcement, and NBC Nightly News (10/27, story 8, 2:01, Snow, 3.05M) profiled the White House Situation Room, where the President monitored the mission.

Pence: "All Credit" For Raid Goes To Trump's "Decisiveness" And Special Forces. The Hill (10/27, Budryk, 2.98M) reports Vice President Pence on Sunday called Baghdadi's death a "great day for America" and said the outcome of Saturday's raid was a testament to President Trump's "decisiveness." Pence told CBS' Face The Nation, "It's a tribute to the courage of our armed forces, special forces that executed the raid on the compound last night, but it's also a tribute to the decisiveness of President Donald Trump."

The Washington Post (10/27, Ryan, Lamothe, 14.2M) reports Pence told CBS' Face The Nation, "he and Trump were first informed of the likelihood that Baghdadi would be at the target site on Thursday," and the President "authorized the mission on Saturday morning." Pence said on Fox News Sunday (10/27, 108K), "We had some indication in the last week that we had a location but it was Thursday afternoon that the President and I were informed there was a high probability that al-Baghdadi was going to be in that compound in the province. At that point, President Trump asked our armed forces leadership to develop options. He was presented with those options on Friday morning. He made an immediate decision that as the information developed and it developed through Saturday morning that we would move forward with an operation against al-Baghdadi."

National Security Adviser O'Brien told NBC's Meet the Press (10/27, 2.88M), "It was a courageous decision on the President, but it was incredible bravery and skill of our men and women in the armed forces and the intelligence community to execute this flawlessly." Sen. Steve Daines (R-MT), on Fox News Sunday Morning Futures (10/27, 1.29M), similarly praised the President's decisiveness, saying, "The President understands clearly his role here is to protect the homeland. ... What we saw this morning... [is] exactly how President Trump leads. He's mission focused. He set a goal and delivered it for us last night, working with US military. I could not be more proud of this President and our military." Rep. Doug Collins (R-GA), also on Fox News Sunday Morning Futures (10/27, 1.31M), said, "It goes to show you this President, who's been attacked and harassed by an impeachment probe...kept his eye on the ball of killing the ISIS leader and terrorist. He shows that you can do two things at one-time. Obviously, our House can't do that. Speaker Pelosi and the Democrats are incapable of doing that."

Defense Secretary Esper, on ABC's This Week (10/27, 1.96M), said, "When you take out a leader like that, it's going to have a major impact on the organization. ... Our job is to stay on top of that and to make sure that we continue to take out their leadership and their organizations." On CNN's State Of The Union (10/27, 927K), Esper said, "The troops now that are denying ISIS access to those oil fields

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are doing so, so we make sure ISIS doesn't generate the revenue that would allow them to buy weapons to attack our partners in Europe or the homeland."

Reporting Pence and Esper's remarks, The Hill (10/27, Budryk, 2.98M) says "top Trump administration officials took to the Sunday shows to praise President Trump and US special operations forces for the death of...al-Baghdadi, but they and others stressed the need for continued vigilance in dealing with the terror group." The CBS Weekend News (10/27, story 2, 2:17, Quijano, 1.67M) reported last night that "there are still up to 18,000 ISIS members in Iraq and Syria, according to the Pentagon's watchdog, as well as tens of thousands of accused ISIS fighters and their families in prisons and camps."

Citing "Washington Leaks," Trump Did Not Inform Democratic Leaders In Advance. The New York Times (10/27, Baker, Schmitt, Cooper, 18.61M) says that "while he tipped off a couple of Republican senators, Mr. Trump made a point of refusing to inform Speaker Nancy Pelosi or other Democratic leaders in advance of the raid, as is customary, saying they could not be trusted not to leak, even though he said he notified Russia beforehand." CQ Roll Call (10/27, Bennett, 154K) likewise says Trump said "his team informed 'some' congressional leaders but opted not to notify a larger group because Washington 'leaks.'"

The Hill (10/27, Klar, 2.98M) quotes the President as saying, "We were going to notify them last night, but we decided not to do that because Washington leaks like I've never seen before. There's no country in the world that leaks like we do, and Washington is a leaking machine." He added, "I told my people we will not notify them until our great people are out — not just in but out." The New York Post (10/27, Moore, 4.57M) reports that when asked if he had notified Speaker Pelosi, Trump said, "I didn't do that." The Washington Times (10/27, Miller, 492K) says "Trump singled out Mrs. Pelosi when saying congressional leaders couldn't be trusted in the planning of the attack in Syria." However, NBC Nightly News (10/27, story 2, 2:46, Snow, 3.05M) reported that when asked by Fox News' Chris Wallace if the President trusts the Speaker "with sensitive national security information," Pence replied: "I don't think that was the implication at all."

USA Today (10/27, Collins, Jackson, Subramanian, 10.31M) reports Speaker Pelosi, in a statement, "saluted the 'heroism, dedication and skill' of the military and intelligence officials who played a role in the mission and said she was relieved that no US personnel died in the raid." But, she added, "the House must be briefed on this raid, which the Russians but not top congressional leadership were notified of in advance." Townhall (10/27, Baumann, 177K) also reports her comments under the headline "Instead Of Celebrating ISIS Leader's Death, Pelosi Uses The Opportunity To Chide Trump," while the Washington Post (10/27, Sonmez, 14.2M) writes that "US presidents typically follow the protocol of contacting congressional leaders, regardless of their political party, when a high-level military operation is conducted."

Cecilia Vega likewise said on ABC World News Tonight (10/27, story 2, 1:20, Llamas, 3.6M), "Past protocol has been for Presidents to alert top congressional leaders in both parties. That did not happen here, though. ... Democrats are not happy. They say Russia got advanced warning about this raid before they did."

Addressing reports that Russia was informed while Democrats were not, National Security Adviser O'Brien said on NBC's Meet the Press (10/27, 2.88M), "Let me make it very clear: Russia is not an ally of the United States, the President doesn't believe that. ... There are times when our interest overlaps with the interests of Russia. Last night it overlapped. We didn't want Russian air missiles being shot at our men and women in this raid. And they don't like ISIS as the President pointed out. Last night our interests overlapped with Russia."

The Washington Examiner (10/27, Picket, 448K) reports the House Intelligence Committee, "currently spearheading impeachment inquiry proceedings against the President," was also "not notified about the raid in advance, one aide told CBS News." Texas Republican Rep. John Ratcliffe, a member of the House Intelligence Committee, told Fox News' Sunday Morning Futures, "that Democrats on the committee have been too distracted by the impeachment inquiry to hold any intelligence briefings in over a month." Said Ratcliffe, "Unfortunately, the intelligence committee that I serve on hasn't been spending a whole lot of time on these issues. We've been caught up in Adam Schiff's secret impeachment inquiry, so we haven't had a briefing on these issues."

House Intelligence Committee Chair Schiff, the New York Post (10/27, Moore, 4.57M) reports, said Sunday it was a "mistake" not to notify congressional leaders of a military operation. Schiff told ABC's This Week, "Had this escalated, had something gone wrong, had we gotten into a firefight with the Russians, it's to the administration's advantage to be able to say, 'We informed Congress we were going in, they were aware of the risks. We at least gave them the chance to provide feedback.' That wasn't done here. I think that's a mistake."

Rep. Eric Swalwell (D-CA), on Fox News Sunday (10/27, 108K), said, "It is unfortunate that the Speaker of the House and the gang of eight on the Democratic side were not notified. With the Osama bin Laden raid, the Gang of Eight was brought in by President Obama, and I hope it doesn't go to other issues where we are not being informed and able to play our oversight authority."

Lawmakers, Commentators Praise Raid, Urge Continued Vigilance Against ISIS. Lawmakers from both parties yesterday welcomed news of Baghdadi's death but cautioned that the US and its allies should maintain vigilance in the region. For example, Democratic presidential candidate Sen. Amy Klobuchar (D-MN), on CBS' Face The Nation (10/27, 1.7M), said, "This was a take-down of a very dangerous terrorist, and so we have to take this moment to thank those that put themselves in danger, the decision was a good one. ... But...this doesn't mean that ISIS is not still there."

Rep. Hakeem Jeffries (D-NY), on NBC's Meet the Press (10/27, 2.88M), said, "This is a very meaningful step in the right direction in terms of the war on terror. The military should be commended. The intelligence committee should be commended. ... Hopefully, we'll see a continuing American presence as appropriate moving forward, because we know that ISIS will still try to reconstitute itself notwithstanding the death of its top leader."

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Rep. Debbie Dingell (D-MI), on Fox News Sunday Morning Futures (10/27, 1.29M), said, "I want to thank the brave men and women of our military, of our intelligence community and everyone who participated in what happened last night. It is far too easy for us to forget or

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not give appreciation to those who served and protect our freedom every single day. ... I still continue to worry about the Middle East. I'm worried about Syria, Turkey, the Kurds. ... ISIS does not go away, that's another concern that I have to remind people of."

Rep. Michael Waltz (R-FL), also on Fox News Sunday Morning Futures (10/27, 1.29M), warned ISIS "is growing and so...we have to stay forward, we have to keep a presence, we have to have assets in the region...to prevent them from reconstituting and growing again. Operationally, I don't know that this will have a huge impact, but public relations and symbolic standpoint and their ability to recruit and ability to inspire attacks in the United States this is huge. And I really give the President a lot of credit for making a bold call. This was not easy to pull off."

Commentators likewise say that while the President deserves credit for ordering the raid, ISIS still poses a threat and the US is less prepared to fight it after withdrawing its troops from northern Syria. Former US special envoy Brett McGurk, for example, writes in the Washington Post (10/27, 14.2M) that Baghdadi's killing is "great news for the civilized world" and the details of the operation "speak as well to larger truths about Syria — and to what we have forfeited with the sudden US retreat across its northeast this month." He argues that while "Trump deserves full credit for approving the operation that led to Baghdadi's demise," it is "a shame the information that led to the raid apparently did not come to him before the tragic decision to abruptly pull US Special Forces from much of northeastern Syria. Because everything we already know about the raid reinforces just how valuable, unique and hard-fought the small and sustainable American presence there had been."

Similarly, Jonathan Swan of Axios (10/27, 521K) writes that the "Baghdadi raid demonstrates the value of continued US engagement in the region, and it helps explain why Iraq's president and others are so worried about Trump's planned retreat" from Syria. In an interview with Axios on HBO (10/27), Iraqi President Barham Salih, "The entire neighborhood is concerned about" President Trump's actions in northern Syria. He added, "The Turkish invasion, US policy, and its implications for the wider US policy in the Middle East. This is causing everybody to recalibrate, to rethink. And the implications for the Middle East are huge." Asked to what extent he can trust the US as an ally under President Trump. Salih said, "The staying power of the United States is being questioned in a very, very serious way. And allies of the United States are worried about the dependability of the United States."

The Wall Street Journal (10/27, Subscription Publication, 7.57M) editorializes that Baghdadi's death will not end the threat posed by ISIS, but is nonetheless an important victory. A USA Today (10/27, 10.31M) editorial likewise praises Baghdadi's death, but says, "Ironically, the vacuum President Donald Trump created this month by precipitously withdrawing most US troops from Syria could tragically improve the odds of ISIS — with an estimated 15,000 to 30,000 fighters still at large — reemerging."

Thomas L. Friedman writes in his New York Times (10/27, 18.61M) column that Baghdadi's death "should certainly further weaken the most vile and deadly Islamist movement to emerge in the Middle East in the modern era," and "good for President Trump for ordering it, for the intelligence agents who set it up, for the allies who aided in it and for the Special Forces who executed it. But this story is far from over." Friedman adds, "Only Trump would boast of defeating ISIS and thinking that all that needs to be done now is to protect the Middle East's oil wells and America's favorite dictators — and not its wells of decency."

Jennifer Rubin writes in her Washington Post (10/27, 14.2M) column that Baghdadi's death is "a major breakthrough," but says it "another leader of the Islamic State undoubtedly will emerge to replace Baghdadi. Tracking down and killing its leaders is a necessary but hardly sufficient aspect of our war against Islamic terrorists."

Senior international correspondent Ben Wedeman said on CNN's Inside Politics (10/27, 574K), "In terms of its leadership, this is clearly a significant blow to" ISIS. But, "this is an organization that understood that after reaching its height that it would be reduced to what it is today. So, clearly they've been planning for this eventuality and it's highly likely that there's already somebody in place to replace Abu Bakr al-Baghdadi. So, as an organization, it has taken a hit, but it's certainly not out of the game altogether."

Top Baghdadi Lieutenant Also Reported Killed. The New York Times (10/27, Hubbard, Shoumali, 18.61M) reports that a day after Baghdadi's death, "a separate attack killed the man who was considered his likely successor, according to the leader of a Syrian Kurdish militia and a Syrian activist." The ISIS spokesman, "known by his nom de guerre Abu Hassan al-Muhajir, was being smuggled across northern Syria in the back of an oil tanker truck when it was hit by what witnesses said they believed to be an American airstrike, according to Hussein Nasser, an activist who said he had spoken to people at the scene." Mazlum Abdi, the head of a Kurdish-led SDF, likewise "wrote on Twitter that Mr. al-Muhajir had been killed on Sunday in an operation coordinated between his forces and the United States."

Mission Named After ISIS Victim Kayla Mueller; Parents Praise Trump And Criticize Obama. The Washington Examiner (10/27, Dibble, 448K) reports National Security Adviser O'Brien revealed Sunday "that US forces named its mission to kill ISIS leader Abu Bakr al-Baghdadi after Kayla Mueller." During an interview on NBC's "Meet the Press," O'Brien "explained that the mission was inspired by the urge to bring justice to Mueller and other Americans who had been brutalized by Baghdadi and his followers." Said O'Brien,"We finally brought justice to a man that beheaded the three Americans: two journalists and a humanitarian worker," said O'Brien, adding, "One of the things that General Milley did is General Milley named the operation, the chairman of the Joint Chiefs of Staff, named the operation that took down al-Baghdadi after Kayla Mueller."

USA Today (10/27, Bland, 10.31M) reports Kayla Mueller's father, Carl, told The Arizona Republic on Sunday shortly after Trump's announcement, "What this man did to Kayla — he kidnapped her. ... She was ultimately raped by al-Baghdadi himself." He added, "He either killed her or he was complicit in her murder. I'll let people who read this article make up their own mind how a parent should feel." Townhall (10/27, Stocking, 177K) reports that in the interview, "Mueller's parents praised President Trump for the death of their daughter's rapist and wished that President Obama had been more of a decisive leader like President Trump because maybe then their daughter would still be

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alive." Mueller's mother, Marsha, said, "I still say Kayla should be here, and if Obama had been as decisive as President Trump, maybe she would have been."

Conservative Outlets Criticize WPost For Baghdadi Obituary Calling Him "Austere Religious Scholar." The Federalist (10/27, Justice, 126K) reports Baghdadi's death "marks the execution of the world's most dangerous terrorist since Osama Bin Laden's killing in 2011," but the obituary from the Washington Post, however, "framed one of the world's most brutal terrorists as an 'austere religious scholar.'" The Post's initial headline read, "Abu Bakr al-Baghdadi, austere religious scholar at helm of Islamic State, dies at 48," but was later changed to, "Abu Bakr al-Baghdadi, Islamic State's 'terrorist-in-chief,' dies at 48" and finally read, "Abu Bakr al-Baghdadi, extremist leader of Islamic State, dies at 48." The Federalist says that "while the Post eventually made the headline somewhat better...the obituary still reads remarkably well-disposed touting the ISIS leader's academic credentials and career building his vast terrorist empire responsible for torturing countless innocent people." The Daily Caller (10/27, Kruta, 716K) likewise says the "opening paragraphs of the obituary went on to list al-Baghdadi's 'achievements' in bringing a brutal terror organization onto the global stage."

Reporting the Post's original headline, Breitbart (10/27, Delingpole, 673K) asks, "Was that really the best way to sum up the life of a mass-murdering religious psychopath, responsible for many thousands of rapes, tortures, burnings-alive, crucifixions, a surge in global terrorism and the attempted genocide of the Yezidis?" Townhall (10/27, Baumann, 177K) reports "the Post's Vice President of Communications said the headline on the al-Baghdadi obituary 'should never heave read that way.'"

Trump Touts ABC's Coverage Of Announcement. President Trump yesterday took to Twitter to praise ABC News' coverage previewing his announcement Sunday morning, writing, "Thank you to @MarthaRaddatz and @ TerryMoran for a job well done!" The tweet also included video of their report.

SNL Mocked Trump For "Making ISIS Great Again" On Night Of Raid. The Washington Examiner (10/27, Gage, 448K) reports Saturday Night Live "made fun of President Trump's policy in Syria on the same day US special operations killed" Baghdadi in Syria. SNL's episode Saturday night featured a skit of "a fake Trump rally in which Pete Davidson came on stage pretending to be a fake ISIS terrorist thanking the president." Said Davidson, "I was a prisoner in Syria until last week when you freed me, so I just wanted to say, thank you for bringing jobs back to ISIS. And I promise that I will make ISIS great again!" Alec Baldwin, who played Trump, said about Davidson's character, "Terrific, what a great guy. ISIS is back in a big, big way, folks. And we love that, don't we?"

Clapper: Baghdadi's Death Could "Galvanize" ISIS. The Washington Examiner (10/27, Gage, 448K) reports former DNI James Clapper warned that Baghdadi's killing "might 'galvanize' the remaining parts of ISIS." Appearing on CNN's "State of the Union," Clapper said, "What is going to be interesting is to the extent to which this negatively affects ISIS or does it galvanize ISIS, the remnants of ISIS, which still survives as an ideology and has franchises in other places besides Syria."

Townhall Analysis: Omar Slow To Acknowledge Baghdadi's Killing On Twitter. Townhall (10/27, Stocking, 177K) reports that while the "news cycle has been inundated with coverage of...Baghdadi's killing," Rep. Ilhan Omar (D-MN) was "a little slow to respond to the news, only doing so after many people called her out on Twitter. But on Instagram, she did manage to post a photo right away of herself wearing a CAIR t-shirt." Omar "did finally post about al Baghdadi's death" on Twitter.

Kurdish Fighters Announce Withdrawal From Turkish Border.

Reuters (10/27, Barrington, Francis) reports "the Kurdish-led Syrian Democratic Forces (SDF) said on Sunday it had agreed to withdraw more than 30 km (19 miles) from the Turkish border, an announcement welcomed by Damascus which said Turkey should now end its 'aggression' in northeast Syria." Turkey "launched its cross-border offensive on Oct. 9 targeting Kurdish YPG forces in northeast Syria after President Donald Trump pulled US troops out of the area."

New Mexico Divided Over How To Spend Oil Boom Revenues.

The New York Times (10/27, Romero, 18.61M) reports that in the oil-rich southeastern of New Mexico known as "Little Texas," people "are seething over a political shift to the left in the state capital," that is being laid bare by "a frenetic oil boom." Democrats "now in power in New Mexico are coming under fire on two fronts: from oil patch conservatives, for pushing to hike oil royalties and spend the windfall on progressive causes, and from environmentalists on the left, for allowing the oil boom to materialize in the first place." New Mexico "is now the third-largest oil-producing state" and Gov. Michelle Lujan Grisham (D) "is moving fast to use the bonanza." Conservatives "question why the rest of the state should benefit from their work when their own roads and schools need funds," while Lujan Grisham is also "facing an outcry from progressives about boosting production of fossil fuels that contribute to global warming."

WSJournal Photo Essay: Trump Remains Popular In Coal Country Even Amid Loss Of Jobs.

A photo essay on the Wall Street Journal (10/27, Subscription Publication, 7.57M) depicts West Virginia coal country, where, it says, President Trump's popularity does not appear to be diminishing even though coalfields are once again cutting jobs after an increase over the past two years.

California's Marijuana Crop Valued At More Than $11 Billion.

The CBS Weekend News (10/27, story 13, 1:26, Quijano, 1.67M) reported that three years after California legalized marijuana, "business

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is growing." The story was a preview of a piece on CBS' 60 Minutes by Sharyn Alfonsi, who reported that marijuana is California's "largest cash crop." Alfonsi added, "Valued at more than $11 billion, it's worth more than the state's grape and almond industries combined." The rest of the report can be seen here.

WSJournal Analysis: As Stocks Near Record Highs, Investor Concerns Limit Gains.

The Wall Street Journal (10/27, Ramkumar, Subscription Publication, 7.57M) reports in an analysis that while stocks are nearing record highs, investor concerns about poor prospects for global growth and corporate earnings have limited recent gains. The Journal also cites skepticism about progress on a US-China trade agreement and the possibility of a new round of tariffs in December as contributing to investor caution.

WSJournal Analysis: Hedge Funds No Longer Good At Selecting Stocks. A Wall Street Journal (10/27, A1, Chung, Subscription Publication, 7.57M) analysis reports that while hedge fund managers once ruled the investment industry, for three straight years, clients have withdrawn money from the funds, marking the longest stretch of net outflows from them. According to the Journal, the reason for the change is that hedge funds are no longer good at picking stocks.

GM's Labor Agreement Could Pose Problems For Its Competitors.

The Wall Street Journal (10/27, Naughton, Colias, Subscription Publication, 7.57M) reports that the deal reached between GM and the UAW this past week to end a 40-day strike could pose problems for GM's competitors as the union will use the deal as a template in contract talks with Ford Motor Co. and Fiat Chrysler. According to industry analysts, the new contract is expected to add $350 million to GM's annual labor costs, and according to the Journal, such an increase will be more difficult for its less profitable competitors to absorb.

Amazon, Saudi Arabia Partnership Has Stalled Since Khashoggi's Murder.

In a mores than 3,000-word story, the Washington Post (10/27, Fisher, O'Connell, 14.2M) reports that Amazon and Saudi Arabia "moved aggressively in the past few years toward a $1 billion deal to build Amazon data centers in the desert kingdom." But since the murder of Post journalist Jamal Khashoggi, "the partnership appears to have stalled."

NYTimes Report: Weeks Before Crashes, Boeing Lobbied To Undercut Government Oversight.

The New York Times (10/27, Kitroeff, Gelles, 18.61M) reports that Boeing last year "scored one of its biggest lobbying wins: a law that undercuts the government's role in approving the design of new airplanes." While "the government had been handing over more responsibility to manufacturers as a way to reduce bureaucracy," those paragraphs "cemented the industry's power, allowing manufacturers to challenge regulators over safety disputes and making it difficult for the government to usurp companies' authority." The Times says Boeing "and its allies helped craft the legislation to their liking, shaping the language of the law and overcoming criticism from regulators." Weeks after the law's passage, the Times adds, "a Boeing 737 Max jet crashed off the coast of Indonesia, killing everyone on board. A second Max crashed in Ethiopia less than five months later, and the plane was grounded."

Louis Vuitton Parent Company Bids To Take Over Tiffany.

The Wall Street Journal (10/27, A1, Dummett, Kapner, Subscription Publication, 7.57M) reports that Louis Vuitton parent company LVMH has made a takeover bid of $10 per share for Tiffany and Co.

WSJournal: Amazon Challenging Seattle's Far Left Government.

A Wall Street Journal (10/27, Subscription Publication, 7.57M) editorial says that while Amazon touts its progressive values, after Seattle's progressive City Council imposed a $250 head tax for every employee at any business with $20 million or more in annual revenue, the company is working to elect a more business-friendly council. Amazon has given more than $1.4 million to the PAC run by the Seattle Metropolitan Chamber of Commerce, which has drawn fire from national Democrats. Council member Lorena González, whose seat is not up for reelection this year, plans to introduce a cap on individual contributions, and she wants to ban campaign contributions from companies with foreign shareholders, like Amazon. To the Journal, this is a sign that if they are not defeated, the far left will rig the system to prevent additional challenges.

Ratcliffe: Change In Durham Probe To A Criminal Investigation "Is Not A Coincidence."

The Daily Caller (10/27, Ross) reports Rep. John Ratcliffe (R-TX) told Fox News Sunday Morning Futures Sunday that it "is not a coincidence" US Attorney John Durham's investigation into the origins of the Trump-Russia investigation became a criminal matter as the Justice Department's IG is about to release a report of FBI surveillance abuse against the Trump campaign. Ratcliffe said, "I don't believe in coincidences, and the end of the inspector general's investigation and his impending report coming at the same time as the start of John Durham announcing that this is now a criminal probe is not a coincidence." Ratcliffe added, "John Durham announcing that this is now a criminal matter is a significant development."

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Schiff: Barr Is "Weaponizing" DOJ To Go After Trump's Enemies. Politico (10/27, Levine, 4.29M) reports House Intelligence

Chairman Schiff said on ABC's This Week that the fact that Durham's probe has become a criminal investigation "means that [Attorney General] Bill Barr on the president's behalf is weaponizing the Justice Department, to go after the president's enemies. ... He's demonstrating once again that he is merely a tool of the president, the president's hand, not the representative of the American people."

Pence: Trump's Call With Zelensky Showed No Quid Pro Quo.

Vice President Pence said on CBS' Face The Nation (10/27, 2.65M), "I can only tell you what I know. And what I know is that the transcript of the President's call with President Zelensky shows there was no quid quo pro. He did nothing wrong. ... I can also say in all of my interactions with President Zelensky, we focused entirely on [Ukrainian] President [Volodymyr] Zelensky's agenda to bring about reforms to end corruption in Ukraine and to bring together the European community to provide greater support for Ukraine. President Zelensky said there was no pressure."

Republicans Say Democrats Are Limiting Their Access To Impeachment Documents.

The Washington Times (10/27, Muñoz, Meier, 492K) reports that Republicans with access to the impeachment inquiry "have accused Democrats of strong-arming them behind the scenes and limiting their access to key documents and transcripts, tilting the proceedings against President Trump." According to "GOP sources," Republican members "are allowed to view transcripts only with Democratic committee staffers supervising them in the secure room." Republicans in the hearings "say their ability to participate is hamstrung by committee leaders such as House Intelligence Committee Chairman Adam B. Schiff, California Democrat." The Times adds, "The top lawmakers from all three House committees leading the impeachment inquiry – the intelligence, oversight and foreign affairs panels – have sounded alarms about Democrats skewing the process to edge out Republican members."

Book: Push To Impeach Trump Began Long Before Whistleblower Call.

The Washington Times (10/27, Smith, 492K) prints excerpts from journalist Lee Smith's book, "The Plot Against the President: The True Story of How Congressman Devin Nunes Uncovered the Biggest Political Scandal in U.S. History." The book states that the push to impeach President Trump "began long before the whistleblower's complaint regarding the president's July phone call." It dates back "to former FBI Director James Comey's March 20, 2017, testimony in front of the House Permanent Select Committee on Intelligence." Nunes said, "I thought Comey would be a calming influence. I thought he would answer questions and say, 'OK, we're interviewing a few people, but this is not about the president.' ... Comey leaves the whole world with the impression they were investigating Trump while playing word games that they were only investigating the campaign." The book argues, "In announcing the investigation, Mr. Comey set a trap: if Mr. Trump fired him, he'd become vulnerable to charges of obstructing an ongoing investigation."

Biden Defends Hunter's Work For Burisma, Says Trump Should Release His Tax Returns.

Former Vice President Biden was asked on CBS' 60 Minutes (10/27, 6.84M) about the President's call for an investigation into his son Hunter's work for Burisma. Biden said, "I've never discussed my business or their business, my sons' or daughter's, and I've never discussed them because they know where I have to do my job and that's it and they have to make their own judgments." Biden added that "it turns out he did not do a single thing wrong, as everybody's investigated." Asked about Trump's claims that he and his con are corrupt, Biden said, "Mr. President, release your tax returns. Let's see how straight you are. Okay, old buddy? I put out 21 years of mine. So show us your tax returns, bud. What are you hiding? You wanna deal with corruption? Start to act like it. Release your tax returns or shut up."

Biden: Trump Ad Running On Facebook Is A "Flat Lie." Biden said in the CBS' 60 Minutes (10/27, 6.84M) interview, "Facebook is running, right now, paid advertising by Trump that everybody knows is a flat lie. You know, I'm glad they brought the Russians down. Why don't you bring down the lies that Trump is telling and everybody knows are lies?" Asked if he is concerned that Trump repeating the claims will cause people to believe it, Biden said that "it's coming from a man with no integrity so it helps. No, I sincerely mean it. I never thought I'd talk about a president this way."

Biden Says Trump "Doesn't Want To Do Anything" About Foreign Election Interference. Biden was also asked in the CBS' 60 Minutes (10/27, 6.84M) interview about foreign interference in the 2020 election. Biden said, "I'm very concerned about foreign interference, beyond me. Everybody knows what's going on. Trump not only doesn't wanna do anything about it, he's going out and asking for help. Come help me. Come help me...keep Biden from being the nominee." Asked about Trump's claim that Russian interference is a hoax, Biden said, "He's an idiot in terms of saying that. Everybody knows this. Everybody knows it. Nobody doubts it." Norah O'Donnell added, "In a statement to 60 Minutes, a White House spokesperson said President Trump 'takes election security seriously,' and has 'delivered both offensive sanctions and defensive hardening of our election security.'"

Gans: Bolton Testimony Might Not Provide What Resistance Wants To Hear.

In a piece for Politico Magazine (10/27, 4.24M), John Gans, director of communications and research at the University of Pennsylvania's Perry World House, writes that while "everyone wants to talk to" former national security adviser John Bolton "amid the inquiry into President Donald Trump and his associates' pressure campaign against Ukraine," no one "get too excited about what Bolton will ultimately say. ... A look at his career...suggests his testimony is unlikely to be everything the resistance wants to hear." Bolton "will seek to keep his hands clean

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and stay true to his principles, even if he is participating in something that challenges them." While Bolton "might be willing to undermine a president for pursuing an operation that would appear to violate Bolton's policy preferences and view of the law," he "is unlikely to undermine the presidency – and principles like executive privilege – any more than he has to."

Reeker Says He Raised Alarm About "Shadow Foreign Policy" For Ukraine.

David Wright reported on ABC World News Tonight (10/27, story 6, 2:21, Llamas, 3.6M) that House impeachment investigators this weekend "heard from America's top European diplomat," Philip Reeker, who "reportedly said he and others sounded the alarm about what appeared to be a shadow foreign policy for Ukraine serving the President's political interests, only to be shut down by top officials at the State Department."

Schiff Downplays Graham's Resolution Condemning Impeachment Inquiry.

Politico (10/27, Levine, 4.29M) reports that on Fox News' Sunday Morning Futures, Sen. Lindsey Graham (R-SC) "touted his resolution introduced Thursday that condemns the House impeachment inquiry." Graham said, "Fifty Republicans have told the Nancy Pelosi House Democrats that what you're doing to the president is unfair." However, House intelligence Chairman Schiff "was unfazed by Graham's resolution and instead touted a court decision Friday, in which a federal judge ruled that the Justice Department needed to turn over former Special Counsel Robert Mueller's grand jury evidence to the House Judiciary Committee." Schiff said on ABC's This Week, "I think what we're seeing really is Lindsey Graham trying to respond to the devastating testimony that's come out from Ambassador Taylor, and others."

Sen. Steve Daines (R-MT) said on Fox News Sunday Morning Futures (10/27, 1.29M), "I think there's a telling resolution in the Senate in the last 72 hours led by Lindsey Graham, a resolution condemning the process, that Nancy Pelosi and Adam Schiff are using right now. It does not allow the President to cross-examine accusers, this is being managed through press releases and leaks. We need a full-blown transparent process and lastly, the House hasn't even voted to move forward on this. ... Nancy Pelosi is bypassing that and that really makes the process illegitimate, if it comes to the Senate, bottom line is this, 50 US Senators signed the resolution condemning the process that Nancy Pelosi is using, that's pretty telling because it would take 20 Republican US senators to join to impeach the President."

Lisa Lerer of the New York Times said on CNN's Inside Politics (10/27, 574K), "The maxim in Washington is if you're working on process, you're losing, I'm not sure that quite implies here because I think the impeachment process is confusing and so hard to follow that these kinds of arguments could get traction. But it certainly shows that Republicans at this moment are not operating from their strongest position and you're seeing that from the White House, too."

Catherine Lucey of the Wall Street Journal said on CNN's Inside Politics (10/27, 574K), "What we're hearing from Republicans and allies to the President outside the White House is a frustration with where they are meant to take their argument. So part of the reason that they're focused so much on process is a lot of them don't feel like they're getting clear signals from the White House in how to argue this."

Democrats Defend Impeachment Inquiry. Rep. Hakeem Jeffries (D-NY) said on NBC's Meet the Press (10/27, 1.58M), "Speaker Pelosi is doing a phenomenal job. We made clear we are going to continue to proceed in a serious and solemn fashion to undertake our constitutional responsibility. We're going to follow the facts. We're going to apply the law, be guided by the constitution, present the truth to the American people no matter where that leads because nobody is above the law. Chairman Adam Schiff will make the ultimate decision from the committee standpoint in terms of when we transition from the accumulation of information which has been coming in, in a rapid way, to the public presentation and we'll see when that occurs."

Rep. Eric Swalwell (D-CA), on Fox News Sunday (10/27, 108K), said, "We are meticulously moving through and this happened last month. ... Nearly 50 Republicans are invited to participate, they get equal time to ask questions and unlimited time to ask questions but you would be shocked about how few of them actually show up and participate."

Rivkin, Foley: Impeachment Inquiry Seeks To Undermine Election Process. In an op-ed for the Wall Street Journal (10/25, Subscription Publication, 7.57M), David B. Rivkin Jr., who served at the Justice Department and the White House Counsel's Office during the Reagan and George H.W. Bush Administrations, and Elizabeth Price Foley, a professor of constitutional law at Florida International University College of Law, argue that the House impeachment inquiry is an unfair attempt to overturn the 2016 election that must be rejected. They write that if the President's policies are objectionable, the people, not Congress, are responsible for removing him.

Klobuchar: Whistleblower's Testimony Would Be "Good" But Not "Necessary."

Democratic presidential candidate Sen. Amy Klobuchar (D-MN) said on CBS' Face The Nation (10/27, 1.7M), "I think it would be good to have the whistleblower testify. I don't know that it is necessary that the whistleblower testify, because we have people like Ambassador Taylor that have come forward with firsthand knowledge. The whistleblower was simply reporting on something he had heard from others. I think what's most important is to keep getting the testimony of people that were actually there on the scene."

NYTimes Analysis: Impeachment Inquiry Faces Test As It Moves Closer To Trump.

The New York Times (10/27, Fandos, Schmidt, 18.61M) reports in an analysis that House impeachment investigators are moving toward "new White House barriers meant to block crucial testimony and evidence from the people who are closest to President Trump – obstacles that could soon test the limits of Democrats' fact finding a month into their inquiry." Investigators are "trying to secure cooperation from higher-

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ranking advisers who can offer more direct accounts of Mr. Trump's actions but are also more easily shielded from Congress." Democrats are likely to face one such roadblock Monday "when one of Mr. Trump's closest advisers is expected to defy a subpoena as he awaits a federal court to determine whether he can speak with impeachment investigators." Legal experts and lawmakers say "others could soon follow...forcing Democratic leaders toward a consequential choice: Try to force cooperation through the courts or move on to begin making an argument for impeachment in public."

Some Called For Roberts To Recuse Himself From Presiding Over Trump Impeachment Trial.

The Washington Times (10/27, Swoyer, 492K) reports that chief Justice John Roberts, who has "clashed" with the President "over the perceived political bias of the federal courts," would preside over an impeachment trial in the Senate. President Trump "would have to count on him for a fair hearing when the fate of his presidency hangs in the balance." That prospect "has caused rumblings in Washington that the chief justice should recuse himself." According to Josh Blackman, a professor at South Texas College of Law, if Roberts were to decide not to preside over a Senate impeachment trial, the most senior justice, Justice Clarence Thomas, would step in.

Liberal Fox Contributor Hahn: Trump Won't Run For Reelection Because Of Impeachment.

The Washington Examiner (10/27, Brest, 448K) reports, "Fox News contributor Christopher Hahn predicted that President Trump will not run for reelection in 2020." Hahn, "a lawyer who is one of the network's most frequent liberal guests, told the Washington Examiner on Saturday that he believes the 'most likely' outcome is that the Senate will advise Trump not to run for reelection based on accusations of quid pro quo."

Biden Would Repeal Trump Tax Cuts For Those Making More Than $400K.

Former Vice President Biden was asked in an interview on CBS' 60 Minutes (10/27, 6.84M) about his call to repeal President Trump's tax cuts. Biden said, "Trump gave the middle class a tax cut that was negligible. The fact is that what we should be doing is making sure that the wealthy pay their fair share." Asked, "What's wealthy," Biden said, "Making over $400,000 a year, and those tax cuts will be repealed. And people making between $250,000 and $400,000...their tax rate would increase. But here's the deal. What the middle class people really care about is can they afford education. Can they afford their healthcare. I would take the money and I'd pay for the health care proposal I put forward. I'd pay for education. So there's a whole range of things that go directly to affect middle class people."

WSJournal: Report Shows No Corruption In Air Force's Use Of Trump Turnberry.

A Wall Street Journal (10/27, Subscription Publication, 7.57M) editorial says the Air Force's official review of crews' overnight stays at the Trump Turnberry golf resort in Scotland shows that there was no corruption involved in the decision to use the facility. The Journal argues that the President's critics, who painted the matter as a violation of the Emoluments Clause, owe him an apology.

O'Brien Discusses New Role As National Security Adviser.

National Security Adviser Robert O'Brien, on NBC's Meet the Press (10/27, 2.88M), discussed his new role within the Administration. Said O'Brien, "It's the President's agenda we're going to implement. I didn't come to this job as national security adviser with my own agenda, others may have in the past. My best job is to get the best from the IC, the Treasury Department and give those options to the President. The President has a chance to look at those option and make the best decisions for the American people. If he asks my advice, I'll give it to him. ... Look, it's not my job to say no to him. ... I wasn't elected President. It's my job to make sure he gets the very best options and advice from his cabinet secretaries and other advisers."

Biden: Medicare For All Will Raise Middle Class Taxes.

Former Vice President Biden said in an interview with CBS' 60 Minutes (10/27, 6.84M), "Let's talk about Medicare For All. Do you think there's been any truth in advertising on that? It's gonna raise taxes on middle class people, not just wealthy people."

Leonhardt: Next Democratic President Shouldn't Exhaust Political Capital On Healthcare Reform.

In his New York Times (10/27, Leonhardt, 18.61M) column, David Leonhardt writes that the next Democratic president will have a limited amount of political capital upon entering office and, realistically, "they have to pick one or two sweeping bills to try to push through Congress in their first year." Leonhardt says healthcare reform should not be Democrats' top priority, arguing that addressing climate change and electoral reform, such as expanding voting rights, are more crucial issues. Unfortunately, he says these issues "are being pushed to the margins in the 2020 campaign, while media attention has focused obsessively on Medicare."

Law Professor: High Court Should Resolve DACA Case On Narrow Grounds.

In an op-ed for the New York Times (10/27, 18.61M), Benjamin Eidelson, an assistant professor at Harvard Law School and co-counsel for challengers to the DACA rescission in the Supreme Court, writes that when the Supreme Court considers President Trump's decision to end the DACA policy, the justices could resolve the case "on narrow grounds," and "steer clear of the political fray and their own jurisprudential

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divisions. Such a ruling would leave DACA in place for now, but leave the policy's ultimate fate to the political process – reaffirming the vital distinction between law and politics."

Chinese Speculators Treating High-End Sneakers Like Financial Derivatives.

The Wall Street Journal (10/27, A1, Xie, Wernau, Subscription Publication, 7.57M) reports in a front-page story on the Chinese market for high-end sneakers. According to the Journal, Chinese trading platforms are flooded with the product and speculators are treating them like financial derivatives.

Shooter Kills Two, Injures A Dozen At A&M Commerce Homecoming Party.

ABC World News Tonight (10/27, story 5, 1:41, Moore, 3.6M) reported on the "urgent manhunt underway in Texas," where "authorities say a single shooter stormed into a packed party to celebrate the Texas A&M Commerce homecoming, killing two, and injuring a dozen others." NBC Nightly News (10/27, story 7, 2:10, Chesky, 3.05M) indicated "police say it was close to midnight when that gunman walked into the back of the building, pulled out a hand gun and opened fire, sending more than 700 people running for their lives."

The Dallas Morning News (10/27, Branham, 946K) reports "authorities said they were looking for a single gunman but hadn't identified a suspect or received a detailed description of the person from witnesses." The Morning News adds "the party, which had been promoted as a homecoming event but wasn't school-sanctioned, was attended by about 750 people, mostly in their teens and early 20s." The Austin (TX) American Statesman (10/27, Moreno-Lozano, Subscription Publication, 343K) indicates Hunt County Sheriff Randy Meeks said yesterday that "of the 14 injured, 12 suffered gunshot wounds," and "'four or five' of those who are injured are students at Texas A&M University-Commerce." The Washington Post (10/27, Shammas, 14.2M) says "four people remain in critical condition."

The CBS Weekend News (10/27, story 6, 2:01, Villarreal, 1.67M) reported, "Dramatic cell phone video shows the aftermath of a mass shooting," with "wounded party goers laid out on the floor as others desperately tried to help them."

Thousands Hold Vigil To Remember Tree Of Life Shooting Victims.

The CBS Weekend News (10/27, story 7, 0:22, Quijano, 1.67M) reported that last night, "thousands gathered at a vigil in Pittsburgh to remember the victims of the deadliest anti-Semitic attack in US history. It was a year ago today that a gunman killed 11 people and wounded seven others at the Tree of Life synagogue. The building remains closed, but the congregation's rabbi vowed it will reopen. If not, he said, evil wins."

The Pittsburgh Tribune-Review (10/27, Guza, 380K) also reports "a packed Soldiers and Sailors Memorial Hall wept as one as family, congregants and strangers came together to remember the 11 worshippers killed in the Tree of Life building one year ago." The Tribune-Review adds "family members lit 11 tall, white candles – 11 burning reminders symbolizing their loved ones. Hundreds of people attended the memorial, lining up for hours before the service at 5 p.m." The Pittsburgh Post-Gazette (10/27, Smith, 616K) says "those at the prayer service were just some of the steady stream of crowds that filed by the site all day, from the group of children from the Islamic Center of Pittsburgh who paid their respects in the morning to the scores of people who left flowers and other mementos, or stopped to contemplate the display of artwork facing the building, many of them created by students from other datelines of gun violence such as Parkland, Fla.; Newtown, Conn.; and Littleton, Colo."

New York City Agency Accused Of Abusing Impoverished Clients.

In an op-ed for the New York Times (10/27, 18.61M), Mara Gay, a member of the Times editorial board, and Emma Goldberg is a researcher for the editorial board, condemn what they describe as abuse of impoverished New York City residents by employees of the city's Human Resources Administration, including acts of violence by security officers and by private guards hired by the agency. They argue that "the treatment endured by those who seek help at New York's welfare offices cries out for a new approach. It demands urgent, focused attention by the mayor to stop an alarming pattern of abuse against people living in poverty."

Klobuchar Plans To Offer Free Two-Year, Technical School Education.

Democratic presidential candidate Sen. Amy Klobuchar (D-MN), on CBS' Face The Nation (10/27, 1.7M), discussed her plan to offer free two-year college and technical school education, saying, "These are the fastest-rising degrees right now in terms of the number of jobs we're going to have. 74,000 openings for electricians. Nearly that many for plumbers, for medical tech people, for home-care workers. ... My education plan costs approximately $500 billion. I would pay for it by taking the capital gains rate, which has been a ripoff for average Americans, and changing that to the personal income rate. I have shown how I'm going to pay for it, because I think we have a President that has added up debt, trillions of dollars, hasn't shown. I want to make college more affordable, double the programs and do this in a smart way instead of paying for rich kids to go to college, which is sadly what my opponents plans do."

DC Crowd Boos Trump At Game 5 Of World Series.

USA Today (10/27, Joseph, 10.31M) reports the President "attended Sunday's Game 5 of the World Series at Nationals Park, but he wasn't the recipient of a warm welcome. Not even close." Trump, "who did not arrive in time for the national anthem or first pitch, was shown on the

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videoboard ahead of the fourth inning during a Salute to Veterans in-game segment," and "the crowd immediately responded by booing Trump loudly." Moreover, "the crowd continued into a 'lock him up' chant."

The AP (10/27, Madhani) points out Trump's appearance "came at a high-profile moment of his presidency," but "he still drew loud boos and jeers when introduced to the crowd" – though he "appeared unfazed and continued waving." The Washington Post (10/27, Judkis, Dawsey, 14.2M) also reports "the president appeared unmoved, waving to fans and soon moving to chat with House Minority Leader Kevin McCarthy in his luxury box along the third base line." Politico (10/27, Dugyala, 4.29M) recounts Trump "and first lady Melania Trump took their seats alongside several lawmakers, including Sen. Lindsey Graham, Rep. Matt Gaetz and Rep. Kevin McCarthy."

Nat's Owners Asked MLB Not To Sit With Trumps. WUSA-TV Washington (10/27, Wise, 98K) reports it "has learned that the family who owns the Washington Nationals, the Lerners, asked Major League Baseball that they not be put in a position to respond to any requests that...Trump sit with them during Game 5 of the World Series." WUSA added that "a representative of the Lerner family, the principal owners of the Nationals, had a special request of the MLB last week: that they had no desire to be put in a position of turning down a request from the White House for...Trump to sit with Theodore Lerner, 94, the family patriarch, or any other member of the ownership group, a person familiar with the family's thinking told WUSA9 on condition of anonymity."

California Governor Declares Statewide Emergency Over Wildfires, Orders Mass Evacuations.

The Washington Post (10/27, Teague, Donosky, Hawkins, Epstein, 14.2M) reports "California's governor declared a statewide emergency Sunday as wind-fueled fires spread across Sonoma County and prompted mass evacuations." Gov. Gavin Newsom (D) "pledged to deploy 'every resource available' as authorities fought blazes on both ends of the state and weather conditions threatened to exacerbate fire threats." The AP (10/27, Chea, Nguyen) says "the biggest evacuation was in Sonoma County where 180,000 people were told to pack up and leave," where "Sheriff Mark Essick pleaded with residents in the evacuation zone that stretched from the wine country to Bodega Bay on the coast to get out immediately, citing the 24 lives lost when fire swept through the region in October 2017."

ABC World News Tonight (10/27, story 3, 2:39, Llamas, 3.6M) reported "power has already been cut off to nearly one million customers, and there are warnings of even more cuts in the week ahead?" ABC (Reeve) added that "power is cut to prevent lines from sparking or anything else that might cause a fire. ... On the front lines, reports of firefighters battling hurricane force winds. Major threats to neighborhoods...and the whole region." NBC Nightly News (10/27, story 4, 3:03, Brock, 3.05M) reported "more than 3,000 firefighters are battling to keep the flames from spreading southwest near heavily populated areas near the Pacific Ocean, trying to protect more lives and property from the wrath of the Kincade Fire, far from over." NBC Nightly News (10/27, story 5, 1:59, Harmon, 3.05M) also reported "officials are issuing new advisories for parts of Napa, telling people be ready to go at a moment's notice. ... A situation like this is a nightmare for everyone."

The CBS Weekend News (10/27, story 3, 1:44, Shamlian, 1.67M) also reported "conditions remain very dangerous," and the CBS Weekend News (10/27, story 4, 1:07, Vigliotti, 1.67M) that "there is an emerging housing crisis here in Marin County as thousands of people struggle to find a place to ride out this firestorm." The Wall Street Journal (10/27, A1, Carlton, Kusisto, Subscription Publication, 7.57M), among other news outlets, also reports the story.

Amid Calls To Turn PG&E Into Public Utility, Newsom Calls On Warren Buffett To Make Bid. The Sacramento (CA) Bee (10/27, Wiley, Kasler, 567K) reports "calls to transition the troubled Pacific Gas and Electric Co. into a public utility intensified Sunday, as nearly 1 million customers lost power throughout California and the Kincade Fire blazed through Sonoma County." The Bee adds "a day earlier, Gov. Gavin Newsom told Bloomberg he would encourage Warren Buffett's Berkshire Hathaway to make a bid for PG&E," saying, "We would love to see that interest materialize, in a more proactive, public effort." Newsom "has issued relentless criticism of the utility in recent weeks, blasting PG&E for decades of what he said is failed leadership. The mismanagement has led to blackouts that disadvantage and, at times, put California customers in peril, Newsom said."

Gas Prices In California About $1.50 Per Gallon Higher Than National Average.

The CBS Weekend News (10/27, story 9, 1:49, Quijano, 1.67M) reported "California drivers are feeling real pain at the pump," as they "are paying about $1.50 a gallon more than the national average. The governor has ordered an investigation." CBS (Evans) showed Gov. Gavin Newsom (D) saying, "I believe something is happening to manipulate those prices. But I cannot prove that." CBS added that "in California, drivers pay $4.07 a gallon, in Montana $2.71. After subtracting the cost of environmentally regulated gasoline blends and the highest gas taxes in the country, California consumers are still paying about 33 cents more." At any rate, "Californians voted for many of the environmental regulations that led to high gas prices," but "just the threat of an investigation may be enough to bring them down a little."

"Rising Democratic Star" Hill Announces Resignation Over Sex Scandal.

Steve Hilton said on Fox News' The Next Revolution (10/27) last night that Rep. Katie Hill (D-CA) has announced "she will resign from Congress amid allegations of inappropriate relationships with staffers." Hilton called Hill's resignation "a blow to Democrats." Hill had taken to Twitter to write, "It is with a broken heart that today I announce my resignation from Congress. This is the hardest thing I have ever had to do, but I believe it is the best thing for my constituents, my community, and our country." The AP (10/27, Kellman, 2.13M) calls Hill "a rising Democratic star in the House" and the New York Times (10/27, Cochrane, 18.61M) "a rising star in the caucus," while the Ventura County

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(CA) Star (10/27, Culver, 174K) recounts that "in 2018, she edged out two-term Republican incumbent Steve Knight to take the hotly contested seat."

The Washington Post (10/27, Lee, 14.2M) reports "Hill's spokeswoman said that the resignation is not immediate and that Hill is still deciding on when she will leave office." Politico (10/27, Claygle, Bresnahan, Cheney, 4.29M), which broke the story of Hill's resignation, says "multiple people with knowledge of her plans said she could step aside as soon as Nov. 1." Hill "was a prominent figure in the historic Democratic freshman class, and her resignation was a blow to the colleagues who defended her as the 10-day episode unfolded." Speaker Pelosi, "who has taken a hard line in sexual harassment cases, said in a statement that Hill had made the right decision in stepping down." Said Pelosi, "[Hill] has acknowledged errors in judgment that made her continued service as a member untenable. ... We must ensure a climate of integrity and dignity in the Congress, and in all workplaces."

Hill, says the Washington Examiner (10/27, Becker, 448K), "is the first female member of Congress to resign from office over a sex scandal, a move that several male lawmakers have made throughout US history." The Santa Clarita Valley (CA) Signal (10/27, Staff, 11K) reports that "reached by phone Sunday afternoon," Hill had "said she wasn't planning to resign at the beginning of the leaks of personal pictures and texts, but it became clear there were 'hundreds of pictures and texts' that were being threatened to leak." Said Hill, "They've made it clear that this is their purpose – to force me to resign, and I want to make sure I can do it in a way that allows me to do it with some shred of dignity and allow me to continue to work in my community." Hill also "said the incident left her terrified for future women who might want to run for office."

The San Diego Union-Tribune (10/27, Wire, 755K) says "the resignation marks a dramatic fall for Hill, who was elected to Congress as part of the 'blue wave' that allowed Democrats to take the House in 2018." Hill "had been a regular presence on cable news shows and was chosen by her fellow freshmen as their representative to the House leadership." That "gave her a seat at the table with House Speaker Nancy Pelosi (D-San Francisco) and some of the biggest names in the national party."

CNN (10/27, Leblanc, Lah, Byrd, 83.16M) reports it "chronicled Hill's campaign as part of a 'Year of the Woman 2018' political series," and that "in multiple interviews, Hill gave CNN access to her campaign office, events and her extended family." Hill "proudly talked about her bisexual identity, pledging she'd be a voice for the LGBTQ+ community in Washington." Hill told CNN in November, "I've made it very clear through this campaign that I'm not playing by the rules that have been laid out previously."

BuzzFeed News (10/27, Nocera, Goba) reports "the conservative website Redstate published text messages and photos indicating that Hill had been in a consensual sexual relationship with a female staffer on campaign, and that she was also involved with a male staffer in her congressional office." Hill, who is "openly bisexual, admitted and apologized for having a relationship with the female staffer, but denied any improper relationship with the male staffer." Hill "said those claims came from her ex-husband, who she is divorcing. In her resignation, Hill called her ex-husband 'abusive.'" Rolling Stone (10/27, Wade, 12.8M), New York Post (10/27, Schultz, Garger, 4.57M) and Wall Street Journal (10/27, Rubin, Subscription Publication, 7.57M), among other news outlets, also report the story.

LATimes Columnist: Hill Should Not Have Resigned. In a column for the Los Angeles Times (10/27, 4.64M), Robin Abcarian writes, "I really wish...Hill had not resigned. ... Should we have expected more from her? Yes," but "she has done nothing – that we know of at least – that should have led her to step down. ... I think Hill, to her credit, is taking one for the party." Adds Abcarian, "Unlike Republicans, who can pay off porn stars, proudly boast of sexual assault and still maintain their standing with voters."

NYPost's Devine: Hill Saga "Exposed Left's #MeToo Hypocrisy." Under the headline "Katie Hill Scandal Exposed The Left's #MeToo Hypocrisy," Miranda Devine writes in the New York Post (10/27, 4.57M) that "by claiming that Hill was the victim of a political smear, she and her supporters showed no concern for the vulnerable 22-year-old who was preyed upon by her boss and who now, two years later, is bereft, abandoned and a self-described 'mess.'" Devine adds that "the same people who demonize males for far less gave Hill a free pass for her egregious abuse of power."

Trump 2016 Campaign Adviser: Democrats Will Again Win Popular Vote, But Lose Election.

The Washington Examiner (10/27, Brest, 448K) reports Trump 2016 campaign senior adviser David Urban believes President Trump could lose the 2020 popular vote "by millions." Urban doubts any Democrat can get the necessary electoral college votes to defeat Trump. Urban told the Examiner, "I'm not worried about any particular candidate, because I think as long as the Democratic Party espouses the views that, 'We're going to take your gun, we're going to eliminate the border'...the president will get reelected."

Tlaib Endorses Bernie Sanders For President.

The Detroit News (10/27, Mauger, 825K) reports Rep. Rashida Tlaib (D-MI) "on Sunday endorsed Bernie Sanders for the Democratic presidential nomination, joining two other members of the progressive group known as the 'squad' in backing the Vermont senator." The News adds that "echoing a Sanders' catchphrase about his Medicare for All legislation," Tlaib said yesterday, "We deserve someone who writes the damn bill. ... We deserve Bernie Sanders." The Sanders campaign "released a video Sunday in which Tlaib explained her endorsement," which showed her saying, "He's not going to sell us out. ... He understands that it's just not about policies and about words, but it's going to be also about completely transforming the structures in place that are hurting American people." The News also reports that "two other members of the progressive 'squad,' US Rep. Ilhan Omar of Minnesota and US. Rep. Alexandria Ocasio-Cortez of New York, had previously endorsed Sanders."

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Biden Says Obama Will Campaign For Him When He's The Nominee.

Former Vice President Biden was asked in an interview with CBS' 60 Minutes (10/27, 6.84M) why he should be elected President. Biden said, "Well, because I think, as I said we need somebody who, on day one, knows exactly what to do. Can command the world stage. No one wonders whether I know a great deal about these issues and foreign policy and domestic policy. They're things I've done." Asked about criticism that he is "offering essentially four more years of a Obama-like Administration," Biden said, "Well, let me tell you something, I-- I love the fact that, all of a sudden, the Democratic party doesn't think Obama was that great a president. I-- I find that fascinating." Asked why Obama has not endorsed him, Biden said, "Because I have to own-- I wanna earn this on my own. ... I have no doubt when I'm the nominee he'll be out on the campaign trail for me."

NYTimes Analysis: Buttigieg's Sexuality Complicates Pitch To Black Voters.

The New York Times (10/27, Gabriel, 18.61M) reports that as South Bend Mayor Pete Buttigieg (D) "increasingly presents himself to Democrats as a younger, moderate alternative to former Vice President Joseph R. Biden Jr., he is struggling badly to compete against one of Mr. Biden's strengths: deep connections to black voters." Buttigieg struggles with black voters for many reasons, but an internal campaign memo last week suggested that, according to black voters in focus groups, "being gay was a barrier" for him. Black Democratic party officials in South Carolina "largely said that Mr. Buttigieg's sexuality was not a concern to them, while voters expressed more divergent views." Most party leaders and voters agree "that being a married gay man would cause some discomfort with religious or conservative black Democrats."

Buttigieg Targets Moderates, Republicans In Suburban Iowa. The Washington Times (10/27, McLaughlin, 492K) reports Buttigieg has opened a campaign office in Dallas County, Iowa, a move that is "emblematic of the surging...mayor's strategy to engage voters – including disenfranchised Republicans and independents – who tend to get less attention than those living in the more urban bastions of liberal activism that traditionally serve as the biggest battlegrounds in the Iowa caucuses." Pollster John Couvillon said, "While a lot of the Democrats are fighting over the progressive wing, the moderate wing has not been much fought over and that is what I think Buttigieg is trying to do, and Dallas County is ground zero for that effort." According to the Times, Dallas County is "emblematic of the suburbs across the country that used to be reliably Republican, but would up powering the Democratic takeover of the U.S. House in the 2018 midterm elections."

Husbands Of Democratic Hopefuls Consider Public, Private Campaign Roles.

The Wall Street Journal (10/27, Parti, Thomas, Subscription Publication, 7.57M) reports on how husbands of Democratic presidential candidates are supporting their spouses' campaign. Some husbands appear to be more visible on the trail; Chasten Buttigieg has helped his husband Pete headline high-dollar fundraisers. Others take on a low-key rule. For example, Bruce Mann, Sen. Elizabeth Warren's (D-CA) husband, is still teaching full-time at Harvard Law and has said he does not consider himself a policy adviser.

Conyers Passes Away At Age 90.

The Detroit News (10/27, Burke, 825K) reports "John Conyers Jr., a Korean War veteran who was the longest serving African-American member of Congress in US history, died Sunday at age 90, Detroit police have confirmed." Conyers was "a founding member of the Congressional Black Caucus in 1969, which promotes the legislative concerns of black and minority communities," but "his legacy was clouded by allegations that he sexually harassed or mistreated several female staffers – complaints that prompted his resignation in December 2017." The Detroit Free Press (10/27, Gray, Spangler, 1.52M) also indicates Conyers' career "ended in 2018 with a sudden resignation amidst claims of sexual harassment and verbal abuse of employees and misuse of taxpayer funds to cover-up those claims." However, his "tenure was a remarkable 53-year-run during which the lawmaker, the son of a well-known labor lawyer in Detroit, compiled a near-record legacy of civil rights activism, longevity and advocacy for the poor and underprivileged."

NBC Nightly News (10/27, story 6, 0:25, Snow, 3.05M) reported Conyers "served more than 50 years before stepping down in 2017, amid multiple allegations of sexual harassment, charges he denied." The CBS Weekend News (10/27, story 8, 0:15, Quijano, 1.67M) also mentioned the scandal in a brief report on Conyers' passing.

Axios (10/27, Axios, 521K) indicates "Conyers entered Congress in 1965 during the presidency of Lyndon B. Johnson and served the Detroit area for more than five decades, becoming the longest-serving African American member of Congress in history." NPR (10/27, Wamsley, 3.12M) recounts that "famed civil rights activist Rosa Parks worked in his Detroit office from 1965 until she retired in 1988." The Washington Post (10/27, Otis, 14.2M), CNN (10/27, Henderson, Leblanc, 83.16M) and Fox News (10/27, Re, 27.59M), among other news outlets, also report the story.

WPost: GOP Embracing "Voter Suppression As A Strategy For Party Survival."

The Washington Post (10/27, 14.2M) editorializes that "mobile polling places that popped up on college campuses and other population-dense areas were 'the most effective program we had,' Dana DeBeauvoir, the chief elections official in Travis County, Tex., told the New York Times. That would explain why Texas Republicans shut them down." As a result, "as Texans head to the polls, it will be substantially harder for college students to vote." Republicans "throughout the country have embraced voter suppression as a strategy for political survival, and this is one more sad example." The Post adds the GOP "should stake its future on offering policies and candidates that can attract voters – not on

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keeping potential voters away from the polls."

WPost: Democratic Wins This Year To Decide Whether "The Center In Virginia Will Hold."

The Washington Post (10/27, 14.2M) editorializes that "Virginia is a politically moderate state whose recent tilt toward Democrats – no Republican has won a statewide race in a decade – owes as much to the GOP's accelerating estrangement from centrist politics as to the growing diversity of the Old Dominion's electorate." The Post goes on to deride the positions of several GOP candidates, which it deems extreme, and concludes "voters will determine the composition of the state legislature Nov. 5 and decide whether the center in Virginia will hold."

McKeon, Schaerr: Patriot Act's Section 215 Must Be Amended.

In an op-ed for the Wall Street Journal (10/27, Subscription Publication, 7.57M), former Rep. Buck McKeon (R-CA) and Gene Schaerr, a former associate counsel to President George H.W. Bush, write that the interpretation of Section 215 of the Patriot Act by the FBI and other security agencies poses a threat to Americans' constitutional rights. They argue that the section should be amended before it is reauthorized in order to protect Americans' privacy and constitutional rights while keeping the nation safe.

RCP Average Has Trump's Job Approval At 41.6%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 41.6%, and his disapproval at 55%. The President's job approval and disapproval are unchanged since yesterday.

A Rasmussen poll of 1,500 "likely voters" (10/22-10/24) finds Trump's approval at 43%, with 56% disapproving.

Financial International News

Peronistas Appear Poised To Regain Argentinean Presidency.

The AP (10/27) reports from Buenos Aires that "official early results show Peronist presidential candidate Alberto Fernández leading Argentine election." The Washington Post (10/27, Lacunza, 14.2M) reports "several South American countries have erupted in violent protest over the question of fiscal austerity versus government largesse. On Sunday, Argentina put it to a vote," as voters "hit the polls to elect a president" with a "stark" choice: "Stick with the austerity program of President Mauricio Macri, a businessman who has failed to deliver on promises of growth, or return to the social spending of the Peronista ticket of...Fernández and Cristina Fernández de Kirchner, a former president and current senator who faces nearly a dozen separate corruption cases." Macri "took office in December 2015 promising pro-market reforms that he said would bring immediate and solid economic growth for 20 years.:" However, "at the end of his four-year term, poverty has increased by some 10 percentage points, annual inflation is over 50 percent and the public debt is equal to 100 percent of GDP, on the verge of default." Reuters (10/25, Jones, Strohecker, Campos, Burin), the Financial Times (10/27, Mander, Subscription Publication, 1.34M), CNBC (10/26, Imbert, 3.62M), and TIME (10/25, Nugent, 18.47M) also reported on this story.

IMF Managing Director Applauds Trump's Use Of Tax Cuts To Spur Growth.

Axios (10/27, Salmon, 521K) reports that in an interview with Axios on HBO , IMF Managing Director Kristalina Georgieva applauded the Trump Administration's "bravery to use a tax reform to spur more growth." Axios adds that Georgieva "vowed that she would be able to persuade the U.S. to commit more money to the fund during the course of her five-year term." She said, "I will get my quota increase."

ECB Will Restart Bond Purchases Oct 30, Stop Before Christmas.

Reuters (10/25, Koranyi) reported the ECB "will restart its bond purchase scheme on Oct 30, with first settlements due on Nov 1, it said in a market message on Friday." The bank "added that it would temporarily halt purchases between Dec 19 and Jan 1 in anticipation of significantly lower market liquidity toward the end of the year."

Leading International News

Biden Questions Kushner's Credentials To Negotiate Middle East Peace.

Former Vice President Joe Biden was asked in an interview with CBS' 60 Minutes (10/27, 6.84M) if he believes Jared Kushner should be negotiating a Middle East peace solution. Biden said, "No, I don't. I don't. What credentials does he bring to that?"

Hong Kong Police Fire Tear Gas To Clear Protesters.

Reuters (10/27, Geddie, Westbrook) reports Hong Kong protesters "set fire to shops and hurled petrol bombs on Sunday, police said, after riot police fired tear gas, water cannon and rubber bullets to disperse thousands." Police "detained some protesters as they gathered in a rally that had not received official permission."

Amid Protests And US-China Trade War, Hong Kong Banks Face Downturn. The Wall Street Journal (10/27, Yoon, Chiu, Subscription Publication, 7.57M) reports that while Hong Kong for years has been a top global banking market, Hong Kong's economy is now shrinking amid the US-China trade war and months of protests.

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Far-Right Beats Merkel's CDU In Regional Election.

Reuters (10/26, Carrel, Hummel) reports "the far-right Alternative for Germany (AfD) beat Chancellor Angela Merkel's conservatives into third place in Sunday's regional election in the eastern state of Thuringia, in which the incumbent far-left Linke came first, an exit poll showed." Reuters adds "the result follows the AfD's successes in the eastern states of Saxony and Brandenburg, where it surged into second place in Sept. 1 elections, and marks a setback for Merkel's Christian Democrats (CDU)."

WPost Criticizes Cambodia's "Authoritarian Prime Minister."

The Washington Post (10/27, 14.2M) writes in an editorial, "Hun Sen, the authoritarian prime minister of Cambodia, is worried, and is using every trick in the book to threaten Sam Rainsy of the banned opposition Cambodia National Rescue Party, who plans to return to Cambodia from exile on Nov. 9." While "Hun Sen dominates parliament and politics," he "still shows signs of insecurity over the return of Mr. Rainsy, an exponent of democracy, returning for the first time in four years." The Post adds that "not surprisingly, the prime minister would also prefer to be unbothered by independent journalism," with an ongoing "trial of two journalists has moved from being unjust to being just farce."

Housing

Freddie Mac's Mortgage Portfolio Grew An Annualized 10.7% In September.

Mortgage News Daily (10/25, Swanson) says, "Freddie Mac reported this week that its total mortgage portfolio increased at an annualized rate of 10.7 percent in September, down from 12.9 percent the previous month. The portfolio balance at the end of the period was $2.295 trillion compared to $2.275 trillion at the end of August and $2.149 trillion a year earlier." According to MND, "Single-family refinance loan purchase and guarantee volume was $22.2 billion in August, up from $21.7 billion in August and representing a 48 percent share of total single-family mortgage portfolio purchases and issuances compared to 42 percent the previous month." Freddie Mac's single-family delinquency rate held steady "at 0.61 percent for the third straight month." Its multifamily delinquency rate "was 0.04 percent, the same as in August. The rate a year earlier was 0.01 percent."

NCSHA: Modifications To GSEs' Duty-To-Serve Plans Would "Substantially Scale Back" Purchase Targets For Some Products.

According to The National Council of State Housing Agencies (10/25), the FHFA on Thursday "released a Request for Information (RFI) seeking public input on several changes Fannie Mae and Freddie Mac have proposed to their respective Underserved Market Plans for years 2018-2020. A number of the proposed modifications would reduce or eliminate the firms' loan purchase targets in several areas, including rural housing, manufactured housing, and shared equity loans." The NCSHA says, "Many of the proposed modifications from Fannie Mae and Freddie Mac would substantially scale back the GSEs' original loan purchase targets for 2019 and 2020 for certain programs and products."

Commentary Advises Condo Buyers About Making Informed Purchases.

Carla Fried writes for the Boston Herald (10/25, 410K)to advise readers seeking to buy a condominium to research the neighborhoods and neighbors where they are looking. Fried warns that while condos have a lower price point that makes them attractive to buyers, "the condo price advantage is on the wane in many markets." Fried also urges buyers to consider how requirements for conventional and FHA-insured mortgages impact occupancy rates, adding that if buyers "want a standard mortgage, Fannie Mae, Freddie Mac and FHA typically require that no more than 35% of the square footage of the project be for commercial space."

Sales In Southwest Michigan Housing Market Fall, Data Show.

The St. Joseph (MI) Herald Palladium (10/25, Wittkowski, 41K) reports home sales in Southwest Michigan dropped 12 percent in September when compared to August rates, according to Alan Jeffries, Association Executive of Southwestern Michigan Association of Realtors. Compared to September 2018, "the number of houses sold slipped 3 percent, to 348 from 360 houses," which Jeffries "said...was the lowest number of homes sold in the month of September since 2015." Locally, the mortgage rate rose from 3.69 in August to 3.78; and nationwide, "the Freddie Mac mortgage rate in September rose to 3.65 from 3.58 in August for a 30-year conventional mortgage."

Fannie, Freddie's Role In Mortgage Interest Rates Highlighted.

Contributor Tara Mastroeni writes for Forbes (10/25, 9.71M) to discuss the factors contributing to mortgage interest rates, spotlighting how lenders sell debt to mortgage aggregators, including Fannie Mae and Freddie Mac, which take "mortgage debt, bundle it with other debts, and repackage it into what's known as mortgage-backed securities."

National General Lender Services EVP: GSEs Are Holding Servicers To "Increasing Levels Of Accountability."

DS News (10/25, Albanese) interviewed National General Lender Services EVP Jody Gunderson about the state of servicing and how data can be used to benefit both borrowers and lenders. Asked how the GSEs' servicer obligations have evolved over the years, Gunderson

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responded, "Servicers continue to be held to increasing levels of accountability by the GSEs. Specifically, they are required to maintain higher levels of vendor oversight, as servicers are held accountable for their actions of their service providers. The increasing capacity of technology allows National General to make the necessary updates to quickly update business rules to meet the ever-changing requirements of the GSEs and private investors. We also partner closely with our clients' vendor management teams and provide transparent reporting that is required for their GSE and other regulatory audits."

DOJ Responds To NAR's Motion To Dismiss Antitrust Cases.

DS News (10/25, Welborn) reports the Department of Justice "has responded to the National Association of Realtor's (NAR) motion for dismissal of the antitrust cases currently lobbied against it. According to NAR in May, the case misrepresents NAR's rules, 'which have long been recognized by the courts across the country as protecting consumers and creating competitive, efficient markets that benefit home buyers and sellers.'" NAR has "moved to dismiss" the 2008 case, US v. National Association of Realtors. However, "According to DOJ's response to the motion, NAR inaccurately portrays the 'express permission' that DOJ provided its MLS compensation rules in the settlement." The DOJ said, "In that case, the United States did not examine the rest of NAR's policies, including those at issue here, and therefore those policies simply were not subjected to antitrust scrutiny."

Secret Agreement Allows Homebuilders To Block Building Code Changes On Climate Change.

The New York Times (10/26, Flavelle, 18.61M) reports that its review of certain documents shows that "a secret agreement has allowed the nation's homebuilders to make it much easier to block changes to building codes that would require new houses to better address climate change." The agreement "guarantees industry representatives four of the 11 voting seats on two powerful committees that approve building codes that are widely adopted nationwide." The pact has "helped enable the trade group that controls the seats, the National Association of Home Builders, to prevent changes that would have made new houses in much of the country more energy-efficient or more resilient to floods, hurricanes and other disasters."

Los Angeles Outlaws No-Fault Evictions Ahead Of Statewide Rent Control Law Implementation.

HousingWire (10/25, Falcon, 23K) reports the Los Angeles City Council voted 14-0 on Tuesday to approve "an emergency ban on 'unjust,' no-fault evictions to stop landlords from evicting some of their tenants." The measure follows the approval of a statewide rent control policy taking effect in January 2020.

Ginnie Mae Designates EOriginal As EVault Vendor.

National Mortgage Professional (10/25, Hall) reports, "Ginnie Mae has signed Baltimore-headquartered eOriginal Inc. to be its provider for eVault software and services." The company "will work with Ginnie Mae to implement its digital collateral pilot program, with goal of enabling the use of electronic notes as acceptable collateral for Ginnie Mae MBS."

Data Highlight Markets Where Rental Occupancy Is Falling Rapidly.

HousingWire (10/25, Falcon, 23K) reports on the five markets where rental occupancy is falling quickly, based on new data from Yardi Matrix. These include Midland-Odessa, Texas; North Central Florida; Chattanooga, Tennessee; Scranton-Wilkes-Barre, Pennsylvania; and Youngstown, Ohio.

Leveraged Loan Segment Could Be Showing Signs Of Stress.

MarketWatch (10/27, Wiltermuth, 1.67M) reports a new study from Bank of America has found that "cracks have formed in the roughly $1.2 trillion leverage loan market that could bring the sector closer to a 'point of no return' should conditions in this corner of corporate finance further deteriorate." Appetite for leveraged debt has fallen sharply over the last 12 months as investors fear a spike in default rates, with red flags raised by "credit rating agencies, regulators, the International Monetary Fund, and even by bankers." Retail investors have pulled $38 billion from leveraged loan funds since November 2018, a move "tied partially to the Federal Reserve's recent path of interest rate cuts, which can dampen the appeal of floating-rate leveraged loans when dwindling rates of interest paid by borrowers mean less income flowing to debtholders." However, falling rates means borrowers can more easily afford to service their debts.

Markets

10-Year Yield Rises.

MarketWatch (10/24, 1.67M) reports the 10-year Treasury yield rose to 1.832 percent.

Dollar Rises.

Reuters (10/28, White) reports, "The dollar traded near its highest in more than two months versus the yen on Monday ahead of a US Federal Reserve meeting this week where policymakers are expected to cut interest rates but emphasize their reluctance to ease policy further." The

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dollar "traded at 108.77 yen on Monday, close to 108.94 yen, which is the highest since Aug. 1." The dollar "was quoted at $1.1083 per euro, close to its strongest in more than a week." The dollar index against a basket of six major currencies "stood at 97.849, also near its highest in more than a week."

Gold Holds Steady.

Reuters (10/28) reports, "Gold was unchanged on Monday, after climbing nearly 1% in the previous session, as trade tensions between the United States and China eased, while a strong dollar also capped gains." Spot gold "was steady at $1,504.60 per ounce as of 0059 GMT," while US gold futures "were up 0.1% at $1,507.40 per ounce."

Oil Falls.

Reuters (10/28) reports, "After strong gains last week, oil prices were slightly lower on Monday as data released in China reinforced signs that its economy is slowing, though progress in China-US trade talks has supported prices." Brent crude "was down 12 cents, or 0.2%, at $61.90 a barrel by 0409 GMT," while West Texas Intermediate crude futures "were down 16 cents, 0.3%, at $56.50 a barrel."

Cybersecurity

WSJournal A1 Details How Law Enforcement Officials Brought Romanian Hackers Behind Attack On Trump Inauguration To Justice.

In a more than 2,700-word front-page article headlined "The Hapless Shakedown Crew That Hacked Trump's Inauguration," the Wall Street Journal (10/25, A1, Hinshaw, Pop, Subscription Publication, 7.57M) details how law enforcement authorities took down the Romanian hacking crew that embedded ransomware in the video surveillance cameras in DC just eight days before President Trump's inauguration, according to documents and interviews.

Ransomware Attacks Weigh On Insurance Companies.

Reuters (10/25, Barlyn) reports that insurance companies covering cyberattacks "are facing more claims related to ransom-demanding hackers who cripple businesses' technology systems, and only stop after receiving substantial payments." The number of detected ransomware attacks rose 365% year on year in the second quarter, according to cybersecurity company Malwarebytes, with the average payout tripling to over $36,000 – though some demands have gone as high as $5 million. Insurance companies offering cyber insurance have seen their payouts rise in tandem, as they also pay out claims related to "data recovery, legal liabilities for exposing sensitive customer information, negotiators fluent in hackers' native languages and the ultimate ransom payments." As cyber insurance and ransomware attacks both become more common, "insurers are grappling with pricing" as they try to determine the best way to respond.

Legislator Seeks Answers From White House On Exodus Of Cybersecurity Staff.

Newsweek (10/26, 1.53M) reports Rep. Ted Lieu (D-CA) "has written a letter to White House Acting Chief of Staff Mick Mulvaney about a large exodus of cybersecurity staff." The letter, obtained by Axios, "seeks answers on measures the White House is taking against national and cyber security threats." On Wednesday, Axios reported that "an internal White House memo informed, 'the White House is posturing itself to be electronically compromised once again.'" The memo was penned "as a resignation from White House cybersecurity director Dimitrios Vastakis." Vastakis detailed that Office of the Chief Information Security Officer "was being targeted by Trump officials." The OCISO was created following "a Russian hack of White House servers in 2014 to develop a secure network for the White House." He also "informed staff that 'it is highly concerning that the entire cybersecurity apparatus is being handed over to non-PRA entities.'"

Battleground States Need To Do More To Prevent Voting Machine Hacks In 2020.

Fortune (10/26, 3.91M) reports three companies "control the fate of US elections." Election Systems & Software, Dominion Voting Systems, and Hart InterCivic "dominate 92 percent of the voting machine market, standing to make bank as states rush to update their systems before the looming 2020 election." In 2016, counties in 16 states "used paperless equipment without backup records." The Department of Homeland Security later "notified six of those states that hackers targeted their systems." There's now widespread recognition that paperless machines "are the least secure." Some state governments "control voting methods, others delegate the decision to local authority, but in most of those states, officials are moving to purchase new machines."

Ohio Governor Signs Law Enhancing State's Efforts Against Cyberattacks.

The AP (10/25) reports Ohio Gov. Mike DeWine has signed "a bill aimed at enhancing Ohio's resilience to cyberattacks, including those aimed at its election systems." The measure signed Friday "adds a chief information security officer at Secretary of State Frank LaRose's office who will work to enrich both state and county election security technology efforts." The law gives LaRose, Ohio's elections chief, and Ohio National Guard "additional power to improve responsiveness in the event of a cyberattack and requires county elections boards to conduct post-election audits." It also places LaRose "on the Ohio Homeland Security Advisory Council."

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Hackers Ramped Up Cyberattacks Against Human Rights, UN Organizations.

The Washington Post (10/25, Harris, 14.2M) reports in the Cybersecurity 202 column that hackers have "ramped up cyberattacks on more than a dozen human rights organizations around the globe, including high-profile targets such as the UN and UNICEF, according to a report from researchers at anti-phishing firm Lookout released yesterday." Researchers couldn't identify "who was behind the attacks or whether their motivations were financial, but the phishing attempts point to a growing trend of attacks on nongovernmental agencies." To dupe employees of the organizations, hackers "created look-alike sites that closely mirrored official login pages for the organizations". At least six of the pages "still have active SSLs, a domain feature that indicates to a user that a Web page is protected with encryption, adding to an appearance of authenticity."

Blackberry Says Android And iOS App Stores Hide "Prolific" Spyware.

Forbes (10/26, Doffman, 9.71M) reports BlackBerry has not pulled "any punches in publishing a heavyweight report into the 'prolific and pervasive' government spyware it says is being spread far and wide by the official Android and iOS app stores." Setting out "to paint the 'big picture' on mobile malware, BlackBerry's Cylance research team has collated examples – some old, some new – to emphasize the point." BlackBerry exec Brian Robison discussed the report, "Consumers are laboring under a false sense of security with the app stores. I don't trust apps." According to Robison, "'hundreds' of such apps have circumvented Apple and Google security measures." Now BlackBerry wants consumers to be in "no doubt that they cannot trust as safe everything available on the official stores."

Possible Florida Ransomware Incident May Block Law Firms From Official Records.

The Miami Herald (10/25, 1.09M) reported reams of digital legal documents "have been held hostage under a ransomware threat to a South Florida software company that manages electronic records for thousands of law firms nationwide." The full impact of the threat "against Coral Gables-based TrialWorks was not immediately clear." But on Thursday, a Florida law firm was forced "to request more time to meet a filing deadline in a gender-discrimination employment case in federal court because it could not access its electronic documents stored with TrialWorks." attorney Jason Melton, a managing partner with Whittel & Melton in Spring Hil Isaid, "My request for information has fallen on deaf ears. They have kept us in the dark. It has been one of the more frustrating events [at this law firm] in a long time."

TFI/Sanctions

Three Oil Tankers Bound For Asia After US Eases Sanctions.

Reuters (10/25, Saul, Eaton) reported, "At least three tankers are on their way to Asia with U.S. oil cargoes after Washington gave temporary approval to wind down transactions with a Chinese shipping company that it sanctioned last month, according to data and shipping sources." Reuters says that while the US in September "announced sanctions on Chinese tanker companies, including COSCO Shipping Tanker (Dalian), a subsidiary of China's state-owned shipping group COSCO," sources in the shipping industry "said Washington had begun to grant temporary waivers for the conclusion of shipments around Oct. 15." This news "followed a notice from the U.S. Treasury on Thursday which allowed for the 'maintenance or wind down of transactions' including offloading non-Iranian crude oil involving the COSCO subsidiary until Dec. 20."

Trump Administration Moving To Isolate Iran Further From Global Financial System.

The Wall Street Journal (10/25, Talley, Subscription Publication, 7.57M) reported the Trump Administration is moving to isolate Iran even further from the global financial system, declaring the Islamic Republic a "jurisdiction of primary money laundry concern."

Meanwhile, the AP (10/25) reported, "The U.S. is taking steps to ease sales of food and medicine to Iran amid stringent sanctions imposed on the country by the Trump administration." The Treasury Department "says it has created a way to ensure humanitarian aid can continue despite the administration's effort to isolate the Islamic Republic." It also "said it would allow 'permissible trade' to support the Iranian people while maintaining efforts to deprive the Iranian government of the resources it needs to develop missiles and support militant activities around the Middle East."

Federal Reserve

Fed Faces Tough Decision On Signals For Future Rate Cuts.

The Financial Times (10/27, Politi, Smith, Ablan, Subscription Publication, 1.34M) reports the Fed faces a difficult decision over whether to signal its intention to interrupt its recent monetary easing following what its widely expected third consecutive rate cut this week.

Fox Business (10/25, Henney, 1.73M) reported that Goldman Sachs believes the Fed "will likely cut interest rates next week for the third time this year...but the central bank may also signal that the current easing cycle is over." Goldman, in a research note, estimated "a 95 percent chance of a modest reduction during the meeting." The note added, "Strong signaling from Fed leadership indicates that the modest trade war de-escalation since September has not deterred them from completing a 75bp, 1990s-style 'mid-cycle adjustment." However, "Goldman economists said they believe policymakers will tweak the Federal Open Market Committee's post-meeting statement to make it slightly more hawkish — essentially paving the way to hold borrowing costs steady and putting an end to the [rate cuts] began in July."

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Meanwhile, Bloomberg (10/27, Torres, Saraiva, 4.73M) reports that Fed Chair Jerome Powell's "disagreement with Wall Street over recession risks is backed up by data showing that much of the talk is concentrated in a few industries with big megaphones – manufacturing and banking." Powell "has repeatedly said that the wider U.S. economy is still in a good place," and he'll "likely do so again after a Fed meeting this week – at which it is widely expected to cut interest rates for the third-straight time – while signaling he doesn't see grounds for much more easing."

NY Fed Adds $77.3B To Financial Markets Through Repo Operation.

Reuters (10/25) reported the NY Fed on Friday "accepted $77.343 billion in bids from primary dealers at a repurchase agreement (repo) operation, a move intended to help maintain the federal funds rate within the target range." That amount "was lower than the $89.154 repos awarded on Thursday." The Wall Street Journal (10/25, Derby, Subscription Publication, 7.57M) also reported.

Office of the Comptroller of the Currency

Otting Confident That Fintech Charter Will Be Affirmed On Appeal.

Law360 (10/27, Subscription Publication, 8K) reports Comptroller of the Currency Joseph Otting "said Sunday that he believes his agency's power to institute its fintech charter will eventually be affirmed by the courts, despite a judgment against the agency less than a week ago in a suit challenging its ability to do so." Speaking at the Money 20/20 conference in Las Vegas, Otting said that Judge Victor Marrero of the US District Court for the Southern District of New York was wrong in siding with the New York Department of Financial Services in its suit against the OCC's fintech charter. Otting "confirmed that the OCC planned to appeal Judge Marrero's decision to the Second Circuit."

Meanwhile, in a piece about online marketplace Rakuten applying for an industrial loan charter, Payments Journal (10/25, Grotta) says the OCC's fintech charter "is going to be taken up by the Supreme Court."

Otting Speaks About Childhood, Career, CRA.

On Spectrum News 1 Los Angeles ' (10/26) Owning a Piece of America, Comptroller of the Currency Joseph Otting spoke about his childhood, the start of his career, and his role as head of the OCC. Otting said that modernizing the Community Reinvestment Act, something he's worked on since he was sworn in November 2017, is "the biggest thing that we can do for communities across America." The CRA annually produces around $400 billion per year, he continued, but "I think that could be $100 billion more."

OCC Closes Resolute Bank Of Maumee, OH.

American Banker (10/25, McCarthy, Davis, Subscription Publication, 31K) reported the OCC has closed Maumee, Ohio's Resolute Bank, appointing the FDIC as receiver. In a press release, the OCC said that it intervened after finding that the bank "had experienced substantial dissipation of assets and earnings due to unsafe and unsound practices."

Reverse Mortgage Daily (10/27, Clow, 43K) reports Buckeye State Bank in Powell, Ohio "absorbed all of Resolute's deposits, in addition to purchasing essentially all of Resolute's remaining assets." Resolute "is the third FDIC-insured institution to fail in the United States this year, according to the press release."

The Bowling Green (OH) Sentinel-Tribune (10/26, 14K) and Bankers Online (10/25) also reported.

Regulators Approve Blue Ridge-Virginia Community Merger.

The Charlottesville (VA) Daily Progress (10/27, reports, 94K) reports Blue Ridge Bank and Virginia Community Bank have received regulatory approval to merge. The OCC, the Federal Reserve Bank of Richmond, and Virginia State Corporation Commission approved the merger, which remains subject to shareholder approval. The merger "will expand the Luray-based Blue Ridge Bank's presence in Central Virginia through the addition of Louisa-based Virginia Community Bank's seven branches and will add approximately $252 million in assets, $168 million in loans and $223 million in deposits to Blue Ridge."

Head Of Chase's Philadelphia Retail Expansion Vacating Role.

The Philadelphia Business Journal (10/25, Blumenthal, Subscription Publication, 860K) reported that just over a year after being hired to lead JPMorgan Chase's retail expansion into Pennsylvania, Delaware, and South Jersery, Michele Lawrence is transitioning out of the role. A spokesperson at Chase "said while Lawrence would be vacating that role, she has not left the bank and that a successor had yet to be identified." The Journal notes Chase "plans to add 50 branches in the region over the next five years," and has identified nearly 40 branch locations in Philadelphia, according to records with the OCC.

Robinhood COO Aims For Scale, But At A Reasonable Pace.

CNBC (10/26, Rooney, 3.62M) profiled Gretchen Howard, a former Google executive and COO at Robinhood. Howard's goal for the startup "is scale – but at a reasonable pace, she said." Robinhood co-CEO and co-founder Vlad Tenev said Howard was integral in "resetting" the company after a failed deposit product and "reinvesting in the right things to make sure what happened with crediting and savings wouldn't happen again." CNBC noted that Robinhood "is still in the early innings of democratizing finance." Earlier this year, the company applied with

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the OCC for a national bank charter.

Editorial Wrap-Up

Washington Post.

"Republicans Escalate Their Strategy Of Voter Suppression." The Washington Post (10/27, 14.2M) editorializes that "mobile polling places that popped up on college campuses and other population-dense areas were 'the most effective program we had,' Dana DeBeauvoir, the chief elections official in Travis County, Tex., told the New York Times. That would explain why Texas Republicans shut them down." As a result, "as Texans head to the polls, it will be substantially harder for college students to vote." Republicans "throughout the country have embraced voter suppression as a strategy for party survival, and this is one more sad example." The Post adds the GOP "should stake its future on offering policies and candidates that can attract voters – not on keeping potential voters away from the polls."

"Cambodia's Strongman Wants 'Democracy' Without Competition." The Washington Post (10/27, 14.2M) writes in an editorial, "Hun Sen, the authoritarian prime minister of Cambodia, is worried, and is using every trick in the book to threaten Sam Rainsy of the banned opposition Cambodia National Rescue Party, who plans to return to Cambodia from exile on Nov. 9." While "Hun Sen dominates parliament and politics," he "still shows signs of insecurity over the return of Mr. Rainsy, an exponent of democracy, returning for the first time in four years." The Post adds that "not surprisingly, the prime minister would also prefer to be unbothered by independent journalism," with an ongoing "trial of two journalists has moved from being unjust to being just farce."

"Will Virginia's Center Hold In Its Election?" The Washington Post (10/27, 14.2M) editorializes that "Virginia is a politically moderate state whose recent tilt toward Democrats – no Republican has won a statewide race in a decade – owes as much to the GOP's accelerating estrangement from centrist politics as to the growing diversity of the Old Dominion's electorate." The Post goes on to deride the positions of several GOP candidates, which it deems extreme, and concludes "voters will determine the composition of the state legislature Nov. 5 and decide whether the center in Virginia will hold."

Wall Street Journal.

"The Lessons Of Baghdadi." The Wall Street Journal (10/27, Subscription Publication, 7.57M) editorializes that ISIS leader Abu Bakr al-Baghdadi's death in a raid by US special forces will not end the threat posed by ISIS, but is nonetheless an important victory.

"The Air Force And Trump Turnberry." A Wall Street Journal (10/27, Subscription Publication, 7.57M) editorial says the Air Force's official review of Air Force crews' overnight stays at the Trump Turnberry golf resort in Scotland shows that there was no corruption involved in the decision to use the facility. The Journal argues that the President's critics, who painted the matter as a violation of the Emoluments Clause, owe him an apology.

"Amazon's Seattle Tax Revolt." A Wall Street Journal (10/27, Subscription Publication, 7.57M) editorial says that while Amazon touts its progressive values, after Seattle's progressive City Council imposed a $250 head tax for every employee at any business with $20 million or more in annual revenue, the company is working to elect a more business-friendly council. Amazon has given more than $1.4 million to the PAC run by the Seattle Metropolitan Chamber of Commerce, which has drawn fire from national Democrats. Council member Lorena González, whose seat is not up for reelection this year, plans to introduce a cap on individual contributions, and she wants to ban campaign contributions from companies with foreign shareholders, like Amazon. To the Journal, this is a sign that if they are not defeated, the far left will rig the system to prevent additional challenges.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Islamic State Leader Abu Bakr al-Baghdadi Died in US Raid, Trump Says
Death of Baghdadi Unlikely To End The Insurgency He Led
Northern California Wildfire Grows Overnight, Forcing Evacuations
Twilight Of The Stock Pickers: Hedge Fund Kings Face A Reckoning
Tiffany Receives LVMH Takeover Bid Of About $120 A Share
China's Next Financial Bubble: High-End Sneakers

New York Times:

ISIS Leader al-Baghdadi Is Dead, Trump Says
Trump's Syria Troop Withdrawal Complicated Plans For al-Baghdadi Raid
Abu Bakr al-Baghdadi, ISIS Leader Known For His Brutality, Is Dead At 48
Al-Baghdadi Raid Was A Victory Built On Factors Trump Derides
With Whipping Winds And Power Down, Californians Flee Fires
Before Deadly Crashes, Boeing Pushed For Law That Undercut Oversight

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Washington Post:

'Dangerous And Daring' Operation Started With A Tip, Ended In A Tunnel
US Isn't In A Good Position To Prevent Potential ISIS Resurgence, Experts Say
For Bezos, Billion-Dollar Deal Froze In The Desert
Fires Again Put California Into Emergency Mode
Longtime Congressman Co-Founded Black Caucus
ISIS Chief Kills Himself During US Raid, Trump Says

Financial Times:
Isis Leader Baghdadi Killed In US Raid In Syria
Germany's Annual EU Budget Bill Set To Double To €33BN
Fed Faces Thorny Decision Whether To Signal Pause To Rate Cuts
Barclay Brothers In £500M Cash Call For Ailing Empire

Washington Times:
'Crisis Of Confidence': John Roberts' Impeachment Role Prompts Recusal Rumblings
Successful al-Baghdadi Raid Raises New Questions, Fears
Maltese Professor A Missing Link In FBI's 'Russia-Gate'
Paper Coup: How Comey Kicked Off The 'Deep State' Insurgency That Nunes Put Down
'Build Our Movement': Surging Pete Buttigieg Channels Obama, Expands Electorate

Story Lineup From Last Night's Network News:
ABC: Trump-ISIS Victory; Trump-ISIS Victory-Expert Comment; California-Wildfires; Weather Report; Texas A&M Shooting; Impeachment; Southwest Air-Hidden Bathroom Camera; Alabama-Missing College Student; Vatican-Proposal For Married Men To Be Priests; Michigan-Car Crash; Australia-Great White Shark Encounter; 10-Year-Old Has Best Halloween Costumes.
CBS: Trump-ISIS Victory; Syria-ISIS Leader Killed; California-Wildfires; California-Wildfire Evacuations; Weather Report; Texas A&M Shooting; Pittsburgh-Remembering Tree Of Life Shooting; Death Of Frmr. Rep. John Conyers; California-Gas Prices; Paris-Painting Sells For Millions; Air Force-Record Flight Set For Pilotless Plane; Michigan-Satellite Lands In Couple's Yard; Legal Marijuana; Former Tomb Of Unknown Soldier Guard Honored.
NBC: Syria-ISIS Leader Killed; Trump-ISIS Victory; Trump-ISIS Victory-Expert Comment; California-Wildfires; California-Wildfire Evacuations; Death Of Frmr. Rep. John Conyers; Texas A&M Shooting; Trump-Situation Room; World Series-Games 5; Michigan-Satellite Lands In Couple's Yard.

Network TV At A Glance:
Trump-ISIS Victory – 10 minutes, 5 seconds
California-Wildfires – 7 minutes, 30 seconds
Texas A&M Shooting – 5 minutes, 50 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: California-Wildfires; Trump-ISIS Victory; Trump-ISIS Victory-Expert Comment; Chicago-Teacher Strike; Pittsburgh-Tree Of Life Vigil.
CBS: California-Wildfires; California-Wildfire Evacuations; Trump-ISIS Victory; Death Of Frmr. Rep. John Conyers; World Series-Game 5.
FOX: Trump-ISIS Victory; Impeachment.
NPR: Turkey-Coordination With US Forces To Target ISIS Leader; Brexit; Death Of Frmr. Rep. John Conyers; Rep. Katie Hill-Resignation.

Last Laughs

Late Night Political Humor.

John Oliver: "Just time for a quick recap of the week. And we begin with Stupid Watergate 2, the least-wanted sequel ever, closely followed by every 'Pirates Of The Caribbean.' It was yet another week of damning revelations for the President."

John Oliver: "The information emerging in the Ukraine probe does not look good for the White House, which is perhaps why Trump's supporters spent the week attacking the impeachment process itself. ... And as if things couldn't get dumber, there was this amazing story that broke on Friday afternoon. ... Rudy Giuliani butt-dialed an NBC News reporter and could be heard saying completely non-suspicious-sounding things like, 'The problem is, we need some money.'"

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John Oliver: "And the wild thing is, this isn't a one-off. Apparently, Giuliani butt-dials reporters all the time, so much so, one reporter

tweeted, 'Everyone has a good Rudy butt-dial story.' Which begs the question, how is he doing this so much? It's genuinely difficult to butt-dial someone with a smartphone. Your butt has to unlock the phone, scroll through your contacts to find the reporter, and then dial. So how often does Rudy sit on his phone? And how wriggly is he when he sits? I don't know how this story gets any stupider, but I'm sure it will – just as sure as I am that Rudy is butt-dialing another reporter right now."

John Oliver: "Let's instead move on to the other ongoing fiasco of the week, Brexit, the term coined to describe Britain's exit from the EU that combines the words 'bad idea,' 'really bad idea,' 'extremely bad idea,' and 'toodle-oo!' It is the 'toodle-oo' part that lets you know Britain's involved; otherwise the word's just complete nonsense."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — delivers remarks and signs an executive order at the International Association of Chiefs of Police Annual Conference and Exposition; participates in a roundtable with supporters; delivers remarks at a joint fundraising committee luncheon; and THE FIRST LADY participate in Halloween at the White House.
- Vice President Pence — meets with the Motor & Equipment Manufacturers Association Board of Directors;
- delivers remarks at a Baton Rouge reception honoring Eddie Rispone for Governor of Louisiana.

***US Senate*:**

• Senate debates minibus appropriations legislation – Senate convenes and resumes consideration of 'H.R.3055, Commerce, Justice, Science, Agriculture, Rural Development, Food and Drug Administration, Interior, Environment, Military Construction, Veterans Affairs, Transportation, and Housing and Urban Development Appropriations Act, 2020', with agenda including votes on amendments to the bill

Location: U.S. Capitol, Washington, DC; 3:00 PM

***US House*:**

• House Homeland Security subcommittee field hearing on tackling human trafficking – Intelligence & Counterterrorism Subcommittee field hearing on 'Tackling Human Trafficking: Assessing Federal, State and Local Information Sharing Efforts', with testimony from North Carolina Human Trafficking Commission Executive Director Christine Shaw Long; Immigration and Customs Enforcement Homeland Security Investigations Charlotte Field Office Special Agent in Charge Ronnie Martinez; North Carolina State Bureau of Investigation Human Trafficking Unit Special Agent in Charge Carl Wall II; and Randolph County, NC, Sheriff's Office Chief Deputy Aundrea Azelton

Location: Old County Courthouse, 301 W Market St, Greensboro, NC; 9:00 AM

• House of Representatives meets for legislative business

Location: U.S. Capitol, Washington, DC; 2:00 PM

• House Rules Committee hearing – Hearing on 'H.R. 4695 – Protect Against Conflict by Turkey Act', 'H. Res. 296 – Affirming the United States record on the Armenian Genocide', 'H.R. 823 – Colorado Outdoor Recreation and Economy Act', 'H.R. 1373 – Grand Canyon Centennial Protection Act', and 'H.R. 2181 – Chaco Cultural Heritage Area Protection Act of 2019'

Location: H-313, U.S. Capitol, Washington, DC; 5:00 PM

• House Committees due to jointly conduct deposition with former White House official, as part of impeachment inquiry – House Committee on Foreign Affairs, Permanent Select Committee on Intelligence, and Committee on Oversight and Reform due to jointly conduct deposition with former Deputy National Security Adviser Charles Kupperman, with the transcript to be part of the impeachment inquiry into President Donald Trump * The Committees are investigating 'the extent to which President Trump jeopardized national security by pressing Ukraine to interfere with the 2020 election and by withholding security assistance provided by Congress to help Ukraine counter Russian aggression, as well as any efforts to cover up these matters' * The administration has informed House Democrats that it is refusing to comply with the inquiry, calling it unconstitutional * Last week, around 25 Republican representatives 'stormed' the committee sensitive compartmented information facility where a deposition was taking place, breaking chamber rules by bringing phones in with them, to protest the closed interviews

Location: U.S. Capitol, Washington, DC

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***Cabinet Officers*:**

- No released schedules.

Visitors:

- No visitors scheduled.

This Town:

- J Street National Conference continues, with 2020 Dems – J Street National Conference continues, with speakers today including 2020 Democratic presidential candidates Sens. Michael Bennet and Bernie Sanders, South Bend, IN, Mayor Pete Buttigieg, and former Secretary of Housing and Urban Development Julian Castro, as well as House Speaker Nancy Pelosi, Senate Minority Leader Chuck Schumer, and fellow Democrats Sen. Chris Van Hollen and Rep. Pramila Jayapal. Other speakers today include Democratic Union Leader Nitzan Horowitz and Joint List Leader Ayman Odeh * Group is a pro-Israel, pro-peace political action committee

Location: Walter E. Washington Convention Center, 801 Mt Vernon Pl NW, Washington, DC; 8:00 AM

- FTC commissioners speak on privacy at Brookings – 'The role of the Federal Trade Commission in privacy and beyond' Brookings Institution event, with Federal Trade Commission Commissioners Rebecca Kelly Slaughter and Christine Wilson discussing a potential national data privacy law, the agency's current and future priorities, and challenges it may face in performing oversight of emerging technology such as AI

Location: Brookings Institution, 1775 Massachusetts Ave NW, Washington, DC; 2:00 PM

- Dem Shadow Sen. Michael Brown moderates town hall meeting on community violence – Democratic Shadow Sen. Michael Brown moderates town hall meeting on gun violence and how to keep communities safe. Other speakers include DC Metropolitan Police Department Tactical Patrol Branch Captain Michelle Caron, DC Fire and Emergency Medical Service Chief Gregory Dean, DC Homeland Security and Emergency Management Agency Homeland Security and Preparedness Division Bureau Chief John Marshall Mein, Executive Assistant U.S. Attorney for External Affairs Wendy Polhaus, DC Public Schools COO Patrick Davis, and Anti-Defamation League Washington, DC, Region Director Doron Ezickson

Location: University of the District of Columbia, 4200 Connecticut Ave NW, Washington, DC; 7:00 PM

- VA Patient Experience Summit – Veteran Affairs Patient Experience Summit

Location: Hilton Garden Inn Reagan National Airport, 2020 Richmond Hwy, Arlington, VA

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, APRIL 7, 2020 6:00 AM EDT

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• LATimes: Mnuchin, Powell Work With Foreign Counterparts Is Rare Bright Spot Of Int'l Cooperation.
• NYTimes: Navarro Has Been Handed The Power To Advance A Protectionist Trade Agenda.
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Leading National News

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• Pandemic Affecting US Meat Production.
• Study: Florida, Nevada May Be Hit Hardest By Economic Downturn.
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Small-Business Relief Rollout "Marred By Confusion" As SBA Platform Reportedly Crashes.

USA Today (4/6, Davidson, 10.31M) reports the Treasury Department and SBA "allowed firms with less than 500 employees to start applying for the loans on Friday, but the early rollout has been marred by confusion, technical glitches and banks' own loan volume limits."

Reuters (4/6, Schroeder) reports, "The platform the U.S. Small Business Administration uses to process relief loan applications from small businesses crashed for several hours Monday, according to three banking sources." The sources said "banks have been unable to submit applications to the $350 billion program since it crashed around noon on Monday, and the portal was still down later in the afternoon." However, in a separate article, Reuters (4/6, Schroeder) reports "it is 'not accurate' that banks were unable to submit small business relief loan applications after the Small Business Administration's portal crashed, according to a senior administration official." The unnamed official said, "SBA continues to process/approve/guarantee billions of dollars in loans and continues to add lenders to the system."

The Hill (4/6, Gangitano, 2.98M) reports the American Bankers Association said, following a meeting Sunday with Treasury Secretary Steven Mnuchin and other officials from Treasury and SBA, "SBA officials emphasized that they have been balancing security and speed in providing access to the systems that allow banks to make PPP loans."

Bloomberg (4/6, Niquette, 4.73M) reports the Independent Community Bankers of America "sent a letter to SBA and Treasury late Saturday night complaining about the technology and a 'myriad of unanswered questions and lack of clear instruction on how to complete loans through the SBA.'" The group "made several recommendations, including enhancing SBA systems."

Politico (4/6, Warmbrodt, 4.29M) reports, "As lenders continued to report issues, banks received word that the Fed was intervening to help backstop the program, as it has done across financial markets throughout the Covid-19 pandemic. The Fed announced that it planned to provide financing to banks that issue the loans." Politico says that over the past week, "small banks in particular urged the Fed and Treasury Department to come up with a mechanism to buy the loans off banks' books to help free up lending capacity."

Senators Push Mnuchin, Carranza To Address Small Business Relief Rollout Problems. The Boston Globe (4/6, Nanos, Leung, 972K) reports Massachusetts Sens. Elizabeth Warren (D) and Ed Markey (D) "submitted a letter to Treasury Secretary Steve Mnuchin Monday criticizing the rollout of the SBA loan plan, and expressing concern that the funds allocated in the Payroll Protection Program will be quickly depleted." The senators wrote, "As the program went live last week, issues with the program immediately became clear," citing reports of numerous delays at large banks. They add, "We urge you to move quickly to issue additional guidelines and clarifications to ensure that loans are disbursed quickly. ... The ability of small businesses to access this money in a matter of days could determine whether or not they will need to shut their doors to their employees and customers forever."

The Financial Times (4/7, Noonan, Armstrong, Subscription Publication, 1.34M) reports the letter was sent to Mnuchin and SBA head Jovita Carranza, and that Sen. Rick Scott (R-FL) also wrote Mnuchin and Carranza on Saturday regarding problems with the loans.

Airlines Discuss Terms Of Bailout With Treasury Department.

The Washington (DC) Post (4/6, Aratani, Duncan, 14.2M) reports "more than a half-dozen US carriers," including American Airlines, United Airlines, Delta Air Lines, Southwest Airlines, JetBlue Airways, Alaska Airlines, and Spirit Airlines, have submitted applications for a portion of the $29 billion in grants for passenger airlines to be distributed by the Treasury Department. The Post says the grants do "not come without strings," as airlines would not be allowed to furlough workers until September 30, would not be allowed to issue dividends or buy back stock until the end of 2021, and they would be required to maintain service levels "as far out as 2022." The carriers "will now work with the Treasury Department to negotiate the terms of a possible deal." The Post says labor groups and Democratic lawmakers have suggested that airlines may choose to reject taking the funds allocated in the CARES Act if the Trump Administration places harsh conditions on taking the money.

RavnAir Files For Bankruptcy. Reuters (4/6, Shepardson) reports RavnAir, the largest regional carrier in Alaska, filed for Chapter 11 bankruptcy protection on Sunday, announcing that it was suspending all operations and laying off all of its employees. The airline said it "took these actions to ensure our airline has a future, and to give us time to 'hit pause'" while the airline seeks access to the airline grants awarded by the Treasury Department and "other sources of financial assistance that will allow us to weather the coronavirus pandemic and emerge successfully once it has passed." In a letter, RavnAir CEO Dave Pflieger said the airline was working to "resume the vital air service you depend on to get home to your families, to your businesses, to medical appointments, and to other duties that are essential to our communities and the state of Alaska."

Reuters (4/6, Shepardson, Rucinski) reports Alaska's congressional delegation, sent a letter to Treasury Secretary Steven Mnuchin last week warning that many regional airlines, including RavnAir, "are in danger of bankruptcy and failure and could leave many of our rural and Alaska Native communities completely isolated." Sens. Lisa Murkowski (R) and Dan Sullivan (R) and Rep. Don Young (R) wrote that the "lack of air service could damage our other industries such as oil and gas, mining, seafood, and tourism."

Analyst: Boeing Stock Depends Entirely On Secretary Mnuchin.

Barron's (4/6, Root, 1.07M) reports Treasury Secretary Steven Mnuchin – "in particular – is key to the future success of Boeing stock," according to Citigroup analyst Jonathan Raviv. Raviv wrote, "We've had a slew of Boeing conversations in recent weeks with a wide swathe of investors, both equity and credit. ... Investing in BA has become a game of analyzing Steven Mnuchin. That's not a great place for fundamental analysts or investors." Raviv added, "The Treasury could require equity, left to the discretion of Secretary Mnuchin. So we have to wonder what the Secretary wants."

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Kudlow: Bonds Could Be Issued To Pay For Coronavirus Response.

Reuters (4/6) reports that NEC Director Kudlow indicated on Monday that the White House is considering issuing bonds to fund the federal response to the coronavirus pandemic. According to Reuters, Kudlow "said this was a time to sell bonds to raise cash for coronavirus relief efforts and a 'war bond' was a great idea." Speaking to reporters at the White House, Kudlow said, "We're just looking at it ... let's see where it leads." Kudlow also said in a CNBC interview, "People calling us and emailing us and so forth. I know" Treasury Secretary Steven Mnuchin "is looking very carefully at that."

The Hill (4/6, Samuels, 2.98M) quotes Kudlow as saying, "We've kicked this around before." Treasury Secretary Steven Mnuchin "and I and the President and others talked about selling long-term paper." The Washington Times (4/6, Boyer, 492K) reports similarly.

Bloomberg (4/6, Parker, 4.73M) reports it is an idea Mnuchin has "refrained from endorsing." According to the article, "Mnuchin generally advocates the traditional Treasury position that bond issuance should be 'regular and predictable.'" However, "his department is again considering the issuance of ultra-long-term U.S. debt instruments to help finance the stimulus."

Churches, "Other Faith-Based Organizations" Eligible For SBA COVID-19 Relief Loans.

NPR (4/6, Gjelten, 3.12M) reports on its website, "In a development that could challenge the Constitution's prohibition of any law 'respecting the establishment of religion,' the federal government will soon provide money directly to U.S. churches to help them pay pastor salaries and utility bills." NPR says the "$350 billion for the Small Business Administration (SBA) to extend loans to small businesses facing financial difficulties as a result of the coronavirus shutdown orders" will include churches "and other faith-based organizations" that "are among the businesses that qualify for aid under the program, even if they have an exclusively religious orientation." The SBA said in a statement, "Faith-based organizations are eligible to receive SBA loans regardless of whether they provide secular social services. No otherwise eligible organization will be disqualified from receiving a loan because of the religious nature, religious identity, or religious speech of the organization." NPR adds, "In introducing the new SBA program, Treasury Secretary Steven Mnuchin said Pence and President Trump 'made sure' that churches would be included in the program."

IRS Asking Tax Professionals' Help To Inform Citizens Of Relief Payment Eligibility.

Law360 (4/6, Rosenberg, Subscription Publication, 8K) reports IRS Commissioner Chuck Rettig "has asked bar associations and other groups to help inform those who don't usually file tax returns about their eligibility for payments from the government to provide relief from the novel coronavirus pandemic." After the IRS "initially encouraged nonfilers to submit simple tax returns to receive their rebates, Treasury Secretary Steven Mnuchin said last week that Social Security recipients who don't file tax returns would be able to receive coronavirus relief payments without having to file additional tax information." However, "some lawmakers have said that doesn't go far enough. House Ways and Means Committee Chairman Richard Neal, D-Mass., said Friday that the IRS should also automatically process payments to veterans and Supplemental Security Income recipients, many of whom lack the resources necessary to file tax returns."

LATimes: Mnuchin, Powell Work With Foreign Counterparts Is Rare Bright Spot Of Int'l Cooperation.

In an editorial, the Los Angeles Times (4/6, 4.64M) says President Trump "has made good – or rather, bad – on his campaign promise to put 'America First,' which in practice has often meant 'America alone.'" The Times argues his "insular approach to foreign policy – coupled with his early attempts to minimize the threat posed by COVID-19 – is undermining U.S. leadership in rallying the world to deal cooperatively with the pandemic." The Times admits, "To be fair, the U.S. has engaged with other nations on some issues related to the pandemic," adding that Treasury Secretary Steven Mnuchin "and Federal Reserve Chairman Jerome H. Powell have joined with other finance ministers and central bank officials in seeking to ameliorate the economic effects of the contagion."

NYTimes: Navarro Has Been Handed The Power To Advance A Protectionist Trade Agenda.

The New York Times (4/6, Swanson, 18.61M) reports that Navarro "has been corporate America's biggest nemesis" for three years, "punishing multinational companies for moving jobs offshore by advocating tariffs and other trade barriers in pursuit of President Trump's 'America First' strategy." Now, as policy coordinator for the Defense Production Act, he "has been handed expansive authority over those multinational firms and their global supply chains." The Times calls it "a vast expansion of power for the 70-year-old Mr. Navarro, as well as a rare opportunity to advance the type of protectionist agenda that has endeared him to Mr. Trump." Navarro's "aggressive approach has not been confined to industry. He has played the antagonist within the Trump administration, clashing with more moderate economic advisers like Treasury Secretary Steven Mnuchin over trade issues."

Private Equity Maneuvers For Access To Stimulus Funds Amid Questions Of Administration Ties.

The Washington Post (4/6, Leonnig, O'Connell, Lee, 14.2M) reports, "The private-equity industry is pressing members of Congress and senior Trump administration officials, including President Trump's son-in-law Jared Kushner, to help them gain access to billions of dollars of stimulus funds to protect their riskier investments." The "jockeying" by "private-equity firms to get a bigger piece of the stimulus windfall has put a spotlight on the numerous ties between wealthy industry figures and Trump and his family – raising questions about potential conflicts of

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interest as the Treasury Department writes the rules for handing out billions of dollars in loans and grants." According to the Post, "Some of the private-equity industry's most influential executives have long-standing ties to key members of the administration, including Kushner and Treasury Secretary Steven Mnuchin, a former investment banker." The Financial Times (4/6, Foroohar, Subscription Publication, 1.34M) comments on private equity's efforts in its "FT Swamp Notes" newsletter.

Election Assistance Commission Speeds Up Process To Get States Funding.

The Hill (4/6, Miller, 2.98M) reports the Election Assistance Commission (EAC) "is speeding up the process of sending recently appropriated funds to states to help bolster elections during the coronavirus pandemic." The EAC "announced late last week that it planned to send funding to states that they can use for measures such as boosting mail-in and absentee voting, along with hiring more poll workers and buying sanitization supplies, by the end of next week." EAC commissioners "noted that both the Treasury Department and the Office of Management and Budget had been assisting in the effort to get the money to states, as postponed primaries loom and state officials increasingly scramble to make preparations to allow the elections to continue."

Leading National News

Media Reports Highlight Coronavirus Task Force Members' Disagreement Over Anti-Malaria Drug.

Media reports highlight a disagreement among members of the White House Coronavirus Task Force over the efficacy of the malaria drug hydroxychloroquine in treating the virus. The disagreement is generally cast as causing a rift inside the task force as President Trump has touted the drug as what one report describes as a "miracle cure," and Defense Production Act policy coordinator Peter Navarro has made publicly made that case, while NIAID Director Fauci has advised caution and stressed there is insufficient data to prove the drug is effective. A number of reports highlight what is described as a heated discussion of the issue between Navarro and Fauci during a task force meeting on Saturday.

NBC Nightly News (4/6, story 5, 2:05, Holt, 8.63M) described "a raging controversy in the Trump Administration over how aggressively to recommend" the drug. The New York Times (4/6, Baker, Rogers, Enrich, Haberman, 18.61M) says Trump "has seized on the drug as a miracle cure," and while he "may ultimately be right," it "remains far from certain." The Times adds that his "assertiveness in pressing the case over the advice of advisers...has driven a wedge inside his coronavirus task force and has raised questions about his motives." Politico (4/6, Diamond, Cook, 4.29M) says "top health officials are increasingly unsettled" by Trump's "continued championing" of the drug "even as some of the president's political and policy advisers and outside allies cheer him on."

The AP (4/6, Miller, Riechmann) says Trump and other Administration officials on Monday "kept up their out-sized promotion" of hydroxychloroquine "even though scientists say more testing is needed before it's proven safe and effective against COVID-19." Navarro touted the drug "in television interviews a day after the president publicly put his faith in the medication to lessen the toll of the coronavirus pandemic." However, "medical officials warn that it's dangerous to be hawking unproven remedies, and even Trump's own experts have cautioned against it." The AP reports that "in a heated Situation Room meeting of the White House's coronavirus task force on Saturday, Navarro challenged [Fauci] over his concerns about recommending the drug based only on unscientific anecdotal evidence."

Politico (4/6, Forgey, 4.29M) reports that again Monday, Navarro "questioned the experience and medical judgment of...Fauci – dragging his reported dispute with the nation's top infectious diseases expert out of the White House Situation Room and onto cable news." In what Politico describes as a "fiery interview" on CNN's New Day, Navarro "appeared to confirm media accounts of his altercation with Fauci." Navarro said, "There was that discussion on Saturday, and if we didn't have disagreement and debate in the Trump administration, this administration would not be as strong as it is," Politico adds that "although Navarro has no medical experience, he went on to assert that 'doctors disagree about things all the time,' and forcefully defended his credentials as sufficient for him to weigh in on the scientific deliberation over the drug." USA Today (4/6, Morin, 10.31M) reports that Navarro said, "I let [Fauci] speak for himself...but I would have two words for you: second opinion. ... Doctors disagree about things all the time," while the Washington Examiner (4/6, Brest, 448K) quotes him as saying, "My qualifications in terms of looking at the science is that I'm a social scientist. I have a Ph.D., and I understand how to read statistical studies, whether it's in medicine, the law, economics, or whatever."

Navarro said on Fox News' Fox & Friends (4/6, 831K), "We have 29 million tablets of hydroxy in FEMA warehouses and the question before the group was shouldn't we surge that hydroxy into the hot zones, and the task force unanimously voted to do that with the proviso that this can have side effects and that it has to be dispensed not by the federal government but by the patient/doctor relationship." Navarro added that "the media is trying to blow it up as a big big debate, but I can tell you that within the room, the decision was a sound one and it was unanimous."

Reuters (4/6, Chiacu) reports that Fauci "and other top health advisers have argued there is not enough data from the limited studies that have been done to prove the drug is effective against COVID-19." While Navarro acknowledged that "he has no scientific background," he "said he believed the hydroxychloroquine studies done so far were convincing." Reuters says the disagreement "illustrated the tensions between the White House's scientific and health experts and other policymakers or advisers in the administration with no medical or research training, led by the president himself, who have been pushing the malaria drugs, chloroquine and hydroxychloroquine, for use during the coronavirus crisis." Trump "has made his opinion on the drug well known and personally pressed federal health officials to make them available to treat coronavirus, two sources have told Reuters."

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The Washington Post (4/6, Rucker, Costa, McGinley, Dawsey, 14.2M) cites "allies" who said that "Trump's obsession with hydroxychloroquine stems from a place of desperation and an optimism that the drug will work, even if the science is not conclusive." The Post quotes "one person" as saying, "The President lives in a world of wishes and hope." The Post also quotes a "former senior administration official" who said, "It's the only thing anyone has held out as offering an immediate reprieve from what's become his greatest challenge – and political threat." This former official described Trump's "overwhelming desire for a silver bullet to make it all go away."

HUD Secretary Carson said on Fox News' Ingraham Angle, "The fact of the matter is, this is very promising and it's being used in a number of other countries. The observations are multiple. So it's very unlikely that this is a fluke. I agree that we need to do the science and we need to do the double-blind studies but we could be doing that simultaneously while we are utilizing this."

White House Coronavirus Task Force response coordinator Deborah Birx said on Fox News' Hannity (4/6, 535K), "I think we do a lot of drug use off label, physicians do all the time and I think that's why the President made it very clear that this is up to the physician and the patient and what the President has worked really hard on is making sure that the medication is available in pharmacies and hospitals around the United States, so physicians have the ability to make that choice. At the same time, there are rigorous clinical trials going on in both the WHO and NIH to look at this drug and other drugs that are under development."

Doctors Report Positive Results From Hydroxychloroquine. Townhall (4/6, Pavlich, 177K) reports that "doctors around the country" are using hydroxychloroquine "and seeing positive results." Townhall cites comments from doctors in Los Angeles, New York, New Jersey. Townhall also reports, "An international poll of thousands of doctors rated the Trump-touted anti-malaria drug hydroxychloroquine the best treatment for the novel coronavirus." Matt Gutman said on ABC World News Tonight (4/6, story 6, 1:40, Muir, 9.55M) that while "we've spoken to people across the country who believe that the drug contributed to their recovery," the "scientific community is cautioning us that it could take weeks or even months before studies actually prove that the drug is effective against COVID-19."

McAdams Says He Took Hydroxychloroquine During His Recovery From Coronavirus. The Washington Times (4/6, Sherfinski, 492K) reports Rep. Ben McAdams (D-UT) told Fox Business Monday that he took hydroxychloroquine during his recovery from the coronavirus. McAdams said, "I guess I don't know to say whether it helped or it didn't – I think we should be trying everything we can to develop those therapies that are going to help people bounce back." McAdams said that while he still felt "pretty awful" while he was taking the drug, "Maybe it stopped me from getting worse; maybe it shortened how long I was sick – I'm going to leave that to the scientists to determine."

Michigan Lawmaker Credits Hydroxychloroquine, Trump For Her Recovery From Coronavirus. The Detroit Free Press (4/6, Egan, 1.52M) reports that Michigan state Rep. Karen Whitsett (D) "is crediting hydroxychloroquine – and Republican President Donald Trump who touted the drug – for saving her in her battle with the coronavirus." Whitsett, "who learned Monday she has tested positive for COVID-19, said she started taking hydroxychloroquine on March 31, prescribed by her doctor, after both she and her husband sought treatment for a range of symptoms on March 18." She said she began to feel relief in "less than two hours." Whitsett also said that "Trump's comments helped in her case." She said, "It has a lot to do with the President...bringing it up. ... He is the only person who has the power to make it a priority." The Detroit News (4/6, Mauger, 825K) quotes Whitsett as saying, "This is really difficult not just for myself, but for thousands of others. ... The fact that he is paying attention really matters." Whitsett said on Fox News' Ingraham Angle (4/6), "If President Trump had not talked about this, it would not be something that is accessible for anyone to be able to get right now. It would not even be possible. And I mean that honestly."

Trump tweeted his congratulations to Whitsett Monday evening. He wrote, "Congratulations to State Representative Karen Whitsett of Michigan. So glad you are getting better!"

Capito: Trump Should Let Healthcare Professionals "Take The Lead" On Coronavirus Response. The Hill (4/6, Carney, 2.98M) reports Sen. Shelley Moore Capito (R-WV) "said on Monday that President Trump should let healthcare officials within the administration take the lead on the response to the coronavirus." Capito told reporters that while it is "important" for Trump to speak to Americans, there must be a "consistent message." Capito said, "I think he probably would be better served, and maybe others would, when it's not used as the press conference for everything else, I think, I think he should...let the health professionals guide where we're gonna go, Dr. Fauci and Dr. Birx." The Washington Post (4/6, 14.2M) reports Capito said Trump's daily news briefings about the outbreak sometimes go "off the rails a little bit, but you know, that's the way the President conducts business."

Grisham: Trump Spoke With Pharma, Biotech CEOs About Developments On Coronavirus Therapeutics. Reuters (4/6, Lambert) reports that White House Press Secretary Stephanie Grisham tweeted Monday that Trump hosted a call with "CEOs of pharmaceutical & bio-tech companies to discuss developments in therapeutics to fight the Coronavirus. ... We are working hard to tear down barriers, cut red tape, & encourage cooperation across private industries & government." The Wall Street Journal (4/6, Walker, Loftus, Hopkins, Subscription Publication, 7.57M) reports that according to Informa Pharma Intelligence, there are more than 140 experimental drug treatments and vaccines for the coronavirus in development around the world, 11 of which are in clinical trials.

Brzezinski Suggests Trump Has A "Financial Tie" To Hydroxychloroquine. Fox News (4/6, Flood, 27.59M) reports on its website that on MSNBC's Morning Joe Monday, "host Mika Brzezinski suggested President Trump has a 'financial tie' to hydroxychloroquine on Monday because he has repeatedly promoted the drug as a possible treatment for coronavirus." After co-host Joe Scarborough questioned why Trump has "pushed an unproven drug," Brzezinski said, "A lot of people would say, follow the money. There's got to be some sort of financial tie to someone, somewhere that has the President pushing this repeatedly."

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India, Which Makes Almost Half Of US Hydroxychloroquine, Bans Its Export. Bloomberg (4/6, Du, 4.73M) reports that "nearly

half the supply of hydroxychloroquine to the U.S. comes from makers in India, a flow that has now been abruptly stanched after the Asian nation banned exports of all forms of the malaria drug touted by...Trump as a 'game changer' for treating the coronavirus." According to Bloomberg, "India's export ban on the drug is aimed at ensuring it has enough supply for domestic use after" Trump's "endorsement sparked global stockpiling of the medication." Bloomberg says that "according to data compiled by Bloomberg Intelligence, 47% of the U.S. supply of the drug last year came from India makers. Only a handful of suppliers in the top 10 are non-Indian, such as Actavis, now a subsidiary of Israeli generics giant Teva Pharmaceutical Industries Ltd." And Bloomberg adds that "it's likely that some of their production facilities are nevertheless located in India, the biggest maker of generic drugs in the world."

FCC Rejects Group's Petition To "Censor" Trump's Coronavirus Briefings. The Federalist (4/6, Justice, 126K) reports that the FCC on Monday "rejected a request by the far-left media group 'Free Press' to censor" the President's news conferences. The group had petitioned the FCC "to constrain public access to updates on the federal response to the ongoing public health pandemic by mandating television disclaimers to the president and media figures who possess opposing political views from Free Press." The Washington Examiner (4/6, Dunleavy, 448K) reports that the FCC "said that there is a strong argument that broadcasters are serving the public interest by airing live coverage of news events such as the press briefings by Trump and his team of health experts."

Trump Says His Press Conferences Are "Vital." In a tweet Monday morning, President Trump retweeted a post from commentator Gayle Trotter, who quoted from one of her columns in which she wrote, "'The pandemic has not changed the mainstream media's war against @realDonaldTrump As much as they try to leverage our current crisis to debilitate the president, their efforts continue to backfire'" Trump wrote in his tweet, "Thank you Gayle. I only wish the public could fully understand how corrupt & dishonest so much of our Lamestream Media is. My Press Conferences are vital. They are reaching millions of people that are not being told the truth, & haven't been for years (Witch-Hunts, Fake News)!"

Four Proposals For Oversight Probe Of Pandemic Preparedness In Circulation. Politico (4/6, Cheney, 4.29M) reports that "a bipartisan traffic jam is forming to demand a painstaking investigation into the missteps and policy holes that led to a massive U.S. coronavirus outbreak." According to Politico, "Lawmakers are circulating at least four proposals in the House intended to establish a coronavirus commission that delves deeply into the government decision-making that failed to prevent the mass illness and death now wracking the country." Politico says that "though all four proposals are overwhelmingly similar...the backers are making competing cases for why their specific bills should advance. And the reactions they're generating have more to do with the identity of the sponsors than the substance of the measures, though Republican resistance could be an obstacle for any of the plans."

Ohio Lawmaker Says Trump's Hydroxychloroquine Comments Constitute Crimes Against Humanity. The Washington Free Beacon (4/6, Christenson, 78K) reports Ohio state Rep. Tavia Galonski (D) "said she will attempt to prosecute" the President for committing "crimes against humanity" for his suggestion that hydroxychloroquine could be used to treat coronavirus. After a White House pres conference Sunday, Galonski tweeted, "I can't take it anymore. I've been to The Hague. I'm making a referral for crimes against humanity tomorrow. Today's press conference was the last straw. I know the need for a prosecution referral when I see one." After her tweet, the Ohio Capital Journal "interviewed Galonski...asking whether she seriously intended to follow through." She said, "Yes!" But, "when pressed, she seemed uncertain how to go about it."

Democrats Target Trump's Coronavirus Response. The Washington Post (4/6, Olorunnipa, Linskey, 14.2M) reports that as Democrats step up their "general-election campaign against the president, they have targeted his failure to act urgently to deflect the damage the coronavirus is wreaking over lives and the economy." As "ammunition," they are using "Trump's own comments, aired daily in the marathon coronavirus briefings where he commands center stage." Priorities USA Chairman Guy Cecil said, "It's important when you have a President who's literally just lying, misinforming, mismanaging, that you use the President's own words. ... And you help people understand that we are in this position now because the administration didn't take it seriously."

McDaniel: Democrats Exploiting Pandemic For Political Gain. The Washington Times (4/6, McLaughlin, 492K) reports RNC Chair Ronna McDaniel argued Monday that Democrats are seeking to exploit the coronavirus pandemic for "political gain." In an op-ed published on the Fox News website, McDaniel argued that calls from Democrats including Joe Biden and House Speaker Pelosi to expand mail-in voting options would "vastly expand opportunities for fraud and weaken confidence in our elections, but all Washington Democrats see is a potential benefit for their party. ... The Democrats' all-mail ballots proposal is a ruse to legalize ballot harvesting nationwide. ... Any person would be allowed to return an unlimited number of absentee ballots for voters, opening the door for political operatives to deliver ballots in bulk."

White House, Congressional Leaders Nearing Agreement On Need For New Relief Package.

The Washington Post (4/6, Werner, Debonis, 14.2M) reports "Congressional leaders and the White House are converging on the need for a new package of assistance to try and contain the coronavirus pandemic's economic devastation, fearful that a $2 trillion bailout law enacted last month will only have a limited effect." House Democrats are "eyeing a package of spending increases that would 'easily' cost more than $1 trillion," House Speaker Pelosi "told lawmakers Monday, according to two officials on the conference call who spoke on condition of anonymity to discuss it." President Trump has "signaled support for some of the ideas Democrats back, such as expanded assistance to small business owners and new bailout checks for households." Meanwhile, Republican leaders have "also called for more corporate aid and money to boost the overwhelmed health care system."

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White House And Congress Pull Back From Infrastructure In Next Relief Bill. The Washington Examiner (4/6, Crilly, 448K)

reports the White House is "scaling back expectations of a huge infrastructure bill to energize the coronavirus-crippled economy as focus returns to delivering money to struggling businesses and workers amid record unemployment increases." According to the article, the proposal "set up a possible clash" with Senate Majority Leader McConnell and "conservatives who have long questioned Trump's costly election infrastructure promises." Also, on Friday, "worse-than-expected employment numbers, with 6.6 million initial unemployment claims, saw [Pelosi] move her infrastructure plans on to the back burner in favor of more direct economic help for the worst affected."

Schumer Says Next Relief Bill Will Have To Be "Big And Bold" To Address "Huge" Problem. The Hill (4/6, Carney, 2.98M) reports Senate Minority Leader Schumer "said on Monday that there will 'definitely' need to be a fourth coronavirus bill, which he said will force lawmakers to return to Washington." Schumer said, "Look, I believe we are going to definitely need to do a COVID four. There are many needs that are unmet. And the problem may be of greater magnitude than people thought a few weeks ago. And so I do think we have to come back relatively soon." Schumer added, "All I can tell you is I think we are definitely going to need a COVID four and I think it's going to have to be big and bold because the problem is so huge."

GOP Senators Say Because Of Logistical Issues, Next Relief Bill May Need Unanimous Consent. CQ Roll Call (4/6, Lesniewski, 154K) reports, "A pair of Senate Republican appropriators suggested Monday that it would be difficult to envision lawmakers returning to the Capitol for votes on the next round of coronavirus aid any time soon." Sen. Marco Rubio (R-FL) "indicated that any action taken in the immediate future may require consent of the entire Senate." Also, Sen. Shelley Moore Capito (R-WV) "highlighted the challenge of reconvening the Senate on schedule."

On the "CQ Budget" podcast posted on the website of CQ Roll Call (4/6, Shutt, 154K), David Lerman and Jennifer Shutt discussed "ongoing negotiations for a fourth aid package to address the health care and economic impacts of COVID-19." They analyzed Pelosi's proposal, where McConnell "wants additional funding to go, and the logistical difficulties of bringing lawmakers back to Washington to vote."

Hawley Splits From GOP Senators With Call For Ambitious Intervention Plan. Politico (4/6, Everett, 4.29M) reports that while "most Senate Republicans are taking a cautious approach to the next step of Congress' coronavirus response," Sen. Josh Hawley (R-MO) is "pitching far-reaching proposals, including the federal government directly financing businesses to keeps millions of workers on their payrolls – part of what he calls a 'survival then surge' strategy in the face of a sputtering economy and dozens of state stay-at-home orders." Hawley is "one of the first Republicans to push a major new add-on to Congress' already extraordinary relief effort, and he's fighting an uphill battle with his guarded colleagues." However, "the early maneuvering is a hint of the debate to come in what was once a budget slashing party that must now weigh just how big to go in the face of a terrifying crisis."

Trump Nominates White House Lawyer To Oversee Coronavirus Relief Funds.

The Daily Caller (4/6, Datoc, Rodgers, 716K) reports President Trump nominated Brian Miller on Monday to serve as the Special Inspector General for Pandemic Recovery, "a new position with the Treasury Department with oversight powers into the government's coronavirus response." Miller currently serves as Special Assistant to the President and Senior Associate Counsel in the Office of White House Counsel. Aides for Senate Majority Leader McConnell "confirmed they had received the nomination but did not elaborate when asked about a potential timeline for a confirmation vote."

Small Business Aid Program Beset By Technical Problems For Fourth Day.

Reuters (4/6, Schroeder, Price) reports the "$349 billion small-business rescue program entered its fourth day on Monday, plagued by ongoing technology and processing problems that are delaying disbursements to businesses hurt by the novel coronavirus, according to industry groups, bankers and an email seen by Reuters." Lenders, flooded with "thousands of loan applications, struggled to access the government's technology system for processing the paperwork over the weekend, while that paperwork also changed more than once, the sources said." Over the weekend, the Independent Community Bankers of America "complained to the Treasury and SBA about banker frustration with 'failed technology' and 'massive delays' its members were experiencing with the SBA platform, which was not designed to process the massive program."

SBA Acknowledges Issues With Loan Application Process. The Washington Times (4/6, Boyer, 492K) reports the Small Business Administration "acknowledged to banks Monday in an email obtained by The Washington Times that there are frustrating flaws in its system for handling loan applications for distressed small businesses, even as the White House and lawmakers considered a second round of massive aid for companies." An email from SBA regional offices to lenders said, "We know that your efforts have been frustrated with system issues, policy questions and slower than usual responses."

WSJournal: Lawmakers Need To Fix Program. In an editorial, the Wall Street Journal (4/6, Subscription Publication, 7.57M) says Congress put the Small Business Administration in a difficult position, giving the agency little guidance in how to dole out $350 billion in loans to millions of small businesses in a relatively short period of time. The Journal says lawmakers should fix problems in the program in order to speed up loan approvals and save businesses.

NYTimes Analysis: US "Nowhere Close To Reopening The Economy."

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Under the headline "U.S. Is Nowhere Close To Reopening The Economy, Experts Say," Jim Tankersley of the New York Times (4/6, Tankersley, 18.61M) writes, "It is still very early in the U.S. effort to snuff a lethal pandemic by shutting down much of the economy," and "essentially, economists say, there won't be a fully functioning economy again until people are confident that they can go about their business

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without a high risk of catching the virus." Tankersley adds, "Interviews with more than a dozen economists, many of whom are veterans of past presidential administrations, reveal broad consensus on the building blocks the economy needs – but does not yet have – to begin the slow process of restoring normalcy in the American economy."

USDA Urged To Ease Food Stamp Restrictions.

The AP (4/6, Galvan, Khalil) reports that "buying groceries online – which many Americans are doing to drastically reduce how often they leave their homes – is only open to SNAP recipients in six U.S. states," and "now, state governments...are imploring the U.S. Department of Agriculture to make the program more flexible and easier to access." The AP says "the calls have even come from conservative states where lawmakers have tried to reduce or limit food aid." According to the AP, Arizona Gov. Doug Ducey (R) "has asked the agency to waive interview requirements for applicants, allow families to purchase hot meals, waive work requirements for some and enact other changes that would help families deal with the economic fallout of the pandemic." Pennsylvania Gov. Tom Wolf (D) has "urged the federal government to expand a pilot program launched in New York and Washington state that allows people to use their debit-style benefit cards to order online groceries."

Pandemic Affecting US Meat Production.

The Wall Street Journal (4/6, Bunge, Subscription Publication, 7.57M) reports the pandemic is slowing and temporarily halting US meat production at some facilities, as sickness and fear sideline workers. Workers' concerns over infection risks have led to walkouts and complaints, while an increasing number of positive cases have resulted in some meat companies scaling back operations.

Study: Florida, Nevada May Be Hit Hardest By Economic Downturn.

Reuters (4/6, Schneider) reports a newly released study by Oxford Economics predicts Maine, Nevada, and Vermont will be "among the states most vulnerable to the economic shock being caused by the pandemic," with Florida "the only heavily populated state near the top of the list." Oxford economists found "states such as New York and California that have so far had the heaviest COVID-19 case loads may actually be among the more economically resilient." Oxford ranked the 50 states and the District of Columbia "using 10 measures its economists felt could make a local economy more vulnerable, including the share of the population over 65, dependence on retail sales, and the importance of the tourist industry."

Airbnb Raises $1B In New Funding Amid Pandemic.

The New York Times (4/6, Griffith, 18.61M) reports Airbnb said Monday "that it had raised $1 billion in new funding as it grapples with devastation from the coronavirus pandemic." The private equity firm Silver Lake and the investment firm Sixth Street Partners "led the investment, which was a mixture of equity and debt." In a statement Airbnb said, "The new resources will support Airbnb's ongoing work to invest over the long term in its community of hosts who share their homes and experiences."

Many Millennials On Shaky Financial Footing As They Face Their First Economic Crisis.

The New York Times (4/6, Popper, 18.61M) reports young adults are "facing what is, for most of them, the first serious economic crisis of their lives," and "by most measures, they are woefully unprepared." Millenials, "overloaded with credit card and student debt, and underrepresented in the housing and stock markets," have "entered this uncertain period with significant obligations and few resources." According to the article, "the sudden disappearance of paychecks, combined with a wide array of monthly debt payments and the declines in any investments, is forcing some millennials to take desperate measures," such as pulling funds "out of 401(k) retirement accounts to pay for rent."

Progressives Want Biden To Blame Trump For Recession Caused By Pandemic.

Politico (4/6, Siders, Schneider, 4.29M) reports that the economy had "looked like the one thing that could overcome Donald Trump's stubbornly low approval ratings and carry him to a second term. ... But now that the coronavirus has laid waste to the surging stock market and low unemployment, Democrats are discovering another obstacle – framing a coherent economic argument that all the party's factions can rally around." According to Politico, "It's already become a source of friction within the Democratic Party, even as some major Democratic outside groups begin pummeling Trump for the economic fallout of the pandemic." Politico says the party's "left flank" is "increasing pressure on Joe Biden...to adopt more progressive economic policies" as "activists accuse Trump of prioritizing corporate America over low-wage workers." Politico reports that "many moderate Democrats are leery of drawing such distinctions, training their criticism of Trump solely on his initial mishandling of the pandemic."

Dimon: Recession Exacerbated By "Bad Planning And Management." Politico (4/6, Warmbrodt, 4.29M) reports that JPMorgan Chase CEO Jamie Dimon, in an annual letter to shareholders that was released on Monday, "warned of a coming deep recession with financial shocks similar to the 2008 Wall Street meltdown, after poor planning" by the US before the COVID-19 pandemic. According to Politico, Dimon "took a veiled swipe at the Trump administration and other U.S. leaders for failing to prepare for the outbreak. He said the pandemic 'is only one example of the bad planning and management that have hurt our country.'" Reuters (4/6) reports that JPMorgan "will

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extend benefits to customers hit hard by the health crisis, by introducing measures such as waivers for late fees and a 90-day grace period for mortgage and auto loan payments, according to the letter."

Yellen: GDP Will Decline By "At Least 30 Percent." Politico (4/6, Ward, 4.29M) reports that former Federal Reserve Chair Janet Yellen said on Monday, "Other sectoral indicators, daily credit card data, other data that we have, just showed a dramatic decline in economic activity. You know, probably for the second quarter at an annual rate, we're going to be looking at a decline of GDP of at least 30 percent, and I've seen far higher numbers."

Carson Says Economy Will Bounce Back After Virus Threat Passes. HUD Secretary Carson said on Fox News' Ingraham Angle, "The fundamentals of the economy are very strong. We just have to bridge this gap and we will be able to get right back to having our strong economy after this is over and we know that this, too, will pass."

Russia, Saudi Arabia Said To Be Closing In On Oil Deal.

The Washington Times (4/6, Meier, 492K) reports Russia and Saudi Arabia "are 'very, very close' to a deal to cut oil production and settle the oil price war that has rocked global markets, the head of Russia's sovereign wealth fund RDIF said Monday." Russian Direct Investment Fund CEO Kirill Dmitriev told CNBC Monday that "the whole market understands that this deal is important and it will bring lots of stability, so much important stability to the market, and we are very close."

Brouillette: Russian And Saudi Production Hikes Undermined The US Shale Industry. Appearing on Fox Business' Mornings With Maria (4/6), Energy Secretary Brouillette was asked about talks between the governments of Russia and Saudi Arabia about a potential deal to end their ongoing oil production war. Brouillette said, "I think what they're going to do is meet later in the week. We're not parties to the OPEC conversation, if you will, not in a direct way. But our understanding in conversations with both minister in Saudi Arabia and the minister in Russia is they're going to get together later this week and hopefully end this disagreement that started perhaps two or three weeks ago in the last OPEC meeting."

Brouillette: "It's A Great Time To Fill" The Strategic Petroleum Reserve. Appearing on Fox Business' Mornings With Maria (4/6), Brouillette was asked if the federal government can do anything to boost the oil industry as it deals with the recent precipitous drop in the price of crude. Brouillette said, "We looked at this week some of the tools that we have available to us in the US government. One of those is the Strategic Petroleum Reserve, and we've made available that storage to this particular industry. What happens in the oil business, when you're producing oil you have to either use it or you have to store it. Because demand is down, storage becomes the only option. We have approximately 77 million barrels left in the Strategic Petroleum Reserve and we're making that available to the industry."

Cisco Denied Same Tariff Exemption Apple Received Last Year.

Bloomberg (4/6, Leonard, King, 4.73M) reports under the headline "Trump Risks U.S. Jobs While Saving Apple's At Austin Factory" that though President Trump last fall exempted Apple "from tariffs levied on components it imports from China" that are used at a Texas plant, other companies like Cisco "didn't receive the same treatment. Now jobs related to the manufacture of its products are at risk." Last July, Cisco "asked the government to exempt the company's power supplies for U.S.-made servers and switches from the same 25% tariff. ... After months of being stuck in the process, Cisco was told March 5 that its application for the tariff exemption was denied."

Coronavirus Model Cited By White House Now Projects Fewer Deaths By August.

Breitbart (4/6, Leahy, 673K) reports, "The Institute for Health Metrics and Evaluation (IHME) model cited by the White House Coronavirus Task Force lowered its projections of coronavirus deaths in the United States by August 4 to 81,776, down more than ten percent from the 93,765 projected on April 1." The model "also lowered projections of the number of states that will not have enough regular or ICU hospital beds to admit all identified coronavirus patients at the peak in their states from 37 in the April 1 projection to 20 in Monday's projections."

The AP (4/6, Long, Peltz, Hinnant) says the model "relies on much more robust data from Italy and Spain and from hospitals." Guy Benson of Townhall (4/6, 177K) calls the update "good news," writing, "It looks like real progress is being made." President Trump tweeted, "LIGHT AT THE END OF THE TUNNEL!"

The Washington Examiner (4/6, Halaschak, 448K) reports NIAID Director Fauci and White House Coronavirus Task Force response coordinator Deborah Birx "expressed guarded optimism about America's ability to reduce the death toll from the coronavirus pandemic" on Monday. Fauci said, "I don't accept that we have to have 100,000 to 200,000 deaths. I think we can really bring that down." Birx "also expressed hope at the briefing, saying she 'doesn't accept' that the United States is resigned to those numbers and that the nation can save lives by continuing the measures in place."

Birx said on Fox News' Hannity (4/6, 535K), "The American people are following the Presidential guidelines, social distancing, not gathering in groups over 10. ... We know this is a very transmittable virus, and having all Americans pull together in this moment of great need as a nation is really inspirational."

Verma: "We Are Going To See An Increase" In Deaths. CMS Administrator Verma said on KTSA-AM San Antonio (4/6, 3K), "Unfortunately, we are going to see an increase in the number of deaths. ... That is really based on what happened two or three weeks ago. ... That being said, it is important that everybody really double down on those efforts on social mitigation, 30 days to slow the spread so that we don't see more of this."

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HHS IG Report Confirms Hospitals Face Testing, Equipment Shortages.

The Washington Post (4/6, Goldstein, 14.2M) reports the HHS Inspector General "is corroborating warnings by governors and front-line health-care workers that hospitals' ability to combat the coronavirus pandemic is being impeded by shortages of tests, protective gear, staff and space, as well as inconsistent government advice." The New York Times (4/6, Kaplan, Thomas, 18.61M) reports, "Testing availability remains a signature failure of the battle against the coronavirus in the United States, despite President Trump's boast last week that he got a rapid test and results within minutes."

The Los Angeles Times (4/6, Wilber, 4.64M) says the IG report, the first public federal report "on the state of the nation's hospitals amid the coronavirus pandemic," was "based on hundreds of interviews of administrators at 323 medical centers coast-to-coast between March 23-27." The HHS inspector general "found that hospital administrators were particularly frustrated by the lack of testing." Some administrators "noted they had not received any medical equipment from the federal government's Strategic National Stockpile."

On the CBS Evening News (4/6, story 5, 1:30, O'Donnell, 5.86M), Weijia Jiang said the "scathing new report reveals hospitals nationwide are already struggling with widespread shortages of critical equipment. One received two shipments of protective gear from FEMA that had expired ten years ago. Another got 1,000 masks, half of which were for children and unusable for adult staff."

The AP (4/6, Alonso) reports that "three out of four U.S. hospitals surveyed are already treating patients with confirmed or suspected COVID-19, according to" the report "that finds hospitals expect to be overwhelmed as cases rocket toward their projected peak." The report "warns that different, widely reported problems are feeding off each other in a vicious cycle."

Trump Calls ABC's Karl A "Third-Rate Reporter." The Daily Caller (4/6, Morefield, 716K) reports that during Monday's coronavirus task force news conference, the President called ABC's Jonathan Karl a "third-rate reporter." The exchange came after Assistant Secretary for Health Adm. Brett Giroir finished addressing the HHS IG report. Trump asked Karl, "How long has that person been in government?" Karl said she has served in the "previous administration," and Trump "sarcastically" replied, "Oh, I see. You didn't tell me that, Jon. ... See, there's a typical fake news deal. ... You're a third-rate reporter, and what you just said is a disgrace."

Trump Says 3M Will Produce 166.5M Masks.

Politico (4/6, Diamond, Lim, 4.29M) reports President Trump said Monday that 3M "would produce 166.5 million masks over the next three months, cementing a commitment from a company the administration had blamed for exacerbating a shortage for health workers responding to the coronavirus pandemic." The President said, "We have reached an agreement, a very amicable agreement, with 3M. The 3M saga ends very happily."

The Minneapolis Star Tribune (4/6, DePass, 1.04M) reports Trump last week "attacked 3M, saying it was 'going to pay' for its business practices, which involved continuing to export some mask supplies to Canada and Latin America."

Cook Says Apple Will Make 1M Face Shields Each Week. The Washington Times (4/6, Lovelace, 492K) reports Apple CEO Tim Cook said Monday that the company "will manufacture and ship 1 million face shields each week to health care workers fighting the coronavirus outbreak" in the US. Cook said in a video, "We've launched a company-wide effort, bringing together product designers, engineering, operations and packaging teams and our suppliers to design and produce and ship face shields for health workers. Our first shipment was delivered to Kaiser Hospital facilities in the Santa Clara Valley this past week and the feedback from doctors was very positive." Breitbart (4/6, Nolan, 673K) reports, "The company has already donated 20 million N95 masks to governments and hospitals."

Trump: Cruise Ship Passengers Allowed To Disembark "When Appropriate."

President Trump tweeted Monday morning, "For humanitarian reasons, the passengers from the two CoronaVirus stricken cruise ships have been given medical treatment and, when appropriate, allowed to disembark, under strict supervision. Very carefully done. People we're dying & no other countries would allow them to dock!"

Trump Says He Had "Friendly Conversation" With Biden About Coronavirus Monday.

The Hill (4/6, Chalfant, 2.98M) reports in a brief item that President Trump "said Monday that he had a 'friendly' and 'warm' conversation" with Joe Biden about the coronavirus outbreak. Trump said, "He gave me his point of view and I fully understood that. We just had a very friendly conversation. It was really good, really nice. I appreciate his calling." Fox News (4/6, Singman, 27.59M) reports on its website that the call came after Biden "offered [last week] to have a phone call with Trump directly to discuss a strategy to combat coronavirus."

Weijia Jiang said in a brief CBS Evening News (4/6, story 7, 0:20, O'Donnell, 5.86M) report that Trump "described [the] conversation as warm and friendly." The New York Times (4/6, Goldmacher, 18.61M) reports, "One person familiar with the discussion described it as mutually respectful, saying it lasted between five and 10 minutes and focused solely on the virus."

Earlier, Politico (4/6, Oprysko, 4.29M) reported that in a Monday morning tweet, Trump "appeared to suggest" that Biden "had ulterior motives for suggesting Democrats may need to hold their nominating convention virtually because of the coronavirus pandemic." Trump tweeted, "Joe Biden wanted the date for the Democrat National Convention moved to a later time period. Now he wants a 'Virtual' Convention, one where he doesn't have to show up. Gee, I wonder why? Also, what ever happened to that phone call he told the Fake News he wanted to make to me?"

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Georgia, South Dakota Say They Did Not Get Biden Campaign's Offer To Assist. The New York Post (4/6, Bowden, 4.57M)

reports, "In the early hours of Monday morning, Joe Biden's campaign sent an email to state leaders offering to connect them with desperately needed coronavirus resources." But "at least two states with Republican governors, South Dakota and Georgia," said they "never got the email, while one governor's office said the campaign's efforts to insert themselves in the pandemic was only making their jobs harder."

Obama Endorses Warren's Coronavirus Framework. Politico (4/6, Oprysko, 4.29M) reports former President Obama on Monday "offered high praise" for Sen. Elizabeth Warren (D-MA), endorsing her "extensive framework for how to jump-start the economy once the coronavirus pandemic recedes." Obama tweeted, "As she often does, @SenWarren provides a cogent summary of how federal policymakers should be thinking about the pandemic in the coming months." Obama linked to a Vox interview in which Warren "discussed her multiple plans to address the global pandemic and its economic fallout."

Trump Asks Reporter If She Works For Chinese Government.

The Daily Caller (4/6, Ross, 716K) reports that the President asked a reporter Monday is she was working for the Chinese government after the reporter "asked a question about medical supplies that Beijing has provided" the US. The reporter, "who said she was with Phoenix TV, a Hong Kong-based outlet sympathetic to Beijing, began her question by noting that the Chinese government and companies like Huawei and Alibaba have donated medical supplies and equipment to the U.S. to handle coronavirus pandemic." Trump said, "It's a statement more than a question." When the reporter asked, "Are you cooperating with China," Trump replied, "Who are your working for, China? ... Do you work for China, or are you with a newspaper? Who are you with?"

As Navy Chief Apologizes To Crozier, Trump Says He May Move To Settle Dispute.

USA Today (4/6, Brook, 10.31M) reports "the acting Navy secretary disparaged the former captain of the USS Theodore Roosevelt, calling him 'too naive or too stupid' to command the aircraft carrier stricken with COVID-19, before issuing a remarkable apology taking back the insults." Axios (4/6, Falconer, 521K) says Acting Navy Secretary Thomas Modly said last night, "Let me be clear, I do not think Captain Brett Crozier is naive nor stupid. I think, and always believed him to be the opposite. ... Captain Crozier is smart and passionate. I believe, precisely because he is not naive and stupid, that he sent his alarming email with the intention of getting it into the public domain in an effort to draw public attention to the situation on his ship. I apologize for any confusion this choice of words may have caused ... [and for] any pain my remarks may have caused." The Washington Examiner (4/6, Halaschak, 448K) reports the apology came "amid a torrent of criticism" over his earlier remarks.

On ABC World News Tonight (4/6, story 7, 1:50, Muir, 9.55M), Martha Raddatz reported, meanwhile, that the President "has been critical of...Crozier," but said yesterday "he's going to look into all of this, saying the captain's career has been very good before this and he doesn't want to destroy somebody for having a bad day." The Washington Times (4/6, Wolfgang, 492K) also reports "Trump said Monday he is 'going to get involved' in settling" the "heated dispute." Said Trump, "I've heard very good things about the gentleman, both gentlemen. ... I may just get involved ... You have two good people and they're arguing. And I'm good, believe it or not, at settling arguments." The Washington Examiner (4/6, Dibble, 448K) quotes Trump as saying, "He's the captain of a ship. He's a very important person of a very expensive ship, a nuclear-powered ship. He shouldn't be writing letters like that. But it happens. Sometimes I'll write a letter that I'll say 'I wish I didn't send it.' Not too often, but it happens."

The New York Times (4/6, Ismay, Ziezulewicz, 18.61M) reports that Modly had "excoriated the fired commander of the U.S.S. Theodore Roosevelt to its crew...amid a coronavirus outbreak among their ranks." The Times adds that "in a profane and defensive address that one crew member described in an interview as 'whiny, upset, irritated, condescending,' Modly took repeated shots at the integrity...Crozier, who was removed from command last week." The CBS Evening News (4/6, story 6, 0:30, O'Donnell, 6.03M) showed Modly saying, "He was 'A,' too naive, or too stupid to be a commanding officer of a ship like this. The alternative is that he did this on purpose."

The Washington Post (4/6, Lamothe, 14.2M) reports that "a Navy official, speaking on the condition of anonymity because of the sensitivity of the issue, said there 'is no official transcript' of Modly's remarks." Said the official, "His remarks were intended to be private, between the Secretary and each member of the crew." Politico (4/6, O'Brien, 4.29M) indicates, meanwhile, that Modly "said on Monday he stands by 'every word' he said to the crew." Modly released a statement reading: "The spoken words were from the heart, and meant for them. I stand by every word I said, even, regrettably any profanity that may have been used for emphasis." Rep. Elaine Luria (D-VA), "a retired Navy officer who represents the Norfolk area, called for [Defense Secretary] Esper to oust Modly over his remarks to sailors aboard the Roosevelt." Likewise, Sen. Tim Kaine (D-VA) "slammed Modly on Monday over the Navy leader's criticism of the captain. 'Based on the transcript I've read, Secretary Modly's comments were completely inappropriate and beneath the office of the Secretary of the Navy,' Kaine said in a statement."

Reuters (4/6, Ali, Stewart) reports that according to an unidentified "US official," Modly's remarks "angered the crew, who were already upset at his surprise decision on Thursday to relieve...Crozier of his command." Reuters adds, "One U.S. official...said military officials had recommended against firing Crozier, including Chief of Naval Operations Admiral Michael Gilday, arguing that it was better for an investigation to be complete. The official said it did not appear that Trump spoke with Modly before the firing, but Modly was made aware that the White House wanted Crozier to be relieved of his command."

The AP (4/6, Baldor, Burns) also reports on the "extraordinary broadside punctuated with profanity," and USA Today (4/6, Brook, 10.31M) that Modly "disparaged the former captain of the USS Theodore Roosevelt." The Wall Street Journal (4/6, Graymer, Restino, Subscription Publication, 7.57M), Washington Times (4/6, Glenn, 492K) and Fox News (4/6, Wallace, 27.59M), among other news outlets,

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also cover the story.

In Remarks To Crew, Navy Chief Also Criticizes Biden. The New York Times (4/6, Ismay, Ziezulewicz, 18.61M) reports that Modly, in his remarks to the USS Theodore Roosevelt crew, "eventually injected partisan political tones into the address by attacking" Joe Biden, who has "repeatedly criticized Crozier's removal."

Duckworth: Trump Should Not Be Called A "Wartime President" Until He Starts Acting Like One.

In an op-ed for USA Today (4/6, 10.31M), Sen. Tammy Duckworth (D-IL) writes that President Trump recently "crowned himself a 'wartime president,'" but "his actions have been tantamount to sending his own troops into battle without body armor or a single weapon." Duckworth accuses Trump of wasting precious time "denying the gravity of the situation, telling lies and stoking xenophobia, preying on our worst instincts in a way that's catapulted us ever closer to a worst-case scenario situation when we once upon a time had an opportunity to minimize the risks this pandemic posed to our nation." Duckworth concludes "it's time for Trump to prove that he will make the kinds of choices that actually help the people he was elected to serve – the people this virus is killing every hour he fails to follow the advice of public health experts and actually do the right thing."

White House Regularly Testing Officials In Close Proximity To Trump, Pence.

NBC Nightly News (4/6, story 4, 0:40, Holt, 8.63M) reported, "The White House is signaling they are not making any changes to better protect the President at this point." White House Press Secretary Stephanie Grisham told NBC, "'We're very confident in the protocols the White House has in place.' The Administration noting the President has tested negative twice already. White House doctors are doing regular testing for officials in close proximity to the President and Vice President. President Trump has acknowledged it can be hard to keep a distance from Vice President Pence, but stresses they're both healthy."

Adams: New Orleans, Michigan, Southern Florida Could Be Next Hot Spots.

Asked on the CBS Evening News (4/6, story 8, 2:45, O'Donnell, 5.86M) where the next COVID-19 hot spots will be, Surgeon General **Adams** said, "We know New Orleans has not hit their peak yet. They're a hot spot. We know that Michigan is really struggling, particularly in the Detroit area. We know that southern Florida...is a hot spot. From a supply point of view, we sent a lot of our supplies and resources to New York. Once they hit their peak, they will be redeployed to other areas. We ultimately can't afford to have 15, 20, 30 hot spots at once, because that could overwhelm our ability to be able to respond."

The Washington Times (4/6, Howell, Sherfinski, 492K) reports, "Coronavirus deaths appeared to be leveling off in New York, Italy and Spain, but the White House told America to keep its foot on the pedal to avoid squandering its gains, as U.S. deaths crossed the somber milestone of 10,000 on Monday." Members of the coronavirus task force "said places such as New York City, neighboring New Jersey and Detroit are turning the corner even as they reel from mounting death tolls. Other places in the U.S. may peak in the coming weeks, though officials are hopeful their social-distancing techniques are working as companies race to develop drug treatments."

Wilkie Says VA Has Been Preparing Since Early February.

VA Secretary Wilkie said on WHKT-AM Norfolk, VA (4/6) that the VA has "been preparing since the first week of February in a way that the rest of the country wasn't, at least in the private medical sector. We have been providing those services to veterans and that allows us to fulfill our fourth mission, which is...where we have excess capacity, we can provide a bridge between the federal government and states and localities." Wilkie was also interviewed on WFLA-AM Tampa Bay, FL (4/6, 8K).

Severino: Treatment Decisions Must Be Based On "Best Objective Medical Evidence."

HHS Office for Civil Rights Director Roger Severino said on WHAM-AM Rochester, NY (4/6, 8K) that his office is "here to make sure that nobody is left behind. .. We enforce our civil rights when things are calm and when things are put to the test. We can't forget the fundamental principles that we don't stereotype people. We don't put people at the back of the line because of disabilities. We don't take into account so-called quality-of-life factors. ... Any decision must be based on the best objective medical evidence." Severino was also interviewed by American Family Radio (4/6).

NYTimes Analysis: "Hybrid" PPE Distribution System Causing Confusion And Frustration.

The New York Times (4/6, Kanno-Youngs, Nicas, 18.61M) reports that after pushing states "for weeks...to procure their own protective gear, like masks, gloves, ventilators and face shields," the Administration is now working "to create a hybrid system of distribution – divided between the federal government, local officials and private health care companies" – that "has led to new confusion, bordering on disarray, and charges of confiscation." Colorado Gov. Jared Polis (D) said on CNN, "Either be in or out, folks. Either you're buying them and you're providing them to the states and you're letting us know what we're going to get and when we're going to get them, or stay out and let us buy them."

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WPost: Administration Sending "Mixed Messages" During Pandemic. President Trump and Administration officials are sending

"mixed messages," an editorial by the Washington Post (4/6, 14.2M) says, "at a time when public cooperation is desperately needed to blunt the disease" and "clarity is essential." In the Post's view, "the reason for the confusion is no mystery: Mr. Trump will not consistently defer to experts, and his officials fear crossing him." The editorial concludes, "That is no way to defeat a pandemic."

African Americans Account For Disproportionate Number Of COVID-19 Deaths.

Reuters (4/6, Wolfe) reports that "early data from U.S. states shows African Americans are more likely to die from COVID-19, highlighting longstanding disparities in health and inequalities in access to medical care." The CBS Evening News (4/6, story 3, 2:10, O'Donnell, 6.03M) reported, "In Illinois alone, more than 40 percent of those who have died are African Americans, even though only 15 percent of the population is black." CBS' Adriana Diaz added, "African Americans account for 41 percent of COVID deaths in Michigan, though only 14 percent of residents. In Chicago, black residents represent 72 percent of deaths but just 30 percent of the population."

The Washington Post (4/6, Williams, 14.2M) reports that "a civil rights group and hundreds of doctors are calling on the federal government to release race and ethnicity data on infections and deaths" from the pandemic, stating that it "is affecting African Americans at a disproportionate rate. The information is necessary to 'better inform a robust public health response in the Black community' and to 'ensure COVID-19 tests are not being administered or withheld in a racially discriminatory manner,' says a letter" sent to HHS Secretary Azar from the Lawyers' Committee for Civil Rights Under Law.

Milwaukee Responding To Racial Disparity In Casualty Numbers. The Washington Post (4/6, Samuels, 14.2M) reports residents "in African American communities ravaged by COVID-19...are wondering what they might do to soften the virus's deadly blow." In Milwaukee, "the city's mayor, Tom Barrett, said officials are trying to address the disparity." Barrett "said that the county was quick to identify the trend, as one of the few jurisdictions in the United States collecting data related to race. Residents there are now tested at nearly twice the rate of the city's majority-white areas."

Chicago Mayor Takes Steps To Address "Public Health Red-Alarm" In Racial Disparity. The Chicago Sun-Times (4/6, Spielman, 875K) reports Chicago Mayor Lori Lightfoot on Monday "outlined a sweeping plan to bridge a racial divide tied to the coronavirus pandemic that mirrors the life expectancy gap between black and white Chicagoans: 72% of city residents who have died from the virus are African American." Health Commissioner Allison Arwady pointed "to the higher incidence of chronic diseases among African Americans and to unequal access to health care, healthy food choices and safe, walkable streets." Lightfoot "declared a 'public health red alarm' that calls for attacking the problem on multiple fronts."

US Death Toll From Coronavirus Passes 10,000.

The Wall Street Journal (4/6, Calfas, Ping, Kostov, Subscription Publication, 7.57M) reports the US death toll from coronavirus has passed 10,000 at the beginning of a week that some health officials have predicted will be the worst yet. Confirmed infections stood at nearly 357,000, with the death toll at 10,524, according to data Monday from Johns Hopkins University.

On the CBS Evening News (4/6, story 2, 1:20, O'Donnell, 6.03M), Mola Lenghi reported "hot zones" across the country "include Detroit, where cases have tripled in the last nine days to more than 5,000." Meanwhile, "in Louisiana, COVID-19 cases have more than doubled since last Wednesday," while Chicago is "approaching 5,000 cases." According to Lenghi, "the next hot spots include Miami and Philadelphia."

On ABC World News Tonight (4/6, story 5, 2:00, Muir, 9.55M), Matt Gutman reported, "With the national death toll topping 10,000, some" are "still ignoring stay home orders." Also, so far, governors of nine states "have still not issued statewide shelter at home orders."

On ABC World News Tonight (4/6, story 2, 1:25, Muir, 9.55M), Tom Llamas provided accounts from across the country on the front-line battles "to save lives."

Data Suggest Pandemic May Have Plateaued In New York.

The AP (4/6, Villeneuve) reports that New York Gov. Andrew Cuomo (D) on Monday "extended stay-at-home restrictions through the end of the month and increased fines on violators to up to $1,000, citing fresh evidence...that the outbreak-fighting rules could be helping the state avoid a worst-case catastrophe." According to the AP, New York state "has tallied 4,758 deaths from COVID-19, with 599 reported in the last 24 hours." However, "There are signs the surge might be slowing. The number of new people entering hospitals daily has dropped, as have the number of new patients requiring ventilators." The AP says "recent data suggests the state could be at or near the peak, meaning fewer hospital beds would be needed in the coming weeks than the most dire projections had indicated."

The New York Times (4/6, 18.61M) reports that on Monday, "for the second day in a row, officials found reasons for hope even as hundreds of people continued to die and thousands clung to life on ventilators. On both Sunday and Monday, fewer than 600 deaths from the virus were reported in New York: 594 on Sunday, 599 on Monday." Cuomo is quoted as saying, "If we are plateauing, we are plateauing at a very high level and there is tremendous stress on the health care system."

Reuters (4/6, Layne, Szekely) reports Cuomo said on Monday that there are signs the coronavirus outbreak is "flattening" in the state, but he also warned against complacency as the death toll for the whole US passed 10,000 with the total number of cases exceeding 350,000.

On NBC Nightly News (4/6, story 2, 2:30, Holt, 8.63M), Gabe Gutierrez reported, "Cuomo is warning New Yorkers not to let their guard down, doubling the fine for not social distancing to $1,000."

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Bloomberg (4/6, 4.73M) reports that Cuomo "cautioned" that "the challenge...is to maintain the social distancing that has finally pointed New York toward a possible peak in fatalities." According to Bloomberg, "For two days in a row, the death toll was about the same, a turnabout from increases for more than a week. Case increases were less than 10% for two days, a turnabout from numbers about twice as large a week earlier."

On ABC World News Tonight (4/6, lead story, 2:40, Muir, 9.55M), Tom Llamas reported that even with numbers that look to be leveling off, "hospitals here are overwhelmed. Pushed to capacity and beyond." The New York Times (4/6, Feuer, 18.61M) reports, "The continuing flood of patients into hospital emergency rooms has presented a daunting challenge to policymakers like Mr. Cuomo who are trying to predict on the fly not only where the crisis might be headed, but also when New York might be able to return to a semblance of normalcy." Cuomo "said on Monday that schools and nonessential stores would remain closed at least through April 29."

Cuomo Says State Does Not Need More Ventilators At The Moment. The Daily Caller (4/6, Olohan, 716K) reports Cuomo on Monday said that the state does not need more ventilators "right now." Cuomo said, "There is no hospital that needs ventilators that doesn't have ventilators, there is no hospital that needs PPE [personal protective equipment] that doesn't have it in the state system." He added, "Have we saved everyone? No. But have we lost anyone because we didn't have a bed or we didn't have a ventilator, or we didn't have health care staff? No."

Trump Allows COVID-19 Patients On USNS Comfort. On the CBS Evening News (4/6, lead story, 2:55, O'Donnell, 6.03M), Mola Lenghi reported the naval ship "Comfort," which was brought "to treat non-coronavirus patients," will now "begin accepting coronavirus patients" after a decision by President Trump. On ABC World News Tonight (4/6, story 3, 0:45, Muir, 9.55M), Tom Llamas reported Trump has "approved for patients from New Jersey to go over to the Comfort as well, which is great news for New Jersey."

New York City Mulls Mass Grave In Park For Casualties. The New York Times (4/6, Feuer, 18.61M) reports New York City Councilman Mark Levine "says the city has a contingency plan to bury victims in a public park if morgues fill up, though the medical examiner's office said no final decision had been made." Levine did not specify "which park was under consideration, noting only that it would likely have to be a large one 'out of the way of the public.'" On Monday, Mayor Bill de Blasio "said no such plans had been put in place yet, though he added it remained a possibility."

De Blasio Defends His Excursions To Public Park. The New York Post (4/6, Calder, Garger, 4.57M) reports New York City Mayor Bill de Blasio (D) "insisted that even during the coronavirus pandemic he opts to exercise in Brooklyn's Prospect Park – 12 miles from Gracie Mansion – in order to remain an effective leader." De Blasio was "responding to a question from a viewer about why he's driven to Brooklyn for a walk in the park when his Upper East Side home abuts acres of waterfront parkland." The mayor has "been spotted – and called out on social media – for his recent strolls inside Prospect Park with First Lady Chirlane McCray." But on Monday, "he shrugged off the criticism, and defended his inter-borough trips."

New Jersey's Curve May Have Started To Flatten.

Politico (4/6, Sutton, 4.29M) reports that "a new coronavirus tracker prepared by Rutgers University-Camden researcher Sarah Allred suggests the curve of coronavirus-related deaths in New Jersey has started to flatten." Politico adds, "While the data doesn't suggest New Jersey is anywhere close to being out of the woods – far from it – the speed with which new deaths are announced is starting to slow," suggesting the stay-at-home order issued by Gov. Phil Murphy (D) "is having its intended effect." According to Politico, "As of Sunday, at least 37,505 New Jersey residents had tested positive for the virus and 917 people have died."

Politico (4/6, Sutton, 4.29M) reports Murphy said Monday that social distancing efforts are beginning to bear fruit. Murphy said, "Our efforts to flatten the curve are starting – I say starting – to pay off even with the lag time in getting test results back from the lab. I use that word cautiously." State officials "expect to see infections and hospitalizations peak between April 19 and May 11, according to models Murphy presented during the briefing."

Deaths In DC Region Jump As Hospitals Prepare For Surge.

The Washington Post (4/6, Chason, Nirappil, Portnoy, Harden, 14.2M) reports, "The District, Maryland and Virginia saw their biggest single-day increase in fatalities related to the novel coronavirus Monday, with deaths up to 169 as officials warned that the region could become one of the country's next hot spots and hospitals prepared for a surge." According to the Post, "there was a 114 percent increase in confirmed coronavirus cases in the D.C. region in the past week." From Friday to Monday, "there were an average of 393 new cases a day – up from an average of 70 new cases a day March 22 through March 24."

California Lends 500 Ventilators To National Stockpile.

The AP (4/6, Ronayne) reports that California Gov. Gavin Newsom (D) on Monday "announced...the state would loan 500 ventilators to the national stockpile for use by New York and other states experiencing a crush of coronavirus-related hospitalizations, even as he said the nation's most populous state needs to find more ventilators of its own."

The Los Angeles Times (4/6, Willon, 4.64M) reports, "Newsom said lending the critically needed ventilators was possible because hospitals throughout California have procured thousands of devices in the last few weeks, increasing their total ventilator inventory from 7,587 to 11,036." With coronavirus cases "not expected to peak until May, under current estimates, California could afford to lend the medical

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devices to parts of the country where they are in seriously short supply, Newsom said."

Politico (4/6, White, 4.29M) says California's "act of generosity completes a bi-coastal aid package after both Washington and Oregon lent medical supplies to New York, which is battling the nation's worst outbreak."

Meanwhile, the Los Angeles Times (4/6, Fry, Wigglesworth, Money, Shalby, 4.64M) reports that across California, "the total number of confirmed cases has topped 15,000 and the number of deaths surpassed 350." In Los Angeles County, "health officials urged residents to stay home this week, to limit time spent outside and to even avoid shopping if possible to slow the spread of the virus." Los Angeles County officials on Monday "confirmed 15 new coronavirus-linked deaths, bringing the county's total to 147, and said the county's mortality rate had crept up."

Minnesota's Death Toll Rises, But Predicted Impact Drops.

The Minneapolis Star Tribune (4/6, Olson, 1.04M) reports Minnesota Gov. Tim Walz (D) "hinted Monday that he plans to extend the current stay-at-home order to reduce the spread of the COVID-19 virus in Minnesota, but with a tailored approach that allows some businesses to resume normal operations." Cases of COVID-19 in the state continue to rise, "with 30 deaths and 986 confirmed cases in the state so far," but "Walz said there are encouraging signs, including a confirmed case rate of around 17 per 100,000 people in Minnesota that is the lowest among all states." Walz "said he is conducting a 'sector by sector' analysis of businesses that could reopen after the current stay-at-home order expires Friday without jeopardizing the state's progress in limiting COVID-19 cases."

Antibody Test Underway In South Florida.

On the CBS Evening News (4/6, story 9, 1:40, O'Donnell, 6.03M), Jon Lapook reported, "An ambitious testing program by the University of Miami began [Monday] in south Florida. The goal: to clear up the chaotic picture of just how widespread the virus is, helping some governments plan their response. The test looks for a person's antibodies. ... It doesn't look for current infection. Instead, it detects who has had it in the past, whether they knew it, or not."

Officials Criticize Georgia Governor For Reopening State's Beaches.

USA Today (4/6, Yancey-Bragg, 10.31M) reports, "Some local officials in Georgia are denouncing" Gov. Brian Kemp (R) "for issuing a shelter-in-place order that upended local efforts to curb the spread of coronavirus." Tybee Island, a coastal city "that depends on tourism, closed its beaches two weeks ago amid the growing pandemic." However, "the town's decision was abruptly reversed when Kemp's shelter-in-place order went into effect and reopened the state's beaches." Mayor Shirley Sessions "called the decision a 'reckless mandate' adding that the health of the town's 3,100 residents, staff and visitors are now at risk."

Coronavirus Infections Spread Swiftly At Texas Facility.

USA Today (4/6, Nadolny, Kwiatkowski, Ball, 10.31M) reports positive cases of COVID-19 are mounting at the Denton State Supported Living Center in Texas. As of Friday night, the count had "swelled to 50 residents and 25 employees." According to the article, "the outbreak has become a crisis on a campus where many residents have pre-existing medical conditions and are considered at high risk if they contract the coronavirus." The Texas center is "a case study for how the coronavirus can quickly overwhelm a facility not set up to handle a pandemic."

Chicago Mayor Defends Getting A Haircut Amid Coronavirus Pandemic.

The Chicago Tribune (4/6, Pratt, 2.65M) reports that Chicago Mayor Lori Lightfoot "defended getting a haircut over the weekend" after photos on social media showed her with a stylist. Lightfoot "acknowledged getting a haircut, then said the public cares more about other issues." She said, "I think what really people want to talk about is, we're talking about people dying here. We're talking about significant health disparities. I think that's what people care most about." After a follow-up question, she said, "The woman who cut my hair had a mask and gloves on so we are, I am practicing what I'm preaching."

Grocery Chains Report First Deaths Of Workers.

The Washington Post (4/6, Bhattarai, 14.2M) reports, "Major supermarket chains are beginning to report their first coronavirus-related employee deaths, leading to store closures and increasing anxiety among grocery workers as the pandemic intensifies across the country. A Trader Joe's worker in Scarsdale, N.Y., a greeter at a Giant store in Largo, Md., and two Walmart employees from the same Chicago-area store" have died of COVID-19 in recent days, the companies said Monday.

WSJournal: Pennsylvania's Closing Of Liquor Stores During Pandemic Is Misguided.

In an editorial, the Wall Street Journal (4/6, Subscription Publication, 7.57M) criticizes attempts to shut down alcohol sales during the pandemic, because attempts at prohibition invariably cause more problems that it solves. In particular, the Journal takes issue with Pennsylvania's order to restrict alcohol sales, which has led to residents traveling to other states to buy alcohol, potentially spreading the virus.

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Goldberg: GOP States "Exploiting" Pandemic To Ban Abortion.

In her column for the New York Times (4/6, 18.61M), Michelle Goldberg writes, "Since the pandemic began, governors in several red states have tried to use it as an excuse to ban abortion." Goldberg likens these moves to authoritarians around the world who "have exploited the coronavirus to scrap civil liberties." Now, Goldberg says, "as in the days before Roe, some will now likely turn to D.I.Y. abortion methods."

Politico Analysis: Congress Unlikely To Address Atkinson Ouster.

Politico (4/6, Desiderio, 4.29M) describes a "muddled message" from senators in the wake of President Trump's "firing of the intelligence community's top watchdog." Some are "calling for hearings," while others are "saying lawmakers have far more important issues to tackle." To Politico, the "scattershot response suggests Congress is unlikely to urgently address Trump's decision to sack Michael Atkinson, the intelligence community's inspector general – and it underscores how difficult it will be for the Senate and House to conduct oversight of the surprising firing, especially in the middle of the coronavirus pandemic." However, Atkinson's firing is "an urgent priority to some," including Sen. Angus King (I-ME), "who said the Senate should hold a hearing." King told Politico, "It should be an open hearing to have members of the administration come forward and provide an explanation." The Washington Post (4/6, Nakashima, 14.2M) points out that Sen. Charles Grassley (R-IA), the chairman of the Senate Whistleblower Protection Caucus, also "demanded more information on Atkinson's removal."

The New York Times (4/6, Savage, 18.61M) reports that Atkinson released a statement on Sunday in which he "called on whistle-blowers to overcome any fears and come forward with information about waste and illegality in the government despite the administration's reprisals." The Times says Atkinson "drew the president's ire last year after he received a whistle-blower complaint from an intelligence community official accusing the president of abusing his power over foreign policy to coerce Ukraine's government into announcing investigations that could deliver him personal political benefits." The Times says Trump "gave no reason for firing Mr. Atkinson," but "made clear...on Saturday that he dismissed Mr. Atkinson because he was angry that the inspector general had pushed to tell Congress about the whistle-blower complaint in the first place."

WPost: Atkinson's Firing A "Blatant And Shameful Act Of Retribution." In an editorial, the Washington Post (4/6, 14.2M) says Trump "used the cover of night and the novel coronavirus pandemic" to fire Atkinson and "extend his purge of officials who cooperated with the exposure or investigation of his wrongdoing." The Post calls the move "the most blatant and shameful act of retribution yet by a president who has sought to shut down all independent checks on his behavior."

Senate Intel Committee Approved "Key Portion" Of Russian Meddling Review For Release Last Month.

Politico (4/6, Desiderio, Matishak, 4.29M) reports the Senate Intelligence Committee last month "unanimously approved for release a key portion of the panel's ongoing review of Russia's interference in the 2016 presidential election, according to committee sources – a significant step that sets the stage for the final two installments of the exhaustive review" to possibly be published before this November's election. Sen. Angus King (I-ME) told Politico, "It was an exhaustive review...which found that in fact there was substantial Russian interference with the [2016] election and that part of the purpose of that interference was to support the election of Donald Trump."

Nunes Says FBI "Clearly Targeting" Trump Campaign In 2016.

The Washington Examiner (4/6, Chaitin, 448K) reports Rep. Devin Nunes (R-CA) claimed in a television appearance that the FBI "were 'experts' at eluding the Foreign Intelligence Surveillance Act process by the time the 2016 election came around." Nunes said, "They were clearly targeting the Trump campaign. It just so happens they already knew how to do it because they had been doing it before. So the dirty cops that were in place, who had been basically breaking the rules, violating people's civil liberties, they knew exactly what they were doing."

ICE To Deport Haitians Despite Coronavirus Concerns.

The Miami Herald (4/6, Madan, Charles, 1.09M) reports, "Some US lawmakers and immigration advocates are expressing outrage" at ICE's decision to continue deportations to Haiti "in the midst of the accelerating COVID-19 global pandemic," saying the decision "'presents an unacceptable public health risk to both deportees on board and the citizens of Haiti." According to immigration lawyers and advocates, "at least 14 Haitian nationals are scheduled to board a deportation flight from Alexandria, Louisiana, to Port-au-Prince Tuesday." Late Monday, "members of Congress were mobilizing to try and halt it after being contacted by lawyers and prominent health and human rights groups working in Haiti."

SCOTUS Rules In Vehicle Stop, Federal Age Discrimination Cases.

The New York Times (4/6, Liptak, 18.61M) reports the Supreme Court ruled 8-1 Monday "that police officers may stop vehicles registered to people whose driver's licenses had been suspended on the assumption that the driver was the owner, rather than, say, a family member," with only Justice Sonia Sotomayor dissenting. The Court also ruled 8-1 "that federal workers can win age discrimination suits under a more relaxed standard than employees in the private sector," with Justice Clarence Thomas dissenting. The Washington Post (4/6, Barnes, 14.2M) reports the majority said Congress "meant for federal workers to have higher protection from possible age discrimination than workers in the private sector or who work for state and local governments."

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Court Will Not Take Up Metro Religious Advertising Ban. The Washington Post (4/6, Barnes, Marimow, 14.2M) reports the Court also said it "will not take up a lower court's decision" that the Washington Metropolitan Area Transit Authority "did not violate the First Amendment by banning religious advertising. ... Two justices said the lower-court decision was wrong." However, Justice Brett Kavanaugh "was recused after earlier work on the case," leading conservative justices to express concerns of a 4-4 split. The Washington Times (4/6, Swoyer, 492K) reports Justice Neil Gorsuch "warned that this would not be the high court's last word on this religious speech issue."

WSJournal: Teachers' Unions Demands On Equity Preventing Remote Learning.

The Wall Street Journal (4/6, Subscription Publication, 7.57M) says in an editorial that by insisting on total equity for all students, teachers' unions are forcing some schools to not offer online education since not all students have computers or Internet access. The Journal says this denies opportunity to all.

Politico Profile: Meadows Beginning White House Tenure In Midst Of Crisis.

Politico (4/6, Cook, Zanona, 4.29M) says Chief of Staff Meadows "relinquished a safe seat in Congress and agreed to join the White House in early March, when the unemployment rate sat at a historic low and [President] Trump's team appeared confident about his reelection." However, "a month later...Meadows is now presiding over vastly different West Wing, which is under siege like never before due to the coronavirus pandemic. The administration still lacks the ability to widely test Americans for the virus." Politico says Meadows "faces the unenviable challenge of guiding the White House through this unprecedented public health crisis and political test of Trump's leadership."

Trump Mocks "Failing New York Times," WPost Over Drop In Advertising.

President Trump took to Twitter yesterday to write, "Advertising in the Failing New York Times is WAY down. Washington Post is not much better. I can't say whether this is because they are Fake News sources of information, to a level that few can understand, or the Virus is just plain beating them up. Fake News is bad for America!"

Court Reverses Evers, Says Wisconsin Primary To Proceed.

The Milwaukee Journal Sentinel (4/6, Beck, Marley, 632K) reports "Wisconsin voters will head to the polls Tuesday" after Gov. Tony Evers (D) "failed to shut down Tuesday's election in a historic last-minute move that was swiftly rejected by the conservative majority of the Wisconsin Supreme Court." The AP (4/6, Bauer, Peoples) also says that "hours after...Evers issued an order postponing the election for two months, the conservative-controlled Wisconsin Supreme Court on Monday sided with Republicans who said he didn't have the authority to reschedule the race on his own."

The New York Times (4/6, Corasaniti, Epstein, Lerer, 18.61M) points out that "the court ruled 4-2, along ideological lines," that Evers "could not use emergency powers to unilaterally change the date of the election, which he sought to do to circumvent Republican opposition to the move." Evers, The Hill (4/6, Wise, 2.98M) points out, "had previously said that he didn't have the power to change the election without violating state law."

The Washington Post (4/6, Gardner, Viebeck, 14.2M) reports "the bitter showdown presented a grueling test case for other states planning primaries during the coronavirus pandemic, not to mention the November elections." It "also foreshadowed the likelihood that Wisconsin, by some measures the most important presidential battleground state, could become the epicenter of partisan rancor as the health crisis continues to upend the 2020 race."

To the New York Times (4/6, Herndon, Rutenberg, 18.61M), "Wisconsin voters will face a choice between protecting their health and exercising their civic duty on Tuesday after state Republican leaders, backed up by a conservative majority on the state's Supreme Court, rebuffed the Democratic governor's attempt to postpone in-person voting." The Times adds that "in a decision late Monday capping the election-eve chaos, the US Supreme Court's conservative-leaning majority dealt its own blow to Wisconsin Democrats. In a 5-4 vote, the majority ruled against their attempt to extend the deadline for absentee voting in Tuesday's elections, saying such a change 'fundamentally alters the nature of the election.'"

Reuters (4/6, Whitesides, Ax) recounts that "in the US Supreme Court ruling, the court's conservative majority said the federal courts should not alter rules on the eve of an election." Axios (4/6, Axios, 521K), the Washington Times (4/6, McLaughlin, 492K), CQ Roll Call (4/6, Akin, Bowman, 154K), Politico (4/6, Korecki, Montellaro, 4.29M) and Wall Street Journal (4/6, Corse, Subscription Publication, 7.57M), among other news outlets, run similar reports.

Trump Urges Wisconsinites To Vote For Justice Kelly. President Trump took to Twitter yesterday to write, "The Wisconsin Supreme Court ruled that tomorrow's election will proceed as scheduled. VOTE for Justice Daniel Kelly tomorrow, and be safe!"

Florida Poll: Biden Leads Trump 46%-40%.

Politico (4/6, Fineout, 4.29M) reports that a University of North Florida poll of 3,244 Florida voters, taken March 31-April 4, shows Joe Biden leading President Trump 46%-40%. According to the poll, 45% of those surveyed approve of Trump's handling of the coronavirus crisis, while 53% disapprove. Politico says, "A key problem for Trump is that a majority of" those polled, 58%, "don't trust him to provide reliable information about the pandemic." Meanwhile, the poll pegged NIAID Director Fauci's approval rating at 85%, with 86% of those surveyed

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saying "they trust information coming from him." The Hill (4/6, Greenwood, 2.98M) reports that Michael Binder, "director of UNF's Public Opinion Research Lab, said that Biden's lead should be taken with caution. The survey results are based on responses from...registered Florida voters, rather than likely voters, making it difficult to compare to past election data."

Potential VP Pick Whitmer Appears On Biden's Podcast.

The Detroit Free Press (4/6, Egan, 1.52M) reports, "Calling her one of the most talented people in the country," Joe Biden praised Gov. Gretchen Whitmer (D-MI) "in his podcast this week. The appearance, the first by a person Biden has identified as being on a list of potential running mates, is fueling speculation again that Whitmer is a leading contender for vice president if Biden," as expected, emerges as the Democratic presidential nominee. Discussing the coronavirus pandemic, Biden told Whitmer, "You're not the only governor with whom I've spoken. You just happen to be doing it as well as anybody who's doing it." Whitmer told Biden, "You would expect to be able to call your partners in federal government and get some help. But the crisis was downplayed from the get-go and it's made our jobs as governors more difficult."

The Hill (4/6, Greenwood, 2.98M) reports that Whitmer's appearance on Biden's podcast "could stoke speculation he's considering her as a potential running mate." Fox News (4/6, Steinhauser, 27.59M) reports on its website that Biden's "praise of...Whitmer is stoking more speculation that her star's rising as the all-but-certain Democratic presidential nominee begins the process of choosing a running mate." Said Biden, "Gov. Whitmer is an outstanding governor. She is one of the most talented people in the country in my view. She also is a supporter. She was also a co-chair of my campaign. She's a good friend, but she has been laser-focused, laser-focused on delivering for her state."

Sanders Supporters Divided Over Whether He Should Remain In Race.

The Washington Post (4/6, Sullivan, Weigel, 14.2M) reports that "lengthy deliberations" by Sen. Bernie Sanders (I-VT) "about the future of his presidential campaign have exposed divisions in his movement between die-hard liberal activists with little appetite to fall in line" behind Joe Biden "and more conventional Democrats who see some merit in Sanders withdrawing from the race. After revelations that some top aides and allies have urged" Sanders "to consider ending his campaign, some" of his "supporters voiced alarm about the people surrounding him and have even called for their ouster." The Post says it reported over the weekend "that the group lobbying him to consider withdrawing" included campaign manager Faiz Shakir and Rep. Pramila Jayapal (D-WA).

NYTimes Analysis: For Sanders, Wisconsin Primary May "Be His Last Stand." The New York Times (4/6, Ember, 18.61M) reports that Sanders remains "in the Democratic presidential race for now, trailing badly in the delegate contest with just one primary looming on the distorted political calendar: Wisconsin votes on Tuesday. Just weeks ago, aides and supporters of Mr. Sanders had optimistically pointed to the Wisconsin primary as a possible springboard for revitalizing his campaign, viewing him as well positioned to recapture a state that he dominated in his 2016 presidential bid." However, Wisconsin "may instead be his last stand. A recent poll showed him far behind Mr. Biden in the state, and top Sanders advisers have all but ceased speaking about his chances there." The Times adds that "if Mr. Sanders suffers another big loss, it is certain to intensify the growing calls for him to exit the race."

DNC Reserves $22M In YouTube Ads.

The New York Times (4/6, Epstein, 18.61M) reports that the Democratic National Committee on Monday announced that it has "reserved $22 million in YouTube advertisements across 14 states that the party believes will be competitive in the general election, the beginning of a broad digital effort to defeat President Trump this fall." The Times says "the reservation comes two and a half weeks after" ex-New York City Mayor Michael Bloomberg "transferred $18 million from his unsuccessful presidential campaign to the DNC for the party's battleground states program." However, DNC officials "said that the Bloomberg money was not being used to fund the new ad reservations."

The Hill (4/6, Greenwood, 2.98M) reports, "The reservation is the single largest by any Democratic group so far. In 10 of the states – Arizona, Colorado, Georgia, Minnesota, Maine, North Carolina, New Hampshire, Nevada, Ohio and Virginia – the ads will begin running on Oct. 1 and will continue through Election Day on Nov. 3. In four other states – Florida, Michigan, Wisconsin and Pennsylvania – the ads will begin on Sept. 1 and will run through Election Day, the DNC said."

Collins-Commissioned Poll Shows Him Trouncing Loeffler In Georgia Senate Race.

The Hill (4/6, Bowden, 2.98M) reported on a Battleground Connect poll of 1,035 likely Georgia voters, taken March 31-April 1, that shows Rep. Doug Collins (R-GA) leading this fall's special Senate election with 36%, followed by Raphael Warnock (D) at 16%, appointed Sen. Kelly Loeffler (R-GA) at 13%, and education advocate Matt Lieberman (D) at 11%; all other candidates were in the single digits. The poll was commissioned by the Collins campaign. All candidates will appear on the same ballot this fall. Loeffler has been under fire "over stock trades she made amid the coronavirus outbreak, including shares in retail outlets and travel companies, in the days before major restrictions were placed on many businesses across the US and travel restrictions were implemented by the Trump administration."

Mediaite (4/6, Petrizzo, 327K) reports on the poll results, and adds that Loeffler, "according to The Daily Beast's reporting, sold stock shares with her husband Jeffrey Sprecher (CEO of the New York Stock Exchange) worth between $1,275,000 and $3,100,000 between Jan. 24 and Feb. 14. 'On Feb. 14, she also purchased the Citrix stock and another $100,000 to $250,000 in technology company Oracle, which has seen its share price decline by more than 18 percent since then,' after a Senate Health Committee meeting regarding the coronavirus on

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Jan. 24th, according to the Beast. Loeffler denies that he had any involvement in the sell-off or buying of stocks in her or her husband's portfolio."

WPost Examines Loeffler's "Turbulent" First Few Months In Senate. Under the headline "The Young And Eventful Senate Career Of Wealthy Georgia Businesswoman Kelly Loeffler," the Washington Post (4/6, Roig-Franzia, 14.2M) profiles Loeffler, saying that the dueling controversies over her appointment to the Senate and her stock sales have made for a tumultuous start to her political career, with the latter "controversy threaten[ing] to make her one of the first political casualties of the global pandemic." The Post adds that Loeffler's "turbulent debut on the national stage has obscured a backstory with a compelling arc: the rise of the small-town daughter of a moderately prosperous Illinois farming family to the heights of the business world." The Post goes on to detail the flap over Loeffler's stock sales.

Politico Analysis: Small Business Lending Oversight Gives Rubio A Platform Ahead Of 2024.

Politico (4/6, Everett, Levine, 4.29M) reports that "as chairman of the usually sleepy Small Business Committee," Sen. Marco Rubio (R-FL) "has a key position in the country's response and recovery from the pandemic. His panel's $377 billion lifeline for small businesses is a linchpin of Congress' $2 trillion economic rescue package, and Rubio's efforts are winning praise from Republicans and Democrats alike even as implementation of the program remains deeply uncertain." Politico says, "And his work may just be beginning: Rubio and his panel are likely to be called upon again soon as the economy craters to provide more aid and potentially improve the rescue law's signature Paycheck Protection Program." Politico adds that "Rubio's emergence...is fueling talk among his colleagues that he" is interested in running for president in 2024.

WPost Questions DC Board Of Elections' Ability To Make June Primary Successful.

Citing past errors by the District of Columbia Board of Elections, the Washington Post (4/6, 14.2M) says in an editorial that is "understandable that there are some questions, even skepticism, about whether the agency will be able to pull off the June primary amid the unprecedented challenges of the novel coronavirus pandemic – especially as it involves an ambitious plan to get more people to vote by mail." While the board "absolutely made the right decision in limiting the number of physical voting sites for the June 2 presidential and local primary," the success of the effort "depends upon execution."

RCP Average Has Trump's Job Approval At 46.7%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 46.7%, and his disapproval at 50%. The President's approval is down 0.2 sin yesterday; his disapproval is down by 0.5.

A Rasmussen poll of 1,500 "likely voters" (4/1-4/5) finds Trump's approval at 44%, with 53% disapproving.

An IBD/TIPP survey of 1,226 "adults" (3/29-4/1), meanwhile, has both the President's approval and disapproval at 45%.

Financial International News

IMF Considers Program To Help Liquidity-Strained Countries Participate In Fed Debt Exchange.

Bloomberg (4/6, Mohsin, Martin, 4.73M) reports the IMF "may launch a new program to help address the global shortage of dollars, providing a backup to the Federal Reserve's campaign to keep greenbacks flowing around the world economy." IMF Managing Director Kristalina Georgieva "is preparing to offer short-term dollar loans to countries that lack enough Treasuries to participate in a Fed program that enables foreign central banks to temporarily exchange U.S. debt for dollars." Georgieva said Friday in an online briefing, "Our board is going to review a proposal in the next days on creating a short-term liquidity line that is exactly targeted to countries with strong fundamentals, strong macroeconomic fundamentals, that may be experiencing short-term liquidity constraints." Bloomberg says the proposal "has the support of the U.S. Treasury and may be launched within weeks, according to people familiar with the matter."

IMF Sees Signs Of Recovery Signs In China But Warns Of Infections Resurgence.

Reuters (4/6, Shalal) reports the IMF "cited limited but encouraging signs of recovery in China, the first country to suffer the full force of the COVID-19 pandemic, but said it could not rule out a resurgence of the pandemic in China and elsewhere." The IMF's top economists, in a blog post Monday, "said the pandemic caused by the new coronavirus had pushed the world into a recession that would be worse than the global financial crisis, and called for a global, coordinated health and economic policy response." The officials wrote, "The economic damage is mounting across all countries, tracking the sharp rise in new infections and containment measures put in place by governments."

Amid Pandemic, PBOC Hints At End To Stimulus Restraint In Beijing.

The Wall Street Journal (4/6, Taplin, Subscription Publication, 7.57M) reports that while Western central banks have poured liquidity into their economies amid the COVID-19 pandemic, the People's Bank of China has been quiet in that respect. However, the Journal says the PBOC may be changing its stance.

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South Africa's Ruling ANC, Allies Reject Calls To Approach IMF For Help Amid COVID-19

Pandemic.

Reuters (4/6, Winning) reports South Africa's governing African National Congress (ANC) party, along with two close allies, said Monday in a joint statement that the country should not approach the IMF and World Bank for help amid the COVID-19 pandemic. The statement said, "The Secretariat is very concerned by the suggestions, conveyed through the Minister of Finance, that South Africa should approach the IMF (or the World Bank) for 'assistance'. The suggestion is rejected. Instead, the Secretariat reaffirms the need to safeguard South Africa's democratic national sovereignty, the fundamental right to self-determination, our independence, which are non-negotiable, even in the midst of a crisis." Asking the IMF and other multilateral organizations for funds "is deeply unpopular with a radical faction in the ANC and trade unions the party uses to rally support ahead of elections, partly because of the stringent conditions that can accompany IMF lending programmes."

Nigeria Requests Combined $6.9B From IMF, World Bank, African Development Bank, Per Finance Minister.

Reuters (4/6, Carsten) reports Nigeria "has requested $6.9 billion from multilateral lenders to combat the impact of the coronavirus pandemic on Africa's biggest economy, the finance minister said on Monday." Nigeria, "whose revenues have tumbled with the fall in oil prices, has asked for $3.4 billion from the International Monetary Fund, $2.5 billion from the World Bank and $1 billion from the African Development Bank (AfDB), Zainab Ahmed said." Nigeria's finance minister "said IMF support would not be tied to a formal programme and the funds would not have conditions attached because the cash was being borrowed previous Nigerian contributions to the Fund."

Leading International News

Azar: China Rebuffed US Offer To Send CDC Teams To Study Virus.

HHS Secretary Azar said on WIBC-FM Indianapolis (4/6, 6K) that "one of the most important things that could have happened and should have happened is we offered shortly after being alerted by the Chinese to the novel virus, we offered to send our CDC teams into China. ... We offered to be part of a World Health Organization team to come in to get answers to the foundational questions like does this disease transmit before people have symptoms, does it transmit when people don't have symptoms, can there be people carrying and shedding this...who never actually get symptoms. All of that we could have been working on a lot sooner if China had taken us up on our offer to get CDC people in or the World Health Organization team."

China Reports 39 New Cases. Reuters (4/6, Zhang, Munroe) says China "reported 39 new coronavirus cases as of Sunday, up from 30 a day earlier, and the number of asymptomatic cases also surged as the government vowed tighter controls at land borders." China's National Health Commission "said on Monday that 78 new asymptomatic cases had been identified as of the end of Sunday, compared with 47 the day before."

Brazilian Minister Accuses Chinese Medical Suppliers Of Benefiting From Pandemic. Reuters (4/6, Simões) reports, "Renewed attacks on China by a member of Brazilian President Jair Bolsonaro's inner circle soured diplomatic relations again on Monday as the education minister accused Chinese medical equipment makers of profiteering from the coronavirus pandemic." Brazilian Education Minister Abraham Weintraub "suggested in a Twitter post, which he later deleted on Sunday, that the disease would help China 'dominate the world,'" referencing "a cartoon character with a speech impediment to mock Chinese accents." The Chinese Embassy in Brazil "denounced the minister in a statement on Monday."

British Prime Minister Johnson Moved To ICU.

The Washington Post (4/6, Booth, Adam, 14.2M) reports that British Prime Minister Boris Johnson, sick with COVID-19, "was moved into an intensive care unit on Monday evening after his condition worsened." Johnson "has asked Foreign Secretary Dominic Raab to 'deputise for him where necessary,' meaning essentially to take the lead in governing the country." The Prime Minister's office said Johnson was "exhibiting a persistent cough and fever" when he was admitted to the hospital on Sunday night, but "until he was moved to the ICU, Johnson was said by his staff to be working from his bed." Axios (4/6, Lawler, 521K) points out that according to his office, Johnson "was moved to the ICU as a precaution in case a ventilator is needed."

ABC World News Tonight (4/6, story 4, 2:35, Muir, 9.78M) showed President Trump saying, "We're very saddened to hear that he was taken into intensive care this afternoon, a little while ago. And Americans are all praying for his recovery. But when you get brought into intensive care, that gets very, very serious with this particular disease."

Richard Engel reported on NBC Nightly News (4/6, story 3, 1:50, Holt, 8.63M) that "just hours" before being taken to the ICU, "Johnson tweeted, 'I'm in good spirits and keeping in touch with my team.'" The CBS Evening News (4/6, story 4, 2:15, D'Agata, 5.86M) recounted that "Johnson last appeared in public on his Downing Street doorstep on Thursday night to clap in support of British healthcare workers, unaware then how personal that fight would become."

The AP (4/6, Kirka, Lawless) reports "Johnson's spokesman, James Slack...insisted that 'the PM remains in charge of the government.'" Added Slack, "He is receiving updates in hospital and is continuing to receive a (ministerial red) box" of files and briefing papers. The New York Times (4/6, Castle, 18.61M) indicates that "the lack of details on the prime minister's condition or any sign of ongoing communication between Mr. Johnson and Mr. Raab had caused some unease in Britain." Reuters (4/6, Piper, James, Faulconbridge) points out that Britain

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"has no formal succession plan should the prime minister become incapacitated, though Raab, 46, chaired the government's emergency COVID-19 meeting on Monday. Asked at the news conference whether he had been in touch with Johnson on Monday by either text or by telephone, Raab said he had last spoken to the prime minister on Saturday." Bloomberg (4/6, Ross, 4.73M), USA Today (4/6, Hjelmgaard, 10.31M), Politico (4/6, Cooper, 4.29M), The Hill (4/6, Budryk, 2.98M), Wall Street Journal (4/6, Colchester, Subscription Publication, 7.57M), New York Post (4/6, Fitz-Gibbon, 4.57M), Daily Caller (4/6, Caruso, 716K), Breitbart (4/6, Lane, 673K), Washington Times (4/6, Meier, 492K) and Washington Examiner (4/6, Brest, 448K), among other news outlets, also report the story.

In an editorial, the Wall Street Journal (4/6, Subscription Publication, 7.57M) offers good wishes and prayers for Johnson, and expresses confidence in Britain's ability to weather the crisis.

Some European Nations Look To Ease Lockdowns As New Cases Decline.

Reuters (4/6, Pinedo, Wacket) reports European nations, "including hard-hit Italy and Spain, have started looking ahead to easing coronavirus lockdowns after steady falls in fatality rates." In Spain and Italy, "which account for over 40% of the world's fatalities, the death rate has been declining for several days and public discussion has turned to how and when to ease weeks of drastic curbs on personal and economic activity." Germany, meanwhile, has drawn up "a detailed plan. Yet the global figures remain stark, and show no sign of plateauing yet."

The AP (4/6, Parra, Kirka) reports Italian Prime Minister Giuseppe Conte "declined during a press conference to say when the nationwide lockdown, now in its fifth week, would be lifted. The current measures expire April 13, but how and when Italy will enter a next phase of 'co-existing' with the virus will depend on a technical panel of experts."

Austria, Reuters (4/6, Murphy) reports, is "preparing for a 'resurrection' the day after Easter by reopening some shops in an initial loosening of its coronavirus lockdown, Chancellor Sebastian Kurz said on Monday, the first European country to outline such plans." Austria "was broadly shut down three weeks ago, with schools, bars, restaurants, theatres, non-essential shops and other gathering places closed. ... The lockdown has helped reduce the daily increase in infections to 1.6%, Health Minister Rudolf Anschober said."

The Czech government, Reuters (4/6) reports separately, "agreed on Monday to relax some lockdown measures...as growth of new coronavirus infections has been levelling off in recent days." The nation "was among the first in Europe to declare a state of emergency in March, imposing some of the strictest curbs on public life to prevent the spread of the coronavirus when the proven number of cases was still below 200."

The Washington Post (4/6, Birnbaum, 14.2M) reports that in Denmark, "the plan is for nursery and primary schools to reopen April 13, while companies will resume business gradually." Denmark "imposed its lockdown relatively early, on March 11, and invested in widespread testing." The "border controls will remain in place, and gatherings of more than 10 people will remain banned."

New Cases In Italy Continue To Decline; Death Toll Rises To 16,523. The Washington Post (4/6, 14.2M) reports Italy "announced 3,599 new cases of the novel coronavirus on Monday, the lowest daily increase since March 17, bringing the total number of cases in the hard-hit country to 132,547." In addition, Italy's Civil Protection agency "announced 636 deaths in its daily briefing, increasing the total death toll in the country to 16,523, the highest in the world." The death toll was "higher than Sunday's figure of 525, which had been the lowest since March 19. However, it remained considerably lower than the recent high of 919 new deaths, which was recorded March 27."

Reuters (4/6, Bastaniello) reports that "authorities in northern Italy have begun testing health workers for antibodies that may help identify individuals with immunity to the coronavirus as they look for ways to ease the lockdown imposed a month ago to contain the epidemic."

Rate Of New Cases Slowing In Spain. Reuters (4/6, Pinedo, Faus) reports the "pace of new coronavirus deaths in Spain slowed for the fourth day on Monday." Spain "has the second highest death toll in the world after Italy, but data gave some cause for hope that the worst may be passing. On Monday, the country reported 637 fatalities in the previous 24 hours – a 5% increase in total and less than half the pace recorded a week earlier." Maria Jose Sierra, deputy head of Spain's health emergency committee, told reporters, "The pandemic's growth rate is slowing down in almost every region."

Death Rate Accelerates In France As Cases Near 100,000. Reuters (4/6, Van Overstraeten) reports France's "coronavirus figures on Monday showed that the rate of increase in fatalities – now at almost 9,000 – sped up again after several days of slowing, while the increase in people needing intensive care continued to decelerate." The total number of cases "increased by 5,171 over the last 24 hours to 98,010, meaning France will likely become the fifth country, after Italy, Spain, the United States and Germany, to cross the 100,000 threshold on Tuesday."

Politico Analysis: Reports Of "Confiscated" Masks Fuels Germans' Dislike Of Trump. Politico (4/6, Karnitschnig, Mischke, 4.29M) reports, "Late last week in Bangkok, a shipping container holding thousands of masks destined for the German capital was redirected at the last minute." Berlin Mayor Michael Müller tweeted, "The actions of the U.S. president do not just betray a lack of solidarity, they are inhumane and irresponsible." Andreas Geisel, Berlin's interior minister, "went even further, accusing the US of 'confiscating' the masks in Thailand." Politico writes, "If Germans didn't trust President Donald Trump before the coronavirus outbreak, the crisis has convinced them that he's not just untrustworthy, but dangerous, driven by an unyielding 'America First' instinct that puts other countries and their citizens at risk."

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Japan To Impose State Of Emergency, Launch $1T Stimulus.

Reuters (4/6, Sieg, Kim) reports Japan is expected "to impose a state of emergency in Tokyo and six other prefectures as early as Tuesday to contain the coronavirus, while the government prepares a $990 billion stimulus package to soften the economic blow." To date, there have been 4,000 confirmed cases and 93 deaths domestically, but "the numbers keep rising, with particular alarm over the spread in Tokyo, which has more than 1,000 cases including 83 new ones on Monday." Prime Minister Shinzo Abe explained to reporters, "Japan won't, and doesn't need, to take lockdown steps like those overseas. ... The state of emergency will allow us to strengthen current steps to prevent an increase in infections while ensuring that economic activity is sustained as much as possible."

The AP (4/6) reports Abe "said experts on a government-commissioned task force urged him to prepare to declare a state of emergency, with the COVID-19 outbreak rapidly expanding in major cities including Tokyo, and hospitals and medical staff overburdened with patients." Abe said the state of emergency will be in effect "for about a month."

Russian PM Criticizes Regions That Have Closed Internal Borders.

Reuters (4/6) reports Russian Prime Minister Mikhail Mishustin on Monday "issued an unusual rebuke to regional governors for closing their borders after some regions, including Chechnya in the south, imposed tough restrictions against the coronavirus." Chechnya "said last week it would close its borders with the rest of Russia from April 5 despite having reported only a dozen confirmed cases of coronavirus." Mishustin, "without naming the regions in question, said that 'several regions (had) closed their administrative borders, obstructing the passage of people and transport onto their territory.'"

Indonesia Announces Largest Daily Increase In Cases.

Reuters (4/6) reports that Indonesia on Monday "announced its biggest daily increase in novel coronavirus cases...and a medical association said 24 doctors had now died after contracting the virus." The rise in the death toll among doctors, "which has doubled since last week, followed criticism of a lack of protective equipment in Indonesia." The 218 new coronavirus cases "took the number overall in Indonesia to 2,491. The 209 confirmed deaths among people who have contracted the virus is the highest number of fatalities in Asia outside China."

Israel Declares Lockdown For Passover Holiday.

Reuters (4/6, Rabinovitch) reports Israeli Prime Minister Benjamin Netanyahu announced Monday "a national lockdown would begin on Tuesday and end on Friday to try to stem the spread of the new coronavirus during the Jewish holiday of Passover." In a televised address, Netanyahu "said travel restrictions would be tightened on Tuesday and that Israelis will be banned from leaving their homes on Wednesday evening, when families traditionally travel to festive Passover 'seder' meals."

Brazil's Bolsonaro Dismisses Coronavirus As "Little Flu."

The Washington Times (4/6, Puglie, 492K) reports that "what may sound like a Donald Trump press briefing from a month ago, when US deaths from COVID-19 had barely topped double digits, was actually Brazilian President Jair Bolsonaro last week as his country logged its 200th fatality from the viral disease." For weeks, the Times says, "Bolsonaro has not just downplayed but outright dismissed the COVID-19 pandemic as a 'little flu.'"

Ontario Running Out Of PPE After US Officials Blocked Export Of 3M Masks.

Reuters (4/6, Ljunggren) reports Canadian officials Monday said the government is "pressing Washington over a complaint that US officials had blocked the export of three million face masks bought by the province of Ontario to fight the coronavirus outbreak." Ontario Premier Doug Ford "told Global News the incident had happened over the weekend and described it as 'absolutely unacceptable.'" Ford "said Ontario...would run out of personal protective equipment in a week." Deputy Prime Minister Chrystia Freeland "told reporters that Ottawa was aware of 'some difficulties' shipping the masks across the border and would do all it could to help."

Domestic Abuse Rises Worldwide Amid Coronavirus Pandemic.

The New York Times (4/6, Taub, 18.61M) reports, "Movement restrictions aimed to stop the spread of the coronavirus may be making violence in homes more frequent, more severe and more dangerous." The United Nations called on Sunday for "urgent action to combat the worldwide surge in domestic violence." Secretary-General António Guterres wrote on Twitter, "I urge all governments to put women's safety first as they respond to the pandemic."

US Labels A White Supremacist Group "Terrorist" For First Time.

The Washington Post (4/6, Hudson, 14.2M) reports the State Department on Monday designated an ultra-nationalist movement based in Russia as a terrorist organization, "the first time it has applied that label to a white-supremacist group." The US "for years has applied the 'global terrorist' label to Islamist groups, but officials say the designation of the Russian Imperial Movement signals a growing concern about transnational white-supremacist organizations and their potential for violence." Ambassador Nathan Sales, the State Department's counterterrorism coordinator, said, "These designations are unprecedented. We are taking actions not previously undertaken to counter this threat."

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The New York Times (4/6, Savage, Goldman, Schmitt, 18.61M) reports the Department also designated "three of the group's leaders...as individual terrorists." To the Times, the move "could cut against criticism that the Trump administration has played down the threat of white nationalist violence for political reasons." The Washington Times (4/6, Gertz, 492K) reports the designations "come with financial sanctions designed to freeze funding, limit travel and impose other restrictions."

Nicaraguan Leader Absent From Public View For Nearly A Month.

The New York Times (4/6, Robles, 18.61M) reports the Nicaraguan government "has promoted big public events, despite the coronavirus. But the president himself has been conspicuously absent from view for 25 days." President Daniel Ortega "has been conspicuously absent from public view since March 12," failing "to attend the funeral of a friend, government functions, and even the rallies promoted by his administration." According to the Times, "Ortega, 74, is widely believed to suffer chronic illnesses and is known for spending stretches of time out of the public eye without explanation from his government." The government did not respond to requests for comment.

Housing

FHFA Hires Milbank To Advise On GSE Release.

Behind a paywall, Bloomberg Law (4/6, Subscription Publication, 4K) reports, "The Federal Housing Finance Agency has hired New York-based Milbank LLP to provide legal counsel on its plans for freeing mortgage giants Fannie Mae and Freddie Mac from U.S. control, according to a document posted to a government awards website."

Black Knight: Servicers May Have To Advance $3B To $13B In Missed Payments Per Month.

National Mortgage News (4/6) reports, "Servicers' aggregate obligations to advance or temporarily absorb unpaid funds due to coronavirus payment suspensions could range from $3 billion to $13 billion per month, according to Black Knight. The amount will depend on the number of loans for which borrowers delay payment." In addition, "Loan performance and deferral rates may not be uniform across markets." FHA loans "tend to have higher rates of delinquency that could boost deferrals significantly," but "servicers in this market may receive limited assistance with P&I payments if needed from Ginnie Mae." For Freddie Mac and Fannie Mae loans, "Black Knight estimated that obligations could reach $1.6 billion if 5% of borrowers deferred, $3.1 billion if there were a 10% forbearance rate, or $6.2 billion if there were a 20% payment-deferral rate."

FHFA Director Discusses GSE Forbearance.

The latest DS5 episode from DS News (4/6, Welborn) features an interview with FHFA Director Mark Calabria, who "discusses what regulators are doing to assist homeowners, lenders, and servicers, including the mortgage forbearance programs being offered to homeowners." Calabria urged borrowers to "be honest" when utilizing forbearance, explaining, "We are asking and we're putting together a script for servicers. This is supposed to be limited to if you've lost your job, you've lost income. Please, if you haven't lost your job, continue paying. If you can pay your mortgage please do so because we really need to focus on the people who can't." According to DS News, "Despite the honor system in place, borrowers will still have to provide documentation when setting up their repayment plans. According to Calabria, up to 2 million borrowers could be applying for loan forbearance by May and said that mortgage servicers, as well as Fannie and Freddie, could handle that if it was just for a few months."

The AP (4/6) reports that the stimulus package "includes a 120-day ban on evictions for many renters, as well as a moratorium on foreclosures for most mortgages. People who have federally backed mortgages (including Fannie Mae, Freddie Mac, FHA, VA and Department of Agriculture) and who can attest to COVID-19-related financial hardship can request forbearance from their mortgage lenders." USA Today (4/6, Menton, 10.31M) reports, "The FHFA, which aims to be the standard-bearers for the mortgage market, anticipates that about 90% of mortgages will be covered under some forbearance option, even if it's not formally provided by Fannie Mae or Freddie Mac, or other government entities, [FHFA press secretary Raphael Williams] says." WCTI-TV Greenville, NC (4/6, Elnashar) says that according to FHFA Director Mark Calabria, GSE-owned properties alone make up around half of the housing market.

B Riley FBR Analyst Downgrades GSEs To "Sell," Citing CARES Act.

According to Morningstar (4/6, 73K), analyst Randy Binner "turned bearish" on Freddie Mac and Fannie Mae, citing "significant unintended consequences" for mortgage insurers stemming from the CARES Act. Binney reportedly "downgraded both Fannie and Freddie to sell from neutral, and halved his stock price targets for both to $1 from $2."

MBA, NAR, NMHC, And USMI Push For Liquidity Facility To Help Servicers Deal With Forbearance.

American Banker (4/6, Subscription Publication, 31K) reports, "The Federal Reserve and Treasury Department have made noises about providing extra help to mortgage servicers who could face a catastrophic spike in delinquencies, but efforts to provide a broad liquidity backstop are still plagued by uncertainty." Mortgage Professional America (4/6, Johnston) reports, "A CFTC-related [illegible] organizations representing the financial industry and affordable housing advocates released a statement over the weekend calling on lawmakers to provide

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a source of liquidity to mortgage servicers. The coalition includes the Mortgage Bankers Association, National Association of Realtors, National Multifamily Housing Council and U.S. Mortgage Insurers, among others." The coalition said it is "incumbent upon the government to provide the final piece of the puzzle – a liquidity facility for single-family and multifamily servicers – to ensure that the entire industry can deliver much-needed economic relief to consumers through this unprecedented forbearance plan." Ginnie Mae "recently addressed some servicer liquidity concerns surrounding COVID-19 in a blog post, noting the strain that issuers are facing is being considered," and "members of the Financial Stability Oversight Council" have reportedly "discussed holding off on setting up such a program to see if other policies would suffice in easing liquidity shortfalls."

Banker and Tradesman (4/6) reports, "Under the terms of the CARES Act and administrative actions announced by the Federal Housing Finance Agency and taken by Fannie Mae and Freddie Mac in March, both homeowners and owners of multifamily buildings with mortgages backed by either GSE can put those mortgages into forbearance if they face financial difficulty due to the pandemic." While "many banks and credit unions service mortgages they may have originated but sold onto the secondary market, many servicers are non-depository financial institutions, and so have less money on hand to continue forwarding payments to mortgage holders while payments from mortgagees decline."

CNBC (4/6, Olick, 3.62M) reports, "In an interview on CNBC last Wednesday, Mark Calabria, director of the FHFA, which oversees Fannie Mae and Freddie Mac, said he estimated about 2 million borrowers would seek forbearance by May. He did not agree that servicers need liquidity now, only later."

Also reporting are M Report (4/6, Albanese), National Mortgage Professional (4/6), Seeking Alpha (4/6, Alpher, 512K), and World Property Journal (4/6).

PennyMac: Forbearance Buybacks May Be On The Way. Meanwhile, HousingWire (4/6, 23K) reports that PennyMac is warning originators "that forbearance buybacks could be coming." PennyMac said, "Any loan in forbearance or for which forbearance has been requested is not eligible for purchase by PennyMac. Additionally, any loan that is in forbearance or for which forbearance has been requested up to 15 days post purchase by PennyMac may result in a repurchase." According to HousingWire, "The move by PennyMac is a notable one considering its status as the largest mortgage aggregator in the country last year, according to data from Inside Mortgage Finance."

As Pelosi Preps $1T Stimulus Bill, Yellen Suggests More Funding For Local Governments, Intervention From FHFA.

According to a paywalled Bloomberg Law (4/6, Wasson, Subscription Publication, 4K) piece carried by the Washington Post (4/6, 14.2M), "Congress's next stimulus bill to prop up the U.S. economy during the coronavirus crisis will be at least another $1 trillion, House Speaker Nancy Pelosi told Democrats on a private conference call. The next stimulus package would be focused on replenishing funds for programs established in Congress's $2.2 trillion virus relief bill signed into law last month, according to people on the call." Pelosi "said there should be additional direct payments to individuals, extended unemployment insurance, more resources for food stamps and more funds for the Payroll Protection Plan that provides loans to small businesses, lawmakers on the call said." Former Federal Reserve Chair Janet Yellen, who also participated in the call, responded to "a question from Nevada Democrat Steven Horsford about the best way for states to respond." Yellen "said there will be tremendous need for additional funds to support local governments," and "suggested that the Federal Housing Finance Agency could get involved to help head off a foreclosure crisis."

B Riley FBR Analyst: Cares Act's Mortgage Holiday Could Impact Private Mortgage Insurers.

National Mortgage News (4/6) reports that private mortgage insurers could see "unintended consequences" stemming from the year-long mortgage holiday in the CARES Act, according to B. Riley FBR analyst Randy Binner. He said, "For mortgage insurers, elevated delinquency expectations resulting from the 12-month mortgage holiday embedded in the CARES Act have raised questions about capital adequacy under the Private Mortgage Insurer Eligibility Requirements. While MIs have significant capital and reinsurance protections, they would likely rely upon a reporting forbearance from FHFA if nonperforming mortgages increase over 10% of risk-in-force." According to NMN, "Binner's analysis assumes that the delinquent mortgage portfolio of the two mortgage insurers mentioned in his report, MGIC and National MI, will increase to 15% of the book of business. However, he is also factoring in a 70% haircut to the assets normally required to be held against nonperforming loans, in line with what the Federal Housing Finance Agency had done in natural disasters. But that relief has yet to be granted for the coronavirus."

NAHB: Homebuilding Could Help Economy Overcome Recession.

Mortgage Professional America (4/6, Mendoza) reports, "The National Association of Home Builders reported that building 1,000 average single-family homes creates 2,900 full-time jobs and generates approximately $110 million in taxes and fees, which the government can use to support police, firefighters, and schools. Similarly, building a thousand rental apartments results in 1,250 jobs and $55.91 million in taxes and revenue for local, state, and federal government, while $10 million in remodeling expenditures generates 75 jobs and roughly $3 million in taxes." NAHB Chairman Dean Mon said, "Before the coronavirus pummeled the US economy, housing was on the rise with January and February new-home sales numbers posting their highest reading since the Great Recession. The demand is clearly there, and as this study shows, we expect that housing will play its traditional role of helping to lead the economy out of recession later in 2020 when the pandemic subsides."

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Dworkin: Rent Strikes Hurt Everyone.

In an opinion piece for The Hill (4/6, 2.98M), National Housing Conference CEO David Dworkin argues that rent strikes are "bad for everyone," as they have the potential to "jeopardize the stability of a housing market left seriously shaken by COVID-19." According to Dworkin, "With eviction moratoriums now imposed at the local, state and federal level, some renters that have not experienced medical or financial hardship and remain able to pay their rent appear to be considering skipping their rent payments. The choice to electively skip rent payments could create devastating consequences for those renters with the necessary financial means available. While it may help conserve cash in the short-term, it could jeopardize a renter's long-term financial stability and housing."

Markets

10-Year Yield Rises.

MarketWatch (3/12, 1.67M) reports the 10-year Treasury yield rose to 0.749 percent.

Dollar Falls.

Reuters (4/7, White) reports, "The dollar fell against the yen on Tuesday as underlying concerns about the economic shock wrought by the coronavirus crisis kept many investors on edge." The dollar "fell 0.43% to 108.76 yen on Tuesday." Against the euro, the dollar "eased to $1.0837."

Gold Eases.

Reuters (UK) (4/7, Sistla) reports, "Gold prices eased on Tuesday from a one-month high as the U.S. dollar gained strength on signs of a slowdown in fresh coronavirus cases, but concerns over the economic fallout from the pandemic provided a floor to bullion." Spot gold "was down 0.2% to $1,658.10 per ounce, as of 0353 GMT," while US gold futures "rose 1% to $1,710.40."

Oil Rises.

Reuters (4/7) reports, "Oil rose on Tuesday amid hopes that the world's biggest producers of crude will agree to curtail production as the coronavirus pandemic ravages the global economy, even as analysts cautioned the cuts may do little to boost demand." Brent crude "was up by 73 cents, or 2.2%, at $33.78 a barrel by 0026 GMT," and West Texas Intermediate crude "was up by 97 cents, or 3.7%, at $27.05 a barrel, having dropped nearly 8% in the previous session."

Cybersecurity

Federal Officials Warn Of Remote Collaboration Technology Vulnerabilities.

Federal Computer Week (4/6, 263K) reports in the wake of a recent FBI warning about hackers disrupting Zoom tele-meetings, "federal agencies are warning staff to be on the lookout for signs that their remote collaboration tools are being attacked or compromised by hackers." The article cites an April 3 email from "a divisional CIO at the Department of Health and Human Services" warning that "the surge of telework among federal agencies following the coronavirus outbreak has created a wide attack surface for malicious third-parties to exploit in numerous ways. The agency warned both employees and contractors that such security concerns go beyond Zoom and other web conferencing software."

The AP (4/6) reports on the "increasingly common form of cyber attack known as 'Zoom bombing.'" Many employees newly working from home amid the coronavirus outbreak "have reported uninvited guests who make threats, interject racist, anti-gay or anti-Semitic messages, or show pornographic images. The attacks have drawn the attention of the FBI and other law enforcement agencies." According to the FBI, a school in Massachusetts "reported a person who accessed a meeting and showed swastika tattoos." The Boston Field Office "recommended that users of video-teleconference platforms prioritize their security by ensuring that hosts have sole control over screen-sharing features and meeting invitations."

TFI/Sanctions

Commentary: Sanctions During Pandemic "Morally Depraved," Illegal Under International law.

In an op-ed for MarketWatch (4/6, Beeton, Duarte, 1.67M), Center for Economic and Policy Research international communications director Dan Beeton and MADRE policy and strategic engagement director Diana Duarte write, "While the United States is fighting COVID-19 here at home, U.S. sanctions against other governments are aiding the virus's spread abroad. They've already likely contributed to many unnecessary deaths in Iran, and Venezuela's experience with the pandemic may also be much more deadly due to these punitive measures." They write that US sanctions "against Iran make it difficult for the country to obtain medical supplies, sanitation equipment, and other goods we now know are necessary to slow the virus' spread. The sanctions do not directly target medical supplies, but they reduce Iran's ability to pay for them." They conclude that the coronavirus pandemic "is a global crisis that requires a global response, and that includes stopping the economic coercion that prevents governments from obtaining essential supplies and medicines."

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Former Diplomats Urge US To Remove Sanctions On Iran.

The Washington Post (4/6, Morello, 14.2M) reports that "two dozen former diplomats and national security leaders from the United States and Europe," including former Secretary of State Madeline Albright, called on the Administration "to ease sanctions against Iran as part of the battle against the coronavirus pandemic." According to the Post, "Some of the most storied diplomats in recent U.S. history signed the statement calling for the acrimony to be put aside for sanctions relief now, saying it could help stem the spread of the novel disease and potentially save the lives of hundreds of thousands of people." The signatories also include Wendy Sherman, a former under secretary of State, and Federica Mogherini, the former EU foreign policy chief, both of whom "were involved in negotiations with Iran for the 2015 nuclear deal."

Reuters (4/6) reports Iranian Foreign Ministry spokesman Abbas Mousavi said Monday that Iran "will never ask the United States for help in the fight against the new coronavirus." Mousavi said in a televised news conference, "Iran has never asked and will not ask America to help Tehran in its fight against the outbreak ... But America should lift all its illegal unilateral sanctions on Iran." The Washington Times (4/6, Meier, 492K), among other news outlets, also reports Mousavi's comments.

Federal Reserve

Federal Reserve To Purchase New Small Business Payroll Loans.

The New York Times (4/6, Smialek, 18.61M) reports the Federal Reserve "said on Monday that it would take steps to urge more banks to lend to small businesses, moving in to support a new federal program that has gotten off to a rocky start." The Wall Street Journal (4/6, Davidson, Timiraos, Subscription Publication, 7.57M) reports the Fed said it will purchase loans that financial firms make through the government's emergency small-business lending program. The move will create a secondary market for loans offered through the Small Business Administration's Payroll Protection Program.

Also reporting are Bloomberg (4/6, Mohsin, 4.73M), the AP (4/6, Rugaber), Reuters (4/6, Schneider, Dunsmuir), The Financial Times (4/6, Politi, Fedor, Subscription Publication, 1.34M), Fox Business (4/6, De Lea, 1.73M), The Hill (4/6, Lane, 2.98M), Business Insider (4/6, Winck, 3.67M), and American Banker (4/6, Lang, Subscription Publication, 31K).

Cohn, Hutchins: Fed's New Role In Lending Calls For Top Talent, Unassailable Transparency. In an op-ed for the Wall Street Journal (4/6, Cohn, Hutchins, Subscription Publication, 7.57M), Gary Cohn, a former director of the National Economic Council, and Glenn Hutchins, co-chairman of the Brookings Institution, write that Congress has expanded the Federal Reserve's role in the government's efforts to stabilize the economy, giving it a new responsibility in which it has little experience: funneling capital directly to companies. In order to succeed at this task, Cohn and Hutchins says the Fed will need top-notch talent, strict governance, and stringent disclosure.

New York Fed Says Commercial Paper Facility Will Launch April 14.

The Wall Street Journal (4/6, Derby, Subscription Publication, 7.57M) reports the Federal Reserve Bank of New York said that its new commercial paper market facility will launch next Tuesday, with applications for participation required to be submitted by Thursday. The new facility will help smooth over businesses' funding needs by purchasing eligible three month commercial paper from eligible issuers. On its website, the Fed said, "the commercial paper market has been under considerable strain as investors have become reluctant to purchase commercial paper," and that resulted in surging interest rates and some firms being unable to access the market. The Fed says its support to this market will provide "credit that will support families, businesses, and jobs across the economy." MarketWatch (4/6, Oh, 1.67M) and Reuters (4/6, Marte) also report.

Regulators Lower Leverage Ratio For Community Banks.

American Banker (4/6, Haggerty, Subscription Publication, 31K) reports the $2 trillion stimulus package "temporarily lowered the community bank leverage ratio – a simplified measure that institutions below $10 billion of assets can use instead of more complex capital requirements – by one point to 8%," but regulators are expanding the capital relief. In a joint press release, the Office of the Comptroller of the Currency, Federal Reserve, and Federal Deposit Insurance Corp. "said Monday that community banks choosing to use the CBLR would only need to raise it to 8.5% in 2021. The 9% minimum would be reinstated the following year." The regulators said, "This transition will allow community banking organizations to focus on supporting lending to creditworthy households and businesses given the recent strains on the U.S. economy caused by the coronavirus." Reuters (4/6, Schroeder) reports similarly.

Fed May Temporarily Lift Wells Fargo Asset Cap To Help Small Businesses.

The New York Times (4/6, Flitter, 18.61M) reports banks are "so overwhelmed" with small business loan requests that Federal Reserve officials "are considering easing restrictions on Wells Fargo to make it easier for it to lend." The Fed in 2018 imposed growth limits on Wells Fargo as a penalty for opening millions of fake accounts in customers' names. However, "there is so much demand and chaos in the $349 billion lending program, which went into effect via participating banks on Friday, that Fed officials are now discussing a temporary truce with Wells, according to two people with knowledge of the matter." Senior executives at the bank "are now talking with Fed officials about a short-term pause in the penalties," which would involve lifting the asset cap, "just long enough to let the bank handle more loan volume, said the people."

The Financial Times (4/6, Noonan, Subscription Publication, 1.34M) reports Wells said Sunday night that it reached it limit for loans via

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the relief program overseen by the Small Business Administration. American Banker (4/6, Cross, Subscription Publication, 31K) reports the bank "has capacity to lend $10 billion to small-business clients under the $349 billion U.S. program, but customers already have expressed more interest than that, Wells Fargo said in a statement late Sunday." CEO Charlie Scharf said, "While we are actively working to create balance sheet capacity to lend, we are limited in our ongoing ability to use our strong capital and liquidity position to extend additional credit. We are committed to helping our customers during these unprecedented and challenging times, but are restricted in our ability to serve as many customers as we would like."

Editorial Wrap-Up

Washington Post.

"This Is Trump's Vilest Act Of Retribution Yet." In an editorial, the Washington Post (4/6, 14.2M) says President Trump "used the cover of night and the novel coronavirus pandemic" to fire Michael Atkinson, the intelligence community's inspector general, and "extend his purge of officials who cooperated with the exposure or investigation of his wrongdoing." The Post calls the move "the most blatant and shameful act of retribution yet by a president who has sought to shut down all independent checks on his behavior."

"Clarity Is Essential Amid This Pandemic, Yet The Trump Administration Sends Mixed Messages." President Trump and Administration officials are sending "mixed messages," an editorial by the Washington Post (4/6, 14.2M) says, "at a time when public cooperation is desperately needed to blunt" the coronavirus pandemic and "clarity is essential." In the Post's view, "the reason for the confusion is no mystery: Mr. Trump will not consistently defer to experts, and his officials fear crossing him." The editorial concludes, "That is no way to defeat a pandemic."

"D.C.'s Board Of Elections Needs To Get It Together For A Smooth June Primary." Citing past errors by the District of Columbia Board of Elections, the Washington Post (4/6, 14.2M) says in an editorial that is "understandable that there are some questions, even skepticism, about whether the agency will be able to pull off the June primary amid the unprecedented challenges of the novel coronavirus pandemic – especially as it involves an ambitious plan to get more people to vote by mail." While the board "absolutely made the right decision in limiting the number of physical voting sites for the June 2 presidential and local primary," the success of the effort "depends upon execution."

Wall Street Journal.

"Congress's Small-Business Ventilator." In an editorial, the Wall Street Journal (4/6, Subscription Publication, 7.57M) says that Congress put the Small Business Administration in a difficult position, giving the agency little guidance in how to dole out $350 billion in loans to millions of small businesses in a relatively short period of time. The Journal says lawmakers should fix problems in the program in order to speed up loan approvals and save businesses.

"Yanks For Boris Johnson." In an editorial, the Wall Street Journal (4/6, Subscription Publication, 7.57M) offers good wishes and prayers for British Prime Minister Boris Johnson, and expresses confidence in Britain's ability to weather the crisis.

"The Teachers Union Ate My Homework." The Wall Street Journal (4/6, Subscription Publication, 7.57M) says in an editorial that by insisting on total equity for all students, teachers' unions are forcing some schools to not offer online education since not all students have computers or Internet access. The Journal says this denies opportunity to all.

"Prohibition Makes A Comeback." In an editorial, the Wall Street Journal (4/6, Subscription Publication, 7.57M) criticizes attempts to shut down alcohol sales during the pandemic, because attempts at prohibition invariably cause more problems that it solves. In particular, the Journal takes issue with Pennsylvania's order to restrict alcohol sales, which has led to residents traveling to other states to buy alcohol, potentially spreading the virus.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Credit Markets Show Signs Of Stabilizing After Historic Fed Intervention
UK Prime Minister Boris Johnson Moved To Intensive Care
Scientists Rush To Find Coronavirus Cure – But It Still Isn't Fast Enough
Survivors Of Coronavirus Face An Uncertain Road Back To Normal
Acting Navy Secretary Apologizes For Remarks To Crew Of USS Roosevelt
Bubbe Has Entered The Meeting: Families Make The Most Of Virtual Passover Seders

New York Times:

Despite Staggering Death Toll, NY Outbreak Could Be Slowing
Boris Johnson Moved To Intensive Care; Foreign Minister Deputized
Trump's Aggressive Advocacy Of Malaria Drug For Treating Coronavirus Divides Medical Community
Wisconsin Election Fight Heralds A National Battle Over Virus-Era Voting
Trade Adviser Warned White House In January Of Risks Of A Pandemic

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As School Moves Online, Many Students Stay Logged Out

Washington Post:
Workers Lose Jobs And Ability To Send Money Home
Trump, Congress Concur On Need For New Stimulus
Trump Relies On Impulse In Push For Unproven Drug
Many Patients On Ventilators Face Long And Dark Recovery
In Wis., Election Whiplash Sows Confusion
Fiery Speech Plunges Navy Deeper Into A Political Crisis

Financial Times:
Quibi Launches $1.8BN Bet On Mobile Video Amid Lockdown
Dialysis Machine Shortages Lay Bare Wider Covid-19 Threat
Emerging Economies Set To Struggle To Meet Debt Obligations
JPMorgan Considers Historic Dividend Suspension

Washington Times:
'Light At The End Of The Tunnel': Coronavirus Hot Spots Turn Corner
US Slaps First Terrorist Tag On White Supremacists
EXCLUSIVE: Small Business Administration Admits Serious Loan Application Flaws
Faithful Get Creative To Spare Holy Week From Pandemic's Rampage
Gorsuch: Court's Rejection Of Metro Ad Ban Case Won't Be Last Word On Religious Speech
'Coronavirus Denier': Bolsonaro Slow To Change Rhetoric As Deaths From 'Little Flu' Increase

Story Lineup From Last Night's Network News:
ABC: Coronavirus-New York; Coronavirus-Across US; Coronavirus-USNS Comfort; UK-Boris Johnson; Coronavirus-Stay At Home Orders; Coronavirus-Malaria Drug; USS Theodore Roosevelt; Coronavirus-Testing Expert Comment; Severe Weather; Patients Reunited With Loved Ones.
CBS: Coronavirus-New York; Coronavirus-Across US; Coronavirus-Minority Communities; UK-Boris Johnson; Coronavirus-Government Response; USS Theodore Roosevelt; Trump-Biden Call; US Surgeon General Interview; Coronavirus-Testing; Families Around the World Use Social Media to Show Off Talents.
NBC: Coronavirus-Across US; Coronavirus-New York; UK-Boris Johnson; White House Social Distancing Protocol for Pres & VP; Coronavirus-Malaria Drug; Coronavirus-ICUs; Coronavirus-Caring for Infected Loved One; Coronavirus-Religious Holidays; Coronavirus-Pets Expert Comment; Michigan-Nurses Sing 'Amazing Grace' For Patients.

Network TV At A Glance:
Coronavirus – 33 minutes, 45 seconds
UK-Boris Johnson – 6 minutes, 40 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Stimulus Package; Coronavirus-USNS Comfort Crew Member Tests Positive; Coronavirus-New York; Coronavirus-Los Angeles;
CBS: Coronavirus-Across US; Coronavirus-New York; UK-Boris Johnson; Australia-Priest Accused of Abusing Children.
FOX: Coronavirus-Stay At Home Orders; Coronavirus-New York; UK-Boris Johnson; Acting Navy Secretary-Apology.
NPR: UK-Boris Johnson; WHO-Lockdown Restrictions; SCOTUS-Wisconsin; Wisconsin-Primary.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Here in the United States, the country is bracing for a week that the Surgeon General Jerome Adams said is going to be our Pearl Harbor moment and our 9/11 moment. Adding that this is going to be the hardest and saddest week of most Americans' lives. ... But despite these warnings, there are still people who are not taking social distancing seriously. ... Okay people, just because Jesus is on your side doesn't mean you can't get sick. Don't forget, Jesus was on Jesus' side, and he died, okay? He came back, but that was like a one-time thing."

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Trevor Noah: "And you know, it is funny how these same people say Jesus will protect them from coronavirus, these people stocking up on guns. I don't get it, won't the blood of Jesus protect you from an intruder?"

Stephen Colbert: "After saying yesterday that this was going to be a tough week, this morning [President Trump] tweeted, 'light at the end of the tunnel!'"

Stephen Colbert: "Despite experts saying we need a national stay-at-home order, Trump has refused to implement one, so social distancing requirements have been left up to the states. And while some state officials are taking it seriously, others are not. Take Georgia Gov. Brian Kemp. ... Even though many Georgia tourist areas decided to close during the pandemic, Kemp enraged local leaders by reopening all the state's beaches, an order which supersedes those issued on the city or county level. That would be like a teenager deciding not to go to a house party and his dad saying, 'No, you will go, you will drink too much Jagermeister, and you will try to jump over the bonfire to impress the seniors, young man!'"

Seth Meyers: "President Trump said over the weekend that despite testing negative for coronavirus twice, he may start taking an experimental drug that's been used to treat malaria. Said Trump, 'If it's good enough for my wife Malaria, it's good enough for me.'"

Seth Meyers: "Yesterday about the coronavirus pandemic, Queen Elizabeth told Great Britain that, quote, 'Better days will return.' Unlike Harry and Meghan, who absolutely will not."

Seth Meyers: "President Trump said last week that he plans to stay in the White House for the rest of the month because of the coronavirus pandemic and said it is, quote, 'sort of like the nerve center.' Which makes sense, because it is the source of all of our panic attacks."

Seth Meyers: "President Trump said there was no reason to postpone or alter plans for the summer's Republican National Convention. Of course he's not going to cancel a party in his honor. Trump would interrupt a funeral to announce it's his half birthday."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Participates in America CARES: Small Business Relief Update
- Vice President Pence — No public schedule released

***US Senate*:**

- Senate on recess from 25 Mar – 20 Apr

***US House*:**

- House of Representatives meets in pro forma session * Chamber on recess from 30 Mar – 20 Apr

Location: U.S. Capitol, Washington, DC; 11:30 AM

***Cabinet Officers*:**

- No public schedules released

***Visitors*:**

- No visitors scheduled

***This Town*:**

- NEC Director Kudlow gives POLITICO virtual interview – POLITICO Morning Money Virtual Interview, with National Economic Council

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Director Larry Kudlow discussing how the Trump Administration is handling public health concerns with pressure to restart the economy, in conversation with POLITICO Chief Economic Correspondent Ben White; *9:00 AM*

• TPI virtual discussion on coronavirus and privacy policy – 'How Coronavirus Will Affect Washington's Privacy Policy Debate' Technology Policy Institute virtual panel discussion, on 'the policy tradeoffs involved in a new chapter of the international privacy debate', featuring Federal Trade Commission Office of Policy Planning Senior Economic and Technology Advisor Liad Wagman, Microsoft Corporate Vice President and Deputy General Counsel for Global Privacy and Regulatory Affairs Julie Brill, University of Arizona Professor of Law Jane Bambauer, and Sidley Austin Privacy, Data Security and Information Law Practice Leader Alan Raul; *2:30 PM*

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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, OCTOBER 25, 2019 6:00 AM EDT

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• US Gives Firms Time To Wind Down Deals With COSCO Unit Hit By Iran Sanctions.

Leading National News
• Forty-Six GOP Senators Sign Onto Resolution Condemning Impeachment Process.
• DOJ's Durham Investigation Of Russia Probe's Origins Becomes A Criminal Inquiry.
• Cicilline, Swalwell Say Impeachment Witnesses Have Been Coordinating Testimony.
• Sondland Disputes Taylor Testimony.
• Conservative Leaders Sign Letter Backing Mulvaney In Fight Against "Swamp."
• White House Defends Trump Calling "Never Trump" Republicans "Human Scum."
• Bolton Reportedly Warned Lighthizer Against Restoring Ukraine Trade Privileges.
• Biden Defends Son, Attacks Trump Family In 60 Minutes Interview.
• Set To Testify, Reeker Cancels Speaking Gig For Burisma-Funded Think Tank.
• Navarro Declines To Say Whether Bidens Came Up In US-China Trade Talks.
• Pompeo: State Will Comply With "Everything We're Required To Under The Law."
• Anti-Impeachment Radio Show Being Broadcast From Bannon's House.
• White House Welcomes China's New Intellectual Property Protections.
• Navarro: USMCA Could Turn US Into "Powerhouse Of Manufacturing."
• Stocks Little Changed Thursday.
• Capital Goods Orders Decline.
• Warren, Wyden Seek FTC Probe Of Amazon Server Security.
• More UAW Members Have Voted In Favor Of GM Contract.
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• Amazon Profit Down Due To Cost Of Speeding Up Shipping.
• IPO Scrutiny Led To WeWork's Dramatic Fall.
• Nissan Seeking To Restrict Ghosn's Access To Prosecutors' Files.
• DroneUp Bringing 41 New Jobs To Virginia Beach.
• New Universal Theme Park Expected To Create 14,000 New Jobs.
• Plastics Manufacturer Adding Jobs To Lynchburg, Virginia Facility.
• WSJournal: Rich Philanthropists Being Targeted By Liberal Activists.
• Conway Denies Washington Examiner's Account Of Exchange With Reporter.
• Student Loan Official Resigns, Calls For Large Debt Forgiveness Program.
• Pompeo's Visit To Kansas Refuels Speculation He May Run For Senate.
• Jeh Johnson Calls On Trump To Appoint A DHS Secretary.
• Secret Service Agents Interviewed Eminem Over Song Insulting Trump, Threatening Ivanka.
• IG Report: VA Office Intended To Protect Whistleblowers Was Used To Punish Them.
• On Twitter, Omar Blames Trump For Death Of Child Who Did Not Die.
• Townhall's Lee: GOP Could Be "Party Of Healthcare" If It Listens To New Proposals.
• Warren Receiving Advice On Financing Medicare For All.
• Judge In Daleiden Trial Allowed Showing Of "20/20" Report On Fetal Tissue Trafficking.
• British Lord Contends Harm Reduction Is Better Than Prohibition For Vaping.
• Trump Says US Will Never Let ISIS Reclaim Syrian Oil Fields.
• Esper Criticizes Turkey's "Unwarranted" Invasion Of Northern Syria.
• Families Urge Australia To Help Bring Women, Children In ISIS Camps Home.
• USA Today Criticizes Trump's Involvement In Navy SEAL Murder Case.
• USCIS Touts Success In Implementing Trump's Agenda.
• Administration Testing Rapid Asylum Review, Deportation Process In Texas.
• Administration: Dreamers Exploited Loophole To Gain Citizenship.
• ACLU: 1,500 More Migrant Children Taken From Parents By Administration.
• Lawyer Releases Police Video Of 2017 Shooting Of 16-Year-Old By Fresno Policeman.
• AOC: Emissions From "Predominantly White" Areas Causing Storms That Kill Minorities.
• DeVos Held In Civil Contempt For Violating Judge's Order On Student Loan Collection.
• New Documentary Examines Erosion Of Free Speech On College Campuses.
• Lara Trump Defends Jared Kushner, Ivanka Trump's Work In White House.

Attorney Client Privilege

• House Democrats Subpoena GSA For Financial Records Of Trump's DC Hotel.
• New Jersey Seeks To Revoke Liquor License For Trump Golf Club After Fatal Car Crash.
• Surgeon General Talks About Family Connection To Opioid Epidemic.
• White House To Order Federal Agencies To Cancel NYTimes, WPost Subscriptions.
• Senate Confirms Former Kavanaugh Clerk To Federal Bench.
• Zervos Attorneys Lay Out Evidence In Suit Against Trump.
• Trump Awards Penske Presidential Medal Of Honor.
• Trump Says He May Attend Game Five Of World Series.
• Defense Department Complete Nuclear Command Modernization Effort.
• Polls Show Public Confidence In Supreme Court.
• New Nude Picture Of Hill Shows Her Holding Bong, Sporting Apparent Iron Cross Tattoo.
• Guam Delegate Becomes Second House Democrat Accused Of Affair With Aide.
• Scaramucci: Many Republicans Privately Deride Trump.
• Donald Trump Jr. Stumps For Mississippi Republican Gubernatorial Candidate.
• Cheney Leads Loomis In Wyoming GOP Senate Poll.
• Omar: Asked To Choose Between Biden And Buttigieg, Said "None."
• Quinnipiac National Democratic Poll: Warren 28%, Biden 21%, Sanders 15%, Buttigieg 10%.
• Biden Campaign Drops Opposition To Super PACs.
• Sanders Unveils Proposal To Legalize Marijuana.
• Senate Democrats Discourage Hillary Clinton To Not Run Again.
• Ryan Ends Democratic Presidential Bid.
• WPost Highlights Warren's Time At University Of Houston Law Center.
• Milwaukee Democratic Activists Tasked With Turning Out Inner-City Black Voters.
• NYTimes Analysis: As Student Vote Rises, Republicans Taking Steps To Suppress It.
• Cummings Honored By Congressional Leaders And Colleagues At Capitol.
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• FHFA, GSEs Release Part Of URLA, Add Chinese Resources To Mortgage Translations Clearinghouse.
• Calabria: GSE Reform Needed To Protect Sustainable Homeownership, Affordable Rental Housing.
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• Ginnie Mae Plans Pilot Program To Begin Accepting ENotes.
• Investor: Fannie's Multifamily CAS CRT Is "Insanely" Oversubscribed.
• Zillow: Younger Buyers Willing To Make Financial Sacrifices To Afford Homes.
• Hometap Study: A Fifth Of Homeowners Feel "House Rich, Cash Poor."

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• FBI Issues Warning About E-skimming Attacks.
• FBI: Russian Hacker Charged In Pittsburgh Wanted For Allegedly Running Global Conspiracy.
• Ocala, Florida Targeted In "Spear Fishing" Attack.
• US Cyber Warriors Are Working To Protect Against Election Threats.
• Republicans Storm A Secure Congressional Facility.
• Italian, Australian Officials Defend Assisting Barr in Review of Russia Probe's Origins.
• DHS Warns Of Russian Interference Plans In 2020 Elections.
• Russia Dismisses Hacking Reports As "Unsavoury."
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• CDM Codification Bill Sails Through House Homeland Security Committee.
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• The Navy's Plan To Stop Being "Woefully Behind" In Cyber.
• WPost Urges Protections Against False-Flag Cyberattacks.

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• New York Fed Boosts Overnight Borrowing Cash Injections.
• Deeper Slump In Global Growth "Still More Likely" Despite Central Banks' Monetary Easing.
• Smith: Constrained Fed Intends To Pause Rate Changes Following Expected Cut.
• Opinion: We Should Worry About Fed's Adoption Of SOFR.

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Treasury in the News

Wyden Writes Mnuchin About Possible Trump Interference In Court Case With Turkish Bank.

Reuters (10/24, Pamuk) reports Sen. Ron Wyden (D-OR) on Thursday "questioned whether President Donald Trump interfered with a criminal investigation of Turkey's Halkbank, which has been accused of conspiring to evade U.S. sanctions against Iran." Wyden, "the ranking member on the Senate Finance Committee, wrote to U.S. Treasury Secretary Steven Mnuchin asking if Trump or anyone acting on the president's behalf had asked Mnuchin to 'handle, intervene, or otherwise engage with Turkish concerns related to Halkbank, or with Halkbank generally?'" His letter "cited an Oct. 16 Bloomberg report that Trump told Turkish President Tayyip Erdogan in April that Mnuchin and U.S. Attorney General William Barr would handle the Halkbank issue." Bloomberg (10/24, Mohsin, Jacobs, Wadhams, 4.73M) and Mother Jones (10/24, Friedman, 881K) also report on this story.

Yellen Says Warren's Policy Proposals Would Not Increase Likelihood Of Recession.

Newsweek (10/24, Croucher, 1.53M) reports former Fed Chair Janet Yellen in an interview "said the economic policies of Senator Elizabeth Warren, a leading candidate for the Democratic Party's 2020 nomination, would not increase the odds of a recession." Yellen told Newsweek, "I see no reason why her proposals would make a recession more likely. She proposes various taxes to pay for high priority spending initiatives. On balance, tax-financed spending should boost, not restrain, demand. She also proposes tough regulation of the financial system, which diminishes the odds of a future financial crisis." Treasury Secretary Steven Mnuchin "claimed in September that Warren's plans for the economy would lead to a recession or a worse economic crisis," telling reporters, "I think if you listen to the Elizabeth Warren plan, it is 100 percent recession, if not worse."

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Treasury Department Temporarily Blocks Creditors From Seizing Citgo In Victory For Venezuelan Opposition.

Reuters (10/24) reports the US on Thursday "temporarily blocked a creditor seizure of Citgo, a win for political leaders in Venezuela struggling to retain control over the U.S. refiner owned by the chaotic South American nation." Shares of Citgo, "a subsidiary of Venezuelan state oil company PDVSA, were used as collateral for a bond issue expected to go into default next week when a $913 million payment comes due." However, the Treasury Department, "which maintains a broad sanctions program against the government of Venezuelan President Nicolas Maduro, said no transfers or sales of Citgo shares linked to the PDVSA bond could take place until Jan. 22." Treasury's announcement "appeared to be more of a short-term workaround than a permanent move by the Trump administration to keep Citgo out of creditor hands, as allies of opposition leader Juan Guaido have repeatedly sought." The AP (10/24), Bloomberg (10/24, Bartenstein, 4.73M), and the Financial Times (10/24, Smith, Long, Subscription Publication, 1.34M) also report on this story.

US Gives Firms Time To Wind Down Deals With COSCO Unit Hit By Iran Sanctions.

Reuters (10/24) reports the US Treasury Department on Thursday "issued a nearly two-month waiver for companies to wind down transactions with a Chinese tanker company it sanctioned last month for allegedly transporting Iranian oil." According to a notice from the department's Office of Foreign Assets Control, the waiver, valid through December 20, "allows 'maintenance or wind down of transactions' including offloading non-Iranian crude oil involving COSCO Shipping Tanker (Dalian) Co. Ltd." Concern about the sanctions "caused shipping costs for oil and liquefied natural gas to more than double around the globe."

Leading National News

Forty-Six GOP Senators Sign Onto Resolution Condemning Impeachment Process.

Media reports cast an unfavorable light on GOP attempts to fight back against the impeachment drive against the President, describing it as an attempt to distract from the facts and as a response to prodding from the White House. Reuters (10/24, Morgan, Cowan) reports Republicans "pressed their offensive against the Democratic-led impeachment inquiry...with...a Senate resolution calling it illegitimate." The CBS Evening News (10/24, story 2, 2:14, Cordes, 4.05M) said "Trump has been urging his party to step it up all week, calling his GOP critics 'human scum,'" and "House Republicans" had already "complied" on Wednesday "storming into an impeachment deposition." USA Today (10/24, Behrmann, 10.31M) indicates the Senate resolution's main sponsor, Sen. Lindsey Graham (R-SC), "called for the House to give the 'same rights to Trump as Clinton and Nixon'...had during their investigations." The measure "calls on House Democrats to hold a formal vote to open an impeachment inquiry," and "for allowing Trump to bring forth witnesses in his defense and give Republicans...the ability to issue subpoenas, reiterating, 'House Democrats are even denying their own Republican colleagues basic procedural rights that the minority party was granted throughout previous impeachments.'" Graham said on Fox News' Hannity (10/24, 9:07 p.m. ET, 535K) that the resolution has garnered 46 signatures so far – more than enough to acquit the President if the Senate were to hold a trial.

Encapsulating the tenor of much of the coverage, the Washington Post (10/24, 14.2M) editorializes this morning, "There is an old Washington saying that if you're arguing about process, you're losing. A follow-on maxim might be: If you are wrong on process, too, you must really be in trouble." The Post adds, however, that "holding a vote" in the House "would add legitimacy, and, more to the point, the sooner House investigators move from closed hearings to open ones, the better. ... Of course, all of this could happen sooner if the Trump administration were not stonewalling." Along those lines, NBC Nightly News (10/24, story 4, 1:55, Alexander, 5.63M) reported "Democrats argue Republicans are just trying to distract from [Ambassador Bill] Taylor's testimony," and showed Sen. Dick Durbin (D-IL) saying, "Usually when you have no substantive argument to make, you try to get a headline arguing against process, or getting attention." NBC added that "despite the criticism...House Democrats [are] moving forward with more closed door hearings beginning this weekend."

Among the resolution's sponsors is Senate Majority Leader McConnell, who according to the Washington Examiner (10/24, Ferrechio, 448K) "called the House impeachment proceedings 'grossly unfair' and said Trump 'has legitimate concerns about the process.'" McConnell, The Hill (10/24, Carney, 2.98M) reports, "confirmed to reporters that he will back the measure, saying, 'Obviously I support it.'" The AP (10/24) reports "the nonbinding resolution gives Senate Republicans a chance to show support for Trump at a moment when Trump is urging his GOP allies to get tougher and fight harder for him as the House impeachment probe gathers momentum."

The New York Times (10/24, Shear, Fandos, 18.61M), under the headline "Republicans Fight Trump's Impeachment By Attacking The Process," calls Graham's resolution "a symbolic objection to the investigation a day after Republicans in the House stormed a secure room in the Capitol to disrupt it." The New York Post (10/24, Fredericks, 4.57M) points out Graham "lashed out at the House impeachment inquiry, dismissing testimony from the acting US ambassador to Ukraine as 'hearsay.'" Graham said, "I've got nothing against Bill Taylor. It's the process. You're asking me do I believe something based on a statement that hasn't been tested. Until we get the full picture, I think – I said this yesterday, I think it's hard to draw any conclusions." Townhall (10/24, O'Brien, 177K) notes that pressed on the Trump-Zelensky call, Graham said yesterday, "To me, it's not an impeachable offense. ... I have no problem with the phone call." Graham "added that the impeachment inquiry isn't only partisan, but...'dangerous to the president'" and "to the future of the presidency."

The Hill (10/24, Carney, 2.98M) reports Graham also "said on Thursday that he discussed impeachment messaging with acting White House chief of staff Mick Mulvaney." Said Graham, "So I talked to Chief of Staff Mulvaney. I think they're working on getting a messaging team together." Under the headline "Senate Republicans Toughen On Impeachment After Trump Gripes," Politico (10/24, Levine, Zanona, 4.29M) reports that while "Senate Republicans have lambasted House Democrats for holding depositions behind closed doors and for declining to hold a vote that would formalize an impeachment inquiry," the President's "conservative allies in the House are growing frustrated that their Senate counterparts aren't doing more to protect the president."

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The Hill (10/24, Carney, 2.98M) pointed out yesterday afternoon that "the GOP senators not cosponsoring the resolution as of Thursday afternoon, according to a list from Graham's office, are: Sens. Mitt Romney (R-Utah), Susan Collins (R-Maine), Lisa Murkowski (R-Alaska), Cory Gardner (R-Colo.), Lamar Alexander (R-Tenn.), Mike Enzi (R-Wyo.), Johnny Isakson (R-Ga.), Dan Sullivan (R-Alaska) and Rob Portman (R-Ohio)." To the New York Times (10/24, Edmondson, Cochrane, 18.61M), in a story titled "Vulnerable Senate Republicans Shrink From Defending Trump," Republicans face the "growing fear" the impeachment investigation "will also determine their" fate. The AP (10/24, Fram, Miller) reports, meanwhile, that while "most Republicans were still standing by Trump" they are doing so "in delicately calibrated ways after Tuesday's closed-door testimony by acting ambassador William Taylor."

The Daily Caller (10/24, Athey, 716K) reports "House Democrats have repeatedly flouted normal congressional procedures in their attempts to conduct the impeachment inquiry against President Donald Trump behind closed doors, sources tell the Daily Caller." The DC adds "three individuals who are intimately familiar with House procedures expressed dismay at several tactics used by Democrats, including the use of a SCIF – a Sensitive Compartmented Information Facility – to conduct interviews, the issuing of subpoenas to force depositions, and the lack of a vote to give official authority to the committees charged with conducting the impeachment proceedings." These "sources – who wished to be anonymous in order to speak candidly about the inquiry – told the Caller that these actions show that the Democrats are more concerned about optics than proper procedure or transparency." A "GOP aide" said, "There are no rules. ... Schiff is making up the rules as he goes along."

Writing for the Federalist (10/24, 126K), Adam Mill says "criticisms of Rep. Adam Schiff's impeachment tactics have begun to bite," as "fair-minded people have begun to ask why is it necessary to have secret witnesses, secret hearings, and leaks of distorted, out-of-context excerpts from transcripts," Asks Mill, "Why is it necessary to block the president from sending representatives to attend these hearings so he can have equal access to any evidence? Why was it necessary for House Intelligence Committee Chairman Schiff to 'parody' the transcript of the president's call to the Ukrainian president? Aren't parodies supposed to be funny? Shouldn't the chairman be proceeding with sober deliberation and fairness instead of romping about with gleeful shtick? ... And why are Democrats shutting out Republicans from the process?"

Rep. Lee Zeldin (R-NY) said on Twitter, "This impeachment inquiry has produced NOTHING to impeach POTUS for (I've been inside every depo thus far). While Dems run from the MANY gross flaws of how this circus is run, I welcome a debate on just how massively screwed up their clown show is on the SUBSTANCE."

Rep. Paul Gosar (R-AZ) tweeted, "The only reason Adam Schiff is conducting these unclassified interviews in a SCIF is to allow Democrats to control the narrative getting to the press. We are watching a coup happen right in front of us. It's time to fight back."

Rep. Jodey Arrington (R-TX) spoke with CNN Newsroom (10/24, 9:17 a.m. ET, 864K) about the impeachment proceedings against President Trump. He said, "I'm doing my part like my colleagues to raise the awareness of the fact that this is what I call an impeachment inquisition, not an impeachment process. And it will only be that. It will be purely political until there's openness and fairness and due process, like we've done in past impeachment proceedings with previous presidents." He continued, "The President not only did what was appropriate. He did, I think, faithfully executed his constitutional responsibility as a fiduciary taxpayer resources."

Rep. Andy Biggs (R-AZ) said on Fox News' Fox & Friends (10/24, 7:03 a.m. ET, 831K), "What we felt was so important is to elevate the conversation for the American people to understand that everything that's happening here is process-driven. There is no substance to their allegations. So the process is corrupt. It's behind closed doors. It's Soviet-style. They have already predetermined they are going to seek impeachment and work on articles of impeachment, but they are not letting us in. As members of Congress, they are not letting the American people see what's happening. They are not letting transcripts be available. ... We felt we just had to get in there so we could see it. And we went in very orderly, very calmly, and basically sat there and as soon as we got there, [House Intelligence Chairman Adam] Schiff and the witness left."

Rep. French Hill (R-AR) said on MSNBC's Morning Joe (10/24, 7:43 a.m. ET, 1.36M), "Bill Taylor is a distinguished diplomat and fine guy. He clearly differed with foreign policy by the White House. He made it clear in the 15-page opening statement. What we don't have as Republicans is the give and take you have and an open hearing process. ... I know we have Republican members on the committees questioning, but I think – you go back to your Judiciary Committee work during the Clinton days, I believe the Speaker should have declared an inquiry, had the Judiciary Committee begin to hold hearings. Those hearings could have been closed if necessary, but nothing is classified about what is being asked."

Fred Fleitz, former Chief of Staff and Executive Secretary of the National Security Council under Trump, told CNN's Cuomo Prime Time (10/24, 9:01 p.m. ET, 1.14M) that the impeachment investigation is not being conducted according to the precedents set by prior impeachments and is unfair to President Trump. He said he understood that "Republicans destroyed [Bill Taylor] in the closed hearing. ... I'm going to give the President the benefit of the doubt until I see the entire testimony." He went on to repeatedly express doubts that when open hearings are held that they will be held in a fair manner.

Kimberley A. Strassel writes at the Wall Street Journal (10/24, Strassel, Subscription Publication, 7.57M) that the failure to hold a vote on the impeachment inquiry also House Intel Chairman Schiff to avoid the rules that would normally apply to such an inquiry. She argues that barring Republicans and the White House from this stage of the proceedings will color the narrative that is presented later.

USA Today (10/24, Wu, 10.31M) reports, meanwhile, that though "Republicans have denounced the impeachment inquiry as happening in 'secret,' a 'sham,' and a 'Soviet-style process'...the 47 Republicans on the committees leading the investigations have access to the closed-door depositions." Moreover, "Republicans claim they have not been able to access relevant documents and testimony from the

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impeachment hearings, but Democrats disagree and say Republicans have not shown up for the depositions." The Wall Street Journal (10/24, Andrews, Subscription Publication, 7.57M) runs a similar story under the headline "Democrats Defend Private Interviews In Impeachment Probe," and the Washington Times (10/24, Lovelace, 492K) quotes Senate Minority Leader Schumer as saying yesterday on the Senate floor, "All the facts must come out and those who are attempting to obstruct this fact-finding inquiry may regret the day when they said all they want to do is open up the process. ... Our Republican friends may get what they wished for – all the facts coming out – they will regret it because at least from reports, the facts are very, very troubling."

ABC World News Tonight (10/24, story 6, 2:01, Moran, 14.63M) reported that "in both the Nixon and Clinton impeachments, closed-door hearings were held," and that "even on the President's favorite Fox News show this morning, a defense of the impeachment inquiry." Andrew Napolitano was shown saying, "They are consistent with the rules, and when were the rules written last? In January of 2015, and who signed them? John Boehner. And who enacted them? A Republican majority." ABC added "Democrats have made clear they will hold public hearings probably sometime next month."

Rep. Jackie Speier (D-CA) said on MSNBC's Morning Joe (10/24, 7:29 a.m. ET, 1.32M), "We've never had a President like this before, so the laws that we've had on the books have oftentimes been inappropriately responded to. Clearly, he looks at every legal loophole and says we have to close those. If a staff member, a federal employee refuses to meet with Congress, they should be in a position where they lose their salary for a period of time. We should use inherent contempt, which we haven't done, which would bring people to the House floor. They could be questioned there and then if they don't comply."

Speier told CNN's Anderson Cooper 360 (10/24, 8:18 p.m. ET, 1.19M) that the timeline for the impeachment proceedings is not set but "if you're comparing what we're doing with the impeachment inquiry versus the Benghazi committee work, which was held and controlled by the Republicans, we're on a fast-track." Meanwhile, she said Democrats are in favor of "making sure that there is a very fulsome open hearing discussion on what is a really serious issue, and that's why the Republicans aren't talking about the actual corpus. That is the conduct of the President trying to get a foreign government to interfere in our election on his behalf." She rebutted the hearsay arguments being made by some Republicans, concluding that "it's really in my view, a very clear case."

Rep. Eric Swalwell (D-CA) said on CNN's New Day (10/24, 8:14 a.m. ET, 683K), "There will be public hearings. ... Why we are not doing it publicly right now? There was no preliminary investigation done by a special prosecutor or special counsel like Watergate or in the Clinton impeachment trial. We know, however, we have evidence, very recently, that there are witnesses in our case who are talking to each other. That's exactly what we don't want to happen until we have that preliminary investigation. We don't want them to tailor the testimony to each other. We're trying to protect the information before we bring it forward to the public."

House Majority Whip Clyburn said on MSNBC's Morning Joe (10/24, 8:38 a.m. ET, 1.26M), "We've got 109 members of these three committees. Of that 109, 47 of them in the room every day are Republicans with their counsel. They are participating. They get equal time to ask questions and to follow up with questions. So this notion that we're doing something in secret is just absolutely not true. It is in private, and that's where you do fact-finding because we are supposed to not just pursue the guilty, but we are to protect the innocent. You cannot do that in public view. So it is shameful that they would be misrepresenting this process this way."

House Majority Leader Hoyer told CNN's Out Front (10/24, 7:06 p.m. ET, 1.07M) that he's open to a broader impeachment inquiry against President Trump. He said, "I'm certainly open to it based upon what the facts dictate. I think there are a lot of members who believe that the American people get that it is improper to be asking a foreign head of government to involve himself in our elections. They think that's not the right thing to do under the constitution and laws of our country or under election laws." With regard to objections raised by Republicans, Hoyer said, "I think the process argument is a distraction and is phony. What is at question here is the substance of the President's actions."

Democratic presidential candidate Tom Steyer told CNN Right Now (10/24, 1:20 p.m. ET, 965K) that the "President has been corrupt from day one. I think that he has committed crimes, I think we all know that. Michael Cohen is in prison for the crimes that he committed at the behest of this President." With regard to impeachment Trump has "broken his word to the Constitution and his trust with the American people. ... I think that this Ukraine incident as we see the evidence mount that it was very clearly a quid pro quo, that he was using his office to benefit himself personally, politically, and then trying to cover it up is very clear."

Gabbard Calls For Transparency: "I Don't Know What's Going On In Those Closed Doors." Presidential candidate Tulsi Gabbard told Fox News' Hannity (10/24, 9:30 p.m. ET, 535K) that with regard to impeachment, she said "I think there are areas of concern that were raised around the conversations that happen between trump and the Ukrainian President, which is why I supported the inquiry. I think that entry needs to be done in a very narrowly focused way, and it must be done transparently." She continued, "I don't know what's going on in those closed doors. We as members of Congress do not have access to the information that's being shared. I think the American people deserve to know exactly what the facts are, what the evidence is being presented as this inquiry goes on."

GOP Senate May Dismiss Articles Of Impeachment Without Trial. The Hill (10/24, Carney, 2.98M) reports "Trump's biggest allies in the Senate are looking to quickly quash articles of impeachment that the Democratic-controlled House might pass in the coming months." Republicans, "who believe it is likely the House will impeach Trump, are weighing what is best for their party: a rapid dismissal of impeachment or a vote to acquit Trump after a trial. Sixty-seven votes are needed to convict a president." Rudy Giuliani has "backed the Senate dismissing any articles of impeachment, telling The Hill earlier this month that it would be "horrible" if the Senate held a trial." The Hill adds "a Senate GOP leadership aide noted in a memo about the Senate's impeachment rules that a motion to dismiss would be in order."

Trump Thanks House GOP For Helping Fight "Witch Hunt," Grisham "Glad" About "Sit-In." On Thursday morning, President

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Trump tweeted, "Thank you to House Republicans for being tough, smart, and understanding in detail the greatest Witch Hunt in American History. It has been going on since long before I even got Elected (the Insurance Policy!). A total Scam!"

Asked on Fox News' Fox & Friends (10/24, 8:33 a.m. ET, 831K) about GOP representatives disrupting a Wednesday impeachment inquiry hearing, White House Press Secretary Stephanie Grisham said, "I'm glad they did it. These Dems have been doing everything behind closed doors and in secret. It is about time somebody made a very bold stand – I guess a sit-in, which is what they did – and it was great and the point was well-taken. Now I'm hearing the Dems agreed in three weeks they will open these up to the public. I don't know why they don't do it starting now. Seems like it is working. They know they're wrong." The Washington Post (10/24, Wagner, 14.2M) also reports Grisham "said Thursday that...Trump was 'very supportive' of the Republicans who stormed the secure room where depositions are being taken in the impeachment inquiry on Wednesday, prompting a five-hour delay."

As Trump Challenges Whistleblower's "Fictitious Account," Democrats Says He Won't Testify. The President tweeted last night, "Where is the Whistleblower, and why did he or she write such a fictitious and incorrect account of my phone call with the Ukrainian President? Why did the IG allow this to happen? Who is the so-called Informant (Schiff?) who was so inaccurate? A giant Scam!" The Washington Post (10/24, Debonis, Demirjian, 14.2M) reports, meanwhile, that "the whistleblower who initially unmasked...Trump's effort to pressure Ukraine for political favors has moved steadily toward the periphery of the House impeachment inquiry as several Democrats said Thursday they have ample testimony from senior Trump administration officials to back his claims." The Post adds that "over the past month," Democrats "have grown cold to the idea of exposing him to additional scrutiny after several witnesses described how Trump leveraged access and military aid to secure a promise from Ukraine to launch investigations that could help his 2020 reelection bid." A "person familiar with the discussions between the whistleblower and House investigators...said Thursday that there are no active efforts to arrange for the individual's testimony."

Politico Report: Democrats Say Their Probe Had "Yielded A Mountain Of Damaging Evidence." Politico (10/24, Cheney, Desiderio, Caygle, 4.29M) reports, "Democrats leading the impeachment inquiry...have provided no time frame for moving their highly secretive process out from behind closed doors – and that's because there isn't one." Politico adds that "interviews with a dozen Democratic lawmakers and aides reveal little urgency to cut short a string of closed-door depositions with senior Trump administration figures that have yielded a mountain of damaging evidence, amid Republican lawmakers' gripes about the tightly controlled process." While "Democratic leaders still view the end of 2019 as a rough deadline to complete the impeachment...the unexpected deluge of testimony that investigators have received in private from witnesses willing to defy the White House's efforts to silence them has left lawmakers reluctant to stanch the flow — and possibly miss crucial details."

McLaughlin Poll: 52% Say Impeachment "Political" Effort To Hurt Trump's Reelection. Pollster John McLaughlin tweeted yesterday that that according to his firm's latest poll, "52% majority says impeachment is political to stop @realDonaldTrump reelection only 36% legal 47%-33% say @POTUS shudn't cooperate n 59%-33% say it's a waste n Dems need to work w/ Reps to solve nations problems."

DOJ's Durham Investigation Of Russia Probe's Origins Becomes A Criminal Inquiry.

The New York Times (10/24, Benner, Goldman, 18.61M) reports, "For more than two years, President Trump has repeatedly attacked the Russia investigation, portraying it as a hoax and illegal even months after the special counsel closed it," and "now, Mr. Trump's own Justice Department has opened a criminal investigation into how it all began." DOJ "officials have shifted an administrative review of the Russia investigation closely overseen by Attorney General William P. Barr to a criminal inquiry, according to two people familiar with the matter." That "gives the prosecutor running it, John H. Durham, the power to subpoena for witness testimony and documents, to impanel a grand jury and to file criminal charges." The Times adds "the opening of a criminal investigation is likely to raise alarms that Mr. Trump is using the Justice Department to go after his perceived enemies," because the President "has made clear that he sees the typically independent Justice Department as a tool to be wielded against his political enemies." The AP (10/24, Balsamo) also says the move "is likely to raise concerns that...Trump and his allies may be using the powers of the government to go after their opponents."

USA Today (10/24, Johnson, 10.31M) reports "Barr launched the inquiry in April into whether federal investigators abused their surveillance authority as they sought to understand Russia's interference efforts during the 2016 presidential campaign." Barr "later appointed Connecticut's chief federal prosecutor, John Durham, to manage the investigation." Rep. Mark Meadows (R-NC) "praised Barr after news of the criminal investigation broke," tweeting, "If true, this shows Bill Barr is doing EXACTLY his job: following the facts. ... Those who damaged America and broke the law to spread this hoax are about to face accountability." The Washington Examiner (10/24, Dunleavy, 448K) recounts that "Durham, whose investigative portfolio recently expanded to include events from the launch of the inquiry in 2015 or 2016 through the appointment of special counsel Robert Mueller in 2017, has taken overseas fact-finding trips with...Barr, who was given 'full and complete authority to declassify information' related to the origins of the Trump-Russia inquiry in May."

Politico (10/24, Gerstein, 4.29M) says "former officials had expressed repeated concern about Durham's inquiry in recent weeks, saying there were indications that it was expanding beyond a typical look-back at how high-profile matters were handled."

Sen. Lindsey Graham (R-SC) said on Fox News' Hannity (10/24, 9:07 p.m. ET, 535K) that he has "lot a confidence in Bill Barr to be fair to everybody, including the subject of investigation. ... We can't live in a world where the rule of law only applies to Democrats, not Republicans."

DOJ IG To Lawmakers: Finalizing Of FISA Abuses Probe "Nearing Completion." Fox News' Chad Pergram reports, "Justice Department Inspector General Michael E. Horowitz told Senate and House lawmakers Thursday that the process of finalizing his

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report into potential Foreign Intelligence Surveillance Act (FISA) abuses ahead of the 2016 presidential election was 'nearing completion,' according to a letter obtained by Fox News." Fox adds "the 'lengthy' draft report 'concerns sensitive national security and law enforcement matters,' Horowitz wrote in the letter, adding that he anticipated 'the final report will be released publicly with few redactions.'"

Johnson, Grassley Ask ICIG Whether New Strozok Texts Are Being Investigated. Fox News (10/24, Re, 27.59M) reports "top Republicans on Wednesday demanded that Intelligence Community Inspector General (ICIG) Michael Atkinson explain why the watchdog hasn't said if it's investigating 'a number of leaks of highly sensitive information' in recent years – and released several previously unpublished texts and emails from since-fired FBI agent Peter Strzok." Senate Homeland Security Committee Chairman Ron Johnson (R-WI) and Finance Committee Chairman Chuck Grassley (R-IA) "specifically asked the ICIG why Strzok texted bureau colleague Lisa Page on Dec. 15, 2016: 'Think our sisters have begun leaking like mad. Scorned and worried and political, they're kicking in to overdrive.'" Wrote the senators, "What are they worried about, and what are they kicking into 'overdrive?'... Who are the 'sisters,' and what does it mean to say that the 'sisters have [been] leaking like mad'?" Moreover, "the senators pushed to know whether the ICIG was looking into Strzok's email to FBI colleagues on April 13, 2017, when he wrote that an unidentified 'agency' might be the 'source of some of the leaks' to the media that he'd been seeing."

Cicilline, Swalwell Say Impeachment Witnesses Have Been Coordinating Testimony.

The Daily Beast (10/24, Brodey, 1.39M) reports, "Some Democrats involved in the impeachment inquiry are beginning to suspect that certain witnesses have coordinated with each other ahead of testifying to ensure their stories do not conflict – the very outcome investigators are trying to avoid by conducting hearings behind closed doors." Reps. David Cicilline (D-RI) and Eric Swalwell (D-CA) said that "over the course of the nine witness depositions they have conducted over the last several weeks, there have been suggestions that certain witnesses spoke to each other about what they would say to impeachment investigators." Swalwell said, "We have direct evidence from our investigation that witnesses have talked to each other about their testimony."

Sondland Disputes Taylor Testimony.

Breitbart (10/24, Nolte, 673K) reports "US ambassador to the European Union Gordon Sondland disputes the most damning portions of Acting Ukraine Ambassador William Taylor's impeachment testimony." Adds Breitbart, "Time and time and time again, this is how it works… Some Deep State Never Trumper delivers a 'bombshell' testimony that is certain to see the Orange Bad Man removed from office, and then it appears to fall apart once all the facts come to life, once the full context becomes clear." According to Taylor's opening statement, "this man who has never met or spoken with Trump, claims he heard third- and fourth-hand information," through Sondland, "proving there was a dastardly quid pro quo between Trump and Ukraine." However, "through his attorney, among other things, Sondland told the far-left Washington Post he 'did not recall conversations recounted by Taylor in his House deposition.'"

Conservative Leaders Sign Letter Backing Mulvaney In Fight Against "Swamp."

Fox News (10/24, Olson, 27.59M) reports on its website that "dozens of conservative leaders are coming to the defense" of Acting Chief of Staff Mulvaney, "who has faced rumors he could be on the way out of the Trump administration." In a letter to the White House, the Conservative Action Project writes in part, "Conservatives are proud to support the role Mick Mulvaney continues to play in the Trump Administration. Recent news reports demonstrate that...the D.C. Swamp is attacking him – and we believe it is because he has been the most successful Chief of Staff in this administration to advance the Trump pro-America agenda." The AP (10/24, Miller) says "Mulvaney came under fire from Trump allies after he appeared to acknowledge that Trump held up military aid to Ukraine partly for political reasons." He "then later denied that he had said it."

Axios (10/24, Swan, 521K) reports "at least 47 conservative leaders have signed the statement so far," including Tim Chapman of Heritage Action, Jenny Beth Martin of Tea Party Patriots, Tom McCluskey of March for Life Action, David McIntosh of the Club for Growth, Lisa Nelson of the American Legislative Exchange Counsel, and Tony Perkins of the Family Research Council. Politico (10/24, Cook, 4.29M) reports Kenneth Blackwell of the Constitutional Congress, David Bossie of Citizens United, and Myron Ebell of the Competitive Enterprise Institute have also signed.

White House Defends Trump Calling "Never Trump" Republicans "Human Scum."

The Hill (10/24, Chalfant, 2.98M) reports "White House press secretary Stephanie Grisham said Thursday that President Trump does not regret calling 'Never Trump' Republicans 'human scum' and said they 'deserve strong language like that.'" Grisham said on Fox & Friends, "The people who are against him and who have been against him and working against him since the day they took office are just that., ... It is horrible that people are working against a president who's delivering results for this country and has been since day one. ... The fact that people continue to try and negate anything that he's doing and take away from the good work he's doing on behalf of the American people, they deserve strong language like that."

GOP Senators Growing Frustrated With Romney. The Hill (10/24, Bolton, 2.98M) reports "Sen. Mitt Romney's (R-Utah) public battles with...Trump are taking a toll on his relationship with fellow GOP senators, with many resenting the implication that they're afraid of standing up to the president." Sen. James Inhofe (R-OK) "told The Hill he's frustrated with Romney's regular critiques of Trump and

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suggested his colleague might have unresolved feelings about failing to defeat former President Obama in the 2012 presidential campaign." Sen. David Perdue (R-GA), meanwhile, "likened Romney to a fan who boos a quarterback when the going gets tough."

Bolton Reportedly Warned Lighthizer Against Restoring Ukraine Trade Privileges.

The Washington Post (10/24, Lynch, Dawsey, 14.2M) reports USTR Lighthizer "in late August withdrew a recommendation to restore some of Ukraine's trade privileges after John Bolton, then-national security adviser, warned him that President Trump probably would oppose any action that benefited the government in Kyiv, according to people briefed on the matter. The warning to [Lighthizer] came as Trump was withholding $391 million in military aid and security assistance from Ukraine."

War In Ukraine Continues As US Focuses On Impeachment. The New York Times (10/24, Kramer, 18.61M), under the headline "Behind An Impeachment Inquiry, A Forgotten War," reports on the ongoing conflict in eastern Ukraine that "has killed 13,000 people, put a large part of the country under Russia's control and dragged on for five years almost forgotten by the outside world – until it became a backdrop to the impeachment inquiry of President Trump now unfolding in Washington." Ukraine President Volodymyr Zelensky wants the US "to take a more active role in pressuring Russia to withdraw its forces from eastern Ukraine – which the Kremlin does not even acknowledge are there – and accept a peace deal to end the conflict."

Biden Defends Son, Attacks Trump Family In 60 Minutes Interview.

The CBS Evening News (10/24, story 3, 1:45, O'Donnell, 4.05M) reported that in a "60 Minutes" interview set to air this Sunday, Joe Biden insisted that his son, Hunter, did nothing wrong in Ukraine "and he unleashed his sharpest criticism yet of President Trump's family." He said, "Their actions speak for themselves. ... If I'm President...my children are not going to have offices in the White House." He continued, "It's just simply improper because you should make it clear to the American public that everything you're doing is for them, for them. And the idea that you're going to have...his children, his son-in-law, etc., engaged in the day-to-day operation of things they know nothing about." Biden also said "all the really solid people" in the Administration have left. He continued, "They're thugs. You know, Giuliani and the two guys helping him, they get arrested at the airport, trying to leave the country – I mean, where has that happened on any other President's watch."

Eric Trump: I'd Be In Jail For What Hunter Biden Did. Eric Trump told Fox News' Hannity (10/24, 9:23 p.m. ET, 535K) that, compared to Joe Biden's son, "If I got $0.30 from Ukraine or $0.30 from China or remain or anywhere else, I'd be thrown in jail." He continued, "The funny thing it's not like they were trying to hide the whole thing. It's so blatantly obvious what they are doing. How do they get paid $50,000 to get set on the board of an energy company? He was being paid...to sit on a small Ukrainian energy company, the board of a small Ukrainian energy company, he's been played twice what executives get paid to sit on the board of Exxon Mobil. Let that sink in for a moment. It's corruption at the absolute worse."

Set To Testify, Reeker Cancels Speaking Gig For Burisma-Funded Think Tank.

Breitbart (10/24, Klein, 673K) reports "Ambassador Philip Reeker, the acting assistant secretary of State for European and Eurasian affairs who is set to testify to the Democrats secretive impeachment inquiry this weekend, cancelled a speaking gig earlier this week at the Atlantic Council think tank." Breitbart says "the Atlantic Council is funded by and works in partnership with Burisma, the natural gas company at the center of allegations regarding Joe Biden and his son, Hunter Biden." Alex Kisling, the Atlantic Council's Deputy Director for Media Relations, said; "The Atlantic Council was informed late last week that Acting Assistant Secretary Philip Reeker would be unable to participate in our event on October 22 due to scheduling conflicts." The cancellation in part prompted a letter to Reeker from Rep. Jim Jordan (R-OH) "asking for an explanation as to why Reeker's name was removed as a panelist for the Atlantic Council event."

Navarro Declines To Say Whether Bidens Came Up In US-China Trade Talks.

CNN (10/24, Cole, 83.16M) reports on its website that Office of Trade and Manufacturing Policy Director Peter Navarro declined Thursday "to answer questions about whether China opening an investigation into former Vice President Joe Biden and his son has come up during trade talks with the US." At a New York event, CNN's Jim Sciutto asked Navarro, "Did you bring up investigating the Bidens as part of the negotiations?" Navarro replied, "It's not an appropriate question in my judgment. ... I'm not going to talk about that stuff. If I answer that question then you'll ask me another question."

Pompeo: State Will Comply With "Everything We're Required To Under The Law."

McClatchy (10/23, Shorman, Wilner, 19K) reports Secretary of State Pompeo "suggested on Thursday that the Trump administration plans to comply with a court order to release Ukraine-related documents, including communications between State Department officials and President Donald Trump's personal lawyer, Rudy Giuliani, within 30 days." Pompeo said in an interview with the Wichita Eagle and the Kansas City Star, "I haven't seen the ruling. ... But I can assure the American people that their State Department always complies with everything we're required to do under the law. There's no reason to think we would do any different there."

"Legal Experts": Giuliani Unlikely To Be Indicted For Foreign Agents Registration Act Violations. Politico (10/24, Gerstein, 4.29M) reports that "to Democrats and other Trump critics, the scene would be almost deliciously ironic: Giuliani, 'the ex-prosecutor known for perfecting the 'perp wall' in the 1980s, getting a taste of his own medicine.' However, "how much legal risk does the president's most

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outspoken personal lawyer actually face?" However, while Giuliani "has faced widespread predictions that he's on the verge of being indicted on charges of acting as an unregistered foreign agent...many legal experts say Giuliani needn't be quaking in his boots – at least on that score," because "two recent high-profile attempts by prosecutors to advance" a push to "crack down on violations of the Foreign Agents Registration Act" have "met with failure," and "the public defense Giuliani has offered is uncannily similar" to the one that was successful in those cases.

Anti-Impeachment Radio Show Being Broadcast From Bannon's House.

The New York Times (10/24, Peters, 18.61M) reports that "a rogue, freelance messaging operation to fight impeachment" is being broadcast from ex-White House adviser Stephen Bannon's Washington home. Bannon says the nightly program will continue every day "for the next two months – or 'until the day after the acquittal of Donald J. Trump.' ... The people involved in the radio show, all former Trump aides and supporters, say their intentions are clear: They want to nudge the White House, its allies and the president himself into taking a more focused and aggressive posture to undermine" the House impeachment inquiry.

White House Welcomes China's New Intellectual Property Protections.

The Washington Examiner (10/24, Crilly, 448K) reports White House officials have "welcomed new intellectual property protections unveiled by China, claiming they represent a victory for President Trump's tough trade line and work by his chief science adviser to protect research secrets." The new measures, announced Wednesday by Ning Jizhe, the vice chairman of China's National Development and Reform Commission, "will set up a punitive system of damages for infringements of intellectual property." A senior Administration official said, "China's intellectual property theft is real, damaging, and ending thanks to President Trump's strong trade actions and his OSTP director's focus on ending abuses in our open society's education and research systems," referring to the White House Office of Science and Technology Policy.

Navarro: US Cannot Allow China To Steal IP. National Trade Council Director Peter Navarro told Fox Business Mornings with Maria (10/24, 7:06 a.m. ET) that the Chinese "hack our computers, steal our intellectual property, force technology transfers, currency manipulation, they kill us with fentanyl. These are the structural issues we have to deal with. We would love to have China be a rule-abiding member of the international global community. But absent that, they're hurting not only American workers but they're hurting the rest of the world."

Navarro: USMCA Could Turn US Into "Powerhouse Of Manufacturing."

National Trade Council Director Peter Navarro told Fox Business Mornings with Maria (10/24, 7:06 a.m. ET) that the sticking point for USMCA "is Nancy Pelosi. The false narrative is the issue about labor enforcement. That problems been effectively solved. That's where [USTR] Lighthizer is doing a great job, working with folks in Mexico and everybody in between. This thing is ready to go." He continued, "It's designed to turn North America, and particularly the US into a powerhouse of manufacturing for the 21st century."

Cuellar "Very Confident" USMCA Will Pass This Year. Rep. Henry Cuellar (D-TX) said on Fox Business' Mornings With Maria (10/24, 8:06 a.m. ET, 1.73M), "We are going to pass this trade agreement. It is important for the US, Mexico, Canada. ... I feel very confident that we will get this deal done this year."

Stocks Little Changed Thursday.

The AP (10/24, Veiga) reports, "Solid profits and forecasts from several technology companies helped lift US stocks to modest gains Thursday." The Dow Jones Industrial Average closed down 28.42 points at 26,805.53, the Nasdaq was up an even 66 points to 8,185.80, and the S&P 500 was up 5.77 to 3,010.77. Reuters (10/24, Joyner) says "the S&P 500 and the Nasdaq rose on Thursday following strong quarterly reports from several technology companies, including Microsoft Corp," but "dour results from 3M Co...stymied the Dow."

Capital Goods Orders Decline.

Reuters (10/24, Dunsmuir) reports the Commerce Department said Thursday that "new orders for key US-made capital goods fell more than expected in September and shipments also declined, a sign that business investment remains soft amid the fallout from the US-China trade war." Orders for "non-defense capital goods excluding aircraft, which are seen as a measure of business spending plans on equipment, fell 0.5% last month on less demand for transportation equipment, motor vehicles and parts, and computers and electronic products." Data for August were "also revised down to show core capital goods orders falling 0.6% instead of declining 0.4% as previously reported."

Warren, Wyden Seek FTC Probe Of Amazon Server Security.

Reuters (10/24) reports Sens. Elizabeth Warren (D-MA) and Ron Wyden (D-OR) have asked the Federal Trade Commission to examine whether Amazon failed to secure its servers prior to a hacking attack that exposed the names and addresses of about 100 million US Capital One customers. The Wall Street Journal (10/24, McMillan, Subscription Publication, 7.57M) reports Amazon says its web services system was not hacked and says the Capital One breach was caused by a server-side request forgery.

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More UAW Members Have Voted In Favor Of GM Contract.

The Wall Street Journal (10/24, Naughton, Subscription Publication, 7.57M) reports United Auto Workers members at several major General Motors factories have voted in favor of a proposed contract. The Detroit Free Press (10/24, Lawrence, 1.52M) reports a vote by the UAW local in Flint, Michigan "pushes the tentative agreement...closer to ratification, but whether the almost six-week-old nationwide strike against the automaker will end is still not likely to be clear until Friday." The Detroit News (10/24, Hall, 825K) reports, "The UAW wants all ballots turned in by 4 p.m. Friday. UAW leaders voted to keep its roughly 48,000 members out on strike while they vote on the contract."

Kanye West Discusses Trump Support, Plans To Manufacture Shoes In America.

The Washington Examiner (10/24, Gage, 448K) reports "Kanye West talked about his support for President Trump in a recent interview and said he wanted to bring the manufacturing for his Yeezy shoes to the United States." He said, "Give me some other examples where someone is saying what isn't culturally what you're supposed to say. ... Give me an example where someone is saying what you're not supposed to say. You don't want to say it, do you, liberal?" West "said he planned on moving his shoe factories within the next couple of years to help bring jobs back to the US." He "said he plans to have his shoes in American factories within the next two years and for Yeezy to hire US workers in prison reform systems."

Schumer Climate Plan Focuses On Electric Cars.

The New York Times (10/24, Davenport, 18.61M) reports Senate Minority Leader Schumer "is preparing a $450 billion climate change initiative that aims to replace about a fifth of the nation's traditional gasoline-powered vehicles with hybrid, electric or hydrogen fuel-cell cars and trucks in the next 10 years." His "proposal is far narrower than the economy-altering plans put forth by most of the Democratic presidential candidates, and it has no chance of passage in the current, Republican-led Senate." However, in an opinion published in the New York Times (10/24, 18.61M), "Schumer said his proposal to push the country away from internal-combustion engines would be part of any climate-change measure that would be considered if the Democrats won the Senate next year." He said, "I, as majority leader, will introduce bold and far-reaching climate legislation. ... The proposal for electric cars would be a key element of that bill."

Tesla Stock Soars After Delivering Profits In Q3.

Reuters (10/24, Malara, Randewich) reports Telsa "shares soared 17% on Thursday after the electric carmaker surprised Wall Street by delivering on Chief Executive Officer Elon Musk's promise of a profit in the third quarter, even as doubts remained about its long-term prospects." Tesla "reported a quarterly profit, citing improvements in operating efficiency and a reduction in manufacturing and material costs." Meanwhile, "at least eight brokerages raised their price targets on Tesla shares, while the company's average rating on Wall Street remained 'hold', with just 11 of 34 analysts recommending investors buy the stock."

Amazon Profit Down Due To Cost Of Speeding Up Shipping.

The Wall Street Journal (10/24, A1, Mattioli, Subscription Publication, 7.57M) reports Amazon's profits have been weighed down by its investment in reduced shipping times. Amazon reported its third-quarter profits fell 26% compared to a year ago, its first profit decline since 2017.

IPO Scrutiny Led To WeWork's Dramatic Fall.

The Wall Street Journal (10/24, A1, Farrell, Hoffman, Brown, Benoit, Subscription Publication, 7.57M) details how WeWork went from being courted by the major stock exchanges to a spectacular fall in a matter of months. Little of the company's business changed during those months but the process of filing to go public put its shaky finances on display.

WeWork Founder's Exit Package Highlights Problems With Dual-Class Shares. The Washington Post (10/24, McGregor, 14.2M) reports that "Adam Neumann's eye-popping deal with SoftBank to exit WeWork is being described by corporate governance experts as a prime example of the issues with dual-class shares." The Post says "the news of Neumann's package, which would let him walk away with as much as $1.2 billion, as well as a loan to repay a credit line, comes amid increasing pushback from investors as start-up unicorns such as Lyft, Pinterest and Peloton continue to go public with such arrangements." Amy Borrus, Deputy Director of the Council of Institutional Investors, said: "Adam Neumann will essentially get a king's ransom for grossly mismanaging the company on his way our. ... This is a cautionary tale about the dangers of the dual-class share structure."

Nissan Seeking To Restrict Ghosn's Access To Prosecutors' Files.

The New York Times (10/24, Dooley, 18.61M) reports lawyers for former Nissan boss Carlos Ghosn want access to evidence against him seized Japanese authorities "but prosecutors have declared thousands of the files off limits" because Nissan "considers the information too sensitive." Ghosn's appeal is now headed to Japan's top court, as his "lawyers make a last-ditch attempt to access the files, or at least find out what they are being barred from seeing." His attorneys argue the decision not to disclose the files "highlights the cozy relationship between prosecutors and Nissan, as well as a Japanese legal system that too often favors prosecutors."

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DroneUp Bringing 41 New Jobs To Virginia Beach.

WAVY-TV Norfolk, VA (10/24, 5:28 p.m. ET, 32K) reports that DroneUp, a web and mobile platform for on-demand drone pilot services, is expanding its headquarters in Virginia Beach, creating 41 new jobs.

New Universal Theme Park Expected To Create 14,000 New Jobs.

WOGX-TV Gainesville, FL (10/24, 6:13 p.m. ET, 1K) reports that Universal's new theme park in Florida will open sometime this year. WOGX says "Universal's Epic Universe is also expected to create 14,000 new jobs with $15 per hour pay."

Plastics Manufacturer Adding Jobs To Lynchburg, Virginia Facility.

WSET-TV Lynchburg, VA (10/24, 6:10 p.m. ET, 2.33M) reports Tessy Plastics is expanding and bringing new jobs to Lynchburg, Virginia. The company has 235 employees "and will be adding 34 over the next few years for a number technical positions." The company "recently finished a $10 million expansion adding 35,000 square feet."

WSJournal: Rich Philanthropists Being Targeted By Liberal Activists.

In en editorial, the Wall Street Journal (10/24, Subscription Publication, 7.57M) that liberal activists are stigmatizing and banishing rich philanthropists who support America's great cultural institutions. The Journal says many philanthropists are only being targeted because they are rich.

Conway Denies Washington Examiner's Account Of Exchange With Reporter.

Washington Examiner reporter Ciatlin Yilek tweeted yesterday, "Kellyanne Conway disparagingly told me it was improper to write about her husband and threatened to investigate my personal life in a conversation she thought was off the record. It wasn't." Yilek went on to report in the Washington Examiner (10/24, 448K) that "Conway, describing herself as 'a powerful woman,' aggressively and disparagingly told a female reporter that it was improper to write about her husband and threatened to investigate the reporter's personal life." The Examiner writes, "Conway, who is notorious for berating journalists, told this reporter, 29: 'Let me tell you something, from a powerful woman. Don't pull the crap where you're trying to undercut another woman based on who she's married to. He gets his power through me, if you haven't noticed. Not the other way around. And if these are the quote standards unquote at the Washington Examiner, then yes I'd be happy to talk to your editor. But I've known your editor since before you were born.'" The Examiner says Conway "threatened that the White House would delve into the personal lives of reporters if they wrote about her husband," saying, "Listen, if you're going to cover my personal life, then we're welcome to do the same around here."

Conway also responded on Twitter, writing, "The false tweet below [in reference to Yilek's] makes my point about how dangerous it is to characterize someone else's intentions, feelings, or state of mind, even if it's for clicks and kicks." Conway, the Washington Examiner (10/24, Gage, 448K) reports, went on explain that "the things she said in the phone call were things she has said on the record before and maintained that the phone call was never off the record." Conway also "contested the characterization that she 'threatened' Yilek, quoting herself as saying, 'If you're going to cover my personal life, then we're welcome to do the same around here.'" Conway also "provided background about her husband and his feud with President Trump, noting that it is 'unusual...for a man to gain newfound fame and power through his wife, following his own storied, decades-long career.'"

Student Loan Official Resigns, Calls For Large Debt Forgiveness Program.

The CBS Evening News (10/24, story 7, 1:37, O'Donnell, 4.05M) reported, "A top official in the federal student loan program resigned today, calling the system fundamentally broken. He also wants hundreds of billions of existing debt forgiven," and "that's a costly request." CBS (Strassmann) added Federal Student Loan Office COO "Wayne Johnson thinks Washington should follow his lead and quit the federal student loan program." CBS continued, "Johnson reported directly to Education Secretary Betsy DeVos and watched student debt keep ballooning with the cost of college. In all, 42 million Americans currently have student debt. The average household owes almost $47,000." CBS concluded, "To pay for it, Johnson would hike corporate taxes by one percent. He's about to run in Georgia as a Republican for the US Senate."

NBC Nightly News (10/24, story 9, 1:55, Holt, 5.63M) reported, "A dramatic move to get rid of crippling student loan debt tonight from none other than the official who was in charge of federal student loans until he resigned today." NBC (Beck) added, "Johnson is proposing radical change, making student loan debt forgiveness the centerpiece of his campaign to become a Republican senator from Georgia."

Bloomberg (10/24, Nasiripour, 4.73M) reports Johnson "abruptly resigned Thursday after calling for the government to wipe out most of the nation's $1.6 trillion of student debt." Johnson "said that the federal government needs to wipe out the first $50,000 of debt owed for higher education by some 42 million Americans. That would jump-start economic growth by eliminating more than $900 billion of federal student loans – and completely erase the debt for the vast majority of borrowers, he said." According to Bloomberg, Johnson said the losses "would result anyhow...because much of the nation's student loan debt ultimately won't be repaid." Johnson also proposes "reimburs[ing] past borrowers who've already paid off their loans with as much as $50,000 in income tax credits," and "eliminat[ing] the federal loan program and replac[ing] it with $50,000 in grants to cover college tuition and work training and licensing programs."

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Politico (10/24, Stratford, 4.29M) reports Johnson, "resigned Thursday to launch a long-shot bid for an open Senate seat in Georgia centered on his sweeping plan to forgive hundreds of billions of dollars in student debt." Politico adds that Johnson "said he believes there are 'fundamental flaws' in the nation's student loan system that require drastic changes." Politico also says Johnson's plan "is far more generous than those of several 2020 Democratic presidential candidates, whose ideas DeVos recently attacked as 'crazy.'"

The Washington Post (10/24, Douglas-Gabriel, 14.2M) reports Johnson's resignation and proposal "arrives as House Democrats ramp up their investigation of the role Education Department officials, including Johnson, played in helping Dream Center Education Holdings," which "operated the defunct for-profit chain Argosy University and the Art Institutes." The Post adds that Johnson was COO of the Office of Federal Student Aid.

Pompeo's Visit To Kansas Refuels Speculation He May Run For Senate.

The AP (10/24, Lee, Hanna) reports Secretary of State Pompeo "has been finding ways to swing through his home state of Kansas this year, feeding speculation about a potential Senate run and offering something of a refuge from the storm surrounding him in Washington over impeachment." On his "fourth trip to Kansas this year, Pompeo was in Wichita on Thursday for a visit that will get him local voter attention." Pompeo held a workforce development roundtable, "a topic typically outside his foreign affairs portfolio," with White House adviser Ivanka Trump. To the AP, the visit "shows how Pompeo is trying to reconcile his conflicting ambitions in Washington and back home in Kansas."

The Washington Post (10/24, Gowen, Morello, 14.2M) likewise says Pompeo's visit Thursday is "refueling speculation amid an expanding impeachment inquiry of President Trump that he may leave the administration to run for the Senate next year." The Post says that "despite Pompeo's repeated attempts to tamp down speculation on a possible Senate bid...he has sometimes couched his denials in vague enough terms to suggest he is trying to keep his options open."

Jeh Johnson Calls On Trump To Appoint A DHS Secretary.

Former DHS Secretary Jeh Johnson writes in the Washington Post (10/24, 14.2M), "President Trump must appoint a Senate-confirmed secretary of homeland security, and soon. Particularly in the current threat environment, our nation cannot afford a continued string of temporary, acting secretaries promoted from within the ranks of DHS to, as some would have it, simply receive and transmit orders from the White House. The job is one of the most complex and critical in the US government."

Secret Service Agents Interviewed Eminem Over Song Insulting Trump, Threatening Ivanka.

BuzzFeed News (10/24, Leopold) reports a Freedom of Information Act request filed with the Secret Service has confirmed that agents were sent to speak with rapper Eminem in January 2018. According to December 2017 documents, "A concerned citizen reported Marshall Mathers the rapper 'Eminem' had a new song called 'Framed' with an inappropriate comment towards President Donald Trump and a threatening comment towards Ivanka Trump." The documents show the agency's Protective Intelligence and Assessment Division "conducted a background check on Eminem and started to arrange an interview with the rapper through his attorneys" in late December 2017 and interviewed him one month later.

IG Report: VA Office Intended To Protect Whistleblowers Was Used To Punish Them.

The Washington Post (10/24, Rein, 14.2M) reports, "One of President Trump's signature initiatives to turn around a culture of retaliation against whistleblowers" at the VA is the Office of Accountability and Whistleblower Protection, which is "in disarray that instead has punished them – and held almost no wrongdoers accountable. Those are the conclusions of a scathing report released Thursday by the agency's inspector general." The IG report says the office "has shown 'significant deficiencies,' including poor leadership, skimpy training of its investigators, a misunderstanding of its mission and a failure to discipline senior leaders for misconduct."

The Wall Street Journal (10/24, Kesling, Subscription Publication, 7.57M) says the report says the office's first executive director, Peter O'Rourke, used his position to bury claims and retaliate against whistleblowers. He eventually rose to a higher post within the VA and has since left the government, now serving as executive director of the Florida Republican Party. Politico (10/24, Allen, 4.29M) and the Washington Times (10/24, Boyer, 492K), among other news outlets, also report the story.

On Twitter, Omar Blames Trump For Death Of Child Who Did Not Die.

The Daily Caller (10/24, Olohan, 716K) reports Rep. Ilhan Omar (D-MN) "blamed" President Trump "for the death of an infant who is still alive before correcting herself." Omar "tweeted a New York Times article Thursday that discussed an ill 9-month-old baby named Elijah who lost his Medicaid coverage." Omar tweeted, "A nine month old died as a direct result of Trump's cuts to Medicaid and CHIP. He is one of a million children to lose healthcare. Let that sink in." The Times article, says the Caller, described the child's "visit to a Texas hospital in September and his mother's distress over her child's lack of Medicaid coverage." The Caller adds that "over two hours later," Omar tweeted, "almost died.*" According to the Caller, "The Trump administration has not 'explicitly tried to limit' Medicaid coverage for children, The NYT noted."

Townhall (10/24, Rosas, 177K) reports, "After she posted the tweet about his 'death' just before 11:00 a.m., people were pointing out Elijah Johnson did not die. Omar sent a short, corrective tweet a few hours later." Townhall added that the child and the woman's other children are again covered by Medicaid.

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Townhall's Lee: GOP Could Be "Party Of Healthcare" If It Listens To New Proposals.

Sarah Lee writes in Townhall (10/24, 177K) that in March 2019, President Trump said, "The Republican party will soon be known as the party of health care," and now, "legislative committees and small business advocacy groups have begun releasing months-worth of research in the form of 'ideas lists.'" Among those are the Republican Study Committee's "66 pages of ideas gleaned from months of work in which they reached out to think tank and health care leaders across the US"; and the Job Creators Network Foundation's "market research, which includes the opinions of 25,000 American voters representing all political affiliations" and is focused on "increasing choice in health care." Lee adds, "If Republicans in Congress begin to take the ideas of both the RSC study in the house and JCNF's market research in the Senate...then Trump's prophecy that the GOP will become the party of health care will surely come to pass."

Warren Receiving Advice On Financing Medicare For All.

The Washington Post (10/24, Stein, 14.2M) reports, "Internal and external economic policy advisers are trying to help Sen. Elizabeth Warren (D-Mass.) design a way to finance a single-payer Medicare-for-all health-care system," after Warren "promised more details within weeks." The plan "could cost more than $30 trillion over 10 years." Economist Robert Pollin of the University of Massachusetts at Amherst has suggested "redirecting existing public health-care spending from Medicare, Medicaid and the Department of Veterans Affairs," with the balance "raised by a $600 billion annual 'gross receipts' tax on businesses"; "a 3.75 percent sales tax on 'nonnecessities'"; and "a 0.38 percent tax on wealth above $1 million." Cornell University's Robert C. Hockett "has urged Warren's team to propose financing Medicare-for-all in part with a 'public premium' that would function similarly to a tax." The Post adds that other suggestions have been a "progressive consumption tax" or having Warren "sell her Medicare-for-all plan as a tax cut."

Judge In Daleiden Trial Allowed Showing Of "20/20" Report On Fetal Tissue Trafficking.

The Federalist (10/24, Osburn, 126K) reports, "Journalist and abortion activist David Daleiden took the witness stand in a San Francisco courtroom on Tuesday, where he testified that it was an undercover ABC News '20/20' report on fetal tissue trafficking that inspired him to record similar undercover videos." Daleiden and others at the Center for Medical Progress "are being sued by Planned Parenthood for allegedly wiretapping, trespassing, and breaking confidentiality while recording undercover videos." The judge, adds the Federalist, "has resisted allowing certain videos Daleiden recorded to be shown to the jury," but did allow "defense attorney Charles LiMandri to show an investigative ABC News report that Daleiden said influenced his own undercover project." The "20/20" video "features footage recorded by an undercover ABC producer [who] posed as a potential investor" and who interviewed "an abortionist talking about the profits he made from the sale of body parts he harvested from the bodies of babies he aborted."

British Lord Contends Harm Reduction Is Better Than Prohibition For Vaping.

Matt Ridley, a member of the British House of Lords, writes in the Wall Street Journal (10/24, Subscription Publication, 7.57M), likening efforts to ban vaping to prohibition, contending that governments should follow harm reduction strategies rather than prohibition and so work to ensure that vaping is regulated and made more safe than it otherwise would be as an illegal item. He argues that in the UK, the government has encouraged smokers to switch to e-cigarettes and regulated it so that almost all users of e-cigarettes are former smokers, and there have been no deaths and few if any lung diseases attributed to vaping.

Trump Says US Will Never Let ISIS Reclaim Syrian Oil Fields.

President Trump tweeted at 11:25 a.m., "The Oil Fields discussed in my speech on Turkey/Kurds yesterday were held by ISIS until the United States took them over with the help of the Kurds. We will NEVER let a reconstituted ISIS have those fields!" About 25 minutes later, he tweeted, "I really enjoyed my conversation with General @MazloumAbdi. He appreciates what we have done, and I appreciate what the Kurds have done. Perhaps it is time for the Kurds to start heading to the Oil Region!"

The Washington Post (10/24, Ryan, Lamothe, Fahim, 14.2M) says Trump's tweets "emphasiz[ed] his interest in the energy assets there despite his steps to curtail the US military mission in the country." To the Post, the plan to secure Syria's oil fields "highlights that the US mission appears to be shifting from one focused on fighting the Islamic State to at least partly keeping the country's own government from possessing all its oil fields."

Pentagon To Send Tanks, Armored Vehicles To Defend Oil Fields. USA Today (10/24, Brook, 10.31M) reports the Pentagon is "preparing to send tanks and armored vehicles to Syrian oil fields, according to a US official." USA Today calls the move "a stunning reversal of President Trump's decision to withdraw US forces" from the country, and says the "deployment of heavy armor to Syria would represent a significant escalation in the fight, requiring a contingent of additional troops to operate and maintain the vehicles, as well as forces to protect their bases." The Wall Street Journal (10/24, Lubold, Youssef, Subscription Publication, 7.57M) reports the plan also calls for leaving about 500 US troops in northeast Syria.

The CBS Evening News (10/24, story 4, 1:30, O'Donnell, 4.05M) too is reporting that "a Pentagon official" says the US "is planning a major increase in firepower to protect" the oil fields. Sen. Lindsey Graham said he was briefed yesterday by Joint Chiefs Chairman Gen. Mark Milley. Graham: "There's a plan coming together they think may work, that may give us what we need to prevent ISIS from coming back, Iran taking the oil, ISIS from taking the oil."

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Pompeo Defends Administration's Syria Policy. The Wichita (KS) Eagle (10/24, Shorman, Wilner, 291K) interviewed Secretary of State Pompeo on a range of issues during his Thursday visit to his home state. Regarding Syria, Pompeo said, "From my time in Congress, I remember who invited the Russians into Syria. It was President Barack Obama. I mean, he didn't just let them come in. He invited them in. He had them come in and pretend to be chemical weapons inspectors. He actively worked with the Russian leadership, said, 'No, come on in, come on into Syria.'" Asked if recent US actions in Syria have "undercut US credibility," Pompeo said, "The whole predicate of your question is insane. ... The word of the United States is much more respected today than it was just two and a half years ago." The Daily Caller (10/24, 716K) headlines its piece on the interview "'Your Question Is Insane': Pompeo Heads Home To Kansas, Gets Grilled By Hometown Paper."

NYTimes: Trump Takes Credit For Ending "Brutal Battle He Had A Hand In Starting." The New York Times (10/24, 18.61M) editorializes that in announcing a "permanent" cease-fire along the Turkish-Syrian border on Wednesday, President Trump declared that "this was an outcome created by us, the United States, and nobody else." The Times says that "in effect, Mr. Trump was blithely taking full credit for ending a brutal battle he had a hand in starting and claiming a significant feat when in fact the betrayal of the Kurds and the brusque, thoughtless American withdrawal undermined American credibility and was a major victory for Presidents Vladimir Putin of Russia and Bashar al-Assad, the butcher of Syria."

Esper Criticizes Turkey's "Unwarranted" Invasion Of Northern Syria.

The AP (10/24, Baldor) reports Defense Secretary Esper "lashed out Thursday at Turkey for its military assault across the border on Syrian Kurdish fighters." Speaking at the German Marshall Fund, Esper "said Turkey's 'unwarranted' invasion into Syria jeopardizes gains made there in recent years" against ISIS. Said Esper, "Turkey put us all in a very terrible situation. I think the incursion was unwarranted. I think President Erdogan was fixated on making this incursion for one reason or another and there was not a possibility that we were going to start a war with a NATO ally."

The New York Times (10/24, Cooper, 18.61M) says Esper also "called on Ankara to start acting like an ally and not a foe" during a meeting of NATO ministers, but was "besieged by questions about President Trump's sudden decision to withdraw American troops and declare victory against the Islamic State in Syria."

Grisham: Trump "Will Absolutely Reimpose" Sanctions If Turkey Reneges. White House Press Secretary Stephanie Grisham was asked on Fox News' Fox & Friends (10/24, 8:33 a.m. ET, 831K) about President Trump's announcement of a permanent cease-fire in northern Syria and the lifting of sanctions on Turkey, Grisham said, "What 'permanent' means – and the President said this yesterday – what 'permanent' means in that part of the world is to be determined, but they have given us their world. We will lift sanctions. If we they go back on their word, the President will absolutely reimpose those sanctions. He mentioned yesterday, we're the biggest economic power in the world because of President Trump. He will use diplomatic and sanctioned areas to try to stop people doing anything harmful to the world and to this country."

Syria Says Turkish Forces Attacked Government Troops Thursday. NBC Nightly News (10/24, story 6, 1:10, Holt, 5.63M) reported, "Despite a permanent cease-fire declared in northern Syria, there was new fighting [Thursday] as Turkish forces continue the assault on US allies the Kurds." The AP (10/24, Mroue) reports, "Turkish forces and their allies attacked Syrian government troops in northeastern Syria on Thursday, killing some of them, and they also clashed with Kurdish-led fighters," according to the Syrian state-run SANA news agency. The AP says the fighting "underscored the risks of violence as multiple and often opposing armed forces jostle for new positions in the tight quarters of the northeastern border zone." The Wall Street Journal (10/24, Malsin, Osseiran, Subscription Publication, 7.57M) reports Russian aircraft carried out strikes on the last remaining rebel stronghold in the region early Thursday.

NYTimes Analysis: Trump Policies Causing Increasing Concern Among European Leaders. The New York Times (10/24, Erlanger, 18.61M) writes that though European leaders "have long understood that President Trump is an unreliable ally, subject to loud tantrums, abrupt shifts and sudden whims," the President's Syria policy – as well as alleged actions regarding Ukraine – have increased their concerns. The Times says "there is agreement that Mr. Trump has destabilized Europe's near neighborhood in a major, even fundamental, way that requires a unified response, if only Europeans can come together. ... Trump's capriciousness is testing Europe's ability to cohere and adjust."

Families Urge Australia To Help Bring Women, Children In ISIS Camps Home.

In a follow-up to its two-part podcast on "The Daily," the New York Times (10/24, Albeck-Ripka, 18.61M) reports on the fight by Australian families whose loved ones are among the women and children held in ISIS camps in northern Syria. They have been urging the government of Australia to help bring them home, but it "has maintained that it would not put other lives in harm's way to extract them from the Al-Hol camp, and following the pullout of US troops from the region, these dangers have only escalated." Some ministers have also argued "that some of these women are radicalized, and could pose a threat."

USA Today Criticizes Trump's Involvement In Navy SEAL Murder Case.

USA Today (10/24, 10.31M) editorializes that the commander of the Navy SEAL commando force Rear Adm. Collin Green "warned about an ethical and professional crisis in the ranks" amid the trial of SEAL Edward Gallagher, who was "accused by members of his platoon of battlefield atrocities in Iraq." President Trump, however, got involved in the case, and the USA Today says "the Navy was faced with a dilemma: It could kick Gallagher out of the SEALs to help restore good order and discipline, but risk a reversal by Trump that would effectively

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emasculate SEAL leadership. So no action has been taken."

In an opposing USA Today (10/24, Parlatore, Contributor, 10.31M) op-ed, Timothy Parlatore, a former Navy officer and lawyer representing Gallagher, writes Adm. Green "was correct when he said 'we have a problem' in Naval Special Warfare, but his desire to punish Edward Gallagher is not the solution, it is part of the problem." Parlatore argues that "if Green really wanted to fix Navy SEAL culture, he should abandon his fixation on punishing Gallagher and instead sit down with him to learn what the real problems are from his deckplate perspective."

USCIS Touts Success In Implementing Trump's Agenda.

The Miami Herald (10/24, Roth, 1.09M) reports that during his time in office, President Trump "has signed several executive orders designed to restrict both legal and illegal immigration and tighten the criteria for the adjudication of immigration benefits." The Herald says the US Citizenship and Immigration Services (USCIS) "has been one of the federal agencies enforcing some of these measures," and "issued a report last week celebrating the results of its efforts to implement Trump's agenda during Fiscal Year 2019." In a statement, Acting Director Ken Cuccinelli said, "FY 2019 has been a historic year for USCIS and we have achieved many of President Trump's goals to make our immigration system work better for America," pointing to measures to "mitigate the loopholes in our asylum system" and "combat fraudulent claims."

Administration Testing Rapid Asylum Review, Deportation Process In Texas.

The Washington Post (10/24, Moore, 14.2M) reports the Administration has begun testing "a secretive program" in El Paso, Texas that "aims to speed up the deportation of asylum-seeking migrants after they cross the US-Mexico border." The pilot program — known as Prompt Asylum Claim Review — "streamlines the asylum process so that migrants who are seeking safe refuge in the United States will receive a decision in 10 days or less, rather than the months or years it currently takes, according to Customs and Border Protection officials." The Post says the "accelerated reviews seek to accomplish two Trump administration goals: deterring migrants from attempting to cross the US border and pushing asylum seekers out of the United States."

Administration: Dreamers Exploited Loophole To Gain Citizenship.

The Washington Times (10/24, Dinan, 492K) reports that "DACA wasn't supposed to be a pathway to citizenship, yet at least 14,000 illegal immigrant 'Dreamers' managed to use the Obama-era deportation amnesty for exactly that purpose, the government revealed this week." The Dreamers took advantage of a "loophole" that "allowed them to leave the country and be 'paroled' back into the US — and under the law, anyone who is paroled can apply to adjust their status to a full legal permanent resident." The Times says the "revelation came in a filing in the ongoing litigation over President Trump's 2017 attempt to phase out the program."

ACLU: 1,500 More Migrant Children Taken From Parents By Administration.

The Washington Post (10/24, Sacchetti, 14.2M) reports the ACLU said Thursday that the Administration "separated 1,556 more immigrant children from their parents at the US-Mexico border than has previously been disclosed to the public." According to the group, the "majority of the children are ages 12 and under, including more than 200 considered 'tender age' because they are under 5 years old." The ACLU said the Justice Department "disclosed the final tally — which is in addition to the more than 2,700 children known to have been separated last year — hours before a federal court deadline to identify all children separated since mid-2017."

Lawyer Releases Police Video Of 2017 Shooting Of 16-Year-Old By Fresno Policeman.

The Washington Post (10/24, Horton, 14.2M) reports on the 2017 shooting of Isiah Murrietta-Golding, 16, by a Fresno police officer, which "shatter[ed] the teenager's head, just above his brain stem. He died three days later in a hospital." The Post adds, "An investigation...found that the officer...was justified, and that he feared for his life because the unarmed teen had reached for his waistband." Stuart Chandler, attorney for Murietta-Golding's father, Anthony Golding, released a police surveillance video of the shooting and said, "It's clear this shooting was not justified. He was running away, holding up his pants, posing no threat to anybody."

AOC: Emissions From "Predominantly White" Areas Causing Storms That Kill Minorities.

The Washington Times (10/23, Richardson, 492K) reports Rep. Alexandria Ocasio-Cortez (D-NY) "put a racial spin Wednesday on climate change and hurricanes, attributing emissions from 'predominantly white' corporations and communities for juicing recent storms that cost 'predominantly black and brown lives' in" places like Louisiana and Puerto Rico. During a House hearing, Ocasio-Cortez said, "The people that are producing climate change, the folks that are responsible for the largest amount of emissions, or communities, or corporations, they tend to be predominantly white."

DeVos Held In Civil Contempt For Violating Judge's Order On Student Loan Collection.

USA Today (10/24, Behrmann, 10.31M) reports Education Secretary DeVos and the Education Department "were held in civil contempt by a federal judge on Thursday for violating an order to stop collecting loan payments from now-defunct Corinthian College." The Department "had

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been ordered to stop collecting on the federal loans of students who attended the school, which closed in 2015," but "disclosed it had continued to garnish wages and seize tax returns of thousands of borrowers." The federal judge also imposed a $100,000 fine for violating the order.

New Documentary Examines Erosion Of Free Speech On College Campuses.

The Washington Times (10/24, Toto, 492K) reports "comedian/podcaster Adam Carolla and conservative talk show host Dennis Prager say the next battleground in the fight for free speech on college campuses is Phoenix, "where their documentary "No Safe Spaces" debuts Friday. In the documentary, Carolla and Prager "are joined on screen by conservative comedian Tim Allen, liberal CNN commentator Van Jones, libertarian talk show host Dave Rubin and controversial psychology professor Jordan B. Peterson, among others — all sharing how strictures on speech at colleges seep into the culture at large."

Lara Trump Defends Jared Kushner, Ivanka Trump's Work In White House.

Lara Trump spoke with Fox News The Story (10/24, 7:39 p.m. ET) and responded to Joe Biden's criticism of Trump family members working at the White House. She said, "Well, I will say first and foremost but I think Jared and Ivanka do such a great job at the White House White House. Neither of them take a paycheck. They work day in and day out under intense scrutiny from everyone. ... Donald Trump gave up an incredible business career, spent millions of dollars of his own money to run for President in – whenever he became President, the Trump family got out of international business, much different then the Biden family."

House Democrats Subpoena GSA For Financial Records Of Trump's DC Hotel.

The Washington Post (10/24, O'Connell, 14.2M) reports "the House Transportation Committee issued a subpoena to the General Services Administration on Thursday seeking financial records and other information regarding President Trump's D.C. hotel." The Post adds that "the Trump International Hotel...has become the center of lawsuits and conflict-of-interest concerns since he took office," and "according to a copy of the subpoena, sent by committee Chairman Peter A. DeFazio (D-Ore.) to GSA Administrator Emily Murphy, the committee is seeking any communications between the GSA and President Trump, Donald Trump Jr., Ivanka Trump or Eric Trump, as well as monthly financial records that the Trump Organization provides to the agency."

New Jersey Seeks To Revoke Liquor License For Trump Golf Club After Fatal Car Crash.

The Washington Post (10/24, Fahrenthold, 14.2M) reports the state of New Jersey is seeking to revoke the liquor license for one of President Trump's golf clubs — "a rare and potentially damaging punishment, triggered by a 2015 case where the Trump club allegedly overserved alcohol to a man who then caused a fatal wreck." The proposed punishment was "laid out in an Oct. 21 letter to the Trump golf course in Colts Neck, N.J." The Trump Organization was given 30 days to challenge the planned revocation.

The New York Times (10/24, Shanahan, 18.61M) reports New Jersey officials contend that staff at "one of President Trump's golf clubs...continued to serve a man who was already intoxicated and got into a fatal car crash shortly after leaving the club in 2015."

Surgeon General Talks About Family Connection To Opioid Epidemic.

CQ Roll Call (10/24, Macgillivray, 154K) reports Surgeon General Jerome Adams Thursday "spoke about his personal connection to the opioid epidemic" during a Senate Finance Committee hearing. Adams "told lawmakers that his brother, Phillip, struggles with substance abuse disorder." Said Adams, "He's currently serving a 10-year prison sentence for crimes committed to support his addiction."

White House To Order Federal Agencies To Cancel NYTimes, WPost Subscriptions.

Reuters (10/24, Brice, Holland) reports "the White House said on Thursday it is planning to order federal agencies to end their subscriptions to the New York Times and the Washington Post after repeated criticism of their coverage by President Donald Trump." White House Press Secretary Stephanie Grisham "said in a statement that the move would generate savings, but Trump on Monday said the White House would likely end its subscriptions to the papers because they are 'fake,' a term he has used to describe coverage that he views as unfavorable." The AP (10/24) also notes Grisham said "not renewing subscriptions across all federal agencies will be a significant cost saving for taxpayers – hundreds of thousands of dollars,"

The New York Times (10/24, Grynbaum, 18.61M) reports "Jonathan Karl, the president of the White House Correspondents' Association, said on Thursday, 'I have no doubt the hardworking reporters of The New York Times and Washington Post will continue to do quality journalism, regardless of whether the president acknowledges he reads them. Pretending to ignore the work of a free press won't make the news go away or stop reporters from informing the public and holding those in power accountable.'" The Hill (10/24, Samuels, 2.98M) and Wall Street Journal (10/24, Restuccia, Subscription Publication, 7.57M), among other news outlets, also report the story.

Senate Confirms Former Kavanaugh Clerk To Federal Bench.

The Washington Times (10/24, Swoyer, 492K) reports, "The Senate confirmed a former clerk to Justice Brett M. Kavanaugh on a was a staunch defender of his boss during the controversial hearings last year, for the federal bench Thursday over Democrats' concerns the pick

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lacked enough trial experience to be a judge." Justin Walker "was confirmed to the US Western District of Kentucky by a 50-41 vote," becoming "the 110th district court judge appointed by President Trump." Walker "teaches legal writing at the University of Louisville," and "previously clerked for Justice Kavanaugh when he sat on the federal appeals court in Washington and clerked at the Supreme Court for now-retired Justice Anthony M. Kennedy."

Zervos Attorneys Lay Out Evidence In Suit Against Trump.

The Hollywood Reporter (10/24, Gardner, 1.89M) reports, "For the first time, season-five Apprentice contestant Summer Zervos has laid out some of her evidence supporting claims that Donald Trump attacked her in a hotel room in 2007." Court papers filed Thursday "include emails to Trump's secretary Rhona Graff to set up a meeting with him and responses from her. There are also calendar entries for Trump and his bodyguard showing how they flew from Las Vegas to Los Angeles in December 2007 and stayed at the Beverly Hills Hotel. ... Further documents are said to also corroborate Zervos' account 'with even more granularity,' but for the time being, information about what is in those documents is redacted." The New York Post (10/24, Degregory, 4.57M) points out Trump lawyer Marc Kasowitz disagreed, saying, "Ms. Zervos' claims are entirely meritless and not corroborated by any documents."

Trump Awards Penske Presidential Medal Of Honor.

The Detroit News (10/24, Laing, 825K) reports President Trump "gave Metro Detroit billionaire businessman and auto racing legend Roger Penske the Presidential Medal of Honor, the nation's highest civilian honor." Penske, owner of Team Penske who founded Penske Corp. "is considered the most successful auto racing team owner in history." Trump "hailed Penske as one of the most successful businessmen in America and he said the two have shared a long friendship." Trump said, "I'm delighted to present our nation's highest civilian honor to a giant of American industry, entrepreneurship and auto racing, the legendary Roger Penske. ... He's been a friend of mine for a long time. We go a long way back." Penske said, "It's a wonderful honor to receive this award. ... It's amazing to be here today. ... Winning the Presidential Medal of Freedom is very special, and to me it means more than any business success or motor sports trophy."

Trump Awarding More Presidential Medals Of Freedom This Year. The New York Times (10/24, Rogers, 18.61M) reports President Trump has presented 13 Presidential Medals of Freedom – "and will bestow another on Thursday to the racing magnate Roger Penske – but that is a long way from President Barack Obama's record of 123 over two terms." Trump "is on track to award the fewest of any president since Nixon. But lately, Mr. Trump seems to be picking up the pace and basking in the tradition of a presidential ceremony before turning back to the political battles at hand." This week's ceremony "will be the second medal Mr. Trump has given out since the impeachment inquiry began, and the seventh such ceremony he has held so far this year." The Times says "Trump has used the Presidential Medal of Freedom...as a way to reward his political allies and boast about his own achievements."

Trump Says He May Attend Game Five Of World Series.

The New York Post (10/24, Fredericks, 4.57M) reports President Trump "said Thursday that he might attend a World Series game between the Washington Nationals and Houston Astros on Sunday – if the series isn't over by then." Trump "said he might take in the game at Nationals Park. ... But the commander in chief joked about his heft when asked if he would be throwing out the first pitch." He said, "I don't know, they got to dress me up in a lot of heavy armor – I'll look too heavy."

Meanwhile, the New York Times (10/24, Baker, 18.61M) reports the White House said yesterday it had no information on whether President Trump will be attending the first World Series game to be held in Washington on Friday. The Times say if "Trump skips the game altogether, it will underscore a striking estrangement between a president and the national pastime." Trump is the only president since 1910 to not attend "a major-league baseball game while living in the White House, dispensing with an apple-pie tradition that has provided unifying moments even in divisive times." However, "Trump is surely aware that Nationals Park may not be the most hospitable territory for a president who drew just 4 percent of the vote in the District of Columbia in 2016 and describes its permanent residents as 'the Swamp.'"

Defense Department Complete Nuclear Command Modernization Effort.

The New York Times (10/24, Stack, 18.61M) reports that in June the Defense Department completed its "modernizing" effort that "transitioned away from a 1970s-era nuclear command and control system that relied on eight-inch floppy disks." David Faggard, spokesman for the Air Force Global Strike Command, said that the Strategic Automated Command and Control System (SACCS) "is still in use today but no longer uses floppy disks. ... Air Force Global Strike Command is committed to modernizing for the future." This update is part of a broader overhaul "that began under President Barack Obama and has continued under President Trump."

Polls Show Public Confidence In Supreme Court.

The Washington Post (10/24, Barnes, 14.2M) reports on a number of recent polls that asked about the Supreme Court. First, "a Gallup poll that shows rising public approval for the court, with far more Americans thinking it is 'about right' ideologically than either too conservative or too liberal." Meanwhile, an Annenberg Public Policy Center survey shows "two-thirds of people trust the court to operate in the best interests of the public, and 70 percent think the court has the right amount of power." Finally, a survey from Marquette Law School found "that a majority of Americans have more confidence in the Supreme Court than other parts of the federal government, and few believe the justices

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take extremely liberal or extremely conservative positions." Lawrence Baum, a political science professor at Ohio State University, the findings suggest "a fairly deep reservoir of support for the court."

WSJournal: Buttigieg Apparently Moderating On Supreme Court Reform. In an editorial, the Wall Street Journal (10/24, Subscription Publication, 7.57M) says presidential candidate Pete Buttigieg was pushed into prominence in part through his proposal to pack the Supreme Court in order to move a progressive agenda forward. However, recently Buttigieg has been sounding a more moderate tone, citing Justice Anthony Kennedy and Justice David Souter as examples of additions who could depoliticize the court. The Journal concludes that he should clarify what he means by Supreme Court reform.

New Nude Picture Of Hill Shows Her Holding Bong, Sporting Apparent Iron Cross Tattoo.

The Washington Examiner (10/24, Dibble, 448K) reports, "Photographs of California Democratic congresswoman Katie Hill [D-CA] naked and holding a bong have emerged." The photographs, "obtained by the Daily Mail, were taken Sept. 11, 2017." The New York Post (10/24, Italiano, 4.57M) says "the saga of 'throuple'...Hill has gone from tawdry to worse -0- as a new, leaked photo has emerged showing the California Democrat naked while holding a bong and sporting what appears to be an Iron Cross tattoo." The Post adds "naked photos of Hill have also turned up online under a thread called 'WouldYouF**MyWife,' the Mail reported, without elaborating." The Washington Post (10/24, Itkowitz, 14.2M) reports, meanwhile, that "lawyers for...Hill sent a cease-and-desist letter to the DailyMail.com on Thursday demanding that the publication remove from its website nude photos it claims are of the congresswoman and threatening legal action if it refuses."

In a report that is somewhat sympathetic to Hill, ABC World News Tonight (10/24, story 5, 1:38, Davis, 6.47M) called her "a rising star" and said she "is the first openly bisexual member of Congress" and that she "admits she did engage in a consensual relationship with...a woman on her campaign staff. Hill is now apologizing for that, acknowledging that it was' inappropriate.'" Hill and her husband, added ABC, are "now in the middle of a nasty divorce. Hill accuses her husband of leaking nude pictures of her and the campaign staffer, saying he's 'determined to try to humiliate me,'" and "has alerted the Capitol Police, though she tells her constituents distributing intimate photos with the intent to publish them is a crime."

Hill Paid Thousands To Former Lover In "Consulting Fees." The Washington Examiner (10/24, Picket, 448K) reports "Hill was still paying consulting fees to her campaign staffer and former lover Morgan Desjardins, 24, as recently as last month." The Examiner adds that "according to FEC Records, since April 2019, Hill's campaign has paid a little over $14,000 in fundraising-related consulting fees to Desjardins, doling out around $2,500 most months. Additionally, between 2017 and 2018, she made around $50,000 as a senior campaign staffer."

Gaetz Defends Hill Amid "Absurd" Ethics Investigation. The Daily Caller (10/24, 716K) reports Hill "is getting support from an unlikely ally as she contends with an ethics investigation over an alleged affair with a young staffer." Rep. Matt Gaetz (R-FL) "called the investigation into Hill's behavior 'absurd,' and implied Thursday that she was only being subjected to an ethics investigation because she is bisexual." Gaetz tweeted, "This is just absurd. The only person who seems to have a gripe is @RepKatieHill's soon-to-be ex. Who among us would look perfect if every ex leaked every photo/text Katie isn't being investigated by Ethics or maligned because she hurt anyone – it is because she is different."

Guam Delegate Becomes Second House Democrat Accused Of Affair With Aide.

CQ Roll Call (10/24, Tully-Mcmanus, 154K) reports "the House Ethics Committee has opened an investigation into Guam Democratic Del. Michael F.Q. San Nicolas over allegations that he may have had a sexual relationship with a member of his staff, converted campaign funds for personal use and accepted improper campaign contributions." Roll Call adds "Ethics Chairman Ted Deutch of Florida and ranking member Kenny Marchant of Texas said in a statement Wednesday that the committee will gather additional information on the allegations and that the probe 'does not itself indicate that any violation has occurred.'" The Washington Examiner (10/24, Ferrechio, 448K) indicates the lawmaker is a Democrat, and that the complaint alleges "he misused campaign funds and was having an affair with a woman working in his congressional office."

The Washington Times (10/24, Miller, 492K) reports "it was the second investigation the committee launched in as many days that involved a Democratic member having sex with a staff member, which is prohibited under House ethics rules." The Washington Post (10/24, Itkowitz, 14.2M) points out that the two cases "mark the first publicly known ethics investigations into lawmakers allegedly having sexual relationships with subordinates on their staff. The prohibition was only adopted last year in the House rules after the #MeToo movement unearthed many cases of powerful men abusing that power in politics, news media and entertainment." The New York Times (10/24, Cochrane, 18.61M) also reports on the investigation of the "Democratic freshman."

Scaramucci: Many Republicans Privately Deride Trump.

Anthony Scaramucci spoke on CNN's Cuomo Prime Time (10/24, 9:37 p.m. ET, 1.04M) about Trump's comments that his opponents are "scum." He said, "He's projecting. He feels that way about himself.... And many of those people are human scum because behind his back they're deriding him and they're saying, geez, what a quote unquote handful he is and how damaging he is and how are we going to survive him as the head of the GOP."

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Donald Trump Jr. Stumps For Mississippi Republican Gubernatorial Candidate.

The Washington Times (10/24, Varney, 492K) reports Donald Trump Jr. was in Mississippi Thursday to stump for "Lt. Gov. Tate Reeves, a Republican who will face off against Democratic Attorney General Jim Hood in the" Nov. 5 gubernatorial election. Reeves and Trump Jr. "will hold a $500-a-plate fundraiser...at a hunting lodge near Hattiesburg," followed by both men speaking at the annual Good Ole Boys and Gals BBQ in Oxford.

Cheney Leads Loomis In Wyoming GOP Senate Poll.

The Washington Free Beacon (10/24, Matamoros, 78K) reports a Rep. Liz Cheney (R-WY) has a 20-point advantage over former Rep. Cynthia Lummis in Wyoming's Republican Senate primary. A Montana State University-Billings poll has Cheney with 40 percent of respondents and Lummis with 17 percent. Lummis formally entered the Senate race in July, "while Cheney has yet to confirm whether she will run in 2020."

Omar: Asked To Choose Between Biden And Buttigieg, Said "None."

The Washington Times (10/24, Blake, 492K) reports Rep. Ilhan Omar (D-MN) "said in a podcast out Thursday that it would take something 'tragic' for fellow Democrats to nominate Joseph R. Biden or Pete Buttigieg for president." In an interview with The Intercept, Omar was asked, "If one of them is the candidate for your party, who would you rather it be?" Omar replied, "So you're saying if something tragic happened and they ended up being the nominee?" Omar then said, "I don't know. It's hard. 'None' comes to my head." Omar favors Sen. Bernie Sanders (I-VT).

Quinnipiac National Democratic Poll: Warren 28%, Biden 21%, Sanders 15%, Buttigieg 10%.

USA Today (10/24, Cummings, 10.31M) reports Sen. Elizabeth Warren (D-MA) "has vaulted to a 7-point lead over former Vice President Joe Biden in the Democratic primary race, according to a poll from Quinnipiac University released Thursday." The poll of 713 Democratic and Democratic-leaning independent voters, conducted October 17-21, had Warren at 28%, Biden 21%, Sen. Bernie Sanders (I-VT) 15%, South Bend Mayor Pete Buttigieg (D) 10%, Sen. Kamala Harris (D-CA) 5%, and Sen. Amy Klobuchar (D-MN) 3%. No other candidate topped 1%. USA Today also says, "the poll appears to be an outlier," as Biden has been "coming out ahead in every major national poll released after Oct. 15 except for Thursday's from Quinnipiac." USA Today adds that Warren led among those with "the best policy ideas" at 30%, while Biden led as "the best leader" with 28% and also "continued to lead in the all-important question of who is most likely to beat President Donald Trump."

The New York Times (10/24, Stevens, Russonello, 18.61M) considers the "starkly different results" between recent polls on the Democratic race, writing, "It is not clear why the CNN and Quinnipiac polls present such divergent results" for Warren and Biden. But the polls, "both considered to be of high quality and able to help candidates qualify for the next Democratic debate, add data points to a divide that has emerged in recent weeks: between surveys that show Mr. Biden with a commanding lead, and those that have him in a statistical dead heat with Ms. Warren." The Times suggests "it may reflect the fact that many respondents are not yet certain about their feelings."

Biden Campaign Drops Opposition To Super PACs.

The Washington Examiner (10/24, Simonson, 448K) reports, "With campaign cash coming into Joe Biden's coffers more slowly than his 2020 Democratic rivals, the former vice president reversed a long-standing position and will now welcome help from outside, free-spending super PACs." Biden campaign spokeswoman Kate Bedingfield said, "In this time of crisis in our politics, it is not surprising that those who are dedicated to defeating Donald Trump are organizing in every way permitted by current law to bring an end to his disastrous presidency." The Examiner adds that in September, Biden spokesperson, T.J. Ducklo, said, "Since the beginning of this campaign, Biden for president has not and will not welcome the help of super PACs." The New York Times (10/24, Goldmacher, 18.61M) similarly reports, "After ending the third quarter with less cash than four rivals, Joe Biden's campaign reversed course to stop discouraging supporters from forming a super PAC." The Times says it "represents a stark reversal and an implicit acknowledgment of his weakened position in the contest." And the Washington Post (10/24, Viser, 14.2M) reports, "Biden is apparently dropping his long-held opposition to" a super PAC, which it says is "a recognition that financial struggles are becoming a major problem for his presidential prospects." The Post adds, "spokesman TJ Ducklo declined to provide further clarification on the statement or to comment on why the campaign is reversing what had been a long-held position."

Bloomberg (10/24, Epstein, 4.73M) reports, "Allies of Joe Biden are laying the groundwork for a potential super-PAC to support his presidential campaign." The effort includes "Julianna Smoot, who was Barack Obama's 2008 national finance director and a 2012 deputy campaign manager; Steve Schale, a top Florida adviser to both Obama campaigns; and Larry Rasky, a longtime Biden adviser."

Anita Hill Says She Wants To Hold Biden Accountable For Thomas Hearings. The Washington Examiner (10/24, Lim, 448K) reports Anita Hill, speaking at CNN's "Citizen" event in New York City, said that she "wants proof that 2020 presidential candidate Joe Biden has learned from his mistakes in handling her sexual misconduct allegations against Supreme Court Justice Clarence Thomas." She said, "I'm ready to move on, but I'm also ready to hold Joe Biden accountable."

Sanders Unveils Proposal To Legalize Marijuana.

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The Washington Post (10/24, Sullivan, 14.2M) reports 2020 presidential hopeful Sen. Bernie Sanders (I-VT) unveiled "a proposal Thursday to

legalize marijuana across the country and expunge criminal convictions related to the drug, embracing an overhaul of federal laws on the eve of a presidential forum expected to renew the debate on race, drugs and police violence." Sanders is "the latest Democratic White House aspirant to issue a plan for more tolerant drug laws, a shift from past presidential elections when Democrats, like Republicans, often promoted more toughness." Sanders' proposal would also ban tobacco companies from participating in the marijuana industry.

Senate Democrats Discourage Hillary Clinton To Not Run Again.

Politico (10/24, Everett, Levine, 4.29M) reports that a "host of Democratic senators" are sending Hillary Clinton a "polite warning" against running for president in 2020. In the unlikely event Clinton takes a "last-minute plunge into the primary, she might struggle to win the backing of any Democrats from a chamber in which she served for eight years." However, most of her allies "don't take the buzz seriously and say they are happy with the field as it is, despite griping by some in the establishment about the current roster of Democrats."

Gabbard Says She's Standing Up To Warmongering Politicians Like Clinton. Presidential candidate Tulsi Gabbard told Fox News' Hannity (10/24, 9:30 p.m. ET, 535K) that as a veteran she believes "war should be a last resort." In response to comments from Hillary Clinton, Gabbard said, "What is so concerning about what Hillary Clinton is doing here is she is not only calling me a traitor, she is not only trying to smear my character, she's sending a warning out to every veteran, every single American, anyone who stands up against the warmongering foreign policies that really are her legacy, that have been so destructive and costly to my brothers and sisters in uniform, cost the American people trillions of dollars, and cost so much damage in the war. This is what's so dangerous."

Ryan Ends Democratic Presidential Bid.

The AP (10/24) reports Rep. Tim Ryan (D-OH) announced Thursday that he is ending his presidential campaign. USA Today (10/24, Lalljee, 10.31M) says Ryan "focused his presidential campaign on trying to win working class voters who voted for President Trump in 2016." The Washington Post (10/24, Sonmez, 14.2M) reports Ryan "failed to qualify for the third and fourth Democratic debates. He has a Dec. 11 deadline to file to run for reelection in his Ohio district."

The Cleveland Plain Dealer (10/24, Eaton, 895K) says Ryan's campaign "didn't catch fire in the large field of better established and better funded candidates like former Vice President Joe Biden. He raised around $1.3 million for the race, a sliver of what competitors" like Sens. Bernie Sanders (I-VT) and Elizabeth Warren (D-MA) "have collected, and didn't register at all in many polls." The Youngstown Vindicator (10/24, 171K) reports, "As of Sept. 30, Ryan's campaign had only $158,348.92 in its account." Several weeks ago, "Ryan vowed to stay in the race until at least the end of February after the four early-state primaries and caucuses." Reuters (10/24, Heavey, Lambert, Bernstein), Politico (10/24, Strauss, 4.29M) and The Hill (10/24, Budryk, 2.98M) also report the announcement.

WPost Highlights Warren's Time At University Of Houston Law Center.

Under the front-page headline "The Transformation Of Elizabeth Warren," the Washington Post (10/24, A1, Bailey, 14.2M) profiles Sen. Elizabeth Warren (D-MA), focusing on her time at the University of Houston Law Center, which "was in a period of transition when Warren interviewed there in 1978. At the time, the law school had just one full-time tenured female professor, but the number of female students was soaring." The Post says that "in an interview, Warren recalled being acutely aware of her status as one of the only women on the staff. 'The faculty members themselves, often the men, treated me as if I were a second-class citizen,' she said. 'It was a lonely experience.'"

Milwaukee Democratic Activists Tasked With Turning Out Inner-City Black Voters.

The Washington Post (10/23, Johnson, 14.2M) reports Democratic local activists are being tasked to boosting black voter turnout in battleground states like Wisconsin, Pennsylvania, and Michigan. Angela Lang, with the help of Milwaukee lawmakers and union organizers, "launched Black Leaders Organizing for Communities (BLOC) in November 2017 to focus on voters in Milwaukee's most impoverished neighborhoods, places where paid canvassers for campaigns often don't go because they deem it too dangerous or because many residents, with criminal records, are not eligible to vote." Lang's group hopes "organizers can spark excitement about the stakes involved in races that are closer to the bottom of the ballot."

NYTimes Analysis: As Student Vote Rises, Republicans Taking Steps To Suppress It.

The New York Times (10/24, Wines, 18.61M) reports college student turnout in the 2018 midterms, at 40.3 percent of 10 million students, was "more than double the rate in the 2014 midterms," according to Tufts University's Institute for Democracy & Higher Education. Because "students lean strongly Democratic,", Republican politicians around the country "are throwing up roadblocks between students and voting booths." For example, in New Hampshire, a "Republican-backed law took effect this fall requiring newly registered voters who drive to establish 'domicile' in the state by securing New Hampshire driver's licenses and auto registrations." Republicans in Texas, North Carolina and Wisconsin have also imposed restrictions on using students ID for voting.

Cummings Honored By Congressional Leaders And Colleagues At Capitol.

The AP (10/24, Daly) reports, "The late Rep. Elijah Cummings was hailed as the 'North Star' for fellow House Democrats as congressional leaders and colleagues paid tribute to him at a Capitol ceremony Thursday." House Speaker Pelosi, "a close personal and political ally, said

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that not only was Cummings a guiding light, 'Elijah was truly a master of the House.'" Senate Majority Leader McConnell "recalled Cummings' efforts to calm his native Baltimore amid violent 2015 protests following the death of a black man, Freddie Gray, in police custody. Cummings' involvement, taking to the streets with a bullhorn, helped quiet the disturbances." The Washington Post (10/24, Portnoy, Wiggins, 14.2M) reports Senate Minority Leader Schumer "said Cummings was 'universally respected and admired in a divided time,' with power that came not from his booming baritone, but from his moral force."

The New York Times (10/24, Stolberg, 18.61M) reports Cummings "was memorialized by congressional leaders in both parties as a man of faith and dignity, and a dedicated public servant, but also as a friend." Rep. Mark Meadows, "the conservative North Carolina Republican whose close friendship with Mr. Cummings, despite their strong political differences, was well known in the Capitol," said, "Perhaps this place and this country would be better served with a few more unexpected friendships. I know I've been blessed by one."

The Baltimore Sun (10/24, Barker, 1.33M) reports, "Cummings was the first African American member of Congress to lie in state in the Capitol. Civil rights pioneer Rosa Parks and Capitol Police officer Jacob Chestnut – killed in a Capitol shooting in 1998 – had previously received the distinction of 'lying in honor,' which is what the honor is called for no-elected citizens." USA Today (10/24, Cummings, Morin, 10.31M), Washington Times (10/24, Muñoz, 492K), Politico (10/24, Ferris, Bresnahan, 4.29M), The Hill (10/24, Marcos, Lillis, 2.98M) and CQ Roll Call (10/24, 154K), among other news outlets, also report the story.

NBC Nightly News (10/24, story 5, 0:19, Holt, 8.26M) and the CBS Evening News (10/24, story 5, 0:23, O'Donnell, 4.05M) ran brief segments on Cummings, and ABC World News Tonight (10/24, story 8, 1:05, Muir, 6.47M) said "Members of Congress put aside their differences to honor" him. ABC added "one of the most emotional tributes to the Democratic congressman was from his Republican colleague and close friend, Congressman Mark Meadows." Meadows was shown saying, "For me, I was privileged enough to be able to call him a dear friend. Some have classified it as an unexpected friendship, but for those of us who know Elijah, it's not unexpected or surprising. Perhaps this place and this country would be better served with a few more unexpected friendships. I know I've been blessed by one."

CNN's Zucker Praises Shepard Smith, Says He'd Like To Hire Him.

Breitbart (10/24, Caplan, 673K) reports, "CNN President Jeff Zucker signaled Thursday that he is 'very open' to hiring former Fox News Channel daytime anchor Shepard Smith." At the network's "CITIZEN by CNN" forum, Zucker also "called Smith, who unexpectedly resigned from Fox News earlier this month, both a 'great journalist' and an 'incredibly talented' anchor."

WTimes Analysis: Susan B. Anthony List Growing In Political Prominence.

The Washington Times (10/24, Lovelace, 492K) reports on Tuesday, "Marjorie Dannenfelser, leader of the pro-life group Susan B. Anthony List," met with President Trump and Vice President Pence in the Oval Office, and Trump "pledged to get a federal ban on abortion 'after five months' of pregnancy." The meeting, adds the Times, "signaled the newfound prominence of her organization in the Trump era." Dannenfelser told the Times, "I want [Mr. Trump] to know we're proud of him, supportive of him." The Times also says the SBA List has "contributed to the GOP's electoral successes, helping the party maintain a Senate majority in 2018 and supporting the confirmation of two Supreme Court justices amid unprecedented opposition." SBA List spokeswoman Mallory Quigley "said SBA List plans to spend $41 million in the 2020 election cycle, up from $28 million in the 2018 cycle."

Judge Restores Father's Conservatorship In Case Of Boy Whose Mother Says He Wants To Be A Girl.

Townhall (10/24, Meads, 177K) reports Texas Judge Kim Cooks on Thursday "overruled a jury that decided on Monday that Jefferey Younger, father of seven-year-old boy James Younger, had no conservatorship of his children in terms of medical decisions." The result of the jury's decision would be that "James' mother and Younger's ex-wife, Dr. Anne Georgulas, would have been allowed to continue chemical castration and other gender-changing medical procedures such as puberty blockers, despite the father's wishes." The decision by Judge Cooks "grants conservatorship back [to] Mr. Younger as well as Dr. Georgulas."

Carter Released From Hospital.

The AP (10/24) reports former President Jimmy Carter "is out of the hospital where he was treated after fracturing his pelvis in a recent fall at his home, a spokeswoman said Thursday." The Atlanta Journal-Constitution (10/24, 895K) reports that "the 95-year-old Carter fell in his Plains home on Monday night and was rushed to the hospital for observation and treatment. It was his second accident in two weeks and third major accident since May, when he fell and broke his hip." USA Today (10/24, Wu, 10.31M), among other news outlets, also reports the story, while NBC Nightly News (10/24, story 11, 0:10, Holt, 5.63M) and ABC World News Tonight (10/24, story 12, 0:11, Muir, 6.47M) briefly mentioned it last night.

Wildfires Continue To Multiply Across California.

ABC World News Tonight (10/24, lead story, 2:32, Muir, 6.47M) reported a new wildfire has erupted just north of Los Angeles while "hundreds of firefighters are now fighting flames across California." ABC said the Tick Fire broke out near "Santa Clarita, north of Los Angeles, engulfing structures amid extremely critical fire conditions. ... Trees are going up like kindling here, the embers coming in every

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direction. No matter where you are, you have to be wary of the wind because it can change at any second." Utilities companies have preemptively shut off power to many customers due to high winds but "that move did not prevent this fire from starting" and "flames now threatening transmission lines." Meanwhile, "they're gearing up for another major wind event this weekend into Monday."

The CBS Evening News (10/24, lead story, 2:51, O'Donnell, 4.05M) reported "warnings cover 25 million of the state's 40 million people." In addition to the latest fire, "another explosive fire is burning in Sonoma" where homes have been destroyed and "thousands had to actually run for safety." The state's largest electric company, PG&E, "has shut off power to more than 150,000 homes and businesses to prevent more fires from being sparked." Thursday night, 2,000 people remained "evacuated, many of them don't know the fate of their homes."

NBC Nightly News (10/24, lead story, 2:31, Holt, 5.63M) reported that the power outages may have slowed down evacuations and phone lines were no longer functioning. The blackouts "have left more than half a million people in the dark, taking a toll on homes, businesses, even farmers."

Californians Coping With Second Round Of Blackouts, Economic Impact. The AP (10/24, Gecker) reports "dangerously windy weather sweeping through the state brought power outages to Northern California as the state's largest utility staged blackouts designed to prevent catastrophic wildfires." Pacific Gas & Electric "began rolling blackouts stretching from the Sierra foothills in the northeast to portions of the San Francisco Bay Area." The blackouts effect "a half-million people...in 15 counties, and PG&E warned that a second round of outages could occur over the weekend when winds return to the region." Meanwhile, "in the south, where hot, dry Santa Ana winds were expected to hit Thursday, Southern California Edison warned that it might black out about 308,000 customers – perhaps 750,000 people – depending on the forecast." In addition, "San Diego Gas & Electric warned of power shutoffs to about 24,000 customers."

The Wall Street Journal (10/24, A1, Carlton, Kang, Subscription Publication, 7.57M) reports that the PG&E shuts off power to many California small business, they are tallying their losses. Energy expert Michael Wara of Stanford University's Woods Institute calculated that a shutdown earlier this month led to total economic losses as much as $2.5 billion, largely due to lost industrial and commercial activity.

Increasingly Visible Homelessness In Austin Sparks Backlash.

The Wall Street Journal (10/24, Findell, Subscription Publication, 7.57M) reports Austin's decision to allow people to legally reside on sidewalks and rights of way has sparked a backlash among some residents who are concerned about health hazards. Conservative politicians are concerned that Austin will follow the path of West Coast cities with highly visible homeless populations.

Author Urges Making US "Democratic."

Malka Older, a sociologist and science fiction author, writes in the New York Times (10/24, 18.61M), "It's hard to claim that the United States, at any point in its history, has been a democracy in the rigorous sense of the word." Still, Older adds, "we've grown more democratic, expanding the franchise to women and people of color and instituting the direct election of senators by popular vote." Older also suggests "There are myriad ways that we can make our system more representative, more accountable, more reflective of what people want." Older concludes, "We need to keep reinventing and refining government, to keep up with changes in society and technology."

WSJournal: Trump Administration Deregulation Benefits Rural California Communities.

In an editorial, the Wall Street Journal (10/24, Subscription Publication, 7.57M) says the Trump Administration has revised the smelt and salmon biological opinions in a way that will allow pumping of groundwater to be adjusted in California. The Journal says environmentalists are angered but the move will benefit rural communities in the state.

RCP Average Has Trump's Job Approval At 41.8%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 41.8%, and his disapproval at 54.5%. The President's job approval is down 0.3 since yesterday; his disapproval is up by 0.4.

A Rasmussen poll of 1,500 "likely voters" (10/21-10/23) finds Trump's approval at 43%, with 54% disapproving.

Financial International News

ECB Leaves Rates, Guidance Unchanged As Draghi Exits.

CNBC (10/24, Amaro, 3.62M) reports the ECB "kept rates unchanged on Thursday, in what marked President Mario Draghi's last monetary policy meeting at the institution." The ECB "also kept its forward guidance unchanged, suggesting that its main interest rates will remain at their current or lower levels until there's strong evidence of a pick up in prices." Draghi told reporters Thursday, "Incoming economic data continue to point to moderate, but positive growth in the second half of this year." He also "explained that weakness in international trade was denting manufacturing activity in the euro area, as well as business investment." The Financial Times (10/24, Arnold, Subscription Publication, 1.34M) and Business Insider (10/24, 3.67M) also report.

At His Final ECB Press Conference, Draghi Tells Lagarde To "Never Give Up" On Eurozone. Reuters (10/23, Canepa, Koranyi) reports outgoing ECB President Mario Draghi "told his successor on Thursday to 'never give up' on propping up the euro zone economy in the face of a worsening outlook and little help from governments." At the final press conference "of his eight-year tenure, the man

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credited with saving the euro from collapsing kept the door open to even more easy money, days before he hands the reins over to Christine Lagarde on Oct 31." Draghi "refused to give specific advice to Lagarde but said his legacy was defined by a single-minded quest to boost price growth in an ailing and divided currency bloc."

Behind a paywall, Bloomberg (10/24, Skolimowski, 4.73M) reports Draghi "said there's no reason to fret that his newly revived quantitative-easing program will run out of space, with plenty of room to work around its legal constraints."

Pressure On BOJ To Act Eases As Markets Calm, Trade War Settles.

Reuters (10/24, Kihara) reports the BOJ "is leaning toward keeping monetary policy steady next week as stable markets, a truce in U.S.-China trade talks and robust domestic demand give it room to save its dwindling ammunition to battle the next recession, sources said." Developments over the last month "have taken some pressure off the BOJ, with the United States and China agreeing on a temporary pause in a trade war that has hurt global growth." However, the report says, "the decision will be a close call," and the BOJ "stands ready to act if a flare-up in trade tensions or renewed fears of a disorderly Brexit jolt markets and spark an unwelcome yen spike, say sources familiar with the central bank's thinking."

Japan, South Korea Agree To Ease Feud Following High-Level Talks.

Behind a paywall, Bloomberg (10/23, Lee, Nobuhiro, 4.73M) reports Japanese PM Shinzo Abe and South Korean Premier Lee Nak-yon "agreed they must work to ease feud between the two neighbors that has spilled over into trade and security at their highest-level meeting in more than a year."

Big Banks Push For Clearing House Reforms.

The Financial Times (10/24, Tett, Subscription Publication, 1.34M) reports that several large banks are calling on regulators to impose better default buffers, disclosure, and corporate governance on central counterparty clearing houses.

Iran's Economic Minister Cancels Visit To World Bank After US Rejects Delegates' Visas.

The Independent (UK) (10/24, Mortazavi, 1.36M) reports, "Iran's economic minister has cancelled his upcoming trip to Washington to protest against the US government rejecting visas to members of his delegation." The minister "has sent a letter of protest to the president of the World Bank, criticising the US government for creating 'ungrounded obstacles' and imposing 'illegal, unprecedented and hostile' restrictions on Iran, Iranian state media reported."

Finance Industry Taking Notice Of Global Protests.

Reuters (10/24, Jones, Dolan) reports, "An alarming spread of street protests and civil unrest across the world in recent weeks looms large on the radar of financial markets, with investors wary the resulting pressures on stretched government finances will be one of many consequences." The report says, "Money managers and risk analysts seeking a common thread between often unconnected sources of popular anger – in Hong Kong, Beirut, Cairo, Santiago and beyond – reckon the unrest is particularly worrying following years of modest global economic growth and relatively low joblessness."

Leading International News

Pence Criticizes China's Actions Regarding Hong Kong, Slams Nike And NBA.

Reuters (10/24, Alper, Spetalnick) reports Vice President Pence "accused China of curtailing 'rights and liberties' in Hong Kong" in a Thursday speech on US China policy at the Wilson Center. Pence said, "Hong Kong is a living example of what can happen when China embraces liberty. And yet, for the last few years, Beijing has increased its interventions in Hong Kong and engaged in actions that curtail the rights and liberties that Hong Kong's people were guaranteed through a binding international agreement."

CQ Roll Call (10/24, Bennett, 154K) says the Vice President "credited President Donald Trump with altering US-China relations 'forever,' saying the decades during which 'we rebuilt China…are over.'" The New York Times (10/24, Wong, 18.61M) reports Pence "went on to say that the Trump administration sought to engage with China on candid terms and did not want a 'decoupling' of the economies."

The Washington Times (10/24, Howell, 492K) reports Pence also "waded into the fervor over the NBA's retreat in the face of Chinese anger over a pro-Hong Kong tweet by a member of the Houston Rockets' front office," and the AP (10/24, Riechmann) says he "took a swipe at Nike and the NBA," singling out "the shoe company for removing Houston Rockets merchandise from stores in China after the team's general manager angered the Chinese government with a tweet supporting protesters in Hong Kong. He said the NBA was acting like a 'wholly owned subsidiary of the authoritarian regime' for failing to stand up to the government's criticism of Rockets General Manager Daryl Morey." The Wall Street Journal (10/24, Mauldin, Subscription Publication, 7.57M) reports Nike and NBA representatives had no immediate comment.

USA Today (10/24, Shesgreen, 10.31M) says Pence's remarks "seemed to put him out in front of his own boss." President Trump "has been mostly mum about the democracy movement, and he even posted a congratulatory tweet to Chinese President Xi Jinping marking the country's 70th anniversary of communist rule." The Washington Post (10/24, Nakamura, 14.2M), Bloomberg (10/24, Sink, Novy-Williams,

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4.73M) and Politico (10/24, Bolanos, 4.29M), among other news outlets, also cover Pence's remarks.

Wall Street Journal (10/24, Subscription Publication, 7.57M) editorial page writer Jillian Kay Melchior argues in an op-ed that China, with the deployment of troops along the Hong Kong border, is seeking to send a message to mainlanders as well as to protesters in Hong Kong.

Senators Call For Intelligence Probe Into Chinese-Owned App TikTok. Reuters (10/24, Culliford) reports Senate Minority Leader Schumer and Sen. Tom Cotton (R-AR) on Wednesday asked intelligence officials to investigate whether the popular Chinese-owned app TikTok poses national security risks. In a letter to Acting DNI Macguire, the senators "raised concerns about the video-sharing platform's collection of user data and whether China censors content seen by US users." The letter "also suggested TikTok could be targeted by foreign influence campaigns." NBC Nightly News (10/24, story 7, 1:40, Holt, 5.63M) showed Schumer saying: "There are 110 million Americans who have information with TikToc, and the Chinese government could be grabbing every one of them."

The Washington Examiner (10/24, Quinn, 448K) says Schumer and Cotton "aren't the only two lawmakers urging the Trump administration to take a closer look at TikTok." Sen. Marco Rubio (R-FL) requested this month the Treasury Department's Committee on Foreign Investment in the US "review the national security implications of TikTok's acquisition of Musical.ly and purported censorship of content."

DOE's Brouillette: US "Gains" To Reduce Pollution "Offset" By China In "One Month." In an interview with Breitbart (10/24, Moran, 673K), Deputy Energy Secretary Dan Brouillette – who President Trump has tapped to replace outgoing Secretary Perry – said Chinese pollution has "offset" American "gains" to reduce pollution in "one month." Said Brouillette, "All of the gains that we have made are offset exponentially by the Chinese. It shows the fallacy of an agreement of the Paris Accords. We have reduced our energy-related emissions by 14 percent. That has been offset exponentially by the Chinese in probably a month or maybe a month and a half. They are making near-zero progress regarding these types of issues."

UN: Iran Executed Seven Children Last Year.

The AP (10/24) reports a UN human rights expert said Wednesday that Iran executed "seven child offenders last year and two so far this year even though human rights law prohibits the death penalty for anyone under age 18." Javaid Rehman, the UN special investigator on human rights in Iran, also told the General Assembly's human rights committee "that he has 'credible information' there are at least 90 child offenders currently on death row in Iran."

North Korea Urges US To Act "Wisely" Through Year-End Deadline.

The AP (10/24, Tong) reports North Korea on Thursday "accused US officials of maintaining hostility against Pyongyang despite a 'special' relationship between leader Kim Jong Un and President Donald Trump and urged Washington to act 'wisely' through the end of the year." The AP says the statement issued by Foreign Ministry adviser Kim Kye Gwan was "clearly referring to an end-of-year deadline set by Kim Jong Un for the Trump administration to offer mutually acceptable terms for a deal to salvage their diplomacy." Kim Kye Gwan is quoted as saying, "We want to see how wisely the US will pass the end of the year."

Russia Extends Detainment Of Whelan Through Dec. 29.

The Washington Times (10/24, Blake, 492K) reports Paul Whelan, a former US Marine jailed in Russia on suspicion of spying, was "ordered Thursday to remain held through Dec. 29, a year and a day since he was arrested in Moscow." A "closed-door hearing held at Lefortovo Court in Moscow resulted in a judge agreeing with investigators to keep Mr. Whelan in custody, several regional media outlets reported."

NYTimes Analysis: Russia Increasingly Cracking Down On Dissent. The New York Times (10/24, Higgins, 18.61M) reports on the "increasingly assertive actions of a security apparatus seemingly bent on proving the Kremlin's harshest critics right when they say that Russia has taken a dangerous turn as President Vladimir V. Putin serves out what is supposed to be his final term." The prosecution of "harmless critics comes against the backdrop of foreboding and uncertainty over what might follow Mr. Putin," even amid questions "of whether he will depart as scheduled in 2024." The Times says the "resulting jitters, exacerbated by economic stagnation and mostly small but widespread protests that erupted this summer, have left Russia's numerous law-enforcement bodies scrambling to prove their mettle against potential threats, no matter how puny, and secure their future in a country they all view as a fortress besieged by enemies at home and abroad."

Chechen Authorities Crack Down On LGBTQ Community. ABC World News Tonight (10/24, story 7, 2:25, Muir, 6.47M) reported, "It's been called a police state, a place fiercely loyal to Vladimir Putin. There are reports of hundreds of gay men and women allegedly kidnapped, tortured, and abused at the hands of the Chechen government. ... Despite a global outcry in 2017, fresh victims have continued to come forward."

Johnson Abandons Hope Of October Brexit, Seeks December 12 General Election.

The AP (10/24, Lawless) reports British Prime Minister Boris Johnson "has finally abandoned his promise of an October Brexit and pinned his hopes on a December election." Reuters (10/24, Holton, Piper, Maclellan) reports Johnson "called on Thursday for a general election on Dec. 12 to break Britain's Brexit impasse, conceding for the first time he will not meet his 'do or die' deadline to leave the European Union next week." Johnson "has twice failed before to win the votes in parliament for an election, where he needs the support of two-thirds of its 650

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lawmakers."

Bloomberg (10/24, Evans, 4.73M) reports that a ComRes poll taken one week ago projects a tight race if Brexit does not happen by October 31, with Labour at 27%, Johnson's Conservatives 26%, the Brexit Party 20%, and the Liberal Democrats 18%. However, USA Today (10/24, Hjelmgaard, 10.31M) reports that "most polls show that Johnson would likely comfortably win any new national vote." The New York Times (10/24, Castle, 18.61M) reports, "With Labour at just around 25 percent in many opinion polls, trailing well behind the Conservatives, as many as half the party's lawmakers are thought to oppose a winter election." The Washington Post (10/24, Booth, Adam, 14.2M) and Wall Street Journal (10/24, A1, Colchester, Douglas, Subscription Publication, 7.57M), among other news outlets also report the story.

Unionists In Northern Ireland To Protest Johnson's New Brexit Proposal. The New York Times (10/24, Yeginsu, 18.61M) reports that as British lawmakers "prepared to debate Prime Minister Boris Johnson's new Brexit deal in Westminster on Monday, hundreds of irate unionists in Northern Ireland poured into the East Belfast Constitutional Social Club to plan how they would resist the agreement, should it eventually become the law of the land." Protestant unionists, "who favor preserving the political union between Northern Ireland and Britain, vehemently reject any Brexit arrangement that separates their territory from the rest of the United Kingdom." Prime Minister Boris Johnson's new proposal, "which would take Britain out of the European Union but leave Northern Ireland effectively in the bloc's customs union and single market, does just that, they say."

UK Police Suspect Trafficking In Deaths Of 39 Chinese Nationals. The Washington Post (10/24, A1, Adam, Booth, 14.2M) reports on its front page that British authorities said Thursday that "the 39 people found dead inside a tractor-trailer at an industrial park in southeastern England are Chinese nationals, probably the victims of gangs who smuggle human cargo into Britain via shipping containers from European sea ports." According to the Post, it is "one of Britain's biggest ever homicide cases, with investigations extending to Belgium, Ireland, Bulgaria and China."

Spain Exhumes Franco's Remains.

The AP (10/24, Giles) reports Spain on Thursday exhumed the remains of dictator Gen. Francisco Franco "from his grandiose mausoleum outside Madrid and flown them by helicopter for reburial in a small family crypt north of the capital." The "government-ordered, closed-door operation," the AP says, "satisfies a decades-old desire of many in Spain who considered the vainglorious mausoleum that Franco built an affront to the tens of thousands who died in Spain's Civil War and his subsequent regime."

Morales Claims Outright Victory In Bolivian Presidential Race.

The AP (10/24, Valdez) reports Bolivian President Evo Morales "declared himself the outright winner of the country's presidential election Thursday, which would give him a fourth straight term after a vote that has sparked days of protests by both his opponents and supporters over accusations of fraud." With nearly all votes counted, Morales had 46.8% of the vote to 36.7% for ex-President Carlos Mesa. Morales needs a margin of at least 10 percent to avoid a runoff. Reuters (10/24, Taj, Ramos) reports Morales said Organization of American States observers "had slandered him by raising what it called 'serious doubts' about the election." Morales told reporters, "I don't want to think the OAS mission is already taking part in a coup d'etat."

The Washington Post (10/24, 14.2M) editorializes that "allowing a runoff, as the OAS recommended, is the option Mr. Morales would take if he does not, in fact, want to be seen as what the opposition calls him: a 'dictator.' There is still time for Bolivia's president to step back from the brink."

WTimes Analysis: Argentina's Fernandez Poised For Comeback.

The Washington Times (10/24, Puglie, 492K) reports former Argentine President Cristina Fernandez, "whose Peronist party was kicked to the curb by voters just four years ago, could be on the brink of a remarkable comeback." Fernandez will be on the ballot Sunday "as the vice presidential running mate to Alberto Fernandez, no relation," and "analysts expect her to be calling the shots if, as polls suggest, the populist left comes back to power."

Chilean Protesters Reject Government Concessions As Insufficient.

The AP (10/24, Vergara) reports, "Demonstrators returned to Chile's streets on Thursday, dissatisfied with economic concessions announced by the government in a bid to curb a week of deadly violence." President Sebastián Piñera "acknowledged that the steps taken to ease public anger won't fully address the grievances of many people in the country," but insisted that it "constitutes important relief."

Lebanon's Aoun Says He Is Ready To Talk With Protesters.

Reuters (10/24, Francis, Knecht) reports Lebanese President Michel Aoun "said on Thursday he was ready for a dialogue with protesters to help save the country from collapse after days of demonstrations against the ruling elite, and he suggested a government reshuffle was possible." Reuters adds, "Protests fueled by worsening economic conditions have paralyzed the country and kept banks shut."

Housing

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Freddie Mac: 30-Year FRM Average Rises From 3.69% To 3.75%.

The Washington Post (10/24, Lerner, 14.2M) reports, "Mortgage rates rose to their highest level in 12 weeks, according to the data released Thursday by Freddie Mac, with investors continuing to react to the possibility of a positive resolution to the ongoing trade dispute between the United States and China." The 30-year FRM average rose from 3.69% to 3.75%. The 15-year FRM rose from 3.15% to 3.18%. The 5/1 ARM rose from 3.35% to 3.40%. Freddie Mac Chief Economist Sam Khater said, "The dramatic year-long slide in mortgage rates has abated partly in response to the potential improvement in trade negotiations and partly due to the still underrated strength of economic fundamentals. Going forward, while the level of rates remain a positive force for the housing market and home buyer demand continues to improve, the lack of housing supply is a major impediment to not just the housing market but the continued economic recovery."

Reuters (10/24) reports, "The 30-year fixed mortgage rate has dropped more than 125 basis points since last November's peak to an average of 3.69%," according to data from Freddie Mac. The AP (10/24) reports, "Lower rates have helped reinvigorate the housing market, which stumbled last year. Sales of existing homes reached a 17-month high in August, though they fell modestly in September. New home sales jumped 15.5% in September from a year earlier. Single-family home construction has also ticked up." MarketWatch (10/24, Passy, 1.67M) reports, "Even though mortgage rates have risen from the 2019 low recorded at the beginning of September, they remain more than a full percentage point below where they were at this point last year. That's helped those home buyers who may have struggled to meet the repayment requirements." Potentially behind a paywall, Bloomberg (10/24, Maurus, 4.73M) provides similar coverage.

Also reporting on Freddie's rates and Khater's analysis are Realtor (10/24, 25.12M), HousingWire (10/24, 23K), National Mortgage News (10/24), RTT News (10/24), Seeking Alpha (10/24, 512K), a MoneyWise piece carried by Yahoo! Finance (10/24, Whiteman), The Orange County (CA) Register (10/24, Lazerson, 546K), Mortgage News Daily (10/24, Graham), Wolf Street (10/24), and the San Marcos Corridor News (TX) (10/25).

FHFA, GSEs Release Part Of URLA, Add Chinese Resources To Mortgage Translations Clearinghouse.

According to National Mortgage News (10/24) reports, "The Federal Housing Finance Agency, Fannie Mae and Freddie Mac released static elements of the revised Uniform Residential Loan Application on Wednesday, and also announced separately that they are adding traditional Chinese language resources to a mortgage translation clearinghouse they have." The Mortgage Bankers Association "generally backs outreach to LEP borrowers, but it had opposed the FHFA's addition of a language question to the application due to concern that doing so could lead to unreasonable borrower expectations about lenders' ability to provide related services and forms." According to NMN, "With the addition of Chinese to its pre-existing Spanish resources, the online clearinghouse will contain information in the two most common languages spoken by limited English proficiency borrowers in the United States."

Updated AUS Specs And Documents Should Be Ready In November. HousingWire (10/24, Lane, 23K) reports, "Beyond removing the language preference question and housing counseling information, the GSEs also state that the new form contains changes to the Borrower Information, Additional Borrower Information, Lender Loan Information, Continuation Sheet, and Unmarried Addendum sections of the form." When the FHFA "announced the changes in August, it delayed the implementation of the URLA form." The GSEs "now state that they are...on track to publish their respective updated automated underwriting system specifications and supporting documents next month and will announce the updated implementation timeline and mandate 'before the end of the year.'" The GSEs indicated "that they will release an interactive PDF version of the redesigned URLA in early 2020." Bankers Online (10/24) also reports.

Calabria: GSE Reform Needed To Protect Sustainable Homeownership, Affordable Rental Housing.

Writing for The Boston Business Journal (10/24, Subscription Publication, 866K), FHFA Director Mark Calabria says that the GSEs were "created to support sustainable homeownership and affordable rental housing in underserved communities by ensuring mortgage credit availability for very-low to moderate-income borrowers. This is a critically important mission in the Bay State. Between 2011 and 2017, house prices in Boston increased 8 percent faster than per capita income and in Suffolk County rent increased 6 times as fast as household income. As in many other communities, the rising cost of housing in Boston is putting an increasing amount of financial pressure on families' budgets." According to Calabria, as it stands, the GSEs "will fail in an economic downturn, which will hurt those most in need of their support for affordable housing and could again leave taxpayers on the hook to cover those losses." However, "The good news is that it is not too late to avert this disaster." While the Administration is laying the groundwork, "ultimately, only Congress has the power to enact the structural reforms needed to fix today's broken mortgage finance system. The need for reform is undeniable and urgent. The future of affordable housing in America depends on it."

FHFA Hires Jonathan McKernan, Raphael Williams.

National Mortgage Professional (10/24, Hall) reports, "The Federal Housing Finance Agency (FHFA) has announced the hiring of Jonathan McKernan as Senior Counsel for Policy and Raphael "Raffi" Williams as Press Secretary and Senior Communications Advisor." Williams joins the FHFA from HUD, where he served as Deputy Assistant Secretary in the Office of Public Affairs. Previously, Williams "was a reporter with Circa.com and Deputy Press Secretary for the Republican National Committee."

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Study: Cash-Out Refis Are On The Rise.

Vermont Business Magazine (10/24, 23K) reports, "According to Refi Guide, Cash-out refinancing helped cause the Great Recession. Americans are refinancing to take out cash for immediate needs – such as cars or remodeling their house – and sinking further into debt, which could again become insurmountable if the economy worsens. Refi Guide...released a study titled States With The Highest Levels of Recent Refinancing using data from Freddie Mac from 1990 to 2019 which shows many of the alarming trends appear to be repeating."

Multifamily Financing.

- ***NorthMarq Arranges $20M Freddie Mac Refi For Carbondale, IL Student Housing.*** REBusiness Online (10/24) reports, "NorthMarq Capital has arranged a $20 million Freddie Mac loan for the refinancing of Aspen Court Apartments in Carbondale, home of Southern Illinois University." Student Housing Business (10/24) provides additional coverage.
- ***Freddie-Financed GA Property Trades For $31M.*** Commercial Real Estate Direct (10/24, Moynihan) reports InterCapital Group "has paid $31.2 million, or $141,818/unit, for the 220-unit Hickory Falls apartment property" in the Atlanta suburb of Villa Rica, Georgia. The property is "encumbered by a $12.2 million Freddie Mac loan that is securitized through FREMF, 2014-K717."

Senate Banking Committee Holds Hearing Regarding Data Ownership And Privacy Rights.

DS News (10/24, Welborn) reports, "The Senate Committee on Banking, Housing, and Urban Affairs Hearing held a hearing to examine data ownership, focusing on exploring implications for data privacy rights and data valuation." Chairman Mike Crapo said that private companies are "collecting, processing, analyzing and sharing considerable data on individuals for all kinds of purposes." According to DS News, a "common idea brought up in the sharing is the 'data as property model,' which, in theory, gives people more control over their data." ACLU Senior Advocacy and Policy Counsel Chad Marlow voiced concern over the way the model is being presented, however. He said, "While the data as property model may have merit as a tool for redistributing the money that is currently being made off the sale of personal information, any claim that it advances privacy is false. To the extent Congress is seeking to provide greater private protections for Americans' personal information, what we need is an affirmative consent-based model that provides all individuals the ability to opt-in (or not) to the sharing of their personal data."

Originations Surge To New Records In Q3.

Behind a paywall, Inside Mortgage Finance (10/25, Bancroft, Subscription Publication) reports, "The third quarter of 2019 was one for the record books, as primary market originations of first-lien home loans hit a post-crisis high. Lenders produced an estimated $700 billion of new first-lien mortgages during the third quarter." According to IMF, "That 23.9% increase from the previous quarter pushed year-to-date production to a whopping $1.620 trillion, within a whisker of output for the entire year in 2018. With strong refinance demand, low rates and solid housing sales for this time of year, 2019 could end up as the best year since 2006, when originations totaled $2.550 trillion. The bumper crop produced during the July-September cycle was the biggest since the second quarter of 2007, when first-lien originations totaled $704 billion."

Ginnie Mae Plans Pilot Program To Begin Accepting ENotes.

HousingWire (10/24, Lane, 23K) reports, "The rise of the fully digital mortgage is about to take a big step forward, as Ginnie Mae, the government agency that issues mortgage bonds backed by Federal Housing Administration or Department of Veterans Affairs loans, is moving closer to accepting and utilizing eNotes." While the promissory note was previously a "paper document," in "recent years, a move towards digitization in the mortgage business saw a rise in digital promissory notes. ... The move towards more widespread use of eNotes was aided last year when Wells Fargo announced that it would begin buying eNotes. And data released earlier this year by MERSCORP shows that the number of eNotes added to the MERS eRegistry skyrocketed in the first quarter of this year." With Ginnie Mae now "planning to launch a pilot program that will see the agency begin to accept eNotes as satisfactory collateral for its mortgage-backed securities," the industry moves a step closer to "fully digital FHA and VA loans."

DS News (10/24, Albanese) reports on its interviews with "an array of title professionals about the state of the industry, how it can best leverage technology, and what challenges await as 2020 closes in." Michelle Garcia Gilbert, Managing Partner of the Gilbert Garcia Group, "[said] that both Fannie Mae and Freddie Mac have launched initiatives for electronic closings." According to her, this is largely due to "the direction of the lead loan underwriters in the country." She explained, "Evolve or don't evolve, at your peril. The industry is innovating to adapt to the new digital age."

Investor: Fannie's Multifamily CAS CRT Is "Insanely" Oversubscribed.

Debtwire (10/24) reports, "Fannie Mae for the first time is pushing its multifamily credit risk to the CRT bond market through its Multifamily Connecticut Avenue Securities 201901 and investors apparently can't get enough, according to three investors." One investor said that with yields near 12%, the CAS CRT is "insanely" oversubscribed.

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Zillow: Younger Buyers Willing To Make Financial Sacrifices To Afford Homes.

M Report (10/24, Albanese) says, "Zillow reports that 55% of homebuyers make a financial sacrifice to achieve homeownership, and 71% of millennials and Generation Z homeowners make at least one financial tradeoff to buy a home. This number falls to 57% for Generation X homebuyers and 33% for Baby Boomers and the Silent Generation." According to M Report, "13% of millennial and Gen Z homebuyers skipped healthcare services" to buy a home. According to Zillow economist Kathryn Coursolle, "The fact that homebuyers have to make tradeoffs to save for the down payment is not surprising. That's pretty much the study of economics: how people make decisions when they can't have everything. But todays tradeoffs are non-trivial and often cut into more than just the 'nice-to-haves.' Indeed, some of those who manage to buy young are foregoing going to the doctor or paying for insurance. To buy young means sacrificing more, ostensibly for the ability to sacrifice less, later."

Hometap Study: A Fifth Of Homeowners Feel "House Rich, Cash Poor."

Mortgage Professional America (10/24, Mendoza) reports, "One in five homeowners in the US felt that the rising costs of homes across the country and worsening income-to-mortgage ratios were holding them back from reaching their financial goals. Roughly 19.5% of homeowners tagged themselves as 'house rich, cash poor' most or all of the time, while 73% admitted they feel that way at least some of the time, according to the findings of the Hometap Homeownership Study." Hometap CEO Jeffrey Glass said, "We knew there were pockets of homeowners who felt house rich, cash poor – we see that every day in our work – but were surprised to find that one in five feel[s] that way so often. Mortgage rates are at historic lows, which is encouraging more people to buy, but despite 45 million homeowners with excess equity, we're seeing really conservative behavior – perhaps a lasting effect of the 2008 financial crisis. Unless wages start to rise relative to home values, we'll see more homeowners falling into the house rich, cash poor category."

Markets

10-Year Yield Rises.

MarketWatch (10/24, 1.67M) reports the 10-year Treasury yield rose to 1.773 percent.

Dollar Holds Steady.

Reuters (10/25, White) reports that on Friday, the dollar index against a basket of six major currencies "was little changed at 97.688 but up 0.42% on the week." Against the yen, the dollar "held steady at 108.61 yen, on course for a 0.18% weekly advance." Meanwhile, the euro "held steady at $1.1103 in Asia on Friday, on course for a 0.62% weekly decline."

Gold Rises.

Reuters (10/25) reports, "Gold rose to a fresh two-week high on Friday, as weak US economic data spurred expectations for another interest rate cut by the Federal Reserve later this month." Spot gold "hit its highest since Oct. 10 at $1,504.35 and was slightly down at $1,501.67 per ounce, as of 0117 GMT." US gold futures "were flat at $1,504.40 per ounce on Friday."

Oil Falls.

Reuters (10/25, Sheldrick) reports, "Oil prices pulled back on Friday, retracing some of the gains of a three rally on Friday, as downbeat economic growth forecasts revived concerns over the outlook for fuel demand." Brent crude "was down 18 cents, or 0.3%, at $61.49 by 0642 GMT," while West Texas Intermediate crude "was down 21 cents, or 0.4%, at $56.02."

Cybersecurity

FBI Launches Video Series Warning Election Campaigns About Foreign Hackers.

Bloomberg (10/24, Turton, 4.73M) reports, "As the U.S. presidential campaign heats up, the Federal Bureau of Investigation has launched a video series to help candidates shore up their cybersecurity to avoid the kind of online meddling that disrupted the 2016 election." Bloomberg adds, "Dubbed Protected Voices, the initiative includes a series of videos featuring FBI special agents and computer scientists detailing ways foreign actors could seek to hack or influence political campaigns." The initiative "also provides tips on how campaigns can improve their digital security, such as communicating using encryption, hardening routers and spotting foreign agents that may try attempt to infiltrate computer systems. 'Protected Voices aims to help political campaigns, private companies and individuals protect themselves from foreign actors who want to hijack their message,' FBI Director Christopher Wray says, in a video introducing the initiative. 'We've created these protected voices videos to showcase the methods these adversaries might use and to help campaigns practice good cyberhygiene because the foundation of election security is cybersecurity.'" Fortune (10/24, 3.91M) also reports.

FBI Issues Warning About E-skimming Attacks.

ZDNet (10/23, Cimpanu, 299K) reports the FBI on Wednesday "issued...a warning for the US private sector about e-skimming attacks, also known as web skimming, or Magecart attacks." These types of attacks "have been happening since 2016, but they've intensified during the last two years, in 2018 and 2019."

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FBI: Russian Hacker Charged In Pittsburgh Wanted For Allegedly Running Global Conspiracy.

KDKA-TV Pittsburgh (10/24, 144K) reports from Pittsburgh, "A Russian computer hacker accused of leading a worldwide conspiracy that targeted hundreds of thousands of computers with malware, enabling his group to steal more than $100 million from business and other bank accounts is still wanted by the FBI." KDKA-TV adds, "Criminal and civil allegations were filed in Pittsburgh against the accused man, Evgeniy Bogachev, in 2014. Some of his victims are from western Pennsylvania." Federal authorities "say Bogachev's group infected computers with software that captured passwords and account numbers and stole millions of dollars from victims."

Ocala, Florida Targeted In "Spear Fishing" Attack.

The Ocala (FL) Star-Banner (10/24, Medina, 81K) reports, "A 'spear phishing' email attack led an Ocala employee to mistakenly transfer $640,000 to a fraudulent bank account set up by a scammer." Ocala Mayor Kent Guinn "said about $110,000 was still in the account when the city learned of the fraud," so "the scammer collected little more than $500,000." The Star-Banner adds, "City spokeswoman Ashley Dobbs said someone sent an email to a city department made to look like it was from a current construction contractor working with the city." The email "requested payment for services via electronic transfer," but "the bank account provided, however, did not belong to the contractor, according to a press release." The city "reported the incident to the Ocala Police Department, which in turn notified the FBI, Dobbs said."

US Cyber Warriors Are Working To Protect Against Election Threats.

CBS News (10/24, Gazis, 3.68M) reports the US government's actions "to disrupt Russia's attempted cyber incursions into the 2018 midterm elections took place in part in a newly constructed Joint Operations Center (JOC) on the National Security Agency's expanding Fort Meade campus in Maryland." Efforts to protect the 2020 elections "are expected to follow a similar drill." Located in the middle of the Cyber Integration Center – a 380,000 square foot, $520 million building whose construction was completed last September – the JOC "links two adjoining facilities where NSA and US Cyber Command personnel reside." A massive floor "dotted by pods of desks and dominated by three curved, 20-foot-tall screens, the JOC is run by roughly 200 civilian and military officials who work 12-hour, rotating shifts – 24 hours a day, seven days a week, 365 days a year."

Republicans Storm A Secure Congressional Facility.

The Washington Post (10/24, Marks, 14.2M) reports in its Cybersecurity 202 column that a group of House Republicans "could have created a field day for Russian and Chinese intelligence agencies when they stormed into a secure Capitol Hill room where their colleagues were taking impeachment testimony yesterday with their cellphones in tow." The protest "violated the most basic cybersecurity protections technologists try to impose on the rooms where lawmakers receive and discuss classified information – basically giving insider access to any spy agency that had compromised a single lawmaker's cellphone and could snoop through the camera or microphone."

Business Insider (10/24, Sheth, Frias, 3.67M) reports intelligence veterans were "stunned by news that Republican lawmakers stormed a secure area on Capitol Hill where impeachment hearings were taking place Wednesday, saying what some called a 'thuggish' stunt could pose a threat to national security." More than 30 House Republicans "barged into the area, known as a Sensitive Compartmented Information Facility, while a witness was about to testify in a closed-door session." The move is a breach of congressional rules "because no personal electronic devices, namely cellphones, are allowed in the facility." Glenn Carle, a former CIA covert operative, "told Business Insider that cellphones were 'essentially microphones for sophisticated intelligence services' because 'services can implant code remotely – from phishing and various attacks – into the phones, which could capture emissions in a given range, and then transmit them later.'"

Italian, Australian Officials Defend Assisting Barr in Review of Russia Probe's Origins.

The Wall Street Journal (10/24, Gurman, Legorano, Pannett, Subscription Publication, 7.57M) reports Italian Prime Minister Giuseppe Conte said Wednesday after a hearing of the Italian parliament's national-security committee that Italian intelligence services have no ties to a professor whose encounter with a Trump campaign aide in 2016 led the FBI's counterintelligence to probe Russian meddling. Conte said that Italian intelligence officials informed Barr they played no role in the events leading up to the Russia investigation. Australian Foreign Minister Marise Payne defended Australia's ambassador to the US' offer to assist in Barr's review, instead of waiting for help to be requested. She asserted Australia would do the same thing for other Five Eyes partners.

DHS Warns Of Russian Interference Plans In 2020 Elections.

Yahoo! News (10/24, 12.82M) reports that, according to an unclassified intelligence assessment obtained by Yahoo News, "US government efforts to prevent Russia from conducting influence operations directed at American audiences have largely failed, and Moscow is continuing its attempts to influence the American political system by exacerbating social divisions, with a particular focus on the upcoming 2020 presidential elections." A recent intelligence assessment from the Department of Homeland Security's Cyber Mission Center says "Russian influence actors almost certainly will continue to target US audiences with influence activities that seek to advance Russian interests, and probably view the 2020 presidential election as a key opportunity to do so." The intelligence assessment, "which cites DHS monitoring, classified reporting and open source information, says that Russia has continued through this year to engage in malign activities intended to cultivate relationships with US social media users, despite consequences of sanctions, social media account take-downs, and

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diplomatic overtures…'"

Forbes (10/24, 9.71M) reports in a video that Cyber security firm Checkpoint "released a new report detailing Russia's massive investments in large scale espionage capabilities."

Russia Dismisses Hacking Reports As "Unsavoury."

Reuters (10/24) reports Moscow on Thursday "dismissed media reports that Russian hackers piggybacked on an Iranian cyber-espionage operation to attack government and industry organizations in dozens of countries as an 'unsavoury' interpretation of a security report." British security officials have "said the Russian group, known as 'Turla' and accused by Estonian and Czech authorities of operating on behalf of Russia's FSB security service, has used Iranian tools and computer infrastructure to successfully hack in to organizations in at least 20 different countries over the last 18 months." A spokesman for the Russian embassy in the UK said on the mission's website, referring to the media reports, "These publications are an unsavoury interpretation of a concise report of the British National Cyber Security Centre and the American National Security Agency."

Russia Will Test Its Ability To Disconnect From The Internet.

Defense One (10/24, Tucker, 2K) reports the Russian government announced Monday that Russia will test "its Internal RuNet network to see whether the country can function without the global Internet." The tests will begin "after November 1, recur at least annually, and possibly more frequently." It's the latest move "in a series of technical and policy steps intended to allow the Russian government to cut its citizens off from the rest of the world."

CDM Codification Bill Sails Through House Homeland Security Committee.

MeriTalk (10/24) reports the Advancing Cybersecurity Diagnostics and Mitigation Act, H.R. 4237, "was unanimously approved by the House Homeland Security Committee on October 23." The bill – co-sponsored by Reps. John Ratcliffe (R-TX) and Ro Khanna (D-CA) – "would 'advance and modernize' DHS' Continuous Diagnostics and Mitigation (CDM) program by not only codifying the CDM program into law, but also expanding the program's capabilities and resources to additional Federal agencies and state and local governments."

Huawei Spans Much Of The Globe Despite US Efforts To Ban It.

NPR (10/24, Cheng, 3.12M) reports the US government "doesn't want the Chinese technology giant Huawei to feel welcome almost anywhere." In the past year, the US had the company's chief financial officer" detained in Canada and temporarily cut off its access to American suppliers, endangering Huawei's ambitions to roll out the next generation of wireless networks around the world." The Trump Administration now "is seeking a global ban of Huawei's 5G equipment." It has even threatened "to stop intelligence sharing with key allies such as Germany if they don't fall in line." But Germany's government has "pointedly resisted the pressure, and it is not alone." Much of Europe, Africa, the Middle East and the Americas "will continue to set up 5G using at least some Huawei equipment." Some countries have "directly pushed back against American pressure, declaring it their sovereign choice."

Reuters (10/24) reports the industry minister was quoted as "saying on Thursday that the Czech Republic is likely to follow the approach of Germany and other neighboring countries in addressing issues related to Huawei while building 5G networks." The Czech cyber security watchdog NUKIB "warned last December of potential risks from using Huawei technology, which raised questions over the role it can play in building next-generation 5G mobile networks after a frequencies tender next year." It comes "as the US has led a campaign to convince allies to ban the firm from future networks." Germany this month "finalized rules for the build-out of 5G networks that will not exclude Huawei."

Study Finds Cyberespionage Campaign Targets UN Agencies.

The AP (10/24, Bajak) reports a cybersecurity firm found that a coordinated cyberespionage campaign "using phishing to harvest passwords from mobile phones and computers has targeted UN relief agencies, the International Red Cross and other non-governmental organizations groups for the past 10 months." The San Francisco-based security company Lookout s"aid it doesn't know who is behind the campaign, which was still active Thursday." It added that "there are indications some of its targets may have been members of the international community in North Korea." Among the targets "were UNICEF, the UN World Food Program, the UN Development Program, the International Federation of the Red Cross and Red Crescent Societies." Also targeted "were think tanks and research organizations including The United States Institute of Peace, the Heritage Foundation, the Social Science Research Council, the East-West Center and the University of San Diego."

Study Finds NYC Companies Need More Cybersecurity Workers.

The Wall Street Journal (10/24, King, Subscription Publication, 7.57M) reports a survey of business executives indicates New York City businesses intend to expand hiring of tech talent next year, particularly workers with cybersecurity expertise. Eighty-five percent of respondents stated they planned to increase tech hiring in 2020, with more than half planning to hike their tech hires by 20 percent or more compared with this year. Executives were confident New York City had the appropriate talent pool, with 87 percent saying they are confident they will be able to find employees with the tech skills their companies need.

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Agencies Discuss Bringing AI Into The Federal Technology Fold.

Federal Computer Week (10/24, Rockwell, 263K) reports Gil Alterovitz, director of artificial intelligence at the Department of Veterans Affairs, "said at ATARC's October 24 Federal Artificial Intelligence And Data Analytics Summit that federal data analytics and automation efforts are still getting organized around a larger new paradigm." Todd Myers, automation lead at the National Geospatial-Intelligence Agency, "said the government should look to companies like Uber and Amazon for models of how to use data to advance their missions." Myers said, "These companies are successful, and the government will be successful when we break down the organizational silos of units that may working on their own data analytics and data sets. The days of separate business units and organizations going off and doing their own thing, I think are long gone. I think the federal government is leaning hard and fast in changing that approach."

The Navy's Plan To Stop Being "Woefully Behind" In Cyber.

Fifth Domain Cyber (10/24, Pomerleau) reports Navy Secretary Richard Spencer "was blunt: the service is struggling to beat back threats to cybersecurity and the supply chain." Spencer said October 23 at the Brookings Institution, "We are woefully behind." Spencer "said the service has a plan to improve and pointed to the newly established position of special assistant/chief information officer filled by Aaron Weis." That job has four directorates "aimed at modernizing the service for a digital age and keeping the Navy sharp against top cyber threats." Moreover, Spencer "said his thinking and level of engagement on cyber has evolved in the last year." He said, "I need to fight to get off the pier. I might not be able to start the ship. I might not be able to get fuel to the ship."

WPost Urges Protections Against False-Flag Cyberattacks.

The Washington Post (10/24, 14.2M) editorializes that that "false-flag operations are becoming more common for nation-states, and more sophisticated." It argues that while President Trump has "made a mess of this country's deterrence capabilities by pandering to Russian President Vladimir Putin instead of standing up to him...strengthening our ability to accurately attribute attacks is as challenging as it is essential. Strengthening societal resistance to division and distortion may prove even more essential — and even more challenging."

Federal Reserve

Trump Says Fed Must Lower Rates And "Stimulate."

President Trump tweeted Thursday morning, "The Federal Reserve is derelict in its duties if it doesn't lower the Rate and even, ideally, stimulate. Take a look around the World at our competitors. Germany and others are actually GETTING PAID to borrow money. Fed was way too fast to raise, and way too slow to cut!" Fox Business (10/24, 1.73M) and The Hill (10/24, Lane, 2.98M) report on this story.

New York Fed Boosts Overnight Borrowing Cash Injections.

Reuters (10/24, Marte) reports, "The Federal Reserve Bank of New York is boosting the size of the cash injections it can make into overnight borrowing markets." The Wall Street Journal (10/24, Derby, Subscription Publication, 7.57M) reports the New York Fed will offer at least $120 billion in daily operations in the repurchase agreements market, up from $75 billion.

HousingWire (10/24, Ramírez, 23K) reports, "The Federal Reserve will now be increasing its liquidity injections in the overnight lending markets. Instead of its current $75 billion, repo operation offerings will increase to $120 billion as the central bank works to keep markets operating within its target range, according to an article (10/23, Cox, 3.62M) by Jeff Cox for CNBC." Wells Fargo Securities Global Head of Rate Strategy Mike Schumacher said, "It's just more evidence the Fed will not back off as year-end gets closer. The Fed wants to take out more insurance. You had repo pick up last week. That might not have gone over too well."

In a separate report, Reuters (10/24, Brettell) says the turmoil "that has plagued crucial overnight lending markets during the past few weeks is likely to flare back up heading into year-end, although measures taken by the Federal Reserve to provide liquidity means the worst of the strains are probably over." While the Fed's recent repo market moves have "helped stabilize the market," the report says "a jump in funding costs last week show that further bouts of volatility are likely to re-emerge," given that banks "and other large investors typically reduce risk-taking as they close their books for year-end, with fewer funds being made available for loans."

Deeper Slump In Global Growth "Still More Likely" Despite Central Banks' Monetary Easing.

Reuters (10/25, Sarkar, Karunakar) reports, "A steeper decline in global economic growth still more likely than a synchronized recovery, even as multiple central banks dole out rounds of monetary easing, according to economists polled by Reuters in recent weeks." The report says, "While a reprieve from escalating U.S.-China trade tensions has pushed stocks back near record highs, a record $17 trillion of bonds have negative yields and a key market signal of U.S. recession is still flashing red." Additionally, "Growth and inflation forecasts for most major economies appear to be on the wane or at best holding at historically modest rates, according to Reuters polls of over 500 forecasters from around the world taken this month."

Smith: Constrained Fed Intends To Pause Rate Changes Following Expected Cut.

In her Financial Times (10/24, Subscription Publication, 1.34M) column, Colby Smith says the Fed has less flexibility on monetary policy than it would like, even as it prepares investors for a pause after an expected rate cut next week.

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Opinion: We Should Worry About Fed's Adoption Of SOFR.

Writing for Foreign Policy (10/24, Moran, 340K), Michael Moran argues that the world "should be worried about the Fed's decision to adopt SOFR." With the economy slowing and volatility in the repo market, there is risk of a "serious credit crunch in the bond market and declines in yields." According to Moran, "switching rates is not as simple as it might seem. Besides the crucial role the rate plays in steadying global finance in periods of turmoil, it also governs the terms of trillions of dollars' worth of loans globally, with LIBOR referred to by name in most of these contracts. A sudden, uncoordinated dumping of LIBOR, then, could precipitate a financial disaster, what the New York Fed's Held warned would be 'a DEFCON 1 litigation event if ever I've seen one.' Global credit markets could freeze up, some have surmised, as they did in the wake of Lehman Brothers' collapse in 2008."

Financial Regulatory Agencies

Senate Report Finds Federal Agencies Aware Of Fake Comments On Proposed Rules.

The Wall Street Journal (10/24, Grimaldi, Subscription Publication, 7.57M) reports a bipartisan Senate report issued Thursday found that federal agencies do little or nothing about fraudulent comments made on proposed regulations. The Senate Permanent Subcommittee on Investigations report said agencies didn't act in even the most egregious instances, including where people's identities were stolen and submitted with comments they didn't write. The CFPB, among other agencies, told investigators it was aware of fake comments on its rules but took little action to address them, according to the report.

Office of the Comptroller of the Currency

US Regulators Join Global Financial Innovation Network.

American Banker (10/24, Pedersen, Subscription Publication, 31K) reports the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corp., the Commodity Futures Trading Commission, and the Securities and Exchange Commission on Thursday announced they had joined the Global Financial Innovation Network, "which consists of nearly 50 other international agencies trying to collaborate on the regulation of financial technology." In a joint statement, the four financial regulators said their membership in GFIN was part of an effort "to enhance regulatory clarity and understanding for all stakeholders and promote early identification of emerging regulatory opportunities, challenges, and risks."

Also reporting are Law360 (10/24, Subscription Publication, 8K), Finextra (10/24), the CoinTelegraph (10/24, Alexandre, 14K), Finadium (10/24), Bitcoin Exchange Guide (10/24), CoinDesk (10/24, 41K), the Money Laundering (10/24), Investment Executive (CAN) (10/24), Pensions & Investments (10/24), and the Texas Bankers Association (10/24).

Bureau of Public Debt

Treasury Will Auction $87B In Securities.

The Wall Street Journal (10/24, Subscription Publication, 7.57M) reports the Treasury Department plans to auction securities worth $87 billion next week.

Editorial Wrap-Up

New York Times.

"Donald Trump's 'Very Special' Victory In Syria." The New York Times (10/24, 18.61M) editorializes that in announcing a "permanent" cease-fire along the Turkish-Syrian border on Wednesday, President Trump declared that "this was an outcome created by us, the United States, and nobody else." The Times says that "in effect, Mr. Trump was blithely taking full credit for ending a brutal battle he had a hand in starting and claiming a significant feat when in fact the betrayal of the Kurds and the brusque, thoughtless American withdrawal undermined American credibility and was a major victory for Presidents Vladimir Putin of Russia and Bashar al-Assad, the butcher of Syria."

Washington Post.

"Republicans Are Wrong On Process, Too." Weighing in on a GOP Senate resolution criticizing the House's impeachment inquiry, the Washington Post (10/24, 14.2M) editorializes this morning, "There is an old Washington saying that if you're arguing about process, you're losing. A follow-on maxim might be: If you are wrong on process, too, you must really be in trouble." The Post adds, however, that "holding a vote" in the House "would add legitimacy, and, more to the point, the sooner House investigators move from closed hearings to open ones, the better. ... Of course, all of this could happen sooner if the Trump administration were not stonewalling."

"False-Flag Cyberattacks Are A Growing Threat. We Must Strengthen Our Defenses." The Washington Post (10/24, 14.2M) editorializes that that "false-flag operations are becoming more common for nation-states, and more sophisticated." It argues that while President Trump has "made a mess of this country's deterrence capabilities by pandering to Russian President Vladimir Putin instead of standing up to him...strengthening our ability to accurately attribute attacks is as challenging as it is essential. Strengthening societal resistance to division and distortion may prove even more essential — and even more challenging."

"There's Still Time For Bolivia's President To Right The Pat To Democracy." Bolivian President Evo Morales declared himself winner of the country's presidential election on Thursday, and the Washington Post (10/24, 14.2M) editorializes that "allowing a runoff, as the

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[Organization of American States] recommended, is the option Mr. Morales would take if he does not, in fact, want to be seen as what the opposition calls him: a 'dictator.' There is still time for Bolivia's president to step back from the brink."

Wall Street Journal.

"Bonfire Of The Philanthropists." In en editorial, the Wall Street Journal (10/24, Subscription Publication, 7.57M) that liberal activists are stigmatizing and banishing rich philanthropists who support America's great cultural institutions. The Journal says many philanthropists are only being targeted because they are rich.

"Mayor Pete's Supreme Pivot." In an editorial, the Wall Street Journal (10/24, Subscription Publication, 7.57M) says presidential candidate Pete Buttigieg was pushed into prominence in part through his proposal to pack the Supreme Court in order to move a progressive agenda forward. However, recently Buttigieg has been sounding a more moderate tone, citing Justice Anthony Kennedy and Justice David Souter as examples of additions who could depoliticize the court. The Journal concludes that he should clarify what he means by Supreme Court reform.

"Trump's Gift To California." In an editorial, the Wall Street Journal (10/24, Subscription Publication, 7.57M) says the Trump Administration has revised the smelt and salmon biological opinions in a way that will allow pumping of groundwater to be adjusted in California. The Journal says environmentalists are angered but the move will benefit rural communities in the state.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Amazon's Profit Hurt By Push To Speed Up Shipping
California Blackouts Force Businesses To Tally Their Losses
The Fall Of WeWork: How A Startup Darling Came Unglued
She's The Face Of The 2024 Paris Olympics, And France Is Aflutter
UK Prime Minister Boris Johnson Calls For Election On Dec. 12

New York Times:

Justice Dept. Is Said To Open Criminal Inquiry Into Its Own Russia Investigation
The Cost Of Trump's Aid Freeze In The Trenches Of Ukraine's War
A Forecast For A Warming World: Learn To Live With Fire
Making Capitol History, Cummings Is Remembered As A 'Master Of The House'
The Student Vote Is Surging. So Are Efforts To Supress It.
Officials Called It A Heart Attack. Inmates Saw A Bloody Beating.

Washington Post:

British Police Suspect Trafficking In Deaths Of 39
Facing Sexism, A Young Professor In Houston Found Her Voice
To Host A World Series Again, It Took A Team Of The Evicted
Miller To Step Down As Leader Of Md. Senate
Ukraine Trade Fix Blocked In August

Financial Times:

Spain Exhumes Franco's Body, Ending Long Legal Battle
Pence Singles Out Nike In Speech Critical Of China
Will Johnson's Brexit Deal Lead To United Ireland?
Short-Sellers Sink Teeth Into Beyond Meat

Washington Times:

'Paroled' Dreamers Exploit Obama Loophole On Path To Citizenship
'We're At This Peak Moment': Rising Pro-Life Movement Fights To Expand Gains Under Trump
Cristina Fernandez Seen Pulling The Strings As Peronists Poised For Remarkable Rebound
'No Safe Spaces': Adam Carolla, Dennis Prager Tackle Erosion Of Free Speech At Colleges
Trump Praises GOP For Fighting Back On Impeachment
World Series Mania Takes DC By Storm

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Story Lineup From Last Night's Network News:

ABC: California-Wildfires; Weather Report; South Carolina-Children Found Locked In House; California-Unarmed Teen Shot;

Congresswoman Katie Hill-Allegations; Impeachment; Chechnya-LGBTQ Rights; Rep. Elijah Cummings-Lies In State; Virginia-FBI Searching For Missing Girl; South Carolina-Deputy Struck By Distracted Driver; Christmas Sales; Jimmy Carter-Recovering; Texas-5th Grader Gives Great Pep Talks.
CBS: California-Wildfires; Impeachment; Joe Biden-'60 Minutes'; Syria; Rep. Elijah Cummings-Lies In State; Law Enforcement's Handling Of Rape Cases; Education Official Resigns; MLB-Astros Fire Assistant Manager; Phoenix-Drunk Driver Runs Red Light; Coworkers & Illnesses; Siberia-Saving Snow Leopards.
NBC: California-Wildfires; Weather Report; MLB-Astros Fire Assistant Manager; Impeachment; Rep. Elijah Cummings-Lies In State; Syria; TikToc App-National Security Threat; Johnson & Johnson-Baby Powder Recall; Education Official Resigns; Florida-Kayaker Rescues Elderly Woman Trapped In Car; Jimmy Carter-Recovering; Phoenix-Drunk Driver Runs Red Light; Christmas Sales; Massachusetts-Firefighter Saves American Flag From Burning House.

Network TV At A Glance:
California-Wildfires – 7 minutes, 50 seconds
Impeachment – 6 minutes, 10 seconds
Rep. Elijah Cummings-Lies In State- 1 minute, 50 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: California-Wildfires; Russia Probe-Criminal Investigation; Impeachment; Chicago-Teacher Strike.
CBS: California-Wildfires; PG&E Shutoffs; Impeachment; Russia Probe-Criminal Investigation; Jimmy Carter-Recovering.
FOX: California-Wildfires; Russia Probe-Criminal Investigation; Alabama-Charges Filed In Kidnapping & Murder Of 3-Year-Old.
NPR: California-Wildfires; Impeachment; Migrant Families Separated At Border Numbers; Decline In Home Sales.

Last Laughs

Late Night Political Humor.

Conan O'Brien: "The presidential race is still rolling along. You know, things are actually – the field has narrowed a little bit. Yeah. Ohio Congressman Tim Ryan has dropped out of the presidential race. Yeah, in a related story, Tim Ryan was apparently in the presidential race."

Conan O'Brien: "Mike Pence ripped into the NBA for acting like a subsidiary of China. The spokesperson of the league said China is nothing like the NBA. They have a one-child policy."

Stephen Colbert: "Late today, we learned that 'Trump will be attending the World Series on Sunday.' Of course, keep in mind, we don't know for sure if it will last that long – Trump's presidency, I mean."

Stephen Colbert: "Yesterday, the President gave a speech at an energy convention in Pennsylvania and focused on the technology of the future: 'Wall.' ... That's right, a border wall in Colorado. Once they're done with that, they're building a naval base in Idaho."

Stephen Colbert: "Trump wishes the Democrats were kidding about impeachment, because it's not easy for Republicans to defend Trump these days. We have the transcript of the phone call where Trump pressures Ukraine to investigate Biden. Then Trump admitted it on camera. Then Mulvaney admitted to quid pro quo on camera. So, left with nothing else, yesterday, House Republicans stormed the impeachment hearings. That is a large herd of white men. By the way, a herd of white men is called 'a J. Crew.'"

Stephen Colbert: [On Florida Rep. Matt Gaetz saying he loved Trump and 'might never love another President again'] "Wow, that's quite a love story. They're like Romeo and Juliet, except everyone else wants to kill themselves."

Stephen Colbert: "But even the Republican sham argument that the whole thing's a sham might be about to crumble, because House Democrats plan to make the impeachment probe public as soon as mid-November. Just in time to ruin Thanksgiving. 'Can you pass the Turkey?' 'Trump was right about Turkey! And Ukraine! Witch hunt! You want gravy with your Honey Baked Scam?'"

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Stephen Colbert: "I think I know which Turkey Trump is going to pardon this year."

Stephen Colbert: "Giuliani is being investigated for some shady business dealings in Ukraine, and as a result, we've just learned that Giuliani is looking for a defense attorney. Rudy, if you're looking for a good one, don't look in a mirror."

Stephen Colbert: "Good news for everybody out there who's so high they can't remember the beginning of this sentence. Because, earlier today, presidential candidate Bernie Sanders unveiled his plan to legalize marijuana! That's right. 'Bernie' and 'marijuana,' two of the easiest cheer-lines in show business. In honor of his new policy, Bernie also unveiled his new slogan: 'Feel the Bern, and hold it in until you start coughing.'"

Stephen Colbert: "Fittingly, Bernie's proposal dropped at precisely 4:20 p.m."

Jimmy Fallon: "Hey, before we get started, I just want to give a special shout-out to all of our viewers watching from the Colorado/Mexico border."

Jimmy Fallon: "You hear about this? During a speech in Pittsburgh yesterday, President Trump said that he's building sections of the border wall, but I think he got confused exactly where our border is. ... By the time Trump is done building all these walls, the country's going to look like 50 giant cubicles."

Jimmy Fallon: "Then Trump announced our Coast Guard would be patrolling the ports of Nebraska. So that's good."

Jimmy Fallon: "But Trump addressed his comments in a tweet and said, 'Kiddingly, we're building a wall in Colorado then stated, we're not building a wall in Kansas, but they get the benefit of the wall we're building on the border referred to people in the very packed auditorium from Colorado and Kansas getting the benefit of the border wall.' Well, that clears it up. There you go. Forget immigrants, I think we need to deport Trump's English teacher."

Jimmy Fallon: "Meanwhile, today at the White House, Trump participated in a ceremony in honor of the Hindu holiday, Dawali. Things got off to a rough start when Trump told everyone, 'We're going to build Dawali in Colorado.'"

Jimmy Fallon: "Some 2020 news: Pete Buttigieg said that he used marijuana a handful of times, and it was back when he was still growing up. Still growing up? The guy is barely old enough to see the 'Joker' movie on his own."

James Corden: "President Trump gave an update on his ongoing border wall project. Speaking at a conference in Pennsylvania yesterday, he shared some interesting news about the location of the wall. ... I can't get over the fact that Trump doesn't know where Colorado is. It does not share a border with Mexico. Trump wants to build a wall in Colorado. Even worse, he's going to make New Mexico pay for it."

James Corden: "I've got to say, here is what I will say: It is about time. I am sick of all these people from Colorado stealing our jobs. Colorado has legal weed, delicious craft breweries, some of the best skiing in the country. This will be the first time Americans are trying to get over that wall into Colorado."

James Corden: "We have some impeachment news. Senate Republicans are now attempting to push back against the House inquiry. They're criticizing the process for being, quote, 'closed door' and 'illegitimate.' And I agree. Let's open the door and legitimately impeach him once and for all. Closed door, open door."

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James Corden: "Now as you know, Donald Trump repeatedly referred to the impeachment inquiry as a witch-hunt. The Trump campaign just announced that will it will host an actual Halloween witch-hunt theme party later this month. There will be costumes, candy and prominent members of the Trump campaign. Wow. It sounds like fun. It's a Trump campaign Halloween party. So instead of candy, they should just be handing out subpoenas. 'One for you. One for-- hey, just one each, guys, one subpoena for everybody.'"

Seth Meyers: "Congressman Tim Ryan announced this afternoon that he is dropping out of the presidential race, an announcement that sent shock waves through the rest of the elevator."

Seth Meyers: "Sen. Amy Klobuchar has released a new campaign ad calling President Trump a, quote, 'whiner in the White House,' and Trump will have a great comeback as soon as he finds something that rhymes with 'Klobuchar.'"

Seth Meyers: "According to new survey, 99 percent of white evangelicals oppose impeaching President Trump. 'Jesus,' said Jesus. 'What does this guy got to do?'"

Seth Meyers: "Mayor Pete Buttigieg yesterday toured a legal marijuana dispensary in Las Vegas, which was exciting for Buttigieg because that means his fake ID worked."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — delivers remarks at the 2019 Second Step Presidential Justice Forum.
- Vice President Pence — participates in the ceremonial swearing-in of the Director of the Office of Foreign Missions.

***US Senate*:**

• Senate Natural Resources subcommittee field roundtable on state management of public lands in Utah – Senate Committee on Energy and Natural Resources Public Lands, Forests, and Mining Subcommittee field roundtable 'To examine successes in state management of state and federal public lands in Utah', featuring Republican Reps. John Curtis, Rob Bishop, Paul Gosar, and Jim Baird, Grand County, UT, Council Member Curtis Wells, Utah State Rep. Carl Albrecht, and State Forester Brian Cottam, Utah School and Institutional Trust Lands Administration Director David Ure, and Utah Public Lands Policy Coordination Office Director Kathleen Clarke

Location: Grand Center Senior Citizens Center, 182 N 500 W, Moab, UT; 3:00 PM

***US House*:**

• House Technology subcommittee field hearing on smart mobility – Research and Technology Subcommittee field hearing on 'Smart Mobility: It's a Community Issue', with testimony from Oakland County Executive David Coulter; Smart Cities Lab Executive Director Mark Dowd; Carnegie Mellon University Professor of Electrical and Computer Engineering Dr Raj Rajkumar; Wayne State University College of Engineering Assistant Professor of Civil and Environmental Engineering Dr Tierra Bills; and Robert Bosch Technical Expert and Manager of Public/Private Partnerships Scott Averitt

Location: Livonia City Hall, 33000 Civic Center Dr, Livonia, MI; 10:00 AM

• No votes scheduled in the House of Representatives

***Cabinet Officers*:**

• VA Secretary Wilkie delivers lecture at Heritage Foundation – Heritage Foundation and Jesse Helms Center Foundation co-host Eighth Annual Helms Lecture: Secretary of Veterans Affairs Robert Wilkie on 'Honoring America's Veterans Through Improved Care and Services'

Location: Heritage Foundation, 214 Massachusetts Ave NE, Washington, DC; 2:00 PM

***Visitors*:**

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- No visitors announced

***This Town*:**

- Funeral of late Dem Rep. Elijah Cummings – Wake (8:00 AM EDT) and funeral (10:00 AM EDT) of late Democratic Rep. Elijah Cummings, who died 17 Oct, age 68, after a 'long period of ill health'. Eulogy delivered by church's pastor Bishop Walter Thomas Jr. Other speakers include former Presidents Bill Clinton and Barack Obama, former Secretary of State Hillary Clinton, House Speaker Nancy Pelosi, and former NAACP President/CEO Kweisi Mfume

Location: New Psalmist Baptist Church, 6020 Marian Dr, Baltimore, MD; 8:00 AM

- Department of Energy Biological and Environmental Research Advisory Committee meeting concludes

Location: Canopy by Hilton Washington DC Bethesda North, 940 Rose Avenue, North Bethesda, MD; 8:30 AM

- Dietary Guidelines Advisory Committee meeting concludes – 2020 Dietary Guidelines Advisory Committee third meeting concludes, hosted by the U.S. Department of Agriculture in coordination with the Department of Health and Human Services

Location: U.S. Department of Agriculture, 1400 Independence Ave SW, Washington, DC; 9:00 AM

- Federal Communications Commission monthly open meeting

Location: Federal Communications Commission, 445 12th Street Southwest, Washington, DC; 10:30 AM

- Washington FPC briefing on international religious freedom – Washington Foreign Press Center On-The-Record Briefing on 'The State of Religious Freedom around the Globe', with U.S. Ambassador-at-Large for International Religious Freedom Amb. Sam Brownback discussing 'the significance of the 1998 International Religious Freedom Act' and current challenges to religious freedom

Location: National Press Building, 529 14th St NW, Washington, DC; 11:00 AM

- The Meridian Ball – The 51st annual Meridian Ball – bringing together diplomatic, govt and private sector leaders to celebrate Meridian International Center's ongoing efforts to advance nonpartisan diplomacy and strengthen engagement between the U.S. and the world

Location: Meridian International Center, 1630 Crescent Pl NW, Washington, DC; 9:00 PM

- Military Reporters & Editors Conference – 2019 Military Reporters & Editors Conference, with featured speakers including MRE President John Donnelly, U.S. Under Secretary of the Navy Thomas Modly, Vice Chief of Naval Operations Adm. Robert Burke, Army Secretary Ryan McCarthy, and Republican Rep. Rob Wittman

Location: Navy League-Us National Headquarters, 2300 Wilson Blvd, Arlington, VA

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TO: THE SECRETARY AND SENIOR STAFF
DATE: WEDNESDAY, OCTOBER 23, 2019 6:00 AM EDT

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• Trump Reportedly Considering Mnuchin, Conway To Replace Mulvaney As WH Chief Of Staff.
• Former Aide Says Mattis Felt "Iced Out" By Trump.
• Mnuchin To Host G7 Finance Ministers' 2020 Meeting In Philadelphia.
• Investors Slow To Take Advantage Of Opportunity-Zone Tax Break.
• House Passes Bill Requiring Disclosure Of True Owners.
• Senate Democrats Force Vote To Overturn Trump Tax Rule.
• Buchanan: Trump's Two New Executive Orders Will Hold Bureaucracy Accountable, "Shape Up" Treasury.

Leading National News

• Trump Draws Rebukes After Comparing Impeachment Process To A "Lynching."
• Durham Probe Now Includes Brennan, Clapper, Strzok, Steele.
• Pence: "No Historical Basis" For Democrats' Impeachment Inquiry.
• Trump, Pence Praise House Republicans For Voting To Censure Schiff.
• WTimes: Senate Republicans "Refusing To Abandon" Trump.
• WTimes Analysis: Pelosi, Democrats Have Approved More Subpoenas Than Laws.
• Bannon To Host Radio Show On Impeachment.
• Media Analyses: Taylor Testimony Undercuts Trump's Claim There Was No Quid Pro Quo With Ukraine.
• Reuters/Ipsos Poll: Support For Impeachment Surged Among Independents.
• Hungary Denies Orban "Soured" Trump On Ukraine.
• Intel Experts Say Russia Could Use Gabbard Campaign To Interfere In Election Without Her Help.
• Biggs: Trump Justified In Keeping Officials From Testifying In Schiff's Secret Hearings.
• Law School Teachers Say Trump Can't Assert Executive Privilege Over Diplomatic Communications.
• Former Russian Official: Impeaching Trump Will Show World "Moral Principles Still Matter."
• Pence: Cease-Fire In Syria Holding, US Looking For "Safe Zone."
• Trump Authorizes $4.5 Million In Aid To Syria's "White Helmets."
• Media Analyses: Putin Steps Into Syrian Power Vacuum Caused By US Withdrawal.
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• Anonymous Anti-Trump Administration Official Has Book Coming Out.
• Esper Recuses Himself From Decision On JEDI Contract.
• WPost Analysis: "Industry Veterans Dominate Trump's Inaugural PCAST."
• Sources: White House Trade Adviser Shaw To Leave Post Friday.
• STAT Analysis: Ex-Pharma Lobbyist Defies Expectations After Joining Trump's White House.
• Nielsen Says She Left DHS Post Because "Saying No" Wasn't Enough.
• Trump, Pence Urge Pelosi To Schedule Vote On USMCA.
• Warner: Trump Has Right Idea Confronting China.
• US Companies Increase Borrowing For Capital Investments As Confidence Index Declines.
• Trump Touts White House Opportunity Zone In South Carolina.
• Workers From Closed GM Factories To Urge UAW Members To Oppose Agreement.
• Difficulties Seeking Employment For Military Spouses Seen As Threat To Retention.
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• Facebook Spent $12.3 Million In First Nine Months Of 2019 Lobbying Federal Government.
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• Ninth Circuit Blocks Religious Exemption To Obamacare Birth Control Mandate.
• Progressives Unhappy With Pelosi's Prescription Drug Bill.
• Group Says Warren Will Need Middle Class Tax Hike To Pay For Health Plan.

Americans for Prosperity

• Drop In Children In Medicaid, CHIP Programs Prompts Multiple Interpretations.
• FreedomWorks Cites Healthcare Issues For Record Lobbying Spending.
• Up To One-Third Of Emergency Medical Services In Rural Areas In Danger Of Closing.
• House Committee Releases Documents Regarding ED's Granting Loans To Students At Ineligible Schools.
• Seattle Public Schools To Incorporate Ethnic Studies Into Math.
• Grand Jury Adds Conspiracy Charge In College Admissions Case.
• Second Circuit To Hear Trump Suit To Block Vance Subpoena For His Tax Returns Today.
• Trump Organization Removes Trump Name From New York Ice Rinks.
• Omar Denounces North Dakota Lawmaker For Debunked Photo Purporting She's A Terrorist.
• White House Won't Renew NYTimes, WPost Subscriptions.
• Ivanka Trump Discusses Paid Family Leave With Reddit Co-Founder At White House.
• Donor To Democrats, Trump Inauguration To Plead Guilty In Lobbying Scheme.
• Memoir By Spiritual Adviser To Trump Draws Praise, Criticism From Evangelicals.
• USDA IG Launches Probe Of Department's Handling Of Climate Science.
• Administration Moves To Weaken Protections For Delta Smelt.
• Zogby Poll: Trump Tied With Warren, Leads Other Democratic Contenders.
• Hill/HarrisX Poll: Biden 27%; Warren 19%; Sanders 14%; Buttigieg 6%; Harris 5%.
• Emerson Poll: Biden 27%; Sanders 25%; Warren 21%; Buttigieg 6%; Harris 5%.
• NYTimes, WPost Analyses: Democrats Fret Over Primary Field's Ability To Defeat Trump.
• Breitbart: Hillary Clinton Post Of Beyoncé Quote Sparks Talk Of 2020 Bid.
• For Some Black South Carolina Voters In Buttigieg Focus Groups, His Being Gay "A Barrier."
• Ocasio-Cortez Backs Democratic Rep. Cuellar's Liberal Primary Challenger.
• Embattled GOP Texas House Speaker Bonnen Won't Seek Reelection.
• FEC's Hunter Faults Chair, Urges Naming New Slate Of Commissioners.
• WPost Analysis: High Court's Gerrymandering Rulings Resulting In Tougher Abortion Laws.
• Tapper Suggests Hawley Is An Anti-Semite.
• Freshman Hill Denies Relationship With Aide, Blames "Abusive Husband."
• WPost's Hesse: Strange That Romney Used Secret Twitter Account.
• Carter Fractures Pelvis In Fall.
• WSJournal: California Gas Prices Are Higher Because Of State Policies.
• RCP Average Has Trump's Job Approval At 42.4%.

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• World's Top Economists Say Trump's Trade War Hurting Global Growth.
• Lebanon's Banks Remain Closed As Crisis Rages.
• IMF Issues Warning About Rising Inequality Among Nations' Regions.
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• UK Police To Travel To US To Interview Diplomat's Wife Involved In Fatal Crash.
• Bipartisan Supporters Of Hong Kong Legislation Want Senate Vote This Week.
• Reuters Analysis: Gantz Has "No Clear Path" To Assembling Coalition Israeli Government.
• Catalan President Hopes November Election Will Boost Independence Drive.
• Media Analyses: Trudeau Will Have To Rely On Progressive NDP To Govern.
• US, OAS Raise Concerns About Vote Counting In Bolivia's Presidential Election.
• NYTimes Calls On Chile To Spread Wealth More Evenly.

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• Calabria Open To Wiping Out GSE Shareholders If Necessary; Mnuchin Leaves Receivership On The Table.
• GSE Credit Quality Improved In Q3.
• JPM Sponsors Its First Synthetic CRT Transaction Since The Financial Crisis.
• Hunt Provides $6M Freddie Mac SBL Financing For Aurora, CO Apartment Refi.
• Housing Finance Industry Backs Proposed Change To FDIC Disclosure Requirement; Some Investors Oppose The Move.
• Veterans Affairs Department Reportedly Taking Lenders To Task Over Potential IRRRL Abuses.
• CFPB Mortgage Complaints Declined In Q3.
• HUD Secretary: HECM Program's Changes Have Been Beneficial, But More Reforms Are Needed.
• CUNA, FASB Announce December 19 Webinar Regarding CECL Implementation.
• NAR: Existing-Home Sales Fell In September, Missing Expectations.
• With Mortgage Rates Low, Pulte Boosts Its Annual Home Sales Forecast.
• Redfin: Buyers And Sellers Feel They Have Been Hurt By Home Price Gains.
• Facebook Pledges $1B To Create Affordable Housing In California.
• Companies Pushed To Prepare For SOFR And Other Benchmarks As Libor's Demise Approaches.
• Analysis: Housing Market Continues "Humming Along."

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• 10-Year Yield Falls.
• Dollar Holds Onto Gains.
• Gold Edges Higher.
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• FBI Asks For Public's Help In Curbing Internet Crime.
• NSA Reports Russia-Linked Group Likely Used Iranian Hacking Tools.

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• Democrats Offer Cybersecurity Bill For "Internet Of Things."
• Facebook Ramps Up Cybersecurity Protections For Elected Officials.
• UK Cyber-Centre Targets Payment Card Fraud.
• EU Draft Report Says Swift Roll-Out Of 5G Is Key To Competitiveness.
• China Intensifies Hacking To Track Its Minorities.
• Iranian Hackers Breached Computers Of US Satellite Industry.
TFI/Sanctions
• OFAC Determines Russian Gas Company's Tankers Not Under Sanctions.
Federal Reserve
• Wall Street Grows Anxious Over Fed's Repo Market Actions.
Office of the Comptroller of the Currency
• Judge Finds OCC Unable To Issue Fintech Charter.
• Waters, Brown Condemn Volcker Revisions.
• US Bank Cuts Thousand Of Branch Jobs.
• Chase Adds To Retail Team Ahead Of First Pittsburgh Branch's Opening.
• Wells Fargo's Scharf Says Regulatory Issues Are Top Priority.
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Treasury in the News

Warren Sends Letter To Mnuchin On Repo Market Turmoil.

Bloomberg (10/22, Barrett, Harris, 4.73M) reports Sen. Elizabeth Warren (D-MA) on Friday "sent a letter to the Treasury" in which she warned Treasury Secretary Steven Mnuchin "not to use the incident as a rationale for weakening post-financial crisis regulations." Warren "sought Mnuchin's views on what triggered the spike in rates for repurchase agreements and expressed concern about potential costs to businesses and consumers if strains persist." Warren "also set herself up for another fight with Wall Street, citing a Reuters article (9/18, Johnson, Henry) reporting that large banks were using the repo-market chaos to pressure the Federal Reserve to weaken liquidity rules 'they have long despised,'" and "said she's concerned the Financial Stability Oversight Council, whose chair is Mnuchin, might support those efforts."

CNBC (10/22, Cox, 3.62M) reports on its website that Warren, in the letter, said "These rules were designed to ensure that banks have enough cash on hand to meet their obligations in the event of another market crash." She added, "Banks are reporting profits at record, levels, and it would be painfully ironic if unexplained chaos in a small corner of the banking market became an excuse to further loosen rules that protect the economy from these types of risks." Warren said she does "not question the actions of the New York Fed, but I write to seek clarity on why they were necessary, and the implications of the cause of the spikes." The report says Warren wants answers to these questions by November 1.

American Banker (10/22, Subscription Publication, 31K), MarketWatch (10/22, Robb, 1.67M), Business Insider (10/22, Winck, 3.67M), and Breitbart (10/22, 673K) also report on this story.

Mnuchin: Facebook's Plans To Launch Libra Cryptocurrency In 2020 "Premature."

Reuters (10/22, Schroeder) reports Treasury Secretary Steven Mnuchin "said Tuesday that he has told Facebook that its efforts to launch a cryptocurrency, Libra, by mid-2020 are 'premature.'" Mnuchin, in testimony given to the House Financial Services Committee, "said the project still faces several 'fundamental issues' that must be addressed before any launch, including how it would prevent money laundering and other illicit activity." American Banker (10/22, Adler, Subscription Publication, 31K) also reports this story.

In a Bloomberg TV [illegible] (10/22, 4.73M) segment, Bloomberg Technology's Kurt Wagner said Mnuchin's characterization "is not a shock to me," given that "one of the biggest questions we have had all along which is who is actually going to regulate this thing? Who is ultimately going to be in charge when Libra exists and people are converting their US dollar or their euros into libra?" Wagner said that "until we figure out who is going to make those rules, it is going to be more of the same."

Zuckerberg: Libra Will Extend America's "Financial Leadership." AFP (10/22, Lever) reports Facebook CEO Mark Zuckerberg will deliver prepared remarks to Congress on Wednesday, which were released a day early. Zuckerberg, in the remarks, said, "Facebook's proposed digital coin Libra would 'extend America's financial leadership' while helping cash-strapped people around the world." Zuckerberg also said, "While we debate these issues, the rest of the world isn't waiting. China is moving quickly to launch similar ideas in the coming months." He added, "Libra will be backed mostly by dollars and I believe it will extend America's financial leadership as well as our democratic values and oversight around the world. If America doesn't innovate, our financial leadership is not guaranteed." Barron's (10/22,

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Walsh, 1.07M) and American Banker (10/22, Haggerty, Subscription Publication, 31K) also report.

Mnuchin, Kushner To Attend "Davos In The Desert."

The New York Times (10/22, Rappeport, Haberman, 18.61M) reports that Treasury Secretary Mnuchin and White House senior adviser Jared Kushner "will attend a high-profile investment conference in Saudi Arabia next week, a year after the United States shunned the gathering amid backlash surrounding the killing of a dissident Saudi journalist." Other who will attend include "Brian H. Hook, the State Department's special envoy overseeing Iran policy and Avi Berkowitz, an aide to Mr. Kushner." The Times says Mnuchin "did not attend last year's conference," but "still traveled to Riyadh and met with" Crown Prince Mohammed Bin Salman. Reuters (10/22, Gardner, Timmons) Bloomberg (10/22, Jacobs, Wadhams, 4.73M), The Hill (10/22, Samuels, 2.98M), and Business Insider (10/22, Bostock, 3.67M) also report on this story.

Trump Reportedly Considering Mnuchin, Conway To Replace Mulvaney As WH Chief Of Staff.

Bloomberg (10/22, Mohsin, Jacobs, 4.73M) reports President Trump "has for weeks been privately testing the idea of replacing his chief of staff, Mick Mulvaney, who's swiftly fallen out of favor with some of the president's allies after high-profile stumbles handling the House impeachment inquiry." The report says Trump, "about a month ago...said to Treasury Secretary Steven Mnuchin in front of a roomful of staff: You have such great ideas, why don't you be my chief?"

The Daily Beast (10/22, Arciga, 1.39M) reports Trump "reportedly made similar remarks about Deputy Chief of Staff Chris Liddell." However, "One official also said Mnuchin is not under formal consideration for the role, as his departure from the department could disturb markets, and investors consider him to be a pillar of stability in the administration." The Hill (10/22, Coleman, 2.98M) also reports on this story.

Former Aide Says Mattis Felt "Iced Out" By Trump.

Politico (10/22, Bender, 4.29M) reports former Defense Secretary Jim Mattis, "'iced out' and blindsided by presidential decisions he disagreed with, grew increasingly wary of President Donald Trump's leadership, even losing his cool in private meetings and plotting to quit nearly half a year before he finally resigned, according to a new book by a close aide," Guy Snodgrass. The book will tell of a "meeting Mattis hosted with Trump's refashioned team in May 2018, including" National Security Advisor John "Bolton, Secretary of State Mike Pompeo and new economic adviser Larry Kudlow" that "uncovered the growing rifts and Mattis' diminished role in the administration." The report adds that Treasury Secretary Steven Mnuchin was "also on hand" for a meeting at which Snodgrass, who was present, writes, "I watched as Pompeo, Mnuchin, and Bolton — peers within the administration — all cut Mattis off midsentence at various times."

Mnuchin To Host G7 Finance Ministers' 2020 Meeting In Philadelphia.

Behind a paywall, Bloomberg (10/22, Mohsin, 4.73M) reports Treasury Secretary Steven Mnuchin "will host the Group of Seven finance ministers' meeting in Philadelphia next year, according to people familiar with the matter."

Investors Slow To Take Advantage Of Opportunity-Zone Tax Break.

The Wall Street Journal (10/22, Simon, Grant, Subscription Publication, 7.57M) reports the tax break for "opportunity zones" in the 2017 federal tax bill that were intended to spark economic development in distressed communities have gone under-utilized compared to the heady expectations for the program. Treasury Secretary Steven Mnuchin last fall had predicted that private capital investors would bring over $100 billion to these zones.

House Passes Bill Requiring Disclosure Of True Owners.

The Wall Street Journal (10/22, Parker, Subscription Publication, 7.57M) reports the US House of Representatives on Tuesday passed a bill, the Corporate Transparency Act, that would require shell companies to disclose their true owners. Under the bill, most types of companies would have to disclose their true owners to the Treasury Department's Financial Crimes Enforcement Network (FinCEN).

The Hill (10/22, Jagoda, 2.98M) reports companies would "have to submit annual filings with FinCEN listing their current true owners and any changes to ownership," and there "would be penalties for people who intentionally submit fraudulent or incomplete information." The disclosure requirement do not apply to companies with "more than 20 employees and $5 million in gross receipts because these companies are less likely to be anonymous shell companies." The bill also makes "major updates to the Bank Secrecy Act for the first time since 2001."

Chertoff: Shell Companies Threaten National Security. In an op-ed for The Hill (10/22, 2.98M), former Homeland Security Secretary Michael Chertoff argues that America's "lax regulatory policies mean that the U.S. is unwittingly complicit in the spread of the corruption that is an important factor in the global decline of democracy." Chertoff says, "Anonymous companies have become the vehicle of choice for terrorists and other criminals to hide corrupt cash." He adds that passing the bill into law "would bolster the sanctity of our financial system and strengthen American security. It also would strengthen democracy by checking one of the techniques employed by autocracies such as Russia and Iran to expand their global reach."

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Hill: Don't Add To Small Business' Burdens. In a contrasting op-ed for The Hill (10/22, 2.98M), Rep. French Hill (R-AR) argues

that while the Corporate Transparency Act "has a laudable goal," it also "carries unintended consequences that could ultimately put innocent mom-and-pop business owners in jail." Hill writes that "there is a smarter path forward, reflected in my legislation that creates a better working solution for all parties involved." Hill's legislation "would direct the Treasury Department to create a new rule to tie beneficial ownership information collection to the regular, well-understood IRS tax filing regime."

Senate Democrats Force Vote To Overturn Trump Tax Rule.

NJ News (10/22, Salant, 1.72M) reports Senate Minority Leader Chuck Schumer "said Tuesday that he will force a vote to reject the Treasury Department ruling that basically prevented efforts to set up municipal charitable funds for homeowners to pay into in lieu of property taxes" and "severely limited any benefit to taxpayers for contributing to charitable funds." The IRS "had for years approved such charitable accounts to allow taxpayer subsidies for private and religious schools, but Trump administration officials, in an action the Treasury inspector general for tax administration called a departure from normal procedure, inserted themselves into the debate over municipal charitable funds."

Buchanan: Trump's Two New Executive Orders Will Hold Bureaucracy Accountable, "Shape Up" Treasury.

In an op-ed for The Hill (10/22, 2.98M), former Treasury Secretary Bay Buchanan writes that President Trump "signed two executive orders" that "will prohibit government bureaucrats from enforcing rules that aren't public" and "remove the teeth from guidance documents that haven't gone through the regulatory approval process, all while giving Americans power to ensure that unfair or incorrect guidance is withdrawn." Buchanan argues the "new accountability measures are long overdue," and that no agency "will benefit as much as the Treasury Department, which imposed more net costs than any other agency in Fiscal Year 2019."

Leading National News

Trump Draws Rebukes After Comparing Impeachment Process To A "Lynching."

President Trump tweeted yesterday, "So some day, if a Democrat becomes President and the Republicans win the House, even by a tiny margin, they can impeach the President, without due process or fairness or any legal rights. All Republicans must remember what they are witnessing here – a lynching. But we will WIN!" Trump's reference to "a lynching" generated widespread outrage, with biting criticism from minority lawmakers and even Republican allies of Trump. The story received extensive coverage, almost universally unfavorable. Encapsulating the tone of the reporting, Politico (10/22, Forgey, 4.29M) says that "the invocation of 'lynching' to characterize a process explicitly sanctioned by the Constitution marked a new, racially insensitive show of malice by the president toward lawmakers seeking to remove him from office."

All three major network newscasts devoted segments to the story. The CBS Evening News (10/22, story 2, 2:08, Jiang, 4.4M) reported "Trump has made many remarks considered racist by some" in the past, and that yesterday "Republican leaders could not defend...Trump's tweet." House Minority Leader Kevin McCarthy was shown saying, "That's not the language I would use." CBS also reported "a spokesman for the President tried to massage the message," and showed White House Deputy Press Secretary Hogan Gidley telling reporters, "What he's explaining clearly is the way he's been treated by the media since he announced for President." However, said CBS, "Trump made no mention of the media in his post." Reuters (10/22, Zengerle, Cowan) quotes Gidley as saying, "The president was clearly articulating the way he feels and the way you guys have treated him from day one." The Washington Examiner (10/22, Brest, 448K) points out Gidley also said, "What he was trying to point out, clearly, was that he has been attacked relentlessly by the mainstream media without cause, without evidence, since the day he took over in this office." NBC Nightly News (10/22, story 2, 1:45, Alexander, 6.35M) showed Gidley adding, "The President is not comparing what happened to him with one of our darkest moments in American history. ... People are upset about President Trump's words all of the time, but what you can't argue with are the results he has put forth for the African American community."

ABC World News Tonight (10/22, story 2, Muir, 6.89M) referred to "Trump igniting a new firestorm" with his "angry tweet," and added (Karl), "He's called it witch hunt, a coup, a fraud, and a scam," but on Tuesday he "used a new epithet...with violent racial overtones." Congressional Black Caucus Chair Karen Bass was shown saying, "Every time his back is against the wall, he throws out a racial bomb. But how dare he compare our constitutional obligation for oversight to a hate crime." Sen. Tim Scott (R-SC), "the Senate's only African-American Republican, said he didn't think the President's use of the term was racially charged," but he said, "I get his absolute rejection of the process. I wouldn't use the word lynching." Senate Majority Leader McConnell, meanwhile, was shown saying, "Given the history in our country, I would not compare this to a lynching. That was an unfortunate choice of words." Breitbart (10/22, Caplan, 673K) notes McConnell also said, "It is an unfair process. ... A better way to characterize it would be to call it an unfair process and inconsistent with the kinds of procedural safeguards that are routinely provided for people in this situation, either in court or in an impeachment process in our country."

NBC Nightly News (10/22, story 2, 1:45, Alexander, 6.35M) showed Rep. Sheila Jackson Lee (D-TX) saying, "It is very painful, and it is a distraction that America should not accept or tolerate," and Rep. James Clyburn (D-SC), the House Majority Whip, stating, "He compared the constitutional process to something like lynching is far beneath the Office of the President of the United States." USA Today (10/22, Jackson, 10.31M) notes Rep. Bobby Rush (D-IL) wrote on Twitter, "What the hell is wrong with you? Do you know how many people who look like me have been lynched, since the inception of this country, by people who look like you. Delete this tweet."

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The Dallas Morning News (10/22, Gillman, 946K) reports "Rep. Eddie Bernice Johnson, a Dallas Democrat who chairs the House science committee, said she was 'troubled' by Trump's comment," and "recalled the 1916 lynching in her hometown, Waco, in which a black field hand was lynched after the murder of a white farmer's wife. The incident known as the Waco Horror galvanized national sentiment to end such attacks." Said Johnson, "I lived in a city where one of the most famous lynching incidents in U.S. history happened. Mr. President, you're no victim. ... Stop trying to use this racist language to try to incite violence and distract the American people from the real truth."

To the Daily Beast (10/22, Obeidallah, 1.39M), Trump "took his embrace of victimhood to a new low Tuesday morning when he equated the House impeachment inquiry with a 'lynching' in a desperate plea to his base to defend him by attacking basic standards of decency." His choice of words "was stunning, but not surprising, coming from our bigoted conspiracist in chief." The AP (10/22, Superville) reports the President "triggered outrage" Tuesday, CQ Roll Call (10/22, Bennett, 154K) that he conjured "memories of racially motivated murders" and drew "an immediate bipartisan backlash," The Hill (10/22, Samuels, Chalfant, 2.98M) that it sparked "a wave of outrage," and the Washington Post (10/22, Itkowitz, 14.2M) that he "elicited immediate rebukes Tuesday from Democrats and several Republicans." Likewise, the New York Times (10/22, Sullivan, 18.61M) says "lynching" is "a remarkable term for the president to use to describe a legal process laid out in the Constitution." Trump "regularly uses his Twitter feed to make hyperbolic declarations, but he has not used the term 'lynching' in a tweet since 2015." Vanity Fair (10/22, Levin, 9.08M) reports the President's use of the term is "clearly an escalation" and "a deeply unfortunate one."

In an editorial, the Wall Street Journal (10/22, Subscription Publication, 7.57M) criticizes Trump's use of the term "lynching" as insensitive as well as counterproductive, in that it puts his defenders in the impeachment fight in a politically untenable position. Along those lines, CNN White House correspondent Kaitlan Collins said on CNN's The Lead (10/22, 926K) that Republicans are "frustrated with the President using this word because now they're having to defend that instead of attacking Democrats for what they say is an unfair impeachment inquiry."

Yahoo! News (10/22, Stableford, 12.82M) recalls that "in February, the Senate passed a bipartisan bill that would make lynching a federal crime." The Justice for Victims of Lynching Act, "which was led by African-American Sens. Kamala Harris and Tim Scott, has yet to be voted on in the House." The New York Post (10/22, Sheehy, 4.57M) reports, meanwhile, that "attempts over the years to compare the term to anything else have been swiftly met with vociferous protests, particularly from the nation's African American community." Supreme Court Justice Clarence Thomas, for example, "was criticized by some people for using the term in 1991 to describe his US Senate confirmation hearing at the time, when he was grilled about sexual misconduct allegations involving lawyer Anita Hill." Said Thomas, "From my standpoint as a black American, as far as I'm concerned, it is a high-tech lynching for uppity blacks who in any way deign to think for themselves, to do for themselves, to have different ideas, and it is a message that unless you kowtow to an old order, this is what will happen to you. ... You will be lynched, destroyed, caricatured by a committee of the US – US Senate – rather than hung from a tree."

Democrats, Including Biden, Referred To GOP Impeachment Of Clinton As A "Lynching." The Daily Caller (10/22, Olohan, 716K) reports "Democrats compared former President Bill Clinton's impeachment to lynching as they debated whether to impeach him in 1998." The DC adds, for example, that "Democratic Illinois Rep. Danny K. Davis condemned the impeachment trial as 'a lynching,' and former Democratic Rhode Island Rep. Patrick J. Kennedy called it 'a political lynching.' ... Former Democratic Michigan Rep. John Conyers Jr. said that he was seeing a 'Republican coup d'etat' – a phrase that Democratic Reps. Jerrold Nadler of New York and Maxine Waters of California both used as well."

On its website, the Washington Post (10/22, Rieger, 14.2M) similarly reports that by yesterday afternoon, "Trump allies were pointing out that variations of that word were invoked several times by House Democrats to describe the impeachment proceedings against...Clinton in 1998." The Post adds "at least five House Democrats talked about a 'lynching' or 'lynch mob' as pertaining to Clinton, according to a Fix review." Yesterday, Democratic Reps. Danny Davis (IL) and Gregory Meeks (NY) blasted Trump's use of the term, but in 1998 both of them "called the Clinton impeachment proceedings a 'lynching' on the House floor the day before the president was impeached." The Post also reports "then-Rep. Charles B. Rangel (D-NY) described what he called a 'lynch mob mentality, that says this man has to go' during a floor speech the same day."

Business Insider (10/23, Relman, 3.67M) reports that also yesterday, "former Vice President Joe Biden condemned...Trump's use of the term 'lynching' to describe the House's impeachment inquiry." However, he "used the same term back in 1998 to describe former...Clinton's impeachment," as shown by "newly-released video from CNN's Andrew Kaczynski and a transcript seen by Insider." Biden said in 1998, "History is going to question whether or not this was just a partisan lynching or whether or not it was something that in fact met the standard, the very high bar that was set by the founders as to what constituted an impeachable offense." The Insider adds "Biden's campaign did not respond immediately to a request for comment." The Washington Times (10/22, Morton, 492K), among other news outlets, also notes Biden's 1998 comments.

Graham: "This Is A Lynching." Amid bipartisan criticism of Trump's choice of words, at least one high-profile Republican came to the President's defense. ABC World News Tonight (10/22, story 2, Muir, 6.89M) showed Sen. Lindsey Graham (R-SC) saying, "This is a lynching, in every sense. This is un-American." NBC Nightly News (10/22, story 2, 1:45, Alexander, 6.35M) further showed Graham saying, "I've never seen a situation in my lifetime as a lawyer where somebody is accused of a major misconduct who cannot confront the accuser, call witnesses on their behalf, and have the discussion in the light of day so the public can judge." The AP (10/22, Superville) also reports that Graham "said Trump's description was 'pretty well accurate,'" and "called the impeachment effort a 'sham' and a 'joke' because the president does not know the identity of his accuser, and the process is playing out in private."

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The Hill (10/22, Bolton, 2.98M) notes Graham also said, "I think lynching is being seen as somebody taking the law in their own hands

and out to get somebody for no good reason." Asked whether "he could understand why African Americans would be offended by the comparison, Graham stood his ground," saying, "Yes, African Americans have [been] lynched. Other people have been lynched throughout history. What does lynching mean? That a mob grabs you, they don't give you a chance to defend yourself, they don't tell you what happened to you, they just destroy you. That's exactly what's happening in the United States House of Representatives right now."

USA Today (10/22, Cummings, 10.31M) reports "Jaime Harrison, an African American Democrat challenging Graham for his seat, has called on the GOP senator to learn more about the history of lynching in South Carolina by joining him as a new museum on African American history breaks ground." Harrison "wrote in a campaign email that Graham's comments were 'invoking our hate-filled past to defend...Trump.'"

Susan Rice: Graham "A Piece Of S[**]t." The Hill (10/22, Bowden, 2.98M) reports that "Susan Rice, who served as national security adviser during the Obama administration, referred to...Graham...as a 'piece of s[**]t' during the taping of an episode of the 'Pod Save the World' podcast this week." During a discussion of the Benghazi controversy, Rice said of Graham, "He's been a piece of s[**]t. ... He's a piece of s[**]t."

CBS Reports On 73-Year-Old Unsolved Lynching Case. The CBS Evening News (10/22, story 6, 2:42, O'Donnell, 4.4M) reported last night, "as a political firestorm rages over the President's use of the word 'lynching,' we look at a real lynching, unsolved after 73 years." CBS (Strassmann) added, "Infamy lingers 50 miles east of Atlanta, where this lonely country road leads to the Moores Ford Bridge. Civil Rights activist Tyrone Brooks showed us where the four lynching victims are buried. George Dorsey, a World War II veteran, and his wife, May. And Roger and Dorothy Malcolm. ... Georgia's governor at the time said 15-20 members of the mob members are known by name, but a grand jury indicted no one."

Durham Probe Now Includes Brennan, Clapper, Strzok, Steele.

The Washington Examiner (10/22, Dunleavy, 448K) reports that US Attorney John Durham's "secretive...inquiry into the Trump-Russia investigation's origins now includes former CIA Director John Brennan, former Director of National Intelligence James Clapper, former FBI special agent Peter Strzok, and British ex-spy Christopher Steele." While Durham "has taken overseas fact-finding trips," the Examiner says his "focus on the actions taken by specific individuals makes his mission look like it could transform into a criminal investigation." Brennan told NBC News that "he didn't know what the inquiry's legal basis was," and called Durham's actions "bizarre."

In a report on its website, Fox News (10/22, Re, 27.59M) cites "sources" who said that Durham's investigation "has expanded based on new evidence uncovered during a recent trip to Rome with Attorney General Bill Barr." According to the sources, Durham was "very interested" to question Brennan and Clapper , who Fox says, "were at the helm when the unverified and largely discredited Steele dossier...was used to justify a secret surveillance warrant against former Trump adviser Carter Page."

According to Politico (10/22, Bertrand, Lippman, 4.29M), President Trump's "obsession" with Brennan "could be on a collision course" with the probe as Barr "takes a more hands-on approach to examining the intelligence community's actions in 2016." Politico says Trump "has become 'obsessed' with Brennan, who frequently gets under the president's skin by publicly questioning his mental acuity and fitness for office, according to a former White House official." The official said "it was always, 'he's an idiot, he's a crook, we ought to investigate him.'"

Powell Provides "Insider's Narrative" Of Flynn Case. The Washington Times (10/22, Scarborough, 492K) reports that an "insider's narrative on the travails of retired Army Lt. Gen. Michael Flynn has been filed in federal court amid a battle over access to multiple pieces of evidence." According to the narrative, which Flynn's attorney Sidney Powell described in a letter to Attorney General Barr in June, says Flynn, who was "convicted of lying to the FBI, had to sell his home to pay legal bills." Prosecutors "threatened to go after his son and business partner, Michael Flynn Jr., unless he cooperated." Powell "accused the government of withholding exculpatory evidence that would show prosecutors violated U.S. District Judge Emmet Sullivan's order." In his response, Special Assistant US Attorney Brandon L. Van Grack "said the government owns no such exculpatory" material and accused Powell of advocating "conspiracy theories." In the reply, Grack "chose to include an attachment: the June 6 Powell letter to Mr. Barr."

Pence: "No Historical Basis" For Democrats' Impeachment Inquiry.

Vice President Pence said Fox News The Ingraham Angle (10/22), "It has been three years of endless investigations and a partisan attempt to overturn the results of the 2016 election. I think the American people have had enough." Pence added, "We are going to be out there telling the truth about this President's record and we are gong to be telling the truth about this partisan impeachment. There is no historical basis for what the Democrats in Congress are doing in this so-called impeachment inquiry."

Acosta: Trump Allies Telling Him He Is Likely To Be Impeached. White House correspondent Jim Acosta said on CNN's Situation Room (10/22, 971K), "The President's allies are telling him to accept the likelihood he'll be impeached as a new CNN poll finds 50 percent saying Mr. Trump should be thrown out of office – all part of a steady trend toward supporting impeachment."

Trump, Pence Praise House Republicans For Voting To Censure Schiff.

In a tweet Tuesday morning, President Trump praised House Republicans for their support on Monday evening's unsuccessful vote to censure House Intelligence Chairman Schiff. Trump wrote, "Thank you Republicans. 185 out of 185 present voted for 'US' last night. Really good!"

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Vice President Pence said on Fox News The Ingraham Angle (10/22), "I will tell you that the President and I were very encouraged to

see every single Republican yesterday vote against the motion to table a censure against Adam Schiff. I think in the days ahead, you're going to continue to see almost every Republican in Congress join the millions of Americans who want to see an end to these endless investigations. They want to call out this partisan investigation for what it is."

Stefanik Criticizes "Unprecedented" Limits On Access To Impeachment Inquiry Transcripts. CQ Roll Call (10/22, Tully-Mcmanus, 154K) reports that Rep. Elise Stefanik (R-NY), a member of the House Intelligence Committee, criticized "limitations on access to impeachment inquiry transcripts for committee members" as "unprecedented." According to Stefanik, members of the panel "were notified this week that the panels would print only one copy of a transcript for every member of Congress to view." She said, "And you would have to read it with a member of Democratic staff. That is unprecedented and unfair. ... Americans should know that their member of Congress has had no access to any of the transcripts."

WTimes: Senate Republicans "Refusing To Abandon" Trump.

The Washington Times (10/22, Lovelace, Howell, 492K) reports that GOP senators "are refusing to abandon" the President, "saying he might step over the line at times but it's no reason to toss him out of office if House Democrats follow through with impeachment." Their "reluctance to ditch the president...underscores the tall task facing Democratic impeachment hawks who want Mr. Trump removed from office before the 2020 election."

However, the Daily Caller (10/22, Caruso, Rodgers, 716K) reports that when it contacted all 53 Republican Senate offices Monday and Tuesday to ask if senators would rule out removing Trump from office, "most...refused to rule [it] out." Seven "explicitly rejected impeachment in their statement." The Daily Caller adds that "Senate Republicans do not appear to be concerned about House Democrats' ongoing efforts to impeach Trump, with many saying even if the House were to move forward with impeachment, that there is no way the Senate would vote to impeach the president."

Graham Resolution Would Condemn House Impeachment Inquiry. Sen. Lindsey Graham (R-SC) said on Fox News' Hannity (10/22, 535K) that he has offered a resolution to put the Senate "on record condemning the House for the future of the presidency. We cannot allow future presidents and this President to be impeached based on an inquiry in the House that's never been voted upon, that does not allow the President the witness against him, call witnesses on his behalf and cross-examine people who are accusing him of misdeeds. All I'm asking is give Donald Trump the same rights as Richard Nixon and Bill Clinton had when it comes to impeachment. I'm insisting that Donald Trump be given the same rights every American has if you're giving a parking ticket, to confront the witnesses against you, can't be based on hearsay, and here's the point of resolution. Any impeachment vote based on this process, to me, is illegitimate, is unconstitutional, and should be dismissed in Senate without a trial."

McConnell Denies Telling Trump Call With Zelensky Was "Innocent." The Washington Examiner (10/22, Ferrechio, 448K) reports that Senate Majority Leader McConnell "disputed" the President's claim earlier this month that he told him his call with Ukrainian President Volodymyr Zelensky was "the most innocent phone call" he had read. Asked about Trump's assertion on Tuesday, McConnell told reporters, "We've not had any conversations on that subject." Asked if Trump was lying, McConnell said, "You'll have to ask him. ... I don't recall any conversations with the president about that phone call."

WTimes Analysis: Pelosi, Democrats Have Approved More Subpoenas Than Laws.

The Washington Times (10/22, Dinan, Muñoz, 492K) reports in an analysis that "House Speaker Nancy Pelosi and her Democratic majority have approved more subpoenas to investigate President Trump than they have written laws." Tuesday's subpoena "to former Ambassador William Taylor marked the 56th that has been publicly acknowledged and aimed at Mr. Trump and his team. That is 10 more than the 46 House bills that have become law this year." While the number is "far from a subpoena record," it is "complicating Mrs. Pelosi's attempt to portray her troops as focused on their agenda."

Bannon To Host Radio Show On Impeachment.

Politico (10/22, Lippman, 4.29M) reports that President Trump's former chief strategist Steve Bannon "is starting a daily radio show and podcast about impeachment that will provide a platform for conservatives to share news and strategize." The show, called "War Room: Impeachment," will "air daily at 9 a.m. on six conservative talk radio stations in Virginia and Florida." Bannon "told POLITICO that the audience would be political operatives in Washington, as well as conservative grassroots activists across the country." Bannon added that "he will aim to break news and make the show an outlet for people to leak information related impeachment."

Media Analyses: Taylor Testimony Undercuts Trump's Claim There Was No Quid Pro Quo With Ukraine.

Media reports on the testimony of Bill Taylor, the top US diplomat in Ukraine, before the committees leading the House impeachment inquiry are almost universally negative. Taylor's testimony is described as "damaging" and "damning," as most reports say he directly contradicted claims from President Trump and Republicans that there was no quid pro quo of aid for Ukraine in exchange for an investigation of former Vice President Biden and his son, Hunter.

Nancy Cordes said in the lead story for the CBS Evening News (10/22, lead story, 3:31, O'Donnell, 4.4M) that Taylor described "in

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great detail...exactly the quid pro quo that the President had been denying," while NBC Nightly News (10/22, lead story, 1:37, Holt, 6.35M) reported in its lead story that Trump's "oft-repeated impeachment defense that there was no quid pro quo may have crumbled...under the weight" of Taylor's "explosive testimony." NBC (Alexander) added that the testimony "directly contradict[ed] the President's repeated claims there was no quid pro quo." David Muir said in the lead story for ABC World News Tonight (10/22, lead story, 3:49, Muir, 6.89M) that Democrats are calling it "the most damaging testimony yet in the impeachment inquiry." Muir added that "some Republicans [are] concerned tonight, too." In a separate story, NBC Nightly News (10/22, story 2, 1:45, Alexander, 6.35M) reported that "the White House said that Taylor's testimony was, quote, more triple hearsay and selective leaks."

Reuters (10/22, Zengerle, Landay) reports that Taylor "testified he was told by Gordon Sondland, the US envoy to the European Union, that Trump had made the release of the withheld aid contingent on Kiev making public declarations that it would investigate domestic political rival Joe Biden and his son Hunter Biden as well as an issue relating to the 2016 election." Reuters says Taylor told House investigators, "During that phone call, Ambassador Sondland told me that President Trump had told him that he wants President Zelenskiy to state publicly that Ukraine will investigate Burisma and alleged Ukrainian interference in the 2016 election." USA Today (10/22, Wu, Jansen, 10.31M) says Taylor "told the lawmakers that he was 'alarmed' by the linking of aid to investigations of Trump's Democratic rival." USA Today adds that Taylor "described two channels of diplomacy between the US and Ukraine, with him in the regular channel and the irregular channel guided by Trump's personal lawyer, Rudy Giuliani, which sought the investigation."

The Wall Street Journal (10/22, Ballhaus, Andrews, Hughes, Subscription Publication, 7.57M) reports that according to Taylor's testimony, while Trump told officials he was not seeking a quid pro quo, he essentially outlined a trade of US aid for the investigations. A New York Times (10/22, Baker, 18.61M) analysis says Taylor's testimony was "by far the most damning account yet to become public in the House impeachment inquiry," while a Washington Post (10/22, Balz, 14.2M) analysis says Taylor's testimony "directly contradicts the president." The Post adds, "If there is a contrary version of events, the president is now under pressure to present it."

Bloomberg (10/22, House, 4.73M) says Taylor's account "offers what may be the most damaging revelations so far on the events that have spawned a House impeachment investigation. It directly contradicts Trump's assertions that there was no 'quid pro quo' behind his July 25 phone conversation with Zelenskiy." Similarly, the Washington Post (10/22, Gearan, Wagner, 14.2M) says Taylor's recollections "undermined the repeated statements of the president and the depositions of other administration officials, with the potential to reset the House impeachment probe of Trump."

The AP (10/22, Mascaro) reports Taylor "provid[ed] lawmakers with a detailed new account of the quid pro quo central to the impeachment probe," and that "some Democrats" said the testimony "established a 'direct line' to the quid pro quo at the center of the impeachment probe." The New York Times (10/22, Shear, Fandos, 18.61M) reports that "by Democrats' account, Mr. Taylor's testimony provided the most extensive picture yet of the scope of the president's effort to pressure Ukraine and the players who were involved in the effort on Mr. Trump's behalf."

Citing "sources in the room for the testimony," Politico (10/22, Desiderio, Cheney, 4.29M) reports that Taylor "prompted sighs and gasps when he read a lengthy 15-page opening statement." Politico adds that Rep. Stephen Lynch (D-MA) "characterized the testimony as a 'sea change' that 'could accelerate' the impeachment inquiry." The Los Angeles Times (10/22, Haberkorn, Stokols, 4.64M) reports that Taylor "is now seen by many as a witness who could be invited to return to testify in a public setting."

Nunes, McCarthy Say Ratcliffe "Destroyed" Taylor. On the other hand, the Washington Examiner (10/22, Chaitin, 448K) reports that Rep. Devin Nunes, the top Republican on the House Intelligence Committee said on Fox News' Hannity that Rep. John Ratcliffe (R-TX) "destroyed" Taylor. Nunes "said leaks that led to headlines about how the diplomat said President Trump tied security aid for Ukraine to investigations into the Biden family are misleading." He said, "The truth is, in two minutes, John Ratcliffe destroyed this witness. There is no quid pro quo."

House Minority Leader McCarthy said on Fox News The Ingraham Angle (10/22), "Adam Schiff won't let us talk about what happened, but I am hearing...in 90 seconds, we have John Ratcliffe destroy Taylor's whole argument. We can't really talk about it, but what we are finding is just his questioning in 90 seconds refuted everything of what Adam Schiff leaves out there. There is no quid pro quo."

The New York Times (10/22, Shear, Fandos, 18.61M) also reports that Republicans "accused Democrats of exaggerating, but they declined to share details of the testimony." Rep. Mark Meadows (R-NC) said, "I don't know that any of us, if we are being intellectually honest, are hearing revelations that we were not aware of. ... The bottom line is no one has yet to make the case for why the aid was withheld or even if the Ukrainians knew about it."

On Fox News' Hannity (10/22, 535K), Sean Hannity decried the impeachment inquiry as a "Soviet-style impeachment coup attempt," as "an unprecedented, unconstitutional attempt to nullify the will of the American people. The whole process is more corrupt, lacking all due process, all constitutionality and constitutional protections. It is based on utter and complete nonsense, zero violation of any law by the President. All the President is really guilty of is faithfully executing the laws of this land and fulfilling his constitutional duty."

However, most commentary, is decidedly negative toward the President. For example, national security and legal analyst Susan Hennessey said on CNN's Situation Room (10/22, 997K), "What Bill Taylor is describing here and throughout this 15 pages of astonishing testimony, he is describing a quid pro quo." Hennessey added, "I think it is clearly a quid pro quo by the ordinary definition and yes, it is not just impeachable, it is something that the President of the United States should be both impeached, convicted, and removed. This is one of the most astonishing abuses of presidential authority we have ever seen."

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Dana Milbank writes in the Washington Post (10/22, 14.2M) that Taylor "delivered words that could end a presidency." Milbank adds that

ahead of Taylor's testimony, "Trump created a diversion," with a tweet in which he referred to the inquiry as a "lynching." While the "grotesque provocation...worked, for a bit," in the end, "no amount of distraction could counter what was happening" in the hearing. In an editorial, USA Today (10/22, 10.31M) calls Taylor's testimony "possibly [the] most significant breach" in the "wall of defiance" the White House has attempted to erect against the investigation.

Jake Tapper said on CNN's The Lead [illegible]. (10/22, 926K), "To the average American voter out there who is thinking if this is not impeachable or if this is accepted, let's put it that way, what does the United States look like in a future where it is okay for the President, or the chairman of the House Foreign Affairs Committee or the chairman of the Senate Foreign Relations Committee to use his power and taxpayer dollars policy to push foreign governments to do things like that. What does that look like?"

A Washington Post (10/22, 14.2M) editorial says Sen. Lindsey Graham (R-SC), "one of President Trump's most ardent defenders in the Ukraine affair," recently said that "if you could show me that, you know, Trump was actually engaging in a quid pro quo, outside the phone call, that would be very disturbing." The Post argues that as "a lawyer and former military prosecutor," Graham "surely can recognize this corrupt campaign for what it is. The question is whether he, and other Republicans, have the moral courage to do so."

Former USAID Officials Voice Support For State Officials Testifying In Impeachment Inquiry. The Washington Post (10/22, Morello, 14.2M) reports that more than 200 former USAID officials have signed a letter "in support of their State Department colleagues who have been called to testify before House investigators handling the impeachment inquiry of President Trump." The letter, which was released Tuesday, reads, "Together, we spent our careers working to represent the policies and values of the United States. ... We are angered at the treatment of dedicated, experienced, and wise public servants like Ambassador Marie Yovanovitch; and we are distraught at the dangers inherent in the President's cavalier (and quite possibly corrupt) approach to making foreign policy on impulse and personal interest rather than in response to national security concerns."

Reuters/Ipsos Poll: Support For Impeachment Surged Among Independents.

Reuters (10/23, Kahn) reports that a Reuters/Ipsos poll released on Tuesday found that support for impeaching the President "surged among political independents and rose by three percentage points overall since last week." According to the poll, "46% of Americans said they supported impeachment and 40% said they opposed it." While "support for impeachment was relatively steady among Republicans and Democrats over the past week," it "surged among independents." In the most recent poll, 45% of independents said "they supported impeachment and 32% said they opposed it, the strongest level of support recorded in more than a year. A little more than 1 in 3 independents had said they were in favor of impeachment in more than a dozen previous Reuters/Ipsos polls since June 2018."

Hungary Denies Orban "Soured" Trump On Ukraine.

The Washington Times (10/22, Boyer, 492K) reports Hungary has "rejected news reports" that Prime Minister Viktor Orban "denigrated Ukraine in conversations with President Trump, injecting the central European nation into the impeachment drama." Zoltan Kovacs, a spokesman for the government, said Orban did not "sour" Trump on Ukraine and called the allegations "preposterous." Said Kovacs, "This is how the fake news factory works."

US Ambassador's Closeness To Orban Draws Scrutiny. The New York Times (10/22, Apuzzo, Novak, 18.61M) reports that for "the annual Independence Day celebration at the United States Embassy in Budapest" this year US Ambassador David Cornstein "spent hundreds of thousands of dollars on a blowout gala for 800 guests," and "flew in the singer Paul Anka from California." The Times says the "guest of honor" was Prime Minister Viktor Orban, who the Times claims "has curtailed the very freedoms the event was meant to highlight." The Times says Cornstein called Orban "the perfect partner" and "a very, very strong and good leader." According to the Times, "For many in the room, it was a bewildering spectacle," but "it was just another demonstration of Mr. Cornstein's pattern of emboldening Mr. Orban." The Times says Cornstein has "assiduously courted Mr. Orban, giving the Hungarian leader unexpected influence in the Trump administration."

Intel Experts Say Russia Could Use Gabbard Campaign To Interfere In Election Without Her Help.

The Washington Post (10/22, Scott, 14.2M) reports that while some of Rep. Tulsi Gabbard's (D-HI) fellow Democratic presidential candidates have spoken our in her defends following Hillary Clinton's allegation that she is "a Russian asset," none have responded to "the possibility of Gabbard launching a third-party candidacy that would get a boost from Russia, including via a disinformation campaign that would cause harm to Democrats' chances in the 2020 presidential election." Clinton, the Post adds, "was explicitly stating what some on the left, as well as in the foreign policy world, have been suggesting for quite some time. ... Some have argued that Gabbard doesn't have to be proactively working with Russia for that government to be using her campaign to interfere in the 2020 election." The Post says that "experts in the field of Russian interference view manipulations of Gabbard's campaign as potentially harmful to the 2020 election in ways that are similar to the previous election."

Holman W. Jenkins, Jr. writes in the Wall Street Journal (10/22, Subscription Publication, 7.57M) that in the wake of Clinton's comments, some pundits have sought to revive the Trump-Russia collusion narrative. Jenkins refutes what he describes as the Trump-Russia conspiracy theory and urges Democrats to silence Clinton before she costs the party another presidential election.

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Biggs: Trump Justified In Keeping Officials From Testifying In Schiff's Secret Hearings.

House Freedom Caucus Chairman Rep. Andy Biggs (R-AZ) writes in an op-ed for USA Today (10/22, 10.31M) that House Intelligence Chairman Schiff is conducting impeachment inquiry hearings in "an underground bunker, where the media, the public and even most members of Congress could not hear or see testimony. He lied to the American people about his committee's contacts with the so-called whistleblower. And he is concocting a narrative that could land him the Democrats' long-desired, political grand prize: the impeachment of President Donald J. Trump." Biggs decries what he describes as "Schiff's Soviet-style antics," and argues that President Trump "is well within his right to restrict members of his administration from testifying before Schiff's secret tribunal until Pelosi formalizes the process by a vote of the whole House. All Americans should demand that Schiff adhere to American values of due process, truth and transparency."

Law School Teachers Say Trump Can't Assert Executive Privilege Over Diplomatic Communications.

In an op-ed for the Wall Street Journal (10/22, Subscription Publication, 7.57M), Jean Galbraith, a professor at the University of Pennsylvania Law School, and Michel Paradis, a lecturer at Columbia Law School, argue against the White House's assertion of executive privilege to withhold diplomacy-related communications from the House impeachment inquiry. They write that Congress is entitled to see the communications if they might contain evidence of impeachable conduct.

Former Russian Official: Impeaching Trump Will Show World "Moral Principles Still Matter."

In an op-ed for the New York Times (10/22, 18.61M), Andrei V. Kozyrev, who was the foreign minister of Russia from 1991 to 1996, writes that Russia "likes seeing President Trump in the White House in part because it provides the Kremlin a chance to point to the ugly side of American politics – to say, just as they did with Mr. Nixon, look how sordid, how hypocritical." Kozyrev argues that "if Congress, Republicans and Democrats alike, act to remove this president, a new powerful message would be sent to governments and people around the globe, just like the one that went out in 1974: Moral principles still matter in American politics and policy. And the future still belongs to moral truth and to those who embrace it."

Pence: Cease-Fire In Syria Holding, US Looking For "Safe Zone."

The Washington Times (10/22, Boyer, 492K) reports Vice President Pence said Tuesday night that the ceasefire in northern Syria "has held, and the US is now working with Turkey and Kurdish forces to establish 'a permanent ceasefire' with the hope of establishing a safe zone between Turkey and Kurds living in Syria." Speaking at a Heritage Foundation gala, Pence said, "Earlier today, we received word from the Syrian Defense Forces commander that all of their military forces have withdrawn from the safe zone under Turkish military control. And before I came here our team was continuing to communicate with both sides in the hope that a permanent ceasefire could soon take hold. Those discussions are ongoing."

In an interview with Fox News The Ingraham Angle (10/22), Pence said, "Apart from limited scrimmages and fighting, the cease-fire has been holding and it continues to hold today. It's all a result of the leadership President Trump provided here. The President made it very clear when Turkish forces entered Syria that Turkish military action there was unacceptable. He sent a clear message to President Erdogan to pull back. He sent strong sanctions and sent me and Secretary Pompeo there for one mission and that was to end the violence."

President Trump yesterday tweeted, "Good news seems to be happening with respect to Turkey, Syria and the Middle East. Further reports to come later!"

American Christian Groups Defend Trump's Decision To Withdraw Troops. The Hill (10/22, Kelly, 2.98M) reports that "US evangelical and Christian groups are standing behind President Trump despite their opposition to his decision to withdraw US troops from northern Syria, which they see as putting Syrian Christian and religious minorities under threat from Turkish-backed Islamist forces and a potential ISIS resurgence." Rev. Franklin Graham told The Hill, "My support is behind the president ... I just have to trust and believe that he's made the right decision on behalf of the American people."

Jeffrey Not Consulted Before Troop Withdrawal. The Washington Times (10/22, Meier, 492K) reports President Trump's special representative for the global coalition to defeat ISIS, Ambassador James Jeffrey, told a Senate panel Tuesday that he was not consulted prior to the Administration's announcement to withdraw US forces from northern Syria. Jeffrey told a Senate Foreign Relations Committee hearing Tuesday that he "was not personally consulted before" the Pentagon was ordered to move forces out of the region.

Trump Authorizes $4.5 Million In Aid To Syria's "White Helmets."

The Washington Times (10/22, Howell, 492K) reports President Trump "authorized $4.5 million in direct support Tuesday to the Syrian Civilian Defense, the white-helmeted volunteers who offer medical assistance and conduct search-and-rescue missions" in Syria. White House Press Secretary Stephanie Grisham said, "The United States encourages our allies and partners to join us in our support for the SCD and in our efforts to protect civilians, religious and ethnic minorities, and other innocent victims of the Syrian conflict."

Media Analyses: Putin Steps Into Syrian Power Vacuum Caused By US Withdrawal.

The deal reached by Russian President Vladimir Putin and Turkish President Recep Tayyip Erdogan to jointly drive Kurdish fighters 19 miles back form the Syria-Turkey border is being cast as confirmation that President Trump's decision to withdraw nearly all US forces from the

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region, and thereby allow Turkey to invade, has given Putin the power to control the future of Syria. The New York Times (10/22, Troianovski, Kingsley, 18.61M) says of Putin: "His jets patrol Syrian skies. His military is expanding operations at the main naval base in Syria. He is forging closer ties to Turkey. He and his Syrian allies are moving into territory vacated by the United States." On NBC Nightly News (10/22, story 4, 1:20, Holt, 6.35M), Richard Engel said "Putin tonight became the new king maker in Syria," and the CBS Evening News (10/22, story 3, 1:50, O'Donnell, 4.4M) said, "As the US watched from the sidelines today, Russia's Vladimir Putin emerged as the key power player in Syria."

Reuters (10/22, Korsunskaya, Pamuk) reports the deal "endorses the return of Syrian President Bashar al-Assad's forces to the border alongside Russian troops, replacing the Americans who had patrolled the region for years with their former Kurdish allies." According to Reuters, Russia is "a close ally of Assad," while Turkey "has backed rebels seeking to oust Assad during Syria's more than eight-year-long civil war." To the AP (10/22, Fraser, Isachenkov), the deal "cement[s] the two countries' power in Syria in the wake of...Trump's abrupt withdrawal of US forces."

Likewise, the Washington Post (10/22, Fahim, Dadouch, 14.2M) says the deal "cemented Russia's role as Syria's central power broker, at a moment when the influence of the United States in the region is dissipating." Russia has "agreed...to help remove Syrian Kurdish fighters from a large swath of Turkey's southern border, giving its blessing to a Turkish military operation against a Kurdish-led force that had allied with the United States." The deal that was reached by Erdogan and Putin at a meeting in Sochi, Russia, "addressed several of Turkey's core security demands, including the establishment of a 'safe zone' that would push the Kurdish-led force back from its frontier."

According to the New York Times (10/22, Troianovski, Kingsley, 18.61M), the deal is "a victory for" Putin, but says Erdogan also "got most of what he wanted," including "a buffer zone free of a militia that Turkey regards as a terrorist threat." However, the Times adds that it "came at the expense of sharing control of the area with Mr. Putin and the Syrian president, Bashar al-Assad, whose rule Mr. Erdogan has long opposed." Putin is quoted as saying, "Only if Syria's sovereignty and territorial integrity is respected can a long-lasting and solid stabilization in Syria be achieved. ... It is important that our Turkish partners share this approach." USA Today (10/22, Shesgreen, 10.31M) and the Wall Street Journal (10/22, Gauthier-Villars, Simmons, Subscription Publication, 7.57M), among other news outlets, also report the deal.

Bloomberg (10/22, 4.73M) reports Erdogan "said Russian forces would help evict the so-called YPG fighters from areas outside the 120-km corridor where Turkish forces are operating." Bloomberg says the YPG, "which fought for years alongside US forces to defeat Islamic State before...Trump ordered an American withdrawal, say they pose no threat to Turkey and only want to safeguard Syria's Kurds." Reuters (10/22) reports Russian Foreign Minister Sergei Lavrov said that "the Kurdish YPG militia would pull back 30 km (19 miles) from the Syrian border."

However, Reuters (10/22) reports Assad yesterday "denounced Turkey's leader as a thief for attacking the northeast of his country and reiterated a pledge to retake all areas lost to Damascus in years of civil war." According to Reuters, Assad "made the remarks as he made a rare visit to a frontline of Syria's conflict, touring an area in war-torn northwestern Idlib province close to the last major bastion of Turkey-backed rebel forces." Assad is quoted as saying, "Erdogan is a thief and is now stealing our land."

The AP (10/22, Fraser, Isachenkov) reports that "for the Kurds, a Turkish takeover would mean the crushing of the self-rule they have carved out in the northeast amid Syria's civil war." ABC World News Tonight (10/22, story 7, 1:35, Muir, 6.89M) reported, "Kurdish forces say they've already withdrawn from large parts of northern Syria, although this deal is an even bigger concession," but "many people...feel in order to save lives, they really don't have much choice."

McConnell Warns Against Turkey Sanctions That Could "Drive A NATO Ally Into The Arms Of The Russians." The AP (10/22) reports Senate Majority Leader McConnell yesterday introduced legislation "denouncing Turkey's invasion of northern Syria and gently prodding" President Trump to "halt his withdrawal of US troops from the embattled country." However, McConnell also "said lawmakers should refrain from imposing sanctions on Turkey for now, saying, 'We don't want to further drive a NATO ally into the arms of the Russians.'" According to the AP, "That puts him into conflict with the Democratic-led House, where a vote on a sanctions measure is planned for next week."

Iraqi Military Says US Troops Withdrawing From Syria Cannot Stay In Iraq.

Reuters (10/22, Rasheed, Ali) reports the Iraqi military said Tuesday US troops that have "crossed into Iraq as part of a pull-out from Syria do not have permission to stay and can only be there in transit." According to Reuters, "The Iraqi military statement contradicted the Pentagon's announcement that all of the nearly 1,000 troops withdrawing from northern Syria are expected to move to western Iraq to continue the campaign against Islamic State militants and to help defend Iraq." However, Defense Secretary Esper says the Pentagon "aimed eventually to bring the troops withdrawing from Syria back to the United States." Esper is quoted as saying, "The aim isn't to stay in Iraq interminably, the aim is to pull our soldiers out and eventually get them back home."

The AP (10/22) reports Esper said he "plans to talk to Iraqi leaders to work out details about the US plan to send American troops withdrawing from Syria to Iraq, adding that the US has no plans to have those troops stay in Iraq 'interminably.'" The AP notes that the US "currently has more than 5,000 American forces in Iraq."

Esper said in an interview with CNN International's Amanpour (10/22), "We're conducting a phased withdrawal, a deliberate phased withdrawal, from northeast Syria. It began with what we call phase one which was in the immediate zone of attack. Now we are under phase two, which is from the northeast corridor, if you will. Eventually we have other phases that will draw the forces out. We'll temporarily reposition

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in Iraq pursuant to bringing the troops home. And so it's just one part of a continuing phase but eventually those troops are going to come home." Asked if any troops will remain in Syria, Esper said, "Well, right now the President has authorized that some would stay in the southern part of Syria...and we are looking at maybe keeping some additional forces to ensure that we deny ISIS and others access to these key oilfields, also, in the middle part of the country, if you will."

CBP's Perez: 450 Miles Of New Border Wall Will Be Built By End Of 2020.

On Fox News' Fox & Friends (10/22, 831K), Steve Doocy said President Trump is "keeping his promise to secure our southern border with 74 miles of new wall built and another 159 miles under construction." Customs and Border Protection Deputy Commissioner Robert Perez said the pace of border wall building is "exceptional." Perez went on to say, "We're only accelerating those numbers. ... We're putting new, enduring capability in strategic priority locations throughout the entirety of the southern border from California all the way down to Texas. It's a border wall system as we mentioned before. Not just the infrastructure itself, but technology embedded into the wall, infrastructure as well surrounding the wall, roads, lighting." Perez added, "We expect that by the end of next year we will have constructed...over 450 miles of new border wall along that southern border."

ICE Official: Los Angeles' Sanctuary Policy Releases 100 Criminals Per Day.

The Washington Times (10/22, Dinan, 492K) reports California's sanctuary city policies "are causing as many as 100 illegal immigrants with criminal records to be released out into the communities every day in the Los Angeles area alone, a top ICE official told Congress on Tuesday." Timothy S. Robbins, Acting Executive Associate ICE Director, "said that's just one city in a state where sanctuary policies are now a law state wide." Robbins "said before the law took effect in 2018 the Los Angeles area turned over 75 to 100 criminal aliens each day," but now "gets fewer than five."

Former US Ambassador to the UN Human Rights Commission, Ken Blackwell, writes in The Hill (10/22, 2.98M) that "it is time for even the most liberal of citizens residing in sanctuary areas to publicly challenge this deadly doctrine that elevates criminal illegal immigrants over legal residents and could bring anarchy to our doorsteps."

ICE Cancels Fines On Illegal Immigrants In Churches.

The Washington Times (10/22, Dinan, 492K) reports ICE has "canceled the fines of up to $500,000 it had tried to levy on some illegal immigrants who are living in protection in churches." ICE had "fired off notices to a number of migrants earlier this year telling them they owed massive fines for defying deportation orders." Amid "an outcry from the migrants, and mocking from immigrant-rights advocates, ICE relented." In a statement, ICE said, "Following consideration of matters you forwarded for ICE review, and in the exercise of discretion under applicable regulations, ICE hereby withdraws the Notice of Intention to Fine."

Anonymous Anti-Trump Administration Official Has Book Coming Out.

Jake Tapper of CNN (10/22, 83.16M) reported this afternoon that "the anonymous senior Trump administration official whose 2018 New York Times op-ed was called treasonous by President Donald Trump has written a new book about Trump titled 'A Warning' that will be published next month." Tapper added "the author will remain anonymous, and sources familiar with the book" say "elaborate precautions have been taken to protect the author's identity." Tapper also says that "when asked for comment, Matt Latimer, cofounder of Javelin, told CNN that the author was not doing it for the money." Latimer is quoted as saying, "The Author of A WARNING refused the chance at a seven figure advance and intends to donate a substantial amount of any royalties to the White House Correspondents Association and other organizations that fight for a free press that seeks the truth." The AP (10/22) also reports that "according to the publisher, the author accepted no advance and will donate a portion of royalties to nonprofits that focus on accountability and 'standing up' for truth in oppressive countries."

The Washington Times (10/22, Boyer, 492K) recalls that in his "anonymous op-ed...the author declared, 'I am part of the resistance inside the Trump administration,'" and "described Mr. Trump's leadership as 'petty' and criticized his 'impulsiveness' that resulted in decisions that later had to be reversed." The Los Angeles Times (10/22, Diaz, 4.64M) reports "the author also claimed that members of Trump's Cabinet were concerned enough about his 'instability' that they discussed invoking the 25th Amendment to begin a complex process to remove him from office."

NBC Nightly News (10/22, story 3, 1:29, Mitchell, 6.35M) said last night, "From the shadows, the voice of anonymous," now "expanding" his "slashing critique in a book." ABC World News Tonight (10/22, story 3, 0:39, Karl, 6.89M) reported, "As you recall," the piece "described a quiet resistance within the Trump Administration and said, quote, 'I work for the President, but like-minded colleagues and I have vowed to thwart parts of his agenda and his worst inclinations.'" In response, the New York Post (10/22, Moore, 4.57M) recounts, "Trump accused the writer of treason and ordered the Times to hand in 'the GUTLESS anonymous person.'" The Washington Post (10/22, Rucker, 14.2M) reports the author's name "was known to the Times but identified by the Times only as a senior official in the Trump administration."

The Washington Examiner (10/22, McGhee, 448K) predicts, at any rate, that "the book will also have little effect outside the Beltway echo chamber," and though "it might dominate a news cycle or two, but practically, it will change nothing."

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Miller: Federal Buraeucrats' Leaks To Reporters "Mortal Threat" To Democracy. The Washington Examiner (10/22, Bedard,

448K) reports, "Anonymous efforts by anti-Trump federal bureaucrats to thwart the White House agenda through leaks and complaints to friendly reporters and congressional allies are a 'mortal threat' to democracy and the 2016 election results, according to a top administration official." White House senior adviser Stephen Miller told the Times in an interview, "This is a mortal threat to the American system of government." Miller called inside attacks a "very grave threat," and explained it this way: "It is best understood as career federal employees that believe they are under no obligation to honor, respect, or abide by the results of a democratic election. Their view is, 'If I agree with what voters choose, then I'll do what they choose. If I disagree with what voters choose, then I won't, and I'll continue doing my own thing. So basically it's heads I win, tails you lose."

Esper Recuses Himself From Decision On JEDI Contract.

The Washington Times (10/22, Wolfgang, 492K) reports Defense Secretary Esper "will not make the final decision on the Pentagon's high-stakes $10 billion cloud-computing contract because of conflicts of interest, officials said Tuesday." According to "Defense Department officials...Deputy Defense Secretary David L. Norquist will make the call on the Joint Enterprise Defense Infrastructure (JEDI) contract, adding another layer of intrigue to a process that's sparked controversy inside the Pentagon and on Capitol Hill." The Washington Post (10/22, Gregg, 14.2M) says Esper "recused himself from" the "high-profile review of the Pentagon's controversial JEDI cloud computing infrastructure because his son is employed with one of the contract's initial bidders, a Defense Department spokesman said Tuesday."

The New York Times (10/22, Cooper, 18.61M) reports "the decision removes Mr. Esper from a fierce lobbying battle between Amazon Web Services, the dominant player in the field of cloud computing, and Oracle." President Trump "has weighed in over the 10-year contract to transform the military's computing systems, making clear his own hostility toward Amazon and its founder, Jeff Bezos."

WPost Analysis: "Industry Veterans Dominate Trump's Inaugural PCAST."

The Washington Post (10/22, Guarino, 14.2M) reports "President Trump revived the President's Council of Advisors on Science and Technology on Tuesday after nearly two years without it." Trump's science adviser, Kelvin Droegemeier, "who will chair the council," said in a statement, "Under this administration, science and technology in America continues to advance by leaps and bounds. ... PCAST will be critical to our continued efforts, with each member bringing a unique expert perspective to the table." The Post adds that "typically, academic members of a PCAST outnumber its industry scientists," as was the case "for the councils under George H.W. Bush, Bill Clinton and Barack Obama." However, "industry veterans dominate Trump's inaugural PCAST, as they did under George W. Bush. Only one of Trump's seven new PCAST members works in academia. Two members do not have doctoral degrees."

Sources: White House Trade Adviser Shaw To Leave Post Friday.

Reuters (10/22, Mason) reports President Trump's G7 and trade adviser, Kelly Ann Shaw, is leaving the Administration "for a position in the private sector, White House officials said on Tuesday, marking the departure of one of the most senior women on the president's economic team." Shaw, who succeeded Clete Willems as deputy assistant to the president for international economic affairs and deputy director of the National Economic Council earlier this year, will leave her post Friday.

STAT Analysis: Ex-Pharma Lobbyist Defies Expectations After Joining Trump's White House.

Over a "remarkable two-year span," Joe Grogan has gone from "from lobbyist for the pharmaceutical giant Gilead Sciences, to White House budget adviser, to director of the president's Domestic Policy Council," STAT (10/22, Facher, 24K) reports. Despite working as a lobbyist for a major pharma company, Grogan has "confounded the expectation that he would shill for industry," including advocating for the Trump Administration's "international prince index" model and supporting Trump's plan to import prescription drugs from Canada. STAT cites "interviews with eight current and former Trump administration health officials and an array of conservative lobbyists," who say Grogan's "chaotic ascent to the White House's highest ranks...is defined more by feud than by policy triumph – and on drug pricing in particular, his track record consists more of blocking others' policies than advancing new ones."

Nielsen Says She Left DHS Post Because "Saying No" Wasn't Enough.

USA Today (10/22, Behrmann, 10.31M) reports former DHS Secretary Nielsen said Tuesday she left her post after "it became clear that saying no and refusing it to do it myself was not going to be enough" regarding some policies. When pressed in an interview on whether she regretted signing the memo that resulted in family separations, Nielsen said, "I don't regret enforcing the law because I took an oath to do that, as did everybody at the Department of Homeland Security." She added, "What I regret is that that information flow and coordination to quickly reunite the families was clearly not in place." She added that it's the reason why "the practice was stopped through an executive order."

Trump, Pence Urge Pelosi To Schedule Vote On USMCA.

Reuters (10/22) reports President Trump yesterday "criticized" House Speaker Pelosi "for not bringing his administration's re-negotiated trade deal with neighboring Mexico and Canada up for a vote in Congress." Trump tweeted, "Can't believe that Nervous Nancy Pelosi isn't moving faster on USMCA. Her people want it, they don't know why she isn't putting it up for a bipartisan vote. Taking too long!" Reuters says the

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United States, Mexico, Canada Agreement "must win approval in a divided Congress where Pelosi's fellow Democrats control the House and have said they have concerns over the agreement, including its labor and enforcement provisions." The Administration has "been pressing for a House vote before the end of November, although a key US labor leader earlier this month said it would fail if it was voted on before the Thanksgiving holiday on Nov. 28."

Vice President Pence said Fox News The Ingraham Angle (10/22), "Since President Clinton signed NAFTA into law, we saw literally tens of thousands of factories close in the country and move south of the border in Mexico. President Trump said we can do better and he sat down and he drove a hard bargain with Canada and with Mexico." Asked why House Speaker Pelosi is delaying a vote, Pence said, "Politics is the only thing that that explains the delay. President Trump inked this deal with Mexico and Canada a year ago. It has been sitting on Speaker Nancy Pelosi's desk."

Warner: Trump Has Right Idea Confronting China.

The Washington Free Beacon (10/22, Piro, 78K) reports Sen. Mark Warner (D-VA) "backed" President Trump's confrontation of China over its trade practices and "criticized American companies for sacrificing 'their values' to appease the communist regime." Warner "told CNBC Tuesday that he supports the president for confronting the Chinese regime over its trade practices, but was critical about how Trump has handled the dispute." Said Warner, "I think the mission is right. I don't find a lot of places where I agree with Donald Trump. I think the missed opportunity would be to have rallied the world and go to China and say, 'You're a great nation and you're one of the leading economic powers in the 21st century, but you got to play by the same set of rules.'"

US Companies Increase Borrowing For Capital Investments As Confidence Index Declines.

Reuters (10/22) reports the Equipment Leasing and Finance Association (ELFA) on Tuesday said that "US companies' borrowing to spend on capital investments rose 18% in September from a year earlier" to "$10 billion in new loans, leases and lines of credit last month, up from $8.5 billion a year earlier." Reuters also reports the Equipment Leasing & Finance Foundation's "monthly confidence index in October is 51.4, down from September's 54.7."

Trump Touts White House Opportunity Zone In South Carolina.

President Trump tweeted "Great Job Tim!" in retweeting a White House post saying, "In @SenatorTimScott's home state of South Carolina, a $54 million tech corridor is finally becoming a reality because of the White House's Opportunity Zones initiative. For the first time, countless communities are being shown that they can compete."

Workers From Closed GM Factories To Urge UAW Members To Oppose Agreement.

The AP (10/22, Krisher) reports that "workers at three shuttered General Motors factories that didn't get new products under the tentative contract agreement reached last week between GM and the United Auto Workers," are planning to argue against the agreement which UAW members are to vote on this week. They make up "about 2,000" of the "49,000 union members" who will be voting. Most have transferred to other GM factories "so they have a presence at just about all of the automaker's plants."

Difficulties Seeking Employment For Military Spouses Seen As Threat To Retention.

The Washington Times (10/22, Glenn, 492K) reports, "The difficulties military spouses face finding good-paying jobs are fast becoming...a national security issue, one that is undermining the military's ability to recruit and retain personnel." That's according to "a panel at the Brookings Institution on Monday that featured some high-level expertise: Holly Petraeus, the wife of former CIA director and retired four-star Army Gen. David H. Petraeus." According to the US Chamber of Commerce, "the unemployment rate among military spouses was 16%," and "military spouses also earn almost 27% less in wage and salary income than their nonmilitary peers." In addition, "about a third of military spouses aren't living in the same location as the service member to whom they are married." Mrs. Petraeus described her experience of taking entry-level positions for a time and then "remained out of the formal workforce for more than 20 years."

S&P's "Modest Gains" Lost After UK Parliament Rejected Government's Timetable For Brexit.

Reuters (10/22, Joyner) reports the S&P 500 "gave up modest gains on Tuesday from earlier in the session after British lawmakers rejected the government's proposed timetable for passing legislation to ratify its deal to exit the European Union." Stocks had been "mixed amid split corporate earnings reports" with "upbeat forecasts from Procter & Gamble Co and United Technologies Corp" and "disappointing results from McDonald's Corp and Travelers Cos Inc." Reuters also reports that over 80% "of the 98 S&P 500 companies that have reported results so far...have beaten Wall Street estimates." Meanwhile, "The Dow held on to slight gains."

Small Lot Trades Reach Nearly Half Of All Trades. The Wall Street Journal (10/22, Osipovich, Subscription Publication, 7.57M) reports the percentage of trades in lots smaller than 100 shares has grown to about half (48.9%) of all trades, its highest level ever, and is attributed to the rise in stocks trading at high prices. The Journal adds that in the 20th century stocks frequently split if their price rose much beyond $35. At present, five S&P 500 stocks trade at over $1,000 per share.

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Facebook Spent $12.3 Million In First Nine Months Of 2019 Lobbying Federal Government.

CQ Roll Call (10/22, Ackley, 154K) reports, "Facebook is on pace to spend more on federal lobbying this year than ever before," as, according to its reports, it "spent $12.3 million to lobby the federal government in the first nine months of the year," in comparison to the $12.6 million it spent in all of 2018. On Wednesday, Facebook Founder and CEO Mark Zuckerberg will appear before the House Financial Services Committee. It is now among "the top 10 biggest clients in Washington, D.C." Roll Call adds, "The only other tech company among the top tier for 2019 is Amazon," while "Google's spending on federal lobbying, $9.1 million so far this year, has declined."

Zuckerberg Says Facebook Might Have Changed Iraq War. The Washington Post (10/22, Horton, 14.2M) reports Facebook founder and CEO Mark Zuckerberg, speaking at Georgetown University "at one point suggest[ed] the social network could have stopped" the Iraq war in 2003. Zuckerberg said, "I remember feeling that if more people had a voice to share their experiences, maybe things would have gone differently." He added, "Those early years shaped my belief that giving everyone a voice empowers the powerless and pushes society to be better over time." Rep. Ruben Gallego (D-AZ) said, "He's rewriting history so it gives him an excuse to regulate himself." He added, "It's false. It's completely false." Gallego "claims to be one of the first 2,000 users of Facebook." According to Gallego, "none of the features allowed users to communicate, organize or debate something like the Iraq War."

Facebook Willing To Delay Launch Of Libra Until All US Regulatory Concerns Are Satisfied. Politico (10/22, Warmbrodt, 4.29M) reports, "Zuckerberg will tell House lawmakers Wednesday that he's willing to postpone the launch of the controversial digital currency that the social media giant is spearheading, amid growing pushback from policymakers around the world." According to prepared remarks, Zuckerberg is expected to say, "We want to be clear: Facebook will not be a part of launching the Libra payments system anywhere in the world unless all U.S. regulators approve it. And we support Libra delaying its launch until it has fully addressed U.S. regulatory concerns."

The New York Times (10/22, Isaac, Kang, Popper, 18.61M) reports Zuckerberg is expected to say, "I believe this is something that needs to get built, but I understand we're not the ideal messenger right now." He is to add, "I know some people wonder whether we can be trusted to build payment services that protect consumers." He is also "expected to promote the benefits of Libra."

Carnegie Fellow Warns Of National Security Risks In Breaking Up Big Tech. Jon Bateman, a fellow at the Carnegie Endowment for International Peace, writes in the Wall Street Journal (10/22, Subscription Publication, 7.57M), that antitrust actions against large technology firms are becoming increasingly popular. He warns that doing so poses some risk to US national security, as only Amazon and Microsoft have been deemed capable of operating a military-grade cloud computing service. Large tech companies are also useful in collecting intelligence because they are used worldwide. Still, Bateman says that these companies have also taken actions that are counter to US security and avoided accountability with respect to terrorist groups which use their networks and with respect to China. Bateman concludes that any response should be carefully developed to deal with a specific problem rather than simply size.

Amazon Failing To Take Customers From Discount Retailers.

The Motley Fool (10/22, Sun, 1.22M) reports on Amazon's efforts to reach low-income customers, which, so far, appear to have had little effect on "discount retailers like Dollar Tree and Dollar General" which have "flourished and continued opening new stores." Amazon has "offered a 45% discount on Prime memberships for shoppers on welfare or food stamps" or Medicaid, and has "launched a '$10-and-under' selection of products with free shipping for both Prime and non-Prime members." The Fool adds, "Amazon is clearly struggling to crack that market," as, "dollar stores are still gaining shoppers and increasing their store counts."

New York AG Takes Exxon To Court For "Climate Fraud."

The Washington Times (10/22, Richardson, 492K) reports, "After four years and three attorneys general, New York finally brought ExxonMobil to court Tuesday on charges of 'climate fraud.'" The Times says the case may "decide whether the sputtering 'Exxon knew' campaign still has something in the tank — or if that vehicle has run out of gas." In the case, New York Attorney General Letitia James charges "that Exxon defrauded investors in violation of the state's Martin Act by keeping two sets of numbers to assess the impact of climate regulations, while Exxon insists there was nothing remarkable about the separate cost metrics." Former Exxon CEO Rex Tillerson may testify.

Boeing Chief Of Commercial Airplanes Removed.

The CBS Evening News (10/22, story 4, 0:21, O'Donnell, 4.4M) reported that "a shake-up in the top ranks at Boeing. Kevin McAllister, the man in charge of returning the troubled 737 MAX to service, is out." The New York Times (10/22, Gelles, Kitroeff, 18.61M) reports on Tuesday, Boeing announced that McAllister, the "executive in charge of commercial airplanes is leaving." The Times comments, "He is the most senior official to depart as the airline maker struggles to contain the crisis following the crashes of two 737 Max jets that killed 346 people." McAllister "had been at the center of the company's efforts to fix the automated system that contributed to the two crashes and return the plane to service." The Times also reports, "Stanley A. Deal, the head of global services for Boeing, will replace Mr. McAllister."

The Wall Street Journal (10/22, Tangel, Cameron, Subscription Publication, 7.57M) similarly reports McAllister is the first significant executive to depart since the Max crashes, but adds that other Boeing airplanes had encountered problems under McAllister's leadership.

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WeWork Board Approves SoftBank Takeover Bid.

NBC Nightly News (10/22, story 12, 0:20, Holt, 6.35M) reported, "Once a rising star of Silicon Valley, WeWork is now suddenly in decline. The office sharing company's new financial lifeline giving its controversial co-founder Adam Newman a $1.7 billion payout to step down while the troubled company is reportedly planning massive layoffs."

The Wall Street Journal (10/22, Farrell, Subscription Publication, 7.57M) reports SoftBank Group Corp.'s takeover bid has been approved by WeWork's board. Under the agreement, WeWork is to be valued around $8 billion, rather less than SoftBank's January valuation of WeWork at $47 billion. SoftBank will purchase about $1 billion in stock from the company's founder and CEO. Overall, SoftBank will spend about $3 billion for the purchase of stock and for other purposes.

Nike CEO To Step Down At Beginning Of Next Year.

The New York Times (10/22, Times, 18.61M) reports Nike CEO Mark Parker will "step down at the beginning of next year" the company has announced. Board member John Donahoe, currently CEO of ServiceNow, will replace Parker, who "will become executive chairman." The Wall Street Journal (10/22, Safdar, Subscription Publication, 7.57M) reports Parker has been CEO since 2006.

Chicago Police Superintendent Will Not Attend President's Speech.

The AP (10/22, Press) reports, "Chicago Police Superintendent Eddie Johnson says he will not attend President Donald Trump's planned speech next week at the International Chiefs of Police Conference" in Chicago. Police spokesman Anthony Guglielmi said that "Johnson will attend various events at the conference but has no interest in hearing what Trump has to say." The AP says, "The superintendent's snub of the speech is the latest chapter in a contentious relationship Trump has had with the city for years."

Boy Wounded In California School Shooting.

NBC Nightly News (10/22, story 6, 0:20, Holt, 6.35M) reported, "There were some anxious moments today at a high school in Santa Rosa, California after a gunman shot and wounded a 17-year-old boy outside the school. That school and two others were placed on lockdown as a manhunt was launched for the shooter. Police arrested a suspect and possible accomplice a short time later."

The CBS Evening News (10/22, story 8, 0:15, O'Donnell, 4.4M) reported, "A suspected gunman is under arrest tonight after a school shooting in California. The 17-year-old is charged with shooting a fellow student, then ditching his gun and returning to class at Ridgway High School in northern California. The injured student is in stable condition."

ABC World News Tonight (10/22, story 5, 1:10, Muir, 6.89M) reported, "Two high schools...and a community college immediately put on lockdown. Armed police searching the campus, taking a potential suspect into custody." ABC (Reeve) added, "Tonight, an all too familiar scene. Students evacuating a school, hands on their heads. Heavily-armed police descending on Ridgway High School in Santa Rosa, California, after a suspect reportedly opened fire outside the campus, hitting one teenager in the abdomen. Then running into the school. Choppers overhead, two high schools and a nearby junior college locked down as officers searched the school and surrounding area for the suspect. The suspect captured in a classroom. Led out of the school in handcuffs."

Azar: Trump Is "Running" ACA Better Than Obama Did.

According to the New York Times (10/22, Goodnough, 18.61M), "Nearly three years into President Trump's aggressive efforts to undermine the Affordable Care Act, prices for the most popular type of health insurance plan offered through the health law's federal marketplace will actually drop next year, and the number of insurers offering plans will go up." Administration officials "credited Mr. Trump with the resiliency of the law even as they echoed his contempt for it." HHS Secretary Azar is quoted as saying, "The A.C.A. simply doesn't work and is still unaffordable for far too many. But until Congress gets around to replacing it, President Trump will do what he can to fix the problems created by this system for millions of Americans."

The Washington Post (10/22, Goldstein, 14.2M) says "the average price tag for the most common type of health insurance...will drop by about 4 percent for next year, extending a reversal of steep rate increases that daunted HealthCare.gov in its early years." In addition, "Just 12 percent of ACA customers live in counties that will have only one insurer in the marketplace...compared with almost 30 percent for 2018, and more than two-thirds will have a choice of at least three companies." The Post adds that the "brightening scenario...creates awkward conflicting messages for senior Trump administration officials." Azar and Centers for Medicare and Medicaid Services Administrator Seema Verma on Tuesday "persisted in tarring the system...as unwieldy, unaffordable for too many and in need of replacement," but "also credited...Trump's guidance for making the law's insurance exchanges work better." Azar told reporters, "The president who was supposedly trying to sabotage the law has been better at running it than the guy who wrote the law."

The AP (10/22, Alonso) reports that "independent experts" do "credit the Trump administration for working with a dozen states to approve waivers that can bring down premiums by setting up a backstop system to pay bills from the costliest patients. However, experts say the original design of the law's subsidies is probably the major stabilizing force." Politico (10/22, Goldberg, 4.29M) reports the Administration, "which has sought to take credit for stabilizing the law's marketplaces while also expanding access to cheaper and skimpier alternatives, said 20 more insurance plans will be available when enrollment in 2020 coverage opens next week." However, according to Politico, "Obamacare supporters have said the improving marketplaces are largely a sign of the law's maturing, and that the Trump administration has taken steps to undermine the law."

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Ninth Circuit Blocks Religious Exemption To Obamacare Birth Control Mandate.

The Washington Times (10/22, Miller, 492K) reports that the 9th US Circuit Court of Appeals on Tuesday "stopped the Trump administration from allowing employers with religious objections to opt out of Obama-era requirements that health insurance pay for birth control." The order "resulted from a lawsuit filed by 14 state attorneys general that challenged the Trump administration's policy allowing employers to claim a moral or religious objection to covering birth control."

Progressives Unhappy With Pelosi's Prescription Drug Bill.

Politico (10/22, Ferris, Caygle, 4.29M) reports that "an internal debate over Speaker Nancy Pelosi's signature drug pricing bill broke out into a heated back-and-forth Tuesday as several key Democrats complained that the legislation did not go far enough to appease progressives." According to Politico, "Multiple Democrats...cautioned in a private caucus meeting that the current draft of the legislation could fall short of the party's promise to authorize Medicare to negotiate prescription drug costs." Politico says the "tense" meeting "underscores the challenge for House Democratic leaders to swiftly pass the landmark health bill without exposing lingering divisions between the caucus' left and moderate flanks." Politico adds that Pelosi's bill, "which is already broadly backed within the caucus, could reach the floor as soon as next week."

Group Says Warren Will Need Middle Class Tax Hike To Pay For Health Plan.

The Washington Times (10/22, Dinan, 492K) reports that the "nonpartisan budget watchdog" the Committee for a Responsible Federal Budget said Tuesday that Democratic presidential candidate Sen. Elizabeth Warren (MA) "will have to raise taxes on middle-class families to fund her health care plans...countering her claims – but those families could still come out ahead, depending on how the system is restructured." The group "said it crunched the numbers on a few different types of Medicare for All proposals, and found that all of them would require tax hikes going well beyond the wealthy." However, it "said it's possible that with savings in health care costs – not having to pay premiums and out-of-pocket expenses – those on the lower end could end up saving more than they pay in higher taxes."

Drop In Children In Medicaid, CHIP Programs Prompts Multiple Interpretations.

The New York Times (10/22, Goodnough, Sanger-Katz, 18.61M) reports that "more than a million children disappeared from the rolls of the two main state-federal health programs for lower-income children, Medicaid and the Children's Health Insurance Program, between December 2017 and June." According to the Times, while "some state and federal officials have portrayed the drop – 3 percent of enrolled children – as a success story, arguing that more Americans are getting coverage from employers in an improving economy," there is "growing evidence that administrative changes aimed at fighting fraud and waste – and rising fears of deportation in immigrant communities – are pushing large numbers of children out of the programs, and that many of them are now going without coverage." The Times says "the number of children in the United States without any kind of insurance rose by more than 400,000 between 2016 and 2018 after decades of progress toward universal coverage for children."

FreedomWorks Cites Healthcare Issues For Record Lobbying Spending.

CQ Roll Call (10/22, Ackley, 154K) reports that FreedomWorks "disclosed spending more than $2.7 million" from July 1 to September 30 on federal lobbying campaigns, the most the conservative group has "ever has reported shelling out." Last year, the group "disclosed spending nearly $1.9 million on lobbying for the entire 12 months, according to lobbying reports. In just the period from July 1 through Sept. 30 of this year, FreedomWorks disclosed spending $2.7 million, the group disclosed in its third-quarter lobbying report filed to the clerk of the House and the secretary of the Senate." According to FreedomWorks' vice president of legislative affairs, opposition to healthcare proposals like "Medicare for All" and Democratic prescription drug bill accounted for much of the work.

Up To One-Third Of Emergency Medical Services In Rural Areas In Danger Of Closing.

NBC Nightly News (10/22, story 9, 2:21, Holt, 6.35M) reported, "Now to a crisis impacting a lot of Americans. What if you call 911 and nobody responds? Some 57 million people at risk of losing vital emergency medical services." NBC (Torres) added, "Across the US, a shortage of volunteer EMTs is putting the services on the verge of collapse." NBC also reported, "Experts now warn that close to 1/3 of all rural medical services are in immediate danger of closing down." NBC added, "Most states don't fund these services. In 39 states, EMS is not considered an essential service like police and fire."

House Committee Releases Documents Regarding ED's Granting Loans To Students At Ineligible Schools.

The Washington Post (10/22, Douglas-Gabriel, 14.2M) reports the House Education and Labor Committee has released documents it says "shows the Education Department provided $10.7 million in federal loans and grants to students at the Illinois Institute of Art and the Art Institute of Colorado even though officials knew the for-profit colleges were not accredited and ineligible to receive such aid." Committee Chairman Robert C. "Bobby" Scott (D-VA) "is threatening to subpoena Education Secretary Betsy DeVos for more documents related to the department's role" with respect to Dream Center' which purchased the schools in 2016. In January 2018, the schools' accreditor downgraded their status to "preaccredited" and "issued a public notice...and instructed Dream Center to inform students," which it did not do. The Post

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adds, "Students kept enrolling, and the Education Department kept giving them federal loans, despite the schools' ineligibility."

Seattle Public Schools To Incorporate Ethnic Studies Into Math.

The Washington Free Beacon (10/22, Piro, 78K) reports on the Seattle Public Schools adoption of a Math Ethnic Studies Framework, which "would infuse math courses with elements of social justice, including studying how math has been 'appropriated by Western culture' and is used to 'oppress and marginalize people and communities of color.'" The Free Beacon adds, "Tracy Castro-Gill, the school district's ethnic studies director, said the proposal's priority is getting minority students more involved in studying mathematics." The framework "is part of a wider effort to infuse social justice into all aspects of school curricula."

Grand Jury Adds Conspiracy Charge In College Admissions Case.

NBC Nightly News (10/22, story 5, 1:38, Holt, 6.35M) reported, "The legal trouble facing one of the biggest names in the college entrance cheating scandal has taken a turn for the worse. Actress Lori Loughlin has been hit with another felony charge, along with other parents." NBC (Almaguer) added, "A federal grand jury in Boston has leveled a new charge of conspiracy to commit bribery against actress Lori Loughlin, her fashion designer husband, Massimo Giannulli, and nine other parents entangled in the college admissions scandal. Now facing more prison time if convicted, the additional charge comes as the group of wealthy and privileged parents refuse to plead guilty, as four others did Monday."

The CBS Evening News (10/22, story 5, 1:31, O'Donnell, 4.4M) reported, "Loughlin and her husband...were determined to fight the charges," while "fourteen pleaded guilty early on to avoid additional charges of money laundering." Loughlin and Giannulli "are accused of paying half a million dollars to guarantee their two daughters' admission to USC. The university now confirms both daughters are no longer enrolled." ABC World News Tonight (10/22, story 8, 1:36, Muir, 6.89M) said, "Any of these defendants could make a deal right up until trial. None of these cases are scheduled yet, so they still have time."

Second Circuit To Hear Trump Suit To Block Vance Subpoena For His Tax Returns Today.

In a profile of Manhattan district Attorney Cyrus Vance Jr., the Washington Post (10/21, Marimow, Nakashima, 14.2M) reports that he has "said he views the office as a sometimes partner – or backstop – to federal law enforcement." Vance "stepped in" after "federal prosecutors shut down their investigation into hush-money payments made before the 2016 presidential election" following the conviction last year of President Trump's former lawyer Michael Cohen. As part of that investigation, Vance "is now seeking Trump's tax returns," putting him "at the forefront of efforts to scrutinize the president's financial dealings." Today, the US Court of Appeals for the 2nd Circuit will hear Trump's lawsuit "seeking to stop Vance's subpoena for eight years of the president's tax returns."

Trump Organization Removes Trump Name From New York Ice Rinks.

The Washington Post (10/22, Bump, Fahrenthold, 14.2M) reports that "at two of President Trump's oldest businesses – a pair of ice rinks in Central Park, which Trump has run since the 1980s – Trump Organization employees did something unusual in the past few weeks. They started removing the Trump name." Trump's company "still runs" the two ice rinks.

Omar Denounces North Dakota Lawmaker For Debunked Photo Purporting She's A Terrorist.

The AP (10/22, Karnowski, MacPherson) reports Rep. Ilhan Omar (D-MN) yesterday "condemned a Republican state senator from North Dakota who posted a long-debunked photo on his Facebook page that purports to show the Minnesota Democrat holding a weapon at an al-Qaida training camp." Omar "blasted state Sen. Oley Larsen's post, which also led to calls Tuesday from the Senate's top Republican and GOP Gov. Doug Burgum to apologize and relinquish a state Senate leadership position." Omar wrote on Twitter, "This is pure propaganda designed to stir up hate and violence coming from a GOP state rep. Facebook's unwillingness to crack down on hate speech and misinformation is not just threatening my life, but our democracy." The Grand Forks (ND) Herald (10/22, Port, 116K) originally reported on Larsen's post on Monday, and said "the photo is not of Omar. It's an Associated Press photo of military training camps in Mogadishu" taken in 1978.

White House Won't Renew NYTimes, WPost Subscriptions.

Politico (10/22, Calderone, 4.29M) reports that the White House said Tuesday that it will not renew subscriptions to The New York Times and The Washington Post. The move comes after President Trump said in an interview on Fox News' "Hannity" Monday evening that the Times is "a fake newspaper" and "we don't even want it in the White House anymore." Trump added, "We're going to probably terminate that and The Washington Post. ... They're fake." Politico adds that the comments "were interpreted by journalists on Twitter as meaning canceling paper subscriptions, rather than kicking reporters out of the White House." White House Press Secretary Stephanie Grisham confirmed that Trump was referring to the subscriptions, "which we won't be renewing." The Washington Times (10/22, Vogt, 492K) also reports on Trump's comments about the two newspapers in Monday's interview.

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Ivanka Trump Discusses Paid Family Leave With Reddit Co-Founder At White House.

Bloomberg (10/22, Sink, 4.73M) reports Ivanka Trump "met with Reddit Inc. co-founder Alexis Ohanian at the White House Tuesday" as part of his effort to promote "to promote paid family leave." Ohanian "has said previously that he was drawn to the effort after the birth of his daughter, Alexis Olympia, in 2017," after which his wife, Serena Williams, "nearly died from medical complications related to the birth, and was confined to bed for some six weeks." Ivanka said in a statement, "I applaud Mr. Ohanian's advocacy for Paid Family Leave, for both mothers and fathers, an issue that has been of utmost importance to me and this administration."

Donor To Democrats, Trump Inauguration To Plead Guilty In Lobbying Scheme.

The Washington Post (10/22, Barrett, 14.2M) reports court documents filed in Los Angeles Tuesday show that Imaad Shah Zuberi, "a wealthy donor to President Trump's inaugural committee has agreed to plead guilty to charges he engaged in a multimillion-dollar lobbying scheme in which he arranged illegal campaign donations, concealed from the government the truth about his work and cheated on his taxes." According to the documents, Zuberi "plans to plead guilty to three charges covering five years of alleged crimes – a period when he was a prolific donor to Democratic candidates." The plea deal "does not cover a separate investigation in New York into Trump's inaugural committee." The Post says Zuberi, "came under intensifying scrutiny from investigators after the longtime donor to Democrats gave $900,000 to the president's inaugural committee and $100,000 to help pay off lingering debt from the 2016 Republican National Convention."

The New York Times (10/22, Vogel, 18.61M) says that while the charges against Zuberi "are not related to his donations to support Mr. Trump," if he "cooperated with prosecutors, it could have ripple effects into other investigations into contributions to Mr. Trump's inauguration, including of whether foreigners illegally funneled money to it in hopes of buying influence over American policy."

Memoir By Spiritual Adviser To Trump Draws Praise, Criticism From Evangelicals.

The Washington Times (10/22, Vondracek, 492K) reports, "A memoir by President Trump's spiritual adviser Paula White-Cain has drawn praise and derision from evangelicals, revealing division within Mr. Trump's base over the credibility of his Christian mentor." The book, "Something Greater" describes her life from "her conversion at 18 to her life as a Florida megachurch televangelist," and "details her first phone call with Mr. Trump and her mentorship, which culminated with her official invocation at the president's inauguration." The Times says the book has been boosted by the Rev. Franklin Graham, "and megachurch pastors/authors T.D. Jakes and Greg Laurie," but, the Times adds, "negative reaction to Ms. White-Cain's memoir has emerged almost as fast as the positive."

USDA IG Launches Probe Of Department's Handling Of Climate Science.

Politico (10/22, Evich, 4.29M) reports that the Agriculture Department's Office of the Inspector General has launched an investigation into the Department's "handling of climate science and communication after a series of POLITICO reports found that the department has been routinely burying its work on climate change, even as farmers and ranchers are increasingly dealing with its harmful effects." The move comes after "more than a dozen top Senate Democrats – including Senate Agriculture ranking member Debbie Stabenow (Mich.), Mazie Hirono (Hawaii), Patrick Leahy (Vt.), and Rep. Chellie Pingree (D-Maine) – formally asked IG to investigate in June, citing a POLITICO investigation that showed the USDA was broadly failing to disseminate its own climate science findings." Politico adds that the IG investigation "will examine whether any changes in policy or processes affected the publication of science or the communication of any research results. It will also look at changes in resources and staffing levels, suggesting that the probe could be quite broad."

Administration Moves To Weaken Protections For Delta Smelt.

The New York Times (10/22, Davenport, 18.61M) reports that the Administration has "moved to weaken protections" for the delta smelt, "a threatened California fish, a change that would allow large amounts of water to be diverted from the San Francisco Bay Delta to irrigate arid farmland and could harm the region's fragile ecosystem." The Times says the "biological opinion," which was released jointly Tuesday by the Interior and Commerce Departments, "reverses scientific findings made a decade ago, which granted Endangered Species Act protections for certain types of West Coast salmon and the smelt." The Times adds that the move is "a major victory for a wealthy group of California farmers that had lobbied to weaken protections on the fish."

Zogby Poll: Trump Tied With Warren, Leads Other Democratic Contenders.

The Washington Examiner (10/22, Bedard, 448K) reports, "Despite shrinking approval ratings, President Trump has expanded his base to include union workers, Hispanics, suburban and urban voters, and is ahead or tied with all the leading Democratic presidential candidates, according to a" Zogby Analytics survey of 887 US likely voters, taken Oct. 1-3. In hypothetical 2020 matchups, the poll shows Trump and Sen. Elizabeth Warren (D-MA) tied at 45%, while the President leads the other Democrats, besting ex-Vice President Joe Biden 47%-45%, Sen. Bernie Sanders (I-VT) 46%-44%, Sen. Kamala Harris (D-CA) 47%-41%, and South Bend Mayor Pete Buttigieg 49%-38%.

Florida Poll: Trump Trails Biden And Warren. The Hill (10/22, Klar, 2.98M) reports that a University of North Florida poll of 669 Florida voters, taken Oct. 14-20, shows Trump trailing Biden and Warren in hypothetical 2020 matchups. According to the poll, Biden leads Trump 48%-43%, while Warren tops the President 46%-43%. In other matchups, Trump prevails, topping Harris 44%-41% and edging Buttigieg 43%-42%, the poll shows. The Hill says, "No other Democratic candidates appear to have been polled against Trump in a general election mock-up. Pollsters also tested the top two Democrats against [Vice President] Pence as the House continues an impeachment

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inquiry into Trump." In those matchups, Biden bests Pence 49%-38% and Warren tops the Vice President 46%-40%.

Trump Tweets He Has "95% Approval Rating In The Republican Party." In a Wednesday morning tweet, President Trump wrote, "95% Approval Rating in the Republican Party. Thank you!"

WSJournal Analysis: Amid Impeachment Push, Trump Using Rallies To Fire Up Base. The Wall Street Journal (10/22, Bender, Subscription Publication, 7.57M) reports that amid the ongoing impeachment probe, President Trump is using campaign rallies to directly address supporters and keep his base fired up ahead of the 2020 election. Trump campaign Communications Director Tim Murtaugh told the Journal, "Rallies were always an integral, main part of the campaign strategy, but now it makes communicating with people directly that much more important. It's also important for the president's supporters to see him out there fighting."

Hill/HarrisX Poll: Biden 27%; Warren 19%; Sanders 14%; Buttigieg 6%; Harris 5%.

The Hill (10/22, Bonn, 2.98M) reports on a Hill-HarrisX poll of 440 Democrat and Democrat-leaning independent voters, taken Oct. 21-22, that shows Biden leading the race for the 20202 Democratic presidential nomination with 27%, followed by Warren at 19%, Sanders at 14%, Buttigieg at 6%, and Harris at 5%; no other contender tops 3%. Warren's support is up four points "from an Oct. 6-7 poll conducted before last week's Democratic debate," while Sanders saw a three-point drop in his support from the previous survey.

Emerson Poll: Biden 27%; Sanders 25%; Warren 21%; Buttigieg 6%; Harris 5%.

The Hill (10/22, Bowden, 2.98M) reports on an Emerson College poll of 430 Democratic voters, taken Oct. 18-21, that shows Biden leading with 27%, followed by Sanders at 25%, Warren at 21%, Buttigieg at 6%, and Harris at 5%; no other contender tops 4%.

NYTimes, WPost Analyses: Democrats Fret Over Primary Field's Ability To Defeat Trump.

The New York Times (10/22, Martin, 18.61M) reports, "With doubts rising about" former Vice President Biden's "ability to finance a multistate primary campaign, persistent questions about" Sen. Elizabeth Warren's (D-MA) "viability in the general election and skepticism" about whether South Mayor Pete Buttigieg "can broaden his appeal beyond white voters, Democratic leaders are engaging in a familiar rite: fretting about who is" running for president "and longing for a white knight to enter the contest at the last minute. It is a regular, if not quite quadrennial, tradition for a party that can be fatalistic about its prospects and recalls similar Maalox moments Democrats endured in 1992, 2004 and in" 2016. However, "the mood of alarm is even more intense because of the party's hunger to defeat President Trump and...their impatience with finding Mr. or Mrs. Right among the current crop of candidates."

Similarly, the Washington Post (10/22, Linskey, Viser, 14.2M) reports that initially, the Democrats' "massive field was hailed as the most diverse in history, with candidates who spanned the ideological spectrum and offered enough in a broad buffet of options to excite any voter." Now, however, "another emotion is rising: anxiety. Party leaders and activists are citing weakness in all of the leading" candidates, with Biden having "been forced on the defensive about his family's ethics," performing "haltingly in debates and set[ting] off alarms with his poor fundraising. They also fret that the two other top-ranking" contenders, Warren and Sen. Bernie Sanders (I-VT), "are too liberal to win a general election. Other candidates have had moments to shine, but none yet have fully transformed that into anything approaching momentum."

Breitbart: Hillary Clinton Post Of Beyoncé Quote Sparks Talk Of 2020 Bid.

Breitbart (10/22, Bleau, 673K) reports that Hillary Clinton on Tuesday created "more 2020 buzz after posting a quote from pop megastar Beyoncé about the need to take power, praising the sentiment and adding, 'Beyoncé speaks the truth.'" Clinton "posted the quote from" Beyoncé "on Instagram on Tuesday. It read, 'Power's not given to you. You have to take it.' '@Beyonce speaks the truth,' Clinton wrote as her caption alongside the hashtag #GutsyWomen – an homage to her latest children's book." Breitbart said Clinton's move "fueled speculation surrounding the possibility of a 2020 run."

Washington Examiner's Adams Rips NYTimes' Praise For Clinton's "Bitter Online Trolling." Writing for the Washington Examiner (10/22, 448K), Becket Adams highlights a recent edition of the New York Times On Politics newsletter, which he says serves as "a good example of what people mean when they say there is a media echo chamber." Adams says the piece offers "praise for Hillary Clinton's headlong descent into bitter online trolling. You would have to live in an alternate universe, or at least surround yourself with solely like-minded colleagues and peers, to believe Clinton is now 'living her best life,' as the" piece "declared this week. Clinton's post-2016 public career has mostly involved her crisscrossing the country blaming everyone except herself for her defeat."

For Some Black South Carolina Voters In Buttigieg Focus Groups, His Being Gay "A Barrier."

McClatchy (10/23, Catanese, 19K) reports, "Internal focus groups conducted by [South Bend Mayor] Pete Buttigieg's presidential campaign this summer reveal a key reason why he is struggling with black American voters: some see his sexuality as a problem. The 21-page report, conducted by the Benenson Strategy Group with black Democratic South Carolina voters in mid-July...found that 'being gay was a barrier for these voters, particularly for the men who seemed deeply uncomfortable even discussing it. … (T)heir preference is for his sexuality to not be front and center.'" McClatchy adds that Buttigieg "is openly gay and married to his husband, Chasten."

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Tennessee County Officials Distance Themselves From Commissioner Who Called Buttigieg A Slur. The Knoxville (TN)

News Sentinel (10/22, Whetstone, Dorman, 307K) reports, "County officials in Tennessee moved swiftly Tuesday to distance themselves from a commissioner who used a homophobic slur to describe...Buttigieg during a public meeting. Commissioner Warren Hurst, who's held his seat for 33 years, made the remark ahead of a vote on a gun measure at Monday night's Sevier County commission meeting" while railing "against the national Democratic Party." The story says, "The county has since received a flood of criticism, including some calls for a tourism boycott of," among other things, "Gatlinburg and Pigeon Forge, which host dozens of tourist attractions, including Dollywood."

Ocasio-Cortez Backs Democratic Rep. Cuellar's Liberal Primary Challenger.

The Washington Free Beacon (10/22, Anderson, 78K) reports that Rep. Alexandria Ocasio-Cortez (D-NY) "has endorsed another liberal challenger looking to unseat an incumbent House Democrat backed by party leadership." Ocasio-Cortez backed Democratic immigration attorney Jessica Cisneros in her primary challenge to Rep. Henry Cuellar (D-TX). Cisneros also has the backing of "Justice Democrats, the same progressive group that backed Ocasio-Cortez and Rep. Ilhan Omar (D., Minn.) in 2018. Ocasio-Cortez's endorsement marks another act of defiance toward Democratic leadership," as Speaker Pelosi and Democratic Congressional Campaign Committee chief Cheri Bustos (D-IL) are backing Cuellar.

Embattled GOP Texas House Speaker Bonnen Won't Seek Reelection.

The New York Times (10/22, Montgomery, 18.61M) reports, "With the fallout from a secretly recorded meeting with a conservative activist plunging him deeper into scandal," GOP Texas state House Speaker Dennis Bonnen on Tuesday announced "that he would not seek re-election to the leadership post or in his district. Though many inside the party had been pressuring him to step" down, Bonnen's decision "tipped Texas Republicans into further uncertainty ahead of the 2020 elections." His "announcement came just over a week after the release of a recording of a June 12 meeting," in which "Bonnen offered to provide Michael Quinn Sullivan, the leader of Empower Texans, with long-sought press credentials to the House floor in exchange for help from Mr. Sullivan in working to defeat 10 moderate Republicans whom the speaker perceived to be out of step with his conservative agenda."

FEC's Hunter Faults Chair, Urges Naming New Slate Of Commissioners.

Caroline Hunter, member of the United States Federal Election Commission, writes in Politico Magazine (10/22, 4.24M) criticizing FEC chairwoman Ellen Weintraub for "rushing around giving interviews, tweeting and generally weighing in on a whole host of topics both within and outside of the FEC's area of expertise." Hunter says "Weintraub's tweets and interviews...are harming the legitimacy of" the FEC, because they "indicate that she has prematurely judged matters that could come before the FEC, and that she radically rejects any legal perspective other than her own." In addition, "she risks misleading the public about what the FEC does and what campaign finance law really says." Hunter criticizes Weintraub for her public criticism of the President and for "inflammatory public statements and inappropriate tactics" that "risk delegitimizing the FEC by reducing the public's trust in it to act fairly." Hunter suggests "Congress and the president...take a hard look at replacing" the sitting commissioners "and starting fresh."

WPost Analysis: High Court's Gerrymandering Rulings Resulting In Tougher Abortion Laws.

A Washington Post (10/22, Thebault, 14.2M) analysis reports on the impact the Supreme Court's "stance that federal judges have no power to stop partisan gerrymandering" cold have on state abortion laws. According to "experts," the "age-old practice of hyperpartisan redistricting...has led to more-extreme laws countrywide – none more visible this year than those dealing with abortion." The Post adds that "to really grasp the impact that gerrymandering has had on abortion laws, you have to look back to 2010, said Dan Vicuña, the national redistricting manager at voting rights watchdog group Common Cause." That year, "Republicans set out to win control of as many statehouses as possible, which gave them power to redraw state and congressional districts after the census." Vicuña said, "Republicans took over tons of state legislatures, and they were interested in gerrymandering." He added that since then, "the number of abortion bans passed at the state level has exploded."

Tapper Suggests Hawley Is An Anti-Semite.

The Federalist (10/22, Clark, 126K) reports that CNN's Jake Tapper "insinuated in a tweet" that comments by Sen. Josh Hawley (R-MO) were anti-Semitic. Tapper wrote, "In which [Josh Hawley] calls a Jewish journalist a 'smug, rich liberal elitist.'" Tapper's tweet came after Hawley "tweeted our his disdain" for a piece by Washington Post opinion writer Greg Sargent titled, "The White House didn't like my agency's research. So it sent us to Missouri." Hawley tweeted, "I assume this is a parody, right? DC bureaucrats aren't actually saying out loud that moving to Missouri is … punishment, are they? Because surely nobody could be that condescending & elitist." Sargent responded, "What's really 'condescending' here is the sort of smarmy, smirking contempt for people's intelligence that [Josh Hawley] is displaying. Coming from a leading intellectual light of the new 'conservative nationalism,' this unmasks the phony pastoral posturing that lies at its core." Hawley replied, "Only a smug, rich liberal elitist would say that defending your home is 'phony pastoral posturing,' whatever that means."

Freshman Hill Denies Relationship With Aide, Blames "Abusive Husband."

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Politico (10/22, Bresnahan, Caygle, 4.29M) reports "freshman Democratic Rep. Katie Hill (Calif.) is denying allegations that she had an

improper relationship with a congressional staffer, and blamed the controversy on an 'abusive husband' that she is in the midst of divorcing." According to "multiple Democratic sources," Hill "has reached out to Speaker Nancy Pelosi (D-Calif.) and House Majority Leader Steny Hoyer (D-Md.) to deny the allegations." Hill told Politico, "The fact is I am going through a divorce from an abusive husband who seems determined to try to humiliate me. ... I am disgusted that my opponents would seek to exploit such a private matter for political gain."

The Washington Examiner (10/22, Ferrechio, 448K) points out "a reporter asked...Hoyer about the matter, and the Maryland Democrat said he had 'no comment.'" Hill "stands accused of having an extramarital affair with a former campaign staffer in her congressional bid, as well as her current legislative director, RedState reported Friday. The campaign staff member is a woman, and the congressional office employee is a man." The Examiner adds "an explicit photo of Hill, first published by RedState on Friday, shows a naked Hill, 32, sitting on a chair and combing the hair of a fully clothed woman kneeling in front of her." The New York Times (10/22, Stolberg, 18.61M) indicates "members of Congress are barred by House rules from engaging in sexual relationships with their aides, but the rules do not cover campaign staff." Hill "said the photograph, which appears to show the congresswoman seated and brushing the hair of another woman, was the subject of a police investigation." Said Hill, "Intimate photos of me and another individual were published by Republican operatives on the internet without my consent."

The Washington Post (10/22, Lee, 14.2M) reports "the RedState article also alleged that Hill and her husband had been in a consensual relationship with a third person, a female campaign staffer in her 20s. The article included texts and intimate photos that it said included Hill and the staffer."

WPost's Hesse: Strange That Romney Used Secret Twitter Account.

Columnist Monica Hesse writes in the Washington Post (10/22, 14.2M) "Style" section that the "oddest aspect of Mitt Romney's secret Twitter account was the fact that it existed at all — that a genuinely powerful man with the time-honored platform of a US Senate seat and a well-established brand as the 2012 GOP presidential nominee had chosen to become a lurker in order to communicate his positions." Hesse questions, "Why would he act as though talking about politics was a subversive act that required a deep cover? Why would Mitt Romney need a shadow account to speak truth to power?" She concludes that the "sad conclusion to be reached from this account's existence isn't that it came from a place of vanity, but that it came from a place of perceived powerlessness."

Carter Fractures Pelvis In Fall.

NBC Nightly News (10/22, story 10, 0:15, Holt, 6.35M) reported, "Former President Jimmy Carter is hospitalized tonight after another health scare. The 95-year-old fractured his pelvis after falling at his Georgia home."

The CBS Evening News (10/22, story 9, 0:20, O'Donnell, 4.4M) reported, "Former President Jimmy Carter is recovering tonight. He fell at home last night, and he fractured his pelvis. ... Carter is 95 and the oldest living former President in US history."

WSJournal: California Gas Prices Are Higher Because Of State Policies.

The Wall Street Journal (10/22, Subscription Publication, 7.57M), in an editorial, says that California Gov. Gavin Newsom has asked Attorney General Xavier Becerra to look into why oil companies charge higher gasoline prices than in other states. The Journal says the higher cost is due to state policies requiring special formulations of gasoline, cap-and-trade, and higher state gas taxes, which the Journal says are about $0.77 higher than the national average. The state Energy Commission in an earlier investigation found no unlawful actions to explain the higher prices. The Journal also says that prices are higher because California has higher taxes generally and because the state has a higher minimum wage. The Journal urges Californians to recognizes that higher prices are due to the policies enacted by Democrats in the state Capitol.

RCP Average Has Trump's Job Approval At 42.4%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 42.4%, and his disapproval at 53.6%. The President's job approval is up 0.4 since yesterday; his disapproval is down by 1.2.

A Rasmussen poll of 1,500 "likely voters" (10/17-10/21) finds Trump's approval at 45%, with 52% disapproving.

An Emerson poll of 1,000 "registered voters" (10/18-10/21) shows Trump's approval at 43%, and his disapproval at 51%.

A CNN survey of 892 "registered voters" (10/17-10/20), meanwhile, has the President's job approval at 42%, and his disapproval at 57%.

Financial International News

World's Top Economists Say Trump's Trade War Hurting Global Growth.

NBC News (10/22, 6.14M) reports, "Globally prominent economic minds are raising alarms about global financial security, saying that President Donald Trump's trade war with China and his protectionist policies are creating a drag on growth that is hurting economies around the world." At the IMF's recent meeting in Washington, "trade tensions emerged as a chief concern, with the organization's World Economic Outlook showing that trade practices already are causing growth to decelerate." Peterson Institute for International Economics Senior Fellow Nicolas Véron said, "The U.S.-China escalation is the big story of the moment and there's no resolution in sight." Moody's Analytics chief

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economist Mark Zandi "said the trade war has shaved half a percentage point off global GDP growth and cost the U.S. 375,000 jobs."

Lebanon's Banks Remain Closed As Crisis Rages.

Reuters (10/22, Francis, Perry) reports, "Lebanon's banks will remain closed for a fifth working day amid uncertainty over how Prime Minister Saad al-Hariri plans to extract billions of dollars from the financial sector to help ease an economic crisis that has ignited national protests." The moves Hariri announced on Monday "included the symbolic halving of the salaries of ministers and lawmakers, as well as steps toward implementing long-delayed measures vital to fixing the finances of the heavily indebted state." However, Reuters interviewed five bankers who "said details of the measures had not been explained to them and they were awaiting the return of central bank governor Riad Salameh from Washington, where he has been attending IMF and World Bank meetings, to shed light."

In an analysis, the Washington Post (10/22, Baumann, 14.2M) explains how the crisis came about, saying that previous governments' "economic and political choices have led to an increasingly untenable situation for which the country's political class has few answers. The benefits of unsustainable government borrowing has fed a narrow class of elites without addressing growing poverty, while the tax system further entrenched inequality." The Lebanese government "has failed to address such large-scale issues as the widespread corruption, recent forest fires and a looming currency crisis. And protesters are expressing that they're no longer willing to stand by."

IMF Issues Warning About Rising Inequality Among Nations' Regions.

NPR (10/22, Rosalsky, 3.12M) reports that IMF Research Department head Gita Gopinath presented a study that "looked at regional economic performance within 20 advanced countries across the industrialized world over the last few decades." The study's "authors find that after a long period of catching up to the rest of their countries, poorer regions began lagging behind in the 1980s." The authors "estimate it's about a fifth of all the regions in their sample." While the study found that "leading regions tend to be urban, educated, and specialized in services, like technology, finance, law, design, and hospitality," it also found that "lagging regions tend to be rural, less educated, and specialized in old-school occupations such as those in agriculture, mining, manufacturing, and construction."

Brazil Passes Long-Awaited Pension Reform.

The Financial Times (10/22, Schipani, Harris, Subscription Publication, 1.34M) reports Brazil has passed a long-delayed reform of its pension system, in a big victory for President Jair Bolsonaro.

Leading International News

Johnson Loses Scheduling Vote; Brexit Likely To Be Delayed For Third Time.

According to Reuters (10/22, James, Maclellan, Piper), "Britain's departure from the European Union was thrown into chaos on Tuesday after parliament rejected Prime Minister Boris Johnson's extremely tight timetable for ratifying his exit deal." Parliament "voted 322 to 308 against the so-called Programme Motion which set out a three-day schedule to rush his deal through the House of Commons." However, "Earlier, lawmakers voted 329 to 299 in favour of the second reading of his 115-page Withdrawal Agreement Bill, a significant boost for Johnson just five days after he struck a last-minute deal with the EU." Reuters says Johnson "had warned parliament that if it defeated him on the timetable and forced a delay until January then he would abandon his attempt to ratify the deal and push for an election instead under the slogan of 'Get Brexit Done.'"

The AP (10/22, Lawless, Kirka) says the votes "effectively guarantees" Brexit "won't happen on the scheduled date of Oct. 31." Elsewhere yesterday, European Council President Donald Tusk "said...EU leaders 'will decide in coming days' whether to grant Britain that extension – what would be the third." The Washington Post (10/22, Booth, Adam, 14.2M) reports that Johnson "warned Britons that the government would immediately step up preparations to leave the European Union with no deal at the end of October." However, according to the Post, "that could be a bluff." The Wall Street Journal (10/22, Colchester, Douglas, Subscription Publication, 7.57M), New York Times (10/22, Landler, Castle, 18.61M) and Bloomberg (10/22, 4.73M), among other news outlets, also cover the day's votes.

UK Police To Travel To US To Interview Diplomat's Wife Involved In Fatal Crash.

The New York Times (10/22, Magra, 18.61M) reports that police officers from Britain who are "investigating a crash that killed a teenage motorcyclist...in August will travel to the United States to interview the American suspect who claimed diplomatic immunity and fled the country shortly after the accident." According to the Times, Anne Sacoolas "is the wife of an American diplomat who worked at a Royal Air Force base," and "as such, she was entitled to immunity under a 1995 treaty between Britain and the United States, Britain's foreign secretary, Dominic Raab, told Parliament on Monday." Sacoolas "is suspected of being the driver of a car that the police say was traveling on the wrong side of the road when it collided with a motorcycle ridden by Harry Dunn, 19, on Aug. 27."

The Washington Post (10/22, Hassan, 14.2M) says Sacoolas "will be questioned under the British equivalent of Miranda rights, allowing her the right to refuse to answer any questions and the warning that anything she does say could be used at trial." According to the Post, "Though first cooperating with police, Sacoolas, who is the wife of a U.S. government official, claimed diplomatic immunity under international law and returned to the United States – despite telling police she had no plans to do so."

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Bipartisan Supporters Of Hong Kong Legislation Want Senate Vote This Week.

Bloomberg (10/22, 4.73M) reports that both Republicans and Democrats in the Senate are "keeping up pressure for a swift vote on legislation to show support for pro-democracy protesters in Hong Kong by requiring annual reviews of whether the city is sufficiently autonomous from Beijing to justify its special trading status with the U.S." Sen. Ted Cruz (R-TX), a sponsor of the Hong Kong Human Rights and Democracy Act, said today he would like a vote this week. Sen. Ben Cardin (D-MD), another sponsor, "said Senate leaders are considering using a unanimous-consent vote to pass the legislation and that Republican supporters are checking with their colleagues for any signs of opposition." Bloomberg reports that last week, the House "passed a slightly different measure that would have to be reconciled with the Senate bill."

Reuters Analysis: Gantz Has "No Clear Path" To Assembling Coalition Israeli Government.

Reuters (10/22) reports that today, Israeli President Reuven Rivlin "will...task centrist politician Benny Gantz with trying to form the next coalition government after Prime Minister Benjamin Netanyahu failed." A second Reuters (10/22, Heller) reports says Gantz "also has no clear path to success." According to Reuters, Gantz has "said he wants a 'liberal' government, shorthand for one that does not include Netanyahu's religious partners," but "as things stand now, he has the endorsement of 54 lawmakers, seven short of a parliamentary majority." In addition, "10 of the those 54 legislators belong to a four-party Arab alliance," and "no party drawn from Israel's 21% Arab minority has ever been invited to join an Israeli government or has sought to serve in one."

A New York Times (10/22, Halbfinger, 18.61M) analysis says Gantz "will now take his turn at trying to form a government, but experts say he has even less of a chance to do so than" Netanyahu. The Times suggests that a "third round of elections could be ahead." Meanwhile, a new poll released Tuesday "showed that most Israelis would like to replace" the current multiparty parliamentary system with a two-party system.

Catalan President Hopes November Election Will Boost Independence Drive.

Reuters (10/22, Faus) reports, "Catalonia's secessionist movement aims to get over 50% of the region's vote in a Nov. 10 Spanish election after mass protests over the jailing of nine separatists, which would strengthen its push for independence, the regional government head told Reuters on Tuesday." Quim Torra told Reuters in an interview, "It's obvious that the goal is to surpass the 50% (of support for pro-independence parties) and, if possible, in the next Spanish parliamentary (elections)," calling the independence process "irreversible."

Media Analyses: Trudeau Will Have To Rely On Progressive NDP To Govern.

The AP (10/22) reports Prime Minister Justin Trudeau "won a second term in a stronger-than-expected showing in Canada's national elections, claiming a 'clear mandate' Tuesday despite a Parliament and nation increasingly fractured along regional lines." Trudeau's Liberal Party "took the most seats in Parliament but lost its majority in Monday's balloting," which "means it will have to rely on an opposition party to pass legislation." According to the AP, "With results still trickling in, the Liberals had 157 seats – 13 short of the 170 needed for a majority in the 338-seat House of Commons – while the Conservatives had 121." Reuters (10/22, Ljunggren) says Trudeau "looks set to govern with support from the left-leaning New Democratic Party, which also lost seats but managed to do well enough to hold the balance of power. Together, the parties would control a comfortable majority of 181 seats."

The New York Times (10/22, 18.61M) editorializes that "a humbled" Trudeau "survived" this weekend's election, but lost his parliamentary majority and the popular vote. The Times writes, "Let us hope that Mr. Trudeau returns to office chastened and wiser." On its editorial page, the Wall Street Journal (10/22, Subscription Publication, 7.57M) says voters delivered a rebuke while letting Trudeau hold onto power but with a minority government.

In an editorial, the Washington Post (10/22, 14.2M) says that while Trudeau "will now have to govern with other, smaller parties, this was an unexpectedly strong result" considering that "during his campaign, he admitted that he had worn blackface and brownface on several occasions, and Canada's former attorney general accused him of unduly pressuring her to end a prosecution."

US, OAS Raise Concerns About Vote Counting In Bolivia's Presidential Election.

Reuters (10/22, Taj) reports the Organization of American States, "Bolivia's election observer, will convene a special meeting on Wednesday after a disputed presidential vote showed President Evo Morales would win outright, which sparked angry protests around the South American nation." The OAS "raised concerns after an official rapid count of votes gave Morales, a leftist in power since 2006, a 10-point lead over rival Carlos Mesa," which "would allow Morales to avoid a risky second round."

The Washington Post (10/22, Faiola, 14.2M) reports that Michael Kozak, Acting Assistant Secretary of State for Western Hemisphere affairs, tweeted: "The U.S. rejects the Electoral Tribunal's attempts to subvert #Bolivia's democracy by delaying the vote count & taking actions that undermine the credibility of Bolivia's elections." According to the Post, "Critics warned that the election was in danger of losing legitimacy, violent protests erupted in several Bolivian cities, and the country was at risk of being seen as exactly what it has insisted it is not: Another Venezuela."

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NYTimes Calls On Chile To Spread Wealth More Evenly.

The New York Times (10/22, 18.61M) editorializes that amid growing protests spurred by economic inequality, "the obvious path for Chile is for the government to spend more money improving the quality of life for a vast majority of Chileans." The Times notes that Andrónico Luksic Craig, chairman of the industrial conglomerate Quiñenco, "wrote on Saturday on Twitter that he was ready to pay higher taxes. 'There is no magic,' he wrote — no alternative to simply spreading the wealth more evenly." The Times argues, "It is time for the Chilean government to acknowledge that reality, too."

Housing

Calabria Open To Wiping Out GSE Shareholders If Necessary; Mnuchin Leaves Receivership On The Table.

Potentially behind a paywall, Bloomberg (10/22, Dexheimer, 4.73M) reports FHFA Director Mark Calabria, "facing scrutiny from Democrats about whether freeing" Fannie Mae and Freddie Mac from government control "might enrich hedge funds, said he would be willing to wipe out shareholders of the mortgage giants if circumstances called for it." At Tuesday's House Financial Services Committee hearing, Calabria "said that while it isn't his objective to wipe out or enrich shareholders, he will do what's needed to ensure taxpayers don't have to bail out the companies again." Also testifying was Treasury Secretary Mnuchin, who "reiterated Tuesday that it's 'by far' his preference to work with Congress on an overhaul of Fannie and Freddie. Mnuchin and Calabria both said during the hearing that no decision has been made on how exactly Fannie and Freddie might be released." Mnuchin left the option of receivership "on the table," and Calabria "wouldn't commit to supporting recap and release, adding that he opposes releasing Fannie and Freddie if they end up operating in the same way as they did before the 2008 crisis."

HousingWire (10/22, 23K) reports Calabria said, "I'm on the record as saying in 2008 what we should have done is wipe out the shareholders." However, according to HousingWire, Calabria "said...his mandate now is to put the companies on firm footing and release them from conservatorship or, if warranted, put them into receivership – and he made clear his intent was the former."

Calabria: GSEs Would Fail In Downturn. MarketWatch (10/22, Passy, 1.67M) reports Calabria also "frequently noted that Fannie and Freddie were operating at leverage ratios of 500 to 1, while most major banks are only allowed to maintain leverage ratios of 10 to 1." He said, "Even if every single loan Fannie and Freddie made were pristine, they would still fail at that level of leverage" in the event of a downturn. Fox Business (10/22, O'Halloran, 1.73M) reports Calabria said, "Let me be absolutely crystal clear, Fannie and Freddie will fail in a downturn. ... Our housing market and the economy is strong, this is the time to do it. I fear that if we don't do it now we won't be able to make these reforms in times of stress."

Calabria Committed To Preventing "Charter Creep." American Banker (10/22, Subscription Publication, 31K) reports Calabria "also hinted at a future rulemaking intended to shrink Fannie and Freddie's footprints," and he "anticipates rulemaking to prevent charter creep." Calabria said that the FHFA "will be setting up a rulemaking to have a very clear process to make sure the GSEs stay within their charters."

Behind a paywall in its Short Takes, Inside Mortgage Finance (10/22, Yang, Subscription Publication) reports, "The Main Street GSE Reform Coalition Tuesday morning outlined its principles for government-sponsored enterprise reform. Among other things, the coalition – comprised of affordable housing advocates, civil rights organizations, small and mid-sized lenders, and homebuilders – said it remains concerned about any move to shrink the footprint of the GSEs or drive up the cost of credit."

Calabria: Red Tape Is Hindering Housing Affordability. DS News (10/22, Albanese) reports Calabria also discussed housing affordability. He said, "Too many Americans lack what each of us deserves: an affordable place to call home, whether it is rented or owned." Calling housing affordability a "national problem" that has local roots, Calabria pointed to zoning and land-use restrictions, environmental regulations, building codes, and permitting requirements, blaming them for "disproportionately hurt[ing] low-income Americans." According to Calabria, "Our affordability problems will not be solved until local governments remove these impediments that limit the supply of affordable housing in their communities. Our housing finance system also has a role to play. Fannie Mae and Freddie Mac exist to ensure mortgage credit availability through the economic cycle."

Behind a paywall, Bloomberg Law (10/22, Subscription Publication, 4K) reports HFSC Chairwoman Maxine Waters criticized the Administration's GSE reform plan, claiming that it would create turmoil because Congress has not created an explicit guarantee for the GSEs' MBS. Providing similar coverage of the hearing are Seeking Alpha (10/22, 512K), WHNT-TV Huntsville, AL (10/22, 192K), and a paywalled piece from Bloomberg Law (10/22, Subscription Publication, 4K).

The Credit Union National Association (10/22) wrote in a letter sent for the hearing's record, "A robust, smoothly functioning national housing finance system with an efficient, effective and fair secondary market that provides equal access to lenders of all sizes is a key concern for credit unions and the members they serve. Credit unions are a small, but increasingly important, source for average working Americans to obtain safe, affordable mortgages."

GSE Credit Quality Improved In Q3.

Behind a paywall, Inside Mortgage Finance (10/22, Bancroft, Subscription Publication) reports, "The credit quality of loans delivered into Fannie Mae and Freddie Mac mortgage-backed securities generally strengthened in the third quarter." Mortgages with low credit scores and high LTV ratios "represented a smaller share of the government-sponsored enterprises' business, although overall volume was up across the board. As in previous quarters, the biggest clumps of GSE business were in low-risk categories." According to IMF, "Some 7.27% of

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Fannie/Freddie purchase loans fell in the highest-risk category, having credit scores below 700 and LTV ratios over 80%. Although the sheer volume of such loans delivered to the GSEs was up 23.3% from the previous quarter, the risk distribution was down from 7.68% in the prior period. The risk categories used in this analysis were designed several years ago by the Federal Housing Finance Agency, and they exclude FICO scores below 620 and LTV ratios over 97%."

JPM Sponsors Its First Synthetic CRT Transaction Since The Financial Crisis.

Asset Securitization Report (10/22, Hintze) reports, "JPMorgan is turning to the credit-risk transfer securitization model in a new $757.2 million securitization of prime-quality residential mortgages that it will retain on its books. According to Fitch Ratings, Chase Mortgage Reference Notes 2019-CL1 is Chase's first synthetic credit-linked note transaction, although it follows in the footsteps of two earlier post-crisis deals sponsored by Chase aimed at reinvigorating the private-label residential mortgage-backed securities market." ASR says that the transaction is "similar to the GSE credit-risk transfer platforms – Fannie Mae's Connecticut Avenue Series and Freddie Mac's Structured Agency Credit Risk program – JPMorgan will make payments on the CL1 transaction to the note holders based on the interest rate on the CL1 notes and principal payments are determined based on the actual principal payments received and performance of the reference pool."

Hunt Provides $6M Freddie Mac SBL Financing For Aurora, CO Apartment Refi.

According to Multifamily Biz (10/22), Hunt Real Estate Capital "announced...it provided a Freddie Mac Small Balance Loan in the amount of $5.86 million to refinance a multifamily property located in Aurora, Colorado." Fitz Apartments is "a 46-unit multifamily property" that contains "14 one-bedroom units and 32 two-bedroom units."

Housing Finance Industry Backs Proposed Change To FDIC Disclosure Requirement; Some Investors Oppose The Move.

According to National Mortgage News (10/22, Sinnock), "The housing finance industry supports a proposed rule revision that would exempt banks regulated by the Federal Deposit Insurance Corp. from an RMBS disclosure requirement, but some investors oppose the move." The proposal would address a "discrepancy" between the SEC's rules and those of the FDIC "related to whether private placements are exempt from the SEC's Reg AB disclosure requirements. Private placements have an exemption under the SEC's rules, but not under the FDIC's. This imposes a disclosure requirement on depositories that nonbanks don't have." According to NMN, "The Housing Policy Council, JPMorgan Chase, the Mortgage Bankers Association and the American Bankers Association all support changing this aspect of the FDIC's Securitization Safe Harbor rule."

Veterans Affairs Department Reportedly Taking Lenders To Task Over Potential IRRRL Abuses.

Behind a paywall, Inside Mortgage Finance (10/21, Muolo, Subscription Publication) reports, "Even though legislation was signed into law earlier this year to curb abuses tied to streamlined refinances of VA loans, some lenders apparently didn't get the message – and now the Veterans Administration is taking action." Earlier this month, the VA reportedly "held a teleconference with roughly 10 lenders" that administrators claimed had "two main deficiencies: The refis they're currently funding are not properly seasoned and there are mistakes on the refi calculations." According to IMF, although it is "unclear which lenders were on the call," UWM and NewDay USA "said they were not participants." Collingwood VP Stephanie Schader said, "The VA has started to contact lenders regarding recent refinances that may be ineligible for guarantee."

CFPB Mortgage Complaints Declined In Q3.

Behind a paywall, Inside Mortgage Finance (10/22, Yang, Subscription Publication) reports, "Public complaints filed with the Consumer Financial Protection Bureau regarding home mortgages declined in almost every category except in the area of applications." Total mortgage complaints "fell 7.2% to 5,375 from the second to the third quarter of 2019. Complaints have nearly halved from the third quarter of 2016. Criticisms about servicing fell 9.9% on a sequential basis, followed by loan modifications (8.4%) and closings (1.6%). But when it came to applications, gripes increased 9.6% from the second to the third quarter." Servicing continued to draw the majority of the mortgage complaints. Wells Fargo Bank "drew the most gripes, with Mr. Cooper and Ocwen Financial finishing second and third respectively."

HUD Secretary: HECM Program's Changes Have Been Beneficial, But More Reforms Are Needed.

Reverse Mortgage Daily (10/22, Clow, 43K) reports that in testimony before the House Financial Services Committee on Tuesday, HUD Secretary Carson "reiterated...his and the department's commitment to addressing the financial viability of the Home Equity Conversion Mortgage (HECM) program, stating recent program changes have been 'directionally positive.'" According to RMD, "Appearing alongside Secretary of the Treasury Steven Mnuchin and Federal Housing Finance Agency (FHFA) Director Dr. Mark Calabria, Carson's statement detailed many of the recent issues faced by the HECM program and reiterated recent proposals by the Trump Administration to shore up the program's finances within the Mutual Mortgage Insurance Fund (MMIF)." Carson said in a written statement that HUD "recommends

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Congress reform the loan limit structure in the HECM program to reflect variation in local housing markets and regional economies." Second, Carson said that HUD "proposes Congress set a separate HECM capital reserve ratio and remove HECMs as obligations to the MMIF." And third, HUD proposes that FHA should eliminate HECM-to-HECM refis, because "these transactions result in greater appraisal inflation, increasing program costs, and negatively impacting GNMA-guaranteed HECM MBS (HMBS) due to quick 'churn' in pool participations," Carson said.

Carson Defends Puerto Rico Hurricane Funding Delay. NBC News (10/22, 6.14M) reports HUD Secretary Carson also "defended his agency for knowingly missing a legally required deadline that would have kicked off a monthslong process to help Puerto Rico get billions in federal housing funds Congress allocated after Hurricane Maria devastated the island in 2017." Carson said that he would not "put an unprecedented amount of money without the appropriate controls" in "a jurisdiction in which there are three changes of government within a month" and "has historically had difficulty with financial management."

CUNA, FASB Announce December 19 Webinar Regarding CECL Implementation.

The Credit Union National Association (10/22) announced that it will "partner with the Financial Accounting Standards Board (FASB) for a Dec. 19 webinar on the current expected credit loss (CECL) standard, one of several CECL implementation workshops hosted by credit union organizations. FASB recently approved delaying CECL implementation for credit unions to January 2023."

NAR: Existing-Home Sales Fell In September, Missing Expectations.

The Wall Street Journal (10/22, Kusisto, Torry, Subscription Publication, 7.57M) reports the National Association of Realtors announced that existing-home sales fell 2.2% in September from the prior month, declining to a seasonally adjusted rate of 5.38 million. According to The Journal, the drop followed two consecutive months in which sales rose. The median sales price for existing homes in September was $272,100, up just under six percent from September 2018. This marked the strongest rate of appreciation since January 2018.

Reuters (10/22, Dunsmuir) reports sales fell more than economists had predicted. Economists polled by Reuters "had forecast existing home sales declining 0.7% to 5.45 million units." Although mortgage rates are still historically low, with Freddie Mac reporting the 30-year FRM average fell more than 125 basis points since its peak last November, the rate of home price gains is outpacing wage growth. HousingWire (10/22, Lloyd, 23K) reports NAR Chief Economist Lawrence Yun said, "We must continue to beat the drum for more inventory. Home prices are rising too rapidly because of the housing shortage, and this lack of inventory is preventing home sales growth potential."

Bloomberg (10/22, Pickert, 4.73M) reports, "At the current pace, it would take 4.1 months to sell all the homes on the market, compared with four months in August; Realtors see anything below five months of supply as a sign of a tight market." First-time buyers made up a third of September's sales, "up from 31 percent the previous month."

National Mortgage Professional (10/22, Hall) reports MBA Chief Economist Mike Fratantoni said, "Existing-home sales declined in September, but are running more than seven percent ahead of last year's sales pace, led by an almost 10 percent gain in the South. Home sales still remain constrained by a lack of inventory, with only 4.1 months of supply at the end of last month. The combination of a strong job market and low mortgage rates continue to support housing demand as 2019 comes to a close. Buyer interest is particularly robust among first-time homebuyers, who made up a third of sales last month. Millennials' interest in homeownership is strong, and should continue to support home sales growth heading into next year, given the low rate environment and still favorable economic conditions."

Providing similar coverage are Fox Business (10/22, Henney, 1.73M), Realtor (10/22, 25.12M),

With Mortgage Rates Low, Pulte Boosts Its Annual Home Sales Forecast.

Reuters (10/22) reports US homebuilder PulteGroup "raised its full-year forecast for home sales on Tuesday, after it posted a better-than-expected quarterly profit as lower mortgage rates boosted demand." CEO Ryan Marshall said, "Given a broadly favorable macroeconomic backdrop and expectations for interest rates to remain low, we see the opportunity for housing demand to continue moving higher over time." According to Reuters, "The 30-year fixed mortgage rate has dropped more than 125 basis points since last November's peak to an average of 3.69%, according to data from mortgage finance agency Freddie Mac. Marshall added that he expects a modest expansion in purchase of homes by first-time buyers through 2020 and beyond." Now, Pulte "expects home sales of between 23,000 and 23,200 homes for 2019, up from a previous forecast of 22,300 to 22,800 homes. It sold 6,186 homes in the quarter, 2.6% higher than last year."

Redfin: Buyers And Sellers Feel They Have Been Hurt By Home Price Gains.

National Mortgage Professional (10/22, Hall) reports that a "new survey conducted by Redfin" found that "both homebuyers and sellers have seen their lives turn for the worse because of rising house prices." NMP says, "In a survey conducted in June of 3,000 individuals who either bought or sold a primary residence in the last year or plan to in the next 12 months, Redfin found 46 percent of respondents complaining that rising home prices over the past decade have made their life worse, while 16 percent believed rising home prices made their life better". In addition, "buyers who purchased their residences at the bottom of the market in 2012 have collectively earned $203 billion in home equity while current first-time homebuyers are challenged to find affordable homeownership options at today's prices."

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Facebook Pledges $1B To Create Affordable Housing In California.

The New York Times (10/22, Dougherty, 18.61M) reports, "Facebook said on Tuesday it would give $1 billion in a package of grants, loans and land toward easing California's severe housing crunch by building an estimated 20,000 new housing units for middle- and lower-income households." HousingWire (10/22, Ramirez, 23K) reports California Governor Gavin Newsom (D) said, "Access to more affordable housing for all families is key to addressing economic inequality and restoring social mobility in California and beyond. State government cannot solve housing affordability alone, we need others to join Facebook in stepping up – progress requires partnership with the private sector and philanthropy to change the status quo and address the cost crisis our state is facing. Public-private partnerships around excess land is an important component in moving us forward."

Companies Pushed To Prepare For SOFR And Other Benchmarks As Libor's Demise Approaches.

The Wall Street Journal (10/22, Maurer, Subscription Publication, 7.57M) reports companies are being urged by regulators and analysts to accelerate their preparations to transition away from Libor. While several banks and regulators having decided back in 2017 to utilize SOFR as a replacement, companies are being advised to make preparations for using multiple other reference rates. According to Ernst & Young partner Jeff Vitali, flexibility will be key in achieving a gradual migration to SOFR reference rate. GTreasury VP Peter Seward said that when it comes to accounting standards, companies tend to procrastinate, waiting for banks and vendors to prepare for the transition. An executive from Chatham Financial Corp. said that incorporating SOFR could cause lengthy wait times for companies to develop liquidity.

Analysis: Housing Market Continues "Humming Along."

In an analysis piece for CNN (10/22, 83.16M), digital correspondent Paul R. Le Monica says, "Despite a recent drop in retail sales, softer business spending and a slowdown in job growth, the housing market keeps humming along. That's good news for a US economy that may need housing to keep the current recovery alive." According to CNN, "Low mortgage rates are helping to convince some renters, particularly younger millennials looking to start families, to take the plunge and buy homes. The average rate for a 30-year fixed mortgage is now just 3.69% according to mortgage financing company Freddie Mac. That's down from about 4.5% at the start of 2019 and a multi-year peak of 4.94% last November." Although the trade war with China could bring down the housing market, so far, "consumers are largely shrugging off the threat of more tariffs and other geopolitical uncertainties that have occasionally rattled investors this year. They continue to buy houses as well as home improvement goods to spruce them up."

Markets

10-Year Yield Falls.

MarketWatch (10/17, 1.67M) reports the 10-year Treasury yield fell to 1.739 percent.

Dollar Holds Onto Gains.

Reuters (10/23, White) reports that on Wednesday, the "dollar index against a basket of six major currencies stood at 97.545, holding on to a 0.2% gain posted on Tuesday." The US currency "fell 0.15% to 108.32 yen."

Gold Edges Higher.

Reuters (IND) (10/22, Lahiri) reports, "Gold prices were largely unchanged on Wednesday, as investors awaited more clarity on the Brexit issue and the US-China trade war, but a rally in the bond markets provided modest support to the bullion." Spot gold "was up 0.1 % at $1,489.07 per ounce as of 0254 GMT," while US gold futures "rose 0.3% to $1,492.20 per ounce."

Oil Falls.

Reuters (10/23, Samanta) reports, "Oil fell on Wednesday after climbing over 1% in the previous session as US industry data showed a bigger-than-expected build in crude stocks, but the possibility of deeper output cuts from OPEC and its allies prevented a further decline." Brent crude futures "dropped 23 cents, or 0.39%, to $59.47 a barrel by 0652 GMT on Wednesday." West Texas Intermediate crude futures "for December delivery, the new front-month contract, fell 32 cents, or 0.59%, to $54.16 per barrel."

Cybersecurity

FBI Asks For Public's Help In Curbing Internet Crime.

WBBJ-TV Jackson, TN (10/22) reports from Jackson, Tennessee, "According to the FBI, Americans lose billions of dollars to Internet crimes every year, and now the FBI wants to work with you to stay ahead of it. 'We do everything we can to get the word out on how to be safe. But inevitably, we are dealing with some pretty sophisticated criminals and bad guys,' Assistant Special Agent-in-Charge Jeremy Baker of the FBI Memphis Division said. 'Sometimes we even see some foreign countries that hire people to get into organizations' systems and individuals' computers.' 'The public sector, the government, the FBI, we partner with private sector companies, organizations, enterprises,' Baker said."

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NSA Reports Russia-Linked Group Likely Used Iranian Hacking Tools.

Bloomberg (10/22, Sebenius, 4.73M) reports a Russia-linked group "is believed to have utilized Iranian tools to conduct cyber attacks against dozens of countries, in an apparent effort to mask their identities, according to joint advisories by the US and the UK." The group, known as Turla, "used tools from suspected Iran-based hacking groups and deployed them against old and new targets." According to NSA and the UK's National Cyber Security Centre, "which released the advisories on Monday, in order to acquire the tools, Turla 'comprised the suspected Iran-based hacking groups themselves.'" The agencies said, "The original owners of the tools 'were almost certainly not aware of, or complicit with, Turla's use of their implants.'" NextGov (10/22) reports authorities "said the Nautilus and Neuron tools had 'very likely' originated in Iran, but Turla had acquired both tools by early 2018." The group initially "used the malware in combination with one of its own toolkits, called Snake, but eventually began targeting victims with the tools directly." According to the release, Turla worked "to gain further access to targets by scouring their networks for backdoors that had been inserted by Iranian hackers."

Democrats Offer Cybersecurity Bill For "Internet Of Things."

The Hill (10/22, Miller, 2.98M) reports Democratic lawmakers in the House and Senate on Tuesday "introduced legislation to increase the security of internet-connected devices." The Cyber Shield Act, sponsored by Sen. Ed Markey (D-MA) and Rep. Ted Lieu (D-CA), "would establish an 'advisory committee' comprised of cyber experts from government, industry and academia to create 'cyber benchmarks' for internet-connected devices, also known as Internet of Things (IOT) devices." IOT devices "can then be built by manufacturers to meet these security standards, and be given a 'Cyber Shield' label to show consumers they meet these benchmarks." Markey "said in a statement that 'the IoT will also stand for the Internet of Threats until we put in place appropriate cybersecurity safeguards.'"

Facebook Ramps Up Cybersecurity Protections For Elected Officials.

The Washington Post (10/22, Marks, 14.2M) reports in the Cybersecurity 202 column that Facebook "will ramp up cybersecurity protections for elected officials, candidates and their staffs to protect them from targeted attacks by Russia and other adversaries." The protections "are part of a series of changes to combat hacking and disinformation threats to the 2020 US elections." The Facebook Protect program "will require participating campaigns to use two-factor authentication to access accounts – such as an SMS code in addition to a password." The company will also "boost its own monitoring of those accounts for suspicious activity and alert campaigns about login attempts from unusual locations or devices." Federal and state government agencies and political party committees "will also qualify for the program."

UK Cyber-Centre Targets Payment Card Fraud.

BBC News Online (UK) (10/23, 1.02M) reports Britain's cyber-defence centre "has thwarted more than one million cases of suspected payment card fraud in the last year, its annual review reveals." The National Cyber Security Centre (NCSC) "said a dedicated anti-fraud effort stopped the cards being abused." It said it had "stopped more than 1,800 cyber-attacks aimed at UK citizens and businesses in its first three years." Hostile nation states "were behind a 'significant' number of the incidents it tackled, it added." The figures were revealed "in a report which sets out how the NCSC acts to protect the public." In the last year it "said it had run Operation Haulster that sought to uncover which payment cards were being targeted by online fraudsters." The operation told banks "about potential targets so they could prevent future attacks or spot when cards were being abused."

EU Draft Report Says Swift Roll-Out Of 5G Is Key To Competitiveness.

Reuters (10/22) reports the European Union should become "the leading market for deployment of 5G mobile networks and its developments because it is key for enhancing the bloc's competitiveness, according to draft presidency conclusions seen by Reuters." The changes that 5G "brings to mobile networks, devices and applications, 'make it is necessary for the EU and the member states to pay particular attention to ensuring the cybersecurity of these networks and new services,' but 'a swift roll-out of 5G networks is key for enhancing the competitiveness of the EU and requires a common approach' in an increasingly connected world." Without naming Chinese telecoms equipment market leader Huawei Technologies, "the draft conclusions recommend to promote European technological sovereignty and put in place 'robust' security standards and measures for all relevant manufacturers and service providers, across the entire lifecycle of 5G networks."

China Intensifies Hacking To Track Its Minorities.

The New York Times (10/22, Perlroth, Conger, Mozur, 18.61M) reports China's state-sponsored hackers "have drastically changed how they operate over the last three years, substituting selectivity for what had been a scattershot approach to their targets and showing a new determination by Beijing to push its surveillance state beyond its borders." Security researchers and intelligence officials said that the government has poured "considerable resources into the change, which is part of a reorganization of the national People's Liberation Army that President Xi Jinping initiated in 2016." China's hackers have since "built up a new arsenal of techniques, such as elaborate hacks of iPhone and Android software, pushing them beyond email attacks and the other, more basic tactics that they had previously employed." The researchers "said that the primary targets for these more sophisticated attacks: China's ethnic minorities and their diaspora in other countries."

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Iranian Hackers Breached Computers Of US Satellite Industry.

The Daily Beast (10/22, 1.39M) reports Iranian hackers "breached computers of the American satellite technology industry with help from a fake website and an unsuspecting college professor." Court documents obtained by The Daily Beast "show that the FBI believes Iranian hackers going by the nicknames MRSCO and N3O may have been involved in the attempted breaches." The hackers, "members of a long-running Iranian hacker collective known as the 'Iranian Dark Coders Team,' have become known for defacing websites with pro-Iranian and Hezbollah propaganda, hacking gas-station pump terminals online, and attacking an Israeli credit-card company over the past seven years." Agents pulled the registration information "for the bait website and found that the hackers had tried to impersonate an employee of the commercial satellite imagery firm DigitalGlobe when creating the site in order to make the software downloads appear genuine."

TFI/Sanctions

OFAC Determines Russian Gas Company's Tankers Not Under Sanctions.

The Financial Times (10/22, Foy, Subscription Publication, 1.34M) reports that Novatek, a Russian gas company, has received approval to continue utilizing several ice-class tankers following OFAC's decision that the tankers' owner would no longer be under sanctions.

Federal Reserve

Wall Street Grows Anxious Over Fed's Repo Market Actions.

CNBC (10/22, Cox, 3.62M) reports, "Wall Street is getting worried that the Federal Reserve's aggressive efforts to control short-term borrowing rates have run into some potholes, with more danger ahead." The Fed "has been working feverishly to address issues that popped up more than a month ago in the repo market, the overnight lending place where banks go to borrow money from each other." Though "the effort has worked fairly well so far – rates rose last week, though not nearly as much as in mid-September – finance professionals fear that the market problems are not fixed and funding issues can happen again." JPMorganChase fixed income analysts wrote in a note that, "With year-end coming up, this is all likely to get much worse, in our view, before it gets better."

BoA's Cabana: Fed Should Do More To Calm Markets After Repo Market "Crisis." MarketWatch (10/22, Oh, 1.67M) reports Bank of America Merrill Lynch Head of US Short Rates Strategy Mark Cabana "was warning of the emerging strains in short-term U.S. money markets as early as last year, well before daily funding markets seized up last month and forced the Federal Reserve to dust off tools it hadn't used since the 2008 financial crisis." Cabana, in an interview with MarketWatch on Monday, "said the central bank has been working hard to avoid further funding stresses, but believes the Fed could do more to help assuage the frayed nerves of market participants after September's repo market crisis when overnight lending rates surged to a peak of 10%, according to some estimates." Cabana added, "That's the crux. We are talking about the core of central banking. There were a couple of days when the Fed lost control, and they have now taken steps to regain that."

NY Fed Injects $99.9B Through Repo Market. The Wall Street Journal (10/22, Derby, Subscription Publication, 7.57M) reports the NY Fed added $99.9 billion to the financial system through the repo market on Tuesday.

Office of the Comptroller of the Currency

Judge Finds OCC Unable To Issue Fintech Charter.

The Wall Street Journal (10/22, Hayashi, Subscription Publication, 7.57M) reports that a New York federal judge on Monday ruled that the OCC doesn't have the authority to issue national banking charters to fintech companies. The ruling comes after a federal district court in Washington, D.C. last month dismissed a challenge to the OCC's fintech charter by the Conference of State Bank Supervisors. The ABA Banking Journal (10/22) reports, "After Judge Victor Marrero declined to dismiss the case, holding that the National Bank Act does not permit the OCC to grant national bank charters to non-depository institutions without a statutory exception, he issued a judgment requested by the New York Department of Financial Services that vacated on a nationwide basis the OCC regulation permitting these charters."

American Banker (10/22, Pedersen, Subscription Publication, 31K) reports NYDFS head Linda Lacewell "said the ruling reinforces state regulators' authority to oversee fintech companies." She said, "We believe strongly that states are the best regulators when it comes to issues of consumer protection." Meanwhile, former Comptroller of the Currency Thomas Curry "said the court decision at least gets fintech firms closer to some certainty about what options are available to them under the law." But fintechs "are still under a regulatory cloud, he said."

Waters, Brown Condemn Volcker Revisions.

DS News (10/22, Albanese) reports House Financial Service Committee Chair Maxine Waters (D-CA) and Sen. Sherrod Brown (D-OH) sent a letter to the heads of the OCC, the Fed, the FDIC, the CFTC, and the SEC condemning recent regulatory rollbacks and requesting more information about the changes to the Volcker Rule. The lawmakers wrote, "In short, the 2019 rule is simply a giveaway to Wall Street banks that puts taxpayer-backed banks at risk. We believe the changes to the Volcker Rule and other regulatory changes proposed and implemented by your agencies threaten the stability of the financial system." They added that the latest changes to Volcker "open the door to the very risky, speculative activities that Congress sought to prohibit."

US Bank Cuts Thousand Of Branch Jobs.

AMERICAN OVERSIGHT

The Wall Street Journal (10/22, Prang, Subscription Publication, 7.57M) reports US Bancorp is eliminating the positions of assistant branch

manager and teller coordinator at its roughly 2,800 branches across the country. A spokesperson for the bank said the cuts would affect less than 2% of its workforce. In the spring, US Bank said it would close between 10% and 15% of its branches by the end of 2021. The announcement came after the OCC lifted a consent order over alleged anti-money-laundering deficiencies at the bank.

Chase Adds To Retail Team Ahead Of First Pittsburgh Branch's Opening.

The Pittsburgh Business Times (10/22, Tascarella, 835K) reports that as JPMorgan Chase prepares "for the grand opening of its first Pittsburgh branch on Friday, the bank continues to add to its retail leadership team." Chase appointed Wayne Randall as "executive director, Chase Wealth Management for the greater Pittsburgh area," and hired Cyndi Costa "as business development manager." Chase "has not said how many branches it will open in southwestern Pennsylvania – so far, 10 applications have been submitted to the Office of the Comptroller of the Currency, of which Chase has confirmed seven."

Wells Fargo's Scharf Says Regulatory Issues Are Top Priority.

Financial Planning (10/22, Peralta) reports Wells Fargo's new CEO Charlie Scharf "took over Monday with a fairly straightforward mandate: Finish what three predecessors couldn't." In a firm-wide memo, Scharf said the bank will put "all available resources" toward building out operations, improving risk and control functions, and making harmed customers whole. Wells Fargo "has 14 outstanding consent orders with its regulators," including a growth cap from the Fed and an order from the OCC requiring wholesale changes to governance and risk management. "Our priorities today are clear: Remediate all regulatory and control issues in the company and serve our customers every day with the highest operational and ethical standards," Scharf said Monday in his memo.

Columbia Financial, Stewardship Financial Receive Reg Approval For Merger.

The ABF Journal (10/22) reports, "Columbia Financial, the holding company for Columbia Bank, and Stewardship Financial have received the requisite regulatory approvals" from the Fed Board, the OCC, and the New Jersey Department of Banking and Insurance "to complete the Columbia's acquisition of Stewardship and the related merger of Atlantic Stewardship Bank with and into Columbia Bank."

Editorial Wrap-Up

New York Times.

"Justin Trudeau, Humbled, Gets A Second Chance." The New York Times (10/22, 18.61M) editorializes that "a humbled" Prime Minister Justin Trudeau "survived" this weekend's election, but lost his parliamentary majority and the popular vote. The Times writes, "Let us hope that Mr. Trudeau returns to office chastened and wiser."

"Chile Learns The Price Of Economic Inequality." The New York Times (10/22, 18.61M) editorializes that amid growing protests spurred by economic inequality, "the obvious path for Chile is for the government to spend more money improving the quality of life for a vast majority of Chileans." The Times notes that Andrónico Luksic Craig, chairman of the industrial conglomerate Quiñenco, "wrote on Saturday on Twitter that he was ready to pay higher taxes. 'There is no magic,' he wrote — no alternative to simply spreading the wealth more evenly." The Times argues, "It is time for the Chilean government to acknowledge that reality, too."

Washington Post.

"Canada's Election Results Are A Victory For The Planet." In an editorial, the Washington Post (10/22, 14.2M) says that while Prime Minister Justin Trudeau "will now have to govern with other, smaller parties, this was an unexpectedly strong result" considering that "during his campaign, he admitted that he had worn blackface and brownface on several occasions, and Canada's former attorney general accused him of unduly pressuring her to end a prosecution."

"Here's The Quid Pro Quo Proof, Lindsey Graham." A Washington Post (10/22, 14.2M) editorial says Sen. Lindsey Graham (R-SC), "one of President Trump's most ardent defenders in the Ukraine affair," recently said that "if you could show me that, you know, Trump was actually engaging in a quid pro quo, outside the phone call, that would be very disturbing." The Post argues that as "a lawyer and former military prosecutor," Graham "surely can recognize this corrupt campaign for what it is. The question is whether he, and other Republicans, have the moral courage to do so."

Wall Street Journal.

"California's Gasoline Panic." The Wall Street Journal (10/22, Subscription Publication, 7.57M) in an editorial says that California Gov. Gavin Newsom has asked Attorney General Xavier Becerra to look into why oil companies charge higher gasoline prices than in other states. The Journal says the higher cost is due to state policies requiring special formulations of gasoline, cap-and-trade, and higher state gas taxes, which the Journal says are about $0.77 higher than the national average. The state Energy Commission in an earlier investigation found no unlawful actions to explain the higher prices. The Journal also says that prices are higher because California has higher taxes generally and because the state has a higher minimum wage. The Journal urges Californians to recognizes that higher prices are due to the policies enacted by Democrats in the state Capitol.

AMERICAN OVERSIGHT

"Donald Trump's 'Lynching.'" In an editorial, the Wall Street Journal (10/22, Subscription Publication, 7.57M) criticizes President

Trump's use of the term "lynching" as insensitive as well as counterproductive, in that it puts his defenders in the impeachment fight in a politically untenable position.

"Canadians Humble Trudeau." On its editorial page, the Wall Street Journal (10/22, Subscription Publication, 7.57M) says voters delivered a rebuke while letting Prime Minister Justin Trudeau hold onto power but with a minority government.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

SoftBank To Boost Stake In WeWork In Deal That Cuts Most Ties With Neumann
Diplomat Says Trump Tied Ukraine Aid To Probes Into Biden, Alleged Election Interference
Johnson's Brexit Deal Clears Hurdle In Parliament But His Timetable Is Rejected
Trump's Rallies Aren't A Sideshow. They Are The Campaign.
'Everything On This Table Has Mayonnaise.' Funeral Food Stands Tall Against Change
Biogen, In Reversal, Will Seek FDA Approval For Alzheimer's Drug

New York Times:

Ukraine Envoy Testifies Trump Linked Military Aid To Investigations
An Envoy's Damning Account Of Trump's Ukraine Pressure And Its Consequences
In Hungary, A Freewheeling Trump Ambassador Undermines US Diplomats
Boris Johnson Loses A Critical Brexit Vote, Throwing The Process Into Disarray
Medicaid Covers A Million Fewer Children. Baby Elijah Was One Of Them
Putin And Erdogan Annouce Plan For Northeast Syria, Bolstering Russian Influence

Washington Post:

Russia and Turkey Reach Deal On Syria
Taylor Tells Of Political Intrigue
'One Hundred Percent Girls': Sea Turtles And Climate Havoc
Democrats See Weak Spots In The Party's 2020 Prospects
Testimony Alters The Discussion. How Will Lawmakers Respond?
Diplomat Who Raised Alarm About Withholding Aid To Ukraine Testifies In Impeachment Probe

Financial Times:

Japan's Naruhito Formally Ascends Chrysanthemum Throne
Beijing Draws Up Plan To Replace HK's Lam With Interim Leader
Trudeau Faces Challenge Of Uniting A Divided Canada
WeWork Board Backs Takeover By SoftBank

Washington Times:

'Do-Nothing Congress': Pelosi, Dems Produce More Subpoenas Than Laws
'Targeted And Taken Out': Insider Narrative Emerges In Michael Flynn Case
Senate Firewall: Republicans Stick With Trump Despite Syria Pullout, Racially Charged Rhetoric
'National Security Issue': High Unemployment Of Military Spouses Undermines Recruitment
ICE Cancels Fines On Illegal Immigrants In Sanctuary

Story Lineup From Last Night's Network News:

ABC: Impeachment-Bill Taylor; Trump-'Lynching'; Administration Official-New Book; Weather Report; California-School Shooting; Colorado-Mother Charged With Murder 2 Years After Daughter's Death; Syria; College Admissions Scam; West Point-Cadet Missing; Phoenix-Officer Fired In Shoplifting Case; FBI-Serial Bank Robber; Diane Sawyer-Michael Douglas Interview; 'Star Wars' Trailer Released; Tennessee-Flower Girls Steal Show.

CBS: Impeachment-Bill Taylor; Trump-'Lynching'; Syria; Boeing-Top Exec Ousted; College Admissions Scam; Georgia-Unsolved Lynching; Colorado-Mother Charged With Murder 2 Years After Daughter's Death; California-School Shooting; Jimmy Carter-Fall; Journalist Gwen Ifill-Postage Stamp Honor; Georgia-K9 Officer Took Bullet For Partner.

NBC: Impeachment-Bill Taylor; Trump-'Lynching'; Administration Official-New Book; Syria; College Admissions Scam; California-School Shooting; MLB-Houston Astros GM Comments To Be Investigated; New Mexico-Officer Fired For Throwing Special Needs Child To Ground; 911 Shortage; Jimmy Carter-Fall; Florida-Pedestrian Bridge Collapse; WeWork-Sudden Decline; Airport Collapsible Suitcase; Candid Camera Jokesters.

AMERICAN OVERSIGHT

Network TV At A Glance:
Impeachment-Bill Taylor – 9 minutes, 0 seconds
Trump-'Lynching' – 5 minutes, 45 seconds
Syria – 4 minutes, 45 seconds
College Admissions Scam – 4 minutes, 45 seconds
California-School Shooting – 1 minute, 45 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Impeachment-Bill Taylor; Alabama-Kidnapped Child's Remains Found; PG&E-California Outage.
CBS: Impeachment-Bill Taylor; Trump-'Lynching'; World Series-Game 1; Syria; Alabama-Kidnapped Child's Remains Found; College Admissions Scam.
FOX: Alabama-Kidnapped Child's Remains Found; Impeachment-Bill Taylor.
NPR: Impeachment-Bill Taylor; Syria; Trump-Sending Water To California; Boeing-Top Exec Ousted;

Last Laughs

Late Night Political Humor.

Jim Jeffries: "But first, the impeachment inquiry into President Trump revolves around Trump using his office to dig up political dirt on Joe Biden, based on a debunked conspiracy theory. And it's not the only conspiracy theory spread by this President. ... Trump is so good at spreading conspiracy theories, he even convinced Melania that she's not the real Melania."

Stephen Colbert: "Now, folks, it is important, I believe, to admit when you're wrong. We talk a lot about how Donald Trump is this corrupt guy who deserves to be dragged out of office kicking and screaming. But when I'm wrong, I'll be sure to let you know. Not tonight. Because we just learned this after he's just awful. Today, we got a firsthand witness to Trump going Ukraine in the membrane: Former US ambassador to Ukraine and man whose eyebrows are testifying separately, Bill Taylor."

Stephen Colbert: "Taylor was the diplomat who exchanged text messages with Trump conspirator, US Ambassador to the EU...Gordon Sondland. ... Holding up military aid for political gain seemed kind of fishy to Taylor, but the Ambassador tried to assure him it was completely normal. Quoth Taylor, 'Sondland tried to explain to me that President Trump is a businessman. When a businessman is about to sign a check to someone who owes him something, he said, the businessman asks that person to pay up before signing the check.' Well, that's a ridiculous analogy. When he was a businessman, Donald Trump never paid anyone."

Jimmy Fallon: "Earlier tonight, ABC aired the classic Halloween special, 'It's The Great Pumpkin, Charlie Brown.'They actually updated it a bit. At the end of this version, the Great Pumpkin gets impeached."

Jimmy Fallon: "The impeachment inquiry is in full swing, and I heard that today actually marks the one-month anniversary of the impeachment. Yeah, when he heard that, Trump was like, 'I can't believe nobody got me a present. Not even a card from Pierre Delecto?'"

Jimmy Fallon: "Now Democrats say the impeachment might take longer than expected because each witness keeps providing even more leads. So basically, Trump's legal strategy is to commit so many crimes, they can never finish the investigation."

Jimmy Fallon: "And today, the top official from the US embassy in Ukraine testified, and one congressman called it his 'most disturbing day in congress.' And that's counting the day Mitch McConnell walked out of the sauna without a towel."

Jimmy Fallon: "Now a new report claims Vladimir Putin is the one who convinced Trump that Ukraine was corrupt. You can tell Putin has a lot of influence over Trump, because he also convinced him to trade all of his Halloween Milky Ways for a roll of Necco Wafers."

AMERICAN OVERSIGHT

Jimmy Fallon: "And now some 2020 news. There is a new poll out in Iowa that shows Joe Biden and Elizabeth Warren are nearly tied in the

race, with Pete Buttigieg not far behind. Pretty interesting poll. Take a look. Eighteen percent of people said, 'I support Biden.' Seventeen percent said, 'I support Warren.' Thirteen percent said, 'I support Buttigieg.' Thirty-two percent said, 'I'm still undecided.' Twenty-four percent said, 'Seriously, the election has been going on for months.'"

Jimmy Fallon: "Well, in a new interview Trump said he doesn't want copies of 'The New York Times' or 'The Washington Post' in the White House. Oh, no, Trump only keeps one newspaper in the White House, and that he uses to train Rudy Giuliani."

Jimmy Fallon: "Well if things aren't crazy enough, last night Trump apparently retweeted an account called, this is real, DJ Trump's Butt. When I saw it, my first thought was, 'Wow, Mitt Romney really, really likes coming up with new Twitter accounts.'"

James Corden: "It was a big day in the impeachment inquiry on Capitol Hill. But congressional Democrats are now saying that the inquiry is going to take longer than they originally thought, mostly because they keep finding more and more witnesses with key information. The lesson here is if you're going to commit high crimes and misdemeanors, commit so many of them that congress gets absolutely buried in paperwork."

James Corden: "House Democrats originally thought they could hold an impeachment vote as early as October, but now it might extend into Christmas. An impeachment vote in December? It really is the most wonderful time of the year. In fact, The Hallmark Channel has already jumped on it with yet another new holiday movie, 'Impeachment In A Pear Tree.'"

James Corden: "Meanwhile, President Trump once again took to Twitter to lash out against the entire proceedings. But instead of calling it a 'witch hunt,' like he normally does, today he called it, 'a lynching.' And it's only Tuesday. Now that is a very loaded word in this country. At this rate, Trump's going to lose all three of his black supporters."

James Corden: "In other presidential news, Donald Trump retweeted a Twitter account that parodies and this is true, his own butt. Yesterday, the President shared a tweet from '@djtrumpsbutt,' not realizing it was a joke account. ... Although Trump should have known it was a parody account because the bio says, and this is real, 'I am Donald Trump's butt. Whatever he says, it's really me that's saying it. Follow me, or I will nuke you! #PutinPower, #MAGA.' Are we absolutely sure this isn't just another one of Mitt Romney's fake accounts? This sounds exactly like the kind of bio Pierre Delecto would write."

Seth Meyers: "President Trump was widely condemned on social media this morning after he claimed Democrats are treating impeachment proceedings like a lynching. When asked about the criticism, Trump said, 'Wow, now I know how Jesus felt on the cross.'"

Seth Meyers: "After President Trump this morning compared impeachment proceedings to a lynching, Senator Lindsey Graham defended Trump, saying, quote, 'This is a lynching in every sense.' And if there's one word Lindsey Graham shouldn't be using, it's 'sense.'"

Seth Meyers: "Donald Trump, Jr participated in a ribbon cutting ceremony for a new plaza in Arizona, which was named in his honor. That's right, 'Greasy Dingus Plaza' is officially open for business."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — delivers remarks at the 9th Annual Shale Insight Conference.
- Vice President Pence — tours the *USS St. Louis;* delivers remarks on Workforce Development; delivers remarks on United States-Mexico-Canada Agreement.

AMERICAN OVERSIGHT

***US Senate*:**

• Eva Longoria Baston and Jose Andres at Senate Democrats Latino summit – Senate Minority Leader Chuck Schumer, Democratic Hispanic Task Force Chair Bob Menendez, Democratic Steering and Outreach Committee Chair Amy Klobuchar, Minority Whip Dick Durbin, Assistant Minority Leader Patty Murray, and fellow Democratic Sens. Catherine Cortez Masto, Tom Udall, Jeff Merkley, Tim Kaine, and Jacky Rosen host summit with Latino leaders and advocates from across the country, to discuss 'the challenges facing the nation's Latino community'. Participants include actress, director, and activist Eva Longoria Baston, chef and humanitarian Jose Andres, Mexican American Legal Defense and Education Fund (MALDEF) President and General Counsel / National Hispanic Leadership Agenda Chair Thomas Saenz, Voto Latino President and CEO Maria Teresa Kumar, Hispanic Federation President Jose Calderon, and DREAM Big Nevada Executive Director Astrid Silva

Location: Rm G-50, Dirksen Senate Office Building, Washington, DC; 9:00 AM

• Senate Commerce Committee hearing on the 'Satellite Television Extension and Localism Act' – Hearing on 'The Reauthorization of STELAR', with testimony from The Graham Media Group and Chairwoman President and CEO Emily Barr; Golden West Telecommunications CEO and General Manager Denny Law; AT&T Senior Vice President of Content and Programming Robert Thun; and The Black News Channel Chairman and co-founder J.C. Watts

Location: Rm 216, Hart Senate Office Building, Washington, DC; 10:00 AM

• Senate Public Works Committee hearing on 'improving U.S. economic competitiveness through water resources infrastructure' – Hearing on 'Improving American Economic Competitiveness through Water Resources Infrastructure: Federal Panel', with testimony from Assistant Secretary for the Army of Civil Works R.D. James; U.S. Army Corps of Engineers Commanding General and Chief of Engineers Lt. Gen. Todd Semonite; and Environmental Protection Agency Office of Water Deputy Assistant Administrator for Policy Charlotte Bertrand

Location: Rm 406, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Armed Services subcommittee closed briefing on the U.S. Navy's 'Spectrum of Conflict' strategic framework – Seapower Subcommittee closed briefing on 'U.S. Navy's 'Spectrum of Conflict' Strategic Framework', given by Deputy Chief of Naval Operations for Operations, Plans and Strategy Vice Adm. Stuart Munsch

Location: SVC-217, U.S. Capitol Visitor Center, Washington, DC; 10:00 AM

• Senate Caucus on International Narcotics Control hearing on 'Marijuana and America's Health' – Senate Caucus on International Narcotics Control hearing on 'Marijuana and America's Health: Questions and Issues for Policy Makers', with witnesses U.S. Surgeon General Jerome Adams, NIH National Institute of Drug Abuse Director Nora Volkow, University of California-San Diego Professor of Pathology Dr Robert Fitzgerald, Harvard Medical School Professor of Psychiatry Dr Staci Gruber, University of Pennsylvania Perelman School of Medicine Professor of Epidemiology Dr Sean Hennessy, and Arizona State University Assistant Professor of Psychology Dr Madeline Meier

Location: Rm 215, Dirksen Senate Office Building, Washington, DC; 2:30 PM

• Senate Appropriations subcommittee hearing on Syria – State, Foreign Operations, and Related Programs Subcommittee hearing on 'Review of U.S. policy and assistance in Syria', with testimony from U.S. Special Representative for Syria Engagement and Special Envoy to the Global Coalition to Defeat ISIS James Jeffrey

Location: Rm 124, Dirksen Senate Office Building, Washington, DC; 2:30 PM

• Senate Foreign Relations subcommittee hearing on the Western Balkans – Europe and Regional Security Cooperation Subcommittee hearing on 'Successes and Unfinished Business in the Western Balkans', with testimony from Deputy Assistant Secretary of State for European and Eurasian Affairs Matthew Palmer; Center for European Policy Analysis (CEPA) Senior Fellow Janusz Bugajski; and Johns Hopkins University Foreign Policy Institute Fellow Dr Majda Ruge

Location: Rm 419, Dirksen Senate Office Building, Washington, DC; 2:30 PM

***US House*:**

• Mark Zuckerberg testifies to House Financial Services Committee on Facebook – Hearing on 'An Examination of Facebook and Its Impact on the Financial Services and Housing Sectors', with testimony from Facebook Chairman and CEO Mark Zuckerberg * Facebook announced plans earlier this year to launch its own cryptocurrency called Libra in 2020

AMERICAN OVERSIGHT

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• Water Resources and Environment Subcommittee hearing on 'The Pebble Mine Project: Process and Potential Impacts'

Location: Rm 2167, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Homeland Security Committee markup hearing – Markup hearing on 'H.R. 2932, The Homeland Security for Children Act', 'H.R. 3469, The Covert Testing and Risk Mitigation Improvement Act of 2019', 'H.R. 3787, The DHS Countering Unmanned Aircraft Systems Coordinator Act', 'H.R. 4237, The Advancing Cybersecurity Diagnostics and Mitigation Act', 'H.R. 4402, The Inland Waters Security Review Act', 'H.R. 4713, The Department of Homeland Security Office of Civil Rights and Civil Liberties Authorization Act', 'H.R. 4727, The Department of Homeland Security Mentor Protege Program Act of 2019', 'H.R. 4737, The Department of Homeland Security Climate Change Research Act', 'H.R. 4739, The Synthetic Opioid Exposure Prevention and Training Act', 'H.R. 4753, The Drone Origin Security Enhancement Act', 'H.R. 4761, The DHS Opioid Detection Resilience Act of 2019', and 'The National Commission on Online Platforms and Homeland Security Act'

Location: Rm 310, Cannon House Office Building, Washington, DC; 10:00 AM

• House Judiciary Committee markup hearing – Markup hearing on 'H.R. 4, the Voting Rights Advancement Act of 2019' and 'H.R. 565, the Advancing Mutual Interests and Growing Our Success Act' (or the 'AMIGOS Act')

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 10:00 AM

• CMS administrator testifies to House Commerce subcommittee hearing on 'administration attack on health care' – Oversight and Investigations Subcommittee hearing on 'Sabotage: The Trump Administration's Attack on Health Care', with testimony from Centers for Medicare & Medicaid Services Administrator Seema Verma

Location: Rm 2123, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Veterans Affairs subcommittee hearing on protecting benefits for all service members – Economic Opportunity Subcommittee hearing on 'Protecting Benefits for All Servicemembers', with testimony from National Guard Bureau Director of Manpower and Personnel Maj. Gen. Dawne Deskins; U.S. Army Reserve Deputy Chief Maj. Gen. Michael O'Guinn; Enlisted Association of the National Guard of the United States Legislative Director Daniel Elkins; and Reserve Officer Association of the United States Director of Legislation and Military Policy Susan Lukas

Location: HVC-210, United States Capitol, Washington, DC; 10:00 AM

• House Foreign Affairs Committee hearing on 'The Betrayal of our Syrian Kurdish Partners' – Hearing on 'The Betrayal of our Syrian Kurdish Partners: How Will American Foreign Policy and Leadership Recover?', with testimony from U.S. Special Representative for Syria Engagement and Special Envoy to the Global Coalition To Defeat ISIS James Jeffrey; and Deputy Assistant Secretary of State for European and Eurasian Affairs Matthew Palmer * President Donald Trump has received widespread criticism after announcing the withdrawal of U.S. forces from northeast Syria, leaving Kurdish fighters who fought alongside U.S. forces in the battle to defeat Islamic State militants vulnerable to an attack from Turkish forces

Location: Rm 2172, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Oversight subcommittee hearing on 'oil industry efforts to suppress the truth about climate change' – Civil Rights and Civil Liberties Subcommittee hearing on 'Examining the Oil Industry's Efforts to Suppress the Truth about Climate Change', with testimony from National Wildlife Federation Vice President for Environmental Justice Climate and Community Revitalization Dr Mustafa Ali; former Exxon scientist Dr Ed Garvey, and former Exxon consultant Dr Martin Hoffert; Harvard University Professor of the History of Science and Affiliated Professor of Earth and Planetary Sciences Dr Naomi Oreskes; and Henderson Law Firm Of Counsel Sharon Eubanks

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Natural Resources Committee markup hearing – Markup hearing on 'H.R. 934, Health Benefits for Miners Act of 2019', 'H.R. 935, Miners Pension Protection Act', and 'H.R. 2579, Hardrock Leasing and Reclamation Act of 2019'

Location: Rm 1324, Longworth House Office Building, Washington, DC; 10:00 AM

• House Armed Services Committee Ranking Member Mac Thornberry hosts off-camera press roundtable

Location: Rm 2212, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Education and Labor subcommittees joint hearing on worker protections – Health, Employment, Labor, and Pensions Subcommittee and Workforce Protections Subcommittee joint hearing on 'The Future of Work: Preserving Worker Protections in the Modern Economy', with testimony from Brandeis University Heller School for Social Policy and Management Dean and Professor Dr David Weil; Georgetown University Law Center Visiting Associate Professor Brishen Rogers; Heritage Foundation Research Fellow in Economics, Budget and Entitlements Rachel Greszler; and Hello Alfred co-founder and COO Jessica Bock

AMERICAN OVERSIGHT

Location: Rm 2175, Rayburn House Office Building, Washington, DC; 10:15 AM

• House Energy and Commerce subcommittee hearing on 'building a 100% clean economy' – Environment and Climate Change Subcommittee hearing on 'Building a 100 Percent Clean Economy: Solutions for Planes, Trains and Everything Beyond Automobiles', with testimony from Neste US President Jeremy Baines; Rhodium Group Climate Economist Emily Wimberger; Cummins Vice President for Research and Technology Wayne Eckerle; Earthjustice Staff Attorney Adrian Martinez; Port of Seattle and the Northwest Seaport Alliance Commissioner Fred Felleman; Truck & Engine Manufacturers Association Executive Vice President Timothy Blubaugh; and Musket Corporation Managing Director and Vice President J.P. Fjeld-Hansen (on behalf of National Association of Truckstop Operators)

Location: Rm 2322, Rayburn House Office Building, Washington, DC; 10:30 AM

• House Small Business Committee hearing on 'Entrepreneurship Opportunities for the Formerly Incarcerated' – Hearing on 'Prison to Proprietorship: Entrepreneurship Opportunities for the Formerly Incarcerated', with testimony from Georgetown University Law Center Associate Professor of Law Shon Hopwood; RecoveryPark President and CEO Gary Wozniak; Association of Women's Business Centers CEO Corinne Ann Hodges; and Soteria CDC founder and CEO Jerry Blassingame

Location: Rm 2360, Rayburn House Office Building, Washington, DC; 11:30 AM

• House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 2513 – Corporate Transparency Act of 2019', 'H.Res. XX – Opposing President Trump's decision to hold the 2020 G7 Summit at his Trump National Doral golf resort, and rejecting his practice of accepting foreign government Emoluments without obtaining Congress' affirmative consent, and for other purposes', and 'H.R. 4617 – SHIELD Act', plus consideration of legislation including 'H.R. 835 – Rodchenkov Anti-Doping Act of 2019', as amended, 'H.R. 2426 – CASE Act of 2019', as amended, 'S. 693 – National POW/MIA Flag Act', 'H.R. 724 – PACT Act', 'H.R. 1123 – Divisional Realignment for the Eastern District of Arkansas Act of 2019', 'H.R. 598 – Georgia Support Act', as amended, and 'H.Res. 552 – Calling on the Government of the Russian Federation to provide evidence of wrongdoing or to release United States citizen Paul Whelan' under suspension of the rules

Location: U.S. Capitol, Washington, DC; 12:00 PM

• House Ways and Means Committee markup hearing – Markup hearing on 'H.R. 4742, To amend the Internal Revenue Code of 1986 to impose a tax on nicotine used in vaping, etc.', 'H.R. 4716, To amend the Internal Revenue Code of 1986 to provide a safe harbor for high deductible health plans without a deductible for certain inhalers', 'H.R. 1922, The Restoring Access to Medication Act of 2019', and 'H.R. 3708, The Primary Care Enhancement Act of 2019'

Location: Rm 1100, Longworth House Office Building, Washington, DC; 1:00 PM

• House Space subcommittees joint hearing on space weather – Environment Subcommittee and Space and Aeronautics Subcommittee joint hearing on 'Space Weather: Advancing Research, Monitoring, and Forecasting Capabilities', with testimony from National Oceanic and Atmospheric Administration Space Weather Prediction Center Program Coordinator Bill Murtagh; NASA Heliophysics Division Director Dr Nicola Fox; and former Under Secretary of Commerce for Oceans and Atmosphere and NOAA Administrator Vice Adm. (Ret.) Dr Conrad Lautenbacher Jr.

Location: Rm 2318, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Oversight subcommittee hearing on administration Syria policy – National Security Subcommittee hearing on 'The Trump Administration's Syria Policy: Perspectives from the Field', with testimony from Save the Children Senior Director of International Humanitarian Response Bernice Romero; Syrian Democratic Council Co-President Ilham Ahmed (accompanied by a translator); former 5th Special Forces Group officer Martin Palmer; and Soufan Center Director of Programs and Research Emerita Torres

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Foreign Affairs subcommittee hearing on the FY'20 budget and U.S. policy toward Latin America and the Caribbean – Western Hemisphere, Civilian Security, and Trade Subcommittee hearing on 'The Trump Administration's FY 2020 Budget and U.S. Policy toward Latin America and the Caribbean', with testimony from Acting Assistant Secretary of State for Western Hemisphere Affairs Michael Kozak; USAID Bureau for Latin America and the Caribbean Assistant Administrator John Barsa; and Deputy Assistant Secretary of State for International Narcotics and Law Enforcement Affairs Rich Glenn

Location: Rm 2172, Rayburn House Office Building, Washington, DC; 2:00 PM

Cabinet Officers:

• Secretary of State Pompeo meets Orthodox Church of Ukraine primate – Secretary of State Mike Pompeo meets Orthodox Church of Ukraine Primate Metropolitan Epiphaniy at the State Department

AMERICAN OVERSIGHT

Location: State Department, Washington, DC; 9:30 AM

• Education Secretary DeVos hosts D.C. Opportunity Scholarships Program 15th anniversary celebration – Secretary of Education Betsy DeVos hosts Members of Congress, parents, and students for a celebration to mark the 15th anniversary of the D.C. Opportunity Scholarships Program (DCOSP). Participants include Republicans Sen. Ron Johnson, and Reps. Virginia Foxx, Ralph Norman, and Andy Harris

Location: U.S. Department of Education, 400 Maryland Ave SW, Washington, DC; 9:30 AM

• Commission on Unalienable Rights meeting, opened by Secretary of State Pompeo – Commission on Unalienable Rights meeting, opened by Secretary of State Mike Pompeo and directed by Commission Chair Harvard Law School Professor Mary Ann Glendon * Commission serves the U.S. Government in a solely-advisory capacity, and provides advice concerning principles related to human rights

Location: State Department, Washington, DC; 1:15 PM

Visitors:

• Secretary of State Pompeo meets Orthodox Church of Ukraine primate – Secretary of State Mike Pompeo meets Orthodox Church of Ukraine Primate Metropolitan Epiphaniy at the State Department

Location: State Department, Washington, DC; 9:30 AM

This Town:

• Securities Enforcement Forum with SEC Chairman Clayton – Securities Enforcement Forum, for current and former senior SEC and DoJ officials, securities enforcement and white-collar attorneys, in-house counsel and compliance executives, and other professionals in the field. Speakers include Securities and Exchange Commission Chairman Jay Clayton

Location: Mayflower Hotel, 1127 Connecticut Ave NW, Washington, DC; 7:00 AM

• Department of Labor OFCCP holds town hall meeting on academic institutions

Location: Phoenix Park Hotel, 520 North Capitol St NW, Washington, DC; 8:30 AM

• Dems Sen. Tammy Duckworth and Rep. Conor Lamb speak at Buy Clean America Summit – Buy Clean America Summit, themed 'Closing the Carbon Loophole in Climate Policy: A Forum on Jobs, Climate, and Competitive Industries' and hosted by Third Way and Blue Green Alliance. Speakers include Democrats Sen. Tammy Duckworth and Rep. Conor Lamb, Minnesota State Rep. Frank Hornstein and Washington State Rep. Beth Doglio

Location: Ronald Reagan Building and International Trade Center, 1300 Pennsylvania Ave NW, Washington, DC; 8:30 AM

• Beto O'Rourke on campaign trail in Washington, DC, and Iowa – 2020 Democratic presidential candidate former Rep. Beto O'Rourke campaigns in Washington, DC, and Iowa, speaks at a Washington Post Live event, Washington Post Live Center, 1301 K St NW, Washington, DC (9:00 AM EDT), before holding a town hall, Thomas Commons, 810 Commons Cir, Mt Vernon, IA (5:00 PM CDT); *9:00 AM*

• Democratic Rep. Andy Kim, who is running for re-election, hosts 'morning coffee' event

Location: Eckhert and Associates, 412 First St SE, Washington, DC; 9:00 AM

• Dem Sen. Chris Murphy discusses 'national security crisis' at CAP Action Fund – Center for American Progress Action Fund hosts Democratic Sen. Chris Murphy who discusses the Trump administration's foreign policy and the 'full global scope of the damage caused.' Opening remarks from CAP Action Fund President and CEO Neera Tanden

Location: Center for American Progress, 1333 H St NW, Washington, DC; 9:15 AM

• Navy Secretary Spencer speaks on modernization at Brookings – 'The Navy in an era of great power competition' Brookings Institution event, with Secretary of the Navy Richard Spencer discussing naval modernization, the budgetary environment, and the challenges posed by rival powers

Location: Brookings Institution, 1775 Massachusetts Ave NW, Washington, DC; 9:30 AM

• GOP Sen. Ted Cruz discusses aviation at Newseum – Republican Sen. Ted Cruz speaks at 'Innovation Runway: The Cutting Edge of Aviation' event hosted by The Hill at Newseum, discussing the future of aviation and his priorities for improving and strengthening the industry for consumers

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Location: Newseum, 555 Pennsylvania Ave NW, Washington, DC; 9:45 AM

• Dem Rep. Susan Wild hosts campaign event featuring Dem Rep. Steny Hoyer – Democratic Rep. Susan Wild, who is running for re-election, hosts campaign event with special guest House Majority Leader Steny Hoyer

Location: Cava Mezze, 527 8th St SE, Washington, DC; 12:00 PM

• Democratic Rep. Donald Norcross, who is running for re-election, hosts lunch reception

Location: Acqua Al 2, 212 7th St SE, Washington, DC; 12:30 PM

• Dem Rep. Paul Tonko keynotes SAIS Energy Conference 2019 – School of Advanced International Studies holds Energy Conference 2019, themed 'The Energy Transition: Approaches and Lessons.' Keynote from Democratic Rep. Paul Tonko, Nikansen Center Director of Climate Policy Joseph Majkut, Georgetown Climate Center Executive Director Vicki Arroyo, Equinor US Political and Public Affairs Vice President Gina Wang-Reese, and ENEL Green Power North America Director of Innovation Sander Cohen

Location: SAIS, 1740 Massachusetts Ave NW, Washington, DC; 1:00 PM

• Cory Booker on campaign trail in Washington, DC – 2020 Democratic presidential candidate Sen. Cory Booker campaigns in Washington, DC, attending a National Press Club Headliners Newsmaker event, 529 14th St NW (1:00 PM EDT) and a Grassroots Happy Hour Fundraiser, Hawk 'n' Dove, 329 Pennsylvania Ave SE (5:30 PM EDT)

Location: Washington, DC; 1:00 PM

• House Dems attend CPC media and members happy hour event – Congressional Progressive Caucus holds 'informal, off-the-record' happy hour event for reporters to connect with CPC members. Attendees include Democratic Reps. Pramila Jayapal and Mark Pocan*; 6:15 PM*

• Mexican ambassador to the U.S. speaks at WFPG event – Women's Foreign Policy Group hosts Mexican Ambassador to the U.S. Amb. Martha Barcena Cocqui for a discussion on the 'Evolving U.S. and Mexico Partnership'

Location: Mexican Cultural Institute, 2829 16th St NW, Washington, DC; 6:30 PM

• All In Together Anniversary Gala – All In Together's Five Year Anniversary Gala, hosted by CNN Chief Political Correspondent Dana Bash. Attendees include Republicans Sen. Deb Fischer and Reps. Jaime Herrera Beutler and Kay Granger, and Democrats Sen. Tina Smith and Reps. Barbara Lee and Ayanna Pressley

Location: Newseum, 555 Pennsylvania Ave NW, Washington, DC; 6:30 PM

• Susan B. Anthony List 2019 Pro-Life Leaders Summit concludes – Susan B. Anthony List 2019 Pro-Life Leaders Summit. Second and final day speakers include Republican Sens. Thom Tillis and Steve Daines, and Republican senatorial candidate for Michigan John James

Location: Washington, DC

• Annual Attorney General's Awards Ceremony – 67th Annual Attorney General's Awards Ceremony, recognizing Department of Justice employees and others for distinguished public service

Location: DAR Constitution Hall, 1776 D St NW, Washington, DC

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, OCTOBER 22, 2019 6:00 AM EDT

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Treasury in the News

Trump Lauds Talks With China While Beijing Presses WTO Case Against US.

Reuters (10/21, Holland, Brice) reports President Trump "on Monday said efforts to end a U.S. trade war with China were going well as the world's two largest economies continued to battle over trade and politics across the world despite heralding a long-awaited truce this month." Trump, in remarks to reporters before a Cabinet meeting, said, "The deal with China's coming along very well. They want to make a deal. They sort of have to make a deal ... because their supply chain is going down the tubes." USTR Robert Lighthizer "told reporters...deputy-level meetings took place on Monday, and he and Treasury Secretary Steven Mnuchin would speak with their counterparts on Friday."

Kudlow: Talks Are Moving In The Right Direction, Could Remove December Tariffs. Fox Business (10/21, Garber, 1.73M) reports on its website that National Economic Council Director Larry Kudlow said the talks are moving in the right direction. Kudlow said, "We've made a lot of progress. I think we're very close on opening financial services and the currency stability deal, which is essentially is an IMF deal. I think the agriculture, they started buying farm products, as you know, $40 [billion] to $50 billion worth." Kudlow added, "If the talks go well on phase one, there is a chance we can get those December tariffs off."

Mnuchin, Kushner To Attend Saudi Investment Conference One Year After Khashoggi Killing.

Quartz (10/21, Rohrlich, 368K) reports Treasury Secretary Steven Mnuchin "and presidential son-in-law and senior adviser Jared Kushner plan to attend this year's 'Davos in the Desert,' a Saudi Arabian economic conference the US and many others skipped last year after Saudi security agents murdered Washington Post contributor Jamal Khashoggi." Mnuchin and Kushner "will be there even though little has been done to prosecute those responsible for the murder." According to a recent Human Rights Watch (HRW) statement, "the Saudis have not seriously investigated the crime and have, in fact, 'obstructed meaningful accountability for Khashoggi's murder.'" The Saudi government has "refused to cooperate with an investigation led by the UN special rapporteur for extrajudicial killings," according to HRW, and "Saudi authorities continue their 'sweeping campaign of repression against dissidents and activists.'"

HuffPost (10/21, Blumberg, 1.67M) also reports on this story.

Facebook Continues Cryptocurrency Effort.

The New York Times (10/21, Kang, Popper, 18.61M) reports, "Facebook's ambitious plan to create a cryptocurrency that would replace traditional money all over the world appears to be on life support." But, adds the Times, Facebook "isn't backing down," and its "executives fanned out in the capital last week to court lawmakers and regulators to the cryptocurrency project, called Libra." CEO Zuckerberg "is expected to testify about Libra at a hearing held by the House Financial Services Committee." The Times says the "basic description that Facebook did put forward was enough to bring out the knives from politicians and regulators all over the world," including "President Trump and his Treasury secretary, Steven Mnuchin," who "harshly criticized Libra, as did politicians from both parties."

Exxon Says Government Interpreted Ukraine Sanctions Rules Too Broadly.

Behind a paywall, Bloomberg (10/21, Larson, 4.73M) reports, "Exxon Mobil Corp.'s clash with Treasury Secretary Steven Mnuchin is escalating in a Texas court with the energy giant claiming government interpretation of sanctions regulations is too broad."

Trump Administration Renews 3-Mont License For Chevron In Venezuela.

Reuters (10/21, Brice, Gardner) reports the US Treasury Department on Monday "renewed a license allowing Chevron, the last US operating company in Venezuela to continue operating in the country for another three months through Jan. 22, 2020." The Treasury Department "said

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the license does not authorize transactions related to shipments of diluents, which Venezuela uses to thin its heavy oil for consumption."

Former Chevron Executive Seeks $500M For Post-Sanctions Venezuela. Reuters (10/21, Hiller) reports the former chief of Chevron Corp's Latin American operations "is moving to raise $500 million from big financial firms to invest in Venezuela once US sanctions are eventually lifted, confident that political change will come and that foreign investment will be needed to boost sagging oil output." Amos Global Energy LLC, an oil and gas firm started by former Chevron executive Ali Moshiri, "begins a road show to raise funding next month, seeking five big investors to put in $100 million each." Amos Global, which includes Moshiri and two co-founders, "also is researching Venezuela public debt holders for another fund that would be even larger."

Refiner Nynas To Suspend Imports Of Venezuelan Oil Due To Sanctions. Reuters (10/21, Parraga) reports European refiner Nynas AB said on Monday it "will suspend imports of Venezuelan crude following changes to a license allowing it to operate under US. sanctions, adding it was looking to shift to alternative sources of oil." Nynas, owned by Venezuela's state-run PDVSA and Finland's Neste Oil, "operates specialty refineries in Sweden, Germany and England mostly for asphalt production." In January, the refiner "received a license from the US allowing it to operate under sanctions imposed on its parent company, PDVSA." But the Treasury Department last week "introduced changes to the permit effective immediately." The modified version of license GL 13D, "which allows Nynas to operate through April 2020, said it does not authorize 'any transactions or dealings related to the purchase or acquisition of Venezuelan-origin petroleum or petroleum products, directly or indirectly, by Nynas or any of its subsidiaries.'"

Venezuela May Have Funds To Make Payment To Keep Control Of Citgo. The Wall Street Journal (10/21, Scurria, Subscription Publication, 7.57M) reports the Venezuela government will be able to make a payment to bondholders next week, sidestepping a potential $913 million debt default that risked costing control of Citgo. Andrew Rosenberg, who represents creditors with collateral rights over Citgo, said he thinks Venezuela's opposition leaders have sufficient funds to make the payment on bonds. The upcoming payment has the opposition government scrambling. After assuming control of Citgo in February, opposition leaders now risk losing control of the company.

Trump Attorneys, Manhattan DA Strike Deal That Could Fast Track Tax Return Fight To High Court.

Politico (10/21, Gerstein, 4.29M) reports that President Trump's attorneys and lawyers for Manhattan District Attorney Cyrus Vance Jr.'s office have struck an agreement that could result in the fight over access to Trump's tax returns being "fast-tracked to the Supreme Court in time for a decision before next fall's election." Trump's attorneys have agreed "that if they lose a court battle scheduled for argument at the New York-based 2nd Circuit Court of Appeals on Wednesday, they will take no more than 10 days to petition the Supreme Court to hear the case." They also agreed that if Trump appeals to the Supreme Court, "he will ask the justices to hear the case in its current term." In exchange, the prosecutors "agreed to hold off trying to enforce a grand jury subpoena issued to one of Trump's accounting firms in August." The report mentions the currently pending lawsuit filed in July against the Treasury Department and the IRS by the House Ways and Means committee "over their refusal to comply with a formal committee demand and subpoena for Trump's tax returns and returns filed by Trump businesses."

Court Affirms US Seizure Of Sanctions-Evading North Korean Cargo Ship.

Fox News (10/21, Casiano, 27.59M) reports on its website, "Justice Department officials on Monday announced the forfeiture of a North Korean ship used to sell coal and haul heavy machinery – a violation of economic sanctions imposed on the regime of Kim Jong Un." Between Nov 2016 and April 2018, the ship known as "'Wise Honest' was used by the Korea Songi Shipping Company, an affiliate of Korea Songi General Trading Corporation, to export coal to other nations." The "17,000-ton Handysize bulk carrier...was seized by the U.S. last year after it had been detained in Indonesia while transporting a large amount of coal." The Treasury Department "determined in June 2017 that the Korea Songi General Trading Corporation was a subordinate of the Korean People's Army." Behind a paywall, Law360 (10/21, Subscription Publication, 8K) also reports on this story.

Leading National News

RCP Average Has Trump's Job Approval At 42%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 42%, and his disapproval at 54.8%. The President's job approval is down 0.6 since yesterday; his disapproval is up by 0.7.

A Rasmussen poll of 1,500 "likely voters" (10/16-10/20) finds Trump's approval at 45%, with 53% disapproving.

Trump Urges GOP To "Get Tougher And Fight" Impeachment Push By "Vicious" Democrats.

Largely unfavorable media coverage of the President's comments yesterday describes him as casting his impeachment by the Democratic-led House as a foregone conclusion – and calling on Republicans to fight back. In a quote highlighted throughout the reporting, Trump said, "The Republicans have to get tougher and fight. We have some that are great fighters, but they have to get tougher and fight, because the Democrats are trying to hurt the Republican Party before the election." On CNN's The Lead (10/21, 944K), Jake Tapper described Trump as "floating a lot of nonsense and fact-free statements," and the Los Angeles Times (10/21, Diaz, Stokols, 4.64M) reports that he "held forth for 71 minutes...during what was ostensibly a Cabinet meeting but ended up being a familiar torrent of grievance, defensiveness and bold

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statements."

Reuters (10/21, Holland, Zengerle) says the President "exhorted fellow Republicans to get tougher and fight for him," and adds that "asked if it is a foregone conclusion that House Democrats will vote to impeach him, Trump said that 'they're not going to beat me in the election, so of course they want to impeach.'" Trump continued, "They want to do it as quick as possible. And that's pretty much the story." The Washington Times (10/21, Boyer, 492K) also reports Trump "Trump spoke of his impeachment with an air of inevitability Monday as he and top advisers tried mostly in vain to focus the conversation in Washington on the strong US economy and campaign promises kept."

To ABC World News Tonight (10/21, story 4, 2:45, Vega, 7.23M), meanwhile, "with impeachment pressure mounting" the President "lashed out at fellow Republicans," though he stated "he's not worried his party will turn on him." Trump was shown saying, "I think I have great Republican support." White House correspondent Kaitlan Collins said on CNN's Situation Room (10/21, 1.14M) that "for the second day in a row, the President's anger with his own party was on full display," and the New York Times (10/21, Shear, 18.61M) describes Trump as "increasingly embittered" as he "complained on Monday that Republicans were not united enough in defending him against what he called 'vicious' adversaries bent on removing him." Trump "lashed out" at Sen. Mitt Romney (R-UT), "the only member of his party who has signaled he may be open to impeaching" him.

NBC Nightly News (10/21, story 3, 2:01, Jackson, 6.37M) showed Romney saying, "Holding up funds to a foreign nation, particularly to one that's under military threat, in order to fulfill a political purpose is a real problem." NBC added that "criticism prompting this presidential praise for Democrats." Trump was shown saying, "I think they're lousy politicians. Two things they have: They are vicious, and they stick together. They don't have Mitt Romney in their midst." The New York Post (10/21, Moore, 4.57M) reports "it was revealed on Monday that Romney used a private Twitter account and the moniker Pierre Delecto to lurk online and criticize the president." ABC World News Tonight (10/21, story 9, 0:24, Muir, 7.23M) said, however, that "Delecto" tweeted "only a few times, most often to correct press reports about" Romney.

The CBS Evening News (10/21, story 3, 2:45, Garrett, 4.44M), meanwhile, described Trump as "fearing Republican defections," and "declaring the House impeachment inquiry a Democratic hit job designed to block his reelection." CBS added "even staunch supporter Lindsey Graham of South Carolina said he would be open to impeachment if the President committed a crime." The Hill (10/21, Samuels, 2.98M) recounts that "asked later to elaborate on his desire to see Republicans get tougher, Trump said he felt Democrats were 'vicious.'" Said Trump, "I think the Democrats fight dirty. I think the Democrat are lousy politicians with lousy policy," and the "so-called 'Never Trump' Republicans 'might be worse than the Democrats.'" The President added, "The good news is they're dying off fast."

Fox News (10/21, Singman, 27.59M) reports Trump also said yesterday, "I think these people, it's terrible what they're doing – Pelosi, Shifty Schiff, Schumer – these people are trying to destroy the country," Trump said. "It's a very bad thing that they're doing. ... They want to impeach me because it's the only way they're gonna win. ... It's so illegitimate. It cannot be the way our great founders meant this to be." ABC World News Tonight (10/21, story 4, 2:45, Vega, 7.23M) showed Trump saying, "The President of the United States should be allowed to run the country, not have to focus on this kind of crap."

Townhall (10/21, O'Brien, 177K) reports that Trump went on to argue that "the whistleblower" at the heart complaints about Trump "'gave a false account' of his phone call. There's allegedly a 'second' whistleblower, with just as dubious an account," Trump added, "yet, the media and the Democrats treat whistleblowers 'like angels.'" Trump also observed, "They have a whistleblower, who disappeared. ... They're interviewing ambassadors I've never even heard of." USA Today (10/21, Jackson, Subramanian, Collins, 10.31M) recounts that "an angry" Trump also "called...for the identification of the government whistleblower who made the first accusations against him," asking, "Do we have to protect somebody that gave a totally false account of my conversation? ... I don't know. You tell me."

Politico (10/21, Everett, 4.29M) reports that reacting to those words, Senate Minority Leader Chuck Schumer wrote a letter "asking the intelligence community what is being done to protect the source from harm." Wrote Schumer, "In light of the President's ill-advised statements, his lack of respect for the rule of law and his well-documented habit of condoning violence by his supporters, I am concerned that he may disclose the whistleblower's identity or cause it to be disclosed by others in the administration."

The Washington Post (10/21, Wagner, Shammas, 14.2M) points out, meanwhile, that Trump's comments came as Speaker Pelosi "distributed a 'fact sheet' outlining what her office called a gross abuse of presidential power, including a 'shakedown,' 'pressure campaign' and 'cover up.'" The Washington Times (10/21, Muñoz, 492K) reports the Democratic document "selects a handful of quotes about the 'favor' Mr. Trump referred to in the transcript he released last month of his July 25 phone call with Ukrainian President Volodymyr Zelensky." The fact sheet also "highlights that Vice President Mike Pence and Secretary of State Mike Pompeo are both 'entangled' in the allegations, accusing them of doing nothing to stop the administration from holding up military aid for Ukraine."

Trump reiterated his message last night in an interview with Fox News' Hannity (10/21, 535K), saying, "I think that the Democrats are not good politicians. I think they have lousy policy. ... But you don't have the Mitt Romney's of the world. You don't have people that will go against the party. They stick together. I respect that. The other thing is they are vicious. There are much more vicious. We would never do a thing like this."

McConnell Slams "Three-Year-Old Impeachment Parade," "Obsession With Overturning" 2016 Election. The Washington Times (10/21, Lovelace, 492K) reports Senate Majority Leader McConnell yesterday "blasted his Democratic colleagues' 'three-year-old impeachment parade' getting in the way of the legislative business of Congress." McConnell said on the Senate floor, "Unfortunately, the only thing that seems to really inspire House Democrats these days is their obsession with overturning the results of 2016."

Trump Touts New Book On "Greatest Witch Hunt In Political History." The President also tweeted yesterday, "Great new book

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by wonderful and very street smart author Dan Bongino, EXONERATED, THE FAILED TAKEDOWN OF PRESIDENT DONALD TRUMP BY THE SWAMP. Dan hits all of the crooked points of the greatest Witch Hunt in political history. Nevertheless, the Scam continues!"

WPost Report: "Congressional Allies" Concerned About Trump's Impeachment Strategy. The Washington Post (10/21, Olorunnipa, Costa, 14.2M) reports that "behind the scenes, Trump's erratic and bombastic behavior is causing growing alarm among Republican lawmakers, donors and advisers who have called for a more disciplined impeachment response from the White House." While "administration officials Monday played down GOP anxiety...congressional allies said they remain uneasy about the president's freewheeling style amid multiple investigative and political threats – and said they are making that clear to the president, who remains confident in his abilities." The Post adds "Trump continues to spearhead his own impeachment defense, which lacks a coherent theme or a streamlined messaging campaign."

Chait: Death Of Pesci's "Casino" Character Gives Clues To End Of Trump Presidency. Writing for the Daily Intelligencer (NY) (10/21, 1.1M), Jonathan Chait says that "if you have seen...Casino, the fate of Joe Pesci's character gives a fairly good sense of how...Trump might eventually be...removed." To Chait, that "prospect is no longer a fantasy." While Romney "is the only Republican senator making a case for conviction...a 'very well-connected Republican in Washington' estimated to Chris Wallace that there is a 20 percent chance the Senate votes for removal." Chait adds that "in Casino, the bosses accepted a lot of erratic and risky behavior from Nicky Santoro because he was ultimately a useful ally" even though "he was a violent criminal – they were violent criminals, too." However, "they eventually decided that his flamboyant and uncontrollable behavior put their whole racket at risk." While "the Republican Establishment doesn't have hit men...it does have a constitutional process at its disposal."

DOJ Officials Say Durham Has Found "Something Significant."

NBC News (10/19, Dilanian, 6.14M) cites "multiple current and former officials," who said the review into the origins of the Russia investigation being conducted by US Attorney John Durham "has expanded significantly amid concerns about whether the probe has any legal or factual basis." Durham "has expressed his intent to interview a number of current and former intelligence officials involved in examining Russia's effort to interfere in the 2016 presidential election, including former CIA Director John Brennan and former director of national intelligence James Clapper, Brennan told NBC News." In addition he has "requested to talk to CIA analysts involved in the intelligence assessment of Russia's activities." NBC says that according to DOJ officials, "Durham has found something significant, and that critics should be careful." The Daily Caller (10/21, Ross, 716K) says Brennan "has fiercely defended the investigation of the Trump campaign. He is also questioning the legal basis for the Durham probe, which he called 'bizarre.'" Brennan told NBC News, "I don't know what the legal basis for this is. ... I'm very comfortable with everything I was involved in." Citing the NBC report, Breitbart (10/21, Mora, 673K) reports that Attorney General Barr "has significantly expanded a review into the origins of the Russian collusion hoax investigation."

The Washington Examiner (10/21, Chaitin, 448K) says Durham's investigation has "created 'unease' at the CIA, according to a reporter who has followed its progress." According to Ken Dilanian, concern "over what investigators are seeking and whether the inquiry has become a criminal investigation has prompted some CIA analysts who played a role in the intelligence assessment of Russia's activities during the 2016 campaign to hire lawyers." Dilanian told MSNBC's Morning Joe (10/21, 1.04M) Monday, "It's not clear where he's going with this, but a lot of people are very rattled. Those CIA analysts I mentioned had to hire their own lawyers because no one's sure whether this is a criminal investigation or not. And if it is a criminal investigation, what is the allegation of wrongdoing? No one I talked to can answer that."

DOJ IG Report On FISA Abuses Still In "Declassification Process." Fox News (10/21, Singman, 27.59M) reports on its website that there has been speculation for weeks that "the long-awaited review of alleged surveillance abuses by the Department of Justice and the FBI during the investigation into Russia's purported meddling in the 2016 presidential election could drop any day." The "highly anticipated report" from Inspector General Michael Horowitz "will likely spark new congressional investigations and deliver critical information to other federal reviews probing allegations of abuse by the Justice Department and the FBI." Horowitz "submitted a draft of his report to Attorney General Bill Barr, who was reviewing the document – fueling the belief that the public release was coming soon. But a Justice Department official told Fox News last week that the report is still in the declassification process."

Federalist's Skurk: Vanity Fair's Frank Shows "Healthy Skepticism" About Russia Investigation. Krystina Skurk writes in a piece for The Federalist (10/21, 126K)that Vanity Fair writer T.A. Frank "does not hide his political distaste for" President Trump, but his "writings on the Russia investigation demonstrate a healthy skepticism that is lacking in much of mainstream journalism today." Skurk adds that Frank's "recent piece 'What George Papadopoulos Taught me About Trump's Counter-Theory of Collusion' demonstrates this perfectly." In it, Frank "comes to drastically different conclusions than conservatives might. He readily criticizes Trump for trying to dredge up dirt on Joe Biden and mocks Rudy Giuliani's quest, but also defends Attorney General William Barr and the president for wanting to get to the bottom of Ukraine's role in the 2016 election." Skurk says Frank "strik[es] a sensible middle ground in a time where such territory has often been abandoned by both left and right."

Referring To Steele Dossier, Trump Says He Is Obliged To Investigate Corruption.

Townhall (10/21, Baumann, 177K) reports that President Trump said in an interview with Fox News' Hannity Monday that "he has an obligation to investigate corruption." Trump was referring to "the Steele dossier that launched Special Counsel Robert Mueller's two year investigation into alleged collusion between the Trump campaign and Russia." He said, "When you look at what's going on, and then you see all of this horrible stuff, and then you hear about Ukraine. You have been hearing about it. I heard Clinton was involved. I heard they got

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somebody who wrote the fake dossier. Was it out it out of Ukraine? ... Because you know what, we are investigating corruption. And I actually heard Gregg Jarrett and numerous people the other day say come I have an obligation to do it [investigate]. That is not a question, can I do it or don't I do it? We have an obligation to investigate corruption. ... That's what it was. In my opinion, that is what it was is corruption and if Ukraine would know something about the 2016 election, you have to give that information. I hope they would give the information and everybody agrees with me 100 percent."

Trump Defends Gabbard, Says Clinton's Charge Shows Russia Issue A "Sham."

The AP (10/21) reports that during a cabinet meeting yesterday, President Trump "attack[ed] Hillary Clinton for suggesting Democratic presidential candidate Rep. Tulsi Gabbard is a Russian agent." Trump said of Gabbard, "She's not a Russian agent." The AP says Clinton "appeared to call Gabbard 'the favorite of the Russians' in a recent interview." Trump "says he thinks Clinton's attack boosts Gabbard and his own political chances, claiming it shows concerns about Russian interference are just a 'sham.'"

The New York Post (10/21, Fredericks, 4.57M) quotes Trump as saying, "They're trying to make other people into Russian agents, Russian assets," and Politico (10/21, Forgey, 4.29M) as saying Clinton is "accusing everyone of being a Russian agent." Trump added, "These people are sick. There's something wrong with them." Politico adds Gabbard is "the subject of widespread skepticism within the party for her support among fringe conservatives and frequent mentions in Russian media and propaganda." However, "there exists no public documentation to substantiate assertions regarding the Kremlin's backing of Gabbard's campaign, and some Democrats have dismissed Clinton's interview as a distraction amid a heated primary battle."

Trump said in an interview with Fox News' Hannity (10/21, 535K), "You have Hillary Clinton saying, two days ago, Tulsi Gabbard is a Russian asset and that Jill Stein is a Russian agent. And I said, 'Wait a minute it took me two-and-a-half years. I wish you would have said that earlier,' because people would have realized she's crazy. She's crazy."

Sanders Praises Gabbard, Calls Clinton Charge "Outrageous." USA Today (10/21, Santucci, 10.31M) reports "Vermont Sen. Bernie Sanders has added his name to the list of lawmakers defending...Gabbard, after...Clinton made reference to Russians 'grooming' her." Sanders tweeted, "Tulsi Gabbard has put her life on the line to defend this country. ... People can disagree on issues, but it is outrageous for anyone to suggest that Tulsi is a foreign asset."

The Daily Caller (10/21, Ross, 716K) indicates "allegations that Gabbard is a Russian asset have picked up steam in recent weeks as some establishment Democrats have expressed concern that she will run a third-party campaign that could draw votes from the eventual Democratic nominee." The New York Times "published an article on Oct. 12 airing some of those concerns," and "on Oct. 15, CNN commentator Bakari Sellers called Gabbard a 'puppet' for the Russian government."

Trump: Payments To Hunter Biden Should Be Investigated.

President Trump was asked in an interview with Fox News' Hannity (10/21, 535K) about the money paid to Hunter Biden. Trump said, "In my opinion, it is a payoff. Why else would it be? Hunter Biden with no experience. I hear the numbers are 168,000 a month and I heard they got a $3 million payment in all of those. Okay? And that is corruption. That is something that has to be investigated." Trump said, "If that were my sons that took this $168,000 from this very questionable energy company" it "would be the biggest story of this century."

Trump Says Impeachment Would Be Good For Republicans.

President Trump said in an interview with Fox News' Hannity (10/21, 535K) , "Everybody tells me it will be great for us as a Republican Party if they actually impeach me because the 40 seats and there are many more than the 32. It is 40, 45 seats where I won or did really well or very close that those people will get hammered, meaning running in Congress. So I don't know if that is true or not. I do say this and I can see it because, I mean, look at our fundraising. Money has never come in like this. Look at my poll numbers have been the highest."

Poll: Majority In Six Swing States Support Inquiry, Oppose Trump's Removal From Office. The New York Times (10/21, Cohn, 18.61M) reports that a new Times/Siena College survey found that "voters in the states likeliest to decide the 2020 presidential election support the impeachment inquiry that House Democrats began last month, but a majority still opposes impeaching President Trump and removing him from office." In Pennsylvania, Florida, Michigan, Wisconsin, North Carolina and Arizona, "the six closest states carried by the president in 2016, registered voters support the impeachment inquiry by a five-point margin, 50 percent to 45 percent. The same voters oppose impeaching Mr. Trump and removing him from office, 53 percent to 43 percent." The Times adds, "Support for the impeachment inquiry is largely consistent with recent national surveys, which show registered voters backing the inquiry by an average of nine points over the last three weeks, or a margin four points higher than the one in the Times/Siena poll."

Poll: Evangelicals, Fox News Viewers Remain Nearly Unanimous In Opposing Impeachment. According to the New York Times (10/21, Peters, 18.61M), "A new survey of the country's cultural and political landscape found that support for impeaching and removing President Trump from office is rising among most Americans, but that Republicans remain almost unanimously opposed, leaving Mr. Trump with a loyal but shrinking core of supporters." The Time says the data from the Public Religion Research Institute "also pointed to striking divisions among Republicans themselves, with white evangelical Christians and those who regularly get their information from Fox News forming a distinct and exceedingly devoted base of support for the president." The Times reports that "ninety-nine percent of white evangelicals and 98 percent of Republicans who rely on Fox News as their primary news source do not believe Mr. Trump should be impeached and removed, the survey found, compared with 94 percent of Republicans over all."

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GOP Lawmakers Write To Zucker Over CNN's Refusal To Air Trump Ads.

The Daily Caller (10/21, Rodgers, 716K) reports that a group of Republican congressmen have written to CNN President Jeff Zucker concerning the network's refusal to air President Trump's campaign ads. Rep. Jeff Duncan (R-SC) spearheaded the letter, which was also signed by GOP Reps. Mark Meadows (NC), Louie Gohmert (TX), Rep. Ralph Norman (SC), Rep. Paul Gosar (AZ), Rep. Randy Weber (TX), Rep. Russ Fulcher (ID), Rep. Bradley Byrne (AL), and Greg Steube (FL). The lawmakers "believe CNN could be breaking the law by not airing Trump's campaign ads" They argue in the letter "that CNN's decision goes beyond First Amendment protections and that is in violation of the Constitution." The letter conclude, "We urge you to correct this flagrant violation with all due haste and allow the paid Trump Campaign advertisements to return to your airwaves immediately."

CNN's Toobin Says He Regrets Covering Clinton Email Story. Fox News (10/21, Flood, 27.59M) reports that CNN chief legal analyst Jeffrey Toobin has apologized "for covering former Secretary of State Hillary Clinton's use of a private email server after a probe revealed dozens of people were responsible for hundreds of security violations, which Toobin described as 'no big deal.'" A State Department report "summarized a review of the handling of classified information relating to Clinton's private email server. The report reflected only approximately 30,000 emails that the State Department was able to physically review and found 38 individuals were responsible for 91 violations." Toobin "is sorry he ever bothered covering the story." He tweeted, "Note the mostly buried news that State Dept closed @HillaryClinton email probe with this verdict: no big deal. As a journalist, I regret my role in blowing this story out of proportion."

A New York Times (10/21, 18.61M) editorial says Trump raised the question, "What about her emails," like "a red flag for three years, as candidate and president, casting doubts on how Hillary Clinton used a private email server to communicate with her staff and others while she was secretary of state." However, despite his "professed concern about the integrity of government communications, his administration doesn't seem to take it too seriously." The Times cites Ivanka Trump and her husband, Jared Kushner's use of "the messaging service WhatsApp for official – possibly classified – White House business," as well Education Secretary DeVos' use of "a personal email account for some government business," and argues that "the Trump administration's widespread use of personal accounts for government work raises the unavoidable question: What about those emails?"

House GOP Effort To Censure Schiff Fails Along Party Lines.

In a tweet (10/21, 16.75M) Monday, President Trump called on the House to censure House Intelligence Committee Chairman Schiff. Trump wrote, "Censure (at least) Corrupt Adam Schiff! After what he got caught doing, any pol who does not so vote cannot be honest....are you listening Dems?"

The Washington Post (10/21, Wagner, Shammas, 14.2M) reports that a Republican effort to censure Schiff "failed Monday, with the House voting along party lines to block a floor vote on the measure." The Washington Times (10/21, Muñoz, 492K) reports that while the censure resolution had "more than 170 co-sponsors, Republicans failed to crack into the Democratic majority firewall. The resolution was tabled — and effectively killed — on a 218-185 vote." USA Today (10/21, Behrmann, 10.31M) also reports on the vote.

In a story posted before the vote, the New York Post (10/21, Hicks, 4.57M) said the censure resolution, introduced by House Freedom Caucus Chairman Rep. Andy Biggs (R-AZ) claimed that Schiff "manufactured a false retelling" of Trump's telephone call with Ukrainian President Volodymyr Zelensky. The resolution said, "His egregiously false and fabricated retelling had no relationship to the call itself." Dana Milbank writes in the Washington Post (10/21, Milbank, 14.2M) that while Democrats "quickly tabled the resolution in a party-line vote," it "was an instructive exercise, for it represented the essence of the Republican anti-impeachment strategy." Because "there is no good defense of Trump on the merits in the Ukraine dirt-for-dollars scandal," Republicans "complain about process: Schiff is unfair! The proceedings are too secretive! Democrats are ignoring precedents!"

Guy Benson writes on Townhall (10/21, Benson, 177K) that "all nine GOP members of the House Intelligence Committee sent a scathing letter to" Schiff on Friday, "accusing him of withholding pertinent information and conducting impeachment-related business in a 'highly irregular manner.'" Benson says the letter "is an escalation of longstanding resentments and frustrated accusations leveled against Schiff, whose dishonesty and partisanship have marred his tenure as the leader of this key panel."

After Monday's vote, President Trump re-tweeted a post from House Republican Conference Chair Cheney which said, "Today's move by House Democrats to block a vote on a resolution censuring Adam Schiff makes them complicit in his repeated and intentional attempts to deceive the American people in a broader effort to attack President Donald Trump." Trump wrote, "Thank you Liz. Shows great Republican support!"

Earlier Monday, Trump also retweeted a post from former House Speaker Newt Gingrich, which said, "Nancy Pelosi and Adam Schiff have both become embarrassingly dishonest. They, along with the rest of the House Democrats, have desperately been trying to manufacture something since the day after President Trump was elected."

Rep. Ted Deutch (D-FL) said on CNN's Situation Room (10/21, 1.14M) that the censure vote is "not appropriate. What would be appropriate would be for my Republican colleagues to do two things. ... One, is to answer the question whether they think it is appropriate for the President of the United States to use his office to pressure a foreign government for political gain, to ask them to interfere in our elections. That's number one. And second, perhaps to go to the White House and tell the President that if he really thought that he did nothing wrong, if he really thought that he had nothing to hide, then they would stop stonewalling Congress and try to prevent people from coming up here to speak with us. That is where their focus ought to be."

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Rep. Anthony Brown (D-MD) said on CNN's Situation Room (10/21, 1.05M), "To censure Adam Schiff makes no sense whatsoever.

He has conducted the hearings while in secret, right, closed hearings because of the nature of the material. It is classified. It is sensitive. He has given Republicans and Democrats alike equal access to witnesses, to what documents that we have. Unlimited opportunities to ask questions. So, the idea that you're going to censure Adam Schiff on the floor of the United States House of Representatives because he's doing his job, going to the truth for the American people is ridiculous."

Trump, Pompeo Defend Call With Zelensky.

President Trump was asked in an interview with Fox News' Hannity (10/21, 535K) about his call with Ukrainian President Zelensky. Trump said, "We are looking at the 2016 election, which was a disaster. We went through hell, my Administration. ... They found no collusion, no nothing, and they went through hell. There was a server, the DNC server that had never went to the FBI. The FBI didn't take it. It was taken by somebody – I guess it was CrowdStrike, that's what I have heard. That is not for an election going into the future. That is for a past election that was a catastrophe. And it was a very unfair situation. After two and a half years of two years, they found no collusion, no nothing."

Secretary of State Pompeo said in an interview with CNBC ' . (10/21, 207K), "I was on the call. I'm on lots of calls with the President of the United States. I know precisely what it was we were working on in Ukraine. We were trying to reduce corruption. We were very focused on making sure that we provided the defensive weapons system that they needed to defend themselves against Vladimir Putin's incursion." Asked if the call was "the norm, and not the exception," Pompeo said, "As recently as yesterday, I had a foreign leader call me, seeking to apply pressure to the United States to get us to act in a way that was consistent with what they were trying to do. It's the nature of politics, of power, of foreign interactions, each country trying to act to deliver for its own people. That's what sovereign leaders are hired to do, brought onboard to do."

WPost: Ukraine Needs US Help. The Washington Post (10/21, 14.2M) says in editorial that Ukraine's leadership "badly needs help from the United States, which has been its closest ally in resisting Russia's aggression and pursuing needed reforms," but "senior U.S. officials are nowhere to be seen in Kyiv – thanks to the destruction of U.S. diplomacy there by President Trump and his personal lawyer, Rudolph W. Giuliani." As a result, Zelensky is left "to the mercies of [Russian President Vladimir] Putin, who seeks the de facto dismemberment of Ukraine as the price for a peace settlement, and French President Emmanuel Macron, who has made clear he would like to lift the European Union sanctions against Russia."

Reports: Putin, Orban Contributed To Trump's Negative View Of Ukraine.

The Washington Post (10/21, Miller, Jaffe, Hudson, Nakashima, 14.2M) reports that according to "current and former US officials," President Trump's "effort to pressure Ukraine for information he could use against political rivals came as he was being urged to adopt a hostile view of that country by its regional adversaries, including Russian President Vladimir Putin." The officials said "Trump's conversations with Putin, Hungarian Prime Minister Viktor Orban and others reinforced his perception of Ukraine as a hopelessly corrupt country – one that Trump now also appears to believe sought to undermine him in the 2016 US election." While Putin and Orban "specifically encouraged Trump to see Ukraine as a potential source of damaging information about Democratic presidential candidate Joe Biden, nor did they describe Kyiv as complicit in an unsubstantiated 2016 election conspiracy theory," their "disparaging depictions of Ukraine reinforced Trump's perceptions of the country."

The New York Times (10/22, Baker, Fandos, 18.61M) reports that "just 10 days before a key meeting on Ukraine, President Trump met, over the objections of his national security adviser, with...Orban...and heard a sharp assessment that bolstered his hostility toward the country, according to several people informed about the situation." Trump's conversation with Orban on May 13 "exposed him to a harsh indictment of Ukraine at a time when his personal lawyer was pressing the new government in Kiev to provide damaging information about Democrats."

House Panels Set To Hear From Diplomats Tied To Ukraine Controversy.

Politico (10/21, 4.29M) reports that "a slew of depositions scheduled for this week as part of the House's impeachment inquiry have been postponed as lawmakers mourn the late Rep. Elijah Cummings (D-Md.)." However, "the three House committees leading the inquiry are still set to hear from two key witnesses this week. On Tuesday, William Taylor, the top American diplomat in Ukraine, is expected to testify; and on Wednesday, Laura Cooper, who oversees Ukraine- and Russia-related issues at the Pentagon, is slated to appear." According to Politico, Taylor "has emerged as a central figure in the impeachment inquiry" because "in a series of text messages provided to impeachment investigators, Taylor wrote: 'I think it's crazy to withhold security assistance for help with a political campaign.'" An AP (10/21, Berry) analysis says Taylor "has emerged as an unlikely hero in the impeachment inquiry." Taylor "was drawn into a Trump administration effort to leverage U.S. military aid for Ukraine, an effort Taylor believed was improper and tried to stop."

The Washington Post (10/21, Wagner, Shammas, 14.2M) reports that the House panels "were expected to hear from Ambassador Philip Reeker, acting assistant secretary for European and Eurasian affairs, and Michael Duffey, associate director of national security programs at the Office of Management and Budget – but those depositions will no longer take place Wednesday."

CQ Roll Call (10/21, Staff, 154K) reports that acting OMB Director Vought "said Monday that he won't be testifying this week as part of the House's impeachment inquiry into President Donald Trump." Vought tweeted, "I saw some Fake News over the weekend to correct. As the WH letter made clear two weeks ago, OMB officials – myself and Mike Duffey – will not be complying with deposition requests this week.

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#shamprocess." Vought and Duffey "have been called by the three committees conducting the investigation about the decision to hold up $400 million in military aid for Ukraine that is at the center of the investigation."

Mulvaney, Sondland Respond To Bolton's Criticism Of Ukraine Controversy.

The Washington Examiner (10/21, Gehrke, 448K) reports that Administration officials "took aim" at former National Security Adviser John Bolton in the wake of reports that he "regarded the Ukraine controversy as a major scandal." Acting Chief of Staff Mulvaney said Sunday, "John Bolton never complained to me about it. ... No one at NSC ever complained to me about anything that was going on." US Ambassador to the European Union Gordon Sondland told House investigators, "If Ambassador Bolton, Dr. [former NSC aide Fiona] Hill, or others harbored any misgivings about the propriety of what we were doing, they never shared those misgivings with me, then or later. ... Neither Ambassador Bolton, Dr. Hill, nor anyone else on the NSC staff ever expressed any concerns to me about our efforts, any complaints about coordination between State and the NSC, or, most importantly, any concerns that we were acting improperly."

Impeachment Inquiry Could Take Longer Than Some House Democrats Planned.

In a story that was the lead on the Drudge Report Monday evening, CNN (10/21, Raju, Herb, 83.16M) reports on its website that "House Democrats are facing a time crunch to quickly wrap up" their impeachment inquiry, "prompting growing expectations that votes on impeaching Trump could slip closer to the end of the year." While some Democrats had hoped the probe "could conclude swiftly, with a potential vote to impeach Trump by Thanksgiving," that "has proven to be more complicated than it initially seemed, according to multiple Democratic lawmakers and sources. The reason: Each witness has so far provided more leads for investigators to chase down, including new names to potentially interview or seek documents from." CNN adds that the challenge facing Democrats is that they "want to conduct a thorough investigation, but prolonging the probe will continue to consume Washington – and risks bumping into the presidential election season if proceedings drag into the new year."

NYTimes' Goldberg Calls For Protests In Favor Of Impeachment.

Michelle Goldberg writes in the New York Times (10/21, Goldberg, 18.61M)writes that "as Donald Trump's sneering lawlessness and stupefying corruption continue to escalate, it's confounding, at least to me, that Americans aren't taking to the streets en masse." Goldberg argues that when the House "votes to send articles of impeachment to the Senate, there needs to be a public groundswell to force the Senate majority leader, Mitch McConnell, to allow a thorough and transparent trial. Then, assuming the evidence is as compelling as it seems, there should be mass nonviolent action calling for Trump's removal."

"Numerous Sources": Cipillone "Vying Aggressively For Mulvaney's Job."

At the tail end of a segment on the impeachment inquiry debate, the CBS Evening News (10/21, story 3, 2:45, Garrett, 4.44M) reported on whether the President is mulling a replacement for Acting White House Chief of Staff, saying, "there is an internal power struggle going on," with "numerous sources" indicating "White House counsel Pat Cipollone is vying aggressively for Mulvaney's job, and Mulvaney allies acknowledge he's facing the most turbulent waters of his tenure as acting chief of staff." However, "they say his knowledge of congressional politics, budget and regulations give him an advantage, at least for now. ... My sources tell me the President might in the end decide to keep both men where they are to minimize West Wing turmoil and maximize supervision."

White House correspondent Boris Sanchez, meanwhile, said on CNN's The Lead (10/21, 944K), "One source close to Mulvaney says that after ten months on the job, the former congressman is searching for an exit, though he publicly he denies it."

Politico (10/21, Everett, Levine, 4.29M) reports, "Fighting for...[President] Trump is one thing. But Republicans aren't eager to defend a struggling White House acting chief of staff they've never really loved." Mulvaney's "two stumbling public appearances over the past week have deepened the president's Ukraine scandal, undercut a chief GOP talking point and left the party stunned and frustrated as Republican lawmakers look to hold off Democrats' impeachment drive."

In an "Editorial Observer" piece for the New York Times (10/21, 18.61M), Michelle Cottle asks, "Seriously, does anyone think Sarah Huckabee Sanders, in her turn as Mr. Trump's chief spinner, would have been goaded into admitting a presidential quid pro quo and then admonish everyone for being naïve about that sort of thing? Of course not. ... Here we see a concrete downside to the White House's slapdash approach to staffing, its disdain for professionalism and this president's conviction that, because he's such a communications whiz, he doesn't need a message team backing him up."

Trump Aides Rule Out Cuccinelli, Morgan For DHS Post.

Politico (10/21, Kumar, Lippman, 4.29M) reports President Trump "has been notified by his staff that he can't select two popular figures — Ken Cuccinelli and Mark Morgan — to serve as an acting secretary of Homeland Security because a federal law governing agency succession makes them ineligible." Instead, White House director of personnel Sean Doocey has given Trump "a list of other officials to consider as acting secretary, including DHS assistant secretary Chad Wolf and Transportation Security Administration chief David Pekoske, according to three people familiar with the conversation." According to Politico, the move "has infuriated immigration hawks inside and outside the administration who had been lobbying for Cuccinelli to fill the role and now fear Trump will tap Wolf, a former chief of staff to ousted DHS

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Secretary Kirstjen Nielsen."

Under the headline "Trump Running Out Of Options For Homeland Security Secretary," the New York Times (10/21, Kanno-Youngs, Haberman, 18.61M) reports Christopher C. Krebs, the director of the Department's cybersecurity agency, "has also been floated as a temporary replacement for Mr. McAleenan but has no interest, administration officials said."

Grisham Responds To Criticism From CNN's Cooper: "We Are Human Beings."

The Washington Times (10/21, Chasmar, 492K) reports White House Press Secretary Stephanie Grisham on Sunday responded to Anderson Cooper's brutal segment comparing her to novelist John Grisham, saying CNN has "lost sight of the fact" that Trump officials are "human beings." In a recent segment, CNN host Anderson Cooper "mocked" Grisham's "bravery" for her recent interview with "Fox & Friends," saying she "apparently got a brief furlough from West Wing witness protection" to "check-in with her supervisors" at Fox News. In an email statement to Business Insider, Grisham said, "I think CNN has lost sight of the fact that we are human beings. Just as Anderson Cooper has a job to do, working for a company he is proud of, so do I. I also imagine he has a personal life, where he has to juggle quite a bit — and the same goes for me."

Diplomats Report All-Time Low In Morale At State Under Trump.

The Hill (10/21, Wilson, 2.98M) reports the Administration's "perennial push for steep budget cuts, an exodus of senior staffers with decades of experience and constant allegations that agency employees represent a deep state has sent morale at the State Department to an unprecedented low." In addition, President Trump "has fired a senior diplomat after a whisper campaign mounted by his personal lawyer, Rudy Giuliani, and abandoned steadfast allies in the Middle East to fend for themselves on the battlefield at the behest" of Turkey. Both current and former diplomats "say the weight of those events is taking a startling and measurable toll on American foreign relations," and are "increasingly concerned that the White House and senior State Department leadership do not have their backs."

Perry To Resign On December 1.

Reuters (10/21) reports the Department of Energy announced Monday that Secretary Perry "intends to step down on Dec. 1."

Former Aide Details Tensions Between Trump, Mattis.

In a piece for Politico Magazine (10/21, 4.24M) adapted from his book "Holding the Line: Inside Trump's Pentagon With Secretary Mattis," Guy Snodgrass, former chief speechwriter for Defense Secretary Jim Mattis, writes, "Long before real planning for it began, and long before the first news stories about it, those of us in the top levels of the Pentagon heard President Donald Trump demand the military parade he would eventually get. The bizarre request was one of the first signs I had of the enormous rift between my boss at the time, Defense Secretary James Mattis, and the president." Snodgrass stresses that "Mattis did not think Trump was a raving lunatic, as some were trying to portray the president. In fact, Mattis had made a point of noting to us that America elected Trump for a reason. That the president had tremendous political skills, a sharp intuition and a formidable business career. Those qualities deserved respect."

GAO: Federal Land Employees Threatened Or Assaulted 360 Times In Recent Years.

The Washington Post (10/18, Davidson, 14.2M) says a report released Monday "indicates at least 360 threats and assaults against employees of four agencies" — the Forest Service, the Bureau of Land Management (BLM), the Fish and Wildlife Service and the National Park Service — from fiscal 2013 through 2017. The FBI investigated "under 100" of these "as domestic terrorism cases, a Government Accountability Office (GAO) report said, using a vague, unexplained number that could be anything from zero to 99." The post says the "count of 360 is probably an underestimate and does not fully convey the severity of the problem" as incidents reported to state and local authorities "are not included in the tally." More troubling, the Post says, "employees told GAO they don't always report threats, because they are 'part of the job,' or a 'common occurrence' even while off-duty."

Trump Slams "Crazy" Democrats, Says He Would Have Hosted G-7 At His Resort For Free.

The President took to Twitter yesterday to write, "Doral in Miami would have been the best place to hold the G-7, and free, but too much heat from the Do Nothing Radical Left Democrats & their Partner, the Fake News Media! I'm surprised that they allow me to give up my $400,000 Plus Presidential Salary! We'll find someplace else!" Later yesterday, the New York Post (10/21, Moore, 4.57M) reports, Trump "continued to rail about having to remove his Doral golf resort as host of the G-7 gathering of world leaders" during a cabinet meeting at the White House, "saying he 'would have done it for free.'" Added Trump, "I own a property in Florida. I would have given it for nothing," but "the Democrats went crazy, even though I would have done it for free. ... It would have been the best G-7 ever."

Instead, the AP (10/21, Colvin, Condon) reports, Trump predicted the summit "will end up costing taxpayers 'a fortune.'" The President "brushed aside the criticism that hosting the summit would have been one big promotion for his brand," saying, "You don't think I get enough promotion? I get more promotion than any human being that's ever lived." ABC World News Tonight (10/21, story 4, 2:45, Vega, 7.23M) reported the President appeared "clearly frustrated," and Politico (10/21, Marshall, 4.29M) recounts that when he took questions from reporters, Trump mused, "You people with this phony emoluments clause."

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Axios (10/21, Basu, 521K) quotes Trump as further stating, "I don't know if you know it – George Washington, he ran his business simultaneously while he was president. There weren't too many really rich presidents, but there were a few. They ran their business. Hey, Obama made a deal for a book. Is that running a business? I'm sure he didn't even discuss it while he was president. Yeah, yeah. He has a deal with Netflix. When did they start talking about that? That's only a couple of examples." The New York Times (10/21, Karni, 18.61M) says Trump "compared himself to George Washington, who he said operated a business while he was president."

To USA Today (10/21, Collins, Jackson, Subramanian, 10.31M), Trump "dismissed as 'phony' a section of the Constitution that bars federal office holders from accepting gifts from foreign governments." The Washington Times (10/21, Howell, 492K) reports "the clause is written in Article I, Section 9 of the Constitution," and The Hill (10/21, Samuels, 2.98M)that it "prohibits elected federal officials from receiving gifts or contributions from foreign governments." Trump, adds The Hill, "has repeatedly claimed the presidency has cost him billions of dollars."

The Washington Examiner (10/21, Yilek, 448K) says, meanwhile, that Trump "has blamed Democrats and the media for his walk back, but both Republicans and Democrats expressed concern over the use of the resort for the G-7." Along those lines, NBC Nightly News (10/21, story 3, 2:01, Jackson, 6.37M) said it "has learned the President late Saturday suddenly reversed himself after hearing from a group of House Republicans huddled at Camp David. Two sources in the room say those moderates made it clear the President should change course, which he did, begrudgingly."

Sen. Marco Rubio (R-FL) said on Fox News' Special Report (10/21, 1.53M), "There is no way they didn't know it would be controversial. So, you almost wonder if they didn't do it – the President likes to poke the media. He likes to poke outrage in his opponents. They had to have known that. I have two thoughts about it. ... I think it would be wonderful for Florida to have the G7, especially south Florida. It would be a great thing for our community. I think we would be a very good host. The flip side of it is, I recognize that people are going to look at it and say, in the middle of everything that's going on, why would you do that? It actually undermines your corruption argument that you've been making about [Joe] Biden and so forth. I thought it would have been great for Florida, but I recognize the complications that it came with."

The Miami Herald (10/21, Chambers, 1.09M) reports "a dozen other destinations, including North Carolina and California, that were originally under consideration" to host the summit "may no longer be available," and "White House Press Secretary Stephanie Grisham acknowledged Monday that Camp David may be selected, even though it wasn't the first choice." Said Grisham, "That's just always an option. ... It wasn't ideal before, but it has been used before."

Politico Report: Hoover, JFK Also Declined Presidential Salary. Politico (10/21, Marshall, 4.29M) reports Trump "didn't have his historical facts straight when saying no other commander in chief gave up their presidential paycheck." Herbert Hoover "was the first American executive-in-chief to refuse a salary," and John F. Kennedy did the same. Politico adds "Trump has made a show of giving away his paycheck, donating his salary to the National Parks Service, the Department of Education, the Veterans Administration, the Small Business Administration, the Surgeon General's office and the Department of Agriculture."

CAIR, SPLC Call On Mar-A-Lago To Cancel ACT For America Event.

The Washington Times (10/21, Richardson, 492K) reports that less than two weeks after the "leftist groups" the Council on American-Islamic Relations and the Southern Poverty Law Center "pressured Mar-a-Lago to cancel a booking for an ACT for America gala featuring conservative pundit Michelle Malkin, the resort has come under pressure to scrap the annual banquet of the Center for Security Policy, another conservative national security organization listed by the SPLC as a 'hate group.'" CAIR government affairs director Robert McCaw said in a statement, "The Trump Organization made the right decision to cancel a previous event hosted by an anti-Muslim hate group, and we call them to do so again." McCaw added that President Trump "should not profit from a group that makes its money by demonizing an entire faith."

Esper: Some US Troops May Remain In Syria To Secure Oil Fields.

Coverage of Defense Secretary Esper's announcement Monday that US troops may remain in Syria presents it as an indication that President Trump will fail to make good on his pledge to withdraw US forces from the country. The AP (10/21, Baldor) reports that Esper said the US "may leave some forces in Syria to secure oil fields and make sure they don't fall into the hands of a resurgent Islamic State...even though" Trump "has insisted he is pulling troops out of the country and getting out of 'endless wars.'"

The Washington Post (10/21, Fahim, George, 14.2M) reports that Esper "said the purpose of the residual force would be to 'deny access, specifically revenue to ISIS and any other groups that might want to seek that revenue to enable their own malign activities.'" Esper said the proposal to keep troops in Syria "in some cities" has not yet been presented to Trump, but the Post cites "a US official said with knowledge of operations in Syria," who said the plan "was intended to deter not only the Islamic State from profiting from the oil...but also Syria's government."

The AP (10/21, Baldor) reports that Esper "said the plan was still in the discussion phase and had not yet been presented to Trump, who has repeatedly said the Islamic State has been defeated." According to the AP, Esper "emphasized that the proposal to leave a small number of troops in eastern Syria was intended to give the president 'maneuver room' and wasn't final." Esper is quoted as saying, "There has been a discussion about possibly doing it. ... There has been no decision with regard to numbers or anything like that." The Washington Post (10/21, Fahim, George, 14.2M), however, is reporting that "the proposal to continue securing oil fields in Syria, indefinitely, could rely on a force of about 200 US troops in eastern Syria." ABC World News Tonight (10/21, story 5, 2:00, Muir, 7.23M) likewise reported that "between 200 to

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300 could go to eastern Syria to protect those oil interests."

The CBS Evening News (10/21, story 4, 1:55, O'Donnell, 4.44M) reported, "This shift comes after the President's plan to withdraw all American forces was criticized by Democrats and Republicans." Reuters (10/21) reports that at a White House Cabinet meeting on Monday, Trump "said he did not want to leave any American troops in Syria," but "a small number of US troops would stay 'in a little different section to secure the oil,' as well as in 'a totally different section of Syria near Jordan and close to Israel.'" Trump added, "Ultimately, we're bringing them home." The Hill (10/21, Chalfant, 2.98M) quotes Trump as saying, "I don't want to leave any troops there. That's very dangerous territory. I don't think it's necessary other than we secure the oil. It's a little different section, but we need to secure the oil."

USA Today (10/21, Shesgreen, Jackson, 10.31M) reports Trump also said, "I'm trying to get out of wars. We may have to get in wars, too." To Politico (10/21, Forgey, 4.29M), Trump "offered a confusing description of his foreign policy priorities as commander in chief — insisting that he was working to bring home American soldiers while warning the US may soon enter into new military conflicts."

In an interview last night with Fox News' Hannity (10/21, 535K), the President said US soldiers were "supposed to be in Syria for 30 days. Now, one thing about Syria, when I took over, ISIS was all over the place. You know that better than anybody. Two and a half years ago. I went in and when I started I got rid of that while thing. All of those prisoners and most, they were captured under Trump. We killed many, many ISIS fighters. You know, you hate to talk about death. ... We took 100 percent of the caliphate. ... But you know what, it is now time to bring our soldiers home."

The New York Times (10/21, Hubbard, Kingsley, 18.61M) reports that though Trump as characterized the withdrawal of "most American troops from Syria" as "bringing troops home...Esper said on Sunday that most forces would be redeployed to western Iraq, where they would continue operations against the Islamic State."

In fact, Reuters (10/21, Omar, Ali) reports that US troops are already "crossing into Iraq as part of a broader withdrawal from Syria ordered by" Trump. According to Reuters, "More than 100 vehicles crossed the border into Iraq early on Monday from the northeast tip of Syria."

Calling the images "one of the lowest moments of America's reputation in the Middle East in years," Richard Engel reported on NBC Nightly News (10/21, story 4, 1:50, Holt, 6.37M), Kurdish civilians on Monday threw "potatoes and yell[ed] insults at American troops ordered out of Syria. At another location, Kurds holding signs for US troops saying, 'Tell your children Kurdish children are dying, and we did nothing to protect them.'"

The CBS Evening News (10/21, story 4, 1:55, O'Donnell, 4.44M) and ABC World News Tonight (10/21, story 5, 2:00, Muir, 7.23M) also briefly reported the protests, while the AP (10/21) says the images "encapsulated the Kurds' feelings of betrayal and add[ing] a new indignity to a US withdrawal that has been rushed and saw several close brushes with Turkish-backed forces."

Sen. Marco Rubio (R-FL) said on Fox News' Special Report (10/21, 1.53M), "What I've heard is, we are not really leaving the Middle East. We are just relocating them over into Iraq. From Iraq, they are going to be conducting some of the same operations. I saw a media report that we may leave some troops behind at some of these oil fields. You know why? If we do that, it's because the Iranians are trying to get their hands on those oil fields, because it means revenue. They can recoup all that money they spent in propping up Assad. Again, ultimately, we are not going to be there forever, but if you were going to begin the process of diminishing our presence, it should have been done with some planning, not simply sort of a one phone call thing. That is, as much is anything else, part of this problem."

Sen. Chris Murphy (D-CT) said on CNN's The Lead (10/21, 1.01M), "The President has dramatically increased the number of American troops that are in the Middle East, so nobody should get away with him trying to pretend that he is the great military withdrawer from the region. In fact, we have thousands more troops in the Middle East, many of them guarding Saudi Arabia, than we did before the President took office."

The New York Times (10/21, Gibbons-Neff, Schmitt, 18.61M) similarly reports that under Trump, "there are now more troops in the Middle East than when he took office, and he has continued the mission for tens of thousands of others far from the wars of 9/11."

Trump: Cease-Fire Holding In Northern Syria.

The Washington Times (10/21, Howell, 492K) reports President Trump said Monday the cease-fire along the Turkey-Syria border is "holding." Speaking at a Cabinet meeting, Trump said, "We're having very good news coming out. The cease-fire's holding."

Pompeo: Trump "Fully Prepared" To Take Military Action If Needed. Secretary of State Pompeo, asked in an interview with CNBC's Closing Bell (10/21, 207K) what could prompt US military action in Syria, said, "I never get out in front of the President's decision about whether to take the awesome undertaking of using America's military might to protection American interests. But, the world should know...where we see American interests at stake or fundamental norms that need to be enforced, we'll use all the powers that we have." Pompeo added, "We prefer peace to war. But in the event that kinetic action or military action is needed you should know that President Trump is fully prepared to undertake that action." Breitbart (10/21, Caplan, 673K) reports Pompeo's remarks.

Graham Softens Criticism Of Trump's Syria Policy. USA Today (10/21, Cummings, 10.31M) reports that "until recently, Sen. Lindsey Graham had been one the most outspoken critics of President Donald Trump's decision to pull US troops out of Syria," but, after speaking with the President on Saturday, "he said he had changed his mind." On Sunday, Graham told Fox News that he planned to "withhold judgment" on Syria "until it's all in."

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NYTimes Analysis: Trump Hasn't Received Anything In Exchange For Withdrawals. Peter Baker writes in an analysis for the New York Times (10/21, Baker, 18.61M) that "the Taliban have wanted the United States to pull troops out of Afghanistan, Turkey has wanted

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the Americans out of northern Syria and North Korea has wanted them to at least stop military exercises with South Korea." Baker writes that the President has "to some extent at least obliged all three — but without getting much of anything in return." He adds that "for a president who has repeatedly promised to end the 'endless wars,' the decisions reflect a broader conviction that bringing troops home — or at least moving them out of hot spots — is more important than haggling for advantage."

NYTimes Report: SDF Enlisted ISIS Prisoners To Fight With Them. The New York Times (10/21, Kirkpatrick, Schmitt, 18.61M) reports that "American forces and their Kurdish-led partners in Syria had been conducting as many as a dozen counterterrorism missions a day against Islamic State militants," but "that has stopped." Those "same partners, the Syrian Democratic Forces, had also been quietly releasing some Islamic State prisoners and incorporating them into their ranks, in part as a way to keep them under watch." According to the Times, "That, too, is now in jeopardy."

Turkish And Syrian Officials Reportedly In Talks To Avert Direct Conflict. Reuters (10/21, Coskun) reports that Turkish officials are "holding covert contacts with Syria's government to avert direct conflict in northeast Syria where both sides have deployed their armies...despite Ankara's long-standing hostility to President Bashar al-Assad." Reuters points out that Turkish President Tayyip Erdogan "backs rebels who fought to topple Assad during Syria's eight-year civil war," and has "described Assad as a terrorist." Nevertheless, "Warily, the two sides have set up channels of communication, both direct military and intelligence contacts and indirect messages through Russia, to reduce the risk of confrontation."

Macron Backs Ceasefire Extension In Call To Putin. Reuters (10/21) reports French President Emmanuel Macron told Russian President Vladimir Putin on Monday that it is "important to extend the ceasefire in northeast Syria," and "also said he expected tensions in northeast Syria to be resolved through diplomatic ways."

Official: Iraqis "Facing Threat Of War" Amid Turmoil In Syria.

The Washington Post (10/21, Ryan, 14.2M) reports Fuad Hussein, Iraq's deputy prime minister and finance minister, "said Monday that his government was concerned the recent events in Syria could lead to dangerous militants entering Iraq and eroding its fragile security." Speaking to reporters during a visit to Washington, Hussein "said militant cells remained in some parts of Iraq even after the Islamic State militant group had been deprived of its ability to hold territory." Said Hussein, "Once again with this action I am afraid that we are going to give rebirth to ISIS."

Stocks Finish Higher On Trade Optimism, With S&P Nearing New Record.

Reuters (10/21, Joyner) reports "the benchmark S&P 500 stock index rose within striking distance of a record high on Monday as further signs of progress toward resolution of the US-China trade war boosted shares in sectors sensitive to trade and the global economy." The President "continued to strike optimistic tones, while White House adviser Larry Kudlow said tariffs on Chinese goods scheduled for December could be withdrawn if talks go well." The Dow "rose 57.44 points, or 0.21%, to 26,827.64, the S&P 500 gained 20.52 points, or 0.69%, to 3,006.72 and the Nasdaq Composite added 73.44 points, or 0.91%, to 8,162.99."

Pence Promotes USMCA, Blasts Biden In Visit To Pennsylvania.

The Wilkes-Barre (PA) Citizens' Voice (10/21, Kalinowski, 149K) reports Vice President Pence yesterday "visited a Duryea glass manufacturing facility to tout a Trump administration-backed trade deal and urged Northeast Pennsylvania residents to pressure Democrats in Congress to pass the deal." Pence also "took a jab at his predecessor and Democrat presidential candidate, Joe Biden, who earlier in the day criticized Trump's support for the United States-Mexico-Canada Agreement by saying 'Pennsylvanians will not be fooled.'" Said Pence, "Joe, Pennsylvanians will not be fooled. They know the USMCA is a win for Pennsylvania and a win for America. It's time you got on board." Pence "further blasted Biden, saying during his time as vice president under Barack Obama, the country lost tens of thousands of manufacturing jobs that the Obama administration claimed would never come back." In contrast, "Pence said the administration has created 500,000 new manufacturing jobs in the last three years."

The AP (10/21) quotes Pence as also saying, "These days, Democrats are spending all their time on endless investigations and partisan impeachment. But the American people deserve better, and I came to Pennsylvania to say it's time for the Democrats in Congress to put Pennsylvania first." Politico (10/21, Rodriguez, Choi, 4.29M) reports "Pence has spoken at more than 30 events aimed at pressing lawmakers to pass the new trade pact, which still needs to be approved by Congress." House Democrats "are currently negotiating with US Trade Representative Robert Lighthizer in an effort to secure changes to the deal that would allow for Speaker Nancy Pelosi to put it up for a vote."

Earlier Monday, Biden wrote in a statement to the Wilkes-Barre (PA) Citizens' Voice (10/21, Kalinowski, 149K), "Donald Trump has talked tough on trade but has nothing to show for it, other than pain for America's families. Mike Pence has been his complicit sidekick, propping up Trump's trade wars and slighting hard-working Americans in Luzerne County and across the country." Biden added, "I know Pennsylvania, and Pennsylvanians will not be fooled by Pence's blind promotion of Trump's irresponsible trade wars. They understand that it is their workers, farmers, and manufacturers who are paying the price and feeling the pain."

Bloomberg Analysis: Barr Playing Key Role In Investigating Tech Firms.

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Bloomberg (10/21, McLaughlin, Strohm, 4.73M) reports that after the Justice Department's antitrust chief, Makan Delrahim, "agreed to open

probes of Google and Apple Inc., handing over Facebook and Amazon to the Federal Trade Commission," Attorney General Barr "did an end run around the agreement and made a grab for authority over all four tech giants" by announcing "wide-ranging reviews of the top social media, retail, and search platforms." The action "shows the attorney general is taking a direct role in the probes of America's biggest tech companies," and is "delivering on the agenda of President Trump, who's agitated for tech investigations since his election." Bloomberg says "Barr's actions are consistent with his view of an agency whose job is to defend Trump's executive power," according to Donald Ayer, deputy attorney general under George H.W. Bush, but "a Justice Department spokesman denies the tech company probes are politically motivated."

Zuckerberg Says Recommendations To Buttigieg's Campaign Should Not Be Seen As An Endorsement. Bloomberg (10/21, Pager and Wagner, 4.73M) reports Facebook CEO Mark Zuckerberg "has privately recommended several potential hires to Pete Buttigieg's presidential campaign." He has "sent multiple emails to Mike Schmuhl, Buttigieg's campaign manager, with names of individuals that he might consider hiring, campaign spokesman Chris Meagher confirmed." His wife, Priscilla Chan, "also sent multiple emails to Schmuhl with staff recommendations." Of those recommended two "were hired." Bloomberg adds that Zuckerberg "acknowledged that he and his wife passed along hiring recommendations but said that those actions should not be seen as an endorsement."

Facebook Reveals It Has Blocked Efforts Based In Russia And Iran To Affect Politics. NBC Nightly News (10/21, story 6, 3:21, Holt, 6.37M) reported Facebook is "revealing it has just blocked Russian and Iranian-based efforts on its platforms meant to manipulate the political conversation here and aboard." NBC carries an interview of Facebook founder Mark Zuckerberg by Lester Holt. Holt said, "In an exclusive interview, Mark Zuckerberg revealing how foreign actors are already working to influence the 2020 election." Zuckerberg said, "This is a signal that these nation-states intend to be active in the upcoming elections, but it's also, I think, a sign that we've been able to proactively identify them and take them down." Zuckerberg said that in the 2016 campaign, "We were looking for more traditional threats, like hacking, but weren't looking for coordinated information campaigns that now we're aware of."

The New York Times (10/21, Isaac, 18.61M) reports, "Facebook on Monday said it had found and taken down four state-backed disinformation campaigns." According to Facebook, "Three of the campaigns originated in Iran, and one in Russia," and "targeted people in North Africa, Latin America and the United States." The Times says, "Facebook generally takes a hands-off approach toward users sharing false or inaccurate information." Zuckerberg "added that there has been an escalation of sophisticated attacks coming from Iran and China." Facebook "said the disinformation campaigns it removed included content that touched on conflict in the Middle East, racial strife and posts involving" Rep. Alexandria Ocasio-Cortez (D-NY) According to the Times, "The posts crossed categories and ideological lines, seemingly with no specific intent other than to foment discord among citizens in multiple countries." Likewise, Reuters (10/21) reports that Ben Nimmo, "a researcher with social media analysis company Graphika who Facebook commissioned, said the flagged accounts shared material that could appeal to Republican and Democratic voters alike."

The AP (10/21) reports Facebook is "stepping up its efforts to ensure it is not used as a tool to interfere in politics and democracies around the world." According to the AP, "The efforts outlined Monday include a special security tool for elected officials and candidates that monitors their accounts for hacking attempts such as login attempts from unusual locations or unverified devices." In addition, Facebook "will also label state-controlled media as such" and "label fact-checks more clearly." The AP says Facebook also announced today that it has "removed four networks of fake, misinformation-spreading accounts based in Russia and Iran" that "sought to disrupt elections in the U.S., North Africa and Latin America."

The Washington Post (10/21, Romm, 14.2M) reports that Facebook says the "Russian-backed accounts...showed some links to the Internet Research Agency and in some cases posed as locals weighing in on political issues in swing states, an indication of the persistence of the tech giant's disinformation problem a year before voters head to the ballot box." According to the Post, the Internet Research Agency "is the Kremlin-backed entity that sowed social and political unrest during the 2016 presidential race."

WPost: Facebook Aiding Candidates In Promoting Lies. The Washington Post (10/21, 14.2M) in an editorial says that Facebook's Zuckerberg's concerns regarding free speech "are well-founded. But they do not...mean that Facebook must publish deliberate and damaging falsehoods in political advertising." The Post says the question is whether Facebook "should allow even the most obviously untruthful content unlimited reach." The Post says that Facebook "should, and does, allow candidates to say pretty much whatever they want in everyday posts," but the Post says that adds are different, as "the site is accepting money to bump up posts in the feeds of carefully targeted groups of users." The Post concludes that the country doesn't "want an Internet where the way to win an election is to fabricate."

Rapinoe Chosen As Face Of Nike-Nordstrom Ad.

The Washington Times (10/21, Vogt, 492K) reports, "Soccer star and frequent Trump critic Megan Rapinoe has been tapped as the face of Nike's latest ad campaign." Rapinoe "will be joined by Binx Walton and John Waters in modeling a shoe collection in a partnership between Nike and Nordstrom."

Louis Vuitton Designer Posts Against Company For Hosting Trump In Texas.

The New York Times (10/21, Friedman, 18.61M) reports, "Nicolas Ghesquière, the artistic director of Louis Vuitton women's wear and one of the designer jewels in the LVMH crown, has spoken out – or posted anyway – to dissociate himself with his company's new association with President Trump," after "Trump cut the ribbon on a spanking-new Louis Vuitton workshop facility in Johnson County, Texas." The Times says, "for many, the fact that Vuitton allowed itself to be a part of the president's mythmaking was, well, collusion." The Times says "it is a pretty radical move for a designer who is among the most known high-fashion creatives in the business to publicly chastise his employer" as

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Ghesquière did in a post.

Bezos Visits Washington, DC School Computer Science Class Supported By Amazon.

The Washington Post (10/21, Sullivan, 14.2M) reports Jeff Bezos visited Washington's Dunbar High School on Monday and "dropped into" a computer science class and began asking questions of the students. The Post adds, "Amazon is funding computer science classes in more than 2,000 high schools," and "Dunbar, one of 50 participating schools in the Washington metropolitan region, fits the profile of those that Amazon has provided with funding." The school is "94 percent black and 5 percent Hispanic" and "nine percent of students are homeless," while "sixty-five percent of students are considered at-risk." The Post also reports, "the U.S. Bureau of Labor Statistics projects that by 2020 there will be 1.4 million computer-science-related jobs and only 400,000 computer science graduates with the skills for them."

Boeing Board Faces "Cascade Of Bad News."

The New York Times (10/21, Gelles, Kitroeff, 18.61M) reports on the meeting of Boeing's board on Monday, saying it is facing "a grim reality" and the company is in "the biggest crisis in its 103-year history," because of the crashes of two 737 Max airplanes that "killed 346 people." The Times says "executives and directors spent more than five hours discussing how to manage a worrisome cascade of bad news."

San Jose Proposes Changing PG&E Into A Customer-Owned Utility.

The Wall Street Journal (10/21, Smith, Subscription Publication, 7.57M) reports the city of San Jose is hoping to convert PG&E into a customer-owned utility. San Jose is trying to recruit other cities and counties to support the plan, which would turn PG&E into a nonprofit electric-and-gas cooperative. Mayor Sam Liccardo told the Wall Street Journal it is time for PG&E to be taken in a different direction. If successful, the cooperative would be the largest customer-owned utility in the country.

Paradise Awaits Revival A Year After Camp Fire. The Wall Street Journal (10/21, Ailworth, Subscription Publication, 7.57M) reports on the state of Paradise nearly a year after the Camp Fire ravaged the town. Crews have been busy clearing burned houses, dead trees and scorched car frames, and only 3,000 of the town's 26,000 residents have returned. The Journal says the future of the town rests on how many of its residents do return and invest in rebuilding the community.

WSJournal Editorial Board Member Says PG&E Is A Model Of A Stakeholder Company. Allysia Finley, a member of the Journal's editorial board, writes in the Wall Street Journal (10/21, Subscription Publication, 7.57M), about PG&E arguing that while Democratic politicians in California have accused the company of choosing profits over people, the company is actually a model of a company being responsible to stakeholders. Finley adds that the utility operates under the California Public Utilities Commission and the Federal Energy Regulatory Commission which regulate the company's prices and may also direct its infrastructure investments. Finley also argues that stakeholders have opposed a plan by PG&E to raise rates in order to boost investment in the electrical grid.

WeWork Board To Consider Takeover Offer From SoftBank.

The Wall Street Journal (10/21, Hoffman, Farrell, Subscription Publication, 7.57M) reports the board of WeWork will consider SoftBank Group's offer of a takeover that would help to deal with a cash shortage, but also reduce the company's valuation to around $8 billion. SoftBank would lend the company $5 billion and move a $1.5 billion investment forward, and would also purchase $1 billion in stock from current holders. JPMorgan Chase & Co. is also expected to make an offer.

DNA Collected From Migrants Will Be Included In FBI Database.

The AP (10/21, Long) reports the Administration is "planning to collect DNA samples from asylum-seekers and other migrants detained by immigration officials and will add the information to a massive FBI database used by law enforcement hunting for criminals." DOJ "issued amended regulations that would mandate DNA collection for almost all migrants who cross between official entry points and are held even temporarily." The AP adds "the rules would not apply to legal permanent residents or anyone entering the US legally, and children under 14 are exempt, but it's unclear whether asylum-seekers who come through official crossings will be exempt."

Fox News (10/21, Re, 27.59M) indicates that "this past August, Fox News exclusively reported that a top government watchdog alerted President Trump and Congress that Customs and Border Protection (CBP), through a 'disturbing' pattern of misconduct, had endangered the public for nearly a decade by failing to comply with the law." Yesterday, DOJ "called the move a major step for law enforcement and said DHS would ensure that all federal agencies comply with the law going forward."

NPR (10/21, Rose, 3.12M) says that "in the proposed regulation, [Attorney General] Barr describes the DNA sample as a 'genetic fingerprint' that can uniquely identify a person, 'but they do not disclose the individual's traits, disorders, or dispositions.'" However, "immigrant advocates have denounced the proposal, arguing that collecting genetic information form those crossing the border could have implications for family members residing in the US."

Likewise, Reuters (10/21, Trotta) casts the move as "raising privacy concerns especially for asylum-seekers and minor offenders," and adds it "represents the latest initiative by President Donald Trump's administration to reduce legal and illegal immigration, an issue central to his 2020 re-election campaign." Reuters adds "Trump administration officials have argued that the rule simply restores authority that had been suspended by the Department of Homeland Security under former President Barack Obama and that is authorized under a law passed

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by Congress in 2005." The Washington Examiner (10/21, Dunleavy, 448K) reports "the bipartisan DNA Fingerprint Act authorized the attorney general, currently...Barr, to order any federal agency to 'collect DNA samples from individuals who are arrested, facing charges, or convicted or from non-United States persons who are detained under the authority of the United States,' but a federal rule in 2008 allowed homeland security to consult with the Justice Department to exempt itself from collecting DNA samples from noncitizen detainees." DOJ "said this new rule would do away with that exemption."

Paul Berated At California Restaurant.

The Washington Times (10/21, Chasmar, 492K) reports that Sen. Rand Paul (R-KY) "was berated by a couple of New Yorkers in a California restaurant Friday." Paul and his deputy chief of staff "posted a 24-second clip of the exchange," in which "a man and a woman can be seen confronting the Kentucky Republican about his political leanings." Paul "retweeted the short clip as a defense of President Trump." He wrote, "The left blames incivility on @realDonaldTrump. Watch this video and decide who the rude ones are..."

Krugman: Warren Faces "Health Policy Trap" Over Medicare For All.

Paul Krugman writes in his column for the New York Times (10/21, 18.61M) that the promise by Sen. Elizabeth Warren (D-MA) to "release a plan explaining how she intends to pay for 'Medicare for all'" may be "a make or break moment for her campaign." Krugman adds, "Warren has made policy seriousness a key aspect of her political persona, so her fogginess on health care really stands out." Krugman also says "the election might...hinge on the support of people who have good private coverage and would be nervous about making a leap into the unknown." He concludes that Warren is facing a test of whether "she can extricate herself from what looks like a health policy trap."

WSJournal: Study Belies Democrats' Argument For Increasing Taxes On The Wealthy.

A Wall Street Journal (10/21, Subscription Publication, 7.57M) editorial says that while California Democrats have repeatedly increased taxes on the wealthy and argued it has no impact on taxpayer migration or state tax revenue, a new study from Stanford economists Joshua Rauh and Ryan Shyu proves otherwise. The study, which examined how the response of high earners to Prop. 30, a 2012 referendum that raised the top marginal rate to 13.3%, found an increase in the likelihood of wealthy residents leaving the state resulting in a decrease in the expected revenue from the tax increase on high earners.

Police Organization Members Dismiss O'Rourke's Gun Proposals As "Ridiculous."

The Washington Times (10/21, Ernst, 492K) reports former Rep. Beto O'Rourke's (D) "gun control plans" are being called "ridiculous" and "asinine" by members of "police groups" including the National Fraternal Order of Police, the National Sheriffs' Association, and the National Association of Police Organizations. The Time says that O'Rourke "would face widespread dissent among law enforcement personnel in addition to various legal battles."

Two Children Shot In Philadelphia.

The CBS Evening News (10/21, story 5, 1:38, O'Donnell, 4.44M) reported, "Tonight, shock and grief on the streets of Philadelphia. A suspect who shot and killed a two-year-old girl Sunday is still on the loose. It happened less than 24 hours after another child was shot and critically wounded in Philadelphia." CBS (Lenghi) added, "A heartbroken community came out to mourn the death of two-year-old Nicolette Rivera. The toddler was in her living room yesterday afternoon when a gunman targeted the house, shooting through the front door and windows. Her mother and a contractor were wounded." CBS continued, "Rivera's death came less than 24 hours after another tragic shooting Saturday. An 11 month old, shot four times, sitting in the back of a vehicle caught in cross-fire." CBS also reported that Philadelphia "has seen 280 murders this year."

Lott: Mexican Gun Control Laws Are Not Lowering Murder Rate.

John R. Lott Jr. writes in the Wall Street Journal (10/21, Subscription Publication, 7.57M) arguing that Mexico has strict gun control, but the country has had 25,890 murders through September of this year, a rate about six times that of the US. Lott adds that Mexicans used to have a right to own guns until the constitution was amended in 1971 and strict gun control measures were passed. He also says that Mexico blames the US for the firearms in the country, but according to Lott murders in Mexico are often committed with weapons that are not available in the US, such as fully-automatic weapons and grenades. Lott further contends that strict gun control laws are associated with higher murder rates.

Warren Proposes Banning For-Profit Charter Schools.

The New York Times (10/21, Goldstein, Kaplan, 18.61M) reports that Sen. Elizabeth Warren, "who speaks frequently about her time as a public-school teacher," yesterday "offered her long-awaited proposal" for education reform, which the Times says is "a characteristically dense white paper that promises to quadruple federal funding for schools that serve low-income students, and to pump tens of billions of new dollars per year into desegregation, special education, bilingual programs and mental health support, while increasing federal oversight of racial and gender discrimination in schools." The Times says "the plan would be paid for by Ms. Warren's signature wealth tax on net worth

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over $50 million."

Politico (10/21, Stratford, 4.29M) says Warren "took aim at charter schools." Her "proposal, which would cost some $800 billion over 10 years, would significantly expand federal support for public education and also fight the 'corporatization' and 'privatization' of public schools." Politico adds Warren's plan "calls for banning for-profit charter schools and ending the main source of federal funding for all types of charter schools."

Bloomberg (10/21, Egkolfopoulou, 4.73M) reports that Warren "would quadruple US federal funding for public schools over 10 years, to $450 billion, and add $200 billion for students with disabilities. The spending includes $100 billion in 'Excellence Grants' over a decade – the equivalent of $1 million for every US school – and $50 billion to improve buildings and other infrastructure."

In an editorial, the Wall Street Journal (10/21, Subscription Publication, 7.57M) mocks the price tags of recent proposals by Democratic presidential candidates as unfeasible, focusing on the estimated $800 billion needed to fund Warren's education plan.

DeVos Thanks AOC For Apparently Endorsing School Choice.

Townhall (10/21, O'Brien, 177K) reports Rep. Alexandria Ocasio-Cortez (D-NY), in campaigning for Sen. Bernie Sanders (I-VT) in Queens, New York, "praised his progressive agenda and his helping to lead a 'working-class revolution.'" She also "recalled how as a young child in the Bronx, her school options weren't the best," so her family "moved into a small house in Westchester County." In response, "Education Secretary Betsy DeVos thanked AOC for unintentionally making the case for school choice." DeVos tweeted, "Picking the best school for you is called school choice. Glad your family had an option, @aoc. Now let's help every child! #EducationFreedom."

More Parents Plead Guilty In College Admissions Case.

NBC Nightly News (10/21, story 5, 1:29, Holt, 6.37M) reported, "Four more parents have pleaded guilty in the college cheating scandal." NBC (Almaguer) added, "Facing the pressure of a conviction, today four parents charged in the college admissions scandal reversed course, walking into federal court to change their pleas from not guilty to guilty. With each facing fraud and money laundering charges, the LA Times reports prosecutors turned up the heat, threatening to file an additional bribery charge, which, if convicted, would likely mean more time behind bars." But, added NBC, "16 parents, including Hollywood celebrity Lori Loughlin and her fashion designer husband, are keeping their pleas of not guilty."

The CBS Evening News (10/21, story 10, 0:16, O'Donnell, 4.44M) reported, "Douglas Hodge, Manuel and Elizabeth Henriquez, and the heir to the Hot Pockets fortune, Michelle Janavs, pleaded guilty to fraud and money laundering charges. They'll be sentenced early next year."

ABC World News Tonight (10/21, story 10, 1:15, Muir, 7.23M) reported, "Just today, four parents have now changed their pleas to guilty. It comes amid those images of actress Felicity Huffman, who pleaded guilty herself, now serving her 14-day sentence." ABC (Pilgrim) added, "Nineteen of 35 parents have pleaded guilty," but "Lori Loughlin and her husband are still fighting charges they paid $500,000 to pose their daughters as rowing recruits for USC."

Many HBCUs Facing Financial Collapse.

Delece Smith-Barrow, a senior editor at The Hechinger Report, writes in the New York Times (10/21, 18.61M) that last month, she watched President Trump "receiving repeated applause from a crowd of brown faces," for "heaping praise on the hundreds gathered there for his remarks at the National H.B.C.U. Week Conference." Smith-Barrow says that Trump's claim that his Administration's "support for historically black colleges and universities has been 'bigger and better and stronger than any previous administration, by far' was a characteristic exaggeration." But, she adds, "the White House has mildly increased investment in H.B.C.U. programming by 14.3 percent." Even so, Smith-Barrow says that HBCUs are "on the brink of disaster" in part because of declining public investment over the past 20 years. She argues that they "will need to further engage alumni" and concludes, "If the federal government doesn't issue a rescue mission in the coming decade, it's a tragic extinction we should be prepared for."

WPost A1: Facebook Video Exposes Racial Divide At North Carolina High School.

The Washington Post (10/21, A1, Lowery, 14.2M) reports on its front page from Denton, North Carolina that a group of students at South Davidson High, a nearly all-white school, painted a racial slur on a wall. It was quickly painted over by other students, "but a grainy video was soon ricocheting across the Internet, igniting a weeks-long controversy that has exposed raw racial tensions, imperiled the fall football season for dozens of middle school students and sparked a tempestuous debate over whether the incident constitutes a hate crime."

Trump Jr. Derides Transgender Cyclist's Effect On Female Athletes.

The New York Post (10/21, Schultz, 4.57M) reports Donald Trump Jr. on Monday "derided a transgender cyclist who won a women's championship." Trump Jr. tweeted an article about the cyclist, Rachel McKinnon, "who set a women's world record but wouldn't have qualified for the men's competition." He wrote, "You can never be woke enough! Sorry to all female athletes who spent their lives mastering their games."

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Drug Companies Reach $260 Million Opioid Settlement.

ABC World News Tonight (10/21, story 14, 0:15, Muir, 7.23M) reported that "hours before a federal trial was set to begin in Cleveland, three drug distributors and a manufacturer have all agreed to paid $260 million to settle claims in two counties in Ohio." The CBS Evening News (10/21, story 6, 0:30, O'Donnell, 4.44M) reported the settlement avoids the "first federal trial in the opioid epidemic." McKesson, Cardinal Health, Amerisource Bergen, and Teva Pharmaceutical reached a settlement with the two counties.

The New York Times (10/21, Hoffman, 18.61M) says the deal, "which is a combination of cash payouts and donations of addiction treatments, could become a model for settlement of thousands of similar cases brought in an attempt to hold the pharmaceutical industry accountable for an epidemic of addiction that has killed hundreds of thousands of Americans."

Likewise, the Washington Post (10/21, A1, Bernstein, Higham, Horwitz, 14.2M) says the agreement "may help guide the next round of negotiating as drug companies and governments that have sued them continue efforts to resolve the remaining legal actions all at once." The Post says the deal also "ratchets up the pressure on plaintiffs and drug companies to reach a global settlement or, some argue, to cut their own deals sooner."

The Cleveland Plain Dealer (10/21, Heisig, 895K) reports that despite the settlement, "the cases drug companies face nationwide are far from over." Opioid manufacturers and distributors are "largely still defending themselves from more than 2,300 other federal lawsuits, along with other cases filed in state courts across the country, despite the settlements reached with Cuyahoga and Summit counties." The AP (10/21, Smyth, Mulvihill) reports says this week's trial "was seen as a critical test case that could have gauged the strength of the opposing sides' arguments." The Wall Street Journal (10/21, A1, Randazzo, Subscription Publication, 7.57M), among other news outlets, also reports the deal.

Increasing Number Of Children Placed In Foster Care Amid Opioid Epidemic.

The CBS Evening News (10/21, story 7, 2:15, O'Donnell, 4.44M) reported on "the forgotten toll" of the opioid crisis: the growing number of children in foster care. CBS (Reynolds) profiled "just a couple of stories" out of the "millions...the painkillers have caused."

Tennessee Doctors Plead Guilty To Overprescribing Opioids.

Fox News (10/21, 27.59M) reports on its website that two Tennessee doctors pleaded guilty last week "to distributing high doses of opioids with no medical legitimacy, the Justice Department announced." Dr. Samuel Mcgaha and Dr. Frank McNiel of Tennessee "each pleaded guilty to one count of unlawful distribution of a controlled substance." Between 2015 and early 2018, Mcgaha and McNiel prescribed a combined total of 271,938 opioid pills, the Justice Department said in a statement.

WPost Analysis: ER Outreach For Opioid Users Off To A Slow Start In DC.

The Washington Post (10/21, Jamison, 14.2M) reports that late last year, D.C. Mayor Muriel E. Bowser (D) announced "a new program to combat an epidemic of fatal opioid...modeled on successful programs across the country." The initiative aimed to reach drug users "where they can regularly be found: in hospital emergency rooms." However, the initiative is "off to a slow start." Since it began operating in late April, the city's program has connected "only a small number of patients with treatment, according to records and interviews with District officials, treatment providers and outreach workers."

Maryland Town Uses Haunted House To Depict Horrors Of Addiction.

The Washington Post (10/21, Dvorak, 14.2M) reports Queen Anne's County on Maryland's Eastern Shore "has one of the nastiest rates of opioid overdoses and deaths in the nation." Eric B. Johnson, the county's emergency management director who has lost four family members to addiction, and other townspeople "have created a huge haunted house. Only, rather than witches and mummies, it's a tableau of the nightmare the entire county is enduring — a journey through drug addiction."

Trump Will Not Participate In Weather Channel's 2020 Climate Change Special.

The Hill (10/21, Klar, 2.98M) reports that President Trump has declined an invitation to appear in "a Weather Channel climate change special airing next month that features Democrats and Republicans looking to challenge the president in 2020." The one-hour special, "2020: Race to Save the Planet," which is set to air Nov. 7, will feature "top Democratic candidates" as well as "all three of Trump's long-shot Republican challengers. But the president, a climate-change skeptic, is not in the lineup although The Weather Channel said it extended Trump an invitation."

The AP (10/21, Bauder) reports that while Trump will not appear in the special, it "won't ignore him or what his administration has been doing, [The Weather Channel's on-air hurricane expert and former director of the National Hurricane Center Rick] Knabb said."

WPost Examines Climate Change's Impact On Coastal Sports Franchises. The Washington Post (10/16, Maese, 14.2M) reports on the potential impact of climate change on sports franchises operating in coastal cities. The Post describes a "cascading series of problems that many teams and leagues operating in coastal cities are just starting to confront: How do you maintain operations in areas vulnerable to climate change? How do you sustain facilities and retain fans? How do you make it all economically viable when threats such as sea level rise are inevitable?" While there has been no formal study, "Allen Hershkowitz, an environment scientist who helped found Sport

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and Sustainability International, notes that teams and leagues will have to account for the physical impact on the venues but also losses from the disruption of business." According to Hershkowitz, some locations "will be prone to flooding, some to drought and still others to extreme heat...and many will have to make serious adjustments in the years to come."

Earth's Rising Temperature Making Most Sea Turtle Hatchlings Female. The Washington Post (10/21, Paquette, 14.2M) reports that scientists predict that "as the earth gets hotter, turtle hatchlings worldwide are expected to skew dangerously female." On the West African island nation of Cape Verde, 84% "of youngsters are now female, researchers from Britain's University of Exeter found in a July report. Populations in Florida and Australia are also showing dramatic sex imbalances, sparking fears creatures that outlasted dinosaurs are plodding toward extinction." The Post adds that researchers estimate that "if the trend continues at the Intergovernmental Panel on Climate Change's lowest projection...fewer than 1 percent of the country's sea turtles will be born male by the century's end. Higher rises could wipe them out completely."

WSJournal: New York's Exxon Trial Is Part Of Effort To Destroy Oil Companies. A Wall Street Journal (10/21, Subscription Publication, 7.57M)editorial says for New York Attorney General Letitia James, this week's trial of Exxon Mobil Corp. in state court over claims the company had hidden evidence of climate harm it knew was true is really about pursuing climate activists' goal of destroying Exxon and other companies in the oil and gas industry. The journal expresses hope that state Judge Barry Ostrager will render judgment based on the law.

Ex-Wife Alleged Judicial Nominee Allegedly Violated Judicial Code Of Conduct.

The Washington Free Beacon (10/21, Johnson, 78K) reports that the ex-wife of Fifth Circuit judicial nominee Halil "Sul" Ozerden "alleged during their divorce proceedings that he instructed her to make a political contribution on his behalf after his confirmation, a violation of the code of conduct for federal judges." Denise Dunaway Ozerden alleged in a 2009 deposition that "shortly after his confirmation to the district court for the Southern District of Mississippi," Halil Ozerden "pressured her to write a check to fellow Mississippian Trent Lott's political action committee." According to FEC records, Dunaway Ozerden made a $1,000 to that committee, the New Republican Majority Fund, in late May 2007, "a month after Ozerden's confirmation to the district court."

Poll: Majority Lack Confidence In Trump's Supreme Court Picks.

USA Today (10/21, Gilbert, Wolf, 10.31M) reports that a "new and wide-ranging national survey" about the Supreme Court by the Marquette University Law School found that "a majority of Americans disapprove of President Donald Trump's handling of appointments to the U.S. Supreme Court and doubt he would pick the 'right kind of person' to fill the next opening on the high court." Asked about "Trump's handling of court appointments, 43% approved and 57% disapproved. ... Asked how much confidence they have that Trump will select the right kind of person if there is another opening on the court, 45% said at least 'some' confidence while 55% said very little or none at all."

The Washington Times (10/21, Dinan, Swoyer, 492K) reports that "an overwhelming majority" of 73% "said Senate Republicans, led by Majority Leader Mitch McConnell, were wrong to refuse to hold a hearing for Judge Merrick Garland, Mr. Obama's pick in 2016 to take the seat left vacant by the death of Justice Antonin Scalia." McConnell "said that should a vacancy arise in 2020, another election year, then he would move to fill it. He said the situation is different this time because the same party controls the White House and the Senate." The poll found that "by a 69-31 split," Americans "agreed that a vacancy should be filled."

Politico Analysis: Trump Poised To Expand Fundraising Lead Over Democrats.

Politico (10/21, 4.29M) reports that President Trump and the Republican National Committee "have raised more than $300 million this year for his reelection – more than any other sitting president in history at this point in the campaign." Politico says that Trump "has nearly twice as much cash on hand – $158 million, between his campaign account and the RNC – as Barack Obama and the Democratic National Committee had at this time in his successful re-election run." Consequently, "Democrats are growing increasingly alarmed by the spending chasm between the two sides – and its implications for the general election. ... And the situation stands to get worse," because "since the start of the year, Trump's campaign operation has run an expensive, far-reaching effort to find new small-dollar donors that is already beginning to pay dividends" having "netted 313,000 new donors." The Washington Examiner (10/21, Pearce, 448K) reports on the Politico story under the headline "Trump's Historic Lead On 2020 Fundraising Is Starting To Rattle Democrats."

RNC Quadruples DNC In September Fundraising. The Daily Caller (10/21, Datoc, 716K) reports that the RNC "raised...four times more than the" DNC did last month. The DNC "raised $6,980,445.71 in September while carrying more than $7,000,000 in debts. The RNC reported $27,324,070.15 in new donations over the same period yet currently carries no outstanding debt."

Politico Magazine Explores What A Second Trump Term Might Entail. Darren Samuelsohn writes in a story for Politico Magazine (10/21, 4.24M) that the news outlet asked a number of political analysts and observers, "What's in store for Washington and the nation if [President] Trump defies the odds to hold onto the White House? 'We will have entered an era of authoritarianism,' warned John Dean, the former Richard Nixon White House lawyer.'" However, Newt Gingrich, an "outspoken Trump ally," told Politico Magazine, "I don't think Trump will be emboldened. I think Trump will be Trump. I think Trump is emboldened every morning. He goes, 'I'm a billionaire. I've got the White House, Air Force One and Marine One. And I'm commander in chief. What's part two? All these guys who spent three years shooting at me and I'm still in the building and they're not.'" Yet, "even some Trump supporters foresee the chance that Trump might test the boundaries of presidential power with bad results."

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USA Today: Trump May Be Boosted By Democrats' Choice Of Nominee. In an editorial, USA Today (10/21, Board, 10.31M) says that ahead of his bid for reelection next year, President Trump appears "vulnerable. He faces an impeachment inquiry in the House. He has the lowest average approval rating in polling history. And his standing among independents is awful, especially for a Republican. In other words, Republicans should be panicking or scouting around for another candidate, or both. But they know they have an ace in the hole: the Democratic Party. To win in 2020, all the Democrats might need is a capable, relatively uncontroversial candidate within shouting distance of the political center." To date, however, "Democratic voters have been gravitating toward candidates who lack some of these qualities."

Our Revolution Chief: Liberal Proposals Needed To Win Back Trump Voters In MI, OH. Joseph Geevarghese, executive director of the liberal group Our Revolution, writes in a USA Today (10/21, 10.31M) op-ed that he recently spoke with "striking workers" in Michigan and Ohio, "all of them former Democrats," who "told me how they voted for Donald Trump in 2016 out of desperation," believing he "would deliver on his promise to keep jobs in America and negotiate good trade deals. Now, they feel betrayed. ... If we want to win back voters in Ohio and Michigan, we need to inspire them with a transformational vision of change, and not incrementalism that they'll again reject as inadequate in this moment of growing inequality." Geevarghese goes on to tout the "Medicare for All" and "Green New Deal" proposals.

Minnesota Poll: Trump Trails Leading Democratic Contenders And Klobuchar.

The Minneapolis Star Tribune (10/20, Van Oot, 1.04M) reports that a Star Tribune poll of 800 Minnesota voters, taken Oct. 14-16, shows President Trump trailing "several leading Democratic" presidential hopefuls and Sen. Amy Klobuchar (D-MN), who hails from the state. According to the poll, Trump trails ex-Vice President Joe Biden (D) and Sen. Elizabeth Warren (D-MA) by identical 50%-38% margins; Sen. Bernie Sanders (I-VT) 49%-40%; and Klobuchar 55%-38%.

SurveyUSA Poll: Biden 32%; Warren 22%; Sanders 17%; Harris 7%; Buttigieg 5%.

The Hill (10/21, Bowden, 2.98M) reports on a SurveyUSA poll of 1,071 likely Democratic primary voters, taken Oct. 15-16, that shows Biden leading the race for the 2020 presidential nomination with 32%, followed by Warren at 22%, Sanders at 17%, Sen. Kamala Harris (D-CA) at 7%, and South Bend Mayor Pete Buttigieg (D) at 5%; no other contender tops 2%.

Iowa Poll: Biden 18%; Warren 17%; Buttigieg 13%; Sanders 9%.

USA Today (10/21, Page, 10.31M) reports that a Suffolk University/USA Today poll of 500 likely Iowa Democratic caucusgoers, taken Oct. 16-18, shows Biden leading with 18%, followed by Warren at 17%, Buttigieg at 13%, and Sanders at 9%; no other contender tops 3%. USA Today says that Buttigieg "has surged within striking distance of" the frontrunners, while Biden "is faltering in the wake of a debate performance last week that those surveyed saw as disappointing." USA Today adds that in a similar poll taken in June, "Biden led Warren by double digits and Buttigieg trailed at a distant 6%."

In an accompanying analysis of the poll for USA Today (10/21, 10.31M) Suffolk Political Research Center's David Paleologos writes that the results mark "a dramatic turnaround for 37-year-old Buttigieg, who more than doubled his second-tier 6% summer standing. Even more impressive for Buttigieg is how those who watched the CNN/New York Times debate last week would align their support if the caucuses were held today. Among only debate watchers, Buttigieg topped the entire Iowa field with 19%, followed by Biden and Warren (tied at 17%), Sanders (9%), and [Sen. Amy] Klobuchar (6%). Both Buttigieg (39%) and Klobuchar (28%) were seen as debate winners last week."

Politico (10/21, Forgey, 4.29M) reports, "The poll was conducted in the days after the fourth Democratic debate, during which Buttigieg adopted a more aggressive posture and accused Warren of equivocating on the cost of her Medicare For All proposal. Other recent Iowa surveys – including a CBS/YouGov poll conducted before the debate and several statewide polls in September – have also had Buttigieg in either the high single-digits or low double-digits." U.S. News & World Report (10/21, Hagen, 2.4M) reports that Harris "has seen a sharp decline since the June poll, which was conducted after her breakout debate performance. Since then, she has fallen 13 percentage points and is in a tie for sixth place" at 3%. The Hill (10/21, Klar, 2.98M) also reports on the poll.

After Debate Performances, Buttigieg And Klobuchar Seek To Build On Momentum.

Politico (10/21, 4.29M) reports that South Bend Mayor Pete Buttigieg and Sen. Amy Klobuchar (D-MN) emerged from "the last Democratic debate with the most precious commodity a presidential candidate can get before the Iowa caucuses: momentum. Now, they're racing to actually crack open what for months has been a three-person race." The pair "each raised more than $1 million in the 24 hours following the debate, a sign that their critiques of progressive leaders Elizabeth Warren and Bernie Sanders during the debate struck a chord. Energetic crowds greeted them in" Iowa "soon after – including voters who said they were looking for alternatives to Joe Biden, the longtime polling leader who has slipped in Iowa over the past month."

The Los Angeles Times (10/21, Mehta, 4.64M) reports, "Just when it looked like the Democratic presidential contest was becoming a two-person race," Buttigieg and Klobuchar – "Midwestern pragmatists" – think "they can still rise by speaking to an unsatisfied slice of the electorate: voters who" view Warren as "too far to the left but think...Biden is yesterday's news." The two "long shots are now trying – with swings through early-voting states, new ads and endorsements, and intensified fundraising efforts – to keep their post-debate sizzle hot and find an opening in the contest that has been shaping up as a showdown between Biden and Warren."

The AP (10/21) reports, "If there's a place where Klobuchar can build momentum from the debate, it's...in Iowa, where her Midwestern

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roots and pragmatic approach to politics could resonate." While she "is polling near the bottom of the pack and has struggled to raise money," Klobuchar's "debate performance gave her a boost. She raised $1.5 million in the 36 hours following the debate. And post-debate, she launched a frenzied week of campaigning to try to turn that bump into lasting momentum, hitting 10 counties over two days in New Hampshire and 12 over three days in Iowa."

Under the headline "In Iowa, Amy Klobuchar Gets A Second Look After Debate," the New York Times (10/21, Gabriel, 18.61M) similarly reports, "Riding a post-debate wave of attention, Ms. Klobuchar blitzed New Hampshire and Iowa last week, attracting new supporters and donors in those two states with early nominating contests. After months stuck in the polling doldrums, Ms. Klobuchar is getting a second look. But she faces several challenges, among them that she is arguing how to win general election swing states but has yet to show how she would win the nomination first."

California Independents Allowed To Vote In Democrats' Primary, But Not GOP's.

The AP (10/21, Press) reports, "California's more than 5.6 million independent voters will be allowed to vote in the 2020 Democratic presidential primary, but not in the Republican contest, Secretary of State Alex Padilla announced Monday. The two parties have used a similar setup in recent presidential primaries." The AP adds, "Independent voters...make up roughly 28% of registered California voters. But experts predict they'll make up just 15% of the Democratic primary electorate because of extra steps they need to take to get a presidential ballot, said Paul Mitchell, who runs the nonpartisan firm Political Data, Inc., which gathers and sells voter data. Rather than skewing more moderate, the independents who will vote in the Democratic contest are likely to be young, more diverse and more progressive than the rest of the electorate, he said."

Sanders Says He'd Want Ocasio-Cortez To Serve In His Administration.

USA Today (10/21, Santucci, 10.31M) reports Sen. Bernie Sanders says he wants Rep. Alexandria Ocasio-Cortez (D-NY) – who this past weekend backed his White House bid – to serve in his Administration, if he's elected president. In an interview with CBS News, "when Ocasio-Cortez was asked if she'd work in Sanders' administration should he be elected president, he interjected with a forceful 'Yes, you would.'" Breitbart (10/21, Key, 673K) also reports on the story.

Inspired By The "Squad," Progressive Candidates Challenging Centrist House Democrats.

Reuters (10/21, Cornwell) reports that "a half-dozen progressive candidates" across the US are mounting primary challenges to "moderate House Democratic incumbents and are backed by Justice Democrats, the same political action committee that last year helped" boost Rep. Alexandria Ocasio-Cortez (D-NY) to her upset of now-former Rep. Joe Crowley (D-NY). Since then, Ocasio-Cortez has emerged as "the face of the 'Squad,' freshman Democrats aiming to move the party farther left on issues such as healthcare and climate change. Justice Democrats, set up by former activists from Senator Bernie Sanders' 2016 presidential campaign, have vowed to expand the group's ranks in next year's election."

In Ad, AL2 GOP Hopeful Taylor Targets "Arrogant Socialists" Like Ocasio-Cortez. The Daily Caller (10/21, Davis, 716K) reports that GOP businesswoman Jessica Taylor on Monday announced a 2020 bid to succeed retiring Rep. Martha Roby (R-AL) in the AL2, releasing "a viral advertisement" targeting Ocasio-Cortez "and her 'socialist' squad. 'Like you, I'm tired of arrogant socialists like AOC who've never even run a lemonade stand telling us how we should live in Alabama and that more government is the answer,' Taylor said" in the spot, adding, "Even though it might trigger a few liberals, I'll fight to protect life, the Second Amendment, our borders, our military, our families, and President Trump from socialists in the swamp, and I won't apologize for it."

MI10 GOP Candidate's Announcement Video Features Images Of Ocasio-Cortez, Omar, Tlaib. The Detroit News (10/21, Mauger, 825K) reports that retired Air Force Brig. Gen. Doug "Odie" Slocum on Monday entered the 2020 race to succeed retiring Rep. Paul Mitchell (R-MI) in the MI10, joining state Rep. Shane Hernandez in the GOP primary. The Slocum camp's "launch included a video that focused on his work during the attacks of Sept. 11, 2001. Later in the video, Slocum, 57, says the country's 'values are under attack again.' 'Washington is being overrun by politicians driven by their own self interest that do not represent the values that I fought to protect,' Slocum says over images of" Reps. Ocasio-Cortez, Ilhan Omar (D-MN), and Rashida Tlaib (D-MI).

Supreme Court Overturns Lower-Court Ruling Against GOP-Drawn Michigan Map.

The Detroit News (10/21, Laing, Burke, 825K) reports the US Supreme Court yesterday "tossed out a lower court ruling that would have forced a substantial redrawing of Michigan's congressional and state legislative voting maps in a bid to give Republicans less of an edge." The order "issued Monday was expected after the high court's June 27 decision that upheld a Republican-drawn congressional map in North Carolina and Democratic-drawn voting lines in Maryland." The News adds that "in the 5-4 ruling, Chief Justice John Roberts wrote for the conservative majority that gerrymander claims involve 'political questions beyond the reach of the federal courts.'"

The Detroit Free Press (10/21, Spangler, 1.52M) also says "the decision – which vacated an earlier ruling made by a three-judge panel by the Sixth US Circuit Court of Appeals in Cincinnati – had been widely expected since the Supreme Court decided in June that it would allow state courts to decide questions about political boundary lines rather than ruling on them itself." Reuters (10/21, Chung) offers a similar analysis, and The Hill (10/21, Neidig, 2.98M) points out that "in their dissent, the four liberal justices accused their colleagues of abdicating

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the court's responsibility of safeguarding the democratic process." The Washington Examiner (10/21, Quinn, 448K), National Review (10/21, McArdle, 731K) and NBC News (10/21, Williams, 6.14M), among other news outlets, also report the story.

California's Homelessness Problem Sparks Backlash.

The New York Times (10/21, A1, Fuller, Arango, Keene, 18.61M) reports that "record levels of homelessness" in California "have spurred a backlash against those who live on the streets." In San Francisco, residents on one street "recently installed boulders on the sidewalk to deter people from erecting tents and sleeping there. In Los Angeles, homeowners have installed prickly plants for the same purpose." In the Koreatown neighborhood of Los Angeles, "a grass strip between the sidewalk and curb is fenced off with green plastic to keep homeless people away."

Princeton Theological Seminary Pledges $27 Million As Reparations For Its Ties To Slavery.

The New York Times (10/21, Shanahan, 18.61M) reports that the Princeton Theological Seminary "has pledged to spend $27 million on scholarships and other initiatives to address its historical ties to slavery, in what appears to be the biggest effort of its kind." Nicholas Young, president of the Association of Black Seminarians, "criticized the $27 million figure as being well below what the seminary's own accounting indicated should be set aside from its $1 billion endowment to cover reparations-related costs." Young also "said the seminary needed to do more to address how faculty and other leaders had 'used theology to justify the institution of slavery.'"

Omar Living "On And Off" With Married Campaign Aide.

The Daily Mail (UK) (10/21, Ashford, 5.27M) reports that Rep. Ilhan Omar (D-MN) is living "a brazen double life involving secret hookups, romantic vacations and talk of marriage to her DC strategist lover." Omar "spent months denying she had split from husband Ahmed Hirsi despite this website revealing she had left their marital home and was having an affair with a campaign aide." While she filed for divorce earlier this month, she "still refuses to acknowledge her relationship with veteran Democratic schmoozer Tim Mynett, 38, whose wife also petitioned for divorce in August. DailyMail.com can now disclose that Omar and Mynett are not only dating, but living together 'on and off' at a secret DC apartment, while plotting romantic vacations to Jamaica and making plans for a long-term future together."

Hunter Biden Agrees To Take Paternity Test In Arkansas Case.

The Washington Examiner (10/21, Bufkin, 448K) reports former Vice President Biden's son Hunter "has said that he will take a paternity test to prove he is not the biological father of a 14-month-old child who lives in Arkansas." Lunden Roberts "maintains that Biden is the biological father of her child and that he has admitted as much to her in private."

WPost Urges McConnell To Support "Risk-Limiting Audits" Of Election Results.

A Washington Post (10/21, 14.2M) editorial calls on Senate Majority Leader McConnell to support legislation that provides incentives for states to switch to risk-limiting audits of election results, which "hand-count a statistically meaningful sample of all votes to determine whether the original tally was correct. The required sample increases as the margin of victory narrows." The Post argues, "Every state or county needs to polish its own version of what experts call the gold standard for election review, and that takes funding." McConnell should support the effort "to protect against Russia and other adversaries' far less friendly reach."

Financial International News

Moody's Report Finds Companies Mostly Fail To Price In Costs Of Climate Change.

Reuters (10/21, Groom) reports that a report from Moody's Investors Service on Monday said, "U.S. and European companies in polluting industries rarely disclose the financial risks they face related to climate change even though a global task force called on them to do so two years ago." The report said, "Though 80 percent of the companies in the Moody's sample said climate change was affecting strategic decisions, just two of the 28 linked their climate projections with an effect on cash flows and balance sheets." Vincent Allilaire, one of the report's authors, in a statement said, "Although companies have made some progress in the level of disclosure they provide, standardised and consistent quantification of the financial impact from climate risks is still in a nascent stage."

Think Tank: BOE Needs More Firepower To Combat Downturns.

Reuters (10/21, Bruce) reports that Positive Money, "a think tank whose work has been endorsed by the opposition Labour Party and others in recent years," on Monday said the Bank of England "should be given more power to steer lending in Britain's economy and influence government spending during a downturn." The think tank "said the BoE and government should create a new credit policy unit so the BoE can influence lending, and the central bank should also be able to outline its expectations for the government's fiscal policy."

FT Analysis: US, Europe Wary Of "Japanification."

In an analysis, the Financial Times (10/21, Harding, Subscription Publication, 1.34M) reports the US and Europe may be mired in what investors are calling "Japanification," or permanently low interest rates and inflation.

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Lebanese Government Unveils Reforms Following Days Of Protests.

Reuters (10/21, Francis, Perry) reports that the government of Lebanon has "approved an emergency reform package...in response to protests over dire economic conditions, but the moves did not go far enough to persuade demonstrators to leave the streets or investors to halt a plunge in its bonds." Reuters says the reforms include "the symbolic halving of the salaries of ministers and lawmakers, as well as moves towards implementing long-delayed measures vital to putting the public finances on a sustainable path." According to Reuters, "Hundreds of thousands of people have flooded the streets since Thursday, furious at a political class they accuse of pushing the economy to the point of collapse."

The Washington Post (10/21, Dadouch, Khattab, 14.2M) reports that Prime Minister Saad Hariri "also said financial advisers will study the privatization of telecommunications, a law will be drafted to return stolen government funds and an anti-corruption committee will be set up." The Post says Hariri's government, "which is struggling with a national debt that is proportionally the third-largest in the world, announced a proposal Thursday to hike the value-added tax and introduce a levy on Internet calls via apps such as WhatsApp." According to the Post, "The Lebanese – already fed up with living in a country that lacks clean water and air, has disintegrating infrastructure and is burdened by graft – revolted."

Argentina's Bondholders Face Heavy Losses.

The Financial Times (10/21, Smith, Politi, Subscription Publication, 1.34M) reports that holders of Argentinian bonds face heavy losses as the government works to address its $101 billion debt burden following difficult meetings with officials from the IMF.

Leading International News

Trudeau Expected To Form Minority Government With Plurality Of Seats In Parliament.

CBC (CAN) (10/21, Zimonjic, 319K) reports, "CBC News is projecting that Justin Trudeau's Liberals will form a minority government." Politico (10/21, Panetta, Gardner, 4.29M) reports according to CBC and CTV, Trudeau's Liberals are projected to win "a plurality of seats in Parliament."

The AP (10/21, Gillies) reports, "Trudeau appeared set to win a second term," and that he "is one of the few remaining progressive leaders in the world."

The National Post (CAN) (10/21, 75K) at time of reporting is projecting the Liberals with 156 seats to 121 seats for the Conservatives, with 170 needed for a majority. The balance of seats will be held by the separatist Bloc Quebecois with 32, the New Democratic Party with 25, and the Green Party with three.

Trump Congratulates Trudeau. On Twitter, President Trump wrote, "Congratulations to @JustinTrudeau on a wonderful and hard fought victory. Canada is well served. I look forward to working with you toward the betterment of both of our countries!"

Brexit Vote Delayed Until Today.

The New York Times (10/21, Castle, 18.61M) reports British Prime Minister Boris Johnson's "latest showdown with Parliament over Brexit" has been "pushed back 24 hours...after a ruling by John Bercow, the speaker of the House of Commons and a perennial thorn in the British leader's side." The Times reports that Johnson "had hoped to persuade lawmakers to agree on Monday in principle with his revised Brexit agreement, struck with the European Union last week in Brussels, signaling what many hoped would finally resolve an issue that has divided the country and its warring politicians for more than three years." However, Bercow, "harking back to a critical decision he made earlier in the year, ruled that the vote could not go ahead because Parliament had considered the same measure on Saturday and its rules forbid the introduction of the same bill multiple times." Nevertheless, tomorrow, Johnson's government "will effectively introduce the same measure."

The AP (10/21, Lawless and Kirka) reports the Prime Minister's plan "hit another roadblock Monday," and so the "government will now go to its Plan B: get Parliament's backing for his Brexit blueprint by passing the legislation, known as the Withdrawal Agreement Bill."

The Wall Street Journal (10/21, Colchester, Subscription Publication, 7.57M) says the bill's fate is likely to be decided by just a few votes. The Washington Post (10/21, Adam, Booth, 14.2M), Reuters (10/21, Maclellan, James), Politico Europe (10/21, 8K), and Bloomberg (10/21, 4.73M), among other news outlets, also cover the delayed Brexit vote.

UK Imposes Abortion, Same-Sex Marriage On Northern Ireland After Assembly Fails To Convene. The Washington Post (10/21, Ferguson, 14.2M) reports, "When the clock struck midnight in Northern Ireland early Tuesday, abortion and same-sex marriage became legal," after being "initiated by lawmakers in London." The Post adds, "The legislation that took effect early Tuesday also paves the way for same-sex couples to marry, starting in February." The Post also says, "opinion polls suggest support for both measures," though both are "a direct result of an amendment passed in the British Parliament," enacted while "the Northern Ireland Assembly has not convened in nearly three years amid a stalemate between pro-British unionists and Irish nationalists."

US Troop Presence In Afghanistan Has Been Reduced To 12,000.

The New York Times (10/21, Gibbons-Neff, Mashal, 18.61M) says the Administration is "already reducing the size" of the US "troop force in Afghanistan despite the lack of a peace deal with the Taliban." In a news conference Monday, "the top American commander in Afghanistan, Gen. Austin S. Miller, confirmed that the size of the American force in the country had already quietly dropped by 2,000 over the last year,

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down to roughly 12,000." Separately, "Other American and Afghan officials...said that the eventual force size could drop to as low as 8,600 – roughly the size of an initial reduction envisioned in a draft agreement with the Taliban before Mr. Trump halted peace talks last month."

The Washington Post (10/21, George, 14.2M) says that "as the Pentagon has drawn down from nearly 100,000 troops in the country in 2011, Afghanistan has seen the Taliban steadily expand its control and influence." According to the Post, "The Taliban has welcomed Trump's commitment to reduce U.S. troops in Afghanistan." The troop reduction "has the potential to complicate peace talks with the Taliban" because "the US military presence" is "the main sources of leverage for American negotiators." Shaheen, a spokesman for the Taliban's "political office in Doha," is quoted as saying, "We consider the withdrawal of US forces from Afghanistan to be a solution to Afghanistan's problem and it is also in the interest of the American and Afghan people." In Kabul Monday, Defense Secretary Esper said, "General Miller is doing exactly what I asked all our commanders to do when I entered office."

However, Reuters (10/21, Ali) reports Esper also said the US has "a 'longstanding commitment' to Afghan security forces." Esper is quoted as saying, "We have a longstanding commitment to our Afghan partners, we've invested billions upon billions of dollars, both the Afghan people and the American people have sacrificed treasure and the lives of their soldiers." The Daily Caller (10/21, Conklin, 716K) reports that despite the withdrawal, Esper said, "The aim is to still get a peace agreement at some point, a political agreement. That's the best way forward."

Britain Considering Prosecuting ISIS Militants Known As The Beatles.

The Washington Post (10/21, Nakashima, Mekhennet, 14.2M) reports British prosecutors are "reconsidering their opposition to trying a pair of Islamic State members linked to a cell suspected of involvement in the killing of American and British hostages in Syria." The Crown Prosecution Service "has agreed to review its previous decision not to prosecute the men" after the US military took custody of the two, Alexanda Kotey and El Shafee Elsheikh, "almost two weeks ago." A CPS spokesperson told the Post on Monday, "Due to the change in circumstances the CPS are reviewing the evidence in accordance with the Code for Crown Prosecutors."

ISIS Using TikTok To Spread Propaganda Videos.

The Wall Street Journal (10/21, Wells, Subscription Publication, 7.57M) reports ISIS militants have been posting short propaganda videos to teen-focused social network TikTok. TikTok removed videos flagged to it by the Journal and canceled the accounts responsible.

Trump Says Nuclear Agreement With Russia, China Is Under Discussion.

President Trump said on Fox News' Hannity (10/21, 535K), "I believe we are going to get together with Russia and with China and we are going to work out a nuclear pact so that we don't all continue with this craziness. Right now, we have the most powerful nuclear force in the world. Russia is second and China is third. It is very costly and very dangerous. It is very, very dangerous. And we are discussing with Russia and we are discussing with China. During the recent trade deal with China, I said, we should all get together and work out something, a cap, have a cap. We don't need 10,000 weapons. Have a cap. And I will say, China and Russia in talking about it are very excited about it."

Esper In Saudi Arabia As Military Officials Meet To Discuss Iran Threat.

Reuters (10/21, Ali) reports Defense Secretary Esper arrived in Saudi Arabia on Monday where he is "likely to meet King Salman and Crown Prince Mohammed bin Salman on his first trip to the key regional ally since taking office this summer, a visit intended partly to reassure Riyadh over bilateral ties." According to Reuters, "Upon landing in Riyadh, he met the head of U.S. Central Command, which is responsible for military operations in the Middle East and Afghanistan." Reuters says "military officials from Arab countries plus the United States, Britain, France, Germany, Italy, Pakistan and South Korea met in Riyadh on Monday to discuss freedom of navigation and Iranian activities in the region."

Israeli Official In Bahrain For Conference Focused On Iran. Reuters (10/21) reports that a "senior Israeli official attended a maritime security conference in Bahrain on Monday in another sign of Gulf Arab nations and Israel transcending longtime enmities to focus on a perceived common threat from Iran." According to Reuters, Israeli Foreign Ministry official Dana Benvenisti, "head of its counter-terrorism department, attended the Manama gathering in a rare visit by an Israeli official to Bahrain."

Netanyahu Ends Bid To Form New Coalition Government.

Reuters (10/21) reports that Israeli Prime Minister Benjamin Netanyahu today "gave up his effort to form a new government...after failing to secure a majority coalition, creating an opportunity for centrist rival Benny Gantz to replace" him. Netanyahu is quoted as saying, "In the past weeks I made every effort to bring Benny Gantz to the negotiating table, every effort to establish a broad national government, every effort to avoid another election." Netanyahu "said he had been unable to form a government following an election in September, and was returning the mandate back to" Israeli President Reuven Rivlin, who has "said he intends to task Gantz with the job of putting together a new government." However, according to Reuters, Gantz "also has no clear path to a majority, and should he come up short, it would almost certainly lead to another general election, the third since April."

The Washington Post (10/21, Hendrix, 14.2M) also says Gantz's" path to power is far from certain. Israel's complex political system all but ensures that the final outcome is not likely to be clear for weeks and that a third election in less than a year may be required." Likewise,

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the AP (10/21) reports that Gantz "does not appear to have enough support either."

The AP (10/21, Federman) says Netanyahu "had hoped to form a broad 'unity' government with Gantz, who heads the centrist Blue and White party," but "insisted that his coalition include his traditional allies, a collection of hardline and religious parties, drawing accusations from Gantz that he was not negotiating in good faith." According to the AP, Gantz "has expressed willingness to form a partnership with Likud, but not if Netanyahu continues to lead while he faces such serious legal problems."

The New York Times (10/21, Halbfinger, Kershner, 18.61M) reports Netanyahu "turned 70 on Monday and has been prime minister since 2009." In response, Gantz's party said "Blue and White is determined to form the liberal unity government, led by Benny Gantz, that the people of Israel voted for a month ago."

Warren Would Consider Making US Aid Conditional On End To Settlements. The Washington Examiner (10/21, Lim, 448K) reports Sen. Elizabeth Warren (D-MA) "issued a warning to Israel if it continues building settlements in the West Bank." Asked about "making U.S. aid conditional on an agreement...to halt construction" of settlements, Warren said, "It is the official policy of the United States of America to support a two-state solution. And if Israel is moving in the opposite direction, everything's on the table."

In Bolivia, Second-Place Candidate, OAS Express Concern About Lack Of Vote Updates.

The New York Times (10/21, Londoño, 18.61M) reports, "Carlos Mesa, the Bolivian presidential candidate who appeared Sunday to have won enough votes to force a runoff with the incumbent Evo Morales, accused the ruling party of foul play on Monday as election officials stopped reporting vote-count updates." Preliminary results, the Times adds, "showed Mr. Morales ahead with 45 percent, while Mr. Mesa was only seven points behind, with about 38 percent." But, on Sunday, "Morales characterized the result as a major victory and did not concede that there would be a second round." In response, the Organization of American States "expressed alarm and called on election officials to explain why they had stopped updating results."

Assange Loses Bid To Delay Extradition Hearing.

Reuters (10/21) reports that a full extradition hearing for WikiLeaks' Julian Assange "will go ahead in February 2020 after [a] London judge...declined a request by his lawyers to delay proceedings by three months." Reuters says Assange "faces 18 counts in the U.S. including conspiring to hack government computers and violating an espionage law."

Housing

Freddie Mac CIO Looks To Modernize IT To Boost Quality And Cut Costs.

The Wall Street Journal (10/21, Loten, Subscription Publication, 7.57M) reports Frank Nazzaro, Freddie Mac's Chief Information Officer, said that IT modernization efforts must be carried out securely, with the goal of improving velocity, bringing down costs, and boosting quality through the entire mortgage process. According to Nazzaro, Freddie already has a number of digital initiatives in the works. Freddie Mac CEO David Brickman said that Nazzaro's appointment has arrived at "the right moment to deliver technology solutions that make us faster, smarter and more efficient." Mortgage Professional America (10/21, Mendoza) provides continuing coverage of Nazzaro being named EVP and permanent CIO.

Freddie Mac, Banks Exploring AI-Based Lending.

American Banker (10/21, Crosman, Subscription Publication, 31K) reports that although "most traditional financial institutions have stayed away" from "using artificial intelligence every day in loan decisions," there are "signs that is starting to change." As one example, Freddie Mac is "partnering with ZestFinance on a pilot of AI-based mortgage underwriting software." Meanwhile, "a few banks are actually piloting the use of AI platforms to make lending decisions." LendIt (10/21) links to American Banker's coverage.

Calabria: Housing Supply Shortage Comes Down To "Land, Labor, And Loans."

The Boston Herald (10/21, 410K) reports Boston "taken on a bold initiative to encourage the development of 69,000 new units by 2030 to address help address the region's housing crisis," but FHFA Director Mark Calabria "told the Herald that the housing supply is a nationwide issue and creating an environment that supports housing development comes down to 'land, labor and loans.'" Calabria "said his job is make sure loans are supported." Last month, Calabria "announced he was taking Fannie Mae and Freddie Mac out of conservatorship which he called the last 'unfinished business' of the last recession. He said he is doing so in a manner that will ensure they can withstand downturn in the market."

Separately, The Boston Herald (10/21, Tieman, 410K) reports on Airbnb co-founder Nathan Blecharcyzk's $1 million donation to Boston Latin Academy, which came "at a time when his industry is facing strict regulations in the city that could affect his company's bottom line." Federal Housing Finance Agency Director Mark Calabria "said Boston's short-term regulations could have consequences for the housing market." He said, "How will short-term rentals play out in a stressed market? We don't know." According to The Herald, "Calabria said large numbers of investor-owned properties – like the ones Boston's regulations are trying to eradicate – could be a warning sign that a downturn in the housing market could be coming. The number of investors in the housing market has reached 'pre-crisis' levels and is one of several 'red flags' to regulatory agencies that the markets could start to slow."

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Pagliara: Ending Net Worth Sweep "Means Less Exposure For Taxpayers."

Value Walk (10/21, 1K) reports, "The battle over Fannie Mae and Freddie Mac and (9/27, 1K) the net worth sweep has dragged on for many years, but progress toward a resolution is finally being made. It looks like their conservatorship is another step closer to ending, although there is still a long road ahead. Tim Pagliara of CapWealth and Investors Unite told ValueWalk that the Federal Housing Finance Agency's decision to halt the net worth sweep is an important step in the process." According to Pagliara, "FHFA's recent decision to halt the illegal Net Worth Sweep and allow them to rebuild capital means less exposure for taxpayers. It sets the stage for an end to the conservatorship and the adoption of reforms in housing finance. The law gives the Administration considerable authority to implement reforms."

HUD Senior Housing Program Hit A Record $3POINT7B In Production This Fiscal Year.

Mortgage Professional America (10/21, Mendoza) reports HUD "announced that its mortgage insurance program for senior housing ended the fiscal year with a record $3.7 billion in loan production. The FHA 232 mortgage insurance program, which finances senior housing properties, closed a total of 288 loans this fiscal year. The program's loan volume of $3.7 billion, which has an average loan size of $13 million, topped last year's $3.6 billion." According to MPA, since it started in 2010, HUD's LEAN program "has insured over 4,000 loans amounting to $37.6 billion (71% for skilled nursing communities and 27% for assisted living)."

First American: Housing Market Underperformed Its Potential In September.

M Report (10/21, Albanese) reports, "First American Financial Corporation revealed that potential existing-home sales in September where essentially flat, as the seasonally adjusted annualized rate (SAAR) – 0.02% month-over-month decline. The market for potential existing-home sales rose 3.8% year-over-year, but the current SAAR is 18.6% below the pre-recession peak of market potential set in March 2004. Additionally, the market for existing-home sales is underperforming its potential by 0.04%, or an estimated 2,340 (SAAR) sales." Freddie Mac's latest survey "revealed that the average 30-year fixed-rate mortgage was 3.69%," and according to First American Chief Economist Mark Fleming, lower mortgage rates "incentivize homeowners to move as the rate 'lock-in' effect fades, which slows or reduces the average tenure of homeowners, and they boost demand by making homes more affordable."

CoreLogic: Idaho Had Steepest Home Price Growth In The Nation In August.

DS News (10/21, Albanese) says CoreLogic's Home Price Index indicated that Idaho once again "led the nation in home-price gains" in August, with 11.6% YoY growth. This was "more than triple" the nation's 3.6% increase. Utah was the state with the second-highest rate of appreciation, at 8%. According to DS News, "CoreLogic states that Idaho's price growth has been fueled by the nation's highest job and population growth. Its non-farm annual employment growth of 2.1% in August, higher than the nation's 1.4% increase and No. 7 among all states."

Harvard JCHS Report Shows Rising Inequality In Homeownership Trends Among Seniors.

Mortgage News Daily (10/18, Swanson) released the second part of its coverage of a report from Harvard's Joint Center on Housing Studies regarding America's aging population, with a focus on homeownership trends. According to MND, "growing inequality" is emerging, and reflecting "a trend toward later retirement." Homeownership rates "also vary across older age groups," and "racial and ethnic disparities have widened" in recent years. According to MND, "These inequalities are crucial because homeownership provides greater housing security, predictable housing costs and more opportunity to build wealth than does renting. The median home equity of homeowners over age 65 was $143,500 in 2016, leading to net worth of $319,200. By comparison, a renter of the same age had net worth of $6,700. This disparity holds true for the next younger group as well, even for owners and renters with comparable incomes."

Realtor.com Looks At Housing Markets Friendliest To Younger Homeowners.

M Report (10/21, Albanese) says Realtor.com examined the top markets for younger homeowners, finding "that Provo, Utah, is the youngest city in America with an average age of 24.7-years-old, despite having the highest average-home price – $305,000 – of any market on the list." Stillwater, Oklahoma "came in at No. 2 with an average age of 26.6 and a median-home price of $195,000." According to DS News, "Other markets on the list include: Jacksonville, North Carolina; Manhattan, Kansas; Ames, Iowa; College Station, Texas; Mount Pleasant, Michigan; Athens, Ohio; Statesboro, Georgia; and Lafayette, Indiana."

Markets

10-Year Yield Rises.

MarketWatch (10/17, 1.67M) reports the 10-year Treasury yield rose to 1.78 percent.

Dollar Recovers After Early Losses.

Reuters (10/21, Duguid) reports "the U.S. dollar recovered earlier losses on Monday afternoon as Brexit negotiations were once again thrown into disarray, and the Canadian dollar strengthened in the hours before results of the election for prime minister, which is expected to be close."

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Gold Edges Higher Ahead Of Brexit Vote.

Reuters (10/22, Namboothiri) reports "gold edged higher on Tuesday ahead of a crucial vote by British lawmakers on the Brexit withdrawal agreement, but buoyant Asian shares on progress in U.S.-China trade talks limited gains."

Oil Slips On Demand Concerns.

Reuters (10/22, Chung) reports "oil prices edged lower on Tuesday as lingering worries over a global economic slowdown that could hurt demand offset some signs of progress in U.S.-China trade talks."

Cybersecurity

Cybercriminals Doing Business On Gaming Chat App Discord.

CBS News (10/21, Patterson, 3.68M) reports, "Cybercriminals have set up shop on Discord, a popular chat application for gamers with more than 250 million active users." According to CBS News, "Hackers have modified many of the app's private groups to function like retail shops that sell illicit products, including stolen credit card numbers, cracked customer accounts for Delta Air Lines and Hilton Hotels, as well as malware that can be used to infect computer networks." Discord, "founded in 2012, does not have a home news feed like Facebook or Twitter. It is built around a network of private and semi-private groups, known as 'servers,' which are created by mostly anonymous users." CBS News "found more than three dozen groups that cybercriminals call 'money servers' on Discord."

US Claims Russian Hackers Use Iranians To Mask Their Identities.

The AP (10/21, McBride) reports the US and the UK "say they have exposed how a group of Russian hackers hijacked the tools of their Iranian counterparts to attack dozens of countries around the world." The so-called Turla group, "also known as Waterbug or Venomous Bear, is widely reported to be associated with Russian actors." The NSA and Britain's National Cyber Security Centre "said Monday that Turla acquired control of the tools and infrastructure of Iranian hacking groups for their attacks in an attempt to mask their identity." The attacks "extracted documents from multiple sectors, including governments, and were mostly carried out in the Middle East." Forbes (10/21, O'Flaherty, 9.71M) reports that, "in total, 35 countries were attacked, including the UK and US, with a 'large cluster' of victims based in the Middle East." Victims included "military establishments, government departments, scientific organizations and universities." Turla used implants" derived from Iranian hackers' previous campaigns, 'Neuron' and 'Nautilus' – which they obtained through compromising the Iran based hackers themselves."

Timeline Of Huawei Ban In The US.

CNET News (10/21, Keane, 1.99M) reports on a full timeline of developments tied to Huawei and US efforts to ban its equipment. The core issue with Huawei "has been concerns about its coziness with the Chinese government and fears that its equipment could be used to spy on other countries and companies." It's the reason why the US "banned companies from using Huawei networking equipment in 2012 and why the company was added to the US Department of Commerce's Bureau of Industry and Security Entity List in May, following an executive order from President Donald Trump effectively banning Huawei from US communications networks." The US offered "a temporary reprieve to companies, allowing them to work with Huawei until August." That reprieve "was then extended to November."

Russia's False Flags In Winter Olympics Cyberattack Herald More Complicated Future.

The Washington Post (10/21, Marks, 14.2M) reports in the Cybersecurity 202 column that Russian hackers "who attacked the 2018 Winter Olympics in PyeongChang, South Korea, didn't want to get caught." So they cloaked their attacks "with a web of false signals and misdirection designed to send investigators looking at China, North Korea and other potential suspects." The ruse "almost worked, too." It took careful sleuthing "by numerous cybersecurity researchers to peel away the 'false flags' to reveal Russia was behind the attack that disrupted the Olympics' Internet and broadcast systems and shut down ticket printing." That's the upshot of Wired reporter Andy Greenberg's "mammoth investigation into the 'Olympic Destroyer' cyberattack, which offers a fascinating inside look at the cat-and-mouse game between increasingly sophisticated Russian hackers and the researchers and US officials seeking to hold them to account."

Opinion: Merkel Chooses Huawei Over US And EU Objections.

In a commentary in Foreign Policy (10/21, 340K), Janka Oertel writes, "Over US and European Union objections, the German government is poised to put in place newly drafted security requirements that do not set clear limits on the Chinese telecommunications firms Huawei and ZTE supplying technology for German 5-G cellular networks." Oertel contends, "Germany's role in this process is critical. The current draft security requirements are made up of technical specifications, with little to no enforcement potential. It places trust in the goodwill of suppliers, without any review or audit mechanisms assessing ownership structure, the transparency of the financing, past misconduct, or the legal framework to which a company is subject." He concludes, "If the German parliament fails to act, it is almost inevitable that Berlin will continue with its haphazard approach, avoiding tough choices, leaving its security and competitiveness at risk, alienating allies, and, most importantly, weakening Europe's overall position regarding China – and the US – in the emerging struggle for technological autonomy."

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Czech-Based Avast Target Of Cybersecurity Attack.

Reuters (10/21) reports Czech-based Avast and Czech counterintelligence service BIS "said on Monday they had detected a network attack on the cyber-security company which the BIS suspected of originating in China." Avast said in a blog post "that it found suspicious behavior on its network on September 23 and opened an investigation involving the BIS and Czech police along with an external forensics team." The BIS said in a statement that – with contribution from foreign partners – "it detected a threat to products of Avast, a company founded in the Czech Republic." BIS said in a statement, "Everything from data analysis so far suggests that the attack came from China, with the intention to take control of the popular optimization tool CCleaner, and through that also users' computers." Avast, however, "said it did not know who was behind the attack."

TFI/Sanctions

Turkish Finance Minister Calls Sanctions Threats "Blackmailing."

Reuters (10/21, Erkoyun, Spicer) reports Turkish Finance Minister Berat Albayrak "said on Monday that sanctions threats have become a 'blackmailing' effort, a week after Washington slapped sanctions on some of Turkey's ministers and ministries over Ankara's military incursion in Syria." Albayrak, during "a forum hosted by state broadcaster TRT," said "In the past few weeks Turkey has been subjected to many sanctions threats. Unfortunately economic sanctions have become an element of blackmailing our country." Albayrak added, "Our financial markets have shown a tremendous level of resilience despite...threats of economic sanctions which shows that we have developed immunity against outside shocks as well."

Banker Convicted In US Of Sanctions Evasion Appointed To Lead Turkish Stock Exchange. The AP (10/21) reports Albayrak also announced on Twitter Monday "that a Turkish banker convicted in the United States of helping Iran evade economic sanctions has been appointed head of Turkey's stock exchange." Banker Hakan Atilla, "who was convicted in 2018, was released from prison in July and deported to Turkey." Turkey had "maintained Atilla's innocence throughout the trial and called his conviction a 'scandalous verdict.' The five-week trial strained Turkish-U.S. relations and featured testimony about corruption at the highest levels of the Turkish government."

Federal Reserve

Sumner: Fed Should Continue Forward-Looking Policy, Cut Interest Rates Further.

In an op-ed for The Hill (10/21, Sumner, 2.98M), Bentley University Emeritus Professor of Economics Scott Sumner writes that while "in the past, when an economic shock such as the U.S.-China trade war led to more bearish expectations, the Fed was often too slow to respond," it now "seems to be learning from past mistakes." Sumner argues the Fed "simply relied too much on past economic data, like steering a car by looking in the rearview mirror." However, he says, it "is now relying more heavily on the financial markets as an indicator of the future path of the economy." Sumner says the fact that "many long-term interest rates remain lower than short-term rates, which is traditionally a warning sign of recession," mean that "the Fed cannot rest on its laurels; further interest rate cuts are needed."

Greeley: Facebook's Libra Makes Central Banks Pay Attention To Digital Currencies.

In his Financial Times (10/21, Greeley, Subscription Publication, 1.34M) column, Brendan Greeley writes that Facebook's plan to launch its Libra digital currency, though currently floundering, have scared central bankers into paying attention to notions of digital currency.

NY Fed Injects $58B Into Financial Markets.

The Wall Street Journal (10/21, Derby, Subscription Publication, 7.57M) reports the NY Fed added $58.15 billion to the financial system Monday, part of an ongoing effort to help lower volatility in the short-term rate markets.

Financial Regulatory Agencies

Fincen Director: Crypto Firms Can't Skirt AML Compliance.

American Banker (10/21, Subscription Publication, 31K) reports "the head of the Financial Crimes Enforcement Network had a blunt message Monday for fintech firms that offer users anonymity: Anti-money-laundering laws apply to you just like everyone else." Fincen Director Kenneth Blanco said, "The expectation is that you will comply with existing regulation." Blanco's "comments appeared to target cryptocurrency operators and other firms that could enable anonymous users to engage in criminal behavior." Blanco "said an AML program is a prerequisite for any new payments provider trying to get off the ground." He continued, "Your [Bank Secrecy Act] obligations are still going to be there. .. Whether you're stablecoin, centralized, decentralized – [it] doesn't matter. You'll still have to be able to comply."

Continuing Coverage: Supreme Court's CFPB Decision Could Have Implications For FHFA, Other Independent Agencies.

American Banker (10/21, Berry, Subscription Publication, 31K) reports, "Even if the Supreme Court rules a provision regarding the Consumer Financial Protection Bureau is unconstitutional, the agency's rulemakings and enforcement actions likely will not be affected, legal observers said." Manatt, Phelps & Phillips partner Richard Gottlieb said, "Nobody really expects the Supreme Court to render eight years of enforcement and regulatory activity null and void. There's very little chance that the court concludes the provision can't be severed. This case

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is strictly about the structure of the CFPB." However, according to American Banker, "while the Supreme Court may take a narrow path on the issue, the decision could still have far-reaching implications, affecting other independent agencies – such as the Federal Housing Finance Agency – with similar for-cause provisions." Realtor Magazine (10/21) reports the phrase at issue is a piece of the Dodd-Frank Act "that says the president can fire the CFPB director only 'for cause,' which is defined as 'inefficiency, neglect of duty, or malfeasance in office.'"

According to Reason (10/21, Brown, 291K), "Last month the en banc Fifth Circuit decided Collins v. Mnuchin. The majority opinion, by Judge Willett, found that the Federal Housing Finance Agency was unconstitutionally structured. This agency was headed by a single director, who could only be removed 'for cause.' However, the court divided on the remedy. Judge Haynes, joined by...nine other justices, struck down the 'for cause' provision, and severed the remainder of the statute." Providing additional coverage of the CFPB's case and the implications it could have on the FHFA are National Review (10/21, 731K), LexBlog (10/21), and a paywalled piece from Law360 (10/21, Subscription Publication, 8K).

Behind a paywall, Inside Mortgage Finance (10/21, Yang, Subscription Publication) reports, "In the wake of the Supreme Court deciding to hear a case challenging the constitutionality of the Consumer Financial Protection Bureau, industry groups are reiterating their calls for a bipartisan commission to replace the current single-director structure of the CFPB. ... Industry groups now say the Supreme Court's move could bring legal clarity to the CFPB's structure, but they argue a sole-director structure will never provide the long-term stability to the industry (and consumers), urging Congress to create a bipartisan, Senate-confirmed commission to lead the bureau." ABA CEO Rob Nichols said, "Regardless of the outcome, we continue to believe that ... a five-member, bipartisan commission – as originally envisioned in drafts of the Dodd-Frank Act – would balance the bureau's needs for independence and accountability, while broadening perspectives on rulemaking and enforcement. It would also provide long-term stability that benefits consumers, financial service providers and the economy."

Trade Group Executives: GSE Reform Efforts Should Be "Thoughtful" And "Balanced."

In a BankThink piece for American Banker (10/21, Subscription Publication, 31K), Mortgage Bankers Association CEO Robert Broeksmit, National Association of Realtors President John Smaby, American Bankers Association Chief Executive Rob Nichols, and National Association of Home Builders CEO Jerry Howard say that as policymakers consider reforms to the country's housing finance system, it is "critical to assess the amount of risk" taxpayers face "through loans insured by the government, and securitized by the government-sponsored enterprises Fannie Mae and Freddie Mac." It is also "important to understand the positive changes in the last decade to ensure that the loan features that triggered the 2008 financial crisis – no documentation, teaser rates, exploding adjustable-rate mortgages – have been eradicated from the market." The trade group leaders conclude, "Reforms should be thoughtful and balanced. And that focus must be on ensuring responsible, creditworthy Americans in every community of this country can access the capital needed to secure a mortgage – in good times and bad. That is the role Congress envisioned when the FHA was created and the GSEs were first commissioned. That role remains just as critical, and indispensable, as it has ever been." The ABA Banking Journal (10/21) summarizes the BankThink op-ed.

Office of the Comptroller of the Currency

Court Rules OCC Lacks Power To Create Fintech Charter.

American Banker (10/21, Subscription Publication, 31K) reports "a federal judge dealt a blow to the Office of the Comptroller of Currency's special purpose fintech charter on Monday, ruling that the agency lacked legal power to grant a bank charter to a nonbank entity that wasn't eligible for federal deposit insurance." The proposed charter "was opposed by the Conference of State Bank Supervisors and the New York Department of Financial Services." On Monday, "the U.S. District Court for the Southern District of New York ruled in favor of the state regulator." Judge Victor Marrero said in his decision that the National Bank Act's "business of banking" clause "unambiguously requires that, absent a statutory provision to the contrary, only depository institutions are eligible to receive national bank charters from the OCC." An OCC spokesperson "left the door open for a possible appeal, saying the agency was 'reviewing the ruling to determine the next steps.'"

Law360 (10/21, Subscription Publication, 8K) reports the judgment includes a provision sought by New York's Department of Financial Services that sets aside the OCC's special-purpose chartering regulation for "all fintech applicants seeking a national bank charter that do not accept deposits."

SNL Financial (10/21, Subscription Publication, 3K) also reports.

MidSouth Bank Fined By OCC Over Flood Insurance Rules Before Acquisition.

The Baton Rouge (LA) Advocate (10/21, Mosbrucker, 399K) reports "several days before MidSouth Bank was acquired by Hancock Whitney last month, the Lafayette-based bank was fined by federal regulators over flood insurance rule violations." The Advocate says "MidSouth Bank signed a consent agreement to pay $108,796 as a civil monetary penalty to the Office of the Comptroller of the Currency on Sept. 11 but doesn't admit any wrongdoing as part of the settlement." The bank was allegedly violating two sections of the Flood Disaster Protection Act: "flood insurance requirements before underwriting a loan and notice to home mortgage borrowers about high-risk flood areas." Meanwhile, "details about the MidSouth Bank case were not available and the Office of the Comptroller of the Currency declined comment."

OCC Finalizes Changes To OREO Rules.

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The ABA Banking Journal (10/21) reports "the OCC is finalizing the first changes in two decades to its regulations on other real estate owned,

or OREO." The rule – which is being adopted substantially as proposed in April – "seeks to streamline and clarify OREO rules for national banks, while updating and harmonizing the framework for OREO activities at federal savings associations." Specifically, "the final rule addresses the holding period for OREO, the methods by which institutions may dispose of OREO, applicable appraisal requirements and permissible OREO expenditures and notification requirements." In addition, "the agency is removing outdated capital rules for national banks and federal savings associations, which include provisions related to OREO."

Bill Seeks To Mandate Innovation Offices In Financial Regulation Agencies.

Crowdfund Insider (10/21, Alois) reports Rep. Patrick McHenry (R-NC) "has re-introduced legislation that will mandate innovation offices in the numerous federal agencies that have oversight and influence over innovative financial services firms." The Financial Services Innovation Act of 2019 mandates that ten different federal agencies, including the Comptroller of the Currency, "must create 'Financial Services Innovation Office,' or FSIOs, for Fintechs seeking to pursue a regulated activity." McHenry believes this legislation will "modernize and streamline how innovators interact with regulators." He "said the legislation will equally assist a small community bank or an aspiring Fintech entrepreneur seeking to navigate the byzantine maze of financial regulations."

More Banks Experimenting With AI-Based Lending.

American Banker (10/21, Crosman, Subscription Publication, 31K) reports "most traditional financial institutions have stayed away" from artificial intelligence, but "there are signs that is starting to change." Among the institutions experimenting with AI are TCF National Bank. EVP of Consumer Lending Rita Carroll said, "No. 1 was the process itself. In traditional underwriting, you have to upload a bunch of pay stubs, provide all sorts of proof of income, proof of other things. What a cumbersome process." TCF "has quarterly meetings with examiners from the Office of the Comptroller of the Currency in which it keeps them up to date on the AI lending project." The bank "also communicates with the OCC's Office of Innovation." Carroll said, "In all sincerity they're trying to catch up to understand what exactly is going on." Carroll is "also waiting for regulators to update model validation policies that they released in 2011." She said, "The language and the policies no longer apply."

Editorial Wrap-Up

New York Times.

"But Her Emails..." A New York Times (10/21, 18.61M) editorial says President Trump raised the question, "What about her emails," like "a red flag for three years, as candidate and president, casting doubts on how Hillary Clinton used a private email server to communicate with her staff and others while she was secretary of state." However, despite his "professed concern about the integrity of government communications, his administration doesn't seem to take it too seriously." The Times cites Ivanka Trump and her husband, Jared Kushner's use of "the messaging service WhatsApp for official – possibly classified – White House business," as well Education Secretary DeVos' use of "a personal email account for some government business," and argues that "the Trump administration's widespread use of personal accounts for government work raises the unavoidable question: What about those emails?"

Washington Post.

"Free Speech Doesn't Mean Facebook Must Run Dishonest Ads." The Washington Post (10/21, 14.2M) in an editorial says that Facebook's Zuckerberg's concerns regarding free speech "are well-founded. But they do not...mean that Facebook must publish deliberate and damaging falsehoods in political advertising." The Post says the question is whether Facebook "should allow even the most obviously untruthful content unlimited reach." The Post says that Facebook "should, and does, allow candidates to say pretty much whatever they want in everyday posts," but the Post says that adds are different, as "the site is accepting money to bump up posts in the feeds of carefully targeted groups of users." The Post concludes that the country doesn't "want an Internet where the way to win an election is to fabricate."

"Election Security That Mitch McConnell Should Get Behind." A Washington Post (10/21, 14.2M) editorial calls on Senate Majority Leader McConnell to support legislation that provides incentives for states to switch to risk-limiting audits of election results, which "hand-count a statistically meaningful sample of all votes to determine whether the original tally was correct. The required sample increases as the margin of victory narrows." The Post argues, "Every state or county needs to polish its own version of what experts call the gold standard for election review, and that takes funding." McConnell should support the effort "to protect against Russia and other adversaries' far less friendly reach."

"Ukraine And Zelensky Need Help. U.S. Officials Are Nowhere To Be Found." The Washington Post (10/21, 14.2M) says in editorial that Ukraine's leadership "badly needs help from the United States, which has been its closest ally in resisting Russia's aggression and pursuing needed reforms," but "senior U.S. officials are nowhere to be seen in Kyiv – thanks to the destruction of U.S. diplomacy there by President Trump and his personal lawyer, Rudolph W. Giuliani." As a result, Ukrainian President Volodymyr Zelensky is left "to the mercies of [Russian President Vladimir] Putin, who seeks the de facto dismemberment of Ukraine as the price for a peace settlement, and French President Emmanuel Macron, who has made clear he would like to lift the European Union sanctions against Russia."

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Wall Street Journal.

"New York's Climate Show Trial." A Wall Street Journal (10/21, Subscription Publication, 7.57M) editorial says for New York Attorney General Letitia James, this week's trial of Exxon Mobil Corp. in state court over claims the company had hidden evidence of climate harm it knew was true is really about pursuing climate activists' goal of destroying Exxon and other companies in the oil and gas industry. The journal expresses hope that state Judge Barry Ostrager will render judgment based on the law.

"Another $800 Billion, Please." In an editorial, the Wall Street Journal (10/21, Subscription Publication, 7.57M) mocks the price tags of recent proposals by Democratic presidential candidates as unfeasible, focusing on the estimated $800 billion needed to fund Sen. Elizabeth Warren's education plan.

"California's Tax-The-Rich Boomerang." A Wall Street Journal (10/21, Subscription Publication, 7.57M) editorial says that while California Democrats have repeatedly increased taxes on the wealthy and argued it has no impact on taxpayer migration or state tax revenue, a new study from Stanford economists Joshua Rauh and Ryan Shyu proves otherwise. The study, which examined how the response of high earners to Prop. 30, a 2012 referendum that raised the top marginal rate to 13.3%, found an increase in the likelihood of wealthy residents leaving the state resulting in a decrease in the expected revenue from the tax increase on high earners.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Last-Minute Opioid Deal Could Open Door To Bigger Settlement
US Troops Withdrawing From Syria Draw Scorn
A Year After Fire Destroyed Paradise, A Gutsy Group Fights To Rebuild
In Flagrante Delecto: Mitt Romney Is Latest Unmasked Internet Lurker
WeWork's Valuation Falls To $8 Billion Under SoftBank Rescue Offer

New York Times:

US Is Quietly Reducing Its Troop Force In Afghanistan
For Trump The Dealmaker, Troop Pullouts Without Much In Return
Netanyahu Fails To Form A Government, Leaving Israel As Divided As Ever
Hungary's Orban Gave Trump Harsh Analysis Of Ukraine Before Key Meeting
As Homelessness Surges In California, So Does A Backlash
In Iowa, Amy Klobuchar Gets A Second Look After Debate

Washington Post:

Foes Of Ukraine Swayed Trump
Last-Ditch Opioid Deal Could Spur Larger Pact
In A Shift, Trump To Keep Limited Troops In Syria
Racial Slur Reveals A County's Deep Rift
President Rails, And Allies Are Unnerved
Facebook Axes Fake Accounts Tied To New Russian Activity

Financial Times:

Lebanon Agrees Reforms After Days Of Protests
Argentine Bondholders Braced For Steep Losses
Inequality In 'Stable' Chile Ignites The Fires Of Unrest
Russian Cyber Unit 'Masqueraded' As Iranian Hackers

Washington Times:

Voters Reject Democrats' Court-Packing, Say Trump Should Fill Any 2020 Vacancy
Trump Touts Economy, Promises Kept In Impeachment Pushback
CAIR, SPLC Pressure Mar-A-Lago To Drop 'Hate Group' Events As Conservatives Push Back
Nationals Seek World Series Win For City Starved For Baseball Title
Elizabeth Warren Shuns Charter Schools In K-12 Education Overhaul
Trump Administration Eyes Reversal On Troop Withdrawal From Syria

Story Lineup From Last Night's Network News:

ABC: California-Wildfires; Texas-Severe Weather; Weather Report; Impeachment; Syria; American Airlines-Crew Members Fall Ill; Air France-Flight Diverted Due To Cell Phone; UK-Harry & Meghan Take Time Off; Sen. Romney-Secret Twitter Account; Medicare Scam; New York City-Police Tackle Suspect; North Carolina-Plane Crash; Philadelphia-Auto Body Shop Fire; Ohio-Opioid Settlement; Minnesota-

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College Football Player Beats Cancer.
CBS: California-Wildfires; Texas-Severe Weather; Impeachment; Syria; Philadelphia-Children Caught Up In Shootings; Ohio-Opioid Settlement; Opioid Crisis-Children In Foster Care; UK-Harry & Meghan Take Time Off; Georgia-Three Dead In Army Training Accident; College Admissions Scam; Marathon Runner Retires; Robotics Team Builds Costumer For Boy's Wheelchair.
NBC: California-Wildfires; Texas-Severe Weather; Impeachment; Syria; College Admissions Scam; Mark Zuckerberg Interview; Qantas Air-Record Breaking Flight; Oregon-Coach Prevents School Shooting; UK-Harry & Meghan Take Time Off; Photo Of Nurse Goes Viral.

Network TV At A Glance:
Impeachment – 7 minutes, 25 seconds
Syria – 5 minutes, 45 seconds
College Admissions Scam- 3 minutes, 0 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Canada-Election; Syria; PG&E-Power Shutoff; American Airlines-Crew Members Fall Ill; Texas-Severe Weather.
CBS: Texas-Severe Weather; California-Wildfires; PG&E-Power Shutoff; Ohio-Opioid Settlement; Boeing-Stock Drop; Wall Street.
FOX: Trump-Syria Policy; Syria-Bipartisan Criticism; Canada-Election; PG&E-Power Shutoff.
NPR: Impeachment; Texas-Severe Weather; Facebook-Iran & Russia Hacks; Canada-Election.

Last Laughs

Late Night Political Humor.

Conan O'Brien: "I feel like the campaign has been going on – don't you have a feeling it's been going on for about four years? But it's starting to heat up. We've narrowed it down to, I think, 600 Democrats."

Conan O'Brien: "White House acting Chief of Staff Mick Mulvaney is in trouble for comments he made about Ukraine. He said, 'Look, I'm just here for a couple of months so I can go on "Dancing With The Stars," so don't listen to a word I say. Just get me to that TV show.'"

Stephen Colbert: "I've been out of the country. Way out of the country. New Zealand. Out of the hemisphere – both of them. I have been as far from the insatiable black hole of news that is Donald Trump as you can get on this planet."

Stephen Colbert: "Now, I've heard there have been some developments over the last 10 days that did not go so well for Donny, but today, at his first cabinet meeting since the impeachment proceedings began, he invited in the ladies and gentlemen of the press and calmly explained that there's nothing for him to be concerned about, for 71 minutes. Seventy-one minutes is not a press conference. That's a one-man show."

Stephen Colbert: "The first thing Trump was just fine with was the firestorm he ignited on Thursday after he announced that the next G-7 summit would be held at the Trump National Doral Golf Resort. ... (As Trump) 'Hey, if I'm going to get impeached anyway, it's bucket-list time.'"

Stephen Colbert: "So Saturday, Trump announced that he would no longer be using Doral for the G-7 ... Even Trump's announcement about not using his resort is a commercial for his resort. (as Trump) 'I would never use the office of the presidency to promote one of my own properties, even the one-of-a-kind, world-famous Trump Doral. You know our motto: It's not just unbelievable, it's unconstitutional.'"

Stephen Colbert: [On Trump saying that he would have used Doral at no cost] "Bull dookie! You've never given anything away for free. For Pete's sake, the Trump Charitable Foundation was shut down by New York state because it was a checkbook to serve your business and political interests. (As Trump) 'I don't run for the cure. The cure runs for me.'"

Stephen Colbert: "Then Trump finally stopped talking about his resort and addressed the most important issue of the day: How great he is. ... You're so good at business. That's why we're not releasing your taxes, right? Because that's why you put [illegible] capsules and fired into the heart of the sun. So people wouldn't be too impressed by them."

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Stephen Colbert: "Now, throughout this impeachment inquiry, the company line has been there was no quid pro quo between Trump and Ukraine. First of all, you don't need quid pro quo – it's super-illegal anyway. And second, yeah, quid pro quo. And on Thursday, Mulvaney admitted it. ... Admitting the thing that Trump is being impeached for turned out to be problematic, so later that day, Mulvaney put out a statement saying, 'Let me be clear, there was absolutely no quid pro quo.' But we just saw you repeatedly say there was. It's like if Mick Jagger left stage and immediately released a statement saying, 'Let me be clear, jumping jack flash is not a gas, gas, gas.'"

Stephen Colbert: "Then Mulvaney went on 'Fox News Sunday' and unveiled his bulletproof defense – he never actually said 'quid pro quo.' ... He does realize you don't have to say the crime to be guilty of it, right? To be convicted of homicide, you don't have to stab somebody while saying 'murder, murder, murder, murder!'"

Jimmy Fallon: "We also have Mayor Pete Buttigieg here. It wasn't easy getting Mayor Pete here. First we had to work around his crazy campaign schedule, and then we needed his parents to sign the permission slip."

Jimmy Fallon: "According to a new poll out today, Mayor Pete is surging in Iowa. He just passed Bernie Sanders, is now right behind Joe Biden and Elizabeth Warren, and the thing that sets him apart from those three is that he actually knows how to find that poll on a smartphone."

Jimmy Fallon: "Actually, Mayor Pete actually has something a lot of the other candidates don't: his original teeth."

Jimmy Fallon: "[Mayor Pete]'s really caught on in Iowa. And mostly because voters think he's the only candidate young enough to find his way out of a corn maze."

Jimmy Fallon: "It just came out that Mitt Romney has been using a secret Twitter account where he supported himself, and criticized President Trump and goes by the name, this is real, Pierre Delecto. ... Pierre Delecto sounds like an evil chef at Au bon Pain."

Jimmy Fallon: "Romney's been running the account since 2011. Yep. Pierre Delecto is eight years old and loves Twitter, he's just like the President."

James Corden: "President Trump is coming under intense pressure as the impeachment inquiry continues to ramp up and the news for him seems to be getting worse. According to a new poll, 52 percent of Americans now support removing the President from office. Fifty-two percent. So, roughly the same number of Americans who voted for someone else to be the President in the first place."

James Corden: "The public support for impeachment is at an all-time high. Now if only there had been some sort of sign that Trump's relationships always end in a bitter divorce."

James Corden: "Now, Congress is starting to act on these calls for impeachment. And at least four witnesses are expected to testify before House committees this week. This is like C-SPAN's version of 'Shark Week.'"

James Corden: "Meanwhile, the pressure seems to be getting to Donald Trump, it really does. Because yesterday, he had a bit of trouble even remembering the members of his own cabinet. His Secretary of Defense is a man named Mark Esper, but in a tweet yesterday, Trump referred to him as 'Mark Esperanto.' Now, in Trump's defense, Mark Esperanto is a way cooler name. It is not a surprise that Trump got confused. Every photo that they are in together looks like Trump is struggling to remember his name. Instead of 'Esper,' he typed 'Esperanto.' But things got even worse, because Trump took a second look at the name 'Esperanto' and immediately threatened to deport

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him."

James Corden: "A big revelation about Republican Sen. Mitt Romney came out yesterday. After a report that outed him, Romney had to admit that he uses a secret Twitter account under the name – and I'm not make this up – Pierre Delecto. ... You just know that Pierre Delecto is Romney's bad boy alter ego who only comes out after he's had half a can of Diet Coke."

Seth Meyers: "President Trump this weekend announced he will no longer push to hold an upcoming G7 summit at his golf resort in Florida. Apparently he just found out that 'G7' doesn't mean you get to play seven rounds of golf."

Seth Meyers: "President Trump will no longer hold the upcoming G7 summit at his golf resort in Florida. Yeah, I guess it is a bad idea to commit an impeachable offense when you're already being impeached. That would be like stabbing the bailiff at your murder trial."

Seth Meyers: "House Speaker Nancy Pelosi today distributed a fact sheet outlining what she feels are President Trump's abuses of power. Even more impressive: getting it down to a sheet."

Seth Meyers: "Politico has published a new article about the campaign expenses of the top Democratic presidential candidates and found that former Vice President Joe Biden has spent nearly $4,000 on ice cream since July. That would explain all the brain freezes."

Seth Meyers: "Sen. Mitt Romney admitted last night to having a secret Twitter account in addition to his regular public one. Said Trump, 'My Twitter account is secret too. Wait, what?! Everyone can – what? They must think I'm a [freaking] lunatic!'"

Seth Meyers: "Sen. Bernie Sanders held a 26,000-person rally this weekend in Queens. The crowd was so huge that Bernie almost had to use a microphone."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — receives his intelligence briefing; has lunch with the Secretary of State.
- Vice President Pence — and Secretary of State Pompeo address Heritage Foundation President's Club annual meeting; and Secretary of State Pompeo address Susan B. Anthony List Pro-Life Leaders Summit.

***US Senate*:**

- Hearing on 'Sanctuary Jurisdictions: The Impact on Public Safety and Victims'

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Senate Homeland Security Committee nominations hearing – Nominations hearing to consider Joshua Deahl to be an Associate Judge, District of Columbia Court of Appeals; Deborah Israel and Andrea Hertzfeld to be Associate Judges, Superior Court of the District of Columbia; and Robert Dixon to be United States Marshal for the Superior Court of the District of Columbia

Location: Rm 342, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Senate Energy and Natural Resources Committee hearing on energy efficiency efforts – Hearing on 'Energy Efficiency Efforts in the United States and Internationally', with testimony from Environmental and Energy Study Institute Executive Director Daniel Bresette; World Resources Institute Global Director for Energy Jennifer Layke; International Energy Agency Head of Energy Efficiency Dr Brian Motherway; and Ingersoll Rand Center for Energy Efficiency and Sustainability Executive Director W. Scott Tew

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Location: Rm 366, Dirksen Senate Office Bldg, Washington, DC; 10:00 AM

- Senate Banking Committee hearing on the consolidated audit trail – Hearing on 'Oversight of the Status of the Consolidated Audit

Trail', with testimony from FINRA CAT President and COO Shelly Bohlin; and CAT NMS Plan Advisory Committee Chair Judy McDonald, and CAT NMS Plan Operating Committee Chair Michael Simon

Location: Rm 538, Dirksen Senate Office Bldg, Washington, DC; 10:00 AM

• Helsinki Commission hearing on Armenia – Helsinki Commission hearing on 'Reform in Armenia: Assessing Progress and Opportunities for U.S. Policy', to assess the Armenian Govt's achievements thus far, identify priority areas for reform, and highlight opportunities for the U.S. to support the reform process. Witnesses include Union of Informed Citizens Program Director Daniel Ioannisian, Aliq Media Editor-in-Chief Arsen Karatyan, and National Endowment for Democracy Senior Director Miriam Lanskoy

Location: Rm 210, Cannon House Office Building, Washington, DC; 2:00 PM

• Senate Science subcommittee hearing on 'Research and Innovation' – Science, Oceans, Fisheries, and Weather Subcommittee hearing on 'Research and Innovation: Ensuring America's Economic and Strategic Leadership', with testimony from University of Wisconsin-Madison Chancellor Dr Rebecca Blank; Arizona State University Knowledge Enterprise Executive Vice President Dr Sethuraman Panchanathan; Mississippi State University Provost and Executive Vice President Dr David Shaw; and National Science Board Chair Dr Diane Souvaine

Location: Rm 562, Dirksen Senate Office Building, Washington, DC; 2:15 PM

• Senate Foreign Relations Committee hearing on impact of Turkey's offensive in northeast Syria – Hearing on 'Assessing the Impact of Turkey's Offensive in Northeast Syria', with testimony from U.S. Special Representative for Syria Engagement and Special Envoy to the Global Coalition to Defeat ISIS James Jeffrey; and Deputy Assistant Secretary of State for European and Eurasian Affairs Matthew Palmer * Earlier this month, U.S. troops withdrew from northeast Syria, where they were supporting their Kurdish allies, allowing Turkey to begin an invasion of the region

Location: Rm 419, Dirksen Senate Office Building, Washington, DC; 2:30 PM

***US House*:**

• House Committees due to jointly conduct deposition with State Dept official, as part of impeachment inquiry – House Committee on Foreign Affairs, Permanent Select Committee on Intelligence, and Committee on Oversight and Reform due to jointly conduct deposition with charge d'affaires for Ukraine William Taylor, with the transcript to be part of the impeachment inquiry into President Donald Trump * The Committees are investigating 'the extent to which President Trump jeopardized national security by pressing Ukraine to interfere with the 2020 election and by withholding security assistance provided by Congress to help Ukraine counter Russian aggression, as well as any efforts to cover up these matters' * The administration has informed House Democrats that it is refusing to comply with the inquiry, calling it unconstitutional

Location: HVC-304, U.S. Capitol, Washington, DC; 9:30 AM

• House Ways and Means Committee markup hearing – Markup hearing on 'H.R. 3398, The Pathways to Health Careers Act of 2019', 'H.R. 3, The Lower Drug Costs Act Now Act of 2019', 'H.R. 4650, The Medicare Dental Act of 2019', 'H.R. 4665, The Medicare Vision Act of 2019', 'H.R. 4618, The Medicare Hearing Act of 2019'

Location: Rm 1100, Longworth House Office Building, Washington, DC; 9:30 AM

• Secretaries Mnuchin and Carson testify to House Financial Services Committee on administration housing finance plans – Hearing on 'The End of Affordable Housing? A Review of the Trump Administration's Plans to Change Housing Finance in America', with testimony from Secretary of the Treasury Steven Mnuchin; Secretary of Housing and Urban Development Ben Carson; and Federal Housing Finance Agency Director Dr Mark Calabria

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• House Foreign Affairs subcommittee hearing on human rights in South Asia – Asia, the Pacific, and Nonproliferation Subcommittee hearing on 'Human Rights in South Asia: Views from the State Department and the Region', with testimony from Acting Assistant Secretary of State for South and Central Asian Affairs Alice Wells, and Assistant Secretary for Democracy, Human Rights, and Labor Robert Destro; The Times of India Senior Assistant Editor Aarti Tikoo Singh; University of Westminster Centre for the Study of Democracy Associate Professor in Politics and International Relations Dr Nitasha Kaul; University of California-Berkeley Center for Race and Gender Research Anthropologist Dr Angana Chatterji; Sindhi-American human rights activist Fatima Gul; and Amnesty International Asia Pacific Advocacy Manager Francisco Bencosme * Acting Assistant Secretary Wells and Assistant Secretary Destro testify from 10:00 AM EDT in Rm 2172, with all other witnesses testifying from 2:00 PM EDT in Rm 2318

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Location: Rayburn House Office Building, Washington, DC; 10:00 AM

• House Small Business subcommittee hearing on 'Native 8(a) Contracting' – Investigations, Oversight and Regulations Subcommittee hearing on 'Native 8(a) Contracting: Emerging Issues', with testimony from Government Accountability Office Forensic Audits and Investigative Service Director Seto Bagdoyan; Native American Contractors Association Executive Director Joe Valandra; Ho-Chunk COO Annette Hamilton; Native Hawaiian Organization Association board member Skip Vincent; Leisnoi President and CEO Jana Turvey (on behalf of Alaska Native Village Corporation Association); and Outlook Law Managing Partner Christine Williams

Location: Rm 2360, Rayburn House Office Building, Washington, DC; 10:00 AM
• Hearing on 'Securing America's Elections Part II: Oversight of Government Agencies'

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 10:00 AM
• House Natural Resources Committee legislative hearing begins – Legislative hearing on discussion draft of 'H.R. XXX, To amend the Puerto Rico Oversight, Management, and Economic Stability Act or 'PROMESA', and for other purposes' (day one)

Location: Rm 1324, Longworth House Office Building, Washington, DC; 10:00 AM
• House Infrastructure subcommittee hearing on federal disaster recovery efforts – Economic Development, Public Buildings, and Emergency Management Subcommittee hearing on 'An Assessment of Federal Recovery Efforts from Recent Disasters'

Location: Rm 2167, Rayburn House Office Building, Washington, DC; 10:00 AM
• House Education and Labor subcommittee hearing on the 'Pregnant Workers' Fairness Act' – Civil Rights and Human Services Subcommittee hearing on 'Long Over Due: Exploring the Pregnant Workers' Fairness Act (H.R. 2694)'

Location: Rm 2175, Rayburn House Office Building, Washington, DC; 10:15 AM
• House Veterans Affairs subcommittee legislative hearing – Disability Assistance and Memorial Affairs Subcommittee legislative hearing, on legislation including a draft bill to extend increased dependency and indemnity compensation paid to surviving spouses of veterans who die from ALS, and a draft bill to permit appellants to appear before the Board of Veterans' Appeals via picture and voice transmission from locations outside the Department of Veterans Affairs, with testimony from Reps. Gil Cisneros, Julia Brownley, Anthony Delgado, Andy Kim, Anthony Gonzalez, Ted Yoho, and Michael Waltz; Veterans Benefits Administration Pension & Fiduciary Service Executive Director Ronald Burke; Board of Veterans' Appeals Deputy Vice Chairman Kimberly McLeod

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 10:30 AM
• Dem Rep. Adriano Espaillat's annual 'Brides March' vigil – Democratic Rep. Adriano Espaillat's annual 'Brides March' vigil and domestic violence press conference, held in memory of Gladys Ricart, who was murdered on her wedding day by a former abusive partner, and in support of all victims of domestic and intimate partner violence. Attendees include House Speaker Nancy Pelosi and fellow Dem Reps. Joaquin Castro, Debbie Dingell, Robin Kelly, Yvette Clarke, Norma Torres, and Jesus Garcia, as well as Brides' March Founder Josie Ashton, and YWCA Executive Director Alejandra Castillo

Location: House Triangle, Washington, DC; 11:00 AM
• House Majority Leader Steny Hoyer pen-and-pad briefing

Location: H-107, U.S. Capitol, Washington, DC; 11:00 AM
• House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 2513 – Corporate Transparency Act of 2019', 'H.Res. XX – Opposing President Trump's decision to hold the 2020 G7 Summit at his Trump National Doral golf resort, and rejecting his practice of accepting foreign government Emoluments without obtaining Congress' affirmative consent, and for other purposes', and 'H.R. 4617 – SHIELD Act', plus consideration of legislation including 'H.R. 835 – Rodchenkov Anti-Doping Act of 2019', as amended, 'H.R. 2426 – CASE Act of 2019', as amended, 'S. 693 – National POW/MIA Flag Act', 'H.R. 724 – PACT Act', 'H.R. 1123 – Divisional Realignment for the Eastern District of Arkansas Act of 2019', 'H.R. 598 – Georgia Support Act', as amended, and 'H.Res. 552 – Calling on the Government of the Russian Federation to provide evidence of wrongdoing or to release United States citizen Paul Whelan' under suspension of the rules

Location: U.S. Capitol, Washington, DC; 12:00 PM
• House Armed Services Committee Future of Defense Task Force co-chairs hold media roundtable – New House Armed Services Committee Future of Defense Task Force co-chairs bipartisan Reps. Seth Moulton and Jim Banks host on-the-record, off-camera media roundtable, on the Task Force, its focus, and 'how it will execute its roles and responsibilities'

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Location: Rm 2212, Rayburn House Office Bldg, Washington, DC; 2:00 PM

• Helsinki Commission hearing on Armenia – Helsinki Commission hearing on 'Reform in Armenia: Assessing Progress and

Opportunities for U.S. Policy', to assess the Armenian Govt's achievements thus far, identify priority areas for reform, and highlight opportunities for the U.S. to support the reform process. Witnesses include Union of Informed Citizens Program Director Daniel Ioannisian, Aliq Media Editor-in-Chief Arsen Karatyan, and National Endowment for Democracy Senior Director Miriam Lanskoy

Location: Rm 210, Cannon House Office Building, Washington, DC; 2:00 PM

• House Agriculture subcommittee hearing on precision agriculture – Conservation and Forestry Subcommittee hearing on 'Realizing the Conservation Benefits of Precision Agriculture'

Location: Rm 1300, Longworth House Office Bldg, Washington, DC; 2:00 PM

• House Natural Resources subcommittee oversight hearing on 'ending the culture of anti-govt attacks' – National Parks, Forests, and Public Lands Subcommittee oversight hearing on 'No More Standoffs: Protecting Federal Employees and Ending the Culture of Anti-Government Attacks and Abuse'

Location: Rm 1324, Longworth House Office Building, Washington, DC; 2:00 PM

• House Homeland Security subcommittee hearing on emerging cyber threats – Cybersecurity, Infrastructure Protection, & Innovation Subcommittee hearing on 'Preparing for the Future: An Assessment of Emerging Cyber Threats', with testimony from Symantec Corporation Senior Strategist Ken Durbin; Council on Foreign Relations Senior Fellow Robert Knake; New America Cybersecurity Initiative Senior Fellow Niloofar Razi Howe; and Georgetown University's Dr Ben Buchanan

Location: Rm 310, Cannon House Office Building, Washington, DC; 2:00 PM

• House Financial Services subcommittee hearing on the decline of minority depository institutions – Consumer Protection and Financial Institutions Subcommittee hearing on 'An Examination of the Decline of Minority Depository Institutions and the Impact on Underserved Communities', with testimony from National Bankers Association Chair Kenneth Kelly; Independent Community Bankers Association Minority Bank Council Chair Jill Sung; Jetstream Federal Credit Union Vice President of Marketing and Communication Mara Falero (on behalf of National Association of Federally-Insured Credit Unions); Bay Bank President and CEO Jeff Bowman; and Milken Institute Center for Financial Markets Managing Director Aron Betru

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 2:00 PM

• House Foreign Affairs subcommittee hearing on 'Protecting the Good Friday Agreement from Brexit' – Europe, Eurasia, Energy, and the Environment Subcommittee hearing on 'Protecting the Good Friday Agreement from Brexit', with testimony from Brookings Institution Center on the United States and Europe Senior Fellow Dr Amanda Sloat; and The George Washington University Elliott School of International Affairs Associate Professor of Political Science and International Affairs Dr Henry Farrell

Location: Rm 2172, Rayburn House Office Building, Washington, DC; 2:00 PM

• Government Operations Subcommittee hearing on 'Metro: Report Card for America's Subway'

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Rules Committee hearing – Hearing on 'H.R. 4617 – Stopping Harmful Interference in Elections for a Lasting Democracy (SHIELD) Act' and 'H. Res. XXX – Opposing President Trump's decision to hold the 2020 G7 Summit at his Trump National Doral golf resort, and rejecting his practice of accepting foreign government Emoluments without obtaining Congress' affirmative consent, and for other purposes'

Location: H-313, U.S. Capitol, Washington, DC; 3:00 PM

Cabinet Officers:

• Secretary of State Pompeo joins THE PRESIDENT for lunch

• Secretaries Mnuchin and Carson testify to House Financial Services Committee on administration housing finance plans – Hearing on 'The End of Affordable Housing? A Review of the Trump Administration's Plans to Change Housing Finance in America', with testimony from Secretary of the Treasury Steven Mnuchin; Secretary of Housing and Urban Development Ben Carson; and Federal Housing Finance Agency Director Dr Mark Calabria

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• Vice President Pence and Secretary of State Pompeo address Heritage Foundation President's Club annual meeting – Heritage Foundation Annual President's Club Meeting – 'annual gathering allowing members to hear directly from leaders in the conservative movement'. Day two speakers include Vice President Mike Pence, Secretary of State Mike Pompeo, U.S. Citizen and Immigration Service Acting Director Ken Cuccinelli, Customs and Border Protection Acting Commissioner Mark Morgan, former Immigration and

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Customs Enforcement Acting Director Tom Homan

Location: Washington, DC

• Vice President Pence and Secretary of State Pompeo address Susan B. Anthony List Pro-Life Leaders Summit – Susan B. Anthony List 2019 Pro-Life Leaders Summit. Day one speakers include Vice President Mike Pence and Secretary of State Mike Pompeo

Location: Washington, DC

• Secretary of State Pompeo meets visiting Slovak and Moroccan counterparts – Secretary of State Mike Pompeo meets Slovak Foreign Minister Miroslav Lajcak (10:30 AM EDT), Moroccan Foreign Minister Nasser Bourita (12:00 PM EDT), and Metropolitan Hilarion of Volokolamsk (3:30 PM EDT, closed press) at the State Department * Under Secretary for Political Affairs David Hale also attends the meeting with Minister Bourita

Location: State Department, Washington, DC

Visitors:

• Secretary of State Pompeo meets visiting Slovak and Moroccan counterparts – Secretary of State Mike Pompeo meets Slovak Foreign Minister Miroslav Lajcak (10:30 AM EDT), Moroccan Foreign Minister Nasser Bourita (12:00 PM EDT), and Metropolitan Hilarion of Volokolamsk (3:30 PM EDT, closed press) at the State Department * Under Secretary for Political Affairs David Hale also attends the meeting with Minister Bourita

Location: State Department, Washington, DC

This Town:

• Fortune Most Powerful Women Summit continues – Fortune Most Powerful Women Summit continues – gathering of women leaders in business, govt, academia, philanthropy and the arts. Day two speakers include former Secretary of State Hillary Clinton, Republicans Sen. Martha McSally and Rep. Elise Stefanik, Democratic Rep. Elissa Slotkin, former Secretary of Homeland Security Kristjen Nielsen, Anita Hill, Facebook App Head Fidji Simo, eBay Chief Strategy Officer Kris Miller, filmmaker and writer dream hampton, Goldman Sachs Group CEO David Solomon, U.S. Air Force Air Mobility Command Commander Gen. Maryanne Miller, Tory Burch Executive Chairman and Chief Creative Officer Tory Burch, Land O'Lakes President and CEO Beth Ford, AMD President and CEO Lisa Su, Tesla Chair Robyn Denholm, CVS Health Executive Vice President and Aetna Business Group President Karen Lynch, Emory University President Claire Sterk, Dick's Sporting Goods President Lauren Hobart, National Air and Space Museum Director Ellen Stofan, and singer Brandi Carlile

Location: Mandarin Oriental, Washington DC, 1330 Maryland Ave SW, Washington, DC; 7:00 AM

• Bipartisan Reps. Nita Lowey and Kay Granger speak on foreign policy at CSIS – Center for Strategic and International Studies 'Smart Women, Smart Power' conversation on foreign policy and international affairs, with Democratic Rep. Nita Lowey and Republican Rep. Kay Granger

Location: Center for Strategic and International Studies, 1616 Rhode Island Ave NW, Washington, DC; 8:00 AM

• Dem Sen. Tom Udall and Dem Rep. Deb Haaland speak at Center for American Progress event – Democratic Sen. Tom Udall and Democratic Rep. Deb Haaland speak at a Center for American Progress event entitled 'Confronting the Nature Crisis', discussing how climate change 'is a threat to the nation's health and prosperity, affecting communities' clean air, water, and defenses against severe weather, floods, and wildfires'. Opening remarks from CAP founder John Podesta

Location: 1333 H St NW, Washington DC; 8:00 AM

• Department of Veterans Affairs Federal Advisory Committee on Prosthetics and Special-Disabilities Programs meeting

Location: U.S. Department of Veterans Affairs, 810 Vermont Ave NW, Washington, DC; 8:30 AM

• U.S. Chamber of Commerce holds Project GO launch event, with GOP Sen. Todd Young – U.S. Chamber of Commerce holds a launch event for Project for Growth and Opportunity, or Project GO, an initiative pairing business best practices with 'reasonable policy prescriptions to help address socio-economic concerns.' Speakers include Republican Sen. Todd Young, U.S. Chamber of Commerce President Suzanne Clark, Center for Capital Markets Competitiveness President and CEO David Hirschmann and Vice President Tod Quaadman, and former SEC commissioners Paul Atkins and Tory Paredes

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Location: U.S. Chamber of Commerce, 1615 H St NW, Washington, DC; 9:00 AM

• Dem Rep. Derek Kilmer speaks at Brookings discussion on millennials' view on climate change – 'How millennials think differently

about climate change and national debt: Lessons for policymakers' Brookings Institution and Millennial Action Project event, to discuss the difference in millennial attitudes towards these two 'threats' and how to get young Americans to demand 'long-term fiscal solvency.' Keynote from Democratic Rep. Derek Kilmer, with other speakers including Frameworks Institute CEO Nat Kendall-Taylor, Pew Research Center Social Trends Research Director Kim Parker, and Millennial Action Project COO Layla Zaidane

Location: Brookings Institution, 1775 Massachusetts Ave NW, Washington, DC; 9:00 AM

• NTSB meets on FIU pedestrian bridge collapse – National Transportation Safety Board meeting, to determine the probable cause of the March 2018 FIU pedestrian bridge collapse, which killed six and injured 10 more as the 174-foot span of the bridge collapsed onto SW 8th St in Miami while under construction

Location: NTSB, 410 10th St SE, Washington, DC; 9:30 AM

• VHA Innovation Experience – Veterans Health Administration Innovation Experience (iEx), including the Department of Veterans Affairs releasing the first-ever VHA State of Innovation Report, giving vets and the public 'an in-depth look at just how innovation is affecting their lives'

Location: National Press Club, 529 14th St NW, Washington, DC

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, OCTOBER 15, 2019 6:00 AM EDT

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CFTC-22-0351-A-001938

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Treasury in the News

Trump Imposes Sanctions On Turkey Aimed At Stopping Syria Operation.

Amid what media reports are casting as increasing pressure from lawmakers on both sides of the aisle, President Trump yesterday announced a series of measures his Administration will take against Turkey as it continues to operation against Kurds in northern Syria. NBC Nightly News (10/14, lead story, 2:35, Holt, 6.4M) opened its broadcast last night reporting that "the situation on the ground is spiraling out of control tonight as US forces withdraw from Syria. A bloody Turkish assault on the Kurds is escalating," and the President has announced "announcing economic sanctions against Turkey, an effort to slow down the carnage – but the move may come too late."

The Los Angeles Times (10/14, Stokols, Cloud, 4.64M) reports Trump, "facing blowback over his abrupt troop withdrawal from Syria amid reports that Islamic State detainees have escaped in the ensuing chaos," imposed sanctions against Turkey. On Monday afternoon, the President tweeted a statement authorizing what he called a "broad range of consequences" in response to Turkey's failure to "mitigat[e] the humanitarian effects of its invasion." The Washington Times (10/14, Howell, 492K) quotes Trump's statement as saying, "The United States will aggressively use economic sanctions to target those who enable, facilitate and finance these heinous acts in Syria. I am fully prepared to swiftly destroy Turkey's economy if Turkish leaders continue down this dangerous and destructive path."

According to the Washington Post (10/14, Kim, 14.2M) reports the President "did not specify when the sanctions would be leveled against Turkey," but said in a statement that the executive order would empower the Administration to impose penalties against "those who may be involved in serious human rights abuses, obstructing a cease-fire, preventing displaced persons from returning home, forcibly repatriating refugees or threatening the peace, security or stability in Syria." The report mentions that Vice President Pence and Treasury Secretary Steven Mnuchin "addressed reporters late in the afternoon and attempted to defend the president from criticism that he essentially gave Erdogan a green light to invade northern Syria during an Oct. 6 phone call." The Hill (10/14, Samuels, 2.98M) reports the order also "leaves open the possibility of the Trump administration imposing additional sanctions on Turkey depending on its actions in Syria moving forward."

The New York Times (10/14, 18.61M) reports Trump "said Monday that he was halting trade negotiations with Turkey and doubling tariffs on imports of Turkish steel as relations between the countries continued to deteriorate." Trump said he was "increasing steel tariffs on Turkey to 50 percent from 25 percent, and warned that additional economic sanctions were coming." To the Washington Examiner (10/14, Gehrke, 448K), "Trump touted multiple kinds of economic punishments for Turkey," and the New York Post (10/14, Fredericks, 4.57M) says he also "repeated his threat that he was 'perfectly willing to swiftly destroy Turkey's economy' unless Turkey's leaders changed course."

Under the headline "As Options Narrow On Syria, Trump Prepares To Drop Sanctions Hammer On Turkey," Reuters (10/13, Ali, Pamuk) reports that "after Treasury Secretary Steven Mnuchin said on Friday that Trump had authorized "very powerful" new sanctions targeting Turkey, the administration appeared ready to start making good on Trump's threat to obliterate Turkey's economy." An Administration official told Reuters that sanctions were "being worked out at all levels of the government for rollout." In a report on the executive order, NPR (10/15, Neuman, 3.12M) quotes Secretary Mnuchin as saying the US will consider intensifying the sanctions unless Turkey "is willing to embrace a ceasefire, come to the negotiating table and end the violence."

On CNBC's Squawk Box (10/14, 128K), Mnuchin, asked about the status of threatened US sanctions against Turkey, said, "This is obviously an evolving situation. It's complicated. We are monitoring it daily. We'll be having another meeting in the Situation Room this morning with the national security team. We'll be updating the President later today, and we'll be presenting different options. As I've said, the sanctions are ready when the President wants to move forward on them."

On its editorial page, the Wall Street Journal (10/14, Subscription Publication, 7.57M) says Trump's foreign policy can be reduced to two tactics – sanctions and tariffs, and on its editorial page, the New York Times (10/14, 18.61M) says "the threat to destroy the Turkish economy was made, as is Mr. Trump's wont, in a tweet that was such a departure from historical presidential pronouncements that it is worth quoting:

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'As I have stated strongly before, and just to reiterate, if Turkey does anything that I, in my great and unmatched wisdom, consider to be off limits, I will totally destroy and obliterate the Economy of Turkey (I've done before!).'"

The Wall Street Journal (10/14, A1, Talley, Subscription Publication, 7.57M) also reports the sanctions come as pressure builds on Capitol Hill for action to punish Turkey. The Hill (10/14, Carney, 2.98M) reports House Speaker Pelosi said Monday that she and Sen. Lindsey Graham (R-SC) "agreed on the need for a resolution overturning President Trump's decision on Syria, as well as additional sanctions against Turkey." Pelosi tweeted, "Pleased to have a conversation with Senator @LindseyGrahamSC this morning. Our first order of business was to agree that we must have a bipartisan, bicameral joint resolution to overturn the President's dangerous decision in Syria immediately." Graham "said that Pelosi supports 'bipartisan sanctions against Turkey's outrages in Syria. She also believes we should show support for Kurdish allies and is concerned about the reemergence of ISIS.'"

Graham, on Fox News' Fox & Friends (10/14, 831K), said, "I've been working with Democrat and Republican colleagues to issue sanctions against Turkey, and the blame here is with Turkey. Three weeks ago I met [President Recep Tayyip] Erdoğan at the UN in New York. The 'safe zone' concept to keep Turkey and the Kurds away from each other with an international force was working. A week after that, he basically lied to me, called up President Trump, saying, 'I'm going into Syria,' and rest is history. ... There will be crippling sanctions imposed by the Congress to supplement what President Trump's Administration has done. We'll send a signal to Turkey that is unmistakable in the eyes of Erdoğan and the world. We'll break his economy until he stops the bloodshed."

Chief political analyst Gloria Borger said on CNN's Situation Room (10/14, 708K), "The President is hearing from leading Republicans like Mitch McConnell, Lindsey Graham, his usual allies as well as Democrats, that this is a complete and total disaster. ... I think that he is hearing the message from his Republicans and trying to do a lot of damage control here because if he doesn't get on the bandwagon with his Republicans, they will do it to him and not with him." Chief White House correspondent Jim Acosta said on CNN's Situation Room (10/14, 708K), "President Trump is reversing course somewhat on the situation in Syria, announcing he is imposing sanctions on Turkey and leaving some US forces in the region. The question is whether that amount of backpedaling will be enough for lawmakers from both parties who have slammed Mr. Trump's Syria policy."

Rep. Liz Cheney (R-WY) said on Fox News' Fox & Friends (10/14, 831K), "I think it's crucially important for the Turks to understand that there is broad bipartisan support here in Washington that they have got to stop this incursion."

Sen. Ben Cardin (D-MD) said on CNN's Situation Room (10/14, 779K), "It was the President, after a conversation with Erdogan, that removed US troops, which gave Turkey the green light to go into an area because the US troops are no longer there. Turkey's our NATO ally and here they are attacking one of our key allies in dealing with the ISIS terrorists. So I really wonder what the President is doing in regards to Turkey. Now he says that he objects to what they're doing, even though he gave a clear message to Erdogan that the US was pulling out of that area. It's inconsistent."

Rep. Ted Deutch (D-FL) said on CNN's New Day (10/14, Camerota, Berman, 455K), "The President made a decision to betray our allies, the Kurds. There's been bipartisan condemnation in Congress and outside of Congress, all across the country for failing to stand with our allies – our allies who have fought so valiantly with us to defeat ISIS. And now we put them at risk, at risk of slaughter. There are 10,000 ISIS fighters who risk going back on the battlefield, which puts Americans at risk as well, and our allies in Europe. And it gives a stronger hand, not only to Erdoğan which is where the focus has been, but it puts Russia at the forefront of what happens in Syria again. It forces the Kurds to strike a deal with Assad, the butcher who's killed over 600,000 people."

Pence To Lead Delegation To Turkey For Cease-Fire Talks. ABC World News Tonight (10/14, lead story, 4:25, Muir, 6.92M) opened its broadcast last night, "President Trump has called Turkey's President Erdoğan and has asked for an immediate cease-fire." In its lead story, the CBS Evening News (10/14, lead story, 3:00, O'Donnell, 4.29M) reported the President "is calling for an immediate halt to Turkey's invasion, and he is sending his Vice President, Mike Pence, and his national security adviser, to Turkey." Pence was shown saying: "The President of the United States called on the President to Turkey to stop the invasion, to enact an immediate ceasefire, and to begin negotiations with Kurdish forces in Syria."

Bloomberg (10/14, Mohsin, Jacobs, Beene, 4.73M) reports Pence, speaking to reporters, said he would lead a delegation to Turkey at President Trump's request in an effort to stop the military advance. Pence "said the US wanted the two sides to negotiate a long-term peace, but he didn't call for Turkey to pull out of Syria." The Vice President said that during a call Monday with Erdoğan, "President Trump made it very clear that the United States is going to continue to take actions against Turkey's economy until they bring the violence to an end. We want an immediate ceasefire and we want to begin negotiations between Turkey and Syrian defense forces."

The Washington Examiner (10/14, Halaschak, 448K) reports Pence told reporters, "President Erdoğan reached out and requested the call, and President Trump communicated to him very clearly that the United States of America wants Turkey to stop the invasion, to implement an immediate ceasefire, and to begin to negotiate with Kurdish forces in Syria to bring an end to the violence."

Pence, the New York Post (10/14, Garger, 4.57M) reports, also warned that the sanctions announced yesterday were only the beginning "unless Turkey is willing to embrace a ceasefire, come to the negotiating table and end the violence."

Erdoğan, meanwhile, writes in today's Wall Street Journal (10/14, Erdoğan, Subscription Publication, 7.57M) insists that Turkey's mission in northern Syria is to remove terrorist elements, which he says are preventing Syrian refugees from returning home. Erdoğan says the international community failed to prevent the Syrian crisis from causing regional instability, but calls on them to now help restore peace and stability.

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Trump: 1,000 US Troops Will Stay In Mideast To Prevent ISIS Resurgence. The AP (10/14, Press) reports President Trump

said Monday that "the roughly 1,000 US troops he has ordered to leave Syria will remain in the Middle East to prevent a resurgence of the Islamic State threat." In a statement, Trump said the troops will "redeploy and remain in the region." Another AP (10/14, Burns), meanwhile, reports US troops "are scrambling for Syria's exits." US officials "were weighing options for the future of a counter-[ISIS] campaign, including the possibility of waging it with a combination of air power and special operations forces based outside of Syria."

On ABC World News Tonight (10/14, story 2, 0:55, Muir, 6.92M), Martha Raddatz reported, "There will be a very small contingent of American troops in southern Syria, but they're not really near the ISIS fight. The rest of the American troops, about 1,000, will go to Iraq and be available for anti-ISIS and counterterrorism missions. But without American troops in northern Syria...and now without partners, the Kurds, it makes intelligence gathering for potential missions much more difficult."

David Martin reporters on the CBS Evening News (10/14, story 2, 2:35, O'Donnell, 4.29M) that "with Turkish forces moving south and Russian-backed Syrian units advancing north, 1,000 US troops are caught in the middle, looking for the safest way out. Joint chiefs Chairman General Mark Milley spoke by phone with the Russian chief of staff in an effort to make sure there is no interference with the American withdrawal, which will include equipment as well as troops."

The Washington Times (10/14, Glenn, 492K), meanwhile, reports that Army Secretary Ryan D. McCarthy "offered a pointed reminder to the troops Monday about obeying their commander in chief, amid open grumbling and criticism" over President Trump's decision to pull out of Syria. At the Association of the US Army's annual conference in Washington on Monday, Secretary McCarthy said, "Everybody has opinions in the war of ideas. But, when national policy decisions are made, we salute and move on."

David Sanger of the New York Times (10/14, Sanger, 18.61M) writes, "All the warnings were there. But President Trump's reliance on his instincts, and his relationships, led him to ignore the consequences of a move that has emboldened Russia, Iran and the Islamic State. ... Rarely has a presidential decision resulted so immediately in what his own party leaders have described as disastrous consequences for American allies and interests."

A Washington Post (10/14, 14.2M) editorial says that "until now, it was possible to hope that the damage caused by President Trump's terrible incompetence, ignorance and impulsivity in foreign policy was largely theoretical, and possibly reparable. That is no longer true. The cost of his latest Syria blunder is unfolding before our eyes: Innocent lives lost. US servicemen and women betrayed. Butchering dictators emboldened. Dangerous terrorists set free. A ghastly scene is playing out, and it almost surely will get worse."

Trump: "Let Syria And Assad Protect The Kurds And Fight Turkey." The Hill (10/14, Samuels, 2.98M) reports that in a series of tweets yesterday, the President Trump "said other countries — including China or Russia — should be responsible for protecting the US-allied Kurds in northern Syria amid a groundswell of bipartisan criticism over his decision to pull American forces out of the region." Calling it part of a "daylong series of tweets," the New York Post (10/14, Fredericks, 4.57M) likewise says Trump "continued to defend his decision to withdraw from northern Syria, tweeting that someone else could protect the Kurds, such as Russia, China — or even Napoleon."

First tweeting at 7:40 a.m., Trump wrote, "The same people who got us into the Middle East mess are the people who most want to stay there!" Just after 3:00 p.m., the President favorably shared comments by Katie Pavlich of Townhall, writing, "I offered ISIS prisoners to the European countries from where they came, and was rejected on numerous occasions. They probably figured that the U.S. would bear the tremendous cost as always!" The President next tweeted, "After defeating 100% of the ISIS Caliphate, I largely moved our troops out of Syria. Let Syria and Assad protect the Kurds and fight Turkey for their own land. I said to my Generals, why should we be fighting for Syria and.... Assad to protect the land of our enemy? Anyone who wants to assist Syria in protecting the Kurds is good with me, whether it is Russia, China, or Napoleon Bonaparte. I hope they all do great, we are 7,000 miles away!" The Washington Examiner (10/14, Brest, 448K) reports that in another tweet, Trump "accused Fox News anchor Brian Kilmeade of getting 'it all wrong' in regard to his coverage of the recent developments in Syria."

The President took to Twitter again yesterday afternoon, writing, "Some people want the United States to protect the 7,000 mile away Border of Syria, presided over by Bashar al-Assad, our enemy. At the same time, Syria and whoever they chose to help, wants naturally to protect the Kurds. .... I would much rather focus on our Southern Border which abuts and is part of the United States of America. And by the way, numbers are way down and the WALL is being built!"

In an interview on ABC's This Week (10/13, 5.46M) Sunday, Secretary Mnuchin "said that President Donald Trump is focused on the developing situation in Turkey and that they will be meeting with the National Security Council Sunday, as reports of thousands of displaced citizens and escaped Islamic State fighters emerge," according to a write-up of the interview on ABC's website. Secretary Mnuchin said, "We are ready to go at a moment's notice to put on sanctions. ... These sanctions could be starting small, they could be maximum pressure, which would destroy the Turkish economy." Mnuchin "echoed the president" in the interview, "emphasizing that his goal is to get troops out of Syria and end 'long-standing wars'" and saying, "I think the analogy that everybody's saying is, we're abandoning the Kurds, like the Kurds are these longstanding allies. Our role in Syria was not to defend land for the Kurds in historical issues. Our focus was to defeat ISIS."

Axios (10/14, Allassan, 521K) reports Sen. Lindsey Graham (R-SC) "appeared to criticize the president's tweets without directly mentioning him," saying, "To those who believe radical Islam is not a threat to our homeland after 9/11 and the rise of ISIS: you are sadly mistaken and ignoring all military advice." Senate Majority Leader McConnell "also did not name Trump directly in a statement he put out on Twitter more than 30 minutes after Trump began tweeting," but said withdrawing American forces in the region "would only make a troubling situation much worse" for the US and its allies in the region.

McConnell, the Washington Times (10/14, Meier, 492K) reports, said he is "gravely concerned" by the US' response to the ongoing offensive in northern Syria, where he said "Turkey's offensive against our Syrian Kurdish partners is jeopardizing years of hard-won progress

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in the fight against ISIS."

The CBS Evening News (10/14, story 7, 1:45, O'Donnell, 4.29M), meanwhile, reported that "many Kurds living in this country are telling us they feel abandoned after the President's decision to pull US forces out of northern Syria." CBS' Manuel Bojorquez "visited the city with the largest concentration of Kurds: Nashville, Tennessee."

EU Nations Ban Arms Sales To Turkey, But Do Not Impose Full Embargo. The AP (10/14, Casert) reports EU nations on Monday "joined France and Germany in banning arms sales to Ankara, a rare move against a NATO ally for many of them. Many EU foreign ministers were looking beyond a strong statement condemning the military operation that has destabilized the whole region and wanted to make sure their move would carry some sting." Reuters (10/14, Emmott) reports they "stopped short of a bloc-wide embargo."

Assad's Troops Quickly Return To Northeastern Syria. Reuters (10/14, Francis, Gumrukcu) reports, "Russia-backed Syrian forces took rapid advantage" of the "abrupt US retreat from Syria on Monday, deploying deep inside Kurdish-held territory south of the Turkish frontier less than 24 hours after Washington announced a full withdrawal." The AP (10/14, Guzel, Mroue) reports Syrian troops "moved into towns and villages in northeastern Syria on Monday, including the flashpoint region of Manbij, setting up a potential clash with Turkish-led forces advancing in the area."

The CBS Evening News (10/14, lead story, 3:00, O'Donnell, 4.29M) reported that "with Turkish forces advancing to a crucial highway in northeast Syria, choking off supplies and escape routes, the Syrian regime moved swiftly to take over the key cities of Kobane, Qamishli, and Al Hasaka." The Washington Post (10/14, Cunningham, Dadouch, Khattab, 14.2M) reports, "The swift Syrian advance was set in motion by President Trump's sudden decision in recent days to withdraw US troops from northeastern Syria, leaving the Kurdish forces long allied with the United States vulnerable to attack from the Turkish military."

A front-page Washington Post (10/14, A1, Englund, 14.2M) analysis says the US "withdrawal from Syria gives Russia an even freer hand in that country. Turkey's invasion of Kurdish areas does not directly threaten Russia's interests. In fact Turkey offered Russians the opportunity to persuade the Kurds to start talks with Assad's government. The mutual recriminations" between the US and Turkey "give Russia even more to build on as it attempts to weaken the Western alliance."

Media Analyses: US-China "Phase 1" Trade Deal Puts Off Thorny Issues For Later.

The AP (10/14, Wiseman, Kolpack, Pitt) reports President Trump "heralded a breakthrough in U.S.-China trade talks, and markets rallied in relief over a de-escalation in tensions between the world's two biggest economies." However, "closer inspection suggests there isn't much substance, at least not yet, to the temporary truce Trump announced Friday at the White House after the U.S. and China wrapped up their 13th round of trade talks." Furthermore, "the negotiators have delayed dealing with the toughest issues for future talks." Treasury Secretary Steven Mnuchin "said he expected that he and U.S. Trade Representative Robert Lighthizer will meet with China's lead negotiator, Vice Premier Liu He, before a November Asia-Pacific summit in Chile. At that gathering, Trump and Chinese President Xi Jinping could officially sign off on a phase one agreement."

The Hill (10/14, Lane, Elis, 2.98M) reports that "Trump has been quick to boast about scoring a major victory for 'great patriot farmers & ranchers.'" However, "Washington and Wall Street are reacting with caution to the announcement, following signals from Beijing that it still needs time to finalize the terms and amid criticism that the limited agreement does not touch on many of Trump's top priorities for a broader trade deal." Observers also note that "China has previously retreated from similar promises." Treasury Secretary Mnuchin "has admitted that the deal could still fall apart, but he also downplayed that likelihood."

Axios (10/14, Rabouin, 521K) reports under the headline "Investors Signal They Hate Trump's 'Phase 1' China Trade Deal" that Wall Street "was bursting at the seams with excitement about a trade deal between the U.S. and China – until details of the deal were revealed. ... Comments about the deal from top strategists and money managers suggest many view the agreement as too little, too late," with Goldman Sachs analysts predicting "a 60% chance more tariffs are put in place by the end of the year."

Reuters (10/14, Timmons, Lawder) says Trump "called his Phase 1 trade deal with China 'by far, the greatest and biggest deal ever made,' even though nothing was agreed on paper, and most of the tariffs set upon Chinese goods remain in place. ...Largely unaddressed are the core U.S. complaints about China's state-dominated economic model that gave rise to the trade war in the first place, people familiar with the recent talks said."

Mnuchin: "Substantial Progress" Made In US-China Negotiations. Treasury Secretary Mnuchin said on CNBC's Squawk Box (10/14, 128K), "We made substantial progress last week in the negotiations. We have a fundamental agreement that is subject to documentation. I would describe Phase One as quite substantial. The President has said as soon as we get Phase One complete, we'll move to Phase Two. ... China has agreed on agriculture that they're going to take off tariffs on agriculture and they're going to start purchasing agriculture. They had been in the market, but they'll be stepping that up. ... I have every expectation if there's not a deal those [December] tariffs would go in place, but I expect we'll have a deal."

Oil Prices Fall Amid Skepticism Over US-China Trade Deal. The Wall Street Journal (10/14, Hodari, Wallace, Subscription Publication, 7.57M) reports oil prices dropped Monday as optimism over last week's progress toward a "phase one" deal faded. Investors in recent weeks have focused on worries that slowing global growth could lower demand for commodities.

Holstein: US Must Formulate Strategy To Counter China's Theft Of Tech Secrets. In an op-ed for the Wall Street Journal (10/14, Subscription Publication, 7.57M), William J. Holstein, author of "The New Art of War: China's Deep Strategy Inside the United States," warns that China's efforts to steal America's technological secrets present a threat to national security, because commercial technology can

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have military applications. Holstein urges the US to develop a comprehensive plan to fight China's hacking and espionage efforts.

Members Of Facebook's Cryptocurrency Group Sign Governing Document As More Companies Exit.

Fox Business (10/14, De Lea, 1.73M) reports, "The founding members of the Libra Association Charter gathered in Geneva, Switzerland, on Monday to sign a governance structure and to appoint board members to the cryptocurrency organization amid mounting skepticism of the proposed Libra as another company dropped out of the Facebook-initiated project." However, "Booking Holdings became the latest company to pull out of the project," following "Stripe, Mastercard, Visa, eBay and Paypal" who "had already dropped out" on Friday. The report states that Treasury Secretary Steven Mnuchin "said in July he is 'not comfortable' with Facebook launching Libra, adding the group has 'a lot of work to do before they get us comfortable.'" The Financial Times (10/11, Murphy, Stacey, Subscription Publication, 1.34M), CNBC (10/14, Palmer, 3.62M), Barron's (10/11, Salzman, 1.07M), Business Insider (10/14, Keyes, 3.67M), and Cointelegraph (10/14, Alexandre, 14K) also reported on this story.

In a separate piece on its website, CNBC (10/14, Feiner, 3.62M) reports Secretary Mnuchin in an interview on CNBC's Squawk Box (10/14, 104K) "said he met with Libra representatives on multiple occasions and has been 'very clear ... that if they don't meet ... our money-laundering standards and the standards that we have at [Financial Crimes Enforcement Network] that we would take enforcement actions against them. And I think they realized that they're not ready, they're not up to par. And I assume some of the partners got concerned and dropped out until they meet those standards.'" CoinTelegraph (10/14, Alexandre, 14K) also reported.

Mnuchin Says It Is Up To NBA To Resolve China Impasse.

Treasury Secretary Mnuchin said on CNBC's Squawk Box (10/14, 128K), "I think in this case you're dealing with issues of people at the companies, meaning the NBA, the NBA itself, it has processes in China, and this is up for them to work out. It's not for us to dictate what they should be doing but I would hope they work out these issues. ... There's no question there are values and morals that the United States stands for and we try to push around the world. On the other hand, there's different legal and political systems, and we're not looking to change China's legal and political system," because "obviously they have a very different political system than we do."

Leading National News

As Ex-NSC Russia Expert Testifies Behind Closed Doors, Schiff Bars Gaetz From Attending.

Media coverage of Fiona Hill's House testimony largely breaks along ideological lines, with mainstream outlets highlighting how her statements might affect the case against the President and conservative publications focusing on House Intelligence Chairman Adam Schiff's decision not to allow Rep. Matt Gaetz (R-FL) to attend the hearing.

The AP (10/14, Balsamo, Jalonick) reports Hill, "a former top National Security Council expert on Russia, was testifying to Congress behind closed doors Monday, the latest former Trump administration official to be subpoenaed as part of the House impeachment inquiry into...Trump." Hill did not comment as she arrived at the Capitol, "but her attorney said she had received a congressional subpoena and would 'comply and answer questions' from lawmakers." The Federalist (10/14, Davis, 126K) points out that it was told by "several officials... they believe" Hill "is one of the unnamed sources for the anti-Trump whistleblower whose August 12 complaint fanned congressional impeachment fires."

Citing "a person familiar with her testimony," the Washington Post (10/14, Demirjian, Harris, Bade, 14.2M) reports Hill "told impeachment investigators on Monday that" Rudy Giuliani "ran a shadow foreign policy in Ukraine that circumvented US officials and career diplomats in order to personally benefit...Trump." Hill also "told lawmakers that she confronted Gordon Sondland, the US ambassador to the European Union, about Giuliani's activities which, she testified, were not coordinated with the officials responsible for carrying out US foreign policy, this person said on the condition of anonymity to disclose details of her deposition." Giuliani "on Monday night said: 'I don't know Fiona and can't figure out what she is talking about,' adding that his contact with Ukrainian officials was set up with the State Department." Said Giuliani, "I reported everything back to them. ... Nothing shadowy about it."

USA Today (10/14, Hayes, Jansen, 10.31M) says Hill "spent more than 10 hours fielding questions from lawmakers on three House committees behind closed doors," and The Hill (10/14, Lillis, Marcos, 2.98M) that she is "the third witness to appear for a closed-door session before the three House committees leading the impeachment inquiry, following former Ukraine special envoy Kurt Volker and former ambassador to Ukraine Marie Yovanovitch."

Reuters (10/14, Zengerle, Hosenball) indicates that Hill, "who left her White House job shortly before the July 25 call" between President Trump and Ukraine President Volodymyr Zelensky "but remained on the payroll into August, had advocated a tough US approach on Moscow even as Trump was more accommodating toward Russian President Vladimir Putin." The New York Times (10/14, Baker, 18.61M) says Hill was "prepared to testify that she and other officials objected strenuously to the removal of the ambassador to Ukraine, only to be disregarded."

NBC Nightly News (10/14, story 3, 1:12, Welker, 6.4M) similarly reported on Hill's "critical testimony," and cites "a person familiar with the matter telling NBC News...Hill planned to tell lawmakers that" Giuliani "sidestepped official channels to run a shadow foreign policy in Ukraine." Giuliani "denied that allegation to NBC News." The CBS Evening News (10/14, story 4, 1:56, Cordes, 4.29M) said it "has

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confirmed the Department of Justice is now examining whether Giuliani violated foreign lobbying rules after two of his Ukraine linked associates were arrested last week." ABC World News Tonight (10/14, story 5, 1:58, Bruce, 6.92M) showed Rep. Eric Swalwell (D-CA) saying, "The arrows continue to point in just one direction, which is that a crime was committed." Swalwell said on CNN's Situation Room (10/14, 708K) that Hill's testimony was "incredibly helpful." Swalwell reiterated that "the arrows continue to point in just one direction which is that a crime was committed: extortion, bribery, soliciting campaign help. It was confessed to by the President and there is an active cover-up going on right now."

Politico (10/14, Desiderio, Cheney, 4.29M) also reports Democrats view Hill's "closed-door testimony as critical to their understanding of the extent" to which Giuliani "bypassed official US government channels by pressuring Ukrainian officials to dig up dirt on former Vice President Joe Biden. ... It was unclear if the White House sought to block Hill from testifying, as it has for other former officials who have been summoned before the House this year."

The Wall Street Journal (10/14, Ballhaus, Subscription Publication, 7.57M) reports the hearing was delayed for about 45 minutes due to a dispute between Schiff and Gaetz, who is not a member of any of the three committees questioning Hill, over Gaetz's desire to attend. The House parliamentarian ultimately sided with Schiff over Gaetz, described by the New York Post (10/14, Fredericks, 4.57M) as "a Republican and Trump loyalist."

To the Federalist (10/14, Davis, 126K), Schiff "tossed" Gaetz "out of the deposition." The Federalist adds that "according to the Congressional Research Service, formal impeachment proceedings are typically referred to the House Judiciary Committee." Gaetz "sits on that committee; Schiff does not," and "the House has yet to approve a resolution granting broad impeachment investigative authority to any of its committees." The Washington Examiner (10/14, Ferrechio, 448K) says Schiff "ejected" Gaetz from the "closed-door impeachment hearing," and the Washington Times (10/14, Muñoz, 492K) that "speaking to reporters after being ejected," the Florida Republican "argued that since his committee oversees impeachment, he should have been allowed to be a part of depositions related to the ongoing impeachment inquiry."

Breitbart (10/14, Mora, 673K) reports "a frustrated Gaetz aired his disappointment to reporters after being told he was not allowed to sit in on the hearing, venting his anger over what he says are 'selective leaks' by...Schiff," and "questioning why he was not allowed to be present during Hill's testimony." Gaetz "added that the chairman of the House Judiciary Committee, Rep. Jerry Nadler, D-N.Y., was involved in the impeachment inquiry." Fox News (10/14, O'Reilly, 27.59M) similarly reports on its website that Gaetz, a House Judiciary Committee member, said after leaving, "It's not like I'm on Agriculture. What are the Democrats so afraid of?"

Political commentator Mary Katherine Ham said on CNN's The Lead (10/14, 691K) that "a lot of these depositions are happening in private, and little bits are leaked and I do think at a time when people are skeptical of the processes of these things, it would help to have as much of this out in public as possible. Which is one of the reasons I wish they would vote to just go ahead and do an official inquiry and do it that way."

Gaetz Denounces Democratic-Led "Coup." Breitbart (10/14, Mora, 673K) reports Gaetz also "expressed his frustration over being kicked out of Hill's testimony via Twitter," saying, "Chairman Schiff and the radical democrats are now active participants in the coup. To exclude Members of Congress from hearings confirms the American people's suspicions: this is not a legitimate 'impeachment inquiry' – it is a charade."

Schiff Says Secrecy Needed To Keep Trump Or "His Legal Minions" Out Of Loop. The Washington Examiner (10/14, Scarry, 448K) reports that pressed on why he is holding closed-door hearings on CBS's Face the Nation, Schiff said on Sunday, "We want to make sure that we meet the needs of the investigation...and not give the president or his legal minions the opportunity to tailor their testimony and in some cases fabricate testimony to suit their interests." Adds the Examiner, "In other words, Schiff doesn't believe that Trump deserves the chance to confront his accusers – to respond to the full content of every secret hearing hosted by Schiff. Instead, Schiff believes the White House should only be allowed to respond to the selective bits that he and his Democrat colleagues decide to leak."

Democrats Weigh Questioning Bolton. In a story about Hill's closed-door testimony before House lawmakers, the Washington Post (10/14, Demirjian, Harris, Bade, 14.2M) reports that "in a sign the impeachment inquiry is widening, investigators were discussing whether to question John Bolton," the President's "former national security adviser, according to people familiar with the matter. Bolton was Hill's direct superior at the NSC."

The New York Times (10/14, Baker, Fandos, 18.61M) reports that "the effort to pressure Ukraine for political help provoked a heated confrontation inside the White House last summer that so alarmed" Bolton "that he told an aide to alert White House lawyers, House investigators were told on Monday." Bolton "got into a sharp exchange on July 10 with Gordon D. Sondland, the Trump donor turned ambassador to the European Union, who was working with Rudolph W. Giuliani, the president's personal lawyer, to press Ukraine to investigate Democrats, according to three people in the room who heard the testimony." According to "people familiar the testimony," Bolton "instructed...Hill...to notify the chief lawyer for the National Security Council about a rogue effort by Mr. Sondland, Mr. Giuliani and Mick Mulvaney, the acting White House chief of staff, with legal implications." Hill also quoted Bolton as saying, "Giuliani's a hand grenade who's going to blow everybody up."

Republicans Defend Trump On Morning Shows. Several high-profile Capitol Hill Republicans criticized the impeachment inquiry and defended the President Monday morning. Senate Judiciary Chairman Lindsey Graham said on Fox News' Fox & Friends (10/14, 831K), "I'm going to send a letter to Nancy Pelosi, signed by as many Republican senators as I can find, to say that these complaints do not represent an impeachable offense. Some are troubled by it. I am not. We give money to Ukraine. We have reason to be concerned about corruption.

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We will write a letter to Pelosi: If you will impeach the President based on a phone call, transcript of a phone call, that is a nonstarter in the Senate. Don't destroy the country over that."

House Minority Whip Scalise said on Fox Business' Mornings With Maria (10/14), "It felt like a kangaroo court they set up. They've got a shroud of secrecy. They are making false accusations to try to tar the President. If you look at the facts that have come out, the facts have all said that this is a witch hunt, that the President did nothing wrong. The transcripts – we're talking about whistleblowers. Why do you need a whistleblower when you actually have a transcript of what was said and the two people that were directly on the call, both have said there was nothing wrong? ... So why Adam Schiff continues to hide in secret the Volker testimony, he was starting to leak out some things that were false about it, and everybody else that listened or was participating in the Volker testimony said that Schiff was being disinformative, and frankly the entire thing should be released to the public. What is Adam Schiff trying to hide?"

Sen. Rand Paul (R-KY) said on Fox News' Fox & Friends (10/14, 831K), "I think the only thing consistent about the whole discussion of people threatening Ukrainian aid is everybody seems to be doing this on both sides of it. ... Joe Biden threatened the aid and then three senators wrote a letter to the Ukrainian government and they said if you don't continue investigating Trump and help the Mueller investigation, we may pull back on your aid. So it sounds like everybody and their brother is threatening Ukrainian aid, so we can't have two standards. Democrats get to threaten Ukrainian aid and nothing happens to him. Now they want to impeach a President over this?"

Rep. Rodney Davis (R-IL) said on CNN's New Day (10/14, Camerota, Berman, 494K), "What I'm concerned about is an impeachment inquiry that's moving forward, this denying the President and his Administration due process. If we want to exercise oversight, which is our responsibility in Congress, you don't have to label it an impeachment inquiry if. If you do, I certainly hope that Speaker Pelosi and Leader Hoyer will put a vote on the floor of the House, just like the three other impeachments in our nation's history, to ensure that the American people know where each and every member of congress stands in moving this hearing forward."

Trump: Whistleblower "Must Testify" In "Total Impeachment Scam."

President Trump tweeted yesterday morning, "Adam Schiff now doesn't seem to want the Whistleblower to testify. NO! Must testify to explain why he got my Ukraine conversation sooo wrong, not even close. Did Schiff tell him to do that? We must determine the Whistleblower's identity to determine WHY this was done to the USA. ... Democrat's game was foiled when we caught Schiff fraudulently making up my Ukraine conversation, when I released the exact conversation Transcript, and when Ukrainian President and the Foreign Minister said there was NO PRESSURE, very normal talk! A total Impeachment Scam!"

Trump took to Twitter last night to write, "Shifty Schiff now seems to think they don't need the Whistleblower, who started the whole Scam. The reason is that the Whistleblower has lost all credibility because the story is so far from the facts on the Transcript. Also, the second Whistleblower is no longer even mentioned!"

The CBS Evening News (10/14, story 4, 1:56, Cordes, 4.29M) showed Schiff saying Sunday, "Our primary interest right now is making sure that person is protected. And given that we already have the call record, we don't need the whistleblower, who wasn't on the call, to tell us what took place during the call. We have the best evidence of that."

In Impeachment Inquiry, Democrats Signal They May Go After Pence Next.

USA Today (10/14, Groppe, 10.31M) reports, "If Vice President Mike Pence doesn't comply with House Democrats' request to turn over by Tuesday documents related to the Trump administration's actions on Ukraine, Democrats have said that refusal can be used as evidence to impeach the president." Moreover, "Pence, himself, could also face repercussions," ranging "from a more probable next step – Pence is subpoenaed – to the most extreme route that experts say Democrats are unlikely to pursue: Pence is also impeached." USA Today adds "legal experts expect Pence to be treated like other officials in Democrats' efforts to investigate whether Trump withheld military aid to Ukraine as part of an effort to get the newly-elected president to investigate presidential candidate Joe Biden and his son, Hunter."

Trump Says "Fake News" Will Protect Hunter Biden.

President Trump tweeted Monday, "Wow! Hunter Biden is being forced to leave a Chinese Company. Now watch the Fake News wrap their greasy and very protective arms around him. Only softball questions of him please!"

The AP (10/14, Peoples) reports Hunter Biden, "facing intense scrutiny from [Trump] and his Republican allies," said he will "step down from the board of directors of a Chinese-backed private equity firm at the end of the month." The CBS Evening News (10/14, story 5, 0:21, O'Donnell, 4.29M) reported that Hunter "says that if his father is elected President, he will not take any foreign work to avoid the appearance of impropriety." Citing Trump's tweet, Breitbart (10/14, Spiering, 673K) says the President "marveled" that Biden "stepped down from his role" at the firm.

The Daily Caller (10/14, Kerr, 716K) reports that while Hunter announced that he will resign from the firm's board, "he's still one of the two directors of the company that owns his 10% equity stake in the firm, business records show. The other director holds the role of supervisor at the Chinese firm."

ABC World News Tonight (10/14, story 6, 0:29, Muir, 6.92M) reported that Hunter "has given an exclusive interview to our Amy Robach." Breitbart (10/14, Spiering, 673K) says the interview will air Monday. In a tweet criticizing ABC News, Trump said they will "ask softball questions to Sleepy Joe Biden's son, Hunter, like why did Ukraine & China pay you millions when you knew nothing? Payoff?"

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Sean Hannity said on Fox News' Hannity (10/14, 535K), "Is ABC...going to ask some of the basic fundamental questions or give him a softball interview? I don't know. Well they asked the specifics of Biden's work in Ukraine and China? Will they ask specifically what he did for all of this money? What were his actual day-to-day job duties? Will they ask what qualifications he had? Will they ask if his status as the son of America's second most powerful decision-maker was a factor in the sweetheart deal? Why not pick Bain Capital, Goldman Sachs, Deutsche Bank, or any of the other big firms with tons of experience?"

In 2008, Joe Biden Defended Hunter's Job With A Donor. Townhall (10/14, Baumann, 177K) reports that in 2008, "Tom Brokaw grilled Joe Biden about Hunter being hired by MBNA, a credit card company based in Delaware, right out of law school. Biden had received campaign contributions from the company before and was even working on a bill MBNA backed." Joe Biden "did was he does best: defend Hunter and claim that the two incidences are 'coincidental.'" He said, "Absolutely not. My son graduated from Yale Law School. The starting salary in Wall Street is $140,000 a year if you want to lawyer. Options he had. ... He came home to work for a bank. Surprise, surprise, number one."

Byrne Calls For Congressional Probe Of Hunter Biden's Business Dealings. The New York Post (10/14, Moore, 4.57M) reports Rep. Bradley Byrne (R-AL) "said Monday he will introduce legislation calling on Congress to begin investigating the business dealings of Hunter Biden while his father, Joe Biden, was vice president." Byrne "said his legislation, which he plans to introduce Tuesday, would call on three House committees – Foreign Affairs, Oversight and Financial Services – to launch probes into the Bidens." Breitbart (10/14, Baker, 673K) says Byrne told Fox News' Fox & Friends (10/14, 831K) Monday, "I'm not asking for a foreign government to investigate him, I want the United States Congress to investigate. ... If the name on here was not Hunter Biden – if it were Donald Trump, Jr. – these investigations would have already started. I want the United States Congress to get to the bottom of this. What did Hunter Biden do? What did Vice President Biden do? What did all of them know? What connection was there between Vice President Biden's position and these business dealings that his son got? I think the American people deserve to know that."

Biden Releases Ethics Proposals. The Wall Street Journal (10/14, Thomas, Subscription Publication, 7.57M) reports former Vice President Joe Biden released a series of ethics proposals Monday as his son Hunter's business dealings are under scrutiny. The package includes tighter lobbying and disclosure laws, as well as legislation that would require all candidates for federal election to disclose 10 years of tax returns. NBC Nightly News (10/14, story 4, 0:38, Holt, 6.4M) reported that the former Vice President "pledged no family members would have West Wing offices in any future administration of his nor would they have conflicting business interest with any foreign entities." The Washington Times (10/14, Miller, 492K) reports that Biden "said new anti-corruption measures were designed to repair the damage wrought by President Trump."

CNN Whistleblower Reveals Network's Anti-Trump "Vendetta," Impeachment Push.

In a story covered by conservative media and largely ignored elsewhere, the Federalist (10/14, Clark, 126K) reports "a CNN whistleblower leaked video showcasing CNN President Jeff Zucker's vendetta against President Trump and obsession with pushing stories of impeachment." The video showed Nick Neville, "a media coordinator at CNN," saying, "Jeff Zucker, basically the president of CNN has a personal vendetta against Trump. ... It's not gonna be positive for Trump. He hates him. He's going to be negative." The whistleblower "identified himself as Cary Poarch, a satellite uplink technician at CNN's Washington, DC bureau." The Federalist adds that "after the release of this video, Poarch announced he saw no other option but to wear a hidden camera and expose the bias of CNN." Townhall (10/14, Vespa, 177K) notes Poarch told Project Veritas, "I decided to wear a hidden camera...to expose the bias running rampant" at the network. Poarch "documented CNN's bias for months; recording undercover footage of numerous long-term employees, some of which talk about...Zucker's anti-Trump agenda."

Fox News (10/14, Flood, 27.59M) also says the recordings "capture CNN employees casually confirming the network's anti-Trump bias and show...Zucker telling top news executives to focus solely on impeachment even at the expense of other important news." Poarch "allegedly recorded "several" of Zucker's conference calls, in which he claims Zucker runs the daily meeting 'with an iron fist' aimed directly at 'hammering Trump' or 'Republicans in general.'"

The Washington Times (10/14, Richardson, 492K) indicates "CNN spokesman Matt Dornic did not deny the identify of network employees featured in the undercover sting by Project Veritas, which has targeted several prominent left-tilting media outlets since Mr. Trump took office, but dismissed the report as unworthy of comment."

Tucker Carlson said on Fox News Tucker Carlson Tonight (10/14) that the recordings "indicate Zucker is dictating every detail of CNN's programming and doing so with clearly partisan objectives in mind." Carlson added, "That's the definition of state media. Relentless cheerleading. Relentless never ending shilling for the ruling class."

Trump Wonders Whether Video Could Lead To "Good, Or Even Great, Lawsuit." The President wrote on Twitter last night, " "Project Veritas-Obtained Undercover Videos Highlight Jeff Zucker's (@CNN) Campaign To Destroy Trump. Videos Reveal @CNN's BIAS!" @TuckerCarlson @FoxNews Does this sound like a good, or even great, lawsuit?"

Trump Touts New Strassel Book About "Trump Haters" Who Are "Breaking America." In a Monday afternoon tweet, the President also wrote, "Great new book, 'Resistance (At All Costs): How Trump Haters Are Breaking America' out by Kimberley Strassel of the Wall Street Journal. Kim has treated us fairly, and for that I am very appreciative. Check it out today, it is great!"

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Trump Highlights Levin Claim Democrats Are Engaging In A "Silent Coup."

In a tweet Monday evening, President Trump highlighted comments by Fox News host Mark Levin on Fox News Life, Liberty & Levin in which he accused Democrats of attempting a "silent coup." Trump wrote, "'It doesn't speak for the FULL HOUSE because the FULL HOUSE hasn't spoken. The Democrat Party is pushing this Impeachment. This is a Democrat Party Impeachment, as I have been saying, a silent COUP effort.' @MarkLevinShow"

WPost Analysis: Impeachment Inquiry Exacerbating Trump's Sense Of "Victimization." The Washington Post (10/14, Parker, Rucker, 14.2M) writes in a 2,000-word feature on President Trump's "state of mind" during the House impeachment inquiry, "In the week before the launch of the inquiry, Trump averaged 18 tweets per day. In the two weeks following the launch, that doubled: On average, Trump was tweeting three dozen times a day. ... Staring down impeachment, Trump has seemed to play the role of the nation's Shakespearean monarch. At a rally Thursday night in Minneapolis, Trump boasted about his own fortitude in surviving so many scandals." The Post says "victimization has long been central to Trump's political identity." But his "feelings of oppression and persecution have been especially pronounced during the impeachment crisis."

GOP To Launch Anti-Impeachment Ad Campaign In 31 Democratic House Districts.

McClatchy (10/14, Lightman, 19K) reported yesterday that "Republicans are planning to target Democrats in swing districts with a new round of ads on impeachment this week as lawmakers return from their fall recess." The RNC "will spend $350,000 on a multi-media buy as part of a strategy that includes digital ads, text messages and phone calls starting Tuesday calling on Democratic House members to 'stop the madness.'" McClatchy adds "the effort is primarily targeted at the 31 Democrats in districts President Donald Trump carried in 2016. ... Earlier this month, the party spent about $2 million targeting Democrats, calling for an end to the 'endless investigations' of Trump."

Parscale: Impeachment Push A "Seditious Conspiracy."

On its website, the Washington Post (10/14, Wagner, Shammas, 14.2M) reported "President Trump's reelection campaign manager Brad Parscale on Monday branded the Democrat-led impeachment inquiry a 'seditious conspiracy' and called for the resignation of House Speaker Nancy Pelosi (D-Calif.) as another witness testified behind closed doors." The Post adds "Parscale's comments came as House investigators heard from Fiona Hill, the White House's former top Russia adviser."

Trump: Fox News Impeachment Poll "Turned Out To Be Incorrect."

President Trump tweeted Monday afternoon, "The Fox Impeachment poll has turned out to be incorrect. This was announced on Friday. Despite this, the Corrupt New York Times used this poll in one of its stories, no mention of the correction which they knew about full well! 'Fox News Pollster Braun Research Misrepresented Impeachment Poll: Analysis' @NYPost". The tweet was referring to a weekend New York Post report.

WPost Analysis: Sondland Believed Delivering For Trump In Ukraine Would Help Career.

A nearly 3,500-word story in the Washington Post (10/14, Davis, Dawsey, Lee, Birnbaum, 14.2M) reports on US Ambassador to the European Union Gordon Sondland's pursuit of an ambassadorship. While Sondland once said then-candidate Trump "was out of touch with his 'personal beliefs and values on so many levels,'" he "contributed $1 million to Trump's inaugural. And he began calling in political favors...to convince Trump that he could be a team player." The Post says the "lengths to which Sondland would go to impress Trump...have made him a central figure in the congressional impeachment inquiry." The Post cites "current and former U.S. officials and foreign diplomats" who say "Sondland seemed to believe that if he delivered for Trump in Ukraine he could ascend in the ranks of government. A person close to Sondland disputed that notion, but other officials said Sondland had been talked about in the administration as a possible successor to Commerce Secretary Wilbur Ross."

Gowdy Not Expected To Join Trump's Legal Team.

The Daily Caller (10/14, Davis, 716K) reports that while President Trump "was thought to have secured [former Rep. Trey] Gowdy's services to help him through the impeachment process," a "New York Times report published Sunday said the arrangement has fallen through." The Times reported, "Now, according to two people familiar with events, Mr. Gowdy is never expected to join the team. And Trump advisers are back to square one, searching for a different lawyer."

Fusion GPS Co-Founders To Defend Steele Dossier In New Book.

The Daily Caller (10/14, Ross, 716K) reports that Fusion GPS co-founders Glenn Simpson and Peter Fritsch are set to publish a book in which they "will defend their work on the infamous Steele dossier." Simpson and Fritsch "will lay out the dirt they gathered on President Donald Trump's alleged links to Russia, and describe their work with Christopher Steele, the former British spy who authored the anti-Trump dossier." The book description on Amazon.com reads, "The never-before-told inside story of the high-stakes, four-year-long investigation into Donald Trump's Russia ties – culminating in the Steele dossier, and sparking the Mueller report – from the founders of political opposition research company Fusion GPS." The book "will hit shelves on Nov. 26."

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NYTimes Analysis: Impeachment Probe Different Than Kavanaugh Confirmation Fight.

In an analysis, the New York Times (10/14, Peters, 18.61M) reports that the President's "most relentless defenders" are comparing the impeachment inquiry "to Justice Brett M. Kavanaugh's heated confirmation last fall, which was nearly derailed by allegations of sexual assault." The comparison "may prove useful for Republicans who want to cast the impeachment inquiry as yet another partisan character assassination – and one that will similarly fail." However, the Times says "the two events are, by nature, very different battles." The Times adds that "the White House's response to impeachment has concerned many Republicans, who view it as lacking focus, urgency and coordination," which "suggests that the president and his allies could find it challenging to rally the same kind of unified support that helped them overcome the Democratic opposition to Justice Kavanaugh." In addition, impeachment "will likely serve as a referendum on Mr. Trump's presidency, especially as it centers on allegations from earlier this year – not three decades ago."

Taibbi: Impeachment Would Give Intel Community Veto Power Over Elections.

Breitbart (10/14, Caplan, 673K) reports that in his newsletter, Rolling Stone contributing editor Matt Taibbi "reframes the House Democrats' impeachment inquiry – and its latest development in the arrest of two associates of Rudy Giuliani – as a 'permanent coup' against President Trump playing out more slowly than coups he has experienced firsthand in other nations." Taibbi writes, "The Trump presidency is the first to reveal a full-blown schism between the intelligence community and the White House. ... I don't believe most Americans have thought through what a successful campaign to oust Donald Trump would look like. ... The real problem would be the precedent of a de facto intelligence community veto over elections, using the lunatic spookworld brand of politics that has dominated the last three years of anti-Trump agitation."

White House Says Trump "Strongly Condemns" Violent Parody Video.

The AP (10/14, Colvin) reports the White House says President Trump "has yet to watch a graphically violent parody video that depicts a likeness of him shooting and stabbing opponents and members of the news media, but based on what he's heard, he 'strongly condemns' it." The video "was shown at a meeting of Trump supporters at his Miami resort." White House Press Secretary Stephanie Grisham tweeted Monday morning, "Re: the video played over the weekend: The @POTUS @realDonaldTrump has not yet seen the video, he will see it shortly, but based upon everything he has heard, he strongly condemns this video."

USA Today (10/14, Santucci, 10.31M) reports the video, which "includes the logo for Trump's 2020 reelection campaign," is of an edited scene from the film "Kingsman: The Secret Service." Trump "as the face of Colin Firth's character enters a 'Church of Fake News' and opens fire on members of the congregation. The churchgoers have various news organizations' logos or the faces of Democratic lawmakers and other critics superimposed onto their bodies." The Wall Street Journal (10/14, Lucey, Subscription Publication, 7.57M) reports Trump campaign spokesman Tim Murtaugh said in a statement that the "video was not produced by the campaign and we do not condone violence."

NBC Nightly News (10/14, story 5, 1:38, Jackson, 6.4M) reported, "It's a video so violent, we can only show a few seconds of it. ... In a graphic scene," Trump "shoots, stabs, and bludgeons, and in one instance lights on fire depictions of his political opponents, like Bernie Sanders and Hillary Clinton, and news organizations like the Washington Post and NBC News." NBC added "the Trump campaign says it did not produce the video, which appears to be based off the movie 'Kingsmen, The Secret Service.'" Rep. Eric Swalwell (D-CA) was shown saying, "It puts lives at risk. It's not who we are as people." Rep. Rodney Davis (D-IL) said, meanwhile, "I think it's a tragedy. I think it should be denounced by the Administration." Trump "has not publicly denounced the clip, despite tweeting more than two dozen times today, including about 'Dancing With The Stars.'"

The Washington Post (10/14, Chiu, 14.2M) reports the video "appeared to be shared to YouTube in 2018 on a channel that posts similar pro-Trump content and has been linked to a meme-maker associated with a website called MemeWorld. The site's creator, a user known by his Internet handle, Carpe Donktum, scored an Oval Office meeting in July with Trump, who reportedly welcomed him as a 'genius.'" The New York Times (10/14, Sullivan, 18.61M) reports event organizer American Priority "said was part of a 'meme exhibit.' The group said the video was not 'approved, seen or sanctioned' by the conference organizers, and it criticized The Times for focusing on the video and not on any of the other events, 'including our panel conversation LITERALLY condemning political violence.'" Axios (10/14, Axios, 521K), the Washington Times (10/14, Boyer, 492K) and New York Post (10/14, Moore, 4.57M), among other news outlets, also report the story.

WPost Accuses Trump Of Not Issuing "Forceful Denunciation" Of Video. The Washington Post (10/14, 14.2M) editorializes that the video depicted Trump "as a mass killer systemically executing members of the news media and his political opponents," and that the President "set the tone for it with language and ideology that encourages hate, disrespect and violence." To the Post, "it is sad but unsurprising that Mr. Trump has issued no rebuke to his supporters and no forceful denunciation of the video itself."

Trump Retweets Cisco Systems CEO's Interview On 5G.

President Trump retweeted a tweet from Fox Business' Maria Bartiromo in which she linked to her interview with Cisco Systems CEO Chuck Robbins on how 5G networks could be active in the US within two to three years.

Talks Continue Between GM, UAW.

The Detroit News (10/14, Thibodeau, Noble, Hall, Howes, 825K) reports "the United Automobile Workers union strike against General Motors Co. entered its 29th day Monday" as "the UAW approved a 10% increase in pay for the 46,000 GM-UAW members out on strike." The UAW

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has "submitted another counter proposal to GM, which was under review." UAW Vice President Terry Dittes "said the parties would have a tentative agreement if GM accepted it."

The Detroit Free Press (10/14, LaReau, 1.52M) reports that "the UAW has sent a letter to its National General Motors Council summoning union local officers to Detroit on Thursday for a morning meeting at the Marriott downtown," but "a source close to the talks said the parties do not yet have a tentative agreement." According to the article, "the meeting is being billed as an update for the 175 council members on the status of the negotiations." Labor experts says that "the summons at this point in negotiations is highly unusual, but something to take seriously."

Stocks Down Slightly Monday.

Reuters (10/14, Mikolajczak) reports stocks "edged lower on Monday as uncertainties following recent U.S.-China trade negotiations clouded sentiment and investors turned their focus on the third-quarter earnings season, which begins in earnest on Tuesday." Bloomberg (10/13, 4.73M) reports the Dow Jones Industrial Average closed down 29.23 at 26,787.36, while the S&P 500 was down 4.12 to 2,966.15, and the Nasdaq down 8.39 to 8,048.65.

Harley-Davidson Temporarily Stops Electric Motorcycle Production Over Charging Issue.

The Wall Street Journal (10/14, Tita, Hufford, Subscription Publication, 7.57M) reports Harley-Davidson has stopped manufacturing and shipping its first electric motorcycle, LiveWire, after it discovered a problem related to the vehicle's charging equipment. The company is conducting tests to investigate the issue, but didn't say when it would restart production.

The Milwaukee Journal Sentinel (10/14, Taschler, 632K) reports that "the LiveWire is a piece of Harley-Davidson's overall strategy to attract younger motorcycle riders to its brand and replace aging riders who have helped sustain the brand for a generation." However, "the size of that market remains a question." Harley-Davidson has also been "adding smaller and medium-size bikes to its lineup to try to match up with the changing demographics."

Dam Disaster In Brazil Raises Alarms In US.

The Wall Street Journal (10/14, MacDonald, Maher, Mackrael, Subscription Publication, 7.57M) reports a disaster earlier this year in Brazil that involved a dam bursting has raised alarms in the US, where the construction of that type of dam is still allowed, although it is banned in many other parts of the developed world. In Minnesota, a court has suspended permits for the new PolyMet mine, halting construction until it can be advised on an evaluation of the Brazil dam failure. The US Mine Safety and Health Administration said it has met with Brazil's National Mining Agency to discuss the Brazil disaster. A spokeswoman said, "Once the cause of the dam collapse is determined, MSHA will evaluate the findings and how they relate to practices in the United States."

Uber Lays Off 350 In Latest Round Of Cuts.

The New York Times (10/14, Conger, 18.61M) reports, "Uber laid off 350 employees on Monday, in the latest indication that the ride-hailing company is trying to respond to concerns among investors that it is losing too much money." Since July, Uber has "cut more than 1,000 jobs, more than 2 percent of its work force." Monday's cuts, "the third round in recent months, were focused in the autonomous vehicle unit, operations, recruiting and customer support, an Uber spokesman said."

Documents Show Uber Challenging Characterization Of Employment Status Of Drivers. The Washington Post (10/14, Bensinger, 14.2M) reports that "documents and a 2017 deposition related to an Atlanta civil suit, Jessicka Harris v. Uber, viewed by The Washington Post offer a rare glimpse at Uber's strategies for using drivers' status as independent contractors as a legal shield." During the course of a deposition, an Uber executive repeatedly refused to use the term "drivers," instead insisting on calling them "independent, third-party transportation providers." According to the article, "at stake for Uber in its many court battles is the potential for millions in new liabilities if its contract drivers are reclassified as employees, and the company is found to bear greater responsibility for their actions."

Barney's Nearing Sale To Authentic Brands.

The Wall Street Journal (10/14, Kapner, Chung, Subscription Publication, 7.57M) reports Authentic Brands Group LLC has made a nearly $270 million offer to acquire bankrupt retailer Barneys New York Inc. Under the deal, Authentic Brands would license the Barneys brand to Saks Fifth Avenue, which would operate Barneys.com and create a Barneys store within Saks.

Boeing's New Chairman Said To Have Experience To Pull Company Out Of MAX Crisis.

The Wall Street Journal (10/14, Tangel, Sider, Gottfried, Subscription Publication, 7.57M) reports Boeing's new chairman David Calhoun has dealt with major corporate crises throughout his career, offering some reassurances to officials at Boeing's customers concerned about the 737 MAX grounding. Business leaders who have worked with Calhoun say his experience and temperament will help Boeing overcome its challenges.

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Big Meat Companies Play Catch-up With Plant-Based Meat Alternatives.

The New York Times (10/14, Yaffe-Bellany, 18.61M) reports that after plant-based meat startups introduced "vegetarian food that looks and tastes like meat," gaining a following with consumers, "a new group of companies has started making meatless meat: the food conglomerates and meat producers that Beyond Meat and Impossible Foods originally set out to disrupt." In recent months, the article says, "major food companies like Tyson, Smithfield, Perdue, Hormel and Nestlé have rolled out their own meat alternatives, filling supermarket shelves with plant-based burgers, meatballs and chicken nuggets." According to the Times, "the emergence of these meat companies in the plant-based-protein market has also prompted suspicion and unease among some environmental activists, who worry the companies could co-opt the movement by absorbing smaller start-ups, or simply use plant-based burgers to draw attention away from other environmental misdeeds."

House Panel, Massachusetts AG Probing Role Of Bots In E-Cigarette Messaging.

The Wall Street Journal (10/14, McKinnon, Subscription Publication, 7.57M) reports the House Energy and Commerce Committee and Massachusetts Attorney General Maura Healey are investigating whether social media messages about e-cigarettes posted by bots have been misleading consumers. Japan Tobacco International USA, Juul Labs, and Reynolds American all say they do not use bots in their marketing.

Despite Falling Interest Rates, Lenders Increase Credit Card Rates.

The Wall Street Journal (10/14, A1, Andriotis, Subscription Publication, 7.57M) reports on its front page that despite falling interest rates, lenders are charging record-high rates on credit cards. Banks have seen their profitability decline from users taking advantage of card rewards programs, so to help offset the hit, banks are charging more for cardholders to borrow.

Johnson & Johnson Facing Many Lawsuits Over Product Safety And Marketing.

The Wall Street Journal (10/14, A1, Loftus, Subscription Publication, 7.57M) reports on its front page that Johnson & Johnson is facing litigation from more than 100,000 people over the safety and marketing of its products, including opioids, Risperdal (risperidone), baby powder, and others. The article says that the company has been taking many of the cases to court, but has lost many times, sometimes with huge verdicts.

Three US-Based Scholars Win Nobel Economics Prize For Poverty Research.

The AP (10/14, Wiseman) reports, "Two researchers from the Massachusetts Institute of Technology and a third from Harvard University won the 2019 Nobel Prize in economics on Monday for groundbreaking research into what works and what doesn't in the fight to reduce global poverty." MIT's Abhijit Banerjee and Esther Duflo, and Harvard's Michael Kremer, were honored. The three winners, "who have worked together, revolutionized developmental economics by pioneering field experiments that generate practical insights into how poor people respond to education, health care and other programs meant to lift them out of poverty."

The New York Times (10/14, Smialek, 18.61M) reports that they "study problems like education deficiencies and child health scientifically. They break issues into smaller questions, search for evidence about which interventions work to resolve them, and seek practical ways to bring those treatments to scale. ... More than five million Indian children have benefited from effective remedial tutoring thanks to one of their studies," the Royal Swedish Academy of Sciences said in announcing the award. The Wall Street Journal (10/14, Hannon, Chopping, Subscription Publication, 7.57M) says this marks the second time in five years that the economics prize has been awarded for work in developmental economics.

Confidential Documents Detail How Deutsche Bank Won Business In China.

The New York Times (10/14, Forsythe, Enrich, Stevenson, 18.61M) reports that Deutsche Bank was able to "become a major player in China" through "a brazen campaign to win business...by charming and enriching the country's political elite," confidential documents obtained by the German newspaper Süddeutsche Zeitung show. The documents show that the bank's "troubling behavior in China was far more extensive than the authorities in the United States have publicly alleged. And they show that the bank's top leadership was warned about the activity but did not stop it."

Fort Worth Police Officer Resigns After Killing Black Woman In Her Home.

The AP (10/14, Bleiberg) reports, "A white Fort Worth police officer who shot and killed a black woman in her home while responding to a call about an open front door acted inappropriately and resigned before he could be fired," Police Chief Ed Kraus said Monday. Atatiana Jefferson "was killed in front her of 8-year-old nephew, cut down by a bullet fired through her window early Saturday. Police bodycam video showed that Aaron Dean did not identify himself as an officer and fired a split-second after shouting at the woman to show her hands."

The Fort Worth Star-Telegram (10/14, Mitchell, 406K) reports Kraus "said a criminal investigation is ongoing and he expects to release an update by Tuesday. The FBI also has been briefed to investigate possible civil rights violations, he said." Reuters (10/14) reports Kraus told reporters, "Had the officer not resigned, I would have fired him for violations of several policies including our use of force policy, our de-escalation policy and unprofessional conduct." The CBS Evening News 's (10/14, story 3, 1:51, O'Donnell, 2.29M) Omar Villafranca reported that Dean "could still face criminal charges." ABC World News Tonight 's (10/14, story 3, 2:39, Muir, 6.92M) Marcus Moore

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reported that Dean is "not cooperating with their investigation."

NBC Nightly News (10/14, story 2, 1:53, Holt, 6.4M) Gabe Gutierrez reported Mayor Betsy Price has "apologized" and "also said the picture police released of this gun found inside the home is irrelevant."

USA Today (10/14, Bacon, 10.31M) reports, "Hours before Kraus spoke Monday, family members held a news conference demanding that the officer be fired and criminally charged. Ashley Carr said her sister was killed by the officer's 'reckless act,' and the federal government should take over the investigation." Jefferson's brother Adarius Carr said, "This man murdered someone. He should be arrested."

The New York Times (10/14, Martinez, Bogel-Burroughs, Mervosh, 18.61M) reports, "Jefferson had been up late playing Xbox with her 8-year-old nephew, who was still in the room when she was shot. ... Two police officers drove to her home after her neighbor called a nonemergency line at 2:23 a.m. Saturday and asked for officers to check on the house because its front and side doors had been open for several hours."

Robinson: Racism Behind Police Shootings. In his column for the Washington Post (10/14, 14.2M), Eugene Robinson asks, "What can a black person do to keep from getting killed by police in this country?" Robinson recounts the individuals who have been shot while "driving-while-black," "running-away-while-black," "walking-while-black," "standing-while-black," and now, "staying-home-while-black." He writes that "far too often, police officers approach situations involving African Americans with racist assumptions." Robinson concludes that "until police departments banish those attitudes, until officers' default assumption is that black Americans are not suspects but citizens, more innocents like Atatiana Jefferson will die."

WPost: Nothing About Forth Worth Shooting Makes Sense Except Race. The Washington Post (10/14, 14.2M) editorializes that "nothing computes" about Atatiana Jefferson's "killing except for one thing: She was black, and the officer who killed her, Aaron Dean, was white. And that is an all-too familiar equation." The Post asserts that "innocent African American civilians are gunned down by white police so frequently that it would be willful blindness to deny a pattern."

Cities Urged To Require Independent Investigations Of Police-Involved Deaths. Will Jawando (D), an at-large member of the Montgomery County Council, writes in the Washington Post (10/14, 14.2M) that the Montgomery County Council "passed a law that I wrote requiring an independent investigation and full public report in the case of any police-involved death. Fort Worth has no such law. Instead, the mayor of Fort Worth is having the police department conduct the investigation. This risks greatly damaging public trust and obscuring a real understanding of what the officer's motivations were when he fired his weapon — an outcome that would serve neither the police nor the public."

Rise In Violence Worries DC Officials.

The Washington Post (10/14, Hermann, Stein, 14.2M) reports that a high school student died Saturday after being stabbed aboard a Metro train, "the 10th person between the ages of 11 and 17 killed in the District this year." Jaquar McNair's "death came during a week-long surge of violence that has worried city leaders."

Maryland Police Officer Dies After Being Shot.

The Washington Post (10/14, Bui, Duggan, Morse, 14.2M) reports, "An on-duty Montgomery County police officer suffered a fatal gunshot wound Monday in downtown Silver Spring, but the circumstances of the incident remained unclear, authorities said." Acting Montgomery Police Chief Marcus Jones "identified the officer as Thomas J. Bomba, 38, a member of the force for 13 years." He said, "We are treating this as a homicide ... until we have information to suggest otherwise."

California Pushes Back Start Times For Middle, High Schools.

The CBS Evening News (10/14, story 10, 0:19, O'Donnell, 4.29M) reported, "California is now the first state in the country to push back the start of the school day." Gov. Gavin Newsom (D) has "signed a new law that will block the opening bell ringing before 8:00 at public middle schools and 8:30 at high schools." He "pointed to research that shows teenagers benefit from later start times."

Conservative Leaders Push Trump To Pick Cuccinelli To Lead DHS.

The Daily Caller (10/14, Hopkins, 716K) reports, "A group of prominent conservative leaders have signed on to a letter strongly endorsing Ken Cuccinelli to be the next leader of the Department of Homeland Security." A statement released Monday by the Conservative Partnership Institute said, "As acting head of the U.S. Citizenship and Immigration Services (USCIS), Cuccinelli has proven himself exceptionally capable of executing the president's agenda on complex and sensitive issues." The letter included the names of more than of "political activists, operatives, former lawmakers, CEOs, and other big names in the conservative sphere."

NYTimes Analysis: Studies Suggest Immigration Can Help Revive Urban Areas.

In an analysis for "The Upshot" of the New York Times (10/14, 18.61M), Emily Badger and Quoctrung Bui write, "President Trump has turned repeatedly throughout his tenure and his re-election campaign to two targets: immigrants whom he has described as 'invading' the country, and American cities he has called out of control." However, "the president's two oft-cited problems have historically been solutions to each other." Studies suggest that "immigration can help address the problems of urban crime and decay that the president has lamented in cities

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like Chicago and Baltimore." Badger and Bui say that "the president's immigration policies — rooted in the belief that America has run out of room for even legal migrants — threatens the cycle of how cities rejuvenate themselves."

Officials In Washington State Spurn ICE Despite Second Sanctuary City-related Killing.

The Washington Times (10/14, Dinan, 492K) reports, "Prosecutors last week announced a second sanctuary city-related murder case involving an illegal immigrant in the Seattle area, but that has yet to shake local officials who despite the brutality of the slayings say they are not yet ready to begin working with ICE." According to the article, "the latest homicide was particularly vicious, with police saying Carlos Orlando Iraheta-Vega, an MS-13 gang member, bashed his 16-year-old friend's head with a baseball bat." Immigration and Customs Enforcement "says if local authorities had cooperated with them, Mr. Iraheta-Vega — who goes by the name nickname 'Joker' — could have been deported long ago, after an arrest last November." However, "King County refused to notify ICE that Mr. Iraheta-Vega was being released from jail, and instead freed him into the community."

California Expands Rights And Protections Afforded To Immigrants.

The Los Angeles Times (10/14, Willon, 4.64M) reports, "California lawmakers continued the state's expansion of rights and protections this year for immigrants who enter the country illegally, with laws signed by Gov. Gavin Newsom allowing them to serve on government boards and commissions and banning arrests for immigration violations in courthouses across the state." The legislation also "expands California's college student loan program for so-called Dreamers, young immigrants brought to the country illegally as children, to include students seeking graduate degrees at the University of California and California State University schools." The new laws take effect January 1.

Fourteen Police Officers Killed In Ambush In Mexico.

The Washington Post (10/14, Sieff, Martinez, 14.2M) reports, "At least 14 police officers were killed in an ambush in the western Mexican state of Michoacan on Monday, a reflection of the intensifying violence between security forces and criminal groups in one of the country's most volatile regions." Mexican President Andrés Manuel López Obrador "ran for office on promises to address the root causes of organized crime, a strategy he has called 'abrazos, no balazos' — hugs, not bullets." However, "Monday's attack cast more doubt on the effectiveness of his approach." López Obrador "pushed for the creation of a National Guard, aimed at strengthening security in cities with weak local police," but "many have been dispatched to Mexico's southern and northern borders to deter migration to the United States, part of a bilateral plan with the Trump administration."

Trump Urges "Dancing With The Stars" Votes For Spicer.

The AP (10/14, Press) reports President Trump "is trying to influence votes on ABC's 'Dancing with the Stars.' Trump on Monday tweeted that viewers should vote for former White House press secretary Sean Spicer. The president called Spicer a 'good guy' and wrote 'he has always been there for us!'" In response, the former White House Press Secretary tweeted yesterday, "Thank you @POTUS @realDonaldTrump Appreciate all the votes on @DancingABC tonight. Only votes between 8-10pm ET count. Everyone has 20 votes. Text SEAN 10 times to 21523 and vote 10 more at http://abc.com #teamsweetnspicey #DWTS #dwts28."

The Los Angeles Times (10/14, Carras, 4.64M) indicates, however, that "Spicer actually exited Trump's staff less than a year into his term amid reports that the president was unhappy with his communications team." At the White House, adds the Times, "Spicer developed a reputation for spinning facts and picking fights with reporters."

Nunberg: Trump Wanted To Release Tax Returns In 2014 To Tout How Little He Paid.

CNN (10/14, Ward, 83.16M) reports that while President Trump is fighting to keep his tax returns private, that effort "is at odds with his own thinking in 2013 and 2014 that releasing them as part of a presidential bid would make him look like a smart businessman who had spent years lowering his taxable income, according to two people with firsthand knowledge of conversations at the time." Former Trump political adviser Sam Nunberg "tells CNN that during a meeting he had with Trump in the summer of 2013 at Trump Tower, the future president said he was comfortable releasing his tax returns and, even, that he thought it would be a good idea." Nunberg "says he convinced Trump to change tack, and told him that federal election rules obliged him to release only a broad financial statement, rather than his full tax returns. Trump liked the idea because he could show how rich he was, says Nunberg."

West Virginia Lawyer Leading National Opioid Civil Litigation Highlighted.

The Washington Post (10/14, Achenbach, 14.2M) provides coverage of small town West Virginia lawyer Paul Farrell, Jr, who is serving as "one of three lead attorneys in the national prescription opioid litigation, the biggest and most complicated civil case in U.S. history." The suit's "plaintiffs argue that the nation's biggest drug companies — manufacturers, distributors and retailers — recklessly peddled opioid painkillers and fueled a wave of addiction." The piece suggests that "the public nuisance strategy he helped craft has the advantage of requiring abatement — meaning the drug companies could be required to pour billions of dollars into communities across the nation that have been devastated by the epidemic." The West Virginia lawyer "represents hundreds of municipalities, having successfully sued opponents, including Cabell County, of which Huntington is the county seat." Also, Farrell "and the other plaintiffs' attorneys are working on a contingency

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fee basis, meaning they don't get paid anything if they lose in court."

Woman Granted Clemency For Murder Interviewed.

On NBC Nightly News (10/14, story 7, 3:54, Holt, 5.87M), Lester Holt interviewed Cyntoia Brown Long, "a woman convicted of murder as a teenager and sentenced to life," who was "granted clemency" after fifteen years by "then-Tennessee Governor Bill Haslam." Long spoke about "the groundswell of celebrity support that led to her recent release from prison." Long said, "I feel like it's an honor to actually be a picture of what rehabilitation looks like, of what it looks like when we do give people a second chance."

USA Today Analysis: Pompeo Speech On State's Site Raises Concerns Over Church-State Separation.

USA Today (10/14, Behrmann, 10.31M) reports that the State Department website is promoting a speech Secretary of State Pompeo delivered at the America Association of Church Counselors last week about "Being a Christian Leader." The use of the website to promote the speech "has been met with criticism that it potentially violates the principle of separation of church and state enshrined in the Establishment Clause of the Constitution." Pompeo "touts Christianity throughout the remarks, describing how he applies his faith to his government work, referencing God and the Bible during the entirety of the speech."

McGurn Criticizes Reaction To Barr's Speech At Notre Dame Law. William McGurn writes in the Wall Street Journal (10/14, Subscription Publication, 7.57M) that critics' reaction to Attorney General Barr's speech last week at Notre Dame's law school, in which he lamented the decline of religion's influence in American life, shows the degree to which secularists will seek to disparage and undermine anyone who disagrees with them.

WSJournal Analysis: Congress Faces Many Tough Issues In Months Ahead.

Under the headline "Congress Returns To Work With Impeachment, Turkey Crowding Legislative Agenda," the Wall Street Journal (10/14, Duehren, Subscription Publication, 7.57M) looks at the House agenda over the next few months, reporting that those two major issues and the onset of the 2020 presidential campaign are adding stress as Congress struggles to reach a funding agreement before the government runs out of funds in November, and as issues like trade and border control continue to be divisive.

Trump Thanks Reid For His Comments On Reelection Chances.

President Trump tweeted Monday morning, "Former Democrat Senator Harry Reid just stated that Donald Trump is very smart, much more popular than people think, is underestimated, and will be hard to beat in the 2020 Election. Thank you Harry, I agree!"

Trump To Attend Chicago Fundraiser Hosted By Cubs Co-Owner.

The Chicago Tribune (10/14, Pearson, Donovan, 2.65M) reports that when President Trump visits Chicago later this month, he will attend "a fundraiser hosted by Chicago Cubs co-owner Todd Ricketts and Republican National Committee Chair Ronna McDaniel." According to an invitation to the Oct. 28 event, there are "three different levels of donations ranging from $2,800 for a lunch ticket, $35,000 per couple donated or raised to earn a photo with the president and $100,000 raised for an exclusive roundtable sit-down with Trump." The Tribune adds that "a source close to the Trump campaign and the Illinois GOP said the event tentatively has been planned for Trump Tower in downtown Chicago."

Supporters Worry Biden Will Lack Resources To Take On Trump.

Reuters (10/14, Oliphant, Hunnicutt) reports former Vice President Biden "is the only Democrat currently fighting a two-front war: one against the other contenders seeking his party's nomination and a second, more brutal one against Republican President Donald Trump." Some of Biden's top supporters worry he "will lack the resources he needs for a sustained conflict." Biden fundraiser John Morgan said that when it comes to battling Trump, Biden is bringing "a knife to a gunfight." Biden, he added, "doesn't need a gun. He needs a bazooka." With "fundraising of $15 million in the year's third quarter," Biden "is facing a juggernaut in the Trump campaign, which had raised $125 million along with the Republican National Committee in the same period." In addition, Biden's fundraising "trails his leading Democratic rivals, U.S. Senators Elizabeth Warren and Bernie Sanders, each of whom raised around $25 million last quarter."

Scaramucci Trying To Recruit Romney For GOP Presidential Run.

The Week (10/14, Krawczyk, 1.94M) reports former White House Communications Director Anthony Scaramucci "has launched a website and line of T-shirts" aimed at persuading Sen. Mitt Romney (R-UT) to challenge President Trump for the GOP nomination in 2020. Scaramucci told ABC he "has seen an 'overwhelming' response."

Steyer: GOP Victory In 2020 Could Be "The End Of The World."

The Washington Free Beacon (10/14, Matamoros, 78K) reports Democratic presidential candidate Tom Steyer told the Ohio Democratic Party's 2019 State Dinner that a Republican victory in 2020 could mean "the end of the world." Steyer said, "We are in the fight of our lives...

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Everything is on the table in 2020. They think so too, because they think if they lose in 2020 the rules are going to be fair and they're never going to win again. And they're right. If we win in 2020, they're done forever. But it's scary for us, too, because if they win, literally it could be the end of the world."

Facebook's Zuckerberg Reaching Out To Conservative Media.

Politico (10/14, Bertrand, Lippman, 4.29M) reports Facebook CEO Mark Zuckerberg "has been hosting informal talks and small, off-the-record dinners with conservative journalists, commentators and at least one Republican lawmaker in recent months to discuss issues like free speech and discuss partnerships." Politico calls the dinners, which began in July, "part of Zuckerberg's broader effort to cultivate friends on the right amid outrage" by President Trump and his allies "over alleged 'bias' against conservatives at Facebook and other major social media companies." Conservative media figures including Guy Benson, Brent Bozell, Matt Continetti, Mary Katharine Ham, Ben Shapiro, and Byron York have taken part in the dinners. Zuckerberg also met earlier this year with Sen. Lindsey Graham (R-SC), "who insinuated that Facebook had become a monopoly during a congressional hearing last year."

WSJournal: Warren Seeking To Suppress Her Opponents' Facebook Ads. The Wall Street Journal (10/14, Subscription Publication, 7.57M) argues in an editorial that Sen. Elizabeth Warren's (D-MA) professed anger over Facebook's decision that it will not examine politicians' ads for false statements is a bid to suppress ads from her opponents.

PPP Poll Shows Tight General Election Race In Ohio.

A Public Policy Polling (D) survey of 776 Ohio voters, taken October 10-11, shows President Trump trailing a generic Democrat by one point, 48%-47%, in a general election matchup in the state. Trump trails ex-Vice President Joe Biden 48%-46%, is tied at 47% each with both Sens. Bernie Sanders (I-VT) and Elizabeth Warren (D-MA), and leads Sen. Kamala Harris (D-CA) and Mayor Pete Buttigieg by four points – 47%-43% – each.

AP Analysis: Democrats Struggling With New Republican Dominance In Ohio. The AP (10/14, Smyth) reports that as the Democrat presidential candidates prepare to debate in Ohio this week, "they're grappling with whether the new Republican dominance in those industrial and rural pockets has pushed Ohio out of their reach." Some "are contemplating once unheard-of White House victory scenarios that leave out Ohio." The AP adds that although "Ohio was long a bellwether because its population resembled that of the United States as a whole," it "no longer mirrors the nation. It's whiter and slightly older than the national average." Moreover, fewer Ohioans "have a college degree" than the national average, and the state's median household income is "below the national median. Republicans run stronger with those groups."

Ohio Focus Group Finds Swing Voters See Impeachment As A Distraction. Breitbart (10/14, Wong, 673K) reports that "nine out of 11 swing voters" who participated in a focus group in Ohio convened by Axios and Engagious/FPG last week "said impeachment is a distraction from the issues they care most about – wages and unemployment, border security, bringing troops home, and health care costs and access." According to an Axios report, the focus group showed that swing voters are "expressing a range of unease about impeaching President Trump." Those fears "range from impeaching hurting the economy to frustrations that House Democrats are most invested in going after Trump than in helping people." Participants said impeachment made them feel "concerned," "uneasy," "exhausted," "sad that they're [Democrats] so focused on it," and "a big distraction from what we could be doing."

Nussbaum: Undecided Ohio Voters Are Focused On "Bread-And-Butter Issues." In an op-ed for the New York Times (10/14, 18.61M), Karen Nussbaum, founding director of Working America, A.F.L.-C.I.O, that undecided voters in Ohio are "focused on solving the problems plaguing their families right now. Their lives are precarious, and most don't think anyone in politics has their back." Nussbaum writes that "when candidates focus on bread-and-butter issues, they are on the right track."

Nearly One In Five Names On Ohio Voter Purge List Should Not Have Been There. The New York Times (10/14, Casey, 18.61M) reports that Ohio has "some of the country's strictest voting laws," including a "'use-it-or-lose-it' provision that lets officials drop voters seen as inactive." Voting rights advocates argue that "parts of the state are regularly disenfranchised, largely in purges aimed at those who have died or moved away, but which also hit real voters." In a bid to answer those concerns, "a group of elected officials in the state, mostly all moderate Republicans, tried" an experiment under which the government, instead of "purg[ing] the voter rolls behind closed doors as had been done in the past...released the full list of those to be removed this summer, and gave the list to advocacy groups. The groups said they found the list was riddled with errors." In all, "around 40,000 people, nearly one in five names on the list, shouldn't have been on it, the state determined."

CNN Did Not Disclose Warren Questioner At LGBT Forum Was A Maxed-Out Donor.

The Washington Free Beacon (10/14, Griswold, 78K) reports that CNN "failed to disclose" that the questioner who prompted Sen. Elizabeth Warren's (D-MA) "zinger at an LGBT town hall" last week "donated the federal maximum to her 2018 Massachusetts Senate campaign." Morgan Cox, who Chris Cuomo introduced as "the chair of the Human Rights Campaign board of directors" who was part of "a real estate investment firm in Dallas, Texas," asked Warren what she would say if "a supporter approaches you and says, 'Senator, I'm old-fashioned and my faith teaches me that marriage is between one man and one woman." Warren said, "Well, I'm going to assume it's a guy who said that and I'm going to say, 'Then just marry one woman. I'm cool with that.' ... Assuming you can find one." According to FEC filings, Cox donated the legal maximum of $2,700 to Warren's Senate primary campaign in 2017, and her general election campaign in 2018.

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Firehouse Strategies Polls: Warren Leads Leadoff States, Biden Ahead In South Carolina.

The Hill (10/14, Easley, 2.98M) reports Sen. Elizabeth Warren (D-MA) "leads former Vice President Joe Biden in Iowa and New Hampshire, but South Bend, Ind., Mayor Pete Buttigieg has surged into contention in the Hawkeye State, according to a new poll." The latest Firehouse Strategies-Optimus survey "finds Warren with a narrow lead in Iowa at 25 percent support, followed by Biden at 22 percent and Buttigieg at 17 percent." Sen. Bernie Sanders (I-VT) is a distant fourth at 5%. Warren's lead "is larger in New Hampshire, where she registers 25 percent support, followed by Biden at 18 percent and Sanders at 9 percent. Still, Biden leads big in South Carolina, where black voters make up more than half of the Democratic primary electorate. Biden comes in at 32 percent, compared to 16 percent for Warren and 8 percent for Sanders."

Warren Leads Democrats With 30% In New Quinnipiac National Poll. Meanwhile, The Hill (10/14, Greenwood, 2.98M) reports in a separate story that a Quinnipiac University poll released Monday shows that Warren "leads pack of Democratic presidential hopefuls but remains only narrowly ahead" of Biden. According to the poll, Warren has "30 percent support among Democratic and Democratic-leaning voters nationally," while Biden "notched 27 percent support in the survey, still within its 5.3 percentage point margin of error." Sanders is "the only other candidate to register double-digit support in the poll," with 11 percent support. The Hill adds that Buttigieg, and Sen. Kamala Harris (D-CA) "rounded out the top five with 8 percent and 4 percent support, respectively."

Warren Stressing "Physical Stamina" On Campaign Trail.

The Los Angeles Times (10/14, Hook, 4.64M) reports Sen. Elizabeth Warren (D-MA) has been taking steps to show that "her physical stamina belies her age...taking every opportunity to flaunt her fitness. In the now-famous selfie-photo lines that are the capstone of her campaign rallies, Warren stays on her feet for hours greeting voters individually. Opening her rallies, she typically jogs to the podium." All three of the frontrunners for the Democratic presidential nomination are in their 70s, and Sen. Bernie Sanders (I-VT) was briefly sidelined due to a heart attack.

NYTimes Analysis: Warren Has Few Endorsements From Democratic Leaders. The New York Times (10/14, Martin, 18.61M) looks at Warren's relative death of endorsements by Democratic leaders, writing that "she lacks the support of a single governor, big-city mayor or fellow senator outside Massachusetts." While Warren "is expected to reveal additional support from Democratic officials this week" in conjunction with Tuesday's debate "and the release of her smashing third-quarter financial disclosure," the party establishment has been slow to get behind her. Ex-Sen. Heidi Heitkamp (D-ND) said, "People are concerned about Joe [Biden], but they ask: Is Elizabeth electable? So a lot of people are just keeping their powder dry because they have not decided who can best run against Trump."

Castro Releases List Of Endorsements.

Politico (10/14, McCaskill, 4.29M) reports, "In a bid to make a splash before Tuesday's primary debate," ex-HUD Secretary Julián Castro's presidential campaign "rolled out dozens of endorsements Monday from current and former state and local elected officials, activists, community leaders, party leaders and Latino leaders." Though "only two members of Congress have endorsed Castro for president" – and one of them is his brother Rep. Joaquin Castro (D-TX) – "the latest slate of endorsements includes support from current and former officials from Arizona, New Mexico, Minnesota, Texas and California, and Latino leaders from the Clinton and Obama White Houses and administrations, Nebraska, California, Minnesota and Florida."

Gabbard Says She Will Participate In Tuesday Debate.

The New York Times (10/14, Lerer, 18.61M) reports Rep. Tulsi Gabbard (D-HI) said Monday that she will participate in Tuesday's Democratic presidential debate "after raising the possibility of boycotting it to protest what she sees as a 'rigging' of the election." Gabbard "had argued that the corporate news media and Democratic National Committee were working together to influence the event."

Associates Say Bloomberg Could Still Enter Presidential Race If Biden Falters.

CNBC (10/14, Schwartz, 3.62M) reports on its website that former New York Mayor Michael Bloomberg "might end up running for president, after all." Bloomberg "has indicated to associates in recent weeks that Joe Biden's recent struggles against Sen. Elizabeth Warren are making him rethink his decision to stay out of the 2020 Democratic primary. That's according to people familiar with the discussions who spoke on condition of anonymity." Bloomberg "has signaled he's 'still looking at' running for president, but people close him say that the only way he could even go down that path is if Biden's fortunes suffer so much that he drops out before or during the early stages of the primary." Last year, Bloomberg said that if he ran, it would be as a Democrat.

Edwards Poll Shows Him With Wide Lead In Louisiana Gubernatorial Race.

The Monroe (LA) News Star (10/14, Hilburn, 64K) reports the campaign of Louisiana Gov. John Bel Edwards (D) "has released an internal poll showing Edwards with a wide lead over Republican Eddie Rispone in an effort to dispel some sentiment the governor faces an uphill battle to win the Nov. 16 runoff election. The survey conducted by ALG Research shows Edwards leading with 52% compared to Rispone at 36%."

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Plame Raised Nearly $447K In Q3 For NM3 Race.

The Hill (10/14, Frazin, 2.98M) reports ex-CIA operative Valerie Plame raised $446,749 for her Democratic bid in the open-seat NM3 race, "nearly double her total from the previous filing period. ... The campaign has raised a total of more than $683,000 since Plame announced she was running for Congress in May."

Hunter Seeks Local GOP Endorsement.

The AP (10/14) reports that Rep. Duncan Hunter (R-CA) "is scheduled to appear at a Republican forum in San Diego to seek the endorsement of the local GOP for another term." To get the endorsement, Hunter who is under indictment for "using campaign funds for personal expenses," will "need to overcome challenges from several rival Republicans, including former Rep. Darrell Issa and radio personality Carl DeMaio."

Farrow Book Says National Enquirer Shredded Trump-Related Documents In 2016.

Politico (10/14, Lippman, 4.29M) reports that Ronan Farrow writes in his new book "Catch and Kill: Lies, Spies, and a Conspiracy to Protect Predators" that American Media, Inc. and the National Enquirer "shredded sensitive Donald Trump-related documents that had been held in a top-secret safe right before Trump was elected in 2016." The book alleges that in the first week of November 2016, "Dylan Howard, who was then editor in chief of the National Enquirer, ordered a staff member to 'get everything out of the safe' and that 'we need to get a shredder down there.'"

Farrow: Weinstein Helped Clinton Hurt Sanders. Fox News (10/14, Wulfsohn, 27.59M) reports on its website that according to Farrow's book, "Hillary Clinton's 2016 campaign apparently accepted help from now-disgraced film mogul Harvey Weinstein to hurt rival Sen. Bernie Sanders, I-Vt." Farrow "wrote that Weinstein, who'd been a major fundraiser and longtime donor for the Democrats, was part of the 'brain trust around Hillary Clinton.'" Farrow cited "an email exchange between the movie mogul and the Clinton campaign ahead of the election." Referring to "Sanders' outreach to Latino and African-American voters," Weinstein wrote, "I'm probably telling you what you know already, but that needs to be silenced."

Farrow Says MSNBC President Shared Revealing Image Of Menounos In Staff Meeting. Fox News (10/14, Wulfsohn, 27.59M) reports on its website that according to Farrow's book, MSNBC President Phil Griffin "shared a revealing image of TV personality Maria Menounos during a staff meeting." In his book, Farrow "alleged that four MSNBC colleagues said Griffin" was "known for making lewd and crass remarks in work emails," and in one instance, he "'waved' a printed zoomed-in image of Menounos' vagina after a wardrobe malfunction she had while wearing a bikini."

NBC News Denies Farrow's Allegations. The New York Times (10/14, Hsu, 18.61M) reports that NBC News on Monday denied investigative journalist Ronan Farrow's allegations in his new book "Catch and Kill" that "the network tried to conceal complaints about the former 'Today' host Matt Lauer and obstruct Mr. Farrow's reporting into the film mogul Harvey Weinstein." In an "extensive memo" that was sent to NBC News and MSNBC employees, NBC News president Noah Oppenheim wrote, "We have no secrets and nothing to hide." Oppenheim described Farrow's reporting as a "smear" and a "conspiracy theory." Oppenheim wrote, "Farrow's effort to defame NBC News is clearly motivated not by a pursuit of truth, but an ax to grind. ... It is built on a series of distortions, confused timelines and outright inaccuracies."

Cameron: Good Journalists Losing Air Time To Opinion Makers At Fox News.

USA Today (10/14, Jensen, 10.31M) reports that former Fox News reporter Carl Cameron "is voicing his concerns after Shepard Smith shocked by announcing his departure Friday." Cameron told CNN's Reliable Sources Sunday, "There are an awful lot of really good journalists at Fox News Channel. It's just that they're vastly outnumbered by the opinion makers, and the opinion makers are more interested in playing to people's bias than anything else. ... And it makes it very difficult for journalists to actually give people honest facts when the air time is shrinking constantly." Cameron also said that if whoever fills Smith's time slot are "actually news journalists, then that'll be a good sign for the 3:00 hour." But "if it's not, if it's opinion mavens, then that'll be just another big chunk of real journalism that won't exist there."

PG&E Has Restored Power To All Of Its Customers.

The Washington Post (10/14, Wilson, 14.2M) reports that Pacific Gas & Electric, which was "behind last week's intentional power shut-off across Northern and Central California has restored electricity to all of its customers as shifts in weather have lessened the likelihood its equipment will spark wildfires." Power was shut down "in stages last week to nearly 1 million customers in a ring around the Bay Area, from wine country to near the Oregon border, and as far east as several Sierra Nevada counties." The Post says that although PG&E "says the outage might have prevented wildfires in several northern counties...it certainly caused millions of dollars in damage to closed businesses, generator-less households and others in places where the weather never lived up to the predicted conditions."

Author: Rural America Will Stand By Trump.

In an op-ed for the New York Times (10/14, 18.61M), author Robert Leonard writes that "many conservatives" in Iowa "think the 'loony libs' are the ones self-destructing." While "the state of Iowa might be in play in the 2020 election," he adds, "around here, conservative rural America isn't in play and may never be. It will stand by Mr. Trump and will likely never vote for a Democrat."

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Three More States, DC Celebrated "Indigenous Peoples Day" Monday.

The AP (10/14, Contreras) reports the District of Columbia, Maine, New Mexico, and Vermont "celebrat[ed] their first Indigenous Peoples Day on Monday as part of a trend to move away from a day honoring Christopher Columbus. ... In all, around 10 states observe some version of Indigenous Peoples Day in October, along with more than 100 U.S. cities." For his part, President Trump tweeted Monday morning, "Happy Columbus Day!"

WSJournal: Supreme Court Should Find Puerto Rico Oversight Board To Be Constitutional.

In an editorial, the Wall Street Journal (10/14, Subscription Publication, 7.57M) argues that the Supreme Court should find that a financial oversight board established by Congress to oversee Puerto Rico's fiscal decisions does not violate the Constitution. The Court is being asked to consider whether the appointment of the board's members must comply with the Constitution's Appointments Clause. The Journal points to Congress' plenary authority over territories and long-established precedent that constitutional safeguards such as the Appointments Clause do not apply to territories.

RCP Average Has Trump's Job Approval At 43.6%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 43.6%, and his disapproval at 53.5%. The President's job approval is up 0.1 since yesterday; his disapproval is unchanged.

A Rasmussen poll of 1,500 "likely voters" (10/9-10/13) finds Trump's approval at 49%, with 50% disapproving.

A Quinnipiac survey of 1,195 "registered voters" (10/11-10/13), meanwhile, has the President's job approval at 41%, and his disapproval at 54%.

Financial International News

US Congress Members Push Trump To Keep Russia From Gaining Control Of Citgo.

The Houston Chronicle (10/11, Chapa, 730K) reports that seven members of US Congress, including Sen. Ted Cruz "are asking President Donald Trump to avoid a situation that could put the Houston refining company Citgo in Russian hands." In 2016, Venezuela's government used Citgo as collateral to collect a $1.5 billion loan from Russian oil firm Rosneft. Meanwhile, "PDSVA is supposed to make a $915 million bond payment on Oct. 28 but if the Venezuelan company defaults, Cruz and the others fear that could trigger a chain of events that could end with Rosneft owning 49.9 percent of Citgo." Cruz was joined by "Louisiana Senators Bill Cassidy and John Kennedy; Florida Sen. Marco Rubio; Louisiana congressmen Clay Higgins and Ralph Abraham — and Texas Congresswoman Lizzie Fletcher, a Democrat whose West Houston district includes Citgo's headquarters."

The Wall Street Journal (10/11, Scurria, Subscription Publication, 7.57M) reports that the upcoming bond payment is an issue for Citgo and for the country's opposition leaders, who risk losing control of Citgo if PDVSA is unable to make the bond payment.

Controversy Over Draghi's Legacy Continues At ECB.

Behind a paywall, Bloomberg (10/14, Stirling, 4.73M) reports that former ECB President Jean-CLaude Trichet "rejoined the fray in support of his successor" Mario Draghi, "extending weeks of controversy that have rocked the Frankfurt institution." Meanwhile, in a separate paywalled report, Bloomberg (10/13, Groendahl, 4.73M) says several members of the ECB's Governing Council "are against the ECB buying more bonds, the Austrian central bank Governor Robert Holzmann said."

Swiss Bank Discovered To Be Venezuelans' Corruption Payments Go-To Facilitator.

Bloomberg (10/15, Devereux, Smith, 4.73M) reports Geneva-based CBH Compagnie Bancaire Helvetique SA, "a family-owned bank that has grown eightfold since 2006," has been discovered to be the only bank involved in money transfers involving bribery in Venezuela. Former Venezuelan Financial Crimes chief Zair Mundaray, said, "This is the go-to bank for Venezuelans to hide money. They all banked at CBH." The report says US prosecutors "are looking into at least five Venezuelans who banked at CBH and are suspected of corruption, two people familiar with the probes said. The bank itself isn't a target of those investigations, the people said."

Russia Seeks Rouble Deals To Minimize Exposure To US Pressure.

Under the headline "Russia looks at alternatives to dollar for energy transactions," The Financial Times (10/13, Seddon, Foy, Subscription Publication, 1.34M) reports Russian Economy Minister Maxim Oreshkin said in an interview that Russia seeks to reduce its exposure to US pressure by pursuing energy transactions in Russian roubles, rather than US dollars.

BOJ On Course To Shrink Its Bond Holdings For First Time In A Decade.

Behind a paywall, Bloomberg (10/14, 4.73M) reports, "The Bank of Japan is on course for a historic turning point that would see its bond holdings shrink next year for the first time in a decade, according to a Bloomberg News analysis."

Leading International News

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WTimes Analysis: Trump's Vow To Bring Troops Home Clashes With Saudi Troop Deployment.

The Washington Times (10/14, Wolfgang, Taylor, 492K) reports, "President Trump has stoked his political base by touting the withdrawal of more than 1,000 U.S. troops from Syria as keeping his 2016 campaign promise to end American involvement in foreign 'forever wars.'" But private analysts say "the Pentagon's near-simultaneous deployment of some 3,000 troops and advanced missiles to Saudi Arabia is likely to trigger an escalation with Iran that could undercut Mr. Trump's determination to get the U.S. military out Middle East entanglements." Administration officials claim that "the goal is to deter, not trigger, a wider clash with Iran." Brian Hook, a special representative for Iran, "said the strategy is to use harsh economic pressure and military assets to entice Iran into talks."

Putin Visiting Saudi Arabia. Reuters (10/14, Astakhova, Kalin) reports Russian President Vladimir Putin "signaled Moscow's growing Middle East clout on Monday on his first visit to Saudi Arabia in over a decade, buoyed by Russian military gains in Syria, strong ties with Riyadh's regional rivals and energy cooperation. ... Russian and Saudi flags lined Riyadh streets ahead of Putin's one-day visit, which includes an evening performance by Russia's Tchaikovsky Symphony Orchestra. He travels to the United Arab Emirates on Tuesday."

USA Today: Saudi Arabia Seems To Have Escaped Real Consequences For Khashoggi's Death. USA Today (10/14, 10.31M) editorializes that the "grisly killing of Washington Post columnist Jamal Khashoggi" last year "doesn't seem to matter anymore." Large financial firms last year boycotted Saudi Arabia's "Davos in the Desert," but "attending this year's extravaganza are executives of JPMorgan Chase, Goldman Sachs and Citigroup, all of them institutions selected to underwrite the kingdom's highly anticipated, partial public offering of its oil company, Aramco, valued $1.5 trillion to $2 trillion." The editorial adds that "it hasn't helped that the Trump administration has all but looked the other way, despite a CIA assessment that the crown prince likely ordered the assassination," and the president "operates as if the murder never happened."

Nazer: Saudi Arabia Making Progress, "Undergoing An Unprecedented Transformation". In an op-ed for USA Today (10/14, 10.31M), Fahad Nazer, the spokesperson for the Royal Embassy of Saudi Arabia, argues that the kingdom has acted appropriately following the death of Jamal Khashoggi, calling it a "crime" that was "a flagrant violation of the kingdom's laws and an egregious affront to our values." Nazer writes that "the kingdom's leadership has publicly taken responsibility for what occurred because it happened under its watch and has implemented concrete measures to ensure that nothing like this happens again." According to Nazer, "the kingdom has dealt with this terrible incident the way any responsible member of the international community would."

Hong Kong Protesters Urge US Congress To Pass Human Rights Bill.

The Wall Street Journal (10/14, Cherney, Subscription Publication, 7.57M) reports tens of thousands of protesters in Hong Kong waved US flags and played the US national anthem on Monday evening, urging Congress to pass the Hong Kong Human Rights and Democracy Act. The legislation would require the secretary of state to certify Hong Kong's autonomy every year for the city to continue receiving special economic treatment.

Hong Kong Police Say Demonstrators Set Off Bomb Sunday. The AP (10/14, Leicester) reports, "A homemade, remote-controlled bomb intended to 'kill or to harm' riot control officers was detonated as they deployed against renewed violence in Hong Kong over the weekend, police said Monday, in a further escalation of destructive street battles gripping the business hub." The Sunday night explosion "marked the first known use of an explosive device during protests that started in June."

Trump Says He Will "Be Looking Into" Case Of American Charged With Murder In Anguilla.

The AP (10/14) reports President Trump "says he'll 'be looking into' the case of a U.S. financial adviser charged with killing a hotel worker while on a family vacation in Anguilla after the man's wife appeared on the 'Fox & Friends' morning show and urged Trump to intervene." The President tweeted, "Will be looking into the Scott Hapgood case, and the Island of Anguilla. Something looks and sounds very wrong. I know Anguilla will want to see this case be properly and justly resolved! @foxandfriends @SteveDucey @ainsleyearhardt". The President tagged Steve Ducey, a self-described "socialist community organizer," rather than Fox host Steve Doocy, in the tweet.

Parents Of UK Teen Killed By Wife Of US Diplomat Call For Justice.

All three networks last night covered the controversy over the death of a UK teen in an auto accident where the driver was the spouse of a US diplomat. NBC Nightly News (10/14, story 6, 2:00, Holt, 5.87M) reported that "the parents of a British teen are now in the US demanding justice for their son killed in a fatal accident." NBC (Park) added, "Charlotte Charles and Tim Dunn's 19-year-old son, Harry, died in a wrong-way crash in August." Anne Sacoolas, the wife of a US diplomat who left the UK claiming immunity, is suspected of driving the car that killed Harry. Sacoolas is now "breaking her silence, saying she's devastated and would like to meet with Mr. Dunn's parents so she can express her deepest sympathies and apologies for this tragic accident. Harry's parents say they will only meet with Sacoolas if she returns to the UK."

ABC World News Tonight (10/14, story 7, 1:35, Muir, 6.92M) reported, "Dunn's parents, flying here from England, demanding justice, saying that a written apology from the American woman responsible for their son's death is not enough." Charlotte Charles: "We will still keep fighting. We will do what we can to make sure this doesn't happen to another family." The CBS Evening News (10/14, story 8, 1:45, O'Donnell, 4.29M) reported that since Dunn's death, "his parents, the British police, and most recently, the British Prime Minister [Boris

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Johnson], have been calling on Sacoolas...to return" to the UK.

Both Sides Say Brexit Talks Moving Slowly.

The AP (10/14, Lawless, Casert) reports Brexit talks in Brussels "are making slow progress, both sides said Monday as some EU ministers said they could even spill into next week." Meanwhile in London, "Britain dragged out a horse-drawn carriage and a diamond-encrusted crown so the queen could read out the government's post-Brexit plans to Parliament." Reuters (10/14, Faulconbridge, Baczynska) reports Prime Minister Boris Johnson and EU leaders "face a tumultuous week of reckoning that could decide whether the divorce is orderly, acrimonious or delayed yet again."

Clashes In Barcelona After Spanish Supreme Court Sentences Catalan Independence Leaders.

The AP (10/14, Parra, Giles) reports, "Riot police engaged in a running battle with protesters outside Barcelona's airport Monday after Spain's Supreme Court convicted 12 separatist leaders of illegally promoting the wealthy Catalonia region's independence and sentenced nine of them to prison." Police shot "foam bullets and used batons against the thousands of protesters" who converged at the airport "after a pro-independence grassroots group put out the call. ... Police also clashed with angry crowds late Monday night in downtown Barcelona."

The Washington Post (10/14, Rolfe, McAuley, 14.2M) reports, "Catalan officials attacked what they considered harsh sentences, although all 12 defendants were acquitted of the more serious charge of rebellion. They called on the Spanish government to negotiate a different solution." However, "the acting government in Madrid urged respect for the rule of law."

Reuters (10/14, Pinedo, Faus) reports that "the jailed men sent out messages of defiance, urging people to take to the streets." According to the article, "the strength of the protests could be the first indication of how the future looks for the independence struggle, which has so far been largely peaceful."

The New York Times (10/14, Minder, 18.61M) reports that "the verdict came before a repeat national election on Nov. 10. ... It will be Spain's fourth election in four years, highlighting the country's political polarization and fragmentation." The ruling on Monday will have "a direct impact on next month's national election" because the former deputy leader of Catalonia and "five other condemned politicians had planned to run."

The Guardian: "Shocking" Events In Spain Must Not Be Repeated In Scotland. The Guardian (UK) (10/14, 4.19M) editorializes that "Catalonia and Scotland are home to Europe's two most developed independence movements, but they have taken, up to now, very different separatist strategies." The editorial says Scottish National Party leader Nicola Sturgeon has been "scrupulous and right to spurn the illegal referendum route embraced by frustrated Catalan nationalists. That unilateralism has now led the Spanish courts to take the shocking course of making political prisoners of nationalist leaders." The Guardian urges both Scotland and Britain to "commit themselves not to go down a similar route, however strong the temptations may seem."

Yellow Vest Protesters Expect Massive Turnout For Anniversary Of Movement.

The Washington Times (10/14, Rosman, 492K) reports France's yellow vest protesters will "officially mark the movement's one-year anniversary" on November 17, at a time when the movement seems to have lost momentum in recent months. According to the article, "public backing for the protesters, strong in the early days, has dropped," and French President Emmanuel Macron's "current approval rating, at 37%, is at its highest level in more than a year." Nevertheless, "yellow vest activists insist their protest is alive and well and reports of its death have been greatly exaggerated." Francois Boulo, a spokesman and organizer for the yellow vest chapter in the western city of Rouen, "said he expects turnout" on November 17 "to be similar to what it was during the height of the movement, when more than 280,000 across the country participated."

Housing

Redfin: Median-Income Black Household Can Afford Only One Quarter Of Homes On The Market.

USA Today (10/15, Davidson, 10.31M) reports, "The median-income black household could afford just 25% of U.S. homes on the market last year, down from 39% in 2012, according to data provided exclusively to USA TODAY by real estate brokerage Redfin and based on the 46 largest markets. By contrast, median-income white households could afford 57% of homes for sale last year, down from 69% seven years ago." Redfin Chief Economist Daryl Fairweather said, "African Americans who haven't been able to buy a home since the recovery began have only seen prices rise further and further out of budget."

NAHB: Price Of Residential Construction Materials Fell In September.

M Report (10/14, Albanese) says the National Association of Home Builders (NAHB) "reported that prices paid for materials used in residential construction fell 0.3% in September, according to the Bureau of Labor Statistics' Producer Price Index (PPI). Prices have fallen by an average of 0.1% per month over the last year, and the price of materials used to build homes has increased 1.7% in 2019 – the slowest year-to-date growth through September since 2015." NAHB Chairman Greg Ugalde said, "Removing regulatory barriers that contribute to the increased costs of housing will pave the way to homeownership. Home builders and the residential construction community are committed to

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working with Congress to ensure homeownership is within reach of hard working families."

Realtor.com Highlights Top Home-Flipping Markets.

DS News (10/14, Welborn) reports Realtor.com "examined where the highest percentages of home sales are for flipping or renting out," and found that "real estate investors purchased 7.7% of all homes in the second quarter of 2019, up 0.6% year-over-year, the most speculation the market has seen 2013." St. Louis was the top destination for flippers and landlords; there, 18.8 percent of sales were investment properties. St. Louis broker Dennis Norman said that today, there are "a lot of investors from California, from Colorado, and even international investors."

Redwood Trust To Acquire CoreVest For $490M.

HousingWire (10/14, Lane, 23K) reports REIT Redwood Trust is "growing its real estate investor loan business through an acquisition," announcing Monday that it will acquire CoreVest American Finance Lender (formerly known as Colony American Finance) for $490 million. According to HousingWire, "CoreVest was founded in 2014 and specializes in lending to real estate investors who want to purchase single-family rental homes, townhomes, condos, and small multifamily properties." National Mortgage Professional (10/14, Hall) provides additional coverage.

Anally Preps $466M Expanded-Credit MBS.

Behind a paywall, Inside Mortgage Finance (10/14, Ivey, Subscription Publication) reports, "Annaly Capital Management is preparing to issue a $465.5 million expanded-credit MBS, the largest EC deal so far from the nation's largest real estate investment trust. Annaly has issued four other expanded-credit MBS, including two deals this year. The largest was a $463.4 million bond that came to market in July." According to IMF, "The new transaction differs in a couple of ways from previous issuance by the REIT. Banc of California had been the top contributor to expanded-credit MBS from Annaly but with the new offering, Hanover Community Bank will garner that distinction with a 18.1% share. Banc of California will be second at 11.9%. The investment-property share of loans in EC MBS from Annaly also is increasing: 32.3% of the new deal compared to 12.5% for the April transaction."

Lender Price Announces Release Of "FLEX Pricer" Non-QM Pricing Platform.

According to Mortgage Professional America (10/14, Smith), "Lender Price, a provider of mortgage-origination and loan-pricing technology, has announced the release of FLEX Pricer, a pricing platform designed for non-QM and non-agency lenders." The platform "supports all loan types." However, it is "most effective with non-QM loan products, according to Lender Price."

Mortgage Tech Rundown Features Updates On Finastra, Mace Innovations, AFR.

According to HousingWire's (10/14, Lloyd, 23K) latest Mortgage Tech Rundown, "Finastra has partnered with Monotto, a premier tech start-up, to launch two new solutions that are built on the company's FusionFabric.cloud open development platform." Meanwhile, "Mortgage technology solutions provider Mace Innovations announced its suite of automation tools are now available through Ellie Mae's Encompass digital platform." And lastly, "American Financial Resources announced it has partnered with Finicity to provide its business partners and their borrowers with a faster and more secure way to verify assets and income while originating loans."

CFPB Could Grant Retroactive QM Status To Loans Without Recent Missed Payments.

Behind a paywall, Inside Mortgage Finance (10/14, Muolo, Subscription Publication) reports, "Loans that don't miss payments for a certain period of time should receive qualified mortgage status retroactively, according to feedback received by the Consumer Financial Protection Bureau. As part of its advanced notice of proposed rulemaking in July, the bureau requested input on making adjustments to QM standards. In the notice, the CFPB said some industry participants had suggested amending the ability-to-repay rule to allow a performing loan that has been on a financial institution's book for at least two years, or a slightly longer time frame, to automatically convert into a QM." The CFPB said, "These stakeholders argue that when a loan defaults after performing for two or three years it is not reasonable to conclude that the default was caused by the creditor's failure to consider the consumer's ability to repay."

CFPB Establishing Task Force To Explore Ways To "Harmonize" And "Modernize" Regulations.

Mortgage Orb (10/14, Barnard) reports the CFPB is "establishing a task force that will look for ways to improve and strengthen consumer financial laws and regulations." According to Mortgage Orb, "The new Taskforce on Federal Consumer Financial Law will examine the existing legal and regulatory environment facing consumers and financial services providers and report its recommendations to Kathy Kraninger, director of the CFPB." CFPB Director Kathy Kraninger said, "An objective and independent evaluation of our current regulatory framework to identify where there may be gaps or where regulation should be simplified or modernized is needed to help us more effectively carry out our mission of protecting consumers."

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Citing Collins v. Mnuchin, CFPB Argues Against All American Check Cashing's Motion For Judgment On Pleadings.

In a LexBlog (10/14) piece, Co-Practice Leader of Ballard Spahr's Consumer Financial Services Group Alan Kaplinsky says, "All American Check Cashing and the CFPB have submitted letter briefs to the Fifth Circuit regarding what action the court should take in light of the en banc Fifth Circuit's decision in Collins v. Mnuchin that held the FHFA's structure is unconstitutional." According to Kaplinsky, the CFPB, no longer defending its constitutionality in the appellate courts or Supreme Court, "concedes in its letter brief that the structure is unconstitutional." However, the CFPB also "argues that, following the en banc Fifth Circuit's approach in Collins, the proper remedy is to sever the CFPA for-cause removal provision but not grant All American's motion for judgment on the pleadings. It also argues that the panel should allow the enforcement action to proceed because it was ratified by Acting Director Mulvaney and Director Kraninger does not support dismissal of the enforcement action."

As Green Bond Issuance Rises, Regulators Take Aim On "Greenwashing."

In a potentially paywalled Bloomberg (10/14, 4.73M) piece, Lyubov Pronina and Tom Freke provide a rundown of "green bonds," which are described as "a way for issuers to raise money specifically for environmentally friendly projects – such as renewable energy or clean transport – and to be able to boast about it publicly." According to the duo, "Fund managers also like the notes as a way of meeting growing investor demand for sustainable options. The market, which opened slowly more than a decade ago, has boomed in recent years, helping spur development of other socially conscious debt products." The US is "the largest source overall, led by the mortgage giant Fannie Mae and local governments selling notes to finance infrastructure such as sewerage upgrades." However, "Because investors face the challenge of judging whether a note is truly green, regulators are working on standards to help guard against greenwashing – misleading claims about just how good a friend to the environment an issuer is."

Analysis: Repo Volatility Leaves Fed In A Tough Place When It Comes To SOFR.

In a Seeking Alpha (10/14, Dew, 512K) analysis piece, Kurt Dew argues that recent volatility in the repo markets and the Fed's insistence on facilitating a quick transition away from Libor have left the central bank in a bind. According to him, "the introduction of the secured overnight financing rate (SOFR) and the Fed's anointing of SOFR to LIBOR replacement status has predictably caused the broader financial world to elevate the function and importance of repo. Therefore, the Fed must confront a new dimension in monetary policy tactics, the repo's optics. It is not only what the repo does that matters now. It is also what the repo rate seems to do." However, "any return of the New York Fed's open market desk to the active management of repo rates to meet a policy-targeted rate, as the desk did pre-Crisis, will place SOFR in the box of manipulated rates beside LIBOR, knocking the entire SOFR project into a cocked hat."

Analysis: UK Regulators Grow Frustrated With Firms Continuing To Use Libor.

Risk (10/14) Editor-at-Large Helen Bartholomew says that UK regulators are "losing patience with a growing stock of Libor exposures. The Bank of England's Financial Policy Committee last week threatened policy action to more-forcibly detach participants from the discredited rate before the end of 2021, when it could vanish from view." According to Bartholomew, "Participants may be dabbling in regulator-preferred risk-free rates (RFRs) such as Sonia in the UK and SOFR in the US, but there appears to be no let-up in firms writing new Libor contracts despite risks to the benchmark's existence after 2021. The stock of Libor-linked instruments set to mature after the rate's impending death jumped by around 50% to approximately £12 trillion ($15 trillion) between April 2018 and August 2019, according to LCH data."

Markets

10-Year Yield Rises.

MarketWatch (10/9, 1.67M) reports the 10-Year Treasury Yield rose to 1.686 percent.

Dollar Eases Against Yen.

Reuters (UK) (10/15, Uetake) reports, "The dollar hovered below 2-1/2-month highs against the yen on Tuesday, failing to extend recent gains as optimism over trade negotiations between the world's two largest economies and for an orderly British exit from the European Union started to fade." The dollar "eased marginally to 108.31 against the yen," while the euro "was flat at $1.1031 versus the greenback, off Friday's three-week high of $1.1062."

Gold Holds Steady.

Reuters (AF) (10/14, Editorial, 5K) reports, "Gold prices held steady below the $1,500 per ounce level on Tuesday as markets braced for talks between Britain and the European Union that will determine how smooth Britain's departure will be from the trading bloc." Spot gold was "flat at $1,492.83 per ounce, as of 0105 GMT," while US gold futures "were a shade lower at $1,496.90."

Oil Falls.

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Reuters (10/15, Peng) reports, "Oil prices fell on Tuesday, after heavy losses in the previous session, as two days of weak Chinese data added to worries about the top crude oil importer's energy demand growth." Brent crude "fell 42 cents, or 0.71%, to $58.93 a barrel by 0720 GMT," while West Texas Intermediate crude "dropped 44 cents, or 0.82%, to $53.15."

Cybersecurity

EU Identifies Security Threats Tied To 5G Vendors Like Huawei.

In an exclusive, the Wall Street Journal (10/11, Isaac, Olson, Subscription Publication, 7.57M) reports sources say the EU has discovered several security vulnerabilities tied to foreign telecommunications vendors. The Journal adds US criticism of Huawei Technologies Co. has driven the increased global scrutiny of the Chinese company.

Source: German Security Rulebook Won't Bar Huawei From Supplying 5G Networks. Reuters (10/14) reports a new German "security catalogue," set "to be published this week," won't "exclude Chinese telecoms equipment maker Huawei Technologies from supplying gear for the country's 5G mobile networks, a senior government source said on Monday." The catalog "will confirm Germany's decision to keep a level playing field for suppliers to next-generation telecoms networks, despite calls by the United States to ban Huawei." Meanwhile, German "network operators Deutsche Telekom (DTEGn. DE), Vodafone (VOD.L) and Telefonica Deutschland (O2Dn. DE) would be required to identify and apply enhanced security standards to critical network elements, the Handelsblatt daily reported on Monday, citing the draft rulebook."

Huawei India CEO Says Company Would Sign "No Backdoor" Agreement With India. Reuters (10/14, Phartiyal) reports, "China's Huawei Technologies is ready to enter into a 'no backdoor' agreement with India to allay security concerns, the telecom group's local head said on Monday, as the giant South Asian country prepares to launch next generation 5G networks." India "has yet to begin 5G trials and has not taken a decision on allowing or banning Huawei from the test runs amid a U.S.-led push to shut out the Chinese tech and telecoms group." Paraphrasing Huawei India CEO Jay Chen, that the company "is closely engaging with India to clarify its stand on 5G solutions, network security and Chinese intelligence laws." Chen said, "From the very beginning, I have confidence that Indian industry, the India market will welcome Huawei because I have contributed a lot with my unique value. I am ready to sign (a no-backdoor agreement)."

Huawei Fends Off 1M Cyberattacks Per Day. Forbes (10/12, Doffman, 9.71M) reports Huawei "endures around a million cyberattacks per day on its computers and networks – and that's according to its security chief, John Suffolk." As reported in the Japanese press, Suffolk "implied such attacks are focused on IP-theft, which given Huawei leads the world for 5G network innovation and files more patents than any other company in the world, will come as little surprise." That said, the company has also "accused the US government of mounting cyberattacks as part of its concerted campaign against them." In September, Huawei "alleged in the media that US law enforcement has 'threatened, coerced and enticed' existing and former employees, and has executed 'cyberattacks to infiltrate Huawei's intranet and internal information systems.'"

Kansas Attorney To Change Plea In Cyberattack Case.

The AP (10/11) reports from Wichita, Kansas, "A Wichita lawyer accused of plotting a cyberattack on websites with information criticizing his work has told a federal court he intends to change his plea." According to the AP, "A docket notation Friday shows attorney Bradley Pistotnik has a change-of-plea hearing Tuesday." The AP adds, "The move comes two days after his co-defendant , VIRAL Artificial Intelligence co-founder David Dorsett, notified the court of his plea change. Dorsett's hearing is Oct. 21." Both men pleaded not guilty last year to computer fraud and conspiracy. Pistotnik "is also charged with making false statements to the FBI."

US Seizes Website That Allowed Users To Rent, Review Prostitutes.

The Miami Herald (10/11, Cetoute, 1.09M) reports, "A website, owned by a Broward man, that allowed customers to rent, review and message prostitutes has been seized by authorities." According to the Herald, "On Friday, the Oct. 4 seizure of independentgirls.com, an internet forum for escort services and prostitution, was announced by the Southern District of Florida's U.S. Attorney's Office, FBI and Broward County Sheriff's Office." The Herald adds, "The purpose of independentgirls.com was to allow escort agencies and independent escorts to post advertisements for prostitution and create a forum for customers to post reviews of prostitutes for others to read, authorities said." The website "allowed customers paying for sex to buy upgraded accounts where they would be able to read and write prostitute reviews, send private messages to prostitutes and view which prostitutes were currently available. 'The FBI will not tolerate sex trafficking regardless if it is arranged in person or over the Internet,' said George L. Piro, the special agent who heads the FBI's Miami Field Office."

US Charges 18 In Alleged International ATM Skimming Ring.

ZDNet (10/11, Osborne, 299K) reports, "US law enforcement has arrested 18 alleged members of an international ATM criminal ring thought to be responsible for the theft of at least $20 million." According to ZDNet, "On Thursday, the US Department of Justice (DoJ) unsealed an indictment and two superseding indictments revealing charges levied against each individual believed to be part of the scheme." Prosecutors "say the organization used card skimmer equipment on ATMs to harvest the debit card information of unwitting victims." ZDNet adds, "While ATM compromise was centered in the United States, the components and equipment required to create skimmers came from both the US and abroad. Some individuals were tasked in manufacturing the skimmers, whereas others would launder stolen proceeds by passing cash

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through bank accounts or funnel their criminal gains through properties and businesses."

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Analysis Reveals Chinese Propaganda App Has A Backdoor Giving Government Access To 100 Million Phones.

The Washington Post (10/11, Fifield, 14.2M) reports the Chinese Communist Party "appears to have 'superuser' access to all the data on more than 100 million cellphones, owing to a back door in a propaganda app that the government has been promoting aggressively this year." A US funded analysis examined "the code in the app" finding that "it enables authorities to retrieve every message and photo from a user's phone, browse their contacts and Internet history, and activate an audio recorder inside the device." Open Technology Fund's Director of Technology Sarah Aoun said, "The [Chinese Communist Party] essentially has access to over 100 million users' data. ... That's coming from the top of a government that is expanding its surveillance into citizens' day-to-day lives."

BBC News Online (UK) (10/14, 1.02M) reports that, released in February, Study the Great Nation "has become the most downloaded free program in China, thanks to persuasive demands by Chinese authorities that citizens download and install it." The app pushes out "official news and images and encourages people to earn points by reading articles, commenting on them and playing quizzes about China and its leader, Xi Jinping." Use of the app is "mandatory among party officials and civil servants and it is tied to wages in some workplaces."

DHS McAleenan's Departure Prolongs Leadership Crisis In Key Cybersecurity Agency.

The Washington Post (10/14, Marks, 14.2M) reports in the Cybersecurity 202 column that the resignation of acting Department of Homeland Security secretary Kevin McAleenan "over reported conflicts with the White House will prolong a leadership crisis at the government's lead civilian cybersecurity agency." McAleenan, who did not have a significant cybersecurity background, "had been leading the agency since former DHS secretary Kirstjen Nielsen resigned in April." He spoke at a number of cybersecurity events recently and "told reporters during a recent tour of DHS's cybersecurity innovation lab that cybersecurity was one of his top priorities." House Homeland Security Committee Chairman Bennie G. Thompson (D-MS) "slammed Trump for creating 'chaos' at the department and urged the president to find a permanent secretary who will focus on top threats including 'securing our elections.'" Amit Yoran, who used to run DHS's cybersecurity division, however, "was skeptical that McAleenan's departure would harm the department's digital security mission."

Three Alabama Hospitals Accepting Patients Again Following Ransomware Attack.

CNN International (10/11, Andone) reports officials for DCH Health System "told Tuscaloosa News that the company paid the hackers." DCH Health System previously "said in a statement that a decryption key was obtained and that teams are working to restore its systems." CNN reached out to DCH Health System "about the report that it paid the hackers but has not received a response." While the hospitals were able "to provide critical medical care to some patients after the attack was discovered on October 1, non-emergency patients were diverted to

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other hospitals, DCH Health System said." Staff at the three hospitals – DCH Regional Medical, Northport Medical Center and Fayette Medical Center – "had to use paper instead of digital records when providing care."

House To Vote This Month On Legislation To Counter Foreign Election Interference.

The Hill (10/11, Miller, 2.98M) reports House Majority Leader Hoyer has "announced the House will take up legislation that would require campaigns to report 'illicit offers' of election assistance from foreign governments or individuals to both the FBI and the Federal Election Commission (FEC)." The Hill says the SHIELD Act "is likely to place additional pressure on Senate Majority Leader Mitch McConnell (R-Ky.), whom Democrats have targeted on election security."

Senators Seeks Courts' Help In Securing IT Supply Chains.

Federal News Network (10/11, White, 220) reports four Senators "said Congress and the courts need help securing their IT supply chains." In a letter to the White House, they "applaud the work the Federal Acquisition Security Council is doing to shore up supply chains for executive branch agencies." But they say the council and the intelligence community "need to share security information with the legislative and judicial branches." They're "asking the council to draw up a strategic plan to help make that happen."

Opinion: NATO Allies Need To Reach Agreement On Offensive Cyber Operations.

In a commentary in Lawfare (10/14), Max Smeets writes, "Allies do not agree on the appropriate procedures and boundaries for offensive cyber operations. More specifically, there is no agreement on when military cyber organizations can gain access to systems and networks in allied territory to disrupt adversarial activity. As I have argued previously, this issue may end up causing significant loss in allies' trust and confidence. My proposed solution: NATO allies should establish memoranda of understanding on offensive cyber effects operations in systems or networks based in allied territory." He concludes, "While I argue that the NATO memorandum of understanding on offensive cyber operations in systems or networks based in allied territory can greatly help in promoting stability and enhancing confidence among allies, it is not a silver bullet. It can only reduce allied concerns rather than mitigate them."

New Zealand Steps Up Fight Against Extremist Online Content.

Reuters (10/14) reports New Zealand's Prime Minister Jacinda Ardern announced "more funding and support on Monday to target violent extremist content online, just months after an alleged white supremacist livestreamed a massacre at two mosques in Christchurch." World leaders and big tech firms "have endorsed a movement by Ardern called 'Christchurch Call' which aims to establish ethical standards for tech companies and media outlets to avoid amplifying violent extremist content online." Their commitment was tested last week "as social media firms scrambled to scrub footage of a shooting outside a German synagogue that was livestreamed on Amazon's gaming subsidiary Twitch." The Prime Minister "said in a press conference later that the attack in Germany last week was another reminder of the threat of online extremism."

NSA Establishes Futures And Standards Group Within Cybersecurity Directorate.

ExecutiveGov (10/14) reports NSA has formed a new group "within its cybersecurity directorate to help predict and identify cyber vulnerabilities in commercial cyber platforms and help the technoloy industry improve the security of their products, Defense One reported Friday." The new futures and standards group at NSA "will also provide companies and customers recommendations to facilitate the safe use of products." Anne Neuberger, director of the cybersecurity directorate, said, "Our role is taking the insights we have…whether it's 5G, whether it's quantum system crypto, whether it's distributed ledger, and trying to work to ensure those products are built more secure. And we give advice to users who need different levels of security." Neal Ziring, technical director at the directorate, "said the futures and standards group will look at security concerns related to Chinese-made 5G equipment and advance collaboration with the tech industry before faulty platforms become widely adopted."

Federal Computer Week (10/10, 263K) reports NSA Director Gen. Paul Nakasone "said that the NSA's new cyber directorate wants to bridge gaps between government agencies and the defense industrial base." Nakasone said during an October 9 keynote at the FireEye Cyber Defense Summit in Washington, DC, "NSA's new cybersecurity directorate, which opened for business last week, will give us a laser focus on these challenges." Nakasone named three reasons "behind standing up the cybersecurity directorate, which is headed by Anne Neuberger and stood up October 1: to combat an evolving threat landscape, capitalize on ability to set security standards and make vulnerability assessments, and enhance partnerships with Cyber Command, Homeland Security, FBI and industry." He said, "It's not enough to just generate and share insights and set standards." Instead, he "said that the directorate aims to 'prevent and eradicate cyber threats in national security systems and critical infrastructure,' with an initial focus on the companies that build and maintain defense and weapons infrastructure and accompanying capabilities."

NSA Develops Online Cybersecurity Course To Educate Employees, Private Sector.

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Federal News Network (10/11, 220) reports NSA worked with Penn State University, "as part of a broader initiative from the Department of Homeland Security, to develop a free online course to educate people on cybersecurity operations, law and policy." Ann Toomey McKenna, a

professor at Penn State's Institute for CyberScience and one of the three professors who wrote the course, said on Agency in Focus: Intelligence Community, "The NSA asked us to design a law course about cyber operations that can be taught to non lawyers, and really no requirement of any technical background or expertise. They wanted a course that can be designed to be taught as a whole comprehensively, or in modules; smaller units of the course could be taken and taught independently. So in a very unusual way we went about this and we created a course designed to be taught in whole or part, and designed to be taught by anyone who might be interested."

TFI/Sanctions

Treasury Department Announces Sanctions Of Two South Sudanese Businessmen.

Reuters (10/11, Brice) reported Friday that the US "imposed sanctions on two South Sudanese businessmen, Ashraf Seed Ahmed Al-Cardinal and Kur Ajing Ater, for their involvement in bribery, kickbacks and procurement fraud with senior government officials, the Treasury Department said on Friday." The report said The Treasury Department "also imposed sanctions on five companies owned or controlled by Al-Cardinal." The Wall Street Journal (10/11, Talley, Subscription Publication, 7.57M) reported that the Administration said the corruption of the sanctioned individuals had fueled the civil war in South Sudan that has claimed an estimated 400,000 lives.

Federal Reserve

Fed To Start Buying $60 Billion of Treasury Bills Monthly Starting Today.

On Friday, Bloomberg (10/11, Miller, Condon, 4.73M) reported the Fed said it would start buying $60 billion of Treasury bills per month from October 15 "to improve its control over the benchmark interest rate it uses to guide monetary policy after turmoil rocked money markets in September." The Fed said in a statement on Friday, that "these actions are purely technical measures to support the effective implementation" of its monetary policy. "In particular, purchases of Treasury bills likely will have little if any impact on the level of longer-term interest rates and broader financial conditions," added the Fed. Earlier in the week, Chairman Jerome Powell emphasized that such a policy would not constitute a new round of QE. MarketWatch (10/11, Robb, 1.67M) also reported.

Minneapolis Fed President Neel Kashkari Impatient With Wall Street Complaints About Repo Market.

In an interview with Axios (10/14, Rabouin, 521K), Minneapolis Fed President Neel Kashkari said he is impatient with the "hubris and stupidity" of bankers. "Honestly, my patience for these market opinions is basically gone," he said. Responding to Wall Street's complaints that the Fed has mismanaged the liquidity crunch in the repo market, Kashkari points out that they could use the Fed's discount window. "They don't like it because they think it makes them look weak," he is quoted as saying. "They don't want to use it so the New York Fed should have run to comfort them more quickly with a new facility... That's called the height of entitlement if ever there was one," he added. Business Insider (10/14, Wink, 3.67M) also highlighted the comments.

Kashkari: Fed Should Evaluate Yield-Curve Control As Potential Tool.

Reuters (10/11, Marte) reported Friday, "Minneapolis Federal Reserve Bank President Neel Kashkari on Friday said the U.S. central bank should look into controlling the yield curve as a potential tool for monetary policy, similar to an approach used by the Bank of Japan," in an echo of comments by Fed Chair Jerome Powell earlier last week.

Kaplan: US-China Deal Could Be "Positive Development," Open Mind On Rate Cuts.

Reuters (10/11, Saphir) reported that Dallas Fed President Robert Kaplan said at a Friday meeting of the Commonwealth Club in San Francisco that the "freshly inked U.S.-China trade deal could be a 'positive development' for the U.S. economy...but repeated that he'll remain open-minded and watching data closely in the run-up to the Fed's Oct. 29-30 policy meeting." Kaplan said to reporters following the talk, "Some of the recent deceleration in global growth, weakness in manufacturing and weakness in business investment has been due to trade uncertainty, so I think to the extent that there is some moderation in this escalation ...that could be a positive development." However, he added, "we're going to have to wait and see how events unfold."

Rosengren: Fed Must Be Patient In Assessing Rate Cuts.

Reuters (10/11) reports Boston Fed President Eric Rosengren, in remarks Friday at University of Wisconsin-Madison, stressed patience for the Fed in determining whether to further cut interest rates. Rosengren said, "While U.S. consumers have been resilient to date, continued resilience is not guaranteed ... my view is that policymakers can be patient and continue to evaluate incoming data before taking additional action." Rosengren, "who has opposed the U.S. central bank's two interest-rate cuts this year, said the main question was whether consumer spending can continue to offset the negative impact of the Trump administration's trade wars and slowing global growth."

Financial Regulatory Agencies

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CFPB Creates Task Force To Study Gaps In Consumer Finance Law.

CFTC-22-0351-A-001966

American Banker (10/11, Berry, Subscription Publication, 31K) reported the CFPB "is creating a task force of outsiders to research and

identify potential conflicts and inconsistencies in consumer finance law." The bureau on Friday announced the seven-member task force will produce research and provide legal analysis on "harmonizing, modernizing, and updating" the enumerated consumer credit laws. "An objective and independent evaluation of our current regulatory framework to identify where there may be gaps or where regulation should be simplified or modernized is needed to help us more effectively carry out our mission of protecting consumers," CFPB Director Kathy Kraninger said in a press release.

Law360 (10/11, Subscription Publication, 8K) reported the CFPB's Taskforce on Federal Consumer Financial Law "will study the current state of consumer financial services regulation as it affects industry and consumers, ultimately producing a report outlining potential changes 'to improve and strengthen consumer financial laws and regulations,'" the bureau said. But some consumer advocates worry the project "could just wind up providing cover for industry-friendly rule changes."

Office of the Comptroller of the Currency

OCC Fines Citi $30M Over Handling Of Foreclosed Property.

The Wall Street Journal (10/11, Prang, Subscription Publication, 7.57M) reported the Office of the Comptroller of the Currency has fined Citigroup $30 million, saying the bank repeatedly violated the other real-estate owned statutory holding period on foreclosed real estate.

HousingWire (10/11, Lane, 23K) reported, "Under federal banking regulations, there is a two-year limit on banks maintaining possession of a foreclosed property." But banks "can apply for an annual exemption" that pushes "their ownership of a property to as much as five years." After that, the bank "is supposed to sell the property back into the market to prevent available housing inventory from being kept away from would-be homebuyers." According to the OCC, Citi "violated that rule by holding onto hundreds of foreclosures for longer than the five-year limit."

American Banker (10/11, Pedersen, Subscription Publication, 31K) reported that in a press release, the OCC said that Citibank had "deficient processes and controls in the identification and monitoring of the [other real estate owned]...holding period" over the last several years. "In assessing this civil money penalty, the OCC found the bank failed to meet its commitment to implement corrective actions, resulting in additional violations," the agency said.

Reuters (10/11, Johnson) reported Citi in 2015 "said it lacked adequate processes to effectively monitor the holding period, and committed to developing and taking corrective actions, but it did not do so, the OCC said." As a result, Citi in South Dakota violated the holding period more than 200 times between 2017 and 2019. A Citi spokesperson on Friday "said the bank did not meet the holding requirement in some instances, but customers were not affected."

Bloomberg Law (10/11, Mott, Subscription Publication, 4K), National Mortgage Professional (10/14, Hall), Law360 (10/11, Subscription Publication, 8K), Banking Dive (10/14, Ennis), Realtor Magazine (10/14), and the Legal Description (10/14) also reported.

Editorial Wrap-Up

New York Times.

"Trump Is Making Syria, And The Middle East, More Dangerous." On its editorial page, the New York Times (10/14, 18.61M) says "the threat to destroy the Turkish economy was made, as is Mr. Trump's wont, in a tweet that was such a departure from historical presidential pronouncements that it is worth quoting: 'As I have stated strongly before, and just to reiterate, if Turkey does anything that I, in my great and unmatched wisdom, consider to be off limits, I will totally destroy and obliterate the Economy of Turkey (I've done before!).'"

Washington Post.

"Words Have Consequences. Trump Either Doesn't Know Or Doesn't Care." The Washington Post (10/14, 14.2M) editorializes that the violent parody video shown at a conference of President Trump supporters at his Miami resort depicted Trump "as a mass killer systemically executing members of the news media and his political opponents," and that the President "set the tone for it with language and ideology that encourages hate, disrespect and violence." To the Post, "it is sad but unsurprising that Mr. Trump has issued no rebuke to his supporters and no forceful denunciation of the video itself."

"Trump's Blunder In Syria Is Irreparable." A Washington Post (10/14, 14.2M) editorial is critical of President Trump's announcement of a series of measures the Administration will take against Turkey for its continued operation against the Kurds in northern Syria, and says that "until now, it was possible to hope that the damage caused by President Trump's terrible incompetence, ignorance and impulsivity in foreign policy was largely theoretical, and possibly reparable. That is no longer true. The cost of his latest Syria blunder is unfolding before our eyes: Innocent lives lost. US servicemen and women betrayed. Butchering dictators emboldened. Dangerous terrorists set free. A ghastly scene is playing out, and it almost surely will get worse."

"A Senseless Police Shooting In Fort Worth." The Washington Post (10/14, 14.2M) editorializes that "nothing computes" about Atatiana Jefferson's "killing except for one thing: She was black, and the officer who killed her, Aaron Dean, was white. And that is an all-too familiar equation." The Post asserts that "innocent African American civilians are gunned down by white police so frequently that it would be willful blindness to deny a pattern."

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Wall Street Journal.

"Trump's Syria Mess." On its editorial page, the Wall Street Journal (10/14, Subscription Publication, 7.57M) says President Trump's foreign policy can be reduced to two tactics — sanctions and tariffs, which he says he will impose on Turkey for its operation against the Kurds in northern Syria.

"The Warren-Zuckerberg Clash." The Wall Street Journal (10/14, Subscription Publication, 7.57M) argues in an editorial that Sen. Elizabeth Warren's (D-MA) professed anger over Facebook's decision that it will not examine politicians' ads for false statements is a bid to suppress ads from her opponents.

"Puerto Rico At The Supreme Court." In an editorial, the Wall Street Journal (10/14, Subscription Publication, 7.57M) argues that the Supreme Court should find that a financial oversight board established by Congress to oversee Puerto Rico's fiscal decisions does not violate the Constitution. The Court is being asked to consider whether the appointment of the board's members must comply with the Constitution's Appointments Clause. The Journal points to Congress' plenary authority over territories and long-established precedent that constitutional safeguards such as the Appointments Clause do not apply to territories.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

U.S. Imposes Penalties On Turkey, Aiming To Stop Incursion Into Syria
Johnson & Johnson's Legal Challenges Mount
Interest Rates Are Falling – But Your Credit-Card Rate Could Be Going Up
'Sense of Dread': How A Mining Disaster In Brazil Raised Alarms In Minnesota
Grazing Tables Are Suddenly Everywhere – And Nobody Knows How To Use Them

New York Times:

Assad Forces Surge Forward In Syria As US Pulls Back
Bolton Objected To Ukraine Pressure Campaign, Calling Giuliani 'A Hand Grenade'
Trump Followed His Gut On Syria. Calamity Came Fast.
Violent Video Was Product Of Right-Wing Provocateurs And Trump Allies
Can Joe Biden Deliver The Debate Performance He Needs?
Inside A Brazen Scheme To Woo Chian: Gifts, Golf And A $4254 Wine

Washington Post:

Assad's Forces Advance In Syria
Sondland's Aspirations Drove Loyalty To President
Trump's Ex-Russia Adviser Told Impeachment Investigators Of Giuliani's Efforts In Ukraine
US Calls For Cease-Fire While Wielding Economic Penalties
Colleges Use Web Data To Rank Students – Before They Apply
In The Middle East, All Sides Talk To One Country: Russia

Financial Times:

Protests Erupt After Jailing Of Pro-independence Catalan Leaders
Facebook Admits Digital Currency Doubts
Nobel Prize In Economics Won By Trio For Work On Poverty
Graft Under Zuma Cost South Africa $34BN, Says Ramaphosa

Washington Times:

'A Different World': 2020 Democrats Set To Spar On Altered Playing Field
Seattle-Area Officials Shun ICE Despite Second Sanctuary City-Related Killing
'Our Anger Is Stronger': Yellow Vest Protesters Gearing Up For Massive Anniversary Resurgence
Trump's Bid To End 'Forever Wars' Undercut By Saudi Troop Deployment
California's Environmentalism Comes Under Fire After Blackouts
Montgomery County Police Officer Fatally Shot In Downtown Silver Spring

Story Lineup From Last Night's Network News:

ABC: Trump-Syria; Syria-ISIS; Texas-Woman Killed By Police In Own Home; New Orleans-Hotel Collapse; Impeachment Inquiry; Hunter Biden; UK-American Diplomat's Wife Accident; Alabama-Kidnapping; Maryland-Officer Shot In Parking Garage; Severe Weather; Indiana-EEE Death; Dolly Parton-Anniversary At Grand Ole Opry.

CBS: Trump-Syria; Syria-ISIS; Texas-Woman Killed By Police In Own Home; Impeachment Inquiry; [illegible] Hotel Collapse; American Kurds-Opinion On Syria; UK-American Diplomat's Wife Accident; Japan-Typhoon; California-School Day Law; Sports

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History Made By Women This Weekend.
NBC: Trump-Syria; Texas-Woman Killed By Police In Own Home; Impeachment Inquiry; Hunter Biden; Trump-Disturbing Video Played At Conference; UK-American Diplomat's Wife Accident; Cyntoia Brown Interview; MLB-Los Angeles Pitcher Death; Boston-Hit And Run; New Orleans-Hotel Collapse; High School Student Overcomes Traumatic Brain Injury.

Network TV At A Glance:
Trump-Syria – 10 minutes, 0 seconds
Texas-Woman Killed By Police In Own Home – 6 minutes, 25 seconds
UK-American Diplomat's Wife Accident – 5 minutes, 15 seconds
Impeachment Inquiry – 5 minutes, 5 seconds
Hunter Biden- 1 minute, 30 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Texas-Woman Killed By Police In Own Home; Trump-Syria; New Orleans-Hotel Collapse; Impeachment Inquiry.
CBS: Texas-Woman Killed By Police In Own Home; Vice President Pence-Syria; New Orleans-Hotel Collapse; Ford-Recall; Climate Change-Drive Thru Bans.
FOX: Vice President Pence-Syria; Secretary Of Treasury-Syria; UN-Syria; Texas-Woman Killed By Police In Own Home; Stocks.
NPR: Mark Esper-NATO Allies Meeting; Trump-Syria; EU-Turkey Arms Sales; Texas-Woman Killed By Police In Own Home; Georgia-Officer Acquitted For Shooting Air Force Vet; Stocks.

Last Laughs

Late Night Political Humor.

Trevor Noah: "It's now been three weeks since the Democrats began an official impeachment inquiry into President Trump's dealings with Ukraine, and since then, things haven't only gotten worse for Trump; they've gotten worse for Rudy Giuliani, Trump's personal attorney...because, since the scandal broke, law enforcement has started looking into Rudy's world, and turns out some his acquaintances are really shady. ... This is crazy – Rudy Giuliani has friends? I didn't see that coming. This is random, but do people who look like criminals become criminals, or do people who become criminals start to look like criminals? I genuinely wonder that."

Trevor Noah: "These are the two shadiest-looking dudes I have ever seen. It's almost like, 'Hey, FBI, why did you think these guys are criminals?' 'Uh, basically, we looked at them, and that's how we cracked the case.' Aside from being born with 'resting mugshot' face, probably the biggest flag for these guys is they were buying a one-way ticket out of the country – always suspicious. The only people who buy one-way tickets are criminals and skydivers, that's it."

Trevor Noah: "In a normal administration, the impeachment inquiry would be enough drama, but the Trump presidency is a Black Friday sale. While all this impeachment stuff is tearing America apart, last week he made an abrupt decision to pull troops from Syria."

Trevor Noah: "Donald Trump is the only person who can find a way to make the Middle East more chaotic. The Middle East was already a geopolitical Jenga tower, with everybody trying to figure out the right move, and Trump comes in and says, 'Why don't we move the whole table?'"

Trevor Noah: "Trump justified his decision to pull out of Syria by saying this is part of his larger plan to bring American troops back home. And that makes sense. What doesn't make sense is that home seems to be another country in the Middle East. ... I don't think America has ever rented out its military before. Like, that is a wild thing. He's selling the military and other things. What are the other things? Does anybody ask? Did he, like, sneak Eric into the shipment? He's like, 'You take this and Eric.' 'Dad, why am I--?' 'Shut up, Eric, go now!'"

Trevor Noah: "It's weird that you can rent out America's military. You know what I would do if I was Mexico? I would raise a bunch of money, and then I would hire America's military to do a coup on itself. Yeah, and then the people would just be like, 'Mr. President, our military is taking over the White House!' He'd be like, 'I know, and who's gonna pay for it? Mexico!'"

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Jimmy Kimmel: "Today, by the way, happens to be Canadian Thanksgiving. So Happy Thanksgiving to our Canadian friends who today

gather with their families to focus on what they're thankful for, mainly the fact that Justin Bieber moved away and that Donald Trump is not their President. So Happy Thanksgiving."

Jimmy Kimmel: "Our pumpkin-spice President had a busy Monday. This is his schedule today. This is real. 'Monday. No public events scheduled.' Probably for the best."

Jimmy Kimmel: "Today, Congress heard from Trump's former adviser, Fiona Hill. This is a fun story. The Washington Post said one of the first times Fiona Hill, who was his Russia adviser, met the President, he handed her a memo he'd marked up and told her to go revise it because he assumed she was a secretary. When she seemed confused, he got angry. He seems like a fun boss. He really does."

Jimmy Kimmel: "But make no mistake, the President is melting down like a creamsicle in July. He's threatening to sue Nancy Pelosi and Adam Schiff, which you can't – and not only that, who's he going to get to sue him? All his lawyers are either in jail or going there soon."

Jimmy Kimmel: "He's even feuding with Fox News. According to the New York Times, he called the head of Fox News to complain about what he perceived as unfair coverage of him. He really is the snowiest, flakiest snowflake there ever has been, isn't he? You could ski on Donald Trump."

Jimmy Kimmel: "Impeachment, and Turkey, and Syria, and all manner of hell breaking loose, and this is what the President is working on right now. 'Vote for good guy Sean Spicer tonight on 'Dancing With The Stars.' He has always been there for us.' That might be his greatest abuse of power yet."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — receives his intelligence briefing; has lunch with the Vice President; meets Secretary of Defense Mark Esper; welcomes the 2019 Stanley Cup Champions, the St. Louis Blues.
- Vice President Pence — meets with the Prime Minister of the Arab Republic of Egypt; joins THE PRESIDENT for lunch; joins THE PRESIDENT as he welcomes the 2019 Stanley Cup Champions, the St. Louis Blues.

***US Senate*:**

- Closed Briefing: Intelligence Matters

Location: Rm 219, Hart Senate Office Building, Washington, DC; 2:30 PM

- Senate returns after Columbus Day State Work Period, and aims to end debate on nominated air force secretary – Senate returns from Columbus Day recess * Agenda includes resumption of consideration of the nomination of Barbara Barrett to be Secretary of the Air Force, including vote on a motion to invoke cloture on the nomination

Location: U.S. Capitol, Washington, DC; 3:00 PM

***US House*:**

- House Homeland Security Committee field hearing on election security in Illinois – Field hearing on 'Preparing for 2020: How Illinois is Securing Elections', with testimony from Cybersecurity and Infrastructure Security Agency Senior Cybersecurity Advisor Matt Masterson; Illinois Board of Elections Executive Director Steve Sandvoss; Lake County, IL, Clerk Robin O'Connor; and The Brennan Center for Justice Democracy Program counsel Elizabeth Howard

Location: Gurnee Village Hall, 325 N O'Plaine Rd, Gurnee, IL; 10:00 AM

- House Technology subcommittee field hearing on 'addressing the lead crisis' – Investigations and Oversight Subcommittee field hearing on 'Addressing the Lead Crisis through Innovation & Technology', with testimony from Essex County, NJ, Executive Joseph DiVincenzo Jr.; Nutley, NJ, Mayor Joseph Scarpelli; Bloomfield, NJ, Mayor Michael Venezia; New Jersey Poison Information and

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Education System Executive and Medical Director Dr Diane Calello; Virginia Polytechnic Institute and State University Distinguished Professor of Civil & Environmental Engineering Dr Marc Edwards; Chicago Public Schools Chief Engineer (and Noah Auto Flushing device for lead mitigation inventor) Michael Ramos; and Hydroviv founder Dr Eric Roy

Location: Early Childhood Center at Forest Glen, 280 Davey St, Bloomfield, NJ; 10:00 AM

• House meets for legislative business – House of Representatives meets for legislative business, with agenda including postponed suspension votes of 'H.R. 3289 ' Hong Kong Human Rights and Democracy Act of 2019, as amended', 'H.R. 4270 – PROTECT Hong Kong Act, as amended', 'H.Res. 543 – Recognizing Hong Kong's bilateral relationship with the United States, condemning the interference of the People's Republic of China in Hong Kong's affairs, and supporting the people of Hong Kong's right to protest, as amended', 'H.Res. 521 – Commending the Government of Canada for upholding the rule of law and expressing concern over actions by the Government of the People's Republic of China in response to a request from the United States Government of Canada for the extradition of a Huawei Technologies Co., Ltd., executive', 'H.R. 95 – Homeless Veteran Families Act', 'H.R. 2385 ' To permit the Secretary of Veterans Affairs to establish a grant program to conduct cemetery research and produce educational materials for the Veterans Legacy Program', and other bills

Location: U.S. Capitol, Washington, DC; 2:00 PM

• House Rules Committee hearing – Hearings on 'H.R. 1815 – SEC Disclosure Effectiveness Testing Act' and 'H.R. 3624 – Outsourcing Accountability Act of 2019'

Location: H-313, U.S. Capitol, Washington, DC; 5:00 PM

• House Oversight Committee subpoenas USCIS and ICE chiefs for testimony and documents – House Committee on Oversight and Reform issues subpoenas to U.S. Citizenship and Immigration Services (USCIS) Acting Director Ken Cuccinelli and Immigration and Customs Enforcement (ICE) Acting Director Matthew Albence for testimony and documents on 'the administration's policy of deporting critically ill children and their families' * Both were requested to testify at a Civil Rights and Civil Liberties Subcommittee hearing on the issue last month, but it was postponed after neither agency agreed to cooperate with the Committee

• House Committees due to jointly conduct deposition with deputy assistant secretary of state, as part of impeachment inquiry – House Committee on Foreign Affairs, Permanent Select Committee on Intelligence, and Committee on Oversight and Reform due to jointly conduct deposition with Deputy Assistant Secretary of State George Kent, with the transcript to be part of the impeachment inquiry into President Donald Trump * The Committees are investigating 'the extent to which President Trump jeopardized national security by pressing Ukraine to interfere with the 2020 election and by withholding security assistance provided by Congress to help Ukraine counter Russian aggression, as well as any efforts to cover up these matters' * The administration has informed House Democrats that it is refusing to comply with the inquiry, calling it unconstitutional

Location: U.S. Capitol, Washington, DC

Cabinet Officers:

• President Trump meets Secretary of Defense Mark Esper

Visitors:

• Vice President Mike Pence meets with the Prime Minister of the Arab Republic of Egypt

This Town:

• Association of the United States Army Annual Meeting & Exposition continues – Association of the United States Army Annual Meeting and Exposition continues. Day two speakers include Senior Official Performing the Duties of the Deputy Secretary of Homeland Security David Pekoske, U.S. Army Security Assistance Command Commanding General Gen. Jeffrey Drushal, Acting Secretary of the Army Ryan McCarthy, Army Chief of Staff Gen. James McConville, U.S. Army National Guard Director Lt. Gen. Daniel Hokanson, and Space and Missile Defense Command Commanding General Lt. Gen. James Dickinson

Location: Walter E. Washington Convention Center, 801 Mount Vernon Place Northwest, Washington, DC; 7:00 AM

• OAS presents 'Her Power: Women's Voices, Global Impact' – Organization of American States Inter-American Commission of Women, in partnership with the Inter-American Task Force on Women's Leadership, Foreign Policy and the International Monetary Fund, host 'Her Power: Women's Voices, Global Impact', an event to explore 'gender equity as a catalyzing force for stronger democracies, economies and communities'. Featured speakers include Democratic Sen. Kirsten Gillibrand, Democratic Rep. Barbara Lee, IMF Managing Director Kristalina Georgieva, former Nobel Peace Prize Winner Nadia Murad, CIM Executive Secretary Alejandra Mora Mora,

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Overseas Private Investment Corporation Global Women's Issues Managing Director Kathryn Kaufman, IMF Human Resources Department Director Kalpana Kochhar, World Bank Group Vice President for Equitable Growth, Finance and Institutions Ceyla Pazarbasioglu, and Foreign Policy Managing Editor Ravi Agrawal

Location: Organization of American States, 200 17th St NW, Washington, DC; 8:00 AM

- U.S. Department of Agriculture National Agricultural Statistics Service Data Users' Meeting

Location: American Farm Bureau Federation, 600 Maryland Ave SW, Washington, DC; 8:30 AM

- U.S. Supreme Court hearings – U.S. Supreme Court hearings: 'Financial Oversight and Management Board for Puerto Rico v. Aurelius Investment'; 'Aurelius Investment v. Puerto Rico'; 'Official Committee of Debtors v. Aurelius Investment'; 'United States v. Aurelius Investment'; 'UTIER v. Financial Oversight and Management Board for Puerto Rico' (consolidated) (Whether the Appointments Clause governs the appointment of members of the Financial Oversight and Management Board for Puerto Rico? Does the de facto officer doctrine allow courts to deny meaningful relief to successful separation-of-powers challengers who are suffering ongoing injury at the hands of unconstitutionally appointed principal officers? Whether members of the Financial Oversight and Management Board for Puerto Rico are 'Officers of the United States' within the meaning of the Appointments Clause of the U.S. Constitution?)

Location: Supreme Court of the United States, Washington, DC; 10:00 AM

- Alliance for Health Policy annual awards dinner – The Alliance Annual Dinner, recognizing citizens, policymakers, media members, and leaders who work toward solutions to improve health and health care through open, honest dialogue. Honorees include late Democratic Rep. John Dingell, Senate Committee on Finance Health Policy Advisor Stuart Portman, Rep. Raul Grijalva Deputy Chief of Staff Kelsey Mishkin Gardner, Department of Health and Human Services Senior Social Science Analyst Kenneth Finegold, New York Times staff writer Robert Pear, Georgetown and Marquette Universities Visiting Research Professor Lisa Grabert and Grantmakers In Health President and CEO Faith Mitchell

Location: Eastern Market North Hall, 225 7th St SE, Washington, DC; 6:00 PM

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, OCTOBER 8, 2019 6:00 AM EDT

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Treasury in the News

Trump Loses NY District Court Decision On Tax Returns, Immediately Appeals.

USA Today (10/7, McCoy, 10.31M) reports President Trump on Monday "lost a federal court battle aimed at keeping a New York prosecutor from examining his tax returns for a criminal investigation when a judge rejected his claim of absolute presidential immunity from criminal investigations." Trump's attorneys immediately appealed the decision to an appellate court, "which responded by blocking an immediate handover of the returns while the appeal is in process." The decision was "a legal victory for Manhattan District Attorney Cyrus Vance," who had "subpoenaed Trump's tax returns for a criminal investigation into hush money payments to two women who allege they had affairs with Trump." The report mentions the House Ways and Means Committee's suit against Treasury Secretary Steve Mnuchin and IRS Commissioner Charles Rettig which calls for "a federal judge to compel the officials to hand over Trump's returns." Newsweek (10/7, Hutzler, 1.53M), The Daily Caller (10/7, Talcott, 716K), The National Review, (10/7, Hoonhout, 731K) and NPR (10/7, Brown, 3.12M) and also reported on the story.

The Washington Post (10/7, 14.2M) re-ran a November 2018 Bloomberg (11/25, Davison, Harris, 4.73M) analysis which explains "how Trump's tax returns could become public" by delving into the Trump tax returns story, including a reference to the 1924 law "that allows the chairmen of three tax committees in Congress to ask the U.S. Treasury secretary for the returns of any taxpayer." The analysis explains how one of those chairmen, House Ways and Means Committee Chairman Richard Neal (D-MA), is attempting to obtain the tax returns from the Treasury Department. However, it adds, "Republicans say Neal's is a violation of Trump's privacy and not part of legitimate government oversight, with Treasury Secretary Steven Mnuchin warning it amounts to weaponizing the tax code. The Ways and Means Committee sued Mnuchin and IRS Commissioner Charles Rettig in July to force them to surrender the returns."

Commentary: Tax Return The Latest Black Mark On Mnuchin's Treasury Tenure. Slate (10/7, Stahl, 1.58M) reports in its This Is Still Happening feature "in which Slate will attempt to offer an update on Cabinet-level corruption" that Treasury Secretary Steven Mnuchin "has been implicated in many, many, many scandals – big, medium, and small – since President Donald Trump first nominated" him to be Treasury Secretary. The piece touches on the tax return story, saying that "Mnuchin, fulfilling an earlier promise to defy any such request, responded in May that he would not be furnishing the tax returns as the statute obligated. This came after Mnuchin acknowledged that his department had communicated with the White House about how it should handle the issue."

In his Politico Magazine (10/7, 4.24M) column, Jack Shafer writes that while Trump "has a special talent for powershifting through the gears of the news cycle to blow past whatever current event might threaten his presidency," the recent whistleblower and tax return stories and the pushback from the GOP on Trump's actions in Syria demonstrate that "suddenly Trump's best-defense-is-a-good-offense talents are no longer sufficient to fend off the damage." Shafer references the IRS whistleblower who "has filed a complaint alleging that a political appointee at the Treasury Department attempted to interfere with the annual audit of the president or vice president's tax returns."

US-China Trade Talks Set To Resume Thursday.

The Wall Street Journal (10/7, Zumbrun, Hackman, Subscription Publication, 7.57M) reports that long-frozen trade talks between the US and China are set to resume this week amid signs of a potential thaw as Chinese begins buying US soybeans again. However, Reuters (10/7, Lawder) reports, "prospects for progress in U.S.-China trade talks dimmed on Monday after Washington blacklisted Chinese companies over Beijing's treatment of predominantly Muslim ethnic minorities, and President Donald Trump said a quick trade deal was unlikely." AFP (10/8, Gillison) reports that Trump "said Monday he would prefer to strike a comprehensive trade bargain with China, in comments days before top US and Chinese officials are due to resume trade talks in Washington." Fox News (10/7, Halon, 27.59M) reports on its website that Atlas Organization founder Jonathan Ward "is cautioning against unrealistic expectations as U.S.-China trade deal talks resume this week in Washington." The Hill (10/7, Samuels, 2.98M), Fox Business (10/7, Martin, 1.73M), and behind a paywall Law360 (10/7, Subscription Publication, 8K) reported on this story. Each of these write-ups remarked that the trade talks are scheduled to resume Thursday at a meeting between Vice Premier Liu He and other Chinese officials and Treasury Secretary Steven Mnuchin and US Trade Representative Robert

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Lighthizer.

28 Chinese Entities Added To US Commerce Department's Export Blacklist. The Wall Street Journal (10/7, Zumbrun, O'Keeffe, Mauldin, Subscription Publication, 7.57M) reported on Monday, the US added 28 Chinese entities to an export blacklist in light of their role in the repression of Muslim minorities in northwestern China. Targeted entities include video-surveillance and facial-recognition companies Hangzhou Hikvision Digital Technology, Megvii Technology Inc. and SenseTime Group Ltd. They join telecom giant Huawei, added in May. Additional coverage is available from The New York Times (10/7, Swanson, 18.61M), CNBC (10/7, Novet, 3.62M), BNN Bloomberg (CAN) (10/7), and The Verge (10/7, 2.05M).

However, the Wall Street Journal (10/7, Subscription Publication, 7.57M) reports in a separate article that US-China trade talks will resume as planned on Thursday, despite the decision to blacklist the Chinese entities.

MSNBC Analysis: Trump's Impeachment Strategy Backfiring As More Whistleblowers Emerge.

In an analysis, Steve Benen of MSNBC (10/7, 7.86M) writes that the President's strategies to weather the impeachment process are "to tear down the whistleblower's credibility and discredit his or her complaint," and to mount "an aggressive and public campaign against" the initial whistleblower which "might discourage others from coming forward." However, Benen says that both strategies have "failed," as "a second whistleblower has come forward with information about President Donald Trump's call with the president of Ukraine, according to attorneys representing that whistleblower and the intelligence official whose earlier complaint set off a series of events that led to an impeachment inquiry." This is in addition to the "Treasury Department's acting inspector general" looking into another whistleblower's complaint regarding "whether the Trump administration acted improperly during its ongoing fight with House Democrats over releasing President Trump's tax returns."

In an analysis, Vox (10/7, Yglesias, 2.27M) lays out the possible ways the impeachment process could end. The analysis concludes with the possibility that, through a series of successions and removals, Treasury Secretary Steven Mnuchin could become president.

Release Of Treasury-Sanctioned Drug-Trafficking Taliban Prisoner Prompts Questions.

The New York Times (10/7, Mashal, 18.61M) reports that a prisoner exchange has been completed in Afghanistan, swapping "11 Taliban prisoners...in return for three Indian engineers after months of negotiations with local Taliban commanders in northern Baghlan province, where the engineers were kidnapped last year." Among the Taliban prisoners was Abdul Rashid Baluch, "who was on the United States Treasury Department's 'Specially Designated Global Terrorist' list and was arrested in a narcotics raid five years ago." The report says "the release of Mr. Baluch, especially if it is tied to the United States peace talks with the Taliban, once again brings to the fore the concern that the American negotiations did not address the complexity of the conflict — and particularly how to consider the Taliban's increasing hold on the massive drug trade in the country." The BBC World News (UK) (10/7, 3.28M) also reported on this story.

House Finance Committee To Merge Money Laundering Bills, Send To House Floor.

CQ Roll Call (10/7, Saksa, 154K) reports the Democrats on the House Financial Services Committee intend to merge "a pair of anti-money laundering bills" and send them as one bill "to the House floor soon after Congress returns from recess." One bill, which the committee has already passed, "would update the framework used by federal investigators to combat money laundering." That bill "would beef up staffing at the Treasury Department's Financial Crimes Enforcement Network (FinCEN), encourage more coordination between FinCEN and Justice Department investigators, require the attorney general and Treasury secretary to consider raising the monetary threshold for banks filing suspicious activity reports and update the definition of "coins and currency" to include cryptocurrencies." The other bill would "would curb the use of anonymous shell companies."

Federal Deficit Highest Since 2012, Says CBO.

The Hill (10/7, Elis, 2.98M) reports, "the federal budget deficit for 2019 is estimated at $984 billion, a hefty 4.7 percent of gross domestic product (GDP) and the highest since 2012, the Congressional Budget Office (CBO) said on Monday." The CBO has "warned that the nation's debt is on an unsustainable path. Higher levels of debt increase borrowing costs, make it harder for the government to battle economic downturns and increase the share of future spending devoted to paying off interest costs." The report says "the final Treasury Department figures for the fiscal year, which ended on Sept. 30, will be published later this month and could include worse news." The AP (10/7) also reported on this story.

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Trump: "'Partisan' Whistleblower Was Very Wrong" About Zelensky Call.

President Trump tweeted Monday morning, "'IG: DECLASSIFIED INFORMATION CONTRADICTS THE WHISTLEBLOWER.' @foxandfriends But why are people surprised? The 'partisan' Whistleblower was very wrong on what was said on my perfect, 'no pressure,' call with the Ukrainian President. Bring in another Whistleblower from the bench!" The President later tweeted videos of Fox News commentators Tammy Bruce and Steve Hilton discussing impeachment.

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The Washington Post (10/7, Kim, Bade, 14.2M) reports on "concerns among constitutional experts and lawmakers that Trump's hostile

stance toward congressional oversight is undermining the separation of powers in a way that could have long-term implications for democracy." The Trump White House "is far from the first to clash with Congress's intent on exercising oversight, although experts say this administration's efforts to battle Capitol Hill are unprecedented."

Democrats Consider "Extreme Measures" To Protect Whistleblower's Identity. Norah O'Donnell said in opening the CBS Evening News (10/7, lead story, 2:31, 4.07M), "In a city which leaks like a broken faucet, House Democrats are considering extreme measures to protect the identity of a whistleblower who raised alarms about President Trump possibly pressuring Ukraine to investigate Joe Biden and his son." CBS' Major Garrett: "President Trump again denounced the House impeachment inquiry that continues to ensnare more parts of his Administration." Trump: "It's lucky that I'm the President, because I guess a lot of people couldn't handle it. I sort of thrive on it." Garrett: "A second whistleblower has emerged, this one according to lawyers, with direct knowledge of President Trump's phone call with Ukraine's President. The House Intelligence Committee is considering extreme measures to protect the first whistleblower's identity, such as interviewing the person behind a curtain and obscuring his or her voice." Rep. Raja Krishnamoorthi (D-IL): "We have to take all precautions, because we cannot burn his or her identity." Krishnamoorthi said on CNN's Situation Room (10/7, 708K), "We're kind of in an unusual situation where the President is basically threatening the whistleblower. ... And so this extremely unusual situation unfortunately demands extreme measures."

The Washington Post (10/7, Bade, Miller, Nakashima, Demirjian, 14.2M) reports the steps under consideration "include having the whistleblower testify from a remote location and obscuring the individual's appearance and voice, these officials said." Axios (10/7, Basu, 521K) says Trump "has repeatedly sought to undermine the credibility of the whistleblower whose allegations have helped set off an impeachment inquiry, suggesting on numerous occasions that the whistleblower is sort of a 'spy' or partisan actor and claiming that he deserves to 'meet' his accuser."

The Washington Examiner (10/7, Dunleavy, 448K) reports, "The first Ukraine whistleblower wrote a two-page memo one day after" the phone call between Trump and Ukraine President Volodymyr Zelensky "detailing secondhand information provided by a White House official [who] described the call as 'crazy,' 'frightening,' and 'completely lacking in substance related to national security,' according to the memo."

Whistleblower's Attorney Representing Second Individual. In the lead story on NBC Nightly News (10/7, lead story, 2:11, Holt, 5.87M), Hallie Jackson reported on "new fallout from the emergence of a second whistleblower, this one with firsthand knowledge of that controversial call in July between President Trump and the leader of Ukraine, according to the attorney for the first whistleblower." On ABC World News Tonight (10/7, story 2, 2:50, Muir, 6.92M), Cecilia Vega reported, "The attorney who represents the original whistleblower is now also representing a second person, a member of the intelligence community who claims to have firsthand information" about the call.

Trump attorney Jay Sekulow said on Fox News' Hannity (10/7, 535K), "They are now talking about a second whistleblower, and my statement on that is, so what? We have already released a transcript. Is it really relevant what some other person who may or may not have heard the conversation thought about it?"

Appearing on Fox News' Fox & Friends (10/7, 831K), House Minority Leader McCarthy said, "All of the world knows more about this phone call" than the first whistleblower did when he filed his complaint based on "hearsay." McCarthy added, "We now have the transcript. Had the Speaker of the House...waited 48 hours, we wouldn't be where we are today and tearing this country apart." Appearing on Fox Business' Mornings With Maria (10/7), McCarthy said that in the past, when Congress moved towards impeaching a president, it had "an impeachment inquiry...because it is such an important thing. You are asking to remove" the "democratically...elected" president, and "you should not take lightly."

AP Analysis: White House Plans To "Stall" And "Attack" As Impeachment Defense.

The AP (10/7, Colvin) reports the White House "is finalizing a high-stakes strategy to counter the impeachment threat" against President Trump: "Stall. Obfuscate. Attack. Repeat. Trump aides are honing their approach after two weeks of what allies have described as a listless and unfocused response to the impeachment probe. One expected step" is a letter to House Speaker Pelosi "rejecting the inquiry because Democrats haven't held a vote on the matter and moving to all but cease cooperation with Capitol Hill on key oversight matters."

Politico (10/7, 4.29M) reports, "Some Trump allies believe a war room could serve as a nerve center to coordinate messaging across its administration while protecting [Trump] from what might be released from an agency, or a seemingly obscure official." However, Politico says "White House staffers remain divided on the necessity of such a centralized operation inside the West Wing to coordinate the political and press response to the impeachment inquiry," in part because "no one can decide who should run it, or how it should be structured, and the president continues to prefer to fight by leaning on his own public comments and Twitter feed."

Eugene Robinson writes in his Washington Post (10/7, 14.2M) column, "President Trump's defense against impeachment is bombastic, full of lies and incoherent to the point of lunacy, which is no surprise. Republicans are beclowning themselves to pretend Trump is making sense – and that, sadly, is also no surprise." Robinson says Trump "can cling to the fact that lily-livered Republicans still fear his wrath."

Dana Milbank writes in his Washington Post (10/7, 14.2M) column that while the Constitution "contains seven articles," President Trump's "version goes to 12. ... Article VIII gives Trump the power to solicit and receive the help of foreign governments in his election. Article IX gives Trump the power to ignore congressional subpoenas and to block witnesses from testifying." Article X gives Attorney General Barr "the power to reach out directly to foreign leaders and intelligence services – without involving the FBI or the Justice Department's international personnel – to solicit information that could help Trump's reelection. Article XI exempts Trump from having to hand over his tax returns, no matter how many laws or court orders say otherwise. ... And Article XII gives Trump the power to impose extralegal punishments,

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including the impeachment of Congress."

House Democrats Seek Information Regarding Suspension Of Aid To Ukraine.

The New York Times (10/7, Fandos, 18.61M) says House Democratic investigators are "trying to unearth communications and other records that might shed light on two enduring mysteries of the United States' interactions with Ukraine: why the White House decided last summer to abruptly suspend the $391 million aid package, and whether it was connected to contemporaneous efforts" by President Trump and Rudy Giuliani to pressure Ukraine to investigate former Vice President Joe Biden and his son Hunter Biden. The White House "has denied that the aid was being withheld to exert leverage over the Ukrainians, but at least one senior diplomat worried privately that that was precisely what was happening, and the administration has been unwilling to answer questions about the timeline and rationale for the decision."

The New York Times (10/7, 18.61M) editorializes, "As the Ukraine scandal continues to unfold, there has been much disagreement about whether Mr. Trump withheld nearly $400 million in military aid...in an attempt to bully its government into pursuing investigations that would benefit him politically." The Times recalls that it "was vocal" in criticizing the "campaign-finance practices of the Clinton era," but those "seem nearly quaint now. Mr. Trump isn't yet known to be hosting pay-to-play pajama parties or dialing for dollars from his office. He has warped American foreign policy and directed administration officials to put the interests of his re-election campaign above those of American national security."

Giuliani Denies Effort By Executives, GOP Donors To Steer Ukraine Gas Contracts. The Washington Post (10/7, Wagner, Shammas, 14.2M) says Giuliani on Monday pushed back against an AP report "detailing efforts by business executives and Republican donors to steer Ukrainian gas contracts to companies controlled by Trump allies." Giuliani wrote, "AP just falsely asserted I was proposing a deal in Ukraine earlier this year, meanwhile the Biden Family gets pass." The Miami Herald (10/7, Daugherty, Hall, 1.09M) reports South Florida businessmen Igor Fruman and Lev Parnas, who have ties to Giuliani and who "peddled supposedly explosive information from Ukraine about corruption involving Joe Biden and Hillary Clinton," missed a Monday deadline for documents "and do not plan to appear for depositions scheduled for Thursday and Friday." Reuters (10/7, Zengerle, Sullivan) also reports.

Perry Says He Did Not Pressure Ukraine To Put Two Americans On Naftogaz Board.

Bloomberg (10/7, Natter, 4.73M) reports Energy Secretary Perry "recommended to the Ukrainian government a former political donor and a Houston oil executive as advisers, an Energy Department official familiar with the matter said Monday." However, Politico (10/7, Adragna, 4.29M) reports that Perry himself "denied that he pressed the Ukrainian government" to put the two on the board. Perry "acknowledged making the recommendations to Ukraine's state-owned natural gas company Naftogaz, but said he did so only at the request of that country's government." Perry also said he had pressed President Trump to make the July call to Ukraine President Volodymyr Zelensky "that is at the center of the impeachment inquiry." Perry said, "Absolutely, I asked the President multiple times, 'Mr. President, we think it is in the United States' and in Ukraine's best interest that you and the President of Ukraine have conversations, that you discuss the options that are there."

Giuliani Says He Is Preparing Lawsuits Against Key Democrats.

Yahoo! News (10/7, Nazaryan, 12.82M) reports Rudy Giuliani "says he is working with outside lawyers to prepare lawsuits against prominent Democrats" such as House Intelligence Chairman Adam Schiff and Rep. Rashida Tlaib (D-MI). In "several conversations with Yahoo News, Giuliani dismissed at least one critic of such a lawsuit as a 'nitwit,' arguing that there were no constitutional constraints on bringing such litigation against sitting members of Congress."

Barr, Australia's Dutton Meet In Washington Amid Controversy.

Reuters (10/7, Sullivan) reports Attorney General Barr and Australian Minister for Home Affairs Peter Dutton "met in Washington to begin negotiating an agreement that would enable police to obtain faster access to electronic evidence in the other country." The two said they "would work to bolster law-enforcement ties as the two countries are separately cooperating on a politically charged probe" regarding the origins of the US inquiry into Russian interference in the 2016 presidential election.

Sondland Scheduled To Testify Tuesday.

Politico (10/7, Cheney, 4.29M) says that on Tuesday, the House Intelligence Committee "is slated to hear from" US Ambassador to the EU Gordon Sondland, whose texts with other diplomats "indicated that a White House visit and military aid to Ukraine may have been contingent on" Ukrainian President Zelensky investigating the Bidens. The AP (10/7) says Sondland "has become a key figure in the [impeachment] probe."

Bloomberg (10/7, 4.73M) reports that George Kent, "the State Department official in Washington who oversees Ukraine policy," did not testify Monday "as was initially requested." Marie Yovanovitch, the US Ambassador to Ukraine "from 2016 until Trump recalled her earlier this year," is "still set to testify on Friday before the Intelligence, Foreign Affairs and Oversight and Reform committees."

Portman Criticizes Trump's Actions, But Does Not Back Impeachment.

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The Hill (10/7, Carney, 2.98M) reports Sen. Rob Portman (R-OH) "said on Monday that President Trump shouldn't have asked China or

Russia to investigate former Vice President Biden, but stressed that he didn't think the conduct warranted impeachment." Portman told the Columbus Dispatch, "The President should not have raised the Biden issue on that call, period. It's not appropriate for a president to engage a foreign government in an investigation of a political opponent."

WPost Analysis: State Department "Demoralized And Resentful" Under Pompeo.

The Washington Post (10/7, DeYoung, Hudson, Dawsey, Nakashima, 14.2M) reports the State Department workforce "is increasingly demoralized and resentful" under Secretary of State Pompeo's leadership "amid a growing belief that he has subordinated its mission and abandoned colleagues in the service of President Trump's political aims. The 'prevailing mood is low and getting lower, if it can,' said Thomas R. Pickering, a diplomatic dean" who served in diplomatic roles "under six presidents of both parties." State Department officials "strongly supported" allocation of funds to Ukraine, "but there is no indication that Pompeo objected when Trump withheld all of the assistance" while Trump and Rudy Giuliani pressed Ukraine's government to investigate former Vice President Joe Biden and his son. "Most worrisome to the department," the Post says, "is concern that Pompeo did not intervene to protect U.S. diplomats either enlisted by Giuliani to assist his efforts or punished for being insufficiently committed to the cause," according to "more than a dozen current and former officials."

Congressional Aides Say Bidens Could Be Forced To Testify In Senate Trial Of Trump.

The Washington Times (10/7, Dinan, 492K) reports former Vice President Joe Biden and Hunter Biden "could be forced to testify if the Senate ends up holding an impeachment trial of President Trump, say congressional aides." The aides say Biden and the several Democratic senators seeking the Democratic presidential nomination could "be forced to be in D.C. at a critical moment in the presidential campaign" as a trial took place.

The Federalist's Hemingway: Biden's Brother Involved In Ukraine Business Dealings. The Daily Caller (10/7, Olohan, 716K) reports Mollie Hemingway of The Federalist appeared on Fox News' Fox & Friends Monday to discuss "the Biden family's business dealings in Ukraine." Both Hunter Biden and Joe Biden's "brother James Biden have been involved in shady business dealings, Hemingway said." Hemingway said, "It's not just his son. It's also his younger brother James who is involved in some of this as well. There has been a little bit of news coverage about it."

Kremlin Questions Reliability Of WPost Story On Trump-Putin Calls.

Reuters (10/7, Auyezov) reports Russian President Vladimir Putin's office has "dismissed as untrustworthy" a Washington Post report about Putin's telephone conversations with President Trump. The Post reported last Friday that "in one of his first calls with a foreign leader after becoming U.S. president in 2017, Trump had 'fawned' over Putin and apologized for not calling him earlier. In another call, Trump reportedly sought advice from Putin on how to befriend" North Korea's Kim Jong-un. Kremlin spokesman Dmitry Peskov told reporters, "We are not sure that this article can be regarded as reliable information."

Trump Signs "Limited" US-Japan Trade Deal.

The AP (10/7, Wiseman) reports that President Trump on Monday signed "a limited trade agreement...with Japan, a deal that would win back benefits American farmers lost when Trump pulled out of a broader Asia-Pacific pact his first week in office." According to the AP, "U.S. farmers have been operating at a disadvantage in Japan since Trump withdrew from the Trans-Pacific Partnership agreement, which had been negotiated by the Obama administration."

Bloomberg (10/7, Sink, Dlouhy, Murray, 4.73M) reports that "the accords on agriculture and digital trade cover about $55 billion worth of commerce between the world's largest- and third-biggest economies," USTR Lighthizer said at a ceremony in the Oval Office alongside Trump. The agreement is a "game changer for our farmers" and ranchers, Trump said at the event.

In an article titled "Where The U.S.-Japan Trade Deal Falls Short Of Trans-Pacific Pact Abandoned By Trump," Reuters (10/7, Lawder) reports "the U.S.-Japan agriculture-centered deal is notable for what it leaves out." The deal "does not include the bulk of products that make up the bilateral trading relationship, notably autos from Japan and aircraft, liquefied propane gas and semiconductor manufacturing equipment from the United States." But on the digital side, the "deal is in line with the new U.S.-Mexico-Canada agreement, regarded as an upgrade from TPP on digital economy issues."

Reuters (10/7) reports that Trump and Japanese Prime Minister Shinzo Abe "held a signing ceremony on the sidelines of the United Nations General Assembly last month after reaching a limited deal."

NYTimes Report: Congress Expected To Ratify USMCA Within Weeks.

The New York Times (10/7, Hulse, Cochrane, 18.61M) reports that "the escalating impeachment drama between Congress and the White House that has all but doomed hopes of most legislative progress this fall has instead enhanced the prospects for approval, within weeks, of one major initiative: a sweeping new trade agreement among the United States, Canada and Mexico." According to the Times, "Top lawmakers in both parties and others closely following the talks said that substantial progress had been made in resolving the sticking points, and that a decisive House vote on the accord to replace the North American Free Trade Agreement could occur before Congress departed for Thanksgiving."

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Kudlow Offers Optimistic Take As US-China Trade Talks Resume.

Reuters (10/7, Lawder) reports that in Washington on Monday, US and Chinese deputy trade negotiators "launched a new round of talks...with neither side showing any signs of giving ground." According to Reuters, "About 30 Chinese officials, led by Vice Finance Minister Liao Min, entered the U.S. Trade Representative's office for two days of negotiations, to be followed by the first minister-level trade talks in more than two months." Reuters says "the talks are getting underway about a week before a scheduled increase in U.S. tariffs on $250 billion worth of Chinese goods, to 30% from 25%," which President Trump "has said...will take effect if no progress is made in the negotiations."

NEC Director Kudlow said on Fox News (10/7, 896K), "Recently some of the statements coming out of Beijing have been a little more positive. They've been in the market buying some agriculture commodities from the US – soybeans, pork and wheat and other things. That's a good sign. The mood music, the psychology seems to be a little better. So, let's see what they come up with. We are open to looking at whatever they have for us." Kudlow added that "we will see what our Chinese friends have to offer later in the week. It is possible...that some additional progress will be made with China towards the end of the week."

Politico (10/7, Marshall, 4.29M) reports that Kudlow insisted on Monday that "there would be no connection between...Trump's request that China investigate the Bidens and this week's renewed trade deal talks between the two global superpowers." Kudlow said, "The President's view is there is no linkage between that and the trade talks. ... I guarantee there will be no linkage." Reuters (10/7, Schroeder) says Kudlow also told reporters Monday that while the Trump Administration has "begun studying U.S. investor protections in China...delisting Chinese companies traded on U.S. exchanges 'is not on the table.'" Kudlow is quoted as saying, "The delisting is not on the table. I don't know where that came from. ... What we're looking at, actually, is investor protection, US investor protections...transparency and compliance with a number of laws."

US Farmers Hope For Continued Sales To China As Trade Negotiators Come To Washington. The Wall Street Journal (10/7, Zumbrun, Hackman, Subscription Publication, 7.57M) reports that a Chinese trade delegation is returning to Washington, a possible sign of a thawing of tensions between the two sides. The visit comes on the heels of some of the largest purchases of US agricultural products by the Chinese in over a year. US Soybean Export Council CEO Jim Sutter said, "Soybeans are a barometer for how the whole thing is going. ... I think we're just now building up momentum again." Still, the Journal reports, US farmers will need sustained purchases by Chinese buyers going forward if they are to recover from the slump in exports that has lasted more than a year.

US Blacklists 28 Chinese Entities Over Human Rights Violations.

The New York Times (10/7, Swanson, 18.61M) reports the Administration "said Monday that it had added 28 Chinese organizations to a United States blacklist, effectively blocking those entities from purchasing American products." The 28 entities have "all been implicated in human rights violations and abuses in China's campaign targeting Uighurs and other predominantly Muslim minorities in the autonomous region of Xinjiang, according to a Commerce Department filing."

Bloomberg (10/7, Donnan, Leonard, 4.73M) reports "the companies include two video surveillance companies – Hangzhou Hikvision Digital Technology Co. and Zhejiang Dahua Technology Co. – that by some accounts control as much as a third of the global market for video surveillance and have cameras all over the world." According to the article, "the blacklisting of these firms has been long in the making and national security advisers for months have been pushing for the president to move forward on the plan." However, "the timing is highly provocative, coming just days before China's Vice Premier Liu He is schedule to arrive in Washington for high-stakes trade talks being watched by financial markets around the world."

Reuters (10/7, Shepardson) reports US officials "said the announcement was not tied to this week's resumption of trade talks with China."

US Inserting Legal Protections For Tech Companies Into Trade Deals.

The New York Times (10/7, McCabe, Swanson, 18.61M) reports the Administration has "begun inserting legal protections into recent trade agreements that shield online platforms like Facebook, Twitter and YouTube from lawsuits, a move that could help lock in America's tech-friendly regulations around the world even as they are being newly questioned at home." The protections have recently been included in the United States-Mexico-Canada Agreement and an accord with Japan that President Trump signed on Monday. American negotiators have proposed working in "the language in other prospective deals, including with the European Union, Britain and members of the World Trade Organization."

First Lady Keeps Up Busy Schedule Despite Impeachment Imbroglio.

The Washington Post (10/7, Yuan, 14.2M) reports under the headline "Melania Trump Seems Unfazed By Her Husband's Possible Impeachment" that "from the looks of [the First Lady's] unusually packed schedule, you'd never guess that a member of her immediate family is facing an impeachment inquiry." She made an appearance at Drug Enforcement Administration headquarters Monday to promote her Be Best campaign in just the latest "time in the past two weeks...that the first lady has put herself in the spotlight while seeming to ignore any of the chaos surrounding her husband."

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First Lady Decries Marketing Of E-Cigarettes To Children.

The AP (10/7, Superville) reports that First Lady Melania Trump said Monday that "companies 'must stop' marketing e-cigarettes to children, saying they are addictive and dangerous." The First Lady is quoted as saying, "It is important to me that we all work to educate children and families about the dangers associated with this habit. ... Marketing this addictive product to children must stop."

Massachusetts Reports Its First Vaping Death. ABC World News Tonight (10/7, story 10, 0:12, Muir, 6.57M) reported that Massachusetts has reported "its first vaping-related death. A patient in her 60s dying from a severe lung condition linked to e-cigarettes."

Kroger, Walgreens To Stop Selling E-Cigarettes. Reuters (10/7, Balu, Naidu) reports that Kroger Co. and Walgreens Boots Alliance Inc. have announced they will "stop selling e-cigarettes at their stores, amid heightened regulatory scrutiny of the product and reports of lung disease and some deaths linked to vaping."

Two School Districts Sue Juul. The New York Times (10/7, Hassan, 18.61M) reports that two school districts have filed suit against e-cigarette manufacturer Juul, "accusing it of endangering students and forcing educators to divert time and money to fight an epidemic of nicotine addiction." The St. Charles, Missouri and Olathe, Kansas school districts "say Juul explicitly marketed its products to youths, leaving schools to shoulder the costs of stopping students from vaping, disciplining them when they break school rules and providing support services when they become addicted."

Experts: FAA Has Not Addressed Fire Danger Posed By Vaping Devices On Planes. The Washington Post (10/7, Laris, 14.2M) reports that US passengers "bring an estimated 2.3 billion electronic devices on planes each year, and safety experts say federal regulators have struggled to keep up with the deluge, often deferring to airlines to manage potential dangers." According to an FAA database, "e-cigarettes and the rechargeable lithium-ion batteries that power them have caused smoke or fire incidents on planes or at airports more than 30 times in three years." A Post analysis of the FAA data found that "in addition to the e-cigarette incidents, the FAA recorded more than 65 other cases of smoking, sparking and flaming lithium-ion batteries in laptops, tablets, phones and other devices, including power packs, drill batteries and rechargeable socks." The Post adds, "Some advocates – and even some inside the airline industry – say federal regulators have not been aggressive enough in addressing the risks."

WSJournal Praises Nobel Winners' Research.

The Wall Street Journal (10/7, Board, Subscription Publication, 7.57M) says in an editorial that the 2019 Nobel Prize in Physiology or Medicine, which was awarded to Americans William Kaelin Jr. and Gregg Semenza and Sir Peter Ratcliffe of Britain for their research into how cells adapt when oxygen levels are decreased is an example of how better insights into human physiology is improving medicine.

Volker Leaving McCain Institute.

The AP (10/7) reports that Kurt Volker, the Trump Administration's former special envoy to Ukraine, said he is resigning from his post as the director of the McCain Institute at Arizona State University. Politico (10/7, 4.29M) reports that Volker "resigned from his role at the State Department a little over a week ago, and his resignation as the head of the D.C.-based think tank came days after he appeared as Democrats' first witness in their widening impeachment probe, turning over damaging text messages that appeared to undermine...Trump's claims that he did not seek to pressure Ukraine into investigating his political opponents."

Trump Touts Economic Numbers.

President Trump tweeted on Monday, "'Incomes much higher under Trump than Bush, Obama.' @foxandfriends And almost everything else is better also (except I am driving the Deep State, and the Radical Left, Do Nothing Democrats, CRAZY)!"

Trump continued on Twitter, "Heritage Foundation 'These numbers are blockbusters. Just since Donald Trump took office, Median Family Incomrs are up over $4,100. In 8 years under President Obama, they only went up $1000. In one third the time, President Trump has increased incomes 4 times as much, and that ... (10/7, 16.75M) doesn't even include the almost $2000 that the families got from the Trump Tax Cut.' Stephen Moore, Freedomworks That means $5000 to $6000 more in disposable yearly income that Americans have right now because of President Trump!"

Powell Stresses Fed's Independence, Pushing Back Against Trump's Pressure.

The AP (10/7, Smith) reports Federal Reserve Chairman Jerome Powell on Monday "stressed the importance of an independent central bank 'absolutely free' from politics in the wake of increasing pressure from President Donald Trump urging the central bank to lower interest rates." Powell addressed "a crowd of hundreds in Salt Lake City at the premiere of a documentary about former Federal Reserve Chairman Marriner Eccles, a Utah resident before he died." Powell did not refer to Trump "by name in his brief remarks in Utah but highlighted Eccles' work to safeguard the central bank from outside influence." He said, "Perhaps most importantly from my perspective as Fed Chair, he is responsible more than any other person for the fact that the United States today has an independent central bank – a central bank able to make decisions in the long-term best interest of the economy, without regard to the political pressures of the moment."

Politico (10/7, Guida, 4.29M) reports Powell said, "I leave you with this statement from Marriner, inscribed on a plaque in the Eccles Building: 'The management of the central bank must be absolutely free from the dangers of control by politics and by private interests, singly or combined.'"

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Kudlow Predicts Fed Will Cuts Rates One Or Two More Times. NEC Director Kudlow was asked on Fox News (10/7, 896K)

about the possibility of an interest rate cut at the end of the month. Kudlow said, "The markets are signaling the Fed will cut their target rate at least one more time and probably two more times. That is a view we hold, and the President has been very clear on that. Let's get rid of any obstacles to economic growth, okay? I can't control Europe, I can't control other parts of the world. Our own central bank, however, could give us an insurance policy and remove an obstacle to growth. I think they will. The markets are signaling that. And of course, the markets are always right."

Stocks Fall As Trade Talks Loom.

Reuters (10/7, Valetkevitch) reports stocks pulled back on Monday as "reports on the U.S.-China trade front kept investors cautious ahead of scheduled talks later in the week." The Dow Jones Industrial Average dropped 96.65 points to 26,477.07, the S&P 500 fell 13.38 points to 2,938.63, and the Nasdaq lost 26.18 points to 7,956.29.

GM-UAW Talks Hit Wall.

The Detroit News (10/7, Thibodeau, 825K) reports General Motors and the United Auto Workers union on Monday "entered the fourth week of contract negotiations since the union began a national strike against the automaker 22 days ago." Already "the longest national strike of an automaker in decades," it is "likely to stretch on judging by communication from both the UAW and GM over the weekend." The AP (10/7, Krisher) reports contract talks have "taken a turn for the worse, hitting a big snag over product commitments for U.S. factories, a union official wrote in an email to members." The letter from UAW Vice President Terry Dittes "says the union presented a proposal to the company Saturday." Dittes "said GM responded Sunday morning by reverting back to an offer that had been rejected and made few changes." GM's "proposal did nothing to address a host of items, Dittes wrote, specifying job security for members during the term of the four-year contract."

Strike Expected To Delay Production Of GM's 2020 Corvette Stingray. The Detroit Free Press (10/7, LaReau, 1.52M) reports GM's "much-anticipated Chevrolet 2020 Corvette Stingray will be delayed going to market because of the UAW strike, the Free Press has learned." According to the article, "two people familiar with GM's production plans said the automaker will have to delay the production and launch of eighth-generation Corvette as it works to catch up on production of the current model and retool the plant to prepare to build the new model. Neither of those two things can happen as scheduled because of the strike."

GE Freezes Pension Benefits For 20,000 Workers.

The Wall Street Journal (10/7, Gryta, Kellaher, Subscription Publication, 7.57M) reports General Electric said it will freeze pension plan benefits for about 20,000 US workers and offer pension buyouts to 100,000 former employees in an effort to cut its debt. GE said the moves would slash its pension deficit by up to $8 billion and its net debt by up to $6 billion.

Whistleblower Says Ethiopian Airlines Went Into Records After Max Crash.

The AP (10/7, Condon) reports, "Ethiopian Airlines' former chief engineer says in a whistleblower complaint filed with regulators that the carrier went into the maintenance records on a Boeing 737 Max jet a day after it crashed this year, a breach he contends was part of a pattern of corruption that included fabricating documents, signing off on shoddy repairs and even beating those who got out of line." Yonas Yeshanew, "who resigned this summer and is seeking asylum in the U.S., said that while it is unclear what, if anything, in the records was altered, the decision to go into them at all when they should have been sealed reflects a government-owned airline with few boundaries and plenty to hide." Yeshanew's criticism of Ethiopian's maintenance practices, "backed by three other former employees who spoke to AP, makes him the latest voice urging investigators to take a closer look at potential human factors in the Max saga and not just focus on Boeing's faulty anti-stall system."

Boeing Sued by Southwest Airlines Pilots On Lost Pay From Max Grounding. Bloomberg (10/7, Schlangenstein, 4.73M) reports the union for Southwest Airlines pilots sued Boeing, "saying the manufacturer rushed output of the 737 Max jet to stay competitive, withholding key information about a feature that contributed to two fatal crashes within five months." The suit said, "Boeing made a calculated decision to rush a re-engined aircraft to market to secure its single-aisle market share and prioritize its bottom line." The union "said it's seeking at least $115 million for damages sustained through the end of this year, primarily for lost pay and legal expenses."

Media Analyses: Trump Warns Turkey About Syria Incursion After Withdrawing US Troops.

Media reports cast President Trump's warning Monday afternoon to Turkey about overstepping in Syria as it prepares to invade the country as a response to widespread criticism – even from his Republican allies – of his decision earlier in the day to withdraw US troops from northern Syria.

In an article representative of the coverage, the New York Times (10/7, Baker, Jakes, 18.61M) reports that Trump, "defending his decision to clear the way for a Turkish military operation against America's Kurdish allies in northern Syria," said "it was 'time for us to get out' and let others 'figure the situation out.' But after Republican allies condemned the move, he pivoted sharply and said he would restrain Turkey." According to the Times, "The herky-jerky policy pronouncements kept supporters, foreign leaders, military officers and his own aides off balance as they tried to interpret Mr. Trump's meaning and anticipate its consequences."

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Other media outlets also cast the Administration as sending conflicting messages Monday. The AP (10/7, BALDOR), for example,

reports that Trump, "facing unusually wide criticism...sent out strong but conflicting signals on the 'endless war' in Syria." Trump first "declared US troops would step aside for an expected Turkish attack on Kurds who have fought alongside Americans for years but then threatened to destroy the Turks' economy if they went too far." The AP notes that "even Trump's staunchest Republican allies expressed outrage at the prospect of abandoning Syrian Kurds who had fought the Islamic State group with US troops." The "strong pushback on Capitol Hill...prompted Trump to recast his decision but with renewed bombast, portraying it as a threat to strangle Turkey if it carries out its announced intent to invade."

USA Today (10/7, Fritze, Jackson, 10.31M) too says "Trump defended a plan to move US troops out of Northern Syria" amid "a backlash Monday from GOP lawmakers." The Daily Caller (10/7, Caruso, 716K) says that during a press conference Monday afternoon, the President "emotionally describ[ed] how he has to write letters to the families of fallen soldiers." Said Trump, "It's time to come back home. But I can understand the other side of it, but if you go by the other side that means we should never, ever come home. We should never, ever come home and you know, I have to sign letters often to parents of young soldiers that were killed and it's the hardest thing I have to do in this job. I hate it. I hate it." The Washington Times (10/7, Howell, 492K) also reports the remarks, while the Washington Post (10/7, Sonmez, 14.2M) and USA Today (10/7, Jackson, 10.31M) report he also touted what he called his "great and unmatched wisdom" on the matter.

To Reuters (10/7, Pamuk, Butler), Trump's "harsh attack" on Turkey "seemed to be aimed at placating critics who accused him of abandoning the Syrian Kurds by pulling out US forces." To Bloomberg (10/7, Wingrove, Carey, 4.73M), Trump "appeared to backpedal after giving Turkey a green light to attack US-allied Kurdish forces in northern Syria."

In fact, US News & World Report (10/7, Shinkman, 2.4M) reports that a "senior administration official on an organized call with reporters appeared to contradict...Trump...late Monday, refuting interpretations of his statements from earlier in the day that prompted broad outrage from supporters and opponents alike." The official insisted that "the US is not removing its forces from Syria," but instead is relocating "roughly 50 special operations troops in northern Syria" to "a different part of the country." To US News, that "assertion, however, appears to conflict with a flurry of tweets the president issued Monday." Trump, for example, tweeted, "It is time for us to get out of these ridiculous Endless Wars, many of them tribal, and bring our soldiers home."

Axios (10/7, Lawler, 521K) too says "a senior administration official told reporters on a call Monday evening that Trump will withdraw the 50-100 special forces troops currently operating near the Turkey-Syria border, but is not pulling the US out of Syria entirely." The senior Administration official said Trump had determined Turkish President Recep Tayyip Erdoğan was "set on undertaking an operation in northern Syria" after months of threats and didn't want US troops to come under fire. The Washington Post (10/7, Ryan, Fahim, Dadouch, Deyoung, 14.2M) also reports that in his series of early morning tweets, the President "suggested that the United States was shouldering too much of the burden – and the cost – of fighting the Islamic State."

Calling it a "major shift in United States military policy in Syria," the New York Times (10/7, Schmitt, Haberman, Wong, 18.61M) says Trump's decision "goes against the recommendations of top officials in the Pentagon and the State Department who have sought to keep a small troop presence in northeast Syria to continue operations against the Islamic State, or ISIS, and to act as a critical counterweight to Iran and Russia." The Wall Street Journal (10/7, Nissenbaum, Subscription Publication, 7.57M) also refers to a major shift in US policy.

The CBS Evening News (10/7, story 2, 2:40, O'Donnell, 4.29M) referred to it as a "surprise development" and Politico (10/7, Morgan, 4.29M) reports the decision by the President "took the Pentagon and the government's Syria point man by surprise -- and the decision defied the current thinking of President Donald Trump's national security leaders." According to Politico, the White House announcement late Sunday "upended military and State Department plans to deter a Turkish offensive," and "bucked views by top officials that the Turks' threat of an incursion against the Kurds was a bluff."

Jennifer Griffin said on Fox News Special Report (10/7, 1.53M), "The news was met with disappointment at the Pentagon. Officials who say they were blindsided call it a betrayal of a key ally that helped destroy ISIS." Barbara Starr said on CNN's The Lead (10/7, 685K), "There is deep concern here at the Pentagon on what will happen to the Kurds now and the extent to which the US military will once again be seen as deserting a vital ally at a critical time."

In an exclusive, Newsweek (10/7, LaPorta, 1.53M) quotes a "National Security Council source" as saying Trump got "rolled" during a phone call Sunday afternoon with Erdoğan. Trump, the official added, "was definitely out-negotiated and only endorsed the troop withdraw to make it look like we are getting something – but we are not getting something. The US national security has entered a state of increased danger for decades to come because the President has no spine and that's the bottom line."

Breitbart (10/7, Pollak, 673K), meanwhile, says the "change in US policy in Syria that triggered a media storm on Monday involves the redeployment of fewer than 25 troops from the Turkish border to elsewhere in Syria, a State Department official was quoted as saying." The Times of Israel quotes a "senior State Department official" as saying the US has pulled back a "very small number" of troops from areas along the Turkish border, and that have been moved only a "very short distance."

Bipartisan opposition to the move is widely reported. The CBS Evening News (10/7, story 2, 2:40, O'Donnell, 4.29M) said "the Democratic House Speaker and the Republican Senate Majority Leader rarely agree on anything, but tonight they are both speaking out against the President's plan." Reuters (10/7, Brice, Heavey, Chiacu) likewise calls it "a rare show of bipartisanship," and the Washington Times (10/7, Meier, 492K) refers to "a move rarely seen on Capitol Hill." Politico (10/7, Everett, 4.29M) reports, "From steadfast GOP allies and liberal Democrats...the blowback to Trump is coming from all angles, suggesting a real bipartisan pressure campaign that could force the president to reverse himself."

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NBC Nightly News (10/7, story 3, 2:15, Holt, 6.4M) said the President "is facing sharp criticism for his plan...even sparking backlash

from some of the President's allies," who are "calling it catastrophic and a grave mistake." ABC World News Tonight (10/7, lead story, 4:15, Muir, 6.57M) – the only network to lead with the story last night – reported "the President's move [is] sparking anger on Capitol Hill, including from some of the President's strongest supporters. Senate Majority Leader Mitch McConnell saying, 'It would increase the risk that ISIS and other terrorist groups regroup.' Sen. Lindsey Graham calling Trump's decision 'irresponsible.'"

The Daily Caller (10/7, 716K) quotes Graham as saying yesterday on Fox News' Fox & Friends (10/7, 831K), "This impulsive decision by the President has undone all the gains we've made, thrown the region into further chaos, Iran is licking their chops. ... If I'm an ISIS fighter I have got a second lease on life." Graham added, "To Turkey, you've destroyed the relationship, what little you had, with the US Congress, and I will do everything I can to sanction Turkey's military and their economy if they step one foot into Syria."

In what the Washington Post (10/7, Olorunnipa, 14.2M) calls "a rare public split with Trump," McConnell "said that a supermajority in the Senate disagreed with the president's abrupt withdrawal announcement, raising the specter of veto-proof action to oppose the decision." The AP (10/7, Peoples) reports McConnell warned that "an early US withdrawal 'would only benefit Russia, Iran' and Syrian President Bashar Assad," and also "would make it easier for ISIS to rebuild."

The Wall Street Journal (10/7, Wise, Subscription Publication, 7.57M) reports Sen. Ted Cruz (R-TX) said the President was right to want to bring US troops home, but it would be "DISGRACEFUL if we sat idly by while Turkey slaughters the Kurds." Sen. Marco Rubio (R-FL) tweeted that it would be a "grave mistake" for the Administration to withdraw from Syria.

Sen. Susan Collins (R-ME) told Politico (10/7, 4.29M), "This is a terribly unwise decision by the President to abandon our Kurdish allies, who have been our major partner in the fight against the Islamic State." Sen. Mitt Romney (R-UT) "also denounced the maneuver as 'a betrayal' which communicates to allies abroad that the U.S. is an unreliable partner." And Sen. Ben Sasse (R-NE) "warned the administration's 'bad decision will likely result in the slaughter of allies who fought with us, including women and children.'"

Rep. Adam Kinzinger (R-IL), asked on Fox News' The Story (10/7) how long it will take the Turks to invade, said, "I don't think it is going to take very long. We already hearing these reports of air strikes. It depends when they Kurds abandon these ISIS fighters. Think about if 10,000 ISIS fighters get released. The President keeps saying we have won this war against ISIS. We certainly have not won the war against ISIS." Kinzinger said on CNN's Cuomo Prime Time (10/7, 743K) that "the President has to lead. That's where a lot of times when people look at public opinion polls, it's America's knee-jerk reaction to want to get out of any war. I understand that because they have to have leaders that explain why we're doing it." Bloomberg (10/7, Dennis, 4.73M), the Washington Examiner (10/7, Ferrechio, 448K), and the Daily Caller (10/7, Rodgers, 716K), among other news outlets, also report the reaction from Republican lawmakers.

On its editorial page, the New York Times (10/7, 18.61M) writes Trump "may walk his own decision back once again, in part or in whole. But what ally could look at the United States now and see a stalwart partner – and what foe could look at it and fear a determined adversary?"

A Washington Post (10/7, 14.2M) editorial says the White House statement announcing Trump's decision and his tweets that followed it "reflected a stunning ignorance of the situation on the ground," and a Wall Street Journal (10/7, Subscription Publication, 7.57M) editorial warns that the withdrawal could jeopardize the gains made against ISIS.

Lionel Beehner, an assistant professor and Director of Research at West Point's Modern War Institute, writes in USA Today (10/7, 10.31M) that "the real fear is not that nobody will partner with us going forward. It's Washington's lack of a coherent strategy in Syria, going back to President Barack Obama. Syria is what happens when wars are left to fester and the fighting is outsourced to dubious groups."

Max Boot writes in his Washington Post (10/7, 14.2M) column, "Normally, a president facing impeachment argues that those proceedings are a grave distraction from his weighty foreign policy responsibilities, and that national security will suffer as a result. In President Trump's case, a distraction is a good thing, because when he focuses spastically and sporadically on foreign policy, he usually makes the situation far worse."

Kurds Accuse Trump Of "Stab In The Back." The AP (10/7, Mroue) reports that for Syria's Kurds, the Administration's "abrupt pull-back from positions in northeast Syria carries a sharp sting, reviving the community's memories over being abandoned in the past by the Americans and other international allies." The Washington Times (10/7, Wolfgang, 492K) reports Kurdish forces "accused President Trump of a 'stab in the back' on Monday hours after the White House announced US troops would vacate the area, giving a green light to Turkey to begin a long-awaited military operation against the group." a spokesman for the Syrian Democratic Forces (SDF) said, "There were assurances from the United States of America that it would not allow any Turkish military operations against the region. But the [President's] statement today was a surprise and we can say that it is a stab in the back for the SDF." On the CBS Evening News (10/7, story 3, 1:24, O'Donnell, 4.07M), Holly Williams said she spoke with SDF officials, who "told us they feel betrayed by the US. They are clearly very angry."

The New York Times (10/7, Hubbard, 18.61M) reports that "in addition to betraying the militia, the Kurdish-led Syrian Democratic Forces, analysts said, the move could empower Turkey" and "create a void in the region that could benefit President Bashar al-Assad of Syria, Russia, Iran and the Islamic State."

Haley, McGurk Criticize Trump For Abandoning Kurds. Bloomberg (10/7, 4.73M) reports that Trump's decision "came after the biggest opponents to Trump's troop withdrawal demands in the past had left his orbit," former Defense Secretary James Mattis and former National Security Advisor John Bolton, who had "both...sought security guarantees for the US-allied Kurdish fighters, who did much of the heavy work to fight Islamic State." Bloomberg says former UN Ambassador Nikki Haley wrote, "The Kurds were instrumental in our successful fight against ISIS in Syria. Leaving them to die is a big mistake." Likewise, former US special envoy for Syria, Brett McGurk, "blasted the president's decision, saying the president 'blusters and then leaves our allies exposed when adversaries call his bluff or long ago ends a hard phone call.'" The Washington Post (10/7, Blake, 14.2M) reports McGurk "took the occasion to not just criticize Trump's immediate decision;

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he used it to cast a picture of a president who makes rash life-or-death decisions without the appropriate amount of thought."

European Officials Also Criticize Move. The Washington Post (10/7, McAuley, Noack, 14.2M) reports that many European officials "were angered and taken aback...by the Trump administration's abrupt decision to withdraw US troops from the Syrian-Turkish border." In a statement, the French Foreign Ministry said, "Any unilateral action could have significant humanitarian consequences and would not provide the conditions for the safe and voluntary return of refugees to their areas of origin. It would undermine the stability of this region and our direct efforts on the ground." The Post says Norbert Röttgen, "head of the foreign affairs committee in the German parliament, was more direct," saying the US "troop withdrawal from northern Syria constitutes another abrupt and destabilizing foreign policy move by the United States."

Reuters (10/7) reports that French officials "have said in the past that a US withdrawal would force Paris to also draw back its troops and after a similar an announcement by Trump in January, French President Emmanuel Macron had claimed he had convinced Trump to change his mind." Bloomberg (10/7, 4.73M), among other news outlets, also covers the reaction from France.

Pat Robertson "Absolutely Appalled" By Trump's Decision. The Hill (10/7, Coleman, 2.98M) reports Pat Robertson said Monday he is "absolutely appalled" by President Trump's decision to withdraw US troops from Syria. On his show "700 Club," Robertson said, "I am absolutely appalled that the United States is going to betray those Democratic forces in northern Syria, that we possibly are going to allow the Turkish to come in against the Kurds. The President of the United States is in danger of losing the mandate of Heaven if he permits this to happen." The Washington Examiner (10/7, Halaschak, 448K) reports Robertson also called Erdoğan a "thug."

Ohio Governor's Gun Proposal Leaves Out "Red Flag" Law.

USA Today (10/7, Balmert, Borchardt, 223K) reports Ohio Gov. Mike DeWine (R) "won't ask the Republican-controlled state Legislature for a 'red flag' law or mandatory background checks on private gun sales." Those were measures DeWine "proposed two months ago, days after a mass shooting in Dayton that left 10 people dead and 27 injured." But on Monday, DeWine "retreated from those proposals, opting instead for legislation he said lawmakers and Second Amendment advocates might support – or at least not tank immediately."

DeVos Could Be Sanctioned Over Student Debt Collection.

Bloomberg (10/7, Rosenblatt, 4.73M) reports Education Secretary DeVos "faces potential sanctions or a finding she's in contempt of court for continuing to collect on the debt of former students at bankrupt Corinthian Colleges Inc., going so far as seizing their tax refunds and wages." US Magistrate Judge Sallie Kim on Monday "said she was 'astounded' that the department violated her June order to stop collecting the debts from students, who had been promised refunds of their tuition." Saying she was "not sure if this is contempt or sanctions," Kim said that "at best it is gross negligence, at worst it's an intentional flouting of my order." She "ordered both sides to file arguments this month to assist in her final ruling on whether DeVos is in contempt."

Perry Denies Planning Imminent Departure.

Reuters (10/7, Sytas) reports that Energy Secretary Perry said Monday that "he had no plans to resign now or next month, denying a report that he was expected to announce his resignation in November." Perry is quoted as saying, "I'm here, I'm serving. ... They've been writing the story for at least nine months now. One of these days they will probably get it right, but it's not today, it's not tomorrow, it's not next month." Also reporting is Bloomberg (10/7, Seputyte, 4.73M).

Politico Report: Chao Met With Kentucky Officials Far More Than Those From Any Other State.

Politico (10/7, 4.29M) reports that "in her first 14 months as Transportation secretary, Elaine Chao met with officials from Kentucky, which her husband Mitch McConnell represents in the Senate, vastly more often than those from any other state." According to Politico, "25 percent of Chao's scheduled meetings with local officials of any state from January 2017 to March 2018 were with Kentuckians, who make up only about 1.3 percent of the U.S. population. The next closest were Indiana and Georgia, with 6 percent of meetings each, according to Chao's calendar records, the only ones that have been made public." Politico says that "at least five of Chao's 18 meetings with local Kentuckians were requested in emails from McConnell staffers."

Administration Orders Agencies To Limit Unions In Federal Workplace.

The Washington Post (10/7, Yoder, 14.2M) reports, "Federal agencies have been told to carry out Trump administration directives aimed at restricting the role of unions in the federal workplace and giving agencies the maximum discretion in taking disciplinary actions against employees, now that a court ban against many of those policies has been lifted." The Office of Personnel Management said in a memo issued Friday that the policies "are in full force and effect," and agencies should "ensure that they are fully compliant with all requirements or are taking steps to become compliant with requirements at the soonest feasible opportunity." The memo "came just several days after a court lifted a year-long injunction in an union-sponsored lawsuit against three executive orders issued in May 2018."

Baker: FBI Needs Strong Leadership That Barr Provides.

In an op-ed for the Wall Street Journal (10/7, Subscription Publication, 7.57M), Thomas J. Baker, a retired FBI special agent and legal attaché, defends Attorney General Barr from recent attacks by Democrats and the media, arguing that Barr has the experience and character

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to be a strong leader for the FBI. Laying out the argument that Barr can restore the FBI's reputation, Baker points to Barr's history of not shrinking from tough decisions and making the correct call.

Trump Jr. Rallies Support For GOP Hopefuls During Lafayette Visit.

The AP (10/7) reports that Donald Trump Jr. "told hundreds of Republicans assembled Monday in Lafayette to vote for either" Rep. Ralph Abraham (R-LA) or Republican businessman Eddie Rispone in the Oct. 12 primary election, instead of Louisiana Gov. John Bel Edwards (D). The GOP hopefuls "appeared at the rally and touted their support of [President] Trump." The Monroe (LA) News Star (10/7, Hilburn, 64K) reports that Trump Jr. "was an enthusiastic warm-up act for President Donald Trump, who is traveling to Lake Charles Friday night on the eve of the Oct. 12 primary to rally Republicans." The GOP is hoping it "can turn out enough support to hold Edwards below 50% and force a Nov. 16 runoff." Said Trump Jr., "The status quo sucks right now. If you guys don't turn out you get a Democratic governor to keep these failed policies."

The Baton Rouge (LA) Advocate (10/7, Karlin, 399K) reports that over the past week, "Republicans have brought out their big guns to try to keep" Edwards "from winning reelection by garnering more than 50% of the vote Saturday, thereby forcing him into a runoff election with one of two major GOP opponents. President Donald Trump attacked the governor on Twitter before announcing Sunday he will visit Lake Charles the day before the election to rally support for" the GOP challengers – an appearance "bookend[ing] visits by Vice President Mike Pence, who rallied with the two candidates Saturday in New Orleans, and...Trump Jr., who stumped at the Cajundome in Lafayette on Monday."

Louisiana Gubernatorial Poll: Edwards 45%; Rispone 22%; Abraham 17%. In an online article, WAFB-TV Baton Rouge, LA (10/7, 32K) reports that a Mason-Dixon Polling and Strategies survey of 625 Louisiana likely voters, taken Oct. 1-4, shows Edwards leading the Oct. 12 all-party primary with 45 percent, followed by Rispone at 22 percent, and Abraham at 17 percent; 10 percent were undecided and 6 peracent backed another candidate. If no candidate tops 50 percent in the primary election, the top two vote-getters will advance to a Nov. 16 runoff. The poll was commissioned by "the six Louisiana Gray Television stations." The Hill (10/7, Coleman, 2.98M) reports that the survey "found respondents supported" Edwards "in both theoretical run-off elections against the two GOP candidates, receiving 51 percent against Rispone and 53 percent against Abraham."

Federal Judge Dismisses Trump's Broad Claims To Immunity, Orders Tax Returns Released.

NBC Nightly News (10/7, story 2, 0:14, Holt, 5.87M) reported President Trump on Monday "lost a court battle to keep his tax returns secret, with the judge tossing out a suit to keep them from the Manhattan district attorney." The AP (10/7, Neumeister) reports that US District Judge Victor Marrero on Monday "ruled that New York City prosecutors can see" Trump's tax returns "for an investigation into such matters as the payment of hush money to porn star Stormy Daniels and a Playboy centerfold." According to the AP, Marrero "emphatically rejected Trump's attempt to keep his financial records under wraps, calling the president's broad claim of immunity from all criminal proceedings 'extraordinary' and 'an overreach of executive power' at odds with the Constitution." However, the AP adds that "for now, at least, the tax returns remain beyond the reach of prosecutors" because the President's defense team appealed the judge's ruling to the Second Circuit Court of Appeals, "which put the matter on hold while it considers the case on an expedited basis."

Politico (10/7, 4.29M) says Marrero "issued a sharp rejection of longstanding Department of Justice opinions that say a president cannot be indicted or criminally prosecuted while in office, calling their conclusions 'not warranted' or backed up by the authority of the courts. ... 'The notion of ... presidential immunity from judicial process that the President here invokes, unqualified and boundless in its reach described above, cuts against the grain of these Constitutional precedents,' wrote Marrero, an appointee of President Bill Clinton in 1999."

USA Today (10/7, McCoy, 10.31M) reports "Marrero ruled that Trump would not suffer irreparable harm and was unlikely to succeed on the merits of his legal arguments, so the judge denied Trump's motions for a temporary restraining order and preliminary injunction as he dismissed the subpoena challenge." After Marrero's ruling was announced, Trump tweeted, "The Radical Left Democrats have failed on all fronts, so now they are pushing local New York City and State Democrat prosecutors to go get President Trump. A thing like this has never happened to any President before. Not even close!"

The Washington Post (10/7, Fahrenthold, Marimow, 14.2M) reports that Jay Sekulow, one of the President's lawyers, "struck a more positive tone," writing, "We are very pleased that the U.S. Court of Appeals for the Second Circuit has issued a stay of the subpoena." The New York Times (10/7, Rashbaum, Weiser, 18.61M) says "the case has pitted the Manhattan district attorney, Cyrus R. Vance Jr., against the president and his Justice Department and raised a host of issues that have not been tested in the courts." According to the Times, the Constitution "does not explicitly say whether presidents can be charged with a crime while in office, and the Supreme Court has not ruled on the issue."

Reuters (10/7, Stempel) reports that Vance, "a Democrat, had subpoenaed personal and corporate tax returns from 2011 to 2018 and other records from Trump's longtime accounting firm Mazars USA." According to Reuters, the subpoena is "part of Vance's criminal probe into the Republican president and his family business." Reuters says Vance "issued the subpoena four weeks after issuing another subpoena to the Trump Organization for records of hush money payments, including to two women prior to the 2016 election who said they had sexual relationships with Trump, which he denies." Bloomberg (10/7, 4.73M) also covers Monday's developments.

Sekulow said on CNN's Cuomo Prime Time (10/7, 723K) that this is "a win because the US court of Appeals for the Second Circuit immediately, literally within about ten minutes of us filing the application for stay granted it and note – and I am reading from the opinion – 'the

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unique issues raised by this appeal' because it's the constitutional issues we raised here. I want to say something here. ... There are 5,000 DA and assistant district attorneys throughout the United States. Can you imagine if the President of the United States was subject to individual investigations by DAs for whatever reason they so choose? The Founders were concerned about that. They didn't want local magistrates impact the President's role under Article II, not only commander in chief but chief executive of the United States and the unique constitutional role the President plays in our constitutional structure."

Trump Organization Cancels Event Planned By Anti-Muslim Group At Mar-A-Lago.

The Washington Post (10/7, Fahrenthold, 14.2M) reports, "An anti-Muslim group that had been planning a gala at President Trump's Mar-a-Lago Club in Florida said Monday that the Trump Organization had abruptly canceled the event." The group, ACT for America, released "a statement saying Trump's company had 'caved to the Left's bullying tactics' in canceling its Nov. 7 dinner gala." In the statement, ACT founder Brigitte Gabriel "sought to blame the Trump Organization's legal department – but not Trump, who still owns the company, or his sons, who now run it." According to the article, the "event appeared to be an example of a long-term trend at Mar-a-Lago." The Post says that as a result of Trump's "divisive presidency," many "longtime banquet clients, including charities such as the American Red Cross," have withdrawn from holding events.

Trump Congratulates FCC's Pai On Net Neutrality Court Win.

President Trump on Monday touted the Administration's victory last week in the District of Columbia Court of Appeals on net neutrality. Trump tweeted, "We just WON the big court case on Net Neutrality Rules! A great win for the future and speed of the internet. Will lead to many big things including 5G. Congratulations to the FCC and its Chairman, Ajit Pai!"

Trump Congratulates Vikings QB Cousins Ahead Of Minnesota Rally.

The Hill (10/7, Coleman, 2.98M) reports that a spokesman for the Minnesota Vikings told CBS News that ahead of his rally in the state later this week President Trump congratulated Vikings quarterback Kirk Cousins over the phone for the team's win Sunday. The spokesman said Trump called Cousins to "briefly congratulate him and the Vikings on the win in New York." Trump will travel to Minnesota "for a campaign rally scheduled for Thursday night. Cousins will not be attending the rally, according to CBS, though the subject did come up in his call with Trump."

Maloney Cites Bronchitis After Becoming Faint At Event.

The AP (10/7, Press) reports that Rep. Carolyn Maloney (D-NY) is attributing "a medical problem she experienced during a public event" to her recovery from bronchitis. In a statement Monday, the lawmaker said she began to feel faint and "out of an abundance of caution, sought medical attention." Maloney said she "probably should have stayed home," and that "after some rest and chicken soup" she looks forward to getting back to work.

Omar Files For Divorce.

The AP (10/7, Forliti) reports that Rep. Ilhan Omar (D-MN) has filed for divorce from her husband, Ahmed Hirisi, "citing an 'irretrievable breakdown' of her marriage." The divorce petition, which Omar filed Friday in Hennepin County District Court, "does not elaborate on what caused the marriage to break down. It comes more than a month after a Washington, D.C., woman accused Omar of having an affair with her husband."

Thomas Misses First Day Of New SCOTUS Term Due To Illness.

Reuters (10/7, Hurley, Chung) reports that the Supreme Court on Monday "kicked off its new nine-month term with a flurry of activity," but "with conservative Justice Clarence Thomas absent due to an unspecified illness." Chief Justice John Roberts said from the bench that Thomas was "'indisposed' due to illness but would still participate in deciding the three cases."

Jan Crawford said on the CBS Evening News (10/7, story 6, 1:35, O'Donnell, 4.07M) that in its new term, the High Court is "taking every hot-button issue that's out there. You have gay rights, abortion, immigration, gun rights, and they are going to jump right into it starting tomorrow with a case that really looks at whether or not federal civil rights law protects gays, lesbian, transgender people from discrimination in employment." In this term, the Court will also "look at abortion, and whether or not states can put more regulations on abortion clinics." In addition, the Justices are "going to have a case that looks at President Trump's efforts to try to end that Obama-era program called the Dreamer Program that was designed to protect people who came to this country illegally as children," and they "will look at whether states can put a lot of restrictions on people's ability to who have legally owned firearms to take them outside your homes."

SCOTUS Throws Out Challenge To GOP-Drawn Congressional Maps In Ohio.

Reuters (10/7, Hurley) reports that the Supreme Court on Monday threw out a challenge to GOP-drawn congressional districts in Ohio. Democrats argued that the districts "were drawn to unlawfully diminish their political clout." the high Court's [illegible] major ruling by the justices in June that foreclosed such lawsuits." In June, the Court "dealt a major blow to election reformers by saying...that federal

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courts have no role to play in reining in electoral map manipulation by politicians aimed at entrenching one party in power." In the wake of that ruling, the Ohio challengers had "little option but to concede defeat."

Supreme Court Hears Arguments On Insanity Defense.

The New York Times (10/7, Liptak, 18.61M) reports that the Supreme Court heard arguments Monday on "whether states may abolish the insanity defense." James Kahler "was sentenced to death in 2011 for killing four family members" in Kansas, "but his lawyers said he had severe depression that made it impossible for him to understand reality or to distinguish right from wrong." The state "eliminated the insanity defense about two decades ago, so he was barred from raising the defense that he had been mentally ill." Kahler's attorney, Sarah Schrup, "said that was a radical departure from American legal traditions."

USA Today (10/7, Wolf, 10.31M) says that while "only three other states – Idaho, Montana and Utah – have eliminated the insanity defense," Justice Elena Kagan "opined that Kahler likely would not have been found insane anywhere." Nonetheless, Kagan "and other justices noted that throughout history, prosecutors have needed to prove more than intent to overcome mental health defenses." Justice Stephen Breyer "said Kansas' standard would treat two defendants differently: 'The first defendant thinks that Smith is a dog. The second defendant knows it's a person but thinks the dog told him to do it. ... What's the difference? ... They are both crazy." Chief Justice John Roberts "implied that states should not be too free to grant claims of insanity."

High Court Won't Hear Case On Impeachment Of West Virginia Justices.

The AP (10/7, Raby) reports that the Supreme Court said Monday it will not intervene in a lower court decision "that derailed the impeachment trials of three West Virginia Supreme Court justices accused of corruption." West Virginia's highest court "ruled last year that prosecuting then-state Supreme Court Chief Justice Margaret Workman in the state Senate would violate the state constitution's separation of powers clause." The ruling was applied "to also halt impeachment proceedings against two other justices who have since left the court: Robin Davis and Allen Loughry." Workman argued that "the charge was invalid because it was based upon alleged violations of the West Virginia Code of Judicial Conduct, which is constitutionally regulated by the Supreme Court."

SCOTUS Keeps NYC Gun Case On Its Calendar.

In what Bloomberg (10/7, Stohr, 4.73M) casts as "at least a temporary win for gun-rights advocates," the Supreme Court will keep a Second Amendment case on its calendar even though "New York City loosened the gun-transportation restrictions at the center of the fight." While the Court "rejected the city's request to dismiss a challenge to the rules as moot," it "said in a two-sentence order that it will revisit the issue during arguments, scheduled for Dec. 2." Bloomberg adds that gun rights groups hope the court "will use the case to bolster the constitutional right to bear arms."

Carter Gets 14 Stitches After Falling At Home.

The CBS Evening News (10/7, story 11, 0:20, O'Donnell, 4.07M) reported that former President Jimmy Carter and former First Lady Rosalynn Carter appeared Monday "at a Habitat for Humanity event in Nashville one day after he took a nasty fall at home in Georgia. A black eye and 14 stitches were visible beneath his hat. Mr. Carter turned 95 last week, the first President to reach that milestone." NBC Nightly News (10/7, story 13, 1:16, Holt, 5.87M) also reported on Carter's appearance at the Nashville event, as did ABC World News Tonight (10/7, story 11, 0:14, Muir, 6.92M).

WPost: Lawmakers Should Pass Explicit Employment Protection For LGBT People.

In an editorial, the Washington Post (10/7, Board, 14.2M) says the Supreme Court on Tuesday "will hear oral arguments in three cases testing whether federal law bars employers from discriminating against LGBT people based on their sexual orientation or gender identity." The Post argues that "nothing the court does or declines to do affects Congress's responsibility. If lawmakers finally approved explicit employment protections for LGBT people, the extension of those protections would gain more democratic legitimacy."

A Wall Street Journal (10/7, Board, Subscription Publication, 7.57M) editorial says the Court should not focus on whether discrimination against gay and transgender people is legally or morally acceptable but whether the courts are the place for the issue to be decided. The Journal argues that matter should be left to the people and their elected representatives.

In Tweet, Trump Promotes Video Touting His 2016 Win And 2020 Bid For Reelection.

In a Monday tweet, President Trump promoted campaign video touting his 2016 win and his coming bid for reelection. The video features clips of the President speaking at a rally and Wisconsin voters lauding Trump.

Trump Camp Hails GOP Rule Changes Aimed At Avoiding Delegate Fight At 2020 Convention.

Reuters (10/7, Gibson, Holland) reports that President Trump's reelection campaign on Monday offered details on "efforts to change [GOP] rules across the country to reduce the potential for opposition to the president at the 2020 nominating convention. Three Trump campaign senior officials told reporters on a call on Monday they have worked with state parties to make it harder for Republican primary opponents to

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influence the selection of the delegates to the convention." Though "a small convention rebellion would be unlikely to dislodge Trump as the Republican nominee, the optics could be damaging for" him. Reuters adds, "In some states, the primary vote has been canceled entirely and party officials will select pro-Trump delegates. In other states, new rules backed by Trump's campaign will make it harder for primary opponents who garner a small percentage of the vote to influence delegate selection."

The Washington Times (10/7, Howell, 492K) reports that Trump's campaign "boasted Monday it's worked behind the scenes to bind state-by-state delegates to the president, saying they want the GOP convention in North Carolina to be a 'four-day television commercial' for reelection and not a debate among party activists. Campaign officials...chafed at suggestions the effort was designed to stamp out a trio of primary challengers, arguing they pose little threat and that GOP support for...Trump is at a historic high. 'The rules of the party now reflect adequately the will of the voters in the president's party,' a campaign official said. 'This is not being done from a position of weakness.'" The officials "said under 2016 rules...a candidate who received only 6% of the GOP vote in Massachusetts could have amassed nearly 25%, or 10 out of 41, delegates. Now 'that will no longer be the case,' a campaign official said, because the state decided to dole out its delegates more proportionately."

The New York Post (10/7, Schultz, 4.57M) reports that the Trump camp also "credited" Gov. Andrew Cuomo (D-NY) "for creating a smoother path for his reelection. The campaign touted election changes in 37 states that will allow...Trump to have his preferred delegates seated at the Republican National Convention in 2020. The campaign mentioned a change in a New York law twice as an example of good news for Team Trump. 'New York is a big one,' a Trump campaign official told reporters. 'Governor Cuomo signed into law Senate Bill 6374, which eliminated congressional district caucuses on the Republican side and implemented a campaign-submitted slate as the method of delegate selection.'" The Trump camp "said the law will help the president by ensuring a more efficient process and allowing Trump to get his slate of delegates to the floor." The Washington Examiner (10/7, Lim, 448K) also reports on the story.

NYTimes Examines Current Stances Of Erie County, PA Voters Who Backed Obama And Then Trump.

The New York Times (10/7, Gabriel, 18.61M) runs a piece focusing on voters in Erie County, Pennsylvania, who supported President Obama in 2012 and President Trump in 2020, saying that the "area's flip from blue to red was a microcosm of how Mr. Trump pulled off narrow victories in" Pennsylvania "as well as in Michigan and Wisconsin. In interviews in Erie last month, before the impeachment inquiry began, many of the Trump voters from 2016 were either supportive of the president or unpersuaded by the Democratic alternatives. But reached by phone after the inquiry was announced, some of these voters had changed their minds. Outright conversions" away from Trump, "while still rare, were reflected in an uptick of support for impeachment by independent voters in recent national polls."

IDP-TIPP Poll: Warren 27%; Biden 26%; Sanders 10%; Buttigieg 7%.

Investor's Business Daily (10/7, Graham, 756K) reports that an IBD/TIPP poll of 341 Democrats and Democrat-leaning independents, taken Sept. 26-Oct. 3, shows Sen. Elizabeth Warren (D-MA) leading the race for the 2020 Democratic presidential nomination with 27%, followed by ex-Vice President Joe Biden at 26%, Sen. Bernie Sanders (I-VT) at 10%, and South Bend Mayor Pete Buttigieg at 7%; no other contender tops 3%. The article adds, "Last month's poll had shown support for Warren jumping to 24% from 17%. Meanwhile, Biden's support saw further erosion, after slipping to 28% in September from 30% in August."

AP Analysis: Warren Trying To Drum Up Support Conservative Areas.

The AP (10/7, Weissert) reports that Sen. Elizabeth Warren (D-MA) "has proven she's popular in Democratic strongholds," but she "is also frequently hitting places where she might be less welcome," such as Carson City, Nevada, "a conservative area with a proud cowboy streak that's a seven-hour drive from the glitz of Democrat-friendly Las Vegas." Those visits "test whether the progressive message that has fueled Warren's rise can resonate in all regions. It's an important hurdle for Warren to clear to prove that, if she were to become the Democratic nominee, she could win back voters in areas that sided with President Donald Trump in 2016."

Records Contradict Warren's Claim Of Getting Fired From Teaching Job Due To Being Pregnant. The Washington Free Beacon (10/7, Anderson, 78K) reports the Riverdale, New Jersey Board of Education "approved a second-year teaching contract for a young Elizabeth Warren, documents show, contradicting [her] repeated claims that she was asked not to return to teaching after a single year because she was 'visibly pregnant.' Minutes of an April 21, 1971, Riverdale Board of Education meeting obtained by the Washington Free Beacon show that the board voted unanimously on a motion to extend Warren a '2nd year' contract for a two-days-per-week teaching job," which was "similar to the one she held the previous year, her first year of teaching. Minutes from a board meeting held two months later, on June 16, 1971, indicate that Warren's resignation was 'accepted with regret.'"

The Washington Examiner (10/7, Gage, 448K) reports that Warren "has claimed repeatedly that she was fired from her part-time teaching job after a year for being pregnant. 'By the end of the first year, I was visibly pregnant, and the principal did what principals did in those days: wish me luck and hire someone else for the job,' she said at a town hall."

Financial Analysts: A Warren Presidency Would Be Bad For US Stocks. According to an analysis from Bloomberg (10/7, Maranz, 4.73M), "the stock market has already started to reflect the ramifications of" Warren possibly winning the 2020 race for president. Bloomberg says analysts are "flagging the senator's rising influence ahead of bank earnings reports, which kick off next week, and noting that the possibility of impeaching President Trump has pulled forward some risk." Jaret Seiberg of Cowen told Bloomberg that "even if [Warren]

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fails to secure the nomination, she 'will control financial policy in any Democratic administration,' which is 'negative for big banks, private equity, payday lenders, debt collectors and servicers.'" Bloomberg adds that Lori Calvasina of RBC says "a Warren win, along with Democrats taking complete control of Congress, would be 'extremely challenging for stocks,'" and would leave "US equity investors with few safe havens."

Warren Corruption Plan Would Allow For Probe Of Trump's Sister, Kavanaugh. In a separate article, Bloomberg (10/7, 4.73M) reports that Warren unveiled "a new anti-corruption proposal Monday that could, if enacted, re-start a probe into the judicial behavior of...Trump's sister, a former federal appeals court judge." Warren's plan "would allow investigations into judicial misconduct to continue after a judge resigns or gets elevated to the Supreme Court, meaning it would affect Maryanne Trump Barry, who quit her spot on the US Court of Appeals for the Third Circuit in 2019 amid a probe of whether she'd engaged in tax fraud with her siblings."

The Boston Globe (10/7, Wangman, 972K) reports, "Currently, when a judge retires or is elevated to the Supreme Court, any investigations into their conduct are stopped. Retired judges are not subject to judicial conduct rules, and Supreme Court justices don't have an adopted, written code of ethics they have to abide by. The Supreme Court is the only court in the country without an adopted, written code of ethics." The Globe adds, "Under the current system, 83 ethics complaints that had been made against [Supreme Court Justice Brett] Kavanaugh were tossed away because he was elevated to the nation's highest court. There is no existing procedure to file new complaints. Warren's plan would allow for an investigation to be reopened into sexual misconduct allegations against Kavanaugh, as well as into the alleged wrongdoing of several retired judges."

In an online article, Fox Business (10/7, Fordham, 1.73M) reports that Warren "proposed banning federal judges from owning or trading individual stocks as part of a broader plan to 'restore' trust in the judiciary. 'It's time to ensure that judges do not hear cases where they have conflicts of interests, strengthen our nation's ethics rules for judges, and ensure accountability for judges who violate these rules,' Warren wrote."

Media Analyses: Heart Attack Raises Questions About Sanders' Campaign.

Several reports and analyses in the latest news cycle focus on the health of Sen. Bernie Sanders (I-VT), who suffered a heart attack last week. In a brief segment, the CBS Evening News (10/7, story 12, 0:13, O'Donnell, 4.07M) reported that Sanders "and his wife Jane took a walk in the rain [Monday] in Burlington, Vermont. Sanders suffered a heart attack last week and had two stents inserted into an artery." The Washington Post (10/7, Sullivan, Janes, 14.2M) reports, "Prominent friends and supporters of [Sanders] say he should cut back on his relentless campaign pace and speak openly about his recent heart attack when he returns to the campaign trail, urging a shift toward a more personal and less hectic campaign than he has" been running. The remarks "reflect what supporters describe as a deeply personal decision with big implications for Sanders's candidacy: how the 78-year-old democratic socialist, viewed by many of his backers as the leader of a movement, should proceed following a health scare that has sidelined him for days and raised questions about whether he can – or should – maintain the punishing demands of a presidential campaign."

Politico (10/7, Otterbein, Siders, 4.29M) reports that in the wake of his heart attack, "Sanders and his campaign are laboring to contain the cloud of uncertainty that's formed over his candidacy. According to interviews with Sanders' aides and surrogates, they're betting that his performance at next week's debate and on the campaign trail will show he still has the stamina to run for and serve as president. ... Throughout the Democratic Party, however, insiders and strategists are openly questioning the effect his heart attack would have on his bid for the White House – and on the primary as a whole. Sanders' team is also coming under fire from some journalists and Democrats for not announcing earlier that he suffered a heart attack."

In a news analysis for the New York Times (10/7, 18.61M), Lawrence Altman – "one of the few full-fledged medical doctors working as a daily newspaper reporter" – writes that Sanders "is certainly not the first candidate whose presidential campaign was disrupted by a medical emergency." Even so, his "case is unusual in many respects: He is a leading candidate recovering from a heart attack at age 78 who must compete in an intensely competitive primary while also holding down a demanding job as senator." Altman adds, "Over the long term...'older patients are at higher risk of recurrent cardiac events after a heart attack,' said Dr. Christopher P. Cannon, a cardiologist at Brigham and Women's Hospital in Boston. 'But Mr. Sanders appears to have few cardiac risk factors like high blood pressure and diabetes.'"

Under the headline "Sanders's Heart Attack Brings Age To 2020 Forefront," the Wall Street Journal (10/7, Parti, Subscription Publication, 7.57M) reports that Sanders' heart attack has drawn attention to the fact that he is 78, ex-Vice President Joe Biden is 76, Sen. Elizabeth Warren (D-MA) is 70, and President Trump is 73.

In Wake Of Heart Attack, Sanders Won't Take Part In Thursday's LGBTQ Town Hall. USA Today (10/7, Behrmann, 10.31M) reports, "After suffering a heart attack last week," Sanders won't take part "in a televised LGBTQ town hall on Thursday." Sanders Deputy Campaign Manager Arianna Jones is quoted as saying, "Sen. Sanders is feeling great after his operation but is trying to prioritize which events are the best fit in his schedule at this time."

Sanders Takes Aim At Corporate Sponsorship Of National Party Conventions. Politico (10/7, Otterbein, 4.29M) reports that Sanders is out with "a plan...aimed at ending the influence of corporate cash in politics, including at the 2020 Democratic National Convention." According to Politico, Sanders "pledges to put a stop to all corporate PAC contributions to the convention if he wins the Democratic Party's presidential nomination." Politico says Sanders' plan "states that corporate lobbyists 'were everywhere and filled the VIP suites' at the convention, adding that 'this type of corporate sponsorship is a corrupting influence and must end if we are going to represent the American people.'"

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Bloomberg (10/7, Litvan, 4.73M) reports that Sanders, "recovering in Vermont after a heart attack last week, is proposing an election-financing system entirely funded by the taxpayers. The ban on corporate donations would also apply to national party conventions and to presidential inaugural activities. Individual donations to those events would be capped at $500." On its website, CNN (10/7, Grayer, Nobles, 83.16M) reports, "The tough stance by Sanders sets the stage for a potential showdown with the" DNC "and threatens to completely upend the way the made for television nominating contests are produced. The conventions, no longer a substantive deliberation by party delegates to pick a nominee, have largely become scripted coronations in glitzy sports arenas. The events, by both parties, are heavily funded by large corporations who may contribute limitlessly to the production because it falls under a soft money designation in the Federal Election code."

HuffPost (10/7, Marans, 1.67M) reports that Sanders' plan "to 'get corporate money out of politics'...would, among other things, ensure public financing of federal elections, create a new federal elections oversight board, prohibit advertising during presidential primary debates, and enact a lifetime lobbying ban for former members of Congress and top staffers. But replacing corporations' sponsorship of the Democratic National Convention with a public financing system is both the most ambitious and the most controversial element of Sanders' proposal." In an online article, Fox News (10/7, Steinhauser, 27.59M) reports, "The Sanders campaign – in an email announcing the proposal – noted that 17 corporate donors funded three-quarters of the 2016 Democratic National Convention, with companies including AT&T, Microsoft and Chevron donating millions of dollars."

Harris Proposes Six Months Of Paid Family Leave For US Workers.

The Des Moines (IA) Register (10/7, Jett, 404K) reports that Sen. Kamala Harris (D-CA), visiting an elementary school in Des Moines, Iowa on Monday, "unveiled a plan to guarantee paid family and medical leave. Harris' 'Children's Agenda' calls for a six-month benefit for the birth, adoption or fostering of a new child. The plan would apply to full-time workers, part-time workers, domestic workers and independent contractors." The Register says, "In addition to an increase in time off, Harris' plan expands the definition of family members," allowing "close friends and neighbors to apply for the benefit."

Reuters (10/7, Bernstein) reports, "US workers have the right under current law to up to 12 weeks of unpaid leave to care for new babies or help ill family members, but Harris' plan would enlarge those protections. ... Under her plan, workers could receive paid leave to care for medical and non-medical needs when a child or dependent has been a victim of domestic violence, harassment, sexual assault or stalking. It defines as family members not just children but parents, grandparents, siblings, in-laws and 'chosen family,' people who may not be related by blood but consider themselves to be family nonetheless."

Politico (10/7, Kullgren, 4.29M) reports that Harris' "paid leave plan would be funded by new payroll taxes on employers and employees in addition to unspecified 'general revenues.' The federal government's portion would be funded through fines on corporations that fail to narrow their gender-based pay gaps. Harris estimates the fines would total $180 billion in the first decade and diminish over time. It would also be funded through tax increases on large corporations." Vox (10/7, Campbell, 2.27M) headlines its report "Kamala Harris's New Paid Family Leave Plan Is The Most Generous Yet." On its website, CNN (10/7, Duster, 83.16M) also reports on the story.

Klobuchar Raised $4.8M In Third Quarter.

The AP (10/7, Burnett) reports that Sen. Amy Klobuchar (D-MN) on Monday said "that she raised $4.8 million in the third quarter for her 2020 presidential campaign, a total that places" her "in the middle of the Democratic field in fundraising for the third straight quarter." The AP says Sen. Bernie Sanders (I-VT) led the field of Democratic White House hopefuls by raising "$25.3 million last quarter," while Sen. Elizabeth Warren (D-MA) trailed closely behind, after raising "$24.6 million" during the period. Politico (10/7, Severns, 4.29M) reports that Klobuchar's Q3 figure topped her "haul from the previous quarter by $1 million," and "it is likely enough to keep" her "campaign functioning as she attempts to secure more support."

Pence To Target House Democrats On Impeachment In Districts Carried By Trump.

Politico (10/7, Isenstadt, 4.29M) reports that Vice President Pence is set to "embark on a national tour of congressional districts represented by Democrats who've come out in support of" impeaching President Trump. Politico says, "Each of the districts on Pence's itinerary were won by Trump in 2016, making them potent targets for Republicans." On Wednesday, Pence "will travel...to the southwest Iowa district of Rep. Cindy Axne, and Thursday he's slated to visit the suburban Twin Cities district of another freshman Democrat, Minnesota Rep. Angie Craig." Pence "is then scheduled to barnstorm an array of battleground districts, including those held by" Reps. Elissa Slotkin (D-MI) and Abigail Spanberger (D-VA). Politico adds that "at each stop, Pence is expected to paint Democrats as being more focused on destroying the president than on solving the problems of their constituents."

Internal NRCC Poll Shows Impeachment Edge For GOP In Battleground Districts. The Hill (10/7, Brufke, 2.98M) reports that House Republicans were briefed Monday during a call led by House Minority Leader McCarthy "on a new poll taken [for] the" National Republican Congressional Committee "that showed 68 percent of voters see impeachment as being politically motivated." The Hill says, "A memo...on the poll, which" was conducted by Public Opinion Strategies Oct. 1-3 and "surveyed voters in 95 battleground districts, said that an anti-impeachment GOP candidate 'who wants voters to decide the fate of the president in the next election' gets 50 percent support, compared to 42 percent for a pro-impeachment Democrat. ... In Republican-held districts, the advantage was 53 percent to 40 percent, according to the poll, while the advantage was 47 percent to 43 percent in Democratic districts."

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Woman Boards Flight Without ID Or Boarding Pass.

NBC Nightly News (10/7, story 11, 1:20, Holt, 5.87M) reported that "a woman with no ticket and no ID managed to make it all the way to a seat on a Delta flight before being caught." NBC's Gadi Schwartz reported, "Eventually, the woman identified as Sylvia Rictor was escorted off by police." Schwartz added, "the TSA says she was screened, but are still investigating how she made it past agents checking IDs and the ticket agent at the gate."

In another incident, ABC World News Tonight (10/7, story 3, 1:21, Muir, 6.92M) reported that a passenger in Miami was detained after "bypassing the gate agent." ABC's David Kerley said, "It's unclear what the motive was for either person, and whether either of them will be charged with a crime."

RCP Average Has Trump's Job Approval At 43.4%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 43.4%, and his disapproval at 53.9%. The President's job approval is down 0.2 since yesterday; his disapproval is up 0.2 since yesterday.

A Rasmussen poll of 1,500 "likely voters" (10/2-10/6) finds Trump's approval at 47%, with 51% disapproving.

Financial International News

Critics Accuse IMF Of "Reckless Lending" To Financially Troubled States.

The Guardian (UK) (10/7, Elliott, 4.19M) reports, "debt campaigners have accused the International Monetary Fund of encouraging reckless lending by extending $93bn (£75bn) of loans to 18 financially troubled countries without a debt restructuring programme first." The Jubilee Debt Campaign (JDC) said, "in advance of the IMF's annual meeting in Washington next week," that "the Fund was breaking its own rules by providing financial support without ensuring that the debt burden was sustainable." The JDC said the IMF "was creating a moral hazard because lenders knew that they would be bailed out no matter how risky their loans might be."

Blackstone CEO: Europe Needs Fiscal Stimulus.

CNBC (10/7, Smith, 3.62M) reports on its website that Blackstone CEO Stephen Schwarzman "warned...the euro zone economy risks entering a period of prolonged economic stagnation similar to that experienced in Japan unless governments provide fiscal stimulus." Schwarzman's comments echo "criticism from various top European banking executives, most recently Société Générale CEO Frederic Oudéa, of the European Central Bank's (ECB) negative interest rate environment." He further "argued that the euro zone economy was reaching a point where fiscal stimulus would be necessary, particularly in Germany" in the face of negative interest rates on the continent.

Draghi Departs The ECB Amid Criticism.

Behind a paywall, Marcus Ashworth writes in a Bloomberg (10/7, 4.73M) op-ed that departing ECB President Mario Draghi is leaving a "toxic ECB legacy for bankers" thanks to his strong monetary policy.

World Bank President: Global Growth May Disappoint.

The Financial Times (10/7, Politi, Subscription Publication, 1.34M) reports that World Bank President David Malpass is warning that global growth may fall short of the Bank's earlier June prediction of 2.6 percent.

US Considering Offering Credit To Huawei 5G Rivals In Europe.

Under the headline "US Pushes For Western Rival To Huawei," the Financial Times (10/7, Stacey, Subscription Publication, 1.34M) reports two unnamed US officials said the Administration was considering issuing credit to Nokia and Ericsson so they can match Huawei's generous financing terms. The White House had no comment.

CFGS Study Defends Unconventional Monetary Policy Tools.

Reuters (10/7) reports a study from the Committee on the Global Financial System Committee (CGFS) has "defended the use of crisis-fighting tools such as negative interest rates and large-scale asset purchases, saying the benefits have outweighed the side effects." Philip Lowe, CGFS chair and Governor of the Reserve Bank of Australia, is quoted as saying, "On balance, unconventional monetary policy tools (UMPTs) helped the central banks that used them address the circumstances presented by the crisis and the ensuing economic downturn."

ECB: Maturing Business Cycle Poses Risk To Eurozone Banks.

Reuters (10/7) reports, "Eurozone banks face increased profitability challenges as the economic cycle matures and a prolonged period of low rates chips away at margins, the European Central Bank said on Monday, outlining key risks for the sector in the coming year." The ECB said, "The three most prominent risk drivers expected to affect the euro area banking system over the next three years are: economic, political and debt sustainability challenges in the euro area; business model sustainability; and cybercrime and IT deficiencies."

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Leading International News

Trump Warns China That Doing Something "Bad" In Hong Kong Will Hurt Trade Talks.

Bloomberg (10/7, Dlouhy, 4.73M) reports that President Trump "warned" Monday that if China does anything "bad" to suppress protests in Hong Kong, it would have a negative impact on trade negotiations with the US. Speaking to reporters at the White House, Trump said, "They have to do that in a peaceful manner."

The AP (10/7, Ng) reports that "groups of hard-line protesters took to the streets" of Hong Kong "in continued violence since the government banned face masks at rallies, pushing the semi-autonomous Chinese territory into deeper crisis." Riot police "fired tear gas, charged at crowds and took position on streets," and "a number of protesters were detained."

The New York Times (10/7, Yu, May, Ives, 18.61M) says a "confrontational core of Hong Kong's antigovernment protesters have acted with greater ferocity in recent weeks." While the protests had been "largely peaceful" for months, "violence now regularly overshadows events." According to the Times, "hard-line protesters see themselves as being forced to mete out justice in a system that lacks accountability and in the face of a government they deem unresponsive." But critics say "these protesters are crossing the line by playing the role of vigilantes to punish those they consider their foes."

NBA Manager's Tweet Sparks Outrage In China. The Wall Street Journal (10/7, Areddy, Wernau, Subscription Publication, 7.57M) reports that a Friday tweet by Houston Rockets general manager Daryl Morey in support of protesters in Hong Kong has sparked outrage in China. While the tweet was quickly removed and the NBA expressed regret that Chinese fans were offended, the Rockets were essentially banned from China's official broadcast channels and their merchandise was removed from online retailers, endangering millions of dollars in revenue and sponsorships.

Meanwhile, the NBA's apologies to China in the wake of Morey's tweet drew fire from Sen. Josh Hawley (R-MO), the Daily Caller (10/7, White, 716K) reports. Hawley on Monday "criticized the league for not standing up for employees who pushback against what the Republican thinks is Chinese aggression." In a letter to NBA Commissioner Adam Silver, Hawley wrote, "I write today to express my disgust about the position of the National Basketball Association (NBA) with respect to Hong Kong and the freedom of the Chinese people." Jim Axelrod said on the CBS Evening News (10/7, story 9, 1:53, O'Donnell, 4.29M) that Sen. Ted Cruz (R-TX) "said the NBA's retreat is shameful" and ex-Rep. Beto O'Rourke (D-TX) "called it an embarrassment." Jeff Bennett said on NBC Nightly News (10/7, story 7, 1:45, Holt, 6.4M) that while "some Republicans [were] quick to condemn the NBA," they "stay[ed] silent about President Trump's latest overture to the Communist regime."

A Washington Post (10/7, Board, 14.2M) editorial is also critical of the NBA's actions. The Post says that after the Chinese Consulate in Houston declared it was "deeply shocked" by Morey's comments, the league "pathetically...capitulated, essentially importing to the United States China's denial of free speech." The New York Times (10/7, Board, 18.61M) says in an editorial that the NBA "is besotted by the opportunity to make money in China's expanding market. And the league once again made clear it is willing to obey China's rules to preserve that chance."

Iran To Sue US In ICJ Over Breach Of Nuclear Deal.

The Washington Free Beacon (10/7, Kredo, 78K) reports that Iran's vice president for legal affairs, Laya Joneidi, announced Monday that Iran is preparing to sue the US in the International Court of Justice over President Trump's decision to abandon the nuclear deal and reapply sanctions on Tehran. Iran's state-controlled press reported that Joneidi said Iran will bring the charges and seek monetary damages from the US "breach of the nuclear deal."

North Korea Urges UN Security Council Not To Raise Issue Of Missile Tests.

Reuters (10/7, Nichols) reports that the North Korean government "warned the United States, Britain, France and Germany...that raising the issue of Pyongyang's missile tests at the United Nations Security Council would 'further urge our desire to defend our sovereignty.'" The Security Council is "due to meet behind closed doors on Tuesday after North Korea said it had test-fired a new submarine-launched ballistic missile last week." Speaking to reporters at Pyongyang's UN mission, North Korea's UN Ambassador Kim Song said, "We know well that the United States is behind impure moves of the UK, France and Germany. ... The United States and its followers should bear in mind that if they raise the issue of our self-defensive measures at the U.N. Security Council meeting in this moment, it will further urge our desire to defend our sovereignty."

Britain, EU Reportedly Remain Far Apart On Brexit Deal.

The AP (10/7) reports that the British government and the EU remain "poles apart...on a potential Brexit deal." While the Dutch government is calling on the British government to offer "more realism and clarity," and British Prime Minister Boris Johnson is "insisting that the bloc must soften its stance." In a separate story, the AP (10/7) says that "the last scheduled opportunity to reach a deal is Oct. 17-18, when all 28 EU leaders, including Johnson, are due to meet in Brussels." French President Emmanuel Macron "has said the EU will decide by the end of this week whether a deal is possible, or whether the two sides should buckle up for a rocky no-deal departure."

Johnson Calls For Return Of US Diplomat's Wife Linked To Auto Fatality. The CBS Evening News (10/7, story 4, 2:12, O'Donnell, 4.07M) reported that Johnson "is calling on the wife of an American diplomat to return to England to face charges in a deadly crash." Johnson "says if she refuses he will personally call President Trump." Politico Europe (10/7, 8K) reports that teenager Harry Dunn

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was killed "when his motorbike collided with a car...on August 27," and subsequently a "U.S. diplomat's wife, named as Anne Sacoolas, left the U.K. despite telling police she had no plans to." Johnson said, "I do not think that it can be right to use the process of diplomatic immunity for this type of purpose. And I hope that Anne Sacoolas will come back and will engage properly with the processes of law as they are carried out in this country." Reuters (10/7, Holden) quotes Johnson as saying, "If we can't resolve it, then of course I will be raising it myself personally with the White House." The Washington Post (10/7, Flynn, Hassan, 14.2M) reports that "in an emotional plea on Saturday, Dunn's parents begged President Trump to intervene and to send Sacoolas back to Britain."

Ian Pannell reported on ABC World News Tonight (10/7, story 7, 1:29, Muir, 6.57M) that the British Foreign Secretary called Secretary of State Pompeo and "urg[ed] him to reconsider. But so far, the US State Department showing no sign of budging."

The New York Times (10/7, Magra, 18.61M) says Johnson's statement "aggravated tensions in a trans-Atlantic relationship that started fraying after Mr. Trump feuded publicly with other British officials and denounced Britain's ambassador to Washington, forcing him to give up his post." NBC Nightly News (10/7, story 6, 1:34, Holt, 6.4M) also reported on the case.

US Businesswoman Declines To Answer Whether She Had An Affair With Johnson. The Washington Post (10/7, Booth, 14.2M) reports that American businesswoman and former model Jennifer Arcuri, "who is at the center of inquiries dogging" Johnson, "declined to answer – nine times – whether she had an affair with Boris Johnson while he served as mayor of London." The story has been getting headlines in the UK "because Arcuri won sponsorship and grants from the British government while she was Johnson's friend." Arcuri told ITV's "Good Morning Britain" that "when Johnson was mayor, he visited her apartment" a "handful of times." She was "asked multiple times by the morning show host whether she had a romantic relationship with Johnson" but "declined to answer," saying, "Because the press have made me this objectified ex-model pole dancer, I am really not going to answer that question. I am not going to be putting myself in a position for you to weaponize my answer."

Rubio: US Has No Role In Deciding Who Leads Haiti.

The Miami Herald (10/7, Charles, 1.09M) reports that "as Haiti entered a fourth week of paralysis over demands for President Jovenel Moïse to step down," on Monday, Sen. Marco Rubio (R-FL) "said the U.S. has no role to play in the deepening crisis spurred by recurring fuel shortages and allegations of graft and mismanagement of the economy by Moïse." Rubio said, "My interest in Haiti has always been that it has democracy and elections and rule of law and I will continue to support it in those endeavors. Who they choose as their leader is up to the processes that they run internally. ... We don't have a role to play in who resigns and who stays on."

Huntsman: US Should Foster Positive Relations With Russia.

In an op-ed for the Wall Street Journal (10/7, Huntsman, Subscription Publication, 7.57M), Jon Huntsman, who stepped down as US Ambassador to Russia last week, argues that eventually Russian President Vladimir Putin will be out of power and rather than cutting itself off from Russia, the US needs to foster positive relationships with those who will run the country when he is gone.

Iraqi Prime Minister Orders Army To Exit Sadr City After Dozens Killed.

The CBS Evening News (10/7, story 5, 0:15, O'Donnell, 4.07M) reported on what it called "a serious crisis in Iraq," where "the government is trying to get handle on protests that have been growing more violent by the day." Reuters (10/7, Davison, Rasheed) reports yesterday "at least 15 people were killed in clashes between Iraqi security forces and protesters in Baghdad's Sadr City district overnight as violence from a week-long nationwide uprising swept through the vast, poor swathe of the capital for the first time." To Reuters, "the spread of the violence into Sadr City...poses a new security challenge," because "unrest is historically difficult to put down" in the "volatile district where about a third of Baghdad's 8 million people live."

The AP (10/7) reports Prime Minister Adel Abdul Mahdi on Monday "ordered the army...to withdraw from Sadr City...putting the police back in charge of security in a Baghdad neighborhood where dozens of people were killed or wounded at protests over the weekend." The AP says Mahdi's order "appears aimed at calming tensions in Sadr City."

The Washington Post (10/7, Loveluck, Salim, 14.2M), meanwhile, reports Iraq's military "acknowledged Monday that security forces have used 'excessive force' to quash anti-government demonstrations while journalists described growing efforts to suppress reporting on the deadly violence." In a televised speech, Iraqi President Barham Salih "condemned 'unacceptable' attacks on both protesters and the media, and he urged security forces to preserve the rights of all Iraqis."

Major Opium Trafficker Among 11 Taliban Commanders Released From Prison.

The New York Times (10/7, Mashal, 18.61M) reports that according to Taliban officials, "eleven Taliban commanders have been released from a high-security prison in Afghanistan," in "an apparent deal that included a prominent regional leader caught five years ago personally escorting a shipment of nearly a ton of opium." The Times says a "senior Afghan official" said the Taliban prisoners "had been released in return for three Indian engineers after months of negotiations with local Taliban commanders in northern Baghlan province, where the engineers were kidnapped last year." While "the release of prisoners in itself was not unusual," what has "drawn attention to this latest release is the notoriety of one Taliban figure in particular: Abdul Rashid Baluch, who was...arrested in a narcotics raid five years ago." Baluch "was a Taliban shadow governor...when he was caught with a huge shipment of opium."

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Fannie Mae Survey Shows Consumer Confidence Declined In September, Even As Affordability Improved.

CNBC (10/7, Olick, 3.62M) reports, "Lower mortgage rates are making buying a home slightly more affordable, but financial concerns are outweighing that benefit and lowering overall confidence in housing." According to "a monthly survey from Fannie Mae," consumer sentiment regarding housing fell in September. While "more respondents think now is both a good time to buy and sell a home, there was a much larger drop in the share of those who said they were not concerned about losing their jobs." According to CNBC, "It was the second straight month that the component of the survey fell." In a televised segment, CNBC's Diana Olick reported on Fannie's HPSI. The one-minute video was carried by Mortgage News Daily (10/7).

National Mortgage News (10/7, Tarkazikis) reports, "After hitting an all-time high in August, Fannie's Home Purchase Sentiment Index (measuring consumer housing confidence) declined 2.3 percentage points to a reading of 91.5 in September. The decline can be attributed to an 8-percentage point drop in the share of those secure in not losing their job, and a decrease of 7 percentage points among those expecting home prices to grow. The share of consumers anticipating a decline in mortgage rates also fell 6 percentage points."

HousingWire (10/7, Lloyd, 23K) reports Fannie Mae Chief Economist Doug Duncan said, "Consumer sentiment remains relatively strong overall, though uncertainty about the economy and individual financial circumstances appear to be weighing on housing market attitudes a bit more than a month ago. Views about the direction of the economy held relatively steady, and the share of respondents who say it's a good time to buy or sell a home rose slightly." Of the state of the broader economy, Duncan said, "Consumers who are pessimistic about current housing market conditions are more likely to cite unfavorable economic conditions than the prior month. Job confidence remains high but still well shy of its July reading." Providing additional coverage of Fannie Mae's HPSI are National Mortgage Professional (10/7, Hall), Mortgage Orb (10/7, Barnard), Builder (10/7, 1K), UPI (10/7, Sakelaris), and MarketBeat (10/7, 63K).

Continuing Coverage: Black Knight Reports Affordability Improved In September. DS News (10/7, Albanese) reports the decline in homebuyer sentiment came even as Black Knight's September Mortgage Monitor Report showed that "it now requires just 20.7% of the national median income to make monthly principal and interest payments on an average-priced home." According to DS News, "This is the second lowest payment-to-income in 20 months. The report says the average 30-year interest rate at 3.64% has been a key factor, and that home affordability hit a 32-month high in September. According to the report, the $1,122 in monthly P&I required to purchase an average-priced home is 10% lower than in November when interest rates closed in on 5%. Home prices, however, have risen more than 4% since that point."

HousingWire (10/7, Lloyd, 23K) reports Black Knight's Ben Graboske said, "Back in November 2018, we were reporting on home affordability hitting a nine-year low. Interest rates were nearing 5%, pushing the share of national median income required to make the P&I payments on the purchase of the average-priced home to 23.7%. While still below long-term averages, that made housing the least affordable it had been since 2009, spurring a noticeable and extended slowdown in home price growth. ... The payment-to-income ratio is now 20.7%, which is the second-lowest it has been in 20 months, behind only August of this year, and about 4.5% below the long-term, pre-crisis norm. To help quantify the boost this has given to homebuyers, consider that today's prevailing 30-year rate has cut the monthly P&I payment to purchase the average-priced home by 10% – about $124 per month – from November."

National Mortgage News (10/7) reports Graboske added, "Put another way, the decline in rates since November has been enough to boost buying power by $46,000 while keeping monthly P&I payments the same." NMN says that housing affordability "could continue to increase in the fall months, according to Black Knight." Providing similar coverage of Black Knight's report are Mortgage News Daily (10/7, Swanson), National Mortgage Professional (10/7, Hall), Mortgage Orb (10/7, Barnard), and Mortgage Professional America (10/7, Randall).

Trade War Escalation Could Harm US Housing Market.

HousingWire (10/7, Howley, 23K) reports that an escalation in the US-China trade war could harm the US housing market, as China is "the biggest foreign owner of Uncle Sam's debt and the biggest foreign buyer of US mortgage bonds." According to HousingWire, "In July alone, China's net purchases of agency bonds totaled $14 billion, meaning purchases minus sales of securities issued by Fannie Mae, Freddie Mac and Ginnie Mae. That was more than a third of all foreign net purchases for the month." China could "stop purchasing agency MBS," thereby denting demand and putting pressure on mortgage rates to climb. Alternatively, should China opt for a more drastic and destabilizing approach, it could dump its holdings of US Treasurys. However, some experts believe this is less likely, as "it wouldn't be in China's best interest to destabilize the world's economy."

GSEs Securitized A "Post-Crisis Record" $317B Single-Family Mortgages In Q3.

Behind a paywall in its Short Takes, Inside Mortgage Finance (10/7, Bancroft, Subscription Publication) reports, "Soaring origination volume in the third quarter may have spurred more small lenders to deliver loans directly to the government-sponsored enterprises, rather than uploading to aggregators." Fannie Mae and Freddie Mac "securitized a post-crisis record of $317.35 billion of single-family mortgages during the third quarter. Their mortgage-backed securities issuance was up 45.5% from the previous three-month period." According to IMF, "The GSE market was firing on all cylinders: purchase-loan volume ratcheted up 30.3% from the second quarter and refinance business soared 67.7%. Only six of the top 100 GSE sellers delivered fewer loans in the third quarter than in the second. Smaller shops appeared to gain

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ground, though the GSE market remained heavily dominated by large lenders."

SOFR-Linked Issuance Projected To Keep Growing.

Bond Buyer (10/7, Barnett) reports SOFR-linked issuance "has increased rapidly since the start of the year, according to a report from TD Securities' Public Finance Department. SOFR issuance is at about $265 billion since the beginning of 2019. While it is far less than the $811 billion of LIBOR issuance so far this year, it is far higher than the $36 billion issued in all of 2018." According to TD, "SOFR issuance should accelerate further as the Federal Housing Finance Agency (the regulator of FHLB) has mandated that the FHLBs stop using LIBOR. By the end of 2019 the FHLBs must stop purchasing investments that reference LIBOR and mature after December 31, 2021 and should, by March 31, 2020, no longer enter into new financial assets, liabilities and derivatives that reference LIBOR and mature after Dec. 31, 2021." TD added, "The sharp increase in government repurchase agreement rates (repo) occurred as cash left the financial system which forced a sharp increase in the cost of funds. The Fed subsequently stepped in with temporary repo operations and we look for the Fed to announce Treasury purchases in October in order to add reserves to the system (and prevent this situation from reoccurring in the future.)"

Opportunity Insights, Freddie Mac Research Focuses On Affordable Rental Housing In Opportunity Areas.

Novogradac & Company LLP (10/7) says that a "new release from Opportunity Insights concludes that some low-income families do want to move to higher opportunity areas and emphasizes that structural barriers are what prevent them from doing so. One such barrier is lack of affordable housing. According to Freddie Mac's Affordable Housing in High Opportunity Areas research, 6 percent of subsidized homes are located within high opportunity areas, as defined by Freddie Mac, which was slightly different from the Opportunity Insights study." According to Novogradac, "In recent years, housing finance agencies have begun to recognize the importance of placing LIHTC properties in high opportunity areas, and have been implementing changes in their qualified allocation plans (QAPs) to highlight this importance."

Realtor Releases An "Essential Guide To iBuying."

In a 2,200-word piece, Realtor (10/7, 25.12M) provides what it calls an "essential guide to iBuying," highlighting the initiatives of companies including Offerpad, Knock, Keller Williams, and Coldwell Banker. Realtor also discusses the pros and cons of turning to an iBuyer for three different types of customers: those who need to sell their home quickly and use "traditional iBuying," those who "trade in" to buy and sell at the same time, and those who want "bridge financing" to allow them to buy and sell at the same time while maximizing profit. According to Realtor, "iBuyers and instant offers can present many advantages to home sellers: Speed. According to recent realtor.com data, the median home spends 58 days on the market from the time it's listed until the owner hands over the keys. Selling to an iBuyer is a much faster process that can happen in a handful of days." Freddie Mac Chief Economist Sam Khater compared iBuying to selling a car to CarMax. He explained, "It's a way to dispose of your asset very quickly. Prior to CarMax, you had to shop around to sell your car. Now, in a similar way, iBuying allows you to quickly sell your home without going through the grueling process of trying to find a buyer."

GSEs' Initiatives Promote Diversity And Inclusion As Industry Continues To Evolve.

M Report (10/7, Albanese) reports that although women's labor force participation has risen in recent years, their "lack of representation in executive roles" remains a "constant challenge." In the mortgage industry, Fannie Mae and Freddie Mac have shown a commitment to fostering diversity throughout their organizations. According to Fannie Mae SVP Nancy Jardini, over half of the GSE's employees are minorities, and nearly half of its employees are women. M Report says, "Freddie Mac is also driving initiatives towards equality by building an infrastructure that supports a culture where all people can do their best work." Freddie Mac Chief HR Officer and Chief Diversity Officer Jacqueline Welch said, "One way we do this is by diversifying our talent pipeline – widening our talent pools and investing time and money with targeted partners to increase the representation of underrepresented groups." Freddie Mac's partnership with iRealaunch was cited as one initiative designed to help women and men navigate their way back into the workplace. Welch also said, "At Freddie Mac, we've done away with the practice of asking for salary history at all the locations where we do business. The salary history question is no longer part of our online employment application, and we have upskilled our talent acquisition advisors and hiring managers accordingly. Further, we deemphasize the current compensation for internal candidates."

A Year After Hurricane Michael, Florida Is Still Recovering.

DS News (10/7, Welborn) reports that a year after Hurricane Michael, Florida is "still trying to recover," with "many homeowners still displaced." Panama City city manager Mark McQueen said that the "most acute impact" on his community is its housing stock. DS News reports that in a move to assist recovery, HUD announced that its Section 203(k) loan program "allows homeowners who have damaged houses to finance the rehabilitation of their existing single-family home."

NAHB Chairman: WPost Article On Government's Exposure To Risky Mortgages Was "Incorrect."

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In a letter to the editor appearing in The Washington Post (10/7, 14.2M), NAHB Chairman Greg Ugalde says, "The Oct. 3 front-page article

'Government exposure to risky housing debt swells,' which claimed that 'the federal government has dramatically expanded its exposure to risky mortgages,' was incorrect and falsely implied another housing bust is looming. The article's premise is based entirely on the flawed notion that the ratio of debt to income (DTI) is a foolproof predictor of mortgage default." According to Ugalde, "Research from the Urban Institute shows DTI to be a highly unreliable predictor of mortgage default. While lenders consider DTI in meeting new ability to pay mandates , they also evaluate employment history, credit scores, liquid reserves and residual income. Since the Great Recession, risky mortgage products have been purged, and Fannie Mae, Freddie Mac, and the Federal Housing Administration have taken significant additional steps to reduce risk in their programs. Fannie and Freddie have been transferring mortgage-loan risk to private investors on a large portion of their guaranteed loans and have a complex system that requires increased fees on loans with higher-risk features. The FHA has increased scrutiny on higher DTI applications."

Opinion: Regulatory Simplicity – Not More GSEs – Is What Our Housing Finance System Needs.

The Brookings Institution's (10/7) Peter Conti-Brown argues against creating more guarantors to compete with Fannie Mae and Freddie Mac. According to him, this would do nothing to "solve a problem like Fannie and Freddie." Conti-Brown says that "one of the most enduring changes of the New Deal Era was to mostly eliminate the confusion that these twelve GSEs had created. The Federal Reserve Banks are still with us, but Congress centralized monetary policy into a federal agency, the Federal Open Market Committee, and made it so that the nation's monetary policy could speak with one voice." Conti-Brown's message: "Simplify, Simplify, Simplify." He concludes, "Creating a more institutionally complex financial regulatory system and extending the reach of federal guarantees into the market place are not the answer. We need more regulatory simplicity, not less; we need less government guarantees to private market initiatives, not more."

Analysis: Case Against Ocwen Highlights Uncertainty Of CFPB's Future.

Writing for Reuters (10/7, Frankel), Alison Frankel says, "Last month, after the Consumer Financial Protection Bureau filed a brief at the U.S. Supreme Court arguing that its own director was appointed under an unconstitutional provision, I predicted that the bureau's abandonment of its longstanding defense of its own constitutionality was going to affect the CFPB's entire mission. Now we're beginning to see the first ripples from the CFPB's new position." According to Frankel, the CFPB's "sweeping case against the mortgage servicer Ocwen should set off alarm bells" as the Supreme Court considers weighing in on the constitutionality of the agency. Both a payday lender in "last week's Supreme Court petition and Ocwen in the motion for reconsideration argued that the Supreme Court would itself be violating separation-of-powers doctrine if it were simply to sever the appointment provision of the Consumer Financial Protection Act." However, the 5th Circuit "ruled just last month in Collins v. Federal Housing Finance Agency (2019 WL 4233612) that the cure for a statute that unconstitutionally insulates the head of a federal agency is severance of the flawed appointment provision – not invalidation of all actions by the improperly-appointed director."

Bradford: FHFA Seeks Out A Financial Advisor To Facilitate GSEs Exiting Conservatorship.

In a Seeking Alpha (10/7, 512K) piece, GSE shareholder Glen Bradford says that the FHFA is seeking out a Financial Advisor "that will come up with a full range of options that will help structure an end to the conservatorships. Note that the companies are now retaining capital. This takes receivership off the table. FHFA may hire a Financial Advisor as soon as late this month. Calabria Talks With Thomas Vartanian October 10th." Bradford says, "After 11 years of GSE critics running the show to keep these companies under their thumb, their regulator is now working hard in the spirit of the law to do its duties to make them safe and sound and their lack of capital is what is said to be why they were placed into conservatorship so their abundance of capital is going to be what gets them out of it, paraphrasing Mark Calabria."

Continuing Coverage: FHFA Seeks Financial Advisor To Help With GSE Recap-And-Release.

Behind a paywall, Inside Mortgage Finance (10/7, Muolo, Subscription Publication) reports the FHFA on Friday "published notice of its intent to hire a contractor to assist in the government's effort to recapitalize and release Fannie Mae and Freddie Mac from conservatorship. According to the filing, the regulator/conservator is seeking an advisory firm 'to provide financial institutions, capital markets and restructuring expertise, analysis, and advisory services regarding the preparation of the Roadmap (Phase I) and, if necessary, the implementation and on-going monitoring of the Roadmap (Phase II).'" According to IMF, "Roadmap is the phrase the FHFA uses to describe its options in setting the two free. In early September, the Treasury Department released its plan to end the conservatorships, calling for both legislative and administrative reforms." The FHFA said in the notice that the roadmap "must consider a variety of options with regard to business and capital structures, market impacts and timing, and available capital raising alternatives, among other things. The Roadmap will require on-going implementation support and monitoring to assure its eventual success.'" The agency also reportedly "makes it clear that only firms with experience and knowledge in the arena of housing finance will be considered."

Behind a paywall in its Short Takes, Inside Mortgage Finance (10/7, Muolo, Subscription Publication) reports, "In his blog postings over the past few years, former Fannie Mae executive Bill Maloni (he retired from the GSE prior to the meltdown of 2008) has made it clear that he's no fan of President Trump. But in a new column, he points out that in at least one policy area, the Trump administration deserves kudos: 'I also have to acknowledge that the Trump administration has done more to free Fannie and Freddie from conservatorship than eight years of President Obama.'"

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Puerto Rico Finally Sees Light At End Of Its Debt Tunnel.

In a Washington Post (10/4, Skeel, 14.2M) op-ed, University of Pennsylvania corporate law professor and Financial Oversight and Management Board for Puerto Rico member David Skeel writes that the board "broke a two-year logjam" when it "insist[ed] that more than $6 billion of" Puerto Rico's "debt should be declared null and void," "opening a path to a new restructuring proposal filed on Sept. 27 that could help solve Puerto Rico's debt crisis."

This comes as Reuters (10/7) reports, "The U.S. Supreme Court on Monday declined to take up a dispute over the assets of Puerto Rico's largest public sector pension fund even as the U.S. Caribbean island territory's bankruptcy enters a major new phase." However, the Financial Oversight and Management Board of Puerto Rico "said the decision will not affect the proposed plan of adjustment it filed in federal court on Sept. 27 for the bankrupt island's core government debt, which includes an unfunded pension liability of more than $50 billion."

Markets

10-Year Yield Rises.

MarketWatch (10/7, 1.67M) reports the 10-year Treasury yield rose to 1.546 percent.

Dollar Edges Down.

Reuters (10/8, Chatterjee) reports, "The dollar was broadly on the back foot on Tuesday with the New Zealand dollar leading gainers against the greenback as a broad rally in Asian equities spilled over into currency markets." Against a basket of rival currencies, the dollar "dipped 0.1% to 98.91 after posting its biggest single-day rise in a week in the previous session." Meanwhile, the euro "rose 0.1% to $1.09815 but remained within sight of a more than a two-year low of $1.08790 hit last week."

Gold Falls.

Reuters (10/8, Namboothiri) reports, "Gold prices slipped to a near one-week low on Tuesday, declining for a third straight session, weighed down by a firmer dollar ahead of the upcoming trade talks between China and the United States." Spot gold "was down 0.3% at $1,489.32 per ounce, as of 0627 GMT," while US gold futures "fell 0.6% to $1,494.60 per ounce."

Oil Rises.

Reuters (IND) (10/8, Tan) reports, "Oil prices rose on Tuesday as unrest in crude producers Iraq and Ecuador raised supply concerns and demand worries were put on hold as investors awaited the outcome of US-China trade talks this week." Brent crude "rose 44 cents, or 0.8%, to $58.79 a barrel by 0652 GMT," while West Texas Intermediate crude "was at $53.17, up 42 cents, or 0.8%."

Cybersecurity

FBI Issues Warning About Cyber Attacks That Bypass Multi-Factor Authentication.

ZDNet (10/7, Cimpanu, 299K) reports that the FBI "sent last month a security advisory to private industry partners about the rising threat of attacks against organizations and their employees that can bypass multi-factor authentication (MFA) solutions. 'The FBI has observed cyber actors circumventing multi-factor authentication through common social engineering and technical attacks,' the FBI wrote in a Private Industry Notification (PIN) sent out on September 17. Past incidents of MFA bypasses." ZDNet adds, "While nowadays there are multiple ways of bypassing MFA protections, the FBI alert specifically warned about SIM swapping, vulnerabilities in online pages handling MFA operations, and the use of transparent proxies like Muraen and NecroBrowser," and "to get the point across, the FBI listed recent incidents where hackers had used these techniques to bypass MFA and steal money from companies and regular users alike."

Forbes (10/7, Doffman, 9.71M) reports, "Even though companies worldwide are struggling to protect systems and data from incessant waves of business email compromise attacks—with losses doubling year-on-year to $26 billion, the latest warning from the FBI still comes as a surprise." According to Forbes, "One of the primary defences against such cyber attacks is multi-factor authentication (MFA), the use of a secondary token or one-time code to assure the identity of staff," but "the FBI has now warned that it 'has observed cyber actors circumventing multi-factor authentication through common social engineering and technical attacks.'"

Protection From Ransomware Attacks Isn't As Simple As Insurance.

NextGov (10/7, Noble) reports local governments confronting "ransomware attacks are increasingly turning to insurance to protect them if hackers successfully take control of a city's computer system." Experts warn, however, that local governments "may not be getting the level of protection they need through basic policies." And when insurance companies "opt to pay ransoms, rather than cover the (sometimes exorbitant) cost to recover data, they make local governments a bigger target for hackers." Larger cities may purchase "their own individual plans, like Houston did in 2018 when it paid close to $500,000 for a $30 million plan that would cover emergency response to cybersecurity breaches and losses associated with a cyberattack." In contrast, many smaller municipalities "receive coverage through pooled plans, such as those offered by associations." Experts "say if local governments are looking into insurance coverage, they should also be thinking about

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how they plan to strengthen their cybersecurity policies."

Alabama Health System Paid Ransomware Attackers.

Ars Technica (10/7, 1.36M) reports three Alabama hospitals have paid "a ransomware demand to the criminals who waged a crippling malware attack that's forcing the hospitals to turn away all but the most critical patients." Ransomware shut down "the hospitals' computer systems and prevented staff from following many normal procedures." Officials have been "diverting non-critical patients to nearby hospitals and have warned that emergency patients may also be relocated once they are stabilized." An updated posted on Saturday "said the diversion procedure remained in place." Over the weekend, the Tuscaloosa News "said DCH officials made a payment to the people responsible for the ransomware attack." The report didn't say "how much officials paid." Saturday's statement from DCH officials "said they have obtained a decryption key but didn't say how they obtained it."

FierceHealthcare (10/7, Landi, 146K) reports Alabama-based DCH Health System "made a payment to hackers behind a ransomware attack that disrupted operations at three hospitals in the past week." Organization officials said in a statement posted on the health system's website October 5, "In collaboration with law enforcement and independent IT security experts, health system officials said they began a methodical process of system restoration. We have been using our own DCH backup files to rebuild certain system components, and we have obtained a decryption key from the attacker to restore access to locked systems." Security firm Emsisoft in a recent report found that, "in the first nine months of 2019, at least 621 government entities, healthcare service providers, school districts, colleges and universities were affected by ransomware."

Microsoft Reveals Iran Hacking Efforts Against Presidential Campaigns.

Politico (10/7, Starks, 4.29M) reports in the Morning Cybersecurity column that Microsoft's announcement late last week that Tehran-linked hackers "targeted the emails of a presidential campaign, current and former US government officials, political journalists and prominent Iranians was swiftly followed by two stories confirming the campaign in question was President Trump's." Trump's campaign "said it had no evidence that its 'campaign infrastructure was targeted,' although it didn't specifically name email as part of that infrastructure, and at any rate, it's hard to imagine its email and/or infrastructure had never been targeted." The significance of the news, "such as it is – only four of the 241 targeted accounts were breached, and none of them were the presidential campaign, Microsoft said – is that it might confirm US warnings about Iran's desire to meddle in the 2020 race, as well as warnings that election interference could target both sides during the next presidential contest."

CISA Warns Of New Cyber Attack Similar To "WannaCry."

ExecutiveGov (10/7, Rivers) reports that, according to TechCrunch, Jeanette Manfra, assistant director for cybersecurity at the Cybersecurity and Infrastructure Security Agency, has "said that it's unlikely that the agency could prevent a massive cyberattack similar to WannaCry in 2017." Manfra "told attendees at a TechCrunch event in San Francisco that the rapid transmission of WannaCry attacks would make it difficult for the Department of Homeland Security component to protect thousands of systems." She said, "Updating your patches would have prevented a fair amount of people from being a victim." Marcus Hutchins, a security researcher and malware reverse engineer, "previously developed a "kill switch" intended to prevent the attack from spreading." WannaCry was reportedly executed "by hackers associated with North Korea who used tools from NSA." Recently, DHS issued "a warning for a similar attack known as BlueKeep, which has wormable properties and has the capacity to impact millions of devices connected to the Internet."

Small Companies Increasingly Targeted By Cybercriminals.

AP (10/7, Rosenberg) reports an annual survey of companies released by the Poneman Institute, which researches data protection, and Keeper Security, a manufacturer of password protection software, found that, "while small and mid-sized businesses are increasingly targets for cybercriminals, companies are struggling to devote enough resources to protect their technology from attack." The survey "found that 76 percent of the 592 US companies surveyed had experienced a cyberattack in the previous 12 months." That was up "from 70 percent in a survey in 2018, and 63 percent in a 2017 survey." The most common attacks "were phishing and social engineering scams, cited by 57 percent of companies." These are invasions that "target unsuspecting computer, smartphone and tablet users with realistic-looking emails; if a user clicks on a link or attachment in the email, malicious software is downloaded onto the device." Forty-four percent of companies reported an attack that "came via a website."

Opinion: The Standard Cybersecurity Model Is Broken.

In a column in Forbes (10/7, 9.71M), Tony Bradley writes, "By virtually any objective measurement, the traditional model of cybersecurity has failed. It doesn't make any sense to simply continue pouring money into the next point solution and hope things will turn out differently. It's time for organizations to recognize that the technology ecosystem and the threat landscape have evolved, and that a new approach is necessary for more effective cybersecurity." Bradley contends, "The way companies approach cybersecurity is literally insane – at least according to the popular quote attributed to Albert Einstein: 'The definition of insanity is doing the same thing over and over again and expecting different results.'"

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Financial Reform

Poll: Majority Of Democratic, Republican Voters Want More Wall Street Regulations.

Newsweek (10/7, 1.53M) reports, "A majority of Democrat, Republican and independent voters support increased regulations on Wall Street and financial institutions, a new poll showed." Almost nine out of 10 US voters of all political affiliations "said it is important to enforce current government regulations on financial companies, citing fears stemming from the 2008 financial crisis and Great Recession, the data showed." Ninety-one percent of Democrats in the early voting states Iowa, New Hampshire, Nevada, and South Carolina "said it's important to regulate Wall Street firms and behavior," while 60 percent of Republicans "said they support more government regulation of US financial companies."

TFI/Sanctions

Energy Companies Look To Remain In Venezuela Despite Challenges.

The Houston Chronicle (10/7, Chapa, 730K) reports businesses would seemingly feel a desire to leave Venezuela amid "frequent power outages, theft of equipment, a political tug-of-war and billions of dollars in losses." However, "energy companies with headquarters or major operations in Houston — including the oil major Chevron and oilfield services firms Schlumberger, Halliburton, Baker Hughes and Weatherford — are instead scrambling to stay in the crisis-ridden South American country, pressing the Trump administration to renew waivers from U.S. sanctions that expire in about three weeks and allow them to continue operating there." Chevron President of Exploration and Production in Africa and Latin America Clay Neff "said his company intends to stay in Venezuela, despite a recent second quarter loss of $21 million for its operations there." Neff said, "If Chevron is forced to leave Venezuela, non-U.S. companies will fill the void and oil production will continue."

GOP Senators Explore Possible Turkey Sanctions.

The Wall Street Journal (10/7, Wise, Subscription Publication, 7.57M) reports that President Trump's decision to withdraw US troops from Syria has led some Republican Senators to explore a possible bipartisan vote for sanctions against Turkey.

Federal Reserve

Fed's Powell Stresses Independence In Speech Introducing Film.

Politico (10/7, Guida, 4.29M) reports in a short speech on Monday, Federal Reserve Chair Jerome Powell "obliquely" pushed back against President Trump's pressure to cut interest rates. Introducing a film on former Chairman Marriner Eccles, Powell praised Eccles, saying, "Perhaps most importantly from my perspective as Fed Chair, he is responsible more than any other person for the fact that the United States today has an independent central bank — a central bank able to make decisions in the long-term best interest of the economy, without regard to the political pressures of the moment." The AP (10/7, Smith) adds, however, that Powell "did not mention Trump by name." The Wall Street Journal (10/7, Kiernan, Subscription Publication, 7.57M) also reports.

Fed's Kashkari Supports Further Rate Cuts.

Reuters (10/7, Dunsmuir) reports Minneapolis Federal Reserve Bank President Neel Kashkari on Monday argued the Fed should continue to cut interest rates to offset economic risks such as slowing business investment and a slowing global economy. Said Kashkari, "My message is clear: we should be supporting the economy, not tapping the brakes on the economy so I want to look at the data over the next few months but so far I am happy that we're cutting interest rates." He added, "How much more do we have to cut? I don't know yet." Among other media reporting are Bloomberg (10/7, Boesler, 4.73M) and The Wall Street Journal (10/7, Derby, Subscription Publication, 7.57M).

Trump: US Economy Entitled To A "Substantial" Rate Cut.

Reuters (10/7, Mason) reports President Trump "said on Monday he wanted to see the U.S. Federal Reserve enact a 'substantial' cut in interest rates because of the lack of inflation in the United States." Trump said, "We'd like to a see an interest rate cut, a very substantial one. We have no inflation. If anything it's going below the number, so therefore we're entitled to an interest rate cut. I hope the Fed does that."

NY Fed Injects $47B Into Financial System Through Repo Market.

The Wall Street Journal (10/7, Barba, Subscription Publication, 7.57M) reports the NY Fed injected $47 billion into the financial system through the repo market on Monday.

BIS Report: Central Bank Stimulus Negatively Impacting Financial Markets.

The Financial Times (10/7, Arnold, Greeley, Subscription Publication, 1.34M) reports that the Bank for International Settlements finds that the unprecedented growth of central banks' balance sheets following the financial crisis has negatively impacted the function of the financial markets.

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Otting Discusses CRA, Receives "Community Spirit Excellence Award."

Texas Bankers Association (10/7) reports Comptroller of the Currency Joseph Otting on Monday discussed the importance of modernizing the Community Reinvestment Act's regulatory framework in remarks at National Asian American Coalition's 16th Annual Economic Development Conference. Otting said, "My experiences this summer and the preponderance of feedback we have heard reemphasizes the opportunity we have to encourage more CRA activity where it is needed most by modernizing the rules to clarify what counts, update where CRA activity counts, evaluate CRA performance more objectively, and make reporting more timely and transparent." During the conference, Otting was honored "with the inaugural Robert Gnaizda 'Community Spirit Excellence Award' for his enduring commitment and work to support the diverse communities of California."

OCC Restructures Legal Department, Making Attorneys More Generalists.

Behind a paywall, Bloomberg Law (10/7, Nancarrow, Subscription Publication, 4K) reports the OCC "is looking to its past in restructuring its legal department." In recent months, the agency "has eliminated divisions in place since the 1980s that saw its lawyers specialize on discrete issues like community and consumer lending, writing rules or securities practices. Instead, the OCC will have a broad Bank Advisory group inside its Law Department, and attorneys will become more generalists than they had been." Supporters of the restructuring "say that it will allow the OCC's lawyers to answer questions from its bank examiners more quickly."

OCC's Maryann Kennedy Highlighted In Most Powerful Women Gala Roundup.

Highlighting its "2019 Most Powerful Women Gala," American Banker (10/7, Witkowski, Alix, Subscription Publication, 31K) says the main theme was "Lift as you rise." In a recent BankThink article, Maryann Kennedy "dishe[d] about the good and the bad during her 30-year stint at the Office of the Comptroller of the Currency." The Senior Deputy Comptroller for Large Bank Supervision wrote, "Walking into a male-dominated boardroom as a young female examiner sometimes made delivering bad news more difficult for me. ... I recall one experience in which the male board members at a rural Pennsylvania bank referred to me in the third person as 'that girl' when I discussed their deteriorating asset quality." Kennedy's message to banks now is to not get complacent about risk management or credit quality.

SCOTUS Refuses To Review Citizens Bank Overdraft Fee Suit.

Behind a paywall, Law360 (10/7, Subscription Publication, 8K) reports, "The US Supreme Court on Monday refused to review a split First Circuit decision affirming the dismissal of a proposed class action alleging Citizens Bank NA's flat overdraft fees violate usury laws, declining a request to clarify what constitutes 'interest' under the National Bank Act." Bank customer Barbara Fawcett filed a petition for a writ of certiorari in September, "argu[ing] the circuit majority reached its decision by improperly deferring to a 2007 interpretive letter from the Office of the Comptroller, without first resolving whether the relevant terms in the NBA are ambiguous." In response, Citizens Bank "argued that the Farrell ruling ignored the OCC's interpretive letter and is at odds with a number of other courts that have weighed in since."

CBA CEO: CRA Reforms Should Allow Banks To Invest Outside Branch Network.

In a BankThink piece for American Banker (10/7, Subscription Publication, 31K), Richard Hunt, President and CEO of the Consumer Bankers Association, says that a modernized regulatory scheme for the Community Reinvestment Act "must account for ever-changing customer preferences and digital advancements." The "most visible investment in a community is the branch," but the role of branches "has significantly changed since CRA regulations were amended in 1995." Hunt writes, "Allowing banks the flexibility to invest in CRA activities outside of their branch network will result in more dynamic and impactful CRA activity to the communities that need it most." The CRA "also needs to be more transparent to allow banks to know which investments count before making the investment." With OCC-chartered institutions accounting "for more than two-thirds of the CRA investments made nationally," it is "only natural for them to take the lead." While it is less clear whether the Fed will be part of the effort, "ensuring a unified front from the OCC, FDIC and Fed would prevent competing CRA regimes, which reduces clarity, transparency and ultimately, the effectiveness of CRA investments."

Opinion: Regulatory Simplicity, Not More GSEs, Is What Housing Finance System Needs.

The Brookings Institution's (10/7) Peter Conti-Brown argues against giving the FHFA chartering authority similar to that of the OCC, allowing for the creation of more guarantors to compete with Fannie Mae and Freddie Mac. According to him, this would do nothing to "solve a problem like Fannie and Freddie." Conti-Brown says that "one of the most enduring changes of the New Deal Era was to mostly eliminate the confusion that these twelve GSEs had created. The Federal Reserve Banks are still with us, but Congress centralized monetary policy into a federal agency, the Federal Open Market Committee, and made it so that the nation's monetary policy could speak with one voice." Conti-Brown's message: "Simplify, Simplify, Simplify." He concludes, "Creating a more institutionally complex financial regulatory system and extending the reach of federal guarantees into the market place are not the answer. We need more regulatory simplicity, not less; we need less government guarantees to private market initiatives, not more."

Bureau of Engraving and Printing

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Alaskan Civil Rights Activist To Be First Alaskan Native On US Currency.

CNN (10/7, Wolfe, Ries, 83.16M) reports on its website, "Elizabeth Peratrovich, a civil rights activist and member of the Tlingit Nation, will become the first Alaskan Native to appear on US currency." Peratrovich "was a key figure in the passing of the country's first anti-discrimination law, the Anti-Discrimination Act of 1945, which prohibited discrimination based on race in Alaska," and "also served as the Grand President of the Alaska Native Sisterhood." United States Mint Chief Administrative Officer Patrick Hernandez, speaking as he unveiled the coin "during the Alaska Native Brothers and Alaska Native Sisters Convention at Alaska Pacific University on Saturday," said the coin "will be a lasting tribute to Elizabeth Peratrovich and her relentless efforts to tear down the wall of discrimination against Alaskan Natives."

Editorial Wrap-Up

New York Times.

"When It Come To China, Silence Is Golden." The New York Times (10/7, Board, 18.61M) says in an editorial that the NBA's apology for Houston Rockets general manager Daryl Morey's tweet "is besotted by the opportunity to make money in China's expanding market. And the league once again made clear it is willing to obey China's rules to preserve that chance."

"Does Donald Trump Know What His Syria Policy Is?" On its editorial page, the New York Times (10/7, 18.61M) writes that President Trump "may walk his own decision [to withdraw troops from Syria] back once again, in part or in whole. But what ally could look at the United States now and see a stalwart partner — and what foe could look at it and fear a determined adversary?"

"Remember When Bill Clinton Was Accused Of Trading White House Access For Political Favors?" In an editorial, the New York Times (10/7, 18.61M) writes, "As the Ukraine scandal continues to unfold, there has been much disagreement about whether Mr. Trump withheld nearly $400 million in military aid...in an attempt to bully its government into pursuing investigations that would benefit him politically." The Times recalls that it "was vocal" in criticizing the "campaign-finance practices of the Clinton era," but those "seem nearly quaint now. Mr. Trump isn't yet known to be hosting pay-to-play pajama parties or dialing for dollars from his office. He has warped American foreign policy and directed administration officials to put the interests of his re-election campaign above those of American national security."

Washington Post.

"The Supreme Court's Case On LGBT Discrimination Shouldn't Be A Close Call." In an editorial, the Washington Post (10/7, Board, 14.2M) says the Supreme Court on Tuesday "will hear oral arguments in three cases testing whether federal law bars employers from discriminating against LGBT people based on their sexual orientation or gender identity." The Post argues that "nothing the court does or declines to do affects Congress's responsibility. If lawmakers finally approved explicit employment protections for LGBT people, the extension of those protections would gain more democratic legitimacy."

"The Day The NBA Fluttered Before China." A Washington Post (10/7, Board, 14.2M) editorial is also critical of the NBA's actions of apologizing for Houston Rockets general manager Daryl Morey's tweet that supported Hong Kong protesters. The Post says that after the Chinese Consulate in Houston declared it was "deeply shocked" by Morey's comments, the league "pathetically...capitulated, essentially importing to the United States China's denial of free speech."

"Trump's Syria Decision Reflects His Stunning Ignorance Of The Situation." A Washington Post (10/7, 14.2M) editorial says the White House statement announcing President Trump's decision to withdraw from Syria and his tweets that followed it "reflected a stunning ignorance of the situation on the ground,"

Wall Street Journal.

"With Friends Like The U.S." A Wall Street Journal (10/7, Subscription Publication, 7.57M) editorial warns that the withdrawal of US troops from Syria could jeopardize the gains made against ISIS.

"Got Oxygen?" The Wall Street Journal (10/7, Board, Subscription Publication, 7.57M) says in an editorial that the 2019 Nobel Prize in Physiology or Medicine, which was awarded to Americans William Kaelin Jr. and Gregg Semenza and Sir Peter Ratcliffe of Britain for their research into how cells adapt when oxygen levels are decreased is an example of how better insights into human physiology is improving medicine.

"The Supreme Court's Sex Debate." A Wall Street Journal (10/7, Board, Subscription Publication, 7.57M) editorial says the Court should not focus on whether discrimination against gay and transgender people is legally or morally acceptable but whether the courts are the place for the issue to be decided. The Journal argues that matter should be left to the people and their elected representatives.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Trump's Call To Leave Syria Draws Fire From GOP Allies
WeWork Investors Turned Off By 'Sloppy' IPO Filings
China Is Buying Soybeans Again As Trade Talks Resume
Larry Culp's GE Plan: A Fix, Not A Reinvention

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Gardner Minshew's Throwback Mustache Inspires NFL Fans – To The Horror Of Their Spouses

New York Times:

Trump Throws Middle East Policy Into Turmoil Over Syria
When 'Get Out' Is A President's National Security Strategy
Seeking Ukraine Aid Records, House Subpoenas White House Budget Office And Pentagon
Trump Taxes: President Ordered To Turn Over Returns To Manhattan DA
Hong Kong Protests Put NBA On Edge In China
Mourning Humble 'Uncle Kwok,' 83, Killed In Chinatown Rampage

Washington Post:

Trump Decision On Syria Brings Dire Warnings
Syrian Kurds Dread Losing Partner Against ISIS And Bulwark Against Turkey
Vaping Devices Add To Fire Dangers On Planes
Diplomats Fear Pompeo Doesn't Have Their Backs
A Push To Shield Witness's Identity

Financial Times:

Trump Clears Turkish Offensive In Syria Against Kurds
Global Economic Gloom Spreads Despite Jobs Strength
Brexit Red Tape Bill Of £15BN for UK-EU Trade Under No-Deal

Washington Times:

Mass Release Of Imprisoned ISIS Fighters Feared As US Withdraws From Syria
World Leaders Ready For War As Turkey Set To Clear 'Terrorists' From Border
Biden, Son Could Be Forced To Testify In Trump Impeachment Trial
'Sometimes The Moment Chooses Us': Emails Reveal Rosenstein-Mueller Secrecy On Russia Probe
States Beef Up Laws On 'Misleading' Food Labels As Fake Meat, Milk Sales Soar
Jay Gruden's Firing Veils Litany Of Problems For Redskins

Story Lineup From Last Night's Network News:

ABC: Trump-Withdrawing Troops From Syria; Impeachment Inquiry; Delta-Woman On Flight Without ID Or Boarding Pass; Pennsylvania-Bacteria Outbreak At Hospital; Dallas-Key Witness Murdered In Police Officer Trial; Weather Report; UK-American Diplomat's Wife In Car Accident; Alex Trebek-Chemo Comments; FBI-Worst US Serial Killer; Vaping; Jimmy Carter-Stitches; Bahamas-Dog Found Buried Under Dorian Debris After Three Weeks.

CBS: Impeachment Inquiry; Trump-Withdrawing Troops From Syria; Syria-Expert Comment; UK-American Diplomat's Wife In Car Accident; Iraq-Protests; SCOTUS-New Term; Georgetown-Homeland Security Secretary Shouted Off Stage; NYC-Homeless Man Murders Four Other Homeless Men; NBA-Backlash For China Protests Tweet; Pennsylvania-Bacteria Outbreak At Hospital; Jimmy Carter-Stitches; Bernie Sanders-Heart Attack; Tyler Perry Interview.

NBC: Impeachment Inquiry; Trump-Tax Returns; Trump-Withdrawing Troops From Syria; Pennsylvania-Bacteria Outbreak At Hospital; FBI-Worst US Serial Killer; UK-American Diplomat's Wife In Car Accident; NBA-Backlash For China Protests Tweet; Dallas-Key Witness Murdered In Police Officer Trial; NFL-Pittsburgh Steelers QB Concussion; Alex Trebek-Chemo Comments; Delta-Woman On Flight Without ID Or Boarding Pass; Bahamas-Dog Found Buried Under Dorian Debris After Three Weeks; Jimmy Carter-Stitches.

Network TV At A Glance:

Trump-Withdrawing Troops From Syria – 9 minutes, 5 seconds
Impeachment Inquiry – 7 minutes, 30 seconds
UK-American Diplomat's Wife In Car Accident – 5 minutes, 15 seconds
Pennsylvania-Bacteria Outbreak At Hospital – 3 minutes, 10 seconds
Jimmy Carter-Stitches- 1 minute, 50 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Trump-Withdrawing Troops From Syria; Syria-Expert Comment; Impeachment Inquiry; Pennsylvania-Bacteria Outbreak At Hospital; Wall Street.

CBS: NBA-Backlash For China Protests Tweet; Vaping-Stores Haulting E-Cig Sales; Trump-Withdrawing Troops From Syria; Trump-Tax Returns; California-Power Cuts Due To Weather; Wall Street.

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FOX: Trump-Withdrawing Troops From Syria; Syria-Congress Reactions; Impeachment Inquiry; Impeachment-Sen. Portman Comments.
NPR: Trump-Withdrawing Troops From Syria; Chinese Entities Blacklisted For Human Rights Violations; San Diego-2007 Wildfires Utility Fines.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Over the last few days, the impeachment case against Donald Trump has seen a number of big developments. A second whistleblower stepped forward, damning text messages from American diplomats were released, and Rudy Giuliani was caught going through Joe Biden's trash. Yeah, he wasn't looking for dirt, he was just hungry."

Trevor Noah: "Now, if you were facing the biggest crisis of your presidency, what would you do? Probably lay low and focus on putting out this fire? But you see, you're not Donald Trump, because if you were Donald Trump, you would start a whole new fire. ... At 11:00 p.m. last night, President Trump announced that the US would be pulling its troops out of a key part of the Syria. Even crazier is he didn't tell the Pentagon. Yeah, they were blindsided. That's like not telling NASA you're going to blow up the moon. That's their thing. Like, 'Sir, we have a situation. It appears the moon has exploded.' He would be like, 'Yeah, that was me. Consider the werewolf problem solved.'"

Trevor Noah: "I know there's a lot going on there, but the main takeaway is that Trump's decision has now put America's Kurdish allies in danger. After a move like this, you can't blame America's allies thinking America's word ain't worth [anything]. Like AppleCare claims they'll protect you, but says, 'Sorry, this doesn't cover broken screens.' 'What do you mean? The whole thing is a screen!' That's the whole thing, the phone is a screen!"

Trevor Noah: [On Trump tweeting about his "great unmatched wisdom"] "So everyone from 'Fox & Friends' to Neck Flaps & Friends have spoken out against Trump's military moves, and in response, Trump tweeted earlier today, 'Relax, I got this.' ... Before you judge Trump, he is technically correct – there is nobody who matches his wisdom. He is correct! I mean, no other person had the wisdom to stare directly into a solar eclipse."

Trevor Noah: "So if you're a member of the Kurdish forces, now you're probably a little nervous, because you've got ISIS coming from one side, and Turkey coming from the other, and you're probably wondering if there's any way to get Trump back on your side. I do think there is one option: Kurdish forces, phone Trump, and you need to tell him you have dirt on Joe Biden, but if he wants it, he's going to have to give you military aid, or as I like to call it, a Kurd pro quo."

Jimmy Kimmel: "Thank you for joining us here in Hollywood, where I'm sure a lot of people are very busy monitoring the events in Washington for a future multipart docudrama starring Nick Nolte as Donald Trump. Between Trump and 'The Joker,' it was quite a weekend for villains in a lot of makeup."

Jimmy Kimmel: "We learned yesterday that a second whistle has blown. This one reportedly has firsthand information about the President's call to Ukraine. ... But Trump says his repeated and public requests for Ukraine and China and maybe others to dig up dirt on his number one opponent, Joe Biden, have nothing to do with politics and everything to do with his never-ending crusade against corruption. ... But the story, it seems to get worse for Trump by the hour. He swears up and down there's no quid pro quo with Ukraine. ... But text messages, including this exchange between Kurt Volker, who was his former special envoy for Ukraine, and one of President Zelensky's top aides, suggests otherwise. ... If that gun isn't smoking, it's vaping like a mother right now."

Jimmy Kimmel: "And now the fall guy for this mess, or at least one of them anyway, could be Trump's Secretary of Energy, Rick Perry, who is rumored to be on the way out after Trump reportedly said the only reason he made the call is because Rick Perry put him up to it. Rick Perry said today that while he absolutely asked Trump multiple times to call the President of Ukraine, it was only to talk about energy, not about the Bidens. But somehow, Trump blames him for this. Basically, his position is, 'The call was perfect, I did nothing wrong, and stupid Rick Perry is the one who made me do it. All the best people.'"

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Jimmy Kimmel: "To recap, we now have two whistleblowers. We have a transcript of the phone call, a bunch of highly incriminating text messages. And not only did Trump do it privately with Ukraine, he asked China to do it on television. If this was 'Judge Judy,' he'd be out before the first mesothelioma commercial."

Jimmy Kimmel: "And then while every head in Washington is spinning, Trump pulled another doozy last night, when the White House announced that the President after another phone call with another unsavory foreign leader will pull all US troops out of Syria. This is a big deal because removing American troops will allow Turkey to go in and attack our Kurdish allies, which would be a big boost for ISIS. ... But Trump, I think he may have swapped the Adderall for airplane glue this afternoon because he tweeted back, 'As I have stated strongly before and just to reiterate, if Turkey does anything that I, in my great and unmatched wisdom, consider to be off limits, I will totally destroy and obliterate the economy of Turkey. I've done before.' That's right. One step out of line, he will run Turkey into the ground like it was one of his casinos in Atlantic City."

Jimmy Kimmel: "In his great and unmatched wisdom. 'In my great and unmatched wisdom.' He's talking now like the Wizard of Oz."

Jimmy Kimmel: "We found out today that we may finally get to see Trump's taxes. A federal judge has rejected the President's bizarre claim that he is immune from criminal investigation and therefore does not have to turn over his tax records. ... And by the way, this investigation is related to the payments Trump made during the campaign to Stormy Daniels and that 'Playboy' playmate. Which, how crazy is this presidency that we forgot about that?"

Jimmy Kimmel: "The Second Circuit Court of Appeals granted a last-minute stay of the ruling, which means this might not happen for a while, but I love the irony that we're going to release Trump's tax returns without his consent. We're just going to grab them by the subpoena and see what happens."

Jimmy Kimmel: "His team now is trying to convince themselves and anyone dumb enough to believe it that all this impeachment stuff is good, not bad, for his re-election prospects. His acting Chief of Staff, Mick Mulvaney, has been telling staffers that if the President gets impeached, he could win 45 states in 2020. Which I don't think he could name 45 states in 2020."

Jimmy Kimmel: "But I'm not sure the President agrees with that. He had a call with House Republicans over the weekend where he said, among other things, impeachment would be bad for his resume. Which, Trump worrying about his resume is like R. Kelly worrying about his Uber rating. It doesn't make a difference."

Stephen Colbert: "I have a simple but extremely important question – can we take away Donald Trump's phone? ... 'Cause everything he does with his phone is bad. ... Here's how his phone makes things worse – yesterday, after a phone call between Trump and Turkish strongman Recep Erdogan, the President announced that the US is withdrawing troops from northern Syria posts, leaving Kurdish allies to face Turkey. This is a complete betrayal of the Kurdish fighters who helped the US defeat ISIS, and there's only one way out of this: Kurds, you've got 24 hours to dig up dirt on Joe Biden."

Stephen Colbert: "People on both sides of the aisle unloaded on Trump for this betrayal. So Trump went on Twitter and went full twit, saying that though he's pulling out of Syria, 'We will be focused on the big picture, knowing we can always go back and blast!' (As Trump) 'We can go back and blast! We can also bring the boom-booms, the blammo, and if all else fails, multiple kablooies.'"

Stephen Colbert:" But, in defending his actions, he saved the best for worst, 'As I have stated strongly before, and just to reiterate, if Turkey does anything that I, in my great and unmatched wisdom, consider to be off limits, I will totally destroy and obliterate the economy of Turkey – I've done before!' ... Wow, he's gone full God-emperor. (As Trump) 'It is I, Donald the Great, of unmatched wisdom and infinite wives, destroyer of casinos, conqueror of 10-piece McNuggets, scourge of Chrissy Tiegen, defeated only once in battle by my eternal nemesis: Umbrella.'"

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Stephen Colbert: [On Trump asking China to investigate the Bidens] "Just standing out there and bluntly asking China for election help is a tough one for Republicans to spin, but they came up with a terrible excuse, that Trump was joking about China investigating the Bidens. I just want to point out that I tell jokes for a living, and successful or not, rarely do people I work with have to go on Sunday news shows to explain that I was joking."

Jimmy Fallon: "Today, a federal judge ordered President Trump to turn over eight years of his tax returns. I'm not saying it's bad, but right now, Trump's accountant is climbing over his border wall into Mexico."

Jimmy Fallon: "Well, people are still talking about the impeachment. I saw that Trump said it's a bad thing to have on his resume. The only thing worse than having impeachment on your resume, is having Rudy Giuliani as your only reference."

Jimmy Fallon: "I kind of like the idea of Trump even having a resume, though I'm pretty sure under skills, all it would say is, 'can type over 50 tweets per minute.'"

Jimmy Fallon: "Trump's never even really needed a resume. The only one he's ever made is a note to his dad which said, 'I your son, me want job.'"

Jimmy Fallon: "But Trump caused more controversy today when he announced a new Middle East policy. There's some pretty crazy tweets about it, too. In one, he said, 'If Turkey does anything that I, in my great and unmatched wisdom, consider to be off limits, I will destroy and obliterate the economy of Turkey, I've done before.' And Trump said, 'And if Turkey really acts up, I won't pardon them on Thanksgiving.'"

Seth Meyers: "President Trump reportedly told House Republicans on a private call yesterday that impeachment is a, quote, 'bad thing to have on your resume.' Dude, do you really think your next job's gonna require a resume? 'Wow, it says here you were President of the United States. We really like the see that kind of ambition at Kinko's.'"

Seth Meyers: "Lawyers for the whistleblower responsible for the initial complaint about President Trump's contact with Ukraine revealed this weekend that they are now representing multiple clients raising issue with the call. Okay, how many people were on this call? This thing is starting to sound like an AOL chat room. 'Hello, age, sex, location, and dirt on Joe Biden.'"

James Corden: "We have some big news to report. Earlier today, President Trump was ordered to turn over eight years of personal and corporate tax returns to the Manhattan district attorney. Yes, I know, big news. I cannot wait to see them and then pretend to understand them."

James Corden: "White House staffers were stunned by this order today. In fact, it was all anyone was talking about around the office paper shredder."

James Corden: "Yeah, according to the judge, quote, 'Presidents are not above the law.' Yeah, and when he heard this, Trump was like, 'Pfftt. For real? That's the only reason I took this stupid job!' But then here's the thing: Trump immediately requested an emergency delay. And can you believe this, he was granted one by an appeals court. When I heard this, I was like, 'Pfftt, he did what? You granted him what? I thought we had him this time.' ... The DA and the Trump's tax returns are the legal system's Ross and Rachel. Will they, won they, can there be any more tension?"

James Corden: "But Trump has other things on his mind as well. Earlier today, the President tweeted a threat to the government of Turkey in which he referred to his, quote, 'great and unmatched wisdom.' And people were very quick to point out that this made Trump sound like

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the wizard from 'The Wizard of Oz.' If only we could pay no attention to the man behind the curtain."

James Corden: "You haven't seen the movie in a while. The Wizard of Oz was a conman who only pretended to be a wizard because he had run out of money. But to be fair, unlike Trump, he did actually pay his taxes."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — has lunch with the Vice President; receives his intelligence briefing; presents the Presidential Medal of Freedom to Edwin Meese.
- Vice President Pence — has lunch with THE PRESIDENT.

***US Senate*:**

- Senate convenes for pro forma session – Senate convenes for pro forma session * Chamber on recess from 27 Sep – 15 Oct

Location: U.S. Capitol, Washington, DC; 12:00 PM

***US House*:**

- House Small Business Committee field hearing on 'Silicon Prairie' – Field hearing on 'Silicon Prairie: Tech, Innovation, and a High-Skilled Workforce in the Heartland', with testimony from Kansas Secretary of Commerce David Toland, and Secretary of Labor Delia Garcia; Small Business Administration Region VII Administrator Thomas Salisbury; SnapIT Solutions President and CEO Neelima Parasker; AltCap President Ruben Alonso III; Elias Animal Health CEO Tammie Wahaus; and Menlo, K12itc, Civic ITC President and CEO Brad Sandt; and Kansas City Kansas Chamber of Commerce President and CEO Daniel Silva

Location: Kansas City Kansas Community College Technical Education Center, 6565 State Ave, Kansas City, KS; 10:00 AM

- House meets in pro forma session – House of Representatives meets in pro forma session * Chamber on recess from 27 Sep – 14 Oct

Location: U.S. Capitol, Washington, DC; 1:00 PM

- House Committees due to jointly conduct deposition with State Department counselor, as part of impeachment inquiry – House Committee on Foreign Affairs, Permanent Select Committee on Intelligence, and Committee on Oversight and Reform due to jointly conduct deposition with State Department Counselor T. Ulrich Brechbuhl, with the transcript to be part of the impeachment inquiry into President Donald Trump * The Committees are investigating 'the extent to which President Trump jeopardized national security by pressing Ukraine to interfere with the 2020 election and by withholding security assistance provided by Congress to help Ukraine counter Russian aggression, as well as any efforts to cover up these matters' * Secretary of State Mike Pompeo originally told the Committees that the deposition dates for five current and former State Department employees were 'not feasible', though later said that the Department would follow the law and make them available

Location: U.S. Capitol, Washington, DC

- House Committees due to jointly conduct deposition with U.S. Ambassador to the EU, as part of impeachment inquiry – House Committee on Foreign Affairs, Permanent Select Committee on Intelligence, and Committee on Oversight and Reform due to jointly conduct deposition with U.S. Ambassador to the European Union Gordon Sondland, with the transcript to be part of the impeachment inquiry into President Donald Trump * The Committees are investigating 'the extent to which President Trump jeopardized national security by pressing Ukraine to interfere with the 2020 election and by withholding security assistance provided by Congress to help Ukraine counter Russian aggression, as well as any efforts to cover up these matters' * Secretary of State Mike Pompeo originally told the Committees that the deposition dates for five current and former State Department employees were 'not feasible', though later said that the Department would follow the law and make them available

Location: U.S. Capitol, Washington, DC

***Cabinet Officers*:**

- No public schedules released.

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***Visitors*:**

• No visitors scheduled.

***This Town*:**

• Court hearing in House Judiciary Committee bid to see Mueller grand jury materials – Court motion hearing in an application by the House Committee on the Judiciary for an order authorizing the release of grand jury testimony and materials related to Special Counsel Robert Mueller's investigation into Russian interference in the 2016 presidential election * Committee Chairman Jerrold Nadler filed the petition in July, arguing that it was needed by the Committee as it weighed whether to pursue impeachment of President Donald Trump. The Department of Justice countered by saying that the Committee had not provided a sufficient explanation about how the material would help in their investigations, and that any impeachment proceeding would not be considered a 'judicial proceeding' under law * Case no. 1:19-gj-00048 * Before Chief Judge Beryl Howell * The House of Representatives has since launched an impeachment inquiry into President Trump's dealings with Ukraine

Location: U.S. District Court for the District of Columbia, 333 Constitution Ave NW, Washington, DC; 10:00 AM

• U.S. Supreme Court hearings on employment discrimination based on sexual orientation and gender identity – U.S. Supreme Court hearings: 'Bostock v. Clayton County, Georgia'; 'Zarda v. Altitude Express' (consolidated) (Whether discrimination against an employee because of sexual orientation constitutes prohibited employment discrimination 'because of ... sex' within the meaning of Title VII of the Civil Rights Act of 1964? Whether the prohibition in Title VII of the Civil Rights Act of 1964 against employment discrimination 'because of ... sex' encompasses discrimination based on an individual's sexual orientation?) * 'R.G. & G.R. Harris Funeral Homes v. Equal Employment Opportunity Commission' (Whether Title VII prohibits discrimination against transgender people based on their status as transgender and/or sex stereotyping under 'Price Waterhouse v. Hopkins' (1989)?)

Location: U.S. Supreme Court, Washington, DC; 10:00 AM

• USAID Administrator Green and Administration-recognized Venezuelan ambassador sign Development Objective Agreement – USAID Administrator Mark Green and Carlos Vecchio – recognized by the Administration as the Venezuela Ambassador to the U.S. – sign Development Objective Agreement, dubbed 'the first step in formalizing USAID development support that will help the legitimate Govt of Venezuela lead the country forward'

Location: USAID, Ronald Reagan Building, 1300 Pennsylvania Ave NW, Washington, DC; 10:00 AM

• U.S. Chamber of Commerce launches innovation barometer – U.S. Chamber of Commerce holds launch event for its Global Innovation Policy Center's Innovation and Creativity Access Barometer, which establishes a set of metrics around the govt policies that facilitate or impede consumer access to innovative products and creative works

Location: U.S. Chamber of Commerce, 1615 H St NW, Washington, DC; 10:00 AM

• Assistant AG Dreiband speaks on religious liberty at Heritage Foundation – Civil Rights Division Assistant Attorney General Eric Dreiband discusses the Administration's work to champion religious liberty at an event hosted by the Heritage Founadtion, with other speakers incuding Health and Human Services Office of Civil Rights Director Roger Severino, Department of Education Senior Counselor to the Secretary Robert Eitel, and Heritage Foundation Institute for Constitutional Government Vice President John Malcolm

Location: The Heritage Foundation, 214 Massachusetts Ave NE, Washington, DC; 12:00 PM

• NPC Headliners event with SCOTUS LGBTQ rights case plaintiff – National Press Club Headliners Newsmaker event hosts Gerald Lynn Bostock, the plaintiff named in the case of 'Bostock v. Clayton County, GA', who discusses his case and discrimination against LGBTQ people in the workplace following oral arguments in the U.S. Supreme Court

Location: National Press Club, 529 14th St NW, Washington, DC; 1:00 PM

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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, OCTOBER 4, 2019 6:00 AM EDT

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• Trump Amplifies Unproven China-Biden Story.
• Private Equity On War Footing To Protect Lucrative Tax Breaks.
• Strauss: 40 Years Of GOP Tax Cuts Have Only Increased Debt, Inequality.
• Administration Facing Challenge With Citgo Bond Payment.
• Fox's Wallace Dinged CNN's Tapper In 2017 Email Exchange With Treasury Spokesman.
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Leading National News

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• Citi's Corbat Urges Fellow Leaders To Promote Equal Pay For Women.
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• Krugman: Trump Inducing Economic Slump.
• FTC Seeks Sales And Ad Data From E-Cigarette Companies.
• Amazon, Disney At Odds Over Streaming Video.
• Trump Vows To Protect Medicare From "Maniac" Democrats, "Socialism."
• Trump Accuses Bidens Of Corruption In Ukraine And China, Urges Both Countries To Investigate.
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• CNN Refuses To Air Trump Campaign Ads Accusing Bidens Of Corruption, Calling Impeachment A "Coup."
• Trump Mocks Democrats As "Maniacs," Says Impeachment Is About Hurting Him In 2020.
• Trump Says McConnell Has Told Him He Sees No Problem With Zelensky Call.
• Ukrainian Officials Did Not Find Out US Aid Was Held Up Until One Month After Trump-Zelensky Call.
• White House To Tell Pelosi It May Not Cooperate With Probe Until House Formally Votes On It.
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• House Republicans Will Force Vote To Condemn Schiff.
• Durham Investigation Examines Other Countries' Roles In Aiding Clinton Campaign.
• GOP Lawmakers Say Volker's Testimony Did Not Advance Democrats' Impeachment Narrative.
• Lawmakers To Hear From Intelligence Community IG Today.
• Roll Call Analysis: Democrats' Use Of "Adverse Impact" Concept Cold Backfire.
• Media Analyses: Ukraine Probe Could Undermine Pompeo's Authority At State.
• AP Spotlights House Republicans Critical Of Trump.
• FEC Chair Reposts Memorandum On Foreign Assistance In US Campaigns.
• WPost Report: Trump Did Propose Border Moat, Shooting Migrants.
• ACLU Files Suit Seeking Damages For Separated Immigrant Families.
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• Cook Says There Should Be No Limits On How Many Immigrants Apple Can Hire.
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• Migrant Caught Crossing Border Using Ultralight Aircraft.
• Immigrant Activist: ICE Raids Created Massive Legal Need In Mississippi.
• Cato Scholars: Walmart, Rivals Taking Steps To Lower Healthcare Costs.
• LAPD Declines To Say Who Authorized Anti-Breitbart Tweets.
• MGM Reaches $800M Settlement With Victims Of Las Vegas Massacre.
• New York AG Sues Student Loan Company Over Debt Forgiveness Program.
• Some College Admissions Scandal Defendants Building Cases For Leniency.
• WSJournal: Court's Harvard Ruling Approves Racial Discrimination.
• Barr, Australian And UK Counterparts Will Ask Facebook To Create Encryption "Back Door."
• WSJournal: Study Provides More Evidence Of Charter Schools' Success.
• WPost Supports New California Law In College Athlete Endorsement Pay.
• Sources: Perry To Resign Next Month.
• Manhattan DA Pushed Back Against DOJ In Fight For Trump Tax Returns.

CFTC-22-0351-A-002009

• Doctor Gets 40 Years In Prison For Illegal Opioid Prescriptions.
• Waters: Trump "Setting Some Of Us To Be Killed."
• Administration Reportedly Set To Announce Biofuels Deal.
• Experts Say Trump's Actions Against California "Send A Message" To Other States.
• EPA Prevented Scientists From Speaking At Climate Change Conference In 2017.
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• Ocasio-Cortez To Appear In Court To Explain Twitter Blocking.
• Supreme Court Will Consider Whether Firing Employees For Being LGBTQ Is Legal.
• NRA's LaPierre Reportedly Resisted Endorsing Trump In 2016.
• Woodward Heckled At Event With Authors Of Book On Weinstein Allegations.
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• Army Investigating Mishap During Mississippi Parachuting Exercise.
• Trump Camp Launching $1M Ad Campaign In Early States Hitting Biden On Ukraine Controversy.
• Ohio Poll: Trump Trails Biden, Sanders, Warren In Hypothetical Matchups.
• Warren's Electability A Subject Of Debate Among Political Operatives.
• Sanders Campaign Says He Will Participate In October 15 Debate.
• NYTimes Analysis: Buttigieg Banking Heavily On Strong Showing In Iowa.
• WTimes Profiles Struggling Democratic Presidential Hopeful Bennet.
• WPost Analysis: Democrats Criticize Trump's Executive Orders While Vowing Their Own.
• Democrat Matt Lieberman, Son Of Ex-Senator, Announces Georgia Senate Bid.
• WPost Backs Three Democrats In Northern Virginia Commonwealth Attorney Races.
• RCP Average Has Trump's Job Approval At 43.2%.

Financial International News

• Japan Finance Minister Dismisses Need For Stimulus After Tax Hike.
• Analysts: Europe Will See More Economic "Pain" If US Limits Investment In China.
• New IMF Head Vows Discusses Her Commitment To Deal With Global Economic Challenges.
• The Economist Looks At Greek Debt Crisis 10 Years Later.
• Citi Among Banks Hit With Combined $1.4B Penalty By Nigerian Central Bank.

Leading International News

• French FM: US And Iran Have One Month To Avert Escalation.
• North Korea Says It Successfully Tested New Submarine-Launched Ballistic Missile.
• Employee Kills Four At Police Headquarters In Paris.
• Trump Taps Grenell As Special Envoy To Serbia-Kosovo Peace Talks.
• US Officials Worried Turkey Preparing To Launch Incursion Into Syria.
• UN Calls For Dialogue After More Than 31 Iraqis Are Killed During Protests.
• Pakistan, Taliban Call For Resumption Of Peace Talks.
• Suspicion Of Fraud Rise In Afghan Elections As Turnout Soars.
• Hong Kong To Enact Emergency Laws As Protests Continue.
• Cyberattacks Targeting Journalists And Opposition Figures Traced To Egyptian Government.
• Irish Border Remains Sticking Point As EU Mulls Johnson's Brexit Compromise Plan.
• Pompeo, Pope Discuss Protections For Religious Minorities.
• Medvedev Visiting Cuba.
• Canadian Candidates Decline To Take Stance On Quebec's Religious Symbols Ban.

Housing

• Freddie Mac: Mortgage Rates Held Steady This Week.
• Freddie Mac's Guido Boers Wins Society for Hospitality & Foodservice Management's Leadership Award.
• HUD Awards $43M In Housing Counseling Grants.
• Agency MBS Issuance Reaches 11-Year High In Q2 Thanks To Refi Surge.
• Urban Land Institute Survey: Economists More Pessimistic On Housing Starts, Price Growth Through 2021.
• EMarketer: US Hispanic Homeownership Rate Has Not Yet Rebounded To Its Pre-Crisis High.
• NAREB: Black Homeownership Rate Was Lower In Q2 Than It Was When Fair Housing Act Was Signed.
• HSH.com Calculates Annual Income Needed To Afford A Home In 50 Largest US MSAs.
• Opinion: HUD Proposal Could Lead To Discrimination In AI-Based Lending.

Markets

• Treasury Yields Fall This Morning.
• Stocks Gained Thursday.
• Dollar Steadies.
• Gold Rises.
• Oil Climbs.

Cybersecurity

• FBI Issues Warning Of Potential "High-Impact" Ransomware Attacks.
• FBI To Monitor Violent Online Threats Linked To "Joker" Premiere.
• Trump Maintains Anti-Huawei Push.

TFI/Sanctions

• Clooney, Prendergast To US: Use Sanctions To Help South Sudan.

Federal Reserve

• Fed Officials Signal Openness To Rate Cuts But Give Few Signals Of Intentions.
• NYTimes Analysis: Fed Expected To Again Cut Rates.

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• NY Fed Injects Another $33.55B Through Repo Market.
Financial Regulatory Agencies
• Regulators Call For More Research Into Reasons Why Banks Sell.
Internal Revenue Service
• "Accidental Americans" Face Difficulty Clearing Themselves With The IRS.
Office of the Comptroller of the Currency
• Fed To Finalize Reg Relief For Midsize Banks.
• BB&T, SunTrust Gain Temporary Reprieve From Stress Test Requirements.
• Two Miami-Based Community Banks Receive "Outstanding" CRA Evaluations.
• Analysis: Defaults On Modified Loans Could "Sink" Home Prices.
Editorial Wrap-Up
• New York Times.
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Treasury in the News

Second Whistleblower Alleges Political Interference At IRS In Trump, Pence Tax Return Audits.

The Washington Post (10/3, Stein, Hamburger, Dawsey, 14.2M) reports that an IRS official "has filed a whistleblower complaint reporting that he was told that at least one Treasury Department political appointee attempted to improperly interfere with the annual audit of the president's or vice president's tax returns." The complaint comes "amid the escalating legal battle between the Treasury Department and House Democrats over the release of President Trump's tax returns." Part of that dispute "is over how the IRS conducts its annual audit of the president's and vice president's tax returns," a process that is "supposed to be walled off from political appointees and interference."

The New York Times (10/3, Rappeport, 18.61M) reports the whistleblower "came forward to Congress in July with the complaint. ... Additional details about the specific allegations in the complaint remained unclear, including when the reported activity took place." In August, House Ways and Means Chairman Richard Neal informed Treasury Secretary Mnuchin about the whistleblower. Mnuchin, "in a letter of response to Mr. Neal on Aug. 13, said he referred the matter to the Treasury Department's inspector general for tax administration."

Forbes (10/3, Klebnikov, 9.71M) lists the numerous ways Democrats are "trying to get Trump's tax returns released," including subpoenas sent by House Ways and Means Committee Chairman Richard Neal (D-MA) "to the Treasury Department and IRS earlier this year seeking six years of Trump's federal tax returns."

CNN (10/3, Kelly, 83.16M), Breitbart (10/3, 673K), Slate (10/3, Olmstead, 1.58M), The Hill (10/3, Jagoda, 2.98M), The Week (10/3, 1.94M), The Daily Mail (UK) (10/3, 5.27M), Business Insider (10/3, Sheth, Porter, 3.67M), and, behind a paywall, Law360 (10/3, Subscription Publication, 8K) also reported on the story.

GAO Report Highlights Challenges Of Assessing Impact Of Sanctions.

The Washington Post (10/3, Taylor, 14.2M) reports the Trump Administration has made sanctions "a key part of its foreign policy arsenal, placing enormous economic pressure on nations like North Korea and Iran in a bid to force concessions in negotiations with the US." A new report released by a government watchdog this week "found that although the agencies that implement sanctions track their economic impact, they do not measure whether the sanctions achieve their aim in forcing a target to change its behavior." Officials from the Treasury, State and Commerce departments "told researchers from the GAO that there were several difficulties in assessing whether they are achieving their aims, including the shifting nature of foreign policy goals and the difficulty in isolating the effects of sanctions." The report "appears to contradict statements made by Trump and other high-level officials." The GAO "found that Treasury, State and Commerce used analysis from the intelligence community to estimate the effect of the economic effect of sanctions." Officials "suggested that a variety of factors made accurately gauging the effectiveness of a sanction a difficult task."

Daniel R. Depetris writes in The National Interest (10/3, 81K) that "although the State, Treasury, and Commerce Departments all assess the effectiveness of sanctions in the course of their work, none of them are apparently required by law or regulation to determine a simple but straightforward question: are sanctions actually helping the United States accomplish its foreign policy objectives?" He writes that "Washington continues to apply all manner of sanctions despite fully understanding whether any of them will actually have a long-term policy impact." Depetris continues, "To call this troubling would be the understatement of the day. It is downright ludicrous and needs to be changed immediately."

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Treasury Dept. Audit Finds Car Buyers Improperly Claimed $70 Million In EV Tax Credits.

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Bloomberg (10/3, Beene, 4.73M) reports the Treasury Inspector General for Tax Administration (TIGTA) said in an audit released Thursday that tens of thousands of car buyers improperly claimed $70 million in electric vehicle tax credits using ineligible vehicles during a five-year period ending in the 2018 processing year. Details "about how taxpayers improperly claimed the credits were mostly redacted, though the audit found that the Internal Revenue Service lacks an effective process to prevent improper claims under the program, which awards as much as $7,500 for electric-car buyers." The TIGTA "made four recommendations to the IRS, which agreed with the findings." According to a summary of the audit, the IRS is planning to start a program to recover the improperly claimed credits.

Trump Amplifies Unproven China-Biden Story.

The AP (10/3, Braun) reports that President Trump "is seizing on unsubstantiated claims promoted by political allies as he seeks a foreign government's help finding dirt on Democratic political rival Joe Biden." The "claims about a $1.5 billion-dollar business deal in China" involving the former VP's son Hunter first came from "conservative researcher Peter Schweizer." Senate Finance Committee Chairman Grassley last August "asked Treasury Secretary Steven Mnuchin to investigate Hunter Biden's business activities in China." The Treasury Department "has said it's reviewing Grassley's request."

Business Insider (10/4, Sheth, Frias, 3.67M) reports that Trump "mentioned former Vice President Joe Biden in a June phone call with Chinese President Xi Jinping," per a report from CNN on Thursday. The report says "Trump brought up Biden's political prospects...as well as those of Sen. Elizabeth Warren of Massachusetts, who by that time had started surging in the polls." Trump "also reportedly told Xi he would stay mum on the raging protests in Hong Kong as China and the US discussed trade."

The New York Times (10/3, Baker, Sullivan, 18.61M) reports that Trump told reporters outside the White House on Thursday, "China should start an investigation into the Bidens, because what happened in China is just about as bad as what happened with Ukraine." According to the Times, "The president's call for Chinese intervention means that Mr. Trump and his attorney general have solicited assistance in discrediting the president's political opponents from Ukraine, Australia, Italy and, according to one report, Britain." The Times says the President's remarks amounted to "an extraordinary request to a foreign power for help that could benefit him in next year's election."

Politico Analysis: Trump's China-Biden Remarks Could Impact Trade Talks. Politico (10/3, Behsudi, 4.29M) reports that Trump's request for China to investigate Biden "exposes his long-running negotiations with the world's No. 2 economy to new scrutiny and could cast a political shadow over the results." The President's comments "came moments after Trump said the U.S. has 'a lot of options' to get Beijing to bend to its will in the trade talks." Senate Finance Committee ranking member Ron Wyden (D-OR) "called on the White House, Treasury Department and the Office of the U.S. Trade Representative to explain whether the Biden issue had actually been raised in the context of trade talks and to produce any relevant documents."

Former Treasury Official: EU, US Officials Pushed Ukraine To Axe Prosecutor Months Before Biden. The Financial Times (10/3, Politi, Sevastopulo, Peel, Olearchyk, Subscription Publication, 1.34M) reports that a former Treasury official says European and US officials were pushing for the Ukrainian government to fire Viktor Shokin months before Biden intervened personally.

Private Equity On War Footing To Protect Lucrative Tax Breaks.

Bloomberg (10/3, Perlberg, Bain, 4.73M) reports that the private equity industry that "reshaped the American economy now appears to be heading into an even bigger war to preserve the generous tax breaks and loose oversight" it has enjoyed and at which presidential candidate Sen. Elizabeth Warren has taken direct aim. This follows the industry having "leveraged its influence" in the run-up to passage of the GOP's federal tax code overhaul to "protect the wildly lucrative tax break that's helped mint more billionaires than almost any other industry." During that period, "Jonathan Gray, the No. 2 at Blackstone Group Inc. who's famous for devising the $26 billion takeover of the Hilton hotel chain...quietly" met "with Treasury Secretary Steven Mnuchin and top economic advisers...as lobbyists worked toward a compromise that would keep the tax benefit alive."

Strauss: 40 Years Of GOP Tax Cuts Have Only Increased Debt, Inequality.

In a USA Today (10/3, 10.31M) op-ed, Princeton University's Woodrow Wilson School of Public and International Affairs visiting professor Steven Strauss writes, "Republicans have fervently claimed lower taxes will unleash the 'makers' – incentivizing them to work harder and invest more, thereby trickling down to benefit ordinary Americans." Instead, he says, "the national debt is at a record high, and the gap between the richest and the poorest U.S. households is now the largest it has been in the 52 years the Census Bureau has been tracking it." Most recently, "Treasury Secretary Steven Mnuchin claimed that the GOP's 2017 tax cut would not only pay for itself, but would actually reduce the federal deficit by $1 trillion." However, "the 2017 tax cut isn't paying for itself with higher tax revenue, and it's projected to add $1.5 trillion to our national debt over the next 10 years."

Administration Facing Challenge With Citgo Bond Payment.

The Wall Street Journal (10/3, Scurria, Talley, Subscription Publication, 7.57M) reports the Trump Administration is facing a key test in its approach to Citgo in the more than $900 million in payments due October 28 on bonds backed by a controlling stake in the company. The Journal says the upcoming payment is a problem for Venezuela's opposition leaders, who took effective control of Citgo in January. Sources say Citgo has been asking the US Treasury Department for a change in the current sanctions program that would keep bondholders at bay.

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Fox's Wallace Dinged CNN's Tapper In 2017 Email Exchange With Treasury Spokesman.

The Hollywood Reporter (10/3, Barr, 1.89M) reports that Fox News Sunday anchor Chris Wallace "once dinged Jake Tapper's question to Steven Mnuchin as 'fake news,'" according to "a late 2017 email obtained through a FOIA request." Wallace reportedly "fired off an email to then-Treasury spokesperson Tony Sayegh" asking, "was the first question Tapper asked the secretary about the special counsel [Mueller]?" After Sayegh confirmed that it was, Wallace responded, "As much as I hate the expression 'fake news' – this is a perfect example of it – especially on the week the country gets a massive overhaul of the tax code."

US Sanctions Squeezing Hezbollah.

The AP (10/3, Mroue) reports, "The conflict between Iran and the U.S. that has created tensions throughout much of the Middle East is now also being felt in Lebanon, where Washington has slapped sanctions on the Iran-backed Hezbollah and warned they could soon expand to its allies, further deepening the tiny Arab country's economic crisis." The piece explains the Trump Administration has intensified sanctions on Hezbollah and "institutions linked to it to unprecedented levels, targeting lawmakers for the first time as well as a local bank that Washington claims has ties to the group." Last month, top US officials visited Beirut and "warned the sanctions will increase to deprive Hezbollah of its sources of income." Treasury undersecretary for terrorism and financial intelligence Sigal Mandelker said in the UAE last month, "We have taken more actions recently against Hezbollah than in the history of our counterterrorism program." Mandelker "said Washington is confident the Lebanese government and the central bank will 'do the right thing here in making sure that Hezbollah can no longer have access to funds at the bank.'" Treasury Assistant Secretary for Terrorist Financing Marshall Billingslea "visited Lebanon last week and a U.S. Embassy statement said he would 'encourage Lebanon to take the necessary steps to maintain distance from Hezbollah and other malign actors attempting to destabilize Lebanon and its institutions.'" He told local media that Treasury was posting a $10 million reward for anyone who provides "valuable information on Hezbollah's finances," and that the main goal of the Treasury "was to deprive Hezbollah of all financial support, whether from Iran or through any other means."

Continuing Coverage: FHFA Allows GSEs To Retain $45B In Capital Reserves.

Mortgage Professional America (10/3, Smith) reports, "In a first step toward the Trump administration's plan for housing finance reform, the Treasury and the Federal Housing Finance Agency have announced that Fannie Mae and Freddie Mac will be allowed to keep more of their earnings." Fannie "will be permitted to retain capital reserves of $25 billion," while Freddie "will be allowed to retain reserves of $20 million." Treasury Secretary Mnuchin said, "These modifications are an important step toward implementing Treasury's recommended reforms that will define a limited role for the federal government in the housing finance system and protect taxpayers against future bailouts." FHFA Director Mark Calabria said, "The enterprises are leveraged nearly 1,000 to one, ensuring they would fail during an economic downturn – exposing taxpayers to risk once again. This letter agreement between Treasury and FHFA, which allows the enterprises to retain capital of up to $45 billion combined, is an important milestone on the path to reform."

HousingWire (10/3, Lane, 23K) reports, "When the federal government announced earlier this week that it would allow Fannie Mae and Freddie Mac to rebuild a portion of their capital reserves to a total of $45 billion combined as part of a plan to exit conservatorship, the message was clear: The government-sponsored enterprises are back and they're not likely to go away any time soon." According to HousingWire, this was a "dramatic reversal from where things stood just a few years ago, when the prevailing sentiment in Washington, D.C. was how to get rid of the GSEs, once and for all." The GSEs now "appear primed to exit conservatorship on stable footing with healthy financial backing and reformed operations." With Calabria "and other officials in the fold, the Trump administration took basically the opposite approach of its predecessors on GSE reform, in both words and actions." Mnuchin, "for example, said the Trump administration was committed to ending the GSE conservatorship, a sentiment echoed by Calabria." The piece also notes Mnuchin's comments this week.

Continuing Coverage: Bove Says Sweep Hasn't Really Been Eliminated. Behind a paywall in its Short Takes, Inside Mortgage Finance (10/3, Muolo, Subscription Publication) reports that in lieu of the Net Worth Sweep, Treasury "will see its 'liquidation preference' for the Fannie/Freddie senior preferred it owns increased. In other words, what Treasury gives up on the front-end, it gains on the back-end." Odeon Capital Analyst Richard Bove concluded that "the net worth sweep has not been eliminated." In a note to clients on Wednesday, he said, "What has been changed is how the accountants will deal with it. It is my view, they will still deduct the net worth sweep dividend from net income when calculating earnings per share for Fannie Mae and Freddie Mac but they will not deduct it from the company's net worth. This will allow net worth to be shown as having increased despite the fact that it has not in real terms."

Treasury To Auction Off $193B In Debt.

The Wall Street Journal (10/3, Subscription Publication, 7.57M) reports the Treasury Department next week will conduct an auction of $193 billion worth of securities, made up of $108 billion worth of new debt and $85 billion of previously sold debt.

Leading National News

Trump Confirms Chinese Delegation Coming Next Week For More Trade Talks.

Reuters (10/3) reports President Trump said yesterday that "a delegation from China would come to the United States next week for more trade talks." Trump is quoted as saying, "China's coming in next week. We're going to have a meeting with them. We'll see. But we're doing

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very well. ... I have a lot of options on China. But if they don't do what we want, we have tremendous power."

WSJournal Pleased By Courts' Decisions On California, New York Tax Laws.

The Wall Street Journal (10/3, Subscription Publication, 7.57M) says in an editorial that just this week, courts overruled New York on its 2017 tax reform and California on its law requiring presidential candidates to disclose their income tax returns to appear on the state's primary ballot. The Journal says courts rightly ruled that the states' actions were political in nature, not sound or constitutional policy.

Navarro: WTO Airbus Ruling Should Not Spark "Tit-For-Tat Retaliation."

Appearing on Fox Business' Mornings With Maria (10/3), White House trade adviser Peter Navarro commented on the World Trade Organization's ruling allowing the US to impose tariffs on European exports in retaliation for subsidies provided to Airbus by the European Union. Navarro said it was a "great victory for the Trump Administration." Navarro added, "Basically, we have an aircraft manufacturer in Airbus that would not exist except for the fact of subsidies from Europe. It's been a 15-year battle that cost this country thousands of jobs and Boeing hundreds of aircrafts not sold." Navarro went on to say that "there is going to be no tit-for-tat retaliation," and "there should be no fears of that." According to Navarro, "Under the rules of the WTO, which we are complying with here, we get to do this, and they should not do anything back, this is all good for America, and is particularly going to help our agriculture sector."

EU, US Officials Say They Want Negotiated Settlement. Reuters (10/3, Holton) reports on Twitter yesterday, President Trump "hailed a 'nice victory'...after the United States got the green light to place tariffs on European Union goods in a row over EU aircraft subsidies." Reuters says the WTO decision "gave the United States the go-ahead to impose tariffs on $7.5 billion worth of EU goods annually in the long-running case."

Bloomberg (10/3, 4.73M) reports European Trade Commissioner Cecilia Malmstrom said Thursday that the EU "hasn't given up hope of reaching a deal with the US that would avoid an escalation of the sides' trade dispute over Airbus subsidies." Said Malmstrom, "Until the American tariffs take effect, we haven't given up" on the idea of reaching a "negotiated solution. ... We are looking at all options and we are discussing that with member states."

The AP (10/3, Cook, Hatton) says the EU is "expecting a similar case involving US subsidies for Boeing to go in its favor, with a ruling due in coming months." European Commission spokesman Daniel Rosario warned, "If the US imposes countermeasures it will be pushing the EU into a situation where we will have to do the same."

Bloomberg (10/3, 4.73M) reports separately that the Administration "has requested the WTO meet Oct. 14 to formally authorize the tariffs, and the duties would then take effect Oct. 18." A "senior US trade official" tells Bloomberg that "the goal of the Trump administration in imposing retaliatory duties is to persuade the European Union to reach a negotiated settlement."

The New York Times (10/3, Swanson, 18.61M) reports that "many trade experts argue that the United States is justified in imposing the tariffs. ... But the tariffs will still weigh heavily on some American companies and households – including consumers at the grocery store, major United States airlines, liquor importers, specialty wine shops and some manufacturers."

In New Delhi, Ross Criticizes India's Protectionist Policies.

Reuters (10/3, Dasgupta) reports that in New Delhi on Thursday, Commerce Secretary Ross said India is "among the world's most protectionist countries but the United States is trying to negotiate a limited trade deal with the South Asian nation to resolve their differences." According to Reuters, the US and India "have been locked in trade disputes for months that have led to tit-for-tat tariffs." The Administration "has been concerned about Indian policies that mandate foreign firms to store more data locally, restrict the way US e-commerce giants operate and impose price caps on medical devices." Ross is quoted as saying, "All that we are looking for is to level the playing field. ... The US is the least protectionist country of the major powers. India is, if not the most protectionist, certainly one of the most protectionist."

Citi's Corbat Urges Fellow Leaders To Promote Equal Pay For Women.

American Banker (10/3, Berry, Subscription Publication, 31K) reports Citigroup CEO Michael Corbat "urged fellow chief executives and other senior leaders to join efforts to promote equal pay for woman in all industries." Speaking at American Banker's Most Powerful Women in Banking and Finance gala Thursday, Corbat "said that unconscious bias has contributed to inequality in the workplace despite a decades-long effort by many companies to promote women." He told the audience of about 800 bankers, "Men, we have been part of the problem, so we have to be part of the solution." Citi "became the first US company to release unadjusted median pay-gap data," publishing earlier this year "a study that found female employees earn 29% less than the median pay of male employees, on an unadjusted basis." Corbat on Thursday also warned against unconscious bias and encouraged bankers to continue to mentor and promote women.

American Banker (10/3, Subscription Publication, 31K) also reports Corbat's speech in video.

Barr Warns SEC Against "Piling On" In Corporate Cases.

The Washington Times (10/3, Mordock, 492K) reports Attorney General Barr, speaking at the Securities and Exchange Commission, "warned regulators Thursday against imposing excessive punishments on corporate offenders because it could hurt investors." Barr said, "During parallel investigations, our agencies should ensure that we remain mindful of – and properly account for – the collateral consequences that

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our matters can sometimes have." The speech, in which Barr said "authorities must avoid 'piling on' in corporate cases," was his "first public appearance since he was named in a transcript released last week of President Trump's phone call with Ukrainian President Volodymyr Zelensky."

Krugman: Trump Inducing Economic Slump.

In a New York Times (10/3, 18.61M) column headlined "Here Comes The Trump Slump," Paul Krugman writes that President Trump "may well be the first president of modern times to preside over a slump that can be directly attributed to his own policies, rather than bad luck." While several other recent presidents "were just unlucky to preside over slumps," Krugman says Trump "has done this to himself, largely by choosing to wage a trade war he insisted would be 'good, and easy to win.'"

FTC Seeks Sales And Ad Data From E-Cigarette Companies.

Reuters (10/3) reports that the Federal Trade Commission "has ordered a half-dozen e-cigarette companies to turn over sales and advertising data...in the first sign of a likely probe into their marketing practices." According to Reuters, "The order was sent to JUUL Labs Inc, RJ Reynolds Vapor Company, Fontem US Inc, Logic Technology Development LLC, Nu Mark LLC and NJOY LLC." Reuters points out that "the FTC order comes a week after a U.S. House panel asked Fontem Ventures, Reynolds American, NJOY, and Japan Tobacco, which owns Logic, to stop all advertising of their products in the United States. Juul had said the same day that it would pull its ads."

CDC: Nearly 1,100 Cases Of Vaping-Related Illnesses. The CBS Evening News (10/3, lead story, 3:20, O'Donnell, 4.13M) reported the CDC said Thursday that "nearly 1,100 cases of lung illnesses related and linked to vaping have now been reported in the US. That is a jump of 275 cases since last week. Nineteen patients have died in 16 states, including two new deaths reported [Thursday] in Delaware and Connecticut." ABC World News Tonight (10/3, story 10, 0:25, Muir, 5.76M) briefly covered the CDC report.

In a related story, John Torres reported on NBC Nightly News (10/3, story 13, 0:50, Holt, 6.07M), "New research from the Mayo Clinic found that some patients actually suffered toxic chemical burns to their lungs and airways as if being exposed to a chemical spill. But they still haven't identified exactly what chemicals are to blame."

Amazon, Disney At Odds Over Streaming Video.

The Wall Street Journal (10/3, Mattioli, Patel, Haggin, Subscription Publication, 7.57M) reports Amazon and Disney are in a disagreement over carrying Disney content on Fire TV devices. Amazon wants to control a substantial portion of the ad space on Disney apps, and Disney has resisted. Fire TV currently has no deal in place to carry the Disney+ streaming video service that will debut next month.

Trump Vows To Protect Medicare From "Maniac" Democrats, "Socialism."

President Trump took to Twitter yesterday to write, "Today at The Villages in Florida, it was my great honor to sign an Executive Order on protecting and improving Medicare for our Nation's Seniors. Today's action is only the latest of many important steps we are taking to dramatically improve healthcare for the American People!" Trump also tweeted, "Great time at The Villages in Florida today. Sorry we couldn't get everybody in. I will be back soon!" Coverage of President's speech casts it as part of an effort to position himself in front of senior citizens as a defender of Medicare – and to paint the "Medicare for all" proposals adopted by some Democratic presidential candidates as "socialism." The Villages (FL) News (10/3, Croom, 10K) reports Trump "wowed" his "highly favorable Villages audience" and "promised to do whatever it takes to protect Medicare and overall healthcare for seniors." He "promised to protect Medicare for seniors and signed an executive order designed to strengthen the program," even as he "referred to Democrats in Congress and those who hope to run against him in 2020 as 'maniacs' who want to take away Medicare." The News adds Trump "promised to protect the program...from socialist destruction," and WFTV-TV Orlando, FL (10/3, 5:03 p.m. EDT, 45K) showed him saying, "As long as I am President, no one will lay a hand on your Medicare benefits." The Miami Herald (10/3, Smiley, 1.09M) similarly indicates Trump "basked in the sunny glow of The Villages, a massive Central Florida retirement community where the president can do almost no wrong."

WESH-TV Orlando, FL (10/3, 4:00 p.m. EDT, 19K) reported Trump "was joined on stage by Gov. Ron DeSantis and people with real-life examples of why the President's Medicare plan is the best for our country," and WINK-TV Fort Myers (FL)'s WINK News (10/3, 5:05 p.m. EDT, 23K) that Trump "is taking big steps to protect Medicare. Four and a half million Floridians depend on it. That's why he came to Florida to sign an executive order." Trump was shown saying, "We are making your Medicare even better and we're not letting anyone – it will never be taken away from you." WWSB-TV Sarasota, FL (10/3, 4:00 p.m. EDT, 5K) pointed out that Trump said "that Medicare is under threat like never before," and that his Administration "says its plans will focus heavily on providing new affordable healthcare options for our seniors." The President said "this new plan will strengthen the Medicare Advantage, which is an alternative to Medicare offered by private insurers, and covers about 22 million Americans. The proposal also seeks to offer more affordable plan options, expand the range of services that can be offered on the private plans and will aim to lower cost for seniors by pushing for procedures to be done in a hospital. ... The Trump Administration says this new plan is a vast contrast from the Democrats' Medicare for All plan. They say that is just way too expensive and will result in Medicare for none."

The Orlando (FL) Sentinel (10/3, Lemongello, 536K) reports the executive order was "titled 'Protecting and Improving Medicare for Our Nation's Seniors,'" a change from "the one it was given a few days ago, 'Protecting Medicare from Socialist Destruction.'" The Tampa Bay

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(FL) Times (10/3, Mahoney, 742K) says "White House officials didn't explain why the name of the event had been changed." The Orlando (FL) Sentinel (10/3, Lemongello, 536K) says it was Trump's "first large event before a friendly crowd since Congress began impeachment hearings last week," and that "he couldn't resist attacking his political opponents, despite the event being billed as non-political." Said Trump, "These people on the other side, these people are crazy, by the way. ... They want to take it away, give you lousy health care. As long as I'm president, no one will lay a hand on your Medicare benefits." To the Washington Post (10/3, Goldstein, 14.2M), at any rate, "Trump's broader goal was to portray himself as the defender of popular aspects of the nation's health-care system and vilify Democrats as socialists determined to tear them down." The President, adds the Post, claimed "'maniac' Democrats would rip away their health care, decimate their retirement accounts and prioritize undocumented immigrants over US citizens." USA Today (10/3, Subramanian, Jackson, Fritze, 10.31M) quotes Trump as saying, "A nation must put its citizens first. ... I will never allow these politicians to steal your health care and give it to illegal aliens." The Hill (10/3, Sullivan, 2.98M) says the President also told the crowd, "They want to raid Medicare to fund a thing called socialism."

The AP (10/3, Freking, Alonso-Zaldivar) says the President "accused Democrats of an all-out attempt to 'totally obliterate Medicare' and portrayed himself as the program's defender." Trump "skipped past his own proposals for Medicare budget cuts, and he ignored the fact that no Democrat is proposing to take coverage or benefits away from seniors." The AP also asserts that the President was "trying to turn attention away from House Democrats' impeachment inquiry and focus on pocket-book issues instead." The New York Times (10/3, Karni, Goodnough, 18.61M) reports Trump pitched his Medicare ideas as "as the responsible alternative to the 'Medicare for all' policies supported by some of his Democratic political opponents." Reuters (10/3, Mason) reports the plans backed by Sen. Bernie Sanders (I-VT) and Sen. Elizabeth Warren (D-MA) "effectively eliminat[es] private insurance," and adds Trump "referred to such proposals as socialist and pledged to prevent them from coming to fruition." The Wall Street Journal (10/3, Armour, Subscription Publication, 7.57M) points out that Warren has endorsed Sanders' plan, and quotes Trump as saying, "Almost every major Democrat in Washington has backed a massive government health-care takeover that would totally obliterate Medicare."

Politico (10/3, Roubein, 4.29M) similarly reports the President issued an executive order "expanding private Medicare Advantage plans," and "contrast[ed] his health care vision with Democrats' calls for a greater government role in health care." Trump "set out key themes of his reelection pitch, promising to defend a private insurance system that Democrats have sought to constrain and even eliminate in favor of government-run coverage." To Politico, Trump "attempted to position himself as a defender of seniors' health care."

USA Today (10/3, Subramanian, Jackson, Fritze, 10.31M) reports "the crowd began chanting 'four more years' on more than one occasion," and recounts that "at one point, a man shouted 'lock her up,' a chant directed at Trump's 2016 political rival Hillary Clinton." Trump "joked that the media would attack him if he didn't 'admonish' the man's comments. 'Stand up please,' Trump said mockingly to the audience member. 'I admonish you.'"

CNBC (10/3, Lovelace, 3.62M) reports on its website that "shortly after Trump's speech," HHS Secretary Azar said the President has "directed HHS to take a number of specific, significant steps that will meaningfully improve the financing of Medicare, advance the care American seniors receive from their doctors, and improve the health they enjoy." Azar "said those steps including lowering costs in Medicare Advantage, allowing those beneficiaries to create savings accounts and accelerating access to the latest medical technologies after being approved by regulators." Appearing on Fox Business' Mornings With Maria (10/3) earlier Thursday, Azar previewed President Trump's speech and said "the core problem with 'Medicare for all' is it's really dependent on getting rid of private insurance. And what President Trump's fighting for is personalized, patient-centric care that puts you in control and treats you like a human being and not like a number. What could treat you more like a number than of government-run healthcare that undermines Medicare for seniors, reduces access to doctors and hospitals, creates a two-tier system of healthcare as the best doctors and hospitals flee from the system?"

The Washington Examiner (10/3, Leonard, 448K) reports, meanwhile, that Joe Grogan, head of the White House's Domestic Policy Council, said on a phone call with reporters, "This President has been focusing on health issues that other administrations have been ignoring for decades."

Trump Suggests Efforts To Lower Drug Costs Led Pharma To Fund Impeachment Drive. Politico (10/3, Karlin-Smith, Owermohle, 4.29M) reports Trump "charged Thursday without evidence that the pharmaceutical industry was behind House Democrats' impeachment proceedings, suggesting it was payback for his administration's effort to lower drug costs." Said Trump, "Lowering the cost of prescription drugs, taking on the pharmaceutical companies, you think that's easy, it's not easy. It's not easy. ... I wouldn't be surprised if the hoax didn't come a little bit from some of the people that we're taking on." Trump added, "They're very powerful, they spend a lot of money, spend I think more money than any other group in the world actually in terms of lobbying and lobbying abilities. And I wouldn't be surprised if some of the nonsense that we all have to go through, but that I go through, wouldn't be surprised if it was from some of these industries like pharmaceuticals that we take on." Trump, adds Politico, "presented no evidence supporting the claim."

Trump Accuses Bidens Of Corruption In Ukraine And China, Urges Both Countries To Investigate.

Mainstream media coverage of President Trump's remarks yesterday about a potential Chinese investigation of Hunter Biden's business dealings in that country portrays them as further evidence that he is willing to seek help from foreign governments to weaken his political opponents. Encapsulating the tenor of the mainstream media coverage, USA Today (10/3, Fritze, Jackson, 10.31M) reports Trump's remarks "stunned legal observers, quieted many of" his "allies and provided ammunition to Democrats," and the Washington Post (10/3, Rucker, Bade, Itkowitz, 14.2M) that the President "seemed to make a mockery of the charge that he abused the power of his office by pressing his

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Ukrainian counterpart to examine unfounded allegations of corruption by Biden and his son Hunter." Politico (10/3, Calderone, 4.29M) laments, meanwhile, that the story "gave major air time to the innuendo the president and his allies have been trying to spread about Hunter Biden's links to a company funded by a Chinese investor." In fact, "while the substance of news reports focused on the brazenness of the president's publicly calling on foreign governments to investigate a rival, their headlines and chyrons often communicated a simpler message: 'Trump: Ukraine & China Should Investigate Joe Biden and Son,' as CNN put it."

Last night, Trump defended his comments, writing on Twitter, "As the President of the United States, I have an absolute right, perhaps even a duty, to investigate, or have investigated, CORRUPTION, and that would include asking, or suggesting, other Countries to help us out! ... This isn't about a Campaign, this is about Corruption on a massive scale!" Trump also tweeted, "We are simultaneously fighting the Fake News Media and their partner, the Democrat Party. Always tough to beat the 'Press,' but people are beginning to see how totally CORRUPT they are, and it makes our job a whole lot easier!"

All three major network newscasts covered the story last night. ABC World News Tonight (10/3, lead story, 3:05, Karl, 5.76M), which led with it, said "Trump asked yet another foreign country to investigate his potential 2020 rival," and that he "isn't even denying the central allegation against him, he's just insisting that asking a foreign government to investigate a political rival is entirely proper." Also in its lead segment, NBC Nightly News (10/3, lead story, 2:35, Holt, 6.07M) indicated that "Trump, who often doubles down on controversial statements, this time may have doubled down on more impeachment trouble for himself, stunningly and publicly." NBC (Alexander) recounted that "asked what he hoped Ukraine's president would do about the Bidens, following their call," Trump replied, "Well, I would think that if they were honest about it, they'd start a major investigation into the Bidens. It's a very simple answer. They should investigate the Bidens. By the way, likewise, China should start an investigation into the Bidens because what happened in China is just about as bad as what happened with Ukraine. So, I would say that President Zelensky, if it were me, I would recommend that they start an investigation into the Bidens, because nobody has any doubt that they weren't crooked."

The CBS Evening News (10/3, story 2, 2:30, O'Donnell, 4.13M) reported, meanwhile, that Trump did "something that stunned everyone watching," and added (Jiang) that he "claims Hunter Biden profited in Ukraine and China because of his father's position as Vice President" though "there is no evidence of wrongdoing." Along those lines, the Washington Times (10/3, Howell, 492K) notes "Trump says Hunter Biden traded on his father's position to foster business ties in Ukraine and elsewhere around the globe," and has "also pointed to Hunter Biden's trip to China with the former vice president in 2013, after which Hunter Biden became involved with an investment fund that did business with the Bank of China."

The AP (10/3) reports, meanwhile, that "Trump has sought, without evidence, to implicate Biden and his son Hunter in the kind of corruption that has long plagued Ukraine." The Federalist (10/3, Marcus, 126K) offers a different perspective, stating, "We know that Hunter Biden took an extremely lucrative job from a Ukrainian energy concern for which he had no relevant experience. Is it really so strange for Americans to want to know if what he was really offering was access to the vice president? ... Likewise we know that Hunter Biden traveled to China with his father on Air Force Two in 2013, and that during that trip he met with a Chinese banker, and 10 days after the trip the Chinese granted a license for a new fund on which Hunter was a board member."

Townhall (10/3, Pavlich, 177K) quotes Trump as saying, "I'm sure that President Xi does not like being under that kind of scrutiny where billions of dollars is taken out of his country by a guy [Hunter Biden] that just got kicked out of the Navy. He got kicked out of the Navy, all of a sudden he's getting billions of dollars. You know what they call that? They call that a pay off. ... I think [Joe] Biden is going down and I think his whole situation, because now you may very well find that there are many other countries that they scammed, just like they scammed China and Ukraine. And basically who are they really scamming? The USA. And it's not good. And that's probably why China for so many years has had a sweetheart deal where China rips off the USA because they deal with people like Biden where they give the son a billion and a half dollars, and that's probably why China has such a sweetheart deal that for so many years they've been ripping off our country." Breitbart (10/3, Spiering, 673K) reports, meanwhile, that "Hunter Biden's financial firm scored a $1.5 billion investment deal with the Bank of China just days after he traveled with his father for a visit to the country in 2013." Breitbart also reports "attorneys for Hunter Biden confirmed in June to ABC News that Biden remains in his position despite questions about his role at a Chinese investment fund."

The Los Angeles Times (10/3, Bierman, Megerian, Diaz, 4.64M), however, casts Trump as "potentially adding a dramatic new risk for the White House," as "unlike Trump's then-private appeal in July for Ukraine to dig up dirt on his domestic political opponents, the crux of the House Democrats' investigation so far, Trump publicly solicited China's help Thursday in front of TV cameras on the south portico of the White House." Moreover, "in both cases the president smeared Biden...with a stew of unsubstantiated or false allegations of corruption," as "no evidence has emerged of any wrongdoing by the former vice president or his son." The AP (10/3, Miller, Colvin) reports that "by publicly egging China on to investigate a Democratic political rival, Trump affirmed the approach he made in private to Ukraine's president that has led to the impeachment investigation by the House," and Politico (10/3, Oprysko, 4.29M) that he was "boldly engaging on national television in activity similar to the allegations at the heart of Democrats' rapidly intensifying impeachment probe."

Jim Acosta said on CNN's Situation Room (10/3, 647K) that "it is hard to look past what was a remarkable moment, one for the history books, as...Trump stood on the grounds of the White House and called for interference in the 2020 election." Jake Tapper further lamented on CNN's The Lead (10/3, 623K), "The reaction from Republican lawmakers to further evidence that...Trump is clearly using his office to push foreign governments to investigate his domestic political rivals either" is either to defend his "conduct or the faint sound of crickets chirping."

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The Milwaukee Journal Sentinel (10/3, Beck, 632K) reports Sen. Ron Johnson (R-WI) "said Thursday there's nothing improper

about...Trump's call on Chinese officials to investigate his top political rival in his 2020 re-election bid." Said Johnson, "I want to find out what happened during 2016. ... If there's potential criminal activity, the President of the United States is our chief law enforcement officer. We have proper agreements with countries to investigate potential crimes so I don't think there's anything improper about doing that."

To the New York Times (10/3, Baker, Sullivan, 18.61M), however, the President's remarks amounted to "an extraordinary request to a foreign power for help that could benefit him in next year's election," and to Reuters (10/3, Rampton, Zengerle) he "again invited foreign interference in a US presidential election." CQ Roll Call (10/3, Bennett, 154K) says "Trump continues to press foreign leaders to investigate one of his top political rivals," and the Wall Street Journal (10/3, Ballhaus, Thomas, Subscription Publication, 7.57M), among other news outlets, runs a similar report this morning.

The Hill (10/3, Samuels, Chalfant, 2.98M) indicates "the Biden campaign issued a statement decrying Trump's remarks as 'a grotesque choice of lies over truth and self over country,' and likening them to his comments during the 2016 election in which he suggested Russia try and find Hillary Clinton's missing emails." The Hill (10/3, Lillis, 2.98M) also reports House Intelligence Chairman Adam Schiff on Thursday "blasted...Trump for asking China and Ukraine to investigate former Vice President Joe Biden, calling it a 'fundamental breach' of presidential decorum and a threat to national security."

In an editorial, the Washington Post (10/3, 14.2M) argues, "That a request for a foreign investigation of a US citizen would come directly from the president, in the absence of any legitimate US probe, is a blatant violation of that citizen's rights and of the US rule of law." Moreover, "that Mr. Trump does it in front of television cameras makes it no less egregious: In doing so, he is attempting to normalize what should be utterly unacceptable presidential behavior." The New York Times (10/3, 18.61M) editorializes, meanwhile, that while yesterday's comments "might seem self-defeating – 'self-impeaching,' even," Trump "is a master at what a former New York senator, Daniel Patrick Moynihan, called defining deviancy down. One baldfaced presidential lie, once exposed, is an outrage; a thousand such lies is a statistic." The Times adds, "If Mr. Trump has evidence of possible corruption overseas, his counsel should relay it to the Department of Justice and let the FBI do its job, in coordination with its foreign counterparts."

Along those lines, Rep. Ro Khanna (D-CA) said on CNN's Situation Room (10/3, 647K), "The President is being brazen. He is basically saying that he's trying to normalize this behavior and saying it's perfectly appropriate. It's as if someone is accused of robbing a bank, goes on television and says I'm going to continue to rob banks and you're not going to be able to do anything because I've got a lot of money in my campaign account and my poll numbers are good. When are people like Sen. Mitt Romney going to speak up and say, 'Enough is enough. This is about our constitutional democracy.' We need some profiles of courage who are Republicans who are going to stand up against this President."

Rep. Jimmy Gomez (D-CA) said on CNN's Situation Room (10/3, 696K) that Trump "should never have asked China to interfere and investigate Joe Biden in order to win the 2020 election. It is always done in this context, right? There's always something outstanding. ... Right now, this Administration is going into trade negotiations with China. China is suffering because of this trade war. So are our farmers. So are people in the United States. But what kind of incentive, what kind of pressure is this going to put on China...when this trade war is costing them billions and billions of dollars? So the President is abusing his office and trying to put pressure on foreign governments to interfere in our election and that...is at the core of why we're conducting the inquiry. That's why a lot of people think he should be removed from office."

Sen. Kamala Harris (D-CA) said on CNN's The Lead (10/3, 665K), "Clearly, the guy hasn't figured out that when you solicit the help of a foreign government to interfere in the election of the President of the United States, you may be impeached. It is extraordinary. And I will tell you, I'm calling on the White House to actually release whatever transcripts, whatever recordings, whatever notes there are about Donald Trump's previous conversations with Xi because we need to know what he has now said in private conversations because we obviously know what he's saying in public. And, clearly, he doesn't get it, which is that the commander in chief of the United States, the President of the United States should not be in the business of working with foreign leaders against our democracy."

Shokin Says US Ambassador Asked Him To Lay Off Biden; Shokin's Replacement Says Hunter Received "Millions." Fox News (10/3, Singman, 27.59M) reports on its website that "a batch of newly released documents, including court filings as well as notes from interviews conducted by Rudy Giuliani, have put the spotlight back on Biden family dealings in Ukraine." Among the documents "are notes from an interview ...Giuliani conducted with fired Ukrainian prosecutor Viktor Shokin earlier this year, in which he claimed he was told by former US Ambassador to Ukraine Geoffrey R. Pyatt to back off an investigation involving that firm, Burisma Holdings, and its founder." Shokin also "claimed that former Ukrainian President Petro Poroshenko told him he should not investigate Burisma, 'as it was not in the interest of Joe and/or Hunter Biden.'" Poroshenko has "told reporters that Biden never asked him to open or close any cases," but "Fox News has obtained notes from another interview Giuliani conducted --with Yuriy Lutsenko, the former Ukrainian prosecutor who replaced Shokin and eventually closed the Burisma probe." Lutsenko said he "believes Mr. Viktor Shokin ... is honest," and that he "believes Hunter Biden received millions of dollars in compensation from Burisma." USA Today (10/3, Santucci, 10.31M) reports, meanwhile, that Shokin "was considered by the United States, European diplomats and other international groups to be ineffective at rooting out corruption in Ukraine," and that "there is no credible evidence for the assertion that the ouster of the prosecutor was intended to benefit Hunter Biden."

Member Of Trump 2020 Advisory Board: Impeachment Drive A "Coup" Attempt. Jenna Ellis Rives, an author, constitutional law attorney and member of the Donald Trump 2020 advisory board, writes in The Hill (10/3, 2.98M), "The impeachment narrative pushed by House Democrats needs to be called exactly what it is, which is a political coup," as "contrary to what Speaker Nancy Pelosi, [House Intelligence] Chairman Adam Schiff, and progressive left wingers would have you believe, the United States still does have an objective rule of law, and the Constitution is not merely a guideline subject to interpretation and application at the whim of a power grab." Rivers adds that

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"regardless of whether you are a Republican, a Democrat, an independent, or anything else, it should concern all of us that the rule of law is being tossed out in favor of an open coup designed to undermine a free and fair election in the United States." Rives also writes that "sheer partisan hatred of an American president by the opposition party is not and has never been a sufficient legal or constitutional basis for impeachment." The President shared the article on Twitter, writing, "Thank you @JennaEllisRives, really well done!"

Pence: Americans Have Right To Know If Biden Family "Profited From His Position" As VP.

The Washington Post (10/3, Wagner, 14.2M) reports that in Arizona on Thursday, Vice President Pence "defended Trump when he was asked to respond to the president calling for China to investigate Biden and his family." Pence is quoted as saying, "I think the American people have a right to know if the vice president of the United States or his family profited from his position as vice president in the last administration. That's about looking backwards and understanding what really happened."

The Arizona Republic (10/3, Sanchez, 869K) indicates Pence also said that "when he met last month with Ukrainian President Volodymyr Zelensky at the request of Trump, they spoke of the lack of support from European partners against Russian aggression and 'real issues of corruption in Ukraine.'" Pence also "lashed out against Democrats in the House of Representatives who have launched an impeachment inquiry to examine the extent of Trump's dealings with Ukraine," saying, "This is just more of the same of what we've seen from Democrats over the last two and a half years. ... These endless investigations should end in Washington, D.C." The Hill (10/3, Samuels, 2.98M) quotes Pence as further stating, "One of the main reasons we were elected to Washington, D.C., was to drain the swamp."

The New York Times (10/3, Crowley, Haberman, 18.61M) also reports Pence's comments under the headline "Pence Makes Clear There Is No Daylight Between Him And Trump." Pence, says the Times, "backed up his boss without apology, saying that Mr. Trump was making good on his campaign pledge to 'drain the swamp.'"

CNN Anchor: Pence "Lying." The Washington Examiner (10/3, Brest, 448K) reports that on CNN Thursday, anchor Brianna Keilar "accused...Pence of lying about former Vice President Joe Biden and his son Hunter's connections with Ukraine." Her comments came after Pence told reporters that the relationship between Biden and Ukraine is "worth looking into." Keilar, "who had Dana Bash and Chris Cillizza on with her to discuss Pence's remarks," said Pence was there in "discomfort." Bash claimed Pence would "probably rather be having a root canal." Keilar continued, "Pence is – and I know, and you know, and we all know for having covered Pence for so long – that Pence is lying, and that he knows that he is, because he says that the President was raising issues that were appropriate. I do not believe that Mike Pence believes the President, in his heart of hearts or even, you know, just superficially believes that what the President was saying was appropriate."

House Investigators Release Texts Suggesting Link Between Biden Probe, Trump-Zelensky Summit.

The Washington Post (10/4, Hudson, 14.2M) reports, "House investigators released numerous text messages late Thursday night illustrating how senior State Department officials coordinated" with Rudy Giuliani and Andrey Yermak, a top aide to Ukrainian President Volodymyr Zelensky, "to leverage a potential summit" between President Trump and Zelensky "on a promise from the Ukrainians to investigate the 2016 U.S. election and an energy company that employed the son of 2020 Democratic candidate Joe Biden." The texts, provided to investigators by ex-US special envoy Kurt Volker "during a nearly 10-hour deposition Thursday, reveal that officials felt Trump would not agree to meet with [Zelensky] unless Zelensky promised to launch the investigations – and did so publicly." The texts do not mention Biden by name, but "congressional Democrats leading an impeachment inquiry are pointing to them as clear evidence that Trump conditioned normal bilateral relations with Ukraine on that country first agreeing 'to launch politically motivated investigations,' top Democrats said in statement Thursday night."

USA Today (10/4, King, Shesgreen, Wu, 10.31M) says the texts "paint a picture of American foreign policy decisions being driven by Trump's domestic political concerns and an ad-hoc agenda crafted by" Giuliani. Volker wrote to Yermak on July 25, just before Trump and Zelensky spoke by phone, "Heard from the White House – assuming President Z convinces trump he will investigate/'get to the bottom of what happened' in 2016, we will nail down a date for visit to Washington. Good luck!" A week earlier, Volker wrote to two other US diplomats, "Most impt is for Zelensky to say that he will help with investigation."

CNN (10/4, Herb, Leblanc, 83.16M) says on its website that the text messages "add a new layer of detail to the whistleblower complaint that prompted the impeachment inquiry, which alleged that Trump had urged the Ukrainian government to dig up dirt" on Biden. The AP (10/4), Reuters (10/4, Zengerle), and The Hill (10/4, 2.98M) also report.

CNN Refuses To Air Trump Campaign Ads Accusing Bidens Of Corruption, Calling Impeachment A "Coup."

The Washington Times (10/3, Chasmar, 492K) reports "CNN is refusing to air a new Trump reelection campaign ad that attacks the network's prime-time anchors Don Lemon and Chris Cuomo as 'lapdogs' for the Democratic Party." The ad, "titled 'Biden Corruption,' highlights the controversy surrounding" the former vice president "and his son Hunter Biden's business dealings in Ukraine." Said the narrator, "Joe Biden promised Ukraine $1 billion if they fired the prosecutor investigating his son's company. ... But when President Trump asks Ukraine to investigate corruption, the Democrats want to impeach him. ... And their media lapdogs fall in line." The latter comment is heard "over footage

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of Mr. Lemon, Mr. Cuomo, CNN reporter Jim Acosta, and MSNBC host Rachel Maddow." The narrator concludes, "They lost the election. Now they want to steal this one. Don't let them." A "network spokesperson" told the Daily Beast (10/3, Kirell, 1.39M), "CNN is rejecting the ad, as it does not meet our advertising standards. ... Specifically, in addition to disparaging CNN and its journalists, the ad makes assertions that have been proven demonstrably false by various news outlets, including CNN."

Townhall (10/3, Pavlich, 177K) reports Trump 2020 Communications Director Tim Murtaugh responded in a statement, saying, "CNN spends all day protecting Joe Biden in their programming, so it's not surprising that they're shielding him from truthful advertising too, and then talking to other media outlets about it. ... Our ad is entirely accurate and was reviewed by counsel, and CNN wouldn't even describe to us what they found objectionable. This isn't a cable news channel anymore, it's a Democrat public relations firm."

The New York Times (10/3, Grynbaum, Hsu, 18.61M) reports CNN also refused to air an ad "deriding the House Democrats' impeachment inquiry – one of which deemed the effort 'nothing short of a coup,'" arguing it "contained inaccuracies and unfairly attacked the network's journalists." The Times adds "it is unusual but not unprecedented for television networks to reject a political advertisement from a presidential campaign," and that "the move by CNN is likely to inflame longstanding tensions between the news network and the president, who denounced CNN staff members as 'corrupt people' during a White House news conference on Wednesday and criticized the network again on Thursday."

Biden Campaign Warns Fox Not To Run Ad. Politico (10/3, Calderone, 4.29M) reports "Biden's presidential campaign is urging Fox News not to run a Trump 2020 campaign advertisement it claims 'spreads false, definitively debunked conspiracy theories.'" Biden campaign manager Greg Schultz wrote, "Though the Trump campaign is prepared to fabricate outright lies, your station's airwaves should not be used to disseminate them. ... We are putting you on notice about the absolute falsity of the advertisement's claims, and we expect that you will reject it. Please consider this letter a standing request that you reject any advertisement containing similar claims, regardless whether the Trump campaign or a third-party group seeks to place it."

Trump Campaign Readying "Avalanche" Of Anti-Biden Ads In Early Primary States. Politico (10/3, Isenstadt, 4.29M) reports "Trump's reelection campaign is preparing an avalanche of TV ads targeting...Biden in early primary states – its most aggressive step yet to meddle in the Democratic nomination contest." Politico adds that "starting this weekend, the reelection effort will air over $1 million in anti-Biden commercials in Iowa, South Carolina, New Hampshire and Nevada, according to two people familiar with the move." The ads "focus on Trump's claim that the former vice president and his son engaged in corruption in Ukraine." The Trump campaign "had already announced an $8 million national TV buy centered on impeachment and the Ukrainian matter. Of that total, slightly over $1 million will now be directed to the four early voting states, where Biden is locked in a competitive battle for the Democratic nomination."

DNC Asks Facebook To Stop Running Trump Ad On Biden, Ukraine. The Washington Times (10/3, Blake, 492K) reports the DNC "pressed Facebook to pull an ad purchased by...Trump's reelection campaign as it ramped up its attacks Wednesday against...Biden." The Hill (10/3, Easley, 2.98M) quotes Daniel Wessel, the DNC's deputy war room director, as saying, "Yes, any false ad should be fact-checked and removed, including this one. ... Facebook owes that to its users."

Parscale: Trump's Small-Dollar Donations Show Impeachment Is Backfiring On Democrats. In an op-ed for Real Clear Politics (10/3, 825K), Trump campaign manager Brad Parscale says it is "clear that the Democrats have made one of the first great political blunders of the 21st century by trying to impeach the president of the United States based on a half-understood rumor." Parscale argues that based on "the groundswell of small-dollar donations flowing into the Trump campaign's coffers," Democrats "are going to pay a terrible price for indulging the demands of their radical base." The RNC and the Trump campaign, he adds, "raked in a $13 million haul within 36 hours of House Speaker Nancy Pelosi's embarrassingly vague announcement of a 'formal impeachment inquiry.'" Trump tweeted Parscale's op-ed Thursday afternoon.

Earlier in the day, Trump tweeted, "95% Approval Rating in the Republican Party, and record setting fundraising that has taken place over the past two weeks. Thank you!"

Trump Mocks Democrats As "Maniacs," Says Impeachment Is About Hurting Him In 2020.

The Hill (10/3, Chalfant, 2.98M) reports that during a visit to Florida yesterday, "President Trump decried his 2020 foes as 'maniacs' and the impeachment inquiry as 'crap' on Thursday, departing from a speech on health care to rip into his political opponents." Said Trump, "The last Administration, frankly, was moderate compared to the maniacs that you are hearing from today." Trump also accused Democrats "of launching formal impeachment proceedings in order to bruise him ahead of the election," and "when the crowd of supporters began to chant 'four more years!' Trump encouraged them." Added Trump, "If you want to drive them crazy, just say eight more years, or 12 more years. Or 16. Sixteen would do it good. You'd really drive them into the loony bin. ... That's why they do the impeachment crap – because they know they can't beat us fairly. That's the only reason they are doing it. They can't win."

Trump On CNN: "We Ought To Start Our Own Network" With "Real News." Politico (10/3, Seddiq, 4.29M) reports Trump also "proposed starting a news network to counter one of his favorite media targets," CNN. Said Trump, "We ought to start our own network and put some real news out there, because they are so bad for our country. ... We're looking at that. We should do something about it, too. ... Put some really talented people and get a real voice out there, not a voice that's fake."

Trump Tweets Ad Saying "The Swamp Is Trying To Take Him Out." In a pinned tweet late Thursday afternoon, President Trump posted an ad from his campaign that says, in part, "They couldn't defeat him, so now the swamp is trying to take him out." The ad goes on to say, "The swamp hates him, but Mr. Nice Guy won't cut it. It takes a tough guy to change Washington. It takes Donald Trump."

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Trump Says McConnell Has Told Him He Sees No Problem With Zelensky Call.

McClatchy (10/3, Clark, 19K) reports the President told reporters yesterday that Senate Majority Leader McConnell "has told him he sees no problem with the phone call to the Ukraine president that is the center of an impeachment inquiry." Trump said "the Kentucky Republican considers Trump's July 25 call with Ukrainian President Volodymyr Zelensky 'the most innocent phone call' that he's read." Added Trump, "Anybody that reads it says the same thing. ... And the only people that don't understand it is when they look at the false, fabricated, fraudulent statement made by Shifty Schiff."

Ukrainian Officials Did Not Find Out US Aid Was Held Up Until One Month After Trump-Zelensky Call.

BuzzFeed News (10/3, Miller) reports that "when Ukraine's President Volodymyr Zelensky spoke with President Donald Trump in the now-infamous July 25 phone call, he believed $391 million worth of military aid was already on its way to Kiev, two Ukrainian officials and a US official told BuzzFeed News." In fact, "the Ukrainian government didn't know it was being held up in Washington by Trump, according to the two Ukrainian officials," and "nearly a month after the call – which Zelensky has since described as 'good' and Trump has called 'perfect' – the Ukrainian government was left stumped when they received word that the aid had in fact been suspended." Ukraine "finally learned about the holdup in late August, nearly a month after the call, according to Olena Zerkal, the deputy foreign minister who was acting minister at the time of the call." Trump had told Acting Chief of Staff Mulvaney "to freeze the aid back in mid-July, according to a Washington Post report last week," and "the decision had reportedly been communicated by the US Office of Management and Budget to State and Defense department officials on July 18 – a week before the phone call with Zelensky." The Federalist (10/3, Davidson, 126K) points out the story "contradicts the Democratic narrative that Trump was engaging in an insidious quid pro quo by withholding military aid from Ukraine to compel them to investigate former vice president and 2020 Democratic contender Joe Biden, among other requests."

The Federalist (10/3, Marcus, 126K) also reports, "Long gone now are allegations of any quid pro quo with Zelensky. That ship sailed when the transcript of Trump's call with the Ukrainian leader offered no evidence that the president was offering military aid as a carrot, which was the initial allegation."

State Department Approves Missile Sale To Ukraine Referenced In Call. Reuters (10/3, Brice) reports the State Department "has approved the sale of 150 Raytheon Co Javelin missiles and related equipment worth up to $39.2 million to Ukraine, the Defense Department said in a statement on Thursday." Reuters adds "the type of missiles was mentioned in a July 25 call between...Trump and...Zelenskiy that has prompted a congressional impeachment inquiry against Trump." USA Today (10/3, Shesgreen, 10.31M) says the announcement came "amid the swirl of impeachment proceedings against...Trump over his dealings with Ukraine's president."

The AP (10/3) reports "Air Force Gen. Tod Wolters, the Supreme Allied Commander, told Pentagon reporters on Thursday that he believes that the US should send more Javelins to Ukraine beyond those already in the pipeline." Wolters "said the Javelins, which are manufactured in a joint venture by Raytheon and Lockheed Martin, and the military training teams that deploy with them allow Ukraine to better protect itself."

White House To Tell Pelosi It May Not Cooperate With Probe Until House Formally Votes On It.

Axios (10/3, Treene, Talev, 521K) reports "the White House is planning to send Speaker Nancy Pelosi a letter as soon as Friday arguing that President Trump and his team can ignore lawmakers' demands until she holds a full House vote formally approving an impeachment inquiry, 2 sources familiar with the letter tell Axios." Axios adds that "by putting in writing the case that Trump and his supporters have been making verbally for days, the White House is preparing for a court fight and arguing to the public that its resistance to Congress' requests is justified." Trump "wants to force House Democrats in vulnerable races to be on the record if they favor pursuing impeachment, these sources tell us." The Daily Caller (10/3, Kruta, 716K) says "the letter will also echo the sentiment of Secretary of State Mike Pompeo, who accused House Democrats of attempting to 'bully' the State Department officials by demanding that they appear on short notice without providing official subpoenas or allowing them adequate time to prepare."

The Washington Times (10/3, Dinan, 492K) reports, meanwhile, that "Pelosi's declaration of an impeachment inquiry is barely a week old, and it's already running into serious challenges on the legal front." The Times adds "a top Republican told a federal judge Thursday that Mrs. Pelosi's move is only words and carries no real weight. It can't, for example, unlock secret grand jury information," said Rep. Doug Collins (R-GA), the ranking member on the House Judiciary Committee. The Times adds "Congress' own legal team at the Congressional Research Service said Mrs. Pelosi is trodding new ground in pursuing an impeachment without getting the entire House on record and laying out clear rules of the road."

McCarthy Slams Lack Of Transparency, Standards In Impeachment Inquiry. House Minority Leader McCarthy yesterday took to Twitter to write, "I've written to Speaker Pelosi to halt the impeachment inquiry until we can receive public answers to the following questions. Given the enormity of the question at hand – impeaching a duly elected president – the American public deserves fairness and transparency." CQ Roll Call (10/3, McPherson, 154K) notes McCarthy wrote in his letter, "Unfortunately, you have given no clear indication as to how your impeachment inquiry will proceed – including whether key historical precedents or basic standards of due process will be observed. ... In addition, the swiftness and recklessness with which you have proceeded has already resulted in committee chairs attempting to limit minority participation in scheduled interviews, calling into question the integrity of such an inquiry." McCarthy "posed 10 questions to

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Pelosi in the letter about the process," including "whether she'll hold a vote of the full House to authorize the inquiry, whether the minority will be granted subpoena power, and whether subpoenas will be subject to a committee vote upon request of the chairman or ranking member." The Washington Times (10/3, Dinan, 492K) says McCarthy wrote Pelosi must also "decide what role Mr. Trump's legal team will have in attending hearings, cross-examining witnesses or gaining access to evidence."

The President reacted to McCarthy's letter on Twitter, writing, "Leader McCarthy, we look forward to you soon becoming Speaker of the House. The Do Nothing Dems don't have a chance!"

Pelosi Pushes Back Against Holding Full House Vote On Impeachment Inquiry. CQ Roll Call (10/3, McPherson, 154K) reports "Pelosi sent McCarthy a response Thursday afternoon that only addressed one of his process questions." Said Pelosi, "The existing rules of the House provide House committees with full authority to conduct investigations for all matters under their jurisdiction, including impeachment investigations. ... There is no requirement under the Constitution, under House Rules, or House precedent that the whole House vote before proceeding with an impeachment inquiry." Pelosi "had expressed the same view when asked on ABC's 'Good Morning America' why she's not taking that step." The Washington Examiner (10/3, Ferrechio, 448K) says Pelosi also wrote, "We hope you and other Republicans share our commitment to following the facts, upholding the Constitution, protecting our national security, and defending the integrity of our elections at such a serious moment in our nation's history."

On ABC, the Washington Free Beacon (10/3, Kugle, 78K) reports, "George Stephanopoulos asked Pelosi if Congress had reached a 'point of no return,' and if an impeachment vote is 'inevitable.'" Pelosi replied, "I don't think so. ... No, we just go forward and follow the facts. There are some people who say 'why are you calling for an inquiry? You should just call to impeach.' I don't think that would be fair and it isn't worthy of the Constitution."

Pelosi: Impeachment Doesn't Require "Too Much Inquiry." The Miami Herald (10/3, Ocasio, Daughterty, 1.09M) reports that in Florida yesterday, Pelosi said "the congressional probe wouldn't 'need too much inquiry.'" Said Pelosi, "The President has confessed to his violation of his oath of office, and right there, there it is. So it doesn't need too much inquiry."

White House Considers Targeting Moderate Democrats In GOP Districts To Stop Impeachment. The Washington Post (10/3, Bade, Dawsey, 14.2M) describes White House officials as "intent on stopping the House from impeaching President Trump" and says they are "considering appealing to moderate Democrats in Republican districts to stand with the president." The effort "would target some of the 31 Democrats from congressional districts Trump won in 2016, many of whom ran on rebuilding infrastructure, improving trade deals and lowering the cost of prescription drugs, according to multiple officials familiar with the strategy." It "would be based on these Democrats' 2018 election promises to work with the president – accompanied with a warning that impeachment would hamper possible legislative victories." The Post adds, "Democratic leaders dismissed the notion that the White House could win over moderates with policy promises." Pelosi "has said that her caucus is more than willing to work with the president while they continue investigating him."

Pelosi told ABC's Good Morning America (10/3, 3.38M) Thursday that she is willing to work with Trump to lower the cost of prescription drugs and pass the US-Mexico-Canada trade agreement despite the ongoing House impeachment inquiry. Pelosi said, "It's up to him. That was our pledge during the campaign for the people. We would lower the costs of prescription drugs. I think the President wants to do that, so I hope that he would cooperate. He does want the US-Mexico-Canada free trade agreement. So do we."

NRCC Poll: 66% In GOP-Held Battleground Districts Say Democrats Are Too Obsessed With Impeachment. Breitbart editor-at-large John Nolte writes in Breitbart (10/3, 673K) that NRCC polling "shows impeachment is backfiring bigly in battleground districts." According to the NRCC poll, in battleground congressional districts, "Two-thirds (63%) of voters in NRCC target seats and 66% of voters in Republican-held battleground seats agree that Democrats in Congress are too obsessed with impeaching the President[.]" Nolte adds that "the NRCC numbers align with the polls we are seeing from the media, polls that once again show nothing more than the Democrats consolidating their base of support on the issue."

Grassley, Johnson Urge ICIG To Probe Leaks Of Classified Info From Whistleblower Complaint.

The Daily Caller (10/3, Ross, 716K) reports that Sens. Charles Grassley (R-IA) and Ron Johnson (R-WI) have written to Michael Atkinson, the intelligence community inspector general, to ask "whether he is investigating leaks of classified details of the whistleblower complaint against President Donald Trump, as well as leaks for news stories published about the Trump-Russia investigation." The senators "noted that classified information about a CIA whistleblower's complaint over a July 25 phone call between Trump and Ukraine's president leaked to the media in the weeks before the complaint was released." The Daily Caller adds "details of the complaint leaked out drip by drip to the press soon after" House Intelligence Chairman Adam Schiff "began discussing the mysterious complaint." The Federalist (10/3, Clark, 126K) says that "according to Grassley and Johnson, the ICIG has neither confirmed nor denied the existence of an investigation into the leaks," and the senators "believe the IC should be just as transparent as the White House in releasing information regarding the whistleblower complaint."

Breitbart Analysis: Whistleblower Rules Did Not Change, But Form Did. In an analysis, Breitbart (10/3, Pollak, 673K) fact checks the claim that the President "lied when he said that the intelligence community changed the whistleblower rules to allow people to submit second-hand information." Breitbart declares the claim "false" because "even if the rules did not change, the online form did change to remove a first-hand information requirement – apparently to justify the complaint against Trump." Breitbart adds, "Trump thought – as others did – that meant the 'rules' had changed, but they probably had not. And it may not have mattered anyway, because the whistleblower' used the old form to submit the complaint."

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CNN's Tapper: Whistleblower A Registered Democrat. Jake Tapper said on CNN's The Lead (10/3, 665K), "A source familiar with the whistleblower investigation tells me that the political bias referred to by the intelligence community Inspector General is that the whistleblower is a registered Democrat. That is the bias. The IG acknowledged the bias in his statement, though he said that didn't change the facts of the whistleblower complaint."

House Republicans Will Force Vote To Condemn Schiff.

In what Politico (10/3, Zanona, Everett, 4.29M) describes as "their most aggressive offensive yet as the GOP fumbles for a strategy to bear back impeachment efforts," House Republicans "will force a vote to formally condemn Rep. Adam Schiff when they return from recess." Politico says the move, which is "largely symbolic" since it will not be approved by the Democrat-controlled House, has the backing of "the House's highest-ranking Republicans and some of President Donald Trump's close allies on Capitol Hill": House Minority Leader McCarthy and House Minority Whip Scalise.

Townhall: Pelosi "Falsely" Claims Schiff's Interpretation Of Trump-Zelensky Call Was Real. Townhall (10/3, Barkoukis, 177K) reports that in an interview with ABC's Good Morning America (10/3, 3.38M) Thursday, House Speaker Pelosi "falsely claimed" that House Intelligence Chairman Adam Schiff's "fabrication of the transcript between President Trump and Ukrainian President Zelensky was actually real." Asked by George Stephanopoulos, if it was right for Schiff "to have that dramatic interpretation of the president's transcript of the phone call," Pelosi said, "I want the American people to know what that phone call was about. I want them to hear, it. So yeah it's fair. ... It's sad, but it's using the President's own words." Reminded that "those weren't the president's words, it was an interpretation of the president's words. They're saying he made this up," Pelosi said, "He did not make it up."

Trump cited Pelosi's comments in a tweet Thursday night and questioned whether he should sue her. Trump wrote, "Nancy Pelosi today, on @GMA, actually said that Adam Schiffty Schiff didn't fabricate my words in a major speech before Congress. She either had no idea what she was saying, in other words lost it, or she lied. Even Clinton lover @GStephanopoulos strongly called her out. Sue her?"

Schiff's Handling Of Whistleblower Complaint Draws Criticism. The New York Post (10/3, Schwab, Garger, 4.57M) says Schiff is facing growing criticism over "his handling of the whistleblower complaint – and how he's conducting the Trump impeachment inquiry." Schiff "was ripped Wednesday over the closed-door testimony of former US envoy for Ukraine Kurt Volker." Rep. Jim Jordan (R-OH) "stormed out of the hours-long deposition and told reporters that Schiff wanted to limit certain members from questioning Volker." Said Jordan, "If this is how Mr. Schiff is going to conduct these types of interviews in the future...that's a concern." The Post adds that on Wednesday, "Schiff was ripped by liberal commentator Sam Stein for not disclosing that he was aware of the complaint before it was filed."

Kimberley Strassel writes in the Wall Street Journal (10/3, Subscription Publication, 7.57M) that Schiff's handling of the whistleblower complaint raises questions about the legitimacy of the impeachment inquiry.

Trump: "Lowlife" Schiff Should Resign. Thursday morning, President Trump re-tweeted a post from Breitbart's Kristina Wong, which said, "@RepMattGaetz Recalls When Adam Schiff Sought Nude Pictures of Trump from Prankster He Thought Was a Ukrainian Official http://bit.ly/2nGDyBX via @BreitbartNews." Trump wrote, "Schiff is a lowlife who should resign (at least!)."

Trump also tweeted the results of an unscientific Breitbart News online poll showing that 98.4 percent of respondents said Schiff should "resign and be investigated," while 1.6 percent said he should not.

Durham Investigation Examines Other Countries' Roles In Aiding Clinton Campaign.

The Washington Times (10/3, Scarborough, 492K) reports that Attorney General Barr's investigation "into the origins of the Trump-Russia saga is taking investigators to Australia, Ukraine, Italy and the United Kingdom to examine spies and their Trump targets." While some news reports have characterized the probe as "an investigation into the 22-month Robert Mueller inquiry," Barr appointed US Attorney John Durham "to look at something Mr. Mueller ignored: How extensive was FBI spying on the Trump campaign, was it justified and what help did Hillary Clinton's people obtain from foreign governments?"

Ambassador Confirms Australia Is Assisting Barr's Probe Of Alleged Campaign Surveillance. Politico (10/3, Forgey, 4.29M) reports that Joe Hockey, Australia's Ambassador to the US, confirmed to Sen. Lindsey Graham (R-SC) that the Australian government is assisting Barr's "investigation of foreign interference in the 2016 election – but disputed the lawmaker's reference to an Australian diplomat involved in the Russia probe's origins." Hockey "wrote that the Australian government 'is cooperating' with Barr's inquiry and has 'been public about our willingness to cooperate.'" However, Hockey added, "In your letter you made mention of the role of an Australian diplomat. We reject your characterisation of his role."

A Washington Post (10/3, Taylor, 14.2M) analysis says, "From Britain to Australia, Japan to Saudi Arabia, foreign leaders who decided to gamble on America's unpredictable leader are probably wondering whether they made a losing bet." The "scandal over Trump's private conversation with Zelensky has sparked further scrutiny of interactions between the Trump administration and other Trump-friendly foreign allies." According to the Post, "Appearing subservient to such an unpopular figure carries real political risk for any foreign ally – particularly in Britain, Australia and Italy, where the governments are already struggling with their own instability and questions of legitimacy."

NYTimes Analysis: No Evidence To Support Trump's CrowdStrike Allegations. A New York Times (10/3, Shane, 18.61M) analysis reports on President Trump's focus on the California cybersecurity company CrowdStrike. The Times says that during an April 2017 interview with The AP, Trump discussed the company, saying, "I heard it's owned by a very rich Ukrainian, that's what I heard." In his July call with Ukrainian President Volodymyr Zelensky, Trump "was still holding on to this false conspiracy theory" and he "added one novel detail:

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'The server, they say Ukraine has it.'" The Times says this "may have appealed to Mr. Trump because it undercut a well-established fact that he has resented and resisted for three years: The Russian government interfered in the 2016 election to help him win." However, "there is no evidence to support the president's vague suggestion that Ukraine, not Russia, might be responsible for the hacking, or that CrowdStrike somehow connived in it."

GOP Lawmakers Say Volker's Testimony Did Not Advance Democrats' Impeachment Narrative.

Republican lawmakers on Thursday downplayed the closed-door testimony of former US special envoy for Ukraine Kurt Volker. Chief intelligence correspondent Catherine Herridge said on Fox News Special Report (10/3, 1.53M) that during a break in Wednesday's testimony, "Republicans said Volker's testimony was a bust." The Washington Times (10/3, Muñoz, Mordock, 492K) says that Republicans emerging from the hearing say it "has been a bust for Democrats," and USA Today (10/4, King, Shesgreen, Wu, 10.31M) says Republicans "characterized the proceedings as a sham that did little to provide Democrats any ammunition to impeach Trump."

The Washington Examiner (10/3, Ferrechio, 448K) reports that House Republicans said Volker's testimony "does not support allegations against President Trump that Democrats are using to launch an impeachment inquiry." Rep. Jim Jordan (R-OH), who the Examiner describes as "a staunch supporter of Trump," said, "He has said nothing that coincides what the Democrats are saying with their whole impeachment narrative." Jordan, who "declined to talk specifically about Volker's deposition," said, "Not one thing he has said comports with any of the Democrats' impeachment narrative. Not one thing." Jordan said on Fox News' Hannity (10/3, 535K), "I hope every American gets a chance to read what took place in that room today because when they do, they will see there's no quid pro quo." Jordan tweeted Thursday night, "The facts we learned today from Ambassador Volker undercut the salacious narrative that @RepAdamSchiff is using to sell his impeachment ambitions. We hope the American people get to read the transcript of today's testimony and see the truth."

Rep. Scott Perry (R-PA) said on Fox News' The Story (10/3), "I would call Ambassador Volker the star witness named in the so-called whistleblower report, and everything he said unsubstantiated this claim of a quid pro quo. There was just absolutely nothing there. ... Nine and a half hours of essentially just tearing down the narrative of Speaker Pelosi and the impeachment narrative regarding the President and Ukraine."

President Trump tweeted a video of Rep. Lee Zeldin (R-NY) speaking to reporters outside the hearing. Trump wrote, "'...blowing MASSIVE holes inside of the theory, the narrative, that Chairman Schiff has been providing to the public.' @RepLeeZeldin"

On ABC World News Tonight (10/3, story 2, 2:20, Muir, 5.76M), Mary Bruce said Volker "hand[ed] over text messages that show State Department officials debating whether Trump was withholding nearly $400 million in military aid to pressure Ukraine for his own political benefit."

Nancy Cordes said on the CBS Evening News (10/3, story 4, 2:10, O'Donnell, 4.13M) that in the text messages, "a top diplomat at the US embassy in Ukraine," wrote, "I think it's crazy to withhold security assistance for help with a political campaign." Cordes added that "the US Ambassador to the EU, who is a former Trump donor," replied, "Bill, I believe you are incorrect about President Trump's intentions. The President has been crystal clear: No quid pro quos of any kind." Breitbart (10/3, Caplan, 673K) reports that the texts provided by Volker "show Gordon Sondland, the United States Ambassador to the European Union, defended President Donald Trump's July 25 telephone call with the leader of Ukraine, affirming the president has said 'no quid pro quo of any kind' took place between the heads of state."

The AP (10/3, Tukcer, Mascaro) report says Volker told lawmakers "that he wasn't personally involved in President Donald Trump's effort to have that country's leaders investigate Joe Biden's family and said he warned Ukrainians to steer clear of American politics." According to Politico (10/3, 4.29M), Volker "connect[ed] Ukrainian officials with Trump personal attorney Rudy Giuliani, who had spent months trying to persuade the country to look at" the Bidens. The Washington Post (10/4, Hudson, 14.2M) reports that Volker testified that he warned Giuliani that he was "receiving untrustworthy information from Ukrainian political figures about" Joe and Hunter Biden.

Rep. Ro Khanna (D-CA) was asked on CNN's Situation Room (10/3, 647K) about the report that Volker told lawmakers he told Giuliani that the information on he was receiving on the Bidens was unreliable. Khanna said, "It's deeply concerning. Obviously, the person who is the foreign policy expert, who understands the US-Ukraine relationship, clearly said that the information and smears against Vice President Biden had no basis in fact. And yet we see Rudy Giuliani continuing to spread those smears, handing them over to the State Department, pushing a narrative that was false."

NBC Nightly News (10/3, story 2, 0:35, Alexander, 6.07M) reported that Giuliani "tells NBC News that he does not remember Volker giving him that warning." Giuliani said on Fox News' Ingraham Angle (10/3), "If Volker had said to me that my sources were incredible or wrong, any of them, I would have immediately said, 'Did you do an investigation,' because I really wanted them to."

Sondland, Volker Pushed Ukraine To Commit To Investigations. The New York Times (10/3, Fandos, Barnes, 18.61M) says former US special envoy for Ukraine Kurt Volker "has not been accused of directly taking part in Mr. Trump's pressure campaign on Ukraine." But another report from the New York Times (10/3, Vogel, Schmidt, 18.61M) cites "three people who have been briefed" on the matter, who said [Sondland] and Volker "helped draft a statement" for Ukraine's president in August "that would have committed Ukraine to pursuing investigations sought by Mr. Trump into his political rivals." While "the Ukrainians never released" the statement, "if they had, Mr. Trump's aides would have effectively pressured a foreign government to give credence to allegations intended to undercut one of the Democratic Party's leading 2020 president candidates...without leaving Mr. Trump's fingerprints on it." The Times cites Sondland and Volker's work on the statement as "new evidence of how Mr. Trump's fixation with conspiracy theories linked to Ukraine began driving senior diplomats to bend American foreign policy to the president's political agenda in the weeks after a July 25 call between the two leaders."

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Trump Ordered Yovanovitch's Ouster After Complains From Giuliani, Others. The Wall Street Journal (10/3, Ballhaus, Bender, Salama, Subscription Publication, 7.57M) reports that President Trump ordered the removal of US Ambassador to Ukraine Marie Yovanovitch amid complaints from allies outside the Administration, including his attorney Rudy Giuliani.

Citing the Journal report, Axios (10/3, Basu, 521K) reports that Giuliani told the Journal that he considered Yovanovitch "to be an obstacle to his efforts to push Ukraine to investigate Joe Biden, and that he informed President Trump of his concerns shortly before she was abruptly recalled in May 2019." Axios adds that Giuliani "also told the Journal that he provided Secretary of State Mike Pompeo with documents about Yovanovitch's alleged 'closeness' to Biden, and that Pompeo told him he would investigate."

Lawmakers To Hear From Intelligence Community IG Today.

David Muir said on ABC World News Tonight (10/3, story 3, 0:25, 5.76M) that the intelligence community's Inspector General will testify before lawmakers Friday. ABC's Mary Bruce added that lawmakers "are going to press him on how and why he determined that the whistleblower complaint was 'credible', and of urgent concern. And they will likely want to know who he spoke with inside the Trump Administration to make that conclusion."

Roll Call Analysis: Democrats' Use Of "Adverse Impact" Concept Cold Backfire.

In an analysis, CQ Roll Call (10/3, Ruger, 154K) reports that House Democrats' use of the legal concept of "adverse interference" to "help speed through an impeachment inquiry and pin wrongdoing on the Trump administration" might "create weaknesses in their case farther down the path to removing President Donald Trump from office." The concept "usually plays out in civil lawsuits if one of the parties withholds some evidence, such as if they refuse to testify or if they destroy documents." While "adverse interference" is "a simple way for House Democrats to avoid" the "slow-moving court fights to enforce subpoenas," and "give Democrats ammunition to include an article of impeachment about the Trump administration's obstruction of the House's inquiry," it "could also be a pitfall." Public opinion may not "go along with it," and "it probably won't go over well with Republican senators who would vote on the articles of impeachment, either."

House Panels Have Drafted Subpoenas For White House Documents. Norah O'Donnell said on the CBS Evening News (10/3, story 3, 0:35, 4.13M) that the White House is facing a Friday deadline "to turn over documents." However, Weijia Jiang added that it "is highly unlikely to happen. In fact, three House committees have already drafted a subpoena to demand those documents linked to Ukraine, anticipating the White House will miss [the] deadline. President Trump himself said he will comply with the subpoenas and he always does. But, we have seen time and time again his legal team block information from Congress."

Media Analyses: Ukraine Probe Could Undermine Pompeo's Authority At State.

In an analysis, Politico (10/3, Toosi, 4.29M) says that while Secretary of State Pompeo has been "described as the most powerful person in the president's Cabinet," his "ascent has come with a cost: Pompeo is now at the center of the Ukraine-related impeachment storm consuming Trump. Democrats accuse him of witness intimidation, diplomats feel as if he's betrayed them, and investigators are wondering if he's misled them." Politico says Pompeo "appears intent on sticking to the strategy he adopted from Day One: Defend the president and downplay any differences you may have with him, even if it undermines your own department." But, his "handling of the Ukraine controversy is made more complicated by the role of Rudy Giuliani, the president's personal lawyer, who has repeatedly insisted that the State Department, including the secretary, was aware of his activities and even had requested them."

The Washington Times (10/3, Taylor, 492K) says that while "some analysts say Mr. Pompeo is savvy enough to weather any politically charged storm, several current and former State Department officials have expressed concerns over the extent to which his role in Mr. Trump's fateful July 25 phone call with Ukrainian President Volodymyr Zelensky...could undercut his authority at the department he heads."

AP Spotlights House Republicans Critical Of Trump.

The AP (10/3) reports that "there's a small and growing number of Republicans who want the Democratic-run House investigation of President Donald Trump to proceed." However, the AP says "the handful of lawmakers who say they're 'troubled' or concerned by the allegations account for a small fraction of the 197 House Republicans." According to the AP, among those critical of the President are Reps. Mark Amodei (R-NV), Don Bacon (R-NE), Jaime Herrera Beutler (R-WA), Adam Kinzinger (R-IL), and Fred Upton (R-MI).

Napolitano: Trump Call With Zelensky Was Criminal And Impeachable. USA Today (10/3, Cummings, 10.31M) reports that in an op-ed published Thursday on Fox News' website, senior judicial analyst Andrew Napolitano said "that the summary released by the White House of a July 25 phone call between President Donald Trump and Ukrainian President Volodymyr Zelensky" showed "both criminal and impeachable behavior" by Trump. Napolitano wrote, "The criminal behavior to which Trump has admitted is much more grave than anything alleged or unearthed by Special Counsel Robert Mueller, and much of what Mueller revealed was impeachable." Napolitano also "expressed shock that Trump would try to engage a country to interfere in the 2020 election immediately after Mueller's investigation." He wrote, "Now he has attempted in one phone call to bring the Ukrainian government into the 2020 election! Does he understand the laws he has sworn to uphold? ... It was to remedy just such reckless, constitutionally destructive behavior that impeachment was intended."

White House Reconstruction Of Trump-Zelensky Call Continues To Draw Scrutiny. The Washington Post (10/3, Leonnig, Timberg, Harwell, 14.2M) reports that Trump said Wednesday that the call with Zelensky was transcribed "word-for-word, comma-for-

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comma," which the Post describes as "an assertion that fueled growing questions about the nature and completeness of an official memorandum about the call released by the White House last week." According to the Post, White House officials "previously had portrayed the document as not a verbatim transcription but rather a summary that closely tracked the words the president used in his July 25 call with Ukraine President Volodymyr Zelensky." The Post goes on to report that "current and former U.S. officials studying the document pointed to several elements that, they say, indicate that the document may have been handled in an unusual way. Those include the use of ellipses – punctuation indicating that information has been deleted for clarity or other reasons – that traditionally have not appeared in summaries of presidential calls with foreign leaders." Reuters (10/3) reports that the Pentagon said Thursday that "no one from the U.S. Defense Department was listening to a July phone conversation between" Trump and Zelensky.

Some Conservatives See A Political Threat To Trump In Ukraine Probe. The Daily Caller (10/3, Hasson, 716K) reports that some conservatives see President Trump's "pressure on Ukraine to investigate the business dealings of former Vice President Joe Biden's son" as "more politically damaging to Trump than special counsel Robert Mueller's Russia investigation." These conservatives "see the issue as a real political threat to the president, in part because of the president's decision to release the transcript of his conversation with Ukrainian President Volodymyr Zelensky," which "definitively showed that Trump requested the Ukrainians investigate Hunter Biden."

WPost Analysis: GOP Trump Critics Face "Viral Attacks" From Defenders. The Washington Post (10/3, A1, Stanley-Becker, 14.2M) reports on its front page on what is expected to be a barrage of "viral attacks likely to be unleashed on GOP lawmakers if they buck their president during an impeachment showdown that Trump has denounced as a coup." The Post says "holding the line on impeachment, particularly by pressuring Republicans to remain in lockstep behind Trump, has quickly become the core mission of a squadron of pro-Trump television personalities, talk radio hosts, conservative blogs, fringe Facebook groups and Twitter accounts. Together, these voices form an alternative worldview, built on hostility to mainstream media and capable of shaping the information consumed by core Republican voters."

FEC Chair Reposts Memorandum On Foreign Assistance In US Campaigns.

USA Today (10/3, Behrmann, 10.31M) reports that FEC Chairwoman Ellen Weintraub "reminded candidates that asking for help from foreign governments is illegal in an apparent subtweet of President Donald Trump" The tweet "came after Trump exclaimed that China should investigate former vice president Joe Biden, despite already being in the middle of an impeachment inquiry after asking Ukraine for the same thing." After Trump made the comment, Weintraub tweeted, "Is this thing on" and reposted "her original scathing memorandum from June, accompanied with the microphone emoji." In it, she wrote, "Let me make something 100% clear to the American public or anyone running for public office. It is illegal to solicit, accept, or receive anything of value from a foreign national in connection with a U.S. election."

WPost Report: Trump Did Propose Border Moat, Shooting Migrants.

In a report posted online at 8 a.m. yesterday morning, the Washington Post (10/3, Miroff, Dawsey, 14.2M) reports it has confirmed that President Trump "told aides last year he wanted US forces with bayonets to block people from crossing into the United States across the Mexico border." Citing "current and former administration officials involved in those discussions," the Post say Trump "also suggested the excavation of a border trench, or moat, that could be stocked with dangerous reptiles." It notes the New York Times reported Tuesday that Trump suggested building a moat, "along with his suggestion that US forces could open fire on migrants...potentially shooting at their legs to wound but not kill them." The Post says the President "denied those claims," but adds that it "independently confirmed that the president did, in fact, say those things during border security meetings, including at moments when he demanded the wholesale closure of the Mexico border and appeared prepared to enforce the decree with violence."

President Trump took to Twitter yesterday morning to again deny the reports, writing, "Fake News, just like the snakes and gators in the moat. The Media is deranged, they have lost their minds!"

ACLU Files Suit Seeking Damages For Separated Immigrant Families.

The AP (10/3, Galvan) reports the ACLU filed a federal lawsuit Thursday seeking "potentially millions of dollars in damages on behalf of thousands of immigrant families who were separated from their children at the US-Mexico border." The ACLU and "other attorneys filed a lawsuit in Tucson against past and present Trump administration officials, alleging the government violated immigrants' rights and deeply traumatized an estimated 4,000 children who were taken from their parents after crossing the border illegally." The AP notes that the ACLU is seeking class action status, "meaning if it wins, thousands of families who are not plaintiffs can also be compensated." The Washington Times (10/3, Dinan, 492K) reports the suit "seeks compensatory and punitive damages," and "also seeks to establish a new fund to pay for future mental health care for families who faced separation."

Contractor Being Paid To Keep Migrant Shelter Open That Has Been Empty Since August.

The AP (10/3) reports that "sheltering migrant children has become a growing business for" Comprehensive Health Services, a "Florida-based government contractor, as the number of minors in government custody has swollen to record levels over the past two years." The AP says "so far, the only private company caring for migrant children is CHS, owned by beltway contractor Caliburn International Corp.," and adds that "even as the number of children has declined, the company's government funding for their care has continued to flow," which the AP says is "partly because CHS is still staffing a large Florida facility with 2,000 workers even though the last children left in August."

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According to the AP, the Administration says CHS is "keeping the Florida shelter on standby in case they need to quickly provide beds for more migrant teens, and that they're focused on the quality of care contractors can provide, not about who profits from the work."

Cook Says There Should Be No Limits On How Many Immigrants Apple Can Hire.

Reuters (10/3) reports Apple CEO Tim Cook said Thursday that he is "against any ceiling on the hiring of qualified migrants." Cook is quoted as saying, "We at Apple want to remove ceilings imposed on the number of qualified migrants that can be hired."

Virginia Sheriff Questions Fairfax Officer's Suspension Over ICE Cooperation.

The Washington Times (10/3, Dinan, 492K) reports that a "sheriff in a nearby Virginia county is questioning Fairfax County's decision to suspend a police officer who cooperated in holding an illegal immigrant with an outstanding warrant for pickup by ICE." The suspension has been reversed, but Culpeper County Sheriff Scott Jenkins told the Times on Thursday "he understands police departments need to adhere to the policies set by their elected officials, but he said that didn't need to include suspending the officer involved." Said Sheriff Jenkins, "I think it sends a very poor message to the officers are far as them doing their job on the street every day and trying to do the right thing and acted within reason, a common sense approach, where another law enforcement agency is asking to detain a person for a very short time."

Migrant Caught Crossing Border Using Ultralight Aircraft.

The Washington Times (10/3, Dinan, 492K) reports Border Patrol agents apprehended a migrant last weekend "after he crossed the border into Arizona using an ultralight aircraft, in yet another way technology is changing the face of illegal migration." According to the Times, "the Mexican pilot was detected crossing late Sunday night by Customs and Border Protection's Air and Marine Operations near Nogales." Border Patrol agents then "tracked the aircraft for nearly an hour, until it made an apparent crash landing."

Immigrant Activist: ICE Raids Created Massive Legal Need In Mississippi.

Amelia McGowan, Director of the Mississippi College School of Law Immigration Clinic, writes in a USA Today (10/3, 10.31M) op-ed that a recent ICE raid that netted nearly 700 illegal immigrants working at poultry plants "created legal need far beyond what I and the few other immigration lawyers in Mississippi could take on ourselves." She adds that "dozens of other Mississippi lawyers are among the 500 lawyers across the nation who have already volunteered to provide legal support," but "we still need support in Mississippi, whether it's providing legal assistance, donating to legal funds, or calling your representatives, not only to aid those detained in the raids but to help prevent another, even bigger, one."

Cato Scholars: Walmart, Rivals Taking Steps To Lower Healthcare Costs.

In a Wall Street Journal (10/3, Silver, Hyman, Subscription Publication, 7.57M) op-ed, Cato Institute adjunct scholars David Hyman and Charles Silver laud the opening of Walmart's first Health Center this month in Dallas, Georgia, offering low-cost primary health services. They write that while political figures debate medical costs, Walmart and rivals like CVS and Walgreens are taking action.

LAPD Declines To Say Who Authorized Anti-Breitbart Tweets.

Breitbart (10/3, Ng, 673K) reports that "top brass at the Los Angeles Police Department is refusing to explain who authorized a series of false smears against Breitbart News over the weekend, declining and ignoring requests to speak on the record with police management who publicly maligned Breitbart in a series of tweets." According to Breitbart, the LAPD "published the false statements starting early Saturday, bowing to pressure from left-wing Daily Beast editor-in-chief Noah Shachtman, who sent a tweet earlier that day demanding to know why an LAPD recruitment banner ad was appearing on Breitbart." In response, the LAPD "said it is launching an investigation into how the ad appeared on Breitbart so that it will never happen again," tweeting, "We take matters like this very seriously, and have begun an initial inquiry into the matter and to determine its validity, as well as what future steps can and will be taken to avoid this situation occurring in the future." Breitbart says it "reached out to the LAPD through multiple channels...requesting to speak with top police officials. ... It remains unclear who wrote the LAPD tweets over the weekend that smeared Breitbart."

MGM Reaches $800M Settlement With Victims Of Las Vegas Massacre.

ABC World News Tonight (10/3, story 9, 0:20, Muir, 5.76M) reported on what it called "a massive settlement" for the victims of the "worst mass shooting in modern American history. Fifty-eight people were killed, hundreds wounded in Las Vegas when Stephen Paddock opened fire from the 32nd floor of Mandalay Bay Resort two years ago." The CBS Evening News (10/3, story 7, 1:40, O'Donnell, 4.13M) reported, "MGM Resorts International has agreed to pay up to $800 million to the victims." CBS (Villarreal) added, "The settlement potentially covers more than 4,400 family members and victims who attended the country music festival."

The Washington Post (10/3, Berman, 14.2M) reports the settlement "does not include an admission of liability on the part of MGM, the company said Thursday," and the Wall Street Journal (10/3, Sayre, Elinson, Subscription Publication, 7.57M) reports MGM said its insurers will fund the settlement with a minimum of $735 million, adding that it has $751 million of insurance coverage. According to the New York Times (10/3, Oppel, 18.61M), the "next step for the plaintiffs will be to have their cases examined by an independent claims administrator,

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who will need to be approved by a judge." NBC Nightly News (10/3, story 7, 0:20, Holt, 6.07M), among other news outlets, also briefly reported the settlement.

New York AG Sues Student Loan Company Over Debt Forgiveness Program.

The Washington Post (10/3, Douglas-Gabriel, 14.2M) reports New York Attorney General Letitia James has sued Pennsylvania Higher Education Assistance Agency, "a student-loan-servicing company, alleging widespread mismanagement of a loan forgiveness program for public servants." James says the company, "which also operates under the name FedLoan Servicing, of haphazardly handling a federal program that encourages college graduates to enter fields serving the public good with the promise of having their student debt canceled."

Some College Admissions Scandal Defendants Building Cases For Leniency.

The New York Times (10/3, Taylor, 18.61M) reports, "Sentencing has begun for parents who have pleaded guilty to using their wealth to boost their children's chances" of getting into college, and "now some of those parents are using their resources to boost their own chances of getting a lenient sentence, by marshaling the best possible experts and the best possible arguments." One parent "has hired a consultant to tell his life story," while others "have obtained letters from doctors and submitted them under sea" or "have pointed to the losses they have already suffered" to make a case for lesser punishments.

WSJournal: Court's Harvard Ruling Approves Racial Discrimination.

The Wall Street Journal (10/3, Subscription Publication, 7.57M) argues that in a ruling this week, a federal judge essentially said Harvard may discriminate against Asian-American applicants in the name of racial diversity. The Journal says this contradicts both the Civil Rights Act of 1964 and the 14th Amendment, and says it may fall to the Supreme Court to resolve.

Barr, Australian And UK Counterparts Will Ask Facebook To Create Encryption "Back Door."

The New York Times (10/3, Barnes, Benner, Isaac, 18.61M) reports Attorney General Barr will press Facebook on Friday "to create a so-called back door to its end-to-end encryption on WhatsApp and other messaging platforms" in order to give investigators "access to now-secret communications, including from terrorists and other criminals as well as whistle-blowers, journalists and others." Barr and his Australian and British counterparts argue in a joint letter to Facebook CEO Mark Zuckerberg that law enforcement "needs a way to break encryption to fight terrorism, international organized crime and child exploitations." The Wall Street Journal (10/3, McMillan, Horwitz, Volz, Subscription Publication, 7.57M) reports the DOJ has pushed Congress for legislative action to force such a change, but there has been little indication that lawmakers from either party are interested in pursuing it.

WSJournal: Study Provides More Evidence Of Charter Schools' Success.

In an editorial, the Wall Street Journal (10/3, Subscription Publication, 7.57M) highlights a study of 21 urban school districts by the Thomas B. Fordham Institute as the latest indicator that charter schools are improving education for some of the most at-risk students.

WPost Supports New California Law In College Athlete Endorsement Pay.

In an editorial, the Washington Post (10/3, 14.2M) sides with the state of California regarding its new law "to allow college athletes to earn money from endorsements. ...The Fair Pay to Play Act, the first of its kind in the country, challenges long-standing rules that bar students on athletic scholarships from being paid beyond the value of their scholarship." The Post says the "apoplectic" National Collegiate Athletic Association has until 2023 – when the law will take effect – "to devise its own solution."

Sources: Perry To Resign Next Month.

Politico (10/3, Lefebvre, Meyer, 4.29M) reports Energy Secretary Perry is "expected to announce his resignation from the administration by the end of November, according to three people familiar with his plans." Perry, it says, "has largely avoided the controversies that felled others in the administration," but "his travels to Ukraine lately have embroiled him in the impeachment inquiry engulfing Trump and his inner circle, even though two of the people called the scandal unrelated to Perry's departure." Sources said Deputy Energy Secretary Dan Brouillette is expected to replace Perry.

Manhattan DA Pushed Back Against DOJ In Fight For Trump Tax Returns.

The AP (10/3, Mustian) reports Manhattan District Attorney Cyrus R. Vance Jr. "pushed back against the US Justice Department on Thursday" in a legal battle over President Trump's tax returns, saying local efforts to investigate the President's finances should be "free from federal interference." A day after federal prosecutors asked for a delay, Vance "filed court papers saying the Justice Department is supporting Trump's efforts to run out the clock on certain statutes of limitation that could affect a state grand jury investigation."

Politico (10/3, Eckert, 4.29M) quotes Vance's Thursday court filing as saying Trump's "only goal in this litigation, now supported by the Justice Department itself, is to obtain as much delay as possible, through litigation, stays and appeals. If delays are achieved, to the frustration of the New York state inquiry, [Trump] will win."

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Doctor Gets 40 Years In Prison For Illegal Opioid Prescriptions.

The New York Post (10/3, Miller, 4.57M) reports "drug-dealing Virginia doctor" Joel Smithers, "who illegally prescribed 500,000 opioid pills to patients over a two-year period," has been sentenced to 40 years in prison and ordered to pay a $86,000 fine. Smithers "was convicted in May on 861 federal drug charges, including 859 counts of illegally prescribing controlled substances to every patient" in his practice. ABC World News Tonight (10/3, story 13, 0:25, Muir, 5.76M) briefly reported on the sentence.

Waters: Trump "Setting Some Of Us To Be Killed."

The Washington Times (10/3, Chasmar, 492K) reports Rep. Maxine Waters (D-CA) "said Wednesday that President Trump's verbal attacks are putting Democrats in danger and that she's had to hire round-the-clock security due to death threats." Waters "told MSNBC that she can't go to public places like the grocery store without a security guard due to threats she's received since the president's been in office." Said Waters, "He is setting some of us up to be killed. I have death threats constantly. There are a number of people who have been convicted for threatening to kill me."

Administration Reportedly Set To Announce Biofuels Deal.

Reuters (10/3, Kelly, Pamuk) reports the Administration is "expected to announce by Friday details of a U.S. biofuels policy deal to help farmers angry over waivers granted to refiners exempting them from using corn-based ethanol and other biofuels." The White House "has held weeks of discussions with farm- and oil-state senators and executives at oil refiners and officials at biofuels producers." According to Reuters, in August, President Trump "promised a 'giant package' related to ethanol, after his administration angered the powerful corn lobby by granting 31 oil refineries exemptions to their biofuel blending mandates under the Renewable Fuel Standard."

Experts Say Trump's Actions Against California "Send A Message" To Other States.

The New York Times (10/3, Davenport, 18.61M) reports, "President Trump's political feud with California has spread collateral damage across more than a dozen other states, which have seen their regulatory authority curtailed and their autonomy threatened" by the Administration. Legal experts told the Times that the Administration's actions "amount to a novel weaponizing of environmental laws intended not only to undermine California's liberal government but to send a message to other states that might defy Mr. Trump."

EPA Prevented Scientists From Speaking At Climate Change Conference In 2017.

The New York Times (10/3, Friedman, 18.61M) reports that in October 2017, the EPA prohibited scientists from speaking at a conference on climate change, according to a New York University report released Thursday. The study "follows reports that [Acting Chief of Staff Mulvaney] pressured the commerce secretary to rebuke weather forecasters who appeared to contradict the president after he erroneously claimed a recent hurricane could affect Alabama."

In Twitter Exchange, Trump Calls Ocasio-Cortez "Wack Job," She Calls Him "A Criminal."

The New York Post (10/3, Feuerherd, 4.57M) reports President Trump, Donald Trump Jr., and Rep. Alexandria Ocasio-Cortez (D-NY) "engaged in some Twitter crossfire on Thursday night, with the president calling the congresswoman a 'Wack Job' and her responding that he's 'a criminal.' The politics-as-usual online sniping kicked off when Trump retweeted a message" from his son "commenting on an apparently unhinged woman at an AOC town hall event in Queens Thursday night."

Ocasio-Cortez To Appear In Court To Explain Twitter Blocking.

The New York Post (10/3, Denney, Bowden, 4.57M) reports Rep. Alexandria Ocasio-Cortez (D-NY) will appear in federal court in Brooklyn next month "to explain to a judge why she blocks people on Twitter." Ocasio-Cortez will testify "as part of an ongoing lawsuit brought by ex-Brooklyn Assemblyman Dov Hikind, who claims the Democratic darling wrongfully blocked him on Twitter because of his 'criticism' of her."

Supreme Court Will Consider Whether Firing Employees For Being LGBTQ Is Legal.

The Washington Post (10/3, Barnes, 14.2M) reports the Supreme Court will take up "a blockbuster question at the start of its new term: Is it legal to fire someone for being gay or transgender?" Three related cases "will be argued Tuesday" in "one of the most consequential issues of the term, with more than 70 friend-of-the-court briefs dividing states, religious orders and members of Congress."

NRA's LaPierre Reportedly Resisted Endorsing Trump In 2016.

The Washington Post (10/3, Reinhard, 14.2M) reports that "the longtime public relations agency for the National Rifle Association claimed in a new court filing this week that NRA chief executive Wayne LaPierre 'bristled' at the group's early endorsement of Donald Trump in 2016, thought the real estate developer would lose the election and referred to his administration as the 'Trump slump.' ... The assertions are the latest claims in a brutal legal brawl between the NRA and Ackerman McQueen, its now-estranged PR firm, and emerge at a delicate moment for both the gun rights lobby and the White House." The Post adds that "the allegations of LaPierre's skeptical views toward Trump are the

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most recent salvo by the Oklahoma City-based PR agency Ackerman McQueen, which the NRA recently accused of continuing to tout its work for the gun group, despite the severing of their decades-long relationship."

Woodward Heckled At Event With Authors Of Book On Weinstein Allegations.

The Washington Post (10/3, Bonos, Yahr, 14.2M) reports that the Post's Bob Woodward was booed and heckled at a Wednesday event at Sixth & I, "a popular Washington event space that frequently hosts book talks with high-profile authors." Woodward was doing an on-stage interview with Jodi Kantor and Megan Twohey "about their best-selling book, 'She Said,' a deep dive into their investigation of sexual assault and harassment allegations against Hollywood mogul Harvey Weinstein," and audience members reportedly grew frustrated with Woodward's frequent interrupting of the authors' answers as well as some of his questions. The New York Times (10/3, Tracy, 18.61M) reports Woodward "posed questions that, to many attendees, suggested a lack of understanding of sexual assault and workplace harassment."

Former Assistant Sues De Niro, Alleging Gender Discrimination.

Linsey Davis reported on ABC World News Tonight (10/3, story 12, 1:35, Muir, 5.76M) that Graham Chase Robinson, "a former assistant for Robert De Niro, is fighting back with a $12 million lawsuit against the Oscar-winning actor, alleging gender discrimination. ... In her lawsuit, Robinson alleges the actor would ask her to scratch his back and button his shirt even as she rose through the ranks of his production company. ... The lawsuit comes more than a month after De Niro's company sued Robinson for $6 million, claiming Robinson rang up hundreds of thousands of dollars of personal expenses on a company card and spent astronomical amounts of time binge-watching Netflix during business hours." The CBS Evening News (10/3, story 9, 0:20, O'Donnell, 4.13M) had a brief report.

Army Investigating Mishap During Mississippi Parachuting Exercise.

The CBS Evening News (10/3, story 10, 0:15, O'Donnell, 4.13M) reported, "The Army is investigating how nearly 90 parachuting soldiers were apparently blown off course and into trees last night during a training exercise in Mississippi. Nineteen were sent to hospitals, including a soldier who suffered a broken back. All of them are expected to recover."

Trump Camp Launching $1M Ad Campaign In Early States Hitting Biden On Ukraine Controversy.

Politico (10/3, Isenstadt, 4.29M) reports that President Trump's reelection campaign "is preparing an avalanche of TV ads targeting Joe Biden in early primary states – its most aggressive step yet to meddle in the Democratic nomination contest. Starting this weekend, the reelection effort will air over $1 million in anti-Biden commercials in Iowa, South Carolina, New Hampshire and Nevada, according to two people familiar with the move. The spots focus on Trump's claim that" Biden "and his son engaged in corruption in Ukraine. ... 'Joe Biden promised Ukraine $1 billion if they fired the prosecutor investigating his son's company,' says the ad, titled 'Biden corruption.' 'Voters should know about the self-dealing, influence-peddling Bidens as the campaign season progresses,' said Tim Murtaugh, a Trump 2020 spokesman."

Biden Camp Spending $6M On Ad Campaign In Four Lead-Off States. The AP (10/3, Barrow) reports that ex-Vice President Joe Biden "is committing to $6 million worth of television and digital advertising in the first four states on the 2020 election-year calendar. It's the latest demonstration of an increasingly aggressive campaign as he tries to hold his place as the party's top challenger to President Donald Trump." The move comes as Biden "steps up his counterattacks after disclosures about Trump's effort to use the Ukrainian government to try to tarnish" him. While Biden leads "most national Democratic primary polls," Sen. Elizabeth Warren (D-MA) "gained ground throughout the summer and pulled even or surpassed Biden in some recent Iowa and New Hampshire surveys. Warren recently announced a $10 million advertising commitment in the early states of Iowa, New Hampshire, Nevada and South Carolina, where Biden is now focusing his ad buys."

The Hill (10/3, Axelrod, 2.98M) reports that Biden's "campaign said in a press release it will dedicate its resources to prime-time advertising on traditional television airwaves and digital platforms such as YouTube, Hulu and news- and sports-streaming services. The ads will air in Iowa, New Hampshire, Nevada and South Carolina and will 'drive Vice President Biden's core messages, mobilize supporters and volunteers, and build the campaign's grassroots fundraising operation.'"

Team Biden Banking On Super Tuesday As He Loses Support In Early States. Politico (10/3, 4.29M) reports that Biden's campaign is "ramping up its investment in Super Tuesday states, anticipating a Democratic race that narrows to two candidates by early March." Politico says "the increase in staffing across the 14 states that will vote March 3 comes as Biden's polling figures have declined and" those of Warren "have surged, particularly in states like Iowa and New Hampshire where she's heavily invested in field organization." Biden's campaign is "still counting on strong finishes in the four early nominating states. But in the event of weaker-than-expected performances, a built-out Super Tuesday organization would provide a fail-safe for Biden." Politico says "many of the states on the Super Tuesday map – which includes a handful of Southern and Border states – play to his strengths among African-American voters and more moderate Democrats."

Biden Raises $15.2M In Q3, Trailing Totals Of Sanders, Buttigieg. The AP (10/3, Slodysko) reports that Biden "raised $15.2 million for his presidential campaign" in the third quarter of this year – "a middling amount for one of the top-polling candidates in the Democratic primary" that "lags behind what Bernie Sanders raised by more than $10 million." The AP adds that South Bend Mayor Pete Buttigieg "also bested Biden during the third fundraising quarter, announcing this week that he raised $19.1 million." The Washington Post

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(10/3, Sonmez, Lee, 14.2M) reports that Biden "revealed his campaign's latest numbers at a private fundraiser in Palo Alto, Calif., Thursday afternoon," telling "donors that 'we raised, this last quarter, $15 million – in the middle of summer.' He added that his campaign had received 'well over half a million contributions,' although it was not immediately clear whether the number was a reference to total donations or those received during the third quarter of the year."

Politico (10/3, Severns, 4.29M) reports that Biden's Q3 haul is "$7 million less than his own campaign raised during the previous fundraising quarter." Politico adds, "Biden's summer fundraising slump points to his campaign's current reliance on...wealthy donors. Sanders and Buttigieg have both built large bases of donors online." Reuters (10/3) quotes Biden as saying during Thursday's fundraising event in California, "We haven't raised what a lot of people have – we got started way later than everybody else – but we've raised, this last quarter, $15 million, in the middle of summer." In an online article, CNN (10/3, Saenz, 83.16M) reports that Biden's Q3 total "is higher than the $11.6 million raised by California Sen. Kamala Harris, the $10 million raised by businessman Andrew Yang, and the $6 million brought in by New Jersey Sen. Cory Booker. Author Marianne Williamson raised $3 million and Colorado Sen. Michael Bennet raised $2.1 million last quarter." The Hill (10/3, Greenwood, 2.98M) and the Washington Times (10/3, Sherfinski, 492K) also report on the story.

Ohio Poll: Trump Trails Biden, Sanders, Warren In Hypothetical Matchups.

The Cleveland Plain Dealer (10/3, Richardson, 895K) reports that an Emerson College poll of 837 Ohio voters, taken Sept. 29-Oct. 2, shows President Trump trailing three Democratic presidential candidates in hypothetical 2020 general election matchups. According to the poll, Trump trails ex-Vice President Joe Biden 53%-47%, Sen. Bernie Sanders (I-VT) 53%-47%, and Sen. Elizabeth Warren (D-MA) 52%-48%.

In the smaller sample of 353 Ohio Democratic voters, the poll shows Biden leading the race for the 2020 Democratic presidential nomination with 29%, followed by Sanders at 27%, Warren at 21%, Sen. Kamala Harris (D-CA) at 7%, and South Bend Mayor Pete Buttigieg at 5%; no other contender tops 3%.

Warren's Electability A Subject Of Debate Among Political Operatives.

McClatchy (10/3, Roarty, 19K) reports, "Everyone in politics – Republicans and Democrats alike – is asking the same pressing question: Just how electable is Elizabeth Warren against President Donald Trump?" McClatchy adds that "Warren's electability has become something of a Rorschach test for political operatives. Some see an uber-liberal" lawmaker "with a weak electoral track record, while others see the Democratic Party's most talented campaigner who can tap into the country's populist energy like few others."

GOP Decries Reno Airport's Planned Probe Of Pro-Trump Protest Of Warren. The Reno (NV) Gazette-Journal (10/3, Dehaven, 183K) reports, "Republicans are firing back after authorities in Nevada said they would investigate a protest staged at Reno-Tahoe International Airport. Airport officials were quick to apologize on Wednesday after roughly a dozen protesters confronted...Warren" as she was "on her way to a scheduled campaign appearance in Carson City. Officials said in a tweet that the airport wasn't properly notified of the protest and that its attorneys planned to investigate the incident, which quickly went viral thanks to a video posted on Twitter by Nevada Republican Party Chairman Michael McDonald. GOP operatives immediately cried foul," asserting "the airport launched no such investigation, and failed to apologize, after" then-Sen. Dean Heller (R-NV) "faced down Democratic protesters at the airport last year."

Warren Releases Plan Meant To Benefit Unions. Reuters (10/3, Bernstein) reports that Warren wants to "make it easier for employees to join unions and make rideshare drivers and other gig economy workers eligible for overtime, the latest effort by a Democrat to court the country's deep-pocketed labor unions." Reuters says Warren's plan was "released Thursday in advance of an appearance before a labor group in Los Angeles." Reuters adds that "in her plan, Warren pledged to increase protections for home healthcare workers, a growing segment of the workforce, as well as immigrant employees who are undocumented." Warren would also "roll back Trump-era restrictions on the power of unions representing federal workers and work to restore public employee bargaining rights that have been reduced in several states."

Politico (10/3, 4.29M) reports, "Warren's proposal would extend federal labor and worker safety protections to farm and domestic workers, who are not covered by federal labor laws; bolster collective bargaining rights; increase the hourly minimum wage; and extend overtime eligibility to more workers. Much of her plan describes legislative proposals that she and other Democrats have introduced already in Congress." Bloomberg (10/3, Eidelson, 4.73M) also reports on the story.

Sanders Campaign Says He Will Participate In October 15 Debate.

The AP (10/3) reports that Sen. Bernie Sanders (I-VT) is still in a hospital in Nevada "because of a blocked artery in his heart," but his campaign says he will "participate in the next Democratic presidential debate" on October 15. The New York Times (10/3, Ember, 18.61M) reports that the Sanders campaign has "declined to say whether [he] suffered a heart attack," and "did not specify whether Mr. Sanders, 78, would be discharged sooner than the weekend and remain in Las Vegas before returning home." Reuters (10/3, Whitesides) reports that "the halt to the Sanders campaign came the day after he reported a $25.3 million fundraising haul for the third quarter, the biggest quarterly performance by any Democratic candidate in the race so far."

In a brief segment, NBC Nightly News (10/3, story 12, 0:20, Holt, 6.07M) reported that Sanders' "wife says the 78-year-old presidential candidate should be able to return home by the end of the weekend and plans to take part in the next Democratic debate, 12 days from now." ABC World News Tonight (10/3, story 11, 0:15, Muir, 5.76M) briefly reported, "His wife Jane tonight reporting that Sanders is up and about and cracking jokes." The Hill (10/3, Johnson, 2.98M) reports that Sanders "used his medical procedure Tuesday to

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push his 'Medicare for All' plan. A day after having surgery," Sanders "tweeted, 'Thanks for all the well wishes. I'm feeling good. I'm fortunate to have good health care and great doctors and nurses helping me to recover.' 'None of us know when a medical emergency might affect us,' Sanders continued. 'And no one should fear going bankrupt if it occurs. Medicare for All!'" In an online article, CNN (10/3, Krieg, Nobles, 83.16M) also reports on the story.

NYTimes Analysis: Buttigieg Banking Heavily On Strong Showing In Iowa.

The New York Times (10/3, Gabriel, 18.61M) reports, "Boasting a huge financial war chest but struggling in the polls, [South Bend Mayor Pete] Buttigieg is now staking his presidential candidacy on Iowa, and particularly on connecting with rural white voters who want to talk about personal concerns more than impeachment. In doing so, Mr. Buttigieg is also trying to show how Democrats can win back counties that flipped from Barack Obama to Donald Trump in 2016 – there are more of them in Iowa than any other state – by focusing, he said, on 'the things that are going to affect folks' lives in a concrete way." The Times adds that Buttigieg thinks "he has a shot at trying to organize his way to a top-tier finish in the Iowa caucuses on Feb. 3," and is consequently spending heavily on "a gold-plated ground game in" the state.

WTimes Profiles Struggling Democratic Presidential Hopeful Bennet.

The Washington Times (10/3, Richardson, 492K) profiles Democratic presidential candidate Sen. Michael Bennet (D-CO). The Times says he has had "a charmed political career – until now. After jumping into the Democratic presidential primary race in May," Bennet "is scraping the bottom of the field, failing to qualify for the September and October debates while raising just $2.1 million in the third quarter. Even so, Mr. Bennet vowed this week to stay in the race at least through the Feb. 11 New Hampshire primary." Before going on to examine the Democrat's resume, the Times says that "Bennet's political rise may be attributed to a heady mix of persistence, purpose and privilege."

WPost Analysis: Democrats Criticize Trump's Executive Orders While Vowing Their Own.

The Washington Post (10/3, Janes, 14.2M) reports that as the Democratic White House hopefuls "offer plan after plan, many are promising single-handed presidential action – rather than new laws that must be pushed through a sluggish Congress – to combat the nation's big problems. That trend was particularly evident at a gun safety forum in Las Vegas Wednesday, where almost every candidate who spoke has promised some kind of executive action to bolster gun control." The Post adds, "The unilateral approach in some ways echoes President Trump's strategy, even as Democrats increasingly label him an authoritarian. The Democrats' policies would not amplify presidential power to the extent that Trump has sought to, but they do reflect a more president-centric approach to governing, a feature that's become central to Trump's tenure."

Democrat Matt Lieberman, Son Of Ex-Senator, Announces Georgia Senate Bid.

The Atlanta Journal-Constitution (10/3, Bluestein, 895K) reports that entrepreneur Matt Lieberman, son of ex-Sen. Joseph Lieberman (I-CT), on Thursday "became the first Democrat" to launch a 2020 bid to succeed retiring Sen. Johnny Isakson (R-GA), who is stepping down at the end of this year due to health issues. In an interview, Lieberman "said he will advocate for new gun restrictions, push for the impeachment of President Donald Trump, back abortion rights and support a 'public option,' which would make a government healthcare plan available as an alternative to private insurance." Gov. Brian Kemp (R) will appoint a successor to Isakson, and a special election will be held next year to fill out the Senator's remaining term. Politico (10/3, 4.29M) and the Washington Post (10/3, Iati, 14.2M) also report on the story.

WPost Backs Three Democrats In Northern Virginia Commonwealth Attorney Races.

The Washington Post (10/3, 14.2M) endorses three Democrats – Amy Ashworth, Buta Biberaj, and Steve Descano – in November races for commonwealth attorney in Northern Virginia.

RCP Average Has Trump's Job Approval At 43.2%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 43.2%, and his disapproval at 53.5%. The President's job approval is down 0.1 since yesterday; his disapproval is up by 0.1.

A Rasmussen poll of 1,500 "likely voters" (9/30-10/2) finds Trump's approval at 47%, with 52% disapproving.

Financial International News

Japan Finance Minister Dismisses Need For Stimulus After Tax Hike.

Reuters (10/4, Kajimoto) reports Japan's finance minister on Friday "dismissed the need to boost fiscal stimulus to counter the impact of a national sales tax hike, despite expectations the government and the Bank of Japan may act to reduce pressure on the world's third largest economy." The piece notes the government introduced a rise in the sales tax to 10% from 8% on Tuesday, "a move that is seen as critical for fixing the country's tattered finances. But there are fears the higher tax could hurt consumer spending and tip the economy into recession." Finance minister Taro Aso told reporters "he saw no big confusion among retailers and shoppers over the tax hike as corporate earnings and household incomes were solid." Bloomberg (10/3, 4.73M) also covers the topic.

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Analysts: Europe Will See More Economic "Pain" If US Limits Investment In China.

CNBC (10/3, Meredith, 3.62M) reports Europe "would be vulnerable to even more economic 'pain' if the Trump administration decided to press ahead with U.S. investment curbs against China, analysts told CNBC." The piece notes that media outlets "recently reported that the White House was looking into limiting investment ties between the world's two largest economies." Chinese Foreign Ministry spokesman Greg Shuang "told reporters earlier this week that any delisting moves would 'harm the interests of Chinese and American companies and people, create turmoil in financial markets, and endanger global trade and economic growth.'"

New IMF Head Vows Discusses Her Commitment To Deal With Global Economic Challenges.

The Wall Street Journal (10/3, Pancevski, Subscription Publication, 7.57M) reports new IMF head Kristalina Georgieva said it was her experience seeing food shortages and widespread poverty caused by bad policies in her native Bulgaria drove her to pursue a career in international institutions. "At a time when there is more skepticism about our work, the very best way for multilateral organizations to prove that multilateralism works is by delivering," Georgieva said. She also explained, "We recognize that the global economy continues to disappoint. The unpredictability of trade disputes, capital flow volatility, Brexit and conflict and natural disasters are able to cause massive economic disruptions."

The Economist Looks At Greek Debt Crisis 10 Years Later.

The Economist (10/3, 2.36M) examines the Greek debt crisis ten years after it began, explaining that now the new prime minister, Kyriakos Mitsotakis, is "trying to get Greece back on its feet. Though the economy has begun expanding again, growth is lacklustre and output is nearly a quarter below its level in 2007." The Economist says "the time has come to stop pretending and settle Greece's finances once and for all."

Citi Among Banks Hit With Combined $1.4B Penalty By Nigerian Central Bank.

Bloomberg (10/3, Osae-Brown, Onu, Soto, 4.73M) reports Citigroup is one of two banks that "got the stiffest penalties of a dozen lenders punished by Nigeria's central bank for failing to meet a target to provide more credit." A combined sanction of $1.4 billion was imposed on the 12 lenders. The sanctions "come three months after the central bank gave lenders until Sept. 30 to use 60% of their deposits for loans, or hand half of the shortfall over to the central bank without earning any interest."

Leading International News

French FM: US And Iran Have One Month To Avert Escalation.

Reuters (10/3) reports that French Foreign Minister Jean-Yves Le Drian told the French parliament Thursday that the US and Iran "have one month to get to the negotiating table...suggesting that Tehran's plan to increase its nuclear activities in November would spark renewed tension in the region." President Emmanuel Macron "attempted, but failed to broker talks between" President Trump and Iranian President Hassan Rouhani at the United Nations in New York last week. Le Drian is quoted as saying, "We consider that these initiatives, which didn't succeed, are still on the table and it is up to Iran and the United States to seize (them) in a relatively short amount of time because Iran has announced new measures to reduce its commitments to the Vienna accord in November."

North Korea Says It Successfully Tested New Submarine-Launched Ballistic Missile.

Reuters (10/3, Lee) reports North Korea said Thursday it had "successfully test-fired a new submarine-launched ballistic missile (SLBM) from the sea" ahead of renewed nuclear talks with the United States. To Reuters, Wednesday's launch "was the most provocative by North Korea since it resumed dialogue with the United States in 2018 and a reminder by Pyongyang of the weapons capability it has been aggressively developing." The new type of SLBM, called Pukguksong-3, was "fired in vertical mode" in the waters off the eastern city of Wonsan, state news agency KCNA said.

Employee Kills Four At Police Headquarters In Paris.

Norah O'Donnell reported on the CBS Evening News (10/3, story 6, 1:20, 4.13M) on a Thursday attack "inside police headquarters" in Paris. Four people "were stabbed to death by a civilian employee. Imtiaz Tyab is in Paris where investigators are trying to figure out why the attacker suddenly snapped." Kelly Cobiella reported on NBC Nightly News (10/3, story 8, 1:20, Holt, 6.07M) that police say Tyab "stabbed two officers in his office and two more victims in a stairwell. France's Interior Minister said the suspect worked at police headquarters in IT for 16 years." He was shot by police in the courtyard of the building.

Reuters (10/3, Carraud, De Clercq) reports, "French broadcaster BFM TV said the attacker had converted to Islam 18 months ago." Reuters adds that French officials "did not say anything about the motive for the attack and they said they were still trying to discover if there was a terrorism link." The Washington Post (10/3, McAuley, 14.2M) reports that the attacker "served as an employee of the police department's administrative staff for 20 years."

The New York Times (10/3, Nossiter, Breeden, Peltier, 18.61M) says "discontent among police officers was already rising before the attack, and the authorities will almost certainly be asked to explain how a man with a knife was able to enter a heavily secured Police

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Headquarters filled with armed officers and kill four people before finally being brought down." The AP (10/3) reports that the attack "came a day after thousands of officers marched in Paris to protest low wages, long hours and increasing suicides in their ranks." ABC World News Tonight (10/3, story 7, 0:20, Muir, 5.76M) had a brief report.

Trump Taps Grenell As Special Envoy To Serbia-Kosovo Peace Talks.

The Washington Times (10/3, Howell, 492K) reports President Trump late Thursday tapped US Ambassador to Germany Richard Grenell to serve as a special envoy for Serbia-Kosovo peace talks. According to the Times, Grenell will retain his post in Germany "while he leads the US in helping Serbia and Kosovo settle longstanding tensions."

US Officials Worried Turkey Preparing To Launch Incursion Into Syria.

The Wall Street Journal (10/3, Lubold, Youssef, Subscription Publication, 7.57M) reports that US officials are increasingly concerned Turkey will soon launch a major incursion into northern Syria, triggering clashes with Kurdish fighters. If such an incursion were to take place, the Journal says the Administration would likely remove all US forces from Syria to avoid the conflict.

UN Calls For Dialogue After More Than 31 Iraqis Are Killed During Protests.

The AP (10/3) reports that the United Nations is "calling for dialogue between the Iraqi government and protesters," saying, "We very much regret the loss of life that we have seen over the last few days during the protests." Iraqi security forces "used live ammunition and tear gas during a third day of unrest that has left 31 people dead, most of them protesters." A spokesman said the UN "welcomes the Iraqi prime minister's announcement that he's opened an investigation into the deaths."

According to Reuters (10/3, Rasheed, Hafthi), Iraqi security forces "opened fire on thousands of demonstrators who defied a curfew in Baghdad on Thursday and exchanged fire with gunmen in southern cities" as the protests spread to other cities in southern Iraq. The Washington Post (10/3, Salim, Loveluck, 14.2M) reports the "widening protests have centered on issues that plague everyday life in the oil-rich country, among them corruption, poor services, and unemployment."

Pakistan, Taliban Call For Resumption Of Peace Talks.

The AP (10/3, Ahmed) reports senior Afghan Taliban leaders and Pakistani officials on Thursday called for the resumption of peace talks to end the war in Afghanistan. The appeal, "made during a rare Taliban visit to Islamabad, comes after months-long US-Taliban negotiations collapsed" last month. The AP says the timing of the Taliban visit – "which coincided with that of Washington's special peace envoy for Afghanistan," Zalmay Khalilzad, who was also in Islamabad on Thursday for "consultations" with Pakistani officials – "appears to indicate Pakistan is seeking to help restart the talks."

Suspicion Of Fraud Rise In Afghan Elections As Turnout Soars.

The New York Times (10/3, Mashal, Abed, Rahim, 18.61M) reports that "by early afternoon on Election Day for the president of Afghanistan, officials began to fret" about low voter turnout. The worry, however, "has now turned into suspicion of artificially high turnout. Ballot boxes from several areas that had exceptionally high turnout in the Saturday election, surprising observers, have arrived at the Independent Election Commission's tabulation centers brimming with votes." The Times says that "despite evidence that the election was conducted more cleanly compared with years past," Afghans now "fear a muddled outcome because of fraud, dragging their war-ravaged country into a new crisis."

Hong Kong To Enact Emergency Laws As Protests Continue.

Reuters (10/3, Jim, Tam) reports Hong Kong is "expected to discuss sweeping emergency laws on Friday that would include banning face masks at protests, two sources told Reuters," as the territory "grapples with an escalating cycle of violence." Authorities "have already loosened guidelines on the use of force by police, according to documents seen by Reuters on Thursday." Media reports earlier Thursday "of an expected ban on face masks...sent Hong Kong's stock market up to a one-week high." The Wall Street Journal (10/3, Western, Khan, Subscription Publication, 7.57M) reports Chief Executive Carrie Lam called a special meeting of her executive council to propose the ban, which, if agreed, would become law Friday, sources said.

The New York Times (10/3, Mozur, Qiqing, 18.61M), meanwhile, reports that umbrellas, "which became an emblem of protests in Hong Kong five years ago when they were used to deflect pepper spray, are now commonly deployed to shield protester activities – and sometimes violence – from the digital eyes of cameras and smartphones."

Cyberattacks Targeting Journalists And Opposition Figures Traced To Egyptian Government.

The New York Times (10/3, Bergman, Walsh, 18.61M) reports that a cybersecurity firm has concluded that "a series of sophisticated cyberattacks targeting Egyptian journalists, academics, lawyers, opposition politicians and human rights activists has been traced to Egyptian government offices." According to the Times, "The attackers installed software on the targets' phones that enabled them to read the victims' files and emails, track their locations, identify who they contacted and when." The Times says "two activists whose hacked by the cyberattack were arrested in a roundup of prominent opposition figures last month as part of Egypt's crackdown on antigovernment protests."

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Irish Border Remains Sticking Point As EU Mulls Johnson's Brexit Compromise Plan.

The AP (10/3) reports British Prime Minister Boris Johnson sought Thursday "to build a coalition at home to back his new Brexit approach even as key European leaders declared that the measures he just proposed fall far short of the concessions needed to forge a deal." To the AP, Johnson "offered a strikingly more conciliatory tone...than in his previous tempestuous appearances in the House of Commons, arguing that the changes his government just offered on regulating trade between Ireland and Northern Ireland after Brexit represented a significant compromise."

According to the Washington Post (10/3, Birnbaum, 14.2M), "European policymakers said Thursday that a new Brexit proposal from...Johnson was unworkable, heightening the prospects of a chaotic British departure from the European Union within weeks." The Post says that "although leaders, politicians and negotiators did not dismiss Johnson's plan out of hand, they made clear the current offer would not win support from the 27 countries that need to sign off on any withdrawal deal, and they were downbeat about it serving as the basis for serious negotiations."

Reuters (10/3, Humphries, Baczynska) reports the EU and Ireland yesterday both "said...Johnson's Brexit proposals were unlikely to yield a deal, with Dublin bluntly warning that Britain was heading towards a no-deal exit unless it made more concessions." Irish Prime Minister Leo Varadkar, "who is key to any possible deal, said he did not fully understand how the British proposals might work and that Dublin could not sign up to a treaty that did not safeguard an open Irish-British border." Reuters (10/3) reports separately that Varadkar spoke to European Commission President Jean-Claude Juncker and European Council President Donald Tusk yesterday as well.

According to Bloomberg (10/3, 4.73M), Johnson "hasn't ruled out keeping the contentious backstop arrangement for the Irish border, with one crucial condition: that the EU puts a clear time limit on it." Bloomberg says that proposal "is not something that the EU is formally considering, but it has been discussed as a potential back-up option, including by the bloc's power axis of France and Germany, EU officials said earlier this week." However, Bloomberg adds that "persuading the Irish to accept it would still be a considerable stretch."

Pompeo, Pope Discuss Protections For Religious Minorities.

The AP (10/3) reports Secretary of State Pompeo "met privately with Pope Francis and visited his ancestral home in southern Italy" on Thursday. The State Department said in a brief statement that Pompeo's meeting with the pope "focused on promoting religious freedom, particularly protecting vulnerable Christian communities in the Middle East, democracy and human rights." The AP adds, "Afterward, Pompeo made the two-hour drive from Rome to Pacentro, in Italy's Abruzzo region," which is where Pompeo's "paternal grandfather came from." According to the AP, Pompeo "appeared to be seeking some respite from the growing storm back home with his low-key schedule."

Medvedev Visiting Cuba.

Reuters (10/3, Marsh, Golubkova) reports that in Havana yesterday, Russian Prime Minister Dmitry Medvedev "kicked off an official two-day visit to Cuba...in a strong show of Russia's support for the communist-run island as it faces escalating pressure from the United States and resulting fuel shortages." According to Reuters, Medvedev "laid a wreath of flowers at the memorial to independence hero Jose Marti on Havana's Revolution Square before meeting with Cuban President Miguel Diaz-Canel and starting official talks." Reuters says Medvedev's visit is "the highest profile Russian tour since that of President Vladimir Putin in 2014."

Canadian Candidates Decline To Take Stance On Quebec's Religious Symbols Ban.

The Washington Post (10/3, Coletta, 14.2M) reports the leaders of Canada's major political parties agree "they oppose Quebec's new ban on public employees wearing hijabs, turbans or yarmulkes on the job," but "they've got no plans to do anything about it." With an election for Parliament less than three weeks away, "Quebec's Bill 21 has become an increasingly uncomfortable topic for the candidates for prime minister." The legislation has "drawn criticism across Canada and among rights advocates worldwide," but it "has support in Quebec, a key battleground in the tight race between Prime Minister Justin Trudeau's Liberals and opposition leader Andrew Scheer's Conservatives."

Canadian Antifa Hit With Backlash Over "Granny-Bullying." The Washington Times (10/3, Richardson, 492K) reports Antifa "took a public-relations hit this week in Canada after activists blocked the path of an elderly woman using a walker as she tried to enter an Ontario college for a talk featuring a conservative politician." The group was "widely denounced over a viral video showing three masked protesters standing in the woman's way Sunday as she slowly tried to cross the street, accompanied by her elderly husband," while the activists shouted, "Nazi scum! Off our streets!"

Housing

Freddie Mac: Mortgage Rates Held Steady This Week.

The Washington Post (10/3, Orton, 14.2M) reports, "Mortgage rates barely budged this week despite downward pressure from lackluster economic news." According to "the latest data released Thursday by Freddie Mac," the 30-year FRM average rose from 3.64% to 3.65%, down from 4.71% a year ago. Meanwhile, the 15-year FRM average fell from 3.16% to 3.14%, down from 4.15% a year ago. The 5/1 ARM average "was unchanged at 3.38 percent," down from 4.01 percent a year ago. Bankrate.com "found that nearly three-quarters of the experts it surveyed predict rates will fall in the coming week." The AP (10/3) reports mortgage rates "have been running near historic lows, though average rates for the key 30-year loan showed volatile swings last month," according to Freddie Mac's data.

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MarketWatch (10/3, Passy, 1.67M) reports Freddie Mac Chief Economist Sam Khater said, "While mortgage rates generally held steady this week, overall mortgage demand remained very strong. As economic growth decelerates, it is clear that low mortgage rates will continue to support the mortgage market and we expect that to persist for the remainder of the year." Also reporting on Freddie's latest rates and Khater's analysis are: National Mortgage News (10/3, McCullom), HousingWire (10/3, Lloyd, 23K), DS News (10/3, Albanese), Builder (10/3, 1K), Seeking Alpha (10/3, Kiesche, 512K), RTT News (10/3), and The AP's (10/3) Business Highlights. A piece in The Orange County (CA) Register (10/3, 546K) also cites Freddie's latest rates.

Freddie Mac's Guido Boers Wins Society for Hospitality & Foodservice Management's Leadership Award.

Total Food Service (10/4) reports Freddie Mac's Guido Boers won the Society for Hospitality & Foodservice Management's Leadership Award, which "recognizes an individual whose work on behalf of SHFM and the corporate foodservice and workplace hospitality industry has resulted in the demonstration of outstanding leadership qualities."

HUD Awards $43M In Housing Counseling Grants.

National Mortgage Professional (10/3, Hall) reports HUD "has awarded $42.8 million in housing counseling grants to 207 local, regional and national organizations and state housing finance agencies." According to NMP, "Roughly half of the funding recipients are agencies providing counseling to households within designated Opportunity Zones created under the 2017 Tax Cuts and Jobs Act. HUD also debuted an Opportunity Zone website (opportunityzones.hud.gov) that includes an interactive map of the 8,764 Opportunity Zones and the federal resources that support the residents in these areas."

Agency MBS Issuance Reaches 11-Year High In Q2 Thanks To Refi Surge.

Behind a paywall, Inside Mortgage Finance (10/3, Bancroft, Subscription Publication) reports, "Single-family MBS production from Fannie Mae, Freddie Mac and Ginnie Mae hit $463.68 billion in the third quarter, the largest agency MBS output in nearly 11 years." Ten years prior, in 2Q09, the agencies "pumped out $577.90 billion of single-family MBS in the midst of a historic refinance boom that featured surging Ginnie issuance." According to IMF, "Volume in the agency refi market jumped 65.6% from the second quarter of 2019 to the third. Fannie and Freddie recorded a combined 67.7% increase in refi business, while Ginnie volume was up 60.4% over that period. Purchase mortgages still represented the largest source of agency business, 57.7% in the third quarter, and production was up a solid 26.1% from the previous period."

Urban Land Institute Survey: Economists More Pessimistic On Housing Starts, Price Growth Through 2021.

National Mortgage News (10/3, Finkelstein) reports, "Real estate economists' outlook for single-family housing starts through 2021 weakened compared with six months ago even though they are relatively bullish on the economy, an Urban Land Institute survey found." The "41 economists and analysts from 32 companies" that made up the panel projected "single-family housing starts will decrease by 25,000 to 850,000 in 2019, following a string of increases over the previous seven years. Over the next two years, starts are expected to decline even further to 810,000 in 2020 and 800,000 in 2021." Slowing housing starts "would only exacerbate the for sale inventory shortage that persists in the marketplace. Home price growth is expected to continue to moderate over the next three years, the respondents said."

EMarketer: US Hispanic Homeownership Rate Has Not Yet Rebounded To Its Pre-Crisis High.

DS News (10/3, Welborn) reports, "Hispanic homeownership has not yet bounced back from the Great Recession, according to new data. Using data from Zillow and the July 2019 Census data, eMarketer found that U.S. Hispanic homeownership rate has yet to regain the 50.1% peak it reached in 2007." National Association of Hispanic Real Estate Professionals (NAHREP) President David Acosta said, "Hispanics consistently indicate aspirational goals toward homeownership. At a median age of 29, Hispanics are younger than the overall median US age and are [coming] into their prime home-buying years. With time, opportunity and information, more Hispanics will seek out homeownership as a key opportunity for improving their overall quality of life." According to Acosta, Hispanics are "more likely than non-Hispanics to live in multigenerational households or to otherwise experience homeownership as part of an extended family. Culturally, this factor means that saving for a down payment can be a family affair, which means multiple adults in a household contribute to the household expenses."

NAREB: Black Homeownership Rate Was Lower In Q2 Than It Was When Fair Housing Act Was Signed.

Illinois Realtors (10/3) says, "The percentage of black homeowners saw an annual decrease of one percentage point in the second quarter of 2019, according to the latest report issued by the National Association of Real Estate Brokers (NAREB)." The 40.6 percent homeownership rate in Q2 was "three-tenths of a percent lower than it was when the federal Fair Housing Act was signed in 1968," one of many contained in the 2019 State of Housing in Black America report, commissioned by NAREB." Additionally, "The 2019 black homeownership

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rate is 7 percent below its recorded peak of 49.1 percent in 2004, the report states. Also, the 2019 rate shows a 32.5 percentage point gap between blacks and non-Hispanic white homeowners."

HSH.com Calculates Annual Income Needed To Afford A Home In 50 Largest US MSAs.

The New York Times (10/3, Kolomatsky, 18.61M) says that HSH.com's quarterly report can help readers determine if they can afford to buy a home. The report tells readers "how much annual income [they would] need in order to qualify for a mortgage in the 50 largest metropolitan areas in the United States." Pittsburgh, Pennsylvania was the MSA requiring the least annual income ($38,524), while San Jose, California required the highest annual income ($249,885).

Opinion: HUD Proposal Could Lead To Discrimination In AI-Based Lending.

Writing for CNBC (10/3, Rice, Merrill, 3.62M), National Fair Housing Alliance CEO Lisa Rice and ZestFinance CEO Doug Merrill say, "More financial institutions are turning to AI and machine learning algorithms to make underwriting decisions because they use more data and sophisticated math to spot good borrowers who might have been overlooked or are too hard to score using traditionally exclusive methods." Seeking to avoid running afoul of laws prohibiting intentional discrimination or practices that lead to disparate impact, lenders have increasingly turned to AI in recent years. However, according to Rice and Merrill, a HUD proposal "threatens to squash the requirement for fair and transparent AI, and endanger critical legal tools for fighting lending and other forms of discrimination. That would work against the millions of Americans of color who face structural and systemic barriers when they attempt to get mortgages and other loans."

Markets

Treasury Yields Fall This Morning.

CNBC (10/4, Smith, 3.62M) reports "at around 4:30 a.m. ET, the yield on the benchmark 10-year Treasury note, which moves inversely to price, was lower at 1.5255%, while the yield on the 30-year Treasury bond also ticked lower to 2.0280%."

Stocks Gained Thursday.

Reuters (10/3, Randewich) reports, "Wall Street stocks climbed on Thursday after data showing U.S. services-sector activity at a three-year low fueled expectations that the Federal Reserve would cut interest rates to stem a wider economic downturn. Microsoft rose 1.2% and Facebook added 2.7%, with the two contributing more than any other companies to the S&P 500's gain." The Dow Jones Industrial Average gained 122.42 points to close at 26,201.04, while the S&P 500 was up 23.02 to 2,910.63. The Nasdaq closed up 87.02 at 7,872.27.

Dollar Steadies.

Reuters (10/4, Chatterjee) reports, "The dollar steadied on Friday before monthly jobs figures as weak manufacturing and services data this week raised concerns the US economy was losing momentum and could potentially under cut the greenback's rally." The dollar index "fell to 98.816, shedding about 0.9% after hitting a 2-1/2-year high this week." Meanwhile, the euro "rose 0.1% to $1.0970, extending its recovery from a near 2-1/2-year low of $1.0879 set on Tuesday."

Gold Rises.

Reuters (10/4, Lahiri) reports, "Gold prices rose for a fourth straight session on Friday, buoyed by safe-haven sentiment after weak US data deepened concerns over economic growth, with eyes now turning to a jobs report that could signal further US rate cuts." Spot gold "was up 0.3% at $1,508.64 an ounce at 0653 GMT," while US gold futures "were flat at $1,514.60."

Oil Climbs.

Reuters (10/4, Khasawneh) reports, "Oil futures were higher ahead of the weekend but remained on track for large weekly losses on fears that slower global economic growth will hurt fuel demand, even as Saudi Arabia said it has fully restored oil output after recent attacks." Brent crude oil futures "rose 12 cents, or 0.2%, to $57.83 a barrel by 0703 GMT," while West Texas Intermediate crude futures "rose 9 cents, or 0.2%, to $52.54."

Cybersecurity

FBI Issues Warning Of Potential "High-Impact" Ransomware Attacks.

The Hill (10/3, Miller, 2.98M) reports, "The FBI on Wednesday warned U.S. businesses and organizations of the increasing threat posed by ransomware cyberattacks, following several high-profile attacks on government offices and other public entities." The FBI "said the attacks, which involve encrypting a computer before demanding money in return for unlocking it, are 'becoming more targeted, sophisticated, and costly.' 'Since early 2018, the incidence of broad, indiscriminate ransomware campaigns has sharply declined, but the losses from ransomware attacks have increased significantly,' the FBI wrote." The FBI "has issued similar warnings of malicious actors trying to hack into websites seen as more 'secure' and have warned of business email compromises, but this was the first in 2019 highlighting ransomware attacks." Wednesday's warning "follows attacks on more than 20 Texas small towns and other entities, and attacks on multiple school districts

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in Louisiana that led Gov. John Bel Edwards (D) to declare a statewide emergency."

Forbes (10/3, Winder, 9.71M) reports, "The FBI's Internet Crime Complaint Center (IC3) last posted a warning about ransomware on September 15, 2016. Then it was urging victims to report ransomware incidents to federal law enforcement to help paint a detailed picture of the threat," but "the threat landscape revealed has been a constantly changing one." According to Forbes, "The frequency of attacks has remained relatively consistent, but the nature of them has not. The FBI reports that the incidence of indiscriminate ransomware campaigns, such as evidenced by WannaCry on May 2017, has 'sharply declined.' However, losses from ransomware have increased significantly as the attacks become 'more targeted, sophisticated and costly.'"

ZDNet (10/3, Tung, 299K) reports, "After a spate of ransomware attacks on government organizations, the FBI has come up with a new stance on paying up ransomware demands." According to ZDNet, The FBI's Internet Crime Complaint Center (IC3) "says it does not advocate paying the ransom. Paying up doesn't guarantee restored access to data and 'paying ransoms emboldens criminals to target other organizations and provides an alluring and lucrative enterprise to other criminals.'" But "the FBI says it also understands that executives running businesses that have become crippled by ransomware 'will evaluate all options to protect their shareholders, employees, and customers.'"

FBI To Monitor Violent Online Threats Linked To "Joker" Premiere.

ABC News (10/3, Margolin, 2.97M) reports, "The FBI has received tips of threatening posts on social media calling for 'unspecific mass shootings' linked to the release of the new psychological thriller, 'Joker,' starring Oscar-nominated actor Joaquin Phoenix that will hit theaters this Friday, according to a joint intelligence bulletin obtained by ABC News." According to ABC News, "These threats have been circling online platforms since at least May 2019, but give no information indicating specific or credible threats to particular locations or venues, the bulletin said." ABC News adds, "Some of the threats did contain references to a primarily online group called the involuntary celibate community, or Incels, and a subset that refers to itself as 'Clowncels,'" but "the intelligence community doesn't necessarily regard the group as a whole as a violent one. 'While many Incels do not engage in violence, some within the community encourage or commit violent acts as retribution for perceived societal wrongdoing against them,' the bulletin said. 'Some Incel attackers have claimed inspiration from previous mass shooters.'"

CNN (10/3, Shortell, 83.16M) reports, "Concern from law enforcement has been growing in recent weeks ahead of the movie's premiere." The Army "said over the weekend it had warned soldiers at at least one base, in Fort Sill, Oklahoma, about the threats, and the Los Angeles Police Department has said it will have 'high visibility' at theaters showing the movie."

USA Today (10/3, Alexander, Johnson, 10.31M) reports that an unnamed law enforcement official "said the joint FBI and Department of Homeland Security bulletin was issued out of an abundance of caution, as there is no specific or credible threat against a particular venue."

Trump Maintains Anti-Huawei Push.

In the "Cybersecurity 202" blog for the Washington Post (10/3, 14.2M), Joseph Marks writes, "President Trump took a break from denouncing Democrats' impeachment investigation during a fiery news conference yesterday to publicly pressure Finnish President Sauli Niinisto to block Huawei from his nation's 5G networks." Trump "also praised the Finnish company Nokia, which is competing with the Chinese telecom for 5G wireless contracts, as 'a great company' and 'a global leader in 5G technology.'" Trump's comments "were among just a few from Trump that didn't center on the whistleblower and impeachment investigations, and they underscore how critical the administration considers the 5G fight in Europe." Trump "has banned Huawei from playing any role in U.S. 5G networks, citing concerns the company could be complicit in Beijing spying. U.S. envoys have crisscrossed the globe urging allies to do the same," but "that effort has had limited success – especially in Europe, which is a vital U.S. military and intelligence partner."

TFI/Sanctions

Clooney, Prendergast To US: Use Sanctions To Help South Sudan.

In a USA Today (10/3, Clooney, Prendergast, Contributors, 10.31M) op-ed, The Sentry co-founders George Clooney and John Prendergast write that "the U.S. Treasury Department has frozen the U.S. assets and dollar-denominated transactions of entire networks of people and companies complicit in terrorism, nuclear proliferation, drug trafficking and other illicit activity." They "urge the United States and other governments to investigate and, if appropriate, impose network sanctions on" companies, "along with their business associates, enablers and connected companies," that profit from their support for "deadly militias that have committed mass atrocities" in South Sudan.

Federal Reserve

Fed Officials Signal Openness To Rate Cuts But Give Few Signals Of Intentions.

Reuters (10/3, Hiller, Marte) reports, "Two Fed policymakers on Thursday signaled they are open to delivering another rate cut after a report showed the growth in the vast U.S. services sector is slowing." However, Fed Vice Chairman Richard Clarida "gave little away on his own thinking," saying in New York that the Fed "will act as appropriate to sustain a low unemployment rate and solid growth and stable inflation" in an echo of Fed Chair Jerome Powell's comments made earlier in 2019.

Bloomberg (10/4, Torres, Greifeld, 4.73M) reports that Clarida, at a forum on Thursday hosted by The Wall Street Journal in New York,

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said, "The economy is in a good place. The consumer is in good shape, inflation is stable." His comments came "as a slew of weak reports this week signaled that the U.S. economy is slowing, threatening the longest expansion on record." When "asked if the chance of a recession was higher than normal," Clarida responded, "I don't think recession risks are particularly elevated under appropriate monetary policy."

Investors Bet On More 2019 Rate Cuts. In a separate piece, Bloomberg (10/3, Barrett, 4.73M) reports, "investors added to wagers on more action from the Federal Reserve to avert a recession" in light of "a disappointing report on activity in the largest swathe of the U.S. economy." The report showed "U.S. manufacturing sinking further into contraction," deepening investors' "concerns for the nation's growth outlook." The AP (10/3, McDonald) also reported on this story.

A third Bloomberg (10/3, Matthews, 4.73M) piece reports that Powell "is facing greater pressure to make a third-straight reduction in response to weakening data, volatile markets and a continued bashing from President Donald Trump." Powell "told reporters after the central bank's meeting September 18 that the Federal Open Market Committee would decide rates 'meeting-by-meeting,' and further cuts would depend on incoming reports." However, "the outlook has darkened since then, particularly this week."

Behind a paywall, Barron's (10/3, Klein, 1.07M) reports, "The September jobs report may clarify the state of the U.S. economy in light of recent weak data on consumption spending, construction investment, and capital goods manufacturing."

Mester: Low Interest Rates Bring Uncertain Risks. The Wall Street Journal (10/3, Kiernan, Subscription Publication, 7.57M) reports that Cleveland Fed President Loretta Mester warned Thursday of the risk that low interest rates could produce financial imbalances, and could leave the Fed with few tools to address non-monetary policy issues.

Evans: Fed Maintains Independence In Policymaking. Reuters (10/3) reports Chicago Fed President Charles Evans said on Thursday at a conference in Madrid that the Fed maintains "'a reasonable amount of independence' and is focused on its mandate despite criticism of its policy moves by" President Trump. Evans added that, despite the criticism, "what we need to do is to keep our head down and pay attention to our mandated objective" of boosting employment and managing inflation.

NYTimes Analysis: Fed Expected To Again Cut Rates.

The New York Times (10/3, Smialek, 18.61M) reports under the headline "Another Fed Rate Cut Is Expected After Weak Economic Data" that while "top Federal Reserve officials have said they are open-minded about whether additional interest rate cuts will be necessary" this year, "recent economic data may put that equanimity to the test. ... Data increasingly suggest" that an economic slowdown is "materializing...[and] investors have ramped up their expectations for a rate cut at the Fed's Oct. 29-30 meeting."

NY Fed Injects Another $33.55B Through Repo Market.

The Wall Street Journal (10/3, Barba, Subscription Publication, 7.57M) reports the New York Fed again added money to the financial system through the repo market on Thursday, this time adding $33.55 billion.

Financial Regulatory Agencies

Regulators Call For More Research Into Reasons Why Banks Sell.

American Banker (10/3, Davis, Subscription Publication, 31K) reports Fed Governor Michelle Bowman and the FDIC Chair Jelena McWilliams "called this week for more research into the reasons for, and the impact of, bank consolidation." At a St. Louis Fed conference on the future of community banking, Bowman "said Tuesday that how much banks earn...seems to be the main determinant of which ones sell and which ones remain independent." But on Wednesday, Philadelphia Fed President Patrick Harker said banks that "don't have sufficient scale, or don't meet a specific need, are the ones being acquired...because they don't have a compelling story." Meanwhile, McWilliams in an interview Tuesday said regulators should understand why banks sell, particularly when the seller's business model was disrupted. Bowman "also discussed M&A's impact on communities." Citing Community Reinvestment Act evaluations, she "pointed to reduced donations for child care, homeless shelters, scholarship programs and other local needs as well as a decline in community service."

Internal Revenue Service

"Accidental Americans" Face Difficulty Clearing Themselves With The IRS.

CNBC (10/3, Mercado, 3.62M) reports on its website that "thousands of 'accidental Americans' residing in Europe...are finding out that they are subject to tax reporting requirements from the IRS, as well as foreign account filings with the Treasury Department" due to having been born in the US to foreign parents. However, those "individuals who are US citizens because they were born here or because they had at least one parent who is a U.S. citizen...don't identify as such." Since the IRS taxes US citizens no matter where they live, these individuals "must file income, estate and gift tax returns with the IRS." However, doing so can be a difficult process as they must "secure piles of documentation to obtain a Social Security number or Individual Taxpayer Identification Number and begin filing their taxes."

Office of the Comptroller of the Currency

Fed To Finalize Reg Relief For Midsize Banks.

American Banker (10/3, Lang, Subscription Publication, 31K) reports the Fed Board will meet next Thursday "to finalize changes to its enhanced supervision program as well as requirements for institutions to submit wind-down plans." The meeting "will focus on a plan seen as

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benefiting mostly midsize and regional banks." The new system would ease supervision for midsize banks compared to the largest institutions. The Fed in October proposed a "tiered structure for domestic bank and thrift holding companies with over $100 billion of assets," and in April, the Fed proposed "a similar tiered structure for foreign banks and a reduction in how often firms submit resolution plans." The Fed has proposed some of these changes on its own and some in concert with the OCC and the FDIC.

BB&T, SunTrust Gain Temporary Reprieve From Stress Test Requirements.

The Winston-Salem (NC) Journal (10/3, Craver, 168K) reports BB&T and SunTrust "received Thursday what is likely to be a temporary reprieve from having to comply with federal stress-test requirements." Unrelated to the banks' proposed megadeal, the OCC "said Thursday it is revising the frequency by which certain national banks and federal savings associations are required to conduct stress tests from annual to every two years, beginning in 2020." The big four – JPMorgan Chase, Bank of America, Citigroup, and Wells Fargo – would still be required to conduct stress tests annually. The OCC is also "reducing the number of required stress testing scenarios from three to two, as well as making additional technical changes to the stress testing requirements."

Two Miami-Based Community Banks Receive "Outstanding" CRA Evaluations.

Behind a subscriber wall, the South Florida Business Journal (10/3, Portero, Subscription Publication, 855K) reports Miami-based Pacific National Bank and Continental National Bank both received the top rating of "outstanding" in Community Reinvestment Act evaluations released by the OCC October 2. Pacific National received the top rating for "originating a strong number of community development loans and exhibiting excellent responsiveness to credit and community development needs in its assessment area," while Continental National received an outstanding rating for its "excellent distribution of loans in low and moderate-income communities, for lending to businesses of different sizes, and meeting community development needs" during the May 2016 to Dec. 31, 2018 evaluation period.

Analysis: Defaults On Modified Loans Could "Sink" Home Prices.

Writing for MarketWatch (10/3, 1.67M), real estate analyst Keith Jurow says that re-defaults on home mortgage modifications "are a massive problem – and endanger the US mortgage and housing markets." In its Mortgage Metrics Report for the first quarter of 2019, the OCC "noted that 21% of the most recently modified loans had re-defaulted within six months." The OCC's Mortgage Metrics Report reveals "that for the past five years (or longer), roughly 75%-95% of all mortgage modifications have included capitalization of interest arrears, meaning all delinquent interest payments have been added to the outstanding principal."

Editorial Wrap-Up

New York Times.

"Trump, The Self-Impeaching President." The New York Times (10/3, 18.61M) editorializes that while yesterday's comments by the President "might seem self-defeating – 'self-impeaching,' even," Trump "is a master at what a former New York senator, Daniel Patrick Moynihan, called defining deviancy down. One baldfaced presidential lie, once exposed, is an outrage; a thousand such lies is a statistic." The Times adds, "If Mr. Trump has evidence of possible corruption overseas, his counsel should relay it to the Department of Justice and let the FBI do its job, in coordination with its foreign counterparts."

Washington Post.

"California Is Making The NCAA Extremely Angry. Good." In an editorial, the Washington Post (10/3, 14.2M) sides with the state of California regarding its new law "to allow college athletes to earn money from endorsements. ... The Fair Pay to Play Act, the first of its kind in the country, challenges long-standing rules that bar students on athletic scholarships from being paid beyond the value of their scholarship." The Post says the "apoplectic" National Collegiate Athletic Association has until 2023 – when the law will take effect – "to devise its own solution."

"Trump Is Now Publicly Abusing His Oath Of Office." In an editorial, the Washington Post (10/3, 14.2M) writes, "That a request for a foreign investigation of a US citizen would come directly from the president, in the absence of any legitimate US probe, is a blatant violation of that citizen's rights and of the US rule of law." Moreover, that President Trump "does it in front of television cameras makes it no less egregious: In doing so, he is attempting to normalize what should be utterly unacceptable presidential behavior."

Wall Street Journal.

"Harvard's Legal Discrimination." The Wall Street Journal (10/3, Subscription Publication, 7.57M) argues that in a ruling this week, a federal judge essentially said Harvard may discriminate against Asian-American applicants in the name of racial diversity. The Journal says this contradicts both the Civil Rights Act of 1964 and the 14th Amendment, and says it may fall to the Supreme Court to resolve.

"Unconstitutional Tax Tricks." The Wall Street Journal (10/3, Subscription Publication, 7.57M) says in an editorial that just this week, courts overruled New York on its 2017 tax reform and California on its law requiring presidential candidates to disclose their income tax returns to appear on the state's primary ballot. The Journal says courts rightly ruled that the states' actions were political posturing, not sound or constitutional policy.

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"Charter Schools Ace Another Test." In an editorial, the Wall Street Journal (10/3, Subscription Publication, 7.57M) highlights a study of 21 urban school districts by the Thomas B. Fordham Institute as the latest indicator that charter schools are improving education for some of the most at-risk students.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Trump Urges China To Investigate The Bidens
Barr Presses Facebook On Encryption, Setting Up Clash Over Privacy
US Officials Are Worried About Turkish Foray Into Syria
'Active Interest': Insurance Tycoon Spied On Women Who Caught His Eye
Finally, Feel Free To Return That Library Book You Checked Out In 1981

New York Times:

Trump Publicly Urges China To Investigate The Bidens
Trump Envoys Pushed Ukraine To Commit To Investigations
Barr Pushes Facebook For Access To WhatsApp Messages
How A Fringe Theory About Ukraine Took Root In The White House
Parents Paid To Open College Doors. Now They're Spending To Limit Prison Time.
She Was Raped By A Classmate. She Still Had To Go To School With Him.

Washington Post:

IRS Official: Possible Meddling With Audit
Trump Publicly Calls On China To Investigate Bidens
Trump's GOP Critics Endure Invite Face Attract Viral Disinformation Campaigns
Court To Mull Transgender, Gay Rights In Workplace
Third-Party Sellers Feel A Squeeze From Amazon
Volker Says He Warned Giuliani Of Spurious Ukrainian Sources

Financial Times:

Hong Kong To Seek Mask Ban
Fears Persist Over Global Economy On Trade Tensions And Dismal Data
PayPal On Point Of Walking Away From Facebook's Libra Digital Currency Drive

Washington Times:

Pelosi Faces Serious Legal Challenges To 'Casual' Impeachment Inquiry
'Swagger' Or Stumble? Mike Pompeo, State Department Under Scrutiny In Ukraine Furor
Volker Testimony Doesn't Advance Democratic 'Narrative,' GOP Congressmen Say Outside Hearing
Michael Bennet's Charmed Political Career Hits Snag As Presidential Bid Stalls
John Durham Probe Goes Worldwide To Examine Spies And Their Trump Targets
'Chance To Thrive': Iraqi Christians Return After Decades Of Hardship

Story Lineup From Last Night's Network News:

ABC: Trump's Requests; Volker Testimony; Intelligence Community IG Testimony; Mississippi-Military Training Exercise Accident; Florida-Helicopter Pilots Rescued; Connecticut Plane Crash; Paris Stabbing Rampage; Washington-Apartment Building Shooting; Las Vegas Shooting Settlement; Vaping Epidemic; Bernie Sanders Health Update; Robert De Niro Case; Virginia Doctor Sentenced; Georgia Shooting; EEE Virus.

CBS: Vaping Epidemic; Trump's Requests; Impeachment Investigation-WH Documents; Volker Testimony; Connecticut Plane Crash; Paris Stabbing Rampage; Las Vegas Shooting Settlement; Oregon-Fertility Clinic Sued; Robert De Niro Case; Mississippi-Military Training Exercise Accident.

NBC: Trump's Requests; Volker Testimony; IRS Whistleblower Complaint; Washington-Apartment Building Shooting; Florida-Helicopter Pilots Rescued; Connecticut Plane Crash; Las Vegas Shooting Settlement; Paris Stabbing Rampage; DC-Christopher Hasson Case; OSU Sex Abuse Scandal; Amanda Knox Interview; Bernie Sanders Health Update; Vaping Epidemic.

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Network TV At A Glance:

Trump's Requests – 8 minutes, 10 seconds

Connecticut Plane Crash – 5 minutes, 45 seconds
Volker Testimony – 5 minutes, 5 seconds
Vaping Epidemic – 4 minutes, 35 seconds
Paris Stabbing Rampage – 3 minutes

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Trump's Requests; Volker Testimony; Vaping Epidemic; DC-Christopher Hasson Case; Oklahoma-Alfallaj Sentenced.
CBS: Volker Testimony; Trump's Requests; Impeachment Inquiry-WH Letter; Biden Campaign Fundraising; Las Vegas Shooting Settlement; Vaping Epidemic; Jobs Report.
FOX: Volker Testimony; Impeachment Inquiry-WH Letter; Energy Secretary Expected To Resign; Wall Street; North Korea-Missile Launch; US Reopens Embassy In Somalia; WNBA Controversy; LAX Changes.
NPR: Trump's Requests; Vaping Epidemic; Illinois-Fetal Remains Discovered; Facebook's Encrypted Messaging; Amazon Fires; Wall Street.

Last Laughs

Late Night Political Humor.

Jimmy Kimmel: "Yes, your phone calls are innocent, your crowds are the biggest, your hands are the largest. Your face is the orangest. You are the best at everything. Even God is jealous of you, Donald Trump. Trump is roping everyone into this. This could go all the way to the Space Force."

Jimmy Kimmel: "And you know who's been consulting Rudy, giving him advice on Ukraine? Paul Manafort, Trump's former campaign chairman, who's currently in prison for what he did in Ukraine. We're like one news cycle away from Rudy Giuliani unhinging his jaw and swallowing a mongoose on 'Fox and Friends.'"

Stephen Colbert: "You know, the Constitution gives the accused the right to remain silent, and clearly Donald Trump has never read the Constitution."

Stephen Colbert: "Just when you think Trump can't dig himself a deeper hole, he literally reaches China."

Stephen Colbert: "Trump made these comments on his way to Florida, to visit something called 'The Villages,' which is the largest retirement community in the country. I thought that was the US Senate."

Stephen Colbert: "The population of the villages is perfect for Trump: The median age is nearly 71. Or as Trump calls them: 'the youth vote.'"

Stephen Colbert: "They love him down there. In fact, Trump was treated to a golf cart parade."

Stephen Colbert: "The only thing whiter than a golf cart parade would be a mayonnaise water slide."

Stephen Colbert: "Yesterday, the inspector general of the State Department rushed to Capitol Hill for an urgent briefing with the leaders of the House of Representatives. Everyone wondered what could be so urgent. Did he have more transcripts of Trump's phone calls? More incriminating emails from Pompeo? Spoilers for the new season of 'Young Sheldon'?"

Stephen Colbert: "Turns out, none of that. Turns out, the inspector general wanted to give Congress a 'mysterious' packet of Ukraine disinformation that members of Congress described as 'bizarre and confusing.' Which was tough because 'bizarre and confusing' are also the Secret Service code names for Don Jr. and Eric."

Stephen Colbert: "This mystery packet included debunked smears against, among others, Hunter Biden and the former US ambassador to Ukraine. It is an unfathomable mystery who would want to circulate such discredited – and it's Giuliani. Because last night, Rudy admitted it was him to CNN, but it was already pretty obvious considering the packet contained several folders that appeared to have come from a Trump hotel and copies of interview notes bearing the address of Mr. Giuliani's New York office. Oopsa-dummy. That's like if Bruce Wayne's house had a sign that said: 'Welcome to Wayne Manor, home of the Bat Cave.'"

James Corden: "Now he's asking China – I mean, Trump is literally doubling down on the same strategy that launched the impeachment inquiry. He's like, 'Hey, they can't impeach me twice.'"

James Corden: "Trump once publicly called on Russia to investigate Hillary Clinton. Then he asked for Ukraine's help with the Bidens. Now he is asking China. You have to admit it, in his own way, Trump really does bring the world together."

James Corden: "The President is now openly colluding with foreign governments. He doesn't even care about appearances anymore. It's like when a divorced dad goes, 'That's it, from now on, I'm wearing sweat pants every day.'"

James Corden: "Speaking of the President, as you may know he tweeted out a Nickelback meme yesterday, because apparently that's what presidents do nowadays. Overnight, Twitter took down the tweet after receiving a copyright complaint. Nickelback versus Donald Trump. No matter who wins, we all lose."

Jimmy Fallon: "Actually, everything happening in Washington right now feels like a Taylor Swift song. Democrats knew Trump was 'Trouble' when he walked in. Now they have 'Bad Blood' and Nancy Pelosi is like, 'Look What You Made Me Do'."

Jimmy Fallon: "It's crazy. In the middle of being investigated for asking foreign countries for election help, Trump publicly asked foreign countries for election help. That's like chugging a beer while taking a breathalyzer test."

Jimmy Fallon: "But people close to Trump are worried that he's becoming more and more unglued. Unglued parts of Trump are his teeth and his hair."

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Jimmy Fallon: "And everyone's talking about this yesterday, Trump tweeted a video about Joe Biden that featured a Nickelback song, but Nickelback had the video taken down. It's not a good sign for Trump when even Nickelback is like, 'We can't be associated with you.'"

Jimmy Fallon: "Today, he gave a speech about healthcare in Florida, and when it was over, Trump swung by the Everglades to grab some alligators for his border moat."

Jimmy Fallon: "Joe Biden made a speech in Nevada and told Trump, 'You're not going to destroy me.' Yeah, then Biden was like, 'I'm letting Elizabeth Warren do that instead.'"

Jimmy Fallon: "In other 2020 news, Beto O'Rourke just posted an Instagram video of himself getting a flu shot. [This is the] first time since the campaign started that we can honestly say Beto's got a shot."

Seth Meyers: "President Trump today publicly suggested that both Ukraine and China should investigate the Biden family. Oh, what happened to doing your crimes in private? Trump's like a mobster who, instead of throwing a body in the trunk, throws it in the passenger seat so he can use the carpool lane."

Seth Meyers: "According to the Washington Post, President Trump has privately suggested that US forces form a human wall to prevent people from crossing the border. I don't want to say the President is a child, but his immigration policy is literally 'Red rover, red rover. Send nobody over.'"

Seth Meyers: "According to a new poll, Sen. Elizabeth Warren is trailing former Vice President Joe Biden in Ohio by two points. But that could change as soon as Biden accidentally calls it Idaho."

Seth Meyers: "CNN announced today it will not air a campaign ad for Trump 2020, though they will keep airing this ad for Trump 20 To Life."

Seth Meyers: "The New York Times has published an article about the advanced age of the top three Democratic candidates entitled, 'Is Age Only A Number Even When You're Running For President?' And this can't be a good sign: All three cut out the article to read later."

Seth Meyers: "Presidential hopeful Sen. Kamala Harris is featured on the new cover of Time magazine. Not to be outdone, Joe Biden is featured on the new cover of Don't Touch."

Trevor Noah: "And I'm so glad that Bernie is still, like, in the mix. This is what I love about him! He's consistent! Most people wouldn't think about other people and their policies in a crisis, but Bernie uses it as an opportunity to reinforce his beliefs. The dude has a heart procedure and his first statement is, 'This is why America needs healthcare!' If Bernie was kidnapped by the Joker, he would be, like, 'This is why we need better healthcare in Gotham! These psychopathic clowns, they need our help!'"

Trevor Noah: "This guy [Trump] is unbelievable. He's already facing impeachment for asking Ukraine to investigate Joe Biden, and now he's like, 'You know what, China? Get on it too! You jump in as well!' Trump may be the only person on Earth who thinks two wrongs do make a right."

Trevor Noah: "Now as the scandal develops, more and more people in Trump's orbit are getting sucked in. First Trump's personal lawyer, then his Secretary of State. I wouldn't be shocked if next week we find out Sean Spicer is a part of this. Be like, 'Yeah, he's been sending secret messages to Ukraine on 'Dancing With The Stars' because that's not dancing, we can all agree. That's full-body Morse code. That's what that is.'"

Trevor Noah: "So Mike Pence likely knew about the phone call, had access to the transcript, and personally told Zelensky he wasn't getting his military aid. I'm not shocked Pence was involved because he does whatever Trump tells him, right? Trump is Homer Simpson, right, and he basically picked Ned Flanders as his VP. If Trump says jump into that volcano, Pence would be like, 'Oakey dokey, sir. I'll do it.'"

Trevor Noah: "When there's a Trump scandal, Mike Pence doesn't know what's going on. He's like every mom watching a movie. 'Is that the bad guy?' 'No, Mom, that's the Pixar lamp. It hasn't started yet.'"

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Speaks at Turning Point USA Black Leadership Summit.
- Vice President Pence — Joins the President for the Young Black Leadership Summit 2019.

US Senate:

- Senate Small Business Committee field hearing on Florida's coastal economy – Field hearing on 'Florida's Coastal Economy: Opportunities and Challenges in the Florida Keys', with testimony from Monroe County Administrator Roman Gastesi; Monroe County Tourist Development Council Director of Marketing Stacey Mitchell; and World Angling CEO Will Benson

10:00 AM

- Senate convenes for pro forma session – Senate convenes for pro forma session

Location: U.S. Capitol; 4:30 PM

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• Senate on recess from Sept. 27 – Oct. 15

US House:

• House meets in pro forma session – House of Representatives meets in pro forma session

Location: U.S. Capitol; 10:00 AM

• House Small Business Committee field hearing on 'connecting rural Americans to reliable Internet service' – Field hearing on 'Closing the Digital Divide: Connecting Rural Americans to Reliable Internet Service', with testimony from Otsego Electric Cooperative CEO Tim Johnson; Sap Bush Hollow Farm Store and Cafe owner Shannon Hayes; Columbia Connect Co-Chair David Berman; Delhi Telephone Company General Manager Jason Miller; Middleburgh Central School District Superintendent Brian Dunn; and Columbia Memorial Health Chief Medical Officer Dr Cliff Belden

Location: Columbia Greene Community College; 1:00 PM

• House of Representatives on recess from Sept. 27 – Oct. 14

Cabinet Officers:

• AG Barr keynotes Lawful Access Summit on warrant-proof encryption and child exploitation cases – Department of Justice hosts a Lawful Access Summit on warrant-proof encryption and its impact on child exploitation cases. Keynote from Attorney General William Barr, with other speakers including FBI Director Christopher Wray, Deputy Attorney General Jeffrey Rosen, and National Center for Missing and Exploited Children co-founder John Walsh

Location: Robert F. Kennedy Department of Justice Building; 8:00 AM

Visitors:

• Hudson Institute discussion on the future of Kashmir – 'Security, Stability, and the Future of Kashmir' Hudson Institute discussion, to discuss India's revocation of Jammu and Kashmir's special status, responses from the international community, and the implications for U.S. foreign policy in the region. Speakers include former Indian Member of Parliament Saifuddin Soz, Atlantic Council South Asia Center distinguished fellow Shuja Nawaz, and Hudson Institute Initiative on the Future of India and South Asia Director Aparna Pande, and Heritage Foundation Asian Studies Center Research Fellow Jeff Smith

Location: Hudson Institute; 10:00 AM

• Wilson Center discussion with Argentine politician on upcoming presidential election – 'What Comes Next in Argentina?' Wilson Center event, with former Argentine presidential candidate Sergio Massa discussing the upcoming presidential race between incumbent Mauricio Macri and challenger Alberto Fernandez and analyzing management plans dealing with the country's currency run and debt crisis

Location: Wilson Center; 10:00 AM

This Town:

• Atlantic Council discussion on 'The State of OT Cybersecurity in the Utilities Industry' – 'The State of OT Cybersecurity in the Utilities Industry' Atlantic Council Global Energy Center and Cyber Statecraft Initiative discussion on 'the increasing threat of cyberattacks targeting energy infrastructure and the utility industry's ability to protect grid assets with cybersecurity technologies and strategies'. Includes keynote from former Secretary of Homeland Security Michael Chertoff and panel with Cyber Statecraft Initiative Director Trey Herr, Tenable COO and co-founder Jack Huffard, The AES Corporation Cybersecurity Technology Strategy Director Dante Martins, Chronicle Security co-founder Shapor Naghibzadeh, and Siemens Industrial Cyber and Digital Security Vice President and Global Head Leo Simonovich

Location: Atlantic Council; 9:00 AM

• Federal Reserve Board 'Fed Listens' event – Federal Reserve Board 'Fed Listens: Perspectives on Maximum Employment and Price Stability' event. Speakers include Federal Reserve Board Chair Jerome Powell, Federal Reserve Board Vice Chair Randal Quarles and Federal Reserve Governor Lael Brainard

Location: Marriner S. Eccles Federal Reserve Board Building; 2:00 PM

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• Hillary and Chelsea Clinton continue book tour in Washington, DC – Former Secretary of State Hillary Clinton and her daughter

Chelsea Clinton continue 'The Book of Gutsy Women: Favorite Stories of Courage and Resilience' book tour in Washington, DC, hosted by Politics and Prose and George Washington University

Location: Lisner Auditorium; 6:00 PM

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iPhone optimized version and searchable archives available at treasury.bulletinintelligence.com.

TO: THE SECRETARY AND SENIOR STAFF
DATE: FRIDAY, SEPTEMBER 27, 2019 6:00 AM EDT

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• White House Has Signaled Support For Pot Banking Bill.
• Saudi Crown Prince Denies Knowledge Of Khashoggi Murder Plot.
• Senators Introduce AML Reform Bill Requiring Disclosure Of True Owner.
• Opinion: Jackson Should Remain On $20 Bill.

Leading National News

• Pence Urges Supporters In Indiana To Call On Elected Officials To Pass USMCA.
• Kudlow Touts US-Japan Trade Deal.
• China Expected To Boost Purchases Of US Soybeans Next Month.
• China Seen As Flirting With Using Yuan In Trade War.
• Lumber Mills Cut Jobs Amid China Trade War.
• Reuters Analysis: Downturn In Business Investment Blamed On Trump's Trade Policies.
• Income Inequality Widens To Highest Level In Decades.
• IPO Market Shows Signs Of Cooling As Peloton Falls, Endeavor Cuts Range.
• New York Prosecutors Agree To Delay Enforcement Of Subpoena For Trump Tax Returns.
• Wells Fargo Interim CEO Seen As Likely To Keep Job.
• Whistleblower Says White House Tried To "Lock Down" Information About Call.
• Maguire Defends Keeping Report Secret, But Says Whistleblower Acted Properly.
• Pence: Democrats Making "Baseless Allegations."
• Giuliani: "When This Is Over, I Will Be The Hero."
• Bernstein: "Sources" Say Barr Preparing "Proof" Of "Deep State Conspiracy."
• Contrary To Whistleblower's Complaint, Brechbuhl Was Not On Trump-Zelensky Call.
• Schiff Appeared To Fabricate Quotes Out Of Trump-Zelensky Call During Thursday Hearing.
• Key Source Denies "Bombshell" ABC Story About Trump-Zelensky Call.
• Morning Consult/Politico, NPR/PBS/Marist Polls Show Rising Support For Impeachment.
• McCarthy Says He Intends To Force Vote On Impeachment Inquiry.
• Trump Warns Impeachment Could Cause Market "Crash."
• Johnson Defends Trump, Says His Concern Is About Leak Of Presidential Conversation.
• Ex-US Ambassador Becomes Lightning Rod In Ukraine Affair.
• Pelosi Left Draft Of Impeachment Inquiry Remarks On Plane.
• WTimes Analysis: Ukraine Scandal Could Aid Warren Against Biden.
• Hillary Clinton Says Trump "Knows He's An Illegitimate President."
• Tlaib Launches Line Of "Impeach The MF" T-Shirts.
• GM To Pay For Healthcare Benefits Of Striking Workers.
• Administration Cuts Refugee Cap Almost In Half.
• Trump Highlights Tweet On Freeing Of "Violent" Immigrants From North Carolina Jails.
• Trump Praises Capito For Her Work On Border Security.
• US Immigrant Population Grew At Slowest Rate Since 2008 Last Year.
• Under Deal With US, Honduras To Take In Cubans And Nicaraguans.
• El Salvador's Bukele: Nation Has To Fix Its Problems.
• New ICE Director In Chicago Criticizes City's Sanctuary Status.
• Conservative Olson To Represent "Dreamers" In Supreme Court Case.
• NTSB Unveils Recommendations After 737 MAX Crashes.
• CDC: Number Of Vaping-Related Illnesses Climbs To 805.
• ADL Identifies 36 More Items, Including "OK" Hand Sign, As Hate Symbols.
• WPost: Two Years After Killing Of Unarmed Motorist By Park Police, Questions Remain Unanswered.
• Tropical Storm Karen Expected To Weaken As Lorenzo Strengthens To Category 4.
• Parent Sentenced To Four Months In Prison In College Admissions Scandal.
• Chicago Teachers Union Votes To Authorize Potential Strike.
• School Quiz Refers To Trump As "45th President, Republican, Idiot."
• Senate Confirms Scalia As New Labor Secretary.
• Trump Nominates Gaynord To Lead FEMA.
• Senate Confirms Hyten As New Vice Chair Of Joint Chiefs.
• Army Secretary Confirmed On Voice Vote.
• Scottish Council Approves Trump Organization Plan To Build 550 Houses.

Attachment CFTC-22-0351-A-002046

• Parents Protest After Bullied Teen Beaten At California Middle School Dies.
• NIH Awards $945M To Research Addiction And Chronic Pain.
• Trump To Hold Rally In Minneapolis On October 10.
• In Tweet, Trump Lauds Senate Appropriations Chairman Shelby.
• Circuit Judge Nominee Loses Support Of Second GOP Judiciary Panel Member.
• EPA Links California Water-Quality Issues To Homelessness Crisis.
• Pentagon: Suicide Rate Among Troops Increased To Highest Level In Five Years.
• Female Veterans Advocate Sexually Assaulted At VA Center.
• US Attorney Warns Of Possible Russian Interference In 2020 Elections.
• Harvard CAPS/Harris Poll: Biden 28%; Warren 17%; Sanders 16%; Harris 6%.
• Worried Biden Supporters May Form Super PAC To Back His Bid.
• Politico Report: Biden's Brother Told Investors Cancer Initiative Could Benefit Them.
• CNBC Report: Some Wall Street Democrats Will Defect To Trump If Warren Is Nominee.
• Ex-HHS Chief Price Seeks To Be Appointed As Isakson's Successor.
• RCP Average Has Trump's Job Approval At 44.7%.

Financial International News

• BOE Official: Rate Cut "Plausible" If Brexit Uncertainty Persists.
• Lagarde Facing Challenge Of Smoothing ECB Feathers After Top Official Resigns.
• Merkel: Governments Should Ensure ECB Is Not Overburdened.
• IMF Not Saying When Argentina Could Get Final Loan Disbursement.
• Central Banks Hawks Growing More Vocal Against Low Rates.
• In New Ukraine Loan Talks, IMF Presses For Central Bank Independence.
• Mexican Economy Minister: Rate Cuts Critical For Reactivating Economic Growth.
• ABN Amro Latest Bank Being Probed Over Potential Money Laundering.
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• In Surprising Twist, GSE Shareholders Petition To Send Their Case Against FHFA To Supreme Court.
• Freddie Mac: 30-Year FRM Average Fell From 3.73% To 3.64% This Week.
• Maxwell Releases In-Depth Examination Of Role Of GSEs In Popularizing 30-Year FRM, How GSE Reform Could Impact The Product.
• CMBS Market Gets A Shot In The Arm As GSEs Reach Lending Caps.
• CoreLogic Places GSE Reform Among The Top Five Forces "Driving Disruption In The Housing Market."
• Freddie Mac's Total Mortgage Portfolio Grew An Annualized 12.9% In August.
• MBA: Multifamily Lending Rose To Record High In 2018.
• CFPB Looks Into APR Issues, Finding Inaccurate Disclosures In Reverse Mortgages.
• KBW: HUD's Reform Plan Unlikely To Significantly Impact FHA Operations In The Near Term.
• GAO: FHA Needs To Better Monitor Reverse Mortgage Servicing.
• IASB Issues Changes To Hedge Accounting Rules To Ease Burden On Companies Transitioning Away From Libor.
• Loan Modifications Being Used As A Reward For Responsible Borrowers To Boost Customer Retention.
• In Q2, Mortgage Debt Tied To MBS Kept Growing, Albeit More Slowly Than Bank, Thrift And CU Portfolios.
• NAR: Pending Home Sales Rose More Than Expected In August, Thanks To Low Mortgage Rates.
• BEA: US Inflation-Adjusted GDP Grew At Annual Rate Of 2% In Q2.
• Tony Morrison CEO: Millennial Buyers Are Driving The Recent Surge In Housing Starts.
• Analysis: Low Mortgage Rates Are Fueling The Rebound In Housing, But Things Could Be Better.

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• Dollar Softens.
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• Senate Approves Temporary Spending Bill, Avoiding Shutdown For Now.

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• AT&T Redirected Pen-Test Payloads To FBI Tips Portal.
• DHS IG Says Agency Needs Better Grasp Of Its Cyber Workforce.
• Cyber Rules For Self-Driving Cars Stall In Congress.

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• Hackers Found Voting Machines Throughout US Vulnerable To Attack.
• New York AG Sues Dunkin' Brands Over 2015 Data Breach.
• Iran Checking Cyber Security At Key Energy Sites.
• US Navy Plans To Select Cyber Chief Following Critical Audit.
• Hackers Tried To Steal Airbus Secrets Via Contractors.
• Google Won't Explain Why It Removed Dozens Of Apps From Major Chinese Developer.
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• New York Fed Awards $50.1B Overnight Repos.
• Paper Argues Trump's Fed Attacks Are Helping To Drive Rate Cuts.
• Clarida: Inflation Expectations In Line With Fed Mandate.
• Kaplan Says US Needs More, Not Less, Immigration To Grow Economy.
• Kashkari Says US Economy Needs Lower Rates.
• Barkin Points To Political, Trade Risks That Threaten US Economy.
• McHenry Wants Fed To Detail Its Cybersecurity Preparations.
• Big Banks Complicating Fed Repo Efforts.
• Non-Public Rules Could Explain Why Banks Didn't Step In After Repo Crisis.
Financial Regulatory Agencies
• FDIC To Examine Suspicious TX Bank Failure.
Internal Revenue Service
• IRS Voluntary Tax Compliance Rate Remains At 84%.
• TIGTA: IRS Meets Firewall Standards, But Has Room For Improvement.
Office of the Comptroller of the Currency
• Chase Opens First Branch In Albany.
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Trump: Ukraine Story "Another Witch Hunt," Whistleblower's Source "Close To A Spy."

While conservative news outlets sounded a sympathetic tone, mainstream media reports – including segments on all three major network newscasts – cast the President's comments yesterday about the impeachment drive against him in a sharply unfavorable light. Media analyses were derisive toward Trump's assertion – available in audio obtained by the Los Angeles Times and video published by Bloomberg – that the anonymous whistleblower's source was "close to a spy." Reports also dismissed his criticism of Democrats and Rep. Adam Schiff (D-CA) as an attempt to distract from the charges against him. The New York Times (9/26, A1, Haberman, 18.61M) reports the President "told a crowd of staff from the United States Mission to the United Nations on Thursday morning that he wants to know who provided information to a whistle-blower about his phone call with the president of Ukraine, saying that whoever did so was 'close to a spy' and that 'in the old days,' spies were dealt with differently." Trump is quoted as saying, "I want to know who's the person who gave the whistle-blower the information because that's close to a spy. You know what we used to do in the old days when we were smart with spies and treason, right? We used to handle it a little differently than we do now."

Though the New York Post (9/26, Fredericks, 4.57M) indicates that after Trump spoke "laughter can be heard in the background," ABC World News Tonight (9/26, story 2, 1:45, Muir, 6.8M) said the comments "shocked some in the room," and added (Moran) that Trump's "thoughts [had] turned violent." Along those lines, USA Today (9/26, Collins, Johnson, 10.31M) notes Schiff called Trump's comments "'a reprehensible invitation to violence' against witnesses in the committee's investigation." Along similar lines, on NBC Nightly News (9/26, story 5, 1:35, Holt, 5.53M), Andrea Mitchell said Trump's comments "could have a chilling effect on future whistleblowers who are going to be afraid to report wrongdoing." NBC Nightly News (9/26, story 2, 2:00, Jackson, 5.53M) also reported "treason is a crime punishable by death," and that the President made "those comments with children in the audience, according to a person briefed on the remarks." NBC further stated that "inside the West Wing there appears to be rising 'anxiety, unease, and concern' as one source close to the White House described the mood." Another source paints "a picture of 'shell-shocked' staffers with growing fears impeachment pressure could trigger erratic and maybe unmanageable behavior from the President."

The CBS Evening News (9/26, story 2, 2:25, Tracy, 4.55M) also said the "the President suggested whoever spoke to the whistleblower...might be a traitor," and also "alluded to punishments, such as imprisonment or execution," and Axios (9/26, Ayesh, 521K) that "Trump has used language to suggest he wants to retaliate against people who don't do what he wants or question his actions," and that "the whistleblower seems to be trying to avoid some of the blowback experienced by past Trump enemies, like former FBI Director James

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Comey."

NBC News (9/26, 6.14M) reports White House officials "were scrambling Thursday to figure out how to counter the renewed Democratic impeachment push, with one source familiar with the situation describing a sense of 'total panic' over the past week at the lack of a plan to address the new reality." The piece says the "lack of a long-term strategic vision has been starkly visible, as when Secretary of State Mike Pompeo and Treasury Secretary Steve Mnuchin indicated they were not going to release the memo describing Trump's call with the Ukrainian president — and then 48 hours later feeling that there was no choice but to release the document, according to a source familiar with the situation."

Meanwhile, in an op-ed in USA Today (9/26, 10.31M), Tom Nichols refers to "Trump's new impeachable offense," which "is threatening the life of a CIA officer" – meaning the whistleblower. Jim Sciutto said on CNN (9/26, 1:16 p.m. ET, Keilar, 637K), "The President's definition of 'spy' is, and it's not just confined to this incident, anybody who provides critical information on him. We've heard him use that term before, and we've heard him make threats before, although we should say that this is qualitatively different from the Commander-in-Chief to reference, it appears, the death penalty for spies for treason perhaps in a way that he's done before offhand flippantly, but still serious words to hear coming from the mouth of the Commander-in-Chief."

The New York Post (9/26, Fredericks, 4.57M) reports that later yesterday, Trump "called Democrats 'pirates' for pursuing his impeachment – saying they're only out to get him because they know they can't beat him at the ballot box." Said Trump, "It's a disgrace to our country. It's another witch hunt, here we go again. It's Adam Schiff and his crew making up stories and sitting there like pirates, whatever you want to call them. It really is a disgrace. It's a terrible thing for our country." The Washington Times (9/26, Boyer, 492K) describes Trump as "defiant," and quotes him as saying that "while the new impeachment furor is engulfing Washington, 'We can't talk about gun regulation, we can talk about anything because frankly they [Democrats] are so tied up, they're so screwed up, nothing gets done except when I do it.'"

Reuters (9/26) reports that Trump also said "there should be a way to stop" House Democrats from impeaching him. Reuters quotes Trump as saying, "What...Democrats are doing to this country is a disgrace and it shouldn't be allowed. There should be a way of stopping it, maybe legally through the courts." ABC World News Tonight (9/26, story 3, 0:40, Moran, 6.8M) said Trump "can't stop it in the courts," but "he can slow it down or even sabotage it in the courts, claiming executive privilege to stop his aides from testifying or preventing documents from being released." CQ Roll Call (9/26, Bennett, 154K) similarly reports that Trump "struggled to fashion a counter-message" yesterday, and adds that he "did not explain what legal rationale any sitting commander in chief would have to stop an impeachment inquiry," because "the monarchy-weary authors of the Constitution deemed a mechanism to remove a president over misconduct or an abuse of power so important they included it in the country's founding document."

Trump also took to Twitter yesterday to write, "Liddle' Adam Schiff, who has worked unsuccessfully for 3 years to hurt the Republican Party and President, has just said that the Whistleblower, even though he or she only had second hand information, 'is credible.' How can that be with zero info and a known bias. Democrat Scam!" Trump added "Schiff has zero credibility. Another fantasy to hurt the Republican Party!" Trump also tweeted, "A whistleblower with second hand information? Another Fake News Story! See what was said on the very nice, no pressure, call. Another Witch Hunt!" USA Today (9/26, Jackson, Fritze, 10.31M) quotes Trump as further stating yesterday, "Here we go again. ... It's Adam Schiff and his crew making up stories and sitting there like pious, whatever you want to call them." Schiff "mocked the complaints," saying, "I'm always flattered when I'm attacked by someone of the president's character." The Hill (9/26, Wise, 2.98M) and Washington Examiner (9/26, Halaschak, 448K), among other news outlets, also run stories on Trump's comments yesterday.

Sean Hannity, who ran footage of Trump's entire statement on the Ukraine controversy, said on Fox News' Hannity (9/26, 9:00 p.m. ET, 535K), "The real story, the real corruption, none of it, zero, has to do with President Trump except that the President is once again a victim of baseless lies, smears, hypocrisy, conspiracy theories. This is not what the lying, corrupt, and at this point despicable, disgusting fake news media is telling you tonight. We have the real story, and that is we have Sleepy Creepy Crazy Joe who has serious explaining to do. ... A quid pro quo, a real quid pro quo and abuse of power and corruption at an extraordinarily high level with a lot of money at stake and a pay to play scheme and a subsequent cover-up. All in an effort that would allow his son to walk away scot-free, very rich and capitalize off of him being the vice president."

House Minority Whip Scalise said on Fox News' The Story (9/26, 7:11 p.m. ET, McCallum, 1.32M), "What troubles me most is that Nancy Pelosi, before the transcript was even released of the phone call, said the President broke the law. They raised a specter, said there would be a quid pro quo. They had all of these allegations and then we see the conversation between President Trump and President Zelensky. And there was absolutely no quid pro quo. There was absolutely no high crimes and misdemeanors."

Rep. Chris Stewart (R-UT) said on CNN's Cuomo Prime Time (9/26, 9:15 p.m. ET, Cuomo, 841K), "The essence of this report was about the phone call. I mean, anyone can read it. Now they can talk about well, they had concerns about whether it was – what computer it was stored. But you can't tell me that that's going to be the essence of an impeachment hearing. It has to be the essence of this phone call. That's 90-something percent of our concerns."

Newt Gingrich said on Fox News' Tucker Carlson Tonight (9/26, 8:27 p.m. ET, Carlson), "From the standpoint of the Democrats, this is a really bad decision. Given our own experience [with the Bill Clinton impeachment], we had a much stronger hand in an independent counsel report that said Clinton was guilty on numerous counts, including felonies. What they are doing now makes no sense at all and I think will probably politically be very damaging."

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Whistleblower A CIA Officer Once Detailed To White House; Trump "Frantically" Seeking His Identity. The New York Times (9/26, Goldman, Schmidt, Barnes, 18.61M) reports "the whistle-blower...is a CIA officer who was detailed to work at the White House

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at one point, according to three people familiar with his identity." He "has since returned to the CIA, the people said. Little else is known about him." The Wall Street Journal (9/26, A1, Volz, Strobel, Hughes, Subscription Publication, 7.57M) also reports the whistleblower works for the CIA, according to a source.

The Washington Examiner (9/26, Nelson, 448K) reports, meanwhile, that "Trump and his advisers are frantically searching for the identity of the whistleblower," and adds that "among sources close to the White House staff, there was a clear consensus that at least one of the sources likely worked at the National Security Council, given context clues in an Aug. 12 whistleblower complaint released Thursday." the Examiner also reports that "specific names are circulating as suspects for both the whistleblower and the sources, though the Washington Examiner is not printing the names because the officials' responsibility cannot be proven."

White House Counselor Kellyanne Conway said on Fox News' The Story (9/26, 7:02 p.m. ET, McCallum), "The whistleblower is someone who does not have firsthand knowledge of what happened, got that from a few other people. ... It was referred to the [Office of Legal Counsel], which said this is a routine diplomatic phone call between President Trump and the Ukrainian president, it was not an intelligence activity, so the [DOJ] Criminal Division said there was no campaign finance violation, and now the whole world can judge for themselves. The President went and released the whole thing. ... Give me a break, we don't need Ukraine to help beat Joe Biden or any of the rest of them any more than we needed Russia to beat Hillary Clinton."

Tucker Carlson said on Fox News' Tucker Carlson Tonight (9/26, 8:00 p.m. ET, 1.59M), "We learned today that the official who filed the so-called whistleblower complaint against the President was a career CIA officer. The official did not agree with the President's foreign policy views, so he felt entitled to veto those views and bring the US government to a standstill, which he did. That is the meat of the story. We know this because the complaint was released today to the public, you can read it if you want. It tells us nothing we didn't already know from a transcript of the phone call. ... Trump mentioned no military aid or quid pro quo. It's hard to see how it's an impeachable offense."

Trump: Zelensky "Said He Was Not Pressured By Me." The President also tweeted yesterday, "The President of Ukraine said that he was NOT pressured by me to do anything wrong. Can't have better testimony than that! As V.P., Biden had his son, on the other hand, take out millions of dollars by strong arming the Ukrainian President. Also looted millions from China. Bad!" The AP (9/26) reports, meanwhile, that Zelensky "says his comments in a conversation with...Trump shouldn't have been publicly released." Said Zelensky, "I think such things, such conversations between heads of independent states, they shouldn't be published." He "also said he's 'not afraid' of the publication and that "no one can pressure me." He said the Biden investigation is just one of 'many cases that I talk about with leaders of other countries.'" Of the Biden probe, he also said, "I don't know the details of this case."

Reporting from the Ukraine, NBC Nightly News (9/26, story 4, 1:30, Holt, 5.53M) also said the country's president "insists he was not pressured by...Trump," and showed him saying, "Nobody pushed me." NBC added that "Ukraine is fighting a war with Russia and is dependent on US military aid. Former officials tell us it's too fragile to be caught up in a fight over...Trump's survival."

The Washington Post (9/26, O'Grady, Noack, 14.2M) recounts that on Wednesday, Zelensky said "Trump was 'absolutely right. Not only 100 percent, but actually 1000 percent'" about his claims of support for the Ukraine, and "he praised Trump and went on to say he met both German Chancellor Angela Merkel and French President Emmanuel Macron and told them: 'They are not working as much as they should work for Ukraine.'" The Post adds "those comments were not well received in Europe."

WPost Analysis: Zelensky Tried To Curry Favor With Trump "Through His Business." The Washington Post (9/26, O'Connell, Fahrenthold, 14.2M) reports, "Buried in the controversy over...Trump's phone call with...Zelensky was an effort by the Ukrainian leader at currying favor with Trump through his business." Zelensky told the President, "Actually, last time I traveled to the United States, I stayed in New York near Central Park, and I stayed at the Trump Tower." To the Post, "Zelensky's comments mark the first known example of an interaction Democrats and government ethics experts warned about when Trump took office: that foreign leaders would try to influence Trump by spending money at his properties and telling him about it." The Post adds "other Ukrainian officials have also patronized Trump properties."

Treasury's Crowley: Impeachment Inquiry Could Feed Market Uncertainty. Fox Business (9/26, Limitone, 1.73M) reports Monica Crowley, an assistant secretary for public affairs at the Treasury Department, said in an interview with Fox Business' Varney & Co. (9/26, 64K) that the "latest impeachment hysteria" will feed into market uncertainty. She stated: "I think are playing a very dangerous game here because this has serious economic and national security implications you might see effects in the market." However, she also said markets have factored in the idea that the Democrats will "stop at nothing" to try to destroy Trump. "The markets realize that the president's opponents are relentless and ... the biggest strength this president brings into his re-election is the strength of the U.S. economy through his very powerful pro-growth economic policies," she said. "He's delivering a booming economy." Newsweek (9/26, 1.53M) also reports on Crowley's comments.

Scott Criticizes Romney, Compares Him To Pelosi. The Daily Caller (9/26, 716K) reports "Republican Utah Sen. Mitt Romney came under fire from one of his Republican colleagues Thursday as Romney continues to raise questions about...Trump's phone call with...Zelensky." Said Sen. Rick Scott (R-FL), "Senator Romney has gone down the same path as the Democrats like Nancy Pelosi. ... He thinks the worst of the president instead of the best, before he ever gets all the facts." Added Scott, "Romney doesn't speak for the Republican Party. He can have his own opinions, and he doesn't speak for all Republican senators." The New York Times (9/26, Martin, 18.61M) says "Republicans have largely rushed to Mr. Trump's defense, or at least tempered their criticism to avoid his furious reprisals," with the exception of Romney. However, according to the Times, "Romney's public statements reflect what many in his party believe privately but are almost uniformly unwilling to say."

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Sarah Sanders: Controversy Is Helping Trump And Hurting Biden. Former White House communications director Sarah Sanders, appearing on Fox News' Fox & Friends (9/26, 831K), said, "In all seriousness, the idea they thought there would be some type of major bombshell to come out of this is frankly embarrassing for the Democrats. I think that it is one of the dumbest and most ridiculous political moves that we've seen in history. How they have forced impeachment over this issue. The fact is I think this should be looked at as an in-kind contribution to the President's re-election campaign. Because all that is doing is helping fuel his campaign. They're raising more money. They're rallying his base and they're unifying the Republican party in a way that only they can by attacking this President the way they do time and time again. ... I think the big loser in all this process has to be Joe Biden."

David Brooks writes in the New York Times (9/26, 18.61M) that "at the end of this process Trump will probably be acquitted by the Senate. He will declare himself vindicated and victorious in his battle against The Swamp." Brooks adds "people will conclude that Democrats are going ahead with impeachment in an election year because they don't trust the democratic process to yield the right outcome. Democratic elites to voters: We don't trust you. Too many of you are racists!" Moreover, "this is not what the country wants to talk about. Pelosi said she would not proceed with impeachment unless there was a bipartisan groundswell of support. There is no bipartisan groundswell, and yet she's proceeding. According to a Quinnipiac University poll, only 37 percent of Americans support impeachment."

Trump Reportedly Raised Combined $8 Million At Two Fundraisers Wednesday And Thursday. Bloomberg (9/26, 4.73M) reports that Trump "spent the morning in New York, raising money for his re-election campaign." The fundraiser at Cipriani 42nd Street "was expected to raise $3 million for the Trump Victory fund, a joint account benefiting the president's campaign and the Republican National Committee." Bloomberg adds that on Wednesday, Trump "spoke at a fundraiser at the home of hedge fund billionaire John Paulson that was expected to raise $5 million."

Bannon: Impeachment Inquiry Launch "The Shot At Fort Sumter." The Washington Times (9/26, Blake, 492K) reports Stephen K. Bannon "compared the launch of an impeachment inquiry this week to the 'shot at Fort Sumter' that started the Civil War." In comments to the Washington Post published Wednesday, Bannon said, "We have a pre-5 o'clock presidency and a post-5 o'clock presidency. ... Pelosi's announcement to begin a formal process at 5 p.m. was the shot at Fort Sumter. Now you cannot freelance, you cannot go rogue. You have to be disciplined. You have to be high and tight."

Treasury Sanctions Firm For Allegedly Providing Jet Fuel To Russia In Syria.

Reuters (9/26) reports the US on Thursday "imposed sanctions on a firm it said was participating in a scheme to avoid U.S. sanctions while helping provide jet fuel to Russian forces in Syria." The Treasury Department said the sanctioned firm, Maritime Assistance LLC, was operating as a front company for OJSC Sovfracht, which had previously been sanctioned in relation to operations in Ukraine. Treasury also "targeted three individuals it said were tied to Sovfracht," and five ships were designated as "blocked property" of previously sanctioned Russian firm Transpetrochart, "which Washington alleges provides support to Sovfracht."

The Wall Street Journal (9/26, Talley, Subscription Publication, 7.57M) reports the move is designed not only to disrupt fuel deliveries to Syria, but to highlight Russia's military support for the Syrian government.

AFP (9/26) reports Sigal Mandelker, Treasury's undersecretary for counterterrorism, said in a statement, "Assad's despotic regime is under an international spotlight for using chemical weapons and committing atrocities against innocent Syrian civilians and they rely on these types of illicit networks to stay in power."

Pompeo: Syrian Military Dropped Chlorine Gas On Rebels In Idlib In May. The AP (9/26) reports Secretary of State Mike Pompeo on Thursday said the Administration has "concluded that the Syrian government used chemical weapons in an attack in May." Speaking on the sidelines of the United Nations General Assembly on Thursday, Pompeo said US officials "determined that Syrian President Bashar Assad's government had used chlorine in the attack on opposition forces in Idlib province on May 19."

The New York Times (9/26, Jakes, 18.61M) reports "the May 19 rocket attack by the Syrian government near Latakia Province in northwest Syria wounded several civilians." It was "the latest instance in a long pattern of Assad's chemical weapons attacks that have killed or wounded thousands of Syrians," Pompeo said. The Wall Street Journal (9/26, Gordon, Subscription Publication, 7.57M) reports Pompeo said, "The United States will not allow these attacks to go unchallenged. Nor will we tolerate those who chose to conceal these atrocities." However, Pompeo didn't elaborate on what the US response could be.

Unipec Said To Replace Ship Charters After US Sanctions Against COSCO Tanker Units.

Reuters (9/26, Saul, Aizhu) reports China's Unipec has "made replacement bookings for four oil shipments from the Middle East Gulf after the United States imposed sanctions on the tanker subsidiaries of China's COSCO, three shipping sources said on Thursday." According to the sources, Unipec, the "trading arm of Asia's top oil refiner Sinopec, had switched to other tanker owners including China Merchants-owned AMCL after the designation by Washington on Wednesday of two of state-owned COSCO's subsidiaries." One of the sources "said Unipec could seek to book further cargoes from the Middle East Gulf using AMCL's tankers." The Treasury Department said on Wednesday "it was imposing sanctions on five Chinese nationals and six entities that it said had violated Washington's unilateral curbs on Iran."

Reuters (9/26) reports separately that Indian Oil Corp is "examining the impact of U.S. sanctions on its chartering of a crude carrier owned by a subsidiary of China's Cosco Shipping Corporation." IOC told the outlet, "The matter is being examined."

Bloomberg Business (9/26, 4.73M) reports dozens of ships are "now ensnared in the standoff between the U.S. and Iran." The announcements by the Treasury and State departments "left shipbrokers and charterers scrambling to cancel bookings with sanctioned

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companies and letting provisional charters lapse." The piece says "uncertainty still remains on whether cargoes that have already been loaded onto the vessels of sanctioned firms would be allowed to deliver, or whether they would have to transfer their loads to unsanctioned tankers." However, Bloomberg adds that "not all charterers are immediately responding to the U.S. move to sanction the COSCO subsidiary."

Bloomberg (9/26, 4.73M) also reports on the topic in a separate piece.

White House Has Signaled Support For Pot Banking Bill.

Politico (9/26, Becker, 4.29M) reports in continuing coverage that the House "rather easily passed the bipartisan pot banking bill, H.R. 1595 (116)" and Senate Banking Chairman Mike Crapo (R-ID) is "making noises as if he might follow suit." The piece notes the White House "has sent some good vibes on the cannabis bill, and Treasury Secretary Steven Mnuchin has made it pretty clear, repeatedly, that the current federal system needs to be fixed in a variety of ways."

Saudi Crown Prince Denies Knowledge Of Khashoggi Murder Plot.

The Washington Post (9/26, Mellen, 14.2M) reports Saudi Crown Prince Mohammed bin Salman said he gets "all the responsibility" for the killing of Washington Post columnist Jamal Khashoggi, "but denied he had any prior knowledge of the plan to murder the journalist, according to a soon to air PBS Frontline documentary." In a trailer for the documentary set to air on Oct. 1, the Crown Price is quoted as saying, "It happened under my watch. I get all the responsibility because it happened under my watch." Asked how the killing could happen without his knowledge, Crown Prince said, "We have 20 million people. We have 3 million government employees."

NPR (9/26, Booker, 3.12M) also reports, noting Treasury's OFAC "imposed sanctions on 17 Saudi nationals for their 'role in the killing of Jamal Khashoggi.'" Treasury Secretary Steven Mnuchin said at the time, "The United States continues to diligently work to ascertain all of the facts and will hold accountable each of those we find responsible in order to achieve justice for Khashoggi's fiancée, children, and the family he leaves behind." The piece notes the crown prince "was not one of the Saudi individuals sanctioned by the U.S."

Senators Introduce AML Reform Bill Requiring Disclosure Of True Owner.

American Banker (9/26, Haggerty, Subscription Publication, 31K) reports, "A bipartisan group of eight senators on Thursday formally introduced a bill to reform anti-money laundering laws that bankers and credit unions have argued are outdated." The bill "would require companies to disclose their true owners" to FinCEN at the time of incorporation. The introduction of the Illicit Cash Act in the Senate "comes after the House Financial Services Committee advanced a similar measure, known as the Corporate Transparency Act, out of committee in June." The Illicit Cash Act was initially supported by Sens. Mark Warner (D-VA), Doug Jones (D-AL), Tom Cotton (R-AR), and Mike Rounds (R-SD), and now has Sens. Bob Menendez (D-NJ), Catherine Cortez Masto (D-NV), John Kennedy (R-LA), and Jerry Moran (R-KS) as additional co-sponsors. Bloomberg Law (9/26, Subscription Publication, 4K) also reports.

Opinion: Jackson Should Remain On $20 Bill.

Under the headline, "Six Reasons To Leave Andrew Jackson On The $20 Bill," Philip Leigh writes in The Hill (9/26, 2.98M) that while the Treasury Department during the Obama Administration "recommended that President Andrew Jackson's portrait on the $20 bill be replaced with one of Harriet Tubman," he believes "Tubman's activities may merit recognition on another bill" but "she should not replace Jackson, whose contributions did far more to shape America's destiny."

Leading National News

Pence Urges Supporters In Indiana To Call On Elected Officials To Pass USMCA.

The Indianapolis Star (9/26, Burris, 633K) reports Vice President Pence visited his home state of Indiana on Thursday "to advocate for the passage of a new trade pact between the United States, Canada and Mexico." Pence addressed "a crowd that included more than 150 supporters and employees at MacAllister Machinery on the city's southeast side, asking them to call Democrats in the Indiana congressional delegation and urge them to pass the United States-Mexico-Canada Agreement, which some have dubbed NAFTA 2.0." Pence said, "We've got to get the USMCA done and we've got to get it done this year. We need Congress to act – to act this fall to approve the USMCA. To make that happen, we need your help. Our elected representatives here in Indiana need to hear from all of you."

Kudlow Touts US-Japan Trade Deal.

Appearing on Fox News' Fox & Friends (9/26, 831K), NEC Director Kudlow said the US-Japan trade deal was "one of the best parts of this UN meeting," and credited USTR Lighthizer for securing it. Kudlow added, "By the way it covers agriculture. Our farmers would be able to finally shift stuff to Japan. That always has been a stumbling block. We'll make it easier for them to buy our industrial commodities and our industrial supplies. Probably the best part of it is, e-commerce. Digital trade. Digital services. which has been estimated to be as much as $50 billion. I think the whole package is $55, $56 billion. The digital services piece will be huge because America has as you know pretty strong technology operators. Japan has finally opened the door. It's very similar incidentally to the USMCA digital services, which is a huge breakthrough on there."

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Cotton: Deal With Japan May Help Trump Negotiate With China. Appearing on CNBC's Squawk Box (9/26, 80K), Sen. Tom

Cotton (R-AR) said the trade deal announced by President Trump Japanese Prime Minister Shinzo Abe "was a big win for Americans, and Arkansas in particular. We're very excited about Japan finally lowering barriers on beef, pork and poultry. Also, I think the new US-Japan agreement could be a gold standard for digital goods, the transmission of videos, books, music, what have you, between our two nations. And I actually think the agreement will have the happy effect of putting us now in lockstep with Japan to try to get better trade terms with China. As we put more and more of these trade deals to bed, couple years ago with South Korea, now it's Japan. Hopefully later this year it will be Mexico and Canada. That brings our focus more intensely on China, which really is the worst culprit in the international trading system."

China Expected To Boost Purchases Of US Soybeans Next Month.

Citing an "influential Chinese agricultural consultant," Bloomberg (9/26, 4.73M) reports that China is "likely to increase American soybean purchases during high-level trade talks in the U.S. in October." Li Qiang, chairman of Shanghai JC Intelligence, says China, "the world's biggest soybean importer is likely to buy another 1 million to 2 million tons when Vice Premier Liu He visits Washington," and "if the talks are successful, China could boost shipments to between 30 million and 35 million tons next year." Bloomberg says China has "already bought about 19 million tons of U.S. soy this year, so the extra purchases would mean the country exceeds its commitment to import about 20 million tons from the U.S.," and "with the extra purchases, China will be able to meet its supply gap for the rest of the year and some of the 7 million tons in earlier purchases could be stored for state reserves."

China Seen As Flirting With Using Yuan In Trade War.

Reuters (9/27, Yao, Sin) reports China, "having let the yuan cross the once sacred red line of 7 per dollar, will allow its currency to fall further and may even risk U.S. anger by using it as a bargaining chip in already thorny trade talks, market participants believe." The piece notes China had "kept the yuan on the strong side of 7 since 2008, so effectively abandoning that trading floor on Aug 5 triggered intense investor activity." The yuan's 3.8% decline last month "as a whole was its sharpest monthly fall in 25 years," and Reuters says that the PBOC's "attempts this month to smooth the yuan's weakening suggest the currency's fluctuations are not entirely unsupervised." However, the piece adds that "sources within policy circles – as well as financial analysts – do not expect Beijing to hem in the yuan in a defined range this time."

Lumber Mills Cut Jobs Amid China Trade War.

The Wall Street Journal (9/26, Hufford, Subscription Publication, 7.57M) reports US exports of hardwood lumber to China have declined 40 percent this year after China imposed retaliatory tariffs of up to 25 percent on imports of wood products. In response to lower demand and falling prices, lumber mills are cutting jobs and seeking federal assistance.

Reuters Analysis: Downturn In Business Investment Blamed On Trump's Trade Policies.

Reuters (9/26, Mutikani) reports that according to new data from the Commerce Department, "U.S. business investment contracted more sharply than previously estimated in the second quarter and corporate profit growth was tepid, casting a shadow on an economy that is being stalked by financial market fears of a recession." According to Reuters, "The downturn in business spending has been blamed on the Trump administration's nearly 15-month trade war with China." Reuters adds that last week, Federal Reserve Chair Jerome Powell said the trade war is "weighing on U.S. investment and exports," and "discouraged [companies] from investing in their businesses."

Income Inequality Widens To Highest Level In Decades.

The Washington Post (9/26, Telford, 14.2M) reports, "Last year, income inequality in the United States reached its highest level since the Census Bureau started tracking it in 1967, according to federal data released Thursday." The gap is "starkest in wealthy coastal areas such as Washington, D.C., New York, Connecticut and California, as well as in areas with widespread poverty, such as Puerto Rico and Louisiana. Equality was highest in Utah, Alaska and Iowa." Though the gulf "between the richest and poorest expanded, the nation's median household income topped $63,000 for the first time – though after adjusting for inflation, it's roughly the same as it was 20 years ago."

IPO Market Shows Signs Of Cooling As Peloton Falls, Endeavor Cuts Range.

The Wall Street Journal (9/26, A1, Prang, Subscription Publication, 7.57M) reports that signs of weakness in the market for initial public offerings showed on Thursday, as shares of Peloton Interactive fell on their first day of trading and Endeavor Group Holdings scaled back its planned IPO. Shares of Peloton started trading almost seven percent lower than the $29 price set in the company's IPO, and it closed down 11.2 percent. Meanwhile, Endeavor lowered its expected IPO range to $26-$27 a share and cut the number of shares it is offering to 15 million.

New York Prosecutors Agree To Delay Enforcement Of Subpoena For Trump Tax Returns.

Reuters (9/26, Pierson) reports, "New York prosecutors have agreed to put on hold their bid to enforce their subpoena" seeking President Trump's tax returns, according to a court filing on Thursday. The New York Post (9/26, Saul, 4.57M) reports "the agreement states that the parties will wait 'until 1 p.m. two business days after the Court rules on the pending motions to dismiss and for summary judgment, or until 1 p.m. on Monday, October 7, 2019, whichever is sooner.'" The Washington Times (9/26, Vogt, 492K) reports Judge Victor Marrero also "gave the

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Department of Justice until Monday to decide whether they will weigh in on the case."

Wells Fargo Interim CEO Seen As Likely To Keep Job.

The Financial Times (9/26, Armstrong, Subscription Publication, 1.34M) reports investors believe Wells Fargo interim CEO Allen Parker is increasingly likely to keep the role permanently, given how difficult filing the post has proven to be.

Whistleblower Says White House Tried To "Lock Down" Information About Call.

All three broadcast networks opened their Thursday evening newscasts with coverage of what David Muir on ABC World News Tonight (9/26, lead story, 5:30, 6.8M) called "the whistleblower's complaint at the center of the storm in Washington, the center of this new impeachment inquiry involving President Trump. That complaint now made public tonight, and what it alleges, saying some White House officials tried to cover up the call with the President of Ukraine, trying to conceal the transcript of the call on a separate, highly secure computer system." Muir said Acting DNI Maguire "was in the hot seat" Thursday, "asked why he held onto that complaint for so long. ... He defended his decision today, but he also acknowledged something else: He said the whistleblower did the right thing."

On the CBS Evening News (9/26, lead story, 4:55, 4.55M), Norah O'Donnell called it "an explosive allegation by a government whistleblower that the White House engaged in a cover-up by stashing records of the President's phone call with a foreign leader into a top-secret computer. And in that phone call, President Trump repeatedly urged Ukraine's new President to investigate Joe Biden and his son. According to the complaint, multiple Administration officials told the whistleblower of their concerns." On NBC Nightly News (9/26, lead story, 4:00, Holt, 5.53M), Peter Alexander reported, "In the nine-page complaint, the whistleblower makes a series of bombshell allegations, writing, 'I have received information from multiple US government officials that the President of the United States is using the power of his office to solicit interference from a foreign country in the 2020 US election,' including 'pressuring a foreign country to investigate one of the President's main domestic political rivals.'"

Pamela Brown said on CNN (9/26, 1:11 p.m. ET, Keilar, 637K), "The big point here is there wasn't classified information in the transcript, but it was politically damaging, as we now know, to the President. So the fact that, according to this complaint, White House lawyers reviewed the transcript and thought, 'Well, this is going to make the President look bad,' and then put it in this secured classified system, certainly raises questions and sounds the alarm bells on this."

The AP (9/27, Tucker, Jalonick) reports the "politically explosive complaint" says "White House officials took extraordinary steps to 'lock down' information about [Trump's] summertime phone call with the president of Ukraine, even moving the transcript to a secret computer system." USA Today (9/26, Subramanian, Brook, 10.31M) reports the "bombshell" complaint "alleges White House officials were 'directed' to remove electronic records of the phone conversation from an internal computer system where the material is typically stored."

The Washington Post (9/26, Barrett, Leonnig, 14.2M) reports that the whistleblower alleges that the phone call between Trump and Ukraine President Volodymyr Zelensky "turned so politically problematic that White House lawyers directed other officials to remove the electronic transcript of the conversation from the computer system where it was stored." The Post adds, "The transcript, the whistleblower alleged, was then loaded onto a separate system meant for classified information. And according to White House officials who informed the whistleblower, that was 'not the first time' a transcript was put there due to concerns about politics rather than national security."

The New York Times (9/26, A1, Baker, 18.61M) reports under the headline "In Ukraine Phone Call, Alarmed Aides Saw Trouble" that soon after the end of Trump's call with Zelensky, "the red flags began to go up" inside the White House. The "alarm among officials who heard the exchange led to an extraordinary effort to keep too many more people from learning about it." Politico (9/26, Cheney, 4.29M) reports the complaint "describes concerns among White House officials that Trump pressured Zelensky to investigate Biden – and that the call was the culmination of a series of events meant to pressure the new Ukrainian president to bend to Trump's will."

The New York Times (9/26, A1, Shear, 18.61M) says in a second report that the complaint "added details to what a reconstructed transcript of the call revealed about the interaction between the two leaders, asserting that government officials, including some at the White House, believed Mr. Trump had abused his power for personal political gain." The President "lashed out, denouncing the whistle-blower and the people who provided him information as treasonous spies and darkly hinting that they should suffer the same punishment the United States 'used to do in the old days when we were smart with spies and treason, right?'" Former FBI Deputy Director Andrew McCabe said on CNN (9/26, 1:55 p.m. ET, Keilar, 635K), "The President is doing exactly what government officials are not supposed to do. He's clearly targeting the person who's filed this complaint that affects him seriously and is kind of laying the marker down that he wants this person's identity and he wants to be able to follow up on this."

Former DNI James Clapper said on CNN's Anderson Cooper 360 (9/26, 8:55 p.m. ET, Cooper, 757K), "By far, it was the most well-written, well-referenced, well-constructed and most compelling whistleblower complaint I ever saw during my 6 1/2 years as the DNI. It was very well done. It was written at the same quality level as a National Intelligence Estimate, which is kind of the apex of intelligence products, and was written much in the same style as a seasoned, mature, competent intelligence analyst would write. It was very well done."

The Washington Post (9/26, 14.2M) says in an editorial that "the whistleblower complaint released on Thursday adds vital – and damning – context to the rough transcript" of the Trump-Zelensky call. The "carefully constructed complaint shows that this coercion was not limited to one phone call but consisted of a series of acts over time," and "reports that White House officials understood Mr. Trump's behavior to be improper and tried to conceal the wrongdoing. ... Trump's abuse of power had a host of enablers. Congress should hold them all to account."

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Fred Fleitz of the Center for Security Policy, a former CIA official, writes in the New York Post (9/26, Fleitz, 4.57M), "The whistleblower makes clear in his complaint that he did not listen to a call in question, nor did he read the transcript – he was told about the call by others. If true, intelligence officers have grossly violated the rules as well as the trust placed on them to protect this sensitive information."

Anderson Cooper said on CNN's Anderson Cooper 360 (9/26, 8:00 p.m. ET, 756K), "If the allegations of a whistleblower are true, the country is now in a place it has not seen since Watergate. That's how consequential, how historic this day has been, and that's how serious the allegations are in the formal complaint made public today. We should say again at this point they are only allegations, but they certainly paint a damning picture of a President abusing a power of his office for personal gain and abusing it once more to cover it up, allegedly misusing the system designed to guard the country's most sensitive secrets to instead conceal evidence of wrongdoing."

John Dean said on CNN's The Lead (9/26, 3:48 p.m. ET, Tapper, 738K), "I think there is very much a cancer growing on this presidency. There's a malignancy that has spread, that is spreading. We have a President who doesn't seem to even care if this is happening. He has broken every norm that we know of, that are the traditional guardrails for the presidency. He just doesn't seem to care about tradition. I don't think he has any knowledge of the presidency. He has no historical background. So he just plows ahead as if he were still in the real estate business and doing deals with people that he is not really in a position to do those kind of deals today. He has laws he has to obey. He has a Constitution he operates under."

Chris Hayes said on MSNBC's All In (9/26, 8:00 p.m. ET, 1.3M), "We're only three days into this rapidly exploding scandal, but here is what is already clear: The White House knew what President Trump did on his phone call with the Ukrainian President was wrong. They desperately tried to cover it up, and then they got caught. That's it. That's the key sequence of events captured both in the whistleblower complaint released today, in the notes of the call released yesterday, and all the reporting we have seen on this point."

Reuters (9/26, Zengerle, Morgan, Chiacu), Bloomberg (9/26, Sink, 4.73M), and the Washington Examiner (9/26, Chaitin, 448K) also cover the "lock down" allegation.

Pelosi: "This Is A Cover-Up." The AP (9/26) reports that House Speaker Pelosi "read from the declassified complaint, which alleges the White House tried to 'lock down' details of Trump's call with Ukraine's new president after he asked him to investigate Democratic presidential candidate Joe Biden. 'This is a cover-up,' she said." Politico (9/26, Ferris, Caygle, 4.29M) reports Pelosi "said Trump's alleged efforts to seek political help from Ukrainian leaders and later bury key documents 'betrayed his oath of office' and threatened national security and elections, hours after the damning complaint was made public Thursday morning. 'We are at a different level of lawlessness that is self-evident to the American people,' Pelosi said."

Reuters (9/26, Cornwell) reports Pelosi "told reporters that a House of Representatives impeachment inquiry launched this week would focus narrowly on the Ukraine episode and that other instances in which the Republican Trump may have abused the power of his office would be considered later." USA Today (9/26, Groppe, Hayes, 10.31M) reports Pelosi said the impeachment inquiry "will proceed under the auspices of the Intelligence Committee, which is 'where this matter is relevant.'" The Los Angeles Times (9/26, Stokols, 4.64M) also covers Pelosi's remarks.

Democrats Criticize Handling Of Whistleblower Complaint. Sen. Cory Booker (D-NJ) said on CNN (9/26, 1:26 p.m. ET, Keilar, 637K), "This President is showing us who he is. He's got this ruthless recklessness with which the way he speaks that's not only vicious and cruel, but, frankly, it is violative of the standards within our society, within our nation, the decency that should come from the highest office in the land. And he is just continually making it worse for himself the more he opens his mouth. … We know from the Iran-contra scandal all the way to Richard Nixon's scandals that the cover-up is often crimes within themselves. And so now we have a lot to unravel. There is a lot of dense, dense smoke that indicates to me a blazing inferno, potentially."

Rep. Jason Crow (D-CO) said on CNN's The Lead (9/26, 3:26 p.m. ET, Tapper, 710K), "I was very disturbed last week when these allegations first came to light. Yesterday, when we read the rough notes from the call, I was even more disturbed, and then yet again more shocked today, as not only are there corroborating witnesses, apparently, but this seems to be a broader issue involving potentially the attorney general, Mr. Giuliani, meetings in Madrid between folks at the highest levels in Ukraine."

Rep. Denny Heck (D-WA) said on CNN's OutFront (9/26, 7:08 p.m. ET, Burnett, 750K), "I consider it a crime to solicit a foreign country's interference in our election, and I think the whistleblower complaint indicated that that was what was happening, and the official record of the telephone conversation fairly confirms it. So I do think a crime has been committed."

Rep. Conor Lamb (D-PA) said on CNN's Cuomo Prime Time (9/26, 9:36 p.m. ET, Cuomo, 830K), "I think there are a lot of questions raised by this whistleblower complaint. … The whistleblower talks about speaking to other people in the White House about this separate server, about Giuliani and his role in all this and how it could have affected our policy in Ukraine. And I think I and the American people want answers to all those questions. But this is clearly we're in a different place today than we were last week because of these allegations, and I think that's going to ramp up the urgency behind this investigation a lot, and I support that."

Rep. Tom Malinowski (D-NJ) said on CNN's OutFront (9/26, 7:46 p.m. ET, Burnett, 711K), "We have thousands of troops in Europe who are there in part to deter Russian aggression against Ukraine and Europe. Russian aggression, attacks that are going on right now, and that aid included Javelin missiles which are anti-tank weapons designed to make sure that those Russian tanks cannot invade Ukraine and put our own troops ultimately in jeopardy, and Trump decided for reasons that are otherwise inexplicable to stop that assistance."

Rep. Sean Patrick Maloney (D-NY) said on MSNBC's Hardball (9/26, 7:20 p.m. ET, Matthews, 1.11M), "What it is is presidential extortion and an ongoing cover-up. How come the President didn't know or didn't care? This is the day after he got past Mueller's testimony, and did he think, 'Oh, now that I got rid of that, now I'm done with that, get dirt for another country,' and goes, 'I didn't get caught getting it

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from Russia'?"

Rep. Elissa Slotkin (D-MI) said on CNN (9/26, 1:48 p.m. ET, Keilar, 635K), "I was pretty reticent to jump into anything related to impeachment. I think it's a huge deal and a somber deal for the country. But when I started to learn about this deal with Ukraine and the idea that the President acknowledged [that he] called that president and asked for dirt on an opponent in an American election, that, for me, just crossed a threshold in its seriousness. As national security professional – I'm a former CIA officer and Pentagon official – it just went right to the heart of everything I feel I've been fighting for ask and swore an oath to do."

Robbins: Trump Critics "Cherry-Picked" Transcript. James Robbins writes in his USA Today (9/26, Robbins, 10.31M) column, "Trump's critics have cherry-picked [the transcript] to highlight the Biden content and twisted it out of context to make the case that the phone call was a criminal shakedown. But it was nothing of the sort." Trump and Zelensky "obviously admire each other. And like Trump, Zelensky is a reformer. ... The Democratic story line is invalid on its face."

Maguire Defends Keeping Report Secret, But Says Whistleblower Acted Properly.

On ABC World News Tonight (9/26, lead story, 5:30, 6.8M), Mary Bruce reported Acting DNI Maguire was "grilled" Thursday about why he "kept the whistleblower's report under wraps for weeks, going first to the White House instead of Congress. Today, he defended that decision. But when pressed, he also defended the whistleblower." **Maguire**: "I think the whistleblower did the right thing. I think he followed the law every step of the way." House Intelligence Chairman Adam Schiff: "You don't have any reason to accuse them of disloyalty to our country or suggestion they're beholden to some other country?" **Maguire**: "Sir, absolutely not."

Nancy Cordes reported on the CBS Evening News (9/26, lead story, 4:55, 4.55M) that Maguire "told Congress the allegations are unprecedented. The pressing questions tonight: Who ordered the phone records to be hidden, and why?" Rep. Eric Swalwell (D-CA): "The allegation was determined to be urgent and credible by the Inspector General. Is that right?" **Maguire**: "Yes, it was." Swalwell: "And if there's cover-up activity because the President is working improperly with a foreign government, that could compromise America's secrets. Is that right?" **Maguire**: "Congressman, there is an allegation of a cover-up."

The Washington Post (9/25, Harris, Demirjian, Nakashima, 14.2M) reports that Maguire told the committee "over three hours of testimony that he consulted about the complaint with officials at the Justice Department and the White House, but was not able to turn over the document until it was resolved whether it contained material protected by executive privilege." The New York Times (9/26, Barnes, Goldman, 18.61M) reports that "senior intelligence officials" described Maguire "as reeling from accusations that he broke the law by keeping the complaint from Congress," and "now finds himself trying to protect his reputation. ... He faced his most public test yet on Thursday when he testified before lawmakers about his refusal to hand over the complaint."

Politico (9/26, Desiderio, Cheney, 4.29M), however, says Maguire "dodged questions about whether he spoke with Trump about the complaint, frustrating lawmakers who sought clarity on why he initially withheld the complaint from Congress." According to Politico, Maguire said "he consulted with the White House counsel's office after the intelligence community's inspector general informed him of an 'urgent' whistleblower complaint involving the president." Politico says that "stunned the panel's Democrats, who grilled Maguire over the Trump administration's argument that the complaint did not fit the legal definition of 'urgent' because Trump is not an employee of the intelligence community." The Washington Times (9/26, Mordock, 492K) reports Maguire "evaded Democrats' questions over whether he discussed a bombshell whistleblower complaint" with the President.

The Daily Caller (9/26, 716K) reports Rep. Chris Stewart (R-UT) "balked" when Schiff "claimed that no one had accused [Maguire] of anything." At the end of his questioning time, Stewart said, "Good luck convincing the American people that this is a dishonorable man sitting here. Good luck convincing the American people that he has done anything. If you think it will score you points, keep going down that road." Schiff "jumped in to offer clarification, adding, 'I would only say, Director, no one has accused you of being a political stooge or dishonorable...'" Stewart replied, "You accused him of breaking the law, Mr. Chairman."

Pence: Democrats Making "Baseless Allegations."

Breitbart (9/26, Wong, 673K) reports "Vice President Mike Pence during a speech Thursday in Indiana slammed Democrats making 'baseless accusations' against President Trump and trying to overturn the 2016 election." Said Pence, "Today we see many Democrats who spent the last two and a half years on baseless accusations and they keep trying to overturn the will of the American people in the last presidential election. ... I'm here to make you a promise: Whatever the Democrats and their allies want to spend their time on, President Donald Trump and I are going to stay focused on the issues that matter most to you – a strong national defense, secure borders, safe streets, and jobs, jobs, jobs. And that's exactly what we've been doing."

Giuliani: "When This Is Over, I Will Be The Hero."

The Atlantic (9/26, Plott, 3.47M) reports that in an interview, Rudy Giuliani said yesterday, "It is impossible that the whistle-blower is a hero and I'm not. And I will be the hero! These morons – when this is over, I will be the hero." Giuliani added, "I'm not acting as a lawyer. I'm acting as someone who has devoted most of his life to straightening out government. ... Anything I did should be praised." The Atlantic adds Giuliani then "unleashed a rant about the Bidens, Hillary Clinton, the Clinton Foundation, Barack Obama, the media, and the 'deep state.'" Axios (9/26, Perano, 521K) also reports Giuliani "doubled down on his claim that allegations against the Bidens are true, adding that the reason his

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involvement in the complaint is taking precedent in the news is because 'the press idolizes Joe Biden and despises Donald Trump.'" The Washington Examiner (9/26, Halaschak, 448K) indicates The Atlantic described Giuliani as "very angry," and the Washington Times (9/26, A1, Boyer, 492K) that "Trump's use of...his personal attorney...for investigations in Ukraine has infuriated Democrats pushing impeachment."

The Washington Post (9/26, Sonne, Birnbaum, Helderman, Dawsey, 14.2M) reports "Giuliani decried any scrutiny of his conduct in a long interview Thursday, saying that more attention was finally being paid to the Biden family." Said Giuliani, "These crooks can go after me all they want. ... They're not going to find anything." Giuliani also "said that, in his capacity as Trump's personal lawyer, he had met with five current and former Ukrainian prosecutors since last year. During those meetings, he said, he obtained information about Hunter Biden and what the former New York mayor has alleged was collusion between Democrats and Ukraine in the 2016 election." The Wall Street Journal (9/26, A1, Ballhaus, Cullison, Kantchev, Forrest, Subscription Publication, 7.57M) also surveys Giuliani's role in the story in a front-page story titled "Giuliani Sits At The Center Of The Ukraine Controversy."

On ABC World News Tonight (9/26, story 4, 1:50, Muir, 6.8M), meanwhile, Martha Raddatz reported "the whistleblower says State Department officials, including two ambassadors, had spoken with Giuliani in an attempt to 'contain damage to US national security' and that those officials met with the new Ukrainian administration to 'help Ukrainian leaders understand differing messages they were receiving from official US channels on the one hand and from Mr. Giuliani on the other.'"

The CBS Evening News (9/26, story 4, 2:45, Reid, 4.55M) said "the whistleblower singles out...Giuliani as a central figure in the scandal," as he "is mentioned 30 times in the complaint, which cites meetings he had with at least seven Ukrainian officials." The whistleblower, however, "didn't include a lot of details about [Attorney General] Barr in the complaint," but "we know Barr played a key role in preventing these allegations from getting to Congress. So this once again raises new questions about whether the Attorney General is acting as the President's defender or the nation's top law enforcement official."

The AP (9/26) reports that Barr "has sought to distance himself from Trump's conversations with" Zelenskiy, and the Justice Department "insists he was unaware the president had said he would help investigate a political rival." According to the AP, "In the call, Trump seemingly equates Barr with Giuliani, who has no role in the administration and, in rambling television appearances, is one of Trump's most vocal defenders."

Pompeo Defends State Department's Actions. Reuters (9/26) reports that Secretary of State Pompeo said yesterday "he had not yet fully read the whistleblower complaint...but that he believed the State Department had acted appropriately." Pompeo said, "To the best of my knowledge and from what I have seen so far, each of the actions that were undertaken by State Department officials was entirely appropriate." According to Reuters, the complaint "references State Department officials and ambassadors, some by name." The AP (9/26) reports that Pompeo "did not address claims from...Giuliani...that the State Department instructed him to reach out to Ukrainian officials."

NBC Nightly News (9/26, story 3, 1:40, Welker, 5.53M) it received a text message from Giuliani, who "says it's the State Department's Special Envoy to Ukraine, Kurt Volker, who had reached out to him. 'As discussed, connecting you here with Andrey Yermak, who is very close to President Zelenskiy, I suggest we schedule a call together.' The State Department has acknowledged Volker put Giuliani in touch with the top Ukrainian aide, but a spokesperson says Giuliani 'does not speak on behalf of the US government.'"

Harris Calls For State IG Probe Of Giuliani. The Washington Examiner (9/26, Chaitin, 448K) reports, "Sen. Kamala Harris demanded the State Department inspector general open an investigation into efforts by...Giuliani to urge Ukraine to investigate matters that could be politically beneficial to Trump."

Giuliani To Launch Podcast. Page Six (9/26, 1.6M) reports on Giuliani's presence at the Grand Havana Room cigar bar, where according to "a witness," he held "court with a big crew. Huge smile on his face, laughing. You could literally see CNN and Fox News on the TVs behind him as everything was unfolding." This "source" told Page Six, "He was announcing to everyone he is launching a new podcast! He was shouting it to the world." Page Six adds "Rudy is a regular at the members-only cigar bar, and a member of its board."

Florida Businessmen From Ex-Soviet Union Allegedly Guided Giuliani's Entrance Into Ukraine Affairs. The Miami Herald (9/26, Nehamas, Hall, Riski, Wieder, 1.09M) reports, "Two South Florida businessmen from the former Soviet Union could find themselves dragged into" an impeachment inquiry targeting Trump "over their political activities in Ukraine. Lev Parnas and Igor Fruman were cited – although not by name – in a government whistleblower complaint released Thursday." They allegedly "helped introduce...Giuliani...into top Ukrainian political circles, according to widespread media accounts."

Bernstein: "Sources" Say Barr Preparing "Proof" Of "Deep State Conspiracy."

The Washington Examiner (9/26, Chaitin, 448K) reports, "Veteran investigative journalist Carl Bernstein said his sources are telling him that Attorney General William Barr is preparing to push a 'deep state' conspiracy to protect President Trump." Appearing on CNN, "the famed Watergate sleuth...said Barr is trying to 'bring about proof that there is a deep state conspiracy that led to' special counsel Robert Mueller's Russia investigation and suggested that this is a story other journalists are chasing." The Examiner adds "Bernstein appeared to be referencing the Justice Department's review of the origins of the Russia investigation being led by U.S. Attorney John Durham, examining whether there was any misconduct by Justice Department and FBI officials."

Bernstein said on CNN (9/26, 2:19 p.m. ET, Baldwin, 696K), "We are seeing both in real time, with the President's remarks and also through documentary evidence, his corruption. We're watching, too, an unraveling in front of us, both factually and also temperamentally, in terms of the conduct of the President of the United States. And why? Well, partly because the President of the United States recognizes that there is in this whistleblower's documents terrible evidence of the President's corruption." Bernstein said Attorney General Barr is trying to

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"bring about proof that there is a deep state conspiracy that led to [the Russia investigation]. ... Barr is trying to deliver – and I have this, as do other reporters from other sources – to deliver evidence that perhaps this has all been a deep state conspiracy just like Donald Trump alleges."

Jordan: Whistleblower's Complaint Is Part Of Ongoing Effort By Intel Community To Oust Trump. On Fox News' Fox & Friends (9/26, 831K), Rep. Jim Jordan (R-OH) said, "The key is for us all to step back and remember what this is. Go back to 2016. This FBI was so out to get the President, they spied on two American citizens associated with the presidential campaign." Jordan continued, "We should never forget what Chuck Schumer...previewed all of this back on January 23rd, 2017" when he said, "'President-elect trump. If you mess with the intelligence community, they have six ways from Sunday of getting back at you." According to Jordan, "We saw it in 2016 with what the FBI did. I think we are seeing it now with this whistleblower. ... That's the context we're in. ... These guys are not going to stop. It doesn't matter about facts or truth."

Whistleblower's Complaint Relies On Report By Soros Group, BuzzFeed. Breitbart (9/26, Klein, 673K) reports, "Sections of a so-called whistleblower's complaint alleging...Trump was 'using the power of his office to solicit interference from a foreign country' in the 2020 presidential race relies upon a self-described investigative journalism organization bankrolled massively by billionaire activist George Soros" in partnership with BuzzFeed. Breitbart adds that "one key section of the so-called whistleblower's document claims that 'multiple US officials told me that Mr. Giuliani had reportedly privately reached out to a variety of other Zelensky advisers, including Chief of Staff Andriy Bohdan and Acting Chairman of the Security Service of Ukraine Ivan Bakanov.'" While "the statement was written in first person – 'multiple U.S. officials told me' – it contains a footnote referencing a report by the Organized Crime and Corruption Reporting Project (OCCRP)." Breitbart adds "the so-called whistleblower's account goes on to rely upon that same OCCRP report on three more occasions."

Contrary To Whistleblower's Complaint, Brechbuhl Was Not On Trump-Zelensky Call.

Christina Ruffini of CBS News tweeted, "Scoop: Senior Govt Official tells @CBSNews Counselor to the State Department Ulrich Brechbuhl was NOT on the @POTUS call with #Zelensky, as the whistle blower complaint states."

Schiff Appeared To Fabricate Quotes Out Of Trump-Zelensky Call During Thursday Hearing.

In a story widely covered by conservative media, the Daily Caller (9/26, 716K) reports that in his opening statement yesterday, House Intelligence Committee Chairman Adam Schiff (D-CA) "read a portion of a transcript of a telephone conversation between President Donald Trump and his Ukrainian counterpart Thursday...but the congressman largely fabricated the president's words." Schiff "claimed he was reading 'the essence' of the president's words to the committee's witness, Acting Director of National Intelligence, Joseph Maguire." Schiff is quoted as saying, "This is the essence of what the president communicates. We've been very good to your country, very good, no other country has done as much as we have, but you know what, I don't see much reciprocity here. I hear what you want. I have a favor I want from you, though. And I'm going to say this only seven times, so you better listen good." The Daily Caller says Schiff "continued, making it up as he went along," saying, "I want you to make up dirt on my political opponent, understand, lots of it, on this and on that." The Washington Times (9/26, Scarborough, 492K) says Schiff "acknowledged...that he made up parts of the Ukraine phone call transcript when he delivered his opening statement at a much-watched TV hearing with the US top intelligence officer," arguing "his reading was 'part in parody.'" The Times adds he "made the admission only after Rep. Mike Turner, Ohio Republican, called him out." Turner "noted]the] inaccuracies uttered to a large TV audience as Democrats rev up talk of impeachment."

Townhall (9/26, Vespa, 177K), in a piece headlined "Impeachment Circus: Adam Schiff Kicks Off Intelligence Hearing By Making Up Parts Of The Trump-Ukraine Transcript," also "notes Schiff later said this remark was done as a 'parody.' Yeah, whatever you say, sir." The Daily Caller (9/26, 716K) reports that Rep. Brad Wenstrup (R-OH) also "fired back at" Schiff "over his fabricated account." Wenstrup said, "It's a shame that we started off this hearing with fictional remarks. The implication of a conversation that took place between a president and a foreign leader putting words into it that did not exist. They were not in the transcript. ... And I would contend that they were intentionally not clear and the chairman described it as parody and I don't believe this is the time or the place for parody when we are seeking facts."

The Washington Free Beacon (9/26, Rowan, 78K) also reports the story under the headline "Schiff Rewrites Trump's Conversation With Zelensky," while the Washington Examiner (9/26, Rives, 448K) titles its story "Adam Schiff And Democrats Are Twisting Words To Smear Trump." Asks the Examiner, "So why the manipulation? Because the Democrats know their case is weak."

Trey Gowdy said on Fox News' The Story (9/26, 7:21 p.m. ET, McCallum), "You've got to keep in mind, this is the same Schiff that said he had evidence of collusion. He's not making that mistake this time, he's not claiming he's got something he doesn't have, he's just going to make it up and he made it up on national television."

Nunes Recalls Schiff's Efforts To Get Naked Trump Pictures From Ukraine Official. The Washington Times (9/26, Scarborough, 492K) reports "Rep. Devin Nunes took a jab at...Schiff on Thursday by bringing up the time the Democrat thought he was talking to a Ukraine official who could get him Moscow-provided photos of a naked Trump." The Times also reports "the 2017 phone call was a prank by Russian comedians Vladmire Kyzetsov and Alexei Stolyarov who convinced to Mr. Schiff...they could obtain the damning photos." Schiff "thought he was speaking with the chairman of the Ukraine parliament," and said, "I would caution that our Russian friends may be listening to the conversation. ... I'll be in touch with the FBI about this. And we'll make arrangements with your staff. I think it probably would be best to provide these materials both to our committee and to the FBI."

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Nunes said on Fox News' Hannity (9/26, 9:32 p.m. ET, Hannity, 1.42M), "The bottom line is this was a sad day for America. You are

seeing the destruction of one of America's finest institutions, the US Congress. … It doesn't make me proud to be in there today, it was really miserable for us to sit there and watch the other side actually fabricate statements that they assigned to the United States President. This is unhinged, and it needs to stop. We look forward to this whole whistleblower coming in to testify, this is going to be interesting as we start to get to the bottom of it, and peel back the onion and I think what you're going to find, it's going to be the same people that were behind the Russia hoax are behind the Ukrainian hoax."

Key Source Denies "Bombshell" ABC Story About Trump-Zelensky Call.

Under the headline "ABC's Bombshell Ukraine Story Falls Apart," the Washington Free Beacon (9/26, 78K) reports "an ABC News report that an adviser to the Ukrainian president said any communication with President Donald Trump had to include discussion of former vice president Joe Biden, published Wednesday night, fell apart within hours." ABC "credited its scoop to Serhiy Leshchenko, a former member of Ukraine's parliament and former adviser to Ukrainian president Volodymyr Zelensky." However, "Leshchenko now disputes the story, denying he told ABC News that discussion of a potential probe into the Biden family's business activity in the country was a precondition for communication with Trump." Leshchenko "rejected the ABC story just hours after it was published, telling Radio Free Europe/Radio Liberty's Christopher Miller that he 'DID NOT tell ABC insistence for leaders to discuss Biden probe was precondition for call.'" Leshchenko also "spoke to BBC's Jonah Fisher, who added that the former Ukrainian official learned of 'quid pro quo' rumors 'only from media reports.'" Christepher Miller, a correspondent covering Ukraine, Russia, Belarus for RFERL and a contributor to Politico Europe, The Times and The Atlantic, wrote on Twitter, "Setting record straight: @Leshchenkos confirmed to me what those of us in Kyiv already knew—he is NOT currently an advisor to Ukraine's Zelenskiy & wasn't at time of July 25 call. He said he DID NOT tell ABC insistence for leaders to discuss Biden probe was precondition for call."

ABC News ran the story yesterday the morning on ABC's Good Morning America (9/26, 3.58M), but not on ABC World News Tonight.

Conservative News Outlets Bemoan "Blatant Media Lies" About "Non Scandal." Under the headline "Blatant Media Lies About Trump-Ukraine Non-Scandal Are Never-Ending," the Federalist (9/26, Clark, 126K) reports "the entire news cycle this week has revolved around one thing: President Trump's phone call with the president of Ukraine. The problem is, this story sounds all too familiar." The media "propped up a story about Trump-Russia collusion and prolonged a false narrative over the course of three years," but "the 'story' ended with the Mueller report, which proved absolutely no collusion." And "now the mainstream media is running with a new narrative." The Federalist mentions several examples of what it casts as false reporting. Among them, a Washington Post article that read, "Acting director of national intelligence threatened to resign if he couldn't speak freely before Congress on whistleblower complaint." Then, "in the next paragraph, Maguire denies ever having said that."

Under the headline "Dishonesty: Exposing The Media's Utterly Misleading Ukrainian 'Quid Pro Quo' Hype," Guy Benson writes for Townhall (9/26, Benson, 177K) that "far too often, the press has covered the Trump presidency in a foolishly sloppy, agenda-driven, and unprofessionally hostile manner. They've blown big stories, rushed headlong into reckless and embarrassing speculation, and shaded facts to paint Trump and his administration in the worst possible light." While Benson believes Trump "has engaged in seriously problematic conduct vis-a-vis Ukraine," through "a bit of journalistic sleight of hand, too many allegedly unbiased reporters have been presenting deeply misleading 'proof' of a fairly direct quid pro quo to their audiences."

NYTimes Analysis: "Pro-Trump Media" Manipulating Ukraine Story. Citing comments by Mark Levin, Rush Limbaugh and Michael Savage, the New York Times (9/26, Peters, 18.61M) reports "the pro-Trump media has wasted no time constructing their own version of events about Ukraine," one that "omits key facts." However, "the potential political benefit [for Trump] is significant," as "Mr. Limbaugh, Mr. Levin and Sean Hannity have a combined weekly radio audience of nearly 42 million listeners," and "combined with the programming on Fox News and stories from Trump-friendly outlets like Rasmussen Reports, which publishes a daily tracking poll of the president's approval ratings that is typically several percentage points higher than other surveys, the conservative media is wrapping Mr. Trump and his supporters in a security blanket of their own facts, data points and story lines about the Ukraine controversy." The Times adds that "in the world of conservative media, Mr. Trump is a popular, unbeatable figure."

At the end of its broadcast, NBC Nightly News (9/26, story 11, 0:45, Holt, 5.53M) reported, "We're once again witnessing history," and "if history is any guide, this will only get uglier and louder and, yes, further lead to this country's political divide, which makes our challenge more important to listen, to ask, to examine the facts and demand nothing short of the truth. That's what we endeavor to do here every night and will continue to do as the story unfolds."

Vanity Fair: Fox News Shaken By Ukraine Scandal, Hannity Called Allegations "Really Bad." Vanity Fair (9/26, Hamby, 9.08M) reports, "In public, Donald Trump's allies are putting on a brave face, repeating talking points...but in private, there are few who believe that the allegations leveled by an intelligence agency whistle-blower that Trump abused American foreign policy to leverage Ukraine into investigating Joe Biden won't result in considerable damage – if not the complete unraveling of his presidency." The President's "final bulwark is liable to be his first one: Fox News." But "even before the whistle-blower's revelations, Fox was having something of a Trump identity crisis, and that bulwark has been wavering." On Thursday morning, "Sean Hannity told friends the whistle-blower's allegations are 'really bad,' a person briefed on Hannity's conversations" said, and while Fox "has often taken a nothing-to-see-here approach to Trump scandals...impeachment is a different animal." A "Fox staffer" said, "It's management bedlam. This massive thing happened, and no one knows how to cover it."

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Morning Consult/Politico, NPR/PBS/Marist Polls Show Rising Support For Impeachment.

Axios (9/26, Perano, 521K) reports, "Public support for impeaching President Trump rose this week after Speaker Nancy Pelosi (D-Calif.) announced that the House would open a formal impeachment inquiry, according to polls from Morning Consult/Politico and NPR/PBS NewsHouse/Marist." Axios adds "the lack of public support for impeaching Trump has long been cited by Democratic leadership as the main reason not to open an inquiry," but "the polls show a significant shift in public opinion this week." In the Morning Consult/Politico poll, "43% support impeachment proceedings against Trump, up 7 points from a poll on Sept. 20–22." Meanwhile, in the NPR/PBS NewsHour/Marist Poll "49% support impeachment, up from 39% in April." Politico (9/26, Shepard, 4.29M) says "online interviews for the latest POLITICO/Morning Consult poll began Tuesday night, after Pelosi's announcement, and ran through early Thursday, with nearly all interviews conducted prior to the public release of a complaint from a whistleblower concerned about Trump's conduct in dealing with Ukraine."

Townhall (9/26, Benson, 177K) predicts "Democratic support will almost certainly increase following Pelosi's very public change of heart, but keep an eye on the independents moving forward. That's the most meaningful barometer."

McCarthy Says He Intends To Force Vote On Impeachment Inquiry.

Breitbart (9/26, Boyle, 673K) reports, "House Republican leader Rep. Kevin McCarthy (R-CA) intends to force House Democrats to take another controversial vote by Friday sometime, forcing them on the record on their intent to forcibly impeach President Donald Trump, all as House Speaker Nancy Pelosi continues to refuse to schedule any actual vote formally opening House impeachment proceedings." On Twitter, McCarthy says in intends to force the vote through a "privileged resolution," and added, "If Speaker Pelosi refuses to seek approval of the whole House in the critical decision of impeachment – as is longstanding practice and precedent – I will again give all members the opportunity to go on record so their constituents can know where they stand on this issue."

WSJournal Calls For Vote To Authorize Impeachment Inquiry. In an editorial, the Wall Street Journal (9/26, Subscription Publication, 7.57M) criticizes Speaker Pelosi for announcing an impeachment inquiry without allowing the House to vote on it – as had been the case before any such House actions in US history. The Journal further criticizes the news media for failing to pressure Pelosi to set up such as vote.

Trump Warns Impeachment Could Cause Market "Crash."

CNBC (9/26, Imbert, 3.62M) reports that President Trump yesterday morning "warned in a tweet...that the stock market would melt down if Congress successfully impeached him." Trump wrote on Twitter, "If they actually did this the markets would crash. Do you think it was luck that got us to the best Stock Market and Economy in our history. It wasn't." Politico (9/26, 4.29M) points out that the tweet "included a link to a Wednesday post by the Fox Business Network's Maria Bartiromo, one of his favorite cable news personalities, who tweeted the headline: 'Stocks hit session lows after Pelosi calls for impeachment inquiry.'"

Stocks Finish Lower. Reuters (9/26, Mikolajczak) reports "US stocks slipped on Thursday as the release of a whistleblower report tied to the Democrats' impeachment move against...Trump kept uncertainty high, while trade comments from China's top diplomat helped to limit losses." The Dow "fell 76.26 points, or 0.28%, to 26,894.45, the S&P 500 lost 7 points, or 0.23%, to 2,977.87 and the Nasdaq Composite dropped 46.72 points, or 0.58%, to 8,030.66."

Krugman: Impeachment Good For The Economy. Paul Krugman writes in the New York Times (9/26, 18.61M), "Here's the thing: Since most of what Trump is trying to do is bad for America, whatever paralysis impeachment may induce is all to the good. For Trump has, in effect, been waging a war on competence. ... Impeaching Donald Trump is good for the economy."

Johnson Defends Trump, Says His Concern Is About Leak Of Presidential Conversation.

The Milwaukee Journal Sentinel (9/26, Gilbert, 632K) reports, "Republican Sen. Ron Johnson of Wisconsin said Thursday that while President Donald Trump's critics are 'putting the worst possible construction' on the president's phone call to the leader of Ukraine and impugning 'all kinds of horrible motives to that,' he is not." Johnson, "who chairs the Senate committee on homeland security and has traveled to Ukraine numerous times," said "he 'is not especially concerned right now' about the overall nature of the conversation between Trump and Zelensky." Instead, he "said what deeply concerned him was that the whistleblower complaint about the call was leaked, pushing it out into the public domain." Johnson "said the release of a president's conversation with a foreign leader would damage the ability of future presidents to conduct foreign policy." Said Johnson, "We never should even have known about this. The world would be a better place had we never known about this."

Johnson: If There Is A Secret "Verbatim" Transcript, "I Would Be A Little Upset." Politico (9/26, Everett, 4.29M) reports that Johnson also said yesterday he "has no issues with...Trump's call with...Zelensky. But he does have a problem with the allegation that records of the call were restricted." Johnson is quoted as saying, "I was led to believe [that summary] was all that's available. I would be a little upset to find out there's a completely verbatim one."

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Ex-US Ambassador Becomes Lightning Rod In Ukraine Affair.

The New York Times (9/26, Lafraniere, Vogel, Baker, 18.61M) looks at the case of former US Ambassador to Ukraine Marie Yovanovitch,

dismissed by President Trump, who has recently "been vilified in the right-wing news media, denounced by the president's eldest son as a 'joker,' [and] called a Democratic stooge by the president's personal lawyer. ... Her supposed sin, never backed up by evidence, was that she had shown disloyalty to Mr. Trump, disparaging him behind his back." She "has now become a sort of heroine to the State Department's career staff – as well as a cautionary tale to many longtime American diplomats and national security officials. To them, she symbolizes an atmosphere in which dissenting, or even insisting on established procedures, can get them marked as outsiders."

Pelosi Left Draft Of Impeachment Inquiry Remarks On Plane.

Reuters (9/26, Cornwell) reports that after spending "all weekend mulling new allegations" against President Trump and beginning to "[sketch] out a response on a flight from New York to Washington" Monday evening, House Speaker Pelosi left her notes on a plane. "'She wrote the first draft of her speech that she would give Tuesday,' then left it behind, said a source familiar with what happened. But all was not lost. 'At least she had organized it in her head,' the source said."

WTimes Analysis: Ukraine Scandal Could Aid Warren Against Biden.

The Washington Times (9/26, A1, McLaughlin, 492K) reports New Hampshire Democratic voters are "trying to sort out who is telling the truth" about ex-Vice President Joe Biden and son Hunter Biden's activities in Ukraine "as they consider their options in the 2020 primary race. ... The political dust-up has created an opening for some of Mr. Biden's rivals," especially Sen. Elizabeth Warren (D-MA). GOP strategist Ford O'Connell told the times, "If you are Elizabeth Warren, you have to be giddy. While defending him to the teeth, you're hoping it sinks him." Election betting markets predict Warren's chances of winning the Democratic nomination up more than 12 percent this week, with Biden's down seven.

Hillary Clinton Says Trump "Knows He's An Illegitimate President."

The Washington Post (9/26, Itkowitz, 14.2M) reports Hillary Clinton "dismissed President Trump as an 'illegitimate president' and suggested that 'he knows' that he stole the 2016 presidential election in a CBS News interview to be aired Sunday." Clinton said, "He knows he's an illegitimate president. I believe he understands that the many varying tactics they used, from voter suppression and voter purging to hacking to the false stories – he knows that – there were just a bunch of different reasons why the election turned out like it did."

Tlaib Launches Line Of "Impeach The MF" T-Shirts.

The Detroit Free Press (9/26, Keith, 1.52M) reports, "Rashida Tlaib is taking calls for President Donald Trump's impeachment to her own T-shirt line with a familiar message: 'Impeach the MF.'" The Free Press adds "Tlaib's Thursday T-shirt launch came hours after the public release of a whistleblower report that said the president 'used the power of his office' to solicit help from Ukraine in discrediting political rival Joe Biden."

GM To Pay For Healthcare Benefits Of Striking Workers.

The Detroit News (9/26, Noble, Hall, 825K) reports, "In a reversal, General Motors Co. will continue to pay health-care premiums for striking United Auto Workers members, the Detroit automaker said Thursday, the 11th day of the union's national strike." The move came after "the UAW, other labor organizations and Democratic presidential candidates took aim at GM last week when it stopped paying for health care insurance for the 46,000 hourly UAW-GM employees who walked off the job." Meanwhile, talks "between GM and the UAW resumed Thursday morning with all unsettled issues at the 'main table,' and union bargainers signaled their readiness to begin round-the-clock talks as early as Thursday."

The Detroit Free Press (9/26, LaReau, 1.52M) reports that "the UAW and General Motors are far apart on several key issues that could take a week or more to resolve before a tentative agreement is reached," according to two people familiar with the talks. The article adds "that also means the strike could last at least two weeks longer if the UAW acts on a plan it is considering to keep members on the picket lines until the GM rank and file votes to ratify the deal, as the Free Press has reported." However, "other people close to the talks cautioned that breakthroughs can come quickly, speeding a resolution."

Administration Cuts Refugee Cap Almost In Half.

The New York Times (9/26, Shear, 18.61M) reports the State Department announced Thursday that "President Trump has decided to slash the American refugee program by almost half, deeply cutting the United States' role in accepting persecuted refugees from most parts of the world." The Administration said it would accept "18,000 refugees during the next 12 months, down from the current limit of 30,000 and a fraction of the 110,000 President Barack Obama said should be allowed into the United States in 2016." According to the State Department, the Administration "plans to reserve many of the available 18,000 refugee slots for Iraqis who worked with the United States military, some persecuted people from Central America and small groups of religious minorities and persecuted people."

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Trump Highlights Tweet On Freeing Of "Violent" Immigrants From North Carolina Jails.

CFTC-22-0351-A-002061

In a Thursday tweet, President Trump highlighted a Twitter post by Judicial Watch that read: "Weeks after JW reported that the sheriff of

North Carolina's biggest county released numerous violent illegal immigrant criminals from custody, new federal stats reveal that the problem is statewide." Trump said in his tweet promoting that message by Judicial Watch, "That, and many other reasons, is why Republicans will win North Carolina!"

Trump Praises Capito For Her Work On Border Security.

In a Thursday tweet, President Trump applauded Sen. Shelley Moore Capito (R-WV) for her work on border security, writing, "No one has done more behind the scenes for STRONG BORDER SECURITY than @SenCapito. Her bill passed Committee today with $5B for the BORDER WALL. West Virginia is a great State and Shelley gets it done. Keep it up!"

US Immigrant Population Grew At Slowest Rate Since 2008 Last Year.

The New York Times (9/26, Tavernise, 18.61M) reports that according to the Census Bureau's American Community Survey, which was released Thursday, "the US population gained immigrants last year at the slowest pace since 2008," which the Times says is "a notable slowdown that experts said was quite likely linked to a more restrictive approach by the Trump administration. The net increase of immigrants in the American population dropped to about 200,000 people in 2018, a decline of more than 70 percent from the year before, according to William Frey, chief demographer at the Brookings Institution, who conducted the analysis." Frey found that "the largest declines were among people from Latin America and Asia who were not United States citizens."

Under Deal With US, Honduras To Take In Cubans And Nicaraguans.

Reuters (9/26, Palencia) reports Honduran President Juan Orlando Hernandez said Thursday that a migration deal signed Wednesday with the US government "includes a provision for the Central American nation to receive Cubans and Nicaraguans seeking asylum in United States."

Federal Prosecutors To Link Honduran President To Cocaine Ring In Brother's Trial. The New York Times (9/26, Weiser, Malkin, 18.61M) reports that "when a former Honduran congressman goes on trial next week in Manhattan, charged with conspiring to import cocaine into the United States, his older brother will be absent from the courtroom but will loom large over the case. That older brother, Juan Orlando Hernández, is the president of Honduras, and an ally of President Trump on immigration and security." Federal prosecutors are "preparing to present evidence that the Honduran president was a member of the drug trafficking conspiracy his brother was charged in," and that he "used drug money to help win elections in 2013 and 2017."

El Salvador's Bukele: Nation Has To Fix Its Problems.

El Salvadorian President Nayib Bukele said on Fox News' The Story (9/26, 7:41 p.m. ET, McCallum, 1.51M), "We have a problem that we have to fix. In El Salvador, we have been sending migrants to the United States and elsewhere, and now we have almost more than a quarter of the population living abroad, so when you have your people, your own people, fleeing their homes, it's not because they found a job somewhere else because they were going to go study somewhere else, because they wanted to flee because they didn't have economic opportunities or violence or crime, you have something to fix in your country."

New ICE Director In Chicago Criticizes City's Sanctuary Status.

The Chicago Tribune (9/26, Malagón, Pratt, 2.65M) reports Robert Guadian, ICE's newly appointed Chicago field office director, held a news conference Thursday "to underscore what he said are the dangers of local police not cooperating with his agency in so-called sanctuary cities like Chicago." Guadian "said a new nationwide enforcement campaign resulted in 28 people being detained in Illinois this week who will now face deportation proceedings," but the Tribune says it "was not immediately clear if two highly publicized ICE operations in Chicago were part of this effort." He "argued that such sanctuary cities...actually result in more collateral arrests."

Conservative Olson To Represent "Dreamers" In Supreme Court Case.

The New York Times (9/26, Liptak, 18.61M) reports that the so-called "Dreamers" have "gained an unlikely ally in the Supreme Court." Theodore B. Olson, who "argued for robust executive power in senior Justice Department posts under Republican presidents, will face off against lawyers from President Trump's Justice Department in a case over Mr. Trump's efforts to shut down the program that shields some 700,000 young undocumented immigrants from deportation and allows them to work." In an interview, Olson "said he had generally taken a broad view of presidential authority, particularly in the realm of immigration." Said Olson, "Executive power is important, and we respect it. But it has to be done the right way. It has to be done in an orderly fashion so that citizens can understand what is being done and people whose lives have depended on a governmental policy aren't swept away arbitrarily and capriciously. And that's what's happened here."

The Washington Post (9/26, Barnes, 14.2M) reports Olson said Thursday, "We're going to have to win over some conservative members of the court, and so someone who has a background in separation of powers, executive power, on the conservative side of the political spectrum, might help." To the Post, the choice "might have been more surprising had Olson not played a similar role in the legal battle for same-sex marriage."

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NTSB Unveils Recommendations After 737 MAX Crashes.

The New York Times (9/26, Kitroeff, 18.61M) reports, "A monthslong federal investigation into Boeing's 737 Max plane has called into question some of the most fundamental assumptions used by manufacturers and regulators when certifying aircraft, and challenged Boeing's repeated assertions that pilots should have been able to easily handle a malfunction on its jet." The Wall Street Journal (9/26, Pasztor, Subscription Publication, 7.57M) reports the National Transportation Safety Board released on Thursday several recommendations to the Federal Aviation Administration following two fatal 737 MAX crashes. NBC Nightly News (9/26, story 8, 1:35, Holt, 5.53M) reported that "many of the changes involve how pilots react to an emergency."

The CBS Evening News (9/26, story 6, 0:35, O'Donnell, 4.55M) reported that "the NTSB found that both Boeing and the FAA overestimated pilots' ability to handle the plane when the MCAS system malfunctioned." The flight control system, "designed to prevent the plane from stalling, misfired in both of those crashes." ABC World News Tonight (9/26, story 8, 0:25, Muir, 6.8M) reported the NTSB said "that pilots were bombarded by multiple alerts and alarms going off as the crashes were unfolding, making an emergency situation even worse." However, "that scenario was never tested when the planes were being certified."

The Washington Post (9/26, Laris, 14.2M) reports that "the NTSB made seven recommendations Thursday to address certification and safety issues, and investigators expect to add more later." Among their recommendations was for the FAA to "guarantee that Boeing has reexamined certain safety assessments for the Max;" "require that similar reassessments and improvements be done on most other passenger planes;" and "notify international authorities that they should consider the same issues."

Reuters (9/26, Shepardson) reports the FAA said in a statement it "will carefully review these and all other recommendations as we continue our review of the proposed changes to the Boeing 737 MAX." Boeing said in a statement it is "committed to working with the FAA in reviewing the NTSB recommendations."

CDC: Number Of Vaping-Related Illnesses Climbs To 805.

NBC Nightly News (9/26, story 6, 1:40, Holt, 5.53M) reported the CDC is "now reporting at least 12 deaths in 805 cases in 46 states and the Virgin Islands." The CBS Evening News (9/26, story 5, 0:20, O'Donnell, 4.55M) reported the number of cases is up "more than 50 percent from last week." ABC World News Tonight (9/26, story 6, 1:40, Muir, 6.8M) reported, "Health officials still aren't sure aren't what's getting people sick. ... While they figure it out, they say that anyone concerned should stop vaping, but they also don't want these same consumers returning to smoking."

ADL Identifies 36 More Items, Including "OK" Hand Sign, As Hate Symbols.

The Washington Times (9/26, Richardson, 492K) reports the Anti-Defamation League "announced Thursday the addition of 36 items to its 'Hate on Display' database, including the 'OK' hand symbol; anti-antifa logos, and the 'bowlcut,' bringing the total number of 'calling cards of hate' to 214." According to the article, "many of the symbols and slogans included on the hate list are obviously offensive, such as 'burning Neo-Nazi symbols' and an anti-Semitic drawing called the 'Happy Merchant,' which shows a Jewish man with 'heavily stereotypical facial features' rubbing his hands together." However, "the addition of popular, seemingly innocuous symbols like the 'OK' sign prompted pushback from those who described the ever-growing list of unacceptable images and phrases as an example of the outrage culture run amok."

WPost: Two Years After Killing Of Unarmed Motorist By Park Police, Questions Remain Unanswered.

The Washington Post (9/26, 14.2M) editorializes that it has been two years since US Park Police officers shot and killed an unarmed motorist, but "the FBI has released virtually no information about its investigation into the police shooting." The Post says that there are still "questions that must be answered" in the killing of Bijan Ghaisar: "What threat was so grave that the officers seemingly ignored protocol, and common sense, to shoot an unarmed man multiple times at point-blank range? And why are the FBI and federal prosecutors taking so long?" The Post concludes that the silence from officials is "an affront to the public, which may reasonably wonder if official impunity and coverup are the default instinct by law enforcement officers following a police shooting."

Tropical Storm Karen Expected To Weaken As Lorenzo Strengthens To Category 4.

USA Today (9/26, Lam, 10.31M) reports, "Forecasters predicted the previously uncertain Tropical Storm Karen will dissipate over the weekend, while Lorenzo on Thursday strengthened into a Category 4 Hurricane." Lorenzo could "strengthen into a Category 5 hurricane" and "threaten the Azores in the east-central Atlantic Ocean next week." However, "no storm watches or warnings were in effect Thursday for either storm, according to the National Hurricane Center."

Parent Sentenced To Four Months In Prison In College Admissions Scandal.

The CBS Evening News (9/26, story 9, 0:20, O'Donnell, 4.55M) reported, "A California businessman is the latest parent to be sentenced in that college admissions scandal. Stephen Semprevivo was given four months in prison after pleading guilty to fraud and conspiracy." Semprevivo "paid $400,000 to get his son into Georgetown by posing as a tennis recruit." NBC Nightly News (9/26, story 7, 0:25, Holt, 5.53M) noted Semprevivo is the third parent to be sentenced in the scandal.

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Chicago Teachers Union Votes To Authorize Potential Strike.

The Chicago Sun-Times (9/26, 875K) reports Chicago's teachers have "decided their contract demands are worth striking over, voting overwhelmingly to authorize a potential walkout and setting up a contentious showdown with city and school officials the next two weeks." Chicago Teachers Union leaders "said late Thursday that more than 94% of active members voted in favor of a strike."

School Quiz Refers To Trump As "45th President, Republican, Idiot."

The Washington Times (9/26, Morton, 492K) reports that a teacher at a Palm Beach County, Florida middle school gave students "a test that asked them to identify who fits this description: '45th Pres; 2017; Republican; Real Estate businessman; Idiot.'" According to the Times, the fifth descriptor "didn't sit so well with some parents." Cameron Cary, father of a student at Watson B. Duncan Middle School, posted on Twitter a photo his daughter took of the question.

Senate Confirms Scalia As New Labor Secretary.

Axios (9/26, Perano, 521K) reports "the Senate voted 53-44 on Thursday to confirm Eugene Scalia, son of the late Supreme Court Justice Antonin Scalia, as labor secretary." Axios adds "the position was previously filled by acting Secretary Patrick Pizzella after Labor Secretary Alexander Acosta resigned in July amid renewed pushback over his role in Jeffrey Epstein's 2008 plea deal." The AP (9/26, Lardner) indicates "the Senate voted along party lines...to approve Scalia's nomination," as "Democrats said Scalia fought for corporations and against workers and was the wrong candidate for Cabinet post."

CQ Roll Call (9/26, Bocchetti, 154K) quotes Senate Minority Leader as saying yesterday, "This nomination is a real shame. I'd call it a disgrace. ... At a time when the middle class is struggling, to appoint someone like this shows one thing: President [Donald] Trump is no friend of the working people." The Washington Post (9/26, Sonmez, Rosenberg, 14.2M) reports Richard Trumka, the president of the AFL-CIO, "called Scalia a 'lifelong union-buster' and said his nomination goes against Trump's campaign pledge to stand on the side of workers." Trumka also said yesterday that the selection of Scalia by Trump is "insulting, it's dangerous, and workers are not going to forget it."

The Washington Examiner (9/26, Higgins, 448K) recounts "Scalia was one of the attorneys retained by the Chamber of Commerce when it challenged the Labor Department's 2017 'fiduciary rule,' which would have required all advisers managing tax-privileged retirement accounts to act in their clients' best interests, a legal standard that Obama sought to crack down on conflicts of interest." The Chamber's legal team "argued it broadened the definition of fiduciary too far, clashed with existing regulations, and involved a regulatory change that only Congress could approve. A federal court agreed and vacated the rule last year." The New York Times (9/26, Scheiber, 18.61M) says Scalia also "took a leading role opposing a Clinton administration regulation known as the 'ergonomics rule,' which was intended to protect workers against repetitive stress injuries. He dismissed the basis for the rule as 'unreliable science' and contended that labor unions had promoted it in order to 'force companies to give more rest periods, slow the pace of work and then hire more workers (read: dues-paying members).'" Democrats "blocked Mr. Scalia's nomination to serve as the Labor Department's top lawyer in 2001 largely as a result of his efforts to oppose the rule."

Trump Nominates Gaynord To Lead FEMA.

Politico (9/26, Semones, 4.29M) reports the President yesterday "tapped Pete Gaynor, the Federal Emergency Management Agency's acting administrator, to permanently lead the agency." Gaynor "has served as FEMA's acting director since March 2019 after former head Brock Long resigned following a controversy over his personal use of government vehicles."

Senate Confirms Hyten As New Vice Chair Of Joint Chiefs.

The AP (9/26, BALDOR) reports the Senate yesterday "confirmed the nomination of an Air Force general to become the vice chairman of the Joint Chiefs of Staff, largely dismissing an aide's allegations that he had subjected her to unwanted sexual advances." The AP adds "the 75-22 vote to approve Gen. John Hyten as the nation's No. 2 military officer indicates a bit more opposition than most military nominations, which often get near-unanimous Senate support," with "ten of the 22 'no' votes" coming "from female senators, including Sen. Joni Ernst of Iowa, a survivor of sexual assault while in college and the only Republican to vote against him."

The Washington Post (9/26, Ryan, Demirjian, 14.2M) reports "the vote comes at the close of a nomination process overshadowed by allegations of assault from an Army colonel who served as a senior aide to Hyten at STRATCOM." That aide, Kathryn Spletstoser, "has said Hyten made unwanted sexual advances on repeated occasions, an allegation Hyten has denied." The Post adds "an Air Force investigation did not substantiate Spletstoser's charges, and the military did not initiate any disciplinary action."

Army Secretary Confirmed On Voice Vote.

The Washington Times (9/26, Meier, 492K) reports "the Senate on Thursday voted to confirm President Trump's pick to lead the Army, Ryan McCarthy, on a voice vote." McCarthy "served as the undersecretary for the Army since 2017, and was an executive at Lockheed Martin, managing the program integration of the F-35 Joint Strike Fighter program, according to the Pentagon."

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Scottish Council Approves Trump Organization Plan To Build 550 Houses.

The Washington Post (9/26, Partlow, 14.2M) reports that "a local council in northeastern Scotland granted approval on Thursday to the Trump Organization to build 550 houses on pastureland and forests in a remote swath of North Sea coastline, a rare victory for the company amid declining fortunes elsewhere for the president's family business." According to the Post, the Aberdeenshire Council "voted 38 to 24 to allow the Trump Organization's residential development to move forward despite vocal opposition from many residents who fear it would crowd the roads and schools of their windswept village."

Parents Protest After Bullied Teen Beaten At California Middle School Dies.

ABC World News Tonight (9/26, story 7, 1:25, Muir, 6.8M) reported, "Outrage is mounting after a deadly incident at a middle school in Southern California. The 13-year-old targeted, died just days later." ABC (Gutman) added, "Tonight, parents protesting after that deadly school beating in Southern California. ... A 13-year-old boy identified only as 'Diego' was pronounced clinically dead Tuesday. The parents saying not enough is being done to protect children."

NIH Awards $945M To Research Addiction And Chronic Pain.

The Washington Post (9/26, Bernstein, 14.2M) reports the National Institutes of Health "awarded nearly $1 billion on Thursday to battle addiction and chronic pain, the largest financial commitment to one program ever by the government's premier biomedical research center." HHS Secretary Azar said, "We have effective tools, such as medication-assisted treatment, but we still need better ways to treat opioid addiction and manage pain in an effective, personalized way." According to the article, "in keeping with NIH's mission, the $945 million provides no direct services to people affected by the opioid epidemic and chronic pain, but will be used to fund research by 375 grantees in 41 states designed to guide future efforts."

Trump To Hold Rally In Minneapolis On October 10.

The Minneapolis Star Tribune (9/26, Van Oot, Nelson, 1.04M) reports that President Trump "will return [to] Minnesota for a campaign rally next month, marking the latest volley in his bid to flip Minnesota into the Republican column in a presidential contest for the first time in decades. The rally, scheduled Oct. 10 at Target Center in Minneapolis, will place" Trump "squarely in a Democratic stronghold and the district of" freshman Rep. Ilhan Omar (D-MN), "a member of the 'squad' of female House Democrats of color with whom he has sparred in recent months. Omar responded to the news Thursday with a statement addressed to Trump," saying that "we will continue to reject you and your campaign of lies and bigotry.'" State GOP chief Jennifer Carnahan, meanwhile, said, "We are excited for the rally on October 10th and look forward to showing the Democrats how enthusiastic Minnesota Republicans are to send our 10 electoral votes to re-elect President Trump in 2020."

In Tweet, Trump Lauds Senate Appropriations Chairman Shelby.

In a Thursday tweet, President Trump lauded Senate Appropriations Chairman Richard Shelby, saying, "Congratulations to my friend @SenShelby, our powerful Appropriations Chairman, for his hard work on many strong bills that continue to rebuild our military, invest in border security, and many other priorities. Good work and keep fighting, you are winning!"

Circuit Judge Nominee Loses Support Of Second GOP Judiciary Panel Member.

Politico (9/26, Everett, 4.29M) reports that the Senate Judiciary Committee has "shelved the consideration of a nominee for a key circuit judge position after an uprising of conservative opposition." The committee "postponed its vote on Halil Suleyman 'Sul' Ozerden to the 5th Circuit Court of Appeals" shortly after Sen. Josh Hawley (R-MO) informed Republicans he was opposed. Politico says Sen. Ted Cruz (R-TX) also opposed the nomination. According to Politico, Ozerden is "a friend of" Acting Chief of Staff Mulvaney, but "conservatives have been skeptical of his credentials, specifically his ruling in favor of dismissing a challenge to the Affordable Care Act's contraception coverage mandate, which he deemed premature."

The Daily Caller (9/26, 716K) reports that Cruz "grilled Ozerden during his July 17 confirmation hearing, saying Ozerden has few discernible connections to the conservative legal movement." According to the Daily Caller, Ozerden "has also approvingly cited several cases which derive from the Supreme Court's 1992 decision in Planned Parenthood v. Casey, in which a fractured Court upheld the core of Roe v. Wade."

EPA Links California Water-Quality Issues To Homelessness Crisis.

The AP (9/26) reports that the Environmental Protection Agency claims California is "failing to protect its waters from pollution, partly because of a worsening problem with homelessness in large cities such as Los Angeles and San Francisco." EPA Administrator Wheeler "outlined a series of alleged deficiencies in California's compliance with federal clean water laws in a letter to Democratic Gov. Gavin Newsom, demanding a detailed plan for fixing the problems within 30 days." Wheeler wrote, "California needs to fulfill its obligation to protect its water bodies and, more importantly, public health, and it should take this letter as notice that EPA is going to insist that it meets its environmental obligations."

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The New York Times (9/26, Friedman, 18.61M) says the EPA is "pressing" President Trump's "complaints about homelessness in

California." According to the Times, Trump "has personally intervened to add urban California's problem with homelessness to his litany of complaints." The Washington Post (9/26, Eilperin, Dennis, Dawsey, 14.2M) reports that in his letter, Wheeler "cited multiple instances of California failing to meet federal water-quality standards, attributing this in part to the state's homelessness problem." Wheeler wrote, "The agency is aware of the growing homelessness crisis developing in major California cities, including Los Angeles and San Francisco, and the impact of this crisis on the environment." San Francisco Mayor London Breed (D) said in response, "As I've said before, there are no needles washing out to the bay or ocean from our sewer system, and there is no relationship between homelessness and water quality in San Francisco. It's just not a real issue."

Pentagon: Suicide Rate Among Troops Increased To Highest Level In Five Years.

The Washington Post (9/26, Lamothe, 14.2M) reports the US military's suicide rate among active-duty service members "has climbed over the past five years, according to a Pentagon report released Thursday, as defense officials acknowledged a troubling rise that they said was similar to national trends." USA Today (9/26, Vanden Brook, 10.31M) reports "the rate of suicide among active duty military troops was 24.8 per 100,000 people in 2018," compared to a rate of "18.5 per 100,000" just five years ago. The "overall spike in the rate" was attributed by the Pentagon to "small increases in suicides across all the services."

Female Veterans Advocate Sexually Assaulted At VA Center.

The New York Times (9/26, Steinhauer, 18.61M) reports that a "senior policy adviser on female veterans issues for the House said she was assaulted last week at the V.A. Medical Center in Washington by a man who slammed his body against hers and then pressed himself against her in the center's cafe." The woman, Andrea Goldstein, a "reserve Navy intelligence officer and a lead staff member for the Women Veterans Task Force on the House Veterans Affairs Committee," said in an interview that she was "waiting for a smoothie at a cafe in the busy center" when "a man slammed her below the waist and told her that 'you look like you could use a good time. He pressed his entire body against mine.'" To the Times, the incident "underscores an intractable problem for many V.A. hospitals across the nation as they scramble to provide better health care for the rising number of women in the system."

US Attorney Warns Of Possible Russian Interference In 2020 Elections.

The Washington Post (9/26, Weiner, 14.2M) reports US Attorney G. Zachary Terwilliger, "whose office investigated interference in the 2018 midterm elections, said Thursday he is certain Russia will try to meddle in the upcoming presidential race in similar ways to the past." Speaking at George Mason University's National Security Institute, Terwilliger said, "They're going to do the same thing. They're going to do it. In an open setting like this there's not a lot I can get into, but I think it wouldn't be irresponsible for me to say they're definitely going to try." Terwilliger "said he had heard from an administration official that 'their big concern is deepfakes,' or doctored images and videos," but he was also worried about the "actual physical infrastructure" of election machines.

NYTimes Analysis: NRA Appears To Have Paid For Delegation's Trip To Russia. The New York Times (9/26, Hakim, 18.61M) reports that amid congressional investigation into a trip to Russia "by a delegation of its board members and supporters," the NRA "issued a statement of disavowal." The NRA said it was "repaid last year for expenses associated with the trip. But that payment...was actually the final step in a series of previously unreported transactions that appear to undercut the N.R.A.'s claims." The December 2015 trip was hosted by Maria Butina, "who pleaded guilty last year to taking part in a covert effort to infiltrate American conservative groups," and in the months after the trip, "facing unpaid bills of more than $21,000, N.R.A. officials had one prominent member of the delegation, Pete Brownell, cover costs by writing one check to an N.R.A. account, and another to a company co-owned" by Butina. But in June 2016, the NRA "transferred the combined amount back to Mr. Brownell."

Harvard CAPS/Harris Poll: Biden 28%; Warren 17%; Sanders 16%; Harris 6%.

The Hill (9/26, Greenwood, 2.98M) reports that a Harvard CAPS/Harris national poll of 693 Democratic voters, taken Sept. 22-24, shows ex-Vice President Joe Biden leading the race for the 2020 Democratic presidential nomination with 28%, followed by Sen. Elizabeth Warren (D-MA) at 17%, Sen. Bernie Sanders (I-VT) at 16%, and Sen. Kamala Harris (D-CA) at 6%; no other contender tops 3%. The Hill says Biden's support is down four points since a similar poll taken last month, while Warren's support is up four points since then.

Worried Biden Supporters May Form Super PAC To Back His Bid.

The New York Times (9/26, Burns, Martin, 18.61M) reports that backers of ex-Vice President Joe Biden, "concerned about his slipping poll numbers...and an onslaught of attacks from President Trump, are" considering creating "a super PAC supporting Mr. Biden and have held conversations with wealthy donors to gauge their interest in contributing money. Mr. Biden and his campaign aides have said since the start of the race that they would not welcome an outside spending effort on his behalf. ... A spokesman for Mr. Biden on Thursday reiterated that he opposed super PACs and would reject any such group that attempted to support him." Even so, some "former staffers of Mr. Biden and political donors backing his candidacy have held conversations in recent weeks about moving ahead with a super PAC, and said Mr. Trump's furious, and often unsubstantiated, allegations about" Biden "had convinced them it was imperative they act."

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Politico Report: Biden's Brother Told Investors Cancer Initiative Could Benefit Them.

Politico (9/26, Schreckinger, 4.29M) reports that Joe Biden's brother, James Biden, "told executives at a healthcare firm that the former vice president's cancer initiative would promote their business." Politico cites "a participant in the conversation, who said the promise came as part of a pitch on behalf of potential investors in the firm." According to Politico, "The allegation is the latest of many times Biden's relatives have invoked the former vice president and his political clout to further their private business dealings," but "it is the first that involves the Biden Cancer Initiative, a project Joe Biden made the centerpiece of his post-White House life following the death of his son Beau." Politico says James Biden "made the promise to executives at Florida-based Integrate Oral Care during a phone call on or around November 8, 2018, according to Michael Frey, CEO of Diverse Medical Management, a health-care firm that is suing James Biden."

Bennet: President And VP's Families Should Not Have Foreign Business Dealings. In an interview Thursday with Politico (9/26, Schneider, 4.29M), Sen. Michael Bennet (D-CO) said "he wouldn't allow his own vice president's children to make foreign business dealings like those made by Hunter Biden, son of former Vice President Joe Biden, as he laid down a warning for Democrats" seeking to impeach President Trump. Said Bennet, "I think it'd be better not to have that kind of an arrangement, and it'd be better not to give speeches to Goldman Sachs. It'd be better for people just to be public servants." Regarding the allegations against Hunter Biden, Bennet "said there is no merit to them 'based on what I know,' calling Trump's focus on it a distraction."

CNBC Report: Some Wall Street Democrats Will Defect To Trump If Warren Is Nominee.

CNBC (9/26, Schwartz, 3.62M) reports on its website that some "Democratic donors on Wall Street and in big business are preparing to sit out the presidential campaign fundraising cycle – or even back" President Trump – should Sen. Elizabeth Warren (D-MA) emerge as the party's 2020 presidential nominee. CNBC says it recently "spoke with several high-dollar Democratic donors and fundraisers in the business community and found that this opinion was becoming widely shared as Warren, an outspoken critic of big banks and corporations, gains momentum...in the 2020 race." CNBC says that "the business community's unease about Warren's candidacy has surged in tandem with her campaign's momentum." The article adds that CNBC's Jim Cramer "said earlier this month that he's heard from Wall Street executives that they believe Warren has 'got to be stopped,' and that Warren "later tweeted her response to Cramer's report: 'I'm Elizabeth Warren and I approve this message.'"

The Daily Caller (9/26, 716K) reports that Warren "has been warned that her proposed wealth tax, not to mention her plan to force equity firms to take on the pension obligations and debts of companies they acquired, could make it difficult for her to tap into any resources she might need."

Reuters Analysis: "Diverse Coalition" Of Supporters Behind Warren's Surge. Under the headline "Warren's Liberal Plans Fuel Rise In Democratic Presidential Field," Reuters (9/26, Becker, Kahn) reports on "the diverse coalition that has fueled" Warren's "steady rise in opinion polls since she launched her campaign this year. According to Reuters/Ipsos polling, Warren is the only candidate for the 2020 Democratic nomination to consistently increase her level of support over the past six months." Reuters adds that Warren's "support has surged among a broad group of Democrats and independents: the college educated, high-wage earners making at least $100,000 per year, lower-wage earners making under $50,000 per year, suburban residents, retirees and women. ... Interviews with more than a dozen voters in Iowa" found that "Warren's appeal is both practical and personal. People said they liked her plans aimed at major structural change of the federal government, as well as her sincerity and smarts."

Ex-HHS Chief Price Seeks To Be Appointed As Isakson's Successor.

The AP (9/26) reports that ex-HHS Secretary Tom Price, a former GOP congressman, has applied to be appointed as the successor to Sen. Johnny Isakson (R-GA), who is resigning at the end of this year due to health concerns. Price "has submitted an application to" Gov. Brian Kemp (R-GA), who will appoint Isakson's successor. The AP says that Price's move comes "nearly two years after being ousted from his Cabinet post for excessive travel spending." The Atlanta Journal-Constitution (9/26, Bluestein, Hallerman, 895K) reports that Rep. Doug Collins (R-GA) and GOP Public Service Commissioner Tim Echols are among those who've also applied for the seat, "and many more are expected to join them." The article adds that Price "resigned from his Cabinet post in September 2017 after racking up at least $1 million in travel on private and military jets, a string of taxpayer-funded expenses that drew bipartisan condemnation and infuriated President Donald Trump."

Politico (9/26, Arkin, 4.29M) reports that Price "held a suburban Atlanta seat in Congress, and his resignation to join the Cabinet set off a special election that became the most expensive House race in history. Republicans narrowly held the seat in June 2017, but now-Rep. Lucy McBath flipped the seat blue in November." The Hill (9/26, Rodrigo, 2.98M) reports that Kemp "has launched a website where Republicans who want to be considered for the [Senate seat] may submit their résumés, and more than 200 people have already done so."

RCP Average Has Trump's Job Approval At 44.7%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.7%, and his disapproval at 52.5%. The President's approval is down 0.2 since yesterday; his disapproval is up by 0.2.

A Rasmussen poll of 1,500 "likely voters" (9/23-9/25) finds Trump's approval at 49%, with 49% disapproving.

A Harvard-Harris poll of 2,009 "registered voters" (9/22-9/24) shows Trump's approval at 46%, and his disapproval at 54%.

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A Reuters/Ipsos survey of 942 "registered voters" (9/24-9/25), meanwhile, has the President's job approval at 42%, and his disapproval at 53%.

Financial International News

BOE Official: Rate Cut "Plausible" If Brexit Uncertainty Persists.

Reuters (9/27, Milliken) reports the Bank of England "may well need to cut interest rates in the likely scenario that high levels of uncertainty over Brexit persist, BoE policymaker Michael Saunders said on Friday in the first clear signal that it is considering a cut." The piece explains that last week, "without directly raising the prospect of cutting interest rates, the Bank of England said Brexit uncertainty and slower world growth were increasingly causing Britain's economy to perform below potential." However, Saunders said northern England that if Britain avoided a no-deal Brexit, "I think it is quite plausible that the next move in Bank Rate would be down rather than up."

Lagarde Facing Challenge Of Smoothing ECB Feathers After Top Official Resigns.

Reuters (9/26, Canepa) reports, "Sabine Lautenschlaeger's shock resignation from the European Central Bank illustrates the deep divisions that Christine Lagarde will have to heal when she takes over next month, with some policymakers in open revolt over a new stimulus package." Lautenschlaeger, Germany's appointee to the ECB's board, announced on Wednesday that she would step down on October 31, a day before Lagarde replaces Mario Draghi as ECB president.

Merkel: Governments Should Ensure ECB Is Not Overburdened.

Reuters (9/26) reports eurozone governments "must reform their economies and use appropriate fiscal policies to ensure that the European Central Bank is not overburdened, German Chancellor Angela Merkel said on Thursday." Speaking at an event in Frankfurt, Merkel "said the central bank's loose monetary policy was perceived differently across the euro zone and that European economies should be moulded to show 'more homogeneous competitiveness.'" Merkel said, "This political task that we have is, of course, not to overburden monetary policy."

IMF Not Saying When Argentina Could Get Final Loan Disbursement.

The AP (9/26) reports the IMF on Thursday refused to say "when it will disburse the last $5.4 billion of a massive loan to Argentina that was originally planned for mid-September." IMF spokesperson Gerry Rice told a news conference that he didn't "have specific information on timing." The piece noes that "talks about the overall $57 billion loan will continue when Argentine authorities attend the Fund's fall meeting next month in Washington." Rice said, "We will move in the discussions as fast as we can, trying to do the best we can for Argentina in every respect."

Central Banks Hawks Growing More Vocal Against Low Rates.

The Wall Street Journal (9/26, Fairless, Subscription Publication, 7.57M) reports major central banks have been facing more internal dissent over adding stimulus or have chosen to keep monetary policy unchanged in recent weeks. The piece says this is a shift following a wave of easing earlier in the year amid cooling global growth. Central bank hawks have become more vocal, saying such efforts are not necessary for expanding domestic economies with low unemployment.

In New Ukraine Loan Talks, IMF Presses For Central Bank Independence.

Reuters (9/27, Williams) reports the IMF has "had productive discussions about assisting Ukraine with a new three-year loan program but stressed the need to safeguard central bank independence and financial stability, the IMF said on Friday." The piece explains that, "as it left Ukraine after two weeks of meeting stakeholders, the IMF said discussions on the new program would continue in the coming weeks."

Mexican Economy Minister: Rate Cuts Critical For Reactivating Economic Growth.

Reuters (9/26) reports Mexican Economy Minister Graciela Marquez Colin "said on Thursday that central bank rate cuts will be critical for the reactivation of economic growth." The piece notes that, "speaking to a business conference in New York just as Mexico's central bank announced a 25-basis point cut in its key rate, Marquez Colin said that U.S. Federal Reserve policy decisions are giving Mexico additional room to cut rates."

ABN Amro Latest Bank Being Probed Over Potential Money Laundering.

Bloomberg (9/26, Munsterman, Vergauwen, 4.73M) reports ABN Amro Bank NV "disclosed a criminal probe over alleged failures to check on clients and report suspicious transactions." The Dutch investigation "adds to a series of money-laundering cases that have engulfed lenders, highlighting weaknesses in the region's efforts to fight the flow of illicit funds."

Eurozone Corporate Lending Rises To Post-Crisis High.

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Reuters (9/26) reports, "Bank lending to eurozone companies accelerated last month to match a post-crisis high hit last year, in a sign credit kept flowing smoothly in the bloc despite an economic slowdown, data from the European Central Bank showed on Thursday." Corporate

loans rose by 4.3 percent year-over-year in August, up from a revised four percent in July and the highest since September 2018.

The Financial Times (9/26, Romei, Subscription Publication, 1.34M) reports the eurozone lending growth has eased fears of a recession in the region and shows resilience of the domestic sector as export-led sectors continue to decline.

BIS Starts Green Bond Fund.

Bloomberg (9/26, Ward, 4.73M) reports, "The Bank for International Settlements started an open-ended fund for central bank investments in green bonds, it said in a statement." The BIS "said the fund comes in response to growing demand for climate-friendly investments" and should "help institutions incorporate sustainability objectives into the management of their reserves."

China Tells Banks To Distribute Excess Provisions For Bad Loans To Shareholders.

Bloomberg (9/26, 4.73M) reports, "China is telling its banks to distribute excess provisions for soured loans to investors as part of attempts to curb accounting malpractice, sparking a rally in some local financial company stocks." Banks with provisions that exceed 300 percent of their nonperforming-loan balances "would be seen has having 'a tendency to hide their profits' and would need to distribute reserves beyond that amount as dividends, according to draft rules released Thursday by the Ministry of Finance." This is part of Chinese financial regulators' two-year campaign to reduce risks in the country's banking system "by increasing fines on transgressions including inflating deposits, understating bad loans and misusing client funds."

Leading International News

Rouhani Says Iran Seeks "Dialogue" With US, Calls For Lifting Of Sanctions.

The AP (9/26, Lederer, Batrawy) reports at the UN General Assembly yesterday, Iranian President Hassan Rouhani "urged the United States...to 'cease this policy of maximum pressure' in favor of 'dialogue, and logic and reason.'" Rouhani "also again denied that Iran has anything to do with drone and missile strikes against key oil facilities in Saudi Arabia earlier this month that rattled the global oil markets." Said the Iranian leader, "Those who make the allegations must provide the needed proof to back up those allegations."

According to an AP (9/26, Batrawy) analysis, "The limits of Iran's ability to go it alone were on display at the United Nations this week as it engaged in a flurry of diplomatic outreach." The AP says the Iranian government's "fraught history with the US has essentially locked it out of the global financial system, making it difficult to find partners, allies and countries willing or even able to do business with it."

IAEA: Iran Has Committed Further Breaches Of Nuclear Deal. Reuters (9/26, Murphy) reports that, according to the International Atomic Energy Agency, Iran "has committed another breach of its nuclear deal with major powers by enriching uranium with advanced centrifuges. ... 'They are busy at the (Natanz enrichment) facility,' one diplomat said in response to" the IAEA report. According to Reuters, the 2015 nuclear deal "only lets Iran accumulate enriched uranium with just over 5,000 of its first-generation IR-1 centrifuges at Natanz," and "lets Iran use small numbers of more advanced models for research, without producing enriched uranium." Reuters adds that the deal "also caps the amount of enriched uranium Iran can produce and the purity to which it can enrich it, both of which Tehran has already breached, but only incrementally rather than by ramping up the level and amount as quickly as it can."

According to Bloomberg (9/26, 4.73M), the IAEA says "in addition to new advanced centrifuges being fed with uranium at a testing facility at Natanz, Iran is also reconstituting machines and infrastructure that will allow it to ramp up its program even further within a matter of weeks."

Pompeo Asked About Potential Prisoner Swap In Wake Of Iranian's Deportation. Reuters (9/26, Pamuk, Nichols) reports Secretary of State Pompeo on Thursday "declined...to discuss the possibility of a prisoner swap between the United States and Iran following the United States' deportation of an Iranian woman." Pompeo was "asked about the woman, Negar Ghodskani, who pleaded guilty to conspiracy to defraud and commit offenses against the United States and was sentenced by a federal court to time served, and whether he expected Iran to soon release a detained Princeton University doctoral student." Pompeo replied, "I never talk about sensitive issues as you described there. ... We spent time this week, we spend time nearly every day working to release the Americans and others who are detained wrongfully inside of Iran. We will continue to do that."

State Department Cracks Down On Visits By Iranian Officials. The Washington Times (9/26, Meier, 492K) reports the Administration on Thursday "began restricting senior Iranian government officials and their family members from entering the US." In a statement, Pompeo said, "For years, Iranian officials and their family members have quietly taken advantage of America's freedom and prosperity, including excellent educational, employment, entertainment and cultural opportunities in the United States." Pompeo said senior Iranian officials will not be allowed to travel to the US "while their people suffer."

Rouhani Expects UK Tanker Held In Iran To Be Released. Reuters (9/26, Hafezi) reports Rouhani also said yesterday that "he expected the British-flagged oil tanker Stena Impero, seized by Iran in July, to be released." Speaking to reporters, Rouhani said, "The tanker is going through the final court proceedings. I predict that it will be released."

Iraq Seeks To Rein In Iran-Aligned Militias. The Washington Post (9/26, Loveluck, Salim, 14.2M) reports that "escalating tensions" between the US and Iran "have raised the prospect that Iraq could again became the terrain on which these two powers pursue their shadow war and a staging ground for attacks on American and allied forces in the region." The Post, however, says "recent developments suggest that the government in Baghdad is trying to clip the wings of the powerful Iran-aligned militias operating in Iraq, just as Tehran is looking for its proxies and allies in the Middle East to intensify the pressure on US interests." Iraqi officials are said to be "worried that their country could

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get sucked into the conflict."

Johnson Says Tempers Need To Calm Amid Brexit Uproar.

Reuters (9/26, Faulconbridge, Piper) reports British Prime Minister Boris Johnson said Thursday that "tempers needed to calm following a vitriolic session in parliament, after critics accused him of using language that had led to threats and abuse against his opponents." To Reuters, Parliament "reached boiling point on Wednesday when Johnson and his opponents engaged in hours of furious argument" over Brexit and "the anger had become so intense that the husband of a lawmaker murdered days before the 2016 EU membership referendum said it could encourage violence unless politicians toned down their rhetoric." Johnson told the BBC, "We do need to bring people together and get this thing done," but declined to apologize for his language. The Washington Post (9/26, Adam, Booth, 14.2M) says Johnson was "rebuked by lawmakers on all sides for his language in a bombastic performance in the House of Commons on Wednesday night," when the prime minister used terms such as "betray," "sabotage" and "surrender" to describe his opponents.

AP Analysis: Johnson Already Preparing For Election After Missed Brexit Deadline. An AP (9/26) analysis says Johnson "has come out fighting after a string of defeats, including a bruising blow from the country's highest court, and while his combative stance is offending some, that may well be the point." According to the AP, Johnson's "strategy appears straightforward: ridicule Parliament as a bunch of weaklings wedded to the European Union and unwilling to follow the people's mandate to pull the country out of the EU." The AP says while Johnson "may not be able to make good on his vow to make Brexit happen on Oct. 31...he has positioned himself for the possible election ahead so that he can blame Parliament – and the EU's supposed intransigence – for keeping Britain inside the bloc."

WTimes Analysis: Few Options Left For US As Taliban Steps Up Attacks.

The Washington Times (9/26, Wolfgang, 492K) reports that the collapse of peace talks with the Taliban "has left the US with few military options as intense fighting resumes, while the near complete lack of public and political support for an influx of ground troops means the Trump administration must search for new ways to put pressure back onto the Taliban." Although the Administration has "promised to increase strikes against Taliban targets after the collapse of diplomatic negotiations this month, private analysts say the US has limited tools at its disposal and has exhausted most military avenues to defeat" the Taliban on the battlefield.

Afghan Forces Regain Control Of Three Districts From Taliban. The New York Times (9/26, Zucchino, Rahim, 18.61M) reports that "in one of the most remote places in Afghanistan, government forces this month managed to achieve something vanishingly rare these days: They clawed back not one but three districts from the Taliban's grip." However, the Times says the "cost was high, and the victory was tenuous."

Pakistani PM Urges Trump To Mediate End To Kashmir Standoff.

Appearing on MSNBC's Morning Joe (9/26, 1.05M), Pakistani Prime Minister Imran Khan was asked about President Trump's offer to mediate on the issue of Kashmir. Khan replied, "Definitely. We feel that the US President, head of the most powerful country of the world – the only person actually who could make a difference right now – is President Trump, if he can mediate between us. ... There's a huge humanitarian crisis brewing up. Eight million people have been locked up in Kashmir now for almost 53 days. And so we hope that the US President intervenes."

US Deploys Air Defense Systems, Troops To Saudi Arabia In Wake Of Attack.

The AP (9/26, Baldor) reports the Pentagon announced Thursday that the US "is sending one Patriot missile battery and four ground-based radar systems to Saudi Arabia...in what officials describe as the first steps to help the kingdom protect itself against Iranian attacks." In addition, "two more Patriot batteries and a THAAD missile defense system will be prepared to go later if needed, and the deployment will involve about 200 troops."

Reuters (9/26, Stewart, Ali) say the deployment is "more limited than US officials previously told Reuters was under consideration by the Trump administration following the attack on Saudi Arabia." Reuters previously reported the Pentagon was "considering keeping an aircraft carrier in the Gulf region indefinitely, as speculation mounts that the USS Abraham Lincoln carrier strike group will soon need to wind up its deployment." The New York Times (9/26, Gibbons-Neff, 18.61M) likewise says the "small deployment of defensive military hardware is tepid in comparison to some of the remarks leveled by American officials in the days after the Sept. 14 strikes." The CBS Evening News (9/26, story 8, 0:15, O'Donnell, 4.55M) and Washington Times (9/26, Meier, 492K), among other news outlets, also report the announcement.

Egyptian Authorities Tighten Security In Wake Of Protests.

The New York Times (9/26, Yee, Rashwan, 18.61M) reports that "since a handful of surprise protests against President Abdel Fattah el-Sisi flared around Egypt last weekend, the largest since he came to power in 2014, the government has tightened its grip, arresting nearly 2,000 Egyptians, packing Cairo and other protest hot spots with security personnel and blocking news websites." To the Times, it is "a crackdown harsh even by the standards of the Sisi era, when Egyptian jails have swollen with his political opponents, elections are predetermined and the opposition has been all but silenced, making shows of dissent extremely rare." The Times, however, says it is uncertain if the measures will deter a second round of demonstrations called for today.

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Israeli Arab Party: Gantz's Policies "Virtually Indistinguishable" From Netanyahu's.

The New York Times (9/26, Gladstone, 18.61M) reports that "an Israeli Arab party that broke with its allies and refused to back Benny Gantz, the former army chief, as Israel's next leader said Thursday that his policies were 'virtually indistinguishable' from those of Prime Minister Benjamin Netanyahu." The party, Balad, was "responding to what its leader described as a torrent of criticism that, by withholding an endorsement of Mr. Gantz, Balad had improved Mr. Netanyahu's prospects for keeping his post as prime minister." In an op-ed in Israel's Haaretz, Balad leader Mtanes Shehadeh said most of that criticism is "unjustified and politically baseless," arguing that an endorsement of Gantz would have "obliged us to stray from the ideological principles that have guided us."

A New York Times (9/26, Kershner, 18.61M) analysis says that "even in a country whose politics are routinely fractious and confusing, many Israelis were scratching their heads on Thursday" after Netanyahu was tapped to assemble a new government, "just a week after an election that appeared to jeopardize his career." In what the Times calls "a remarkable reversal," Netanyahu "had a new lease on political life and the possibility of staying in office despite a looming corruption indictment."

Feith Urges US To Proceed Cautiously On Defense Pact With Israel. Douglas J. Feith, former Undersecretary of Defense for Policy in the George W. Bush Administration, writes in a Wall Street Journal (9/26, Subscription Publication, 7.57M) op-ed that despite their longstanding defense ties, Israel and the US have no defense treaty. While President Trump and Netanyahu have both recently discussed negotiating one, Feith argues that they should proceed cautiously.

State Department Imposes Travel Ban On Castro Family Over Maduro Support.

The AP (9/26) reports Secretary of State Pompeo released a statement Thursday announcing that the Administration is "imposing a travel ban on former Cuban President Raul Castro and his immediate family for human rights abuses." Pompeo said the ban is "in response to 'gross human rights abuses' in Cuba and supporting Venezuelan leader Nicolas Maduro in his crackdown on the opposition." Reuters (9/26, Spetalnick) calls the move "a direct but largely symbolic swipe at Cuba's leadership."

Both Maduro And Guaidó Skip UNGA. The AP (9/26, Olson) reports that "two separate diplomatic delegations represented Venezuela at the UN General Assembly this year, shadowing and circling each other in a fierce fight for international recognition as the country reels from an economic collapse and political uncertainty." One set of diplomats represented the regime of Nicolás Maduro, while the other group represented the government of Interim President Juan Guaidó, "recognized as Venezuela's rightful president by the US and more than 50 other countries." Both men, however, skipped the world gathering. Maduro instead "flew to Moscow for an impromptu visit" with Russian President Vladimir Putin, while "Guaido's delegation could not enter UN headquarters as Venezuelan delegates." The AP says Venezuela "nonetheless commanded attention," with President Trump "personally hosting one of four high-level meetings on the country's political and humanitarian crisis."

The Wall Street Journal (9/26, Subscription Publication, 7.57M), meanwhile, editorializes that Maduro's growing isolation in the international community was highlighted this week when 15 Latin American countries joined the US in a resolution invoking the so-called Rio Treaty against his regime.

Trump's Interest In Greenland Driving Up Real-Estate Prices.

The Wall Street Journal (9/26, Taylor, Subscription Publication, 7.57M) reports President Trump's comments about buying the island has driven up real-estate prices on Greenland.

Democratic Governors Press For Climate Change Action On Sidelines Of UNGA.

In what the Washington Post (9/26, Morello, 14.2M) calls "a repudiation of the Trump administration's policies on climate change," six governors in the US Climate Alliance have been in New York City this week on the sidelines of the UN General Assembly "conferring with presidents, prime ministers and foreign government officials responsible for climate issues." They have often been "assisted by former US officials who worked on climate policy in the Obama administration and joined nonprofit environmental groups after their positions were eliminated." To the Post, "their mission is to assure other countries that many of America's leaders are still engaged in combating climate change, even if the United States formally drops out of the Paris agreement next year."

Dinerman: US Race To Moon May Benefit Russia.

Space writer Taylor Dinerman argues in a Wall Street Journal (9/26, Subscription Publication, 7.57M) op-ed that the Administration's race to put American astronauts back on the moon by 2024 may end up benefiting Russia. Dinerman notes that Russia is seeking to participate with the US and other nations in a proposed lunar-orbiting station, which he warns would open the way for a permanent Russian base on the moon.

Housing

Freddie Mac's Jacqueline Welch Discusses Importance Of Inclusivity.

DS News (9/26, Ojha) reports on the ways Fannie Mae and Freddie Mac are fostering diversity and inclusion. Freddie Mac's ERG "hosts events regularly on empowering topics," and Freddie Mac is "reaching out to its vendors and suppliers to extend its D&I initiatives that

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promote gender equality." DS News reports Freddie Mac is "driving initiatives towards equality by building an infrastructure that supports a culture where all people can do their best work. Giving an example of equity issues related to women and minorities, Jacqueline Welch, Chief HR Officer and Chief Diversity Officer, Freddie Mac said that research showed that on average women and minorities earned less than their white male counterparts. It's the reason the company doesn't ask job candidates for their salary history." Welch said, "This inequity has a cumulative effect throughout one's career. That's why putting candidates in a better position to self-advocate for an equitable salary is so important."

In Surprising Twist, GSE Shareholders Petition To Send Their Case Against FHFA To Supreme Court.

Reuters (9/26, Frankel) reports, "Late Wednesday, Fannie Mae and Freddie Mac shareholders who won a ruling earlier this month from the en banc 5th U.S. Circuit Court of Appeals that the Federal Housing Finance Agency is unconstitutionally structured filed a surprise petition for U.S. Supreme Court review." The shareholders, seeking to undo "a 2012 deal between FHFA and the Treasury Department that directed all of Fannie and Freddie profits to the government," are "asking the Supreme Court to take up the issue of the FHFA's constitutionality – even though they won on that point at the 5th Circuit." The shareholders decided to make the "admittedly unusual request" because they felt they did not get a complete win out of the 5th Circuit. The court did not invalidate the "net worth sweep" itself, even as it found that the FHFA was unconstitutionally structured. Reuters reports that although CFPB Director Kathy Kraninger now considers the bureau's structure to be unconstitutional, the FHFA, "by contrast, seems to be sticking by its position that its director was constitutionally appointed, according to a Sept. 23 letter to the 8th Circuit."

American Banker (9/26, Lang, Adler, Subscription Publication, 31K) reports the GSE investors' petition "adds yet another wrinkle to growing legal questions over the power of independent regulatory agencies." Their petition said, "Congress made no pretense that FHFA and the CFPB would consist of an independent multi-member body of experts dispassionately addressing technical issues bereft of policy judgment. Instead, each agency is helmed by a single director who alone wields the tremendous power of the office without fear of interference by the President."

Freddie Mac: 30-Year FRM Average Fell From 3.73% To 3.64% This Week.

The Washington Post (9/26, Orton, 14.2M) reports that according to "the latest data released Thursday by Freddie Mac," the 30-year FRM average fell from 3.73 to 3.64 percent this week, down from 4.72 percent a year ago. Meanwhile, the 15-year FRM average fell from 3.21 to 3.16 percent, down from 4.16 percent a year ago. The 5/1 ARM average fell from 3.49 to 3.38 percent, down from 3.97 percent a year ago. The Post says that it has been a "volatile month" for the 30-year FRM. Given "the past month's roller coaster ride, it's difficult to know where mortgage rates are headed." Bankrate.com "found the experts it surveyed were evenly split. Half expected rates to move lower, while the other half predicted they would hold steady in the coming week." The AP (9/26) reports September was "the most volatile month for the key 30-year loan since March."

Khater: Low Rates Are Helping Housing Market Pick Up Steam. MarketWatch (9/26, Passy, 1.67M) reports Freddie Mac Chief Economist Sam Khater said, "With both the unemployment rate and mortgage rate below 4% and near historic lows, it is no surprise that the housing market regained momentum with home sales and construction at or near decade highs." Reuters (9/26) reports Khater said, "The fall housing market is poised to continue with steady gains in prices and solid sales activity." Providing similar coverage are National Mortgage News (9/26, McCullom), HousingWire (9/26, Lloyd, 23K), Mortgage Orb (9/26, Barnard), Seeking Alpha (9/26, Kiesche, 512K), and RTT News (9/26).

Also citing Freddie's rates are The San Francisco Chronicle (9/26, 2.67M), The Orange County (CA) Register (9/26, 546K),

Maxwell Releases In-Depth Examination Of Role Of GSEs In Popularizing 30-Year FRM, How GSE Reform Could Impact The Product.

Maxwell released the third and final installment of its three-part series, "The 30-Year Fix." This installment "digs into the role GSEs have played throughout history in popularizing the 30-year fixed-rate mortgage and contemplates how GSE reform could impact America's favorite mortgage product," according to Mortgage News Daily's (9/26, Chrisman) Pipeline Press rundown. In Part I, of the three-part series, Maxwell says that it "looked at the history and context of the TYFRM in America and examine why we are so uniquely reliant on it in the United States." In Part 2, Maxwell "looked at mortgage products around the world and considered how and why certain mortgage products are favored in different national economies."

CMBS Market Gets A Shot In The Arm As GSEs Reach Lending Caps.

GlobeSt. (9/26, Borland) reports, "Fannie Mae and Freddie Mac are having a slow third quarter. When the two agencies hit their lending caps a few weeks ago, there was some uncertainty about extending lending caps. As a result, Fannie and Freddie have pulled back on both pricing and credit terms over the last 6 weeks, creating an opportunity for CMBS players to gain multifamily marketshare." According to George Smith Partners managing director Jonathan Lee, "in order to save their allocation for the year, they are being a lot more conservative on the deals that they do. That is driving a lot of business to CMBS right now." GlobeSt. reports, "At the Fall NMHC meetings, Mark Calabria,

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FHFA director, announced new lending caps for the agencies of $100 billion per agency for the next five quarter period beginning in fourth quarter 2019 and running through all of 2020. This is a significant increase in lending capacity over 2018. Now, there is some certainty in the agency market that will likely result in strong activity by the yearend."

CoreLogic Places GSE Reform Among The Top Five Forces "Driving Disruption In The Housing Market."

Mortgage Professional America (9/26, Smith) reports, "There are five major forces driving disruption in the housing market in 2019, according to experts at analytics firm CoreLogic." The "major drivers of disruption in the market are: The changing needs of homebuyers; Affordability and housing supply; Cost pressures on lenders; The growing impact of natural disasters; and housing finance reform." CoreLogic's Wade Sands said that "one of the most pressing" unresolved issues in housing finance is "the future of the GSE conservatorship. ... Related to this issue is the impending end of the QM patch, which could have significant consequences for the market share of GSEs and the private mortgage market."

Freddie Mac's Total Mortgage Portfolio Grew An Annualized 12.9% In August.

Seeking Alpha (9/26, Kiesche, 512K) reports Freddie Mac's total mortgage portfolio grew at an "annualized rate of 12.9% in August, bringing its ending balance to $2.28T. Purchases of $65.3B, sales of $3.64B, and liquidations of $37.5B resulted in a net increase of $24.2B during the month. Single-family refinance-loan purchase and guarantee volume was $21.7B in August, representing 42% of the total single-family mortgage portfolio purchases and issuances. Single-family seriously delinquent rate remained flat at 61 basis points; multifamily delinquency rate increased to 4 basis points in August from 3 basis points in July."

MBA: Multifamily Lending Rose To Record High In 2018.

HousingWire (9/26, Ramírez, 23K) reports, "Multifamily continues to soar, rising to an all-time high in 2018 in terms of dollar volume, according the Mortgage Bankers Association's annual report of the multifamily lending market. Favorable market conditions helped spur a 19% increase in multifamily lending in 2018, according to the MBA's report. ... The $339.2 billion in originated multifamily mortgages went to a variety of investors. By dollar volume, the greatest share went to Fannie Mae and Freddie Mac with 42%." MBA VP Jamie Woodwell said, "Borrowing and lending backed by multifamily rental properties set a new record in 2018, driven by strong property fundamentals, rising property values, low interest rates, and strong demand from both borrowers and lenders. We've seen these trends continue throughout 2019 and expect multifamily borrowing and lending will rise again both this year and next."

CFPB Looks Into APR Issues, Finding Inaccurate Disclosures In Reverse Mortgages.

Behind a paywall, Inside Mortgage Finance (9/26, Yang, Subscription Publication) reports the CFPB has "unearthed inaccurate disclosures in several reverse mortgage transactions, according to a recent supervisory highlights report published on the agency's website." The report "covers findings from examinations completed between December 2018 and March 2019. The observations highlighted are related to automobile loan origination, credit card account management, debt collection, and mortgage originations." The CFPB "examined both forward and reverse mortgage origination activities for compliance with consumer financial protection laws, and in particular identified problems in disclosures tied to reverse mortgage transactions." The CFPB said, "In one or more examinations, examiners observed that creditors were disclosing inaccurate [annual percentage rates] for closed-end reverse mortgages."

KBW: HUD's Reform Plan Unlikely To Significantly Impact FHA Operations In The Near Term.

Behind a paywall in its Short Takes, Inside Mortgage Finance (9/26, Muolo, Subscription Publication) reports, "When the Treasury Department earlier this month released its GSE reform blueprint, a Department of Housing and Urban Development document was released at the same time, dealing with the dicey topic of shoring up the FHA program. Among other things, HUD recommends that FHA should strengthen its capital base to protect taxpayers and narrow its footprint to refocus on its core mission of servicing low- to moderate-income families." Keefe, Bruyette & Woods wrote in a new report, "While a smaller FHA footprint would be positive for the private mortgage insurers, KBW analysts think meaningful changes at the FHA in the near term are unlikely, primarily because many of the specific recommendations could end up reducing mortgage access or weakening FHA capital." According to IMF, "The research firm also predicts the role of the FHA could change again after the 2020 presidential election."

GAO: FHA Needs To Better Monitor Reverse Mortgage Servicing.

American Banker (9/26, Sinnock, Subscription Publication, 31K) reports, "The Federal Housing Administration should more closely monitor reverse mortgage servicers and track related data that would shed light on a rise in defaults, according to a Government Accountability Office report. About 18% of Home Equity Conversion Mortgages were terminated because of defaults in fiscal year 2018. That's significantly higher than in FY2014 when the default share was 2%, the report noted." The GAO report said, "Most HECM defaults are due to borrowers not meeting occupancy requirements or failing to pay property charges, such as property taxes or homeowners insurance. Since 2015, FHA has allowed HECM servicers to put borrowers who are behind on property charges onto repayment plans to help prevent foreclosures, but as of

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fiscal year-end 2018, only 22% of these borrowers had received this option."

IASB Issues Changes To Hedge Accounting Rules To Ease Burden On Companies Transitioning Away From Libor.

The Wall Street Journal (9/26, Maurer, Subscription Publication, 7.57M) reports the International Accounting Standards Board on Thursday issued changes to its rules governing hedge accounting. The move was an attempt to give relief to companies impacted by reference rate shifts – including the coming transition away from Libor. According to The Journal, the changes are intended to prevent companies from needing to stop hedge accounting over concerns that a lack of information regarding reference rate revamps may hinder their ability to carry out forward-looking analyses, according to the board.

Loan Modifications Being Used As A Reward For Responsible Borrowers To Boost Customer Retention.

In an article titled "Loan Modifications For The Best – Not Distressed – Borrowers," The Wall Street Journal (9/26, McLaughlin, Subscription Publication, 7.57M) reports loan modifications are increasingly being used to help improve customer retention and the experience for existing customers. According to Star One VP of Marketing Joe Fagenstrom, providing loan mods provides members with a loyalty incentive and reduces churn in his company's portfolio.

In Q2, Mortgage Debt Tied To MBS Kept Growing, Albeit More Slowly Than Bank, Thrift And CU Portfolios.

Behind a paywall, Inside Mortgage Finance (9/26, Bancroft, Subscription Publication) reports, "The supply of residential home loan debt tied to mortgage-backed securities continued to grow in the second quarter but not as quickly as the portfolios of whole loans held by banks, thrifts and credit unions. Recently released figures from the Federal Reserve put the total home mortgage debt outstanding at $10.917 trillion as June 30. That translates into a 0.3% gain from March 31 and a 2.1% growth rate from a year ago." An IMF analysis "reveals that servicing tied to agency MBS rose 0.7% during the second quarter, more than twice as fast as the overall market. Freddie Mac single-family servicing was the hottest component of the agency market, up 1.5% from March, followed by Ginnie Mae product. Combined, the three agencies accounted for 63.0% of total home mortgage debt outstanding at the end of June."

NAR: Pending Home Sales Rose More Than Expected In August, Thanks To Low Mortgage Rates.

Bloomberg (9/26, Edwards, 4.73M) reports, "Contract signings to purchase previously owned U.S. homes rebounded in August by more than forecast, helped by low mortgage rates and continued household income gains. The National Association of Realtors' index of pending home sales increased 1.6% from the previous month, with the gauge's 107.3 level at the second-highest since the end of 2017, data from the group showed Thursday. The rise compared with the median estimate of economists for a 1% gain and a 2.5% drop in July. Contract signings were up 1.1% year-over-year on an unadjusted basis, the second straight rise." Reuters (9/26, Dunsmuir) reports, "Economists polled by Reuters had forecast pending home sales increasing 0.9% in August." Mortgage News Daily (9/26, Swanson) reports, "Those polled by Econoday had expected pending sales to be anywhere from flat compared to July to a 1.8 percent gain."

The AP (9/26, Sapra) reports, "The National Association of Realtors said Thursday that its pending home sales index rose 1.6% to 107.3 in August." Pending home sales "are up 2.5% from their pace a year ago. Lower borrowing costs have been slowly boosting buyer demand. Persistently high prices, driven up by a tight supply of available homes, had previously blunted the benefits of low mortgage rates. Demand has fluctuated slightly over the past few months as home prices have risen, with contract activity dipping in July. ... Measured month over month, pending sales rose across all four regions in August, especially in the comparatively expensive West."

CNBC (9/26, Olick, 3.62M) reports, "Regionally, pending home sales in the Northeast rose 1.4% monthly and were 0.7% higher than a year ago. In the Midwest, sales increased 0.6% monthly and were 0.2% higher annually. Sales in the South increased 1.4% monthly and 1.8% annually, and in the West sales jumped 3.1% monthly and were 8.0% higher compared with August 2018. Mortgage rates fell throughout the summer with the deepest dip in August, when these buyers were out applying for loans and signing contracts. The average rate on the 30-year fixed was up around 4.2% in early May but fell to around 3.5% by August, according to Freddie Mac. That gave buyers significantly more purchasing power."

Fox Business (9/26, Henney, 1.73M) reports NAR Chief Economist Lawrence Yun said, "It is very encouraging that buyers are responding to exceptionally low interest rates. The notable sales slump in the West region over recent years appears to be over. Rising demand will reaccelerate home price appreciation in the absence of more supply." HousingWire (9/26, Lloyd, 23K) reports Yun added, "With interest rates expected to remain low, home sales are forecasted to rise in the coming months and into 2020. Unfortunately, so far in 2019, new home construction is down 2.0%. The hope is that housing starts quickly move into higher gear to meet the higher demand. Moreover, broader economic growth will strengthen from increased housing activity." RTT News (9/26) also reports.

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BEA: US Inflation-Adjusted GDP Grew At Annual Rate Of 2% In Q2.

HousingWire (9/26, Lloyd, 23K) reports, "Inflation-adjusted GDP increased at an annual rate of 2% in the second quarter, according to the third estimate from the Bureau of Economic Analysis. In the first quarter of the year, GDP grew at a 3.1% pace. Today's Q2 GDP estimate is based on more complete data than was available for the advance numbers issued last month, when GDP was estimated at the same rate." Real GDP held steady with the last estimate, at 2%. Current-dollar GDP rose from last estimate's 4.6% to a new estimate of 4.7%. Real GDI fell from last estimate's 2.1% to a new estimate of 1.8%. Average of Real GDP and Real GDI fell from last estimate's 2.1% to 1.9%. Gross domestic purchases price index held steady from last estimate's 2.2%. Personal consumption expenditures rose from last estimate's 2.3% to 2.4%.

Tony Morrison CEO: Millennial Buyers Are Driving The Recent Surge In Housing Starts.

CNBC (9/26, Clifford, 3.62M) reports, "The number of new housing starts has surged in recent months, and the trend is being powered in part by an unlikely bunch – millennials, Sheryl Palmer, CEO of homebuilder Taylor Morrison, told CNBC on Thursday." Palmer said consumers are "changing their relationship with homeownership," explaining, "People are feeling good, and their confidence is absolutely showing in the real estate market, and that's not even to mention the demographic tailwinds we have with how the millennials are feeling about buying their first or second house, and certainly the boomers. ... Everyone talks about the millennials like they're just one group of people and they're not buying. We're just not seeing that. In fact, we're finding exactly the opposite: They're quite qualified."

Analysis: Low Mortgage Rates Are Fueling The Rebound In Housing, But Things Could Be Better.

Writing for The Wall Street Journal (9/26, Subscription Publication, 7.57M), reporter Justin Lahart says the housing market has improved recently, but given the current state of the overall economy, the improvement is still somewhat underwhelming. NAR's Pending Home Sales Index rebounded in August, and the Commerce Department just reported that new-home sales spiked last month. Last week, the Commerce Department reported that existing-home sales also improved in August. Lahart says lower mortgage rates are driving the housing rebound, with Freddie Mac having reported that the 30-year FRM average fell to 3.49% earlier this month – down from 4.54% a year earlier.

Markets

Dollar Softens.

Reuters (9/27, Westbrook) reports, "The dollar softened on Friday, drifting from multi-week highs against most major currencies as investors cautiously weighed fresh political turmoil in the United States and waited for the next turn in trade negotiations with China." The dollar "was marginally weaker against the safe-haven yen, which traded at 107.70 per dollar, and retreated from a two-year peak touched in Asian morning trade against the euro to steady around $1.0921." Against a basket of currencies, the dollar "was flat near a three-week high on Friday at 99.146."

Gold Holds Steady.

Reuters (UK) (9/27, Lahiri) reports, "Gold prices were little changed on Friday, but the metal was on track for a third weekly fall in four as a strong dollar offset positive impacts of political and trade worries." Spot gold "was steady at $1,506.43 per ounce, as of 0426 GMT, declining 0.7% for the week after a near 2% gain last week." US gold futures "were 0.1% lower at $1,513.7 per ounce."

Oil Falls.

Reuters (9/27, Khasawneh) reports, "Oil prices fell on Friday as economic headwinds revived concerns of slowing global demand growth and a faster-than-expected recovery in Saudi crude oil output eased worries over potential major supply disruptions." Brent crude futures "fell 55 cents, or 0.9%, from the previous session's close to $62.19 a barrel by 0653 GMT," while West Texas Intermediate crude futures "fell 30 cents, or 0.5%, to $56.11 a barrel."

Budget

Senate Approves Temporary Spending Bill, Avoiding Shutdown For Now.

The AP (9/26, Taylor) reports that with an 82-15 vote, the Senate yesterday "passed a temporary government-wide funding bill...that staves off the risk of a government shutdown through Nov. 21." The legislation "would buy additional time for lawmakers to work to unclog a $1.4 trillion bundle of yearly spending bills that is hung up amid fights over President Donald Trump's border wall and abortion." The New York Times (9/26, Cochrane, 18.61M) quotes Senate Minority Leader Chuck Schumer as saying of the vote, "That's the easy part. The hard part is getting a bipartisan appropriations process back on track."

Politico (9/26, Emma, 4.29M) reports that Senate Appropriations Chairman Richard Shelby (R-AL) "warned earlier in the day...that bipartisan agreement on those bills could elude lawmakers if Congress and the White House aren't able to reach an agreement on border security, including Trump's wall. 'If these conditions are not met, I fear we are moving headlong toward a full-year continuing resolution,' Shelby said." Politico adds that Shelby is "set to meet with Trump on Friday morning to have a 'candid discussion about the realities' of the appropriations process and how to avoid additional continuing resolutions over the next year."

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The Washington Post (9/26, Werner, 14.2M) points out that "like last year, when Congress denied Trump some of the money he was seeking for his U.S.-Mexico border wall, border barrier funding remains a major sticking point in budget talks." Senate Democrats "oppose Trump's $5 billion request for the wall and offered an amendment in the Senate Appropriations Committee on Thursday to block the money." However, that amendment did not pass, which means senators "will have to continue negotiating the issue before the short-term spending package expires in November." The Washington Times (9/26, Sherfinski, 492K) and CQ Roll Call (9/26, Shutt, 154K), among other news outlets, also report the story.

Cybersecurity

AT&T Redirected Pen-Test Payloads To FBI Tips Portal.

ZDNet (9/26, Cimpanu, 299K) reports, "One of AT&T's websites secretly redirected penetration tests to the FBI's Tips portal, putting security researchers participating in the company's bug bounty program at risk of breaking the law, ZDNet has learned." According to ZDNet, "The secret redirection was found on AT&T's E-rate portal at erate.att.com, used by schools and libraries to get discounts for internet and phone services." Security researcher Nux, "part of the ThugCrowd team, discovered the redirection last week while searching for vulnerabilities in AT&T websites." Nux "wasn't trying to hack AT&T websites but was searching for security flaws, which he could report to the company via its official bug bounty program, and receive a monetary reward," and "instead, the researcher got a nasty surprise when a mundane penetration test triggered an alert in his bug-hunting tools, warning that the target website was attempting to redirect the penetration test to a new URL, which was the FBI's Tips portal."

DHS IG Says Agency Needs Better Grasp Of Its Cyber Workforce.

NextGov (9/26, Corrigan) reports the Homeland Security Inspector General "said Homeland Security Department officials are struggling to assess the strengths and weaknesses of their cybersecurity workforce, and the department is years behind on developing a strategy to bolster that workforce in the years ahead." The department "employed roughly 14,000 cyber personnel as of December 2017." But with digital threats on the rise, The Homeland Security IG reports burdensome legal requirements and far-flung data sources "are hindering the agency's efforts to plan for the workforce's future." Every year, the agency is required "to submit two comprehensive reports on its cyber workforce to Congress – an updated workforce planning strategy and an assessment of its employees' capabilities and skill gaps." However, auditors "said in a report published Wednesday that officials have missed every single reporting deadline since the requirements were enacted in 2015."

Cyber Rules For Self-Driving Cars Stall In Congress.

The Hill (9/26, Miller, 2.98M) reports the issue of cybersecurity "is becoming increasingly important as large car manufacturers ramp up their testing of the vehicles on the road and begin to float ambitious plans to eventually bring them to market." However, those strides come "as lawmakers have failed to make progress on federal cybersecurity standards to protect the vehicles from hacking operations and other malicious cyber incidents." On Capitol Hill, a bipartisan effort "to pass legislation to set cybersecurity and other standards for autonomous vehicles failed during the previous Congress." Lawmakers expressed optimism "they could revive those efforts this year, but objections from a group of Senate Democrats that language in the legislation, the AV START Act, did not do enough to address consumer safety and cybersecurity issues has scuttled those plans."

Hackers Found Voting Machines Throughout US Vulnerable To Attack.

CNN International (9/26, Collier, 83.16M) reports Georgetown professor Matt Blaze, one of the Def Con Voting Village's organizers, said "each of the more than 100 machines the researchers looked at were vulnerable to at least some kind of attack." As in previous years, the Voting Village "collected versions of voting equipment used around the country...and invited all of the more than 35,000 attendees of the Def Con hacker conference...to see what kind of holes they could find." Some of machines "were found to be vulnerable to remote attack and one electronic pollbook had a hidden ethernet cable to connect it to the Internet." Blaze "told CNN that the issue is less that skilled hackers can break into election equipment and more that elections systems as a whole need to both minimize risk and double-check election results with paper ballots after every election." He said, "We know these machines are vulnerable, and what's important is we use machines like those that produce paper ballots that can tolerate the vulnerabilities rather than fail completely because of them. And that means paper ballots and risk-limiting audits."

New York AG Sues Dunkin' Brands Over 2015 Data Breach.

USA Today (9/26, Campbell, 10.31M) reports that New York Attorney General Letitia James "filed a lawsuit Thursday accusing Dunkin' Brands" of "failing to properly protect its customers' accounts, which stored money from 'DD' cards that could be used to purchase goods at the stores." The fast-food chain "failed to notify thousands of customers that their accounts were breached in 2015, leading to tens of thousands of dollars stolen from gift cards," according to the suit. The lawsuit "accuses the chain of violating New York's cybersecurity laws, which require companies to protect customers' data and notify them of any breaches." Dunkin' denies the allegations and says it is cooperating with the investigation.

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Iran Checking Cyber Security At Key Energy Sites.

Reuters (9/26) reports the Oil Ministry news agency SHANA "said Iran has launched an inspection of security at its key Gulf oil and gas facilities, including preparedness for cyber attacks following media reports of Washington weighing possible cyber attacks on Tehran." USmedia reports have "said the US is considering possible cyber attacks against Iran after the September 14 attacks on Saudi oil sites which US officials have blamed on Tehran." The Islamic republic "has denied being behind the raids which were claimed by Yemen's Iran-aligned Houthi group." SHANA "said on Wednesday that Pirouz Mousavi, head of the Pars Special Economic Energy Zone (PSEEZ), inspected the area and met senior managers, including those in charge of cyber security and emergency response."

US Navy Plans To Select Cyber Chief Following Critical Audit.

The Wall Street Journal (9/26, Lubold, Volz, Subscription Publication, 7.57M) reports Navy official say the Navy is selecting a new cyber chief in an effort to improve security of military secrets from Chinese hackers and other potential thieves that have targeted naval operations. The newly-created job is tied to efforts to boost cybersecurity in the Navy and among partners in the private sector. It also follows a sharply critical audit that discovered numerous compromises. Officials reportedly intend to name Aarn Weis as the Navy's new CIO.

Hackers Tried To Steal Airbus Secrets Via Contractors.

Reuters (9/26) reports multiple cyberattacks targeted Airbus via its links to the computer networks of its suppliers and contractors, with an apparent aim to acquire "information about engines for the A400M military transport aircraft and A350 airliner." The attacks are suspected of having originated in China.

Forbes (9/26, Doffman, 9.71M) reports the attacks appear to be part of "a persistent campaign – with four hits in the last year – targeting key Airbus suppliers." Sources say what is at risk the "is personnel data as well as intellectual property associated with the company's military and passenger aircraft." This is most likely "broad scale industrial espionage, as China struggles to match technical developments, but clearly for military aviation data to be in the hands of an 'enemy' intelligence agency is not a happy place." The report named "Airbus suppliers Rolls-Royce and Expleo as confirmed targets, as well as 'two other French contractors that AFP was unable to identify.'" None of the parties involved "have offered any detailed comments on the reports at this time."

Google Won't Explain Why It Removed Dozens Of Apps From Major Chinese Developer.

BuzzFeed News (9/26, Silverman) reports Google last week "quietly removed at least 46 apps from the Play store belonging to iHandy, a major Chinese mobile developer, but won't comment on why it took action against the company." The iHandy removals, which had not been previously reported, "are yet another example of Google taking action against a major Chinese app developer, further raising concerns about the ad and privacy practices of Android developers based in that country." iHandy, a Beijing-based company, "filed documents earlier this year to be listed on the Shenzhen Stock Exchange." It describes itself "as 'one of the world's largest mobile application developers' and says it has 180 million monthly active users in more than 200 countries." Google removed "at least 46 iHandy apps, including selfie, security and antivirus, keyboards, horoscopes, emoji, and health apps, from the Android Play store that in total had been downloaded in the aggregate tens of millions of times."

Federal Reserve

New York Fed Awards $50.1B Overnight Repos.

Reuters (9/26) reports the New York Fed on Thursday "awarded $50.1 billion in one-day loans to primary dealers at its overnight repurchase agreement (repo) operation following a term operation where it allotted $60 billion in 14-day loans earlier Thursday." The piece says the amount of bids "from primary dealers at Thursday's overnight repo operation was lower the $91.95 billion submitted on Wednesday." The Wall Street Journal (9/26, Sebastian, Kruger, Subscription Publication, 7.57M) also reports, noting officials said Wednesday that they were increasing the amount of funding available through the repo market after bank requests for cash at offerings on Tuesday and Wednesday exceeded the amount the Fed had offered. Also covering the topic are Axios (9/26, Rabouin, 521K), The Financial Times (9/26, Tran, Subscription Publication, 1.34M), and The Financial Times (9/26, Dizard, Subscription Publication, 1.34M).

Paper Argues Trump's Fed Attacks Are Helping To Drive Rate Cuts.

The Wall Street Journal (9/26, Derby, Subscription Publication, 7.57M) reports new research argues President Trump's attacks on the Fed and its interest rate policy are influencing market expectations and, in turn, central bankers' choices central bankers. "We find strong evidence that the consistent pressure applied by President Trump to pursue more expansionary monetary policy is manifested in the market expectations of a lower target rate," the paper said. The piece explains that evidence Fed officials are influenced by market expectations when determining policy "implies that even if President Trump does not directly influence Fed decisions, his political pressure can still affect policy indirectly by changing market expectations regarding the Fed." Bloomberg (9/26, 4.73M) also covers the topic.

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Clarida: Inflation Expectations In Line With Fed Mandate.

Reuters (9/26, Saphir) reports US inflation expectations are "currently in line with the central bank's 2% goal, Federal Reserve Vice Chair

Richard Clarida said on Thursday, an indication he does not see a pressing need for new rate cuts to push inflation back up." He said at a San Francisco Fed conference, "I myself do judge that U.S. inflation expectations do reside in a range that I consider consistent with our price stability mandate."

Kaplan Says US Needs More, Not Less, Immigration To Grow Economy.

Reuters (9/26) reports, "Proposals to curb immigration will weigh on economic growth in the United States where the existing workforce is growing more slowly as the population ages, Dallas Federal Reserve president Robert Kaplan said on Thursday." He stated: "If you think you are actually going to cut the number of immigrants and grow GDP, those two things do not go together ... You need to grow the workforce." Reuters (9/26, Schneider) similarly reports in a separate piece.

Kashkari Says US Economy Needs Lower Rates.

Reuters (9/26) reports Minneapolis Fed President Neel Kashkari argued on Thursday that the central bank "should lower interest rates further because the U.S. economy has not yet fully reached its potential." He said during an event at Montana State University Billings, "I argued for steeper interest rate cuts just because I see no evidence that the U.S. economy is running at capacity or beyond capacity. There's no reason we should have interest rates trying to hold the economy back."

The Wall Street Journal (9/26, Derby, Subscription Publication, 7.57M) reports Kashkari also said that as the Fed mulls its next move on rates, it shouldn't be worried that lower rates will lead to financial instability.

Business Insider (9/26, Heeb, 3.67M) also reports on the topic.

Barkin Points To Political, Trade Risks That Threaten US Economy.

Reuters (9/26) reports the US economy and labor market "continue to be strong but there are 'several headwinds,' particularly uncertainty around trade and politics that affect business confidence," according to Richmond Fed President Thomas Barkin. He told the Risk Management Association in Richmond, Virginia, "I'm particularly concerned about the roller coaster we've been on recently. Between Brexit, the ongoing negotiations with China, tensions in the Middle East and the political headlines...it's been tough for business to feel like they're on solid ground."

Reuters (9/27) reports separately that Barkin also explained "companies are having a hard time finding workers in many parts of the United States and need to offer more incentives to pull them into the economy."

McHenry Wants Fed To Detail Its Cybersecurity Preparations.

The Wall Street Journal (9/26, Rundle, Subscription Publication, 7.57M) reports Rep. Patrick McHenry (R-NC), the ranking member of the House Financial Services Committee, wants the Fed to be more open about its cybersecurity preparations. This week, he introduced legislation that would compel the Fed to report each year to House and Senate banking committees regarding its cybersecurity strategy. McHenry said in an interview that the legislation would ensure Congress is "read in" on the Fed's countermeasures and cybersecurity readiness.

Big Banks Complicating Fed Repo Efforts.

The Wall Street Journal (9/26, Kruger, Subscription Publication, 7.57M) reports the dominance of large banks trading in the market for short-term cash loans is hindering the Federal Reserve's repurchase efforts. As the Fed has boosted lending in the repo market, it is dependent on a small group of bond dealers to recirculate those funds through the financial system. But those dealers could opt to hold on to the funds for their own needs, increasing the risk that the funds won't flow through the system.

Non-Public Rules Could Explain Why Banks Didn't Step In After Repo Crisis.

Bloomberg (9/26, Condon, 4.73M) reports non-public regulatory requirements imposed on big banks could explain why they "didn't step in as rates on overnight repurchase agreements soared to record highs." Bloomberg says, "As these repo yields spiked well above the rate they earn on Fed deposits, banks were expected by many to inject some of that cash into the overnight repo market and pocket the profit." But according to former senior Fed economist William Nelson, "expectations set within stress tests, resolution plans and bank-examiner expectations" create "a strong preference for cash relative to Treasury securities." If banks "borrowed money to lend into the repo market," that could have "pushed their leverage ratios below hurdles set in their stress tests, or risked triggering higher surcharges imposed on globally systemically important banks by the Basel Committee on Banking Supervision."

Financial Regulatory Agencies

FDIC To Examine Suspicious TX Bank Failure.

American Banker (9/26, Davis, Subscription Publication, 31K) reports the FDIC "plans to take a closer look at a Texas bank that failed under suspicious conditions." Regulators closed Enloe State Bank in late May after the Texas Banking Commissioner discovered "insider abuse and fraud by former officers," according to a press release issued at the time. In its failed bank review, the FDIC found that in-depth analysis "is

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warranted, given the extent of irregular loans and the extraordinarily high estimated loss rate." The failure is estimated to cost the FDIC "$27.6 million, or roughly three-fourths of Enloe's asset size."

Internal Revenue Service

IRS Voluntary Tax Compliance Rate Remains At 84%.

Law360 (9/26, Subscription Publication, 8K) reports behind a paywall that the US "tax gap increased in total dollar figures but the voluntary compliance rate, 84%, remained largely unchanged during tax years 2011 through 2013, the Internal Revenue Service announced Thursday."

TIGTA: IRS Meets Firewall Standards, But Has Room For Improvement.

Law360 (9/26, Subscription Publication, 8K) reports behind a paywall, "Despite meeting basic requirements for administering its firewall, the IRS is not performing certain annual reviews, and in rare cases, an unauthorized account has accessed the firewall," the Treasury Inspector General for Tax Administration said.

Office of the Comptroller of the Currency

Chase Opens First Branch In Albany.

The Albany (NY) Business Review (9/26, Diana, Subscription Publication, 829K) reports, "Chase Bank opened its first Albany-area retail branch this month – in Clifton Park – with plans to open up to seven more offices in the next year." Over the last few months, the OCC "has approved four Chase branches for the Albany area – three in Albany County and one in Saratoga County." Chase has also submitted for approval a fifth location in Niskayuna.

Bureau of Engraving and Printing

US Mint To Honor Challenger's McAuliffe With Silver Dollar Coin.

CNN (9/26, Kim, 83.16M) reports the US Mint will memorialize Christa McAuliffe, "the teacher and astronaut who died in the Challenger disaster in 1986, with a commemorative silver dollar coin." The 37-year-old social studies teacher from New Hampshire was chosen for NASA's "Teacher in Space" program and "was one of the seven crew members aboard the Space Shuttle Challenger when it exploded." The piece says the Christa McAuliffe Commemorative Coin Act of 2019 was "passed by Congress, and the bill will go to the President to be signed into law." The act calls for the Treasury Department to "issue not more than 350,000 $1 silver coins in commemoration of Christa McAuliffe." If President Trump signs the act, the coins "will be minted in 2021 to commemorate the 35th anniversary of the tragedy." Fortune (9/26, 3.91M) also reports.

Editorial Wrap-Up

Washington Post.

"The Whistleblower Adds To The Case That Trump Offered Ukraine's President A Quid Pro Quo." The Washington Post (9/26, 14.2M) says in an editorial that "the whistleblower complaint released on Thursday adds vital – and damning – context to the rough transcript" of the phone call between President Trump and Ukraine President Volodymyr Zelensky. The "carefully constructed complaint shows that this coercion was not limited to one phone call but consisted of a series of acts over time," and "reports that White House officials understood Mr. Trump's behavior to be improper and tried to conceal the wrongdoing. ... Trump's abuse of power had a host of enablers. Congress should hold them all to account."

"Why Did Park Police Officer Kill Bijan Ghaisar?" The Washington Post (9/26, 14.2M) editorializes that it has been two years since US Park Police officers shot and killed an unarmed motorist, but "the FBI has released virtually no information about its investigation into the police shooting." The Post says that there are still "questions that must be answered" in the killing of Bijan Ghaisar: "What threat was so grave that the officers seemingly ignored protocol, and common sense, to shoot an unarmed man multiple times at point-blank range? And why are the FBI and federal prosecutors taking so long?" The Post concludes that the silence from officials is "an affront to the public, which may reasonably wonder if official impunity and coverup are the default instinct by law enforcement officers following a police shooting."

Wall Street Journal.

"Pelosi Ducks An Impeachment Vote." In an editorial, the Wall Street Journal (9/26, Subscription Publication, 7.57M) criticizes House Speaker Pelosi for announcing an impeachment inquiry without allowing the House to vote on it – as had been the case before any such House actions in US history. The Journal further criticizes the news media for failing to pressure Pelosi to set up such as vote.

"Latin America Vs. Maduro." The Wall Street Journal (9/26, Subscription Publication, 7.57M) editorializes that Venezuelan President Nicolás Maduro's growing isolation in the international community was highlighted this week 15 Latin American countries joined the US in a resolution invoking the so-called Rio Treaty against his regime.

The Big Picture

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Headlines From Today's Front Pages.

Wall Street Journal:

Whistleblower Alleges White House Effort To Conceal Details Of Trump Call With Ukraine
Giuliani Sits At The Center Of The Ukraine Controversy
Endeavor Pulls IPO After Peloton's Poor Debut
The UN General Assembly Tackles Global Strife. New Yorkers Can't Get A Cab.
Instagram's Content Factories Are Huge – And That's A Problem For Facebook
WeWork Cleans House, Looks To Trim Staff Close To Ex-CEO, Sell Private Jet

New York Times:

White House Tried To 'Lock Down' Ukraine Call Records, Whistle-Blower Says
In Ukraine Phone Call, Alarmed Aides Saw Trouble
Trump Attacks Whistle-Blower's Sources And Alludes To Punishment For Spies
Egypt Is On Edge As Security Tightens Over Protests
Wall Street Skeptics Poke A Start-Up Bubble

Washington Post:

CIA Officer Painstakingly Built Report That Would Shift Political Landscape
EPA: Calif. Failing To Meet Standards
Alternative School Divides Md. District
Whistleblower Says Aides 'Locked Down' Call Records
President Writes Party Playbook: Scorched Earth

Financial Times:

France Laments Loss Of Chirac
White House Covered Up Trump's Ukraine Call, Says Whistleblower
Payouts To Trafigura-Linked Company Pushing Zimbabwe To Brink, Warns IMF

Washington Times:

Intel Chief Rejects Ukraine Cover-Up
Rudy Giuliani Says He Will Emerge As 'Hero' Of Ukraine Saga
Ukraine Casts Shadow Over Biden Campaign: 'If You Are Elizabeth Warren, You Have To Be Giddy'
ADL Sparks Backlash After Adding 'OK' Sign, 'Bowlcut,' Anti-Antifa Logo To 'Hate' List
No 'Good Options' Left For US As Emboldened Taliban Threatens Afghan Elections
Juiced Ball? Launch Angles? Today's Hitters Smashing Home-Run Records

Story Lineup From Last Night's Network News:

ABC: Ukraine Whistleblower Complaint; Whistleblower Complaint-Trump; Impeachment Proceedings-Trump; Whistleblower Complaint-Giuliani; Weather Forecast; CDC-Vaping Report; California-Middle School Bullying Incident; Army Helicopter Crash; NTSB-Boeing 737 MAX Recommendations; Delta Baggage Handler Arrested; United Jet Diverts To Denver; Generic Zantac Recall.

CBS: Ukraine Whistleblower Complaint; Whistleblower Complaint-Trump; Whistleblower Complaint-Analysis; Whistleblower Complaint-Barr And Giuliani; CDC-Vaping Report; NTSB-Boeing 737 MAX Recommendations; DEA-El Mencho Manhunt; Saudi Arabia Deployment; College Admissions Scandal; Uber Safety Features Announced.

NBC: Ukraine Whistleblower Complaint; Whistleblower Complaint-Giuliani; Whistleblower Complaint-Trump; Whistleblower Complaint-Ukraine; Whistleblower Complaint-Analysis; CDC-Vaping Report; College Admissions Scandal; NTSB-Boeing 737 MAX Recommendations; Children's Hospital Freezer Failure; "Joker" Movie Controversy; Whistleblower Complaint.

Network TV At A Glance:

Ukraine Whistleblower Complaint – 32 minutes, 15 seconds
CDC-Vaping Report – 3 minutes, 40 seconds
NTSB-Boeing 737 MAX Recommendations – 2 minutes, 35 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Ukraine Whistleblower Complaint; Acting DNI Director's Testimony; NTSB-Boeing 737 MAX Recommendations; Generic Zantac Recall; Former French President Dies.

CBS: Ukraine Whistleblower Complaint; Acting DNI Director's Testimony; Chicago Teachers Strike; ADL Hate Symbols Database; Flu Shot.

FOX: NYT-Whistleblower's Identity; Acting DNI Director's Testimony; Wall Street; NTSB-Boeing 737 MAX Recommendations; El Paso-

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Walmart Store To Reopen Soon; New York Sues Dunkin' Donuts.
NPR: Ukraine Whistleblower Complaint; Senate Approves Temporary Funding Measure; Pentagon-Suicide Rates; CDC-Vaping Report; GM-UAW Strike; Chicago Teachers Strike; Astronomers Discover New Planet; Hurricane Lorenzo.

Last Laughs

Late Night Political Humor.

Jimmy Kimmel: "On another crazy day today, as another episode of the 'Real White Housewives of Orange President' today. I'll tell you something. The news started early this morning and has not let up. What an onslaught. Trying to keep up with all this, I felt like the fattest kid on the dodge ball court all day today."

Jimmy Kimmel: "The President's personal lawyer, Rudy Giuliani, is a central figure. Attorney General Barr appears to be involved as well. That's not a whistle. That's an air horn. A wheelbarrow full of trombones."

Jimmy Kimmel: "Another suggestion in the report was that this is not the only time that they've buried records. Of course it's not the only time. He probably does this stuff every day. He'll probably do it again tomorrow. ... Right now he's probably on the phone with Belgium, trying to get the secret to their waffles or something."

Jimmy Kimmel: "We still don't know the identity of this whistle-blower. That will be revealed next week on 'The Masked Singer'."

Jimmy Kimmel: "We did learn from the New York Times that he is a man and he's with the CIA, so when Trump says it was a spy, he's right. It was one of our spies. He really is spinning out. He's getting increasingly sloppy. You'd think the guy with the most famous comb-over would be better with a cover-up."

Jimmy Kimmel: "[Rudy Giuliani] claims the State Department sent him to the Ukraine. They say they didn't. Having Rudy Giuliani be your middleman, it's like asking Bill Cosby to chaperone your date. It's a problem."

Jimmy Kimmel: "But Rudy says when all is said and done, he will be the hero of this story. He will be. He'll be like those heroes you met out on the street today, begging for tips."

Stephen Colbert: "A lot of people are celebrating because Donald Trump is in serious trouble, but Trump has shown over and over again that when he's cornered, he'll fight like that rabid weasel on his head."

Stephen Colbert: "And the Republicans have shown, they'll go along with him no matter what. So this isn't going to be so much light at the end of the tunnel as a long fall down a dark and dirty pit."

Stephen Colbert: "According to the whistleblower, they hid a lot of stuff this way, but some on the right claim the whistleblower shouldn't be trusted because the inspector general who oversaw the report found reason to believe that the whistleblower might not support the re-election of Mr. Trump. Well, yeah! Because he knows he committed a bunch of crimes! It's the same reason you don't invite the guy who tried to kill you to your dinner party."

James Corden: "As you know, the pressure on President Trump has reached an all-time high following a whistle-blower complaint that accused him of using his office for personal gain. This morning, the entire whistle-blower complaint was released to Congress. It alleges that Trump pressured a foreign country to interfere in the upcoming election, which if found to be true...I mean, come on, it's true."

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James Corden: "Also, is 'complaint' really the right word to describe the President of the United States potentially violating his oath of

office? Like a complaint is when you go, 'Excuse me, I think this salmon is under-cooked.' That's a complaint. Now I know that it is a huge political story, it is. But I still can't get over the fact that the whistle-blower's complaint sounds like it could be the latest pick from Oprah's book club, doesn't it?"

James Corden: "Now perhaps the biggest bombshell to come out of the whistle-blower's complaint is the fact that White House lawyers were so concerned about Trump's phone call with the Ukraine that they hid the transcript in a top secret computer system. They hid Trump's embarrassing communications, which is weird because they know that we could all see his tweets, right?"

James Corden: "Not only did Trump potentially commit an impeachable offense, his team then tried to cover up it. And this is a big deal bust that has only happened about a thousand times during the Trump presidency."

James Corden: "Now again, this all started with a single whistle-blower. And at that point, nobody knows this person's identity. Although there's speculation that he or she is part of the intelligence community. So at the very least, since it involves intelligence, we can rule out all of Trump's kids."

Trevor Noah: "That's right. The whistleblower's complaint has accused the President of soliciting foreign interference in America's election, which is really bad for Trump. What's even worse is that this entire complaint is only nine pages long, which means people might actually read it."

Trevor Noah: "Because you guys don't remember, but that was one of the big problems with Robert Mueller's report. It was, like, 500 pages. No one wants to read 500 pages. 'Give me the secret to eternal life.' 'Five hundred pages.' 'Yeah, I'll just die. Bury me in a gold coffin, I'm fine.'"

Trevor Noah: "According to the whistleblower, Trump refused to speak with Ukraine unless they agreed to play ball and investigate Joe Biden. This must have been confusing because to Ukraine, 'play ball' means soccer. But to Trump, 'play ball' means chasing the meatball that fell out of his sub."

Jimmy Fallon: "Guys, it was an absolute gorgeous day here in New York City. It was not because of the weather, but because President Trump finally went back to Washington."

Jimmy Fallon: "He's been three days in the UN assembly. Trump finally returned to Washington. A little awkward when he got to the Oval Office and saw Mike Pence sitting behind his desk."

Seth Meyers: "According to NBC News, top Trump allies say the White House is privately very worried about the involvement of Rudy Giuliani in President Trump's discussion with Ukraine. Also worried about Rudy? Children who forgot to check under the bed."

Seth Meyers: "President Trump this morning attempted to solidify Republican support in the face of impeachment proceedings, tweeting, 'STICK TOGETHER, PLAY THEIR GAME, AND FIGHT HARD REPUBLICANS. OUR COUNTRY IS AT STAKE!' When he goes all caps, it's got to be something serious like the future of the country or, you know, a meal."

Seth Meyers: "According to CNN, people close to President Trump believe he's in denial about the gravity of impeachment, and also just regular gravity."

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Conan O'Brien: "Everybody is talking about the whistleblower's complaint against President Trump. Where is this all going to go? I don't

know if you saw this. The Acting Director of National intelligence, Joseph Maguire, said he doesn't know the identity of the whistleblower. Congress will reveal his identity on 'The Masked Singer,' apparently."

Washington's Schedule

Today's Events In Washington.

White House:

- President Trump — Delivers remarks at a Hispanic Heritage Month reception, and, earlier, participates in a call with Jewish faith leaders.
- Vice President Pence — Tours NeuroDiagnostic Institute and Advanced Treatment Center in Indianapolis and participates in a roundtable discussion with public health leaders.

US Senate:

- The Senate breaks for Columbus Day State Work Period until Tuesday, October 15.

US House:

- Hearing on 'Securing America's Elections'

Location: Rayburn House Office Building, Rm 2141; 9:00 a.m.

- House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 2203 – Homeland Security Improvement Act' and 'H.R. 3525 – U.S. Border Patrol Medical Screening Standards Act', plus consideration of 'H.R. 1595 – SAFE Banking Act of 2019', as amended, 'H.R. 3106 – Domestic and International Terrorism DATA Act', as amended, 'H.R. 3691 – TRANSLATE Act', 'H.R. 2589 – Unifying DHS Intelligence Enterprise Act', as amended, 'H.R. 3710 – Cybersecurity Vulnerability Remediation Act', 'H.R. 3526 – Counter Terrorist Network Act', 'H.R. 3675 – Trusted Traveler Reconsideration and Restoration Act of 2019', 'H.R. 3694 – Helping Families Fly Act of 2019', 'H.R. 3722 – Joint Task Force to Combat Opioid Trafficking Act of 2019', 'H.R. 3246 – Traveling Parents Screening Consistency Act of 2019', 'H.R. 335 – South Florida Clean Coastal Waters Act of 2019', as amended, and 'H.R. 2528 – STEM Opportunities Act of 2019' under suspension of the rules

Location: US Capitol; 9:00 a.m.

- House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 2203 – Homeland Security Improvement Act' and 'H.R. 3525 – U.S. Border Patrol Medical Screening Standards Act', plus consideration of 'H.R. 1595 – SAFE Banking Act of 2019', as amended, 'H.R. 3106 – Domestic and International Terrorism DATA Act', as amended, 'H.R. 3691 – TRANSLATE Act', 'H.R. 2589 – Unifying DHS Intelligence Enterprise Act', as amended, 'H.R. 3710 – Cybersecurity Vulnerability Remediation Act', 'H.R. 3526 – Counter Terrorist Network Act', 'H.R. 3675 – Trusted Traveler Reconsideration and Restoration Act of 2019', 'H.R. 3694 – Helping Families Fly Act of 2019', 'H.R. 3722 – Joint Task Force to Combat Opioid Trafficking Act of 2019', 'H.R. 3246 – Traveling Parents Screening Consistency Act of 2019', 'H.R. 335 – South Florida Clean Coastal Waters Act of 2019', as amended, and 'H.R. 2528 – STEM Opportunities Act of 2019' under suspension of the rules

Location: US Capitol, HC-5; 9:00 a.m.

- House Commerce subcommittee hearing on 'Legislating to Secure America's Wireless Future' – Communications and Technology Subcommittee hearing on 'Legislating to Secure America's Wireless Future', with testimony from Pine Belt Wireless President John Nettles; Public Knowledge Senior Vice President Harold Feld; Qualcomm Senior Vice President for Spectrum Strategy & Tech Policy Dean Brenner; and Carnegie Mellon University Software Engineering Institute CERT Division Managing Director Bobbie Stempfley

Location: Rayburn House Office Building, Rm 2123; 9:30 a.m.

- The House breaks for District Work Period until Monday, October 14.

Cabinet Officers:

- No relevant events.

Visitors:

- No visitors scheduled.

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This Town:

• Fed vice chair speaks at Law and Macroeconomics Conference – Georgetown Law and Georgetown Institute for International Economic Law host conference on Law and Macroeconomics, opening with remarks from Federal Reserve Board Vice Chair Randal Quarles and featuring an evening conversation between former Federal Reserve Board Chair Janet Yellen and former Federal Reserve Board Governor Daniel Tarullo

Location: Georgetown University's Gewirz Student Center.

• U.S. Chamber Foundation 'Civics Forward' discussion – U.S. Chamber of Commerce Foundation 'Civics Forward' event on the future of civic education, civic engagement, and civil discourse in America, and how to prepare the next generation for the responsibilities they bear in a democracy

Location: US Chamber of Commerce; 8:00 a.m.

• CSIS discussion on gaps in immunization coverage – 'Securing Healthy Populations in a New Era of Global Immunization' Center for Strategic and International Studies event, to discuss new, targeted approached to address remaining gaps in immunization coverage. Keynotes from Gavi CEO Seth Berkley, World Health Organization Immunization, Vaccines, and Biologicals Director Kate O'Brien, and UNICEF Executive Director Henrietta Fore

Location: Center for Strategic and International Studies; 9:00 a.m.

• GW North Korea Economic Forum Conference – George Washington University Institute for Korean Studies holds inaugural North Korea Economic Forum Conference: 'The North Korean Economy and its Future: Change vs the Status Quo'. Keynote from former U.S. Ambassador to South Korea Mark Lippert

Location: Elliot School of International Affairs; 9:00 a.m.

• TWI policy forum discussion on Saudi oil attack – 'Responding to the Saudi oil attack' The Washington Institute for Near East Policy policy forum discussion, to discuss the 14 Sep drone attack on a Saudi Aramco oil processing facility, Iran's involvement, and U.S. options for response. Speakers include Brookings Institution Foreign Policy Program Deputy Director Suzanne Maloney, former Office of the Director of National Intelligence Iran manager Norman Roule, and Syria Study Group Co-chair Michael Singh

Location: The Washington Institute; 10:00 a.m.

• NPC 'Immigration Courts in Crisis' panel discussion – NPC Headliners Newsmaker panel discussion on 'Immigration Courts in Crisis', discussing 'sweeping and controversial changes in the nation's immigration courts'. Speakers include National Association of Immigration Judges President Ashley Tabaddor, American Bar Association President Judy Perry Martinez, and American Immigration Lawyers Association Second Vice President Jeremy McKinney

Location: National Press Club; 10:00 a.m.

• OAS Permanent Council meeting – Organization of American States Permanent Council meeting, with agenda consideration of 'Convocation of a Special Session of the General Assembly to Elect the Secretary General and Assistant Secretary General of the Organization of American States' draft resolution

Location: New America; 10:00 a.m.

• The Dialogue discussion on Colombian response to Venezuelan migration – 'The Colombian Response to the Venezuelan Migration Crisis' Inter-American Dialogue event, with Colombian Presidential Adviser for the Colombian-Venezuelan Border Felipe Munoz discussing how the nation is coping with the refugee influx, plans for future policy decisions, and developments in regional and international cooperation. Other speakers include Migration Policy Institute Associate Director Natalia Banulescu-Bogdan and The Dialogue Peter D. Bell Rule of Law Program Director Michael Camilleri

Location: Migration Policy Institute; 11:00 a.m.

• AHP event on prescription drug affordability policy – Alliance for Health Policy holds 'Unpacking Policy Options to Promote Prescription Drug Affordability' Congressional briefing, with American Enterprise Institute fellow Kirsten Axelsen, Waxman Strategies Senior Vice President Kristi Martin, and Berkeley Center for Health Technology Director James Robinson

Location: Hart Senate Office Building, Rm 216; 12:00 p.m.

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DATE: THURSDAY, SEPTEMBER 26, 2019 6:00 AM EDT

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Trump Claims Vindication As Analyses Break Along Ideological Lines.

Following the release of the transcript of a conversation between the President and the Ukraine's Volodymyr Zelensky, the President claimed its contents vindicated him – and cast Democratic plans to impeach him as part of a pattern as evidence they are "frozen with hatred and fear." Trump tweeted, "Will the Democrats apologize after seeing what was said on the call with the Ukrainian President? They should, a perfect call – got them by surprise!" Trump also wrote on Twitter, "'The Democrats have been talking about Impeaching Donald Trump since before he was inaugurated.' @SteveDoocy @foxandfriends And for no reason other than the great success we are having with the Economy, the Military, Vets, Tax and Regulation Cuts, HealthCare, and so much more!" In another post, Trump wrote, "There has been no President in the history of our Country who has been treated so badly as I have. The Democrats are frozen with hatred and fear. They get nothing done. This should never be allowed to happen to another President. Witch Hunt!"

Speaking to reporters later yesterday, USA Today (9/25, Morin, 10.31M) reports, Trump said "in a rhetorical flourish" that Nancy Pelosi is "no longer the speaker of the House." ABC World News Tonight (9/25, lead story, 4:09, Karl, 7.05M) showed Trump saying of Pelosi, "She's lost her way, she has been taken over by the radical left." ABC added, however, that "even as he spoke words of defiance," Trump "appeared to me to be subdued, a little deflated." In a similar analysis, the New York Times (9/25, Haberman, Crowley, Rogers, 18.61M) reports "Trump's mood went from feisty to self-pitying to deflated" yesterday, and "his anger and anxiousness took over his day, aides said." The President, adds the Post, "appeared so exhausted that he spoke unusually slowly at a rambling news conference meant to sum up his trip at the United Nations."

NBC Nightly News (9/25, lead story, 4:22, Alxander, 6.11M), meanwhile, describes Trump as "defiant following the White House's release of this five-page memo detailing his July phone call with...Zelensky." NBC showed Trump saying, "It's a joke. Impeachment for that? When you have a wonderful meeting or you have a wonderful phone conversation?" In a separate segment, NBC Nightly News (9/25, story 2, 0:55, Jackson, 6.11M) reported that "publicly, it's a show of defiance from...Trump, but privately, some of the President's allies behind the scenes acknowledge much more concern than what you are seeing reflected in front of the cameras." The CBS Evening News (9/25, lead story, 4:02, Jiang, 4.47M) reported Trump also said, "No push, no pressure, no nothing. It's all a hoax, folks. It's all a big hoax."

The Hill (9/25, Samuels, 2.98M) reports "the bulk of the event was consumed by a rambling 20-minute opening statement in which Trump spring-boarded from topic to topic." Trump "also invited Secretary of State Mike Pompeo and Treasury Secretary Steven Mnuchin to give brief remarks." Politico (9/25, Kumar, 4.29M) similarly says Trump "took a break from the questions and asked two of his most loyal aides, Secretary of State Mike Pompeo and Treasury Secretary Steve Mnuchin, who were standing next to him, to say a few words about their work at the U.N." Fox News (9/25, Re, 27.59M) reports Pompeo and Mnuchin "each discussed progress on trade, including the ongoing trade war with China, as well as Iran policy." Fox Business (9/25, 1.73M) provides a video clip of Mnuchin's brief remarks.

Frank Scheck writes in the Hollywood Reporter (9/25, 1.89M) that Trump "delivered his broadsides in a subdued, sulking manner, seeming already defeated by what is going to be a long and involved process. It's no wonder he had a very uncomfortable-looking Mike Pompeo and Steve Mnuchin onstage with him; they should each have been holding his hand."

In a separate piece, USA Today (9/25, Fritze, Collins, Subramanian, Jackson, 10.31M) calls Trump's comments "angry and at times meandering," while the Los Angeles Times (9/25, Bierman, Megerian, Haberkorn, 4.64M) recounts Trump further "argued on Wednesday that his conversation with Zelensky was portrayed as the 'call from hell,' but 'it turned out to be a nothing call.'" Said the President, "It's the single greatest witch hunt in American history. ... There was no pressure whatsoever." The Washington Post (9/25, Nakamura, 14.2M) reports that "during a UN session Wednesday that focused on the corrupt rule of Venezuelan strongman Nicolás Maduro, Trump hijacked the event by responding to shouted questions from reporters about the Ukrainian matter." Trump said the saga amounts to "the single greatest witch hunt in American history," and added "that there were 'a lot of corrupt' journalists pursuing the story."

Conservative outlets and commentators largely agreed with Trump, with Breitbart (9/25, Spiering, 673K), for example, running an article titled "Trump Taunts Impeachment Democrats: 'Got Them By Surprise' With Transcript Release." The Wall Street Journal (9/25, Subscription Publication, 7.57M) editorial page, meanwhile, argues the transcript shows Trump was telling the truth about the call, and casts the interaction between the two leaders as routine diplomacy. The Journal further states the public will not get behind the Democrats' drive, which it casts as a misguided and thinly-disguised attempt to undo the 2016 election.

Tucker Carlson said on Fox News' Tucker Carlson Tonight (9/25, 8:00 p.m. ET), "The same angry news anchors who brought you Stormy Daniels and the Russia hoax now want you to know Big Orange's days in the White House were finally over." But "they turned out to be wrong. Actual evidence emerged, and it contradicted what they told us yesterday."

Sean Hannity said on Fox News' Hannity (9/25, 9:00 p.m. ET, 535K), "Clearly, they weren't going to make the mistake of allowing a special counsel like [Robert] Mueller to decide again and disappoint them again after three years. ... We have in this country deep state operatives alive and well, and here is how bad things have gotten in this country today because of this anti-Trump rage psychosis: The President of the United States can't make a phone call to a foreign leader without getting spied on and stabbed in the back by unelected bureaucrats."

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Kim Strassel of the Wall Street Journal said on Fox News' Tucker Carlson Tonight (9/25, 8:07 p.m. ET, Carlson, 1.57M), "We have watched the Democrats for almost three years now run through a complete litany of things that they have wanted to try to impeach Donald Trump on. Everything – Russia hoax, obstruction of justice, Stormy Daniels, taxes, financials. None of it has stuck. At least in each of those they could keep it focused, or claim to keep it focused, on Trump's behavior. Instead, they have now pulled the trigger on the one issue out there that implicates the frontrunner of their own nomination process and is likely to do the most damage to moderate Democrats because the flimsiness of these charges."

Mike Huckabee said on Fox News' The Story (9/25, 7:26 p.m. ET, McCallum, 1.26M), "Trump released the transcript. Why? Because there was nothing that he had to worry about. He didn't put any pressure, there was no quid pro quo. Now we see the Democrats in Congress aren't congresspeople, they are clairvoyants, because they already, in advance of the release of the transcript, decided what was in it."

Rick Santorum said on CNN's Anderson Cooper 360 (9/25, 8:51 p.m. ET, Cooper, 1.19M), "I just read it again because I thought maybe I missed something. The transcript says 'do me a favor' and he doesn't mention Joe Biden's name. He talks about Crowdstrike. He talks about election meddling. He finishes his thing talking about the Mueller Report and how all this started in Ukraine and I want you to look into this."

Mainstream media coverage of the transcript, meanwhile, generally agrees that it does not show that Trump explicitly threatened to withhold military aid from Ukraine if corruption allegations targeting Joe and Hunter Biden were not investigated. However, mainstream reports also indicate the linkage should be seen as implicit, and that the fact it wasn't overt will not make Democrats any less zealous in seeking the President's impeachment. In fact, says Politico (9/25, Forgey, 4.29M), Democrats "have said a quid pro quo between Trump and Zelensky is not necessary to begin the process of impeaching the president." On ABC World News Tonight (9/25, story 4, 0:51, Muir, 7.05M), legal analyst Dan Abrams agreed, saying, "As a legal matter, you don't need a quid pro quo. You just need to be able to prove the person knowingly solicited something of value from a foreign national to try to influence the 2020 election." Moreover, while "it would be a stronger case against the President if there had been a specific statement or demand that linked dollars to help," the "real question is the political one."

On the other hand, on the CBS Evening News (9/25, lead story, 4:02, Jiang, 4.47M), legal analyst Jonathan Turley called Trump's call with Zelensky "grotesque," adding, "I mean, it's not criminal, but it is grossly inappropriate." At any rate, in an editorial, the Washington Post (9/25, 14.2M) calls the transcript "a devastating indictment of the US president," and adds that while "Trump and his amen chorus claimed Wednesday that there was no 'quid pro quo'...the memorandum...strongly suggests otherwise," because "Trump first makes a request for a political investigation in direct answer to Mr. Zelensky's statement that Ukraine wants to buy more US antitank missiles." To the Post, "the integrity of US democracy depends on how Congress and the nation respond." Along the same lines, Jeffrey Toobin said on CNN (9/25, 10:56 a.m. ET, Harlow, 554K), "One of the Republican talking points…is that there was no quid pro quo. But there is very strong evidence that there was a quid pro quo here. … The Ukrainian president talking about the military aid that he was looking forward to getting from the US government, and then how he was going to spend that money on American weapons. That is the comment that prompts the President to say, 'I would like you to do us a favor,' which is, give me dirt on my political rivals."

Reuters (9/25, Sullivan, Zengerle) reports, meanwhile, that "the details of the July 25 call drew furious reactions from Democrats," and the Washington Post (9/25, Barrett, Zapotosky, Leonnig, Dawsey, 14.2M) that "Democrats say the president's conduct...betrayed his oath of office and endangered national security." In other representative coverage, the AP (9/25) reports that Trump "appears to stop short in the call of any explicit quid pro quo, such as linking Ukraine's help to American military aid or other assistance," and adds that "days before the call, Trump froze nearly $400 million in aid to Ukraine," but "it was not clear from the summary whether Zelensky was aware of that." To the New York Times (9/25, Haberman, Shear, Benner, 18.61M), meanwhile, the transcript shows Trump "urging" Zelensky "to start corruption investigations while stressing the United States' role in military assistance for Kiev." Along similar lines, Walter Shapiro called the transcript in his CQ Roll Call (9/25, 154K) column a "smoking-gun," "chilling," and "the most incriminating White House document since Watergate." Bloomberg (9/25, Strohm, Sink, 4.73M) and the Wall Street Journal (9/25, A1, Ballhaus, Gurman, Volz, Subscription Publication, 7.57M), among other news outlets, run similar analyses this morning.

Kaitlan Collins said on CNN's The Lead (9/25, 4:01 p.m. ET, Tapper, 810K), "This is not the reaction the White House was expecting. They thought they were going to put out this transcript, it was going to prove that the President didn't say anything inappropriate, tying military aid to the Biden family and potential investigations. And instead, in the President's own words, people can read how not only did he bring up Joe Biden, but he also told the Ukrainian President to be in touch with the US Attorney General and his personal attorney on potential corruption investigations. … It's essentially having the opposite effect of what the White House thought that it was going to do by releasing this transcript."

Chris Hayes said on MSNBC's All In (9/25, 8:01 p.m. ET, 1.48M), "We still do not know everything. But what we know is much worse than we thought."

Bill Kristol said on CNN's The Lead (9/25, 4:06 p.m. ET, Tapper, 810K), "This was a phone call made by the President of the United States from the Oval Office to a foreign leader two months ago basically trying to get dirt on a political opponent. … This isn't something that happened in a campaign three years ago, a confusing meeting in Trump Tower, and kind of who knows what Don Jr. told the President. This isn't even the cover-up in 2017 in the kind of chaos of Air Force One and they put out a misleading statement about who knew what."

Biden: "Hard To Avoid The Conclusion That It Is An Impeachable Offense." Biden said on CBS's Jimmy Kimmel Live (9/25, 11:56 p.m. ET, Kimmel, 2.32M), "The idea that someone would call a head of a foreign state, ahead of time withhold significant military aid

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that's badly needed in order to prevent the Russian separatists who are in Ukraine from taking over Ukraine, and then ask, basically, 'Can you cooperate with Rudy Giuliani, he's coming over' … It's such a blatant abuse of power that I don't think it can stand. … Based on the material that they acknowledged today, it seems to me it's awful hard to avoid the conclusion that it is an impeachable offense and a violation of constitutional responsibility. … I'm confident in the ability of the House and Senate to deal with this. My job is to just go out and beat him."

Ukrainian President: "Nobody Pushed Me" To Investigate Biden. The Washington Post (9/25, Wagner, Sonmez, 14.2M) reports that while seated next to Trump at the United Nations yesterday, Zelensky "told reporters that Trump did not push him to investigate Biden. 'I think you read everything,' he said. 'I think you read [the] text. I'm sorry, but I don't want to be involved to democratic, open elections, elections of USA." The Post also reports that Trump has "acknowledged publicly that he asked Zelensky to investigate Biden's son, who served on the board of Burisma, a Ukrainian gas company that came under scrutiny by authorities there." ABC World News Tonight (9/25, lead story, 4:09, Karl, 7.05M) showed Zelensky saying, "I think, and you read it, that nobody pushed me." Trump interjected, "In other words, no pressure."

Reuters (9/25, Mason) also quotes Zelensky as saying, "We had I think good phone call, it was normal, we spoke about many things ... I think, and you read it, that nobody pushed me." To the New York Times (9/25, A1, Baker, 18.61M), "Zelensky told reporters that he wanted to stay out of United States politics but provided a benign interpretation of the July 25 call."

USA Today (9/25, Fritze, Shesgreen, 10.31M) recounts that "as reporters entered the room, the two leaders began by joking about the scandal," with Zelensky saying, "It's better to be on TV than by call." Trump retorted, "He's made me more famous and I've made him more famous."

The Washington Times (9/25, Howell, 492K) reports "Trump and Mr. Zelensky also took swipes at President Obama during the sit-down." Said Trump, "As you remember, you lost Crimea during a prior administration." Zelensky, meanwhile, "said Mr. Trump is welcome to visit Ukraine, saying his predecessor 'didn't find time.'"

The New York Post (9/25, Fredericks, 4.57M) points out Trump also "focused on his 2020 rival Biden and 2016 rival Hillary Clinton," saying, "When Biden's son walks away with millions from Ukraine, he knows nothing and paying millions of dollars that's corruption." Asked whether "he believed that Clinton's missing emails were somewhere in Ukraine, Trump said it was possible and then slammed his 2016 election opponent." Said Trump, "Frankly, I think that one of the great crimes committed is Hillary Clinton deleting 33,000 emails after Congress sent her a subpoena. Think of that."

Ahead of the event, the AP (9/25, Peltz) had reported that "in a TV interview over the weekend, Ukraine's foreign minister denied Zelensky was pressured to investigate Hunter Biden," but "Zelensky's office...declined to comment on the reports."

Politico Report: Barr Sought Transcript's Release, Pompeo And Mnuchin Argued It Set Bad Precedent. Politico (9/25, Oprysko, 4.29M) reports that a "senior administration official" said "while it was Trump who made the call on declassifying material in the memo, the White House was split about whether the document should have been released." Politico says Barr "was a major proponent for putting out the transcript," and "was the force behind the scenes agitating for it to come out, said the former official." Politico adds that "others advocating for the memo to be released included White House counsel Pat Cipollone and White House Legislative Affairs Director Eric Ueland." According to Politico, Secretary of State Mike Pompeo and Treasury Secretary Steven Mnuchin, as well as officials on the National Security Council, "were far more hesitant about releasing the memo of the conversation," and "worried about the precedent it would set for conversations with other foreign leaders as well as the appropriateness of releasing transcripts."

The Washington Post (9/25, Parker, Dawsey, Rucker, 14.2M) similarly reports two of Trump's "top Cabinet secretaries argued against disclosure, saying it would set a dangerous precedent to share details of a private phone conversation between two world leaders." The piece says officials, including Pompeo and Mnuchin, "vociferously argued against it, and Trump delayed a decision." The two appeared on the Sunday shows "to say it was not appropriate to share private conversations between world leaders, only to have their arguments undermined in real time by the president, who began confirming details of the call and hinting that he would soon share the rough transcript." The Post adds "the helter-skelter way the administration handled the aftermath of the whistleblower complaint could be a harbinger of the coming impeachment fight, with the White House scrambling to respond to a mercurial and frustrated president, who is increasingly sidelining his aides and making decisions based on gut instinct."

Esper Says He Recently Discussed Anti-Corruption Efforts With His Ukrainian Counterpart. Reuters (9/25) reports Defense Secretary Esper yesterday "said...he had told his Ukrainian counterpart in a recent phone call that it was important for Kiev to deal with corruption." According to Reuters, Esper "told reporters he had spoken with his Ukrainian counterpart Andriy Zahorodnyuk a week or two ago, telling him it was important for Ukraine to deal with corruption and that it was an important issue for the U.S. government." Reuters adds that when "asked whether the White House decision to withhold military aid to Ukraine had harmed national security, **Esper** said, 'I'm not going to get into any of that right now... As I've said on many occasions, I'm trying to keep [the Pentagon] out of politics and obviously that is all the news today.'"

Transcript Release Draws Attention To Crowdstrike's Role In DNC Hack Aftermath. The Washington Post (9/25, Timberg, Nakashima, 14.2M) reports that Trump's "reference to American cybersecurity company CrowdStrike in a July call with Ukraine's president, as revealed in notes released Wednesday, was brief and cryptic. But there are several ways the company could have come to Trump's attention, including for its central role in investigating the Russian hack of Democratic Party computers in 2016." The Post adds, "It was CrowdStrike's role in probing the Russian hack of Democratic National Committee computers – which led to embarrassing revelations that rocked the campaign of Democrat Hillary Clinton – that put the company most squarely in the international political spotlight." The Post also

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says that "without more context, the exchange between Trump and Zelensky is hard to parse, but Trump has publicly complained before about CrowdStrike's role in the DNC investigation."

Bloomberg (9/25, 4.73M) reports that the transcript shows the President saying, "I would like you to find out what happened with this whole situation with Ukraine, they say Crowdstrike ... I guess you have one of your wealthy people... The server, they say Ukraine has it." Bloomberg adds, "While the meaning of Trump's comments weren't clear, he appears to be referencing a theory that he and some conservative commentators have espoused that Crowdstrike's work is biased in favor of Democrats." Bloomberg further reports Trump "has complained that...Crowdstrike did the analysis of the Democratic National Committee's servers after it was hacked in 2016, rather than a law enforcement agency, namely the Federal Bureau of Investigation."

Before Transcript Release, Christie Said "Do Me A Favor" Language Could Hurt Trump. Political Wire (9/25, 29K) reports Chris Christie, "who rose to prominence as a U.S. Attorney, told ABC News hours before the release of the readout of President Trump's phone call with the Ukraine president that Trump would be in trouble if he used language like 'do me a favor.'" Christie said, "For instance, if he's saying, 'Listen, do me a favor, go investigate Joe Biden,' that's one thing. If he's saying, 'Listen, I'm concerned about corruption, you've just gotten elected. We send hundreds of millions of dollars over there, you need to start looking at this,' for instance, one of the things that occurred was the Hunter Biden situation, that becomes totally different."

White House Accidentally Emailed Ukraine Talking Points To Pelosi, Other Democrats. The New York Times (9/25, Chokshi, 18.61M) reports White House communications staff member Tori Q. Symonds "accidentally sent talking points for allies defending the president to Democratic officials, then tried to 'recall' the memo." The email "laid out guidance for how supporters should publicly discuss" Trump's phone call with Zelensky. The email was accidentally sent to the offices of Pelosi "and other Democratic lawmakers." The Week (9/25, Morrow, 1.94M) has screenshots of the email and the attempted recall.

Rouhani Says US Must "Pay More" For New Deal Even As New Sanctions Are Announced.

The New York Times (9/25, Fassihi, Jakes, 18.61M) reports that the Administration has "announced new economic penalties against Iran's largest oil customer...further squeezing the country as its president told the United Nations he would not negotiate with an 'enemy who uses sanction and poverty as a tool.'" According to the Times, "The actions and statements by both countries appeared to rule out what would be a historic meeting between President Trump and President Hassan Rouhani of Iran at the United Nations, where both leaders were attending the General Assembly." The Times reports that Secretary of State Mike Pompeo "said the additional American sanctions would punish 'certain Chinese entities for knowingly transporting oil from Iran' in defiance of American financial restrictions imposed earlier this year." The Times says China "has been the biggest foreign buyer of Iran's oil," and in 2018, "roughly 6 percent of China's oil imports came from Iran."

Reuters (9/25, Pamuk) reports the Treasury Department announced that it is "placing sanctions on five Chinese nationals and six entities, including two Cosco Shipping Corporation subsidiaries." Reuters (9/25) reports separately that the sanctions "target Cosco Shipping Tanker Co and Cosco Shipping Tanker Seaman and Ship Management Co Ltd but do not apply to the parent company, the notice on the department's website said." They also target China Concord Petroleum Co, Kunlun Shipping Company Ltd, Kunlun Holding Company Ltd and Pegasus 88 Limited, the department said.

The Wall Street Journal (9/25, Talley, McBride, Subscription Publication, 7.57M) reports Pompeo said, "Know that we will sanction every violation of sanctionable activity."

CNN (9/25, Gaouette, Hansler, 83.16M) reports Pompeo also said the US was "taking new action to disentangle" Iran's Revolutionary Guard Corps "from the Iranian economy." He said, "The United States will intensify our efforts to educate countries and companies on the risk of doing business with IRGC entities and we will punish them if they persist in defiance of our warnings." Reuters (9/26) reports this morning that China's Foreign Ministry "deplored on Thursday" the sanctions imposed by the US. Ministry spokesman Geng Shuang "made the comments at a daily news briefing in Beijing, adding that China's cooperation with Iran was legitimate and legal."

Yahoo! News (9/25, 12.82M) interviews Treasury Under Secretary for Terrorism and Financial Intelligence Sigal Mandelker, who said, "What we are doing...is denying them the revenue they need to build out their WMD program, to engage in continued funding of terror, to engage in the gross human rights violations that they've engaged in. And we simply cannot ignore that that it is a major part of our pressure campaign." The Financial Times (9/25, Williams, Meyer, Sheppard, Subscription Publication, 1.34M) also reports on the sanctions.

The New York Post (9/25, Moore, 4.57M) reports Rouhani "did not fully rule out a diplomatic solution." He said, "This is the message of the Iranian nation: Let's invest on hope toward a better future rather than on war and violence. Let's return to justice, to peace, to law, commitment and promise and finally to the negotiating table." However, Reuters (9/25, Hafezi, Nichols) reports that Rouhani said Wednesday that the United States "must 'pay more' for any agreement that goes beyond the 2015 Iran nuclear deal that Washington abandoned. ... 'Our response to talks under pressure is no,' Rouhani said in a speech to the U.N. even as the United States increased the pressure by sanctioning Chinese firms for dealing in Iranian oil despite U.S. sanctions." Rouhani is quoted as saying, "If you wish more, if you require more, you should give and pay more."

The AP (9/25, Batrawy) reports that Rouhani also "warned world leaders...that security in the energy-rich Persian Gulf could collapse quickly with a 'single blunder,' and he accused the United States of engaging in 'merciless economic terrorism' against his country." Rouhani also charged that the US is "engaging in 'international piracy' against his country by re-imposing economic sanctions after Washington withdrew from the 2015 nuclear deal with world powers."

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The Wall Street Journal (9/25, Gordon, Norman, Subscription Publication, 7.57M) reports in an additional jab at Washington, Rouhani

outlined a broad plan to stabilize the Persian Gulf region under which the US military would exit the Middle East, allowing countries in the region to export their oil under security provided by local states. He said, "The security of the region shall be provided when American troops pull out."

The Washington Times (9/25, A1, Taylor, 492K) reports Rouhani's "remarks came hours" after Pompeo "argued in a speech on the sidelines of the General Assembly Wednesday morning that Mr. Rouhani and other Iranian leaders are prone to projecting false narratives about their country at the annual gathering in New York." At an event hosted by United Against Nuclear Iran, Pompeo said, "Too many people listen ... and take their words as relevant or important or material or accurate."

Meanwhile, Thomas A. Shannon Jr. and John B. Bellinger III write in Foreign Policy (9/25, 340K) that sanctioning Iranian foreign minister Javad Zarif "is counterproductive—and so is avoiding conversation." Trump Administration officials "justified sanctioning Zarif...by asserting that he acts as a propagandist for the Iranian regime." Treasury Secretary Steven Mnuchin said: "Javad Zarif implements the reckless agenda of Iran's Supreme Leader, and is the regime's primary spokesperson around the world." However, they argue that "even if administration officials disagree strongly with Zarif's message and defense of his country, he still remains Iran's senior diplomat and designated interlocutor with the United States."

Rouhani Says Not Interested In Meeting With Trump Until US Lives Up To 2015 Commitments. In an interview with David Muir on ABC World News Tonight (9/25, story 5, 6:37, 7.05M), Iranian President Hassan Rouhani downplayed the effectiveness of sanctions, and said it is "an economic form of terrorism," hurting vulnerable Iranians in "need of medication." When asked if Iran was responsible for the recent attack on Saudi Arabia, Rouhani called it an "unfounded allegation." Rouhani also said no further talks between the US and Iran were necessary until the US lives up to its 2015 commitments.

US Seeking Release Of American Prisoners Held In Iran. Reuters (9/25, Pamuk) reports, "The United States has been reaching out to Iranian officials to discuss the fate of American nationals held in the Islamic republic, a U.S. State Department officials said on Wednesday, at a time of heightened tension between the longtime enemies." The official said, "We've been offering, as has [President Trump] to meet with Iranians [over the issue]. We sent a letter earlier this year [that] found its way there."

Trump Says Deal With China Could Come "Sooner Than You Think."

Reuters (9/25, Mason, Nichols, Brunnstrom) reports President Trump on Wednesday said that an agreement with China "could happen sooner than you think." Reuters adds that on Tuesday, Trump had "deliver[ed] a stinging rebuke to China's trade practices at the United Nations General Assembly," and "Wang Yi, China's foreign minister and state councilor, said Beijing would not bow to threats, including on trade."

Politico (9/25, Behsudi, Palmer, 4.29M) reports the "rhetorical divide between the world's two largest economies was in plain view at the United Nations General Assembly meeting this week, providing little indication that a comprehensive trade deal is imminent." The piece notes the two sides are preparing for the "first round of high-level trade talks since a meeting in Shanghai in late July that ended with little progress. Treasury Secretary Steven Mnuchin said Monday the talks would be held the week of Oct. 6, and others more specifically expect them to take place Oct. 10-11." Politico adds that the "trade fight escalated dramatically after Mnuchin and U.S. Trade Representative Robert Lighthizer returned from Shanghai empty-handed."

Reuters (9/26) reports this morning that China is "in close communication with the United States and is preparing to make progress at trade talks in October, the commerce ministry in Beijing said on Thursday." Chinese firms have "made significant purchases of U.S. soybeans and pork, said ministry spokesman Gao Feng, adding that those purchases were exempt from tariffs."

World Bank's Georgieva Confirmed As New IMF Head.

Reuters (9/25, Shalal, Tsolova) reports Bulgarian economist Kristalina Georgieva was "confirmed on Wednesday as managing director of the International Monetary Fund, the first person from an emerging-market economy to head the world's crisis lender with its $1 trillion in resources." A politician who grew up in Bulgaria "under Communism, Georgieva built a reputation during her time at the World Bank and the European Commission as a tenacious straight shooter, champion of gender equality and leader in the global fight against climate change." Georgieva will face a number of challenges in her new role, "including a global economic slowdown triggered by escalating trade tensions between the United States and China, and historically high debt levels." She told reporters, "Warning signs are flashing, and we must be ready to be tested." The piece notes that she won support last month from the European Union, "as well as tacit backing from the United States."

The Wall Street Journal (9/25, Zumbrun, Subscription Publication, 7.57M) reports Georgieva said in a statement, "It is a huge responsibility to be at the helm of the IMF at a time when global economic growth continues to disappoint, trade tensions persist, and debt is at historically high levels." The piece notes the US is the largest individual shareholder of the IMF, and Treasury Secretary Steven Mnuchin has quietly supported the fund's major rescue programs. The Journal adds that Georgieva has worked closely with officials from the US Treasury.

Also covering the story are AFP (9/25), The AP (9/25), The Guardian (UK) (9/25, Elliott, 4.19M), The Financial Times (9/25, Politi, Subscription Publication, 1.34M), and BBC News Online (UK) (9/25, 1.02M).

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Billingslea Nomination To State Post Challenged By Democrats Claiming Incomplete

Information.

CQ Roll Call (9/25, Oswald, 154K) reports Marshall Billingslea's nomination as undersecretary of State for civilian security, democracy and human rights "is in doubt following a difficult Senate Foreign Relations confirmation hearing." CQ adds that Chairman James Risch "broke with a decades-long tradition" by scheduling the hearing despite the opposition of Ranking member Sen. Robert Menendez (D-NJ) and "all committee Democrats," who said "that they did not have all of the necessary information to question Billingslea, who currently serves as assistant Treasury secretary for terrorist financing." CQ also reports, "It is not clear if Risch will schedule a committee confirmation vote without consent from Menendez."

Professor Says Corporations Should Only Answer To Shareholders.

UCLA professor Lee O. Ohanian writes in The Hill (9/25, 2.98M) that Treasury Secretary Steven Mnuchin "recently criticized 181 CEOs of leading corporations, including Apple, Amazon and Walmart, who signed a statement redefining the purpose of a corporation." Ohanian notes Mnuchin "said he wouldn't have signed the new statement, 'because there is no simple answer' regarding the purpose of a corporation." However, he argues "there is a simple answer, one that has worked well since corporations have existed. Corporations answer to their shareholders. Period."

Shelby To Meet With Trump Today Over FY20 Spending Bills.

Bloomberg Tax (9/25) reports Senate Appropriations Chairman Richard Shelby (R-AL) plans to meet with President Trump today to discuss negotiations on fiscal 2020 spending bills. He told reporters that a House impeachment inquiry "could make it more difficult" to compromise on spending, but nobody wants a government shutdown. Treasury Secretary Steven Mnuchin and Acting White House Chief of Staff Mick Mulvaney "may also attend the meeting, but no other lawmakers, Shelby said."

Administration Bars High-ranking Maduro Loyalists From Coming To The US.

The AP (9/25) reports the Trump Administration is "moving to further isolate Venezuelan President Nicolás Maduro by prohibiting high-ranking loyalists from entering the U.S." President Trump "issued a proclamation Wednesday barring top Maduro government and military officials from entry to the U.S." The piece notes the Treasury Department has "already sanctioned and frozen any U.S. assets of many of those who would fall under the no-entry list."

Meanwhile, Reuters (9/25, Guanipa, Parraga) reports Venezuelan state oil company PDVSA "ordered an increase in exports to ally Cuba to ease fuel shortages on the island this month, challenging U.S. sanctions on shipping firms involved in the trade, according to three industry sources and Refinitiv Eikon data."

In addition, Breitbart (9/25, 673K) reports Diosdado Cabello, the "head of the United Socialist Party of Venezuela (PSUV) and U.S.-sanctioned cocaine trafficker, arrived in North Korea on Tuesday seeking to strengthen what North Korean propaganda referred to as the 'militant friendship' between the two dictatorships." The piece notes that the Treasury Department in May "branded Cabello a specially designated person, limiting his potential economic activities in the United States, over his engagement in drug trafficking." Treasury Secretary Steven Mnuchin said at the time, "The Venezuelan people suffer under corrupt politicians who tighten their grip on power while lining their own pockets. We are imposing costs on figures like Diosdado Cabello who exploit their official positions to engage in narcotics trafficking, money laundering, embezzlement of state funds, and other corrupt activities. This Administration is committed to holding those accountable who violate the trust of the Venezuelan people, and we will continue to block attempts to abuse the U.S. financial system."

Judge Delays Enforcement Of Subpoena Seeking Trump's Tax Returns.

The AP (9/25) reports that US District Judge Victor Marrero on Wednesday "delayed enforcement of a subpoena seeking" President Trump's tax returns "long enough for federal prosecutors to decide whether to join Trump's fight to prevent his tax returns from being turned over to a grand jury in a criminal probe." According to the AP, lawyers from the office of Manhattan District Attorney Cyrus Vance told Marrero "that Trump's challenge doesn't belong in federal court." The AP says Marrero "was reluctant to rule at all at the hearing, but Carey Dunne, Vance's general counsel, refused to agree to a delay of the subpoena's enforcement against Trump's longtime accountant."

Politico New York (9/25) reports that Marrero "said he would give the Justice Department until Monday to decide whether to intervene in the case, after the U.S. Attorney in New York filed an unusual last minute brief suggesting it might get involved in the dispute." The Washington Post (9/25, Merle, Paul, 14.2M) reports that the Department of Justice "had asked the court to pause the case while it considers whether to join Trump in requesting a preliminary injunction." The Post says Trump is "fighting a grand jury subpoena asking Mazars USA, his longtime accounting firm, to turn over federal and state tax returns from the president and his businesses. The subpoenas are in connection with...Vance's investigation into hush money payments to two women who say they had affairs with Trump." In court on Wednesday, Trump attorney William Consovoy "argued that Vance, a Democrat, was conducting an unlawful criminal investigation of a sitting president."

Neal: Impeachment Inquiry Bolsters Case For Trump Tax Returns. Bloomberg Tax (9/25) reports House Ways and Means Chairman Richard Neal "said House attorneys believe their case to see President Donald Trump's tax returns is bolstered because of the Democrats' impeachment inquiry." He said, "There is no question that the House counsel believes their case is stronger." The piece notes he filed a lawsuit in July "after the Treasury Department rebuffed a request first, and a subpoena later, for the president's federal tax returns.

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Treasury and the IRS have asked a judge to dismiss the lawsuit."

Leading National News

Trump and Abe Sign Limited Trade Deal; Lighthizer Says Trump Not Planning Auto Tariffs.

The AP (9/25) reports that President Trump announced Wednesday what he termed "the 'first stage of a phenomenal new trade agreement' with Japan that will expand market access and eliminate tariffs for agriculture and industrial goods and digital trade." According to the AP, Trump also "indicated officials were still negotiating toward a bigger deal." The AP says Trump and Japanese Prime Minister Shinzo Abe "signed the agreement on the sidelines of the U.N. General Assembly after months of sometimes contentious negotiations."

The Wall Street Journal (9/25, Salama, Zumbrun, Subscription Publication, 7.57M) reports the agreement would result in reduced agricultural tariffs by Japan and reduced industrial tariffs in the US and would also establish new regulations for digital trade. Trump said, "Japanese tariffs will now be significantly lower or eliminated completely on beef, pork, wheat, cheese, corn, wine and so much more." The USTR said that US tariffs on an array of Japanese industrial products would be reduced and on some agricultural goods.

Reuters (9/25, Mason) reports USTR Lighthizer "said after a signing ceremony...that cars – the biggest source of the $67 billion U.S. trade deficit with Japan – were not covered in the announcement. He said Japan wanted further discussions on this issue." According to Reuters, Lighthizer "said it was not the U.S. intention to impose so-called Section 232 national security tariffs on Japan and the two sides would work together in good faith, aiming to start talks on phase two of an agreement next April."

The New York Times (9/25, Swanson, 18.61M) says "it was not immediately clear what protections or new access the United States had offered the Japanese automotive industry, which the Trump administration has pointed to as a major contributor to the American trade deficit in goods with Japan." According to the Times, "Neither Mr. Trump nor Mr. Abe mentioned the industry in their initial remarks." The Times says Japan has "insisted on firm assurances that Mr. Trump would not impose tariffs on its cars, as he has threatened in the past, if the two countries proceeded with a trade deal." Lighthizer said, "At this point, it is certainly not our intention, the president's intention, to do anything on autos, on 232s, on Japan."

Nevertheless, Bloomberg (9/25, 4.73M) says Japan "secured only a vague written assurance from the Trump administration not to impose auto tariffs for the time being." Politico (9/25, Behsudi, 4.29M) reports that "a senior administration official emphasized that the agreement will help producers keep pace with foreign competitors who are increasing sales in Japan now that the 11-nation TPP is in effect," without the US. The senior Administration official is quoted as saying, "When this agreement enters into force, we will immediately match and have the same tariff treatment as is the case with Canada, Australia, New Zealand, etc."

WSJournal: Agreement Helps Reverse Problems Of Leaving TPP. The Wall Street Journal (9/25, Subscription Publication, 7.57M) editorializes in favor of the agreement, saying that it reverses some harm Trump caused by leaving the Trans-Pacific Partnership. The Journal adds that a lack of agreement over motor vehicles is disappointing, and contends it would have been better and easier to have stayed in the TPP.

Chinese Companies Reportedly Set To Increase Purchases Of US Pork.

Bloomberg (9/25, 4.73M) reports that Chinese companies are "preparing to purchase more U.S. pork...as the government battles against domestic shortages and top trade negotiators from both nations plan to meet in Washington next month." According to Bloomberg, "The volume of the purchases hasn't been finalized but may be around 100,000 tons, some of which will be for state reserves." Bloomberg says the pork imports "may be part of China's efforts to ease tensions with the U.S. as they strive to reach a trade deal," but "also come at a time when the Asian nation, the world's biggest pork consumer, desperately needs more of the meat." Bloomberg reports that China has "already boosted pork imports from the U.S., with July imports at the highest in two years."

WTO Reportedly Set To Authorize US Tariffs In Retaliation For Airbus Subsidies.

Bloomberg (9/25, 4.73M) reports that the World Trade Organization is set to "authorize the U.S. to impose tariffs on nearly $8 billion of European goods due to illegal state aid provided to aircraft maker Airbus...a move that will likely trigger retaliatory measures from the European Union." Citing a list published by the US Trade Representative's office, Bloomberg says "the U.S. duties, which could hit as soon as October," and "will target planes and parts as well as luxury products, such as wine and spirits like Dom Perignon and Moet & Chandon – and leather goods under labels such as Givenchy and Louis Vuitton." According to Bloomberg, "The verdict marks the latest chapter in the WTO's longest-running dispute and will further test transatlantic relations, which have deteriorated under Trump's 'America First' strategy."

Neal: Democrats Will Continue To Work Toward USMCA Passage Despite Impeachment.

Politico (9/25, Cassella, Rodriguez, 4.29M) reports that Democrats who are "working with" the Trump Administration to try to pass the US-Mexico-Canada Agreement "say they are unbowed in their efforts to try to get a deal done this year, even as the House dives into an impeachment inquiry." House Ways and Means Chairman Richard Neal, "who leads the nine-member working group negotiating changes to the deal with the Trump administration, said he had one message for the caucus at the meeting: 'Proceed with optimism.'" Neal is quoted as saying, "There is no reason, based on what happened yesterday, to think that there's any deterrents that will hold us back." According to Politico, House Democrats "have been working closely for months" with USTR Lighthizer "to negotiate changes to Trump's signature deal to

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replace NAFTA," and "have outlined four main areas where they are seeking stronger language: labor, environment, access to medicines and enforcement."

Atlanta Fed: Business Expectations For Capital Spending Up For Third Straight Month.

Breitbart (9/25, Carney, 673K) reports the Atlanta Federal Reserve Bank's Business Expectations survey found that "business expectations for capital spending over the next twelve months rose in September," for the third month in a row, and "the gauge is at the highest level recorded in the five-year life of the survey." Meanwhile, there was "a sharp decline in expectations for growth in employment," which is attributed to "the tightness of the labor market." Also, "the Survey's Business Uncertainty index" fell "its lowest level since March."

Talks Between GM, UAW "Near Final Phase."

Under the headline "GM Strike Talks Move Near Final Phase," the Detroit Free Press (9/25, LaReau, 1.52M) reports Terry Dittes, vice president for the UAW's GM Department, sent a letter to UAW members Wednesday afternoon that "said UAW negotiators have been working 'countless hours' to reach a tentative contract with GM." He wrote, "All unsettled proposals are now at the Main Table and have been presented to General Motors and we are awaiting their response. This back and forth will continue until negotiations are complete." According to the Free Press, "This means subcommittee work is complete and bargainers are entering the final phase of negotiations. It wasn't clear if Dittes' letter meant negotiators intended to work nonstop or if they would break at some point Wednesday evening."

After reporting on Dittes' letter, the Detroit News (9/25, Noble, 825K) says GM "on Wednesday also took other steps to suggest the walkout may be nearing an end." In a letter to delivery companies that ferry parts between suppliers and GM auto plants, the automaker told the firms to determine "how you are situated capacity wise with both trailer and driver capacity. Will you be able to pick up from where you left off or will you need time to get your drivers and loads in place?" It was the "first such communication to delivery drivers since GM canceled deliveries last week amid the strike."

The AP (9/25, Krisher) reports that "with many replacement part warehouses shut down, dealers are beginning to run short of components to repair cars, trucks and SUVs. And companies that make auto parts are also starting to see work slowdown. Dealer inventory of new vehicles is holding up but starting to get depleted on a few models." The AP adds, "This doesn't even include the restaurants and other businesses around the more than 30 U.S. factories that have been closed due to the strike. And the longer the strike lasts, the worse it will get for everyone."

Future Of Shuttered Lordstown Plant Remains Focus Of GM-UAW Talks. Citing "two people familiar with the talks," Reuters (9/25) reports that General Motors and the UAW "have made progress in talks toward a new labor deal but are grappling with issues over the pay and job security of newer and temporary workers." UAW members at GM plants have been on strike since September 16, and the strike "has cost GM about $100 million a day," according to Reuters. Reuters goes on to report that President Trump "has repeatedly demanded GM find a new vehicle for its now-shuttered assembly plant in Lordstown, Ohio, a key state for him in the 2020 presidential election."

The New York Times (9/25, Boudette, 18.61M) reports that General Motors has "put a seemingly tantalizing offer on the table: It has proposed building a new plant in Ohio to produce batteries for some of the one million electric cars it hopes to sell globally by 2026," which "would be near the Lordstown factory where G.M. stopped making cars in March." According to the Times, "It would create several hundred jobs in the hard-hit region, and give the union a foothold in the industry's coming transition to electric vehicles."

Juul Replaces CEO, Halts US Advertising.

The AP (9/25, Perrone, Chapman) reports, "Juul Labs is halting all U.S. advertising of its e-cigarettes and replacing its CEO amid a nationwide backlash against vaping." Juul "also said Wednesday it won't fight a sweeping ban on flavors proposed by the Trump administration to reverse a surge in underage vaping." According to the AP, "Juul's CEO will be replaced by a senior executive from Altria, the maker of Marlboro cigarettes."

USA Today (9/25, Bomey, 10.31M) reports that "taken together, the developments underscore how Juul is scrambling to preserve its core business, not long after the company was flying high based on targeted marketing and flavored liquids that are now facing a potential federal ban." Observers "expect Juul to emerge from the crisis intact by following a similar playbook used by cigarette companies, which also agreed to advertising restrictions to assuage public concerns."

Philip Morris, Altria End Merger Talks. The Wall Street Journal (9/25, A1, Maloney, Subscription Publication, 7.57M) reports that also on Wednesday, Philip Morris International announced the end to its merger talks with Altria Group, after Philip Morris' board became apprehensive over Juul's regulatory hurdles.

CDC Issues Vaping Alert. ABC World News Tonight (9/25, story 9, 0:20, Muir, 7.05M) reported the CDC issued an alert Wednesday about vaping. Health officials "say hundreds of new vaping-related lung illnesses have been reported over just the last week, adding to the more than 530 patients already so far."

Tenth Death Linked To Vaping Reported In Georgia. The CBS Evening News (9/25, story 4, 1:42, O'Donnell, 4.47M) reported a vaping-related death, the 10th, was reported in Georgia on Wednesday.

Rhode Island Announces Vaping Ban. NBC Nightly News (9/25, story 6, 1:41, Holt, 6.11M) reported Rhode Island on Wednesday became the latest state "to announce a vaping ban." NBC's Stephanie Gosk added the FDA commissioner is "calling teen vaping

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an epidemic." FDA Commissioner Norman Sharpless said, "In retrospect, the FDA should have acted sooner. We should have begun regulating these devices sooner."

BofA's Moynihan Says Company Has To "Take A Stand."

Bloomberg (9/25, Nguyen, Everett, 4.73M) reports Bank of America CEO Brian Moynihan on Wednesday "said the company can't just produce profits – it also has to wade into thorny debates." Speaking at the Bloomberg Global Business Forum, Moynihan "said...that the firm needed to act on issues such as gun control, particularly because of the impact on employees who were affected by mass shootings." He said, "You had teammates in every one of those situations that led our team to say we've got to take a stand on something."

JPMorgan's Dimon Echoes Trump On China.

According to Bloomberg (9/25, Wingrove, 4.73M), JPMorgan Chase CEO Jamie Dimon "is sounding a bit like Donald Trump on China." Speaking Wednesday at the Bloomberg Global Business Forum in New York, Dimon "said that Trump's trade fight is simply about 'fair' trade, not part of some larger ideological struggle." He said, "Fair means kind of reciprocal." US-China trade needs to be "closer to reciprocal in a way that's good for everybody. I hope we get there. I don't expect it to happen before the election to tell you the truth, but I hope after that we have a fair trade deal," Dimon said. He also echoed Trump in complaining about China's behavior since joining the World Trade Organization.

WSJournal Analysis: Financial System Safer, Yet More Brittle Since Crisis.

The Wall Street Journal (9/25, Ip, Subscription Publication, 7.57M) reports that while the US financial system is much safer since the financial crisis, it is also more brittle. Banks are less likely to fail or need to be bailed out, yet the channels that transmit cash and securities between banks, investors, and foreigners regularly clog when faced with stresses they once easily absorbed.

Lawmakers Cite Leveraged Lending, Cybersecurity, Libor Transition As Red Flags.

American Banker (9/25, Lang, Subscription Publication, 31K) reports House lawmakers on Wednesday "highlighted trouble spots in the financial system that still keep them awake at night." Among the top issues cited by the House Financial Services Committee "were leveraged lending, cybersecurity and the upcoming transition to a new interest-rate benchmark." Republicans on the subcommittee "struck a different tone and praised regulatory relief measures under the Trump administration," though "several still raised alarm about building risks." They "implored" witnesses Fed Gov. Lael Brainard and OFR Director Dino Falaschetti "to take action to safeguard certain elements of the financial system."

Businessman Contends Latinos Are Key To Growing US Economy.

Sol Trujillo, businessman and chairman of the Latino Donor Collaborative, writes in the Wall Street Journal (9/25, Subscription Publication, 7.57M) that the Latino population in the US has a gross domestic product of $2.3 trillion and that it continues to grow more rapidly than the US economy as a whole, which, he contends, is slowing largely due to the slower rate of growth in the labor force, which, he adds, is expected to continue to slow. He likens Latinos to rescuers coming to strengthen the economy with their numbers and labor, and also argues that they are not enough and require reinforcements. Trujillo argues that President Trump's efforts to restrict immigration will harm the economy for many years and that the US instead needs to increase immigration.

Republicans, Minus Romney, Appear To Be Sticking By Trump On Ukraine Controversy.

Republicans appeared to agree with the President on the Ukraine whistleblower controversy, with at least one exception. The Hill (9/25, Carney, 2.98M) reports Sen. Mitt Romney (R-UT) said Wednesday that the transcript is "deeply troubling." Romney told reporters, "I did read the transcript. It remains troubling in the extreme. It's deeply troubling." Referencing Romney's comments, ABC World News Tonight (9/25, story 2, 2:47, Muir, 7.05M) reported that "at least one leading Republican now saying, quote, there is a lot that is really troubling there." ABC also pointed out that "another Republican, Sen. Pat Toomey of Pennsylvania, called the President's conversation with the Ukrainian leader 'inappropriate,' but not impeachable."

Beyond that, said the CBS Evening News (9/25, story 3, 1:20, Garrett, 4.47M), "not only are Republicans following the President's line of defense, that is to say no explicit quid pro quo, they're also arguing that Democrats...have prejudged this affair, assumed the worst, and from their estimation, overshot the truth." CBS added that in "conversations with Republican leaders on the Hill and rank and file members, they feel more confident than they did 48 hours ago." NBC Nightly News (9/25, story 2, 0:55, Jackson, 6.11M) reported, meanwhile, that "one source...close with the President mentioned there is a solid wall of Republican support on Capitol Hill that may help embolden the President moving forward." Jake Tapper said on CNN's The Lead (9/25, 4:00 p.m. ET, 752K), "Many Republican elected officials are today following the White House's lead and acting as if this transcript is somehow exculpatory and that the scandal is not real. That is not accurate. The transcript is not exculpatory, and the scandal is real."

Politico (9/25, Everett, 4.29M) reports, meanwhile, that last night, Senate Majority Leader McConnell "dismissed criticism of the readout of Trump's call with the Ukrainian president and said it is 'laughable to think this is anywhere close to [illegible]'" The Washington Examiner (9/25, Ferrechio, 448K) also reports "Republicans rejected claims by House Democrats that...Trump committed an

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impeachable offense" in the call. Sen. Ron Johnson (R-WI) said, "I think the House is so far over their skis on this thing. ... In it's totality, we all kind of looked at it and said, 'There's nothing here.'" Senate Judiciary Chairman Lindsey Graham remarked, "If this is going to be an impeachment article. ... Not guilty. Don't waste your time." Sen. Tim Scott (R-SC) also weighed in, saying, "The President was talking about the frustrations of corruption. ... Trying to connect the two pieces together to leave the President in an unfavorable position is a tad bit of a stretch."

The CBS Evening News (9/25, story 2, 2:20, O'Donnell, 4.47M) similarly reported "the President's top allies rushed to his defense," and showed House Minority Leader McCarthy saying, "It was a dark day for the rule of law, that a President is going to be held guilty without any proof." Breitbart (9/25, Boyle, 673K) reports that McCarthy "told Breitbart News exclusively on Wednesday that Democrats' decision to launch an official impeachment inquiry is proof they have 'lost their minds' and expects the decision 'will backfire on them in 2020' in key elections."

A letter to the editor of the Wall Street Journal (9/25, Subscription Publication, 7.57M) signed by all 19 Republican members of the House Foreign Affairs Committee makes the cast that Russian President Vladimir Putin wants Trump to be impeached, because it would both weaken the US and harm ties between the US and the anti-Russian government in Kiev.

McClatchy (9/25, Dumain, 19K) quotes Graham as further stating, "From my point of view, to impeach any president over a phone call like this would be insane. ... I talked to [Trump] this morning. I told him, 'Mr. President, I applaud you for releasing the transcript.' ... I told him, 'Mr. President, the desire to get you is unending. [Democrats] were calling for your impeachment before they even knew what was in the phone call." The New York Post (9/25, Eustachewich, 4.57M) points out Graham also said of Democrats, "You're going down a dangerous road here for the future of the presidency, as well as your own future, but that's up to y'all."

Rep. Devin Nunes (R-CA) said on Fox News' Tucker Carlson Tonight (9/25, 8:37 p.m. ET, Carlson, 1.5M), "It's been nearly three years of this Russia hoax. Now it's transformed into the Ukrainian hoax. They say a lot of things that always have one thing in common. ... So they will come out of those doors and they will say, 'Well, we have seen some really secret stuff. We can't tell you about it, but just trust us. This is really going to be the time that we're going to catch President Trump with his hands in the cookie jar.'"

Rep. Andy Biggs (R-AZ), who serves on the House Judiciary Committee, writes in USA Today (9/25, 10.31M) that "Democrats are looking for a new impeachment angle after their Russia collusion hoax failed miserably after a two-year investigation." Biggs adds, "First...Trump was forthright from the start that there were conversations with the Ukrainian president. Second, even CNN reports that 'the whistleblower didn't have direct knowledge of the communications,'" and "third, there was no evidence of a quid pro quo, and Ukraine's foreign minister has said that there was no pressure from...Trump on that call." Democrats "irrationally responded to the facts (or lack thereof) by immediately calling for impeachment even before the release of the transcript."

On CNN's OutFront (9/25, 7:30 p.m. ET, 803K), Erin Burnett said, however, "Cracks [are] emerging in the Republican ranks after the transcript showed...Trump repeatedly asking Ukraine's President to investigate his 2020 rival Joe Biden and Biden's son." Under the headline "Cracks Emerge Among Senate Republicans Over Trump Urging Ukrainian Leader To Investigate Biden," the Washington Post (9/25, Costa, 14.2M) reports that "several Senate Republicans were privately stunned...and questioned the White House's judgment after it released" the transcript. The Post adds "three other GOP senators complained privately...that the White House erred by releasing the transcript, arguing that it sets a precedent for future presidents about disclosure of calls with foreign leaders and could be seen as a concession to Democrats."

Graham Seeks Probe Of Hunter Biden's Business Dealings; Johnson Weighing One. The Daily Caller (9/25, 716K) reports that Graham also said yesterday he "wanted to see...a further investigation into Hunter Biden's business dealings in Ukraine." Graham is quoted as saying, "The son of the Vice President was receiving a lot of money from the Ukraine and some of the sources of the funds were under investigation by the prosecutor. ... I think it's appropriate for the President of the United States to suggest you had a corruption problem and the prosecutor that was fired maybe was because he was corrupt or maybe because he was looking at something close to America here."

The Daily Caller (9/25, White, 716K) also reports Johnson "is considering an investigation into...Biden's role in Ukraine when he was still serving in the White House, The Washington Post reported Wednesday, citing unnamed sources." Johnson "told colleagues that he would consider a probe against the former vice president who is now running for president, three people familiar with the conversations told WaPo." The Post "suggests other Republicans in the Senate are being more circumspect about how to approach the matter."

Trump Campaign, RNC Have Raised $5M Since Impeachment Announcement. The Washington Examiner (9/25, Brest, 448K) reports, "The Trump campaign and the Republican National Committee announced that they have raised $5 million in the 24 hours" since House Speaker Pelosi "announced a formal impeachment inquiry into President Trump." Trump campaign manager Brad Parscale wrote on Twitter, "In the 24 hours since news of Nancy Pelosi's impeachment announcement, @realDonaldTrump's campaign & @GOP have BLOWN OUT fundraising! $5 Million combined in 24 hrs. Donors in all 50 states. Huge groundswell of support leading to Trump landslide in 2020!" The President also tweeted, "One of our best fundraising days EVER!"

The New York Times (9/25, Goldmacher, 18.61M) points out that "within three hours of Ms. Pelosi's announcement on Tuesday, Mr. Trump had raised $1 million, and his campaign said on Wednesday it was on pace to collect $3 million in 24 hours." The Times adds that "for the political operatives involved in the 2020 campaign," the impeachment matter "represents a potentially galvanizing moment to pry loose wallets."

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GOP Consultant Tied To Romney, McCain: In Secret Vote, 30 GOP Senators Would Dump Trump. The Washington Examiner (9/25, Halaschak, 448K) reports "a longtime adviser to Republicans has claimed that if the tally were held in secret, 30 Republican senators

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would vote to remove...Trump from office." Mike Murphy, "who has worked as a senior adviser to now-Sen. Mitt Romney and the late Sen. John McCain, appeared Wednesday on MSNBC and said that if the Democratic-led House votes to impeach the president and the Senate acquits him, it could spell political damage the Republican Party in 2020." Murphy said on MSNBC's Andrea Mitchell Reports (9/25, 12:45 p.m. ET, Mitchell, 766K), "One Republican Senator told me if it was a secret vote, 30 Republican Senators would vote to impeach Trump."

Vermont's GOP Governor: Impeachment Inquiry "Appropriate." The AP (9/25) reports, "Vermont's Republican Gov. Phil Scott says Congress has a 'solemn responsibility' to fulfill the role of checks and balances in the impeachment proceedings against...Trump." Scott "said Wednesday that while he believes the inquiry is 'appropriate,' a lot remains unknown surrounding the allegations."

Whistleblower's Report Released To Intelligence Panels Ahead Of Maguire's Testimony.

Axios (9/25, Basu, 521K) reports "the whistleblower complaint at the heart of a controversy involving President Trump and Ukraine has been released to the House and Senate Intelligence committees, lawmakers confirmed Wednesday afternoon." The New York Post (9/25, Feis, 4.57M) says "members of the Senate Intelligence Committee...will now review the confidential tip, though it's not immediately clear how extensively the version they received is redacted." The Los Angeles Times (9/25, Wilber, 4.64M) points out Joseph Maguire, "the nation's highest-ranking intelligence official," is "expected to be grilled over the administration's handling of a still-secret whistleblower's complaint when he appears before Congress on Thursday as the first witness in the Democrats' formal impeachment inquiry."

The New York Times (9/25, A1, Savage, Schmidt, Barnes, 18.61M) reports the whistleblower "raised alarms not only about what the two men said in a phone call, but also about how the White House handled records of the conversation, according to two people briefed on the complaint." He also "identified multiple White House officials as witnesses to potential presidential misconduct who could corroborate the complaint, the people said – adding that the inspector general for the intelligence community, Michael Atkinson, interviewed witnesses."

At any rate, the Washington Times (9/25, Muñoz, 492K) reports, the complaint "appeared to fail to move the needle on how members viewed the situation." Democrats "said it only reaffirmed their position to have an impeachment inquiry," and "Republicans...did not express serious concern." The Washington Examiner (9/25, Halaschak, 448K) indicates, for example, that Rep. Elise Stefanik (R-NY), a "member of the House intelligence Committee, tweeted that she read the complaint and announced that she is against impeachment." Stefanik wrote on Twitter, "I do not support impeachment of President Trump. I have just read the whistleblower complaint made available to House Intelligence Committee Members. I believe strongly in transparency and it should be immediately declassified and made public for the American people to read."

The Washington Examiner (9/25, Halaschak, 448K) reports Sasse "urged all-around caution against quickly jumping to any conclusions, including scolding Democrats for embarking on an impeachment inquiry." Said Sasse, "Everybody in this whole process should slow down. This place is terrible at deliberation. Democrats ought not to be using the word 'impeach' before they have the whistleblower complaint or before they read any of the transcript." Breitbart (9/25, Key, 673K) says Sasse added, "Republicans ought not to be rushing to circle the wagons to say there's no there there when there's obviously lots that's very troubling there."

The AP (9/25, Jalonick) also reports that while "most Republicans were quiet or defended the president as they left the secure rooms," Democrats "who reviewed" the "secret whistleblower complaint...called it 'deeply disturbing' and said it gives them new leads to pursue as they consider impeachment." House Intelligence Chairman Adam Schiff "said it 'exposed serious wrongdoing' and 'certainly provides information for the committee to follow up with others.'" Rep. Eric Swalwell (D-CA) "told CNN that the whistleblower 'laid out a lot of other documents and witnesses who were subjects in this matter.'" Bloomberg (9/25, House, Dennis, 4.73M), Reuters (9/25, Landay), and The Hill (9/25, Beavers, 2.98M), among other news outlets, also report the story.

Nia-Malika Henderson said on CNN's Inside Politics (9/25, 12:30 p.m. ET, King, 562K), "Adam Schiff used the word 'depravity' when talking about that aspect of this. ... I think if you're the Democrats, you think this is very easy to understand. And you see this phone call, Adam Schiff there essentially saying it was much more damaging than he thought it would be when it came out. And you see him using phrases like 'reciprocity,' the effect that there was no reciprocity from the Ukrainians, and then going into the favor."

House Foreign Affairs Chairman Eliot Engel said on CNN's Cuomo Prime Time (9/25, 9:01 p.m. ET, Cuomo, 1.24M), "It reminded me of what the country went through under Richard Nixon all over again, brought back ugly and bad memories. We on the Foreign Affairs Committee are requesting documents from the State Department, which is in our jurisdiction, and if we don't get them, we are going to subpoena them on Friday. So we think we'll get much more information then as well. ... You would think that given all the hoopla about Russian interference in the previous presidential election, that the President would be very careful this time around and not use or try to use a foreign leader, but he apparently learned nothing."

House Financial Services Chairwoman Maxine Waters said on MSNBC's All In (9/25, 8:11 p.m. ET, Hayes, 1.48M), "I started a long time ago, right after the President was inaugurated, talking about impeachment and saying that he was dishonorable, he was a con man, we could not trust him. And of course I was way ahead of all this, and nobody really took me seriously, but I also knew that this President was so brazen and so disrespectful of the Constitution that he was going to continue to abuse the presidential power, and so he's done just that."

House Judiciary Committee member Rep. Sylvia Garcia (D-TX) said on CNN (9/25, 3:14 p.m. ET, Baldwin, 686K), "This White House is more about stonewalling and ordering people not to testify, ordering people not to appear, and doing everything they can to cover up some of their activities, that nothing surprises me anymore. ... I would like to see the whistleblower and hear directly from him or her. And I look forward to seeing what the Acting [DNI] does say tomorrow. I hope they don't block him from coming to us."

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Rep. Raja Krishnamoorthi (D-IL) said on CNN's Anderson Cooper 360 (9/25, 8:03 p.m. ET, Cooper, 1.11M), "Most of it should be

declassified tonight and it should be shared with the American public. I think transparency is absolutely essential here, but what I can say about the complaint is that it's thorough, it's careful, it's credible, it's consistent, and it raises a lot more questions than it answers. But it's obvious why the Inspector General – who, by the way, was appointed by the Trump Administration – found it to be both urgent and credible enough to pass along to the DNI."

Sen. Cory Booker (D-NJ) said on CNN's OutFront (9/25, 7:33 p.m. ET, Burnett, 803K), "It's very plain that this is a President who was using his office, abusing his office to try to put pressure someone who really needs America. I've been out there in eastern Ukraine in the region. I've met with their military and I've seen the challenges with the Russian aggression and Russian attacks and them losing fellow soldiers. This is a country that needs our help, and this call, the President used the authority of his office and the power of the presidency not for national security issues and not for economic issues and not to help out an ally, but to try to use his office to get dirt on a political opponent."

Sen. Amy Klobuchar (D-MN) said on CNN's Anderson Cooper 360 (9/25, 8:58 p.m. ET, Cooper, 1.19M), "This shouldn't be just about Democrats coming forward. This has to be Republicans as well. We have an obligation to put our country first. We have an obligation to uphold the rule of law and make sure we don't have a President that's selling our nation out to foreign entities and selling them out for his own personal reasons. That's what this is about."

Sen. Jon Tester (D-MT) said on MSNBC's All In (9/25, 8:26 p.m. ET, Hayes, 1.48M), "My belief is that now the Speaker has decided to impeach, they need to make sure it is very, very focused. They need to get to the bottom of the information as promptly as they can. And they need to move. Look, we're dealing with a President who's the king of pivoting out of situations. And we saw it in some of the stuff he did today trying to bring in Vice President Pence – 'take a look at him, don't take a look at me.' He does this stuff all the time. And so I think the folks who are getting to the facts need to have a laser focus, get the information, and be very transparent about the process and let the chips fall where they may."

Whistleblower Complaint Reportedly Declassified, May Be Released Thursday. NBC News (9/26, Helsel, 6.14M) reports on its website that the whistleblower complaint "has been declassified, sources familiar with the matter told NBC News on Wednesday night. The complaint, which the administration initially withheld from Congress, was declassified with what were described as minimal redactions, the sources said, and there is an expectation that it will be released Thursday morning." The Hill (9/25, Beavers, 2.98M) reports that a source "said that while the declassification process is completed, details about the public release of the complaint remain unclear. The complaint is also expected to have some redactions, according to the source."

Whistleblower's Attorney A Biden Donor. The Washington Free Beacon (9/25, Schoffstall, 78K) reports "the lead counsel representing the Ukraine whistleblower donated to Joe Biden's presidential campaign earlier this year, records show." Andrew Bakaj, "founder and managing partner of DC-based law firm Compass Rose Legal Group, is the lead counsel working on behalf of the Ukraine whistleblower." Bakaj "earmarked a $100 donation on April 26 through ActBlue, a fundraising nonprofit that helps facilitate contributions for Democrats, to Biden's presidential campaign, the Federal Election Commission's website shows." Biden "appears to be the only recipient of campaign cash from Bakaj this year." Trump noted the news on Twitter, writing, "Wow! 'Ukraine Whistleblower's lead attorney donated to Biden.' @FreeBeacon."

Gloria Borger said on CNN (9/25, 11:42 a.m. ET, Bolduan, 514K), "Don't forget, you are talking about an Inspector General that is a Trump-appointed inspector general. There are already Republicans claiming that the whistleblower, whomever he or she is, is a partisan. But this Inspector General is a Trump appointment. So they can't say the same thing about that. I think that's a problem."

Despite His Denial, WPost Reporting Acting DNI Threatened To Resign. The Washington Post (9/25, Miller, Harris, Demirjian, 14.2M) reports Acting DNI Maguire "threatened to resign over concerns that the White House might attempt to force him to stonewall Congress when he testifies Thursday about an explosive whistleblower complaint about the president, according to current and former U.S. officials familiar with the matter." According to the Post, Maguire "warned the White House that he was not willing to withhold information from Congress." However, the Post reports that Maguire "denied that he had done so." Axios (9/25, Basu, 521K) reports Maguire "said in a statement Wednesday: 'At no time have I considered resigning my position since assuming this role on Aug. 16, 2019. I have never quit anything in my life, and I am not going to start now.'"

Democrats Wrote Ukrainian Officials Asking Them To Investigate Trump, Linked Request To Aid.

The Federalist (9/25, Justice, 126K) reports, "While Democrats rush toward impeachment over an anonymous whistleblower complaint accusing President Donald Trump of requesting Ukrainian President Volodymyr Zelensky investigate former Vice President Joe Biden, many have ignored the fact that last year, Senate Democrats wrote to Ukraine's prosecutor general asking Ukrainian officials to investigate Trump." The Federalist adds that "in May of 2018, Sens. Bob Menendez, D-N.J., Dick Durbin, D-Ill., and Patrick Leahy, D-Vt., wrote to Ukraine's Prosecutor General Yuriy Lutsenko asking the Ukraine government to keep four investigations open related to the Mueller probe into Russian election interference in the US and indicated that their support for foreign aid to Ukraine could be in jeopardy." Wrote the Senators, "As strong advocates for a robust and close relationship with Ukraine, we believe that our cooperation should extend to such legal matters," and they were "disappointed that some in Kyiv appear to have cast aside these principles in order to avoid the ire of President Trump."

The Washington Times (9/25, Meier, 492K) reports, meanwhile, that "senate Republicans on Wednesday blocked a move by a key foreign policy Democrat," Menendez, "to launch an investigation into the Trump administration's move to freeze nearly $400 million in security

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aid to Ukraine and forces the State Department to turn over documents related to the 'Ukraine scandal.'"

Only 36% And 37% Support Trump Impeachment In Two New Polls.

The Washington Post (9/25, Wagner, 14.2M) reports that "amid a groundswell of support for impeachment proceedings among House Democrats, a new poll finds a majority of Americans do not favor ousting President Trump from office." A new Quinnipiac University poll finds "thirty-seven percent of voters say that Trump should be impeached and removed from office, while 57 percent say he should not be impeached." The Post adds the poll "shows a stark partisan divide on the question of impeachment. Among Democrats, 73 percent support impeachment, while 21 percent are opposed. Among Republicans, only 4 percent support impeachment, while 95 percent are opposed." USA Today (9/25, Santucci, 10.31M) similarly highlights the "clear partisan divide."

Politico (9/25, Shepard, 4.29M) reports that "a Politico/Morning Consult poll – conducted before House Speaker Nancy Pelosi's announcement on Tuesday that Democrats will pursue an impeachment inquiry – found that a plurality of registered voters still opposed impeachment, with little sign of movement toward supporting such steps. In the poll – conducted Friday through Sunday...36 percent of respondents said they believe Congress should begin impeachment proceedings against Trump." Politico adds, "Support for impeachment is down a tick from 37 percent last week. Nearly half of respondents, 49 percent, said Congress should not begin impeachment proceedings, also down a point from last week."

Pollster John McLaughlin, meanwhile, wrote on Twitter that according to the new McLaughlin & Associates poll, "66-29 huge majority believes the Democrats should work w/ [LR]@realDonaldTrump[PDI] to solve the nations problems rather than impeachment; 58-32 voters believe the Democrats and the WashDC establishment are blocking changes President is trying to make."

The New York Times (9/25, A1, Gabriel, Healy, Tavernise, 18.61M) reports, "While politicians in Washington crowded microphones on Wednesday to condemn or defend Mr. Trump and the prospect of his impeachment, more than two dozen voters across the country were by turns elated and wary, unsure and already exhausted, at the idea of an impeachment investigation that could consume the nation for months." The Times adds "Republican supporters of Mr. Trump, as well as some moderates who had crossed over to vote for him in 2016, were generally unmoved by the possibility that Mr. Trump committed impeachable crimes." The Times also reports that "in interviews with voters on Wednesday, there was no clear or surprising shift in sentiment on impeachment."

Democrats Expected To Narrowly Focus Impeachment On Ukraine.

The Washington Post (9/25, DeBonis, Bade, 14.2M) reports House Speaker Pelosi and top Democrats "agreed in a private meeting Wednesday that they should narrow their impeachment investigation of President Trump to his dealings with the president of Ukraine, according to five Democrats familiar with the conversation." Democrats said the evidence "was incriminating enough – and easy enough for voters to understand – to proceed with their impeachment inquiry and soon. 'Strike while the iron's hot,' said one individual in the meeting, summarizing the sentiment."

The New York Times (9/25, Stolberg, 18.61M) reports that for Pelosi, "the intelligence and national security implications of the latest allegations against Mr. Trump helped turn the tide." According to the Times, Pelosi "saw the latest allegations against Mr. Trump – that he pressured the Ukrainian president to investigate a leading political rival, then worked to bury an intelligence whistle-blower's complaint detailing the effort – as an egregious perversion of the process."

Dan Balz of the Washington Post (9/25, 14.2M) writes, "Pelosi and Trump have circled one another from the moment she retook the gavel after a surge of anti-Trump voters knocked House Republicans out of the majority in the 2018 midterms." On Wednesday morning, Trump tweeted a one-minute video from 1998 of Pelosi criticizing GOP impeachment efforts against then-President Bill Clinton. The Washington Free Beacon (9/25, 78K), in an "exclusive," carries a parody draft of Democrats' articles of impeachment.

The New York Times (9/25, 18.61M) says in an editorial, "Some ask whether it is pointless for the House to launch divisive impeachment proceedings when there's little chance that the Republican-led Senate will vote to convict a president so popular with their party's base. But House Democrats are also giving notice that every lawmaker, regardless of party, should be prepared to take a public stand on whether presidents are free to use their powers to summon foreign assistance for their political campaigns."

Bret Stephens writes in his New York Times (9/25, 18.61M) column, "Prominent Democrats have begun an impeachment process against Donald Trump, based on information that, while potentially devastating, remains arguable and even more incomplete. They do so because they appear to be certain that the full set of facts will vindicate their belief that the president is manifestly guilty of treason, bribery or other high crimes and misdemeanors. But what if the facts don't vindicate that belief?" Karl Rove argues in his Wall Street Journal (9/25, Subscription Publication, 7.57M) column that in addition to creating a constitutional crisis, Pelosi's move toward impeachment will not lead to Trump's removal and will only hurt her own party.

Former Acting Solicitor General Neal Katyal writes in the New York Times (9/25, 18.61M) that "an important line of defense" for Trump "is that he did not commit a crime. ... But the potential criminality of the president's conduct is not the full picture. Our founders deliberately drafted the Constitution's impeachment clause to ensure the potential grounds for impeachment would cover more than criminal activity. ... For our founders, the touchstone of presidential unfitness to serve was always abuse of the public trust."

Trump Campaign Sees Impeachment Hurting Democrats. The Wall Street Journal (9/25, A1, Bender, Subscription Publication, 7.57M) reports on its front page that the Trump campaign sees impeachment as a net positive for the President, believing that the Democratic effort will fail and that the move will embolden and energize Trump voters.

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WPost, Breitbart Tallies Show House Majority Backs Impeachment Inquiry. A tally on the Washington Post website counts 218 Democrats as backing an impeachment inquiry, with 25 already on the record as actually supporting impeachment itself. Breitbart (9/25, Boyle, 673K) puts the count for an inquiry at 231, saying "every single member of the Democrat conference in the House of Representatives who voted on Wednesday went on the record" backing Pelosi's move.

One Democrat, Rep. Jeff Van Drew (D-NJ), expressed his misgivings on Fox News' Tucker Carlson Tonight (9/25, 8:13 p.m. ET, Carlson), saying, "I really believe the more that we delve into this, the more time we spend on it especially in a macrolevel, the more we are not going to be able to spend time on these other issues that are important. … The Senate bills are not going to be going through the House. The House bills aren't going to be going through the Senate. At the end of the day, I am afraid that all we are going to have a failed impeachment."

Freshmen Democrats Playing Key Role In Move Toward Impeachment. The New York Times (9/25, Cochrane, Stolberg, 18.61M) looks at the role House Democratic freshmen are playing in the move toward impeachment. While high-profile progressives like Reps. Alexandria Ocasio-Cortez (D-NY) and Rashida Tlaib (D-MI) have been outspoken in support of impeachment for months, it is the recent shift of moderates from swing districts toward impeachment that appears to have tipped the balance. The Times writes, "Top Democrats say it is no accident that Ms. Pelosi's head-spinning turn from opposing an impeachment inquiry to calling for one came less than 24 hours after seven first-term moderates, including military veterans and two former C.I.A. officers, embraced the idea." The Washington Examiner (9/25, Picket, 448K) reports Ocasio-Cortez said Wednesday that House Democrats in districts won by Trump in 2016 "should expect to feel pressure from the party's left flank to ensure they vote for impeachment."

Democratic Presidential Candidates Back Impeachment, But Try To Stay On Message. The New York Times (9/25, Burns, Stevens, 18.61M) reports Democratic presidential candidates, several of whom had already backed impeachment, were supportive on Wednesday but generally tried to stay away from the topic. Biden, "who held no public events on Wednesday, issued his own statement saying he would be focused 'not on how Donald Trump abused his power to come after my family, but on how he has turned his back on America's families.'"

Trump To House GOP: There Must Also Be "Transparency From Joe Biden And His Son Hunter."

Trump tweeted at 4:17 p.m., "I have informed @GOPLeader Kevin McCarthy and all Republicans in the House that I fully support transparency on so-called whistleblower information but also insist on transparency from Joe Biden and his son Hunter, on the millions of dollars that have been quickly and easily taken out of Ukraine and China. Additionally, I demand transparency from Democrats that went to Ukraine and attempted to force the new President to do things that they wanted under the form of political threat."

The New York Times (9/25, Lerer, Epstein, 18.61M) reports that when asked this weekend "if he had spoken to his son Hunter about his work in Ukraine, Mr. Biden jabbed his finger repeatedly at the reporter and shot back: 'Ask the right questions.' ... A few hours later...the Biden campaign emailed the news media to declare – in bold underlined words – that any story would be 'misleading' if it did not state upfront that Mr. Trump's claims were unsubstantiated."

Breitbart (9/25, Alic, 673K) reports Hunter Biden's $83,000 per month salary while serving on the board of Ukrainian oil and gas firm Burisma "is raising questions not only about his role with the company, but also about if he profited from his father's political influence." The Washington Examiner (9/25, Simonson, 448K) reports "jobs held by Hunter Biden...have complicated the political life of his father going back at least to 2008." During then-Sen. Biden's vice-presidential run, "campaign officials were forced to address questions over Hunter Biden having been hired by credit card company MBNA for consulting work, earning him a $100,000 annual retainer."

DOJ Dropped Ukraine Inquiry After Less Than A Month.

The Washington Post (9/25, Zapotosky, Barrett, 14.2M) reports Justice Department officials "took less than a month to abandon an inquiry" into President Trump's communications with Ukrainian President Volodymyr Zelensky about investigating former Vice President Joe Biden, "reigniting concerns among Democrats and legal observers that the law enforcement agency is serving as a shield for the commander in chief." DOJ officials "and career public integrity prosecutors reviewed a rough transcript of the call and verified its authenticity, but – because a case was not opened – took no other steps, such as conducting interviews," officials said.

The New York Times (9/25, Benner, 18.61M) reports that "when two top intelligence officials asked a Justice Department lawyer whether a whistle-blower's complaint should be forwarded to Congress" late last month, "they were told no," and that Attorney General Barr and the DOJ "could handle the criminal referral against the president of the United States." The Times says Trump "has long said that the attorney general should shield him, the way he believed Robert F. Kennedy protected his brother President John F. Kennedy, and Eric H. Holder Jr. protected President Barack Obama."

On ABC World News Tonight (9/25, story 3, 1:55, Muir, 7.05M), Pierre Thomas reported the DOJ said Barr "learned of the call weeks later and was not involved, saying, 'The Attorney General has not communicated with Ukraine, nor has he discussed this matter or anything related to Ukraine with Rudy Giuliani.'" USA Today (9/25, Johnson, Jackson, Jansen, Fritze, 10.31M) reports Trump references Barr "at least four times during the call." But The Hill (9/25, Chalfant, Samuels, 2.98M) reports that the DOJ "released a statement shortly after the White House released the transcript, saying that [Barr], who is also mentioned on the call, was first notified of Trump's conversation with Zelensky 'several weeks' after it took place." The Washington Times (9/25, Mordock, Dinan, 492K) reports the DOJ Criminal Division "has already

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investigated" the phone call "and concluded Mr. Trump did not violate campaign finance laws, officials announced Wednesday."

The Washington Times (9/25, A1, Mordock, 492K) reports US Attorney John Durham "is investigating Ukraine's role in potential 2016 election interference, the Justice Department confirmed Wednesday." Earlier this year, Barr tapped Durham "to look into the origins of the FBI probe into alleged links between the Trump campaign and Russia during the 2016 presidential race, an investigation that ultimately gave way to special counsel Robert Mueller's probe."

Mollie Hemingway of The Federalist (9/25, 126K) writes under the headline "DOJ: Bureaucrat's Trump Complaint Was Neither Urgent Nor Needing Congressional Referral" that the DOJ "reviewed a bureaucrat's complaint" about the call "and found it neither urgent nor requiring referral to congressional committees." Breitbart (9/25, Caplan, 673K) headlines its report "DOJ Confirms Reports That Trump-Ukraine 'Whistleblower' Has A Political Bias." The Daily Caller (9/25, Ross, 716K) also has a report.

Media Outlets Examine Giuliani's Role In Dealings With Ukraine.

Several outlets look at the role of President Trump's personal lawyer, Rudy Giuliani, who is not a government employee, in the Ukraine dealings. Kristen Welker reported on NBC Nightly News (9/25, story 3, 1:55, Holt, 6.11M) that Giuliani "suggest[ed] he already knew what was in the White House account between the phone call of the President and the leader of Ukraine before it was made public." The Washington Post (9/25, Hudson, 14.2M) says the details of the call "raise new questions about Giuliani's role, reinforcing the view of some U.S. officials that he operates at the president's behest, often in a closed loop, and occasionally in contravention to the messages of diplomats in Kiev." The New York Times (9/25, A1, Vogel, Barnes, Haberman, Lafraniere, 18.61M) says for Trump, "Ukraine has been an obsession since the 2016 campaign," and "his fixation was only intensified by his hope that he could employ the Ukrainian government to undermine" Biden. Giuliani "has undertaken a nearly yearlong, free-ranging effort to unearth information helpful to Mr. Trump and harmful to Mr. Biden."

Appearing on Fox News' Fox & Friends (9/25, 831K), Giuliani said, "You want to know why I started investigating Ukraine back in November of last year? Because a very significant, distinguished investigator came to me and said the Ukrainians, for a year and a half, have been trying to get to your FBI, information much more significant. There was actually real collusion that involved Ukrainians, but the FBI did everything they could to keep this information away. ... At the core of this is an FBI agent. ... She put all this together. The suspicion was, at the time, she was working for George Soros. The reality is she is now employed by George Soros."

Trump reelection campaign Senior Adviser Lara Trump said on Fox News' The Story (9/25, 7:53 p.m. ET, McCallum, 1.35M), "As far as Rudy Giuliani is concerned, that's between Mr. Giuliani and the President. At the campaign, we are still focused on why people are going to reelect Donald Trump. It's because their life is so much better now. Our focus has always been on the results that this President has produced. It has nothing to do with Ukraine, although it doesn't look very good for Joe Biden and his son."

Eleven Senate Republicans Join Democrats In Voting Against Border Emergency.

Reuters (9/25, Ahmann) reports that the Senate voted Wednesday "for a second time to end the national emergency on the southern border the president declared in February, a move Donald Trump would almost certainly veto if it reached his desk." The vote was 54-41. Reuters adds that Trump, "with his very first veto, struck down a similar measure that had cleared both the House and Senate in March." The Hill (9/25, Carney, 2.98M) reports that Sens. Lamar Alexander (R-TN), Roy Blunt (R-MO), Susan Collins (R-ME), Mike Lee (R-UT), Jerry Moran (R-KS), Lisa Murkowski (R-AK), Rand Paul (R-KY), Rob Portman (R-OH), Mitt Romney (R-UT), Pat Toomey (R-PA), and Roger Wicker (R-MS) "voted to end the president's declaration."

The New York Times (9/25, Cochrane, 18.61M) reports the vote was "a bipartisan rejection of Mr. Trump's bid to build a wall without congressional approval," and was "nearly identical to the result of a vote in March," though Sen. Marco Rubio (R-FL) "did not vote on Wednesday." Senate Majority Leader McConnell "stressed, as Pentagon officials have done in conversations with lawmakers in recent days, that the funds for the projects were simply delayed, since Congress can replace the money in either the annual defense authorization policy or the must-pass spending bills that allocate funding for the next fiscal year."

The Washington Times (9/25, Dinan, 492K) reports the Senate voted "to rebuke President Trump and cancel his border emergency," and the Times calls it "another legislative black eye for Mr. Trump." The Times adds that McConnell "supported Mr. Trump and said Democrats were creating a false choice between defense spending and border wall money." McConnell said, "The only reason there's any trade-off is that Democrats have refused to work with the President."

Politico (9/25, Levine, 4.29M) reports that "prior to the vote, Senate Democrats accused Republicans of prioritizing Trump over military families. 'A vote for the president today is a vote in favor of cutting money for our military and slashing support for critical military projects in red states as well as blue,'" Senate Minority Leader Schumer said. According to Politico, "Among the states hit by the diversion of military funds are Colorado, Arizona, North Carolina, Texas and South Carolina – all of which have Republican senators up for re-election in 2020." Bloomberg (9/25, 4.73M) also says the vote "could have some political bite for Republicans up for re-election in 2020 who have military installations in their states, including Thom Tillis of North Carolina, Martha McSally of Arizona, Cory Gardner of Colorado and John Cornyn of Texas."

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Administration Announces Asylum Agreement With Honduras.

CFTC-22-0351-A-002102

The Washington Post (9/25, Miroff, 14.2M) reports on Wednesday, the Administration "announced a migration deal" with Honduras that would

allow the US "to send asylum seekers from the border to Honduras, one of the most violent and unstable nations in the world." The Post says that Honduran President Juan Orlando Hernández "is embroiled in allegations of government corruption and charges that he and others have been operating the nation as a criminal enterprise." The Post also reports that Honduras has "one of the highest murder rates in the world" and "gang wars that have fueled waves of mass migration." The US has also "signed a similar deal with El Salvador, after reaching an accord with the government of Guatemala in July."

New York AG Sues ICE Over Arresting Migrants At State Courthouses.

The Washington Times (9/25, Dinan, 492K) reports on Wednesday, New York Attorney General Letitia James and Brooklyn District Attorney Eric Gonzalez sued ICE, "arguing it is unconstitutional for ICE deportation officers to try to arrest illegal immigrants at state courthouses, and demanding a judge order a halt to the practice." James and Gonzalez "said they've had to cancel important cases and leave potential criminals out on the streets because they couldn't promise migrant witnesses they would be protected."

Groups Request Release Of All LGBTQ Detainees And Anyone With HIV From ICE Detention.

The Washington Post (9/25, Moore, 14.2M) reports, "Several human rights groups on Wednesday demanded" that ICE release "all LGBTQ detainees and anyone with HIV in the agency's custody," contending that the agency "has repeatedly proved incapable of providing adequate medical and mental-health care to them." The Post says, "It is unclear how many LGBTQ people and people with HIV are detained." The groups also requested "an Office of Inspector General investigation into detainee treatment at facilities nationwide." The Post also says the complaint highlights "a number of individual cases." The Post lists the following groups: Familia Trans Queer Liberation Project, Al Otro Lado, Las Americas Immigrant Advocates, Los Angeles LGBT Center, Freedom for Immigrants, Santa Fe Dreamers Project, Southern Poverty Law Center, Immigration Equality, Center for Victims of Torture, National Immigrant Justice Center, and the National Center for Transgender Equality.

Migrants Increasingly Being Smuggled By Drivers Hired Online.

The Washington Times (9/25, A1, Dinan, 492K) reports that drivers who are willing to pick up migrants after they cross the border are being offered jobs and given instructions over WhatsApp or Snapchat and migrants are given "phones and told to follow a GPS map or to dial a scout for instructions to their pickup location on the U.S. side." The Times adds that it "has identified nearly a dozen cases in the past year when Border Patrol agents arrested someone for smuggling and he claimed to have been a Lyft or Uber driver."

Deported Army Veteran Returns For Hearing On Reopening Citizenship Application.

The Chicago Sun-Times (9/25, Ballesteros, 875K) reports on the case of Miguel Perez Jr., an Army veteran and permanent resident who had his residency card revoked, his citizenship application denied, and was deported to Mexico in 2018 over a 2008 conviction for "delivering cocaine." Then Illinois Gov. J.B. Pritzker granted Perez a pardon, which allowed him on Wednesday to have "met with immigration officials Wednesday to reapply for citizenship." Perez said, "Everything went very well, very positive. It seems like it's going to be a positive outcome." The Sun-Times adds, "Perez legally emigrated to Chicago with his parents in 1989 and grew up on the West Side" and has post-traumatic stress disorder from two tours in Afghanistan.

WPost Criticizes Prosecution Of Migrant Employees.

The Washington Post (9/25, 14.2M) in an editorial argues that recent events "exposed a truth well known to employers and their political patrons nationwide: The system is tougher on employees than on employers, by a lot." In support of that, the Post adds that in the year ending March 30, 2019, "just 11 individuals and no companies were prosecuted" for immigration violations, while "more than 85,000 undocumented immigrants were prosecuted for illegal entry and some 34,000 for illegal reentry." The Post argues, "A more rational immigration system would put the millions of unauthorized migrants already in the country on a path to legal status and expand legal immigration to meet the market's demands." It concludes by regretting that the Administration "has been tacking in the opposite direction."

Cost Of Employer-Provided Family Health Insurance Plan Surpasses $20K Per Year.

The New York Times (9/25, Abelson, 18.61M) reports rising premiums and deductibles are making employer-based health coverage increasingly unaffordable, according to a new analysis from the Kaiser Family Foundation based on a survey. The Times says that "the average premium paid by the employer and the employee for a family plan now tops $20,000 a year, with the worker contributing about $6,000, according to the survey." In addition, "more than a quarter of all covered workers and nearly half of those working for small businesses face an annual deductible of $2,000 or more."

Bloomberg (9/25, Tozzi, 4.73M) reports "employees' costs for health care are rising more quickly than wages or overall economy-wide prices, and the working poor have been particularly hard-hit." Bloomberg adds that "deductibles are rising even faster than premiums, meaning that patients are on the hook for more of their medical costs upfront." The Wall Street Journal (9/25, Mathews, Subscription Publication, 7.57M) reports the average deductible for single coverage went up to $1,655, excluding plans with no deductible at all.

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Insurer Agrees To Cover Surprise Medical Bill After Cuomo Intervenes.

The CBS Evening News (9/25, story 9, 0:34, O'Donnell, 4.47M) provided an update to its story aired on Monday "about man who was hit with more than 650,000 in bills after his insurance company denied coverage for his emergency back surgery." CBS says that "after more than a year of appeals, Frank Esposito still owed $220,000," but Oxford United Healthcare has now agreed to "pay that claim." The development came after Gov. Andrew Cuomo (D-NY) saw CBS' broadcast and "he told state officials to look into Esposito's case."

Challenge To Trump Hotel's Liquor License Rejected In DC.

The Washington Post (9/25, Williams, 14.2M) reports, "The District's alcohol licensing board has dismissed a challenge to the renewal of a liquor license at the Trump hotel in downtown Washington by a group that said the president lacked the good character required in the statute." The District of Columbia Alcoholic Beverage Control Board "ruled Wednesday that the group of eight people lacked the standing to challenge the renewal because at least five people did not live or own property in the city, the ruling stated." Joshua A. Levy, the attorney representing the complainants, urged residents to "come forward to urge the liquor board to reach the merits of this complaint."

Employee At DC City Office Arrested With Fentanyl.

The Washington Post (9/25, Weiner, 14.2M) reports Darrell Pope, an employee at the District of Columbia Department of Consumer and Regulatory Affairs, "is accused of selling heroin and fentanyl just outside his office." Pope was allegedly "involved with drug dealers based in Woodbridge, Va." In execution of a search warrant on Tuesday at DCRA, federal agents "detained Pope outside the office and searched him, finding 30 grams of what appeared to be fentanyl." The Post adds that according to the FBI, "Pope admitted" that Ronald Gorham, 61, of Washington, "was his regular supplier."

Trump Touts Book About "Collusion."

The President tweeted at 7:14 a.m. Wednesday, "Great new book by the brilliant Andrew McCarthy, BALL OF COLLUSION, THE PLOT TO RIG AN ELECTION AND DESTROY A PRESIDENCY. Get it, and some other great new books which I will soon be recommending. They tell you about the Crooked Pols and the Witch Hunt that has now been exposed!"

Bannon Among Potential Witnesses At Stone Trial.

Politico (9/25, Samuelsohn, 4.29M) reports that the coming trial of Roger Stone in November, which Politico says "was already shaping up to be a true Washington spectacle," has now "got even more interesting," as Stone attorney Bruce Rogow "signaled there could be a big showdown on the witness stand with former Trump campaign manager Steve Bannon." Rogow also mentioned "three others who were already known as potential witnesses – former Trump campaign deputy Rick Gates, radio host Randy Credico and conservative author Jerome Corsi."

Bloomberg (9/25, 4.73M) reports that US District Judge Amy Berman Jackson "got the Stone case because she's also assigned to the case that Special Counsel Robert Mueller brought against 12 Russian military intelligence agents for that hack." However, Bloomberg says Jackson "refused to allow Stone's lawyers to relate the two prosecutions during a hearing Wednesday on what rules will govern the evidence each side can present at trial in November. 'This indictment does not charge Roger Stone with conspiracy related to the hacking or anything else,' the judge said."

FTC Reportedly Sought To Serve Bannon With Subpoena In Cambridge Analytica Investigation. Politico (9/25, Scola, 4.29M) reports, "The Federal Trade Commission unsuccessfully tried to serve a civil subpoena Wednesday on Steve Bannon...over his role in the Cambridge Analytica data scandal that recently resulted in a $5 billion fine for Facebook." The FTC is seeking to determine whether he "engaged in 'deceptive or unfair' use of data gleaned from Facebook." The FTC has sued Cambridge Analytica, "alleging that it deceived Facebook users by harvesting their information without their consent." Politico adds, "Bannon played an early role in getting Cambridge Analytica off the ground and served on the firm's board."

WPost Calls For End Of Case Against McCabe.

The Washington Post (9/25, 14.2M), in an editorial, argues that the case of former FBI official Andrew McCabe "does not warrant prosecution," and suggests that he is being prosecuted "perhaps" because "President Trump has routinely and publicly excoriated him – more than 50 times." The Post adds that McCabe "already paid a stiff price" having been "terminated in a particularly nasty fashion – just hours before he would have qualified for his pension." The Post concludes, "If the case against Mr. McCabe is still active, it should end."

Senate Panel Held Confirmation Hearings For Five Judicial Nominees Wednesday.

The Daily Caller (9/25, Daley, 716K) reports on Wednesday, "the Senate Judiciary Committee convened confirmation hearings for five judicial nominees," including "two appeals court nominees and three trial court nominees." The Daily Caller adds, "Sarah Pitlyk, a trial court nominee who litigated for pro-life groups and clerked for Justice Brett Kavanaugh, bore the brunt of Democratic criticism" though the "orderly proceedings were mostly uneventful." Other nominees were "appeals court nominees Danielle Hunsaker and William Nardini and trial court nominees Jodi Dishman," Daniel Traynor, and Pitlyk, who is "a nominee for the federal trial court in eastern Missouri."

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California Leads 17 States In Suit Against Administration Over Endangered Species Rules Changes.

USA Today (9/25, Rice, 10.31M) reports a coalition of 17 states, the District of Columbia, and New York City, led by California Attorney General Xavier Becerra sued the Administration "to block a significant rollback of the Endangered Species Act." USA Today also calls it "a major overhaul to the Endangered Species Act" which "ended blanket protections for animals newly deemed threatened and allowed federal authorities for the first time to take into account the economic cost of protecting a particular species." USA Today adds that the Endangered Species Act "has saved 99% of listed species from extinction." USA Today also reports that Commerce Secretary Ross said the changes will reduce "the regulatory burden" while not affecting conservation.

Murkowski: Tongass Would Enjoy Protections Even If "Roadless Rule" Is Lifted.

In an op-ed for the Washington Post (9/25, 14.2M), Senate Energy and Natural Resources Chairwoman Lisa Murkowski welcomes "news that President Trump might seek to exempt Alaska's Tongass National Forest from the Clinton-era 'roadless rule,' opening up more of the region to potential development." Murkowski writes that even under an exemption, the forest will remain rich in wildlife because "protecting the unique roadless values within the Tongass has long been a priority in southeast Alaska and nationally." Furthermore, "new projects in areas where development is allowed would still have to secure all relevant federal approvals, including compliance with the Tongass Land and Resource Management Plan, the National Environmental Policy Act and other applicable laws such as the Clean Water Act."

Acting Army Secretary Proposes Changes To Eligibility For Burial At Arlington.

The Washington Times (9/25, Vondracek, 492K) reports on Wednesday, Acting Army Secretary Ryan McCarthy proposed new eligibility requirements for burial at Arlington National Cemetery, as "the Army estimates the cemetery will run out of space in the 2050s if no changes are made." Under the proposed changes eligibility would be limited to "Medal of Honor recipients, former prisoners of war, personnel killed in action, recipients of awards for valor, veterans who matriculate to high-ranking government posts, presidents and vice presidents." Others veterans could be cremated and interred above ground. Under current rules, "about 22 million living service members and veterans are eligible for burial at Arlington," while "only 95,000 burial spaces remain" to be expanded by 37 additional "acres of burial space."

Cindy McCain Bemoans Current State Of GOP.

The Washington Post (9/25, Bellware, 14.2M) reports that Cindy McCain, the widow of the late Sen. John McCain (R-AZ), "is voicing a dim view of some of the ways the Republican Party is doing business in 2019. Asked to size up the political landscape heading into the 2020 election during an episode of Politico's 'Women Rule' podcast that was released Wednesday," she "pointed to the local GOP in Arizona and assessed that 'it's not functioning well' and excludes people who aren't 'walking the line.' 'That's just not right,' McCain said. 'That's not the party my husband and I belonged to.'"

Franken To Host Weekly Show On SiriusXM Radio.

The AP (9/25, Bauder) reports that ex-Sen. Al Franken (D-MN), "who resigned... in 2017 amid sexual misconduct charges, will re-emerge into the public sphere on Saturday when he starts a new weekly radio show on the SiriusXM satellite service." The AP says that Franken "is perhaps the most prominent public figure felled by the #MeToo movement to step back into public life. He said he has no plans to return to politics." Franken told the AP, "I miss the Senate a lot but I'm not there so I want to be a voice."

The New York Times (9/25, Sisario, 18.61M) reports that Franken "resigned from the Senate...under pressure from fellow Democrats after multiple women accused him of unwanted sexual advances." He "had stayed out of the public eye since his resignation from the Senate, which he joined in 2009. His resurfacing began in July, with a profile in The New Yorker. The article, by Jane Mayer, cast doubts on some of the accusations against Mr. Franken, and reported that many of the lawmakers who had demanded his resignation now believed he had been forced out too hastily."

Cuomo, Longtime Girlfriend Lee Have Split Up.

The New York Times (9/25, McKinley, 18.61M) reports, "After more than a decade" as a couple, New York Gov. Andrew Cuomo (D) "and his longtime girlfriend, Sandra Lee, announced on Wednesday that they are ending their relationship. The two confirmed the split in a statement. 'Over the recent past, we have realized that our lives have gone in different directions and our romantic relationship has turned into a deep friendship,' Mr. Cuomo and Ms. Lee, a Food Network personality and author, said."

Quinnipiac Poll: Warren 27%; Biden 25%; Sanders 16%; Buttigieg 7%.

Politico (9/25, Forgey, 4.29M) reports that a Quinnipiac University national poll of 561 Democratic and Democratic-leaning independent voters, taken Sept. 19-23, shows Sen. Elizabeth Warren (D-MA) leading the race for the 2020 Democratic presidential nomination with 27%, followed by ex-Vice President Joe Biden at 25%, Sen. Bernie Sanders (I-VT) at 16%, and South Bend Mayor Pete Buttigieg at 7%; no other contender tops 3%. Politico says that while Warren's "edge falls within the survey's margin of error, Biden's formidable lead over the rest of the field has crumbled since the last Quinnipiac national poll in August, which showed him" at 32% and Warren at 19%. USA Today (9/25,

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Morin, 10.31M) reports that the latest Quinnipiac survey "follows several early state" polls "where Warren has jumped ahead of Biden." She "is numerically ahead in Iowa and New Hampshire, and is closing in on Biden in Nevada. In all of the polls, Warren and Biden are within the margin of error."

In an online article, CNN (9/25, Cole, 83.16M) reports that the Quinnipiac "poll reflects a tightening Democratic race as well as Warren's increasing consolidation of the progressive vote and making inroads among black voters. Her support among that crucial demographic bloc has climbed dramatically in recent months, from 4% in July to 8% in August to 19% now. Biden's support among black voters, meanwhile, has dipped from 53% to 40% over the same time. The numbers signal a potential softening in a key base for Biden's campaign, as well as an ability for Warren to grow support beyond white college-educated liberals." The Hill (9/25, Frazin, 2.98M) and Reuters (9/25, Lewis) also report on the results of the Quinnipiac poll.

Economist-YouGov Poll: Biden 25%; Warren 25%; Sanders 16%; Buttigieg 7%; Harris 6%. The Hill (9/25, Klar, 2.98M) reports that an Economist-YouGov national poll of 608 Democratic voters, taken Sept. 22-24, shows Biden and Warren tied at 25%, followed by Sanders at 16%, Buttigieg at 7%, and Sen. Kamala Harris (D-CA) at 6%; no other contender tops 2%. The Hill says that Biden's support remained at the same level as "in last week's poll, but it's a 6-point jump for Warren."

California Poll: Warren 29%; Biden 20%; Sanders 19%; Harris 8%; Buttigieg 6%. The Los Angeles Times (9/25, Lauter, 4.64M) reports that a UC Berkeley Institute of Governmental Studies poll of 2,272 likely California Democratic primary voters, taken Sept. 13-18, shows Warren leading with 29%, followed by Biden at 20%, Sanders at 19%, Harris at 8%, and Buttigieg at 6%; no other contender tops 3%. The poll was commissioned by the Times. The article says that Warren's support is up 11 points since a similar poll taken in June, while Biden and Sanders posted numbers similar to the findings in that June survey. The Times adds that Harris' "support in the poll is down from 13% in June."

The Hill (9/25, Rodrigo, 2.98M) reports that Warren "also held a commanding lead when respondents were asked what candidate they giving at least some consideration to backing, 22 points ahead of any other White House hopeful at 68 percent." Warren also led among white non-Latino likely voters, "but trailed both Biden and Sanders by double digits among Latino respondents. Biden was the top choice of 32 percent of African American respondents, leading that demographic. Warren has struggled to connect with black voters so far this primary cycle, but managed to place second, with 24 percent support."

Maryland Poll: Biden 33%; Warren 21%; Sanders 10%; Harris 6%; Buttigieg 5%. The Hill (9/25, Frazin, 2.98M) reports that a Goucher College poll of 300 likely Maryland Democratic voters, taken Sept. 13-19, shows Biden leading with 33%, followed by Warren at 21%, Sanders at 10%, Harris at 6%, and Buttigieg at 5%.

Missouri Poll: Biden 34%; Warren 22%; Sanders 14%; Buttigieg 10%; Harris 9%. The Missouri Times (9/25, Schallhorn) reports that a Show Me Victories poll of 400 likely Missouri Democratic voters, taken Sept. 13-16, shows Biden leading with 34%, followed by Warren at 22%, Sanders at 14%, Buttigieg at 10%, and Harris at 9%; no other contender tops 4%.

Media Analyses: Surging Warren Now Shares Frontrunner Status With Biden.

On NBC Nightly News (9/25, story 5, 1:21, 6.11M), Lester Holt reported, "There is a shakeup among the Democrats trying to replace President Trump. New polls show [Sen] Elizabeth Warren catching up to [ex-Vice President] Joe Biden, who had been the front-runner." NBC's Garrett Haake added, "From one Democratic front-runner to two. The signs of an Elizabeth Warren surge on the campaign trail, now unmistakable. First came the massive crowds at rallies coast-to-coast. Now, new polls showing Warren in a razor-tight race with Joe Biden. Warren now posting narrow leads in polls of critical early states – Iowa, New Hampshire – and nationally, though within the margin of error. In each poll, Warren, Biden and [Sen.] Bernie Sanders leaving the rest of the field behind."

Under the headline "Biden Nosedives In Early-State Polls," Politico (9/25, Caputo, 4.29M) reports that Biden, "once the dominant front-runner in the Democratic" presidential race, "is now marginally trailing...Warren in the first caucus state of Iowa and the first primary state of New Hampshire." Politico says that Biden's "South Carolina firewall shows signs of cracking and he's losing his once-overwhelming lead in Florida." Politico adds that Biden has led President Trump "in general election matchups in every major poll conducted this year. But the downward trend in Biden's primary election top-line numbers and favorability ratings...suggests several bruising months have taken a toll."

The Washington Times (9/25, A1, McLaughlin, 492K) says that Warren "is winning the next-door-neighbor battle in New Hampshire, where the Massachusetts Democrat has climbed to the top of the pack in the 2020 primary race, wresting the far-left mantle away from...Sanders of Vermont." The Times reports, "Activists say it is a testament to the strong ground game Ms. Warren has established in the state, her ability to connect with voters on a personal level and the lengthy list of policy ideas that have been embodied by her slogan, 'I have a plan for that.'" The Times adds, "The Warren bounce comes at the expense of Mr. Biden, whose aura of electability is eroding, and Mr. Sanders, who is failing to re-create the magic of 2016 when he finished in a statistical tie with Hillary Clinton in Iowa and easily defeated her in New Hampshire."

Issa Expected To Challenge Indicted GOP Rep. Hunter.

The San Diego Union-Tribune (9/25, Clark, 755K) reports that ex-Rep. Darrell Issa (R-CA) "appears to be on the verge of formally announcing" a 2020 challenge to indicted Rep. Duncan Hunter (R-CA) in CA50. Issa "has scheduled a press conference for Thursday morning...in El Cajon," California, where he's expected to announce his bid. Issa, who opted against seeking reelection last year in the CA49, "recently said he would run" in CA50 "if his appointment to a Trump administration trade position was not approved soon. Last week, after his

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confirmation to the trade post stalled again at the request of" Sen. Bob Menendez (D-NJ), "Issa told the San Diego Union-Tribune he expected his confirmation would never fairly be allowed to go to a vote."

Politico (9/25, White, 4.29M) reports that Issa "will" enter the race, "a source confirmed, setting up a GOP heavyweight clash over one of the state's few remaining Republican districts." Politico says Hunter "was indicted in August 2018 for misusing federal campaign funds – charges that contributed to a shrinking margin of victory last November, just 3 points, in a district President Donald Trump carried by 15 points in 2016." Politico adds that "Hunter has not stepped aside despite being bounced from his House committee assignments while awaiting trial early next year."

The New York Times (9/25, Edmondson, 18.61M) reports that Hunter "and his wife, Margaret, are accused of spending more than $250,000 in campaign funds on personal expenses – including a vacation to Italy, fast food runs and plane tickets for a pet rabbit – and then lying to the Federal Election Commission." The Times adds that Issa "is just the latest Republican planning to challenge Mr. Hunter as California conservatives fear that the incumbent lawmaker will be convicted. Five other candidates, including" ex-San Diego City Councilman Carl DeMaio, "who hosts a conservative radio talk show and is openly gay, have thrown their hats in the ring, though three of those candidates are expected to appear in support" of Issa. CQ Roll Call (9/25, Connolly, 154K) reports Inside Elections with Nathan L. Gonzales rates CA50 "Leans Republican." The Hill (9/25, Greenwood, 2.98M) also reports on the story.

RCP Average Has Trump's Job Approval At 44.9%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.9%, and his disapproval at 52.3%. The President's approval is down 0.4 since yesterday; his disapproval is up by 0.2.

A Rasmussen poll of 1,500 "likely voters" (9/22-9/24) finds Trump's approval at 51%, with 47% disapproving.

An Economist/YouGov poll of 1,198 "registered voters" (9/22-9/24) shows Trump with a 44% approval rating and 52% disapproval.

A Quinnipiac survey of 1,337 "registered voters" (9/19-9/23), meanwhile, has the President's job approval at 40%, and his disapproval at 55%.

Financial International News

WSJournal Analysis: Deficit Spending To Blame For Argentina's Economic Crises.

The Wall Street Journal (9/25, Perez, Subscription Publication, 7.57M) reports Argentina is facing another economic crisis, a recurrent problem in the nation's history, with hard currency in short supply, inflation rising, and growth contracting. The Journal says the issue is fiscal restraint: Argentina keeps spending more than it brings in through taxes, and its huge fiscal deficit leads it to print and borrow more.

Reuters (9/25) reports presidential front-runner Alberto Fernandez "would seek 'friendly' negotiations with the country's creditors if elected next month, a senior adviser told local news station C5N on Wednesday." The country, which will hold a general vote on October 27, "has been teetering on the edge of default since a sharp market crash in August, when Fernandez won a landslide victory in a primary against market-friendly incumbent Mauricio Macri."

The Financial Times (9/25, Mander, Smith, Subscription Publication, 1.34M) reports traders and investors are sounding the alarm over a growing gap between Argentina's official and parallel exchange rates.

Bloomberg (9/25, 4.73M) also covers the topic.

German Authorities Raid Deutsche Bank HQ Over Danske Money-Laundering Scandal.

Reuters (9/25) reports, "German authorities have raided Deutsche Bank's Frankfurt headquarters in search of information related to Danske Bank and a money laundering scandal, Frankfurt prosecutors said on Wednesday." They are investigating whether Deutsche Bank "facilitated money laundering and whether it failed to alert authorities about suspicious transactions quickly enough, the prosecutors said."

Former Head Of Danske Bank In Estonia Found Dead.

Bloomberg (9/25, Ummelas, 4.73M) reports the former head of Danske Bank's Estonian branch, at the center of a $220 billion money-laundering scandal, "was found dead after disappearing from his home on Monday." Aivar Rehe, who was CEO of the branch until he left in 2015, "had been reported missing from his home in greater Tallinn." His "body was found near his home, the police said in a statement on Wednesday."

The New York Times (9/25, Ewing, 18.61M) reports Rehe's death was an apparent suicide, the Estonian police said. The police will not investigate Rehe's death further, according to a police statement. Rehe "was not considered a suspect in the criminal investigation, a spokeswoman for Estonian prosecutors said." However, he "supervised the bank from 2006 to 2015, and from 2007 to 2015 there were 'major deficiencies in controls and governance that made it possible to use Danske Bank's branch in Estonia for criminal activities such as money laundering,' the bank said in a 2017 statement."

EU Official: European Economy Facing Increased Risks From Brexit, Trade Tensions.

Reuters (9/26) reports EU economic growth is "slowing down as the bloc faces increasing risks from global trade tensions and the unclear outcome of Brexit, the EU's top economic commissioner Valdis Dombrovskis said on Thursday." He told a Brussels conference, "Growth is

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slowing down and risks are mounting. Trade and geopolitical tensions translate into elevated and lasting uncertainty and the possibility of a disruptive Brexit remains real."

Modi's Tax Cut Seen As Unlikely To Lead To Indian Jobs Bonanza.

Reuters (9/25, Ulmer, Ahmed) reports, "With one eye on flagging demand, businesses in India are likely to bank the government's $20.4 billion corporate tax windfall rather than unleash the investments that Prime Minister Narendra Modi hopes will create millions of jobs and revive the economy." The piece says the tax cuts "came as a surprise to investors, many of whom had been complaining that Modi's government was not listening to their pleas for action on the economy." However, economists argue that while the tax rate cut "brings the cost of doing business in India into line with its main Asian rivals, the government giveaway will do little to fix the lack of spending power."

ECB's Lautenschlaeger Resigns After Questioning Stimulus.

The AP (9/25, McHugh) reports Sabine Lautenschlaeger, a member of the ECB's top leadership, "has resigned after publicly questioning the need for the bank's stimulus efforts, shaking up the institutions' top executive body amid public criticism of its policies by some of its own policymakers." Her resignation comes "amid criticism in her native Germany of the stimulus program decided by the bank under President Mario Draghi, who is to be succeded by former IMF head Christine Lagarde Nov. 1." The piece explains the central bank "sad in a statement on Wednesday that Lautenschlaeger would leave her post on the bank's six-member executive board at the end of the month, more than two years before the end of her eight-year term."

Leading International News

Trump Meets With Venezuelan Opposition At UN.

The AP (9/25) reports that President Trump "showed his support for the Venezuelan opposition...as he met with its delegation to the U.N. General Assembly" on Wednesday "instead of the official government delegation and called for an end to the 'horrible and brutal oppression' of President Nicolas Maduro." The AP says Trump "has pointedly refused to rule out a U.S. military intervention in Venezuela, but he said at the meeting on the sidelines of the annual gathering that his first objective is to help secure a peaceful political transition from Maduro" to Interim President Juan Guaidó. The AP adds that Trump "met with the opposition representatives, who have presented themselves as the 'legitimate' delegation, though the U.N. and other nations still recognize the Maduro government and its delegation."

Reuters (9/25, Cohen) reports Trump's meeting on the sidelines was "part of the administration's efforts to keep Venezuela 'high on the international agenda,' a senior U.S. State Department official said on Monday, pushing back on perceptions that U.S. commitment to Venezuela was waning." Argentine Foreign Minister Jorge Faurie told reporters after attending the meeting, "The fact that the President of the United States has convened so many others to hear their opinion is truly fundamental in this fight for Venezuela to return to democracy."

Spain's Leader Critical Of Trump's Leadership In Global Affairs.

The Washington Post (9/25, Tharoor, 14.2M) reports that President Trump and Brazilian President Jair Bolsonaro "hailed national sovereignty above all else" in their addresses before the United Nations, but "other world leaders are amused by such rhetoric." In an interview, "center-left Spanish Prime Minister Pedro Sánchez lamented the effect of Trump's leadership on the world stage." Sánchez took shots at Trump's environmental stance, his "confrontation with Iran," and "Trump's protectionist rhetoric on trade, particularly the administration's decision to cast European partners as national security threats as a way to slap tariffs on some of their exports." But one thing he accepted is "the need for Europe to chart its own path on the world stage and move away from decades of sheltering under the umbrella of an American superpower."

Esper Pressing For New Policy To Lower Civilian Casualties.

The Washington Times (9/25, Wolfgang, 492K) reports, "The Pentagon reportedly is crafting a major new policy designed to cut down on civilian casualties resulting from U.S. military operations and will specifically address the growing trend of innocent deaths caused by allies who have bought U.S. weapons." Defense Secretary Esper is "spearheading the review, Breaking Defense reported Wednesday, and is expected to recommend changes next year." Pentagon spokesperson Cmdr. Candice Tresch said, "Secretary Esper fully supports the effort to evaluate and – where possible – improve our ability to minimize civilian harm in our military operations, and to be transparent when civilian casualties do occur."

UK Parliament Returns With Brexit Deadline Just Over A Month Away.

The AP (9/25) reports that British lawmakers returned to the House of Commons on Wednesday, "venting their pent-up anger over Prime Minister Boris Johnson's failed attempt to suspend Parliament and warning that democracy itself is under threat from the government." The AP says "senior officials in Johnson's government sparred with lawmakers of all parties on their first day back after Britain's Supreme Court decision declared that the prime minister's move to suspend the body for five weeks was illegal because it thwarted debate over Brexit." According to the AP, Parliament "has passed a law requiring him to seek a Brexit extension if there is no deal by Oct. 19, but Johnson has said he won't do that under any circumstances," and "has begun to position himself as the champion of the people facing a recalcitrant establishment bent

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on frustrating the 2016 Brexit vote."

The New York Times (9/25, Pérez-Peña, Mueller, Castle, Specia, Yeginsu, 18.61M) reports that Johnson on Wednesday "defended his attempt to suspend Parliament in the critical weeks ahead of Britain's deadline to leave the European Union, accusing lawmakers of 'sabotaging' Brexit talks and saying the Supreme Court was wrong to rule his actions unlawful." The Washington Post (9/25, Booth, Adam, 14.2M) reports that opposition lawmakers are "planning to deny Johnson an early election, while forcing him to fail in his promise to leave the European Union by the end of October." Reuters (9/25, Piper, James) reports Geoffrey Cox, Britain's attorney-general, said on Wednesday that Parliament "was a disgrace and the prime minister's opponents were cowards for avoiding an election and trying to block Brexit. 'This parliament is a dead parliament. It should no longer sit,' Cox told the House of Commons. 'This parliament should have the courage to face the electorate. But it won't.'"

Netanyahu Tapped To Form New Israeli Government.

Reuters (9/25) reports that Israeli President Reuven Rivlin on Wednesday "tasked" Prime Minister Benjamin Netanyahu "with assembling a new government after power-sharing talks with his strongest rival, Benny Gantz, failed following an inconclusive election." However, Reuters says Netanyahu "still has no clear path to a fifth term after emerging from the Sept. 17 ballot, the second this year, short of a parliamentary majority." Netanyahu "will have 28 days to form a coalition and can ask Rivlin for a two-week extension if necessary."

The Washington Post (9/25, Hendrix, Eglash, 14.2M) reports that Rivlin's "decision to offer Netanyahu the first go at forming a government comes after the final results from last week's election raised his Likud party's count from 31 seats in Israel's 120-seat parliament, the Knesset, a single seat behind" Blue and White. The Post says Rivlin "decided to act after three days of negotiations and two meetings between Gantz and Netanyahu failed to produce a deal."

The New York Times (9/25, Kershner, 18.61M) reports that a "major sticking point in reaching a unity agreement will be who would serve first as prime minister in any rotation arrangement." The New York Times (9/25, Kershner, 18.61M) reports that Netanyahu "also faces possible indictments in three corruption cases, and a special hearing with the attorney general has been scheduled for next Wednesday."

The AP (9/25, Federman) reports, "Netanyahu now has 28 days to form a coalition, and Rivlin having discretion to give him an additional 14 days to do so." The Wall Street Journal (9/25, Schwartz, Subscription Publication, 7.57M) reports if Netanyahu falls short, Rivlin can give another member of the Knesset the opportunity to do so. If that fails, Israel could hold new elections.

WSJournal: Israel's Political Chaos Is Democracy At Work. In an editorial, the Wall Street Journal (9/25, Subscription Publication, 7.57M) draws some lessons from Israel's political uncertainty, observing that Israelis have moved to the right on security, and Israeli Arabs are engaging more in the country's democratic system. The Journal finds it a small comfort that the situation in Israel, which mirrors the chaos in the US and the UK, shows that democratic systems are striving to reach a consensus across political divisions.

Hadley, Flournoy: US Should Resume Afghan Peace Talks.

In an op-ed for the Washington Post (9/25, 14.2M), Stephen Hadley, a former national security adviser during the George W. Bush Administration, and Michèle Flournoy, who served as Undersecretary of Defense for Policy during the Obama Administration, argue that despite President Trump's decision "to call off peace talks with the Taliban...a political settlement of the Afghanistan conflict remains the best way to protect U.S. national security interests and prevent terrorist attacks from originating in the region." They argue that "peace negotiations leading to an inclusive political settlement are the only way that the United States can achieve its core objective of preventing Afghanistan from once again becoming a haven for international terrorists, honor the service and sacrifice of our troops, and help bring an end to four decades of war and suffering in Afghanistan."

NYTimes Analysis: China Pressures Islamic Countries To Be Silent On Plight Of Its Muslims.

The New York Times (9/25, Perlez, 18.61M) reports that when Turkish President Recep Tayyip Erdoğan visited China this summer, despite having "stridently promoted Islamic values in his overwhelmingly Muslim country," he was "largely silent on the incarceration of more than one million Turkic Muslims in China's western region of Xinjiang, and the forced assimilation of millions more." According to the Times, "It was an about-face from a decade ago, when he said the Uighurs there suffered from, 'simply put, genocide' at the hands of the Chinese government." The Times says the Chinese government, "backed by its diplomatic and economic might...has largely succeeded in quashing criticism," and Chinese officials have "convinced countries to support Beijing publicly on the issue, most notably Muslim ones in Africa, Asia and the Middle East."

UN Report Says World's Oceans Under Severe Strain From Climate Change.

According to the New York Times (9/25, Plumer, 18.61M), a new UN report warns "earth's oceans are under severe strain from climate change...threatening everything from the ability to harvest seafood to the well-being of hundreds of millions of people living along the coasts." And if "humans keep pumping greenhouse gases into the atmosphere at an increasing rate, the risks to human food security and coastal communities will increase sharply." A continuing increase in fossil-fuel emissions could cut the world's fish population by a quarter by the end of the century, which "would have sweeping implications for global food security: Fish and seafood provide about 17 percent of the world's animal protein, and millions of people worldwide depend on fishing economies for their livelihoods."

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The CBS Evening News (9/25, story 6, 2:41, O'Donnell, 4.47M) reported that the UN report "warns the harshest consequences may be on low-lying coasts, where almost 700 million people live." CBS' Mireya Villarreal looked "at the potential impact on South Florida," home to more than six million people. Villarreal said Miami Beach is taking the threat seriously, "raising street level, installing 80 new pumps, and fortifying its seawall."

Chang: Hong Kong Could Be Catalyst For Communism's Collapse.

In an op-ed for the Wall Street Journal (9/25, Subscription Publication, 7.57M), Gordon G. Chang, author of "The Coming Collapse of China," argues that Hong Kong's protest, now in its 16th week, has the potential to topple China's Communist regime. Chang observes that the protester's demands have expanded in scope, and their boldness could inspire residents on the mainland and Taiwan to resist Beijing.

Housing

New Home Sales Up More Than Expected In August.

Reuters (9/25, Mutikani) reports on Wednesday, the Commerce Department reported that new home sales were up 7.1 percent in August "to a seasonally adjusted annual rate of 713,000 units," which Reuters said was "more than expected" and attributed the growth to "lower mortgage rates." The report "added to solid reports on August retail sales, industrial production, housing starts and home resales." According to Reuters, economists polled expected a 3.5 percent increase to 660,000 units.

Breitbart (9/25, Carney, 673K) reports sales of new homes "soared much higher than expected in August and sales data for the previous two months were revised upwards as well." Breitbart adds that the three-month moving average "climbed to 703,000, the fastest pace in nearly 12 years," and "compared with a year ago, sales were up 18 percent."

Freddie Mac's Yvette Gilmore Receives Five Star Community Leadership Award.

DS News (9/25, Welborn) reports Freddie Mac VP of Single-Family Servicer Relationship and Performance Management Yvette Gilmore received the Five Star Community Leadership award. Gilmore said, "I'm proud of how we come together as an industry in times of financial crisis, disaster – all of those things that America's families depend on us to assure for them. They may not know who we are, but they depend on us when they need us the most." Gilmore added, "Please know that I will continue to work my hardest to be an advocate for women – all women. All the time. In all points in their career."

GOP White House Seems OK With Explicit Guarantee For Agency MBS.

Behind a paywall, Inside Mortgage Finance (9/25, Muolo, Subscription Publication) reports, "Earlier this month, when the Treasury Department unveiled its long-anticipated plan to reform the nation's housing-finance system, the agency caught some market watchers off guard with its tacit approval of an explicit government guarantee on agency-quality MBS. The reason: For decades, the concept of Uncle Sam placing an explicit – as opposed to implicit – backing on MBS was anathema to most Republicans because such a maneuver would, in theory, add to the government's liabilities." GSE investor Gary Hindes said, "The rating services would go nuts." According to IMF, "In other words, Fitch, Moody's and Standard & Poor's might look sideways on the federal government adding to its already-sizeable financial obligations." However, "according to interviews conducted" by IMF, "an explicit MBS guarantee isn't such a crazy idea after all. As some pointed out – and as Treasury noted in its blueprint – the explicit guarantee would be paid by the g-fees each lender pays to the guarantor, in this case, Fannie and Freddie. In essence, it would be a pay-as-you-go system."

FHFA: GSE Delinquencies Fell In Q2.

The ABA Banking Journal (9/25) reports, "The number of homes backed by Fannie Mae and Freddie Mac that are 60 or more days past due fell from 1.03% to 1% at the end of the second quarter of 2019, according to the Federal Housing Finance Agency's foreclosure prevention report released today." Seriously delinquent loans "fell to 0.67% of Fannie and Freddie's mortgage loan portfolio in the second quarter. By comparison, 3.43% of Federal Housing Administration loans were seriously delinquent and 1.95% of all loans were." The FHFA's report "also documented the GSEs' efforts to prevent foreclosures, with 31,757 modifications or other actions completed in the second quarter and more than 4.4 million since the conservatorships began."

MBA COO Discusses Inclusivity, mPower, And How A Mentor At Freddie Mac Inspired Her.

M Report (9/25, Albanese) interviewed MBA COO Marcia Davies, who discussed how the strides the mortgage industry has made toward inclusivity. She also outlined MBA's mPower program, which M Report says "provides women a platform to strengthen their networks and achieve professional growth and development as they rise through the ranks of the mortgage industry." Davies "told M Report that she encountered one of her greatest mentors while working at Freddie Mac," where she spent 21 years of her career. According to M Report, "A colleague took a chance on her, forcing her out of her comfort zone and challenging her with running a different department." Davies "added that her ability to achieve where she wasn't sure she could provided her a springboard of confidence that eventually allowed her to lead different areas within Freddie Mac."

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Freddie Mac Workshop On Helping Renters Become Homeowners Scheduled For Oct. 5.

The Downey (CA) Patriot (9/25, 73K) reports, "A free workshop designed to help renters understand the importance of credit and create a path toward homeownership is set for Saturday, Oct. 5, at the Embassy Suites" in Downey, California. The workshop "includes guest speakers from Freddie Mac, the government-owned enterprise chartered by Congress in 1970 to keep money flowing to mortgage lenders in support of homeownership and rental housing."

Boltansky: Legislative GSE Reform Was "Already Effectively Dead" Before Impeachment Push.

MarketWatch (9/25, Reklaitis, 1.67M) reports that according to Compass Point analyst Isaac Boltansky, the impeachment inquiry launched by House Speaker Nancy Pelosi on Tuesday "is likely to either delay, complicate or sink the remainder of the legislative agenda," and "the odds of this Congress securing numerous legislative victories in advance of the [2020] election were already laughably low." Boltansky said that "legislative efforts" including "gun legislation, GSE reform and infrastructure" were "already effectively dead and this development will not change that fact."

PACE Financing Is On The Rise In Florida.

Florida Trend (9/25, 34K) reports PACE financing is "starting to take off in Florida." Today, "an estimated 150 local governments in Florida have PACE programs, all run by private, thirdparty administrators." According to Erin Deady, a Delray Beach-based environmental law attorney, "Over 50% of the state's population is served by one or more PACE programs." Florida Trend reports the Florida PACE surge gave the program a second wind: "In 2010, Harvard Business Review named PACE a "breakthrough idea," along with telemedicine kiosks and the creation of a national R&D lab focused on economic stability and prosperity. That same year, however, the Federal Housing and Finance Agency (FHFA), which regulates Fannie Mae and Freddie Mac, raised concerns about the seniority of PACE liens over mortgages. Like other special assessments, PACE liens get paid first in the event of a mortgage default. Fannie Mae and Freddie Mac stopped buying PACE-encumbered mortgages. PACE program administrators across the U.S. suspended residential lending, and news reports declared PACE all but dead."

MBA: Mortgage Applications Fall As Rates Tick Up.

National Mortgage News (9/25, McCullom) reports, "The recent spike in mortgage interest rates reduced home purchase application activity last week, contributing to a 10.1% decline in total activity, according to the Mortgage Bankers Association. The MBA's Weekly Mortgage Applications Survey for the week ending Sept. 20 found that the Refinance Index decreased 15% from the previous week, but remained 104% higher than the same week one year ago." The seasonally-adjusted Purchase Index fell 3% from the prior week, while the unadjusted Purchase Index fell 4%.

HousingWire (9/25, Lloyd, 23K) reports the refinance share fell from 57.9% to 54.9%. The ARM share rose to 5.1% of total applications. The FHA share rose from 10.9% to 11.4%, while the VA share rose from 12.7% to 13.1%. The average rate for conforming 30-year FRMs rose from 4.01% to 4.02%, while the average rate for jumbos fell from 4.01% to 4%. The 15-year FRM average rose from 3.42% to 3.46%. The 5/1 ARM average fell from 3.54% to 3.39%. Mortgage News Daily (9/25, Swanson) reports, "The average size of a loan was $321,500 and purchase loans averaged $329,400."

National Mortgage Professional (9/25, Hall) reports MBA AVP Joel Kan said, "Treasury yields trended downward over the course of last week, as the Federal Reserve meeting highlighted the elevated uncertainty in the economic outlook. However, despite falling yields, mortgage rates ticked up again and have risen 20 basis points over the past two weeks. The increase in rates led to fewer refinances, and activity has now dropped 17 percent over the last two weeks. Purchase applications also decreased, likely related to the two-week jump in rates, but still remained nine percent higher than last year. The recent data on increased existing-home sales and new residential construction points to the underlying strength in the purchase market this fall."

Behind a paywall, Inside Mortgage Finance (9/25, Muolo, Subscription Publication) reports Finance of America Mortgage President Bill Dallas commented, "This is one of the more interesting times in mortgage history. Interest rates have potentially bottomed, or not, so refinance applications are in the wind. Purchases continue to grow nicely, but as a percentage of total volume, are clearly down."

Fitch: Lower Rates Could Help CMBS.

National Mortgage News (9/25, Sinnock) says, "The recent run of lower interest rates may bode well for today's commercial mortgage-backed securities, unless it's undermined by an increase in leverage, according to a new Fitch Ratings report." Fitch Managing Directors Eric Rothfeld and Huxley Somerville wrote, "Today's historically low interest rate environment will benefit CMBS performance only if CMBS lenders maintain recent leverage metrics. Debt service coverage ratios will improve with lower coupons, all else being held equal. However, an increase in leverage, leaving DSCRs at their recent levels, would make the loans more susceptible to refinance risk at maturity due to the increased debt. ... Close to 100% of loans in recent CMBS transactions presented to Fitch have mortgage rates below 5%, indicating that it is not solely higher-quality assets benefiting from the lower coupon environment. Some of the lowest-risk pools have rates below 4%."

Trepp: CMBS Delinquency Rate Fell To A New Low In August. National Real Estate Investor (9/25, Misonzhnik, 131K) reports,

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"The U.S. 30+ days CMBS delinquency rate fell again in August, from its new cycle low in July. The all-property 30+ days delinquency rate reached another post-crisis low of 2.54 percent, according to Trepp LLC, representing an 8 basis points decrease from the month prior. The rate was also down 110 basis points compared to August of 2018."

Non-QM MBS Performance Strong As Investor Interest Picks Up.

Behind a paywall, Inside Mortgage Finance (9/25, Ivey, Subscription Publication) reports, "More than 130 investors are actively buying MBS collateralized by non-qualified mortgages, according to Pratik Gupta, an executive director at Nomura Securities. The sector was a hot topic this week at the ABS East conference in Miami, an event hosted by Information Management Network. Gupta said losses on non-QM MBS have been minimal. Among the thousands of loans securitized since 2014, just 94 have been liquidated and only seven of those have taken a loss, said the Wall Street official." Gupta said, "The exceptional performance speaks to underwriting standards." According to IMF, however, "questions remain regarding how large the non-QM market can grow. The sector is nowhere near the size of the market for non-agency MBS that existed before the financial crisis. And some large investors are avoiding new non-agency MBS until stronger protections are established for investors."

Study: First-Time Homebuyers Feel Unprepared, Worry About Affordability.

HousingWire (9/25, 23K) reports, "Although homebuying is a sign of independence and a big step in many people's lives, a new report from Framework shows that homebuyers wish they were better educated about the process before embarking on their real estate journey. The study found that only 41% of first-time homebuyers felt they were well prepared for the homebuying process, while 55% said they felt they wished they had an independent advocate to coach them through the process of homebuying and homeownership." The study also "found that 54% of recent first-time homebuyers and 62% of prospective first-time homebuyers said they wished they looked for a house sooner rather than later." Of those surveyed, "almost half of first-time homebuyers even said that they think that the homebuying process is 'rigged' against the buyer." National Mortgage News (9/25) reports, "Worry about affording homeownership was 13 percentage points lower for recent first-time buyers than prospective buyers (44% vs. 57% respectively). And only 36% of recent first-time buyers think they made costly mistakes during the process compared with the 44% of prospective buyers that feared doing so."

LendingTree: White Americans Own Disproportionately Large Share Of Homes In Large US Metros.

National Mortgage Professional (9/25, Hall) reports, "When it comes to measuring homeownership patterns along racial demographic lines, white Americans own a disproportionately large percentage of homes in all of the nation's 50 largest metros, according to new data released by LendingTree." LendingTree found that white Americans "accounted for an average of 59 percent of the population" in the metro areas it tracked, but they own "approximately 73 percent of the owner-occupied homes in these markets." LendingTree Chief Economist Tendayi Kapfidze said, "Ultimately, it appears as most, if not all, of the advantages afforded to white Americans on the whole are the result of numerous social factors that have historically made it more accessible for white Americans to gain meaningful employment, higher levels of wealth and access to credit." Mortgage Professional America (9/26, Randall) also reports.

Analysis: GSEs Will Ultimately Be Treated Like Other Entities Were In The Wake Of The Crisis.

In a Seeking Alpha (9/25, Street, 512K) analysis piece, contributor The Other Street provides some follow-up thoughts on their September 13 piece (9/13, Street, 512K) outlining the 5th Circuit's ruling on the FHFA's constitutionality and what it might mean for the Administration's GSE reform efforts. According to the new analysis, FHFA Director Mark Calabria "knew Bloomberg was out to catch him," and while "his focus was, rightly so, on the need for seed equity in order to be able to go to market, no question was asked about the potential shareholders' remedies from the 5th Circuit. ... Whichever way Treasury wants to cut it, in the end, Fannie and Freddie cannot be treated differently than the other entities involved in the 2008 crisis. Common sense oblige, backed up by Court's opinion, and if need be, by the TARP-enabling legislation. One could counter that HERA, aka the Housing and Economic Recovery Act, too was an Act of Congress. It was. The only problem, the FHFA it created was unconstitutional. How could that happen, I don't know, but it did. The fact is, Fannie and Freddie's $187 billion were fully repaid by Q4, 2013." Current Industry carried this piece.

Markets

Treasury Yields Drop Following Weak Consumer Confidence Data.

CNBC (9/26, Smith, 3.62M) reports US government debt prices "rose Thursday morning, pushing yields lower, after a key consumer confidence index for September slipped to a three-month low." At around 3:15 a.m. ET, the yield on the benchmark 10-year Treasury note was "down at around 1.7147%, while the yield on the 30-year Treasury bond was down at 2.1602%."

Stocks' Gains Attributed To Trump's Remarks On Potential Trade Deal With China.

Reuters (9/25, Shankar, Warrick) reports that US stock indices had their "best day in two weeks" Wednesday after Trump "said a trade deal with China could happen sooner than expected." According to Reuters, "Trump's comments were in contrast to his harsh rhetoric on Tuesday

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on the trade dispute, which rattled global stock markets on Wednesday." The AP (9/25) also credits Trump's "remarks...indicating a trade deal with China could happen soon" for having "put investors in a buying mood." According to the AP, "The market...climbed into positive territory after Trump, speaking to reporters at the United Nations, said China wants 'to make a deal very badly,' adding that 'it could happen sooner than you think.'" The AP says Trump "did not elaborate," but notes that "talks between top-level officials aimed at resolving the costly trade war are expected to take place next month."

Dollar Holds Gains.

Reuters (9/26, Westbrook) reports, "The dollar found broad support on Thursday as investors welcomed US President Donald Trump's hints of progress toward a trade deal with China and discounted the prospect of an impeachment probe making much headway in the short term." The dollar index against a basket of currencies "posted its sharpest daily gain in three months overnight and held steady in Asian trade" around 98.959. The dollar "also held gains on the euro and pound, steadying near two-week highs." A euro "bought $1.0951 at 0105 GMT," while the yen "steadied at 107.71 per dollar."

Gold Inches Higher.

Reuters (9/26) reports, "Gold prices inched higher on Thursday as investors resorted to bargain hunting after a sharp drop in the previous session, although a firm dollar limited the gains." Spot gold "was up 0.3% at $1,508.61 per ounce, as of 0126 GMT," while US gold futures "were up 0.2% at $1,515.9 per ounce."

Oil Holds Steady.

Reuters (CAN) (9/26, Khasawneh) reports, "Oil prices were steady on Thursday after falling the previous two sessions on industry concerns about rising supplies and signs of slowing demand." Brent crude futures "were at $62.36 a barrel, down 3 cents, or 0.05%, from the previous close, by 0555 GMT." West Texas Intermediate crude futures "were 2 cents lower, or 0.04%, to $56.47 a barrel."

Cybersecurity

FBI Probing Ransomware Attack On Virginia County's Schools.

WJHL-TV Johnson City, TN (9/25, 90K) reports from Smyth County, Virginia, "The Smyth County Public Schools are working with the FBI after four servers and some workstations were targeted by ransomware." WJHL-TV adds, "According to Technology Director Terry Hawthorne, at some point over the weekend, ransomware was installed to four servers and a few work stations at the central office." Hawthorne "told News Channel 11 that when employees arrived at work Monday, a message popped up with information to contact in order to pay to get back on the computers." The Smyth County Public Schools "has cyber insurance," and "Hawthorne said the company was immediately contacted to help them," and "they, in turn, contacted the FBI to help investigate."

Georgia State Patrol Working On Computer Fix After Cyber Attack.

The Atlanta Journal-Constitution (9/25, Sharpe, 895K) reports, "Three months after hackers struck, the Georgia Department of Public Safety has 50 workers trying to mitigate the damage to its computer system and regain access to records." The department "has under its umbrella Georgia State Patrol, Georgia Capitol Police and the Motor Carrier Compliance Division, making the hack easily one of consequential in the state since such crimes have been on the rise in the past few years." According to the AJC, "The headaches caused by the July 26 ransomware attack are most conspicuous at the Georgia State Patrol. Troopers watch over highways and interstates in every corner of the state, writing traffic tickets, arresting fugitives and stopping drunk drivers." GSP, "which has 360,000 cases involving tickets or arrests each year, can't access its computer system or the digital records it holds," and "that has forced troopers to revert to paper and anyone needing documents from the agency to wait. Records from several days are simply lost."

Experts Say $250M Not Sufficient To Protect 2020 Elections From Outside Interference.

The New York Times (9/25, Wines, 18.61M) reports that, if the Senate approves "a recent committee decision to spend $250 million more to protect the 2020 elections from outside interference, Congress will have devoted at least $630 million toward that goal since Russia sought to influence the last presidential election." Experts "say it sounds like a lot until the realization that a single state, Pennsylvania, plans to spend at least $125 million to upgrade its voting machines." And that expense addresses "just one vulnerability in an elections system whose security procedures...can be even creakier than its voting machines," the Director of the Election Reform Program at the Brennan Center for Justice Lawrence Norden said in an email, "Two hundred and fifty million dollars across over 8,000 election jurisdictions doesn't come close to paying for these things in a single year, let alone for elections beyond 2020." The Brennan Center has "estimated that state and local agencies would need nearly $2.2 billion over the next five years to adequately shield elections from tampering."

Senate Subcommittees Take Action On Cyber Funding.

Politico (9/25, Starks, 4.29M) reports in its cybersecurity column that Senate appropriators Tuesday "advanced two bills that pay for a trio of agencies with significant cybersecurity accounts." The Homeland Security subcommittee "approved the DHS funding measure,

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which would dedicate $2 billion to CISA, $350 million more than the president's budget requested, according to a panel summary." Within that amount, $1 billion "is for cybersecurity specifically." The bill includes $117 million "to eliminate a backlog of vulnerability assessments." The Coast Guard "would also get money for cybersecurity enhancements, but the summary didn't specify how much." Elsewhere Tuesday, the Commerce-Justice-Science Subcommittee "touted investments in cyber funding for the FBI and NIST, as well as money for US Attorneys to combat cybercrime and intrusions."

White House Blocking Congress From Auditing Its Offensive Hacking Strategy.

The Washington Post (9/25, Marks, 14.2M) reports in the Cybersecurity 202 column that the Trump Administration is blocking Congress "from auditing a secret hacking policy it has already used for cyberattacks on Russia and Iran – stonewalling that lawmakers say raises the risks of a dangerous misfire that could make cyberspace less secure." The policy "has been withheld for more than a year from lawmakers – even those who regularly review classified material." Lawmakers from both parties "are concerned the Trump Administration could plunge the country into a cyberwar without congressional approval or oversight, or at the very least, provoke retaliation that causes serious damage at home." Rep. Jim Langevin (D-RI) said, "Congress needs to understand what that guidance is so we can ensure we are properly understanding how far this goes and what the parameters are. We need to...do our job and make sure the government is properly executing these authorities."

Idaho Residents Report Losses After Pocatello City System Hacked.

The AP (9/25) reports several Pocatello residents "say they've had unauthorized funds taken from their bank accounts after the city's billing system was hacked." The Idaho State Journal reports Pocatello police "say several people who pay their municipal utility bills online with a debit or credit card have reported losses ranging from $30 to thousands of dollars." Pocatello city spokesman Logan McDougall "says the city is working with its billing system vendor, Click2Gov, to investigate the matter." Police Sgt. Brian McClure "says police discovered the security breach when they noticed similar unauthorized payments from California while investigating some fraud cases." City officials "won't release details of the timeline of the hack, citing the ongoing investigation." In a prepared statement city officials "said they are working with the contractor and cybersecurity experts to determine the scope of the hack."

Opinion: Every Part Of The Supply Chain Can Be Attacked.

In an op-ed in the New York Times (9/25, 18.61M), Harvard Kennedy School lecturer Bruce Schneier writes, "The US government's continuing disagreement with the Chinese company Huawei underscores a much larger problem with computer technologies in general: We have no choice but to trust them completely, and it's impossible to verify that they're trustworthy. Solving this problem – which is increasingly a national security issue – will require us to both make major policy changes and invent new technologies." He contends, "Policy solutions involve forcing companies to open their technical details to inspection, including the source code of their products and the designs of their hardware. Huawei and Kaspersky have offered this sort of openness as a way to demonstrate that they are trustworthy. This is not a worthless gesture, and it helps, but it's not nearly enough. Too many back doors can evade this kind of inspection." He adds, "The other solution is to build a secure system, even though any of its parts can be subverted. This is what the former Deputy Director of National Intelligence Sue Gordon meant in April when she said about 5G, 'You have to presume a dirty network.' Or more precisely, can we solve this by building trustworthy systems out of untrustworthy parts?" He concludes, "Critically, these systems must be as secure as we can make them."

Former Senior DHS Officials Advocate For Consensus-Based Approach To 5G Development.

Government Computer News (9/25, Rockwell) reports three former top Department of Homeland Security officials say "a slower, consensus-based approach to 5G development would be a better option than adopting low-cost, available technology from Chinese manufacturer Huawei." In a September 24 teleconference with reporters, former DHS Secretary Tom Ridge, Nate Snyder, a former DHS senior counterterrorism official in the Obama Administration, and Chris Cummiskey, former DHS undersecretary for management, "voiced their growing concerns about a 5G supply chain based on Huawei, which they said poses a threat to telecommunications infrastructure." Ridge said, "Huawei is state owned and state controlled. China's economic espionage and backing the 2015 hack of the US Office of Personnel Management show the Chinese government has no qualms about stealing critical US data through nefarious sources." All three of the former DHS officials "advocated for more federal and private-sector investment to develop 5G hardware and software and a more standardized, open source-based approach to 5G technology."

Financial Reform

House Passes Pot Banking Bill.

The AP (9/25, Johnson) reports the US House has passed legislation that would allow marijuana "businesses legitimately operating under state laws to access loans, lines of credit and other banking services, while sheltering financial institutions from prosecution for handling marijuana-linked money." The SAFE Banking Act garnered "near-unanimous support from Democrats and nearly half of Republicans" in the House, but its "prospects in the Senate are uncertain."

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Reuters (9/25, Schroeder) reports the bill "clarifies that proceeds from legitimate cannabis businesses would not be considered illegal, and directs federal regulators to write up rules for how they would supervise such banking activity." Senate Banking Chairman Mike Crapo "has said he wants to consider similar legislation in the coming months, but it is not clear if the full Senate will vote on such a measure, analysts say."

American Banker (9/25, Haggerty, Subscription Publication, 31K) reports Crapo "told reporters Wednesday that holding a committee vote on some sort of cannabis banking legislation is on his radar." He said, "I'd like to do it as soon as we can...but I can't put a specific time." To build more support for the measure, sponsor Rep. Ed Perlmutter (D-CO) last week added language "to include protections for industrial hemp businesses" as well as "language formally ending Operation Choke Point." Crapo said these changes are an improvement to the bill: "I think those were both improvements and I think that there are several other issues that we need to look at," such as "making sure that interstate commerce aspects of all of this are set up properly, looking at the question of legacy cash and avoiding money laundering in terms of how you move all of the legacy cash into the system, and the questions of safety and health that have been raised in terms of just how we address the banking side of the issue."

Bloomberg (9/25, Dexheimer, 4.73M) reports that even if the SAFE Banking Act passes the Senate and is signed into law by President Donald Trump, "the new safeguards aren't likely to draw big banks into pot banking, according to Cowen analyst Jaret Seiberg." In a note before the House vote, Seiberg wrote, "This is not a total victory. The biggest banks that operate across state lines will still worry that cannabis is still illegal at the federal level."

Politico (9/25, Warmbrodt, Fertig, 4.29M), The Hill (9/25, Lane, 2.98M), and Fox Business (9/25, Schott, 1.73M) also report.

TFI/Sanctions

Cuban-American Sues Airlines For "Trafficking" In Havana Airport.

Reuters (9/25, Marsh) reports, "A Miami-based law firm filed a lawsuit on Wednesday on behalf of a Cuban-American who claims to be the rightful owner of Havana's international airport against American Airlines and the Latam Airlines Group for 'trafficking' in the property he says the Cuban government stole." The piece explains that the case is "one of a slew filed in U.S. courts since the Trump administration in May implemented a long-dormant and controversial law allowing U.S. citizens to sue foreign firms and Cuban entities over their use of properties expropriated after Cuba's 1959 revolution." The piece notes that the Treasury Department on Tuesday "imposed sanctions on four maritime firms and vessels transporting Venezuelan oil to Cuba, amid an acute fuel scarcity in the island." NBC News (9/25, 6.14M) also reports.

Federal Reserve

Bullard Doesn't Expect Trump Impeachment Inquiry To Impact Fed Policy.

Reuters (9/25) reports St. Louis Fed President James Bullard "said on Wednesday he does not expect the impeachment inquiry into President Donald Trump to affect how the Fed conducts monetary policy." He told CNBC in an interview "that Fed officials are used to dealing with political uncertainty as a backdrop to policy deliberations. 'This doesn't sound all that different to me,' he said." The piece notes Bullard also "reiterated his view that the Fed's target rate should be reduced by an additional quarter of a percentage point by the end of this year. "

MarketWatch (9/25, Robb, 1.67M) reports regarding the impeachment inquiry, Bullard said, "Viewing it from a distance, this just sounds like more investigation to me...I expect that investors will just have to take on board that there will be a certain amount of political uncertainty going forward until we get to the 2020 election."

Evans: Two Rate Cuts Have Fed "Well-positioned."

Reuters (9/25) reports Chicago Fed President Charles Evans "said on Wednesday he backed the Fed's two recent rate cuts but feels the central bank is now 'well-positioned' to see how economic data evolves." He said, "A couple of rate cuts seemed useful," to further the central bank's 2 percent inflation goal and protect against risks of a slowdown. The piece notes that in comments to a suburban Rotary Club in Chicago, Evans "delivered an optimistic view of the U.S. economy, with growth still slightly above trend, and a strong outlook for consumers who are benefiting from low unemployment and wage gains that are solid but not 'outrageously' so."

The Wall Street Journal (9/25, Raice, Subscription Publication, 7.57M) reports Evans said Wednesday he didn't expect more rate cuts this year but was open to the possibility they may be necessary. "I think we're in a good place in terms of the rate setting," he told reporters, adding, "I'm open-minded to additional action if that's how the discussion goes…I'm sympathetic" to more rate cuts.

Reuters (9/25) reports separately Evans also "said on Wednesday that the Fed may be able to avoid future repo market problems simply by increasing its balance sheet rather than setting up new market tools."

Kaplan: Global Economy "Fragile" But US Will "Skate Through."

Reuters (9/26) reports Dallas Fed President Robert Kaplan said the global economy is going through a "fragile" period, but the odds of a US recession over the next year are still "relatively low." He stated: "Global growth is decelerating ... We are in this tenuous period," but the US "'can skate through this' without a downturn given strong consumer spending and a strong job market." He told the Dallas Business Club, "If the consumer stays strong, we are not going to have a recession."

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New York Fed Increases Size Of Repurchase Operations For Thursday.

The Wall Street Journal (9/25, Kruger, Subscription Publication, 7.57M) reports the New York Fed said Wednesday it would expand the size of repurchasing operations for Thursday. The Fed said it will raise the amount of overnight cash loans to $100 billion from $75 billion, and double the size of two-week offerings to $60 billion. The Financial Times (9/25, Wells, Subscription Publication, 1.34M), Bloomberg Opinion (9/25), and The Week (9/25, 1.94M) also cover the topic.

Senators Divided On Fed's Payments System.

American Banker (9/25, Haggerty, Subscription Publication, 31K) reports that at a hearing Wednesday, Senate Banking Committee Chairman Mike Crapo (R-ID) noted big banks' concerns with the Fed's proposed real-time payments system, FedNow, which is set to launch by 2024. Some banks "have raised concerns about the Fed's analysis and process, the cost and amount of time it would take to develop its own real-time payment system, its prospects for achieving interoperability, inherent conflicts of the Fed operating its own system and its prospects for negatively affecting existing real-time payment systems," Crapo said in his opening remarks. Sen. Pat Toomey (R-PA) said Congress should consider stepping in to try to block FedNow's launch, highlighting concerns about how the service would be priced and whether it would operate alongside private-sector alternatives. But Democrats on the committee "largely supported the Fed's effort, saying it will increase competition and create a level playing field for small and large banks."

Financial Regulatory Agencies

CFPB Names New Enforcement Chief.

Reuters (9/25, Johnson) reports the CFPB on Wednesday "announced new hires at the agency, including a former state regulator to serve as new permanent chief of its enforcement office." Bryan Schneider, former head of the Illinois Department of Financial and Professional Regulation, "will serve as the associate director of the agency's Division of Supervision, Enforcement and Fair Lending." Other key positions, "including the assistant director of research, the chief data officer and a deputy chief of staff" were also named on Wednesday.

Office of the Comptroller of the Currency

Georgetown Professor: Regulators' "Valid-When-Made" Reasoning Is "Wrong."

Behind a paywall, Law360 (9/25, Subscription Publication, 8K) reports that in an amicus brief filed Tuesday in Colorado federal court, Georgetown Law professor Adam Levitin said the "valid-when-made" doctrine has been challenged as "not valid, but made-up." Levitin "slammed arguments made by the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation in their own amicus, saying the reasoning put forward by the regulators is 'wrong' and that the existence of a 'valid-when-made' doctrine should be a matter for Congress, not the courts." He wrote, "[The OCC and FDIC] rely entirely and improperly on out-of-context and even misleadingly edited quotations from older cases to support the doctrine's claimed antiquity."

Bill Would Create Standardized Financial Regulatory Reporting.

Pensions & Investments (9/25, Bradford) reports Reps. Carolyn Maloney (D-NY) and Patrick McHenry (R-NC) on Tuesday reintroduced "legislation that would make information collected by financial regulators more uniform and searchable." The Financial Transparency Act "calls for the Treasury secretary to create uniform, machine-readable data standards for information reported to financial regulatory agencies," including the OCC, the Fed, the FDIC, the CFPB, the SEC, the CFTC, the NCUA, and the FHFA. The article notes, "Similar legislation has been introduced in previous sessions of Congress with no further action, but supporters are encouraged that it is now being backed by senior members" of the House Financial Services Committee. Regtech, "the concept of applying data standards to financial regulatory information," could mean "a more efficient regulatory oversight system that can effectively identify and address bad actors," said Nick Hart, CEO of the Data Coalition.

Mr. Cooper COO Receives Five Star Lifetime Achievement Award.

DS News (9/25, Ojha) profiles Mr. Cooper COO Tony Ebers, examining his leadership philosophy, his career path, and his assessment of the state of the mortgage industry today, as well as where it is heading in the future. DS News says the "passion" of Ebers, the recipient of Five Star's 2019 Lifetime Achievement Award, "to do the right thing has been noticed across the industry." Comptroller of the Currency Joseph Otting said, "Tony Ebers is a person who is always all in. Tony sets his mission and goals, and then executes to success. If there's a hill to be taken, he was always front and center leading the charge. Tony is one of the US experts on residential mortgaging and servicing, and he uses his talents and skills to make homeownership available and affordable for all Americans."

Editorial Wrap-Up

New York Times.

"Nancy Pelosi Is Sending A Message." The New York Times (9/25, 18.61M) says in an editorial, "Some ask whether it is pointless for the House to launch divisive impeachment proceedings when there's little chance that the Republican-led Senate will vote to convict a president so popular with their party's base. But House Democrats are also giving notice that every lawmaker, regardless of party, should be prepared to take a public stand on whether presidents are free to use their powers to summon foreign assistance for their political campaigns."

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Washington Post.

"The Trump-Zelensky Readout Is A Devastating Indictment Of Our President." In an editorial, the Washington Post (9/25, 14.2M) calls the transcript released by the White House of President Trump's call with Ukranian President Volodymyr Zelensky "a devastating indictment of the US president," and adds that while "Trump and his amen chorus claimed Wednesday that there was no 'quid pro quo'...the memorandum...strongly suggests otherwise," because "Trump first makes a request for a political investigation in direct answer to Mr. Zelensky's statement that Ukraine wants to buy more US antitank missiles." To the Post, "the integrity of US democracy depends on how Congress and the nation respond."

"Federal Agents Are Enforcing E-Verify Against Employees – But Not Businesses." The Washington Post (9/25, 14.2M) in an editorial argues that recent events "exposed a truth well known to employers and their political patrons nationwide: The [immigration] system is tougher on employees than on employers, by a lot." In support of that, the Post adds that in the year ending March 30, 2019, "just 11 individuals and no companies were prosecuted" for immigration violations, while "more than 85,000 undocumented immigrants were prosecuted for illegal entry and some 34,000 for illegal reentry." The Post argues, "A more rational immigration system would put the millions of unauthorized migrants already in the country on a path to legal status and expand legal immigration to meet the market's demands." It concludes by regretting that the Administration "has been tacking in the opposite direction."

"Andrew McCabe Has Been Punished Enough." In an editorial, the Washington Post (9/25, 14.2M) argues that the case of former FBI official Andrew McCabe "does not warrant prosecution," and suggests that he is being prosecuted "perhaps" because "President Trump has routinely and publicly excoriated him – more than 50 times." The Post adds that McCabe "already paid a stiff price" having been "terminated in a particularly nasty fashion – just hours before he would have qualified for his pension." The Post concludes, "If the case against Mr. McCabe is still active, it should end."

Wall Street Journal.

"The Ukraine Transcript Fizzle." The Wall Street Journal (9/25, Subscription Publication, 7.57M) editorial page argues the transcript released by the White House of President Trump's call with Ukranian President Volodymyr Zelensky shows Trump was telling the truth about the call, and casts the interaction between the two leaders as routine diplomacy. The Journal further states the public will not get behind the Democrats' drive, which it casts as a misguided and thinly-disguised attempt to undo the 2016 election.

"Trump's Japanese Trade Judo." The Wall Street Journal (9/25, Subscription Publication, 7.57M) editorializes in favor of the US-Japan trade agreement, saying that it reverses some harm Trump caused by leaving the Trans-Pacific Partnership. The Journal adds that a lack of agreement over motor vehicles is disappointing, and contends it would have been better and easier to have stayed in the TPP.

"Netanyahu Holds On." In an editorial, the Wall Street Journal (9/25, Subscription Publication, 7.57M) draws some lessons from Israel's political uncertainty, observing that Israelis have moved to the right on security, and Israeli Arabs are engaging more in the country's democratic system. The Journal finds it a small comfort that the situation in Israel, which mirrors the chaos in the US and the UK, shows that democratic systems are striving to reach a consensus across political divisions.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Rough Transcript Shows Trump Pressed Ukraine To Look Into Joe Biden And Son
Trump Team Bets Impeachment Will Backfire On Democrats
Netanyahu Given First Chance To Form Israel's Next Government
Juul CEO Exits; Altria, Philip Morris End Talks In Vaping Fallout
'Why Are You Doing This to Me?' Outraged Kids Start School Early While Teens Sleep
Why Argentina Faces An Economic Crisis. Again.

New York Times:

Trump Pressed Ukraine's President To Investigate Democrats As 'A Favor'
Whistle-Blower Is Said To Allege Concerns About White House Handling Of Ukraine Call
Phone Call Showed Only A Slice Of Trump's Obsession With Ukraine
Elated, Furious, Wary: Impeachment Divides Voters, Like Everything Trump
Juul Replaces Its CEO With A Tobacco Executive
The World's Oceans Are In Danger, Major Climate Change Report Warns

Washington Post:

Trump Offered Ukrainian President Justice Dept. Help For Biden Investigation, Memo Shows
Oceans, Polar Areas Seeing Dire Changes, U.N. Says
How Uber's Investigations Unit Works To Limit Liability

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As Democrats Tweak Strategy, Trump Doesn't
Adversaries Seize Day, Head Into Epic Battle
A 7-Day White House Scramble Ends With A Big Gamble

Financial Times:
Trump Asked Ukrainian Leader To Investigate Bidens
Sea Level Rises Faster As Polar Ice Melts, Warns UN Report
Match lured Singletons With False Hope, US Regulator Claims

Washington Times:
Transcript Shows No 'Quid Pro Quo'
John Durham Investigating Ukraine In Trump-Russia Origins Probe
Gig Economy Of The Border: Snapchat, WhatsApp Link Smuggling Cartels, Willing Drivers
Elizabeth Warren Steals Liberal Enthusiasm From Bernie Sanders In New Hampshire
American Legion Knocks Army's Plan To Limit Arlington National Cemetery Burials
Iran's President Tells UN That US Officials Are 'Criminals'

Story Lineup From Last Night's Network News:
ABC: Trump-Ukrainian Phone Call Transcripts; Whistleblower Complaint; Ukrainian Call-AG Barr; Ukrainian Call-Expert Comment; Interview With Iranian President; Tropical Storm Karen; FBI-'Joker' Movie Warning; California-Real Estate Agent Attack; Vaping; Happy Birthday Barbara Walters.
CBS: Trump-Ukrainian Phone Call Transcripts; Whistleblower Complaint; Ukrainian Call-Reactions; Vaping; FBI-'Joker' Movie Warning; Climate Change; Email Scam; UK-Baby Archie Photos; Healthcare Costs; NYC-Child Rescued From Under Subway Train.
NBC: Trump-Ukrainian Phone Call Transcripts; Ukrainian Call-Reactions; Ukrainian Call-Giuliani; Ukrainian Call-Expert Comment; Elizabeth Warren-Polls; Vaping; EEE; Dallas-Murder Trial For Officer Who Shot Neighbor; Brooklyn-Home Invasion By Man Impersonating FedEx Driver; Holiday Airfare; Teacher Carries 4th Grader With Spinal Bifida On Field Trip.

Network TV At A Glance:
Trump-Ukrainian Phone Call Transcripts – 12 minutes, 30 seconds
Vaping – 3 minutes, 40 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Ukrainian Call-Trump Comments; Trump-Ukrainian Phone Call Transcripts; Acting DNI To Testify; Trump-Japan Prime Minister Tariff Deal; Mexico-Abortion Laws.
CBS: Ukrainian Call-Reactions; Whistleblower Complaint; Vaping; Justice Department-Antitrust Probe Of Facebook; MLB-Minnesota Twins.
FOX: Trump-Ukrainian Phone Call Transcripts; Ukrainian Call-Trump Comments; Trump-Comments On Biden's Son; Justice Department-Antitrust Probe Of Facebook; Wall Street.
NPR: Trump-Ukrainian Phone Call Transcripts; Ukrainian Call-Rep. Schiff Comments; Iranian President-Sanctions; Boeing-Safety Policies In Air Craft; Stocks.

Last Laughs

Late Night Political Humor.

Sam Bee: "Trump's phone call to the Ukrainian President happened the day after Robert Mueller testified to Congress. It's like if OJ Simpson stepped out of the court the moment after his acquittal and immediately murdered two people."

Sam Bee: "Trump's call to Ukraine's President is especially crazy because before Zelensky was sworn into office in May, he was in a sitcom about a random dude becoming President of Ukraine. So it was basically a conversation with someone who started his political career by pretending to be president, and another who started his political career by pretending to be successful."

Sam Bee: "Make no mistake, it is bad that the President is offering to be friends with benefits with any country that investigates his rivals. The fact he's done it more than once means it's not just horrifying, it's a pattern, and it will happen again, sort of like his affairs."

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Conan O'Brien: "It's a big thing. Impeachment proceedings going on. This is history. President Trump is in hot water for asking the leader of

Ukraine to look up dirt on Joe Biden. Now, for you history buffs out there, get this: No one's asked a foreign government to interfere in a US election since way back in 2016. I don't even remember."

Conan O'Brien: "According to polls, 59 percent of Americans do not want President Trump removed from office. Fifty-nine percent. Yes. That's a group made of up of Republicans and comedy writers."

Trevor Noah: "When we left off last night, the Democratic announcement of an impeachment inquiry had Trump up against the ropes. So in response, Trump said that he would release a transcript of the phone call he had with Ukraine's President, and Trump claimed that this transcript would prove that he is so innocent, the most innocent person. But now we have all seen the transcript, and I'm starting to wonder if Trump even read it."

Trevor Noah: "Yes, the transcript of the call is out. And not only did Trump definitely ask the President of the Ukraine to work with his personal lawyer/vampire henchman to investigate Joe Biden, he also tried to rope in the United States Attorney General. And if that happens, that is a big deal. Because a President can't go around using the Justice Department as his personal task rabbit. That is not allowed. It is the same way if an employee at Domino's would get into trouble for drying his laundry in the pizza oven."

Trevor Noah: "And you might be wondering, 'If this phone call is so damning, why did Trump even release the transcript? Only an idiot would do that!' Exactly."

Trevor Noah: "And if you are thinking, 'Wait, how do we even know exactly what Trump said on that call to a foreign leader?' Well, apparently all calls in the White House are recorded for quality assurance purposes. ... The software that monitors the President's calls writes it down, and then someone checks it. Can I say, I feel so bad for whatever voice recognition software has to try and make sense of what Donald Trump is saying. Because you realize, that computer is programmed to recognize normal human speech patterns, not the Donald."

Trevor Noah: [On Trump saying there was no quid pro quo] "That's right, folks there is no quid pro quo. Because I would never speak Latin on my calls."

Jimmy Kimmel: "One day after the Speaker of the House started a formal impeachment inquiry into the actions of our orange Julius Caesar, the White House fired back and countered with a summarized transcript of the President's call with the President of Ukraine. This is if OJ told Chris Darden, 'Hey, you found my glove!'"

Jimmy Kimmel: "Of course, the President was on the defensive today, lashing out at the media and claiming he didn't pressure anybody to do anything. ... He really thinks we're idiots. By the way, we are idiots who elected an idiot to run our country."

Jimmy Kimmel: "People like Lindsey Graham are arguing that that transcript exonerates Trump. He called it a 'nothing burger,' which made the President happy and hungry. By the way, when you hear someone call something a 'nothing burger,' you can be damn sure there's something in that burger."

Jimmy Kimmel: "Donald Trump can't help himself. He's been doing business like this forever. He's a sneaky, ham-handed racketeer. Sharking people down is what he does. He thinks he's Tony Soprano. And in a lot of ways, he is Tony Soprano. They're both overweight mouth-breathers who are disappointed with their sons. But Tony Soprano, at least he knew when his conversations were being recorded, and that he should avoid saying illegal things. If Tony Soprano ran the mob like this, he wouldn't have made it past episode three."

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Jimmy Kimmel: "Either Donald Trump knows what he's doing is wrong and does it anyway, or he doesn't know what he's doing is wrong, which I think might be worse. I think he wants to admit he colluded with a foreign power. He's proud of it. He doesn't understand what all the

commotion is about. He would do it again. He's Jack Nicholson in 'A Few Good Men,' although in this story, there are no good men. It's all bad men."

Jimmy Kimmel: "Everything is lies. The only true thing that Donald Trump ever said was he could stand in the middle of Fifth Avenue and shoot someone, and he wouldn't lose any voters. At the time, I thought that was a ridiculous statement, but now, I think he's right. If Trump pulled out a gun and fired point-blank at, like, that naked cowboy who walks around Times Square with the guitar, Lindsey Graham would say 'Great shot,' Kevin McCarthy would say 'Reminds me of John Wayne,' and Mike Pence would say 'Giddy-up, we're going for a ride.'"

Jimmy Kimmel: "What if the whistleblower who shows up tomorrow morning at 6:00 a.m. turns out to be Mike Pence? Wouldn't that be the best? 'I've had enough of your abuse, Donald. Get your stuff. Mother and I are moving into the White House.'"

Stephen Colbert: "This morning, the Administration, for some reason, released the official notes of Trump's phone call with Ukrainian President Volodymyr Zelensky. ... And these notes that they released of this phone call make Trump look – and I don't want to get too technical – bad. ... (As Trump) 'I scratch your back. You help me bury Joe Biden's political career in a shallow grave in the woods down by the dump.'"

Stephen Colbert: "Now, the attorney general that Trump mentioned is our Attorney General. Several times in the phone call, he said he would have William Barr call Zelensky to help Ukraine dig up dirt on Trump's political enemies. But today, Barr denied involvement in Trump's smear campaign against Biden. Hey, what's the matter, Billy? Don't you trust your old buddy Don? He'll protect you the same way he protected his other friends: Paul Manafort and Michael Cohen. They both get free clothes, comfy beds, and magic toilets that make wine."

Stephen Colbert: "And when Trump told Zelensky that Giuliani would also be in touch, he told the most outrageous lie of all: 'Mr. Giuliani is a highly respected man.'"

Stephen Colbert: "Now, Trump's defense has not been exactly well-organized today. This morning, a Politico reporter tweeted: 'Hmmm, the White House just sent its talking points on Ukraine to House Democrats.' But almost immediately after sending the Dems their insider communication strategy, sources say the White House just sent a follow-up to recall the email. House Democrats responded with their own email: 'LOL, sorry, no backsies. Im-peach.'"

Stephen Colbert: "The White House's talking points are about what you would expect, with claims like, 'What the President actually talked about was entirely proper.' And, 'this is just another example of the deep state, the media, and Democrats damaging our national security for political gain.' And, 'the transcript clearly shows there was no quid pro quo.' Yes, all he did was suggest no more military aid unless they investigated Biden. That's just quid pro Joe."

Stephen Colbert: [On Trump stating Pelosi is no longer Speaker of the House, as far as he is concerned] "What? Wait. What, I just-- it's that easy? Well, in that case, Donald Trump, as far as I'm concerned, unfortunately, is no longer President of the United States."

Jimmy Fallon: "The big news today, Trump released the transcript of his phone call with the President of Ukraine. ... Later in the transcript, there was a pretty damaging part where Trump talks about Biden's son. When Trump saw that part, he said, 'That can't be my transcript. It looks nothing like my handwriting.'"

Jimmy Fallon: "You can tell Trump is running out of explanations. Today, he was like, 'It's not me on the transcript, it's Alec Baldwin.'"

Jimmy Fallon: "Now a lot of Democrats have come out to show their support for the impeachment of Trump. You could tell they're onboard because Nancy Pelosi crowd-surfed her way into the office today."

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Jimmy Fallon: "A lot of people are calling the transcript a smoking gun, which explains why today Trump said, 'Okay, now I'm ready for gun control.'"

James Corden: "This morning, the White House finally released the transcript of the troubling phone call between President Trump and Ukrainian President Volodymyr Zelensky. As you know, this is the call that has Democrats formally looking into impeaching the President. Some of the transcript is a little hard to follow, because Zelensky's English isn't very good and, well, Trump's is even worse."

James Corden: "In the transcripts, Trump directly asks the Ukrainian President to, quote, 'do us a favor.' Do us a favor. A favor is when you ask your neighbor to watch your cat for the weekend, not interfere with an election, because that favor was for Ukraine to dig up dirt on Joe Biden's son. Trump is denying that this is a case of quid pro quo, but I'm pretty sure that's because Trump thinks that 'quid pro quo' is that game that they play in 'Harry Potter.'"

James Corden: "Trump supporters are saying the President didn't coerce or threaten the Ukrainian President, but according to the transcript, he did say that he was sending Rudy Giuliani over there. ... If sending him isn't a threat, I don't know what is."

Seth Meyers: "Following House Speaker Nancy Pelosi's announcement of impeachment proceedings against President Trump, Trump tweeted this morning that there is, quote, 'no President in the history of our country who has been treated so badly as I have.' Even more amazing, he tweeted it from the Abraham Lincoln Room in the John F. Kennedy Library."

Seth Meyers: "President Trump today released a transcript of the controversial phone call between him and the President of Ukraine, which seemed to include some incriminating information, and man, that is not good. It's like when someone has a face tattoo that says, 'Hail Satan.' If that's what you're showing people, what are you hiding?"

Seth Meyers: "According to the call transcript released this morning, President Trump told the President of Ukraine, quote, 'The United States has been very, very good to Ukraine. I wouldn't say that it's reciprocal, necessarily, because things are happening that are not good, but the United States has been very, very good to Ukraine.' Good Lord, Trump is the worst criminal. He's like a character from 'The Sopranos' who everyone knows is only gonna last one episode."

Seth Meyers: "Rudy Giuliani appeared on Fox News last night to respond to the launch of impeachment proceedings against President Trump and got into a heated argument with a fellow panelist before shouting at him, quote, 'Shut up, moron.' Wow. I mean, strong words from someone who literally married his second cousin. Yeah, that's how awful he is – we all forgot he married a family member. Anyone else on Earth you'd be like, 'Oh, yeah. There goes the guy who exchanged wedding vows with a relative.' But with Rudy, you're like, 'Oh, yeah.'"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Participates in a meet and greet with the United States Mission to the United Nations;
- delivers remarks at a joint fundraising committee breakfast; Press Briefing with Acting Director of U.S. Immigration and Customs Enforcement Matthew Albence.
- Vice President Pence — Delivers remarks at "USMCA: A Better Deal for American Workers."

***US Senate*:**

- Bipartisan, bicameral Members of Congress announce criminal justice legislation – Democrats Sen. Chris Van Hollen and Rep. Danny Davis and Republicans Sen. Rob Portman and David Schweikert hold press conference to announce legislation that would 'address a systematic injustice within the American Opportunity Tax Credit'

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CREW-FEC-22-0351-A-002121

Location: S-325, U.S. Capitol, East Capitol St NE & First St SE, Washington, DC; 9:30 AM

• Senate Judiciary Committee Executive Business Meeting – Executive Business Meeting, with agenda including 'S. 2132, Promoting Security and Justice for Victims of Terrorism Act of 2019' and 'S. 2511, A bill to amend title 40, United States Code, to provide the Marshal of the Supreme Court of the United States and Supreme Court Police with the authority to protect the Chief Justice of the United States, any Associate Justice of the Supreme Court, and other individuals in any location, and for other purposes', and nominations including Halil Suleyman Ozerden to be U.S. Circuit Judge for the Fifth Circuit, David Barlow to be U.S. District Judge for the District of Utah, John Fitzgerald Kness to be U.S. District Judge for the Northern District of Illinois, R. Austin Huffaker Jr. to be U.S. District Judge for the Middle District of Alabama, Lee Philip Rudofsky to be U.S. District Judge for the Eastern District of Arkansas, and Kenneth Charles Canterbury Jr. to be Bureau of Alcohol, Tobacco, Firearms, and Explosives Director

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Appropriations Committee markup hearing – Markup hearing on 'Interior, Environment, and Related Agencies Appropriations Act, 2020', 'Commerce, Justice, Science, and Related Agencies Appropriations Act, 2020', 'Homeland Security Appropriations Act, 2020', and 'Legislative Branch Appropriations Act, 2020'

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:30 AM

• Victims of Communism Memorial Foundation China Forum – Victims of Communism Memorial Foundation China Forum, discussing the nature of China, the Chinese Communist Party and key issues in U.S.-China relations, with speakers including Republican Sen. Ted Cruz, Southern California Commercial Spaceflight Initiative Founding Director Greg Autry, Hayman Capital Management Founder and CIO Kyle Bass, Hermitage Capital Management Founder and CEO Bill Browder, Joint Base San Antonio-Randolph, Texas Air Education and Training Command Commander Lt. Gen. Steven Kwast, Hong Kong politician and activist Nathan Law Kwun-chung, The Washington Post Columnist Josh Rogin, Alliance for Securing Democracy China Analyst Matt Schrader, National Intelligence University China Studies Faculty Dan Tobin, and European School of Culture and Theology, Professor Adrian Zenz * Conference at Rm 216, Hart Senate Office Bldg (10:30 AM EDT), followed by reception and dinner at The Mayflower Hotel, 1127 Connecticut Ave (5:00 PM EDT)

Location: Washington, DC

• Senate Foreign Relations subcommittee hearing on Hong Kong – East Asia, The Pacific, and International Cybersecurity Policy Subcommittee hearing on 'The Hong Kong Emergency: Securing Freedom, Autonomy, and Human Rights', with testimony from Demosisto (Hong Kong) Founding Chairman Nathan Law; and DC International Advisory CEO Stephen Yates

Location: Rm 419, Dirksen Senate Office Building, Washington, DC; 10:45 AM

• Closed Briefing: Intelligence Matters

Location: Rm 219, Hart Senate Office Building, Washington, DC; 11:00 AM

• Closed Hearing: Intelligence Matters

Location: Rm 219, Hart Senate Office Building, Washington, DC; 2:00 PM

• Association of Former Members of Congress holds memorial service – Association of Former Members of Congress holds memorial service to honor the members of the Senate and House of Representatives who died in the last year – Harris Wofford, John Dingell Jr., Walter Jones Jr., Bill Broomfield, Ralph Hall, Dick Nichols, Birch Evans Bayh, Bill Burlison, Jim Moody, Fritz Hollings, Manuel Lujan Jr., Richard Lugar, Ellen Tauscher, Thad Cochran, Jan Meyers, Joseph Tydings, Dee Huddleston, Elizabeth Patterson, James Hansen, Michael Mac Collins, Ed Pastor, and George H. W. Bush – as well as honorary member journalist Cokie Roberts, who also died recently. Dingell's widow Democratic Rep. Debbie Dingell performs a reading in her husband's honor, alongside bipartisan House of Representatives leaders Speaker Nancy Pelosi and Minority Leader Kevin McCarthy, with other readers including Republican Rep. Don Young, former Reps. Donna Edwards and Martin Frost, and former Sen. Tim Hutchinson

Location: Statuary Hall, U.S. Capitol, Washington, DC; 6:30 PM

***US House*:**

• Acting DNI Maguire testifies to House Intelligence Committee on recent whistleblower complaint against President Trump – House Permanent Select Committee on Intelligence holds hearing on a recent whistleblower complaint filed by an Intelligence Community official concerning a promise that the official claims President Donald Trump made to a foreign leader – reportedly during a phone call in which he pressured Ukrainian President Volodymyr Zelensky around eight times to work with his personal attorney Rudy Giuliani to investigate Hunter Biden, son of 2020 Democratic presidential candidate former Vice President Joe Biden, allegedly in exchange for withheld aid payments – with testimony from Acting Director of National Intelligence Joseph Maguire * IC Inspector General Michael

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Atkinson has said the complaint is credible and to be considered a matter of 'urgent concern', but DNI Maguire has refused to release it to Congress, leading Committee Chairman Adam Schiff to issue a subpoena. House Democrats have formally commenced an impeachment inquiry into President Trump

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 9:00 AM

• Bipartisan, bicameral Members of Congress announce criminal justice legislation – Democrats Sen. Chris Van Hollen and Rep. Danny Davis and Republicans Sen. Rob Portman and David Schweikert hold press conference to announce new legislation that would 'address a systematic injustice within the American Opportunity Tax Credit'

Location: S-325, U.S. Capitol, East Capitol St NE & First St SE, Washington, DC; 9:30 AM

• House Commerce subcommittee markup hearing – Environment and Climate Change Subcommittee markup hearing on legislation including 'H.R. 1603, the Alan Reinstein Ban Asbestos Now Act of 2019', 'H.R. 535, the PFAS Action Act of 2019', 'H.R. 2377, the Protect Drinking Water from PFAS Act of 2019', 'H.R. 2533, the Providing Financial Assistance for Safe Drinking Water Act', 'H.R. 2570, the PFAS User Fee Act of 2019', 'H.R. 2577, the PFAS Right-To-Know Act', 'H.R. 2591, the PFAS Waste Incineration Ban Act of 2019', 'H.R. 2596, the Protecting Communities from New PFAS Act', 'H.R. 2605, the Prevent Release of Toxics Emissions, Contamination, and Transfer Act of 2019" or the "PROTECT Act of 2019', 'H.R. 2608, the PFAS Testing Act of 2019', 'H.R. 2626, the PFAS Accountability Act of 2019', 'H.R. 2638, a bill to direct the Administrator of the Environment Protection Agency to issue guidance on minimizing the use of firefighting foam containing PFAS, and for other purposes', and 'H.R. 2699, the Nuclear Waste Policy Amendments Act of 2019'

Location: Rm 2123, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Judiciary subcommittee hearing on use of ICE detention – Immigration and Citizenship Subcommittee hearing on 'The Expansion and Troubling Use of ICE Detention', with testimony from Selene Saavedra Roman of College Station, TX; Denis Davydov of San Jose, CA; Blanche Ornella Engochan of Silver Spring, MD; National Immigrant Justice Center Director of Policy Heidi Altman; Northwest Immigrant Rights Project Executive Director Jorge Baron; Interfaith Community for Detained Immigrants Executive Director Melanie Schikore; former Immigration and Customs Enforcement Acting Director Thomas Homan; and Frederick County Sheriff Charles Jenkins

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 10:00 AM

• Hearing on 'Promoting Civility and Building a More Collaborative Congress'

Location: Rm 210, Cannon House Office Building, Washington, DC; 10:00 AM

• House Ways and Means subcommittee hearing on gun violence – Oversight Subcommittee hearing on 'The Public Health Consequences and Costs of Gun Violence', with testimony from Democratic Reps. Danny Davis, Lucy McBath, and Mike Thompson; Arizona State Rep. Jennifer Longdon; former U.S. Surgeon General / former CDC Director Dr David Satcher; University of Pennsylvania Ortner Center on Violence & Abuse Director Dr Susan Sorenson; Washington University School of Medicine Associate Professor of Surgery / Barnes-Jewish Hospital trauma surgeon Dr Laurie Punch; and Intermountain Healthcare Community Health Program Director Dr Morissa Henn

Location: Rm 1100, Longworth House Office Building, Washington, DC; 10:00 AM

• House Transportation subcommittee hearing on FAA Reauthorization Act implementation – Aviation Subcommittee hearing on 'A Work in Progress: Implementation of the FAA Reauthorization Act of 2018', with testimony from Federal Aviation Administration Deputy Administrator Daniel Elwell; Acting Under Secretary of Transportation for Policy Joel Szabat; Association of Flight Attendants President Sara Nelson; Air Line Pilots Association, International First Vice President Bob Fox; Small UAV Coalition Aviation Counsel Greg Walden; Aircraft Owners and Pilots Association President Mark Baker; National Consumers League Vice President for Public Policy, Telecommunications, and Fraud John Breyault; and Paralyzed Veterans of America National President David Zurfluh

Location: Rm 2167, Rayburn House Office Building, Washington, DC; 10:00 AM

• Parkland shooting survivor testifies to House Homeland Security subcommittee hearing on school security – Emergency Preparedness, Response, & Recovery Subcommittee hearing on 'Engaging the Community: Perspectives on School Security', with testimony from Parkland shooting survivor and March for Our Lives co-founder Lauren Hogg; New Jersey Office of Homeland Security and Preparedness Director Jared Maples; Texas State University Texas School Safety Center Director Kathy Martinez-Prather; and Safe Schools For Alex founder and CEO Max Schachter

Location: Rm 310, Cannon House Office Building, Washington, DC; 10:00 AM

• House Financial Services Committee hearing on protection from abusive debt collection – Hearing on 'Examining legislation to Protect Consumers and Small Business Owners from Abusive Debt Collection Practices', with testimony from Missouri Faith Voices Executive

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Director Rev. Dr Cassandra Gould; New York Taxi Workers Alliance Executive Director Bhairavi Desai; National Consumer Law Center Staff Attorney April Kuehnhoff; University of California-Irvine School of Law Professor Dalie Jimenez; and Brownstein Hyatt Farber Schreck shareholder Sarah Auchterlonie

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• House Science Committee hearing on extreme weather and climate change – Hearing on 'Understanding, Forecasting, and Communicating Extreme Weather in a Changing Climate', with testimony from former American Meteorological Society President Dr J. Marshall Shepherd; National Center for Atmospheric Research's Dr James Done; Columbia University Initiative on Extreme Weather and Climate Director and Chief Scientist Dr Adam Sobel; University of Oklahoma National Weather Center Director Dr Berrien Moore; and University of Washington Endowed Professor in Environmental Policy Dr Ann Bostrom

Location: Rm 2318, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• House Veterans Affairs subcommittee hearing on 'The Future of VA Scheduling' – Technology Modernization Subcommittee hearing on 'The Future of VA Scheduling: Implementing a Commercial Off the Shelf Scheduling Solution at the Department of Veterans Affairs', with testimony from Principal Deputy Assistant Secretary of Veterans Affairs for Information and Technology Dominic Cussatt; Veterans Health Administration Assistant Deputy Under Secretary for Health Access' Senior Advisor Dr Michael Davies; and Department of Veterans Affairs Assistant Inspector General for Audits and Evaluations Larry Reinkemeyer, and Office of Electronic Health Record Modernization Executive Director John Windom, Chief Medical Officer Dr Laura Kroupa, and Chief Technology and Integration Officer John Short

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 10:00 AM

• House Foreign Affairs / Natural Resources Committees joint hearing on 'U.S. Pacific insular relationships' – House Committee on Foreign Affairs and House Committee on Natural Resources joint hearing on 'Sustaining U.S. Pacific Insular Relationships', with testimony from Assistant Secretary of Defense for Indo-Pacific Security Affairs Randall Schriver; Deputy Assistant Secretary of State for Australia, New Zealand, and the Pacific Islands Sandra Oudkirk; Department of the Interior Office of Insular Affairs Director Nikolao Pula; Government Accountability Office Director of International Affairs and Trade Dr David Gootnick; Marshall Islands Ambassador to the U.S. Amb. Gerald Zackios; and Federated States of Micronesia Ambassador to the U.S. Amb. Akillino Susaia

Location: Rm 2172, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Agriculture subcommittee hearing on the National Forest System – Conservation and Forestry Subcommittee hearing on 'The National Forest System: Restoring our Forest Infrastructure', with testimony from U.S. Forest Service Associate Chief Lenise Lago

Location: Rm 1300, Longworth House Office Bldg, Washington, DC; 10:00 AM

• House Workforce subcommittee hearing on misclassification of employees – Workforce Protections Subcommittee hearing on 'Misclassification of Employees: Examining the Costs to Workers, Businesses, and the Economy', with testimony from Public Justice Center attorney Sally Dworak-Fisher; Seyfarth Shaw partner Alexander Passantino; Signatory Wall and Ceiling Contractors Alliance President Matt Townsend; Ogletree, Deakins, Nash, Smoak & Stewart shareholder Alexander Chemers; gig worker Maria Crawford; and District of Columbia Attorney General Karl Racine

Location: Rm 2175, Rayburn House Office Building, Washington, DC; 10:15 AM

• Congressional Homelessness Caucus co-chairs hold briefing – Congressional Homelessness Caucus Co-Chairs Democratic Reps. Alcee Hastings and Eddie Bernice Johnson hold a briefing focus on preserving the rights of the homeless, stopping hate crimes, ending the criminalization of being homeless, and pushing for effective housing policies that end homelessness. Panelists include National Coalition for the Homeless' Managing Director Megan Hustings and representative David Pirtle, and National Law Center on Homelessness and Poverty Director Maria Foscarinis

Location: U.S. Capitol, First St NE, Washington DC; 11:00 AM

• House Small Business Committee hearing on SBA SBIC Program – Hearing on 'SBA Management Review: Small Business Investment Company Program', with testimony from Small Business Administration Associate Administrator for Investment and Innovation Joseph Shepard; Small Business Investor Alliance President Brett Palmer; Pepperdine University Graziadio Business School Professor of Finance John Paglia; Plexus Capital CFO Ronda Penn; and Family RV CEO Walt Rodgers

Location: Rm 2360, Rayburn House Office Building, Washington, DC; 11:30 AM

• House Judiciary subcommittee hearing on community responses to gun violence – Crime, Terrorism and Homeland Security Subcommittee hearing on 'Community Responses to Gun Violence in our Cities'

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Location: Rm 2237, Rayburn House Office Building, Washington, DC; 12:00 PM

• House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 2203 – Homeland Security Improvement Act' and 'H.R. 3525 – U.S. Border Patrol Medical Screening Standards Act', plus consideration of 'H.R. 1595 – SAFE Banking Act of 2019', as amended, 'H.R. 3106 – Domestic and International Terrorism DATA Act', as amended, 'H.R. 3691 – TRANSLATE Act', 'H.R. 2589 – Unifying DHS Intelligence Enterprise Act', as amended, 'H.R. 3710 – Cybersecurity Vulnerability Remediation Act', 'H.R. 3526 – Counter Terrorist Network Act', 'H.R. 3675 – Trusted Traveler Reconsideration and Restoration Act of 2019', 'H.R. 3694 – Helping Families Fly Act of 2019', 'H.R. 3722 – Joint Task Force to Combat Opioid Trafficking Act of 2019', 'H.R. 3246 – Traveling Parents Screening Consistency Act of 2019', 'H.R. 335 – South Florida Clean Coastal Waters Act of 2019', as amended, and 'H.R. 2528 – STEM Opportunities Act of 2019' under suspension of the rules

Location: U.S. Capitol, Washington, DC; 12:00 PM

• House Dems discuss gun violence in schools with Illinois students – Democratic Rep. Lauren Underwood discusses the impact of gun violence on young people, via press conference with other speakers including Democratic Reps. Jahana Hayes, Eddie Bernice Johnson, and Mike Thompson, nurse Robin Cogan, and Illinois students Maggie Hirschauer and Mary Horn, who have raised their fears of school-based gun violence with Rep. Underwood

Location: House Triangle, Washington, DC; 12:15 PM

• House Climate Crisis Committee hearing on 'reducing industrial emissions through innovation' – Hearing on 'Solving the Climate Crisis: Reducing Industrial Emissions Through U.S. Innovation', with testimony from Carbon Capture Coalition Director Brad Crabtree; former White House Climate Change Task Force Executive Director David Gardiner; former Environmental Protection Agency Global Methane Initiative program manager Cate Hight; and MIT Concrete Sustainability Hub Executive Director Dr Jeremy Gregory

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 2:00 PM

• House Oversight subcommittee hearing on deportation of critically Ill children – Civil Rights and Civil Liberties Subcommittee hearing on 'The Administration's Decision to Deport Critically Ill Children and Their Families'

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 2:00 PM

• Oversight hearing on 'The Department of the Interior's Failure to Cooperate with Congressional Oversight Requests'

Location: Rm 1324, Longworth House Office Building, Washington, DC; 2:00 PM

• House Foreign Affairs subcommittee hearing on FY'20 budget request for nonproliferation policy – Asia, the Pacific, and Nonproliferation Subcommittee hearing on 'U.S. Nonproliferation Policy and the FY 2020 Budget', with testimony from Assistant Secretary of State for International Security and Nonproliferation Christopher Ford

Location: Rm 2172, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Workforce subcommittee hearing on making health care more affordable – Health, Employment, Labor, and Pensions Subcommittee hearing on 'Making Health Care More Affordable: Lowering Drug Prices and Increasing Transparency', with testimony from Families USA Executive Director Frederick Isasi; National Multiple Sclerosis Society Executive Vice President for Advocacy Bari Talente; Johns Hopkins Bloomberg School of Public Health Department of Health Policy and Management Assistant Scientist Dr Mariana Socal; American Action Forum Director of Health Care Policy Christopher Holt; Northwestern University Kellogg School of Management Associate Professor of Strategy Craig Garthwaite; and Patients For Affordable Drugs Now founder David Mitchell

Location: Rm 2175, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Judiciary subcommittee hearing on public right of access to courts – Courts, Intellectual Property, and the Internet Subcommittee hearing on 'The Federal Judiciary in the 21st Century: Ensuring the Public's Right of Access to the Courts', with testimony from U.S. District Judge for the Eastern District of Missouri Audrey Fleissig; U.S. District Judge for the Northern District of Georgia Richard Story; ABC News senior legal correspondent and analyst Sunny Hostin; The New Yorker staff writer Jeffrey Toobin; George Washington University Program on Extremism Deputy Director Seamus Hughes; Reuters journalists Dan Levine and Lisa Girion; and Bowman and Brooke Co-Managing Partner Jodi Munn Schebel

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 2:00 PM

• Financial Technology Task Force hearing on 'The Future of Real-Time Payments'

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 2:00 PM

• House Technology subcommittee hearing on online imposters and disinformation – Investigations and Oversight Subcommittee hearing on 'Online Imposters and Disinformation', with testimony from University of California-Berkeley Professor Dr Hany Farid; SUNY

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Albany Computer Vision and Machine Learning Lab Director Dr Siwei Lyu; and Graphika Chief Innovation Officer Camille Francois

Location: Rm 2318, Rayburn House Office Bldg, Washington, DC; 2:00 PM

• House Homeland Security subcommittee hearing on oversight of ICE detention facilities – Oversight, Management, & Accountability Subcommittee hearing on 'Oversight of ICE Detention Facilities: Is DHS Doing Enough?', with testimony from Department of Homeland Security Assistant Inspector General for Special Reviews and Evaluations Diana Shaw, and Office of Civil Rights and Civil Liberties Deputy Officer for Programs and Compliance Peter Mina; The Nakamoto Group President Jenni Nakamoto; and Immigration and Customs Enforcement Assistant Director of Custody Management, Enforcement and Removal Operations Tae Johnson

Location: Rm 310, Cannon House Office Building, Washington, DC; 2:00 PM

• House Appropriations subcommittee hearing on IRS oversight – Financial Services and General Government Subcommittee hearing on 'IRS Oversight: Treasury Inspector General for Tax Administration', with testimony from Department of the Treasury Inspector General for Tax Administration J. Russell George

Location: Rm 2358-A, Rayburn House Office Building, Washington, DC; 3:00 PM

• Association of Former Members of Congress holds memorial service – Association of Former Members of Congress holds memorial service to honor the members of the Senate and House of Representatives who died in the last year – Harris Wofford, John Dingell Jr., Walter Jones Jr., Bill Broomfield, Ralph Hall, Dick Nichols, Birch Evans Bayh, Bill Burlison, Jim Moody, Fritz Hollings, Manuel Lujan Jr., Richard Lugar, Ellen Tauscher, Thad Cochran, Jan Meyers, Joseph Tydings, Dee Huddleston, Elizabeth Patterson, James Hansen, Michael Mac Collins, Ed Pastor, and George H. W. Bush – as well as honorary member journalist Cokie Roberts, who also died recently. Dingell's widow Democratic Rep. Debbie Dingell performs a reading in her husband's honor, alongside bipartisan House of Representatives leaders Speaker Nancy Pelosi and Minority Leader Kevin McCarthy, with other readers including Republican Rep. Don Young, former Reps. Donna Edwards and Martin Frost, and former Sen. Tim Hutchinson

Location: Statuary Hall, U.S. Capitol, Washington, DC; 6:30 PM

Cabinet Officers:

• Secretary of State Pompeo in New York – Secretary of State Mike Pompeo in New York, participating in a 'Quad Ministerial' with leaders from Australia, India, and Japan (8:30 AM EDT, closed press) and delivering opening remarks at an event hosted by the State Department Energy Resources Governance Initiative (10:00 AM EDT), both at the Lotte New York Palace, attending a 'P5 Ministerial Lunch' hosted by the Chinese Govt at the Chinese Mission to the United Nations (1:00 PM EDT), and attending a meeting on Syria hosted by the UK Govt at the UK Mission to the United Nations (4:45 PM EDT)

Location: New York, NY; 8:30 AM

• Acting DNI Maguire testifies to House Intelligence Committee on recent whistleblower complaint against President Trump – House Permanent Select Committee on Intelligence holds hearing on a recent whistleblower complaint filed by an Intelligence Community official concerning a promise that the official claims President Donald Trump made to a foreign leader – reportedly during a phone call in which he pressured Ukrainian President Volodymyr Zelensky around eight times to work with his personal attorney Rudy Giuliani to investigate Hunter Biden, son of 2020 Democratic presidential candidate former Vice President Joe Biden, allegedly in exchange for withheld aid payments – with testimony from Acting Director of National Intelligence Joseph Maguire * IC Inspector General Michael Atkinson has said the complaint is credible and to be considered a matter of 'urgent concern', but DNI Maguire has refused to release it to Congress, leading Committee Chairman Adam Schiff to issue a subpoena. House Democrats have formally commenced an impeachment inquiry into President Trump

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 9:00 AM

Visitors:

• Secretary of State Pompeo in New York – Secretary of State Mike Pompeo in New York, participating in a 'Quad Ministerial' with leaders from Australia, India, and Japan (8:30 AM EDT, closed press) and delivering opening remarks at an event hosted by the State Department Energy Resources Governance Initiative (10:00 AM EDT), both at the Lotte New York Palace, attending a 'P5 Ministerial Lunch' hosted by the Chinese Govt at the Chinese Mission to the United Nations (1:00 PM EDT), and attending a meeting on Syria hosted by the UK Govt at the UK Mission to the United Nations (4:45 PM EDT)

Location: New York, NY; 8:30 AM

This Town:

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• The Atlantic Festival concludes – The Atlantic Festival concludes, hosted by The Atlantic in partnership with the Aspen Institute, commences, with events taking place across Washington, DC. 'Leaders from politics and govt to business and culture' convene to 'tackle the issues confronting the country and the world, including politics and policy, economics and trade, race and justice, education, global affairs, technology and beyond'. Final day speakers include Democratic Rep. Cheri Bustos; Republican Rep. Steve Chabot; former Secretary of Defense Gen. (Ret.) James Mattis; NBA Commissioner Adam Silver; National Basketball Players Association Executive Director Michele Roberts; Questlove; National Association of County and City Health Officials CEO Lori Tremmel Freeman; Aetna Foundation President Garth Graham; Cook County State's Attorney Kimberly Foxx; Rappler Executive Editor and CEO Maria Ressa; Monumental Sports and Entertainment CEO Ted Leonsis; U.S. Black Chamber Founder and CEO Ron Busby; and Impossible Foods CEO and Founder Patrick Brown

Location: Washington, DC; 7:00 AM

• National Clean Energy Week Policy Makers Symposium – National Clean Energy Week Policy Makers Symposium. Speakers include Republicans Sen. Lisa Murkowski and Reps. Garret Graves and Matt Gaetz and Democrats Sen. Tammy Duckworth and Reps. Scott Peters and Paul Tonko

Location: National Press Club, 529 14th St NW, Washington, DC; 9:00 AM

• Estonian Embassy hosts forum on election security at GW – Auburn University, Center for Internet Security, and the Estonian Embassy co-host 'Securing Elections – Global Lessons Learned' forum to discuss 'risks, vulnerabilities, best practices and what needs to be done to secure elections worldwide'. Speakers include U.S. Cybersecurity, Cybersecurity and Infrastructure Security Agency Assistant Director Jeanette Manfra, Estonian Ambassador to the U.S. Amb. Jonatan Vseviov, former Department of Homeland Security Secretary Michael Chertoff, former Estonian President Toomas Hendrik Ilves, acting Pennsylvania Secretary Kathy Boockvar, Estonian Chief National Cyber Risk Officer Liisa Past, and Center for Internet Security President and CEO John Gilligan

Location: Elliott School of International Affairs, 1957 E St NW, Washington, DC; 9:30 AM

• SAIS discussion on ocean geopolitics – 'Blue Boundaries: The Geopolitics of the Ocean Economy' SAIS event, to discuss 'the vast potential to extract minerals in the seabed and produce more food, transport and energy from the sea'. Speakers include U.N. Global Compact Ocean Special Advisor Sturla Henriksen, NUPI Director Ulf Sverdrup, and Stimson Center Environmental Security Program Director Sally Yozell

Location: SAIS, 1740 Massachusetts Avenue Northwest, Washington, DC; 9:30 AM

• Victims of Communism Memorial Foundation China Forum – Victims of Communism Memorial Foundation China Forum, discussing the nature of China, the Chinese Communist Party and key issues in U.S.-China relations, with speakers including Republican Sen. Ted Cruz, Southern California Commercial Spaceflight Initiative Founding Director Greg Autry, Hayman Capital Management Founder and CIO Kyle Bass, Hermitage Capital Management Founder and CEO Bill Browder, Joint Base San Antonio-Randolph, Texas Air Education and Training Command Commander Lt. Gen. Steven Kwast, Hong Kong politician and activist Nathan Law Kwun-chung, The Washington Post Columnist Josh Rogin, Alliance for Securing Democracy China Analyst Matt Schrader, National Intelligence University China Studies Faculty Dan Tobin, and European School of Culture and Theology, Professor Adrian Zenz * Conference at Rm 216, Hart Senate Office Bldg (10:30 AM EDT), followed by reception and dinner at The Mayflower Hotel, 1127 Connecticut Ave (5:00 PM EDT)

Location: Washington, DC; 10:30 AM

• CIS hosts USCIS acting director at the NPC – Center for Immigration Studies hosts U.S. Citizenship and Immigration Services Acting Director Ken Cuccinelli for a discussion focusing on public charge, work permits, processing of asylum claims, backlogs, fees, fraud, and E-Verify

Location: National Press Club, 529 14th St NW, Washington, DC; 1:00 PM

• House Dems hold press conference following immigration detention hearing – Democratic Reps. Pramila Jayapal, Adam Smith, Joaquin Castro, Yvette Clark, Joe Neguse, and Judy Chu hold press conference following House Committee on the Judiciary Oversight, Management, & Accountability Subcommittee hearing on 'Oversight of ICE Detention Facilities: Is DHS Doing Enough?', to discuss 'H.R. 2415, the Dignity for Detained Immigrants Act' – legislation that would 'ensure justice and due process in the immigration detention system'

Location: House Triangle, Washington, DC; 1:15 PM

• Department of Labor Hall of Honor induction ceremony – Department of Labor inducts former Sen. Robert Griffin and former National Labor Relations Board member Howard Jenkins Jr. into its Hall of Honor, for their work on the Labor-Management Reporting and Disclosure Act of 1959

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Location: Department of Labor, Washington, DC; 2:00 PM

• Syria Study Group releases final report at USIP – Syria Study Group releases final report at the U.S. Institute of Peace, following months of consultations by the bipartisan study group across a broad range of stakeholders and experts, as well as travel to the region, in order to examine the current state of the conflict and make recommendations on the military and diplomatic strategy of the U.S. going forward. Includes keynote from Democratic Sen. Jeanne Shaheen

Location: United States Institute of Peace, 2301 Constitution Ave NW, Washington, DC; 2:30 PM

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To: Treasury@BulletinIntelligence.com[Treasury@BulletinIntelligence.com]
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Sent: Thur 9/19/2019 9:57:46 AM (UTC)
Subject: [EXTERNAL] Treasury News Briefing for Thursday, September 19, 2019

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TO: THE SECRETARY AND SENIOR STAFF
DATE: THURSDAY, SEPTEMBER 19, 2019 6:00 AM EDT

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• Trump: Polls Show "Very Little Support" For Impeachment.
• Media Reports: Lewandowski Hearing Was "A Big Letdown For Democrats."
• Horowitz Says He Referred Comey For Criminal Prosecution.
• Graham: Someone Should Go To Jail For Lying To FISA Court.
• Acting DNI Defies Congressional Subpoena Over Whistleblower Complaint.
• WPost Analysis: Democrats Now Wary Of Wading Into Kavanaugh Controversy.
• Sen. Kennedy Unsure If He Will Support Appeals Court Nominee Menashi.
• House To Hold First Hearing On DC Statehood In More Than 25 Years.
• Omar Blasts Trump For Retweeting Claim That She Danced On 9/11 Anniversary.
• NYTimes Profile: Ocasio-Cortez Has Become More Cautious.
• Trenton Council President's Anti-Semitic Slur Draws Backlash.
• Obama Says Presidents Should Avoid TV, Social Media When Making Decisions.
• WPost A1: Compromise Emerges On Wild Horse Management.
• Sharpton Bungles Tweet Tribute To Roberts.
• Sabato's Crystal Ball Gives 248 Electoral Votes To Each Party, With Three States Toss-Ups.
• Economist/YouGov Poll: Trump 86%; Weld 5%; Sanford 2%; Walsh 1%.
• NYTimes Highlights Pro-Trump Latinos Who Turned Out At New Mexico Rally.
• Fox News Poll: Biden 29%; Sanders 18%; Warren 16%; Harris 7%; Buttigieg 5%.
• Armstrong Williams: Biden Told Thomas He Didn't Believe Anita Hill's Accusations.
• After 2016 Trouncing In South Carolina, Sanders Hoping For Better Showing Next Year.

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• Politico: Slumping Harris Adopting "Iowa-Or-Bust Strategy."
• Rove: Democrats Won't Win Moderate Votes With Vicious Assaults On Trump.
• Sources Say Kennedy To Announce Primary Challenge To Markey On Saturday.
• Milbank: Trump Constantly Denying Things He Has Said Shows His Word Can't Be Trusted.
• Loyola: Threat To Pack Supreme Court Could Influence Justices' Decisions.
• WPost: More Information Should Be Released About Response To DC Fire That Led To Two Deaths.
• RCP Average Has Trump's Job Approval At 44.1%.

Financial International News

• Number Of Investment Bank Jobs Leaving London Still Smaller Than Expected.
• Sources: Italy Cutting 2019, 2020 GDP Growth Forecasts.
• BOJ Keeps Monetary Policy On Hold.
• ECB Considers Investigating Deutsche Bank Over Alleged Unauthorized Bond Purchases.
• FT Supports Bank Of England Holding Rates.
• Brazil's Central Bank Cuts Benchmark Rate To Record Low.
• Latvian Financial Watchdog Fines PrivatBank Over Money-laundering Controls.

Leading International News

• After Israeli Elections, Trump Seems To Distance Himself From Netanyahu.
• Trump To Appear With India's Modi At US Rally.
• Congress To Vote On Bill Backing Hong Kong Activists.
• American Airlines Mechanic Caught Sabotaging Plane May Have Ties To ISIS.
• Lawmakers Skeptical Of Administration Efforts To Renew Spy Program.
• Facebook Still Auto-Generating Pages Promoting Extremist Groups.
• UN Security Council To Vote On Call For Idlib Truce.
• Khalilzad To Provide Classified Briefing To House Panel.
• Trudeau Apologizes For Wearing Brownface After Photo Surfaces.

Housing

• HUD Official Reprimanded For Hatch Act Violations.
• Freddie Mac Announces Its CRT Programs Have Transferred Over $50B In Credit Risk.
• Freddie Mac Launches Online Mortgage Insights Platform For Lenders.
• FHFA Ends GSE MSR Financing Pilot.
• Freddie Mac's Loan Product Advisor Includes AIM For Direct Deposit With Paystub.
• JPM And Citigroup Say That Deutsche Bank's Help Still Does Not Link Them To GSE Bond-Rigging.
• First American: Existing-Home Sales Exceeded Market Potential In August.
• Future Of GSEs A Highlight Of NAR Housing Opportunity Working Group Meeting.
• MBA: Last Week, Mortgage Applications Fell As Mortgage Rates Moved Higher.
• Ellie Mae: Refis Surged In August Thanks To Lower Rates.
• Commerce: August Homebuilding Activity Surged At Fastest Pace In A Dozen Years.
• Analysis: Mortgage Investors Need Not Worry About A Housing Supply Surge.
• Opinion: Blockchain Mortgages Can Mitigate Imminent Economic Downturn.
• Opinion: "Self-Service Mortgage Products" Can Enhance Borrowers' Experience And Boost Lenders' Profits.

Markets

• Treasury Yields Lower Following Fed Rate Cut.
• Stocks Finish Mixed.
• Dollar Rises.
• Gold Prices Little Changed On Thursday.
• Oil Prices Edge Up.

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• Senate Fails To Advance Spending Package In Test Vote.

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• Senators Introduce Legislation To Curb Foreign Interference In US Elections.
• DNC Chair Warns Of Potential Interference In 2020 Election.
• CISA Head Urges Cybersecurity Community To "Stop Selling Fear."
• Hauwei Suspended From Membership In Global Forum Aimed At Combating Cyber Breaches.

Financial Reform

• US Bankers See Opportunity To Pressure Fed On Liquidity Rules.

TFI/Sanctions

• UK Bank Pays $4M Over Allegations Of US Sanctions Violations.

Federal Reserve

• Despite Rate Cut, Trump Slams Fed Again.

Financial Regulatory Agencies

• CFPB To Continue Publishing Complaints Database.
• CFPB Ramps Under Enforcement Actions.
• Trade Groups, Regulators Submit Comments On CFPB's Proposed Debt Collection Rule.

Office of the Comptroller of the Currency

• Challenger Banks Poised To Begin Making Loans.
• SEC Joins Other Regulators In Approving Volcker Rule Changes.
• Continuing Coverage: FDIC, OCC Approve Proposal To Ease Swap Margin Requirements.
• Continuing Coverage: CFPB Investigating BofA For Possible Unauthorized Accounts Dating Back To 2014.

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• New CBA Chair Will Prioritize Student Loan Disclosures.
Bureau of Engraving and Printing
• Research Shows Money Is Covered With Hidden Bacteria.
Editorial Wrap-Up
• New York Times.
• Washington Post.
• Wall Street Journal.
The Big Picture
• Headlines From Today's Front Pages.
Last Laughs
• Late Night Political Humor.
Washington's Schedule
• Today's Events In Washington.
Treasury in the News

Trump Boosts Sanctions On Iran As Pompeo Calls Saudi Bombing "An Act Of War."

President Trump tweeted Wednesday morning, "I have just instructed the Secretary of the Treasury to substantially increase Sanctions on the country of Iran!"

Reuters (9/18, Mason, Kalin) reports Trump said there are "many options short of war with Iran after U.S. ally Saudi Arabia displayed remnants of drones and missiles it said were used in a crippling attack on its oil sites that was 'unquestionably sponsored' by Tehran." CNBC (9/18, Macias, Pramuk, 3.62M) reports "it was not immediately clear what steps the president directed Treasury Secretary Steven Mnuchin to take. Asked about the sanctions later Wednesday during stops in California, the president told reporters he would announce details over the next 48 hours." The Washington Post (9/18, Wagner, 14.2M) similarly says, "It was not immediately clear what the increase in sanctions might entail."

Politico (9/18, Forgey, 4.29M) reports the additional sanctions are "the administration's first official, public response to the weekend drone strike...which Trump had shown reluctance to blame squarely on Tehran."

The Wall Street Journal (9/18, Talley, Salama, Subscription Publication, 7.57M) says Treasury's options include exposing the covert Iranian networks that have enabled the country to continue selling oil on the black market, as well as those buying and transporting it. With officials and analysts saying China and Syria are the primary destinations for the oil, companies and people involved could be potential targets of Treasury's next package of sanctions. The Journal goes on to detail other options for the Administration to ramp up pressure on Iran.

CNBC (9/18, Macias, Pramuk, 3.62M) reports "Russia's Foreign Ministry slammed" the decision. Russia called the sanctions "destructive" and added that they "will not solve anything." Also covering Trump's tweet are The Hill (9/18, Samuels, Chalfant, 2.98M), USA Today (9/18, Jackson, Shesgreen, Brook, 10.31M), The Los Angeles Times (9/18, 4.64M), NBC News (9/18, 6.14M), National Review (9/18, 731K), The Financial Times (9/18, Politi, Sevastopulo, Omran, Subscription Publication, 1.34M), The New York Post (9/18, Moore, 4.57M), Bloomberg (9/18, 4.73M), Fox News (9/18, Chakraborty, 27.59M), MarketWatch (9/18, Schroeder, 1.67M), and Law360 (9/18, Subscription Publication, 8K).

In the lead story on the CBS Evening News (9/18, lead story, 2:49, 4.12M), Norah O'Donnell reported Secretary of State Mike Pompeo called the attack on Saudi oil facilities "an act of war" Wednesday. O'Donnell reported US officials say "they know who approved the attack and where it was launched from. The Saudis presented evidence they say proves Iran did it. President Trump vowed to hit Iran with even tougher economic sanctions, but stopped short of approving a military response."

On NBC Nightly News (9/18, story 2, 1:44, 5.99M), Lester Holt reported on "new fallout after the attack on those Saudi oil fields. [Pompeo] calling it 'an act of war' by Iran, and Saudi Arabia showcasing what it says is the evidence." NBC's Andrea Mitchell: "Saudi Arabia [is] showing the world what it says is evidence Iran launched the attacks on the Saudi oil fields. ... Trump's response today: More economic sanctions against Iran, but not military action." Trump: "There are options a lot less than that, and we'll see. We're in a very powerful position. Right now, we're in a very, very powerful position." Mitchell: "But sanctions alone are not tough enough for the President's top Senate ally." Sen. Lindsey Graham (R-SC): "If they don't pay a price for bombing a neighbor's oil field, then all hell is going to break out in the Mideast." The Hill (9/18, Samuels, Chalfant, 2.98M) reports Trump responded to Graham's criticism, saying, "Ask Lindsey how did going into the Middle East, how did that work out? And how did going into Iraq work out? So, we have a disagreement on that. And we have plenty of time to do some dastardly things." The Hill (9/18, Carney, 2.98M) and The New York Post (9/18, Fredericks, 4.57M) also report.

On ABC World News Tonight (9/18, story 4, 2:39, Muir, 6.69M), Cecilia Vega reported, "With tensions rising after that attack on key Saudi oil facilities, today President Trump announced he was slapping stiff new sanctions on Iran, but stopped short of a military response. ... Trump has wavered. First, threatening that the United States is 'locked and loaded,' then taking a softer tone." Trump: "I don't want war with anybody. I'm somebody that would like to not have war."

Margaret Brennan said on the CBS Evening News (9/18, story 2, 1:31, O'Donnell, 4.12M), "Because the President's red line was not crossed – there were no American lives lost here – he hasn't necessarily boxed himself in to military action. Frankly, the diplomats are still trying to figure out what comes next, and they're just buying time. We do know the Trump Administration right now is looking at blocking some Iranian officials from visiting the UN in New York next week. They're also considering some additional sanctions here. But the major focus is

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on building an airtight case to make to the public that it was Iran behind this attack."

CQ Roll Call (9/18, Bennett, 154K) says Trump "vaguely suggest[ed] Iran attacked the oil facilities" without "feeling ready to say it in his characteristic blunt manner."

The Washington Post (9/18, Wagner, Fahim, Schemm, 14.2M) reports Pompeo went further in remarks en route to Saudi Arabia in which he "decried the weekend attacks on the Saudi oil industry as an 'act of war.'" Pompeo said, "This was an Iranian attack. ... It didn't come from the Houthis." After his arrival, Pompeo "met with Crown Prince Mohammed bin Salman for 40 minutes." According to the Post, Trump "demurred when asked whether he agreed with Pompeo that the attacks in Saudi Arabia constituted an act of war. 'He spoke to me a little while ago, and we'll have an announcement,' Trump said." The New York Times (9/18, Pérez-Peña, Wong, 18.61M) says Pompeo's words "were the strongest so far from any American official regarding the attack on Saturday," and "raised fears that tensions between Iran and the United States over Iran's nuclear program and other issues could escalate into a new war."

Pompeo tweeted, "Met with #Saudi Crown Prince Mohammed bin Salman today to discuss the unprecedented attacks against Saudi Arabia's oil infrastructure. The U.S. stands with #SaudiArabia and supports its right to defend itself. The Iranian regime's threatening behavior will not be tolerated."

The AP (9/18, Gambrell, Batrawy, Abuelgasim) reports Saudi military spokesman Col. Turki al-Malki said the attack on Saturday was "launched from the north and was unquestionably sponsored by Iran." Al-Maliki said, "This attack did not originate from Yemen, despite Iran's best effort to make it appear so." However, the AP says al-Malki "stopped short of accusing Iran of actually firing the weapons itself or launching them from Iranian territory." According to Bloomberg (9/18, 4.73M), "The Saudi defense official's comments, and moves by the U.S., suggested the two allies were also working to deescalate tensions in the region." The Wall Street Journal (9/18, Jones, Arabia, Malsin, Said, Subscription Publication, 7.57M) headlines its report "Saudi Arabia Implicates Iran In Oil Attacks."

Senate Foreign Relations Committee ranking member Sen. Robert Menendez (D-NJ) said on CNN's Situation Room (9/18, 769K), "There are a series of reports that suggest that Iran was involved in the attack. But I don't have any specific information, because we haven't had any briefings. ... It seems to me that if the published reports are that, in fact, Iran was either at the center of the creating the attack or even may have been launched from its territory, that this is a moment to galvanize the world, to bring the information, to show the proof at the UN Security Council, to get a Security Council resolution."

Sen. Chris Murphy (D-CT) said on CNN's The Lead (9/18, 706K), "This idea that the Administration has that we have some secret defense treaty with Saudi Arabia, I think is really dangerous. Ultimately, this was not an attack on the United States. This was an attack on Saudi oil assets, and this Administration is acting as if we are the security guarantor for all of our friends and allies in the Middle East. That is never how we have conducted our business, in part because we know that when the United States gets military involved in the Middle East, more things go wrong than go right."

Rep. Adam Kinzinger (R-IL) said on CNN's Situation Room (9/18, 769K), "I hope there is some kind of a response. There's any number of proportional responses that will work. But what's obvious here, all you have to do is look through the beginning of – basically since 1979 to today, but especially recently – Iran is going to keep doing things like this. It's like a bully. You know, they'll flick your ear until you punch them. And that's where we're at right now."

Rep. Chip Roy (R-TX) tweeted, "We must have a clear mission. As tensions mount with Iran, as we have a 20,000 person footprint in the Middle East now, we owe it to our men & women in uniform to know what we are doing and under what authority."

Rep. Jennifer Wexton (D-VA) tweeted, "The Saudi Government murders political dissidents and, according to the UN, has engaged in war crimes against civilians and children in Yemen." She included video of what she called "@SecPompeo laughing with their Crown Prince, who ordered the murder and dismemberment of WaPo journalist, Jamal Khashoggi."

The Wall Street Journal (9/18, Subscription Publication, 7.57M) says in an editorial that Trump's sanctions are unlikely to alter Tehran's future actions, as Trump has indicated he is reluctant to go further. Max Boot of the Washington Post tweeted, "Iran is practically daring Trump to retaliate – but having goaded Iran into the latest aggression, he is incapable of formulating an effective response. And how can he? Trump doesn't listen to his own aides and gets rid of those who disagree with him." The Washington Times (9/18, Wolfgang, 492K) also covers the Administration response.

Houthis Threaten UAE. Reuters (9/18) reports Houthi militants warned that they have "identified dozens of sites in the United Arab Emirates as possible targets, in an attempt to underscore its military clout following a weekend attack it claims to have carried out on Saudi oil facilities." Spokesman Yahya Saria said, "Today and for the first time we announce that we have dozens of targets within our range in the UAE, some are in Abu Dhabi and can be attacked at any time."

Markey, Merkley Urge Administration To Halt Nuclear Technology Talks With Saudis. Reuters (9/18, Gardner) reports Senate Foreign Relations Committee members Sens. Edward Markey (D-MA) and Jeff Merkley (D-OR) sent a letter to Pompeo and Energy Secretary Perry Wednesday urging a halt to "talks with Saudi Arabia on building nuclear reactors after weekend attacks that halved the country's oil output and increased instability in the Middle East." They wrote, "Sharing nuclear technology with Saudi Arabia, especially without adequate safeguards, will give Riyadh the tools it needs to turn the Crown Prince's nuclear weapons vision into reality."

Badran, Schanzer: US Should Recognize Lebanon As Iranian Client State. In the Wall Street Journal (9/18, Subscription Publication, 7.57M), Tony Badran and Jonathan Schanzer of the Foundation for Defense of Democracies say the US must stop treating Lebanon as a friend, since it is dominated by Hezbollah and acts as an Iranian client state. They urge the Trump Administration to acknowledge it as such. The two note that earlier this summer, the Treasury Department imposed sanctions on Lebanon's Jammal Trust

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Bank for facilitating Hezbollah transactions.

Senate Approves Treasury Nominations.

The Hill (9/18, Jagoda, 2.98M) reports, "The Senate on Wednesday voted to confirm two Treasury Department nominees whom Democrats have criticized for their roles in controversial department actions – including the refusal to comply with House Democrats' requests for President Trump's tax returns." The Senate "confirmed Brent McIntosh to be Treasury under secretary for international affairs by a vote of 54-38 and Brian Callanan to be Treasury general counsel by a vote of 55-39, both largely along party lines." McIntosh "is the current general counsel at Treasury," and Callanan "is currently deputy general counsel." Law360 (9/18, Subscription Publication, 8K) also reports.

Trump Appoints O'Brien As New National Security Adviser.

President Trump took to Twitter yesterday to announce, "I am pleased to announce that I will name Robert C. O'Brien, currently serving as the very successful Special Presidential Envoy for Hostage Affairs at the State Department, as our new National Security Advisor. I have worked long & hard with Robert. He will do a great job!" The AP (9/18, Riechmann, Superville) reports O'Brien, "who made headlines in July when he was dispatched to Sweden to monitor the assault trial of American rapper A$AP Rocky, was among five candidates Trump said Tuesday were under consideration. 'He's worked with me for quite awhile now on hostages and we have a tremendous track record on hostages,' Trump said...on a tarmac in Los Angeles."

To Reuters (9/18, Holland, Landay, Spetalnick), O'Brien's selection demonstrates Secretary of State Pompeo's "clout with the president, with US officials saying Pompeo had made clear he would be happy with either O'Brien or another candidate, former deputy national security adviser Ricky Waddell." According to Reuters, "A source close to the White House said Trump wanted to pick a new adviser who would be able to get along well with Pompeo after the secretary of state sometimes struggled with Bolton. O'Brien, the source said, 'is a low-profile, articulate negotiator who has a strong relationship with Pompeo.'"

CNN (9/18, Liptak, Cohen, Diamond, 83.16M) reports on its website, "Introducing O'Brien to reporters on the tarmac of Los Angeles International Airport, Trump hailed his 'tremendous track record' securing the release of hostages and said 'we know each other well,' adding 'Robert's been fantastic' as a hostage negotiator and that the US hasn't spent any money to secure the hostages' release." O'Brien also "complimented Trump in brief remarks while standing alongside the President," saying, "We've had tremendous foreign policy successes under President Trump's leadership. I expect those to continue." Trump, added CNN, is "known to respond well to flattery," and "has recounted praise from O'Brien in tweets and in conversations, suggesting that the new national security adviser also knows how to handle the President and his mercurial moods."

The Hill (9/18, Samuels, 2.98M) reports O'Brien also said, "We have a number of challenges, but there's a great team in place with Secretary Pompeo and Secretary Esper and Secretary Mnuchin and others. I look forward to working with them and working with the president to keep America safe and continue to rebuild our military and really get us back to a peace through strength posture."

The New York Times (9/18, Baker, Crowley, Haberman, 18.61M) reports, moreover, that "whereas Mr. Trump was known to grouse about Mr. Bolton's famous bushy mustache, the president has been taken with Mr. O'Brien's well-tailored looks and easy demeanor, and thinks he 'looks the part,' as one person close to the president said."

USA Today (9/18, Subramanian, 10.31M) reports "the high-profile release of ASAP Rocky is not O'Brien's only success." O'Brien "has helped to extricate Americans from countries like Turkey and Iran." He "played a key role in the release of Danny Burch, an American who was held in Yemen, earlier this year," and "is also credited for the 2018 release of Andrew Brunson, an American pastor who was imprisoned in Turkey for two years and accused of plotting to overthrow President Recep Tayyip Erdogan's government."

Along those lines, the Washington Post (9/18, Ryan, Harris, Hudson, 14.2M) reports that "in his 15 months as...Trump's special envoy for hostage affairs," O'Brien "forged a relationship with the president as he worked to secure the freedom of Americans locked up abroad," and "in turn, O'Brien helped Trump accrue a record of hostage successes that the president has mentioned as proof of his international savvy." The Post adds that "people close to some of the hostages freed and their families say they believe his appointment might bring more attention to their plight."

The Washington Post (9/18, Wagner, Hudson, 14.2M) also reports that one anonymous "senior US official" says that within the Administration, O'Brien "was viewed as the 'safest option' at a time when the national security team wanted as little 'drama' as possible going into the 2020 elections." The senior official is quoted as saying, "He gets along with everybody. He's the nicest guy on the planet."

As part of its reporting on Iran, ABC World News Tonight (9/18, story 4, 2:39, Muir, 6.69M) mentioned that Trump "stood with his fourth National Security Adviser, former top State Department hostage negotiator...O'Brien." NBC Nightly News (9/18, story 3, 1:01, Welker, 5.99M), in a piece about Bolton criticizing Trump's foreign policy, also mentioned O'Brien's appointment. The Los Angeles Times (9/18, Megerian, Bulos, 4.64M) describes Trump as "thrusting the Los Angeles lawyer into the maelstrom of US confrontations with Iran, North Korea, China and other global hotspots." The Times adds that "in addition to those challenges, O'Brien will work for a mercurial president who has already pushed out three national security advisers and often surprises his top staff, setting foreign policy priorities or abruptly issuing orders by tweet." The Daily Beast (9/18, Messer, 1.39M), CQ Roll Call (9/18, Bennett, 154K), the New York Daily News (9/18, Goldiner, 2.52M), The Los Angeles Times (9/18, Megerian, Bulos, 4.64M), NPR (9/18, Naylor, 3.12M) and the Wall Street Journal (9/18, Salama, Subscription Publication, 7.57M), among other news outlets, also report on O'Brien's appointment.

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NYTimes, Politico Analyses: O'Brien's Views Not All That Different From Bolton's. The New York Times (9/18, Baker,

18.61M) says "it is not clear how different [O'Brien's] advice will be" from that of Bolton, "given that Mr. O'Brien previously worked for Mr. Bolton and has cited his hawkish views." The Times adds O'Brien is "a founding partner of the Los Angeles-based law firm Larson O'Brien," and "has written regularly about foreign policy," including "a book, 'While America Slept,' published in 2016 during the last presidential campaign with a cover blurb from Mr. Bolton." According to the Times, "In that book, Mr. O'Brien warned of the dangers that major powers like Russia and China pose and argued against 'appeasement and retreat' as he excoriated President Barack Obama." The Times also reports that O'Brien "compared Mr. Obama's nuclear agreement with Iran to the Munich Agreement that emboldened Adolf Hitler in 1938."

Under the headline "Trump's New National Security Adviser Is The Anti-Bolton In Style Only," Politico (9/18, Bertrand, Lippman, Oprysko, 4.29M) says O'Brien "represents a stylistic – but not necessarily an ideological – shift from the man he is replacing." According to Politico, "People who have worked with and are close to O'Brien describe him as similarly aggressive as his predecessor on issues like Iran, but more of a congenial colleague than Bolton, who was known as a sharp bureaucratic infighter. And unlike Bolton, O'Brien, a career lawyer before working in government, is not a big name in the intelligence and national security world, indicating he will likely bring a much lower profile to the job."

Stevenson: Pompeo "The Ed McMahon Of American Foreign Policy." Jonathan Stevenson, who served on the National Security Council staff from 2011 to 2013, writes in the New York Times (9/18, 18.61M) that in O'Brien, Trump "seems to have found a compliant, behind-the-scenes worker bee better suited to Mr. Trump's domineering temperament. His appointment may signal the death knell of any hope to check the president's worst foreign-policy impulses." To Stevenson, "O'Brien's appointment is likely to mean that [Pompeo] will continue to be the president's chief foreign policy adviser, a role he usurped from Mr. Bolton. Unfortunately, Secretary Pompeo has succeeded precisely because he seems to have few if any principles that he won't suppress for the sake of holding and wielding executive power." Stevenson further calls Pompeo "the Ed McMahon of American foreign policy," as "he is smart enough to be in on the Trump joke" and "doesn't care that it's not funny and laughs anyway."

Romney Praises His "Friend" O'Brien's Appointment. Sen. Mitt Romney (R-UT), who had lamented Bolton's departure on Twitter, yesterday wrote, "Congratulations to my friend Robert O'Brien, who the President has appointed to serve as National Security Advisor. As the Special Presidential Envoy for Hostage Affairs, he has doggedly pursued the release of American hostages abroad. He is a man of the highest integrity." The Washington Post (9/18, Wagner, Hudson, 14.2M) points out that O'Brien "will become the highest-ranking Mormon in the US government," after having "converted from Catholicism in his 20s."

In 2015 Opinion Piece, O'Brien Urged Cruz To Attack Trump For Being "Chummy" With Putin. The Washington Examiner (9/18, Gehrke, 448K) reports that O'Brien "suggested during the 2016 Republican primary campaign that Texas Sen. Ted Cruz attack then-candidate...Trump's attitude toward Russian President Vladimir Putin." In his 2015 piece in Politico Magazine, O'Brien wrote, "Cruz will need to abandon his 'kid glove' treatment of Trump. ... He certainly has an opening to do so on national security versus Trump, who has been playing up how chummy he will be with Vladimir Putin if he is elected."

Senate Panel Expected To Clash Over Several Diplomatic And Development Nominees.

The Washington Post (9/18, Demirjian, 14.2M) reports, "Members of the Senate Foreign Relations Committee are expected to clash Thursday over at least three of President Trump's nominees to diplomatic and development posts because of questions related to their disclosure forms and FBI background checks, according to people familiar with the dispute." Democrats have raised concerns with Marshall Billingslea, "the Treasury Department's assistant secretary for terrorist financing, who has been nominated to serve as undersecretary of state for civilian security, democracy and human rights;" "former California congressman Darrell Issa (R), whom Trump picked as the next director of the U.S. Trade and Development Agency;" and "documentary producer and filmmaker Michael Pack's bid to lead the Broadcasting Board of Governors." The piece says the confirmation process for Issa, Billingslea, and Pack "was expected to face partisan hurdles. Each was nominated at least a year ago, initially, but their bids have been pending as lawmakers argue about their fitness for the positions." The Post adds that Billingslea "has been a politically polarizing figure because of the role he played running special operations in the Defense Department of the George W. Bush administration." Human Rights Watch and "several other groups have vociferously opposed his nomination over what they say is his 'well-documented history of advocating for the use of torture and other unlawful interrogation practices' while at the Pentagon." The piece says Democrats on the Senate Foreign Relations Committee "also are concerned that there may be outstanding documents pertaining to his time there that they have yet to view."

Hoyer "Hopeful" House Will Pass Funding Bill By Friday.

Reuters (9/18, Morgan, Brice) reports House Majority Leader Hoyer "said on Wednesday he hopes the House will pass a stopgap government funding bill no later than Friday." Hoyer told reporters that he and House Speaker Pelosi "want a spending bill that is as clean as possible." Hoyer said, "Once we pass the [continuing resolution], hopefully no later than Friday [and] relatively early in the day, I'm hopeful that the Senate will take it up, that we'll have agreement and that we will send it to the President, that the President will sign it."

The Hill (9/18, Carney, Elis, 2.98M) reports Eric Ueland, the White House director of legislative affairs, "declined to say if Trump would sign a short-term bill, noting that the administration had yet to see it. But he did describe the White House as 'optimistic.'" The piece says Ueland "indicated that the administration would prefer Congress pass fiscal 2020 funding bills instead of a full-year resolution — an idea previously floated by Treasury Secretary Steven Mnuchin." He said, "We're hopeful that the bills will be able to move out on the Senate floor and ultimately go to conference and emerge in a format the president can sign."

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Turkish Official Says US Unlikely To Impose Sanctions Over Russian Purchase.

Reuters (9/18, Pamuk) reports President Trump has "become more understanding about why Turkey has purchased a Russian missile defense system and he is not expected to impose U.S. sanctions on Ankara over the issue, a senior Turkish official said on Wednesday." The person told reporters in Washington, "My expectation is it (sanctions) would not be implemented...He understood the whole history behind how we got to purchasing the S-400s." The piece notes that last week, Treasury Secretary Steven Mnuchin "said the Trump administration was considering imposing sanctions related to Turkey's purchase of the S-400s but that no decisions had been made."

NYT Provides Excerpts From Mnuchin Interview.

The New York Times (9/18, 18.61M) publishes excerpts from an interview with Treasury Secretary Steven Mnuchin by DealBook's Andrew Ross Sorkin at the Times's first DealBook/DC Strategy Forum.

US, Chinese Trade Deputies Meeting In Washington Today.

Reuters (9/19, Lawder) reports US and Chinese deputy trade negotiators "were set to resume face-to-face talks on Thursday for the first time in nearly two months as the world's two largest economies try to bridge deep policy differences and find a way out of a bitter and protracted trade war." The piece explains that the negotiations on Thursday and Friday are "aimed at laying the groundwork for high-level talks in early October that will determine whether the two countries are working towards a solution or are headed for new and higher tariffs on each other's goods." A delegation of about 30 Chinese officials, "led by Vice Finance Minister Liao Min," will launch talks on Thursday morning at the US Trade Representative's (USTR) office. Treasury Secretary Steven Mnuchin, "who will participate in the October talks along with USTR Robert Lighthizer and Chinese Vice Premier Liu He, has said that currency issues will be a focus of the new rounds of talks." Reuters adds that Mnuchin "formally declared China a currency manipulator last month after the yuan slipped below 7 to the dollar, accusing Beijing of pushing its currency lower to gain a trade advantage."

Leading National News

Trump Planning Outreach To Unions Ahead Of Next Year's Campaign.

Politico (9/18, Orr, 4.29M) reports that President Trump "found Reagan-like support with blue-collar workers in 2016, but needs to further dominate the union vote next fall to compensate for the suburban slump he's already facing." Trump is "banking on a strong economy to do that – saying current economic conditions preserve jobs that might otherwise be threatened by...environmental regulations under a Democratic administration – even as many of the workers he's after are suffering through a manufacturing slowdown under the weight of his trade war." Trump campaign officials are "in the early stages of assembling a 'workers coalition'...that will feature rank-and-file workers and labor leaders who are sympathetic to the president's...agenda." Politico also reports that "in their own attempt to help the president connect with union workers, White House officials recently stepped into discussions around the United Auto Workers walkout against General Motors," and are "pushing for a deal that would reopen a GM plant in Lordstown, Ohio."

No Progress Reported In UAW-GM Talks. The Detroit News (9/18, Thibodeau, 825K) reports "the United Auto Workers strike at General Motors Co. that began at midnight Monday is now the longest strike for that union in more than a decade." Negotiations between GM and the UAW "started 'early' Wednesday as the national strike moved into the third day," and "no significant progress was reported early Wednesday."

The Detroit Free Press (9/18, Howard, 1.52M) reports, meanwhile, that GM "announced a decision to shift worker health care payments to the union immediately – a strategy that risks dragging out the strike, labor negotiators say." Said Harry Katz, the Jack Sheinkman Professor of Collective Bargaining at the School of Industrial & Labor Relations at Cornell University, "They're pouring gasoline on the fire. ... This induces the workers to get more angry. GM thinks this will scare them or get them to rethink the cost of their benefits. I think it's going to backfire. It's quick, rash and insensitive."

Index Funds Grow In Influence On Wall Street.

The Wall Street Journal (9/18, Lim, Subscription Publication, 7.57M) reports that index funds, which passively track broad equity indexes, rose to $4.27 trillion in assets as of Aug. 31, eclipsing the $4.25 trillion held by funds that actively try to beat the market by picking stocks. The milestone marked a continuation of a trend that has lowered the cost of investing for individuals while giving indexing titans like Vanguard Group and State Street considerable influence over corporations.

Pro-Trade Lobbying Groups Seek To Limit Trump's Power To Impose Tariffs.

Reuters (9/18, Shalal) reports that "nearly two dozen US lobbying groups have joined forces to try to rein in" President Trump's "power to unilaterally impose tariffs amid growing concern about the negative economic impact of his trade policies." The Tariff Reform Coalition, which is "led by" the National Foreign Trade Council, is "urg[ing] Congress to wrestle back greater control of trade policy and increase its oversight of the president's use of tariffs." NFTC President Rufus Yerxa "said the US constitution gave Congress the power to regulate commerce, and lawmakers should ensure that tariffs were used only in exceptional circumstances." Reuters adds the coalition includes the Chamber of Commerce, Manufacturers Association, the National Retail Federation, the Association of Global Automakers, and the American International Automobile

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Dealers Association.

Trump Touts His Record On Economy, Energy, Military Strength.

in a tweet Wednesday morning, President Trump touted his Administration's record on a variety of fronts including the economy, energy independence, and the military. Trump wrote, "So nice that our Country is now Energy Independent. The USA is in better shape than ever before. Strongest Military by far, biggest Economy (no longer even close), number one in Energy! MAGA = KAG!"

Capital One, Walmart Team Up To Launch Two New Co-Branded Credit Cards.

CNBC (9/18, White, 3.62M) reports Capital One and Walmart announced on Wednesday the launch of the new joint Capital One Walmart Rewards Credit Card Program, including two new cards: the cobranded Capital One Walmart Rewards Mastercard and the private-label Walmart Rewards Card. Both cards will be available from September 24. The Capital One Walmart Rewards card will offer 5% back on Walmart.com purchases, 2% back on in-store Walmart purchases, 2% back on travel and restaurants, and 1% back on all other purchases. Additionally, a special introductory offer allows cardholders to earn 5% back on all in-store Walmart purchases during the first 12 months after approval.

USA Today (9/18, Tyko, 10.31M) reports current Walmart cardholders "will be converted to one of the two new cards and can start earning the rewards Oct. 11 with Walmart Pay before the new cards arrive beginning in November."

MarketWatch (9/18, Passy, 1.67M) reports that while both Capital One and Walmart "declined to provide specific figures for the credit scores they would consider for the card during a press call," Capital One Senior Vice President and head of the Walmart Partnership Daniel Mouadeb said they were primarily targeting consumers with "good to excellent credit."

NerdWallet (9/18, 395K) calls the new Capital One offering "a major upgrade" for Walmart cards, as it replaces Walmart's previous partnership with Synchrony. Both new cards have no annual fee and a rewards structure "on par with other retailer co-branded credit cards." Additionally, NerdWallet writes, "as with other Capital One credit cards, cardholders will be able to lock or unlock the card easily if it's lost or misplaced, receive alerts about things like potential fraud or purchasing errors, and track spending through text alerts."

Capital One Deal A Sign Of Walmart's Bet On E-Commerce. Bloomberg (9/18, 4.73M) reports the new partnership with Capital One is "a sign of how much Walmart Inc. is betting on e-commerce," as the new payment cards offer "better rewards for online shopping and checking out with its mobile app." Walmart SVP of Digital Acceleration Daniel Eckert said, "We really recognized the need to fully integrate a digital-first experience in a payment program. These are the richest rewards we've ever offered our customers." With the new Capital One cards, Walmart "is narrowing the gap with big competitors that have programs with more lucrative rewards" including Target, which offers 5% cash back on purchases with its branded cards. Capital One "has hinted that Walmart's aspirations in banking could go deeper than expanding their card offerings," with Capital One CEO Richard Fairbank telling investors in June, "They are very committed to building deeper financial relationships and especially with credit cards as the tip of the spear for those enduring relationships."

Unlimited Grocery Spending A Key Differentiator For New Cards. The Points Guy (9/17, 81K) takes a look at how the new Walmart Rewards cards stack up against other competitors, noting that unlimited cash back rewards on grocery spending and the flexibility to spend rewards on Capital One's travel portal set the cards apart. According to the article, users will "be able to redeem points for much more than just Walmart purchases. You can also redeem for travel through Capital One's travel portal, use points as a statement credit, redeem for gift cards and more." Additionally, "unlimited earning on credit cards for groceries is hard to come by," with Costco and American Express cards imposing "spending caps for how much you can earn on grocery purchases throughout the year."

Business Round Table Opposes Law De-emphasizing Shareholder Value.

The Hill (9/18, Elis, 2.98M) reports a major business advocacy group "said Wednesday it's opposed to creating legal standards to enforce a recently adopted set of principles that says shareholder value should no longer be the main goal of a corporation." JPMorgan Chase CEO and Business Roundtable (BRT) Chairman Jamie Dimon said during a press conference, "If you create a legal system that hamstrings companies in the United States, I think you're just creating a worse economy, not a better economy."

Illinois Emerges As Nation's Busiest State For Bank Consolidation.

American Banker (9/18, Subscription Publication, 31K) reports Illinois has "emerged as the nation's busiest state for bank consolidation." Fourteen banks in the state "have agreed to be sold this year, including nine between June and August, according to data compiled by S&P Global Market Intelligence." Illinois has "accounted for 8% of all bank sales, slightly outpacing the dozen deals announced in Texas."

AT&T Mulls Parting Ways With DirecTV, Combining It With Dish.

In a front-page exclusive, the Wall Street Journal (9/18, A1, Ramachandran, FitzGerald, Subscription Publication, 7.57M) reports AT&T is considering spinning off its DirecTV unit, according to sources familiar with the matter. The decision would mark a reversal of AT&T CEO Randall Stephenson's media strategy. Besides a spinoff of DirecTV, AT&T is also considering a combination of DirecTV's assets with Dish Network.

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FAA Chief Wants To Personally Fly Boeing 737 MAX Before Certifying Its Safety.

NBC Nightly News (9/18, story 11, 1:01, Holt, 5.99M) reported "the new head of the FAA, an experienced pilot," told NBC's Tom Costello "he will not give the approval for the 737 MAX to return to the air until he has personally piloted the airplane." FAA Administrator Steve **Dickson** said, "I'm the final sign off authority in the US, and I'm not going to sign off on the aircraft until I would fly it myself or put my own family on it." Costello added: "Dickson reiterates he is talking about flying as a pilot, not a passenger. He'll be in a Boeing simulator later this week."

Trump Says Administration Is "Revoking" California's Emissions Waiver.

ABC World News Tonight (9/18, story 7, 1:07, Muir, 6.69M) reported President Trump is in "a new feud with California...telling that state it cannot set its own emissions standards, revoking that state's right to set its own limits for cars and trucks." Gov. Gavin Newsom (D) is calling it "a political vendetta, and he's vowing to fight back." NBC Nightly News (9/18, story 8, 1:30, Holt, 5.99M) reported, "For almost 50 years, lawmakers here in California have been able to set their own car emission standards, but today, President Trump threatened to change that." NBC's Ann Thompson: "California's long led the way in reducing tailpipe emissions and increasing fuel efficiency, to clean its air and fight climate change. Now the Trump Administration wants to bring that to a stop, revoking California's ability to set its emissions standards in favor of one national mark."

In a three-tweet thread, the President wrote, "The Trump Administration is revoking California's Federal Waiver on emissions in order to produce far less expensive cars for the consumer, while at the same time making the cars substantially SAFER. This will lead to more production because of this pricing and safety advantage, and also due to the fact that older, highly polluting cars, will be replaced by new, extremely environmentally friendly cars. There will be very little difference in emissions between the California Standard and the new U.S. Standard, but the cars will be far safer and much less expensive. Many more cars will be produced under the new and uniform standard, meaning significantly more JOBS, JOBS, JOBS! Automakers should seize this opportunity because without this alternative to California, you will be out of business." The New York Times (9/18, Davenport, 18.61M) reports the President offered "an aggressive defense of his unprecedented move to abolish California's legal authority to set its own standards" in the tweets.

Reuters (9/18, Shepardson) reports Trump and "the state of California went to war on Wednesday over who should set the standards." The AP (9/18, Biesecker, Beam) reports the President announced that the Administration is "revoking California's authority to set auto mileage standards stricter than those issued by federal regulators, a move critics said would result in less fuel efficient cars that create more planet-warming pollution." According to the AP, "most" automakers want "increases in standards that are less than the Obama-era requirements, saying their consumers are gravitating to gas-guzzling SUVs and trucks rather than buying more efficient cars."

The Sacramento Bee (9/18, Wilner, Wiley, 567K) reports, "Within weeks, the Trump administration is expected to publish a national federal rule that significantly weakens Obama-era standards for tailpipe emissions of carbon dioxide, the leading greenhouse gas fueling climate change." The Los Angeles Times (9/18, Willon, Phillips, 4.64M) says "experts have...raised serious doubts about the administration's argument that the new policy will make new cars safer. In a study published last year in the journal Science, researchers wrote that the administration's analysis of its own policy proposal 'has fundamental flaws and inconsistencies, is at odds with basic economic theory and empirical studies, [and] is misleading.'"

The Wall Street Journal (9/18, Lazo, Foldy, Subscription Publication, 7.57M) reports California officials were quick to respond, with Attorney General Xavier Becerra (D) and California Air Resources Board Chairperson Mary Nichols joining Newsom in vowing legal action. The San Francisco Examiner (9/18, Service, 438K) reports Newsom "criticized the Trump administration's plan to rescind California's nearly half-century old authority to impose tough car emissions standards, vowing to take legal action to action to block the action." The San Francisco Chronicle (9/18, Gardiner, 2.67M) quotes Newsom saying, "That's the perversion of this moment: pure politics." Newsom also tweeted, "Today's actions represent another act in Donald Trump's political theater. A failed attempt to assert power. A continuation of a political vendetta against CA and our progress. Bad news for him – we will prevail. See you in court."

Rep. Ami Bera (D-CA) tweeted, "This is just another attempt by President Trump to take on #California, which has led the country in #climate and #environmental policies. California's auto emissions waiver created jobs and kept families safe and healthy. Revoking this is a step backwards." Rep. Nanette Barragán (D-CA) tweeted, "To say states, like California, can't impose more ambitious standards on emissions is a direct threat to our public health. The reality is that when you set goals & when you set bold & aggressive action, it challenges Congress & the industry to come up with innovation quicker." Rep. Mark DeSaulnier (D-CA) tweeted, "The Trump Administration's move to strip California and more than a dozen other states of their ability to decrease auto emissions is backwards and illegal."

Rep. Katie Hill (D-CA) tweeted, "Trump is revoking California's emissions standards because he wants to control everyone who disagrees with him. The California standard is 51 mpg by 2026, Trump's is 37 mpg. That's a big difference. Clean cars create just as many jobs as dirty ones." Rep. Ed Perlmutter (D-CA) tweeted, "This is yet another attack on climate change & states' rights to set their own auto emissions standards & protect their residents. We should be doing everything we can to combat climate change & this takes us backward."

The Washington Post (9/18, 14.2M) editorializes that after California "offered what one senior state official described as an 'olive branch'" to the Trump Administration to compromise on emission rules, the Administration could have "negotiate[d] a deal with the state and carmakers on uniform national efficiency norms." Instead, the Administration will "slap away California's olive branch. ... Hardly anyone would gain from such a pigheaded move."

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The New York Times (9/18, 18.61M) editorializes, "Trump finds himself arrayed against the plain language of the Clean Air Act,

California's historical role as a laboratory for tough new environmental rules and the express wishes of several major automakers and two-thirds of the American people. It is, further, one more intended nail in the coffin" of President Obama's "strategy to reduce greenhouse gases and, coming as it does on the eve of a big United Nations conference on global warming, a thumb in the eye to the rest of the world."

The Wall Street Journal (9/18, Subscription Publication, 7.57M) defends the Administration in an editorial, saying that the Clean Air Act allows for waivers only to "meet compelling and extraordinary conditions" like the smog California faced in the 1970s. It was not intended to allow the state to set it own permanent environmental standards, the Journal argues. The Daily Caller (9/18, White, 716K) headlines its report "Trump Touts Decision To End California's Ability To Set Its Own Emission Rules." The Washington Times (9/18, Biesecker, 492K), Washington Examiner (9/18, Lawler, 448K), and Politico (9/18, Guillén, 4.29M), among other outlets, also have reports.

Trump Visits Border Barrier Site Near San Diego, Signs Wall With Sharpie. Much of the coverage of the President's California trip focuses on his visit to a border barrier installation site. The Los Angeles Times (9/18, Shalby, Oreskes, Hamblin, 4.64M) reports, "Trump's tour of California took him to San Diego on Wednesday, with an afternoon visit to the border where he reviewed a prototype of his much-debated wall and signed it in Sharpie." The President "toured the border area of Otay Mesa, a San Diego neighborhood along the Mexican border, after a fundraiser in San Diego." Trump said, "This wall can't be climbed. It's designed to absorb heat. ... You can fry an egg on that wall. It's very, very hot. If you want to climb it you're going to have to bring hoses and water."

The San Diego Union-Tribune (9/18, Davis, 755K) reports, "Standing in the 'no man's land' between newly fortified primary and secondary border fencing," the President "praised the replacement barriers as 'virtually impenetrable' and held them up as an example of the 400-plus miles of wall he wants to see spread along the rest of the southwest border." Trump said, "It's an amazing project. There are thousands of people over there that had been trying to get in."

USA Today (9/18, Collins, Fritze, 10.31M) reports Trump, "who faced criticism earlier in his presidency for shifting positions on how he thought the border barrier would be designed, used some of his most forceful language yet to defend the 'bollard fence' design. ... Trump claimed '20 mountain climbers' were tasked with trying to scale the structure to test its effectiveness. But, he said, 'this wall can't be climbed.'"

The New York Times (9/18, Baker, 18.61M) writes, "one thing President Trump loves about his job is signing his name," and "at the invitation of the team building his new barrier along the border, he affixed his distinctive signature to one of the steel slats that have risen just opposite Mexico in recent months, the most physical manifestation of what he plans to make his argument for a second term next year and, he hopes, his place in the history books." The Washington Post (9/18, Rucker, Miroff, Nakamura, 14.2M) calls the visit "part of a show of force" by Trump "ahead of the 2020 election aimed reducing a massive spike in unauthorized immigration. ... As the president ramps up his reelection bid, his reliance on hard-line immigration tactics represents an uncertain bet that deterrence will persuade migrants to stay away. Past trends, however, suggest that ebbs in migration patterns will be difficult to sustain in the face of ongoing violence and poverty in Central America."

The Washington Times (9/18, Howell, 492K) reports Trump "boasted Wednesday about progress on his border wall during a visit to a section outside San Diego, saying he thinks he can get to 500 miles by next year, depending on 'terrain conditions.'" Politico (9/18, Oprysko, 4.29M) reports Trump "said he was talked out of his initial vision for the wall – a solid concrete block – though he asserted it would have been cheaper to use it." The President tweeted a 45-second video montage of the visit, writing, "GREAT progress on the Border Wall!"

The AP (9/18) reports the Interior Department said Wednesday that it is "transferring 560 acres (226 hectares) of federal land to the U.S. Army to speed up construction on 70 miles (113 kilometers) of border wall in West Texas, California and Arizona. This marks the first time the government has transferred land on an emergency basis to build border barriers."

Rep. Adam Schiff (D-CA) tweeted, "Trump said Mexico would pay for the wall. We knew that wasn't true. Now, military families are paying the price. Crumbling schools, dangerous work conditions, exposure to asbestos – These are just some of the costs of Trump's broken promises, and for what? A wall to nowhere."

Reuters (9/18, Mason), the New York Post (9/18, Musumeci, 4.57M), and the Fox News (9/18, Pappas, 27.59M) website, among other outlets, also cover the President's stop.

Barrack Attended Two Trump Fundraisers During President's California Swing. Maggie Haberman writes in a brief New York Times (9/18, 18.61M) item that Thomas Barrack, "the billionaire investor and an old friend of the president's who has come under scrutiny by federal prosecutors looking into possible foreign influence over Mr. Trump's 2016 campaign," was among "Trump's relatives, party and campaign officials and the well-heeled" at a Tuesday night fundraiser for the President's reelection in Beverly Hills. Barrack "also attended a fund-raising breakfast for Mr. Trump on Wednesday morning in Los Angeles. And he has given $360,600, the maximum amount allowable, to the Trump Victory Committee."

Trump's Comments On California Homelessness Highlighted. Several reports also touch on the President's Tuesday remarks on homelessness in the state. USA Today (9/18, Collins, 10.31M) reports Trump's Tuesday comments "came less than a week after a senior administration confirmed that the administration had sent a team of federal officials to California on a fact-finding mission to learn more about the state's homeless crisis." Both ABC World News Tonight (9/18, story 8, 1:16, Muir, 6.69M) and NBC Nightly News (9/18, story 9, 3:14, Holt, 5.99M) had features on Californians experiencing homelessness.

Flag Burned Outside Trump's Los Angeles Hotel Tuesday. The Daily Caller (9/18, Talcott, 716K) reports, "A self-described group of communists burned the American flag outside of a Los Angeles hotel Tuesday as the president was in the city. Revolution Club Los Angeles tweeted out a video Wednesday of members burning the American flag and chanting 'America was never great.' A clash broke out shortly after as a pro-Trump counter-protester tried to break into the circle."

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Cuccinelli Wants To Publicize Personal Information Of Refugees Accused Of Crimes.

BuzzFeed News (9/18, Aleaziz) reports Acting USCIS Director Ken Cuccinelli is "seeking a new power – to unilaterally publicize personal information about asylees, refugees, and their family members in the US who are being prosecuted for certain crimes, according to a memorandum obtained by BuzzFeed News." Cuccinelli says "in the memo that he should be given the ability to disclose the information because they could come into play in the criminal prosecutions themselves." Cuccinelli writes, "This authorization would help to ensure that these individuals are not granted bail during criminal proceedings without full consideration by the court of all relevant information and would allow the disclosure of such information to the media in press releases and other press-related materials in connection with their prosecutions."

Woman Admits Running Business That Brought Chinese Women To US To Give Birth.

The Washington Free Beacon (9/18, Piro, 78K) reports, "A Chinese national pleaded guilty to running an illegal 'birth tourism' scheme in California, where she charged clients thousands of dollars to help them give birth in the United States in order to obtain U.S. citizenship for their children." The Los Angeles Times (9/18, Reyes-Velarde, 4.64M) reports Dongyuan Li, 41, "pleaded guilty Tuesday to one count of conspiracy to commit immigration fraud and one count of visa fraud." The Times says that "her promotions lured women by promising that the U.S. was the 'most attractive nationality,' with years of free education, less pollution, retirement benefits and an easier way for an entire family to immigrate with an American-born child, according to the court documents." Li is "the first of 19 people to plead guilty after being indicted in similar schemes, prosecutors said."

Report: US Abortion Rate Reaches An All-Time Low.

The Washington Post (9/18, Cha, 14.2M) reports that according to a Guttmacher Institute report released Wednesday, the US abortion rate has "hit an all-time low." The report "estimated the abortion rate in 2017, the most recent year studied, at 13.5 per 1,000 women ages 15 to 44," compared to "14.6 in 2014 and 16.9 in 2011." It is "the lowest rate since the US Supreme Court legalized abortion through the landmark decision Roe v. Wade in 1973."

The Washington Times (9/18, Vondracek, 492K) says the report "notes that one potential driver of the decline could be the Affordable Care Act's mandate that most private health insurance plans cover contraception – which can include so-called 'abortion pills.' The report states that another contribution could be declining sexual activity."

Mystal Says He Fantasizes About Crashing Car Into Trump Building.

The Federalist (9/18, Justice, 126K) reports that Elie Mystal, a regular on MSNBC, "tweeted Wednesday that he regularly fantasizes about ramming his car into the lobby of a Trump Organization luxury apartment complex in a New York City suburb." Mystal wrote, "Real talk: When you come out of the parking lot of this mall/movie theater, you have to sit a red light staring right into this lobby. I've thought about driving my car through it EVERY TIME. Basic humanity keeps me from doing it, but JUST." Mystal included a link to story Mystal wrote on Twitter, linking to an article about a recent about a car that "accidentally ploughed into the Trump Plaza hotel resulting in minor injuries."

White House Circulating Gun Background Check Proposal To Hill Republicans.

Politico (9/18, Levine, Everett, 4.29M) reports that the White House has begun "circulating a much-anticipated gun background check proposal to Republicans on Capitol Hill," but is unclear whether it has President Trump's support. The plan which is "similar to a proposal" from Sens. Joe Manchin (D-WV) and Pat Toomey (R-PA), "would expand background checks to all commercial gun sales, including gun show sales." Under the proposal, "background checks would be conducted through federal firearm licensees...or a newly created group of licensed transfer agents." Politico adds that the plan "is narrower than a universal background checks bill passed by the House and pushed by top Democrats" like Senate Minority Leader Schumer.

The Hill (9/18, Bolton, Carney, 2.98M) says the President "has yet to endorse the proposal, but the White House is taking the temperature of Senate Republican support for the idea." Bloomberg (9/18, 4.73M) reports, "Eric Ueland, the White House's top lobbyist, said the proposal shouldn't be seen as an endorsement by Trump for a particular approach but is part of a broader effort to reach out to lawmakers for their ideas," and the Daily Caller (9/18, Athey, 716K) says White House Principal Deputy Press Secretary Hogan Gidley told The Atlantic's Elaina Plott that the President "has not necessarily signed off on the plan." Said Gidley, "Not even close."

Meanwhile, the New York Times (9/18, Stolberg, 18.61M) reports that the proposal being circulated by Attorney General Barr was "met with skepticism from key Republicans and appeared to face serious obstacles on Capitol Hill." The Washington Post (9/18, Kim, Kane, Dawsey, 14.2M) says the NRA "immediately dismissed the plan drafted by the Justice Department as a non-starter."

Trump: O'Rourke Made A Deal On Guns "Much Harder." In a tweet Wednesday, Trump took aim at ex-Rep. Beto O'Rourke (D-TX) for calling during last week's Democratic presidential debate for a mandatory buyback program for some weapons, arguing the former lawmaker's comments have "made it much harder" to reach a deal with Democrats on the issue. Trump wrote, "Dummy Beto made it much harder to make a deal. Convinced many that Dems just want to take your guns away. Will continue forward!" The Washington Post (9/18, Wagner, 14.2M) says Trump's tweet "appears to have been inspired by criticism of O'Rourke on Monday by Fox News host Jesse Watters."

Politico (9/18, Forgey, 4.29M) reports that O'Rourke responded to Trump's tweet, Wednesday "outlining his gun platform and

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encouraging the White House to take action." He wrote, "To be clear: We will buy back every single assault weapon. We'll also license every gun & do a background check on every buyer. That's what the American people want – and deserve. The only thing stopping us from ending this epidemic is you & your cowardice. Do the right thing."

O'Rourke stood by his comments in an interview Wednesday night. Asked on CNN's Cuomo Prime Time (9/18, 941K) if he is in favor of "gun confiscation," O'Rourke said, "Yes, when it comes to AR-15s and AK-47s, weapons designed for use on a military battlefield. ... When it comes to those weapons, the answer is yes. But, when it comes to firearms used for hunting or self-defense, the answer is no. I don't want you or anyone else to get into the fear mongering that some have fallen prey to, saying that the government is going to come and take all of your guns. What we are talking about exclusively is weapons of war that have no place in our homes, no place on our streets, and should remain on the battlefield."

Manchin: O'Rourke Is "Not Taking My Guns Away From Me." The Washington Times (9/18, Chasmar, 492K) reports that Sen. Joe Manchin (D-WV) said Wednesday that O'Rourke is not going to take his guns. Manchin told the Wall Street Journal's Lindsay Wise, "Beto's one human being. He gave his own opinion, OK? ... I think it was very harmful to make it look like all the Democrats," he reportedly said. "I can tell you one thing: Beto O'Rourke's not taking my guns away from me. You tell Beto that, OK?" The Washington Free Beacon (9/18, Crookston, 78K), the Washington Examiner (9/18, Ferrechio, 448K), and the Daily Caller (9/18, Caruso, 716K) also report on Manchin's comments.

Report Says Annual Cost Of Gun Violence Is $229B.

The New York Post (9/18, Schultz, 4.57M) reports, "Gun violence costs the United States $229 billion annually – or 1.4 percent of GDP – according to a new report released Wednesday by the Joint Economic Committee." New York has "one of the lowest costs of gun violence as a share of the state's economy," and "report authors credited the low rate in New York to stricter gun laws, including a ban on assault rifles, and permits needed to purchase handguns." The report said "more rural states – Mississippi, Alabama, Arkansas, Louisiana and West Virginia – have the highest costs of gun violence measured as a share of their economies."

Colt Reportedly To Stop Producing Rifles For Retail Sales.

Guns (9/18, Eger) reports Colt Firearms "last week reportedly signaled they are exiting the consumer rifle market in coming days." Paul Spitale, senior VP of Colt's commercial business line, said, "We're going to focus on the products that our consumers are asking for. We've expanded our 1911s and our revolver line, and that market has been very positive for us." Colt's rifle line production is reportedly "occupied, at least for the time being, with outstanding contracts which include orders through police and defense channels."

DC's "Red Flag" Law Used For First Time By Police To Seize Firearms.

The Washington Post (9/18, Hermann, 14.2M) reports, "D.C. police seized a semiautomatic handgun and a rifle from a man earlier this month, using for the first time a new law that allows authorities to temporarily seize firearms from people believed to be dangerous." According to the article, "D.C. Superior Court filings under the 'red flag' law say the 44-year-old man from Northwest Washington tried to register a .45-caliber semiautomatic handgun at police headquarters Sept. 6." The Post adds that "the D.C. police officer who requested the petition wrote the man 'may be experiencing a mental health crisis or other dangerous mental health issues.'"

Nugent Argues Michigan Hunting Rules Will Prompt "Widespread Civil Disobedience."

The Washington Times (9/18, Blake, 492K) reports that rock musician and "longtime board member" of the NRA Ted Nugent "took aim Tuesday at a new rule prohibiting baiting and feeding deer and elk in Michigan." Testifying before a state House committee "in support of a bill that would overturn the recently enacted rule against baiting game," Nugent argued the ban will prompt "widespread civil disobedience" among hunters. Nugent told reporters, "This is a Rosa Parks moment. ... The law is wrong, the law is bad, the law is illegal."

Lawyer At Center Of "Civil War" Inside NRA Emerges As Top Counselor.

In a 3,500-word article, the Washington Post (9/18, Leonnig, Hamburger, 14.2M) reports that a lawyer with the National Rifle Association, who is a Democrat and "had no experience in Second Amendment litigation," has emerged as a "victor" from an "ugly public fight" that has "led to an exodus of high-level officials and warring accusations of financial impropriety." William Brewer III is now the "top counselor to NRA chief executive Wayne LaPierre" and gives input on "some of the group's most important decisions, including legal strategy, management and public relations, said multiple people familiar with his role." However, "those who have been pushed out shared a common concern: that Brewer ran up excessive fees and then cemented his role by overstating claims about the organization's legal jeopardy and the potential conflicts of his critics, according to the people and internal documents."

PSA Focuses On Recognizing Warning Signs To Prevent School Violence.

The Washington Post (9/18, Bellware, 14.2M) reports, "Familiar back-to-school supplies such as pencils, scissors and gym socks are recast as emergency survival tools in a devastating new public service announcement from the Sandy Hook Promise gun violence nonprofit founded by the parents of victims of the Sandy Hook shootings in 2012." The PSA, "Back to School Essentials," aired "on NBC during the

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Wednesday morning broadcast of the 'Today' show alongside an interview with Sandy Hook Promise co-founder Nicole Hockley." The spot "promotes 'Know the Signs,' a campaign geared at teaching students and school staff how to recognize and intervene when someone shows warning signs of behavior that could lead to shootings or other forms of violence in schools."

On NBC Nightly News (9/18, story 7, 1:55, Holt, 5.99M), Kate Snow reported, that "it's been watched by more than seven million" since Wednesday morning. She added that the PSA was "tweeted out by nearly every Democratic candidate for president" as Attorney General Barr "was on Capitol Hill talking to Republicans about a proposal to expand background checks on some gun sales."

Prosecutors Allege Democratic Donor Is A Violent Sexual Predator.

The Los Angeles Times (9/18, Tchekmedyian, Branson-Potts, Winton, 4.64M) reports that Democratic donor Ed Buck was arrested and charged this week with operating a drug house. This, after two men were found dead in his West Hollywood apartment since 2017 and a third overdosed but survived in September. According to prosecutors, Buck is "a violent sexual predator who preys on men struggling with addiction and homelessness." Buck "is accused of injecting a 37-year-old man, who overdosed but survived, with methamphetamine on Sept. 11." Prosecutors say the man tried to escape, but Buck "prevented [him] from getting help."

The New York Times (9/18, A1, Holson, Real, 18.61M) says that according to court documents, Buck "would lure men to his apartment and administer large doses of narcotics to manipulate his victims to participate in sex acts." NBC Nightly News (9/18, story 6, 1:31, Almaguer, 5.99M) reported that Buck "is being held on $4 million bail. If convicted, he could get five years in prison."

Tropical Depression Imelda Brings Heavy Rain To Southeast Texas.

NBC Nightly News (9/18, story 5, 0:57, Holt, 5.99M) reported that "parts of Texas and Louisiana are getting hit" Wednesday night by Tropical Depression Imelda. According to NBC, "as much as twenty-one inches of rain fell in southeast Texas, triggering dangerous flash floods." On ABC World News Tonight (9/18, story 2, 1:22, Muir, 6.69M), Clayton Sandell reported that Texas is "expecting another ten inches of rain by the end of the week."

More Tropical Threats Forming. ABC World News Tonight (9/18, story 3, 1:02, Muir, 6.69M) reported on "other tropical threats in the pipeline." ABC's chief meteorologist Ginger Zee added, "There are five areas of interest in the Atlantic alone," including Jerry and Humberto. Zee said "Bermuda had a 100-mile-an-hour gust" from Humberto. Meanwhile, "most of the computer models curve" Jerry "away from the United States."

Schumer Calls For Federal Response To Help Schools Fight Cyberattacks.

The Rochester (NY) Democrat & Chronicle (9/18, Murphy, 360K) reports Senate Minority Leader Schumer "called on Congress and the FBI on Wednesday to help school districts and other local government bodies threatened by increasingly common and sophisticated cyberattacks." The House has passed a bill called the Department of Homeland Security Cyber Incident Response Teams Act, which "would create specific teams within the DHS to assist local government against cyberattacks." Schumer also "said the FBI should be more active in targeting attacks at their source, often out of the country."

Bolton Blasts Trump's Foreign Policy At Private Lunch.

Politico (9/18, Lippman, 4.29M) reports that former National Security Adviser John Bolton "harshly criticized Trump's foreign policy on Wednesday at a private lunch, saying inviting the Taliban to Camp David sent a 'terrible signal' and that it was 'disrespectful' to the victims of 9/11 because the Taliban had harbored al Qaeda." Bolton "also said that any negotiations with North Korea and Iran were 'doomed to failure,' according to two attendees." Bolton was speaking at an event sponsored by the Gatestone Institute, a conservative think tank. According to Politico, Bolton "also said more than once that Trump's failure to respond to the Iranian attack on an American drone earlier this summer set the stage for the Islamic Republic's aggression in recent months," and "called the alleged attack on Saudi Arabia, which US and Saudi officials have blamed on Iran, 'an act of war' by anyone's definition." NBC Nightly News (9/18, story 3, 1:01, Welker, 5.99M) also reported the story, citing "someone in the room." NBC added that "neither the White House nor Bolton responded to requests for comment."

White House To Withdraw Nomination Of FEMA Pick.

The New York Times (9/18, Kanno-Youngs, Flavelle, 18.61M) reports, "The White House will pull the nomination of Jeffrey Byard to be the head of the Federal Emergency Management Agency after a federal inquiry into a possible barroom altercation involving Mr. Byard prompted concern in Congress and the White House, according to federal officials familiar with the investigation." According to the Times, "while the F.B.I. determined that the allegations facing Mr. Byard were unsubstantiated, the White House is expected to nominate the current acting administrator of FEMA, Peter T. Gaynor, to lead the agency instead. That move is expected before the end of the month, officials said." Axios (9/18, Treene, 521K) reports that the President "was impressed with the way Gaynor handled Hurricane Dorian."

US Military Has Spent "Nearly $200,000" At Trump's Scottish Resort Since 2017.

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Politico (9/18, Bertrand, Bender, 4.29M) reports that "according to figures and documents the Pentagon provided to the House Oversight Committee," since August 2017, "the U.S. military has spent nearly $200,000 at the president's luxury Scotland resort." Politico says that "the

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spending...paid for the equivalent of hundreds of nights of rooms at the Turnberry resort over approximately three dozen separate stays." According to Politico, "The committee's probe has ramped up in the wake of Politico's reporting on several overnight stays at the resort by U.S. Air Force crews, some of which have been multinight stays involving dozens of crew members and passengers."

The New York Times (9/18, Lipton, 18.61M) reports that "the total spending of more than $184,000 is way up compared to the prior two years, when department records show that a total of $64,380 was spent through government travel charge cards at Trump Turnberry." The Washington Post (9/18, Wagner, Fahrenthold, 14.2M) reports the amount was "disclosed in letters exchanged between the Pentagon and top Democrats on the committee, which is probing whether Trump has violated a constitutional provision that prevents presidents from enriching themselves through the office." In a letter dated Wednesday, leaders of the House committee "voiced frustration with the limited scope of a response last week from the Pentagon to requests for detailed information on the cost of the stays."

Purdue Pharma's Bankruptcy Plan Seeks Protection For Sackler Family's Personal Funds.

The Washington Post (9/18, Merle, Bernstein, 14.2M) reports as Purdue Pharma "heads to bankruptcy court," billions of funds allegedly transferred by the Sacklers from company to personal accounts "represent a central sticking point in the company's plan to resolve thousands of lawsuits against it." The company's "tentative settlement with more than 2,000 plaintiffs in a mammoth federal lawsuit and about half the attorneys general in the United States demands protection from all litigation for the company." However, "about half the attorneys general who have sued the company and the family are refusing to go along with the deal." Some claim "that the Sacklers knew litigants would be coming after that money and transfers into their personal holdings and trusts amounts to 'fraudulent conveyance' – an illegal attempt to hang on to it."

Trump: Polls Show "Very Little Support" For Impeachment.

President Trump tweeted tweeted Wednesday night, "All Polls, and some brand new Polls, show very little support for impeachment. Such a waste of time, especially with sooo much good that could be done, including prescription drug price reduction, healthcare, infrastructure etc."

Politico (9/18, Shepard, 4.29M) reports that "even as nearly two-thirds of Democratic members favor impeaching President Donald Trump or at least opening an impeachment inquiry, a new Politico/Morning Consult poll shows they haven't made the sale to voters." According to the poll, "Only 37 percent support beginning impeachment proceedings, while half oppose it. Just 12 percent of voters are undecided." Politico adds that since former special counsel Robert Mueller's report was released, "overall support for impeachment has fluctuated between 35 percent and 38 percent, while opposition has ranged from 46 percent to 53 percent."

The Washington Post (9/18, Bade, Debonis, Dawsey, 14.2M) reports that House Democrats "are struggling to galvanize public opinion," for impeaching the President, "a major challenge that has delighted the White House and flummoxed Capitol Hill investigators who say they're running short on time." According to the Post, voters "overwhelmingly oppose a move to oust the president – and some polls even show sentiment moving in the opposite direction." The Post adds that some Democrats fear the public "is becoming desensitized to Trump-related scandals," making the job of "convincing voters even more difficult."

Pelosi Criticized House Panel Staffers For Pursuing Impeachment. Politico (9/18, Ferris, Caygle, Bresnahan, 4.29M) reports that "in a closed-door meeting last week," House Speaker Pelosi "stunned lawmakers and aides with a swipe at Democratic staff on the House Judiciary Committee." Pelosi "criticized the panel's handling of impeachment in harsh terms, complaining committee aides have advanced the push for ousting President Donald Trump far beyond where the House Democratic Caucus stands. ... 'And you can feel free to leak this,' Pelosi added, according to multiple people in the room."

Media Reports: Lewandowski Hearing Was "A Big Letdown For Democrats."

On NBC's Today (9/18, 3.42M), Kristen Welker reported that "many House Democrats were hoping Tuesday's hearing with Corey Lewandowski would get them one step closer to impeachment proceedings against President Trump, but it all became chaotic quickly and now the path forward is anything but uncertain." Welker added that Democrats "are still deeply divided. Some feel as though Lewandowski bolstered the argument for impeachment proceedings by stonewalling, but others feel there's still just not enough there." Gayle King said on CBS This Morning (9/18, 2.72M) that the hearing "turned into a big letdown for Democrats."

Lewandowski was asked on CNN's New Day (9/18, 502K) if he accomplished what he set out to do in the hearing. Lewandowski said, "Yeah, my goal was to show up and answer the questions that the House requested under Congressional subpoena. ... I answered every question I had the obligation to answer. ... I answered the majority of their questions. And what I said was: anything that pertains to the campaign, the White House has allowed me to answer. Anything that's in the Mueller Report, I've been allowed to answer. Anything that pertains to private conversations with the President or his senior staff, the White House has asked that I exert the privilege, so that if they choose to use it, it has been preserved." Lewandowski said on Fox News' Fox & Friends (9/18, 831K), Lewandowski said, "The truth is what this charade was another demonstration of 'no collusion, no obstruction,' which is exactly what the Mueller team said. And so, now the House Judiciary Committee wants to go and talk about impeaching the President of the United States for something other than standing up and putting America first. And if he is charged with that then he is guilty. Putting America first is exactly what this President has done. But this obstruction, this collusion stuff, this fake Russian narrative has all been a hoax from day one and the American people are tired of it."

Rep. Jim Jordan (R-OH) said on Fox News' Fox & Friends (9/18, 831K), "I thought Lewandowski handled himself very well. Look, he

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said the same thing numerous times to Republican members of Congress. Asked when he ran the campaign part of his campaign if there was ever any type of coordination or work with Russia to impact the election, he said, 'no, there wasn't.' Which is interesting because that's the exact same answer Jim Comey gave us when he sat at that exact same desk and...I had a chance to depose him last year. Also the exact same answer Bob Mueller gave us when we asked that exact same question. ... Nothing new there and Corey handled himself very well."

Pelosi Says She Would Have Held Lewandowski In Contempt "Right Then And There." The Washington Post (9/18, Bade, 14.2M) reports that House Speaker Pelosi said Wednesday evening that Lewandowski should have been held in contempt "right then and there" after he talked over members, dodged questions and promoted his possible US Senate bid. According to "three people familiar with the exchange," in "a small huddle with lawmakers from across the caucus," Pelosi "complained that no witness should be able to treat members of Congress" the way Lewandowski did in Tuesday's hearing. Pelosi said, "I would have held him in contempt right then and there." The Post says several lawmakers "took her remarks as a dig at" House Judiciary Chairman Jerrold Nadler.

WPost Analysis: Lewandowski Admitted He Lies To The Media. A Washington Post (9/18, Farhi, 14.2M) analysis says Lewandowski "did something Tuesday that few, if any, political types have ever done: He publicly admitted he lies to the media." Lewandowski said during the hearing, "I have no obligation to be honest with the media because they're just as dishonest as anyone else." During his "combative" interview with CNN Wednesday morning, Lewandowski "expanded upon his situational truthfulness." He said, "I'm as honest as I can be, as often as I can be." Lewandowski said in his testimony that "he tells the truth while under oath." Asked by CNN's Alisyn Camerota "if that is the only circumstance in which he feels obligated to be honest, Lewandowski deflected, invoking former FBI director Andrew McCabe." During the interview, "Lewandowski declined to admit that he lies in news interviews, despite telling the House committee that on Tuesday."

Cottle Calls For Changes In The Way Congressional Hearings Are Conducted. In an "Editorial Observer" piece for the New York Times (9/18, 18.61M), Michelle Cottle calls Lewandowski's appearance before the House Judiciary Committee "a strutting spectacle of contempt for democratic processes worthy of President Trump himself. Mr. Lewandowski's performance requires a serious response. Maybe more than one." Cottle recommends a number of changes to the way the House conducts such hearings.

Horowitz Says He Referred Comey For Criminal Prosecution.

The Washington Times (9/18, Mordock, 492K) reports that Justice Department Inspector General Michael Horowitz told the House Oversight and Reform Committee Wednesday "that he referred former FBI Director James Comey for criminal prosecution earlier this year after concluding he leaked sensitive materials to a friend." Horowitz told the panel, "We are required by the [Inspector General] Act to send information that we've identified that could plausibly be criminal to the Department of Justice." While Horowitz's team concluded that Comey "improperly leaked information to the news media," the Justice Department "ultimately decided not to prosecute" him.

The Washington Examiner (9/18, Dunleavy, 448K) reports that Horowitz "promised to make as much of his investigation into the Foreign Intelligence Surveillance Act, finished last week, as public as possible." Horowtiz "laid out details about the next steps for his report on alleged FISA abuse by the DOJ and the FBI, telling the congressmen that he'd handed over a draft of his factual findings" to Attorney General Barr last week "and that the process of review and classification was now just beginning, and could take a while."

Graham: Someone Should Go To Jail For Lying To FISA Court.

The Washington Examiner (9/18, Chaitin, 448K) reports that Sen. Lindsey Graham (R-SC) said Tuesday that he believes someone must be sent to prison to restore confidence in the justice system following alleged surveillance misconduct by the government. On Fox News' Hannity (9/17, 535K), Graham "called for accountability for the Justice Department and FBI officials" who used the unverified Steele dossier "to obtain warrants to electronically monitor onetime Trump campaign adviser Carter Page." Graham said, "Every American should be concerned about the fact that the Department of Justice and the FBI knew that the source of the document had a bias, and they did nothing to ensure the document was reliable. It's not reliable to this day. If the court does not clear this up and take corrective action, then why do you expect people in the future to be deterred? If somebody doesn't go to jail, and if the court doesn't hold those who lied to the court accountable, then we will have missed a great opportunity to restore the rule of law."

Acting DNI Defies Congressional Subpoena Over Whistleblower Complaint.

On CNN's Situation Room . (9/18, 769K), Wolf Blitzer described "a rather tense standoff right now, pitting America's top intelligence official against Congress. The Acting Director of National Intelligence defying a subpoena to hand over a secret whistleblower complaint." The Washington Post (9/18, Miller, Nakashima, Harris, 14.2M) cites "two former U.S. officials familiar with the matter" who say the whistleblower complaint "involves President Trump's communications with a foreign leader." According to the former officials, "Trump's interaction with the foreign leader included a 'promise' that was regarded as so troubling that it prompted" an intelligence community official to file a formal whistleblower complaint with intelligence community Inspector General. The Post says it is unclear "which foreign leader Trump was speaking with or what he pledged to deliver, but his direct involvement in the matter has not been previously disclosed. It raises new questions about the president's handling of sensitive information and may further strain his relationship with U.S. spy agencies." IG Michael Atkinson "determined that the complaint was credible and troubling enough to be considered a matter of 'urgent concern,' a legal threshold that ordinarily requires notification of congressional oversight committees." But Acting DNI Maguire "has refused to share details about Trump's

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alleged transgression with lawmakers," prompting "speculation that the spy chief is improperly protecting the president."

Rep. Eric Swalwell (D-CA) said on CNN's Situation Room (9/18, 761K), "We think it is very serious. The Inspector General said it is urgent and it is credible. So the question is, what is the Administration hiding and what is the risk to our national security if we aren't able to hear from this person. Just to clarify, we don't know much but it looks like the whistleblower comes from inside the intelligence community. The person's conduct that they are concerned about comes from outside and there is a small pool of people that would be able to have a privilege that could even protect them in any way from us knowing about it. Anyway, the White House should not be involved, if they are involved, and this is very rare. This has never happened before. We should have been told immediately. Instead, we're left in the dark."

Gloria Borger said on CNN's Situation Room (9/18, 761K), "The suggestion that there are privilege issues – there are only certain people that that could apply to, either the President or people who work in the White House. So the question is, who are they trying to protect and why? Is it just an embarrassing thing or is it something worse? We don't know the answer."

WPost Analysis: Democrats Now Wary Of Wading Into Kavanaugh Controversy.

The Washington Post (9/18, Kane, 14.2M) reports that "in a head-spinning few days, Republicans have moved into a full offensive posture over the latest allegations against" Supreme Court Justice Brett Kavanaugh, "leaving congressional Democrats in a defensive crouch as they try to change the subject." The Post says that in a news conference in Tuesday, Senate Minority Leader Schumer "never mentioned the latest Kavanaugh imbroglio...and appeared exhausted when the topic came up as the very first question." Schumer said, "Look, I've said this before, very simply. I never thought Kavanaugh should be on the bench, and I still don't today."

Sen. Kennedy Unsure If He Will Support Appeals Court Nominee Menashi.

HuffPost (9/18, Bendery, 1.67M) reports Sen. John Kennedy (R-LA) "said Wednesday that he's not inclined to support President Donald Trump's judicial nominee Steven Menashi, a major blow for an already controversial court pick with strong opposition from progressive groups." Kennedy said, "I'm real doubtful. My thought is, look, if he'll treat a United States senator the way he treated us, I wonder how he would treat the people." According to the article, "Kennedy said he was 'very annoyed' by Menashi's performance in his confirmation hearing last week, where he visibly angered Republicans and Democrats by refusing to provide details about what he's worked on in his current role as a White House legal adviser."

House To Hold First Hearing On DC Statehood In More Than 25 Years.

The Washington Post (9/18, Portnoy, 14.2M) reports that "for the first time since 1993," a House committee on Thursday will "hold a hearing on legislation that would turn most of the nation's capital into the State of Washington, Douglass Commonwealth." The bill, sponsored by Rep. Eleanor Holmes Norton (D-DC), "would reduce the seat of the federal government to a two-square-mile enclave, encompassing the White House, Capitol Hill and the Supreme Court. The rest of the District would become the new state." However, it is "silent on how the District would disentangle itself from the federal government, which currently pays more than $1 billion annually to fund much of the city's criminal justice system including the courts, prison services and supervision of offenders released into the community."

Omar Blasts Trump For Retweeting Claim That She Danced On 9/11 Anniversary.

The Washington Post (9/18, Sonmez, 14.2M) reports that Rep. Ilhan Omar (D-MN) on Wednesday claimed President Trump is "spreading 'lies that put my life at risk' after the president retweeted a post falsely claiming that the Minnesota Democrat 'partied on the anniversary of 9/11.'" According to the Post, Omar "said the video of her dancing was taken not on the anniversary of the Sept. 11, 2001, attacks but at a Congressional Black Caucus event" on September 13.

Trump Says Voters Turned Off By Omar Will Help Republicans Win Minnesota. On Twitter President Trump posted on Wednesday, "Ilhan Omar, a member of AOC Plus 3, will win us the Great State of Minnesota. The new face of the Democrat Party!"

NYTimes Profile: Ocasio-Cortez Has Become More Cautious.

The New York Times (9/18, Edmondson, 18.61M) says Rep. Alexandria Ocasio-Cortez (D-NY) now realizes "the downsides of her revolutionary reputation and social media fame," and "has tempered her brash, institution-be-damned style with something different: a careful political calculus that adheres more closely to the unwritten rules of Washington she once disdained." Ocasio-Cortez told the Times, "I think I have more of a context of what it takes to do this job and survive on a day-to-day basis in a culture that is inherently hostile to people like me." The Times says that "gone from her Washington office are her original chief of staff and her communications director, two Justice Democrats co-founders who were intent on waging their divisive brand of politics." However, adds the Times, Ocasio-Cortez on Tuesday endorsed liberal Marie Newman's primary challenge to Rep. Dan Lipinski (D-IL), "who is regarded...as something of an outlier because of his opposition to abortion rights and his vote against the Affordable Care Act."

Trenton Council President's Anti-Semitic Slur Draws Backlash.

The New York Times (9/18, Gold, 18.61M) reports that during a closed meeting on September 5, Trenton City Council President Kathy McBride "used an anti-Semitic slur to describe the negotiation tactics of a Jewish city attorney." According to a recording, McBride said, "They

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were able to wait her out and Jew her down." The comment "drew condemnations from state and local officials," and "after not addressing the situation for days, Ms. McBride publicly apologized at the start of the Council meeting" on Tuesday. She said, "In my position, you cannot make anyone feel insulted, or you cannot be insensitive to any ethnic backgrounds, so I am apologizing to the community at large." However, McBride's apology "did not quell the controversy. On Wednesday, it spread to Washington, with all 12 members of New Jersey's House of Representatives delegation calling for public apologies or resignations from two Trenton lawmakers who had come to Ms. McBride's defense."

Obama Says Presidents Should Avoid TV, Social Media When Making Decisions.

The New York Post (9/18, Garger, 4.57M) reports, "Former President Barack Obama appeared to take a rare shot at his White House successor on Wednesday, advising against 'watching TV or reading social media' when running the country, according to reports." At a private event in San Francisco, Obama talked about "how he handled the information overload that came with the job, according to The Guardian." He told the audience, "The other thing that's helpful is not watching TV or reading social media. Those are the two things I'd advise, if you're president, not to do."

WPost A1: Compromise Emerges On Wild Horse Management.

On its front page, the Washington Post (9/18, A1, 14.2M) looks at "The Battle Over Wild Horses," reporting that a compromise has emerged between advocates of wild horses and burros and those who say roundups are necessary to control ranch land. Over three years, "major ranching and hunting organizations...quietly negotiated with animal welfare groups, including the Humane Society of the United States. These strange bedfellows recently unveiled a wild horse proposal that they say meets both sides' goals: It keeps mustangs alive, and it gets a lot more off the land."

Sharpton Bungles Tweet Tribute To Roberts.

The New York Post (9/18, Golding, 4.57M) reports that Al Sharpton "brutally botched" a tweet paying tribute to Cokie Roberts, who died Tuesday. In the now-deleted tweet, Sharpton misspelled her name as "Cookie." He wrote, "Saddened to hear of the passing of legendary journalist Cookie Roberts. Here is a Easter Sunday special we did in 2011. May she Rest in Peace." The Post adds that Sharpton "added insult to injury by posting several images that showed journalist Christiane Amanpour...instead of Roberts." He "replaced the mangled memorial with a corrected version, but not before a screenshot of the original was tweeted by Justin Baragona, publisher and editor of the Contemptor website."

Malkin Calls Roberts "One Of The First Guilty Culprits Of Fake News." The Hill (9/18, Folley, 2.98M) reports, "Conservative commentator Michelle Malkin knocked [Roberts] on Tuesday, the same day of her death, calling her 'one of the first guilty culprits of fake news.'" Speaking on a panel on media bias, Malkin said, "President Trump did not invent the concept of fake news. Cokie Roberts, of course, passed away today, and God bless her for an incredible career that she had, but I distinctly remember that she was one of the first guilty culprits of fake news." CNN's Brian Stelter, who was also on the panel, responded, "We're doing this today? You're attacking her today? I just want to be clear. The body's not cold yet."

Sabato's Crystal Ball Gives 248 Electoral Votes To Each Party, With Three States Toss-Ups.

The latest Electoral College ratings from Sabato's Crystal Ball (9/19) project both a President Trump-led Republican ticket and the 2020 Democratic ticket with 248 electoral votes, with 42 electoral votes in three states – Arizona, Pennsylvania, and Wisconsin – toss-ups. (NE2's electoral vote is also a toss-up.)

Economist/YouGov Poll: Trump 86%; Weld 5%; Sanford 2%; Walsh 1%.

The Hill (9/18, Frazin, 2.98M) reports President Trump "holds a commanding lead over his Republican primary challengers" in an Economist-YouGov poll of "416 GOP primary or caucus voters and 371 Republicans surveyed" September 14-17. Trump leads nationally with 86%, followed by ex-Gov. Bill Weld (R-MA) at 5%, ex-Gov. Mark Sanford (R-SC) at 2%, and ex-Rep. Joe Walsh (R-IL) at 1%.

NYTimes Highlights Pro-Trump Latinos Who Turned Out At New Mexico Rally.

Under the headline "Most Latinos Don't Back Trump. But Some Wear Their Support Proudly," the New York Times (9/18, Medina, 18.61M) reports on Latinos who turned out in support of President Trump at Monday's rally in New Mexico. The Times says, "Some wore it proudly emblazoned across their chest: Latinos for Trump, though they would rarely use the ethnic term to describe themselves. A few forcefully emphasized that they were Hispanic." The Times adds that Trump's New Mexico visit was "aimed at demonstrating his support among Hispanic voters, and many did come to hear him – enthusiastically waiting for hours in the blazing sun." Even so, adds the Times, "Trump is deeply unpopular with most Hispanics in New Mexico, and those who do support him are unlikely to have a decisive electoral effect there. But brown faces were not hard to find at this week's rally, held in Rio Rancho, a suburb of Albuquerque."

Latino Republican Urges Trump's Defeat In 2020. Abel Guerra, Associate Director of Public Liaison during President George W. Bush's first term, writes in the Washington Post (9/18, 14.2M), "I am a Republican. I worked in the George W. Bush White House. And I say

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to my fellow Latinos: I'm not asking you to become a Democrat. But I am asking you to vote President Trump out of office." Guerra says Republicans "have lost control of the monster they helped create. ... From day one, Trump spewed his white-supremacist views, promising to halt the invasion of immigrants and spurring a rhetoric of resentment and retaliation against the 'other.' No matter our background, we have been vilified as invaders, marked as illegal and degraded as subhuman. The silence from prominent Republicans is deafening."

Fox News Poll: Biden 29%; Sanders 18%; Warren 16%; Harris 7%; Buttigieg 5%.

In an online article, Fox News (9/18, Blanton, 27.59M) reports that a Fox News national poll of Democratic voters, taken Sept. 15-17, shows ex-Vice President Joe Biden leading the race for the 2020 Democratic presidential nomination with 29%, followed by Sen. Bernie Sanders (I-VT) at 18%, Sen. Elizabeth Warren (D-MA) at 16%, Sen. Kamala Harris (D-CA) at 7%, and South Bend Mayor Pete Buttigieg at 5%; no other contender tops 4%. Fox News says Biden's support is "down 2 points since last month and down 6 points since May." Biden's "11-point lead is down from a high of 19 points in June." Meanwhile, Sanders' support is "up 8 points since August," while Warren's support is "down 4" since then.

In its report on the Fox News poll, The Hill (9/18, Coleman, 2.98M) says, "Democratic primary voters said they prioritize a candidate who has the best chance to beat President Trump, at 56 percent, up 15 percentage points from March. Voters have traditionally seen Biden as the most electable although the other candidates are closing the gap."

Economist/YouGov Poll: Biden 25%; Warren 19%; Sanders 15%; Buttigieg 8%; Harris 5%. An Economist/YouGov weekly tracking poll of 603 Democratic voters, taken Sept. 14-17, shows Biden leading with 25%, followed by Warren at 19%, Sanders at 15%, Buttigieg at 8%, and Harris at 5%; no other contender tops 3%. In a report on the poll, The Hill (9/18, Axelrod, 2.98M) says that the survey "shows Biden and Sanders holding approximately steady, after garnering 24 percent and 17 percent last week, respectively, while Warren slipped 5 points since last week's tracking poll."

Iowa Poll: Biden 25%; Warren 23%; Buttigieg 12%; Sanders 9%; Klobuchar 8%; Harris 5%. The Washington Times (9/18, Sherfinski, 492K) reports that a David Binder Research poll of 500 Iowa likely Democratic caucusgoers, taken Sept. 14-17, shows Biden leading with 25%, followed by Warren at 23%, Buttigieg at 12%, Sanders at 9%, Sen. Amy Klobuchar (D-MN) at 8%, and Harris at 5%; no other contender topped 3%. The survey was "conducted for the group Focus on Rural America." The Times reports that "Binder is a pollster for Ms. Harris and was a pollster for President Barack Obama in 2008 and 2012." The Times adds, "A Binder Research poll released in early July had Ms. Warren in first place at 20%, followed by Ms. Harris at 18%, Mr. Biden at 17%, Mr. Sanders at 12%, Mr. Buttigieg at 10% and Ms. Klobuchar at 4%." Politico (9/18, Korecki, 4.29M) headlines its report on the survey "New Poll Finds Harris' Support Has Plunged 13 Points In Iowa."

Florida Poll: Biden 34%; Warren 24%; Sanders 14%; Buttigieg 5%. The Tampa Bay (FL) Times (9/18, Taylor, 742K) reports that a Florida Atlantic University poll of 407 Florida Democratic voters, taken Sept. 12-15, shows Biden leading with 34%, followed by Warren at 24%, Sanders at 14%, and Buttigieg at 5%; no other contender tops 4%. In a similar poll taken in May, Biden led with 39%, followed by Sanders and Warren both at 12%. In hypothetical general election matchups, the poll shows President Trump edging the three leading Democrats by one point or less.

Armstrong Williams: Biden Told Thomas He Didn't Believe Anita Hill's Accusations.

In an online article, Fox News (9/18, London, 27.59M) reports, "A close friend and former colleague of Supreme Court Justice Clarence Thomas, echoed new" remarks made by ex-Sen. Orrin Hatch (R-UT) that then-Sen. Joe Biden (D-DE) "did not believe Anita Hill after she accused Thomas of sexual harassment during Thomas' Supreme Court confirmation process. 'With Senator Joe Biden, Justice Thomas has always held this very deep affection and respect for Joe Biden, because they would talk often off-the-record during the confirmation hearings. And Biden did express to the Justice at the time that he did not believe Ms. Hill,' said Thomas friend and radio host Armstrong Williams." Fox News adds that Hatch "alleges that Biden confided to him during the 1991 hearings that he doubted Hill's story. 'Biden told me personally that he didn't believe her.'" Hatch said.

Biden Draws Heat From Left For Touting His Work With McConnell. The New York Times (9/18, Thrush, 18.61M) reports that as he has campaigned this year, Biden has touted deals he "cut" with Senate Majority Leader McConnell "as proof of his skill in achieving bipartisan legislation in an otherwise hyperpartisan environment. 'I'll work with Mitch McConnell where we can agree,' Mr. Biden said this month – adding that on some issues, like gun control, there was no room for compromise." However, says the Times, Biden's is "a view that has been branded as naïve and wistful by some Democratic rivals as well as by the ascendant left wing of his party. That criticism is particularly pointed with regard to Mr. McConnell." The Times says "many" Democrats consider Biden's "comfortable relationship with the Senate leader...dangerous."

WTimes Analysis: Warren Aims To "Shatter" Notion Of Biden "As Heir To The Obama Legacy." The Washington Times (9/18, Miller, McLaughlin, 492K) reports that Sen. Elizabeth Warren (D-MA) "has a plan to beat" Biden: "Shatter the image of" him "as heir to the Obama legacy." The Times says Warren "is offering Democrats an Obama-esque vision that Mr. Biden can't match with his meandering message about fighting racism and restoring the status quo in a post-Trump America." The Times adds that Warren's "plans for a socialist-style makeover echo Mr. Obama's promise in 2008 of 'fundamentally transforming the United States.'"

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After 2016 Trouncing In South Carolina, Sanders Hoping For Better Showing Next Year.

The New York Times (9/18, Ember, Goldmacher, 18.61M) reports that in the 2016 Democratic presidential race, Sen. Bernie Sanders (I-VT) "stunned the political world by almost beating Hillary Clinton in the Iowa caucuses. He trounced her in New Hampshire. Then, in more diverse South Carolina, where black voters make up an estimated 60 percent of the Democratic primary electorate, he got annihilated," losing "every county in the state, with Mrs. Clinton carrying more than half of them with more than 80 percent of the vote." The Times adds, "After mostly minimizing South Carolina four years ago, if not seeming to downright disregard it at times, Mr. Sanders has returned with a previously unseen vigor. ... [B]y this weekend, when Mr. Sanders visits on a college tour, he will have notched as many visits to the state as he made in the 2016 cycle."

Sanders "Quietly Parted Ways With His Iowa Political Director." The Washington Post (9/18, Sullivan, 14.2M) reports that Sanders "quietly parted ways with his Iowa political director in recent weeks, his campaign confirmed Wednesday, part of a series of recent staff shake-ups in key early states. The campaign announced in March that Jess Mazour would be political director in" Iowa, "part of a first wave of early state hires. She is no longer on the team." The Post adds, "A campaign official who spoke anonymously because of the sensitivity of the situation said Mazour was let go in late summer and will not be replaced. Mazour...was a high-ranking campaign aide but not the director of the Iowa effort."

Politico: Slumping Harris Adopting "Iowa-Or-Bust Strategy."

Politico (9/18, Cadelago, 4.29M) reports that Sen. Kamala Harris (D-CA) "is putting her stumbling campaign on the line with a new Iowa-or-bust strategy: She's shifting away from the closed-door fundraisers that dominated her summer calendar to focus on retail politicking in the crucial kickoff state. Harris huddled with top campaign officials Tuesday in Baltimore to discuss the next steps as a series of polls show her plummeting into the mid-single digits. She's not expected to significantly alter her message," but plans "to make weekly visits to the state and nearly double the size of her 65-person ground operation," according to "sources familiar with the discussions." Politico adds, "A half-dozen Harris officials and outside allies briefed on internal expectations said she needs a top-tier finish in Iowa to remain competitive" in the race for the Democratic presidential nomination.

Rove: Democrats Won't Win Moderate Votes With Vicious Assaults On Trump.

In his column for the Wall Street Journal (9/18, Subscription Publication, 7.57M), Karl Rove observes that many of the Democratic candidates at last Thursday's debate in Houston combined positive, uplifting messages about the future of the country with vicious personal attacks on President Trump. In Rove's view, such assaults, while galvanzing the left, will alienate swing voters.

Sources Say Kennedy To Announce Primary Challenge To Markey On Saturday.

The AP (9/18) reports that Rep. Joe Kennedy III (D-MA), "a scion of one of America's most storied political families, is set to announce" a 2020 primary challenge to Sen. Edward Markey (D-MA). The AP says, "A person with knowledge of Kennedy's plans told [the AP] that Kennedy will formally make the announcement Saturday. The person wasn't authorized to preempt Kennedy's announcement and spoke Wednesday on condition of anonymity. The 38-year-old grandson of Robert Kennedy has been quietly laying down the foundation of a run, building up his staff and formally announcing his interest in the race by filing preliminary paperwork with the Federal Election Commission last month."

The Boston Globe (9/18, 972K) reports, "Kennedy informed Markey of his decision Wednesday," according to a source. The Globe adds, "Backed by his famous surname and relative youth, Kennedy, 38, will enter the race as the front-runner, according to recent polls. But Markey, 73, has insisted publicly and privately he will put up a tough fight to stay in Congress, where he began serving in 1976." The Boston Herald (9/18, Kashinsky, 410K) reports that Markey "has been staffing up and pushing out endorsements" from Sen. Elizabeth Warren (D-MA) and Rep. Alexandria Ocasio Cortez (D-NY), "his Green New Deal co-sponsor."

The New York Times (9/18, Martin, Fandos, 18.61M) reports, "The contest will almost certainly be the country's most high-profile Senate primary and could offer clues for just how eager Trump-era Democrats are to replace more incumbent lawmakers. But unlike with some of the Tea Party-era Republican races between ideological foes, Mr. Kennedy, 38, and Mr. Markey, 73, are both reliable progressives and each is claiming support from liberal leaders and organizations." Politico (9/18, Murray, 4.29M) reports, "A public poll conducted just after Labor Day found Kennedy 14 percentage points ahead of Markey in a head-to-head match-up, and 9 percentage points ahead of Markey and two lesser-known primary challengers." USA Today (9/18, Behrmann, 10.31M), Axios (9/18, Basu, 521K), Bloomberg (9/18, Dennis, Wasson, 4.73M) and the Wall Street Journal (9/18, Andrews, Subscription Publication, 7.57M) also report on the story.

Milbank: Trump Constantly Denying Things He Has Said Shows His Word Can't Be Trusted.

In his column for the Washington Post (9/18, 14.2M), Dana Milbank points out the many instances when President Trump has denied saying something, when the record shows that, in fact, he did. It is "not necessarily a new phenomenon," Milbank writes, "but the lapses have become more serious." Milbank concludes: "Whether it's deceit or memory malfunction, the consequence is the same: Friends and foes alike know that the president's word is not to be taken seriously."

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Loyola: Threat To Pack Supreme Court Could Influence Justices' Decisions.

In an op-ed for the Wall Street Journal (9/18, Subscription Publication, 7.57M), Mario Loyola, a senior fellow at the Competitive Enterprise Institute, writes that a threat by Democrats to pack the Supreme Court should be taken seriously, not because such legislation is likely to pass, but because it could inappropriately influence the justices. Loyola points to Franklin D. Roosevelt's threat to pack the court, which led to the justices eventually acquiescing in cases that expanded federal authority.

WPost: More Information Should Be Released About Response To DC Fire That Led To Two Deaths.

In an editorial, the Washington Post (9/18, 14.2M) questions the response to a fire that led to the deaths of two people last month in Washington. The Post urges city officials to release "more information about the events" so the public can "judge for themselves whether officials are right that dispatchers did what they could in a challenging situation." It adds that the District of Columbia Council, "which plans to examine the District's handling of the property, should also do its own review of this matter."

RCP Average Has Trump's Job Approval At 44.1%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.1%, and his disapproval at 53%. The President's approval is up 0.1 since yesterday; his disapproval is down by 0.3.

A Rasmussen poll of 1,500 "likely voters" (9/15-9/17) finds Trump's approval at 51%, with 48% disapproving. Trump highlighted the Rasmussen numbers on his Twitter feed, writing, "Thank you!"

An Economist/YouGov poll of 1,184 "registered voters" (9/14-9/17) shows Trump with a 44% approval rating and 53% disapproval.

A Politico/Morning Consult poll of 1,994 "registered voters" (9/13-9/16) finds Trump's approval at 43%, with 53% disapproving.

A Reuters/Ipsos survey of 939 "registered voters" (9/16-9/17), meanwhile, has the President's job approval at 43%, and his disapproval at 55%.

Financial International News

Number Of Investment Bank Jobs Leaving London Still Smaller Than Expected.

Bloomberg (9/18, 4.73M) reports that with only six weeks until the UK is expected to leave the European Union, "the expected rush of investment bank jobs out of London is still just a trickle, according to a study." Banks "have moved 1,000 posts to rival hubs like Frankfurt and Paris since the referendum in June 2016, a report by EY said." That contrasts "with some estimates of tens or even hundreds of thousands shifting to the EU as a result of Brexit."

Sources: Italy Cutting 2019, 2020 GDP Growth Forecasts.

Reuters (9/18, Fonte, Jones) reports the new Italian government "expects the economy to expand by only about 0.4% next year after eking out 0.1% growth this year," according to three sources, "underscoring the need for an expansionary 2020 budget." In April, the previous government had targeted GDP of 0.2% this year and 0.8% in 2020.

BOJ Keeps Monetary Policy On Hold.

The Financial Times (9/18, Harding, Subscription Publication, 1.34M) reports the Bank of Japan kept monetary policy on hold but suggested action next month.

ECB Considers Investigating Deutsche Bank Over Alleged Unauthorized Bond Purchases.

Reuters (9/18) reports the European Central Bank is "examining whether to open a formal investigation into Deutsche Bank for allegedly buying some of its own securities without authorization, two people familiar with the matter said on Wednesday." The alleged offense, "which could result in a fine if the bank is found to have broken rules, comes as Germany's biggest lender tries to improve its reputation with investors and relationship with regulators after years of misdeeds."

FT Supports Bank Of England Holding Rates.

The Financial Times (9/18, Board, Subscription Publication, 1.34M) says in an editorial that with the Bank of England meeting on Friday, it is unlikely to make any move on rates. The editors say the bank is right to hold fire.

Brazil's Central Bank Cuts Benchmark Rate To Record Low.

The Wall Street Journal (9/18, Trevisani, Lewis, Subscription Publication, 7.57M) reports the Brazilian central bank cut its benchmark interest rate on Wednesday, as expected. The bank cut the benchmark Selic rate from 6% to a record low of 5.5%. At least one more cut is expected this year, with economists surveyed by the central bank predicting the Selic at 5% by the end of 2019.

Latvian Financial Watchdog Fines PrivatBank Over Money-laundering Controls.

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Reuters (9/18) reports Latvia's financial watchdog "said on Wednesday it had fined PrivatBank, the country's 12th-biggest bank, 1 million euros ($1.1 million) for insufficient money-laundering controls." The Financial and Capital Market Commission (FCMC) said in an emailed statement "it had found a number of 'serious faults' in the internal control system in the area of anti-money laundering and terrorist financing at the bank."

Leading International News

After Israeli Elections, Trump Seems To Distance Himself From Netanyahu.

Axios (9/18, News, 521K) reports that after Israeli Prime Minister Benjamin Netanyahu "fail[ed] to win a parliamentary majority in Tuesday's elections," President Trump "appeared to distance himself" from the Israeli leader. Speaking to reporters in California, Trump said that he had not spoken to Netanyahu about the election results, and stressed that the Administration's relations "are with Israel." Axios says Trump's "cool remarks are a blow to Netanyahu, who is fighting for his political survival." The Washington Post (9/18, Gearan, 14.2M) also describes Trump as "appear[ing] to distance himself" from Netanyahu as he "declin[ed] to offer either encouragement or praise to his most enthusiastically loyal foreign ally now that he faces potential electoral defeat."

Trump's comment comes as Israel voters, according to Reuters (9/18, Heller), "dealt a new blow to Israel's longest-serving leader." Netanyahu "failed to win a ruling majority in an election that produced a virtual tie between his right-wing bloc and a center-left grouping that would be led by former military chief Benny Gantz." Reuters adds that "with coalition-building again key to forming a government, it could be days or even weeks before it becomes clear whether the wily politician hailed by supporters as 'King Bibi' has been dethroned after a decade in power." In a brief report on the election results, ABC World News Tonight . (9/18, story 10, 0:21, Muir, 6.69M) said Netanyahu "has canceled his trip to New York City for the UN General Assembly next week."

The Washington Post (9/18, McAuley, Eglash, Hendrix, 14.2M) reports that Netanyahu and Gantz, "head of the centrist Blue and White faction," have both begun "jockeying for the endorsement of smaller parties in hopes of achieving a governing majority of 61 seats in the Knesset, Israel's parliament. Preliminary results show the two parties each with 32 seats." According to the Post, "If confirmed by the final tally expected Thursday, center-left and Arab would parties gain influence and ultrareligious parties would see theirs wane." The AP (9/18, Heller) says Netanyahu is "facing an uphill battle to hold on to his job." Likewise, the Wall Street Journal (9/18, Schwartz, Subscription Publication, 7.57M) says Netanyahu has few options to remain in power.

Bloomberg (9/18, 4.73M) reports that "after a near-final tally is released Thursday, President Reuven Rivlin will consult with the various parties to see whom they recommend he ask to form the next government. Coalition talks could take as long as six weeks." The New York Times (9/18, Specia, 18.61M) reports that "the secular ultranationalist party Yisrael Beiteinu, which is expected to win nine seats in the Knesset, may have the potential to make or break a coalition," and "its leader, Avigdor Liberman, appears to hold the power to be a kingmaker." Reuters (9/18, Farrell) says Lieberman "took a huge gamble by refusing to join a Netanyahu coalition government on a point of principle in an election last April. If exit polls and early vote tallies prove correct, he reaped the reward by boosting his party's seat numbers in the Sept. 17 rerun."

The AP (9/18, Heller) says that "Lieberman took the political gamble of his life when he spurned his mentor," Netanyahu, "and forced an unprecedented repeat election," and "it appeared to have paid off." Lieberman "passed up the post of defense minister in Netanyahu's government following April's election and refused to join the new coalition because of what he said was the excessive influence it granted to ultra-Orthodox Jewish parties." the move left Netanyahu "one seat short of a parliamentary majority. Instead of allowing an alternative candidate a chance to form a government, Netanyahu dissolved parliament and called another snap election. – launching a scathing campaign aimed at ending the career of his former protégé."

The New York Times (9/18, Kershner, 18.61M) says "the murky outcome for the main Jewish parties," could allow the Joint List, "an alliance of predominantly Arab parties," to "play a rare and critical role." In a separate story, the AP (9/18, Krauss) reports that "in absolute terms, the Arab bloc appears to have repeated its performance in 2015, when it won 13 seats. But this time around, due to the shifting constellation of Israeli politics, it would be well-placed to lead the opposition if a national unity government of the two largest parties is formed, as seems likely." According to the AP, "That would put a representative of Israel's Arab citizens closer to the center of power than ever before and strengthen their ability to influence the national agenda." Similarly, a New York Times (9/18, Halbfinger, Kershner, 18.61M) analysis says that "whatever the government, Arab citizens will enjoy greater representation, and perhaps even speak with a louder voice if an Arab lawmaker becomes opposition leader for the first time."

WPost Welcomes Possibility Of Netanyahu's Defeat. A Washington Post (9/18, 14.2M) editorial says Netanyahu "suffered a crippling and perhaps politically mortal blow in Tuesday's elections – and for all the right reasons." To the Post, Netanyahu "conducted a vile campaign directed at Israel's Arab minority." If "Israel's other parties stick to their campaign positions, a leader who has polarized his country and damaged Israel's standing in the United States could finally be forced from office – or, at least, prevented from following through on his most extreme promises." Israel's election, the Post argues, "could arrest what has been a dangerous slide toward a self-defeating nationalism."

Trump To Appear With India's Modi At US Rally.

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The Washington Post (9/18, Slater, 14.2M) reports President Trump will join Indian Prime Minister Narendra Modi at a rally in Houston on Sunday. According to the Post, "it marks the first time that any U.S. president and Indian prime minister have addressed such an event

together," and it comes amid trade tensions between the two countries and concerns from "the State Department and some members of Congress, who have urged India to end its detentions of Kashmir's political leaders." At the event, "the two countries will emphasize their affinities rather than their differences," and "officials from both countries have dropped strong hints that they hope to announce progress toward reducing the current trade frictions while Modi is in the United States." Also, "for Trump, the rally provides access to a pool of voters – Indian Americans – that he hopes to court in next year's presidential elections, even if the community tends to lean heavily Democratic."

Congress To Vote On Bill Backing Hong Kong Activists.

Reuters (9/18, Zengerle) reports congressional committees are set "to start voting next week on legislation supporting human rights in Hong Kong, with measures under consideration including annual reviews of the Chinese territory's special economic status and the imposition of sanctions on those who undermine its autonomy." House Speaker Pelosi "held a news conference on Wednesday with House members – Republicans and her fellow Democrats – as well as Joshua Wong, Denise Ho and other Hong Kong democracy activists to back the 'Hong Kong Human Rights and Democracy Act of 2019.'" The activists in Washington this week made "their case for U.S. support, including testifying at a congressional hearing on Tuesday."

The AP (9/18, Mascaro) reports, "Pelosi thanked the activists for 'challenging the conscience,' not only of the Chinese government, but the worldwide community with their mass protests over the territory's autonomous status." She supported "the protesters' demand for universal suffrage and 'a political system accountable to the people.'" And she "warned others in the U.S. government not to allow 'commercial interests' to drive foreign policy in the region."

American Airlines Mechanic Caught Sabotaging Plane May Have Ties To ISIS.

The Miami Herald (9/18, Weaver, 1.09M) reports, "An American Airlines mechanic accused of sabotaging a navigation system on a flight with 150 people aboard at Miami International Airport was denied bond by a federal judge on Wednesday after prosecutors suggested he may have links to a Middle East terrorist organization." Abdul-Majeed Marouf Ahmed Alani "told investigators after his arrest earlier this month that he disabled the system because he was upset over stalled union contract negotiations," but investigators found "Alani lied about taking a trip to Iraq in March to visit his brother, and that he told a fellow American Airlines employee in June that his brother...was a member of...ISIS." Moreover, "prosecutors also said Alani allowed the FBI to search his smartphone and agents found a 'disturbing' ISIS video in which a person was being shot in the head, and that he sent the video to someone with an Arabic message asking 'Allah' to take revenge against non-Muslims."

All three major network newscasts reported the story last night. In its lead segment, ABC World News Tonight (9/18, lead story, 2:23, Muir, 6.69M) reported "authorities say Alani had also received an article about airplane crashes involving the very sensor he had sought to disable," and that "he allegedly shared a message asking Allah to take action against the kafirs, or non-believers." The CBS Evening News (9/18, story 3, 1:37, O'Donnell, 4.12M) remarked on the "dramatic turn in the case," while NBC Nightly News (9/18, lead story, 2:16, Holt, 5.99M) led its broadcast with the "disturbing new questions" about Alani.

Brian Todd said on CNN's Situation Room (9/18, 761K), "Terrorist groups from al Qaeda to ISIS are known to be fixated on trying to bring down American planes and the threat of a terrorist getting a job with an airline to pull off an inside job has always been a major security concern. ... But terrorism experts say it is possible Alani's interest in Iraq and ISIS could have no bearing on the alleged sabotage."

Aviation correspondent Renee Marsh said on CNN's Situation Room (9/18, 769K), "Although prosecutors have presented these links to ISIS, they don't, at least right now, have evidence that this mechanic was motivated by ISIS. Otherwise, the charges would reflect that." The New York Times (9/18, Zaveri, 18.61M) also reports "Alani has not been charged with any terror-related crimes," and "Federal prosecutors did not answer questions about the case on Wednesday evening." Moreover, "a lawyer for Mr. Alani, Christian S. Dunham, did not immediately respond to requests for comment on Wednesday evening." Also reporting the story, among other news outlets, are the Washington Examiner (9/18, Bufkin, 448K), the AP (9/18, Anderson), Townhall (9/18, Pavlich, 177K), the New York Post (9/18, Fredericks, 4.57M), and the Fox News (9/18, Casiano, 27.59M) website.

Lawmakers Skeptical Of Administration Efforts To Renew Spy Program.

The Washington Post (9/18, Barrett, Nakashima, 14.2M) reports lawmakers on Wednesday were skeptical "about the Trump Administration's call to retain the authority to run a counterterrorism program that was shuttered last year." House Judiciary Chairman Jerrold Nadler expressed doubt about whether the NSA's "aborted program to collect millions of Americans' phone records should be reauthorized following repeated compliance problems and minimal evidence of the program's utility." Nadler said, "Simply put, the NSA dismantled the program because it was a serious failure. It is not a bad thing that the NSA identified a problem, told us about it, and tried to fix it." But Nadler said it was "baffling" that the Administration wants Congress to reauthorize that effort after shutting it down.

Facebook Still Auto-Generating Pages Promoting Extremist Groups.

The AP (9/18, Butler, Ortutay) reports that following a story by the AP four months ago about how "pages that Facebook auto-generates for businesses are aiding Middle East extremists and white supremacists in the United States," the company "appears to have made little progress on the issue." A whistleblower's complaint says "that Facebook itself has inadvertently provided the two extremist groups with a

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networking and recruitment tool by producing dozens of pages in their names." The filing "identifies almost 200 auto-generated pages – some for businesses, others for schools or other categories – that directly reference the Islamic State group and dozens more representing al-Qaida and other known groups."

UN Security Council To Vote On Call For Idlib Truce.

Reuters (9/18, Nichols) reports the United Nations Security Council is set to vote Thursday "on a draft resolution calling for a truce in northwest Syria, though diplomats said the measure is likely to be opposed by veto-power Russia." According to the article, "diplomats, speaking on condition of anonymity, said Russia wanted language to be included in the resolution that would exempt from the truce military offensives against armed groups blacklisted by the Security Council." However, "the United States and others refused, diplomats said." The measure instead demands "member states ensure that all measures taken to counter terrorism, including in Idlib Governorate, comply with their obligations under international law."

Khalilzad To Provide Classified Briefing To House Panel.

The Washington Times (9/18, Meier, 492K) reports, "President Trump's lead negotiator with in the failed peace talks with Afghanistan's Taliban militants will not appear publicly before the House Foreign Affairs Committee Thursday, as planned, but will instead provide a classified briefing to panel members." Chairman Eliot Engel "announced late Thursday that he has withdrawn his subpoena of veteran diplomat Zalmay Khalilzad that was issued last week after 'numerous requests' made to the State Department to be briefed on negotiations were ignored." The panel will "continue its Thursday hearing on the Trump administration's plans for the 18-year U.S. war in Afghanistan, but it will commence without Mr. Khalilzad's public presence."

Trudeau Apologizes For Wearing Brownface After Photo Surfaces.

TIME (9/18, Kambhampaty, Carlisle, Chan, 18.47M) reports, "Justin Trudeau, Canada's prime minister, wore brownface makeup to a party at the private school where he was teaching in the spring of 2001." The photograph, "taken at an 'Arabian Nights'-themed gala," depicts Trudeau, then a 29 year-old teacher at West Point Grey Academy, "wearing a turban and robes with his face, neck and hands completely darkened." It appears in the 2000-2001 yearbook of the private school.

The New York Times (9/18, Austen, Bilefsky, 18.61M) reports, Trudeau told reporters on Wednesday, "This is something I shouldn't have done many years ago. It was something that I didn't think was racist at the time, but now I recognize it was something racist to do, and I am deeply sorry." The Wall Street Journal (9/18, Vieira, Subscription Publication, 7.57M) reports that Trudeau added, "I am going to be thinking how much harder I am going to have to continue to work to demonstrate to Canadians that I am focused on building a better world with less discrimination, less intolerance and less racism."

USA Today (9/18, Behrmann, 10.31M) reports Trudeau "also told reporters about another incident where he wore similar makeup during a high school talent show." He said "he wore 'makeup' to perform 'Day-O', a traditional Jamaican folk tune sung by legendary African American performer and civil rights activist Harry Belafonte."

The AP (9/18) reports "the photo's publication could spell more trouble for Trudeau, who polls say is facing a serious challenge from Conservative leader Andrew Scheer." The Washington Post (9/18, Coletta, Knowles, Thebault, 14.2M) reports Scheer "blasted his opponent Wednesday night, calling the brownface photo 'an act of open mockery and racism.'" Speaking to reporters, Scheer said he was "shocked" and "disappointed."

Trump A Hot Topic For Candidates Campaigning In Canada's Election. The Washington Post (9/18, Coletta, 14.2M) reports President Trump "could play an unusual role" in Canada's federal election campaign. Party leaders are "unlikely to alienate voters if they criticize the president." However, "candidates must also tread lightly: Trump is seen as an easy target; spending too much time on him could backfire as cheap politicking at the expense of more substantive campaigning. And the eventual winner will have to work with him."

Housing

HUD Official Reprimanded For Hatch Act Violations.

Politico (9/18, O'Donnell, 4.29M) reports that the Office of Special Counsel has "reprimanded" Lynne Patton, "a top Department of Housing and Urban Development official with ties to President Donald Trump's family, for making political statements on the job." Patton "used her official government Twitter account to promote political tweets and displayed a red 'USA' hat sold by the Trump campaign in her office." The OSC "issued Patton a warning letter after determining that both activities violated the Hatch Act, which prohibits executive branch officials from certain political activity while on duty."

Freddie Mac Announces Its CRT Programs Have Transferred Over $50B In Credit Risk.

DS News (9/18, Welborn) reports, "Freddie Mac recently announced that its Single-Family Credit Risk Transfer (CRT) programs have surpassed the $50 billion mark in transferring credit risk to private investors and (re)insurers. From program inception to date, the company has transferred a portion of the credit risk on more than $1.3 trillion of Single-Family mortgages based on unpaid principle balance (UPB) at issuance. Per Federal Housing Finance Agency (FHFA) guidelines, Freddie Mac now transfers the credit risk on more than 90% of the UPB

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on CRT-eligible, newly-acquired Single-Family mortgages." Freddie Mac VP of Single-Family Credit Risk Transfer Mike Reynolds said, "I am proud of our accomplishments and the positive impact we are making on the U.S. housing finance industry. Freddie Mac will continue to lead the industry with innovation in the CRT space and set the standard for credit risk management." Recently, CEO David Brickman praised Freddie's "growing track record of strong returns, solid risk management and an unwavering commitment" to its mission in the GSE's Q2 earnings call.

Freddie Mac Launches Online Mortgage Insights Platform For Lenders.

American Banker (9/18, Subscription Publication, 31K) reports, "Freddie Mac has launched a web-based mortgage insights platform designed to provide lenders with access to key market data. The service, ECO, for Evaluate|Compare|Optimize, is being rolled out a time when the mortgage industry has put more emphasis on organizing information digitally to ensure it is an easily digestible format." Freddie Mac Single-Family VP Bhavini Amin said, "Freddie Mac's ECO is the overarching view that our account executives review with their client counterparts on a monthly or quarterly basis. There's a greater ability to slice the data in many ways."

FHFA Ends GSE MSR Financing Pilot.

National Mortgage Professional (9/18) reports the FHFA "has announced the end of the Mortgage Servicing Rights (MSR) financing pilot program for Fannie Mae and Freddie Mac." The pilot "began in 2018 to provide financing to non-bank servicers as they continue to account for a growing percentage" of the GSEs' overall servicing portfolio. According to NMP, "While both GSEs were approved for the MSR pilot, only Freddie Mac chose to participate." FHFA Director Mark Calabria said, "The MSR market is already served by a wide assortment of highly competitive private sources of capital and financing. Going forward, the Enterprises should focus on activities that are core to the guaranty business, mitigate risk, and are essential to end the conservatorships."

Behind a paywall, Inside Mortgage Finance (9/18, Muolo, Subscription Publication) provides similar coverage. Behind a paywall in its Short Takes, Inside Mortgage Finance (9/18, Muolo, Subscription Publication) says that "news of the Federal Housing Finance Agency killing the Freddie Mac MSR-financing pilot was still filtering down to the industry" as IMF "went to press Wednesday."

Freddie Mac's Loan Product Advisor Includes AIM For Direct Deposit With Paystub.

National Mortgage News (9/18, Sinnock) reports, "Freddie Mac is partnering with Finicity to give lenders access to a new automated process that advances efforts to consolidate borrower-authorized data validation checks used in the secondary market underwriting process."

In its latest Mortgage Tech Rundown, HousingWire (9/18, Lloyd, 23K) reports Freddie Mac "announced its Loan Product Advisor solution now includes AIM for Direct Deposit with Paystub, which leverages data from Finicity's verification of income and employment solution in limited release." Freddie "explained in a press release that Finicity's solution extracts a borrower's pay statement data from the paystub and then cross-verifies it against their income transactions from their personal financial institutions." In other tech news, Realogy partnered with HomeAdvisor to launch a new home improvement program, RealVitalize, and investing/lending platform Groundfloor "launched a new product" targeting real estate investors who "may need additional financing during renovation projects."

JPM And Citigroup Say That Deutsche Bank's Help Still Does Not Link Them To GSE Bond-Rigging.

Behind a paywall, Bloomberg Law (9/18, Leonard, Subscription Publication, 4K) reports JPMorgan Chaseand Citigroup "say a Southern District of New York lawsuit claiming they rigged the $550 billion market for bonds backed by Fannie Mae and Freddie Mac fails to link them to any scheme, even with Deutsche Bank AG's help. The proposed class action accuses the country's top financial institutions of colluding to narrow the spread between what they pay for the unsecured over-the-counter bonds and what they get for them. The case is consolidated in the U.S. District Court for the Southern District of New York."

Reporting on news that the SEC fined three Raymond James entities for "wrongfully charging advisory fees on inactive retail client accounts" and "charging extra commissions for brokerage customer investments in unit investment trusts," Zacks Investment Research (9/19, 96K) says Deutsche Bank "agreed to pay $15 million in penalty to settle allegations that it exploited its market presence by overcharging clients for unsecured bonds issued by Fannie Mae and Freddie Mac between 2009 and 2016."

First American: Existing-Home Sales Exceeded Market Potential In August.

National Mortgage News (9/18, Finkelstein) reports, "Existing-home sales exceeded their market potential again in August, and the improvement may continue for some time before there's a correction, according to First American. There were an additional 41,519 home sales in August, 0.8% above what the First American Potential Home Sales Model estimated. First American measures home sales using a seasonally adjusted, annualized rate." First American Chief Economist Mark Fleming explained, "Given the historical relationship between existing-home sales and population demographic data, homeowner tenure, house-buying power, house price trends and conditions in the financial market, the pace of existing-home sales is exceeding what we believe is fundamentally supported by the market. The main reason? Rising tenure length." However, according to NMN, Fleming "pointed to the Sept. 12 Freddie Mac Primary Mortgage Market Survey," saying that if mortgage rates "remain this low or even fall further, more existing-home owners may be enticed to move as the rate 'lock-in' effect

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fades. While actual existing-home sales are marginally outperforming market potential this month, declining mortgage rates could be the factor that bridges the gap."

Future Of GSEs A Highlight Of NAR Housing Opportunity Working Group Meeting.

According to Illinois Realtors (9/18), "The future of government sponsored enterprises (GSEs) like Fannie Mae and Freddie Mac as private utilities and the importance of counting renters in 2020 U.S. Census were two highlights at Housing Opportunity Working Group meeting Wednesday morning at the Chicago Marriott Naperville." NAR Senior Policy Advisor Ken Fears "explained how the two GSEs came to be placed in government conservatorship following the financial crisis in 2008, their importance to the U.S. economy and what the Trump administration hopes to accomplish by removing them from government control. Then he summarized NAR's ideas to ensure the financial viability of Fannie Mae and Freddie Mac and preserve housing opportunities for all by making these entities private utilities."

MBA: Last Week, Mortgage Applications Fell As Mortgage Rates Moved Higher.

HousingWire (9/18, Lloyd, 23K) reports, "Last week's uptick in interest rates sent the nation's refinance activity into decline, as mortgage rates climbed to a seven-week high, according to the Mortgage Bankers Association's weekly Mortgage Applications Survey." On both adjusted and unadjusted bases, mortgage applications fell 0.1% for the week that ended on September 13 from the prior week. The Refinance Index "fell 4% from the previous week," yet remained "148% higher than the same period in 2018." Meanwhile, the unadjusted Purchase Index "rose 16% from a week ago and is still 15% higher than the same week a year ago." The seasonally adjusted Purchase Index "ticked up 6% from the week before." The refinance share fell from 60% to 57.9%, while the ARM share "retreated to 5% of total applications." The FHA share rose from 9.3% to 10.9%, while the VA share rose from 11.9% to 12.7%. The average rate for 30-year conforming FRMs rose from 3.82% to 4.01%, while that for jumbo balances rose from 3.84% to 4.01%. The 15-year FRM average rose from 3.28% to 3.42%, and the 5/1 ARM average rose from 3.42 to 3.54%. Mortgage News Daily (9/18, Swanson) reports the "average loan for a purchase mortgage" was $327,400.

National Mortgage News (9/18, McCullom) reports MBA AVP Joel Kan said, "The jump in U.S. Treasury rates at the end of last week caused mortgage rates to increase across the board, with the 30-year fixed-rate mortgage climbing to 4.01% – the highest in seven weeks. Refinancing activity dropped as a result, driven solely by conventional refinances. ... The purchase index increased for the third straight week to the highest reading since July. Additionally, the average loan amount on purchase applications increased to its highest level since June. This is a likely a sign that the underlying demand for buying a home remains strong, despite some of the recent volatility we have seen."

Ellie Mae: Refis Surged In August Thanks To Lower Rates.

M Report (9/18, Albanese) says, "The 30-year note rate fell for the eighth-consecutive month to 4.07% in August from the prior month's 4.18% Ellie Mae reported in its latest Origination Insight Report." Refis made up 43% of all loans in August, representing a 38% increase from July. According to M Report, "Purchase percentages as a share of all loans fell under 60% for the first time this year." Ellie Mae CEO Jonathan Corr said, "Interest rates continue to decline and we're seeing homeowners capitalize on the refinance opportunity throughout the month of August. As we enter the fall and the market expects further rate cuts from the Fed, we will watch to see if the share of refinances continues to climb further."

Commerce: August Homebuilding Activity Surged At Fastest Pace In A Dozen Years.

The Wall Street Journal (9/18, Parker, Chaney, Subscription Publication, 7.57M) reports homebuilding activity rose in August to reach the highest level seen in over 12 years, according to data released Wednesday by the Commerce Department. According to MarketWatch (9/18, Passy, 1.67M), the data was released as the Federal Open Market Committee opted to "cut short-term interest rates."

Bloomberg (9/18, Pickert, 4.73M) reports US home construction "surged in August to the fastest pace since mid-2007 on more apartment projects and single-family houses, a welcome sign for the housing sector that has struggled to gain momentum." Residential starts "climbed 12.3% to a 1.36 million annualized rate after an upwardly revised 1.22 million pace in the prior month, according to government figures released Wednesday that topped all estimates in Bloomberg's survey." The median forecast was for 1.25 million starts on an annual basis. Single-family housing starts "increased in the West, Midwest and the populous South, but fell in the Northeast." Starts for single-family houses "rose 4.4% to a 919,000 annualized pace, the strongest since January." Multifamily housing starts were up "32.8% to a three-month high." Meanwhile, residential permits "increased 4.5% to 866,000, the most since July 2018," reaching a "12-year high." Providing similar coverage are National Mortgage News (9/18), HousingWire (9/18, 23K), Mortgage News Daily (9/18), and Realtor (9/18, 25.12M).

Continuing Coverage: Homebuilding Confidence Reportedly On The Rise. Reuters (9/18, Mutikani) reports, "A survey on Tuesday showed confidence among homebuilders rose in September, with builders reporting solid demand for homes. But builders said scarce building lots and labor remained a challenge and also noted that trade tensions, which have undercut manufacturing, were 'holding back home construction in some parts of the nation.'" According to data from Freddie Mac, as of last week, the average rate for a 30-year FRM was 3.56%. Reuters reports, "Firmer demand for housing was underscored by a separate report on Wednesday from the Mortgage Bankers Association showing applications for loans to purchase a home increased for a third straight week last week."

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Analysis: Mortgage Investors Need Not Worry About A Housing Supply Surge.

Potentially behind a paywall, Christopher Maloney writes for Bloomberg (9/18, 4.73M) that mortgage investors are "unlikely to see a net supply surge even should interest rates continue to move lower, if only because the pace of new home construction is far slower than it used to be." Since almost every home purchase transaction "feeds supply into the agency MBS market," a "tepid pace of single-family homes being built will translate into less supply, benefiting mortgage investors."

Opinion: Blockchain Mortgages Can Mitigate Imminent Economic Downturn.

In a Forbes (9/18, Dimitrov, 9.71M) piece, arguing the blockchain mortgages "could help the impending recession," enterprise blockchain architect Biser Dimitrov writes that the state of the stock market and US economy, the downtrend of European banks, US-Chinese trade tensions, and the Administration's GSE reform plan "add up negatively as the impending recession is getting closer." According to him, "The digital transformation caused by blockchain and DLT will have its impact on the mortgage industry, but it might take some time. We already see steps in that direction as startups are currently issuing $85 million in loan originations per month, but it will take years until the important participants like banks are fully onboard. One thing we know for sure, the sophistication that blockchain technology and smart contracts bring will lead to huge operational cost savings and the opening of new untapped markets."

Opinion: "Self-Service Mortgage Products" Can Enhance Borrowers' Experience And Boost Lenders' Profits.

In a National Mortgage News (9/18) opinion piece, Finastra regional managing director of sales Dan Putney argues that lenders should "create an automated mortgage lending operation" to "build profits." Last year, mortgage profitability "hit an all-time low," with lenders "reporting an average net loss of $200 for each loan they originated in the fourth quarter." According to Putney, "Many financial institutions could have avoided those losses and come out ahead if they'd been willing to make changes before it was too late. ... Financial institutions can reduce expenses around regulatory requirements, MLO compensation, and fixed costs in a number of ways, but there is one clear path to increasing volume: self-service mortgage products that give borrowers the control, speed, and convenience they desire."

Markets

Treasury Yields Lower Following Fed Rate Cut.

CNBC (9/19, Amaro, 3.62M) reports US government debt prices "were higher Thursday morning, after the Fed failed to signal further rate cuts this year, disappointing market expectations." At around 02:10 a.m. ET, the yield on the benchmark 10-year Treasury note was "lower at around 1.7787%, while the yield on the 30-year Treasury bond was also lower at around 2.2234%."

Stocks Finish Mixed.

Reuters (9/18, Culp) reports the S&P 500 and the Dow "reversed losses to close higher on Wednesday and US Treasury yields slipped after remarks by...Powell tempered the market's initial reaction to the US central bank's policy statement." The Dow "rose 36.28 points, or 0.13%, to 27,147.08, the S&P 500 gained 1.03 points, or 0.03%, to 3,006.73, and the Nasdaq Composite dropped 8.62 points, or 0.11%, to 8,177.39."

Dollar Rises.

Reuters (9/18, Chavez-Dreyfuss) reports the dollar hit "a seven-week high against the yen and a three-month peak versus the Swiss franc on Wednesday after the Federal Reserve cut interest rates by a quarter of a percentage point, as expected, but gave an uncertain outlook on future easing and sounded less bleak about the U.S. economy." In late afternoon trading, the dollar "rose 0.3% to 108.42 yen JPY=, hitting a seven-week high of 108.43." The dollar index "was up 0.3% at 98.56, advancing against the Swiss franc to 0.9981 franc CHF=."

Gold Prices Little Changed On Thursday.

Reuters (9/19, Namboothiri) reports gold prices "were little changed on Thursday after a sharp fall in the previous session as a lack of clarity in the U.S. Federal Reserve's monetary policy outlook kept investors cautious." Spot gold "inched 0.1% higher to $1,495.36 per ounce as of 0636 GMT, after falling as much as 1% on Wednesday. However, U.S. gold futures were down 0.8% at $1,503."

Oil Prices Edge Up.

Reuters (9/19, Tan) reports oil prices "edged higher in Asian trade on Thursday after days of turbulence, with markets soothed by Saudi Arabia's pledge to restore full production by end-September at facilities knocked out in drone and missile attacks last weekend." Brent crude futures "rose 24 cents to $63.84 a barrel by 0634 GMT, while U.S. West Texas Intermediate (WTI) crude CLc1 was up 21 cents to $58.32 a barrel."

Budget

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Senate Fails To Advance Spending Package In Test Vote.

The Washington Times (9/18, Sherfinski, 492K) reports the Senate on Wednesday "failed to move forward on a package of House-passed

spending bills, as lawmakers appeared to dig in for a forthcoming battle over President Trump's desired U.S.-Mexico border wall ahead of an end-of-month funding deadline." On a "mostly party-line vote, the Senate voted 51-44 to move forward on the legislation – short of the 60 votes needed to clear a filibuster." The Times says that "the procedural vote had been expected to fail. Had it succeeded, it would have allowed Senate Republicans to substitute their own version of the legislation and push the process closer to final negotiations with their counterparts in the Democrat-led House."

Cybersecurity

Senators Introduce Legislation To Curb Foreign Interference In US Elections.

The Hill (9/18, Miller, 2.98M) reports, "Sens. Amy Klobuchar (D-Minn.) and Jack Reed (D-R.I.) introduced legislation on Wednesday meant to combat foreign influence in U.S. elections through the establishment of a response center that coordinates intelligence sharing." The Combating Foreign Influence Act "would require the Office of the Director of National Intelligence (ODNI) to establish a Malign Foreign Influence Response Center," which would "be the primary group responsible for compiling and analyzing intelligence on foreign influence operations and campaigns directed against U.S. elections." The center "would also help coordinate intelligence sharing between agencies including the FBI, and the departments of Homeland Security, Defense and State," and it "would be required to submit an annual report to Congress detailing how its work is addressing privacy and civil liberties issues."

DNC Chair Warns Of Potential Interference In 2020 Election.

The Washington Post (9/18, Stanley-Becker, 14.2M) reports, "A top Democratic official is warning in newly blunt terms that the party cannot partner effectively with the Trump administration to fend off foreign cyberattacks because of the president's professed doubts about Russian interference in the 2016 election. 'The president's words and actions have made it difficult to develop a truly effective trust-based relationship with the Department of Homeland Security,' Tom Perez, the chairman of the Democratic National Committee, wrote in a letter Tuesday to Sen. Ron Wyden (D-Ore.), in response to a request for information about how the major national party committees were guarding against information warfare. 'While we have contact with those in the administration, this president's continued refusal to recognize the threat of foreign interference in our elections creates a barrier to true cooperation,' Perez said," and "though he acknowledged the agency's 'dedicated career people,' the DNC chairman concluded, 'this fundamental problem comes from the top.'"

CISA Head Urges Cybersecurity Community To "Stop Selling Fear."

NextGov (9/18, Corrigan) reports, "Cybersecurity pros in government and industry need to get a broader community of people engaged in fighting digital threats, but 'selling fear' shouldn't be their primary strategy, according to the Homeland Security Department's cyber chief." NextGov adds, "As director of the Cybersecurity and Infrastructure Security Agency, Chris Krebs has made it a priority to get more outside groups involved in his agency's cyber efforts," and "he attributes the successful defense of the 2018 midterm elections to those partnerships, and in the run-up to the 2020 race and beyond, Krebs wants the broader cybersecurity community to follow CISA's lead." NextGov adds, "During a speech at the agency's second annual Cybersecurity Summit, Krebs called on industry and government experts to do more to help society grapple with the growing array of digital threats targeting governments, private companies and everyday citizens."

Hauwei Suspended From Membership In Global Forum Aimed At Combating Cyber Breaches.

The Wall Street Journal (9/18, Isaac, Subscription Publication, 7.57M) reports that Huawei Technologies Co. has been suspended from membership in an international group of companies, governments, and individuals established to deal with computer security breaches and to share information about network vulnerabilities. The Forum of Incident Response and Security Teams (FIRST) was created in the 1990s to encourage global cooperation in an effort to address and prevent hacking incidents.

Forbes (9/18, Doffman, 9.71M) reports that Huawei, "under heavy fire from the U.S. government over alleged information security issues, has been (temporarily) suspended from the quietly competent global trade body responsible for promoting cross-industry information security," and "as a result, Huawei will be (officially) excluded from shared information on new threats to security platforms and technologies, theoretically slowing down its ability to address or patch those issues for its own products."

Financial Reform

US Bankers See Opportunity To Pressure Fed On Liquidity Rules.

Reuters (9/18, Johnson, Henry) reports big US banks "are using the recent chaos in short-term funding markets as an opportunity to pressure the Federal Reserve to ease liquidity requirements they have long despised." Speaking at an event hosted by Business Roundtable on Wednesday, JPMorgan Chase CEO Jamie Dimon "criticized Fed-imposed standards of how much idle cash banks must keep on hand, blaming a liquidity rule that is hated on Wall Street for causing market jolts in recent days." He said, "Banks have a tremendous amount of liquidity, but they also have a lot of restraints on how they could use that liquidity and how much they have to maintain at the Fed."

TFI/Sanctions

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UK Bank Pays $4M Over Allegations Of US Sanctions Violations.

The Wall Street Journal (9/18, Sun, Subscription Publication, 7.57M) reports the US Treasury Department said British Arab Commercial Bank PLC agreed to pay $4 million to settle allegations that it violated US sanctions against Sudan. Treasury alleged that the London-based commercial bank processed payments of hundreds of millions of dollars related to Sudanese clients. It also had a funding arrangement for years that attempted to get around US sanctions regulations, according to the settlement agreement between Treasury's OFAC and the company.

Federal Reserve

Despite Rate Cut, Trump Slams Fed Again.

The AP (9/18, Crutsinger) reports that "a sharply divided" Federal Reserve on Wednesday "cut its benchmark interest rate...for a second time this year but declined to signal that further rate cuts are likely this year." The move "was approved 7-3, with two officials preferring to keep rates unchanged and one arguing for a bigger half-point cut." The Fed "did leave the door open to additional rate cuts – if...the economy weakens." CNBC (9/18, Cox, 3.62M) says on its website "that was the most dissents for a Fed decision since December 2014," and the Los Angeles Times (9/18, Lee, 4.64M) that "Fed policymakers have been divided on just how much preventive medicine is warranted when the US economy is still expanding at a healthy clip." Reuters (9/18, Schneider, Saphir) reports Fed Chair Jerome Powell said in his news conference that "the US economic outlook is 'favorable,' with labor markets strong and inflation likely to return to the Fed's 2% inflation goal." However, Powell is quoted as saying, "If the economy does turn down, then a more extensive sequence of rate cuts could be appropriate. ... We are not on a preset course."

Politico (9/18, Guida, 4.29M) reports that "within the minutes of the Fed's move," President Trump tweeted, "Jay Powell and the Federal Reserve Fail Again. No 'guts,' no sense, no vision! A terrible communicator!" Politico says that during his press conference, Powell "dismissed Trump's suggestion last week that the central bank cut rates below zero, a policy deployed for years in Europe and Japan with unclear results. 'I do not think we'd be looking at using negative rates,' he said." The Washington Examiner (9/18, Halaschak, 448K) points out "Trump has vocally broken with the precedent of White House officials not commenting on the Fed's monetary policy," and the New York Times (9/18, Smialek, 18.61M) that Trump "has been pushing for an extensive cut, one that leaves rates at or below zero." ABC World News Tonight (9/18, story 9, 0:15, Muir, 6.69M) also reported on Trump "tweeting his disapproval...after making it clear he wants interest rates down to zero," and NBC Nightly News (9/18, story 4, 0:18, Holt, 5.99M) said he "wanted a bigger cut."

The AP (9/18) reports that Fed forecasts "show uncertainty about the course of rates after Wednesday's rate cut." According to the AP, "The uncertainty stems from...Trump's pursuit of tariffs against China and a broader global slowdown that has irked businesses and manufacturers though consumer spending has been relatively solid." To The Hill (9/18, Pitofsky, 2.98M), meanwhile, "the cut marked an effort by the Federal Reserve to stave off a recession even while the US economy remains strong." USA Today (9/18, Davidson, 10.31M) indicates, however, that "policymakers are split, with seven saying rates should fall further by year-end, five saying they should be unchanged and five who appear to oppose both recent cuts and prefer slightly higher rates by December."

The New York Times (9/18, Smialek, 18.61M) reports "for now, a growing number of Fed officials expect just one more cut this year, based on economic projections released following the meeting, in line with investor and economist expectations."

CNBC (9/18, Li, 3.62M) reports the Fed "dialed up its growth expectations slightly while keeping its inflation projection unchanged, according to its Summary of Economic Projections." The central bank now expects GDP to "grow at a 2.2% pace for 2019, versus the 2.1% forecast in June."

In an editorial, the Wall Street Journal (9/18, Subscription Publication, 7.57M) criticizes what it sees as confusing signals from the Fed, driven by factions in its ranks and continuous criticism from the President. The Journal doesn't see the need for rate cuts, given that the economy appears to remain quite strong, and hails the fact that the Fed has at least not taken drastic steps and can adapt to further economic developments.

Reuters (9/18, Brice), The Hill (9/18, Lane, 2.98M), The Wall Street Journal (9/18, Blinder, Subscription Publication, 7.57M), The Wall Street Journal (9/18, Lahart, Subscription Publication, 7.57M), The New York Times (9/18, Russell, Smialek, 18.61M), BBC News Online (UK) (9/18, 1.02M), The Financial Times (9/19, Greeley, Smith, Subscription Publication, 1.34M), Bloomberg (9/18, 4.73M), The New York Post (9/18, Crudele, 4.57M), CNBC (9/18, Franck, 3.62M), CNBC (9/18, Breuninger, 3.62M), NBC News (9/18, 6.14M), Bloomberg (9/18, Torres, Miller, 4.73M), Bloomberg (9/18, 4.73M), Bloomberg (9/18, 4.73M), Bloomberg (9/18, 4.73M), Bloomberg (9/18, 4.73M), Bloomberg Opinion (9/18), Bloomberg Opinion (9/18), Bloomberg Opinion (9/18), Reuters (9/18, Schneider), Reuters (9/18), Axios (9/18, Brown, 521K), Bloomberg (9/18, Torres, Miller, 4.73M), the Wall Street Journal (9/18, A1, Timiraos, Subscription Publication, 7.57M), and Breitbart (9/18, Carney, 673K), among other news outlets, also report on the topic.

NYTimes Analysis: Turbulence In Repo Market Prods Fed To Intervene. The New York Times (9/18, Phillips, 18.61M) reports in an analysis that "signs of stress have emerged" in the market for repurchase agreements, spurring the Federal Reserve to inject "new money into markets for a second straight day." The Fed also "said that it would cut what it pays banks to keep excess reserves parked with it." According to the article, "there is little reason to worry that an economic catastrophe is in the offing." However, "the movement highlighted the importance of a market that usually operates in the background."

Reuters (9/18, Leong) reports the Fed "injected another $75 billion into the U.S. banking system on Wednesday, restoring a measure of order after a bout of extreme volatility inside the bank funding market drove the central bank's benchmark interest rate above its targeted range for the first time since the financial crisis."

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Reuters (9/18, Leong, Saphir) reports separately that the central bank "made only minor changes to help it better manage its benchmark interest rate after" it "briefly lost control of it earlier in the week." However, it "signaled that before long the Fed may take the bigger step of slowly bulking up its balance sheet to try to keep the problem from cropping up again."

Reuters (9/18, Marte, Saphir, Davies) also says the "wild swings this week" in money markets "have raised fresh concerns about whether the New York Federal Reserve under John Williams has lost its deft touch with markets."

Reuters (9/18) further reports that JPMorgan Chase CEO Jamie Dimon said Wednesday the Fed did the "right thing" in injecting funds to support overnight funding needs for banks." It's not a big deal given that it happened in good times. If we don't fix the underlying problem, it will hurt the economy in bad times," he said.

The Financial Times (9/18, Samson, Rennison, Subscription Publication, 1.34M) reports the New York Fed will inject a further $75 billion into the US financial system on Thursday morning, in its third attempt to steady the repo market.

Also covering the topic are CNBC (9/18, Domm, 3.62M), Reuters (9/18, Schneider, Saphir), and Reuters (9/18).

Financial Regulatory Agencies

CFPB To Continue Publishing Complaints Database.

The New York Times (9/18, Cowley, 18.61M) reports the Consumer Financial Protection Bureau will "continue to publish its database of consumer complaints about financial companies, ending – for now – a battle over public access to one of the agency's most powerful tools." According to the Times, CFPB Director Kathleen Kraninger pointed to an "outpouring of comments" from "more than 26,000 people, companies and advocacy groups" for the decision. She "said that the database would remain public and that the bureau would add new features to help consumers contact companies and research answers to common questions."

American Banker (9/18, Subscription Publication, 31K) reports the agency is "also making changes intended to soften industry criticism of the portal." The bureau "also announced changes that appear to be meant to combat the perception that a complaint against a financial firm is proof of guilt. The agency said it will display disclosures 'more prominently' clarifying that the database 'is not a statistical sample of consumers' experiences in the marketplace.'"

CFPB Ramps Under Enforcement Actions.

American Banker (9/18, Subscription Publication, 31K) reports the CFPB has ramped up investigations and enforcement actions in recent months under Director Kathy Kraninger. Until the recent uptick, the CFPB had been signaling that its primary focus would be supervision instead of enforement actions. Anthony DiResta, Co-Chair of Consumer Protection Defense at Holland & Knight, said, "If you get a subpoena from the CFPB, it's going to be as intense as it was in the early days." DiResta added, "They aren't as aggressive in their agenda, but in their ways of conducting their investigations and supervisory exams, they are equally as intense."

Trade Groups, Regulators Submit Comments On CFPB's Proposed Debt Collection Rule.

The ABA Banking Journal (9/18) reports that in a comment letter to the CFPB, the American Bankers Association provided feedback on the bureau's proposed debt collection rule that would modernize and clarify rules related to third-party debt collection. While the ABA applauds the bureau's efforts to modernize the rule, it "strongly opposed the CFPB's 'unnecessary reliance' on the Dodd-Frank Act's UDAAP authority in issuing the rule." The ABA also asked the CFPB to "allow collectors to contact consumers using contact information they provided, until and unless the consumer requests that the collector not do so."

Similarly, ACA International (9/18) reports ACA submitted comments as well. ACA CEO Mark Neeb said, "Overall, ACA believes that the bureau's efforts will resolve ambiguities in the FDCPA and help create uniform national standards." Neeb added, "Nevertheless, in its comprehensive comments, ACA identifies a significant number of changes that should be made to the proposal," including comments on why arbitrary limitations on communications ultimately harm consumers.

Lastly, American Banker (9/18, Subscription Publication, 31K) reports Linda Lacewell, New York State's Superintendent of Financial Services, objected to the CFPB's proposed rule, saying it doesn't go far enough to protect consumers from excessive and unwanted communications. Lacewell said, "The current proposal would severely harm the financial futures and social well-being of millions of consumers in New York state and nationwide." Lacewell added, "The rule should provide additional protections for consumers complaining about collectors attempting to collect debts not owed."

Office of the Comptroller of the Currency

Challenger Banks Poised To Begin Making Loans.

American Banker (9/18, Subscription Publication, 31K) reports some of the most popular challenger banks have taken or are poised to begin making loans. Personal loans and credit cards "are lucrative but inherently risky, and these young companies – like MoneyLion, Varo and others – will have to prove to regulators, investors and the public that they have the wherewithal to weather downturns in the credit cycle." Varo is "hoping the structure of its business will help gird it for economic downturns and credit cycle fluctuations. The San Francisco company received conditional approval for a national bank charter from the Office of the Comptroller of the Currency a year ago, thought it still awaits the OK from the Federal Deposit Insurance Corp. for government backing of its deposits."

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BankThink: Medici Bank CEO Discusses Future Of Fintech. Writing for American Banker (9/18, Subscription Publication, 31K) in its "BankThink" column, Medici Bank CEO Ed Boyle says "that most fintechs, despite their sophisticated methods and sleek processes, must ultimately interact with the banks they sought to disrupt." But while they currently only act as supplements to the traditional banking system, fintechs "likely have a future beyond banks. American banking infrastructure is evolving, if at a glacial pace." For example, "a fintech with a banking license could inaugurate a paradigm shift in the U.S. financial system the same way that Europe's challenger banks Monzo, Revolut and Starling have redefined expectations of how finance and payments work." The Office of the Comptroller of the Currency "recognized and addressed this by offering a special-purpose banking charter for fintechs that has been fraught with controversy and litigation by state regulators."

SEC Joins Other Regulators In Approving Volcker Rule Changes.

Law360 (9/18, Subscription Publication, 8K) reports the SEC on Wednesday "announced it had followed other federal agencies with responsibility for the financial sector in approving a final set of changes to the Volcker Rule's ban on proprietary trading." SEC Chairman Jay Clayton "said the regulator is following in the footsteps of the Federal Deposit Insurance Corp. and the Office of the Comptroller of the Currency, which approved the rule changes last month, and the Commodity Futures Trading Commission, which said on Monday that it had given the revisions the green light."

Continuing Coverage: FDIC, OCC Approve Proposal To Ease Swap Margin Requirements.

The Wall Street Journal (9/18, Subscription Publication, 7.57M) reports in a financial regulation roundup that the FDIC and the OCC have moved to ease a rule that would free up nearly $40 billion for global banks by reducing the amount of cash large lenders need to have to cover swaps market trade risk.

Continuing Coverage: CFPB Investigating BofA For Possible Unauthorized Accounts Dating Back To 2014.

The Charlotte (NC) Business Journal (9/18, Subscription Publication, 883K) reports Bank of America "is under investigation to determine whether it opened unauthorized customer accounts, according to information released on Tuesday by" the CFPB. The CFPB "issued a CID, or civil investigative demand, in March requesting documents from BofA in regards to potentially 'unlawful acts or practices in connection with unauthorized consumer bank, credit card, and other accounts.'" The accounts in question go back to at least 2014. BofA "promptly requested to dismiss the CFPB's demand, as the Office of the Comptroller of the Currency had already conducted similar investigations in more than 40 large and mid-size banks in the wake of a widespread, fake accounts scandal uncovered at Wells Fargo & Co. in 2016." In its petition "to dismiss, BofA said it views the OCC's investigation as appropriate given the circumstances, but the more recent CFPB probe is 'unnecessary, redundant and unduly burdensome.'"

New CBA Chair Will Prioritize Student Loan Disclosures.

American Banker (9/18, Alix, Subscription Publication, 31K) reports the new chair of the Consumer Bankers Association says the federal government should have to tell student borrowers the total that they will owe after finishing school and what their estimated monthly bills will be. The CBA "has long argued that the government fueled the rising cost of higher education through its own student lending policies and that greater private-sector competition could restore some balance. Requiring plain-language disclosures for federal student loans would be a first step, and the CBA is backing a Senate bill intended to do exactly that, said Nitin Mhatre, whose one-year term as chair began last week." Mhatre said in an interview, "We believe that clarity will help all consumers regardless of where they go, and we believe in some shape or form it will help to indirectly reduce the inflation of college costs." Last year, the OCC "began encouraging banks to offer high-interest, small-dollar loans as an alternative to payday loans. But the three federal banking regulators have yet to issue explicit interagency guidance on the matter, leaving many midsize and regional banks nervous about getting into that business."

Bureau of Engraving and Printing

Research Shows Money Is Covered With Hidden Bacteria.

Fast Company (9/18, 2.46M) reports research shows "currency can harbor and spread some nasty bacteria" although the US dollar and the euro, "and their mixture of fibers like cotton and stabilizers like gelatin, both perform pretty well . . . especially compared to their more plastic-based counterparts." Yahoo! Lifestyle (9/18) similarly says "while circulation can make paper money gross, American currency is relatively resistant to bacterial growth and circulation."

Editorial Wrap-Up

New York Times.

"Trump Muddies The Air." The New York Times (9/18, 18.61M) editorializes that President Trump "finds himself arrayed against the plain language of the Clean Air Act, California's historical role as a laboratory for tough new environmental standards, the interests of several major automakers and two-thirds of the American people." The Times says the Administration's revocation of California's emissions rule

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waiver is "one more intended nail in the coffin" of President Obama's "strategy to reduce greenhouse gases and, coming as it does on the eve of a big United Nations conference on global warming, a thumb in the eye to the rest of the world."

Washington Post.

"Netanyahu's Defeat Would Be Good News For Israel – And The United States." A Washington Post (9/18, 14.2M) editorial says Israeli Prime Minister Benjamin Netanyahu "suffered a crippling and perhaps politically mortal blow in Tuesday's elections – and for all the right reasons." To the Post, Netanyahu "conducted a vile campaign directed at Israel's Arab minority." If "Israel's other parties stick to their campaign positions, a leader who has polarized his country and damaged Israel's standing in the United States could finally be forced from office – or, at least, prevented from following through on his most extreme promises." Israel's election, the Post argues, "could arrest what has been a dangerous slide toward a self-defeating nationalism."

"The White House Should Compromise With California On Fuel Efficiency Standards." The Washington Post (9/18, 14.2M) editorializes that after California "offered what one senior state official described as an 'olive branch'" to the Trump Administration to compromise on emission rules, the Administration could have "negotiate[d] a deal with the state and carmakers on uniform national efficiency norms." Instead, the Administration will "slap away California's olive branch. ... Hardly anyone would gain from such a pigheaded move."

"Did A 911 Delay Lead To Two People Dying In A D.C. Fire?" In an editorial, the Washington Post (9/18, 14.2M) questions the response to a fire that led to the deaths of two people last month in Washington. The Post urges city officials to release "more information about the events" so the public can "judge for themselves whether officials are right that dispatchers did what they could in a challenging situation." It adds that the District of Columbia Council, "which plans to examine the District's handling of the property, should also do its own review of this matter."

Wall Street Journal.

"Iran's Whip Hand." The Wall Street Journal (9/18, Subscription Publication, 7.57M) says in an editorial that President Trump's sanctions on Iran for the attack on Saudi oil facilities are unlikely to alter Tehran's future actions, as Trump has indicated he is reluctant to go further.

"Powell Walks The Line." In an editorial, the Wall Street Journal (9/18, Subscription Publication, 7.57M) criticizes what it sees as confusing signals from the Fed, driven by factions in its ranks and continuous criticism from the President. The Journal doesn't see the need for rate cuts, given that the economy appears to remain quite strong, and hails the fact that the Fed has at least not taken drastic steps and can adapt to further economic developments.

"California Can't Go Its Own Way." In an editorial, the Wall Street Journal (9/18, Subscription Publication, 7.57M) defends the Administration for revoking California's emissions rule waiver, saying that the Clean Air Act allows for waivers only to "meet compelling and extraordinary conditions" like the smog California faced in the 1970s. It was not intended to allow the state to set it own permanent environmental standards, the Journal argues.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Fed Cuts Rates By Quarter Point But Faces Growing Split
Trump Steers Clear Of War Footing Toward Iran
'This Is Not The Way Everybody Behaves.' How Adam Neumann's Over-The-Top Style Built WeWork.
There Ain't No Party Like A Brexit Party Cuz A Brexit Party Is Quite Hard To Pin Down
AT&T Explores Parting Ways With DirecTV

New York Times:

Pompeo Calls Attacks On Saudi Arabia 'Act Of War' And Seeks Coalition To Counter Iran
Trump Weighs Retaliation Against Iran And Names National Security Adviser
Fed Cuts Interest Rates By Another Quarter Point
After A Divisive Israeli Election, Calls For Unity
A Trickle Of Bodies At Ed Buck's West Hollywood Home, Suspicion And An Arrest
Justin Trudeau Says He Is 'Deeply Sorry' After Brownface Photo Surfaces

Washington Post:

Pompeo Calls Oil Strike 'Act Of War'
Fed's Slight Interest Rate Cut Prompts Trump's Ire
In Dead Heat, Israel's Top Parties Vie For Coalition
How A Brash Lawyer Helped Fuel Civil War In NRA
U.S. Icon, Or Pest Of The West? Plan Is Struck To Limit Herds, But Some Groups Call It A Betrayal.
Trump Is Subject Of Intelligence Complaint

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Financial Times:
Electoral Maths Leave Netanyahu Future In Balance
Fed Cuts Rates As Policymaker Splits Deepen
Legacy Of Corruption Fuels Renewal Movement in Brazil
Pompeo Calls Saudi Attack An 'Act Of War'

Washington Times:
'History Is History': Protesters Demand Mississippi Flag Fly As Cities, Colleges Enact Bans
'Act Of War': Trump Weighs 'Many Options' In Response To 'Iranian Attack'
Obamacare Mandate Eyed As A Cause For Record Decline In Abortions
Trump Names Robert O'Brien, Hostage Negotiator, As National Security Adviser
Joe Who? Elizabeth Warren Stakes Her Claim As True Heir To Obama Legacy

Story Lineup From Last Night's Network News:
ABC: Miami Airport Mechanic-ISIS; Tropical Storm Imelda; Tropical Threats Tracking; Trump-Iran; Eastern Equine Encephalitis; New Jersey-Kidnapping; Trump-California Emissions Standards; Trump-California Homelessness; Fed-Rates; Israel-Election; Minneapolis-Pilot Drunk Before Flight; Zantac-Cancer Causing Chemical; New Jersey-Referee Suspended; Jamaica-Youth Soccer Players Struck By Lightning; Colorado-5-Year-Old Has Photo Shoot Dressed As Characters From 'Up'.
CBS: Trump-Iran; Iran-Expert Comment; Miami Airport Mechanic-ISIS; Zantac-Cancer Causing Chemical; Trump-California Emissions Standards; Tropical Threats Tracking; Immigration-Separated Children & Trauma; Sandy Hook Promise-PSA; Lyft-Sexual Assault Lawsuits; Eastern Equine Encephalitis; Washington Monument Re-Opening.
NBC: Miami Airport Mechanic-ISIS; Trump-Iran; John Bolton-Trump Criticism; Trump-O'Brien; Fed-Rates; Tropical Storm Imelda; Hollywood-Ed Buck Arrested; Sandy Hook Promise-PSA; Trump-California Emissions Standards; Trump-California Homelessness; Eastern Equine Encephalitis; FAA-Boeing 737 MAX; College Student Donates Beer Money To Children's Hospital.

Network TV At A Glance:
Trump-Iran – 7 minutes, 15 seconds
Miami Airport Mechanic-ISIS – 6 minutes, 20 seconds
Trump-California Emissions Standards – 4 minutes, 25 seconds
Eastern Equine Encephalitis – 3 minutes, 15 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Trump-Iran; Fed-Rates; Virginia-Florida Man Indicted For Stalking Virginia Man; Canadian Prime Minister Justin Trudeau-Brown Face; Trump-Communication With Foreign Leader Generated Whistleblower Complaint.
CBS: Trump-Communication With Foreign Leader Generated Whistleblower Complaint; Trump-Iran; Gun Background Checks; Zantac-Cancer Causing Chemical; Canadian Prime Minister Justin Trudeau-Brown Face.
FOX: Canadian Prime Minister Justin Trudeau-Brown Face; Trump-Border Wall; Fed-Rates.
NPR: Pompeo-Saudi Arabia Visit; GM-Strike; Fed-Rates; Stocks.

Last Laughs

Late Night Political Humor.

Sam Bee: [On 'Fox & Friends' focusing on the New York Times' errors on the Kavanaugh accusations] "Interesting that 'Fox & Friends' believes the victim who doesn't remember, but not the ones who do. Though, to be fair, I can't recall 'Fox & Friends' ever doing anything in good faith or anything good at all except that one time Tucker Carlson fell asleep on air."

Trevor Noah: [On the Secret Service getting jet skis] "Everyone knows that the US Secret Service's job is to keep the President and his family safe. And now they look totally cool doing it. ... Of all the things I thought I would learn about Trump and his family, it definitely wasn't that they are active in water sports. I feel like Trump's version of being active in water is trying to keep his head dry in the shower, you know."

Trevor Noah: "All right, the Secret Service needs to buy jet skis because the Trump family spends a lot of time in the water. Well, that and Melania sometimes tries to sail away. They can't let that happen."

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Trevor Noah: "The Middle East. It's like the New York Knicks. It's got major problems and will probably be generations before they're fixed. And over the weekend, tensions flared up once again in the region when Saudi Arabia's oil facilities were attacked by missiles. ... Yeah, that's right, Mike Pompeo...is flying to the Middle East to confront the crisis head on. I actually feel bad for secretaries of state, because you realize they only get sent to [bad] situations. Yeah, it is always them jumping on a 16-hour flight to prevent a war or genocide, or pretend to like Kim Jong-un. Be like, 'Hey, Kim, I love that outfit, who made it? Oh, a slave, very nice.'"

Jimmy Kimmel: "For those of you visiting, welcome to Hollywood, where there's an extra layer of smog and spray tan thanks to a bigly visitor from the east. President Trump was in town for an adventure that started in Palo Alto and made a stop here in LA."

Jimmy Kimmel: "Last night, [Trump] appeared at a fundraising dinner where he told supporters we will never be a socialist country, and then he asked them for money."

Jimmy Kimmel: "While he was here, Trump took time to criticize our cities for the homeless crisis we're experiencing and says he plans to do something about it, which is good. I think it would be great if he let all the homeless people stay at the Trump Hotel. I hear they've got a lot of empty rooms."

Jimmy Kimmel: "You know who didn't send an invitation today? The Taliban. Less than two weeks after Trump canceled their Camp David slumber party, they said if Trump wants to talk, their doors are open. Of course their doors are open. They live in caves. Can you imagine that meeting? The only peace he's going to get with them is a five-piece from KFC."

Jimmy Kimmel: "This is the new National Security Adviser, Robert C. O'Brien. Trump officially announced him on Twitter. He wrote, 'I am pleased to announce Robert C. O'Brien, currently serving as the very successful special presidential envoy for hostage affairs at the State Department, as our New National Security Adviser.' ... He is a hostage negotiator, for real. He got to know Trump when he tried to get him to let Melania go, and that didn't work out."

Jimmy Kimmel: "Donald Trump has now gone through more National Security Advisers than wives."

Jimmy Kimmel: "Meanwhile, the First Lady has a renovation project going. She's been fixing up the East Wing, painting, refurbishing, patching up little fist holes in the wall."

Stephen Colbert: "Look, I know, I know that all of us have been so concerned that, with John Bolton gone, there is no National Security Adviser. There was no one steeped in all facets of international political, military, and economic conflict who could make sense of a dangerous world and give our President the essential information he needed to completely ignore it and tweet whatever he wants."

Stephen Colbert: "Well, everyone can breathe easy, stop worrying, because the position has finally been filled. Introducing future former National Security Adviser...Robert C. O'Brien. Now, Trump made the announcement about O'Brien in Los Angeles. ... Of course, the National Security Advisor is a critical member of the Administration and one of the most powerful positions in the world. Something that important should only be revealed via tweet."

Stephen Colbert: "[Trump] hired a hostage negotiator, someone who is known to talk madmen down from the brink. That will come in handy: 'Mr. President, we know you're locked in the Oval Office, and we don't want you to do something you'll regret. Think of your family-- wait, no. Think of something you love. Think of-- think of a bucket of fried chicken, sir! Think of the nuggets.'"

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Stephen Colbert: "Tensions have been high in the Middle East ever since the fall of Jericho, but more recently, since an attack on Saudi oil refineries that the Saudis blame on Iran. So far, Trump has declined to order military action in response. ... I'm not saying attacking Iran is

right, but I've never heard the commander-in-chief call US military action 'dastardly.' He sounds like the villain in a 1930s two-reeler."

Stephen Colbert: "Trump's in California for the sweet, sweet, sweet, cash for the campaign. ... But Trump, not exactly a gracious guest. You see, California has the strictest auto emissions standards anywhere in the nation. And, because they're so big, that sets the standards for all the automakers – the same way that Texas is so big, they set the standard for who not to mess with."

Stephen Colbert: "Trump made this official announcement revoking the standard, again on Twitter: 'The Trump Administration is revoking California's federal waiver on emissions in order to produce far-less-expensive cars for the consumer, while at the same time, making the cars substantially safer.' Yes, the cars will be a lot safer, as long as there's no DWI: Driving while inhaling."

Stephen Colbert: "Trump continued: 'This will lead to more production because of this pricing and safety-- dot, dot, dot, dot, dot, dot, dot, dot, dot, dot-- advantage, and also due to the fact that older, highly polluting cars will be replaced by new, extremely environmentally friendly cars.' Yes, true. Removing pollution standards makes cars environmentally friendly, the way removing the 'poison' label makes arsenic an energy drink."

Stephen Colbert: "According to a new NBC News/Wall Street Journal/ Jersey Mike's Sub-poll, Elizabeth Warren is closing in on Joe Biden. ... She's down just six points. If she gets any closer, she'll be able to sniff his hair."

Stephen Colbert: "Bernie has fallen into a distant third place. Since July, he's seen an increase of just one percent. Yet another reason for Bernie to hate the one percent."

Jimmy Fallon: "Well guys, leaders from all over the world are descending on New York City for the UN General Assembly. It's that special time of year when you can spot the king of Belgium taking a selfie with Spongebob in Times Square."

Jimmy Fallon: "That's right, leaders from 193 countries will be in New York City for the next two weeks discussing the world's greatest humanitarian crisis: Sean Spicer on 'Dancing With The Stars.'"

Jimmy Fallon: "President Trump announced that he is hitting Iran with new sanctions for their attacks on Saudi Arabia, but fellow Republican Lindsey Graham said Trump's response was, quote, 'a sign of weakness.' Then Trump responded to Graham on Twitter and said, 'No, Lindsey, it was a sign of strength that some people just don't understand.' ... Trump sounds like an angry kid trying to convince his parents that he's going to make it as a professional DJ."

Jimmy Fallon: "It was a busy day for Trump, 'cause he also named Robert O'Brien his new National Security Adviser. Yep. O'Brien spent the day moving into his new office and said he looks forward to moving out of it tomorrow."

Jimmy Fallon: "According to reports, Bernie Sanders' campaign is in complete disarray, and campaign workers say it's unorganized and total chaos. Basically, if the campaign were a person, it would look like Bernie Sanders."

Seth Meyers: "During his congressional testimony yesterday, former Trump campaign manager Corey Lewandowski said he has, quote, 'no obligation to be honest with the media.' Many are calling the statement shocking, while Fox News is calling it an audition."

James Corden: "President Trump spent last night and much of today here in Los Angeles. He came to California for a series of fundraising events. Because if there is one thing this town needs, it is another delusional narcissist with a fake tan and a bunch of bad ideas."

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James Corden: "He was here in part to talk to all of his supporters here in Hollywood, and the trip was scheduled so well he actually got to meet all five of them."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — Does not have any public events on his schedule.
- Vice President Pence — No public schedule released.

***US Senate*:**

• Senate HELP Committee considers Labor Secretary nominee Eugene Scalia – Nominations hearing considers Eugene Scalia to be Secretary of Labor * President Donald Trump nominated the corporate attorney in July, after Alexander Acosta resigned amid criticism of his 2008 approval of a controversial non-prosecution agreement with sex offender Jeffrey Epstein while in his role as U.S. attorney for southern district of Florida

Location: Rm 430, Dirksen Senate Office Building, Washington, DC; 9:00 AM

• Senate Foreign Relations Committee nominations hearing – Nominations hearing considers Marshall Billingslea to be Under Secretary of State for Civilian Security, Democracy, and Human Rights; Adam Seth Boehler to be U.S. International Development Finance Corporation CEO; Darrell Issa to be Trade and Development Agency Director; and Michael Pack to be Broadcasting Board of Governors CEO

Location: Rm 419, Dirksen Senate Office Building, Washington, DC; 9:30 AM

• Senate Judiciary Committee Executive Business Meeting – Executive Business Meeting, with agenda including 'S. 2132, Promoting Security and Justice for Victims of Terrorism Act of 2019' and 'S. 2281, IDEA Act', and nominations including Halil Suleyman Ozerden to be U.S. Circuit Judge for the Fifth Circuit, David Barlow to be U.S. District Judge for the District of Utah, John Fitzgerald Kness to be U.S. District Judge for the Northern District of Illinois, R. Austin Huffaker Jr. to be U.S. District Judge for the Middle District of Alabama, Lee Philip Rudofsky to be U.S. District Judge for the Eastern District of Arkansas, Justin Reed Walker to be U.S. District Judge for the Western District of Kentucky, Eleni Maria Roumel to be a U.S. Court of Federal Claims Judge, Kenneth Charles Canterbury Jr. to be Bureau of Alcohol, Tobacco, Firearms, and Explosives Director, W. Stephen Muldrow to be U.S. Attorney for the District of Puerto Rico, and Michael Baughman to be U.S. Marshal for the Western District of Pennsylvania

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Appropriations Committee markup hearing – Markup hearing on 'Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2020', 'Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2020', and 'Financial Services and General Government Appropriations Act, 2020'

Location: Rm 106, Dirksen Senate Office Building, Washington, DC; 10:30 AM

• Bipartisan, bicameral Members of Congress launch Congressional caucus on youth vaping – Press conference to launch the Congressional Caucus to End the Youth Vaping Epidemic, with attendees including Democrats Sen. Dick Durbin and Reps. Raja Krishnamoorthi, Rosa DeLauro, Diane DeGette, and Tom Suozzi, and Republican Reps. Peter King and Chris Stewart

Location: House Triangle, Washington, DC; 2:30 PM

• Dem Sen. Mazie Hirono and GOP Rep. Steve Stivers honored by Innovation Alliance – Democratic Sen. Mazie Hirono and Republican Rep. Steve Stivers receive 'Champion of the Inventor' awards from the Innovation Alliance, in recognition of 'their support for U.S. inventors and a strong U.S. patent system', presented at a reception in the U.S. Capitol. Representatives of the inventor community deliver remarks

Location: S-115, U.S. Capitol, Washington, DC; 5:30 PM

• NDAA conference committee meets for the first time – Senate and House of Representatives conferees for the National Defense Authorization Act for Fiscal Year 2020 hold 'pass the gavel' meeting, to begin the conference process, with the Senate Committee on Armed Services this year passing the gavel to the House Armed Services Committee, who now hold the chairmanship * Senate Committee on Armed Services Chairman Jim Inhofe and Ranking Member Jack Reed and House Armed Services Committee Chairman Adam Smith and Ranking Member Mac Thornberry hold media availability prior to the start of the meeting, Rm G50 foyer, Dirksen

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Senate Office Building (9:50 AM EDT)

Location: Rm G50, Dirksen Senate Office Building, Washington, DC

***US House*:**

• House Appropriations subcommittee hearing on STEM engagement – Commerce, Justice, Science, and Related Agencies Subcommittee hearing on 'Science, Technology, Engineering, and Mathematics (STEM) Engagement', with testimony from NASA Associate Administrator for STEM Engagement Michael Kincaid; and National Science Foundation Assistant Director for Education and Human Resources Dr Karen Marrongelle

Location: H-309, U.S. Capitol, Washington, DC; 10:00 AM

• House Agriculture subcommittees joint hearing on federal farm and disaster programs – General Farm Commodities and Risk Management Subcommittee and Livestock and Foreign Agriculture Subcommittee joint hearing 'To Review the Implementation of Federal Farm and Disaster Programs', with testimony from Under Secretary of Agriculture for Farm Production and Conservation Bill Northey

Location: Rm 1300, Longworth House Office Bldg, Washington, DC; 10:00 AM

• House Budget Committee hearing on solutions to rising economic equality – Hearing on 'Solutions to Rising Economic Inequality', with testimony from Washington Center for Equitable Growth President and CEO Dr Heather Boushey; AFL-CIO Chief Economist Dr William Spriggs; home health care worker Kismet Evans; and American Enterprise Institute Visiting Fellow Ramesh Ponnuru

Location: Rm 210, Cannon House Office Building, Washington, DC; 10:00 AM

• Pulse nightclub shooting survivor testifies to House committee hearing on 'How the Tax Code Subsidizes Hate' – Oversight Subcommittee hearing on 'How the Tax Code Subsidizes Hate', with testimony from Pulse nightclub shooting survivor Brandon Wolf; Maura's Voice founder Jeff Binkley – father of Tallahassee Hot Yoga shooting victim Maura Binkley; YWCA El Paso Del Norte Region CEO Dr Sylvia Acosta; Loeb & Loeb partner Marcus Owens; and UCLA School of Law Professor Eugene Volokh

Location: Rm 1100, Longworth House Office Building, Washington, DC; 10:00 AM

• House Small Business subcommittee hearing on 'SBA programs spurring innovation' – Innovation and Workforce Development Subcommittee hearing on 'SBA Programs Spurring Innovation', with testimony from Navsys Corporation President and CEO Alison Brown; Larta Industries CEO Rohit Shukla; Impact Master Holdings Managing Partner / Fenway Summer Ventures Venture Partner Javier Saade; and Frontier Technology CEO and President Ron Shroder

Location: Rm 2360, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Natural Resources subcommittee legislative hearing – Energy and Mineral Resources Subcommittee legislative hearing on 'H.R. 496, Sinkhole Mapping Act of 2019', 'H.R. 2485, Federal Land Asset Inventory Reform Act of 2019', 'H.R. 2640, Buffalo Tract Protection Act', 'H.R. 4026, Enhancing Geothermal Production on Federal Lands Act', and 'H.R. XXXXX, Data Preservation Act of 2019', with testimony from Democratic Reps. Deb Haaland and Darren Soto; Association of American State Geologists (AASG) President Rich Ortt; American Geosciences Institute Executive Director Allyson Anderson Book; and Miller Wenhold Capitol Strategies' John Palatiello

Location: Rm 1334, Longworth House Office Building, Washington, DC; 10:00 AM

• House Natural Resources subcommittee legislative hearing – National Parks, Forests, and Public Lands Subcommittee legislative hearing on 'H.R. 3458, Recreation Not Red Tape' and 'H.R. 3879, Simplifying Outdoor Access for Recreation (SOAR) Act', with testimony from Members of Congress; Bureau of Land Management Acting Assistant Director of Resources and Planning Leah Baker; U.S. Forest Service Deputy Chief Chris French; American Mountain Guides Association Advocacy & Policy Director Matt Wade; YMCA Camping & Outdoor Leadership BOLD & GOLD Admissions and Outreach Director Robin Chiles; Cottonwood Gulch Expeditions Acting Director Matt Baker-White; and America Outdoors Association Senior Consultant David Brown

Location: Rm 1324, Longworth House Office Building, Washington, DC; 10:00 AM

• House Reform Committee hearing on the Washington, D.C. Admission Act – Hearing on 'H.R. 51: Making D.C. the 51st State', with testimony from District of Columbia Mayor Muriel Bowser, Council Chairman Phil Mendelson, CFO Jeffrey DeWitt, and resident Kerwin Miller; and Congressional Research Service Legislative Attorney Kenneth Thomas

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Financial Services Committee markup hearing concludes – House Committee on Financial Services markup hearing concludes

* Began yesterday

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Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• EPA Administrator Wheeler testifies to House committee on science and tech at EPA – Hearing on 'Science and Technology at the Environmental Protection Agency', with testimony from EPA Administrator Andrew Wheeler

Location: Rm 2318, Rayburn House Office Bldg, Washington, DC; 10:00 AM

• House Foreign Affairs Committee hearing on administration policy on Afghanistan – Hearing on 'The Trump Administration's Afghanistan Policy', with testimony from U.S. Special Representative for Afghanistan Reconciliation Zalmay Khalilzad; Atlantic Council South Asia Center Nonresident Senior Fellow (and former U.S. Ambassador to Afghanistan) James Cunningham; and Crisis Group Asia Program Director (and former U.S. Acting Special Representative for Afghanistan and Pakistan) Laurel Miller * Khalilzad was subpoenaed to appear * Earlier this month, President Donald Trump announced on Twitter that he had canceled secretly-planned talks with the Taliban at the Camp David presidential retreat, claiming that it was a response to the group's admission of responsibility for an attack in Kabul, although he was subsequently criticized for scheduling the talks on U.S. soil during the week of the anniversary of the 9/11 attacks

Location: Rm 2172, Rayburn House Office Building, Washington, DC; 10:00 AM

• Office of Refugee Resettlement director testifies to House Commerce subcommittee hearing on administration policies – Oversight and Investigations Subcommittee hearing on 'Protecting Unaccompanied Children: The Ongoing Impact of the Trump Administration's Cruel Policies', with testimony from Administration for Children and Families Office of Refugee Resettlement Director Jonathan Hayes; U.S. Public Health Service Commissioned Corps' Cmdr. Jonathan White; Department of Health and Human Services Assistant Inspector General for Evaluation and Inspections Ann Maxwell; and Customs and Border Protection U.S. Border Patrol Acting Deputy Chief of Law Enforcement Operational Programs John Modlin

Location: Rm 2123, Rayburn House Office Building, Washington, DC; 10:00 AM

• Al Sharpton and James Blake testify to House Judiciary Committee on policing practices – Oversight hearing on 'Policing Practices', with testimony from National Action Network founder Rev. Al Sharpton; former professional tennis player James Blake; former Department of Justice Community Oriented Policing Services Office (COPS Office) Director Ron Davis; Fraternal Order of Police National President Patrick Yoes; National Organization of Black Law Enforcement Professionals National President Vera Bumpers; Manhattan Institute for Policy Research Fellow Heather Mac Donald; Center for Policing Equity co-founder and President Phillip Atiba Goff; and The Leadership Conference on Civil & Human Rights Policing Campaign Director Lynda Garcia

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Modernization of Congress Committee hearing on recommendations for improving the budget and appropriations process – Hearing on 'Recommendations for Improving the Budget and Appropriations Process: A Look at the Work of the Joint Select Committee', with testimony from bipartisan Reps. Nita Lowey and Steve Womack; Association of American Universities Vice President for Federal Relations and Administration M. Matthew Owens; Bipartisan Policy Center Senior Vice President G. William Hoagland; and Congressional Research Service Specialist on Congress and the Legislative Process Megan Lynch

Location: Rm 2359, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Transportation and Infrastructure Committee markup hearing – Markup hearing on 'H.R. 3632, Fair and Open Skies Act', 'H.R. 1620, Chesapeake Bay Program Reauthorization Act', 'H.R. 1132, San Francisco Bay Restoration Act', 'H.R. 2247, Promoting United Government Efforts to Save Our Sound Act', 'H.R. 4031, Great Lakes Restoration Initiative Act of 2019', 'H.R. 4044, Protect and Restore America's Estuaries Act', 'H.R. 4275, To amend the Federal Water Pollution Control Act to reauthorize the Lake Pontchartrain Basin Restoration Program, and for other purposes', 'H.R. 3779, Resilience Revolving Loan Fund Act of 2019', 'H.R. 2242, To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to include certain services in the definition of critical services, and for other purposes', 'H.R. XXXX, PREPARE Act of 2019', and 'General Services Administration Capital Investment and Leasing Program Resolutions'

Location: Rm 2167, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Education subcommittee hearing on 'the failed implementation of the Public Student Loan Forgiveness program' – Higher Education and Workforce Investment Subcommittee hearing on 'Broken Promises: Examining the Failed Implementation of the Public Student Loan Forgiveness Program', with testimony from teacher Kelly Finlaw; Pennsylvania Higher Education Assistance Agency President and CEO James Steeley; Massachusetts Assistant Attorney General Yael Shavit; Urban Institute Vice President for Education Data and Policy Dr Matthew Chingos; Government Accountability Office Director of Education, Workforce, and Income Security Melissa Emery-Arras; and Department of Education Office of Federal Student Aid Director of Policy Liaison and Implementation Jeff Appel

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Location: Rm 2175, Rayburn House Office Building, Washington, DC; 10:15 AM

• Tom Lantos Human Rights Commission co-hosts briefing on 'parliamentarians at risk around the world' – Tom Lantos Human Rights Commission and House Democracy Partnership co-host briefing on 'Parliamentarians at Risk Around the World', with panelists describing their first-hand experiences and sharing their recommendations for 'responding to a growing threat that targets the legislative heart of democratic political systems'. Speakers include Venezuelan National Assembly member (and Inter-Parliamentary Union Committee on the Human Rights of Parliamentarians Vice President) Delsa Solorzano, Grand National Assembly (Turkey) member Hisyar Ozsoy, Vicente de Lima – brother of detained Philippine senator Leila De Lima, and Congress of the Union (Mexico) member (and IPU President) Gabriela Cuevas Barron

Location: H-313, U.S. Capitol, Washington, DC; 10:30 AM

• House Appropriations subcommittee hearing on marine debris – Interior, Environment, and Related Agencies Subcommittee hearing on 'Marine Debris: Impacts on Ecosystems and Species', with testimony from U.S. Fish and Wildlife Service Deputy Director for Program Management/Policy Stephen Guertin; U.S. Geological Survey Ecosystems Mission Area Associate Director Anne Kinsinger; Smithsonian Environmental Research Center Marine Invasions Research Lab Marine Ecologist Dr Linsey Haram; Oceana Plastics Campaign Director Christy Leavitt; Ocean Conservancy Scientific Advisor Dr Chelsea Rochman; and Bigelow Laboratory for Ocean Sciences Senior Research Scientist Dr Patricia Matrai

Location: Rm 2008, Rayburn House Office Building, Washington, DC; 10:30 AM

• House Commerce subcommittee hearing on 'how pharmaceutical companies game the system' – Consumer Protection and Commerce Subcommittee hearing on 'Profits Over Consumers: Exposing How Pharmaceutical Companies Game the System', with testimony from Rutgers Law School Distinguished Professor Michael Carrier; Association for Accessible Medicines Senior Vice President and General Counsel Jeff Francer; Patients for Affordable Drugs founder David Mitchell; and Emory University School of Law Professor Joanna Shepherd

Location: Rm 2322, Rayburn House Office Building, Washington, DC; 10:30 AM

• House Veterans Affairs subcommittee hearing on VA contracted exams, quality review process, and service to rural vets – Disability Assistance and Memorial Affairs Subcommittee hearing on 'Update on VA Contracted Exams, Quality Review Process, and Service to Rural Veterans'

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 10:30 AM

• House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. XX – Making continuing appropriations for fiscal year 2020, and for other purposes' and 'H.R. 1423 – FAIR Act', plus consideration of 'H.R. 3625 – PCAOB Whistleblower Protection Act of 2019', as amended, 'H.R. 3619 – Appraisal Fee Reform Act of 2019', as amended, 'H.R. 2290 – Shutdown Guidance for Financial Institutions Act', as amended, 'H.R. 2613 – Advancing Innovation to Assist Law Enforcement Act', as amended, 'H.R. 550 – Merchant Mariners of World War II Congressional Gold Medal Act of 2019', 'H.R. 1396 – Hidden Figures Congressional Gold Medal Act', 'H.R. 3589 – Greg LeMond Congressional Gold Medal Act', 'H.R. 1830 – National Purple Heart Hall of Honor Commemorative Coin Act', and 'S. 239 – Christa McAuliffe Commemorative Coin Act of 2019' under suspension of the rules

Location: U.S. Capitol, Washington, DC; 12:00 PM

• House Labor subcommittee hearing on EEOC and OFCCP policies and priorities – Civil Rights and Human Services Subcommittee hearing on 'Examining the Policies and Priorities of the Equal Employment Opportunity Commission (EEOC) and the Office of Federal Contract Programs (OFCCP)', with testimony from Department of Labor Office of Federal Contract Compliance Programs Director Craig Leen; EEOC Chair Janet Dhillon; and Government Accountability Office Director of Education, Workforce, and Income Security Cindy Brown Barnes

Location: Rm 2175, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Veterans Affairs subcommittee oversight hearing on VA overpayments and collection processes – Oversight and Investigations Subcommittee oversight hearing on 'Examining VA's Overpayments and Collection Processes'

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 2:00 PM

• House Homeland Security subcommittee first hearing on homeland security priorities in the Arctic – Transportation & Maritime Security Subcommittee hearing on 'The Northern Northern Border: Homeland Security Priorities in the Arctic, Part I', with testimony from Wilson Center Polar Institute Director Dr Michael Sfraga; Rand Corporation Senior Physical Scientist Dr Abbie Tingstad; The Arctic Institute President and Managing Director Dr Victoria Herrmann; and Heritage Foundation Douglas and Sarah Allison Center for Foreign Policy Director Luke Coffey

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Location: Rm 310, Cannon House Office Building, Washington, DC; 2:00 PM

• House Natural Resources subcommittee legislative hearing – Indigenous Peoples of the United States Subcommittee legislative hearing on 'H.R. 1312, Yurok Lands Act of 2019', 'S. 216, Spokane Tribe of Indians of the Spokane Reservation Equitable Compensation Act', 'H.R. 3846, Safeguard Tribal Objects of Patrimony Act of 2019', and 'H.R. 4153, Health Care Access for Urban Native Veterans Act', with testimony from Democratic Reps. Jared Huffman, Ben Ray Lujan, and Ro Khanna; Bureau of Indian Affairs Director Darryl LaCounte; Indian Health Service Deputy Director Rear Adm. Chris Buchanan; Bonneville Power Administration National Relations Manager Sonya Baskerville; The Yurok Tribe Chairman Joe James; Pueblo of Santa Ana, NM, Governor Timothy Manchego; Santa Clara Valley Indian Health Center CEO Sonya Tetnowski; Spokane Tribe of Indians Chairwoman Carol Evans; and Trinidad Rancheria Chairman Garth Sundberg Sr.

Location: Rm 1324, Longworth House Office Building, Washington, DC; 2:00 PM

• Bipartisan, bicameral Members of Congress launch Congressional caucus on youth vaping – Press conference to launch the Congressional Caucus to End the Youth Vaping Epidemic, with attendees including Democrats Sen. Dick Durbin and Reps. Raja Krishnamoorthi, Rosa DeLauro, Diane DeGette, and Tom Suozzi, and Republican Reps. Peter King and Chris Stewart

Location: House Triangle, Washington, DC; 2:30 PM

• Dem Sen. Mazie Hirono and GOP Rep. Steve Stivers honored by Innovation Alliance – Democratic Sen. Mazie Hirono and Republican Rep. Steve Stivers receive 'Champion of the Inventor' awards from the Innovation Alliance, in recognition of 'their support for U.S. inventors and a strong U.S. patent system', presented at a reception in the U.S. Capitol. Representatives of the inventor community deliver remarks

Location: S-115, U.S. Capitol, Washington, DC; 5:30 PM

• NDAA conference committee meets for the first time – Senate and House of Representatives conferees for the National Defense Authorization Act for Fiscal Year 2020 hold 'pass the gavel' meeting, to begin the conference process, with the Senate Committee on Armed Services this year passing the gavel to the House Armed Services Committee, who now hold the chairmanship * Senate Committee on Armed Services Chairman Jim Inhofe and Ranking Member Jack Reed and House Armed Services Committee Chairman Adam Smith and Ranking Member Mac Thornberry hold media availability prior to the start of the meeting, Rm G50 foyer, Dirksen Senate Office Building (9:50 AM EDT)

Location: Rm G50, Dirksen Senate Office Building, Washington, DC

Cabinet Officers:

• Secretary of State Pompeo concludes Saudi Arabia / United Arab Emirates visit – Secretary of State Mike Pompeo concludes two day visit to Saudi Arabia and United Arab Emirates, during which he meets Saudi Arabia's Crown Prince Mohammed bin Salman to discuss the recent attack on the kingdom's oil facilities and coordinates efforts to counter Iranian aggression in the region in Jeddah, and meets the United Arab Emirates' Prince Mohammed bin Zayed to discuss regional and bilateral issues in Abu Dhabi

Visitors:

• No visitors scheduled.

This Town:

• CSIS Washington Humanitarian Forum – Center for Strategic and International Studies holds first annual Washington Humanitarian Forum, themed 'Unlocking Humanitarian Access – Opportunities for U.S. Leadership', with a focus on 'humanitarian challenges that sit at the intersection of U.S. national security and foreign policy priorities'. Agenda includes launch of a report produced by the CSIS Task Force on Humanitarian Access, co-chaired by bipartisan Sens. Todd Young and Cory Booker, who address the forum via video. Speakers include United Nations Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator Mark Lowcock and Norwegian Refugee Council Secretary General Jan Egeland

Location: Center for Strategic and International Studies, 1616 Rhode Island Ave NW, Washington, DC; 8:30 AM

• Washington Monument reopens after three-year closure – Washington Monument reopens to the public following 37-month closure to modernize the elevator control system and construct a new security screening facility * First Lady Melania Trump attends re-opening event, including a ribbon-cutting ceremony and a ceremonial ride to the top (10:00 AM EDT)

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Location: Washington Monument, Washington, DC; 9:00 AM

• 'Charting a Future for Indo-U.S. Relations' Heritage Foundation event continues – 'India on the Hill: Charting a Future for Indo-U.S. Relations' Heritage Foundation event continues, co-hosted with Indian think tank the Observer Research Foundation, to formulate a roadmap for joint leadership of the international order in the 21st century. Day two speakers include Republican Rep. Scott Perry, Lockheed Martin Vice President Vivek Lall, U.S.-India Business Council President Nisha Biswal, and – at a private lunch – Deputy Assistant Secretary of State Tom Vajda

Location: The Heritage Foundation, 214 Massachusetts Ave NE, Washington, DC; 9:00 AM

• Department of Transportation July Air Travel Consumer Report released – Department of Transportation July Air Travel Consumer Report released, containing July airline on-time numbers, tarmac times, mishandled baggage numbers, mishandled wheelchair and scooter numbers and consumer complaints for reporting marketing and operating carriers; *11:00 AM*

• Washington FPC briefed on U.S. policy on Venezuela – Washington Foreign Press Center on-the-record briefing on 'Update on U.S. Policy in Venezuela', featuring Deputy Assistant Secretary of State for Western Hemisphere Affairs Carrie Filipetti

Location: National Press Building, National Press Building, Washington, DC; 2:00 PM

• Steve Bullock attends AFT Votes Town Hall in Washington, DC – American Federation of Teachers Votes Town Hall, featuring AFT President Randi Weingarten, Washington Teachers Union President Elizabeth Davis, and 2020 Democratic presidential candidate Montana Governor Steve Bullock

Location: American Federation of Teachers, 555 New Jersey Ave NW, Washington, DC; 4:30 PM

• Congressional Hispanic Caucus Institute awards gala – Congressional Hispanic Caucus Institute Annual Awards Gala, including presentation of CHCI Medallion of Excellence Awards * Event is part of Congressional Hispanic Caucus Institute Annual Leadership Conference, held during Hispanic Heritage Month. Attendees include 2020 Democratic presidential candidate NextGen American founder Tom Steyer

Location: Walter E. Washington Convention Center, 801 Mt Vernon Pl NW, Washington, DC; 6:30 PM

• House Dems speak at DC Democratic Women's Club event on political activism – DC Democratic Women's Club hosts its new members reception, themed 'Empowered Women – Now is Our Time', with speakers including Democratic Reps. Eleanor Holmes Norton and Brenda Lawrence and former Washington, DC, Mayor Sharon Pratt

Location: One Franklin Square, One Franklin Square, 1301 K St NW, Washington, DC; 6:30 PM

• State Dinner preview at the White House – Office of the First Lady hosts press preview of tomorrow's State Dinner with Australia, in the White House Rose Garden, including a visual presentation of tables fully dressed with floral arrangements and place settings

Location: White House, Washington, DC; 9:30 PM

• Climate Forum 2020, with attendees including Julian Castro – 'Climate Forum 2020' day one, hosted by Georgetown University Institute of Politics and Public Service (GU Politics), Our Daily Planet, and MSNBC, with each candidate discussing their vision for addressing and limiting the effects of climate change in conversation moderated by MSNBC hosts Chris Hayes and Ali Velshi. Attendees include 2020 Democratic presidential candidate former Secretary of Housing and Urban Development Julian Castro

Location: Gaston Hall – Georgetown University, 37th & O Streets, NW, Washington, DC

• American Orthodontic Society Annual Meeting – American Orthodontic Society Annual Meeting, with speakers including Republican Rep. Paul Gosar

Location: Hilton Washington DC National Mall, 480 L'Enfant Plaza SW, Washington, DC

• Census Bureau 2017 Economic Census data releases begin – U.S. Census Bureau 2017 Economic Census data releases begin with preliminary results * Approximately 3.7 million businesses participating, including large, medium, and small companies representing all U.S. locations and industries

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, SEPTEMBER 10, 2019 6:00 AM EDT

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Treasury in the News

Mnuchin Expects Deal Soon To Let Fannie, Freddie Retain Their Earnings.

In an interview on Fox Business (9/9, 1.73M) "Mornings with Maria," Treasury Secretary Mnuchin said, "We think now is the time to recapitalize" Fannie Mae and Freddie Mac, "make them stronger, so that taxpayers are not at risk, and eventually raise third party capital, so that we restructure them, and that, in another housing downturn, taxpayers are not at risk." He added, "The first step in the process is we are in the process of negotiating with FHFA on current lines. We expect in the near term we will have an agreement where we will allow both Fannie Mae and Freddie Mac to retain their earnings, which will be a significant increase in capital and a step in the right direction to ultimately raising third party capital." Munuchin also said, "Our first choice is to work with Congress on a bipartisan basis," adding, "I hope that if we are going to get congressional support it will be in the next three to six months. And if we can't do that we will move on administrative front."

Fox Business (9/9, Limitone, 1.73M) reports that when "asked about the federal appeals court ruling in New Orleans that concluded the FHFA structure is unconstitutional and backed the government's rights to take all of the mortgage giants' profits, Mnuchin said, 'we're not going to let this stand in the way of housing reform.'"

The Wall Street Journal (9/9, Davidson, Subscription Publication, 7.57M) reports that in the wake of a court decision overturning a ruling supporting the government sweeping the GSEs' profits to the Treasury Department, Mnuchin demurred on whether the government would cancel a planned September sweep.

American Banker (9/9, Pedersen, Adler, Subscription Publication, 31K) reports, "Mnuchin's comments on a potential legislative timeline could draw attention from members of the Senate Banking Committee at GSE reform hearing scheduled for Tuesday." AFP (9/10, Montet) reports, "In Senate testimony on Tuesday, US Treasury Secretary Steven Mnuchin is due to lay out a plan for the reform of American housing finance."

In an editorial, the Wall Street Journal (9/9, Subscription Publication, 7.57M) praises the Administration's plans for reforming Fannie Mae and Freddie Mac, but says it is unlikely Congress will go along.

Charles Lane, in a column in the Washington Post (9/9, 14.2M), writes that any reform of Fannie Mae and Freddie Mac ought to include jettisoning the 30-year, fixed-rate loan, but it is politically untouchable due to government intervention training consumers to expect it. Lane argues it would be better for industry to no longer support it, and that the loan doesn't even promote homeownership. "Even when Fannie Mae and Freddie Mac were healthy, much of the government subsidy they provided accrued not to homeowners but the builders, developers, real estate agents, bond investors and Fannie-Freddie stockholders" in "what amounts to massive federal support for suburban sprawl."

Also covering the Administration's plans for the GSEs are Reuters (9/9), Bloomberg (9/9, 4.73M), Vox (9/9, Glesias, 2.27M), MarketWatch (9/9, Passy, 1.67M), American Banker (9/9, Subscription Publication, 31K), and the Financial Times (9/9, Armstrong, Subscription Publication, 1.34M).

Moody's: GSE Plan Is Credit Negative. Reuters (9/9) reports Moody's Investors Services, in a report released on Monday, said that the Administration proposal to bring Fannie Mae and Freddie Mac out of conservatorship "would be credit negative for the companies' creditors."

5th Circuit Rules FHFA Is Unconstitutionally Structured. Behind a paywall, Law360 (9/9, Subscription Publication, 8K) reports that the en banc Fifth Circuit "ruled Friday that the Federal Housing Finance Agency is unconstitutionally structured and that Fannie Mae and Freddie Mac investors can proceed with their claim that the agency exceeded its statutory authority with the 'net worth sweep' of the mortgage giants." The en banc decision gives "new life into investor litigation surrounding a 2012 agreement between the FHFA and the U.S. Treasury Department that amended the terms of the government's 2008 bailout of Fannie and Freddie, requiring them to pay quarterly dividends to the Treasury in an amount equivalent to their net worth."

Also reporting are the National Mortgage News (9/9) and the ABA Banking Journal (9/9).

Columnist: FHFA, DOJ Unlikely To Ask Supreme Court To Review 5th Circuit Decision. In her column for Reuters (9/9, Frankel), Alison Frankel writes that a ruling by the en banc 5th U.S. Circuit Court of Appeals on Friday that the structure of the Federal Housing Finance Agency is unconstitutional "arguably creates a split in the federal circuits over the constitutionality of independent agencies headed by directors who can't be removed without good cause." However, Frankel finds it "unlikely...that either DOJ or FHFA, which has independent litigating authority, will ask the Supreme Court to look at the 5th Circuit's en banc ruling, even putting aside the appellate remand of shareholders' APA claim to the trial court." Frankel says that "it will be interesting to see if Fannie and Freddie shareholders go to the Supreme Court to ask for review of the 5th Circuit's remedy for FHFA's unconstitutional structure."

Mnuchin: US Prepared To Sign Trade Deal With China, But Only If It Is "Good For Us."

In an interview on Fox Business' (9/9, 1.73M) "Mornings with Maria," Treasury Secretary Mnuchin said, "The President is, you know, wants to deal with this very important issue of China trade. And we have been working on this for the last two and a half years...to rebalance the trading relationship so it was a fairer relationship. ... And if we can get a good deal, which is our objective, we will sign a deal with China." Mnuchin also said, "I think the enforcement area we have a conceptual agreement." He added, "They are coming here; I take that as

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a sign of good faith, that they want to continue to negotiate. And we are prepared to negotiate. If we can get a good deal, a deal that is good for us, we will sign it. If not, the President is perfectly fine with continuing the tariffs, which are raising significant amounts of money for the US Treasury."

CNBC (9/9, Breuninger, 3.62M) reports Mnuchin "emphasiz[ed] positive progress already made in trade talks." He also "painted a rosy picture of the American position in the trade war, a regular source of stress and uncertainty for investors and blamed for contributing to a slowdown in the economy." However, "the trade war has already measurably affected some U.S. industries." The Wall Street Journal (9/9, Davidson, Subscription Publication, 7.57M) reports Mnuchin cast the resumption of trade talks with China as a sign of good faith.

Also covering this story are Reuters (9/9), the New York Post (9/9, Fredericks, 4.57M), and MarketWatch (9/9, Schroeder, 1.67M).

Mnuchin: Upcoming China Trade Talks Will Cover Currency Manipulation. Politico (9/9, Behsudi, 4.29M) reports that Treasury Secretary Mnuchin told reporters that "China's currency practices will be a topic of conversation when high-level officials from Beijing arrive in Washington early next month for another round of trade talks." Mnuchin is quoted as saying, "I expect the governor of the People's Bank of China to come over for these talks, so part of the conversations we will be having with them is around currency and currency manipulation."

Mnuchin: Tariffs On Chinese Goods Not Affecting US Economy.

In an interview on Fox Business' (9/9, 1.73M) "Mornings with Maria," Treasury Secretary Mnuchin said, "We have not yet seen any impact on the US economy" from the tariffs on Chinese goods. "There have been certain situations where there have been difficulties for companies, and Ambassador Lighthizer has done a very good job managing the exception process." When asked about slowing US growth, he replied, "Our growth is significantly higher than the rested of the world."

The New York Times (9/9, Rappeport, 18.61M) reports Mnuchin's "assertion...was at odds with a raft of increasingly gloomy economic data and industry surveys," although the "comments dovetail with those of Mr. Trump, who has continued to insist that the trade war is hurting China more than the United States." However, "the Treasury secretary's view seems increasingly divorced from economic data, which is showing pain from a trade war that has lasted more than a year." Meanwhile, despite their public comments, "some of Mr. Trump's advisers have begun to caution him about the potential economic impact from a long-running trade war. That includes Mr. Mnuchin, who has privately tried to prevent Mr. Trump from escalating his trade fight with additional tariffs." Business Insider (9/9, Heeb, 3.67M) reports, "Hundreds of American business representatives testified over the past year tariffs would force them to raise prices or pause investment."

Mnuchin: Passing USMCA Is "Top Priority."

In an interview on Fox Business' (9/9, 1.73M) "Mornings with Maria," Treasury Secretary Mnuchin said that passing the United States-Mexico-Canada Agreement (USMCA) is "the top of our agenda. Ambassador Lighthizer is working closely with the House. I have spoken to the Speaker about this several times. And we look forward to working with her this month, hopefully to get to the point where they are comfortable, in bringing this to the floor." The Hill (9/9, Birnbaum, 2.98M) mentions Mnuchin's comments.

House Democrats Control Fate Of USMCA. CNBC (9/9, Pramuk, 3.62M) reports, "House Democrats will control the fate of" the USMCA. House Speaker Nancy Pelosi "and top Democratic negotiators still have concerns about whether it goes far enough to protect American workers and the environment" and that it "could raise drug prices for U.S. consumers." After Congress returns to Washington "Democrats expect the pace of their talks with the Office of the U.S. Trade Representative to pick up," and "Some members – many of them freshmen who helped Democrats flip the House by winning swing districts – have pushed for a vote on the deal before the end of the year. Even so, Pelosi has not yet committed to firm timing on a vote."

American Tech Industry, Portman Urge Congress To Pass USMCA. The Hill (9/9, Birnbaum, 2.98M) reports that the US tech industry is "pushing Congress to pass President Trump's revised North American trade pact, arguing the stalled legislation would modernize trade law to accommodate the digital economy." A "broad coalition of tech trade groups" in a letter Monday argued the United States-Mexico-Canada Agreement (USMCA) includes language that would "set a new, global standard for rules that will benefit digital trade and e-commerce." Signatories of Monday's letter include "the Internet Association, which represents Facebook, Google and Amazon; the Consumer Technology Association; the Computing Technology Industry Association; and the Information Technology Industry Council."

Writing in the Washington Post (9/9, 14.2M), Sen. Rob Portman (R-OH) also urges passage of the deal. He argues that "Democrats should be leading the charge for its passage, because they have long criticized NAFTA, and because the USMCA addresses the major concerns they have raised with NAFTA." This is why, Portman writes, if House Speaker Pelosi "were to bring USMCA to the House floor for a vote, I am confident it would pass. And I know the Senate would quickly follow suit."

Mnuchin: No US Recession.

In an interview on Fox Business' (9/9, 1.73M) "Mornings with Maria," Treasury Secretary Mnuchin said, "As you look at the US, we continue to be the bright spot of growth." He added, "The President's economic plan of tax cuts, regulatory relief, and trade are really what is driving the US economy. I don't see, in any way, a US recession."

Voice of America (9/9, Bredemeier, 48K) reports that "several indicators appear to be signaling that the world's largest economy is slowing," with job growth slowing in August and the "U.S. economy advanced at a yearly rate of 2% in the April-to-June period, down from the 3.1% expansion in the first three months of the year."

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Mnuchin: We Are Monitoring Government Debt.

In an interview on Fox Business' (9/9, 1.73M) "Mornings with Maria," Treasury Secretary Mnuchin said, "Maria we had a very modest increase in the budgets this year, and next year, in our two-year deal. The majority of that went to the military." He added, "we're looking at debt to GDP and that is something we continue to monitor."

Mnuchin: Administration Considering "Tax Cuts 2.0."

Politico (9/9, Forgey, 4.29M) reports that Treasury Secretary Mnuchin told reporters yesterday that the Trump Administration will "consider proposing a package of tax cuts in 2020, trumpeting the strength of the U.S. economy despite the ominous financial indicators of recent weeks." Mnuchin is quoted as saying, "Regards to a middle class tax cut, you know, we'll be looking at tax cuts 2.0, something that will be something we'll consider next year." The Hill (9/9, Jagoda, 2.98M) says "Mnuchin's comments are in line with comments that President Trump and others in his administration have also said in recent weeks." NEC Director Kudlow, for example, "said last month that a new tax-cut package could be rolled out before the 2020 election and could include elements such as lower individual tax rates, lower capital gains rates, changes for businesses other than corporations and relief for residents of high-tax states."

The Fiscal Times (9/9, Rainey, 3K) also covers this story.

Mnuchin: US Considering Sanctions On Turkey Over Russian Missile System.

Reuters (9/9) reports Treasury Secretary Mnuchin told reporters "we are looking at" imposing sanctions on Turkey over the country's purchase of the Russian-made S-400 air defense missile system. The US say the system "is not compatible with NATO defenses and poses a threat to Lockheed Martin's F-35 'stealth' fighter jet." Washington previously warned Turkey that the purchase would result in sanctions and removal from the F-35 program. Bloomberg (9/9, 4.73M) also covers this story.

Mnuchin: US Considering Options In Row With France Over Internet Company Tax.

Reuters (9/9) reports Treasury Secretary Mnuchin told reporters at the White House that, in Reuters' words, the government "is meeting with technology and other companies as it considers its options following a row with Paris over France's tax on big internet firms."

Iran: Tanker Unloaded Oil.

The Wall Street Journal (9/9, Faucon, Osseiran, Subscription Publication, 7.57M) reports Iran's foreign ministry spokesman, Abbas Mousavi, said that the Adrian Darya 1 oil tanker, which was released from Gibraltar in spite of US objections that it was carrying oil to Syria, unloaded its cargo, according to the state news agency IRNA. On Sunday, Treasury Under Secretary Sigal Mandelker told reporters the ship's arrival in Syria illustrated "yet another game of deception" by Iran.

Trump Awards Medal Of Valor To Shooting Responders.

The Hill (9/9, Chalfant, 2.98M) reports President Trump awarded the Medal of Valor to six police officers who responded to the mass shooting in Dayton, Ohio last month and gave five civilians a Certificate of Commendation for "heroic actions in trying to stem the violence during a mass shooting a day earlier at a Walmart in El Paso." The Hill mentions that some members of Trump's cabinet attended the ceremony, including Treasury Secretary Steven Mnuchin.

Leading National News

Trump: "Great News" That Activist Investor Is Challenging AT&T Leadership.

In a two-tweet thread just after 9:00 a.m. Monday, President Trump wrote, "Great news that an activist investor is now involved with AT&T. As the owner of VERY LOW RATINGS @CNN, perhaps they will now put a stop to all of the Fake News emanating from its non-credible 'anchors.' Also, I hear that, because of its bad ratings, it is losing a fortune. But most importantly, @CNN is bad for the USA. Their International Division spews bad information & Fake News all over the globe. This is why foreign leaders are always asking me, 'Why does the Media hate the U.S. sooo much?' It is a fraudulent shame, & all comes from the top!" USA Today (9/9, Morin, 10.31M), covering the President's tweets, reports, "Elliott Management, a top activist shareholder firm, announced Monday that it has a $3.2 billion stake in AT&T. WarnerMedia, which owns CNN, is under AT&T."

The New York Times (9/9, De La Merced, Lee, 18.61M) reports under the headline "A Hedge Fund Becomes A Very Noisy Stakeholder In AT&T" that Elliott Management, "one of Wall Street's biggest hedge funds," expressed doubts "about AT&T's decision to go Hollywood, saying in a sharply worded letter to the AT&T board that the company had 'transformed itself into a sprawling collection of businesses battling well-funded competitors.'" While its holdings "represent just over 1 percent of AT&T's $271 billion market capitalization, Elliott Management...made a splashy entry into the ranks of company stakeholders with its 24-page letter, telling AT&T that it needed to change to bolster its share price."

Reuters (9/9, Herbst-Bayliss, Mukherjee) reports the letter offered a "four-part proposal" that "ranges from divesting certain businesses, eliminating $5 billion in costs, reviewing how it allocates capital and urging CEO Randall Stephenson...to stop making acquisitions." The Wall Street Journal (9/9, FitzGerald, Subscription Publication, 7.57M) discusses the letter without mentioning Trump's tweets.

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Citi, Wells Fargo Lower NII Forecasts, Citing Potential Rate Cuts.

Reuters (9/9, Moise) reports Citigroup and Wells Fargo on Monday "struck a cautious tone" as "they updated investors on how lower interest rates and an inverted yield curve would affect the year's profits." At an industry conference, top executives from both banks "tempered their outlooks for net interest income," citing macroeconomic concerns. Although Citi "has been less asset sensitive than its peers," CFO Mark Mason "said on Monday that the shrinking difference between long- and short-term borrowing rates and the potential for accelerated rate cuts has made the bank slightly more conservative in its outlook." Citi now expects its "net interest income to be up between 3% and 4% for the year, compared with prior guidance of 4% growth." Meanwhile, American Banker (9/9, Wack, Subscription Publication, 31K) reports Wells Fargo expects net interest income "to decline by 6% compared with 2018." This is the second time the bank lowered projections this year, previously forecasting a decline "of close to 5% this year."

Reuters (9/9) and Bloomberg (9/9, Surane, Nguyen, 4.73M) also report.

BofA Sees Revenue Growth From Investment Bank Turnaround.

Reuters (9/9, Moise) reports Bank of America "said on Monday its deal-making unit is gaining momentum with midsized companies as it focuses on the sector to regain market share." The bank's revenue from the middle market "grew by 17% in the first seven months of the year," and for the third quarter, the bank "estimated overall investment banking revenue to be up in the low single digits."

JPMorgan Index Quantifies Interest Rate Impact Of Trump Tweets.

Reuters (9/9, Ahmed) reports JPMorgan analysts have "quantified the impact of [President Trump's] tweets, at least on the U.S. interest rates market," in a detailed report. The analysts "use machine learning techniques and their own volatility model to show how the president's 280-character missives served to raise investors' expectations for future moves in the U.S. rates market." The Volfefe Index – "a nod to 'covfefe,' the mysterious word coined by Trump in an unfinished 2017 tweet – analyzes a rolling sample of recent tweets to judge how much effect the president's remarks have had on volatility."

Bloomberg Analysis: Manufacturing Sector May Already Be In Recession.

Shawn Donnan of Bloomberg (9/9, 4.73M) writes that "for all the debate on whether the U.S. is headed for a recession there's plenty of evidence that corners of the economy...may already have tumbled into one. After two boom years the picture has changed for America's factories." Facing "rising uncertainty and the damper it has put on capital expenditures, slowing export markets, a stronger dollar, and higher input costs due to tariffs," manufacturers are producing less than they did a year ago. The "surge in industrial jobs seen in the first two years of the Trump presidency has also gone into reverse in some parts of the country."

US, Japan Still Working Out Details Of Trade Deal.

Reuters (9/9, Kihara, Kaneko) reports Japanese Prime Minister Shinzo Abe "may have averted giving away too much" in trade talks with President Trump, "but Tokyo is struggling ahead of a late-month deadline to achieve its primary goal: get the unpredictable president to drop threats of punitive auto tariffs." Reuters says that "even after announcing a preliminary deal with Abe on Aug. 25, Trump left open the possibility of slapping higher duties on Japanese vehicles." Trump and Abe are seeking "a final agreement in time for their expected meeting on the sidelines of the United Nations General Assembly later this month," but negotiators "have only just begun working out details, such as how much tariffs will be cut for which items."

White House, USDA, OMB Officials Questioned Farmers' "Bailout."

In an article titled "As Billions Flow To Farmers, Trump Administration Faces Internal Concerns Over Unprecedented Bailout," the Washington Post (9/9, Stein, 14.2M) reports that "senior government officials, including some in the White House, privately expressed concern that the Trump administration's nearly $30 billion bailout for farmers needed stronger legal backing." Two Department of Agriculture officials "involved in the bailout program" tell the Post that they were" worried the funding could surpass the original intent of the New Deal-era Commodity Credit Corporation, which is being used to distribute the money." According to the Post, "Separately, some officials in the Office of Management and Budget also raised questions about the scope of $16 billion in a second round of bailout funds," and "pushed" the USDA "to provide more legal reasoning for the effort."

Reuters Analysis: Democrats Have Failed To Unite Around Trade Message.

Reuters (9/9, Oliphant) says "the growing economic fallout from President Donald Trump's drawn-out trade war with China would appear to be a ready-made opportunity for Democratic presidential contenders seeking to blunt his central 2020 re-election pitch," but, "so far, it has not quite worked out that way." According to Reuters, "While most of the 20 Democratic presidential hopefuls vying to take on Trump in the November 2020 election have condemned his tit-for-tat exchange of tariffs with China for hurting farmers, consumers and businesses, they have not been of one voice on how they would handle things differently." Reuters adds, "That has led to a scrambled and sometimes incoherent message from Trump's rivals even as global markets gyrate, U.S. consumer prices of Chinese imports rise and farmers lose their biggest export market as a result."

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For First Time, Most New Hires Of "Prime Working Age" Are Non-Whites.

The Washington Post (9/9, Long, Van Dam, 14.2M) reports, "For the first time, most new hires of prime working age (25 to 54) are people of color, according to a Washington Post analysis of data the Labor Department began collecting in the 1970s. ... Women are predominantly driving this trend, which is so powerful that even many women who weren't thinking about working...are being lured into employment." The data show there are "5.2 million more people in the United States with jobs than at the end of 2016, and 4.5 million of them are minorities."

Cities Objecting To Spread Of Cashless Retail.

USA Today (9/9, Jones, 10.31M) reports that more and more cities are raising objections to the growth of cashless retail. "From Philadelphia to San Francisco, several cities and states have passed or are considering bills that prohibit retailers from refusing to accept cash, a policy they say shuts out the millions of Americans who don't have a bank account, lack credit cards or don't have photo identification," the article says. Retailers are adopting cashless systems "to speed up transactions, reduce the risk of theft and accommodate the increased use of credit and debit cards, as well as digital wallets like Apple Pay and Google Pay."

Stocks Largely Unchanged Monday.

Reuters (9/9, Valetkevitch) reports US stocks "ended flat on Monday as increased expectations of stimulus from central banks around the world were offset by losses in technology and healthcare shares." The Dow Jones Industrial Average closed up 38.05 points at 26,835.51, the S&P 500 was down 0.28 to 2,978.43, and the Nasdaq was down 15.64 points to 8,087.44. The Wall Street Journal (9/9, Otani, Subscription Publication, 7.57M) reports that though markets have risen so far in September, investors are wary of signs of slowing growth and ongoing volatility.

States, Territories Announce Antitrust Probe Of Google.

The AP (9/9, Lerman, Gordon) reports "fifty US states and territories, led by Texas, announced an investigation into Google's 'potential monopolistic behavior.'" The "announcement closely followed one from a separate group of states Friday that disclosed an investigation into Facebook's market dominance," with the two probes widening "the antitrust scrutiny of big tech companies beyond sweeping federal and congressional investigations and enforcement action by European regulators." The Hill (9/9, Neidig, 2.98M) notes "the coalition includes 48 states, plus the District of Columbia and Puerto Rico. California and Alabama are the only two states not to join the investigation."

The CBS Evening News (9/9, story 10, 0:17, O'Donnell, 4.22M) briefly reported the story last night as a "new development in the backlash against Big Tech." The Washington Post (9/9, Romm, 14.2M) recounts that "appearing on the steps of the Supreme Court, Texas Attorney General Ken Paxton charged that Google 'dominates all aspects of advertising on the Internet and searching on the Internet,' though he cautioned that despite his criticism the states had launched an investigation for now and not a lawsuit." Google "declined to comment, pointing to its previous statements saying it will work with state officials."

The Washington Times (9/9, Swoyer, 492K) says "the bipartisan group will look into the tech giant's advertising markets and search capabilities, probing whether business practices led to anticompetitive behavior and harmed consumers." The New York Times (9/9, Lohr, 18.61M) indicates "the state inquiries coincide with bipartisan scrutiny of the tech companies in Washington, by House and Senate committees, the Justice Department and the Federal Trade Commission." The Times adds "federal officials are examining the practices of Amazon and Apple as well as those of Facebook and Google." Axios (9/9, Rosenberg, Knutson, 521K), Bloomberg (9/9, Brody, McLaughlin, 4.73M) and Washington Examiner (9/9, Dunleavy, 448K), among other news outlets, also report the story.

Pharmacy Chain Fred's Files For Bankruptcy, Will Close All Stores.

USA Today (9/9, Bomey, 10.31M) reports, "Discount merchandise retailer and pharmacy chain Fred's filed for Chapter 11 bankruptcy Monday with plans to close all of its stores." The company "had 568 stores in 15 states in the southeastern U.S. as of Feb. 2, including 169 with full-service pharmacies, according to a court filing."

Moody's Downgrades Ford Credit Rating To Junk Status.

The Detroit Free Press (9/9, Howard, 1.52M) reports, "Ford Motor saw its credit rating downgraded to 'junk' status by Moody's Investors Service late Monday. The impact of the action, which occurred after the stock market closed, could increase the cost of borrowing money because the automaker is considered a higher credit risk." The Detroit News (9/9, Thibodeau, 825K) reports, "Monday's downgrade to Ba1 – the highest non-investment grade rating – comes as Ford and Hackett have said repeatedly over the last year that 2019 would deliver the results promised, including improved profit margins around the world."

Nissan CEO Resigns Following Improper Compensation Revelation.

The Wall Street Journal (9/9, McLain, Subscription Publication, 7.57M) reports Nissan CEO Hiroto Saikawa is resigning, with COO Yasuhiro Yamauchi set to become acting CEO next week. Nissan's board sought to remove Saikawa after an internal investigation found that he received improper stock-based performance compensation of about $439,000 in 2013. The New York Times (9/9, Dooley, 18.61M) reports his exit "follows months of speculation about his ability to manage the Japanese carmaker since it was rocked by the arrest last year of its

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former chairman Carlos Ghosn."

WSJournal Analysis: Chinese Tech Giants Struggle To Replicate Success Overseas.

The Wall Street Journal (9/9, Dvorak, Woo, Subscription Publication, 7.57M) reports Alibaba has long dominated the online shopping market in China, but like many other Chinese tech giants it has found it hard to translate domestic success overseas.

WSJournal Likens We Co. Corporate Governance To That Of A Chinese Company.

A Wall Street Journal (9/9, Subscription Publication, 7.57M) editorial likens the corporate governance of We Co. to a Chinese company and says the fact that the American press and investors were able to discover problems with the company is evidence that the markets can do a better job than a regulator would.

Krupp: Automakers Want Strict Emissions Standards.

In an op-ed for the Wall Street Journal (9/9, Subscription Publication, 7.57M), Fred Krupp, president of the Environmental Defense Fund, argues that the Administration's dispute with car makers over clean-air standards is not necessary because the car makers want strict emissions standards and accept the standards Ford, Honda, BMW, and Volkswagen negotiated with California.

Media Analyses: Trump Campaigns In NC9 Special Election That Could Preview His Own 2020 Race.

Coverage of President Trump's rally in Fayetteville, North Carolina in support of NC9 special election Republican nominee Dan Bishop suggests the Tuesday election could be a test of the President's political capital in advance of next year's presidential election, and Trump's strength in a state he won by less than four points in 2016 and that is expected to be competitive in 2020. Reports say the President railed against Democrats, the media, and Democratic nominee Dan McCready, but mostly stayed away from personal attacks. Vice President Pence campaigned with Bishop earlier Monday, but did not appear at the evening rally. Polls over the last two weeks give McCready a narrow lead, but Bishop has a small advantage in prediction markets.

The AP (9/9, 168K) says Trump, "trying to prove his political clout by pushing a Republican to victory in a special election," used the rally "to paint a bleak picture of a nation that he claimed would be overrun with crime, poverty and immigrants if Democrats seize power in Washington. ... While the stakes for the House are high, Trump's trademark rallies inevitably become more about him than the local candidate, as he uses the stage to settle political scores, sharpen attacks and take on perceived foes." The President "touted his administration's accomplishments but also urged voters to give him more time."

WTVD-TV (Raleigh-Durham, NC (9/9, 11:01 p.m. EDT, 3.43M) reported that Trump "came to campaign for Dan Bishop ahead of tomorrow's special election but Trump was also here to reengage the sea of red MAGA hats for his own reelection 14 months from now." WRAL-TV (Raleigh, NC (9/9, 10:00 p.m. EDT, 1.52M) reported that Trump "spoke for more than an hour and a half." Trump "attacked Dan McCready" and "comend[ed] the Tar Heel state for job growth, low unemployment for minorities, and its ability to rebuild after natural disasters like Hurricane Dorian." WGHP-TV (Greensboro, NC (9/9, 10:06 p.m. EDT, 1.52M) reported that Trump "discussed how well the American economy is booming, tax cuts, securing the border, and how [Bishop] supports his views."

The Charlotte Observer (9/9, Morrill, Ma, 470K) reports, "Trump won the district by nearly 12 points in 2016. But polls show the race is a toss-up. ... Some have seen the election as a test of Trump's strength in a state he carried in 2016 and which is expected to be a battleground again in 2020." The AP (9/9, 168K) reports that before leaving Washington for the event, Trump "dismissed questions of whether a poor result" for Bishop "would serve as a warning sign in next year's elections." Trump said, "No, I don't see it as a bellwether."

The Durham Herald-Sun (9/9, Murphy, Specht, Vaughan, 76K) reports Trump "mostly shied away from the personal attacks on Democrats that highlighted" his July rally in Greenville, where he attacked four female House freshmen, "and he largely avoided the latest controversies surrounding Hurricane Dorian's projected path and the transfer of money from military projects, including those in North Carolina, to his long-promised wall along the southern border."

The Fayetteville Observer (9/9, Woolverton, 151K) reports the President "brought to the stage both Bishop and another candidate, Republican state Rep. Greg Murphy. Murphy is running for the eastern North Carolina 3rd District on Tuesday. That seat has been vacant since Walter Jones died in office early this year." Murphy's race is not expected to be close. The President "had been scheduled to tour hurricane damage on the North Carolina coast earlier in the day, but weather caused a change of plans."

USA Today (9/9, Jackson, 10.31M) reports, "The day before a test of his political strength in a key state," Trump told supporters "that he needs Republican victories over the next 14 months because Democrats are out to reverse his accomplishments. ... Previewing his own re-election bid in November of 2020, Trump spent nearly 90 minutes defending his record and savagely attacking Democrats."

The New York Times (9/9, Karni, Crowley, 18.61M) reports, "Trump's push for Mr. Bishop is part of a wider administration effort on his behalf that also included a visit on Monday to the other end of the district" by Pence. The Times says the special election "could give early clues about the president's political strength going into the 2020 campaign." The Washington Post (9/9, Dawsey, Sonmez, Hughes, 14.2M) reports Trump "said Bishop would support his agenda on issues including illegal immigration and Second Amendment rights" and "drew cheers from the crowd when he joked that he would remain in office through 2026 so that he could be president when the United States co-

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hosts the World Cup that year."

The Washington Times (9/9, A1, Howell, 492K) reports Trump "said the U.S. still has the best economy in the world, despite murmurs of a possible recession and fears that tariffs on Chinese goods will hurt American consumers. 'They tried the Russia thing, that didn't work. They tried many other things,' Mr. Trump said in a riff against Democrats and the media." Breitbart (9/9, Spiering, 673K) reports Trump said he "was primarily running against the media in 2020, as they were teaming up with Democrats to defeat him." The President said, "I wouldn't mind fighting the Democrats, but we really have to look at it as a twosome – the media and the Democrats, it's one and the same."

The Hill (9/9, Greenwood, 2.98M) says Trump "made an aggressive, eleventh-hour pitch" for Bishop. Fox News (9/9, Re, 27.59M) reports on its website that "high stakes were matched by some of President Trump's harshest campaign rhetoric yet...with just hours to go until voters there head to the polls in a pivotal toss-up special election that will decide the winner of a long-contested – and long-vacant – House seat." Trump said, "Support for sanctuary cities is disloyalty to American cities – and McCready wants sanctuary cities, with all of their protections for people who are serious criminals. Tomorrow is your chance to send a clear message to the America-hating left."

The Washington Examiner (9/9, Brown, 448K) reports Trump "claimed during his Monday night rally...that the Democratic Party does not put much stock in religion and that their attempts to appeal to religious voters are ineffective." The President said, "The other side, I don't think they're big believers. They're not big believers in religion, that I can tell you. You listen to some of them. They're trying. They're trying to put out little statements. They're not working too well." Trump "did not specify to which statements he was referencing."

The Charlotte Observer (9/9, Wang, 470K) reports Pence campaigned with Bishop earlier in the day, and "visited a phone bank set up inside a hotel on Independence Boulevard in Charlotte. There, he made phone calls to potential voters and asked for them to support Bishop in the special election." He then addressed a Bishop event at Wingate University. Politico (9/9, Shepard, Kumar, 4.29M) says Bishop is "counting on" Trump and Pence "to carry him across the finish line, telling Politico over the weekend that the two would 'put us over the top.'" Reuters (9/9, Rampton, Cornwell) reports, "Bishop's campaign says the most important issues are taxes, the economy and immigration, while McCready has focused his race on healthcare, education and the pay of North Carolina teachers."

The President tweeted after the event, "Beautiful evening in Fayetteville tonight! Big day in North Carolina tomorrow. Make sure you get out and VOTE for Dan Bishop in #NC09 and Greg Murphy in #NC03!" He also tweeted video from the rally. Pence posted several tweets from his day of campaigning. Bishop tweeted, "What an incredible night welcoming @realDonaldTrump to Fayetteville! We're not tired of winning & we're going to bring home a big victory tomorrow night thanks to his huge support!"

Federal Judge Reinstates Injunction On Administration's Asylum Rules.

The AP (9/9, Spagat, Superville) reports that US District Judge Jon Tigar yesterday "reinstated a nationwide halt on the Trump administration's plan to prevent most migrants from seeking asylum at the US-Mexico border." Tigar "ruled...that an injunction blocking the administration's policy from taking effect should apply nationwide." Tigar "blocked the policy in July after a lawsuit by groups that help asylum seekers," but the Ninth Circuit Court of Appeals "limited the impact of Tigar's injunction to states within the area overseen by the appeals court," which "meant the policy was blocked in the border states of California and Arizona but not in New Mexico and Texas." The Washington Post (9/9, Barnes, 14.2M) points out "Tigar said he interpreted the 9th Circuit's ruling to mean he was free to reimpose the nationwide injunction if there was evidence to warrant it."

Politico (9/9, Hesson, Forgey, 4.29M) says Tigar was appointed by former President Barack Obama, and reports that acting Customs and Border Protection Commissioner Mark Morgan "characterized Monday's order as another example of the 'unprecedented judicial activism' the administration has encountered in attempting to implement its immigration agenda." In an editorial titled "President Tigar Strikes Again," the Wall Street Journal (9/9, Subscription Publication, 7.57M) casts Tigar as overstepping his authority and abusing the use of injunctions, and urges the Supreme Court to step in. On the other hand, the Washington Examiner (9/9, Quinn, 448K) reports, "ACLU attorney Lee Gelernt said that in reinstating the nationwide injunction, 'the court recognized there is grave danger facing asylum-seekers along the entire stretch of the southern border.'"

USA Today (9/9, Wu, Subramanian, 10.31M) quotes Tigar as saying in his ruling, "The question now before the court is whether those harms can be addressed by any relief short of a nationwide injunction. The answer is that they cannot." Tigar "noted the need for 'uniform immigration policy' and potential complications if the injunction were limited to only a part of the country, as the 9th Circuit Court of Appeals ruled in August." The Los Angeles Times (9/9, Dolan, 4.64M) reports "Trump's new rule makes migrants ineligible for asylum if they passed through another country en route to the U.S. and failed to apply for protection in that country. Most asylum seekers come from Central America." Reuters (9/9, Alper), the Washington Times (9/9, Swoyer, 492K), Daily Caller (9/9, Daley, 716K) and Wall Street Journal (9/9, Kendall, Subscription Publication, 7.57M), among other news outlets, also report the story.

White House: Ruling A "Gift To Human Smugglers And Traffickers." The Washington Examiner (9/9, Quinn, 448K) reports "the White House on Monday denounced a ruling from a federal judge in California reimposing a nationwide injunction against the Trump administration's new asylum rules, calling it a 'gift to human smugglers and traffickers.'" Said White House Press Secretary Stephanie Grisham, "Immigration and border security policy cannot be run by any single district court judge who decides to issue a nationwide injunction." The ruling, she added, "undermines the rule of law."

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CBP Chief Credits Mexico's Help For Border Detentions Dropping 56% Since May.

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Reuters (9/9, Alper) reports that Acting CBP Commissioner Mark Morgan yesterday "credited Mexico and Central American countries with

helping to reduce border detentions 56% this year." Morgan "announced that 64,000 people were detained or turned back at the southwest border in August," which was "down 22% from July and 56% from a high mark in May." Reuters adds, "Even so, the total was the highest for the month of August in more than a decade." Bloomberg (9/9, Wingrove, 4.73M) also reports that "the decline comes as Mexico steps up efforts to halt migrant flows as part of a June deal with" President Trump.

The Washington Times (9/9, Howell, 492K) quotes Morgan as saying, "Why do we see in 90 days a 56 percent reduction? The President has made it very clear that he's going to use every tool available to him and his Administration to address this crisis at the southern border." Morgan "said Mexico has 'stepped up' as a great partner, even dispatching a national guard division for border security," though "we need Mexico to do more." Reuters (9/9, Alper) notes Morgan also said yesterday, "The Northern Triangle countries, specifically, along with the government of Mexico, have really joined the United States as true partners for the first time."

Politico (9/9, Hesson, 4.29M) recounts that "border arrests soared in the spring to the highest levels in more than a decade, a surge fueled by record numbers of families trekking north from Honduras, Guatemala and El Salvador." Trump "responded by threatening to hammer Mexican goods with escalating tariffs," and "the two countries brokered a deal that required Mexico to deploy thousands of troops from its newly formed National Guard to intercept migrants. At the same time, the Trump administration moved to implement its 'remain in Mexico' program across the entire southwest border."

The Washington Examiner (9/9, Giaritelli, 448K) and Townhall (9/9, Pavlich, 177K), among other news outlets, run largely favorable assessments of Morgan's comments. Axios (9/9, Kight, Treene, 521K) reports, however, that "while Mexico's efforts and the Migrant Protection Protocols...have likely had an impact on the flow of migrants into the US, border crossings tend to begin falling around this time of year."

House Oversight Republicans Ask Democrats To Explain Trips To Mexico.

The Daily Caller (9/9, Rodgers, 716K) reports that after reports that a Democrat was "coaching" migrants on how to violate the law and enter the US illegally, Republicans on the House Oversight and Reform Committee "are calling on Democrats give them more information about a number of trips taken to Mexico." Fox News reported that Rep. Jim Jordan (R-OH) sent a letter to Chairman Elijah Cummings "asking about the trips and the details behind the visits to Mexico and detention facilities at the border." Jordan said the trips were made "to delegitimize the administration's border security efforts and vilify the men and women who protect our border."

Tillis Blasts North Carolina Sanctuary Cities.

The Washington Times (9/9, Miller, 492K) reports that Sen. Thom Tillis (R-NC) on Monday "blasted sanctuary cities in his home state of North Carolina for turning loose nearly 500 illegal immigrants" despite detention requests from ICE. Tillis said, "These North Carolina counties are releasing illegal immigrants charged with violent crimes like rape and murder without even notifying federal officials, jeopardizing public safety." The Times adds that a report from WBTV-TV in Charlotte detailed "the release of 489 illegal immigrants by law enforcement agencies across North Carolina." The immigrants "were turned loose during the past 10 months as a result of sanctuary city policies that ignore detainer requests from ICE, according to the report."

Survey Finds Rising GOP Concern Over Immigration.

The Washington Post (9/9, Clement, Balz, 14.2M) reports, "After a year of controversy at the U.S.-Mexico border, Republican concern about immigration has risen sharply," according to a June survey by the Chicago Council on Global Affairs poll released Monday. The survey "found that 78 percent of Republicans say large numbers of immigrants and refugees coming into the United States represent a 'critical threat' to the nation's vital interests," up 12 percent since last year. Among Democrats, "just 19 percent say the same, ranking it last among 14 possible concerns."

Malkin: Terminating Flores Agreement Will Reduce Catch-And-Release Scams.

Townhall (9/9, Meads, 177K) reports that in her new book "Open Borders, Inc: Who's Funding America's Destruction?" conservative author Michelle Malkin "explains that a key problem with the United States' immigration system is what she describes as 'The Kiddie Catch, Release, and Cash In Scam.'" in which immigrant smugglers take advantage of the Flores agreement "by charging foreign nationals thousands of dollars to take their children to the U.S. border." The children "would be dumped off, taken in by the government, and given an education, housing, shelter and many more benefits." Malkin told Townhall, "The Trump administration's move to terminate the Flores agreement is long overdue and will substantially reduce the catch-and-release scams exploiting illegal alien children. ... But it's just one step."

Pelosi Plan Would Let HHS Negotiate Most Costly Drug Prices.

The Washington Examiner (9/9, Leonard, 448K) reports, "The government would be allowed to directly negotiate the prices for some of the most expensive prescription drugs" under a proposal from House Speaker Pelosi "that aligns much closer to liberal goals than expected." A six-page draft summary of the proposal indicates it "would lift the current prohibition" preventing the HHS secretary "from negotiating drug prices, meaning that it's likely to be a non-starter from Republicans and face fierce industry opposition." The plan would not allow the government to negotiate the prices of all drugs, but "would allow for the secretary to directly negotiate the top 250 most expensive brand-

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name drugs, as long as they lack at least two generic alternatives."

Sanders' Medicare For All Ideas Reportedly Forged During 1987 Canada Visit.

The New York Times (9/9, A1, Ember, 18.61M) reports, "In July 1987, Bernie Sanders, then the mayor of Burlington, Vt., arrived in Ottawa convinced he was about to see the future of health care." As he toured "community centers and" had "meetings with health care providers," Sanders "more than liked what he saw." Some 30 years "before 'Medicare for all' would propel his presidential campaigns, Mr. Sanders' expedition to Ottawa helped forge his determination to transform the American health care system. ... Now, as he seeks the Democratic presidential nomination for a second time, he has made 'Medicare for all' the single most important issue of his campaign and in turn set the agenda for the ideological discussion in the Democratic primary."

Kaiser Analysis Finds UVA Health System Sued Former Patients More Than 36,000 Times Over Six Years.

In a 2,900-word front-page report, the Washington Post (9/9, Hancock, Lucas, 14.2M) reports that over six years ending in mid-2018, the University of Virginia Health System and its doctors "sued former patients more than 36,000 times for over $106 million, seizing wages and bank accounts, putting liens on property and homes and forcing families into bankruptcy," according to a Kaiser Health News analysis. While "unpaid medical bills are a leading cause of personal debt and bankruptcy...UVA stands out for the scope of its collection efforts and how persistently it goes after payment, pursuing poor as well as middle-class patients for almost all they're worth." UVA "sued patients for as little as $13.91 and as much as $1 million during most of that period, until July 2017, when it restricted lawsuits to those owing more than $1,000, the analysis shows."

NYTimes: Title X Changes About Controlling Women.

The New York Times (9/9, 18.61M) editorializes, "The Trump administration's recent efforts to undermine the nation's Title X family planning program are already having their intended effect, making it harder for women's health clinics to stay afloat and for patients to afford birth control and other services." The Times says the changes "make clear that these politicians have always been trying to do more than prevent abortions. These are attacks on women's ability to control if and when they get pregnant," and "on their health and well-being."

WPost Urges Attention To "Vaping Crisis."

In an editorial headlined "Everyone Should Be Alarmed By The Vaping Crisis," the Washington Post (9/9, 14.2M) says, "There are still more questions than answers about the electronic devices that vaporize fluids in an alternative to the known hazards of burning tobacco, but both the immediate crisis and the longer-term regulatory and health issues suggest much more scrutiny needs to be given to vaping. ... Everyone should be alarmed about the rapid growth in popularity of vaping among teenagers and young people."

Court Vacates Sentence Against Paul Attacker As Too Lenient.

CNN (9/9, Berman, 83.16M) reports on its website that "the 30-day sentence Rene Boucher received for attacking" Sen. Rand Paul (R-KY) was too lenient, the Sixth Circuit Court of Appeals ruled Monday, "ordering a lower court to issue a new sentence." CNN adds that "the sentencing guidelines ranged from 21 to 27 months, and the three-judge appeals court panel agreed with the Justice Department that the sentence wasn't enough." The Hill (9/9, Budryk, 2.98M) indicates yesterday's opinion "offers examples of other 30-day sentences for assaulting members of Congress and notes that the damage paled in comparison to that of Boucher, who broke five of Paul's ribs and caused injuries that later required part of Paul's lung to be removed." For example, "in 1981, two defendants were each sentenced to 30 days for throwing eggs at a congressman without hitting him, while a third defendant was sentenced to 15 days for spitting on a senator at an airport."

The Washington Free Beacon (9/9, Griswold, 78K) says Boucher "could have received up to ten years in prison for an assault of a member of Congress that inflicted personal injury," and the Washington Examiner (9/9, McGhee, 448K) that "two years, six broken ribs, several bouts of pneumonia, and one hernia surgery later," Paul "might finally get the justice he deserves." The Daily Caller (9/9, Kerr, 716K) runs a similar story.

Law & Crime (9/9, Kalmbacher) reports, meanwhile, that "decarceration-minded legal experts are viewing Monday's ruling decidedly askance." Said Ohio State University Moritz College of Law Professor Douglas A. Berman, "I continue to find that courts are much more interested in seriously questioning 30-day sentences when prosecutors appeal than in questioning 30-year sentences when defendants appeal. And so it goes in incarceration nation."

Trump Recognizes Officers And Civilians Who Responded To Mass Shootings.

The CBS Evening News (9/9, story 11, 0:24, O'Donnell, 4.32M) reported President Trump yesterday "honored some heroes who helped save lives in two mass shootings last month," including the officers who "took down the shooter who killed nine in Dayton about a half a minute after he started firing." The President also "recognized five civilians who put themselves at risk to help stop a gunman shooter at a Walmart in El Paso." The AP (9/9, Superville) says "the six police officers each received the Medal of Valor," which according to the Dayton

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(OH) Daily News (9/9, Frolik, 121K) "was created in 2001 to honor law enforcement, firefighters, corrections, court, emergency services or civil defense officers who exhibited exceptional courage in the attempt to save and protect people's lives." Trump tweeted after the ceremony, "To every one of the HEROES we recognized today – THANK YOU and God Bless You All!"

Fox News (9/9, O'Reilly, 27.59M) reports on its website that appearing alongside Attorney General Barr, Trump said, "There are few people who could have done, and would have done, what these police officers did. ... To each of you, we are in awe of your swift response, sterling professionalism, and rock-solid nerves of steel." On its website, CNN (9/9, Vazquez, 83.16M) quotes Trump as further stating, "In the midst of such profound anguish, one memory fills us with hope. ... When evil showed its hideous face, Americans of all walks of life rose up – and they did, they rose up – they defied fear, they stared down death to protect the innocent. And stand tall they did just for righteous and for good." The New York Post (9/9, Fredericks, 4.57M) and Daily Caller (9/9, Caruso, 716K), among other news outlets, run similar reports.

The Washington Post (9/9, Wagner, 14.2M) says that "during his remarks, the president made no mention of legislation that Democrats have urged him to embrace to strengthen background checks for gun purchasers." The New York Times (9/9, Shear, 18.61M) also reports "Trump did not comment on the debate over gun control that erupted again after the two mass shootings, saying only that the El Paso attack was a 'racist attack motivated by pure evil' and that the Dayton shooting was committed by 'a vile, wicked murderer.'"

Along similar lines, the Cleveland Plain Dealer (9/9, Eaton, 895K) recounts that as Trump awarded the medals, "Democrats including US Sen. Sherrod Brown and Dayton Mayor Nan Whaley called for Trump and Republicans who control the US Senate to pass background check legislation." Whaley "said the mother of Dayton shooting victim Monica Brickhouse texted her 'Go get 'em,' upon learning that she'd be visiting Washington to demand background check legislation. She said 90 percent of Americans want universal background checks for gun purchases."

The Columbus (OH) Dispatch (9/9, Rowland, 367K) reports that Whaley, who "who has been harshly criticized by and critical of Trump, was not invited" to the White House, and "instead, Ohio Lt. Gov. Jon Husted and Attorney General Dave Yost, both Republicans, were on hand. Ohio GOP Sen. Rob Portman was listed among those expected to attend, but he did not, a spokeswoman said." Instead, Whaley appeared with Democratic leaders, including House Speaker Pelosi, Senate Minority Leader Schumer, and Brown in a call to Senate Majority Leader McConnell "to consider House-passed measures on gun violence."

The Toledo (OH) Blade (9/9, Skalka, 88K) reports Whaley said yesterday in an interview, "We emailed and said, 'Hey, we'd be happy to come' and they said that they didn't want us there, so we did not go. We were not invited. ... I think they told [my senior policy aide], 'It's not going to work out this time.' ... Even the reps who were there didn't represent Dayton." Gov. Mike DeWine (R) "is attending a trade conference in Japan."

White House Mulling Gun Proposals Aimed At Mentally Ill. The Washington Post (9/9, Wan, 14.2M) reports that the White House is "considering a controversial proposal to study whether mass shootings could be prevented by monitoring mentally ill people for small changes that might foretell violence." Former NBC Chairman Bob Wright, identified as a "longtime friend and associate of President Trump's, has briefed top officials, including the president, the vice president and Ivanka Trump, on a proposal to create a new research agency called HARPA to come up with out-of-the-box ways to tackle health problems, much like DARPA does for the military." The Post says "advisers to Wright quickly pulled together a three-page proposal...which calls for exploring whether technology like phones and smart watches can be used to detect when mentally ill people are about to turn violent."

The AP (9/9, Daly) reports Pelosi and Schumer are "pressing" President Trump to "intervene with Senate Republicans and demand passage of a bipartisan bill to expand background checks for gun purchases." The AP says "the letter came as Congress returned to the Capitol from a six-week break, with gun violence legislation at the top of the agenda." According to the AP, McConnell "has made it clear that he won't take action on guns without Trump's commitment to sign a bill into law." The New York Times (9/9, Stolberg, 18.61M) reports that Democrats hope to "put Mr. Trump and Mr. McConnell into a box on gun control legislation – and, perhaps, to ensure that Republicans and the president take the blame if nothing gets signed into law."

WPost-ABC News Poll Finds Strong Support For "Red Flag" Laws, Expanded Background Checks. The Washington Post (9/9, DeBonis, Guskin, 14.2M) reports that a Washington Post-ABC News poll found that "Americans across party and demographic lines overwhelmingly support expanded background checks for gun buyers and allowing law enforcement to temporarily seize weapons from troubled individuals." The poll found "a continued partisan divide on more far-reaching gun-control proposals," but "public opinion is firmly behind Democrats' push for action as Congress returns to Washington on Monday." According to the poll, "86 percent of Americans support implementing 'red flag' provisions," and "89 percent support expanding federal background checks to cover private sales and gun-show transactions." The poll also found that 51 percent of Americans "say they trust congressional Democrats over Trump to handle the nation's gun laws," while 36 percent trust Trump.

Gun Control Advocates See Progress In Stores' No-Open-Carry Requests. The New York Times (9/9, Corkery, 18.61M) reports that David Amad, vice president of Open Carry Texas, says many of his groups members have carried their guns openly into Walmart stores since the retailer 's "recent announcement that it is 'respectfully requesting' that customers not openly carry guns into its stores," and "none have been asked to leave." Walmart's announcement "sparked similar actions by Kroger, CVS, Walgreens and the Wegmans grocery chain." While the moves won praise from gun control groups, "none of the retailers have banned guns in their stores outright, even though legal experts say that is something they could do." The Times adds that while "gun control advocates praise the moves as progress in making open carry socially unacceptable," gun rights advocates "say they the retailers are doing nothing to restrict their ability to carry their firearms."

WPost, USA Today Urge Congress To Pass Gun Control Legislation. A Washington Post (9/9, 14.2M) editorial says President

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Trump "will never step up" on the issue of gun control and argues that "hiding behind his failure" is a way for McConnell "and other Republican senators to abdicate their legislative authority and their responsibility to the country." The Post calls on the Senate to "stop waiting for Mr. Trump. Stop making excuses," and pass gun control legislation.

In an editorial, USA Today (9/9, 10.31M) calls for universal background checks. USA Today cites the recent mass shooting in Odessa, Texas in which the gunman "never should have been able to buy a gun." A court "had ruled him mentally unfit to purchase or own a firearm, so he was barred from buying a gun from a licensed dealer in 2014 after failing a federal background check." However, he obtained "his AR-style rifle thanks to a loophole in the federal background-check system." The loophole "would be closed if Congress passed universal background checks favored by nine out of 10 Americans."

Ross Threatened To Fire NOAA Employees After Agency Contradicted Trump.

The New York Times (9/9, Baker, Flavelle, Friedman, 18.61M) reports that according to "three people familiar with the discussions," Commerce Secretary Ross "threatened to fire top employees at NOAA on Friday after the agency's Birmingham office contradicted President Trump's claim that Hurricane Dorian might hit Alabama." After Trump said in a tweet that Alabama would be hit "harder than anticipated," the National Weather Service in Birmingham, Alabama tweeted that the state "will NOT see any impacts from Dorian." Ross "phoned Neil Jacobs, the acting administrator of NOAA, from Greece where the secretary was traveling for meetings and instructed Dr. Jacobs to fix the agency's perceived contradiction of the president." When Jacobs objected, he "was told that the political staff at NOAA would be fired if the situation was not fixed, according to the three individuals." Hallie Jackson said on NBC Nightly News (9/9, story 3, 2:05, Holt, 6.01M) that "the Commerce Department tells NBC News that's false, and the Secretary did not threaten to fire anyone over forecasting and public statements about Dorian."

Rep. Jim Himes (D-CT) said on CNN's Situation Room (9/9, 750K) ,"If that story is true, the Commerce Secretary needs to resign now," and Rep. Gerry Connolly (D-VA) said on CNN's Situation Room (9/9, 691K), "To have a political figure like Wilbur Ross decide you will not talk about that, you will not contradict the President even though he makes a misstatement and your statement is based on science, that's a very troubling development. I call for Wilbur Ross to resign over this."

Bianna Golodryga said on CNN's Situation Room (9/9, 750K), "Think about the subject from a larger perspective. A hurricane is something this President cannot be blamed for. It is not his fault. ... If they go to these lengths to protect the President and his ego, what would happen if something does occur with the economy, something the President can be blamed for, if we have a geopolitical crisis, something the President can be blamed for? What lengths will the President and those who support him in his Cabinet go to protect him versus disseminating the truth to the American public?"

NOAA, NWS Officials Back Officials Who Contradicted Trump. The AP (9/9, Reeves) reports that Craig McLean, the National Oceanic and Atmospheric Administration's acting chief scientist and assistant administrator for ocean and atmospheric research, "said his agency likely violated its scientific integrity rules last week when it publicly chastised a weather office that contradicted" Trump's claim. The AP adds that "another career civil servant, National Weather Service Director Louis Uccellini said forecasters in Birmingham did the right thing Sept. 1 when they tried to combat public panic and rumors that Dorian posed a threat to Alabama." The CBS Evening News (9/9, story 7, 1:09, O'Donnell, 4.09M) reported that "the director of the National Weather Service...stood by the Birmingham tweet, saying it was sent out for one reason, public safety."

The Washington Post (9/9, Epstein, Freedman, Samenow, Belz, 14.2M) reports that Trump's "incorrect assertion on Sept. 1 that Alabama 'would most likely be hit (much) harder than anticipated' set off a chain of confusion and outrage among the public and within NOAA."

Wehner: "Deeply Damaged" Trump Is "An Emotional Misfit." Peter Wehner writes at The Atlantic (9/9, 3.47M), "Even now, almost a thousand days into his presidency, the latest Trump outrage elicits shock and disbelief in people. The reaction is, 'Can you believe he said that and did this?' To which my response is, 'Why are you surprised?' It's a shock only if the assumption is that we're dealing with a psychologically normal human being. We're not." President Trump "is profoundly compromised, acting just as you would imagine a person with a disordered personality would. Many Americans haven't yet come to terms with the fact that we elected as president a man who is deeply damaged, an emotional misfit. But it would be helpful if they did."

Trump: US Must Be "Careful" About Dorian Victims Entering US From Bahamas.

The Hill (9/9, Samuels, Chalfant, 2.98M) reports that President Trump told reporters Monday that the US must be "careful" to make sure everyone entering the country from the Bahamas has proper documentation, "suggesting dangerous individuals could sneak into the U.S. along with those seeking refuge following Hurricane Dorian." Trump said, "We have to be very careful. Everybody needs totally proper documentation. Because look, the Bahamas has some tremendous problems with people going to the Bahamas who weren't supposed to be there." Trump "suggest[ed] that gang members or drug deals could be among those seeking refuge in the U.S. after the devastation from Dorian." Said Trump, "I don't want to allow people that weren't supposed to be in the Bahamas to come into the United States, including some very bad people and some very bad gang members, and some very, very bad drug dealers."

Morgan: Administration Expediting Immigration Process For Storm Victims. Reuters (9/9) reports that acting Customs and Border Protection Commissioner Morgan said Monday that the Administration is "expediting its immigration processes and deploying more resources to help storm victims from Bahamas to enter the country quickly." Morgan is quoted as saying, "I've authorized the deployment of

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an enormous amount of resources to southern Florida to make sure we can receive people coming in from the Bahamas. ... That doesn't mean we do this with a blind eye. We still have to balance the humanitarian need and assistance of those that need it versus the safety of this country. So we still go through that process but we're expediting this process."

Bahamians Without US Visas Told To Leave Ferry. The Washington Post (9/9, Shepherd, Wong, 14.2M) reports that as hundreds of Dorian survivors crowded into a Ferry in Freeport on Sunday, a crew member announced that passengers without a US visa would have to disembark. The Post says "hundreds of Bahamian refugees have reportedly come to the United States after going through a screening process with only a passport and proof of no criminal record." CBP "says no rules have changed and laid the blame on the ferry operator...for not properly coordinating with government officials."

However, the New York Times (9/9, Dickerson, 18.61M) says US authorities "issued conflicting statements about the matter in a space of a few hours on Monday, adding to the confusion and frustration among hurricane survivors." While CBP initially "said that they would have allowed the passengers without visas into the United States as long as they had valid passports, documentation of a clean criminal record and prior approval for entry by the United States embassy in the Bahamas," a spokeswoman for the agency said later "that only travelers arriving by air, not by sea, were eligible to enter without visas."

Dorian's Death Toll Rises To 45 In Bahamas. The Washington Post (9/9, Sieff, Krygier, 14.2M) reports that on Monday evening, the death toll in the Bahamas stood at 50, and NBC Nightly News (9/9, story 4, 2:10, Holt, 6.01M), which earlier in the evening had reported that the death toll was 45, said the number of dead is "expected to rise sharply." Errol Barnett said on the CBS Evening News (9/9, story 6, 1:35, O'Donnell, 4.22M), that according to the UN, "the storm left more than 70,000 homeless." ABC World News Tonight (9/9, story 2, 1:57, Muir, 7M) described a "growing humanitarian crisis in the Bahamas."

The Washington Post (9/9, Lamothe, 14.2M) reports that "the Pentagon's involvement in the relief effort" in the Bahamas "is expected to remain relatively small, with no senior commander deployed on the ground and Navy ships barely involved."

Trump Gets Briefing On Dorian's Damage While In North Carolina.

President Trump wrote in a tweet Monday evening that he had received an update on damage from Hurricane Dorian during his visit to North Carolina. Trump posted pictures from the briefing and wrote, "Received an update on Air Force One at MCAS Cherry Point in North Carolina, regarding damage caused by Hurricane Dorian."

"Tension" Over Trump Reported At Bush Administration Reunion.

The Washington Examiner (9/9, Drucker, 448K) reports that "differences over President Trump reverberated during a weekend reunion bash for George W. Bush White House alumni, exposing rifts in the network of Republican operatives and officials." According to the Examiner, Matt Schlapp, an "enthusiastic Trump supporter who was political director in the Bush White House, had to be convinced to attend the reunion...after he expressed fears of being confronted." Meanwhile, "another Bush administration veteran, sometimes critical of Trump and sometimes not, was accosted at the gathering by a former colleague and accused of being too pro-Trump." The former president and former vice president Dick Cheney, it notes, "spoke at the reunion but generally steered clear of the disagreements roiling national politics."

Trump To Release Report On His Personal Finances.

CQ Roll Call (9/9, Bennett, 154K) reports the President "said Monday he soon will release a report detailing his personal finances." Trump "said the report will show he is so wealthy he does not need revenue from his hotels." The Washington Times (9/9, Howell, 492K) indicates Trump also "said people will be 'shocked' at the extent of his holdings,'" adding, "I don't need someone to take a room overnight at a hotel." The Hill (9/9, Samuels, 2.98M) quotes the President as saying, "At some point prior to the election, I'm going to be giving out a financial report of me, and it will be extremely complete. ... I'm going to give out my financial condition and you'll be extremely shocked that the numbers are many, many times what you think."

Trump Says He Knows Nothing About Air Force Crew Staying At Scotland Resort.

President Trump tweeted Monday morning that he knows nothing about an Air Force plane landing at an airport in Scotland and its crew staying at his Turnberry golf resort. Trump wrote, "I know nothing about an Air Force plane landing at an airport (which I do not own and have nothing to do with) near Turnberry Resort (which I do own) in Scotland, and filling up with fuel, with the crew staying overnight at Turnberry (they have good taste!). NOTHING TO DO WITH ME"

The New York Times (9/9, Lipton, 18.61M) says the tweet is the first time Trump has addressed the "growing controversy over the use by the Air Force of his resort there for overnight stays by military personnel." It came "after the Air Force announced it is reviewing the procedures it uses to place military personnel in hotels, following questions about the matter by House investigators."

Politico (9/9, Bertrand, O'Brien, 4.29M) reports that Air Force crews have stayed overnight at Trump's Scotland resort "on at least four occasions, two more than previously reported." The trips "date back to at least September 2018 and continued through at least this past June," and "include at least one instance in which a crew member said a nearby airport arranged for rides and lunches to and from the luxury waterside retreat."

In a separate story, the New York Times (9/9, Lipton, 18.61M) reports that after he acquired the resort in 2014, Trump "entered a

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partnership with a struggling local airport there to increase air traffic and boost tourism in the region." As Trump began running for President, "the Pentagon decided to ramp up its use of that same airport to refuel Air Force flights and gave the local airport authority the job of helping to find accommodations for flight crews who had to remain overnight. Those two separate arrangements have now intersected in ways that provide the latest evidence of how Mr. Trump's continued ownership of his business produces regular ethical questions."

The Washington Post (9/9, Wagner, Ryan, 14.2M) reports that Thomas released a statement saying the USAF "had asked the service's Air Mobility Command to examine rules regarding how Air Force personnel select destinations for overseas stopovers," but "said there was no initial indication of wrongdoing during stopovers in Scotland." Politico (9/9, Bender, Bertrand, 4.29M) reports that Jon Thomas, "the deputy commander of the Air Mobility Command, which oversees all Air Force transportation worldwide, said the review is intended to make sure that personnel are following all the rules but also whether staying at the commander-in-chief's property is appropriate." Townhall (9/9, Barkoukis, 177K) says the Air Force "completely disput[ed] accusations" that "an Air Force mission may have helped line the president's pockets."

Politico (9/9, O'Brien, 4.29M) reports that House Democrats "are doubling down on proposed legislation to block military funds from being spent at properties owned by" Trump. In July, the House voted "to bar the Defense Department from spending money at nearly five dozen Trump properties worldwide – including Trump Turnberry – as part of annual defense policy legislation." One of the measure's sponsors, Rep. Don Beyer (D-VA), said in a statement to Politico Monday, "The House sent a clear message by adopting our amendment in July that we will not allow taxpayer funds, including the defense budget, to be used to enrich the President. ... As alarming details emerge about US Air Force crews staying at the President's luxury golf resort in Scotland, it has become even more important that Congress include this language in the final version of the National Defense Authorization Act."

Jury Selected For Trial Of Chinese Woman Found At Mar-A-Lago.

The AP (9/9, Spencer) reports that "the trial of a Chinese businesswoman charged with lying to a Secret Service agent and trespassing at President Donald Trump's Mar-a-Lago club will be heard by a jury of 10 women and two men after their selection first bogged down Monday over the defendant's lack of underwear." The AP adds "the bizarre case took a weird turn before the potential jurors were brought into the courtroom, when defendant Yujing Zhang told Judge Roy Altman that she was wearing brown jail garb instead of civilian clothing because she had not been provided any underwear." The AP says that "after some discussion about which agency was supposed to provide Zhang with underwear, she was taken to a holding cell and changed into a copper-colored blouse and khaki slacks found in her hotel room after her March arrest." The Palm Beach (FL) Post (9/9, Musgrave, 223K) also reports on the "undergarment snafu," and adds Zhang "faces a maximum six-year sentence if convicted." Fox News (9/9, Sorace, 27.59M) and CNN (9/9, Joseph, 83.16M), among other news outlets, also report the story.

Trump Feuds With Celebrities Over Criminal Justice Reform.

The New York Times (9/9, Fortin, 18.61M) reports that President Trump "called the model Chrissy Teigen 'filthy mouthed' and the musician John Legend 'boring' in tweets on Sunday night that trumpeted the president's achievements in criminal justice reform, prompting them to fire back." According to the Times, "In his tweets shortly after 11 p.m. on Sunday, Mr. Trump appeared to be responding to Mr. Legend's appearance at a criminal justice town hall that was hosted by the 'NBC Nightly News' anchor Lester Holt at the Sing Sing prison in Ossining, N.Y., and aired on MSNBC at 10 p.m. that night." The Times says Trump "began by pointing to the criminal justice reform legislation he passed last year," which the Times says he "considers...one of his major accomplishments – one he hopes will broaden his appeal to voters."

House Democrats Set To Lay Out Rules For Trump Impeachment Hearings.

The CBS Evening News (9/9, story 5, 1:33, O'Donnell, 4.32M) reported, "Congress is back at work after a six-week recess, and if anything, House Democrats have a bigger appetite to start impeachment proceedings." The Washington Times (9/9, A1, Muñoz, 492K) says the "summer recess did little to quell the ardor of lawmakers seeking President Trump's impeachment." The AP (9/9, Jalonick) reports the House Judiciary Committee will vote Thursday to "establish rules for hearings on impeachment." The resolution is "a technical step, and the panel would still have to introduce impeachment articles against Trump and win approval from the House to bring charges against Trump." House Judiciary Chairman Jerrold Nadler "has said that the committee will move forward with impeachment hearings this fall, bolstered by lawmakers on the panel who roundly support moving forward."

Reuters (9/9, Morgan) reports, "The measure to be considered at 8 a.m. EDT (1200 GMT) on Thursday would authorize [Nadler] to designate committee and subcommittee hearings as impeachment proceedings. It would also allow for aggressive questioning of hearing witnesses by committee attorneys, set procedures for reviewing grand jury material and allow the White House to respond in writing to evidence and testimony." Politico (9/9, Caygle, Cheney, Desiderio, 4.29M) reports President Trump's attorneys "would be permitted to review some of Congress's impeachment-related evidence under a set of procedures unveiled" by the Judiciary Committee. Politico adds that "the measure...would also allow smaller groups of lawmakers on the Judiciary panel's subcommittees to consider evidence – a step that could streamline and hasten its review" – and "would also allow committee staffers for both the Democratic and Republican sides of the panel to question witnesses for an extra hour, part of an effort to elicit more useful information." Breitbart (9/9, Wong, 673K) headlines its report "House Judiciary Committee Forging Ahead On Impeachment Despite Most Americans Opposing It."

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Ex-Rep. Donna Edwards (D-MD), a contributing columnist, writes in the Washington Post (9/9, 14.2M), "Some evidently have concluded

that accountability for this president will come with the 2020 election, and they want to leave it at that. They could not be more wrong. Losing an election (should that even happen) will not erase Trump's end run around the Constitution. ... Should House Democrats choose not to act on this laundry list of obstruction, abuse of power and emoluments violations, they alone bear the responsibility of forever changing the lines of demarcation for future presidents."

House Panels Probing Giuliani's Interest Hunter Biden's Ukraine Ties. Politico (9/9, Oprysko, 4.29M) reports that the House Foreign Affairs, Intelligence and Oversight and Reform Committees "announced a new investigation into...Rudy Giuliani, over his interactions with Ukrainian officials and whether the Trump administration's withholding of foreign aid from Ukraine had any underlying political motives." The committees "demanded information from the White House and State Department regarding Giuliani's contacts with Ukraine and a decision to hit pause on more than $250 million in security assistance already appropriated by Congress." Politico says that in letters to White House Counsel Pat Cipollone and Secretary of State Pompeo, the committee chairs "charge that Trump and Giuliani 'appear to have acted outside legitimate law enforcement and diplomatic channels to coerce the Ukrainian government into pursuing two politically-motivated investigations under the guise of anti-corruption activity.'"

Reuters (9/9, Zengerle) reports that Trump and other Republicans have "questioned whether it represented a conflict of interest that Hunter Biden, the son of Democratic former Vice President Joe Biden...had served on the board of Burisma, a Ukrainian gas company." Bloomberg (9/9, House, 4.73M) says the New York Times reported in May that Giuliani "had said he planned to travel to" Ukraine "to encourage the nation's president-elect to press inquiries into two matters of interest to Trump. ... One was the origins of Special Counsel Robert Mueller's investigation into Russia's interference in the 2016 election. The other was the involvement of...Hunter Biden, in an energy company owned by a Ukrainian oligarch, and whether the former vice president had influenced the removal of a Ukrainian prosecutor with authority over investigations of the oligarch."

House Intelligence Committee Demands Flynn Appear On September 25. Reuters (9/9, Zengerle) reports the House Intelligence Committee has sent a letter to former National Security Adviser Michael Flynn "demanding he testify before the panel on Sept. 25, a committee aide said on Monday." The committee said Flynn "had failed to comply with its subpoena, served on June 12, or cooperate with its efforts to secure his compliance."

Trump: Administration Has Accomplished More Than "Perhaps Any Administration" In History.

In a tweet Monday morning, President Trump said his Administration has accomplished more so far than any previous Administration but gets "ZERO media credit." Trump wrote, "The Trump Administration has achieved more in the first 2 1/2 years of its existence than perhaps any administration in the history of our Country. We get ZERO media credit for what we have done, and are doing, but the people know, and that's all that is important!"

Trump Called Fox News CEO To Complain About Negative Coverage.

Citing a report in The Atlantic, the Washington Examiner (9/9, Brest, 448K) reports that President Trump has "called Fox News CEO Suzanne Scott to complain about the negative coverage he is getting from the network's programming." An anonymous source told The Atlantic, "I'm not sure she tells him what he wants to hear. ... If you think about Suzanne, it's like, 'I'm running the network. The president is not running the network'. And if you're Donald Trump, it's like, 'Damn if you are – I'm running the network'. And, to be candid, there have been times when the network probably gave Trump too much of the idea that he was running the network."

Trump: MSNBC Can't Say Anything Positive About The Administration. In a tweet Monday morning, President Trump blasted MSNBC. Trump argued the network has "lost all credibility" and is "incapable of saying anything positive" about the Administration despite its accomplishments. Trump wrote, "As bad as @CNN is, Comcast MSNBC is worse. Their ratings are also way down because they have lost all credibility. I believe their stories about me are not 93% negative, but actually 100% negative. They are incapable of saying anything positive, despite all of the great things that this Administration has done. They don't talk about the great economy, the big tax and regulation cuts, the rebuilding of the Military, 'Choice' at our VA, our Vets, Judges and Supreme Court Justices, the Border Wall going up, lowest crime numbers, 2nd A, and so much more!"

One America News Network Sues MSNBC, Maddow For Defamation. The Washington Examiner (9/9, Brest, 448K) reports that One America News Network has filed "a $10 million defamation lawsuit against Rachel Maddow and MSNBC." The complaint, filed in California's southern district Monday, says the dispute began after OAN president Charles Herring "called out and objected to Comcast's anti-competitive censorship in an email to Comcast's President of Content Acquisition," according to am OAN press release from the network. According to the complaint, shortly after Herring's comments, Maddow opened her show by saying OAN "really, literally is paid Russian propaganda." OAN alleges that Maddow and MSNBC "knew this statement was false and that they acted maliciously and recklessly in making it," and that the statement was "meant to damage OAN's business and reputation." The Daily Caller (9/9, Talcott, 716K) also reports on the lawsuit.

MRC Studies Say Broadcast News Coverage Of Trump Is "90% Negative." The Washington Times (9/9, Harper, 492K) reports that according to a series of studies by the Media Research Center, broadcast news coverage of President Trump and his Administration "has been, on average, 90% negative." An analysis released Monday by the conservative group found that the networks' "fixation on Trump" leaves little time for coverage of his Democratic presidential rivals. Rich Noyes, who led the study, wrote, "From June 1 through August 31,

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analysts found the networks devoted 838 minutes of airtime – nearly 14 hours – to coverage of President Trump personally, the vast majority of which was negative."

Trump: House GOP Committee Chairs Should Be Able To Serve More Than Six Years.

In a tweet Monday morning, President Trump argued that House Republican committee chairmen should be allowed to serve more than six years. Trump wrote, "House Republicans should allow Chairs of Committees to remain for longer than 6 years. It forces great people, and real leaders, to leave after serving. The Dems have unlimited terms. While that has its own problems, it is a better way to go. Fewer people, in the end, will leave!"

Extraction Of Asset Left CIA Lacking Key Source On Russian Election Interference.

The New York Times (9/9, Barnes, Goldman, Sanger, 18.61M) reports, "Decades ago, the C.I.A. recruited and carefully cultivated a midlevel Russian official who began rapidly advancing through the governmental ranks." The source eventually "landed an influential position that came with access to the highest level of the Kremlin" and "became one of the C.I.A.'s most important – and highly protected – assets. But when intelligence officials revealed the severity of Russia's election interference with unusual detail" in 2016, the CIA "worried about safety made the arduous decision in late 2016 to offer to extract the source from Russia." The source's extraction "effectively blinded American intelligence officials to the view from inside Russia as they sought clues about Kremlin interference" in last year's midterm elections.

CNN (9/9, 83.16M) reports on its website that "in a previously undisclosed secret mission in 2017, the United States successfully extracted from Russia one of its highest-level covert sources inside the Russian government. ... A person directly involved in the discussions said that the removal of the Russian was driven, in part, by concerns" that President Trump and his Administration "repeatedly mishandled classified intelligence and could contribute to exposing the covert source as a spy." The Washington Post (9/9, Harris, Nakashima, 14.2M) reports, "The exfiltration was first reported by CNN. The CIA declined to comment."

Rep. Gerry Connolly (D-VA) said on CNN's Situation Room (9/9, 691K), "I think there was plenty of reason to believe and fear that this President's recklessness with the intelligence he gets both on camera, through tweets, and by meeting with foreign adversaries and sharing sources and methods deeply concerned our own intelligence agencies and they moved – correctly – to protect human assets. I think it's a sad commentary about this President and this Administration."

Rep. Jim Himes (D-CT) said on CNN's Situation Room (9/9, 750K), "This President has a long track record of being pretty sloppy in his use of classified information. Remember, he is the declassifying authority. That means if he says something is not classified, it is not classified. But nonetheless, the intelligence community and people like me are very, very worried about the very loose attitude he takes to it."

CNN Analyst Questions Report. The Daily Caller (9/9, Ross, 716K) reports CNN analyst Phil Mudd said Monday that he "questions a key aspect of a CNN report" that intelligence officials extracted the asset. Mudd, a former CIA and FBI official, said, "I question whether this angle of the story, about whether the President's engagement with intelligence, was actually a spur in the extraction of the informant. I suspect there were other issues here." The Washington Examiner (9/9, Chaitin, 448K) also covers Mudd's remarks.

Pentagon Formally Relaunches Space Command.

The Washington Times (9/9, Meier, 492K) reports the Pentagon on Monday formally relaunched the United States Space Command. The new Space Command – housed Peterson Air Force Base in Colorado Springs – will serve "as a unified hub that will coordinate all aspects of Pentagon space policy, now spread across various agencies and departments of the military." To the Times, the move "marks a key step in the process of standing up [President] Trump's planned Space Force, which in time could become the sixth branch of the armed forces on a par with the Army, Navy and Air Force."

Dunford: US Faces "Sputnik Moment" In Space Race Competition. The AP (9/9) reports the Chairman of the Joint Chiefs of Staff warned Monday that the US has "reached a new 'Sputnik moment' in which the military must act to keep the nation's competitive advantage in space against adversaries such as Russia, China, and to a lesser extent, Iran and North Korea." During a ceremony at Peterson Air Force Base recognizing the re-launch of US Space Command, Gen. Joseph Dunford also compared President Trump's "re-boot of the US Space Command to President John Kennedy's call to action after the Soviet Union started the space race with Sputnik...and with 1961's first manned trip into space." Said Dunford, "In my view, it's not an overstatement to say that we're at another Sputnik moment. And you could argue that the stakes are much higher than they were in the late 1950s and early 1960s."

Trump Mocks Primary Foes As "The Three Stooges."

The Washington Post (9/9, Wagner, 14.2M) reports that in two tweets, President Trump on Monday "mock[ed] his latest Republican primary" foe, ex-Rep. Mark Sanford (R-SC), "dismissing him and two other GOP White House hopefuls as the 'Three Stooges.'" The Post says that "shortly after Sanford touted his candidacy on MSNBC's 'Morning Joe,' Trump referenced a 2009 episode in which Sanford, then South Carolina's governor, disappeared for nearly a week before reemerging to hold a tearful news conference at which he revealed an extramarital affair."

Politico (9/9, Forgey, 4.29M) quotes Trump as saying in the tweets, "When the former Governor of the Great State of South Carolina, @MarkSanford, was reported missing, only to then say he was away hiking on the Appalachian Trail, then was found in Argentina with his

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Flaming Dancer friend, it sounded like his political career was over. It was...but then he ran for Congress and won, only to lose his re-elect after I Tweeted my endorsement, on Election Day, for his [primary] opponent. But now take heart, he is back, and running for President of the United States. The Three Stooges, all badly failed candidates, will give it a go!" Ex-Rep. Joe Walsh (R-IL) and ex-Gov. Bill Weld (R-MA) are also mounting primary challenges to Trump.

In a separate story, Politico (9/9, Forgey, 4.29M) reports that Trump on Monday "dismissed his trio of" primary foes "as 'a laughingstock,' and defended the decisions by GOP leaders in a handful of states to scrap their 2020 primaries and caucuses. 'The three people are a total joke. They're a joke. They're a laughingstock,' Trump told reporters outside the White House." The President "also contended he had 'nothing to do with' Republican officials in Arizona, Kansas, Nevada and South Carolina moving in recent days to abandon their nominating contests next year, which he criticized as 'very expensive' for state parties."

Trump was asked in an interview with WBTV-TV ` Charlotte, NC (9/9, 11:00 p.m. EDT, 94K) about Sanford's primary campaign against him. Trump said, "Well, I don't think there is much reaction. I just got a 94 percent approval rating in the Republican Party, and that's the highest in history, higher than Ronald Reagan, who had an 87." Asked about Sanford's comments on the national debt, Trump said, "We had to rebuild our military. Our military has been totally rebuilt, almost completely rebuilt with new planes, which a lot of equipment [is] made right here in North Carolina. We had no choice but to rebuild our military and we can start working on that very soon in terms of debt."

GOP Strategist Mair Argues Sanford Is Most "Formidable" Of Trump's Primary Rivals. In a New York Times (9/9, 18.61M) op-ed, GOP strategist Liz Mair says that in contrast to Walsh and Weld, Sanford "enters the race in a vastly different position," which "could make him a more formidable challenger to Mr. Trump." Mair says Walsh and Weld are "both 'Never Trumpers,'" while Sanford "is unlikely to be defined by Never Trumpism." Mair adds that Sanford's "candidacy is likely to be dedicated to...issues related to fiscal restraint and responsibility. He happens to be on the right side of those issues, and the president on the wrong side."

Politico Analysis: Many Democrats Expect Biden Campaign "To Implode Any Day."

In an article titled "Why Biden's Rivals Are Planning Around His Big Collapse," Politico (9/9, Siders, Schneider, 4.29M) says, "No one should be surprised next year if" former Vice President Joe Biden wins the Democratic presidential nomination. However, "what is surprising is how many people expect his campaign to implode any day." Politico said that "it is a sensation underpinning the entire primary, evident not only in the vulturous calculations of Biden's competitors, but also within his own orbit of supporters – a feeling that the front-runner may be made of porcelain." Ex-DNC Chair Ed Rendell, identified by Politico as "one of Biden's most vocal supporters," said, "There's a clear worry among Biden supporters that he can't be the front-runner from June of 2019 through July of 2020...that eventually, the gaffes will pile up and he'll come down." Rendell said Biden supporters are "nervous as hell."

Sununu Says Biden Was "Confused" When Overseeing Thomas Confirmation Hearings. The Washington Examiner (9/9, Picket, 448K) reports that Biden "was 'confused' as Senate Judiciary Committee chairman during the Clarence Thomas Supreme Court nomination hearings, vacillating on whether to give accuser Anita Hill a public hearing or not, said John Sununu, White House chief of staff for President George H.W. Bush." Speaking with the Examiner, Sununu said of the October 1991 confirmation hearings, "One of the reasons it got so difficult is that the chairman of the committee was relatively useless." Sununu is quoted as saying that Biden "was confused. He didn't know whether he wanted to do the right thing or whether he wanted to cave into the liberals that were trying to really, in a very disgraceful way, ruin the reputation of a very good man, currently Justice Thomas."

NYTimes Analysis: Warren Took Money From Rich Donors Before Swearing It Off.

Under the headline "How Elizabeth Warren Raised Big Money Before She Denounced Big Money," the New York Times (9/9, Goldmacher, 18.61M) reports that just last year, Sen. Elizabeth Warren (D-MA) "was busy collecting big checks from...politically connected insiders" in Boston, Los Angeles, Martha's Vineyard, New York, Philadelphia, and Silicon Valley, among other locations. However, "early this year, Ms. Warren made a bold bet that would delight the left: She announced she was quitting this big-money circuit in the 2020 presidential primary, vowing not to attend private fund-raisers or dial up rich donors anymore." The Times adds, "Admirers and activists praised her stand – but few noted the fact that she had built a financial cushion by pocketing big checks the years before."

Warren Backs Two Progressive Primary Foes Of Incumbent House Democrats. USA Today (9/9, Madhani, 10.31M) reports that Warren on Monday "endorsed two liberal candidates who have launched primary challenges against incumbent House Democrats." Warren backed businesswoman Marie Newman, who is mounting a primary challenge to Rep. Dan Lipinski (D-IL), and immigration attorney Jessica Cisneros, who is mounting a primary challenge to Rep. Henry Cuellar (D-TX). USA Today says that for Warren, her backing of the two challengers provides her "an opportunity to underscore her alliance with the more liberal wing of the Democratic party as she battles with" Sen. Bernie Sanders (I-VT) "for the progressive mantle in 2020 Democratic presidential contest."

CQ Roll Call (9/9, Bowman, 154K) reports that Cuellar and Lipinski "are two of three remaining House Democrats who have voted against abortion rights and Warren referenced women's reproductive health in her statement backing Newman," who "nearly defeated Lipinski in a primary in 2018. Warren did not endorse Newman in that race last year." CQ Roll Call adds that Sanders "has also endorsed Newman's 2020 race and backed her in 2018." The Chicago Tribune (9/9, Pearson, 2.65M) reports that Newman "came within 2,150 votes of defeating Lipinski" in 2018.

The Texas Tribune (9/9, Svitek, 23K) reports that in the Texas race, Cisneros "has the backing of Justice Democrats, the progressive group famous for helping elect freshman" Rep. Alexandria Ocasio-Cortez (D-NY) in 2018. The Tribune adds that Cuellar "is among the more

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conservative Democrats in the House." The Hill (9/9, Rodrigo, 2.98M) reports that Justice Democrats "has made Cuellar a top target since January, bashing his voting record. Cuellar responded with a tweet, saying, 'We told you the outside special interests were coming to take away local jobs. Elizabeth Warren and our opponent share an agenda that would kill over 108,000 jobs in our region. I'm fighting back. Will you join me?'" The Washington Times (9/9, McLaughlin, 492K) reports on Warren's endorsement of Cisneros.

Ossoff Enters Georgia Senate Race.

The Atlanta Journal-Constitution (9/9, Bluestein, 895K) reports that failed 2017 Democratic House hopeful Jon Ossoff on Monday announced a 2020 bid to unseat Sen. David Perdue (R-GA), joining businesswoman Sarah Riggs Amico, Clarkston Mayor Ted Terry, and ex-Columbus Mayor Teresa Tomlinson in the Democratic primary. In an interview, Ossoff said "he would 'raise a grassroots army unlike any this state has ever seen' by expanding the network of supporters who helped him raise roughly $30 million in a 2017 special election he narrowly lost."

The New York Times (9/9, Astor, 18.61M) reports that with Perdue seeking another term in 2020 and Sen. Johnny Isakson (R-GA) stepping down later this year due to health concerns, "Georgia will be home to two of the most closely watched Senate races in the country in 2020, and Democrats are determined not to squander the opportunity. They now need two candidates strong enough to compete in a red state, and Georgia's biggest Democratic star," failed 2018 gubernatorial hopeful "Stacey Abrams, has already declined to run and intends to focus her efforts on fighting voter suppression."

Politico (9/9, Arkin, 4.29M) reports that Ossoff, "32, became a political sensation during his" failed GA6 bid "in 2017, one in a series of special elections that attracted wide notice amid backlash against President Donald Trump before Democrats took the House majority in the midterm election." Politico adds, "Georgia has not elected a Democrat to the Senate in two decades, but the party sees the changing state as a major opportunity in 2020 after several close statewide losses in 2018." The Hill (9/9, Wise, 2.98M) and HuffPost (9/9, Terkel, 1.67M) also report on the story.

Trump-Backed Hagerty Enters Tennessee Senate Race.

The AP (9/9) reports that ex-US Ambassador to Japan Bill Hagerty on Monday officially filed to mount a 2020 bid to succeed retiring Sen. Lamar Alexander (R-TN), "nearly two months after President Donald Trump announced the campaign in a tweet. 'With President Trump's support, I'm ready to fight for your family in the US Senate,' Hagerty said in a statement during his campaign launch." Hagerty joins trauma surgeon Manny Sethi in the GOP primary. In a campaign video, Hagerty said, "Serving in President Trump's administration was the honor of a lifetime, but when I saw the threat to Tennessee and our country from the Democrats' socialist agenda, I felt called to act."

The Tennessean (9/9, Ebert, 458K) reports that while "neither candidate has run for office before, Hagerty has a significant advantage over Sethi, given Trump's early support of his candidacy, which he touts in the campaign video. In July, the president said on Twitter that Hagerty, who he called an outstanding ambassador, had his 'complete and total endorsement.'" Politico (9/9, Arkin, 4.29M) reports that in an interview, Hagerty "a businessman who served as Trump's Tennessee Victory chair during the 2016 campaign," said of the President, "He's looked at all the candidates in this race and he's decided to endorse me as the candidate best able to put forward conservative Tennessee values in the US Senate." CQ Roll Call (9/9, Pathé, 154K) headlines its report "Trump's Pick Enters Tennessee Senate Race."

Financial International News

World Bank Official In Line For Top Job At IMF.

The AP (9/9, Egelko) reports World Bank CEO Kristalina Georgieva "is in line to head the International Monetary Fund with the organization saying that there is only one person nominated for the job." She "is expected to adapt similar policy stances to" outgoing Managing Director Christine Lagarde, "who is stepping down from the IMF this week to lead the European Central Bank." AFP (9/9) reports, "Georgieva's rise perpetuates Europe's long-standing control over the designation of the fund's leadership." MarketWatch (9/9, Robb, 1.67M) also covers this story.

IMF: Increased Phantom Investment.

Fox Business (9/9, De Lea, 1.73M) reports a new International Monetary Fund found that "about $15 trillion worth of global foreign direct investments are being funneled to shell companies, allowing multinational corporations to lessen, or erase tax liabilities." Phantom investments, which "pass through empty shell companies, or special purpose entities" that generally have no business activity, increased "to 40 percent of global foreign direct investments, up from 30 percent less than a decade ago."

Business Insider (9/9, Reinicke, 3.67M) reports, "Luxembourg and the Netherlands hold nearly half" of such investments, the study showed." Add in Hong Kong, British Virgin Islands, Bermuda, Singapore, the Cayman Islands, Switzerland, Ireland, and Mauritius and more than 85% of phantom FDI is accounted for."

Think Tank: France Will Win Britain's Finance Crown In EU After Brexit.

Reuters (9/9, Jones) reports that according to New Financial think tank, France will likely take "Britain's financial services crown in the European Union after Brexit, which leaves the bloc's economy more reliant on struggling eurozone banks." Brexit will "likely lead to a shift in the tone and direction of policy on EU capital markets and the loss to the EU of much of the markets and regulatory expertise that has built up

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in the UK over many decades, New Financial said in a report." In short, New Financial said, "[T]he EU economy will be even more reliant on a struggling banking sector than it is today." According to New Financial, Britain accounts for almost one third of all EU capital market activity, "more than France and Germany combined." Losing Britain "means that the EU's share of the global capital market will fall from 21% to 14%," or one-third the size of the US or equivalent to China.

Johnson Expected To Suspend Parliament After Losing Control Of Brexit.

Reuters (9/9, Faulconbridge, Piper) reports Prime Minister Boris Johnson "lost influence over Britain's withdrawal from the European Union on Monday when a law came into force demanding he delay Brexit until 2020 unless he can strike a divorce deal." Reuters adds, "It was unclear what Johnson's next move...would be: while the law will oblige him to seek a delay unless he can strike a new deal, EU leaders have repeatedly said they have received no specific proposals."

The AP (9/9, Lawless, Katz) reports that "in a session that ran past midnight, Parliament enacted a law to block a no-deal Brexit next month, ordered the government to release private communications about its Brexit plans and rejected Johnson's call for a snap election to break the political deadlock." Parliament was "then set to be suspended at the government's request until Oct. 14, a drastic move that gives Johnson a respite from rebellious lawmakers as he plots his next move." The New York Times (9/9, Castle, 18.61M) notes Johnson "needed more than 430 votes for a snap election to proceed. He got 293."

The Washington Post (9/9, Witte, Adam, Ferguson, 14.2M) says Johnson's "dreams of an election that would clear his path to Brexit by the end of October were decisively dashed after midnight Tuesday morning, leaving him with no obvious means of making good on his vow of a 'do or die' exit from the European Union." The Post says Johnson is now left "in a bind: He has insisted he will not ask the EU for an extension – he said last week that he would 'rather be dead in a ditch.' But a law passed by rebel lawmakers requires him to seek one if there's still no deal by Oct. 19."

The Wall Street Journal (9/9, Hannon, Douglas, Subscription Publication, 7.57M) reports that during his first meeting with Irish Prime Minister Leo Varadkar since taking office in July, Johnson insisted he wanted to leave the EU with an agreement, but didn't give any detail about how he proposed to do it.

Reuters (9/9, Piper), meanwhile, profiles Labour Party leader Jeremy Corbyn, whose "journey – from Eurosceptic to last line of defence against leaving the EU without a withdrawal agreement, from Socialist rebel to leader of an opposition united against Johnson – is among the most improbable in modern British history."

Mozambique: Creditors Support Eurobond Debt Swap Plan.

Reuters (9/9, Strohecker) reports Mozambique said that creditors holding 99.5 percent of the country's Eurobond support its debt restructuring proposal, "paving the way for an overhaul of part of its heavy debt burden." In spite of "objections by creditors that they had to undergo a second restructuring in around three years, the debt swap plan was seen by many as investor friendly." Under the plan, $900 million of new bonds maturing in 2031 will be issued.

Leading International News

Trump: Taliban Peace Talks Are "Dead" For Now.

The AP (9/9, Riechmann, Faiez) reports President Trump on Monday declared that peace talks with the Taliban are now "dead." To the AP, "Trump's remark to reporters at the White House suggested he sees no point in resuming a nearly yearlong effort to reach a political settlement with the Taliban," and the Washington Times (9/9, Howell, 492K) says his remarks "leave critical decisions about the 18-year-old war in Afghanistan in the air, including whether the US will withdraw troops planned." To the New York Times (9/9, Shear, 18.61M), "The president's declaration was the latest evidence of difficulty in the nine-month effort to negotiate an exit of American troops from Afghanistan. ... But it was unclear whether Mr. Trump's angry denunciation would mean a permanent end to the talks." The Hill (9/9, Samuels, Chalfant, 2.98M) says his remarks had "an air of finality, though the president has a penchant for reversing course on decisions."

The CBS Evening News (9/9, story 3, 2:20, O'Donnell, 4.32M) showed Trump saying of the peace talks: "They're dead. They're dead. As far as I'm concerned, they're dead." CBS' Margaret Brennan reported, "President Trump said it was his decision to plan and then call off the summit at Camp David with the Taliban." Trump: "It was my idea, and it was my idea to terminate it." Brennan added, "But a senior US official told CBS it was not that simple. It appeared the Taliban negotiators did not have full control over their fighters, and the President's advisers were at odds over whether a troop drawdown should happen with or without a negotiated deal. There was also confusion over whether the Taliban had agreed to attend the Camp David meeting."

The Washington Examiner (9/9, Rosas, 448K) quotes Trump as saying, "When I heard, very simply, that they killed one of our soldiers and 12 other innocent people, I said there's no way I'm meeting on that basis. There's no way I'm meeting. They did a mistake."

As was the case yesterday, much of the coverage is devoted to the choice of Camp David for the talks, as well as the timing – just days ahead of the 9/11 anniversary. ABC World News Tonight (9/9, story 4, 2:25, Muir, 7M), for example, said "critics want to know why it was planned so close to 9/11 and at Camp David at all." ABC's Jonathan Karl added, "The idea of inviting the Taliban, the radical Islamic movement that gave safe haven to Osama bin Laden, to Camp David just days before the anniversary of the 9/11 attacks was highly controversial. ... Today, Trump defended his decision."

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NBC Nightly News (9/9, story 5, 1:40, Holt, 6.01M) likewise said Trump is "defending his controversial idea to hold those now scrapped talks with the Taliban at Camp David, the site of previous presidential negotiations." Trump: "Camp David's held meetings with a lot of people that would have been perceived as being pretty tough customers and pretty bad people." According to NBC, "the idea of a Camp David meeting spark[ed] division within the President's national security team. According to US officials, Secretary of State Mike Pompeo supported it, and National Security Adviser John Bolton was vehemently opposed."

Along similar lines, USA Today (9/9, Fritze, Subramanian, Jackson, 10.31M) reports Trump, "who was under pressure from within his administration to not accept a hasty agreement in Afghanistan, became increasingly frustrated with the peace talks, administration officials speaking on the condition of anonymity to discuss internal deliberations said. Among the critics, officials said, was...Bolton." John Roberts, on Fox News Special Report (9/9, 1.53M), also referred to "a split in the Administration about bringing the Taliban to Camp David."

The Washington Post (9/9, Sonmez, 14.2M) reports that after "lawmakers on both sides of the aisle sharply criticized Trump over the weekend," Trump yesterday "defended his invitation, arguing that wars would 'go on forever' without meetings." Said the President, "I took my own advice. I liked the idea of meeting. I've met with a lot of bad people and a lot of good people" since becoming president. Having the meeting at the White House would have been "a step too far," he added. "And I thought Camp David would be good, and I still do."

The New York Times (9/9, Rogers, 18.61M) notes that Trump "has not had many meetings, period, at Camp David. The president has visited the retreat only nine times since his election, according to an accounting from the Twitter updates of the president and his wife, Melania Trump, a minuscule amount compared with the 293 days he has spent at a Trump property." Axios (9/9, Basu, 521K), among other media outlets, also reports Trump's comments to reporters.

The President also addressed criticism of meeting on Twitter yesterday, writing, "A lot of Fake News is being reported that I overruled the VP and various advisers on a potential Camp David meeting with the Taliban. This Story is False! I always think it is good to meet and talk, but in this case I decided not to. The Dishonest Media likes to create... the look of turmoil in the White House, of which there is none. I view much of the media as simply an arm of the Democrat Party. They are corrupt, and they are extremely upset at how well our Country is doing under MY Leadership, including... the Economy, where there is NO Recession, much to the regret of the LameStream Media! They are working overtime to help the Democrats win in 2020, but that will NEVER HAPPEN, Americans are too smart!"

The Hill (9/9, Chalfant, 2.98M) reports Trump "was reacting to reports by NBC News and other outlets" that Vice President Pence and Bolton "were staunchly opposed to the idea of holding a meeting in Washington with Taliban leaders." USA Today (9/9, Collins, Fritze, Subramanian, 10.31M) too days Trump "pushed back" over reports that he "overruled objections from...Pence and other advisers." The Washington Examiner (9/9, Gage, 448K) reports Pence himself "hit back at NBC," tweeting, "That's Absolutely Right Mr. President. More Fake News! The Dishonest Media never contacted our office before running with this story and if they had, we would have told them I FULLY support your decision."

Jake Tapper said on CNN's Situation Room (9/9, 678K) that Pence "weigh[ed] in with a slyly written tweet," in which he said he fully supports Trump's decision. Tapper said, "That, of course, is a nonanswer and does not directly address the idea that before the decision was made, the Vice President advised against it."

A Washington Times (9/9, Taylor, 492K) analysis says that while "critics feared President Trump's career as real-estate mogul turned reality-TV star would find him all too ready in the Oval Office to accept foreign policy offers that promised favorable coverage and won a few news cycles," some of the "biggest calls of his presidency – from North Korea negotiations to the Iran nuclear deal and now the freeze on talks with the Taliban – have shown Mr. Trump's ability to walk away from the table, even when it seems like a deal could be within grasp." Michael Pregent of the Hudson Institute said, "He understands the leverage game and I don't think he gets enough credit for it."

Rep. Liz Cheney (R-WY) said on Fox News Special Report (9/9, 1.53M), "The President has done exactly the right thing. This President has shown that he is willing consistently to walk away from bad deals. ... This is a President who has demonstrated his willingness and his ability and determination not to let the United States be taken advantage of."

A Washington Post (9/9, 14.2M) editorial says Trump's decision to cancel the talks "avoided an unseemly spectacle – the killers of thousands of Americans hosted at the presidential retreat – and offered at least temporary relief to the many Afghans and Americans who believed he was rushing into a bad bargain." The Post, however, cautions that Trump could revive the talks or decide to withdraw US troops without a peace deal. Afghans, it says, "can only hope that he chooses to set aside his personal political agenda and hold out for a better deal."

Trump: US Military Hitting Taliban "Harder Than At Any Time In The Last Ten Years." President Trump tweeted yesterday, "We have been serving as policemen in Afghanistan, and that was not meant to be the job of our Great Soldiers, the finest on earth. Over the last four days, we have been hitting our Enemy harder than at any time in the last ten years!"

His comments came as Reuters (9/9, Stewart) reports the US military "is likely to accelerate the pace of its operations in Afghanistan to counter an increase in Taliban attacks," CENTCOM commander Marine Gen. Kenneth McKenzie said Monday following the suspension of peace talks with the insurgents. McKenzie "said during a visit to Afghanistan that the Taliban overplayed its hand in peace negotiations by carrying out a spate of high-profile attacks, including one that killed a US soldier last week." He added, "Whatever targets are available, whatever targets can be lawfully and ethically struck, I think we're going to pursue those targets."

The Washington Times (9/9, Wolfgang, 492K), meanwhile, reports that the Taliban "steadily amassed power and territory throughout its high-stakes, yearlong peace talks with the Trump administration, and they are now stronger than at any other point in the post-9/11 era, say military observers." They caution that the "sudden end to negotiations...likely won't change the Taliban's grand strategy, which centers on

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galvanizing its ethnic and popular base of support, capturing and holding territory, and making it impossible for the US-backed government in Kabul to function."

Afghan President Demands Ceasefire Before Talking With Taliban. The AP (9/9, Faiez) reports that Afghans are "braced for a possible new wave of Taliban violence" after President Trump "abruptly called off talks with the insurgent group, which vows to continue its fight against what it calls 'foreign occupation.'" Afghan President Ashraf Ghani, "whose government was sidelined in those talks, again declared that his country was ready to meet with the Taliban but that 'negotiation without a cease-fire is not possible.'" According to the AP, "It was a notable shift in the stance of the Afghan government, which before Trump's decision had said it had no conditions for entering talks with the insurgent group."

In a piece titled "With US-Taliban Peace Talks Canceled, Afghan President Is On The Hot Seat," the Washington Post (9/9, Constable, 14.2M) reports Trump's decision to call off talks with the Taliban is "putting Ghani in the spotlight at a moment of national crisis that cries out for leadership and all but guaranteeing that elections will be held as planned on Sept. 28." To the Post, "Ghani is likely to win a second five-year term" as his "repeated calls for a lasting, Afghan-led peace may find new resonance with voters who feared a US peace deal would leave them vulnerable to a reprise of Taliban cruelty."

Meanwhile, on the CBS Evening News (9/9, story 4, 1:22, O'Donnell, 4.32M), Charlie D'Agata spoke with Abdullah Abdullah, Afghanistan's chief executive, who said, "A complete withdrawal without any progress in the peace process or the negotiations – and also a Taliban violating the commitments that they are making – that will have a serious, negative impact."

The New York Times (9/9, Zucchino, 18.61M) reports that "for many Afghans, the abrupt suspension of talks after 10 months of negotiations was not entirely unexpected. What jarred them was the notion that a single attack, and the death of one American, could really have upended the talks when the deaths of thousands of Afghans this year – not to mention at least 15 other American soldiers – had not."

US Soldier Whose Death Upended Talks Described As Family Man Who Loved The Army. The New York Times (9/9, Philipps, 18.61M) reports that those who knew Army Sgt. First Class Elis A. Barreto Ortiz, who was killed last week in a Taliban car bombing in Kabul during his third deployment in Afghanistan, "described him as a compassionate leader whose two loves were his family and the Army." Ortiz, a father of two, "grew up in a small town in Puerto Rico, the son of a career Army soldier, and joined the Army himself in 2010."

US Military Hunting Down ISIS Fighters In Iraq.

In an eight-minute segment, ABC World News Tonight (9/9, story 5, 8:00, 7M) anchor David Muir reported from Iraq, where US and Iraqi forces are hunting down ISIS fighters in Anbar province, along the border with Syria. Muir noted that "many of these [US] military leaders have been to Iraq before," Marine Brig. Gen. William Seely III, commander of Task Force Iraq, among them. Asked if he ever thought he'd be back in Anbar, Gen. Seely said, "It is surreal that we're going back out to Al Anbar. That's where they are. But that's where they'll die."

Trump Again Signals He Is Open To Meeting With Rouhani.

Reuters (9/9, Holland) reports President Trump said Monday that he "could" meet with Iranian President Hassan Rouhani "and that he had no problem with such an encounter." Trump is quoted as saying, "It could happen. It could happen. No problem with me." Reuters reports that last week, Trump "said a meeting with Rouhani was possible at the UN General Assembly in New York later in September."

IAEA: Iran Is Preparing Advanced Centrifuges. The AP (9/9, Rising) reports the International Atomic Energy Agency on Monday "confirmed...that Iran is preparing to use more advanced centrifuges, another breach of limits set in the country's slowly unraveling nuclear deal with major powers." The AP says Iran "had already announced the step," and the IAEA "reported its inspectors verified the installation of new centrifuges." However, they "said all had been 'prepared for testing' but none yet tested at the time of the Sept. 7-8 inspection." The New York Post (9/9, Moore, 4.57M) reports the IAEA "said its inspectors saw 30 advanced IR-6 models, as well as a number of IR-4 and IR-5 models."

Israel Reveals New Iranian Nuclear Weapons Site. The Washington Free Beacon (9/9, Kredo, 78K) reports Israeli officials on Monday "disclosed the existence of yet another secret Iranian nuclear weapons site that Tehran has attempted to hide from the international community, a disclosure likely to amplify calls from the international community for Iran to come clean about its ongoing weapons work." Elad Strohmayer, spokesman for the Israeli Embassy in Washington, tweeted, "Israel has exposed another Iranian violation of their international commitments: the Abadeh Nuclear Weapons Development Site. We have proof that Iran conducted experiments to develop nuclear weapons there, and that they destroyed the site when they realized we discovered it."

Hook: Media Ignoring Iran's Role In Yemen. US special envoy Brian Hook writes in the Wall Street Journal (9/9, Subscription Publication, 7.57M) that Iran is playing a growing role in the war in Yemen, and media is not paying attention. The Administration, he says, is working to cast a light on Iran's promotion of violence in not only Yemen, but also Lebanon, Syria, the Golan Heights, and Iraq.

Iran Says Formerly Detained Tanker Has Unloaded Its Cargo. The New York Times (9/9, Hubbard, 18.61M) reports that the Iranian Foreign Ministry says the Adrian Darya 1, "an Iranian tanker that Western nations sought to bar from delivering its oil, has unloaded its cargo after docking on the Mediterranean coast."

Hezbollah Downs Israeli Drone In Southern Israel.

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The Washington Post (9/9, McAuley, 14.2M) reports Hezbollah said Monday it downed an Israeli drone in southern Lebanon. The Post says the downing "was seen as a possible retaliation for an earlier strike" that Hezbollah "blamed on Israel and that the Israeli government has yet

to deny." In a statement, Hezbollah said its operatives shot down the Israeli drone outside the village of Ramyeh across the border from northern Israel, and the Israeli army confirmed in a statement that the drone was shot down "on a routine mission in northern Israel" and that it "fell into Lebanese territory."

Netanyahu Accuses Rivals Of Plotting To "Steal" Israeli Election. The New York Times (9/9, Kershner, 18.61M) reports Israeli Prime Minister Benjamin Netanyahu on Monday "accused opponents of trying to 'steal' next week's election and urged supporters to thwart them en masse." According to the Times, the "rallying cry came after his conservative Likud Party failed to speed a contentious bill through Parliament that would have allowed party representatives to film inside polling stations, ostensibly to prevent voting fraud." Analysts, however, said the effort was "more likely intended to intimidate Arab voters," and the Times writes that "vote fraud has not played a significant role in Israeli elections."

North Korea Open To Resumption Of Denuclearization Talks This Month.

Reuters (9/9, Shin) reports Vice North Korean Foreign Minister Choe Son Hui said Monday that leader Kim Jong-un is "willing to restart nuclear talks with the United States in late September, but warned that chances of a deal could end unless Washington takes a fresh approach." Reuters reports that on Sunday, Secretary of State Pompeo "said he hoped to return to denuclearization talks...in the coming days or weeks." According to Reuters, Choe "stressed that Washington needed to present a new approach or the talks could fall apart again." Choe is quoted as saying, "I want to believe that the US side would come out with an alternative based on a calculation method that serves both sides' interests and is acceptable to us."

The AP (9/9, Kim) says Choe's statement was "apparently aimed at pressuring the United States to make concessions when the North Korea-US talks restart." The Washington Post (9/9, Denyer, 14.2M) reports that Pompeo "insists Kim has promised to denuclearize and said Sunday that the administration was 'hopeful that in the coming days or perhaps weeks we'll be back at the negotiating table with them.'"

Communists Make Inroads In Moscow City Elections.

The New York Times (9/9, Nechepurenko, 18.61M) reports Russian President Vladimir Putin's "allies...suffered significant losses in Moscow city council elections, preliminary results showed on Monday, but mostly held their own in other local polls across the country." In Moscow, "the governing United Russia party will still form the majority in the city legislature of 45 seats, but the results revealed the party's continuing weakness, as well as the seeming effectiveness of the opposition's 'smart voting' effort, which sought to consolidate voting behind the antigovernment candidate with the best chance of winning." The Times adds, "Beyond Moscow, the Kremlin was still able to demonstrate its full control of the political situation, winning all 16 of the governor's races."

The Washington Post (9/9, Englund, 14.2M) reports that "opposition leader" Alexei Navalny "was in a jubilant mood Monday" because those "arrayed against...Putin's United Russia party showed, for once, that when they put aside their differences and act in concert, they can make serious inroads." However, the strategy "put liberals like Navalny – who once played the nationalist card but has dropped it in recent years – on the same side as the Communist Party, and it put 13 Communists on the city council in contrast with four liberals. The other three opposition winners were from a party called Just Russia, which is ideologically closer to the Communists than anyone else."

Housing

Mortgage Prepayments Slowed In August.

Reuters (9/9, Leong) reports, "The growth in prepayments on U.S. mortgage bonds slowed in August, scaling back from the previous month's surge in refinancing as a result of a dramatic drop in home borrowing costs, according to estimates from J.P. Morgan published late on Friday." According to J.P. Morgan analysts, "prepayments on 30-year mortgage-backed securities backed by Fannie Mae on average rose 5% in August, cooling from a 29% jump in July." Analysts said, "For mortgage investors, the (August) print should be somewhat reassuring as it showed for the time being, capacity constraints are still in place and application volume reported by refi index is till a reasonable predictor of demand."

Opinion: Better Times Ahead For Mortgage Industry.

In a piece for the National Mortgage News (9/9), Stanley Middleman expects that the "next couple of years should be better" for the mortgage industry "in terms of profits, and less volatile in terms of interest rates, helping lenders better serve both consumers and investors." Middleman writes that the FHA and Ginnie Mae recently "put out some new guidelines for the industry in terms of new program requirements, capital and liquidity, servicer and credit ratings and even stress testing." Middleman sees "the changes as a positive development" because "by trying to control prepayment speeds, Ginnie Mae is actually helping independent mortgage banks whose primary asset, after all, is mortgage servicing rights."

Fannie Mae: US Home Purchase Sentiment Rose In August.

Reuters (9/9, Leong) reports that Fannie Mae said Monday that US home-buying sentiment rose in August. Fannie Mae "said its index on home purchase sentiment moved up 0.1 percentage point to 93.8 last month, the highest level since this measure began," in part due to the fact that "mortgage rates have fallen to their lowest levels since the autumn of 2016 in step with lower U.S. bond yields."

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CNBC (9/9, Olick, 3.62M) reports that Doug Duncan, chief economist at Fannie Mae, said, "Unfortunately, much of the lower interest rate environment can be attributed to global economic uncertainties, which appear to have dampened consumer sentiment regarding the direction of the economy. We do expect housing market activity to remain relatively stable, and the favorable rate environment should continue supporting increased refinance activity."

Also reporting is National Mortgage Professional (9/9), HousingWire (9/9, Lloyd, 23K), DS News (9/9, Ojha), M Report (9/9, Albanese), the Banking Exchange (9/9), and the National Mortgage News (9/9).

Puerto Rico Recovery

Democrats To Hold Hearing After HUD Misses Puerto Rico Disaster Relief Deadline.

The Hill (9/9, Elis, 2.98M) reports, "House Democrats say they plan to hold a hearing on why the Department of Housing and Urban Development (HUD) missed a crucial deadline for allocating the most recent batch of disaster relief funds to Puerto Rico." HUD Secretary Ben Carson "last week missed a deadline for allocating $8.9 billion in Community Development Block Grant funds from June's supplemental disaster relief bill, Democrats wrote in a letter Thursday that was made public on Monday." Lawmakers "said Carson had published allocations for other states and territories that needed the funds, such as California, Texas, Georgia, Louisiana, and at the last minute, the U.S. Virgin Islands as well," but had left out Puerto Rico.

Markets

Treasury Yields Rise.

CNBC (9/9, Franck, 3.62M) reports the 10-year U.S. Treasury yields "rose 8 basis points higher at 1.634%" on Monday, "as gradual de-escalation of trade relations between the U.S. and China continued to ease investor angst."

Dollar Remains Flat.

Reuters (9/10, Westbrook) reports that on Tuesday, the dollar index against a basket of major currencies was flat at 98.359. Meanwhile, the yen fell "as low as 107.49 per dollar," and the euro "was flat at $1.1043, underneath an overnight high of $1.1067."

Gold Falls For Fourth Consecutive Session.

Reuters (9/10, Namboothiri) reports, "Gold prices dropped for a fourth straight session on Tuesday as risk appetite remained buoyed by hopes for global stimulus and expectations of a possible thawing in the Sino-US trade war." Spot gold "was down 0.6% at $1,490.10 per ounce, as of 0650 GMT, after hitting its lowest since Aug. 13 at $1,486 earlier in the session." Meanwhile, US gold futures "fell 0.8% to $1,498.50 per ounce."

Oil Rises For Fifth Day.

Reuters (9/10, Sheldrick) reports, "Oil futures rose for a fifth day, rising to their highest in almost six weeks, on optimism that OPEC and other producing countries may agree to extend output cuts to support prices." Brent crude "was up 31 cents, or 0.5%, at $62.90 a barrel by 0544 GMT," while West Texas Intermediate futures "were 32 cents, or 0.6%, higher at $58.17 a barrel."

Budget

House Democrats Propose Temporary Funding Bill.

The AP (9/9) reports House Democrats "are proposing a government-wide temporary funding bill to prevent a federal shutdown at month's end and to give the Senate time to get moving on $1.4 trillion in spending bills." House Appropriations Committee Chairwoman Nita Lowey said the bill would probably cover until "sometime in November." The AP predicts, "The GOP-held Senate is likely to go ahead with the move," with all sides seeking "to avoid a repeat shutdown debacle."

McConnell Supports Stopgap Funding Bill To Avoid Shutdown.

Reuters (9/9, Cornwell) reports Senate Majority Leader McConnell "said Monday he expects the Senate will pass a stop-gap government funding bill before the end of September, to prevent any lapse in funding when the fiscal year ends at the end of the month." Said McConnell, "A major focus of the Senate this month will be moving forward as many of the regular appropriation bills as possible and then passing a temporary continuing resolution for the outstanding parts of the government before the end of September." Politico (9/9, Everett, 4.29M) indicates "McConnell's position aligns with that of House Democratic leaders, who said the chamber will vote next week on a stopgap bill to fund the government past Sept. 30."

The New York Times (9/9, Cochrane, 18.61M) reports "White House officials and congressional leaders are pushing for a temporary agreement in the coming weeks to hold off a funding breach and allow more time to resolve the thorniest issues," but "the race to reconcile at least a fraction of the 12 necessary bills is particularly charged, even by the usual standards of the divided Congress." At any rate, "there is some optimism that a portion of the government could be funded before the deadline."

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CBO: Budget Deficit Has Surpassed $1T.

The Hill (9/9, Elis, 2.98M) reports "the federal deficit surpassed $1 trillion in the first 11 months of the 2019 fiscal year, the Congressional Budget Office (CBO) said Monday." The deficit "presently stands at $1.068 trillion, though it is likely to be reduced in September as quarterly tax payments are paid." As of yesterday, "the deficit...was running $168 billion ahead of the deficit in the last fiscal year at this time."

Cybersecurity

Pennsylvania School District Hit By Ransomware Attack.

The Montgomery (PA) News (9/9, Keeler, 110K) reports from Franconia, Pennsylvania, "The cyber attack on Souderton Area School District's computer systems was a ransomware attack, the district said in an update posted on the district website Sept. 9. 'This message is an update on the network disruption that affected Souderton Area School District over the Labor Day weekend. We have confirmed that the disruption was the result of a ransomware attack. Ransomware is a software used by cybercriminals to encrypt or "lock up" files on computers or servers with the goal of making those items inaccessible. The District is working diligently with the Department of Homeland Security, the Federal Bureau of Investigation, the U.S. Secret Service and local authorities, as well as with a specialized cybersecurity firm. Our priority is to remediate the disruption and encryption caused by the ransomware and to restore the District and its services to normal operations as soon as possible.'"

FBI Probing Hack Of Oklahoma Law Enforcement Retirement Fund.

KXAS-TV Dallas (9/9, 206K) reports, "A hacker stole millions from the Oklahoma Law Enforcement Retirement System but the officials say they're confident the money will be recovered." According to KXAS-TV, "Officials with the OLERS said Monday that the FBI is investigating the cyber crime and that pension payouts are not affected and are not at risk. 'We notified the FBI, who is conducting an active investigation of the crime ... we are certain the stolen funds will be recovered,' OLERS said in a statement on their website."

Cybercriminals Take In Billions Using Email Compromise, Fraudulent Tech Support.

CIO Dive (9/9, Schwartz) reports, "Email compromise, extortion, tech support fraud and payroll diversion contributed to a total of $2.7 billion in consumer and business losses in 2018, according to the Federal Bureau of Investigation's Internet Crime Complaint Center's (IC3) report on internet cybercrimes." According to CIO Dive, "Last year the IC3 received more than 20,000 complaints pertaining to business email compromise (BEC) and email account compromise (EAC)," and "bad actors disguise as business leaders with 'legitimate' email addresses acquired through social engineering or hacking." The losses "added up to $1.2 billion because of the unauthorized transfers of funds, according to the report." CIO Dive adds, "Fraudulent tech support cost victims almost $39 million last year, a 161% increase year-over-year from 2017, according to IC3. Extortion costs increased 242% year-over-year, with victims losing more than $83 million in 2018."

Microsoft's Brad Smith Interviewed On New Book, Risk Of Major Digital Terror Attack.

The Rolling Stone (9/9, 12.8M) interviewed Microsoft President Brad Smith, and a long-time adviser to Bill Gates, about his new book, Tools and Weapons: The Promise and the Peril of the Digital Age. Smith spoke with Rolling Stone at Microsoft's offices in Times Square, where he "discussed breaking up Big Tech, why the Cambridge Analytica scandal was the Three-Mile Island of the tech sector, and what a digital September 11th attack on the US could look like." He said, "We are not yet prepared either to fully prevent such an attack, or to know how we would respond as a nation if it happened." Smith's book is not "the typical vanity project churned out by so many Fortune 500 leaders." Tools and Weapons is a glimpse "behind the curtain as Microsoft reckoned with the Snowden revelations, defended against the vicious cyberattacks, and took both the Obama and Trump Administrations to court."

Huawei Executive Claims "No Significant Impact" From Security Fears In Poland, Czech Republic.

Reuters (9/9, Kahn, Muller) reports that concerns regarding the security of Huawei's telecoms equipment in Poland and the Czech Republic "have not had a significant business impact despite creating uncertainty, a deputy head of central Europe and the Nordics said." A Czech cybersecurity watchdog's warning "that Huawei's technology could pose a security threat and Poland's arrest of a Chinese Huawei employee and a former Polish security official on spying allegations have put it under pressure." Huawei VP of Central Europe and the Nordics Radoslaw Kedzia said, "It is pretty much business as usual with a little bit more attention to show that we are transparent, open and inclusive and we have nothing to hide." Since the concerns first surface in December, "there had been no 'no significant impact' on business or major strategy shifts in the region...Kedzia said, adding that Huawei is contacting governments and customers when security fears arise."

India May Spurn Huawei On 5G. The Washington Examiner (9/9, Gehrke, 448K) reports Huawei "could be barred from India over security and domestic economic concerns." Ambassador Harsh Vardhan Shringla, India's envoy to the United States, told the Washington Examiner, "We have consulted broadly on this issue with many of our international partners. And, obviously, we will make our decision based on the best available options, including the development of alternative technologies that come up." Those comments "suggest that India is in no hurry to install 5G wireless technology." India's decision "could have major ramifications, for not only the telecommunications industry but India's burgeoning strategic partnership with the US."

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Apple Accuses Google Researchers Of "Stoking Fear" About iPhone Hack.

CNN (9/9, Iyengar, 83.16M) reports Apple "says Google researchers who reported vulnerabilities in iPhone software that potentially gave hackers access to the devices are creating a 'false impression' and 'stoking fear.'" Cybersecurity researchers at Google's Project Zero "detailed the vulnerabilities in a blog post late last month."" Apple disputed those claims in a statement released Friday, "The sophisticated attack was narrowly focused, not a broad-based exploit of iPhones 'en masse' as described." It said the hacked websites "used to exploit the vulnerabilities numbered fewer than a dozen and mainly featured content related to the Uyghur community, a predominantly Muslim ethnic group from China's western Xinjiang region." Apple said, "Google's post, issued six months after iOS patches were released, creates the false impression of 'mass exploitation' to 'monitor the private activities of entire populations in real time,' stoking fear among all iPhone users that their devices had been compromised. This was never the case."

Romney: US Needs To "Up Its Game" On Cybersecurity.

Deseret (UT) News (9/9, 308K) reports Sen. Mitt Romney (R-UT) wants to know what DHS "can be doing to better defend the nation against cyberattacks." The Republican raised the question "during a hearing Monday in New York City of the Senate Homeland Security and Governmental Affairs Committee, held at the National September 11 Memorial & Museum in the dramatic Foundation Hall." He asked a panel of former leaders of the agency formed in response to the to September 11, 2001, attacks, "China, Russia, North Korea, Iran, they continue to launch hundreds, thousands of attacks on technical databases, government databases, corporations and so forth. Is there some way we can do a better job of deterring that."

Why McConnell Is Blocking Election Security Bills.

The Washington Post (9/9, Marks, 14.2M) reports in the Cybersecurity 202 column that McConnell is blocking action on election security bills because he "is wary of drawing the ire of President Trump, who has repeatedly wavered on whether Russia interfered in the presidential contest – and seems to view traditionally bipartisan discussions about election security as delegitimizing his unexpected 2016 victory over Hillary Clinton." McConnell is likely also "concerned about the political fallout for Republican senators, several of whom have supported and even co-sponsored election security bills in the past, says a former Democratic Senate staffer who worked extensively on cybersecurity issues during the Obama Administration." From McConnell's perspective, there "has been real progress on this issue already." The McConnell staffer "pointed to $380 million in election security funding that Congress appropriated to help states with election security in 2018 and to several smaller bills the Senate has passed related to election security."

Federal Agencies Seek Solutions TO Cyber Workforce Challenge.

Federal News Network (9/9, Miller, 220) reports that, over the course of one-and-a-half days at the 10th annual Billington Cybersecurity Summit, "more than 70 speakers hit upon nearly every unclassified topic you could imagine." Attendees even heard "from Israeli and UK cyber executives, who helped make the world a little smaller by demonstrating their challenges are no different than the ones faced by US federal agencies." The one common theme that permeated across nearly every keynote, panel and breakout session "was the safe discussion about the cyber workforce." In the federal sector, the Office of Management and Budget, the CIO Council, the Department of Homeland Security, and the National Institute of Standards and Technology "have all sprung up initiatives to tackle the cyber workforce program from a grand scale – think of the cyber workforce reskilling program and the executive order creating a rotational program for public and private sector experts."

TFI/Sanctions

Seib: Iran Sanctions Working, But May Drive Country To Resist Harder.

Gerald F. Seib, in a column in the Wall Street Journal (9/9, Seib, Subscription Publication, 7.57M), writes that the Administration's sanctions are undoubtedly hurting Iran's budget and its economy. This threatens Iran's ability to pay the subsidies keeping down the prices of many goods. However, it isn't clear that this pain won't just spur Iran to resist further, turning to threatening European states with ending the nuclear deal and possibly increasing attacks on shipping.

Federal Reserve

Analysis: Fed Cutting Interest Rates Wouldn't Produce Trump's Promised Improvements.

In an analysis, Politico (9/9, Guida, 4.29M) reports, "President Donald Trump is relentlessly pressing the Federal Reserve to cut interest rates," but "there's little evidence that" it "would supercharge economic growth and make U.S. exports more competitive" as he believes. "Borrowing costs are already ultralow" and business groups say that few members have trouble getting loans. Additionally, the dollar's strength is due to "the relative health of the U.S. economy." Instead, companies are "pointing...to trade tensions – sparked mostly by Trump's policies – and slowing global growth as the major contributors to a slowdown in business investment and a contraction in U.S. manufacturing." Meanwhile, the Fed is "grappling with the limits of its ability to bolster the economy, since rates are still low and consumer demand is strong."

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NY Fed Survey Shows Declining Inflation Expectations, More Pessimistic Outlook.

Reuters (9/9, Marte) reports that survey results released by the Federal Reserve Bank of New York Monday "showed consumers' one-year inflation outlook declined 0.2 percentage point to 2.4% last month, the lowest since the survey was launched in 2013," while the survey's "three-year outlook for inflation expectations fell by 0.1 percentage point to 2.5%." According to Reuters, "the U.S. economy is producing an inflation rate persistently short of the Fed's 2% goal." The Wall Street Journal (9/9, Derby, Subscription Publication, 7.57M) and Bloomberg (9/9, 4.73M) also cover this story.

Financial Regulatory Agencies

SEC Head Warns Countries May Seek To Advantage Domestic Companies By Not Punishing Corruption.

The Wall Street Journal (9/9, Michaels, Subscription Publication, 7.57M) reports that, in a speech at the Economic Club of New York, Securities and Exchange Commission Chairman Jay Clayton said that the US have strongly punished violations of the Foreign Corrupt Practices Act, but believes that some countries are not punishing corporate bribery in a strategy to boost domestic companies compared to US companies, which follow the law. Clayton did not say he would back on enforcement of FCPA, but would raise the issue with overseas regulators and law enforcement.

SEC Proposes CAT Changes.

Reuters (9/9, Johnson) reports the Securities and Exchange Commission on Monday proposed greater transparency for the groups managing the Consolidated Audit Trail (CAT) repository, which is intended to hold all stock and options "message traffic" and prevent "sudden and dramatic shifts in financial markets." The SEC said the proposed changes were designed to "decrease the likelihood of additional delays to CAT implementation by increasing operational transparency and attaching financial accountability." The Wall Street Journal (9/9, Osipovich, Subscription Publication, 7.57M) reports that the SEC said that the exchanges would face fines for missing further deadlines on CAT. SEC Chairman Jay Clayton said, "CAT needs to be implemented without further delays."

Kraninger: CFPB Stepping Up Enforcement Actions.

American Banker (9/9, Lang, Subscription Publication, 31K) reports CFPB Director Kathy Kraninger said the bureau is stepping up enforcement actions after predecessor Mick Mulvaney temporarily froze its ability to use the tool. Total enforcement actions "were significantly down" under Mulvaney's leadership, but Kraninger "said in a speech that enforcement actions are an effective way for the CFPB to discourage violations of consumer protection laws." Speaking at a National Association of Federally-Insured Credit Unions event, she said, "Public decisive action against wrongdoers does send a clear message to the marketplace and hopefully continues to deter unlawful behavior and support, as I've said, that level playing field, so that's something that we'll continue to do and have done." Still, Kraninger "remains focused on preventing harmful activity as opposed to punishing bad actors after the fact through enforcement actions, she said."

States, DC Sue Over SEC Rule Change.

Reuters (9/10) reports seven states and the District of Columbia are suing to block Securities and Exchange Commission rules allowing "brokers to recommend products that benefit them as long as they disclose the conflict." The plaintiffs "argued that the rule change is 'arbitrary and capricious.'"

Internal Revenue Service

IRS Proposed Dropping Safe Harbor For Built-In Gains, Losses.

Law360 (9/9, Subscription Publication, 8K) reports the Internal Revenue Service "proposed new rules that would eliminate a safe harbor for calculating a company's built-in gains and losses when a corporation undergoes an ownership change." The change was intended "to streamline the process."

Office of the Comptroller of the Currency

Chase Continues Expansion Across Greater Washington.

Behind a subscriber wall, the Washington Business Journal (9/9, Medici, Subscription Publication, 882K) reports JPMorgan Chase "continues to expand its nascent branch network across Greater Washington." Since the bank announced its move into the area in April 2018, Chase "has applied for 36 branch locations locally, according to filings so far submitted to the Office of the Comptroller of the Currency." Chase has opened the doors on 14 of those branches and plans to open about 36 to 37 across the Baltimore, D.C., and Richmond areas by the end of 2019, according to Alfonso Guzman, who lead's the bank's expansion effort in the area. Guzman said in an interview that Chase has tentative plans to open between 50 and 55 branches in the region by the end of 2020.

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Customer-Centric Banking To Gain Momentum.

In a Forbes (9/9, Dryer, 9.71M) Finance Council post, Trevor Dryer, EVP and GM at CUNA Mutual Group's Mirador, lists trends "shaping fintech into 2020." As more fintechs cater to Millennials, Dryer says "banks should look for new ways to serve younger customers' needs." Dryer also predicts that with only 18 percent of customers going to a bank branch, paycheck startups could "offer[] the option to withdraw cash on a prepaid card, bypassing the need for a bank account altogether." As such, "banks should offer similar innovations to their paycheck-deposit customers – before they're pushed out entirely." Meanwhile, "big money" will flow into fintech, as firms "focus on putting customer needs first." The future of the Office of the Comptroller of the Currency's fintech charter "is still in doubt, but even the attempt to create such a charter signals a more permissive regulatory atmosphere." Banks should use big data on customers "to deliver more of what they want."

Editorial Wrap-Up

New York Times.

"The G.O.P.'s War On Women's Health Gets Results." The New York Times (9/9, 18.61M) editorializes, "The Trump administration's recent efforts to undermine the nation's Title X family planning program are already having their intended effect, making it harder for women's health clinics to stay afloat and for patients to afford birth control and other services." The Times says the changes "make clear that these politicians have always been trying to do more than prevent abortions. These are attacks on women's ability to control if and when they get pregnant," and "on their health and well-being."

Washington Post.

"No, Sens. McConnell And Blunt. You're The Ones Who Need To Step Up." A Washington Post (9/9, 14.2M) editorial says President Trump "will never step up" on the issue of gun control and argues that "hiding behind his failure" is a way for Senate Majority Leader McConnell "and other Republican senators to abdicate their legislative authority and their responsibility to the country." The Post calls on the Senate to "stop waiting for Mr. Trump. Stop making excuses," and pass gun control legislation.

"Everyone Should Be Alarmed By The Vaping Crisis." In an editorial, the Washington Post (9/9, 14.2M) writes, "There are still more questions than answers about the electronic devices that vaporize fluids in an alternative to the known hazards of burning tobacco, but both the immediate crisis and the longer-term regulatory and health issues suggest much more scrutiny needs to be given to vaping. ... Everyone should be alarmed about the rapid growth in popularity of vaping among teenagers and young people."

"Trump's Camp David Cancellation Offered Temporary Relief From A Bad Deal." A Washington Post (9/9, 14.2M) editorial says President Trump's decision to cancel the peace talks with the Taliban "avoided an unseemly spectacle — the killers of thousands of Americans hosted at the presidential retreat — and offered at least temporary relief to the many Afghans and Americans who believed he was rushing into a bad bargain." The Post, however, cautions that Trump could revive the talks or decide to withdraw US troops without a peace deal. Afghans, it says, "can only hope that he chooses to set aside his personal political agenda and hold out for a better deal."

Wall Street Journal.

"Subduing The Housing Godzillas." In an editorial, the Wall Street Journal (9/9, Subscription Publication, 7.57M) praises the Administration's plans for reforming Fannie Mae and Freddie Mac, but says it is unlikely Congress will go along.

"President Tigar Strikes Again." In an editorial, the Wall Street Journal (9/9, Subscription Publication, 7.57M) casts US District Judge Jon Tigar as overstepping his authority and abusing the use of injunctions, and urges the Supreme Court to step in.

"WeWork's China Syndrome." A Wall Street Journal (9/9, Subscription Publication, 7.57M) editorial likens the corporate governance of We Co. to a Chinese company and says the fact that the American press and investors were able to discover problems with the company is evidence that the markets can do a better job than a regulator would.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Activist Investor Challenges AT&T Over Strategy, Board
Nissan Ousts CEO Saikawa As Car Maker Seeks To Revive Business
Scientists Discover New Evidence Of The Asteroid That Killed Off The Dinosaurs
The World Expected A Chinese Tech Takeover. Alibaba Can't Even Conquer Vietnam.
The Rainbow Explosion Is The 'It Cake' Of Social Media. It Doesn't Work.

New York Times:

For Boris Johnson, Another Bad Day And Another Big Defeat In Parliament
Juul Illegally Marketed E-Cigarettes, FDA. Says
Commerce Chief Threatened Firings At NOAA After Trump's Dorian Tweets, Sources Say
CIA Informant Extracted From Russia Had Sent Secrets To US For Decades
Bernie Sanders Went To Canada, And A Dream Of 'Medicare For All' Flourished

AMERICAN OVERSIGHT

Reckless Loans Devasted Taxi Drivers. Now Prosecutors Are Investigating.

Washington Post:
Trump: Taliban Talks Are 'Dead'
Poll: Wide Support For 'Red Flag' Gun Laws, Checks
Johnson's Brexit Plan Is Again Stymied
Lawsuits And Seizures In Pursuit Of Medical Debts
More Minority Women Are Jumping Into Workforce

Financial Times:
Elliott Takes $3.2BN Stake In AT&T And Calls For Shake-Up
Draghi Under Pressure To Deliver Fresh Stimulus
Putin's Party Loses More Than Third Of Seats In Moscow Poll

Washington Times:
Taliban Now Stronger Than When Afghanistan War Started In 2001, Military Analysts Say
'Leverage Game': Trump Puts America First By Walking Away From Bad Deals
Trump Stumps For Dan Bishop – And Himself – In North Carolina: 'Get Your Votes In Early'
Jerrold Nadler, Democrats Lay Out Trump Impeachment Probe Parameters
Antitrust Violations?: 50 Attorneys General Unite To Investigate Google Control
Liberal Bias: Popular US History Textbook Inflates Democrats To 'Superhuman Levels'

Story Lineup From Last Night's Network News:
ABC: Georgia-Four Rescued From Capsized Ship; Hurricane Dorian; California-Wild Fires; Trump-Taliban Peace Talks; Syria-ISIS Fighters; FDA-Juul Warning; Minnesota-Fire Destroys Historic Synagogue; Baltimore-Suspicious Van; Autonomous Vehicles-Drivers Asleep At Wheel; Sarah Palin-Divorce; Alex Trebek Returns To Jeopardy.
CBS: Georgia-Four Rescued From Capsized Ship; FDA-Juul Warning; Trump-Taliban Peace Talks; Afghanistan-Reaction To Canceled Talks; House Dems-Impeachment; Hurricane Dorian; Trump-National Weather Service; Frmr. Heads Of Homeland Security Interview; High Blood Pressure & Pregnancy; Google-AG's Investigation; Trump-Medal Of Valor Recipients; Alex Trebek Returns To Jeopardy.
NBC: Georgia-Four Rescued From Capsized Ship; FDA-Juul Warning; Trump-National Weather Service; Hurricane Dorian; Trump-Taliban Peace Talks; Eastern Equine Encephalitis; Dr. Oz-Mother's Alzheimer's; Sarah Palin-Divorce; Autonomous Vehicles-Drivers Asleep At Wheel; Benefits Of Napping Study; Florida-4th Grader's Makeshift Shirt Turned Official Logo.

Network TV At A Glance:
Georgia-Four Rescued From Capsized Ship – 6 minutes, 53 seconds
Trump-Taliban Peace Talks – 6 minutes, 25 seconds
Hurricane Dorian – 5 minutes, 45 seconds
FDA-Juul Warning- 3 minutes, 5 seconds

Story Lineup From This Morning's Radio News Broadcasts:
ABC: Trump-Taliban Peace Talks; Trump-Rally; Minnesota-Fire Destroys Historic Synagogue; Hurricane Dorian.
CBS: FDA-Juul Warning; North Korea-Projectiles Fired; Georgia-Four Rescued From Capsized Ship; Congress-Gun Control; Boston-David Ortiz Back At Fenway.
FOX: Trump-Democrat Comments At Rally; Immigration-Asylum Policy Injunction; Brexit.
NPR: North Carolina-Special Election; Trump-National Weather Service; Georgia-Four Rescued From Capsized Ship; North Korea-Projectiles Fired.

Last Laughs

Late Night Political Humor.

Trevor Noah: "Being president is a pressure-filled job. It's important for the presidents to find a way to let off steam. Obama played basketball. George W. Bush cleared brush on his ranch, Lincoln liked going to the theater – it took his mind off things. When it comes to President Trump, his passion is beefing with his enemies. ... First up is the controversy that just won't die, it's President Trump versus the weather. Eight days after he incorrectly warned Alabama that Hurricane Dorian was headed its way, Trump is still insisting that he was right all along. ... And you realize there's a chance this hurricane beef might never end, and I mean never. Like when Trump is, like, 100 years old, he will be laying on his death bed surrounded by the people he loves – and Eric – and he will still be, like, 'I was right about Alabama.'"

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Trevor Noah: "Over the weekend, Trump tweeted out he was canceling a secret meeting planned with the Taliban because they had launched an attack in Afghanistan. And this came out of the blue, because no one knew Trump scheduled peace talks with the Taliban. Trump is like your best friend telling you he's getting a divorce and you're like, 'I didn't know you were married.'"

Trevor Noah: "Over the past nine years, the US government has been trying to get a peace teal with the Taliban to end the war in Afghanistan...[but Trump] demanded that the Taliban come to Camp David in America to sign the deal with him on camera so that he would get the praise. But the Taliban didn't want to come to America, firstly because they don't trust the United States, which I understand...and secondly, because they probably don't want to deal with the TSA. Can you imagine how stressful that [is] going to be for them? ... The guy at the TSA is going to be, like, what do you do for a living? 'I'm leader of the Taliban.' So you're a terrorist? 'Yes, but not for this trip, okay? Not for this trip, this time I'm off the clock.'"

Jimmy Kimmel: "The President had a very busy couple of days tweeting. That guy does nothing but work. It really is remarkable. Most notably, he tweeted about a meeting, a very high-profile secret meeting that ultimately did not take place. On Saturday he wrote, 'Unbeknownst to almost everyone, the major Taliban leaders and separately the President of Afghanistan were going to secretly meet with me at Camp David on Sunday.' Only Trump would brag about a meeting he didn't have."

Jimmy Kimmel: "Donald Trump invited the Taliban to Camp David three days before 9/11. Next month, he's taking Al-Qaeda to Six Flags."

Stephen Colbert: "Trump invited the Taliban to Camp David the weekend before 9/11. That's like – there's nothing that's like that. That is what – that is only that. Nothing else is like that. Does Trump not know what 9/11 is?"

Stephen Colbert: "According to people familiar with the talks, Trump was taken with the idea of sealing a landmark peace agreement in one of the most presidential settings, and 'wanted to be the deal maker who would put the final parts together himself, or at least be perceived to be. He wanted the praise for a diplomatic achievement that he didn't achieve. That's right, he's a shoo-in for the Nobel Participation Prize."

Stephen Colbert: "But while Trump might be close to making peace with the Taliban, he's taking on America's true enemies – John Legend and Chrissy Tiegen. John Legend has long been an advocate for criminal justice reform, and on Sunday, he appeared on an MSNBC town hall with Lester Holt to talk about it, broadcast from a prison yard. Apparently, the President tuned in. I assume he was hoping to catch a glimpse of some of his former campaign staff."

Jimmy Fallon: "It is fashion week here in New York City. ... This is the time of year when all the big names release their new lines. For example, last night, President Trump released his new line of insults against Chrissy Teigen and John Legend."

Jimmy Fallon: "You know these are strange times when the President attacks John Legend and Chrissy Teigen, but invites the Taliban to Camp David."

Jimmy Fallon: "You guys, we're just three days away from the next Democratic debate, and this one will feature ten leading candidates all on stage at the same time. That's right, ten candidates all on stage, talking over each other on ABC. It's basically 'The View' on steroids."

Seth Meyers: "President Trump claimed on Saturday that he had scheduled and then canceled a meeting with the Taliban at Camp David to discuss a peace agreement. And if you're wondering where we are as a nation, my first thought was, I don't know, I'll believe it when I hear it from the Taliban."

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Seth Meyers: "President Trump told reporters today that he would release a report on his finances before the 2020 election, and said that

people will be 'shocked' that the numbers are many, many times what you think. Okay, but anything times zero is zero."

James Corden: "There's been a big announcement from the White House. President Trump canceled what were going to be secret peace talks at Camp David over the weekend. Trump had planned to meet with the terrorist organization known as the Taliban. Yeah, I know, I know. I'm thinking the exact same thing. I really hope him canceling doesn't damage America's relationship with the Taliban."

James Corden: "Trump was scheduled to meet them on Sunday, and this is a big deal. You know what this means? Trump almost worked over a weekend."

James Corden: "He called off the peace talks at the last minute. There was one big hangup. It turns out no one in the Taliban plays golf."

James Corden: "In other Trump news, the President took to Twitter to praise himself for signing criminal justice reform into law. And he took the opportunity to lash out at John Legend and Chrissy Teigen. He wrote, 'Now that it is passed, people that have virtually nothing to do with it are taking the praise. Guys like boring musician John Legend and his filthy-mouthed wife.' Yeah. I'm guessing no Camp David for them either."

James Corden: "Trump called John Legend 'a boring musician,' and called Chrissy Teigen 'a filthy-mouthed wife.' In other news, Melania's campaign against cyberbullying is still going strong."

James Corden: "To be fair, Trump has done a lot of work to support criminal justice. He has had like half his campaign staff thrown in jail."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — has lunch with the Vice President; delivers remarks at the 2019 National Historically Black Colleges and Universities Week Conference; meets with Congressional Republican Leadership; participates in the Swearing-In Ceremony for the United States Ambassador to the United Nations.
- Vice President Pence — joins The PRESIDENT for lunch; joins the PRESIDENT at the Swearing-In Ceremony for the United States Ambassador to the United Nations.

***US Senate*:**

- Secretaries Mnuchin and Carson testify to Senate committee on housing finance reform – Hearing on 'Housing Finance Reform: Next Steps', with testimony from Secretary of the Treasury Steven Mnuchin; Secretary of Housing and Urban Development Ben Carson; and Federal Housing Finance Agency Director Dr Mark Calabria

Location: Rm 538, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Defense Subcommittee markup hearing on Fiscal Year 2020 appropriations bill

Location: Rm 192, Dirksen Senate Office Building, Washington, DC; 10:00 AM

- Congressional Black Caucus ceremony marks 400th anniversary of arrival of enslaved Africans – Congressional Black Caucus hosts congressional ceremony in commemoration of the 400th anniversary of the first recorded forced arrival of enslaved African people in Jamestown, VA, part of a series of events held by the Caucus to mark the 'The Year of Return'. Attendees include Senate Minority Leader Chuck Schumer, House Speaker Nancy Pelosi, House Minority Leader Kevin McCarthy, CBC Chair Karen Bass, and members of the Congressional Black Caucus, with speakers reflecting on the 'past, present and future of race relations in America'

Location: Emancipation Hall, U.S. Capitol, Washington, DC; 10:30 AM

- Senate Appropriations subcommittee markup hearing – Labor, Health and Human Services, Education and Related Agencies Subcommittee markup hearing on Fiscal Year 2020 appropriations bill

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Location: Rm 124, Dirksen Senate Office Building, Washington, DC; 11:30 AM

- Closed Briefing: Intelligence Matters

Location: Rm 219, Hart Senate Office Building, Washington, DC; 2:30 PM

- National Congress of American Indians 2019 Tribal Unity Impact Days – National Congress of American Indians 2019 Tribal Unity Impact Days, with agenda including briefing featuring House Speaker Nancy Pelosi and fellow Democratic Reps. Deb Haaland, Frank Pallone, Betty McCollum, Derek Kilmer, Denny Heck, Tom O'Halleran, Norma Torres and Republicans Sens. John Hoeven and Lisa Murkowski and Reps. Dave Joyce, Paul Cook, Markwayne Mullin, and David Schweikert

Location: Rm 628, Dirksen Senate Office Building, Washington, DC

***US House*:**

- Hearing on 'Oversight of the Renovations of the Cannon House Office Building'

Location: Rm 1310, Longworth House Office Building, Washington, DC; 10:00 AM

- House Homeland Security Committee first hearing in series on global terrorism – Hearing on 'Global Terrorism: Threats to the Homeland, Part I', with testimony from New America Vice President for Global Studies & Fellows Peter Bergen; The Soufan Center founder Ali Soufan; California State University-San Bernardino Center for the Study of Hate & Extremism Director Brian Levin; and Foundation for the Defense of Democracies Senior Fellow Thomas Joscelyn

Location: Rm 310, Cannon House Office Building, Washington, DC; 10:00 AM

- House Natural Resources Committee oversight hearing on BLM relocation – Oversight hearing on 'BLM Disorganization: Examining the Proposed Reorganization and Relocation of the Bureau of Land Management Headquarters to Grand Junction, Colorado'

Location: Longworth House Office Building, 9 Independence Ave SE, Washington, DC; 10:00 AM

- Hasan Minhaj testifies to House Financial Services Committee hearing on student loans – Hearing on 'A $1.5 Trillion Crisis: Protecting Student Borrowers and Holding Student Loan Servicers Accountable', with testimony from comedian Hasan Minhaj; Student Borrower Protection Center Executive Director Seth Frotman; National Consumer Law Center Staff Attorney Persis Yu; and Center for Responsible Lending Senior Policy Counsel Ashley Harrington

Location: Rm 2128, Rayburn House Office Bldg, Washington, DC; 10:00 AM

- Hearing on 'Raising the Bar: Progress and Future Needs in Forensic Science'

Location: Rm 2318, Rayburn House Office Bldg, Washington, DC; 10:00 AM

- House Committee on Veterans' Affairs annual Member Hearing Day, with testimony from Members of Congress

Location: HVC-210, U.S. Capitol Visitor Center, Washington, DC; 10:00 AM

- House Small Business subcommittee hearing on the clean energy economy – Rural Development, Agriculture, Trade, and Entrepreneurship Subcommittee hearing on 'Growing the Clean Energy Economy', with testimony from Clean Energy Business Network President Dr Lynn Abramson; Western Dubuque Biodiesel General Manager Thomas Brooks; BlueGreen Alliance Deputy Director Michael Williams; and Marcellus Shale Coalition President David Spigelmyer

Location: Rm 2360, Rayburn House Office Building, Washington, DC; 10:00 AM

- House Foreign Affairs subcommittee hearing on the Amazon – Western Hemisphere, Civilian Security, and Trade Subcommittee hearing on 'Preserving the Amazon: A Shared Moral Imperative', with testimony from SAIS Latin American Studies Program Director Dr Monica de Bolle * Over 80,000 wildfires estimated to have broken out in the Amazon this year – double that of the same period last year – with environmentalists accusing cattle farmers of clearing vast swaths of rainforest via deliberately-set fires

Location: Rm 2172, Rayburn House Office Building, Washington, DC; 10:00 AM

- House Commerce subcommittee hearing on improving maternal health – Health Subcommittee hearing on 'Improving Maternal Health: Legislation to Advance Prevention Efforts and Access to Care', with testimony from Wanda Irving – mother of Dr Shalon Irving; American Medical Association Board of Trustees President Patrice Harris; Icahn School of Medicine at Mount Sinai Blavatnik Family Women's Health Research Institute Director Elizabeth Howell; University of Texas Southwestern Medical Center Division of Maternal-Fetal Medicine Assistant Professor of Obstetrics and Gynecology David Nelson; and Kaiser Family Foundation Associate Director of Women's Health Policy Usha Ranji

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Location: Rm 2322, Rayburn House Office Building, Washington, DC; 10:00 AM

• House Appropriations subcommittee hearing on DoJ Community Relations Service – Commerce, Justice, Science, and Related Agencies Subcommittee oversight hearing on 'DOJ's Community Relations Service', with testimony from Community Relations Service Deputy Director Gerri Ratliff

Location: H-309, U.S. Capitol, Washington, DC; 10:00 AM

• Hearing on 'Evidence of Current and Ongoing Voting Discrimination'

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 10:00 AM

• Congressional Black Caucus ceremony marks 400th anniversary of arrival of enslaved Africans – Congressional Black Caucus hosts congressional ceremony in commemoration of the 400th anniversary of the first recorded forced arrival of enslaved African people in Jamestown, VA, part of a series of events held by the Caucus to mark the 'The Year of Return'. Attendees include Senate Minority Leader Chuck Schumer, House Speaker Nancy Pelosi, House Minority Leader Kevin McCarthy, CBC Chair Karen Bass, and members of the Congressional Black Caucus, with speakers reflecting on the 'past, present and future of race relations in America'

Location: Emancipation Hall, U.S. Capitol, Washington, DC; 10:30 AM

• House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including 'H.R. 1941 – Coastal and Marine Economies Protection Act', 'H.R. 205 – Protecting and Securing Florida's Coastline Act of 2019', and 'H.R. 1146 – Arctic Cultural and Coastal Plain Protection Act', plus consideration of 'H.R. 2852 – Homebuyer Assistance Act of 2019', as amended, 'H.R. 3620 – Strategy and Investment in Rural Housing Preservation Act of 2019', as amended', 'H.R. 1690 – Safe Housing for Families Act of 2019', as amended, 'H.R. 281 – Ensuring Diverse Leadership Act of 2019', as amended, and 'H.R. 241 – Bank Service Company Examination Act' under suspension of the rules

Location: U.S. Capitol, Washington, DC; 12:00 PM

• House GOP hold hearing on 'Born-Alive Act' – House Republican Whip Steve Scalise and fellow Republican Reps. Ann Wagner and Chris Smith hold hearing on the 'Born-Alive Abortion Survivors Protection Act', featuring 'expert witnesses on abortion procedures and statistics'. Other participants include Republican Reps. Carol Miller, Ron Estes, Debbie Lekso, Roger Marshall, Andy Biggs, John Ratcliffe, Brad Wenstrup, John Joyce, Jody Hice, Larry Bucshon, Robert Aderholt, Chris Collins, Mark Green, Michael Cloud, Andy Harris, Doug Lamborn, Ralph Norman, Jim Jordan, Buddy Carter, Jeff Fortenberry, Doug LaMalfa, and Brian Babin

Location: Rm 215, HVC, Washington, DC; 1:00 PM

• House Gun Violence Prevention Task Force forum on 'The Urgent Need for Senate Action' – House Gun Violence Prevention Task Force Chairman Mike Thompson and members hold forum on 'The Urgent Need for Senate Action'. Witnesses include former St. Louis Metropolitan Police Department Chief of Police Daniel Isom, Colorado Gun Owners for Safety member Vic Bencomo, Parkland Mayor Christine Hunschofsky, trauma surgeon and gun violence survivor Dr Joseph Sakran, and March For Our Lives Board of Directors student member Ariel Hobbs * House Speaker Nancy Pelosi also attends

Location: Rm 1100, Longworth House Office Building, Washington, DC; 1:00 PM

• House Oversight subcommittee latest hearing on PFAS contamination and corporate accountability – Environment Subcommittee hearing on 'The Devil They Knew: PFAS Contamination and the Need for Corporate Accountability, Part III'

Location: Rm 2154, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Armed Services / Oversight subcommittees joint hearing on 'securing the nation's internet architecture' – House Armed Services Committee Intelligence and Emerging Threats and Capabilities Subcommittee and House Committee on Oversight and Reform National Security subcommittee joint hearing on 'Securing the Nation's Internet Architecture', with testimony from Cybersecurity and Infrastructure Security Agency Assistant Director for Cybersecurity Jeanette Manfra; Acting Assistant Secretary of Commerce and National Telecommunications and Information Administration Administrator Diane Rinaldo; and Deputy Assistant Secretary of Defense for Cyber Policy Ed Wilson

Location: Rm 2118, Rayburn House Office Building, Washington, DC; 2:00 PM

• House Climate Crisis Committee hearing on manufacturing jobs – Hearing on 'Solving the Climate Crisis: Manufacturing Jobs for America's Workers', with testimony from BlueGreen Alliance Vehicles and Advanced Transportation Program Director Zoe Lipman; consultant Tarak Shah; United Auto Workers Legislative Director Josh Nassar; and Dow Chemical Company Global Business Director for Energy and Climate Change Edward Stones

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Location: Rm 1334, Longworth House Office Building, Washington, DC; 2:00 PM

• House Judiciary Committee markup hearing – Markup hearing on 'H.R. 1236, the Extreme Risk Protection Order Act of 2019', 'H.R. 1186, the Keep Americans Safe Act', 'H.R. 2708, the Disarm Hate Act', 'H.R. 1423, the Forced Arbitration Injustice Repeal Act' (or 'FAIR Act'), 'H.R. 4018, To provide that the amount of time that an elderly offender must serve before being eligible for placement in home detention is to be reduced by the amount of good time credits earned by the prisoner, and for other purposes', and 'H.R. 2426, the Copyright Alternative in Small-Claims Enforcement Act of 2019' (or 'CASE Act of 2019')

Location: Rm 2141, Rayburn House Office Building, Washington, DC; 2:00 PM

• Bipartisan Reps. Gus Bilirakis and Henry Cuellar honor four military dogs with K-9 Medal of Courage – American Humane present the K-9 Medal of Courage to four military dogs, honoring them for their 'extraordinary valor and service to their country.' Attendees include Republican Rep. Gus Bilirakis, Democratic Rep. Henry Cuellar, Crown Media Family Networks President and CEO Bill Abbott, and United State Marine Corps Brigadier General Robert Fulford

Location: Rayburn House Office Bldg Foyer, Washington, DC; 5:30 PM

• National Congress of American Indians 2019 Tribal Unity Impact Days – National Congress of American Indians 2019 Tribal Unity Impact Days, with agenda including briefing featuring House Speaker Nancy Pelosi and fellow Democratic Reps. Deb Haaland, Frank Pallone, Betty McCollum, Derek Kilmer, Denny Heck, Tom O'Halleran, Norma Torres and Republicans Sens. John Hoeven and Lisa Murkowski and Reps. Dave Joyce, Paul Cook, Markwayne Mullin, and David Schweikert

Location: Rm 628, Dirksen Senate Office Building, Washington, DC

Cabinet Officers:

• Secretaries Mnuchin and Carson testify to Senate committee on housing finance reform – Hearing on 'Housing Finance Reform: Next Steps', with testimony from Secretary of the Treasury Steven Mnuchin; Secretary of Housing and Urban Development Ben Carson; and Federal Housing Finance Agency Director Dr Mark Calabria

Location: Rm 538, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• NAFCU Congressional Caucus continues – NAFCU Congressional Caucus continues, with today's speakers including Acting White House Chief of Staff Mick Mulvaney, Democratic Reps. Nydia Velazquez, Carolyn Maloney, and Joyce Beatty, Republican Rep. Ted Budd, National Counterintelligence and Security Center Director Bill Evanina, and National Credit Union Administration Chairman Rodney Hood

Location: Hyatt Regency Washington on Capitol Hill, 400 New Jersey Avenue Northwest, Washington, DC

• Secretary of State Mike Pompeo attends meetings and briefings at the State Department

Visitors:

• No visitors scheduled.

This Town:

• FDA Patient Engagement Advisory Committee meeting

Location: Holiday Inn Gaithersburg, 2 Montgomery Village Ave, Gaithersburg, MD; 8:00 AM

• CHCI Annual Leadership Conference – Congressional Hispanic Caucus Institute 41st Annual Leadership Conference, 'You Count! Tu Cuentas!', as part of the Institute's Hispanic Heritage Month celebration. Day one speakers include Democratic Reps. Ruben Gallego, Nydia Velazquez, Mike Levin, Lacy Clay, Norma Torres, Raul Grijalva, Jimmy Gomez, Pete Aguilar, and Tony Cardenas

Location: Ronald Reagan Building and ITC, 1300 Pennsylvania Ave NW, Washington, DC; 8:00 AM

• National Hispanic Construction Association Legislative Fly-In – National Hispanic Construction Association Legislative Fly-In, with speakers including Democratic Reps. Adriano Espaillat and Nydia Velazquez, and Deputy Assistant Secretary of Labor for Occupational Safety and Health Loren Sweatt

Location: Capitol Hill, Washington, DC; 8:00 AM

• DoJ Bureau of Justice Statistics releases updated report on criminal victimization – Department of Justice Bureau of Justice Statistics issues 'Criminal Victimization, 2018' press release and report, providing revised official estimates of violent and property crime reported

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and not reported to police, drawn from the BJS National Crime Victimization Survey. It describes the characteristics of crimes, victims, and offenders * Latest in a series that began in 1973; *8:00 AM*

• Department of Commerce National Telecommunications and Information Administration NTIA 2019 Spectrum Policy Symposium

Location: National Press Club, 529 14th St NW, Washington, DC; 8:30 AM

• GOP Sen. Rick Scott discusses higher education at Heritage Foundation – 'What's Next for U.S. Higher Education?' Heritage Foundation discussion with Republican Sen. Rick Scott and Heritage Action for America Executive Director Tim Chapman discussing a 'path forward for conservative higher education solutions'

Location: The Heritage Foundation, 214 Massachusetts Ave NE, Washington, DC; 9:00 AM

• Draft TSCA Risk Evaluation and TSCA Science Advisory Committee on Chemicals meetings – Environmental Protection Agency holds meetings of the Draft Toxic Substances Control Act Risk Evaluation Committee and Toxic Substances Control Act Science Advisory Committee on Chemicals to evaluate 1-Bromopropane

Location: Hyatt Regency Crystal City At Reagan National Airport, 2799 Richmond Hwy, Arlington, VA; 9:00 AM

• Centers for Disease Control and Prevention ICD-10 Coordination and Maintenance committee meeting

Location: 7500 Security Blvd, Baltimore, MD; 9:00 AM

• U.S. Census Bureau releases statistics from Current Population Survey and American Community Survey – U.S. Census Bureau releases 'Income and Poverty in the United States: 2018' (its findings on income and poverty for the nation based on the 2019 Annual Social and Economic Supplement to the Current Population Survey), 'The Supplemental Poverty Measure: 2018' (its findings on the supplemental poverty measure for the nation based on the 2019 Annual Social and Economic Supplement to the Current Population Survey), and 'Health Insurance Coverage in the United States: 2018' (its findings on health insurance coverage, including national-level statistics from the 2019 Annual Social and Economic Supplement to the Current Population Survey and some national-level and state-level statistics from the American Community Survey), via online news conference featuring Social, Economic and Housing Statistics Division chief David Waddington and assistant chiefs Trudi Renwick and Sharon Stern, and Public Information Office chief Michael Cook Sr.; *10:00 AM*

• House Dems speak on 'BE Heard in the Workplace Act' – A coalition of women's advocacy groups erect giant megaphone and hold rally to urge Congress to pass the 'BE Heard in the Workplace Act' and 'cement bold changes' that will prevent workplace harassment. Speakers include Democratic Reps. Katherine Clark, Jackie Speier, and Lois Frankel

Location: Columbus Circle, Washington, DC; 11:00 AM

• Ethiopian Airlines Flight victims' families hold vigil outside Department of Transportation – Memorial vigil outside Department of Transportation, with family members of victims who died in the Ethiopian Airlines Flight ET302 crash on 10 Mar 2019, honoring those lost. Participants also call on aviation safety agencies to reclassify the Boeing 737 MAX 8 as a new plane, requiring a full examination of all its systems, as international regulators continue to deny its return to service following the aircraft's involvement in both the Ethiopian Airlines and Lion Air Flight 610 crashes * Victims' families are due to meet with Department of Transportation Secretary Elaine Chao earlier in the day

Location: U.S. Department of Transportation, 1200 New Jersey Ave SE, Washington, DC; 12:00 PM

• CHCI Presidential Forum, with 2020 Dems – Congressional Hispanic Caucus Institute Presidential Forum, with 2020 Democratic presidential candidates Sens. Cory Booker and Amy Klobuchar, Rep. Tulsi Gabbard, South Bend, IN Mayor Pete Buttigieg, businessman Andrew Yang, and former Secretary of Housing and Urban Development Julian Castro * Held during the CHCI Annual Leadership Conference

Location: Ronald Reagan Building and ITC, 1300 Pennsylvania Ave NW, Washington, DC; 3:45 PM

• Dem Sen. Michael Bennet discusses Russian interference in U.S. elections – Democratic Sen. Michael Bennet discusses his book 'Dividing America: How Russia Hacked Social Media and Democracy' at Center for Strategic and International Studies

Location: Center for Strategic and International Studies, 1616 Rhode Island Ave NW, Washington, DC; 5:00 PM

• In Defense of Christians National Leadership Conference – In Defense of Christians National Leadership Conference, 'Fighting for Equality, Freedom and Security', begins with Annual Solidarity Dinner. Speakers include U.S. Ambassador at Large for International Religious Freedom Sam Brownback (recipient of the Charles Malik Human Rights Dinner) and Democratic Rep. Jackie Speier (recipient of the Congressional Champions Award)

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Location: The Hamilton, 600 14th St NW, Washington, DC; 6:00 PM

• U.S. Coast Guard recognized for WWII service in medal ceremony – Medal ceremony to honor U.S. Coast Guard's contributions to the Office of Strategic Services in World War II, presented by the Office of Strategic Services Society. Speakers include USCG Commandant Adm. Karl Schultz and Vice Commandant Adm. Charles Ray, Master Chief Petty Officer of the Coast Guard Jason Vanderhaden, and Office of Strategic Services Society Charles Pinck

Location: US Coast Guard Headquarters, 2703 Martin Luther King Jr Ave SE, Washington, DC; 6:00 PM

• Dem Sen. Dick Durbin speaks at CFR on U.S. global engagement – Democratic Sen. Dick Durbin speaks at the Council on Foreign Relations on 'The Importance of Continued U.S. Global Engagement', discussing the U.S. role in the world, countering historic and current strains of American isolationism, and the importance and benefit of continued global engagement

Location: Council on Foreign Relations, 1777 F St NW, Washington, DC; 6:30 PM

• Assistant Secretary of State Stilwell meets Thailand Ambassador to the U.S. – Assistant Secretary of State for East Asian and Pacific Affairs David Stilwell meets Thailand Ambassador to the U.S. Amb. Thani Thongphakdi

Location: State Department, Washington, DC

• NAFCU Congressional Caucus continues – NAFCU Congressional Caucus continues, with today's speakers including Acting White House Chief of Staff Mick Mulvaney, Democratic Reps. Nydia Velazquez, Carolyn Maloney, and Joyce Beatty, Republican Rep. Ted Budd, National Counterintelligence and Security Center Director Bill Evanina, and National Credit Union Administration Chairman Rodney Hood

Location: Hyatt Regency Washington on Capitol Hill, 400 New Jersey Avenue Northwest, Washington, DC

• National Cleanup Workshop – 2019 National Cleanup Workshop, focusing on environmental remediation efforts across the Department of Energy complex

Location: Hilton Alexandria Mark Center, 5000 Seminary Rd, Alexandria, VA

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Trump Warns Chinese Trade Deal Will Be "Much Tougher" If They Wait Till After 2020 Election.

President Trump took to Twitter yesterday to write, "China is doing very badly, worst year in 27 – was supposed to start buying our agricultural product now – no signs that they are doing so. That is the problem with China, they just don't come through. Our Economy has become MUCH larger than the Chinese Economy is last 3 years. ... My team is negotiating with them now, but they always change the deal in the end to their benefit. They should probably wait out our Election to see if we get one of the Democrat stiffs like Sleepy Joe. Then they could make a GREAT deal, like in past 30 years, and continue... to ripoff the USA, even bigger and better than ever before. The problem with them waiting, however, is that if & when I win, the deal that they get will be much tougher than what we are negotiating now...or no deal at all. We have all the cards, our past leaders never got it!"

Reiterating the argument he made on Twitter, the AP (7/30) reports, Trump later told reporters, "China would love to wait and just hope. ... They would just love if I got defeated so they could deal with somebody like Elizabeth Warren or Sleepy Joe Biden.... They'll pray that Trump loses. And then they'll make a deal with a stiff, somebody that doesn't know what they're doing like Obama and Biden, like all the presidents before."

Bloomberg (7/30, Dopp, Sink, 4.73M) reports Trump also said later Tuesday that "he had spoken recently with Chinese President Xi Jinping without elaborating on when or the substance of the discussion." Reuters (7/30, Heavey, Brice, Alper) also reports that "speaking to reporters at the White House, Trump said the trade talks were going well with China, but added the United States would 'either make a great deal or no deal at all.'"

Trump said in an interview with C-SPAN (7/30, 56K), "We cannot let China do what they have done to us over the last 25 years. They have taken hundreds of billions of dollars out of our country every single year." Asked if he thinks he can reach a deal, Trump said, "I think I can reach a deal if I want to. I think they are right now hurting. The tariffs are killing them. Companies are moving out of China. They are going all over, including they are coming here, by the way, because they don't want to pay the tariffs. Yeah, I think I can reach a deal. Absolutely."

Reuters (7/31) reports Treasury Secretary Steven Mnuchin and USTR Robert Lighthizer "shook hands with Chinese Vice Premier Liu He before beginning trade talks in Shanghai on Wednesday in a bid to end a year-long trade war." Reuters (7/31) reports separately that American negotiators "should show 'sincerity' and temper expectations as they begin a new round of talks with Chinese counterparts to ease trade tensions between the two sides, state-owned tabloid Global Times said on Wednesday." The paper "accused 'trade hawks' of refusing to consider China's legitimate interests, adding that the U.S. side should hold 'reasonable expectations' after making 'unrealistic demands that infringe upon China's sovereignty and dignity.'"

The Wall Street Journal (7/30, Deng, Subscription Publication, 7.57M) reports Mnuchin and Lighthizer had dinner Tuesday with the Chinese side, led by Chinese Vice Premier Liu He, at the Fairmont Peace Hotel, according to a person familiar with the situation. The piece says a more formal round of talks was set to take place at a government guesthouse in the city on Wednesday. Sen. Chuck Grassley (R-IA) said regarding Trump's tweets, "I don't think you ought to make anything out of it except to forget the tweet. Just forget his tweet and say, 'What a blessing it is that, in Shanghai, Lighthizer and Mnuchin are sitting down with their negotiators now, and when they're talking there's a chance of getting something done.'"

Bloomberg (7/31, 4.73M) reports this morning that the two sides "concluded a new round of trade talks in Shanghai on Wednesday following a hiatus of almost three months, with little immediate evidence of progress being made toward ending their year-long dispute." Mnuchin and Lighthizer "wrapped up talks with their Chinese counterparts" Wednesday afternoon at the Xijiao State Guest Hotel.

The AP (7/31, Kang, McDonald) reports the "meeting ended about 40 minutes ahead of schedule. Neither delegation spoke to reporters before U.S. Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin left for the airport."

Reuters (7/31) reports this morning that China's foreign ministry "said on Wednesday that the United States was to blame for flip-flopping in bilateral trade negotiations over the past year." Foreign Ministry spokeswoman Hua Chunying "made the remarks during a daily press briefing. Top U.S. and Chinese trade negotiators concluded their latest round of trade negotiations in Shanghai earlier on Wednesday."

The Washington Post (7/30, Telford, Paletta, Lynch, 14.2M) reports "some influential business leaders are growing worried at the lack of progress in the talks, which the administration in May said were on the verge of a historic deal before collapsing." The Post adds, "Despite Trump and...Xi...agreeing last month to restart negotiations, the bargaining has been slow to resume."

CNBC (7/30, Cox, 3.62M) reports "while U.S. officials have tamped down expectations for a major deal this week, there is hope that at least some progress can be made in the tit-for-tat tariff battle that began more than a year ago."

Politico (7/30, Rodriguez, 4.29M) reports "industry officials and leading experts continue to warn not to expect any big news from this week's negotiations." Politico (7/30, Palmer, 4.29M) reports separately that "there is growing skepticism that the trade fight between the world's two biggest economies will be resolved before American voters decide in November 2020 whether to give Trump a second term." The piece says the "most some expect from this week's talks is an agreement to meet again, as well as a resumption of Chinese purchases of U.S. farm goods and progress on tech issues."

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To the Washington Times (7/30, Howell, 492K), Trump "tore into China as untrustworthy and an economic failure Tuesday, while his top negotiators were in Shanghai trying to hammer out a trade deal." The New York Times (7/30, Swanson, Smialek, 18.61M), meanwhile, casts Trump as "taking credit for weakening China's economy and downplaying the likelihood of a deal before the 2020 election." Trump's comments "appeared to be an effort to give his negotiators more leverage and to pressure China into making concessions in talks this week."

Politico (7/30, McCrimmon, 4.29M) also reports that as the officials visit Shanghai this week, "state and local governments are warning that Trump's feud with Beijing has put their agricultural communities in a tough spot."

Also covering the topic are CQ Roll Call (7/30, Bennett, 154K), The South China Morning Post (HKG) (7/30, 138K), Bloomberg (7/31, 4.73M), Business Insider (7/30, 3.67M), and The Hill (7/30, Frazin, 2.98M).

Administration Expected To Reissue Iran Sanctions Waivers This Week.

Politico (7/30, Johnson, 4.29M) reports that "after building up its maximum pressure campaign on Iran," the Trump Administration is "poised deliver a disappointment to hawks who want tougher action against Tehran." Secretary of State Pompeo is expected to "reissue waivers this week allowing continued international work on nuclear projects inside Iran, according to two sources familiar with the deliberations." Politico notes that "some lawmakers have been pressing the administration to eliminate the waivers since Iran announced earlier this month that it had breached the limits on uranium enrichment set by the nuclear deal." The piece says "the likely move when the next deadline hits on Thursday follows a heated debate among senior administration officials and lawmakers supportive of much of the administration's foreign policy, with National Security Adviser John Bolton and his allies on the Hill arguing to end the waivers and Treasury Secretary Steven Mnuchin the chief proponent of extending them for another round." Politico says Trump "himself has vacillated on the issue." In one recent meeting, he "instructed senior administration officials to eliminate the waivers, according to a U.S. official with direct knowledge of the discussion. In a subsequent meeting, he backed Mnuchin, who argued for extending the waivers, over Pompeo."

The Washington Post (7/30, Rogin, 14.2M) reports that in the Oval Office meeting last week, Trump "sided with Treasury Secretary Steven Mnuchin, who argued that the administration should again renew sanctions waivers related to five separate parts of Iran's nuclear program." Mnuchin "prevailed over the objections of" Pompeo and Bolton, "according to six administration officials." The piece explains that Mnuchin reportedly "argued to Trump that if the sanctions were not again waived as required by law by Aug. 1, the United States would have to sanction Russian, Chinese and European firms that are involved in projects inside Iran that were established as part of the 2015 nuclear deal. The Treasury Department asked for more time to navigate the collateral effects of these sanctions." A senior Administration official said, "We still have the goal of ending these waivers. These waivers can be revoked at any time, as developments with Iran warrant. But because of the Treasury Department's legitimate concerns, we've decided to extend them for now." Reuters (7/30) also covers the Post report.

NBC News (7/31, De Luce, 6.14M) says Trump "appeared to come around to Mnuchin's view in recent days, much to the frustration of advocates of a tough line on Iran inside and outside the administration."

CNN (7/30, Hansler, Atwood, Gaouette, 83.16M) reports that "earlier this month, Sigal Mandelker, under secretary of the Treasury for terrorism and financial intelligence, made the case that the Trump administration's current 'maximum pressure' campaign against Iran is working. Administration officials have argued the US sanctions push will force Iran to change its behavior." She told the Aspen security forum, "Without a doubt, the sanctions are working." CNN says she pointed to "Iranian oil exports being at their lowest levels ever and Iranian proxies publicly appealing for donations."

Administration Divided Over Tax Cut For Investors.

The New York Times (7/30, Rappeport, Tankersley, 18.61M) reports Trump Administration officials are "divided over whether to give investors a big tax cut that would primarily benefit the rich before the 2020 election heats up in earnest." The piece explains that Republican senators and conservative anti-tax groups are "increasingly pushing the administration to use executive authority to deliver a tax cut to investors on profits they earn when selling assets like stocks or bonds." Supporters of the plan include Larry Kudlow, the director of President Trump's National Economic Council, "who is leading a White House task force examining the proposal." However, the Times says "the move has skeptics, including Treasury Secretary Steven Mnuchin, whose department is bound by a 1992 opinion from the Office of Legal Counsel that determined the Treasury Department does not have the authority to index capital gains to inflation by regulation." According to the Times, some Republicans, "including senior Treasury Department officials, have privately expressed worry that a unilateral tax cut for investors would simply give Mr. Trump's potential 2020 rivals more fodder for those attacks."

Politico (7/30, Becker, 4.29M) reports 21 Senate Republicans "urged Treasury Secretary Steven Mnuchin in a Monday letter to use executive authority to index capital gains to inflation, saying such a move would 'remove the unfair inflation tax on savings and investment' and be a 'positive, pro-growth change.'"

Law360 (7/30, Subscription Publication, 8K) reports behind a paywall that Sen. Ron Wyden (D-OR), the top Senate Finance Committee Democrat, "again warned Republican senators and Treasury Secretary Steve Mnuchin on Tuesday against indexing capital gains to inflation rates."

Parties Fail To Reach Agreement In Fight Over Trump's New York Tax Returns.

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Politico (7/30, Faler, 4.29M) reports lawyers for President Trump, House Democrats, and New York state told a federal judge Tuesday "that they have failed to resolve a dispute over the president's state tax returns." The three sides said in a joint filing, "Notwithstanding their best

efforts, the parties are unable to reach agreement." The piece notes they had been "ordered by District Judge Carl Nichols on Monday to figure out among themselves how to proceed in the case, in which Trump is demanding a temporary restraining order to prevent Democrats from taking advantage of a newly passed New York law designed to give them access to the president's state tax filings." Politico says Trump is "challenging the underlying law, and is concerned that Ways and Means Committee Chairman Richard Neal (D-Mass.) could obtain the records while the case is pending." The piece notes Neal is also "separately suing the Treasury Department for the president's federal returns under a 1924 law allowing the heads of Congress' tax committees to examine anyone's confidential tax information."

Reuters (7/30, Wolfe, Morgan) reports the Treasury Department has "denied the committee's request despite a federal law saying the department 'shall furnish' such records to the panel if requested." Treasury "said the committee had no legitimate purpose for reviewing Trump's returns."

The Hill (7/30, Jagoda, 2.98M) also reports.

California Governor Signs Law Requiring Tax Returns To Participate In Presidential Primary. The AP (7/30, Ronayne) reports California Gov. Gavin Newsom (D) "signed a law Tuesday requiring presidential candidates to release their tax returns to appear on the state's primary ballot, a move aimed squarely at Republican President Donald Trump." The AP adds, "even if the law withstands a likely legal challenge, Trump could avoid the requirements by choosing not to compete in California's primary." At any rate, says the Los Angeles Times (7/30, Myers, 4.64M), Trump "is likely to fight back." Tim Murtaugh, "communications director for the president's reelection campaign," is quoted as saying, "The Constitution is clear on the qualifications for someone to serve as president and states cannot add additional requirements on their own. ... The bill also violates the 1st Amendment right of association, since California can't tell political parties which candidates their members can or cannot vote for in a primary election." The Times also reports that "during legislative debates on the bill, GOP legislators repeatedly accused Democrats of being motivated solely by their anger at Trump."

Politico (7/30, White, 4.29M) points out that "by signing the bill, Newsom broke with his predecessor [Jerry] Brown, who vetoed a similar bill in 2017, warning then of constitutional hurdles and the risk of escalating a political conflict." Politico adds that "while Brown displayed ample enmity toward Trump – particularly over the administration's approach to climate change – he was seen as more cautious and moderate than Newsom."

The Washington Post (7/30, Wagner, 14.2M) says the new law "could prompt other Democratic-led states to follow suit." It notes that House Ways and Means Committee Chairman Richard Neal (D-MA) has "requested six years of Trump's personal and business tax returns, from 2013 to 2018, a period that includes several years before Trump became president." Neal recently "sued the Trump administration in federal court to obtain the records, after Treasury Secretary Steven Mnuchin argued in a May letter that Neal's 'unprecedented request' should be denied."

The New York Times (7/30, Medina, Karni, 18.61M) says that "the Trump campaign, which has been tracking ballot access issues carefully for months and coordinating with the White House Counsel's Office, is likely to respond with a lawsuit, according to an official with the campaign." That suit "could potentially include a number of plaintiffs, including the Republican National Committee, the California GOP and the Trump campaign, but the official warned that nothing about a suit had been finalized."

Reuters (7/30, Whitcomb) also reports.

Federal Judge Rules IRS, Treasury Donor Guidance Is Unlawful.

The Hill (7/30, Jagoda, 2.98M) reports a federal judge in Montana "ruled on Tuesday that IRS guidance reducing donor disclosure requirements for certain nonprofits is unlawful and will be set aside." The piece says the ruling is a "win for two states with Democratic governors that challenged the guidance — Montana and New Jersey — and is likely to be cheered by Democrats in Congress who have criticized the guidance." The IRS and Treasury Department released guidance last year that "ended a requirement for certain tax-exempt groups to report the names and addresses of major donors on annual forms." The Hill notes Treasury and the IRS had "said the lawsuit should be dismissed, arguing that the states lack standing to sue. They also argued that the guidance was an interpretive rule that didn't need a notice and comment period."

The Wall Street Journal (7/30, Rubin, Subscription Publication, 7.57M) reports Democrats had been complaining about the rule since it was released last July. Judge Brian Morris wrote, "A proper notice-and-comment procedure will provide the IRS with the opportunity to review and consider information submitted by the public and interested parties. Then, and only then, may the IRS act on a fully-informed basis when making potentially significant changes to federal tax law."

Trump, GOP Senate Leaders Making Push For Party Loyalty On Budget Vote.

Politico (7/30, Everett, Bresnahan, Ferris, 4.29M) reports President Trump, Senate Majority Leader McConnell, and Senate Majority Whip Thune "are working to whip up support for their bipartisan, $2.7 trillion budget deal, hoping to stave off embarrassing defections ahead of a vote that's splitting the party." The effort is intended "to win over undecided rank-and-file senators to avoid a replay of last week's effort in the House, when roughly two-thirds of House Republicans opposed the deal, according to multiple senators and aides. Trump is 'strategically' making calls to on-the-fence members, Thune said." Sen. David Perdue is among those "trying to round up support for the deal struck by Speaker Nancy Pelosi and Treasury Secretary Steven Mnuchin." He said, "I'm disappointed it's not 100 percent [support]," arguing that voting against the budget leads to billions in extra in spending. "Anybody who thinks that they're spending less by voting no on this thing, just doesn't know ... a no vote means you're going to spend more." Senate Minority Leader Chuck Schumer argued the chamber should vote on

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Tuesday, saying, "I believe we should do this today. It's the most important thing we can do. Secretary Mnuchin has said there is a danger to the debt defaulting." The Hill (7/30, Carney, 2.98M) also reports.

Lawmakers Unveil Foreign Investor Tax.

The Washington Post (7/30, Lynch, 14.2M) reports Fed Chair Jerome Powell has "spent several months fending off President Trump's demands to lower the value of the dollar to help American manufacturers sell their goods abroad. Under a bipartisan Senate bill due Wednesday, the central bank chief no longer would have any choice." Sens. Tammy Baldwin (D-WI) and Josh Hawley (R-MO) are introducing legislation that would "require the Fed to balance the nation's current account, the broadest measure of the trade balance, within five years." The Post says the "initiative shows that the trade debate is devoting greater attention to global currency issues." The piece points out that during the 2016 campaign, Trump "vowed to target China for allegedly reducing the value of the yuan to gain a trade advantage. But the Treasury Department has shied from officially labeling Beijing a currency manipulator." Meanwhile, a Commerce Department plan to "impose duties on trading partners that effectively subsidize exports by depressing the value of their currency also may be stillborn. It has been opposed by the U.S. Chamber of Commerce and is expected to be blocked by the Treasury."

Opinion: Amazon Is Not Destroying Retail.

In an opinion piece for Bloomberg (7/30, 4.73M), Karl W. Smith, a former assistant professor of economics at the University of North Carolina's school of government and founder of the blog Modeled Behavior, writes in response to Treasury Secretary Steven Mnuchin's recent argument that Amazon has destroyed US retail so the DOJ is right to investigate it. Smith says while Mnuchin "is not wrong that brick-and-mortar retail sales are flat," what's happening "is a lot more complicated than e-commerce giants such as Amazon stealing business from mom-and-pop stores on Main Street. There is a larger trend at play, involving how Americans are choosing to spend their time as they grow older and wealthier." Due to an aging society, both small-business creation and dynamism are in decline in the US, and "entrepreneurial companies such as Amazon are the best answer to this type of slowdown." Amazon is "not destroying retail," but "saving it."

Bipartisan Lawmakers Say Trump Administration Delaying F-16 Sales To Taiwan.

The New York Times (7/30, Wong, Schmitt, 18.61M) reports members of Congress from both parties "have accused the Trump administration of delaying an $8 billion sale of F-16 fighter jets to Taiwan." China has said it strongly opposes the sale. Representative Michael McCaul (R-TX), who sits on the House Foreign Affairs Committee, is quoted as saying, "Our support for Taiwan through arms transfers is not up for negotiation with Beijing. ... I will support the sale of F-16s to Taiwan as soon the State Department notices them to our committee, which I expect to happen soon." Sen. Robert Menendez (D-NJ) is quoted as saying the Trump Administration "is possibly obstructing the sale of F-16 fighter jets to Taiwan so the president can use them as leverage in his failing trade war with China." The piece says the State Department "declined to comment on the proposed arms sales. The Treasury Department and White House National Security Council also declined to comment."

Leading National News

Consumer Spending Growth Moderates As Inflation Remains At Low Level.

The Wall Street Journal (7/30, Torry, Kiernan, Subscription Publication, 7.57M) reports consumer spending fell slightly in June but demonstrated persistent strength. The Commerce Department said Tuesday that consumer spending rose 0.3 percent in June, in line with economists' forecasts. Personal income was up 0.4 percent, also in line with expectations. The personal consumption expenditures price index, the Federal Reserve's preferred measure of inflation, was up 0.1 percent for the month and 1.4 percent year-over-year. The core PCE price index, which eliminates volatile food and energy prices, was up 0.2 percent in June an 1.6 percent year-over-year.

Reuters (7/30, Mutikani) reports the results are "pointing to slower economic growth and benign inflation that could see the Federal Reserve cutting interest rates on Wednesday for the first time in a decade."

WSJournal Highlights Increase In Worker Wages.

In an editorial, the Wall Street Journal (7/30, Subscription Publication, 7.57M) highlights the increase in worker wages reported by the Bureau of Economic Analysis on Tuesday. Employee compensation was up five percent in 2018 after rising 4.5 percent a year earlier, which the Journal credits to a strong economy.

Bloomberg Analysis: Trump's Effort To Dismantle WTO Body Scores "Major Victory."

Under the headline "Trump's Bid To Dismantle Global Trading System Poised For A Win," Bloomberg (7/30, Donnan, Baschuk, 4.73M) reports that President Trump's "assault on the World Trade Organization – and the global system of rules that guide international businesses – may be quietly scoring a major victory. Thanks to a US veto on new appeals judges, the WTO's dispute arm is expected to start slipping into the institutional equivalent of a coma at the end of this year." The veto has "set off a scramble by the European Union, Canada and other countries to set up a temporary alternative allowing the use of arbitrators rather than three-judge panels to hear appeals." Bloomberg says "by creating that system, WTO members may be giving Trump and aides – who, like him, have deep-rooted skepticism of multilateral institutions

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– the very thing they want."

Apple Revenue Up Slightly In Q3 Despite iPhone Sales Drop.

The Wall Street Journal (7/30, A1, Mickle, Subscription Publication, 7.57M) reports Apple's revenue rose one percent in the second quarter despite weak iPhone sales. Profit was down for a third straight quarter, but Apple was able to offset a 12 percent drop in iPhone sales with revenue growth in iPads, Macs, and every other area of its business.

WSJournal Calls For Rational Exchange Rate Stability Structure.

In an editorial, the Wall Street Journal (7/30, Subscription Publication, 7.57M) criticizes central banks in the US, Europe, and Japan for racing to cut rates even if there is no rational reason to do so. The Journal calls for consideration of a formal system of exchange rate stability to remove the irrationality and chaos.

Study: Bulk Of Administration's Farm Aid Goes To Wealthy Farmers.

Reuters (7/30, Pamuk) reports that "more than half of the Trump administration's $8.4 billion in trade aid payments to US farmers through April was received by the top 10% of recipients, the country's biggest and most successful farmers, a study by an advocacy group showed on Tuesday." Highlighting what Reuters calls "an uneven distribution of the bailout, which was designed to help offset effects of the US-China trade war, the Environmental Working Group said the top 1% of aid recipients received an average of more than $180,000 while the bottom 80% were paid less than $5,000 in aid." The EWG said its findings are based on data obtained from the US Department of Agriculture through Freedom of Information Act.

Trump Says Administration Will Seek Trade Accord With Brazil.

Reuters (7/30, Alper, Ayres, Rochabrun) reports President Trump on Tuesday "said he will pursue a US trade agreement with Brazil, suggesting a friendly relationship with President Jair Bolsonaro could help lower trade barriers between the two biggest economies in the Americas." Speaking to reporters at the White House, Trump said, "We're going to work on a free trade agreement with Brazil." He did not provide further details, but Reuters notes the remarks come ahead of Commerce Secretary Ross' meeting Wednesday with Bolsonaro in Brasilia.

Trump, Mongolian President To Discuss Trade During Talks Today.

The Washington Times (7/30, Howell, 492K) reports President Trump will "look to bolster trade with Mongolia, a 'pearl between two oyster shells,' when the president of the Asian nation visits the White House on Wednesday." Senior Administration officials "said 90 percent of Mongolia's trade flows through its neighbor, China, yet the administration would like to help it diversify its options by bolstering the US partnership." Officials said Trump and Mongolian President Khaltmaagiin Battulga "may discuss a bipartisan bill from Rep. Ted Yoho of Florida and Sen. Ben Cardin of Maryland that would allow Mongolia to ship cashmere to the US, duty-free, so it is less reliant on China for trade."

France: Trump's Threats To Tax French Wine "Completely Moronic."

The Washington Post (7/30, McAuley, 14.2M) reports that after France imposed "special taxes on certain revenue that large US tech companies such as Google, Amazon, Facebook and Apple earn in France," President Trump "immediately threatened a trade war of sorts, by imposing retaliatory tariffs on French wines." Trump told reporters Friday, "They shouldn't have done this. I told them, I said, 'Don't do it because if you do it, I'm going to tax your wine.'" On Tuesday, French Agriculture Minister Didier Guillaume responded, saying, "It's absurd, in terms of having a political and economic debate, to say that 'if you tax the GAFAs, I'll tax wine.' It's completely moronic." The Post notes that "GAFA is the acronym used widely in Europe to denote Google, Amazon, Facebook and Apple."

Reuters (7/30, Duvignau, Rose), meanwhile, reports that "American lovers of fine French wine are likely to keep stocking their cellars and uncorking bottles despite...Trump's threat to impose a tax," but "makers of cheaper French vintages are concerned." Trump has "raised the prospect of tariffs in retaliation for a planned digital services tax by France," but "some experts say the fact that Americans mostly import prestige wines from Burgundy or Bordeaux which are less sensitive to higher price tags should cushion the blow."

JPMorgan Using AI To Improve Marketing To Potential Borrowers.

The Wall Street Journal (7/30, Ives, Subscription Publication, 7.57M) reports JPMorgan Chase is deploying AI to improve its marketing pitches to potential borrowers, signing a five-year deal with software firm Persado to help improve its marketing efforts. JPMorgan will first apply Persado to online display ads and direct-response emails and may expand its use to headlines on direct mail.

First Circuit Asks MA's Top Court To Weigh In On JPMorgan Foreclosure Suit.

Behind a paywall, Law360 (7/30, Subscription Publication, 8K) reports, "The First Circuit will ask Massachusetts' top court just how specific JPMorgan Chase Bank NA should have been in a foreclosure notice, hoping to settle an issue the banking industry has said could have

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widespread consequences if decided against Chase, according to an order made public Tuesday."

Judge Approves Investors' $10M Forex Deal With Citi, MUFG.

Behind a paywall, Law360 (7/30, Subscription Publication, 8K) reports, "A New York federal judge gave investors the go-ahead on Monday for their $10 million settlement with Citigroup and a smaller deal with MUFG Bank Ltd. that would resolve claims that the banks participated in a scheme to rig foreign exchange markets." US District Judge Lorna G. Schofield "was apparently satisfied with the investors' latest estimates for the size of the settlement class – which, according to court records, is currently pegged at 99,198 investors from eight states who indirectly purchased a forex instrument from Citigroup."

Shareholders Approve BB&T-SunTrust Merger.

American Banker (7/30, Davis, Peters, Subscription Publication, 31K) reports BB&T's $28.2 million deal to buy SunTrust Banks "was endorsed by investors on both sides but still requires the OK of federal regulators." In separate votes, BB&T's investors on Tuesday "approved the deal and a bylaw change that will allow the company to be renamed Truist," with about 98 percent backing the merger, and 96 percent of voting shares supporting the name change. At the SunTrust meeting, almost 99 percent voted in favor of the merger. During BB&T's meeting, CEO Kelly King said one of the biggest challenges facing Truist will be convincing customers that it can deliver state-of-the-art technology. The nation's four biggest banks "have spent billions of dollars telling people they have all the services they need...and that perception has become reality. We need the capacity to go toe-to-toe with those banks," he said.

Trump Hails American Democracy In Jamestown Speech.

Media coverage of the President's speech in Jamestown puts it in the context of his recent criticism of some minority Democratic lawmakers and of conditions in Rep. Elijah Cummings' Baltimore district, which some Democrats and media figures have sought to cast as motivated by racial animus. Along those lines, for example, Reuters (7/30, Holland) highlights the fact that "Trump, under fire in Washington for verbal attacks on racial minority lawmakers, condemned American slavery on Tuesday." The AP (7/30, Rankin) says, meanwhile, the speech "in historic Jamestown played out against a backdrop of tension over his recent disparaging remarks about minority members of Congress and was boycotted by black Virginia state legislators." Yesterday, Trump "noted that 1619...was the year the first enslaved Africans arrived in the colonies, saying, 'We remember every sacred soul who suffered the horrors of slavery and the anguish of bondage.'" To the CBS Evening News (7/30, story 7, 1:10, Barnett, 4.01M), "the President's tone changed" at the ceremony in Jamestown "marking 400 years since the first legislative assembly in America and the arrival of the first enslaved Africans." Trump was shown saying, "African Americans have built, strengthened, inspired, uplifted, protected, defended, and sustained our nation."

At any rate, WTKR-TV Norfolk, VA (7/30, 5:03 p.m. EDT, 20K) reported, Trump was "met with a standing ovation." The President was shown saying, "In America the people will forever rule. The people will forever rule. The people will forever reign. And the people will be forever sovereign." The President later wrote, "Great reception in Jamestown by both REPUBLICANS & DEMOCRATS. Respect for our Country's incredible Heritage. Thank you!" Trump had tweeted ahead of the event, "Heading to Jamestown, Virginia. Word is the Democrats will make it as uncomfortable as possible, but that's ok because today is not about them!"

The Richmond (VA) Times-Dispatch (7/30, Leonor, Martz, 277K) similarly reports the speech came "amid boycotts and protests from some of Virginia's elected leaders," and that in his remarks Trump "marked the birth of American democracy, pronouncing that 'in America we are not ruled from afar, we govern ourselves, and so help us God, we always will.'"

WSET-TV Lynchburg, VA (7/30, 5:02 p.m. EDT, 18K) also reported that Trump's appearance "prompted black state lawmakers to boycott the event, citing his recent comments about minority leaders," and ABC World News Tonight (7/30, story 7, 0:40, Phillips, 6.47M) noted that they said in a statement, "It is impossible to ignore the emblem of hate and disdain that the President represents."

To the New York Times (7/30, Baker, Rogers, 18.61M), "the lawmakers' protest came as Mr. Trump has employed racist tropes in a caustic war of words with critics," while to the Washington Post (7/30, Schneider, Ruane, Vozzella, 14.2M) the President's appearance at the "historic site...turned into a test for elected leaders who consider the president a racist." Otherwise, "Trump's remarks stuck largely to a recitation of the history of Jamestown and praise for the English settlers who held the first meeting of representative democracy there in 1619." NPR (7/30, Naylor, 3.12M) pointed out "Trump's advisers reject the idea that his words are racially motivated and argue he is merely hitting back at his critics." Trump campaign adviser Katrina Pierson told NPR this week, "Honestly, you would have to be brand new to be shocked that President Trump would defend himself."

The CBS Evening News (7/30, story 7, 1:10, Barnett, 4.01M) reported Trump's "speech interrupted by a protester," Ibraheem Samirah, "a Democratic delegate to the state's legislature." ABC World News Tonight (7/30, story 7, 0:40, Phillips, 6.47M) also pointed out "there was...one state lawmaker of color who did show up and he took the opportunity to protest, shouting, 'Mr. President, you cannot send us back, Virginia is our home,' a reference, you'll remember, to the racist chant that broke out at the President's most recent rally in Greenville, North Carolina."

WTKR-TV Norfolk, VA (7/30, 5:03 p.m. EDT, 20K) also reported Trump "faced a brief interruption when...Samirah began shouting in the middle of the speech," but "the crowd chanted for the President as the delegate was escorted out." Likewise, USA Today (7/30, Jackson, 10.31M) points out that "the president – who has been assailed by Democrats in recent weeks for racist tweets – did not react to the

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demonstration, while members of the crowd chanted 'Trump! Trump! Trump!'"

Trump said in an interview with C-SPAN ` . (7/30, 56K), "Today I was in Jamestown. I made a speech that was said to be a very good speech. ... There was one protester who stood up. ... He held up a sign and he said whatever he said, something. He got more publicity than the speech got. ... Now, I don't need publicity, at all, but I just thought it was so terrible, and it was on Fox with John Roberts. He talked about the protester for almost an entire segment of that. And I said isn't that a shame. One guy stands up, not an impressive person, he stood up and he got all of this – he took the whole thing away. One person."

Trump was apparently referring to a segment on Fox News' Outnumbered Overtime during which Roberts said, "It was unclear whether it was tied to his spat with Elijah Cummings or the feud he recently had with the four congresswomen known as the squad, his immigration policies, or all of it wrapped up together, as the President was delivering his speech commemorating the 400th anniversary of the legislative assembly, there in the Jamestown settlement, he was interrupted by a protester. The protester happened to be Democratic Virginia state Delegate Ibraheem Samirah."

Trump 2020 campaign senior adviser Lara Trump said on Fox News The Story (7/30), "That gentleman had a right to protest but it's a shame that more people can't celebrate what the President did here today."

Samirah took to Twitter to write, "I just disrupted the @realDonaldTrump speech in Jamestown because nobody's racism and bigotry should be excused for the sake of being polite. The man is unfit for office and unfit to partake in a celebration of democracy, representation, and our nation's history of immigrants."

The Newport News (VA) Daily Press (7/30, Albiges, Subscription Publication, 176K) reports GOP state Sen. Bill Carrico "at one point interrupted Samirah's interview with reporters" after Trump's speech "to tell him he should've stayed home if he wasn't happy with Trump's attendance." Carrico said, "You are an embarrassment to this state and you should go home." He added that "reporters are 'feeding into this crap.'"

The Loudoun (VA) Times-Mirror (7/30, Cline, 95K) reports "Republican Party of Virginia Chairman Jack Wilson said Samirah's actions are a disgrace to Virginia." Said Wilson, "Delegate Samirah's outburst was nothing more than childish frustration over Hillary Clinton's loss. ... If the Democrats wanted someone to protest this historic, bipartisan event, maybe they should not have picked an anti-Semite. Ibraheem Samirah is a disgrace to Virginia and should resign."

The Washington Free Beacon (7/30, Rowan, 78K) reports "Speaker of the Virginia House Delegates Kirk Cox also released a statement, saying that Samirah's protest was 'not only inconsistent with common decency, it was also a violation of the rules of the House.'" Tweeted Cox, "I am disappointed by Delegate Ibraheem Samirah's disrespectful outburst during the President's remarks. It was not only inconsistent with common decency, it was also a violation of the rules of the House."

Josh Kraushaar of The National Journal said on Fox News' Special Report (7/30, 1.53M) that "when Trump plays to his base, when Trump tweets impulsively, you have Democrats reacting in a very extreme manner as we saw in Jamestown."

Washingtonian Magazine (7/30, Beaujon, 278K) says "Samirah represents the 86th District, which includes parts of Loudoun and Fairfax, including Herndon and parts of Chantilly." He is "a dentist" who "defeated Republican Gregg Nelson in February to take the seat vacated by Jennifer Boysko, who won Jennifer Wexton's old state Senate seat after she was elected to Congress."

Lawmaker Who Heckled Trump Had To Apologize For Anti-Israel Posts, Has Ties To Anti-Semitic Groups. While most mainstream media reports cast Samirah's protest as a legitimate reaction to Trump's rhetoric, a number of outlets (mainly conservative ones) point out that Samirah has been accused of holding anti-Israel and ties to anti-Semitic organizations. The Loudoun (VA) Times-Mirror (7/30, Cline, 95K) reports that "in February, Samirah apologized for making anti-Semitic remarks on social media five years ago." The Times-Mirror adds that "in a pair of now deleted Facebook posts, the first-generation American and second-generation Palestinian said that sending money to Israel is worse than sending money to the Ku Klux Klan and that former Israeli prime minister Ariel Sharon would burn in hell after Sharon died."

On its website, Fox News (7/30, Singman, 27.59M) recalled that "the Washington Post, in February, reported on a series of Samirah's social media posts from 2014 that have since been deleted," and that the Virginia Democrat "also is reportedly connected to multiple anti-Semitic organizations." The Washington Free Beacon (7/30, Rowan, 78K) reports that its own "investigation found in early 2019 that Samirah has connections to many anti-Semitic organizations and that his father is a organizer for the terrorist group Hamas." Samirah "spoke at a Hamas-related conference in 2018 and is a fervent supporter of the Boycott, Divestment, and Sanctions movement against Israel." Samirah "has said that he takes his inspiration from his father, whom Al Jazeera described in 2011 as a 'leading member of the Muslim Brotherhood in Jordan.'" Samirah "posted on Facebook in 2018 that he is 'inspired by my father' to 'dedicate my life to the liberation of Palestine.'" The Free Beacon adds "Samirah volunteered on Rep. Rashida's Tlaib's (D., Mich.) national campaign in 2018."

The Washington Times (7/30, Boyer, 492K) reports Samirah "was born in the US but calls himself a 'second-generation Palestinian refugee,'" and the Newport News (VA) Daily Press (7/30, Albiges, Subscription Publication, 176K) that he told reporters later yesterday that "his Jordanian father was barred from legally entering the country because of his Muslim religion."

WSJournal Praises Trump's Rhetoric On Race During Yesterday's Speech. In an editorial, the Wall Street Journal (7/30, Subscription Publication, 7.57M) hails Trump's comments about slavery and African-Americans during his remarks yesterday. In particular, the Journal praises Trump for combining an acknowledgment of past injustices with a restatement of America's promise and its ability change for the better throughout its history.

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Somali Refugees Arrested In Arizona After Attempting To Join ISIS.

President Trump tweeted yesterday, "Somali refugees arrested in Tucson on way to Egypt. They were in touch with an agent posing as a terrorist. One of them stated, 'The best wake up call is Islamic State to get victory or another 9/11.' Get smart people!" The Arizona Daily Star (7/30, Davis, 243K) similarly recounts that "Ahmed Mahad Mohamed, 21, and Abdi Yemani Hussein, 20, had been communicating with an undercover FBI agent who they believed was a supporter of Islamic State ideology, federal court records show." CNN (7/30, Klein, 83.16M) said that "during conversations with the undercover agent via an encrypted social media platform, Mohamed made a series of statements, including the quote Trump tweeted." Moreover, "during an in-person meeting with Mohamed and the agent in Tucson, Hussein allegedly said he wanted to blow up the White House, according to court papers." The Washington Times (7/29, Dinan, 492K) reports Mohamed also "said he wanted to be the 'beheading guy.'"

The Arizona Daily Star (7/30, Casanova, 243K) reports "Mohamed and Hussein both came to the US as refugees from Somalia," and the Arizona Republic (7/29, Burkitt, 869K) that "the pair bought tickets for a July 26 flight from Tucson connecting to Cairo," and "were arrested by an FBI agent after checking in at the airport and passing through security." The Washington Examiner (7/29, Halaschak, 448K), among other news outlets, also reports the story.

Trump: Administration Making "Tremendous Progress" On Southern Border.

President Trump tweeted yesterday, "Despite the Democrats wanting very unsafe Open Borders & refusing to change the Loopholes & Asylum, tremendous progress is being made the Southern Border. We all waited because we assumed the Dems would ultimately be forced to change the horrible Immigration Laws. They didn't!"

Cuccinelli Praises Progress With Guatemala On "Safe Third Country" Deal.

Asked on Fox News' Fox & Friends (7/30, 831K) about efforts to secure a "safe third country" deal with Guatemala, Acting USCIS Director Cuccinelli said, "We have a couple of boxes to check ourselves before this gets fully implemented, but this is a tremendous international relations breakthrough and it will be a game-changer once we are able to fully implement it, much like the 'Remain in Mexico' policy has been a tremendous help since we've been implementing it." Asked whether Guatemala is a safe country, Cuccinelli said, "To use just some statistics that I've referenced recently, the murder rate in Baltimore is higher than it is in Guatemala."

A Washington Post (7/30, 14.2M) editorial says the "safe third country" agreement struck with Guatemala shows the "Administration's contempt for Central Americans fleeing violence, hardship and persecution." The Post argues that the "probable result of the administration's policy, if it goes into effect, will be to transform legal asylum seekers into undocumented immigrants. They are unlikely to seek refuge in Guatemala," and "instead, many will likely cross illegally into the United States and live in the shadows."

ACLU Asks 9th Circuit Court To Speed Border Wall Decision.

The Washington Times (7/30, Dinan, 492K) reports that "border wall opponents" led by the ACLU "asked a federal appeals court Tuesday to speed up the case involving their challenge to President Trump's plans, saying the longer the judges wait, the more wall he'll be able to build." The ACLU was joined by the Sierra Club and the states of California and New Mexico, "who all sued to halt the president's emergency border wall declaration issued earlier this year." The groups "asked for the usual time for filing briefs to be cut by a month, and for the court to hear oral argument on the case in October."

ACLU: Administration Exploited Loophole To Separate More Than 900 Children From Their Families.

The CBS Evening News (7/30, story 5, 0:40, O'Donnell, 4.13M) reported, "The American Civil Liberties Union told a federal judge the Trump Administration has taken nearly 1,000 migrant children from their parents at the Southern Border since the government was ordered to stop the practice more than a year ago." The New York Times (7/30, A1, Jordan, 18.61M) reports that "more than 900 children have been removed from an adult — usually a parent — with whom they arrived at the southern border since June of 2018, according to tallies provided by the Department of Justice to the American Civil Liberties Union, which is challenging the separations." The data "were filed with Judge Dana M. Sabraw in San Diego as part of the court's continuing supervision of the family separation issue." In its motion on Tuesday, the ACLU "asked the judge to clarify a set of standards for such separations that would ensure that children are taken from their parents only when there is evidence that the parent is a genuine danger to the child, or is unfit to provide care."

The Washington Post (7/30, Sacchetti, 14.2M) reports that in an interview, ACLU lawyer Lee Gelernt said, "They're taking what was supposed to be a narrow exception for cases where the parent was genuinely a danger to the child and using it as a loophole to continue family separation."

WPost Analysis: Military Kicking Out Foreign Recruits For Having Foreign Ties.

The Washington Post (7/30, Horton, 14.2M) reports that "in the past month, the Pentagon booted two Chinese recruits from the enlistment process because of their dead grandfathers." Screening documents obtained by The Washington Post detailing reasons that these and other foreign recruits were removed from the military reveal a pattern of canceled enlistments and failed screenings for fact-of-life events and,

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often, simply for existing as foreigners." According to the Post, "immigrant enlistees have been cut loose for being the children of foreign parents or for having family ties to their native government or military," and "in some cases, they have relatives who served in militaries closely allied with the United States." To the Post, "those removals raise questions about the Pentagon's screening process and why it has weeded out precisely the recruits defense officials said they needed."

DACA Recipient Deported After Transporting Undocumented Immigrants In High-Speed Chase.

The Washington Examiner (7/30, Halaschak, 448K) reports Jose Yepez-Vega, a 22-year-old Mexican national and DACA recipient, was "ordered to be deported after a high-speed chase with three undocumented immigrants in his car." Yepez-Vega "was arrested in July 2018 near Laredo, Texas" after law enforcement saw his vehicle "attempt to avoid a checkpoint and began to pursue him, but he didn't pull over and instead fled for more than 50 miles with officers from multiple jurisdictions in pursuit." After Yepez-Vega "lost control of his vehicle and was apprehended," three "undocumented immigrants were discovered in the car and admitted to paying between $4,000 and $6,000 to be smuggled into the country."

Reichlin-Melnick: Study Finds Asylum Seekers Show Up For Court Hearings.

Aaron Reichlin-Melnick, a policy analyst at the American Immigration Council, writes in the Wall Street Journal (7/30, Subscription Publication, 7.57M) that Administration officials argue against releasing adult asylum seekers from detention on the ground that they are unlikely to show up in court, but a new report from the American Immigration Council finds that of families released from detention from 2001-2016, 86% attended every scheduled court hearing.

Trump: Ratcliffe Will "Rein In" Intelligence Agencies.

Axios (7/30, Rummler, 521K) reports President Trump said Tuesday that he believes the US intelligence community has "run amok," and that Rep. John Ratcliffe (R-TX), his nominee to replace Dan Coats as Director of National Intelligence, would "rein it in."

The Washington Examiner (7/30, Ferrechio, 448K), meanwhile, reports that Senate Majority Leader McConnell said Tuesday "he hasn't met...Ratcliffe...and isn't ready to pledge his support." Said McConnell, "I'd rather not address that until I've had a chance to meet him to discuss his background and qualifications." He added, "Generally speaking, I would lean toward the president's nominees." The Examiner writes that Ratcliffe will "likely have to rely on mostly Republicans to back him and they aren't lining up behind him yet." Senate Intelligence Committee Chairman Richard Burr, for example, "promised to move the nomination 'swiftly' but was silent about whether he backs Ratcliffe."

The CBS Evening News (7/30, story 10, 1:56, O'Donnell, 4.13M) similarly reported Ratcliffe "drew more fire today from Democrats questioning his qualifications," and "some Senate Republicans are also undecided." Sen. Ron Wyden (D-OR): "He's the wrong man for this job." Sen. Mark Werner (D-VA): "It appears the President is more interested in getting a loyalist than someone who will speak truth to power." CBS (Cordes) added, "Many Senate Republicans were noncommittal today." CBS called McConnell's remarks "a surprisingly lukewarm response from the Senate leader, especially when talking about a fellow Republican lawmaker."

Sen. Tim Scott (R-SC), however, insisted on Fox News' Special Report (7/30, 1.53M) that Ratcliffe's nomination "is not in jeopardy. John Ratcliffe is an incredibly complicated situation, which means that the Democrats hate him just because he's a Republican. The part that is simple and not complicated is the fact that he is a qualified, competent person who has spent his life in public surfaced from a US Attorney, Congress member and someone who has worked on issues in the area of national intelligence for a number of years."

The New York Times (7/30, Barnes, Fandos, 18.61M), meanwhile, reports that aides to Ratcliffe "were forced on Tuesday to clarify his claims that he had won terrorism convictions as a federal prosecutor, as his background came under new scrutiny." The Times notes that Ratcliffe "said on his House website and in campaign material that he had tried suspects accused of funneling money" to Hamas. But "instead, an aide said, Mr. Ratcliffe had investigated side issues related to an initial mistrial, and did not prosecute the case either in that proceeding or in a successful second trial." The Times says "Ratcliffe's statements about his role in the Hamas case seems to be the clearest instance of an overstated résumé, but there are other examples relevant to his stated credentials to oversee the intelligence community." The Times goes to detail several other examples.

The New York Times (7/30, 18.61M) editorializes that "one reason [outgoing DNI] Coats's tenure was so uncomfortable was that, unlike many Trump appointees, he was more likely to say what he believed to be true than what the president wanted to hear." The Times argues that "one of the most important lessons from America's response to the attacks of 9/11 that led to the creation of this post was that intelligence agencies need to work freely and honestly, and not be swayed by political considerations and the need to placate a president. An administration that sought and got the message it wanted from the intelligence apparatus is what helped lead to the invasion of Iraq and the disasters that followed." The Senate, it argues, "needs to be sure we don't go down that road again."

Ratcliffe Vows To Expose Origins Of FBI's Trump-Russia Probe. The Washington Times (7/30, Scarborough, 492K) reports Ratcliffe "promises as the nation's top spy to accelerate President Trump's effort to find out how the FBI began investigating him." The Times says that hours before the announcement of DNI Coats' resignation on Sunday, Ratcliffe told Fox News' Maria Bartiromo, "It does appear that there were crimes committed during the Obama administration."

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WPost Analysis: Key To Haspel's Success Has Been "Keeping A Low Profile."

A Washington Post (7/30, Harris, 14.2M) analysis says "absorbing the fulminations of a president who derided US intelligence agencies even before he took office is not the position" CIA Director Haspel "envisioned for herself, said people who have known her for years. But so far, she is succeeding. The key to her success? Keeping a low profile." According to officials, the President receives "semi-regular" briefings from the intelligence community where "Haspel is careful not to contradict the president or argue with him about his opinions." The Post says that "unlike her predecessor, now-Secretary of State Mike Pompeo, Haspel spends much of her time at CIA headquarters in Langley, Va., running the agency day-to-day and representing it at the White House rather than cultivating a personal relationship with Trump." That approach, adds the Post, "has won her points with career staffers who were relieved that Trump picked one of their own, and not another politician, when Pompeo departed" the agency.

Hyten Denies Charges Before Armed Services Committee, Wins Backing From McSally.

The AP (7/30, Baldor) reports Air Force Gen. John Hyten told the Senate Armed Services Committee considering his nomination "to be the nation's number two military officer" that, regarding "allegations of sexual misconduct," "Nothing happened, ever." Hyten "said the allegations were shown to be false after a 'fair and extensive investigation.'" The AP adds the Air Force Office of Special Investigations "reviewed the matter and found insufficient evidence to charge Hyten or recommend any administrative punishment." Sen. Martha McSally (R-AZ) "said she has 'full confidence' in Hyten and believes he is innocent." Reuters (7/30, Stewart, Ali) reports Chairman Jim Inhofe (R-OK) "signaled that the allegations would not sink Hyten's nomination."

NBC Nightly News (7/30, story 5, 2:02, Hunt, 5.46M) reported that "at this point, Hyten seems on track to be confirmed this fall," ABC World News Tonight (7/30, story 10, 1:56, Ramos, 6.31M) that the Senate Armed Forces Committee is expected to approve the nomination today, and the CBS Evening News (7/30, story 4, 2:27, Martin, 4.01M) that "the chairman of the committee says he has the votes to send Hyten's name to the full Senate for confirmation, but any senator who does not like the way this case was handled can still put a hold on the nomination."

USA Today (7/30, Brook, 10.31M) quotes Hyten as saying, "There was a very extensive, thorough investigation which revealed the truth. Nothing happened. Ever." The Washington Post (7/30, Demirjian, 14.2M) also reports that McSally "who earlier this year detailed her experience with sexual assault," defended Hyten "against charges that he sexually assaulted an Army colonel under his command." The Washington Times (7/30, Meier, 492K) reports McSally said Hyten "has been falsely accused of sexual misconduct." She said, "The truth is that General Hyten is innocent of these charges. Sexual assault happens in the military. It just didn't happen in this case."

The Washington Post (7/30, Demirjian, 14.2M) reports "the two rape survivors who sit on the Senate Armed Services Committee split sharply Tuesday over" the nominee, with McSally backing him and Sen. Joni Ernst (R-IA) saying "the facts of the investigation 'left me with concerns regarding your judgment, leadership and fitness to serve as the next vice chairman of the Joint Chiefs of Staff.'" The Post adds "McSally and Ernst went public earlier this year with their personal stories of sexual assault: McSally was raped by a superior officer when she was in the Air Force, and Ernst, who is also a veteran, was raped in college."

The Washington Times (7/30, Meier, 492K) reports, meanwhile, "former Air Force Secretary Heather Wilson stood up for her former colleague" Gen. Hyten. The New York Times (7/30, Cooper, 18.61M) and Politico (7/30, O'Brien, Levine, 4.29M), among other news outlets, also report on the hearing.

Democratic Presidential Candidates United In Support For Increased Corporate Tax Rate.

The Washington Times (7/30, Sherfinski, 492K) reports, "A consensus is emerging among the 2020 Democratic presidential field that the 2017 cut to the U.S. corporate tax rate needs to be repealed." The candidates differ on how much to raise the rate, currently 21 percent, but "the sense among the White House contenders is that the engine of capitalism must pay more so that the government can do more."

More Than 500K Children Would Lose Free School Meals Under Proposed SNAP Changes.

The New York Times (7/30, Fadulu, 18.61M) reports, "More than 500,000 children would lose automatic eligibility for free school meals under a rule proposed last week by the Agriculture Department intended to tighten access" to Supplemental Nutrition Assistance Program benefits. House Education and Labor Chairman Bobby Scott said the impact on school meals "was not disclosed when the proposed food stamp rule was published last week."

Study Finds Green New Deal Would Cost $70,000 Per Household In Five States.

The Washington Times (7/30, Richardson, 492K) reports that according to a study released Tuesday by Power for the Future and the Competitive Enterprise Institute, Rep. Alexandria Ocasio-Cortez's (D-NY) Green New Deal "would cost more than $70,000 per household in five states for higher costs for energy, housing, transportation and shipping" in its first year. The five states are Alaska, Florida, New Hampshire, New Mexico, and Pennsylvania. The study also stated, "The estimates are low-end approximations, given the unprecedented scope of the proposal."

Griswold: Mainstream Media Ignoring Omar's Retweet Mocking Attack On Paul.

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Alex Griswold writes in the Washington Free Beacon (7/30, 78K) that while he expected "muted mainstream media coverage" of Rep. Ilhan

Omar's (D-MN) retweet of actor Tom Arnold's tweet mocking the attack on Sen. Rand Paul (R-KY), he did not expect "almost literally zero coverage." But, "outside of explicitly conservative and libertarian outlets," and a "brief aside" in a Washington Post story, "the Omar retweet was covered by Mediaite (which features both conservative and liberal writers), Newsweek (formerly a mainstream media outlet, now more of a bankrupt clickbait factory), and as I was writing this piece, by Paul's hometown paper, the Louisville Courier Journal. That's it." Griswold argues the mainstream media believes "that one member of Congress laughing it up about another being assaulted and hospitalized is neither newsworthy nor controversial!"

Planned Parenthood Files Suit Over Missouri Abortion Ban.

The CBS Evening News (7/30, story 13, 0:35, O'Donnell, 4.13M) reported, "Planned Parenthood is filing suit against Missouri's new antiabortion law set to go into effect next month. It bans abortions after eight weeks of pregnancy with no exceptions for rape, incest, or human trafficking." Planned Parenthood Acting President Alexis McGill-Johnson "told CBS News reporter Kate Smith the lawsuit will put every so-called 'heartbeat ban' in five other states into the hands of the court."

Trump Expresses Frustration, Anger Over School Shootings.

President Trump was asked in an interview with C-SPAN (7/30, 56K) what was his most difficult moment as President so far. Trump said, "Well, we've had a lot. When you have – a school shooting is tremendously – it angers me, actually. It really angers me. It frustrates everybody. You say, 'How could a thing like this happen? How is it possible?' When you see innocent children being killed, teachers, that is something you just never can really get over."

Investigators Eyeing Weapon, Social Media Postings In California Shooting.

ABC World News Tonight (7/30, story 5, 1:40, Muir, 6.47M) reported, "We are learning more about the victims and the survivors of that mass shooting at a food festival in California." ABC's Will Carr: "Investigators are scouring this massive crime scene, trying to figure out why Santino William Legan opened fire on a packed food festival. Authorities now zeroing in on the murder weapon. They say the suspect legally bought the AK-47-style rifle in Nevada on July 9, the gun store posting on Facebook the suspect 'was acting happy and showed no reasons for concern.'" The CBS Evening News (7/30, story 8, 0:25, O'Donnell, 4.13M) reported, "Police and the FBI are investigating whether the gunman in Sunday's mass shooting in Gilroy, California harbored toward specific ethnic groups. They're going through his cell phone and scouring social media for his postings."

Employee Kills Two Coworkers At Mississippi Walmart.

ABC World News Tonight (7/30, lead story, 2:05, Muir, 6.31M) opened its Tuesday evening newscast by reporting on "another deadly workplace shooting. This time at a Walmart, an employee opening fire on coworkers and on an officer" in South Haven, Mississippi. The gunman "was shot; he did survive. He's now under arrest; two coworkers are dead." NBC Nightly News (7/30, lead story, 1:30, 5.48M) also opened with the story, with Lester Holt saying, "Another American workplace has been shattered by violence."

The CBS Evening News (7/30, story 2, 0:45, O'Donnell, 4.13M) reported, "The police say 39-year-old Martez Abram apparently began setting a fire inside the store, sparking chaos. ... Police responded within three minutes, shooting and wounding Abram, but not before he shot one of the officers."

Disaster Investor Sector Growing As Annual Damage Rates Increase.

The Wall Street Journal (7/30, Putzier, Subscription Publication, 7.57M) profiles disaster investors – real estate speculators who move in after hurricanes, tornadoes, wildfires, and other natural disasters to buy up properties and ruined homes at low prices. With annual damages from disasters regularly topping $1 billion, the sector is growing, particularly in California and Florida.

Trump Says African Americans Appreciate His Criticism Of Cummings, Baltimore.

President Trump on Tuesday continued his criticism of House Oversight Chairman Cummings (D-MD) and the conditions in his district. Errol Barnett said on the CBS Evening News (7/30, story 6, 1:06, O'Donnell, 4.01M) that Trump "denied his attacks on Congressman Elijah Cummings have anything to do with race, even as he continued to assault the majority-black district Cummings represents." Trump "also said he's heard from black Americans who are grateful for his comments." Chief White House correspondent John Roberts said on Fox News' Special Report (7/30, 1.53M) that the President "insisted" that "the White House is receiving accolades from people thankful that the President finally shined a spotlight on the problems in Baltimore."

The AP (7/30, Colvin) reports Trump "is claiming a groundswell of African American support in response" to his criticism of Cummings and his district, "despite polling showing consistently negative numbers." In comments to reporters at the White House Tuesday, Trump "claimed the building had been flooded with thousands of letters, emails and phone calls thanking him for 'getting involved' and exposing corruption." Trump said, "They really appreciate what I'm doing, and they've let me know it." The AP adds that the White House "did not immediately provide any evidence backing up Trump's claims." Geoff Bennett said on NBC Nightly News (7/30, story 3, 1:51, Holt, 5.48M) that despite Trump's claim that people in Baltimore are thanking him for getting involved, "We didn't hear much gratitude." Bennett added,

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"Tonight, we kept hearing the same offer, that the President should come and see the city for himself." ABC World News Tonight (7/30, story 6, 0:34, Muir, 6.47M) reported briefly on Trump's comments.

The Washington Post (7/30, Elfrink, Wagner, 14.2M) reports Trump "lashed out anew" at Cummings, and the city of Baltimore, which he described as "corrupt." Trump said, "Those people are living in hell in Baltimore," and blamed Cummings for the city's problems. The Washington Times (7/30, Boyer, 492K) reports that Trump "criticized again what he said was rampant corruption in the city," saying "all that money that has been spent over 20 years has been stolen and wasted by people like Elijah Cummings." Trump said, "Baltimore has been very badly mishandled for many years," and claimed that Cummings had an "iron" grip on his district. The Wall Street Journal (7/30, Salama, Subscription Publication, 7.57M) says Trump called on the House Oversight Committee, which Cummings chairs, to investigate Baltimore's government.

The Hill (7/30, Samuels, 2.98M) reports Trump "said his ongoing barrage of attacks" on Cummings and Baltimore are not part of a political strategy. Trump told reporters, "There's no strategy. I have no strategy. There's zero strategy. ... All it is is I'm pointing out facts. ... The most unsafe city in our country is Baltimore." USA Today (7/30, Jackson, 10.31M) says Trump told reporters, "I am the least racist person there is anywhere in the world." Asked in an interview with C-SPAN (7/30, 56K) about Cummings calling him a racist, Trump said, "I think the word has really gone down a long way because everybody is called a racist now. ... The word is overused. It's such a disgrace. I can tell you, I'm the least racist person in the world as far as I am concerned. They use it almost when they run out of things to criticize you, they say, 'He is a racist, he is a racist.' ... With me, they have a hard time getting away with it and they don't get away with it."

The Washington Post (7/30, Kranish, Sonmez, 14.2M) reports that Trump said in an interview, "Baltimore happens to be about the worst case. ... If you look at it statistically, it's like, the number of shootings, the number of crimes, the number of everything – this morning I heard a statistic, Baltimore is worse than Honduras, okay?" Trump also "blam[ed] Cummings for what he described, without evidence, as 'billions' of dollars in wasted federal aid aimed at revitalizing Baltimore," which "could have built 20 brand-new cities." Trump said, "The money that's been spent, the billions and billions and billions of dollars. ... And as you know, Congressman Cummings, he has been the leader, the one that tried to get a lot of this money. He is one of the reasons the money was sent there. ... Baltimore is a mess, and I want to help the people."

HUD Secretary Carson said on Fox News' Hannity, "The only thing the President is guilty of is not being politically correct and bringing attention to things that are supposed to be swept under the rug." The Daily Caller (7/30, Rodgers, 716K) reports Carson will visit Baltimore Wednesday "to spread awareness about the city which President Donald Trump described as a 'rodent infested mess,' the Daily Caller has learned."

Trump 2020 campaign senior adviser Lara Trump said on Fox News The Story (7/30), "What you hear here is nothing different than you always hear about the President. It's always a call of racism, and my problem with this, and I think so many people's problem with continually using racism when we know that that is not true, when it is just a talking point for the left and so much of the mainstream media, is that when it actually is true, when there is real racism, people aren't going to pay attention to it anymore because people are so sick of hearing this narrative." Trump added, "I would give credit to the President for finally putting some light on a city that obviously has been left behind by its leaders."

Marc Thiessen writes in the Washington Post (7/30, 14.2M) that while Trump "was wrong to personally attack" Cummings, he was "absolutely right when he called Baltimore 'dangerous,' 'filthy' and 'rodent infested' – that is, if you can believe what you read in the 'failing New York Times.'" Thiessen cites a "heart-rending" story from the Times Sunday magazine entitled "The Tragedy of Baltimore," which "chronicled the precipitous decline of the city."

Scott Says Trump's Tweets Are Not Racially Motivated. Sen. Tim Scott (R-SC) said on Fox News' Special Report (7/30, 1.53M), "I don't think the back-and-forth is very productive for the average person in our country, there's no doubt. But I don't find his tweets to have been racially motivated. I think we should take the high road and spend more time talking about how to deal with the failed policies of the left, frankly. Major metropolitan areas throughout this country have one thing in common consistently: It is liberal leadership and poor outcomes, which means that the people who are mired in poverty aren't getting the help that they desperately need."

Daily Caller: Baltimore's Streets Are As Trump Described. The Daily Caller (7/30, Miller, 716K) says The Daily Caller News Foundation "went to Baltimore and surveyed the city to see if the president's description was correct and accurate." According to The DC, Baltimore "sure enough appeared just as Trump said: crumbling, dirty and downtrodden." Video of The DCNF's trip to Baltimore is posted on the site.

Trump Supporter Organizes Trash Cleanup In Baltimore. Townhall (7/30, Meads, 177K) reports that "MAGA fan Scott Presler" has "organized a massive trash clean up of the city set to take place in the near future." Presler told The Epoch Times, "I'm so tired of people saying, 'We should do this, we should do that'....I was just like, 'I've had, it. I'm going to go to Baltimore, even if it's just me on a street corner picking up trash.'" Presler "encouraged Trump supporters to wear Trump gear but told The Epoch Times that anybody can participate when the event takes place." He said, "I just want the citizens of Baltimore to see [that] we do care. We do give a darn. And at the end of the day, we're all American and if ya'll are struggling in Baltimore and you guys need help, then we're going to be there for you. ... I don't want this to be an anti-Rep. Cummings event. That's not what this is about. This is about helping our fellow American citizens." Presler "has not announced when the clean up will occur since he does not want any counteractivity to disturb the effort."

Baltimore Spending $66M In Federal Grants In FY2019. Breitbart (7/30, Caplan, Dulis, 673K) reports that while Baltimore Mayor Bernard "Jack" Young (D) said Monday that instead of criticizing Baltimore, the President should send federal assistance, his budget is already spending $66 million in federal grants this year alone." According to the Fiscal Year 2019 budget, Baltimore is spending "$66.3 million

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in federal grants," and its "federal fund operating appropriation is budgeted at $165.9 million."

Baltimore FOP President Criticizes Police Commissioner's Crime Plan. Townhall (7/30, O'Brien, 177K) reports the Baltimore City Fraternal Order of Police on Monday "publicized some somber statistics" concerning murders and violent crime in the city. While "Baltimore Police Commissioner Michael Harrison hoped to address this crisis with his recent crime plan," Baltimore City FOP President Mike Mancuso "said it will do little to help. First and foremost, they don't have the staff – they don't even have enough officers to respond to all 911 calls. That's not to mention their lack of other resources." Mancuso's statement "says he was left 'speechless' by Harrison's claim the city isn't all that bad." Mancuso wrote, "This leads us to Commissioner Harrison's recent public assertion that Baltimore is not a dangerous place; a comment which left me speechless. ... For him to try to alleviate the public's fear of being a victim of violent crime by stating that most suspects and victims know each other, is outright fantasy."

McDaniel: Democrats Should Focus On The People In Their Districts. The Washington Times (7/30, Vogt, 492K) reports RNC Chair Ronna McDaniel argued on CNN's New Day Tuesday that the President's tweets are intended to call attention to the fact that Democrats are more focused on the President than the problems in their own districts. McDaniel said, "I think the president is making a point to Democratic lawmakers, which is you represent districts that are in distress and you're more concerned about how to get free health care for people coming to this country illegally. ... You're more concerned about an investigation of Russia. Why aren't you focused on the people in your district who are concerned about education and health care? It's more singling out these Democrat congresspeople and saying 'why aren't you helping people in your districts instead of focusing on people outside of your districts?'"

Pavlich: Trump "Goaded" 2020 Democrats Into Defending "Race Baiter" Sharpton. Katie Pavlich writes on Townhall (7/30, 177K) that the President "has successfully goaded 2020 Democrat presidential candidates into defending one of the worst people in America." After Trump "[told] the truth about Baltimore's rat infestation problem over the weekend, race baiter and hoaxer Al Sharpton called President Trump a racist and pledged to visit the long forgotten, crime ridden city." When Trump responded, "Democrats promptly leaped to Sharpton's defense, ignoring his long and troubling history with Louis Farrakhan, the truth, race and the law."

AP: Suburban Women Put Off By Trump's "Racially Polarizing Insults." The AP (7/30, Levy, Bauer) reports that while Trump's "recent return to racial politics may be aimed at rallying his base of white working-class voters across rural America," "many professional, suburban women – a critical voting bloc in the 2020 election – recoil at the abrasive, divisive rhetoric, exposing the president to a potential wave of opposition in key battlegrounds across the country." The AP cites "more than three dozen interviews" with "women in critical suburbs" in which "nearly all expressed dismay – or worse – at Trump's racially polarizing insults and what was often described as unpresidential treatment of people." Even some who support the President's handling of the economy or immigration "acknowledged they were troubled or uncomfortable lining up behind the president." The AP says the interviews "are a warning light for the Republican president's reelection campaign."

Gallup Poll Finds Plurality Of Democrats Support Slavery Reparations. The Washington Times (7/29, Ernst, 492K) reports that Gallup polling released Monday shows that "a plurality of the Democratic Party – 49% – now say it's time for the government to issue cash payments to the descendants of slaves." Gallup reported, "While some Democratic presidential candidates have supported exploring reparations or other measures to address US racial disparities, Democrats themselves are divided on the matter of cash-based reparations. ... Currently, 49% of Democrats say the government should make such payments; 47% say it should not. Still, Democratic support is up from 25% in 2002, so there is momentum for reparations in the party."

Quinnipiac Poll: 51% Of Americans Think Trump Is A Racist. The Hill (7/30, Klar, 2.98M) reports a Quinnipiac University poll released Tuesday "found that 51 percent of American voters said 'yes' when asked if they thought Trump was racist, while 45 percent said 'no.'" The Hill adds that 80 percent of African Americans "said they consider Trump to be racist. Just 11 percent of African Americans said they do not think Trump is racist." The New York Times (7/30, Stevens, 18.61M) reports that "86 percent of Democratic voters classified Mr. Trump as racist while 91 percent of Republicans said he was not." Of those who said Trump is racist, 88 percent "disapprove of the job he is doing as president, while 94 percent of those who said he was not racist approve of his performance."

Fox News chief White House correspondent John Roberts said on Fox News' Special Report (7/30, 1.53M) that Trump "fumed" about the "finding that 80 percent of African-Americans believe he is racist. The President called the poll 'fakery' and insisted no President in recent decades has done more to improve the lives of African-Americans than he has." Yahoo! Finance (7/30, Knowles) says Trump "blamed the news media" for the poll. Trump told reporters, "The fake news doesn't report it properly, people like you. Fake news does not report it properly. ... If the news reported it properly of all of the things I've done for African-Americans, of all of the things like criminal justice reform, like opportunity zones, I think I'd do very well with the African-Americans." Trump made the same argument in an interview with C-SPAN (7/30, 56K). He said, "The press doesn't put what I have accomplished for African Americans out. ... The truth is, if I wasn't able to get out my own message, I would not be elected anything because the press is very unfair. If the press did treat me fairly, I would have tremendous support from the African American community."

Tlaib: Trump "Disgraces His Office" With Hate. Rep. Rashida Tlaib (D-MI) writes in the Washington Post (7/30, 14.2M), "President Trump has found new targets for his harmful distraction through unhinged tweets and speeches: me and some of my colleagues in the US House." Tlaib says Trump "disgraces his office with rhetoric rooted in hate," and "did it again this weekend when he trashed the city of Baltimore. While my colleagues and I work on ways to improve the lives of our constituents, he is focused on a hate agenda for our country." Tlaib writes, "I will always outwork the hate. My district and country depend on it."

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Judge Dismisses DNC Suit Against Trump Campaign, WikiLeaks.

Fox News (7/30, Re, 27.59M) reports on its website that "Judge John Koeltl, a Bill Clinton appointee sitting in the Southern District of New York," has "in frank terms...dismissed a lawsuit by the Democratic National Committee (DNC) against key members of the Trump campaign and WikiLeaks over hacked DNC documents." Koeltl said they "did not participate in any wrongdoing in obtaining the materials in the first place," and thus were not liable for disseminating the information. In court filings, the DNC claimed the Trump campaign's meetings "with persons connected to the Russian government during the time that the Russian GRU agents were stealing the DNC's information" showed they were conspiring with the Russians to "steal and disseminate the DNC's materials." Koeltl wrote in his opinion that the DNC's argument was "entirely divorced" from the facts. Reuters (7/30, Wolfe) reports that Koeltl "said holding WikiLeaks and the Trump campaign liable for dissemination of hacked emails would infringe on the First Amendment of the US Constitution." The AP (7/30, Neumeister) also reports on the decision.

President Trump reacted to the decision in a tweet Tuesday evening. Trump wrote, "Wow! A federal Judge in the Southern District of N.Y. completely dismissed a lawsuit brought by the Democratic National Committee against our historic 2016 campaign for President. The Judge said the DNC case was 'entirely divorced' from the facts, yet another total & complete vindication & exoneration from the Russian, WikiLeaks and every other form of HOAX perpetrated by the DNC, Radical Democrats and others. This is really big 'stuff' especially coming from a highly respected judge who was appointed by President Clinton. The Witch Hunt Ends!"

Trump attorney Jay Sekulow said on Fox News' Hannity (7/30, 535K) that "this is huge because this was basically the DNC's trial of the Russia hoax. ... What you have here is an attempt by the Democratic National Committee to litigate in federal court allegations of Russia collusion, Russia conspiracy, involving the Trump campaign. Not only is it rejected by the Department of Justice in the Mueller report, but it's now rejected by a federal court judge...appointed by President Clinton, who throws the case out and says, 'No evidence.' ... So this is a very, very significant win in federal court, a very significant win for the President. ... This was the death knell, this is the end point of this whole Russia hoax."

Trump: WPost Should Apologize To McConnell For Column Calling Him A "Russian Asset."

The Hill (7/30, Samuels, 2.98M) reports the President said Monday that the Washington Post should apologize to Senate Majority Leader McConnell for publishing an opinion piece titled, "Mitch McConnell is a Russian asset" that "criticized the senator's opposition to election security legislation." Trump, who said he did not read the piece, told reporters, "I think The Washington Post is a Russian asset by comparison. ... Mitch McConnell loves our country. He's done a great job. ... If they actually said that, that Mitch McConnell is an asset of Russia, they ought to be ashamed of themselves, and they ought to apologize." Trump added that McConnell "is a man that knows less about Russia and Russian influence than even Donald Trump, and I know nothing."

The New York Times (7/30, Hulse, 18.61M) says McConnell, who is "usually impervious to criticism," is "incensed with his new moniker, 'Moscow Mitch,' and even more miffed that he has been called a 'Russian asset' by critics who accuse him of single-handedly blocking stronger election security measures after Russia's interference in the 2016 election." The Times says the criticism of McConnell "for impeding a number of election proposals has taken hold – even back home in Kentucky, where the majority leader faces re-election next year."

WPost Analysis: McConnell Opposes Legislation About Hackers And Voting Systems To Please Trump. A Washington Post (7/30, Phillips, 14.2M) analysis reports that McConnell and other Republicans "are blocking bills aimed at blocking foreign hackers from states' voting systems." The Post adds that while "Republicans have policy objections to the legislation...it seems clear that politics is at the forefront of McConnell's decision-making. Specifically, the politics of pleasing Trump." McConnell, adds the Post, "said he won't move the legislation forward because the federal government is already working with states to address election interference."

Trump Says Media Coverage Of Him Is His Biggest Frustration.

President Trump was asked in an interview with C-SPAN (7/30, 56K) what his biggest frustration has been as President. Trump said, "I think the biggest frustration is the way the media covers me, the way media covers perhaps this agenda, and I'm disappointed by it. I'm very surprised by it. Generally, I think over my lifetime, I've gotten pretty good press, and here, no matter how big a victory, they really cover incorrectly. Hence the term 'fake news,' etc., etc. I would say that has been somewhat of a disappointment. I think after I won, I was covered I thought very poorly during the campaign. I thought after I won, they would be different, and actually, they have probably gotten worse. That would be somewhat of a disappointment to me."

Trump Reportedly Asking Those Around Him What Is Happening At Fox News. The Daily Beast (7/30, Suebsaeng, 1.39M) reports "those close to" Trump have recently "noticed him routinely asking media figures, longtime friends, and his political advisers a new, very leading question, often asked in the exact same way: 'What the hell is going on at Fox?'" According to "three people who have independently spoken to Trump about Fox News over the past four weeks, the president has repeatedly asked that question." He has also "grilled certain Fox employees, including his confidant Sean Hannity, on this topic, one of these sources noted." The President has been increasingly critical of Fox News coverage that he sees as less supportive of his Administration than in the past.

Trump Gloats Over Morning Joe's Falling Ratings.

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In a tweet Tuesday morning, President Trump blasted MSNBC's Morning Joe, saying the program's ratings have fallen. Trump wrote, "Wow!

Morning Joe & Psycho ratings have really crashed. Very small audience. People are tired of hearing Fake News delivered with an anger that is not to be believed. Sad, when the show was sane, they helped get me elected. Thanks! Was on all the time. Lost all of its juice! ....@foxandfriends"

Quinnipiac Poll Finds "Just 32%" Favor Impeachment.

The Washington Times (7/30, Dinan, 492K) reports that according to a Quinnipiac University National Poll of 1,306 voters conducted July 25-28, while "voters believe President Trump is racist and did obstruct the investigation into the 2016 election," they "still don't want to see Democrats begin impeachment proceedings against him." The poll found that "just 32%" favor impeachment, though "Democrats and black voters are in favor." Meanwhile, "just 31%" said that special counsel Robert Mueller "exonerated Mr. Trump." The Times adds that 51% of respondents said Trump is "racist," while 45% said he is not.

Democratic Leaders Face Increased Pressure On Impeachment. The Washington Post (7/30, Sonmez, 14.2M) reports there is "increasing pressure" on Democratic leaders "to respond to calls to impeach" the President, "as nearly a majority of House Democrats now support an impeachment inquiry." The Post says that "despite what many have described as a lackluster performance, Mueller's testimony appears to have provided the impetus for a number of fence-sitting Democrats to join in calling for the opening of an impeachment inquiry." The Post says the growing support for impeachment comes "as the first ad featuring clips from the testimony of former special counsel Robert S. Mueller III is being broadcast on televisions across the country." The group Need to Impeach, which is "run by billionaire activist Tom Steyer, said it is spending six figures on the ad."

Schumer Supports Pelosi's Stance On Impeachment. Senate Minority Leader Schumer said Tuesday that he supports House Speaker Pelosi's "decision to hold back on a formal impeachment inquiry against President Trump, despite growing support from members of his leadership team for impeachment proceedings," The Hill (7/30, Bolton, 2.98M) reports. Asked if he would change his position and back impeachment proceedings after one of his deputies, Sen. Patty Murray (D-WA), called for them, Schumer said, "I believe that Speaker Pelosi is handling this appropriately." The Hill says Schumer "has been careful not to undercut Pelosi's resistance to a formal impeachment inquiry, despite pressure from within his own caucus."

Trump Promotes Twitter Accounts Associated With QAnon.

The Washington Post (7/30, Romm, Itkowitz, 14.2M) reports President Trump on Tuesday "promoted two Twitter accounts that have shown support for the online conspiracy theory known as QAnon, amplifying the fringe accounts to his millions of followers." He "tagged one user in a tweet about election security and retweeted another blaming Democrats for voter fraud." Trump tweeted, "We should immediately pass Voter ID @Voteridplease to insure the safety and sanctity of our voting system. Also, Paper Ballots as backup (old fashioned but true!). Thank you!" The user @Voteridplease "has shared content related to QAnon." Trump "also retweeted another account that shared a large graphic that read, 'DEMOCRATS ARE THE TRUE ENEMIES OF AMERICA!' That user has also linked to QAnon material."

The Washington Times (7/30, Morton, 492K) reports that in an interview with C-SPAN [illegible], Trump "acknowledged some mistakes in his Twitter usage – other people's tweets." Asked "whether he regretted any of the 40,000-plus messages he had sent on the social-media site," Trump said, "Not much, honestly not much. ... A lot of the times the bigger problem is the retweets. ... You know, you retweet something that sounds good but it turns out to be from a player that's not the best player in the world. And that sort of causes a problem." Citing the two Twitter accounts tagged by Trump "that, upon investigation by reporters, turned out to have supported the QAnon conspiracy theory," the Times says, "Twitter later suspended those accounts."

Trump Expects "Sleepy Joe" Biden To Win Democratic Presidential Nomination.

The New York Post (7/30, Feis, 4.57M) reports President Trump predicted Tuesday that Joe Biden "will 'limp' out of a crowded Democratic field to square off against him in 2020." Trump told reporters, "I think he's off his game by a lot, but personally, I think it's going to be 'Sleepy Joe.'"

Trump Campaign Believes Democrats' Divisions, Extremes Will Boost Reelection Effort. Politico (7/30, Orr, 4.29M) reports Trump's campaign believes the divisions among Democratic contenders and the Democrats' leftward shift will help Trump win reelection. Trump's team believes "trumpeting" the most extreme moments from Democratic debates "will help win over a certain type of voter that could help carry him to a second term. It's the voter who might be wary of Trump, but is more alarmed by a Democratic Party they feel is drifting dangerously to the left."

Trump Calls For Bipartisan Cooperation On "Transportation Infrastructure Act."

President Trump took to Twitter yesterday to write, "Senate is working hard on America's Transportation Infrastructure Act. Will have BIG IMPACT on our highways and roads all across our Nation. Interest strong from Republicans and Democrats. Do I hear the beautiful word, BIPARTISAN? Get it done. I am with you!"

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Sanders, Warren Defend Liberal Policies Against Attacks From Moderate Rivals At Debate.

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In most coverage of Tuesday night's Democratic presidential debate, the main focus is the ideological divide that was on display between the

leading progressives in the race, Sens. Bernie Sanders and Elizabeth Warren, and their comparatively more moderate counterparts, including Montana Gov. Steve Bullock, John Delaney, John Hickenlooper, and Rep. Tim Ryan. Sanders and Warren defended their support for Medicare for All, free college, decriminalizing illegal immigration, and the Green New Deal against criticism from their more centrist rivals, who argued for more pragmatic approaches. Politico (7/30, McCaskill, 4.29M) reports that Sanders and Warren "found themselves the targets of the more moderate candidates on stage, who were eager to contrast themselves and their visions for the country with the most progressive candidates running for president this cycle on issues ranging from health care to immigration."

The AP (7/29, Peoples, Burnett, 1.04M) reports, "The signature domestic proposal by the leading progressive candidates," Medicare for All, "came under withering attack from" centrists "in a debate that laid bare the struggle between a call for revolutionary policies and a desperate desire to defeat President Donald Trump." The AP says Sanders and Warren "slapped back against their more cautious rivals who ridiculed 'Medicare for All' and warned that 'wish-list economics' would jeopardize Democrats' chances for" defeating Trump. Responding to a comment by Delaney, Warren said, "I don't understand why anybody goes to all the trouble of running for president of the United States just to talk about what we really can't do and shouldn't fight for." USA Today (7/30, Groppe, Fritze, Collins, King, Jackson, 10.31M) says the "running exchange between Delaney and Warren underscored a major theme of the debate: Whether the party should pursue big ideas that appeal to progressives, or more incremental changes that appeal to moderates."

The Washington Post (7/31, Olorunnipa, Viser, Wang, 14.2M) reports, "Ambitious proposals for health care, climate change and other policies backed by" Sanders and Warren "came in for sharp critiques from a cadre of moderate candidates jousting for prominence." Sanders and Warren "were emphatic in defending their proposals – and each other – joining forces to brand their moderate detractors as too timid for the moment." Reuters (7/30, Whitesides, Renshaw) reports, "The dispute between the moderate and liberal wings of the Democratic Party highlighted the central question of the nominating contest: Which candidate in the field of more than two dozen would be best positioned to beat Trump next year?" The New York Times (7/30, Burns, Martin, 18.61M) reports that Sanders and Warren "strenuously fought back...against accusations of making fanciful promises and imperiling the party's prospects for" beating "Trump, as a group of moderate underdogs sought to slow their momentum."

The Detroit News (7/30, Oosting, 825K) reports that Tuesday's debate "saw progressive front runners defend against criticism from moderate candidates who warned too 'radical' of an approach could" lead to Trump's reelection. Politico (7/31, Caputo, 4.29M) reports, "Worried that the other Democrats were over-promising or taking positions out of step with the majority of the" nation, Bullock, Delaney, and Ryan joined "together in an unofficial moderate alliance," arguing that Sanders and Warren "are making it tougher to" defeat "Trump in 2020, with his campaign already attacking Democrats over the issues."

The Washington Times (7/30, Miller, McLaughlin, 492K) reports, "Exposing the depth of the rift in the Democratic Party, the moderate candidates shot down the left's most cherished proposals such as 'Medicare for All' government-run health care, decriminalized illegal immigration and the 'Green New Deal' environmental overhaul the US economy," with Delaney accusing Sanders and Warren "of peddling 'fairytale economics.' He warned that the party will lose if it embraces the liberal agenda of Mr. Sanders and Ms. Warren, invoking past Democratic presidential losers – George McGovern, Walter Mondale and Michael Dukakis – as a cautionary tale of what happens when the party moves too far left." The New York Times (7/30, A1, Goodnough, 18.61M) reports, "In the end," the debate "was a battle between aspiration and pragmatism, a crystallization of the struggle between the party's left and moderate factions."

In a front-page article headlined "Sanders, Warren Fight Back Against Moderates In Second Democratic Debate," the Wall Street Journal (7/30, A1, McCormick, Parti, Subscription Publication, 7.57M) offers a similar report. Under the headline "Left-wing Democrats Pounded By 2020 Debate Rivals On Healthcare And Immigration," the Washington Examiner (7/30, Lim, 448K) highlights the moderate candidates' criticism of the liberal policies pushed by Sanders and Warren. Under the headline "Moderate Democrats Make Their Last Stand During CNN Debate," the Daily Caller (7/30, Athey, 716K) offers a similar report. Under the headline "5 Takeaways From Combative Democratic Debate," The Hill (7/30, Greenwood, Easley, 2.98M) puts at the top of its list: "Debate puts Democratic divides on display." USA Today (7/30, Hayes, 10.31M) highlights key moments from yesterday's debate.

In an analysis for the Washington Post (7/31, 14.2M), Dan Balz writes, "It has been building since the first primary debate in Miami ended, and on Tuesday night, it broke out into the open, a full-scale ideological brawl about the direction of the Democratic Party and what it will take to defeat President Trump in 2020." Balz adds, "The fault line that was exposed between left and center now fully defines the Democratic nomination contest and will continue to do so as the candidates move through the summer and fall and head toward the primaries and caucuses early next year. It ultimately will be up to Democratic voters to resolve the differences, but the choices have become clearer and will now become harder to paper over."

In his Washington Post (7/30, 14.2M) column, E.J. Dionne Jr. says the "debate was choppy but passionate, opening up wide philosophical divisions within the party's presidential field and providing sound bites critical of progressive ideas and candidates that Republicans are certain to use in 2020."

Politico (7/31, Shepard, 4.29M) reports, "Tuesday's event didn't necessarily have one clear winner, but here are some superlatives from the second Democratic debate, Part I." Under the heading "Made the Most of His 15 Minutes," Politico says Delaney "had exactly what he wanted," an opportunity to engage in "a fight with Sanders and Warren." The AP (7/31, Woodward, Yen) runs a fact-check piece examining the candidates' various claims made during the debate.

Warren, Sanders Spoke The Most During Debate. The Washington Post (7/30, Janes, Hughes, 14.2M) reports that according to its calculations, Warren spoke the most during Tuesday's debate, 17.9 minutes, followed by Sanders at 17.6 minutes, South Bend Mayor Pete

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Buttigieg at 14.4 minutes, ex-Rep. Beto O'Rourke at 10.9 minutes, Bullock at 10.8 minutes, Sen. Amy Klobuchar (D-MN) at 10.7 minutes, Delaney at 10.3 minutes, and the other contenders lagging further behind.

Giuliani: Sanders, Warren "Defined Themselves As Very, Very Radical, Fiscally Irresponsible Left-Wingers." Trump attorney Rudy Giuliani said on Fox News' Ingraham Angle (7/30), "What I really thought the takeaway from tonight's debate was, Sanders and Warren defined themselves as very, very radical, fiscally irresponsible left-wingers."

Williamson Winner Of Drudge Debate Poll. Breitbart (7/30, Caplan, 673K) reports, "Spiritual guru and author Marianne Williamson topped the Drudge Report's instant straw poll following the second 2020 Democrat presidential debate in Detroit, Michigan on Tuesday night. An early count shows Williamson garnered nearly 48 percent of the vote," followed by Delaney at 11%, and Warren and Sanders at "roughly 6 percent each."

In his New York Post (7/30, Podhoretz, 4.57M) column, John Podhoretz writes, "Used to be that Republicans running for president had the monopoly on unknowns, also-rans and non-politicians who would suddenly step up and deliver standout performances in debates." In Tuesday's debate, however, it was "Williamson [that] hit it out of the park and brought the Democratic Party into the Nutcase Era. The key problem afflicting America, in Williamson's view, is a 'dark psychic force' that is weaving a racial divide. It is the cause of white nationalism. That racial divide is causing an 'emotional imbalance' that is interfering with human thriving."

The Washington Examiner (7/30, Gage, 448K) reports that in a Tuesday tweet, Mike Huckabee quipped, "I may abandon my support of @realDonaldTrump and go w/ Marianne Williamson. I've already lit a candle, stroked a crystal, got in yoga pose, taken deep breaths, and chanted out loud and I feeling real love right now. She's got the groove!"

Sanders Labels Tapper Question On Medicare For All Taxes "A Republican Talking Point." USA Today (7/30, Culver, 10.31M) reports that during the debate, Sanders criticized moderator Jake Tapper "for using what he called a 'Republican talking point.'" Responding to a question from Tapper about "whether the middle class should pay more in taxes in order to support 'Medicare for all,'" Sanders replied, "There are millions of people who have insurance. They can't and when they come out of the hospital, they go bankrupt. What I am talking about and others up here are talking about is no deductibles and no copayments. And Jake, your question is a Republican talking point."

Ryan Only Candidate Not To Hold Hand Over Heart During National Anthem At Debate. The Washington Times (7/30, Morton, 492K) reports, "When 'The Star-Spangled Banner' played before the start of Tuesday night's Democratic presidential debate," all of the candidates except Ryan held "their hands over their hearts."

Trump Campaign Airing Ad During Debates Hitting Democrats For Backing Healthcare For Illegal Immigrants. The Hill (7/30, Hellmann, 2.98M) reports that Trump's "campaign will air an ad during the Democratic debates this week highlighting the candidates' support for providing health care to undocumented immigrants. Democrats are 'putting illegal immigrants before hardworking Americans,' says a narrator in the ad, which will air on CNN, MSNBC and Fox during the debates Tuesday and Wednesday. The ad shows video from the second night of the first set of debates, when every" candidate "raised their hands when asked whose health care proposals would cover undocumented immigrants. 'Democrats – radical, reckless, socialist,' the narrator says."

Pair Of National Polls Show Biden Leading By Double Digits In Democratic Race.

The Hill (7/30, Rodrigo, 2.98M) reports Joe Biden "holds big leads" in the 2020 race for the Democratic presidential nomination "in two national polls released Tuesday." An Emerson poll of 520 likely Democratic primary voters, taken July 27-29, shows Biden leading with 33%, followed by Sen. Bernie Sanders (I-VT) at 20%, Sen. Elizabeth Warren (D-MA) at 14%, Sen. Kamala Harris (D-CA) at 11%, and Pete Buttigieg at 6%; no other contender topped four percent. Meanwhile, a Morning Consult weekly tracking poll of 16,959 Democratic voters, taken July 22-28, shows Biden leading with 33%, followed by Sanders at 18%, Warren at 13%, Harris at 12%, and Buttigieg at 5%; no other contender topped three percent. USA Today (7/30, Cummings, 10.31M) reports, "Heading into the second Democratic debate in Detroit, Biden's polling average, according to RealClearPolitics, is currently at 32%, exactly where it was before the" first debate last month "in Miami before dipping to a low of 26%."

Texas Poll: O'Rourke 27%; Biden 24%; Sanders 15%; Warren 11%; Harris 9%. The Hill (7/30, Klar, 2.98M) reports that a University of Texas poll of 465 Texas Democratic voters, taken July 24-27, shows Beto O'Rourke leading with 27%, followed by Biden at 24%, Sanders at 15%, Warren at 11%, and Harris at 9%. O'Rourke's support is up 12 points since a similar poll taken last month.

Clinton Aide Says Trump Will Be "Hard To Beat" In Debates.

Longtime Hillary Clinton aide Philippe Reines writes in Politico Magazine (7/30, 4.24M) about his experience playing President Trump in Clinton's 2016 debate preparations. He writes, "Watching a candidate share a debate stage with nine others might be one of the most important ways of deciding whom you like the most, but less useful in determining who is best to debate Trump. If that were our sole criterion, we should skip the thoughtful policy discussions and instead require each candidate to debate a 10-year-old boy who responds to everything with, 'I know you are, but what am I?'" While "that kid is obnoxious," "juvenile," and "insufferable," Reines writes, "that kid is hard to beat."

WPost Examines "Poignant But Complicated" Obama-Biden Friendship.

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The Washington Post Magazine (7/30, Levingston, 13.17M) has a 5,300-word feature on "The Poignant But Complicated Friendship Of Joe Biden And Barack Obama," adapted from the upcoming book "Barack and Joe: The Making of an Extraordinary Partnership" by Steven

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Levingston. Levingston writes that "over their eight years together in office, Obama and Biden taught us a lesson in male bonding, often startling us by professing their fondness for each other." He concludes that the two "adored each other, and probably still do, but it is also true that their own aspirations and their political hopes for America have not always aligned. Their friendship, in other words, was real. But like a lot of friendships, it was complicated."

Ex-Hassan Aide Pleads Guilty To Misdemeanors In Kavanaugh Doxing Case.

Politico (7/30, Gerstein, 4.29M) reports Samantha Davis, a former staff assistant to Sen. Maggie Hassan (D-NH), "has pleaded guilty to aiding computer hacking and attempted evidence tampering for helping a fired co-worker enter a Senate office at night and wiping down computers so the colleague wouldn't be caught." Davis pleaded guilty to "two misdemeanor crimes for her role in events that culminated in the release of personal information of Republican senators backing the confirmation of Brett Kavanaugh to the Supreme Court." During her court appearance, "there was no indication that Davis was aware of or involved in the doxing carried out" by fired Hassan aide Jackson Cosko.

Political Operative Faces More Charges In North Carolina Ballot Tampering Case.

The Washington Post (7/30, Krakow, 14.2M) reports a North Carolina grand jury has returned new indictments against Leslie McCrae Dowless, "a political operative who prosecutors say orchestrated a ballot-tampering scheme while working for" Republican congressional candidate Mark Harris last year. Dowless "was charged with two counts of felony obstruction of justice, perjury, solicitation to commit perjury, conspiracy to obstruct justice and possession of absentee ballots."

Pentagon CTO Has Moved To Eliminate Long-Standing Advisory Panel.

Reuters (7/30, Levinson) reports Defense Department CTO Michael Griffin moved in late March to terminate "a prestigious academic panel with top-secret clearances who've advised the Pentagon on some of America's most vexing national security issues" for more than 60 years. The group, "known as Jason, is a team of some 60 of America's top physicists and scientists who spend each summer in La Jolla, California, conducting studies commissioned by the Pentagon and other US government agencies." Griffin has not commented on his move, "but a Defense Department spokeswoman said the Pentagon decided it had less need for the studies than previously thought."

Two TSA Agents Suspended Over Racist Display At Miami Airport.

NBC Nightly News (7/30, story 12, 1:20, Holt, 5.48M) reported two TSA agents "have been suspended tonight after the discovery of an offensive and racist display" at Miami International Airport. NBC's Morgan Chesky said the display featured "a noose with two stuffed gorillas. ... Three officers stumbled upon it last week near a work space where agents screen luggage. In response, the TSA calls it 'unacceptable,' saying it 'does not tolerate racist or offensive behavior and those found responsible will be held accountable for their actions.'"

WPost Backs Hogan's Plan To Improve Maryland Roads.

The Washington Post (7/30, 14.2M) argues in an editorial that Northern Virginia has been outpacing Maryland in improving and expanding roads in the Washington region because a proposal by Gov. Larry Hogan (R) "to add express toll lanes to the Beltway through Montgomery and Prince George's counties, and to Interstate 270 heading north to Frederick, faces uncertain prospects and opposition from local officials, all Democrats." The Post calls Hogan's plan "a sensible response to a predictable crisis that threatens to consign his state to perpetual also-ran status in the regional economic sweepstakes."

NYTimes Backs New York Political Contribution Legislation.

The New York Times (7/30, 18.61M) says in an editorial that "more than a dozen" states have laws "that restrict candidates from receiving political contributions from companies doing business with or seeking business with the state." Gov. Andrew Cuomo (D) – who "has accepted millions of dollars in campaign contributions from people who win or seek contracts from New York state agencies" – agrees that New York "should join their ranks. ... The State Senate passed a bill this year to limit similar donations. The Legislature should pass it when it comes back in session in January."

NYTimes: New York City Housing Authority "In Dire Need" Of Reform.

The New York Times (7/30, 18.61M) says in an editorial that New York's efforts to fix the New York City Housing Authority's "biggest problems have not been effective or speedy enough. ... Not only is there a backlog of tens of thousands of apartments to inspect, but the authority hasn't even identified all apartments with young children, where inspection should be a priority." The Times says the housing authority "is in dire need of rapid reforms to increase accountability, at every level."

Trump Retweets Post Showing Him Praising First Responders On 9/11.

President Trump on Tuesday retweeted a post by Women for Trump co-founder and chair Amy Kremer that included video of Trump praising first responders at Ground Zero on Sept. 11, 2001. Trump wrote, "Thank you Amy!"

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Contract Suggests Guantanamo Prison May Be Open Through 2043.

The Washington Times (7/30, Meier, 492K) reports, "The Trump administration may have sent a subtle clue about its plans for the terrorist detainee prison at Guantanamo Bay by awarding a maintenance contract for work at the site that extends until 2043." The Pentagon announced last week that Siemens Government Technologies "had been granted a contract worth more than $800 million to perform maintenance and energy conservation projects at the prison."

RCP Average Has Trump's Job Approval At 44.2%.

The Real Clear Politics average of recent polling on President Trump's job approval stands at 44.2%, and his disapproval at 52.3%. The President's approval is up 0.3 since yesterday; his disapproval is down by 1.5.

A Rasmussen poll of 1,500 "likely voters" (7/25-7/29) finds Trump's approval at 47%, with 51% disapproving.

An Emerson poll of 1,233 "registered voters" (7/27-7/29) shows Trump's approval at 45%, with 46% disapproving.

A Politico/Morning Consult survey of 1,994 "registered voters" (7/25-7/27), meanwhile, has the President's job approval at 43%, and his disapproval at 53%.

Financial International News

Pound Slides As Johnson Vows To Deliver Brexit On Time "No Matter What."

Reuters (7/30, James, Humphries) reports Prime Minister Boris Johnson "promised on Tuesday to lead Britain out of the European Union on Oct. 31 'no matter what' as sterling tumbled." The British pound fell "to an intraday low of $1.2120," its "lowest since March 2017." Reuters notes the pound "has lost 3.6 cents since Johnson was named Britain's new prime minister a week ago." The Wall Street Journal (7/30, Ostroff, Davies, Subscription Publication, 7.57M) reports the pound is nearing its lowest sustained level against the dollar in more than 34 years.

The AP (7/30, Lawless) reports Johnson yesterday visited Wales as part of "a national tour to reassure voters that his push for Brexit 'come what may' won't hurt the economy and rip apart the UK."

Chinese Manufacturing Shows Improvement, But Still Contracting.

Bloomberg (7/31, 4.73M) reports the "first official indicator of China's economy in the second half of 2019 showed conditions for factories improved slightly amid an ongoing government push to support the sector as it suffers from weak global demand and the U.S. trade war." The manufacturing PMI rose to 49.7 in July, "led by better conditions for large companies. The below-50 reading still signals contraction, though is better than the median estimate of 49.6 in a survey of economists."

China Looking Into Small Bank Shareholdings As Risk Worries Persist. Reuters (7/30, Leng, Chatterjee) reports China is "sharpening its scrutiny of small banks' shareholders amid fears that loans from the lenders to big investors could prove a weak point in the country's financial system, jolted by the state's weekend rescue of one lender and recent takeover of another." The piece explains that, "while nominally small, China's numerous small city commercial banks risk having outsized significance because of their close ties to the rest of the banking system as well as with bigger shareholders, many of whom are giant companies." Earlier this month, the China Banking and Insurance Regulatory Commission (CBIRC) "asked banks and some other financial firms for details of any investor building up stakes of 5% or more without required regulatory approvals."

BOE Requires Big Banks To Publish "Living Wills" In 2021.

Reuters (7/30, Jones) reports Britain's biggest banks, including Barclays and HSBC, "will have to tell investors in 2021 if they can be closed down without creating havoc in financial markets, the Bank of England said on Tuesday." After rescuing RBS and Lloyds during the financial crisis, big British banks "will have to present 'living wills' which show they can be resolved in an orderly way so that customer deposits and some core services are unaffected." In a statement, BOE Deputy Governor Jon Cunliffe said, "Increased transparency about the resolution regime is in the public's interest and also incentivises firms to make further progress on their resolvability."

Leading International News

Seoul: North Korea Fires Two Short-Range Ballistic Missiles.

Thomson Reuters Foundation (7/30, 27K) reports North Korea fired "multiple unidentified projectiles early on Wednesday, the Yonhap news agency reported, citing the South Korean military's Joint Chiefs of Staff." Reuters adds that just last week, North Korea test-fired two new short-range ballistic missiles. In its lead story last night, the CBS Evening News (7/30, lead story, 1:44, O'Donnell, 4.13M) reported "a US official tells CBS News these firings look very similar to the last set of short-range ballistic missiles fired less than a week ago," and the Washington Post (7/30, Denyer, Hudson, 14.2M) reports South Korea's military said in a statement later Wednesday that the projectiles fired by North Korea were "two short-range ballistic missiles."

ABC World News Tonight (7/30, story 2, 1:36, Muir, 6.31M) reported, "Less than one week after Kim Jong Un fired off two short-range ballistic missiles, there's news tonight he's at it again." On Tuesday, "President Trump insist[ed] his relationship with the dictator remains strong." Trump: "My relationship with Kim Jong Un is a very good one, as I'm sure you've seen. We'll see what happens. I can't tell you

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what's going to happen." ABC's David Muir noted that "in just the last 24 hours...Secretary of State Mike Pompeo said that he hopes nuclear negotiations will start, quote, 'again very soon,' and now this news tonight."

Andrea Mitchell likewise said on NBC Nightly News (7/30, story 2, 0:39, Holt, 5.48M), "North Korea appears to have fired at least two short-range ballistic missiles, the second launch in a week, the third since May, only hours after the President bragged about his relationship with Kim Jong Un."

North Korean Official Tells NSC Official Talks Should Revive Soon. Reuters (7/30, Rampton) reports, "A North Korean official told a White House National Security Council counterpart last week that working-level talks to revive denuclearization negotiations with North Korea would start very soon," according to an unnamed "senior US administration official." Reuters also reports Secretary of State Pompeo and North Korean Foreign Minister Ri Yong Ho "had been expected to meet on the sidelines of a Southeast Asia security forum in Bangkok this week, but Ri canceled his trip to the conference, a diplomatic source said."

Ocasio-Cortez: "What's Going On With Israel" Is "Very Criminal."

The Washington Examiner (7/30, Brest, 448K) reports Rep. Alexandria Ocasio-Cortez (D-NY) "agreed with a New York radio host who said that what's going on in Israel is 'very criminal' on Tuesday." The host of "Ebro In The Morning" said, "What's going on with Israel and Palestine, while it's very deep, it is very, very criminal. It is very, very unjust." Ocasio-Cortez responded, "Absolutely, and I think to where we're at as a country when it comes to Israel-Palestine is very much a generational thing. I think that when we start looking at it through that lens, a lot of this stuff starts to make sense." She added, "There's this idea that if you criticize a policy of Israel, the Right wants to advance this notion that if you engage in critique of Israeli policy that you are anti-Semitic. But it's the furthest thing from the truth. ... Criticizing the occupation doesn't make you anti-Israel, frankly. It doesn't mean you're against the existence of a nation."

WPost Fact-Checker: Trump Falsely Claims Iran Has Changed Its Regional Behavior.

A Washington Post (7/30, Mirza, 14.2M) "Fact-Checker" analysis writes that it has been "more than a year" since President Trump withdrew from the 2015 nuclear deal from Iran and announced his intention of "instituting the highest level of economic sanction." So began his Administration's "maximum pressure" campaign against Iran. The Post says that while the President "has repeatedly claimed his policy has had an impact in changing Iran's regional behavior," a "report from the International Crisis Group looked at 40 years of Iran's economic performance and its regional activity," and found "there appears to be little correlation between Iran's support for proxies and shifts in its economy or oil revenue."

Experts Warn Pentagon Falling Behind Adversaries In Developing Hypersonic Weapons.

The Washington Times (7/30, Wolfgang, 492K) reports that the US "isn't used to losing arms races, but defense insiders...warn that the Pentagon is dangerously behind some of its top rivals in the race to build a new generation of game-changing weapons." The "rapid advance of hypersonic technology has eroded the once-insurmountable US edge over its adversaries, analysts say." Experts gathered at "a high-level conference this week at Purdue University," warn that "Washington has allowed Beijing and Moscow to make massive strides while failing to keep pace or to develop a comprehensive strategy to counter enemy first strikes."

Yazidi Women Raped By ISIS Militants Forced To Give Up Their Children If They Return Home.

The Washington Post (7/30, Loveluck, Salim, 14.2M) reports that when ISIS "tore across Iraq in 2014," Yazidi women were "given as sex slaves to the fighters" and many bore children to their captors. In April, the Yazidi's "highest religious body issued an edict that appeared to suggest that children born to an Islamic State father...would be welcomed back," but "the backlash was immediate, and the door swiftly closed." According to the religion, "a child cannot be counted as a Yazidi unless he or she has two Yazidi parents." Karim Sulaiman, a spokesman for the Yazidi Supreme Spiritual Council, said, "We know that they're just children and that they have no guilt. But in this case, religion and society just cannot accept them." As a result, the Post says Yazidi women are forced to give up if their children if they want to return home.

IG Report: State Department Wasted $103 Million On Afghan Security Compound.

The Washington Post (7/30, Morello, Constable, 14.2M) reports the State Department "wasted $103 million in an urgent effort to build a security compound in Afghanistan," the agency's inspector general said in a report issued Tuesday. The project, "which was terminated in early 2017," started in 2014 "amid increasing security threats." Security guards responsible for protecting US personnel "were housed more than two miles from the US Embassy in Kabul" and "had to travel the distance four times a day in convoys. To minimize the dangers," the Department began construction on a compound closer the embassy. An engineering consultant hired "to review the plans warned that delays and cost overruns were inevitable," but the "advice was repeatedly ignored," and the State Department "plowed ahead with the project, originally estimated to cost $173 million." The Post says "by the time the State Department pulled the plug in January 2017, the projected cost had ballooned to $315 million, and only 10 percent...had been completed."

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Five Killed In Bombing Near Pakistani Police Station.

Reuters (7/30, Yousafzai) reports that five people, including two policemen, "were killed and 27 injured in a blast near a police station in southwestern Pakistani city of Quetta on Tuesday evening, a week after a similar blast that killed two people, police said." An "explosive rigged motorcycle was detonated to target a police van parked outside the police station" in Quetta, the city's police chief said. In "a similar blast last Tuesday two people were killed and 16 were injured when an explosive-rigged motorcycle went off outside a store in Quetta."

Trump Praises Bolsonaro For Nominating Son As US Ambassador.

The Washington Times (7/30, Howell, 492K) reports President Trump on Tuesday "praised Brazilian President Jair Bolsonaro's decision to appoint his son, Eduardo, as the ambassador to the US, saying he doesn't view it as nepotism." Said Trump, "I find his son to be outstanding. I know his son, and that's probably why they did it." He added, "I don't think it's nepotism."

Celebrities Travel To Google Climate Summit In Private Jets.

Page Six (7/30, Smith, Bowden, 1.6M) reports the "world's rich and famous have flocked to a posh Italian resort to talk about saving Mother Earth — but they sure are punishing her in the process." Google's creators "have invited a who's who of A-list names— including former President Barack Obama, Prince Harry, Leonardo DiCaprio and Katy Perry — to the Sicilian seaside for a mega-party they've dubbed Google Camp." According to Italian press reports, "the attendees were expected to show up in 114 private jets, and 40 had arrived by Sunday."

Trump Dispatches US Envoy As A$AP Rocky's Trial Begins In Sweden.

The CBS Evening News (7/30, story 12, 1:34, O'Donnell, 4.13M) reported rapper A$AP Rocky pleaded not guilty on Tuesday to assault charges in Sweden. CBS (Saberi) added, "On the first day of a trial that has spiraled into an international incident, A$AP Rocky sat silently as the prosecutor played this video showing the rapper throw a 19-year-old man to the ground, then punch and kick him. Rocky, his cousin, and friend are arguing self-defense, and in videos he posted online he repeatedly told the man to leave them alone." President Trump has called for Rocky's release, and "even dispatched his special envoy for hostage affairs." Special envoy Robert C. O'Brien: "I'm here to bring these Americans home. We'd like to see them get back to the United States as soon as possible. I think the President has made that very clear." CBS said the trial is expected to last until Friday.

Italian Police Reveal Murder Weapon Used By American Teens In Officer's Death.

ABC World News Tonight (7/30, story 9, 1:24, Muir, 6.47M) reported Italian authorities yesterday "reveal[ed] an image of the seven-inch knife that they say" two American teens used to kill an Italian police officer. ABC (Pannell) added, "The blade seven inches long, according to police, plunged into the officer 11 times." Police say Americans 18-year-old Gabriel Natale and 19-year-old Finnegan Elder "confess[ed] to the stabbing of officer Mario Cerciello Rega after a drug deal gone bad." NBC Nightly News (7/30, story 8, 0:20, Holt, 5.48M) reported Italian authorities "say the suspects brought [the knife] from the US."

Chinese Officials Claim Most People Released From Re-education Centers.

The AP (7/30, Wang) reports, "Officials from China's northwestern Xinjiang region said Tuesday that most of the people who were in the area's controversial re-education centers have since left the facilities and signed 'work contracts' with local companies – claims that conflict with testimonies from Uighurs and Kazakhs who say their family members remain missing." The AP adds, "Former detainees and their family members have said in interviews with The Associated Press that the re-education centers resembled prisons where they were forced to renounce their faith and swear loyalty to China's ruling Communist Party."

Xi's Cousin Under Investigation By Australian Authorities Over Alleged Mob Ties. The Wall Street Journal (7/30, Wen, Wong, Subscription Publication, 7.57M) reports Australian law enforcement are investigating Ming Chai, a cousin of Chinese President Xi Jinping and Australian citizen, as part of a probe into organized crime, money laundering and alleged Chinese influence-peddling, according to Australian officials. In particular, police are investigating Ming's alleged 2017 use of what they describe as a money-laundering front company.

WPost China Doesn't Understand Hong Kong Protests. The Washington Post (7/30, 14.2M) editorializes that "China's rulers made it clear Monday that they don't have any new ideas about how to respond to the protests shaking Hong Kong," and "are hinting at the use of People's Liberation Army forces to put down the protests." The Post writes that "if the leaders in Beijing were smart, they would see that the protests that began in June are morphing into something more desperate than before, and they would be responsive to the demands." Instead, "China is making a large and potentially costly mistake by failing to understand the protests and the reasons behind them."

Housing

Freddie Mac Predicts More Homebuying Activity, Low Rates In 2020.

USA Today (7/30, Ausick, 10.31M) reports Freddie Mac "predicts more homebuying" and "forecasts mortgage lending to rise this year and next, due to combined low mortgage interest rates and slowing home price growth." Freddie said on Tuesday in its monthly forecast that the strong labor market and low rates will "help sustain the housing market for at least the next year and a half." 30-year FRM rates are expected

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to average 4.1% this year and 4.0% in 2020. Housing starts are expected to rise to 1.26 million units this year and 1.34 million next year. Home price growth is expected to rise 3.4% this year, but slow to 2.6% in 2020. Originations are forecast at $1.8 trillion in 2019, and $1.7 trillion in 2020. According to USA Today, first-time buyers may still face hurdles heading into 2021, as the CFPB "has said it will eliminate" the QM "patch." Although "the new forecast from Freddie Mac extends only into 2020, it seems clear that the number of mortgages will drop when the CFPB patch is eliminated."

National Mortgage News (7/30, Finkelstein) reports Freddie Mac Chief Economist Sam Khater said, "We expect to see stronger housing starts and increased home sales for the remainder of the year as homebuyers benefit from very attractive mortgage rates, lower prices at the gas pump, plus a gradual bump up in wages. While this affordability boost is welcomed, rising demand in the face of limited homes for-sale is likely to put even more upward pressure on house prices. ... Owing to possible interest rate cuts in the second half of 2019, we expect the federal funds effective rate to be 2.3% in the third and fourth quarter of 2019. While our 2019 annual forecast for the federal funds rate remains unchanged from our previous forecast at 2.4%, we expect the annual average for 2020 to be 2.3%, which assumes no further rate cuts in 2020."

Providing similar coverage are HousingWire (7/30, Falcon, 23K), Mortgage News Daily (7/30, Swanson).

GSEs Prepare To Report Q2 Earnings.

Behind a paywall in its Short Takes, Inside Mortgage Finance (7/30, Muolo, Subscription Publication) reports, "Fannie Mae and Freddie Mac report second quarter earnings shortly and all eyes will be on the first paragraph where the two typically disclose information on when they will make the next dividend payment to the Treasury Department, which holds the senior preferred class of stock in the two." IMF predicts both GSEs "will pay Uncle Sam what he's owed by the end of September," and there "likely will be no revelation (at this time) allowing the two to build capital." IMF adds that FHFA Director Mark Calabria "recently told Reuters that Fannie Mae and Freddie Mac eventually will halt purchases of residential loans indexed to LIBOR," stating, "We have not yet told Fannie and Freddie to stop buying LIBOR ARMs but this is a day that will come."

The Bancorp Wades Further Into CRE As Many Other Lenders Shy Away.

American Banker (7/30, Reosti, Subscription Publication, 31K) reports The Bancorp has "ramped up" its CRE dealings over the past several years, opting to "sponsor its own securitizations" and bundling "five deals totaling $1.7 billion since 2016." CEO Damian Kozlowski on Friday announced that a sixth deal totaling more than $700 million is currently in the works. Meanwhile, according to American Banker, Brooklyn-based Dime Community Bancshares "completed a $280 million securitization in late 2017, while the $9.4 billion-asset Banc of California in Santa Ana is looking to finalize a $574 million-asset bundle later this year. Those banks funneled their production into larger securitizations sponsored by Freddie Mac." This comes as "many other lenders have become more cautious" about CRE, particularly "multifamily and retail development."

Mortgage-Related CFPB Complaints Decline Slightly.

Behind a paywall, Inside Mortgage Finance (7/30, Yang, Subscription Publication) reports mortgage-related complaints filed with the CFPB in Q2 "remained almost unchanged" from Q1, but "marked a double-digit decline from a year ago." Total mortgage complaints "rose 0.4% sequentially to 5,556 in the second quarter. At the six-month mark, mortgage-related complaints were down 17.7% from the first half of 2018." Servicing "continued to draw the majority of the complaints filed," but servicing-related complaints "dropped 1.3% to 2,821 in the first quarter, and the six-month volume fell 7.9% from a year ago." Other types of mortgage complaints "all saw double-digit declines annually," with modification-related complaints falling 29.6% in the first half of 2019 compared to the same period a year prior. Closing-related complaints fell 19.1% over the same timespan. Application-related complaints fell 16%.

MBA: Low Mortgage Rates Could Send Refis To 3-Year High This Quarter.

HousingWire (7/30, Howley, 23K) reports, "Cheap rates could push mortgage refinancings to a near-three-year high in the current quarter, the Mortgage Bankers Association said in their latest forecast." MBA predicts refi volume "will grow to $180 billion" in 3Q19, the largest volume since 2Q16's $265 billion of refis. MBA predicted the refi share will stand at 33% this quarter, which is the highest since 1Q18's 37%. Based on Freddie Mac's report that the 30-year FRM average fell to 3.75% last week, MBA predicts that the 30-year FRM will average 3.9% this quarter, "down from 4.4% at the beginning of the year." According to Black Knight, over eight million homeowners with 30-year loans are now "refi eligible," which is the highest number since 2016.

Mortgage Banking Income Barely Increased In Q2, Despite Surge In Originations.

Behind a paywall, Inside Mortgage Finance (7/30, Bancroft, Subscription Publication) reports that its new analysis of "earnings reports from a diverse group of 20 publicly owned banks found combined second-quarter income from mortgage banking of $1.86 billion, up just 2.6% from the first three months of the year." Meanwhile, first-lien residential originations "mushroomed to an estimated $565 billion, a huge 59.6% explosion from the first quarter." According to IMF, "Volume wasn't the problem. Less-than-stellar hedging results on mortgage servicing rights were, along with some squishy production margins."

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Fannie Mae Executes CIRT Transaction Covering Single-Family Affordable Loans.

DS News (7/30, Welborn) reports, "Fannie Mae has announced that it has executed a new Credit Insurance Risk Transfer (CIRT) transaction. According to the GSE, the covered loans are delivered to Fannie Mae with a short-term, lender repurchase obligation, provided primarily by state Housing Finance Agencies (HFAs), which serves as the initial loan credit enhancement." The new deal "provides front-end coverage of loans to be delivered to Fannie Mae over a forward 12-month period plus bulk coverage of existing loans, together insuring up to $1.75 billion of high loan-to-value ratios." Fannie Mae "has committed to acquire about $9.4 billion of insurance coverage on $360 billion of single-family loans through the CIRT program to date." Fannie Mae VP Rob Schaefer said, "This deal pioneered new ground as our first CIRT transaction to cover a targeted pool of single-family affordable loans. ... As this deal demonstrates, we continue to diversify our CIRT offerings, and are proud to be a leader in building and supporting the market for transferring Single-Family mortgage credit risk to private sources of capital."

NAR: In June, Pending Home Sales See First YoY Gain In 17 Months.

MarketWatch (7/30, Goldstein, 1.67M) reports NAR said Tuesday that pending home sales rose 2.8% in June, driven by a 5.4% surge in the West. Nationwide, sales rose 1.6% YoY, marking the first YoY gain in 17 months. Reuters (7/30) reports pending home sales "rose more than expected in June," with NAR crediting lower mortgage rates with supporting the housing market. According to Reuters, "Economists polled by Reuters had forecast pending home sales would rise 0.5% in June." HousingWire (7/30, Lloyd, 23K) reports that by region, the Pending Home Sales Index rose in June by: 2.7% in the Northeast (0.9% higher than June 2018); 3.3% in the Midwest (1.7% higher than June 2018); 1.3% in the South (1.4% higher than June 2018), and 5.4% in the West (2.5% higher than June 2018).

Mortgage News Daily (7/30, Swanson) reports NAR Chief Economist Lawrence Yun said, "Job growth is doing well, the stock market is near an all-time high and home values are consistently increasing. When you combine that with the incredibly low mortgage rates, it is not surprising to now see two straight months of increases. ... Homes are selling at a breakneck pace, in less than a month, on average, for existing homes and three months for newly constructed homes. Furthermore, homeowners' equity in real estate has doubled over the past six years to now nearly $16 trillion. But the number of potential buyers exceeds the number of homes available. We need to see sizable growth in inventory, particularly of entry-level homes, to assure wider access to homeownership."

Case-Shiller HPI Shows Price Gains Continued Slowing In May.

The Wall Street Journal (7/30, Parker, Subscription Publication, 7.57M) reports home price growth slowed in May, according to the latest S&P CoreLogic Case-Shiller National Home Price Index. Bloomberg (7/30, Haar, 4.73M) reports, "The S&P CoreLogic Case-Shiller index of property values increased 2.4% from a year earlier after April's 2.5% advance, according to data out Tuesday. The gauge for monthly basis prices improved slightly while nationally home-price growth also moderated from May of last year." The 20-city index has now "decelerated for a 14th straight month." Mortgage News Daily (7/30, Swanson) reports, "The 10-City Composite slipped from 2.3 percent in April to 2.2 percent and the 20-City Composite posted appreciation of 2.4 percent, down 0.1 point from the previous month."

The AP (7/30, Boak) reports that a city-level look at the data highlights the "sluggish price growth" in the nation's priciest markets; prices "rose less than 2% in Los Angeles, New York, San Diego, and San Francisco." However, several cities were outliers. While Phoenix prices rose 5.7% and Tampa prices rose 5.1%, Las Vegas had the strongest gains, at 6.4%, according to the Las Vegas (NV) Review-Journal (7/30, Segall, 345K).

HousingWire (7/30, Lloyd, 23K) reports S&P Dow Jones Indices Director and Global Head of Index Governance Philip Murphy said, "Though home price gains seem generally sustainable for the time being, there are significant variations between YOY rates of change in individual cities. Seattle's home price index is now 1.2% lower than it was in May 2018, the first negative YOY change recorded in a major city in a number of years. On the other hand, Las Vegas and Phoenix, while cooler than they were during 2018, remain quite strong at 6.4% and 5.7% YOY gains, respectively." Murphy added, "Whether negative YOY rates of change spread to other cities remains to be seen; for now, there is still substantial diversity in local trends. Nationally, increasing housing supply points to somewhat weakened demand, but the fact that seven cities experienced stronger YOY price gains in May than they did in April suggests an underlying resiliency that may mitigate the risk of overshooting to the downside at the national level."

Providing similar coverage are National Mortgage Professional (7/30, Hall), and People's Pundit Daily (7/30).

Opinion: HUD's Stance On Disparate Impact Standard Is A "Step In The Right Direction."

In a National Review (7/30, 731K) opinion piece, Robert Clegg argues the Administration should be "commended for the new regulations that HUD is proposing for enforcement of the Fair Housing Act, aimed at changing the disparate-impact approach used in the Obama administration." Although the "proposed regulations are not perfect," they represent a "big step in the right direction."

Markets

Treasury Yields Drop Slightly.

Bloomberg (7/30, 4.73M) reports the yield on 10-year Treasuries "dipped one basis point to 2.05%" as of 9:15 a.m. in London, "the lowest in a week."

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Dollar Stays Firm.

Reuters (7/31, Saoshiro) reports, "The dollar held firm on Wednesday, as a wait-and-see mood prevailed, with traders looking ahead to the outcome of the Federal Reserve's meeting later in the day when policymakers are expected to cut interest rates for the first time since 2008." The dollar index against a basket of six major currencies "stood little changed at 98.055 after pulling back from a two-month high of 98.206 touched on Tuesday." Against the yen, the dollar "was flat at 108.575 yen." Meanwhile, the euro "was little changed at $1.1154."

Gold Holds Steady.

Reuters (7/31, Patel) reports, "Gold prices held steady on Wednesday as investors waited on the outcome of the Federal Reserve's meeting later in the day when policymakers are expected to cut interest rates for the first time since the financial crisis." Spot gold "was flat at $1,430.69 per ounce as of 0723 GMT," while US gold futures "edged 0.1% higher to $1,443.60 an ounce."

Oil Rises.

Reuters (UK) (7/30, Sheldrick) reports, "Oil prices rose for a fifth day on Wednesday, buoyed by a bigger than expected drop in US inventories and as investors awaited a widely expected cut in interest rates by the Federal Reserve, the first in more than 10 years." Brent crude "was up 33 cents, or 0.5%, at $65.05 a barrel by 0044 GMT," while West Texas Intermediate crude "gained 28 cents, or 0.5%, to $58.33 a barrel."

Stocks Finish Lower.

Reuters (7/30, Sully) reports "US stocks slipped on Tuesday after a warning from President Donald Trump to China pressured technology shares, while investors looked to an expected interest rate cut at the conclusion of the Federal Reserve's monetary policy meeting." The Dow "fell 30.26 points, or 0.11%, to 27,191.09, the S&P 500 lost 7.24 points, or 0.24%, to 3,013.73," and "the Nasdaq Composite dropped 13.05 points, or 0.16%, to 8,280.28."

Cybersecurity

DHS Issues Hacking Security Alert For Small Airplanes.

The AP (7/30, Abdollah) reports, "The Department of Homeland Security issued a security alert Tuesday for small planes, warning that modern flight systems are vulnerable to hacking if someone manages to gain physical access to the aircraft." The AP adds, "An alert from the DHS critical infrastructure computer emergency response team recommends that plane owners ensure they restrict unauthorized physical access to their aircraft until the industry develops safeguards to address the issue, which was discovered by a Boston-based cybersecurity company and reported to the federal government." According to the AP, "Most airports have security in place to restrict unauthorized access and there is no evidence that anyone has exploited the vulnerability," but "a DHS official told The Associated Press that the agency independently confirmed the security flaw with outside partners and a national research laboratory, and decided it was necessary to issue the warning."

The Hill (7/30, Miller, 2.98M) reports, "The alert was issued after cybersecurity group Rapid7 reported to DHS's Cybersecurity and Infrastructure Security Agency (CISA) that an aircraft's Controller Area Network (CAN) bus system can be exploited by a cyber attacker if the hacker has physical access to the plane." CISA "warned that the hacker could attach a device to the aircraft's CAN bus system that could 'inject false data,' leading to incorrect readings." Attackers "could manipulate the plane's altitude, airspeed and angle of attack data, CISA noted, adding that pilots would not be able to 'distinguish between false and legitimate readings' and could lose control of the airplane."

UPI (7/30) reports that the Homeland Security Department's Cybersecurity and Infrastructure Security Agency "issued a report that recommends aircraft owners restrict physical access to the planes and that aircraft manufacturers review the implementation of Controller Area Network bus systems." UPI adds, "Government experts said in the report, however, such hacking could not be done remotely. 'An attacker with physical access to the aircraft could attach a device to [flight equipment] that could be used to inject false data, resulting in incorrect readings in avionics equipment,' the report states."

IG Report Finds DOD Employees Bought Thousands Of Chinese Electronics With Cyber Risks.

CQ Roll Call (7/30, Donnelly, 154K) reports, "Defense Department employees have procured thousands of printers, cameras and computers that carry known cybersecurity risks, and the practice may be continuing, according to an audit released Tuesday by the Pentagon's inspector general." CQ Roll Call adds, "More than 9,000 commercially available information technology products bought in fiscal 2018 could be used to spy on or hack U.S. military personnel and facilities, the report said," and "without fixing oversight of such purchases, more risks lie ahead, potentially including perils for top-dollar weapons that use such 'commercial-off-the-shelf' or COTS devices." The auditors "also wrote that the Pentagon has a pattern of buying products from companies such as Huawei, ZTE or Kaspersky Lab long after other federal agencies have identified the companies as posing cybersecurity risks and right up until the point that Congress outlaws purchases from the companies."

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Canadian Official Says Huawei Decision Won't Come Before Fall Election

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The AP (7/30, Stoeltje) reports from Ottawa, Ontario, "Canadians won't find out until after this fall's federal election whether Chinese tech

giant Huawei can provide equipment for the country's next-generation 5G wireless network, Canada's public safety minister said Tuesday." Ralph Goodale "said Canada needs more information from the United States about the nature of the potential security threat posed by the state-owned company. The election is Oct. 21." Goodale "commented after Canada and its Five Eyes intelligence allies wrapped up a meeting Tuesday that began with divisions over whether to let Huawei supply the equipment for the 5G system." The US and Australia "have banned Huawei, citing concerns it is an organ of Chinese military intelligence – a charge the company denies."

The Globe and Mail (CAN) (7/30, Chase, 1.04M) reports, "The update on the future of Huawei Technologies Co. Ltd. in Canada comes while the fate of two Canadians arrested by Beijing remains uncertain." China "detained former diplomat Michael Kovrig and entrepreneur Michael Spavor only days after Canada took senior Huawei executive Meng Wanzhou into custody last December on an extradition request from the United States." Critics "have called Beijing's seizure of the two Canadians 'hostage diplomacy.'"

Polls Finds Americans Fear Cyberattacks More Than North Korea, ISIS.

Courthouse News (7/30, Renda, 2K) reports, "Americans are far less concerned about two potential global threats that a majority of the country viewed as prominent existential risks just two years ago – North Korea and the Islamic State Group – but they are afraid of one thing: cyberattacks." According to CN, "A recent poll conducted by the Pew Research Center showed 53% of respondents said North Korea's nuclear program posed a major threat to the well-being of the United States, down from 75% of respondents saying so in 2017." The poll found that "both Democrats and Republicans rate cyberattacks from other countries as the single biggest threat to the well-being of the United States. Overall, 74% of the public rates cyberattacks as a hazard, including 72% of Republicans and 76% of Democrats."

Financial Reform

BankThink: Fed Should Require Banks To Use T-Bills As Collateral For Excess Reserves.

In a BankThink piece for American Banker (7/30, Subscription Publication, 31K), Bryce Doty, SVP and Senior Portfolio Manager of Sit Fixed Income, writes that the Fed should require banks to post Treasury bills for excess reserves above $20 billion. This would "keep[] the actual Fed funds rate from popping above the target rate when a bank looks to borrow money from another bank; since they are no longer competing against the rate the Fed is paying on excess reserves." It would also lower the yield on T-bills and encourage banks "to earn higher yields by lending the money rather than parking cash at the Fed, resulting in a stimulus for the economy."

TFI/Sanctions

Appeals Court Upholds Ruling Against Chinese Banks In North Korea Sanctions Investigation.

Reuters (7/31) reports a US appeals court "said on Tuesday it had upheld a ruling by a U.S. judge who held three large Chinese banks in contempt for refusing to comply with subpoenas in a probe into violations of sanctions on North Korea, opening the way for heavy daily fines." The US Court of Appeals for the District of Columbia Circuit said in a filing on Tuesday, "The District Court's contempt orders against all three Banks appealed from in these causes is hereby affirmed," without making public the reasons. The piece notes that in a ruling in May, Beryl Howell, "Washington D.C.'s chief federal district judge, held the banks in contempt for refusing to comply with U.S. investigators' demands that they hand over records connected to the alleged movement of tens of millions of dollars in violation of international sanctions on North Korea." The US Patriot Act "allows the U.S. attorney-general or Treasury secretary to cut foreign banks off from dealing with U.S. financial institutions if they fail to comply with subpoenas." The Washington Post (7/30, Hsu, 14.2M) and The Financial Times (7/30, Shubber, Subscription Publication, 1.34M) also report.

Federal Reserve

Trump Calls For "Large Cut" In Interest Rates.

The Washington Times (7/30, Boyer, 492K) reports, "President Trump said Tuesday he wants a 'large cut' in interest rates by the Federal Reserve," saying to reporters "I would like to see a large cut, and I'd like to see immediately the quantitative tightening stop." The Hill (7/30, Lane, 2.98M) reports he told reporters on Tuesday, "I'm very disappointed in the Fed."

The Washington Examiner (7/30, Langford, 448K) reports Trump also said, "The Fed moved, in my opinion, far too early and far too severely. ... It puts me at somewhat of a disadvantage. Fortunately, I've made the economy so strong that nothing's going to stop us."

The Hill (7/30, Lane, 2.98M) reports the Fed is "poised to cut interest rates on Wednesday, delivering President Trump a long-sought boost to the economy." Chairman Jerome Powell and "the members of the Fed's policymaking arm, the Federal Open Markets Committee (FOMC), will conclude their monthly two-day meeting on Wednesday and are expected to deliver the first rate cut since 2008 during the height of the financial crisis."

The Wall Street Journal (7/30, Davidson, Subscription Publication, 7.57M) reports officials are scheduled to release their decision Wednesday at 2 p.m. ET, and Powell is set to hold a press conference at 2:30 p.m. Trump said Tuesday, "The Fed is often wrong," adding that he was very disappointed with officials.

Reuters (7/30) reports Powell "signaled earlier this month that the central bank would ease monetary policy as the U.S. economy faces headwinds from weak global growth, trade tensions and Britain's possible disorderly departure from the European Union."

Reuters (7/30, Saphir, Hunnicutt) also reports Fed policymakers "will not surprise markets if they deliver on expectations and cut U.S.

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interest rates for the first time in a decade on Wednesday," but it is "less clear" how Powell will "manage debate at the central bank about whether the stimulus is necessary. The Fed chief faces a strong possibility that the move will draw at least one dissent."

Reuters (7/31, Saphir) further reports the expected cut is "unlikely to assuage U.S. President Donald Trump's increasingly strident demands for the central bank to ease monetary policy."

Politico (7/30, White, Guida, 4.29M) reports officials aren't cutting rates "because Trump demanded it. Instead, they will move in part because the president's bruising trade policy has helped fuel a global manufacturing slowdown and injected deep uncertainty into executive suites around the world."

The Wall Street Journal (7/30, Ip, Subscription Publication, 7.57M) reports even though the US economy is in much better shape than Europe's, the ECB is helping to force the Fed's hand to move on rates.

Bloomberg (7/29, 4.73M) also reports on the topic.

Office of the Comptroller of the Currency

Industry Appears Leery Of OCC's Innovation Pilot.

American Banker (7/30, Berry, Subscription Publication, 31K) reports, "The idea of testing a fintech product while getting direct regulatory feedback should be music to a banker's ears, but the industry appears leery" of the OCC's innovation pilot program. The OCC "received 19 comment letters" on the program, and commenters generally praised the OCC for encouraging banks to collaborate with fintechs. But banking trade groups "asked the OCC to publicly state that regulated banks will not be compelled to use the pilot for every innovative product they introduce," and industry representatives "suggested banks may not participate if benefits such as avoiding enforcement action are not clearly stated." But consumer advocates "encouraged the OCC to hold the line" and not waive regulations. The program "is meant to foster development of appropriate controls and give supervised entities regulatory input early in development, [OCC Chief Innovation Officer Beth Knickerbocker] said."

Republicans Press Banking Agencies For More Reg Relief.

American Banker (7/30, Heltman, Subscription Publication, 31K) reports a group of Senate Banking Committee Republicans are pressing banking regulators to make several regulatory relief proposals even more lenient. In a letter to the regulators, the senators including committee chair Mike Crapo (ID) "said the regulators must act to continue the country's economic expansion." The letter, dated Tuesday, "praised the Fed for its proposed and finalized revisions to the stress testing program and the Fed's proposal to tailor its rules for foreign banking organizations." The lawmakers "called on regulators to complete its work on the Community Bank Leverage Ratio," but "said that regulators should reduce that ratio to 8%." The lawmakers also chided the regulators for "a number of situations where your agencies have enacted guidance and other policy statements that are being enforced as rules," and called on them to "submit all rules to Congress even if they have not gone through a formal notice and comment rulemaking."

Behind a paywall, Bloomberg Law (7/30, Beyoud, Subscription Publication, 4K) reports the lawmakers also called on the OCC, the FDIC, and the Fed "to clarify that loans from a bank or fintech lender are still valid when resold, according to a July 30 letter to the three regulators." The letter read, "We urge your agencies to use all available authorities to clarify uncertainties introduced by Madden." Bloomberg Law says in doing this, the Republicans "may have just given the political cover needed for federal banking regulators to find a legal fix for loans sold by fintech lenders and their bank partners."

Vehemently opposing the call for more regulatory relief, Forbes (7/31, Valladares, 9.71M) contributor Mayra Rodriguez Valladares says big banks "have already benefited from the Economic Growth, Regulatory Relief, and Consumer Protection Act passed in 2018," and "due to their systemic risk, more oversight is needed for big banks, not less." She says she is concerned with the letter, "because these senators continue to push for weaker regulations for big banks so late in the credit cycle." In addition, "By continuing to fight against important bank regulatory guidance, Republicans continue their daily attack on bank supervisors. And when a financial crisis comes again, these same politicians will not admit their part in causing a crisis, but will rather blame bank supervisors."

Senate Banking Chair, NY AG Open Probes Into Capital One Breach.

CQ Roll Call (7/30, Ratnam, 154K) reports Senate Banking Chairman Mike Crapo (R-ID) and New York state Attorney General Letitia James "said they will probe the data breach suffered by credit card issuer Capital One." Crapo said, "I have concerns about all aspects of this. We want to understand how this happened, how other breaches happened...and we want to know how vulnerabilities [appear] in systems and figure out what we must do to deal with them at a policy level. I don't have answers yet, but yes, we need to figure that out and we do have concerns about those vulnerabilities."

Reuters (7/30) reports that New York Attorney General Letitia James said on Tuesday that "her office will begin an immediate investigation into Capital One Financial Corp's data breach, which the bank said involved the access of personal information belonging to about 100 million people in the United States." The New York Post (7/30, Sheehy, 4.57M) reports James said in a statement, "Today, 100 million consumers across America are wondering if they were unfortunate enough to be a victim of the most recent data breach. Though Capital One's breach was internal, the fact still remains that safeguards were missing... My office will begin an immediate investigation into Capital One's breach, and will work to ensure that New Yorkers who were victims of this breach are provided relief."

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Other federal lawmakers also expressed their frustration, according to The Hill (7/30, Miller, 2.98M), with Senate Finance Committee

Ranking Member Ron Wyden (D-OR) tweeting, "I'm sick of waking up to headlines revealing that millions of Americans had their information stolen because a billion-dollar company failed Cybersecurity 101. Corporations will only take Americans' privacy seriously when CEOs are held personally accountable." Senate Banking Committee Ranking Member Sherrod Brown (D-OH) also expressed support for a committee investigation.

Meanwhile, Capital One's primary federal regulator, the Office of the Comptroller of the Currency, "declined to comment about the breach and whether the bank is facing civil penalties," the Baton Rouge (LA) Advocate (7/30, Mosbrucker, 399K) reports.

Potential Class Action Lawsuit Brought Against Capital One. Reuters (7/30) reports a lawsuit "seeking class-action status was filed in the federal court in Washington, D.C. by Kevin Zosiak, a Stamford, Connecticut resident who said he is a Capital One credit card customer whose personal information was compromised." According to Reuters, Zosiak's case "is likely to herald many similar lawsuits over the breach."

Yahoo! Finance (7/30) reports the lawsuit accuses Capital One of "serious security failures" and "negligence for failing to safeguard personal data including Social Security numbers."

Capital One Share Price Falls Sharply After Hack Revealed. The Wall Street Journal (7/30, Banerji, Subscription Publication, 7.57M) reports Capital One shares were down nearly seven percent on Tuesday, the stock's worst daily performance in more than four years. According to the Journal, companies hit by major data breach scandals struggle to recover their previous highs, with Equifax still languishing below its previous high reached just before the breach was revealed in August 2017.

MarketWatch (7/30, Arends, 1.67M) reports analysts are concerned about the risk of "longer-term reputational damage and...for political and regulatory actions, including penalties" following the breach. Describing the market's reaction to the news, Reuters (7/30, Henry, Mukherjee) reports Oppenheimer analyst Dominick Gabriele said, "We are a bit surprised that a single individual could penetrate [Capital One's] defenses and gain access to so many accounts."

Analysis: Capital One Hack "Unlike Any Other," As Single "Rogue" Engineer Able To "Wreak Havoc." CNBC (7/30, Fazzini, 3.62M) says the incident will likely become "one of the most important data breaches of the year," as the theft of more than 100 million customer records was allegedly carried out "by a single, experienced engineer," according to court filings. According to CNBC, "The details set it apart from breaches of companies such as Equifax and Marriott" and "from the spate of ransomware attacks against major US cities," which were perpetrated by individuals outside the US. The incident "will bring up major issues facing the biggest tech companies, cloud firms and banks, namely how to control who has access to sensitive consumer data and detect insiders who may go rogue."

According to American Banker (7/30, Crosman, Subscription Publication, 31K), Capital One's breach "was a preventable security lapse, and its mistakes may be ones other institutions are in danger of repeating."

Hacker Attacks An Endless Fight For Big Banks. The New York Times (7/30, Cowley, Perlroth, 18.61M) reports large financial companies "have to thwart hundreds of thousands of cyberattacks every single day." So far this year, there "have been 3,494 successful cyberattacks against financial institutions, according to reports filed with the Treasury Department's Financial Crimes Enforcement Network." The Capital One episode "is a reminder of the intricacy of the computer networks at large financial institutions, as well as their vulnerability." The breach is particularly embarrassing for Capital One, "because it was one of the first big financial institutions to move its systems to cloud computing." The company functioned "almost like a 'proof of concept' for regulators looking to see if the migration to the cloud could be done securely."

Financial Institutions Assess Cloud Use In Wake Of Capital One Hacking. The Wall Street Journal (7/30, McMillan, Subscription Publication, 7.57M) reports financial institutions are reexamining their cloud computing strategies in the wake of the high-profile hacking of Capital One. Capital One has been one of the biggest proponents of using the cloud for storage of sensitive data. Amazon, which hosts Capital One's data, attributed the incident to a firewall issue, not a problem with cloud computing itself.

BofA Closes West Modesto, CA Branch, Leaving Residents Without A Bank.

The Modesto (CA) Bee (7/30, Rowland, 171K) reports, "After almost 60 years serving the residents of west Modesto, Bank of America shut down its Paradise Road branch Tuesday." The closure leaves residents on Modesto's west side "without a brick-and-mortar bank branch to visit." About a dozen protesters "held signs and chanted in front of the bank Tuesday morning, imploring the national financial institution to change its mind and stay in their community." The residents "said they felt abandoned by the bank because the branch serves a largely low-income population." Marvin Jacobo, Executive Director of City Ministry Network in Modesto, and Perfecto Munoz, Executive Director of the West Modesto Community Collaborative, have arranged for a representative from the OCC "to come to a community meeting about the closure at 9 a.m. Sept. 10 at the King-Kennedy Memorial Center."

Continuing Coverage: OneWest Settles Redlining Allegations.

HousingWire (7/30, Guerin, 23K) reports in continuing coverage, "OneWest Bank is finally able to put two-year-old allegations of housing discrimination to rest as the Department of Housing and Urban Development approved a settlement Monday that will see the bank hand over a chunk of change to end the ordeal." OneWest was "founded by a group of private equity investors led by Treasury Secretary Steven Mnuchin." During the alleged discrimination, Mnuchin served as the bank's chairman, while Comptroller of the Currency Joseph Otting was CEO.

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New York Times.

"America's Intelligence Chief Must Value Honesty Over Politics." The New York Times (7/30, 18.61M) editorializes that "one reason [outgoing DNI] Coats's tenure was so uncomfortable was that, unlike many Trump appointees, he was more likely to say what he believed to be true than what the president wanted to hear." The Times argues that "one of the most important lessons from America's response to the attacks of 9/11 that led to the creation of this post was that intelligence agencies need to work freely and honestly, and not be swayed by political considerations and the need to placate a president. An administration that sought and got the message it wanted from the intelligence apparatus is what helped lead to the invasion of Iraq and the disasters that followed." The Senate, it argues, "needs to be sure we don't go down that road again."

"New York's Public Housing Isn't Getting Better." The New York Times (7/30, 18.61M) says in an editorial that New York's efforts to fix the New York City Housing Authority's "biggest problems have not been effective or speedy enough. ... Not only is there a backlog of tens of thousands of apartments to inspect, but the authority hasn't even identified all apartments with young children, where inspection should be a priority." The Times says the housing authority "is in dire need of rapid reforms to increase accountability, at every level."

"Cut New York Politicians' Financial Ties To Business." The New York Times (7/30, 18.61M) says in an editorial that "more than a dozen" states have laws "that restrict candidates from receiving political contributions from companies doing business with or seeking business with the state," and Gov. Andrew Cuomo (D) – who "has accepted millions of dollars in campaign contributions from people who win or seek contracts from New York state agencies" – agrees that New York "should join their ranks. ... The State Senate passed a bill this year to limit similar donations. The Legislature should pass it when it comes back in session in January."

Washington Post.

"The Trump Administration's New Policy Again Shows Its Contempt For Central Americans." A Washington Post (7/30, 14.2M) editorial says the "safe third country" agreement struck with Guatemala shows the "Administration's contempt for Central Americans fleeing violence, hardship and persecution." The Post argues that the "probable result of the administration's policy, if it goes into effect, will be to transform legal asylum seekers into undocumented immigrants. They are unlikely to seek refuge in Guatemala," and "instead, many will likely cross illegally into the United States and live in the shadows."

"China Doesn't Understand Hong Kong's Protests. That's A Big Mistake." The Washington Post (7/30, 14.2M) editorializes that "China's rulers made it clear Monday that they don't have any new ideas about how to respond to the protests shaking Hong Kong," and "are hinting at the use of People's Liberation Army forces to put down the protests." The Post writes that "if the leaders in Beijing were smart, they would see that the protests that began in June are morphing into something more desperate than before, and they would be responsive to the demands." Instead, "China is making a large and potentially costly mistake by failing to understand the protests and the reasons behind them."

"Virginia Is In The Fast Lane. Maryland, Not So Much." The Washington Post (7/30, 14.2M) argues in an editorial that Northern Virginia has been outpacing Maryland in improving and expanding roads in the Washington region because a proposal by Gov. Larry Hogan (R) "to add express toll lanes to the Beltway through Montgomery and Prince George's counties, and to Interstate 270 heading north to Frederick, faces uncertain prospects and opposition from local officials, all Democrats." The Post calls Hogan's plan "a sensible response to a predictable crisis that threatens to consign his state to perpetual also-ran status in the regional economic sweepstakes."

Wall Street Journal.

"The Race-To-The-Bottom Standard." In an editorial, the Wall Street Journal (7/30, Subscription Publication, 7.57M) criticizes central banks in the US, Europe, and Japan for racing to cut rates even if there is no rational reason to do so. The Journal calls for consideration of a formal system of exchange rate stability to remove the irrationality and chaos.

"Celebrating American Democracy." In an editorial, the Wall Street Journal (7/30, Subscription Publication, 7.57M) hails Trump's comments about slavery and African-Americans during his remarks yesterday. In particular, the Journal praises Trump for combining an acknowledgment of past injustices with a restatement of America's promise and its ability change for the better throughout its history.

"The 99% Get A Bigger Raise." In an editorial, the Wall Street Journal (7/30, Subscription Publication, 7.57M) highlights the increase in worker wages reported by the Bureau of Economic Analysis on Tuesday. Employee compensation was up five percent in 2018 after rising 4.5 percent a year earlier, which the Journal credits to a strong economy.

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Capital One Hacking Suspect Showed Strange Online Behavior
Sanders, Warren Fight Back Against Moderates In Second Democratic Debate
A Natural Disaster Wipes Out Your Home. Then The Buyers Come Calling.
When Navy Sailors And Marines Share A Ship, Karaoke Night Gets Complicated
Apple's Revenue Rises Despite Continued iPhone Slump

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New York Times:

Sanders And Warren Battle Accusations Of 'Fairy Tale' Promises As Intraparty Rift Flares

'Moscow Mitch' Tag Enrages McConnell And Squeezes G.O.P. On Election Security

Democratic Debate Turns Ferocious Over Health Care

Need Extra Time On Tests? It Helps To Have Cash

More Than 900 Migrant Children Have Been Separated From Their Families Over Past Year

For Big Banks, It's An Endless Fight With Hackers

Washington Post:

President's Visit Roils Jamestown Commemoration

For Trump, A Striking Turnabout On Trade

How To Avoid Trump's Ire: CIA Chief Keeps Low Profile

Financial Times:

German Court Hears Case Against ECB Bond-Buying

Trump Unsettles Markets By Taking Aim At Fed And China

Bayer Faces 5,000 New Lawsuits Over Pesticide Cancer Claims

Washington Times:

Sanders, Warren Take Friendly Fire On Far-Left Agenda

2020 Democratic Candidates Put Trump's Corporate Tax Rate Cut In Crosshairs

'Minds Were Not Changed': Trump Impeachment Push Stalls Among Voters After Mueller Hearing

Massive Contract For Guantanamo Prison Has Controversial Facility Open For Decades

Losing: Hypersonic Weapons Threaten To Render American Power Useless, Insiders Warn

Top Spy Nominee Vows To Expose Origins Of FBI's Trump-Russia Probe

Story Lineup From Last Night's Network News:

ABC: Mississippi-Walmart Shooting; North Korea-Missiles Launched; Severe Weather; Wisconsin-Murder Spree; California-Festival Shooting; Trump-Rep. Elijah Cummings; Trump-Jamestown Ceremony; Second Democratic Debate; Rome-Two American Teens Arrested In Officer's Death; Hyten Testifies In Sexual Assault Allegation; Suspect Arrested In Arkansas State Senator's Murder; Capital One Data Breach; Atlantic City-Father Dies Saving Son; Illinois-Sky Diving Collision; China-Child Falls Off Balcony; Father Dies From Colon Cancer.

CBS: North Korea-Missiles Launched; Mississippi-Walmart Shooting; Capital One Data Breach; Hyten Testifies In Sexual Assault Allegation; US Border Policy Tensions; Trump-Rep. Elijah Cummings; Trump-Jamestown Ceremony; California-Festival Shooting; Senate Report-Larry Nassar Abuse; John Ratcliffe For Director Of National Intelligence; Second Democratic Debate; American Rapper Pleads Not Guilty In Sweden; Planned Parenthood To File Suit Against Missouri's Abortion Ban; US Women's Soccer Coach Stepping Down; Kansas City-Baby Showers.

NBC: Mississippi-Walmart Shooting; North Korea-Missiles Launched; Trump-Rep. Elijah Cummings; Second Democratic Debate; Hyten Testifies In Sexual Assault Allegation; Minneapolis-Delta Pilot Under The Influence; Severe Weather; Rome-Two American Teens Arrested In Officer's Death; Senate Report-Larry Nassar Abuse; Capital One Data Breach; College Admission, Financial Aid Dispute; Miami-TSA Agents Suspended; Michigan-GM Plant To Close; China-Child Falls Off Balcony.

Network TV At A Glance:

Hyten Testifies In Sexual Assault Allegation – 6 minutes, 25 seconds

Capital One Data Breach – 5 minutes, 40 seconds

Mississippi-Walmart Shooting – 4 minutes, 25 seconds

Second Dem Debate – 4 minutes, 20 seconds

North Korea-Missiles Launched – 4 minutes, 0 seconds

Trump-Elijah Cummings- 3 minutes, 30 seconds

Story Lineup From This Morning's Radio News Broadcasts:

ABC: Second Democratic Debate; North Korea-Missiles Launched; California-Festival Shooting

CBS: Second Democratic Debate; North Korea-Missiles Launched; Mississippi-Walmart Shooting; Sweden-A$AP Pleads Not Guilty.

FOX: Second Democratic Debate; Mississippi-Walmart Shooting; California-Festival Shooting.

NPR: Second Democratic Debate; California-Festival Shooting; ACLU-Migrant Children Separated From Parents, Stocks.

Last Laughs

Late Night Political Humor.

Trevor Noah: [On the Democratic primary debates line-up for each evening] "What is going on? I feel like I'm watching bloopers from the courtroom scene in 'Chernobyl.' When we mix Bill de Blasio with Marianne Williamson, it creates a chemical reaction that can destroy an entire city."

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Trevor Noah: "Fundamentally, all the Democrats on tonight's stage agreed on the basic idea of universal healthcare. What they disagreed on was how exactly to do it. ... Basically, it was different flavors of the same thing. You know, it's like on a night when you and your friends agree that you're gonna party all night long, and then one of you drinks Red Bull, and the other one does cocaine. There's different levels!"

Trevor Noah: [On the debate moderator telling candidates they were out of time as soon as they would start to make a point] "You tell them, Jake, stick to the rules of time. CNN doesn't have time for these candidates and all these people debating on how they're going to lower the price of prescription drugs. We gotta make an ad for prescription drugs, coming up next."

Trevor Noah: "According to CNN, candidates would get as little as 15 seconds to respond to a policy question, which is great snappy TV, but horrible for policy debates. You know, it's also a good thing that CNN doesn't run a restaurant. That would be horrible. Just be like, looking up at the waiter who's Jake Tapper, and be like, 'I'm going to order the pasta, but I'm allergic to--' 'Time's up, thank you very much!' 'No, but I'll die if--' 'I said thank you!'"

Jimmy Kimmel: "Have 30 years of reality TV taught the Democrats nothing? You can't go from 20 candidates right to one. You have to put them on an island and separate them into tribes."

Jimmy Kimmel: "CNN gave the candidates 60 seconds to answer a question, 30 seconds for a rebuttal. When their time was up, a red light appeared, which did put Bernie Sanders at a disadvantage. Because usually when the light turns red, he falls asleep until someone behind him honks the horn."

Jimmy Kimmel: "The President has been taking a lot of heat for his attacks on the city of Baltimore and their congressman, Elijah Cummings. ... A lot of people think this racist stuff is part of Trump's master plan to fire up his base. I think they're giving him too much credit. He's just an impulsive, Diet Coke Garfield. Not the president, the cat, by the way."

Stephen Colbert: [On the debate moderator telling candidates they were out of time as soon as they would start to make a point] "The CNN moderators stuck to their rule on candidates' answers: Stop them from answering."

Jimmy Fallon: "I saw a poll that said 34 percent of Democrats were very motivated to watch this week's debates. That number dropped to 4 percent when Democrats remembered it's 'Shark Week.'"

Jimmy Fallon: "Actually, while the debate was on CNN, ABC was showing the finale of 'The Bachelorette.' You could tell some people were confused, because halfway through the debate, Luke P. burst on stage and proposed to Elizabeth Warren."

Seth Meyers: "During her opening statement in tonight's Democratic debate, Sen. Elizabeth Warren said that President Trump disgraces the office of the President every single day, which isn't fair, because he's really only in the office like twice a week."

Seth Meyers: "After the first half of tonight's debate, Google searches for former Congressman John Delaney increased by 3,400 percent, and still no results."

Seth Meyers: "President Trump did not tweet for the entirety of tonight's debate. I think we all owe a big thank-you to 'The Bachelorette' finale."

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Seth Meyers: "Tonight's half of the debate marked the first appearance of Steve Bullock, who replaced Congressman Eric Swalwell, who dropped out. Not going to lie, still not sure which is which."

Seth Meyers: "President Trump also said today that he thinks former Vice President Joe Biden will get the Democratic nomination, but will 'limp across the finish line.' As opposed to Trump, who only limped when he asked about Vietnam."

Seth Meyers: "Of course, just because it was the Democrats' big night doesn't mean that Donald Trump could stay out of the news. In fact, he's physically incapable of it. I'm shocked he didn't crash through the walls of the debate stage in his golf cart."

James Corden: [On Trump saying he's the 'least racist person' in the world] "After his recent attacks on the city of Baltimore and Reverend Al Sharpton, President Trump is having to defend himself from charges of racism. And in front of the White House earlier today, he made this bold claim. ... You know what that is? That is the least believable statement there is anywhere in the world."

James Corden: "Throw Trump out of the equation and think about that statement. If you saw that on a billboard for a real estate agent, 'I'm the least racist person anywhere in the world,' the first thought you'll have is that real estate agent is definitely racist."

James Corden: "There are so many Democrats running for President, they had to split the field into two separate debates. In other words, tonight there was a debate to find out which people from this debate could eventually move on to debate the people in the other debate, to see who gets to go to the final presidential debate – which will be the only one anyone will actually care about."

James Corden: "Tonight's field had 10 candidates, including Bernie Sanders, Elizabeth Warren, Beto O'Rourke, and John Hickenlooper. The candidates were really stumped by the first question, which was, 'Who is John Hickenlooper?'"

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Trump — participates in the arrival of the President of Mongolia; participates in an expanded bilateral meeting with the President of Mongolia.
- Vice President Pence — has no public schedule released.

***US Senate*:**

- Nominations hearing considers Vice Adm. Michael Gilday to be an admiral and Chief of Naval Operations

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 9:30 AM

- Senate Agriculture Committee hearing on U.S. Grain Standards Act reauthorization – Hearing on 'Perspectives on Reauthorization of the U.S. Grain Standards Act', with testimony from National Association of Wheat Growers member Brian Linin; American Association of Grain Inspection and Weighing Agencies President Tom Dahl; National Grain and Feed Association Board of Directors member Bruce Sutherland; and North American Export Grain Association Grades & Inspections Committee Chairman Nick Friant

Location: Rm 328A, Russell Senate Office Building, Washington, DC; 9:30 AM

- Dem Sen. Ben Cardin holds briefing on the 'End Racial and Religious Profiling Act' – Democratic Sen. Ben Cardin holds briefing to discuss the 'End Racial and Religious Profiling Act of 2019', legislation that would ban 'discriminatory profiling by federal, state and local law enforcement nationwide.' Other speakers include ACLU Senior Legislative Counsel Jennifer Bellamy, NAACP Washington Bureau Director Hilary Shelton, South Asian Americans Leading Together Interim Co-Executive Director Lakshmi Sridaran, and YWCA National Capital Area CEO Monica Gray

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Location: Kennedy Caucus Room, Russell Senate Office Building, 2 Constitution Ave NE, Washington, DC; 10:00 AM

CETC-22-0351-A-002237

- Senate Appropriations subcommittee hearing on the FAA – Transportation, Housing and Urban Development, and Related Agencies

Subcommittee hearing on 'Oversight of the Federal Aviation Administration', with testimony from Federal Aviation Administration Acting Deputy Administrator Carl Burleson, Associate Administrator for Aviation Safety Ali Bahrami, Deputy Associate Administrator for Airports Winsome Lenfert, and Deputy Associate Administrator for Security/Hazardous Materials Safety Angela Stubblefield

Location: Rm 192, Dirksen Senate Office Bldg, Washington, DC; 9:45 AM

• Senate Judiciary Committee nominations hearing – Nominations hearing considers Kenneth Charles Canterbury Jr. to be Bureau of Alcohol, Tobacco, Firearms, and Explosives Kenneth Charles Canterbury Jr.; R. Austin Huffaker Jr. to be U.S. District Judge for the Middle District of Alabama; Lee Philip Rudofsky to be U.S. District Judge for the Eastern District of Arkansas; and Justin Reed Walker to be U.S. District Judge for the Western District of Kentucky

Location: Rm 226, Dirksen Senate Office Building, Washington, DC; 10:00 AM

• Senate Commerce, Science, and Transportation Committee Executive Session – Executive Session, with agenda including 'S. 2297, Coast Guard Reauthorization Act of 2019' and 'S. 2299, Protecting Our Infrastructure of Pipelines Enhancing Safety (PIPES) Act of 2019'

Location: Rm 216, Hart Senate Office Building, Washington, DC; 10:00 AM

• Business Meeting, with agenda including 'S. 1441, Protecting Europe's Energy Security Act of 2019'

Location: S-116, U.S. Capitol, Washington, DC; 10:15 AM

• Senate Finance Committee Executive Session – Executive Session, to consider the nominations of Brent James McIntosh to be Under Secretary of the Treasury; Brian Callanan to be Department of the Treasury General Counsel; Brian McGuire to be Deputy Under Secretary of the Treasury; and Travis Greaves to be a U.S. Tax Court Judge

Location: Rm 215, Dirksen Senate Office Building, Washington, DC; 10:30 AM

• Bipartisan senators announce legislation on prescription drug costs – Democratic Sen. Chris Van Hollen and Republican Sen. Rick Scott announce new legislation to tackle 'skyrocketing' prescription drugs, focusing on drugs based on taxpayer-funded National Institutes of Health research, via pen and pad briefing

Location: Rm 110, Hart Senate Office Building, Washington, DC; 11:00 AM

• FRA administrator testifies to Senate Transportation Committee on PTC implementation – Hearing on 'Next Steps for Positive Train Control Implementation', with testimony from Federal Railroad Administration Administrator Ronald Batory; Wabtec Corporation Vice President of Strategic Development Robert Bourg; Metra CEO and Executive Director Jim Derwinski; Government Accountability Office Director of Physical Infrastructure Susan Fleming; and BNSF Railway Assistant Vice President for Network Control Systems Chris Matthews

Location: Rm 216, Hart Senate Office Building, Washington, DC; 2:00 PM

• Senate Indian Affairs Committee Business Meeting – Business Meeting, to consider the nomination of E. Sequoyah Simermeyer to be National Indian Gaming Commission Chairman

Location: Rm 628, Dirksen Senate Office Building, Washington, DC; 2:30 PM

***US House*:**

• House of Representatives on recess from 26 Jul – 9 Sep

***Cabinet Officers*:**

• Secretary of State Pompeo en route from U.S. to Thailand – Secretary of State Mike Pompeo en route from the U.S. to Thailand -the first stop on a trip which will go on to include Australia and the Federated States of Micronesia, during which he will co-chair the U.S.-ASEAN Ministerial and the Lower Mekong Initiative Ministerial, address the Siam Society, participate in the East Asia Summit Ministerial and the ASEAN Regional Forum Ministerial, and hold a bilateral meeting with Thai Foreign Minister Don Pramudwinai in Bangkok; will co-lead the U.S. delegation to the Australia-United States Ministerial (AUSMIN) Consultations, will deliver remarks at the State Library of New South Wales, and will meet Prime Minister Scott Morrison in Sydney; and will meet the leaders of the Federated States of Micronesia, the Marshall Islands, and Palau in Kolonia * Assistant Secretary for East Asian and Pacific Affairs David Stilwell accompanies him on the trip

• Energy Secretary Perry speaks at U.S. Chamber of Commerce Global Energy Institute summit – U.S. Chamber of Commerce Global Energy Institute hosts first 'EnergyInnovates: All In' summit, as part of an initiative run by the Institute for the last year, during which it

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visited 'projects and people that are changing the world'. Summit speakers include Secretary of Energy Rick Perry, Republican Sen. Lisa Murkowski, National Renewable Energy Laboratory Director Martin Keller, and Department of Energy Office of Technology Transitions Director and Chief Commercialization Officer Conner Prochaska, as well as Chris Crane (Exelon), Susan Dio (BP America), Jason Grumet (Bipartisan Policy Center), John Hopkins (NuScale Power), Taylor Shinn (Baker Hughes GE), Jim Steffes (Direct Energy), and Vijay Swarup (ExxonMobil)

Location: U.S. Chamber of Commerce, 1615 H St NW, Washington, DC; 8:30 AM

Visitors:

• President Trump welcomes Mongolian counterpart to the White House – President Donald Trump welcomes Mongolian President Khaltmaagiin Battulga to the White House, for a visit focusing on 'deepening cooperation between the two countries to strengthen security and promote prosperity for both'. They discuss issues including defense and security, trade and investment, and sovereignty and rule of law

Location: The White House, 1600 Pennsylvania Ave NW, Washington, DC

This Town:

• Department of the Treasury quarterly refunding announcement – Department of the Treasury makes quarterly refunding announcement, outlining its funding needs for the next two quarters, including which securities will be offered and the dates of their announcement, auction, and settlement; *8:30 AM*

• Dem Sen. Sherrod Brown unveils legislation curbing stock buybacks – Democratic Sen. Sherrod Brown joins a Newsmaker news conference at the National Press Club to unveil new legislation that would curb stock buybacks and create a worker dividend

Location: National Press Club, 529 14th St NW, Washington, DC; 10:00 AM

• Amtrak Police Department Chief lays wreath at the Tomb of the Unknown Soldier – Amtrak Police Department Chief Neil Trugman lays wreath at the Tomb of the Unknown Soldier during an Armed Forces Full Honor Wreath Ceremony to honor the 'interagency partnership' between the Amtrak Police Department and Joint Force Headquarters-National Capital Region, hosted by U.S. Army Brig. Gen. Omar Jones

Location: Tomb of the Unknown Soldier, Arlington National Cemetery, Arlington, VA; 10:30 AM

• U.S. interest rate decision – Federal Open Market Committee decision on interest rates following two-day meeting. Followed by press briefing with Chair Jerome Powell * The FOMC decided at its last meeting in June to maintain the target range for the federal funds rate at 2.25-2.5%

Location: Washington, DC; 2:00 PM

• '5G Innovation and Security' discussion at CSIS – '5G Innovation and Security' Center for Strategic and International Studies discussion, with Cybersecurity and Infrastructure Security Agency Director Christopher Krebs, Federal Communications Commission Commissioner Geoffrey Starks, and Deputy Assistant Secretary of State for Cyber and International Communications and Information Policy Robert Strayer

Location: Center for Strategic and International Studies, 1616 Rhode Island Ave NW, Washington, DC; 2:30 PM

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TO: THE SECRETARY AND SENIOR STAFF
DATE: TUESDAY, MARCH 2, 2021 6:00 AM EST

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• Treasury Pushed To Waive Unemployment Benefit Taxes For Americans Receiving Surprise Bills In $1000s.
• FT: Poorer Countries Need More Global Assistance (Yellen Mention).

Treasury Grant News

• Louisiana Parish Launches Treasury-Funded Rental Assistance Program.

COVID-19 News

• Zients Says It Is Still "Too Difficult" For Americans To Obtain Appointments For Vaccines.
• US Begins Rolling Out Johnson & Johnson's Vaccine.
• Fauci Says US Intends To Stick With Plan To Administer Two Doses Of Pfizer's And Moderna's Vaccines.
• Novavax CEO Says Its COVID Vaccine Could Get FDA Authorization By May.
• Trumps Vaccinated Before Leaving White House.
• Landmark California Program Targeting Thousands Of Immigrant Farmworkers For Vaccine.
• Arizona County Opens Up Vaccine Eligibility To General Public.
• NBC Nightly News Highlights Alaska's Successful Vaccination Effort.
• Side Effect Of Moderna, Pfizer COVID Vaccines Can Be Mistaken For Cancer, Physicians Say.
• NIH Studying Tens Of Thousands Of People To Improve Understanding Of COVID Long Haulers.
• Twitter Upping Enforcement Against COVID Misinformation.
• Walensky "Really Worried" That States Are Lifting COVID Restrictions.
• US Sees Record Number Of Coronavirus Variant Cases In One Day.
• US Seeing "Almost-Universal Return Of Schools."
• LA Nursing Home To Settle Lawsuit Brought By City For "Dumping" Residents To Take In Lucrative COVID Patients.
• WHO Says It Is Premature To Think The Pandemic Can Be Stopped By Year's End.
• New WTO Leader Argues For Greater Vaccine Access.
• Countries Urge Drug Companies To Share Blueprints, Technical Knowledge So More Vaccines Can Be Produced.
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• Czech Police, Military Set Up Border Checkpoints To Enforce Travel Restrictions.
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• UK Researchers Say One Dose Of Pfizer, AstraZeneca Vaccines Can Greatly Reduce Severe Illness Or Death.
• Slovakia Buys 2M Doses Of Russian Sputnik V Vaccine.
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• Caribbean Nations See Worst COVID Outbreaks Since Start Of Pandemic.
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Leading National News

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• Psaki Says Biden Supports The Right Of Workers To Organize After He Signaled Support For Amazon Unionization Bid.
• Harris Stresses Need To Strengthen Cities' Infrastructure.
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• Interior Reverses Trump Administration's Last-Minute Grazing Permits To Hammonds.
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• Warren Proposes 2%-3% Annual Tax On Those Worth More Than $50M.
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• Administration Says It Will Use "All Available Tools" In Response To Unfair Trade Practices By China.
• Commission Recommends Steps To Prevent China Overtaking US In Semiconductors.
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• NYTimes Analysis: To Help US Manufacturing, Biden Must Deal With Strength Of US Dollar.
• Senate Confirms Cardona As Education Secretary On 64-33 Vote.
• Senate Votes To Limit Debate On Raimondo Confirmation.
• Four GOP Members Of Senate Judiciary Panel Back Garland Nomination.
• After Meeting With Tanden, Murkowski Hasn't Decided Whether To Support Her.
• Anti-Trump Group Spending $1M To Promote DOJ Nominee Gupta.

CFTC-22-0351-A-002240

• Meagher Hired As Deputy White House Press Secretary.
• US Chamber Asks Biden To Reinstate Robb As NLRB General Counsel.
• Minneapolis City Council Members Question Plan For Police, Military Presence During Chauvin Trial.
• Former Maryland Governor Advocates For Parole Reform.
• Manhattan Prosecutors Focusing On Trump Organization CFO.
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• Former Education Secretaries Promote Civics Lessons Roadmap.
• NYC Appoints Education Department Veteran As School Chancellor.
• One Student Wounded After "Targeted" Shooting In Arkansas Junior High School.
• Virginia Commonwealth University Suspends Fraternity After Student Dies In Hazing Incident.
• CMS Commits $2.3M To Bolster ACA Signups In Underserved Communities.
• Trump Era Policies Complicating Biden's Medicaid Work Requirement Rollback.
• FTC Orders E-Cigarette Makers To Turn Over Sales, Advertising Data.
• Average Turnover At Nursing Homes Greater Than 100% In A Given Year, Researchers Say.
• Mayorkas Says Administration Will Allow Families Separated At The Border To Live In The US.
• Republicans Attempting To "Rewrite The Story Of What Happened" During Capitol Riot.
• Harvard CAPS-Harris Poll: 61% Approve Of Biden's Performance.
• Administration Endorses New Election Reform Bill.
• White House's Failure To Disclose Participants In Virtual Meetings Draws Scrutiny.
• NASA To Review SpaceX Engine Failure Ahead Of April Crewed Flight To ISS.
• GAO Study: Women In Military Pay More For Uniforms.
• Supreme Court Asks Solicitor General To Weigh In On Texas USERRA Case.
• Supreme Court Considers Constitutionality Of Patent Judges Appointments.
• Supreme Court To Consider Puerto Rico SSI Benefits.
• Durbin Warns That He May Limit GOP Senators' Ability To Block Judicial Nominees.
• Poll Shows 52% Of Republicans Support Trump For 2024 Nomination.
• Romney Recovering After Fall.
• Former Classmates Of Cawthorn Detail Accounts Of Unwanted Advances.
• "Anti-Trump" Combat Veteran Launching Campaign For TX6 Seat.
• Third Woman Accuses Cuomo Of Sexual Harassment As Criticism Of His Behavior Intensifies.
• Trump Says He Regrets Supporting Georgia Governor.
• United Methodist Conservatives To Form A New Denomination.
• Large Protestant Adoption And Foster Agency Will Provides Services To LGBTQ Parents.
• Texas Public Utility Commission Chair Resigns.
• Many In Jackson, Mississippi Still Without Water.
• Kentucky Governor Declares State Of Emergency Over Flooding, While West Virginia Has Flooding In Over A Dozen Counties.
• WPost Report: Melania Trump Made Some Additions, Improvements To White House.
• Poll: 64% Say "Cancel Culture" Threatens American Freedom.
• Reporter Publishes Account Of His Departure From NYTimes.
• Argument Made For Saving The Florida Grasshopper Sparrow.
• FLOTUS Making Unannounced Visits To Small Businesses.
• First Lady To Travel To Connecticut, Pennsylvania With Education Secretary Cardona.

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• Argentina Hits Brakes On IMF Talks, Calls For Investigating Previous Agreement.
• ECB Official Calls For Greater Role In Combating Bubbles.
• IMF Board Approves $1.8B Loan Program For Costa Rica.

Leading International News

• Some Democrats Criticizing Biden's First Foreign Policy Moves.
• UK Foreign Secretary Welcomes Biden's Moves On Climate Change, WHO Funding, And Iran.
• Biden Advocates For Improving Bilateral Relations In Virtual Meeting With Mexican President.
• El Salvador's President's Allies Appear To Win Control Of Legislature.
• Haitians Call For Departure Of President Moïse.
• Sources Differ Over Venezuelan Oil Exports In February.
• Ecuador's Interior Minister Says Prison Riots Were Connected To International Criminal Groups.
• Thomas-Greenfield Calls For Increased UN "Pressure" On Burma's Military As Suu Kyi Faces Additional Charges.
• US Urges Release Of Pro-Democracy Activists In Hong Kong.
• Administration Seeks To Form Common Policy Towards China Among Asian Neighbors And European Countries.
• US Envoy To Afghanistan Meets With Senior Official In Kabul.
• Two Americans Accused Of Helping Ghosn Escape Now In Japanese Custody.
• Armenian Prime Minister And Those Calling For His Ouster Stage Dueling Rallies.
• Pentagon Announces Military Aid Package For Ukraine.
• EU Sanctions Russian Officials As Navalny Is Moved To Notorious "Penal Colony."
• Russian Authority Says Twitter Violated Law By Failing To Delete Posts.
• EC President Visits Georgia Amid Tense Political Standoff.
• American On Trial In Italy Claims Killing Of Italian Officer Was In Self Defense.
• Court Convicts Sarkozy On Corruption Charges, But He May Avoid Prison Time.
• Former IMF Chief Charged With Corruption, Money Laundering, And Tax Avoidance By Spanish Court.
• White House Suggests MBS Could Still Be Punished For Ordering Khashoggi's Murder.
• Blinken Calls On Houthis To "Match" Saudis' "Commitment" To Ending War In Yemen.

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• US Says Strike In Syria Killed Iranian-backed Fighter, Wounded Two Others.
• Members Of US House Urge Administration To Respond To Turkish Human Rights Issues.
• Sahrawis Restarting War With Morocco Over Western Sahara.
• Abductions Of School Children Increasing In Nigeria.
• Hundreds Of Thousands Displaced In Central Africa Republic By Fighting.
• Zimbabwe's Vice President Resigns.
• Kenyan Police Use Twitter To Change Reputation.

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• FHFA Authorizes GSEs Double Funding Of Housing Trust Fund, Capital Magnet Fund.
• GSEs Preparing For Broader Rollout Of Data Verification Technology.
• MBA: Slowing Exits Drive Forbearance Volume Up In Portfolio Loans, PLS, And Ginnie Mae Loans.
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• Column: "Dying Malls" Could Be Repurposed To Ease Nation's Housing Shortage.
• Analysis: US Insurers Face More Pressure, Scrutiny On Role In Climate Change.

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• 10-Year Yield Ticks Up.
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• Cybersecurity Risks Rise As Corporate IT Adjusts To Pandemic.
• FireEye's CEO Warns Risk Growing Of US Being Pulled Into Global Cyber Warfare.
• Chinese Cyber Actors Now Targeting India's Critical Infrastructure.
• SII, Bharat Biotech Targeted By Chinese Hackers, Says Security Firm.
• EPA Leads Cybersecurity Response If Water Utilities Get Hacked.
• NSA Publishes Guidance For Security Professionals On Adopting Zero Trust Security.
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• Analysts Say US Economy Showing Signs Of Improvement.
• Brainard Flags Financial System Weaknesses Revealed By Covid, Urges Actions To Address Them.
• Barkin: Fed Guidance On Future Plans Could Not Be More "Clear And Explicit."

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• Gensler Hearing Comes During Calls For Tighter Wall Street Regulation.
• Incoming CFPB Head Needs To Put An 'End To The Political Pendulum Swing.'
• CFPB Receives Record Number Of Complaints In 2020.

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• Optimism Grows That Agencies Can Work Together On CRA Reform.
• New Indictments Brought Against Those Responsible For Failure Of Washington Federal Reserve Bank For Savings.

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Treasury in the News

Senate Panel To Vote Wednesday On Deputy Treasury, HHS, USTR Nominees.

Reuters (3/1, Shalal) reports the Senate Finance Committee "said its members will vote on Wednesday" on the nominations of Wally Adeyemo for Deputy Treasury Secretary, Katherine Tai for USTR, and Xavier Becerra for HHS Secretary. Senate Finance Chair Ron Wyden "will convene the business meeting at 10 a.m. to vote on the nominations," all three of which "are expected to win approval by the committee, a congressional aide said." That development "would clear the way for their consideration by the full Senate."

Reuters (3/1, Shalal) separately reports Adeyemo, responding in writing to Senate Finance members' questions, "underscored his commitment to rigorous enforcement of U.S. sanctions against Iran, Russia and other countries." Adeyemo "said Iran should only enjoy sanctions relief if it took the appropriate steps to resume compliance with its commitments under the 2015 nuclear accord." Adeyemo also "said Treasury would look carefully at 'any Iranian efforts to evade sanctions and abuse the international banking system' to fund terrorist activities, and would use all available tools to disrupt that support."

WSJ Analysis: "Small" FinCEN To Take On Huge Roll Implementing Anti-Money-Laundering Law.

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The Wall Street Journal (3/1, Tokar, Subscription Publication, 8.41M) reports the Financial Crimes Enforcement Network, "a small, relatively obscure bureau" of the Treasury Department, "will take a lead role in plugging what many experts consider the biggest hole in the U.S.'s anti-money-laundering protections." FinCEN "has a year to promulgate regulations under the new anti-money-laundering law and another two to put them into effect. But the magnitude of the project could stretch the rollout beyond the bill's Congressional deadlines." Although Treasury Secretary Janet Yellen has named the law as a priority, the Biden Administration "has faced delays in filling key positions." President Biden "has yet to nominate a Treasury undersecretary for terrorism and financial intelligence, a role that also oversees FinCEN."

Treasury Pushed To Waive Unemployment Benefit Taxes For Americans Receiving Surprise Bills In $1000s.

The Washington Post (3/1, Long, 10.52M) reports unemployed Americans are now finding their weekly payments "count as income just like wages from a job," leaving them on the hook for "surprise tax bills, ranging from several hundred to several thousand dollars, and many say they just cannot pay." One option advocates are discussing in economic policy circles "would be for Biden's Treasury Department to simply waive taxes on most of the unemployment payments in 2020." Proponents "argue Treasury has done this before during natural disasters, and the pandemic is a large-scale disaster." However, "two senior Treasury officials, who spoke on the condition of anonymity because they were not authorized to speak publicly, said that idea is not on the table."

FT: Poorer Countries Need More Global Assistance (Yellen Mention).

In an editorial, the Financial Times (3/1, Subscription Publication, 1.48M) says, "The global response to coronavirus has left much to be desired. Former US president Donald Trump's nationalist instincts and a divisive..."

Treasury Grant News

Louisiana Parish Launches Treasury-Funded Rental Assistance Program.

The New Orleans (LA) Times-Picayune (3/1, Roberts, 691K) reports Jefferson Parish "has launched a program to help renters who have struggled to make payments due to the pandemic, according to a news release." The program "provides rental assistance to those who meet certain criteria and can show a hardship brought on by the pandemic, the release says." The funding "is part of a federal-state partnership that sent $308 million to Louisiana out of a $25 billion federal program funded through the U.S. Treasury Department." Jefferson's "initial allocation is $12.8 million, a parish spokeswoman said. If the parish uses 85% of that amount by the end of September, the parish will be allotted another $14.1 million." Jefferson Parish President Cynthia Lee Sheng added in the news release, "We are pleased to be able to offer this much-needed assistance to residents in Jefferson Parish who were impacted financially by COVID-19."

COVID-19 News

Zients Says It Is Still "Too Difficult" For Americans To Obtain Appointments For Vaccines.

Reuters (3/1, Lambert, Humer) reports that on Monday, White House COVID response coordinator Jeff Zients said getting appointments for COVID-19 vaccines "remains too difficult in many places." The Hill (3/1, Weixel, 5.69M) reports Zients "said the Biden administration is working with states to improve their coronavirus vaccine sign-ups, as many Americans have expressed frustration at the difficulties in finding appointments." The article says as states have expanded "vaccine eligibility to more people, signups have been plagued by technical glitches. Websites have repeatedly crashed, phone lines have been inundated with callers, and people have been unable to find open appointments."

Van Hollen, Heinrich Urge The White House To Distribute Doses Reserved For Second Shots. The Washington Post (3/1, 10.52M) reports that in a letter sent to Jeff Zients, the White House coronavirus coordinator, on Monday, Sens. Chris Van Hollen (D-MD) and Martin Heinrich (D-NM) "arg[ued] that using doses initially set aside as second doses could expedite how many Americans get protection against Covid-19."

US Begins Rolling Out Johnson & Johnson's Vaccine.

The Wall Street Journal (3/1, Thomas, Subscription Publication, 8.41M) reports on Monday, the distribution of Johnson & Johnson's newly authorized COVID vaccine began in the US. On NBC's Today (3/1, 3.05M), Stephanie Gosk said Johnson & Johnson is "set to deliver four million doses of its vaccine this week."

On ABC World News Tonight (3/1, lead story, 4:20, Muir, 7.55M), Eva Pilgrim highlighted that the new vaccine "requires just one shot and no special freezers for storage. Today, the initial batch of nearly four million doses loaded onto trucks, then onto planes bound for all corners of this country. 2.8 million of those doses are going to state and local governments, 800,000 to pharmacies and the rest to community and federal health centers. The first shots could go into arms as early as tomorrow. Officials insist that all communities will have equal access."

On the CBS Evening News (3/1, lead story, 3:55, O'Donnell, 4.6M), Errol Barnett reported the J&J vaccine "comes as more than 50 million Americans already received at least one vaccine dose from Moderna and Pfizer, and, as the number of new COVID cases nosedives, 73% in the past two months. But COVID cases and deaths have plateaued at levels much higher than before last devastating surge."

On NBC Nightly News (3/1, lead story, 2:50, Holt, 6.45M), Tom Costello said, "The first J&J vaccine doses began moving this

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morning, with UPS and FedEx again splitting deliveries." Costello added, "The Biden Administration says it will be delivered evenly across the country, 20 million doses by the end of March." On ABC's Good Morning America (3/1, 3.31M), George Stephanopoulos said Johnson & Johnson "has committed to delivering 100 million by this summer."

However, Reuters (3/1, Heavey) reports J&J Chief Scientific Officer Paul Stoffels "said on Monday that the next round of deliveries is contingent on regulatory approvals at a new plant." In another article, Reuters (3/1, Steenhuysen, Erman) reports Stoffels in an interview "said a new, larger plant operated by contract manufacturer Catalent Inc has been preparing doses, but the U.S. Food and Drug Administration (FDA) still needs to allow the companies to begin shipping them."

Bloomberg (3/1, Griffin, 3.57M) reports Johnson & Johnson is working to secure manufacturing partnerships to boost supply of its newly authorized COVID-19 vaccine, according to CEO Alex Gorsky, who said on Monday that the company is "doing everything we can partnering with the U.S. government and other external manufacturers to see what we can do to accelerate and increase that number as well."

White House Addresses Concerns About J&J Vaccine. The Washington Post (3/1, Cunningham, Shammas, Diamond, 10.52M) reports the White House on Monday "sought...to tamp down fears that the newly authorized" Johnson & Johnson vaccine is "not as useful as two earlier ones and could be steered mainly to hard-to-reach communities." According to the Post, "At a briefing by the White House's coronavirus-19 response team, officials talked up evidence that the vaccine...is effective at blocking severe cases of illness from the virus as well as deaths, even if clinical trials have suggested it is somewhat less protective against moderate cases." The Post adds that officials also "countered an emerging public perception that the vaccine, with its simpler storage and handling requirements, could be targeted to...underserved communities. Marcella Nunez-Smith, chair of the Biden administration's coronavirus equity task force, said the government will allocate the J & J vaccine in direct proportion to the population size of states, tribes and other jurisdictions – the same allocation method used for the" Pfizer and Moderna vaccines. On CBS This Morning (3/1, 2.51M), Errol Barnett reported NIAID Director Fauci on Sunday "effectively said don't be too concerned about the lower efficacy of this vaccine."

A Washington Post (3/1, A1, Stanley-Becker, 10.52M) article headlined "Johnson & Johnson Vaccine Deepens Concerns Over Racial And Geographic Inequities" says decisions "to send the shots to harder-to-reach communities make practical sense, because Johnson & Johnson's single-shot vaccine is easier to store and use. But they could drive perceptions of a two-tiered vaccine system, riven along racial or class lines – with marginalized communities getting what they think is an inferior product." According to the Post, "The issue came up on a recent call between governors and Biden administration officials coordinating the country's coronavirus response." Massachusetts Gov. Charlie Baker (R) "stressed the need for prominent health officials to communicate clearly about the benefits of the one-shot vaccine, according to three people who heard his remarks and spoke on the condition of anonymity to discuss a private conversation."

The AP (3/1, Loller, Mattise, Flaccus) also reports the vaccine rollout "has heightened tensions between rural and urban America, where from Oregon to Tennessee to upstate New York complaints are surfacing of a real – or perceived – inequity in vaccine allocation." The questioning frequently takes "on partisan tones, with rural Republican lawmakers in Democrat-led states complaining of 'picking winners and losers,' and urbanites traveling hours to rural GOP-leaning communities to score COVID-19 shots when there are none in their city."

New Orleans Archdiocese Urges Catholics Against Taking J&J COVID-19 Vaccine. The Hill (3/1, 5.69M) reports, "The Catholic Archdiocese of New Orleans urged Catholics on Friday against taking a vaccine for COVID-19 manufactured by Johnson & Johnson because the vaccine is developed from stem cells obtained from two abortions." The archdiocese stated on its website, "If the Moderna or Pfizer vaccine is available, Catholics should choose to receive either of those vaccines rather than to receive the new Johnson & Johnson vaccine because of its extensive use of abortion-derived cell lines."

Fauci Says US Intends To Stick With Plan To Administer Two Doses Of Pfizer's And Moderna's Vaccines.

The Washington Post (3/1, Diamond, 10.52M) reports NIAID Director Fauci on Monday "reiterated that the United States will stick to a plan to inoculate tens of millions of Americans with two doses of coronavirus vaccine, as calls mount to protect more people by letting them get one shot now." Fauci told the Post, "There's risks on either side," and also warned that "shifting to a single-dose strategy for the Pfizer-BioNTech and Moderna vaccines could leave people less protected, enable variants to spread and possibly boost skepticism among Americans already hesitant to get the shots." Fauci added, "We're telling people [two shots] is what you should do...and then we say, 'Oops, we changed our mind'? ... I think that would be a messaging challenge, to say the least." Fauci also discussed the vaccines in an interview with NPR (2/26, Ferran, Gans, 3.69M).

Novavax CEO Says Its COVID Vaccine Could Get FDA Authorization By May.

Reuters (3/1, O'Donnell) reports Novavax's COVID vaccine could get US FDA approval as soon as May if the agency "authorizes it based on data from the company's British trial, which could be completed 'in the coming weeks,' its chief executive said on Monday." However, CEO "Stanley Erck added that talks...are ongoing and the agency may require Novavax to submit data from its U.S. trial, which could take an additional two months to complete, pushing back U.S. clearance to mid-summer."

CNBC (3/1, Lovelace, 7.34M) reports, "Novavax's phase three trial in the U.S. is still ongoing, with 30,000 participants, Erck said. The company hopes the FDA will allow it to use data from its clinical trial conducted in the U.K. when it files its emergency use application later this year, he added."

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Trumps Vaccinated Before Leaving White House.

Bloomberg (3/1, Wingrove, 3.57M) reports according to "aides familiar with the matter," former President Trump and his wife, Melania, "privately received at least one dose of a coronavirus vaccine" While Trump was still in office in January, "at a time when other public officials took shots on-camera to boost public confidence in the vaccines."

CNN (3/1, Acosta, Kelly, 89.21M) reports that it was uncertain "which vaccine or how many doses each had received." The news came after Trump "urged his followers to get vaccinated for the virus during his speech at the Conservative Political Action Conference," marking "a notable shift as Trump, during his time in office, had long dismissed the gravity of the virus and eschewed practices like social distancing and mask wearing." A Washington Post (2/28, Blake, 10.52M) analysis suggests that "perhaps the most significant thing" Trump said in his Conservative Political Action Conference speech on Sunday "was something he avoided forcefully advocating for when he actually commanded the most powerful office in the world: Get a coronavirus vaccine."

The Hill (3/1, Samuels, 5.69M) reports Trump "did not initially get the vaccine...citing the antibody therapy he received as part of his treatment for the virus. Trump has in the past expressed skepticism about vaccines on social media, and experts worried that his past rhetoric and reluctance to get the shot while in office could contribute to broader vaccine hesitancy." The New York Times (3/1, Haberman, 20.6M) reports that in contrast to Trump's secrecy, "President Biden, Vice President Kamala Harris and former Vice President Mike Pence received vaccine shots in front of television cameras." On NBC Nightly News (3/1, story 3, 1:55, Holt, 6.45M), Geoff Bennett similarly reported that "unlike President Biden who got his publicly, the Trumps got theirs privately."

Landmark California Program Targeting Thousands Of Immigrant Farmworkers For Vaccine.

The New York Times (3/1, Jordan, 20.6M) reports, "A landmark initiative in California is taking vaccines to the fields, targeting an immigrant work force that is at high risk for Covid-19." The program was launched in January in the Coachella Valley and "is the culmination of a monthslong effort to educate farmworkers about Covid-19." However, "many of the workers are undocumented, raising questions about whether they should have priority."

Arizona County Opens Up Vaccine Eligibility To General Public.

The New York Times (3/1, Romero, 20.6M) reports Gila County, Arizona "is one of the first places in the U.S. to open vaccinations up to the general public." The county "has been so successful at vaccinating its residents that it is now one of the first places in the United States to open eligibility to the general population, offering a glimpse of what vaccination could start to look like in the rest of the country weeks or months from now."

NBC Nightly News Highlights Alaska's Successful Vaccination Effort.

On the NBC Nightly News (3/1, story 9, 2:45, Holt, 6.45M) "Life After Lockdown" series, Lester Holt said Erin McLaughlin "went to Alaska, the state with the highest vaccination rate per capita, to a village where almost everyone has gotten a shot." McLaughlin added, "In remote Alaska, teams are braving extreme temperatures and navigating some of the toughest terrain in the world in an unprecedented effort to save lives. The tiny village of Nulato is only accessible by plane. Here anyone 16 and up can get vaccinated." According to McLaughlin, "Three quarters of the village is already done, with the elders leading the way."

Side Effect Of Moderna, Pfizer COVID Vaccines Can Be Mistaken For Cancer, Physicians Say.

The New York Times (3/1, Grady, 20.6M) reports as the COVID vaccine rollout continues across the US, physicians are observing enlarged lymph nodes, which may be mistaken for a sign of cancer, "in recently immunized people, and medical journals have begun publishing reports aimed at allaying fears and helping patients avoid needless testing for a harmless condition that will go away in a few weeks." According to the article, "The swelling is a normal reaction by the immune system to the vaccine, and occurs on the same side as the arm where the shot was given." Swelling occurring in the armpit "was a recognized side effect in the large trials of the Moderna and Pfizer-BioNTech vaccines." However, "the condition was not listed among the reported side effects in a briefing document from the Food and Drug Administration about the Johnson & Johnson Covid vaccine."

NIH Studying Tens Of Thousands Of People To Improve Understanding Of COVID Long Haulers.

NBC Nightly News (3/1, story 6, 4:35, Holt, 6.45M) reported that at the National Institutes of Health, "the human brain is revealing COVID's secrets." National Institute of Neurological Disorders and Stroke Intramural Clinical Director Avindra Nath "is studying the brains of 30 people who died from COVID but never had serious symptoms." The brains, Nath "says, could help answer one of the most perplexing mysteries of COVID-19: Why is it that long after the virus is gone, some people are suffering from symptoms that simply won't go away?" A "massive billion dollar initiative at NIH" is "studying tens of thousands of people to understand so-called long haulers." NIH Director Francis Collins said, "We certainly are going to have to follow people for months and maybe years."

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Twitter Upping Enforcement Against COVID Misinformation.

The Wall Street Journal (3/1, Ziobro, Subscription Publication, 8.41M) reports Twitter has announced new rules for its strike system targeting misinformation about COVID-19 and vaccines. The new rules are an expansion of the platform's efforts to favor reliable information about the pandemic while blocking false messages. The new standards will include labeling posts "pertaining to vaccines that include conspiracy theories and rhetoric unfounded in research or credible reporting."

The AP (3/1) reports the platform "has begun labeling tweets that include misleading information about COVID-19 vaccines and using a 'strike system' to eventually remove accounts that repeatedly violate its rules." Twitter is also "using human reviewers to assess whether tweets violate its policy against COVID vaccine misinformation." Reuters (3/1, Sandle) reports Twitter "started promoting public health information before COVID-19 was declared a global pandemic. It also aimed to remove demonstrably false or misleading content about the virus that had the highest risk of causing harm."

Walensky "Really Worried" That States Are Lifting COVID Restrictions.

CNBC (3/1, Lovelace, 7.34M) reports CDC Director Walensky on Monday said "she is 'really worried' about some states rolling back public health measures intended to contain the coronavirus pandemic as U.S. cases appear to be leveling off at a 'very high number.'" The drops "in Covid-19 cases seen since early January now appear to be stalling at around 70,000 new cases per day...Walensky said during a White House news briefing. 'With these statistics, I am really worried about more states rolling back the exact public health measures we have recommended to protect people from Covid-19.'"

The Hill (3/1, Sullivan, 5.69M) reports new COVID-19 cases dropped "for weeks, from as much as 250,000 per day in January to around 70,000 per day currently," but "the declines have leveled off and are now even showing signs of ticking back up. Even 70,000 cases per day is an extremely high level, above the peak of last summer." In addition, the Washington Post (3/1, Ruane, Tan, Duggan, 10.52M) reports "health officials in the District, Maryland and Virginia have reported more than 1 million coronavirus infections since last March: 577,174 in Virginia, 382,702 in Maryland and 40,684 in the District." Those figures mean "6 in every 100 residents of the three jurisdictions have tested positive in the past year, slightly lower than the national rate of eight infections per 100 people." Although DC "had the higher per capita case rate in the region at the start of the pandemic, it now has the lowest cumulative case rate among the three jurisdictions, followed by Maryland and Virginia, respectively."

While the AP (3/1, Hollingsworth, Webber) reports Massachusetts on Monday "made it much easier to grab dinner and a show," St. Louis and Kansas City, Missouri "are relaxing some measures," Iowa "recently lifted mask requirements and limits on the number of people allowed in bars and restaurants, while the town of Lawrence, home to the University of Kansas, now lets establishments stay open until midnight," the Wall Street Journal (3/1, Campo-Flores, Subscription Publication, 8.41M) reports Miami Beach is beefing up restrictions from February 22 to April 12 to deter spring breakers from vacationing irresponsibly. This city will have police officers and code-compliance staffers patrolling areas to ensure restrictions, including a midnight curfew, are being followed.

US Sees Record Number Of Coronavirus Variant Cases In One Day.

The Hill (3/1, Budryk, 5.69M) says that on Sunday, the US "reported an all-time high of 306 cases of coronavirus variants, with the majority concentrated in Florida, Michigan and Texas, USA Today reported." The new variant cases "included 104 new infections in Florida, for a total of 605 in that state; 85 in Michigan, for a total of 421; and 41 in Texas, for a total of 102."

Bloomberg (3/1, Court, Wingrove, Fabian, 3.57M) reports that according to Gregory Armstrong, Director of the Centers for Disease Control and Prevention's Advanced Molecular Detection Program, "about 735 cases of a coronavirus variant that emerged in New York City in November have now been identified in the U.S., including 585 in the last two weeks." Bloomberg adds that per Armstrong, individual cases of the variant "have also been found in 14 other states, including Texas, Wyoming and Maryland."

Meanwhile, the Houston Chronicle (3/1, Downen, Garcia, 982K) reports a new study from Houston Methodist Hospital has "found that Houston is the nation's first city to record every major variant of the novel coronavirus, a development that one local infectious disease expert called "disquieting" amid the region's push to reach herd immunity through widespread vaccinations."

US Seeing "Almost-Universal Return Of Schools."

Axios (3/1, Fernandez, 1.26M) reports more than 72% of K-12 students "are now attending schools that offer in-person or hybrid models of learning," which comes as the US "is seeing an almost-universal return of schools that were in-person as of November, as well as a gradual return in parts of the country that had been virtual for almost a year." According to Axios, "Elementary schools in Ohio, New Mexico, Oregon, Washington, Maryland and Virginia began in-person instruction this week, after being closed since last March."

Meanwhile, the Philadelphia Inquirer (3/1, Graham) reports that after "four false starts and with a mix of both relief and caution, Philadelphia city, school, and teachers' union officials on Monday announced a deal to begin bringing students and staff back to classrooms for the first time in nearly a year." Per the Inquirer, "Some teachers will begin reporting to their buildings on Wednesday. Students at 53 schools citywide will start in-person classes on Monday. The return will then continue in waves, with a group of about 50 schools every week reopening, first for prekindergarten through second-grade students, through March 22."

Newsom, Lawmakers Reach Deal To Reopen California Schools. The San Francisco Chronicle (3/1, Koseff, 2.44M) reports California Gov. Gavin Newsom (D) and state legislative leaders "have reached a deal on requirements for reopening schools during the coronavirus pandemic that could get more California students back into the classroom by the end of the month." Two sources told the

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Chronicle the agreement "foregoes conditions on collective bargaining with teachers unions and testing and vaccinations for school staff that have held up negotiations for months," while Bloomberg (3/1, Marois, 3.57M) reports the deal includes $2 billion in grants "for personal protective equipment, ventilation upgrades and Covid testing to districts that bring back students in kindergarten, first and second grades by the end of March," and "allocates $4.6 billion in funding to assist school districts that need to make up for lost learning, including possibly extending the current school year into the summer."

The Los Angeles Times (3/1, Myers, 3.37M)says the agreement "marks the completion of weeks of negotiations at the state Capitol and merges current public health guidelines with earlier school reopening proposals introduced by the governor and lawmakers. For Newsom, the proposal envisions students back on campus a full two months later than he had promised in the plan he offered in late December." Politico (3/1, Mays, 6.73M) reports that the agreement "could lead to California reopening most schools by President Joe Biden's 100-day deadline at the end of April, but not necessarily for five days per week."

The AP (3/1, Beam) reports that while Newsom "had been at odds with legislative leaders on the best way to encourage school districts to return students to the classroom," this announcement "marked a turn, with Newsom, Senate President Pro Tempore Toni Atkins and Assembly Speaker Anthony Rendon praising each other for reaching an agreement. All are Democrats."

The San Francisco Chronicle (3/1, Board, 2.44M) editorializes that the agreement "sets the right goal without acceding to the most unreasonable demands of teachers' unions," but "offers parents and students too little reassurance that school districts and their employees will comply." The Los Angeles Times (3/1, 3.37M) editorializes that the deal "is less meaningful than the governor's recent turnaround on vaccines for teachers" and "even that's not enough to meet April 1 deadlines for most schools."

LA Nursing Home To Settle Lawsuit Brought By City For "Dumping" Residents To Take In Lucrative COVID Patients.

The Los Angeles Times (3/1, Rainey, 3.37M) reports, "A nursing home accused of illegally 'dumping' patients onto city streets and into ill-equipped homes in order to take in more lucrative COVID-19 patients will nearly double its nursing staff, allow increased oversight and pay $275,000 in penalties and costs to settle a lawsuit brought by the Los Angeles city attorney's office."

WHO Says It Is Premature To Think The Pandemic Can Be Stopped By Year's End.

The AP (3/1, Keaten) reports that Dr. Michael Ryan, director of WHO's emergencies program, "said Monday it was 'premature' and 'unrealistic' to think the pandemic might be stopped by the end of the year, but that the recent arrival of effective vaccines could at least help dramatically reduce hospitalizations and death." He said "the world's singular focus right now should be to keep transmission of COVID-19 as low as possible."

Meanwhile, Reuters (3/1, Revill, Chander, Maddipatla) reports the WHO on Monday announced that "the number of new coronavirus infections globally rose last week for the first time in seven weeks." Maria Van Kerkhove, the WHO technical lead for COVID-19, said, "We need to have a stern warning for all of us: that this virus will rebound if we let it. ... And we cannot let it." Similarly, WHO Director-General Tedros Adhanom Ghebreyesus "said the rise in cases was 'disappointing but not surprising' and urged countries not to relax measures to fight the disease."

WHO Advises Against Using Hydroxychloroquine To Treat COVID. Reuters (3/1, Kelland) reports the drug hydroxychloroquine "should not be used to prevent COVID-19 and has no meaningful effect on patients already infected, a World Health Organization expert panel said on Tuesday" in recommendations (3/2, Subscription Publication, 23K) published in the BMJ British medical journal. The WHO's Guideline Development Group expert panel also said the anti-inflammatory drug is "not worthwhile" for further exploration as a potential COVID-19 treatment.

ABC News (3/1, Jacobo, 2.44M) reports, "Hydroxychloroquine was aggressively touted by former President Donald Trump as a promising treatment for the virus, despite a lack of evidence. As early as March 2020, Trump declared the drug a 'game changer' as the pandemic grew, while the nation's top infectious disease expert, Dr. Anthony Fauci, called it 'not effective' for the coronavirus." Bloomberg (3/2, Gretler, 3.57M) reports the US FDA "revoked its authorization after just a few months when research showed the drug didn't work against the virus."

New WTO Leader Argues For Greater Vaccine Access.

The AP (3/1, Keaten) reports the WTO's new Director-General Ngozi Okonjo-Iweala "called Monday for a 'technology transfer' when it comes to COVID-19 vaccines and urged member nations to reach a deal to reduce overfishing after years of fruitless talks as she laid out her top priorities after taking office." Okonjo-Iweala "did not take sides on an effort led by South Africa and India to wrest a temporary waiver of WTO rules on intellectual property protections, which could help expand production of COVID-19 vaccines and expedite their rollout around the world," but said, "I propose that we 'walk and chew gum' by also focusing on the immediate needs of dozens of poor countries that have yet to vaccinate a single person. People are dying in poor countries."

In addition, Reuters (3/1, Farge) reports Okonjo-Iweala "said on Monday the trade body needs to work with companies to open up more manufacturing sites for COVID-19 vaccines in developing countries." She said, "People are dying in poor countries. ... We must focus on working with companies to open up and license more viable manufacturing sites now in emerging markets and developing countries."

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Countries Urge Drug Companies To Share Blueprints, Technical Knowledge So More Vaccines Can Be Produced.

The AP (3/1, Hinnant) reports that it has found three factories "on three continents whose owners say they could start producing hundreds of millions of COVID-19 vaccines on short notice if only they had the blueprints and technical know-how." However, "that knowledge belongs to the large pharmaceutical companies who have produced the first three vaccines authorized by countries including Britain, the European Union and the U.S. – Pfizer, Moderna and AstraZeneca." The AP adds, "Across Africa and Southeast Asia, governments and aid groups, as well as the World Health Organization, are calling on pharmaceutical companies to share their patent information more broadly to meet a yawning global shortfall."

Modi Vaccinated As India Expands Rollout.

The Hill (3/1, Budryk, 5.69M) reports Indian Prime Minister Narendra Modi "received the coronavirus vaccine Monday as one of the world's most populous, and hardest-hit, countries prepares to expand vaccine distribution." The AP (2/28, Ghosal) reports India "is expanding its coronavirus vaccination drive beyond health care and front-line workers, offering the shots to older people and those with medical conditions that put them at risk." According to the AP, "Those now eligible include anyone older than 60, as well as those over 45 who have ailments such as heart disease or diabetes that make them vulnerable to serious COVID-19 illness."

German Finance Minister Urges Merkel To Move Faster With German Reopening.

Bloomberg (3/1, Rogers, Delfs, 3.57M) reports Chancellor Angela Merkel "faces further pressure to lay out a path to ease Germany's coronavirus lockdown after Finance Minister Olaf Scholz became the latest senior official to call for a quicker reopening of Europe's largest economy." According to Bloomberg, Scholz "threw his weight behind proposals to move away from a reliance on using the seven-day incidence rate to manage Germany's pandemic and focus on ramping up testing."

Czech Police, Military Set Up Border Checkpoints To Enforce Travel Restrictions.

The AP (3/1, Janicek) reports, "Police and military forces in the Czech Republic set up 500 checkpoints across the country as one of the European Union's hardest-hit nations marked the first anniversary of its coronavirus outbreak on Monday by significantly limiting free movement." Czechia deployed roughly 30,000 officers "in an unprecedented operation to enforce a tight new restriction that bans people from traveling to other counties unless they go to work or have to take care of relatives." Reuters (3/1, Skacel, Muller) says the Czech Republic is "battling the world's worst surge in COVID-19 infections."

Finland Declares State Of Emergency Over Increasing COVID Cases.

Reuters (3/1, Lehto) reports the Finnish government "declared a state of emergency on Monday due to rising COVID-19 infections, a step that would allow the Nordic country to shutter restaurants and to impose other measures to blunt the pandemic." Reuters adds the decision "comes as new variants contribute to a sharp rise in infections in the country, which has already closed its borders."

UK Researchers Say One Dose Of Pfizer, AstraZeneca Vaccines Can Greatly Reduce Severe Illness Or Death.

The Wall Street Journal (3/1, Douglas, Strasberg, Subscription Publication, 8.41M) reports researchers in the UK found that just one dose of Pfizer's or AstraZeneca's SARS-CoV-2 vaccine greatly reduced severe illness and death from the virus. Bloomberg (3/1, Ashton, 3.57M) reports the researchers found that a single dose of either vaccine "can cut hospitalizations among older people by around 80%." In addition, a single dose "reduces the chance of people aged over-70 becoming ill by some 60%." Reuters (3/1, Smout) reports Public Health England (PHE) Head of Immunisations Mary Ramsay "said that while more work needed to be done to understand the impact of vaccines in reducing transmission of the coronavirus, the effect of the rollout was already apparent."

In a more than 3,000-word article, the New York Times (3/1, A1, Testa, Cowell, 20.6M) reports that while the number of new cases in the UK "may be trending downward, but the battle is no less intense. In the land of Churchill, it is likened sometimes to war, the Covid war." The Times adds that in "the latest phase of Britain's splintered campaign against the coronavirus, Prime Minister Boris Johnson last week laid out a long glide path for England's gradual reopening from lockdown, from March to June. But despite a speedy vaccine rollout, the schedule for changes was decidedly protracted – and declared reversible – for good reason. After almost a year of mixed messages, Covid still divides the land between those who know and dread its fearsome reach, and those seduced by unlikely promises and invented deadlines of redemption."

Slovakia Buys 2M Doses Of Russian Sputnik V Vaccine.

Bloomberg (3/1, Dudik, 3.57M) reports Slovakia "will get 2 million doses of the Sputnik V vaccine from Russia in a move the European Union member's leader hailed as life-saving for its citizens." Slovak Prime Minister Igor Matovic "said his health minister will authorize the use of the shots on Monday, skirting the usual approval from the Slovak drug regulator."

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Latin American Countries Increasingly Turn To Russia For Vaccines As Colombia Becomes

First To Get Vaccines From COVAX.

Reuters (3/1, Ramos, Laing, Garrison) reports, "Bolivia's reliance on Moscow [for COVID-19 vaccines] underscores how governments across the region have turned to Russia's Sputnik V drug amid fears of being left behind in the global scramble for vaccines." As far as Russia is concerned, "acceptance in Latin America lends legitimacy to its vaccine, which faced initial skepticism." Such acceptance "also provides Moscow an opportunity to make in-roads in the resource rich region at a time when COVID-19 vaccines are becoming a tool for soft power."

Meanwhile, Bloomberg (3/1, Jaramillo, 3.57M) reports Colombia "became the first nation in the Americas to get Covid-19 shots through the World Health Organization-backed Covax program, giving a boost to a vaccination drive that has lagged regional peers." According to Bloomberg, "The 117,000 doses of the Pfizer Inc.-BioNTech SE vaccine arrived on Monday in Bogota, with President Ivan Duque calling on all parties involved to 'accelerate the distribution' of the shots. Colombia has purchased 20 million doses through the program."

Caribbean Nations See Worst COVID Outbreaks Since Start Of Pandemic.

Reuters (3/1, Marsh) reports, "While global new infections start to decline, a handful of countries across the Caribbean, including the larger islands of Jamaica and Cuba, are suffering their worst outbreaks since the start of the pandemic following social gatherings over year-end, quarantine violations by visitors and growing complacency."

Brazil's COVID Outbreak Worse Than Ever.

The Washington Post (3/1, McCoy, 10.52M) reports, "While much of the world is using restrictions and vaccines to try to tame the coronavirus, Brazil's outbreak is worse than it has ever been." COVID-related deaths there "have hit a new high, averaging 1,208 per day over the past week...public hospital occupancy is peaking...[and] Health systems in more than half the country's 26 states are at or near capacity."

Leading National News

Biden Lobbies Senate Democrats On Relief Bill.

The Washington Post (3/1, Werner, Stein, 10.52M) reports President Biden "launched a lobbying effort targeting fellow Democrats on Monday to unify them behind his $1.9 trillion coronavirus relief bill as the Senate prepares to move forward on the massive legislation this week." According to the Post, "Democrats don't have a vote to spare in the Senate, but several moderate-leaning senators have raised concerns about the structure of unemployment insurance benefits and Biden's plan to send $350 billion to state and local governments, among other issues." The Post says Biden on Monday "convened a group of these Democrats," including Sens. Jon Tester (D-MT), Joe Manchin (D-WV), Mark Warner (D-VA), and Angus King (I-VT), on a conference call, "the first in a days-long outreach campaign that will also include calling into the weekly Senate Democratic lunch on Tuesday and addressing the House Democratic caucus on Wednesday evening."

Meanwhile, the Wall Street Journal (3/1, Peterson, Duehren, Subscription Publication, 8.41M) reports that although Senate Democrats "tried over the weekend to salvage a more limited wage increase through the tax code," they "scrapped that backup plan late Sunday," so Biden instead focused on "advancing the rest of the bill, as the party works to pass its agenda with narrow majorities in both chambers."

The AP (3/1, Fram) reports Senate Democrats "hope to unveil their version of the broad relief package and begin debate as early as Wednesday." Axios (3/1, Allen, VandeHei, 1.26M) reports White House Office of Public Engagement Director Cedric Richmond "told 'Axios on HBO' that the White House feels 'an extreme sense of urgency.'" Richmond also "said the White House will continue to make overtures to Republicans, but made it clear Biden is prepared to push through his $1.9 trillion rescue plan with just a couple or even zero GOP votes."

However, while The Hill (3/1, Carney, 5.69M) reports Senate Majority Whip Durbin on Monday "said Democrats should...look for another piece of legislation to use as a vehicle for trying to increase the minimum wage," and Reuters (3/1, Cornwell) reports Senate Majority Leader Schumer on Monday announced the Senate will begin debating the bill this week, it "did not end hopes of addressing the minimum wage issue in Congress." Bloomberg (3/1, Dillard, 3.57M) reports Progressive Caucus Deputy Whip Ro Khanna (D-CA) and 22 other House lawmakers on Monday sent a letter to the President and Vice President Harris "demanding that they set aside the ruling of the Senate Parliamentarian and include a minimum-wage increase in the Covid-19 relief package." CNBC (3/1, Franck, 7.34M) reports progressives have "specifically" targeted Harris on the bid to "overrule Senate parliamentarian Elizabeth MacDonough's ruling to exclude the minimum wage increase," but Chief of Staff Klain and other Administration officials "said there are no plans for Harris to overrule the parliamentarian," and Bloomberg (3/1, Dennis, Wasson, 3.57M) reports House Speaker Pelosi "said Friday she's 'absolutely' confident she could pass a stimulus bill without a minimum-wage provision in it, but that remains to be seen."

On ABC's Good Morning America (3/1, 3.31M), Cecilia Vega said that while progressives "are not happy at all about" the removal of the minimum wage hike, "moderate Democrats have also expressed some concern about the large price tag of this overall bill." On ABC World News Tonight (3/1, story 3, 1:05, Muir, 7.55M), Rachel Scott said Biden "cannot afford to lose a single Democratic vote and that includes moderates like" Manchin.

Buttigieg Touts Importance Of American Rescue Plan. Transportation Secretary Buttigieg said on Fox News The Story (3/1) that "the risk of not doing enough is so much worse than the possibility of acting too quickly or doing too much. ... It is fantastic news that we have more vaccines are on the way. But of course, that's why we have to pass this bill. Part of what the American Rescue Plan does is make sure that we can get those the sites up, get the shots out to the sites, get the shots into peoples' arms." Asked about spending for education that

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does not "kick in until 2022," Buttigieg said, "Part of how this works is we have got to think more than a few weeks at a time. You don't want to run all the way out of gas and then try to come back to Congress to do it all over again. If there is one thing we learned, we have to be capable of planning a little bit ahead."

Sanders Will Force Senate Vote On $15/Hour Minimum Wage. The Hill (3/1, Bolton, 5.69M) reports Senate Budget Chairman Bernie Sanders on Monday "declared he would not back down on his signature wage initiative" and he is "vowing to force the Senate to vote this week on an amendment to set the federal minimum wage at $15 an hour."

In an editorial, the Washington Post (3/1, 10.52M) says that Democrats "need to bow to [the] reality" that a $15 an hour minimum wage increase will not be in the relief bill – "not by giving up on a higher minimum wage, but by seeking to raise it to a somewhat more modest figure than $15 per hour." According to the Post, "Such a compromise might even attract Republican support." A Wall Street Journal (3/1, Morath, Haddon, Subscription Publication, 8.41M) article headlined "Many Businesses Support A Minimum-Wage Increase – Just Not Biden's $15-An-Hour Plan" makes a similar argument.

Catherine Rampell writes in the Washington Post (3/1, 10.52M) that by ruling that a minimum-wage increase cannot be included in the COVID relief bill Democrats plan to pass using reconciliation, the Senate Parliamentarian "in a sense...did the party a favor by allowing it to avoid an ugly intra-caucus fight." Rampell says "the primary hurdle to passing a $15 federal minimum wage isn't procedural. It's that there isn't unified support within the Democratic Party for the policy."

CFPB: Over 11M Families Could Lose Housing When COVID Foreclosure, Eviction Protections Expire. The Hill (3/1, Lane, 5.69M) reports over "11 million families are at risk of losing housing when federal coronavirus eviction and foreclosure protections expire later this year, according to a report released Monday by the Consumer Financial Protection Bureau (CFPB)." By "analyzing private sector and federal data, the CFPB found that 2.1 million homeowners are at least 90 days behind on mortgage payments and 8.8 million households are behind on rent." Acting CFPB Director Eric Uejio wrote in a blog post, "Put simply: we have very little time to prevent millions of families from losing their homes." Meanwhile, the Wall Street Journal (3/1, Ackerman, Parker, Subscription Publication, 8.41M) reports millions of landlords and households are falling into debt as tenants who are struggling to pay their rent wait for $25 billion that federal lawmakers appropriated in December.

Analyses Suggest State Budgets Not As Adversely Impacted By Pandemic As Feared. In a more than 2,200-word article, the New York Times (3/1, Walsh, Russell, 20.6M) reports that amid debates in Congress over whether states should receive federal aid amid the ongoing fiscal challenges brought on by the pandemic, "new data shows that a year after the pandemic wrought economic devastation around the country, forcing states to revise their revenue forecasts and prepare for the worst, for many the worst didn't come." The Times adds, "One big reason: $600-a-week federal supplements that allowed people to keep spending – and states to keep collecting sales tax revenue – even when they were jobless, along with the usual state unemployment benefits."

Psaki Says Biden Supports The Right Of Workers To Organize After He Signaled Support For Amazon Unionization Bid.

Reuters (3/1, Holland, Bose) reports White House Press Secretary Jen Psaki on Monday "said President Joe Biden believes workers should have the right to organize but he will not comment on specific cases that are before the National Labor Relations Board." The New York Times (3/1, Thrush, 20.6M) reports the President in a video released Sunday "expressed solidarity with workers attempting to unionize an Amazon facility in Alabama" and "emphasized his broad support of the labor movement – without explicitly backing their cause or naming the company itself." The Times says that if the workers at Amazon's warehouse in Bessemer vote to be represented by the Retail, Wholesale and Department Store Union, "they would be the first of Amazon's 400,000 American workers to join a union – a landmark undertaking and early test of Mr. Biden's campaign claim that he will be the 'most pro-union president' ever."

Meanwhile, the Wall Street Journal (3/1, Thomas, Subscription Publication, 8.41M) reports the video "marked the first time Mr. Biden has weighed in on an internal corporate dispute as president." A Washington Post (3/1, Bump, 10.52M) analysis says the President's remarks are not "typical presidential behavior, even for a Democrat," but "particularly for Biden and particularly in this moment, his approach makes sense." According to the Post, "There are a number of good reasons, including potent political ones, for Biden to have taken the position that he did."

Paul Waldman writes in the Washington Post (3/1, Waldman, 10.52M) that while Biden did not "take an explicit position on whether workers there should vote to unionize," labor advocates "are saying it's the most pro-union statement a president has ever made." Biden "did not explicitly tell" the workers "to vote yes on the union. But he came about as close as one could without saying it directly. Not only that, but he made a broader case, to a wide audience, for why unions are important." Waldman adds, "This was a test for Biden, and it's one that, so far, labor advocates are saying he passed." But, "no matter what happens with the union election in Alabama, if Biden really wants to be 'the most pro-union president you've ever seen,' it will take both actions and words."

Congressional Delegation To Visit Amazon Fulfillment Center In Bessemer On Friday. Reuters (3/1, Bose, Shepardson) reports Reps. Andy Levin (D-MI), Jamaal Bowman (D-NY), Cori Bush (D-MO), Terri Sewell (D-AL), and Nikema Williams (D-GA) are among the lawmakers who will visit the Amazon fulfillment center in Bessemer on Friday "to show their support for workers who will vote on whether to unionize."

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AWS Executive Sues Amazon Over "Systemic" Discrimination In Corporate Offices. Reuters (3/1, Lawler, Johnson) reports Charlotte Newman, "a business development head at Amazon Web Services who is Black," filed a discrimination lawsuit against Amazon on

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Monday, "saying it hires Black people for lower positions and promotes them more slowly than white workers, and that she was subjected to harassment." Newman specifically "said the company suffers from a 'systemic pattern of insurmountable discrimination,' despite its pledge to fight racism and statements of solidarity from Chief Executive Officer Jeff Bezos."

Harris Stresses Need To Strengthen Cities' Infrastructure.

Bloomberg (3/1, Sink, 3.57M) reports "during her keynote address at the CityLab 2021 conference, hosted by Bloomberg Philanthropies and the Aspen Institute" on Monday, Vice President Harris said the US has the "imperative to strengthen infrastructure in our cities and create good union jobs." As "the Biden administration readies a sweeping stimulus package to follow its $1.9 trillion coronavirus relief proposal," Harris said, "Think of small businesses. Cities are incubators for startups and hubs for mom and pop shops. These businesses create jobs and foster community. ... And we need to make sure they have access to the capital they need to get through this time." Bloomberg says President Biden hopes to unveil an infrastructure package after the Senate considers his COVID relief legislation. Harris "touted support from community leaders for that relief bill – which includes $350 billion for state, local, and tribal governments – and said the funding would help keep small businesses open and first responders on the job."

Vilsack Predicts Farms Will Provide "Early Wins" On Climate.

Bloomberg (3/1, 3.57M) reports that in remarks to the National Farmers Union Monday, Agriculture Secretary Vilsack "predicted farms would provide 'early wins' for the Biden administration's efforts to counter climate change, and hinted he will draw on the department's borrowing authority to fund initiatives to reduce greenhouse-gas emissions." Vilsack told the group "that he believes USDA has 'some flexibility' to draw resources for climate change initiatives from the Commodity Credit Corporation." Vilsack "said 'it's going to take a while' for other sectors of the economy such as power generation, construction and transportation to switch to more climate-friendly practices. But agriculture is 'in the best position to start early and quickly.'"

As CERAWeek Conference Begins, Oil And Gas Execs Stress Need For Fossil Fuels. Reuters (3/1, Resnick-Ault, Parraga) reports as "global energy leaders and other luminaries...bored in on the tough road to transforming world economies to a lower-carbon future at the kickoff of the all-virtual CERAWeek conference on Monday," there was "a notable bit of tension as some oil and gas executives asserted their primacy, noting the need for fossil fuels to drive economic activity." While panelists "were quick to talk up ambitious plans for lowering carbon emissions, boosting investment in new technologies related to hydrogen, carbon capture and renewables," the "primary message was that achieving 'net zero' – where polluting emissions are offset by technologies that absorb carbon dioxide for the atmosphere – is going to be difficult."

API Preparing To Endorse Carbon Pricing. The Wall Street Journal (3/1, Mann, Puko, Subscription Publication, 8.41M) reports the American Petroleum Institute "is preparing to endorse setting a price on carbon emissions in what would be the strongest signal yet that oil and gas producers are ready to accept government efforts to confront climate change." The Journal cites a draft statement which says API is set to support carbon pricing as a policy that would "lead to the most economic paths to achieve the ambitions of the Paris Agreement." The draft statement says, "API supports economy-wide carbon pricing as the primary government climate policy instrument to reduce CO2 emissions while helping keep energy affordable, instead of mandates or prescriptive regulatory action."

State Auditor Says California Agency Overstated Its Programs' Impact On Emissions. The San Francisco Chronicle (2/24, Gardiner, 2.44M) says according to a "blistering report" from the California state auditor's office, the state Air Resources Board "has overstated the extent to which some of its programs have reduced greenhouse-gas emissions." The report concludes that the board "could hamper California's ability to meet its climate-change goals unless the agency can accurately track the effects of its programs. State Auditor Elaine Howle said the agency has failed to measure whether its programs offering rebates to encourage the purchase of electric cars or other zero-emission models have reduced emissions." According to Howle, the board "doesn't have enough data to measure whether the rebates it issues actually lead people to purchase electric vehicles that they wouldn't have otherwise."

LATimes: "Political Will" Needed To Expand Number Of Non-Fossil Fuel Powered Vehicles. A Los Angeles Times (3/1, 3.37M) editorial says while "climate scientists tell us that we have less than a decade to make meaningful reductions in carbon emissions...if we have any hope of staving off the worst effects of global warming," manufacturers "are still making, and consumers are still buying, overwhelming numbers of vehicles that will, on average, continue to spew carbon into the atmosphere for a dozen years after they first leave the lot." The Times argues that "to throttle back the gas burners and expand exponentially the number of vehicles that run on electric batteries, hydrogen fuel cells or other non-fossil energy sources," it will take "political will, strong government thumbs on the scale to favor zero-emission vehicles over gas burners (an all-out ban on their production and sale is likely too radical for the world, but it would certainly help), and increased spending on developing and producing clean energy sources, battery technologies and charging capabilities."

USDA Slows Land Transfer For Arizona Copper Mine.

The AP (3/1, Fonseca) reports that the Administration "is pulling back an environmental review that had cleared the way for" Oak Flat, "a parcel of federal land held sacred by Apaches to be turned over for a massive copper mine in eastern Arizona." The Agriculture Department "said Monday that it likely will take several months to further consult with Native American tribes and others about their concerns" and "determine whether the environmental review fully complies with the law." But, the department and the US Forest Service "acknowledged they can only do so much. Congress mandated that the land be transferred to Resolution Copper no later than 60 days after the final

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environmental review was published. The document was released in the last days of Donald Trump's administration."

Interior Reverses Trump Administration's Last-Minute Grazing Permits To Hammonds.

The Hill (3/1, Beitsch, 5.69M) reports that the Interior Department "is reversing a last-minute decision made under the Trump administration to grant grazing permits for two men pardoned by President Trump." On the Trump Administration's last full day in office, then-Interior Secretary David Bernhardt issued a permit that would "allow Hammond Ranches to graze on lands in southeast Oregon. The ranch is operated by father-son duo Dwight and Steven Hammond, who were convicted of setting fire to public lands in 2012." BLM "subsequently revoked their grazing privileges in 2014 – a move that caught the eye of Ammon Bundy, escalating to a 2016 takeover of the Malheur National Wildlife Refuge in Oregon." The Biden Administration is "reconsidering the January permit issued under the Trump administration, arguing the prior administration didn't follow proper protocol in issuing it."

Workhorse To Meet With USPS After Losing Delivery Vehicle Contract.

Reuters (3/1) reports Workhorse Group Inc. "will meet with U.S. Postal Service on Wednesday after the electric-vehicle maker lost a multibillion-dollar contract to Oshkosh Defense for making postal delivery vehicles last week." Workhorse CEO Duane Hughes said on a conference call with analysts on Monday, "We have requested pursuant to the publicly provided bid rules – bid process rules, additional information from the U.S. postal service and have scheduled a face-to-face meeting with postal service on March 3. ... We intend to explore all avenues that are available to us." Reuters says, "The contract, which could be worth more than $6 billion in total, allows for delivery of between 50,000 and 165,000 of vehicles over 10 years that will be a mix of combustion-powered and electric vehicles." Bloomberg (3/1, Natter, 3.57M) provides similar coverage.

Warren Proposes 2%-3% Annual Tax On Those Worth More Than $50M.

Bloomberg (3/1, Wasson, 3.57M) reports Sen. Elizabeth Warren (D-MA) on Monday introduced legislation to impose a "wealth tax on households worth more than $50 million," which she "said...could help pay for investments in infrastructure, childcare and health reforms as part of President Joe Biden's plan to 'Build Back Better.'" Warren as well as Reps. Pramila Jayapal (D-WA) and Brendan Boyle (D-PA) also "said [their Ultra-Millionaire Tax Act] would create a 'fairer' economy with a 2% annual tax on households and trusts valued at between $50 million and $1 billion. All net worth over $1 billion would be taxed at 3%." However, Bloomberg says "the measure – like wealth tax proposals Warren has offered in the past – is unlikely to garner the support needed to pass, particularly in the evenly divided Senate. But it could serve as a marker for progressives in Congress and is a reminder of the restiveness on the party's left flank."

The New York Times (3/1, Tankersley, 20.6M) says President Biden "pointedly did not endorse a wealth tax in the 2020 Democratic presidential primaries. But Ms. Warren is pushing colleagues to pursue such a plan, which has gained popularity with the public as the richest Americans reap huge gains while 10 million Americans remain out of work as a result of the pandemic." According to the Times, "Polls have consistently shown Ms. Warren's proposal winning the support of more than three in five Americans, including a majority of Republican voters."

CNBC (3/1, Iacurci, 7.34M) reports on its website that Sens. Bernie Sanders (I-VT), Sens. Sheldon Whitehouse (D-RI), Jeff Merkley (D-OR), Kirsten Gillibrand (D-NY), Brian Schatz (D-HI), Edward Markey (D-MA), and Mazie Hirono (D-HI) also co-sponsored the bill.

New York Lawmakers Consider Raising Taxes On Wealthiest Residents. The New York Times (2/26, Bellafante, 20.6M) reports six bills comprise "the proposed Invest in Our New York Act, which seeks to raise $50 billion a year for affordable housing, education, health care and other resources through a series of changes to the tax code focused entirely on demanding more from the penthouse class." According to the Times, "The bills include plans to tax capital gains more aggressively (treating investment income as wage income), to lower the floor at which inheritance is taxed (to $250,000) and to restore taxes on corporate profit." However, the Times adds, "Even in this climate of excessive hardship, and even with a Democratic supermajority in the State Legislature, few expect all of these bills to become law. It still seems a radical notion to ask a lot of those who have so much."

New York AG Calls Cryptocurrencies "High-Risk, Unstable Investments."

Bloomberg (3/1, 3.57M) reports New York Attorney General Letitia James "issued a scathing statement on the cryptocurrency market, warning consumers about its susceptibility to 'speculative bubbles' and abuse by criminals." In an investor alert Monday, James said, "Cryptocurrencies are high-risk, unstable investments that could result in devastating losses just as quickly as they can provide gains." Bloomberg says it is "the strongest language James, who has taken several recent enforcement actions in the sector, has used to describe the rapidly evolving industry."

Goldman Sachs Groups Restarts Its Crypto Currency Trading Desk. Reuters (3/1, Irrera, Withers) cites "a person familiar with the matter" who said Goldman Sachs Group "has restarted its cryptocurrency trading desk and will begin dealing bitcoin futures and non-deliverable forwards for clients from next week." According to the person, "the team will sit within the U.S. bank's Global Markets division."

Goya CEO Calls Trump The "Legitimate" President, Sparking Calls For A Boycott.

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The Washington Post (3/1, Salcedo, 10.52M) reports Goya Foods CEO Robert Unanue promised in January to stop publicly discussing

politics. The promise "came after reportedly getting censured by Goya's board for making false claims about election fraud." But on Sunday, "Unanue once again denied the election results, falsely calling Trump 'the real, the legitimate, and still the actual president of the United States' in a speech at the Conservative Political Action Conference in Orlando." The Post says his comments "sparked renewed outrage on social media, with some calling again for action against the company with a #BoycottGoya hashtag on Twitter."

Fiat Chrysler Automobiles Pleads Guilty To Conspiracy To Violate Labor Management Relations Act.

Reuters (3/1, Shepardson) reports Fiat Chrysler Automobiles entered a guilty plea Monday "to charges it conspired with company executives to make illegal, lavish gifts to United Auto Workers (UAW) leaders and undermined workers' confidence in collective bargaining." The US unit of the company "said in January it reached agreement with U.S. prosecutors to plead guilty to one count of conspiracy to violate the Labor Management Relations Act and pay a $30 million fine. U.S. District Judge Paul Borman said at a court hearing he accepted Fiat Chrysler's guilty plea and set a June 21 sentencing date."

Private Equity Company Netted Millions From Medical Supply Company Accused Of Fraud.

The Washington Post (3/1, Torbati, 10.52M) reports federal prosecutors said in a December lawsuit that the medical equipment company Apria "submitted false medical claims for ventilator rentals worth millions of dollars to the government, even as, in a bid to cut costs, it eliminated the jobs of respiratory specialists needed to ensure patients were properly using the machines." Apria settled the complaint "for $40.5 million, according to an announcement by federal prosecutors. Despite that settlement, Apria went public last month, netting its owners more than $170 million, according to another disclosure to the Securities and Exchange Commission." The private equity company Blackstone's "stake in Apria is now nearly 70 percent, down from nearly 93 percent before the offering. ... For critics of the private equity industry, Blackstone's ability to extract so much money out of Apria is an example of how the profits flowing to private equity owners are disconnected from the realities of how the businesses are run."

Administration Says It Will Use "All Available Tools" In Response To Unfair Trade Practices By China.

The Wall Street Journal (3/1, Hayashi, Subscription Publication, 8.41M) reports the Biden Administration "said Monday it will use 'all available tools' to respond to alleged unfair trading practices by Beijing." The Administration "said it is committed to using tariffs and other tools to combat alleged unfair trade practices by China, including unfair subsidies to favored industries and use of forced labor that targets Uyghurs and other ethnic minorities." The Administration said, "The Biden administration recognizes that China's coercive and unfair trade practices harm American workers, threaten our technological edge, weaken our supply-chain resiliency and undermine our national interests. ... Addressing the China challenge will require a comprehensive strategy and more systematic approach."

Meanwhile, Bloomberg (3/1, Wadhams, 3.57M) says that the Administration "is moving to put semiconductors, artificial intelligence and next-generation networks at the heart of U.S. strategy toward Asia, attempting to rally what officials are calling 'techno-democracies' to stand up to China and other 'techno-autocracies.'" The strategy would seek to create "an alliance of nations fighting for an edge in semiconductor fabrication and quantum computing, upending traditional arenas of competition such as missile stockpiles and troop numbers." According to "current and former government officials, along with outside experts," the Administration strategy is "a microcosm of its broader plans to take up a more alliance-oriented but still hostile approach to China after a more chaotic approach under President Donald Trump."

Xi To Unveil Plans To End China's Dependence On West For Key Tech Components. Bloomberg (3/1, 3.57M) reports Chinese President Xi Jinping is "worried" the US will block "China's potential to dominate sensitive cutting-edge technologies" and "this week will unveil plans for greater self-sufficiency." During an annual session of China's legislature, "top Communist Party leaders will approve a five-year policy blueprint to cut dependence on the West for crucial components like computer chips while also making big bets on emerging technologies from hydrogen vehicles to biotech. The push to mobilize trillions of dollars could help China surpass the U.S. as the world's biggest economy this decade and cement Xi's goal of turning the nation into a superpower."

Meanwhile, the New York Times (3/1, Popper, Li, 20.6M) reports on "China's latest economics experiment: a national digital currency." The central bank "began testing eCNY last year in four cities," and "recently expanded those trials to bigger cities such as Beijing and Shanghai." Digital currencies "enable direct handouts of money that expire if not used by a particular date and can make it easier for governments to track financial transactions to stamp out tax evasion and crack down on dissidents."

Meng Attorney Argues HSBC Knew Huawei Controlled Skycom's Accounts. Reuters (3/1, Warburton, Berman) reports that as Huawei CFO Meng Wanzhou's extradition hearing resumed in a Canadian court on Monday, the defense "counter[ed] prosecutors' claims that Meng misled HSBC about the Chinese telecom company's relationship with its affiliate while doing business in Iran." Defense lawyer Frank Addario "kicked off a new phase of hearings with an assertion that HSBC's global client relationship manager, tasked with overseeing its dealings with Huawei Technologies, knew that Huawei controlled Skycom Tech Co Ltd's accounts." According to US prosecutors, Skycom "operated as a Huawei affiliate in Iran" and Meng "misrepresented this relationship. Meng allegedly made statements suggesting Skycom was sold to an arms-length third party, according to the prosecutors, when it was in fact sold to a parent company controlled by Huawei."

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Commission Recommends Steps To Prevent China Overtaking US In Semiconductors.

Reuters (3/1, Nellis) reports the National Security Commission on Artificial Intelligence "on Monday recommended Congress tighten up 'choke points' on chipmaking technology to prevent China from overtaking the United States in semiconductors in the coming years." The commission "recommended clamping down on China's ability to procure the manufacturing equipment needed to make advanced computing chips." While "much chipmaking equipment comes from U.S. firms," it "also comes from firms such as Nikon Corp and Canon Inc in Japan and ASML Holding in the Netherlands. The report recommends that the United States coordinate with those countries to create a policy of 'presumptive denial' in each country for export licenses of advanced chipmaking tools to China." In addition, the report "recommends formalizing into U.S. policy a longstanding regulatory practice of limiting China's semiconductor industry to two generations behind the United States."

The AP (3/1, O'Brien) says the commission, which is led by former Google CEO Eric Schmidt, "is urging the U.S. to boost its AI skills to counter China, including by pursuing 'AI-enabled' weapons – something that Google itself has shied away from on ethical grounds." The commission's report "says that machines that can 'perceive, decide, and act more quickly' than humans and with more accuracy are going to be deployed for military purposes – with or without the involvement of the U.S. and other democracies. It warns against unchecked use of autonomous weapons but expresses opposition to a global ban."

WPost Analysis: Continued Reliance On Existing Semiconductor Factories Is Likely. In an analysis, the Washington Post (3/1, A1, Whalen, Albergotti, Lynch, 10.52M) reports that amid the global semiconductor shortage, the White House has "leaned on big chip producers and their host nations, including Taiwan, to increase output." But, last week, governors from eight states "urged President Biden to 'redouble those efforts,' warning of a 'growing list of automakers, suppliers, and dealers negatively affected by the shortage.'" However, the Post says "the growing presence of chips in devices large and small foreshadows a supply problem not easily resolved by warmer weather or presidential executive orders. New semiconductor factories are among the most complex manufacturing facilities to build, costing billions of dollars and taking years to construct," which means "much of the world's electronics industry will continue to depend heavily on existing factories, many of them in Taiwan – a reliance that critics say looks increasingly risky as the island's tensions with China rise."

USTR Says Biden Administration Will Consider Carbon Border Adjustment Tax.

Reuters (3/1, Lawder) reports as the Biden Administration released a new trade agenda Monday, the US Trade Representative's office said it "would consider carbon border adjustment taxes to help cut greenhouse gas emissions in global trade and to combat China's use of forced labor among Uighur Muslims in its western Xinjiang region." The USTR's office "said the carbon border adjustment, which consists of import fees levied by carbon-taxing countries on goods manufactured in non-carbon-taxing countries, would be considered as part of an effort to explore and develop market and regulatory approaches to reduce greenhouse gas emissions."

DOJ Says Trump Acted Lawfully When He Killed Tariff Exemption For Solar Panels. In what Bloomberg (3/1, 3.57M) describes as a "potential setback to clean-power developers," the Biden Administration said Monday that former President Donald Trump "acted lawfully and fully within his authority" when he killed a tariff exemption for two-sided solar panels. In a filing asking "the U.S. Court of International Trade to dismiss a lawsuit by parties including the Solar Energy Industries Association, which in December challenged Trump's move to stiffen tariffs on imported solar equipment," the Justice Department said, "The President followed the law and, thus, the Court should dismiss the complaint."

South Korean Battery Makers Make Cases To Administration About Georgia Factory Project.

The Wall Street Journal (3/1, Foldy, Subscription Publication, 8.41M) reports South Korean battery makers SK Innovation and LG Chem "made their pitches to the Biden administration about a disputed factory project under construction in Georgia seen as key to the electric-car plans of Ford Motor Co. and Volkswagen AG." SKI "is looking for the White House to overturn a ruling by a federal trade commission last month that the company said would cause it to abandon a $2.6 billion battery factory complex it had hoped to open later this year." But, "representatives of LG Chem met with administration trade officials Friday to make their pitch for preserving the ruling, according to people familiar with the discussion."

NYTimes Analysis: To Help US Manufacturing, Biden Must Deal With Strength Of US Dollar.

The New York Times (3/1, Scheiber, 20.6M) reports in an analysis that to deliver on his pledge to make American manufacturing a priority, President Biden may have to deal with "the strength of the dollar. Because a strong dollar lowers the price of imports and raises the price of exports, it gives foreign companies an advantage over American competitors and can drag down U.S. employment." Biden "has hired a handful of senior economic advisers who are concerned about the dollar's strength and have explored ways to reduce it."

Senate Confirms Cardona As Education Secretary On 64-33 Vote.

The Washington Post (3/1, Meckler, Douglas-Gabriel, 10.52M) reports the Senate in a 64-33 vote "confirmed Miguel Cardona to serve as education secretary Monday, vaulting the little-known Connecticut educator into the center of the national debate over how to reopen schools for face-to-face classes." The Post adds that the bipartisan vote came after Cardona's nomination "moved through the chamber without any significant controversy – in contrast with the confirmation his immediate predecessor, Betsy DeVos, who needed the tiebreaking vote of Vice President Mike Pence to win confirmation." Politico (3/1, Stratford, 6.73M) reports Cardona's confirmation "was also more bipartisan than that

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of John B. King Jr., President Barack Obama's second secretary of Education, who was confirmed on a 49-40 vote. The five secretaries of Education prior to King were each confirmed by the Senate either on a voice vote or under unanimous consent."

The New York Times (3/1, Green, 20.6M) says Cardona "drew bipartisan support for his success in reopening a majority of Connecticut's schools and for his conciliatory positions on divisive education issues," while his background as the son of Puerto Rican parents "and career – a sharp contrast to that of...DeVos, a billionaire private-school champion – drew widespread praise." The Times highlights that Cardona "started as a struggling English-language learner and went on to become an elementary-school teacher, an award-winning principal, an assistant superintendent in that school system and Connecticut's first Latino commissioner of education."

Meanwhile, the AP (3/1, Binkley) says Cardona "has vowed to make it his top priority to reopen schools," which "has become a political firestorm for Biden, who is caught between competing interests as he aims to get students into the classroom without provoking the powerful teachers unions that helped put him in the White House. He says his goal of returning students to the classroom is possible if Congress approves his relief plan, which includes $130 billion for the nation's schools." CNN (3/1, Lobosco, 89.21M) reports on its website that teachers' unions "back Cardona and are pleased with Biden's push to reopen schools but have warned that the 100-day reopening timeline may need to be a goal rather than a fixed target."

In addition, USA Today (3/1, Behrmann, 12.7M) reports Cardona "has vowed to undo many of the policies DeVos put in place," which "include DeVos' stricter rules for investigations of sexual misconduct at schools and colleges, plus her looser guidelines benefiting for-profit colleges." Axios (3/1, Chen, 1.26M), the Fox News (3/1, Lea, 23.99M) website, and The Hill (3/1, Carney, 5.69M), among other outlets, provide similar coverage.

Senate Votes To Limit Debate On Raimondo Confirmation.

The Providence (RI) Journal (3/1, 376K) reports the Senate in an 84-15 vote on Monday limited debate on the nomination of Commerce Secretary-designate Raimondo "and scheduled the final vote for 2:15 p.m. on Tuesday." Sen. Ted Cruz (R-TX), who "sought to delay the vote out of a stated belief she had not taken a firm enough stand against Chinese telecom giant Huawei," will get "30 minutes earlier in the day to state his case."

Four GOP Members Of Senate Judiciary Panel Back Garland Nomination.

The Washington Post (3/1, Wagner, Itkowitz, Sonmez, 10.52M) reports that on Monday, the Senate Judiciary Committee "voted to advance Merrick Garland's nomination to be the next U.S. attorney general. ... Fifteen members of the committee – all of the panel's 11 Democrats plus four Republicans – voted in favor of advancing the nomination, while seven Republicans opposed it." According to the Post, "Some of the Republicans said that Garland did not provide meaningful responses to their questions at his confirmation hearing and in writing afterward. Durbin said Republicans had submitted nearly 850 written questions after the hearing."

The New York Times (3/1, Kanno-Youngs, Shear, 20.6M) reports that Sen. Ted Cruz (R-TX) "said that he was disappointed by the way that Judge Garland answered questions during his hearing and in his questionnaire and disapproved of the fact that he would not meet in person."

After Meeting With Tanden, Murkowski Hasn't Decided Whether To Support Her.

The Hill (3/1, Carney, 5.69M) reports Sen. Lisa Murkowski (R-AK) told reporters that she had not made a decision on whether to support Neera Tanden's nomination to head OMB after meeting with her on Monday. Murkowski said, "I met with her today. We had a sit down meeting, which was good." She "added that she hasn't made a decision, was still doing her 'assessment' and had 'some more follow-up questions.'" Murkowski "is viewed as the only remaining GOP senator who could potentially be swayed to vote for Tanden."

Anti-Trump Group Spending $1M To Promote DOJ Nominee Gupta.

The Washington Post (3/1, Nakamura, 10.52M) reports that "a group of prominent anti-Trump conservatives is launching a $1 million ad campaign in support of civil rights lawyer Vanita Gupta's nomination as associate attorney general, an effort aimed at countering attacks from hard-right Republicans who have painted her as a radical liberal." According to the Post, "The ad campaign is being spearheaded by Defending Democracy Together, a collection of moderate Republicans launched in opposition to Donald Trump's presidency whose founders include columnist Bill Kristol and author Mona Charen." The Post says Gupta has been "under attack from the Judicial Crisis Network, a deeply conservative organization that launched an $800,000 ad campaign calling her a 'dangerous appointee' and attempting to tie her to the social justice movement to 'defund the police' while also casting her as soft on terrorism and white nationalism."

Reuters (3/1) reports that "several Republican state attorneys general wrote a letter to Biden on Monday asking him to withdraw Gupta's nomination, calling her a 'radical nominee' who favors 'destructive policies that would defund the police.'"

Meagher Hired As Deputy White House Press Secretary.

The Washington Post (3/1, Viser, 10.52M) reports Chris Meagher "has been hired to be deputy White House press secretary." Meagher, who has worked as spokesman for "several prominent Democrats," will "replace TJ Ducklo, who resigned last month amid reports that he had threatened a Politico reporter." Meagher will start Wednesday.

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US Chamber Asks Biden To Reinstate Robb As NLRB General Counsel.

The Hill (3/1, Gangitano, 5.69M) reports the US Chamber of Commerce has called on President Biden to "immediately reinstate Peter Robb, the former National Labor Relations Board (NLRB) general counsel, who he fired on Inauguration Day." In a letter to Biden on Monday, the group "criticiz[ed] him for firing Trump appointee Robb and his chief deputy counsel Alice Stock," and asked "that he reverse the decision, and impl[ied] that the decision was due to pressure from labor leaders."

Minneapolis City Council Members Question Plan For Police, Military Presence During Chauvin Trial.

The Minneapolis Star Tribune (3/1, Navratil, 855K) reports some members of Minneapolis' City Council on Monday "questioned the city's plan to bring in thousands of soldiers and police officers for former officer Derek Chauvin's trial, saying it could inflame tensions in a traumatized community."

City Council Drops Plan To Hire Social Media Influencers For Trial. The Washington Post (3/1, Bellware, 10.52M) says the City Council "is dropping its plan to hire influencers who would boost city-approved messaging and dispel misinformation ahead of the trial of" Chauvin, who is "charged in the killing of George Floyd." Last Friday, the council "voted unanimously to approve a public safety and communication plan tied to the upcoming trials, which included paying a $2,000-per-person fee to six social media influencers tied to the city's Black, Hmong, Latino, Native American and Somali communities, officials said." A spokesman for the city said in a statement the goal was to make information accessible to communities that "do not typically follow mainstream news sources or City communications channels. ... It's also an opportunity to create more two-way communication between the City and communities."

WSJournal Analysis: Proving Chauvin's Use Of Prone Restraint Was Murder Will Be Difficult. The Wall Street Journal (3/1, Gershman, Subscription Publication, 8.41M) reports Chauvin's use of a technique known as prone restraint in which a suspect is pinned to the ground on his or her stomach "helped fuel unrest over racial justice last summer. But proving that technique was murder will likely be a steep challenge for prosecutors." Many "federal civil lawsuits over prone-restraint deaths are rejected before trial by judges, according to a review of such cases by The Wall Street Journal. Others are settled before trial, including one for $1.5 million in New York City. It is rare for prone-restraint cases in civil court to go before a jury, the review found."

Floyd Killing, Pandemic, Helped Spur Affordable Housing Push. The Washington Post (3/1, Schwartzman, 10.52M) reports that a "nationwide focus on racial equity – intensified by the coronavirus pandemic and the killing of George Floyd in Minneapolis police custody – has trickled down to the realm of the local zoning board. Advocates in D.C. are invoking the need to correct past wrongs as they demand subsidized housing in affluent neighborhoods where low-cost apartments have always been scarce." In the comping weeks, the D.C. Council "will vote on Mayor Muriel E. Bowser's proposed changes to zoning policy," which "would allow taller apartment buildings on key corridors, potentially catalyzing the construction of tens of thousands of housing units, a portion of them subsidized." Bowser's proposal "echoes efforts in Portland, Ore., Minneapolis and Sacramento, where leaders seeking to lower costs have moved to relax zoning laws to allow more building in neighborhoods zoned for single-family homes."

Former Maryland Governor Advocates For Parole Reform.

In a Washington Post (3/1, 10.52M) op-ed, former Maryland Gov. Parris N. Glendening (D) writes that his announcement at the start of his first term that he "would not grant parole to anyone with a life sentence, even though they were supposed to have a chance to earn it" was "a serious mistake." His statement, Glendening adds, "meant that people whose sentences promised a chance at parole were denied it for decades, regardless of how thoroughly they worked to redeem themselves and make amends to those they harmed." Glendening adds that he supports legislation before Maryland's General Assembly "that would leave the final decision about whether a person has earned release to the 10-member Maryland Parole Commission."

Manhattan Prosecutors Focusing On Trump Organization CFO.

The New York Times (3/1, Protess, Rashbaum, Haberman, 20.6M) reports Manhattan prosecutors "investigating former President Donald J. Trump and his family business are sharpening their focus on the company's long-serving chief financial officer," Allen H. Weisselberg, "asking witnesses questions about his dealings at the company, according to people with knowledge of the matter." Prosecutors working for Manhattan District Attorney Cyrus R. Vance Jr. "have been interviewing witnesses who know Mr. Weisselberg and have asked at least one witness about Mr. Weisselberg's sons, Barry and Jack Weisselberg, according to two of the people with knowledge of the matter." The Times says the "increased focus" on Weisselberg "could step up pressure on him to cooperate with the investigation if the prosecutors unearth evidence of wrongdoing on his part." Weisselberg's cooperation with prosecutors "might provide a significant boost to the long-running investigation and deliver a blow to Mr. Trump, who has long depended on Mr. Weisselberg's unflinching loyalty."

Louisiana Man Who Refused To Wear Mask At High School Basketball Game Shoots, Kills Officer Who Intervened.

The Washington Post (3/1, Elfrink, 10.52M) reports when John Shallerhorn tried to enter a high school basketball game in New Orleans without a mask on Saturday, a staffer bled his way. Shallerhorn "punched the staffer," and "Tulane University police officer Martinus Mitchum,

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who was working security for the team, rushed to help. That's when Shallerhorn pulled a gun, police said, and fatally shot Mitchum, 38, in the chest." Shallerhorn, "who was quickly arrested and charged with multiple felonies including murder of a police officer, had also robbed someone outside the game before coming inside, according to a criminal complaint reviewed by nola.com. He confessed to the killing, police said, and was ordered held without bail."

Former Education Secretaries Promote Civics Lessons Roadmap.

In an op-ed for the Wall Street Journal (3/1, Subscription Publication, 8.41M), former Education Secretaries Lamar Alexander, Arne Duncan, John King, Rod Paige, Richard Riley, and Margaret Spellings promote the Roadmap to Educating for American Democracy – an initiative that provides guiding principles for local school districts, educators, and states aimed at rebuilding civics and history curriculums in the US --.as a foundation for delivering equitable learning opportunities for all students.

NYC Appoints Education Department Veteran As School Chancellor.

The Wall Street Journal (3/1, Hawkins, Subscription Publication, 8.41M) reports Meisha Ross Porter, a 20-year Education Department veteran, has taken a short-term role as New York City Schools Chancellor from now until the end of Mayor de Blasio's (D) term in 2022. In that time, her most challenging priority will be revamping the city's gifted and talented program and restarting in-person learning.

One Student Wounded After "Targeted" Shooting In Arkansas Junior High School.

The New York Times (3/1, Bahr, 20.6M) reports that on Monday, "the first day back inside classrooms" for Watson Chapel Junior High School students in Pine Bluff, Arkansas, a 15-year-old boy "was wounded in a shooting" by another 15-year-old boy, who was taken into custody. Chief Kelvin Sergeant of the Pine Bluff Police Chief Kelvin Sergeant "said in an interview that the police did not yet know a motive or how the two students were related," but that "he was 'fairly confident' that the shooting 'was not random and was targeted.'"

Virginia Commonwealth University Suspends Fraternity After Student Dies In Hazing Incident.

The New York Times (3/1, Hauser, 20.6M) reports Virginia Commonwealth University "has suspended a fraternity after a freshman, Adam Oakes, 19, of Sterling, Va., was found dead over the weekend at an off-campus house where a family member said he had been blindfolded and given alcohol." The college's student code of conduct, "which applies to behavior on the university's premises, at sponsored activities and at off-campus locations, says hazing and the use of alcohol are both prohibited."

CMS Commits $2.3M To Bolster ACA Signups In Underserved Communities.

Axios (3/1, Fernandez, 1.26M) reports the Centers for Medicare and Medicaid Services on Monday announced it "will provide about $2.3 million to help bolster Affordable Care Act sign-ups in underserved communities." The funds will go to ACA navigators, who will provide in-person enrollment assistance during the ACA's additional open enrollment period later this month. Previously, the Biden Administration "pledged a $50 million advertising blitz to bolster public awareness." The Washington Post (3/1, Goldstein, 10.52M) reports navigators "complained they had little money left after a regular enrollment season ended late last year," and "had no way to anticipate that President Biden would order HealthCare.gov, the federal online ACA insurance marketplace, to reopen for an unprecedented extra shopping time."

Trump Era Policies Complicating Biden's Medicaid Work Requirement Rollback.

The Wall Street Journal (3/1, Armour, Subscription Publication, 8.41M) reports the Biden Administration's efforts to roll back Medicaid work requirements may be complicated by changes in the final weeks of the Trump presidency. Prior to Biden's takeover, several states signed agreements with the Centers for Medicare and Medicaid Services to keep work requirements in place for nine months – and some are examining whether that gives them legal ground to sue the Biden Administration's actions to invalidate work requirements.

FTC Orders E-Cigarette Makers To Turn Over Sales, Advertising Data.

Reuters (3/1) reports the FTC said Monday it has ordered e-cigarette makers JUUL Labs, Inc; R.J. Reynolds Vapor Company; Fontem US, Logic Technology Development, and NJOY "to turn over sales and advertising data." The agency said it sent orders to the companies "seeking information from 2019 and 2020 including annual data on sales and giveaways of e-cigarettes and characteristics of their e-cigarette products such as flavors."

Average Turnover At Nursing Homes Greater Than 100% In A Given Year, Researchers Say.

The New York Times (3/1, Abelson, 20.6M) reports, "Extraordinarily high turnover among staffs at nursing homes likely contributed to the shocking number of deaths at the facilities during the pandemic," investigators concluded in a study representing "a comprehensive look at the turnover rates in 15,645 nursing homes across the country, accounting for nearly all of the facilities certified by the federal government." The study revealed that "the average annual rate was 128 percent, with some facilities experiencing turnover that exceeded 300 percent." In an emailed statement, Dr. David Gifford, "the chief medical officer for the American Health Care Association and National Center for Assisted Living, a trade group," stated, "Workforce recruitment and retention is among the most pressing challenges confronting longterm care

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providers, and we have been calling for help for years."

Mayorkas Says Administration Will Allow Families Separated At The Border To Live In The US.

The Washington Post (3/1, Miroff, 10.52M) reports DHS Secretary Mayorkas on Monday "blamed the Trump administration...for the growing number of unaccompanied minors held in U.S. custody after crossing the Mexico border, saying the former president's policies left President Biden with a 'gutted' immigration system." The Post says that the day after Trump "blasted Biden's border policies in a speech to the Conservative Political Action Conference, Mayorkas appeared in the White House briefing room to respond and deny that the new administration is spiraling into a crisis." Mayorkas also "told reporters the Biden administration is 'working around-the-clock to replace the cruelty of the past administration with an orderly, humane and safe immigration process,' citing Trump's border crackdown in 2018 that separated more than 3,000 children from their parents at the border."

On ABC World News Tonight (3/1, story 4, 3:10, Muir, 7.55M), Chief National Correspondent Matt Gutman said Mayorkas is promising "a massive overall of the Trump-era immigration policy," with the Administration "taking aim tonight at the most controversial part, the separation of parents from their children at the border." Gutman added Mayorkas is "saying the 506 families that remain separated by a policy critics have labeled a human rights violation would be allowed to reunite in the United States or their country of origin." The Wall Street Journal (3/1, Parti, Hackman, Subscription Publication, 8.41M) reports Mayorkas said, "We are hoping to reunite the families, either here or in the country of origin." Mayorkas added that if the families "seek to reunite here in the United States, we will explore lawful pathways for them to remain in the United States and to address the family needs so we are acting as restoratively as possible." That process, as part of the Administration's immigration agenda, "would take some time, though he declined to specify how long."

CNN (3/1, Alvarez, Sands, 89.21M) reports on its website that lawyers "are still trying to locate the parents of nearly 500 children who had been split from their families at the US-Mexico border by the Trump administration, according to attorneys – down from a month ago, when attorneys were looking for the parents of 611 children." Axios (3/1, Perano, 1.26M) says Mayorkas "added that the administration is also 'working closely' with legal counsel for the separated families, the countries of El Salvador, Guatemala and Honduras, non-governmental organizations, and soon the private sector." In addition, NBC News (3/1, Soboroff, 4.91M) reports on its website that Mayorkas announced Michelle Brané has been named executive director of the Administration's task force on reuniting the families.

While Politico (3/1, Rodriguez, 6.73M) describes the announcement as "a significant step for the Biden administration as it seeks to undo the damage done by Trump's 'zero tolerance' policy, which allowed U.S. officials to forcibly separate children from their parents at the border," The Hill (3/1, Samuels, Beitsch, 5.69M) reports Biden "is facing pressure from all sides as migration swells at the southern border – posing one of the first major policy tests for his administration." According to The Hill, Rep. Alexandria Ocasio-Cortez (D-NY) and other "progressives have hit Biden officials over reopening a housing facility for young migrants used briefly during the Trump administration," while "conservatives...say Biden's approach has encouraged increased migration to the southern border."

However, Bloomberg (3/1, Cook, Fabian, 3.57M) reports Mayorkas "also accused the Trump administration of issuing 'unlawful' contracts within the department, citing an agreement signed just before Trump left office requiring the union representing Immigration and Customs Enforcement agents to approve any immigration policy changes."

CBP Deploys Additional Agents To Rio Grande Valley As Memo Says 200-400 Unaccompanied Minors Crossing Into The US Per Day. On the CBS Evening News (3/1, story 5, 1:10, O'Donnell, 4.6M), Weijia Jiang reported that while Mayorkas on Monday "warned migrants to stay away from the border for now because he said the Trump Administration dismantled the US immigration system," CBS News "obtained a new memo that shows the number of unaccompanied minors at the border is soaring with about 200 to 400 a day, and unlike the Trump Administration that made the children wait in Mexico for their cases to be processed, the new policy is to house them in the US, but bed space is already 97% full." Meanwhile, Reuters (3/1, Hesson) reports Customs and Border Protection "said Monday it was deploying additional Border Patrol agents to the Rio Grande Valley in South Texas 'due to fluctuations along the southwest border.'"

Number Of Migrants Crossing Border Increases As Matamoros Camp Empties. Bloomberg (3/1, Smith, Malik, 3.57M) reports that as the US has begun admitting asylum seekers from the "tent city" in Matamoros, at "the current rate of crossings, the camp could be cleared out in days" Meanwhile, Bloomberg adds the "number of migrants crossing the southern border is surging." The Arizona Republic (3/1, Carranza, 1.05M) reports that as border authorities resume "the practice of releasing asylum-seekers apprehended along the Arizona-Mexico border directly to communities throughout the state," the "number of asylum-seekers released remains far below the peak in arrivals in 2019." The trend is due "in large part because of pandemic restrictions at the U.S.-Mexico border, including a policy that allows the U.S. to turn away migrants, even if they have valid asylum claims."

Cotton: Biden Is Encouraging Foreign Nationals To Attempt To Enter The US Via Mexico. On Fox News' Fox & Friends (3/1, 831K), Sen. Tom Cotton (R-AR) said that in regard to President Biden's immigration policies, "You cannot run a campaign saying that you're going to reinstitute 'catch and release,' you're going to give free healthcare to illegal aliens, and not expect a massive surge on our border." Cotton added, "The only thing that the Biden Administration can do is reverse this policy now. They can reinstitute the agreement we had negotiated with Mexico and other Latin American countries to keep migrants in their countries, to let us adjudicate their asylum claims there, make it clear that we're going to turn people back at the border." He continued, "What Joe Biden is doing, he's going to track down illegal aliens in Mexico that Donald Trump turned away and invite them to come back. That's not 'catch and release,' that's 'recruit and release.'"

Utah Mayor Praises Administration's Immigration Policy. In a Deseret News (UT) (2/28, Carroll, 1.02M) op-ed, Salt Lake County, Utah Mayor Jenny Wilson (D) declared Salt Lake County has "proven that the vision of proactive immigrant inclusion makes communities stronger.

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And now, we finally have an ally in Washington who sees immigration through the same, humane lens." She concluded, "The tide is turning, there is hope of ending the humanitarian crisis at our border. Federal efforts to bolster the inclusion of immigrant communities complement and strengthen Salt Lake County's ongoing work, and will help ensure that everyone has a chance to thrive and purse the American Dream."

Republicans Attempting To "Rewrite The Story Of What Happened" During Capitol Riot.

In a nearly 2,100-word article, the Washington Post (3/1, A1, DeBonis, Barr, 10.52M) reports "a legion of conservative activists, media personalities and elected officials are seeking to rewrite the story of what happened at the Capitol on Jan. 6, hoping to undermine the clear picture of the attack that has emerged from video and photo evidence, law enforcement officials, journalistic accounts and the testimonials of the rioters themselves: that a pro-Trump mob, mobilized by the former president's false claims of a stolen election, stormed the seat of American government to keep Trump in power through violent means." In a nearly 2,400-word article, the New York Times (3/1, A1, Grynbaum, Alba, Epstein, 20.6M) reports that although "the claim that antifa was involved has been repeatedly debunked by federal authorities," the assertion "has hardened into gospel among hard-line Trump supporters, by voters and sanctified by elected officials in the party," which shows "pro-Trump Republicans have succeeded in warping their voters' realities, exhibiting sheer gall as they seek to minimize a violent riot perpetrated by their own supporters."

A Washington Post (3/1, Bump, 10.52M) analysis says former President Trump "hasn't yet finalized his sales pitch to America after hundreds of the supporters he had encouraged to come to Washington on Jan. 6 took his false claims about the results of the 2020 election at face value and attempted to block the finalization of Biden's victory," but his CPAC speech shows how he "planned to sell the country on the idea that he bears no culpability for the insurrection – even as he worked to maintain the falsehood at its center."

Meanwhile, a Washington Post (3/1, Kessler, 10.52M) "Fact Checker" analysis says Rep. Jim Jordan is among the Republicans who "have tried to pin the blame elsewhere" even though the "Capitol Hill insurrection" was "inspired by...Trump's lies about the 2020 election and mounted by his followers." According to the Post Jordan recently made a "false claim" that House Speaker Pelosi "denied a request for National Guard troops" on Jan. 6. In addition, the New York Times (3/1, Epstein, 20.6M) highlights that Sen. Ron Johnson (R-WI) "has come under renewed scrutiny for claiming in a series of radio interviews...that the Jan. 6 attack on the Capitol was not an 'armed insurrection' and for using his time during a Senate hearing to read a first-person account that posited 'provocateurs' and 'fake Trump supporters' were behind the attack," while Bloomberg (3/1, Grant, 3.57M) reports YouTube "said it suspended Rudy Giuliani for the second time in two months after the former New York City mayor lied again in videos that the 2020 presidential election was stolen from...Trump."

DC National Guard Commander To Testify At Hearing On Capitol Attack. The Washington Post (3/1, Lamothe, 10.52M) reports Maj. Gen. William Walker, the commanding general of the DC National Guard, "will testify on Wednesday during a Senate hearing about the attack on the U.S. Capitol, joining a group that initially included only civilian witnesses, defense and congressional officials said." According to the Post, "Walker oversaw the D.C. National Guard in its limited role responding to the possibility of violence ahead of the riot at the Capitol on Jan. 6, which was spawned from a rally in support of President Donald Trump's false claims that the election was stolen from him. The National Guard response was expanded hours after Congress was overrun, eventually including about 26,000 National Guard members through the Jan. 20 inauguration of President Biden. Several thousand remain activated in Washington to provide security."

Capitol Police Union Endorses Honoré's Security Recommendations. The New York Times (3/1, Broadwater, 20.6M) reports the Capitol Police union on Monday "endorsed an array of security enhancements that are being recommended by retired Lt. Gen. Russel L. Honoré in response to the Jan. 6 assault at the Capitol, including hiring 1,000 more officers, establishing a quick reaction force for emergencies and considering options for different types of security fencing around the complex."

Prosecutors Describe Proud Boys Involvement In Assault Of Capitol. Politico (3/1, Cheney, Gerstein, 6.73M) reports that in "one of the most detailed" court filings about the Jan. 6 attack on the Capitol to date, federal prosecutors on Monday "say the Proud Boys – bereft of their leader Enrique Tarrio, who had been arrested two days earlier – turned to new leaders, including Ethan Nordean, a Seattle-based Proud Boys leader, who helped orchestrate the group's role in the assault. In a filing seeking Nordean's detention pending trial, prosecutors say he helped hatch a plan to provide Proud Boys with walkie-talkies...and communicated privately with individuals willing to fund and provide equipment for the Capitol siege."

NYTimes Analysis: Far-Right Groups Splintering In Wake Of Capitol Riot. The New York Times (3/1, MacFarquhar, 20.6M) reports, "Just eight weeks after the Capitol riot, some of the most prominent groups that participated are fracturing amid a torrent of backbiting and finger-pointing." According to the Times, "The fallout will determine the future of some of the most high-profile far-right organizations and raises the specter of splinter groups that could make the movement even more dangerous."

Harvard CAPS-Harris Poll: 61% Approve Of Biden's Performance.

In an exclusive, The Hill (3/1, Greenwood, 5.69M) reports that according to a new Harvard CAPS-Harris Poll survey of 2,006 registered voters (2/23-2/25), President Biden "is starting his tenure in White House with the approval of 61 percent of voters," which "are markedly higher than those of former President Trump when he first took office," while "only about 39 percent of respondents said they disapprove of the job Biden is doing in the White House." According to The Hill, "There's a relatively wide partisan divide in early perceptions of Biden's presidency, with an overwhelming majority of Democrats approving of his job performance and most Republicans disapproving. Still, nearly one-third of GOP voters – 31 percent – said they approve of Biden's handling of his job."

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Administration Endorses New Election Reform Bill.

Reuters (3/1) reports the Biden Administration "backed Democrats' efforts to overhaul voting rules and turn over the process of drawing congressional districts to independent commissions on Monday, weighing in on a political fight that is likely to dominate Washington in coming years." In a statement, the Office of Management and Budget said the legislation is important as it comes as the US is facing "an unprecedented assault on our democracy, a never before seen effort to ignore, undermine, and undo the will of the people, and a newly aggressive attack on voting rights taking place right now all across the country." According to Reuters, the House "is set to vote and likely to pass a sweeping election reform bill, HR-1, as soon as this week." The AP (3/1, Slodysko) reports that as lawmakers begin to debate the "sweeping voting and ethics legislation, Democrats and Republicans can agree on one thing: If signed into law, it would usher in the biggest overhaul of U.S. elections law in at least a generation."

A Wall Street Journal (3/1, Subscription Publication, 8.41M) editorial criticizes the election reform legislation, which it argues "would make mail balloting in a plague year seem buttoned up." The Journal concludes, "Ballot access is important, but so is ballot integrity."

As Supreme Court Considers Arizona Election Rules, GOP Lawmakers Seek To Restrict Voting Laws. The Wall Street Journal (3/1, Kendall, Subscription Publication, 8.41M) reports the Supreme Court this week will hear "an Arizona case with broad ramifications for the future of the Voting Rights Act, the first in a pipeline of high-stakes litigation following the legal frenzy that marked the 2020 election season." In particular, the court is focused on "a longstanding rule disallowing votes cast in the wrong precinct, and a measure passed by the legislature in 2016 that prohibits get-out-the-vote operatives from collecting and delivering vote-by-mail ballots."

Meanwhile, Norah O'Donnell reported on the CBS Evening News (3/1, story 6, 2:00, O'Donnell, 4.6M) that Republican lawmakers "in dozens of states are taking extreme steps to change voting laws." Ed O'Keefe added that in Georgia, there was "heated debate...as Democrats accuse Republicans of making it harder to vote." The AP (3/1, Nadler, Yoganathan) reports Republican lawmakers in Georgia "muscled legislation through the state House on Monday that would roll back voting access, over the objection of Democrats and civil rights groups gathered at the Capitol to protest." The AP highlights that the bill "comes after record turnout led to Democratic wins in Georgia's presidential election and two U.S. Senate runoffs."

Eugene Robinson writes in the Washington Post (3/1, 10.52M) that the biggest problem Republicans are undertaking "a massive push for voter suppression that would make old-time Jim Crow segregationists proud." Robinson adds, "The thrust of virtually all these measures is to make it more difficult for African Americans and other minorities to vote." It is, he adds, "an outrageous and shameful attempt to establish and perpetuate minority rule in a nation in which the Republican candidate for president has won the popular vote only once in the past eight elections." Robinson argues Democrats at the state level "must fight these efforts relentlessly. And at the federal level, they should use any means necessary – including eliminating or suspending the Senate filibuster – to pass H.R. 1, the 'For the People Act,' which would invalidate much of the most anti-democratic legislation the GOP is trying to enact."

WPost Analysis: Proportional Party System Could Provide Better Alignment With Constituents. In an analysis for the Washington Post (3/1, 10.52M) , Christopher Ingraham says research finds the "inherent problem" with the political system in the US "is that it shoehorns the entire spectrum of political opinion into just two parties" while "fully half of Americans do not identify with any party." Rep. Don Beyer (D-VA) is leading a group of legislators who support the proposed Fair Representation Act, which would introduce "a ranked-choice voting system like the one in Maine" that would "allow voters to follow their consciences...rather than choose the lesser of two evils."

White House's Failure To Disclose Participants In Virtual Meetings Draws Scrutiny.

Politico (3/1, Kumar, 6.73M) says President Biden "has fallen short of his former boss, Barack Obama, in several areas, and is under pressure to do more to restore confidence in the federal government." According to Politico, "Among the critiques: The schedules for the president and vice president aren't posted online," and although "the White House has committed to releasing visitor logs," it "doesn't plan to divulge the names of attendees of virtual meetings, which are the primary mode of interaction until the coronavirus pandemic eases." Politico adds, "And while Biden has received kudos for keeping the American public informed, primarily by resuming the daily White House press briefings, he has yet to hold a news conference of his own."

NASA To Review SpaceX Engine Failure Ahead Of April Crewed Flight To ISS.

Bloomberg (3/1, 3.57M) reports as it "prepares for the next crewed flight to the International Space Station in April," NASA "will review an engine failure last month that caused Space Exploration Technologies Corp.'s Falcon 9 rocket booster to land in the sea after a satellite launch." On Feb. 15, "one of the Falcon 9's nine Merlin engines shut down...during ascent because of a hole in one of the covers, or 'boots,' around the top of each engine, Benji Reed, SpaceX's director of human spaceflight, said Monday at a NASA news conference." NASA "plans to 'understand that anomaly' before the April flight with astronauts, Steve Stich, the agency's commercial crew manager, told reporters as he discussed that mission and a busy April at the space station."

GAO Study: Women In Military Pay More For Uniforms.

The Washington Times (3/1, Glenn, 626K) reports a Government Accountability Office (GAO) study "finds women across the military face a 'pink tax' – higher bills for essential uniform items from panty hose and dress shoes to mandatory handbags – than do their male counterparts, a burden especially heavy for female officers." The report "also found that women in the military have out-of-pocket costs for

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uniforms at least twice as much as their male counterparts," sometimes by thousands of dollars more over a career. The GAO "recommended that the Pentagon develop 'consistent criteria' for determining which clothing items are considered 'uniquely military' across the services, and periodically review the list for any needed changes."

Supreme Court Asks Solicitor General To Weigh In On Texas USERRA Case.

McClatchy (3/1, Copp, 29K) reports the Supreme Court "has asked the US solicitor general to weigh in" on the case of LeRoy Torres v. The Texas Department of Public Safety to "determine whether federal protections for service members apply to state employees." Torres is a "Texas state trooper who deployed to Balad, Iraq, in 2007 as an Army reservist" and developed a lung disease that prevented him from returning to his job. He "sued the state under the 1994 Uniformed Services Employment and Reemployment Rights Act (USERRA) which prohibits federal and private sector employers from retaliating against or firing National Guard members and reservists who take leave from their jobs due to military duty." The State of Texas claimed sovereign immunity from the law.

Supreme Court Considers Constitutionality Of Patent Judges Appointments.

The New York Times (3/1, Liptak, 20.6M) reports the Supreme Court heard the case of United States v. Arthrex on Monday, which calls into question the constitutionality of the way "more than 250 administrative judges who hear patent disputes were appointed." The Times says that "several justices indicated during the oral argument that they thought the judges, who serve on the Patent Trial and Appeal Board, an administrative tribunal in the executive branch created by a 2011 law, perform work of such importance and independence that they should have been appointed by the president and confirmed by the Senate." The Court's decision "will affect more than 100 cases that have been vacated by the appeals court."

Supreme Court To Consider Puerto Rico SSI Benefits.

The AP (3/1) reports the Supreme Court agreed Monday to rule on the constitutionality of excluding people in Puerto Rico from receiving Supplemental Social Security Income (SSI), in an appeal filed by the Trump Administration. A lower court ruled residents of Puerto Rico and other US territories should have the same access to benefits as residents of the 50 states and DC, although the Supreme Court upheld their exclusion in decisions passed 40 years ago. A different program provides similar benefits to residents of US territories, "but it has more stringent eligibility requirements and pays less generous benefits than SSI."

Durbin Warns That He May Limit GOP Senators' Ability To Block Judicial Nominees.

The New York Times (3/1, Hulse, 20.6M) reports, "Offering a warning to Republicans on judges," Senate Judiciary Chairman Dick Durbin "said he would reserve the right to end their ability to block district court nominees through the arcane 'blue slip' process – which allows senators to bless or blackball nominees from their home states – if he concluded that they were obstructing nominations without legitimate grounds." According to the Times, "That would represent the latest diminution in the power of minority senators in the judicial wars, and it would also ease the Biden administration's path to confirming district court judges in states with Republican senators."

Poll Shows 52% Of Republicans Support Trump For 2024 Nomination.

The Hill (3/1, Greenwood, 5.69M) reports a Harvard CAPS-Harris Poll (2/23-2/25) of 2,006 registered voters found 52% of Republicans would support former President Trump if he decided to seek the 2024 GOP presidential nomination. Former Vice President Mike Pence and former UN Ambassador Nikki Haley were named after Trump, trailing widely. If Trump does not run, 41% of Republicans would support Pence, followed by Sen. Ted Cruz (R-TX) and Haley.

Commentary Broadly Critical Of Trump's CPAC Comeback Speech. In an editorial, the Wall Street Journal (3/1, Subscription Publication, 8.41M) says Trump's return at CPAC shows he is still "trying to rewrite" his loss to Biden "as someone else's fault – Democrats who cheated, Republicans who won't 'fight,' a cowardly Supreme Court that includes three of his appointees, anyone but himself. This isn't true, as another Trump pollster, Anthony Fabrizio, made clear in his post-election analysis. Mr. Trump had one landmark victory in 2016 but he has cost the GOP dearly since." The Journal concludes that if Republicans continue to "focus on the grievances of the Trump past, they won't be a governing majority."

In his Washington Post (2/28, 10.52M) column, By E.J. Dionne Jr. says "Trump, the Sequel, drew a predictably ecstatic response" at CPAC, yet "the resumption of the Trump Show reminded the GOP that it has the worst of all worlds: a cult of Trump without any of the benefits that might have come from a serious inquiry into why the old conservatism had been unable to stop him." According to Dionne, "Party leaders in their hearts know that they can't win with Trump and Trumpism – and they can't live without him and his followers. They know his voters dominate party primaries and they need them to turn out to win House and Senate seats. But the more Trump dominates the conversation, the more he will continue to push middle-class suburban voters who embraced Biden last year – especially women – away from the GOP."

Henry Olsen writes in the Washington Post (3/1, 10.52M) that in his CPAC speech, Trump "threw down the gauntlet against his intraparty foes. He said each of the 10 representatives and seven senators who voted to impeach or convict him deserved to face a primary challenge and be defeated." Now, Olsen writes, Trump "must win these challenges to maintain his influence. Anything else will reveal him to

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be a paper tiger." Olsen adds "any sign that his targets might survive will be rightly interpreted as a vote against Trump's leadership. This would likely cause Trump to double down. ... Republicans could come to see him as a political King Lear, thundering on the heath in his madness, rather than a righteous and sound leader."

In an op-ed for the New York Times (3/1, 20.6M), political editor and commentator Daniel McCarthy writes that Trump is the Republican Party's "kingmaker, and two impeachments and a re-election defeat have not quelled Republican voters' enthusiasm for him." In 2020, Trump received "11 million more votes" than he did in 2016. McCarthy writes, "After everything that had happened in those years...the Trump brand had actually grown its base of support. This singular fact is seared into the minds of Republicans who look to the future. ... The lesson Republicans take from this is that Mr. Trump has discovered a potentially winning formula."

In contrast, New York Times (3/1, 20.6M) political correspondent Jonathan Martin discusses the "absence of soul-searching" by Republicans over their recent election losses and movement away from "traditional conservatism." Martin highlights the lack of interest in fiscal conservatism at CPAC and says the GOP now believes "harnessing the grievance of the party rank and file toward both [Democrats and the news media], is the best recipe for acclaim." Martin concludes, "This is the party" former President Trump "has remade – and it's why so many traditional Republicans are appalled, or at least alarmed, that Trumpism is replacing conservatism."

Jennifer Rubin writes in the Washington Post (3/1, 10.52M) that the word conservative "has no meaning. ... If conservatism no longer means belief in objective reality, reverence for the rule of law, fiscal sobriety, recognition of universal human rights or public virtue, the Republican Party has no value (or values, frankly)." Rubin adds, "Whatever conservatism is these days – a reactionary stance, an irrational resentment, a delusionary cult – it has no principles at all," and "without a democratic (small 'd') ethos and viable ideology (moderation? centrism? 19th century liberalism?)," the Republican Party "serves only as a receptacle of resentment, cult worship and racism."

Michael Gerson writes in the Washington Post (3/1, 10.52M) that the Republican Party "has been swiftly repositioned as an instrument of white grievance. It refuses to condemn racists within its congressional ranks. Its main national legislative agenda seems to be the suppression of minority voting. Trumpism is defined by the belief that real Americans are beset by internal threats from migrants, Muslims, multiculturalists, Black Lives Matter activists, antifa militants and various thugs, gangbangers and whiners." Gerson writes that "the largest single group within the new GOP coalition is comprised of people who claim to be evangelical Christians. And the view of human beings implied by Trumpism is a direct negation of Christian teaching (as well as many other systems of belief)."

Gary Abernathy writes in the Washington Post (3/1, 10.52M) as Trump addressed CPAC on Sunday he "wanted to do what so many have done: to forgive Trump (if they ever blamed him) for his actions after the election. ... But try as I might, I couldn't." Abernathy adds, "I'll continue to praise Trump for what I loved about him, and the Senate was smart not to take away the right of Americans to vote for him, which would have made him a martyr to some. But I'll never stop urging his supporters to forsake him, as he forsook his post-election duties to them and all Americans." Abernathy adds that Trump should not be discussed in the media "without a reminder that he attempted to override an election and contributed to a deadly incursion at the Capitol during a constitutionally mandated affirmation of democracy. Just wondering, did anyone at CPAC mention it to him? Anyone?"

Meanwhile, Max Boot writes in the Washington Post (3/1, 10.52M) that former UN Ambassador Nikki Haley is a "pathetic politician" who "has changed positions on former president Donald Trump so often that she should start sporting flip-flops." Boot adds, "There is nothing admirable about how Haley has conducted herself since" she left her position in the Trump Administration. Her "ambition – she desperately wants to be president – is obvious. Her principles are not." Boot adds if Haley "believes in anything other than her own ambition, it's not clear what it is. Which, in a way, makes her the perfect candidate for a Republican Party that no longer seems to have any principle other than an insatiable lust for power at any price."

ACU Insists CPAC Stage Not Designed Like Nazi Insignia. The Washington Post (3/1, Peiser, 10.52M) reports that while speakers at the Conservative Political Action Conference last weekend "shared a number of contentious views, from echoing false claims about election fraud to undermining the seriousness of a pandemic that has killed more than 512,000 Americans," some critics "also took aim at a seemingly more mundane detail: the shape of the conference stage," as "many noted a resemblance to the Odal or Othala Rune, a symbol emblazoned on some Nazi uniforms." The Post adds the American Conservative Union, which organizes CPAC, "vehemently denied any link between the stage design and the Nazi symbology, calling the criticism 'outrageous and slanderous,'" but Hyatt Hotels on Sunday "said in a statement that it had addressed the concerns with the conference and denounced any use of hate symbols."

Romney Recovering After Fall.

The AP (3/1) reports Sen. Mitt Romney (R-UT) "said Monday that he was knocked unconscious in a fall over the weekend, but he was 'doing better.'" Romney "said the accident happened when he was spending time with his grandchildren in Boston" and "told reporters he was taken to a hospital and got stitches on his right eyebrow and lip." Romney jokingly said, "I had kind of a tough, tough weekend. ... I went to CPAC – that was a problem." The event, held in Orlando, Florida, over the weekend, "was largely a celebration of former President Donald Trump."

Former Classmates Of Cawthorn Detail Accounts Of Unwanted Advances.

CNN (3/1, Cole, Serfaty, 89.21M) reports that former college classmates of Rep. Madison Cawthorn (R-NC) detailed on Monday "how the rising star of the conservative right would use 'fun' drives as a way to make unwanted advances on them." One classmate, Caitlin Coulter, "said she was taken on something Cawthorn called a 'fun drive,' where he asked about her purity ring and her sexual experiences." CNN "spoke to two other women who went to school with Cawthorn, both of whom mentioned his invitations on the 'fun' drives, and said that

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turning him down would result in more unwanted attention." Cawthorn issued a statement in September 2020 saying "I have never done anything sexually inappropriate in my life" in response to earlier allegations.

"Anti-Trump" Combat Veteran Launching Campaign For TX6 Seat.

The Hill (3/1, Stanage, 5.69M) reports that Michael Wood, an Afghanistan combat veteran and major in the Marine Corps Reserve, will launch a campaign Monday for the Texas 6th District seat left vacant by the death of Rep. Ron Wright (R). Wood is openly "anti-Trump" and "in his launch video, warns that the GOP cannot become 'the party of conspiracy theories, QAnon and political violence.'" He will face off against Wright's widow, Susan, former Trump adviser Katrina Pierson, and others on May 1.

Third Woman Accuses Cuomo Of Sexual Harassment As Criticism Of His Behavior Intensifies.

The New York Times (3/1, Flegenheimer, McKinley, 20.6M) reports Anna Ruch on Monday accused New York Gov. Andrew Cuomo (D) of making an "unwanted advance" at a wedding in 2019, an account that "comes after two former aides accused Mr. Cuomo of sexual harassment in the workplace, plunging his third term into turmoil as the governor's defenders and Mr. Cuomo himself strain to explain his behavior."

In addition, Axios (3/1, Rummler, 1.26M) reports New York Attorney General Letitia James (D) "received a formal referral letter on Monday from...Cuomo's office to begin an investigation into sexual harassment allegations made against the governor by two of his former aides." On ABC World News Tonight (3/1, story 2, 3:30, Muir, 7.55M), Stephanie Ramos reported Cuomo "had hoped to appoint an investigator with close ties to his top advisers, but he backed down amid an outcry from Democrats." On the CBS Evening News (3/1, story 2, 2:05, O'Donnell, 4.77M), Jericka Duncan reported New York City Mayor Bill De Blasio (D) on Monday joined House Speaker Pelosi and Sen. Kirsten Gillibrand (D) in calling for an independent investigation of Cuomo's behavior.

However, the New York Times (3/1, McKinley, 20.6M) reports Charlotte Bennett, a former Cuomo aide, "said on Monday that the governor 'has refused to acknowledge or take responsibility for his predatory behavior' and encouraged other women with similar experiences to step forward." The AP (3/1, Sisak, Villeneuve) reports Bennett "reject[ed] his attempt to apologize for his behavior and excuse it as an attempt to be 'playful.'"

Meanwhile, the Wall Street Journal (3/1, Vielkind, Palazzolo, Subscription Publication, 8.41M) reports Cuomo's administration has retained "prominent white-collar defense attorney" Elkan Abramowitz "as it grapples with allegations of sexual harassment and Justice Department inquiries into Covid-19 deaths in the state's nursing homes." Bloomberg (3/1, Hurtado, 3.57M) and Reuters (3/1, Goldberg, Gorman), among other outlets, provide similar coverage.

Politico New York (3/1, Toure, French) reports Cuomo "remained in hiding Monday as the state attorney general formally announced an investigation into allegations of sexual harassment – and some of the state's top Democrats began to wonder just how long the three-term governor can hold on." An AP (3/1, Peoples) article headlined "Cuomo Allegations Leave Democrats Grappling With Response" says that while Democrats "celebrated" Cuomo last year, the "sexual harassment scandal [is] testing the limits of his party's support as Democrats grapple with one of the first political headaches of the post-Trump era." On NBC Nightly News (3/1, story 2, 1:50, Holt, 6.45M), Anne Thompson reported Cuomo "also faces a federal investigation for how his administration counted COVID nursing home deaths. A traumatic term of events for Cuomo, once lauded for his leadership in the pandemic."

The Washington Post (3/1, 10.52M) editorializes that if New York Gov. Andrew Cuomo's (D) behavior would be inappropriate at a business and contends it is "hard to imagine that, in a well-run company, that executive wouldn't be asked to resign – or be fired on the spot – for his behavior." However, the Post concedes that whether the sexual harassment allegations against him "end up costing Mr. Cuomo his job...remains to be seen."

In her New York Times (3/1, 20.6M) column, Michelle Goldberg says that while Democrats are not yet calling on Cuomo to resign, his "fate will tell us whether there's still power in the #MeToo movement." Goldberg speculates that "if this scandal had broken a few years ago, high-profile Democrats would have felt no choice but to call for Cuomo's resignation," but "the locus of our culture wars shifted from sex to race" and "most significantly, among many Democrats, there's tremendous bitterness toward those who pressured Al Franken to leave the Senate in 2018 after he was accused of grabbing several women's butts." While Goldberg argues Democrats "would probably be better off jettisoning [Cuomo] now over the sexual harassment charges," she does not "expect a stampede away from him yet" because "the TV-nurtured myth of Cuomo's take-charge competence still prevails" and because "many Democrats are sick of holding themselves to a set of standards that Republicans feel no need to try to meet."

Hill-HarrisX Poll: 71% Believe Cuomo Intentionally Concealed Total Number Of Nursing Home Deaths. The Hill (3/1, Schulte, 5.69M) reports a new Hill-HarrisX poll of 1,909 registered voters (2/24-2/25) found 71% "said Cuomo was aware of how many residents had died in the state's nursing homes during the pandemic but concealed the accurate figures," while 29% "said they didn't think he was aware of the discrepancy." The Hill adds the survey "found that 80 percent of Republicans, 71 percent of independents and 62 percent of Democrats believe Cuomo was aware of the true number of nursing home deaths and concealed it," while a separate Harvard CAPS-Harris poll found 71% "said Cuomo should be impeached if it is found that he concealed the number of nursing home deaths."

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Trump Says He Regrets Supporting Georgia Governor.

The Hill (3/1, Greenwood, 5.69M) reports former President Donald Trump told conservative news service Newsmax he regrets supporting Gov. Brian Kemp (R-GA) in his successful 2018 gubernatorial campaign. Kemp was a close Trump ally, but refused to "use nonexistent emergency powers to overturn President Biden's electoral victory in Georgia." The Hill says Trump has promised "to support primary challengers to Republicans whom he views as insufficiently loyal."

United Methodist Conservatives To Form A New Denomination.

The AP (3/1, Crary) reports that "conservative leaders within the United Methodist Church unveiled plans Monday to form a new denomination, the Global Methodist Church, with a doctrine that does not recognize same-sex marriage." This agenda could "hasten the long-expected breakup of the UMC over differing approaches to LGBTQ inclusion." Due to COVID, "UMC's General Conference – at which the schism would be debated" – is "now scheduled to take place in Minneapolis starting in late August of 2022." The AP paraphrases Rev. Keith Boyette, a Global Methodist initiative chairman, as saying that "he and his allies do not want to wait that long to formally leave the UMC." They hope to add it to the agenda of an online conference on May 8.

Large Protestant Adoption And Foster Agency Will Provides Services To LGBTQ Parents.

The New York Times (3/1, Graham, 20.6M) reports Bethany Christian Services, one of the nation's largest adoption and foster care agencies, "announced on Monday that it would begin providing services to LGBTQ parents nationwide effective immediately, a major inflection point in the fraught battle over many faith-based agencies' longstanding opposition to working with same-sex couples." The resolution happens "amid a high-stakes cultural and legal battle that features questions about sexuality, religious freedom, parenthood, family structure and theology."

Texas Public Utility Commission Chair Resigns.

Bloomberg (3/1, Chediak, 3.57M) reports, "Texas Public Utility Commission Chair DeAnn T. Walker resigned from her position" following the call by Texas Lieutenant Governor Dan Patrick for her to resign, "saying she had failed to adequately prepare for the grid emergency" and Walker had "repeatedly disavowed any responsibility for the disaster." Her resignation also "follows the resignation of seven board members of the Electric Reliability Council of Texas."

The AP (3/1, Vertuno) reports Walker, "Texas' top utilities regulator resigned Monday ... the highest-ranking official to step down." Walker was appointed by Gov. Greg Abbott in 2017. Walker in her letter "said she accepted her role in the outages but that others should acknowledge their responsibility, including gas companies and lawmakers."

ERCOT Bars Griddy From Market As Texas AG Sues Alleging Deceptive Practices. The Houston Chronicle (3/1, Carballo, 982K)reports, "Griddy said Monday that it asked the Electric Reliability Council of Texas...for emergency help on Feb. 16 after the Public Utility Commission mandated that wholesale prices rise to the state maximum of $9,000 per kilowatt hour." Then ERCOT "barred the company, headquartered in California, from participating in the state's power markets." Griddy said that ERCOT "decided to take this action against only one company that represents a tiny fraction of the market." Also on Monday, Texas Attorney General Ken Paxton sued Griddy "claiming the retail power company used deceptive practices to mislead customers, many of whom were hit with electric bills in the thousands of dollars."

Texas Energy Companies Have Failed To Pay $2.46 Billion In Power and Service Charges. Reuters (3/1, McWilliams) reports, "Texas energy companies failed to pay another $345 million for electricity and other services incurred during last month's cold snap, the operator of the state's grid said on Monday." Charges of "up to $9,000 per megawatt hour (mwh) spot rates and $25,000 per mwh service fees" also "drove one provider into bankruptcy on Monday." According to ERCOT "electricity providers skipped out on $2.46 billion in power and service charges." The state could, however, "cut about $2 billion off the burden facing municipal utilities, marketers and generators by reducing some fees," and "also could apply a portion of the state emergency fund."

Texas Power Cooperative Declares Bankruptcy. Reuters (3/1, McWilliams) reports Brazos Electric Power Cooperative Inc, "The largest and oldest electric power cooperative in Texas filed for bankruptcy protection in Houston on Monday, citing a disputed $1.8 billion debt to the state's grid operator." Brazos "is one of dozens of providers facing enormous charges." The Wall Street Journal (3/1, Biswas, Gladstone, Subscription Publication, 8.41M) reports on Brazos filing for bankruptcy, presenting it as likely indicating further problems in dealing with the bills from the state's energy crisis.

Nearly 400,000 In Texas Still Under Boil Water Advisory. NBC Nightly News (3/1, story 5, 0:15, Holt, 6.45M) reported, "Two weeks after that devastating storm in Texas, almost 400,000 people are still being told to boil their water. Thousands more still lining up for food and water. Many waiting for broken pipes to be fixed."

Many In Jackson, Mississippi Still Without Water.

The CBS Evening News (3/1, story 4, 1:45, O'Donnell, 4.77M) reported that in Mississippi "communities are still struggling two weeks after the south was hit with those devastating storms. The biggest problem for many is finding clean water." CBS (Janet Shamlian) added, "Tonight, frustration is boiling over in Jackson after two weeks without water." CBS continued, "the entire city, more than 165,000 people, hasn't had safe drinking water since the mid-February storm," and "pressure so low, it's not reaching some neighborhoods."

The Washington Post (3/1, Fowler, 10.52M) reports that "many residents" in Jackson, Mississippi have "been without water nearly two

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weeks" following the February 15 ice storm. The water "system lost power" on February 17, "and officials immediately issued a boil-water notice to 43,000 connections," and "two weeks later, many residents still don't have water."

Kentucky Governor Declares State Of Emergency Over Flooding, While West Virginia Has Flooding In Over A Dozen Counties.

The AP (3/1, Raby, Reynolds) reports on flooding in "parts of Appalachia on Sunday and Monday sending rivers out of their banks and leading to multiple water rescues, mudslides, road closures and power outages," and on Monday, Kentucky Gov. Andy Beshear "declared a state of emergency...because of heavy rainfall across the state." Meanwhile, in West Virginia, "floodwaters inundated roads in more than a dozen counties."

WPost Report: Melania Trump Made Some Additions, Improvements To White House.

The Washington Post (2/28, Koncius, 10.52M) reports, while former First Lady Melania Trump "did not make refurbishing" the White House "a major focus, there were some significant additions and improvements during her tenure. They included a bronze statue by Isamu Noguchi, a restoration of the East Room and new fabrics to replace sun-damaged upholstery and walls in the Red Room. There were also practical projects, such as the modernization of the subbasement curatorial storage room and restoration of historical wooden doors that had been dinged by presidential dogs over the decades." Trump's office said in a statement, "From the Tennis Pavilion to the Rose Garden, Mrs. Trump worked on a variety of restoration projects during her time as first lady. ... She is passionate about the historic preservation of the White House and its grounds, ensuring history and beauty are preserved for generations to come."

Poll: 64% Say "Cancel Culture" Threatens American Freedom.

The Hill (3/1, Manchester, 5.69M) says a Harvard CAPS-Harris poll of 2,006 registered voters (2/23-2/25) found 64% "said they thought cancel culture posed a threat to freedom in the US," while 36% "said it was not a threat." The term, "which has been defined as a cultural boycott, has been frequently used in political discourse over the past year." Overall, the findings suggest that more "Republicans than Democrats consider cancel culture a threat" to their freedom.

Jordan Calls On Judiciary Committee For Hearing On "Cancel Culture." The Hill (3/1, 5.69M) reports that in a letter to House Judiciary Chairman Jerry Nadler on Monday, Rep. Jim Jordan (R-OH) called for the panel "to hold a public hearing on 'cancel culture,' arguing that the committee should investigate what he claimed was a wave of 'censorship' occurring in private companies, on college campuses, and other facets of American life." Jordan wrote that "cancel culture's long-term consequences to our democracy and our constitutional framework are serious and substantial."

Reporter Publishes Account Of His Departure From NYTimes.

The New York Times (3/1, Tracy, 20.6M) reports Times science and public health reporter Donald G. McNeil Jr., "who resigned under pressure last month after 45 years at the paper, published an account on Monday describing the circumstances of his departure, a four-part essay that was often critical of Times leadership." McNeil "announced his departure last month in the wake of an article in The Daily Beast" in which "several students and their parents complained that Mr. McNeil, who was serving as an expert guide on the trip, had used a racial slur and made other insensitive remarks."

Argument Made For Saving The Florida Grasshopper Sparrow.

In an op-ed for the Washington Post (3/1, 10.52M), naturalist Bruce Beehler and David Wilcove, a professor of ecology, evolutionary biology and public affairs at Princeton University, make a case for saving the Florida grasshopper sparrow, which "might be the most endangered bird in the continental United States." They argue, "By working to preserve the Florida grasshopper sparrow, we're also protecting the remaining bits and pieces of a unique natural ecosystem unlike any place else on Earth: the Kissimmee prairie, a natural subtropical savanna unique in the Eastern United States." The "habitat we protect for the sparrow is home to thousands of other native species."

FLOTUS Making Unannounced Visits To Small Businesses.

The Washington Post (3/1, Yuan, 10.52M) reports on some of the restaurants and cafes that Dr. Biden has recently visited. The Post sees "an emerging pattern of unannounced dropbys at small businesses that the first lady has been making that seem anything but random," including three "in recent weeks at a Black- or immigrant-owned small business." The Post continues, "Maybe the first lady wanted to support small businesses. Maybe she wanted to signal to Black Americans that President Biden was serious when he said his administration would not abandon them." However, the Post adds Dr. Biden "clearly knows the power of a photo op, like when she made an unannounced stop to drop off cookies to National Guard members when they had been unceremoniously kicked out of the Capitol, part of the contingent sent to protect the city from attacks by rioters."

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First Lady To Travel To Connecticut, Pennsylvania With Education Secretary Cardona.

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Axios (3/1, Mucha, 1.26M) reports First Lady Jill Biden will travel on Wednesday to Connecticut, where she will "visit schools reopening under

her husband's first-100-days pledge, reviewing practices and taking note of what does and doesn't work." Education Secretary Miguel Cardona will join the First Lady as she "visits Waterford, Pennsylvania, and Meriden, Connecticut."

Local sources include WJET-TV (3/1, 6K), WTNH-TV (3/1, 48K), WFXP-TV (3/1, 7K), News 12-TV (3/1), WICU-TV (3/1, 13K), WVIT-TV (3/1, 46K), and WCCT-TV (3/1, 2K).

Financial International News

Argentina Hits Brakes On IMF Talks, Calls For Investigating Previous Agreement.

Reuters (3/1, Misculin, Jourdan) reports Argentina President Alberto Fernandez "said on Monday that he did not want to rush into a new deal with the [IMF], amid broader concerns that a previously set May date to reach an agreement will be missed." In an address to the country's Congress, Fernandez "said that Argentina would also launch judicial action to investigate the former administration's agreement with the Fund, which he has previously criticized for exacerbating debt levels." Fernandez said, "We will continue our negotiations with full focus and with the firmness we have always shown, we do not want to rush. ... Our government's only hurry is to put production and work back on its feet in order to improve the situation of millions of Argentine families that have been plunged into the pit of poverty."

ECB Official Calls For Greater Role In Combating Bubbles.

Reuters (3/1, Canepa) reports ECB Vice President Luis de Guindos "said on Monday" the ECB "should have a greater role in setting so-called 'macroprudential policy' aimed at preventing financial bubbles and cushioning crashes, which is currently in the hands of national authorities." De Guindos said during an online conference, "The reflections should in my view consider an increased role for the ECB's Governing Council in macroprudential policy, given its special role in and responsibility for both monetary and macroprudential policy in the euro area."

IMF Board Approves $1.8B Loan Program For Costa Rica.

Reuters (3/1, Lawder) reports the IMF "said its executive board approved a three-year, $1.79 billion Extended Fund Facility Arrangement for Costa Rica on Monday to help the tourism-dependent Central American country recover from the COVID-19 pandemic." The approval "allows for an immediate disbursement of about $296.5 million, the IMF said. The full IMF loan program follows emergency IMF financing of $521.7 million granted to Costa Rica in April 2020."

Leading International News

Some Democrats Criticizing Biden's First Foreign Policy Moves.

Politico (3/1, Desiderio, 6.73M) reports President Biden's "early foreign policy moves are putting him at odds with his fellow Democrats, some of whom are mounting pressure campaigns to force his hand." The "friendly fire" Biden drew after ordering airstrikes on Iran-backed militia groups in Syria "was an early sign of what's to come for Biden: a Democratic-controlled Congress that won't hesitate to try to rein in or pressure a Democratic president's actions on the world stage." While Democrats "are much more satisfied with Biden's posture in the early stages of his presidency than they were with that of former President Donald Trump, whose erratic foreign policy forays frustrated lawmakers," they "are taking on Biden in the hope that he will follow through on his campaign pledges, which included levying strict punishments against those responsible for [Jamal] Khashoggi's killing as well as scaling back American involvement in the Middle East."

UK Foreign Secretary Welcomes Biden's Moves On Climate Change, WHO Funding, And Iran.

On CNN's New Day (3/1, 908K), British Foreign Secretary Dominic Raab said, "Certainly what we have seen with the new administration – and I've had great conversations with my opposite numbers, so Tony Blinken, but also national security adviser Sullivan – and if you look at some of the multilateral steps, rejoining the Paris agreement on climate change, reversing the decision to leave the WHO, even on the position on Iran, where we're all concerned about getting Iran back to compliance with the JCPOA. ... All of that stuff is much easier if we don't give our adversaries...the gift of splits in transatlantic unity." Raab added, "Certainly on the multilateral sphere, I think the Biden Administration has been very clear about wanting to work with partners – and from COVID to climate change through to...issues of regional security like Iran...that does put us in a strong position to get the results that we need."

Biden Advocates For Improving Bilateral Relations In Virtual Meeting With Mexican President.

The AP (3/1, Stevenson, Miller, Madhani) reports that as President Biden "looks to dismantle the last administration's hardline immigration agenda, he worked Monday to build a partnership with someone who found an unexpected understanding with Donald Trump: Mexican President Andrés Manuel López Obrador." The AP says that as Biden and López Obrador "met for a virtual bilateral meeting, with immigration, the coronavirus pandemic and climate issues on the agenda," Biden acknowledged that the US and Mexico "haven't been perfect neighbors to each other," while López Obrador "told Biden that he was thankful that the new president was 'willing to maintain good relations for the good of our people in North America.'"

Fox News (3/1, Lea, 23.99M) reports on its website that Biden "assured...López Obrador that he considers him 'an equal' during" the virtual meeting, "as his administration works to unravel some of...Trump's immigration policies," while the New York Times (3/1, Kanno-

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Youngs, Shear, 20.6M) says Biden "sought help from...López Obrador of Mexico in averting a new crisis at the border, hoping for diplomatic cooperation from one of the key supporters of the harsh tactics imposed by Mr. Biden's predecessor to choke off immigration." According to the Times, "Biden is now hoping that Mr. López Obrador will become a partner in preventing another cycle of out-of-control migration from Central America, but that he will do so without resorting to the full range of policies Mr. Trump embraced."

The Washington Post (3/1, Gearan, Sheridan, Miroff, Sieff, 10.52M) reports Biden's efforts come "as he faces criticism from liberal Democrats for detaining migrant children and accusations from Republicans that he is recklessly throwing open the nation's borders amid a pandemic." The Post adds Biden and López Obrador "issued a joint declaration affirming their will to cooperate on migration issues, particularly the long-term goal of creating more jobs in southern Mexico and Central America. But whether Biden can get Mexico's immediate help to contain the growing border influx was not clear."

Meanwhile, USA Today (3/1, Groppe, 12.7M) reports López Obrador had been "expected to talk to Biden about a 'Bracero'-style labor program that would allow Mexicans to temporarily live in the USA." According to USA Today, López Obrador "argues that the U.S. economy needs Mexico's young and strong workers to boost its aging workforce." USA Today adds that when asked if Biden would support such a proposal, White House Press Secretary Jen Psaki on Monday "declined to say, noting that such a plan would probably have to be approved by Congress."

Psaki Says Administration Will Discuss Helping Mexico With Vaccines After "Every American Is Vaccinated." Reuters (3/1, Graham, Holland, Alper) reports Psaki on Monday "downplayed the prospect of sharing coronavirus vaccines with Mexico, saying it is focused first on getting its own population protected against a pandemic that has killed more than 500,000 Americans." Psaki said, "The administration's focus is on ensuring that every American is vaccinated. And once we accomplish that objective, we're happy to discuss further steps." According to Reuters, her comments came as López Obrador was "expected" to use the meeting "to ask the United States to consider sharing some of its COVID-19 vaccine supply," but "an official statement released after the meeting ended made no mention of vaccine distribution."

However, Politico (3/1, Forgey, 6.73M) also reports Psaki continued, "The next step is economic recovery. And that is ensuring that our neighbors, Mexico and Canada, have similarly managed the pandemic, so that we can open our borders and build back better." The Wall Street Journal (3/1, Parti, Montes, Subscription Publication, 8.41M) and The Hill (3/1, Samuels, 5.69M), among other outlets, provide similar coverage.

El Salvador's President's Allies Appear To Win Control Of Legislature.

The Washington Post (3/1, Brigida, Sheridan, 10.52M) reports El Salvadoran President Nayib Bukele "emerged as the big winner in El Salvador's legislative elections Sunday as his party and its allies took control of the national legislature at a moment when critics fear the country is sliding toward authoritarian rule." Bukele's success, says the Post, "worried human rights advocates at home and abroad" and "could pose a challenge to President Biden's policy of strengthening democracy in Central America." The Post also reports that "Bukele might be the most popular leader in Latin America," and his "party and a small allied party, GANA-New Ideas, had won around two-thirds of votes cast for the legislature." Yet, "Bukele was unable to secure meetings with Biden's top Latin America officials during a recent trip to Washington."

Reuters (3/1, Renteria) reports, "With 80% of the vote counted on Monday morning, the electoral authority's tally forecasts that candidates from Bukele's New Ideas party plus the allied GANA party will win 56 seats of the 84-member unicameral Congress." With that level of support, Bukele would have "free rein to pick new supreme court judges and the country's attorney general, along with the power to enact constitutional changes."

Haitians Call For Departure Of President Moïse.

The Miami Herald (2/28, Charles, 647K) reported on Sunday, "thousands of Haitians peacefully waved tree branches and Haitian flags through the capital and several major cities in Haiti...to protest a growing wave of for-ransom kidnappings, and again called for the departure of President Jovenel Moïse." It was "deemed the largest demonstration since anti-government protests resumed earlier this year." Demonstrators "also targeted the head of the U.N.'s Integrated Office in Port-au-Prince, Helen La Lime, saying the protest was also a show of force to her."

Sources Differ Over Venezuelan Oil Exports In February.

Whereas Bloomberg (3/1, Kassai, 3.57M) reports Venezuelan oil exports "dropped in February after the U.S. sanctioned key trading houses and individuals that had been propping up" the country's oil exports, with its data showing "crude shipments fell to 418,857 barrels a day" down 13% from January, Reuters (3/1, Parraga, Guanipa) reports that "Venezuela's oil exports rose in February to over 700,000 barrels per day (bpd), their highest level in 10 months, pushed by more sales of fuel oil cargoes to new clients in Asian markets." Reuters adds that "'phantom clients,' have been raising their intake of Venezuelan oil steadily since October, when they took about 123,000 bpd, to 568,200 bpd last month, accounting for three-quarters of the country's total exports in the period."

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Ecuador's Interior Minister Says Prison Riots Were Connected To International Criminal Groups.

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Reuters (3/1, Valencia) reports, "Ecuadorean officials said on Monday prison riots that left 79 inmates dead last week were linked to organized transnational crime." The riots "were among the bloodiest incidents in the history of" Ecuador's "penitentiary system and underscored the problems of overcrowding and underfunding that plagued the system." Interior Minister Patricio Pazmino on Monday said, "We are talking about a confrontation between criminal groups with international contacts over illegal markets in the country."

Thomas-Greenfield Calls For Increased UN "Pressure" On Burma's Military As Suu Kyi Faces Additional Charges.

The AP (3/1, Lederer) reports Ambassador Thomas-Greenfield "urged the international community on Monday to 'ramp up pressure' on Myanmar's military to restore democracy at a wide-ranging press conference where she also said she hopes to work with Russia and China on some key issues." The AP adds Thomas-Greenfield "strongly reiterated President Joe Biden's determination to re-engage with the world and make the United States again a nation that leads," while Reuters (3/1, Nichols) reports she "said...she hopes to use Washington's presidency of the United Nations Security Council in March to push for more 'intense discussions' on Myanmar."

However, Reuters (3/1, Nichols, Spetalnick) reports detained Burma leader Aung San Suu Kyi "appeared at a court hearing via video conferencing on Monday," where another two charges were added against her, "as supporters marched in several towns and cities in defiance of a crackdown after the bloodiest day since the Feb. 1 military coup." On the CBS Evening News (3/1, story 7, 1:15, O'Donnell, 4.6M), Ramy Inocencio reported, "Hundreds of thousands of pro-democracy protesters have been fighting for Aung San Suu Kyi, now detained exactly one month." According to the AP (3/1), police in Yangon "fired tear gas Monday at defiant crowds who returned to the streets to protest last month's coup, despite reports that security forces had killed at least 18 people a day earlier." The Wall Street Journal (3/1, Mandhana, Solomon, Subscription Publication, 8.41M) and Bloomberg (3/1, Lin Kyaw, Heijmans, 3.57M), among other outlets, provide similar coverage.

Meanwhile, a more than 2,300-word New York Times (3/1, Beech, 20.6M) article adds that Burma's generals "are now back in charge with a far more sophisticated arsenal at their disposal: Israeli-made surveillance drones, European iPhone cracking devices and American software that can hack into computers and vacuum up their contents." The Times adds critics "say [the] ruthless armed forces, which maintained a dominance over the economy and powerful ministries even as it briefly shared power with a civilian government, used the facade of democracy to enable sensitive cybersecurity and defense purchases."

A Washington Post (3/1, Mahtani, 10.52M) analysis asserts the detention Burma's "generation's brightest and bravest," again "epitomizes dashed hopes for a better future in Myanmar. These reformers and technocrats, whose skills and experience helped salvage the country's antiquated financial system in recent years, are now silenced and subject to the whims of isolationist generals."

A Washington Post (3/1, 10.52M) editorial says Burma's military "demonstrated on Sunday that it is prepared to massacre the country's citizens in order to sustain its coup," which "revealed the regime's criminality – but also its weakness. The generals appear to be panicking in the face of mass resistance far beyond what they expected." The Post concludes the US "and other nations have the means to bring crushing economic pressure to bear on the generals. They should not hesitate to use it."

US Urges Release Of Pro-Democracy Activists In Hong Kong.

Reuters (3/1, Pamuk) reports the State Department "said on Monday that recent detentions of pro-democracy activists in Hong Kong show how the national security law imposed by Beijing is being used to stifle dissent." According to State Department spokesman Ned Price "the United States calls on Hong Kong authorities to release those still held and drop charges against them."

Meanwhile, the New York Times (3/1, Ramzy, 20.6M) reports that hundreds of protesters "assembled outside a court in Hong Kong on Monday in a rare act of defiance after 47 of the city's most prominent pro-democracy politicians and activists were arrested." According to the Times, "Such demonstrations have become an unusual sight in Hong Kong in the past year or so, after the city enacted restrictions to fight the pandemic and Beijing imposed a harsh national security law in June. The police warned the crowd they could be in violation of the security law or illegal-assembly rules." The Times goes on to report that "the 47 opposition figures had been charged on Sunday by the police, the most forceful use of the national security law so far and a move that could effectively decimate the political opposition in Hong Kong."

In an op-ed for the New York Times (3/1, 20.6M), Yi-Zheng Lian, a former chief editor of The Hong Kong Economic Journal, questions why Beijing is "still going after Hong Kong so hard when the repression generates pushback from much of the world." One reason, he writes, "is that there is a gap between China's national interests and the personal ambitions of its leader, Xi Jinping." Xi "seems intent on remaining president beyond his second term." but "to stay on, Mr. Xi must deliver something monumental. And he is not measuring up." Lian says, "The lower-hanging fruit is to bring Hong Kong back into Beijing's fold: China's president is plucking away at that one." But, "even that is tricky because it could destroy Hong Kong's standing as the freest conduit of goods, capital and people between the Chinese mainland and the West. That loss would be colossal for Beijing."

Administration Seeks To Form Common Policy Towards China Among Asian Neighbors And European Countries.

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The Wall Street Journal (3/1, Mauldin, Leary, Subscription Publication, 8.41M) reports on the Biden Administration's effort to support

countries facing conflicts with China including Japan, India, and Australia as well as seeking the help of Europe in forming a common policy. On the positive side, the US has extended its agreement with Japan on hosting US soldiers, and is near to doing so with South Korea. The Journal says that the Administration intends to continue the stronger policy of the previous administration towards China, but is also seeking possibilities for cooperation.

Foreign Correspondents In China Report Worsening Conditions. The Wall Street Journal (3/1, Strumpf, Subscription Publication, 8.41M) reports on a study by the Foreign Correspondents' Club of China concluding that conditions in China for foreign journalists were worse last year than before, with no journalist reporting an improvement in conditions. In response, Chinese Foreign Ministry spokesman Wang Wenbin said the report was "full of scare-mongering and completely lacking in evidence."

China Seeks To Undermine Women Witnesses Of Chinese Treatment Of Uighurs. Reuters (3/1, Cadell) reports, "China, under growing global pressure over its treatment of minority Muslim Uighurs in far west Xinjiang, is mounting an unprecedented and aggressive campaign to push back, including explicit attacks on women who have made claims of abuse." Chinese officials, adds Reuters "accused some of having affairs and one of having a sexually transmitted disease." According to Reuters, there is "a meticulous and wide-reaching campaign."

China Building Nuclear Launch Capacity From Underground Silos. The AP (3/1, Burns) reports, "China appears to be moving faster toward a capability to launch its newer nuclear missiles from underground silos, possibly to improve its ability to respond promptly to a nuclear attack," according to Hans Kristensen, "a longtime watcher of U.S., Russian and Chinese nuclear forces." Last summer, the Pentagon said in a report "that Beijing intends to increase the peacetime readiness of its nuclear forces by putting more of them in underground silos and operating on a higher level of alert."

Chinese Documentary Of Korean War Renews Claims US Used Biological Weapons Against Chinese Soldiers. The Washington Times (3/1, Gertz, 626K) reports, "Chinese state media recently broadcast decades-old disinformation claiming that the U.S. military used biological weapons against Chinese troops in the Korean War," as part of "a 40-part historical drama series called 'Crossing the Yalu River,' depicting Chinese troops in the Korean War." The Times adds, "the claim that Americans used biological weapons 70 years ago was renewed after China faced growing criticism over its handling of the early days of the COVID-19 outbreak."

US Envoy To Afghanistan Meets With Senior Official In Kabul.

Reuters (3/1, Spetalnick, Qadir Sediqi) reports, "The U.S. special envoy to Afghanistan, Zalmay Khalilzad held discussions on Monday with a senior Afghan official in Kabul over ways to accelerate the peace process, before heading to Qatar, where negotiations with Taliban representatives are ongoing." On Sunday, the US State Department said "that Khalilzad and his team were visiting Kabul and Qatar" and that "U.S. diplomats would also visit other regional capitals as part of a mission aimed at working toward 'a just and durable political settlement and permanent and comprehensive ceasefire.'"

The Wall Street Journal (3/1, Seib, Subscription Publication, 8.41M) reports on the difficulties President Biden faces in deciding on US policy in Afghanistan, specifically whether to withdraw all US soldiers. Biden had pledged to end the war, but violence has increased, and it seems likely that the Taliban could seize Kabul in a fairly short period if the US withdraws. Because of that a commission selected by Congress has advised that the US not withdraw. The Journal adds that Biden's pledge to remove most US troops was already done by the previous administration which reduced US personnel there to 2,500 from 14,000 over the past year.

SIGAR Finds Little Spending Has Been For Intended Use. The Hill (3/1, Budryk, 5.69M) reports the Special Inspector General for Afghanistan Reconstruction issued a report Monday finding "that of $7.8 billion in spending since 2008, only $343.2 million was spent on buildings and vehicles that were 'maintained in good condition' and only $1.2 billion went to vehicles and buildings that were put to their intended use."

Duckworth Asks Haines For Unclassified Report On Claims Russia Offered Bounties For Taliban Targeting US Troops In Afghanistan. The Hill (3/1, Budryk, 5.69M) reports that Sen. Tammy Duckworth (D-IL) has asked the Administration "to declassify intelligence related to reports that the Kremlin offered bounties to Taliban forces for targeting U.S. troops in Afghanistan." Duckworth, in a letter to Director of National Intelligence Avril Haines, wrote, "the American public, and Gold Star Families in particular, have a pressing need to know if there is any truth to these claims." Duckworth requested "an unclassified report to 'provide urgently needed transparency on this grave matter.'"

Two Americans Accused Of Helping Ghosn Escape Now In Japanese Custody.

The New York Times (3/1, Dooley, 20.6M) reports, "Two American men accused of helping the former Nissan chief Carlos Ghosn escape Japan in a speaker box in 2019 as he faced criminal charges were extradited from the United States on Monday to face trial in a Japanese court." Michael Taylor, 60, and Peter Maxwell Taylor, 27, were arrested "in May in Massachusetts in response to a Japanese warrant." Bloomberg (3/1, Yaffe-Bellany, 3.57M) report the men "face a possible three-year sentence in Japanese prison." Reuters (3/1, Raymond, Shepardson) and the AP (3/1, Richer), among other outlets, provide similar coverage.

Armenian Prime Minister And Those Calling For His Ouster Stage Dueling Rallies.

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The AP (3/1, Demourian) reports, "Political tensions in Armenia heightened Monday, with supporters of the embattled prime minister and the opposition each holding massive rallies at separate sites in the capital." The AP says Prime Minister Nikol Pashinyan "has faced opposition

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demands to resign since he signed a peace deal in November that ended six weeks of intense fighting with Azerbaijan over the Nagorno-Karabakh region." On Monday, "after an hour-long speech, Pashinyan led his supporters on a march across Yerevan under the heavy escort of police and security officers."

Pentagon Announces Military Aid Package For Ukraine.

The AP (3/1) reports, "The Pentagon on Monday announced a $125 million military aid package for Ukraine, including two armed patrol boats to help the country defend its territorial waters." An additional $150 million "will not be provided until the departments of State and Defense are in position to certify to Congress that Ukraine has made 'sufficient progress on key defense reforms this year.'"

EU Sanctions Russian Officials As Navalny Is Moved To Notorious "Penal Colony."

The New York Times (3/1, Kramer, Erlanger, 20.6M) reports that Russian opposition leader Aleksei Navalny is "going to serve his prison sentence in a penal colony notorious for disciplinary measures considered harsh even by Russian standards." According to the Times, "Russia's decision to transfer Mr. Navalny to a prison known for abusive treatment of inmates came even as the Kremlin faced mounting foreign criticism for the sentencing as well as an assassination attempt on Mr. Navalny last summer." On Monday, the EU "placed sanctions on four senior Russian officials considered responsible for his prosecution, the first time the union has exercised that power under a new law to punish human rights violators worldwide."

In addition, Reuters (3/1, Mohammed, Pamuk) sasy the US "is expected to impose sanctions as early as this week on Russians connected to the poisoning of Kremlin critic Alexei Navalny, three sources familiar with the matter said on Monday." Bill Neely reported on NBC Nightly News (3/1, story 7, 1:20, Holt, 6.45M) that the US sanctions will target "Putin's inner circle" in "the first direct action by President Biden against the leader he has long condemned."

Meanwhile, Reuters (3/1, Nebehay) separately reports Agnes Callamard, UN Special Rapporteur on Summary Killings, and Irene Khan, UN expert on freedom of opinion and expression, "said on Monday that Russia was to blame for attempting to kill Kremlin critic Alexei Navalny, and called for an international investigation into his poisoning with a 'signature compound' last year."

Russian Authority Says Twitter Violated Law By Failing To Delete Posts.

The Wall Street Journal (3/1, Grove, Simmons, Subscription Publication, 8.41M) reports a Russian communications authority has alleged that Twitter has violated Russian law by not deleting prohibited content for a number of years. Specifically, Twitter left undeleted 2,862 posts even after receiving 28,000 requests to do so. Twitter could be fined $100,000 for failing to delete the posts. Reuters (3/1, Kolodyazhnyy, Marrow) reports, "Roskomnadzor said Twitter had failed to delete 2,862 posts containing material linked to suicide, pornography and drugs since 2017," and "could be fined heavily if found guilty of repeatedly failing to delete content deemed illegal under Russian law."

EC President Visits Georgia Amid Tense Political Standoff.

The AP (3/1) reports that European Council President Charles Michel "visited ex-Soviet republic Georgia on Monday and urged all of its parties to engage in a dialogue to resolve the country's political crisis." According to the AP, "The political situation in Georgia has been tense amid allegations of voter fraud in the country's Oct. 31 parliamentary election. The ruling Georgian Dream party won the vote, but the opposition United National Movement has refused to concede defeat and demanded a rerun." The AP adds that "tensions escalated last week following the arrest of the United National Movement's leader, Nika Melia," who "faces charges of inciting violence during protests that erupted in 2019."

American On Trial In Italy Claims Killing Of Italian Officer Was In Self Defense.

The New York Times (3/1, Povoledo, 20.6M) reports, Finnegan Elder, 21, of San Francisco, "on trial in the death of an Italian police officer told a court in Rome that he 'panicked' and believed the officer, who he said did not identify himself, would kill him." Deputy Brig. Mario Cerciello Rega, 35, an officer in the Carabinieri, died in July 2019. Elder spoke "during the final scheduled hearing of a yearlong trial." The AP (3/1, D'Emilio) reports, "Elder, 21, and a friend from California, Gabriel Natale-Hjorth, 20, are charged in the murder of a Carabinieri paramilitary officer on a street near their hotel while vacationing in Rome in 2019." Elder "told the court that Vice Brigadier Mario Cerciello Rega had his hands pressing on Elder's neck."

Court Convicts Sarkozy On Corruption Charges, But He May Avoid Prison Time.

The New York Times (3/1, Breeden, 20.6M) reports a court in Paris on Monday sentenced former French President Nicolas Sarkozy to three years in prison after finding him guilty on charges of corruption and influence peddling in what was "only the second time in modern French history that a former president has been convicted of a crime." The Times adds Sarkozy, who said he will appeal the ruling, "still holds considerable sway among French conservatives, but the conviction could undermine his broader stature in French politics and dash any hopes of mounting yet another political comeback – especially for a politician who has fashioned himself as particularly tough on crime."

The AP (3/1, Corbet) reports the court "said the facts were 'particularly serious' given that they were committed by a former president who used his status to help a magistrate who had served his personal interest," and "as a lawyer by training, he was 'perfectly informed'

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about committing an illegal action, the court said." Reuters (3/1, Salaün) reports Sarkozy "is due in court again later this month, on charges of violating campaign financing rules during his failed 2012 re-election bid," and prosecutors "are also investigating allegations that Gaddafi provided Sarkozy's 2007 campaign with millions of euros shipped to Paris in suitcases."

However, the Washington Post (3/1, Noack, 10.52M) says that as "short prison sentences in France can typically be waived, it is unclear whether Sarkozy would have to spend any time in prison even if the appeal were to fail." According to the Post, Sarkozy "could also request to serve the sentence at home, subject to electronic monitoring." The Wall Street Journal (3/1, Bisserbe, Subscription Publication, 8.41M), Bloomberg (3/1, 3.57M), and Politico Europe (3/1, 15K), as well as a brief ABC World News Tonight (3/1, story 7, 0:15, Muir, 7.55M) segment, among other outlets, provide similar coverage.

Former IMF Chief Charged With Corruption, Money Laundering, And Tax Avoidance By Spanish Court.

Reuters (3/1, Pinedo) reports, "Former International Monetary Fund chief Rodrigo Rato, found guilty of embezzlement in 2018, is close to standing trial again in Spain after a court charged him with corruption, money laundering and tax dodging." A court is "investigating a kickback scheme Rato, 71, allegedly benefited from during Bankia's advertising campaigns when he was chairman of the state-owned lender between 2010 and 2012."

White House Suggests MBS Could Still Be Punished For Ordering Khashoggi's Murder.

The Washington Post (3/1, Wagner, Itkowitz, Sonmez, 10.52M) reports that on Monday, White House Press Secretary Jen Psaki "said...that the United States reserves the right to place sanctions on Saudi Crown Prince Mohammed bin Salman in the future. But she continued to defend the Biden administration's decision not impose any direct punishment on the Saudi royal in the 2018 killing of journalist Jamal Khashoggi in Istanbul." According to the Post, Psaki was "peppered with questions for another day in the wake of Friday's public release of a U.S. intelligence report that concluded that Mohammed had 'approved' the operation that led to the murder. ... Asked if the United States reserves the right to sanction the crown prince in the future, Psaki said: 'Of course, we reserve the right to take any action at a time and manner of our choosing.'" However, The Hill (3/1, Chalfant, 5.69M) reports that Psaki "noted that the United States does not typically sanction leaders of countries with whom it maintains diplomatic relations."

Meanwhile, Reuters (3/1, Pamuk, Lewis) reports State Department spokesman Ned Price said Monday that the Administration is "very focused on future conduct and that is part of why we have cast this not as a rupture, but as a recalibration" of US-Saudi relations. Price added, "We are trying to get to the systemic issues underlying the brutal murder of Jamal Khashoggi." Bloomberg (3/1, Wadhams, 3.57M) also reports Price pledged, "We will never check our values at the door even when it comes to our closest security relationships."

However, Reuters (3/1, Nebehay) reports Agnes Callamard, the UN's special rapporteur on summary executions who led the UN investigation into Khashoggi's murder, on Monday "reiterated her call for sanctions targeting Crown Prince Mohammed bin Salman's assets and his international engagements." She said, "It is extremely problematic, in my view, if not dangerous, to acknowledge someone's culpability and then to tell that someone 'but we won't do anything, please proceed as if have we have said nothing.'" Callamard continued, "That to me is an extremely dangerous move on the part of the USA."

The San Francisco Chronicle (3/1, 2.44M) editorializes that the President "must hold Saudi Crown Prince Mohammed bin Salman personally accountable for approving the 2018 assassination of Washington Post columnist Jamal Khashoggi. Anything less that direct, severe sanctions against the crown prince would send the message to other tyrants around the world that they can jail or even kill dissidents and journalists without real fear of retribution from the new U.S. administration."

Washington Post (3/1, 10.52M) CEO Fred Ryan writes that as a candidate, Biden "was firm and unequivocal in assuring American voters that, if elected president, he would make the [Saudi] regime 'pay the price and make them, in fact, the pariah that they are.' He also said, '[Jamal] Khashoggi was, in fact, murdered and dismembered, and I believe on the order of the crown prince.'" But after the release of the Director of National Intelligence report on Khashoggi's killing, the Biden Administration "seems ready to move on while proposing some sanctions falling far short of honoring Biden's campaign promise to hold [the crown prince] accountable." Ryan says this "is not a time to show weakness and surrender on human rights to gain the support of a leader who is an increasing threat to regional stability. To the contrary, it is an essential time to show the world that enduring American values matter more than commercial and diplomatic short-term opportunities – and bring justice for Jamal."

State Department Declines To Identify 76 Saudis Barred From Entry To US Over Khashoggi's Murder. Politico (3/1, Toosi, 6.73M) reports the Biden Administration "will not publicly identify any of the 76 Saudis it says it is barring from entering the United States as part of punishing Saudi Arabia over the murder of journalist Jamal Khashoggi." Politico adds, "The decision, which the State Department says is rooted in privacy laws governing U.S. visas, raises questions about the effectiveness of the penalty if there's to be no public awareness of whom the U.S. has labeled a human rights violator."

Saudi Ambassador To UN Says US Report On Khashoggi's Murder Lacks Evidence. Reuters (3/1, Swilam, Ghantous) reports that Abdallah Al-Mouallimi, Saudi Arabia's ambassador to the UN, "said on Monday a U.S. intelligence report that implicated the kingdom's de facto ruler Crown Prince Mohammed bin Salman in the killing of journalist Jamal Khashoggi had presented no firm evidence."

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Blinken Calls On Houthis To "Match" Saudis' "Commitment" To Ending War In Yemen.

Reuters (3/1, Staff) reports that on Monday, Secretary of State Blinken "said...that Saudi Arabia and the government of Yemen are 'committed and eager' to find a way to end the war in Yemen and called on the Houthi group to do the same." Blinken is quoted as saying, "The Saudis and the Republic of Yemen government are committed and eager to find a solution to the conflict. ... We call on the Houthis to match this commitment. A necessary first step is to stop their offensive against Marib." According to Reuters, President Biden "has said Yemen is a priority, declaring a halt to American support for the Saudi-led military campaign and demanding the war 'has to end.'"

In an editorial, the Wall Street Journal (3/1, Subscription Publication, 8.41M) says that while the Biden Administration "seems to have hoped that 'recalibrating' the U.S. relationship with Saudi Arabia, which has fought the 2015 Houthi takeover in neighboring Yemen, would draw down the war there," the Houthis "have other ideas." The Journal says the Houthis have no incentives to stop their attacks in Yemen since the US "has legitimized them with a sanctions reprieve in return for nothing, and when it broadcasts a strategy of accommodating their patrons in Tehran."

Thomas-Greenfield Vows US Will Help "Bring Awareness" To Yemen, Other Humanitarian Crises After UN Fundraising Effort Falters. Bloomberg (3/1, Wainer, 3.57M) reports Ambassador Thomas-Greenfield "vowed to re-energize diplomatic efforts to help bring an end to the world's worst humanitarian disasters, citing crises in Yemen and Ethiopia." Thomas-Greenfield "said the goal will be to 'bring awareness to the world about these growing and devastating humanitarian crises, and to call for leadership on the council for urgent, necessary solutions.'" She continued, "In these regions, war and instability have left millions of people and two million children under the age of five at risk of starvation and acute malnutrition." She added, "We cannot stand idly by." Her comments came after Reuters (3/1, Nichols) reports UN Secretary-General Antonio Guterres "said a 'disappointing' $1.7 billion had been pledged by countries on Monday for humanitarian aid in Yemen – less than half the $3.85 billion the world body was seeking for 2021 to avert a large-scale famine."

IAEA Director Urges US And Iran To Pursue "Constructive Discussions."

The Washington Post (3/1, 10.52M) reports that on Monday, International Atomic Energy Agency Director Rafael Grossi "urged that inspections not be used as a 'bargaining chip' as Iran, the United States and other nations lock horns over how to revive their beleaguered nuclear deal," and "appealed to all sides to engage in 'constructive discussions.' ... Without the work of inspectors, 'you don't know whether you can sleep tight or be very, very concerned at night,' Grossi said." Grossi is quoted as saying, "The inspection work of the IAEA should not be put in the middle of a negotiating table as a bargaining chip."

Bloomberg (3/1, 3.57M) reports that IAEA investigators, "who have carried some 170 short-notice visits to sites in Iran over the last four years, are the most recent causalities in the dispute. They lost their right to call snap inspections and visit key installations last month when Iran suspended the agency's so-called Additional Protocol." According to Bloomberg, "Both sides are insisting that the other has to move first in order to rejuvenate the deal. But on Monday, Iran's Foreign Ministry said now wasn't the right time for direct talks with the Biden administration and European powers."

Meanwhile, Reuters (3/1, Murphy) reports the UK, France, and Germany "are pressing ahead with a U.S.-backed plan for a resolution by the U.N. nuclear watchdog's board criticising Iran for curbing cooperation with the agency, despite Russian and Iranian warnings of serious consequences." However, it is "unclear how many countries would support a resolution," as Russia in "a position paper obtained by Reuters before Iran's announcement...warned that a resolution could hurt efforts to revive the deal, formally known as the Joint Comprehensive Plan of Action (JCPOA), and that it would oppose it."

In his Wall Street Journal (3/1, Subscription Publication, 8.41M) column, Walter Russell Mead contends the Biden Administration's approach to the Middle East "seems to be working with everyone but Tehran." According to Mead, Iran "seems convinced that Washington's only two real choices are the nuclear deal on Iranian terms, or an Iranian bomb. If the resulting tensions damage Washington's relations with either Europe or Middle East allies, so much the better."

Netanyahu Says Iran Behind Attack On Israeli-Owned Freighter In Gulf Of Oman.

The Washington Post (3/1, Hendrix, 10.52M) reports, "Israeli Prime Minister Benjamin Netanyahu blamed Iran for a mysterious attack on an Israeli-owned freighter loaded with vehicles in the Gulf of Oman last week, pledging that his government would retaliate." Netanyahu said in a radio interview, "Iran is the greatest enemy of Israel. I am determined to halt it. We are hitting it in the entire region." In response, Iranian Foreign Ministry spokesman Saeed Khatibzadeh said, "We strongly reject this accusation." He added, "The security of the Persian Gulf is extremely important for Iran."

The AP (3/1, Zion) says Netanyahu "accused Iran of attacking an Israeli-owned ship in the Gulf of Oman last week, a mysterious explosion that further spiked security concerns in the region." After the attack, "the crew was unharmed, but the vessel sustained two holes on its port side and two on its starboard side just above the waterline." Reuters (3/1, Hafezi) reports, "Iran strongly rejects Israel's claim that Tehran was behind a blast aboard an Israeli-owned ship in the Gulf of Oman last week" according to Khatibzadeh. Bloomberg (3/1, 3.57M) provides similar coverage.

US Says Strike In Syria Killed Iranian-backed Fighter, Wounded Two Others.

The Washington Post (3/1, Sonne, 10.52M) reports that according to the US Department of Defense "the U.S. military strike last week on a facility in Syria used by Iranian-backed militias led to the death of one fighter and wounded two others, in addition to destroying nine buildings." Pentagon spokesman John Kirby "announced the casualty figures at a briefing on Monday." Reuters (3/1, Stewart, Ali) reports the

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strike "killed one Iranian backed militia member and injured two others, the Pentagon said on Monday."

Members Of US House Urge Administration To Respond To Turkish Human Rights Issues.

Reuters (3/1, Zengerle) reports, "One hundred seventy members of the U.S. House of Representatives signed a bipartisan letter sent to Secretary of State Antony Blinken urging President Joe Biden's administration to address 'troubling' human rights issues" with respect to Turkey. According to the letter, "Strategic issues have rightfully received significant attention in our bilateral relationship, but the gross violation of human rights and democratic backsliding taking place in Turkey are also of significant concern."

Sahrawis Restarting War With Morocco Over Western Sahara.

Reuters (3/1) reports, "Generations of young Sahrawis have grown up in Algeria's remote desert refugee camps largely forgotten by the outside world and now see no prospect of an independent homeland in Western Sahara except through a new war their leaders say has already begun." Reuters adds, "In November, the movement said it was quitting a three-decade ceasefire with Rabat and has announced frequent attacks since then on Moroccan forces along the desert frontier." In addition, "the Sahrawi government-in-exile based in Tindouf has called on U.S. President Joe Biden to reverse his predecessor's decision to accept Moroccan sovereignty over Western Sahara."

Abductions Of School Children Increasing In Nigeria.

The New York Times (3/1, Maclean, 20.6M) reports that "since last December, mass kidnappings of girls and boys at boarding schools in northwest Nigeria have been happening more and more frequently — at least one every three weeks" and "just last Friday, more than 300 girls were taken from their school in Zamfara state, and the week before, more than 40 children and adults were abducted from a boarding school in Niger state. They were freed on Saturday." The Times adds that "boarding schools...are often located outside of cities and towns, where there is often no security." Those responsible "are carrying out many more attacks and demanding less ransom per victim than before — amounts like $1,000." The Wall Street Journal (3/1, A1, Parkinson, Anwar, Subscription Publication, 8.41M) also reports on the increasing number of abductions of school children.

Hundreds Of Thousands Displaced In Central Africa Republic By Fighting.

The AP (3/1, Surprenant) reports on the Central African Republic where rebels have caused "an estimated 240,000 people [to be] displaced in the country since mid-December, according to U.N. relief workers." The AP adds, "hundreds of thousands of people are also left without basic food or health care."

Zimbabwe's Vice President Resigns.

Bloomberg (3/1, Ndlovu, Marawanyika, 3.57M) reports, "Zimbabwean Second Vice President Kembo Mohadi resigned on Monday, after claiming he was the victim of a campaign to damage his reputation." Mohadi had been accused "of being involved in multiple 'immoral' relationships, including with members of his staff."

Kenyan Police Use Twitter To Change Reputation.

The Washington Post (3/1, Bearak, 10.52M) reports that the Twitter account of Kenya's Directorate of Criminal Investigations has been using "florid, even Shakespearean" language to describe its activities. Director George Kinoti said it is an effort to soften the image of the police as killers, "to show them we are not all like that — we do work for them." The Post adds, "polls show that more than half of Kenyans think police are a threat, not a service."

Housing

FHFA Authorizes GSEs Double Funding Of Housing Trust Fund, Capital Magnet Fund.

American Banker (3/1, Subscription Publication, 27K) reports, "After loans backed by Fannie Mae and Freddie Mac skyrocketed last year due to heightened refinancing activity, the two mortgage giants will more than double their contributions to two trust funds that support affordable housing." The FHFA authorized the GSEs "to contribute a total of $1.09 billion to the National Housing Trust Fund and the Capital Magnet Fund in 2021, more than twice the amount they gave in 2020 and the highest contribution to date." HousingWire (3/1, 7K) reports FHFA Director Mark Calabria said, "The record increase in house prices last year exacerbated the affordable housing shortage. To help increase the supply of affordable housing in our communities, FHFA remains steadfast in support of the Housing Trust Fund and Capital Magnet Fund."

National Mortgage Professional (3/1) reports that the Housing Trust Fund is overseen by HUD, allocating money "to states and state-designated entities for the production or preservation of affordable housing through the acquisition, new construction, reconstruction and rehabilitation of non-luxury housing." The Capital Magnet Fund "is overseen by Treasury and competitively awards money to finance affordable housing activities, as well as related economic development activities and community service facilities." DS News (3/1, Peck) provides additional coverage.

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GSEs Preparing For Broader Rollout Of Data Verification Technology.

National Mortgage News (3/1, Sinnock) reports Fannie Mae and Freddie Mac are "preparing for a broader rollout" of technology that could expedite verification of data on income, assets, and employment, "pending a green light from their oversight agency." NMN says, "That could help lenders reverse the trend of ever-lengthening mortgage closing timelines, which has occurred despite the fact that the industry's processes are increasingly automated. Record volumes in 2020 extended processing times by two to four days, according to a recent Freddie Mac report." Finicity's one-touch Mortgage Verification Service (MVS) technology reportedly "allows applicants with mainstream payroll providers to use a single sign-on session and roughly a dozen click-throughs to submit their information." NMN notes, "To be sure, while consolidated digital verifications from multiple types of information may be about to take off, it's unclear how much potential there is to just use a single source of data. The GSEs have experimented with this in the past."

Dodd Frank Update (3/1) reports Freddie Mac Single-Family VP Rick Lang said, "Freddie Mac has been at the forefront of advancing the digital mortgage experience that today's borrowers have come to expect. Our data-driven strategy helps produce safer loans and reduces the paper chase so our clients can speed up underwriting and bring borrowers to the closing table sooner." Fannie Mae VP Chuck Walker said that "addressing asset, income and employment verification is central to moving the industry toward the ideal digital mortgage."

MBA: Slowing Exits Drive Forbearance Volume Up In Portfolio Loans, PLS, And Ginnie Mae Loans.

HousingWire (3/1, 7K) reports that after a month of "steady declines," servicers' forbearance portfolio volume "rose one basis point last week to 5.23%, according to data released Monday by the Mortgage Bankers Association. The trade group pointed to a slowdown in exits coupled with an uptick in requests for last week's increase." Fannie Mae and Freddie Mac again "boasted the smallest forbearance share with servicers' portfolios remaining unchanged from the week prior at 2.97%." Portfolio loans and private-label securities (PLS), however, "increased by nine basis points to 9.03%, while Ginnie Mae loans in forbearance rose three basis points to 7.35%." MBA Chief Economist Mike Fratantoni suggested Ginnie Mae buyouts and general forbearance increases were likely the driving force behind the increases for portfolio and PLS loans.

STRATMOR: Strong Sales, Low Rates, And Ample Liquidity Boost Mortgage IPO Market.

M Report (3/1, Babb) says, "Strong home sales, low interest rates, widely available capital, and aging business ownership have led to a robust mortgage IPO market in recent months. According to STRATMOR Group, before the end of 2020, equity investors or private companies held an interest in 17 of the top 25 independent mortgage bankers, accounting for more than 40% of the total IMB market." Stratmor Group Senior Partner Garth Graham said, "The M&A deals we're seeing are game-changers. They are record-breaking deals that have investors outside the industry putting money into mortgage banks that are generating solid profits."

Column: "Dying Malls" Could Be Repurposed To Ease Nation's Housing Shortage.

In a piece for Business Insider (3/1, 2.74M), columnist Emil Skandul argues that America's "dying malls" could be repurposed for both "public and private use." According to Skandul, "The most obvious private use for malls addresses America's housing crisis by turning malls into residences. Across the US, the housing supply has reached the lowest point in decades, and the public loan enterprise Freddie Mac estimates supply is short by 2.5 million units. Affordable housing for lower- and middle-income households is in the highest demand, but may be the most difficult to accomplish."

Analysis: US Insurers Face More Pressure, Scrutiny On Role In Climate Change.

Reuters (3/1, Madonna) reports, "While the U.S. financial sector has voiced some support for broad environmental principles, the action spotlight could soon move to insurers over their multi-faceted exposure to climate factors." The voluntary moves come as some "climate advocates argue that the insurance industry's coverage of fossil-fuel projects exacerbates climate problems, while industry stakeholders worry about increased asset and liability risk." Furthermore, "the Biden administration's designation of climate change as a crisis could help spur insurers to voluntarily distance themselves from the fossil fuel industry, experts say." So far in the US, "Chubb and The Hartford have pledged to phase out insuring or investing in coal projects." Several European carriers made similar promises.

Markets

10-Year Yield Ticks Up.

MarketWatch (3/2, 2.64M) reports the 10-year Treasury yield rose to 1.443 percent.

Dollar Rises.

Reuters (3/2, Ponthus) reports that the dollar "held on to three-weeks highs against major currencies on Monday as U.S. and euro zone bond yields steadied, after a fixed-income selloff in February that lifted demand for safe-haven currencies." The dollar index rose 0.35% and reached 91.07. The euro dropped 0.23% down to $1.2042.

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Gold Falls.

Reuters (3/2, Layek) reports that gold prices "slumped to their lowest in 8-1/2 months on Tuesday, as a stronger dollar and elevated U.S. Treasury yields eroded investor appetite for the non-yielding metal." US gold futures dropped 0.3% down to $1,717.80.

Oil Falls.

Reuters (3/2, Obayashi) reports that oil prices "slid more than 1% on Tuesday as expectations that OPEC would agree to raise oil supply in a meeting this week weighed on sentiment, already hit by concerns over slowing Chinese demand." Brent crude slid 80 cents, or 1.3%, down to $62.89 per barrel. West Texas Intermediate crude dropped 69 cents, or 1.1%, down to $59.95 per barrel.

Cybersecurity

Cybersecurity Risks Rise As Corporate IT Adjusts To Pandemic.

Politico (3/1, Geller, 6.73M) reports in its Weekly Cybersecurity newsletter that the coronavirus pandemic has "accelerated a shift to remote work at many businesses, but how permanent will that shift be, what technological changes will companies need to make, and how will these changes affect their cybersecurity postures" remains unclear. A report out today "from the endpoint security vendor Tanium reveals the current status of these changes, and a Tanium executive told MC how the federal government can help companies manage the digital transformations that many of them now face." The report's findings, "drawn from a survey of 500 IT decision-makers, are significant not just for the security professionals who may be able to act on them but also for all workers whose lives will be transformed by the technology that their employers use." Tanium's report "lays out various security challenges for businesses."

FireEye's CEO Warns Risk Growing Of US Being Pulled Into Global Cyber Warfare.

Business Insider (3/1, Hartmans, 2.74M) reports Americans are "at risk of being dragged into cyber attacks that would put their connected devices at risk," according to the cybersecurity executive whose company discovered the SolarWinds hack. Kevin Mandia, the CEO of cybersecurity company FireEye, "told 'Axios on HBO' on Sunday that future cyber warfare between the US and China or Russia could impact regular citizens, leading to widespread disruptions to daily life." Mandia said, "Apps won't work. Appliances may not work. People don't even know all the things they depend on. All of a sudden, the supply chain starts getting disrupted because computers don't work." Mandia "warned that the rules of engagement around cyberattacks are unclear, meaning that there may be nothing that's off-limits." In a world where "more devices are connected to the internet than every before, consumers could opened up to massive risk."

Chinese Cyber Actors Now Targeting India's Critical Infrastructure.

SC Magazine (3/1) reports a newly discovered threat group that researchers "attributed to the Chinese government breached the power infrastructure in India, amid tensions along the two countries' borders." Researchers "say it's the first time a China-linked cyber actor has emerged as a significant threat against another nation's critical infrastructure." Recorded Future's Insikt research team, "which discovered the hackers, dubbed the group RedEcho." Researchers "traced their hacking efforts against Indian energy assets back to mid-2020, around the same time that a squabble between China and India over the Himalayan border began to escalate." Jon Condra, Recorded Future's head of nation-state research, "said that the choice of targets suggests RedEcho may be more interested in offensively positioning China for future conflict rather than engaging in the peace-time intellectual property theft that Chinese hackers are typically known for."

SII, Bharat Biotech Targeted By Chinese Hackers, Says Security Firm.

Reuters (3/1, Das) reports, "A Chinese state-backed hacking group has in recent weeks targeted the IT systems of two Indian vaccine makers whose coronavirus shots are being used in the country's immunisation campaign, cyber intelligence firm Cyfirma told Reuters." Cyfirma "said Chinese hacking group APT10, also known as Stone Panda, had identified gaps and vulnerabilities in the IT infrastructure and supply chain software of Bharat Biotech and the Serum Institute of India (SII)."

EPA Leads Cybersecurity Response If Water Utilities Get Hacked.

Federal Computer Week (3/1, 263K) reports lawmakers are questioning "what entities govern cybersecurity at water utilities and what changes must be made before a future attack succeeds in harming the public." Cybersecurity regulations for different industries "vary because the rules are set by whichever government agency or panel is responsible for that sector." The EPA is the "sector-specific agency for water and wastewater systems." In the event of a compromise, EPA "partners with the FBI and the Cybersecurity and Infrastructure Security Agency to investigate." The EPA's 2021 budget request included "approximately $7.7 million for assisting local and state water utilities with preparing their infrastructure against both physical and cybersecurity threats."

NSA Publishes Guidance For Security Professionals On Adopting Zero Trust Security.

Security Week (3/1) reports NSA has "published guidance on how security professionals can secure enterprise networks and sensitive data by adopting a Zero Trust security model." NSA has published guidance "on how security professionals can secure enterprise networks and sensitive data by adopting a Zero Trust security model." Titled 'Embracing a Zero Trust Security Model,' the document "details the benefits

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and challenges of the security model, and also provides a series of recommendations on the implementation of Zero Trust within existing networks." Zero Trust "allows administrators to limit access and control the manner in which devices, processes, and users engage with data, to eliminate the abuse of compromised credentials, along with remote exploitation, and insider threats." NextGov (3/1) reports NSA is "working with National Security Systems and Defense Department programs to pilot the implementation of Zero Trust principles and will provide more guidance in the coming months," according to a document the agency released last week.

Opinion: Inherently Secure Systems Mitigate Software Supply Chain Attacks.

In a commentary in Government Computer News (3/1), Roger R. Schell, president of Aesec Corporation, writes, "The supply chain cybersecurity problem can be solved with inherently secure engineering. Current futile efforts to keep an adversary out of a system can be replaced by a secure architecture that dramatically constrains the ability of an adversary who planted attacks (e.g., Trojan horses) inside a system to compromise sensitive information." He contends, "Even if implemented after such an attack, the properly configured Class A1 OS prevents exfiltration of information."

Federal Reserve

Analysts Say US Economy Showing Signs Of Improvement.

Reuters (3/1, Saphir, Schneider) says a "bullish sentiment" toward the US economy "has increasingly taken root among executives, analysts and consumers who see the past year of comparative hibernation – from the government-ordered business closings last spring to continued risk avoidance by the public – giving way to a cautious re-emergence and green shoots in the economy." However, a nearly 2,300-word Wall Street Journal (3/1, A1, Ip, Subscription Publication, 8.41M) article considers the prospect of whether the US faces an inflation risk from the $1.9 trillion in spending of the President's relief bill.

Brainard Flags Financial System Weaknesses Revealed By Covid, Urges Actions To Address Them.

Reuters (3/1, Schneider) reports Fed Governor Lael Brainard said Monday that Covid-19 revealed multiple weaknesses within the financial system that must be addressed with new rules before the next shock occurs. Brainard said, "We should not miss the opportunity to distill lessons from the COVID shock and institute reforms so our system is more resilient and better able to withstand a variety of possible shocks in the future, including those emanating from outside the financial system." Brainard "focused her most detailed suggestions on the rules governing the large money market funds that saw massive redemptions as the pandemic intensified last spring, causing stress in corporate and other funding markets that rely on them." Brainard "said ideas like 'swing pricing,' which kicks in after redemptions hit a certain level to penalize those who continue to withdraw, as well minimum deposit and other rules could head off a future crisis by reducing the 'incentive to run.'"

The New York Times (3/1, Smialek, 20.6M) and The Wall Street Journal (3/1, Ackerman, Subscription Publication, 8.41M) also report.

Barkin: Fed Guidance On Future Plans Could Not Be More "Clear And Explicit."

Reuters (3/1, Schneider) reports Richmond Fed President Thomas Barkin "said on Monday...[i]nvestors evaluating Fed policy should focus on the central bank's 'explicit' guidance on its plans and the relevant economic outcomes, not on second-guessing far ahead of time when interest rates or the pace of monthly asset purchases might change." Barkin said in a Bloomberg TV interview that the Fed's guidance "is as clear and explicit as we have seen," given the central bank's pledge to hold interest rates until inflation surpasses 2%. Barkin added, "The challenge for investors is to not try to turn that into calendar based guidance but to say lets see how the outcomes go."

Financial Regulatory Agencies

Gensler Hearing Comes During Calls For Tighter Wall Street Regulation.

The AP (3/2, Gordon) reports that Gary Gensler, President Biden's nominee to lead the SEC is "coming before a Senate panel for his confirmation hearing at a moment when a roiling stock-trading drama has spurred clamor for tighter regulation of Wall Street." Gensler has "experience as a tough markets regulator" and has promised to increase market transparency and accountability. University of Michigan Assistant Business Professor Erik Gordon said Gensler will "tip the SEC away from making it easy for companies to raise money and toward protecting unsophisticated investors." According to the AP, among his "likely priorities...would be requirements for corporations to disclose their climate change risks, political spending and executive compensation." Gensler has also shown receptiveness to cyrptocurrencies and new financial technologies, such as the blockchain.

Also reporting is Law360 (3/1, Subscription Publication, 9K).

Incoming CFPB Head Needs To Put An 'End To The Political Pendulum Swing.'

American Banker (3/1, Subscription Publication, 27K) reports there are a number of things incoming CFPB chief Rohit Chopra can do help improve "the nation's banking industry, protect consumers equally across institutions and finally, put an end to the political pendulum swing." The CFPB needs to preserve consumers' access to credit and "develop long-term, consistent consumer protection laws across the board."

AMERICAN OVERSIGHT

Contributor Richard Hunt writes, "Now more than ever, banks need this transparency, and American consumers deserve it as the economy climbs out of the effects from the coronavirus pandemic."

CFPB Receives Record Number Of Complaints In 2020.

MarketWatch (3/1, Jagannathan, 2.64M) reports that in 2020, the CFPB "received a record number of consumer complaints," with "credit-reporting complaints making up a majority of the grievances, according to [a] study released Monday by the U.S. PIRG Education Fund." The number of complaints grew by more than 50% from 2019 to 2020, to 444,551 complaints. Credit-reporting complaints "more than doubled from 136,000 in 2019 to 282,000 in 2020." The report authors wrote, "In 2020, each month set a complaint volume record for that month, and complaint volumes dramatically increased during the course of the coronavirus pandemic." Experts are predicting the CFPB under President Biden will "be more aggressive in tackling predatory behavior and doling out penalties, as well as bolster consumer protections in areas like payday lending, overdraft fees, consumer data and credit reports." The CFPB is also expected to scrutinize the student-loan industry as well.

Also reporting is CBS News (3/1, Gibson, 5.39M).

Office of the Comptroller of the Currency

Optimism Grows That Agencies Can Work Together On CRA Reform.

American Banker (3/2, Subscription Publication, 27K) reports that optimism is growing that agencies can come together to jointly reform the CRA. During the Trump Administration, the OCC developed its own CRA rule, but faced criticism that its "sweeping overhaul could hurt the very communities that the anti-redlining law was meant to help." However, the current rule has not yet been fully implemented, and acting Comptroller Blake Paulson "appeared willing last month to slow down the process." Analysts expect that whether President Biden nominates Michael Barr or Merhsa Baradaran, "either are likely to throw out the CRA rule finalized under former Comptroller Joseph Otting." The move would shift the focus to an alternative plan the Fed has worked on that would "rely on existing data collection and reporting for CRA scoring." However, Stroock & Stroock & Lavan Partner Quyen Truong "expects the OCC to help take the lead on an eventual reform framework regardless of who becomes comptroller." California Reinvestment Coalition Deputy Director Kevin Stein added that either Barr or Baradaran would be a "great" comptroller.

New Indictments Brought Against Those Responsible For Failure Of Washington Federal Reserve Bank For Savings.

American Banker (3/1, Subscription Publication, 27K) reports, "A new set of indictments tied to the December 2017 failure of Washington Federal Bank for Savings alleges that four employees and several borrowers conspired to embezzle millions of dollars from the Chicago bank." A federal grand jury has added a fifth individual to the "list of defendants facing charges of falsifying bank records to conceal embezzlement from the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corp." The new charges begin brought are in connection to $31 million in funds that were embezzled, an FDIC's Office of Inspector General press release said. The bank was shut down when OCC "determined that it was insolvent and had at least $66 million in nonperforming loans." The FDIC eventually sold the bank to Royal Savings Bank.

Editorial Wrap-Up

Washington Post.

"Would A Well-Run Private Company Tolerate Behavior Like Andrew Cuomo's?" The Washington Post (3/1, 10.52M) editorializes that if New York Gov. Andrew Cuomo's (D) behavior would be inappropriate at a business and contends it is "hard to imagine that, in a well-run company, that executive wouldn't be asked to resign – or be fired on the spot – for his behavior." However, the Post concedes that whether the sexual harassment allegations against him "end up costing Mr. Cuomo his job...remains to be seen."

"A $15 Minimum Wage Won't Happen. Democrats Should Get To Work On A More Modest Raise." The Washington Post (3/1, 10.52M) says that Democrats "need to bow to [the] reality" that a $15 an hour minimum wage increase will not be in the relief bill – "not by giving up on a higher minimum wage, but by seeking to raise it to a somewhat more modest figure than $15 per hour." According to the Post, "Such a compromise might even attract Republican support."

"Myanmar's Coup Leaders Turn To Massacres. The U.S. Response Must Be Forceful." The Washington Post (3/1, 10.52M) says Burma's military "demonstrated on Sunday that it is prepared to massacre the country's citizens in order to sustain its coup," which "revealed the regime's criminality – but also its weakness. The generals appear to be panicking in the face of mass resistance far beyond what they expected." The Post concludes the US "and other nations have the means to bring crushing economic pressure to bear on the generals. They should not hesitate to use it."

Wall Street Journal.

"Making Every Election Like 2020." The Wall Street Journal (3/1, Subscription Publication, 8.41M) criticizes the election reform legislation, which it argues "would make mail balloting in a plague year seem buttoned up." The Journal concludes, "Ballot access is important, but so is ballot integrity."

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"Biden's Mideast Concessions Backfire." The Wall Street Journal (3/1, Subscription Publication, 8.41M) says that while the Biden Administration "seems to have hoped that 'recalibrating' the U.S. relationship with Saudi Arabia, which has fought the 2015 Houthi takeover in neighboring Yemen, would draw down the war there," the Houthis "have other ideas." The Journal says the Houthis have no incentives to stop their attacks in Yemen since the US "has legitimized them with a sanctions reprieve in return for nothing, and when it broadcasts a strategy of accommodating their patrons in Tehran."

"The Grievances Of Trump Past." The Wall Street Journal (3/1, Subscription Publication, 8.41M) says Trump's return at CPAC shows he is still "trying to rewrite" his loss to Biden "as someone else's fault – Democrats who cheated, Republicans who won't 'fight,' a cowardly Supreme Court that includes three of his appointees, anyone but himself. This isn't true, as another Trump pollster, Anthony Fabrizio, made clear in his post-election analysis. Mr. Trump had one landmark victory in 2016 but he has cost the GOP dearly since." The Journal concludes that if Republicans continue to "focus on the grievances of the Trump past, they won't be a governing majority."

The Big Picture

Headlines From Today's Front Pages.

Wall Street Journal:

Biden, Senate Press Bill Without Pay Boost
Greensill Capital Faces Possible Insolvency After Credit Suisse Suspends Investment Funds
Is Inflation A Risk? Not Now, But Some See Danger Ahead
I Could Really Use A Non-Alcoholic Botanical Drink-And-Tonic Right About Now
In Nigeria's Largest-Ever Kidnapping Of Schoolgirls, Gunfire, Screams And A Familiar Anguish

New York Times:

Virus Did Not Bring Financial Rout That Many States Feared
Myanmar's Military Deploys Digital Arsenal Of Repression In Crackdown
Far-Right Groups Are Splintering In Wake Of The Capitol Riot
Behind The Lines Of Britain's Covid War
Cuomo Accused Of Unwanted Advance At A Wedding: 'Can I Kiss You?'
After Stimulus, Biden To Tackle Another Politically Tricky Issue: Infrastructure

Washington Post:

As Jan. 6 Smoke Clears, GOP Is Blowing Its Own
Biden Joins Democrats' Huddle On Relief Bill
No Quick Fix For Chip Shortage Hobbling Factories
Push For Low-Cost Housing In Affluent Parts Of DC
Equity Worries In Latest Vaccine

Financial Times:

Nicolas Sarkozy Sentenced To Jail For Corruption
Cuomo's Problems Deepen Anxiety Of New York's Business Leaders
Greensill Left Scrambling After Credit Suisse Suspends $10BN In Funds

Story Lineup From Last Night's Network News:

ABC: Johnson & Johnson; Cuomo-Controversies; Biden-COVID Relief; Immigration; Severe Weather; California-Plastic Surgeon Attends Traffic Court While In Theater; Fmr. French President-Jail Time; Lady Gaga's Dogs; Antarctic-Iceberg Breaks Off; Fmr. NFL Star Dies; 11-Month Old Hears For First Time.

CBS: Johnson & Johnson; Cuomo-Controversies; Severe Weather; Mississippi-Clean Water Crisis; Immigration; Voting Laws; Burma-Pro Democracy Protests; Oprah Special on Harry & Meghan; California-Plastic Surgeon Attends Traffic Court While In Theater; Lady Gaga's Dogs; Tiger Woods; Texas-School Offers Job Skills To Students.

NBC: Johnson & Johnson; Cuomo-Controversies; Trump-CPAC; Severe Weather; Texas-Boil Water Advisory; COVID-NIH Brain Study; Alexei Navalny; Oprah Special on Harry & Meghan; Alaska-Vaccination Effort; Meals On Wheels.

Network TV At A Glance:

Johnson & Johnson – 11 minutes, 5 seconds
Cuomo-Controversies – 7 minutes, 25 seconds

Last Laughs

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Late Night Political Humor.

Trevor Noah: "Here's the thing, even if Cuomo felt he was being playful, it's still not okay. This is what bosses never seem to understand. You should never be flirtatious with your employees because as a boss, you're basically a dragon. Nobody's ever trying to hug a dragon; they're trying to get out of the cave in one piece."

Trevor Noah: "For now, things are looking bad for Governor Cuomo. He's facing investigations and calls to resign. You know it's not good when you're the person in trouble and you're like, 'Guys, please, remember all the people in nursing homes I got killed? Let's talk about that again, come on, huh?'"

Trevor Noah: "Yes, barely a month into Joe Biden's presidency and he has already dropped his first bombs on Syria. ... It's actually ridiculous just how little power Congress has to actually stop the President from bombing whoever he wants. Even a drunk guy at a bar has at least two friends to hold him back."

Trevor Noah: "There's one story that everybody's talking about and so we need to make time for it: CPAC. The Conservative Political Action Conference, which is an annual gathering for hard-core right-wingers. Sort of like the Golden Globes, but for your aunt's Facebook group."

Trevor Noah: "It is amazing how adamantly some conservatives refuse to ever wear a mask. The only thing that fights to get itself killed so hard is when a dog eats chocolate."

Trevor Noah: "I've watched CPAC and WandaVision this weekend, and I'm not sure which characters are living in a more warped reality."

Jimmy Kimmel: "First, the return of the mythical creature known as Donald Trump, who was at CPAC, which sounds like the antibiotic you get after being exposed to Ted Cruz in a hot tub. But it's not. It is the Conservative Political Action Committee Convention."

Jimmy Kimmel: "After weeks of hibernation, Donald Trump emerged from his cave. ... Yell-vis went on and on for more than 90 minutes. He was yelling. My wife was yelling at me for watching it. It was kind of like, you know that show 'Dr. Pimple Popper'? All this disgusting stuff keeps coming out, and you're like, 'Oh God, when will it end?', but until it does, you can't look away? That's him."

Jimmy Kimmel: "To his credit, Trump did urge everyone to get vaccinated. But he did not mention that he got vaccinated himself. The New York Times reported that Trump and Melania were vaccinated at the White House in January. Why would you get a vaccine for a virus that disappeared, that washed away on its own last summer? I don't know. They probably had to vaccinate him by covering the needle in peanut butter, and making him eat it."

Stephen Colbert: "The headliner of the weekend was the former President. His speech was pretty light on substance and energy, but there was one major revelation: He told the audience that he would not start a third party. Of course he isn't going to start a new political party. He already owns one!"

Stephen Colbert: "The biggest attraction at CPAC was the giant golden statue of him. Nothing says the party of Christian values like worshiping a golden idol. And it's an Old Testament two-fer, 'cause he'll also covet your wife, neighbor."

Jimmy Fallon: "Yesterday, Trump gave his first speech since leaving office to close out CPAC in Orlando. Yep, it was 90 minutes of rambling followed by Trump supporters storming EPCOT."

Jimmy Fallon: "During his speech, Trump said, 'A Republican President will make a triumphant return to the White House, and I wonder who that will be.' Then the Manhattan DA holding Trump's taxes was like, 'Well, we all know who it won't be.'"

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Seth Meyers: "President Biden on Friday ordered air strikes against Syria. Well, that certainly didn't take long. It's like going to a Chumbawamba concert and they open with 'Tubthumping.' I mean, we knew it was coming; we just didn't know it would be right away."

Seth Meyers: "A giant golden replica of former President Trump was displayed over the weekend at the Conservative Political Action Conference in Florida. This news first reported in Exodus 32:4."

Seth Meyers: "President Biden is facing criticism after declining to directly sanction Saudi Arabia's Crown Prince Mohammad bin Salman for ordering the death of journalist Jamal Khashoggi. Okay, if having a journalist murdered doesn't count as malarkey, what does?"

James Corden: "Earlier today, President Biden had another virtual meeting with the head of state. This time it was Mexico's President Andres Manuel Lopez Obrador. And you just know Biden used the opportunity to throw around the word 'compadre' as much as possible. ... I bet Joe Biden opened with, 'Can we talk about that wall you guys are paying for?' And then they just laugh and they laugh."

James Corden: "But the two leaders did discuss border issues. Mexico's President apologized for the amount of drugs coming across the border, and Joe Biden apologized for the amount of Ted Cruz coming across the border."

Washington's Schedule

Today's Events In Washington.

***White House*:**

- President Biden — Participates in a meeting by phone with Senate Democrats; delivers remarks on the ongoing COVID-19 pandemic.
- Vice President Harris — Virtually addresses House Democrats retreat with Secretary of State Blinken; joins the President to deliver remarks on the ongoing COVID-19 pandemic.

***US Senate*:**

- Senate Armed Services Committee hearing on 'global security challenges and strategy' – Hearing on 'Global Security Challenges and Strategy', with testimony from Brookings Institution Senior Fellow Dr Thomas Wright; and former National Security Advisor Lt. Gen. (Ret.) Herbert McMaster Jr.

Location: Rm G50, Dirksen Senate Office Building, Washington, DC; 9:30 AM

- GAO High-Risk Report released – House Committee on Oversight and Reform Chair Carolyn Maloney and Ranking Member James Comer, Senate Homeland Security and Governmental Affairs Committee Chair Gary Peters and Ranking Member Rob Portman, and U.S. Comptroller General Gene Dodaro release the Government Accountability Office 2021 High-Risk Report, via press call * Biennial report focuses on 'govt operations vulnerable to fraud, waste, abuse and mismanagement, or in need of transformation to meet the nation's biggest challenges' * Both committees are holding hearings on the report today; *9:45 AM*
- FBI Director Wray testifies to Senate Judiciary Committee – Hearing on 'Oversight of the Federal Bureau of Investigation: the January 6 Insurrection, Domestic Terrorism, and Other Threats', with testimony from FBI Director Christopher Wray

Location: Rm 216, Hart Senate Office Building, Washington, DC; 10:00 AM

- Senate Banking Committee nominations hearing (virtual) – Remote nominations hearing, held via WebEx, considers Gary Gensler to be a Securities and Exchange Commission member; and Rohit Chopra to be Bureau of Consumer Financial Protection Director; *10:00 AM*
- Senate Governmental Affairs Committee hybrid hearing on GAO High Risk List – Hybrid hearing on 'GAO's 2021 High Risk List: Addressing Waste, Fraud, and Abuse', with testimony from U.S. Comptroller General Gene Dodaro * Held via videoconference and in Rm 342, Dirksen Senate Office Building; *2:30 PM*

***US House*:**

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- House meets for legislative business – House of Representatives meets for legislative business, with agenda for the week including

'H.R. 1 – For the People Act of 2021' and 'H.R. 1280 – George Floyd Justice in Policing Act of 2021' * A version of the George Floyd Justice in Policing Act passed the House of Representatives last year by 236 votes to 181, but never received a vote in the Senate

Location: U.S. Capitol, Washington, DC; 9:00 AM

• GAO High-Risk Report released – House Committee on Oversight and Reform Chair Carolyn Maloney and Ranking Member James Comer, Senate Homeland Security and Governmental Affairs Committee Chair Gary Peters and Ranking Member Rob Portman, and U.S. Comptroller General Gene Dodaro release the Government Accountability Office 2021 High-Risk Report, via press call * Biennial report focuses on 'govt operations vulnerable to fraud, waste, abuse and mismanagement, or in need of transformation to meet the nation's biggest challenges' * Both committees are holding hearings on the report today; *9:45 AM*

• House Transportation subcommittee hybrid hearing on effects of COVID-19 on U.S. aviation – Aviation Subcommittee hybrid hearing on 'COVID-19's Effects on U.S. Aviation and the Flight Path to Recovery', with testimony from Government Accountability Office Director of Physical Infrastructure Heather Krause; Airlines for America President and CEO Nicholas Calio; Air Line Pilots Association President and CEO Joe DePete; General Aviation Manufacturers Association President and CEO Peter Bunce; Port of Seattle Aviation Division Managing Director Lance Lyttle (on behalf of American Association of Airport Executives); and National Business Aviation Association President and CEO Edward Bolen * Held virtually and in Rm 2167, Rayburn House Office Building; *10:00 AM*

• House Appropriations subcommittee hearing on health and safety protections for agricultural workers – Labor, Health and Human Services, Education, and Related Agencies Subcommittee hearing on 'Health and Safety Protections for Meatpacking, Poultry, and Agricultural Workers', with testimony from National Employment Law Project Worker Safety and Health Program Director Deborah Berkowitz; Children of Smithfield Founding Member Dulce Castaneda; Farmworker Justice Director of Economic and Environmental Justice Iris Figueroa; and Groundswell Group Managing Director Carmen Rottenberg; *10:00 AM*

• House Appropriations subcommittee hearing on the Open World Leadership Center budget – Legislative Branch Subcommittee 'Open World FY 2022 Budget Hearing', with testimony from Open World Leadership Center Executive Director Jane Sargus; *10:00 AM*

• House Appropriations subcommittee hearing on the military service academies – Defense Subcommittee hearing on 'U.S. Military Service Academies Overview', with testimony from U.S. Naval Academy Superintendent Vice Adm. Sean Buck; U.S. Air Force Academy Superintendent Lt. Gen. Richard Clark; and U.S. Military Academy Superintendent Lt. Gen. Darryl Williams; *10:30 AM*

• House Commerce subcommittee hearing on telehealth post-COVID-19 (virtual) – Health Subcommittee virtual hearing on 'The Future of Telehealth: How COVID-19 is Changing the Delivery of Virtual Care', held via Cisco WebEx, with testimony from Stanford Health Care Chief of Staff Megan Mahoney; Harvard Medical School Associate Professor of Health Care Policy Ateev Mehrotra; Purchaser Business Group on Health President and CEO Elizabeth Mitchell; American Medical Association Board of Trustees' Jack Resneck Jr.; and Medicare Rights Center President Frederic Riccardi; *10:30 AM*

• House Oversight and Reform Committee hybrid hearing on the GAO High-Risk List – Hybrid hearing on 'The 2021 GAO High-Risk List: Blueprint for a Safer, Stronger, More Effective America', with testimony from U.S. Comptroller General Gene Dodaro * Held via WebEx and in Rm 2154, Rayburn House Office Building; *10:30 AM*

• House Foreign Affairs subcommittee hearing on elections in Africa (virtual) – Africa, Global Health, and Global Human Rights Subcommittee virtual hearing on 'Elections in Africa', held via Cisco Webex, with testimony from Brookings Institution Director Dr Aloysius Ordu; Atlantic Council Associate Director Aude Darnal; National Democratic Institute Regional Director Dickson Omondi; and International Republican Institute Senior Advisor Mvemba Dizolele; *11:00 AM*

• House Appropriations subcommittee hearing on the CBO budget – Legislative Branch Subcommittee 'Congressional Budget Office FY 2022 Budget Hearing', with testimony from CBO Director Dr Phillip Swagel; *2:00 PM*

Cabinet Officers:

• Vice President Harris and Secretary of State Blinken address House Democrats retreat (virtual) – House Democratic Issues Conference, held virtually for the first time. Day one includes remarks from Vice President Kamala Harris and Secretary of State Anthony Blinken

Visitors:

• No visitors scheduled.

General Events:

• IIB Annual Washington Conference concludes (virtual) – IIB Annual Washington Conference concludes, held virtually, with day two speakers including Democrats Sen. Jon Tester and Rep. Gregory Meeks, CFTC Commissioner Dawn Stump, New York Department of Financial Services Superintendent Linda Lacewell, former Federal Reserve Bank of New York President and CEO Bill Dudley, Federal Reserve General Counsel Mark Van der Weide, OCC General Counsel Jonathan Gould, FDIC General Counsel Nick Podsiadly, and

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FinCEN Director Ken Blanco; *9:00 AM*

• U.S. Supreme Court hearing on Arizona voting laws (virtual) – U.S. Supreme Court hearing, via teleconference: 'Brnovich v. Democratic National Committee', 'Arizona Republican Party v. Democratic National Committee' (consolidated) (Whether Arizona's out-of-precinct policy, which does not count provisional ballots cast in person on Election Day outside of the voter's designated precinct, and its ballot-collection law, which permits only certain persons to handle another person's completed early ballot, violate the Voting Rights Act?); *10:00 AM*

• The American Legion Washington Conference continues (virtual) – The American Legion Washington Conference continues with day two speakers including Secretary of Veterans Affairs Denis McDonough (pre-recorded video presentation), Under Secretary of the National Cemetery Administration Ron Walters, and Acting Under Secretary of the Veterans Benefits Administration Thomas Murphy; *10:00 AM*

• Dem Rep. John Sarbanes speaks on Brookings webinar – 'Restoring Federal Government Ethics and the Rule of Law' Brookings Institution Lawfare and Governance Studies webinar, discussing a report titled 'If It's Broke, Fix It: Restoring Federal Government Ethics and Rule of Law'. Speakers include Democratic Rep. John Sarbanes; *10:30 AM*

• Elected officials announce nationwide coalition to 'hold climate polluters accountable' (virtual) – California state Sen. Scott Wiener, Kentucky state Rep. Attica Scott, Chicago Alderman Matt Martin, Travis County, TX, Commissioner Brigid Shea, and Atlantic County, NJ, Commissioner Caren Fitzpatrick discuss the launch of a new nationwide network of more than 60 state and local public officials committed to holding corporate polluters accountable for their outsized role in creating and perpetuating the climate crisis, via virtual event; *12:00 PM*

• Press Briefing by Press Secretary Jen Psaki; *12:30 PM*

• Washington Post Live event with New Mexico Gov. Grisham (virtual) – Washington Post Live hosts 'Coronavirus: Leadership During a Crisis' virtual conversation with New Mexico Governor Michelle Lujan Grisham; *2:00 PM*

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Management Matters

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Wednesday, January 27, 2021

Fellow Announcement: Proposed Academy Bylaw Amendments

The Academy's Governance Committee, made up of several Fellows, recently reviewed the current Academy Bylaws, last amended in 2013, to determine whether the Academy is adhering to current nonprofit best practices and standards. The exercise identified several areas for improvement. As a result, the Governance Committee and the Academy's Board of Directors are proposing several changes. Read the full letter from Academy Board of Directors Chair, David Wennergren, here.

The full text of the proposed change for each affected bylaw can be found on the Academy's website here. You can choose to approve the full set of proposed amendments. If you click "no", you will be able to vote for or against for each change individually. A "yes" vote is in favor of the change; a "no" vote rejects it.

Please vote by Friday, April 30th.
Questions? Contact Kaitlyn Blume at kblume@napawash.org

Vote Now

[redacted]

Fellow Highlight of the Week

Featured

AMERICAN OVERSIGHT

Meet Fellow Michael Jacobson

Who or what inspired you to work in public service?

My dad was a career officer in the Coast Guard and his dad was a high school chemistry teacher. I always thought that they had interesting, challenging, and fulfilling jobs and they felt like they contributed to society.

What is something you are excited about right now?

I am excited by the prospect of making a giant step forward in addressing the racial inequities in our society. Many people have had their eyes opened to the treatment of black men at the hands of police but there are so many ways in which BIPOC communities and other minorities (such as religious or gender/sexual minorities), are marginalized by our public institutions. I see this as a generational opportunity to make change for the better for all of our communities.

It's Time to Reinvent How America Delivers Foreign Aid

By Academy Fellow Marcelo Giugale

When President John F. Kennedy created the U.S. Agency for International Development in 1961, he could not have imagined that helping other countries develop would be such an unpredictable, ever-changing task. What started as the funding of roads, schools and clinics in faraway places is today a global search for solutions to some of the world's most intractable problems—from entrenched poverty and corruption to climate change and pandemics.

What was a single American agency has since turned into a network of stakeholders—multilateral banks, official donors, private investors, NGOs and academics. And what was a national policy to foster prosperity abroad has grown into a multitude of international commitments to worthy causes, such as the Sustainable Development Goals.

Read More

National Association of State Chief Administrators: 2021 Top Ten Priorities for State Chief Administrators

NASCA conducts an analysis of state Chief Administrators to identify and prioritize the policy and administrative priorities facing state government operations. The top ten priorities are identified and used as input for all NASCA programs, planning for professional development activities, annual research, and in publications.

Learn More

Teaching Public Service in the Digital Age
Our Syllabus: Here to help you teach Digital Era Government

Our syllabus is a set of free, open access 'teach the teacher' materials designed to help educators teach master's level students the skills they need to thrive as public servants in the

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CFTC-22-0351-A-002284

Digital Era. The first units are now online and ready for your use, and the remainder will be posted over the next few weeks.

This syllabus has been designed to fit amongst the core required modules of both MPA and MPP programmes. It is flexible enough however, to be taught to a range of master's students in different disciplines.

Learn More

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This Week's Management Matters Podcast

Bettering the Federalist System through Data with Dr. John Bartle, Jamie Boex, and Tom Shoop

On this episode, we welcome Academy Fellows Dr. John Bartle, Dean of the College of Public Affairs and Community Service at the University of Nebraska at Omaha, Jamie Boex, Senior Fellow at the Duke Center for International Development, and Tom Shoop, Executive Vice President and Editor-in-chief at Government Executive Media Group, to discuss gathering, presenting, and using data on the federal government system.

Click below to listen to all episodes currently available at Apple Podcasts. Management Matters can also be found on Buzzsprout, Spotify, and wherever podcasts are found.

Listen Now

Joint Webinar with the Academy and the Fiscal Service on New Websites

THURSDAY, JANUARY 28, 2021 AT 11:00AM - 12:30AM

The Fiscal Service of the U.S. Department of the Treasury and the National Academy of Public Administration will hold a webinar exhibiting 2 of their websites—FiscalData.Treasury.gov and federalism.us—that promote data transparency and provide critical government information.

Learn More and Register

AMERICAN OVERSIGHT

Insights from Our Fellows

It's not all doom and gloom after the Capitol storming

With Academy Fellow Bob Tobias

After finishing a year dealing with a horrible pandemic, the new year opened with total breakdown at no less than the U.S. Capitol. But it's not hopeless. Our guest on the Federal Drive with Tom Temin is about to depart from his normal professorial role and assume that of hope counselor. It's American University's Bob Tobias.

Listen Now

Measuring the Trump administration's goal of decreasing agency regulations

With Academy Fellow Susan Dudley

A signature initiative of the Trump administration was the removal of what agency heads considered excessive or outdated regulations. The original policy was removal of two regulations for every new one proposed. So how'd they do? For one answer, Federal Drive with Tom Temin turned to the director of the George Washington University Regulatory Studies Center, Susan Dudley.

Listen Now

Today's News and Featured Articles

January Grand Challenge of the Month: Ensure Data

2020 Data Breaches Set Cybersecurity Tone for New Year

AMERICAN OVERSIGHT

Security and Privacy Rights of Individuals

Risk Based Security released their 2020 year-end data breach report this past week, and despite an overall decline in breach events (security incidents), the number of breached records grew dramatically.

Other trends included a doubling of ransomware attacks from 2019 to 2020, and data breach severity rising. Here are some of the highlights from the report:

"There were 3,932 publicly reported breach events at the time of this report; a 48% decline compared to 2019. As the year matures, and 2020 breaches continue to be disclosed into 2021, it is typical for the number of reported breaches to grow by 5% to 10%. In 'normal' times that would place 2020 on par with 2015 and 2016 breach years."

(Governing)

Union Leaders Report Slow Movement to Implement Biden Workforce Order

Officials at the nation's largest federal employee union said that they have seen little progress from agencies in the days since President Biden signed an executive order rescinding Trump administration edicts on labor-management relations last week.

In a call with reporters, labor leaders across the federal government with the American Federation of Government Employees said that they are eager to get to work dismantling restrictions on official time, expanding the scope of collective bargaining and restoring both due process protections for federal workers and collaborative relations with management, but so far have been met with apprehension.

(Govexec)

Biden issues executive orders promoting racial equity

President Joe Biden on Tuesday rolled out an additional slate of executive actions to address racial equity, a move to fulfill a key campaign promise that he made during the height of this past summer's protests.

Biden said that Tuesday's actions are a direct response to the groundswell of protests that emerged following the killing of George Floyd, an unarmed Black man, by Minnesota police and the resulting calls for racial justice. In brief remarks at the White House, the president said Floyd's death "opened the eyes of millions" and paved the way for change.

(Politico)

Election 2020: Foster Social Equity

Read the Action Plan

AMERICAN OVERSIGHT

Primary Care Providers Can Help Steer People to Opioid Addiction Treatment

The United States is grappling with two severe health crises: the COVID-19 pandemic and an opioid epidemic that appears to be worsening as more people deal with stress and isolation as they face increased barriers to medical care. Preliminary numbers for 2020 show that overdose deaths were outpacing the record-setting number of more than 71,000 fatalities in 2019.

More than ever, it is key to connect patients with opioid use disorder (OUD) to treatment as early as possible. Primary care offices can be among the most promising places to make this connection because they typically see patients over long periods of time. And a model for confronting substance use disorder, including OUD, that was pioneered by the National Academy of Medicine can help. This approach, which has been around for decades, has a long name—screening, brief intervention, and referral to treatment—that is usually shortened to SBIRT.

(PEW)

Upcoming Events

Our Path Forward: Building Resiliency with Innovation and Optimism

THURSDAY, FEBRUARY 11, 2021 AT 12:30PM - 1:30PM

Keynote Discussion with Dr. Oscar Alleyne,

Chief of Programs and Services for the National Association of County and City Health Officials.

Please join us in a discussion of promising and innovative practices to enable resiliency in the face of the tremendous challenges of the COVID-19 pandemic. What are the key challenges and how can we collectively rise above them and embrace innovation in our path forward? What have we learned and what practices can we put in place for tomorrow?

This is the first in a series of convenings to hear from leaders and on-the-ground practitioners about how they are establishing a path forward by obtaining, analyzing, and sharing information tailored to communities. We look forward to hearing more about the tools that frontline leaders can take away and use to ensure ongoing progress towards disease mitigation, advancing public health and supporting financially impacted communities.

Learn More and Register

AMERICAN OVERSIGHT

Student-Athletes as Student-Activists: The Role of Schools of Public Service

FRIDAY, JANUARY 29, 2021 AT 1:00PM-2:00PM

Social justice protests among professional and student-athletes have launched college athletics into an intensely political space. Student-athletes are more energized than ever to use their platform to pursue social change and Schools of Public Service can provide the tools to help student-athletes constructively channel their activism into impact.

The John Glenn College of Public Affairs and the Department of Athletics at The Ohio State University are partnering to help undergraduate student-athletes effectively navigate their newfound political role. Join a conversation hosted by the Next Generation Service Partnership featuring The Ohio State University's Trevor Brown, Dean of the John Glenn College of Public Affairs, Director of Athletics Gene Smith, and student-athlete Kristen Romano on Friday, January 29, from 1-2 p.m. EST. Attendees will learn about the new collaboration between the John Glenn College of Public Affairs and the Athletics Department and explore ways Schools of Public Service can leverage curricula and expertise to engage student-athletes.

Learn More and Register

Mitre Grand Challenges Power Hour: Stopping IP Theft by China

THURSDAY, JANUARY 28, 2021 AT 4-6PM

Whether through sophisticated remote cyber intrusion, talent recruitment programs, or foreign influence campaigns, theft of American IP, particularly within China, currently costs the US economy over $300 billion a year. Countering this unprecedented and blunt theft is a key challenge of our time. Our response needs to be multifaceted and commensurate with China's broad, diverse campaign that targets US IP in every facet – cyber, malign human influence, supply chain, our policy and open society.

Register Now

Standing Panel on Executive Organization and Management January Meeting

FRIDAY, JANUARY 29, 2021 AT 10:00AM - 11:45AM

Topic: Build Back Better: Where to Start?

The Biden-Harris Administration's transition mantra has been to #BuildBackBetter. But to do so, it is important to understand the current state of affairs. For the most part, the transition team has focused on policy initiatives, but there have been many reports about actions taken in recent months to hobble the administrative abilities of agencies to act on new initiatives.

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This panel session will identify and discuss the implications of some of the Trump administration's actions and which might be of higher priority to be addressed in any "build back better" agenda in coming months. You will be invited to add to the list!

Learn More and Register

Academy Job Annoucements

Title: ACCOUNTING AND ADMINISTRATIVE ASSISTANT
Reports To: Chief Financial Officer
Classification: Non-Exempt
Hours: 8:30 a.m. – 5:30 p.m. (40-hour work week)

Position Overview
This position works closely with the CFO on budgets, revenue recognition, and tax and related compilations, and provides support to other members of senior management related to projects and ongoing administrative initiatives.

Learn More and Apply Now

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To: Tarbert, Heath P.(b)(6)
From: Weekly Member Wall Digest[membership@e.cfr.org]
Sent: Wed 8/12/2020 6:51:11 PM (UTC)
Subject: [EXTERNAL] CFR Weekly Member Wall Digest

Weekly Member Wall Digest

August 12, 2020

The Member Wall is an exclusive forum where Council members can share their work and announcements with one another. The weekly digest is a summary of last week's Member Wall posts. We encourage you to post your recent written work and publications, upcoming speaking engagements and media appearances, invitations to events, or anything else you would like to share with your fellow members.

Members' posts do not represent the opinions of CFR staff or other members. Any information visible on the Member Wall is for personal use by CFR members only. If you have any questions, please see the Member Wall Guidelines or email membership@cfr.org.

On new Chinese sanctions

Here is a piece I wrote for The Atlantic on the sanctions imposed by China on me and the heads of other human rights organizations.

Posted by Michael J. Abramowitz on August 12, 2020

AMERICAN OVERSIGHT

ABANA Career Resiliency Panel Discussion August 13th, 2020

ABANA Career Resiliency Panel Discussion August 13th, 2020 The career path of young professionals is full of many challenges and obstacles on the pathway to success. Advancement requires perseverance, reinvention, reskilling and retooling, often in the midst of business economic cycles or transformative innovations. In addition, the pace of change in today's marketplace requires agility and dexterity to adapt and...

Posted by Khalid Azim on August 11, 2020

New Center on AI and Digital Policy

We have launched a new Center on AI and Digital Policy, under the auspices of the Michael Dukakis Institute for Leadership and Innovation. Preliminary work of the CAIDP looks at recent AI policy initiatives at the European Commission, the OECD, and UNESCO. An event with the Club de Madrid, the Kofi Annan Foundation, and Boston Global Forum on 13 August 2020 (at 9:00...

Posted by Marc Rotenberg on August 11, 2020

Demystifying Racial Justice Investing

There is a groundswell of interest in racial justice among institutional investors as beneficiaries, clients, board members, and staff advocate for investors to take anti-racist action. This article attempts to provide investors who are interested in racial justice with a range of options. Read more in my monthly article.

Posted by Bhakti Vasanti Mirchandani on August 11, 2020

Shinzō Abe's plans for Japan

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I recently appeared on Monocle24 Radio's "The Foreign Desk" program to discuss my forthcoming

book, The Iconoclast: Shinzō Abe and the New Japan as part of a broader discussion of Abe and his legacy. You can listen to interview here.

Posted by Tobias Harris on August 10, 2020

The Rajapaksa Brothers Now Face Their Biggest Challenge

The Rajapaksa's brothers, Gotabaya and Mahinda, must prove that they can re-claim Sri Lanka's magic of the last decade…the landslide election victory did not miraculously change the country's financial and economic situation overnight. See publication here.

Posted by Kurt Leo Davis on August 10, 2020

Restructuring American Foreign Policy

My latest considers some modest steps that a new administration might take to beneficially restructure the U.S. foreign policy apparatus;

Posted by Morgan D. Bazilian on August 09, 2020

The IC's Talent Management Issues in an AI/ML Environment

I posted a short piece on the talent management issues that need to be considered as the US Intelligence Community incorporates more artificial intelligence/machine learning into its analytic processes.

Posted by Joseph W. Gartin on August 09, 2020

AMERICAN OVERSIGHT

A New Approach to Help Americans Safeguard their Savings from Their Federal Government's Deteriorating Finances

A New Approach to Help Americans Safeguard their Savings From Their Federal Government's Deteriorating Finances Any major country threatening to default on its debt obligations, or one that closes down its federal government for more than one month as a tactic in budget negotiations is not operating at a level that inspires great confidence and respect. The American people deserve to...

Posted by Mitchell W. Hedstrom on August 09, 2020

Could the Poor Bank on Stablecoins? Discussion Prompts for Innovators, Regulators, and Consumers

Could the Poor Bank of Stablecoins? [Published on FinDevGateway.org] Emerging technology is driving optimism about building a more inclusive digital economy. Will one innovation—a digital asset known as stablecoins—expand access to financial services among the poor? To encourage further study and dialogue, this note explores five open questions about whether stablecoins could promote financial inclusion in lower- and middle-income countries...

Posted by F. Christopher Calabia on August 08, 2020

Commercial Space Development Bolsters U.S. National Security

When NASA astronauts Bob Behnken and Doug Hurley returned safely to Earth last weekend, America regained something we'd lost for almost a decade: our human spaceflight capability. This achievement reverberates far beyond just the success of their mission or the elation of space nerds everywhere. We witnessed the first commercial spacecraft in history carrying humans into orbit. As an early investor...

Posted by Laetitia Garriott de Cayeux on August 08, 2020

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Negotiating with Great Powers on Nuclear Arms

Frank Klotz, John Lauder, and I argue that China might be more open to nuclear arms discussions if they involved a broader set of negotiating partners, including France and the UK, and if a formal arms limitation treaty were not the immediate objective. Such a negotiation would take time and deft diplomacy. In the meantime, failure to extend New START...

Posted by William Courtney on August 08, 2020

Wage Work: The Foggy 2-Year Window

Friday's jobs report doesn't alter the near-term predicament of perhaps 30 million earners in the most affected U.S. industries: Where and how to find gainful Covid 19-era employment. My blog discusses:

Posted by Tim W. Ferguson on August 08, 2020

Brent Scowcroft (1925-2020)

Brent Scowcroft, CFR member since 1974, died on August 6, 2020, at the age of 95.

Posted by Council On Foreign Relations on August 06, 2020

Innovation Clusters in Mexico

For many Americans the narrative regarding Mexico is dominated by immigration, drugs and beaches. But a new story is developing. While cross-border production has been a key element of the US-Mexico narrative since the inception of NAFTA and will remain central to the relationship under USMCA, Mexican states and cities are also working to develop economies where innovation and startups...

AMERICAN OVERSIGHT
CFTC-22-0351-A-002295

Posted by R. Sean Randolph on August 06, 2020

Nuclear Decision-Making in Iran: Implications for US Nonproliferation Efforts

My Columbia University report on Iran's nuclear decision-making and implications for US nonproliferation efforts and future US-Iran nuclear talks. Read here

Posted by Ariane Mitra Tabatabai on August 06, 2020

An Examination of Race, Colonialism and Development - What's the Connection?

The recent killings of Ahmaud Arbery, Breonna Taylor, and George Floyd have shaken not only communities in the U.S. but also communities around the world. We are witnessing global acts of solidarity for racial justice through mass protests and demonstrations, awareness-raising and organization on social media, and advocacy for systemic change at an unprecedented scale. Equity and justice advocates demanded...

Posted by Jamila White on August 06, 2020

The Cipher Brief Interview of Norman Roule on Recent Turkish Moves in the Eastern Mediterranean

Are Gas Deposits in the Mediterranean Worth a War? A U G U S T 3 , 2 0 2 0 | N O R M A N R O U L E
The discovery of large gas deposits has refueled decades-old territorial disputes in the Mediterranean. In late July, Turkey announced it was dispatching a survey ship near a...

Posted by Norman Thomas Roule on August 06, 2020

AMERICAN OVERSIGHT

NSC Chief O'Brien presses U.S. interests in French capital

President Donald J. Trump cannot be everywhere at once. Last week, the president was represented in the French capital by the man they call APNSA: Assistant to the President for National Security Affairs Robert C. O'Brien. Trump and the American people should be proud: The NSC chief, on the job since Sept. 18, rekindled old friendships, asserted American interests, and made life increasingly miserable for...

Posted by Deroy Murdock on August 06, 2020

Columbia University Earth Institute Webinar: Rethinking Readiness

Please join us for the launch of Rethinking Readiness, by Jeff Schlegelmilch, which offers an expert introduction to human-made threats and vulnerabilities, with a focus on opportunities to reimagine how we approach disaster preparedness. Register. Introduction: - Ruth Defries, University Professor; Denning Family Professor of Sustainable Development in the Department of Ecology, Evolution and Environmental Biology Speakers: - Jeff Schlegelmilch...

Posted by Chloe Smiljana Demrovsky on August 06, 2020

COVID-19 Heats Up the New Great Game in Central Asia

Washington has a golden opportunity to counter China's gains. Read here...

Posted by Philip M. Caruso on August 06, 2020

AMERICAN OVERSIGHT

Our KennanX Podcast tackles the issue of Russia and Black Lives Matter:

Posted by Jill M. Dougherty on August 06, 2020

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NationalJournal

OUTSIDE INFLUENCES

Where regulators 'behave like adults'

By Jerry Hagstrom

Heath Tarbert was sworn in one year ago Wednesday as the chairman of the Commodity Futures Trading Commission. Like many heads of federal agencies, he's gotten quite a bit more than he bargained for during that time, as he's tried to navigate derivatives regulation, as well as commission leadership, in the midst of the coronavirus pandemic.

For starters, it means working from his home in Northwest D.C., beginning at 7 a.m. and ending at 9 p.m.—and being grateful for all the work he did in his first months on the job to get himself up to speed.

In a telephone interview on Tuesday, Tarbert said the CFTC has been telecommuting "nearly 100 percent" since mid-March, conducting meetings over the phone and online. That system, he said, has allowed the agency to continue to protect the integrity of financial markets and sanction firms and individuals for fraudulent activities—even though Tarbert says he always worries about potential volatility and defaults on contracts.

"During a crisis period, more communication is better than less," Tarbert said, noting that he has increased the number of meetings he holds with agency staff and the other four commissioners.

His day is so long, he said, because he needs to keep in touch with the other financial regulators in the U.S. government and with his counterparts overseas.

In some ways, he said, his efficiency has increased because there "are fewer distractions in the office," he doesn't need to commute, and he doesn't need "to fly to Basel," the Swiss city where so many international banking standard-setting meetings take place.

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Tarbert said he believes the agency's 700 longtime employees and 300 contractors have adjusted well to a new routine but, for new hires who have started working without ever being in the office, as well as for summer interns, "it's tough."

It would have been easy to cancel the summer-internship program, he said, but these college students had already lost so much he didn't want them to lose the internships too.

Before his presidential appointment to the CFTC, Tarbert was acting Treasury undersecretary for international affairs; a special counsel on the Senate Banking, Housing, and Urban Affairs Committee in 2009-10 when the Dodd-Frank Act was written; and a law clerk for Supreme Court Justice Clarence Thomas.

But chairing the CFTC, he said, "has been the most rewarding 12 months in my career. I've done a lot of unique and cool things."

That started with spending the first 100 days in office "making sure I got an understanding of what was going on."

Too many political appointees in Washington "take the 'ready, fire, aim' approach without taking the time to figure out what is going on," he said.

To avoid that mistake, he wrote a mission statement saying that the agency wants to protect the integrity of the futures markets without under-regulation or overregulation, and offering a statement of core values that includes "valuing diverse skill sets and backgrounds to achieve our mission"—an important point in a field that has been very white and very male.

Tarbert said he determined that even though the United States is going through "one of the most divisive political environments" and the commission by law has a mix of Republican and Democratic commissioners, "we are a technical agency" that should not be divisive on policy.

The CFTC, he said, should fulfill voters' expectation that officials in Washington "behave like adults."

When he was a Supreme Court clerk, he said, he observed each justice had his or her own views on cases that did not follow partisan lines, and he has aspired to "follow the values of the judiciary."

Financial futures dominate the industry, with cybersecurity and cryptocurrencies the hot issues. But Tarbert, a Baltimore native, visited farms, feedlots, and grain elevators in the Midwest because, he said, "the futures industry grew up through ag. If these markets aren't working for farmers and ranchers, they aren't working."

Tarbert had to cancel this year's CFTC ag meeting in Kansas City, but overall he has held 12 public meetings in the past year, more than the commission held in the last six years combined.

In the early weeks of the pandemic, ranchers were upset by market volatility and high consumer prices, so Tarbert appointed a Livestock Market Task Force and a liaison with the Agriculture Department.

He also convinced the White House and appropriators to increase the budget to implement the Dodd-Frank Act.

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The CFTC's Democratic commissioners have agreed with the Republicans on most of the 18 rules that have been issued this year, but they said Tarbert's proposed rule on limiting positions in the derivatives market to comply with the Dodd-Frank Act was not strict enough. The issue has vexed the commission for 10 years.

Tarbert said he's now going through public comments on position limits and talking with his fellow commissioners. Even if the Democratic commissioners don't vote for the final rule, he said, they will have been consulted.

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To: Tarbert, Heath P.(b)(6)
Cc: Short, Michael[MShort@CFTC.gov]
From: Millard, Rachel[/O=CFTC/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=A48CE74EDFF4483398848776CF965F81-MILLARD, RACHEL]
Sent: Thur 7/16/2020 1:11:24 PM (UTC)
Subject: National Journal: Where regulators 'behave like adults'

Where regulators 'behave like adults'

CFTC Chairman Heath Tarbert talks about increasing diversity, overcoming partisanship, and doing an international job from a home office.

By Jerry Hagstrom

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CFTC

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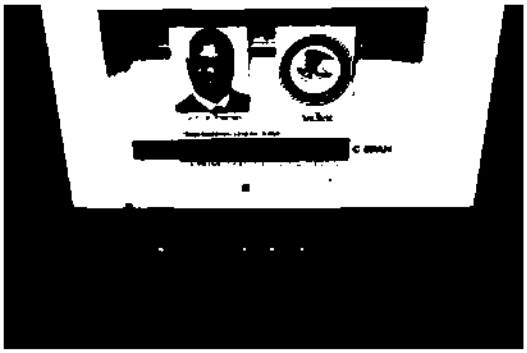
OPINION | REVIEW & OUTLOOK

Justice Thomas's Question Time

Telephone arguments aren't ideal, but here's a significant silver lining.

By *The Editorial Board*
May 4, 2020 6:16 pm ET



Associate Justice Clarence Thomas speaks during oral arguments before the Supreme Court in the case U.S. Patent and Trademark Office v. Booking.com as it is live streamed on a laptop, May 4.
PHOTO: DREW ANGERER/GETTY IMAGES

The Supreme Court heard oral argument by telephone for the first time Monday, with a real-time audio feed carried by C-Span. Almost as unprecedented: About seven minutes in, Justice Clarence Thomas piped up with "a couple of questions."

Justice Thomas's habit is to let his colleagues make the inquiries. He once went 10 years without posing a question at oral argument. Justice Thomas said in 2013 that Supreme Court advocates "get pummeled" these days: "I think we should listen to lawyers who are arguing their case."

But holding oral arguments by conference call has dampened the usual free for all. Presumably to avoid undecipherable crosstalk, the Justices are being given the floor by order of seniority. Chief Justice John Roberts went first and then called on each of his colleagues, beginning with Justice Thomas, whose 28-year tenure is the longest on today's bench.

Monday's case, *U.S. Patent and Trademark Office v. Booking.com*, was a relatively dry affair. Generic terms aren't eligible for trademark. That rule applies, the government says, to a business named Generic Co. or Generic Inc. But how about a web address, Generic.com, or possibly Booking.com ? Drawing an analogy, Justice Thomas asked the government's lawyer about vanity phone numbers like "1-800-PLUMBING, which is a registered mark."

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The subsequent two speakers built on his point. Justice Ruth Bader Ginsburg posed "a follow-up to Justice Thomas." Justice Stephen Breyer's opening words: "The same question as Justice Thomas's question." When the lawyer for Booking.com finally stepped into the batter's box, Justice Thomas had queries for her, too.

The Court has nine more virtual arguments scheduled in coming days. What a great chance for the public to witness the thoughtful Justice Thomas in action, so unlike the negative caricatures of him. The teleconference format is a little awkward, but there's a silver lining if it encourages the High Court's most resolute originalist to make his baritone voice heard.

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